

Balboa Park Committee

Draft: Question # 2 Response

1) Can the city of San Diego provide the necessary financial support for Balboa Park in the future?

2) Even if it can, should it do so?

I. Question Framework

Should the City of San Diego act on its own in funding Balboa Park? Balboa Park exists today as the result of over 140 years of cooperative partnerships between the city, the general public and the business community. The land for the park was privately donated to the City. Important accomplishments, events and facilities were the result of citizen initiatives undertaken in partnership with the City. These initiatives resulted in two world expositions, a world-class zoo, and the largest urban-cultural park in the United States. There are numerous recreational facilities, playgrounds, landscaped parkland and vast areas of natural open space that are all the result of the legacy of public and corporate volunteerism.

While the City has assumed and discharged its role as the manager of this city park, the City of San Diego has never acted alone in operating, supporting, preserving or enhancing Balboa Park. Over its history, a myriad of individuals and organizations from the private sector, as well as other governmental bodies outside of the City of San Diego, have contributed millions of dollars and millions of volunteer hours to support Balboa Park.

II. General Observations

While the City of San Diego currently provides the majority of the financial support for the operation and maintenance of Balboa Park, it does receive funds from other entities. The City of San Diego does not currently operate Balboa Park on its own. Numerous entities provide funding, programming and operational support including:

1. Contractual Agreements With Non-Profits including cultural institutions and other non-profit entities

The relationship between most cultural or recreational institutions in the Park and the City of San Diego is symbiotic. These institutions are able to lease a facility for little or no rent and the City receives the benefit of having the kinds of cultural, educational, **science** and recreational institution that would be expected in a major urban city.

Most of these nonprofits provide services beyond what they are required to do in their leases with the City. Typical programs and/or facilities these tenants are responsible for include:

- a. Research programs
- b. Park visitor center
- a. Balboa Park website
- b. Balboa Park e-news
- c. Security services
- d. Free programs for schools
- e. Free lectures and programs
- f. Maintenance of facilities around leaseholds
- g. Improvements to areas around leaseholds
- h. Additions or improvements to many of these facilities with private funds and donated to the City.
- i. Caring for the cultural and natural heritage of our city and region.
- j. Installation of "Green Technologies"

If the City had to fund these additional programs, the cost to operate the Park would be significantly higher than it is currently. Since an economic benefits analysis has never been done, the true value that institutions provide for Balboa Park is not known.

2. Recreation organizations and activities provide funding, services and programming support for recreational activities in Balboa Park. For example, the Balboa Park Recreation Council, a volunteer organization, provides funds for the maintenance of some of the park's recreational facilities. These funds tend to be limited to ball fields, swimming pool, tennis courts, and gymnasiums. However, all of this funding does not come close to meeting the aggregate financial operations and maintenance needs of sports facilities and recreation grounds in the Park.

Sport and recreation user fees are set so low they do not cover the true cost of the activity. Whether or not they should be subject to "full cost recovery including cumulative impacts" needs further discussion and analysis.

3. Horticultural organizations provide funding and volunteer hours in caring for Park gardens that may otherwise be the responsibility of park maintenance personnel.
4. Philanthropic support includes funding, in kind donations and volunteer activities from individuals as well as organizations. Philanthropic organizations determine the projects they want to fund. Projects are often funded in a piecemeal way and tend not to match park wide needs or those of the general public. Donations to the Park by these entities cannot be counted on.

5. Private Corporations often provide in-kind and financial donations. For example, SDGE underwrote the replacement of lights on the Cabrillo Bridge and are contributing expertise and funding to make City owned buildings more energy efficient.
6. Governmental entities such as the County, the State of California and the Federal Government currently provide some indirect support for Balboa Park. The study the “Balboa Park, the Soul of San Diego” indicates that county residents are major and regular users of Balboa Park. County residents represent 48% of park users, with the County residents visiting an average of 5.8 times per year. However the County has only contributed modestly to the financial support of Balboa Park. It appears the City has not had discussions with the County even though they are the most obvious entity for significant assistance with funding and management. The State of California could make available either bond proceeds, grants or legislatively created “Park and Recreation Districts” Today’s financial crisis makes this option unfeasible but it does merit further study when the State’s financial situation has improved.
7. Potential sources of revenue or volunteers that warrant further analysis includes:
 - a. Park concessions could be analyzed to make sure they are the right mix and location to optimize revenues.
 - b. User fees for special events in the park should be analyzed for possible increases.
 - c. Private special events that make donations to a non-profit organization should be limited to organizations that are in the park.
 - d. Although non-profit institutions are under financial constraints, consideration should be given to
 - i. The potential of increased contributions to help manage and improve the park beyond leaseholds.
 - ii. An increase in the entities maintenance responsibility
 - iii. As contracts come-up for renewal there needs to be an exploration of ways to optimizes revenues for the Park.
 - e. Over the last decade, dozens of Friends of Canyons Groups have been formed to assist the City and County in maintaining the region’s urban canyons. A “Canyon Friends” group has not been created in Balboa Park. These groups could augment Park and Recreation staff by contributing hours for restoration and enhancement of natural resources in the park.

III. Basis for Response to Question 2

1. Although the organizations and entities mentioned above provide some funds and are a rich source of cultural and recreational programming, they cannot meet the Park's programming and infrastructure needs entirely.
2. Some parts of the park are underutilized or vacant. It is unclear if this is a management, financial or political problem. An analysis should be conducted to see if park area changes may be a benefit to the park. These changes could provide new sources of revenue or enhanced opportunities for use by the public.
3. Passive park use has been undervalued and since there is no obvious lobbying group to protect this resource, the push to increase revenues will put what is left of these areas at risk.
4. Balboa Park is a regional asset and financial support from the County of San Diego seems like an obvious conclusion. A Joint Use Agreement between the City and County of San Diego may not be feasible at this time due to financial and political impediments. However, the Board of Supervisors' participation in funding and managing the park is strongly encouraged. The County should be welcomed into any further discussions as to the future of Balboa Park in terms of both funding and management.
5. Efforts should be made to find a way to simplify, make more efficient and optimize fund raising efforts for the Park (see Question 3).
6. The search for increased funding for Balboa Park should not overshadow the mandate to provide "free and open parklands". A process must be put into place to protect and enhance this resource and make sure that the "park" remains a park.

IV. Direct Response to Question 2

1. The City of San Diego should not act alone in financing and operating Balboa Park. The City should build on its current and numerous partnerships to:
 - a. Build trust with existing partners
 - b. Identify new partnerships
 - c. Increase private donations
 - d. Create new sources of revenue
 - e. Provide a process that ensures that donations for projects and services match the priorities of the park
 - f. Provide better planning for Balboa Park, taking into consideration the needs of the adjacent neighborhoods and the region. This should include a discussion of what are the "limits to growth" for the Park.

As stated in the Land Use, Parking and Circulation Study “The Park’s challenge today is balance: balancing all of the many facets that are Balboa Park and merging them into the unique place that has served the City of San Diego for over a century” (pg 8)

In addition, there must be a balance between the current critical financial needs and the need to maintain what the public loves about Balboa Park. It is clear that what makes the Park complex and challenging is also what makes it magical.

V. Supporting Documentation

- *Soul of San Diego, Keeping Balboa Park Magnificent in the Second Century* January 2008 Appendix 1 Pg 3
- Balboa Park Land Use, Circulation and Parking Study: Implementation Strategies November 4, 2004
- San Diego Civic Solutions, *Canyonlands: The Creation of a San Diego Regional Canyonlands Park A White Paper* March 15, 2006