

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

99-196

SYNOPSIS -

AGENDA:

Proposed 28E Agreement between the City and the Blank Park Zoo Foundation to authorize the Zoo Foundation to build the Interpretive Center.

MAY 3, 1999

SUBJECT:

FISCAL IMPACT -

28E AGREEMENT WITH THE BLANK PARK ZOO FOUNDATION TO BUILD THE WEB OF LIFE INTERPRETIVE CENTER

The Foundation has the financial resources to construct the Interpretive Center, at a cost of approximately \$4.8 million. Preliminary average annual operating cash flow projections through Fiscal Year 2004, at annual attendance of 230,000 visitors are:

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

<u>Operating Income:</u>		
	Revenue	\$ 1,106,500
	City Subsidy	550,000
	Foundation Support	<u>157,767</u>
	Total Income	\$ 1,814,267
	Operating Expense	\$ 1,814,267

SUBMITTED BY:

DONALD M. TRIPP
PARK AND
RECREATION
DIRECTOR

Staff will not recommend any cuts in the budget, which would be inconsistent with our goals to improve neighborhood parks. An estimated \$100,000 above current City funding levels would be the maximum level of City funding and may not be necessary. The establishment of the annual budget will allow for the Board and Council input in how to fund this need.

RECOMMENDATION -

Approval.

BACKGROUND -

The Blank Park Zoo Foundation raised over \$5 million to build the new Great Cats Exhibit and the Interpretive Center. The Great Cats Exhibit opens May 1, 1999, and the Foundation wants to begin construction on the Interpretive Center in May 1999.

As this is a privately funded project, a 28E Agreement is required to construct the facility. In addition, sources of additional annual support are needed to fund the increased operating expenses for the Interpretive Center.

The proposed 28E Agreement specifies that the Foundation will construct the Interpretive Center solely with private funds and establishes limits for City financial support to a maximum of \$850,000 per year for combined operating and capital projects, with the Foundation providing the additional annual support required to fund the increased operating expenses for the Interpretive Center. It also states the intent of the City and the Foundation to enter into a new five-year operating agreement that will define the respective roles and responsibilities between the parties for future operating support, management, and capital development of the Blank Park Zoo.

The terms of the proposed agreement were formulated during joint meetings of representatives of the Park and Recreation Board and the Zoo Foundation.

At the April 27, 1999, Park and Recreation Board meeting, Resolution No. 99-137, the Board unanimously approved this 28E Agreement with the Blank Park Zoo Foundation to build the Web of Life Interpretive Center.