

**MEMORANDUM OF UNDERSTANDING BY AND BETWEEN**  
**THE LOS ANGELES ZOO AND BOTANICAL GARDENS ("Zoo") AND**  
**THE GREATER LOS ANGELES ZOO ASSOCIATION ("GLAZA")**

**MARKETING AND PUBLIC RELATIONS AND**  
**SITE RENTALS and CATERED EVENTS**

**1. Governance**

***Operating Agreement***

The City of Los Angeles, through the Zoo Department, entered into an Operating Agreement with the Greater Los Angeles Zoo Association for the purposes of obtaining assistance in establishing, developing, beautifying and improving the Zoo (Los Angeles City Council File No. 94-0989-S1). The Operating Agreement was dated July 1, 1997, executed on September 29, 1997 and expires on September 29, 2022. In accordance with Section III of the Operating Agreement, the General Manager of the Zoo Department (the "Zoo Director") is authorized to enter into one or more Memorandum of Understanding ("MOU") with GLAZA, on behalf of the City, as sub-agreements. The MOU details the subject matter of the contract, indicates what the parties have agreed to perform, the consideration to be exchanged between the parties and the essential terms of the performance required.

***Execution Authority***

Each MOU may have a maximum term of three years and will be subject to the approval of the City Attorney as to form and legality. Each MOU shall conform with and carry out the objectives and strategies in the Los Angeles Zoo Business and Marketing Plans, as approved by the City Council, per the Operating Agreement.

On September 23, 2014, the City Council approved the Zoo's updated Three-Year Business and Marketing Plan (July 2014) (C.F. 14-0600-S223). The Plan, developed by the Zoo and GLAZA and which covers Fiscal Years 2014-15 through 2016-17, outlines four primary goals that focus on the Zoo campus, conservation, community and human capital. The Plan also contains strategies for achieving established goals and includes key metrics and assumptions utilized in the development of the Plan.

**Term of MOU**

This MOU is effective for a one-year period, commencing July 1, 2016 through June 30, 2017 ("Term"). The Program Descriptions and Budgets below reflect activity during this entire fiscal year. The Zoo and GLAZA may amend this MOU by written agreement during its Term should they mutually agree to change the program outlines and budget.

## **2. Performance by GLAZA and the Zoo**

GLAZA and the Zoo will cooperate in a good faith effort to achieve the projections contained in the Zoo's 2016-17 Adopted Budget; however, neither GLAZA nor the Zoo can guarantee that their efforts will achieve such results. Accordingly, where GLAZA and the Zoo have exerted their good faith efforts, their failure to achieve such projected results is not grounds for terminating this MOU.

The Zoo will make good faith efforts to provide the resources, staff, programs and intellectual property necessary to fulfill the Marketing and Public Relations plans. GLAZA will provide the Zoo with Marketing and Public Relations information, reports and budgets as requested that conform with and carry out the objectives and strategies in the Business and Marketing Plan as approved and adopted by the City Council. These reports will meet deadlines relative to the City's proposed budget timeline, as well as City Council instructions for various report backs by the Zoo Department.

The Zoo will provide GLAZA with a non-exclusive license for its use of all Zoo trademarks, logos and other marks for the purpose of marketing the Zoo. The Zoo will also provide GLAZA with accessible customer data, including email addresses, street addresses and zip codes, and telephone numbers for the purpose of re-targeting them, subject to the approval of the City Attorney.

## **3. Program Descriptions**

### **A. Marketing and Public Relations**

GLAZA will be responsible for the staffing, design, implementation and management of a comprehensive marketing, strategic branding and public relations program for the Zoo to achieve the goals of expanding external awareness of the Zoo and increasing Zoo attendance and revenue. GLAZA's objectives during the Term of this MOU will include:

- Invest up to \$2,500,000 during the Term in the Marketing and Public Relations program;
- Meet revenue projections of \$14,211,799 for daytime admissions revenue, and \$1,214,718 for night-time ticketed events, as stated in the 2016-17 adopted budget of the City of Los Angeles. Of the \$15,426,517 in total revenue, the Zoo will retain \$13,850,000 and GLAZA's share will be \$1,576,516.

The Zoo will maintain a staff position to handle the public relations for any crisis situation at the Zoo and to manage public relations relative to animal, conservation and education-related programs. GLAZA's Marketing and Public Relations program will coordinate all internal and external promotional messaging to ensure a consistent voice in all of the Zoo's marketing communications. The scope of the program will include, but not be limited to, market research, branding and advertising, earned and owned media, special events and

promotions, strategic marketing alliances, group sales, and tourism.

GLAZA will deliver to the Zoo monthly projections of attendance to enable the Zoo to optimize its cash flow and to inform the process of planning in years when attendance may be off due to weather and other external factors. GLAZA will provide monthly reporting of attendance and revenue results against the 2016-17 budget. GLAZA will periodically adjust and refine the marketing mix and public relations program to achieve its goals of increasing brand awareness, paid attendance and earned revenue.

### ***Market Research***

GLAZA will conduct periodic visitor surveys to identify trends in guest experience, awareness, visitation motivation and demographics. This information will be used to identify opportunities for refinement of our target audiences, messaging strategies and programming decisions.

### ***Branding, Positioning and Advertising***

In conjunction with the ongoing planning efforts of GLAZA and the Zoo, GLAZA will implement a marketing and public relations plan that will target new audiences. GLAZA will develop an annual marketing plan to promote the Zoo as an attraction within the greater Los Angeles marketplace to drive attendance.

### ***Strategic Marketing Alliances and Media Mix***

- To increase the Zoo's reach and positive image, GLAZA will continue developing strategic marketing alliances with local institutions, and environmentally focused groups and initiatives as approved by the Zoo Director. By creating these alliances and maintaining productive relationships with these entities, GLAZA will reach a broader audience of potential new Zoo visitors.
- GLAZA will coordinate its ongoing corporate sponsorship program with its marketing program to secure opportunities for cross promotions and strategic marketing alliances with these Zoo supporters to increase the Zoo's marketing efforts. Income from the corporate sponsorship program will be invested in the marketing and public relations program.
- GLAZA will optimize the media mix used to spread the Zoo's marketing messages, increase its demographic reach and leverage its financial investment in marketing. Media may include radio, outdoor, digital and print advertising plans. In addition, GLAZA will maintain and leverage existing media relationships and cultivate new opportunities to partner with local media outlets, such as local public radio stations and foreign language media that have the ability to connect the Zoo to new target audiences. GLAZA will continue actively cultivating relationships with local journalists to maximize news coverage of events, programs and exhibits and gain positive attention. Media relations will focus on creating brand awareness of the Zoo as a trusted institution for animal care and conservation as well as promote Zoo attendance.

- GLAZA will use social media to reach new audiences and demographics and to deepen relationships with current Zoo attendees to encourage future visits and purchases.
- GLAZA will continue programs to garner increased tourist paid attendance by partnering with other local tourist destinations and attractions to gain tourists' attention and visitorship. GLAZA will develop an ongoing relationship with the concierges at key local tourist hotels, as well as with major tour operators that target visitors to Los Angeles.

### ***Special Events and Exhibits***

- GLAZA will continue creating, marketing and implementing daytime and evening special events within its annual marketing plans to increase Zoo attendance, admissions revenues and night-time ticketed events revenue, all of which shall be counted in the evaluation of Zoo attendance and admission revenue. These events will be designed with the goal of bringing new audiences to the Zoo.
- GLAZA may also contract for travelling exhibits and shows, as needed to complement the Zoo's programming and to drive Zoo attendance. GLAZA will develop compelling marketing communications to inspire increased Zoo visitorship for these special exhibits and shows. A separate admissions fee may be charged for these exhibits and shows, from which all related expenses, including production and marketing, shall be separately deducted. Net revenue from these activities will be transferred to the Zoo within thirty days of a final reconciliation of the activity. The Zoo will be provided periodic financial reports on the attendance, revenue and expenditures associated with these special exhibits and/or shows.

### ***Staffing***

GLAZA will fund, through the Marketing budget, and direct a Vice President of Marketing who shall report to the GLAZA President to create, implement, manage and direct the marketing, positioning and public relations plan for the Zoo. GLAZA will also fund, through the Marketing budget, a full complement of staff to carry out this program under the direction of the Vice President of Marketing.

### ***Budget and Results***

During the Term of this MOU, GLAZA will fund the Marketing and Public Relations program from its share of the increased earned revenue generated by increased Zoo visitorship, sponsorship program, and \$65,000 from unrestricted fundraising. GLAZA has projected 2016-17 daytime admissions revenue as \$14,211,799 and night-time ticketed event revenue as \$1,214,718 for a total of \$15,426,517. Net revenues above the budget of \$15,426,517, will be retained by the Zoo Department, and/or transferred

annually to the Zoo Enterprise Trust Fund, with timing subject to negotiation between the Zoo and GLAZA, but no later than 30 days following the close of each fiscal year.

### ***Other Matters***

*Performance Assessment:* Deliverables, metrics and milestones for GLAZA's Marketing and Public Relations program are contained in the GLAZA Marketing budget, and will be reviewed on an ongoing basis by the Zoo Director and the GLAZA President.

*Success Factors:* The success of this program is contingent on satisfaction of the conditions described above and several additional factors, including mutual cooperation, good faith efforts, weather conditions, lack of natural disasters including fires and earthquakes which affect the local area, and welfare and safety of the animals at least consistent with the industry standard as required for continued AZA accreditation.

## **B. Site Rentals and Catered Events**

### ***Term***

As a component of GLAZA's overall marketing campaign to raise the awareness of the Zoo, GLAZA will continue to market it as a prime venue for catered events during the Term of this MOU.

### ***Staffing***

GLAZA will fund, through the Site Rentals and Catered Events budget, and direct a staff to market, negotiate, and oversee site rentals at the Zoo, as well as appropriate staff, either directly or through Concessionaire or other catering companies, to oversee individual events including additional non-Zoo staff to undertake custodial and monitoring duties.

### ***Venues***

*Existing Venues:* GLAZA will continue to market the current list of Zoo spaces for rent, and suggest modifications to these venues to maximize their utility

*Large-Scale Venues:* In conjunction with the Zoo, GLAZA studied optimal location(s) for large-scale events (up to 1000 guests) both during public hours and in the evenings. The park, an approximately 1.72 acre undeveloped site located behind the Children's Discovery Center and the Witherbee Auditorium, has been selected for the development of a large-scale, multi-use venue. Plans for the park are under design, and GLAZA is actively fundraising to cover the costs of its development and construction.

### ***Animal Experiences***

The Zoo will develop a flexible and cost-effective program for providing animal experiences at catered events, especially for evening events.

### ***Capital Investment***

GLAZA has invested in an inventory of equipment, including such items as heaters, chairs, tables and lighting for groups of 100-250. Additional investments in equipment will be deducted as an expense from the Site Rentals and Catered Events budget. GLAZA will continue developing relationships with rental companies to provide additional equipment for larger groups and to offer site renters other affordable options. GLAZA will limit such vendors to those who have demonstrated ability to work with a complicated public site such as the Zoo. Upon expiration or termination of this MOU, all equipment purchased pursuant to this section shall become the property of the Zoo.

### ***Group Admission Sales***

As part of developing packages for site renters during public hours, the Zoo authorizes GLAZA to market and sell group paid admission tickets in line with a group sales policy to be negotiated with the Zoo.

### ***Budget and Results***

During the Term of this MOU, GLAZA will meet revenue projections of \$111,409 in gross site rental fees and \$231,187 in gross site rental catering revenue for a total of \$342,596. GLAZA will transfer to the Zoo Department \$34,260, representing ten percent (10%) of the gross site rental and catering revenues. Additionally, GLAZA will transfer \$11,991 to the Zoo Surplus Development Fund, representing three and one-half percent (3.5%) of the gross site rental and catering revenues. GLAZA will retain the remaining commissions and fees from site rental and catering revenue to cover its expenses, including staffing and equipment purchases. All remaining commissions shall be transferred to the Zoo Department.

### ***Other Matters***

*Performance Assessment:* Deliverables, metrics and milestones for GLAZA's Site Rentals and Catered Events program will be reviewed on an ongoing basis by the Zoo Director and the GLAZA President, with oversight from the GLAZA Board of Trustees.

*Success Factors:* The success of this program is contingent on satisfaction of the conditions described above and several additional factors, including good weather conditions, lack of natural disasters including fires and earthquakes which could affect the local area, continuation of excellent animal husbandry, welfare and safety at least consistent with the industry standard as required for continued AZA accreditation, and the cooperation of Zoo Director and related Zoo staff necessary to carry out the Site Rentals and Catered Events program.

#### **4. Miscellaneous Provisions**

4.1 *Choice of Law & Venue* - Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the City of Los Angeles. Unless preempted by Federal laws, this MOU shall be enforced and interpreted under the laws of the State of California and the City of Los Angeles, without any regards to the conflict of law principles. Parties hereby agree to submit to the exclusive jurisdiction of and venue in the courts of competent jurisdiction in the County of Los Angeles in any disputes related to or arising out of this MOU.

4.2 *Merger* - This MOU constitutes the full agreement of the Parties with respect to the subject matter hereto, and supersedes all prior agreements or MOUs, whether written or oral, with respect to such subject matter.

4.3 *No Intended Third Party Beneficiaries* - Parties herein do not in any way intend to create or confer any benefits to any third party.

4.4 *Waivers* - The failure to exercise any remedy or to enforce any right provided in this MOU shall not constitute a waiver of such remedy or right or of any other remedy or right provided herein. A Party shall be deemed to have waived any remedies or rights hereunder only if such waiver shall be in writing expressly.

4.5 *Assistance* - During the term of this MOU, each Party shall provide such reasonable assistance and cooperation as the other Party may require in connection with performance of the duties and obligations of each Party under this MOU.

4.6 *Assignment* - GLAZA shall not by contract, operation of law, or otherwise, assign any rights under this MOU (in whole or in part), or delegate performance of any obligations under this MOU without the Zoo's prior written consent.

4.7 *Headings* - Article and section headings used in this MOU are inserted for convenience only and are not intended to be part hereof or in any way to define, limit, describe or to otherwise be used in interpreting the scope and intent of the particular provisions to which they refer.

4.8 *Representation and Counseling* - Each Party was represented by legal counsel during the execution of this MOU.

4.9 *References to Other Agreements* - All references in this MOU to other agreements or past practices are for reference purposes only, and do not purport to provide validity or interpretation to the reference, the dates of execution, the term of the agreements or the stated purpose or authority of the agreements. The references are mere recitals without legal authority.

#### **5. City's Standard Terms and Conditions**

The City's Standard Provisions for City Contracts (Rev. 3/09) is attached and made

part of this MOU to update the Standard Terms and Conditions which are attached to the Operating Agreement. In the event of a conflict, the Operating Agreement language shall prevail.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written below.

FOR: The CITY OF LOS ANGELES,  
Municipal Corporation  
Acting by and through its  
Zoo Department

For: GREATER LOS ANGELES ZOO A  
ASSOCIATION (GLAZA)

By: \_\_\_\_\_  
JOHN R. LEWIS  
General Manager  
Zoo Department

By: \_\_\_\_\_  
CONNIE M. MORGAN  
President  
GLAZA

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:  
MICHAEL N. FEUER, City Attorney

ATTEST:  
HOLLY L. WOLCOTT, City Clerk

By: \_\_\_\_\_  
DOV S. LESEL  
Assistant City Attorney

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

TERM OF THIS AGREEMENT: July 1, 2016 to June 30, 2017

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

BUSINESS TAX REGISTRATION CERTIFICATE NO: \_\_\_\_\_

AGREEMENT NO: \_\_\_\_\_