

APPENDIX F

ECONOMIC ANALYSIS

MEMORANDUM

To: Napa Valley Expo
From: Jason Moody and Jungjoo Lee
Subject: Financial Analysis of Napa Expo Land-Use Concept Alternatives; EPS #12098
Date: September 3, 2003

This memorandum documents the market and financial research and findings developed as part of the process of visioning and formulating land-use concept alternatives for the Napa Valley Expo. The information contained herein has been presented to the Napa Valley Expo Board and in community workshops as part of the planning process and to inform the formulation of a preferred Land-use concept alternative. The research and analysis was prepared by Economic & Planning Systems, Inc. (EPS) based on data provided from a variety of sources, as documented further below. The memo consists of the following four sections:

1. Financial and Market Background,
2. Market and Financial Review of Prototype Uses,
3. Financial Analysis of Land-Use Concept Alternatives,
4. Land-Use Concept Funding Options, and
5. Implementation and Phasing.

FINANCIAL AND MARKET BACKGROUND

The California State Department of Agriculture categorizes the State's 77 fairgrounds into seven classes based on the revenue, staff size and fair attendance. According to this categorization, Napa Valley Expo falls under Class III with 18 other fairgrounds (see **Table 1**). As shown in **Figure 1**, there are about seven other fairgrounds of which three are also in Class III within a 30-mile radius of the Expo.¹

The Statement of Operations for the Expo indicates an average net operating deficit in the amount of \$66,000 over the past six years (see **Table 2**). However, with the consistent support from the

¹ The fairgrounds within a 30-mile radius of the Expo include Napa County Fair, Sonoma County Fair and Expo, Dixon May Fair, Sonoma Marin Fair, Solano County Fair, Marin County Fair and Expo and Contra Costa County Fair.



State, the Expo has been able to cover the deficit. Although operating deficit has been subsidized, the Expo has not maintained a capital reserve fund that is necessary to maintain and upgrade the facility as needed. As such, the Expo facilities are in poor condition and most of the infrastructures are near or past their capacity. Preliminary estimates indicate that it will cost between \$2 and \$4 million to update the existing infrastructures alone.

Currently, close to 40 percent of the operating revenue comes from interim facility rentals and 50 percent from the fair (see **Figure 2**). Major expenditure items include maintenance and operation cost that make up close to 40 percent of the total; fairtime expenses also account for over 30 percent of the total expenditure (see **Table 3** and **Figure 3**). The Napa Expo's high maintenance costs relative to other Class III facilities suggest that a one-time investment in basic infrastructure improvements could improve on-going operating efficiency.

MARKET AND FINANCIAL REVIEW OF PROTOTYPE USES

As part of the Napa Valley Expo's visioning process and formulating land-use concept alternatives, EPS conducted research on key market and financial parameters for a number of land use prototypes being considered for the fairgrounds. A summary of the research and findings is provided below.

CONFERENCE/COMMUNITY CENTER

Conference centers often serve as economic development tools because these facilities provide a business amenity that supports hotel occupancy and brings in many overnight guests who tend to stay longer than tourists. Serving primarily as an economic development tool, most conference centers generate operating deficit and require subsidies.² As such, they are often owned by public or quasi-public entities and/or are associated with a major hotel/resort development.

Most conference centers contain one or more exhibit halls and numerous meeting rooms of various sizes. Types of events held include trade shows, public/consumer shows, entertainment events, private parties, conventions and conferences. Although many of these facilities often do not have lodging on site, they typically require major hotels nearby. As such, adequate supply of conveniently located hotel rooms is critical to the success of a major event center.³ Multi-purpose civic/community centers are unique in that they are developed to host a wide variety of events primarily serving the local community and are less dependent on overnight accommodations. For the most part, however, financial operation of these various types of facilities are similar in that the rental of meeting space does not generate high revenue relative to their labor-intensive operating cost.⁴

² Petersen, David C. *Developing Sports, Convention, and Performing Arts Centers*, Third Edition, 2001.

³ **Table 4** illustrates the current ratio of conference space to hotel rooms and juxtaposes the current ratio to the future ratio under each alternative considered.

⁴ In the case of private conference facilities with lodging on-site, most of the operating revenue comes from lodging and food. Examples of such facilities include Asilomar conference ground and Christian Brothers Retreat and Conference Center.

In order to formulate a preferred alternative, various sizes of conference and exhibit halls were considered as shown in **Table 5**.⁵ EPS reviewed financial operations of different conference facilities ranging from convention to community centers, conducted interviews with directors of conference facilities, and reviewed the industry literature to build a financial model for this land use prototype. EPS assumed the standard industry rate of 30 percent occupancy rate to estimate the operating revenue that could be generated under each alternative for this land use. The operating expenditure is assumed to equal approximately 110 percent of the gross revenue based on a survey of five different facilities as shown in **Table 6**.⁶ As such, the operating deficit increases as the size of the conference centers and exhibit halls increases—ranging from \$600,000 to \$2.4 million.

RV PARK

The Napa Expo currently has an RV park that can host up to 30 RVs at one time. The RV park offers water and electricity hook-ups and a dump station; restroom and showers are also available but are in poor condition. The current rate is about \$20 per night, and the Napa Expo limits the usage of the park to travelers by discouraging long-term stays. The RV park is utilized in conjunction with the livestock facility during the fair, and its continual existence is vital to the operation of the fair. Although the park is closed for about three months a year due to flooding and the fair, it still generates close to \$60,000 of gross revenue per year. According to the fair manager, the current maintenance cost of the park is very minimal.

Given the favorable financial performance of the RV park, all of the alternatives consider an expansion of this land use with improved supporting amenities (e.g., full RV hook-ups including electricity, water, sewer, and cable). As shown in **Table 7**, the RV park is estimated to generate a net operating income (NOI) of \$170,000 to \$380,000 depending on the number of full hook-ups. The assumptions underlying this projection were based on a market survey of other RV parks in Northern California. Additional information on operating expenditures was based on research on other RV parks throughout the nation.

The financial model assumes linear growth of NOI per hook-up. In reality, however, economies of scale and the actual market will need to be analyzed to determine the optimal number of hook-ups. Initial market survey did not indicate major competition in the area; however, further studies will need to be completed to assess the viability of different scales of RV park that will operate on the fairground.⁷

⁵ Because exhibit halls are utilized in tandem with conference centers, this analysis includes the square footage of new exhibit halls with the total square footage of conference center operation.

⁶ As shown in **Table 6**, Petaluma Community Center is the only facility that generates positive net operating income. This may be in part due to 1) small-scale operation; 2) efficient usage of the space by having many rooms that can be used for several activities simultaneously; 3) hosting activities that do not require labor intensive set-up and take down or high-tech amenities; and 4) extensive usage of the facilities throughout the day.

⁷ RV parks that currently operate in Napa Valley include two resort-type RV parks and a RV camping area within a public park.

MULTI-PURPOSE FACILITY

The livestock building is a vital part of the fairground that is utilized heavily during the fair to host livestock auctions. However, the usage of this building is limited to fair time and left vacant for the most part. In order to utilize the building year-round, a compatible usage of the building was considered for the analysis—namely an indoor sports facility.

Currently, no indoor sports facility exists in Napa County. Although an outdoor facility is available, its uses are often deterred by weather and therefore it does not adequately meet the needs of the community. Public comments also indicated a strong interest in this particular land use. EPS conducted interviews with various entities including the Napa Valley Parks and Recreation Department and indoor sports facilities in Davis and Sonoma as well as local league members. Based on these interviews, EPS made various assumptions about the number of leagues and activities that can take place in a new indoor sports facility on the fairground in order to build a financial model as shown in **Table 8**.

A typical indoor sports facility has an in-line hockey rink, which can also be used for other sports such as soccer, basketball and volleyball. Other activities that can be hosted in the facility also include weekend skating and other events such as birthday parties. Multi-use facility is considered under all five alternatives. EPS assumes that a standard-sized rink will be built into the new livestock facility for all alternatives. Unlike other land uses that are being considered, the rink is an “all or nothing” type of usage. As such, operating revenues and expenditures do not vary by the size of the actual building. As shown in **Table 8**, this particular land use is estimated to generate about \$130,000 of NOI for all of the alternatives.⁸

LAND AND OFFICE SPACE LEASE

Alternatives C, D, Revised D and Revised E consider privatizing a portion of the fairground in order to generate revenue to subsidize other uses that operate at a deficit. Specifically, between 30,000 to 75,000 square feet of land is assumed to be leased for mixed-use development. The exact use of this land is not specified at this time as it is assumed that this will be dictated by the market at the time of development.⁹ Market data suggest that privatization could generate annual land lease revenue of about \$4.80 per land square foot. This estimate is based on the assumption that the mixed-use land will offer off-site parking and allow two-story building—i.e., high FAR.¹⁰ Similarly, Alternatives A through Revised D include office space above the conference center that can be rented at market rate, assumed at \$1.75 per square foot (NNN). This is also expected to generate positive income of \$500,000 to \$1 million per year depending on the total square footage.

⁸ The livestock related usage of the building is included in the fairtime revenue and expenditure category. Therefore **Table 8** represents only the indoors sports facility usage.

⁹ The board did consider a specific usage of the mixed-use land—namely a hotel. The prototypical land lease rate for this specific use is presented in **Table 9**.

¹⁰ Whereas a typical one-story office building with on-site parking would have an FAR of about .3, a two-story building with parking off-site would have an FAR of 1.2. Thus, if the one-story, on-site parking site sells at an average of \$15 per land square foot, the equivalent price for a two-story off-site parking site would be \$60 per square foot.

FINANCIAL ANALYSIS LAND-USE ALTERNATIVES

A summary of the projected operating cost and revenues for all the alternatives is presented in **Table 10**. As shown, Alternatives E and Revised E are the only ones that generate a positive NOI. This is mostly due to the fact that these are the only alternatives that do not include conference center operation, which is the highest cost item. As noted above, conference center operation generates high gross revenue, but at the same time involves higher operating expenditure—i.e., 110 percent of gross revenue. As a result, the deficit increases as the size of the conference center and exhibit halls increases.

Alternative E, which was presented to the board on June 17, attempts to minimize the land uses that would generate high operating deficit by excluding conference center operation. Revised Alternative E further attempts to maximize NOI by adding mixed-use land that could be privatized. As a result Revised Alternative E stands out as the most feasible alternative from the financial perspective, generating \$500,000 of positive NOI even without the annual state support of \$120,000. However, none of the alternatives generate an NOI sufficient to cover the debt service associated with financing the one-time capital improvement costs. This debt service ranges from \$1 to \$7 million per year depending on alternative.

REVENUES

Operating revenue for the fairground is summarized in **Table 11** by alternative. As shown, these revenues have been categorized into (1) fairtime revenue that is generated directly from the fair and (2) non-fairtime revenue that is not directly related to the fair. EPS assumes that the fairtime revenue will remain the same. However, as the facility is upgraded and new buildings and amenities are offered, the fairground is assumed to experience overall increased non-fairtime revenue. As shown in **Table 11**, the most significant revenue generating item is the conference center followed by office above conference center, building rentals and mixed-use land lease, respectively. Conference center revenue accounts for 70 to 90 percent of the total gross revenue. Accordingly, Alternative D, which includes the largest scale of conference center operation, generates the highest total gross revenue of approximately \$21 million, about 1,600 percent increase from the baseline. On the other hand, Alternatives E and Revised E, which do not include conference center operation, generate the lowest total gross revenue of approximately \$2 million, about 200 percent increase from the baseline.

EXPENDITURES

Operating expenditures are summarized in **Table 12** by alternative. Expenditures directly related to fairtime activities such as attendance operations are assumed to remain constant. However, administration and general O&M costs are assumed to increase due to the general increase in activity on the fairground year-round. The most significant expenditure item is the conference center followed by general O&M, capital reserve, and administration, respectively. In fact, conference center operation accounts for 80 to 90 percent of the total operating expenditure. Although the conference center does generate significant revenue, it also generates high expenditure. As shown in **Table 5** conference centers are assumed to result in deficit equivalent to ten percent of the gross revenue. As such, Alternative D, which includes the largest scale of

conference center operation, generates the highest total operating expenditure of over \$22 million, 1,750 percent increase from the baseline. On the other hand, Alternatives E and Revised E that do not include conference center operation generate the lowest operating expenditure of approximately \$1.6 million, about 130 percent increase from the baseline.

CAPITAL EXPENDITURES

The one-time capital expenditures associated with each Land-use concept alternative are summarized in **Table 13**. As noted above, the Napa Expo is in dire need of infrastructure improvement and facility upgrade for continual existence. In addition, most of the alternatives will also require substantial site redesign, including road and common area improvements. Overall, the alternatives are estimated to require general site improvement that would cost \$7 to \$9 million. Other major capital expenditure items include conference center and/or exhibit hall(s), and parking structure. Alternative D, which includes the largest scale conference center operation and parking structure, is estimated to involve over \$80 million of capital expenditure. On the other hand, Revised Alternative E, which excludes costly items such as a conference center and parking structure and includes minimum number of new exhibit buildings, is estimated to involve much less capital expenditure of about \$15 million.

LAND-USE CONCEPT FUNDING OPTIONS

As detailed above, the one-time capital expenditure associated with the Napa Valley Expo Land-use concept alternatives ranges from \$15 to \$80 million. In addition, the annual net operating income/deficit ranges from \$1 million of deficit to \$500,000 of income. In all likelihood, a variety of funding mechanisms will be needed to cover these costs. The development of a detailed financing plan is beyond the current scope of work. However, a brief description of the applicability of various funding categories is provided below. The primary categories of funding considered include (1) voter approved debt; (2) the lease or sale of Napa Expo land; (3) local, State or federal grants and/or loans; and (4) private donations and contributions.

VOTER APPROVED FUNDING

A ballot measure approved by the voters of Napa County or by a specified sub-area within the County could provide significant funding for the Napa Valley Expo. However, most voter-approved measures that generate revenue will require a two-thirds approval by local residents.¹¹ To accomplish this, a significant public relations campaign may be required, including the potential bundling of Napa Expo funding with a larger package of projects that have broad appeal to voters throughout the County. A brief description of the primary voter approved funding mechanisms is provided below and summarized in **Table 14**.

¹¹ Certain types of assessment districts that generate revenue through property taxes only require approval by 50 percent of the affected voters. However, these mechanisms are most applicable for infrastructure improvements such as sewer or water facilities in which a very tight "nexus" or connection between the benefit received and the amount paid by each parcel can be demonstrated.

Voter Approved Debt

Voter-approved debt in the form of a general obligation bond is one mechanism that has been used successfully by numerous communities throughout the State to finance the development of major community facilities. For example, in November 2000 the residents of San Jose approved Measure P which raised over \$228 million for parks and recreation facilities. A bond measure requires two-thirds voter approval and typically results in the creation of a new, dedicated revenue source that is used to pay a debt obligation secured by property taxes.

A successful bond measure could generate significant funds for capital and infrastructure investment at the Napa Valley Expo. For example, a \$60 million bond measure could be financed with a County-wide property tax rate increase of about .032 percent, as shown in **Table 14**.

Community Facilities District or Parcel Tax

A voter approved special tax, such as one generated by a Community Facilities District (CFD) or a county-wide parcel tax, is another mechanism that could generate significant funds for capital improvements. The special tax would provide a dedicated revenue stream that could be used to issue bonds. A County-wide special tax bond devoted to facility or infrastructure construction would have revenue potential similar to a GO bond. For example, if voters approved an annual per household tax of \$67, approximately \$40 million could be generated for capital and infrastructure improvements at the Napa Expo, as shown in **Table 14**.

The advantage of using a CFD is that the district could be defined to include only selected areas of the County that most strongly support the measure. However, the smaller the area subject to the tax, the larger the per-household tax amount. A special parcel tax would also require a two-thirds majority approval by affected voters.

Dedicated Sales Tax Increase

A voter-approved, County-wide sales tax increase could provide a dedicated revenue stream to secure debt financing (bonds) for one-time capital costs associated with the Napa Valley Expo. For example, Napa County experienced about \$1.95 billion in taxable sales in 2001. If taxable sales remain constant in the future, a sales tax increase of less than one-third of one percent could generate approximately \$60 million in debt capacity, as shown in **Table 14**.

A sales tax increase would also be appropriate for funding operations and maintenance and possibly offers enough flexibility to be used for both capital financing and O&M. For example, a portion of sales tax revenues could be used to secure bonded indebtedness (and required reserves) and the remaining revenues could be used for facility operations.

LAND SALE OR LEASE

Some of the Land-use concept alternatives currently assume that a portion of the Napa Valley Expo site will be made available for private, market-driven uses. However, further sale or lease of Napa Expo property could be pursued to raise additional funds to support other program components. The revenue generated from such an approach will depend on (1) the amount, location, and condition of the property sold or leased; (2) the type and density of development allowed; and (3) prevailing market conditions at the time of the negotiated property sale or lease.

This analysis currently assumes a private land lease would generate approximately \$4.80 per square foot of land, based on a relatively high FAR and parking provided off site. Further privatization would probably yield lower lease revenues given the likelihood of diminishing returns from this funding mechanism.

LOCAL, STATE, AND FEDERAL FUNDING

The amount and type of funding available to the Napa Expo from local, State, and Federal sources is difficult to predict. Funding will depend on a variety of factors including economic and budgetary conditions at the State and national level, competition from other programs and projects, evolving legislative initiatives and programs, and the programmatic goals and orientation of the Napa Expo. A detailed analysis of specific funding opportunities for the Napa Valley Expo is outside the current scope of work. However, once the process of visioning and formulating land-use concept alternatives is complete, a comprehensive assessment of specific funding programs will need to be conducted and selected grant and or loan applications pursued, as appropriate. A brief summary of key local, State, and federal funding issues is provided below.

Local Funding

Both the City and County of Napa should be enlisted as participants in preparation of Napa Expo land-use concept alternatives. Funding may be available through these jurisdictions especially for facilities and programs that benefit or serve local community initiatives and policies. For example, Napa Expo facilities could be made available on a priority basis to accommodate City or County sponsored events, activities, and programs in exchange for financial support. The multi-use facility may be particularly suited for such an arrangement given its potential to complement local recreation programs. Local jurisdictions also frequently support the development of conference, event, and convention centers as mechanisms for fostering economic development. Financial support is often justified based on the increase in local sales and hotel occupancy taxes that result as well as improved business amenities.

State Funding

Although currently the Expo receives approximately \$124,000 annually from the State of California for operations, future funding levels are uncertain given the current budget situation. Other State funding sources that may potentially be available include (1) the Major Maintenance Program, which provides funding for non-routine maintenance projects such as building renovation and replacement; (2) the Millennium Flex Program, an incentive program that provides funding for a broad range of fair activities and needs based on their performance; and (3) the Emergency Program, which provides funding to fairgrounds to help pay for damages from natural disasters. Again, future funding levels for these programs are uncertain.

Federal Funding

Given that the Napa Valley Expo is a State facility, any Federal funding is likely to be program dependant. In other words, federal funding may be available to cover the costs to potential user groups or tenants, thus contributing to facility utilization and the annual the revenue stream, but less likely to pay for physical improvements such as building and infrastructure. One exception is potential funding through the Americans with Disabilities Act which could help cover to costs of

specific handicap accessible facilities. On the programmatic side, federal funding may be available to support sports and recreation, childcare, after-school, drug rehabilitation, and agricultural related programs. For example, the Community Development Block Grant program provides funding for a variety of park and recreation related programs.

PRIVATE CONTRIBUTIONS

Although not heavily utilized by the Napa Valley Expo at this time, private gifts and contributions can represent a significant funding source especially for capital facilities such as buildings and parks. Funding can range from private grants and endowments to major sponsorships and dedications. For example, “deep pocket” companies are often willing to contribute substantial funds for the naming rights to heavily-used public facilities. Advertising revenue can also be generated through placards or corporate insignia placed in areas with significant public exposure. Again, the revenue potential

will depend on the type and quality of programming and facilities offered as well as the effectiveness of corresponding marketing and fundraising campaigns. It is anticipated that the Napa Expo Board of Directors will spearhead this effort.

IMPLEMENTATION AND PHASING

As described above, only one of the land use concept alternatives developed as part of this analysis generates a positive NOI (Revised Alternative E), and even this alternative falls short of covering the debt service required to finance its one-time capital costs. Consequently, successful implementation of any of the alternatives will require a creative approach to financing and phasing. On the financing side, to the extent that some of the funding options discussed above are secured, project feasibility will be improved accordingly. However, given that it can often take a number of years to implement a financing plan and secure funding, an interim development strategy should be pursued that will set the stage for on-going site marketing and development.

In addition to securing funding, the financial feasibility of the land use concept alternatives will be enhanced through a strategic approach to project phasing. Specifically, the timing of project investments should be coordinated such that more viable, revenue-generating land uses are pursued early on in the development program, with less feasible and more costly project components delayed until sufficient funding is available. In other words, the early phases of the project should focus on land uses and activities that generate high net revenue relative to the capital investment necessary to support them.

As part of this analysis, the consultant team evaluated the net revenue and capital investments associated with the various land uses being considered for the Napa Expo in an effort to develop a potentially viable phasing strategy. A primary goal was to formulate an early-phase investment and land use plan that was financially self-sufficient while preserving the integrity of the site as a whole for the build-out of a preferred alternative land use concept. This early-phase development concept focuses on the development of positive net revenue generating uses such as the RV-park expansion and multi-use facility while deferring major capital investments, such as conference center, exhibit halls, and new parking to a later phase. Specifically, the “Phase I” plan develops

the southwest portion of the fairground to include expanded RV park of 100 full hook-ups, multi-use facility, roof-only agricultural structure, and a sports/agricultural field with a judging ring. As shown in **Table 15**, the total Phase I capital cost of \$5.1 million is significantly less than the build-out capital costs for all the alternative land use concepts.

An estimate of the NOI, debt service on capital investment, and annual surplus for the Phase I land use plan described above is presented in **Tables 16** and **17**. As shown, this early phase generates a positive NOI of about \$461,000 per year and an overall annual surplus of about \$32,000 after accounting for debt service on the required capital investments. Thus, this phase represents a financially achievable first-step that could set the stage for future phases by building market support, contributing a positive income stream, and providing a platform for the development of financing mechanisms and on-going fundraising activities. In addition, development of Phase I preserves the integrity of the site for the build-out of a preferred land-use concept. The key assumptions underlying the Phase I annual cash-flow include:

- The rental revenue from existing activities remains constant at current level;
- Administration and general O&M cost remains constant at current levels;
- Fairtime revenues and expenditures remain constant at current levels;
- Annual State funding of about \$124,000 is discontinued;
- There is sufficient demand for the 100 RV hook-ups, as shown in **Table 7**;
- There is sufficient demand for leagues and other in-door sports activities, as shown in **Table 8**; and
- Necessary, but minimal, landscaping, hardscaping and infrastructure improvements are undertaken.

Figure 1
Fairgrounds within a 30 mile radius of Napa Town & Country Fair

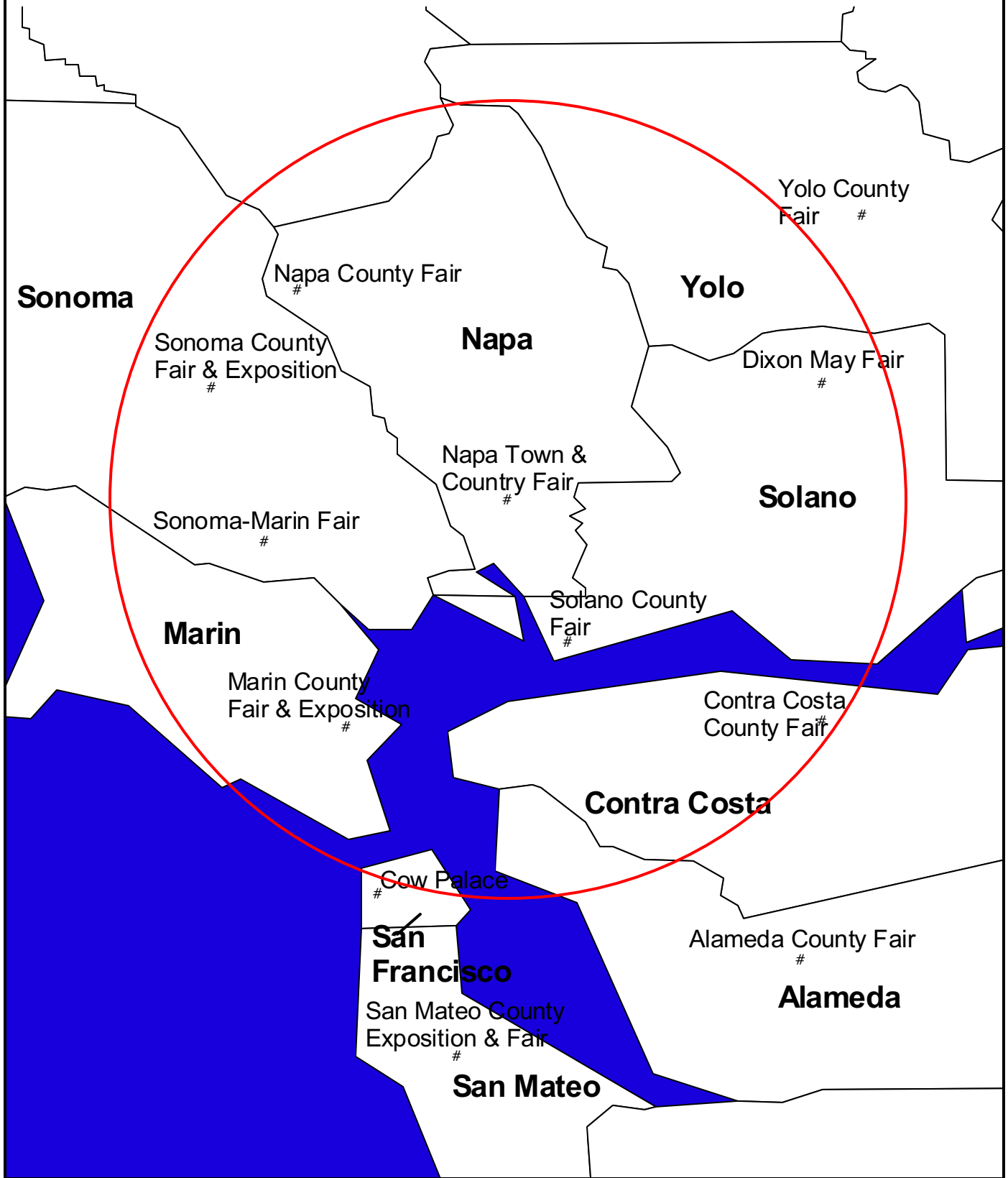
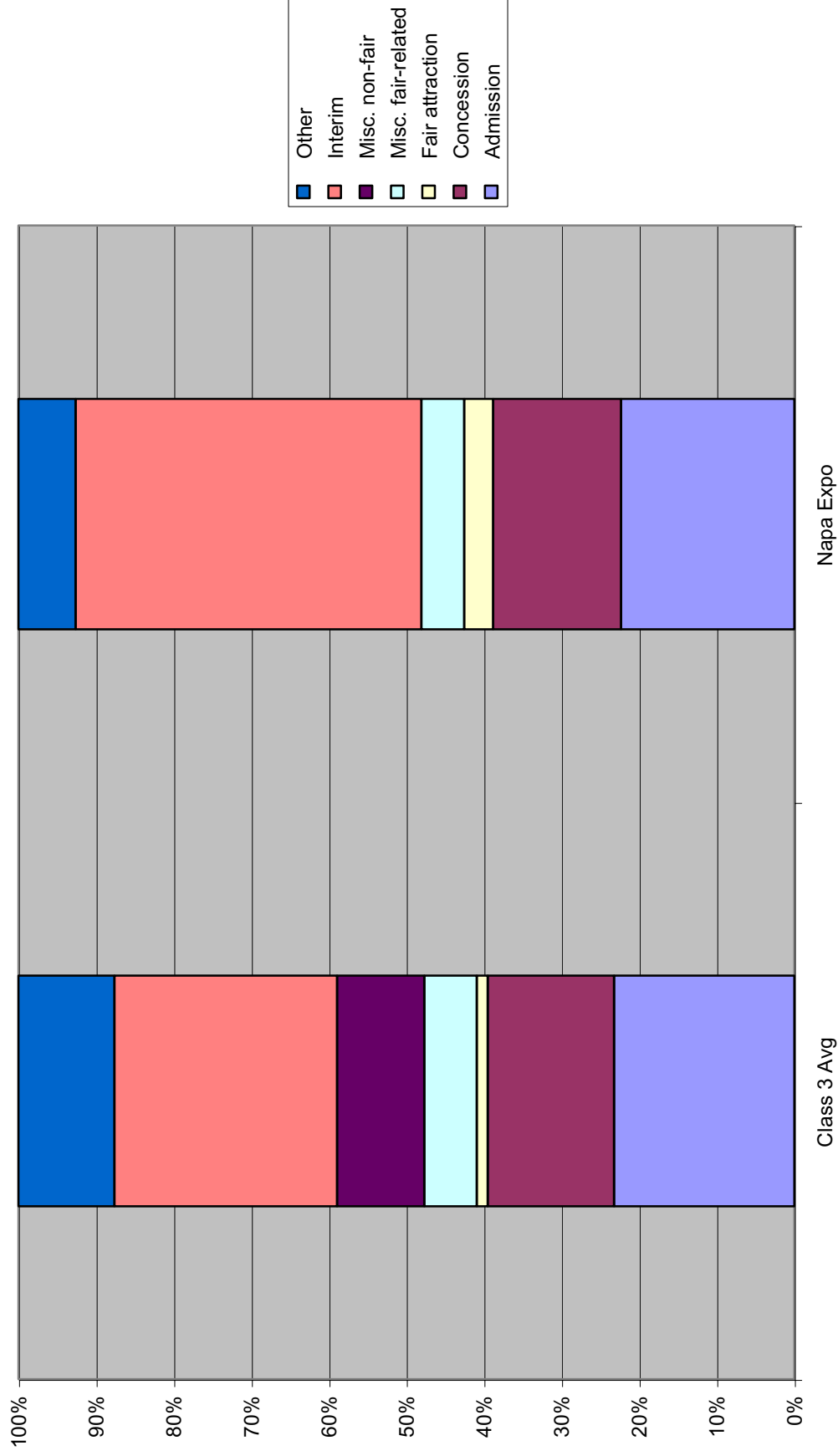
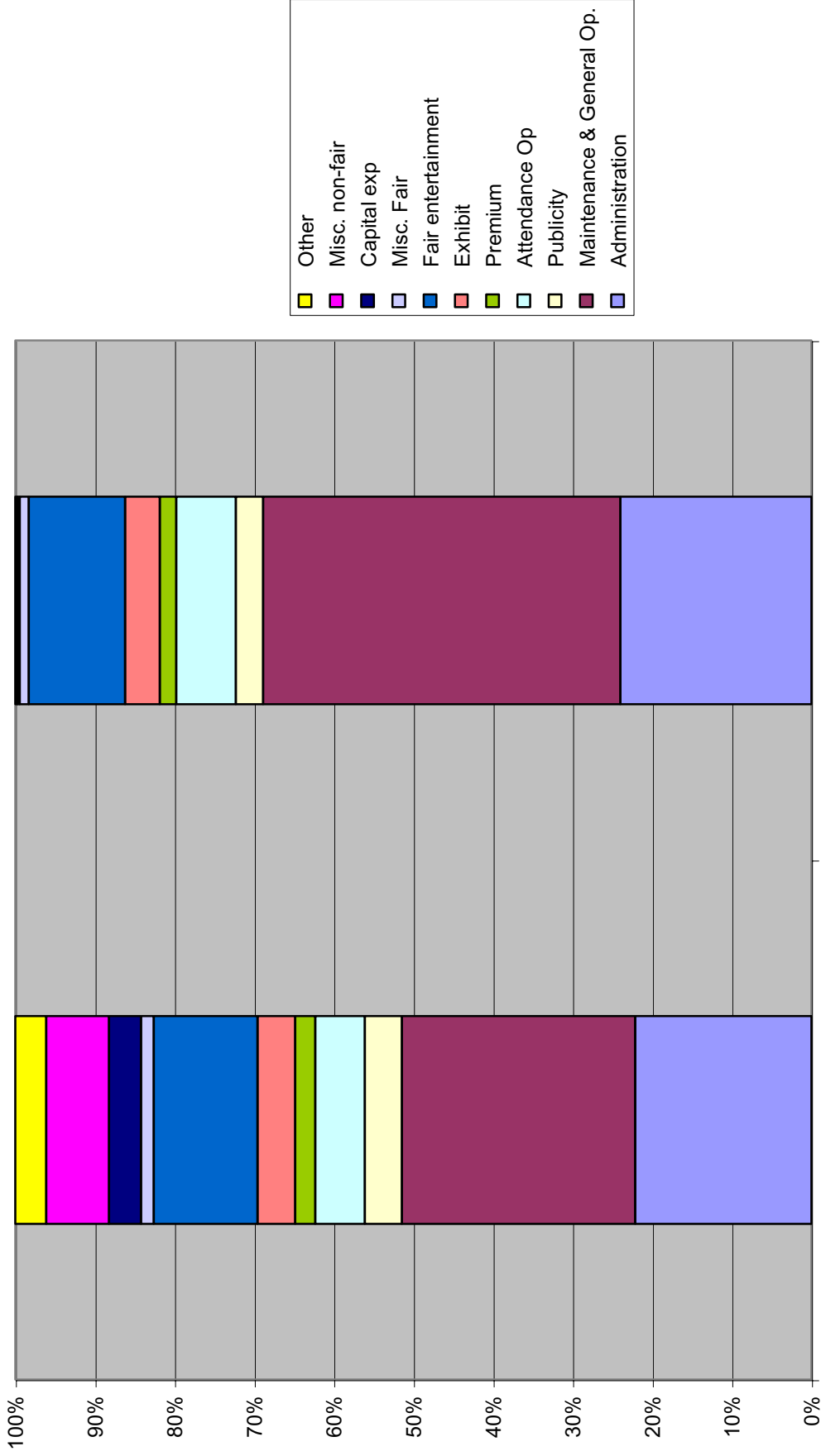


Figure 2
Revenue by Category⁽¹⁾



(1) Based on the latest data available from Network of California Fairs 2001 Statement of Operations Summary.

Figure 3
Expenditures by Category⁽¹⁾



(1) Based on the latest data available from Network of California Fairs 2001 Statement of Operations Summary.

Table 1
Overview of Fairgrounds

Class	# of Fairgrounds	Revenue	Fair Attendance/ year	Staff
1	13	≤ \$200,000	≤ 20,000	≤ 7
2	20	200,000 - 450,000	20,000 -40,000	7-10
3	19	450,000 - 1,000,000 (Napa: \$1,000,000)	40,000 - 80,000 (Napa: 59,000)	10-20 (Napa: 6)
4	9	1,000,000 - 3,000,000	80,000 -,175,000	20-40
5	6	3,000,000 - 6,000,000	175,000 - 250,000	40-80
6	6	6,000,000 - 10,000,000	250,000 - 400,000	80-120
7	4	> 10,000,000	> 400,000	>120

Source: California Department of Food and Agriculture

Table 2
Napa Valley Expo Financial Trend

FY	1997	1998	1999	2000	2001	2002	AVG
Total Gross Revenue	\$1,054,224	\$1,057,642	\$1,079,762	\$1,161,783	\$1,116,940	\$1,180,464	\$1,108,469
Total Operating Expenditure	1,124,357	1,141,656	1,165,156	1,199,377	1,153,609	1,261,902	\$1,174,343
NOI	-70,133	-84,014	-85,394	-37,594	-36,669	-81,438	-65,874

Source: Napa Valley Expo

Table 3
Comparison of Napa Valley Expo and Class III Average O&M Data

	Class III Average	Napa Expo
Total Building SqFt	67,895	60,000
Total Fairground Acreage	70	34
Total O&M Cost	\$330,367	\$519,376
O&M Cost/ Building SqFt	\$4.87	\$8.66
O&M Cost/ Acre	\$6,042	\$15,276

Source: California Department of Food and Agriculture

**Table 4
Conference Space Supply Analysis**

	Monterey County	Napa County							
		existing	Alternative A existing & planned	Alternative B existing & planned	Alternative C existing & planned	Alternative D existing & planned	Revised Alt. D existing & planned	Alternative E existing & planned	Revised Alt. E existing & planned
Conference Space Supply (SqFt)	310,995	66,105	194,905	282,405	279,705	369,905	264,905	160,705	137,905
Hotel Room Supply	12,000	2,700	4,099	4,099	4,099	4,099	4,099	4,099	4,099
SqFt of Conference Space/ Hotel Room	26	24	48	69	68	90	65	39	34
Population	409,648	Year 2002	Year 2015	Year 2015	Year 2015	Year 2015	Year 2015	Year 2015	Year 2015
SqFt of Conference Space/ per capita	0.76	128,021	147,700	147,700	147,700	147,700	147,700	147,700	147,700
		0.52	1.32	1.91	1.89	2.50	1.79	1.09	0.93

Source: Monterey County Convention & Visitors Bureau; City of Napa Economic Development Department

Table 5
Conference Center & Exhibit Hall Proforma

	Total SqFt (1)	Gross Revenue (2)	Operating Expenditure (3)	NOI
Alt A	75,000	\$4,375,716	\$4,943,238	-\$567,522
Alt B	162,500	\$11,341,950	\$12,812,981	-\$1,471,031
Alt C	159,800	\$10,246,363	\$11,575,298	-\$1,328,935
Alt D	250,000	\$18,308,185	\$20,682,724	-\$2,374,539
Revised Alt. D	145,000	\$10,507,073	\$11,869,822	-\$1,362,748
Alt E	N/A	N/A	N/A	N/A
Revised Alt. E	N/A	N/A	N/A	N/A

(1) Takes into account the square footage of the conference center as well as the new exhibit halls, because conference centers and exhibit halls work in tandem.

For the purpose of the analysis EPS assumes that the new exhibit halls will be utilized as a part of the conference center operation.

(2) Following assumptions area made to arrive at this calculation:

30% occupancy rate.

rental rate of \$150 per meeting room event; \$.23/SqFt for banquet/exhibit hall per event.

typical meeting room size of 500SqFt

335 usable days (approximately 30 days are closed for fairtime activities)

meal rate of \$17/ person for a meal only and \$29/person for a meal and breaks.

50% of meeting room events involve meal only; 75% of banquet/exhibit events involve meal and breaks.

15 SqFt/person for meeting room events involving meals & 30SqFt/person for banquet/exhibit hall events

(3) Operating expenditure equal to 113% of gross revenue based on case studies (see Table 6).

Table 6
Conference center case studies

Name	Location	Total SqFt	Revenue	Expenditure	Expenditure (% of Revenue)
Monterey Conference Center	Monterey	58,000	\$1,309,804	\$2,302,198	176%
Anaheim Convention Center	Anaheim	1,200,000	21,174,000	23,485,000	111%
Mill Valley Community Center	Mill Valley	34,000	2,200,000	2,400,000	109%
The Osher Marin Jewish Comm. Center	San Rafael	67,000	n/a	n/a	
Petaluma Community Center	Petaluma	25,000	215,613	118,138	55%
Lescher Community Center	Walnut Creek	92,000	1,400,000	1,600,000	114%
Average					113%

Table 7
RV Park Proforma (1)

	# of units	Rate/day (2)	Occupancy (3)	Gross Revenue	Expenditure (4)	NOI
Alt A	45	\$32	57%	\$222,125	\$51,089	\$171,036
Alt B	65	32	57%	320,847	73,795	247,052
Alt C	n/a	n/a	n/a	n/a	n/a	n/a
Alt D	45	32	57%	222,125	51,089	171,036
Revised Alt. D	100	32	57%	493,611	113,531	380,081
Alt E	100	32	57%	493,611	113,531	380,081
Revised Alt. E	100	32	57%	493,611	113,531	380,081

(1) The RV park is closed for about 3 months a year due to fair time (August) and flooding (Jan. & Feb). Also, de facto full capacity is about 30 (45 would require door-to-door set-up more conducive for groups).

(2) Based on survey of RV parks in the surrounding area.

(3) Based on the current rate of 36% and the result of an annual survey of RV park occupancy rate conducted by California Travel Park Association for 2002, 78.8% for the bay area.

(4) Assumed to be 23% of total gross revenue, based on RV parks of similar size. Does not include administrative cost.

Table 8
Multi-purpose Facility Proforma (1)

		In-door Sports Facility Use					
	Facility rental for leagues (2)	Open Skating (3)	Special Events (4)	Total Gross	Operating Expenditure (5)	NOI	
Alt A	n/a	n/a	n/a	n/a	n/a	n/a	
Alt B	\$62,343	\$77,529	\$33,500	\$173,371	\$47,169	\$126,203	
Alt C	62,343	77,529	33,500	173,371	47,169	126,203	
Alt D	62,343	77,529	33,500	173,371	47,169	126,203	
Revised Alt. D	62,343	77,529	33,500	173,371	47,169	126,203	
Alt E	62,343	77,529	33,500	173,371	47,169	126,203	
Revised Alt. E	62,343	77,529	33,500	173,371	47,169	126,203	

- (1) This proforma accounts for in-door sports facility use only. All other non-fairtime facility rental revenues that do not utilize in-door sports facility are included in the general rental revenue.
- (2) Leagues include hockey, basket ball and soccer based on current leagues through Napa Valley Park and Rec. Dep. Facility rental rate is assumed to be equal to 85% of the net revenue of the leagues.
- (3) Assumes 48 usable weekends, 270 attendees per weekend, and \$6 fee per person (based on other in-door sports facilities in Davis and Sonora)
- (4) Assumes 48 usable weekends, 4 one-hour rink time events each weekend, and \$175 fee per party (based on other in-door sports facilities in Davis and Sonora)
- (5) Assumes \$2,000/month janitorial cost & \$1,500/month facility maintenance cost based on an operation of a comparable facility.

Table 9
Analysis of Potential Hotel

Project Name	# of Rooms	Site Size		Sale Date	Land Price	
		Sq. Ft.	Acres		Total	Per Sq. ft. Per Room
<u>Market Area Data</u>						
Randean Way Hotel	108	103,673	2.38	07/25/02	\$3,100,000	\$29.90
McKinstry St. Hotel	160	87,556	2.01	03/29/01	\$1,900,000	\$21.70
Napa Resort & Spa	351	265,280	6.09	08/13/99	\$3,508,800	\$13.23
Primavera Inn	32	15,246	0.35	07/20/00	\$775,000	\$50.83
Noyes Mansion	<u>20</u>	<u>34,412</u>	<u>0.79</u>	07/01/02	<u>\$1,250,000</u>	<u>\$36.32</u>
Weighted Avg.	134	101,233	2.32	na	\$2,106,760	\$20.81
<u>Prototypical Project</u>						
	100	75,435	1.73	na	\$1,569,866	\$20.81
	150	113,152	2.60	na	\$2,354,799	\$20.81
	200	150,870	3.46	na	\$3,139,732	\$20.81

Source: FARES; City of Napa

Table 10
Summary of Proforma for All Alternatives

	Current	Alt A	Alt B	Alt C	Alt D	Revised Alt. D	Alt E	Revised Alt. E
Gross Revenue	\$ 1,304,464	\$6,180,458	\$13,660,286	\$12,640,751	\$21,129,298	\$13,213,273	\$1,872,258	2,081,451
Operating Expenditure	1,261,902	6,414,714	-636,757	12,992,672	22,079,375	13,402,274	1,623,321	1,623,321
NOI	42,562	-234,256	-636,757	-351,920	-950,077	-189,001	248,937	458,130
Annual Debt Payment (1)	0	2,367,000	4,357,000	4,998,000	6,770,000	4,252,000	1,641,000	1,293,000

(1) Assumes total costs financed over a 30-year term, at 6% interest rate, 5% issuance cost, and 10% coverage.

Table 11
Projected Operating Revenue by Alternative

Revenue Item	Baseline Conditions		Revenue Generation at Build-out					Revised Alt. E
	Alternative A	Alternative B	Alternative C	Alternative D	Revised Alt. D	Alternative E	Revised Alt. E	
Fairtime Revenue (2)								
Admission	\$247,220	\$247,220	\$247,220	\$247,220	\$247,220	\$247,220	\$247,220	\$247,220
Commercial Space Rental	80,827	80,827	80,827	80,827	80,827	80,827	80,827	80,827
Concessions	176,465	176,465	176,465	176,465	176,465	176,465	176,465	176,465
Exhibits	4,902	4,902	4,902	4,902	4,902	4,902	4,902	4,902
Attraction	42,624	42,624	42,624	42,624	42,624	42,624	42,624	42,624
Miscellaneous Fair	69,593	69,593	69,593	69,593	69,593	69,593	69,593	69,593
Non-Fairtime Revenue								
Rental revenue for existing activities (3)	433,086	423,943	423,943	423,943	423,943	423,943	423,943	452,023
Conference center operation (4)	-	4,375,716	10,246,363	18,308,185	10,507,073	n/a	n/a	n/a
Multi purpose facility use (5)	-	-	173,371	173,371	173,371	173,371	173,371	173,371
RV site rentals (6)	58,440	222,125	n/a	222,125	493,611	493,611	493,611	493,611
Office above conference center (7)	n/a	483,000	869,400	966,000	579,600	n/a	n/a	n/a
Equipment rentals (8)	8,713	8,713	8,713	8,713	8,713	8,713	8,713	8,713
Concessions (8)	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250
Parking (8)	2,901	2,901	2,901	2,901	2,901	2,901	2,901	2,901
Misc. (8)	38,179	38,179	38,179	38,179	38,179	38,179	38,179	38,179
Interest earnings (9)	13,264	0	0	0	0	0	0	142,771
State Allocation (8)	124,000	-	-	-	-	-	-	-
Mixed-use land lease (10)	-	-	252,000	360,000	360,000	n/a	n/a	144,000
Total Gross Revenue	1,304,464	6,180,458	12,640,751	21,129,298	13,213,273	1,872,258	2,031,451	

(1) Baseline data are based on the 2002 Statement of Operations provided by the fairground.

(2) Fair related revenues are assumed to remain at the current level.

(3) Assumes current leases with schools and Fermentation Center will expire. Existing interim activities revenue is assumed to increase by 20% due to renovation and improved marketing.

(4) See Table 5 for details.

(5) See Table 8 for details.

(6) See Table 7 for details.

(7) Based on an average monthly lease rate of \$1.75 triple net (NNN) and 8% vacancy rate.

(8) Assumed to remain at the current level.

(9) Assumed to increase at a rate proportional to increased NOI.

(10) Based on 8% of land value and an average land value of \$60 per square foot.

Table 12
Projected Operating Expenditures by Alternative

Expenditure Item	Operating Expenditures at Build-out					Revised Alt. E
	Baseline Conditions (1)	Alternative A	Alternative B	Alternative C	Alternative D	
Administration (11)	\$293,269	\$351,923	\$351,923	\$351,923	\$351,923	\$351,923
General O & M (11)	495,361	594,433	594,433	594,433	594,433	594,433
Conference center operation (12)	-	4,813,287	12,476,145	11,271,000	20,139,003	n/a
Multi-purpose facility operation (13)	-	-	47,169	47,169	47,169	47,169
RV expenditure (14)	-	51,089	73,795	-	51,089	113,531
Publicity (15)	35,502	42,602	42,602	42,602	42,602	42,602
Attendance Operations (16)	97,318	97,318	97,318	97,318	97,318	97,318
Miscellaneous fair (16)	14,528	14,528	14,528	14,528	14,528	14,528
Premium (16)	23,946	23,946	23,946	23,946	23,946	23,946
Exhibits (16)	64,365	64,365	64,365	64,365	64,365	64,365
Fairtime entertainment (16)	164,242	164,242	164,242	164,242	164,242	164,242
Other (16)	73,371	73,371	73,371	73,371	73,371	73,371
Capital Reserve (17)	-	123,609	273,206	247,775	415,386	35,894
Total Operating Expenditure	1,261,902	6,414,714	14,297,043	12,992,672	22,079,375	1,623,321
Net Operating Income (NOI)	42,562	-234,256	-636,757	-351,920	-950,077	458,130
Debt Service on Capital Investment (18)	-	2,367,000	4,357,000	4,998,000	6,770,000	1,293,000
Annual Net Funding Shortfall		(2,601,256)	(4,993,757)	(5,349,920)	(7,720,077)	(834,870)

(11) Assumed to increase at the same rate as the existing interim activities, or at 20% for all alternatives.

(12) See Table 5 for details.

(13) See Table 8 for details.

(14) See Table 7 for details.

(15) For all alternatives, publicity costs assumed to increase at the same rate as the existing interim activities, or at 20%.
Publicity costs for conference center and multi-purpose facility included in separate cash-flow.

(16) These fairtime expenditures are assumed to remain at the current level.

(17) Assumed to be 2% of gross revenue excluding interest earning, State allocation, and private land lease.

(18) See Table 13 for details.

Table 13
Capital Cost Estimates by Alternative

Cost Category	Cost Estimate (1)						
	Alternative A	Alternative B	Alternative C	Alternative D	Revised Alt. D	Alternative E	Revised Alt E
General Site Improvements							
Demolition	\$193,888	\$376,384	\$376,384	\$465,824	\$465,824	\$204,732	\$283,532
Basic Infrastructure	2,297,100	2,401,100	2,327,000	3,398,200	3,495,700	3,218,000	1,829,100
Landscaping & Common Areas	3,072,452	2,029,960	2,443,960	2,543,130	3,260,180	4,161,908	4,058,580
Road/Circulation Improvements	694,500	579,500	446,100	352,200	380,375	434,200	354,000
Entry Way Re-design	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000
Renovation of Existing Bldgs.	<u>420,000</u>	<u>192,000</u>	<u>192,000</u>	<u>80,000</u>	<u>80,000</u>	<u>319,180</u>	<u>220,680</u>
Subtotal	7,797,940	6,698,944	6,905,444	7,959,354	8,802,079	9,458,020	7,865,892
New / Expanded Facilities							
Conference Center and/or Exhibit Halls	12,739,286	25,108,929	25,906,714	37,478,571	21,887,143	4,896,000	2,160,000
Ag Center (roof structure only)						n/a	720,000
Office Above Conference Center	2,625,000	3,937,500	4,725,000	5,250,000	3,150,000	n/a	n/a
Livestock / Multi-use Facility	1,344,958	2,839,560	4,935,660	3,842,400	1,787,400	1,770,275	1,307,900
RV Hook Ups	450,000	650,000	-	450,000	1,000,000	1,000,000	1,000,000
Amphitheatre Expansion	<u>750,000</u>	<u>75,000</u>	-	-	<u>1,000,000</u>	<u>875,000</u>	<u>1,000,000</u>
Subtotal	17,909,244	32,610,989	35,567,374	47,020,971	28,824,543	8,541,275	6,187,900
Parking							
Surface Parking	1,153,200	1,638,000	654,000	607,200	432,000	624,000	624,000
Parking Structure (3)	<u>0</u>	<u>8,500,000</u>	<u>13,600,000</u>	<u>21,250,000</u>	<u>10,200,000</u>	<u>0</u>	<u>0</u>
Subtotal	1,153,200	10,138,000	14,254,000	21,857,200	10,632,000	624,000	624,000
Cost Contingency @ 5%	1,343,019	2,472,397	2,836,341	3,841,876	2,412,931	931,165	733,890
TOTAL	28,203,403	51,920,329	59,563,159	80,679,402	50,671,553	19,554,460	15,411,682
Annual Debt Payment (2)	2,367,000	4,357,000	4,998,000	6,770,000	4,252,000	1,641,000	1,293,000

(1) Costs for Conference Center and Livestock / Multi-use facility based on data from California Construction Authority and Underground Construction Co., Inc.. All other costs based on LSA and EPS estimates.

(2) Assumes total costs financed over a 30-year term, at 6% interest rate, 5% issuance cost, and 10% coverage.

(3) Based on 1,000 , 1,600, 2,500 and 1,200, spaces for Alternatives B, C, D, and Revised D, respectively at \$8,500 per space.

Table 14
Analysis of Selected Voter Approved Revenue Sources

Revenue Mechanism	Revenue Generated (1)		
	\$80,000,000	\$60,000,000	\$40,000,000
Per Household Annual Tax (2)	\$133	\$100	\$67
Property Tax Increase (3)	0.042%	0.032%	0.021%
Sales Tax Increase (4)	0.34%	0.26%	0.17%

(1) Based on a revenue bond financed over a 30-year term, at 6% interest rate, 5% issuance cost, and 10% coverage.

(2) Based on 50,403 households in the County.

(3) Based on \$15,817,597,000 in total assessed value in the County.

(4) Based on \$1,946,548,000 in taxable sales in the County.

Table 15
Capital Cost Estimates

Cost Category	Cost Estimate (1)	
	Revised Alt E	Phase I
General Site Improvements		
Demolition	\$283,532	\$166,880
Basic Infrastructure	1,829,100	312,390
Landscaping & Common Areas	4,058,580	1,366,000
Road/Circulation Improvements	354,000	
Entry Way Re-design	1,120,000	
Renovation of Existing Bldgs.	<u>220,680</u>	
Subtotal	7,865,892	1,845,270
New / Expanded Facilities		
Conference Center and/or Exhibit Halls	2,160,000	
Ag Center (roof structure only)	720,000	720,000
Office Above Conference Center	n/a	
Livestock / Multi-use Facility	1,307,900	1,307,900
RV Hook Ups	1,000,000	1,000,000
Ampitheatre Expansion	<u>1,000,000</u>	
Subtotal	6,187,900	\$3,027,900
Parking		
Surface Parking	624,000	
Parking Structure	<u>0</u>	
Subtotal	624,000	
Cost Contingency @ 5%	733,890	243,659
	-----	-----
TOTAL	15,411,682	5,116,829
Annual Debt Payment (2)	1,293,000	429,000

(1) Costs for Conference Center and Livestock / Multi-use facility based on data from California Construction Authority and Underground Construction Co., Inc.. All other costs based on LSA and EPS estimates.

(2) Assumes total costs financed over a 30-year term, at 6% interest rate, 5% issuance cost, and 10% coverage.

Table 16
Projected Operating Revenue

Revenue Item	Baseline	Revenue at	
	Conditions (1)	Build-out Revised Alt. E	Phase I
Fairtime Revenue (2)			
Admission	\$247,220	\$247,220	\$247,220
Commercial Space Rental	80,827	80,827	80,827
Concessions	176,465	176,465	176,465
Exhibits	4,902	4,902	4,902
Attraction	42,624	42,624	42,624
Miscellaneous Fair	69,593	69,593	69,593
Non-Fairtime Revenue			
Rental revenue for existing activities (3)	433,086	452,023	433,086
Conference center operation (4)	-	n/a	n/a
Multi purpose facility use (5)	-	173,371	173,371
RV site rentals (6)	58,440	493,611	493,611
Office above conference center	n/a	n/a	n/a
Equipment rentals (7)	8,713	8,713	8,713
Concessions (7)	4,250	4,250	4,250
Parking (7)	2,901	2,901	2,901
Misc. (7)	38,179	38,179	38,179
Interest earnings (8)	13,264	142,771	143,798
State Allocation (9)	124,000	-	
Mixed-use land lease	-	144,000	n/a
Total Gross Revenue	1,304,464	2,081,451	1,919,540

- (1) Baseline data are based on the 2002 Statement of Operations provided by the fairground.
(2) Fair related revenues are assumed to remain at the current level.
(3) Assumes level of interim revenue.
(4) See Table 5 for details.
(5) See Table 8 for details.
(6) See Table 7 for details.
(7) Assumed to remain at the current level.
(8) Assumed to increase at a rate proportional to increased NOI.
(9) Due to the uncertainty of the future state funding, it is assumed to discontinue.

Table 17
Projected Operating Expenditures

Expenditure Item	Baseline	Expenditure	
	Conditions (1)	at Build-out Revised Alt. E	Phase I
Administration (10)	\$293,269	\$351,923	\$293,269
General O & M (10)	495,361	594,433	495,361
Conference center operation (11)	-	n/a	n/a
Multi-purpose facility operation (12)	-	47,169	47,169
RV expenditure (13)	-	113,531	113,531
Publicity (14)	35,502	42,602	35,502
Attendance Operations (15)	97,318	97,318	97,318
Miscellaneous fair (15)	14,528	14,528	14,528
Premium (15)	23,946	23,946	23,946
Exhibits (15)	64,365	64,365	64,365
Fairtime entertainment (15)	164,242	164,242	164,242
Other (15)	73,371	73,371	73,371
Capital Reserve (16)	-	<u>35,894</u>	<u>35,515</u>
Total Operating Expenditure	1,261,902	1,623,321	1,458,116
Net Operating Income (NOI)	42,562	458,130	461,424
Debt Service on Capital Investment (17)	-	1,293,000	429,000
Annual Net Income		(834,870)	32,424

(10) Assumed to remain at the current level.

(11) See Table 5 for details.

(12) See Table 8 for details.

(13) See Table 7 for details.

(14) Publicity cost for the fairground is assumed to remain at the current level; publicity costs for conference center and multi-purpose facility included in separate cash-flow.

(15) These fairtime expenditures are assumed to remain at the current level.

(16) Assumed to be 2% of gross revenue excluding interest earning, State allocation, and private land lease.

(17) See Table 15 for details.

APPENDIX G

INFRASTRUCTURE COSTS



June 27, 2003

Laura Lafler
LSA Associates
157 Park Place
Pt. Richmond, CA 94801

Re: Napa Valley Expo Phase II

Dear Laura:

This letter will summarize our assessment of engineering issues relevant to the Phase II evaluation of planning alternatives for the Napa Valley Expo (NVE); in fulfillment of our consultant agreement dated November 21, 2002.

Background

The available capacity and condition of utility infrastructure often plays a major role in the planning process. As a result, CSI Engineering was brought on board the project team at the beginning of the planning effort to identify the specific infrastructure issues related to the development of the NVE site. The results of the preliminary analyses are included in the Opportunities and Constraints Study prepared by LSA in 2002.

Brief Summary from 2002 Constraints and Opportunities Report

- A. Water – Existing on-site water facilities are undersized and in poor condition. New buildings on the NVE site will require new waterlines and upgrading of the existing distribution system. The City is expected to have water available to meet most anticipated uses at the NVE.

- B. Sewer – Existing sewer facilities are in poor condition. New buildings on the NVE site will require new sewer lines and upgrading of the existing collection system. The Napa Valley Sanitation District (NSD) stated in 2002 that treatment capacity should not be a problem for any of the proposed new uses, but that collection in the trunk mains would present a problem for any large uses that were year-round, including a hotel or conference center.

5021 Rowe Drive
Fairfield, CA 94533
Phone: (707) 439-9936

Serving Northern California and Nevada
www.csieng.com

*email: cascade@csieng.com
Toll Free: (800) 983-4449
Fax: (707) 439-9948*

- C. Storm Drainage – The site is in a flood plain from the Napa River. New buildings will need to be elevated to remove them from flooding. A flood release corridor passes through the site, and must be accounted for in any new plans. Existing parking areas are poorly drained. New parking will require extensive new grading and installation of new storm drain lines and structures.
- D. Electric and Gas Facilities – Existing electric and gas facilities are undersized and in poor condition. New buildings will require new utility services. If possible, the old infrastructure should be replaced as a part of any new development.
- E. Paving – Existing roads and parking lots are poorly drained. As a result, much of the pavement is currently failing. New parking lots will require extensive grading and installation of a drainage system.

Updates to Constraints and Opportunities Analysis

- A. Water, Power, Gas and Paving – No updates
- B. Sanitary Sewer System – The major capacity problem identified in the 2002 report related to excessive sewer system flows during the rainy season caused by rainfall inflow and infiltration (“I&I”) into the sewer system. According to Todd Herrick, of NSD, in a personal communication in June 2003, the sewer district has committed to a new sewer trunk main project that will most likely eliminate the pump station northwest of the Expo site. The result will be a significant improvement to the existing collection system, and a reduction of the capacity problem. So long as new Expo facilities are sewered to Burnell Street, the local system should be able to handle any of the new proposed facilities on the Expo site after completion of the NSD project.
- C. Drainage System – The NVE site is currently in the flood plain of the Napa River. During heavy rain, the Napa River floods over its banks and inundates much of the NVE site, and many other parts of the downtown Napa area. The Napa Valley Flood Control District (NVFCD) and the US Army Corp of Engineers (ACE) are currently constructing a project that will remove most of the downtown Napa area, including the NVE site from the 100-year floodplain. After completion of the project, however, there will continue to be local flooding problems that are under the jurisdiction of the City of Napa. These problems were addressed in the Interior Drainage Report prepared by West Yost Associates in December 2000 for the NVFCD.

On February 15, 2002, West-Yost Associates issued an updated Interior Drainage Study that took a closer look at the Expo site. The updated report concludes that

after construction of the flood control project, flooding at the NVE site will continue, due to local drainage problems, but will be significantly less than historical flooding. Two conditions were analyzed: A 100-year storm with the Napa River flowing at a 100-year flood stage (“No river outflow condition”); and a 100-year storm with the Napa River able to accept runoff from local storm drains (“Minimum facilities condition”). Under both of the these scenarios, computer modeling predicts that there will be flooding of 1 – 2’ depth in Third Street, Burnell Street, throughout the NVE site, the PG&E site and Seventh Street. The flow rate through the NVE site was estimated at 250 cubic feet per second (cfs) under the “no river flow condition,” and at 140 cfs under the “minimum facilities condition.”

The NVE site currently acts to slow these flows, as water fans out across the fields acting in effect as a detention basin. According to the NVFCD model, the reduction of the peak flow due to this detention is to 210 cfs and 120 cfs, respectively. The duration of this flooding is estimated at 3 – 6 hours. However, low-lying pockets of land on the site may remain flooded for longer.

The NVFCD report concludes that flooding will be relatively rare (1% chance per year), and shallow (average of one foot depth), and therefore recommends against concentrating these flows into pipes, which could aggravate problems downstream.

We concur with this conclusion, and recommend that the NVE site be designed to accommodate 100-year overland flows through careful planning of road grades, and location and elevation of building pads. All habitable facilities, such as the conference center, offices, etc. should have their floor elevation located at least one foot over the base flood elevation, calculated to be 15.8 in Third Street and 13.7 feet in Seventh Street. When on-site storm drains are designed they can be over-sized to reduce the levels of the 100-year flow. Consideration should be giving to allowing some on-site detention if possible, either in parking lots, or open space and landscaped areas.

Analysis of Alternatives

A. General Comments

New buildings under all alternatives will require new utilities to be brought to them from Silverado Trail, Third Street and/or Burnell Street. Existing on-site water, sewer, electric and gas facilities are already in poor condition and generally are too small to serve a new facility. The design and costs of these utility services should be considered during the design development phase of any future projects.

All new buildings should be designed to be above the current or future 100-year base flood elevation (whichever is higher).

The existing site is lower than surrounding adjacent sites. The design of any new paved parking facilities and new building pads will require extensive re-grading of the site, and the importation of a significant amount of earth fill from offsite. In addition, a coordinated storm drain system will need to be designed and constructed for the entire site to bring it up to current design standards.

B. Costs

Preliminary cost estimates for each of the alternatives have been prepared as a separate document that accompanies this letter report.

C. Revised Alternative "D"

Wastewater

The preliminary estimated wastewater flows from the revised Alternative D are as follows:

Table 1-1 - Estimated Wastewater Flows - Napa Valley Expo Alternate "D"

Parameter	Flow (gallons per day)
Average Daily Flow	60,000
Peak Day Flow	120,000

Based on conversations with Napa Sanitation District, there should be available capacity in the District sewer system to accommodate the above flows after completion of a proposed new trunk main project. Note that the above estimate is very preliminary, based on similar facilities in Northern California. A sewer line will need to be constructed from Burnell Street to serve the convention center facility.

Water

The preliminary estimated water demands from Revised Alternative D are as follows:

Table 1-2 - Estimated Water Demands - Napa Valley Expo Alternate "D"

Parameter	Flow
Average Day Demand	60,000 gpd ¹
Peak Day Demand	120,000 gpd
Peak Day Demand	95 gpm ²
Water Storage – 2 days	250,000 gallons
Fire Storage (3,500 gpm for 3 hours)	630,000 gallons
Total Storage Requirement	1,000,000 gallons

Based on conversations with the City of Napa, there should be available capacity in the City water system to accommodate the above flows. Note that the above estimate is very preliminary, based on similar facilities in Northern California. New water lines will need to be constructed to the convention center from Silverado Trail.

Drainage

A new storm drain system, consisting of pipes and manholes will need to be constructed to serve the entire site. It may be possible to leave the drainage channel along the east and south sides of the RV and midway areas. Grades on the arrival court and plaza will need to be low enough to not block overland 100-year flows. The agriculture buildings should be designed to accommodate through flows.

Grading and Paving

All new parking lots and building pads will require extensive regrading and the importation of earth fill to raise the buildings out of the flood plain and create positive drainage in the parking lots.

¹ Gallons per day

² Gallons per minute

Electric and Gas Facilities

All new buildings will require that new gas and electric facilities be brought in from off-site. The NVE site is currently crossed from east to west by a series of high voltage power lines. Until such time as PG&E relocates its substation and poles, these lines will need to remain in place. Site planning for the open space and agriculture exhibit buildings will need to account for the location of these poles.

Conclusions and Recommendations

Development of all infrastructure is feasible for all of the alternatives proposed for the NVE site. There will be extensive costs required to solve the drainage and grading problems. Water and sewer service are available, upon payment of development impact fees to the City of Napa and the Napa Sanitation District, and construction of on-site facilities that are not owned or maintained by the City or NSD.

If the Board of Directors, working with the local stakeholders and/or a private developer, decides to proceed with a preferred alternative, the next step would likely be to refine the site plan to show greater detail and dimension. As part of this process, it is recommended to refine the potential impacts and costs of building the utility infrastructure required to develop the Napa Valley Expo site.

If you have any question on any of these issues, or require any further information, please do not hesitate to call me. It has been a pleasure working with you, with the Board of Directors, and with the NVE staff.

Yours truly,

Larry Andrews. P.E.

President

Napa Valley Expo

Preliminary Planning Estimate of Infrastructure Costs

12-Jun-03

Revised June 17, 2003

ALTERNATIVE "A"

No	Item	Qty	Unit	Cost	Total
Water					
	1 12' WL	3,000	LF	45	135,000
	2 8" WL	1,000	LF	32	32,000
	3 Misc	1	LS	20,000	20,000
Subtotal					<u>187,000</u>
Storm Drain					
	1 18" SD	3,000	LF	35	105,000
	2 24" SD	1,500	LF	30	45,000
	3 30" SD	2,000	LF	40	80,000
	4 Structures	30	EA		-
Subtotal					<u>230,000</u>
Sewer					
	1 8" SS	1,300	LF	30	39,000
	2 Structures	8	EA	2,000	16,000
Subtotal					<u>55,000</u>
Grading					
	1 Rough grade	150,000	CY	5	750,000
Subtotal					<u>750,000</u>
Electric and Gas Facilities					
	1 Upgrade	1	LS	500,000	500,000
Subtotal					<u>500,000</u>
Total					<u>1,722,000</u>
	Engineering, surveying - 10%				172,200.0
	Construction Contingency - 20%				344,400.0
					<u><u>1,722,000</u></u>

Total Estimate **2,238,600**
ALTERNATIVE "B"

No	Item	Qty	Unit	Cost	Total
Water					
	1 12' WL	3,000	LF	45	135,000
	2 8" WL	1,000	LF	32	32,000
	3 Misc	1	LS	20,000	20,000
Subtotal					187,000
Storm Drain					
	1 18" SD	4,000	LF	35	140,000
	2 24" SD	2,000	LF	30	60,000
	3 30" SD	2,000	LF	40	80,000
	4 Structures	50	EA		-
Subtotal					280,000
Sewer					
	1 8" SS	1,300	LF	30	39,000
	2 Structures	8	EA	2,000	16,000
Subtotal					55,000
Grading					
	1 Rough grade	150,000	CY	5	750,000
Subtotal					750,000
Electric and Gas Facilities					
	1 Upgrade	1	LS	500,000	500,000
Subtotal					500,000
Total					1,772,000
Engineering, surveying - 10%					177,200.0
Construction Contingency - 20%					354,400.0
Total Estimate					2,303,600

ALTERNATIVE "C"

No	Item	Qty	Unit	Cost	Total
Water					
	1 12' WL	3,000	LF	45	135,000
	2 8" WL	1,000	LF	32	32,000
	3 Misc	1	LS	20,000	20,000
Subtotal					<u>187,000</u>
Storm Drain					
	1 18" SD	3,000	LF	35	105,000
	2 24" SD	1,000	LF	30	30,000
	3 30" SD	2,000	LF	40	80,000
	4 Structures	40	EA		-
Subtotal					<u>215,000</u>
Sewer					
	1 8" SS	2,000	LF	30	60,000
	2 Structures	9	EA	2,000	18,000
Subtotal					<u>78,000</u>
Grading					
	1 Rough grade	150,000	CY	5	750,000
Subtotal					<u>750,000</u>
Electric and Gas Facilities					
	1 Upgrade	1	LS	500,000	500,000
Subtotal					<u>500,000</u>
Total					<u>1,730,000</u>
Engineering, surveying - 10%					173,000.0
Construction Contingency - 20%					346,000.0
Total Estimate					<u><u>2,249,000</u></u>

ALTERNATIVE "E"

No	Item	Qty	Unit	Cost	Total
Water					
	1 12' WL	2,500	LF	45	112,500
	2 8" WL	850	LF	32	27,200
	3 Misc	1	LS	19,000	19,000
Subtotal					<u>158,700</u>
Storm Drain					
	1 18" SD	4,000	LF	35	140,000
	2 24" SD	1,500	LF	30	45,000
	3 30" SD	1,250	LF	40	50,000
	4 Structures	19	EA	1,500	28,500
Subtotal					<u>263,500</u>
Sewer					
	1 8" SS	1,500	LF	30	45,000
	2 Structures	9	EA	2,000	18,000
Subtotal					<u>63,000</u>
Grading					
	1 Rough grade	300,000	CY	5	1,500,000
Subtotal					<u>1,500,000</u>
Electric and Gas Facilities					
	1 Upgrade	1	LS	490,000	490,000
Subtotal					<u>490,000</u>
Total					<u>2,475,200</u>
Engineering, surveying - 10%					247,520.0
Construction Contingency - 20%					495,040.0
Total Estimate					<u><u>3,217,760</u></u>

REVISED ALTERNATIVE "D"

No	Item	Qty	Unit	Cost	Total
Water					
	1 12' WL	3,000	LF	45	135,000
	2 8" WL	1,000	LF	32	32,000
	3 Misc	1	LS	20,000	20,000
Subtotal					<u>187,000</u>
Storm Drain					
	1 18" SD	5,400	LF	35	189,000
	2 24" SD	2,000	LF	30	60,000
	3 30" SD	2,000	LF	40	80,000
	4 Structures	50	EA		-
Subtotal					<u>329,000</u>
Sewer					
	1 8" SS	2,600	LF	30	78,000
	2 Structures	10	EA	2,000	20,000
Subtotal					<u>98,000</u>
Grading					
	1 Rough grade	300,000	CY	5	1,500,000
Subtotal					<u>1,500,000</u>
Electric and Gas Facilities					
	1 Upgrade	1	LS	500,000	500,000
Subtotal					<u>500,000</u>
Total					<u>2,614,000</u>
Engineering, surveying - 10%					261,400.0
Construction Contingency - 20%					522,800.0
Total Estimate					<u><u>3,398,200</u></u>

Napa Valley Expo

Preliminary Planning Estimate of Infrastructure Costs

12-Jun-03

SUMMARY

Alternative	Estimate
A	\$ 2,238,600
B	\$ 2,303,600
C	\$ 2,249,000
E	\$ 3,217,760
Rev D	\$ 3,398,200

Notes:

1. Above estimates are not based on design. They are intended for comparative general planning purposes only.
2. Not included: paving, services to individual buildings, finish grading, landscaping, offsite infrastructure improvements, relocation of power poles, curb, gutter, or sidewalks

Prepared by: CSI Engineering
www.csieng.com

Date: 12-Jun-03
Revised: 17-Jun-03
File: NVE Infrastructure estimate 5 alternatives.xls



July 7, 2003

Laura Lafler
LSA Associates
157 Park Place
Pt. Richmond, CA 94801

Re: Napa Valley Expo Phase II - Revised Alternative "E"

Dear Laura:

This memo will supplement the letter report on the engineering assessment of the Napa Valley Expo Phase II project, dated June 27, 2003.

Alternative "E" removes several significant land uses from the land plan, including the conference center. This plan includes several new buildings, and continues to use several existing buildings. In addition there is a new paved parking lot, a large plaza and a relocated RV Park.

Construction of Alternative "E" will allow some of the major infrastructure construction to be deferred until more intense development occurs. However, all new construction will need to be built to current design standards. This means that new on-site storm drains, water, sewer and electric facilities will be required to serve all proposed new facilities. In addition, the entire site will need to be regraded to allow the site to drain properly. The exception is the large Open Space / Fair Parking area. Grading and storm drain facilities for this area can be deferred until further development.

Ideally, the new RV Park area should be raised with earth fill to reduce the flooding problems at the south end of the property. This will help protect from flooding, the new electric, gas and other facilities needed to serve the RV site. This will also allow for a longer rental period during the rainy season.

Wherever possible, we recommend replacing or upgrading the utility services to the existing buildings, where there are problems, at the same time that new buildings are constructed.

5021 Rowe Drive
Fairfield, CA 94533
Phone: (707) 439-9936

Serving Northern California and Nevada
www.csieng.com

email: cascade@csieng.com
Toll Free: (800) 983-4449
Fax: (707) 439-9948

Re: Napa Valley Expo Phase II - Revised Alternative "E"
July 7, 2003
Page 2 of 2

Water and sewer utilities for the proposed Mixed Use Building and the proposed New Exhibit Building can be served directly from Burnell Street with minimal impact to the rest of the NVE site.

If you have any question on any of these issues, or require any further information, please do not hesitate to call me.

Yours truly,

Larry Andrews, P.E.

President



Napa Valley Expo
Preliminary Planning Estimate of Infrastructure Costs
Revised July 7, 2003

ALTERNATIVE "A"

No	Item	Qty	Unit	Cost	Total
Water					
	1 12' WL	3,000	LF	45	135,000
	2 8" WL	1,000	LF	32	32,000
	3 Misc	1	LS	20,000	20,000
Subtotal					<u>187,000</u>
Storm Drain					
	1 18" SD	3,000	LF	35	105,000
	2 24" SD	1,500	LF	30	45,000
	3 30" SD	2,000	LF	40	80,000
	4 Structures	30	EA	1,500	45,000
Subtotal					<u>275,000</u>
Sewer					
	1 8" SS	1,300	LF	30	39,000
	2 Structures	8	EA	2,000	16,000
Subtotal					<u>55,000</u>
Grading					
	1 Rough grade	150,000	CY	5	750,000
Subtotal					<u>750,000</u>
Electric and Gas Facilities					
	1 Upgrade	1	LS	500,000	500,000
Subtotal					<u>500,000</u>
Total					<u>1,767,000</u>
	Engineering, surveying - 10%				176,700.0
	Construction Contingency - 20%				353,400.0
Total Estimate					<u><u>2,297,100</u></u>

ALTERNATIVE "B"

No	Item	Qty	Unit	Cost	Total
Water					
	1 12' WL	3,000	LF	45	135,000
	2 8" WL	1,000	LF	32	32,000
	3 Misc	1	LS	20,000	20,000
Subtotal					<u>187,000</u>
Storm Drain					
	1 18" SD	4,000	LF	35	140,000
	2 24" SD	2,000	LF	30	60,000
	3 30" SD	2,000	LF	40	80,000
	4 Structures	50	EA	1,500	75,000
Subtotal					<u>355,000</u>
Sewer					
	1 8" SS	1,300	LF	30	39,000
	2 Structures	8	EA	2,000	16,000
Subtotal					<u>55,000</u>
Grading					
	1 Rough grade	150,000	CY	5	750,000
Subtotal					<u>750,000</u>
Electric and Gas Facilities					
	1 Upgrade	1	LS	500,000	500,000
Subtotal					<u>500,000</u>
Total					<u>1,847,000</u>
Engineering, surveying - 10%					184,700.0
Construction Contingency - 20%					369,400.0
Total Estimate					<u><u>2,401,100</u></u>

ALTERNATIVE "C"

No	Item	Qty	Unit	Cost	Total
Water					
	1 12' WL	3,000	LF	45	135,000
	2 8" WL	1,000	LF	32	32,000
	3 Misc	1	LS	20,000	20,000
Subtotal					<u>187,000</u>
Storm Drain					
	1 18" SD	3,000	LF	35	105,000
	2 24" SD	1,000	LF	30	30,000
	3 30" SD	2,000	LF	40	80,000
	4 Structures	40	EA	1,500	60,000
Subtotal					<u>275,000</u>
Sewer					
	1 8" SS	2,000	LF	30	60,000
	2 Structures	9	EA	2,000	18,000
Subtotal					<u>78,000</u>
Grading					
	1 Rough grade	150,000	CY	5	750,000
Subtotal					<u>750,000</u>
Electric and Gas Facilities					
	1 Upgrade	1	LS	500,000	500,000
Subtotal					<u>500,000</u>
Total					<u>1,790,000</u>
Engineering, surveying - 10%					179,000.0
Construction Contingency - 20%					358,000.0
Total Estimate					<u><u>2,327,000</u></u>

REVISED ALTERNATIVE "E"

No	Item	Qty	Unit	Cost	Total
Water					
	1 12' WL	2,400	LF	45	108,000
	2 8" WL	1,000	LF	32	32,000
	3 Misc	1	LS	20,000	20,000
Subtotal					<u>160,000</u>
Storm Drain					
	1 18" SD	2,500	LF	35	87,500
	2 24" SD	1,750	LF	30	52,500
	3 30" SD	800	LF	40	32,000
	4 Structures	30	EA	1,500	45,000
Subtotal					<u>217,000</u>
Sewer					
	1 8" SS	2,000	LF	30	60,000
	2 Structures	10	EA	2,000	20,000
Subtotal					<u>80,000</u>
Grading					
	1 Rough grade	110,000	CY	5	550,000
Subtotal					<u>550,000</u>
Electric and Gas Facilities					
	1 Upgrade	1	LS	400,000	400,000
Subtotal					<u>400,000</u>
Total					<u>1,407,000</u>
Engineering, surveying - 10%					140,700.0
Construction Contingency - 20%					281,400.0
Total Estimate					<u><u>1,829,100</u></u>

REVISED ALTERNATIVE "D"

No	Item	Qty	Unit	Cost	Total
Water					
	1 12' WL	3,000	LF	45	135,000
	2 8" WL	1,000	LF	32	32,000
	3 Misc	1	LS	20,000	20,000
Subtotal					<u>187,000</u>
Storm Drain					
	1 18" SD	5,400	LF	35	189,000
	2 24" SD	2,000	LF	30	60,000
	3 30" SD	2,000	LF	40	80,000
	4 Structures	50	EA	1,500	75,000
Subtotal					<u>404,000</u>
Sewer					
	1 8" SS	2,600	LF	30	78,000
	2 Structures	10	EA	2,000	20,000
Subtotal					<u>98,000</u>
Grading					
	1 Rough grade	300,000	CY	5	1,500,000
Subtotal					<u>1,500,000</u>
Electric and Gas Facilities					
	1 Upgrade	1	LS	500,000	500,000
Subtotal					<u>500,000</u>
Total					<u>2,689,000</u>
Engineering, surveying - 10%					268,900.0
Construction Contingency - 20%					537,800.0
Total Estimate					<u><u>3,495,700</u></u>

Napa Valley Expo

Preliminary Planning Estimate of Infrastructure Costs

12-Jun-03

SUMMARY

Alternative	Estimate
A	\$ 2,297,100
B	\$ 2,401,100
C	\$ 2,327,000
E	\$ 1,829,100
Rev D	\$ 3,495,700

Notes:

1. Above estimates are not based on design. They are intended for comparative general planning purposes only.
2. Not included: paving, services to individual buildings, finish grading, landscaping, offsite infrastructure improvements, relocation of power poles, curb, gutter, or sidewalks

Prepared by: CSI Engineering
www.csieng.com

Date: 12-Jun-03
Revised: 17-Jun-03
File: NVE Infrastructure estimate 5 alternatives.xls

APPENDIX H

PUBLIC WORKSHOP #2 RESULTS

Napa Valley Exposition
Planning Phase II
Comments
Public Meeting May 19, 2003

- Difficulty in translating projections based on information given; accuracy of information
- Facilities for youth might capture revenue for youth that doesn't currently exist
- Revenue generating uses may not serve the whole community (i.e. commercial or residential)
- Deal with parking issues when there's a problem – bring people in first
- Parking availability may determine use
- Consider satellite parking with shuttles and trolley
- Consider good neighbor policies regarding parking
- Research promoters for potential market
- Potential for leased youth sporting facilities
- Refine use zone chart to reflect fair and non-fair uses
- Consider the potential for separate/multiple recreation facilities/buildings
- Consider a skateboard facility/skate park
- Contingency planning in the short term needs to be addressed
- Community “willing to pay”?

APPENDIX I

NAPA VALLEY EXPO SURVEY

Napa Valley Expo Survey

Conducted at the Napa Town and Country Fair, Aug 6-10, 2003

Methodology

A survey form was designed which addressed 3 areas of interest: land use, revenue model and governance model. Survey respondents were offered various choices in each category, and asked to show their perception of importance or support for each element, on a scale of 1 to 5, with 5 being the highest. (See survey form included in this report.) A total of 186 forms were filled out in total or in part. Demographic information was also requested, and additional comments were solicited. The demographic breakout and additional comments are not part of this section of the report.

Results

See charts for preferences expressed as raw data. These accompanying text breakouts translate the information to percentages.

Land Use breakout

- Green space/open space:
 - 77% high or very high importance, 8% low or very low importance
- Amphitheatre:
 - 57% high or very high importance, 9% low or very low
- Conference/Community center:
 - 20k sf: 52% high or very high importance, 31% low or very low importance
 - 50k sf: 50% high or very high importance, 39% low or very low importance
 - Margin swings from 21% difference in extremes to 11%*
- Livestock rehab/multi use:
 - 52% high or very high importance, 31% low or very low importance
- Multi use retail/housing:
 - 11% high or very high, 79% low or very low

Revenue model breakout

- Sell or lease portion of the site
 - 20% high or very high support, 74% low or very low
- Partner to issue park & open space bonds
 - 53% high or very high support, 24% low or very low
- Raise fees for facilities and raise ticket prices, add surcharges
 - 24% high or very high support, 43% low or very low
- Ask voters to approve tax increase

- 49% high or very high support, 38% low or very low support

Governance model breakout

- No change to State oversight & Board
- 49% high or very high support, 40% low or very low
- Sell or lease portion of site, remain under State oversight
- 21% high or very high support, 68% low or very low
- Seek joint power agreement with State, City of Napa and/or County
- 54% high or very high support, 30% low or very low
- Use existing legislation to govern with a non-profit organization
- 59% high or very high support, 21% low or very low

Planning Process and Progress Opinion Survey

Planning for the future of the Napa Valley Expo has included discussion of a number of possible land uses, governance models and revenue sources. Indicate your level of support for these options by circling a number 1 through 5, with 5 being the highest.



Land Uses

I think the Expo site development should include:

Green space/park areas

1 2 3 4 5

Amphitheatre

1 2 3 4 5

Conference and Community Event Center

20,000 to 50,000 sq ft

1 2 3 4 5

Conference and Community Event Center

50,000 to 90,000 sq ft

1 2 3 4 5

Livestock area renovated for multi use

1 2 3 4 5

Mixed use office/retail/housing

1 2 3 4 5

Governance Models

I think the Expo should:

Remain as it is with a State-appointed Board and State oversight

1 2 3 4 5

Sell or lease a portion of the site for revenue to fund the Fair and other community uses, remaining under State oversight

1 2 3 4 5

Seek a joint powers agreement with the State, City of Napa and/or County of Napa to cooperate on Expo development

1 2 3 4 5

Utilize existing special legislation to govern the Expo as a non-profit organization

1 2 3 4 5

(see other side)

Revenue sources

I support increasing Expo funding by:

Working with a partner to issue park and open space bonds

1 2 3 4 5

Selling or leasing a portion of the site

1 2 3 4 5

Raising fees to rent facilities, raising Fair ticket prices, adding surcharges to other event admissions

1 2 3 4 5

Asking voters for approval of a tax increase

1 2 3 4 5

Additional comments

Optional information

Gender: Male ___ Female ___

Age:

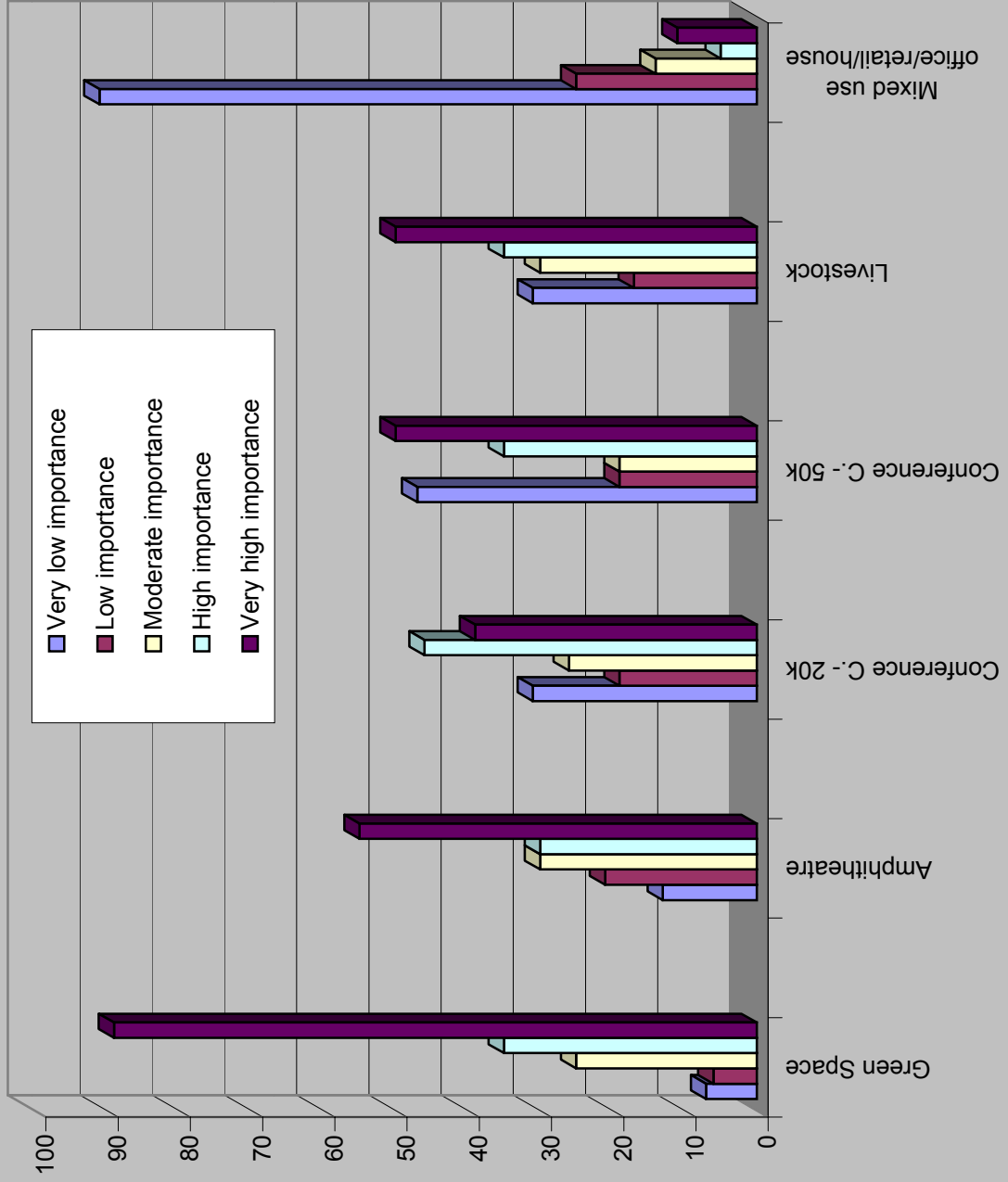
Under 18 ___ 18-24 ___ 25-34 ___ 35-44 ___ 45-54 ___ 55-64 ___ 65+ ___

Your input is appreciated. Send additional remarks to Napa Valley Expo, 575 Third Street, Napa CA 94559, or by email to comment@napavalleyexpo.com.

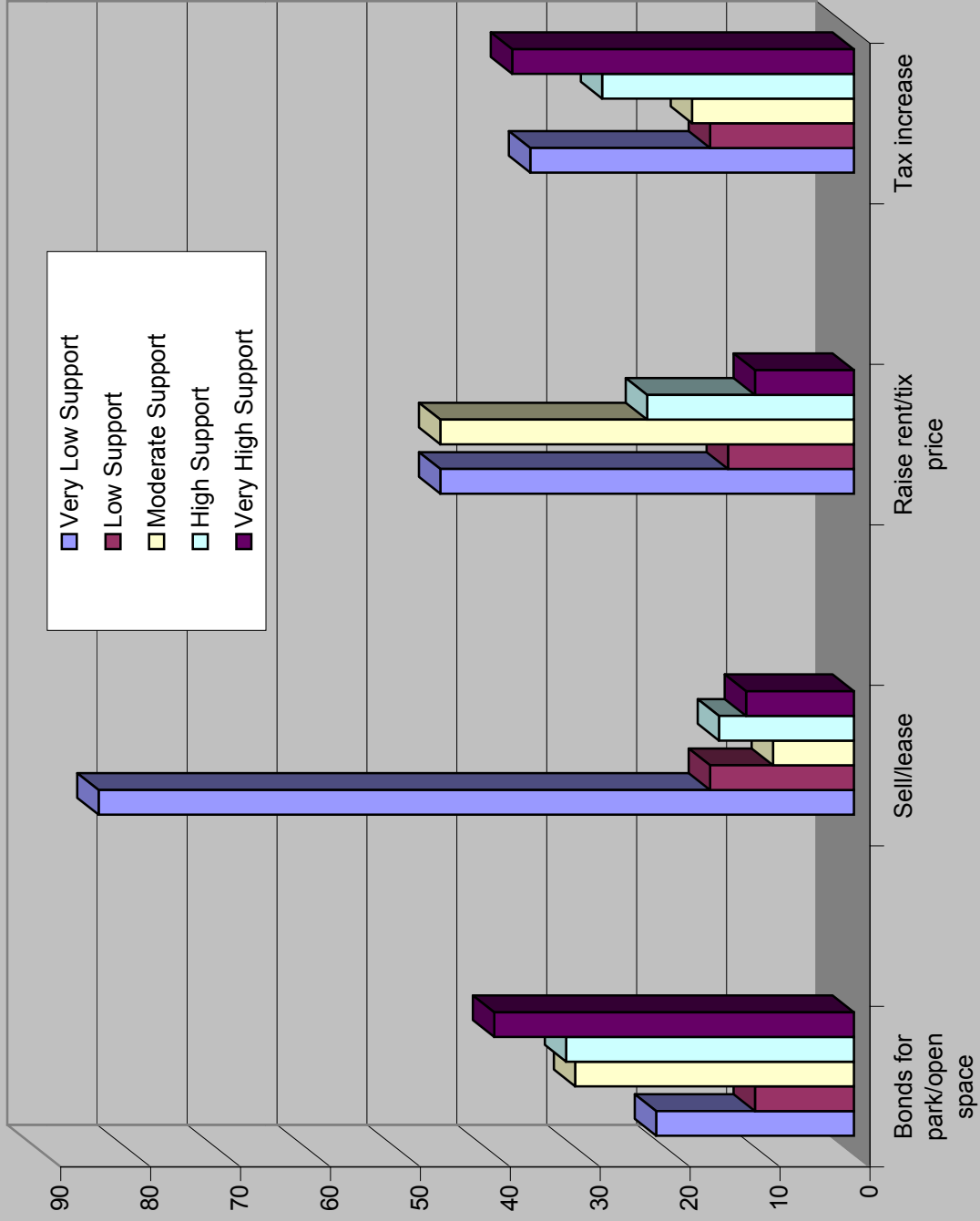
Survey Results

	Low Interest			High Interest		Total Repsonses
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	
<u>Land Uses</u>						
Green Space	7	6	25	35	89	162
Amphitheatre	13	21	30	30	55	149
Conference C.- 20k	31	19	26	46	39	161
Conference C.- 50k	47	19	19	35	50	170
Livestock	31	17	30	35	50	163
Mixed use office/retail/house	91	25	14	5	11	146
<u>Revenue Model</u>						
Bonds for park/open space	22	11	31	32	40	136
Sell/lease	84	16	9	15	12	136
Raise rent/tix price	46	14	46	23	11	140
Tax increase	36	16	18	28	38	136
<u>Governance Model</u>						
State Appointment/oversight	44	13	15	11	58	141
Sell or Lease property	83	16	17	12	18	146
Joint Powers/city/county/state	34	10	24	27	52	147
Non- profit	18	12	28	29	55	142

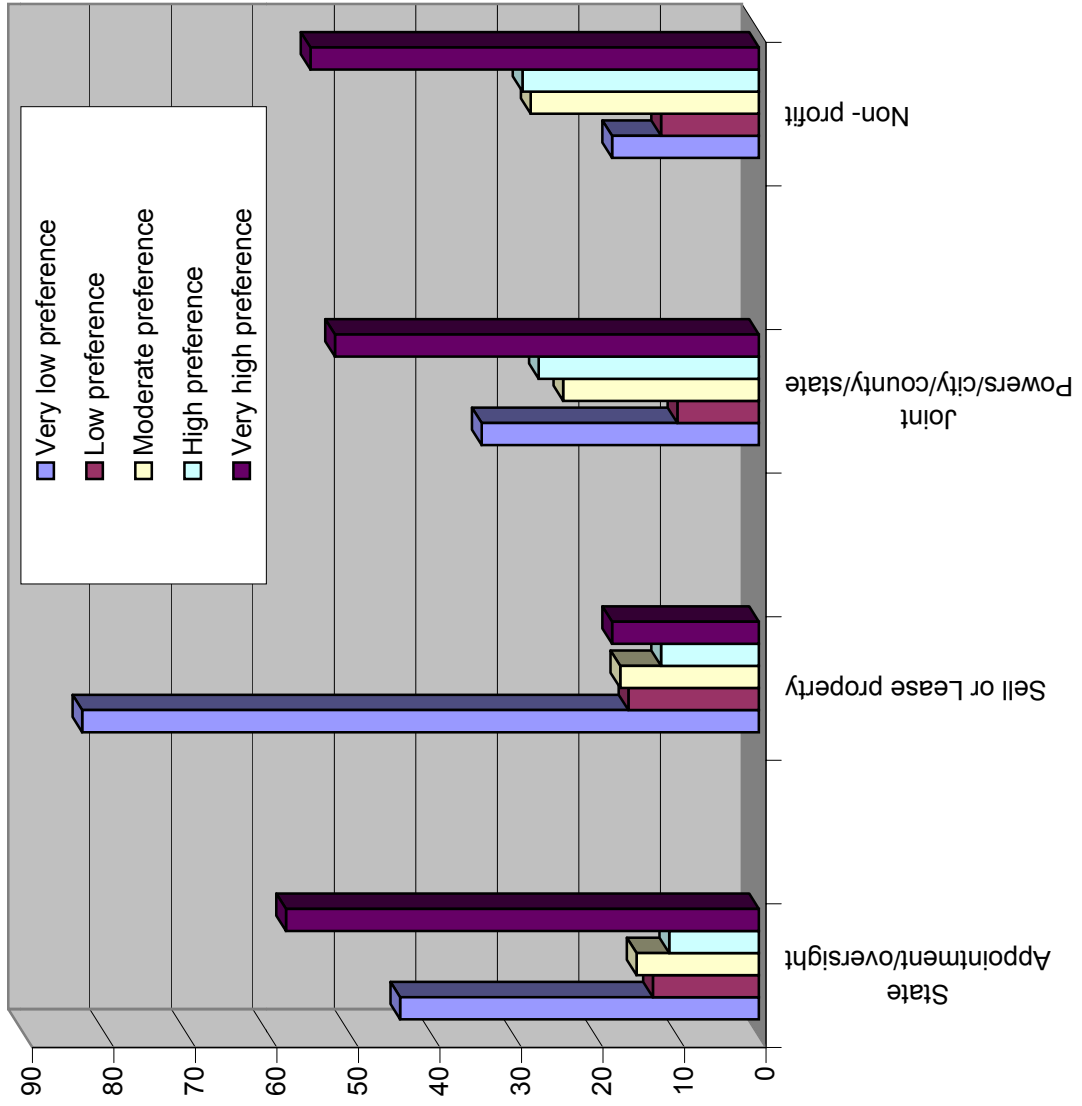
Expo Land Use Survey Results August 2003



Expo Revenue Model Survey Aug 2003



Expo Governance Model Survey Results



ACKNOWLEDGMENTS

LSA ASSOCIATES

Frank Haselton

Laura Lafler

Shanna Hawley

Norma Molina

James Mijares

PUBLIC AFFAIRS MANAGEMENT

Bonnie Nixon

Barry Martin

ECONOMIC & PLANNING SYSTEMS

Jason Moody

JungJoo Lee

CSI ENGINEERING

Larry Andrews

RIALTO DESIGN

Mark Wittenkeller