



TO: Denver City Council
 FROM: Denver Zoological Foundation Inc.
 DATE: 1/31/18
 RE: Gate Admission & Rental Price Adjustments

Historical Information:

Denver Zoological Gardens (Denver Zoo) is managed by the Denver Zoological Foundation Inc., a 501c (3) not for profit, operating under a Cooperative Agreement with the City & County of Denver. This agreement was most recently updated in November of 1998. Per section 13c of the Cooperative Agreement:

*Fees for admission to and use of the Facilities shall be collected and deposited by the Foundation in its accounts to be applied by the Foundation first to cover the wages and benefit expenses for City Employees under paragraph 5 above and then for any other purposes recognized under this agreement. **Upon submittal by the Foundation of any proposed fee changes to the Manager, said proposal will be submitted, together with the Manager’s recommendation on the proposal, to the City Council for consideration and action.***

During the last 51 years, Denver Zoo has increased its price 12 times. The most recent was in September 2014. Please see attached document for admission price increase history.

Request for Increase in Admission and Rental Fees:

Denver Zoo is requesting an admission fee adjustment, as well as proposed modifications, to a number of our facility rental fees. In both cases, these modifications reflect current market value and remain comparable and competitive to similar venues and experiences, both in the Denver-metro area and in the zoo industry.

Admission Fees:

Denver Zoo proposes an admission fee increase of: \$3 for adults and seniors during summer season; \$2 for child admission during summer, and adult and senior admission in winter; and \$1 increase for child admission in winter.

Current Pricing	Proposed Pricing
Summer (March-October)	
\$17/adult (12 years and older)	\$20/adult (12 years and older)
\$12/child (3-11 years)	\$14/child (3-11 years)
\$14/seniors (65 and older)	\$17/seniors (65 and older)
Free (2 and under)	Free (2 and under)
Winter (November-February)	
\$13/adult (12 years and older)	\$15/adult (12 years and older)
\$9/child (3-11 years)	\$10/child (3-11 years)
\$11/senior (65 and older)	\$13/senior (65 and older)
Free (2 and under)	Free (2 and under)

Additionally, in an effort to simplify and standardize our admission fee price increases moving forward, we would like to explore the potential for an annual admission fee increase based on the Colorado Consumer Price Index (CPI) starting in 2020. Based on current CPI and admission rates, this would be approximately \$0.25. Furthermore, Denver Zoo would provide assurance that admission rates would hold steady if CPI were flat or negative in a given year.

Rental Fees:

Denver Zoo proposes minor adjustments to our current facility rental rates. These new rental rates would be in line with fair market value and will allow Denver Zoo to remain highly competitive with other facility rental rates in the region. It should be noted that only those rates for which we are proposing increases are outlined below. The Zoo will continue to offer its other rental opportunities under our previously approved fee structure.

Norgren Hall-Gates Education Center:

	Current Pricing	Proposed Pricing
4 Hours (3 rooms)	\$2,550	\$2,800
8 Hours (3 rooms)	\$3,300	\$3,500
4 Hours (2 rooms)	\$1,500	\$1,600
8 Hours (2 rooms)	\$1,950	\$2,100
4 Hours (1 room)	\$750	\$800
8 Hours (1 room)	\$1,000	\$1,000
Giraffe Meadows Tent	\$2,000	\$2,000
ZooLights:Sneak Peek (3 rooms/studios)	\$10,000	\$13,750
ZooLights - Public Night (3 rooms)	\$3,400	\$5,000
ZooLights - Public Night (2 rooms)	\$2,600	\$3,200
ZooLights - Public Night (1 room)	\$1,950	\$2,000
After Hours (3 rooms/studios)	\$3,500	\$3,750

Conoco Zoo Gardens:

	Current Pricing	Proposed Pricing
Full Pavilion - Full Day Rental	\$6,000	\$7,000
Half Pavilion	\$3,400	\$3,700
Full Pavilion – After Hours	\$6,500	\$6,750

Original Boardroom:

	Current Pricing	Proposed Pricing
4 Hours	\$600	\$700
8 Hours	\$900	\$950
Zoo Lights	\$700	\$750

Norgren Hall Studio Rooms:

	Current Pricing	Proposed Pricing
Grasslands – ZooLights	\$900	\$1150
Treetops – ZooLights	\$900	\$1150
Grasslands & Treetops – ZooLights	\$1,900	\$2000

Northern Shores:

	Current Pricing	Proposed Pricing
After Hours (6:30 - 10 pm)	\$4,000	\$4,500

Full Zoo Buy-out:

	Current Pricing	Proposed Pricing
After Hours (6:30 - 10 pm)	\$13,000	\$15,000

Need:

Denver Zoo remains the most visited cultural institution in Colorado, serving more than 2 million guests each year. In order to continue to address and improve the growing expectations and needs of our guests and implement best practices in animal welfare and safety, we must focus on becoming a 21st century facility. In order to effectively manage and maintain this City asset, as well as advance our mission-based programs, an admission fee increase is needed.

Below please find operational realities we are facing, which additional revenue would begin to address:

Facilities/Deferred Maintenance:

- Denver Zoo is a 122 year old institution on an 80 acre campus, with more than 100 buildings and more than 640,000 building square feet to maintain. We serve 2 million guests per year and house nearly 4,000 animals -- many of which are endangered or threatened in the wild. More than 50 percent of our campus has infrastructure that is functionally obsolete and is in need of attention to address critical needs. While G.O. Bond funds serve to address a portion of these deficiencies, continued annual investment in deferred maintenance is critical in maintaining the physical facility in perpetuity.

Increased Operational Costs:

- Denver Zoo has seen a substantial increase in operational expenses since we last considered an admission increase in 2014. Examples of increased expense categories include animal nutrition-specifically our browse program, animal welfare, guest safety and facilities maintenance. These additional funds will help close the gap on our increased expenses and ensure the highest level of welfare for our animals, safety for our guests and proper stewardship of the aging campus and facilities.

Staff Compensation:

- In order to maintain and operate a world-class zoological institution for our world-class city, we must recruit and retain the best and brightest personnel. In recent years, with the rapidly rising cost of housing, Denver Zoo has fallen behind in maintaining staff salaries at fair market value. We retain an amazing, highly specialized employee base, full of passion and an aptitude for engaging and connecting our community with wildlife. That said, these professionals deserve appropriate compensation for their efforts.

Guest Experience & Expectations:

- Denver Zoo is about connecting people with animals. As a crown jewel for our city, the Zoo would like to maintain our national reputation as one of the best zoos in the country and continue our focus on amazing guest experiences and outcomes. Additional funds generated from the proposed price increase would prevent us from scaling back some of our important education programs and guest experience activities. Additionally, they would allow us to develop new experiences and programs to keep the Zoo relevant and successful into the foreseeable future.

Maintaining Affordability/Access:

In 2017, Denver Zoo provided free admission to more than 382,000 people and provided scholarships for 38,000 deserving children and families to participate at no cost in Zoo education programs.

While we are asking for these increases in admissions and rental rates, Denver Zoo will continue to do everything possible to maintain accessibility to the Zoo and its programs. We will continue to offer seven Free Days each year, several free admission days to City and County of Denver employees and their families, numerous free education programs, and will continue to offer scholarships through our Access to Awe scholarship fund for Zoo admission and education programs for those who might not be able to afford them.

Denver Zoo understands an increase in admission could be challenging for some residents. As part of this proposal, the organization would seek to proactively address this issue with the following programmatic approaches:

- Increase annual investment in Denver Zoo’s Scholarship Fund - Access to Awe - which provides financial resources to cover the cost of field trips and memberships to the Zoo, including transportation costs.
- Partner with Denver Human Services to provide \$1 admission for those enrolled in SNAP (Supplemental Nutrition Assistance Program).
- Provide each City Council District with free Zoo admission tickets to distribute to those in need within their districts.

Current Admission Costs at Selected Cultural Organizations:

The proposed admission price increase strategy ensures Denver Zoo remains accessible and competitive with our fellow cultural institutions in Denver and the region. Please see below for admission comparison to regional peers:

Denver Museum of Nature and Science:

	Museum Only	Museum + IMAX or Planetarium*	Museum + Both
Adult	\$16.95	\$23.95/\$21.95	\$28.95
Child	\$11.95	\$17.95/\$15.95	\$21.95
Senior	\$13.95	\$19.95/\$17.95	\$23.95

**Most common visit includes Museum + IMAX or Planetarium; all traveling exhibits are an extra charge*

Cheyenne Mountain Zoo (Colorado Springs):

	Spring/Summer-Peak Days	Fall/Winter
Adult:	\$24.75	\$14.75
Child:	\$19.75	\$10.75
Senior:	\$22.75	\$12.75

Conclusion:

Denver Zoo does not take any price increases lightly. We strive to do all in our power to maintain the Zoo’s affordability so that we can fulfill our mission to **secure a better world for animals through human understanding**. We believe these modest increases are necessary to sustain Denver Zoo’s financial stability, continue to maintain the Zoo’s existing facilities and protect the City’s assets, recruit and retain qualified staff and better serve our community through educational programming.

We ask for your support in approving these proposed admission fee and facility rental fee adjustments. We are eager to meet to discuss the proposal in more detail and answer any questions you may have.

Denny O’Malley
Interim President/CEO

