

# **Fairmount Park/Lake Superior Zoo Planning Process**

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## Agenda

1. Planning Background – Filby Williams –5 Min
2. Planning Process Review –Filby Williams – 5 Min
3. Zoo Options #1 and #2 – Filby Williams – 5 Min
4. Proposed Zoo Option #3 – Bryan Harjes, HKGi – 30 Min
5. Question and Answer –

# Zoo/Park Planning Background

## Financial Challenges

- Unaffordable Capital Costs
- Unsuccessful Campaigns for State Bonding Support
- Decreasing Visitation
- Difficult to Justify Annual Operating Subsidy

## Strong Zoo Tradition

- Continued Community Support
- Growing Zoo Educational Program
- Strong Zoological Society Champion

## Broader Community Needs

- Absence of High Quality Park Space in River Corridor
- Access and Connectivity to and through the Zoo is Limited

## New Opportunity

- ½-Tax Funding

**2014 Lake Superior Zoo/  
Fairmount Park  
Facility Planning Process**

# Lake Superior Zoo/Fairmount Park Facility Planning Group

## Nine Member Planning Group

Name	Affiliation	Role
Dawn Mackety	Lake Superior Zoological Society	Chief Executive Officer
John Scott	Lake Superior Zoological Society	Board President
Maicie Sykes	Lake Superior Zoological Society	Director of Animal Management
Tom Albright	Community Representative	
Emily Larson	Community Representative	
Carol Newkumet	Community Representative	
Kathy Bergen	City of Duluth	Parks and Recreation Manager
Daniel Fanning	City of Duluth	Communications and Policy Director
Jim Filby Williams	City of Duluth	Director of Public Administration

# Facility Planning Group Process

## Three Purposes:

1. Develop purposes and parameters to inform zoo facility options.
2. Develop three facility options.
3. Recommend a single option.

**Meetings:** 9 meetings from June to September (numerous additional City-Society meetings).

**Product:** Consensus on facility purposes, parameters, and preferences and two facility options.

# Facility Planning Group Results

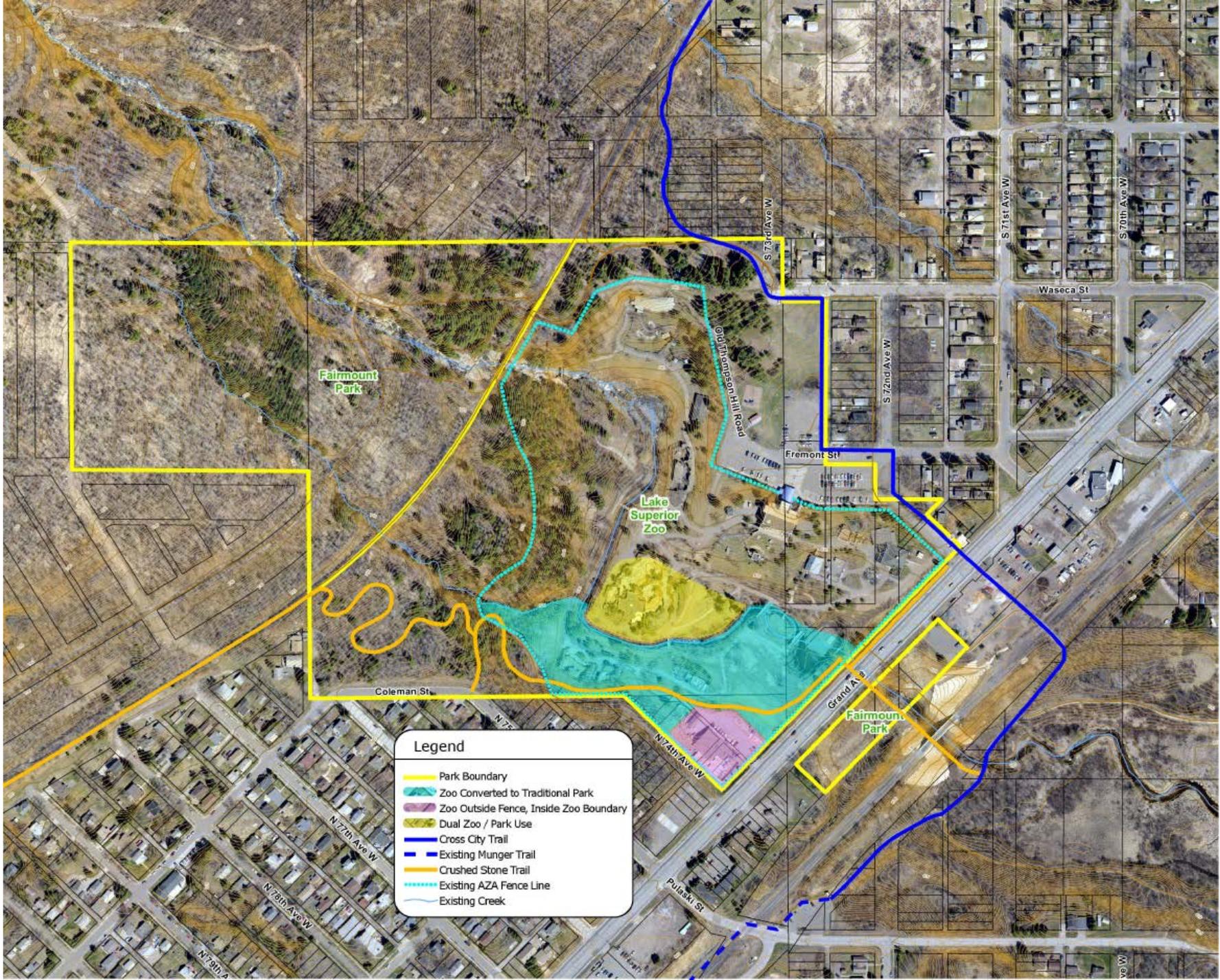
## Consensus Purposes

1. Advance environmental learning goals
2. Achieve long-term financial sustainability for both parties
3. Meet professional standards and retain AZA accreditation.
4. Improve accessibility of the zoo and park and connectivity with the community
5. Strengthen the zoo and park as tourist attractions
6. Improve neighborhood quality of life.
7. Contribute to the development of a Corridor tourism hub.
8. Improve vehicular and pedestrian flow for visitors and staff.

# Facility Planning Group Results

## Consensus Planning Parameters

- 1. Capital Funding** – Assume \$0-\$12 million in capital funding from all sources over 6-year period.
- 2. Operational Funding** – Assume that city is not seeking to change the annual city subsidy.
- 3. Zoo Footprint** – Assume that the SW portion of the park shall no longer be within zoo fence.



**Legend**

- Park Boundary
- Zoo Converted to Traditional Park
- Zoo Outside Fence, Inside Zoo Boundary
- Dual Zoo / Park Use
- Cross City Trail
- - - Existing Munger Trail
- Crushed Stone Trail
- · - · - Existing AZA Fence Line
- Existing Creek

# Facility Planning Group Results

## Consensus Planning Preferences

1. Combine and integrate diverse zoo and non-zoo facilities
2. Focus exhibits and programs on the zoo and park's unique place – NE MN, Duluth, and the St. Louis River.
3. Design facilities to engage visitors diverse in interests, values, and activity preferences.

# Key Findings From the Workshop

Proposed capital investments at the Zoo were prioritized based on:

- ◆ those projects which **remedy immediate infrastructure issues** either due to the flood and/or proposed City changes to the Zoo fence line which require relocation of exhibits, to allow for the introduction of trails and more public open space;
- ◆ projects which **complete those already underway** and enhance Zoo entrance visibility and arrival experience (e.g. Grand Avenue entrance project);
- ◆ projects that **already have funds committed** which fit with the strategic direction of the Zoo;
- ◆ projects which **improve and add indoor (four-season) exhibits/experiences** outside of the flood plain and in or near the main building (along the ridge);
- ◆ projects that can substantially **upgrade current successful exhibits with modest investment.**



# Key Findings From the Workshop

*Consensus capital projects that emerged from the workshop include:*

## **Zoo Visitor Experience Improvements**

- ◆ Forest Discovery Zone
- ◆ Repurposed Polar Shores
- ◆ New Brown Bear Exhibit along with Animal Infill Exhibits
- ◆ Main Building Renovation/Expansion
- ◆ Upgraded Primate Conservation Center
- ◆ Upgraded Farm

## **Zoo Infrastructure Improvements**

- ◆ Entrance/Access Improvements At Grand Ave.
- ◆ Zoo Parking Lot and Main Building Entrance Improvements
- ◆ Zoo Wide Signage, Pathway Improvements
- ◆ New Programming Supplies and Materials



# Summary of Alternative Scenarios

ConsultEcon analyzed the potential operating impact of two different master plan investment scenarios (Scenario 1 and Scenario 2). Specifically the Capital Investment Scenarios would:

- ◆ **Reposition the Zoo** – leveraging the growing adventure tourism brand in Duluth and communicating to current and potential visitors that the experience at the Zoo is fun and entertaining. Several of the new attractions planned including Forest Discovery Zone and indoor and outdoor playgrounds, emphasize adventure/active play.
- ◆ **Address blighted areas of the Zoo**, including Polar Shores damaged by the 2012 flood.
- ◆ **Improve the overall visitor experience** and increase the appeal of a visit to the Zoo for a broader audience base.
- ◆ **Create repeatable experiences and programs** that appeal to both existing visitors and new visitors.
- ◆ Offer better indoor **opportunities for year-round visitation**.
- ◆ **Improve Zoo entrance visibility** from main access points.

# Summary of Alternative Scenarios

- ◆ Scenarios were developed to respond to opportunities and challenges at the Zoo, and within the regional and attraction industry marketplace, and to position the Zoo such that attendance, revenue and mission impact improve over time.
- ◆ For each scenario, attendance, revenue, and operating expense impacts were analyzed
- ◆ Scenario 1 represents a \$12 million capital investment and  
Scenario 2 represents a \$16 million over a period of 6 years.

# Budget Allocations for Alternative Scenarios

CORE PROJECTS	ILLUSTRATIVE CAPITAL BUDGET (\$)	
	Scenario -1	Scenario -2
<b><i>Zoo Visitor Experience (Core Product)</i></b>		
Forest Discovery Zone	\$1,750,000	\$2,000,000
Brown Bear Exhibit	\$2,000,000	\$3,000,000
Renovation/Expansion of Main Bldg.	\$4,000,000	\$4,300,000
Multi-Story Indoor Playground		\$350,000
Primate Conservation Center & Nocturnal Bldg.	\$250,000	\$350,000
Farm	\$250,000	\$350,000
Outdoor Themed Destination Playground	\$250,000	\$500,000
Animal In-fill exhibits	\$500,000	\$1,300,000
<b>Subtotal</b>	<b>\$9,000,000</b>	<b>\$12,150,000</b>
<b><i>Zoo Infrastructure</i></b>		
Repurposing Polar Shores	\$1,000,000	\$1,000,000
Entrance Improvements (along Grand Avenue)	\$100,000	\$175,000
Zoo Site-Wide Improvements	\$200,000	\$200,000
Reconfigure Zoo Train Route		\$200,000
Visitor Arrival Improvements/Parking Lot Improvements	\$100,000	\$150,000
<b>Subtotal</b>	<b>\$1,400,000</b>	<b>\$1,725,000</b>
<b><i>Programming</i></b>		
Programming Supplies & Materials	\$50,000	\$75,000
<b>Contingency at 15%</b>	<b>\$1,567,500</b>	<b>\$2,092,500</b>
<b>Total</b>	<b>\$12,017,500</b>	<b>\$16,042,500</b>
<b>Rounded</b>	<b>\$12,000,000</b>	<b>\$16,000,000</b>

# Alternative Plans Operational Analysis

Plan Scenario	Scenario 1	Scenario 2
Capital Investment	\$12,000,000	\$16,000,000
Attendance	112,907	121,418
Memberships	2,738	3,029
Per Capital Admissions Revenue	\$8.68	\$8.89

# Alternative Plans Operational Analysis

Plan Scenario	Scenario 1		Scenario 2	
Capital Investment	\$12,000,000		\$16,000,000	
Attendance	112,907		121,418	
Memberships	2,738		3,029	
Per Capital Admissions Revenue	\$8.68		\$8.89	
Earned Revenue	\$1,732,600	79%	\$1,933,100	86%
Contributed Revenue	\$521,900	21%	\$521,900	14%
Total Operating Expenses	\$2,197,200		\$2,238,400	
Net Income Before Exhibit Reinvestment (w/o City subsidy)	\$57,300		\$216,600	
Required Annual Revenue Capital Investment	\$575,000		\$575,000	
Net Income After Capital Reinvestment (w/o City Operating Subsidy)	(\$517,700)		(\$358,400)	

Source: ConsultEcon, Inc.

# City of Duluth/Zoological Society Impasse

- City and Society sought, but could not achieve, consensus on a third, lower costs option.
- City embarked on independent process to develop a third option for Council and Community consideration.

# City Considerations in Option #3

- Provide Top Quality Park for the River Corridor
- Decrease City Costs
- Improve Public Access
- Connect People to Nature
- Support Development of Corridor as Visitor Destination
- Sustain Zoo and Zoological Society Tradition



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