



## Celebrating 25 Years of the Keystone Fund

### TALKING POINTS

The Keystone Recreation, Park and Conservation Fund (Keystone Fund) was created in 1993 by the PA legislature by a vote of 48-0 in the Senate and 196-3 in the House. This dedicated fund, and the complementary Environmental Stewardship Fund, have provided the core funding for conservation and recreation in PA and have built a legacy of success in every county and more than ½ of Pennsylvania's communities. These successes include:

- 300+ trail projects for walking, bicycling, and transportation uses
- Conservation of more than 161,000 acres of open space for county and municipal parks, critical habitat protection, protection of rivers and streams, and other uses
- 3,000+ community park rehabilitation and development projects including ballfields, playgrounds, pools, picnic areas and recreation centers
- Hundreds of improvements to Pennsylvania's award-winning State Parks and Forests including construction and rehabilitation of restrooms, parking lots, roads, bridges, visitors' centers, sewage treatment and other facilities
- 570+ historic preservation projects in 65 counties
- 365+ library projects to build new facilities, renovate older buildings, and improve accessibility and safety

### **The Keystone Fund has helped make Pennsylvania:**

- The 5<sup>th</sup> largest Outdoor Recreation economy in the Nation generating \$29.1 Billion in consumer spending annually, \$1.9 billion in state and local tax receipts and supporting 251,000 jobs. Wage and salary earnings total \$8.6 billion. (Outdoor Industry Association, 2017)
- A national leader in trails
- A national gold medal winner for the 120-state park system that totals about 300,000 acres and supports \$1.2 billion in annual economic impact.
- A FSC certified sustainable forest system totaling 2+ million acres that supports \$6 billion in annual economic impacts.
- An attractive place for businesses to grow and people to live!



Funds deposited in the Keystone fund are derived from the realty transfer tax and are dedicated for the purposes delineated in the enabling legislation.

- The funding source is essentially an impact fee – as real estate is developed and sold, the transfer of some of the realty transfer tax is put back into conservation and recreation.
- There are more than enough infrastructure improvement projects for parks and recreation facilities across the Commonwealth. Nothing lasts forever and there are consequences/liability in the way of health and safety, risk of closure and some liability if infrastructure needs are not addressed.

The Keystone Fund is now being celebrated in its 25<sup>th</sup> year and Pennsylvania should commit to maintaining it for the Next 25 years! It provides the core funding for conservation, recreation and other programs that help support the 5<sup>th</sup> largest outdoor recreation economy in the nation and provides all Pennsylvanians with a good quality of life.

### **Pennsylvanians Support Work Conservation and Recreation Work:**

- 2015 Penn State poll found that 90 percent of Pennsylvanians surveyed would support increasing state funds to conserve and protect open space, clean water, natural areas, wildlife habitats, parks, historic sites, forests, and farms
- 2014 survey found that a majority of respondents believe the state should increase its permanent source of funding for park and recreation opportunities based on tax revenues. They indicated a majority of this money should be reinvested into improvements of existing park and recreation areas, along with conserving lands and protecting wildlife and fish habitat

### **Program Success Metrics:**

Trails program has a goal of “a trail within 15 minutes of every citizen?”

- According to a GIS analysis using open trails and census data, we know that approximately 29% (or 3.7 million) of the state’s population currently lives within 1 mile of an open trail.



- DCNR's efforts to provide ATV/Offroad facilities is starting to Blossom...At the AOAA
  - May – Dec. 2014: 6,047 passes sold \$136,741
  - 2015: 9,154 passes sold \$249,385
  - 2016: 13,191 passes sold \$342,145
- Program demand on the grant side is typically twice the funding available each fiscal year.

### **Need:**

- Demand for Recreation and Conservation Grant Program grants is consistently twice what is available. Communities from across the Commonwealth rely on this program to help meet their local recreation and conservation goals.
- Projects made possible by the Keystone Fund help to address some of Pennsylvania's most pressing health and economic challenges:
  - Pennsylvania's adult obesity and diabetes rates have more than doubled since 1990, reaching 30% and 13% respectively by 2016. Lack of physical activity is a major contributor to these trends and to increased incidence of other obesity-related diseases, such as high blood pressure, congestive heart failure, and stroke. As one solution, the CDC has called for more parks and playgrounds. Studies have shown that when people have access to parks and trails, they exercise more.
  - In SEPA, the health-related cost savings resulting from physical activity on protected open space amount to \$1.3 billion per year including avoided workers' compensation costs and avoided productivity losses. Of those cost savings, \$795 million are medical cost savings.
- Spending on outdoor recreation sustains 219,000 direct Pennsylvania jobs.
- The RFP for Amazon's new headquarters - for which both Pittsburgh and Philadelphia are finalists – lists quality of life, access to recreation opportunities, and bike/pedestrian access as factors they will consider in making their selection. This is consistent with studies which indicate that



employers locate in places that provide the quality of life that attracts the skilled workers they need.

- As noted in Chester County's recent VISTA2025 economic development strategy, the quality of life in an area – including access to green space, parks, and trails – is vital to economic health.

## **Economic Impact**

### **Value of Recreation in PA**

Spending on outdoor recreation:

- generates \$21.5 billion in consumer spending
- \$1.6 billion in state and local tax revenue
- \$7.2 billion in wages and salaries
- sustains 219k direct Pennsylvania jobs

### **Economic Return on Keystone Funded Projects**

- \$3.31 leveraged in direct local investments in our parks, trails, and natural space for every Keystone Fund dollar spent
- \$1.02 billion leveraged through public/private partnerships to complete over 4,500 Keystone-funded projects
- 800+ projects have been funded specifically in small communities to help improve outdoor recreation opportunities
- Every \$1 invested in conservation through the Keystone Fund returns \$7 in flood control and prevention, water treatment, and other natural services

### **Value of Trails in PA**

- \$40 million in revenue from Great Allegheny Passage
- \$8.3 million total economic impact from Three Rivers Heritage Trail
- \$7.5 million added to local economies around 60 mile section of the 270-mile Erie to Pittsburgh Trail



## **Regional & Heritage Tourism**

Combined annual economic benefits of the RSNHA and D&L:

- Delaware & Lehigh National Heritage Corridor
  - Economic Benefit- \$238,667,237
  - Employment - 3,323 jobs
  - Tax Revenue - \$22,407,779
- Rivers of Steel National Heritage Area
  - Economic Benefit – \$69,441,323
  - Employment - 901 jobs
  - Tax Revenue - \$6,047,217

## **Economic Impact of Open Space in the Lehigh Valley**

Based on participation and direct annual spending on the top 11 rec activities:

- \$555.8 million per year expected economic direct contribution
- \$796 million in total economic impact
- 9,600 jobs
- \$60 million in state and local taxes.

Annual tourism in the Lehigh Valley:

- \$1.03 billion for Lehigh County
- \$827 million for Northampton County
- recreation accounts for 25% of tourism dollars – more than \$466 million annually

## **Return on Investment for Pittsburgh Riverfront Park**

Economic benefits of Three Rivers Park (TRP) in Pittsburgh:

- \$130 million invested in TRP over 15 years
  - Catalyzed \$2.6 billion in riverfront development
  - \$4.1 billion in total riverfront and adjacent development



- 20:1 – ratio between riverfront development and park investment
- 60% rise in property value around riverfront development (32% citywide)
- 117% rise in property value around riverfront property in South Side area

## **Return on Environment: The Economic Benefits of Open Space in Southeastern Pennsylvania**

- All homes in the region are worth \$10,000 more because of access to open space. Altogether, open space adds \$16.3 billion to the value of southeastern Pennsylvania's housing stock.
- If Southeastern PA's open spaces were lost to development, the region would need to spend more than \$132.5 million per year to provide clean drinking water, safe air to breathe, and to protect against flooding.
- Nearly \$577 million in benefits accrue annually to residents who participate in recreational activities on protected open space within southeastern Pennsylvania.
- Economic activity associated with protected open space in southeastern Pennsylvania results in more than 6,900 jobs, \$566 million each year in expenditures, and some \$30 million annually in state and local tax revenue.