

Date: February 6, 1997

**SUBJECT: PARTNERSHIP IN REVENUE AND VISITOR SERVICES AT
VANDUSEN BOTANICAL GARDENS**

RECOMMENDATIONS:

- A. THAT the Park Board approve a contract position, Manager of Revenue and Visitor Services, for VanDusen Gardens, subject to the level of the position being reviewed by the Director, Human Resource Services.**
- B. THAT the contract position be funded by improved revenues in partnership with the VBGA as set out in the report subject to final approval by the VBGA Board on February 26, 1997.**
- C. THAT the contract position be established for two years subject to an annual review of the revenue position at VanDusen Gardens.**

BACKGROUND

VanDusen Botanical Garden is a facility constantly looking for service improvements to provide a better experience for the Garden visitor while generating additional revenues for the Garden and its programs.

During 1996, in cooperation with the VBGA, consultants developed a strategy for enhancing our Gift Shop; (the VanDusen Garden Shop) its visual appearance, its merchandise and the services it provides to the Garden visitor. Initial work by an experienced retailer and committed volunteers and staff in the fall and through the Holiday season has proven to us and the VBGA that improved revenues are possible with expert direction. Our projections for 1997 indicate a 45% potential improvement in Garden Shop revenue.

Staff also reviewed our present experience in facility rentals of the Floral Hall and the Cedar Room. During 1996, our commitments in these facilities were high during May, June, September and November but over the balance of the year, there were many opportunities for increased usage. With only 2 additional weekly rentals in both the Floral Hall and Cedar Room it is anticipated that revenue could increase by 40%. However, this improvement potential, like that of the Garden Shop, requires the efforts of a person experienced in this area to plan, market and coordinate potential individuals and groups using these facilities.

DISCUSSION

In view of the potential revenue improvements in both the Garden Shop and the Floral Hall and Cedar Room, staff concluded that additional resources were necessary to ensure the generation of revenue improvements and enhancements to visitor services. Several alternatives for providing the necessary expertise were considered:

1) Consulting Services:

Although this alternative provides strategic short term directed expertise, much of the work necessary is daily, focused and hands-on with existing staff and the VBGA as well as outside groups and suppliers. Costs for the services would be greater than the annual anticipated improved revenue.

2) Contract Position (Vancouver Park Board):

A two year contract position would be created to direct activities in the Garden Shop and to achieve improved facility rentals. This would require a person experienced in both retail and marketing, as well as the administration of the activities in these areas. Projected revenue improvements in 1997 would cover the costs of the position but would result in some risks if revenues did not meet the projections beyond the first year.

3) Contract Position (Partnership between the VPB and the VBGA):

Initial informal discussions with the VBGA were very positive toward an alternative to achieve these improvements to revenues and visitor services through a partnership arrangement.

This arrangement would see the resources being provided through a contract position funded for 2 years with the VBGA contributing \$20,000 in each year, with a minimum of \$10,000 to be repaid from improved revenues. In addition the VBGA welcomed the benefits to this partnership including ongoing involvement from their volunteers, input to the rental of facilities and expanded focus on visitor services. The success of this partnership would also provide the VBGA a 40% share of the net revenue after all the costs of achieving it had been recovered. This share would be directed toward the enhancement of the Garden and its programs and services. An outline of this proposal is shown on Appendix A.

Roles and Responsibilities of the Contract Position

The Manager of Revenue and Visitor Services would be responsible to:

1. Strategize, plan and manage all the activities of the revenue producing functions at VanDusen to ensure that revenue targets are maximized and identify new revenue opportunities that should be considered
2. Market, promote and plan the opportunities for expanded facility rentals including the Garden, the Floral Hall and the Cedar Room to various Community, private and commercial groups and individuals.
3. Manage and administer the support services for those visitors coming to

VanDusen Garden

4. Work closely with the VBGA and under the direction of the VanDusen Botanical Garden Director to ensure that the Garden Shop, as a destination facility, maximizes its revenue potential.

CONCLUSION

Opportunities for improved revenue at VanDusen Botanical Garden have been identified in the areas of the Garden Shop and the rental of facilities. However additional resources with specific areas of expertise and experience must be committed to these areas before the revenue can be realized.

In partnership with the VBGA, it is proposed that a contract position be created which will be paid for by the extent of improved revenue. This position will be directed by the Park Board but will work closely with the VBGA to maximize these revenue targets. After the first year of the contract an assessment will be made to ensure that revenue targets are being met.

Prepared by:
Environment and Operations Division
Board of Parks and Recreation
City of Vancouver
Attachment

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