New York City Fails to Protect New Yorkers' PPP/PEC Rights Yet City Leaders Hand Over Nearly \$1 BILLION Annually To the PPP/PEC Institutions with a Wink-and-a-Nod

Through its <u>Cultural Institutions Unit</u>, New York City's Department of Cultural Affairs [<u>DCA</u>] oversees the operations, including funding for capital and expense budgets, of 34 member-institutions making up DCA's CIGs. Fourteen of the 17 PPP/PEC institutions are members of CIGs. **BBG is a CIGs member**. Examples of New York City's failed oversight is reported in <u>LIST OF REFERENCES – BBG</u> Section F. 14. to 18. below.

The Facts of the PPP

See: DCA's "Procedures Manual" [2005].

DCA describes City's relationship with the PEC institutions at p. 7:

"The history of the public-private partnership between the City and the Institutions dates back to 1869, when <u>State legislation authorized the City</u> to construct a facility for the new American Museum of Natural History. The same legislation provided for use of that City-owned facility by the private nonprofit organization that was formed in order to acquire the collection and oversee the presentation of exhibits and programs. *** <u>State legislation authorized the City's relationship</u> with many of the older Institutions ..." [emphasis added]

The Failure of DCA's Oversight

Clearly DCA cannot perform proper due diligence without connecting the terms of the PEC institutions' contracts, policies, and practices to the provisions of State laws. Yet,

[1] DCA acts in disregard to the provisions of State legislation when stating in the "Admission Fees and Tickets Prices" section of its "Procedures Manual":

"In order to demonstrate commitment to its public service mandate, the Institution should maintain fee and ticket prices that are accessible to a broad spectrum of New York City's population. Institutions should provide free or reduced-price programming to the public on a periodic basis [emphasis added] [p. 15].

- [2] DCA expects PEC institutions to produce **only** copies of "operating agreements, licenses, or other contracts **with the City**" [see VII.B.5, p. 37].
- [3] After denying FA's initial FOIL request stating that it "generally" does <u>not</u> retain or refer to State documents, many of DCA's nearly 3,000 pages ultimately produced were copies of State laws pertaining to the structure of the PPP.

New Yorkers subsidize the PEC institutions in an amount approximating \$1 BILLION annually, yet DCA's "Procedures Manual" is silent on the PEC's mandate to provide free admission.