

September 2013

Net Results:

## Fee Increases at City Athletic Facilities Garner Less Revenue, Larger Decline in Use Than Expected

### Summary

In November 2010, the Bloomberg Administration announced that the cost of using a variety of city-operated athletic facilities would be rising. Fees for playing tennis on city courts, memberships at city-run recreation centers, and permits for using city ballfields would all be rising over the coming months. Together, these price increases—the second set of increases since 2002—were expected to generate \$6.3 million in additional revenue in fiscal year 2012. In fact, revenue grew by just \$1.1 million—a fraction of what had been expected.

The failure to achieve the expected revenue gains was the result of a greater-than-projected fall-off in the number of permits sold for tennis and memberships for recreation centers following the price rise. IBO has examined data on the sale of permits and memberships before and after the latest fee increases, along with revenue from related sources such as reservation fees, at the affected athletic facilities. Among our findings:

- With considerably higher fees at the start of the 2011 tennis season, the number of adult seasonal tennis permits sold by the city fell from 12,774 in 2010 to 7,265 in 2012, a decline of 43 percent. Single-play permits fell 46 percent, from 23,512 to 12,755 over the same period.
- Despite the decline in the number of adult permits sold, there was an increase in revenue because fees doubled for these permits. The city collected a total of \$2.1 million from the sale of adult, junior, and senior tennis permits in 2012, but the revenue fell \$1.3 million short of the projected increase.
- The number of recreation center memberships sold in 2012 declined by 52 percent to 46,047 with the doubling of membership fees for adults and seniors at the start of the fiscal year.
- With the decline in memberships, recreation center revenue remained flat in 2012 at \$4.8 million, about \$4.0 million below the Bloomberg Administration's expectations.
- Although the number of permits sold for ballfields also fell in 2012 in response to the rise in fees, the resulting increase in revenue exceeded expectations by nearly 5 percent.

---

## Introduction

In November 2010, the Department of Parks and Recreation (DPR) announced that fees to use recreation centers, tennis courts, and ballfields would increase sometime before the end of the 2011 fiscal year. The department implemented fee increases for tennis courts and ballfields on March 25, 2011 before the start of the spring season. After negotiations with the City Council, the fee increase for recreation centers was delayed a few months until July 1, 2011, the start of fiscal year 2012. (Hereinafter, all references to year are to city fiscal years, unless otherwise noted.)

With mid-year implementation of the fee increase for tennis courts and ballfields, additional revenue of \$1.2 million from tennis and \$180,000 from ballfields was projected in 2011. With a full year of higher fees in 2012, the city expected tennis courts, ballfields, and recreation centers to generate an additional \$1.6 million, \$720,000, and \$4.0 million, respectively, for a total revenue increase of \$6.3 million annually.

The fee increases affected adults aged 18 to 61 and seniors, but had no impact on children who use those facilities. The costs of adult memberships at recreation centers and adult seasonal and single-play tennis permits doubled, while ballfield permits for leagues with adult players increased by 57 percent. Seniors saw recreation center membership fees increase from \$10 to \$25, although the cost of senior tennis passes did not change. Recreation center memberships for youth and ballfield permits for youth leagues remained free, while the cost of tennis passes for children stayed at \$10.

This round of fee increases marked the second time since 2003 that the parks department raised fees for recreational activities. While one would expect that higher fees would result in lower use and/or a shift in the types of permits purchased, the adjustments have been larger than originally anticipated. As with the previous round of increases, in this current round of fee increases use has once again declined more steeply than projected, especially for adult tennis permits and adult recreation center memberships, as well as senior membership at recreation centers.

As IBO noted in a [December 2010](#) blog posted shortly after the fee increases were announced, DPR's assumption that membership would only decline by 5 percent in response to the new fee increases was optimistic given past experience.

IBO also noted that increasing fees may have the effect of reducing access to affordable gyms and physical exercise at public facilities—particularly in a period marked by high unemployment—which could undermine the city's goal to reduce obesity. Two years after the blog was posted, unemployment is still high, obesity is an ongoing concern for the city, and the parks department reported that recreation center membership declined in 2012 at a City Council hearing earlier this year. To encourage more New Yorkers to join or renew their memberships, the parks department created a \$25 annual membership for young adults between 18 to 24 years of age, beginning in July 2013, while leaving fees for adults and seniors unchanged.

This report presents data on permit volume and revenue for tennis courts, recreation centers, and ballfields prior to and following the latest fee increase. It examines whether, and to what extent, this round of fee increases has affected the use of public recreational facilities.

## Tennis Permits

Fees for adult tennis permits, both single-play and seasonal permits, have been increased twice since 2003—most recently in March 2011, when prices were doubled. As the fees have increased, the number of adult seasonal permits declined by 63 percent from calendar year 2002 through calendar year 2011 (the tennis season is more closely aligned with calendar years than fiscal years), from around 19,000 to about 7,000. In 2012, revenue from tennis permits was \$2.1 million, about \$1.3 million below what the city had projected the fee would generate. Instead of roughly doubling—consistent with the 100 percent increase in the permit fees—total permit revenue in 2012 was only 5 percent higher than in 2011.

**Tennis Courts and the Permit Fee Structure.** The city manages outdoor tennis courts in the five boroughs. Seasonal tennis permits are required from the first Saturday of April until the Sunday before Thanksgiving. During the off-season, outdoor tennis court users do not need a permit.

The parks department offers seasonal tennis permits for three categories of players: adults, seniors (62 years of age and older), and juniors (17 years of age or younger). The cost of seasonal passes for juniors (\$10) and seniors (\$20) was not raised during the 2003 or 2011 rounds of increases, while the cost of adult seasonal permits has quadrupled in a span of eight years, doubling from \$50 to

\$100 in 2003 and then doubling again to \$200 in 2011. The parks department also offers single-play permits, the cost of which has tripled in six years, from \$5 to \$7 in 2005 and \$15 in 2011. A single-play permit is good for one hour of singles play or two hours of doubles play, and each player is required to purchase a permit. Although anyone can purchase a single-play permit, these permits are not cost effective for youth and seniors who can play an unlimited number of times throughout the season for roughly the same cost by purchasing a season pass. For adult seasonal permit holders, the breakeven point declined slightly—they can now save money over single-play permits if they play at least 14 times during the year, whereas before it was 15 times. But, the amount of money that has to be committed upfront on the chance that they will play enough to make the seasonal pass worthwhile is much larger. Lastly, fees paid by season permit holders to reserve courts more than doubled, rising to \$15 in 2011, from \$7.

The majority of permits are sold by the parks department by mail, online, or in person at the department’s Arsenal Building in Central Park or at borough tennis offices. Permits can also be purchased in person at the Paragon Sporting Goods store near Union Square. Past seasonal permit holders can renew online while first-time seasonal permit holders can only purchase in person or by mail. Because Paragon Sports does not consistently record the month in which each sale occurs, information on total sales is only available on an annual basis. (See sidebar on data on page 5.)

The parks department began a pilot program in July 2011 to allow seasonal and single-play tennis permit holders to pay an additional fee to reserve courts online at 10 parks, including Alley Pond Park, Cunningham Park, and Riverside Park where they can also modify reservations.<sup>1</sup> Prior to 2011, reservations could only be made for courts in Prospect Park and Central Park, and currently Prospect

<b>Tennis Permit Fee Increase Affects Adults</b>		
<b>Permits and Reservations</b>	<b>Prior to 3/25/2011</b>	<b>After 3/25/2011</b>
Adult Seasonal Permit	\$100	\$200
Senior Seasonal Permit	20	20
Junior Seasonal Permit	10	10
Single-Play Permits (primarily adults)	7	15
Reservations	7	15

SOURCE: Department of Parks and Recreation  
 NOTE: Given the price differential between single-play passes and seasonal passes for seniors and juniors, IBO assumes that single-play passes are used almost exclusively by adults.

*Independent Budget Office*

Park reservations must be made over the phone or in-person rather than through the department’s online system. Because data on reservations purchased for courts at Central Park and Prospect Park are only available on a calendar year basis, they are not included in the total number of reservations reported in this fiscal brief.

**After Fee Increase for Adult Seasonal Permits, Revenue Up Slightly But Volume Down Sharply.** Since the fee increase at the start of the 2011 tennis season, which affected adult players by increasing the cost of seasonal and single-play permits, as well as reservations, volume has declined for two consecutive years. Adult seasonal permits declined by 38.8 percent in 2011, to 7,802 permits, followed by a 6.8 percent decline in 2012, to 7,265. The volume for single-play permits fell by one-fifth in 2011 to 18,891 and by almost another one-third in 2012 to 12,755. Over the two-year period, adult seasonal permits declined by 43.1 percent and single-play permits declined by 45.8 percent.

The fee increase did result in an uptick in revenue—despite the sharp decline in volume—with overall revenue for adult seasonal and single-play permits increasing 14.0 percent, to \$1.6 million in 2012. Adult seasonal permit revenue increased from \$1.3 million in 2010 to \$1.5 million by 2012, a 13.7 percent increase. Revenue from single-play permits increased by 16.2 percent, from \$165,000 to \$191,000.

<b>Adult Tennis Permit Volume Drops Sharply Following Fee Increase</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>Percent Change, 2010 to 2012</b>
<b>Permit and Reservation Volume</b>				
Adult Seasonal Permits	12,774	7,802	7,265	-43.1%
Single-Play Permits	23,512	18,891	12,755	-45.8%
Reservations	7,893	4,598	2,843	-64.0%
<b>Permit and Reservation Revenue (in thousands)</b>				
Adult Seasonal Permits	\$1,277	\$1,390	\$1,453	13.7%
Single-Play Permits	165	201	191	16.2%
Reservations	55	61	43	-22.8%
<b>Total Adult Permit and Reservation Revenue</b>	<b>\$1,497</b>	<b>\$1,651</b>	<b>\$1,687</b>	<b>12.7%</b>

SOURCE: Department of Parks and Recreation  
 NOTE: Permits and reservations sold at Central and Prospect Parks are not by fiscal year and thus not included in this analysis. IBO estimates revenue based on number of permits sold and unit cost. The permit revenue does not include other sources of tennis revenue including locker fees, permit duplicates, and discounted tennis permits for parks employees.

*Independent Budget Office*

The volume of reservations dropped even more steeply than the volume of adult permits, leading to a decline in revenue from reservations despite the rise in the reservation fee from \$7 to \$15 in 2011. Reservations sold online, at borough offices and Paragon Sports decreased by 64 percent, a decline of \$12,000, from 2010 through 2012.

**Other Tennis Season Permits Show Varied Results.**

Seasonal permits for seniors and juniors, which did not increase in costs, saw divergent trends since 2010. There were more seniors purchasing seasonal passes, up by 26.7 percent from 4,346 in 2010 to 5,505 in 2012. Junior seasonal permits, on the other hand, saw a 19.9 percent decline from 2010 to 2011, before increasing by 6.4 percent in 2012. Since the fees for these permit types did not increase, the percentage change in revenue is identical to the percentage change in permit volume.

**With No Change in Fees, Senior Permits Increase and Junior Permits Decline**

	2010	2011	2012	Percent Change, 2010 to 2012
Senior Season Permit Volume	4,346	5,101	5,505	26.7%
Junior Season Permit Volume	3,565	2,854	3,037	-14.8%

SOURCE: Department of Parks and Recreation  
Independent Budget Office

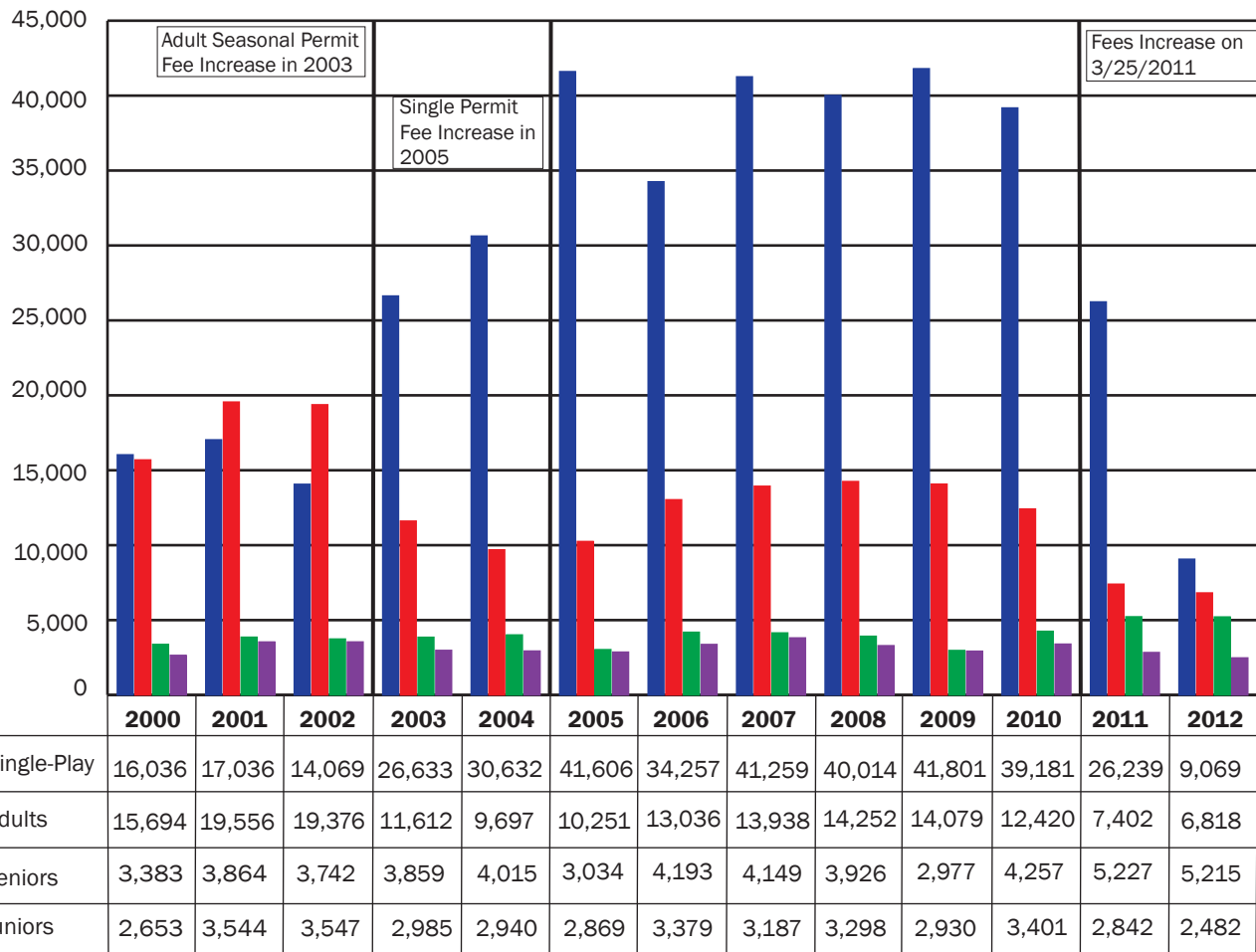
**City Has Not Met Revenue Targets for Tennis Permits.**

While the city does not routinely publish a stand-alone estimate of annual revenues from the sale of tennis permits, it did produce an estimate of the new revenue anticipated from the higher permit fees: an additional \$1.2 million in 2011 and \$1.6 million in 2012.<sup>2</sup> IBO compared total revenue generated by permits in 2011 and 2012 with revenue from 2010 to see whether the city met its targets

**Sales of Permits Decline After Fees Increase**

By Calendar Year, 2012 through June

Permit Volume



SOURCE: Department of Parks and Recreation

Independent Budget Office

for additional revenue. Based on all permits sold, including adults, seniors, juniors, single-play and reservations, the city collected \$1.8 million in 2010, increasing to \$2.0 million in 2011. The increase of \$220,000 was less than one-fifth of the projected gain of \$1.2 million from the higher permit fees. In 2012, the city collected \$2.1 million, falling about \$1.3 million short of the projected increase.

**Long-Term Trends in Tennis Permit Volume.** IBO looked at trends in permit volume from calendar years 2000 through 2012 to see how New Yorkers' response to the 2011 rise in tennis fees compared with their response to increases in fees for adult seasonal permits (from \$50 to \$100) in 2003 and single-play permits (from \$5 to \$7) in 2005. While sales of adult seasonal permits declined following both rounds of fee increases, after 2003 many New Yorkers responded by substituting single-play permits for seasonal passes, at least until single-play permit fees also increased in 2005. (Unlike the data reported above, which are in fiscal years, these data were available in calendar years, which correspond closely to the tennis season.)

Sales of seasonal tennis permits for adults peaked in calendar year 2001, at nearly 20,000. The volume of seasonal permits fell sharply in response to fee increases in both 2003 and 2011 and by the latter year just 6,818 permits were sold—nearly two-thirds less than in 2001. The 2003 decline in adult seasonal permit volume was accompanied by rapid increases in sales of single-play permits, which nearly doubled in 2003 and nearly tripled by 2005. The increase in single-play permits probably occurred because their price did not increase until mid-2005. That same pattern did not hold in 2011, however, probably because fees for both types were increased at the same time.

## Recreation Centers

The city doubled fees for adults and more than doubled fees for seniors at recreation centers at the start of fiscal year 2012. Following the fee increases, paid membership declined by 51.9 percent in 2012, keeping the city from realizing an expected boost in revenues. Instead, 2012 recreation center revenue was comparable to 2011, falling \$4.0 million short of the city's projection of \$8.8 million.

**Recreation Centers: Membership and Fees.** Citywide, there are 35 DPR recreation centers, 12 with indoor pools and 23 without indoor pools. Currently, one of the 35 centers is closed and undergoing renovation by the

## A Note on the Data

Data on permit and reservation volume was provided by the parks department. Data on revenue was retrieved from the city's Financial Management System or provided by the Mayor's Office of Management and Budget.

The parks department provided monthly tennis permit data by type of permit and where it was sold for sales at the Arsenal building and the department's borough tennis permit offices. Sales online and by mail are combined and reported with in-person sales at the Arsenal. While Paragon Sports does not provide the department with monthly data, it was possible to combine data for permits sold at Paragon Sports with the parks department monthly data to obtain total permit sales for both fiscal and calendar years. Permits and reservations sold at the Central Park and Prospect Park tennis centers are reported back to the parks department on an irregular basis and thus could not be combined with the monthly and fiscal year data.

DPR provided the number of recreation center memberships sold each month by type. An individual can purchase a membership either to centers with pools or to centers without pools at any recreation center in the city and is not limited to the center where s/he purchased the membership.

To track ballfield permits, DPR's RecWare program captures the number of permits sold in each borough and the total cost of the permits. The tracking program does not distinguish between the different types of fields and provides no information on other aspects of the permit, such as whether the field has lights or for how long it is being used. As a result, IBO's ability to assess the impact of fee increases on ballfield permits was limited. The parks department recognizes this limitation and is planning to switch to the Citywide Events Management System to track more detailed ballfield permit data.

parks department, although it was open during the period covered by this report and is included in the analysis. The city's recreation centers were free of charge until 2003, when the parks department began to charge membership fees for adults and seniors; memberships for children 17 and under remain free. Adults pay more to use recreation centers with pools, while seniors pay the same fee for any center. In 2012, the cost of adult permits doubled to \$150 a year for recreation centers with pools and \$100



a year for centers without pools. Adults can purchase a six-month membership for half the cost of the annual fee. The membership fee for seniors went up from \$10 a year to \$25 a year for all recreation centers. Additionally, the eligibility age for senior membership at recreation centers was increased from 55 to 62.

**Paid Memberships Drop After Fees Increase.** In 2012, the first year following the most recent fee increases, annual paid membership for recreation centers fell by 51.9 percent, from nearly 96,000 memberships in 2011 to about 46,000 (IBO counts two six-month memberships as one annual membership). Declines were steepest for full-year adult memberships and senior memberships, while six-month adult memberships saw a smaller drop.

For recreation centers without pools, adult 12-month memberships decreased by 68.6 percent and annualized six-month memberships fell by 11.6 percent. The declines were slightly steeper at recreation centers with pools: a 72.8 percent fall in full-year memberships and 15.9 percent decline in six-month memberships. Nonetheless, memberships for centers with pools remained more popular than the less expensive membership restricted to centers without pools. Adult full-year memberships at recreation centers without pools dropped from just over 7,000 in 2011 to 2,200 members in 2012. The number of adults who purchased the more expensive annual membership to

access all recreation centers, including those with indoor pools, fell from 32,000 in 2011 to 8,900 members in 2012.

Although fees for both full-year and six-month adult memberships doubled, the increases appear to have led some New Yorkers to switch their memberships from full year to six months. Before the increase in fees, there were twice as many full-year members than six-month members on an annual basis: nearly 40,000 full-year members compared with about 20,000 six-month members. After the fee increases, however, the six-month membership became the more popular option, with just over 11,000 full-year members compared with nearly 17,000 six-month members.

There were two factors that affected senior memberships: a 150 percent increase in the annual fee and an increase in the eligibility age, from age 55 to age 62. While the eligibility age rose, individuals between the ages of 55 and 61 who held senior memberships before the change and who continue to renew their memberships prior to the expiration date will still qualify for the senior citizen rate. Senior memberships declined 50.1 percent in 2012, from about 36,000 to just over 18,000 members. The data do not allow us to evaluate whether the decline was in response to the higher fee, the increase in eligibility age, or both.

**Sales of Memberships Spiked Prior to the Fee Increase.**

Sales of annual memberships reported on a monthly

**Paid Membership at Recreation Centers Declined By More Than 50 Percent After Fee Increase**

	Fee Increase	Annual Members		Change in Membership	
		2011	2012	Members	Percent
Recreation Centers Without Pools Adult Memberships		12,092	6,695	(5,397)	(44.6%)
Adult Full-Year Memberships	\$50 to \$100	7,009	2,200	(4,809)	(68.6%)
Adult Six-Month Memberships	\$25 to \$50	5,083	4,495	(588)	(11.6%)
Recreation Centers With Pools Adult Memberships		47,443	21,298	(26,145)	(55.1%)
Adult Full-Year Memberships	\$75 to \$150	32,702	8,907	(23,795)	(72.8%)
Adult Six-Month Memberships	\$38 to \$75	14,741	12,391	(2,350)	(15.9%)
Senior Memberships	\$10 to \$25	36,153	18,055	(18,098)	(50.1%)
Child/Youth Memberships	free	62,391	62,402	11	0.0%
Annual Paid Memberships		95,687	46,047	(49,640)	(51.9%)

SOURCE: Department of Parks and Recreation

NOTE: Two six-month adult memberships are counted as one annual adult membership, so the number of six-month memberships purchased is twice the reported annual memberships. Seniors do not have a six-month membership option.

Independent Budget Office

basis show a spike in memberships sold in June 2011, just before the fee increase was set to take effect on July 1, 2011. Members were able to renew memberships early, before the fee increase took effect. However, if they renewed a membership in June that was not due to expire until September 2011, the new membership took effect right away and the member essentially lost the remaining time on the expiring membership.

Monthly sales of memberships were below 4,500 each month from July 2011 through April 2012, lower than in any month between July 2009 and June 2011. Sales for the 10-month period averaged 3,500 memberships a month, compared with an average of 6,800 memberships a month over the same period in 2011. During May and June of 2012, the last two months of the fiscal year, membership sales were more than double the average for the rest of the year—over 9,000 in May and close to 11,000 in June. Although the data do not distinguish between first time and repeat sales, a considerable share of June sales are likely to have been renewals of memberships purchased in June 2011.

**City Falls Short of Revenue Projections.** The parks department expected \$8.8 million in revenue from recreation centers and recreation-related fees in 2012, an

**2012 Recreation Center Revenue on Par with 2011, City Falls Short of Projection**

*Dollars in millions*

Year	Recreation Center Membership Fee Revenue	Total Recreation Center Revenue	Projected Total Revenue	Over/(Under) Projection
2010	\$4.31	\$4.75	\$4.82	(\$0.07)
2011	4.55	4.70	4.82	(0.13)
2012	4.31	4.76	8.82	(4.07)

SOURCES: Department of Parks and Recreation; Financial Management System

NOTES: Recreation center membership fee revenue based on number of memberships sold each year and does not include other revenue sources such as fees from lawn bowling or Junior Ranger program.

*Independent Budget Office*

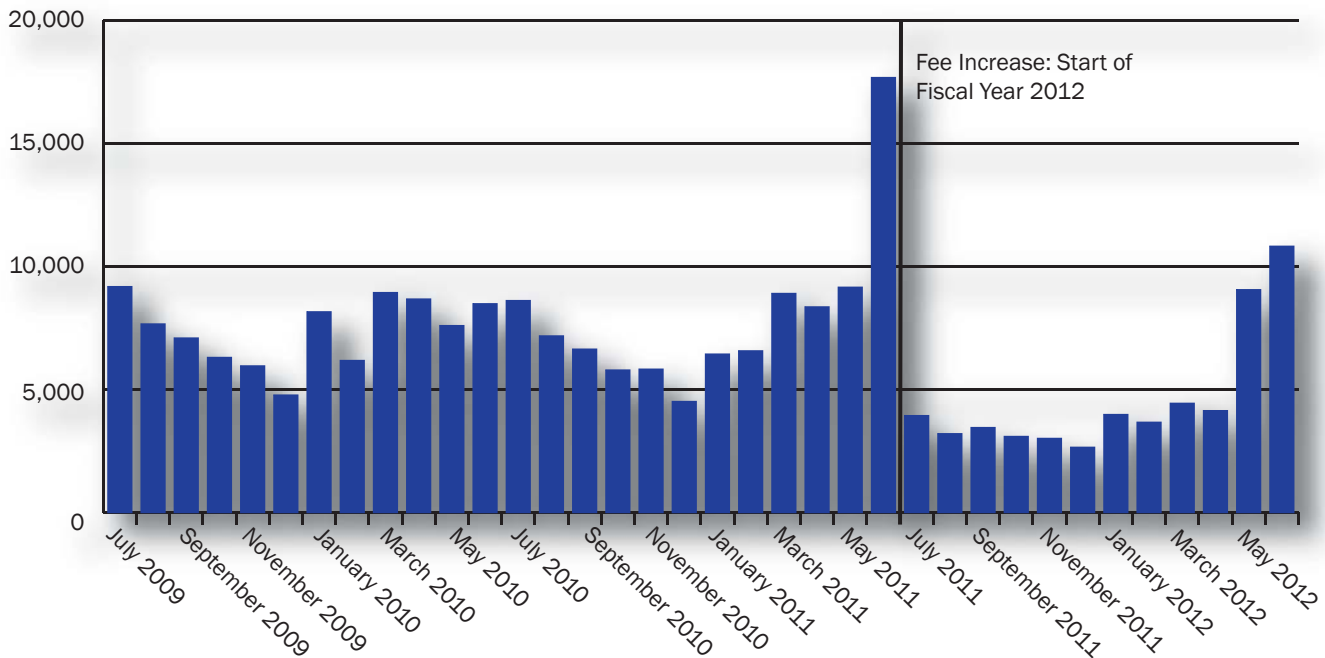
increase of \$4.0 million resulting from the higher fees for recreation center memberships. However, actual revenue in 2012 fell far short of that target and was roughly on par with revenue prior to the fee increase.

In addition to membership fees, which represent about 90 percent of the revenue associated with recreation centers, the city also includes a few other fees, such as revenue from the Junior Ranger program, the Alley Pond Park adventure course, the Natural Classroom program,

**Sales of Recreation Center Memberships Spike Before Fee Increase**

■ Annual Paid Members

Paid Annual Members



SOURCE: Department of Parks and Recreation

NOTE: Two six-month memberships are counted as one full-year membership. Includes adult and senior members.

*Independent Budget Office*

lawn bowling, and kayak rentals. Recreation center revenue directly attributable to membership fees, estimated using membership numbers, was \$4.31 million in 2010, \$4.55 million in 2011, and \$4.31 million in 2012. Total recreation center revenue was similarly flat: \$4.75 million in 2010, \$4.70 million in 2011, and \$4.76 million in 2012. In 2012, total recreation center revenue was about \$4.0 million shy of the city's projection.

## Ballfields

Due to limits on the data available on ballfields (see sidebar, page 5), our analysis of the impact of increasing the cost of permits to use them is constrained. Fewer permits were sold following the fee increase, although the city appears to have hit its revenue projection, presumably because of changes in the mix of permits purchased.

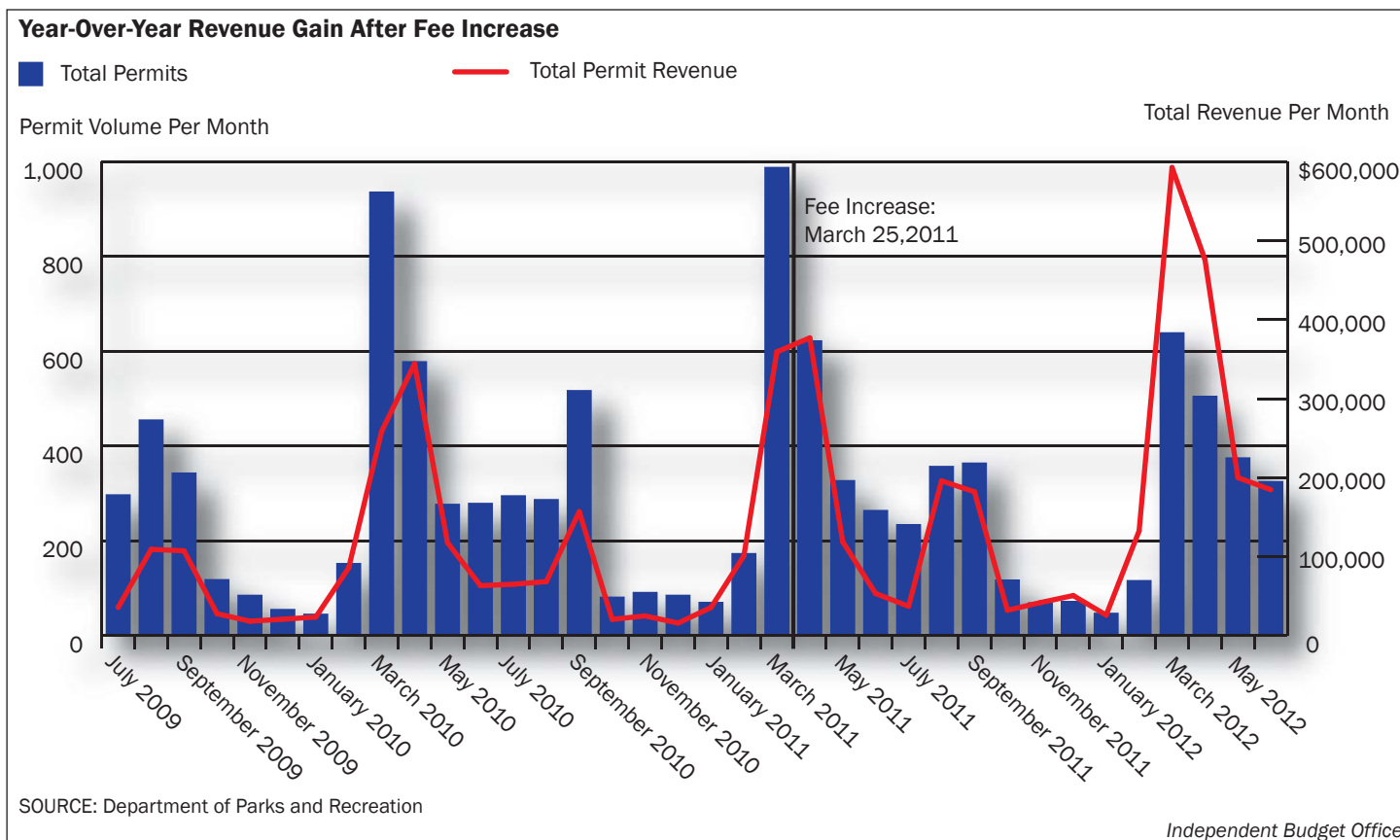
**Ballfield Permit Cost, Volume, and Revenue.** Individuals and leagues purchase ballfield permits for the season, with the cost based on the number of hours, type of field or sport, and whether the field has lights. Youth leagues with players under 18 years of age apply for permits, but do not pay a fee. The fee for ballfield permits increased on March 25, 2011, just prior to the spring season. The permit for a baseballfield without lights rose from \$8 to \$12.50 per

hour. The cost for a field with lights went from \$16 to \$25 per hour.<sup>3</sup> There were similar increases for the other types of fields and hardtop playing surfaces.

As was the case with recreation centers, the number of ballfield permits sold jumped in March 2011, just prior to the fee increase at the end of the month. But it is less clear that the spike in permits was associated with the fee increase. It was not dramatically higher than the number sold in March 2010, when there was no fee increase looming. In March 2012, though, permit volume declined from the preceding March. Despite a decrease in permit volume, monthly revenue in March 2012 was \$593,000, 65 percent more than in March 2011 when there was a spike in permits sold. March 2012 ballfield permit revenue was the parks department's highest monthly total since July 2009.

In the first months after the fee increase, monthly revenue was up only slightly or even lower than for the same month in the previous year. Beginning in August 2011, monthly revenue has generally been substantially higher than in the corresponding month prior to the fee increases.

In November 2010, the city projected additional revenue of \$180,000 and \$720,000 in 2011 and 2012, respectively,





## City Meets Targets for Ballfield Revenue in 2011 and 2012

Dollars in thousands

Year	Permit Volume	Annual Ballfield Revenue	Increase	Projected Increase	Over/ (Under) Projection
2010	3,620	\$1,212			
2011	3,800	\$1,397	\$185	\$180	\$5
2012	3,220	\$2,152	\$755	\$720	\$35

SOURCES: Department of Parks and Recreation, New York City Financial Management System

Independent Budget Office

## Endnotes

<sup>1</sup>Tennis permit holders can purchase but not modify online reservations at Central Park. Unlike for other courts listed in the tennis court reservation online system, Central Park allows modifications via phone or in person to reservations that are made in person, at borough offices, by phone, and at Paragon Sports.

<sup>2</sup>The city provides annual revenue projections at the revenue source code level. Tennis permits and ballfields are both sub-revenue sources within the same broader revenue source, which also includes special events and ice skating. As a result, the city's annual revenue projections are only available for the larger group of fees that are not connected to park's fee increases on tennis permits and ballfields. Furthermore, there are some additional fees collected from tennis courts, such as locker rentals, that are included in the sub-revenue source for tennis permits, but are excluded here. IBO estimated revenue based on permits sold.

<sup>3</sup>Prior to March 25, 2011, ballfield permits were sold per session, not per hour. DPR defined a session as two hours of playing time on any field, except on Manhattan fields on weekdays after 4 p.m. when a session was 90 minutes. For consistency, we report the fees on an hourly basis, as they are currently charged.

from raising the cost of ballfield permits. Unlike the revenue targets for recreation centers and tennis courts, the city met the projection for ballfield revenues in both years. As with tennis permits, the city does not produce an estimate of the total ballfield revenue, but we can compare the projection for new revenue resulting from the higher fees when the proposal was introduced with the actual increases from 2010 to 2011 and 2012. The increase in total revenue from 2010 to 2011 was consistent with the projection that the fee increase would result in \$180,000 additional revenue for 2011 (the higher fees were only in effect for the last three months of the fiscal year). In 2012, when the city had projected that the higher fees would yield \$720,000 in new revenue, the growth in actual revenue from 2011 to 2012 exceeded that amount by \$35,000.

## Conclusion

The parks department raised its fees for tennis permits, recreation center memberships, and the use of ballfields as part of a citywide effort to close projected budget shortfalls. While anticipating some fall-off in usage, the city still projected that the new fee schedules would raise \$6.3 million in additional revenue in 2012. The decline in sales of tennis permits and recreation center memberships was far steeper than expected, however, and the gain in revenue totaled roughly \$1.1 million—a fraction of what had been expected.

Perhaps equally troubling, the sharp drop-off in parks usage runs counter to the Bloomberg Administration's anti-obesity and other health policy initiatives.

*This report prepared by Rachel Berkson*

Receive notification of IBO's free reports by [e-mail](#)

[Facebook](#)

[Twitter](#)

[RSS](#)