

1. What is a Public Private Partnership (PPP)?

A public/private partnership (PPP) is defined as shifting the organizational, operational, and fiscal responsibilities of the zoo from the City to a private non-profit management organization. Many formerly public zoological institutions have already moved to this operating model. The Zoo remains owned by the City but would be managed under contract by the Zoological Society who has been a long-term partner in improving the Zoo, raising money, and offering Zoo membership.

2. Do other zoos operate this way?

Today approximately 70% of all AZA accredited zoos are managed through a public/private partnership – most through a private non-profit. And there are many publicly run facilities that are considering governance and funding alternatives. Most of the zoos within the region already operate under this PPP model including Fort Wayne, Indianapolis, Brookfield, Lincoln Park, Battle Creek, Akron, and Toledo.

3. Who runs the Zoo now?

The City of South Bend through South Bend Parks and Recreation. Under the PPP, the Society would manage the Zoo with the City providing funding to support the Zoo. However, unlike today, under a PPP, this City funding would be fixed and not subject to potentially large annual increases that come with running an animal facility.

4. Why should the Society run the zoo?

The Society has been a strong long-time partner with the City in improving the Zoo and has played a significant role in Zoo leadership for the past several years. The Society successfully grew the Zoo membership by over 75% to 6,000 households; they raised over \$1M to build a new otter exhibit; and have been part of many other improvements and amenities at the Zoo including the train, butterflies, the vet hospital, and a dedicated members gate.

The Society has a committed Board of community and business leaders who oversee operations and fiscal management of the non-profit's operations. The Society is well positioned, based on their past successes, to grow funding – both earned and contributed – to support growing operations and add new exhibits.

5. Why make the switch? We already have a good zoo.

The community benefits from increased investment in high quality exhibits and attractions and an enhanced visitor experience, realized from greater private support. All returns from the Society are put back into the Zoo. As the zoo grows and succeeds – through gains in attendance, membership, earned income, and contributed support – additional dollars become available for zoo improvements – *'what's earned in the zoo,*

stays in the zoo'. All dollars stay in the community. Zoos that have gone through this transition have seen increased attendance; better exhibits; and positive economic development investments. The City gets to focus on core services and can better manage the level of funds invested in the Zoo.

6. Will this really save the City money?

Running a zoo is expensive and getting more so every day. Rising animal care standards require a higher level of care, exhibits, and facilities, costing more and more dollars. Under the existing model, the City will continually need to increase the amount it spends to provide the best in animal welfare and Zoo management. Additionally it is expected that under the current model the City would need to spend added funds to increase the salaries for the Zoo Director and Veterinarian positions.

Under a PPP model, the City's investment is fixed over the duration of the contract and would not be subject to increasing costs for salaries, benefits and other operating expenses. At a minimum, it is expected that the City's cost to operate the Zoo would increase by typical inflationary rates of 3% to 6%. The City will realize savings from having a fixed level of spending. These savings may be greater if the City has to further increase spending to grow employee levels, salaries, or other operational investments to keep the Zoo open and maintain accreditation

The Society will make up the difference and invest more into the Zoo by growing earned revenue with more visitors, members, and attractions as well as securing additional contributed dollars for operations and capital improvements. The Society will also look to regional funding alternatives to provide a broader base of support outside the City.

7. What will change under a PPP?

Initially from a visitor's perspective, much will remain the same, including the Zoo hours, gift and food operations, and education programs. Memberships will still be valid with all the normal benefits. The Zoo will remain accredited by the AZA and the animal collection will see few immediate changes. The Society will insure the Zoo remains a treasured asset that will remain open and accessible to the entire community.

However, within the first year to eighteen months, visitors will begin seeing improved food and gift operations with more choices and locations; streamlined entry; and construction of new amenities that could include a carousel and a new bison and eagle exhibit.

8. I've heard these privatizations don't work, why is this different?

Of the 70% of Zoos and Aquariums that have formed a public/private partnership none have failed or gone back to publicly run management.

9. What happens to the employees? Will jobs be cut?

Zoo employees would transition to be employees of the Society. It's expected that several new positions will be added as the Society takes on the full management of the Zoo. The PPP increases the potential for even more jobs and enhanced professional development opportunities as the Zoo grows and adds to its animal collection.

10. Will the City still have any say in how the Zoo operates?

The City will have the opportunity to appoint a person to the Society's BOD. This person will be involved in the decision making and governance of the Zoo as a BOD. As an investor the City will also have input into Zoo operations through an agreement. It is expected that major improvements to the Zoo – as a City asset – will require the regular approvals and public input from the Parks Board.