THE CULTURAL INSTITUTIONS GROUP OF THE CITY OF NEW YORK

A History 1877 - 2007

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Cultural Institutions Group: (Year Joined CIG)

American Museum of Natural History (1877)

The Bronx County Historical Society (1974)

The Bronx Museum of the Arts (1978)

Brooklyn Academy of Music (1952)

Brooklyn Botanic Garden (1909)

Brooklyn Children's Museum (1899)

Brooklyn Museum (1897)

Carnegie Hall (1986)

Flushing Town Hall (1996)

Jamaica Center for Arts & Learning (1978)

The Metropolitan Museum of Art (1878)

El Museo del Barrio (1977)

Museum of Jewish Heritage (1997)

Museum of the City of New York (1922)

Museum of the Moving Image (1982)

The New York Botanical Garden (1891)

New York City Center (1981)

New York Hall of Science (1965)

The New York Public Theater (1982)

New York State Theater: (1978)

New York City Ballet

New York City Opera

P.S. 1 Contemporary Art Center (1982)

Queens Botanical Garden (1962)

Queens Museum of Art (1978)

Queens Theatre in the Park (1978)

Snug Harbor Cultural Center (1981)

Staten Island Botanical Garden (1983)

Staten Island Children's Museum (1980)

Staten Island Historical Society (1967)

Staten Island Institute of Arts and Sciences (1908)

Staten Island Zoological Society (1936)

The Studio Museum in Harlem (1977)

Wave Hill (1965)

Wildlife Conservation Society (1895)

Bronx Zoo

New York Aquarium (1896)

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INTRODUCTION

One hundred and thirty years ago, New York City and dedicated groups of private citizens established a new pattern of public-private partnerships that would prove to have an enormous impact on the future growth and reputation of the city. These partnerships were not for investment purposes, real estate development or industrial acquisitions. They did not involve large sums of money, nor were they heralded publicly as major new initiatives. There were only a handful of prototypes for these partnerships in the late 1800s, and today, after more than a century of expansion, there are 34 examples throughout the five boroughs of the city. The list of New York City's partners in this historic venture is a familiar one:

American Museum of Natural History The Bronx County Historical Society The Bronx Museum of the Arts Brooklyn Academy of Music Brooklyn Botanic Garden Brooklyn Children's Museum Brooklyn Museum Carnegie Hall Flushing Town Hall Lincoln Center for the Performing Arts Jamaica Center for Arts & Learning The Metropolitan Museum of Art El Museo del Barrio Museum of Jewish Heritage Museum of the City of New York Museum of the Moving Image The New York Botanical Garden New York City Center New York Hall of Science

The New York Public Theater New York State Theater: New York City Ballet New York City Opera P.S. 1 Contemporary Art Center Queens Botanical Garden Oueens Museum of Art Queens Theatre in the Park Snug Harbor Cultural Center Staten Island Botanical Garden Staten Island Children's Museum Staten Island Historical Society Staten Island Institute of Arts and Sciences Staten Island Zoological Society The Studio Museum in Harlem Wave Hill Wildlife Conservation Society: Bronx Zoo New York Aquarium

These private organizations comprise the cultural backbone of New York City. They and the city are linked through formal partnership agreements which have guaranteed a measure of public funding to the institutions. In return, the cultural organizations have produced a diverse array of public services and amassed world-famous collections ranging from rare art and specimens to endangered plants and animals. This report has been commissioned to explain the history and significance of this public-private partnership.

EXECUTIVE SUMMARY

The basic framework for the public-private partnerships between New York City and its 34 cultural institutions was established in the 19th century. The original concept of the partnerships has succeeded beyond its founders' most ambitious expectations. And it has created a mutual dependence: New York could not be a world-class city without the institutions, and the institutions could not survive without the city.

The History of the Cultural Partnerships

1877-1945: The Original Partnerships

In the last quarter of the nineteenth century, the City of New York began a comprehensive planning effort to cope with its rapid growth and to establish itself as a major world city. The State of New York passed legislation that incorporated the institutions and authorized the city to build facilities and lease them and the city-owned parkland on which they sat to the new private institutions. The partnership stipulated that the city would provide these institutions with land, facilities and funds for maintenance and security. The private institutions in turn would develop specialized cultural services and collections which would be available to the general public. The model married the traditions of European subsidy for the arts with American independence and capitalism. The pattern was established with the American Museum of Natural History in 1877, followed by The Metropolitan Museum of Art, 1878; New York Botanical Garden, 1891; Bronx Zoo, 1895; Brooklyn Museum, 1897; Brooklyn Children's Museum, 1899. After the turn of the century, four additional organizations negotiated agreements with the city (Staten Island Institute of Arts and Sciences, 1908; Brooklyn Botanic Garden, 1909; Museum of the City of New York, 1922; Staten Island Zoological Society, 1936).

1945-1960: Conflict and Resolution

From 1952 to 1967, an additional five organizations would begin to receive regular city support (Brooklyn Academy of Music, 1952; Queens Botanical Garden, 1962; New York Hall of Science, 1965; Wave Hill, 1965; Staten Island Historical Society, 1967). In the 1950s the city and the cultural organizations engaged in protracted

discussions over the issue of wages and working conditions of employees who were city reimbursed. Following a strike action against eight of the institutions in 1958 and 1959, the institutions met in 1960 in an informal organization which came to be known as the Cultural Institutions Group (CIG). The labor settlement that was eventually reached was an unconventional one that involved "tri-partite" bargaining and obligated the institutions and the City of New York to negotiate (and the city to pay for) wage and benefit increases, while working conditions were negotiated between the union and the individual organizations.

1960-1976: In Search of a Cultural Policy

Having recognized a valuable community of interests, the CIG continued to meet to address other issues. In 1962, Mayor Robert F. Wagner, Jr. established a mayoral Office of Cultural Affairs (OCA) that pre-dated the National Endowment for the Arts. In 1967, Mayor John V. Lindsay moved the OCA functions into the newly titled Department of Parks and Recreation and Cultural Affairs (PRCA). Program grants expanded considerably, and a number of newer organizations began to make the case for city operating support including Bronx County Historical Society, Bronx Museum of the Arts, El Museo del Barrio, Jamaica Arts Center, Queens Theatre in the Park, Queens Museum, Staten Island Children's Museum, and the Studio Museum in Harlem. In 1974, Mayor Abraham D. Beame appointed the Committee on Cultural Policy, which recommended removing cultural affairs from PRCA and that the city concentrate its funding in the areas of facilities and basic support.

1976-1990: New Institutions, DCA and Budget Cycles

Enabling legislation for a Department of Cultural Affairs (DCA) was passed in 1975, and the new department began to operate in 1976. In 1978, Mayor Edward I. Koch took office as the city began to climb out of its fiscal crisis. He agreed that the seven newer organizations and the New York State Theater should receive regular city support for operating expenses. And seven cultural organizations would also begin to receive this category of support including Snug Harbor Cultural Center, 1981; Museum of the Moving Image, 1982; Institute for Contemporary Art [P.S. 1], 1982; The New York

Public Theater, 1982; New York City Center, 1981; Staten Island Botanical Garden, 1983; and Carnegie Hall, 1986.

A new budget scenario developed in the early 1980's and became more refined each year: the city administration recommended a budget for DCA which was less than it eventually expected to approve. Eleventh hour negotiations produced budget restorations.

DCA worked closely with the institutions to achieve increased equity and consistency in heat and energy allocations, health benefits, and pension coverage. The Mayor's Cultural Affairs Advisory Commission supported and lobbied for the larger institutions in getting permission to perform major capital projects in a "pass-through" mechanism which by-passed some of the obstacles of the city bureaucracy.

1990-2006: Government Transitions and the Budget Dance

By the 1990s, two new organizations had joined the ranks of the CIG: Flushing Town Hall and the Museum of Jewish Heritage. With a new city charter redistributing budgeting powers from the Board of Estimate to the Mayor and a larger City Council and the implementation of term limits in 2001, the tentative pas de deux of the 1980s budget negotiations became a full-fledged ballet in the 1990s. Between 1980 and 2007, there were only two years when the proposed Executive Budget and the Adopted Budget for the Department of Cultural Affairs were the same.

2007: End of the Dance?

Admirably, Mayor Michael R. Bloomberg and City Council Speaker Christine C. Quinn closed the curtain on the annual budget dance on January 24, 2007 by jointly announcing a preliminary budget for 2008 that established a new base level of funding for cultural organizations. In addition, the administration brought new reforms to the city's approach to cultural funding. The agency increased its competitive Cultural Development Fund nearly ten-fold to \$30 million to support non-CIG organizations. It was only appropriate that DCA support the host of cultural organizations that had developed and flourished in New York as a direct result of the city's decision 130 years prior to invest in the cultural partnerships that became the foundation of its cultural policy.

The State of New York's Cultural Partnerships The Original Concept

Since the American Museum of Natural History entered into its historic agreement with the City of New York in 1877, the concept of public-private partnerships between the city and its 34 cultural institutions has remained elegant in its simplicity and effectiveness. The basic tenet of the relationship has consistently been that the city will provide facility and operating support, while the institutions will assemble the expertise and private funding necessary for the management of their collections, performances and public education programs. This fundamental division of responsibility has not changed in 130 years, and it has continued to produce a combination of professional excellence and institutional dedication to the public.

Measuring the Achievements

No other city in the United States, and few in the world, can boast of a group of cultural organizations that even approach the New York institutions. The CIG includes museums for children, art, "living" collections (zoos and botanical gardens), history and natural history, science, and centers for performing arts and film. The sheer scale upon which these organizations operate is phenomenal:

- 18.3 million people attend each year, including 2.3 million children.
- Collectively, the institutions (many of which are in landmarked facilities) occupy over 258 buildings, comprising over 4 million square feet of exhibition space, close to 20,000 theater seats and 1,100 acres of zoos and botanical gardens.
- Their operating budgets exceed \$830 million, leveraging an additional \$7.30 in support for every \$1 provided by the city.
- Nearly 11,000 people are employed by the institutions, including 6,205 full-time and 4,559 part-time employees in positions that include curators, educators, food service workers, fundraisers, guards, janitors, marketers, and retail clerks, among many more.

The Dynamics of the Partnership

New York's position as the first city in the nation is considerably dependent on its dominance in such opinion setting and culturally-related industries as communications,

media, publishing and fashion. Together with the cultural institutions, these industries form a critical mass which creates an intangible, but powerful, aura around New York. Government could not and would not accomplish this alone. The private nature of the cultural institutions is what makes the partnership work. But the partnership is a symbiotic relationship, and these private institutions could not sustain their work without the investment of the public sector.

Extraordinary Public Service and Collections

The CIG institutions include national and international leaders in their fields. Collection based institutions include international repositories for significant collections of art, rare objects, artifacts and endangered species of plants and animals. Performing arts organizations present local, national and international music, drama, and dance companies. Extensive public service programs are provided by the CIG institutions, including education programs which last year involved more than 2.3 million children. But these institutions do more than provide a resource for New York's schoolchildren. They also generate regional, national, and international tourism to the city and generate important tax revenues.

The Future of New York's Cultural Policy

The philosophy behind the city's relationship with the city-funded cultural institutions is based on the premise that these institutions are public facilities established and maintained as part of DCA's Charter mandate to "plan, acquire, design, construct, improve and manage facilities for the conduct of cultural activities by the city."

As the cultural institutions mark the 130th anniversary of their partnership with the City of New York, now is the time to renew and celebrate a commitment that ensured that this city would become a global cultural destination. The future health of the cultural partnerships is a central and indispensable feature of the government's support of the arts. A cultural policy of the City of New York does not end with its cultural institutions—it begins with them.

THE HISTORY OF THE CULTURAL PARTNERSHIPS

1877-1945: The Original Partnerships

In the last quarter of the nineteenth century, the City of New York began a comprehensive planning effort to cope with its rapid growth and to establish itself as a major world city. Fueled by the development of powerful industries, an excess of capital and a burgeoning influx of immigrants, the city began to design the structures and systems--the infrastructure--which would protect and serve its citizens for the next century. In the same time period, civic-minded individuals joined the City of New York in launching an extraordinary period of development for the city's cultural infrastructure.

From 1877 to 1900, six cultural organizations established a unique public-private partnership with the City of New York (American Museum of Natural History, 1877; The Metropolitan Museum of Art, 1878; New York Botanical Garden, 1891; Bronx Zoo, 1895; Brooklyn Museum, 1897; Brooklyn Children's Museum, 1899). The State of New York passed legislation that incorporated the institutions and authorized the city to build facilities and lease them and the city-owned parkland on which they sat to the new private institutions.

The partnership stipulated that the city would provide these institutions with land, facilities and funds for maintenance and security. The private institutions in turn would develop specialized cultural services and collections which would be available to the general public.

The city government came to the aid of some cultural institutions in New York as early as the 1870's by agreeing to assume the burden of constructing and maintaining museum facilities, thereby freeing those institutions to concentrate their energies where it was presumed government had no expertise: the assembling and preservation of collections. In recognition of the contribution, at least three city officials have traditionally held ex-officio positions on the boards of these organizations.²

² <u>Report of the Mayor's Committee on Cultural Policy</u>, Martin Segal, chairman (New York, 1974). p. 11.

¹ While Brooklyn did not officially become part of the City of New York until Consolidation in 1898, the relationship was similar, with the city agreeing to build a cultural institution on city-owned land that would be leased to and operated by not-for-profit organizations.

The model of this partnership was European in terms of government support, but uniquely American in the private nature of the organizations. It married the traditions of European subsidy for the arts with American independence and capitalism. The pattern was initially established with the American Museum of Natural History.

[It was] a pattern which began with the Agreement dated December 22, 1877, between the city and The American Museum of Natural History whereby the city agreed to keep the building housing the Museum "from time to time in repair" and the Museum agreed to keep its exhibition halls open to the public.³

The goal was to rival and surpass the best museums, zoological societies, and botanical gardens in the world. The motivations may have been both altruistic and chauvinistic. In the late 19th century there was a concerted effort in the Western world to accumulate, study and display collections which would represent and increase the sum total of human knowledge and accomplishment. No city could claim a position of significance or power without these living "monuments" to culture. With the formation of these original partnerships, New York asserted its role as a world city.

Although the details of each institution's agreement with the City of New York varied, the fundamental principles were consistent:

There were, however, three underlying themes in common: a recognition of institutional excellence, a commitment of service to the public, and individual institutional written agreements with The City of New York that provided a great degree of public support to these institutions. . . . [The written agreements] permitted these institutions to be founded on city land and ensured financial funding for certain functions of the institutions, including maintenance and repair. . . . The management of the institutions and its personnel was left in the hands of these mostly private boards.⁴

While their magnificent collections and programs were financed through private philanthropy, the basic operational life-support systems of the cultural organizations were funded by the city. The partnership created a mutual dependence: New York could not be a world-class city without the institutions, and the institutions could not survive without the city.

³ Funding for Culture, The Cultural Policy of the City of New York: A report to the Mayor and the Mayor's Advisory Commission for Cultural Affairs, James H. Duffy, chairman, (New York, 1983), p. 22.

⁴ John McKew, "CIG City Relationships." (unpublished-report, 1987), pp.1-2.

After the turn of the century, four additional organizations negotiated agreements with the city (Staten Island Institute of Arts and Sciences, 1908; Brooklyn Botanic Garden, 1909; Museum of the City of New York, 1922; Staten Island Zoological Society, 1936). By 1939, New York was appropriating \$2 million annually for the support of the ten institutions. Faced with high unemployment as a result of the Great Depression and massive immigration, the city also launched extensive public works programs. Some of these projects financed and built a number of the magnificent historic structures which continue to house the cultural organizations today.

1945-1960: Conflict and Resolution

In the years after World War II, New York continued to grow and symbolized the undisputed position of the United States as a dominant world power. Appropriations to the cultural institutions reached \$3.4 million by 1949. The size and excellence of their collections, staff and facilities also increased. Until this time, there had been little need for the institutions to cooperate with one another in any structured way. Their relationships were collegial and genially competitive. Each organization sought to increase its own public and private budget through the cultivation of private donors and political support. In the period that was to follow, incentives for a closer collaboration began to develop. From 1952 to 1967, an additional five organizations would begin to receive regular city support (Brooklyn Academy of Music, 1952; Queens Botanical Garden, 1962; New York Hall of Science, 1965; Wave Hill, 1965; Staten Island Historical Society, 1967), but increasingly there would be problems associated with the funding.

In the 1950s the city and the cultural organizations engaged in protracted discussions over the issue of wages and working conditions of employees who were city reimbursed. Pressure also increased from organized labor. The situation culminated in 1958 and 1959 in a strike action against eight of the institutions.

In this atmosphere of growing crisis, the institutions met in 1960 in an informal

⁵ The addition of these organizations formed what would be referred to in later reports and discussions as the "original" fifteen city-supported cultural institutions.

organization which came to be known as the Cultural Institutions Group (CIG). The labor settlement that was eventually reached was an unconventional one which obligated the institutions and the City of New York to negotiate (and the city to pay for) wage and benefit increases, while working conditions were negotiated between the union and the individual organizations. This was called "tri-partite" bargaining. From the city's point of view it achieved some degree of parity for city-funded workers. In the interests of the institutions, the staff remained the private employees of the organizations with unique job descriptions that were tailored to the needs of the individual museum, zoo, botanical garden, or library.⁶

1960-1976: In Search of a Cultural Policy

Having recognized a valuable community of interests, the CIG continued to meet to address other issues. Over the next fifteen years (1960-1975), several initiatives were undertaken. CIG established a labor committee to coordinate its approach to the tri-partite bargaining process and to help ensure that the special public-private relationship with the city would be maintained. A recurring source of concern was the tendency of city officials to regard the organizations' private employees as city workers in the bargaining process. CIG leaders have worked hard and successfully to preserve the important distinctions of private employees and independent organizations upon which their agreements with the city were based. The city began to search for better ways to structure its relationship to the institutions. There was no coherent cultural policy to guide decision-making and, even though the city placed great value on the institutions, it was often at a loss to know how to deal with them.

In 1962, Mayor Robert F. Wagner, Jr. established a mayoral Office of Cultural Affairs (OCA). Pre-dating the National Endowment for the Arts, OCA was to advise the Mayor on matters pertaining to culture in New York City. It was not intended to duplicate the efforts of other city agencies that had some jurisdiction or involvement with the

⁶ Since the late 1800's, New York's Library systems had enjoyed the same type of partnership with the city that the cultural institutions had. Representatives from the libraries joined CIG because their city-reimbursed employees were also affected by the labor developments. For some years, the libraries participated in CIG, but primarily in regard to labor-related issues.

cultural institutions (Landmarks, Parks, City Planning and the Art Commission). OCA's charge was to assist in administering projects and budget lines approved by the Board of Estimate. In 1963, an eighty-nine member Citizens Advisory Committee was appointed to advise the OCA. This group soon split into seven sub-committees, to focus their energies on specialized groups of issues.

Neither OCA nor its advisory committee were particularly effective, in part because of the small staff and overlapping jurisdictions. The one service OCA was able to perform successfully was the administration of program grants--initially to fund musical performances in the parks--in the city budget.

In 1967, acting on a report from the Mayor's Cultural Committee, Mayor John V. Lindsay moved the OCA functions into the Department of Parks and Recreation which was re-titled Parks, Recreation and Cultural Affairs (PRCA).⁷ The Citizens Advisory Committee was also restructured and renamed. CIG criticized this move because it felt that the case for their institutions would not be made at the highest level of city government, but relegated to a sub-division of a powerful new department with other priorities.

Over the next seven years, PRCA made little progress in reshaping effective cultural policies and procedures. Annual allocations were negotiated with individual budget examiners in the Bureau of the Budget and then passed through PRCA for approval. There were no policy guidelines, and each institution made its case for support with a different examiner. Capital construction projects continued to experience lengthy bureaucratic delays and large cost overruns. As early as 1965, Arthur Klein, the Supervisor for Plans and Construction at the Metropolitan Museum, made comprehensive recommendations for how this lengthy and economically wasteful process could be improved.⁸

Program grants were expanded considerably under the PRCA, and a number of newer organizations began to make the case for city operating support. This was

⁷ Report of the Mayor's Cultural Committee, Eugene R. Black, Jr., chairman (New York, 1966). Named for its chairman, this came to be known as the Black Report.

⁸ Arthur F. Klein, "Report and Recommendations on Programming and Processing Capital Improvement Projects." (Unpublished report, 1965). Klein's report was written at the request of the Commissioner of city Planning, Mrs. Randolph C. Guggenheimer, whose Department worked closely with the cultural organizations' capital improvements.

particularly true in the boroughs outside of Manhattan or in traditionally disadvantaged neighborhoods. In particular, seven organizations in the Bronx, Harlem, Staten Island and Queens began to lay claim to city support (Bronx County Historical Society, Bronx Museum of the Arts, El Museo del Barrio, Jamaica Arts Center, Queens Theatre in the Park, Queens Museum, Staten Island Children's Museum, the former Storefront Museum, and the Studio Museum in Harlem). They argued that they were located, or planned to locate, on city property--one of the only consistent features of the existing institutional agreements with the city. In 1974, program grants to these institutions increased by an unprecedented 140 percent. These emerging organizations achieved increases to their program allocations with only minimal involvement from PRCA. Their goal of negotiating partnership agreements with the city, however, was not yet achieved.

While city funding for all cultural activities increased in the early 1970s, the CIG institutions only received modest increases.

Although government support of culture and the arts in New York City actually increased by 147 percent in the five years ending in 1975/76, more than two-thirds (68 percent) of all the organizations reported that failure to receive increased government support was a "very important" cause of the organizations' shortage of funds. This is probably due to the fact that while government was spending more in total, it was finding more organizations to support and was not giving more to previous fund recipients. ¹⁰

In 1974, Mayor Abraham D. Beame appointed the Committee on Cultural Policy, chaired by Martin Segal, which thoroughly reviewed the status of the cultural organizations and their needs. Segal recommended removing cultural affairs from PRCA and, once again, creating an independent mayoral commission.

In order to preserve New York's cultural leadership, the city must create a new mechanism with a mandate and strong leadership that can articulate and carry out a cultural policy that will be clear to everyone.¹¹

In the report, Segal's committee reiterated the problems ensuing from the lack of a cultural policy or efficient budgeting procedures, including the area of capital construction.

⁹ <u>Public and Private Support for the Arts in New York City</u>, (New York: Cultural Assistance Center, 1980), p. 78.

¹⁰ <u>Growth in New York City Arts and Culture: Who Pays?</u>. (New York: Cultural Assistance Center, 1979), p. 69.

¹¹ Martin Segal, Mayor's Committee on Cultural Policy, p. 3.

When a capital project is finally approved, it must then face the obstacle course of design and construction. The process is lengthy and complex, with dozens of steps required between initial approval and completion. Procedures relating to specifications, design, bidding, and even the payment of a contractor's bills can be nightmares. . . . these city-mandated procedures can double the cost of a construction project. . . . To put the matter simply, the city is defeating itself. 12

The report also recommended that the city concentrate its funding in the areas of facilities and basic support and look to the private sector for program funding.

1976-1990: New Institutions, DCA and Budget Cycles

Enabling legislation for a Department of Cultural Affairs (DCA) was passed in 1975, and the new department began to operate in 1976. At the same time, a Mayor's Advisory Commission for Cultural Affairs composed of private citizens was established to work with DCA. There have been no significant changes to this arrangement during the intervening years. It is interesting to reflect that OCA, PRCA, and DCA have represented essentially the same solution to the same problems. The differences have had more to do with jurisdiction, control and the amount of resources made available to the agencies.

In the first year of the new Department of Cultural Affairs, New York City was in the midst of a severe fiscal crisis. Cultural appropriations were cut by approximately three percent, with the cultural institutions taking the lion's share of the decreases. The larger organizations received cuts ranging from five to ten percent, the effect of which was aggravated by soaring inflation. The Department of Cultural Affairs, as a mayoral agency, had little choice but to play a passive role in administering these budgetary cuts.

The decline in city funding which began in 1975-76 continued for several years, and appropriations did not return to their 1974 levels until 1980. Adjusted for inflation, however, those allocations were only the equivalent of the city's cultural budget in 1966. The buying power of the city's dollars had essentially stayed level for fourteen years. Combined with deferred maintenance and rising labor costs, this created great

¹⁴ Public and Private Support for the Arts, p. 67.

¹² <u>Ibid.</u>, pp. 15-16.

¹³ James H. Duffy, <u>The Cultural Policy of the City of New York</u>, Appendix Two.

hardships for the cultural institutions.

The Mayor's Advisory Commission, deeply concerned about the plight of New York's cultural groups, issued a report in 1977 which called for increased national support for New York's cultural infrastructure. This report made an articulate case for the premise that the state of the nation's culture depended heavily on the health of New York's institutions. The report was both an affirmation of the city's cultural achievements and a cry for more support.

In 1978, a new administration headed by Mayor Edward I. Koch took office as the city began to climb out of its fiscal crisis. Responding to a recommendation from DCA and determined to build strong political bridges, the new Mayor agreed that the seven newer organizations and the New York State Theater should receive regular city support for operating expenses. Over the next eight years, an additional seven cultural organizations would also begin to receive this category of support (Snug Harbor Cultural Center, 1981; Museum of the Moving Image, 1982; Institute for Contemporary Art [P.S. 1], 1982; The New York Public Theater, 1982; New York City Center, 1981; Staten Island Botanical Garden, 1983; and Carnegie Hall, 1986). With the addition of these members, the number of city-supported institutions had doubled in eight years.

There were several key differences between these new organizations and the original fifteen. With the exception of the Brooklyn Academy of Music and the New York State Theater, performing arts institutions had not received any consistent support form the city. Five of the fifteen organizations granted city support between 1978 and 1986 were dedicated to the performing arts. Their addition to the group of facility-supported organizations added a new degree of diversity to the CIG, but further complicated the problem of developing a consistent city approach to cultural policy.

The type of operating support each institution received varied. While all the cultural groups received funds for maintenance, some were reimbursed for electricity

¹⁵ New York City as a National Cultural Resource: A Report to the American People, Martin Segal, chairman (New York, 1977).

¹⁶ The New York State Theatre had received city support for maintenance since 1965 without actually being designated as a CIG-type institution.

¹⁷ "Only a few performing centers now receive facilities-related support, although nonprofit performing arts groups, no less than other nonprofit cultural organizations, have needs for capital expenditures, maintenance, and security services. It is in precisely this area that the city can be of most help." Martin Segal, Mayor's Committee on Cultural Policy, p. 24.

and/or heating, while others were not. The newer members of CIG that had no union agreements did not participate in the tri-partite bargaining process, or receive city allocations to cover the cost of wage increases. Some institutions participated in the pension plan (CIRS), others did not. City-reimbursed health plans were available to some groups, while others funded their own benefits with non-city funds.

In its early years, the Department of Cultural Affairs struggled to come to grips with these inconsistencies while attempting to address many non-CIG concerns. In 1980, the Cultural Assistance Center offered this assessment:

Without some policy positions or funding priorities to direct the use of those city funds that are available for cultural organizations, the department has no basis on which to approve or deny support other than ad-hoc, historical or political considerations.¹⁸

With the exception of added maintenance support for a few newly opened facilities, the cultural institutions did not prosper during the first four years of the DCA.

While the city's support . . . has increased since the agency was founded, these increases largely have been eaten up by increased energy and personnel costs...The 15 institutions actually have had to reduce the staff supported by city funds...Support to the ten other institutions funded by the city has remained fairly constant.¹⁹

In this period, the process of acquiring annual operating and capital expense appropriations began to change. Previously such matters had been negotiated with budget examiners in the retitled Office of Management and Budget (OMB). Theoretically, the Department of Cultural Affairs was now in a position to coordinate all budget appropriations for the cultural groups. Increasingly, however, individual Borough Presidents were coming under pressure to support the cultural groups in their boroughs. This amounted to a quality of life issue, and it was popular and visible. Just as the original institutions had found the late 19th-century city administrations sympathetic to their cause, the newer organizations found enthusiastic support in their separate borough halls.

A new budget scenario developed in the early 1980's and became more refined each year: the city administration recommended a budget for the Department of Cultural Affairs which was less than it eventually expected to approve. Eleventh hour negotiations

19 <u>Ibid.</u>, p.27.

¹⁸ Public and Private Support for the Arts, pp. 27, 31.

produced budget restorations. This was not a completely cynical exercise, and on a number of occasions the battles were quite real. The victories or losses were critical to individual institutions.

City funding to DCA increased substantially from 1980 to 1989. According to OMB, the increases during this period amounted to nearly 200 percent. The industry of culture was recognized as an extraordinary engine contributing to New York's prosperity. In 1983, the Port Authority issued a study demonstrating that the non-profit organizations alone had a total economic impact of \$1.3 billion on the city, and that all cultural activities combined contributed \$5.6 billion. The largest city-supported cultural institution, The Metropolitan Museum, demonstrated that for every dollar invested in the Museum, the city's economy received a 2500 percent return from visitors who participated in shopping, restaurants, hotels and other entertainment. Not only was the partnership an enlightened one, it was good business.

There were, however, several worms in this otherwise shiny apple. In response to the new budget gambits (and higher stakes), the cultural organizations became increasingly preoccupied with the political processes upon which so much now rested. Inevitably, this preoccupation led to an atmosphere of growing uncertainty as to what next year's budget would bring. Politics had always played a role in city appropriations, and many of the earlier reports had acknowledged that fact, while seeking the means to minimize it:

Such a mechanism should also be one that would minimize political considerations, that would provide the proper checks and balances to the powers and cultural preferences of single individuals, and that would protect the city from ill-equipped officials, or officials lacking the necessary interest, who might be charged with overseeing and promoting our cultural welfare.²²

Much city support is granted as a result of individual contact with political leaders, and consequently there has not been adequate consideration of future growth demands, and there is uneven responsiveness to legitimate public interests.²³

 $^{^{20}}$ The Arts as an Industry: Their Economic Importance to the New York-New Jersey Metropolitan Region, (New York: Cultural Assistance Center and Port Authority of New York & New Jersey, 1983), p.

²¹ A Survey of the Economic Impact of Metropolitan Museum Visitors on New York City. (Peter D. Hart Research Associates, March 1989).

Eugene R. Black, <u>Mayor's Cultural Committee</u>, p. 18.
 Martin Segal, Mayor's Committee on Cultural Policy, p. 3.

By the mid-1980s, the budget "process" had settled into a familiar pattern. DCA would notify institutions in mid-year that the cultural allocations for the coming year's budget would be cut. Institutions were directed to plan for this eventuality and to submit lists of "Productivity Management Improvements" which theoretically demonstrated how these cuts could be absorbed without affecting public services. 24 The next months would be spent actively lobbying Borough Presidents and other members of the government and City Council in the hopes that the cuts could be reversed. Often they were. This process became further refined in 1988 when institutions were told four months after the fiscal year had begun that their current appropriations would be decreased. Now two campaigns were needed: one to preserve the current budget and one for the next fiscal year. Inevitably some institutions adapted to this ritual better than others. All, however, experienced increasing difficulty in planning coherently from year to year.

The Department of Cultural Affairs, as a mayoral agency administers the budgets. DCA did make substantial improvements in the way the institutions' funds were distributed, and also in sorting out and gradually correcting some of the inconsistencies in city funding. DCA also addressed in useful ways the continued inefficiency of the capital construction process and provided advice and guidance to the institutions.

Although the problems of budget allocations and capital construction remained largely intractable, the Department of Cultural Affairs and the cultural institutions accomplished a number of important improvements by working together. DCA worked closely with the institutions to achieve increased equity and consistency in heat and energy allocations, health benefits, and pension coverage. The Mayor's Advisory Commission supported and lobbied for the larger institutions in getting permission to perform major capital projects in a "pass-through" mechanism which by-passed some of the obstacles of the city bureaucracy.

1990-2006: Government Transition and the Budget Dance

²⁴ The concept of "Productivity Management Improvements," or PMIs, was designed by the Office of Management and Budget to exhort city agencies to use their resources more efficiently. The application of this concept to the cultural institutions presumed that these privately managed organizations were suffering from the same degree of bureaucratic "extras" which city agencies had acquired over the years. This was an erroneous and inappropriate assumption which was not based on any systematic examination of the cultural organizations.

By the 1990s, two new organizations had joined the ranks of the CIG (Flushing Town Hall and the Museum of Jewish Heritage), and importantly the era of the Mayor's Productivity Management Improvements was over. This policy shift meant that funds pledged to the cultural institutions at the beginning of the year were the same dollars they could count on receiving at fiscal year's end. In theory, this policy change might have relieved financial pressures and dramatically reduced the time invested in political processes to ensure that annual funding allocations remained intact. Instead, the concept of last minute funding cuts and restorations continued, albeit in a different form.

In 1989, the U.S. Supreme Court abolished the Board of Estimate.²⁵ A new city charter redistributed budgeting powers to the Mayor and a larger City Council. The Borough Presidents' role in the budgeting process grew faint. Soon thereafter a series of public debates and voter referendums on term limits brought even more change to the halls of government. The implementation of term limits resulted in the largest turnover in New York's history following the 2001 election, when all citywide officials and 37 of 51 City Council members relinquished office.²⁶

It is against this backdrop that the tentative pas de deux of the 1980s budget negotiations became a full-fledged ballet in the 1990s. Between 1980 and 2007, there were only two years²⁷ when the proposed Executive Budget and the Adopted Budget for the Department of Cultural Affairs were the same. Even the new leadership of the City Council proclaimed its distaste for the negotiation tactic of restoration.²⁸

Given his forceful advocacy for the arts as a private citizen, many hoped that the new Mayor, Michael R. Bloomberg, would break the cycle. While his predecessor, Rudolph W. Giuliani was a regular guest at the opera and inspired visitors to return to Broadway after the World Trade Center attacks on September 11, 2001, he also had

²⁵The Board of Estimate included three citywide elected officials -- the Mayor, Comptroller, and Board of Alderman President -- and each of the locally elected Borough Presidents. Budget decisions were determined by a vote in which the citywide elected officials cast two votes each while the Borough Presidents cast one vote a piece. The most populous borough had no greater representation than the least populous. This was ruled to be in violation of the U.S. Constitution's Fourteenth Amendment and the principal of "one man, one vote."

²⁶"A Brief History of Election Law in New York," <u>Gotham Gazette</u>. September 1, 2003.

²⁷1987 and 1991.

²⁸ David I. Weprin. "The Last Dance", <u>Gotham Gazette</u>. (New York, February 6, 2006). Weprin served as Chair of the Finance Committee from 2002 to 2007.

expressed displeasure through the courts with sidewalk art vendors and the public display of controversial works of art.

Bloomberg's tenure was proclaimed "The Arts Administration" in 2005. The Mayor promoted a cross-silo approach to management that resulted in the first mandated arts curriculum for public school children since arts education was ravaged in the budget crises of the 1970s and changed zoning requirements to support arts districts. ²⁹ City administration buildings and parks were awash in public art, and after 26 years of effort, the artists Christo and Jeanne-Claude finally brought their saffron gates to Central Park, along with 4 million visitors who made a \$254 million economic impact. ³⁰

Despite these tremendous accomplishments, the annual gap between the Mayor's Budget and the Adopted Budget widened. Culture remained a pawn in the annual, and destabilizing, budget negotiation. The members of the CIG received funding that was consistent in its unpredictability, and previously dependable baseline support was slowly chipped away. Concern grew among both the City Council³¹ and its constituents³² that the budget dance resulted in decreased cultural funding each year.

2007: End of the Dance?

Admirably, Mayor Bloomberg and City Council Speaker Christine C. Quinn closed the curtain on the annual budget dance on January 24, 2007 by jointly announcing a preliminary budget for 2008 that established a new base level of funding for cultural organizations.³³ For the first time in 16 years, the City Council expected to approve the Mayor's preliminary funding recommendations for culture. In addition, the administration brought new reforms to the city's approach to cultural funding. The agency increased its competitive Cultural Development Fund nearly ten-fold to \$30 million to support non-CIG organizations. It was only appropriate that DCA support the

²⁹ Jennifer Steinhauer. "The Arts Administration". <u>The New York Times</u>. (New York, October 23, 2005).

^{23, 2005).}Mayor Michael R. Bloomberg Announces \$254 Million Economic Impact Of The Gates On New York City. Mayoral Press Release. (New York, March 3, 2005).

David I. Weprin. "The Last Dance", <u>Gotham Gazette</u>. (New York, February 6, 2006).
 Norma Munn. "Proposed Arts Budget, A Destabilizing Déjà Vu Budget Dance." <u>Gotham</u>

Gazette. (New York, March 2006).

33 Robin Pogrebin, "Bloomberg and Council Change Arts Financing". The New York Times. (New York, January 25, 2007).

host of cultural organizations that had developed and flourished in New York as a direct result of the city's decision 130 years prior to invest in the cultural partnerships that became the foundation of its cultural policy.

DCA sought to become a meritocracy. It ended the era of entitlements and demanded more accountability. It established a welcome fund to support new needs at the CIGs, recognizing that the cultural institutions were evolving and responding to the demands of rapidly changing communities. The agency also introduced the CultureStat metric tool to increase its monitoring of the institutions. While DCA had always required a substantive application and reporting process from the institutions, the new tool sought to evaluate the institutions on the basis of governance, financial management, and public access. Every institution could count on receiving 90 percent of its baseline funding automatically, but the remaining 10 percent would be tied to the CultureStat score. In effect 10 percent of the CIG annual baseline funding was now seen as a "bonus," a portion of which could be withheld at the agency's discretion.³⁴

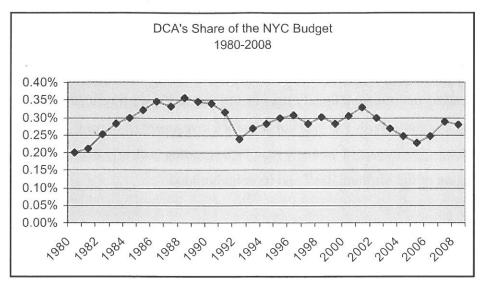
The joint preliminary budget had another goal which was to discourage cultural institutions from petitioning the City Council for additional funding. However, when the 2008 baseline budget was calculated it did not include the City Council's support. In effect, the agency's support for the cultural institutions, a consortium that represented the foundational purpose and mission for the agency's creation, had been reduced. If the end of the budget dance was a silver lining, then the cuts served as the cloud. The lobbying would surely continue.

While the Department of Cultural Affairs' overall budget seemed to be rising, those increases masked two key factors: inflation and the reality that the agency's share of the city's budget as a whole was well below its 1988 level. The rate of inflation was chipping away at the value of DCA's funding. For example, while DCA's funding grew by \$3 million from 2005 to 2006, the value of the goods and services those dollars could purchase actually decreased slightly.

Similarly, when examined as a percentage of the City of New York's Adopted Budget, DCA's share never recouped the highs of the 1980s. In 20 years, DCA's portion

³⁴ "Rationalizing and Enhancing Public Support for Arts and Culture." Department of Cultural Affiairs memo to the field, January 2007.

of the city's expense budget dropped from 0.36 percent (1988) to 0.29 percent (2007) (see chart below). And the preliminary budget for 2008 diminishes DCA's share even more with a decrease to 0.28 percent.



The period from 1992 to 2005 marked an unprecedented growth in capital expansion for New York's cultural sector. ³⁵ This reflected an era of tremendous optimism fueled by a new economy, but it also reflected an important change in municipal city policy. In 1997, capital funding was made available to all nonprofit organizations, not just those operating in city-owned facilities or on city-owned land. ³⁶ The special nature of the public-private partnership forged with the members of the CIG was clearly eroding.

In an effort to inform government and demonstrate its instrumental value, New York's cultural sector increasingly quantified its economic impact and illustrated the public's return on investment. What came to be known as the "Port Authority Report' was updated in 1993, and the total economic impact of the arts in New York City was estimated at \$9.2 billion. ³⁷ Four years later the Alliance for the Arts found that the

³⁶ Alliance for the Arts. <u>Culture Builds New York: The Economic Impact of Capital Construction</u> at New York City Cultural Institutions. (New York, 2003), p. 2.

³⁵ Actual capital expenditures for cultural organizations was \$98.5 million in 2004 and \$140 million in 2005. See Norma Munn. "Proposed Arts Budget, A Destabilizing Déjà Vu Budget Dance." Gotham Gazette. (New York, March 2006).

³⁷ Port Authority of New York and New Jersey, Alliance for the Arts, New York City Partnership, Partnership for New Jersey. <u>The Arts as an Industry: Their Economic Importance to the New York-New Jersey Metropolitan Region</u>. (New York, 1993), p. 2.

economic impact of New York City's cultural sector had grown to \$11.1 billion.³⁸ And, in 2002, McKinsey & Company demonstrated that the tax receipts alone more than made up for New York's investment in culture, yielding a return rate of 240 percent.³⁹

Perhaps there is no more compelling economic development argument than the one provided by an examination of the former Manhattan Square. It is here that the founding institution of the CIG, American Museum of Natural History, sits in the heart of a dynamic urban environment largely spawned by its creation, a forerunner of the "Bilbao effect" by a century. With 130 years of sustained investment from the City of New York, the long-term impact of annually renewable funding is clearly demonstrated by the transformation of the Museum itself and its neighborhood.

McKinsey & Company for the Alliance for the Arts. <u>Cultural Capital: Investing in New York's Economic and Social Health</u>. (New York, April 2002), p.5.

³⁸ Alliance for the Arts. The Economic Impact of the Arts on New York City and New York State: A Report to Governor George E. Pataki and Mayor Rudolph W. Giuliani. (New York, 1997).

Economic and Social Heatin. (New York, April 2002), p.3.

40 A term that refers to the economic revitalization of Bilbao, Spain in 1997 when the Guggenheim opened a facility exuberantly designed by Frank Gehry.

THE STATE OF NEW YORK'S CULTURAL PARTNERSHIPS

The Original Concept

Since the American Museum of Natural History entered into its historic agreement with the City of New York in 1877, the concept of public-private partnerships between the city and its cultural institutions has remained elegant in its simplicity and effectiveness. The basic tenet of the relationship has consistently been that the city will provide facility and operating support, while the institutions will assemble the expertise and private funding necessary for the management of their collections, performances and public education programs.

This fundamental division of responsibility has not changed in 130 years, and it has continued to produce a combination of professional excellence and institutional dedication to the public.

The 34 organizations which comprise the Cultural Institutions Group today are a highly specialized and diverse community. Although they share a common bond with New York City and one another, their individual missions are unique and dedicated to a wide range of pursuits in the arts, humanities and sciences.

Measuring the Achievements

No other city in the United States, and few in the world, can boast of a group of cultural organizations that even approach the New York institutions. But with the ascendancy of the cultural infrastructure in Los Angeles, not to mention the vibrant cultural scenes in cities like London, Tokyo and Shanghai, competition for artists, orchestra conductors, and cultural leaders is growing fiercer every year. The CIG includes museums for children, art, "living" collections (zoos and botanical gardens), history and natural history, science, and centers for performing arts and film. Many of the organizations are the national and international leaders in their fields, and all of them are passionately dedicated to the service of their communities and the highest standards of performance.

The sheer scale upon which these organizations operate is phenomenal:

• 18.3 million people attend each year, including 2.3 million children.

- Collectively, the institutions (many of which are in landmarked facilities) occupy over 258 buildings, comprising over 4 million square feet of exhibition space, close to 20,000 theater seats and 1,100 acres of zoos and botanical gardens.
- Their operating budgets exceed \$830 million, leveraging an additional \$7.30 in support for every \$1 provided by the city.
- Nearly 11,000 people are employed by the institutions, including 6,205 full-time and 4,559 part-time employees in positions that include curators, educators, food service workers, fundraisers, guards, janitors, marketers, and retail clerks, among many more.

Achievements of this magnitude are only made possible by the cultural partnerships. The private institutions have been able to focus their energies on the development of superb collections and programs because the city has been there to help them with the enormous burdens of facilities, overhead, and maintenance.

The Dynamics of the Partnership

From another point of view, the unparalleled cultural and educational opportunities provided to New Yorkers by these institutions are among the primary reasons individuals and corporations choose to live and do business in the city. New York's position as the first city in the nation is considerably dependent on its dominance in such opinion setting and culturally-related industries as communications, media, publishing and fashion. Together with the cultural institutions, these industries form a critical mass which creates an intangible, but powerful, aura around New York.

Government could not and would not accomplish this alone.

- As private organizations, New York City's cultural institutions have repeatedly demonstrated their ability to undertake new initiatives and directions.
- With their administrative flexibility, short planning time and ability to leverage private funds, the institutions are able to perform more efficiently than any municipal bureaucracy.
- Managed by private boards and professional staff, the institutions are not encumbered by the myriad of checks, balances, and political considerations that the city government continually juggles.

The importance of the private nature of these organizations cannot be overemphasized. It is what makes the partnership work.

But the partnership is a symbiotic relationship, and these private institutions could not sustain their work without the investment of the public sector. Indeed, many of these institutions were created to help preserve and maintain facilities that are key pieces of New York's cultural heritage, such as the relics of New York's World's Fairs which now house a cluster of four cultural institutions that have helped renew Flushing Meadows Corona Park. While the city's buildings represent crucial pieces of New York's history, they are not necessarily the ideal locations in which to operate businesses, particularly given the distance at which some CIG members operate from neighborhood centers of commerce and public transportation hubs. Public support for the CIG subsidizes operations to ensure that the facilities that represent New York's history are reclaimed and preserved for future generations.

In addition to their more visible events, many of the cultural institutions maintain sophisticated research staffs which are necessary to care for and contribute to a greater understanding of their collections. The Metropolitan Museum of Art issues more than 200 publications each year that increase the reach and impact of its collections, and the Wildlife Conservation Society, for example, is now actively engaged in 500 projects in 50 countries to save endangered species and their habitats.

City allocations provide just 12 percent of the annual revenues for these cultural organizations, while the rest — \$730 million — is raised and earned by the institutions' private efforts. Private fund-raising is materially helped by the leverage effect of city support. At the same time, the vast range of programs and the tens of millions of visitors who attend them create a huge economic windfall for the city each year. Neither the City of New York nor the institutions working alone could begin to accomplish the levels of excellence or the economic advantages of their partnership.

Community based initiatives extended the partnership to new groups and art

⁴¹ In 1997, the Alliance for the Arts determined that the total economic impact of the arts on New York City was \$11.1 billion. The Alliance will release a newly updated economic impact study in Spring 2007.

forms during the last quarter of the 20th century. This reinforced the validity of the partnership and enlarged the cultural franchise in a city which has always thrived on its diversity. This has become increasingly important given the new immigrant communities that have revitalized New York.

Extraordinary Public Service and Collections

Services to the public remain an extremely high priority for the cultural institutions, and the array of their programs and collections is truly astounding. Today there are a host of specialized programs addressing the needs of the city's residents and their children at every level of society. Beyond the huge numbers of attendees and economic benefits produced by the partnership, there are many creative programs designed to educate and enrich human beings in ways that cannot be quantified.

Collectively, New York City's cultural institutions are the world's greatest living classroom for people of all ages, from preschoolers to senior citizens. Indeed, the original compact between the American Museum of Natural History and the City of New York (and the model which led to the creation of the CIG) outlines that teachers and the schoolchildren of New York will have special access to its collections and programs.

Educators at the CIG institutions continue to work with teachers and curriculum specialists to develop experiences that meet critical Department of Education curriculum needs while taking advantage of the unique resources of CIG staff, exhibitions, and presentations. Emphasis is given to the utilization of collections, performances, and other programs to illustrate and enliven ideas, concepts and empirical phenomena that are often theoretical in the classroom. Partnerships with schools are often extended to include educational alliances with community-based organizations and libraries operating in local neighborhoods.

All of the 34 institutions are engaged in imaginative programs that train teachers, enhance curriculum, and provide enrichment and work experience for students. Many of these programs received a boost in public service and access with the launch in 2006 of the City Council supported Cultural After School Adventures program or CASA. Some examples of the CIG's service include:

Bronx Zoo/Wildlife Conservation Society offers the only teacher-training

program in the world with a complete suite of tested K-12 curricula featuring a focus on ecology.

- Brooklyn Academy of Music's Shakespeare Teaches Students is an inschool residency program in which students learn about Shakespeare's work by performing it and exploring its historical context, character, and action. A complementary professional development workshop for teachers is also offered.
- Queens Theatre in the Park places professional actors and teaching artists in 10 elementary and intermediate schools each year. This after-school program teaches students the essential tools of theatre, improvisation, character development, and communication. Ultimately, the students perform in productions they have created both at their schools and on the Theatre's main stage.
- Snug Harbor Cultural Center provides 300 juniors and seniors with the chance to experience and discuss cutting-edge works of art by local and international artists. Students produce and exhibit their own work, with support from both the Center staff and classroom teachers.
- Studio Museum in Harlem trains high school students in photography, including an intergenerational dialogue with senior citizens about the historic photographs of Harlem by James VanDerZee.

These programs, and hundreds more like them, demonstrate that every day the people of New York are in these institutions and that these institutions are in the communities. The rich offerings for school children by these private institutions should not be ignored, particularly since they are recognized as national leaders in their respective fields:

- Brooklyn Children's Museum received the Coming Up Taller National Award from the President's Committee on Arts and Humanities, in recognition of its after-school program for neighborhood youth.
- New York Hall of Science's Director of Science, Dr. Martin Weiss, received the Mayor's Award for Excellence in Science and Technology.
- Wildlife Conservation Society received the National Science Teachers Association Distinguished Informal Science Education Award.

These, and many other educational programs of the CIGs, regularly receive high marks from specialists in a variety of fields.

The members of the CIG have the intellectual content and resources to deliver award winning educational programs because they provide a home to the world's leading collections and artists. The Staten Island Institute of Arts & Sciences has tracked the biodiversity of the metropolitan area for over 100 years and includes the largest Cicada collection in North America, which is regularly consulted by entomologists from all over the world. The New York Botanical Garden is home to the largest herbarium in the Western Hemisphere (it contains more than 6.5 million specimens), and is the region's leading educational center for gardening and horticulture and an international center for plant research. El Museo del Barrio is the only museum in New York committed to sharing the diversity of art and culture in all of the Caribbean and Latin America. And, Carnegie Hall brings the world's best musicians and orchestras from all disciplines to New York.

But these institutions do more than provide a resource for New York's schoolchildren. They also generate regional, national, and international tourism to the city and generate important tax revenues. With cultural tourism serving as one of the fastest growing segments of the travel and tourism industry, the programs of the CIG and its colleague institutions drew 17 million cultural visitors in 2005 and spurred a rise in international travel to New York.⁴²

In the constant struggle of forces that would save or tear apart New York, the cultural institutions are more than a "civilizing" factor, more than monuments to human achievement and knowledge. They are a vital life sign of the city's health.

The Future of New York's Cultural Policy

Following the World Trade Center attacks on September 11, 2001, cultural institutions were faced with severe economic challenges. Despite reduced revenues from cancelled school group tours and lost tourism, the members of the CIG continued to fulfill their compact with the city. They remained open and accessible to all segments of the city's population and provided a place for solace, reflection, healing and remembrance. Their ability to do so was due in no small measure to a cultural policy that mandates support for cultural institutions.

⁴² NYC & Company. 2005-2006 annual report.

The philosophy behind the city's relationship with the city-funded cultural institutions is based on the premise that these institutions are public facilities established and maintained as part of DCA's Charter mandate to "plan, acquire, design, construct, improve and manage facilities for the conduct of cultural activities by the city." This relationship is expressly recognized by the Charter which states that consideration of the budgetary needs of the city-funded cultural institutions is to be part of the process leading up to the adoption of the city's expense and capital budgets each fiscal year. ⁴³

The cultural institutions demonstrated their intrinsic value during a time of crisis. They continued to increase public services, and in 2005 served 18.3 million visitors on-and off-site, including 2.3 million schoolchildren. They proved their instrumental value as an economic engine and helped make New York "the unrivaled center of the creative economy in the U.S." ⁴⁴

As the cultural institutions mark the 130th anniversary of their partnership with the City of New York, now is the time to renew and celebrate a commitment that ensured that this city would become a global cultural destination.

One conclusion above all others drawn from this contemporary perspective on the history and the enduring values of the Cultural Partnerships of the City of New York should be obvious. The future health of the cultural partnerships is a central and indispensable feature of the government's support of the arts. A cultural policy of the City of New York does not end with its cultural institutions—it begins with them.

⁴⁴ Center for an Urban Future. Creative New York, (New York, December 2005).

⁴³ "History of the Cultural Institutions Group." Unpublished report by Department of Cultural Affairs. 2006.

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