

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING ) ORDINANCE NO. 02-949  
METRO CODE SECTION 4.01.050, AND )  
REVISING ADMISSIONS FEES AT THE )  
OREGON ZOO EFFECTIVE JANUARY 1, ) Introduced by Mike Burton, Executive Officer  
2003 )

WHEREAS, the Oregon Zoo periodically needs to increase admission charges to keep pace with increased operating costs; and

WHEREAS, Oregon Zoo admission fees have not been increased since January 1, 2002; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That Metro Code Section 4.01.050 is amended to read as follows:

4.01.050 Admission Fees and Policies

(a) Regular Fee Schedule

Adult (12 years and over)	<del>\$7.50</del>	\$8.00	
Youth (3 years through 11 years)	<del>\$4.50</del>	\$5.00	
Child (2 years and younger)	free		
Senior Citizen (65 years and older)	<del>\$6.00</del>	\$6.50	

(b) Free and Reduced Admission

- (1) The Director may set free or reduced admission rates for groups, special events, or as otherwise in accordance with this Chapter.
- (2) A free admission pass will entitle the holder only to enter the Zoo without paying an admission fee.
- (3) A reduced admission pass will entitle the holder only to enter the Zoo by paying a reduced admission fee.
- (4) Free or reduced admission passes may be issued to the following groups or individuals and shall be administered as follows:
  - (A) Metro employees shall be entitled to free regular Zoo admission upon presentation of a current Metro employee identification card.

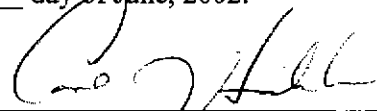
- (B) Metro elected officials ~~councilors and the Metro executive officer~~ shall be entitled to free admission.
  - (C) Free admission passes in the form of volunteer identification cards may, at the director's discretion, be issued to persons who perform volunteer work at the Zoo. Cards shall bear the name of the volunteer, shall be signed by the director, shall be non-transferable, and shall terminate at the end of each calendar year or upon termination of volunteer duty, whichever date occurs first. New identification cards may be issued at the beginning of each new calendar year for active Zoo volunteers.
- (5) Admission to the Zoo shall be free for all persons during a portion of a day each month, to be designated by the Director.

(c) Special Events


The Zoo, or portions thereof, may be utilized for special events designed to enhance Zoo revenues during hours that the Zoo is not normally open to the public. The number, nature of, and admission fees for such events shall be determined by the Zoo Director.

2. That the admission fee increase set forth above shall take effect January 1, 2003.


ADOPTED by the Metro Council this 13<sup>th</sup> day of June, 2002.

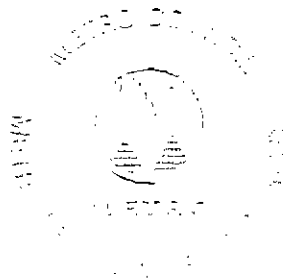
  
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Carl Hosticka, Presiding Officer

Approved as to Form:

  
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Daniel B. Cooper, General Counsel

ATTEST.

  
\_\_\_\_\_  
Recording Secretary



## BUDGET AND FINANCE COMMITTEE REPORT

CONSIDERATION OF ORDINANCE NO. 02-949, FOR THE PURPOSE OF AMENDING METRO CODE SECTION 4.01.050, AND REVISING ADMISSIONS FEES AT THE OREGON ZOO EFFECTIVE JANUARY 1, 2003

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Date: June 12, 2002

Presented by: Councilor McLain

**Committee Recommendation:** At its June 12 meeting, the committee considered Ordinance 02-949 and voted unanimously to send the resolution to the Council for adoption. Voting in favor: Councilors Atherton, Bragdon, McLain, Monroe and Chair Burkholder.

**Background:** Metro Code Section 4.01.050 establishes the admission fee structure for the Oregon Zoo. The section also requires the zoo to obtain Council approval of any fee increases. Since 1994, zoo admission fees have been increased twice, in 1999 and again on January 1, 2002. No increases were adopted during the construction of the light rail station and new entry facilities. Projected revenue of \$108,000 from the admission fee increase included in the proposed ordinance is already recognized in the proposed budget for FY 02-03.

**Committee Discussion:** Kathy Kiaunis, Zoo Deputy Director, presented the staff report. Her presentation focused on three main issues. First, she noted that the proposed increase is only the third increase in admission fees during the past nine years. The proposed adult admission fee will still be well below other similar West Coast zoo and aquariums. For example, the fee at the Oregon Coast Aquarium is \$10.25 and at Wildlife Safari the fee is \$14.50. Second, Ms. Kiaunis explained that in recent years the cost of many types of expenses at the zoo has risen faster than the growth in revenue. She cited utilities and employee benefits as examples. The admission fee increase will help balance expenditures and revenues. Third, Ms. Kiaunis reviewed the zoo's plans concerning potential future increases in admission fees. She indicated that the zoo currently intends to request an additional \$.50 increase in 2005, followed by a request for a \$1 increase in 2007. If such changes were approved, the adult admission fee in 2007 would be \$9.50. This would represent an annual increase of about 4% in the admission fee.

Councilor Atherton asked about the need for the increase in the senior citizen admission fee. Ms. Kiaunis responded that the increase would keep this fee in line with the rest of the fee structure. She also noted the zoo is continually attempting to keep the zoo affordable through the use of fee or reduced fee days or events.

Councilor Burkholder asked about the advisability of having smaller annual fee increases versus larger biennial increases. Ms. Kiaunis responded that the proposed increase is based on current needs and that in the past the larger, less frequent increases had not generated any complaints from the public. Councilor Burkholder then asked if the proposed increase would result in an increase in the purchase of zoo foundation memberships that include free admissions. Ms. Kiaunis indicated that this particular issue had not been examined.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE 02-949 AMENDING METRO CODE SECTION 4.01.050, AND REVISING ADMISSIONS FEES AT THE OREGON ZOO EFFECTIVE JANUARY 1, 2003

Date: May 21, 2002

Prepared by: Kathy Kiaunis and Dan Cooper

**BACKGROUND**

A fee increase of \$.50 is proposed in the development of the Zoo's FY02-03 budget, to take effect January 1, 2003. In the past, the admission fees charged at the Zoo were increased every other year to cover the increases in operating costs at the Zoo. It was decided that admissions increases would be on hold during the construction of the Tri-Met light rail station, the reconfiguration of the main visitor parking lot, and the new entry facilities. Since the completion of those projects the first fee increase since January, 1994 was implemented on October 1, 1999. The next fee increase was not implemented until January 1, 2002.

**ANALYSIS/INFORMATION**

1. **Known Opposition.** None
2. **Legal Antecedents.** Metro Code Section 4.01.050 Admission Fees and Policies identifies policies on Zoo admission fees, and requires the Zoo to request an amendment to increase fees. The proposed action amends Ordinance 01-915.
3. **Anticipated Effects.** The \$.50 fee increase proposed for 2003 would bring the adult admission rate to \$8.00. This rate is still the lowest of comparable facilities on the West Coast and considerably lower than the two other AZA accredited facilities in Oregon. Since opening the new entry facilities, the Zoo has lengthened its monthly free hours as well. The free hours are well used by the community, offering assistance to families that might otherwise not be able to visit the Zoo as frequently.

West Coast Zoos and Aquariums	Location	Adult Admission
Oregon Coast Aquarium*	Newport, Oregon	\$10.25
Wildlife Safari*	Winston, Oregon	\$14.50
Woodland Park Zoo	Seattle, Washington	\$9.50
San Diego Zoo	San Diego, California	\$19.50
San Diego Wild Animal Park	San Diego, California	\$23.85
San Francisco Zoo	San Francisco, California	\$10.00
Los Angeles Zoo	Los Angeles, California	\$8.25
Monterey Bay Aquarium	Monterey, California	\$17.95
AVERAGE		\$14.23
Oregon Zoo Proposed January 1, 2003		\$8.00

\* only other AZA accredited facilities in Oregon

By code, the Zoo is required to earn at least 50% of its operating revenue. The Zoo currently earns over 60% of its operating revenue. This is a result of both strong growth in enterprise functions, such as food sales, catering, camps and classes; and property tax measures which have limited the growth of property tax revenues. Periodic fee increases are required to help defray increases in the Zoo's operating costs. The Zoo has been impacted particularly hard by increases in utility costs and benefit costs.

The Zoo's current five-year financial outlook includes the assumption that adult admission fees would rise to \$9.50 by FY06-07. The assumption included a \$.50 increase in 2005, and a \$1.00 increase in 2007, and results roughly in a 4% annual increase in admission revenues, which is designed to keep pace with anticipated expense increases. Even if comparable institutions' fees did not rise during this period, the Oregon Zoo's fee would remain among the lowest on the West Coast.

The fee structure is proposed as follows:

<u>Category</u>	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>
Adult	\$7.50	\$8.00	\$.50
Children	\$4.50	\$5.00	\$.50
Seniors	\$6.00	\$6.50	\$.50

4. **Budget Impacts.** The additional revenue generated by the increase in admissions is estimated to total \$127,092 after excise tax for the second half of the FY 02-03 fiscal year, which will net approximately \$108,000. These additional revenues are included in the revenue estimate in the FY 02-03 budget. This estimate is based on attendance of 1,250,000, and will vary with actual attendance.

**RECOMMENDED ACTION**

The Executive Officer recommends that the Council adopt Ordinance No. 02-949.