

# Making the Most of Our Parks



A SUMMARY OF A REPORT BY THE CITIZENS BUDGET COMMISSION  
AT THE REQUEST OF NEW YORKERS FOR PARKS

SEPTEMBER 2007



ENSURING GREENER, SAFER,  
CLEANER PARKS, TOGETHER



NEW YORK'S NONPARTISAN VOICE  
FOR EFFECTIVE GOVERNMENT

## THE CHALLENGE TO NEW YORKERS

Parks play important roles in city life. They are a source of respite from the bustle of the urban environment, a place for active recreation and exercise for adults, and a safe place for children to play outdoors. In addition, parks preserve sensitive environmental areas, and, by making neighborhoods more attractive, enhance property values and the tax base of the city.

Given the benefits of urban parks, it should be reassuring to New Yorkers that more than 37,000 acres, or nearly one-fifth the city’s total land area, is parkland. This proportion is larger than in most big cities in the United States, suggesting that New Yorkers are well endowed with parks.

But New Yorkers face a distinct challenge in enjoying their parks. Their parks must accommodate an unparalleled volume of people. New York has about 217 residents for each acre of parkland, one of the highest ratios in the nation, compared to a national average among large cities of about 55 residents per acre. When the extraordinarily large number of commuters and tourists is added to New York’s resident population, the potential demand on local parks likely is greater than in any other American city. New Yorkers must be especially innovative in order to make the most of their parks.

The leadership of the agency with the largest responsibility for parks in New York, the municipal Department of Parks and Recreation (DPR), has been addressing this challenge and has made significant progress. The Citizens Budget

Commission last analyzed the management issues confronting the DPR in 1991, a time when local parks were in generally poor condition and when the City faced significant fiscal stress. Since then the DPR has made major strides in improving the condition of parks – often using strategies consistent with the CBC’s recommendations. The DPR has improved the condition of parks, developed a well-regarded performance measurement tool to gauge park quality, effectively used temporary workers enrolled in public assistance programs, and increased philanthropic support to supplement public resources for parks.

Yet more can be done. This analysis points to six current issues:

- 1. 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.
- 2. No comprehensive, strategic plan guides expansion of the parks network.** As a result, priorities for expansion are not clear, and

**Table 1**  
**Parks in New York City and 11 Large U.S. Cities**

City	Park Acres	Parkland as Percent of City Land Area	Residents per Park Acre
<b>New York</b>	<b>37,342</b>	<b>19%</b>	<b>217</b>
Los Angeles	23,410	8%	164
Chicago	11,916	8%	240
Philadelphia	10,916	13%	135
San Francisco	5,773	19%	129
Baltimore	4,905	9%	130
Boston	5,475	18%	104
Washington, DC	7,726	20%	72
Long Beach	2,768	9%	172
Oakland	3,831	11%	104
Miami	1,347	6%	282
Minneapolis	5,359	15%	70

Source: The Trust for Public Land, June 2006. Figures include federal, state, and local parks.

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.

3. **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.** 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.
4. **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.
5. **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.
6. **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 50 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.

At the end of this document the CBC presents six recommendations to address these issues.

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

This document is a summary of a report, *Making the Most of Our Parks*. The report was prepared under the auspices of an ad hoc committee of CBC Trustees co-chaired by W. James Tozer, Jr. and Susan B. Yoss. The full report and this summary were prepared by Charles Brecher, Research Director, and Oliver Wise, Research Associate. Brecher is also a Professor at NYU's Wagner School. For details on source information and research credits, see the full report available on the web at [www.cbccny.org](http://www.cbccny.org).

New Yorkers for Parks (NY4P) is the only independent watchdog for all the City's parks, beaches and playgrounds, and is the City's oldest and leading expert on park conditions, efficiency and funding. While New Yorkers for Parks supported the preparation of the CBC's report, its content is solely the responsibility of CBC. The report was made possible through generous grants from the Robert Sterling Clark Foundation and the Rockefeller Philanthropy Advisors.

## NEW YORK CITY'S PARKS

The DPR's parks are one part of a large public park network operated by all levels of government. DPR parks comprise more than three quarters of the system, but much of the city's park acreage is in national parks (such as Gateway National Recreation Area), State parks (such as Roberto Clemente State Park), parks maintained by public authorities (such as those in Battery Park City), and privately owned public spaces, including public plazas located near large buildings in exchange for zoning bonuses given to the buildings' developers.

The DPR's 29,025 acres are in 1,911 different properties. Large parks (over 100 acres) comprise 69 percent or 19,894 acres; medium-sized parks (20 to 100 acres) make up 10 percent or 3,038 acres, and small parks (less than 20 acres) are about five percent. The DPR also maintains another 4,643 acres that house 542 free-standing playgrounds, 145 circles and squares, 19 parcels on parkways, and 748 other properties, many of which are small properties located at traffic intersections. Numerous recreational facilities, such as basketball courts, sports fields, tennis courts, and pools are found throughout the DPR's park system.

Parks facilities have grown substantially over the past 24 years. Total acreage is up 14 percent and the number of parks properties is up 20 percent. In addition, many recreational facilities such as playgrounds, athletic fields, tennis courts, and recreation centers have increased in number.

**Table 2**  
**Parks in New York City, 2006**

	Acres	Percent of Total
<b>City Parks</b>	<b>29,025</b>	<b>77.7%</b>
<b>National Parks</b>	<b>6,982</b>	<b>18.7%</b>
<b>State Parks</b>	<b>975</b>	<b>2.6%</b>
<b>Public Authority Parks</b>	<b>278</b>	<b>0.7%</b>
Battery Park City Authority	35	
Hudson River Park Trust	100	
Brooklyn Bridge Park Development Corporation	77	
Governors Island Preservation and Education Corporation	40	
Economic Development Corporation	26	
<b>Privately Owned Public Spaces</b>	<b>82</b>	<b>0.2%</b>
<b>Total</b>	<b>37,342</b>	<b>100.0%</b>

Source: New York City Department of Parks and Recreation.

**Table 3**  
**Department of Parks and Recreation Facilities, 1982 and 2006**

	1982	2006	Percent Change
<b>Park Acres</b>	<b>25,058</b>	<b>29,025</b>	<b>14%</b>
<b>Park Properties</b>	<b>1,533</b>	<b>1,911</b>	<b>20%</b>
<b>Recreation Facilities</b>			
Playgrounds	838	990	15%
Athletic Fields	760	857	11%
Comfort Stations	635	576	-10%
Tennis Courts	627	702	11%
Swimming Pools	46	44	-5%
Recreation and Community Centers	29	36	19%
Miles of Beaches	14	14	0%
Golf Courses	13	14	7%
Ice Rinks	6	6	0%
Stadiums	4	5	20%
Zoos	3	5	40%

Source: New York City Department of Parks and Recreation.

## RESOURCES FOR NEW YORK'S PARKS

The resources available to maintain City parks can be gauged in terms of dollars and staff.

**Money.** Resources dedicated to the DPR totaled about \$885 million in fiscal year 2006 and came from taxpayers and private sources. Of the total, \$780 million or 92 percent was from the City's municipal revenues. The City's support has three components - \$288 million in operating expenditures for the DPR; \$246 million in centrally allocated costs including fringe benefits and pension contributions for DPR employees, debt service on bonds that fund DPR capital projects, and judgments and claims against the DPR; another \$246 million for capital expenditures, projects with long useful lives and financed with bonds.

Forecasts for fiscal years 2007 and 2008 are that the DPR operating budget will grow substantially. In fiscal year 2007 the DPR is projected to spend \$315 million, and in fiscal year 2008 the amount is budgeted at \$326 million - a 9 percent and 13 percent increase, respectively. The increases are primarily due to initiatives outlined in PlaNYC 2030, a long-term plan released by Mayor Michael Bloomberg in April 2007.

Private entities such as nonprofit conservancies and business improvement districts (BIDs) supplied about \$65 million for City parks in fiscal year 2006. This represented an 8 percent increment to the City's contribution.

**Staff.** The DPR's staff was cut sharply in the early 1990s due to fiscal pressures. However, in the late 1990s the staff was expanded and the growth is projected to continue. Full-time equivalent employees (a measure that takes into account variations in seasonal workers and reliance on participants in job training programs for public assistance recipients) dropped nearly one-fifth between fiscal years 1991 and 1995, but were above the 1991 levels by 2001. Expansion has continued in recent years and is projected to grow further in the two latest budgets.

The staff increase has been accompanied by a change in staff composition. Beginning in the late 1990s, the DPR relied heavily on public assistance training programs as a source of labor. Most of these workers train

**Table 4**  
**Expenditures for Department of Parks and Recreation Facilities,**  
**Fiscal Year 2006**  
**(dollars in millions)**

	Amount	Percent
<b>City Operating Budget</b>	<b>\$288</b>	<b>34%</b>
Maintenance and Operations	237	28%
Executive Management and Administrative Services	31	4%
Design and Engineering	20	2%
Recreation Services	20	2%
Less Interfund Agreements (in Capital Budget)	(20)	-2%
<b>City Centrally Allocated Costs</b>	<b>\$246</b>	<b>29%</b>
Fringe Benefits	88	10%
Pension Contributions	16	2%
Legal Services, Judgments and Claims	23	3%
Debt Service	119	14%
<b>City Capital Budget</b>	<b>\$246</b>	<b>29%</b>
<b>City Sub-Total</b>	<b>\$780</b>	<b>92%</b>
<b>Park Conservancy Programmatic Expenditures</b>	<b>\$58</b>	<b>7%</b>
<b>BIDs Park Related Expenditures</b>	<b>\$7</b>	<b>1%</b>
<b>Grand Total</b>	<b>\$845</b>	<b>100%</b>

Sources: City of New York, Office of the Comptroller, *Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2006*. Conservancy data is from IRS 990 forms for the most recently available fiscal year. BID data is from annual reports and audited financial statements, as reported to the New York City Department of Small Business Services. Parks conservancy expenditures exclude conservancies that support non-DPR parks. Central Park Conservancy expenditures are adjusted to subtract the support they receive from the City of New York.

one day per week and work four; they also are limited in the duration of their work, leaving after about six months for other jobs. In 1991 less than 10 percent of the full-time equivalent workforce was a workfare program participant; by 2001 the figure was nearly 28 percent, and it reached one-third in 2006.

**Table 5**  
**Department of Parks and Recreation Staffing, Selected Fiscal Years**  
**(full-time equivalents)**

	1991	1995	2001	2005	2006	2007	2008
Full-Time Employees	4,285	2,514	1,965	1,838	1,895	3,079*	3,891
Seasonal and Part-Time Workers	1,197	1,331	2,501	2,493	2,602	1,779*	1,571
Public Assistance Job Training Programs	580	1,075	1,608	2,307	2,349	2,349	2,485
Overtime	28	62	110	122	135	135	135
<b>Total Full-Time Equivalent Employees</b>	<b>6,090</b>	<b>4,982</b>	<b>6,184</b>	<b>6,760</b>	<b>6,981</b>	<b>7,342</b>	<b>8,082</b>

Sources: New York City Office of Management and Budget; Mayor's Office of Operations, *Mayor's Management Report*, fiscal years 1995-2006 editions. Fiscal year 2007 and 2008 figures are from the New York City Department of Parks and Recreation, and are projections.

\* In 2007, some seasonal workers were reclassified as full-time employees.

CHALLENGE 1

**Greater incentives are needed to pursue earned revenues, primarily from concessions.**

Currently, revenues earned by the DPR are deposited in the City’s general fund, where they are appropriated through the City’s budget process. The City’s Office of Management and Budget sets revenue targets that the DPR must meet, but they have little incentive to maximize revenues because they do not keep them.

Earned revenues come through concessions, event fees, advertising, and user fees. Together these earned revenues represent nearly \$63 million annually or about 75 percent of the DPR’s total revenues. The remainder of the revenues comes from intergovernmental and nongovernmental grants.

Other park systems where earned revenues directly support expenditures in parks get proportionately more revenue from these sources than does the DPR. For example, in Chicago parks are managed by a special park district; revenues earned by the Chicago Parks District supported 21 percent of their operating budget in fiscal year 2006. In New York City, the Bryant Park Corporation, the nonprofit organization that manages Bryant Park, receives no public subsidies from the DPR. All Bryant Park expenditures are supported through special property tax assessments on commercial property owners in the area and through concession and event revenues earned in the park. In fiscal year 2006, fully 84 percent of Bryant Park expenditures were supported by earned revenues. In contrast, for the DPR earned revenues supported only 11 percent of the operating budget.

Absent meaningful incentives, the DPR may leave significant revenue-generating opportunities unrealized. For example, the DPR’s currently houses about 150 administrative employees at its headquarters in the Arsenal, an architecturally distinctive building located in a beautiful section of Central Park proximate to the high-end hotels on Fifth Avenue. It could be an attractive location for weddings, balls and other similar events, generating far more in revenue for the DPR as a concession than the cost of a lease for less distinctive but more functional space in an outer borough office building. Now the DPR has little incentive to make this change.

**Table 6**  
**Department of Parks and Recreation Revenues,**  
**Fiscal Year 2006**  
**(dollars in millions)**

	Amount	Percent Distribution
<b>Earned Revenues</b>	<b>\$62.7</b>	<b>77%</b>
Concessions	\$48.1	59%
Rentals (Docks and Stadia)	5.8	7%
Permits	3.7	5%
User Fees	5.1	6%
<b>Other Revenues</b>	<b>18.3</b>	<b>23%</b>
Federal and State Grants	1.7	2%
Authority and Nongovernmental Grants	2.1	3%
<b>Total</b>	<b>\$81.0</b>	<b>100%</b>

Sources: City of New York, Office of the Comptroller, *Comprehensive Annual Financial Report*, fiscal years 1991-2006 editions.

CHALLENGE 2

No comprehensive, strategic plan guides expansion of the parks network.

New York’s parks are in a period of ambitious growth. Expansions result from four different efforts: the PlaNYC 2030 initiative announced by Mayor Michael Bloomberg in 2007, a long-term effort based in the City Planning Commission to enhance the city’s waterfront by opening more of it to the public and providing more recreational facilities there, conversions of industrial areas to residential use including parks to serve the new housing, and a mix of often ad-hoc projects to create new facilities.

PlaNYC sets ten goals related to better environmental conditions and improved infrastructure necessary to sustain a city with one million more residents by 2030. One of these goals is that every resident live within ten minutes of a park. To achieve this goal, the Mayor announced seven initiatives, which include opening hundreds of school yards for public use, capital improvements to existing large parks, and putting lights on athletic fields to allow greater use of them.

The City Planning Commission is leading an effort to develop parks and open space along the waterfront. The plans span 32 projects found in each borough and add about 714 acres to the city’s parkland. Although the DPR is the lead developer of many of these projects, public authorities, such as the Hudson River Park Trust, Economic Development Corporation, and Brooklyn Bridge Park Development Corporation, also play major roles in these projects.

Additional parks are being developed as part of major economic development projects that include thousands of housing units. Plans for the Hudson Yards and Atlantic Yards include new parks among the new commercial and residential buildings. The High Line Park also is viewed as key to economic development in that neighborhood.

Finally, another ten projects result from ad-hoc efforts to obtain land when the opportunity arises.

Taken together the four different types of projects will add about 3,300 acres or 11 percent to the DPR’s current 29,095 acres. Expanding the park system at this scale without any strategic plan inhibits the City’s ability to prioritize expansions. In addition, expanding parks without making provisions for the maintenance of those parks can lead to a strained park system with inadequate conditions.

**Table 7**  
PlaNYC 2030 Parks Initiatives: 2009 and 2015 Milestones

Initiative	2009	2015
Open schoolyards as public playgrounds	Open sites not requiring capital improvements	Open all school yards in priority neighborhoods
Complete eight underdeveloped destination parks	Complete community outreach and designs for all regional parks	Complete construction of all regional parks
Convert asphalt into multi-purpose fields	Complete development of all proposed multi-purpose fields	Maintain transformed fields for continued use
Install new lighting on existing turf fields	Complete installation of all proposed field lights	
Fill every available street tree opportunity	Plant 23,000 street trees a year	Achieve 100% street tree stocking level
Reforest 2,000 acres of parkland	Begin reforestation	Complete reforestation by 2017
Expand Greenstreets Program	Complete 400 greenstreets	Complete 800 greenstreets

Source: City of New York, PlaNYC: A Greener, Greater New York, April 2007.

**Table 8**  
**Park Expansion Projects in New York City, 2007**

Park/Project	Borough	Acres	Overseeing Entity
<b>Waterfront Parks</b>		652.2	
Mariner's Marsh	Staten Island	107.0	DPR
Hudson River Park**	Manhattan	100.0	Hudson River Park Trust
Governor's Island	Manhattan	87.0	Governor's Island Preservation and Education Corporation
Brooklyn Bridge Park	Brooklyn	74.0	Brooklyn Bridge Park Development Corporation
Arverne By The Sea	Queens	53.0	DPR
Riverside South	Manhattan	29.0	DPR
Ferry Point Park	Bronx	26.5	DPR
Bush Terminal	Brooklyn	23.0	EDC*
Harlem River Park	Manhattan	20.0	DPR
Southpoint Park	Manhattan	19.0	Roosevelt Island Operating Corporation
East River Waterfront	Manhattan	17.0	EDC*
Arverne East	Queens	15.5	DPR
Stapleton Waterfront Park and Esplanade	Staten Island	12.0	DPR
South Bronx Greenway	Bronx	11.7	Bronx River Alliance
Fort Totten	Queens	11.0	DPR
Octogon Park	Manhattan	10.0	Roosevelt Island Operating Corporation
North Shore Waterfront Park	Staten Island	9.5	DPR
Hunts Point Redevelopment	Bronx	5.0	DPR
Barretto Point Park	Bronx	5.0	DPR
Piers 7-12	Brooklyn	4.5	EDC*
Pugsley Creek Park	Bronx	3.3	DPR
Castle Hill Esplanade	Bronx	3.0	DPR
Pier One	Staten Island	1.2	DPR
Harlem River-Regatta Park	Bronx	1.0	DPR
Melrose Commons Bronx River	Bronx	1.0	DPR
Silvercup West	Queens	1.0	DPR
Lighthouse - St. George	Staten Island	0.8	DPR
Battery Park City Teardrop Park	Manhattan	0.7	Battery Park City Authority
West Harlem Piers	Manhattan	0.5	EDC*
United Nations Waterfront	Manhattan	NA	EDC*
<b>Economic and Residential Development Projects</b>		96.0	
Hudson Yards	Manhattan	20.0	Hudson Yards Infrastructure Corporation
Atlantic Yards	Brooklyn	7.0	Empire State Development Corporation
High Line Park	Manhattan	7.0	DPR
Greenpoint-Williamsburg	Brooklyn	50.0	DPR
Queens West	Queens	12.0	DPR
<b>Other Projects</b>		2,608.4	
Fresh Kills Park	Staten Island	2,200.0	DPR
Ferry Point Golf	Bronx	222.0	DPR
Highland Reservoir	Brooklyn	50.0	DPR
Sunnyside Yards	Queens	43.0	DPR
Fairview Park	Staten Island	42.0	DPR
Goodhue Site	Staten Island	35.0	DPR
Cresthaven Site	Queens	6.5	DPR
Elmhurst Gas Tanks	Queens	6.1	DPR
Yankees Stadium Project (net)	Bronx	3.8	DPR
Aqueduct Racetrack	Queens	NA	DPR
<b>Total Park Acreage</b>		3,356.6	

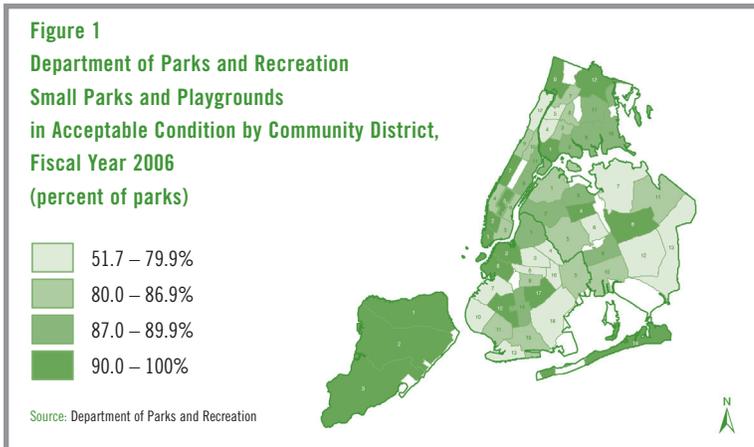
Sources: New York City Department of Parks and Recreation; New York City Department of City Planning. NA = Acreage not yet determined

\* These entities are developing the project, but then will convey the parks to the Department of Parks and Recreation.

\*\*Hudson River Park comprises a total of 550 acres but roughly 100 of those acres are not underwater.

CHALLENGE 3

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.



Keeping a park in good condition requires that both the physical structure be in a state of good repair without structural defects and that the buildings, equipment, and grounds be maintained in working order and kept clean. The DPR has made improvements in these tasks, but all its facilities are not in a state of good repair and many of its parks are not adequately maintained.

**State of good repair.** The latest annual assessment of the City’s assets reveals that \$394 million are needed to bring the DPR’s facilities to a state of good repair. The greatest needs relate to defects in the bulkheads that support and protect waterfront parks, but major needs exist in buildings, utility systems and roadways. The structural needs have grown from earlier years, because the City does not fully fund needed improvements. In fiscal year 2007, the City allocated only \$44 million or 11 percent of the funds needed to achieve a state of good repair.

**Maintenance.** The DPR assesses the condition of City parks through its Parks Inspection Program (PIP). The PIP reports indicate that the condition of parks has improved dramatically over the past 15 years; the percent of parks rated acceptable for overall conditions improved from a low of 39 percent in 1994 to 88 percent in 2006.

While park conditions have improved, many parks still are not maintained adequately, and the parks in unacceptable condition are more likely to be in the poorer neighborhoods. The accompanying map shows the variation in parks conditions by community district; readers familiar with New York City neighborhoods will notice the greater incidence of poorly maintained parks in poorer areas of the City. More sophisticated statistical analysis supports this impression; there is a statistically significant correlation between the share of parks rated acceptable in a community district and that area’s median household income.

**Table 9**  
**Department of Parks and Recreation**  
**Funds Required to Achieve State of Good Repair by Asset Type**  
**Fiscal Years 1993 and 2007**  
**(dollars in millions)**

	1993	2007
Exterior Architecture	\$40.8	\$38.0
Interior Architecture	18.3	15.2
Electrical	2.6	2.8
Mechanical	5.1	4.9
Piers	1.5	6.0
Bulkheads	19.7	157.0
Parks' Walls	4.9	3.5
Parks' Boardwalks	18.8	17.7
Miscellaneous Buildings	16.7	27.1
Parks' Water and Sewer Utilities	31.0	55.0
Parks' Electrical Utilities	5.2	16.2
Parks' Streets and Roads	NAP	38.4
Park Bridges	1.6	3.9
Marina	NAP	7.9
Systems	22.3	NAP
<b>Total</b>	<b>\$188.3</b>	<b>\$393.7</b>

Sources: City of New York, Office of Management and Budget, *Asset Condition Maintenance Schedules for Major Portions of the City's Capital Plant*, fiscal year 1992 edition and *Asset Information Management System (AIMS) Report and AIMS Agency Reconciliation Report*, fiscal years 2006 editions.

NAP = Not applicable. These categories were not included in the calculations for each report.

CHALLENGE 4

**The DPR has no objective measures of park use and the efficiency of delivering park services.**

The PIP reports provide valuable information; they are used by park managers and are accessible to the public. However, they leave two important shortcomings in management information available to and used by DPR leaders – park use and unit cost data.

**Park Use.** The first shortcoming is the lack of information on use of parks facilities. While the DPR tracks use of some recreational facilities, such as recreation centers, tennis courts, and pools, it does not have any citywide system for tracking how intensely parks are used. Without this information, it is impossible to allocate staff and other maintenance resources effectively. The point is illustrated by examining current resource allocation patterns among the five boroughs. Based on park acreage, Manhattan has relatively more staff than each of the other boroughs; however, based on potential park users as reflected in the daytime population, Manhattan has relatively few staff. Absent any measure of actual park utilization, it is impossible to judge if resources are being allocated appropriately.

**Unit Costs.** The second shortcoming is the lack of unit cost measures, such as cost per person hour of park use or cost per person hour of swimming pool use. Without such measures, the public and City officials are unable to hold the DPR accountable for improving productivity and efficiency. Public managers should strive to provide better services at lower expense to the taxpayer, but without measures of productivity it is impossible to apply this standard.

**Table 10**  
**Department and Parks and Recreation Staffing by Borough, November 2006**  
**(maintenance and operations headcount)**

	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Citywide Total
<b>Total Maintenance and Operations Employees*</b>	<b>1,002</b>	<b>1,346</b>	<b>1,511</b>	<b>936</b>	<b>282</b>	<b>5,077</b>
Park Acres	7,002	4,514	2,693	7,297	7,518	29,024
<b>Employees per 100 Park Acres</b>	<b>14.3</b>	<b>29.8</b>	<b>56.1</b>	<b>12.8</b>	<b>3.8</b>	<b>17.5</b>
Estimated Daytime Population (2000, in thousands)	1,199	2,232	2,874	1,894	373	8,571
<b>Employees per Million Daytime Inhabitants</b>	<b>836.0</b>	<b>603.1</b>	<b>525.7</b>	<b>494.1</b>	<b>756.4</b>	<b>592.3</b>
Daytime Population per Park Acre	171.2	494.4	1,067.2	259.6	49.6	295.3
<b>Employees per Daytime Population per Park Acre</b>	<b>5.9</b>	<b>2.7</b>	<b>1.4</b>	<b>3.6</b>	<b>5.7</b>	<b>2.5</b>

Sources: City of New York, Department of Parks and Recreation, Full Time and Year Round Seasonal Headcount, November 3, 2006. Data for borough park acreage from the New York City Department of Parks and Recreation. Data on estimated daytime population is from the United States Census Bureau, <http://www.census.gov/population/www/socdemo/daytime/daytimepop.html>

\*Includes POP and WEP workers and nonprofit conservancy and BID employees.

CHALLENGE 5

**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.**

Operating expenditures for the DPR are supplemented by its capital budget. The capital budget is intended to pay for major new assets and is funded primarily by long-term borrowing typically in the form of general obligation bonds. In recent years the capital budget has increased significantly, and it is slated to grow even more. In fiscal year 2006 it totaled \$246 million, nearly triple the figure in fiscal year 1996. Plans call for it to grow to \$784 million in fiscal year 2008, with much of the new funding supporting the PlaNYC initiatives.

A troubling aspect of the recent growth is that much of the DPR’s enlarged capital budget is used for routine repairs and replacements rather than major new facilities. This is evident in the large sums expended through lump sum appropriations.

Examples of these lump sum budget items are “construction, reconstruction and improvements to tennis courts, citywide,” and “miscellaneous parks, parkways, playgrounds and structures: construction, reconstruction and improvements, Brooklyn.” These “projects” are allocated funds during the annual budget process, but they do not relate to specific facilities and have no target completion date; the money is assigned to specific projects within the category by DPR staff after approval of the capital budget. For example, under the first appropriation described above, the DPR staff would decide which tennis courts to reconstruct or improve each year; similarly under the second appropriation listed above, they would decide what improvements to make in which facilities in Brooklyn.

The relative importance of lump sum appropriations in the capital budget is illustrated by an analysis of spending by the DPR during the first eight months of fiscal year 2007, the latest available data. In this period projects funded through lump sum appropriations accounted for \$57 million or 25 percent of the total capital commitments.

Funding routine repairs and replacements through the capital budget increases the City’s debt burden. If the DPR invested more of their operating dollars in preventive maintenance, replacement cycles would be extended and less debt would be incurred to finance routine expenditures.

**Table 11**  
**Department of Parks and Recreation Capital Expenditures,**  
**Fiscal Years 1991-2006**  
**(dollars in millions)**

Fiscal Year	Nominal Expenditures	Constant Dollar Expenditures (2006 Dollars)
1991	\$132	\$198
1992	95	138
1993	90	127
1994	84	115
1995	97	130
1996	86	112
1997	142	181
1998	157	198
1999	167	206
2000	196	234
2001	166	194
2002	212	241
2003	188	207
2004	196	210
2005	193	199
2006	246	246

Source: City of New York, *Comprehensive Annual Financial Report of the Comptroller*, fiscal years 1991 through 2006.

## CHALLENGE 6

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.

One of the most noteworthy developments in park management is the proliferation of nonprofit park organizations, conservancies and “friends of the park” groups. At least 42 such park-specific nonprofits operate in New York City; in addition, nine nonprofits provide citywide park-related functions.

The park-specific conservancies spend a total of about \$87 million annually. However, not all of this money directly benefits parks. About 20 percent was spent on overhead, fundraising, and other non-programmatic activities; the net amount devoted to services in the parks is about \$69 million. The largest and most well-known conservancy is the Central Park Conservancy (CPC). The CPC accounts for about \$32.8 million, more than one-third of the total.

While the conservancies share several characteristics, they also differ in important ways in their relationship with municipal government. The DPR Commissioner retains responsibility for major policy decisions including the right to issue requests for proposals for concessions, to approve events, to set and enforce rules, and to approve all design and construction of capital projects. Nonetheless, variability arises around important features of the relationship with municipal government including incentives for philanthropy, treatment of concession revenues, and division of responsibilities between partners and the DPR.

Some organizations, like the Central Park Conservancy, receive money from the City to hire staff, while others, like Madison Square Park Conservancy, pay the City as reimbursement for DPR staff assigned them. Some organizations, like Prospect Park Alliance, are given concessions in their park and keep some or all of those revenues; others, like the Central Park Conservancy, do not operate concessions but receive a payment from the City based on concession revenue generated in the park. The Bryant Park Corporation funds capital projects in the park, while the Prospect Park Alliance designs and manages capital projects funded by the DPR. Some parks are assigned staff employed and supervised by the DPR; some supervise DPR staff assigned to them, and others are heavily or solely dependent on staff they hire themselves.

Experimentation and innovation ought to lead to some variation in these arrangements, but as the partnership approach has grown and matured it may be timely to seek more consistency. Some diversity may be desirable in order to accommodate unique circumstances, but there is a growing impression among the increased number of organizations that the varying arrangements favor some groups over others.

**Table 12**  
**Spending by Non-Profit Parks Organizations in New York City**  
 (dollars in thousands)

Organization	Year Founded	Program Spending	Total Spending
<b>Central Park Conservancy *</b>	<b>1981</b>	<b>\$24,960</b>	<b>\$32,784</b>
<b>Other Park Conservancies</b>			
Asphalt Green	1972	\$9,350	\$11,251
Randall's Island Sports Foundation	1992	7,160	7,747
Prospect Park Alliance	1987	5,165	6,486
Battery Park City Parks Conservancy Corporation	1988	4,597	5,694
Bryant Park Corporation	1988	4,693	5,350
New York Restoration Project	1995	2,503	4,113
Friends of the High Line	1999	1,176	1,814
Madison Square Park Conservancy	2002	1,328	1,398
Battery Conservancy	1994	870	1,289
Riverside Park Fund	1986	939	1,136
Brooklyn Bridge Park Conservancy	1987	656	836
Fund for Park Avenue New York	1999	749	828
Bronx River Alliance	2001	727	802
Sustainable South Bronx	2001	626	690
Socrates Sculpture Park	1986	471	653
Friends of Hudson River Park	1999	509	619
Green Belt Conservancy	1989	263	596
Broadway Mall Maintenance Fund	1983	269	374
Friends of Alice Austen House, Inc.	1985	207	221
Friends of Van Cortlandt Park	1992	165	214
Forest Park Trust	1997	115	154
Carl Schurz Park Association	1974	100	145
Jefferson Garden Market	1974	121	131
Washington Square Park Council	2002	NA	103
Rev. Linnette C. Williamson Memorial Park Association, Inc.	1994	57	57
Friends of Blue Heron Park	1980	46	50
Friends of Washington Square Park	1985	29	45
Friends of Fort Tryon Park	1983	29	33
Friends of Morningside Park	1981	25	31
Fort Greene Park Conservancy	2001	17	29
West 181st Street Beautification Project	1986	NA	26
Eib's Pond Education Restoration Program	2003	21	22
East Village Parks Conservancy	1995	16	21
Gowanus Canoe Club/Gowanus Dredgers	1999	17	18
Friends of St. Catherines Park	1997	9	10
Astoria Residents Reclaiming Our World (ARROW)	1991	1	5
Flushing Meadows Corona Park Improvement Fund	1998	NA	5
Cobble Hill Association	1964	**	**
Sixth Street and Avenue B Community Garden	1982	**	**
Mariners Marsh Conservancy	1995	**	**
Flushing Meadows Corona Park Conservancy	2002	**	**
<b>Total Expenditures in Parks</b>		<b>\$67,988</b>	<b>85,779</b>
<b>Other Parks Related Non-Profits</b>			
The Trust for Public Land (New York City Program)	1978	NA	\$7,950
City Parks Foundation	1989	\$5,510	7,014
Council on the Environment of New York City (joint City/nonprofit organization)	1970	2,435	2,973
New Yorkers for Parks	1908	1,114	1,412
Historic House Trust of New York City	1989	447	667
New York City Street Tree Consortium	1976	246	399
Green Guerillas	1973	312	368
Out2Play	2005	27	51
Turnaround Friends	1994	19	21
<b>Grand Total</b>		<b>\$77,494</b>	<b>\$105,795</b>

Source: IRS 990 forms for each of the organizations accessed through Guidestar.com. Expenditures are from the most recent fiscal year available, mostly fiscal years 2004 and 2005.

Note: \*Central Park Conservancy spending figures are adjusted to subtract the \$3.67 million they received from the City of New York in fiscal year 2005.

\*\*Indicates that these organizations raised less than the \$25,000 threshold requiring them to file an IRS 990 form.

NA = Not Available.

## RECOMMENDATIONS

In order to address the six challenges that prevent New York City from making the most of its parks, the Citizens Budget Commission makes the following six recommendations:

- 1. 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.** At least half of the additional earned revenue should go to the dedicated fund. This should be a source of substantial new revenue for bringing all parks into acceptable condition and adding to park facilities and programs. Opportunities for revenues should be pursued in a manner consistent with the mission of the DPR to provide a park system with accessible, open public spaces and programs.
- 2. 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.
- 3. 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 DPR should be targeted to the parks with the greatest need.
- 4. Improve the quality and productivity in parks maintenance and operations.** This will require establishing credible measures of productivity, experimenting with contracting-out and other innovations to lower unit costs.
- 5. 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.
- 6. Common principles should guide the relationships between the DPR and its non-profit 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.

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