

## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
Parks and Recreation	Donnie Grabowski/233-2603	Anna Hurst/733-9317

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to Seattle Parks and Recreation; authorizing the Superintendent of Parks and Recreation to enter into an agreement with the Woodland Park Zoological Society for operation and management of the Woodland Park Zoo.

#### **Summary and background of the Legislation:**

The proposed legislation authorizes the Superintendent of Seattle Parks and Recreation (SPR) to enter into a new 20-year operations and management agreement with the Woodland Park Zoo Society (WPZS). The current agreement expires in February 2022. Under the terms of the agreement, WPZS would continue to operate and manage the Woodland Park Zoo. The proposed agreement includes an option to extend the agreement for another 10 years at the mutual consent of both parties.

#### **Background:**

Ordinance 120697, adopted by the City Council on December 17, 2001, approved a 20-year operations and management agreement between SPR and WPZS. The agreement was executed in March 2001 and expires in February 2022. This ordinance authorized SPR to contract with WPZS to exclusively manage and operate the Zoo on the City's approximately ninety-two (92)-acre property, located at 5500 Phinney Ave. N, and at an off-site facility on a 120-acre property in Enumclaw, located at 22327 SE 464<sup>th</sup> St. The agreement specified conditions for use of the premises and included the City's intention to annually fund 1) operation support payments beginning at \$5 million that were inflated at 70% of the increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers for the Seattle-Tacoma-Bremerton area, and 2) a \$500,000 annual City routine maintenance payment, and also provide \$6.4 million in major maintenance payments over the first seven years of the agreement. The original agreement discussed other items including planning for a new parking garage and a contemplated Long-Range Plan.

Ordinance 121620, adopted by City Council on October 11, 2004, amended the Operations and Management Agreement based on delays in WPZS' Long-Range Plan with parking garage alternatives. Some key items included modifying dates to develop a parking garage, committing \$16.2 million in City funds toward the cost of constructing the garage with the City paying 75% and WPZS covering 25% of the debt service; setting a deadline of May 2005 to agree on costs of development, construction, and garage operations, delaying the time in which the City would establish any Restricted Parking Zone for residents in the area within four blocks of the Zoo's boundaries to the date that the garage opened, and delaying the City adoption timeline of the Long-Range Plan to December 2004.

Ordinance 124369, adopted by City Council on December 9, 2013, amended the Operations and Management Agreement for WPZS to repay an outstanding obligation to the City for parking garage predevelopment costs after a Hearing Examiner ruling that the parking garage was not an acceptable land use in a park, and agreed to the City's payment of a portion of costs for WPZS to provide a smaller, 165-space surface parking lot to relieve parking congestion in the neighborhood surrounding the Zoo.

The Metropolitan Park District (Park District), passed by Seattle voters in 2014, included funding for ongoing major maintenance support to WPZS, funding projects such as exhibit renovations, and water, electrical, irrigation, and sewer systems replacements. In 2019, the fund source switched from the Park District to Real Estate Excise Tax (REET). Beginning in 2021, the Park District funded the annual WPZS operations support and routine maintenance support payments.

Attachment A includes several key points in the proposed Operations and Management agreement.

## 2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project?       Yes  No

## 3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget?       Yes  No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?  
No.

**Is there financial cost or other impacts of *not* implementing the legislation?**

If this legislation is not approved and the current agreement expires without an agreement for continued operation of the Zoo, WPZS would no longer be under contract to operate and maintain the Zoo and would not need to provide public benefits including public access (free or discounted Zoo tickets), scholarships for Zoo camps, programs, community outreach events, or any capital spending above the City's annual contribution. If WPZS stopped operating the Zoo due to lack of contract, the City may incur relocation costs for animals. The City would also be required to maintain the Zoo grounds and buildings if it remained open as a public park, or locate another organization to manage the site for a similar or different purpose.

#### 4. OTHER IMPLICATIONS

**a. Does this legislation affect any departments besides the originating department?**

Yes. Certain construction and major maintenance work under the contract would require input or oversight from the Department of Finance and Administrative Services (FAS). Depending on the Long-Range Plan (LRP) outcomes, any new, proposed capital investments would likely include input from the City Budget Office, FAS, and the Department of Construction and Inspections.

**b. Is a public hearing required for this legislation?**

Yes, a public hearing is required per RCW 35.64.010(2). The public hearing is anticipated to be held at the first City Council meeting to discuss this legislation.

**c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

Yes, RCW 35.64.010 (2) states that at least 30 days prior to the hearing, a public notice setting forth the date, time, and place of the hearing and identifying the facilities involved and organization proposed for management and operation under the City contract must be published at least once in a local newspaper of general circulation.

RCW 35.64.010(2): “Before approving each initial and any renewal contract with a nonprofit corporation or other public organization for the overall management and operation of any facilities, the city legislative authority shall hold a public hearing on the proposed management and operation by the nonprofit corporation or other public organization. At least thirty days prior to the hearing, a public notice setting forth the date, time, and place of the hearing must be published at least once in a local newspaper of general circulation. Notice of the hearing shall also be mailed or otherwise delivered to all who would be entitled to notice of a special meeting of the city legislative authority under RCW 42.30.080. The notice shall identify the facilities involved and the nonprofit corporation or other public organization proposed for management and operation under the contract with the city. The terms and conditions under which the city proposes to contract with the nonprofit corporation or other public organization for management and operation shall be available upon request from and after the date of publication of the hearing notice and at the hearing, but after the public hearing the city legislative authority may amend the proposed terms and conditions at open public meetings.”

**d. Does this legislation affect a piece of property?**

Yes. Section 3.1 includes the premises to be managed and operated at 5500 Phinney Ave. N in Seattle and at 22327 SE 464<sup>th</sup> St. in Enumclaw and a map and property description are contained in Attachment 1 to the Council Bill/Ordinance.

**e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

This agreement substantially strengthens public benefits provided by WPZS around access, scholarships, programs, community outreach events, capital improvements, and other items. The agreement's Appendix A lists examples of 2019 annual public benefits and their associated values (a total value of approximately \$3.1 million). It is SPR's and WPZS's mutual desire to keep zoo admission pricing affordable for visitors, especially families with children.

Public benefits will be reported annually and evaluated every five years to ensure WPZS is meeting the City's desired equity outcomes.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

No. Any capital planning included in the Long-Range Plan (LRP) will address any environmental impacts.

**2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

No.

**g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

N/A

**List attachments/exhibits below:**

Summary Attachment A - Key Points in the Proposed Operations and Management Agreement