

EDMONTON VALLEY ZOO - OPPORTUNITIES TO REDUCE RELIANCE ON THE TAX LEVY

Recommendation

That the December 4, 2023 Community Services report CS01716, be received for information.

Requested Action	Information only		
ConnectEdmonton's Guiding Principle	ConnectEdmonton Strategic Goals		
CONNECTED This unifies our work to achieve our strategic goals.	Healthy City, Climate Resilience		
City Plan Values	BELONG. LIVE. THRIVE. ACCESS. PRESERVE. CREATE.		
City Plan Big City Move(s)	Greener as we grow Inclusive and compassionate Catalyze and converge	Relationship to Council's Strategic Priorities (select the most applicable from the priorities listed)	Community safety and well-being Arts and culture Climate adaptation and energy transition
Corporate Business Plan	Serving Edmontonians		
Council Policy, Program or Project Relationships	<ul style="list-style-type: none"> Valley Zoo Development Society Partnership Agreement 		
Related Council Discussions	<ul style="list-style-type: none"> December 7, 2022, Financial and Corporate Services report FCS01393, Proposed 2023-2026 Capital Budget (C 26 - Capital Profile 22-12-9007 Valley Zoo - Nature's Wild Backyard Phase II) November 4, 2005, Community Services report 2005CSR014, Valley Zoo Master Plan Update - 2005 		

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Previous Council/Committee Action

At the January 31, 2023, City Council meeting, the following motion was passed:

That Administration provide a report to Committee that explores opportunities to reduce Edmonton Valley Zoo's reliance on tax levy to support on-going operation and capital improvements at the Zoo.

Executive Summary

- Administration reviewed opportunities to reduce the tax levy support required for the Edmonton Valley Zoo ongoing operations and capital improvements. This review included the roles undertaken by partners such as the Valley Zoo Development Society.
- The Valley Zoo Development Society has identified areas it could increase its capacity to support, deliver and fund over time that may reduce the Zoo's reliance on the City of Edmonton tax levy.
- In instances where government owned public attractions like zoos, museums and science centres are operated by a third party, the owner is most often required to provide substantial financial support to the operations, maintenance and capital programs.
- An updated Edmonton Valley Zoo Master Plan is anticipated in 2024.

REPORT

The Edmonton Zoological Society created the city's original zoo in 1926 at Borden Park. In 1930, the City of Edmonton took over maintenance of the zoo, while the Zoological Society maintained an advisory role. By the late 1940s, Borden Park was no longer deemed suitable as a location for a zoo and in 1950 the City began looking at alternative sites. In 1956, the City decided to build a five acre children's zoo in Laurier Park and the Storyland Valley Zoo opened in the summer of 1959. Today, the Edmonton Valley Zoo (the Zoo) remains in Edmonton's river valley on land zoned as River Valley Activity Node (preserving natural areas and parkland along the river, creeks, ravines and other designated areas for recreational uses and environmental protection) and falls under the jurisdiction of the North Saskatchewan River Valley Area Redevelopment Plan Bylaw 7188, restricting the use of this land.

The Zoo is owned and operated by the City of Edmonton. It is accredited by Canada's Accredited Zoos and Aquariums (CAZA), is an Institutional Member of the World Association of Zoos and Aquariums and is an Association of Zoos and Aquariums Pathway to Membership participant with plans to apply for their accreditation within five years. Edmonton Valley Zoo receives a permit to operate from the Province of Alberta and employs a full time veterinary team who work with a professional animal care team to ensure the wellbeing of the animals.

In 2005, City Council approved a Master Plan for the Edmonton Valley Zoo that recognized the changing nature of zoological parks and their role in motivating the community to become advocates for conservation of both "wild life" and "wild places" (November 4, 2005, Community and Public Services Committee report 2005CSR014, Valley Zoo Master Plan Update - 2005). An updated Master Plan is expected in 2024, which will set a bold direction for the next 15 years. The

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updated Master Plan will ensure the Zoo's facility modernizations keep pace with evolving industry best practices.

The Zoo continues to evolve with an increasing focus on conservation, education, research, species survival and preserving biodiversity. In 2022, the Zoo hired its first dedicated Conservation Coordinator and has developed and is implementing a Conservation Framework that guides the Zoo's conservation activities, both on and off site in four streams: Endangered Species Breeding Programs (ex-situ conservation); Conservation of wild species (in-situ conservation); Green Practices (Site Sustainability); and Inspire Action (engaging the community in conservation to promote action).

In 2020, Administration conducted a revenue optimization strategy for Muttart Conservatory and Edmonton Valley Zoo. This research based strategy, which has been successfully implemented, included: adjustments to the Zoo's membership structure and admissions pricing; improvements to the online ticket sales process and experience; improved animal visibility; programming enhancements, and the reintroduction of the Zoo's volunteer program. Recommended increased investments in advertising along with refinements to the facility's marketing and communications approach are also being considered. This strategy's implementation has resulted in the Zoo's attendance and revenue returning to pre-pandemic performance with revenue increasing from \$2.6 million in 2019 to \$3.1 million in 2022, and attendance returning to 334,000 in 2022, similar to 353,000 in 2019. Further implementation of the revenue optimization strategy recommendations should continue this trend.

Hosting touring exhibits, such as 2022's highly successful Nature Connects LEGO Expo, and using tourism partnership funded investments in event delivery infrastructure, visitor amenities and Alberta resident tourism promotions, attracts, engages and inspires new visitors while growing membership and admissions revenue.

Revenue increases have been offset by growing expenses in animal care. This is due to the Zoo's commitment to maximizing animal well-being and meeting the needs of the animal collection. Site maintenance and utility costs have also increased due to aging infrastructure.

Initiatives aimed at reducing expenses have included the use of mechanical systems and equipment and adjusting staff scheduling to maximize efficiencies. To improve productivity, the Zoo is also reviewing its staffing model and introducing automated admission ticket kiosks.

Zoo and Aquariums Operating/Governance Models

In exploring opportunities for the Zoo, Administration reviewed the Association of Zoos and Aquariums's internal accredited member-only 2023 Benchmarking Survey, which indicates that 69 of the 240 facilities who responded to the survey are owned by a government entity (city, state, county, regional or park district). In Canada, 11 of the 25 zoos and aquariums accredited by the Association of Zoos and Aquariums and/or Canada's Accredited Zoos and Aquariums are owned by a municipality, provincial or territorial government with varying operational areas being managed by a society or third-party organization.

In July 2023, Administration gathered information and insights regarding the extent to which government-owned facilities (zoos, aquariums and attractions) engage partners in the various

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aspects of their facility operations including: capital project planning, service delivery and funding. Senior executives from 15 government-owned North American facilities provided input.

The insights gleaned from these conversations included:

- While the areas of partner involvement and the extent to which partners are engaged vary, most facilities use partners in fundraising for capital programs, the delivery of food and retail services, and for special events. Some facilities also utilize partners in capital projects, educational programming, security, bookings, rentals marketing and communications efforts. Facility maintenance is a service provided largely by the municipality.
- Nine of the facilities have some portion of their operations run by a third-party, three are operated by a partner or third-party, while three facilities have no third-party involvement.

Third-party or partner involvement requires clear roles and responsibilities with defined levels of service, governed by an agreement, whether service level, operating, lease or funding. These agreements must outline the authority of the municipality and need to be kept up-to-date and revisited regularly.

As many institutions have experienced efficiencies and financial advantages upon expanding the involvement of outside entities, this report focuses on increasing Valley Zoo Development Society's involvement incrementally over time. Given the complexity of some services, partner capacity and union considerations, partner involvement in the delivery of animal care and facility maintenance/operations has not been explored at this time. These areas may, however, be explored in the future and if so, any applicable legal or labour considerations would be properly addressed.

In all instances when a government-owned zoo or attraction is successfully operated by a third-party, the owner is required to provide substantial fiscal support for the operations, maintenance and capital growth of the zoo.

Edmonton Valley Zoo Partner Involvement

Edmonton Valley Zoo benefits from several important partnerships that result in operating cost efficiencies. The Valley Zoo Development Society (the Society) became a registered society and began its partnership with Edmonton Valley Zoo in 1988. Their mandate focuses on the continued development and awareness of the Zoo, including its conservation and education programs.

The Society has been a major catalyst for the Zoo's transformation, having made significant financial contributions to the following: the veterinary clinic, the Arctic Shores exhibit, the entry plaza and wander, Nature's Wild Backyard Phase 1, the snow leopard containment, the northern leopard frog trailer, and the tiger habitat expansion. More recently, the Society has taken on two important community-led construction projects — they funded and delivered the conservation carousel and are funding and delivering a new habitat for the arctic wolves.

In addition to capital improvements, the Society financially supports a variety of important conservation projects, education programs and animal enrichments. They are also co-sponsoring and contributing funding to the new Edmonton Valley Zoo Master Plan (anticipated in 2024). The

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Zoo's ongoing transformation since the current Master Plan approval in 2005 has grown annual attendance from 125,000 to over 350,000 today.

The Society, through its agreements with the City of Edmonton, operates the Zootique (gift shop); manages select food service outlets, administers fundraising programs and delivers special events including Zoo Brew and Zoominescence. Net proceeds from these enterprises support conservation, education programs, capital projects and animal enrichments. Since 2005, the Society's contributions have exceeded \$7 million.

Administration assessed opportunities for potential increased partner involvement which may lead to additional revenues or reduction in expenditures. These include corporate sales, communications, increased involvement in program and event delivery, volunteer management and capital project development and delivery.

Service	Currently Partner Delivered	Currently City Delivered	Future Partner Involvement Growth Opportunities Currently Being Explored
Gift Shop/Retail	X		
Food & Beverage	X		
Fundraising/Sponsorship	X		
Programs and Events	X	X	X
Conservation, Education and Research	X	X	X
Capital Project Development and Delivery	X	X	X
Communications	X	X	X
Corporate Sales	X	X	X
Volunteer Management	X	X	X
Animal Care		X	
Site Maintenance		X	
Asset Management		X	

For each area noted, the relevant partner has identified the enhanced capacity it would need, including a timeline and resource requirements. Impacts related to collective agreements, accreditation standards and industry expectations have also been considered. Dependence on the tax levy could be significantly reduced with a joint commitment for partners to take on more capital projects through the community-led construction process. This work could result in less

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demand for the City's capital dollars to fund the planning and development of growth projects at the Zoo, while still receiving support and oversight from the City.

The Zoo benefits from other partnerships with various other organizations, including school boards, conservation groups, education institutions and corporations who support the important work of the Zoo by making substantial investments in the Zoo experience.

Community Insight

The Zoo is currently working on a new Master Plan, anticipated to be complete in 2024. Multiple stakeholders have been identified and will be consulted during the plan's development.

GBA+

The Zoo has demonstrated its commitment to be welcoming to all through a number of successful initiatives. This commitment to being inclusive and accessible is supported by partners, but also by the City tax levy contributions. The following are examples of inclusive and accessible programming and initiatives available:

- Leisure Access Program (LAP): A City of Edmonton program that allows eligible Edmontonians free admission to the City of Edmonton recreation facilities and attractions. This includes unlimited admission to Edmonton Valley Zoo and a 75 per cent discount on registered program opportunities.
- Sensory Friendly Nights: Introduced during the COVID-19 pandemic, this program offers a comfortable environment with reduced attendance capacity for families and individuals with special needs.
- DreamNight: In collaboration with Make A Wish Foundation, this is a free annual event for chronically ill children.
- KultureCity: A sensory inclusion initiative that provides an accommodating and positive experience for all guests with a sensory issue. As a KultureCity certified facility, staff at the Zoo have been trained to recognize sensory needs and handle a sensory overload situation¹. Sensory bags equipped with noise canceling headphones, fidget tools, verbal cue cards and weighted lap pads are available to all guests who may feel overwhelmed by the environment.
- Pay It Forward For the Planet: In partnership with Valley Zoo Development Society, this program partners local companies to provide schools with a free field trip at the Zoo². The benefiting classroom pays it forward by taking on a conservation initiative that helps the planet.
- Free Accessibility Programs: The Zoo offered free accessibility programs (including bussing) to schools, groups and organizations with accessibility, sensory or other needs, using funding from the Federal Tourism Relief Fund.
- Accessibility Equipment: Mobility scooters, wheelchairs, wagons and strollers are available for use at the Zoo.
- Virtual Programs: The Zoo's collection of virtual programs makes the Zoo's powerful education opportunities accessible to all groups regardless of their location.

¹ <https://www.kulturecity.org/#>

² <https://www.buildingourzoo.com/pay-it-forward/>

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- 100 Voices: In partnership with Edmonton Catholic Schools, this popular classroom-based program at the Zoo is provided for pre-kindergarten students with learning challenges³.

³ <https://www.ecsd.net/100-voices>