

GREAT PUBLIC SPACES

CREATING PATHS TO LONG-TERM SUSTAINABILITY

LAURA TRUDEAU



REPORT SUPPORTED BY THE KRESGE FOUNDATION

Table of Contents

AUTHOR'S NOTE | 1

ACKNOWLEDGEMENTS | 2

INTRODUCTION: A Mandate to Sustain Great Public Spaces | 4

A COMPREHENSIVE APPROACH TO SUSTAINABILITY | 12

- I. Ecosystem Focus: Maximize Community Ownership, Equitable Access and Learning from the Field**
- II. Organizational Focus: Equip Stewards for Success and Gain Economies of Scale**
- III. Financial Focus: Develop, Design and Execute a Multi-Faceted Financial Strategy**

CONCLUSION: Leading the Next Phase of Innovation in the Sector | 30

PULL-OUT: An Adaptable Framework to Develop an Operational Funding Plan | 31

BIBLIOGRAPHY | 33

SELECTED RESOURCES | 34



Author's Note

The transformative power of a beautiful public space was brought home to me in 1975, when gravel parking lots lining the Detroit River were transformed into Detroit's Hart Plaza, centered by the Noguchi-designed Dodge Fountain and filled with places for people to gather. In 2002, another major effort came to life when The Kresge Foundation, the City and General Motors joined forces to initiate the community's transformation of three more miles of the East Riverfront from a post-industrial area into a lovely, people-friendly RiverWalk. I was new to Kresge at the time and had the amazing opportunity to serve as the foundation's program officer for the project. Since then, the community has supported the creation and improvement of parks, greenways and open spaces throughout the city, and helped advance the Detroit Future City Strategic Framework Plan that envisions opportunities for vacant land to become productive open space vital to the health of residents.

During these years, Detroit has faced many financial challenges. But Detroiters are strong, persistent, resilient, and never give up on the city they love. Through public-private-philanthropic funding partnerships, many former industrial areas have been transformed into public spaces that speak of the unique character of the city. Parks and public spaces are being expanded and restored and are catalysts for other new investment.

One lesson my peers and I have learned is that capital investments, while hugely successful, must be followed by long-term commitments of time and money to ensure these spaces thrive and continue to buzz with activity and improve our quality of life. This paper is an attempt to capture some of the most innovative thinking from Detroit and around the nation and share methods and strategies that give us confidence in the sustainability of current efforts. I hope it becomes one more among a growing set of tools and resources that will help to secure amazing public spaces across the US for future generations.

**- Laura Trudeau
November 2017**

Acknowledgments

This paper resulted from a brainstorming session with Eric Larson and Paul Trulik, leaders of the Downtown Detroit Partnership, about sustaining the beautiful public spaces in Detroit. We quickly realized the issues are felt more broadly than just in our hometown. Groups across the country work every day to increase access to high-quality urban public space and ensure that it contributes in essential ways to the vitality of cities. The information and advice presented here was collected from interviews, presentations, research and site visits and comes directly from people who lead such efforts in Detroit and in cities nationally.

The following list acknowledges experts who contributed their wisdom and creative thinking to this report.

Overall guidance of the project:

Eric Larson, Downtown Detroit Partnership (DDP)

Paul Trulik, Apparatus Solutions and DDP

Interviews:

Mark Wallace, Detroit Riverfront Conservancy

Matt Cullen, JACK Entertainment and Founding

Chairman of Detroit Riverfront Conservancy

Mariam Noland, Community Foundation for Southeast Michigan

Susan Mosey, Midtown Detroit Inc.

Kathryn Ott Lovell, City of Philadelphia

Robert Gregory, Detroit 300 Conservancy/Campus Martius Park

Carol Coletta, The Kresge Foundation/Reimagining the Civic Commons

Roger Penske, Penske Corporation and Past Board Chair, DDP

Cindy Pasky, Strategic Staffing Solutions and Current Board Chair, DDP

Sam Reiman, Richard King Mellon Foundation

Maura Lout, Central Park Conservancy – Institute for Urban Parks

Katy Locker, John S. and James L. Knight Foundation

Jim Boyle, Ralph C. Wilson Foundation

Interviews (continued):

Lavea Brachman, Ralph C. Wilson Foundation

Gina Cavaliere, DDP Business Improvement Zone

Jed Howbert, City of Detroit

Faye Alexander Nelson, DTE Energy

Site visits & hosts:

Fairmount Parks Conservancy, Philadelphia: Jennifer Mahar, Rick Magder, Tim Clair,

Project for Public Spaces: Steve Davies, Elena Madison,

Ethan Kent, and Andy Manshel, PPS Board

New York Restoration Project: Deborah Marton, Bethany Hogan, Matt Shapiro

Central Park Conservancy, NYC: Jane McIntosh

Prospect Park Alliance, Brooklyn: Sue Donoghue, James Snow

The Trust for Public Land: Adrian Benepe

Urban Land Institute: Patrick Phillips, Rachel MacCleery, Ed MacMahon

Half-day workshop with PwC subject matter experts:

PriceWaterhouseCoopers LLC: Ray Telang, Britt Harter,

Kelly Walsh, Raquel Malmberg, Angela Wu

Panel discussion at the Reimagining the Civic Commons Studio:

David Gould, Deputy Director, REBUILD, City of Philadelphia

David Reifman, Commissioner, City of Chicago Dept. of Planning and Development

Will Towns, Executive Director, Benefit Chicago

Finally, my deep and sincere thanks to The Kresge Foundation for their most generous support of this project, and especially to Jennifer Kulczycki and Alejandro Herrera for their invaluable support in editing, graphics and layout.



Introduction: A Mandate to Sustain Great Public Spaces

Fairmount Park,
Philadelphia.
Photo: Albert Yee.

Cities across America are experiencing a resurgence of urban parks and public space. New public spaces are being built in abandoned post-industrial riverfronts, under overpasses, over freeways, on elevated former rail corridors and even on pylons extended over great rivers. Parks built during the heyday of our cities -- in periods of booming growth and seemingly boundless municipal riches -- are being updated and renovated. And not surprisingly, people are embracing these beautiful outdoor environments as an essential part of their everyday lives.

In this report, the term “Public Space” encompasses all types of parks and open space: large-scale, signature city parks, small neighborhood parks and playgrounds, dog parks and green alleys, urban plazas and waterfront linear spaces, greenways and walking/biking trails, urban forests and natural areas. They form an ecosystem of connection for people to appreciate and experience the urban outdoors and have hugely valuable environmental and economic impacts.

These public spaces contribute to a dramatic shift in the narrative and attitudes about cities. Cities that combine dense groups of people, authentic, diverse cultures, and economic vitality have become “people magnets” to retain residents and attract others in the 21st century. These cities are defined by public spaces that offer auxiliary living space, gardens, games, sports and places for quiet contemplation. A [recent New York Times article](#)¹ lays out these benefits and opportunities using Philadelphia and Chicago as examples.

In the decades when American cities like Detroit were growing rapidly, the expense of building, maintaining and programming parks and open space were borne mostly by city governments that used their growing tax base to create amenities for residents. As population declined in the later years of the last century, budgets decreased year by year, and decisions about allocating an ever-smaller resource pool became very difficult. Parks and public space were hard-pressed to compete with other priorities, and in many cities, business, individuals and foundations stepped in to fill the gap. It seems this trend will continue, but many park supporters are searching for the most appropriate balance between public and private support.

Dedicated people who have come together as partners to create and restore these great public spaces want to ensure they will be strong assets for future generations. At the same time, we must continue to build, recognizing the need for equitable distribution throughout cities of well-functioning open space. It was this desire to expand access and ensure sustainability that drove the research and development of this report. The ideas and information it contains come from dozens of people around the country who are listed in the acknowledgements; the writer’s task was to compile and organize their thoughts, advice, and immense knowledge about what can and will work.

¹ Kimmelman, M. (2017, March 12). In Chicago and Philadelphia, the Difference a Park Makes. New York Times. Retrieved November 8, 2017, from https://www.nytimes.com/2017/03/12/arts/design/chicago-philadelphia-parks-rahm-emanuel.html?nl=todaysh headlines&emc=edit_th_20170313&r=2



Detroit: Decades of Innovative Public Space Development

*Detroit's annual JazzFest
at Campus Martus Park.
Photo: Ryan Southen.*

Detroit has been a center of innovation in creating and enhancing public spaces, parks, greenways, community gardens, side lot plantings, and other outdoor places where people come together, all while its fiscal condition declined and the City entered and emerged from an historic bankruptcy process. Many organizations have spearheaded the innovation and development that are driving the revival of public spaces in the city. The movement is growing in size and influence, as people throughout the city embrace biking, walking, fresh-grown produce, alternative forms of transportation, and improvements in health, safety and environmental quality. Resident well-being and job creation are outcomes of these investments.

Campus Martius Park, begun in 2000, was the legacy gift to Detroit from the city's 300th birthday celebration. It has won national awards as a park placed smack in the middle of Woodward Avenue, the nation's first paved highway. The placement of the park was the first use of a "traffic calming strategy" in our region, designed to make the heart of downtown more pedestrian friendly, while creating a gathering place for events and activities that serve residents of the metropolitan area. The success of Campus Martius has been a catalyst for improvements to other Central Business District parks: Capitol Park, Beatrice Buck Park, Grand Circus Park as well as the construction of Beacon Park, a gift to the people from DTE Energy of a vibrant gathering space near its headquarters. These spaces are catalyzing investment and activity in formerly underutilized blocks in Detroit's downtown.

The Detroit East RiverWalk was initiated in 2003 by the newly-formed Detroit Riverfront Conservancy. It has achieved the vision to build a world-class riverfront amenity for all Detroiters on the eastern section of the Detroit River, an international border with Ontario, Canada. The RiverWalk has reclaimed more than three miles of underused post-industrial waterfront land to create a beautiful public space in a highly-urbanized environment. The RiverWalk is currently designing an expansion to build two more miles of riverfront access in the southwest part of the city. The segments will connect to create nearly six miles of linear public waterfront access, with natural and people-centered environments throughout. In 2016, the RiverWalk *was named by The Guardian as one of the "six best city walks in the world."*²

Greenways like Detroit's Midtown Loop, Conner Creek and Dequindre Cut are changing the landscape. They have catalyzed plans for the Beltline Greenway, the Joe Louis Greenway, and the 500-mile Iron Belle Trail that will someday connect Detroit, in Michigan's Lower Peninsula to Ironwood, in the far western reaches of Michigan's Upper Peninsula.

In residential neighborhoods throughout Detroit, groups like the Clark Park Coalition, the Chandler Park Conservancy, Friends of Rouge Park and Friends of Palmer Park are investing in programs and improvements to the city's iconic neighborhood parks, which have been hubs of activity for many decades. And Belle Isle, the beautiful 985-acre island park designed by Frederick Law Olmsted, is now stewarded by the Belle Isle Conservancy, the Detroit Parks Department and Michigan State Parks. These entities are working cooperatively to sustain and improve this place of history and pride for Detroiters.

² Perry, F. (2016, August 10). Six of the best city walks – from readers around the world. Retrieved November 08, 2017, from <https://www.theguardian.com/cities/2016/aug/10/six-best-city-walks-readers>



In Midtown Detroit, greenways, green alleys, community gardens, and renovated parks are catalysts for vibrancy and residential and commercial development in the 5-square-mile district.

A dog park in Midtown Detroit. Photo: Midtown Detroit, Inc.

In Detroit, as in other cities, this transformative surge of public space creation and restoration comes from a diverse group of stewards with varying levels of resources. And each one has expressed the desire to ensure these public spaces remain strong and vital in the future.



Across the Nation, Great Public Spaces Need Strategies to Sustain Them

*Prospect Park, Brooklyn.
Photo: Dmitriy Fomenko.*

Through visits to great parks like Fairmount Park in Philadelphia, Prospect Park in Brooklyn and Central Park in Manhattan, as well as numerous discussions with park and public space supporters and experts throughout the country, a common set of challenges came to the fore pertaining to financial sustainability.

- ▮ In most cities, the increased burden on municipal resources has reduced city funding for public spaces, even as there is a growing recognition that they are critically important to revitalization.
- ▮ Responsibility for public spaces is held by a disparate set of groups, many of which are not primarily focused on public space. Economic development organizations, universities, merchants' associations, congregations, schools, businesses, small nonprofits and informal volunteer groups find themselves allocating resources and attention across a range of needs including public space. These groups, while effective, often lack the economies of scale that the former municipal structures could achieve.
- ▮ While the economic, financial, social and environmental benefits of public space help grow the city's tax base and raise nearby privately-owned property values, public space organizations often lack ways to tap new tax dollars generated by those investments for maintenance, safety, or activation of their spaces.
- ▮ Public space entities may be over-reliant on one or two revenue sources among the range that are available because they lack the time or money to invest in research, development and execution of a broader-based revenue plan. Public, corporate and foundation grants take time and specialized knowledge to secure, and resources for ongoing fundraising activities are often limited.
- ▮ Organizations that create and maintain public space often seem to be developing their strategies in isolation and may be disconnected from the resources of networks and umbrella organizations that have expertise to offer.
- ▮ Public spaces have multiple benefits that often don't fit neatly into a single "box" within a funder's priorities. This creates a need for a complex argument citing the value of working at the intersection of fields – connecting health and environmental benefits, economic growth, community engagement, safety, arts and culture, education, and youth development.
- ▮ Even in the best of times, operational funding sources can be inconsistent year-to-year, and the resources used to bridge fundraising gaps – typically endowment and dedicated public funding streams – may take many years to secure.

Just as there are many types of public spaces, there is no single model to create, manage and sustain them. In many communities, the iconic parks of the past that were wholly funded by municipal resources now operate under various blends of public/private management and support. These new models present funding challenges but also opportunities to increase a sense of shared ownership among all users. New trails in the planning stage and 100-year-old signature city parks must have their own unique blend of human and financial resources drawn from a broad spectrum.

Diversity of funding streams is one of the basic tenets of sound nonprofit management. It involves securing the optimal mix of government, corporate, philanthropic and individual (including volunteer) support; strong governance and board engagement, and innovative, consistent efforts to attract resources that serve a growing demand for outdoor experiences. Financial sustainability requires effort and long-term thinking, but it is entirely achievable and will ensure that the spaces we create today will remain relevant and beloved by residents of the future.

Each idea presented in this paper shares new and proven ways to secure the long-term health of iconic public spaces, not only in Detroit, but in cities across America, and is illuminated by examples of leading practices and innovative approaches. A resource guide at the end of the paper contains a list of publications, programs and articles to build knowledge and capacity of public space and park organizations.

These strategies are offered with respect and gratitude for the amazing people who have brought the public space movement to fruition over many years, in the hope of creating a continuous and sustainable cycle of restoration.



A Comprehensive Approach to Sustainability

*Fairmount Park,
Philadelphia.
Photo: Albert Yee.*

Our interviews for this report elevated the fact that long-term sustainability is not strictly a financial matter. It depends on strengthening people's love for a public space and their attachment to it; understanding why they choose to be affiliated with the organization that runs it; and reinforcing their respect for the principles that guide the organization. These factors create the will in people to make long-term investments of time and money to ensure sustainability.

I. Ecosystem Focus: Maximize Community Ownership, Equitable Access and Learning from the Field

Access for All to a Connected, Vibrant Open Space Network

Having a network of safe, beautiful outdoor public spaces, connected by trails, paths, public transportation and roads is what sets great cities apart. Those spaces are iconic and defining, and the whole is truly greater than the sum of its parts. Connections to citywide and regional open space ecosystems enhance the value of each public space among them. So, while each public space steward's primary responsibility is to be an excellent champion for its own space, its impact will grow and it will benefit from finding ways to support and strengthen the whole.

It's important to think holistically. In communities across the country, people are looking for better ways to ensure equitable treatment of all residents; to ensure access for all; to conserve resources and build the capacity of the system; to demonstrate value. How can we collaborate in our community to make this happen? How do we make the case for park support together and grow the overall supply of resources? It may be possible to develop mechanisms for sharing expertise and increasing overall financial resources available to various parts of the ecosystem.

Collective action builds trust, achieves common goals, and reduces inequities of access to open space from one community to another. Ecosystem thinking and commitment creates more sustainability for all and ensures that programs meet the needs of a range of people – young and old; resident, visitor, and worker; people from different cultures and racial backgrounds. There may be opportunities to share ideas and successful strategies with others, e.g. a great fundraising event or crowd-funding platform, even if it is used on a different scale. Informal staff-to-staff mentoring is invaluable, especially for start-up efforts or expansions. Introductions and linkages to partners – block clubs, police precincts, business district groups, city staff – should occur organically and with intention.

Each of these activities may benefit the group's relationship with funders and supporters who seek to make local investments that also improve systems, strategies and comprehensive approaches.

EXAMPLES: EQUITY AND SOCIAL COHESION

New York Restoration Project (Prioritizing Programs Over Physical Form) · NYRP.org

This organization, founded by Bette Midler in 1995 to pick up trash along highways, now raises \$11 million per year to support two large parks and 52 smaller community gardens and playgrounds across the boroughs of New York City. Much of its funding comes from events; a board that includes celebrities helps, but is not the only factor. It emphasizes community members' roles in all aspects of decision-making (top down and bottom up) and invests more in programs and long-term maintenance than upfront capital improvements (4:1 instead of 1:4). The group advocates for "tactical urbanism" which watches patterns of use then follows them. It maintains a lending library of tools, idea books, technical support and has worked with local artist collectives, community-based organizations, and science teachers to help people develop their own ideas and visualize them, which develops constituencies for sustainability.

Great Allegheny Passage, Maryland and Pennsylvania (Connecting Urban to Rural) gaptrail.org

This 150-mile trail connects cities and rural communities and takes a unique approach to focusing on rural economic development that grow jobs and entrepreneurial opportunities in the trail towns. Its partner, The Progress Fund, a CDFI, has supported the creation of 60-70 new businesses offering food and lodging to users of the trail, landing new jobs where others have been eliminated.

EXAMPLES: EQUITY AND SOCIAL COHESION

Romanowski Park, Detroit (Diversity in Action)

facebook.com/pages/Romanowski-Park/

This city park in west Detroit sits at the nexus of multiple ethnic groups. Its extensive community gardening program has existed for a decade and brings people together from all groups. It works with many partners to create opportunities to grow food and relationships together.

Detroit Future City (Partnerships to Plan and Implement)

detroitfuturecity.org

The Detroit Future City Strategic Framework Plan was developed with deep resident engagement between 2010 and 2012. It has been hailed as the best set of guideposts developed for cities experiencing population loss and economic contraction resulting in large swaths of vacant land. The recommendations reflect residents' and other stakeholders' visions of how their city can take charge of its future and use innovation as a driver of revitalization. The recommendations on new neighborhood forms and open space are very relevant to the topics in this paper, and they have been developed further in the organization's publication, *A Field Guide to Lots*, that outlines dozens of ideas for small-scale open spaces.

“Use the “lighter, quicker, cheaper process” to create public spaces where the community owns the credit for the solution. Ensure a diverse group of participants and include local businesses and volunteers. How will a park be used? Try the technique of iteration through “pop-up” models. Sustainability is not just about the money – it’s a process and includes self-governing mechanisms.”

STEVE DAVIES, PROJECT FOR PUBLIC SPACES

Public Spaces that Increase Equity and Social Cohesion

Building a large, diverse, and engaged constituency of users, advocates and supporters is critical to long term stability for public spaces and the institutions that manage them. This requires deliberate action to include the voices of users, potential users and stakeholders in the design, programming and operation of the space. There are numerous opportunities to meaningfully embrace the ideas and voice of the community at every step in the development or renewal of a public space – in designing the space, designing programs, solving challenges that arise – to make unique spaces welcoming to all.

The following promising practices are among many in use around the country:

DESIGN IT WHILE IT'S IN USE

The form of many successful public spaces has truly followed their function. People using this method make basic improvements to the space and open it quickly for widespread public use, then observe the patterns and priorities of the people who use it. Thinking “minimalist” at the outset has been a core principle of the work of the New York Restoration Project and has been applied by many smaller organizations in Detroit and elsewhere. Better Block is a nonprofit organization that educates, equips and empowers communities to reshape and reactivate built environments. The Reimagining the Civic Commons Initiative is a collaborative effort by national foundations to support efforts in six American Cities.³

³ Interviews, Mark Wallace, Carol Coletta, Deborah Marton

IMPROVE ACCESS BY WALKING, BIKES AND PUBLIC TRANSIT

Multiply the ways that people can access your space, and if necessary, advocate for enhanced transportation options, especially in cities where people do not own cars or rely on public transportation.

MAKE “PEOPLE-MIXING” INTENTIONAL

Create multiple ways for people to connect in your space who might not cross paths otherwise. This is one of the highest intrinsic values of public space – that nobody “owns” it; that turf issues can be diminished; that people from all walks of life can visit it, utilize it, and create shared experiences.

INCREASE THE SENSE OF COMMUNITY OWNERSHIP

Provide opportunities for everyone to give to the park. Small contributions add up and create universal ownership. Volunteers become attached in ways that last through changing economic cycles and political transitions, and they are enthusiastic ambassadors to the space.

FOSTER MULTI-GENERATIONAL USES

Create a comfort zone for young people from all walks of your community and engage them as citizens and stakeholders. Set aside certain zones that can evolve or be designed for their specific purposes, and at the same time, identify areas of interest for elders in the community and keep a fresh assortment of options available.

CREATE IMPACT THAT TRAVELS

Whenever possible, take your programs and your impact on the road. Philadelphia’s Pop-Up Pools are a great example, as are concerts and art exhibits in neighborhood parks.⁴

MAXIMIZE INTERACTION BETWEEN PARK USERS AND STAFF

Ensure frequent interaction between staff and your community of users and visitors. Position staff in frequently visited areas. Offer space to incubate other nascent efforts and form staff-volunteer-participant teams. Use online survey tools, blogs, and social media to elicit thoughts and expertise from the community.

BROADEN PARTICIPATION ACROSS PROGRAMS AND OFFERINGS

Market your programs and activities very broadly to avoid inadvertently segregating users by income, age, interest, race or gender. Apply the maxim, “All Places for All People” and use non-traditional means to expand programming such as using

⁴ Interview, Jennifer Mahar

**EXAMPLES: NATIONAL
PEER-TO-PEER LEARNING
OPPORTUNITIES**

**Institute for Urban Parks,
Central Parks Conservancy**
*centralparknyc.org/about/
institute/*

This organization grew out of the many requests received by the Central Parks Conservancy for technical assistance. Institute for Urban Parks was established formally in 2013 to offer technical and management expertise. IUP offers assistance to every group that asks, but offers different levels of service and referrals. For instance, Partnership for Parks offers smaller, early-stage advice on whether it makes sense to form a conservancy. The institute taps larger New York entities such as the Friends of the High Line and Battery Park Conservancy to offer advisory services as well, while offering resources such as webinars and publications. A new national program, funded by the JPB Foundation, will make the resources available nationally.

City Parks Alliance
cityparksalliance.org

City Parks Alliance maintains the PARKXCHANGE Resource Library, a searchable database of agreements, MOUs and other documents related to the creation and management of park partnerships. It offers advocacy tools including a new series of infographics highlighting the benefits of urban parks to America's health, economy and environment. It recently completed the Study of Neighborhood Parks and presents an annual conference, the Greater & Greener Conference.

“When building a new space, if you raise \$500,000, spend the first \$100,000 on capital and reserve \$400,000 to maintain and program it over time. Once you have a clean, safe, attractive space, you should engage the community to think about how THEY want to use it, build it out, and care for it over time. Work with partners — the area’s community-based organizations, a local artist collective, or science teachers — to help people develop their own ideas and see a visualization of them. This way you develop the constituency for sustainability.”

DEBORAH MARTON, NEW YORK RESTORATION PROJECT

adjacent streets. The Open Streets and Complete Streets movements are growing, and they offer ways to deliver large events or programs that would not be possible in condensed spaces.

PEER-TO-PEER LEARNING IN THE FIELD, LOCALLY AND NATIONALLY

There are tremendous opportunities in Detroit and other cities to demonstrate field leadership by forming or joining peer-to-peer networks to learn and share about many aspects of public space management. Groups that have been in existence for a longer time may have connections to corporate and philanthropic partners. They are likely to participate in national networks and can help serve as a bridge for smaller, start-up, or isolated organizations that have similar objectives and values. Resource libraries, technical assistance, conferences, reports, surveys, speakers, and regular roundtable discussions are all invaluable learning opportunities for everyone who engages in them. The learning is most powerful when it goes both ways, as more established groups gain knowledge from grassroots groups and vice versa. The number of opportunities is growing, and two are described to the left.

II. Organizational Focus: Equip Stewards for Success and Gain Economies of Scale

Every organization is unique in terms of mission, longevity, role in the nonprofit sector, strengths, opportunities and relationships between people and the places that serve them. How do structure, strategy and staffing support mission? How is the ability to deliver the mission affected by size or longevity? Are city and state government partners in the effort? The corporate community? The answers to these questions will help define the right structure and direction and provide a starting point for the next stage of analysis.

Organizations have the power to set a common goal that all stakeholders care about and offer good leadership to help overcome tough challenges. The goals and purpose must be clearly understood and shared at all levels of the organization: Board, staff, and volunteers. The goals of ensuring inclusion, maintaining the confidence of the community, being known as a welcoming place, seeking interaction, intentional engagement with residents and visitors should be stated explicitly. For example, if a goal is to serve as a bridge connecting diverse groups of people, how can this objective be incorporated throughout programs and decision-making?

People interviewed for this study consistently shared their thoughts about the important role of board members – in fundraising, engaging with elected leaders, and advising and bolstering staff during difficult times. Board members must have strong connections to the community and reflect the full diversity of users and constituencies served. As one corporate CEO stated, involving the whole range of people who care about a place or a project will be more successful than a few people trying to do it all.

Adaptability, Relevance and Staying Power

Public spaces are place-bound, while the people who use them move and change over time. This dynamic creates one of the more interesting opportunities for public space organizations – a continual flow of new users and potential supporters who offer new ways to be adaptable and relevant, while having the staying power to sustain public spaces that are beautiful, serve people well, and stimulate community vitality.

Adaptability in this field means being nimble as circumstances warrant. It can take the form of innovative staffing models that create an “elastic”

STEWARDSHIP OF THE PUBLIC REALM

Midtown Detroit, Inc.
midtowndetroitinc.org

Over the past 20 years, Midtown Detroit, Inc. (MDI), and its partners have carefully, strategically and sequentially made improvements to the public areas in the district as a key part of its economic development mission. They have planted street medians, aggressively removed graffiti, built greenways, community gardens, a dog park and multiple “green alleys” to build the physical and social fabric of the neighborhood. MDI manages six neighborhood parks and offers concerts and events at New Center Park, a recently expanded performance venue.

These strategies have worked to increase interest and commitment of long-time and new residents and grow the number of businesses in the district. Through a strong partnership with Wayne State University’s public safety department, crimes have decreased. The district has attracted billions of dollars of new investment and thousands of new units of housing. The success has been stunning, but, contrary to what some believe, the transformation did not happen overnight. MDI offers several lessons: to persevere and be patient through ups and downs; to use every possible financial tool available and even create new ones; and to market strengths while being honest and open about the challenges that remain.

organization, with functions that are flexible and cross-pollinated; or hiring generalists who can learn from each other and change roles if warranted. Some build “permeability” across a network of like organizations or public-sector agencies focused on similar objectives. For employees, such cross-training can create opportunities for advancement, and for organizations, it offers ways to serve current needs while developing talent for the future.

Relevance is maintained by staying one step ahead on real-time priorities and needs of the community and imagining creative outlets for park visitors. Relevance is usually about quality, not quantity. It requires open channels for community, staff, board members, volunteers and partners to exchange ideas and organic feedback to ensure engagement, great programming, high impact and a safe, beautiful space.

Staying power depends on financial management practices that rely on accuracy, strong data collection and flexibility to project and track costs and revenues and allow for adjustments to be made quickly when warranted. Fully-loaded cost allocation is invaluable to decisions about which fundraising events and earned revenue opportunities to pursue. And of course, multi-year funding commitments make sustainable planning, budgeting and programming possible.

These approaches help to create a nimble, effective operational model. For example, many parks have challenges when funding for a long-standing program comes to an end. Instead of seeing this as a risk or loss, it can contribute to strategies to refresh programs every few years or choose to offer more passive uses. “Pop-up” projects with a much shorter lifespan are growing in popularity and fit perfectly into this approach of nimble management and community-driven priorities.

“Our organization has a variety of roles and a very important one is economic development. This is where our public space management fits in. High-quality public spaces are vital to that mission, so we are sticklers about how our spaces look, feel and serve residents, institutions and visitors.”

SUSAN MOSEY, MIDTOWN DETROIT INC.

Articulation of Social and Economic Value and Return on Investment

High-quality parks and public spaces add value that is indisputable. There is a whole body of literature offering evidence created by 8-80, Urban Land Institute, the Project for Public Spaces, the Trust for Public Land and many others. (See the Resource Guide that follows.) The 2017 Detroit Reinvestment Index commissioned

by The Kresge Foundation found that “Detroit-City Entrepreneurs believe investment in high-quality public spaces is most important to their business today.”⁵

These findings form the basis for stating the group’s “value proposition” (all its contributions to the community) in clear terms: -- economic, social, environmental, health and quality of life. It’s worth a look at other cities that have measured value to make the case for parks. Los Angeles has done this in the context of its 20-year sustainability plan, and a growing body of study is being assembled by consulting and accounting firms to estimate actual increases in property value, tax base, and income, property and sales tax revenues.

The first step to demonstrate value created is to establish the baseline of data for the district or surrounding area and then benchmark growth over several years to incorporate these factors into the case for support. Tracking data over longer periods will provide metrics that track changes in health outcomes, health disparities, social connectedness, racial diversity, community understanding, tax base growth, safety and security to provide a compelling measurement of impact.

By any measure, financial value created by public space presents an argument that is often particularly effective with business stakeholders and a city’s elected leaders. The social impacts can be captured by specific questions. How does the park contribute positively to the perceptions of residents and visitors? How does it create neighborhood identity through common experience? Can it be shown that the space and the activities within it help to increase learning about people from different backgrounds? Does it play a role in breaking down racial, ethnic, religious barriers and misunderstanding? What is the impact of the space on public safety? Does investment in the public space reduce costs of policing by increasing the number of “eyes on the street”? If it is important and can be proven, it should be cited as part of the case for support. The goal is to demonstrate that by helping retain existing residents and businesses and attracting new ones, the surrounding neighborhood produces new economic value that can be returned to assist with the public space mission.

Joint Ventures to Reduce Costs and Increase Impact

The 20th century model of a single, municipal entity managing public space created clear economies of scale. As the number of nonprofit-managed public spaces grows, and with more in the planning stages, it makes sense for communities to find new ways to achieve a similar set of scale-based cost efficiencies. A number of well-documented strategies are outlined here.

⁵ The Kresge Foundation, 2017 Detroit Reinvestment Index (kresge.org/reinvest)

- ▬ Create a single, opt-in entity to manage all programming, maintenance and operations in privately-managed parks and public spaces. If using this approach, organizations must define roles clearly and coordinate with the city, which would be likely to play a corresponding role in publicly-managed parks and public spaces.
- ▬ Create a single structure for back-office functions such as administrative support, IT, communications, purchasing, accounting, human resources, maintenance, development, while more visible or unique functions are performed by each individual entity thereby gaining economies
- ▬ Serve as a center for learning that offers expertise to newer or smaller initiatives and thereby fosters collaboration and sharing of services.
- ▬ Engage off-duty officers or share costs with the Police Department for security, which represents a major cost item for most urban public space.
- ▬ Offer professional support on a fee-based or shared-cost basis to other entities (e.g. programming expertise, event management, design).
- ▬ Share staff who manage fundraising events or community festivals.
- ▬ Pair a larger, overarching entity with the creation of smaller-district “friends” organizations.
- ▬ Establish a community-wide expectation that a percentage (10% or 15%) of every program or capital contribution will be set aside toward long-term endowment.
- ▬ Set up a resource center for exploration of BID, BIZ, TIF, bonding, and other funding innovations that may be applicable.
- ▬ Explore the use of shared technology.
- ▬ Competitive tensions may emerge at the start of a process to consider shared services or consolidation of certain functions. It may be best to start with a small group of interested partners and a set of defined potential projects to reduce any sense of risk. One experienced leader stated, “The key to good partnerships is get everything in writing so both sides share common expectations about who will do what, when, where and for how long.”
- ▬ National public space umbrella groups offer resources to help the ideas grow organically to achieve synergies and innovative cost and revenue mechanisms. An interviewee suggested that larger organizations can act as a link to networks on behalf of small or start-up organizations.



III. Financial Focus: Develop, Design and Execute a Multi-Faceted Financial Strategy

Frick Park entrance gate, Pittsburgh

The range of funding sources for public spaces is broader than many organizations realize and continues to increase through the ingenuity of public and private sector leaders. There is no prescriptive mix, but rather an approach that stays abreast of all options and considers which work best for each organization.

“One of the best collaborative examples of fundraising we’ve seen is the Pittsburgh Parks Conservancy. It packages 2-3 important projects within parks at a time and seeks funding, based on a model first used to rebuild the conservation center at Frick Park when it burned down. It’s been very effective to bundle funding into unrestricted strands and restricted strands and ask different foundations to fund different pieces according to their own priorities.”

SAM REIMAN, R.K. MELLON FOUNDATION

LONG HISTORY, FRESH APPROACHES

Fairmount Parks Conservancy

myphillypark.org

FPC has a primary focus on the beautiful Fairmount Parks, an Olmsted-designed system, but also supports 350 other city-owned parks across the city of Philadelphia. The Fairmount system is home to dozens of Philadelphia's cultural institutions, 4,500 acres of watershed woodlands and natural land, and more than 140 neighborhood parks that connect the city's neighborhoods. In Hunting Park, serving North Philadelphia, its investments have had a direct impact on reducing crime by 89% since 1989. The organization has a unique and productive partnership with the City Parks Department, whose commissioner is a past president of FPC. Functions and services provided by each partner are coordinated; security, cleaning, and landscaping is provided by the city programming and capital improvement responsibilities shared equally and fundraising and volunteers coordinated by the Conservancy. The teams work closely together, decision-making is integrated, and the model maximizes the value of both private fundraising and city tax dollars. They have joined forces in the formation of the REBUILD initiative, an effort to invest in parks and public space. Capital improvements are planned at many of the iconic sites in the parks under management.

DIVERSIFYING THE BASE OF SUPPORT

Each public space exists in a unique place with its own set of economic circumstances. In parks and public spaces across the nation, a variety of operating sources fall into multiple categories that are described in this section.

Philanthropic Support

Nonprofit fundraising practices have developed over decades. The principles and methods they employ are a good starting point and need continual refinement to incorporate new ideas and become more effective. They are built on the engagement, governance and communications strategies that are outlined in the earlier sections of this paper.

Each public space organization varies in the type of support needed, and each has its own unique universe of potential supporters that may be willing to provide either unrestricted support or support in one of the following four categories:

Capital Support: For purchase or construction of capital assets such as land, buildings, physical improvements, equipment and fixtures. The need for capital support typically fluctuates for a public space organization. It is often high at the outset when land is being acquired and capital improvements are being made and may plateau to cover modest replacement costs. Funding can come from a variety of sources: Government, long-term debt, corporations, foundations, individual gifts, or institutional reserves. This type of funding may require a highly-organized, volunteer-driven structure to fundraise within a defined period, through a capital campaign. Outside fundraising counsel may be engaged to help design and support this type of effort, but it is not mandatory.

Operational Support (also referred to as Annual Support or Working Capital): Expenditures are expected to grow on an annual basis to cover inflation as well as growth in overhead, staffing and services delivered. Operational support typically comes from government, corporate sponsorships, foundation grants and individual gifts, and may be augmented by income earned through concessions, user fees, rentals, etc. If the organization has an endowment (see below), the accepted practice is for an annual cash draw of 4% to 5% to be taken if covered by the annual investment income produced.

“An excellent written agreement is the key to getting the right balance between public and private sector roles. It engenders the will for partners to give up what they need to for all to gain in the end, and it takes a leap of faith to become contractually obligated. There are great examples out there of such agreements. The City Parks Alliance has a library of public documents that show the wide range of conditions and commitments, down to how much funding each entity will raise or bring. The secret for a strong public-private partnership is TRUST, and these agreements help to build trust.”

ADRIAN BENEPE, TRUST FOR PUBLIC LAND

Program Support: Program support shares many characteristics with operational support. It is raised on an ongoing basis and used to cover expenses that occur annually when donors have restricted their funding to a specific program or service provided. Program grants ideally will cover multiple years to ensure enough time to establish a program and demonstrate sustained impact. Some organizations seek to permanently endow (see below) support for an exemplary program. Administratively, sponsored programming should be governed by detailed agreements that codify the duration, forms of publicity, size and length of the financial commitment, whether all costs are covered by the sponsor, and if not, what the source of the remaining revenues will be, as well identifying a smooth transition or exit strategy when support ends.

Endowment Support: Nonprofit organizations often set a goal to secure endowment gifts that can be segregated from other funds and invested to provide a reliable source of operational or program dollars that are controlled by the entity itself. Endowment gifts may take a long time to cultivate and may come from bequests or planned gifts, family foundations and individuals who have an attachment to the public space or who served as a board member or volunteer. Endowment gifts may be permanently designated as such by donors or given with flexibility as to their use at the discretion of the board.

Ratios among these general types of funding sources will vary among organizations. Some general rules of thumb are applied in different fields. For instance, symphony orchestras have developed general

GROWING AND BROADENING THE BASE OF SUPPORT

Campus Martius Park/Detroit 300 Conservancy/Downtown Detroit Partnership

downtowndetroitparks.com/parks/Campus-Martius

Campus Martius Park opened in 2004 in the heart of downtown Detroit. This award-winning, 2-acre park grew from a community-wide process to create a signature project commemorating the city's 300th anniversary in 2001. With \$20 million raised from donors, its innovative design and placement in the center of Woodward changed the look and feel of downtown. The Project for Public Spaces was instrumental in designing it to become a tremendously active space. Its leaders have built a strong and broad base of annual support. Its current composition is: Corporate sponsorships 50%, Business Improvement Zone revenue 10%, foundation grants 3%, earned revenue 30% from an on-site restaurant, food sales and a very busy skating rink. Its endowment adds 5% and city services contribute 2% of the budget in in-kind value.

The organization manages five other downtown parks that are magnets for real estate and business growth, and those parks are attracting their own advocates and loyal supporters. Finally, the park draws millions of people to its programs, concerts, a holiday tree-lighting, winter festival as well as more passive uses year-round.

COMMUNITY FOUNDATION FOR SOUTHEAST MICHIGAN
(Two examples of innovative funding for public spaces)

Project: Fund for Downtown Public Spaces

www.cfsem.org

RAISING POOLED FUNDS

This fund was established in 2007 by the Kresge Foundation in cooperation with the organization then known as Detroit Renaissance to establish a base of year-to-year stability to new public spaces. In addition to a pool of approximately \$12 million intended to provide distributions to the Detroit Riverfront Conservancy, Downtown Detroit Partnership, and Midtown Detroit, Inc., the effort was a catalyst to the creation of a downtown Business Improvement District as well as a shared services arrangement first known as Clean Downtown. Since that time, it has provided a base of unrestricted funding for the three groups.

Program: The Greenways Initiative

www.cfsem.org/initiative/greenways-initiative

PHILANTHROPIC SUPPORT LEVERAGING PUBLIC DOLLARS

Through \$33 million in foundation and private contributions, and another \$125 million of matching investments from government and other sources, the Greenways Initiative has helped more than 80 municipalities plan, design, finance and build more than 100 miles of connected greenways across southeast Michigan. Examples of projects include the Flat Rock Connector, the Dequindre Cut, and the Rouge River Gateway Greenway.

parameters for the share of their annual budgets that should come from earned revenue (mainly ticket sales) as opposed to contributed revenue.⁶

Crowdfunding and Other Newer Fundraising Methods: Larger businesses and foundations have been the “go-to” supporters of public space in the past decade, but there are ways to tap grassroots supporters and activate visitors, frequent users and residents who benefit from the views and “second living room” impacts of the space. Would an opportunity to add \$1 or \$2 to a concession stand purchase appeal to visitors if it helped to ensure long-term sustainability? Are there ways to seek annual gifts from segmented interest groups – artists, scientists, ecology-minded people, wildlife and bird watchers, medical professionals, runners, walkers, cyclists? Can events among like-minded groups be branded?

Social media and crowdfunding opportunities are well-aligned with public space efforts. Many have become popular on ioby.com, patronicity.com and other sites. For example, in Michigan, the State has matched funds raised to bolster “placemaking” efforts that design and develop modest-sized but meaningful public spaces such as the Selden/Second “green alley” park and the Marygrove Gateway project in northwest Detroit.

(Refer to page 31 for five steps needed to develop an operational funding plan.)

To illustrate the range of successful fundraising practices, we have captured in a sidebar the stories of two exemplary private fundraising organizations -- the Central Park Conservancy and Prospect Park Alliance. It is important to note that these organizations are large and have been in existence for decades, and they serve dense residential areas with significant wealth. In that light, their success may seem unattainable to new or smaller organizations or those in less-dense neighborhoods or cities. However we believe that their experience, principles and practices provide lessons for all nonprofit public space stewards that can be translated to the development of a sound funding plan.

⁶ Giraud Voss, D., et alia (2016, November). Orchestra Facts: 2006-2014 (Publication). Retrieved November 8, 2017, from League of American Orchestras website: <https://www.arts.gov/sites/default/files/Research-Art-Works-League.pdf>

WAYS TO EARN REVENUE AND CAPTURE VALUE CREATED

The following descriptions of earned and value-capture revenue are supported with specific examples.

EARNED REVENUE

Parks and public space organizations do not necessarily mirror the revenue mix of other nonprofits, that may include ticket sales for orchestras, case management reimbursements for human service organizations, or developer fees for community development housing groups. However, many public spaces have a growing emphasis on revenue from concessions and the sale of gifts, souvenirs and branded items. Camping fees and tent rentals are common where camping is allowed on linear parks and trails, and performance venues may ask for on-site contributions to offset costs.

In many cities, public space organizations form innovative partnerships with municipalities to create these earned revenue streams. Donations of underutilized public lands have allowed revenue creation that serves to maintain and program the privately-managed public space. The Randall's Island Alliance is a well-known example. This 400-acre New York City island had underutilized space and 66 playing fields. Private schools that lacked access to their own athletic facilities began renting the fields for inter-school sports, providing the alliance with a new revenue stream. The uses have expanded to include large three-day events and art shows.

Concession revenues have been of tremendous benefit to public space organizations, ranging from traditional services like refreshment stands, skating rinks and basketball courts, to restaurants and concert venues.

Fundraising runs and bike marathons are a popular means of blending earned and contributed revenue. Many trails and linear public spaces host runs for other nonprofits fundraisers; they have the opportunity to expand those events to generate support for their own nonprofit mission.

Capturing value from new real estate development on adjacent land is intriguing to many public space stewards who recognize the role of their own space in attracting residents to the district. Support from developers can come through several mechanisms provided they meet legal requirements in each city and state. They may include:

- For rental units, a negotiated section in the initial developer

TWO FUNDRAISING POWERHOUSES OFFER LESSONS

Central Park Conservancy, New York City
centralparknyc.org

Central Park draws 42 million visitors per year, so its scale is far beyond that of most other parks and public spaces in the country. The Conservancy (CPC) is 36 years old and has a \$67 million budget, of which 25% comes from the City of New York and 75% is privately raised. About \$40 million is used for annual operations. It has several subsidiary fundraising groups and a 22-member fund development staff. Tree sponsorships range from \$250 for a newly-planted sapling to \$25,000 for maintenance of a historic tree in the park. Another popular program is Playground Partners that welcomes families to join for \$500 per year. CPC has 6 million members who donate between \$100 and \$25,000 each. They use digital communication platforms to provide content that donors and prospects value.

Prospect Park Alliance Brooklyn, New York
prospectpark.org

Both CPC and Prospect Park Alliance (PPA) are examples of true public-private partnership. The directors of both organizations have a dual appointment as CEO of their nonprofit organization and Park Administrator of their park within the NYC Parks system. CPC has an agreement with the City to cover the cost of the park's operations, with revenues from concessions, fee and a capital budget. PPA receives one half of its operating budget from the city; the other half of the

TWO FUNDRAISING POWERHOUSES OFFER LESSONS

\$10.5 million annual budget comes from private fund raising. PPA and the City meet annually to develop the strategic path for the park. Having the City contributing half of the funding relieves concerns about privatization of public space and the impact on resident voice. The Parks Departments sets the rules and policies. Having public funding also helps funders know that the city is committed and gives them more comfort with paying some of “the freight”. PPA described several groups of constituents:

1. People who simply use the park
2. Volunteers and contributors of sweat equity
3. Alliance Members - \$35 entry point
4. Additional gift supporters
5. Event participants
6. People who make bequests. The “Long Meadow Society” consists of people who have arranged planned or testamentary gifts.

PPA development staff research potential donors, capture email addresses, seek networks of friends, board members and board-identified prospects.

agreement for a modest portion of potential future rent increases going to the public space steward organization;

- For purchase units, inclusion in the developer agreement of a monthly service charge as part of each resident’s condo association fee;
- Formation of a “Friends” organization to which developers hold a corporate-level membership and residents are encouraged to join, with member benefits such as discounted concessions;
- A deferred fee option triggered by market growth and increased values that acknowledges the quality of life premium added by the public space.

VALUE-CAPTURE MECHANISMS

Business Improvement Districts or Zones

Many methods have been used to capture future value created by present-day investment. Business Improvement Districts or Zones are the most common model and have been used extensively around the country. There is significant expertise in Detroit and other cities about the creation and passage of BIZ/BID structures, and much has been written about their pros and cons. Rather than writing this section from scratch, it quotes directly one of the “bibles” of BID development, the book entitled, *Business Improvement Districts*, that was authored by Lawrence D. Houstoun, Jr., and published by the Urban Land Institute and the International Downtown Association. This book and a counterpart published by the Project for Public Spaces, are comprehensive resource manuals for all aspects of BID creation and implementation. BIDs have been successfully used for years in California, New York, and certain other states, and their use is growing in most others. Paul Levy, the longtime leader of Center City Philadelphia, one of the nation’s most successful BIDs, wrote the following introduction to the books:

Definition of BIDs

Having originated in North America, BIDs are now emerging in countries with different political frameworks and approaches to taxation. Despite many differences in their details, all BIDs are fundamentally a legal mechanism to raise funds to enhance the management of a place. Bradley Segal, a Denver-based consultant who has helped organize many BIDs, offers the following definition: “A BID is based upon the benefit district concept, which allows for an assessment on property within a defined geographic boundary. Revenues

from this assessment are directed back to the defined area to finance a myriad of enhanced services, including security, maintenance, marketing, economic development, parking, and special events.”⁷

Both books provide a wide range of perspectives on BIDs such as pros, cons, mistakes to avoid, legal and approval mechanisms, and on and on. A political process is required to get passage of BID mechanisms by state legislatures and then to get them approved at the local level, which typically requires passage of legislation by city councils as well as a vote by the businesses that will be required to pay the new “tax.” Generally, once BIDs are in place, their value becomes obvious in creating a more attractive business environment and growing the value of business property. One factor to consider is how to achieve some growth in BID revenues over time as property values increase.

PUBLIC SECTOR SUPPORT OR FINANCING

Many public space proponents endorse a blend of public funding and private funding and often, it may require creative approaches to achieve this blend. Financial support from the public sector assures citizens that their voices will be heard at all levels of the organization.

Opportunities for city participation include:

- ▮ Provide basic city services within the footprint of the nonprofit-managed space as enhanced services, programs and physical improvements come from the steward. As mentioned previously, the terms of such agreements should always be clearly delineated in writing.
- ▮ Endorse and advocate for public funding from federal and state sources.
- ▮ Help design and create value-capture methods or means for nonprofits to find new earned revenue; offer city-owned vacant land, either temporarily or permanently, to be used for revenue-producing activities or naming opportunities.
- ▮ In a high tourism community, explore an added tax on hotels, rental cars and sporting events.
- ▮ Enact local sales taxes to support public space in many jurisdictions, although they are prohibited under the laws of some states, including Michigan, at present.
- ▮ Consider proposals for a regional assets tax in support of parks and public spaces, typically a fraction of a mill in property tax toward park operations. Such initiatives are used in communities across the country but the environment is highly competitive.
- ▮ If current financial conditions preclude municipal support, set targets for future

⁷ Houston, Lawrence O., Jr., BIDs: Business Improvement Districts, 2003

A RANGE OF MODELS FOR VALUE-CAPTURE, PUBLIC FINANCING AND EARNED REVENUE

EXAMPLES:

- Regional Asset Taxes/Park Districts are in use in many cities. The Chicago Park District is a great model. chicagoparkdistrict.com

The following article provides recent context: www.chicagotribune.com/news/local/breaking/ct-park-district-fees-budget-met-20161129-story.html

- Arts organizations, as regional assets, often have similarities with public spaces in terms of funding opportunities. A terrific primer on various types of support, including sales taxes, local option taxes and tax districts, can be found at: americansfort-hearts.org/sites/default/files/Sales%20Taxes%20for%20the%20Arts
- Environmental Mitigation Funds from the utility VEPCO are being used in Buffalo. The article, How Buffalo Got Its Waterfront Back, provides details: nextcity.org/features/view/buffalo-waterfront-redevelopment-economy
- Buffalo also uses tax increment financing (TIF) through the Buffalo Niagara Partnership. thepartnership.org/the-partnership/links-resources/tax-increment-financing
- Earned Revenue models on city-donated land have been used in New York at Randall's Island. randallsisland.org. (Refer to 2016 audited financial statements – note 5, licensed revenue.)

support as economic benchmarks are met by the city in terms of tax base growth and balanced budgets.

- Issue municipal bonds for capital improvements in areas ripe for redevelopment, to be repaid by new tax revenues that result. There are numerous models nationally of this approach. One of the important drivers of this type of mechanism is the ability to predict future new revenues. These mechanisms require multiple steps and significant legal and financial work. Generally, the first step is to define the mechanism through research and exploration. Next, to secure support from leaders, residents and property owners for creating vehicles to collect revenues for repaying the debt. Next to identify the revenue growth assumptions. And then, to sell the bonds. (An added step may be a public-private partnership arrangement to define a municipal entity to own and a nonprofit to manage the improved property.)
- Support may be available from resources controlled by other public entities. For example, in Detroit, the Wayne County Parks and the Huron/Clinton Metropolitan Authority, receive millage revenues from city residents. Would it make sense to explore whether a portion of either of these funding sources could be deployed within Detroit's boundaries? Similar structures are likely to be found in other urban areas as well.

Investing in Capacity to Raise Funds

Many public space organizations seek information about ways to structure a fundraising team and what level of investment makes the most sense. Each group should consider its own unique opportunities to raise contributions and possible new revenue streams, then perform a cost-benefit analysis to define a structure. Effective private and philanthropic fundraising requires specialized knowledge and significant staff time on an ongoing basis. Exploring value-capture mechanisms requires even more specific expertise, and the investment is typically more intense but may be of a shorter duration. The experience and skill set required to play this important role specialized, so fundraising should be its own center of activity.

Generally, a new investment in fundraising staff will start with one or two people and grow over time as the organization grows. And in all organizations, a significant role for the Executive Director or CEO is fundraising.

Key lessons are:

1. A fundraising effort, once initiated, needs to be allowed sufficient time to achieve success, and
2. Regardless of staff size, solid fundraising requires unique knowledge and skills in donor tracking, sponsorship, membership, annual campaigns, and corporate and foundation grants. It may benefit from expertise in planned giving and capital campaigns. The staff may range from one person who combines all the needed functions to more than a dozen specialized staffers at a large, established conservancy. In most midsized organizations, they are divided among three or four staff members sharing the following functions in support of the Chief Executive’s and Board’s fundraising efforts.

FUND DEVELOPMENT STAFF FUNCTIONS



- Brooklyn Bridge Park was able to secure passage of a 1% levy from residences of its defined district. brooklynbridgepark.org

- In Greater Jamaica, New York, bonds were issued that were repaid by increases in the value of adjacent real estate over a 40-year horizon. gjdc.org

Concession revenues are a growing source of funding for parks conservancies, especially when a revenue sharing agreement is executed with the city that may own the park itself. In some cities, high-volume concessions are producing funds for less-used parks in addition to their own.

“Soda taxes” have been passed in some cities. They can help maximize equity and drive economic growth and development, although the soda industry has pursued litigation to prevent their use. The first approved use of a soda tax is in Philadelphia, where the new revenues create a base of support for the Rebuild Initiative to invest in public parks, early childhood centers, and other public goods. The tax took effect on January 1, 2017 and survived a court challenge in June 2017. Five other cities have passed such taxes and are in various stages of their roll-out, as lessons are learned about their use. rebuild.phila.gov



Conclusion: Leading the Next Phase of Innovation

*Memphis Riverfront,
Memphis. Photo: The
Kresge Foundation.*

Since its founding, Detroit has been a driver of innovation, and Detroiters have created new models for city-building of all kinds. The public space movement has been a game-changer, creating connections and opportunities to break down social barriers, enhance health, and return the human scale and human emphasis to communities that was sometimes overlooked in the industrial growth of the 20th Century.

Our mandate now is to develop new models of sustainability to ensure that the gains made can continue. We cannot afford to have our efforts go backward and lose the progress we've made. Beautiful, natural environments must be available and accessible to all. Sustainability in all of its forms is entirely achievable, if we combine our efforts to identify and develop long-term solutions.

“Rebuild your city with what’s available. Encourage everyone to make contributions and formalize the informal. Prevent losing the identity of our community. Financial sustainability isn’t a standalone. Create new models for city-building.”

CAROL COLETTA, SENIOR FELLOW, THE KRESGE FOUNDATION

An Adaptable Framework for Developing Your Operational Funding Plan

Each public space, from the 100-year-old, highly-endowed conservancy to the start-up neighborhood pocket park, needs to have a consistent focus on securing financial support and containing costs. Outlined below are steps that can be followed to create a tailored operational sustainability plan. Depending on the complexity of your organization, this process may involve a few meetings or several months of activity supported by technical teams. But the process contains similar elements to understand your own path to sustainability.

I. ASSESS THE ORGANIZATION

- How old is it and where does it land on the nonprofit life cycle? A new organization will have very different needs and opportunities than a large, established one.
- If relatively new, does the organization plan to grow over time or remain small and volunteer-driven? What size and structure most appeals to the organization's constituency?
- Is development and management of public space the mission, or does it complement efforts to achieve other goals such as economic or real estate development, youth development, improving health or environmental quality? If the latter, how will funding priorities be set?
- Are there opportunities to share staff or share services with other groups?
- Is technical assistance needed to refine the business model or enhance resource development activities?

II. SPECIFICALLY DEFINE FUNDING NEEDS – FOR A SPECIFIC PERIOD

Estimate financial needs. Are additional funds needed for capital improvements? Planning? Deferred maintenance? New programs? Operational reserves? Knowing the purpose of funds will create a rationale to assess sources that support specific uses. Build it into a document by year and category. Which funds are “nice-to-have” instead of “need-to-have”?

III. IDENTIFY POTENTIAL FUNDERS AND OTHER REVENUE SOURCES

Work with those closest to you – personal and organization friends – to access information about potential funders and revenue sources used in your field. Analyze the situation and prioritize which ones to pursue now and in the future. If it's not possible to hire fundraising specialists, tap pro bono or cost-effective support from knowledgeable board members, peer organizations or the growing number of nonprofit park technical assistance networks. Think holistically about the value you provide. Connect programs and purposes to funding opportunities across the range of benefits and value your programs provide. Emphasize the ways that you help supporters achieve their programmatic, social or strategic objectives.

Information about the sources of support is explained in detail throughout this report and summarized on the next page.

Philanthropic Support from Business, Individuals, Foundations, and Other Community-Based Organizations

Charitable gifts are invaluable. Tax-exempt status is important, but it is also possible to join forces with another nonprofit organization that aligns with your mission. Funding typically comes first from founders, Board members and frequent users, then branches out to supportive individuals, businesses and foundations. Philanthropic support for active, nonprofit-led public spaces has grown over the past five decades, and new mechanisms are being created to reach potential donors.

Earned Income Opportunities

Earned revenue provides great flexibility in how it is spent to support mission. Food and drink concessions, gift shops selling branded items, retail or recreational space built on donated land as a source of event or rental fees, are successful in parks and public space organizations around the nation.

Direct Support From City, County, State and Federal Agencies

Explore partnerships with government. Many municipal and state budgets for parks are stretched thin, but new or sustained funding may be available as tax bases rebound from the Great Recession and new millage and bond vehicles become possible. Sustained education on the value of public spaces is required.

Value-Capture Mechanisms

For larger organizations managing larger public spaces that have potential to increase adjacent property values and entrepreneurial opportunities, explore “value capture” mechanisms. These are often complex and require significant legal costs and long-term advocacy, but they can capture for the long-term a certain share of the tax or business revenue created by adjacency to your public space.

Multiple types of value can be quantified: environmental, social, economic, real estate. They are being documented through efforts to issue social impact bonds and other vehicles to invest now and be repaid from the outcomes of the investment. Public spaces are increasing real estate values nearby, and there are

new mechanisms to return a share to the stewards of the spaces. The laws of individual states may limit some of the mechanisms, such as constitutional limitations on regional sales taxes in Michigan.

IV. DEVELOP A CASE FOR SUPPORT THAT INCLUDES LEAN OPERATIONS AND COMMUNITY CONNECTIONS

Sustainability depends on being relevant and connected to people in the surrounding community and ensuring supporters know that resources are being managed proactively, carefully and cost-effectively.

V. IMPLEMENT THE PLAN WITH SUFFICIENT TIME TO ACHIEVE SUCCESS; EVALUATE AND SHARE LEARNINGS

With support from the Board, staff and a fundraising committee of volunteers, reach out to the community to raise needed funds. Work from the core of likeliest sources outward; seek support from those closest to the organization as the plan is broadened and base expands; continually assess results and don't give up too early. Many funding requests that don't succeed on the first try are successful with persistence. It may help to establish separate team with expertise on public funding, earned income and value-capture strategies. If possible, consider setting aside a portion of each program or capital grant received toward a reserve or endowment. And continue to revise and adapt the plan based on experience and success.

Bibliography

A Case for Open Space, Detroit Future City – Ideas for Innovation series, July 2015

City of Detroit, 2016 Parks and Recreation Improvement Plan, City of Detroit website (DetroitMi.gov)

Connors, Will, Wisconsin Parks Mull Naming Rights for Sites as Tax Support Evaporates, Jan. 15, 2017, The Wall Street Journal (<http://www.wsj.com/articles/wisconsin-parks-mull-naming-rights-for-sites-as-tax-support-evaporates-1484488802>)

Harnik, Peter, and Abby Martin, Public Spaces/Private Money: The Triumphs and Pitfalls of Urban Park Conservancies, The Trust for Public Land, 2015

Houstoun, Lawrence O., Jr., BIDs: Business Improvement Districts. Second Edition. Washington DC.: - ULI-the Urban Land Institute in cooperation with the International Downtown Association, 2003.

McClelland, Edward, How Buffalo Got Its Waterfront Back, Next City, December 5, 2016 <https://nextcity.org/features/view/buffalo-waterfront-redevelopment-economy>

Public Parks, Private Partners, Project for Public Spaces, Inc., 2000 (funded by Wallace-Reader's Digest Fund under their Urban Parks Institute launched in 1994 and administered by PPS)

Sands, Gary and Mark Skidmore, Detroit and the Property Tax: Strategies to Improve Equity and Enhance Revenue, Lincoln Institute of Land Policy, 2015

Six of the best city walks – from readers around the world, The Guardian, August 10, 2016

Taking Care of Our Downtown, Downtown Detroit Business Improvement Zone (brochure), 2016

Transformative Urban Open Space, ULI Urban Open Space Award, 2010-2015, Urban Land Institute, 2015

Selected Organizational Resources

The following resource and umbrella organizations were mentioned multiple times by people who were interviewed for this paper. Organization descriptions are drawn from their websites. Many offer seminars, publications, conferences and other methods to connect people to parks and public spaces. The list is not exhaustive, and connecting with these organizations will lead to others that have a role in sustaining public spaces.

880 Cities exists to create safe and happy cities that prioritize people's well-being. They believe that if everything we do in our public spaces is great for an 8-year-old and an 80-year-old, then it will be great for all people. 880cities.org

American Planning Association – Great Places in America highlights award-winning public spaces. Of particular interest is the section captioned “Characteristics and Guidelines of Great Public Spaces”. planning.org/greatplaces/spaces

The Better Block is a nonprofit formed in 2016 to give communities the know-how and tools to rapidly transform underutilized public spaces and blocks. betterblock.org

Central Park Conservancy Institute for Urban Parks teaches park users and managers to care for urban parks everywhere and provides opportunities for people of all ages to better understand, experience and enjoy urban parks. centralparknyc.org/about/institute/

City Parks Alliance is an independent, nationwide membership organization solely dedicated to urban parks. Its mission is to engage, educate and nurture a broad-based constituency to support the creation, revitalization and sustainability of parks and green spaces that contribute to more vibrant and equitable cities. cityparksalliance.org

New York Restoration Project (NYRP) is a nonprofit organization founded by Bette Midler in 1995 to restore parks, community gardens and open space in under-resourced neighborhoods throughout New York City. Offers many lessons on community engagement practices. nyrp.org

Project for Public Spaces (PPS) is the central hub of the global Placemaking movement, connecting people to ideas, expertise and partnership who share a passion for creating vital places. Includes the Urban Parks Institute. pps.org

Reimagining the Civic Commons is an initiative that intends to be the first comprehensive demonstration of how a connect set of civic assets – a civic commons – can yield increased and more equitably shared prosperity for cities and neighborhoods. civiccommons.us

Trust for Public Land (TPL) is a leader in the field that has a range of offerings to shape conservation policy and help communities make the case for parks and open space. A central component is the Center for City Park Excellence. tpl.org

ULI, the Urban Land Institute is a 501(c)(3) nonprofit research and education supported by its 38,000 members to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. Maintains an extensive resource library. uli.org