

Minutes of: 25th District Agricultural Association

Meeting Held on: Monday, August 18, 2003

Directors Present: Myrna Abramowicz, Paul Battisti, Don Carr, Dave Dickson, Paul Dohring and Hope Lugo

Directors Absent  
And Excused: Jim Cathcart, Peggy O'Kelly and Greg Rodeno

Staff Present: Denise O'Brien

Others Present: Kevin Courtney, Muriel Fagiani, Jack Fichtenberg, Laura Lafler, Jungjoo Lee, Barry Martin, Jason Moody, John Salmon, Kirk Trost

#### **ROLL CALL AND QUORUM CONFIRMATION**

President Abramowicz called the meeting to order at 1:00 p.m., confirming the presence of a quorum.

#### **APPROVAL OF AGENDA**

President Abramowicz called for approval of the agenda.

**Director Battisti moved approval of the agenda as presented. Director Lugo seconded the motion. The motion carried unanimously.**

#### **PUBLIC COMMENT**

President Abramowicz opened the floor for public comment.

On behalf of the Board of Directors, Management and Staff of the Expo, President Abramowicz offered condolences to Director Lugo over the unexpected loss of her brother just before the Fair and commended Director Lugo and her family for continuing to work their booth at the Fair in spite of the tragedy.

On behalf of the Board of Directors, Management and Staff of the Expo, President Abramowicz thanked Kevin Courtney for his enthusiastic commentary about the Fair and the changes instituted by Interim CEO Joseph Anderson. She sent a letter to the editor of the paper thanking Kevin publicly there as well.

Hearing nothing further, President Abramowicz closed this portion of the meeting.

#### **REAL ESTATE AND DEVELOPMENT COMMITTEE REPORT**

**Review of Financial Pro-Forma of Land Use Concept Plans** – Vice President Dickson gave a brief overview of the financial pro-forma study session for today, advising the Board to ask questions and get clarifications at this time.

There were 160 surveys completed at the Fair. Vice President Dickson and Barry Martin hope to have the results tabulated and ready to present to the Board at the August 28<sup>th</sup> Board meeting.

Vice President Dickson turned the meeting over to Jason Moody of Economic Planning Systems for a detailed explanation of the financial pro-forma before the Board today.

Jason Moody explained that the goal of the pro-forma was to develop financial feasibility of the long-term vision for the property. The pro-forma before the Board today is in two phases, with the first phase focusing on a critical mass of activity to catalyze fund raising and establish possible partnerships for the future of the property. Jason Moody, Laura Lafler and Barry Martin continued with a detailed explanation of the first phase of the pro-forma, explaining each line item and component of this first phase of facility improvement.

The Board engaged in a detailed discussion of the pro-forma financials, asking Kirk Trost to report back at the August 28<sup>th</sup> Board meeting with answers to the following questions:

*What are the specifics of the revolving loan fund offered through the California Fairs Financing authority, including total funds available now and in the future, interest rates, re-payment schedule, as well as an example of projects that have used this fund in the past?*

*What requirements are there if the Board decides to finance these projects through bonds?*

*What are the benefits of the 25<sup>th</sup> DAA entering into a Joint Powers Authority (JPA) agreement with other public agencies, including the ability to exceed the 5-year lease limit?*

*Could the 25<sup>th</sup> DAA offer to pay transient occupancy taxes (TOT) as a way of enticing other public agencies to join with us in a JPA?*

*Can three agencies in a JPA agree to share area tax increments?*

President Abramowicz opened the floor to public comment.

Muriel Fagiani commented that in the first phase of development, the Bingo parking lot would be occupied by a new building. Where will bingo players park? She also commented on the development of a joint powers agreement, the extension of redevelopment into the Expo area, and cautioned the Board about how Napan's vote. She ended by reminding the Board that Napan's love the Napa Town and Country Fair, and not to forget that.

Jack Fichtenberg questioned some specific items on the financial pro-forma, including the discrepancies between entertainment revenue and expenses, and the sales prices of some of the area properties listed on Table 9 and Table 11 of the financial pro-forma, including the hotel proposed on Randeau Way. Denise O'Brien stated that the revenues and expenses for entertainment are accurate, as we give more entertainment away at the annual Fair than we charge for. President Abramowicz asked that Jason Moody investigate the sales prices of the items listed on Tables 9 and 11 and return to the Board with physical proof of these sales prices, as well as a detail of how the Petaluma Community Center is able to operate at a profit.

John Salmon questioned the omission of several financial items in the pro-forma, including planning costs, an environmental impact report, SEQA and traffic mitigation studies. He

advised that the Board conduct a true market study to find the interest in an improved RV Park and a new multi-use sports facility before spending too much money on possible improvements that may not have the return on investment planned. He asked where the carriages would be stored if the Geis building is removed in phase one. He commented that a TOT of \$49,000 is not a lot of incentive to any public agency, that the Board would need legislation in order to sell any portion of the Expo property, and that the Board cannot enter into a lease longer than 5 years.

Director Dohring asked staff to investigate prior year's Board meetings to find the Attorney General's opinion of long term leases. Denise O'Brien will search old records for the matrix brought before the Board several years ago.

President Abramowicz asked the Board if they desired the Attorney General's presence at the September Board meeting. Director Dohring stated no, it was not necessary to have them at the Board meetings, and that any questions raised during a meeting could be addressed in writing, requesting a written response by the next meeting. The Board agreed.

**ADJOURNMENT**

**The meeting of the 25<sup>th</sup> District Agricultural Association Board of Directors adjourned at 4:05 pm.**

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Joseph Anderson, Interim CEO Date

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Myrna Abramowicz, President Date