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**DEPARTMENT OF PARKS
AND COMMUNITY SERVICES**

CITY OF SACRAMENTO
CALIFORNIA

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December 16, 1988

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CROCKER ART MUSEUM
GOLF
METROPOLITAN ARTS
MUSEUM AND HISTORY
PARKS
RECREATION
ZOO

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: Amended Fees for Zoo and Parks Divisions

SUMMARY

This report recommends establishment of weekend and holiday rate differentials for select William Land Park fee activities and that park use permit fees be increased for William Land Park.

BACKGROUND INFORMATION

On December 13, 1988, the City Council approved Alternative B-3 (modified) of the Zoo-2002: Master Plan for the Sacramento Zoo and Surrounding Area. At that time, information on fee and charge recommendations was included in the report, but committee and council action was deferred to permit additional notice procedures to be implemented. The information in this report is excerpted for the report reviewed by the joint Transportation and Community Development/Budget and Finance Committee and the City Council on December 13, 1988.

The viability of Zoo-2002: Master Plan for the Sacramento Zoo and Surrounding Area is largely contingent on financing. The master plan estimates the cost of development for Alternative B-3 modified at approximately \$28 million. Over a 15-year period, the cost averages out to approximately \$1.75 million per year. The Sacramento Zoological Society, the Zoo's nonprofit support group, raises funds for zoo improvements. As the Zoological Society grows in both membership and sophistication in the areas of marketing and fund development, their level of support for zoo improvements continues to increase. Additional possible sources of capital improvement funds include state grants, civic award grants from Sacramento County, a local bond issue, private sector funding, and the City's General Fund. Although General Fund appropriations have traditionally been one of the most frequently used methods of funding capital improvements.

increasingly, there are limitations on the City General Fund. Given this fact, together with the need to commit funds for implementation of Alternative B-3 modified of the Sacramento Zoo Master Plan and to renovate Land Park, staff recommends the establishment of a reinvestment program. The Association to Preserve Land Park is neutral on the proposed reinvestment program.

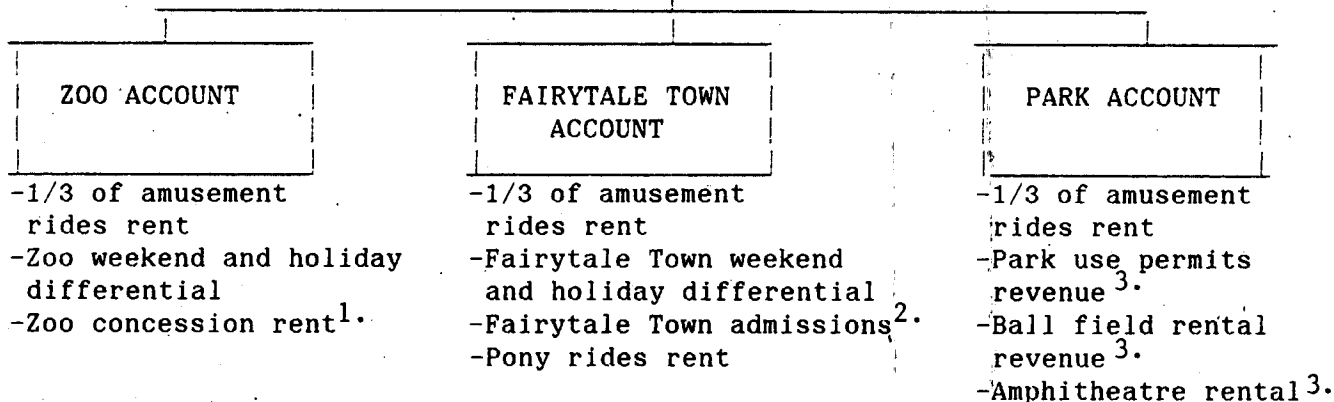
Presently, annual attendance and participation in the multitude of available recreational opportunities in William Land Park exceeds that of any other park in the City system. As Sacramento experiences a continued population increase, use of William Land Park will likewise increase. Further, contributing to this increased usage of the park is the fact that William Land Park is one of only three regional parks in Sacramento that does not have an entrance fee, and is the site of unique family oriented amenities. The Zoo, Fairytale Town, the amusement and pony rides, and surrounding park lands have all provided unique entertainment to several generations of park visitors. Given the lack of General Fund monies to reinvest in the City's park system, now is the time to establish a mechanism by which the people who use the park will fund the necessary improvements to and maintenance of the site. Failure to implement a Land Park Special Revenue Account to provide for reinvestment into the park could result in an eventual irreversible deterioration of this area.

Preliminary efforts to reinvest in Land Park amenities first began with the establishment of the Fairytale Town Special Fund in FY 1982-83. The Fairytale Town Special Fund provides for the receipt of revenues and the expenditures of funds related to the operation of Fairytale Town and the surrounding area. The special fund approach has enabled Fairytale Town to become one hundred percent operationally self-supporting. Furthermore, as all revenue generated by this facility is utilized to support and improve the area, in the last three years, over \$70,000 from the Fairytale Town Fund has been reinvested in the facility.

The policy of reinvestment in this area was further expanded with the adoption by City Council in February 1987 of a plan for reinvestment of the revenue from concession operations in William Land Park in improvements to Fairytale Town, the Zoo, amphitheatre, and surrounding areas. This reinvestment plan has made possible such projects as renovation of the duck lake, demolition of the old chimp exhibit, painting of various Fairytale Town sets, and installation of new rubber mats to enhance safety in Fairytale Town. Creation of the recommended Land Park Special Revenue Account expands on this policy of reinvesting in Land Park.

The Land Park Special Revenue Account will be divided into three elements: Zoo, Fairytale Town, and Park. The primary source of revenue for these trust elements will be the weekend and holiday differential fees established for Zoo and Fairytale Town admissions and amusement rides tickets. An additional source of trust revenue is facility rent from the Zoo, Fairytale Town, amusement and pony rides concessions, as well as revenue from the rental of picnic areas, softball fields, and the amphitheatre. The revenue from these sources will be distributed amongst the three trust elements as follows:

LAND PARK SPECIAL REVENUE ACCOUNT



1. It is proposed that the rent from the zoo concessions, which is currently deposited in the General Fund, be deposited into the Special Revenue Account commencing with the first year.
2. Since the establishment of the Fairytale Town Special Fund in FY 1982-83, Fairytale Town revenue has been used to first support the total operations of Fairytale Town with any revenue above the cost of operation, reinvested in this facility. In addition, amusement rides rent was reinvested in Zoo, Fairytale Town, and park improvements. The Land Park Account does not impact the Fairytale Town Special Fund with the exception of more equally dispersing the amusement rides revenue between the areas it has traditionally been reinvested in.
3. Presently, very little revenue is produced by the park permit system (less than \$8,000 in FY 1987-88). Further, the current park permit fees are little more than a processing fee which allows staff to assess the level of group park use for a particular day. The current park permit system is not a reservation system. For the park user, the permits do not guarantee a picnic area.

In conjunction with the establishment of the Land Park reinvestment program with its park element, staff recommends a reserved picnic area system in William Land Park in which both the level of service and the corresponding fees would increase. Using McKinley Park's new picnic facility as a model, several group picnic sites in Land Park would be targeted for improvements. Amenities provided should ultimately include tables and benches, barbecues, sinks, electricity, and at select sites, picnic shelters. These areas, which would be available via a reservation system, would be funded by fees collected through the park trust element. The goal of this park reservation system is to improve and expand service and facilities at targeted family and group picnic sites. Included under expanded service would be the utilization of staff to assure reservations.

FINANCIAL DATA

It is estimated that Alternative B-3 (modified) of the Zoo-2002: Master Plan for the Sacramento Zoo and Surrounding Area will cost approximately \$28 million total or an estimated \$1.75 million per year to develop. For the last five years, the Zoo has secured funding for an average of \$200,000 per year in improvements, large portions of which were generated by the Sacramento Zoological Society. In addition to funding the Zoo's educational programs, the Zoological Society's financial support for improvements has steadily increased in recent years. The Zoological Society has contributed nearly half a million dollars to such capital improvement projects as the orangutan, chimpanzee and flamingo exhibits over the last five years and is committed to raising an additional \$450,000 for the rare feline breeding exhibit. Further, it is estimated in the Master Plan that the Zoological Society can raise approximately \$6.75 million towards the cost of master plan development. Additional possible sources of capital improvement funds include other city-wide resources, Sacramento County funds, California State Park and Recreation grants, private sector funding, and a local bond issue.

In order to provide a dedicated source of revenue for the master plan development and surrounding park lands improvements, staff recommends the following weekend and holiday rate differentials to be effective February 1, 1989:

Zoo	\$.50
Fairytale Town	\$.25
Picnic permits	\$ 5.00
Picnic reservations	
Improved areas	\$15.00
Larger improved areas	\$25.00
Ballfield rentals, sound permits and fund raising permits	\$15.00
Amphitheatre rental	\$10.00

In addition, the Land Park amusement rides concessionaire is agreeable to implementing a weekend and holiday price increase of \$.15 per ticket and \$1.00 per book of tickets over current prices, with the difference to be paid to the City above and in addition to concession rent, for improvements to the surrounding area.

All weekend and holiday differential fees will be effective February 1, 1989.

In order to provide both improved picnic facilities and to implement an actual reservation system, the following base fees, revenue from all of which will be reinvested in Land Park, are recommended:

Park Facility

Recommended Fee

Improved picnic areas (reserved)	\$ 50.00*
Larger improved picnic areas with additional amenities (reserved)	\$100.00*
Refundable cleaning deposit required for groups over 200 and for others at the discretion of park reservation personnel	Varying from \$100.00* to \$500.00
Family picnic permits - groups under 100 (not reserved)	\$ 25.00
Ball field and soccer field permits (per two hour period)	\$ 25.00**
Amphitheatre rental (per hour)	\$ 25.00
Amplified sound permit	\$ 25.00
Fund raising permit	\$ 25.00***

* These fees will not be implemented until the picnic areas are improved. The remaining fees will be effective February 1, 1989.

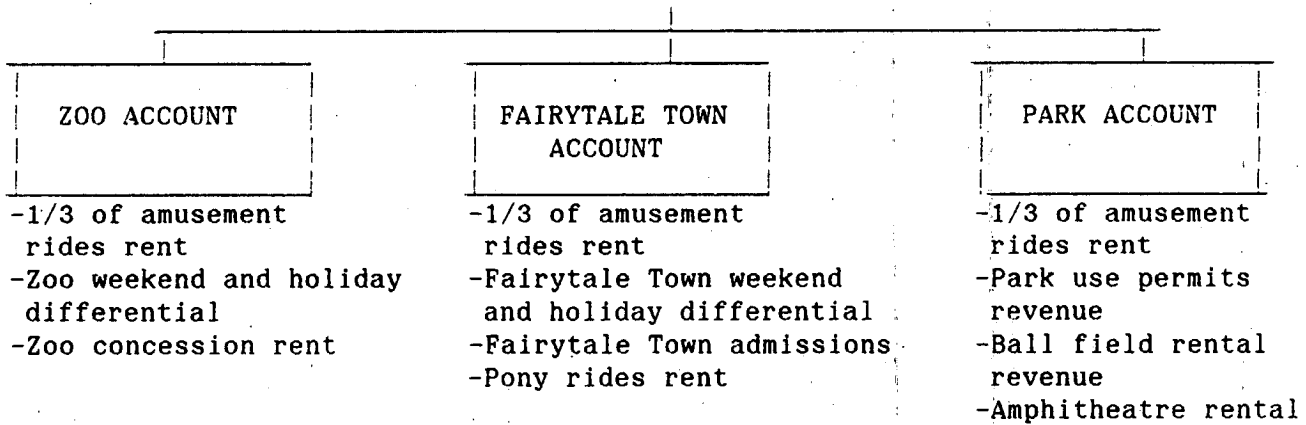
** Adult use only. The Department's policy of exempting youth groups from this fee will continue.

***No change from current fee proposed.

The special procedural requirements for imposing new fees and increasing existing fees as required by state law, including public noticing, have been followed as outlined in the City's Fee and Charge Report.

It is recommended that revenue from the weekend and holiday differential together with the revenue from park permits and amphitheatre and ballfield rentals be deposited in a Land Park Special Revenue Account as follows:

LAND PARK TRUST



Estimated revenue from these sources is as follows:

<u>Zoo Account</u>	<u>Fairytale Town Account</u>	<u>Park Account</u>
1st year estimated revenue: \$314,000	Total: \$369,000 Operating Cost: \$337,050 Available for Improvements: \$ 31,950	\$ 86,993
5th year estimated revenue: \$382,000	Total: \$447,000 Operating Cost: \$409,686 Available for Improvements: \$ 37,314	\$122,587

This assumes the zoo concession rent is deposited in the special revenue account from the first year on. This depositing of zoo concession revenue into the Zoo Account is consistent with the 11 other department concession contracts whereby rent is deposited into special accounts where it is reinvested in the facilities where the concessions are located.

This further assumes that all Fairytale Town operations will continue to be offset by Fairytale Town revenues, including admissions, as they have been since the FY 1982-83 establishment of the Fairytale Town Account.

Finally, Park Account revenue estimates assume that improved picnic areas would not be available during the initial years while funding is accumulating to develop them and accordingly, the first year estimate is based on the lower family picnic permit fee.

Staff will submit an annual expenditure plan for the Land Park Account to Council as part of the budget process. Input from the various community groups in their respective areas of expertise will be incorporated into the expenditure plan. Specifically, the Sacramento Zoological Society will assist in the annual plan for the Zoo Fund, the Fairytale Town Account for the Fairytale Town Fund, and the Association to Preserve Land Park for the park fund.

Following is a sampling of necessary improvements for the Zoo, Fairytale Town, and surrounding park lands which reflect the type and magnitude of the capital improvement and maintenance projects for which Land Park Trust Funds are an appropriate, if not critical use:

Phase I: Zoo-2002

Gift Shop/Offices	Avian Propagation Center
Snapping Turtle Exhibit	Elephant Exhibit
Picnic Area	Giraffe Exhibit
Hippopotamus Exhibit	Jaguar Exhibit
Crocodile Exhibit	Margay Exhibit
Geoffrey's Cat Exhibit	Outdoor Interpretive Center

Total: \$7,966,000

Fairytale Town

Renovation of Theatre	\$82,000
Japanese garden and koi pond renovation	15,000
Goat yard renovation	20,000
Perimeter planting	6,000
Install park benches	4,500
Renovate barn and tree slides	5,000
Enhance concession picnic area	5,000
Renovate moat and mill stream	10,000
Purchase new tin soldier trash cans	5,000
Total:	\$ 275,087

Park

Improvements at 5 picnic sites	\$ 175,000
Improvements at 2 larger group picnic sites	76,500
Installation of automatic irrigation system	300,000
Improve park signage	25,000
Boat lake renovation	21,500
Second duck lake renovation	15,000
Improve street lighting and electrical service in park	207,000
Recondition two ball fields	5,000
Rehabilitate four backstops	12,500
Recondition six restrooms including handicap access	42,000
Rehabilitate asphalt perimeter of rock garden	15,000
Rehabilitate the amphitheatre garden	20,000
Upgrade amphitheatre	25,000
Upgrade soccer fields including bleachers and picnic tables	25,000
Rehabilitate the perimeter pathway around Fairytale Town	50,000
Resurface both parking lots	50,000
Total:	\$1,492,500

RECOMMENDATION

It is recommended that the Budget and Finance Committee approve this report and refer it to the full City Council for action. It is recommended that the City Council, by resolution:

- A. Approve the recommended weekend and holiday fee differentials for the Sacramento Zoo, Fairytale Town, park permits, and ballfield and amphitheatre rentals; and

December 16, 1988

- B. Approve the recommended fee increases for Land Park park permits and reservations and amphitheatre and ballfield rentals.

Respectfully submitted,



Robert P. Thomas, Director
Parks and Community Services

Recommendation Approved:



Jack R. Crist
Deputy City Manager

RPT:ja

January 3, 1989
District No. 4

RESOLUTION No.

Adopted by The Sacramento City Council on date of

RESOLUTION AMENDING VARIOUS FEES AND CHARGES FOR THE DEPARTMENT OF PARKS AND COMMUNITY SERVICES (PARKS AND ZOO DIVISIONS)

1. That revenues from the weekend and holiday fees differential together with the revenue from park permits and amphitheatre and ball field rentals are to be deposited in the Land Park Special Revenue Account as outlined in Attachment I. Revenues from the weekend and holiday fees differential from zoo admissions are to be deposited to the General Fund for the remainder of FY 1988-89.
2. That the fees and charges of the Department of Parks and Community Services, Zoo and Parks Divisions, as follows:
 - a. weekend and holiday fee differentials for the Sacramento Zoo, Fairytale Town, park permits, and ball field rentals in Land Park, and Land Park amphitheatre rental; and
 - b. Land Park permits and reservations and amphitheatre and ball field rentals;are hereby amended as set forth in Attachment II, attached hereto and incorporated herein by reference, effective February 1, 1989.
3. That the City of Sacramento Fee and Charge Report is hereby amended to reflect the Parks and Community Services Zoo Division and Parks Division fees as set forth in Attachment II.
4. Based upon the information presented to it and upon all information in the public record, and in compliance with Public Resources Code Section 21080(b)(8), the City Council finds:
 - a. The increased fees are for the purpose of meeting operating expenses, including employee wage rates, and fringe benefits; and
 - b. The increased fees are for the purpose of meeting financial reserve needs and requirements; and

- c. The increased fees are for the purpose of obtaining funds for capital projects necessary to maintain service within existing service areas.

MAYOR

ATTEST:

CITY CLERK

LAND PARK SPECIAL REVENUE ACCOUNT

ZOO ACCOUNT	FAIRYTALE TOWN ACCOUNT	PARK ACCOUNT
-1/3 of amusement rides rent	-1/3 of amusement rides rent	-1/3 of amusement rides rent
-Zoo weekend and holiday differential	-Fairytale Town weekend and holiday differential	-Park use permits revenue
-Zoo concession rent	-Fairytale Town admissions -Pony rides rent	-Ball field rental revenue -Amphitheatre rental

Estimated revenue from these sources is as follows:

<u>Zoo Account</u>	<u>Fairytale Town Account</u>	<u>Park Account</u>
1st year estimated revenue: \$314,000	Total: \$369,000 Operating Cost: \$337,050	\$ 86,993
	Available for Improvements: \$ 31,950	
5th year estimated revenue: \$382,000	Total: \$447,000 Operating Cost: \$409,686	\$122,587
	Available for Improvements: \$ 37,314	

A. Weekend and Holiday Fee Differential

<u>Facility</u>	<u>Recommended Fee</u>
Zoo	\$.50
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Picnic permits	\$ 5.00
Picnic reservations	
Improved areas	\$15.00
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B. Fee Increases

Improved picnic areas (reserved)	\$ 50.00*
Larger improved picnic areas with additional amenities (reserved)	\$100.00*
Refundable cleaning deposit required for groups over 200 and for others at the discretion of park reservation personnel	Varying from \$100.00* to \$500.00
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* These fees will not be implemented until the picnic areas are improved. The remaining fees will be effective February 1, 1989.

** Adult use only. The Department's policy of exempting youth groups from this fee will continue.