



City of San Antonio

Agenda Memorandum

File Number: 17-4977

Agenda Item Number: 50.

Agenda Date: 9/21/2017

In Control: City Council A Session

DEPARTMENT: Parks and Recreation

DEPARTMENT HEAD: Xavier D. Urrutia

COUNCIL DISTRICTS IMPACTED: Districts 1, 2

SUBJECT:

Amendment to Lease Agreements with the San Antonio Zoo and the Witte Museum

SUMMARY:

Consideration of the following Ordinances related to amending Lease Agreements with the San Antonio Zoological Society, Inc. and the San Antonio Museum Association d/b/a/ The Witte Museum:

- A. This ordinance authorizes an Amendment to the Lease Agreement with the San Antonio Zoological Society, Inc. to establish a new fee structure effective October 1, 2017 and to allow administrative approval for adjusting admission fee increases by no more than a cumulative 18% during any two-year period.
- B. This ordinance authorizes an Amendment to the Lease Agreement with the San Antonio Museum Association d/b/a The Witte Museum (Witte Museum) to allow administrative approval for adjusting admission fee increases by no more than a cumulative 18% during any two-year period.

BACKGROUND INFORMATION:

The San Antonio Zoo and the Witte Museum are two important cultural and visitor destinations located within Brackenridge Park. Both organizations provide a rich visitor experience through their innovative exhibits and diverse educational program offerings. 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. 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.

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. General admission fee increases exceeding this amount require City Council approval. 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. 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.

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. 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. 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. The opportunity to broaden community access and participation at both venues will be strengthened through a free or low-cost admission fee program. 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.

ISSUE:

This ordinance authorizes an amendment to the Lease Agreements with the San Antonio Zoo and the Witte Museum and grants the Parks and Recreation Department the ability to administratively approve general admission fee increases by no more than a cumulative 18% over a two-year period. Additionally, allowing the Zoo to establish a new fee structure effective October 1, 2017, increasing the Adult admission fee from \$14.25 to \$15.50, and the Child admission fee from \$11.25 to \$12.25; and to allow administrative approval for adjusting admission fee increases by no more than a cumulative 18% during any two-year period.

The admission fee for the Witte is: Adults \$12.00 (ages 12-64); Seniors \$11.00 (65+); Child \$9.00 (4-11). There are increases to the Witte's admission fees with this ordinance.

ALTERNATIVES:

The City could choose not to support this action which may require the Zoo and Witte Museum to begin exploring alternate sources of revenue or adjust their service delivery model and implement reductions in service to offset increased expenses.

FISCAL IMPACT:

- A. This ordinance authorizes an Amendment to the Lease Agreement with the San Antonio Zoological Society, Inc. to establish a new fee structure, increasing the Adult admission fee from \$14.25 to \$15.50, and the Child admission fee from \$11.25 to \$12.25; and to allow administrative approval for adjusting admission fee increases by no more than a cumulative 18% during any two-year period. There is no General Fund impact associated with this action. Revenues associated with these fee adjustments are retained by the San Antonio Zoological Society for operations and maintenance of the Zoo.

- B. This ordinance authorizes an Amendment to the Lease Agreement with the San Antonio Museum Association d/b/a The Witte Museum (Witte Museum) to allow administrative approval for adjusting admission fee increases by no more than a cumulative 18% during any two-year period. There is no General Fund impact associated with this action. Revenues associated with admission fees are retained by the Witte Museum for operations and maintenance of the Museum.

RECOMMENDATION:

Staff recommends approval of Amendments to the Lease Agreements with the San Antonio Zoological Society, Inc. and the San Antonio Museum Association d/b/a The Witte Museum to allow the Parks and Recreation Department administrative approval for adjusting admission fee increases by no more than a cumulative 18% during any two-year period and allowing the Zoo to establish a new fee structure effective October 1, 2017.

The Contract Disclosure Forms required by the Ethics ordinance are attached.