

CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS

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Policy Analysis Report

To: Supervisor Myrna Melgar
From: Budget and Legislative Analyst's Office
Re: Projected Fiscal Impact from Cessation of San Francisco Zoological Society
Operations
Date: April 7, 2026



Summary of Requested Action

Your office requested that the Budget and Legislative Analyst conduct an analysis of the short-term costs to the City if the San Francisco Zoological Society, the nonprofit organization that manages and operates the San Francisco Zoo and Gardens, terminates its operations, resulting in the City assuming responsibility for Zoo animals and grounds.

For further information about this report, contact Dan Goncher at the Budget and Legislative Analyst's Office.

Executive Summary

The San Francisco Zoological Society (SFZS), a nonprofit organization, has managed and operated the San Francisco Zoo and Gardens (Zoo) since 1993. While SFZS is responsible for day-to-day Zoo operations, maintenance, and animal care, the City owns all Zoo land, improvements, and animals.

This report estimates the **short-term (three-year)** costs to the City if SFZS is no longer able to operate the Zoo and the City must assume responsibility for Zoo animals and grounds. We consider three scenarios in this analysis:

1. In **Scenario 1 (City-Managed Zoo)**, we estimate the costs to the City if the City assumes management of the Zoo and continues to operate it as a City-run institution open to the public. In this scenario, we assume the City will earn revenue from Zoo admissions, memberships, retail, and education programming, and will incur personnel and non-personnel costs for Zoo operations such as costs for animal care, buildings and grounds maintenance, admission and guest services, security, marketing, utilities, and administration and support services. We assume the City will not earn revenue or incur costs related to fundraising activities, estate bequests, or donor contributions in this scenario; however, a nonprofit "Friends of the San Francisco Zoo" organization could be established for fundraising and development activities to support the City-managed Zoo, which would allow the Zoo and the City to benefit from private philanthropic support and could decrease the amount of General Fund support needed for Zoo operations.

2. In **Scenario 2 (Zoo Closure)**, we estimate the costs to the City if the City assumes management of the Zoo, closes the Zoo to the public, and begins the process of relocating Zoo animals to other institutions in order to permanently dissolve the Zoo. We estimate that the animal relocations will occur over a three-year period. In this scenario, we assume the City will earn no revenue from Zoo operations and will incur no costs for *public-facing* functions such as admissions, retail, marketing, education, membership/guest services, fundraising activities, or donor development. We assume the City will incur only personnel and non-personnel costs for *essential* Zoo operations while the animals are relocated, including costs for animal care and food, animal transportation and related equipment, essential buildings and grounds maintenance, and essential administration and support services. We also assume that both personnel and non-personnel animal care and food costs will decline over the three-year period as animals are relocated. After this three-year period, we assume all animals will have been relocated and the Zoo will be permanently closed. We do not estimate the economic, social, or community impact of the Zoo's closure in this analysis.

3. In **Scenario 3 (New Nonprofit Operator)**, we estimate the costs to the City if the City temporarily assumes management of the Zoo and closes the Zoo to the public until it identifies a replacement nonprofit operator to manage the Zoo on behalf of the City. In the first year of this scenario, we assume the City will incur personnel and non-personnel costs for essential care and maintenance of Zoo animals and grounds, including costs for animal care and food, essential buildings and grounds maintenance, and essential administration and support services, while it conducts a Request for Information (RFI) and/or Request for Proposals (RFP) solicitation process to select a new nonprofit Zoo operator. As the Zoo would be closed to the public, we assume the City will incur no costs for admissions or retail operations, marketing, education, membership/guest services, fundraising activities, or donor development. In the second and third years of this scenario, we assume the City will incur costs in the form of a management/operating fee paid to the Zoo's new nonprofit operator. However, if the City is unable to identify a new nonprofit operator to manage the Zoo in the first year of this scenario, we anticipate that it would subsequently decide to proceed with either Scenario 1 (City-Managed Zoo) or Scenario 2 (Zoo Closure) as described above and would incur associated costs accordingly.

Overall, we project that if SFZS is no longer able to manage and operate the Zoo, the City would incur costs of between \$42 million and \$65 million over the three-year projection period, with variable additional ongoing annual costs thereafter. The results of each scenario are summarized in Exhibit 1 below.

Exhibit 1: Three-Year Cost Summary, All Scenarios

	Near Term Projected Costs (3 years)		
	Scenario 1: City-Managed Zoo	Scenario 2: Zoo Closure	Scenario 3: New Nonprofit Operator
<i>Scenario Description</i>	<i>The City manages and operates the Zoo and keeps it open to the public.</i>	<i>The City permanently closes the Zoo and relocates all the animals.</i>	<i>The City closes the Zoo temporarily and conducts a solicitation process for a new nonprofit operator.</i>
Total Rev. (3 years)	\$44,673,425		\$0
Total Exp. (3 years)	\$109,607,696	\$45,369,355	\$42,456,995
General Fund Support (3 years)	\$64,934,271	\$45,369,355	\$42,456,995
<i>Additional One-Time Costs</i>	<i>Legal and human resources costs for hiring Zoo staff. Other overhead.</i>	<i>Legal and human resources costs for hiring and separating essential Zoo staff; other overhead. Animal relocation costs: between \$575,000 and \$1.2 million plus \$100,000 for every animal that is difficult to relocate.</i>	<i>Legal and human resources costs for hiring and separating essential Zoo staff; other overhead. Costs for soliciting new nonprofit operator and contract negotiations.</i>
<i>Future Ongoing Costs</i>	<i>General fund support of around \$22 million annually, plus adjustments for inflation.</i>	<i>Will depend on the City's use of Zoo land. At minimum, essential maintenance and security costs.</i>	<i>Annual management fee paid to the nonprofit operator, plus adjustments for inflation.</i>
<i>Other Considerations</i>	<i>A nonprofit "Friends of the San Francisco Zoo" organization could be established for fundraising and development activities.</i>	<i>Economic and social/community costs related to the closure of the Zoo, and effects on the City's public image and tourism.</i>	<i>If no new nonprofit operator is identified, the City would likely pursue Scenario 1 or Scenario 2.</i>

Source: BLA analysis.

Policy Options

The Board of Supervisors could:

1. Encourage relevant City departments, including the Recreation and Park Department and the Mayor's Office, to continue to support and partner with the San Francisco Zoological Society, given the high cost associated with all alternative scenarios evaluated in this report and the uncertainty of finding another nonprofit operator able to manage the San Francisco Zoo.

OR

2. Work with the Mayor's Office to identify the necessary resources, ranging from an estimated three-year cost of \$42,456,995 to \$64,934,271 as well as ongoing General Fund support beyond three years, to implement one of the three alternative scenarios analyzed in this report (conversion to a City-managed San Francisco Zoo, permanent closure of the Zoo, or identifying a new nonprofit operator of the Zoo).

Project Staff: Dan Goncher, Linden Bairey, Estefanía Suárez.

Table of Contents

Summary of Requested Action	1
Executive Summary	1
Policy Options	3
Table of Contents.....	5
Background.....	6
San Francisco Zoo History and Management.....	6
Fiscal Impact of the Closure of SFZS	6
Scenario 1: City-Managed Zoo.....	7
Scenario 2: Permanent Zoo Closure	9
Scenario 3: New Nonprofit Zoo Operator.....	11
Conclusion	13
Policy Options	14
Appendix: Methodology.....	15
Revenues and Expenditures Projections	15
Finding Equivalent Positions in the City	16
Animal Relocation Modeling	17

Background

San Francisco Zoo History and Management

The San Francisco Zoo and Gardens (Zoo) was established in 1929 along the City's coastline. In 1954, the San Francisco Zoological Society (SFZS) was established as a nonprofit organization dedicated to the support of the Zoo, and until 1993, SFZS and the City's Recreation and Park Department jointly operated the Zoo. In July 1993, the San Francisco Board of Supervisors approved a Lease and Management Agreement between SFZS and the City, acting through the Recreation and Park Commission (Ordinance No. 278-93), which released the City from all management and operating responsibilities and placed them with SFZS. The primary objectives of this governance change were: (a) to improve SFZS's ability to fundraise without the limitations imposed by public sector ownership; (b) to achieve cost savings for the Recreation and Park Department; and, (c) to improve the Zoo's success in fulfilling its mission of education and conservation with specialized and focused zoo management.

Since July 1993, the Lease and Management Agreement has been the Zoo's primary governing document. Under the terms of the agreement, the City leases the Zoo premises, including all permanent structures, facilities, and animals, to SFZS for a term not to exceed 99 years. The City remains the owner of Zoo land, improvements, and animals. SFZS is responsible for Zoo operations and management; all required permits and accreditations; maintaining the Zoo in a clean, safe, and attractive condition; and costs for capital improvements to the grounds. In exchange for these services, the City pays SFZS a management fee of \$4 million annually, disbursed in monthly installments.

Fiscal Impact of the Closure of SFZS

Given that under the Lease and Management Agreement the City remains the owner of Zoo land, improvements, and animals, the closure of SFZS would require the City to at least temporarily assume management of the Zoo, including responsibility for maintaining and caring for Zoo animals and Zoo land. This report analyzes the **short-term (three-year)** costs to the City if SFZS is no longer able to operate the Zoo and the City must assume responsibility for Zoo animals and grounds:

1. **Scenario 1 (City-Managed Zoo):** The City assumes management of the Zoo and continues to operate it as a City-run institution open to the public.
2. **Scenario 2 (Zoo Closure):** The City assumes management of the Zoo, closes the Zoo to the public, and begins the process of relocating Zoo animals to other institutions in order to permanently dissolve the Zoo.
3. **Scenario 3 (New Nonprofit Operator):** The City temporarily assumes management of the Zoo and closes the Zoo to the public until it identifies a replacement nonprofit operator to manage the Zoo on behalf of the City.

To project the fiscal impact to the City of each of these scenarios, we estimate staff costs for employing necessary Zoo personnel as City employees; non-personnel costs such as animal food, supplies, and contracted services; one-time costs related to animal relocation; and changes in revenue under different scenarios. Our analysis is based on the following assumptions:

1. Revenues and non-personnel expenditures are unchanged from SFZS's revenues and non-personnel expenditures in FY 2024-25, adjusted for inflation.
2. Staffing levels remain as of October 2025, excluding interns and as-needed staff, and the City hires employees into the equivalent or closest City job classifications.
3. The animal relocation process takes three years.
4. It takes one year for the City to conduct a Request for Information and/or Request for Proposals process to select a new nonprofit Zoo operator and to negotiate a new management agreement.

The Appendix to this report includes a detailed description of our methodology for estimating the fiscal impact and the assumptions used in the analysis.

Scenario 1: City-Managed Zoo

In Scenario 1, the City assumes management of the Zoo and continues to operate it as a City-run institution open to the public. We estimate this scenario's short-term direct General Fund costs to be between **\$21 and \$22 million annually, or \$65 million in total over the three-year period**, as shown in Exhibit 2 below.

These costs are in addition to the indirect (legal, human resources, and other overhead) costs the City will incur to manage the hiring and onboarding of approximately 175 full-time equivalent (FTE) civil service Zoo employees, including animal keepers and animal care supervisors, veterinarians, admissions attendants, maintenance and custodial staff, and administrative staff, and for negotiations with the Zoo's concessionaire and contractors who currently provide Zoo services such as security. We assume these human resources, legal, and contract management tasks can be carried out by existing City employees, but they will require staff time and other City resources.

Based on our three-year projections, we estimate that the City will incur approximately **\$22 million in ongoing General Fund costs in each year after the three-year projection period** for the future ongoing operation and management of the Zoo. This amount will increase annually due to inflation, negotiated wage increases, increases in health insurance costs and utilities, and other factors. However, a nonprofit "Friends of the San Francisco Zoo" organization could be established for fundraising and development activities to support the City-managed Zoo, similar to the Friends of the San Francisco Public Library and other "Friends of" organizations in San Francisco. This arrangement would allow the Zoo and the City to benefit from private philanthropic support and reduce General Fund costs.

Exhibit 2: Projected Annual General Fund Support, Scenario 1 (City Managed Zoo)

	Year 1	Year 2	Year 3	3-Year Total
Revenues	\$14,453,209	\$14,886,806	\$ 15,333,410	\$ 44,673,425
Expenditures	\$35,461,418	\$ 36,525,260	\$37,621,018	\$109,607,696
General Fund Support	\$21,008,208	\$21,638,455	\$22,287,608	\$64,934,271
<i>Additional One-Time Costs</i>	<i>Legal and human resources costs for (a) the hiring and onboarding of approximately 175 civil service Zoo employees, including animal care, admissions, maintenance, custodial, and administrative staff; and (b) negotiations with the Zoo's concessionaire and contractors who provide Zoo services.</i>			
<i>Future Ongoing Costs</i>	<i>Estimated to be \$22 million annually. This amount will increase each year due to inflation, negotiated wage increases, increases in health insurance costs and utilities, and other factors.</i>			
<i>Other Considerations</i>	<i>A nonprofit "Friends of the San Francisco Zoo" organization could be established for fundraising and development activities to support the City-managed Zoo.</i>			

Source: BLA projections, based on SFZS FY 2024-25 actual revenues, expenditures, and staffing levels.

The key assumptions of this scenario are described below.

- **Projected revenues:** In each of the three years, we assume the City will earn revenue from its operation of the Zoo, including from Zoo admissions, retail, parking, membership dues, and education programs. We assume the City will not earn revenue from fundraising activities, estate bequests, or donor contributions.
 - To calculate these projected revenues, we use SFZS's FY 2024-25 actual revenues, adjusted annually for inflation. If Zoo attendance, membership, or education program participation increases or decreases significantly from FY 2024-25 figures, projected revenues will be higher or lower respectively.

- **Projected expenditures:** In each of the three years, we assume the City will incur costs related to its operation of the Zoo, including costs for animal care, buildings and grounds maintenance, administration, admissions and retail operations, marketing, education, and membership/guest services. We assume the City will not incur costs related to fundraising activities or donor development.
 - To calculate projected **non-personnel** expenditures, we use SFZS's FY 2024-25 actual expenditures, adjusted annually for inflation. Significant non-personnel expenditures include utilities, repairs and maintenance costs, animal food, contracted security services, and other contracted services. If any of these non-personnel costs increase or decrease significantly from FY 2024-25 figures, projected expenditures will be higher or lower.¹
 - To calculate projected **personnel** expenditures, we use SFZS's October 2025 employee roster by job classification (excluding fundraising and development staff, as mentioned above) and identify equivalent City civil service positions using

¹ In particular, SFZS's utility costs, which totaled \$1.9 million in FY 2024-25, increased by between 13 and 30 percent annually between FY 2021-22 and FY 2024-25.

the City's classification and compensation database and current compensation manual. We estimate the salary and benefit costs for these equivalent civil service positions, adjusted annually for inflation.² If the City significantly increases or decreases Zoo staffing levels compared to SFZS's FY 2024-25 staffing levels, personnel expenditures will be higher or lower respectively.

- **Other uncalculated costs:** In addition to the projected expenditures described above, the City will incur one-time overhead costs for the hiring and onboarding of civil service Zoo staff and for negotiations with the Zoo's concessionaire and contractors who provide Zoo services. These costs are not included in the figures presented in Exhibit 2 above.
- **Other considerations:** A nonprofit "Friends of the San Francisco Zoo" organization could be established for fundraising and development activities to support the City-managed Zoo, similar to the Friends of the San Francisco Public Library and other "Friends of" organizations in San Francisco. This arrangement would allow the Zoo and the City to benefit from private philanthropic support.

Scenario 2: Permanent Zoo Closure

In Scenario 2, we estimate the short-term General Fund costs to the City if the City assumes management of the Zoo, closes it to the public, and begins the process of relocating the animals and permanently closing the Zoo. We project these costs to be between **\$12 and \$19 million annually, or \$45 million in total over the three-year period**, as shown in Exhibit 3 below.

These costs are in addition to the indirect (legal, human resources, and other overhead) costs the City will incur for the hiring, onboarding, and separating of approximately 118 FTE temporary civil service Zoo employees for essential Zoo operations and animal care during this period, including animal keepers and animal care supervisors, veterinarians, maintenance and custodial staff, and administrative staff, and for negotiations with the Zoo's contractors who currently provide Zoo services such as security. We assume these human resources, legal, and contract management tasks can be carried out by existing City employees, but they will occupy staff time and other City resources.

Additionally, we estimate that the City will incur a **one-time cost of between \$575,000 and \$1.2 million for animal relocation**, as well as ongoing General Fund costs in each year after the three-year projection period for **essential maintenance, utility, and security costs** of Zoo land, which are expected to increase annually due to inflation.

² This projection does not account for previously negotiated wage increases in collective bargaining agreements or any wage increases that may be negotiated after FY 2025-26. Miscellaneous (non-safety) unions have closed memoranda of understanding through FY 2026-27. This projection also does not account for increases in the employer share of health insurance costs, which are projected to be higher than inflation in the December 2025 *Five-Year Financial Plan Update: FY 2026-27 through FY 2029-30* report published by the Controller's Office, the Mayor's Office, and the Budget and Legislative Analyst's Office.

Exhibit 3: Projected Annual General Fund Support, Scenario 2 (Zoo Closure)

	Year 1	Year 2	Year 3	3-Year Total
Revenues	\$0	\$0	\$0	\$0
Expenditures	\$19,496,886	\$14,131,153	\$11,741,316	\$45,369,355
General Fund Support	\$19,496,886	\$14,131,153	\$11,741,316	\$45,369,355
<i>Additional One-Time Costs</i>	<i>Legal and human resources costs for hiring and separating essential Zoo staff and transportation costs for relocating Zoo main collection animals, estimated to be between \$575,000 and \$1.2 million.</i>			
<i>Future Ongoing Costs</i>	<i>Essential maintenance and security costs.</i>			
<i>Other Considerations</i>	<i>Economic and social/community costs related to the closure of the Zoo, and effects on the City's public image and tourism.</i>			

Source: BLA projections, based on SFZS FY 2024-25 actual revenues, expenditures, and staffing levels.

The key assumptions of this scenario are described below.

- **Projected revenues:** For each of the three years, we assume the City will not earn any revenue. As the Zoo would not be open to the public, it would not generate any operating revenues from admissions, retail, parking, membership dues, education programs, or other sources.
- **Projected expenditures:** For each of the three years, we assume the City will incur costs associated with partial operations while animal relocation is underway, including costs for animal care and food, essential buildings and grounds maintenance, and essential administration services. We assume that animal care and food costs will decline over time as animals are relocated. As the Zoo would be closed to the public, we assume the City will not incur costs for admissions and retail operations, marketing, education, membership/guest services, fundraising activities, or donor development, and that spending on maintenance and custodial services will be reduced.
 - To calculate projected **non-personnel** expenditures, we use SFZS's FY 2024-25 actual expenditures in the Animal Division, adjusted for inflation, and 50 percent of SFZS's FY 2024-25 actual expenditures for buildings and grounds maintenance, custodial services, administration, and IT. We assume that the Animal Division costs decline every year as animals are relocated.³
 - To calculate projected **personnel** expenditures, we use SFZS's October 2025 employee roster by job classification to identify employees necessary for essential care and maintenance of Zoo animals and grounds, including animal keepers, animal care management, veterinarians, maintenance staff, custodial staff, and administration and IT staff to support these employees. We identify equivalent City civil service positions using the City's classification and compensation database and current compensation manual. We estimate the salary and benefit costs for these equivalent civil service positions, adjusted inflation.⁴ Similar to the

³ We assume that 60 percent of the animals are relocated in the first year, 30 percent in the second year, and the remaining 10 percent in the third year.

⁴ This projection also does not account for increases in the employer share of health insurance costs, which are projected to be higher than inflation in the December 2025 *Five-Year Financial Plan Update: FY 2026-27*

non-personnel costs, we assume that the Animal Division personnel costs decline every year as animals are relocated at the same rate assumed for non-personnel expenditures.

- **Animal relocation costs:** To estimate animal relocation costs, we calculate the expenses associated with relocating the Zoo’s main animal collection, including transportation by air or land. The estimate includes the cost of crates, transportation (mileage or flight and cargo fees), and accommodation and meals for accompanying animal keepers. The Appendix to this report contains a more detailed description of our methodology and assumptions.
 - The relocation costs are subject to significant uncertainty because they depend on whether other institutions are interested in or willing to receive the animals. Costs could be higher or lower depending on whether receiving institutions are interested in the individual animal; in such cases, they would likely cover transportation expenses. In other cases, hard-to-place animals may require the City to fund ongoing care at another institution, which could result in substantial additional costs.
- **Other uncalculated costs:** In addition to the projected expenditures described above, the City will incur one-time legal and human resources costs for the hiring, onboarding, and separating of civil service temporary Zoo staff. Additionally, the City will have to fund essential maintenance, utility, and security of the grounds after the Zoo closure. Other future costs will depend on how the City chooses to use the Zoo grounds.
- **Other considerations:** In addition to the direct short-term General Fund costs estimated in this scenario, there will be other broader economic and social/community impacts that result from the closure of the Zoo, including effects on the City’s public image and tourism. We do not include these broader economic impacts in our cost projections.

Scenario 3: New Nonprofit Zoo Operator

In Scenario 3, we estimate the short-term General Fund costs if the City were to assume management of the Zoo and close the Zoo to the public for a one-year period while it conducts a Request for Information (RFI) and/or Request for Proposals (RFP) solicitation process to select a new nonprofit Zoo operator. After this one-year interim period, we estimate the General Fund cost for the negotiated management fee paid to the new nonprofit operator. In total, we project these costs to be approximately **\$22 million in the first year and \$10 million in the second and third years, or \$42 million in total over the three-year period**, as shown in Exhibit 4 below. The estimated \$10 million management fee in the second and third years of the projection period is a placeholder amount only; true costs will depend on the outcome of negotiations between the City and the new nonprofit operator.

through FY 2029-30 report published by the Controller’s Office, the Mayor’s Office, and the Budget and Legislative Analyst’s Office.

These costs are in addition to the indirect (legal, human resources, and other overhead) costs the City will incur for the hiring, onboarding, and separating of approximately 118 FTE temporary civil service Zoo employees to care for the Zoo animals and grounds during the interim period, and for managing the solicitation process for the new nonprofit operator. We assume these human resources, legal, and procurement tasks can be carried out by existing City employees, but they will occupy staff time and other City resources.

After this three-year period, the City will incur ongoing costs in the form of the management fee paid to the new nonprofit operator. The actual cost to the City of this management fee will depend on the results of the City’s negotiations with the selected operator.

A key consideration for this scenario is the availability and interest of another nonprofit Zoo operator that is willing and able to provide services similar to the San Francisco Zoological Society. Although we did not conduct market research to identify potential operators as part of this analysis, based on conversations with a zoo subject matter expert, it is possible that the City will not be able to identify a new operator after the one-year RFI/RFP process. In that case, the City would likely need to pursue either Scenario 1 (City-Managed Zoo) or Scenario 2 (Zoo Closure), described above, and incur the associated costs.

Exhibit 4: Projected Annual General Fund Support, Scenario 3 (New Nonprofit Operator)

	Year 1	Year 2	Year 3	3-Year Total
Revenues	\$0	\$0	\$0	\$0
Expenditures	\$22,156,995	\$10,000,000*	\$10,300,000*	\$22,156,995
General Fund Support	\$22,156,995	\$10,000,000*	\$10,300,000*	\$42,456,995
<i>Additional One-Time Costs</i>	<i>Legal and human resources costs for hiring and separating essential Zoo staff; costs for soliciting new nonprofit operator and contract negotiations.</i>			
<i>Future Ongoing Costs</i>	<i>Annual management fee paid to the nonprofit operator, plus adjustments for inflation.</i>			
<i>Other Considerations</i>	<i>If no new nonprofit operator is identified, the City would likely pursue Scenario 1 (City-Managed Zoo) or Scenario 2 (Zoo Closure).</i>			

Source: BLA projections, based on SFZS FY 2024-25 actual revenues, expenditures, and staffing levels.

*Placeholder amount that will be determined by negotiations between the City and the new nonprofit operator. Calculated by adjusting the annual \$4 million management fee paid by the City to SFZS, which was established in 1993, to 2025 dollars.

The key assumptions of this scenario are described below.

- **Projected revenues:** In the first year of this scenario, we assume the City will close the Zoo to the public and therefore earn no revenue from its operation of the Zoo. In the second and third years of the scenario, we assume the new nonprofit operator will receive all operating revenue from Zoo admissions, memberships, fundraising, and other sources.
- **Projected first-year expenditures:** In the first year of this scenario, we assume the City will incur costs for essential care and maintenance of Zoo animals and grounds, including costs for animal care and food, essential buildings and grounds maintenance, and essential administration and IT services. As the Zoo would be closed to the public, we

assume the City would not incur costs for admissions and retail operations, marketing, education, membership/guest services, fundraising activities, or donor development.

- To calculate projected **non-personnel** expenditures in the first year of this scenario, we use SFZS's FY 2024-25 actual expenditures in the Animal Division, adjusted for inflation, and 50 percent of SFZS's FY 2024-25 actual expenditures for buildings and grounds maintenance, custodial services, administration, and IT.
- To calculate projected **personnel** expenditures in the first year of this scenario, we use SFZS's October 2025 employee roster by job classification to identify employees necessary for essential care and maintenance of Zoo animals and grounds, including animal keepers, animal care management, veterinarians, maintenance staff, custodial staff, and administration staff to support these employees. We identify equivalent City civil service positions using the City's classification and compensation database and current compensation manual. We estimate the one-year salary and benefit costs for these equivalent civil service positions, adjusted for inflation.⁵ These employees are assumed to be one-year temporary employees who will separate once the new nonprofit operator assumes management of the Zoo.
- **Projected second- and third-year costs:** In the second and third years of this scenario, the City will incur costs in the form of a management/operating fee paid to the Zoo's new nonprofit operator.
- **Other uncalculated costs:** In addition to the projected expenditures described above, the City will incur one-time legal and human resources costs for the hiring and onboarding of temporary Zoo staff. The City will also incur costs in the form of staff time and overhead for the management of the solicitation process for the Zoo's new nonprofit operator.
- **Other considerations:** If the City is unable to identify a new operator after the one-year RFI/RFP process, it would likely need to pursue either Scenario 1 (City-Managed Zoo) or Scenario 2 (Zoo Closure), as described above.

Conclusion

Overall, we project that if SFZS is no longer allowed or able to manage and operate the Zoo, the City would incur costs between approximately \$42 million and \$65 million over the three-year projection period, with variable additional ongoing annual costs thereafter. These estimates represent direct costs only and do not include indirect/overhead costs to the City or broader economic and social/community impacts related to the benefits of the San Francisco Zoo. The City's future costs after the three-year projection period could vary significantly, from \$22 million annually (adjusted for inflation) to operate the Zoo as a City-managed institution, to significantly

⁵ This projection also does not account for increases in the employer share of health insurance costs, which are projected to be higher than inflation in the December 2025 *Five-Year Financial Plan Update: FY 2026-27 through FY 2029-30* report published by the Controller's Office, the Mayor's Office, and the Budget and Legislative Analyst's Office.

less if the City closes the Zoo and does not meaningfully improve or develop the land, and maintenance costs are absorbed by the City's Recreation and Park Department.

The Budget and Legislative Analyst's forthcoming *Performance and Management Audit of the San Francisco Zoo* contains findings and recommendations intended to stabilize the operations of the San Francisco Zoological Society and to improve the City's management and oversight of the Zoo. We anticipate that the audit report will be published by April 2026.

Policy Options

The Board of Supervisors could:

1. Encourage relevant City departments, including the Recreation and Park Department and the Mayor's Office, to continue to support and partner with the San Francisco Zoological Society, given the high cost associated with all alternative scenarios evaluated in this report and the uncertainty of finding another nonprofit operator able to manage the San Francisco Zoo.

OR

2. Work with the Mayor's Office to identify the necessary resources, ranging from an estimated three-year cost of \$42,456,995 to \$64,934,271 as well as ongoing General Fund support beyond three years, to implement one of the three alternative scenarios analyzed in this report (conversion to a City-managed San Francisco Zoo, permanent closure of the Zoo, or identifying a new nonprofit operator of the Zoo).

Appendix: Methodology

To analyze the fiscal impact of the cessation of operations by the San Francisco Zoological Society (SFZS), we evaluated three possible scenarios described in this report and estimate the short-term direct General Fund costs to the City of each scenario. We defined “short-term” as a three-year period. This timeframe reflects the assumed duration needed to relocate the animals under Scenario 2 (Zoo Closure).

For each scenario, we estimated revenues and expenditures the City would earn and incur based on SFZS’s FY 2024-25 operating revenues and expenditures. We estimated personnel costs to the City of employing Zoo staff as City civil service employees. We also modeled costs to the City of relocating the animals for Scenario 2 (Zoo Closure). The methodology and assumptions for each component are described below.

Revenues and Expenditures Projections

We assessed which SFZS operating revenues and expenditures the City would retain and which would no longer exist under each scenario. To project the amounts, we used SFZS’s FY 2024-25 revenues and non-personnel expenditures as the baseline and incorporated personnel expenditures by identifying equivalent City positions and applying the corresponding salaries and benefits costs, as described below. We then projected the revenue and expenditure streams for the first three years, applying a three percent annual inflation adjustment to each year. These projections do not include any capital project costs, which are accounted for separately from SFZS’s operating expenditures.

In each scenario, we eliminated the SFPUC rental fee, which the San Francisco Public Utilities Commission (SFPUC) pays to SFZS to lease SFZS’s overflow valet parking spaces for temporary construction staging and storage, from our revenue projections. According to SFZS’s audited financial statements, the agreement between SFZS and SFPUC for these payments will end in July 2026.

In Scenario 1 (City-Managed Zoo), we assumed the City would earn operating revenues except the management fee and revenues from fundraising, estate bequests, and donor contributions. Similarly, we assumed all non-personnel expenditures remain, except those associated with fundraising activities.

In Scenario 2 (Zoo Closure), we assumed the City would not earn any Zoo operating revenues because the Zoo would not be open to the public. In Scenario 3 (New Nonprofit Operator), we assumed that the City would not earn Zoo operating revenues during the first year when the Zoo is closed to the public. We assumed that in the second and third years of Scenario 3, the new nonprofit operator would earn and retain Zoo operating revenues, and as a result these would not be City revenues.

Although some expenditures were eliminated in these scenarios, particularly public-facing expenditures such as admissions and guest services, not all costs disappeared. In both scenarios, we assumed the City would incur costs for the Animal Division, buildings and grounds, and administrative activities remain, though at levels lower than when the Zoo is open to the public.

In Scenario 2 (Zoo Closure), we scaled down Animal Division personnel and non-personnel costs in proportion to the assumed animal relocation schedule each year. We assumed that 60 percent of the animals are relocated in the first year, 30 percent in the second year, and the remaining 10 percent in the third year.

Exhibit 5 below summarizes our revenue and expenditure assumptions for each scenario.

Exhibit 5: Three-Year City Revenue and Expenditure Assumptions by Scenario

	Scenario 1: City-Managed Zoo	Scenario 2: Zoo Closure	Scenario 3: New Nonprofit Operator
City Revenues	Earn revenues except the management fee, fundraising revenues, donor contributions, and estate bequests	No City revenues	No City revenues
City Expenditures	Incur all expenditures except for those related to fundraising	Incur expenditures for essential operations: - Animal division: scaled down based on the 60-30-10 animal relocation schedule - 50% of buildings and grounds - 50% of administrative costs	Incur expenditures for essential operations (year 1): - Animal division expenditures - 50% of buildings and grounds - 50% of administrative costs Incur expenditures for new management fee (year 2 and 3)

Source: BLA analysis.

Finding Equivalent Positions in the City

All three scenarios would require the City to hire civil service employees to continue the Zoo’s full or partial operations and to care for City-owned land and animals. In Scenario 1 (City-Managed Zoo), we assumed the City would need to hire approximately the same number of staff currently employed by SFZS for the ongoing operations of the Zoo, other than fundraising and development positions. In Scenarios 2 (Zoo Closure) and 3 (New Nonprofit Operator), we assumed the City would hire only essential staff required for the transition period, either on a temporary or limited-term basis. Essential staff includes animal care attendants, animal health technicians, veterinarians, and a reduced number of general laborers, custodians, gardeners, management and leadership positions, administrative staff, and a truck driver.

To calculate personnel costs, we used SFZS’s October 2025 employee roster and calculate the full-time equivalent (FTE) for each position. We included all regular and temporary full-time and part-time positions, excluding interns and “as-needed” positions. Using our knowledge of the Zoo’s operations, we identified the equivalent or closest City position for each job classification based on job responsibilities, qualifications, and the type of work performed.

We used the City's classification and compensation database and current compensation manual to determine the equivalent compensation for each job classification, and the FTE Cost Report generated by the City's budget system to calculate salary and benefit costs for each position. Because the FTE Cost Report provides salary and benefit information at the top step, we adjusted the total compensation to account for step savings, assuming that employees are hired at mid-step. Specifically, we calculated the ratio between the middle step and the top step for positions with more than 10 FTEs in our staffing model and applied this ratio (10 percent) to the total calculated salary and benefits costs to account for step savings.

For each year of each scenario, we adjusted salary and benefits costs by the three percent inflation adjustment mentioned above. However, this adjustment does not account for previously negotiated wage increases in collective bargaining agreements or any wage increases that may be negotiated after FY 2025-26. Miscellaneous (non-safety) unions have closed memoranda of understanding through FY 2026-27. Our salary and benefit cost projections also do not account for increases in the employer share of health insurance costs, which are projected to be higher than inflation in the December 2025 *Five-Year Financial Plan Update: FY 2026-27 through FY 2029-30* report published by the Controller's Office, the Mayor's Office, and the Budget and Legislative Analyst's Office.

Animal Relocation Modeling

Animal relocation would be a complex and lengthy process. It involves identifying other Association of Zoos and Aquariums (AZA) accredited institutions willing to accept the animals, purchasing necessary crates for transportation, conducting laboratory tests to ensure animals are healthy before transfer, training animals for transport, potentially visiting the receiving institution before the transfer, and arranging transportation for the animals and the accompanying animal keepers.

The ease of finding new institutions for specific animals would depend on several factors that influence whether the animal is considered valuable or desirable to other institutions, including:

- Whether the animal is part of the AZA Species Survival Plan Program.
- Gender, as females are typically considered more valuable than males.
- Age, as younger animals are generally easier to place, while elderly animals are more difficult to relocate.
- Reproductive status, including whether the animal has reproduced or can reproduce.
- Availability through the AZA animal exchange, which is accessible only to professional fellows.
- Genetic value of the animal.

Given the challenges associated with identifying new institutions and relocating the full animal collection, we assumed the process will take three years. We assumed that 60 percent of animals will be transferred in the first year, 30 percent in the second year, and the remaining 10 percent in the third year.

We modeled animal relocation costs assuming that animals could be transported either by ground or by air. Although all animals may be able to travel by air, we assumed that certain species would only be transported by ground, including giraffes, rhinoceroses, camels, and farm animals. For each animal transported, we assumed that two keepers would accompany it, regardless of the transportation method. The only exceptions are flamingos, penguins, and prairie dogs, which we assumed would be moved in groups of 10, with two keepers accompanying each group.

We assumed that animal keepers would primarily use City fleet vehicles for ground transportation, so the only cost incurred by the City would be mileage, which we estimated using the Internal Revenue Service (IRS) mileage rate. For air transportation, we used American Airlines' Live Animals Cargo Rates, using each animal's weight plus the crate weight to estimate costs. However, these figures should be interpreted as rough estimates based on publicly available information; the actual price and feasibility of transporting certain animals by air will depend on airline policies and destination-specific requirements.

We used the Zoo's December 2025 main animal collection population, excluding amphibians and arachnids, to estimate relocation costs. We assumed that the insect zoo animals, conservation animals, and amphibian and arachnid species within the main collection would be donated or relocated to the California Academy of Sciences or local research/conservations institutions, and that the cost of relocating these animals would be marginal relative to relocating the main collection. For the main collection animals, we estimated:

- Crates cost: Estimated based on species, animal weight, size, and crate characteristics following International Air Transport Association recommendations. We estimated the number of crates required by crate type. We assumed that small crates could be used on average three times, whereas larger crates have different considerations depending on their characteristics.
- Vehicle cost: We assumed City fleet vehicles and other equipment, including the City's horse trailer, would be used for ground transportation. We assumed the City would purchase a giraffe trailer.
- Accommodation and meals: Estimated for keepers accompanying the animals.
- Mileage or flight tickets: Estimated depending on whether transportation is by ground or air.
- Cargo rates: Estimated using the animal's weight plus the assigned crate weight. Animal weights were based on the average adult weight for each species.

Exhibit 6 below shows the costs and assumptions used under each transportation method:

Exhibit 6: Cost Assumptions by Transportation Method

Transportation method	Costs included and assumptions
Air	<ul style="list-style-type: none"> • Round-trip flight ticket (\$800 per animal keeper) • Accommodation and meals (\$250 per animal keeper) • Cargo cost based on American Airlines Live Animals Cargo Rates • Applies to all animals except giraffes, rhinoceros, camels, and farm animals
Ground	<ul style="list-style-type: none"> • An average round-trip distance of 1,000 miles. • IRS mileage reimbursement rate of 72.5 cents per mile. • Accommodation and meals (\$250 per animal keeper). • Animal keepers would use City fleet vehicles to relocate the animals, and the City would purchase a giraffe trailer. • All animals can travel on land.

Source: BLA analysis.

Our analysis resulted in a range (between \$575,000 and \$1.2 million) for the animal relocation costs to account for the uncertainty in transportation costs. The lower bound assumes that all animals are transported by ground, while the upper bound assumes that all animals that can travel by air do so, with the remaining species transported by ground.

This range assumes that the City covers the full cost of relocation; however, if receiving institutions are interested in acquiring specific animals, they would likely pay the associated transportation costs, in which case the total relocation cost for the City could be lower. On the other hand, some animals, such as elderly individuals, may be difficult to place and the City may be unable to find other institutions willing to accept and care for these animals. In such cases, the City may need to cover not only animal transportation but also ongoing care and supplies for the animal. We estimate that each animal that is difficult to relocate could require an additional \$100,000 to support keeper time, food, and other necessary supplies.

Certain costs were not included in the modeling; these include medical expenses, such as laboratory tests required before an animal can be transported to a new institution. These costs are expected to be small relative to other relocation expenses and we assume they are already accounted for in the projected expenditures estimated for each scenario. In addition, we did not account for any potential overtime or shift differential costs for keepers when traveling.