



## Saginaw Children's Zoo: From Privation to Privatization

by Joseph Lehman

### Summary

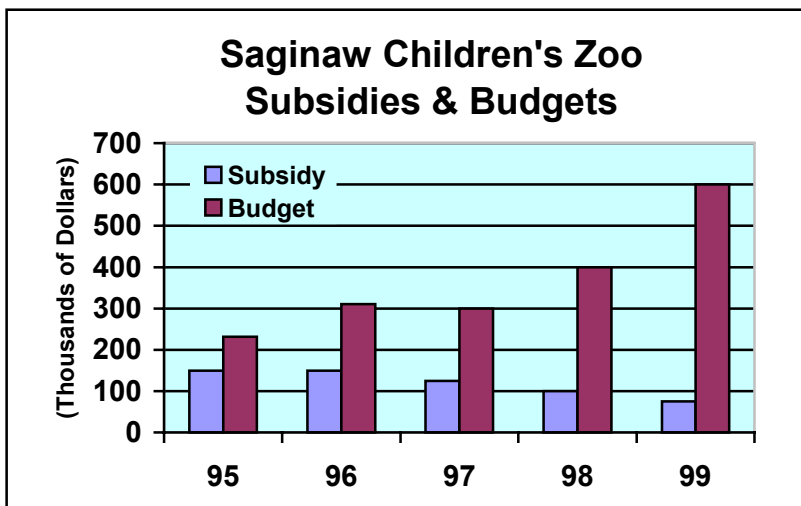
Privatization of the Saginaw Children's Zoo has rescued it from the ill effects of years of city politics and bureaucracy. Now private, the zoo's income is soaring, attendance is up, attractions are refurbished, jobs are more plentiful, workers are more highly paid, and the animals are healthier.

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From the city of Saginaw, Michigan, comes a success story that deserves wide public attention. Because city officials and residents put their heads together to save the Saginaw Children's Zoo, the result has been a big win for everyone concerned: the workers, the city, the taxpayers, the zoo visitors, and even the animals.

Originally intended to be one of Saginaw's star attractions when the zoo was built in 1929, the city-owned and operated amenity had become a perennially low-priority slice of a cash-strapped municipal budget by the 1990s. Over the years, this contributed to a neglect of the zoo and its animals, which in turn affected the quality of the exhibits, which naturally depressed attendance and admission receipts, which ultimately resulted in a greater demand for more subsidies to keep the zoo afloat.

As early as 1989, the writing was on the wall. The Saginaw Valley Zoological Society, a private, nonprofit association, formed a zoo support group that year. The group believed that the zoo needed either massive subsidies or radical changes in management and operations to survive. Ultimately, the Society recommended saving the zoo by ending the subsidies and transferring ownership and management of the zoo from the city to the private sector. In 1996, Saginaw did just that, counting on the Society's promise to assist the transition to a self-supporting attraction.



The privatized zoo's budget soars as its subsidies dwindle.

At the top of the Society's priority list was replacing city management with someone who could effectively market the zoo's attractions, raise support for the zoo, and help it realize its potential for education and entertainment of locals and tourists. In September 1996 Andrew Forester became the new zoo director.

Freed from bureaucracy and political constraints, Forester put the privatized zoo on a path to self-sufficient vitality. Zoo subsidies are almost phased out, income and budgets are increasing, attendance is up, new construction is

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booming, educational programs are growing, amenities are being added, and animal populations and health are at unprecedented levels.

Forester and the zoo's Board of Directors have raised nearly \$2 million in private, charitable contributions since 1996. "Working separate from the municipality has helped our fundraising tremendously," he said, "because people are reluctant to give if they perceive they're already forced to support the zoo through taxes." Gate receipts are up, too. This year, Forester expects the zoo's improved attractions and promotion to attract 95,000 patrons—two and a half times the number of just two years ago.

This attendance combined with what the zoo expects visitors to spend inside the park on gifts, rides, and concessions are expected to generate all but a pittance of the 1999 budget. And it's all paid for by people who either patronize the zoo or give to it voluntarily. Forester does not have to bear criticism from taxpayers who complain that they have no interest in the zoo but are forced to support it anyway.

Immediately after privatization, a massive cleanup of the zoo took 18 months. Anyone who has visited the zoo recently has seen spruced-up exhibits and construction crews building even more improvements. The animal population of the zoo was increased from 60 in 1996 to 110 in 1998. New animals include bobcats, bald eagles, and alligators. "Before privatization," said one zoo worker, "we were just basically trying to keep the animals alive. Now we can really care for them." Many more improvements are on the drawing board.

City employees were some of the biggest beneficiaries of the privatization. The zoo typically had 4 permanent and 12-14 seasonal employees before the change. Now, the zoo has 11 permanent and 28-30 seasonal employees. In addition, pay levels have increased and zoo employees receive more vacation time than they did under city ownership.

A pessimist once quipped that no good deed goes unpunished. Officials who exercise good stewardship of the public purse by privatizing may feel their efforts to stretch budgets and improve services are appreciated by no one. They should be encouraged by the Saginaw Children's Zoo success story, which proves that privatization done right can relieve financial stress, help employees, and—best of all—save services that the public values the most.

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(Joseph Lehman is vice president of communications for the Mackinac Center for Public Policy, a research and educational institute headquartered in Midland, Michigan. More information on privatization is available at [www.mackinac.org](http://www.mackinac.org). Permission to reprint in whole or in part is hereby granted, provided the author and his affiliation are cited.)

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