



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
March 2, 2021

TOPIC: Approve an Agreement with Friends of the Santa Ana Zoo

AGENDA TITLE:

Approve an agreement with Friends of the Santa Ana Zoo for the benefit and support of the Santa Ana Zoo at Prentice Park for the period March 1, 2021 to February 28, 2026 with two, one-year renewal options (General Fund)

RECOMMENDED ACTION

Authorize the City Manager to execute an agreement with Friends of Santa Ana Zoo for the benefit and support of the Santa Ana Zoo for the term from March 1, 2021 through February 28, 2026, with two, one-year renewal options, subject to non-substantive changes approved by the City Manager and City Attorney.

DISCUSSION

Friends of Santa Ana Zoo (FOSAZ) is a non-profit, 501(c)3 organization first incorporated in 1982 for the purpose of funding and supporting a children's zoo. In 1987, the organization expanded to provide financial and marketing support for the Santa Ana Zoo (Zoo). Primarily, FOSAZ directs fundraising efforts through a broad spectrum of approaches, including appeals for private giving, grant applications, and events, such as Boo at the Zoo, Sunsets at the Zoo summer concert series, and Zoofari black-tie gala. Recently, FOSAZ established an endowment to secure long-term income. In addition, FOSAZ manages and provides volunteers for enterprises that benefit Zoo improvements and animal care such as: membership program, special events, rentals, Treetop Toys Gift Shop, and rides (Zoofari Express Train, 50-Monkeys Ferris Wheel, and Endangered Species Carrousel). FOSAZ contributes \$100,000 annually to offset the cost of a City full-time education staff position and veterinary services. Beyond fundraising, FOSAZ enhances the Zoo's mission by marketing and public relations, ongoing maintenance, projects, and City staff development. FOSAZ operates under the leadership of a volunteer Board of Directors and an Executive Director.

The history of agreements, amendments, and extensions with FOSAZ is as follows:

- On April 3, 2000, the City Council approved Agreement No. A-2000-062 for the development of the Children's Zoo Project.

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- On December 3, 2001, the City Council approved Agreement No. A-2001-242 for the benefit and support of the Zoo.
- On December 3, 2001, the City Council approved an Amended and Restated Agreement No. A-2001-243 for the development of the Children's Zoo. This amendment provided for the design, financing, and construction of a Children's Zoo and a \$2,000,000 contribution for the cost of construction.
- On December 4, 2006, the City Council approved the First Amendment to Agreement No. A-2006-318 for the benefit and support of the Zoo. This amendment provided additional terms and conditions that addressed revenue sharing, facility rentals, and annual reviews.
- On October 6, 2008, the City Council approved Funding Agreement No. A-2008-279 accepting \$443,937 for the development of the Tierra de las Pampas Exhibit.
- On August 2, 2010, the City Council approved a Second Amendment to Agreement No. A-2010-154 for the benefit and support of the Zoo. This amendment increased the financial contributions for veterinary expenses and clarified the City shall deposit concession revenue into the City General Fund.
- On December 1, 2010, the City Council approved a Third Amendment to Agreement No. A-2010-154-01 for the benefit and support of the Zoo.
- On January 17, 2012, the City Council approved Funding Agreement No. A-2012-001 for the renovation of asphalt walkways at the Zoo.
- On July 15, 2013, the City Council approved a Funding Agreement No. A-2013-107 accepting \$350,000 of grants and contributions from FOSAZ to develop an Ocelot Exhibit at the Zoo.
- On July 1, 2014, the City Council approved an Amendment to Agreement No. A-2014-158 to accept an additional \$176,902 donation for the Ocelot Exhibit project for a total project contribution of \$526,902.
- On March 1, 2016, the City Council approved Agreement No. A-2016-035 for the benefit and support of the Zoo. This agreement continued previous annual contributions and increased the annual veterinary subsidy and added an annual subsidy for a City full-time education staff position.
- On March 1, 2016, the City Council approved Agreement No. A-2016-036 for the installation and operation of a Ferris wheel concession.

- On July 31, 2017, the City Council approved a First Amendment to Agreement No. A-2016-035-01 for the benefit and support of the Zoo. This amendment provides additional funding for the annual veterinary subsidy and education position.
- On March 1, 2019, the City Extended Agreement No. A-2016-035 for an additional two-year period from March 1, 2019 through February 28, 2021.
- On December 4, 2020, the City Council approved a Second Amendment to Agreement No. A-2016-035-03. Due to COVID-19 this amendment lowered the annual contributions due to the closure of the Zoo, loss of memberships, and concession revenue.

Throughout FOSAZ's 49-year history with the Zoo and City of Santa Ana, they have contributed significant financial donations, provided countless volunteer hours, and presented hundreds of successful special events like Boo at the Zoo and Sunsets at the Zoo. The impact of FOSAZ on the Zoo and the benefit provided to the community is immeasurable.

The salient terms of the proposed agreement are as follows:

- Five-year agreement term with renewal options.
- \$100,000 annual contribution to City General Fund for veterinary contract expenses and the salary of one full-time educational position.
- Quarterly contribution of 10% of the net proceeds of all membership sales and concessions into the General Fund for Zoo capital and operating expenses like improvement projects and purchase of animals.
- Addition of Tuberculin (TB) testing requirement for certain City staff and volunteers, consistent with City policies for the Zoo.
- Recognition of an endowment created for Zoo support.
- Clarification of volunteer recruitment and coordination responsibilities between FOSAZ and City.
- Encourage use of sustainable packaging and elimination of single-use plastics in the gift shop and in marketing materials.
- Clarification to allow FOSAZ staff and volunteers to assist with animal feeding and animal contact in the goat encounter area.
- Addition of language for any further closures due to the COVID-19 pandemic.
- City and FOSAZ will work together to select and implement a mutually acceptable industry standard ticketing system to provide efficient processing of tickets, memberships, point-of-sale items, and other key features.
- City will contract with a professional marketing firm to redevelop the Zoo website and provide consistent branding on social media platforms currently managed by FOSAZ.
- FOSAZ staff and volunteers are authorized to attend City sponsored safety training events.

FISCAL IMPACT

FOSAZ will contribute funds to offset the cost of a full-time education position (\$40,000) and veterinary services contract (\$60,000). Funds shall be deposited in the following accounts for the term of the agreement and renewal periods:

Fiscal Year	Accounting Unit-Account #	Fund Description	Accounting Unit, Account Description	Annual Amount
FY 21-22 to FY 27-28	01113002-57385	General Fund	PRCSA, Friends of Zoo Education Contribution	\$40,000
FY 21-22 to FY 27-28	01113002-57380	General Fund	PRCSA, Friends of Zoo Vet Contribution	\$60,000

FOSAZ will contribute 10% of the net proceeds of all membership sales and concessions to the City for Zoo capital and operating expenses including, but not limited to, improvement projects, educational opportunities, staff development, and/or purchase of animals, as determined by the City. Funds relating to this contribution shall be deposited in the following account for the term of the agreement and renewal periods.

Fiscal Year	Accounting Unit-Account #	Fund Description	Accounting Unit, Account Description	Annual Estimated Amount
FY 21-22 to FY 27-28	01113002-57383	General Fund	PRCSA, Friends of Zoo Contribution	\$58,800

EXHIBIT(S)

1. Agreement

Submitted By: Lisa Rudloff, Executive Director, Parks, Recreation and Community Services Agency

Approved By: Kristine Ridge, City Manager