

(\$ in thousands)

Project Requests for State Funds					
Project Title	Priority Ranking	Funding Source	2016	2018	2020
Heart of the Zoo 2	1	GO	\$ 17,780	\$ 0	\$ 0
Asset Preservation	2	GO	\$ 11,500	\$ 10,000	\$ 10,000
Building and Facilities Renovation	3	GO	\$ 5,000	\$ 10,000	\$ 5,000
African Savanna Exhibit	4	GO	\$ 0	\$ 40,000	\$ 0
Total Project Requests			\$ 34,280	\$ 60,000	\$ 15,000
General Obligation Bonds (GO) Total			\$ 34,280	\$ 60,000	\$ 15,000

Heart of the Zoo 2

AT A GLANCE**2016 Request Amount:** \$17,780**Priority Ranking:** 1

Project Summary: \$17.78 million in state funds is requested to complete the Heart of the Zoo 2 project, which includes the renovation of the snow monkey exhibit and surrounding public spaces, and the construction of a new meerkat exhibit. This project will complete the transformation of the Zoo's main entrance—enriching guests' initial introduction to the Zoo by expanding animal exhibits improving amenities.

Project Description

Heart of the Zoo 2 is the final stage of a multifaceted project designed as a public/private partnership and guided by the Zoo's facilities master plan and recently adopted strategic plan.

This final stage of the project completes the revitalization of the Zoo's main entrance and building complex. This phase of renovations will create memorable first impressions for guests of all ages with exhibits featuring popular, active and social animals while upgrading guest amenities.

The project will:

- Rejuvenate the Zoo's popular snow monkey exhibit that has seen decades of wear, replacing the stark and deteriorating existing enclosure with a naturalistic environment that meets the highest standards of animal care.
- Add a new engaging meerkat exhibit near the Zoo's main entrance, complementing the wildly popular penguin exhibit and a renewed snow monkey exhibit.
- Improving and expanding basic guest services inside the main entrance of the Minnesota Zoo—lobby, restroom and retail space—to meet the needs and expectations of Zoo's thousands of guests.

The total area impacted by this project is approximately 95,000 square feet near the Zoo's main entrance, of which 87,000 square feet (92% of the project area) would be renovated. Within this project area, a total of 8,000 square feet would be added to the main building. The renovated space represents 0.4% of the Zoo's 485-acre campus.

With the implementation of this project, Minnesota will celebrate a world-leading zoo that is a leader in wildlife conservation, education, and smart fun.

Project Rationale

Heart of the Zoo 2 supports the Minnesota Zoo's mission *to connect people, animals, and the natural*

world to save wildlife by immersing Zoo guests in the world of animals immediately upon entering the Zoo's main entrance. Building upon prior State and private investments, the project integrates urgently needed repairs and improvements to the Zoo's 35-year-old main building with the Zoo's most pressing exhibit renewal project while creating an improved guest experience.

This project supports the type of smart, fun, and comfortable experiences that Zoo guests have come to expect from the Minnesota Zoo.

Other Considerations

Given this project's central location at the Zoo's main entrance, it is critical to the Zoo's ongoing operation to complete this work in the shortest possible timeframe.

Addressing all components of the project simultaneously and soon will maximize efficiency, save significant construction costs, and minimize disruption to Zoo with the corresponding impact on attendance and earned revenues—in all saving millions of dollars.

Impact on Agency Operating Budgets

This project will enhance the Zoo's the long-term financial stability by increasing attendance and revenues. Over 50% of the Zoo's operating budget comes from earned income comprised primarily of admissions, memberships, and commissions from our gift store and food service partners. Increasing Zoo attendance, length of guest visits and per capita visitor spending directly increases this earned income. Major new animal exhibits such as those included in this project increase Zoo attendance. Additionally, through the relocation and expansion of retail space near the main Zoo entrance, we estimate a 10% increase in retail commissions—approximately \$200,000 over six years. The project will have minimal impact on on-going operating costs. Snow monkeys are already part of the Zoo's animal collection and consequently will not require any additional animal care staff as a result of this project. The meerkat exhibit will be supported by existing staff.

Description of Previous Appropriations

Laws of Minnesota 2014, Chapter 294, Article 1, Section 11, Subd. 3 (Heart of the Zoo): \$5,000,000

For the design, renovation, and repair of the upper and lower plazas; for the design and extension of the plaza; and for design of the Heart of the Zoo II project.

Project Contact Person

Mary Robison
V.P. for Finance and Administration
952-431-9469
mary.robison@state.mn.us

Asset Preservation**AT A GLANCE****2016 Request Amount:** \$11,500**Priority Ranking:** 2**Project Summary:** The Minnesota Zoo requests \$11.5 million for capital asset preservation improvements and betterments to infrastructure and exhibits at the Minnesota Zoological Garden, to be spent in accordance with Minnesota Statutes, Section 16B.307.**Project Description**

The Minnesota Zoo has identified and prioritized a list of essential infrastructure repairs and improvements. Examples of high priority projects include:

- Repair of animal containment and other exhibit areas.
- Complete replacement of failing skylights in the Zoo's main Tropics building.
- Replacement and repair of mechanical and electrical systems that are past their useful life.
- Repair of roofs on various structures throughout the Zoo.

Many of our repair needs are safety issues for our employees, guests, and animals. Given the nature of the Zoo's business, it is essential to address these issues and maintain the security of the Zoo's site.

Project Rationale

The Minnesota Zoo is a 35 year old facility. Its 485 acre campus includes 121 buildings and related facilities, 10 miles of roads and pathways, and 2 miles of perimeter fence. Maintaining a zoo the size, age, and complexity of the Minnesota Zoo requires significant, ongoing investment in the Zoo's infrastructure so that facilities remain functional and safe for the Zoo's 1.2 million annual guests and 4,700 animals.

Other Considerations

State support now will allow the Zoo to address maintenance that in many instances has been deferred for years, protecting and enhancing the State's significant previous investments in the facility.

Impact on Agency Operating Budgets

Asset preservation dollars support the Zoo's operating budget by allowing the Zoo to complete needed capital repairs. The Zoo is not able to fund large capital projects from its operating budget at the scale needed to maintain the facility. Addressing needed repairs allows the Zoo to operate more efficiently, saving operating funds for other needed purposes.

Description of Previous Appropriations

Laws of Minnesota 2014, Chapter 294, Article 1, Section 11, Subd. 2 - \$7 million

Laws of Minnesota 2012, Chapter 293, Section 12 - \$4 million

Laws of Minnesota 2011, Special Session 1, Chapter 12, Section 8 - \$4 million

Laws of Minnesota 2010, Chapter 189, Section 10, Subd. 2 - \$6 million

Project Contact Person

Mary Robison

V.P. for Finance and Administration

952-431-9469

mary.robison@state.mn.us

Building and Facilities Renovation**AT A GLANCE****2016 Request Amount:** \$5,000**Priority Ranking:** 3**Project Summary:** The Minnesota Zoo requests \$5 million in state funds to design, renovate, furnish and equip buildings, exhibits and related spaces at the Minnesota Zoological Garden.**Project Description**

The Zoo has identified and prioritized a list of critical building and facilities renovation projects essential for the Zoo to meet the needs of a 21st century zoo and maintain its status as one of Minnesota's premier cultural institutions. In some cases, this would include changing the use of an exhibit to accommodate a new species or building new and expanded facilities to meet the Zoo's current and anticipated needs. Specific projects include:

- **Animal Hospital Planning:** The Zoo's animal collection has changed drastically since the Zoo opened in 1978, as has the practice of animal husbandry. The current hospital is too small and doesn't allow for the optimal treatment of the Zoo's animals. Funding is needed to plan for a new facility.
- **Design and Construction of a New Greenhouse:** The Zoo has a sizable plant collection grown and cared for on site. The existing greenhouse used for this purpose is rapidly deteriorating and is in need of replacement. Funding is needed for the design and construction of a new facility.
- **Design, Construction and Implementation of a Centralized Trash and Recycling Center.** This project will allow the Zoo to consolidate the currently scattered collection of trash and recycling into one area, increasing the overall efficiency of this operation, saving time and money.
- **Predesign and Design of a Vehicle Maintenance and Storage Building.** The Zoo does not have adequate space to maintain and store the vehicle fleet and other equipment needed to meet the Zoo's growing transportation needs. This project will evaluate the spaces needs and begin the design process for identified new facilities to protect the fleet.
- **Predesign and Design of Tropics Trail/Nocturnal Exhibit:** Empty since 2009, the area previously housing the nocturnal exhibit needs a new exhibit concept developed and designed.
- **Africa Exhibit Predesign.** The Zoo's master plan and recently adopted strategic plan include a major new exhibit focusing on the African savannah. Predesign will allow the Zoo to begin the process of developing an exhibit long desired by Zoo guests.

Project Rationale

The Minnesota Zoo's mission is *to connect people, animals, and the natural world to save wildlife*. The art and science of zoo operation and management has evolved since the Zoo's development more than 35 years ago. Now, many Zoo buildings and structures are past their useful life, in poor condition, technologically obsolete or no longer support the Zoo's mission. Consistent with the Zoo's

master plan and recently adopted strategic plan, this appropriation would support the Zoo's optimal operation and enable the facilities to better meet the needs of the Zoo's animal collection, guests, and staff.

Other Considerations

The Zoo has carefully evaluated its facilities and identified those which would be more expensive to repair than to rebuild from scratch. The proposed approach will be the most effective and efficient.

Impact on Agency Operating Budgets

This appropriation would not result in additional operating costs for the Zoo. In some cases, these projects would result in future savings through increased efficiency and asset protection. For example, a new vehicle maintenance garage would increase the longevity of our fleet by protecting our vehicles in the winter months, and improving efficiency through centralized vehicle storage. Similarly, a centralized trash center would improve operational efficiencies. Other projects, such as the greenhouse and animal hospital design, would allow the facilities to better meet the Zoo's needs, but would not directly result in additional costs. Any new exhibits or exhibit renovations designed as a result of this appropriation could have the potential to increase the Zoo's operating costs. The Zoo will consider the estimated operating budget impact before pursuing any construction. Operational costs will also be considered during all design efforts.

Description of Previous Appropriations

There are no previous appropriations for this purpose.

Project Contact Person

Mary Robison
V.P. for Finance and Administration
952-431-9469
mary.robison@state.mn.us

African Savanna Exhibit

AT A GLANCE

2016 Request Amount:	\$0
Priority Ranking:	4
Project Summary:	The Minnesota Zoo requests \$40 million in state funds to construct a new African Savanna exhibit.

Project Description

The Minnesota Zoo seeks to create a new African Savanna exhibit. This project will fulfill a long-term goal to 'complete' the guest experience by adding a major exhibit that features more of the animals people expect to see during a zoo visit: lion, giraffe, rhino, zebra, primates and small carnivores.

In line with the Zoo's conservation-focused mission, animals in the exhibit will serve as ambassadors for their species in the wild. For instance, the Minnesota Zoo is currently involved in an award-winning field conservation program in Namibia to save the endangered black rhino; this would be highlighted onsite at the Zoo's rhino exhibit.

The African Savanna exhibit will increase the Zoo's capacity to serve the public with long-term attendance projections reaching 1.45 million annual visitors.

Project Rationale

The Minnesota Zoo's mission is *to connect people, animals, and the natural world to save wildlife*.

By creating extraordinary experiences that bring guests and animals together, the Zoo leads people to care more and do more to protect wildlife in Minnesota and around the world.

By increasing the offerings at the Minnesota Zoo, we can continue to attract new audiences and strengthen the value proposition for attendance and membership, thereby increasing our earned revenue.

Other Considerations

As part of this project, we will explore opportunities for additional earned revenue, including but not limited to: a retail store, event center, restaurant/food service, animal encounters, guest overnight programs, education programming, 'backstage' opportunities, and more. A full cost / benefit analysis will be developed as part of the pre-planning process to determine viable revenue opportunities.

Impact on Agency Operating Budgets

It is estimated that, upon completion, an African Savanna exhibit will add between \$2 and \$2.5 million to the Zoo's annual operating budget. This includes expenses for additional staff, animal care, utilities, and other supply costs. Much of this expense will be offset by increased attendance-related revenue.

Description of Previous Appropriations

There are no previous appropriations for this purpose.

Project Contact Person

Mary Robison
V.P. for Finance and Administration
952-431-9469
mary.robison@state.mn.us