

# Seattle Japanese Garden

## Proposed Support and Development Agreement with the Arboretum Foundation

City Council Public Assets and Homelessness Committee

January 4, 2023

Seattle Parks and Recreation

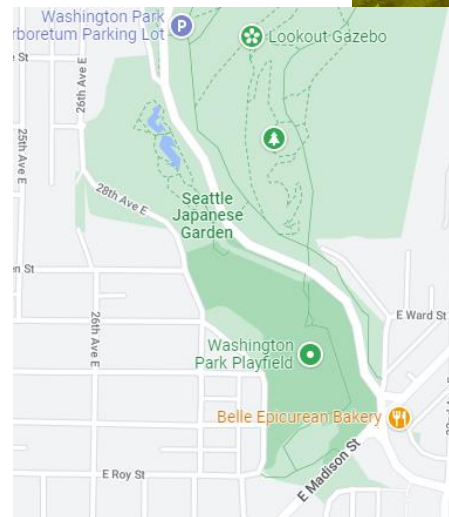


City of Seattle



# Seattle Japanese Garden – At a Glance

- 3.5-acre, City-owned property located at southern end of Washington Park Arboretum
- Open to the public since 1960
- 100,000 annual visitors
- \$626,240 annual Gate Revenue (2021)



# Seattle Japanese Garden – Partnership History



- Associated Recreation Council (ARC) was primary support partner until 2015
- In 2014, SPR and Japanese Garden Society conducted an Optimal Operations Study that confirmed the need for a non-profit support partner model
- The Arboretum Foundation was selected to provide capital fundraising, programming, outreach, volunteer management
- Current SPR/Arboretum Foundation agreement, first executed in January 2016, expired December 2022; short-term extension in place
- AF successes during first agreement term include increased visitation, an annual Maple Festival, Free First Thursday and Family Saturday programming, and funding for a recent pond renovation



# Seattle Japanese Garden Agreement – Selection Process



- In March 2022, SPR conducted a Letter of Interest (LOI) process to select an operation support partner for next agreement
- LOI Requirements: non-profit entity, financial solvency, demonstrated capital fundraising, programming expertise, volunteer management and advocacy support
- Arboretum Foundation (AF) was the sole respondent

# Summary of Key Changes – Current vs. Proposed Agreement

	Current (Expiring Agreement)	Proposed Agreement
<b>Term</b>	6 years	10 years with one 5-year extension option – Expires December 2032
<b>Roles</b>	<p>City of Seattle owns, operates gatehouse for entry, provides gardening/other maintenance</p> <p>Arboretum Foundation (AF) provides capital fundraising, programming/events, membership program, volunteer coordination, branding and marketing</p>	No change
<b>Public Benefits</b>	No Public Benefit metrics	New public benefit metrics (see subsequent slides)
<b>Admissions</b>	N/A	City will set Garden admission pricing after consulting with AF and community groups
<b>Merchandise</b>	100% sales to AF	10% sales to City, 90% to AF
<b>Reporting</b>	Provide monthly, year-end financial, attendance, annual report.	Reporting to include public benefits



# Summary of Key Changes – Current vs. Proposed Agreement

	Current (Expiring Agreement)	Proposed Agreement
<b>Revenue Sharing</b>	<p><u>Base Revenue sharing to \$370K:</u> City: \$330K; AF: \$40K</p> <p><u>Beyond Base Revenue Sharing:</u> 50% City; 50% AF</p>	<p><u>Base Revenue sharing to \$500K:</u> City: \$425K; AF: \$75K</p> <p><u>Beyond Base Revenue Sharing:</u> (\$500K-\$750K): 50% City; 50% AF (\$750K+): 40% City; 60% AF</p>
<b>Total Annual Earned Revenue</b>	~\$600K (2019: \$174K due to Covid)	Expected: ~\$700K (higher due to 2023 fee increases)
<b>AF- Earned Revenue</b>	\$904K (2018-2022) annual average: \$181K	Expected: \$2M (2023-2032) annual average = \$175K + 3% inflation
<b>Public Benefits Value</b>	N/A	<p>\$165K/year in program benefits + \$300K/year (avg.) in capital fundraising x 10 years = \$4.65M</p> <p>➤ <b><i>The <u>net</u> expected incremental benefit from AF's services over 10 years = \$2.65M</i></b></p>







# Proposed Annual Public Benefits

(Example of Annual Public Benefit & Values Based on Calendar Year 2022)

Service Category	Description	Target	Value
<b>Programs</b>	Community and cultural programs; special events and docent-led tours	<ul style="list-style-type: none"> <li>12+ cultural programs, programming for 18 Free First Thursdays and Family Saturdays</li> <li>80+ docent led tours</li> </ul>	~\$110,000
<b>Public Access Promotion</b>	Promotional support for Garden free days through social media, marketing and strategic outreach.	<ul style="list-style-type: none"> <li>Social media audience of 10,000+</li> <li>Coverage in 3-5 publications or displays</li> </ul>	~\$10,000
<b>Community Outreach Events</b>	Offsite community outreach at events; support SPR outreach events at facilities throughout the City.	<ul style="list-style-type: none"> <li>2-5 events annually</li> </ul>	N/A



# Proposed Annual Public Benefits

(continued)

Service Category	Description	Target	Value
<b>Volunteer Service Events</b>	Coordinate volunteer involvement	<ul style="list-style-type: none"> <li>900-1500 hours annually</li> </ul>	\$27,000-\$45,000
<b>Capital Improvements</b>	Privately fund capital improvements to City infrastructure	<ul style="list-style-type: none"> <li># annual projects (TBD) funded with private \$\$</li> </ul>	\$15K-\$850K (Depends on annual projects)
<b>Specific Services to City</b>	<ul style="list-style-type: none"> <li>Conduct community survey on Garden visitation</li> <li>Advocacy: Maintain key relationships with entities such as Japanese Consulate</li> <li>Facilitate community involvement in Japanese Garden Steering Committee</li> <li>Represent Garden in Japan-America Society and industry association NAJGA (North American Japanese Garden Association)</li> </ul>	Varies	NA





Questions?