

ARTS, PARKS, HEALTH, AGING AND RIVER COMMITTEE REPORT relative to proposed Memorandum of Understanding (MOU) with the Greater Los Angeles Zoo Association (GLAZA).

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the updated three-year Los Angeles Zoo and Botanical Garden's (Zoo) Business and Marketing Plan as detailed in Attachment 2 of the August 20, 2014 Joint City Administrative Officer (CAO)/Zoo report, attached to the Council file.
2. DETERMINE that the MOU, as amended, between GLAZA and the Zoo for Marketing and Public Relations and Site Rentals and Catered Events as detailed in Attachment 3 of the August 20, 2014 Joint CAO/Zoo report, attached to the Council file, is in conformance to the approved Zoo Business and Marketing Plan.
3. RATIFY the Marketing MOU, as amended and required in Section 7 of the Marketing MOU as detailed in Attachment 2 of the August 20, 2014 Joint CAO/Zoo report, attached to the Council file.
4. INSTRUCT the Zoo, with assistance of the CAO, Chief Legislative Analyst, and City Attorney, to update as necessary all expired MOUs and other agreements with GLAZA; and INSTRUCT the Zoo to report to Council prior to the execution of any MOU and/or agreements between the Zoo and GLAZA.
5. INSTRUCT the Zoo to report in 30 days in regard to a concessions contract and the Zoo's staffing and funding needs required to release a Request for Proposals for concessions.
6. REQUEST the Controller, upon receipt of funds from GLAZA in the amount of \$447,837 from 2011-12 unallocated membership program revenue, to deposit said funds into the Zoo Enterprise Trust Fund.

Fiscal Impact Statement: The CAO/Zoo report that there is no General Fund impact from the actions as recommended in the August 20, 2014 Joint CAO/Zoo report. Approval of the recommendations will not result in changes to the Zoo's 2014-15 Adopted Budget.

Community Impact Statement: None submitted.

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

Summary:

On August 25, 2014, your Committee considered an August 20, 2014 Joint CAO/Zoo report relative to a proposed MOU with GLAZA. According to the CAO/Zoo, on May 21, 2014, Council adopted the following instruction as part of the Adopted Budget: "The Zoo Department (Department) to report to the Arts, Parks, Health, Aging and River Committee on all of the City's Memoranda of Understanding (MOUs) with the Greater Los Angeles Zoo Association (GLAZA), such as the carousel, membership, publications, volunteers, financial assistance, special events, concessions, public relations and marketing. The Office of the City Administrative Officer (CAO) should include a comprehensive analysis of funding that GLAZA receives from the City of Los Angeles (City) and any funding provided

by GLAZA to the Zoo Department..." (Attachment 1 of the August 20, 2014 Joint CAO/Zoo report, attached to the Council file).

The CAO, in conjunction with the Zoo, has analyzed each MOU and a discussion of the revenues, expenses, and services provided under the terms of each MOU. In addition to the 25-year Operating Agreement which expires September 2022 and the Concession Agreement which expires February 2016, the Zoo currently has five MOUs with GLAZA. Although four MOUs are presently expired, the Zoo and GLAZA have agreed to continue to operate under the terms of the prior MOUs until such time as the LA Zoo's revised Business and Marketing Plan (Attachment 2 of the August 20, 2014 Joint CAO/Zoo report, attached to the Council file) is approved and successor MOUs are approved and executed.

In 1997, Council approved a 25-year Operating Agreement with GLAZA to establish and govern the relationship between the two parties for the primary purpose of providing a high quality LA Zoo for the residents of the City (Contract. No. C-95894). The current agreement will expire on September 29, 2022. It specifies the responsibilities and roles of each, including GLAZA's responsibility to obtain financial contributions and similar support from the private sector, to be used for the City's operations and capital improvements at the LA Zoo. Under the terms of this agreement, the Zoo Director is authorized to negotiate and execute separate MOUs for fundraising, membership program, and other activities or services to be performed by GLAZA, provided that the terms do not exceed the expiration date of the Operating Agreement or a maximum of three years. Each MOU must be approved by the City Attorney and comply with the objectives and strategies of the Business and Marketing Plan approved and adopted by Council.

Additionally, Los Angeles Administrative Code (LAAC) Section 22.711 requires the Zoo to prepare and submit a Business and Marketing Plan (Plan) to the Mayor and City Council at least every five years. The Plan shall contain marketing and financial projections for the Zoo for a maximum of five years and shall include, but not be limited to methods to attract additional visitors and funds to the Zoo and calculations of funds anticipated to be received from fund raising, admissions (paid attendance) at the Zoo, City General Fund, membership, grants, concessions, and other commercial enterprises.

Subsequently, on November 1, 2013, the Zoo submitted the Plan (2014-15 through 2016-17) to the Council for approval (Council File No. 13-1469). The Plan, developed by the Zoo and GLAZA, outlines four primary goals that focus on the Zoo campus, conservation, community, and human capital. The Plan also puts forward strategies for achieving the above goals and highlights key metrics and assumptions utilized in the formulation of the Plan.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations as contained in the August 20, 2014 Joint CAO/Zoo report, as amended and detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ARTS, PARKS, HEALTH, AGING AND RIVER COMMITTEE

**MEMBER    VOTE**

O'FARRELL: YES

LABONGE: YES

BUSCAINO: YES

CEDILLO: ABSENT

PRICE: YES

ARL

8/25/14

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**