

An Evaluation of Economic & Community Impacts

Centennial Park Expansion Project, Englewood, Colorado

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INTRODUCTION

The City of Englewood, Colorado, a first-ring metropolitan Denver suburb, is expanding its popular Centennial Park through acquisition and development of an adjacent 9.4 acre former landfill site. The expanded park straddles the South Platte River at Union Boulevard in the southern portion of the “South Santa Fe Corridor.”

The City initiated the Centennial Park expansion in response to citizens’ emotionally charged outcry in opposition to a proposed waste transfer station on the site. Rather than further an image as an “old industrial town”, community members recognized the significance of transforming this environmentally challenged property into a regional park amenity to improve the quality of life for residents, leverage long-term economic strength for the business community, and provide a catalyst for additional redevelopment along the South Platte River. To address this challenge, City leaders utilized private-, public-, and quasi-public financial partnerships. Importantly, the City worked cooperatively with local and state environmental regulators to identify and overcome significant environmental concerns.

A Community in Transition

The former landfill site is both a remnant of the City’s industrial history and a catalyst in reclaiming the South Platte River as an important community asset. During earlier times, industrial operations located along the river to access water for operations and to discharge wastes. Nearby residential construction provided housing for workers. Over time, riverbanks became lined with landfills, junkyards, asphalt and cement batch

plants, and other odious uses that impact those residential neighborhoods and hinder economic development efforts.

Economic shifts favoring services rather than manufacturing industries, combined with improvements in transportation and telecommunications, have enabled greater mobility in economic activity. Businesses no longer need to locate near the “river.” For example, in Chattanooga, Tennessee, residents began to leave the city, a workforce exodus taking with them the tax base that had supported police, sanitation, road repair, and other municipal services. Departing residents explained that they were moving to cleaner, greener, and safer neighborhoods.

Corporate CEOs say quality of life for employees is the third-most important factor in locating a business, along with access to markets and availability of skilled labor.¹ Chattanooga successfully addressed its workforce issues, citing the construction of parks, trails and open space as a major factor in a strong economic revival. While Englewood is not experiencing a visible, rapid exodus of people and businesses, it is proactively updating itself to meet modern economic and social demands. Englewood’s Centennial Park expansion is a positive step toward recovering a significant stretch of the South Platte River as a community asset.

Project Description

The Centennial Park expansion will transform an adjacent 9.4 acre former landfill site into multi-use public space. The project will include a Rockies Youth Field of Dreams baseball field,² a softball field, soccer field, trail connections to the Mary Carter greenway, expanded access to the South Platte River kayak chutes, restrooms,

and a picnic pavilion. The \$2.4 million expansion involves contributions from both public and private interests. The Colorado Lottery, All Souls Catholic School, the City of Englewood, and the Colorado Rockies' Youth Field of Dreams program have all provided funding for site acquisition and construction.

Much of this site was once used as a landfill. A \$20,000 U.S. EPA Brownfields Pilot grant was used to conduct environmental assessments for acquisition due diligence³. After site investigation and analysis it was determined that the proposed use necessitated the construction of a methane venting system and the installation of a clay cap over the site. This expensive proposition threatened to stall development indefinitely. A \$705,000 Colorado Brownfields Revolving Loan Fund⁴ ("CBRLF") loan to pay for these environmental engineering solutions has been instrumental in accelerating site development from a visionary goal to a community asset opening to the public this year.

ECONOMIC, COMMUNITY, AND ENVIRONMENTAL IMPACTS

The Centennial Park expansion will generate benefits through various mechanisms.

Direct Economic Impacts

Direct economic impacts include the initial investment in developing the site, and revenue generating park activities. The expanded park will have a regional draw, attracting players, parents and other visitors from around the larger metropolitan area.

The initial investment contributes \$1,390,000 in direct economic impacts:

- \$729,000 to local environmental consultants for assessment and remediation work; and
- \$661,000 to local construction contractors for construction of the park.

Based on projected field use provided by the Rockies' Youth Foundation, Englewood Parks and Recreation, Englewood High School and All

Souls Catholic School, it is estimated that there will be three to ten games per week at each field (baseball, softball, soccer) during the spring, summer and fall season. This amounts to an estimated 450 players and spectators each week, or 1,800 each month. During the seven month recreation season more than 12,500 visitors could potentially use or visit the Centennial baseball, softball and soccer fields. If each visitor averages \$5 in athletic fees and concessions, annual economic impacts would total an additional \$62,500 annually.

Athletic league fees and concession sales will be the only revenue generating activity directly associated with the park. Fiscally, it is anticipated that park operations will break-even with revenues just covering park maintenance costs.

Indirect Economic Impacts

Improved Business Climate

Accumulating evidence indicates economic growth occurs where there is a high quality of life and that green space is an investment that produces long-term economic benefits. A survey shows that Colorado based economic development professionals generally agree that parks and recreational amenities improve a location's economic development potential and overall business climate.⁵

People are interested in living where there is a high quality of life and businesses are interested in locating in an area that has an available workforce. A recent study found that owners of small companies ranked recreation, parks, and open space as the highest priority in choosing a new location for their business.⁶ Colorado economic development professionals report that businesses considering "business park locations" are quick to ask about nearby running, hiking and biking trails. Similarly, a national study of real estate professionals calls livability "a litmus test for determining the strength of the real estate investment market... If people want to live in a place, companies, stores, hotels, and apartments will follow⁷."

Business investment stimulated by park and open space development has occurred in many areas across the nation. In the Chattanooga example, local government, businesses, and community groups banded together to invest in open space acquisitions and park construction to improve their business climate. In the eight years between 1988 and 1996 the number of businesses and full-time jobs in Chattanooga's targeted district more than doubled, and assessed property values increased 127 percent. Over the same period, the annual combined city and county property tax revenues increased 99 percent.⁸

Parks and open space can indirectly play a role in providing workers with attractive nearby housing, thus facilitating workforce development. For example, in Atlanta Georgia, local businesspeople are helping to raise money for a greenway park. Commenting on this effort, Atlanta real estate developer Bruce Gunter says, "The whole point is to try to keep the middle-class families that are living there and to attract others. The park will be a real anchor for an in-town middle class."⁹ A recent study funded by Englewood's Community Development Department shows median home prices to be well below what Englewood jobs could support—the implication is that higher wage workers at jobs located in the City commute from residences outside of the City. Increasing Centennial Park's size, presence and recreational opportunities will provide an amenity to nearby residential neighborhoods, making them more attractive.

Increased Property Values

A boost in nearby property values are anticipated in response to the improved Centennial Park. Such value increases have been well documented in other areas.¹⁰ Proximity to parks in urban areas has been shown to account for up to 15-20% of residential property value according to the National Association of Homebuilders.¹¹ Increased property values benefit both property owners and local government property tax revenue

collections. Increased home equity can enable reinvestment in the housing stock, thereby "priming the pump" for housing upgrades and neighborhood gentrification.

Local Business Development

Another potential indirect economic benefit is recreation-related business growth. An increase in park-related activity can invigorate local sporting good, outdoor recreation equipment and restaurant related businesses. The increase in visitor traffic to the park will provide additional market exposure to all commercial businesses in the area.

Community Impacts

Improved Youth Athletic Programs

Local athletic leagues and teams will take full advantage of the new baseball, softball and soccer fields. The addition of a lighted baseball and softball field will provide evening game time, which is vital to growing sports participation. The Englewood Parks and Recreation youth softball program has tested the popularity of evening games with it's 11-12 year old and 13-15 year old teams. During the last softball season, team games were moved from the day to the evening and participation doubled. By extrapolation, youth program participation can be expected to double from about 375 participants to 750 when the Centennial Park fields are open and available for evening games.

Both Englewood High School and All Souls Catholic School will take advantage of the superior quality of the new fields. Currently, both schools' girls softball teams and boys baseball teams use the same unlit field for practice and games resulting in scheduling conflicts. Evening games at Centennial Park's lighted fields will overcome scheduling issues, better enable parents to watch games, and result in increased high school fundraising opportunities through concession sales.

Neighborhood Beautification

The City’s Comprehensive Plan goals include increasing recreational and open space amenities for its residents. By adding playing fields and trail linkages, the Centennial Park expansion will not only help the City realize its parks and recreation expansion goals, but also create a significant community asset.

The aesthetic value of the neighborhood and river corridor is enhanced through the clean up and conversion from a vacant, unkempt industrial site, to landscaped, usable park space. Instead of an eyesore, there will be an attractive recreation destination that will improve the community’s image as a place to work and live, and be a successful example for continued park and open space development along the entire South Platte River corridor.

Environmental Impacts

Given the site’s location, park development is a logical use that enabled the City, working through Colorado’s Voluntary Cleanup Program, to cost-effectively address environmental concerns.

Reduced Environmental Risks

Environmental conditions at the former landfill were investigated and tested during site acquisition and development of the Park. While no immediate health or environmental risks were discovered, a clay cap was installed over the landfill to eliminate future risks to the South Platte River. The clay cap will mitigate any water run off and protect the surrounding environment from unexpected contamination.

Support For Regional Planning Efforts

Cleanup and development of the Centennial Park site will be a step toward improving the overall South Platte River corridor. The Denver Regional Council of Governments (DRCOG) provides a regional vision for parks and open space in its *MetroVision 2020* regional planning document. The South Platte River is recognized as an important regional resource that provides green space and pedestrian/bicycle linkages throughout the Denver metropolitan area. The regional vision for the South Platte River corridor is to transition from its current industrial uses to a clean open space corridor that provides many recreational opportunities for metro area residents. The Centennial Park expansion has the potential to be a catalyst site for corridor transition.

SUMMARY

Intuitively, park space provides many social and economic benefits to a community. The Centennial Park expansion project has injected over \$1.3 million into the local economy during its development. Other anticipated benefits include increased property values, local business development, improved youth athletic programs, neighborhood beautification, and reduced environmental risks. Additionally, the Centennial Park expansion can be a catalyst site in support of regional open space planning for the larger metropolitan area.

By expanding Centennial Park, The City of Englewood, along with its financial and regulatory partners, overcame significant environmental hurdles to transform a former landfill into an important community and regional asset.

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¹ National Park Service, Rivers, Trails and Conservation Assistance Program, Economic Impacts of Protecting Rivers, Trails, and Greenway Corridors, 4th Edition, 1995.

² Colorado Rockies' professional baseball team member Brent Mayne is sponsoring the field through the Rockies Youth Field of Dreams program, contributing a portion of his salary to be matched by the McCormick Foundation. Under the program, which began in 1995, fields are named after the Rockies player who agrees to serve as the field sponsor.

³ The City of Englewood received a U.S. Environmental Protection Agency Brownfields Pilot Grant in 1997.

⁴ The Colorado Brownfields Revolving Loan Fund is capitalized with U.S. Environmental Protection Agency federal grant monies and is administered on behalf of the State of Colorado by the Colorado Housing and Finance Authority (CHFA).

⁵ Survey respondents report that individual business prospects may or may not explicitly consider parks, open space and recreational amenities in their site selection criteria, and often such amenities are considered only as secondary factors. However, the economic developers responding unanimously consider such amenities implicitly improve the overall business climate and attractiveness of locales, Source: Development Research Partners, March 2001.

⁶ John L. Crompton, Lisa L. Love, and Thomas A. More, An Empirical Study of the Role of Recreation, Parks and Open Space in Companies' (Re) Location Decisions, Journal of Park and Recreation Administration, (1997).

⁷ ERE Yarmouth and Real Estate Research Corporation, Defining New Limits: Emerging Trends in Real Estate, 1998.

⁸ Statistics from Chattanooga News Bureau and Hamilton County, Tennessee, tax assessor.

⁹ Interview reported in The Trust for Public Land's Economic Benefits Report.

¹⁰ In Salem, Oregon, land adjacent to a greenbelt was found to be worth about \$1,200 an acre more than land only 1,000 feet away. In Seattle, Washington, homes bordering the 12-mile Burke Gilman trail sold for 6 percent more than other houses of comparable size. In Oakland, California, a three-mile greenbelt around Lake Merritt, near the city center, was found to add \$41 million to surrounding property values (Elizabeth Brabec, On the Value of Open Spaces, Scenic America, Technical Information Series, Vol. 1, No.2, 1992).

¹¹ Reported in The Trust for Public Land's Economic Benefits Report.