

AN ORDINANCE 2017-09-21-0712

**AUTHORIZING AN AMENDMENT TO THE LEASE AGREEMENT WITH THE SAN ANTONIO ZOOLOGICAL SOCIETY, INC. TO ESTABLISH A NEW FEE STRUCTURE EFFECTIVE OCTOBER 1, 2017 AND ALLOWING ADMINISTRATIVE APPROVAL FOR ADJUSTING ADMISSION FEE INCREASES BY NO MORE THAN A CUMULATIVE 18% DURING ANY TWO-YEAR PERIOD.**

\* \* \* \* \*

**WHEREAS**, the San Antonio Zoo and the Witte Museum are two important cultural and visitor destinations located within Brackenridge Park; and

**WHEREAS**, both organizations provide a rich visitor experience through their innovative exhibits and diverse educational program offerings; and

**WHEREAS**, the San Antonio Zoo has a long history in our community dating back to the early 1900's and attracts over one million guests annually; and

**WHEREAS**, since its opening in 1923, the Witte Museum has grown to welcome an average of 600,000 visitors per year, including 250,000 school age children; and

**WHEREAS**, within the terms of the current lease agreements, the Parks and Recreation Department has the ability to administratively approve increases in admission fees up to a cumulative 20% over a three-year (3) period; and

**WHEREAS**, general admission fee increases exceeding this amount require City Council approval; and

**WHEREAS**, the proposed admission rate structure will allow the Parks and Recreation Department to administratively approve fees up to a cumulative 18% during any two-year (2) period while still requiring approval by City Council for any increases above this amount.

**WHEREAS**, the proposed amendments allow the San Antonio Zoo and Witte Museum to remain strategic in their business operations by granting a higher threshold in projecting future revenues generated from general admission fees and positions their fee structures to be comparable with other similar venues; and

**WHEREAS**, with significant investments made at their respective facilities, each of the organizations is committed to remaining a top-tier destination that will meet the educational needs and cultural interests of our city; and

**WHEREAS**, the Zoo has completed over \$5 million dollars in animal habitat upgrades since 2014 and expanded their operations to include the creation of 100 new jobs and an upgraded ticketing/entry system; and

**WHEREAS**, with the opening of the new Witte in March 2017, the museum has added 174,000 square feet of renovated and new space to the facility; and

**WHEREAS**, the opportunity to broaden community access and participation at both venues will be strengthened through a free or low-cost admission fee program; and

**WHEREAS**, the Zoo is implementing a discount rate program for San Antonio residents and the Witte Museum is continuing with hosting Free Knowledge Free Tuesday during the afternoon and evening; **NOW THEREFORE:**

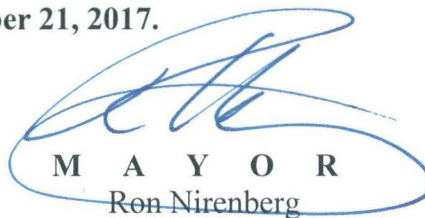
**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The City Manager or her designee, or the Director of the Parks and Recreation Department or his designee is hereby authorized to execute an Amendment to the Lease Agreement with the San Antonio Zoological Society, Inc. to allow administrative approval for adjusting admission fee increases by no more than a cumulative 18% during any two-year period. A copy of said amendment is attached hereto and incorporated herein for all purposes as **Attachment I.**

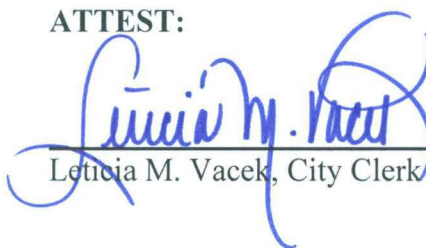
**SECTION 2.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

**SECTION 3.** This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

**PASSED AND APPROVED this 21<sup>st</sup> day of September 21, 2017.**

  
**M A Y O R**  
Ron Nirenberg

**ATTEST:**

  
Leticia M. Vacek, City Clerk

**APPROVED AS TO FORM:**

  
Andrew Segovia, City Attorney

<b>Agenda Item:</b>	50A ( in consent vote: 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 16, 18A, 18B, 18C, 18D, 19, 20, 21, 22, 24A, 24B, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 38, 40, 41, 42, 43, 44, 45, 47, 50A, 50B, 51B, 52A, 52B, 52C, 52D, 52E, 52F, 52G, 52H )						
<b>Date:</b>	09/21/2017						
<b>Time:</b>	09:45:52 AM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	An Ordinance authorizing an Amendment to the Lease Agreement with the San Antonio Zoological Society, Inc. to establish a new fee structure effective October 1, 2017 and allowing administrative approval for adjusting admission fee increases by no more than a cumulative 18% during any two-year period.						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x			x	
William Cruz Shaw	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5	x					
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8	x					
John Courage	District 9		x				
Clayton H. Perry	District 10		x				

SW  
09/21/17  
Item No. 50A

# Attachment I

**AMENDMENT No.3 TO THE LEASE AGREEMENT FOR  
THE SAN ANTONIO ZOOLOGICAL SOCIETY**

This Amendment No. 3 to the Lease Agreement between the City of San Antonio and the San Antonio Zoological Society ("Agreement") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the City of San Antonio, a Texas municipal corporation, acting by and through its City Manager or her designee pursuant to Ordinance No. \_\_\_\_\_ dated \_\_\_\_\_, 20\_\_\_\_ ("City"), and the San Antonio Zoological Society, a Texas non-profit corporation ("Zoo"), collectively known as the "Parties";

**BACKGROUND**

The City of San Antonio owns the property ("Premises") identified as the Zoo which is located within Brackenridge Park, at 3903 North St. Mary's Street.

The City and Zoo entered into a Lease Agreement on May 9, 1998 which expires on May 9, 2033, for the operation of the Zoo as a vital educational and recreational asset for the benefit of the citizens of San Antonio and provides a rich visitor experience through their innovative exhibits and educational program offerings that contributes to the City's economic base.

The Zoo has completed over \$5 million dollars in animal habitat upgrades since 2014, upgraded its ticketing and entry system, and expanded its operations to include the creation of 100 new jobs.

As outlined in Article VII. Admission Fees, the Zoo is permitted to raise admissions fees up to a cumulative twenty percent (20%) over any three-year (3) period. Admission fee increases exceeding this amount require City Council approval.

**ADMISSION FEES**

Article VII. Admission Fees, Section 7.1 is hereby deleted and replaced as follows:

"Effective October 1, 2017, the Zoo will implement a new general admissions fee structure."

Article VII. Admission Fees, Section 7.2.A. is hereby deleted and replaced as follows:

"Subject to the approval of the Director of the Parks and Recreation Department ("Director"), the Zoo may increase general admission fees by written notification to the Director at least thirty (30) days prior to the proposed increase. Increases in general admission fees are limited to no more than a cumulative eighteen percent (18%) during any two (2) year period during the term of this Lease. Increases exceeding this amount require City Council approval."

All other terms of the original Lease Agreement shall stand as otherwise stated.

[Signatures appear on the next page.]

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF SAN ANTONIO

SAN ANTONIO ZOOLOGICAL SOCIETY

By: \_\_\_\_\_  
Xavier D. Urrutia, Director  
Parks and Recreation Department

By: \_\_\_\_\_  
Tim Morrow, CEO/Executive Director

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

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

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
City Attorney

DRAFT