



COMMUNICATION **COUNCIL**
Agenda Item
City Manager's Office

GENERAL INFORMATION

Agenda Date: 03/08/04
Agenda Item Type: Ordinance

Communication No.: 04-123
Roll Call No:

Submitted by: Terry Rich, CEO, Blank Park Zoo Foundation
Reviewed and Recommended by Donald M. Tripp, Park and Recreation
Director

SUBJECT—

Blank Park Zoo Proposed Fees and Charges

SYNOPSIS—

The Des Moines Park and Recreation Board recommends approval of the proposed fees and charges for the Blank Park Zoo for fiscal years FY 2004 and FY 2005.

FISCAL IMPACT—

The anticipated fiscal impact is approximately \$40,000 per year. The methodology used estimates a per capita revenue increase averaging \$0.26, applied to the estimated annual paid attendance. Paid attendance is total attendance adjusted for reduced fees for seniors and school groups, and free admissions for members, children under 3, and community service passes.

RECOMMENDATION—

Approval

BACKGROUND—

On May 5, 2003, by Roll Call No. 03-1089, the City Council approved a new 28E Operational Agreement with the Blank Park Zoo Foundation. Under the terms of this Agreement, the City Council shall take into consideration the Foundation's recommendations regarding the setting of fees. Also under the Agreement, the City provides the Zoo \$370,000 in annual operating funds. In the event that projected revenues are less than the approved operating budget, then the parties shall equally fund the deficit, with the City providing a maximum of \$125,000 per annum of additional funds for Fiscal Year 2004 and Fiscal Year 2005.

The Zoo generates direct revenue from admission fees and charges for education programs, food, catering, gifts, amusement rides, vending and facility and equipment rentals

The staff reviewed fees in other comparable zoos, other local cultural attractions, and the retail market to determine comparable rates for similar programs and services in recommending fees for both existing and new programs. As a result, the proposed fees include price point adjustments, and rate increases and decreases. Price point adjustments, such as admission fee changes for adult rates from \$6.50 to \$6.95, and child rates from \$5.00 to \$4.95, netting an additional \$0.40 in admissions income, are not perceived price increases by customers. Also adjusted were the age ranges for the child and senior rates, which are more comparable with other regional zoos, such as Omaha.

Education program fees are based on comparable rates for other similar local programs, and input from program participants. Fees for facility rentals reflect a premium for peak rentals on weekends for the Pavilions and a simplified and more profitable single rate for the Discovery Center rooms. Since opening the Discovery Center in September 2001, the vast majority of room rentals have been for the Conference Center with average group size of 125 people.

The recommended fees are part of an integrated strategy of more effective revenue generation, enhanced marketing efforts, additional annual special events and expanded on-site and outreach education programs to build attendance and revenue in order to minimize the need for additional City funds.

On February 24, 2004, the Park and Recreation Board approved the proposed zoo fees and charges unanimously.