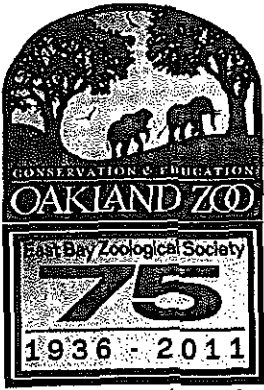


ATTACHMENT M

Letter from Oakland Zoo
Re: Response to Certain Issues Raised in the Appeals to City Council



Celebrating 75 Years of Animal Care
Conservation & Community

9777 GOLF LINKS ROAD
OAKLAND, CA 94605
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A non-profit organization

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June 3, 2011

Darin Ranelletti
Planning and Zoning Division
City of Oakland
250 Frank H. Ogawa Plaza, Suite 3315
Oakland, CA 94612

Dear Mr. Ranelletti:

Attached please find a document from the East Bay Zoological Society that responds to certain issues that have been raised in the appeals to the City Council on the Oakland Zoo's Master Plan Amendment.

Please call (510.632.9525 x138) or email (nik@oaklandzoo.org) with any questions concerning this submittal.

Sincerely,

Nik Dehejia
Director, Strategic Initiatives

TO: City Council, c/o Darin Ranelletti, Planner III, City of Oakland, Planning and Zoning

FROM: Dr. Joel Parrott, Executive Director, Oakland Zoo; Nik Dehejia, Director, Strategic Initiatives, Oakland Zoo

DATE: June 3, 2011

SUBJECT: Response to Certain Issues Raised in the Appeals to the City Council on the Oakland Zoo Master Plan Amendment

1. *Introduction*

This memorandum addresses several issues raised in the appeals to the City Council of the Oakland Zoo Master Plan Amendment. These issues are: (1) the Zoo's stewardship of Knowland Park; (2) the Zoo's compliance with the mitigation measures associated with the 1998 Master Plan approval; (3) assurance that the Zoo will have the financial capability to implement the requirements of the proposed Habitat Enhancement Plan; and (4) the requirements of the California Environmental Quality Act (CEQA) in situations where a negative declaration has been adopted for a project, which the City did in connection with the 1998 approval of the Master Plan, and, later, amendments to the project are proposed. Although, both the Zoo and City staff have addressed these issues in presentations to the Planning Commission, the City staff reports, and other documentation in the record, the Zoo submits this memorandum to further elaborate on and document its response to these issues. The Zoo requests that this memorandum be distributed with the City Council agenda packets.

2. *The Zoo Has Responsibly Managed Knowland Park.*

a. *Recent Knowland Park Stewardship Activities*

Arroyo Viejo Creek: Arroyo Viejo Creek runs from the Oakland Hills down to San Francisco Bay. A section of the creek passes through lower Knowland Park and was the focus of an approximately \$800,000 restoration project by the Oakland Zoo, the City of Oakland, and other funding partners. The Arroyo Viejo Creek Restoration Project began with a mission to repair in-stream locations, bank erosion, and restore habitat for the creek. Completed in early 2007, the restoration increased overall plant species, wildlife habitat, public access, and created outdoor classrooms with educational signage along the creek banks. The Zoo has an ongoing commitment to manage this portion of Arroyo Viejo Creek. Led by the Zoo's horticultural department with guidance from a certified landscape architect, the Zoo regularly maintains creek health. The Zoo also supplements this regular maintenance with monthly volunteer creek clean-ups led by the Zoo's Conservation department. Monitoring reports prepared in conjunction with the City for submission to the regulatory agencies are also required and the Zoo has initiated contact with City staff in order to prepare the required report.

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Invasive Plant Removal: The Zoo is committed to removal of non-native, Invasive species in Knowland Park, including eucalyptus and French broom. The Zoo's horticultural department, with regular guidance from a certified landscape architect and other plant and restoration specialists as needed, maintains and enhances Knowland Park. The Zoo has responded to the expansion of French broom, particularly in lower Knowland Park. Since 2006, the Zoo has spent nearly \$80,000 to remove 18 acres of French broom both in the existing Bison/Tule Elk exhibit and in the adjacent paddock. In addition, the Zoo has led several other French broom removal programs involving removing non-native invasive species, re-planting with native vegetation, and turning eucalyptus trees into benches for outdoor, educational classrooms and public access. Additionally, volunteer groups assist in the ongoing removal of non-native, Invasive species and these efforts are guided by a full-time, paid volunteer coordinator in the Zoo's Education Department.

Dumping: The Friends of Knowland Park have commented that the Zoo dumps in Knowland Park. This is not accurate. As the Executive Director of the Oakland Zoo since 1986, Dr. Joel Parrott has always maintained a strong policy against Zoo dumping in Knowland Park and the Zoo has not contributed to any dumping in Knowland Park over the past 26 years. Historically, many parties have dumped in Knowland Park. While parties other than the Zoo have continued in recent years to dump in and around Knowland Park, the Zoo makes every effort to clean-up dump sites in conjunction with the City of Oakland Public Works Department. The Zoo's security patrol alerts us to dumping incidents. The Zoo also relies on civic-minded individuals in the community to assist in identifying new dumping in the Park. For example, City of Oakland resident and Knowland Park community member John Lafleche was identified in a March 18, 2010 San Francisco Chronicle article for his efforts to pull trash from the Park including tires, car parts, chairs, and golf balls.

The Friends of Knowland Park have identified two examples of dumping in Knowland Park and have stated that this dumping resulted from the Zoo's direct actions.

- One site in Upper Knowland Park is a decades-old dump site and the dumping there took place prior to Dr. Parrott's arrival at the Zoo. This site includes an old elephant sign along with some cement debris. The Zoo has verified the existence of this historic dump site and has confirmed its location in an area that is hidden from public view. The Zoo will remove the debris within 60 days. Given the age of this old dump site, it does not constitute evidence that the Zoo currently dumps, or at any time under Dr. Parrott's tenure has dumped, debris in Knowland Park.
- The second site is located near the Zoo's existing upper parking lot. As explained by Dr. Parrott at the April 27, 2011 Planning Commission hearing, this site is, in fact, the Zoo's existing composting program. The on-site composting program has allowed the Zoo to divert significant animal waste from landfills while reusing it for our on-site landscaping program. The Friends of Knowland Park have mistakenly referred to this unique and important program as "zoo dumping" by highlighting photos of the proposed Veterinary Medical Hospital site and showing images of what are, in fact, different stages of the final composting cycle.

Thus, there is no credible evidence to show that the Zoo participates in the dumping that has occurred in Knowland Park over the past 26 years. To the contrary, the Zoo has worked with the City to clean up dump areas and will continue to do so as part of its ongoing management of the Park.

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Habitat Enhancement Plan: A comprehensive Habitat Enhancement Plan for Knowland Park (HEP) was developed by the biologists at Environmental Collaborative and serves as both an element of the Oakland Zoo Master Plan and as a means to implement the mitigation measures identified for the California Trail exhibit and other resource enhancements. The HEP also sets forth the habitat enhancement program for the 20-acre Ecological Recovery Zone located within the California Trail exhibit. The HEP requires significant implementing measures for invasive species control, grassland protection and enhancement, native plant revegetation, native tree protection and replacement, and protection of special species. In particular, the HEP specifies requirements for (a) vegetation mapping, (b) mitigation ratios, (c) performance standards for the HEP components, (d) success criteria, (e) long-term ongoing monitoring, assessment, and management, (f) annual reporting to the City, and (g) public participation. The HEP requires Zoo stewardship of Knowland Park and requires the involvement of qualified resource professionals in carrying out the HEP's goals and implementing actions. Implementation of the HEP is a long-term commitment by the Zoo that will benefit the Park and its varied plant and animal habitats.

Noise and Lighting: Some members of the public have asserted that noise from guests in the proposed California Trail exhibit area would carry far into Knowland Park and could be "sudden, erratic, and occasionally startling." The Zoo has long been applauded by animal conservation and welfare groups for its respect for and care of the animals. With the welfare of the animals in mind, the Zoo regularly reviews and updates its animal care practices. In 2009, the Oakland Zoo introduced its own "Quiet Coyote" program. This program is designed to reduce visitor noise, thereby improving the environment for the animals and the overall visitor experience. The program consists of a hand signal, signage in the Zoo, docent and volunteer training, and communications to all school groups visiting the Zoo reminding visitors to maintain a quiet environment at the Zoo. The Quiet Coyote program will be incorporated into the California Trail exhibit, including the proposed guided overnight campsite experience.

Concern has been expressed about the potential for night lighting to disturb the Knowland Park environment. Consistent with the Zoo's mission and our high standard of care for animals, lighting in the California Trail exhibit would follow the City of Oakland's required condition of approval for shielded lighting that would not spillover outside of the exhibit and also would adhere to the Zoo's current practice of low level lighting within the existing Zoo. On the occasions when Zoo activities would be conducted in the evening, lighting would be limited in time, temporary in nature, and shielded to ensure that the exhibited animals and the surrounding area would not be adversely affected. This limited and shielded lighting approach would ensure that no lighting would spill outside the boundary of the exhibit. Thus, any night lighting would not adversely affect wildlife in Knowland Park areas adjacent to the California Trail exhibit.

3. *The Zoo Has Complied With The Applicable 1998 Mitigation Measures.*

Some members of the public have stated that the Zoo has not complied with mitigation measures in the Mitigated Negative Declaration adopted by the City in connection with the 1998 approval of the Master Plan. The 1998 Master Plan focused on three areas: improvements proposed for the existing Zoological Park, improvements proposed for the existing Arboretum, and development of the new California exhibit proposed in Upper Knowland Park. The Zoo has completed the improvements approved for the Zoological Park and the Arboretum. (SMND/A¹, Table 2-2 approved Master Plan Status, p. 2-5) Plans for the California exhibit area have not yet been implemented and are the subject of the proposed amendments to the Master Plan. Consequently, there has been no requirement to implement the 1998 mitigation measures that apply to the California exhibit.

a. *Construction-Related Mitigation Measures*

Many of the 1998 mitigation measures (SMND/A, Volume 2-Appendices, Appendix B, "Exhibit D Oakland Zoo in Knowland Park Master Plan Update Mitigation Measures") are requirements for certain construction methods and techniques. Mitigation measures in this category include: (1) Earth Mitigation Measures 1(a) through 1(e), 2(a) through 2(d), 3(a), 4(a) through 4(c), 5(a) through 5(d), and 5(f); (2) Air Mitigation Measure 8(a); (3) Water Mitigation Measures 10(a) through 10(f), and 11(c); (4) Noise Mitigation Measure 18(a); and (5) Transportation/Circulation Mitigation Measures 26(a) and 26(b). These mitigation measures were implemented by the Zoo and its contractors either as part of the permit applications or during the construction activities required for construction of the improvements in the Zoological Park and the Arboretum. There is no evidence to suggest that the Zoo failed to implement these construction mitigation measures.

b. *Other Mitigation Measures*

Some of the 1998 mitigation measures pertain only to impacts identified for the California exhibit. Because the California exhibit has not yet been implemented, these mitigation measures have not applied to the Zoo's implementation of other aspects of the 1998 Master Plan approval. A few mitigation measures either apply generally to the Master Plan or apply to elements no longer included in the Master Plan. Each of these mitigation measures are addressed below.

Mitigation measure 5(e) requires the Zoo to update its Emergency Preparedness and Response Plan and Animal Capture Plan as new facilities are developed. The Zoo's Emergency Preparedness Manual (EPM) has been updated as new facilities have been added. A summary of the current EPM is included in the SMND/A (pp. 3.6-4-3.6-6). Additional provisions will be added as the California exhibit is developed and these provisions are outlined in the SMND/A (p. 3.6-11). The provisions in this mitigation measure regarding educating the neighborhood about the EPM and demonstrating the safety of the animal enclosures in the event of a natural disaster were included to address concerns about the new California exhibit. This mitigation measure will apply to the proposed Master Plan amendment and will be implemented in conjunction with development of the California exhibit area.

¹ The SMND/A refers to the "Amendment to Oakland Zoo Master Plan: Subsequent Mitigated Negative Declaration/Addendum."

Mitigation measure 10(b) includes a requirement related to a hiking trail that was not included in the final plan approved by the City in 1998. (SMND/A p. 2-50.) Consequently, the requirements related to this hiking trail do not apply to the Master Plan and should have been deleted as the mitigation measure is no longer required to mitigate the impacts of a hiking trail that was not approved and will not be built. The updated and revised mitigation measures for the Master Plan amendments do not include this 1998 mitigation measure.

Mitigation measure 13(a) requires preparation of a Habitat Enhancement Plan (HEP) with three elements: (1) an annual assessment of species and distribution of invasive species; (2) a management element for the control of weedy species; and (3) a revegetation element for areas where heavy infestations of weeds comprise a significant portion of the existing vegetation. The riparian zone of lower Arroyo Viejo Creek is mentioned as an example of an area that would require revegetation. This mitigation measure follows a discussion in the 1998 MND of the potential biological resource impacts of the proposed California exhibit. (See, Appendix A of the SMND/A Appendices, 1998 MND, p. 22.) The text in the 1998 MND identifying the plant impacts that would require the HEP mitigation focuses exclusively on the impacts of the 25 acres needed to develop the California exhibit. It states:

The proposed project would result in the commitment of approximately 25 acres to buildings, exhibits, and landscaped areas to develop the California 1820 Exhibit area. Of this 25 acres, approximately 5-10 acres are already committed to ongoing Zoo operations including a fire road, composting area, and the existing Bison enclosure. The remaining acreage consists of natural grassland, shrubland and oak woodland.

The areas proposed for the Trail, Interpretative Center, Off-site Breeding Area, and Shuttle Road would experience a complete loss of habitat while the animal exhibit areas may retain some characteristics of natural vegetation. (p. 22)

The 1998 MND concludes the discussion of the California exhibit impacts by finding that the "[l]oss of needlegrass grassland, oak woodland, and several types of shrublands are considered a potentially significant impact." (1998 MND, p.22.) This discussion is followed by mitigation measure 13(a) calling for the HEP. Based on the analysis in the 1998 MND, the HEP is a mitigation measure associated with the California exhibit and was not required to be developed or implemented until the California exhibit impacts occur. Nonetheless, as described above, the Zoo has implemented a substantial habitat enhancement program for the riparian zone of Arroyo Viejo Creek and has voluntarily undertaken significant French broom removal. The proposed Master Plan amendment includes a HEP that meets and exceeds the requirements of mitigation measure 13(a).

Mitigation measure 13(b) requires a Tree Protection and Revegetation Plan with three requirements: (1) tree replacement ratios as provided for in the mitigation measure; (2) preparation of a tree census every ten years of the trees in the project area qualifying for protection under the City's ordinance; and (3) oak protection measures in Upper Knowland Park. This mitigation measure relates to the "loss of protected trees" under the City's Tree Preservation Ordinance associated with construction of the Center for Science and Environmental Education (constructed in 1999) and the California exhibit. (1998 MND, p. 23) The Zoo complied with the tree replacement planting requirements of the mitigation measure and the City's ordinance when the Center for Science and Environmental Education was constructed. As part of the Master Plan amendment application, the Zoo has submitted a survey of protected trees in the project area (SMND/A, Figures 3.3-3 - 3.3-8) and has proposed revised oak protection measures in the HEP. Consequently, the Zoo has met the requirements of mitigation

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measure 13(b) in accordance with the impacts that have occurred in connection with construction of the Center for Science and Environmental Education and those anticipated to occur in connection with the California exhibit.

Mitigation measures 13(c) and 13(d) relate to impacts associated with the previously approved shuttle road (now proposed for deletion under the Master Plan amendments) and viewing platforms originally proposed for the hiking trail, which was not included in the final plan approved in 1998. Because neither of these elements will be constructed, there is no requirement to implement mitigation measures 13(c) and 13(d).

Mitigation measures 14(a) and 14(b) require modifications to two elements of the California exhibit - the previously approved shuttle road and the bison exhibit. Because the California exhibit has not been constructed, the mitigation could not be implemented. Additionally, because the robust monardella no longer exists on the site the requirements related to this plant cannot be implemented.

Mitigation measures 14(c) through 14(j) relate to impacts on the Alameda whipsnake, special status birds, and special status invertebrates. All of these mitigation measures apply to the construction of the California exhibit, which has not been built, or to the hiking trail, which was not included in the final approved Master Plan. Consequently, the Zoo has not been required to implement these mitigation measures. Additionally, as described above, the Zoo has undertaken substantial efforts to remove French broom as provided for in mitigation measure 14(h) even though implementation of this mitigation measure would not be required until construction of the California exhibit.

Mitigation measure 15(a) calling for an operations and maintenance plan to prevent the spread of invasive weeds in Upper Knowland Park was imposed in connection with the construction and operation of elements of the California exhibit, including the shuttle bus system and introduction of other vehicles that "would import weed seeds into the California 1820 Exhibit area." (1998 MND, p.30.) The analysis in the 1998 MND specifically acknowledges that the Interpretative Center, Off-Site Breeding Area, and new exhibits in the California exhibit will have the potential to spread weed seeds in native habitat. (1998 MND, p.30.) Because the California exhibit has not yet been constructed, implementation of this mitigation measure has not been required.

Similar to mitigation measure 10(b), mitigation measure 16(a) also imposes requirements related to the hiking trail that was not included in the final Master Plan approval. Consequently, there is no requirement to implement this mitigation measure.

Based on this discussion, the Zoo has complied with all 1998 mitigation measures required to be implemented in connection with the elements of the Master Plan that have been constructed.

c. *Updated and Revised Mitigation Measures*

The SMND/A updates, refines, and clarifies many of these mitigation measures based on the City's latest standard conditions of approval and the proposed modifications for the California exhibit area. The Zoo will be required to comply with these mitigation measures and standard conditions of approval if the proposed Master Plan amendment is approved and the project is implemented.

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4. *The Zoo Has The Financial Ability To Implement The Habitat Enhancement Plan.*

a. *The Zoo has a long history of financially sound management.*

For the past 29 years, the East Bay Zoological Society (EBZS) has been a fiscally responsible manager of the Zoo. Sound financial management and financially sustainable growth have been the hallmarks of the EBZS leadership and Zoo management. The Board of Directors maintains an active audit committee that oversees the Zoo's budget and financial management, which is above and beyond the typical Board role for many non-profit organizations. Additionally, the Zoo has a full time chief financial officer. Our current annual operating budget of \$13 million has expanded from \$2 million in 1991, growing an average of 9% per year. The EBZS has always generated sufficient revenues to cover its costs while investing in its future and has achieved this without any debt. Unlike most zoos, the Zoo has been largely self-sufficient, generating 91% of its operating revenues through its own programs, such as admissions, concessions, camps and special events. The City of Oakland provides an annual subsidy for the Zoo of \$172,414 in accordance with the EBZS/City management agreement and an additional discretionary subsidy that varies annually. Last year, the City subsidy represented less than 5% of the Zoo's annual operating budget. This self-sufficiency removes the uncertainty of government funding while also providing the Zoo with numerous opportunities to expand its offerings and revenue base. The Zoo obtains an independent auditor's report every year prepared by certified public accountants to review the accuracy of the Zoo's financial position. The audits are conducted in accordance with generally accepted auditing standards in the United States. This year, like always, our auditors have found our financial management processes impeccable and issued an unqualified opinion. (See Attachment 1, March 8, 2011 letter from Gilbert Associates, Inc., CPAs and Advisors).

The Zoo enjoys support from a wide range of public and private funding partners, including but not limited to: Wayne and Gladys Valley Foundation, Lakeside Foundation, DMARLOU Foundation, Hedco Foundation, Thomas J. Long Foundation, J.M. Long Foundation, Thelma Doelger Trust for Animals, Oakland Rotary, Clorox Company Foundation, Fremont Bank, Wells Fargo Foundation, Koret Foundation, Maddie's Fund, S.D. Bechtel, Jr. Foundation, University of Phoenix Foundation, The Men's Wearhouse, Richard & Rhoda Goldman Fund, Pacific Gas & Electric, East Bay Community Foundation, California Cultural and Historic Endowment, California Cultural and Historic Endowment 4, East Bay Regional Park District Bond Measure WW, California Office of Parks and Recreation, -Nature Education Facilities Program, CALFIRE, Creative Works Fund, and The Rogers Family Foundation. Additionally, the Zoo receives annual support from the City and from the Zoo's annual fund, which had 1,452 households making donations over the past twelve months. The Zoo also receives income from memberships, which have grown from 1,800 households in 1985 to 26,000 households (with approximately 90,000 individual members) in 2011.

Over the past 29 years, the EBZS has raised approximately \$78,000,000 from public and private sources for capital improvements in the Zoo and Knowland Park. In the past four years, the Zoo has raised approximately \$940,000 for Knowland Park management and enhancement, including the Arroyo Viejo Creek project and broom removal. In the last year, the Zoo raised an additional approximately \$500,000 from several successful grant applications for continued enhancement of Arroyo Viejo Creek, French broom removal, and planting native trees and grasses.

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Additionally, the Zoo organizes volunteer teams that provide support for many Zoo activities, including maintaining Arroyo Viejo Creek and broom removal in the Park. During the last fiscal year, 56,160 volunteer hours were provided to the Zoo. The Zoo has a full time volunteer coordinator who manages the volunteer programs and actively recruits individuals and corporate groups. Our volunteer programs and hours grow each year and a number of groups return to work at the Zoo on a regular basis providing the Zoo with a well-trained volunteer pool. The Zoo will use our volunteer resources to assist in implementing appropriate aspects of the HEP, particularly invasive species control. We currently have a grant in place to train volunteers to work on planting native species and identifying areas of invasive species for removal.

In addition to its own sound financial management, the Zoo creates significant economic benefits for the City and the larger region. A February 2010 report entitled "Oakland Zoo Economic Impact Report" prepared by the East Bay Economic Development Alliance (Attachment 2) evaluated the Zoo's ongoing operational success and estimated the economic impact of the Zoo's proposed California Trail exhibit and Veterinary Medical Hospital. The report demonstrated that, in 2009, the Zoo generated a total of 293 jobs and contributed \$19.4 million in expenditures to the region resulting from both its direct and indirect economic impact. The Zoo has been a steadily increasing source of household income in the community and the region and a strong supporter of local businesses. Through permanent jobs, taxable sales, construction jobs, purchasing for operations and capital improvements, and local retail activity from Zoo visitors, the Zoo positively contributes to the local and regional economy. In short, the Zoo is a successful, thriving cultural institution that provides economic benefits to Oakland and the region.

b. *The EBZS has successfully funded numerous major investments in the Zoo and Knowland Park over the past 25 years.*

Attached is a list of 25 major projects successfully implemented at the Zoo since 1986. (Attachment 3, EBZS Major Investments- Oakland Zoo) Six of these projects cost between \$1.2 million and \$14.5 million. Sixteen of these projects cost between \$125,000 and \$975,000. The total cost of these projects was over \$32 million. Additionally, since 1986 over \$1.3 million has been invested in improvements and management activities in Knowland Park. This information demonstrates the Zoo's ability to successfully fundraise for major investments and provides the City with evidence that the Zoo has the experience, the credibility with the funding community, and the expertise to successfully fundraise for the implementation of the Veterinary Medical Hospital, the California Trail exhibit, the HEP, and other mitigation requirements.

c. *Substantial funds have been raised for the Veterinary Medical Hospital and the California Trail exhibit, including the HEP and other mitigation measures.*

The Zoo already has raised substantial funds to implement the project, which includes the HEP and other mitigation requirements. The fundraising effort for this project involves the EBZS Board, the executive staff of the Zoo, a five-person development office (with over 100 years of combined experience in fundraising including capital campaigns, and research, program and major gifts), and the leading fundraising consulting firm of Marts & Lundy. Our Development Director has thirty years of fundraising experience and has been responsible for more than a dozen capital projects that have raised in excess of \$250 million. As of May 2011, the Zoo has raised more than \$35 million in private and public funds from individuals, foundations, a 2002 City voter-approved bond measure, and other state bond measures. This amount has been raised before the Zoo has initiated its public capital campaign.

which, by fundraising standards, is considered an extremely positive indication of the likely success in achieving full funding for the entire project, including the HEP and other mitigation requirements.

Our overall strategy for fundraising involves, among other activities, research to match prospects with funding opportunities, cultivating new and existing donors, mini/niche-campaigns for specific elements of the project, developing funding proposals, planning events to cultivate prospects, and working with Board members to identify future funders. As an example of a niche-campaign, the Zoo successfully raised over \$160,000 in funds to match a \$156,000 challenge grant provided by the HEDCO Foundation for the purchase of equipment for the Veterinary Medical Hospital. Not only did the Zoo exceed the fundraising goal, but we achieved success well before the deadline imposed by the Foundation. We anticipate using this niche-campaign strategy for various habitat enhancement efforts, including the Alameda whipsnake mitigation. The Zoo has several pending grant applications for the project and has identified a number of individuals and private foundations who we have determined will likely contribute to the project. Additionally, because the project will be developed in phases over a number of years, our fundraising strategy necessarily mirrors the phasing schedule as some funders will commit to fund when approvals or permits are granted, some funders commit to fund when construction starts, some funders commit late in the process in order to be the "last in", and still other funders have a variety of requirements that can only be met as the project proceeds. Our fundraising has been and will continue to be successful because we have in place the three most important elements to reach our goal: a strong and proven case for support, fundraising prospects with financial capacity and interest in the project, and capable leadership.

It is important to recognize that the HEP is an integral element of the California Trail exhibit and, consequently, is part of the overall budget for the project and our overall fundraising efforts. We have already spent considerable time researching potential funding opportunities specifically for habitat enhancement efforts. Our initial research has identified hundreds of grant opportunities for native plant, animal and habitat improvement projects based on grants made to other organizations. With more than \$6 billion given to non-profits for "environment and animal" projects in 2009 (source: Giving USA Foundation), the Zoo is poised to access funds from a broad range of local, regional, state, and national sources. As noted above, within the last year the Zoo has successfully raised over \$500,000 dedicated to managing and enhancing habitat in Knowland Park, Arroyo Viejo Creek, and planting native trees and grasses. We have reviewed the letter reports prepared by WRA regarding the preliminary cost estimates for implementing the HEP and the Alameda whipsnake mitigation measures and we have the ability to, and we will, meet the financial obligations associated with these programs.

Some have called for the Zoo to provide an endowment to ensure funding of the HEP. We do not believe an endowment is necessary or justified for the HEP. First, we believe that our long history of successful fundraising, successful financial growth, and sound financial management, as well as the success of our efforts in fundraising thus far for the project demonstrate the Zoo's ability to fund the HEP without an endowment. Second, many of our funders restrict the use of the funds to certain activities that would not include an endowment or other mechanism that would tie up the funds in an inaccessible account. Endowment fundraising is challenging and we will already be required to fund an endowment for the Alameda whipsnake conservation easement (if that option is elected) or purchase mitigation bank credits. Third, we believe it would be better public policy to have the full amount of money that we can raise available to spend on the habitat enhancement program rather than have that money sitting in a low interest account and providing only a very small annual income for the program. Finally, we understand that the City planning staff will be proposing a condition of approval that requires an Implementation Plan for the HEP that, among other requirements, must be updated

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annually and provide a rolling five-year budget for the HEP with identified activities under the HEP, identified costs and identified funding sources. The condition calls for the Planning Director to determine that the Zoo has demonstrated its financial capacity to implement each annually updated five-year plan for HEP. Issuance of construction permits will be dependent on the Planning Director's positive determination regarding the Zoo's financial capability to implement the five-year plan. This condition, in conjunction with the information presented above regarding the long history of the Zoo's financial capabilities, provides adequate assurance that the HEP will be implemented.

5. *When Environmental Review Has Been Completed For A Project, CEQA Prohibits The City From Preparing An EIR Unless Certain Conditions Are Satisfied.*

Some members of the public have called for the City to prepare an EIR on the proposed amendments to the Master Plan. When a lead agency has adopted a negative declaration for a project, however, CEQA provides that no subsequent EIR shall be required except in limited circumstances, none of which apply to the proposed Master Plan amendment. In 1998, the City adopted a mitigated negative declaration for the Oakland Zoo Master Plan. CEQA Guidelines section 15162 sets forth the standards the City must follow in determining whether, and what type of, subsequent environmental review is required for the proposed amendments to the Master Plan.

CEQA Guidelines section 15162 states that when a negative declaration has been adopted for a project, "no subsequent EIR shall be prepared for that project" unless project changes, changes in the project circumstances, or new information of substantial importance that was not and could not have been known at the time the original negative declaration was adopted show that there will be new significant environmental impacts not previously identified, a substantial increase in the severity of previously identified significant environmental impacts, or that new mitigation measures that are considerably different from those in the previous negative declaration would reduce significant effects but the project applicant declines to adopt the mitigation measures.

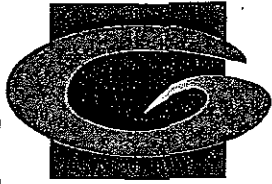
None of these conditions exist with respect to the Master Plan Amendment. The SMND/A and its supporting documentation provide substantial evidence, based on factual data and expert analysis, that no new significant impacts or a substantial increase in the severity of previously identified significant impacts will occur as a result of the proposed modifications to the Master Plan, the updated information about the Master Plan circumstances, and other new information. The Zoo has agreed to implement all of the City's updated applicable standard conditions of approval and revised mitigation measures as described in the SMND/A.

In response to comments received on the SMND/A, City staff and the environmental experts have prepared extensive responses to comments and further confirmed the conclusion that no new significant impacts or a substantial increase in the severity of previously identified significant impacts will occur with implementation of the modified Master Plan. In connection with issues raised during the public comment period regarding grasslands and sudden oak death, additional information was obtained and analyzed by experts. This additional information did not change the SMND/A's finding that no new significant impacts or a substantial increase in the severity of previously identified significant impacts would occur. Consequently, under CEQA Guidelines section 15162, the City is precluded from preparing an EIR for the proposed modifications to the Master Plan.

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Instead, the City properly complied with CEQA Guidelines section 15162 (b), which directs the City to prepare "a subsequent mitigated negative declaration, an addendum, or no further documentation" in situations where the project changes, changed circumstances, or new information do not result in new significant impacts or a substantial increase in previously identified significant impacts. CEQA Guidelines section 15164 (b) provides that an addendum may be prepared if none of the conditions in section 15162 have occurred. Although the environmental analysis demonstrated that an addendum to the 1998 MND was the appropriate document for the proposed Master Plan amendments, the City conservatively prepared a subsequent mitigated negative declaration and addendum. The SMND/A contains an exhaustive expert analysis of the potential environmental impacts of buildout of the proposed amended Master Plan in the context of updated project, environmental setting, regulatory, and other information.

Preparation of an EIR is not justified in this case. Moreover, given the comprehensive nature of the analysis in the SMND/A and the thorough investigation of environmental issues raised in the comments on the SMND/A, an EIR would not contain any additional analysis, new information, different conclusions, or different standard conditions and mitigation measures. The decision makers and the public have been fully informed of the nature of the proposed modifications to the 1998 Master Plan and the environmental consequences of the buildout of the amended Master Plan under updated baseline conditions and regulatory requirements. Thus, the City has successfully fulfilled the applicable CEQA mandates in this matter.



Gilbert Associates, Inc.
CPAs and Advisors

INDEPENDENT AUDITOR'S REPORT

Board of Directors
East Bay Zoological Society
Oakland, California

We have audited the accompanying statements of financial position of East Bay Zoological Society (Society) as of September 30, 2010 and 2009, and the related statements of activities and of cash flows for the years then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Bay Zoological Society as of September 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Gilbert Associates, Inc.

GILBERT ASSOCIATES, INC.
Sacramento, California

March 8, 2011

Oakland Zoo Economic Impact Report 2009

CONSERVATION & EDUCATION
OAKLAND ZOO



Prepared for
The East Bay Zoological Society

Prepared by
The East Bay Economic Development Alliance



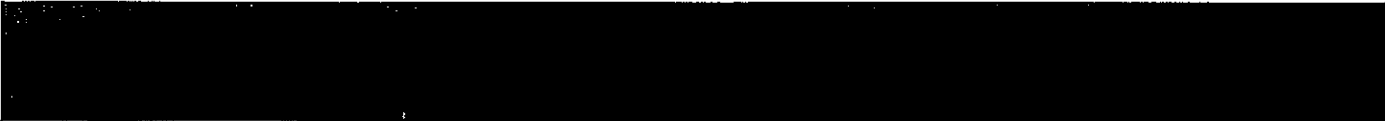
Final Report

**The Oakland Zoo
Economic Impact Report – 2009**

Prepared for
The East Bay Zoological Society
Oakland, CA

Prepared by
Catherine Xinyuan Yang
The East Bay Economic Development Alliance

February 26, 2010





ACKNOWLEDGEMENTS

This analysis was authored by Catherine Xinyuan Yang of the East Bay Economic Development Alliance.

The author wishes to acknowledge and specially thank Nik Haas-Dehejia and the Oakland Zoo staff, who assisted with data collection and contributed to the development of this report.



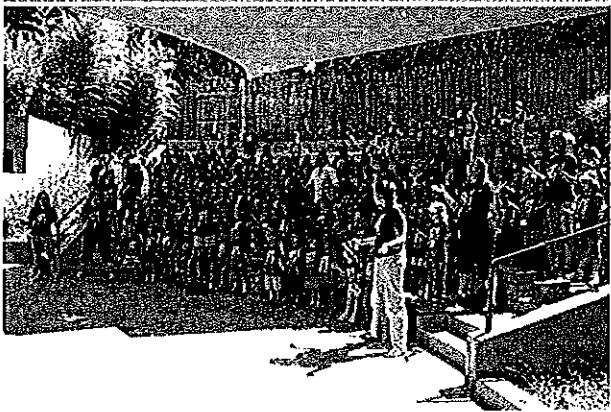
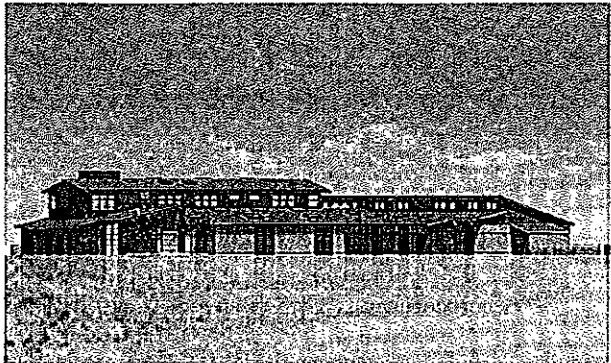
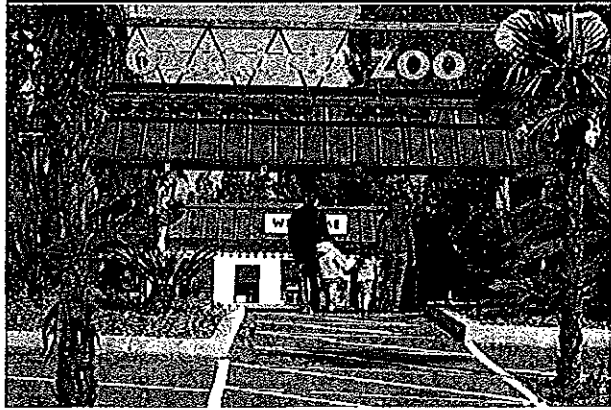


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ECONOMIC IMPACTS

- ❖ 293 jobs created within California
 - ✓ 229 direct jobs created by the Zoo
 - ✓ 64 indirect jobs were created by Zoo's 116 FTE within California
 - ✓ 45 indirect jobs were created by Zoo's 93 FTE within Alameda County
- ❖ \$19.3 million in expenditures
 - ✓ \$12.6 million in direct spending
 - ✓ \$6.7 million in indirect spending within Alameda County
- ❖ \$111 million from future construction
 - ✓ \$18.21 million from a new Veterinary Medical Hospital
 - ✓ \$92.79 million from a new California! Exhibit

CULTURAL IMPACTS

- ❖ Building a sustainable knowledge-sharing economy
- ❖ Citizen participation and community engagement

I. EXECUTIVE SUMMARY

This report examines the economic and cultural impacts of the Oakland Zoo within Alameda County during 2009. Although not measurable, the cultural impacts of the Oakland Zoo's education and volunteer programs provide important support for the knowledge-sharing economy of the region and enhance community engagement within Alameda County. The purpose of this report is to heighten awareness of the Zoo's impacts among city, county and community leaders, as well as the public at large.

1. Economic Impact In 2009

- ❖ Local Employment
 - ✓ The Zoo created a total of 293 jobs within the State of California.
 - ✓ The Zoo provided 229 direct jobs, including 116 Full-Time Equivalent (FTE), of which 83% are from Alameda County, and 45% live within the City of Oakland.
 - ✓ The 116 FTE of Zoo staff generated an additional 64 jobs within the State of California.
- ❖ Payroll and Benefits
 - ✓ The Zoo contributed a total of \$9.94 million in payroll and benefits to the region.
 - ✓ The Zoo directly spent \$6.74 million on payroll and benefits. The direct spending generated an additional \$3.2 million in indirect growth within Alameda County and \$1.4 million within the City of Oakland.

❖ **Regional Sales Tax**

- ✓ The Zoo provided a total of \$451,400 Sales Tax revenue to the region.
- ✓ The Oakland Zoo paid \$305,000 in State Sales Tax, \$109,487 of which went to Alameda County. The Zoo generated an additional \$162,041 in indirect Sales Tax within Alameda County.

❖ **Operational and Capital Spending**

- ✓ In 2009, the Zoo generated \$19.3 million in total spending within the region.
- ✓ The Zoo spent \$12.6 million on operational and capital expenditures. These expenditures have grown 15.4 percent since 2004.
- ✓ In 2009, the Oakland Zoo's expenditures helped to generate an additional \$6.7 million in indirect expenditures within Alameda County.

2. Economic Impact of Future Construction

❖ **Future Construction**

- ✓ Future construction will contribute a total of \$111 million in spending to the region.
- ✓ In 2010, the Zoo will spend a total of \$72 million on construction of Veterinary Medical Hospital and the California Exhibit. The new facilities will generate an additional \$39 million in indirect spending within Alameda County.

3. Cultural Impact

❖ **Inclusive Educational Programs**

- ✓ In 2009, the Zoo managed 989 education programs and served 38,330 persons from age 3 to adult.

❖ **Citizen Participation and Community Engagement**

- ✓ In 2009, the Zoo attracted 600,000 visitors and 420 volunteers from across the region.



INTRODUCTION

While the cultural benefits of the Oakland Zoo have been widely recognized and accepted as being important to the City of Oakland, Alameda County and the Bay Area, the economic impacts are often underestimated. Our data shows that the economic impacts are as significant as investments in the private sector.

The intent of this report is to create a greater understanding of those impacts within Alameda County and the Bay Area by quantifying and clarifying: 1) the role the Oakland Zoo plays in the economies of the City of Oakland and Alameda County; 2) the anticipated economic impacts of future Zoo development, namely, the Veterinary Medical Hospital and the California Exhibit; and 3) the role educational programs and volunteerism at the Zoo play in city and county cultural activities.

The Oakland Zoo is a successful 87-year old East Bay institution with a history of progress and growth. Over the past two decades, the organization has overseen \$32 million in revitalization projects throughout the Zoo. As a regional resource and a major San Francisco Bay Area attraction, the Zoo serves approximately 600,000 visitors annually, and nearly 40,000 schoolchildren participate directly in education programs. The Zoo is also an active participant in youth employment programs, including the City of Oakland's Mayor's Summer Jobs Program, Youth Uprising, and the Marriott Foundation's Bridges Program.

The Zoo now has a unique opportunity to break new ground in conservation and education with its over 20-acre California Exhibit project. The project redefines the Oakland Zoo as a wildlife park with statewide significance, and increases its capacity to reach audiences with new and enhanced education, conservation, and public programming. In addition, the Zoo's improvements will include a Veterinary Medical Hospital and a roughly 40-acre ecological recovery zone. The combined construction expenditures will directly contribute \$72 million and will generate an additional \$39 million in indirect spending to Alameda County.

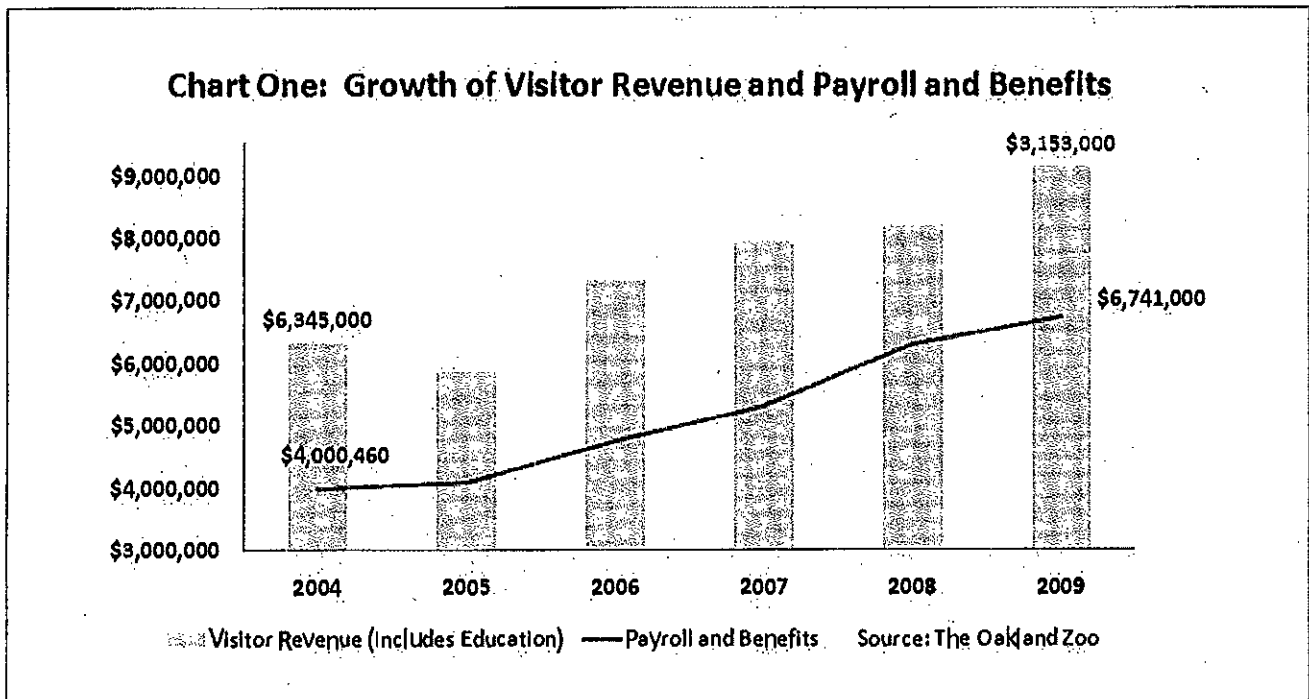
As the Zoo prepares for expansion, it has enlisted the assistance of the East Bay Economic Development Alliance (East Bay EDA) to determine and measure the Zoo's contributions to the local and regional economies and to assess how future growth will further benefit the East Bay and Northern California.

ABOUT THE OAKLAND ZOO

The 45 acre Oakland Zoo, nestled in the rolling hills of 525-acre Knowland Park was founded in 1922 by naturalist Henry A. Snow. The Zoo is home to more than 650 native and exotic animals and a unique collection of trees, palms, and exotic plants from around the world. The East Bay Zoological Society, a 501(c)3 organization, has been operating and managing the Zoo for the City of Oakland since 1982. A governing Board of Trustees composed of dedicated volunteers ensures adherence to the organization's mission and policies.

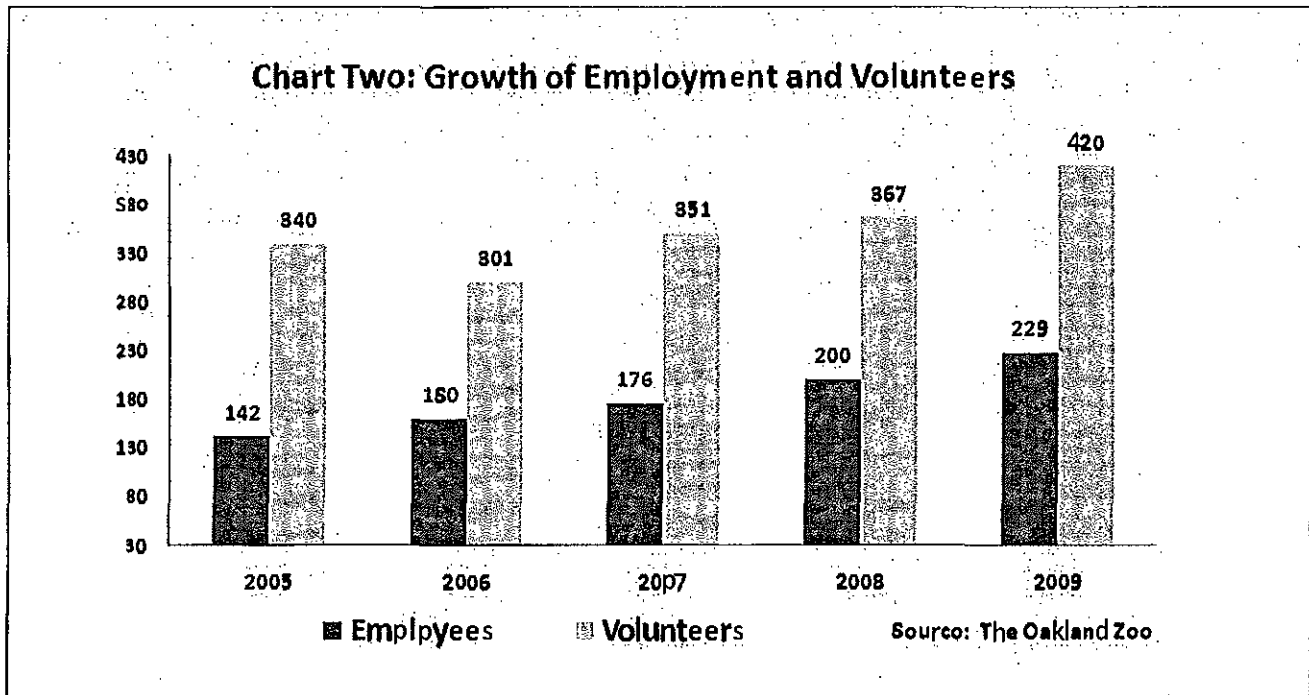
Sustained Growth

Over the decades, the Oakland Zoo has effectively built unique education, conservation and entertainment programs that provided dynamic growth in visitor revenues to the City of Oakland and Alameda County. In fiscal year (FY) 2009, the Zoo hosted approximately 600,000 visitors and generated \$9.2 million in revenue; revenue represented 44 percent growth since FY 2004 (See Chart One: Growth of Visitor Revenue and Payroll and Benefits).



The Oakland Zoo is a steadily increasing source of household income in the community and the region, and a strong supporter of local business. Since 2004, the Zoo's payroll and benefits have increased 70 percent, from \$4 million in 2004 to \$6.7 million in 2009 (See Chart One: Growth of Visitor Revenue and Payroll and Benefits).

As a premier cultural institution, the Oakland Zoo has been successful in creating jobs and attracting volunteers. From 2005 to 2009, employment grew 61 percent, from 142 to 229, while volunteerism grew 24 percent from 340 to 420 (See Chart Two: Growth in Employment and Volunteers).



In recognition of the fact that the Oakland Zoo serves as an important community resource, the citizens of the City of Oakland, as well as those across Alameda and Contra Costa counties have voted numerous times to support the Zoo's commitment to building a strong regional asset for all to enjoy.

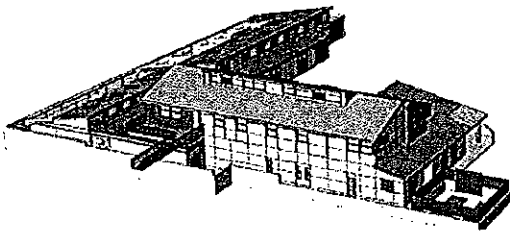
Future Construction for Sustainability

The Oakland Zoo will break new ground in conservation and education with construction of the Californial Exhibit. The project will increase the Zoo's capacity to reach audiences with new and enhanced education, conservation, and public programming and it will redefine the Oakland Zoo as a wildlife park with statewide significance. The total project will result in an approximately 60-acre expansion of the Zoo, including approximate 17,000-square feet of the Veterinary Medical Hospital; a roughly 40-acre ecological recovery zone, and an approximately 20-acre Californial Exhibit.

The Veterinary Medical Hospital is also a critical component in maintaining the Zoo's dedication to best practices in animal management. The facility will replace the undersized and aging Veterinary Care Center that was built in 1960.

The new hospital will:

- Provide a model veterinary care center, featuring best practices in animal care -- diagnoses, treatment, housing, and quarantine -- for most species of animals;
- Expand opportunities for partnerships in research, training veterinary students, and professional development opportunities for visiting veterinarians;
- Accommodate the additional animals that the Californial Exhibit and future exhibits will bring; and
- Incorporate leading green building features and become a LEED-Certified hospital



ECONOMIC IMPACTS

The Oakland Zoo's operating expenses, revenues and planned capital expenditures will have a substantial and growing impact on local and regional economies. In 2009, the Oakland Zoo generated a total of 293 jobs and contributed \$19.4 million in expenditures in the region. In the next few years, the Zoo's future construction will bring \$111 million into the region with the construction of the 17,000-square foot Veterinary Medical Hospital and an approximately 20-acre California Exhibit. The basis for these projections, as well as detailed analysis of the Zoo's impacts, are described further below.

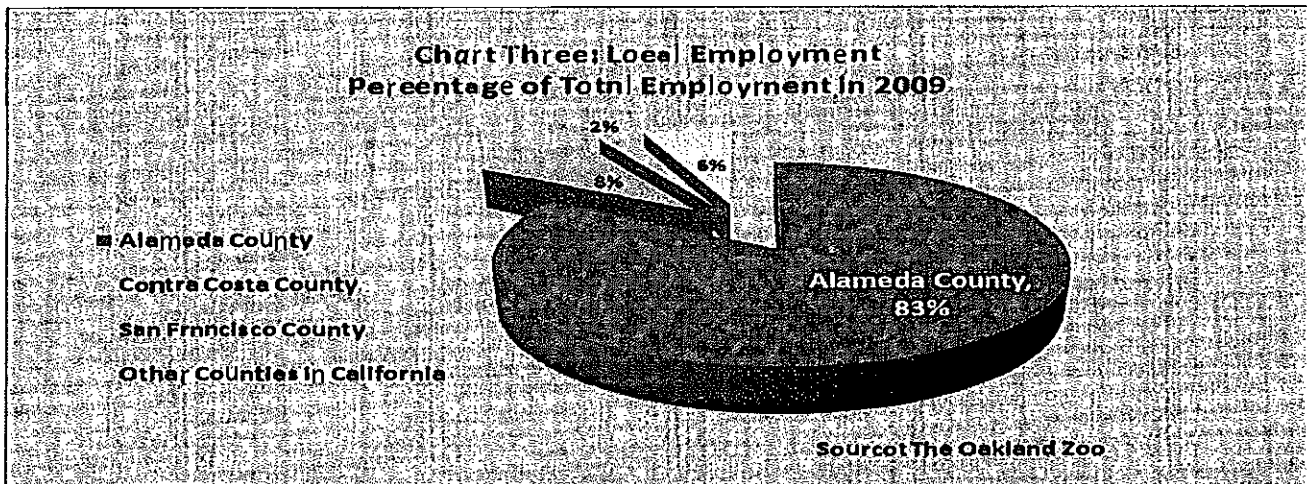
Direct and Indirect Economic Impacts

The Oakland Zoo's economic impact analysis is measured in direct and indirect impacts. The direct economic impacts are the operating and capital expenses associated with on- and off-site spending by visitors, employee payroll and benefits, and construction costs for improving the facilities. The indirect economic impacts of the Oakland Zoo result from the recirculation of money spent and the associated jobs created within the region.

Economic Impacts In 2009

Employment Impact

Retaining local employment and achieving sustained growth is a challenging task. However, the Oakland Zoo has demonstrated for decades it can provide significant employment to local residents through good and tough economic times. From 2005 to 2009, employment grew 61 percent. In 2009, the Zoo employed 229 individuals -- 83 percent from Alameda County, with 45 percent residing in the City of Oakland. These data indicate that the Zoo plays a significant role in providing employment opportunities for Alameda County residents, as well as for the local communities.



The high percentage of employees who are local residents, suggests the majority of the jobs generated indirectly as a result of the Zoo's economic activity will also be in local communities. Based on the Regional Input-Output Modeling System (RIMS II) of the US Bureau of Economic Analysis, in 2009, the Zoo's 116 full-time equivalent (FTE) employees supported an additional 64 FTE jobs across the state.

Table One: Summary of Employment Impact 2009

Place	Full-Time Equivalent (FTE)	RIMS II Multiplier 2000 (Museums, Historical Sites, Zoos and Parks)	Indirect Impact	Total Employment Impact
Alameda County	93	0.48	45	138
Contra Costa County	13	0.41	5	18
San Francisco County	3	0.70	2	5
Other Counties	7	0.55	4	11
California Total	116	0.55	64	180

Notes:

1. The multiplier for the state is larger than for counties since the state has a wider range of industries with which to capture the indirect economic activity generated by the Zoo.
2. The employment indirect impacts do not include jobs generated from the Zoo's purchase of goods and services.

Payroll and Benefits Impact

The amount the Zoo spends on payroll and benefits supports employees and their families, and also circulates capital within the surrounding community, contributing even further to the local economy. In 2009, the Zoo directly spent \$6.74 million on payroll and benefits. It generated an additional \$3.2 million in indirect economic activity within Alameda County -- \$1.4 million of which was in the City of Oakland. In total, the Oakland Zoo has contributed almost \$10 million toward supporting local economic activity.

Table Two : Summary of Payroll and Benefits Impact 2009

Payroll & Benefits	Direct Spending	RIMS II Multiplier 1997/2006*	Indirect Economic Impacts	Total Economic Impacts
Within Alameda County	\$6,741,000	1.48	\$3,235,680	\$9,976,680
Within the City of Oakland	\$3,033,450	1.48	\$1,456,056	\$4,489,505

Note: * The multiplier for this table is based on the RIMS II multiplier within Alameda County.

Taxable Sales Impact

The Oakland Zoo's purchases from vendors as well as food and gift sales at the Zoo have generated taxable sales that directly contribute to the amount of regional sales tax collected. According to the State of California Board of Equalization, of the 9.75 percent Sales Tax, 3.5 percent goes to the city and county jurisdictions. In 2009, the Oakland Zoo paid \$305,000 in State Sales Tax, \$109,487 of which went to Alameda County. Items sold at the Zoo generated an additional \$162,041 an indirect Sales Tax within Alameda County.

Table Four :Sales Tax Within Alameda County and State of California In 2009

Sales Tax	Direct Sales Tax	RIMS II Multiplier 1997/2006	Indirect Economic Impacts	Total Economic Impacts
Alameda County Sales Tax	\$109,487	1.48	\$52,554	\$162,041
California Sales Tax	\$305,000	1.48	\$146,400	\$451,400

Expenditures Impact

The primary expenditures of the Zoo also are one of the key factors that support sustainable local economic growth, including capital investments, animal management and veterinary care, administration and marketing, education, conservation, fundraising and membership, facilities maintenance, operations and concessions, and special events. In 2009, the Zoo generated \$19.4 million in total spending within the region, including \$12.6 million in direct spending and an additional \$6.7 million in indirect spending within Alameda County.

Economic Benefits from Future Construction

In 2010, the Oakland Zoo will embark on two transformational projects to further the Zoo's commitments to animal care, education, and conservation. A roughly 20-acre California Exhibit and an approximately 17,000 square-foot Veterinary Medical Hospital both promise great regional economic benefits. The Zoo plans to integrate "green" building techniques into the Veterinary Medical Hospital by utilizing approximately 20 percent less energy and reducing water usage by at least 30 percent as compared to conventional designs. In addition, at least 75 percent of the construction debris will be diverted from landfills through a comprehensive on-site recycling program. The total construction cost will be \$11.75 million. As a result of capital circulations in the region, the project will generate \$18.10 million in total spending, including \$6.5 million of additional indirect spending within Alameda County (See Table Five: Future Construction Impacts Within Alameda County).

The Zoo is also planning a roughly 20-acre Californial Exhibit that promises to redefine the Oakland Zoo as a wildlife park with regional significance. The total regional economic Impact of this future construction will amount to \$92.79 million, including \$60.25 million for direct construction costs and an additional \$32.54 million in indirect spending generated within Alameda County (See Table Five: Future Construction Impacts Within Alameda County).

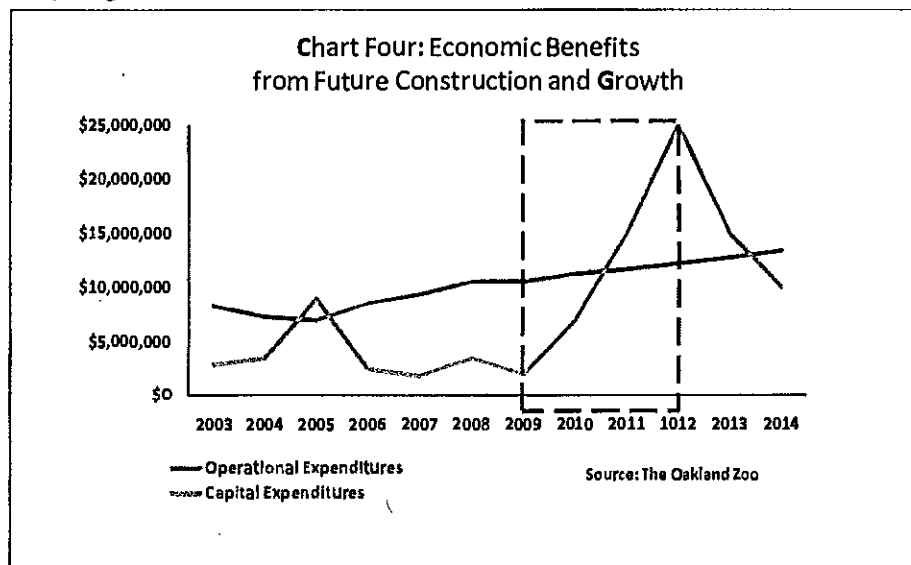
Table Five: Future Construction Impact Within Alameda County

Project	Construction Costs	RIMS II Multiplier 1997/2006 (Type I)*	Indirect Economic Impacts	Total Economic Impact
Veterinary Medical Hospital (million)	\$11.75	1.55	\$6.46	\$18.21
Californial (million)	\$60.25	1.54	\$32.54	\$92.79
Total Constructibn Costs	\$72		\$39	\$111

Notes:

1. The multiplier used for the Veterinary Medical Hospital is the RIMS II veterinary services sector multiplier 1997/2006 for Alameda County (Type I).
2. The multiplier used for the Californial Exhibit is the RIMS II multiplier for museums, historical sites, zoos and parks sector 1997/2006 for Alameda County (Type I).

These large construction projects will result in a significant increase in future capital expenditures. By the end of 2012, construction expenditures are expected to reach \$25 million. This will generate a much greater increase in capital expenditures than the last period of increased expenditures in 2003 (See Chart Four: Economic Benefits from Future Construction and Growth). In addition, the projected \$25 million expenditure in 2012 will generate an additional \$13.5 million in indirect spending within Alameda County. With capital expenditures growing between 2009 and 2012, even assuming a relatively constant operational expenditures growth rate (the red line in Chart Four), the Zoo will still have a significant impact on local economic activities (the green line in Chart Four).



CULTURAL IMPACTS

Beyond economic impacts, the ultimate objective of Zoo Improvements is the unique impact on cultural development in the surrounding community. The improvements allow the Zoo to offer an even wider range of education programs and volunteer opportunities for local youth, residents and visitors, and will significantly enhance community engagement and quality of life in the region.

Building a Sustainable Knowledge-Sharing Economy

Education programs are the most important cultural activity provided by the Zoo. It has been the primary motivation for building a sustainable knowledge-sharing resource for the local community and the region.

The Oakland Zoo's dedicated staff, trained docents, and volunteers provide a rich array of educational programs for the more than 200,000 children who visited the Zoo and nearly 40,000 students who are directly served by Zoo's programs each year. In 2009, the Zoo obtained fee revenue to support its education programs, while collectively helping to meet a growing need in the area's public school system to supplement its curriculum in science and environmental education.

The Zoo reaches a broad spectrum of the community, offering educational programs for people of all age and socio-economic levels. In 2009, the Oakland Zoo's educational programs served a total of 38,330 people, providing 989 education programs for K-12 school aged children and families (See Table Four: Knowledge-Sharing, Education Fact Sheet – FY 2009).

Table Six: Knowledge-Sharing
Education Fact Sheet FY 2009

Program Name	Number of Programs	People Served
ZooMobile (age K-12)	290	16,635
ZooSchool (age K-12)	288	8,688
Summer Camp (age K-12)	98	1,028
ZooSchool Discovery	96	6,455
Bedtime with the Beasts (age 6 - 18)	47	850
Additional Programs	170	4,674
TOTAL	989	38,330



Citizen Participation and Community Engagement

Citizen participation and community engagement is one of the most important problem solving tools to eliminate deficiencies in the community (Christensen & Robinson 1980)¹. Cahn and Camper (Cahn and Camper 1968)² suggest that participation and engagement promotes dignity and self-sufficiency within the individual; taps the energies and resources of individual citizens within the community; and provides a source of special insight, information, knowledge, and experience, which contributes to the soundness of community solutions (Keith L. Smith 2009)³.

As one of the major cultural centers in the region, the Oakland Zoo supports citizen participation and community engagement. Every year, the Zoo attracts hundreds of volunteers from across the region who want to help sustain and build the Zoo's programs as a valuable asset for the community and region. In 2009, over 420 people from across the region devoted nearly 50,000 hours as volunteers to the Zoo (See Table Seven: Volunteer Services in FY 2009).

Table Seven: Volunteer Services In FY 2009 (12-mo)

Types	Volunteer	Hours
Education Volunteers	215	18,083
Other Volunteers	205	31,736
Total	420	49,819

Notes:

1. Christenson, James A. & Robinson, Jerry W., Community Development In America. Ames, Iowa: Iowa State University Press, 1980.
2. Cahn, Edgar S. and Jean Camper, "Citizen Participation," Citizen Participation in Urban Development, Hans B.C. Speigel, ed. Washington D.C : N&L Institute for Applied Behavioral Science, 1968.
3. Keith L. Smith, "Ohio State University Fact Sheet Community Development : Citizen Participation in Community Development," Iowa State University, <http://ohioline.osu.edu/cd-fact/1700.html> Feb 02, 2010 3:08pm



CONCLUSION

The analysis of the Oakland Zoo's impact using RIMS II multipliers from the U.S. Department of Commerce, Bureau of Economic Analysis, indicates the Zoo's activities directly and indirectly are responsible for 293 jobs and nearly \$10 million in payroll and benefits to Alameda County. The Zoo's activities also generated \$305,000 In State Sales Tax revenue. In addition, the planned expansion of the Veterinary Medical Hospital and California Exhibit will contribute over \$111 million to the local economy. Clearly, the Oakland Zoo is as important to the local economy as any private sector organization.

And the Zoo's mission extends beyond its economic impacts. In 2009, the Zoo augmented local science education curricula and provided an entertaining and important learning environment through 989 educational programs that benefitted 38,330 people. By providing a quality visitor experience, the Oakland Zoo Inspires respect for, and stewardship of, the natural world. With the generous support of the community – through approved bond financing, the direct contribution of thousands of hours of volunteer work and philanthropic support – the Zoo has been able to establish itself as a valued cultural and educational asset.

At a time when it has become increasingly important to understand our natural world, the Oakland Zoo is providing the resources that excite interest in learning. At a time when our economy hinges on the ability to appeal to the most highly educated workers, the Oakland Zoo makes a substantial contribution to the quality of life that can attract and retain those human resources. As such, the Oakland Zoo is making major contributions to help promote the economic development goal of creating a "world-recognized location to grow business, attract capital and create quality jobs" (source: East Bay EDA mission statement). With strong support from the East Bay community, the Zoo will expand its footprint and increase its ability to make significant economic and community contributions to the East Bay and Greater Bay Area.



THE EAST BAY ECONOMIC DEVELOPMENT ALLIANCE

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Executive Director

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RESEARCH METHODOLOGY AND DATA SOURCES

1. Methodology and Impacts Area

The economic impact analysis presented in this report is based on the 1997/2006 Regional Input Output Modeling System (RIMS II) developed by the Bureau of Economic Analysis at the U. S. Department of Commerce. The RIMS II model provides estimates of sector specific impacts on regional economic activities. Alameda County was selected as the geographic impact area.

2. Economic Impacts

Economic impact analysis includes direct and indirect impacts. The direct economic impacts are defined as economic activities of a sector or project directly connected with changes in regional economic activities. The indirect economic impacts are those stimulated by the direct economic activities.

The value of the RIMS II model is that in capturing both direct and indirect impacts, it provides additional detailed information on the regional economic impacts of operational and capital expenditures, employment, payroll and benefits, visitor revenue, education programs, and volunteers.

3. RIMS II Multipliers

The RIMS II multipliers are used to measure the indirect impacts that provide the estimates of the broader regional impacts, such as changes in final demand on one or more regional industries in terms of output, employment, and labor earnings. For instance, based on the RIMS II multipliers for the Zoo industry, every dollar (\$1) that the Oakland Zoo spends on its employment and payroll generates an additional 48 cents (\$0.48) within Alameda County. Because of the higher density of both supply inputs and customers for output, in general, multipliers tend to be higher for industries located in large urban areas, like Alameda County.

4. Timeline, Data and Data Source

This report represents a past and future perspective as of the end of the 2009 fiscal year (September 30, 2009). Actual data are used from 2003 to 2009 and projections from 2010 to 2014. The Oakland Zoo was the primary data source.

APPENDIX I

Chart One: Growth of Visitor Revenue and Payroll and Benefits

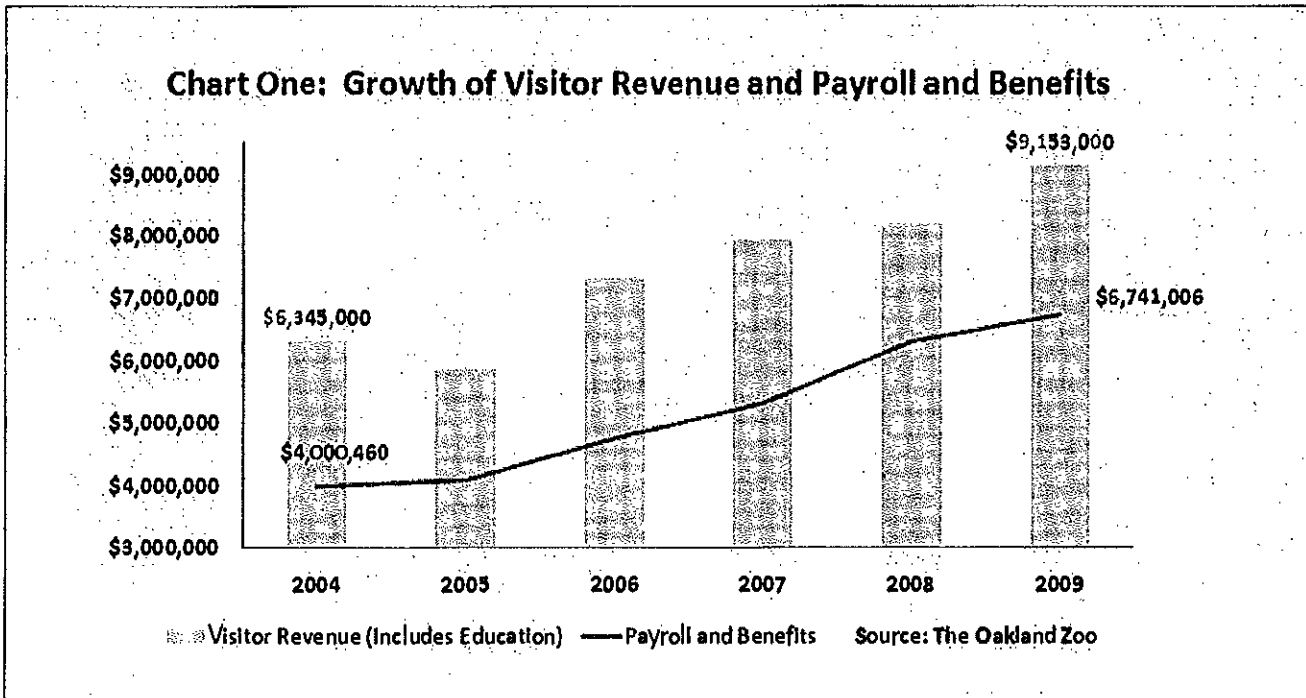
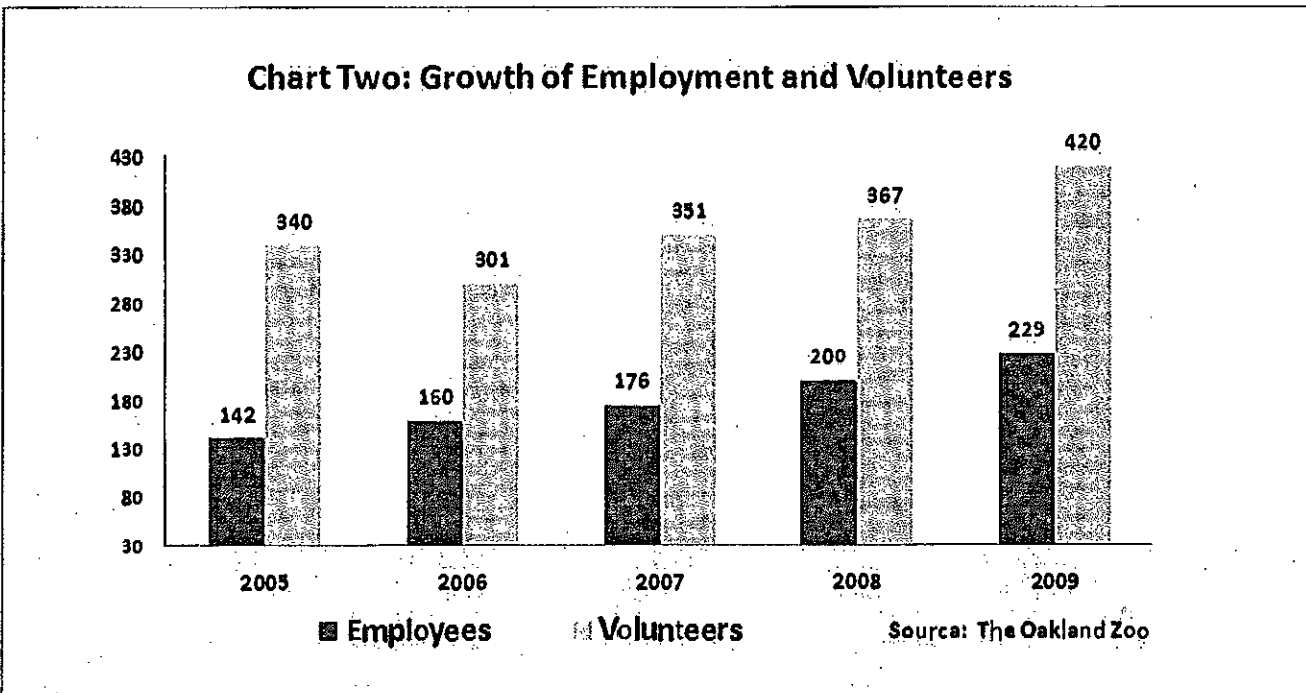


Chart Two: Growth of Employment and Volunteers



APPENDIX I

Chart Three: Local Employment, Percentage of Total Employment in 2009

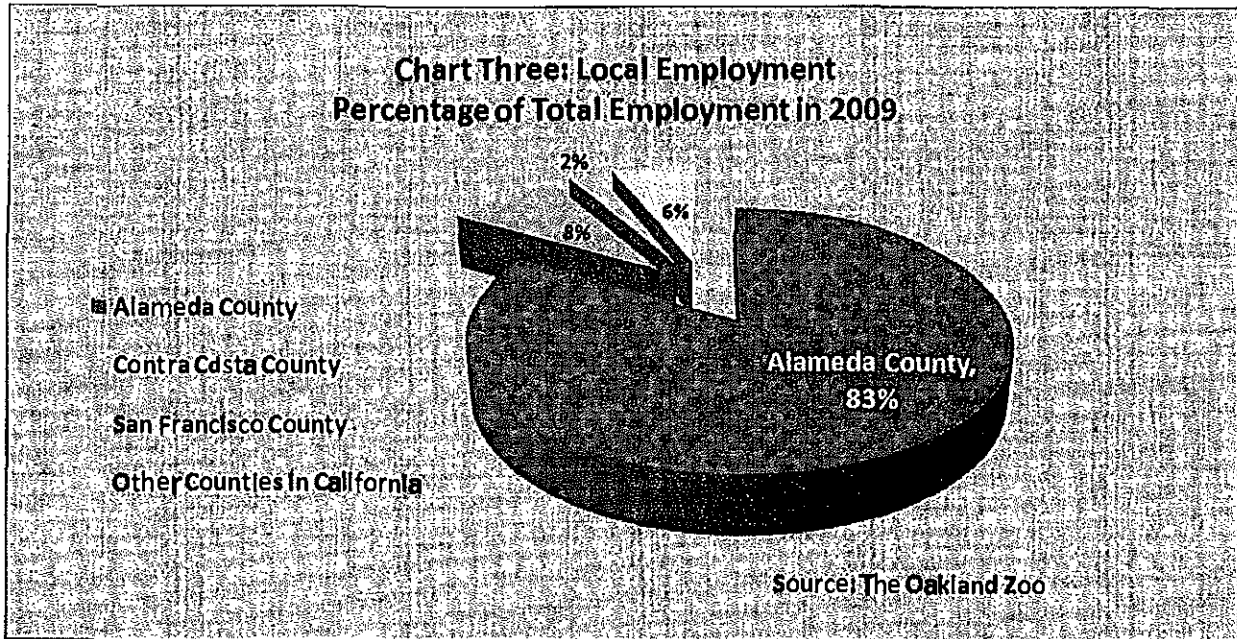
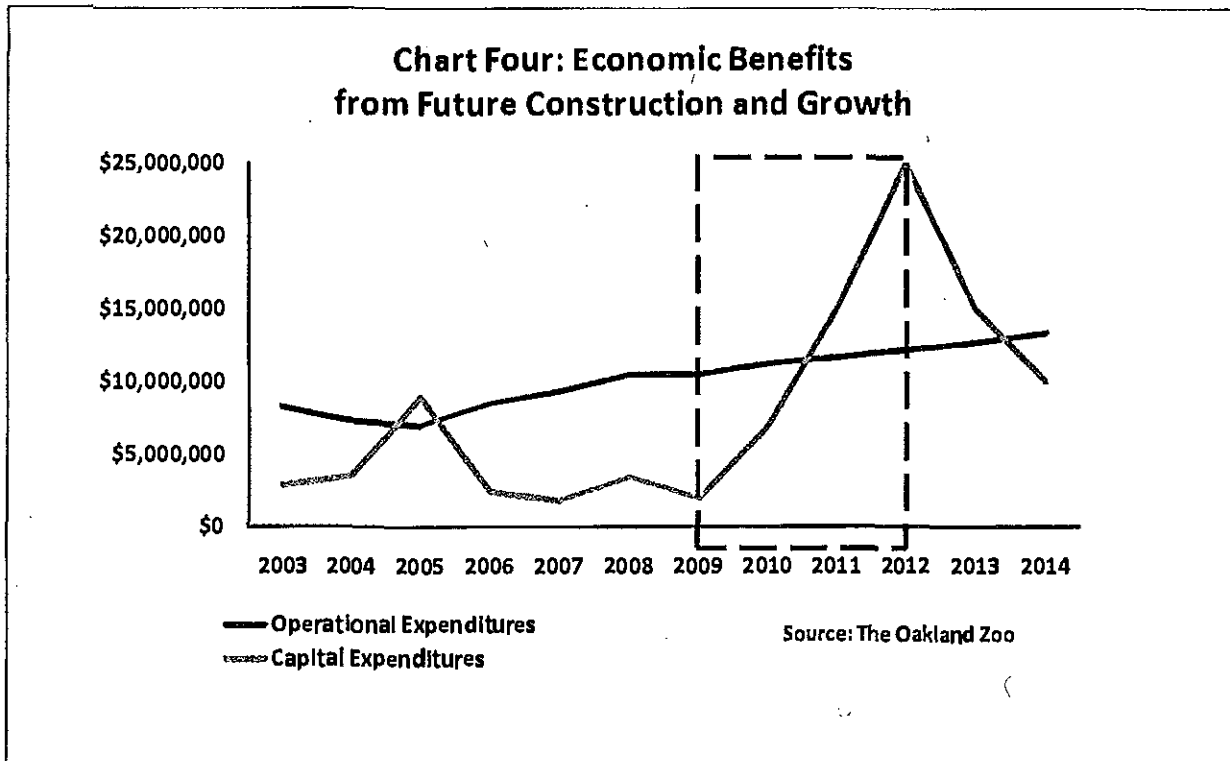


Chart Four: Economic Benefits from Future Construction and Growth



APPENDIX I

Table One: Summary of Employment Impact 2009

Place	Full-Time Equivalent (FTE)	RIMS II Multiplier 2000 (Museums, Historical Sites, Zoos and Parks)	Indirect Impact	Total Employment Impact
Alameda County	93	0.48	45	138
Contra Costa County	13	0.41	5	18
San Francisco County	3	0.70	2	5
Other Counties	7	0.55	4	11
California Total	116	0.55	64	180

Note:

1. The multiplier for the state is larger than for a county since the state has a wider range of industries with which to capture the indirect economic activity generated by the Zoo.
2. The employment indirect impacts do not include the jobs that are generated from the Zoo's purchase of goods and services.

Table Two : Summary of Payroll and Benefits Impact 2009

Payroll & Benefits	Direct Spending	RIMS II Multiplier 1997/2006*	Indirect Economic Impacts	Total Economic Impacts
Within Alameda County	\$6,741,000	1.48	\$3,235,680	\$9,976,680
Within the City of Oakland	\$3,033,450	1.48	\$1,456,056	\$4,489,506

Note: * The multipliers for this table based on the RIMS II multiplier within Alameda County.

Table Three: Total Sales Tax In 2009

Place	Sales Tax Rate	Food and Gift Sales	Purchases Tax Sales from Vendors	Sales Tax In Capital Improvement	Total Sales Tax
State of California	8.25	\$184,000	\$46,000	\$75,000	\$305,000

APPENDIX I

Table Four : Sales Tax Within Alameda County and State of California in FY 2009

Sales Tax	Direct Sales Tax	RIMS II Multiplier 1997/2006 (Museums, Historical Sites, Zoos and Parks)	Indirect Economic Impacts	Total Economic Impacts
Alameda County Sales Tax	\$109,487	1.48	\$52,554	\$162,041
California Sales Tax	\$305,000	1.48	\$146,400	\$451,400

Notes: *Alameda County Sales Tax Rates Is 9.75%.

Table Five: Future Construction Impact Within Alameda County

Project	Construction Costs	RIMS II Multiplier 1997/2006 (Type I)*	Indirect Economic Impacts	Total Economic Impact
Veterinary Medical Hospital (million)	\$11.75	1.55	\$6.46	\$18.21
California Exhibit (million)	\$60.25	1.54	\$32.54	\$92.79
Total Construction Costs	\$72		\$39	\$111

Notes:

1. The multiplier used for the Veterinary Medical Hospital is the RIMS II veterinary services sector multiplier 1997/2006 for Alameda County (Type I).
2. The multiplier used for the California Exhibit is the RIMS II multiplier for museums, historical sites, zoos and parks sector 1997/2006 for Alameda County (Type I).

Table Six: Knowledge-Sharing Education Fact Sheet FY 2009

Program Name	Number of Programs	People Served
ZooMobile (age K-12)	290	16,635
ZooSchool (age K-12)	288	8,688
Summer Camp (age K-12)	98	1,028
ZooSchool Discovery	96	6,455
Bedtime with the Beasts (age 6 - 1R)	47	850
Additional Programs	170	4,674
TOTAL	989	38,330

APPENDIX I

Table Seven: Volunteer Services in FY 2009 (12-mo)

Types	Volunteer	Hours
Education Volunteers	215	18,083
Other Volunteers	205	31,736
Total	420	49,819

REFERENCE

Cahn, Edgar S. and Jean Camper, "Citizen Participation," Citizen Participation in Urban Development, Hans B.C. Spiegel, ed. Washington D.C.: N&L Institute for Applied Behavioral Science, 1968.

Christenson, James A. & Robinson, Jerry W., Community Development in America. Ames, Iowa: Iowa State University Press, 1980.

Keith L. Smith, "Ohio State University Fact Sheet Community Development : Citizen Participation In Community Development," Iowa State University, <http://ohioline.osu.edu/cd-fact/1700.html> Feb 02, 2010 3:08pm

ATTACHMENT 3

EBZS Major Investments - Oakland Zoo

Zoo Improvements		
Year	Project	Cost
1986	Ocelot Exhibit	\$ 47,000
1987	Baboon Exhibit	56,000
1988	Chimpanzee Exhibit	125,000
	Zebra Exhibit	65,000
1989	Elephant Exhibit	1,200,000
1991	Gibbon Island	285,000
	Elephant safety improvements	350,000
1992	Lion Exhibit	727,000
	Flamingo Exhibit	650,000
1993	Siamang island	385,000
1996	Sun Bear Exhibit	450,000
	Maintenance Building	400,000
1997	Administration Office	450,000
1998	African Savanna	2,800,000
1999	Environmental Education Center	3,600,000
2001	Tiger Exhibit	410,000
	Zoo Entrance	2,800,000
2002	Public Restrooms	300,000
	Squirrel Monkey Exhibit	260,000
	Public Parking	975,000
2005	Children's Zoo	14,500,000
2006	Giraffe Barn	285,000
2008	Elephant Exhibit Expansion	325,000
2009	Baboon Exhibit	1,080,000
2010	Wild Australia Exhibit	270,000
TOTAL		\$52,795,000
Park Improvements		
Year	Project	Cost
1986	Historic building restoration Lower Park improvements	\$ 45,000
1996	Park entrance restoration	225,000
2007	Arroyo Viejo Creek restoration	800,000
2008	French broom removal	45,000
2010	French broom removal - retreatment	35,000
1990-2011	Non-native tree removal	180,000 (est.)
TOTAL		\$1,330,000
TOTAL (Zoo and Park Improvements)		\$34,305,000