



High Park Zoo Conservancy: A Partnership Reconnecting the City to the Residents of Toronto

Submitted By Friends of High Park Zoo - December 1, 2013

- Friends of High Park Zoo Proposes a Public-Private Partnership For High Park Zoo
- We Have Successfully Executed Our Operating Business Plan, But Capital Investment Remains Challenging
- No Corporate Partner Is Willing To Risk Their Capital Without Sustainability - the City Has A Role
- Proposing the City Provides 2014 Zoo Funding While High Park Zoo Conservancy is Consummated

Executive Summary

Friends of High Park Zoo, in the wake of budget cuts in 2012 that threatened to close High Park Zoo, stepped up and saved a beloved family attraction and Toronto destination since 1893 from closing. However, nearly one million visitors have shown their support and residents have voiced their preference that their taxes should be supporting the operating costs of the Zoo. As such the status quo, where High Park Zoo receives no funding from the City for another year in 2014, is no longer an option. However, we believe that the City alone cannot deliver what its residents need and expect from High Park Zoo. Therefore, **we are proposing a public-private partnership model - High Park Zoo Conservancy** - where the City of Toronto and Friends of High Park Zoo partner to deliver a community Zoo that is both enduring and exceeds residents' expectations.

While most Toronto residents saw the budget cuts to High Park Zoo in 2012 as a crisis, Friends of High Park Zoo saw an opportunity. Not only did we see a business opportunity to raise the funding necessary (\$228,000 per year) to keep High Park Zoo operating, but the possibility to reconnect the City of Toronto to its residents through the Zoo. This crisis gave residents and visitors the occasion to show their support while delivering their say in determining what they want from their local Zoo.

While saving and supporting High Park Zoo has required a tremendous amount of effort for a volunteer-based organization over the past two years, it has also been rewarding. We have seen visitors of all ages benefit from High Park Zoo from active seniors admiring the reindeer, peacocks and wallabies to the parents and children feeding llamas and interacting with bunnies and baby chicks. Friends of High Park Zoo has made an impression on each and every one of the nearly 1.0 million people that have visited High Park Zoo since 2012. We were also surprised to find out that at 500,000 visitors per year, High Park Zoo generates 40 times the visitors per hectare per year versus the admission-supported Toronto Zoo. (See Appendix A: High Park Zoo Visitor Comparison.) Additionally, while we knew High Park Zoo was the gem of High Park, we did not realize it accounted for 40% of the visitors to High Park as a whole each year.

While **Friends of High Park Zoo has been successful in executing on the operating portion of its business plan** to raise funds from residents and community businesses in the past two years (raising \$342,000 that was paid to the City for Zoo operations), we have found it challenging to raise impactful capital funding from corporations. This potential capital funding would be used to invest in the Zoo which has been capital-neglected for a number of years. Some examples of needed investment for the Zoo (beyond the obvious state of disrepair for the road and sidewalks) include making it more accessible to the public, improving the animal paddocks and allowing the Zoo to add an educational element.

This feedback from corporations can be simplified into one simple statement: without stable, consistent operating funds no large or medium-sized corporate sponsor will invest their capital. Said differently, **no corporation is willing to risk their capital without the City playing an active role to ensure the sustainability of the Zoo**. Residents also find it hard to fathom that the Budget Committee and City Council will, if approved for 2014, have raised residential property taxes



by 2% or more each year since cutting the funding for High Park Zoo (2.5% in 2012, 2.0% in 2013 and a proposed 2.0% in 2014 excluding the special levy) while not restoring \$1 of funding for the Zoo. Additionally, we note many new condominiums are being built adjacent to High Park attracting new funds.

As such, the status quo is no longer an option. One million residents and visitors have spoken, they expect the City to step up in the 2014 Budget and partner in funding the operating costs of High Park Zoo. Such a partnership would allow Friends of High Park Zoo to focus more on raising capital and other funding with corporations, businesses, foundations and grants for the enhancement (and ultimately the possible self-sustainability) of the Zoo. Our role is to inform the Budget Committee and City Council that the residents of Toronto not only expect their property taxes new development funds to be directed to supporting High Park Zoo but for the City to be part of collaborative business models with private organizations to deliver the services that its residents expect.

Proposal: High Park Zoo Conservancy

Friends of High Park Zoo is proposing a simple public-private partnership model where all stakeholders realize a positive Social Return on Investment (SROI). The formula is straightforward where:

$$\text{Positive SROI} = \text{City of Toronto} + \text{FoHPZ} = \text{Operating funds} + \text{Capital funds} + \text{sustainability funds}$$

Under the proposed High Park Zoo Conservancy model, which is inspired by Central Park in New York City, Friends of High Park Zoo would have three segregated pool of funds: (a) an Operating Fund for operations; (b) a Capital Fund for capital improvement and investments; and (c) An Endowment Fund. The Endowment Fund would be built over time to generate a sustainable element to the business model.

Under this model City of Toronto could contribute a declining amount to the operating fund each year over a multi-year agreement, while Friends of High Park Zoo raises the Capital and Endowment Funds. While the Capital Fund would be dedicated to capital improvements and investments, the Endowment Fund would begin to build a reserve that ultimately could lower the City's operating costs as Friends of High Park Zoo moves the Zoo more toward self-sustainability.

Friends of High Park Zoo believes that the High Park Zoo Conservancy proposal is a balanced public-private partnership model of the future. The Conservancy will: (a) allow for private-sector investment to enter the equation to enhance High Park Zoo, a 120 year old City-initiated family tradition; (b) reconnect the City of Toronto with the needs of its residents; (c) build on itself to ensure greater sustainability for the Zoo. This partnership will create a win-win scenario for both its partners for the benefit of all of their stakeholders. The High Park Zoo Conservancy model will deliver on the needs of 500,000 residents and visitors per year while ensuring High Park maintains its allure to both residents and visitors. The High Park Zoo Conservancy model will demonstrate that the Budget Committee and City Council are not only connected to the needs of their residents today by preserving the legacy of High Park Zoo, but have a vision to partner for its future.

In order to achieve this vision, **Friends of High Park Zoo is proposing that: (a) the City of Toronto provides the \$228,000 of operating costs of High Park Zoo for 2014; and during that period, (b) both partners work toward consummating an agreement to implement a plan that creates the High Park Zoo Conservancy.**

Sincerely,

John Formosa, Chair.
Friends of High Park Zoo, your High Park Zoo Conservancy partner
board@friendsofhighparkzoo.ca



Background

History of High Park Zoo – Heritage

Established in the 1893 for deer, High Park Zoo's animal paddocks have always been a popular attraction. Today, 120 years later, the Zoo's eleven paddocks are home to a variety of animal species from around the world including bison, llamas, peacocks, reindeer, highland cattle, wallabies, emus and sheep. The Zoo, which is the gem of High Park, is free to the public and attracts 500,000 visitors each year (more than double the population of Toronto when it was created in 1893). For many children, High Park Zoo is their first opportunity to interact with animals on an intimate level.

The Zoo under ownership of the City of Toronto was started at a time when gas lamps lit the city streets and Toronto's streetcars were pulled by horses. This, and High Park, formed the playground for residents of the time. The Zoo begun operating at least 20 years before the City's first playground as the Playground and Recreation Branch was only created in 1913.

High Park Zoo is older than prominent Toronto landmarks such as Massey Hall and Old City Hall and established around the same time as The Legislative Building was built at Queen's Park.

About Friends of High Park Zoo - highparkzoo.ca

Friends of High Park Zoo was formed in 2012 to raise the necessary funds to ensure that the Zoo remained open in the wake of City budget cuts. The Zoo costs Friends of High Park Zoo only \$228,000 for 2013, or 9 cents per Toronto resident, to operate for an entire year. To date, Friends of High Park Zoo have kept the Toronto tradition alive for families and the community.

Friends of High Park Zoo is a registered not-for-profit corporation created expressly to generate support for High Park Zoo. Friends of High Park Zoo accepts donations directly and through Toronto Parks and Trees Foundation, a registered charity.



Friends of High Park Zoo's Accomplishments – Since Operating Funding Was Cut in 2012

From an **Operating Perspective**, Friends of High Park Zoo has:

- **Kept the Zoo operating** for the benefit of residents and visitors
- **Opened the llama pen** on weekends/holidays
- **Volunteers** that have put in 10,000 hours (5,000 hours/year including 4,000 hours/year at the Zoo)
- Hosted many events to **raise awareness and support**
- Utilized people-metre data to determine that the Zoo generated nearly 1.0 million visitors (500,000/year)
- Re-launched its website (September 2013)
- Engaged the community and increased awareness for the Zoo

From a **Financial Perspective**, Friends of High Park Zoo has:

- Partnered with Toronto Parks and Trees Foundation: charitable tax receipts and other initiatives
- Raised over **operating funding** through fundraising initiatives and presence at the Zoo
- Paid the City of Toronto **\$342,000 for Zoo operations** (6 months in 2012 and 12 months in 2013)
- Developed the **High Park Zoo Sponsorship Circle** for corporate sponsors offering:
 - **3-year sponsorship plans** \$75,000/50,000/25,000/ year
 - Able to make **2.5M+ impressions** over 3 years
 - Modest cost (CPM or cost per mille) of **\$30/\$20/\$10 per impression** per year
 - Begun to procure **capital investments / projects** including new gates

From a **Governance Perspective**, Friends of High Park Zoo has:

- **Incorporated** as a Not For Profit Organization (May 15, 2012)
- Developed a **business plan and budget**
- An **elected Board of Directors** (January 15, 2013)
- Procured **audited financial statements**
- Developed **Vision and Mission** statements and **Values** (below)

VISION: To ensure there is always a free community zoo in High Park for families to enjoy.

MISSION: To enhance High Park Zoo for the benefit of all visitors by leading activities that engage the community, while promoting education, awareness and fundraising for the Zoo.

VALUES:

- **Accountable** – we will be responsible, transparent and accountable to all of our stakeholders
- **Professional** – we will at all times conduct ourselves in a manner that is both professional and respectful
- **Collaborate** – we will work collectively with each other and others in order to achieve our goals
- **Community oriented** – we will engage in initiatives and activities that support High Park Zoo and the community



Appendix A: High Park Zoo Visitor Comparison



Friends of High Park Zoo: High Park Zoo Visitor Comparison

Created November 26, 2013

Visitors/year	High Park	Parliament	Canada's	CNE ⁴	High Park ⁵	Toronto
	Zoo ¹	Hill ²	Wonderland ³			Zoo ⁶
2012	480,000	3,000,000	3,660,000	1,390,000	1,200,000	1,300,000
2013	500,000	3,000,000	3,843,000	1,360,000	1,200,000	1,600,000
Area (Ha)	2.20	15.42	130.00	105.22	161.00	287.00
Annual Visitors/Ha*	227,273	194,570	29,562	12,926	7,453	5,575
% AV/Ha versus HP Zoo	-	85.6%	13.0%	5.7%	3.3%	2.5%
HP Zoo vs Comparison Multiple	-	1.17	7.69	17.58	30.49	40.77

1. HPZ annual approximation for 2013 based on people counters from April 1, 2013. Estimate for 2012.

2. <http://www.ctvnews.ca/parliament-hill-tourist-facilities-overwhelmed-1.240173>

3. http://www.aecom.com/deployedfiles/Internet/Capabilities/Economics/_documents/2012%20Theme%20Index%20Combined_1-1_online.pdf 2013 is an estimate.

4. <http://theex.com/>

5. <http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=c6d8dada600f0410VgnVCM10000071d60f89RCRD> Estimates.

6. <http://www.torontozoo.com/ExploretheZoo/SampleourProduct.asp>

* Based on visitors and area for the most recent year.