

EAST BAY REGIONAL PARK DISTRICT

MEMORANDUM

March 5, 2009

To: Board of Directors

From: Pat O'Brien, General Manager  
Dave Collins, Assistant General Manager, Finance/Mgt. Services

Subject: March 12, 2009 Board of Directors Workshop

Attached please find information supporting the March 12, 2009 Board Workshop.

- A draft agenda for the March 12 Workshop.
- The draft transcription of the charts from the February 27<sup>th</sup> Workshop.
- An update on the status of the Zoo

**Please note that the Workshop is scheduled for 10:00 AM on Thursday, March 12, 2009, at Fern Cottage in Kennedy Grove.**

**Thursday, March 12, 2009**  
**Draft Agenda**

- 10:00 a.m.      Call to Order & Workshop Procedure**
- 10:10 a.m.      Review February 27 Workshop List**
- 10:20 a.m.      Consensus priorities for today's  
discussion**
- 10:30 a.m.      Dialog on Priority Issues:**
- **Oakland Zoo**
  - **Coordinate Board Outreach Strategy**
  - **Interagency Relationships**
  - **Cultural Resources**
  - **Health Organization Partnerships**
  - **Agricultural Community Relations**
- 12:00 p.m.      Lunch**
- 12:30 p.m.      Continue Dialog**
- 1:30 p.m.      Recap Consensus Review of Issues  
Workshop wrap-up**
- 1:45 p.m.      Public Comments**
- 2:00 p.m.      Adjournment**

## **East Bay Regional Park District** **Board of Directors Workshop**

### **February 27, 2009 Workshop Draft Referrals – to:**

#### **1. March 12, 2009 Board Workshop:**

- **Oakland Zoo update (written background attached)**
- **Coordinate Board Outreach Strategies**
  - i. **Example: East Contra process**
- **Review of Interagency Relationships**
  - i. **First Responder**
  - ii. **Responsibility for Operations/Maintenance**
- **Cultural Resource focus**
- **Partnerships with Health Organizations**
- **Relations with the Agricultural Community**

#### **Regional Trails Motorized/Non-Motorized Use**

(Note – A discussion on Regional Trails motorized/non-motorized vehicle use was requested; however, Board action regarding this matter is scheduled for April 7, 2009 pursuant to a recommendation by the Board Operations Committee. Therefore, to avoid potential Brown Act conflicts, it is requested that discussion of this matter be deferred until after the Board's formal action.)

## **2. Capital/Trails/Maintenance -- June 4, 2009:**

- **Measure WW priorities**
- **Camping Projects**
- **Park Service Yard Update**
- **In-park short trail loops**
- **Developing access to existing parks**
- **High Visibility/Community Interest priorities**
- **Base Conversions – Alameda, Oak Knoll**
- **Mobile Exhibits (Fish and Visitor Center)**
- **Alvarado Park Parking**
- **Bay Trail, North Contra Costa Shoreline**
- **Big Break, Delta Science Center**
- **Briones, Spring Hill Road**
- **Coyote Hills, Dumbarton Quarry**
- **Crown Beach, Sand Replenishment**
- **Dublin Hills, Restroom and Staging**
- **Lone Tree Point, Beach Erosion**
- **MLK Shoreline**
  - i. **Tidewater**
  - ii. **Trail around SLB**
  - iii. **Bart to Bay Trail**
- **Oyster Bay Development**
- **Parking Lot Lights at Temescal, Shoreline, Tilden**
- **Point Pinole, Access and Visitor Facilities**
- **Vargas Plateau**
- **Wildcat Creek Trail Undercrossing**
- **Master Plan Projects (Public Comment)**

### **3. Capital Finance Workshop – April 30, 2009:**

- **Strategies for Financial Action (2010 budget)**
- **Measure AA “closeout” and reallocation**
- **Measure WW first series bonds.**
- **Grant Status Update**

### **4. Land Acquisition Session – June 23, 2009:**

- **Base Conversions – Alameda/Concord/Oak Knoll**
- **Bay Trail**
- **Crown Beach Federal Surplus Property**
- **Eastshore Park**
- **Garin/Stonebrae/Palomares connections**
- **Las Trampas North and West Access**
- **Measure WW Priorities**
- **MLK Shoreline**
- **North Richmond Shoreline**
- **Oakland Waterfront Coordination**
- **Pleasanton Ridge Access**
- **Point San Pablo**

**5. Regular Board Meetings:**

- 75<sup>th</sup> Anniversary Updates

**6. Executive Committee:**

- Re-districting after 2010 census

**7. Legislative Committee:**

- Measure WW Local Grant Program City/County

**8. Operations Committee:**

- Camping Plan

**9. Finance Committee:**

- Financial Stability (2009 and 2010 Budget)

## EAST BAY REGIONAL PARK DISTRICT

### MEMORANDUM

March 5, 2009

To: Board of Directors

From: Dave Collins Assistant General Manager,  
Finance and Management Services

Subject: Oakland Zoo Update

The Oakland Zoo is seeking a stable, long-term source of revenue. Zoo and District Board and staff representatives have met on several occasions to better understand the interests of each agency. Beyond continued communication, no commitments have been made by either organization.

The following is a summary of the matter to support the Board's general discussion:

1. Background:
  - a. The Zoo facility is owned by the City of Oakland and operated by the East Bay Zoological Society (Zoo) under a management agreement that expires in 2020.
  - b. The City contributes approximately 8% and the District 7% of the Zoo's \$10.4 million operating budget.
2. Status:
  - a. Research by the Zoological Society has targeted a partially tax-supported revenue stream as a standard practice of zoos across the country.
  - b. The Zoo commissioned a poll in 2007/08 that suggested significant regional support for a measure, but that a 2/3 vote would be a difficult hurdle.
  - c. During 2008, the Zoo made an initial effort to place a funding measure on the ballot, and needed a sponsoring agency with regional jurisdiction to do so. Alameda County was approached but declined to sponsor the matter, and the measure was not placed on the ballot.
  - d. County Supervisor Nate Miley has been involved in bringing this matter before LAFCO for further discussion. LAFCO's staff report (attached) discussed options for the Zoo to consider including continuing the status quo, formation of a new special district, or joining with an existing special district. The East Bay Regional Park District was named in this report as an example.

### 3. Summary of the Issues:

- a. The EBRPD cannot fund Zoo operations, and is not in a position to be exposed to their operating cost deficits.
- b. EBRPD has provided \$4 million from Measure AA and will provide \$4 million from Measure WW for Zoo capital projects.
- c. Approximately \$700,000 in District tax money still flows to the Zoo annually, the City matches this amount.
- d. Partnering with or sponsoring the Zoo could pose a problematic precedent in discussions with other, similarly situated organizations.
- e. Creation of a new, possibly multi-county, independent special Zoo district has the potential to compete for future District grant and/or tax resources.
- f. The Zoo is operated by the non-profit board, but the land, facility and animals are owned by the City.
- g. The Zoo Board and staff have done good work in updating and managing the Zoo over the last 20 years, and some of the missions of our organizations are similar.
- h. Should the District agree to consider accommodating the Zoo in some respect, governance, ownership, liability, and many similar details would need thorough discussion and reconciliation.
- i. The District would need to determine and consider the resource commitment required by engaging in this project and the impact on current District priorities.

### 4. General Options:

- a. The District could decline to consider the matter. The Zoo could seek other partners, establish their own special district, or continue with the status quo.
- b. The District could discuss criteria under which collaboration with the Zoo would be possible. Some considerations for discussion include:
  - i. No diminution of District funding or services.
  - ii. New funding would be required – new, tax based revenue sufficient to both fund the Zoo and to return to the District the \$700,000 annual amount currently being diverted.
  - iii. A public vote to establish a tax zone would require a vote of all or part of our District at the 2/3 approval threshold.
  - iv. District-method surveys, and go/no-go models, would be the determining factor for the decision to put a measure on the ballot, the rate, and the “zone” area to be proposed if less than the full District.
  - v. The Zoo, District (and City) would need to agree on many items including the form and terms of governance.
  - vi. Determination of future ownership of property, facilities, and/or animals would be necessary.

*Alameda*

# LAFCO

ALAMEDA LOCAL AGENCY  
1221 OAK STREET, SUITE 100  
(510) 271-5142 FAX (510) 272-3784  
[WWW.ACGOV.ORG/LAFCO](http://WWW.ACGOV.ORG/LAFCO)

---

**Members**

**Vacant**  
Special District Member

**Gail Steele**  
County Member

**Janet Lockhart**  
City Member

**Sblend Sblendorio**  
Public Member

**Katy Foulkes**  
Special District Member

**Nate Miley, Vice Chair**  
County Member

**Marshall Kamena**  
City Member

**Alternates**

**Ayn Wieskamp**  
Special District Member

**Scott Haggerty**  
County Member

**Anthony B. Santos**  
City Member

**David Haubert**  
Public Member

**Executive Officer**

**Mona Palacios**

AGENDA 9.6 November 13, 2008

November 3, 2008

Honorable Commissioners  
Alameda Local Agency Formation Commission

Subject: Informational Item: Oakland Zoo Special District Formation

Dear Commissioners:

At your September 11, 2008 Commission meeting, Commissioner Miley requested that an informational item be placed on the next agenda regarding the Oakland Zoo's inquiry into forming a special district. The following report is for discussion purposes and does not require any action.

**Background**

On June 12, 2008, representatives of the Oakland Zoo met with Supervisor Nate Miley to discuss funding options for Zoo operations. LAFCo staff did not initially participate in that meeting, but upon request, went into the meeting to provide brief input regarding the process to form a special district.

The Oakland Zoo (facility and animals) is owned by the City of Oakland. Since 1982 the City has contracted with the non-profit East Bay Zoological Society to manage Zoo operations. According to Zoo staff, while the costs of operating the Zoo have increased, revenue sources have failed to keep up with those cost increases. Therefore, the Zoological Society is seeking alternatives to raise operating funds.

The Zoo's current operating budget is approximately \$11 million and the major source of revenue comes from membership, entrance fees, and concession sales (approximately 85%). In addition, the City of Oakland contributes about 9% of the operating budget and the East Bay Regional Parks District contributes about 6%. Smaller funding sources include individual and corporate donations, and foundation grants. According to Oakland Zoo staff, other similar zoos across the nation and state get about 35% of their funding from public sources.

While called the Oakland Zoo, staff consider the Zoo's service area to be more regional in nature. Based on user data, the Zoo staff indicates that the service area could be expanded to include all of Alameda County, and possibly a portion of Contra Costa County.

A second meeting was held on September 11, 2008 to further discuss the options that the Zoological Society might pursue through LAFCo. In attendance were the LAFCo Executive Officer, Supervisor Miley and his staff, the Zoo Director and Chief Administrative/Financial Officer, and a representative from Suter and Associates, a Sacramento advocacy firm.

At the September 11, 2008 meeting and in follow up to that meeting, LAFCo staff provided the following information for the Zoo staff to consider:

- A special district is a local agency with specific boundaries that is formed to provide specific services.
- Special districts can be formed under either a principal act or a special legislative act, and may be a single purpose or a multiple purpose agency.
- A special district's governance structure can be dependent or independent. Sometimes the principal act has provisions for whether a district can be dependent or independent.
  - A dependent special district is governed by an existing governing body such as a County Board of Supervisors, a City Council, or a Special District's Board of Directors.
  - An independent special district is governed by a Board of Directors independently elected by the people who live within the district's boundaries.

In addition, LAFCo provided a copy of "What's So Special About Special Districts?", a publication that provides an excellent description of the various types of special districts.

#### Special District Formation Issues

Commissioner Miley asked LAFCo staff to research special district formation options for the Zoo. According to Zoological Society staff, the purpose for forming a special district would be to provide additional operating revenue to support zoo services.

Based on research, LAFCo staff determined that there are five relevant principal acts under which the Zoo might form and these include ① Community Services Districts (CSD), ② County Service Areas (CSA), ③ Public Utility Districts, ④ Recreation and Park Districts, and ⑤ Regional Park/Open Space Districts (see Attachment 1 for details on these districts).

In considering a change of organization, including formation of a special district, LAFCos are required to consider all of the factors listed in Government Code 56668 (see Attachment 2 for a list of these factors). Pursuant to Government Code 56425, LAFCo must determine and adopt an agency's sphere of influence (SOI) concurrent with the formation of a district. Additionally, LAFCo must conduct a municipal service review (MSR) in order to determine an agency's SOI, (Government Code 56430). The Commission must make specific determinations related to both establishing the SOI and conducting the MSR which are listed in Attachments 3 and 4.

Furthermore, when considering the formation of a special district, Government Code section 56886.5(a) directs LAFCos to *"determine whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner. If a new single-purpose local agency is deemed necessary, the commission shall consider reorganization with other single-purpose local agencies that provide related services."*

Honorable LAFCo Commissioners  
November 3, 2008  
Page 3

LAFCo staff polled other LAFCos to see if any were aware of a special district being formed for the purpose of providing zoo services. Five LAFCos responded (San Bernardino, Amador, Contra Costa, Sonoma, and Santa Barbara). San Bernardino LAFCo indicated that a recreation and park district in that County included a zoo within its scope of services.

Finally, LAFCo staff contacted the Staff Director of the Senate Local Government Committee, Peter Detwiler, who indicated that forming a new local agency should be carefully considered if the primary purpose is to increase revenue. He suggests that a special tax requiring 2/3 voter approval would likely be needed since it may be difficult to clearly identify how the operation of a zoo directly benefits real property which would be required to impose a benefit assessment. He further suggests looking at Public Resources Code Section 5566 (see Attachment 5) to set up an internal zone within an existing Regional Park District that covers the desired geographic area and has the taxing authority required to put forth a special tax on the ballot. Creating an internal zone does not require LAFCo approval.

#### Options

In conclusion, the Oakland Zoo could pursue the following options:

Option 1 – Maintain current status as a not-for-profit management organization and increase membership dues and entrance fees, seek additional private source funding, and/or obtain additional public sector funding from Oakland and/or East Bay Regional Park District.

Option 2 – Determine what kind of tax voters are willing to accept, define the geographic area to be covered, and form a new special district for the purpose of providing zoo services.

Option 3 - Work with an existing regional park district authorized to impose special taxes, such as East Bay Regional Park District, to set up an internal zone that could be used to put a special tax on the ballot.

Sincerely,



Mona Palacios  
Executive Officer

Attachments

V:\LAF\Misc\Oakland Zoo staff rpt, 11.13.08.doc

# **Oakland Zoo Partners Meeting**

Convened by  
Supervisor Nate Miley, Fourth District, Alameda County  
Board of Supervisors

Thursday, February 5, 2009  
1221 Oak Street, Suite 536 BOS Conference Room, Oakland  
2:00 to 4:00 pm

## **A G E N D A**

Welcome, Nate Miley

Introductions, All

Purpose, Nate Miley

Discussion Topics

Oakland Zoo Financial forecast

Current sustainability

Options

Oakland Zoo Regionalization

Next Steps

Adjourn

---

Please contact Robyn Hodges, staff to Supervisor Miley for questions or assistance at 510-272-3691 or [robyn.hodges@acgov.org](mailto:robyn.hodges@acgov.org).

## **SUMNOTES**

### **Oakland Zoo Lafco Meeting Thurs. Feb. 5, 2009**

Final Outcome: Group consensus was 1) for zoo staff (Forte lead) and District staff (Collins lead) to prepare outline of items for a study, and 2) to monitor Oakland budget information, and 3) then meet again on Thursday, April 9, 2009 at 2:00 PM at Miley's Alameda County Board of Supervisors office.

Who: Alameda County: Supervisor Nate Miley; Robyn Hodges, Miley's office; Mona Palacios, Lafco staff; Oakland Zoo: Board members Fong Wan, Mary Ellen Tong (no relation), Bill Marchant; Joel Parrott, Executive Director; Vince Forte, Chief Administrative Officer; EBRPD: Directors Sutter and Siden; Larry Tong

#### Discussion:

City of Oakland owns live stock and property. Zoo states that they are currently financially healthy, actually exceeding their budget projections for January. Zoo's concern is long term sustainability because the zoo society must renegotiate with City of Oakland each 2 years regarding the amount of money the zoo will receive from Oakland. Zoo currently receives \$1M per year from Oakland. The next 2 year period will run from June 2009 to June 2011. Zoo has expansion plan to double its size with a \$70M "California! Project".

Zoo has done some polling regarding support from Alameda County and Contra Costa County for parcel tax. Zoo approached Alameda County Supervisors with a ballot measure, but Board was uncomfortable with the political capital that would have been required.

#### Items mentioned included:

Oakland has a bad reputation; Oakland preliminary budget info due March; Independent district and special tax; Let voters decide, with a potential November 2010 date;  
Oakland zoo becoming EBRPD zoo; Dependent district;  
Zone of EBRPD would not go through Lafco;  
EBRPD Board of Directors as legislative body; Zoo as concessionaire;  
Zoo employees joining District employee's union;  
Lindsay Wildlife Museum and others who might also want District assistance;  
Benefit assessment;  
Working committee with perhaps 2 from each: zoo society; EBRPD; Oakland; Alameda County; Contra Costa County.

The zoo's target date for action is June 2011 to coincide with Oakland funding cycle. Group consensus was to consider a study to look for a win-win outcome for zoo and District, and to form the basis for a future proposal. Zoo and Miley

will informally discuss with Oakland Council members Larry Reid and Rebecca Kaplan to alert them that some discussions are beginning.