



MEMORANDUM

TO: Mayor and City Council

FROM: Liana Kallivoka, PhD, PE, Interim Director
Austin Parks & Recreation Department

L Kallivoka

Dave Martin, Board Chair
Zilker Botanical Garden Conservancy

*Jeff Pavlat, Interim Executive Director
on behalf of Dave Martin*

DATE: August 5, 2019

SUBJECT: Zilker Botanical Garden – Public-Private Partnership

The City of Austin's Parks and Recreation Department (PAR) and the Zilker Botanical Garden Conservancy (Conservancy) would like to outline current operations at the Zilker Botanical Garden (Garden), and elaborate on the framework of this public-private partnership, potential benefits, and proposed revenue sharing.

The American Public Gardens Association defines a public garden as "an institution that maintains collections of plants for the purposes of public education and enjoyment, in addition to research, conservation, and higher learning ... places where people reconnect with beauty and experience nature; places of education and discovery". The Garden has been a valuable City asset in the heart of Zilker Park for more than fifty (50) years. More than 125,000 visitors annually explore the 28+ acres that make up the Garden. Visitors come to walk the paths through nature, enjoy the calm, admire the flowers and learn the plants, to make fairy gardens, to pose for family photos, and maybe even to get married. The Garden is open 353 days a year, it is funded by the City of Austin's General Fund with a budget of \$1.1 million, and it is managed by PAR.

There are challenges within the Garden as well. A large portion of the site is not developed and parking is often inadequate. Many pathways are not ADA compliant, thus limiting accessibility. In addition, the Garden has a limited budget to address these challenges, all during a fiscally challenging time.

Public-Private Partnerships

Many cities, including San Antonio, Denver, and Chicago, have established public-private partnerships in order to maintain world class public gardens without increasing the allocated

municipal budget. These cities have created thriving public gardens that serve residents and attract visitors by enhancing tourism.

A public-private partnership between the Conservancy and PARD has the potential to:

- Cultivate a diverse mix of revenue sources, including contributed and earned income
- Improve the visitor experience and manage planned growth
- Amplify visitation by local residents, as well as visitors to Austin
- Expand educational programming
- Reduce the financial burden of the City over time
- Allow execution of a masterplan that would provide a roadmap for the creation of new and enhanced gardens and construction of educational and rental venues.

The Zilker Botanical Garden Conservancy

The Conservancy was established in 2015 by the long-standing Austin Area Garden Council (AAGC), which helped establish the Garden more than 50 years ago. The AAGC actively organizes 31 garden clubs and promotes educational opportunities. The Conservancy is a non-profit 501C-3 dedicated to enhancing and improving the Garden through advocating on behalf of the Garden, and has begun work to support the Garden through a number of projects:

- Hosted Annual Fundraisers since 2017 totaling over \$125,000.
- Invested \$100,000 for garden improvements, including \$35,000 set aside as partial funding for a future masterplan. These funds allowed the City to recoup its initial investment in the Conservancy of \$95,000.
- Secured in-kind services, with an estimated value of \$80,000, for architectural drawings and design.
- Expanded the Garden's school field trip programs and added STEM components, aligning them with TEKS standards and securing \$15,000 to support transportation costs for Title I schools.
- With Council approval, established a membership program that allows Conservancy members free entry to the Garden, as well as to participating gardens around the country. Annual memberships help create one affordable option for families (\$60).

A Public-Private Partnership between City / PARD and the Conservancy

A contract is currently in place between the Conservancy and the City that waives fees for facility usage by the Conservancy and its partner (AAGC). In partnership with the City, the Conservancy proposes to begin a phased process to assume increasing levels of management operations over a period of years. Attachment 1 provides a proposed guide map for transition with milestones of each phase. With Council approval, a contract will be negotiated that establishes deliverables that correspond to each milestone.

The public-private partnership will initiate the first phase of the transition plan if City Council approves. This phase includes transitioning operation of the entry gate, increasing admission fees and revenue sharing.

Operation of Entry Gate

- The Conservancy will assume management of Garden admissions, including the cost and management of admissions staff. The City would immediately see a savings of \$70,000.
- The Conservancy is developing visitor services components to include a new logo, map and brochure, and signage to improve the wayfinding experience for visitors.
- The Conservancy has already invested in new software that will enable integrated management of all Garden systems (admissions, membership, gift shop, programs, and rentals) and improve visitor experience through a streamlined, updated admissions process.

Increased Admission Fee

The Garden began charging an entry fee seven years ago. Before that time admission numbers were only estimates. Since the establishment of an entry fee, there has been a steady increase in visitation each year, from 90,603 in 2012 to 125,265 in 2018. It is estimated that over 25% of visitation to the Garden is from out of town guests. The proposed fee increase raises the current fee of \$2 to \$6 for adults who are residents of Austin, and from \$3 to \$8 for adult non-residents. Attachment 2 includes cost comparisons and an overview of the proposed revenue sharing.

Benchmarking done by the American Public Garden Association found that the median cost for admission at a public garden in 2017 was \$14 per adult. The Conservancy and PARD are committed to serving all visitors, and are working to keep fees as low as possible. The proposed fee increase will be less than the median admission price for a public garden, less than other nearby botanical gardens (Ladybird Johnson Wildflower Research Center and San Antonio Botanical Garden), and less than the proposed admission and parking fee to Barton Springs Pool.

The Conservancy will not turn away any visitor due to inability to pay the admission fee, and will train admissions staff to handle such situations in a welcoming, inclusive manner. The Conservancy is exploring other options to welcome all visitors to the Garden such as sponsored events that can help subsidize costs and lower admission fees on special event days. The Conservancy will absorb the admission cost for any entry fees waived so that there is no impact to City revenues.

Revenue Sharing

The current proposal is for revenues generated through the increased admission fees to be shared between the Conservancy and the City. The proposed split is:

36% to the City of Austin General Fund

This percentage will ensure that the transition will not reduce the current Garden's contributions to the General Fund. The transition will initially be net neutral to the City's revenues and should be net positive over time as admissions increase.

20% towards improvements at the Zilker Botanical Garden

For the first few years of the transition these funds will be managed by PARD. Planned infrastructure improvements include revitalizing walkways to enhance accessibility, creating

outdoor facilities for educational programming and restoring historical elements of the Garden. It is expected that management of these funds will transition to the Conservancy over time. These funds will continue to be dedicated to direct garden improvements.

44% to the Conservancy

These funds will support staffing and administrative functions of the Conservancy. The Conservancy will take over all expenses associated with operating admissions and improving visitor experience when entering the Garden.

Future of the Zilker Botanical Garden

The Garden is primed to become a flourishing botanical garden not only for those who visit Austin, but for those who call Austin home. The completed first phase of the master plan shows that portions of the Garden are undeveloped and have great potential for new features including a children's garden to promote nature play, a culinary/wellness garden, concession opportunities and additional facilities for event rentals. Increased revenues through admissions and new fundraising by the Conservancy, will allow the Garden to grow while reducing its dependence on the City's General Fund budget.

If you have any questions about the Garden's operations, please contact Amanda Ross, Natural Resources Division Manager, PARD, via e-mail at Amanda.Ross@austintexas.gov, or at (512) 978-2601. Should you have any other questions, please contact me at (512) 974-6717, or via e-mail at Liana.Kallivoka@austintexas.gov.

Cc: Spencer Cronk, City Manager
Elaine Hart, Deputy City Manager
Chris Shorter, Assistant City Manager
Lucas Massie, M.Ed., CPRP, Acting Assistant Director, Parks and Recreation Department

Attachment 1: Public-Private Partnership Plan

Attachment 2: Revenue Overview and Cost Comparisons

ZILKER BOTANICAL GARDEN

CITY OF AUSTIN &
ZILKER BOTANICAL GARDEN CONSERVANCY

TRANSITION GATE OPERATIONS

REDUCE EXPENSES
of City by \$70,000

GENERAL FUND
Neutral

**CULTIVATING A
PUBLIC PRIVATE
PARTNERSHIP**

**AMPLIFY
VISITATION**

**EXPAND
EDUCATIONAL
PROGRAMMING**

**IMPROVE
VISITOR
EXPERIENCE**

**PLAN FOR
REVENUE**

\$150,000
Site
Improvements

\$200,000
Conservancy
Staffing

**CULTIVATE
DIVERSE MIX OF
REVENUE
SOURCES**

**REDUCE
FINANCIAL BURDEN
OF THE CITY
OVER TIME**

\$10,000
Visitor
Enhancements

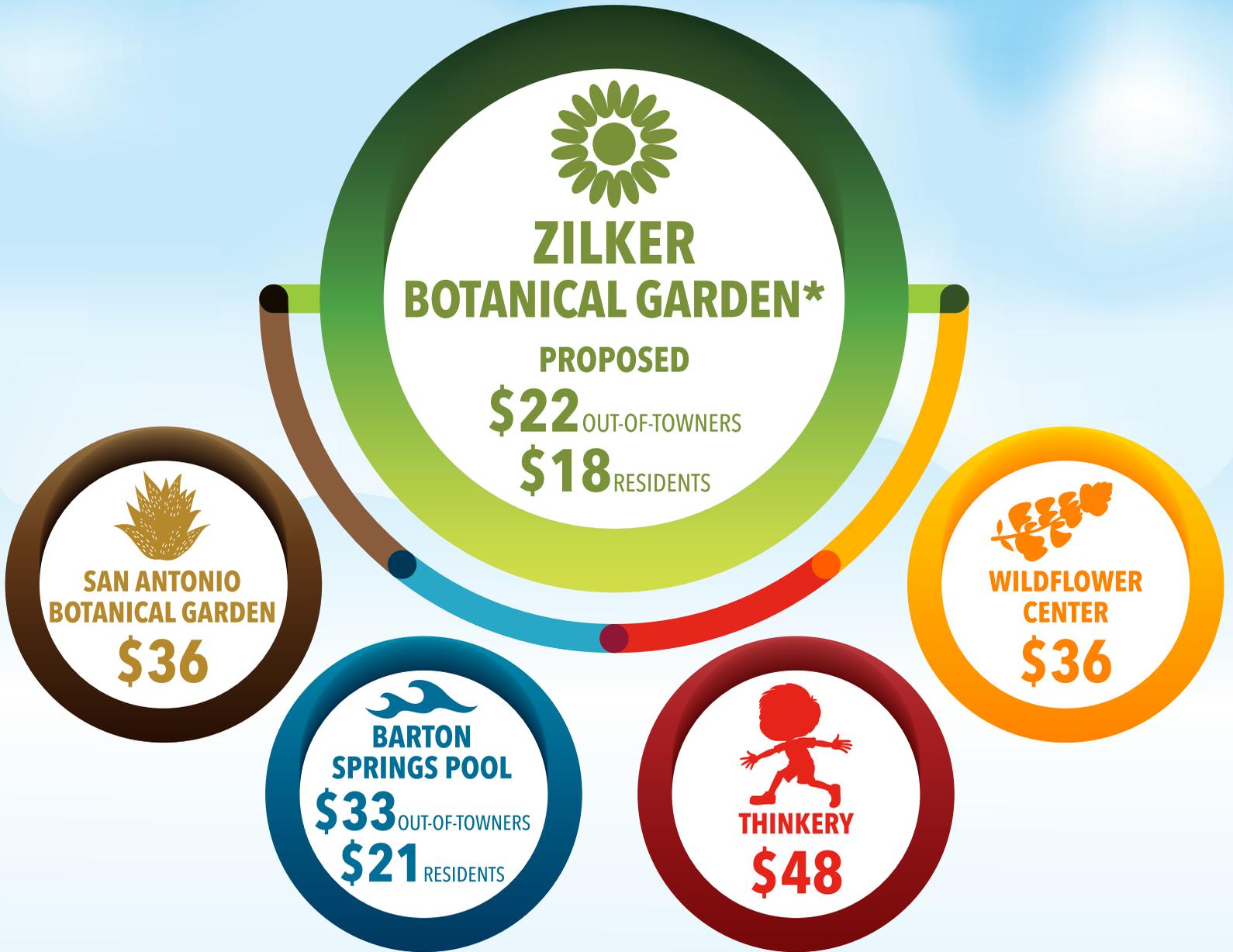
\$70,000
Improved
Visitor
Entry

CONSERVANCY INITIAL BENCHMARKS

-  **\$275,000** Funds Raised
-  **ESTABLISHED** Board and Nonprofit Status 2015
-  **HOSTED** Annual Fundraisers 2017, 2018, 2019
-  **EXPANDED** educational Programming to Title-One Schools
-  Holding **\$35,000** for Site Plan
-  Funded **\$55,000** for Infrastructure Projects
-  **CREATED** a Membership Program
-  **CREATED** Horticulture Internship
-  **SUPPORTED** Small Family Events at Garden to Boost Visitation

COST COMPARISON

AT AREA SITES FOR A FAMILY OF FOUR, INCLUDING PARKING & ADMISSION



CURRENT FEE
(Parking & Entry)

CHILDREN (3-12) & SENIORS \$1
RESIDENTS \$2
OUT-OF-TOWNERS \$3

ZILKER BOTANICAL GARDEN DETAILS

PROPOSED FEE
(Parking & Entry)

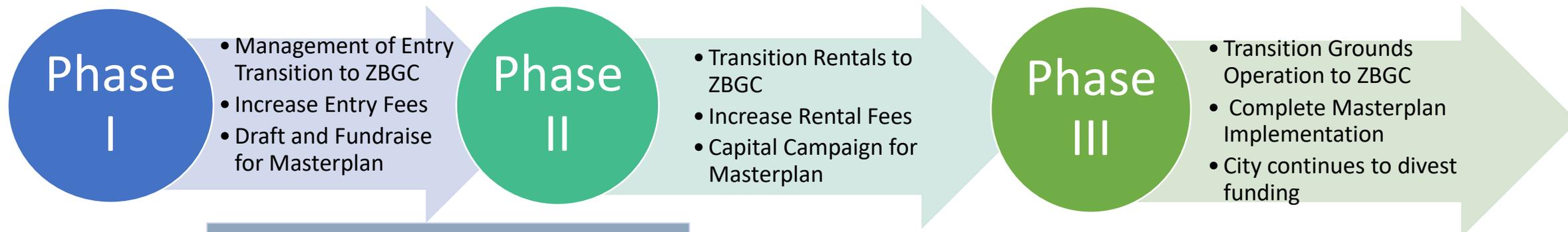
CHILDREN (3-18) \$3
RESIDENTS \$6
OUT-OF-TOWNERS \$8



*For consistency the family of four included two adults and two teenagers. Parking is \$5 per car in Zilker Park from March through Labor Day. The entry fee to Zilker Botanical Garden includes parking.

ZILKERGARDEN.ORG

Zilker Botanical Garden Public Private Partnership Plan



Phase I Milestones Before Phase II	
•	ZBGC hire staff with gate revenue
•	ZBGC improve visitor amenities
•	ZBGC fundraise for reoccurring annual operating expenses (~\$250,000)
•	ZBGC fundraise for and draft masterplan document (~\$200,000)
•	ZBGC expand programing
•	Membership program implemented
•	Increase in annual visitation
•	Start capital campaign (~\$25 Million)
•	Hold 6 months of operating expenses in reserve
•	City transition management of entry to ZBGC. (+\$70,000)
•	City complete garden improvements in collaboration with ZBGC using gate revenues. (~+\$150,000 annual into Garden improvements)
•	City transition programing to ZBGC

Phase II Milestones Before Phase III	
•	ZBGC manages rentals including building and structure maintenance, care and upkeep
•	ZBGC increases fundraising for annual operating expenses and establishes endowment
•	ZBGC complete capital campaign fundraising for Masterplan. (~\$25Million)
•	City to divest funds associated with building maintenance expenses and staffing rentals
•	City realize a partial divestment from 2019 investment in operating Garden