



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 10/25/04
04-547

Communication No.:

Agenda Item Type: Resolution

Roll Call No:

Submitted by: Donald M. Tripp, Park and Recreation Director

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SUBJECT—

Blank Park Zoo 28E Operational Agreement.

SYNOPSIS—

Receive and file the Blank Park Zoo Foundation, Inc. Financial Report dated June 30, 2004, and authorize the City Manager to negotiate the terms with the Foundation to extend the 28E Operational Agreement beyond the current termination date of June 30, 2005.

FISCAL IMPACT—

Under the terms of the Agreement, the City agreed to provide total annual funding for the Zoo of \$670,000, consisting of \$370,000 in annual operating funds and \$300,000 in annual capital improvement funds.

In addition, the City and the Foundation agreed to each fund up to \$125,000 if the actual annual operating revenues were less than the projected annual revenues stated in Exhibit F of the Agreement. Projected revenues were \$3,217,774, with actual revenues of \$3,086,276, a difference of \$131,498. The City's share is \$65,749, resulting in \$59,251 returned to the City.

RECOMMENDATION—

Approval

BACKGROUND—

On May 5, 2003, by Roll Call No. 03-1089, the City Council approved the 28E Operational Agreement with the Blank Park Zoo Foundation, Inc. for the Foundation to assume the operation of the Blank Park Zoo. The current Agreement is for two years, from July 1, 2003, through June 30, 2005.

During the first year of the Blank Park Zoo Foundation, Inc. management, the Zoo has prospered and become more prominent as a tourist attraction. According to Scarborough Research, the Zoo has become the second largest cultural attraction in Iowa, second only to the Iowa State Fair. With the opening of the Highway 5 bypass, the Zoo complex is poised to grow even more.

After seven months of preparation and consolidation of staff functions, the Zoo was poised for the new season beginning in March 2004.

Noteable achievements for the Blank Park Zoo Foundation include:

- 42 percent increase in summer attendance over 2003 (127,691 vs. 86,485). They are anticipating nearly 300,000 guests will enjoy the Blank Park Zoo in 2004.
- Increased sponsorships from American Express Financial Advisors for the new American Express train engine and the Moberg Snow Leopard sculpture, funded by Tom and Jo Ghrist.
- Capital improvements with newly remodeled restrooms, new animal fountains, Beastro Café, Sticks directional signage, lighted entrance sign, and started construction on the ZooPlex event structure, which provides 10,000 square feet of indoor space for large group activities, concerts, and animal shows.
- Enhanced animal exhibits with the summer exhibit of a rare white alligator, remodeled jelly fish Exhibit, and new Water Lab amphibian exhibits in the Discovery Center.
- Hosted an exciting array of new special events, including Dream Night at the Zoo, Kid's RAGBRAI, Teddy Bear Days, Animal Planet Expo, Animal Ice, and ZooBrew.
- Expanded education programs for summer and spring break camps, Des Moines Middle Schools, and Home School.
- Increased marketing with on-site video production and presentation. The Zoo is now shown on City Channel 7, and TV Channel 8 weather station and web cam.
- A return of \$59,251 that was possible through the agreement terms.

The Foundation is very pleased with the first year results of operations and desires to begin negotiations with the City to extend the Operational Agreement for a longer term.

