From Recreation to Re-Creation: New Directions in Parks and Open Space System Planning
January, 2008
Megan Lewis, General Editor
American Planning Association
Chicago, Illinois

CHAPTER 5

Creating and Maintaining Parks: Funding and Other Means

By Peter Harnik

Traditionally, cities created parks, either on greenfield sites or sites previously occupied by another use, through a five-stage process:

1. A park location is identified through a planning process.
2. The city council, using normal municipal funds, authorizes a financial appropriation.
3. The department of parks and recreation purchases the land.
4. The department of parks and recreation, using its normal budgetary appropriation for capital improvements, develops the land into a park.
5. The department of parks and recreation, using its normal budgetary appropriation for ongoing operations, maintains the park.

This is the ideal process, but, in fact, probably fewer than 50 percent of all new urban parks come about in this way today. The fact is that few cities have a sufficiently stable funding base or political decision-making stream to follow this protocol. The process is frequently upended and then occasionally restored by one or more remedies—which is why the history of the creation of so many parks reads like a chapter from *The Perils of Pauline*.

The most common challenge is insufficient funding for park acquisition and development in the park department's budget. The most common remedies include finding alternative public revenue sources, requiring developer donations, offering benefits in exchange for developer donations, and soliciting private donations. The most difficult remedy to find is an alternative funding source for ongoing park maintenance if the park department's budget is too small.

Based on research by the Center for City Park Excellence (CCPE), it appears that a park department needs an annual total budget (i.e., operations plus capital) of at least $85 to $95 per resident to have a sufficient funding base to adequately run the system and to also create new parks. Seattle, San Francisco, Minneapolis, Chicago, and Kansas City, among other cities, are in this higher-spending group (see Table 5-1). One reason for the fiscal strength of the park departments in Chicago, Kansas City, and Minneapolis is that each receives its funding directly from the property tax rather than through an appropriation from the city council. This structure, which requires an amendment to the city charter, is difficult to pass but helps shield the department from annual political budget vagaries and improves the ability to do long-range planning and acquisition. But since the majority of park agencies do not get their funding this way, most of them need alternative mechanisms to achieve their goals.

If no money is initially available to buy a property, three possible remedies exist: getting the land for free, finding an alternative public agency buyer, or generating more revenue.

GETTING LAND FOR FREE

There are five mechanisms to obtaining park land for free: donations by developers, donations by philanthropists, mitigations and legal settlements, interagency transfer, and tax-defaulted properties.

Donations by Developers

It may be possible to strike a deal with a property's developer to set aside some land for a park. Many locales have a "developer impact fee" (also called "developer exaction ordinance," "system development charge," or other similar term) that mandates a "set-aside" of land for a park (or a payment to the city to purchase such land) to mitigate the impact of population growth; in other places, the process is handled in informal negotiations that usually involve granting the developer a density bonus in return for the donation of land or money. In Chicago, developers occasionally agree to provide funds not only for park acquisition but also for maintenance. In some cases, the corporate landowner is an extractive industry (timber or mining company) that has already gotten all of its value out of the land and is willing to donate the whole property. In Sacramento, Granite Regional Park came about through a donation from a sand-and-gravel mining operation after the excavation work was completed. (As an additional benefit, the park is valued for its sinuous contours in an otherwise flat landscape.)

Another way of gaining parkland—unusual but not unheard of—is as mitigation for the loss of other lands.

Donations by Philanthropists

Alternatively, it may be possible to convince a wealthy individual or a private foundation to donate a property as a park. The gift can be made directly to the government or through the use of a third-party nonprofit organization; in either case, the donor receives a tax deduction for his or her generosity. Some donors—particularly those leaving the land as a bequest—feel more comfortable using a land conservancy, which then donates the property to the city. They feel that the conservancy can help make sure that the land is not misused, traded away, or sold off in the future. (One way of protecting it is to place a conservation easement on the property, preventing it from being developed, although some cities will not accept a property with many legal restrictions on it.)

Mitigation and Legal Settlements

Another way of gaining parkland—unusual but not unheard of—is as mitigation for the loss of other lands. In Tampa, Florida, in the 1980s the city needed to dredge a channel in Tampa Bay, but doing so resulted in the generation of a large amount of sand and mud that was dumped on wetlands. In compensation for the destruction of the wetlands, the port authority agreed to buy up other private wetlands and put them into permanent protected status as parkland.

On rare occasions, cities are lucky enough to acquire parkland as a result of some corporate malfeasance punished in a court of law. In 1982, the Unocal Corporation, a California oil company, was found guilty of polluting San Francisco Bay and killing thousands of birds and wildlife with chemical

TABLE 5-1. TOTAL PARK-RELATED EXPENDITURE PER RESIDENT, SELECTED CITIES (DATA FROM FISCAL YEAR 2004)

CITY	POPULATION	TOTAL PARK EXPENDITURE	EXPENDITURE PER RESIDENT
Washington, D.C.	553,523	$146,250,104	$264
Seattle	572,475	$136,369,421	$238
Cincinnati	314,154	$52,175,643	$166
Chicago	2,862,244	$465,515,116	$163
Minneapolis	373,943	$54,054,637	$145
Tampa	321,772	$43,095,235	$134
San Jose	904,522	$111,460,086	$123
Kansas City, Mo.	444,387	$54,605,149	$123
Portland, Ore.	533,492	$64,209,345	$120
Sacramento	454,330	$53,393,206	$118
Long Beach	476,564	$54,356,905	$114
Denver	556,835	$62,764,158	$113
Tucson	512,023	$54,391,620	$106
San Diego	1,263,756	$132,106,294	$105
Colorado Springs	369,363	$33,802,924	$92
Phoenix	1,418,041	$125,745,488	$89
Atlanta	419,122	$35,979,371	$86
Boston	569,165	$47,940,409	$84
Columbus, Ohio	730,008	$60,018,919	$82
New York	8,104,079	$635,753,000	$78
Oakland	397,976	$29,271,558	$74
Nashville/Davidson County	572,475	$42,030,405	$73
Jacksonville	777,704	$50,029,762	$64
Albuquerque	484,246	$28,593,026	$59
Miami	379,724	$22,329,585	$59
St. Louis	343,279	$19,998,140	$58
Dallas	1,210,393	$68,198,817	$56
Fort Worth	603,337	$33,001,171	$55
Mesa	437,454	$23,378,119	$53
San Antonio	1,236,249	$63,765,209	$52
Baltimore	636,251	$32,631,663	$51
Wichita	353,823	$17,879,348	$51
Memphis	671,929	$33,629,566	$50
Fresno	457,719	$21,987,600	$48
Indianapolis	784,242	$37,086,264	$47
Oklahoma City	528,042	$24,958,150	$47
Charlotte/Mecklenburg	771,617	$33,712,263	$44
Philadelphia	1,470,151	$64,096,697	$44
Tulsa	383,764	$15,883,289	$41
Louisville	700,030	$28,412,636	$41
Los Angeles	3,845,541	$144,344,168	$38
Pittsburgh	322,450	$11,969,346	$37
Houston	2,012,626	$70,801,214	$35
Average			**$87**
Median			**$73**

Note 1: Total expenditure includes both operating and capital expenditure, but excludes stadiums, zoos, museums and aquariums.

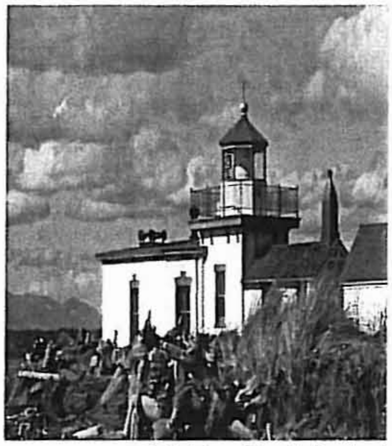
Note 2: If a city has more than one agency, expenditures are combined.

Note 3: Italic indicates estimate based on prior year information.

waste. As punishment, the company was required to allocate $10 million for the purchase of replacement lands in and around the Bay to be used as parkland. Although events like this are impossible to anticipate, they can still be planned for; planners should always have a wish list of properties to acquire, and mayors should be entrepreneurial enough, in the event of a high-profile corporation trial in the vicinity, to notify the judge that the city would be a candidate for receiving some or all of any legal settlement.

Interagency Transfer

It is often possible to gain parkland through its free transfer from another public agency. Discovery Park, the largest park in Seattle, was acquired free of charge when an old military base was declared surplus by the Pentagon. Flushing Meadow Park in New York—site of two World's Fairs—came into being when the former Corona Dump was transferred from the city's department of sanitation to the department of parks. Atlanta's Freedom Park was created by the transfer of land by the Georgia Department of Transportation when a proposed highway was shelved. And Memphis's Shelby Farm Park was established when an old prison farm was transferred from the Bureau of Prisons to the park department.



Seattle Parks and Recreation Department

Discovery Park, Seattle's largest park, is on land made available for free when the Pentagon closed a military base at the site. Park planners need to take advantage of such opportunities.

Tax-Defaulted Properties

While not free, it is sometimes possible to acquire abandoned property for an inexpensive park (although in most cities this is an arduous process that under current rules may barely be worth the effort). Any property owner who fails to pay his/her land taxes risks having the property confiscated by the government and sold, but an array of legal protections for the owner drags the process out for many years. Chicago has had more success with this than many other places, gaining several hundred acres of parkland thanks to its Tax Reactivation Program, a set of tax-sale procedures that streamline the process. In Cook County (where Chicago is located), if a property is in tax-default, it is put up for purchase through a "scavenger sale." Chicago's Department of Planning and Development can request the county to place a non-cash bid on the land, which covers the cost of all back taxes, penalties, and fees. If no private party outbids the county for the land, the city is given the right to acquire the land, which involves handling all the acquisition legalities (which come to about $2,500 per parcel). In addition to occasional vacant properties sprinkled throughout the city, Chicago used this process to acquire 1,100 abandoned parcels in an ecologically valuable wetland in Calumet on the far south side of the city. (This procedure holds only for vacant land; if a structure is present on the parcel, the process is much more drawn out.)

FINDING AN ALTERNATIVE PUBLIC AGENCY BUYER

In some cases it makes sense for a different public entity—a county, regional, state, or national park agency, or even a port authority, water utility, redevelopment authority, or transportation agency—to create an urban park. This is generally a "Plan B" solution because it introduces different missions and policies into the mix, but it may be preferable to losing the property entirely. Many of these agencies have access to funds, either because their geographies are larger or because they are special-purpose districts with their own taxing authority and revenue stream. Perhaps the most beautiful small park system in New York is made up of the parks of Battery Park City, owned, created, and maintained by a special-purpose redevelopment authority and fully open to the public. Phoenix, Arizona, Duluth, Minnesota, Philadelphia, Pennsylvania, and many other cities have built handsome parks on highway decks over free land made available by transportation departments.

GENERATING MORE REVENUE THROUGH THE BALLOT BOX AND THE LEGISLATURE

Cities generally use one of two means to generate new dedicated revenue for parks creation. One is to secure voter approval of a ballot measure for the purpose. The other is to obligate funds through legislation. The most common ballot mechanisms are general obligation bonds, property taxes, and sales taxes. The most common legislative solutions include impact fees, tax-increment financing, special assessment districts, and business improvement districts.

Voter Approval

General obligation bonds generated by voter approval. Virtually every jurisdiction issues general obligation bonds to pay for high-cost, one-time expenditures (e.g., constructing a road or a public building, buying land, or carrying out a major repair). Bonds are a way to bring in a large amount of money and to repay it gradually and predictably over a long period of time, say, 20 years. The repayment, made on the "full faith and credit" of the jurisdiction, is usually made using money brought in by the property tax or the sales tax. Bonds can be issued based on a vote of the public at large in an election (more common in the western states of the U.S.) or based on a vote of the city or county council (more common in the eastern states of the U.S.). While bonds are used for every imaginable governmental financial need, a percentage of them regularly go for parkland. In the U.S., between 1996 and 2006, according to the Trust for Public Land's "LandVote" database, citizens voted on a total of 1,566 local ballot measures (http://www.tpl.org/tier3_cdl.cfm?content_item_id=12010&folder_id=2386). Of these, 1,206 passed, authorizing the expenditure of $51 billion—more than $18 billion of which went for open space acquisition and parkland creation.

Minnesota Department of Transportation

Some cities, like Duluth, Minnesota, have been able to build parks over highways, on land made available by transportation departments.

Raising the property tax. Most local jurisdictions have a property tax that pays for a broad base of local services. In a few cases, a small portion of the property tax is permanently earmarked for parkland acquisition (or even parkland maintenance). The benefits of this approach are that it provides a steady source of revenue, is easily administered, distributes the tax burden relatively fairly, and can result in a lot of money from a tiny rate increase. The drawbacks include stiff competition from other interest groups, resistance of lawmakers to earmark funds, and the public's general concern about high property taxes.

Raising the sales tax. Some local jurisdictions have a local sales tax (added on to the state's sales tax). In some cases, that tax is already at its statutory maximum; elsewhere, the state legislature might allow it to be raised minimally (by one-sixteenth or one-eighth of a percent, for instance). Potentially this addition could be earmarked for parks. The benefits are that it can tap into tourism profits generated by park use and amenities, it is relatively easily administered, there are low reporting costs, and it can generate large sums. The drawbacks are that sales taxes are regressive and fall more heavily on the poor (although food and medicine could be exempted to help counter this), and revenues drop when purchasing decreases.

Legislative Measures

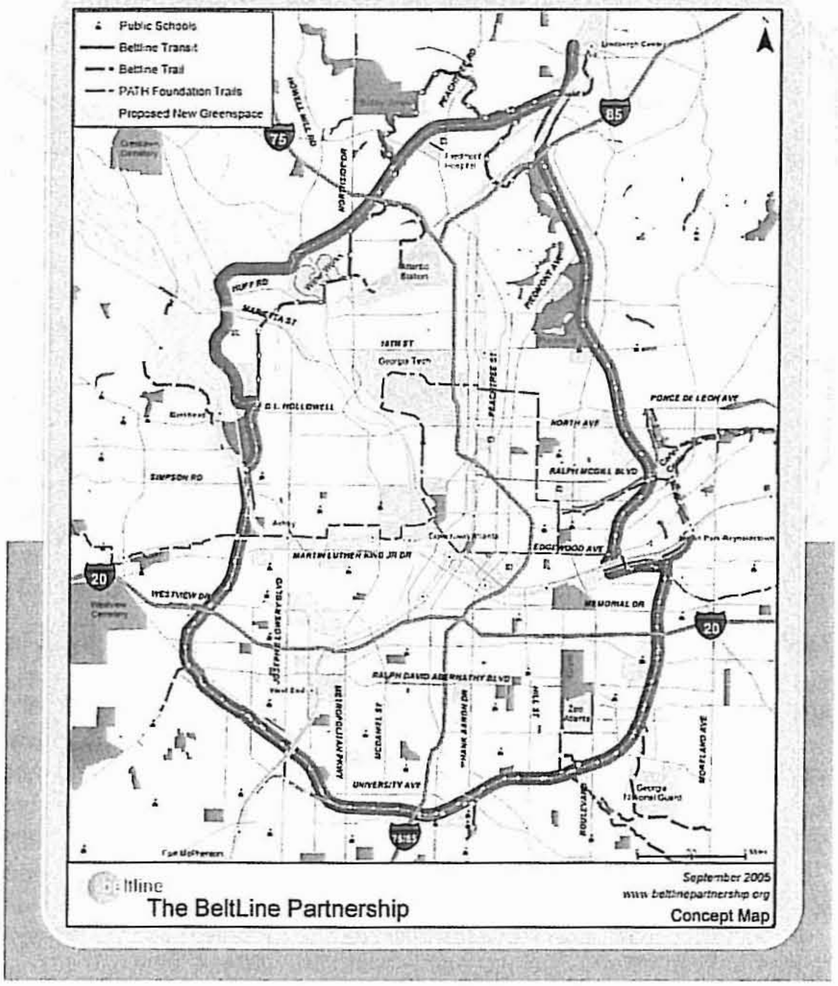
General obligation bonds enacted by the legislature. Described above, these bonds can also be authorized by the city or county legislative body, depending on the charter of the jurisdiction.

Instituting an impact fee. Impact fees are common in suburban areas as well as in some cities mostly in the southern and western U.S.; they are less common in the northern and eastern U.S., although some cities have an informal method of getting infrastructure benefits from developers. Among the benefits are the "nexus" between taxing new development and protecting open space—the new parks are required to be located in the general vicinity of the new housing. The drawbacks are that older, park-poor neighborhoods are often not eligible to get impact-fee land if development is miles away. Impact fees can also contribute to higher housing costs. Finally, impact fees are often hard to collect and to bundle so as to actually be able to buy land with them.

Special assessments are gaining in popularity in response to the many limitations placed on property taxes, particularly in California. To many, these assessments seem fairer because they can be more closely linked to the benefits that accrue from the parkland purchased with them.

Tax Increment Financing. Tax increment financing (TIF) is a municipal revitalization tool whereby a neighborhood receives infrastructure upgrades on the assumption that the resulting increase in property tax revenues due to rising property values brought about by the upgrades (the increment) will generate funds to pay back the initial investment. In other words, neighborhoods that qualify (often an area must be designated as blighted to qualify) are allowed to essentially spend future tax revenue in advance with a promise to repay it. The money is often spent on streetscape improvements or on big-ticket items like convention centers that drive private-sector rehabilitation and renewal. While TIF districts are fairly common, most cities do not use them for parkland acquisition. (Some use them to revitalize neglected parks.) An exception is Chicago, which has spent more than $30 million of TIF money either acquiring parkland or remediating polluted ground for use as parks in degraded or formerly industrial areas. And the whole concept of TIFs and parks may be changing with the newfound realization of the importance of parks as seeds for urban revival. Atlanta is leading the way with the 2006 authorization of a $2 billion Tax Allocation District (a TIF under a different name) for the creation of the Atlanta Beltline, a 22-mile combination greenway park and transit loop around downtown.

Passing a special assessment. Special assessments are gaining in popularity in response to the many limitations placed on property taxes, particularly in California. To many, these assessments seem fairer because they can be more closely linked to the benefits that accrue from the parkland purchased with them. The assessment district's geography can also be pinpointed toward communities that are less tax-averse. This approach has several advantages:



The Beltline Partnership

Atlanta is using a $2 billion Tax Allocation District (a type of Tax Increment Financing tool) to create a 22-mile greenway and transit loop around the city.

- Users finance the acquisition (and even the maintenance) of parkland.
- A predictable revenue stream is generated.
- There is greater accountability in government spending.
- Such assessments can be established in small increments.
- It may be possible to arrange for a tailored election date and election process.

The drawback is that many people oppose them as "a tax by another name."

Creating a business improvement district. A business improvement district (BID) is a special assessment district in a commercial area, usually a downtown. These districts have been extremely successful and popular and are proliferating rapidly, particularly in the eastern U.S. in big cities. Virtually none of them build or rehabilitate parks, however, and only a few even maintain or program parks. (For more on improvement districts, see "Creating a Park Improvement District," below.) The benefits and drawbacks of BIDs are similar to special assessment districts. It's important to recognize, however, that they are only viable in areas sufficiently profitable that owners and renters are willing and able to pay a premium over regular property taxes.

FINDING A PRIVATE PARTNER TO CREATE A PARK

In rare cases, private entities have created parks. Two of the most famous are the Park at Post Office Square in Boston and Yerba Buena Garden in San Francisco. Post Office Square is a unique effort where a consortium of business owners and real estate interests formed a for-profit corporation that constructed an $80 million underground parking garage with a ground-level park. The park is technically owned by the city of Boston but it was fully built (and is fully maintained) through the profits from the garage and a food kiosk concession. Yerba Buena Garden is a $40-million park built in conjunction with the $2 billion mixed-use Yerba Buena redevelopment project in the formerly decrepit Mission District. Technically, the San Francisco Redevelopment Authority is a quasi-public agency, but it operates like a private entity, funding itself through rental payments for its projects.

Thanks to a special law, New York City has a considerable number of privately built vest pocket parks and plazas in the midst of the high-rise canyons of Manhattan. The city's innovative zoning regulation allows developers to gain additional building height in return for reducing the footprint and providing public open space at sidewalk level. (The building owner must also maintain the park.) The most famous of several hundred such microspaces is Paley Park, with its handsome waterfall and wrought-iron chairs.

KEEPING PARKS BEAUTIFUL ONCE THEY HAVE BEEN BUILT

It turns out that keeping a park maintained, properly programmed, and properly used is harder than building one new.

It turns out that keeping a park maintained, properly programmed, and properly used is harder than building one new.

The primary mechanism for sustaining a park system is the municipal park and recreation department. That is its purpose, that is its expertise, and that is what it is there for. Again, research by The Center for City Park Excellence shows that the park agencies whose budgets are above about $85 to $95 per city resident are generally able to maintain their systems to a reasonably high level of quality, cleanliness, safety, and horticultural health.

But many park departments are not funded that well and do not have the money to keep up parks to acceptable standards. Others have one or two parks that represent a special funding challenge because of their size, heavy use, special plantings, historic artifacts, or other factors. In those situations, there are several options to sustain the park, as described in the following paragraphs.

Volunteers

In any metropolitan area, thousands of people are willing and even eager to volunteer in parks. They represent a large, well-motivated, and often highly skilled workforce to help with park cleanup, invasive species removal, simple flower planting, user counting, visitor greeting, assisting with park programs, publicity, office work, and numerous other jobs. The key to a successful program is providing a strong structure within the park department to manage the volunteers, from taking the initial phone call to formally setting times and tasks, to overseeing the work, to ensuring the proper supplies and equipment are available, to handling problems, and even to managing the exit interview or questionnaire.

The city of Seattle, for instance, has a full-time volunteer coordinator and a highly formalized system whereby individuals and organizations even go so far as to sign written contracts specifying what work will be done and what each partner must bring to the table. In many cases, the outcome is an "Adopt-a-Park" contract whereby a local group shows the agency it has the ability to do the volunteer work and agrees to at least a three-year plan of action. In Washington, D.C., the volunteer program of the nonprofit group

Prospect Park Alliance

The key to a successful volunteer program for maintaining parks is good management. Given good management, volunteers, like these people in Prospect Park in Brooklyn, New York, can add significant resources to park development and maintenance.

Washington Parks and People benefits from more than 18,000 hours of donated time per year (time worth about $435,000 on the open market).

It is important to recognize that volunteers are not "free," and that volunteer programs have some of their own complicated dynamics. Of course, volunteers must be treated well and shown they are valued because they are free agents who can easily go to other endeavors if they feel underappreciated. Also, in cities with unionized park workforces, delicate issues often arise related to paid versus unpaid tasks. In general, it must be demonstrated that the work done by volunteers is supplementing rather than replacing that of the paid staff. Lastly, it is important that volunteers be assigned to staff members who are skilled at managing people rather than those who would rather just do the work themselves.

Adopt a Park

This takes the volunteering discussed in the previous section to the next level, arranging for an entity (e.g., a family, an association, a corporation, a school, etc.) to officially take responsibility for a variety of park tasks. The city of San Jose, California, has a robust adopt-a-park/adopt-a-trail program that involves signing a simple contract and agreeing to commit to it for at least one year. More than 200 parks and specific park features (e.g., tennis courts, playgrounds, and walkways) have been adopted by individuals, families, neighborhood associations, high school key clubs, scout troops, Native-American tribes, dog groups, fraternities, religious congregations, and corporations.

A kindred concept is cause-related marketing. Under this scenario a corporation offers to make a small donation to a park agency or friends' group in response to each sale of an item or each use of a service. One of the most successful examples of this approach occurred in the 1980s when the American Express Corporation announced that a small percentage of each transaction would be donated to the National Park Service's effort to rehabilitate the Statue of Liberty.

Nonprofit Organization Contracts

It is possible to pay a nonprofit organization to do the work that volunteers typically do. A preeminent example is found in Philadelphia where Philadelphia Green, a division of the Pennsylvania Horticultural Society, partners with public and private agencies to landscape and maintain public spaces downtown, along city gateway corridors, and in neighborhoods. (See PAS Report No. 506/507 for a fuller discussion of Philadelphia Green's activities.) Philadelphia Green's reputation has risen so high that, in 2003, the Philadelphia Department of Recreation signed a contract turning the maintenance of four of its neighborhood parks over to the nonprofit. That contract was later expanded to nine parks, and then to 50.

Park Conservancies and Maintenance Trust Funds

Following the extraordinary success of the Central Park Conservancy, which raised $300 million between 1980 and 2005 and completely transformed the park, park lovers in many other cities have sought to emulate that model. In most cases, the support organization is designed to rebuild and prop up a single park, such as Prospect Park in Brooklyn, Forest Park in St. Louis, Hermann Park in Houston, and Piedmont Park in Atlanta. In Boston, the Emerald Necklace Conservancy works on the string of seven parks designed by Frederick Law Olmsted. Elsewhere, the Pittsburgh Parks Conservancy and the San Francisco Parks Trust devote their attention to all of their cities' major parks. Most city park conservancies spring up initially as fundraising entities. Typically, they are created by wealthy community leaders who live near a large, signature park that has become run down. Generally, the conservancy works closely with the city department to identify a set of costly needs—often major capital repairs—and then sets out to raise all or a portion of the budgeted amount. Frequently, over time, the experience is so satisfactory that the city gradually turns more and more responsibility to the conservancy, including some of the day-to-day maintenance and operations. In New York, the Central Park Conservancy has become the park's primary manager, with the city covering only 15 percent of the costs and retaining the principal authority to set policy. In the case of Prospect Park, the position of park administrator and Prospect Park Alliance president is held by the same person, who draws a half-paycheck from each of her employers. (This New York City model has not yet been emulated elsewhere as yet.)

Generally, the conservancy works closely with the city department to identify a set of costly needs—often major capital repairs—and then sets out to raise all or a portion of the budgeted amount.

Park Improvement Districts

It is a documented fact that an outstanding park raises the value of surrounding properties (Crompton 2000). This attribute provides an opportunity to use a park as an economic engine—and to use the nearby neighborhood as financial fuel for that engine. Many cities, particularly in the eastern U.S., have passed enabling legislation whereby a self-defined neighborhood can vote to assess itself a fee and then use the funds to make improvements. Generally speaking, passage of the fee requires a majority vote of all the property owners in a specified district; if the vote passes, everyone is assessed, even those who voted against it. Most of these entities are BIDs (see above) that focus on litter clean-up, management of homeless persons, sidewalk washing, and graffiti removal, for example, although a few of them have programs relating to street trees and pocket parks.

New York's Bryant Park Restoration Corporation is fully focused on park improvement and has proved to be an extraordinarily successful undertaking that paid for the $17 million renovation of Bryant Park. It now operates and programs the six-acre parcel. Despite the extra "tax" that nearby storeowners, building operators, and office renters pay to the Restoration Corporation, the growth in activity around the park, resulting in improved business, greater safety, and creation of a distinctive community character, means that virtually everyone in the vicinity believes the effort is worthwhile.

Money-Making Facilities and Programs

In the past, the idea of a "money-making" urban park was anathema, but city budget shortfalls have begun to change some people's thinking. More urban dwellers seem to believe that a clean and beautiful park with some commercial activity is preferable to a dirty, unkempt park entirely free, unbranded, and available to all. Few city parks actually charge an entrance fee, but quite a few parks now have one or more ways of earning money.

The ideal solution is to place the revenue-producing activity underground, out of sight and out of mind. Boston's Post Office Square, San Francisco's Union Square, and Cleveland's Memorial Plaza are all built over money-making parking garages. (Post Office Square advertises itself with: "Park Above, Park Below.") The 45-mile-long W&OD Railroad Trail in Arlington and Fairfax, Virginia, has a lease for an underground fiber-optic line that nets the Northern Virginia Regional Park Authority $375,000 a year.

Prospect Park Alliance

Many cities have groups that have devoted themselves to the preservation of a single park, modeling their programs on the successful Central Park Conservancy. Prospect Park in Brooklyn has its own "Alliance."

Then there are various sports fees. Depending on the culture of the community, there may be more or less willingness to use fees to help defray costs. In virtually all cases, golf fees are well accepted (and some park directors privately refer to golf as a "cash cow"), as are fees for wedding receptions. Almost as accepted are fees for ice skating, roller skating, adult sports leagues, and, sometimes, tennis. Chicago's new Millennium Park includes a "bike station" where commuter and recreational cyclists can store their bikes, take a shower, use clothes lockers, and make use of a bike repair service, all for a fee. And many waterfront parks have marinas and boat slips for lease.

Some park agencies bundle all their revenue-producing divisions into a separate unit, usually known as an "enterprise fund." Enterprise funds operate under different rules than normal public agencies and are expected to cover all their direct and indirect costs. By doing this, agencies can shield

Catering St. Louis

Allowing food concessions that can put revenue in the park budget is an idea whose time has come in the U.S. The Boathouse Restaurant on Post-Dispatch Lake in Forest Park in St. Louis is a money maker and a beauty.

these funds and programs from the normal annual risk of budget cutbacks; the budget deliberations then are conducted solely over the "normal" (non-enterprise) activities of the agency.

A growing source of park revenue stems from the sale of food. Eating in parks has had a long tradition in Europe (and New York's Central Park has had the famous Tavern on the Green since 1934), but most American city park agencies resisted the addition of cafes or dining opportunities until recently. That is now beginning to change, both for financial reasons and because of a new appreciation that a type of urban ambience traverses the formerly bright line between "gritty city" and "pure nature." Pioneer Courthouse Square in Portland, Oregon, now has a Starbucks, Boston's Post Office Square has the Milk Street Café, New York's Madison Square Park has the Union Square Café, and St. Louis's Forest Park has the lively Boathouse restaurant on Post-Dispatch Lake.

Privatizing Concessions

Many park departments undervalue their assets and get a poor return on their concessions. When New York City opened up some of its park programs, services, and amenities to competitive bidding in the early 1980s, it was astounded by the results—the golf program went from a $2 million-a-year money-loser to a $3 million-a-year profit center; the lease on the Wollman Skating Rink brought in $850,000; the tennis center in Forest Hills earned $1.15 million. When the city auctioned off the annual concession for a single hot dog-and-pretzel vendor in Central Park in front of the Metropolitan Museum of Art, the winning bid came in at just under $200,000, making it the most valuable pushcart in the country. All told, between 1979 and 1997, to Exelon Pavilion. But how else could a city raise $275 million from the private sector for a park?

CONCLUSION

There is no simple solution to the challenge of raising money for park creation and park maintenance, but it can be done, as is clearly shown from the examples I've provided throughout this chapter. The preferred way is to adequately fund the city park and recreation department and let the agency follow its master plan priorities for acquisition and operation. But if the parks and planning communities do not have enough political strength to ensure that outcome, one or more of the alternative approaches I've discussed here become necessary.

CHAPTER 5 REFERENCE

Crompton, John L. 2000. *The Impact of Parks and Open Space on Property Values and the Property Tax Base*. Arlington, Va.: National Recreation and Park Association.