

Zoological Gardens

Projects Summary
(\$ in Thousands)

Project Title	2012 Agency Priority Ranking	Agency Project Request for State Funds (\$ by Session)				Governor's Recommendations	Governor's Planning Estimate	
		2012	2014	2016	Total		2012	2014
Asset Preservation/Exhibit Renewal	1	\$29,983	\$17,145	\$18,765	\$65,893	\$7,000	\$7,000	\$7,000
Master Plan Projects	2	8,820	28,800	33,000	70,620	0	0	0
Total Project Requests		\$38,803	\$45,945	\$51,765	\$136,513	\$7,000	\$7,000	\$7,000

Agency Profile At A Glance

Zoo Information:

- Over 1.2 million annual visitors
- More than 90,000 school children visits annually
- Over 51,000 Minnesotan in 38 counties visited by the Zoomobile annually
- Over 2,800 animals in a diverse collection
- Over 60 endangered or threatened species
- Over 1,050 volunteers donating over 90,000 hours valued at \$1.9 million annually

Master Plan and Strategic Goals:

- Build a sustainable world-class organization
- Be a financially robust and sustainable public/private partnership
- Be a leader in animal care and conservation
- Provide the best guest experience in Minnesota
- Inspire people to learn, care and act on behalf of wildlife and wild places
- Increase the capacity to effect conservation in the Zoo and beyond
- Elevate the Zoo to a premier cultural institution and tourist destination, becoming one of the top ten zoos in the United States and increasing repeat and new visits

Agency Purpose

The Minnesota Zoological Board (MZB) is established by M.S. Chapter 85A and is charged with operating the Minnesota Zoological Garden (Zoo) as an education, conservation, and recreation organization for the collection, propagation, preservation, care, exhibition, interpretation, examination, and study of wild and domestic animals.

The mission of the Zoo is to connect people, animals and the natural world. To accomplish this, the Zoo provides award-winning education, recreation, and conservation programs. The Zoo belongs to the people of Minnesota and its facilities and programs are accessible to all Minnesotans.

The Zoo partners with the Minnesota Zoo Foundation (MZFF), whose purpose is to raise contributed income from individuals, corporations, and foundations to support the Zoo and its mission. The Foundation conducts many fund raising activities whose net income support conservation and educational activities.

Strategies

The Zoo accomplishes its mission by providing opportunities for education, recreation and conservation. This is done by:

- Expanding our educational programs to provide lifelong learning to all Minnesotans.
- Leveraging resources to generate visitation, stimulate economic benefits to the state and improve the quality of life in Minnesota by providing an enriching, fun and educational guest experience.
- Protecting our environment and providing conservation leadership within Minnesota and the world.

Operations

The MZB is comprised of 30 citizens who are appointed to oversee the operations of the Zoo. The Governor appoints 15 members of the board and another 15 members are appointed by the MZB. An important function of the MZB is to work in conjunction with the Zoo Foundation to secure private sector support for the Zoo. As the fund-raising arm of the Zoo, MZFF raises general operating funds for the Zoo, as well as capital funds for new exhibits, such as the award-winning Wells Fargo Family Farm and the Penguins of the African Coast exhibit to open in July 2011. The Zoo's retail and food service partners have invested over \$6 million in capital improvements throughout the Zoo. The MZB appoints a director / CEO who carries out the directives of the board in the operation of the Zoo. The Zoo is managed to meet and exceed the accreditation standards of the Association of Zoos and Aquariums (AZA), as well as the regulatory requirements of the United States Department of Agriculture (USDA).

Education programs provide guests with fun, hands-on, relevant educational interactions with the Zoo's animal and plant collections. These programs are designed to foster the development of values supportive of

species survival, biodiversity, habitat preservation, and environmental stewardship.

- Educational programming is provided onsite through monorail tours, family programs, Zoo Camp, scout programs, keeper talks, lectures and behind-the-scenes tours.
- Exhibits contain engaging graphics detailing information on animals, their habits, and habitats.
- Outreach is provided through Zoomobile programs in schools and communities as well as through web-based information and interactive programming for those who are unable to visit the Zoo.
- Curricula are developed to help teachers meet required standards. The Zoo has developed a web-based activity to help teach genetics and will develop a pilot distance learning program in fiscal year 2011.
- The Zoo created WolfQuest, an interactive 3D wildlife simulation video game that invites players to take on the role of a wolf living in Yellowstone National Park. The game inspires young people to learn about and connect with wild animals.

Recreational experiences provide family-oriented activities that are educational as well as entertaining. Guests to the Zoo have fun and leave with a greater understanding, appreciation, and respect for animals and nature.

- More than 1.2 million visitors come to the Zoo annually, a figure only a few zoos in the country match.
- New and exciting exhibits are developed as funding is available to sustain and increase new and repeat visits to the Zoo. In 2007, the Minnesota Zoo renovated and re-opened the Medtronic Minnesota Trail, in 2008, the Zoo opened Russia's Grizzly Coast, the colorful and active Central Plaza and the Woodland Adventure nature themed playground, and most recently, Faces of the African Forest and 3M Penguins of the African Coast. Guest comment cards and guest surveys indicate that guests have a very positive view of the Zoo and the emphasis on animal viewing experiences in a naturalistic setting.
- Zoo guests have the opportunity to view live animal demonstrations featuring our dolphins and bird collections, and sometimes encounter animals in the Minnesota Trail Lodge. The Farm invites guests to feed and brush goats, as well as view milking demonstrations.

- The Zoo provides the setting for a summer concert series that is consistently rated the top outdoor venue in the metropolitan area and hosts special events such as Family Farm Weekend, Military Family Week and Farm Babies.

Conservation programs are delivered locally, nationally and internationally. Conservation efforts strive to preserve biodiversity and promote an understanding of animals and nature. The Zoo partners with other organizations to promote the survival of threatened and endangered species and ecosystems.

- The Zoo participates in 60 AZA Species Survival Plans and coordinates the Tiger Species Survival Plan.
- In partnership with other organizations and agencies, the Zoo is working to safeguard populations of black rhinos and zebras in Namibia.
- The Zoo works on re-introduction programs for threatened species. Successful programs include Trumpeter Swans (in cooperation with the Department of Natural Resources) and Asian Wild Horses in Mongolia.
- The Zoo is increasing its conservation commitment to Minnesota species, with new projects on prairie butterflies and moose. The Zoo has also supported conservation and research projects in Minnesota and Canada lynx, bobcats, peregrine falcons, and amphibians.

Key Measures

As stated in the Minnesota Zoo Strategic Plan, dated October 2005, and reaffirmed in the October 2010 Strategic Plan, the aspiration of the Minnesota Zoo is "Be a Top Ten American Zoo."

To become one of America's top ten zoos, the Minnesota Zoo must:

- Be recognized by the general public, the government, community leaders, the media and industry peers for excellence in exhibits/facilities and programs

Continue to maintain accreditation from the Association of Zoos and Aquariums (AZA) under their increasingly rigorous standards.

As stated on the AZA website: “The Accreditation Commission evaluates every zoo or aquarium to make sure it meets AZA's standards for animal management and care, including living environments, social groupings, health, and nutrition. We also make sure that animals are provided with enrichment, which stimulates each animal's natural behavior and provides variety in their daily routine.

The Accreditation Commission also evaluates the veterinary program, involvement in conservation and research, education programs, safety policies and procedures, security, physical facilities, guest services, and the quality of the institution's staff. And because a zoo or aquarium needs a strong foundation in order to continue to meet high standards, accreditation also evaluates each institution's finances, its governing authority, and its support organization. In other words, we look at everything!”

For more detailed information on the accreditation process, visit: <http://www.aza.org/Accreditation/AccreditationIntro/index.html>

- **Provide diverse environmental education to more people**

Continue to increase participation in Education programs by at least 2,000 individuals each year.

Education programs include Zoomobile, Monorail, Zoo Camp, Family Programs, school field trips to the Zoo, teacher workshops, pre-school programs, scout classes, overnight programs, and our mentor program. These figures do not include individuals who access our website to obtain information on animals and conservation or the number participating in WolfQuest. Participation in these programs is all tracked individually. At fiscal year-end, numbers are compiled and included in our Annual Report. Quality is measured by surveys and evaluations of participants. Due to budget challenges for schools and increased in-school demands related to testing, school program participation numbers continue to be difficult to increase to meet projections. We are working closely with schools and aligning programs to help meet state standards.

Total Education Program Participants:

FY 2008 ¹	FY 2009	FY 2010	FY 2011	FY 2012 (est.)	FY 2013 (est.)	FY 2014 (est.)
326,279	331,680	322,487	298,617	310,261	322,389	332,060

¹ Additional classroom space was added.

- **Attract more visitors and increase membership**

The Guest Experience encompasses everything from ease of entry into the zoo to cleanliness, food service, interaction with animals, quality of exhibits, comfort and amenities. We measure the success by attendance and member numbers. We determine effectiveness through guest surveys. Attendance and Membership goals are incorporated into our strategic plan. In our strategic plan, completed in 2005, we estimated attendance for FY 2009 at 1.1 million. Given the success of the previous two years, goals were adjusted at that time. With the opening of Russia’s Grizzly Coast, we anticipated an increase in attendance. Numbers exceeded our expectations. Generally, a year or two after opening a major new exhibit a zoo will see some decline in attendance. With major construction of a new entry in FY 2011 we anticipate some decline with an increase when the penguin exhibit opens.

Attendance

FY 2008	FY 2009	FY 2010	FY 2011	FY 2012 (est.)	FY 2013 (est.)	FY 2014 (est.)
1,162,696	1,355,258	1,338,581	1,174,183	1,275,000	1,350,000	1,350,000

Membership

FY 2008	FY 2009	FY 2010	FY 2011	FY 2012 (est.)	FY 2013 (est.)	FY 2014 (est.)
36,538	44,233	41,954	42,783	45,000	45,000	45,000

- **Raise more contributed income.**

Budget

When Russia's Grizzly Coast opened, along with the trend for families to stay close to home, the Zoo has seen its two highest attendance years ever and record breaking numbers of members. The mix in attendance is shifting back toward members at almost 50%. Attendance and memberships are the two largest factors in our earned income. Major construction occurred during fiscal year 2011 and both summer and winter weather was challenging. We believe these both contributed to the decrease in attendance. The Minnesota Zoo Foundation, our 501(c)(3) support organization, has increased its support of annual operations and capital programs at the Zoo.

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At A Glance: Agency Long-Range Strategic Goals

- Position the Minnesota Zoo as one of the top five attractions in the state.
- Maintain, repair, and enhance existing Zoo facilities.
- Update and renew existing exhibit areas to provide engaging animal experiences and educational opportunities.
- Improve guest experience, revenue generation and education programming capacity by utilizing the new Entry/Target Learning Center/Cargill Environmental Education Center and developing future phases of the Heart of the Zoo project.
- Use state funds to leverage private contributions for capital additions and improvements to the Zoo.
- Exhibit animals and provide experiences that meet – and exceed – guest expectations.
- Position the Zoo as an engaging, trusted state-wide resource for providing accurate and relevant science and conservation education, species survival, habitat, conservation and ecosystem health expertise.
- Expand and improve educational and interpretive opportunities at the Zoo.
- Improve the quality of our conservation and animal programs to exceed the benchmarks of our peer institutions.
- Improve revenue generating and contributed income initiatives to support zoo programs and operations.

Trends, Policies and Other Issues Affecting the Demand for Services, Facilities, or Capital Programs

Pursuant to direction from the 1999 Legislature, "A Study of the Potential Impact of a Governance Change on the Minnesota Zoo" was completed in January 2000. This report addressed a number of issues beyond its primary recommendation that the Minnesota Zoo remain a state agency. Recommendations included:

- Create a compelling vision for the Zoo's future, and a plan to carry it out.
- Invest in capital infrastructure.
- Invest in the capacity to develop contributed income.

- Deepen and expand the Zoo's educational mission.

Based upon these recommendations, the Board commissioned a Facilities Master Plan process. The Master Plan, adopted in October 2001, has guided the Zoo's approach to capital investment. The Master Plan articulates a number of imperatives for the Minnesota Zoo: We need to provide opportunities for Minnesotans and visitors to experience wildlife in more meaningful ways. We need to provide our animals with optimal spaces for enriched lives and reproduction. We need to significantly increase our capacity to deliver conservation education, and we need to find better ways to generate revenue to support our conservation and education mission. In the fall of 2011, the Zoo Board will begin a review and update of the Facilities Master Plan and accompanying Business Plan.

The Minnesota Zoo, a full state agency, receives less than 32 percent of its annual operating budget from the biennial state appropriation. This is down from historical levels of 60 percent state support in the 1980s. The Zoo has aggressively increased both contributed and earned income to adjust to this decline in public funding, but it places the organization in a situation where attendance — the driving force behind much of its revenue generation — becomes an increasingly critical variable. The state has recently invested in the infrastructure and exhibit renewal of the Zoo, which has and will continue to generate greater attendance and community awareness of the Zoo.

Attendance is key to the Zoo's operations. Attendance not only provides income from admission fees, but also directly generates revenue from food sales, gift store sales, stroller rental, and numerous other revenue streams. Many factors can influence attendance: weather, price points, and competition for recreation time and money.

While marketing efforts and serendipitous animal births in zoos and aquariums can spur temporary attendance growth, the most reliable method of stabilizing and growing attendance is the development of major new attractions.

Until recently, the attendance trend for the Minnesota Zoo had been in decline. In FY 2005, attendance rebounded, due in part to an engaging new exhibit (lemurs). This reversal has been sustained with continued capital investment in new attractions. In 2006 and 2009, **Africa, Summer on the**

Savanna temporarily exhibited animals with proven public appeal. The opening of the refurbished **Minnesota Trail** in 2007 has elicited positive response and increased attendance. With the appropriation in FY 2005 of \$20.46 million to build **Russia's Grizzly Coast** and an additional \$7.5 million in FY 2006 that helped to fund a renovation of the Zoo's **Central Plaza**, the Zoo experienced record-breaking attendance and membership in FY 2009. FY 2010 attendance nearly matched FY 2009's record levels. The Zoo — using the strong show of public support demonstrated by the capital investment as leverage — has begun a major private fundraising effort to continue the revitalization of its exhibits and public amenities.

Provide a Self-Assessment of the Condition, Suitability, and Functionality of Present Facilities, Capital Projects, or Assets

Operation of the Zoo began over 33 years ago. Nearly 1.2 million guests come to the Zoo and experience its exhibits and park facilities each year. Large portions of the heavily-used 485-acre facility are aging and will require continued investment to preserve the asset.

Many of the current Zoo's facilities do not meet the expectations or needs of the public for increasingly sophisticated conservation education opportunities, nor do they meet the baseline expectations for guest services. The Zoo has systematically been adding and improving exhibits, but we still have a number of dated exhibits that must be refreshed and renewed. These include areas like the Tropics Nocturnal exhibits and large portions of the Northern Trail. In addition, much of the infrastructure of the original Zoo needs replacement or significant repair. Funding since 2008 has helped us begin to address water/plumbing and storm drainage issues, along with the most critical building structural needs. However, we continue to have a number of major electrical, building envelope, heating and cooling system, and other basic infrastructure repair/replacement needs. Existing facilities continue to need attention, including extensive roof, road, pathway and parking area repair needs. The Zoo has a priority list of over \$30 million in asset preservation and exhibit renewal needs.

The next major project in our Master Plan is to complete the phased renovation of our Main Building complex and entry facilities (Heart of the Zoo). Heart of the Zoo Phase one, completed in 2011, included an expansion and consolidation of our education program facilities, a major overhaul of our

South public entrance, and a new penguin exhibit. The next phase of Heart of the Zoo will include a significant refurbishment of the existing snow monkey exhibit, development of a multi-purpose visitor center incorporating many guest service functions (restrooms, retail, orientation), and improvement of our East entry, with interpretive spaces and animal exhibits focusing on Minnesota Prairie landscapes. Because the entire Heart of the Zoo project requires addressing many of the infrastructure issues identified above, we have coordinated asset preservation projects with the Master Plan project in Phase One, and will continue that approach in future phases.

Agency Process Used to Arrive at These Capital Requests

In October 2001, the Minnesota Zoological Garden adopted a Facilities and Business Master Plan. This document has guided the Board in capital budget requests since then.

The Board has been updating its strategic plan. This plan includes capital components based on the Master Plan, and ties the capital program to the other priority areas, goals and strategies, with an over-arching vision of positioning the Minnesota Zoo to be a world leading zoo. Our current request for \$5 million in new Master Plan capital funds will — in combination with anticipated private fundraising — enable the Zoo to continue its current momentum toward that vision.

The Zoo's infrastructure is over 33 years old. While the recent Asset Preservation appropriations have been very helpful in addressing some of the Zoo's infrastructure needs, there continues to be a significant unmet need. Based upon Department of Administration guidelines for asset preservation and an analysis of institutional priorities, the Zoo Board authorized our current Asset Preservation/Exhibit Renewal request of \$30 million which would permit the Zoo to aggressively tackle the backlog of major maintenance items.

Staff worked with the Board Finance Committee to make recommendations to the Minnesota Zoological Garden Board for budget requests. The Master Plan is the guiding document, along with the strategic plan, guest evaluations and comments regarding the current condition of the facilities and future exhibit additions.

Major Capital Projects Authorized in 2010 and 2011

2010 Projects: \$15 million for Master Plan and
 \$6 million for Asset Preservation and Improvement

2011 Projects: \$4.0 million for Asset Preservation and Improvement

Asset Preservation/Exhibit Renewal**2012 STATE APPROPRIATION REQUEST:** \$29,983,000**AGENCY PROJECT PRIORITY:** 1 of 2**PROJECT LOCATION:****Project At A Glance**

The Minnesota Zoological Garden's request of \$30 million is for:

- Asset Preservation
- Exhibit Renewal

Project Description

State funding of \$30 million is requested to repair, replace, and renew facilities at the Minnesota Zoological Garden.

The Zoo opened 33 years ago, and many of the original facilities are still in use and are in need of repair, replacement, and renewal. Over \$60 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;
- roof repairs and replacements;
- fence replacement;
- mechanical and structural deficiencies;
- repairs to animal holding areas;
- Tropics building skylight replacement;
- 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, Discovery Bay and the Northern Trail.

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 over ten 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

\$4 million was appropriated during the 2011 legislative session, \$6 million in 2010, \$3 million in 2009, \$2.5 million in 2008 and \$7.5 million in 2006 for asset preservation needs of Zoo facilities. Projects funded from these appropriations include:

- replacement of the chiller for the main building complex;
- approximately 75% of the identified needs for roof repair/replacement;
- inflow and infiltration issues;
- elevator replacement;
- 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

- replacement of clerestory windows;
- repairs to animal holding areas;
- replacement of boiler;
- replacement of electrical switchgear; and
- repair and replacement of portions of the perimeter fence.

Other Considerations

As the facility ages, the need for asset preservation funding increases. The need includes mechanical systems, roofs, window replacement and other structural projects. Also, 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.

Project Contact Person

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Governor's Recommendations:

The Governor recommends general obligation bonding of \$7 million for this request to be focused on but not limited to rehabilitation of the saltwater dolphin tank and exhibit space in Discovery Bay. Also included as planning estimates are \$7 million in 2014 and 2016.

Zoological Gardens

Project Detail

Asset Preservation/Exhibit Renewal

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2012-13	FY 2014-15	FY 2016-17	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	500	250	250	1,000
3. Design Fees	0	4,000	2,000	2,000	8,000
4. Project Management	353	100	100	100	653
5. Construction Costs	15,147	22,500	12,250	12,250	62,147
6. One Percent for Art	0	100	100	100	300
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	900	300	300	1,500
9. Inflation	0	1,883	2,145	3,765	7,793
TOTAL	15,500	29,983	17,145	18,765	81,393

CAPITAL FUNDING SOURCES	Prior Years	FY 2012-13	FY 2014-15	FY 2016-17	TOTAL
State Funds :					
G.O Bonds/State Bldgs	15,500	29,983	17,145	18,765	81,393
State Funds Subtotal	15,500	29,983	17,145	18,765	81,393
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	15,500	29,983	17,145	18,765	81,393

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2012-13	FY 2014-15	FY 2016-17	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	29,983	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
No	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
No	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2017

Master Plan Projects**2012 STATE APPROPRIATION REQUEST:** \$8,820,000**AGENCY PROJECT PRIORITY:** 2 of 2**PROJECT LOCATION:****Project At A Glance**

Minnesota Zoological Garden request of \$5 million for completion of design development through construction documents for the second phase of Heart of the Zoo.

Project Description

Continued redevelopment and expansion of the Zoo's existing Main Building and adjacent areas. Heart of the Zoo Phase 2 will create a central visitor center with guest amenities and revenue generating functions; remodeled/expanded exhibits for snow monkeys and small African animals including meerkats; and a major new outdoor exhibit complex focusing on Minnesota Prairie wildlife, including cranes, prairie dogs and bison. Energy-saving systems and green building technology will be integrated into the design, which is intended to accommodate the Zoo's anticipated attendance growth and maximize revenue generation opportunities. Work will include reconfiguration of adjacent entry pathways and parking areas.

Impact on Agency Operating Budgets (Facilities Notes)

The design phase will not have an impact on operating costs. As we begin design, we simultaneously begin development of a business pro forma that addresses both increased revenue and operating costs associated with the project. As design progresses, the pro forma is updated so that we have on-going revenue and expense information prior to construction.

Previous Appropriations for this Project

In 2010 the Legislature appropriated \$15 million for Phase 1 of Heart of the Zoo. These funds, along with private contributions, resulted in opening the Target Learning Center in May 2011 and the Cargill Environmental Education Center and 3M Penguins of the African Coast exhibit in July 2011. In 2005, an appropriation of \$20.6 million, with an added \$7.5 in 2006, funded the initial projects of the Zoo's Master Plan, Russia's Grizzly Coast and the Central Plaza. These projects resulted in the two highest attendance years seen by the Zoo and, as a result, earned income and contributions increased.

Other Considerations

The Heart of the Zoo project is an adaptive reuse of the Zoo's original Main Building complex, which at 35 years old urgently needs extensive repairs and infrastructure upgrades. By renovating and expanding the existing state building, significant efficiencies will be realized, and a far better guest experience will be created than if simple "in kind" repairs were to be made.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funding for this request.

Zoological Gardens

Master Plan Projects

Project Detail

(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2012-13	FY 2014-15	FY 2016-17	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	100	500	300	900
3. Design Fees	2,827	2,600	2,000	1,900	9,327
4. Project Management	155	150	225	200	730
5. Construction Costs	17,692	1,650	17,500	15,400	52,242
6. One Percent for Art	100	100	100	100	400
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	406	150	1,550	2,000	4,106
9. Inflation	0	252	3,128	4,995	8,375
TOTAL	21,180	5,002	25,003	24,895	76,080

CAPITAL FUNDING SOURCES	Prior Years	FY 2012-13	FY 2014-15	FY 2016-17	TOTAL
State Funds :					
G.O Bonds/State Bldgs	15,000	5,000	25,000	25,000	70,000
Gift	6,180	3,820	3,800	8,000	21,800
State Funds Subtotal	21,180	8,820	28,800	33,000	91,800
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	6,180	0	0	0	6,180
Other	0	0	0	0	0
TOTAL	27,360	8,820	28,800	33,000	97,980

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2012-13	FY 2014-15	FY 2016-17	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	5,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
Yes	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
No	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2017