

CITIZENS BUDGET COMMISSION

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CBC STUDY PROPOSES BLUEPRINT FOR IMPROVING NEW YORK CITY'S PUBLIC PARKS

Urges More Attention To Parks Maintenance, With Revenues From Parks Concessions Allocated Directly To The Parks

New York, NY – June 27, 2007 – The Citizens Budget Commission (CBC) today released a study of New York City's public parks that provides a blueprint for improving the parks and their maintenance. The study was conducted by CBC, with funding provided by New Yorkers for Parks, a park advocacy organization. CBC retained complete editorial control of the study.

In light of the significant role that parks play in PlaNYC – Mayor Michael Bloomberg's long-term sustainability plan – the CBC report provides recommendations that can help the City meet the ambitious goals laid out in PlaNYC and other objectives. While the Department of Parks and Recreation has made major strides toward improving the conditions of parks, these recommendations, if implemented, will focus the Department's resources and attention on ensuring quality parks and services throughout the city.

The new study found six issues which the Department should address and proposes a solution to each. They are:

- **Issue: Greater incentives are needed to pursue earned revenues, primarily from concessions.** With just a few exceptions, the City now retains all revenues generated in the parks to support its general operations; DPR managers have limited incentives to optimize these revenues.

Recommendation: Create a stronger incentive for increasing concession and other earned revenues by dividing growth in these revenues between the City's general fund and a new fund dedicated to parks improvements. This should be a source of substantial new revenue for bringing all parks into acceptable condition and adding to park facilities and programs.

- **Issue: No comprehensive, strategic plan guides expansion of the parks network.** As a result, priorities for expansion are not clear, and there is a risk that inadequate resources will be provided for maintenance of expanded facilities or that existing parks will suffer as limited resources are spread thin.

Recommendation: Institutionalize responsibility for strategic planning for

parks. An entity within municipal government and with a clear mandate from City Hall should be engaged in ongoing planning for parks and the coordination of municipal and other park facilities.

- **Issue: All parks are not kept in acceptable condition, and parks in poorer neighborhoods are more likely to be in worse condition than parks in wealthier neighborhoods.** While park conditions overall have improved and the gap in quality between parks in poor and wealthy neighborhoods has narrowed, problems in park maintenance persist. About one of eight parks citywide is not in acceptable condition, and there is a significant correlation between a community district's share of parks in unacceptable condition and its average income level.

Recommendation: Bring all parks to an acceptable condition. The strategic plan should include a timetable for bringing all parks facilities to an acceptable condition. New resources dedicated to the Department should be targeted to the parks with the greatest need.

- **Issue: The DPR has no objective measures of park use and the efficiency of delivering park services.** Better management requires improved information about park use and the unit cost of services.

Recommendation: Improve the quality and productivity in parks maintenance and operations. This will require establishing measures of park use and unit costs, experimenting with contracting-out and other innovations to lower unit costs.

- **Issue: Borrowed funds are used for routine repairs and replacements, creating incentives to limit preventive maintenance and to replace equipment and facilities more rapidly than might otherwise be necessary.** The municipal capital, rather than operating, budget pays for these items, leading to the temptation to use more borrowed funds than is necessary or appropriate.

Recommendation: Encourage preventive maintenance and longer periods of usefulness by funding routine repairs and replacements in the operating budget. A multiyear program for shifting funds from the capital to the operating budget should be initiated.

- **Issue: The multiple, new arrangements with nonprofit partner organizations that help manage the parks have not been made fully transparent and have not been established in accord with consistent guidelines for how to encourage philanthropy, how to divide responsibilities between DPR and its partners, and how to divide concession revenues between the City and its partners.** At least 40 distinct nonprofit organizations help manage New York's parks, with most established since 1991. Some diversity in the arrangements is expected and warranted, but these entities ought to be treated in a more consistent manner financially and operationally.

Recommendation: Common principles should guide the relationships between the DPR and its nonprofit partner organizations and the terms of arrangements should be transparent. Clear and consistent policies should be established to encourage philanthropic support, define responsibilities and allocate concession revenues, and all arrangements should be articulated in publicly accessible documents.

“The City has improved its parks significantly in recent years, but important challenges remain,” said Charles Brecher, CBC’s Research Director. “Implementing these recommendations would bring new resources to the parks and help the Department’s managers use the new resources effectively.”

“We commissioned CBC to conduct this study because of their expertise in fiscal management issues,” said Christian DiPalermo, Executive Director of New Yorkers for Parks. DiPalermo continued, “The report highlights major issues and makes recommendations that must be addressed and implemented to ensure that New York City parks become the best in the country.”

The entire study is available at www.cbcny.org. Generous support for the study was provided to New Yorkers for Parks by the Robert Sterling Clark Foundation and the Rockefeller Philanthropy Advisors.

Founded in 1932, the Citizens Budget Commission (www.cbcny.org) is a nonpartisan, nonprofit civic organization devoted to influencing constructive change in the finances and services of New York City and New York State governments.