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REPORT TO THE CONGRESS

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Greater Benefits To More People Possible By Better Uses Of Federal Outdoor Recreation Grants

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Bureau of Outdoor Recreation
Department of the Interior
Department of Housing and Urban Development

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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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To the President of the Senate and the
Speaker of the House of Representatives

This is our report on greater benefits to more people possible by better uses of Federal outdoor recreation grants. The grants are made under programs administered by the Bureau of Outdoor Recreation, Department of the Interior, and by the Department of Housing and Urban Development.

Our review was made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Copies of this report are being sent to the Director, Office of Management and Budget; the Secretary of the Interior; and the Secretary of Housing and Urban Development.

James B. Axtell

Comptroller General
of the United States

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ABBREVIATIONS

BOR	Bureau of Outdoor Recreation
GAO	General Accounting Office
HUD	Department of Housing and Urban Development
LWCF	Land and Water Conservation Fund

COMPTROLLER GENERAL'S
REPORT TO THE CONGRESS

GREATER BENEFITS TO MORE PEOPLE
POSSIBLE BY BETTER USES OF
FEDERAL OUTDOOR RECREATION GRANTS

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D I G E S T

WHY THE REVIEW WAS MADE

Metropolitan areas, particularly densely populated, low-income inner cities, have the greatest need for outdoor recreation facilities and opportunities, according to recreational experts.

Because one way to meet this need is through Federal grants to State and local governments for recreation projects on non-Federal land, the General Accounting Office (GAO) reviewed the recreation grant programs of the Bureau of Outdoor Recreation, an agency of the Department of the Interior, and of the Department of Housing and Urban Development (HUD).

These programs provided about 50 percent of the Federal recreation funds available to State and local governments. From the start of these programs through fiscal year 1972, the Congress appropriated about \$760 million for the Bureau program and about \$577 million for the HUD programs.

FINDINGS AND CONCLUSIONS

Projects assisted under the Bureau and HUD programs have been meeting some of the Nation's outdoor recreation needs but many projects have been located in rural and

suburban areas, where residents already have access to many recreation opportunities. Greater benefits could have been achieved had more projects been located in densely populated, low-income areas whose residents could not easily travel to places where recreation facilities and opportunities were more abundant.

Federal, State, and local agencies have been hindered in providing recreation opportunities in areas where they are needed by lack of meaningful priority systems, implementation programs, and adequate data on the availability of and demand for additional recreation facilities. (See p. 29.)

Projects have often been approved on a first-come-first-served basis depending, to a great extent, upon the availability of 50-percent State and local matching funds. (See p. 35.)

According to the Bureau of Outdoor Recreation, its grant program has resulted in the most heavily populated counties receiving the least grant funds per capita and the least populated counties receiving the most. (See p. 17.)

Most of HUD's grants have been provided to urban areas. However, less than 6 percent of HUD funds were

provided to low-income neighborhoods for fiscal years 1962-69. This percentage increased to about 30 percent in fiscal years 1970 and 1971. (See p. 17.)

Low-income, densely populated communities, which need additional recreation facilities, have not applied for grants in many cases because they lack local matching funds, adequate planning, or public support.

Bureau and HUD grant programs have not been more successful in meeting urban recreation needs because:

- The Bureau has not issued a nationwide recreation plan or developed and maintained a comprehensive nationwide inventory of recreation needs and resources. A national plan is essential for establishing and adjusting priorities to insure a balanced development of the Nation's outdoor recreation resources and opportunities and for coordinating recreation programs. (See p. 29.)
- Neither the Bureau nor HUD has developed an effective method for identifying outdoor recreation needs, determining how these needs should be met, or evaluating program results. (See p. 35.)
- The Land and Water Conservation Fund Act requires that 40 percent of Bureau grant funds be apportioned equally to all States. Also, the act limits the apportionment to any State to 7 percent of the funds available to all States. These limitations do not result in distributing a large portion of the funds according to need. (See p. 38.)
- State recreational plans that GAO reviewed had not established

specific priorities and lacked meaningful implementation programs. (See p. 31.)

- The availability of Bureau funds for meeting needs of densely populated areas has been limited because some States require projects to be of minimum sizes, precluding the funding of neighborhood parks, playgrounds, tot-lots, and miniparks in urban areas; or restrict the use of funds to land acquisition, preventing needed development of existing recreation lands. (See pp. 40 to 43.)

RECOMMENDATIONS

GAO made a number of recommendations designed to bring greater recreation benefits to more people. (See pp. 48 to 50.)

AGENCY ACTIONS AND UNRESOLVED ISSUES

The Bureau of Outdoor Recreation and HUD generally agreed with the GAO assessment of their programs.

The Bureau stated that its program had expanded considerably in the past 2 years and that a current review might result in different conclusions. It attributed the rural orientation of the program to concern for outdoor recreation activities, such as hiking, picnicking, camping, fishing, boating, and swimming, and administration of the program at the State level by rurally oriented State park, fish and game, or conservation agencies.

The Bureau agreed that State comprehensive outdoor recreation plans were deficient but pointed out that States had become aware of urban needs and had improved their plans.

GAO's review was made when the program was expanding. The expansion had no effect, however, on the distribution of grant funds and would not insure that urban areas would receive more funds because such areas would still be required to provide 50 percent of the costs of recreation projects.

State agencies are becoming aware of urban needs and are improving their comprehensive recreation plans. However, some States included in GAO's review, although recognizing urban needs in their plans, were still using Federal grant funds in rural areas, irrespective of established priorities.

In 1964 the Bureau recognized that additional recreation was needed in urban areas, but the program still has not met this need. The Bureau is the focal point in the Federal Government for outdoor recreation, and is responsible for insuring that greater emphasis be placed on meeting these needs.

MATTERS FOR CONSIDERATION
BY THE CONGRESS

The Department of the Interior has proposed legislation to revise the Land and Water Conservation Fund allocation formula to provide for

increased apportionments of funds to the more densely populated States. GAO believes that the proposed legislation has merit and that the Congress should amend the Land and Water Conservation Fund Act to revise the allocation formula. GAO believes, however, that revision of the allocation formula would not in itself insure that the areas of greatest need would actually receive more grants. Therefore GAO also recommends that the Congress consider amending legislation authorizing the Federal grant programs to provide for a flexible matching formula to allow the Bureau of Outdoor Recreation and HUD to make grants of more and less than 50 percent, on the basis of financial needs.

Legislation currently pending before the Congress (S. 3248) would establish a new community development program, consolidating open space and urban beautification and other existing community development programs into a single program. This new program would provide local agencies with block grants of up to 90 percent of the cost of the program to assist them in undertaking a variety of development activities, including recreation. If this legislation is enacted, GAO recommendations relating to the HUD program would no longer be applicable.

CHAPTER 1

INTRODUCTION

Providing adequate outdoor recreation opportunities for the Nation has taken on new dimensions in recent years, as evidenced by the numerous studies made. Studies by the Outdoor Recreation Resources Review Commission, Public Land Law Review Commission, National Recreation and Park Association, and President's Council on Recreation and Natural Beauty indicate that more recreation opportunities and open space are necessary to meet the growing needs of the American people.

The President in his 1971 report on the state of the environment indicated that over the past 5 years a relatively small percentage of the Department of Interior's Bureau of Outdoor Recreation (BOR) grant funds had been used for recreation facilities in and near urban areas. He stressed the importance of bringing parks to the people so that everyone had access to nearby recreation areas. Recreational experts have also indicated that the greatest need for outdoor recreation facilities and opportunities is in and near metropolitan areas, particularly in the densely populated, low-income inner cities.

One way to meet this need is through Federal grants to State and local governments for recreation projects on non-Federal land. We reviewed the Department of Housing and Urban Development (HUD) open space and urban beautification grant program and the BOR Land and Water Conservation Fund (LWCF) grant program which provided about 50 percent of such Federal aid.

SCOPE OF REVIEW

We made our review at the headquarters of BOR and HUD in Washington, D.C., four BOR regional offices, four HUD regional offices, and five HUD area offices, evaluating the agencies' policies, procedures, and practices for approving and awarding grants under their respective programs. We reviewed outdoor recreation plans and procedures for processing applications for Federal recreation grants at nine States' offices. We also visited communities that received Federal

grants for outdoor recreation projects and facilities. In addition, we contacted officials of many communities not awarded Federal grants to determine why they had not participated in the Federal programs. Our review covered the period from the inception of the programs through fiscal year 1971. We did our fieldwork during fiscal years 1971 and 1972.

CHAPTER 2

FEDERAL ACTIVITIES INVOLVING OUTDOOR RECREATION

Many Federal agencies operate programs that have an impact on providing recreation resources or that have advisory functions related to outdoor recreation. Providing recreation, however, is not the primary purpose of most of these agencies and organizations. A breakdown of the expenditures of the major Federal agencies involved in outdoor recreation is presented as appendix I.

Some of the agencies, such as the National Park Service, Forest Service, Bureau of Land Management, Army Corps of Engineers, and Bureau of Sport Fisheries and Wildlife, manage large tracts of Federal land on which recreation facilities are located. This land is mainly in Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, and Wyoming.

Projects funded by these agencies are authorized individually by the Congress and are usually located away from the major metropolitan areas. Some of these agencies are primarily concerned with protecting and developing the Nation's natural resources and its sport fish and wildlife. Outdoor recreation in the case of some of these agencies, such as the Bureau of Sport Fisheries and Wildlife and the Corps of Engineers, is a byproduct of other projects.

The above projects are located on Federal land and fully funded by the Federal Government. In contrast, the BOR and HUD financially assisted projects are located on non-Federal land and are funded on a matching grant basis to State and local governments.

The BOR and HUD grant programs provided about 50 percent of the Federal assistance to State and local governments for outdoor recreation in fiscal year 1971. Most of the remaining 50 percent was provided by the Department of Transportation and the Bureau of Sport Fisheries and Wildlife, for highway beautification and fish and game programs. Appendix II shows Federal expenditures for outdoor recreation on a functional basis.

ESTABLISHMENT OF BOR AND LWCF

In 1958 the Congress established the Outdoor Recreation Resources Review Commission to survey the outdoor recreation needs of the American people and to recommend actions to meet these needs. The Commission's report, "Outdoor Recreation for America," was presented to the Congress in 1962. In response to one of the Commission's recommendations, the President established BOR in 1962. BOR's major functions are to:

- Prepare and maintain an inventory of the Nation's outdoor recreation needs and resources.
- Formulate and maintain a comprehensive nationwide outdoor recreation plan.
- Provide technical assistance to States and local communities.
- Promote coordination of all Federal outdoor recreation plans and activities.
- Coordinate recreation land acquisitions by the National Park Service, the Forest Service, and the Bureau of Sport Fisheries and Wildlife.
- Award grants to the States and through the States to local communities for planning, acquiring, and developing outdoor recreation resources.

In response to a second Commission recommendation, the Congress enacted the LWCF Act in 1964 to provide Federal grants on a 50-50 matching basis for State and local outdoor recreation planning and land acquisition and development.

LWCF is credited with the proceeds from admission charges and other fees at Federal recreation areas, receipts from the sale of surplus Federal lands, Federal taxes on motorboat fuels, and royalties from oil developers on the Outer Continental Shelf. The money is available only when appropriated by the Congress.

BOR administers LWCF. About 40 percent of LWCF's annual appropriations is available for acquiring authorized Federal recreation areas and is distributed among the National Park Service, Forest Service, Bureau of Sport Fisheries and Wildlife, and Bureau of Land Management. The remaining 60 percent is available for grants to States and local communities. The LWCF Act requires that 40 percent of the grant funds be apportioned equally to the States and the remainder on the basis of need. Therefore the Secretary of the Interior has apportioned the remaining funds on the basis of population and urban concentrations within the States. The act limits the apportionment to a State to 7 percent of the amount apportioned to all States.

Appropriations from LWCF for BOR grants have increased significantly in recent years, as shown below.

<u>Fiscal year</u>	<u>Amount (millions)</u>
1965	\$ 10.4
1966	82.4
1967	56.5
1968	63.5
1969	44.9
1970	62.0
1971	185.4
1972	<u>255.0</u>
	<u>\$760.1</u>

Through fiscal year 1970 the National Park Service, Forest Service, and Bureau of Sport Fisheries and Wildlife have acquired about 800,000 acres with money appropriated from LWCF.

Through fiscal year 1971 BOR has awarded grants to States totaling about \$400 million for outdoor recreation projects; 56.7 percent for development projects, 41.7 percent for land acquisition, and 1.6 percent for recreation planning. Development projects include constructing facilities, such as swimming pools, athletic fields, and picnic tables, and improving trails or access roads.

States are awarded planning grants to prepare and update comprehensive statewide outdoor recreation plans. The LWCF Act requires these plans to establish eligibility for grants for acquisition and development projects. Acquisition and development grants are available for diverse publicly owned projects, such as large metropolitan parks, campgrounds, picnic sites, urban playgrounds and ballfields, swimming pools, and the protection of unique natural areas.

The Governor of each State designates an official to act as a liaison officer to BOR. The liaison officer's initial responsibility is to determine which projects shall be supported and to establish the order in which they may be financed. BOR's regional office personnel review proposed projects to determine if they are in accord with the needs and priorities identified in the State plan and with other BOR requirements.

ESTABLISHMENT OF HUD PROGRAM

The open space land program was established by the Housing Act of 1961 (42 U.S.C. 1500) to provide financial help to communities to acquire and develop needed urban recreation, conservation, and scenic areas. Other goals are to curb urban sprawl and blight and encourage economic and desirable urban development. The program provides for 50-percent matching grants to local communities.

Funds are allocated to each HUD region and area office, as follows:

- One third on the basis of the inverse proportion of the State to the national per capita income.
- One third on the basis of total population.
- One third on the basis of metropolitan population growth from 1960 to 1966.

The urban beautification and improvement program was established by the Housing and Urban Development Act of 1965 (42 U.S.C. 1500) to provide grants to communities for beautifying and improving public lands. Federal grants for urban beautification are made on a 50-percent matching basis.

Urban beautification activities must take place on public land, have significant long-term benefits for the community, and be important to the comprehensively planned development of the locality. Examples of eligible beautification activities are the improvement of parks, malls, squares, and public waterfront areas with landscaping, walks, and minor recreation and outdoor exhibition facilities. Street improvements, such as lighting, benches, and tree planting, are also eligible. Funds are allocated to each of HUD's 10 regions on the basis of the estimated need for program funds in each region.

The Housing Act of 1970 (42 U.S.C. 1500) combined the open space, urban beautification, and historic preservation programs into a single grant program, effective July 1, 1971.

The 1970 legislation modified the open space program, as follows:

- Increased grants from 50 to 75 percent of the cost of acquiring undeveloped or predominantly undeveloped land which, if withheld from development, would have special significance in shaping urban growth.
- Added swimming pools to the list of eligible improvements.
- Allowed up to 50 percent of the local share of a project to be in donated lands.
- Allowed grants for developing land not acquired under the open space program.

Although these modifications should improve the HUD program, they will not insure that communities with the greatest need for additional recreation apply for grants. The most significant change, increasing grants from 50 to 75 percent, applies only to the acquisition of undeveloped land that would shape urban growth. This restriction will limit the benefits that could be obtained from the increased grants, particularly in low-income, densely populated areas where little undeveloped land is available. As of April 1972, HUD had not made any grants of more than 50 percent.

A summary of the appropriations for HUD's open space and urban beautification programs follows.

<u>Fiscal year</u>	<u>Amount</u> <u>(millions)</u>
1962	\$ 34.9
1963	14.8
1964	14.7
1965	14.7
1966	49.0
1967	54.2
1968	74.2
1969	74.0
1970	74.0
1971	74.0
1972	<u>100.0</u>
	<u>\$578.5</u>

Through fiscal year 1971 HUD has awarded grants totaling \$437.7 million--\$369.2 million under the open space program and \$68.5 million under the urban beautification program.

CHAPTER 3

RESULTS ACHIEVED IN MEETING OUTDOOR RECREATION NEEDS

Projects financed under the BOR and HUD programs have met and will continue to meet some of the Nation's outdoor recreation needs. We believe, however, that greater benefits could have been achieved had more recreation projects been located in densely populated urban areas.

BOR, HUD, and the States have given little consideration to selecting projects in accordance with the benefits to be attained. As a result many projects have been located in rural and suburban areas where substantial recreation opportunities exist instead of in densely populated urban areas where fewer facilities and opportunities exist.

NEED FOR FACILITIES IN URBAN AREAS

As the country's population density has increased, so has concern for outdoor recreation. The most comprehensive review of our Nation's outdoor recreation resources and needs was made by the Outdoor Recreation Resources Review Commission. Its 1962 report to the President and the Congress stated that areas designated by public agencies for outdoor recreation included one-eighth of the Nation's total land and that many other areas, private as well as public, were used for recreation. The report pointed out, however, that sufficient recreation opportunities were not available to many people because many recreation areas were located away from the areas having the greatest demand and need. The report also stated that:

- Outdoor recreation opportunities were most urgently needed near metropolitan regions.
- Metropolitan recreation problems could not be solved outside the metropolitan areas and the need in these areas would be the most difficult to satisfy because urban centers had the least facilities per capita and the sharpest competition for land use.
- Need for outdoor recreation was greatest for residents of central cities. They generally do not have ready

access to outdoor recreation because of the awkward location of the inner city with respect to outdoor recreation sites and because their socioeconomic characteristics often place them at a disadvantage. For example, in one major city 53 percent of the families had no cars and, with few exceptions, the recreation areas were practically impossible to reach by public transportation.

In an article in the December 1967 National Parks Magazine, the Secretary of HUD indicated that rural-oriented recreation facilities did not provide for many families in isolated and impacted urban ghettos who were not mobile enough to reach them and many people in cities who were not interested in traditional rural recreation. In 1968 the President's Council on Recreation and Natural Beauty stated that national, State, and county parks were rarely accessible to residents of central cities, and that usable parks and open spaces were vital in renewing old neighborhoods.

The National League of Cities, in a December 1968 report to BOR entitled "Recreation in the Nation's Cities - Problems and Approaches," stated that:

"Consideration must be given to population density and the availability of public transportation in the location of new facilities. The acquisition of large tracts in outlying areas will not meet the recreation needs of the great majority of city residents. Emphasis must be placed on neighborhood facilities.

"*** in spite of a virtually unanimous commitment to increase recreation programs and opportunities, cities do not have the financial capability to sustain expanded recreation programs indefinitely.

"Residents of deprived urban neighborhoods are almost entirely dependent upon public recreation facilities, whereas residents in more affluent neighborhoods have a wide range of recreational alternatives. Adequate recreation programs and facilities thus are considered a high priority item among the deprived.

"Residents of urban slum neighborhoods frequently charge that too much effort is directed toward park and recreation facilities for the middle and upper income groups ***."

The BOR Director, testifying before the Subcommittee on Department of the Interior and Related Agencies, House Committee on Appropriations, in March 1970 stated that:

"We found out where the heaviest need is for recreation namely, in the cities. We found in the cities where 75 percent of the people in the United States reside, only some 25 percent of the recreational facilities and 3 percent of the public recreation lands are readily accessible. What we end up with is an overall conclusion that in effect we have the people on one part of the continent and the recreational facilities in another part.

"We have also found that three-fourths of outdoor recreation occurs close to home, after school, after work, on short outings of no more than a day, again supporting the need for recreation that is accessible to where our people are."

In a May 1970 report, HUD indicated that the greatest need for open space was generally in high-density, low-income areas.

In September 1970 the Secretary of the Interior stated that:

"In past years there has not been sufficient Federal emphasis on providing funds for recreation and open space preservation in and around our large cities where we believe the needs are greatest."

GRANTS NOT ALWAYS AWARDED FOR GREATEST NEEDS

BOR, in a December 1970 internal report, indicated that its grant program had fallen far short of an equitable distribution of funds and that urban areas had received the

least funds per capita, although they appeared to have the most pressing needs for recreation opportunities. The report also stated that the population of the core counties of 13 metropolitan areas which received nothing under the BOR grant program exceeded the combined population of eight States which received \$20 million in grants.

The following summary of a BOR analysis shows that densely populated counties received the least funds per capita and sparsely populated counties received the most.

Distribution of BOR Grants by County Population
through September 1970 (note a)

<u>County population</u>	<u>Percent of U.S. population</u>	<u>Percent of funds granted</u>	<u>Amount of funds granted (thousands)</u>	<u>Funds granted per capita</u>
Over 2 million	10.0	3.9	\$ 10,671	\$0.51
1 to 2 million	11.0	7.1	19,464	.90
500,000 to 1 million	17.8	9.6	26,480	.70
250,000 to 500,000	12.5	11.5	31,490	1.25
100,000 to 250,000	15.6	15.9	43,783	1.39
25,000 to 100,000	22.0	31.0	85,391	1.80
Under 25,000	<u>11.1</u>	<u>21.0</u>	<u>58,432</u>	2.59
Total	<u>100.0</u>	<u>100.0</u>	<u>\$275,711</u>	
U.S. average				\$1.41

^aExcludes planning projects and other statewide projects.

Compared with the distribution of BOR grants, a higher percentage of HUD grant funds have been provided to urban areas because HUD deals directly with the cities. HUD has not made a similar analysis of its grant programs, but a July 1970 HUD analysis indicates that, from fiscal years 1962 through 1969, from 2 to 6 percent of its annual open space grant funds were provided to low-income neighborhoods. In 1969 HUD announced a program to encourage acquiring and developing parks and recreation areas in low-income neighborhoods. Open space grants to such neighborhoods increased to about 33 percent in 1970 and about 29 percent in 1971.

We analyzed data maintained by various Government agencies for a number of cities and counties in nine States to determine whether BOR and HUD grant funds were being used for projects in areas which appeared to have the greatest relative need for recreation opportunities. We selected communities in each State that appeared to have (1) significant need for additional recreation lands and facilities but had not applied for much BOR and HUD assistance and (2) less

need for recreation lands and facilities but had applied for and received large amounts of BOR and HUD grants. In each State we compared the amounts of BOR and HUD grants provided for projects in areas with contrasting population densities, median family incomes, and amounts of available open space and recreation facilities.

The following cases demonstrate that densely populated urban areas with great need for additional recreation facilities have not participated to any significant extent in the BOR and HUD grant programs. We noted that available grant funds often exceeded applications for funds and that most applications for projects which were technically eligible were approved, regardless of their location or apparent value.

Many low-income, densely populated communities have not applied for BOR and HUD grants because they lack matching funds, adequate planning, or public support. In some cases the States received Federal assistance for large projects in rural areas, but because of their locations and the types of recreation offered, they were of little benefit to large segments of the cities' populations. In one case, a large city received BOR and HUD grant funds, but used about half the funds in its more affluent, less densely populated areas which were not readily accessible to many residents of the more densely populated areas of the city.

Our analyses of these cases were based on the most current data available. Population and population density were based on the 1970 census. Data on local conditions, such as unemployment rates and number of welfare cases, were obtained at the time of our review in 1971. Family income data was usually based on the 1960 census because more current information was not available.

Case one

Town A, having large tracts of open space, and city B, about 60 miles away and having very little open space, were compared to show the differences between a rural area which received Federal recreation grant funds and an urban area which received no such grants.

	<u>Town A</u>	<u>City B</u>
Land area	32 square miles	6 square miles
Population in 1970	5,600	32,000
Population density	175 per square mile	5,333 per square mile
Median family income in 1960	\$8,000	\$6,100
Welfare cases in May 1971	4	1,091
Recreation and conserva- tion land	1,800 acres	235 acres
BOR and HUD grants	\$283,000	-
Grants per capita	\$50.54	-

The chairman of town A's recreation commission stated that the town had few playgrounds, playfields, and parks but that most of the residents satisfied their own recreation needs by using private facilities, such as tennis courts and swimming pools. The town has about 200 privately owned backyard-type swimming pools and a private club with tennis, golf, and swimming facilities.

City B's planning and recreation directors indicated that the city's greatest need was to develop existing parks and playgrounds, because present facilities were in poor condition and little open space was available for acquisition. A visit to selected recreation sites and a tour of the city confirmed the poor condition of the facilities.

Town A has a land area of 20,224 acres, of which 16,832 acres, or about 83 percent, is open space and vacant land. All residential areas are zoned exclusively for one-family units, with a minimum house lot size of 2 acres.

City B has a land area of 3,904 acres, of which 544 acres, or about 14 percent, is open space and vacant land.

According to city B's master plan, about 100 more acres of park land is needed. The central portion of the city has 13,500 residents and is served by 11 acres of park property. The master plan indicated that this area requires an additional 54 acres of park land.

Town A has received two BOR and two HUD grants totaling \$283,000 to acquire 475 acres of land for conservation purposes. Also town A recently acquired 270 acres of land with its own funds, at a cost of \$680,000. Federal financial assistance was not requested for this acquisition because the land was for a park restricted to town residents, and the project would therefore be ineligible for a Federal grant.

As of June 1971 city B had not applied for any Federal assistance under the BOR and HUD programs because it lacked local matching funds and had higher priority needs, such as housing, schools, and urban renewal.

It appears that rural communities, such as town A, with large amounts of undeveloped land have less need for Federal assistance than do urban communities, such as city B. Also, because town A was able to spend \$680,000 of its own funds for a single land acquisition, it appears that it had less need than city B for Federal financial assistance in meeting its recreation needs.

Case two

This case compared the amount of Federal assistance provided to two areas within one city having approximately equal total populations but significantly different population densities, median family incomes, and open space land.

This city faces most of the socioeconomic problems common to large urban centers. It is made up of 66 contiguous communities, referred to as statistical areas, and 25 of the statistical areas are impacted to varying degrees. Impacted areas are densely populated parts of large cities that have high concentrations of social problems, such as unemployment, low income, juvenile delinquency, substandard housing, and critical shortages of open space.

Although citywide open space averages 5 acres per 1,000 residents, over half this land is located in three statistical areas. Residents of many areas do not have access to much of the open space because of inadequate public and private transportation.

Through fiscal year 1971 the city received grants of about \$1.6 million from HUD and \$2 million from BOR for open space and recreation projects. About half the total Federal assistance was used to fund projects in 10 of the 41 nonimpacted areas of the city. The remainder was used to fund projects in 12 of the 25 impacted areas.

Of the 13 impacted areas which did not receive any grant funds, 10 had less than 1.2 acres of open space per 1,000 residents. None of these areas is located near any large regional recreation facilities. For instance, two statistical areas with open space of 0.8 and 1.1 acres per 1,000 residents, respectively, are located approximately 10 miles from the nearest regional facility.

In a study of this city, the State indicated that, for each 1,000 persons, there should be 10 acres of recreation land, of which 5 acres should be in each neighborhood and 5 acres in large parks scattered throughout the city.

Our comparison of two areas, 20 miles apart, further illustrates and contrasts the differences between conditions in an impacted area (area B) and those of a more spacious and affluent area (area A).

	<u>Area A</u>	<u>Area B</u>
Population in 1970	27,000	30,000
Median family income in 1970	\$12,000	\$4,900
Population density	940 per square mile	15,133 per square mile
Percent of unemployment in 1967	-	14
Percent of families in poverty in 1967	-	49
Open space per 1,000 people	12.4 acres	1.1 acres
BOR and HUD grants	\$355,000	-
Grants per capita	\$13.15	-

A recent State study of recreation problems in its urban impacted areas indicated that 44 percent of the families did not have automobiles. These families, for the most part, must find their leisure opportunities within walking distance of home and 59 percent of the residents surveyed in the impacted areas indicated that they used local parks and recreation centers; 26 percent used them more than once a week. Other residents indicated the following reasons for not using the parks: lack of transportation, lack of activities, lack of facilities, poor supervision or maintenance, and poor location or design.

The city's parks and recreation general manager said that some of the HUD and BOR grants had been used in the more affluent areas because they had received very little Federal assistance in the past and because there had been political pressure for more money to be placed in these areas.

City officials told us that the use of bond funds had contributed indirectly to the city's acquiring large regional-type parks rather than small neighborhood parks because the city's matching funds had come from a 1964 State bond issue which could be used only for projects of 50 acres or more. The high density population of the city limited projects to the outlying areas of the city. Lacking State funds to match BOR and HUD grants, the city officials indicated that they must rely upon locally generated revenue to acquire smaller urban parks. Because recent bond issues for recreation facilities have been defeated by the voters, it does not appear likely that local funds will be available for additional recreation facilities in the impacted areas of the city.

Case three

Our review in a county and a city in one State showed that the county had received a large amount of grant funds from BOR and HUD and the city had received very limited grant funds. The city is an independent entity, not located in any county.

	<u>County</u>	<u>City</u>
Population in 1970	450,000	300,000
Population density	1,100 per square mile	6,100 per square mile
Median family income in 1960	\$8,600	\$4,900
BOR and HUD grants	\$12,200,000	\$133,000
Grants per capita	\$27.11	\$0.44

The county has a total of 15,141 acres of park land. In addition, the county department of education owns 2,954 acres, of which approximately 75 percent is recreational open space. The total recreation land in the county is about 35 acres per 1,000 people.

BOR and HUD have approved projects amounting to about \$12.2 million within the county. A State official advised us that the county and a regional park authority had been successful in obtaining Federal funds for outdoor recreation projects because local officials had aggressively promoted recreation programs and there had been adequate planning and necessary matching funds. Voters approved three bond issues totaling \$55 million from 1959 through 1971.

The city in this case had no comprehensive recreation and park plan until November 1970. According to the city's department of parks and recreation officials, this plan was to be used primarily as a guideline for future acquisition and development. This plan stated that there was a lack of various recreation facilities in the city, as shown in the following table.

Selected Categories of Existing and
Needed Recreation Facilities

<u>Area and/or facility</u>	<u>Existing</u>	<u>Projected needs</u>	
		<u>1970</u>	<u>1980</u>
Acreage	861.2	4,522.5	4,800
Athletic fields	95	200	254
Tennis courts	99	150	162
Swimming pools	3,375	244,215	263,750
	square feet	square feet	square feet

The city has not applied for any BOR grants and has received only one HUD grant of \$113,000. The State received a \$20,000 BOR grant to develop a boat ramp in the city. Both State and local officials stated that the city's department of parks and recreation had not been very aggressive in selling the recreation program to the public and to city officials. Also the city lacked matching funds. We believe these problems are typical of low-income, densely populated urban areas.

Case four

We compared a large city that had not applied for any Federal recreation grants with two adjoining rural counties having two large BOR-assisted projects. The city and its standard metropolitan statistical area have a population of about 300,000, an area of about 1,813 square miles, and a population density of about 165 residents per square mile. A comprehensive recreation study prepared by city officials in September 1970 showed that the city needed almost all types of recreation facilities. The mayor and local poverty agency officials further confirmed these needs, particularly in the older, densely populated sections of the city.

In contrast, the two adjacent counties have a total population of about 41,000, an area of about 1,937 square miles, and a population density of about 21 residents per square mile. The population in these counties is widely dispersed, with the two largest communities having populations of only 6,432 and 3,112.

The city has not applied for any BOR or HUD grants. City officials informed us that they had not participated in the BOR and HUD programs because former city officials and the residents disliked the controls inherent in accepting Federal financial assistance. Also, there was a general lack of city planning for recreation areas.

The two counties received BOR grants amounting to about \$900,000, which represented 12 percent of BOR assistance in the State. One project received a BOR grant for acquiring about 1,100 acres of undeveloped land for 19 recreation areas along the shoreline of a reservoir. The second project was for developing one of the 19 areas, including the construction of 76 camping sites and related facilities. The primary purpose of both projects was to provide fishing and camping facilities in a rural environment. The nearest of these 19 sites is about 45 miles away from the city while the farthest is about 110 miles away. There are no large urban areas close to the sites. This project will provide recreation for only a certain segment of the population because of its location and the costs of camping, boating, and fishing.

Case five

We compared a densely populated city lacking in recreation facilities with a rural town about 30 miles away, having much of its area devoted to recreation and conservation. We made this comparison to contrast the differences between an urban area which, because of limitations imposed by the State on the use of BOR funds, did not receive a substantial amount of Federal grant funds and a rural area which received significant amounts of Federal grant funds.

	<u>City</u>	<u>Town</u>
Land area	6.8 square miles	14.7 square miles
Population in 1970	67,000	7,500
Population density	9,853 per square mile	510 per square mile
Median family income in 1960	\$5,500	\$8,800
Recreation and conservation land	650 acres	2,300 acres
Recreation and conservation land per 1,000 people	10 acres	307 acres
BOR and HUD grants	\$168,000	\$931,000
Grants per capita	\$2.51	\$124.13

The city is an economically depressed and overcrowded industrial area suffering from chronic and substantial unemployment. Of the 24,407 housing units, 56 percent were multifamily (three or more units) and 20 percent were classified as deteriorating or dilapidated. In contrast, the town is one of the most affluent in the State. All of its housing units are single family, and the minimum lot size is 2 acres.

Many of the city's recreation areas are in poor condition, with little equipment and inadequate maintenance, and there are only four public swimming facilities. About 500 acres of the city's 650 acres of recreation and conservation land are undeveloped and have limited access or no access. The city, therefore, has only about 2 acres of developed recreation land per 1,000 people.

The city has not received any grants from BOR or HUD under its open space program. It has received a HUD urban beautification grant of \$168,000 for developing and refurbishing several of its existing recreation facilities.

According to a city official, the greatest recreation need in the city is to develop existing parks, playgrounds, and open space. Our visits to selected recreation sites in the city confirmed this need. The city requested information from its State's department of natural resources about the availability of BOR funds for developing some of its parks. In 1968 the State replied that BOR funds would not be given to cities and towns for development purposes. The State at that time restricted local projects to land acquisitions only. This restriction was subsequently eliminated.

The town received \$885,000 from BOR to acquire 564 acres of land, bordered on the south by 300 acres of land owned by the State's Audubon Society. This is an outdoor recreation and nature education area open to the public. Abutting the project to the northwest is a pond having 400 acres preserved by the State as an outdoor recreation and historic site. To the west, the project fronts on a river. To the north and east is a watershed, a large portion of which is conservation land. In addition, the town received \$46,000 from HUD's open space program for four small land acquisitions.

Case six

City A and city B were compared to contrast the relative recreation needs of, and assistance to, areas with significantly different populations, population densities, and family incomes.

	<u>City A</u>	<u>City B</u>
Population in 1970	900,000	40,000
Land area	78 square miles	11 square miles
Population density	12,000 per square mile	3,766 per square mile
Median family income in 1960	\$5,700	\$7,700
BOR & HUD grants	\$1,673,000	\$924,000
Grants per capita	\$1.86	\$23.10

In August 1967 city A adopted a plan for the "Use of Leisure Time" which represented its department of recreation and parks' part of the comprehensive development plan. The plan for the "Use of Leisure Time" identified the inner city and its immediate area as having the greatest need for recreation facilities.

Before adopting the "Use of Leisure Time" plan, only about \$51,000 of \$481,000 of BOR and HUD grants to city A had been for projects in the inner city. After adopting the plan, about \$867,000 of \$1,192,000 of grants have been for projects in the inner city.

According to city A officials, the city has difficulty in providing its share of the cost of a project, even though it is required to provide only 25 percent and the State provides the remaining 25 percent. We were informed that a fiscal year 1972 budget reduction would result in reduced maintenance of recreation facilities.

City B has 1,381 acres of local recreation areas, of which about 668 acres are public parkland. Also, many regional parks are located near the city. The county in which this city is located and a neighboring county have received BOR and HUD grants totaling \$15 million.

City B has used grant funds to acquire or develop local or neighborhood-type parks. The facilities usually included in neighborhood parks were softball or little league baseball fields, open play areas, hard-surface basketball courts, tennis courts, shelter or equipment buildings, tot apparatus and play areas, and sitting areas with benches. We believe that city B, because of the availability of local matching funds, has received substantially more Federal grants for recreation on a per capita basis than has city A.

CHAPTER 4

OUTDOOR RECREATION NEEDS NOT IDENTIFIED

Although BOR was to provide leadership in planning, acquiring, and developing outdoor recreation resources, it has not issued a nationwide plan or developed a comprehensive national inventory of outdoor recreation needs and resources. Nor has BOR developed an effective system for identifying needs, evaluating grant applications, and measuring the program results. HUD, on the other hand, has developed a funding analysis system for evaluating grant applications but has not established weight factors for ranking projects. The State plans required by BOR to establish eligibility for financial assistance from LWCF did not comply with BOR requirements and did not provide a basis on which management decisions could be made.

NATIONAL GOALS AND PRIORITIES NOT CLEARLY DEFINED BY BOR

Public Law 88-29, enacted on May 28, 1963, authorized the Secretary of the Interior to formulate and maintain a comprehensive nationwide outdoor recreation plan setting forth the needs and demands of the public for outdoor recreation and the current and foreseeable availability of outdoor recreation resources to meet these demands. The act stated that the plan should identify critical outdoor recreation problems and recommend solutions and desirable actions to be taken at each level of Government and by private interests. This plan was to have been transmitted to the President and the Congress by May 1968 and was to be updated and reviewed at 5-year intervals.

The act also authorized the Secretary of the Interior to prepare and maintain a continuing inventory and evaluation of the Nation's outdoor recreation needs and resources. The Secretary has delegated both these functions to the Director, BOR.

As of November 1971, the nationwide plan had not been issued nor had a current, complete, nationwide inventory of outdoor recreation needs and resources been developed.

A BOR official informed us that agreement had not been reached between the Department and the Office of Management and Budget as to (1) what the national priorities should be, (2) the extent to which the plan should be a conceptual or action document, and (3) the extent to which the plan should disclose the cost of implementation.

The Senate Committee on Appropriations, in Senate Report 92-263 dated July 15, 1971, stated that:

"For an undisclosed reason the Nationwide Outdoor Recreation Plan of 1968 for which publication funds were first provided in fiscal year 1968 and again in fiscal year 1969, has not been published. Inasmuch as another plan is now in process of preparation and is scheduled for publication in 1973, publication of the first plan at this time seems unnecessary. The Committee, therefore, directs that the 1968 plan not be published ***."

The Outdoor Recreation Resources Review Commission in its 1962 report "Outdoor Recreation For America," stated that policies governing public recreational lands vary among agencies; agencies have developed their own approaches and criteria to carry out their responsibilities; their policies reflect their diverse objectives and statutory responsibilities, which result in a diversity of management practices, some duplication and gaps, and, in many cases, less than optimum resource utilization.

Without a current, complete national inventory of resources and needs, a recreation plan cannot be developed. The existing inventory is based on 1965 data and includes public facilities and a sample of private facilities.

Without a nationwide plan, BOR has no vehicle for establishing and adjusting priorities to insure a balanced development of the Nation's outdoor recreation resources and opportunities or for coordinating the various Federal, State, and local recreation programs. We believe that, without a plan, it is difficult to evaluate the nationwide recreation program. The urban part of the inventory is being updated. BOR officials informed us, in August 1971, that they planned to obtain information on recreation land owned by Federal and State agencies in 1972.

STATE PLANS INCOMPLETE AND LACK
REALISTIC IMPLEMENTATION SYSTEMS

To receive BOR grants for land acquisition and development projects, the LWCF Act requires that States have acceptable statewide outdoor recreation plans. BOR is authorized to provide grants to the States for preparation and maintenance of the plans, and, depending upon the quality of the plans, may approve States as being eligible for grants for a maximum of 5 years.

In our review of nine State plans we concentrated on (1) inventories of available recreational resources, (2) analyses of present and projected demands, (3) need analyses, (4) priority systems, and (5) implementation programs.

We found that all the plans were inadequate in some respects in complying with BOR requirements and in providing a basis on which management decisions could be made. Priorities frequently were expressed in vague and general terms and realistic implementation programs frequently were not included. The plans often were so broad and general that almost any project could qualify for Federal financial assistance. Also, information required by BOR on the availability of public or private recreation areas often was lacking, incomplete, or out-of-date, and qualitative analyses of existing recreation areas had not been made.

Although BOR evaluations of the nine States' plans pointed out many of the same deficiencies, BOR did not determine that any of the nine States were ineligible for grants. When BOR was dissatisfied with a State's plan, it approved the State's eligibility for less than the 5-year maximum period.

In February 1971 the Secretary of the Interior submitted a draft of a proposed bill to the Congress to amend the LWCF Act. Three identical bills (H.R. 4705, H.R. 5599, and H.R. 6581)¹ were subsequently introduced in the House of

¹These bills, together with other pending legislation, were considered by the House Committee on Interior and Insular Affairs in hearings held in May 1971. The bill reported by the Committee (H.R. 6730) did not include any of the provisions of H.R. 4705, H.R. 5599, or H.R. 6581.

Representatives. The proposed changes in the law would require the Secretary to review annually each State's program to implement its statewide outdoor recreation plan and to withhold payments to any State until he was satisfied that the State had taken appropriate action to (1) insure that new recreation areas and facilities were being located to satisfy the highest priority unmet demands for recreation, especially in and near cities, (2) consider preservation of small natural areas, especially near cities, (3) consider preservation of scenic areas through the acquisition of development rights, scenic easements, and other less-than-fee interests in lands or waters, and (4) provide for appropriate multiple use of existing public lands, waters, and facilities, to help satisfy unmet demands for recreation resources.

Inventory of recreation facilities

The BOR Grants-in-Aid Manual requires that an inventory of recreation resources be included as part of a State plan. BOR has indicated that the inventory should catalog the location, size, quality, and capacity of areas in public and private ownership which can provide significant outdoor recreation opportunities.

The nine States' plans, however, contained little detail concerning the quality and capacity of recreation areas. Only five of the nine plans commented on the extent to which facilities had been developed; none commented on the quality of the facilities. Only five States included both private and local facilities in their inventories.

Demand for recreation facilities

BOR's manual requires that each State's plan include a demand analysis to measure present and projected demand for major categories of outdoor recreation. Demand studies should include factors relating to present and future participation, such as socioeconomic characteristics, availability and use of recreation resources and types of recreation activities, user fees and charges, technological advances, impact of nonresident use, and quality of the environment.

Of the nine States, six had made demand studies. Two others relied on data derived from the 1962 Outdoor Recreation Resources Review Commission report, and the remaining State used unsupported estimates to project potential demand. The six demand studies either were vague or applied only to State-owned and operated facilities. By considering only

State-owned facilities, such as State parks and forests, the States' plans addressed themselves only to activities normally associated with vacations, outings, and trips and did not consider the demand for recreation near home, which the BOR Director indicated in October 1971 represented 75 percent of the total recreation activity in the country.

Need for recreation facilities

BOR's manual defined "need" as the difference between the demand for recreation facilities and the existing supply of each facility. It requires that State plans contain a need analysis that considers the entire range of factors which influence the provision of outdoor recreation opportunities within a State to determine the types of opportunities to provide and the level of demand to meet.

The manner in which the nine States established need by relating supply to demand was vague and very general. For example, one State indicated that an acre of recreation land was required for every 6 persons, regardless of the type of facility or recreation activity involved. Because the plans generally did not include the demand for recreation near home or the availability of local and private facilities, the need analyses were based on the needs for additional State-owned and operated facilities. Only a limited number of recreation activities were normally included. One State included only picnicking, camping, hiking, swimming, boating, water skiing, tennis, and golf in its need analysis. Because data often was not included on the availability of local facilities or the demand for recreation near home, the needs of local communities were not considered, and no provisions were made for meeting those needs.

Priority systems for acquiring recreation facilities

Because the need for additional recreation facilities included in some State plans exceeds the estimated available resources, BOR requires that State plans contain priority systems but does not state what they should include. We believe that priority systems should be used for identifying areas and activities of greatest need and that such systems should also include criteria for measuring the effectiveness of proposed acquisition and development projects in meeting such needs.

In the nine States' plans we reviewed, the priorities established were so broad that almost any project could qualify. One State's criteria for giving the highest priority to a project was "Key areas for which public demand indicates substantial need," and "Desirable areas for which circumstances make them particularly advantageous for the public to obtain." A BOR Regional Director, in commenting on an updated plan recently submitted by this State, said that:

"The development of an adequate priority system has been a concern of the Bureau since *** initial plan submission in 1965. The primary deficiency has been the lack of consideration for local needs. Unfortunately, this deficiency still exists."

Another BOR regional official, in commenting on another State's plan said that:

"In summary the priority system says that any projects over \$10,000, submitted by the State, rate an A priority. I do not feel this is acceptable."

Implementation programs

BOR's manual requires that a State plan include an implementation program related logically to the analyses completed as part of the planning process and correlated with the sections which identify demands and deficiencies. According to BOR those programs should also include 5-year acquisition and development schedules representing the best estimates the State can make of the size and cost of actions planned; should be updated annually; and should include statements of necessary financial support and proposed capital investments, i.e., general or appropriated funds, bonds, State grants, LWCF, other Federal programs, and other sources.

Only three of the nine State plans included specific State projects, none included local projects, only one indicated the cost of individual projects, and only three specified their sources of funding.

EFFECTIVE ANALYSIS SYSTEMS NOT DEVELOPED

Although the BOR and HUD grant programs have been in existence since 1965 and 1962, respectively, neither agency has developed a completely effective system for identifying recreation needs, evaluating grant applications, and measuring program results. HUD has been more successful in this regard than BOR, particularly in evaluating grant applications.

BOR procedures

BOR reviewed grant applications for eligibility only. BOR regional officials informed us that they did not question a project's priority nor reject a technically qualified project submitted by a State. A BOR official said that BOR had no priority system for approving projects and that the need for projects was not questioned because BOR believed it was the State's prerogative to decide which projects should be funded and in what order. Another BOR official told us that, because State plans were so general, it was difficult for BOR to reject a project based on a plan's priorities. BOR has therefore approved projects on a first-come-first-served basis.

BOR is developing a "Computer Oriented Method of Program Analysis, Review and Evaluation" to provide decisionmakers with information for identifying project proposals which most effectively meet national recreation objectives. The system considers numerous factors, such as the use and relative supply of existing facilities, population growth, recreation participation trends, poverty levels, capacities of proposed projects, and the amounts of investment and operating costs.

BOR has not used the system for evaluating grant applications. In 1971 BOR used the system to evaluate the effectiveness of State and local projects funded under the LWCF for fiscal years 1969 and 1970. Although BOR's evaluation of the effectiveness of projects funded under LWCF on an after-the-fact basis may be useful, we believe that a similar evaluation based on established priorities should be made as part of BOR's system for approving grant applications.

For such a system to be most useful it would be necessary to periodically update some of the data. For example, the 1970 projection of 1976 recreation facility deficits was based on the 1965 inventory and therefore did not include facilities established after 1965. Also, information is needed concerning private recreation facilities, public acquisition plans, anticipated use of proposed projects, and the needs and interests of target populations and areas. On the basis of our discussions with BOR officials, we believe that such information can be obtained and would be desirable for incorporating into the system.

HUD procedures

HUD developed a quarterly funding analysis system consisting of the following steps to evaluate grant applications.

- Classifying each open space grant application into one of eight groups on the basis of the primary purpose of the project.
- Ranking applications within each group according to criteria established for that particular group.
- Deciding on the funding of applications in each group within an established budget.

Based on the funding level for each group, grant applications for projects with the highest ranking were approved until budget funds were exhausted. We noted that projects were placed into groups on the basis of judgment and the budget constraints of each group. A HUD official informed us that, if applications for grants exceeded available funds for one group, the projects could be placed in another group in which funding was not a problem. Although the actual project rankings were based on a number of criteria, no weight factors were established for each criterion.

On April 14, 1972, HUD instituted a project selection system to replace its funding analysis system. Because this change was made after we submitted our draft report to HUD for comment, we did not evaluate this system. We noted,

however, that the revised system did not separate projects into groups and that projects meeting five technical prerequisites were evaluated against criteria which had points assigned.

CHAPTER 5OTHER FACTORS LIMITINGGRANT PROGRAM RESULTS

Our review showed that, on a per capita basis, BOR provided the most grant funds to the least densely populated States. State restrictions limited the grant's use in meeting recreation needs of densely populated areas. HUD does not run into these problems because it deals directly with communities in administering its grant program.

The problem of inadequate matching funds prevents communities from participating in both the BOR and HUD programs. They are also hindered by a lack of professional staff and a lack of knowledge of the programs.

APPORTIONMENT FORMULA

The LWCF apportionment formula does not result in the most equitable distribution of funds. As indicated in chapter 2, 40 percent of the grant funds must be apportioned equally to the States and the remainder on the basis of need. No State, regardless of its population, may be apportioned more than 7 percent of the total funds apportioned to all States.

This formula has resulted in sparsely populated States receiving, on a per capita basis, the greatest amount of BOR grant funds, although a greater need for recreation opportunities exists in the more densely populated States.

As indicated in chapter 2, most federally owned land is located in sparsely populated States. Over 90 percent of the land is in 11 States that contain only 7 percent of the Nation's population. For example, the Federal Government owns 95 percent of the land in Alaska and 86 percent in Nevada, which have population densities of only 0.5 and 4.4 persons per square mile, respectively. Consequently, this vast expanse of federally owned land is only regularly available to meet the recreation needs of the relatively few people who live in these States and only occasionally available to others who have the financial means and capability to travel great distances to such lands.

The effect of providing substantial amounts of grant funds to States containing significant amounts of recreation or open space land is summarized, in part, in a May 1970 memorandum from the Regional Director, Mid-Continent Region, to the Director of BOR, which states that:

"*** A few of the larger States with low population, particularly those in the northern part of our Region, are beginning to exhibit some difficulty in coming up with enough good State or local projects to match present--let alone increased--L&WCF apportionments. Conversely, in some of the more densely populated States the inner cities are not able to come up with the local share for projects. Thus, we may tend to become more and more rural, even in those States where the urban needs are greatest."

The following table shows that, on a per capita basis, BOR grants for projects in the three least densely populated States significantly exceeded those for projects in the three most densely populated States. In contrast, more HUD grants, on a per capita basis, have been for projects in the most densely populated States. The table shows also that, on a per capita basis, total BOR and HUD grants for projects in the three least densely populated States were much greater than for projects in the three most densely populated States.

Land Owned by Federal Government

State	Population density per square mile, 1970	Acres (000 omitted)	Percent of State acreage	Grants per capita through fiscal year 1971		
				BOR	HUD	Total
Most densely populated:						
New Jersey	914.8	113	2.3	\$ 1.68	\$4.16	\$ 5.84
Rhode Island	782.3	8	1.2	4.06	3.28	7.34
Massachusetts	689.0	70	1.4	1.62	1.35	2.97
Least densely populated:						
Alaska	.5	348,468	95.3	13.05	.65	13.70
Wyoming	3.4	30,060	48.2	10.62	.01	10.63
Nevada	4.4	60,725	86.4	13.21	3.04	16.25

When the Secretary of the Interior submitted a draft of a proposed bill to the Congress to amend the LWCF Act, he proposed changes that would reduce from 40 to 20 percent the amount of funds to be apportioned to States on an equal basis, increase from 55 to 75 percent the amount of funds to be apportioned according to population and urban concentrations within each State, and increase the maximum amount of funds that may be apportioned to a State from 7 to 10 percent of the total funds apportioned to all States. Although the proposed changes would provide for increased apportionments of LWCF funds to the more densely populated States, they would not insure that more grant funds would be available to the larger, more densely populated communities within the States.

STATE RESTRICTIONS ON USE OF LWCF FUNDS

Four of the nine States included in our review allocated their LWCF-apportioned funds between State and local projects. Two States made no specific allocations between State and local projects but emphasized in their State plans the importance of regional or multiple use facilities. Although the three remaining States did not make formal allocations, between 65 and 71 percent of the BOR grant funds were for State projects, such as State parks, forests, or fish and game preserves, which normally are located in rural areas.

One State allocated 60 percent of the LWCF-apportioned funds for State projects, and the remainder was reserved for projects sponsored by local communities. This State indicated, however, in its comprehensive outdoor recreation plan that it would give the highest priority to meeting the needs of urban populations. Our analysis of BOR grants in this State showed that only 18 percent of the grants were for projects in cities of over 10,000 population, although these cities accounted for 62 percent of the State's population.

Another State had about 2 million acres for wildlife and waterfowl management areas or refuges and a national forest but it used BOR grants of about \$1.3 million to acquire three additional State wildlife management areas totaling about 37,000 acres. The first recommendation for

action in this State's comprehensive outdoor recreation plan was that "Acquisition and Development in regions with higher population concentrations with definite needs should be given high priority." Despite this recommendation, 60 percent of \$6.5 million in BOR grants was for projects in areas of less than 2,500 population.

One State retained 10 percent of the LWCF-apportioned funds for planning and contingencies and allocated the remainder equally between State and local agencies. This State restricted the local projects that it would approve for a BOR grant by limiting them to regionally significant projects associated with an area of 15 acres or more and providing a variety of recreation activities. This criteria precluded the funding of neighborhood parks, playgrounds, tot-lots, and mini-parks, for which this State had indicated a great need.

The law in one highly urbanized State provides that BOR grants can be used for development purposes by State agencies but not by local communities. However, both local and State agencies can use the grants for land acquisition purposes. Of the BOR grant funds, 69 percent was used for State land acquisition and development projects, primarily in rural areas having most of the State's recreation acreage. Only 10 percent of the communities in this State had received BOR grants. A May 1971 State report recognized a need for recreation development in the more urban communities.

One cause for these restrictions might be the LWCF requirement that a State official or agent be appointed State liaison officer to administer the program at the State level. Our review indicated that about 70 percent of these officers held positions in their State departments of natural resources, conservation, fish and game, or similar agencies, which were primarily interested in resource-oriented facilities normally developed in rural areas. These officers are often responsible for the acquisition, development, operation, and maintenance of State parks, forests, and fish and game preserves and thus have little orientation to, or contact with, municipal or urban needs.

Although it may be desirable to achieve a balance between State parks and local parks, we believe that States' arbitrary allocations of their LWCF-apportioned funds between these competing purposes does not always result in effective use of the funds. In our opinion, each proposed project should be evaluated on its merits and forced to compete with all other proposed projects for Federal financial assistance. We believe also that some of the States' restrictions on allocating funds have discouraged densely populated areas from applying for BOR grants. Because BOR has stated that the greatest need for recreation is in these areas, we believe that it should not approve a State's outdoor recreation plan as being eligible for financial assistance under the LWCF if the plan places undue restrictions on local communities.

LACK OF MATCHING FUNDS

We visited 42 communities that had not received any assistance under the BOR and HUD programs to determine why they had not participated and to learn their problems in meeting outdoor recreation needs. Officials from 25 of the 42 communities indicated that the needs for schools, housing, and welfare forced recreation to assume low priority in community budgets. With such a low priority placed on recreation, these communities lack funds to match Federal grants for the acquisition and development of outdoor recreation facilities.

Five of the nine States included in our review indicated their willingness to assist local communities in matching the non-Federal portion of local project costs. Three of these States may pay up to 50 percent of the non-Federal share and one of them may provide an additional 10 percent, or a total of 60 percent, of the non-Federal share in the cost of projects sponsored by regional park authorities. Thus, the local communities in these States may have to provide only 25 percent of the project costs and in the case of the regional park authorities only 20 percent. Two States may pay 50 percent of the non-Federal share of the cost of local acquisition projects. The remaining four States provide no financial assistance to local communities or sponsors. Of the communities that indicated funding was a problem, 15 were located in States that provided assistance. Consequently, we believe that a flexible Federal matching formula to assist communities with financial needs would be desirable.

A State not included in our review revised its statewide comprehensive outdoor recreation plan to include a flexible matching formula for State assistance to local communities, which should result in more grants being made to densely populated urban areas. This formula allows for combined Federal and State grants of up to 100 percent to communities in standard metropolitan statistical areas with the greatest financial and recreation needs and smaller grants to communities with less need. In determining which communities should receive the most assistance, the State plan considers the (1) population density, (2) median family income, (3) population age characteristics, (4) juvenile delinquency

rate, (5) population change, (6) lack of existing recreation opportunity, and (7) unique features.

This plan states that:

"Local L&WCF assistance will be used to supplement State funds *** to bring the level of assistance up to a maximum percentage of the total project cost for local projects and applicants clearly meeting the priorities stated previously. Thus, a community experiencing a high degree of social and economic pressure and recreation need may qualify to receive up to 100% *** assistance depending upon the availability of funds and the degree of need.

"The primary objective of providing maximum project assistance is to attempt to stimulate the type of community described to undertake the development of a recreation project and thus help to reduce the existing social and economic pressure experienced by the community."

We requested the opinions of BOR regional officials, HUD regional and area officials, and State liaison officers as to whether a Federal flexible formula for matching BOR and HUD grants for local projects would be desirable. All these officials agreed that flexible matching would be beneficial, particularly in assisting urban areas. We believe a flexible Federal matching formula similar to the one described above would make a greater percentage of Federal financial assistance available to local communities with the greatest needs.

OTHER BARRIERS

Officials from 12 of the 42 communities we visited indicated that they lacked professional staff with expertise to seek and apply for Federal assistance because the Federal requirements were usually so involved. The mayor of one community stated that he was the only one on the entire city staff who could deal with Federal programs and that the duties of his office prohibited him from spending a great deal of time to seek Federal funds. We were informed by

officials of two cities in one State that they did not have the personnel to seek out Federal programs or to contend with the red tape involved in applying for Federal grants. We believe that BOR and HUD should provide greater assistance to these communities in identifying their recreation needs, developing plans for land acquisition and development projects, and preparing project applications.

Officials from 17 communities indicated that they had no knowledge of one or both of the BOR and HUD programs. Six communities had no knowledge of either the BOR or HUD grant program, five were familiar with the HUD programs but not the BOR program, and six were familiar with the BOR program but not the HUD programs. To counteract this situation, we believe that HUD and BOR should make all communities aware of their grant programs for outdoor recreation through meetings, publications, correspondence, and direct contact.

Federal recreation programs require that facilities developed with Federal funds must be properly maintained. BOR, HUD, and State officials indicated that some communities had not applied for Federal funds because they had no money to properly operate and maintain recreation facilities once they had been developed.

Local officials indicated that operating and maintaining recreation facilities was a problem because of the low priority placed on recreation and that the park and recreation departmental budgets were usually among the first to be decreased when cities had financial problems. They generally agreed that sufficient funds were not being spent to properly maintain park and recreation areas.

CHAPTER 6

CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Grants not always awarded to areas of greatest need

BEST DOCUMENT AVAILABLE

Grant projects financed under HUD and BOR programs have met and will continue to meet some of the outdoor recreation needs of the Nation. Greater benefits could have been achieved had more projects been located in densely populated, low-income areas having few outdoor recreation opportunities and whose residents were limited by low income from traveling to areas having more abundant facilities and opportunities.

Studies made by and for BOR have indicated that more recreation opportunities are available to people with higher incomes because of their increased mobility and ability to take advantage of private recreation facilities which, it is estimated, represent about 50 percent of the total recreation facilities in the country. BOR and HUD funding of many projects in relatively high-income rural and suburban areas, where considerable recreation opportunities already exist and where the residents have access to other more distant facilities, will probably continue, largely because these areas can raise required matching funds.

Federal, State, and local planning

BOR has not issued the nationwide outdoor recreation plan, authorized under Public Law 88-29 and required to be issued in 1968, because of differences in opinion between the Department of the Interior and the Office of Management and Budget as to what the national outdoor recreation priorities should be. Also, BOR has not developed an up-to-date nationwide inventory of outdoor recreation facilities. State inventories of facilities and needs vary from complete and comprehensive to inadequate.

Many of the States and communities we visited were having difficulty in precisely estimating needs and developing meaningful priority systems and implementation programs. BOR and HUD could be more effective in providing leadership and assistance in this area.

The lack of meaningful priority systems and implementation programs, together with inadequate data on the availability of and demand for recreation facilities, has hindered the Federal, State, and local agencies in providing recreation opportunities in the areas of significant need and has prevented them from evaluating the effectiveness of their programs in meeting those needs.

Program analysis systems

Projects have been approved largely on a first-come-first-served basis depending, to a great extent, upon the availability of State and local matching funds. BOR and HUD have attempted to develop systems of program and project analyses to identify recreation needs, evaluate grant applications, and measure the success of their programs. Their systems are not entirely effective because neither agency has been able to develop a method for identifying precise recreation needs.

LWCF apportionment formula

The LWCF formula for apportioning grant funds to the States does not meet the needs of the people living in urban areas. The LWCF Act requires that 40 percent of all grant funds available be apportioned equally to all States and that no State receive more than 7 percent of the total funds apportioned to all States in any one year.

According to a BOR official, this apportionment of grant funds has made it difficult for some large, sparsely populated States to come up with enough good State or local projects to use all the available BOR funds. Three identical bills have been introduced in Congress to amend the LWCF Act. Although these bills would provide for larger apportionments of grant funds for the urban States and would raise the maximum amount that any one State could receive to 10 percent of the total funds apportioned to all States, they would not

insure that areas of greatest need would actually receive more grants because these areas would still face other significant demands on their revenues.

State restrictions on use of BOR funds

Restrictions imposed by some States on the use of BOR funds have reduced the availability of such funds for urban projects. In several of the States included in our review significant portions of the LWCF-apportioned funds were available only for State projects which were typically rural projects, designed to protect natural resources. Some of the States where this occurred already had significant amounts of rural, outdoor recreation facilities. Other States required that projects be of minimum sizes or restricted the use of BOR funds to land acquisition.

Inadequate local matching funds

As other demands on revenue, such as welfare, housing, and education, continue to increase along with the cost of recreation land, densely populated, low-income urban communities are likely to place low priorities on recreation. Therefore, urban areas find it difficult to provide matching funds. Operating and maintaining recreation facilities is expensive and precludes areas from investing in additional facilities.

Other barriers

Some local officials were not familiar with BOR or HUD grant programs and other officials were concerned over the problems of complying with Federal administrative requirements. BOR and HUD officials should provide greater assistance to State and local communities in developing their programs and preparing project applications.

RECOMMENDATIONS TO THE SECRETARY OF THE INTERIOR AND THE SECRETARY OF HUD

The Secretary of the Interior should direct BOR to:

- Intensify its efforts to complete the nationwide outdoor recreation plan; establish national outdoor recreation goals and priorities; and develop and maintain a comprehensive nationwide inventory of outdoor recreation needs and resources, including private facilities.
- Provide guidance to the States to assist them in developing appropriate plans, including (1) methods of identifying needs and determining how these needs can best be met, (2) meaningful priority systems, and (3) realistic implementation plans.
- Disapprove State plans for eligibility for financial assistance under the LWCF Act when they unduly restrict the types of projects that local communities may undertake.

The Secretary of the Interior and the Secretary of HUD should:

- Reserve part of the BOR and HUD grant funds for densely populated, low-income urban areas.
- Continue to develop and refine their program analysis systems to insure that grant funds are used to meet high-priority needs and to measure the effectiveness of their programs in meeting these needs.

RECOMMENDATIONS TO THE CONGRESS

In view of the (1) matters discussed in this report, (2) priority placed by the President on bringing parks to the people, (3) statements by outdoor recreational experts that the greatest need for outdoor recreation is in urban areas, particularly the densely populated low-income inner cities, (4) fact that both BOR and HUD are interested in meeting the needs of the urban areas, and (5) inability of urban areas to match the 50-percent Federal grants, we recommend that the Congress amend the LWCF Act to

- provide for increased apportionments of funds to the most densely populated States.

We recommend also that the Congress consider amending the LWCF Act and the Housing Act of 1970 to

--provide for a flexible matching formula that would allow BOR and HUD to make grants of more or less than 50 percent, on the basis of financial needs.

Legislation currently pending before the Congress (S. 3248) would establish a new community development program consolidating open space and urban beautification and other existing community development programs into a single program. This new program would provide local agencies with block grants of up to 90 percent of the cost of the program to assist them in undertaking a variety of development activities, including recreation. If this legislation is enacted, our recommendations relating to the HUD program would no longer be applicable.

CHAPTER 7AGENCY COMMENTS AND GAO EVALUATIONBOR

In commenting on a draft of this report in a letter dated June 9, 1972 (see app. III), BOR stated that the report was generally accurate and a reasonable assessment of the LWCF program. It pointed out, however, that the program had expanded considerably in the past 2 years and that BOR had exerted pressure on the States to meet high priority needs so that a current review might result in somewhat different conclusions.

Our review was made when the expansion of the LWCF program began, at which time there was no indication that expansion had resulted in making greater portions of grant funds available to urban areas. Expansion of the program will not insure that urban areas receive a larger share because they will still be required to provide 50 percent of project costs.

BOR attributed the rural orientation of the program to the Outdoor Recreation Resources Review Commission, which recommended the LWCF Act for such activities as hiking, picnicking, camping, fishing, boating, and swimming. Although the Commission was concerned with these activities, it concluded that the need for recreation was greatest for residents of the central cities and that such needs could not be solved outside the metropolitan areas.

BOR pointed out that rurally oriented park, fish and game, or conservation agencies administered the program at the State level. BOR pointed out also that the LWCF Act required BOR to deal with the States, which set priorities at the State level, and that the act made no provision for BOR communications at the substate levels. BOR also agreed that many of the States' comprehensive outdoor recreation plans were deficient but said that, as the States became aware of inner-city and urban recreation needs, there was a discernible trend toward remedial action. It cited three examples of revised State plans which showed an increased awareness of urban needs.

We recognize that State agencies administering the program are becoming aware of urban needs and are improving their comprehensive recreation plans. We noted, however, that some of the States included in our review, although recognizing urban needs in their plans, were still using their LWCF grant funds in rural areas, irrespective of the priorities established in the State plans.

Although BOR had recognized the need for additional recreation in the urban areas in 1964, the program still has not met this need. Because BOR has recognized this need and is the focal point in the Federal Government for outdoor recreation, it is responsible for insuring that greater emphasis be placed on meeting urban needs. We believe also that the effective implementation of our recommendations would achieve greater program benefits.

HUD

In commenting on a draft of this report in a letter dated May 31, 1972 (see app. IV), HUD agreed that it should make the greatest effort to meet the open space needs of people living in low-income, high-density areas. HUD stated that our recommendation that the Congress consider amending the legislation so that grants may be made of more or less than 50 percent of the cost of recreation projects merited further study.

HUD also pointed out that the open space land program was scheduled to be included in the community development special revenue sharing program being considered by the Congress. HUD stated that the revenue-sharing program would distribute funds more equitably to communities having the greatest need because factors reflecting poverty and housing conditions were expected to be included in the allocation formula. HUD stated also that the program would allow local communities more choice in the use of funds, with limited distortion of local priorities, because the local matching share was expected to be minimal.

EXPENDITURES OF MAJOR FEDERAL AGENCIES

FOR OUTDOOR RECREATION (note a)

Agency	Expenditures		
	1970 actual	1971 estimate	1972 estimate
	(millions)		
DEPARTMENT OF THE INTERIOR:			
Bureau of Land Management	\$ 4	\$ 6	\$ 7
Bureau of Outdoor Recreation	112	213	265
Bureau of Sport Fisheries and Wildlife	106	134	134
National Park Service	76	89	107
Bureau of Reclamation	9	10	4
	<u>307</u>	<u>452</u>	<u>517</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT	<u>43</u>	<u>72</u>	<u>100</u>
DEPARTMENT OF TRANSPORTATION	<u>51</u>	<u>60</u>	<u>69</u>
DEPARTMENT OF AGRICULTURE:			
Agricultural Research Service	5	5	5
Agricultural Stabilization and Conservation Service	-	-	10
Cooperative State Research Service	2	2	2
Forest Service	61	62	65
Soil Conservation Service	12	12	12
	<u>80</u>	<u>81</u>	<u>94</u>
DEPARTMENT OF DEFENSE, CORPS OF ENGINEERS	<u>43</u>	<u>46</u>	<u>47</u>
DEPARTMENT OF COMMERCE	<u>20</u>	<u>9</u>	<u>8</u>
OTHER AGENCIES	<u>9</u>	<u>10</u>	<u>10</u>
Total	<u>\$553</u>	<u>\$730</u>	<u>\$845</u>

^aData by Department was obtained from "Special Analyses, Budget of the United States Government, Fiscal Year 1972." The Departments of the Interior and of Agriculture furnished the data for the respective bureaus.

APPENDIX II

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FEDERAL EXPENDITURES FOR OUTDOOR RECREATION

ON A FUNCTIONAL BASIS (note a)

Function	Expenditures		
	1970 actual	1971 estimate	1972 estimate
	(millions)		
Financial aid to State and local governments:			
Purchase recreation and open space lands	\$ 51	\$ 75	\$107
Develop recreation areas and related activities	53	53	100
Historic properties preservation	2	7	7
Preserve fish and wildlife	45	60	69
Beautification (e.g., highways)	<u>62</u>	<u>79</u>	<u>87</u>
	<u>213</u>	<u>274</u>	<u>370</u>
Direct Federal activities:			
Purchase nationally important areas	68	158	151
Develop recreation facilities and related activities	163	177	193
Historic properties preservation	1	2	2
Park roads and trails	34	36	44
Preserve fish and wildlife	63	71	73
Beautification	<u>10</u>	<u>10</u>	<u>11</u>
	<u>339</u>	<u>454</u>	<u>474</u>
Total (note b)	<u>\$552</u>	<u>\$728</u>	<u>\$844</u>

^aData from "Special Analysis, Budget of the United States Government, Fiscal Year 1972."

^bDifferences between appendixes I and II caused by rounding figures.



United States Department of the Interior

BUREAU OF OUTDOOR RECREATION
WASHINGTON, D.C. 20240

IN REPLY REFER TO:
G38

JUN 9 1972

Honorable Elmer B. Staats
Comptroller General of the
United States
General Accounting Office
Washington, D. C. 20548

Dear Mr. Staats:

You have requested comments on the GAO Report, "Results of Awards of Federal Grants for Outdoor Recreation." My staff discussed an earlier draft with GAO representatives on April 20, 1972. The current report incorporates many of our suggestions. The Bureau of Outdoor Recreation finds the report to be generally accurate in the assessment of the Land and Water Conservation Fund Program. I do wish to point out, however, that the Land and Water Conservation Fund program has expanded considerably in the past two years so that a similar review beginning today might result in somewhat different conclusions.

There are several other considerations that will, I believe, put the report in better perspective. A brief section devoted to a review of the major elements of the Land and Water Conservation Fund Act as it relates to program implementation would be helpful. For example, the Act is quite specific in providing that financial assistance may be given to the States only, and that payments will be made to the States. Only in Section 5(f) does it provide that the States may transfer funds to political subdivisions if consistent with an approved project. Local sharing has been largely the result of continued Bureau of Outdoor Recreation pressure. There is no provision for communication between the Federal level and any sub-State level. All project negotiations, grants, and other communication regarding the Land and Water Conservation Fund program are relayed through a State authorized agency or a designee of the Governor. Consequently, any particular shift of emphasis in the program depends to a large degree on the relationship between the Bureau and the State's representative for purposes of implementing the program.

It should also be noted that the Land and Water Conservation Fund Act was a recommendation of the Outdoor Recreation Resources Review Commission (ORRRC), which had primary concern with such outdoor recreation activities as hiking, picnicking, camping, fishing, boating, swimming, etc. The legislative history of the Act indicates Congress

had this type of recreation most in mind. The agencies named to administer the program at the State level were primarily the park, fish and game or conservation agencies that had rural open space leanings. The urban emphasis which the program has developed again is the result of Bureau of Outdoor Recreation pressure on the States to meet high priority needs.

The other consideration which needs clarification is the role of the statewide comprehensive outdoor recreation plans. The report does recite that many of the States' plans are deficient in one or more areas. These allegations are for the most part accurate and have been previously identified by the Bureau in their reviews of these plans. The fact that a plan may be deficient in certain respects does not, however, mean it is without merit and consequently completely unsatisfactory. Rather the Bureau has endeavored to encourage an upgrading of these plans over time.

As the States have become more aware of in-city and urban recreation needs, there is a discernible trend toward remedial action. Updated plans reflect this. In the recently revised Oklahoma plan, for example, the emphasis on urban needs is closely coordinated through all elements of the plan. One of the major findings is that the most pressing need for open space and outdoor recreation facilities is, and will continue to be, in or adjacent to urban areas. The plan then goes on to make specific recommendations for open space and outdoor recreation actions by local agencies with a State cost-sharing program to support local initiative. A review of Land and Water Conservation Fund assistance to Oklahoma reveals that 70 percent of the State's apportionments has gone to local governments.

The State of Maine provides another positive illustration. Although usually considered a rural State, the revised outdoor recreation plan for Maine, submitted to this Bureau early this year, addresses the needs of its urban people.

New York, a State with more urban problems, in its latest plan revision, for the first time stresses the State's responsibility to help meet the recreation needs of inner city residents.

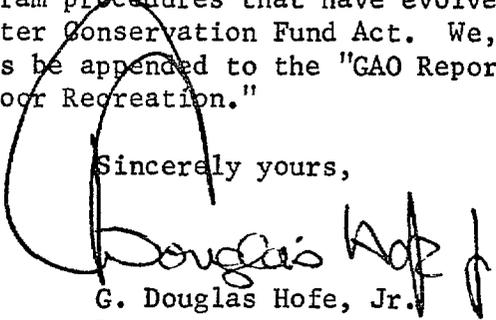
It is recognized that letting the States discover for themselves their urban responsibilities takes time, but the Bureau believes that the results are more lasting and also more in line with the Administration's policy of giving more responsibility to the States. The Bureau of Outdoor Recreation has always encouraged the States to include an endorsement by the Governor of each plan submitted for the program. This was not a mandatory requirement but, since the issuance of OMB Circular A-95 in July 1969, the Governor must now be assured of an opportunity to review the plan and offer his comments. In those instances where a statement from the Governor is not included, States are now required to show that the plan was submitted to him and he was allowed the 45 days for review and comment as required by Circular A-95.

The report notes that plan recognitions of urban needs are not enough if the State does not submit urban projects to the Bureau of Outdoor Recreation. As is pointed out, there are many reasons for this, some of which are beyond State or Bureau control. However, the Bureau could exert more pressure in this area. Again, it is a question of how much the Bureau of Outdoor Recreation should seek to substitute Federal judgment on priorities for what the State feels should be funded.

A final comment relates to the apportionment of the Fund and the allocation of money within the State. The report suggests that a reduction in the equality factor might be an approach to put a larger portion of the Fund into the more urban States. This, of course, has been proposed as an Administration bill. The report further recognizes that because of the provisions of the Act there is no mechanism to assure that the extra moneys would actually be expended in the areas of greatest need.

In summary, this Bureau regards the report as a reasonable assessment of the Land and Water Conservation Fund program, at the time of review. We also have appreciated the opportunity to meet with GAO personnel and discuss the report. However, we do feel that if the report can be faulted in any manner, it is the failure to include a discussion of the legal constraints and program procedures that have evolved since the passage of the Land and Water Conservation Fund Act. We, therefore, request that these comments be appended to the "GAO Report of Awards of Federal Grants for Outdoor Recreation."

Sincerely yours,



G. Douglas Hofe, Jr.
Director

APPENDIX IV



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

OFFICE OF THE ASSISTANT SECRETARY
FOR COMMUNITY DEVELOPMENT

IN REPLY REFER TO:

MAY 31 1972

Mr. B. E. Birkle
Assistant Director
General Accounting Office
451 - 7th Street, S. W. - Room 4170
Washington, D. C. 20410

BEST DOCUMENT AVAILABLE

Dear Mr. Birkle:

I appreciate the opportunity to comment on your report - "Results of Awards of Federal Grants for Outdoor Recreation."

Your major recommendation - that the Congress should consider amending legislation so we can make grants of greater or less than 50 percent on the basis of financial need - certainly merits further study.

From the HUD point of view, however, events may be overtaking your report. It appears that Community Development Special Revenue Sharing will be approved by the Congress with the present Open Space Land Program scheduled to be included within the new legislation. This will provide more equity in the distribution of funds to communities of greatest need because of factors reflecting poverty and housing conditions that are expected in the statutory allocation formula. As proposed, Community Development Special Revenue Sharing will also allow each locality a wide range of choices in the use of funds they receive, with limited distortion of local priorities, because the local matching share is expected to be minimal.

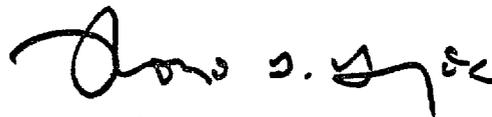
I agree with the central thrust of your report that we should make the greatest effort to meet the open space needs of people living in the low income, high-density areas of our cities. We have been moving in that direction, as your report indicates. We allocated fiscal year 1972 funds to the field based on population, income, and poverty factors.

We also established a project selection system that gives heavy weight to the location of projects in urban areas and for service to areas with concentration of minority and low-income populations.

Like you, we have found that communities with the greatest need for open space can least afford to meet the local matching share requirements. Sometimes, cities cannot afford to accept open space grants when HUD provides a fifty percent grant and the State also provides a fifty percent grant. This is because the community cannot afford to manage and operate the open space acquired, as well as to lose the tax revenue the land would have generated, if it had not been publicly acquired. Community Development Special Revenue Sharing should solve this problem, if enacted.

[See GAO note.]

Sincerely,



Floyd H. Hyde
Assistant Secretary

GAO note: The deleted comment relates to a matter which is not relevant to this report.

PRINCIPAL OFFICIALS
RESPONSIBLE FOR THE ADMINISTRATION OF
ACTIVITIES DISCUSSED IN THIS REPORT

Tenure of office
From To

DEPARTMENT OF THE INTERIOR

SECRETARY OF THE INTERIOR:

Rogers C. B. Morton	Jan. 1971	Present
Fred J. Russell (acting)	Nov. 1970	Jan. 1971
Walter J. Hickel	Jan. 1969	Nov. 1970
Stewart L. Udall	Jan. 1961	Jan. 1969

DIRECTOR, BUREAU OF OUTDOOR
RECREATION:

James G. Watt (acting)	June 1972	Present
G. Douglas Hofe, Jr.	July 1969	June 1972
Edward P. Crafts	Apr. 1962	July 1969

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SECRETARY OF HOUSING AND URBAN
DEVELOPMENT (note a):

George W. Romney	Jan. 1969	Present
Robert C. Wood	Jan. 1969	Jan. 1969
Robert C. Weaver	Feb. 1961	Dec. 1968

ASSISTANT SECRETARY FOR METROPOLI-
TAN PLANNING AND DEVELOPMENT:

Samuel C. Jackson	Feb. 1969	Feb. 1971
Charles Haar	July 1967	Jan. 1969

<u>Tenure of office</u>	
<u>From</u>	<u>To</u>

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
(continued)

ASSISTANT SECRETARY FOR RENEWAL
AND HOUSING ASSISTANCE (note b):

Lawrence M. Cox	Mar. 1969	Feb. 1970
Howard J. Wharton (acting)	Feb. 1969	Mar. 1969
Don Hummel	July 1966	Feb. 1969

ASSISTANT SECRETARY FOR COMMUNITY
DEVELOPMENT (note c):

Floyd H. Hyde	Mar. 1971	Present
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^a Formerly the Administrator, Housing and Home Finance Agency.

^b Responsibility for section 705 of the Housing Act of 1961, acquisition of developed land, was transferred to the Assistant Secretary for Metropolitan Planning and Development in February 1970.

^c Effective March 1, 1971, responsibility for administering the Open Space Land Program, which includes both urban beautification and open space projects, was transferred from the Office of Metropolitan Planning and Development to the new Office of Community Development. The Open Space Land Program became the Legacy of Parks program on July 1, 1971.