



Overview of the Visioning Process Alameda County Fairgrounds

Background

The Alameda County Fair is celebrating its 100th Anniversary this year. The Fairgrounds comprise 265 acres of County owned land located within the incorporated City Limits of Pleasanton. At this year's Fair there will be many activities that will commemorate the 100th year.

The Alameda County Fair Board has also embarked on a comprehensive Visioning Process. The purpose is to set a vision for the future of the Fair and the Fairgrounds as the second century opens. The Fair has many wonderful traditions that the County and Fair Association are committed to preserving and improving. At the top of the list is the annual Fair. Alameda County is one of the few remaining traditional fairs, combining a strong tradition of Agricultural Exhibits with quality entertainment, an expansive carnival offering and thoroughbred horse racing. Many other fairs have been reduced to 3 to 5 day events. Alameda County continues to offer a three week Fair.

These traditions are wonderful, but they need to be maintained in an economic and demographic environment that is constantly changing. For this reason we are taking the time and resources to create a comprehensive vision for the future.

The Comprehensive Visioning Process Involves Three Phases

First – The Fair Board in concert with Alameda County retained the Municipal Resources Group to facilitate an internal Strengths, Weaknesses, Opportunities and Threats analysis and to assist the Board members in applying creative thinking to the process. The Executive summary prepared by MRG sets forth the results of Phase One.

Second – The County and the Fair Board will reach out to the City of Pleasanton and the community at large to solicit ideas and concepts that should be considered in the formulation of the Vision. This will be accomplished through community town hall meetings and workshops beginning in late summer and continuing into mid 2013.

Third – The Visioning Process will also assess whether or not there is underutilized land at the Fairgrounds that might be made available for development, for the sole purpose of generating capital to implement the goals and objectives of the Vision. If this path is taken, the County and Fair Board would work with the City of Pleasanton and the community within the framework of the Land Use Protocol to complete the necessary entitlement process. This Phase would begin in mid 2013 and continue until completed.

For more information, visit www.AlamedaCountyFair.com.

***ALAMEDA COUNTY FAIR BOARD
VISIONING WORKSHOP RESULTS***



April 5, 2012

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ALAMEDA COUNTY FAIR BOARD VISIONING PROCESS

Executive Summary

PROJECT OVERVIEW

The Alameda County Fair will celebrate its 100th Anniversary in 2012. The Fair has a proud and successful history and is using the occasion of an Anniversary to develop a long-term strategic development plan. This plan will refocus the Board on critical priorities and providing high quality service to Alameda County residents and Fair attendees in the future.

Fairs throughout the State of California are experiencing economic stresses as they adjust to changing social trends, aging infrastructure, loss of outside financial support and general fiscal challenges. Traditional revenue sources are not proving adequate to meet operational, maintenance and capital facility needs.

The Fair Board engaged Municipal Resource Group, LLC (“MRG”) to facilitate the Board’s visioning process. Visioning is the first step in developing a long-term strategic development plan. This plan will clarify that the Fair maintains its traditional services, meets its mission statement and is financially able to meet future service, operations and capital facility needs.

Visioning Process Outcomes

The Fair Board and its Building & Grounds Committee participated in three Visioning sessions to define the opportunities for the Fair and identify methods to enhance and sustain activities. (See Visioning summaries below).

Countywide Support and Recognition

The Fairgrounds is in a strategic location and well-suited to continue to serve Alameda County. The Fair has strong County-wide support and enjoys excellent public participation throughout the year.

A Strong Organizational Structure

The Fair Board is engaged, broadly experienced and committed to a strong Fair for the future. The Fair staff is professional and has extensive experience in Fair activities and promotion of alternative uses for the Fairgrounds.

The Identified Opportunities are in Four Major Areas

The attached Visioning Summary details all the opportunities identified by the Board, which are summarized below in into four categories:

1. Strengthening non-Fair uses by focusing on activities, which are compatible with existing uses and the surrounding neighborhoods.
2. Identifying partnering opportunities with the City of Pleasanton, educational and non-profit organizations and other compatible institutions for expanded uses.
3. Expansion of current revenue generating on-site activities that compliment and support the Fair, while recognizing the social and economic trends affecting these activities.
4. Focusing on pro-active development of alternative uses for portions of the Fairgrounds which will buttress existing operations, generate additional new revenue and are compatible with the Fair traditions.

NEXT PHASE OF DEVELOPMENT PLAN

The next phase of the *master plan* process will involve the Board and staff in development of an *expanded business plan*. The *business plan* includes completion of a updated *financial and program assessment and a site and facility assessment*. These *assessments* will serve as the basis of the next step in the *strategic development plan process*, creation of a *facility plan* for the Fairgrounds.

The *facilities plan* for the Fairgrounds will be based on the Board and staff developing a *site layout and development plan* for the Fairgrounds and then developing a *financing and implementation plan* for the Fairgrounds.

The *master plan process* will result in a plan for the systematic installation of future physical improvements to the site and expanded operational and revenue generation activities on the site. These expanded and additional revenue and resources will support facilities enhancement and the Fair operations.

To be successful, the *master plan process* must include the key Board and staff resources, competent economic and strategic assistance and the identified stakeholders. This will be a multi-phase process grounded in the distribution of adequate public information and public and stakeholder involvement on behalf of Alameda County. The Fair Board and staff are projected to take the lead in insuring the City of Pleasanton, other appropriate public agencies, Fair vendors and user groups as well as Fair participants and the surrounding community members are involved and engaged in the Master Plan Process. *See Attached Flowchart*.

CONCLUSION

The Alameda County Fair Board engaged Municipal Resource Group, LLC to assist the Board and its Building and Grounds Subcommittee in pursuing a visioning process. The visioning process focuses the Fair Board in addressing both the current and future needs of the Fairground facility. The two phase process produced separate outcomes:

Phase I produced a visioning document—which was the product of a two-session effort conducted by the Building and Grounds Committee. *Phase II* involved MRG conducting a visioning session for the entire Board focusing on the results of the Building and Grounds Committee work and validating that work product for approval by the Board.

Phase 1 - The Building & Grounds Committee participated in a two meeting effort to create the preliminary vision document. The process included a SWOT Analysis (Strengths, Weakness, Opportunities and Threats); a listing of the opportunities the Committee developed for full Board consideration; the Visioning outcomes from the session; and a draft Strategic Development Plan Approach. Brief introductory remarks are used to frame these elements.

Phase 2 – The Fair Board of Directors reviewed and endorsed the work of the Building and Grounds Committee. They reviewed the results of the SWOT Analysis (Strengths, Weakness, Opportunities and Threats); a listing of the Opportunities the Committee developed for full Board consideration; the Visioning outcomes from the session; and a draft Strategic Development Plan Approach.

The Board reviewed the materials in detail, met in small groups to further discuss the work product and recommended minor additions and modifications to the work product. The Board also voted to move forward with the Strategic Development Plan planning process.

Municipal Resource Group
April 5, 2012

ATTACHMENT A - SWOT Analysis Review of Strengths, Weaknesses, & Threats

STRENGTHS

Regional and Site Based Comments:

- ✓ The Fairgrounds are an economic engine for the region, and has political support
- ✓ The Fairgrounds have capacity (facilities and parking) for current activities
- ✓ The Fairgrounds location is excellent; climate encourages year-round use
- ✓ The Fairgrounds preserve open space
- ✓ Alameda County population is diverse
- ✓ Alameda County population supports the Fair
- ✓ Facility has its own water supply system
- ✓ Freeway proximity makes the Fairgrounds accessible
- ✓ Fairgrounds have physical site area to expand operations in current environment
- ✓ Existing on-site solar improvements are successful
- ✓ Wi-fi operational on the fairgrounds

Content of Fair/Event Based Comments:

- ✓ Fair is a family-oriented venue
- ✓ Fair has a very capable staff
- ✓ Fair has a progressive Board of Directors
- ✓ Fair has solid relationships with vendors
- ✓ Programming has encouraged community use of the Fairgrounds for the “greater good”
- ✓ Staff has implemented creative uses for Fairground site areas / facilities
- ✓ Fair has a 100 year history
- ✓ Fair is financially self-sustaining
- ✓ Agriculture element is still present
- ✓ County’s demographic diversity is a strength
- ✓ Horse racing (on-site track and satellite wagering) is viable, but associated revenues are trending downward

WEAKNESSES

Regional and Site Based Comments:

- ✓ Age and conditions of buildings / facilities; need for improvements
- ✓ Physical layout of site is inefficient and lacks cohesion
- ✓ Demographics/age of Fair attendees
- ✓ Fair’s lack of income, discretionary income. and capital
- ✓ Use restrictions—constraints by other agencies
- ✓ Fairgrounds image is that of “County Fair”--needs to be brought up to date and refreshed

- ✓ Fair outreach to overall County population; changing demographics; increasing diversity of County population all present challenges to growing the Fair
- ✓ Adjacency to existing residential neighborhoods
- ✓ Traffic congestion associated with Fair/other activities
- ✓ Public transportation is not readily available for Fairground activities
- ✓ Financial reporting system does not currently allocate overhead/indirect costs to activity centers—difficult to calculate profitability without allocations
- ✓ Dependence upon discretionary (non-Fair generated) income
- ✓ Decline in horse racing revenue, and other revenue sources; horse racing industry is not effectively promoting the activity

THREATS

- ✓ State funding reductions; competition for gaming revenue (e.g. Indian gaming)
- ✓ Rising operation and maintenance costs
- ✓ Lack of depreciation/replacement funds
- ✓ Quality of on-site water system
- ✓ Negative Pleasanton community reactions to Fair uses (noise; non-conventional uses, etc.)
- ✓ Adjacent property development restrictions (across Bernal Avenue)
- ✓ Most adjacent land uses have been designated, i.e., retail, new high density residential, park and recreation—not currently not much uncertainty

Visioning Outcomes:

Evaluation of current facility versus moving to another site

- ✓ History of Fair and current site is important
- ✓ Strong sense Fair is in the right location (existing)
- ✓ No relocation; no advantages to moving from population center
- ✓ Fair Association does not control Alameda County or City of Pleasanton land use policies/decisions

What are the positive attributes that will guide the new vision?

- ✓ Fair marketing options for those who have never been to the Fair to increase audience
- ✓ Adaptability: think new events/activities
- ✓ Maximize year-round uses of the Fairgrounds
- ✓ Adapt current uses to changing demands
- ✓ No relocation; no advantages to moving from population center
- ✓ Board engaged—Board participation is valuable
- ✓ Strength of location
- ✓ Management team's vision for improvements/business plan
- ✓ Talented and experienced management team

What can the Board of Directors do to assist in this vision and redesign?

- ✓ Board engaged--Board participation is valuable
- ✓ Set aside cash reserves – adapt to change, manage debt
- ✓ Capital budget - facility upgrades
- ✓ The Board needs to develop a comprehensive business plan, don't just start, but complete the plan

What are the unexplored opportunities?

- ✓ Possible uses for center of race track that would generate additional revenue
- ✓ Reuse of race track area if on-site horse racing (track) is no longer financially viable or goes away
- ✓ Major/minor league sports?
- ✓ Establishment of a transit hub incorporating the existing
- ✓ Educational facilities like Orange County Fairground uses
- ✓ Weave agriculture with the commercial center
- ✓ Generation of long-term capital funding from facilities/property
- ✓ Finding alternative uses for existing racetrack and grandstand areas
- ✓ Development of transition plan for satellite racing facility
- ✓ Development of a 'Winter Fair' to generate revenue/interest
- ✓ Branding and naming opportunities
- ✓ If horse racing stops: more opportunities for agriculture and animal shows
- ✓ Identification of uses that will generate higher per square foot revenues
- ✓ Leases for entertainment venue(s) / development e.g. concerts (various types of concerts discussed), 'mini convention center', etc.
- ✓ Increased mid-week uses, events and activities
- ✓ Expanded promotion by in-house staff of events other than the Fair—development/expansion of year-round uses
- ✓ Swap meet/farmer's market
- ✓ Upgrade existing buildings to match the quality of landscape and grounds
- ✓ Rename/brand facility as "events center", Other?
Partner with the City of Pleasanton for mutual benefit
- ✓ Explore acquisition of the 11 acre parcel north of the fairgrounds for expansion area

Strategic Planning Process and Final Document preparation

- ✓ Insure that stakeholders are included in the process
- ✓ Insure that trends in the fair industry are taken into account and considered
- ✓ Include Board of Supervisors in an update prior to start of Strategic Development Plan planning process before beginning
- ✓ Establish a stakeholder list and calendar of activities
- ✓ Fair Board is an agent of change for the property owner

Stakeholders Include:

- ✓ Alameda County (Property Owner)
- ✓ City of Pleasanton (Land Use Protocols)
- ✓ Pleasanton Schools, Community College
- ✓ Special Districts/agencies: Sewer, Utilities, Transportation
- ✓ Pleasanton Citizens, Downtown Association, Visitors and Convention Bureau
- ✓ Regional Business Leaders
- ✓ Fair Users (FFA, 4-H, Interest Groups)
- ✓ Show Clientele, Event promoters
- ✓ Fair Vendors (Food, Carnival etc.)
- ✓ Horse racing industry/participants
- ✓ Fair staff.

Outline of Potential Strategic Development Plan Approach

Part 1: Business Plan

Financial and Program Assessment

- Review of existing revenue and expenses relative to financial success of existing uses & activities (allocation of costs/revenues to activities), trends in revenue generation, economic productivity of site areas of Fairgrounds (net revenue per s.f.);
- Identification of key core ‘Fair’ facilities/properties that provide a quality Fair—and their long-term needs;
- Outreach to existing users (vendors), and Fair / non-Fair stakeholders (including institutional partners);
- Opportunities for potential expansion of existing programs / uses and additional new uses;
- Potential demand and related revenue implications of enhanced existing / new uses.

Site and Facility Assessment

- Assess physical conditions of existing fairgrounds (buildings, structures, landscape, parking, infrastructure, etc.);
- Establish rough estimates of costs for improvement/maintenance;
- Identify site opportunities, constraints and carrying capacities relative to retention of existing uses / additional program development;
- Identify required upgrades, expansions, replacements to existing Fairgrounds to accommodate enhanced existing / new uses.

Outcome: Policy direction regarding actions to retain/ enhance existing Fair/profitable programs / uses, and pursue additional new programs / uses projected to sustain and improve the overall financial condition of the Fair organization.

Part 2: Master Plan

Site Layout and Development

- Improvements needed to accommodate expansion of existing and / or new markets—and their compatibility with core Fair activities;
- Physical layout of site to achieve highest potential site utilization / efficiency (buildings, parking, etc.);
- Estimated development costs for uses, facilities, improvements.

Financing and Implementation

- Potential sources of sustained, increased existing and / or new sources of revenue;
- Potential financing options and strategies, partnerships, joint public-private development;
- Priority / phasing of program / use and physical site improvements.

***Outcome:** A plan for systematic installation of certain future physical improvements to the Fair site related to the ability of such improvements to generate increased / new business activity and corresponding net new revenue for the Fair organization.*

ALAMEDA COUNTY FAIR STRATEGIC DEVELOPMENT PLAN PROCESS

