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# Progress Report

An update from the Oregon Parks and Recreation Department  
Issue 8 // Winter 2006

## It began in 1998

In 1998, Oregon voters decided to dedicate Lottery money to state parks and natural resources, and the Parks and Natural Resource Fund was created. By constitutional amendment, 15% of net Oregon Lottery profits flow into the fund—half is used by the Oregon Parks and Recreation Department (OPRD), and Oregon Watershed Enhancement Board uses the other half.

Some of these funds are used to run basic agency programs (OPRD is funded mainly through camping and other visitor fees, recreational vehicle registrations, and lottery ... not general fund tax dollars). By and large, though, Lottery money is used for three purposes.

First, the largest share is used to repair and improve park facilities like campgrounds, trails, roads. The need to repair an aging park system was foremost on voters' minds in 1998, when the state faced closing dozens of state parks due to millions of dollars in maintenance projects left unfunded for decades. That is no longer the case, and we have been diligently bringing state park facilities back to the high standards set by Oregonians for their parks. The backlog has been reduced from \$120 million to less than \$50 million in the past seven years (see page 4).

Second, we understand Oregon communities need help funding their recreation and historic preservation needs. We use Lottery money to deliver grant dollars into the hands of cities, counties and regional governments, to the tune of more than \$20 million in aid so far (page 6).

Third, we acquire key property from willing sellers at market rates to create new parks for Oregon's growing population (page 8).

This report summarizes our progress in all three key areas. If you would like more details on projects and grants in your area, please contact me by phone, letter, email or in person.



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## Inside

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# Oregon has a strategy

The Oregon Parks and Recreation Department began receiving Lottery money in 1999, after Oregon voters overwhelmingly supported a 1998 ballot measure dedicating 15% of net Lottery profits to the Parks and Natural Resource Fund. The fund is evenly split between salmon restoration (as managed by the Oregon Watershed Enhancement Board) and state parks and heritage programs.

Before Oregonians voted for the ballot measure, the Oregon State Park and Recreation Commission—confronted by a park maintenance deficit that topped \$120 million—faced a grim task: close parks to balance the budget. User fees were the largest source of funds in 1998, followed by RV registration dollars and the state general tax fund (in that order).

Revenue from campers and other park visitors has increased slightly since 1998; general fund for state parks is zero; Lottery funds have grown substantially, and now make up the largest single source of revenue. As long as Lottery funds are available to OPRD (voters will decide whether or not to continue this Lottery funding in 2014), they represent a unique opportunity to overcome the daunting maintenance backlog challenge.

In 2000, the Oregon State Parks and Recreation Commission, recognizing the amount of work facing the department over the minimum 15-year span covered by Lottery funds, crafted eight general goals to guide the department's operations:

- Acquire properties that build upon the diversity and strength of our current system.
- Promote outdoor recreation in Oregon.
- Advance the principles of conservation and sustainability in land management, development and business practices.
- Preserve Oregon's rich cultural heritage and broaden public understanding of Oregon's historic places and events.
- Deliver world-class experiences to park visitors.
- Promote access to Oregon's beaches, trails and waterways.
- Provide varied, high-quality camping and other overnight experiences.
- Seek sufficient and stable operational and long-term funding.

*(From Target 2014: Goals and Strategies. For a copy, call 1-800-551-6949 or visit us online at <http://www.oregon.gov/OPRD/2014.shtml>)*

◀ Scene from dedication of Sunset Beach, a new state park opened in 2005.

Lottery-funded park and heritage projects across the state. ▶





To achieve these goals, Lottery funds pay for park repairs and improvements, grants to local communities, and additions to the park system. Using the goals as springboard, the Commission adopted a concrete strategy to focus Lottery funds in three key areas.

**First, Oregon voters approved Lottery funds for parks in large part due to the threat posed by unfunded maintenance projects.** Some facilities date back to the 1950s; many have served millions of visitors. The bill from unfunded maintenance projects totaled roughly \$120 million in 1998. Using Lottery funds, it is now less than \$50 million and will be reduced to \$0 by 2014.

**Second, counties, cities and towns rely on grants from the Oregon Parks and Recreation Department** to fund many local recreation and heritage-related projects. OPRD and citizen panels review applications from dozens of communities every year—and there are far more applicants than dollars—measuring proposals against needs defined in a wide range of state and regional plans. Tens of millions of Lottery dollars have flowed to Oregon communities as a result.

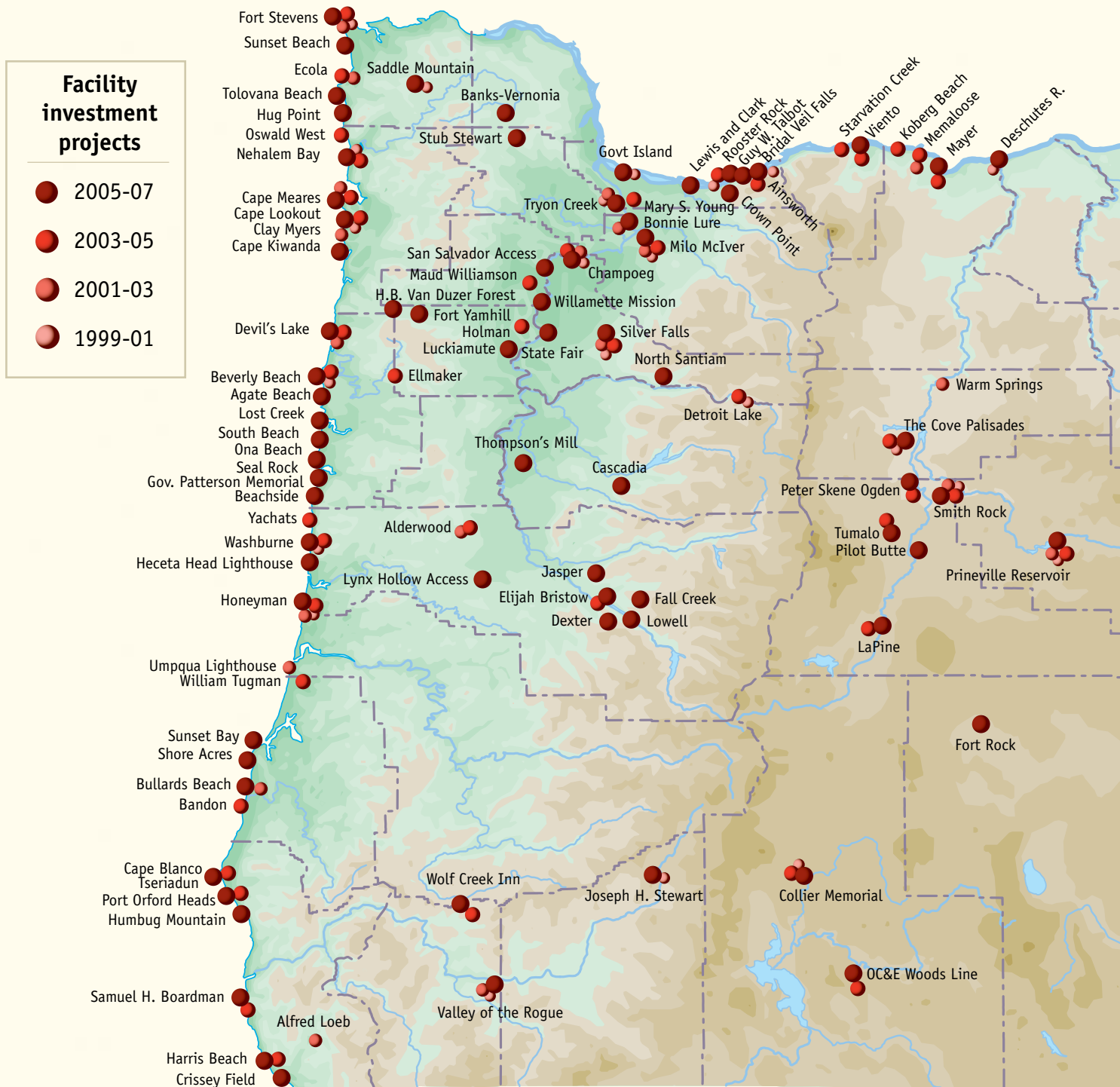
**Third, and most-far reaching, Oregon park and heritage programs face a mounting challenge from Oregon’s growing population.** People need places—for rest and excitement, for solace and challenge, to discover Oregon’s nature and history. OPRD invests Lottery dollars to make some places already managed by the state accessible to Oregonians. In other cases, new properties must be purchased to create new places for people to use. Thanks to Lottery funds, these places are purchased at market rates from willing sellers.

The amount of available Lottery funds will change over time. At the moment, it is increasing. As it increases, the investment in park repairs and improvements, community recreation and heritage grants, and additional parklands will also grow. ●



# Facility Investment

The Facility Investment Program includes eliminating the backlog of maintenance projects, improving parks so they operate more sustainably and economically, enhancing customer service, and protecting historic park resources.





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# Program

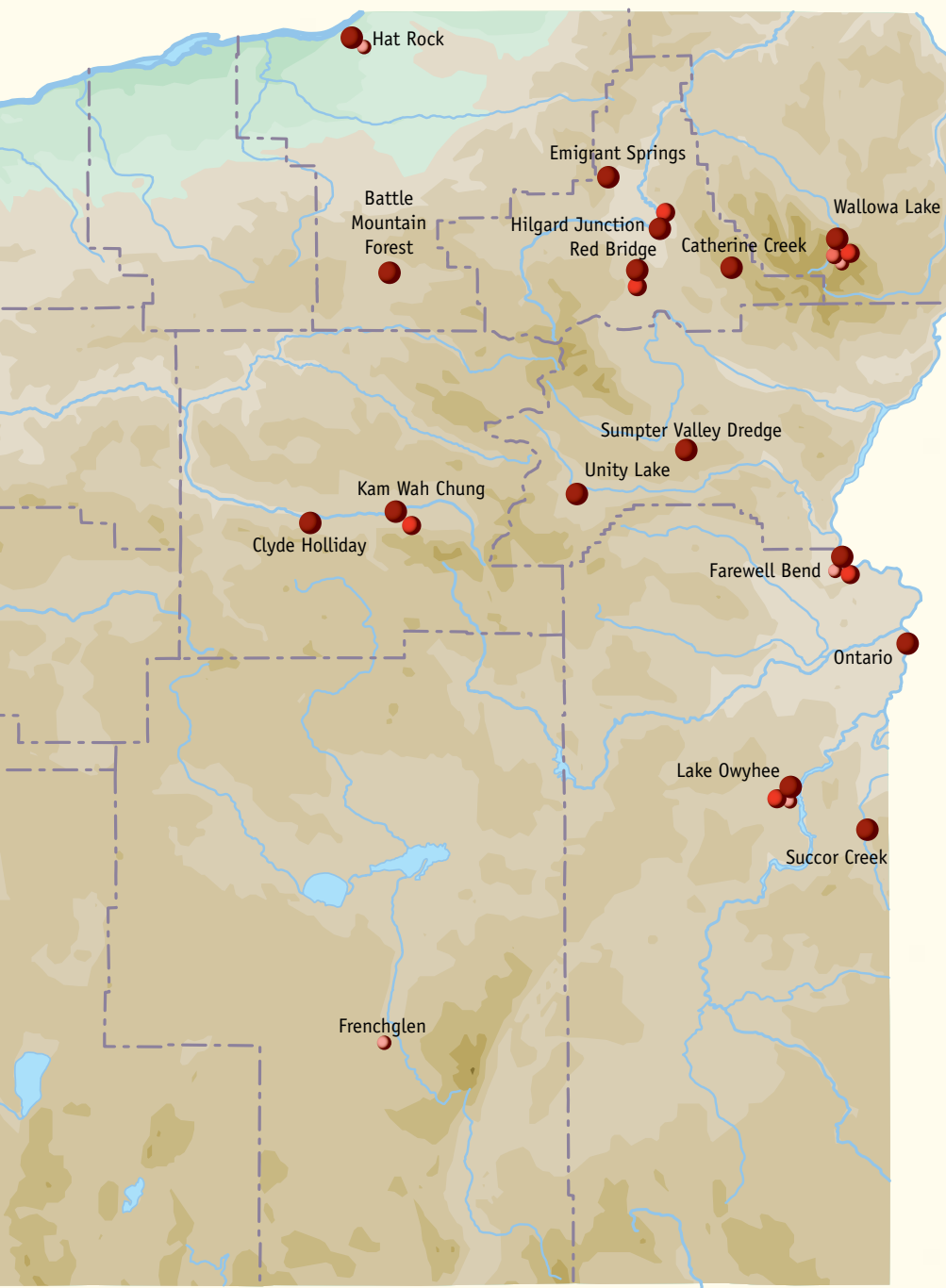
2005-07 park repair and enhancement budget: **\$28.6 million**

Estimated maintenance backlog in 1998: **\$120 million**

Current backlog estimate: **\$48 million**

Backlog goal by 2014: **\$0**

Projects launched since 1998: **812**



Milo McIver State Park boat ramp replaced



Shore Acres State Park entrance rebuilt



Wallowa Lake fish cleaning station created

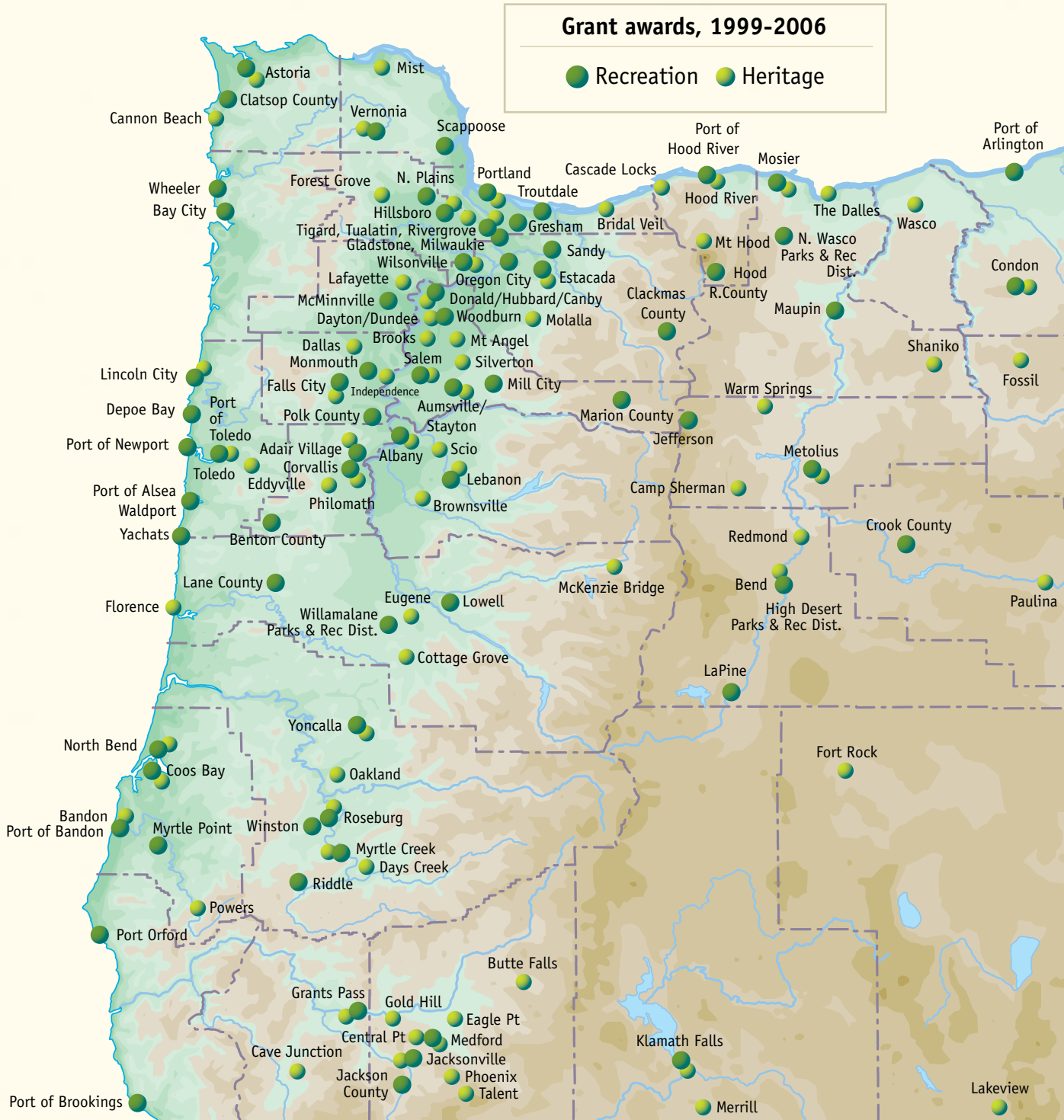




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# Grants to Oregon

Lottery-funded grants fall into two general categories: Recreation (through the Local Government Grants program) and Heritage (the Preserving Oregon and Historic Cemeteries Grants programs).



# Communities

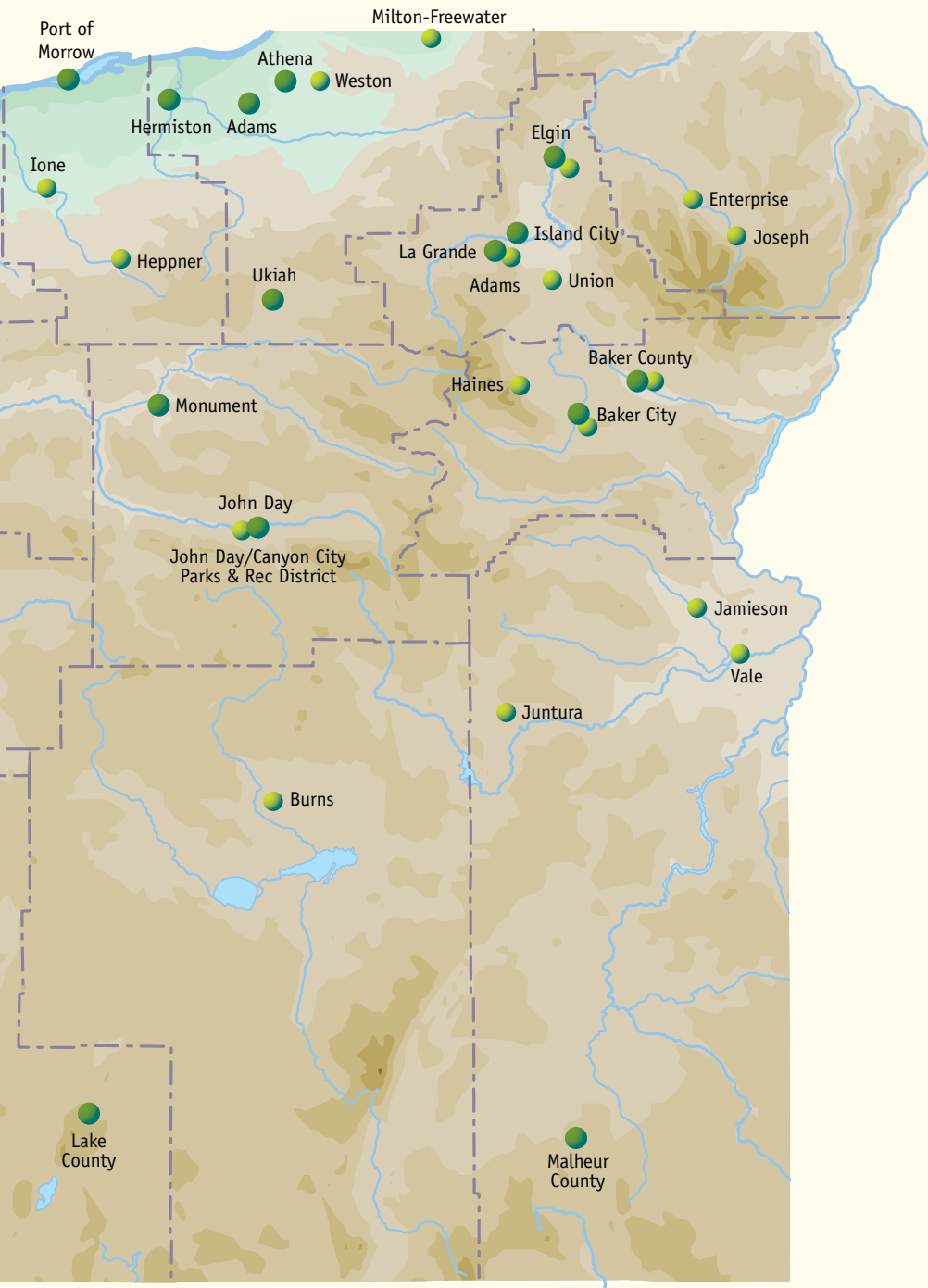
2005-07 grant budget: **\$9 million**

Total Lottery-funded grants awarded since 1999: **\$25.1 million**

Communities served: **More than 140**

Estimated economic benefit of local grants: **\$46.6 million\***

\*Not counting value of matching funds



# Preparing for Oregon's

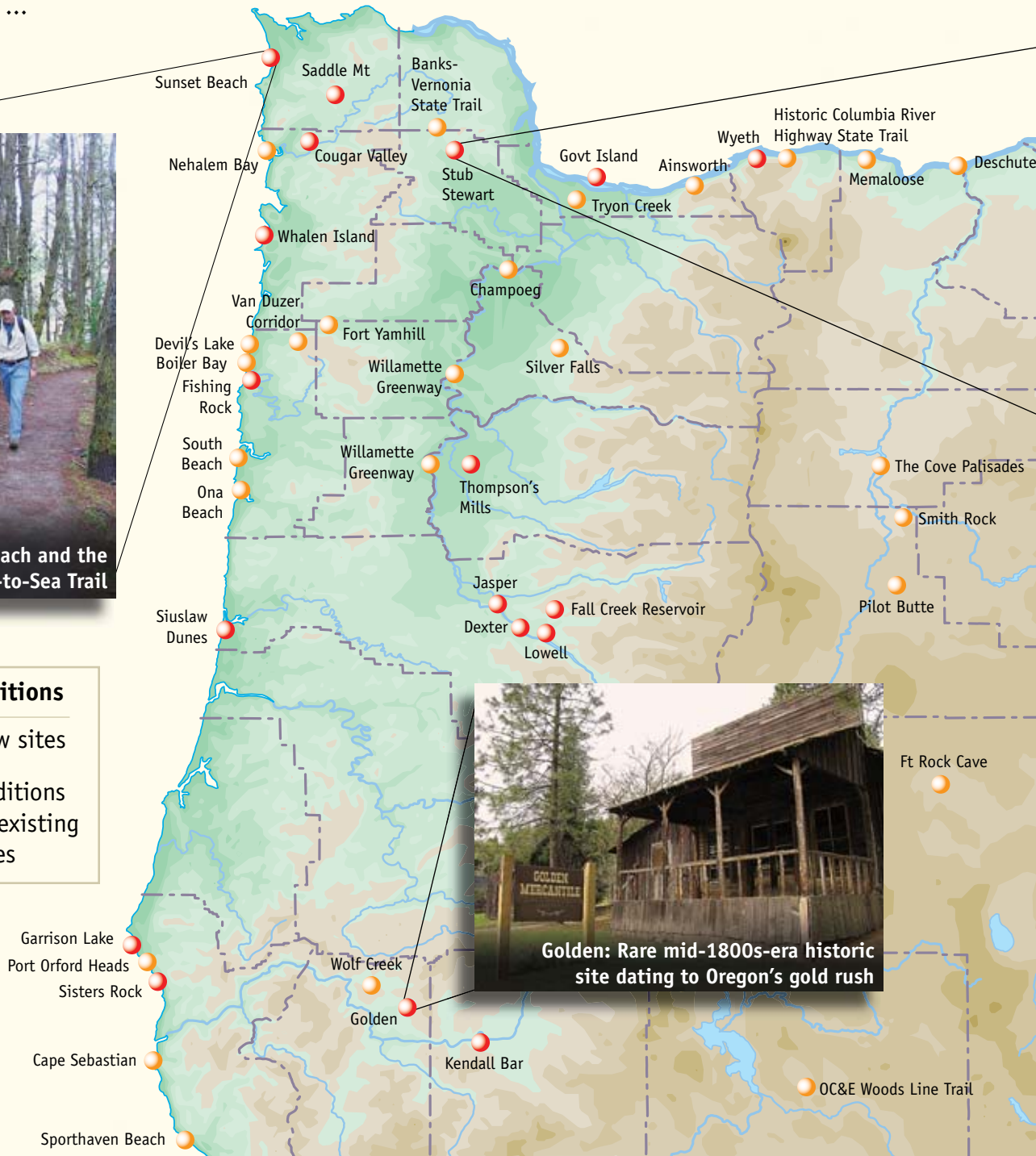
Lottery funds are invested in new recreation lands and preservation of Oregon's **historic resources**: Funds are set aside in every budget to work with willing sellers all over the state. By paying market rates for lands where recreation and heritage preservation needs are highest, the department is successfully planning for the future. Along with gifts, leases and other approaches, here's where the Oregon park and heritage system has grown since 1999 ...



Sunset Beach and the Lewis & Clark Fort-to-Sea Trail

**Acquisitions**

- New sites
- Additions to existing sites



Golden: Rare mid-1800s-era historic site dating to Oregon's gold rush





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# s Future

2005-07 acquisition budget: **\$7.5 million**

Invested since 1999: **\$22.6 million**

Total acreage added: **6,778 acres**

Other fund sources: **federal, private, other state agencies.**

**Stub Stewart State Park: first new full-service state park in decades (opening in 2007)**





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# Nothing is forever

In 1922, Sarah Helmick donated the very first park land to the people of Oregon. In the height of the baby-booming 1950s, Oregon grew a bumper crop of state park picnic areas, campgrounds and trails. Visitors? A total of 60,000 campers and 5.3 million day-trippers in 1952.

Today, 84 years after the first state park was created, the Oregon state park system is one of the busiest in the nation. 2004 brought 2.3 million campers and 41 million day visitors. This constant flow of people over a much-loved landscape takes its toll.

Like the ocean's steady assault on rocky headlands, people can wear down campgrounds and picnic areas. Roofs, walls, paint, water and sewer, campsites, roads, trails, tables ... nothing is immune. In the 1990s, funding from user revenue and other sources was barely enough to keep the doors open, let alone address the effects of age on decades-old parks.

Lottery funding, approved by Oregon voters in 1998, changed that. A \$120 million dollar maintenance bill has been whittled down to \$48 million, and will be gone by 2014.

In 2014, voters will again take up the question of Lottery funding for state parks. Oregonians deserve a park system resistant to failure due

to the cost of maintenance. But how to create it? One answer: think like a renter.

Anything OPRD builds or buys for the park system designed to last more than a few years (like roads, trails and restrooms, but not toilet paper, thumbtacks and brochures), has a life span. Eventually, every facility will die. Kept in good health, it will enjoy a long life. Much like a person, investments in health care today can prolong its life.

For a building, keep the paint in good shape, re-roof when the time comes, and the most costly parts of the structure — the walls, beams and supports — will live longer.

Having the money to keep up with maintenance *as it's needed* is the key. As a renter, you make small payments over a long period of time. Setting aside some money every year, based on a percentage of the total cost to replace a building, is the industry-accepted way to fund maintenance and eventual replacement.

To create a park system protected from the draining effects of unfunded repairs, OPRD must set aside reserves to pay for regular, preventive maintenance.

As the landlord, you dedicate yourself to spending the money when a facility can most benefit from the repairs and improvements. You need to know what you own, what condition it's in, how it ages, and what it needs to stay healthy.



OPRD is preparing a new program—the Hub Project—to create a park system protected from the dangerous burden of unfunded maintenance costs. The system will take time to build, but will be composed of two basic parts:

**A complete inventory of assets that require maintenance.** As facilities reach certain points in their lives, they need different kinds of care (check your car's service manual, and note how there are different times you need an oil change or fuel system service ... then apply the same thinking to a system of 200-plus parks). The Hub Project will create a central tracking system to identify maintenance needs as they occur (and the Hub is much more—see sidebar).

**A maintenance fund.** Ideally, this fund should be equal to 3% of the total replacement value of all facilities. The department does have funds of this type for some but not all facilities, and they do not reach this 3% target. OPRD proposes to begin adding to the existing maintenance funds in 2007 and continue building the amount until it reaches the minimum level.

Lottery funds are used to catch up with repairs left undone for too long, but saving money to pay for ongoing maintenance over the long haul will come from park visitor fees. New facilities funded by Lottery revenue are, however, built with three criteria in mind: long life, low-cost operation and ease of maintenance.

For information on the new preventive maintenance proposals, contact OPRD's Assistant Director for Operations, Dave Wright (503-986-0729, [dave.wright@state.or.us](mailto:dave.wright@state.or.us)).

## The Hub Project

### What it is

Centrally-managed state park land, facility and project management system.

### Main services

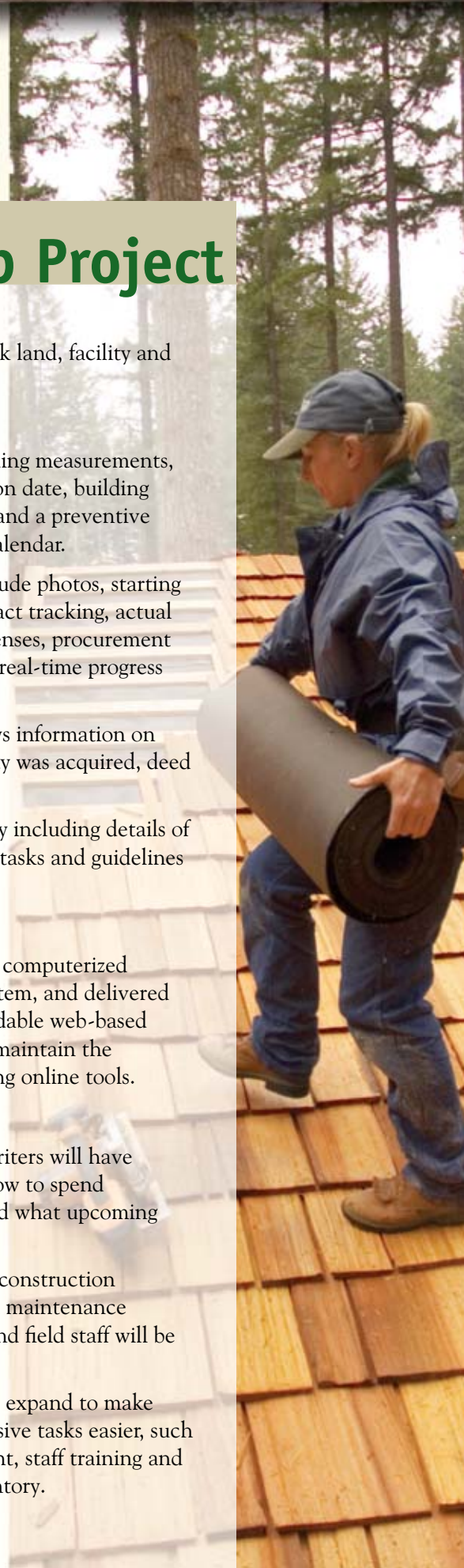
- Facility data shows building measurements, original cost, construction date, building materials, aerial photos and a preventive maintenance tracking calendar.
- Project descriptions include photos, starting and closing dates, contract tracking, actual costs and projected expenses, procurement contracts involved, and real-time progress reports.
- A land inventory displays information on when and how a property was acquired, deed restrictions and acreage.
- A maintenance summary including details of scheduled maintenance tasks and guidelines on what to do.

### How it works

Information is managed in a computerized Geographic Information System, and delivered to staff using standard, affordable web-based technology. Front-line staff maintain the information using time-saving online tools.

### Key benefits

- Managers and budget-writers will have a solid idea when and how to spend maintenance money, and what upcoming expenses will be.
- Communications about construction projects, purchasing and maintenance between central office and field staff will be accurate and timely.
- The Hub will eventually expand to make other information-intensive tasks easier, such as volunteer management, staff training and archaeological site inventory.





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## **The Oregon State Parks and Recreation Commission**

**Bill Gregory, Chair, West of the Coast Range**

Sharon Rudi, East of the Cascades

James Parr, Congressional District 1

Brad Chalfant, Congressional District 2

Nik Blosser, Vice-Chair, Congressional District 3

Sue Musser, Congressional District 4

Jim Brown, Congressional District 5

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