City of Dallas

1500 Marilla Street
Council Chambers, 6th Floor
Dallas, Texas 75201

Legislation Details (With Text)

File #:	21-1172 **Version:** 1	**Name:**	
Type:	ITEMS FOR INDIVIDUAL CONSIDERATION	**Status:**	Approved
File created:	6/9/2021	**In control:**	Park & Recreation Department
On agenda:	6/23/2021	**Final action:**	
Title:	Authorize a ten-year lease agreement with one five-year renewal option between Fair Park First and zoOceanarium Group, LLC to operate the Children's Aquarium located at 1462 First Avenue in Fair Park - Financing: No cost consideration to the City		
Sponsors:			
Indexes:	7		
Code sections:			
Attachments:	1. Resolution		

Date	Ver.	Action By	Action	Result

STRATEGIC PRIORITY: Quality of Life

AGENDA DATE: June 23, 2021

COUNCIL DISTRICT(S): 7

DEPARTMENT: Park & Recreation Department

EXECUTIVE: John D. Jenkins

SUBJECT

Authorize a ten-year lease agreement with one five-year renewal option between Fair Park First and zoOceanarium Group, LLC to operate the Children's Aquarium located at 1462 First Avenue in Fair Park - Financing: No cost consideration to the City

BACKGROUND

On May 20, 2021, the Park and Recreation Board authorized adding The Children's Aquarium to the Fair Park First Management Agreement. This addition places the management and operations of the Children's Aquarium under Fair Park First. Pursuant to the Management Agreement, Fair Park First is authorized to negotiate leases in excess of a year term subject to the Park and Recreation Board and City Council approval. Fair Park First has negotiated a lease agreement with zoOceanarium Group, LLC and seeks approval from the Park and Recreation Board and City Council.

The salient terms of the negotiated lease include the following:

Term: 10 years with one five-year renewal option.

Rent: zoOceanarium Group, LLC shall pay an annual base rent to Fair Park First in the amount of (a) $25,000.00 during the term of the commencement date until July 31, 2023, (b) $50,000.00 during the term from and after August 1, 2023 until July 31, 2031 and (c) $52,500.00 per year during the renewal option period. All payments shall be payable to Fair Park First in quarterly installments.

Tenant Improvement Allowance: On June 9, 2021, City Council approved an allocation of $500,000.00 from the Equity Revitalization Capital Fund to be disbursed to Fair Park First. Under the terms of the negotiated lease Fair Park First proposes to use the $500,000.00 to reimburse zoOceanarium Group, LLC for (i) certain costs in connection with improvements, (ii) obtaining an Association of Zoos and Aquariums (AZA) accreditation and (iii) other operational needs in order to open to the public and begin operations in the Premises, including related marketing and advertising expenses. The Park and Recreation Board authorized this financing on May 20, 2021.

Performance Indicators: zoOceanarium Group, LLC will be required to provide performance indicators to Fair Park First on an annual basis. These indicators shall include the number of visitors, events and programs, projected net and gross operating revenues, capital improvements, charitable donations, as well as providing programs that provide access to underprivileged youth and their families.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 24, 2018, City Council authorized a twenty-year management contract, with two five-year extension options, with Fair Park First for the management and operation of Fair Park for the Park & Recreation Department by Resolution No. 18-1531.

On May 20, 2021, the Park and Recreation Board authorized **(1)** a first amendment to the management agreement with Fair Park First to amend sections 3.01(c), 3.01(f), 3.02 (a), 4.20, 14.03; and add a section 3.02(b) regarding maintenance and operation of the Children's Aquarium; and **(2)** funding through the Equity Revitalization Capital Fund and the General Fund.

On June 9, 2021, City Council authorized **(1)** a first amendment to the management agreement with Fair Park First to amend sections 3.01(c), 3.01(f), 3.02 (a), 4.20, 14.03; and add a section 3.02(b) regarding maintenance and operation of the Children's Aquarium; and **(2)** funding through the Equity Revitalization Capital Fund and the General Fund by Resolution No. 21-1017.

On June 17, 2021, the Park and Recreation Board authorized a ten-year lease agreement with one five-year renewal option between Fair Park First and zoOceanarium Group, LLC to operate the Children's Aquarium at Fair Park located at 1462 First Avenue.

FISCAL INFORMATION

No cost consideration to the City.

OWNER

zoOceanarium Group, LLC

Chris Davis, Managing Director