



CITY MANAGER'S OFFICE

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Public Safety for the State Capitol District

Oregon's State Capitol serves as the center for Oregon's civic engagement. Our democracy depends upon citizen participation. Civic engagement strengthens our democracy and promotes social justice. When people are politically engaged, they can influence policy decisions that shape their lives. The State Capitol and Mall provide direct access to Oregon's Legislators and a welcoming platform for civic engagement.

The City of Salem provides public safety services to the State Capitol and all other State facilities within our community, working to keep people and property safe from harm.

Salem's Fire, Emergency Medical Services, and Police respond to emergencies where people or property are in danger from fire, physical threat, or experiencing a health emergency. Salem welcomes civic engagement and preserves safety for all, as planned or spontaneous activities often spill over to adjacent streets and neighborhoods.

Funding Public Safety in Oregon. In Oregon, property taxes are the primary funding source for public safety services provided by cities. ***For local area residents and businesses, property tax payments function like insurance. We pay property taxes and expect that police, fire, and emergency medical service will be provided to us in our time of need.*** Property taxes are levied against the assessed value of properties and pay for a portion of fire and emergency services, police response, and other community programs like parks and recreation, libraries and community services.

Not-for-profit organizations and other governmental entities are exempt from paying property taxes. These groups receive police, fire, and emergency medical service when they call for help. In Oregon, a handful of cities – including Salem – have concentrations of public facilities within their boundaries.

What Makes Salem Different. Other cities with concentrations of public facilities within their boundaries, like Eugene and Corvallis, are home to different types of uses than Salem's public facilities. University campuses cater to a different population, with different needs for public safety services, and a different and dedicated funding source for those services. Students and their families support public safety services and basic health care through campus fees and other funding support.

Salem is home to a concentration of State hospital and prison facilities. There is no other funding support available to providing fire or emergency medical support to these facilities.

In Salem

- **Property tax revenues only cover 77% of the cost to provide Police and Fire services to the State Capitol District and our community.** In Salem, property tax revenues for Fiscal Year

EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Women, minorities, and disabled are encouraged to apply • ADA Accommodations will be provided upon request

2025 are budgeted for \$87,826,740. These funds are deposited into the City's General Fund and cover 46% of General Fund expenses. Within the General Fund, Fire represents 27% of the total budget and Police represents 32%.

- **Funds for public safety are further constrained by the loss of at least \$7.25 million in property taxes each year due to prevalence of State government buildings and facilities, to which we provide emergency services.**
 - Some properties are exempt from property taxes. In the 2022 tax year, ***all exempt properties in Salem represent \$5.5 billion in Real Market Value (RMV)***¹, or the value a property may expect at point of sale.
 - In Salem, the largest non-City exempt property presence is the State of Oregon. As the state capital of Oregon, the concentration of state-owned properties requires public safety services to be effectively subsidized by other taxpayers.
 - State-owned properties represent approximately 8% of the area within the City limits and \$1.65 billion in real market value – or \$1.26 billion in estimated assessed valuation (2022).
 - **If the State-owned properties were on the tax rolls, the State would pay about \$7.25 million annually.**
- **Direct funding support for public safety services at the State Capitol District would ensure continued public safety services to this critical facility of statewide importance**
 - In other communities, an annual payment from an exempt property holder to the municipality can help to pay for the services that property taxes would have been paid. One example is the City of Olympia, Washington. Through an Intergovernmental Agreement (IGA) with the State of Washington Department of Enterprise Services, Olympia will receive \$1.76 million in fiscal year 2025 for fire service to the State-owned buildings.

A solution for Oregon's Capitol District

State-owned properties represent approximately 8% of the area within the City limits and at least \$1.65 billion in real market value, or \$1.26 billion in assessed valuation (2022). **The approximate amount – if the State-owned properties were on the tax rolls – would be \$7.25 million annually. Without additional financial support from everyone in our community, we will be reducing Fire, Emergency Response, and Police Services, severely reducing hours or closing public buildings which are more than a library or a center for older adults, and unable to support our most vulnerable residents, when they need us most.**

Legislative Intent

- ORS 276.054 cites the special relationship between the City of Salem and State of Oregon facilities. "A special relationship exists between the City of Salem, Oregon's capitol, and state government. State lands and buildings and the functions of state government have a significant impact on the City of Salem."
- ORS 276.250 allows for agreement with City of Salem for water and fire protection. "The Oregon Department of Administrative Services may enter into an agreement with the City

¹ Public property is not assessed in the same manner as private property. In the case of public property, Real Market Value is used to derive the approximate assessed valuation and estimates of property tax loss.

of Salem for the furnishing of water and fire protection services to all state buildings in the vicinity of Salem. The rates and terms provided therein shall be equitable and shall not be higher than existing costs of the same amount of water to the state.”]

Our Ask: Actively support creation of a Capitol District and funding it on an ongoing basis to offset the impacts of providing public safety services to the Capital District and other state-owned property in the city.

Other Considerations

- ***Salem Police support for civic engagement at the State Capitol area*** is estimated to cost between \$10,000 to \$15,000 on average, and more than \$20,000 per event that spills out into our community. As home to the State Capitol, Salem Police are specially trained to support these engagements and are one of three with this type of training in Oregon. The direct cost of these events is not recuperated. Staff are often called out to support events on overtime. Other costs to Salem from these events include time planning and coordinating our response in advance, monitor conditions leading up to an event, assign officers to these events (at an opportunity cost of not responding to other, emergent needs throughout our community), finalizing event reports and after action, and the wear and tear on gear and equipment. For context, the entire Salem Police Patrol training budget is \$12,000 per year.
- ***Salem Fire stations surround the Capitol District area, ready to serve.*** While Fire Station 1 is often viewed as the closest fire resource, Fire Stations 2, 4, 6, and 10 are positioned to respond to State facilities 24/7/365. If an active incident pulls some fire resources in one direction, we can bring another fire resource online to respond to the need in life-saving time. Fire Station 4 is ideally staffed for the State Capitol District's needs and has the appropriate Engine and Ladder company equipment to best meet demands. Based on personnel expenses alone, it costs Salem area property owners **\$7,786,344** annually to operate, including \$1,360,328 for Battalion Chiefs, \$2,220,488 for Captains, \$2,168,384 for Engineers, and \$2,037,144 for Firefighters.

However, even with these resources, these two units alone do not meet **NFPA standards** to operate in an **interior attack mode** unless it is a rescue situation where there is an imminent threat to life. If there were another fire at the Capitol, we would need additional manpower and apparatus to effectively fight the fire and ensure firefighter safety. Beyond personnel, the cost of maintaining and replacing essential apparatus must also be considered. A **ladder truck** costs approximately **\$1.1 million**, a **fire truck** costs **\$850,000**, and a **Battalion Chief vehicle** costs **\$100,000**. These costs represent critical investments in ensuring our readiness when the bell goes off.

To put this into perspective, it costs approximately **\$2,808,980** to fully staff just **one** engine 24/7/365. This investment in personnel and equipment ensures that when an emergency arises, we have the resources necessary to respond effectively, protect lives and property, and meet the growing needs of the community.