



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** July 3, 2012

**TO:** Mayor and Councilmembers

**FROM:** Administration Division, Parks and Recreation Department

**SUBJECT:** Santa Barbara Zoological Gardens Lease

### **RECOMMENDATION:**

That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving a Thirty-Five-Year Lease Agreement With A Fifteen-Year Lease Option Between the City of Santa Barbara and the Santa Barbara Zoological Gardens Foundation for Continued Lease of the Property Being Operated as the Santa Barbara Zoological Gardens, Commonly Known as the Santa Barbara Zoo.

### **DISCUSSION:**

Since 1963, the City of Santa Barbara has provided, through two long-term leases, use of City parkland known as the Child's Estate for the development and operation of a community zoo. The current twenty-five year lease, which began in 1987, expires December 30, 2012. Over the last year, staff from both organizations met several times to negotiate a new long-term lease. At its regular monthly board meeting of June 7, 2012, the Zoo Foundation Board unanimously approved by resolution the signing of the new lease.

### **Santa Barbara Zoo**

Opened to the public in 1963, the Santa Barbara Zoo annually welcomes 450,000 area residents and visitors seven days a week, including 40,000 school children. Accredited by the Association of Zoos & Aquariums and licensed by the US Department of Agriculture, the Zoo is home to 160 species of mammals, reptiles, birds, fish, and invertebrates. More than 500 animals are exhibited in open naturalistic habitats. Over the past ten years, the Zoo has invested over \$14 million in major exhibits and capital improvements, including: California Trails, featuring California Condors and Channel Island Foxes (opened in 2009); the renovated elephant exhibit, Elephant Walk (2004); Wings of Asia, a walk-through aviary (2004); and Cats of Africa (2003). Construction will begin in September 2012 on the Discovery Pavilion, a 9,500 square foot "green" education building. This new facility features classrooms that can accommodate 60 students, an exhibit gallery, an animal diet kitchen that can be viewed by guests, and administrative space for professional staff in education, human resources, and conservation/research. The Zoo's annual operating budget of \$8.3 million is

supported in large part through revenue generated by admissions, memberships, food service, retail sales, the Zoo's miniature train, and private events.

### **Highlights of New Lease**

The basic terms of the lease agreement are unchanged for the most part. Changes in several lease sections more accurately describe the operations of the Zoo as it exists today as compared to 1987. A few highlights of the new lease include:

1. The lease term is extended from twenty-five years to thirty-five years with a fifteen-year option, in recognition of the stability of the Zoo operation and to enhance the Zoo's ability to compete for grant funding.
2. The previous lease provided annual General Fund support to the Zoo for grounds maintenance and water costs ranging from \$125,000 - \$168,000 per year (budgeted in Parks and Recreation). This funding was intended to assist the Zoo with developing into the strong, healthy operation it is today. Recognizing the recent fiscal challenges faced by the City, four years ago, the Zoo agreed to a three-year phased elimination of this General Fund support. Both parties agree with the permanent discontinuation of this funding.
3. New language specifically references the Zoo as a Regional Park (previously public park) with uses compatible with operating a zoological garden and Regional Park in accordance with the City Municipal Code Chapter 28.37.
4. The new lease acknowledges that the City and Zoo have shared mutual interests related to circulation and parking in the neighborhoods adjoining and in the vicinity of the Zoo, including Dwight Murphy Park, East Beach, and the Cabrillo Boulevard corridor; allows Zoo use of Dwight Murphy park parking lot on first-come, first-served basis; and says that agencies will work collaboratively on circulation and parking issues.
5. Sections on Water Use, Water Conservation, and Use of Reclaimed Water, have been simplified to refer to a separate Recycled Water Use Agreement executed between the City and Zoo, consistent with how the City works with other entities.
6. Insurance coverage limits and related language have been updated consistent with current City requirements.

The Santa Barbara Zoo is committed to the preservation and conservation of wildlife and natural resources for the benefit, enjoyment, and education of the citizens of Santa Barbara and its visitors. The Zoo provides a high quality zoo experience not often found in similarly sized zoo operations, which is a benefit to the Santa Barbara community that will be continued with this new lease.

**SUBMITTED BY:** Nancy L. Rapp, Parks and Recreation Director

**APPROVED BY:** City Administrator's Office