# PARTNERSHIPS FOR PARKS

*Lessons from the*
*Lila Wallace-Reader's Digest*
*Urban Parks Program*

Chris Walker

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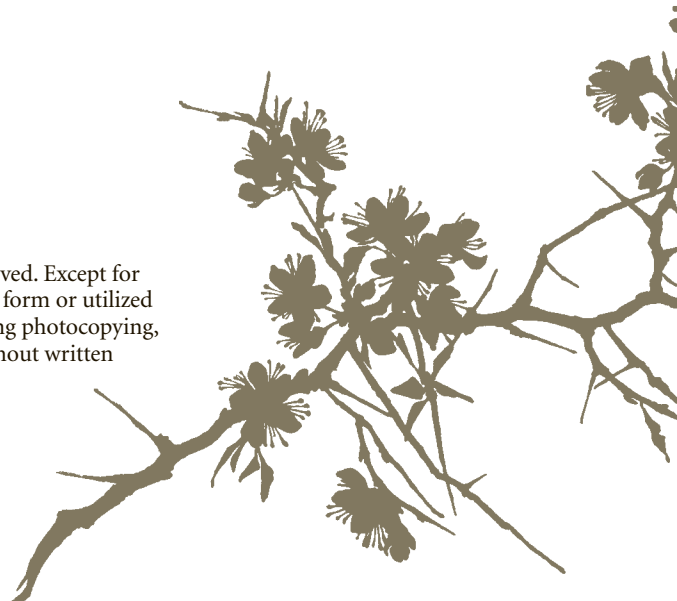
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## *About This Report*

In 1994, the Lila Wallace-Reader's Digest Fund launched a major national initiative to increase the quality and quantity of urban parks for public use, especially in underserved neighborhoods. Over four years, the Fund has invested $16 million to help create, restore, or improve 20 parks and greenways in cities across the country, and enable five major metropolitan parks to make substantial improvements to their grounds and public programs and to support their efforts to enhance stewardship.

This report, part of an ongoing evaluation being conducted by the Urban Institute, in Washington, D.C., looks at partnerships between public agencies and nonprofit groups, a key feature in the design and implementation of 12 improvement projects the Fund supported during the first phase of its parks initiative. With municipal parks departments under constant fiscal pressure, private nonprofit organizations bring essential new skills and resources to park design management, programming, and stewardship.

On the following pages, Urban Institute evaluators explore these public-private partnerships and discuss emerging lessons. We offer these findings to inform those involved in similar work to develop urban parks as well as to individuals who may find the lessons derived from this analysis applicable to their work. We hope this information offers valuable insights and useful suggestions related to designing, developing, and sustaining healthy and effective partnerships across a range of endeavors.

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# INTRODUCTION

Instead of being challenged to upgrade and maintain parks in the face of continuing neighborhood decline, agency directors and staff now are asked to invest in support of positive changes in neighborhoods.

This document is for practitioners, managers, and innovators in the parks field. It is an analytic tool—not a step-by-step guide—to help these professionals identify the key considerations when planning, developing, and assessing partnerships between public agencies and nonprofit organizations to build, renovate, and operate urban parks.

Public-private partnerships for parks are proliferating across the country—and generating much excitement and interest. One reason is that they work. Parks partnerships are successfully combining the assets of the public and private sectors in novel ways to create new and refurbished parks, greenways, trails, and other community assets in our cities—often in the face of municipal budget constraints.

Another reason for the increased interest in parks partnerships is that parks themselves are becoming more important elements of urban revitalization initiatives under way nationwide. After nearly three decades of steady decline, changing public attitudes are encouraging many cities to support more investments in public infrastructure, including parks. Instead of being challenged to upgrade and maintain parks in the face of continuing neighborhood decline, park managers now are encouraged to use parks as a way to support positive changes in neighborhoods. And increasingly, parks agencies are not expected to do this alone. In many cities and urban neighborhoods, they can count on the support of other organized constituencies, most often from the expanding community-based nonprofit sector.

Importantly, park partnerships are occurring in an overall environment of growing public-private partnerships in other activities, too—especially community development. A new "technology" of partnerships is thus evolving, offering valuable lessons that can be applied across a variety of arenas.

The observations in this report are derived from early findings from a four-year evaluation of the Lila Wallace-Reader's Digest Fund Urban Parks Initiative commissioned from the Urban Institute in 1996. The initiative, which was launched in 1994, seeks to create new parks and renovate existing parks in 11 U.S. cities. Stronger and more effective partnerships between public parks agencies and local nonprofits are among the strategies the Fund is supporting as part of this effort. The Fund hopes to demonstrate that parks agencies can build, renovate, maintain, and program parks more effectively in partnerships with nonprofit organizations than they can acting alone. The projects reveal important topics to be considered when planning, creating, and entering into new parks partnerships or assessing existing ones.

Based on our early field investigations in the 11 cities participating in the initiative, we developed the following framework to help us examine the contribution of parks partnerships to park improvement and creation projects. Many individuals from both the public and private sectors who are participating in the initiative found the framework helpful and have begun to use it to examine their own partnerships; we present it here in hopes that others will find it useful as well. Our framework examines four key considerations in parks partnerships:

- **Structure.** Much like most business partnerships, public-private partnerships for parks include both general partners and limited partners, each with its own set of responsibilities, strengths, and weaknesses. In the Urban Parks Initiative, the general partners are typically parks agencies and nonprofit organizations that support parks. The limited partners are the various constituencies that use or support parks—including recreation associations, environmental groups, youth organizations, and community development agencies.

- **Control.** In business partnerships, the general partners usually make all of the major decisions, without consulting with the limited partners. In parks partnerships, decisionmaking responsibility is shared more broadly: limited partners often are given a voice in decisionmaking in return for their support.

- **Assets and Liabilities.** Partners bring both assets and liabilities to the partnership. In good partnerships, the assets of one partner offset the liabilities of another. In public-private partnerships for parks, we found it helpful to view assets and liabilities in terms of the partners' financial resources, organizational capacity, public image, and constituency characteristics.

- **Risks.** The parks partnerships encountered a variety of risks, but all have developed a set of strategies for mitigating them.

In addition to the four-part framework, this paper also reviews common challenges to successful parks partnerships. These include insufficient capacity among partners to carry out their promises, inadequate commitment to collaboration, the pursuit of

flawed strategies, insufficient returns, and failure to communicate effectively. Most successful partnerships have devised ways to meet and overcome these challenges.

A fuller evaluation of the Urban Parks Initiative will be published in 2000 and will include specific detail about each of the fund-supported projects. Another document—analyzing community involvement in parks development—will be produced in 1999, and a manual on conducting research about park users will be produced in 2000.

# THE ADVANTAGES OF PARTNERSHIPS FOR PARKS

At the federal level, funding from the Departments of Transportation and Agriculture and the Environmental Protection Agency is promoting more open spaces in urban areas. New Clean Water Act rules may encourage more aggressive local efforts to create parks and urban greenways. And moves are afoot to recapitalize the Land and Water Conservation Fund, which could provide a major new impetus for urban open space development.

Citizen surveys consistently show strong support for local, state, and federal park systems, and park usage has grown dramatically over the past several decades. A 1994 National Parks and Recreation Association study showed that $30.7 billion of state and local recreation investment would be needed between 1995 and 1999 to meet public demand.[1] Civic and political leaders have responded to these needs by raising the total municipal bonding represented by parks and recreation issues by 50 percent in recent years. U.S. census figures reveal that local spending on parks and recreation between 1980 and 1993 increased from $3.4 billion to $8.4 billion, or from $24 to $55 per capita, a 6.5 percent annual growth rate.

Even as parks' popularity grows, however, park managers report that funding support for their agencies is not solid. Few can count on budget increases to match growing responsibilities. In large cities, parks expenditures have been flat or declining. There has been inadequate investment in landscaping, playscapes, ballfields, walking and biking trails, recreation centers, and other community facilities, which are not replaced when they come to the end of their useful lives. Poor maintenance of even

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[1]Cited by Martin J. Rosen, "Partnerships: The Key to the Future for America's Urban Parks" in *Urban Parks and Open Space,* Alexander Garvin and Gayle Berens (Urban Land Institute and Trust for Public Land, 1997).

sound facilities has invited graffiti and inappropriate behavior. Trash, overgrown land-scaping, and deteriorated equipment are common. Reduced programming has made it harder for inner-city residents to play games, learn skills, and participate in community events. Decline in the quality of public space degrades one of the strongest assets neighborhood residents have—their sense of community.

The tension between citizens' demand for more and better parks and insufficient public resources can be resolved when park managers and nonprofit agencies collaborate to mobilize citizen support for parks. Partnerships between public agencies and the nonprofit sector have several advantages, with perhaps the most important advantage being that the nonprofit sector brings new resources—funding, expertise, and new constituencies—to the parks field.

## WHY PARTNER WITH NONPROFITS?

Between 1977 and 1994, the nonprofit sector overall was the fastest-growing part of the national economy, growing 4.3 percent annually, compared with a 2.1 percent growth rate for for-profit business and a 2.3 percent growth rate for government.[2] The nonprofit sector is an important player in meeting public needs. Government support of the sector has helped to drive nonprofits' growth.

### A Short Background on Partnerships

As limits on the Great Society programs became clear in the 1970s, policymakers turned to public-private partnerships as a way to enlist the private sector's help in meeting social needs. The term "public-private partnership" initially referred to joint investments by the sectors in city revitalization projects. It has expanded to include joint public-private action across a range of program areas. In the early 1990s, popular writers like David Osborne *(Reinventing Government)* challenged public leaders to emulate the best examples of private management. One result has been a rapid increase in public-private collaboration.

In some areas, nonprofit and government partnerships have become central to service delivery. In community development, for example, nonprofits have ushered in a revolution in housing, economic development, and community planning. New strategies supported by national foundations have contributed greatly. Instead of project-focused grants that underwrite single-shot initiatives, community development funders now stress the need for *systems change*—altering relationships among policies, programs, and institutions in ways that lead to effective and sustained solutions to social problems. In this work, fostering *collaboration* has become a core system change strategy.

Parks managers are well positioned to replicate the successes of public and nonprofit collaboration in community development and other areas. One reason is the growing

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[2]Virginia Hodgkinson and Murray Weitzman, *Nonprofit Almanac: Dimensions of the Independent Sector, 1996–1997,* San Francisco: Jossey-Bass Inc., 1996, figure 1, page 2.

**Total Expenses of Recreational and Environmental
Nonprofit Organizations, 1989–1995**
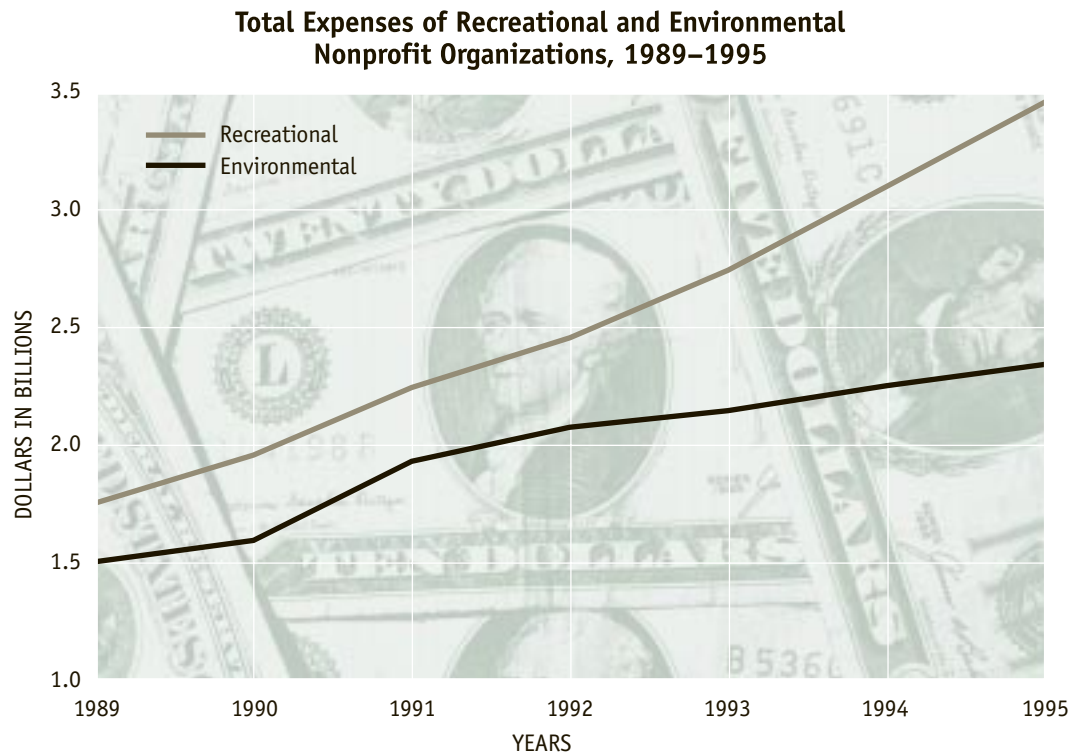


Source: IRS Form 990 Return Transaction Files, 1990–1997, as adjusted by National Center for Charitable Statistics.
Note: Database includes 501(c)(3) operating organizations, excluding most religious organizations and organizations with
less than $25,000 in receipts.

strength of the nonprofit parks sector. Recreation and sports groups are among the
fastest-growing nonprofits today, with operating expenses increasing at 12 percent per
year ($1.8 billion to $3.5 billion), compared with 9 percent for the rest of the non-
profit sector.[3] Environmental organizations are increasing their spending at 8.2 per-
cent per year ($1.5 billion to $2.4 billion). Together, these two categories of nonprofits
increased spending from $3.3 billion in 1989 to $5.9 billion in 1995. To compare, state
and local spending on parks and recreation was $16 billion in 1993.[4]

Nonprofits are also strong partners because they can involve the community of park
users directly in park design, construction, programming, and management. Member-
ship organizations, in particular, often can mobilize volunteers and monitor their
work more easily than parks agencies can.

Exhibit 1 on the following page, which details the partnerships and projects the Fund's
Urban Parks Initiative is supporting, reflects the reasons why it makes sense for public

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[3]IRS Form 990 Transaction Files 1990–1997, as adjusted by the National Center for Charitable Statistics.

[4]U.S. Department of Commerce, Economic and Statistics Administration, *Statistical Abstract of the United States,
1996,* Table No. 478, "State and Local Governments—Summary of Finances: 1980 to 1993," p. 302.

**E X H I B I T  1   Summary of Urban Parks Initiative Partnerships**

| CITY | PUBLIC PARTNER | PRIVATE PARTNER | EXAMPLE PROJECTS |
|---|---|---|---|
| Austin, TX | Austin Parks and Recreation Department | Austin Parks Foundation | Creation of 360-acre urban park, revitalization of three neighborhood parks, and improvement of five-mile greenway. |
| Baltimore, MD | Department of Public Works, Department of Parks | Parks and People Foundation | Development of 14-mile Gwynns Falls Trail greenway and revitalization of parks along trail. |
| Boston, MA | Boston Parks Department | Boston Natural Areas Fund | Creation of East Boston Greenway connecting salt marshes and beaches to dense neighborhoods. Neponset Greenway creation and improvements. |
| Chicago, IL | Chicago Park District | Garfield Park Conservatory Alliance | Restoration of the unique Garfield Park Conservatory, built in 1908. Development of educational programming in conservatory, including after-school programs and horticulture. |
| Cleveland, OH | Cleveland Parks Department | ParkWorks | Refurbishing of three to five playgrounds. Creation of two neighborhood parks, including connection to major greenway. |
| Houston, TX | Houston Parks Department | Friends of Hermann Park | Redevelopment and reclamation of 100 acres in large urban park, including programming and maintenance. |
| New York, NY | New York City Parks and Recreation Department | Central Park Conservancy | Renovation and revitalization of underused northern portion (bordering Harlem). Training of docents, marketing projects, and expanded programming to bring in and support more visitors. |
| New York, NY | New York City Parks Department | Prospect Park Alliance | Historic woodlands landscape restoration in major Olmsted park, including programming and signage. |
| Oakland, CA | Oakland Parks Department | Spanish-Speaking Unity Council | Restoration and reclamation of urban park, vacant lots, and gardens through improvements and programming, including urban gardening for children. |
| Portland, OR | Portland Parks and Recreation Department/METRO | Community Treehouse Project | Parkland acquisition, improvements, and vacant lot conversion. Programming of converted lots for children's programs and urban gardening. |
| Providence, RI | Providence Parks Department | The Providence Plan | Creation of and improvements along four-mile greenway connecting needy neighborhoods. Redevelopment of more than 50 acres of parkland. |
| San Francisco, CA | San Francisco Parks and Recreation Department | The Golden Gate Park Conservancy | Renovation of historic building (including exhibits and restaurant) and walking trail improvements. Complete restoration of more than 50 acres of Golden Gate Park. |

agencies to team with nonprofits. Each of the projects involves collaboration among multiple parties and aims not only to improve parks and sustain them over time but also to create durable collaborations between public and private parties—that is, to build a support system for parks. As the exhibit also shows, with one exception, the public partners are municipal parks and recreation departments. The nonprofit parks support partners include parks foundations, "friends-of" organizations, and several groups focused on broader urban initiatives. These diverse projects feature efforts to improve major urban parks, create new urban greenways, construct or reconstruct neighborhood parks, and introduce new community arts, recreational, scientific, and cultural programs.

# A FRAMEWORK FOR UNDERSTANDING PARKS PARTNERSHIPS

While there are a few examples of long-running partnerships in the parks field, most are new. We have constructed a conceptual framework for use in examining partnerships. The framework borrows from legal concepts of partnership as a type of business association, comprising *structure, control, assets and liabilities,* and *risks.* Also, for the sake of this discussion, we offer the following definition of partnerships:

*Public-private partnerships are agreements among multiple public and private parties to risk money, time, influence, or other assets in pursuit of joint goals.*[5]

## STRUCTURE

**Partners are "general" or "limited" depending on their investments and risks.**

A partnership structure is defined by the number of partners and their relative status as "general" or "limited" partners. General partners control business operations and are at risk for all losses of the enterprise not borne by the limited partners. Limited partners lose only what they invest and gain only what the partnership specifies as appropriate.

Parks agencies and their primary nonprofit partners usually have the most invested (and the most to lose) in parks partnerships—they are the general partners. Limited partners are usually less-invested constituent groups. Over time, the general partners usually stay the same, but often, limited partners come and go as the activities of the partnership evolve and draw upon different interests and contributions.

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[5]Our view of partnerships through the lens of assets, risks, and accountability was stimulated by work on collective action problems. See Elinor Ostrom, *Governing the Commons: The Evolution of Institutions for Collective Action,* Cambridge University, 1995.

## CONTROL

**Partners have differing involvement in management and decisionmaking.**

In a business partnership, the general partners usually control operations, and limited partners play almost no role in decisionmaking. In parks partnerships, however, limited partners typically do have some voice in management. In the Urban Parks Initiative, general partners created a variety of councils, advisory groups, and other bodies. Limited partners involved in these bodies generally have some say as partnerships evolve. Over time, the level of involvement by limited partners in management changes. In the Urban Parks Initiative, involvement by limited partners generally has declined as partnerships have matured past design and into day-to-day implementation.

| Basic Elements of Partnerships | |
| --- | --- |
| **Structure** | One or more "general partners" and one or more "limited partners." |
| | General partners exercise project control and are primarily responsible, and at risk, for the success of the initiative. |
| | Limited partners are project constituents. Their interests and risks are limited to the amount of their contribution. |
| **Control** | Responsibility for strategic direction and operational decisions. |
| **Assets and Liabilities** | Strengths and weaknesses of: <br> ■ Resources (of money, volunteers) <br> ■ Organizational Capacity <br> ■ Public Image <br> ■ Constituencies |
| **Risks** | Potential loss of contributed assets, due to issues of commitment, capacity, strategy, returns, and organizational culture. |

## ASSETS AND LIABILITIES

**Partners bring both assets and liabilities to the partnership.**

Each partner brings both assets and liabilities to a partnership. Assets can include resources, organizational strength, public image, and the constituencies each partner counts on for support. Liabilities include shortfalls in resources, organizational weaknesses, poor public image, and weak constituent support. One mark of a well-functioning partnership is that joint assets are strengthened and liabilities reduced through cooperation. The value of assets and the cost of liabilities change over time.

At the early stages of a partnership, the public image of the parties may convey sub-stantial advantages or disadvantages in joint attempts to attract limited partners to the initiative. As partnerships mature, partners' ability to commit money and voluntary support to parks may predominate.

## RISKS

**Partners must be willing to take risks.**

Partners risk losing some or all of the resources they contribute to a partnership. In the Urban Parks Initiative, we detected five varieties of risk. These pertain to whether or not the partners are (1) genuinely committed to keeping their promises to other partners, (2) capable of carrying out these promises, (3) able to craft sensible strate-gies to accomplish partnership goals, (4) getting the returns they expected from the

### Stages in a Public-Private Parks Partnership

One of the least understood aspects of partnerships is how they change over time. The sequencing below arrays the typical stages of a parks development project. It can be modified for other kinds of efforts, including initiatives to improve parks programming.

**Predevelopment**   A few core members of a partnership debate project feasibility. Con-stituents have not been mobilized; risks are low and confined to the general partners, who tightly control project activities and pledge resources to the effort but do not yet commit them.

**Design**   Planning begins for land purchase, construction, financing, program-ming, and management. The number of players expands, risk levels rise, and general partners lose some ability to control project activities.

During this stage, partners' most valuable assets are their public image and their ability to mobilize constituents. This is particularly true when a rapid increase in limited partners with cash is needed.

**Implementation**   This stage can include land acquisition, construction, and programming. Financial commitments made during the design phase are called in. Partnership members usually don't change, although attrition in limited partners can occur.

The value of mobilized constituents begins to decline, and the value of funding and organizations' resources rises dramatically.

**Management**   Project management includes responsibility for maintenance, security, ongoing programming, community outreach and communication, and other recurring tasks. Most limited partners drop out of active participa-tion, although they can be mobilized if issues important to their inter-ests surface. Risks are fairly low and are limited to the general partners, who maintain high control over project activities.

partnership, and (5) able to communicate effectively with their partners even though their organizational cultures may be very different.

## STRUCTURE

Public-private partnerships in the Urban Parks Initiative share broad similarities in how responsibilities are allocated between public and private sectors, how the private partners are governed, and how the partners mobilize expertise from the broader community.

### The General Partners: Parks Agencies and Parks Support Nonprofits

**Urban Parks Initiative: Initial Findings**

- Most public agencies have moved toward performance-based park development, programming, and management—counteracting traditional bureaucratic inefficiencies and stretching limited dollars further.

- Most nonprofit partners can respond flexibly to park improvement and financing opportunities. A real strength has been their ability to mobilize community residents to support parks, even where this has not been a traditional organizational focus.

The general partners have the most at stake in the success of the partnership. In the initiatives we reviewed, the core partners were municipal parks agencies, nonprofit parks support groups, and the Trust for Public Land.[6] The general partners have committed to play leadership roles in the creation of new parks or the substantial renovation and improvement of existing facilities. They are primarily responsible for project planning and design, fundraising, procurement, community organizing, programming, and facilities maintenance. Although limited partners are partially vested in the success of all of these activities, the general partners have most at risk.

The general partners bear most of the burden of keeping the partnership intact over time. Unlike limited partners, whose interest is motivated by the demands of supporters with narrow concerns—for example, a soccer association hoping to secure more playing fields—general partners serve multiple interests. Because partnership projects change over time, the mix of limited partners changes. The general partners, however, remain the same.

### The Limited Partners: Constituent Groups

The limited partners are defined by the interests that constituent members share. In the Urban Parks Initiative, these constituents have included groups ranging from neighborhood associations to regional watershed protection associations. The following table lists some interests that bind constituent members active in parks improvement.

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[6]The Trust for Public Land is a national intermediary organization devoted to the acquisition and preservation of public land for recreational, environmental, open space, and other public purposes.

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**Tapping into the Appeal of Parks to Special Interest Constituencies**

A number of groups united around common interests make natural constituents on which to build park partnerships:

**Civic Culture**
Parks can help further an interchange among diverse races and groups, and parks offer a venue that can support expressions and celebrations of community and neighborhood solidarity, history, and culture.

**Community-Building**
Parks can support the work of those seeking ways to engage community members in projects that can help improve the quality of life in communities, and in particular parks can support efforts to improve adjacent neighborhoods and stimulate business development and job creation.

**Environmentalism**
Already representative of the core ideals of groups interested in "greening" issues, parks can support activities such as ecosystem restoration, urban forestry, and community gardening.

**Historic Preservation**
Parks are particularly meaningful to individuals who see them as places to explore landscape architecture or as settings for major arts, cultural, and scientific institutions.

**Natural History**
Parks are valued by those interested in exploring nature, ecology, and other natural sciences as a scientific endeavor or for educational purposes.

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Our field investigations found, not surprisingly, that parks appeal to an extraordinary range of constituents. Groups respond to appeals with particular resonance for them—for example, a bicycling club may contribute volunteers to improve a greenway—but they also share interests held more intensely by others—the celebration of ethnic communities, for instance. Indeed, park supporters may not even be park users. Natural history, environmentalism, recreation, historic preservation, and community-building appeal to many who do not use parks.

We also found quite a few emerging relationships between parks agencies and partners that normally would be considered outside of the natural parks constituencies. While not all of the cities in the Urban Parks Initiative have taken full advantage of constituency-building opportunities, where coalitions have worked well, the nonprofit partner tends to have a strong track record in mobilizing constituencies, delivering programs, and building relationships with local funders.

## CONTROL

Who decides what a partnership does? In parks partnerships, the general partners usually grant some say to the limited partners in return for their support. As a result,

### How Constituent Interests Overlap in Urban Parks Initiative

- Greenway development and programming initiatives in one city in the Urban Parks Initiative were of great appeal to schoolteachers striving to make their natural science curriculum more relevant to inner-city youth, who often feel disconnected from their natural environment.

- Three cities in the initiative have emphasized parks as a vehicle to steer at-risk youth into positive activities. This has connected parks departments and police departments in new ways.

- Design of new neighborhood parks in four cities has created fresh opportunities to engage universities interested in preparing graduate students for careers in community planning, landscape architecture, and other fields.

- One city has embraced parks as a community development asset, resulting in both citywide and neighborhood-by-neighborhood links with community development corporations and their financial and technical support systems.

- Greenway projects in three cities have productively engaged regional environmental organizations and state agencies responsible for watershed protection and linked them with community residents who previously viewed parks only as recreational space.

the environmental, recreational, neighborhood, and other limited partners that invest assets may exercise partial control over the decisions the partnership makes.

The partners' first important decisions pertain to control: over which decisions can limited partners "cast votes"? In our research, we found it helpful to think about four areas of partnership decisionmaking: governance, project and program design, implementation, and management. Governance includes decisions on who may participate in the partnership, their level of involvement, the allocation of decisionmaking authority, and the terms under which the partnership continues or is dissolved. The general partners almost always have the final word on issues of governance. Control over design, implementation, and management issues varied widely across the partnerships we studied.

Urban parks partnerships have devised a number of methods to structure participation in decisionmaking, ranging from advisory bodies to mobilize constituent support and solicit advice to governing councils authorized to resolve major issues. We have seen partnerships restructure participation over time; some partnerships establish advisory councils early on to assist in project and program design issues but later turn to formal governing bodies to oversee parks or facilities management. Apart from advisory and governing bodies, limited partners sometimes participate indirectly in partnership decisions through membership on the nonprofit general partner's board of directors. This sometimes becomes an alternative to other methods of participation.

The amount of control exercised by the limited partners can change over time. As partnerships form, the general partners usually control major decisions about partnership structure and purposes. But as the partnership moves into the design of major facilities or programs, and limited partners pledge their contributions, control is no longer so tightly held. Limited partners begin to exercise influence, if not outright control, over major project decisions. Thereafter, throughout implementation and

management, the limited partners may continue to share in operational decisionmaking or withdraw from active participation, or both, as the number of partners changes and the issues before the partnership evolve.

## ASSETS AND LIABILITIES

Exhibit 2 presents a balance sheet of potential assets and liabilities that each of the public and nonprofit partners can bring to a parks partnership. Public agencies and their nonprofit partners will display different combinations of these assets and liabilities. In good partnerships, the assets of one party offset the liabilities of the other. For example, the nonprofit partner may bring flexible funding to the partnership, allowing new program initiatives and offsetting a public agency's chronic underfunding, which impedes innovation. The public sector, in turn, may bring a solid organizational infrastructure, allowing the partnership to implement new initiatives and offsetting a nonprofit's lack of staff and predictable funding.

**E X H I B I T  2  Public and Private Assets and Liabilities**

| | POTENTIAL ASSETS | POTENTIAL LIABILITIES |
|---|---|---|
| **Public Sector** | Stable Funding<br>Organizational Infrastructure<br>Public Legitimacy<br>Natural Constituencies | Chronic Underfunding<br>Bureaucratic Inertia<br>Popular Indifference<br>Narrow Constituencies |
| **Nonprofit Partner** | Flexible Funding<br>Organizational Flexibility<br>Community Credibility<br>Broad Constituencies | Unpredictable Funding<br>Lack of Follow-Through<br>Unrealistic Expectations<br>Shallow Support |

## Financial Assets and Liabilities

**Public agencies.**

All agencies depend on appropriations. Most can count on some intergovernmental aid (community development block grants, for example), and some have dedicated revenue sources. Increasingly, parks departments have established enterprise funds, supported by fees for services. Although total funding may not be enough to allow agency directors to maintain all of their facilities adequately and take on new tasks, funding tends to be stable from year to year. Over several years, budgets may rise or fall, but they tend to do so incrementally.

Public-sector agencies bring relatively stable funding to each partnership, but over time this funding has failed to keep up with expanding management responsibilities. Stable funding allows managers to plan and implement basic programs knowing they will have the resources to carry them out, but chronic underfunding makes it difficult for most agencies to innovate to expand services or improve quality.

No public agency official we interviewed was satisfied with the size of his or her budget for maintenance, basic programs, or facilities repair and replacement. Although one or two agencies had rebounded from years of cuts, most had suffered consistent declines.

In every city, parks departments had either cut maintenance budgets or shifted some responsibility for maintenance to nonprofit agencies or, in one case, to other city agencies. Consequently, agency officials are understandably reluctant to invest in new facilities that present a future maintenance burden.

### Nonprofits.

**Nonprofit agencies can be creative in developing new programs for parks—indeed, this is a big reason why their funders choose to support them—but uncertain funding makes it difficult for directors to make long-term commitments.**

Nonprofit agencies can tap funding sources unavailable to public agencies, including donations from individuals, corporations, and private foundations. Unlike public agencies, nonprofits are flexible in their ability to use these funds to pursue new programs, and they are free to develop innovative ideas and solicit contributions to support them. Although corporate and foundation funders do place restrictions on their grants, they typically allow at least modest room to innovate.

Nearly all of the nonprofit partners in the initiatives we studied, however, had to spend substantial time fundraising. Multi-year grants were uncommon, and although some funders could be counted on for support each year, amounts were unpredictable. As a result, nonprofit groups, particularly new ones, found it difficult to make credible long-term commitments.

As previously noted, under the best circumstances, partners' strengths complement each other. In this case, for example, a nonprofit partner may be able to use philanthropic funding to create a new youth development program but not have sufficiently predictable long-term funding to keep the program going. A parks agency, on the other hand, may not have the budget flexibility to create the program initially but may pick it up as an ongoing program once its value is demonstrated.

## Organizational Assets and Liabilities

### Public agencies.

On the asset side, public agencies bring an infrastructure of stable staff, management systems, planning and budgeting procedures, and other competencies, allowing them to plan, implement, and manage large projects.

Parks agencies typically employ large numbers of workers and manage assets of considerable value. Most have a well-developed organizational infrastructure, consisting of multiple operating divisions responsible for capital facilities development, land-

scape and forestry, facilities maintenance, and recreational programs. Offices responsible for strategic planning, budgeting, human resources, and contracting, among others, support the work of these divisions. This accumulated set of staff and functions adds up to a considerable capacity to take on the work of parks creation, improvement, and management.

One drawback of all this accumulated capacity, however, is that it often comes with highly routine procedures, making it difficult for agency heads to innovate. Both public and private partners expressed frustration with the slow pace of agency work, particularly in the area of contracting and procurement. We also found instances where planning and design became laden with unnecessary steps and procedures, which lengthened the time needed to implement fairly simple projects or produced designs that were unresponsive to the community. Some agency managers acknowledged that their organizations were unnecessarily inefficient due to cumbersome procedures or staff attitudes. Several directors have embarked on efforts to inculcate an ethic of citizen responsiveness among staff, in keeping with recent customer service trends in public administration.

### Nonprofits.

Nonprofit agencies have justly earned a reputation for being flexible—but also for being thinly staffed and not always properly managed. None of the nonprofit partners in the Urban Parks Initiative are large enough to have created cumbersome decision-making procedures and rigid internal divisions of labor. Rather, most have rather lean staffs who share project responsibilities when needed. Although we did not find extensive use of paid consultants, who can absorb workload at peak times or provide technical advice, most nonprofit partners did rely on boards, advisory committees, and other sources of specialized expertise. Most of the nonprofits we reviewed had accepted unforeseen project and program responsibilities, reshuffling staff to take advantage of funding opportunities or respond to project difficulties.

> Nonprofit agencies are flexible enough to experiment with new program models, funding strategies, and political alliances, but their lack of organizational strength sometimes makes it difficult for them to follow through on implementation effectively.

However, we also found nonprofit partners that lacked the capacity to follow through on commitments. One organization in the Urban Parks Initiative could not meet its project responsibilities when funding from other sources dried up. Another nonprofit responded to an external grant opportunity so it could support its programs in low-income areas, but senior management underestimated the commitment needed to carry out the grant effectively. Most of the nonprofit partners found that the commitments they had accepted strained the capacity of their relatively small staffs, although most managed to complete tasks successfully.

### Public Perceptions as Assets and Liabilities

**Public agencies.**

Parks agencies usually can rely on public support for bond issues for parks facilities reconstruction, but the public perception that parks are "the government's job" can dampen willingness to actively participate in volunteer activities.

Public goodwill is an asset that both nonprofit organizations and public agencies contribute to parks partnerships. Our interviews revealed that public parks have substantial public legitimacy; indeed, in one city, surveys showed the parks department as the most highly rated city service.

But if public parks agencies usually can call on significant goodwill, it typically is passive. Parks agencies have difficulty mobilizing private financial contributions or volunteers. The public can view care and maintenance of parks as "the government's job." All of the agencies in the initiatives we studied used volunteers, and some solicited monetary support. However, most had encountered the popular attitude that "government should do it."

**Nonprofits.**

Nonprofits can usually attract volunteer and funding support unavailable to public agencies because of their altruistic commitment to community change, but to gain such support, nonprofits may tend to overpromise on what they can ultimately deliver.

Nonprofits usually can access and use community credibility in ways that parks agencies cannot. Because nonprofits are neither "in it for the money" nor supported by tax dollars, citizens usually are willing to volunteer their attention, labor, and money. Nonprofits can solicit support not available to public agencies from charitable foundations and individuals, including from citywide "elites" (some of whom sit on partners' boards), the broader public, and residents of low-income communities. In the case of low-income communities in particular, nonprofits can give private partners an entrée that may have been denied a government agency, especially if the agency is viewed by the community as having historically neglected its concerns. Nonprofit access here is not automatic or sustained uncritically. The nonprofit partners have to deliver.

While nonprofit partners can claim a special status in their appeals for public support, they also risk raising expectations among community residents that cannot be satisfied easily. For example, one nonprofit partner successfully drew community residents into decisionmaking about parks improvement through design charettes but subsequently could not persuade the city agency to accept the community's recommendations. Other partners have encouraged participation of community residents in cleanup efforts and other volunteer activities, only to see enthusiasm wane when city-scheduled improvements lagged behind the community's expected timing.

## Constituency Assets and Liabilities

Constituencies may be the strongest potential asset each general partner has. Support from environmentalists, for example, has been very helpful in securing state open space funding. Support from bicycling groups has likewise been important in helping local initiatives claim state allocations of federal transportation funding.

**Public agencies.**

Parks agencies can tap a wide range of natural constituencies to support their activities. These include parents with children in parks-sponsored programs, participants in adult recreation programs, adults who use facilities on a casual basis, and neighborhood groups that advocate for city services. These represent a power base that can be mobilized when decisionmakers are determining park and recreation funding issues.

**Usually, constituents demand results. The price for continued support is the partners' ability to deliver concrete benefits. This implicit bargain represents a kind of performance test: unless partners cooperate to deliver on promises, they face erosion of constituent support and the advantages a solid constituency conveys.**

Most of the parks departments in the Urban Parks Initiative have not reached out to nontraditional constituencies. Such unconventional constituents could include groups interested in the natural sciences, supporters of public education, and community development practitioners. These represent an untapped financial and volunteer resource for almost all of the parks departments included in our research.

**Nonprofits.**

The nonprofit partners in the Urban Parks Initiative can be extremely helpful in tapping these broader constituencies. Partly because the Urban Parks Initiative encourages this emphasis, each of the nonprofit partners has examined the role of parks in community development and, in so doing, attracted support from community organizations, foundations, public agencies, and other groups with a special focus on neighborhoods. In almost all of the greenways or trails projects, nonprofits have devoted considerable effort to attracting the political and financial support of environmental groups, bicycling associations, community schools, and others with an interest in preserving or studying the natural environment. Among the most interesting efforts to attract nontraditional supporters to parks improvements were nonprofits reaching out to cultural and scientific institutions, including universities and museums, and their supporters.

While these new constituencies are important, their support may be comparatively shallow because parks are not central to their primary interest. This may be particularly true where efforts to mobilize broader constituency support for parks tend to be new. Nonprofits and their public partners have not had time to deliver the benefits these constituents expect. One of the major questions surrounding the Urban Parks

Initiative is whether nontraditional parks constituents can be drawn into public support for parks improvement and management in a sustained way.

## RISKS

Partners must risk something to make the partnership more than an agreement to cooperate or to coordinate activities when it's convenient. They accept these risks because of the payoffs involved—everyone has to get something from the venture. In a public-private partnership for a neighborhood park project, for example, the public agency may be required to commit capital funds, while the nonprofit partner promises to mobilize volunteers or funding to maintain the park once improvements are completed. The public partner risks taking on a future unfunded obligation—a completed park with no resources to keep it up. The nonprofit partner risks its future community credibility if the public partner fails to construct the project as promised. Many partnerships we encountered display this combination of perceived risks. The public sector fears long-term maintenance obligations, while the nonprofit worries that its community credibility will be jeopardized.

Partners in the Urban Parks Initiative are working to balance these and other risks. The public agency, for example, can bring stable funding that allows consistent project implementation in spite of ups and downs in the nonprofit's cash flow. The private partners, on the other hand, can bring new money for innovative programs that would be unaffordable to underfunded parks departments. In another example, the public sector brings a large and internally diverse staff that can sustain a development program over time, while the nonprofit's organizational flexibility enables it to take on some tasks far more efficiently, such as mobilizing volunteers to construct a playground quickly, a task that would have taken far longer if handled through the Parks and Recreation Department.

**No partner will take risks without some expected reward. What are the rewards or incentives to the parties that take on the risks of partnership? The short answer is creation of new benefits for the community. The longer answer is the need of both parties to sustain and build assets or reduce liabilities.**

The public sector's claim on popular goodwill can help shield the partnership from the erosion of community support if progress is slower than community residents expect. At the same time, the nonprofit's connections in the community can help overcome popular indifference toward, or even suspicion of, public agencies. In one partnership we reviewed, the nonprofit's credibility with a suspicious community helped the organization broker agreements between residents and public agencies to move a stalled greenways project forward.

## WHAT CHALLENGES DO PARTNERSHIPS FACE?

Partnerships encounter a variety of challenges, which are summarized in the box below. Capacity shortfalls, flawed strategies, and insufficient returns are potentially faced by anyone attempting to accomplish a goal. The other two challenges—inadequate commitment and a mismatch of organizational cultures—are specific to collaborations.

In the Urban Parks Initiative, two risks predominate: inadequate capacity and inadequate commitment. Capacity problems result when a partner's liabilities outweigh its assets, or its assets are simply inadequate to the task. More troubling are inadequate commitments, which most often come in the form of competing promises that crowd out pledges made to the other partners. For example, a parks agency commits to a neighborhood parks improvement project but fails to advance it in project managers' lists or puts it far down the priority list in its annual budget request. To reduce commitment failures, partners must keep their joint venture near the top of each other's agendas.

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### Varieties of Partnership Challenges

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| **Capacity Shortfalls** | Partners fail to perform agreed-upon tasks because they lack the capacity to do so. Even good-faith commitments aren't fulfilled due to failure of leadership, organizational weaknesses, lack of funding, or inadequate planning and management. |
| **Inadequate Commitment** | A partnership collapses because one or more partners do not commit fully to collaboration. At the extreme, a partner may make a promise with no intent to honor it. More commonly, honest promises are forfeited as other tasks ascend in priority. |
| **Flawed Strategies** | The partners agree to a flawed strategy. Although it is pursued by capable and well-intentioned partners, the complexity of the task or the inadequacy of the approach produces poor results, thereby discouraging the partners from continuing. |
| **Insufficient Returns** | Payoffs don't justify the investment, even though partners are both capable and committed. For example, a nonprofit may believe that a successful joint project with a public agency will heighten visibility, thereby increasing donations. If no increases result, it may forsake future cooperation. |
| **Failures to Communicate** | Communication, leadership style, organizational culture, and other gaps are so profound that even though parties agree on strategies, are capable, and are committed to collaboration, implementation becomes so "expensive" that the parties don't invest further in the joint effort. |

## How Do Partners Sustain Each Other's Commitment?

Accountability trumps flagging commitment. Partners must have ways to hold one another accountable for results. Partners in the Urban Parks Initiative have devised strategies to ensure that each partner delivers on its commitments, summarized below.

### Risk Reduction Strategies: How to Keep Cooperation Going

**Confront poor performance, clarify responsibilities, and reconcile.**

Unless partners confront poor performance, problems will likely persist. When performance is restored, partners must forgive previous lapses. Otherwise, cooperation ends. Accountability usually is aided by clear understandings on who does what. This is even more important when parties share joint responsibility for project tasks, as do the partners in most of the Urban Parks Initiative projects.

**Raise the stakes, increase rewards.**

As partners see more value in participating in the partnership, the risk that a partner will reduce its commitment declines and the cost of being excluded from the partnership goes up. Other partners have more stake in monitoring performance, raising the likelihood that poor performance will be discovered.

**Change the number of partners.**

As partners increase, the risk that any one partner will fail to hold up its end declines. The risk of being detected and the number of parties that can sanction failure go up.

**Lengthen time horizons.**

The willingness to cooperate goes up as time horizons lengthen: partners who take the long view are less tempted to seek short-term advantages that jeopardize future gains from cooperation.

**Make sure contributions and payoffs are public.**

If each partner's investments, payoffs, and strategies are clear to all involved (and, in some cases, made visible to the general public), any partner can judge the fairness of who gets what and judge other partners' performance.

**Confront poor performance, clarify responsibilities, and reconcile.**

In the Urban Parks Initiative, we found that confusion about who does what in a parks partnership can jeopardize community confidence and residents' willingness to participate in partner-sponsored activities. Some ambiguity in the initial stages of partnership formation can be useful. Assigning roles can be difficult; partners in some

of the parks initiatives have found it helpful to postpone decisions until they can establish a reasonably solid working relationship. Nevertheless, a number of initiatives are approaching the point where successful sorting of roles—in particular, which of the management and maintenance functions will be assigned to whom—has become important to the long-term success of the initiative.

In one city, for example, the greenway partnership relies on several parties to carry out diverse tasks. When one entity discontinued a task important to the partnership because of staff changes, the others confronted the group and clarified roles. The partners acknowledged the problem and identified the resources to continue on in response to the partner's new situation.

**Raise the stakes, increase rewards.**

Initially, the greenways project in one city was little more than a feasibility study and a vision. Wider commitment began to gel when the nonprofit partner secured implementation funding, thus raising the stakes for the others in the newly formed partnership. Now, partners are joined together in many ways, including by a sense of collective vulnerability to any single partner's opting out. The rewards are increased by having stronger, more equal partners.

**Change the number of partners.**

If one partner has made a commitment to perform certain tasks, other partners typically find out about that commitment quickly. They become, in turn, the informal monitors of performance. In some instances, increasing the number of monitors—other partners—keeps the pressure on other members whose commitments may be in doubt.

Staff changes in the city parks department of one participant in the Urban Parks Initiative left a void in the leadership of a major project. To help sustain the agency's commitment, the partnership members, which include some parks employees, have invited cross-jurisdictional staff and community leaders to join the partnership. An ex officio advisory group will be formed to ensure that former members of the partnership can continue to play consulting roles.

**Lengthen time horizons.**

Design and construction of greenway segments in one city could have been swiftly completed by the city alone—but a key partner wanted to ensure real community involvement. The partnership agreed to a process that initially generated tension when it threw off project timelines. In the end, community involvement justified lengthening the time horizons.

**Make sure contributions and payoffs are public.**

Keeping "cards face up" is a healthy partnership strategy. In one city, the partnership created for each park project begins with frank discussions of what each member can and will do for the project. Both the nonprofit and the parks agency honor their commitment to provide full reports to the other partners, including community representatives. Trust is established because the partners are respected and consulted.

Promises are more likely to be kept when individuals publicly accept responsibility for delivering on commitments and can commit others as well. In several initiatives, highly visible mayoral or city manager support became an important assurance that the public agency would deliver on its promises.

# CONCLUSION

These initial findings from the Urban Institute evaluation of public-private partnerships for parks development and this framework for assessing partnerships are offered in hopes that they will be helpful for others interested in parks partnerships and for those interested in successful public-private partnerships in any field. We offer these observations as a stimulus for action and for further diagnosis and discussion, and we welcome comments or feedback from all.

## Acknowledgments

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