

House Bill 3515: A Small Governance Change Means Big Possibilities for Portland's Parks

The problem:

Although Portlanders love their parks and value critical park services that improve public health and can help reduce the impacts of climate change, Portland needs more flexible and stable funding tools to adequately fund parks and recreation. Meanwhile, Portland's general fund dollars are more and more needed to address crises like homelessness, gun violence, mental illness, and other urgent issues, which leaves parks competing for increasingly scarce resources.

Park and recreation districts can be an effective governance option to provide critical park and recreation services, but they are limited in being an effective option for Portland because a city council is not allowed to be the governing body under current Oregon State Statute district language.

The proposed solution:

Currently, under the park and recreation district statute, if a district is formed within a county boundary, it can be governed by a county commission or an independently elected governing body. HB 3515 would amend ORS 266 to allow for a city governance option for a park and recreation special district in cities with populations over 600,000. Formation of a park and recreation district provides for government accountability to voters to provide park and recreation services.

Does this bill create a new park and recreation district?

No, this bill does not create a new park and recreation district.

Does this bill raise taxes?

No, this bill does not raise taxes. Any future park and recreation district, whether governed by a city council, or by a county commission or independently elected body as currently allowed in the statutes, could raise their own taxes or other revenues with voter approval.

How would a future park and recreation district be funded?

HB 3515 does not dictate any specific revenue structure. Revenue structures already available to park and recreation districts could be considered by any future voters enacting a future district, and the Portland City Council would evaluate those revenue options using the City's existing practices for community input.

Do park and recreation districts with permanent property tax rates cause compression to other local jurisdictions. Are there compression impacts from this bill?

This bill only changes the Oregon State Statute to allow for the option for city governance of parks and recreation district in cities with population over 600,000, with the approval of the county in which the majority of their territory lies if the district formation ballot measure includes a permanent rate for operating taxes for the district. A park and recreation district can establish its own revenue measures, and those with a permanent property tax rate cause compression, but other tax or fee options like capital General Obligation Bonds, income, or other taxes and fees do not.



Are there any examples of other states that allow city governance of park and recreation districts?

Yes, something similar is allowed in Washington State Statute. Washington legislators passed a bill in 2002 allowing for park and recreation district governance by a city council, when a district was formed that was within a city boundary. Seattle voters passed a Seattle Park District in 2014 utilizing that governance option.

Would this impact any existing park and recreation districts in Oregon?

No, this bill does not remove any of the eligible governance options utilized by existing park and recreation districts in Oregon, it adds a new city governance option for cities over 600,000 with the approval of the county in which the majority of the city lies if the proposed district ballot measure included a permanent rate for operating taxes for the district.

If a future park and recreation district was created utilizing the city governance option or existing governance options already available in the statutes, are there ways compression impacts could be mitigated?

Yes, discussion could occur between the prospective district and any impacted local governments about strategies to mitigate for compression impact. Compression could occur for any districts formed under any governance option, including the governance options already available in the statutes, and this additional proposed city governance option. Any future park and recreation district formed using this, or existing governance options, would need to be approved by voters.

If a future district was created in Portland, shouldn't the City already just be providing the park and recreation services?

With this legislative change, a district could be formed to provide enhanced services above and beyond the service levels provided by local government. Examples might include higher maintenance levels, lower cost or free access to programming, or tree maintenance. Seattle's park and recreation district model generally follows the latter example, providing service levels above what could be provided with Seattle's general fund base. Voters have direct accountability from their local city government for services expected under their park and recreation district.

We can all agree that parks and recreation are foundational to our social fabric. HB 3515 will give Portland another tool to help provide every Portlander with critical park services.

Endorsed by: