

Zoological Gardens

Projects Summary
(\$ in Thousands)

Project Title	2010 Agency Priority Ranking	Agency Project Request for State Funds (\$ by Session)				Governor's Recommendations 2010	Governor's Planning Estimate	
		2010	2012	2014	Total		2012	2014
Master Plan	1	\$18,000	\$30,000	\$6,000	\$54,000	\$0	\$0	\$0
Asset Preservation/ Exhibit Renewal	2	15,000	15,000	15,000	45,000	0	0	0
Total Project Requests		\$33,000	\$45,000	\$21,000	\$99,000	\$0	\$0	\$0

Master Plan

2010 STATE APPROPRIATION REQUEST: \$18,000,000

AGENCY PROJECT PRIORITY: 1 of 2

PROJECT LOCATION:

Project At A Glance

\$18 million in state funds for construction of the next phase of the Zoo's Master Plan: the renovation and expansion of the Zoo's entry and main building, to be called the "Heart of the Zoo" entry, Visitor Center and Environmental Education Center. This request is for Phase 1. When complete, the Heart of the Zoo project will greatly improve the guest experience, generate additional revenue, result in important educational impact, and drive increased attendance. This request assumes state funds will be augmented by significant private funds. The Zoo has launched a comprehensive campaign for private funding called "The Heart of the Zoo."

Project Description

This request is for \$18 million which, together with private funds, will finance the construction of the next significant portion of the new and renovated facilities proposed in the **2001 Minnesota Zoological Garden Facilities and Business Master Plan**. It includes the public funding portion for phase 1 of the Zoo's proposed "Heart of the Zoo" entry, Visitor Center and Environmental Education Center project.

With much of the Zoo now more than 31 years old, and with significant advances in zoological and informal education facility design that have occurred over the last quarter century, the Minnesota Zoo has begun a period of intensive redevelopment. At the direction of the 1999 state-mandated Minnesota Governance Study, a master planning initiative was undertaken, funded by contributions from members of the Zoo Board and Zoo Foundation Board and a grant from the Bush Foundation. The resulting Minnesota Zoological Garden Facilities and Business Master Plan provides a strategic, flexible long-term vision for the Zoo's business approach and physical development, and has been used to direct the Zoo's decision-

making. In 2005, the Zoo adopted a 10-year Strategic Plan that incorporated the facility improvement concepts developed in the Master Plan.

Already the state's largest environmental education center, the Zoo needs to increase its capacity to deliver these services to more Minnesotans. The Zoo must continue to develop new revenue streams to support its operations and programs. The addition of new exhibits - creating greater density and intensity of experience - is necessary to stabilize and increase attendance. As Zoo attendance continues to expand (it has grown by 42% between FY 05 and FY 09), better provisions for greeting, orienting and managing larger audiences must be developed. Enhancements proposed in the Master Plan will improve the experience for all visitors and will target improved accessibility for seniors, disabled, and young children. The renewed Zoo will be better able to meet the increasingly sophisticated public demands for education and recreation, while more actively addressing the conservation challenges facing wildlife in Minnesota and around the world

Given the large scale and vital location of the "Heart of the Zoo" project, we are proposing a phased approach to its implementation. The FY10 request would provide partial funding to construct Phase I, which includes the new Environmental Education Center, a new lower level entry, a new indoor Zoo Theater (replacing the abandoned and derelict former whale exhibit) and a Penguin exhibit. Our request would also fund design of Phases 2 and 3, but if implementation of these future phases is delayed or deferred, Phase 1 will stand on its own as a significant and critical improvement to the Zoo.

- ◆ The new Education Center (a renovation of the outmoded and insufficient Education Wing) will increase educational program capacity and provide specialized learning spaces tailored to specific purposes, such as Early Childhood education. The Zoo's Education Department functions will be centralized and a teacher resource area will be added. School groups will be able to enter the zoo separately from other guests and the Center will provide storage lockers, lunch space, restrooms and new classrooms.
- ◆ To immediately immerse Zoo guests in the world of animals, Phase 1 will include an African Black-footed Penguin exhibit. This species has been chosen for its conservation status and high public appeal, and will be displayed in an innovative environment.

Master Plan

- ◆ A new indoor theater that will continue as the winter home for the popular World of Birds show, while providing space for additional animal interpretation and performance space. The current indoor theater is in need of major renovation, and an alternative space--within the footprint of the existing main building--has been identified as an optimal location to develop an improved educational theater.

Much of the work proposed in the "Heart of the Zoo" project will reuse or creatively expand on the Zoo's existing Main Building and adjacent landscapes. As the current facilities approach 35 years in age, there are significant asset preservation needs that have been identified (in excess of \$10 million) simply to keep the existing structure and building systems safe and sound. If instead of simply repairing the building "as is" and the "Heart of the Zoo" project is undertaken as planned, there will be very significant value added in terms of guest experience, energy efficiency and animal management.

Impact on Agency Operating Budgets (Facilities Notes)

The additional exhibits and buildings to be constructed as envisioned in the Master Plan will require additional expenditures for employees and operations at the Zoo. Sustainable building and site technologies will be integrated into the "Heart of the Zoo" project, with significant operational efficiencies anticipated. Some additional revenue is anticipated as attendance and related income increase as a result of the addition of penguins and improved indoor theater offerings.

Previous Appropriations for this Project

The legislature appropriated \$20.6 million in 2005 and an additional \$7.5 million in 2006 for the first Master Plan projects, Russia's Grizzly Coast and the Central Plaza. Previous submissions have included requests for funds for the "Heart of the Zoo" project (\$16 million in 2006, \$15 million in 2008), but these funds were not appropriated.

Following the success of the privately-funded Wells Fargo Family Farm and spurred by the state's recent commitment of capital support, the Zoo Board and Foundation trustees have undertaken a comprehensive fundraising campaign. Funds raised by this campaign have supported planning and design of this project and will supplement the state funds for implementation.

Project Contact Person

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Governor's Recommendations (To be completed by MMB at a later date)

Asset Preservation/ Exhibit Renewal

2010 STATE APPROPRIATION REQUEST: \$15,000,000

AGENCY PROJECT PRIORITY: 2 of 2

PROJECT LOCATION:

Project At A Glance

Minnesota Zoological Garden Asset Preservation and Exhibit Renewal of \$15 million

Project Description

State funding of \$15 million is requested to repair, replace, and renew facilities at the Minnesota Zoological Garden.

The Zoo opened 31 years ago, and many of the original facilities are still in use and are in need of repair, replacement, and renewal. Over \$30 million in needs have been identified. This request is for half of that total, based on institutional priorities and the logistics of conducting multiple projects over a two year period. These priorities include, but are not limited to:

- ◆ safety hazards and code compliance issues;
- ◆ addressing significant water management issues;
- ◆ roof repairs and replacements;
- ◆ fence replacement;
- ◆ mechanical and structural deficiencies;
- ◆ building envelope work including tuck-pointing, window and door replacement, etc.;
- ◆ road, pathways, and parking lot repair and replacement;
- ◆ major mechanical and utility system repairs, replacements, and improvements; and
- ◆ exhibit renewal, specifically the former Tropics Nocturnal area and the Coral Reef.

Asset preservation is an ongoing need at the Zoo. In 1998 the Statewide Facilities Management Group, coordinated by the Department of

Administration, assessed the appropriate level of annual building maintenance necessary for state agency facilities. According to the guidelines, now 10 years old, the Zoo should spend an additional \$3.4 million annually to maintain and preserve the state's investment in these facilities. The Zoo has spent some operating funds for repair, replacement, and betterment, which has reduced resources available for programs. Recent asset preservation appropriations have allowed the Zoo to begin to address the backlog of deferred maintenance items, but as the facility ages newly-identified and increasingly critical infrastructure and exhibit deficiencies need to be corrected.

Impact on Agency Operating Budgets (Facilities Notes)

Funding this request will preserve the assets and improve safety, service and operations of the Zoo. If this request is not funded, deterioration and structural decay will continue. The public visiting the Zoo will experience a dated, deteriorating facility and attendance and revenues will decrease. Delayed repairs are likely to increase in cost the longer they are postponed. When funds are used to replace outdated equipment with more efficient models, operating costs may actually decrease.

Previous Appropriations for this Project

\$3 million was appropriated during the 2009 session, \$2 million in 2008, \$7.5 million in 2006, \$2 million in 2005, and \$3 million in 2002 for asset preservation needs of Zoo facilities. Projects funded from these appropriations include:

- ◆ replacement of the chiller for the main building complex;
- ◆ approximately half of the identified needs for roof repair/replacement;
- ◆ inflow and infiltration infrastructure issues;
- ◆ bison holding shelter area repair;
- ◆ elevator replacement;
- ◆ air handling work in the animal hospital;
- ◆ replacement and repair of decking and railing on main lake bridge;
- ◆ expansion and upgrades of fire detection system;
- ◆ renewal of the Minnesota Trail exhibit;
- ◆ replacement of damaged sidewalks, pathways and curbing;
- ◆ repair and replacement of mechanical systems insulation;

Asset Preservation/ Exhibit Renewal

- ◆ air handling duct cleaning and repair;
- ◆ renewal of Tropics Sun Bear exhibit; and
- ◆ repair and replacement of portions of the perimeter fence.

Other Considerations

In the past the Zoo has requested funding for specific asset preservation projects including the "roads and pathways" and the "heating supply line/chiller replacement" projects. These projects were partially funded in the previous capital budget appropriations. The need for asset preservation activities at the Zoo has been increasing significantly as the facility ages. The Zoo is unique in that among our primary physical assets are exhibits of living animals and plants. In many instances, techniques of animal husbandry and display and public interpretation have advanced significantly since the inception of the Zoo, and renovation and renewal of these exhibits are a top priority for the institution. In some instances, such renewal is necessary to retain industry accreditation and meet regulatory requirements. Exhibit renewal can also be leveraged to maintain or increase attendance.

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