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Enacting a Ticket Surcharge to Strengthen New York City's Parks

New York City's parks badly need an infusion of funds—and a more reliable mechanism for paying for their growing maintenance needs. One option worth considering is implementing a modest surcharge on tickets sold at the city's major stadiums, arenas, and concert venues, with the revenue dedicated exclusively to park maintenance. The report concludes that several actions are needed to implement this.

by John Surico and Eli Dvorkin

New York City's parks badly need an infusion of funds—and a more reliable mechanism for paying for their growing maintenance needs. Though New Yorkers have flocked to parks in record numbers in recent years, putting new strain on park infrastructure across the five boroughs, city funding has failed to keep pace. Last year, for instance, the city's Parks Department (NYC Parks) absorbed a $20 million budget cut, and today the agency is meeting less than a third of its $725 million in state-of-good repair needs.[1] But this is a perennial problem, and it requires fresh ideas to generate the sustained funding increases that are so needed.

One option worth considering is implementing a modest surcharge on tickets sold at the city's major stadiums, arenas, and concert venues, with the revenue dedicated exclusively to park maintenance. Such a surcharge could generate as much as $190 million annually for city parks, enough to make significant progress in tackling the backlog of state-of-good-repair needs and hire hundreds or even thousands of additional full-time maintenance staff citywide. Even a fee of just 1 percent—only $1.20 on top of the city's average event ticket price of $120—would generate over $38 million in recurring annual revenue.

To be sure, delivering the safe, clean, accessible, and inspiring parks that New Yorkers deserve should start with a major increase in city tax levy funding. But given decades of underfunding for parks and the sober reality that the next four years could bring additional fiscal challenges for the city, New York's leaders would be wise to consider options for generating dedicated new revenue streams. This can help offset some of the budgetary uncertainty that the department faces annually, and provide reliable, ongoing funding that the agency can deploy to address maintenance needs swiftly and equitably.

A ticket surcharge is one of the best opportunities to supplement city resources, and one that has been implemented successfully in other cities. Policymakers could choose from a range of scenarios—from a $1 surcharge on all tickets sold to a 1 percent, 3 percent, or 5 percent fee applied to the total ticket cost. The Center for an Urban Future estimates that such a surcharge would generate anywhere from $15 million to $190 million annually, including both primary and secondary market sales. To minimize the impact on working- and middle-class New Yorkers, the city could exempt all tickets valued below $30 while still capturing much of the projected revenue.

A significant share of that revenue would be generated from ticket sales to events at stadiums and arenas that are located on city parkland, including Yankee Stadium, Citi Field, the USTA Billie Jean King National Tennis Center, and Maimonides Park in Coney Island, where the Brooklyn Cyclones play. This mechanism could also help ensure that public parks benefit from the siting of new casinos in New York City, as these venues would all generate substantial revenues from ticketed events.

New York City would not be the first municipality to implement a ticket surcharge to fund public infrastructure. Cities including Columbus, Ohio; Denver, Colorado; and Atlanta, Georgia have all implemented ticket fees or surcharges that support public assets, including parks, arts, and culture. This report lays out the revenue-generating potential of a ticket surcharge, outlines the benefits to New Yorkers of dedicated, recurring revenue for parks maintenance, details the action steps needed to implement this proposal, and highlights workable models from other cities.

The report concludes that several actions are needed to implement a surcharge in New York City. First, the state should pass legislation authorizing the city to enact a local law that would implement this surcharge. The city would then pass a new local law that would authorize the city's Department of Finance to collect this surcharge and lay out the rules around its implementation. To ensure that the dollars generated directly support parks maintenance needs, the state should also pass legislation to create a new entity, a Parks Improvement Trust, that would be funded with the surcharge proceeds—ensuring that the revenue is used only to support parks maintenance needs. Lastly, the rules governing the Trust could include a provision whereby the city is only able to access the funding if it maintains the NYC Parks's budget at or above a certain threshold—for instance, the current FY 2025 funding level—thereby preventing the city from using Trust funding to supplant city tax levy allocations to the NYC Park's annual budget.

Taken together, these steps could enable New York City to generate millions of dollars in recurring annual revenue to support vital parks maintenance needs, reducing year-over-year uncertainty around parks maintenance funding and helping the city to deliver the parks that New Yorkers deserve.

Why implement a ticket surcharge for New York City's parks

NYC Parks stewards more than 30,000 acres of public land, including nearly 2,000 parks, 1,000 playgrounds, hundreds of recreational facilities, 14 miles of beaches, and millions of trees. These spaces play a critical role in creating and sustaining a vibrant, healthy, livable city by boosting mental and physical health; attracting visitors and retaining residents; lifting property values and fostering economic development; supporting the needs of older adults, teens, and families with young children; and leading the city's efforts to combat the effects of climate change.

In each of these areas, sufficient and reliable maintenance funding is essential for ensuring that New Yorkers experience the full benefits that parks can provide. Maintenance dollars keep facilities and amenities clean, safe, and open to the public; sustain essential but underappreciated infrastructure like the catch basins that prevent flooding; ensure equitable access to natural areas; combat the growing threat posed by invasive species and climate change; and improve resiliency to extreme weather events and other growing challenges. Keeping up with all of these growing needs is nearly impossible when public investment is chronically insufficient, and each fiscal year presents budgetary uncertainty and fluctuations.

To help address this longstanding problem, the Center for an Urban Future's 2024 report, *Paying for the Growing Needs of NYC's Parks*, proposed 20 specific ideas to generate dedicated, recurring revenue to support a cleaner, safer, greener, and more functional public park system.[2] That research included interviews with dozens of parks and policy experts, and an analysis of existing funding models in the city and nationwide. Our report found that many major cities in the United States, facing growing parks usage and increasing demands to improve quality of life for residents, are developing creative ways to better fund parks and public spaces with dedicated dollars. New York City is falling behind.

One of the most promising mechanisms in use nationwide is a surcharge on ticket sales at concerts and sporting events to fund public infrastructure, like parks or cultural venues. The argument in New York City for such a surcharge is two-fold.

First, cities have increasingly recognized that parks function as a key driver of tourist visitation but rarely benefit from other revenue mechanisms designed to capture value from tourism, like hotel occupancy taxes. According to the Trust for Public Land, a national advocacy and research organization, New York City's parks generate about $17.9 billion in tourism spending annually, but do not benefit directly from that impact.[3] A ticket surcharge can help capture a modest portion of the revenue generated by visitors to reinvest in parks in ways that benefit all New Yorkers.

Second, several of New York City's premiere event venues are located on city park land, including Yankee Stadium, Citi Field, the USTA Billie Jean King National Tennis Center, and the potential site of at least one proposed new casino. An event ticket surcharge could help ensure that these revenue-generating facilities that exist in place of publicly accessible parkland are able to contribute to their maintenance and upkeep.

"Why do people come to New York? They come for our parks. They come for our culture, and to visit institutions located in our city's parks," says Emily Walker, who oversees advocacy and policy for the Natural Areas Conservancy. "So, it seems reasonable that there should be some sort of surcharge to support the care and maintenance of these spaces."

In New York City, there is a growing recognition that commercial activity in parks should benefit the public good. The 2024 Governors Ball Music Festival, held in Flushing Meadows-Corona Park, included a $1 donation tacked onto ticket sales, voluntarily included by the event organizers, which raised $90,000 for the Alliance for Flushing Meadows-Corona Park, the nonprofit organization that helps care for Queens' 897-acre signature park. Additionally, private conservancies and alliances use permit fees and ticket sales to raise money for maintenance.

Still, these efforts are limited in scope and impact. Parks have no legal mechanism to capture that value, even though there are currently three stadiums located on parkland: Yankee Stadium, Citi Field, and the USTA Billie Jean King National Tennis Center, where the U.S. Open is held each year. As it stands, each stadium pays a ground lease to NYC Parks, but those dollars flow back to the city's General Fund, where all collected revenue currently ends up. It is then divided up in budget negotiations and allocated to various city agencies, which, as mentioned earlier, is a process that has historically shortchanged parks. A nominal surcharge on ticket sales dedicated to parks maintenance would create a robust recurring revenue source necessary to help lift thousands of neglected parks and open spaces.

"The long 40-year defunding of parks is a policy issue," says Adam Ganser, executive director of New Yorkers for Parks, a citywide advocacy organization. "But coming out of COVID-19, the importance of our parks and open spaces—and the conditions of those spaces—became top of mind to everyone who was using them. Right now, there really is an appetite for change to fund our parks more."

Calculating a "Parks Improvement Trust" surcharge

Our first-of-its-kind analysis of the potential revenue impact of an event ticket surcharge considers several important variables. First, the surcharge could be applied to all tickets sold for events in New York City, including major sports venues such as Madison Square Garden, Barclays Center, Yankee Stadium, Citi Field, and U.S. Tennis Center, as well as concerts and ticketed live performances at all venues, including concert halls and Broadway shows.

NYC Ticket Sales and Revenues, 2023

Event Category	Data source	Total tickets sold	Total ticket sales revenue
CONCERTS AND PERFORMANCES	POLLSTAR	5,929,164	$662,582,953
MAJOR LEAGUE SPORTING EVENTS	REVENUE REPORTS FROM VENUES	12,026,143	$1,111,198,000
BROADWAY SHOWS	BROADWAY LEAGUE	12,209,000	$1,539,278,706
SECONDARY MARKET	ESTIMATES FROM RESEARCH BY CONNOLLY & KRUEGER?	APPROX. 3,016,430	APPROX. $496,958,949
TOTAL	-	33,180,737	$3,810,018,608

Our previous report initially proposed a flat surcharge of $1. We ultimately expanded our analysis to include a percentage-based surcharge to both maximize potential revenues and reduce the impact on lower-cost tickets (for instance, a 3 percent surcharge would add just .90 cents to the cost of a $30 ticket). A 3 percent surcharge likely offers policymakers the most equitable approach, resulting in the highest potential revenue without overburdening the user. Policymakers could also exempt all tickets under a specific threshold, perhaps $30, from the surcharge, as well as events like SummerStage and Celebrate Brooklyn that already generate revenue for parks. Crucially, this surcharge could also be applied to all tickets sold in the secondary/resale market. Although exact figures on the size of the resale are not available, that market is estimated to be worth approximately 15 percent of the total primary market in terms of revenue.[5]

Total Projected Revenue from a Parks Improvement Trust Surcharge

Surcharge amount	Surcharge total on average NYC ticket price ($120)	Applied to major sports venues (annually)	Applied to all primary market ticket sales (annually)	Applied to all tickets, primary & secondary (annually)
$1	$1	$12,026,143	$30,164,307	$33,180,737
1%	$1.20	$11,111,980	$33,130,600	$38,100,186
3%	$3.60	$33,335,940	$99,391,800	$114,300,558
5%	$6	$55,559,900	$165,653,000	$190,500,930

Source: Center for an Urban Future analysis of ticket sales and revenue data from Pollstar, Broadway League, and revenue reports published by major stadiums and arenas.

What other cities have done to generate revenues from a ticket surcharge

COLUMBUS, OH: COLUMBUS TICKET FEE FOR CULTURE

In 2018, Columbus enacted an "arts and culture" fee on ticketed events to fund the upkeep of the city's cultural institutions and provide artists with stipends. With different home rules in Ohio, the fee structure only needed approval from city legislators. In 2023, the 5 percent fee generated $10.7 million, which flows into two new funds: the Creation, Innovation & Inclusion Fund and the Facility Stabilization Fund. Funds are granted to local organizations by the Greater Columbus Arts Council.

Achieving this outcome took significant negotiation. "What's the right percentage? Is it going to generate the income that you need?," asks Jami Goldstein, a vice president at the Greater Columbus Arts Council, who first studied the fee proposal and led its advocacy. "How do we make sure that lower-income people aren't adversely affected? How do we protect our smaller venues?" Those concerns, Goldstein says, led to caps on capacity and price.

A separate deal was made with the city's largest venue, Nationwide Arena, which is publicly owned and receives 80 percent of the surcharge revenue generated from sales to its own events, with the other 20 percent flowing into the citywide fund. The ticket fee was also levied on third-party ticket sellers, which now generates the bulk of dollars (direct sales from public universities, for instance, were exempt from the initial fee). "Because it's a reseller market, we can charge the tickets sold to Ohio State University sports events, but not OSU directly, since it's no longer the university selling it," says Michael Brown, the chief of staff of the City Council, who spearheaded the bill. "The university was very happy with that."

But a dedicated campaign of supporters, says Brown, that showed up to testify at meetings and hearings was crucial. "You have to keep public support high," said Brown. "We did find that voters understood the difference between a tax that everyone pays and a voluntary fee on a thing you choose to do."

ATLANTA, GA: REVENUE STREAMS SUPPORT A PARK IMPROVEMENT FUND

The city has several recurring revenue streams for parks: ticket charges; golf course fees; and windfalls from the development of multi-family units built close to The Beltline. In the 1970s, the City Council created a Park Improvement Fund to collect those revenues, and recently doubled its annual allocation to $32 million, changing the formula to prioritize maintenance.

"It's not an entity, but a budget line for Parks," says Michael Halicki, president of Park Pride, a citywide parks advocacy organization. "There are oversight measures, like a presentation of the plan with this newfound pot of money to understand exactly where those dollars are going, how the maintenance dollars are spread out across the city, and it also gives a list of all the different capital projects."

DENVER, CO: SUPPORTING DENVER PARKS & RECREATION

Red Rocks Amphitheatre has an informal agreement where 75 cents on each ticket sold goes towards Denver Parks & Recreation. Brian Kitts, a spokesperson at Denver Arts and Venues, said the cost is invisible to customers as part of the venue's "facility fee." It also doesn't apply to tickets to community programming that costs less than $20, like a yoga class. Red Rocks has 1.7 million paying customers each year. "[The revenue] is not going to save parks," says Kitts, "but it is going to pay for a few salaries."

How New York could create a ticket surcharge to better fund parks

CAPTURING VALUE FROM TICKET SALES

Our research looked at the legal mechanisms available in New York to capture this revenue and allocate it specifically to support maintenance needs in the city's public parks. The first step is the authorization and subsequent implementation of a surcharge. The majority of the city's abilities to tax or add fees to a transaction are governed by the state; as a result, an effort to enact a surcharge on ticket sales would likely have to start in Albany.

Experts say that while the city could theoretically proceed to enact a new surcharge on its own, the wisest course of action is for the state to grant the city the authority to do so. This step would address what's known as "state preemption," or the situations that arise when the state uses its authority to invalidate or supersede a local tax or regulation.

"If the state were to pass a law authorizing New York City to adopt a local law imposing a charge, that would certainly get rid of the local authority question," says Richard Briffault, a law professor at Columbia University and scholar on state and local government. "It's helpful; it eliminates a legal issue. It's out of an abundance of caution. Then it's just a matter of getting it on the agenda and moving it. But that's a political issue, not a legal issue."

The process would first start with a home rule resolution from the City Council, calling on the state to pass a law authorizing the City of New York to collect a "parks improvement surcharge." Once the state approves such legislation, then the city would have to take the pro forma step of introducing and passing legislation in the City Council, signed by the mayor, to enact such a surcharge.

A key legal issue is who is in charge of collecting the surcharge, says George Sweeting, a senior fiscal policy fellow at the New School's Center for New York City Affairs who worked at the city's Independent Budget Office. If a surcharge is connected to existing taxes, the state would likely take responsibility for its collection—potentially limiting the financial benefit for the city. But if the surcharge is designed as an entirely new revenue source that only applies within the five boroughs, then the city would have a better chance of controlling the collection and administration.

"If the surcharge is imposed on top of an existing state-administered tax, the state would likely charge the city a fee for administration as it currently does with the city income tax and sales tax," says Sweeting. "Second, the state has a habit of 'intercepting' city revenue that it collects for the city's benefit and spending it on state needs. If you went with a city-only surcharge, it should be possible to have the city's Department of Finance do the collection."

RETAINING FUNDS EXCLUSIVELY FOR PARKS

Any revenue that NYC Parks collects—from ground leases, concessions, merchandise, etc.—goes to the city's General Fund. This system, which collects all revenues except real estate taxes, was created in 1975 through the New York State Financial Emergency Act, at a time of fiscal crisis. The idea was that agencies funding their own budgets could invite corruption and mismanagement. However, our research suggests that this framework, while rooted in sound principles, disincentivizes agencies to innovate when it comes to generating revenue, since they have almost no ability to improve their own operations by doing so. In addition, the absence of a dedicated revenue stream makes it highly challenging for NYC Parks to budget for ongoing maintenance year-over-year, as officials never know whether their budget will be cut in the next cycle.

To avoid simply adding revenue to the General Fund, the creation of any surcharge would have to be paired with a new body charged with collection and dedicating the funds to parks maintenance in order to have the intended effect. Like any other tax or fee, ticketing businesses would be responsible for reporting that revenue to the city's Department of Finance at the end of their fiscal year. The agency would then have to issue funds to the new Parks Improvement Trust, which would act as a pass-through entity to NYC Parks.

There is precedence for what this entity could resemble. The state created the Battery Park City Authority in 1968, which utilizes tax revenue and a "parks maintenance fee" levied on residents and local businesses to maintain 36 acres of green space. In 1978, the state created the New York Convention Center Development Corporation, which leveraged hotel stay surcharges to construct and later modernize the Jacob K. Javits Convention Center. The New York Municipal Water Finance Authority was set up in the 1980s to impose charges to pay for infrastructure related to clean drinking water and sewage treatment, and was paid for by bonds insulated from the budgeting process set and collected by the Water Board. In 1998, the state passed a law to form the Hudson River Park Trust, a city-state hybrid that can hold onto concessions revenue to steward four miles of parkland along Manhattan's western waterfront.

Next steps toward implementing a ticket surcharge for parks

As city and state policymakers consider ideas for sustaining a vibrant and equitable public parks system for decades to come, a new source of dedicated, recurring revenue could provide lasting benefits to New Yorkers and their neighborhood parks. To maximize these benefits, the surcharge legislation should take into consideration a few key elements.

First is built-in flexibility to amend the charge over time. "You'd want to think about flexibility on increasing it over at least a 10-year period, as inflation eats away at the value of a surcharge, says Sweeting. "You'd want some mechanism for adjusting it."

Additionally, lawmakers should weigh some guarantee that the revenue generated through the Parks Improvement Trust will not supplant existing city funds, but rather, complement it. "You don't want to wind up doing all of this and then just having it just be another way for the city to cut back on its commitments," Sweeting says. Legislators could consider a mechanism whereby the funds are only released for their intended purpose if the city maintains parks funding above a specific baseline. The Trust could also include representation from the City Council, labor unions, and/or community-based organizations, so that decision-making authority is not vested in the mayoral administration alone.

To ensure that these funds are allocated effectively and equitably, the City Council could also require NYC Parks to publish an annual Parks Improvement Trust report, detailing how the surcharge revenue was allocated over the previous fiscal year, and providing transparency whether and how these new revenues are used to support parks in under-resourced communities.

Bringing even a modest ticket surcharge to fruition is likely to face obstacles and will require a concerted effort among elected officials, parks advocates, and business, civic, and community organizations who believe in the common goal of sustaining safe, clean, accessible, and beautiful public parks across all five boroughs. Allies of this effort should consider options like physical and digital marketing campaigns that demonstrate—with signage, videos, and social media posts—the specific benefits that new revenues could generate in parks across the city. This effort should also cultivate support from the city's municipal unions by demonstrating the full-time maintenance jobs that could be sustained with dedicated funding. Faced with potential budget cuts from Washington and a challenging fiscal environment, this idea could find support from policymakers seeking achievable options for boosting parks funding without requiring significant budget cuts in other areas.

A ticket surcharge alone will not rectify decades of underinvestment in New York City's vital public parks and open spaces or reduce the need for the city to allocate sufficient tax levy funding for parks maintenance and operations each year. However, a dedicated, recurring source of revenue for parks—worth as much as $190 million per year—could dramatically improve safety, cleanliness, quality, and accessibility in the parks that need it the most and provide a level of certainty around ongoing maintenance planning that the agency needs and New Yorkers deserve.

ENDNOTES

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