

ARTS, PARKS, AND RIVER COMMITTEE REPORT relative to a Memorandum of Understanding (MOU) between the Los Angeles Zoo Department (LA Zoo) and the Greater Los Angeles Zoo Association (GLAZA) on marketing, public relations, site rentals, catered events and the Zoo Concessions Program.

Recommendations for Council action:

1. NOTE and FILE the December 12, 2014 and January 27, 2016 LA Zoo reports.
2. EXTEND the current concessions agreement to August 31, 2016.
3. INSTRUCT the City Administrative Officer (CAO) and the Chief Legislative Analyst (CLA) to report on the framework and time frames to release a Request for Proposal (RFP) for concessions at the LA Zoo within 60 days.
4. INSTRUCT the CAO and the CLA to report on the inclusion of the City's Good Food Policy in the concessions RFP.

Fiscal Impact Statement: The LA Zoo reports that there is no impact to the General Fund. Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted.

(Budget and Finance Committee waived consideration of the above matter)

Summary:

On February 1, 2016, the Arts, Parks, and River Committee considered the December 12, 2014 LA Zoo report relative to a MOU between the LA Zoo and the GLAZA on marketing, public relations, site rentals, catered events, and the Zoo Concessions Program.

In the December 12, 2014 report, the LA Zoo stated that concessions were operated and managed by GLAZA dating back to 1981. In 1997, the LA Zoo became its own Department and was established as an independent Council-controlled City Department, at which time the City Council approved a new 25-year Operating Agreement between the City and GLAZA to establish and govern the relationship between the two parties for the primary purpose of providing a high quality zoo for the residents of the City. The Operating Agreement, which will expire on September 29, 2022, amended the original 1981 Concessions Agreement and extended the term of the original 1981 Concessions Agreement by an additional ten years, with a current expiration date of February 11, 2016. The LA Zoo further stated that the cost associated with the LA Zoo administering the RFP process for a zoo concessionaire is approximately \$250,000 to \$300,000 in one-time costs and \$216,000 in ongoing costs for staffing. The one-time costs could be absorbed by the Zoo Enterprise Fund with the ongoing costs funded by concessions revenue, as a result, it will have no impact to the General Fund.

A question was raised on why the Concessions Agreement that was about to expire was not addressed sooner. The LA Zoo cited that discussions about the possibility of privatizing the zoo

set them off initially. The LA Zoo gave the pros and cons of the RFP if done by the City compared to GLAZA. The need for a new RFP with better terms was expressed. A representative from GLAZA said it would take around 18 months to complete an RFP process. A Committee member recommended to include a requirement that every concession food location should have a vegan option that includes a protein source, in compliance with the City's Good Food Policy.

The Committee noted that by granting a six-month extension to the current Concessions Agreement, the Committee will have more time to review the specifics of the Agreement before making a recommendation on the Agreement's future beyond August 31, 2016. Due to time constraints, the recommendation to extend the Concessions Agreement to August 31, 2016 was forwarded for Council adoption on February 10, 2016.

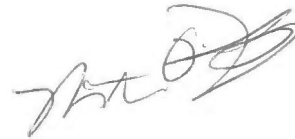
After consideration and having provided an opportunity for public comment, the Committee moved to approve the recommendations contained in this report. The matter is now submitted to Council for its consideration.

Respectfully Submitted,

ARTS, PARKS, AND RIVER COMMITTEE

| <u>MEMBER</u> | <u>VOTE</u> |
|---------------|-------------|
| O'FARRELL: | YES |
| PRICE: | YES |
| KORETZ: | YES |
| BLUMENFIELD: | YES |
| RYU: | YES |

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-NOT OFFICIAL UNTIL COUNCIL ACTS-