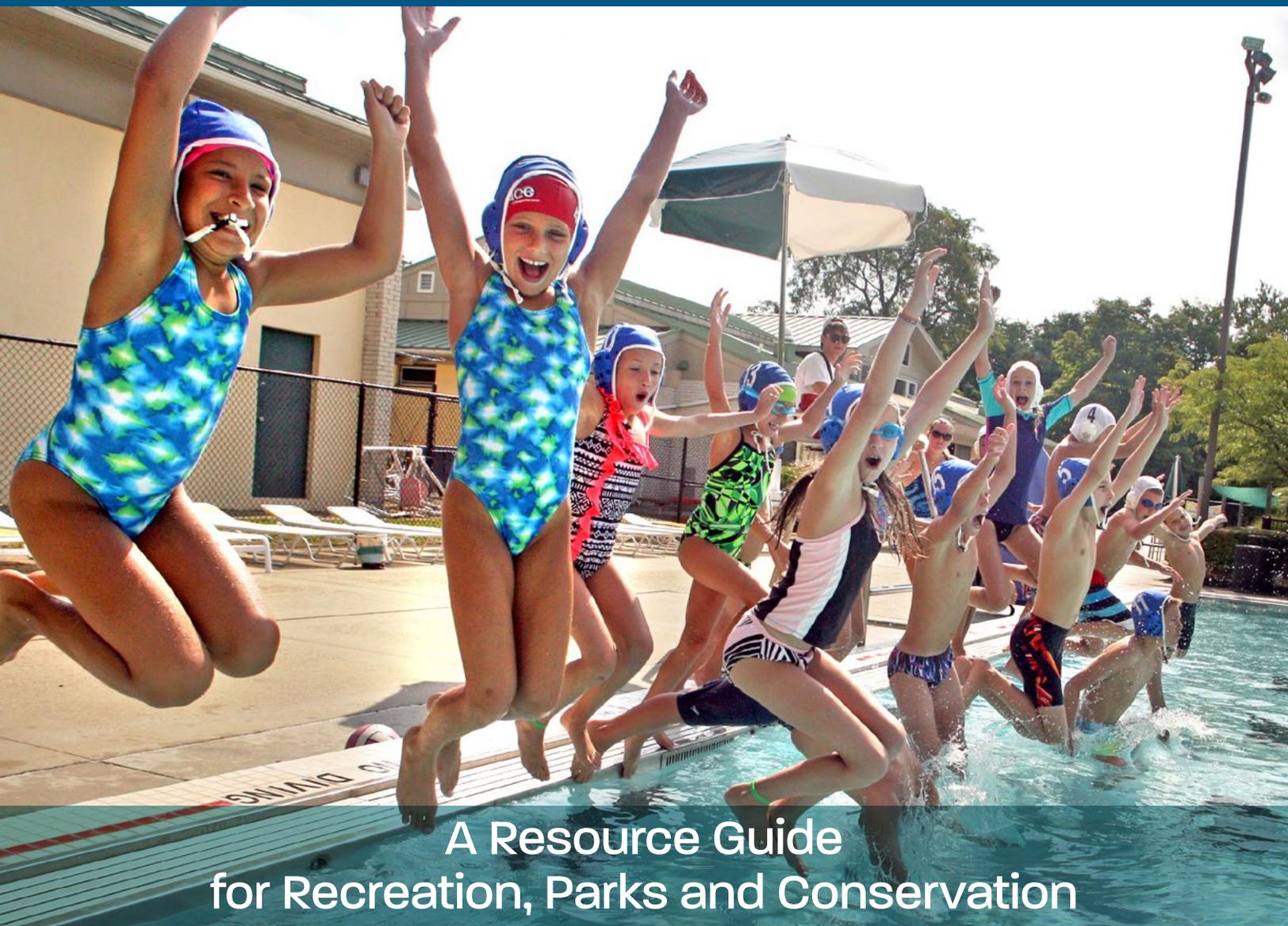


# Financing Municipal Parks & Recreation in Pennsylvania



A Resource Guide  
for Recreation, Parks and Conservation



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Pennsylvania Department of Conservation and  
Natural Resources Bureau of Recreation and Conservation and the  
Pennsylvania Recreation and Park Society, Inc.

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# Preface



Many Pennsylvania municipalities face economic challenges that are significantly straining their budgets. This has resulted in a competition for vital tax-supported funding, with parks and recreation departments battling directly with police and fire departments.

While tax support is undeniably crucial for parks and recreation services, it's equally important not to rely solely on this financing method. This publication, *Financing Municipal Parks and Recreation*, underscores the critical need to build on your tax support by diversifying your funding sources.

Financing parks and recreation is a challenging, changing endeavor beyond obtaining funds, paying bills, and generating financial reports. It involves leveraging tax dollars with the right mix of revenue sources, making tough choices between competing resource demands, and, most importantly, delivering services effectively and efficiently. Today, municipal parks and recreation

is facing a significant challenge in maintaining current services, let alone expanding them. This publication provides a comprehensive guide to navigating these complexities.

Parks and recreation is transforming from a government service primarily funded by tax dollars to a more dynamic field. It's now a vital part of the local economy, increasingly self-supported financially, and offering a diverse range of services to meet the evolving needs and desires of the public.

The strategies outlined in *Financing Municipal Parks and Recreation* have been successfully implemented in communities across Pennsylvania. These excellent concepts can be adapted to work in any size community. However, it's essential to remember that understanding the available financing methods is just the first step. The real challenge lies in effectively implementing the best financing strategies for your community.

# Introduction

Funding influences both the quantity and quality of recreation opportunities provided for residents. It helps to determine what park areas and recreation facilities will be built, updated, or renovated, the extent of their maintenance, and the community recreation programs and special events offered.

Parks, for the most part, don't produce revenue. The grass must be cut, trash picked up, restrooms cleaned, and weeds pulled...and these things cost money. Recreation programs can earn income, but they must remain affordable and accessible to all citizens.

Because everyone in your community should be able to enjoy park areas and recreation programs, tax dollars help to fund their operation. However, parks and recreation services are like all other local government services. They're caught between a steady expense increase and a decline in tax revenue. While traditional funding isn't increasing, the demand for parks and recreation services often is.

As stewards of Pennsylvania public parks and recreation services, we operate in an increasingly complicated financial environment. As demographic shifts have changed the makeup of communities, parks and recreation funding hasn't kept pace.

Critical issues facing parks and recreation include the challenges of working with elected officials, budget competition, the changing workforce, growing staff costs, aging infrastructure, competing priorities, and a disconnect between what the community wants and what it's willing to pay for.

There's no magic formula for financing parks and recreation that works for every community. Across Pennsylvania, boroughs, townships, and cities with common borders finance and provide public parks and recreation services very differently.

Financing public parks and recreation services is a complex subject. Each chapter presents the basic concepts; in many cases, we only scratch the surface of the topics. Links for sources of assistance and financing resources are included throughout the text.

Chapter One presents how municipalities generate tax revenue for the general fund and provides an overview of the parks and recreation operating and capital budgeting processes. We also consider how to present a budget to elected officials and monitor it throughout the year.

Chapter Two covers revenue generation strategies, starting with a definition of alternative funding. We review the types of parks and recreation fees, the pros and cons of charging fees, and pricing strategies. We also discuss the many recreation facilities that produce revenue, from the traditional outdoor swimming pool to the state-of-the-art recreation center. In addition, feasibility studies and enterprise funds are presented.

Chapter Three offers ways to supplement tax-supported parks and recreation funding by tapping community resources. We cover support foundations, friends groups, and adoption programs. We also examine ways to tap the business sector's skills and experience and solicit business sponsorships.

Chapter Four covers financing techniques for parkland and open space acquisition and development. Government and foundation grants fund land acquisition, park development, recreation programs, planning studies, and more. We review the sources of grants for parks and recreation and how to get them.

Chapter Five provides cost-saving strategies and approaches to manage finances and improve operations. Financing isn't just about generating revenue; spending the money cost-effectively and efficiently is just as important.

Chapter Six explores strategies for developing community support to maintain and increase funding for parks and recreation. Identifying and communicating the individual and community benefits of parks and recreation is critical in developing financial support. Equally important is quantifying and sharing the essential impact of parks and recreation services with residents and elected officials.

# Chapter 1

## Budgeting for Parks & Recreation

### Why Fund Parks and Recreation?

When businesses decide to locate or expand in a community, one of the primary attributes they look for is quality of life. This includes parks, trails, recreation programs, special events, and activities for families and people of all ages—the ‘things to do’ every community needs. Local parks aren’t just physical spaces; they’re the heart of communities. They’re where children learn the value of teamwork through play and where we all develop a deeper appreciation for the beauty of our natural environment. They’re where neighbors unite to make a difference in the community or enjoy each other’s company. Parks are the social fabric that binds us, fostering an invaluable sense of connection and shared purpose, and a feeling of belonging and unity.

Parks and recreation is a crucial investment in a community’s growth. Parks attract homebuyers and increase property values. Dozens of studies across the country have shown that homes increase in value after parks and trails are developed nearby. Businesses locate where they can find the best workers, so if people prefer living near parks and trails, companies want to be there, too. Parks and recreation increases tourism and generates sales activity. Parks and recreation spaces serve as hubs of community social activity, and people often spend money when they gather there. Restaurants and businesses near parks have increased customers during games and events. Out-of-town visitors generate economic activity near parks and recreation spaces—even in small communities. But it’s not just about the economy; it’s about our health. Numerous studies have shown the positive impact of parks and recreation facilities and programs on physical and mental health. A lower incidence of chronic disease brings with it savings in healthcare costs and reassurance about the well-being of our community.

When family, business, and governmental budgets are stretched to the limit, focusing on the community’s municipal parks and recreation services becomes even more essential. For example, when money is tight, going out to dinner or taking an expensive vacation may be put off. However, parents are unlikely to sacrifice a child’s sport because of its perceived value to them. Baseball for their nine-year-old son is seen as a

necessity. Parks become even more critical as close-to-home places for people of all ages to be physically active and enjoy the outdoors.

### Budgeting Basics

This chapter provides general information tailored to budgeting for parks and recreation services. Budgeting isn’t just about how much money a municipality spends to offer parks and recreation services to its residents. It’s also about where municipalities get that money and how they use it to best serve the public’s interest and welfare.

Pennsylvania’s municipal parks and recreation agencies have traditionally relied on the general fund, supported primarily by taxes, to finance their operations. The general fund is an unrestricted fund where most municipal government revenue is placed. Parks and recreation competes with all other municipal services for its share of the funds. Municipal taxes provide recreation amenities that serve all residents, such as walking trails and playgrounds.

Municipal government gets its revenue for the general fund in three significant ways.

- **Tax Dollars.** Property, earned income, and realty transfer taxes provide an average of 45 percent of municipal revenues. Pennsylvania municipal tax revenues automatically increase as incomes, population, and real estate values increase.
- **Intergovernmental Revenues.** Intergovernmental revenues are funds transferred from the state and federal governments to municipal governments. They make up about 10 percent of municipal revenues in Pennsylvania. More than half of this revenue is state liquid fuels funds, which are distributed to municipalities under a formula based on population and the miles of municipal streets and roads. These funds are restricted to highway and bridge construction and maintenance projects.
- **Fees.** About 45 percent of Pennsylvania municipal revenues are generated by fees charged for municipal services. Examples include water, sewer, trash collection, fines,

and parking. Recreation programs, special event permits, and park facility rentals are also included in this category.

A budget is a financial plan that allows you to fund the services you've decided will meet your residents' parks and recreation needs. Developing a budget requires taking a hard look at your operations, setting service goals for the next year, and planning how to spend the money you have. It also requires estimating the amount of money you expect to collect during the year.

Budgeting serves these purposes:

- Identifying and prioritizing needs and objectives for the upcoming budget year.

- Planning for the resources needed to operate parks and recreation services efficiently and effectively.
- Coordinating parks and recreation services with other local government functions.
- Monitoring whether your revenues match estimates or if your expenses are higher than planned to adjust the costs during the year to align with income.
- Controlling expenditures by limiting the amount of money you can spend.

Municipalities have two significant budgets to manage their funds: operating and capital budgets. These two budgets don't overlap; they handle distinctly different spending categories and are built through separate budgeting processes.

## Benefits of Public Parks and Recreation Services

Meeting the Basic Needs of Your Residents	Improving Your Local Economy	Enhancing Your Natural Environment	Strengthening Your Community
Improving health and fitness	Attracting business relocation and expansion	Encouraging preservation and conservation of the environment	Encouraging a sense of cohesion, unity, belonging, pride, and appreciation for community traditions and heritage
Enhancing creativity and cultural growth	Serving as a catalyst for tourism	Preserving plant and animal wildlife habitats	Building stronger families
Building relationships among people	Contributing to healthy and productive workforces	Fostering community pride in natural resources	Reducing loneliness and alienation
Developing character	Enhancing real estate values	Providing accessible places to enjoy nature	Promoting ethnic and cultural understanding
Reducing stress	Bringing increased revenue for services with new home construction caused by business expansion	Protecting natural resources and open space areas	Meeting neighbors and developing friendships
Providing experiences that meet people's needs for belonging, relaxation, adventure, achievement, excitement, and competition	Reducing the high repair cost and unsightly look of vandalism	Providing safe places for biking and walking to cut down on traffic congestion	Providing involvement opportunities that build leadership skills
Providing experiences that help people develop self-confidence and increase self-esteem	Aiding financial stability in families by providing affordable activities	Enhancing air, water, and soil quality	Helping prevent crime
Offering diversion from routine	Helping supplement income through part-time employment opportunities	Providing buffers between residential and industrial areas	Keeping children out of trouble
Providing life-long learning and self-discovery opportunities		Linking parks, schools, and other places with trails and greenways	
		Helping control pollution	

## Operating Expense and Revenue Budgets

The operating budget allocates funds and estimates income to finance parks and recreation operations during the upcoming year. Operating budgets include salaries, benefits, utilities, supplies, training, and other regularly recurring expenses. They address spending on predictable, repeatable costs for items or services not registered as capital assets.

The budget process starts by discussing what you'd like to accomplish in the next year and estimating the revenue you'll generate.

Estimating revenues is one of the most challenging tasks in preparing a parks and recreation budget. Parks and recreation revenues include recreation program fees, facility rental fees, admission fees, concession stand sales, fundraisers, business sponsorships, and merchandise sales.

Most municipal parks and recreation agencies use one of these two operating budgeting methods:

- **Fixed expense budgets** allocate funds at the beginning of the year and don't change them. The revenue generated goes into the general fund and not back to your parks and recreation department for spending. With budget approval, you can feel confident about your expense budget amount, even if your income level is lower than expected. However, the budget may be re-opened, and expenses may be cut back if tax revenue falls

short of projections or money is needed for emergencies. Another disadvantage is the tendency to spend your entire budget each year because of the concern that you won't get the funds again the following year.

- **Variable expense budgets** tie expenses to the amount of income generated. If your revenue is higher than anticipated, it's assumed your costs will also be higher. If revenue is less than expected, expenses must be reduced. Income and expenses are tracked closely to meet budget goals. This budgeting system is standard in parks and recreation agencies that must generate operating income and rely on various revenue sources. Revenue projections are the baseline for budgeting. Anticipating the types, amounts, and timing of revenue accurately is essential.

The Pennsylvania Department of Community and Economic Development (DCED) Fiscal Management Handbook provides a more in-depth review of municipal budgeting. [www.dced.pa.gov](http://www.dced.pa.gov)

## Capital Budgets and Capital Improvement Plans

Capital budgets are long-term, although they're updated annually. A typical capital budget will extend over five to ten years. Capital budgets identify, prioritize, and finance expensive

### Capital Project Priority Ranking Worksheet

Project: \_\_\_\_\_

"A" Weighting Factors	Evaluation Criteria	"B" Priority Factors Low to High					"A" x "B"
1.5	Public health and safety	1	2	3	4	5	
1.5	Regulatory mandate	1	2	3	4	5	
1.5	Frequency of problem	1	2	3	4	5	
1.5	Disruption if failure occurs	1	2	3	4	5	
1.0	Able to finance local share	1	2	3	4	5	
1.0	Other finance sources	1	2	3	4	5	
1.0	Cost of project	1	2	3	4	5	
1.0	Repair/replace vs. new/expand	1	2	3	4	5	
1.0	Adequate plans to proceed	1	2	3	4	5	
1.0	Age/condition	1	2	3	4	5	
1.0	Generation of revenues from user fees	1	2	3	4	5	
1.0	Effects on operation and maintenance costs	1	2	3	4	5	
1.0	Benefits to existing users	1	2	3	4	5	
		<b>Total Ranking Points</b>					

projects, including the acquisition of parkland, construction of new recreation facilities, purchase of new equipment, and major repairs or replacement of existing facilities and equipment. Capital budgets are restricted in scope to provide funding for only physical projects or fixed assets that are high-cost, nonrecurring expenditures with multi-year impacts.

Whether or not an expenditure qualifies as a capital expense depends on what is purchased and what it will be used for. Municipalities designate specific criteria that must be met for an acquisition to qualify as “capital,” such as a minimum useful life and a minimum purchase price. Although local government policies vary on items or projects eligible for funding in the capital budget, a facility or structure is typically expected to be used over a period that minimally exceeds three or five years. Municipalities may also have dollar thresholds for items in the capital budget.

A capital improvement plan (CIP) identifies priorities and a timeframe for undertaking capital projects for acquisition, construction, replacement, and major repairs of parks and recreation facilities. After a CIP is adopted, capital budgeting becomes a process of annually updating the plan by adding some items, deleting some, and adjusting priorities when the next year is added to the schedule.

If your municipality has limited funds for capital spending, potential capital expenditures may have to enter a competitive capital review process. In this process, all requested expenditures are compared using the same financial criteria and prioritized to receive funding. The key is determining how your municipality chooses or rejects projects and ranks those it decides to fund.

## Linking Operating and Capital Budgets

Ultimately, operating and capital budgets are inextricably linked, and decisions made in one process will affect decisions in another. Since funds from the operating budget are used to pay for the ongoing maintenance of capital assets, it's crucial to coordinate the operating and capital budgeting processes to ensure that new capital assets won't overburden the operating budget in the future. The long-term impacts of capital development projects on your annual operating budget must be analyzed before they're undertaken, such as projecting the yearly maintenance cost for a new community park.

You can address the disconnect between the

operating budget and the capital budget by incorporating an operating budget impact in the capital budget approval process. Operating budget impacts list the projected operating costs for each year of a capital project. Operating costs include new staff salaries, debt service payments, maintenance expenses, and utilities.

Capital budgets are also sensitive to operating budget management. For example, preventive maintenance has a beneficial long-term impact on capital projects by extending the useful life of capital assets.

## Selling the Draft Budget

When presenting your budget to municipal officials, emphasize the parks and recreation department's priorities. A straightforward budget narrative lists parks and recreation goals and objectives, demonstrates how they contribute to your municipality's overall goals, highlights the department's achievements and what it aspires to accomplish, and compares your current year's budget with your proposed one, emphasizing significant differences and projected revenues. The budget narrative also explains the relationships between expenditures, your objectives, and how the community benefits; provides accurate, realistic revenue projections; and quantifies how your budget requests will make your operations more efficient and cost-effective.

To help municipal officials better understand your draft budget, include supporting information that explains and justifies significant budget items and any changes from the parks and recreation department's previous year's budget, such as a request for a new staff person or an expensive piece of equipment. If you must scale back or eliminate an existing service, provide all potential options.

If you're prepared, positive, and armed with facts and figures, you stand a better chance of getting the funds you ask for. This approach acknowledges the competitive nature of budget allocation and the need to effectively communicate your budget's value.

## Monitoring the Approved Budget

To effectively manage your budget, you must continuously monitor it and be prepared to adjust your spending or expand your efforts to bring in revenue. To do that, you need solid financial information. These tools help you:

- **Accounting System.** Accounting is the way that governments track receiving and

spending money. Accounting procedures provide a way to analyze specific fiscal periods (day, month, quarter). For recreation programs, it's essential to have an accounting system that can track individual programs rather than program categories. For example, youth baseball, basketball, and wrestling can be broken out instead of lumping all youth sports programs together.

- **Audit.** A financial audit determines whether records have been kept accurately and whether the proper controls are in place to manage your money. An outside accounting firm performs audits annually and provides a general review of your financial operations.
- **Bidding.** The Pennsylvania Department of Labor and Industry annually announces new public project cost thresholds required for public bids. The annual changes are based on the inflation adjustment announced by the Consumer Price Index. Municipal purchases and contracts below \$12,600 require no formal bidding or written/telephonic quotations. Purchases and contracts between \$12,600 and \$23,200 require three written or telephonic quotations. Municipal purchases and contracts
- of more than \$23,200 require formal bidding. Bids are opened and awarded to the lowest responsible bidder at a public meeting unless you can justify the decision to choose another bid because of product quality, past performance, the quality of service, or technical excellence. Municipalities aren't required to bid for professional services like engineering, planning, or legal services. The DCED Purchasing Handbook explains public bidding in more detail. [www.dced.pa.gov](http://www.dced.pa.gov)
- **Cash Control.** How cash is handled from the moment it leaves someone's wallet until it's safely deposited in your municipality's bank account presents a problem. Cash registers, computer registration programs, and counting devices that register admission are all ways to prove accuracy and help prevent theft. Only allowing payment by credit card is another way to prevent the theft of cash.
- **Purchasing System.** Purchasing systems help to eliminate unnecessary spending and get the best item price. Purchase orders serve as a contract for the supplier, guaranteeing that the municipality will pay for the item. Petty cash is used for small items or when there's insufficient time to go through the purchase order system.



# Chapter 2

## Revenue Generation Strategies

What parks and recreation services should be provided in an era of fewer financial resources? Who should provide them? Most importantly, how should they be funded?

In Pennsylvania, much of the funding for parks and recreation comes from the municipal general fund, which is supported primarily by taxes. Municipal taxes provide recreation amenities that serve all residents, such as walking trails and playgrounds. However, there are always more pressing expenses than funds, and tough decisions must be made yearly. Parks and recreation competes with every other municipal service for its share of tax dollars, and budget shortfalls threaten to leave parks and recreation with a smaller piece of the pie.

The public demands more parks and recreation services but wants to pay less taxes. As a result, elected officials raise taxes as a last resort, and when taxes are raised, that money generally goes to fund public safety. To offer the parks and recreation services residents are asking for, it's necessary to use the general fund as a foundation to build on and generate revenue in alternative ways. Generating revenue increases cost recovery, which can help offset operational costs and reduce the burden on taxpayers. The more diverse your funding base becomes, the more stable your finances will be.

With limited government funding and growing costs, this chapter covers various strategies for generating revenue through parks and recreation operations, including program fees, revenue-

generating facilities, concession operations, pricing strategies, and cost recovery policies. The emphasis is on alternative sources of income, which are those sources that don't include tax support and government grants. The revenue sources presented are to leverage your tax support, not replace it.

### Public, Merit, and Private Services

What services should local government provide with tax dollars? Economists classify services into public, merit, and private services based on whether they benefit everyone in the community or only the individual receiving the service.

The classification of public, merit, and private services provides a basic framework for deciding tax support and pricing for parks and recreation services. Recreation facilities and programs categorized as public services may be free or subsidized mainly by tax dollars. Merit service facilities and programs may be partially supported by taxes, and private services may be fully covered by fees.

Educating the public on the differences between public, private, and merit services helps people understand why tax dollars can't support the total costs of parks and recreation services.

**Public services** benefit the public and are equally available to all citizens. Often, this is because there isn't a way to exclude individuals from enjoying the service's benefits by implementing a pricing system. Public services are financed by mandatory

Public Service	Merit Service	Private Service
<i>Who Benefits?</i>		
All people in the community	Individuals who participate benefit most, but all community members benefit somewhat	Individual who participates
<i>Who Pays?</i>		
The community through the tax system – no fees	Individual user pays partial costs	Individual user pays the total costs
<i>Feasibility of Charging</i>		
Not feasible: individuals can't and shouldn't be charged	Feasible and desirable: individuals can be charged	Feasible and desirable: individuals can be charged

payment through the taxation system. Some public parks and recreation services are offered free of charge, with all costs to provide them paid from the general fund budget. Examples are park facilities such as trails, playgrounds, and basketball courts. Some government services may be able to exclude people and charge a fee but are offered as public services instead. The rationale is that everyone benefits when no one is hungry, children participate in structured recreation activities, and everyone receives a high school education. Contributions like these are an investment in people that benefit everyone.

**Merit services** lie somewhere between public and private services. They're private services endowed with public interest and have some public service characteristics. Merit services partially benefit the individual and partially benefit the community. Although it's possible to charge prices for merit services, expecting users to cover all costs is unreasonable because the whole community receives the spill-over benefits. Many types of recreation programs are classified as merit services. The fees for merit services recover some portion of the costs.

**Private services** are those whose benefits don't apply to other community residents. When someone receives a direct service, expecting the user to pay for it is reasonable. Private services aren't subsidized; fees cover the entire service cost. Private services are priced higher than merit services. The defining feature that sets private services apart from public and merit ones is the ability to exclude those unwilling to pay for the service.

## Pricing and Cost Recovery Policy

Pennsylvania municipalities are committed to providing outstanding public parks, recreation facilities, and recreation programs. However, the increasing demand for these facilities and services and rising operating and capital costs make it challenging to maintain existing service levels. Establishing a pricing and cost recovery policy provides consistent guidelines for pricing facilities, programs, and services.

Cost recovery refers to the revenue from fees and alternative funding in proportion to operational expenditures allocated from the general fund. A cost recovery policy establishes a philosophy behind pricing programs and services that elected officials and residents can understand and support. Your policy depends on how much money you get from the general fund, your

residents' average income level, comparable fees at other recreation facilities, the demand for your services, and your municipality's philosophy on generating revenue. Some parks and recreation services may be income-producing, some may be subsidized, and some may be break-even.

Having a pricing and cost recovery policy can help parks and recreation agencies answer challenging questions like these:

- How will you continue to fund your facilities and services with future budget constraints?
- Are you using your tax-supported funding responsibly?
- Does how you charge for facilities, programs, and services support the agency's mission?
- Are programs and activities priced fairly?
- After revenue is generated, how much did the program or service actually cost?

## Cost Recovery Pyramid Model

The primary basis for a cost recovery pyramid model is determining to what extent parks and recreation programs, facilities, and services provide community and individual benefits and the appropriate fee and cost recovery percentage to meet cost recovery goals. The pyramid levels below represent an example of a multi-tiered system that aligns with national best practices.

Every parks and recreation department must set its own cost recovery goals and decide at what levels each program and service should be placed. Programs and services that make up the pyramid's base don't recover any costs and are fully subsidized by tax dollars. Those in the middle of the pyramid cost recover at rates increasing the more the service is for individual benefit, requiring less subsidy from the general fund. Those at the top of the pyramid make a profit.

### Level 1: Highly COMMUNITY Benefit (0% Cost Recovery)

The foundational level of the pyramid is the largest and represents those programs and services that benefit the community as a whole. The community pays for these basic services and facilities through taxes, which are offered to residents at minimal or no fee. Most of the agency's tax funding supports this level of the pyramid. Examples of services in this category are:

- Parks and playgrounds
- Outdoor play courts

- Trails
- Community service programs

**Level 2: Mostly COMMUNITY Benefit**  
*(25-50% Cost Recovery)*

The second level of the pyramid represents programs, facilities, and services promoting physical and mental well-being and providing recreational skill development. These are generally the more traditionally expected services and those at beginner instructional levels. These programs and services are assigned fees based on a specified percentage of direct and indirect costs, representing a tax subsidy to account for the community benefit and a participant fee to account for the individual benefit. Examples of services in this category are:

- Summer day camps
- Preschool programs
- Community events

**Level 3: Balanced COMMUNITY/INDIVIDUAL Benefit**  
*(50-75% Cost Recovery)*

The third level of the pyramid represents services that promote individual physical and mental well-being and provide an intermediate level of recreational skill development. This level offers more individual and less community benefit and is priced to reflect this. Examples of services in this category are:

- Youth instructional programs
- Therapeutic/adaptive/special recreation programs

- Recreational youth sports leagues
- Adult instructional programs
- Beginner classes and workshops

**Level 4: Mostly INDIVIDUAL Benefit**  
*(75-100% Cost Recovery)*

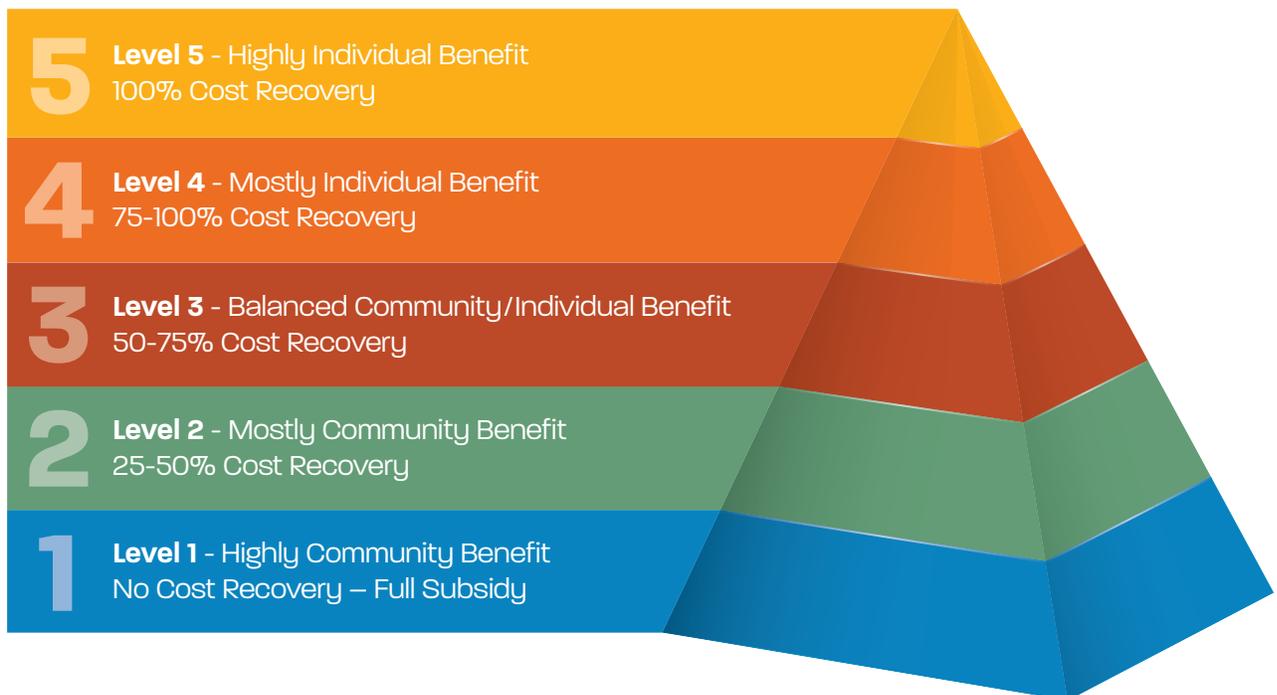
The fourth level of the pyramid represents specialized services generally for specific groups with a competitive focus. Programs and services are priced at this level to recover the total cost. Examples of services in this category are:

- Low instructor/student ratio lessons
- Specialized youth instructional programs with higher material costs
- Competitive youth sports leagues
- Adult sports leagues
- Intermediate-level and advanced-level classes and workshops

**Level 5: Highly INDIVIDUAL Benefit**  
*(100% + Cost Recovery)*

The fifth level of the pyramid represents activities with a profit center potential that may fall outside the core mission. Programs and services are priced at this level to recover the total cost plus a designated profit percentage. Examples of services in this category are:

- Adult trips and tours
- Personal training
- Private lessons
- Permits and rentals
- Adult tournaments
- Concession operations
- Merchandise sales



## Revenue Categories

Besides tax support, the primary sources of funding for parks and recreation operating budgets come from these revenue categories:

- Recreation Programs
- Recreation Facilities
- Rental of Facilities and Equipment
- Concessions
- Advertising
- Sponsorships
- Fundraising

Expanding and diversifying your funding sources is the key to sustainability. Over-reliance on one method of funding is no longer viable. Your programs and services should be planned, priced, and marketed to create revenue that will help to fund other aspects of your operations. An enterprise approach offers your residents parks and recreation services they value and are willing and happy to pay for. It's essential to consider who your current and potential customers are, what will improve their lives, and how you can offer that.

## Ensuring Equitable Access

Alternative funding strategies provide many opportunities but can also threaten equitable access to programs and facilities. Focusing on revenue generation can affect equity in two ways: first, it can disadvantage people who desperately need parks and recreation services if they can't afford the fees, and second, it can skew the types of activities offered toward those that generate the most revenue.

Financial assistance based on need is pivotal in ensuring that recreation programs and facilities are universally accessible. This approach guarantees that all residents can participate when fees are charged, regardless of their financial situation. To include those who can't afford the fees, consider providing scholarship funds, waiving fees individually, or allowing extended payment schedules. Other options include encouraging fundraising, equipment donations, finding business sponsors, or accepting volunteer time as payment.

Supplemental subsidy programs are vital in ensuring that financial constraints don't hinder participation for lower-income households. Sliding fee scales based on income and the distribution of flexible annual vouchers are two effective strategies that can help reduce fees and promote equity.

Many parks and recreation systems nationwide leverage a dedicated tax stream for parks and recreation. This decreases the reliance on fees and the general fund and can enable equity initiatives. Parks and recreation referendums consistently garner high levels of voter support.

The City Parks Alliance Equitable Park Funding Hub provides easy access to information on various funding sources relevant to parks and recreation in low-income communities and communities of color. It highlights the partnerships required for successful funding. [www.cityparksalliance.org/funding-hub](http://www.cityparksalliance.org/funding-hub)

## Charging Fees

With municipal budgets under increasing strain, charging fees is a practical technique for maintaining and expanding parks and recreation services.

Through fees, the support for recreation opportunities comes partially from the user rather than totally from tax dollars. Recreation programs can be financed on a break-even basis through fees paid by participants. You can also charge entrance fees to facilities, admission fees to performances, rental fees for building use, and permit fees for picnic pavilions. Membership fees are charged in parks and recreation to offset a facility's operating costs. Examples are season passes sold for swimming pools and yearly memberships to a community recreation center.

You can increase revenue by analyzing your operations for services that aren't charged for. For instance, you might decide to charge for parking at special events. Most youth sports groups aren't charged for field use; if you have lighted fields, ask them to reimburse you for the costs of the lights. Just because a service hasn't been charged for in the past doesn't mean it must stay free forever.

In addition, re-examining your fee structure for areas where changes can be made will increase your revenue.

Although a significant revenue source, never expect your parks and recreation agency to be self-supporting through fees. Fees should supplement the tax support for your budget to help you fund rising operation and maintenance costs.

Charging fees for public parks and recreation services has positive and negative effects.

## Charging Fees

<b>Positives</b>	<ul style="list-style-type: none"> <li>▪ Helping to develop new recreation facilities and offer new programs to respond to community needs.</li> <li>▪ Providing services that public funds aren't able to support totally.</li> <li>▪ Recovering a portion of the costs to provide recreation opportunities.</li> <li>▪ Planning for new programs and facilities and eliminating services no longer in demand by assessing people's willingness to pay.</li> <li>▪ Providing revenue to maintain services that budget cuts would eliminate.</li> <li>▪ Keeping pace with rising operation and maintenance costs.</li> <li>▪ Charging non-residents who don't pay local taxes for their fair share of the costs.</li> <li>▪ Measuring resident appreciation of parks and recreation services.</li> <li>▪ Increasing security through admission areas.</li> <li>▪ Balancing time of use and participant numbers.</li> <li>▪ Helping reduce congestion when too many people participate in heavily subsidized services.</li> </ul>
<b>Negatives</b>	<ul style="list-style-type: none"> <li>▪ Reducing general fund support as you generate additional income.</li> <li>▪ Restricting participation, particularly by lower-income residents who rely on public recreation services and are the least able to pay fees.</li> <li>▪ Decreasing the public's willingness to pay taxes to support services as they become aware of their self-supporting possibility.</li> <li>▪ Judging your success by the amount of revenue you produce rather than by the quality of your services.</li> <li>▪ Spending too much time collecting revenue and trying to collect money on returned checks and delinquent program payments.</li> </ul>

## Types of Parks and Recreation Fees

Type of Fee	Description	Category of Service	Examples
Admission	Fees to enter a building or structure where entry and exit are controlled, and attendance is regulated	Merit	Museums, aquariums, historical buildings
Entrance/ Parking	Fees to enter a developed recreation site at the first contact with the area	Merit	Fairgrounds, arenas, gardens, wildlife preserves
Facility Use	Fees for the use of a facility	Merit	Driving range, ballfields, ice rinks
Membership Dues	Fees to join a club or facilities on a predetermined basis	Merit	Community recreation centers, swimming pools, swim team, community chorus
Permit/ License	Fees for written permission to perform an action or the authority to occupy space or use property	Private	Hunting and fishing licenses, alcohol permits, photography permits, vendor permits
Program	Fees for participation in an activity	Merit	Lessons, camps, classes, leagues
Rental	Fees for the exclusive use of property or facilities	Private	Bicycles, skates, tables, golf carts, picnic pavilions, cabins
Sales	Revenues obtained from gift shops, concession operations, and the sale of merchandise	Private	Food and drink items, souvenirs, firewood, clothing
Special Service	Fees for supplying extra materials, activities, or services	Private	Seasonal equipment storage, night lighting, field dragging and lining, class materials, reservation fees, electric use fees, room set-up/tear-down fees

## Recreation Programs

For most recreation programs, people pay a fee to participate, bringing in enough income to meet direct costs. Direct costs include the salaries paid and supplies used to offer the programs.

However, the actual costs of recreation programs include much more than the direct costs. The indirect costs of providing programs include utility costs for indoor space and administrative time spent planning and promoting recreation programs. Determining how much money you invest in each program is essential. If you set your price to recover direct costs only, you subsidize the balance of the cost for participants. So, people may pay \$20 to take a class when the actual cost is \$40.

Traditionally, most recreation programs have been subsidized, and the fees have been kept low to accommodate those who couldn't afford market rates. However, this approach has unintended consequences. By pricing services below market rates, it's challenging to consistently balance the demand for quality programs with available financial resources.

## Increasing Recreation Program Revenue

Some recreation programs generate enough income to realize a profit. Offering revenue-producing programs allows you to provide other programs that may need to be subsidized or will break even. Profit-making programs include summer day camps, before- and after-school-age care, adult fitness classes, and trips.

You can also shift programs to shorter periods, such as eight to four-week sessions, and keep your prices steady. In addition, finding niches in programming not offered elsewhere in your community means no competition and translates to increased revenue when these programs are in demand.

Another way to increase revenue is to build on your current recreation program schedule and offer specialized programs. For example, you can expand sports programming to provide programs that also are revenue generating programs such as:

- 3-on-3 half-court basketball leagues
- Smaller field sports
- Parent/child instructional sports programs
- Tournaments

- Doubles volleyball
- Kindergarten soccer
- Club sports for teenagers
- Intro to sports programs for 3, 4, and 5-year-olds
- Physical education classes for home-schooled children

## Revenue-Generating Parks and Recreation Facilities

Some recreation facilities are significant revenue generators. Some can even come close to covering their operating costs. However, the capital costs of construction can be high, especially for facilities like recreation centers and swimming pools.

When public funds aren't available for construction, or you're unable to maintain the facility at the standard of service the public desires, revenue-producing facilities can be constructed and operated through contractual agreements with the private sector.

When exploring the revenue potential of your existing facilities, you'll be surprised at how even simple measures, like charging fees for tennis or pickleball court lights, can generate income. While this may not lead to substantial revenue, it can help offset these facilities' operating costs, making them more sustainable.

Revenue-generating recreation facilities include:

- **Batting Cages.** Batting cages are best placed as support facilities near baseball and softball fields. They can be constructed as coin- or token-operated, so no staff is necessary.
- **Campgrounds.** Campgrounds charge basic fees for tent campsites and additional costs for water, electric, and sewer hookups. The more amenities a campground has, the better its revenue potential is. The essentials are a swimming pool, playground equipment, a camp store, and an indoor activity area. Extras like a fishing pond, cabins, and recreation activities such as hayrides, movies, bingo, crafts, and dances increase a campground's popularity.
- **Driving Ranges.** A driving range can be a stand-alone facility or a golf course amenity.

- **Golf Courses.** While they can be expensive to build or purchase, golf courses can generate significant revenues.
- **Ice Rinks.** Indoor ice rinks generate revenue through skating lessons and ice time rentals.
- **Miniature Golf Courses.** Depending on their construction, miniature golf courses are easy to maintain and work best as an extra amenity at an existing facility, such as a swimming pool.
- **Outdoor Swimming Pools.** As swimming pools age and repair and staffing costs rise, their revenue potential decreases. In addition to seasonal passes and daily admission fees, swimming pools must generate revenue in other ways. Where can you extend the hours? Can you provide an assortment of recreational equipment for your patron's use? What things can be done at your facility that no one else is doing? Ideas to consider include:
  - Selling admission passes to businesses to give to employees or customers as a promotional tool.
  - Allowing private party rentals.
  - Utilizing pricing strategies that encourage use, such as early discounts or half-price memberships halfway through the summer.
  - Holding fee-based instructional classes such as synchronized swimming, water exercise, competitive strokes, snorkeling, and swimming and diving lessons.
  - Adding rental cabanas.
  - Maximizing the surface areas surrounding an outdoor swimming pool for recreational activities, such as shuffleboard, play equipment, cornhole toss, bocce, and picnicking.
  - Opening early for lap swimming.
  - Offering night swims.
  - Offering shade umbrellas for rent.
  - Holding a dog swim at the end of the season.
  - Adding another pool or water amenity to attract patrons, such as a three-lane lap pool maintained at a higher water temperature, a therapeutic pool with high salt content, hot tubs, zero-depth entry, water slides, or sprays.
- Adding games, contests, and special events.
- Upgrading the locker rooms.
- Enhancing concession services by offering a more extensive or healthier food selection or selling pool supplies like goggles.
- **Picnic Pavilions.** Picnic pavilions with amenities such as horseshoe pits, ballfields, fireplaces, bocce courts, access to water, volleyball courts, electricity, indoor kitchens, restrooms, and play equipment can generate more revenue.
- **Recreation Centers.** A community recreation center's revenue potential is directly related to its facilities. Facilities such as these improve your potential to attract members and generate revenue.
  - Fitness center
  - Gymnasiums
  - Swimming pools (warm water, competitive lap, and family pools)
  - Sauna and steam rooms
  - Tennis courts
  - Pickleball courts
  - Racquetball and handball courts
  - Banquet room
  - Meeting rooms
  - Party rooms
  - Kitchens
  - Snack bar/Vending machines
  - Senior center
  - Game room
  - Craft rooms
  - Program rooms
  - Walking track
  - Childcare rooms
  - Computer labs
  - Teen center

- **Water Activity Areas.** Water resources like lakes, ponds, or rivers have tremendous potential to generate revenue. People love to be around water to swim, boat, picnic, and relax along the water's edge. Your revenue possibilities depend upon the type and size of your water areas. Here are a few ideas:

- Season passes and daily admission fees
- Snack bar
- Rentals such as rafts, boats, umbrellas, chairs, fishing equipment, lockers, and tubes
- Instructional classes such as sailing, canoeing, kayaking, windsurfing, scuba diving, swimming, and diving
- Bait shops

## The Use of Pricing Strategies

Instead of referring to the costs of your services as “fees,” use the word “prices.” Fees are perceived as payment for services that people have no control over or choice about. People think of prices as the going market rate for services. The perception is that you can compare prices with other agency's prices and decide whether to purchase. The choice to spend money is in the person's hands, not imposed on them as a “fee.”

Setting prices is a crucial aspect of financial management, but it's certainly not an exact science. There are many ways to do it. The economy, the competition, the demand for the activity, and the program's quality are all pricing factors that can only be determined locally. Pricing has a psychological dimension. If fees are too high, no one participates. If they're too low, the same thing may happen. A low fee can mean inferior quality in some people's minds.

Generating more revenue means incorporating business-like approaches, such as these pricing strategies:





- **Competitive Pricing.** Competitive pricing is based on what similar service providers charge. To establish a competitive fee, identify all providers of an identical service and establish a fee that is at midpoint or lower.
- **Differential Pricing.** Different prices are charged when the service cost is the same. For example, the same service might be offered at a more desirable time or location, which may drive a higher price. Alternatively, services struggling to maintain a minimum and needing a boost to stimulate more interest might drive a lower initial cost.
- **Discount Pricing Strategies.** Discount pricing strategies are great ways to encourage participation in parks and recreation services. Discounts include:
  - Early registration
  - Reduced resident fee – price is \$30, residents pay \$20
  - Child admission is free with paying adult
  - Incentives for renewal customers
  - Take ten classes and get the next one free
  - Coupons
  - Cross-package with other activities
  - Family fee – 1st child full price, 2nd child half price
  - Season passes/season tickets
  - Off-season
  - First lesson free/first week free
  - Installment payments for summer camps starting in January
  - Cross-promote with business – such as 10 percent off a program with a movie stub
  - Seniors/juniors
  - Yearly membership
  - Prime/non-prime time
  - Twilight
  - Per visit

- Punch passes – buy ten visits for a discounted price
- Discounted gift cards
- **Market Pricing.** Market pricing incorporates the price points of other service providers when determining pricing. If your parks and recreation service has an excellent position in the market, you can establish a higher price than similar providers.
- **Menu Pricing Strategies.** Menu pricing strategies can communicate the cost of recreation programs and services to potential participants. Menus include:
  - Number of games
  - Number of lessons
  - One umpire/two umpires
  - Trophies/medals/t-shirts to winners
  - Softballs included/not included
  - Lights/no lights
  - Group fee based on numbers
  - Price by location – best seats/fields
  - Combo fee – golf and pool combination
  - Private/semi-private/group lessons
  - Hourly rate/four-hour rate/all-day rate
- **Peak-Time Pricing.** Fees may be increased during peak times of the day, week, month, or year. Peak-time pricing controls or limits use during periods of high demand or potential overuse and encourages use during periods of low demand or underuse.
- **Special Group Pricing.** Prices may be raised or lowered based on special factors such as:
  - **Non-Residents.** Municipalities often charge higher fees for non-residents' use of community recreation facilities and programs. This fee difference is because residents have paid taxes for these services, but non-residents have not.
  - **Non-Profit Organizations.** Reduced fees may be charged to non-profit organizations with Internal Revenue Service 501(c)(3) tax-exempt status. These organizations often utilize parks and recreation department facilities to conduct fundraising activities that support their mission.
  - **Senior/Junior.** Reduced fees may be established for residents 65 years or older and 16 years or younger.
  - **Special Agreements.** Organizations may be granted a waiver or discount based on a special agreement that benefits the parks and recreation department. A school use agreement is an example.

### Using Enterprise Funds

An enterprise fund is an accounting method that records the transactions of self-supported facilities and activities through fees. This can include all acquisition, development, debt service, depreciation, operation, and maintenance expenses. With an enterprise fund, fees from revenue-generating recreation facilities return to your parks and recreation department rather than go into the general fund. The recreation facilities don't receive tax support for their operation, which frees up general fund tax revenue for other services. Recreation programs can also be operated through an enterprise fund. Program revenues go into and direct program expenses are paid from the fund.

Your enterprise fund must be established with initial funding. One week of poor weather or low revenues could leave the enterprise fund unable to meet payroll. The enterprise fund balance is carried over from year to year.

Using enterprise funds to operate revenue-generating facilities and programs offers several advantages.

- Revenues collected from enterprise facilities aren't deposited in the general fund. At the end of the year, profits stay in the enterprise fund and can be used to expand the recreation facility or offer additional recreation programs.
- Using facility and program fees to improve the facility or program incentivizes parks and recreation staff to become more cost-conscious.

- Enterprise funds provide more autonomy in terms of the expenditure of money.
- The public benefits by enjoying a facility sooner, not when capital and operating funds could be accumulated.
- Those who use the facility pay for its operating and maintenance costs and the initial capital investment. Taxpayers aren't charged for something they don't use.
- It's easier to determine the direct costs of operating an enterprise facility and to charge back indirect maintenance costs and other expenses to the enterprise fund.

## Rental of Facilities and Equipment

Your parks and recreation department has many opportunities to generate revenue through recreation facilities, recreation equipment, and park rentals.

- **Facility Rental.** Renting buildings, sports fields, and picnic pavilions is a tried-and-true way to raise funds. Garden plots are another typical park amenity that is rented to the public.
- **Park Event Rental.** When groups and organizations host events on park property, revenue is generated through the established contract. A park event is an organized activity such as a tournament, festival, fundraiser, or other gathering hosted on parkland for public or private entertainment that requires the general or exclusive use of one or more park facilities and that may:
  - Attract more than 50 people.
  - Provide some form of entertainment.
  - Offer items for sale, such as food, beverages, or merchandise.
  - Advertise activities to the public.
  - Charge fees or sell tickets for activities.
  - Use tents or production elements like stages, platforms, and amplified sound.
  - Use a park as a start/stop site for runs and walks.
  - Use bounce house inflatables and other amusement devices.
  - Raise funds.
  - Offer classes and instructional activities by health and fitness trainers, dog trainers, and other professional service providers.
- **Parking Lot Rental.** Your parking lots may be rented for events held by

businesses, schools, and nonprofits.

- **Recreation Equipment Rental.** Your recreation facilities offer the opportunity to rent sports equipment, such as tennis rackets, basketballs, and pickleball paddles. Table and chairs are often rented as well.

## Concession Operations

Concessions can provide a substantial revenue source for your municipality. A concession facility sells or rents merchandise or provides a service to enhance people's recreation experiences.

Concession operations include snack bars, gift shops, restaurants, stables, bait shops, rentals of recreation equipment like cross-country skis or bicycles, and overnight accommodations such as campgrounds or lodges.

You may manage park concessions or contract with an individual or a community group. Food trucks have also become increasingly popular for park food and beverage concessions.

When logistics and staffing are difficult, an alternative is for private contractors to establish businesses within public park systems. The land, and in some cases, the actual facilities, are publicly owned. Your municipality maintains control over some aspects of the private operations, such as rates charged and operating hours, and generates revenue through a leasing agreement or a percentage of sales.

## Advertising Opportunities

The standard way to generate funds through advertising is to place business ads in your recreation program guide. What other opportunities can you provide for businesses to advertise? Companies will pay to get their message in front of people, so think about places where many congregate. Here are a few ideas:

- Banners hung during program hours (tennis courts, playground fences, softball backstops)
- Billboards on park property
- Billboards on municipally-owned land along a busy highway
- Bottom of swimming pools
- Bulletin boards
- Digital screens in facilities
- Elevators
- Outfield fences
- Program registration software
- Rink dasher boards



- Scoreboards
- Snack bar menu board
- Social media platforms
- Sports team jerseys
- Table umbrellas
- Website

## Business Sponsorships

The philosophy behind seeking sponsorships is that it's an opportunity for businesses to invest in the community. Businesses financially support high-profile special events, sports programs, cultural and performing arts activities, and recreation facilities that draw many people.

Sponsorships can take different shapes:

- Sponsored event in exchange for advertising rights.
- Naming rights donations for specific park facilities.
- Exclusive product placement with companies paying for their products to be exclusively sold at kiosks and concession stands in the park.

Businesses sponsor parks and recreation activities to gain a chance to get their business name in front of many people, an opportunity to involve their employees in community service, and a positive image of community involvement.

On the flip side, your parks and recreation agency gains the financial resources to support offering and enhancing programs, events, and facilities, as well as an opportunity to increase the community's awareness of the value of your services.

Sponsorships range from underwriting summer park concerts to purchasing the naming rights for a baseball stadium. Since they have a vested interest in your community, soliciting funds from local businesses is easier than soliciting from out-of-area companies. However, if you have a national company in your municipality that employs many residents, they're a good possibility as a sponsor.

## Steps for Business Sponsorship Success

Obtaining business sponsors isn't difficult, but it takes time and effort. Following these steps can help ensure success.

- **Evaluate your existing programs and events to determine their sponsorship potential.** What opportunities do you have for businesses to enhance their image and visibility? Make sure your event is a quality program. If possible, use a successful program with an established track record.

- **Outline your event activities in writing.** Be descriptive but brief and specific when outlining your program activities. Include details on the program date, location, and time, as well as the entertainment, exhibits, concessions, awards, and other essential elements.
- **Prepare a budget and calculate the amount and type of support you need.** List all program costs to determine how much money to request and identify how the sponsor's funds will be used. Do you need money to contract entertainers, buy prizes or awards, or pay staff wages? Know how to spend a potential sponsor's money before asking for dollars.
- **Factor in more than just hard costs and expenses.** When pricing sponsorships, consider the amount of exposure a company will receive, the program's longevity, program maintenance requirements, and the community and organizational support needed.
- **Target the companies you want to enter a partnership with.** Identify new businesses in your area and those you want to be involved with because of their reputation. Once you have a list of potential sponsors, determine which companies can benefit from your event by studying:
  - Company image. Is the business a family-oriented, traditional one? Or is it a fast-moving, innovative company? Match your event to a company with an image you're comfortable being linked with.
  - Company size. Approach the right-sized company with your sponsorship request. Large businesses are more likely to support community-wide programs, while small companies will give smaller amounts of money for smaller programs.
  - Demographic similarities. Know who the company's customers are and whether or not they'd like your event. Know the demographics of those attending your program to compare how closely the two match up.
  - History of contributions. Find out who the company has given money to. Knowing the types of agencies and programs the company supports is helpful.
- **Determine the sponsor's role.** Beyond giving money, what else do you want from your sponsor? Decide whether you need volunteer help, promotional help, or equipment and supplies.
- **Decide on promotion approaches to give exposure to sponsors.** What visibility can the sponsor expect in return for investing money in your program? The costs associated with promotion approaches should be factored into the sponsorship price. Sponsor benefits will vary but should include some of the following items:
  - Banner/signage rights. Display the sponsor's name at the event's most visible locations.
  - Display opportunities. Give the sponsor a place to display products or offer product samples.
  - Media coverage. Solicit newspaper articles, live remote radio and television broadcasts from the event, and talk show appearances before the event.
  - Merchandise sales/giveaways. Print the sponsor's name on t-shirts, caps, or cups.
  - Participation opportunities. Have the sponsor's employees volunteer at the event.
  - Press conference. Hold a kick-off event announcement.
  - Print advertising. Put the sponsor's name and logo on flyers, brochures, and programs.
  - Product exclusivity. Allow only one bank, realtor, or hospital to be a sponsor.
  - Public address system announcements. Mention the sponsor throughout your event or have the sponsor's top executive kick off the event.
  - Reserved seating/hospitality areas. Rope off the best seats or erect a tent for the sponsor's clients and employees.
  - Right of first refusal. Allow the sponsor the first chance to participate next year.
  - Social media posts. Feature the sponsor on social media promotions for the event.
  - Title rights. Use the sponsor's name in conjunction with the event so that each time the event is mentioned, so is the sponsor.

- Trade-offs. Offer the sponsor free use of recreation facilities for company picnics or free advertising in your recreation program guides.
- **Write the sponsorship proposal.** In the sponsorship proposal, combine the information in a concise packet containing your event's details. A proposal is just like a resume. It's designed to get you an interview. Your proposal should easily communicate what your event is all about and include the following:
  - Front cover photo from the event that shows crowd size and sponsor participation.
  - Background on your parks and recreation agency, including why you seek a sponsor.
  - Description of event, including location and date.
  - Attendance in the past.
  - Cost to sponsor.
  - Visibility opportunities and benefits for the sponsor.
  - Testimonials and past media coverage.
- **Contact the potential sponsor.** Find out who makes sponsorship decisions. Send your written sponsorship proposal with a cover letter, then make a follow-up telephone call. Ask if they're interested in speaking with you and ask to schedule a meeting.
- **Hold your presentation meeting.** Have two people attend the meeting on your behalf. They can be a combination of board members, staff, or community leaders. Share the reciprocal benefits of sponsorship, focusing on the benefits and the advantages to the sponsoring company. If the company is interested, finalize the sponsorship terms so it's clear what it will receive in return for its financial support of the event. Follow up with a letter of agreement. If the company says no, find out why. You may be able to approach them with a different program or make your request again at a different time of year.
- **Maintain frequent contact with your sponsor.** Good communication is necessary to get the company to sponsor your event again. Share information with your sponsor before and after the event.
- **Evaluate your event and your sponsor partnership.** After the event, send your sponsor a thank-you note with a one-page evaluation form to give them a chance to provide positive and negative feedback. The evaluation form should ask if they'd



like to sponsor the event next year. Care needs to be taken to correctly and publicly recognize your sponsor. Present them with a plaque, a framed certificate, or a unique event photo.

- **Review your finances and budget.** Record your expenses for the event and how they compare with the sponsorship funding received. You may need more money to conduct the event next year.

## Program and Product Fundraising

Parks and recreation fundraising takes many forms. Boys and girls sell candy and pizza to help fund basketball leagues, older adults hold raffles to support their clubs, and special events raise funds to support a parks and recreation department's operating budget.

Successful fundraising activities require planning, coordination, hard work, and volunteer help.

The four major categories of fundraisers are:

- **Donation activities** such as auctions, car washes, raffles, engraved bricks, and dance-a-thons.

- **Food and drink activities** such as all-you-can-eat pancake breakfasts, cookbook sales, bake sales, Valentine's Day candygrams, spaghetti dinners, chili cook-offs, wine-tasting events, and chain restaurant percentage of sales nights.
- **Product sales** such as candy, popcorn, coupon books, calendars, subs, spirit wear apparel, and 'shop for a cause' programs such as RaiseRight and ShopRaise.
- **Special events** such as golf tournaments, bingo nights, food truck events, festivals, and runs. These events not only raise funds, but they're also an opportunity to bring the community together and have fun.

The National Recreation and Park Association (NRPA) Parks and Recreation Professional's Guide to Fundraising is an excellent resource for fundraising ideas.

[www.nrpa.org/publications-research](http://www.nrpa.org/publications-research)

The NRPA Revenue Development and Management School is a comprehensive professional development program focusing on proven revenue development and management techniques for parks and recreation.

[www.learning.nrpa.org/RDMS](http://www.learning.nrpa.org/RDMS)



# Chapter 3

## Supplementing Tax-Supported Parks & Recreation Funding by Tapping Community Resources

Engaging the community increases your revenue sources. This chapter introduces you to the power of tapping community resources by soliciting gifts and donations, implementing adoption programs, establishing foundations, conservancies, and friends groups, increasing volunteerism, and building partnerships.

### Philanthropy

Local governments are increasingly turning to philanthropy to bridge funding gaps. Donations from private individuals and companies are increasingly significant in funding for parks and recreation. Individuals, businesses, or foundations can donate significant land gifts or money for capital projects. Many larger companies, particularly in retail sales, have policies of connecting to the communities they do business in. These companies may donate cash or materials to a particular project.

Municipal parks and recreation agencies need a solid connection to separately formed 501(c)(3) nonprofits to utilize philanthropy funding sources. The Internal Revenue Service (IRS) recognizes more than 30 types of nonprofit organizations, but only those that qualify for 501(c)(3) status can claim that donations made to them are fully tax deductible.

For that reason, establishing a nonprofit arm of your agency, such as a park conservancy, foundation, or friends group, is an excellent idea. These groups are taking the lead in fundraising and fund management for public parks and recreation in many communities.

Although it's a vital source of future funding for parks and recreation, a heavy reliance on philanthropy does have some drawbacks:

- A donations-based approach can lead to underfunding because people can enjoy the park's benefits without contributing to its costs.
- Voluntary donations are uncertain, which makes it difficult to rely on them for ongoing operational expenses.
- As the private sector steps in with more significant funding, the public sector tends



to withdraw and use its limited dollars for other purposes.

- Conservancies incur significant costs to raise money, such as executive salaries, proposal writing, and other expenses involved in securing donations.
- Park amenities may target selective groups or areas rather than the entire community.

### The Importance of a Case Statement

A compelling case statement is critical when approaching high-level potential donors and fundraising for new programs and campaigns. People give because they want to make a difference and be part of something important, and case statements show potential donors why they should support your organization.

Great case statements always begin with a story. The key is to make the reader feel emotionally invested in your mission by using storytelling to establish a personal connection. Illustrating your mission and vision for the future tells the reader they should care because the mission and vision

matter. A brief history should be included in your case statement, from the founding of your agency to the work you've accomplished so far. Next, explain the work you're currently involved in and the success of your work, using stories of lives changed and testimonials of success. Then, explain why the funding is needed and what results will be achieved. Your case statement should be as visual as possible, with charts, graphs, and pictures of people you've helped.

### Park Conservancies

Park conservancies are private, non-profit, non-political organizations that partner with local governments to support one or more parks in the community. They raise money independent of the municipality and spend it under a plan of action mutually agreed upon with the government. Conservancies engage in activities ranging from constructing capital improvement projects to operating special park programs to advocating and lobbying for parks. In some cases, conservancies lead in operating, managing, programming, and maintaining parks. Conservancies have a formal agreement or memorandum of understanding (MOU) with local government entities. The MOU defines the scope and limitations of the conservancy's responsibilities regarding the park property or properties. Most conservancies rely heavily on corporate sponsorship, grants, and individual donors.

### Foundations

Park foundations support parks and recreation systems by generating private funding, obtaining grants, and building strategic partnerships to supplement tax dollars and better meet community needs. Foundations are tools for soliciting and channeling private financing into public parks and recreation systems in ways the government cannot. Park foundations bring together ideas, leadership, and resources to improve, conserve, and restore park facilities and open spaces, address deferred maintenance, and support educational, recreational, and cultural activities in the parks. All projects are undertaken in partnership with the municipality, which often matches funds raised by the foundation. The top benefits of forming a park foundation are extra fundraising capacity, advocacy for parks and recreation, skills that complement agency staff, and flexibility, as foundations aren't government agencies.

The NRPA Park and Recreation Agency-Foundation Relationships: Partnering for the Future publication covers the important

relationships between parks and recreation agencies and foundations.

[www.nrpa.org/publications-research](http://www.nrpa.org/publications-research)

### Friends Groups

Friends groups are incorporated as 501(c)(3) nonprofit organizations to support a park in many ways, including seeking tax-deductible contributions. Friends groups raise money to provide a healthy supplement to municipal parks and recreation budgets. Friends groups must be established with a memorandum of understanding with a municipality to avoid conflict and confusion on the roles of each entity. They aren't government agencies, so they don't have the "red tape" you do and can make park improvements happen quickly. Having a friends group will help your municipality access foundation grants since most private foundations only grant funds to organizations with 501(c)(3) nonprofit status. The list of needs that friends groups can help to address is extensive, from supporting invasive plant removal, planting and maintaining pollinator gardens, maintaining trails, hosting park clean-up days, sponsoring special events, holding fundraisers, purchasing park equipment, developing partnerships with community organizations and businesses, building financial support for park enhancements, promoting parks at public events, and applying for grants.

Park conservancies, foundations, and friends groups use fundraising strategies that integrate board giving, membership, direct mail, e-mail, phone solicitation, social media, and signature special events.



Nonprofits maintain the public's trust by committing to ethical fundraising practices regarding solicitation, acceptance, recognition, recording, reporting, and use of funds. If the public doubts a nonprofit's credibility, its revenue will be reduced due to negative public perception. Fostering public trust and increasing donor confidence requires adopting clear policies ensuring the responsible use of funds and open communication with donors.

The Association of Fundraising Professionals' Code of Ethical Standards provides information on the fundraising policies you should adhere to. [www.afpglobal.org/ethics/code-ethical-standards](http://www.afpglobal.org/ethics/code-ethical-standards)

### Annual Giving Campaigns

Annual giving campaigns raise a steady, sustainable fundraising stream each year. They can occur any time during the year, but the year-end giving season is the most critical fundraising period because donors submit their final tax-deductible gifts. Annual fund donations are unrestricted gifts that can be used for any purpose, including everyday expenses and operation costs. An annual fund campaign aims to raise enough money to cover monthly operating expenses. An annual fund can ensure that your essential operating costs are covered and that you can allocate more funding toward projects and programs that directly impact your mission. Securing businesses with matching gift programs, in which an employee donates money to your organization and their employer matches it, helps to make an annual fund campaign successful.

### Planned Giving Programs

Planned giving, or legacy giving or gift planning, occurs when a donor intends to give a gift to a nonprofit organization after death. These gifts are often part of a donor's financial or estate plans and are usually more significant than the donations they made while living. Planned gifts are typically donated through a will or trust. Bequests, which are gifts left in a will, make up about 90 percent of planned gifts. Retained life income gifts are usually in the form of a trust held by the benefiting agency, from which the donor is paid a percentage of the annual income from the trust for the remainder of their life. Retained life occupancy gifts are where a property deed is given to the benefiting agency, but the donor remains as the occupant until their death.

A planned giving program is an excellent source of income if you're willing to wait. Many people leave gifts in their wills for schools, civic groups,

fire companies, hospitals...why not parks and recreation? Planned gifts include:

- Life insurance policies
- Personal property
- Cash
- Real estate
- Retirement plan accounts
- Gifts of equity
- Grants from donor-advised funds
- Gifts of private or public stock or mutual funds
- Gifts of cryptocurrency

### Text Giving

Online giving has increased dramatically over the last 20 years. Text giving is a quick, easy, and effective way to raise money since it's convenient to give via text messaging from a smartphone. With text-giving platforms, supporters can contribute to your fundraising efforts anytime, anywhere, in seconds. The two types are:

- Text-to-Give. With text-to-give campaigns, donors text a keyword to a specified number. Their cell phone service charges them the donation amount and then passes on the text-to-give donations to the nonprofit.
- Text-to-Donate. Text-to-donate campaigns involve a campaign ID that a donor texts to a specified number and receives a link to a mobile giving page to make an online donation. Many mobile giving tools use the text-to-donate method, allowing more significant contributions and gifts to go directly into the nonprofit's bank account.

### Crowdfunding

Crowdfunding is the process of funding a project by raising small amounts of money from many people online. To start gaining momentum, fundraiser links are shared with your community through text messages, emails, and social media posts. GoFundMe and Kickstarter are leading crowdfunding platforms. The NRPA Crowdfunding Toolkit offers more information on successfully utilizing crowdfunding to raise funds. [www.nrpa.org/publications](http://www.nrpa.org/publications)

### Capital Campaigns

When funds are raised for a capital campaign, they're for a specific purpose and kept separate from the parks and recreation department's annual operating budget. A capital campaign is a targeted fundraising effort over a defined period

and requires ample planning. It has specific, concrete objectives and relies on clear, compelling cases for support.

Capital campaign goals are reached mainly through securing significant gifts. To succeed with a capital campaign goal, before beginning your campaign, you need to have strict deadlines and timelines, a focused team, a clear goal, a targeted plan, a quiet phase for significant gifts, and a public phase toward the end of your timeline to gather donations to make up the rest of your goal.

### **Maintenance Endowment Funds**

A maintenance endowment provides long-term funding for donor-funded projects. When fundraising, ask donors to give a certain percentage beyond the construction cost of a new facility to create two maintenance endowments: one to fund long-term capital renewal needs and the other to support annual operations and maintenance costs. Only the income from the gift's investment may be used; the endowment principal has to remain intact.

You can also divert unused contingency funds from a completed capital project into a maintenance endowment or offer donors the opportunity to name a facility in exchange for funding a maintenance endowment.

### **Adoption Programs**

Many communities have successful “adopt-a-park,” “adopt-a-trail,” and related programs. Groups provide cash, in-kind contributions, and volunteers to help maintain individual sites. This works best if a written agreement is developed between the municipality and the group to specify precisely what the group will do and how long they'll do it. In addition, the group and the municipality can identify a list of facility needs and determine how the group can best assist with those needs. An adopting group can be a civic association, a youth sports group, a business, a family, a school, a church...any group interested in helping. A sign in the park should display who has adopted the site.

### **Signature Special Events**

A signature special event is an annual fundraising event well-known in the community and associated with a nonprofit organization.

The event's theme is usually in line with the nonprofit's mission. The more creative the event, the better. Signature events can help nonprofits raise funds, attract new supporters, engage with sponsors and community leaders, and increase

public awareness. They can also be a way for an organization to tell its story to potential donors and stakeholders.

### **Memorial Gifts and Tributes**

Memorial gifts and tributes honor a loved one, celebrate a particular day, or promote a business at a park. Options include benches, trees, shelters, trails, and swings. Each tribute item is displayed with an engraved commemorative plaque and is endowed for a specific time (generally five or ten years). At the end of the endowment, the donor is notified and allowed to re-endow the item. If the donor chooses not to renew, the plaque is removed and given to the donor as a keepsake.

While memorials and tributes can be a great way to generate revenue for your organization, remember that they have associated maintenance costs. Be sure to factor these costs into your pricing to avoid unexpected expenses.

### **Charitable Gift Guides**

Gift guides, also known as gift catalogs, are an innovative way to appeal to people who want to give gifts that positively impact the community. They can be in print or digital formats. Whether donating \$50 to purchase first aid kits or \$200 to support youth sports scholarships, gift guides make it easy for supporters to visualize and support your work. When your donors look through your gift guide, they should be able to immediately link the gifts to the tangible impact they'll make. The different gifts are presented with a suggested donation amount. When a donor selects a product image in an online gift guide, a pop-up describes the gift and its meaning and allows the donor to customize their giving amount. The donor should also be able to dedicate the donation to someone special.



# Chapter 4

## *Grant Funding and Techniques for Parkland and Open Space Acquisition and Development*

This chapter focuses on funding municipal parks and recreation capital projects and ways to acquire parkland and open space.

Grants are financial gifts from charitable organizations, foundations, and governmental agencies that don't need to be repaid. They are typically awarded based on the project's merits and are competitive.

Government grants finance the planning, acquisition, and development of parks and recreation areas and open space preservation and require matching funds. Foundation grants fund capital projects, but some support operating costs and specific programs.

Information is provided on grant funding sources and strengthening grant applications to increase your chances of funding.

### **Government Grants for Parks and Recreation**

The Land and Water Conservation Fund (LWCF) is the primary federal government grant program that helps municipalities acquire and develop parkland and build recreation facilities. The Pennsylvania Department of Conservation and Natural Resources (DCNR) distributes LWCF funds and uses them to supplement state funding.

Pennsylvania's primary funding source for local government parks and recreation projects is the Community Conservation Partnerships Program (C2P2), operated by DCNR's Bureau of Recreation and Conservation. Whether rehabilitating a community athletic field, building a safer playground, preparing a greenway plan, developing a trail, or protecting a critical natural area, this program provides communities with technical



assistance and grant funding to undertake these and other recreation and conservation projects. C2P2 combines several funding sources and grant programs into one annual application cycle with a single application format and process. Generally, all grants require a match, usually 50 percent of cash or in-kind contributions. DCNR has a “how-to-apply” manual and application materials on its website. Contact your regional advisor to discuss proposed projects. [www.dcnr.pa.gov](http://www.dcnr.pa.gov)

The Pennsylvania Department of Environmental Protection (DEP) offers Growing Greener Fund grants for environmental projects such as watershed assessments and restoration or protection plans and projects (stormwater management, wetlands, riparian buffer fencing and planting, and streambank restoration); construction of mine drainage remediation systems; reclamation of previously mined lands; demonstration and education projects; and outreach activities. [www.dep.pa.gov](http://www.dep.pa.gov)

The Pennsylvania Council on the Arts (PCA) strengthens Pennsylvania’s communities’ cultural, educational, and economic vitality through the arts. PCA supports a range of arts and cultural activities through several grant programs available to municipalities. For example, the Creative Communities Initiative provides multi-year funding for place-based, community-driven arts projects to address community needs, challenges, and opportunities. [www.arts.pa.gov](http://www.arts.pa.gov)

The Pennsylvania Department of Community and Economic Development (DCED) oversees the Marcellus Legacy Fund, which allocates funds to the Commonwealth Financing Authority for the planning, acquisition, development, rehabilitation, and repair of greenways, recreational trails, open space, parks, and beautification projects using the Greenways, Trails, and Recreation Program. Link here. [www.dced.pa.gov](http://www.dced.pa.gov)

The Pennsylvania Department of Transportation’s Transportation Enhancements Program is a cost reimbursement program that provides funding for pedestrian and bicycle facilities, educational activities, acquisition of scenic easements and scenic or historic sites, landscaping, historic preservation, and abandoned railway corridor preservation. [www.penn.dot.pa.gov](http://www.penn.dot.pa.gov)

The Pennsylvania Fish and Boat Commission provides grants to public organizations that offer public boat access, boat docks, and fishing piers. [www.pa.gov/agencies/fishandboat.org](http://www.pa.gov/agencies/fishandboat.org)

State government grants are also available for programs and projects that address social

concerns such as youth-at-risk, older adults, health and wellness, and people with disabilities. It’s best to form partnerships with community organizations to receive these grant funds. Grant opportunities are available from the Pennsylvania Department of Education, but the funds come to school districts, so you must partner with them. One exception is the Summer Food Service Program, which can go directly to municipalities to help fund recreation programs. [www.education.pa.gov](http://www.education.pa.gov)

How else do you find state grant sources? The Pennsylvania Bulletin contains information on state grant programs. Your state and federal legislators are an excellent resource for funding opportunities. Also, the Center for Rural Pennsylvania has a resource index of the state, federal, and private funding possibilities for rural communities. [www.pacodeandbulletin.gov](http://www.pacodeandbulletin.gov) [www.rural.pa.gov/news-events/resources](http://www.rural.pa.gov/news-events/resources)

Grants.gov is a clearinghouse of federal government grant opportunities. The Catalog of Federal Domestic Assistance is also a primary resource for locating federal grants. In addition, the daily Federal Register includes requests for proposals, and the PlayCore Grant Finder Tool is a searchable database of parks and recreation funding opportunities. [www.grants.gov](http://www.grants.gov) [www.sam.gov/assistance-listings](http://www.sam.gov/assistance-listings) [www.federalregister.gov](http://www.federalregister.gov) [www.playcore.com/funding](http://www.playcore.com/funding)

Some county governments have grant funding opportunities to acquire and develop parkland and fund recreation programs. Examples are county parks and recreation, drug and alcohol, aging, juvenile probation, health, planning, and children and youth departments. Local service organizations and community groups also offer grant programs.

### **Foundations Grants for Parks and Recreation**

The People, Parks, and Community Foundation is a 501(c)(3) subsidiary of the Pennsylvania Recreation and Park Society. It provides grants to Pennsylvania nonprofits and municipalities to support recreational and educational opportunities, create and sustain local parks and open spaces, and promote vibrant, livable communities. [www.peopleparks.org](http://www.peopleparks.org)

Pennsylvania has 8,898 foundations and grantmaking organizations. Cause IQ includes links to each foundation’s website. Candid.org contains thousands of grants from private, independent, corporate, and international



foundations, public charities, national organizations, and federal agencies. The Grantsmanship Center also includes links to foundations in Pennsylvania. [www.causeiq.com/directory/foundations-list/pennsylvania-state/](http://www.causeiq.com/directory/foundations-list/pennsylvania-state/)  
[www.candid.org](http://www.candid.org)  
[www.fconline.foundationcenter.org](http://www.fconline.foundationcenter.org)  
[www.tgci.com/funding-sources/PA/top](http://www.tgci.com/funding-sources/PA/top)

**Private family foundations** usually don't have full-time staff. Family members conduct the foundation's business. An example is the Roy A. Hunt Foundation, which provides grants for parks and recreation, the environment, community development, and social services.

**Community foundations**, limited to a particular geographical area, provide grant funding from individuals in the community. Pennsylvania has 152 community foundations.

**Corporate foundations** also provide grants to Pennsylvania community organizations. Pennsylvania has 145 corporate foundations.

**National foundations** make grants nationwide, can fund one or more local projects, and may collaborate with other national funders to

support a network of similar programs. The Pew Charitable Trust is a national philanthropy based in Philadelphia that makes annual grants of about \$180 million to 400-500 organizations.

**Operating foundations** operate programs and may also make grants. The Carnegie Hero Fund Commission, an operating foundation in the Pittsburgh region, is an example.

The Appendix contains a list of state and federal government grants, foundation grants, and national organizations that fund parks and recreation.

### Applying for Grants

Applying for a government or foundation grant is a similar process. For government grants, you often have only one opportunity each year. Foundation boards of directors, however, usually meet quarterly to consider funding requests. Instead of submitting a full proposal, foundations often accept a concept paper if you're unsure your funding idea fits their areas of interest. They'll review it and provide feedback for altering your concept or suggest you seek support from different funding sources.

## Ensuring Grant Funding Success

The following tips will help you develop a quality grant application.

- **Provide background information.** Include significant accomplishments, track record of previous projects and successes, and agency mission and goals.
- **Define the need.** Define the community need the funding will address and who the project will serve. Provide data and statistics on the problem. Also, describe the connection between your agency and the solution.
- **Outline methods.** List what you want to accomplish with specific actions you'll undertake, why they were selected, and why alternative methods were discarded.
- **Develop a realistic budget.** List project expenditures, with a budget breakdown by years and line items, including in-kind or other support pledged by your agency, individuals, or partners. Include staff time for grant and project management and funds for maintenance.
- **Address future funding.** If the project will be sustained, include your plans to continue it when funding ends.
- **Be accurate.** Double-check for errors. The reviewer may wonder if someone this careless can deliver what they promise.
- **Be complete but concise.** Not knowing how much is enough often leads to including irrelevant information. Write a shorter proposal that gets straight to the point and contains convincing arguments.
- **Make it persuasive and believable.** Support what you want to do with sound reasoning and, if possible, provide solid examples. Prove the existence of the problem you propose to solve with data and statistics. Prove that you can produce what you're proposing.
- **Define success.** Indicate your goals and objectives, how you'll define program success, and how it will be measured.
- **Don't ignore problems.** Stress the positive, but don't ignore the anticipated or unexpected challenges that must be

overcome for the project to succeed. Discuss how you'll resolve problems so reviewers see that you understand the issues and know how to deal with them.

- **Watch your justification numbers.** Group numbers together in a separate section. Think about how you'll format your data. If you're indicating a trend, a graph can be more effective than a list of numbers.
- **Remember readability.** Avoid jargon and acronyms, don't confuse readers, and don't be vague.
- **Learn from your experience.** If your project isn't funded, contact grant reviewers to ask where you might have gone wrong and whether you should submit your application again.

## Ways to Finance Capital Recreation Facility Development and Parkland Acquisition

Because of the amount of money involved—sometimes millions of dollars for one project alone—financing capital projects differs from funding day-to-day operations. Significant investments in your parks and recreation system require careful planning, sound fiscal strategies, and public support. For instance, your citizens may want a brand-new recreation center, but will they be willing to pay for it? It's vital to fully involve citizens in planning capital projects to get their buy-in for financing them.

No one method of financing is appropriate for every capital project. The nature and scope of your project, plus your municipality's fiscal policies, are all determining factors. Your municipality may use a combination of financing sources for each capital project.

Municipalities can generate revenue for capital development and acquisition projects in these tax-supported ways.

- **Business Improvement Districts (BID).** This public-private partnership collects additional taxes from businesses within a designated area. The fees are used for public improvement projects based on the notion that a well-maintained public space will increase traffic to local businesses. Generally used in downtown areas, a BID is a valuable strategy for generating revenue to support parks and recreation.



- **Dedicated Taxes.** Municipalities enact taxes to preserve open space, including dedicated portions of the earned income tax ranging from .0125 to two percent and property taxes ranging from 1/100th of a mill to two mills. Public support for open space preservation has been evident when the issue is placed on ballots. Voters have consistently embraced the message that open space is a more cost-effective option than residential development, particularly in terms of the costs of expanding schools and other public services when new homes are built.
- **Pillow Tax.** A pillow tax is a levy on lodging bills and is a fair and equitable means for local municipalities to fund tourism promotion or reimburse the cost of services shared by tourists and residents, such as parks and trails. This tax, also known as a bed, hotel, or occupancy tax, ensures that all parties contribute to the upkeep of these shared amenities. The tax applies to residents who rent out their homes or rooms to visitors for big events or who compete with hotels or bed and breakfasts. It also applies to operators of short-term lodging facilities, including hotels, motels, bed and breakfasts,

guest houses, and cabins. Many local municipalities receive a share of the tax.

- **Sales Tax.** Municipalities can allocate a percentage of local sales taxes specifically for parks and recreation. A general sales tax applies to a broad base of goods, meaning substantial revenue can be generated with a relatively low tax rate. This keeps the burden on households low.
- **Special Assessment Tax.** Special assessment taxes are local taxes in addition to property taxes levied on homeowners to cover the expense of a project that benefits the entire community, such as building a community recreation center or a park. The tax lasts for a set number of years. Once the project has been paid for, the tax is discontinued. Special assessment districts may also be created when the regular property taxes collected are insufficient to fully fund a municipality's services. For example, if a municipality's population has declined, a special assessment tax may be necessary to continue operating its parks or library. When parks and recreation services benefit a specific neighborhood or geographical area, a special assessment tax can be levied to finance improvements such as neighborhood parks, swimming pools, and recreation centers. The tax is charged only to the property owners in the neighborhood that will benefit from the project.
- **Tax Increment Financing Districts (TIF).** A TIF captures increases in property tax revenue within a designated geographic area and allocates it for a specific public improvement purpose. TIF revenue has been used for park acquisition, development, and maintenance.

### Pay-As-You-Go and Pay-As-You-Use Financing

Two basic approaches to financing capital improvements are pay-as-you-go and pay-as-you-use. The pay-as-you-go approach means that before undertaking a project or making a capital expenditure, you acquire the necessary funds from cash contributions from taxes and fees during the current fiscal year and accumulated savings or reserves from previous years and pay the cost without debt. It's essentially a self-financing approach that avoids interest payments. Pay-as-

you-use financing involves borrowing money for capital improvement and repaying the debt while the project is being used.

Should you pay now, pay later, or both? Each approach has several appealing features. Sometimes, local governments combine the two techniques, incur debt, and simultaneously implement a dedicated tax. Pairing debt and taxation measures can help ensure that money will be available to pay off all or part of the debt. DCED's Fiscal Management Handbook has more information on debt management.

[www.dced.pa.gov](http://www.dced.pa.gov)

### Pay-As-You-Go with Capital Reserve Funds

Municipalities create a capital reserve fund to accumulate money for capital expenditures. Each year, funds are transferred from the general fund into the capital reserve fund to meet anticipated capital needs. Keeping the annual transfer amount as constant as possible avoids straining any particular year's operating budget.

Receipts from the sale or lease of property or other general fund revenue not earmarked for another purpose may be placed into a capital reserve fund. An extra fee or percentage of costs can be tacked onto all earmarked payments for your capital fund.

### Why Pay with Capital Reserve Funds?

- When you pay for capital improvements with current funds, it eliminates the interest charges placed on loans. The money saved by not making interest payments can be used for other purposes.
- You spend no more than the revenue available each year.
- Since you must plan and discipline yourself to accumulate the needed funds, you'll examine the actual needs for capital projects more thoroughly before approving them.
- In the event of an unexpected drop in revenue or an unanticipated expense increase, you can postpone capital projects to avoid increasing taxes.
- If you don't have annual debt service payments to make, your borrowing capacity is saved for emergencies or when it might be greatly needed.
- It's easier to raise funds to help build a facility than to help pay off debt.
- Large debt repayments aren't passed on to future generations. Instead, you're passing on a legacy of paid-for infrastructure.

### Pay-As-You-Use with Debt Financing

Many Pennsylvania communities don't have the financial resources to fund land purchases or the construction of a major recreation facility, or their current revenue and accumulated reserve funds can't meet all capital needs. When this happens, municipalities take out a bank loan and borrow the funds to pay for specific projects. Depending on the interest rates offered, this can be the most economical way to borrow money. Municipalities can also borrow money by issuing bonds and redeeming them over time, paying interest for the privilege of using the money. Taking out a bank loan or issuing bonds allows municipalities to provide parks and recreation resources for residents to use today that will be paid for in the future. Increasingly, county and local governments pass bond issues to preserve open space and fund parks and recreation planning and capital improvement projects.

Bonds are promissory notes that spread the cost of large-scale capital projects over several years. Bonds cost substantially more to issue but usually have a lower interest rate and more extended pay-off period than a bank loan. The money and interest are repaid to the bondholders over a specified period. Bonds are authorized by your governing body or by a general public vote and then sold through commercial channels to investors. There are two significant classifications of bonds:

- **General obligation bonds** are fully tax-supported and are the most common type of long-term financing for parks and recreation capital projects. General obligation bonds must be approved by citizen vote at a regular or special election. The interest paid by your municipality on the bonds to the eventual bond purchaser is exempt from federal income tax. They are guaranteed by the governing body's full faith and credit and backed by property tax revenues. Municipalities use the income generated from the sale of the general obligation bonds to fund park projects and repays the bonds and interest with property tax revenue.
- **Revenue bonds** finance self-supporting operations such as golf courses and ice rinks. A revenue bond is a charge against that facility's income and has priority on these revenues. Your legislative body authorizes revenue bonds. When financing a parks and recreation capital project through revenue bonds, your project



must be a reasonable financial risk, or it will be challenging to sell the bonds. Your municipality may pledge public funds to repay any loss. Often, revenue bonds are supplemented by a tax levy when financing the construction of revenue-producing capital facilities; this combination of funding sources makes the sale of the bonds more attractive. Revenue bond financing is complicated and requires the services of experts. The fees must be reasonable and within people's ability to pay, yet facility income must be sufficient to retire the debt.

### **Why Pay with Debt Financing?**

- Postponing the development of much-needed park areas and recreation facilities because it'll be too costly using current revenue or because funds aren't accumulated yet may hinder your community's development and slow the growth of your tax base and local economy. If you wait until there's enough money in the bank to pay for capital projects, your parks and recreation system

- may never improve due to lack of funds.
- As per capita income increases over time, debt repayments in the future will represent a smaller share of revenue. In addition, with continuing inflation, future debt repayment dollars may be worth less than current dollars in purchasing power.
- The borrowed funds are repaid over many years, so current residents don't have to fully finance capital projects themselves. Future generations benefitting from the facilities will also contribute their share of the funds to pay the debt.
- When families move into your municipality, they pay, as part of their taxes, a share of the cost of the capital improvements that benefit them.

### **Capitalizing Maintenance Costs**

Bonds for new projects don't always account for the ongoing maintenance and operations funding needed. By capitalizing maintenance costs, you can include those anticipated costs in the bond proposal and set the financing aside in an endowment to cover future expenses.

## Conducting Feasibility Studies

Pennsylvania has a legal requirement restricting the amount of debt a municipality may incur. So, incurring debt for parks and recreation facilities is directly in competition with debt for all other municipal functions. How do you increase your chances of getting a piece of the pie? How do you convince your governing body to go into debt to build a new community park or construct a recreation center?

This isn't an easy sell. Feasibility studies can help to advance parks and recreation capital projects.

A feasibility study determines the potential for success of a revenue-producing facility with the help of an outside consultant. Feasibility studies are prepared for facilities requiring a substantial capital investment, such as a community recreation center or swimming pool. A feasibility study ensures that 1) a community fully understands the facility's projected operating and capital needs, 2) there's documented need and public support for the facility, and 3) there's a prioritized action plan with estimated costs to develop and operate the facility.

DCNR provides matching grant funds to help with the cost and requires a feasibility study before it will provide funding to acquire, develop, or rehabilitate a recreation facility. [www.dcnr.pa.gov](http://www.dcnr.pa.gov)

## Municipal Authorities

An option for financing a capital project is to use a municipal authority. A municipal authority acquires, constructs, or operates a specific service. It borrows money, issues bonds, and is expected to repay its debt from the revenues of the service it operates.

Authorities can be formed by one municipality or by joint action of two or more municipalities. The cooperating municipalities appoint authority board members. Authorities are somewhat autonomous and can employ staff. Water and sewer authorities are common in Pennsylvania. Recreation authorities have been formed in Pennsylvania with mixed results, with many inactive or terminated. Facilities operated by recreation authorities are expected to be self-supporting, but many still receive some municipal subsidy. One of the pitfalls of creating recreation authorities is that they're frequently underfunded when created and never gain a solid financial footing.

The DCED publication *Municipal Authorities in Pennsylvania* provides greater detail on forming

and operating an authority. [www.dced.pa.gov](http://www.dced.pa.gov)

## Lease Agreements

To build and operate recreation facilities, your municipality can lease parkland to private developers or nonprofit agencies. The benefit of this capital project funding approach is that private funds are used instead of public funds. Significant private capital investment requires a long-term land lease of 15 to 20 years to allow the developer time to get a reasonable return on its investment. Typically, leases provide optional renewal clauses.

Lease agreements are also negotiated and awarded for a recreation facility's complete operation and management when 1) the parks and recreation agency's operation of the facility is either cost-prohibitive or ineffective or 2) the operation requires expertise beyond the capabilities of staff. The agency receives a percentage of the gross receipts and a monthly rental rate.

Leases are also a common way for municipalities to acquire the use of land or buildings for a specific period. Your municipality must have long-term leases (25 years or more) to receive DCNR grant funds to make property improvements.

When considering lease agreements, determine whether or not:

- The use of private funds to develop your public parkland is appropriate.
- Your municipality has the authority to enter into a lease agreement for the private development of your parkland.
- There are deed restrictions or grant terms that prohibit privatizing the operation of your parkland. For example, parkland acquired or improved with DCNR funds must be kept open and accessible. Also, prior written approval from DCNR is required to enter into a lease agreement.
- The developer has the financial ability and the professional competence to make the project successful.

## Elements to Include in Lease Agreements

- Define what you want to accomplish with the lease to ensure the developer's profit-making goals don't conflict with your community's goals.
- Restrict the lease to the facility's operation only. Don't give the private developer any interest in the parkland. As a result, the developer must look to the facility's

- operation as its financial security.
- Base the rental payment for the facility on the facility's gross receipts. You may consider a minimum fee plus a percentage above the base amount.
- Define development and operations specifications so the outcome doesn't conflict with your community values and image for the facility.
- A "hold harmless" clause in the lease protects your municipality from legal responsibility for any event on the premises. The lease should also specify the minimum insurance coverage the private developer must carry.
- Performance and material bonds are required to assure your municipality of performance, particularly during construction. A 100 percent completion bond and a bond protecting the municipality from mechanics' liens are required. This ensures that if the general contractor doesn't pay a subcontractor, the subcontractor can't return to the municipality for payment.
- Have the facility revert to your municipality at no charge at the end of the lease period.
- Prohibit any sublease or assignment from occurring without your municipality's approval.
- Cover what happens if the facility is entirely or partially destroyed, including the private developer's obligation to reconstruct it.

## Ways to Acquire Parkland and Preserve Open Space

Municipalities acquire public parkland and preserve open space in a variety of ways.

- **Bequests.** Individuals donate property to your municipality in a will. The bequest may restrict the use of the property. Land willed to your municipality isn't subject to estate or inheritance tax.
- **Conservation Easements.** Also called scenic or preservation easements or restrictions, conservation easements are practical tools for preserving the natural condition of land without acquiring it. They give the easement owner the right to prevent specific uses of a property without giving them the right to do anything on the property. In effect, the landowner transfers certain rights to control the property's future development. A charitable

contribution deduction is allowed for the easement's value if donated.

- **Dedicated Taxes.** To leverage state funding to acquire land, counties and municipalities are dedicating taxes to preserve open space. Particularly in highly populated areas of Pennsylvania, municipalities are enacting taxes for open space preservation that include dedicated portions of the earned income tax and property tax.
- **Easements.** Easements give your municipality the right to use someone's land for a specific purpose. Trails often rely on easements to pass through private property. Easements can be written permanently or for a set period. WeConservePA is an excellent resource for easement information. [www.weconservepa.org](http://www.weconservepa.org)
- **Eminent Domain or Condemnation.** Municipalities can acquire property from an unwilling seller when the acquisition and use of the property are of a more significant public benefit than the continued private ownership of the land. A certified independent appraiser determines the price of the property.
- **Gifts and Donations of Land.** An individual, business, or foundation can donate significant land gifts for parks and recreation. Property gifts are donations from the owner to a municipality. The owner receives a tax write-off for the value of the property. The property owner gives the land to your municipality with no strings attached by executing a standard deed of conveyance. This is the most straightforward land gift and provides the most significant tax benefits to the property owner.
- **Mandatory Dedication.** Approving residential development increases the demand for parkland while diminishing the supply. With sufficient planning, mandatory dedication is a reliable method to finance needed recreation facilities. This practice requires land developers to dedicate part of their development as parkland or pay fees in lieu of land dedication for public park purposes. Municipalities determine which practice best suits their needs. Mandatory

dedication funds can also be used for park maintenance. Municipalities must adopt a comprehensive recreation, park, and open space plan and pass an ordinance that meets the Pennsylvania Municipalities Planning Code requirements.

- **Purchasing Property.** The municipality and seller negotiate and agree on a price. Techniques are often used to close the sale, such as:
  - Option to buy, which gives a municipality the right to purchase the property without competition until a set date, allowing them time to raise money for the acquisition and line up support.
  - Outright property purchase, where a price is negotiated and agreed upon, and your municipality buys the property.
  - Retention, which allows the seller to occupy the property for a set time after selling.
  - Life estates, which allow the seller to occupy the property for the rest of their lives. When the property is a residence or farm or is donated for conservation purposes, the donor is entitled to an income tax deduction for the charitable contribution.
  - Bargain sale, when sellers reduce the price of a property below fair market value because of tax advantages they may receive.
  - Transfer, when one agency purchases a property and then transfers it to another. Organizations such as the Nature Conservancy and the Trust for Public Land often hold land until it can be transferred to a public agency.
- **Zoning Strategies.** Zoning techniques allow you to benefit from the real estate industry and use the funds for capital development or park maintenance. Zoning strategies include:

- **Zoning incentives and bonuses.** Zoning incentive programs offer developers and property owners incentives to either a) incorporate specific public amenities into their development plan or b) contribute to a park endowment or public improvement fund. By doing so, developers or property owners can bypass certain zoning limitations.
- **Transfer of Development Rights (TDR).** TDR allows property owners in designated areas to sell the development rights from their land for use on another site. The property owner's land is then protected as open space under a conservation easement and can be used by the public.

Public Finance for Open Space explains the mechanics and techniques of financing open space preservation. It also lists the Pennsylvania municipalities and counties that have floated bond issues and implemented dedicated taxes.  
[www.weconservepa.org](http://www.weconservepa.org)



# Chapter 5

## Cost Saving Strategies and Managing Financial Resources

The traditional way to operate parks and recreation systems has been public operation, where public employees manage all the components, from maintenance and security to recreation facility operation and programming. The municipality's budget funds all costs associated with public management. Any revenue generated by parks and recreation services is funneled into an annual general fund.

Many local governments now use hybrid public/private approaches, where local government funds parks and recreation services while contracting certain operations to private management. For example, while the government generates revenue through events or other forms of programming, private contractors oversee park maintenance, from landscaping to facilities maintenance, or operate concession stands at public swimming pools.

Private operation is sometimes used, in which a private organization oversees a park or recreation facility's operations and generates all the revenue to support the public space. A private model commonly involves an agreement between an organization and a municipal government.

How can you spend the dollars you have more effectively? How can you reduce your expenses by increasing efficiency but not the quality or amount of your services? How can you provide your services differently?

Every community in Pennsylvania, regardless of its size, can implement spending strategies and non-traditional approaches to cut costs. This chapter provides realistic approaches to becoming more efficient, effective, and resource-conscious.

### Planning Ahead

Although funding is necessary to plan, planning can keep costs down; lack of planning can increase costs. Planning strategies include activities such as:

- Utilizing benchmarking to justify staffing and operating expenditures.
- Prioritizing capital projects and purchases in a capital improvement plan.

- Developing business plans to drive funding and demonstrate sustainability to elected officials.
- Evaluating the maintenance support required when planning recreation programs.
- Altering existing facilities to eliminate things that drive up maintenance and utility costs.
- Designing for lower maintenance costs, like putting concrete pads beneath park benches to eliminate hand trimming grass.
- Designing community recreation centers for shared use by other agencies.
- Designing recreation facilities to lessen the potential for misuse and overuse.

A **park asset management plan** is a significant planning tool. It catalogs the cyclical maintenance, facility renovations, replacement needs, and projected costs for a parks and recreation department's significant park assets. This plan covers the primary asset types throughout the parks and recreation system, including irrigation systems, parking lots, playgrounds, athletic fields, courts, shelters, restrooms, and trailheads.

The purpose of the plan is to:

- Establish an accurate inventory of major park assets (amenities and features valued at over \$5,000 and having a useful life of 10 years or more).
- Identify the current condition of park assets.
- Identify benchmarks for industry-accepted cyclical maintenance needs to maximize the useful life of assets.
- Provide criteria to prioritize asset renovation or replacement needs and use data to justify your capital requests.
- Provide cost estimates for asset management program operating and capital budgeting processes.
- Forecast budget needs to address identified renovation and replacement needs.

It's essential to have a park asset inventory and management plan in place to solicit public and private funds.



## Getting the Most from In-House Resources

Resources such as board member and employee skills, parks and recreation department equipment, park areas, and recreation facilities are potential revenue generators.

- **Agricultural Land.** Lease undeveloped parkland to a farmer. Not maintaining the property can be as beneficial as the money earned from the lease.
- **Banquet Facilities.** Renovate buildings and structures in your parks, such as barns, houses, and historic mansions, to become banquet facilities. To get the maximum number of rentals, explore the possibility of allowing alcoholic beverage use on a special permit basis at an additional cost.
- **Birthday Packages.** Sell birthday party packages that include staff, activities, a theme, decorations, cake, and facility time.
- **Catering Contract.** Contract with a caterer for the exclusive right to cater events at your park areas and recreation facilities.
- **Cell Towers.** Allow companies to place cell towers on parkland in exchange for annual fees.
- **Consulting.** Think about what expertise your agency has that someone will pay for. Do neighboring municipalities need help hiring a parks and recreation director, rehabilitating a playground, or writing a grant application? Do you have an excellent program leader on staff who can train others?
- **Facility Rental.** Rent facilities during off hours, such as a community center on Sunday mornings for church services.
- **Forest Products.** Harvest wooded areas for timber on a contract basis. You can also sell wood chips for gardening mulch or rent maple trees to tap for syrup making.
- **Maintenance Services.** Offer landscape maintenance for a library or snow removal for a church for an agreed-upon fee.
- **Parking Fees.** Generate revenue with parking fees. In some municipalities, parking meters and parking lot fees are collected and distributed to the general fund. The municipality may dedicate some of this revenue directly to parks and recreation.
- **Photography Permits.** Set a pricing scale for professional photographers who use your parks as background settings.

- **Storage Space.** Consider renting out park areas and recreation facilities during their off-peak periods. For instance, the outdoor swimming pool parking lot could be enclosed with a high chain-link fence to provide secure storage for campers and boats in the off-season, generating additional income.
- **Utility Fees.** Negotiate utility rights-of-way through public parkland or open space. Examples are fiber optic networks or gas pipelines. The fees are negotiated by some linear measure, both above and below ground.
- **Combining Services.** Instead of cutting programs and services, why not combine them? This is a cost-effective way to decrease expenditures. What programs can you merge rather than hold separately? Can some of your programs become parent-child classes? What programs for different ages can you offer simultaneously at the same location?
- **Hosting Interns.** College interns can be a valuable resource for local governments. They gain practical work experience, while parks and recreation agencies can leverage their skills to advance projects and programs. Students from various disciplines, from parks and recreation, marketing, and social services to education, engineering, and computer science, have talents to share.

## Rethinking Who Provides Services

The traditional way to operate parks and recreation systems has been public operation, where municipal employees manage all the components, from maintenance and security to recreation facility operation and programming. The municipality's budget funds all costs associated with public management. Any revenue generated by parks and recreation services is funneled into the general fund.

It's essential to recognize that your parks and recreation agency doesn't have to handle every service independently. When rethinking your role, it's necessary to focus on results. Strategic decision-making is crucial in considering other service providers and determining when to outsource rather than manage operations in-house. This flexibility can lead to more efficient and cost-effective service provision.

Many local governments use hybrid public/private approaches, where local government funds parks and recreation services while contracting certain operations to private management. For example, while the government generates revenue through events or other forms of programming, private contractors oversee park maintenance, from landscaping to facilities maintenance, or operate concession stands at public swimming pools.

A fully private operation is sometimes used, in which a private organization oversees a park or recreation facility's operations and generates all the revenue needed to support the public space. A private model commonly involves an agreement between an organization and a municipal government.

Consider these alternative ways to control parks and recreation finances.

- **Outsourcing.** Another strategy to cut operating costs is outsourcing tasks you can't perform efficiently in-house. Outsourcing refers to contracting specific management, maintenance, and programming duties to third-party companies. Services most likely to be outsourced are already available in the private sector, such as landscape maintenance. One of the most significant benefits of outsourcing is cost savings. When determining your actual costs, factor in administrative and other expenses. Outsourcing allows parks and recreation departments to avoid hiring and training staff, purchasing equipment, and maintaining facilities. In addition, you can gain specialized expertise that you don't have. However, outsourcing has potential drawbacks. Decreased control over operations, conflicts of interest, ensuring third-party vendor service quality, and maintaining consistent communication can be challenging. Despite these challenges, outsourcing can be an effective solution for many municipalities if the risks are considered and managed effectively.
- **Selling or Giving Facilities Away.** A municipality may have a recreation center or public swimming pool that's become too costly to operate. It can sell or give the facility to a nonprofit or for-profit organization, allowing municipal revenue to enhance other municipal recreation facilities.

- **Utilizing Employment Programs.** Several programs are available for local governments to get employee help at minimal or no cost. Through the Pennsylvania Higher Education Assistance Agency, your municipality is reimbursed for a percentage of their wages if you employ college students who qualify for work-study grants. [www.pheaa.org/funding-opportunities/work-study-employment](http://www.pheaa.org/funding-opportunities/work-study-employment)

Through the Pennsylvania Department of Aging, the Senior Community Service Employment Program places older adults to work at no cost to a municipality. [www.pa.gov/en/agencies/aging](http://www.pa.gov/en/agencies/aging)

Courts often order community service as part of a defendant's sentence. People can fulfill the community service by volunteering for your municipality. Prison work release programs allow prisoners who are sufficiently trusted or can be adequately monitored to leave and work at a place of employment, returning to prison when their shift is complete. Additionally, prison work crews complete many community service hours annually to support various government and non-profit organizations.

Nonprofits, schools, government agencies, faith-based organizations, and community organizations can apply for funding through one of AmeriCorps and AmeriCorps Seniors programs. [www.americorps.gov](http://www.americorps.gov)

## Rethinking Recurring Costs

Just because something has always been done a certain way doesn't mean it needs to continue forever. Look at your entire operation for opportunities to be more cost-effective.

- Analyze attendance statistics for when attendance is at its lowest. For instance, since most schools open the last week of August, your attendance may not be high enough to justify keeping an outdoor swimming pool open until Labor Day. Other options include opening later or closing earlier on certain days of the week or only opening the pool after school.
- Scale back or eliminate recreation programs that don't break even on costs.
- Computerize labor-intensive operations, such as program registration, field scheduling, or sports league scheduling.



## Analyzing Personnel Costs and Staff Functions

Staffing challenges include maintaining competitive wages, increasing benefit costs, union demands, changes in required skills, and fewer candidates for entry-level positions. In addition, staff salaries and fringe benefits comprise 70 to 80 percent of operational expenses. Are you getting the most out of your employees?

- Examine where part-time staff is used to decide if the positions are genuinely needed. Could existing full-time staff take on these responsibilities?
- Examine your organizational structure and job descriptions for possible position consolidation. Where would consolidating duties make sense?
- Scrutinize labor-intensive tasks. Can they be streamlined, simplified, or eliminated?
- Perform an overtime pay audit to determine how to reduce future overtime costs.

## Investing in Technology to Track Data and Save Money

Technology plays a vital role in controlling and reducing costs. Technology makes parks and recreation management more efficient, from self-cleaning toilets to automated mowing equipment and semi-autonomous inspection drones. Sensors can detect when water sprinklers should be activated, saving water and money. Generative artificial intelligence platforms can draft recreation program descriptions. Technology can automate your administrative work by allowing people to register and pay online, sending out emails triggered by bookings and payments, blocking booking conflicts before they happen, managing program waitlists by adding people automatically when a space opens, and collecting fees for late cancellations and no-shows. Software that gathers participant waivers and participant shirt sizes saves time.

With tight budgets, harnessing the power of data is vital to managing parks and recreation systems effectively. Technology such as asset management software platforms track and maintain park assets. Reservation and booking systems offer analytics to optimize park facility reservations, program scheduling, and capacity planning. Recreation management software financial reports help manage budgets, track expenses, and make data-driven financial decisions.

## Reducing Equipment and Property Costs

Rising capital improvement expenses and keeping up with replacement schedules can be problems. How can you better manage equipment and property resources?

- Schedule maintenance to extend the life of your equipment and prevent costly breakdowns and downtime. Even though this regular care costs more money, it reduces the lifetime cost.
- Institute an equipment replacement schedule with details on each piece of equipment, such as age, model, features, expected year of replacement, and cost.
- Purchase capital equipment to save labor costs. For instance, newer mowing equipment may mean cutting grass less frequently.
- Install automatic timers for heating, cooling, and lighting systems to cut the energy costs for buildings.
- Develop a maintenance management plan.
- Look at the equipment cost over its useful life, rather than its initial cost, when purchasing it. The initial purchase price may be higher, but the product may not have to be replaced for years and may require less maintenance. For example, initially, mulch costs less to place under playground equipment than rubber surfacing. However, mulch must be replaced frequently and requires more maintenance time. Rubber surfacing costs more than mulch, but it may be a less expensive playground surface in the long run since it won't be replaced for many years.
- Sell equipment that you no longer use.
- Spread your capital equipment costs over several years through lease-purchase agreements if a comparison finds that leasing is more cost-effective than outright purchasing.
- Buy equipment, such as a tree spade, grader, or sign cutter, with other municipalities and share it.

- Purchase surplus property. The state and federal governments offer local governments significantly reduced rates on everything from desks to tractors. Online and in-person auctions are also held. [www.dgs.pa.gov/Surplus](http://www.dgs.pa.gov/Surplus)
- Join another municipality in a joint purchasing agreement. Buying in large quantities reduces the per-unit cost of items, saving money.
- Purchase items through the Pennsylvania Department of General Services (DGS) COSTARS program without competitive bidding. [www.dgs.pa.gov/COSTARS](http://www.dgs.pa.gov/COSTARS)
- Utilize the Pennsylvania Municipal League Local Public Procurement Program to access state contracts for cooperative purchasing through DGS commodity contracts. [www.pml.org](http://www.pml.org)
- Purchase equipment from Pennsylvania Correctional Industries. Municipalities can purchase items like park benches, trash containers, and picnic tables inexpensively. [www.pa.gov/en/agencies/cor/programs/pennsylvania-correctional-industries](http://www.pa.gov/en/agencies/cor/programs/pennsylvania-correctional-industries)
- Hire a consultant to conduct an energy audit and weatherization study to identify cost-efficient solutions to conserve energy.

## Utilizing Volunteers

As a parks and recreation volunteer, it's gratifying to see the benefits residents derive from parks and programs and know you helped to make that happen. Volunteering builds community pride and fosters support and understanding of how parks and recreation improves your community's quality of life.

Volunteers supplement your staff and strengthen your parks and recreation services meaningfully. Plus, you have residents who value parks and recreation and support providing funds to keep it intact and expand services.

As financial resources have become more constrained, parks and recreation departments have increased the use of volunteers to complete tasks formerly done by employees. Although volunteers can be a great source of help, paid staff must train, deploy, and manage volunteers to be effective.

These types of volunteer activities lend themselves well to parks and recreation work:

- School students completing community service work hours
- One-day opportunities such as the United Way's Day of Caring
- Utilizing school classes, clubs, and sports

teams as volunteers

- Short-term assignment projects that have a start and a finish
- Families volunteering together
- Adopt-a-park programs matching community groups and businesses with parks to help with maintenance and programming
- Eagle Scout projects and troop activities
- Virtual volunteering done online, such as research projects, social media help, surveying, designing web pages, translating flyers, and more

Pennsylvania Healthy Lands Week is an annual volunteer event that engages the public in the places and landscapes that make Pennsylvania special. [www.pahealthylandsweek.org](http://www.pahealthylandsweek.org)

## Partnerships

Parks and recreation is increasingly benefiting from innovative partnership approaches.

Joining forces with other organizations makes you more aware of what's happening in your community, gains resources to better meet community needs, and, more importantly, adds more people to your list of supporters for parks and recreation. The right partnerships can help you increase awareness of your services and open new revenue streams.

Municipalities may want to offer recreation programs but lack indoor facilities. Shared use of facilities such as schools and churches allows this to happen. Offering cooperative recreation programs improves activities by increasing volunteers, supplies, and promotion.

The potential for partnerships is vast. Commercial businesses, social service agencies, police departments, faith-based organizations, civic groups, and other parks and recreation agencies are great potential partners.

The concept of partnerships between schools and parks and recreation is nothing new. In many communities, schools are the only indoor facilities available for recreation programs. School district ballfields and tennis courts may also be the only outdoor public recreation facilities, particularly in more rural areas. Parks and recreation agencies must continue considering school partnerships as a way to gain additional resources, reduce expenses, and develop new community parks and recreation facilities.

The parks and recreation and healthcare sectors have a joint mission to promote health and wellness among citizens. Parks and recreation

activities are being promoted as front-end public health investments. For example, obesity, asthma, and diabetes have reached epidemic proportions in children. Access to parks and recreation programs can serve as a preventive step in combating these conditions, and healthcare organizations are increasingly partnering with parks and recreation departments to promote active lifestyles. As partners, healthcare professionals provide the expertise to develop effective wellness programming while parks and recreation offers the space and the audience. In addition, healthcare systems can provide program funding. Beyond programming, healthcare systems can work with parks and recreation agencies to develop healthcare centers in public facilities and physical activity areas in parks.

Opportunities exist to partner with other community agencies with similar missions. For example, the YMCA's mission in recreational programs is virtually identical to that of many parks and recreation departments. In some communities, the parks and recreation department has contracted with the YMCA or a similar organization to provide recreation programming.

## Partnership Marketing

Partnership marketing is about finding and forming strategic alliances with complementary organizations that share your target audience to create a win-win situation where both parties benefit from each other's reputation and resources. Partnership marketing is one of the most effective ways to reach new customers, generate more revenue, and save money. When considering partnership marketing, ensure your partner is not your direct competitor and that you and your partner are targeting the same audience.

One key advantage of partnership marketing is the opportunity for cross-promotion to reach a wider audience. When organizations unite for mutual promotion, it's like doubling your marketing power without doubling your budget. Placing promotional materials in each other's facilities, featuring each other's organizations on social media platforms, hosting joint events, and sending out joint email newsletters highlighting partner news and events are excellent cross-promotion strategies. Offering discounts for your recreation programs and facilities to partner organization employees and vice versa is also a great partnership strategy.

Your public library is an excellent choice as a marketing partner to cross-promote each other's programs and use each other's facilities for programs.

Are there races, triathlons, or mud run events in your community? There may be an opportunity to work with the events before, during, and after them. Could people go to your classes to train for the event? Would they attend your classes after the race to stay in shape?

Small entertainment businesses such as mini-golf venues, trampoline parks, roller rinks, bowling alleys, and family fun centers serve as recreational hubs within the community. They offer friends and families a space to bond, create memories, and celebrate birthdays. Their success is rooted in the strength of their community engagement, making them great marketing partners for parks and recreation agencies.

### Public-Public Partnerships

While public funding for parks and recreation is limited, increasing financing is available for other sectors, including stormwater control and climate resiliency, transportation, affordable housing, and public health, that, through partnerships, can help fund parks and recreation services and projects. Police departments often see the value of recreation programs in combatting crime and gang activity among young people, and they can assist in pursuing grant funding opportunities.

Your neighboring municipalities are significant partners for financing parks and recreation. Joint municipal recreation, park, and open space planning is becoming more common and can reduce consultant fees and increase the likelihood of obtaining grants. Additionally, pooling financial resources can expand the scope of planning projects, allowing for more comprehensive and impactful initiatives. Joint purchasing allows

equipment, materials, and supplies to be bought at a lower cost because it increases order size. First aid supplies, infield mix, and sports equipment are items that municipalities may purchase together. Joining with other municipalities to hire an outside expert to train board members and staff makes training affordable.

Providing parks and recreation services jointly with other municipalities allows smaller municipalities to combine their financial resources and develop parks, offer recreation programs, maintain recreation facilities, and hire staff that none could afford to do alone. Pennsylvania's Intergovernmental Cooperation Act is the foundation for municipalities to form regional parks and recreation commissions by creating an intergovernmental agreement. Another way to provide joint parks and recreation services is to create an authority under the Pennsylvania Municipal Authority Act.

The reason for pursuing regional parks and recreation is to assemble a tax base to support a full-time service. The scope of a regional agency ranges from recreation programming to managing a swimming pool, developing trails, operating a regional park complex, or providing joint park maintenance. Through the DCNR Peer Technical Assistance program, a parks and recreation professional is hired as a peer consultant to explore ways for participating municipalities to cooperate. DCNR also offers a Circuit Rider grant program to hire a parks and recreation director when two or more municipalities form a regional commission or authority. [www.dcnr.pa.gov](http://www.dcnr.pa.gov)

The Multi-Municipal Cooperation for Recreation and Parks publication provides detailed



information on creating a regional parks and recreation agency.

[www.recandparkssolutions.com/publications](http://www.recandparkssolutions.com/publications)

## Public-Private Partnerships

The business sector can help your parks and recreation agency narrow the gap between funding shortfalls and increased demand for services in many ways. Ideas for partnering with local businesses include:

- **Shared Expertise, Services, and Talents**
  - Maintain parkland and recreation facilities adjacent to corporate land.
  - Determine the most efficient operations and maintenance practices for park areas.
  - Share the company's energy conservation program.
  - Share legal, financial, maintenance, management, marketing, graphic design, engineering, and other expertise.
  - Provide security patrols, vehicle repair, plumbing, and electrical work.
  - Prepare marketing and public relations plans.
  - Collect and analyze community survey data.
  - Invite parks and recreation staff to attend corporate training programs.
  - Donate time and talents to special projects and events.
- **Shared Equipment, Facilities, and Supplies**
  - Help with mailings or preparing brochures.
  - Open employee recreation facilities to the general public.
  - Lend equipment for presentations, printing, graphics, landscaping, construction, and other activities.
  - Use indoor and outdoor corporate facilities for recreation programs, fundraisers, or activities like community gardening.
  - Jointly purchase equipment, materials, and supplies.
  - Use company parking lots after hours for park areas and recreation facilities.
  - Donate used office furniture, equipment, or construction materials such as cement and lumber.
  - Offer company product samples at recreation facilities and programs.

- **Donations and Funding**
  - Purchase advertising space in recreation program guides.
  - Auction off company equipment as a fundraiser.
  - Establish an endowment, with the interest going towards ongoing agency costs, or establish a revolving fund from which the agency might borrow.
  - Organize a foundation through which contributions to park development and agency operations are channeled.
  - Donate money through corporate foundations for specific needs.
  - Use resources to design, produce, and distribute a charitable gift guide and then contribute to it.
  - Donate land or offer leases and easements to the municipality.
  - Provide scholarships for lower-income residents to participate in recreation programs.
  - Support recreation programs, special events, and sports teams with funds, t-shirts, and volunteers.
  - Organize company teams to challenge other teams in the community as a fundraiser.
- **Name, Image, and Prestige**
  - Provide free marketing through coverage in the company newsletter of activities like upcoming recreation programs, volunteer needs, and fundraising progress.
  - Use business and community contacts to directly endorse the parks and recreation agency and spread the word about recreation opportunities and agency needs.
  - Lend its business name and prestige by sponsoring special events.

The City Parks Alliance Parkxchange Resource Library hosts helpful park resource documents, including cross-sector memorandums of understanding, equity action plans, park maintenance and operations, dog park, and concession management agreements; green infrastructure development and maintenance, community benefits, arts and cultural programming, and other resource guides and technical tools to support park partnerships. [www.cityparksalliance.org/resources/parkxchange-resource-library](http://www.cityparksalliance.org/resources/parkxchange-resource-library)

# Chapter 6

## *Developing Support to Maintain and Increase Parks and Recreation Funding*

In many cases, parks and recreation organizations aren't widely known or are taken for granted as a service provided by tax dollars.

Is financing parks and recreation only about money? The answer is a resounding "no!" Financing hinges on community support. If residents utilize parks and trails, participate in recreation programs, and are satisfied and happy with their experiences, your residents become supporters to help maintain and expand parks and recreation funding. This concept works whether your municipality has one small park or over a dozen parks or offers a handful of recreation programs or hundreds of them.

### **Positioning Your Parks and Recreation Services to Maintain & Increase Funding**

Many elements must be considered and coordinated to make municipal parks and recreation services something your residents, including elected officials, value and are willing to support financially. Employing creative techniques like those listed here can dramatically increase the public's awareness of your services, which in turn can increase revenue.

Positioning is about moving up the ladder of what the public considers essential. These strategies can help you position your parks and recreation services to maintain and increase funding.

- **Being Part of the Solution to Community Issues**

Economic development, crime, unemployment, youth violence, low rates of home ownership, rising taxes, and declining downtown business sections are on the problem lists of many Pennsylvania communities, small and large.

Parks and recreation services must become responsive community problem solvers and show tangible benefits worth funding. They gain political clout when they're valuable in meeting community challenges significant to decision-makers and community members. Parks and recreation services are crucial to creating a safer, healthier, and more economically stable community by alleviating problems such as:



- Chronic diseases
- Gang activities
- Homeless citizens
- Inadequate childcare
- Low high school graduation rates
- Mental health issues
- Obesity
- Poor nutrition
- Substance abuse
- Teen pregnancy

- **Increasing the Public's Awareness of Parks and Recreation**

People don't intrinsically understand how parks and recreation services benefit them or make your community a better place to live. They may only see the costs of building and maintaining parks and offering recreation programs. Some may not see the need to spend public funds on parks and recreation. Also, educating elected officials on the essential services and benefits of parks and recreation is made more difficult because of turnover among officials.

Your residents' support is essential to obtain the funds to maintain and increase

your current service level. Elected officials support municipal services financially when they see that an active constituency exists for them. These strategies can help you build a base of supportive citizens:

- Spend time and resources on marketing and promotion to inform decision-makers and the community about your parks and programs.
- Mend relationships with local elected officials who may be antagonistic toward your work.
- Extend a helping hand to youth sports groups, especially in promotion, securing playing fields, and training coaches.
- Seek partnerships and work on building alliances with community groups and businesses.
- Offer a robust series of recreation programs that serve many people of all ages.
- Include a variety of active and passive areas in your park system.
- Offer special events at your parks to get residents to them.
- Address customer service and staffing issues that may have led to a change in reputation or drop in participation.
- Keep your elected and community leaders informed and get them to your parks and programs.
- Have residents speak for you at public meetings to share their positive experiences.
- Share thank you notes with elected officials so that they can see that your parks and recreation services are appreciated.
- Have your elected officials honor your volunteers, program participants, and event winners at public meetings.

#### ■ **Documenting and Sharing Impact**

Given the choice, elected officials don't always support parks and recreation. Many believe that services such as police, fire, and public works are more important to the community. During tough economic times, funding for parks and recreation is often cut back. However, cutting funding for parks and recreation may not be what the public wants.

Elected officials must make tough financial choices. It's your job to provide them with the information and tools to make

those decisions. To do this, you need to document your services' impact on the community and communicate this impact effectively. Doing this is vital to maintaining and expanding your financing sources. When shared with community leaders, facts and statistics help you gain support for your parks and recreation services. Investing in training on how to capture and share this critical information is essential.

Financing success rests upon how well you can answer questions like these: How do you quantify and share the impacts and benefits of your services? Can you capture metrics focused on healthier children or lower crime rates? Can you show property value increases along a rail trail? Can you quantify better school grades for children involved in youth sports? Can you show an increase in physical activity for older adults?

In particular, measuring the economic impact of parks and recreation in your community is critical. Measurements can include how much money people spend to participate in your programs, the financial effect of bringing a tournament into town, or the increased value of properties adjacent to parks and recreation facilities. There are many facets to our economic impact. While parks and recreation can stimulate the economy, programs and services also provide cost savings in crime prevention and healthcare.

#### ■ **Identifying and Providing Essential Services**

Another critical element in developing financial support is to provide essential services. An essential service is something taxpayers won't do without. Public safety services like police and fire protection are perfect examples. The more essential your parks and recreation services are to your citizens, the more support you'll receive from them.

Two examples of essential services are an outdoor community swimming pool and a youth soccer league. People value the community pool in the hot summer months, and parents want their grade school kids to experience the fun of playing on a soccer team. If you provide essential services like these and keep them strong, your residents will speak up and support those services at budget time.

- **Building and Maintaining Park Areas and Recreation Facilities to High Standards**

Doing the best job possible when constructing or renovating park areas and recreation facilities is essential. When facilities are popular and well-visited, residents favor increasing financial support to improve them and add other recreation facilities.

People notice when you maintain your park areas and recreation facilities to high standards and show them that you care about making their visit comfortable and enjoyable by keeping restrooms clean, litter picked up, grass cut, weeds pulled, and trees trimmed. If you experience vandalism, clean it up right away. Citizens will support the funding necessary to continue that standard of care.

## **Final Thoughts**

One of the beautiful things about the parks and recreation profession is our willingness to help each other. We all face similar financial challenges and will gladly share our insight into ways to approach them. Membership in the Pennsylvania Recreation and Park Society offers many opportunities to network with others who work or volunteer in community parks and recreation. [www.prps.org](http://www.prps.org)

Your DCNR Bureau of Recreation and Conservation regional advisor, who provides technical assistance to local governments, is another excellent option for advice and support. [www.dcnr.pa.gov](http://www.dcnr.pa.gov)

The DCED Governor's Center for Local Government Services provides financial and technical assistance and an online library on local government issues. [www.dced.pa.gov](http://www.dced.pa.gov)



# Appendix

## Financing Sources for Parks, Recreation, and Open Space

Category	Funding Program	Website
<b>State Grants</b>	<p>Pennsylvania Department of Conservation and Natural Resources Community Conservation Partnership Program (C2P2) grants fund the planning, acquisition, and development of public parks, recreation areas, motorized and non-motorized trails, river conservation and access, conservation of open space, and community and watershed forestry.</p>	<p><a href="http://Dcnr.pa.gov/grants">Dcnr.pa.gov/grants</a></p>
	<p>Community Recreation and Conservation Planning Funding projects include master site development plans, swimming pool complex feasibility studies, indoor recreation facility feasibility studies, comprehensive recreation, park, open space, and greenway plans, river conservation plans, and land conservation and stewardship plans.</p>	
	<p>Park Rehabilitation and Development Funding projects involve rehabilitating and developing public parks, recreation facilities, greenways, and river conservation projects.</p>	
	<p>Land Acquisition and Conservation Funding projects involve the purchase and/or donation of land for park and recreation areas, greenways, critical habitat areas, and open space.</p>	
	<p>Motorized and Non-Motorized Trail Funding projects include the acquisition, planning, development, rehabilitation, or maintenance of designated routes on land or water for motorized and non-motorized recreation activities, including the purchase of equipment for trail construction or maintenance.</p>	
	<p>All-Terrain Vehicle (ATV) and Snowmobile Funding projects relate to facilities that support using ATVs and snowmobiles.</p>	
	<p>Peer and Circuit Rider Funding projects help municipalities, counties, multi-municipal partnerships, and councils of government to increase local capacity for recreation, parks, and conservation. The Peer program funds collaborative projects focusing on a specific need identified by the grantee and its partners. The Circuit Rider program helps hire a full-time park, recreation, or conservation professional whose services are shared by a formal partnership, commission, or authority.</p>	
	<p>River Conservation Funding projects focus on protecting and enhancing the conservation or recreation value of Pennsylvania's waterways. Projects include acquiring land to protect a sensitive water resource, developing river conservation plans, developing river access points, and managing water trails.</p>	
	<p>The Community and Watershed Forestry Program provides financial assistance to identify locations that need riparian forest buffers, lawn conversion, and urban tree planting and to design, implement, and establish those practices.</p>	

Category	Funding Program	Website
<b>State Grants</b>	The Local Share Account Program (LSA), required under the PA Race Horse Development and Gaming Act (Act 71), distributes gaming revenues generated in Lehigh, Luzerne, Monroe, Montgomery, Northampton, and Washington counties through the Commonwealth Financing Authority to support projects in the public interest. Eligible applicants and uses of funds vary by county/program. The LSA Statewide Program distributes funds to all counties. Berks, Cumberland, Fayette, Lehigh, Luzerne, Monroe (and its five contiguous counties of Carbon, Lackawanna, Northampton, Pike, and Wayne), Montgomery, Northampton, Philadelphia, Washington, Westmoreland, and York counties have their own LSA programs.	<b>Dced.pa.gov</b>
	WalkWorks is an initiative between the Pennsylvania Department of Health and the Pennsylvania Downtown Center that provides funding and supports the development and adoption of active transportation plans or related policies.	<b>Health.pa.gov</b>
	Pennsylvania Department of Community and Economic Development Greenways, Trails, and Recreation Program grants are used to plan, acquire, develop, rehabilitate, and improve parks, recreation areas, open spaces, greenways, and trails and undertake river conservation projects.	<b>Dced.pa.gov</b>
	Pennsylvania Department of Environmental Protection Environmental Education Grants are used for projects ranging from hands-on lessons for students to teacher training programs, outdoor learning resources, and conservation education for adults.	<b>Dep.pa.gov</b>
	Conservation Easement Assistance Program provides grants to conservation organizations to complete conservation, trail, and fishing access easements, amend older easements, establish and update baseline documentation, and install signs on eased property.	<b>Weconservepa.org</b>
	Pennsylvania Council on the Arts funds arts organizations, municipalities, schools, school districts, intermediate units, and other entities.	<b>Arts.pa.gov</b>
	The Pennsylvania Department of Community and Economic Development Neighborhood Assistance/Neighborhood Partnership Program fosters collaborations among businesses, neighborhood groups, local government entities, and residents to encourage long-term investments in distressed areas.	<b>Dced.pa.gov</b>
	Pennsylvania Department of Community and Economic Development Municipal Assistance Program provides funding to assist local governments in planning and implementing various services and improvements and managing development. The program emphasizes intergovernmental approaches. Funding is available for shared services, community planning, and floodplain management.	<b>Dced.pa.gov</b>
	Pennsylvania Department of Environmental Protection Stormwater Management Program provides grants and technical assistance for planning and implementing stormwater control. The Stream Improvement Program provides design and construction projects to eliminate imminent threats from flooding and stream bank erosion. The Wetlands Replacement Program provides funding and technical assistance to restore wetlands.	<b>Dep.pa.gov</b>
	Pennsylvania Fish and Boat Commission provides grants to public organizations that provide public boat access, boat docks, and fishing piers.	<b>Fishandboat.com</b>
	Pennsylvania Humanities Council Grants are available to all nonprofits, including arts organizations, history groups, and public libraries, to strengthen and grow the humanities.	<b>Pahumanities.org</b>
	Pennsylvania Historical and Museum Commission Keystone Historic Preservation Grant program supports projects that identify, preserve, promote, and protect historic and archaeological resources.	<b>Phmc.pa.gov</b>
	Pennsylvania Recreation and Park Society RecTAP Program provides technical assistance grants to help parks and recreation boards and departments with specific issues.	<b>Prps.org</b>
	People, Parks, and Community Foundation funding programs are directed toward the owners and stewards of public lands, resources, and facilities to meet the needs of inclusive, sustainable community recreation and engagement, especially for under-resourced communities and organizations. Funding focuses on park and recreation systems development and improvements, community education and advocacy, capacity building, research, technical assistance, and people development.	<b>Peopleparks.org</b>

Category	Funding Program	Website
State Grants	Summer Food Service Program is a federally funded program operated by the U.S. Department of Agriculture and administered in Pennsylvania by the Department of Education. Non-profit organizations sponsor the program and receive reimbursement for meal sites that serve the required reimbursable nutritious meals to eligible children.	<a href="http://Education.pa.gov">Education.pa.gov</a>
	The Child and Adult Care Food Program is a federal program that provides reimbursements for nutritious meals and snacks to eligible children and adults enrolled for care at participating childcare centers, daycare homes, and adult daycare centers. CACFP also provides reimbursements for meals served to children and youth participating in afterschool care programs, children residing in emergency shelters, and adults over 60 or living with a disability and enrolled in daycare facilities.	<a href="http://Education.pa.gov">Education.pa.gov</a>
	Pennsylvania Department of Transportation Transportation Enhancements Program is a cost reimbursement program that provides funding for pedestrian and bicycle facilities, educational activities, acquisition of scenic easements and scenic or historic sites, landscaping, historic preservation, and abandoned railway corridor preservation.	<a href="http://Penndot.pa.gov">Penndot.pa.gov</a>
Federal Grants	AmeriCorps is the only federal agency dedicated to national service and volunteerism. It disperses funding and connects AmeriCorps members and AmeriCorps Seniors volunteers to organizations across the country.	<a href="http://Americorps.gov">Americorps.gov</a>
	Clearinghouse of grant opportunities from federal government agencies: U. S. Departments of Aging, Agriculture, Education, Energy, Health and Human Services, Housing and Urban Development, Interior, Justice, Labor, and Transportation	<a href="http://Grants.gov">Grants.gov</a>
	Environmental Protection Agency Green Streets, Green Jobs, and Green Towns Program supports small to medium-sized communities in urbanized watersheds that use green infrastructure to reduce stormwater runoff.	<a href="http://Epa.gov">Epa.gov</a>
	National Endowment for the Arts provides grant funds for projects that help people acquire knowledge, understanding, and skills in the arts.	<a href="http://Arts.gov">Arts.gov</a>
	National Park Service Rivers, Trails, and Conservation Assistance Program offers staff assistance and consultation for locally-led conservation projects, such as developing trails and greenway networks or protecting rivers and streams.	<a href="http://Nps.gov/orgs/rcta/index.htm">Nps.gov/orgs/rcta/index.htm</a>
	Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Transportation Discretionary Grant Program allows the U.S. Department of Transportation to invest in road, rail, transit, and port projects that promise to achieve national objectives.	<a href="http://Ops.fhwa.dot.gov">Ops.fhwa.dot.gov</a>
	U. S. Department of Agriculture Rural Development Community Facilities Direct Loan and Grant Program provides funding to municipalities and non-profit organizations to develop essential community facilities in rural areas. Eligible community facilities include child care centers, community centers, fairgrounds, public works vehicles or equipment, and community gardens. Funds can be used to purchase, construct, and improve essential community facilities, purchase equipment, and pay related project expenses.	<a href="http://Rd.usda.gov">Rd.usda.gov</a>
National Foundations	A.L. Mailman Family Foundation grantmaking focuses on early childcare and education, family support, moral education, social responsibility, caregiver training, teacher/student ratios, and connecting quality childcare to later achievements.	914-269-0947
	Aldi is dedicated to supporting the health and wellness of children in communities where the company has stores, warehouses, and offices and conducts business. Grants are awarded to local community organizations encouraging kids to actively participate in education, physical activity, nutrition, socializing, and the arts.	<a href="http://Corporate.aldi.us/corporate-sustainability">Corporate.aldi.us/corporate-sustainability</a>
	American Eagle Outfitters Foundation directs financial and volunteer contributions toward projects that improve the quality of life in American Eagle communities.	<a href="http://Aeo-inc.com/aeo-foundation">Aeo-inc.com/aeo-foundation</a>
	All For The Kids Foundation fully subsidizes the costs of children's participation in extracurricular athletics for families of limited financial means – including tuition or registration fees, uniforms, and equipment.	<a href="http://Allforthekidsfoundation.org">Allforthekidsfoundation.org</a>
	American Legion Child Welfare Foundation funds organizations that improve children's physical, mental, emotional, and spiritual welfare.	<a href="http://Cwf-inc.org">Cwf-inc.org</a>

Category	Funding Program	Website
<b>National Foundations</b>	Best Buy Foundation supports and strengthens communities by contributing to various organizations and programs that use interactive technology to foster engaged, fun learning experiences for children.	<b>Bestbuyfoundation.org</b>
	Bill Belichick Foundation provides coaching, mentorship, and financial support to individuals, communities, and organizations involved in football and lacrosse.	<b>Billbelichick foundation.org</b>
	BoatUS Foundation Grassroots Grants Program supports nonprofits, boating clubs, and student groups in the United States for projects that utilize innovative approaches to education about safe and clean boating on local waterways.	<b>Boatus.org</b>
	Caplan Foundation For Early Childhood provides funding in the following areas: early childhood welfare, early childhood education and play, and parenting education.	<b>Earlychildhood-foundation.org</b>
	The Challenged Athletes Foundation Access for Athletes Program provides funding for equipment such as sports wheelchairs, handcycles, mono skis, and sports prosthetics, as well as resources for training and competition expenses for physically challenged athletes.	<b>Challengedathletes.org</b>
	Candid is a grant database that contains thousands of grants from private and independent foundations, corporate foundations, federal agencies, public charities, and international foundations.	<b>Candid.org</b>
	Claneil Foundation supports individuals and organizations committed to improving the health of families and communities through advancements in health and human services, a sustainable food system, education, and environmental protection.	<b>Claneil.org</b>
	Clif Family Foundation grants focus on climate change, healthy food access, inclusive outdoor access, and indoors and outdoors safe from pollution.	<b>Cliffamily foundation.org</b>
	Dick's Sporting Goods Foundation Sports Matter Program's mission is to inspire and enable youth sports participation in under-resourced communities.	<b>Sportsmatter.org</b>
	Edna McConnell Clark Foundation focuses its grantmaking on nonprofits to increase their capacity to serve young people from low-income backgrounds, ages 9 to 24, with quality programs during out-of-school time.	<b>Emcf.org</b>
	Enterprise Rent-a-Car Foundation supports educational and social service programs for youth, including those with disabilities. Grants are awarded for annual campaigns, renovations, capital campaigns, and general operating costs.	<b>Enterprise.com/en/about/community/philanthropy</b>
	Entertainment Software Association Foundation supports positive programs and opportunities that improve youth's quality of life, health, and welfare.	<b>Esafoundation.org</b>
	Finish Line Youth Foundation strives to make a difference in the lives of youth by funding organizations that provide opportunities for youth participation.	<b>Finishline.com/store/foundationgrants</b>
	For All Kids Foundation supports child care, after-school and summer programs for inner-city youths, educational and outreach programs for at-risk teens, and healthcare services and wellness programs for low-income children.	<b>Forallkids.org</b>
	Fruit Tree Planting Foundation is dedicated to planting fruitful trees and plants to alleviate hunger, combat global warming, strengthen communities, and improve the surrounding air, soil, and water. The foundation donates orchards where the harvest will best serve communities for generations, such as community gardens, public schools, city and state parks, and low-income neighborhoods.	<b>Ftpf.org</b>
	Gibson Foundation is committed to making the world a better place for children by creating, developing, and supporting programs and other nonprofits in their efforts to advance education, music, the arts, the environment, and health and welfare causes.	<b>Gibsonfoundation.org</b>
	Heckscher Foundation For Children targets its grants toward programs in education, family services, child welfare, health, arts, and recreation.	<b>Heckscherfoundation.org</b>
	Lego Foundation is committed to helping children develop their creativity and learning skills through constructive play.	<b>Learningthrough-play.com</b>
Mattel Children's Foundation funds organizations or programs that creatively address a locally defined need, directly impact children in need, and align with Mattel's philanthropic priorities of health, education, and girls' empowerment.	<b>Corporate.mattel.com</b>	

Category	Funding Program	Website
<b>National Foundations</b>	MLB-MLBPA Youth Development Foundation was created to increase participation in and expand youth baseball and softball access, particularly for minorities, girls, and those in under-resourced communities. Funds may support capital projects (field renovations), baseball/softball programs, and education initiatives.	<a href="http://Baseballydf.com">Baseballydf.com</a>
	National Fish and Wildlife Foundation provides competitive funding to projects that sustain, restore, and enhance our nation's fish, wildlife, plants, and habitats.	<a href="http://Nfwf.org">Nfwf.org</a>
	National Rifle Association Foundation supports programs in shooting sports, such as youth education, law enforcement training, hunter education, conservation, firearms and marksmanship training, and safety.	<a href="http://Nrafoundation.org">Nrafoundation.org</a>
	NFL Foundation Club Community and Player Matching Programs	<a href="http://Nflfoundation.org">Nflfoundation.org</a>
	Panera Bread Foundation seeks to provide children and youth opportunities to gain skills and build relationships through programs that inspire and strengthen communities.	<a href="http://Panerafoundation.versaic.com">Panerafoundation.versaic.com</a>
	Playcore sponsors a searchable grant database to discover parks and recreation funding opportunities.	<a href="http://Playcore.com/funding">Playcore.com/funding</a>
	RCX Sports Foundation is dedicated to developing, promoting, and implementing diversity and inclusion initiatives in youth sports. The foundation partners with community organizations, schools, and youth sports programs nationwide to provide resources, training, and support to help under-resourced youth and families access these opportunities through scholarships and grants. The foundation administers Major League Soccer's Go Play Fund, which provides grants to recreational soccer organizations to cover player registration fees.	<a href="http://Rcxfoundation.org">Rcxfoundation.org</a>
	Ruddie Memorial Youth Foundation grants support programs that promote academic, professional, athletic, or other excellence in youth, provide youth with new opportunities for personal growth and success, and are innovative and replicable.	<a href="http://Rmyf.org">Rmyf.org</a>
	Saucony Run for Good Foundation is committed to improving the lives of children by helping to prevent and reduce childhood obesity by funding community organizations that promote funning and other healthy lifestyle programs for kids.	<a href="http://Saucony.com/en/diversity">Saucony.com/en/diversity</a>
	Starbucks Foundation Neighborhood Grants are investments that help build sustained local impact and inspire increased employee volunteerism with nonprofit organizations. Starbucks Foundation invites employees to nominate a local organization in their community.	<a href="http://Stories.starbucks.com/stories.the-starbucks-foundation/">Stories.starbucks.com/stories.the-starbucks-foundation/</a>
	Surdna Foundation supports funding for programs that promote arts and cultural programs and sustainable environment programs where low-wealth and communities of color can self-determine the ownership, control, and stewardship of land and its infrastructure assets.	<a href="http://Surdna.org">Surdna.org</a>
	Teammates For Kids Foundation accepts proposals from organizations specializing in working with children. Its funding interests include health, education, and inner-city services for needy children.	<a href="http://Teammatesforkids.com">Teammatesforkids.com</a>
	TGR (Tiger Woods) Foundation provides students from under-resourced communities access to education and opportunities to learn, grow, and prepare for their future.	<a href="http://Tgrfoundation.org">Tgrfoundation.org</a>
	TJX Foundation is the philanthropic arm of the corporate retailer of TJ Maxx, Marshalls, and HomeGoods. The Foundation focuses its grantmaking on needy families and children.	<a href="http://Tjx.com/corporatere-sponsibility/communities/our-us-foundation">Tjx.com/corporatere-sponsibility/communities/our-us-foundation</a>
	UPS Foundation Community Investment Grants allocates funds to UPS region offices to invest in their communities.	<a href="http://About.ups.com">About.ups.com</a>
US Soccer Foundation and Musco Sports Lighting established the Soccer Fund to offer financial support for sports lighting projects.	<a href="http://Ussoccerfounda-tion.org">Ussoccerfounda-tion.org</a>	
USA Basketball Foundation is invested in expanding basketball programming and ensuring equity in participation.	<a href="http://Usabfoundation.org">Usabfoundation.org</a>	
USA Swimming Foundation works to strengthen the sport by saving lives and building champions in the pool and life.	<a href="http://Usaswimming.org/foundation">Usaswimming.org/foundation</a>	

Category	Funding Program	Website
<b>National Foundations</b>	Walmart Foundation Spark Good, Caring and Connected Communities, Local Community Support, and Healthier Food for All Programs	<a href="http://Walmart.com">Walmart.com</a>
	Waste Management Foundation Charitable Giving Program offers charitable gifts to promote civic pride, economic development, and revitalization. Waste Management primarily supports environmental initiatives, including promoting parklands and green spaces and environmental education initiatives targeted at middle and high school students.	<a href="http://Wm.com">Wm.com</a>
	Will Smith Charitable Foundation provides positive life experiences to children through art, music, sports, safety, and acts of compassion.	<a href="http://Willsmithfoundation.org">Willsmithfoundation.org</a>
	Women's Sports Foundation Sports 4 Life, Well Being for All, Move Together, and Power of She Fund Programs	<a href="http://Womenssportsfoundation.org">Womenssportsfoundation.org</a>
	Yield Giving was founded by MacKenzie Scott to support nonprofit organizations that promote education, early childhood development, climate change, public health, and equity.	<a href="http://Yieldgiving.com">Yieldgiving.com</a>
<b>National Organizations</b>	All Kids Play funds families and communities lacking the resources to pay for youth sports.	<a href="http://Allkidsplay.org">Allkidsplay.org</a>
	American Academy of Dermatology Shade Structure Program awards funds to purchase permanent shade structures that provide shade and ultraviolet ray protection for outdoor areas.	<a href="http://Aad.org/public/public-health/shade-structure-grants">Aad.org/public/public-health/shade-structure-grants</a>
	American Alpine Club Cornerstone Conservation Grants, supported by REI, create healthy climbing landscapes, promote respect for the places climbers ascend, and empower local climbing communities.	<a href="http://Americanalpineclub.org/cornerstone-conservation-grant">Americanalpineclub.org/cornerstone-conservation-grant</a>
	American Hiking Society National Trails Fund is dedicated to building and protecting hiking trails in the United States. The Fund focuses its grantmaking on local organizations, giving them the resources to secure access, volunteers, tools, and materials to repair and protect America's hiking trails.	<a href="http://Americanhiking.org">Americanhiking.org</a>
	American Trails Capacity Program invests in building nationwide trail community capacity. This grant program targets funding for small local trail projects that engage the community and connect trail assets to a broader spectrum of users. It supports partners from all nonmotorized and motorized trail user groups, including water trails. Projects may include trail research, stewardship, and maintenance projects that are inclusive, engaging, educational, and foster improved trail user behavior.	<a href="http://Americantrails.org/the-trail-fund">Americantrails.org/the-trail-fund</a>
	Hasbro Children's Fund provides grants to support programs and projects in the following three areas: programs that offer hope to children who need it most, play for children who otherwise would not be able to experience that joy, and youth empowerment through service.	<a href="http://Globalphilanthropy.hasbro.com">Globalphilanthropy.hasbro.com</a>
	Kaboom Playground Challenge Grant Program awards grants to create and refurbish playgrounds. Grants support community projects that enlist volunteers and individual donations to build and renovate recreational spaces to encourage children to engage in physical activities.	<a href="http://Kaboom.org">Kaboom.org</a>
	Keen Effect Grant Program activates communities to protect and preserve the natural environment.	<a href="http://Keenfootwear.com/pages/keen-effect-grants">Keenfootwear.com/pages/keen-effect-grants</a>
	Life Floor Matching Grants are available for any aquatics facility, including splash pads, pool decks, zero-depth entries, waterparks, bathrooms, and locker rooms.	<a href="http://Lifefloor.com/grant-opportunities">Lifefloor.com/grant-opportunities</a>
	Lisa Libraries support daycare centers and after-school programs by providing books to children.	<a href="http://Lisalibraries.org">Lisalibraries.org</a>
National Alliance For Accessible Golf Program Grants support nonprofits, government agencies, and educational institutions in their efforts to make golf more accessible to people with disabilities.	<a href="http://Accessgolf.org/about-us/grants">Accessgolf.org/about-us/grants</a>	
NFL Youth Football Fund Grassroots Program is a partnership between the National Football League Youth Football Fund, which provides funding for capital improvement projects to improve the quality, safety, and accessibility of local football fields, and the Local Initiative Support Corporation, which manages and provides technical assistance.	<a href="http://Lisc.org">Lisc.org</a>	

Category	Funding Program	Website
<b>National Organizations</b>	PeopleForBikes Grant Program funds bicycle infrastructure projects such as bike paths, lanes, trails, and bridges; mountain bike facilities; bike parks and pump tracks; BMX facilities; end-of-trip facilities such as bike racks, bike parking, and bike storage; advocacy programs that transform city streets, including Ciclovias and Open Street Days; and initiatives designed to increase ridership or investment in bicycle infrastructure.	<a href="http://Peopleforbikes.org/grants">Peopleforbikes.org/grants</a>
	Polaris Trails Grants Program makes funds available to organizations to promote safe and responsible riding, support trail preservation, and help protect the environment and natural resources of off-road trail systems. Organizations can use funds for off-road trail development and maintenance projects, safety and education initiatives, and other projects to increase and maintain land trail access.	<a href="http://Polaris.com/en-us/trails-application/">Polaris.com/en-us/trails-application/</a>
	REI Cooperative Action Fund directly supports organizations promoting justice, equity, and belonging outdoors to strengthen people’s and communities’ health and well-being by increasing access to and participation in responsible outdoor recreation.	<a href="http://Reifund.org">Reifund.org</a>
	Specialized Bicycle Components Dealer Grant Program helps the company’s retail partners support causes in their community. Eligible applicants must be authorized Specialized bike dealers paired with a nonprofit. The Riding For Focus education and safety program includes an in-kind grant of specialized bikes and helmets, curriculum, and training. The Outride Fund is a cash grant for general youth cycling, racing, afterschool, trail construction, rider education, and community cycling programs.	<a href="http://Outridebike.org">Outridebike.org</a>
	The North Face Explore Fund funds and collaborates with nonprofits to support access and equity and remove barriers so everyone can get outside.	<a href="http://Thenorthface.com">Thenorthface.com</a>
	The Skatepark Project, formerly known as the Tony Hawk Foundation, is dedicated to promoting the construction of new, quality skateparks in low-income communities throughout the United States.	<a href="http://Skatepark.org">Skatepark.org</a>
	T-Mobile Little League Call-Up Grant Program is dedicated to helping families in need by covering registration fees associated with their local Little League program.	<a href="http://Littleleague.org/call-up-grant-program/">Littleleague.org/call-up-grant-program/</a>
	US Golf Association For the Good of the Game grants support organizations that introduce the game of golf to people who would otherwise not have the opportunity to play.	<a href="http://Usga.org">Usga.org</a>
	USA Lacrosse National Grant Program aims to reduce barriers, increase inclusivity, and fuel lacrosse growth in communities nationwide by awarding equipment, financial support, and educational opportunities to organizations, schools, coaches, and officials.	<a href="http://Usalacrosse.com/grants">Usalacrosse.com/grants</a>
	USA Pickleball Serves supports community initiatives like court enhancements, educational youth programming, and inclusive play. The USA Pickleball Grant Program offers youth, collegiate, and community grants.	<a href="http://Usapickleball.org">Usapickleball.org</a>
	USA Volleyball Foundation prioritizes diversity, equity, and inclusion by providing support to broaden outreach, expand opportunities, and reduce barriers to entry for participation and competition for underprivileged and underrepresented groups.	<a href="http://Usavolleyball.org/foundation/">Usavolleyball.org/foundation/</a>
	USTA Serves, the United States Tennis Association Foundation, promotes programs integrating tennis and education to enhance the lives of at-risk children and individuals with disabilities. Facility Services Program offers business development, advocacy, and technical and financial support to improve or construct tennis facilities nationwide. Adaptive Tennis Program Grants assist in promoting, implementing, and growing adaptive tennis programs at the community level. Tennis Venue Services funding is available to upgrade or add new facilities.	<a href="http://Usta.org">Usta.org</a>
Yamaha Outdoor Access Initiative is dedicated to those who work and play outdoors, including those who rely on off-highway vehicles to ride, camp, hunt, or fish.	<a href="http://Yamahaoai.com">Yamahaoai.com</a>	

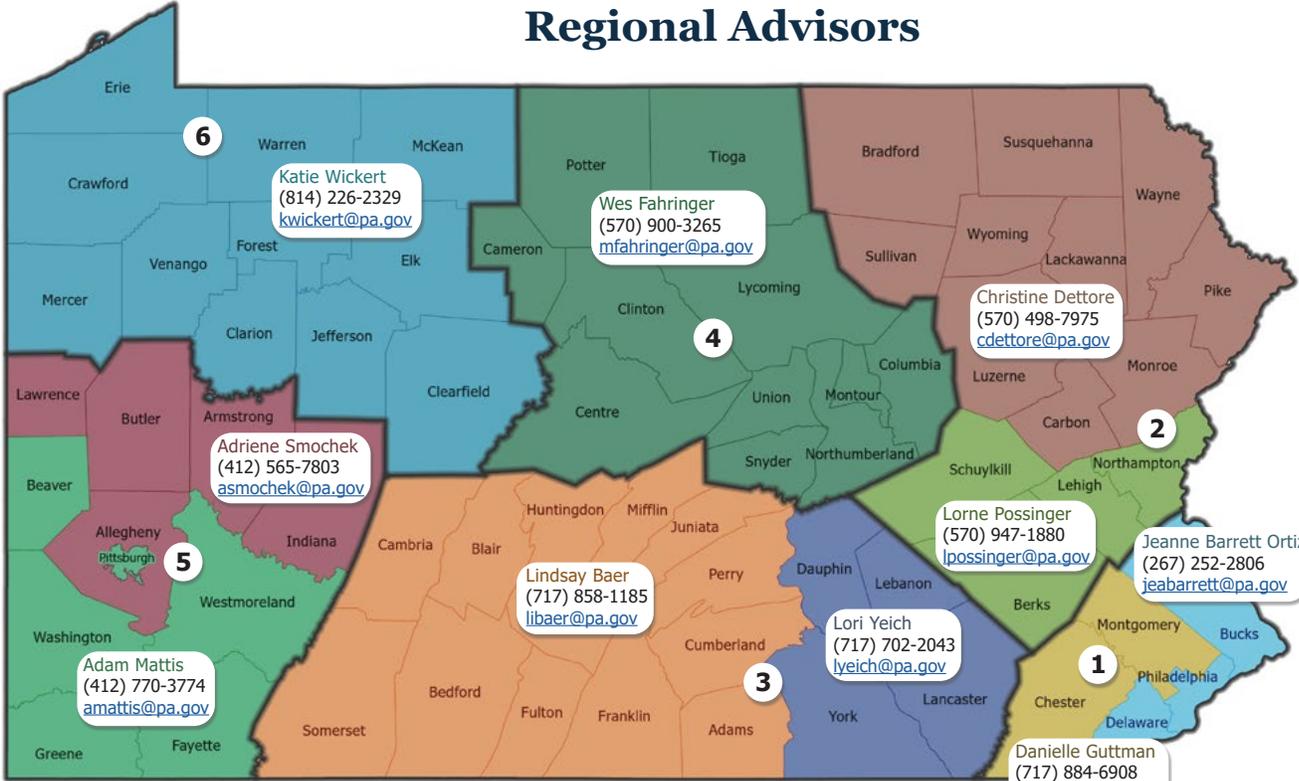
# About the Author

Susan E. Landes, CPRE, believes a vibrant parks and recreation system is at the heart of every great community. She holds an undergraduate degree in Community Recreation and Parks and a master's degree in Public Administration from Penn State University. In 1990, Sue founded Recreation and Parks Solutions to pursue her goal of making public parks and recreation an essential service in Pennsylvania. She has a proven track record as a progressive and innovative thinker who gets things accomplished. Her past experiences working in local government have fueled her passion to help communities provide the best parks and recreation services possible. Located in Lebanon County, Recreation and Parks Solutions is a small firm with a big presence in municipal parks and recreation consulting. It has provided professional parks, recreation, open space, and trail planning services to more than 350 local governments of all shapes and sizes across the Commonwealth. Its mission is to build local capacity and community support to sustain and grow parks and recreation systems and services in Pennsylvania.

[www.recandparkssolutions.com](http://www.recandparkssolutions.com)

 Pennsylvania Department of Conservation and Natural Resources

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The DCNR Bureau of Recreation and Conservation (BRC) provides grants and technical assistance for community projects related to park and recreation facilities, trails, rivers, and open space. Regional advisors are a first point of contact for technical, funding, and partnership-building assistance to advance these types of projects.

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