



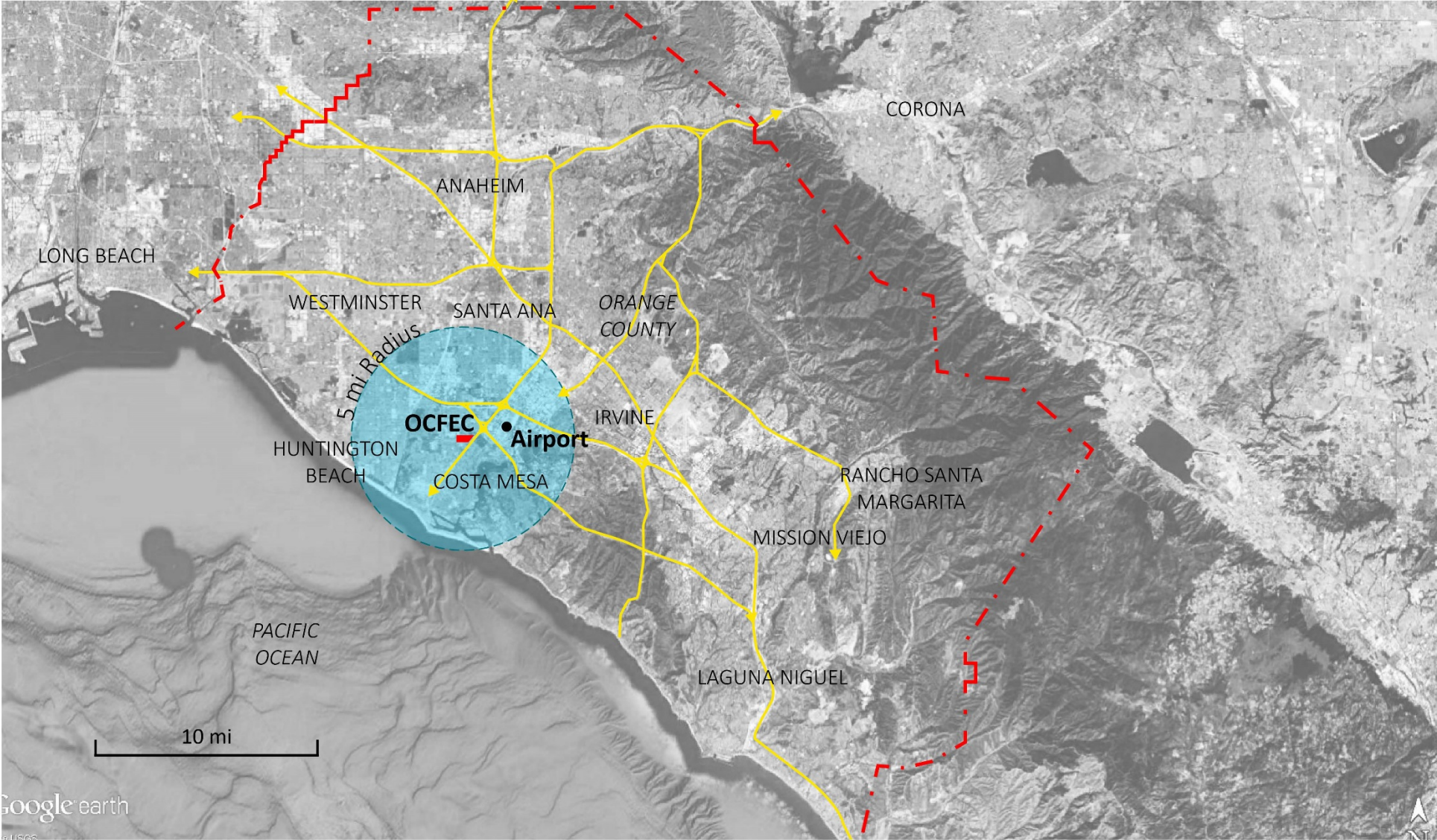
OC Fair and Event Center Master Site Plan Draft Concept

Board Presentation

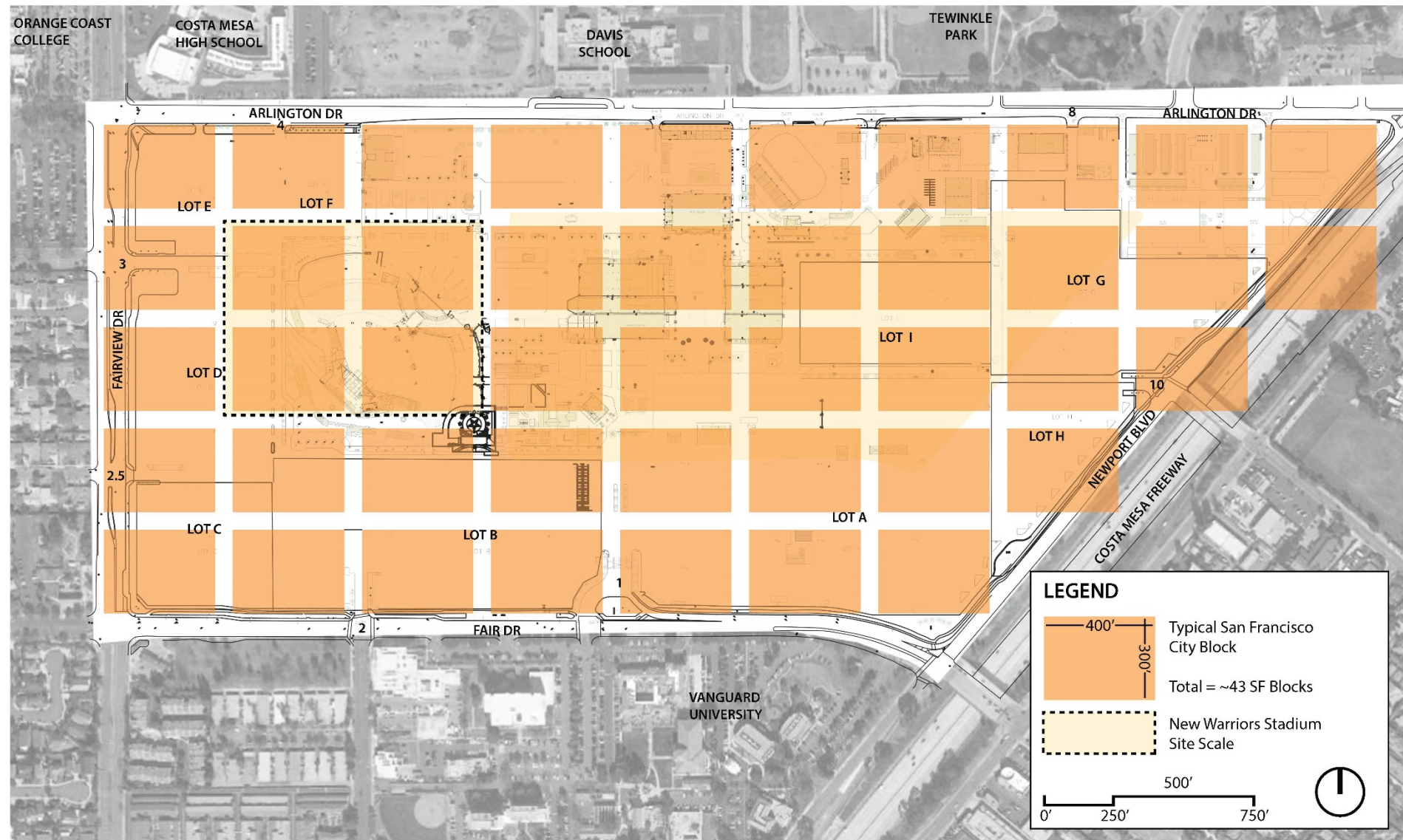
April 2018

1. Existing Conditions Review

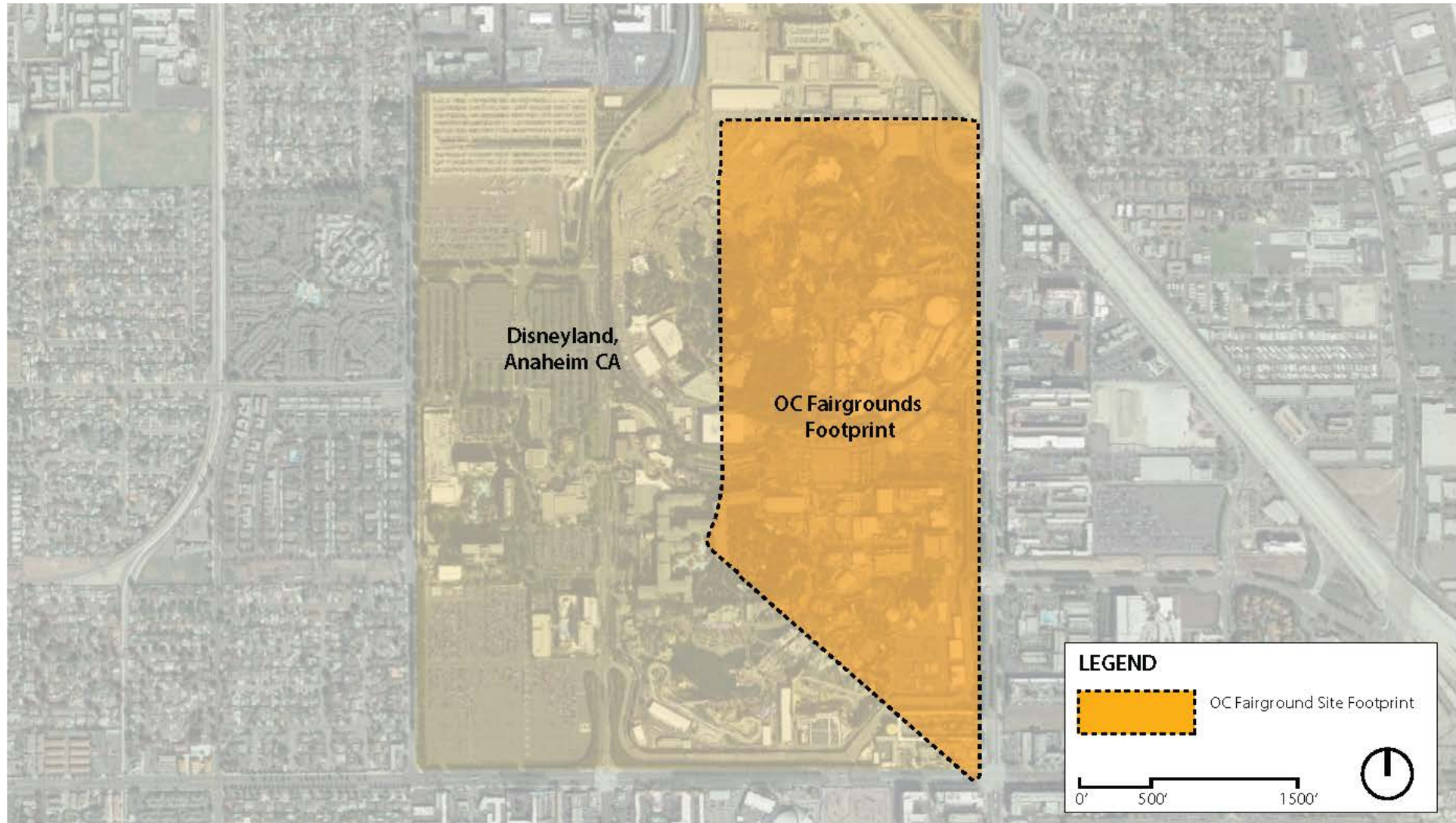
Orange County Context Map



Scale Comparison



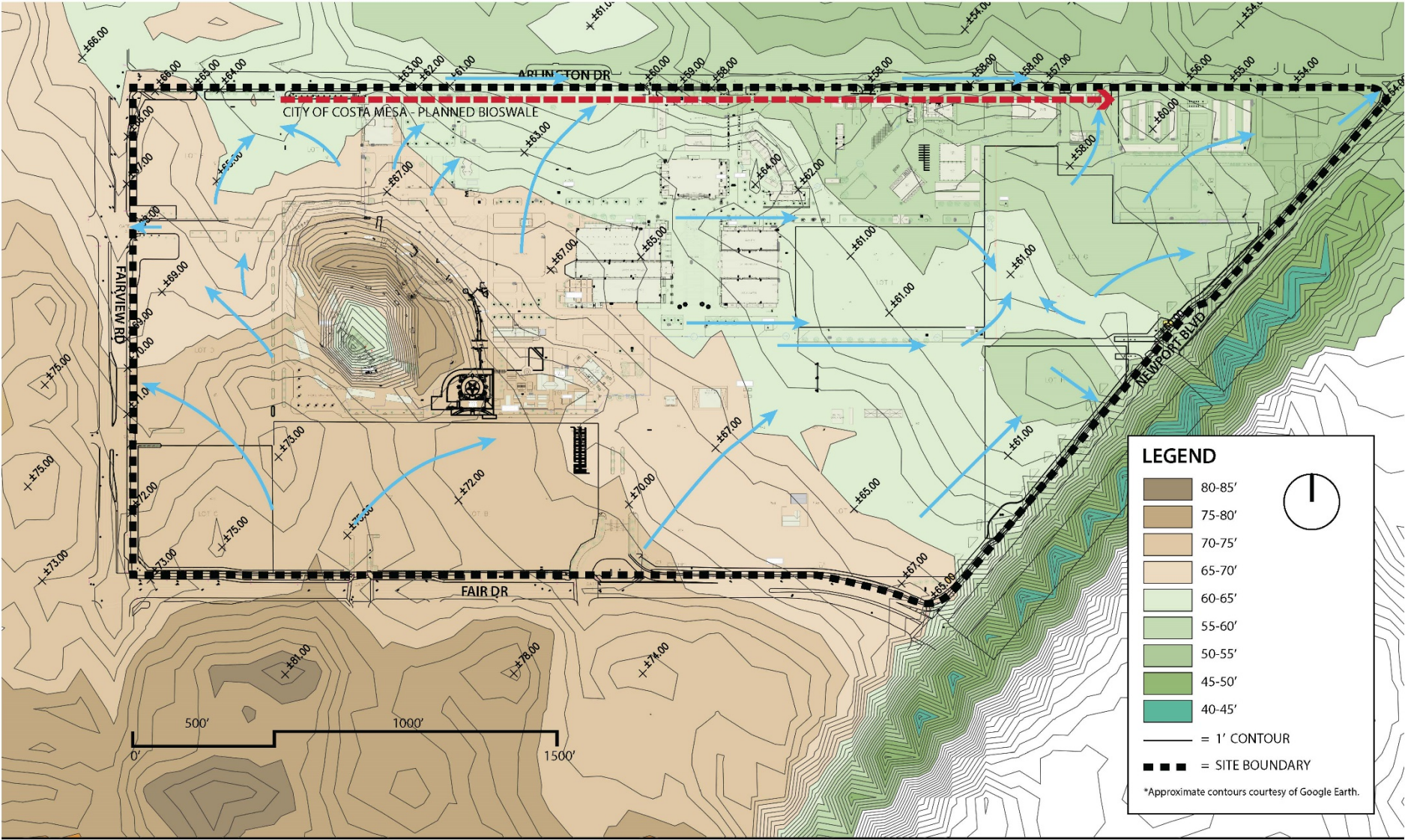
Scale Comparison



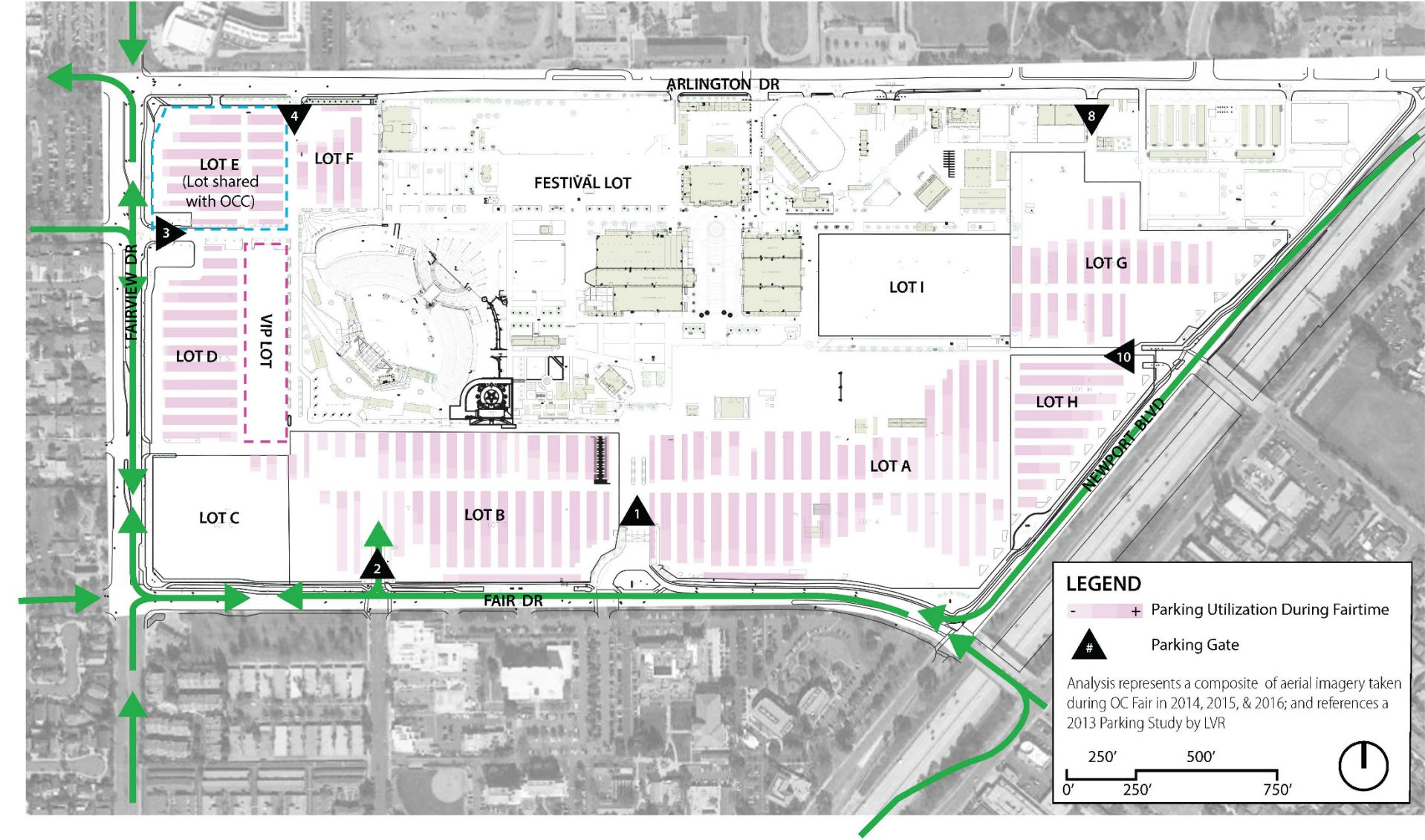
Landscape Space Vs. Impermeable Surface



Existing Site Topography and Drainage

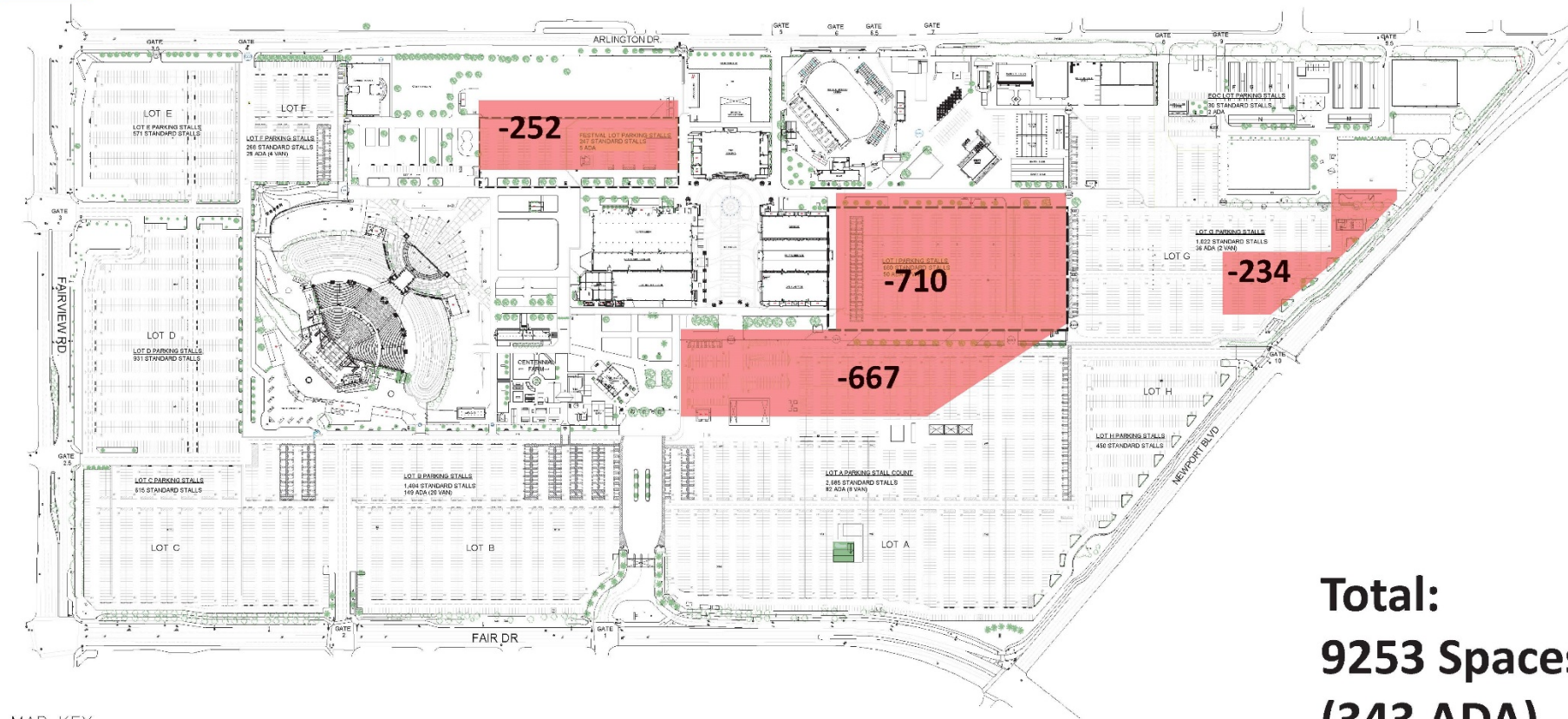


Typical Parking & Access Analysis



Existing Parking Conditions

FAIR PROGRAMMING PRECLUDES PARKING



MAP KEY

- ACCESSIBLE PARKING
- SKYRIDE POLE BASE
- SIGNAL MANHOLE
- RESTROOM
- FIRE HYDRANT
- LAMP POST
- ELECTRICAL PMT

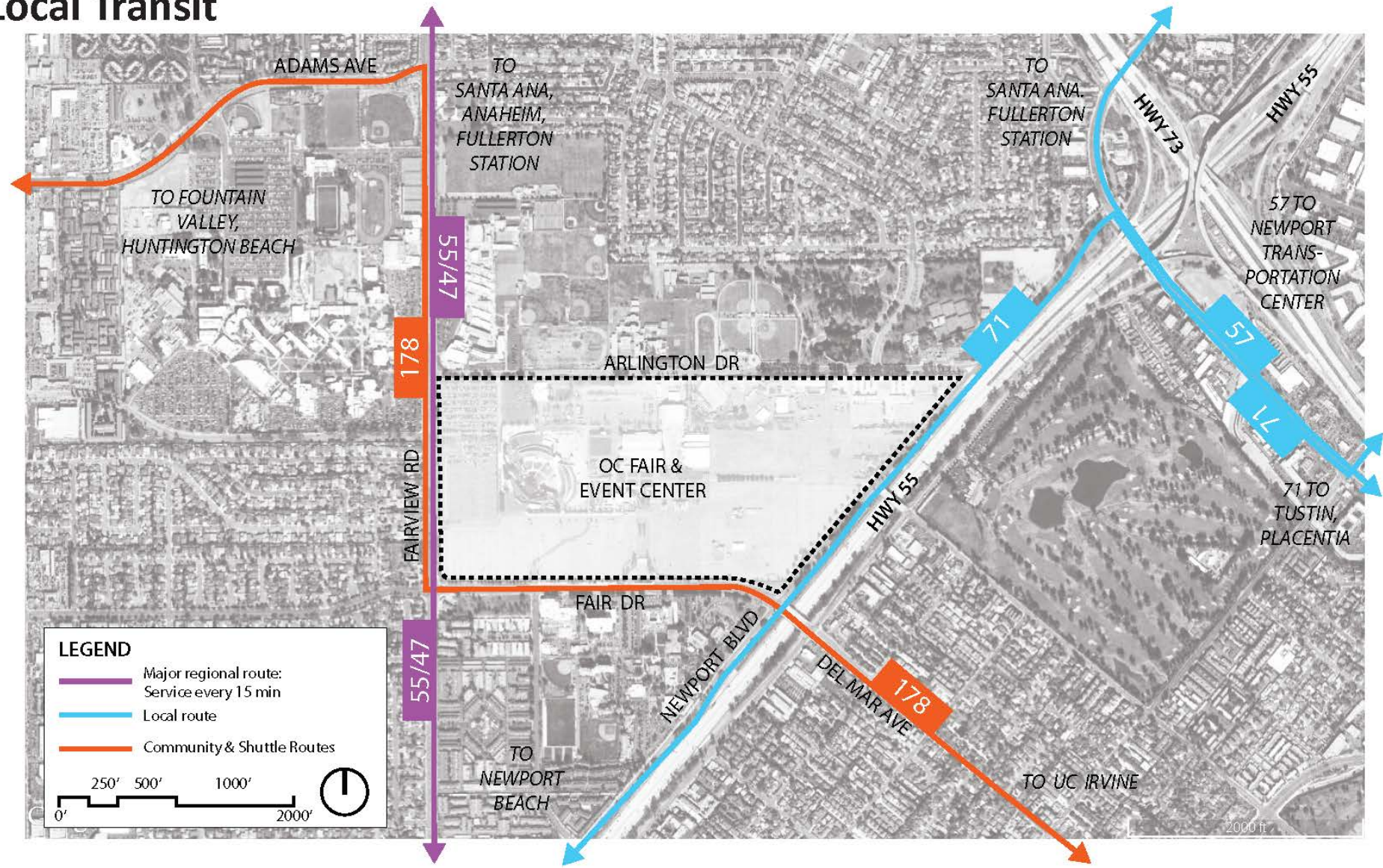
PARKING LOTS STALL COUNT

NOTICE: THESE PLANS WERE OBTAINED FROM FIELD MEASUREMENTS SUPPLEMENTED WITH SCALED MEASUREMENTS TAKEN FROM AERIAL PHOTOGRAPHS AND SHOULD THEREFORE BE CONSIDERED APPROXIMATE. PROMOTER SHOULD VERIFY LGTHS. AND DETAILS AT THE SITE.

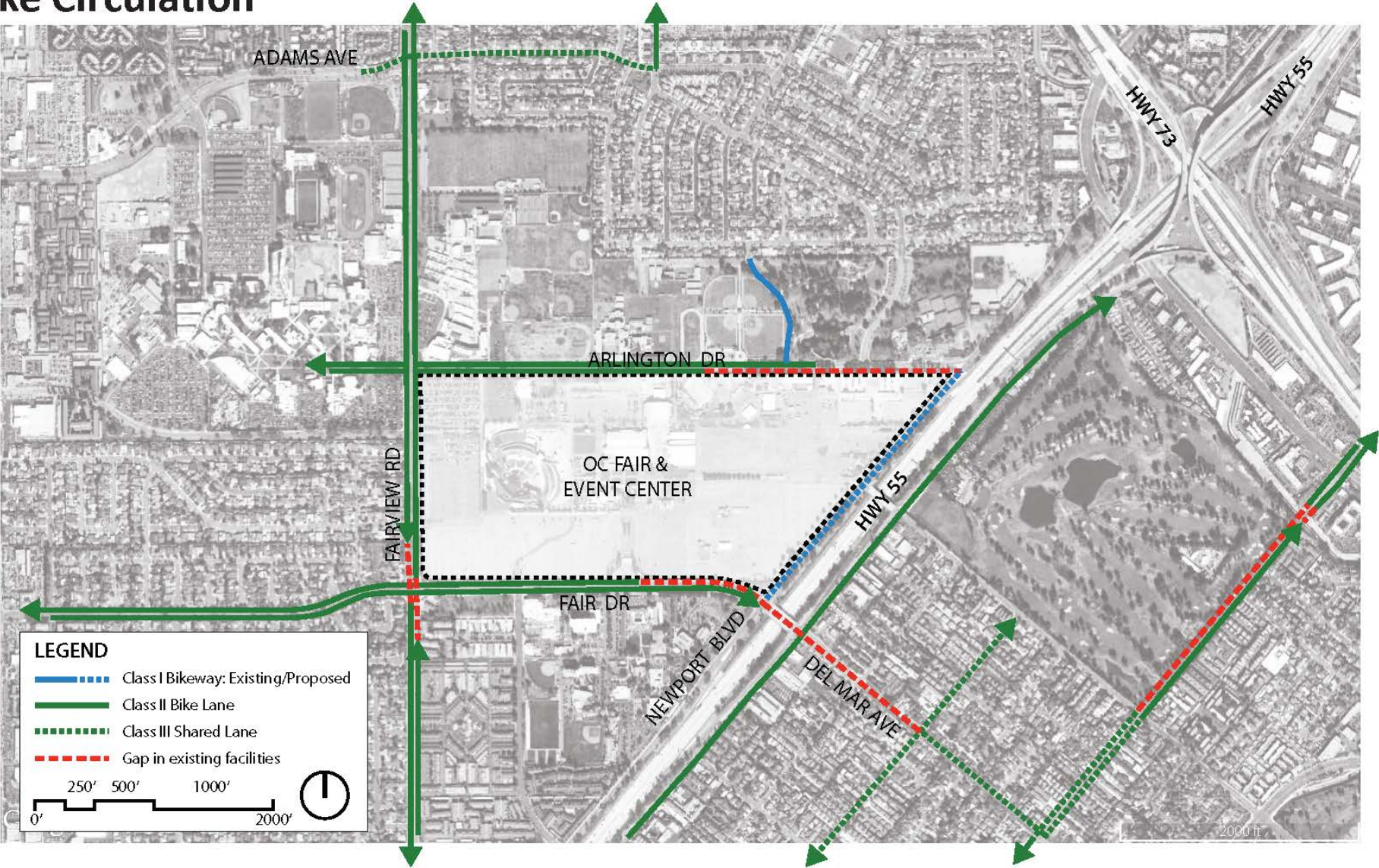
**Total:
9253 Spaces
(343 ADA)
Fair Total:
7390 Spaces**

052016

Local Transit



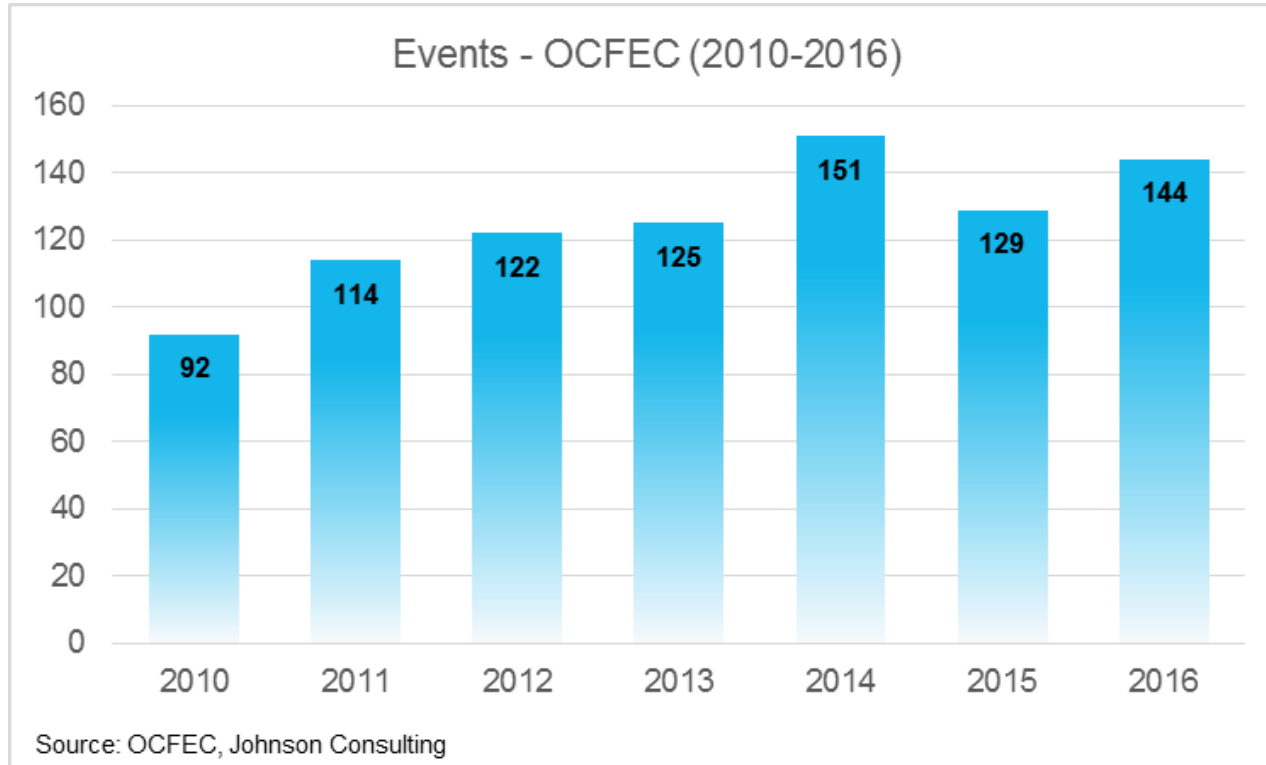
Bike Circulation



KEY BUILDINGS	AGE	FCI	KEY BUILDINGS	AGE	FCI	KEY BUILDINGS	AGE	FCI	KEY BUILDINGS	AGE	FCI	BUILDING CONDITIONS KEY
1 Administration	2008/9	2	19 Round Concession stand 3rd. Base	1983	5	36 Ovations shed	1990	5	54 Equestrian Center Barns N	1979	4-5	1. Good Condition
2 Silo Building	1997	3	20 Pac Amp Dressing Room Trailer #2	2000	3	37 Telphil shed	1989	5	55 Arlington Trailer Restroom	1981	Removed	2. Fair Condition: Cosmetic
3 Millennium Barn	2002	2	21 Telphil new snack stand	1990	5	38 Telphil old snack stand	1981	3	56 Pit new tin Shed	1990	4	3. Medium Condition: System Repair
4 Small Red Barn (Century)	1998	5	22 Telphil Rest room	1981	5	39 Equestrian Center Office building	1967	4	57 Compactor shelter in the pit	2007	2	4. Poor Condition: System Replacement
5 Bld 15 (Farm House)	PRE 1950	5	23 Pac Amp seating area	1983	3	40 Corporation Building and cover	2009	2	58 Ranch Building	1987	2	5. Very Poor Condition: Remove Building
6 Huntington Beach - Bldg. 12	1966	2	24 Pac Amp Backstage	2008	2	41 Carnival restroom	1981	Removed	59 Horse Show Arena	1966	2	
7 Costa Mesa - Bld. 10	1954	3	25 Pac Amp Elevator building	2008	2	42 Courtyard Restroom	1997	2	60 Department of Public Safety	PRE 1950	2	
8 Santa Ana Pavilion	1995	2	26 Pac Amp Backstage Operations office	2008	2	43 Livestock Restroom	1997	2	61 Exhibits & Education (Prev. Boys Choir)	1987	2	
9 Los Alamitos - Bld 14	1962	3	27 Pac Amp Box Office	1983	4	44 Arena Restroom	1995	5	62 Livestock Barns	PRE 1950	5	
10 Anaheim - Bld. 16	1960	2	28 Pac Amp Restroom 1st. base #1	1983	5	45 Block Building Restroom, Office	2007/8	2	63 Livestock Barns	PRE 1950	5	
11 OC Promenade	2008/9	2	29 Pac Amp Restroom 1st. Base #2	1983	5	46 Equestrian Center Barns F	1979	4-5	64 Baja Blues	PRE 1950	4	
12 Hangar - bld 18	2008/9	2	30 Pac Amp Restroom 3 rd. Base #1	1983	5	47 Equestrian Center Barns G	1979	4-5	65 Park Plaza Restroom	1985	3	
13 Maintenance buildings - Operations	1981	2	31 Pac Amp Restroom 3 rd. Base #2	1983	5	48 Equestrian Center Barns H	1979	4-5	66 Arena Trailer Restroom	1997	2	
14 Picnic gazebo	1992	3	32 Pac Amp Concession stand 1st. Base	1983	4	49 Equestrian Center Barns I	1979	4-5	67 EQC Shop & Storage	1967	4	
15 Memorial Gardens / Heroes Hall	PRE 1950	2	33 Pac Amp Concession stand 3 rd. Base	1983	4	50 Equestrian Center Barns J	1979	4-5	68 Tent 8 1985	1985	5	
16 Maintenance buildings - Shop Building	1981	2	34 Round Concession stand 1st. Base	1983	4	51 Equestrian Center Barns K	1979	4-5	69 Tent 9 1985	1985	5	
17 Maintenance buildings - Warehouse	1981	2	35 Pac Amp Dressing Room Trailer #1	2000	3	52 Equestrian Center Barns L	1979	4-5	70 Grandstand Arena	1985	3	
18 Stage structure	1983	2				53 Equestrian Center Barns M	1979	4-5				



Existing Operations - Demand

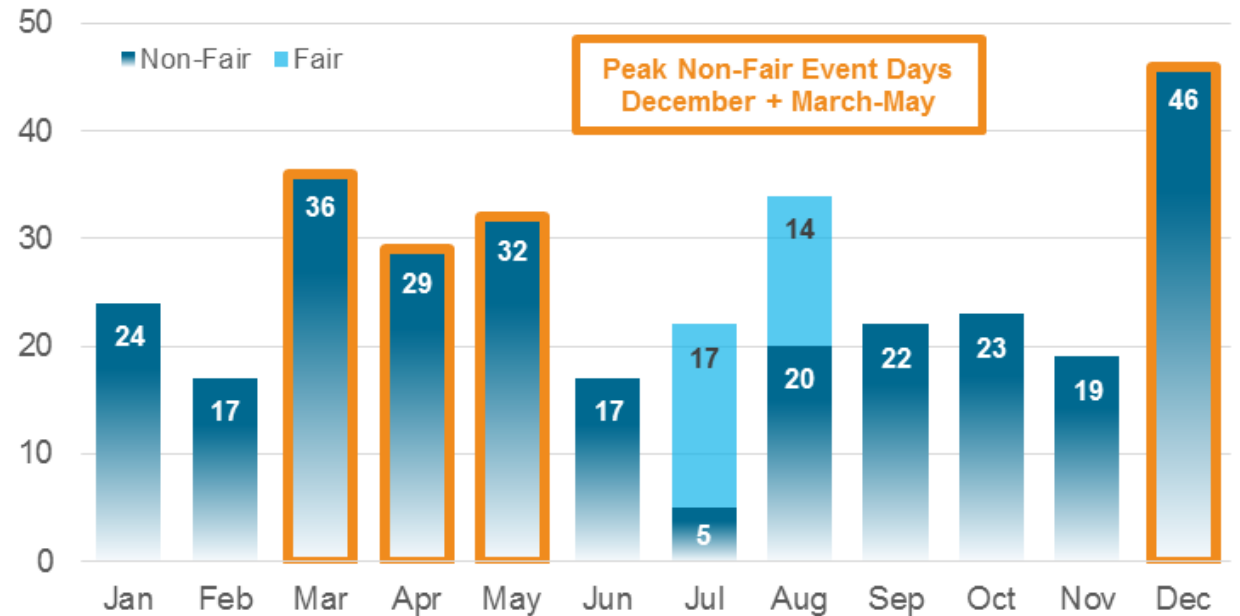


Existing Operations - Demand

Attendance by Event Type - OCFEC (2016)

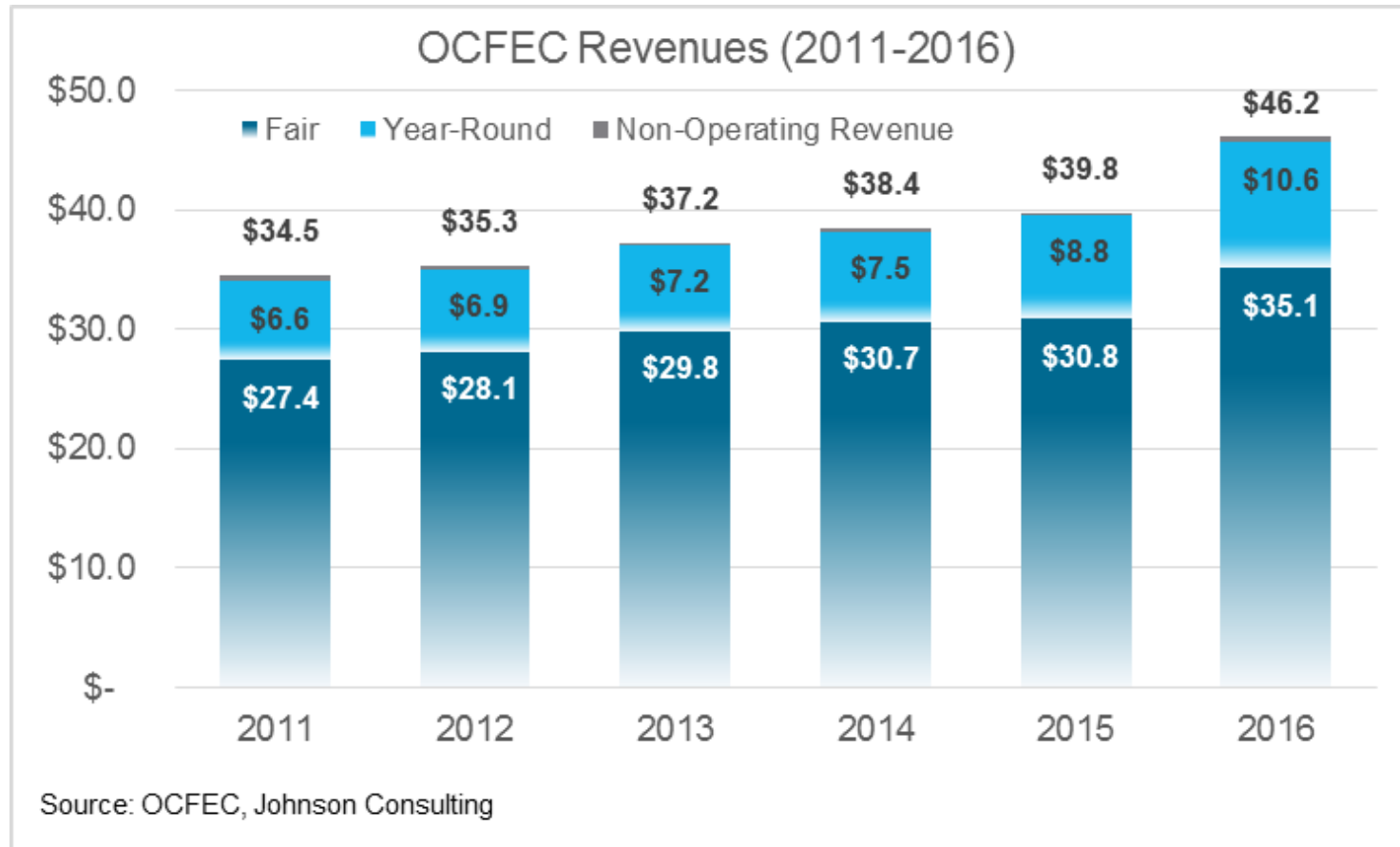


Non-Fair & Fair Event Days by Month - OCFEC (2016)

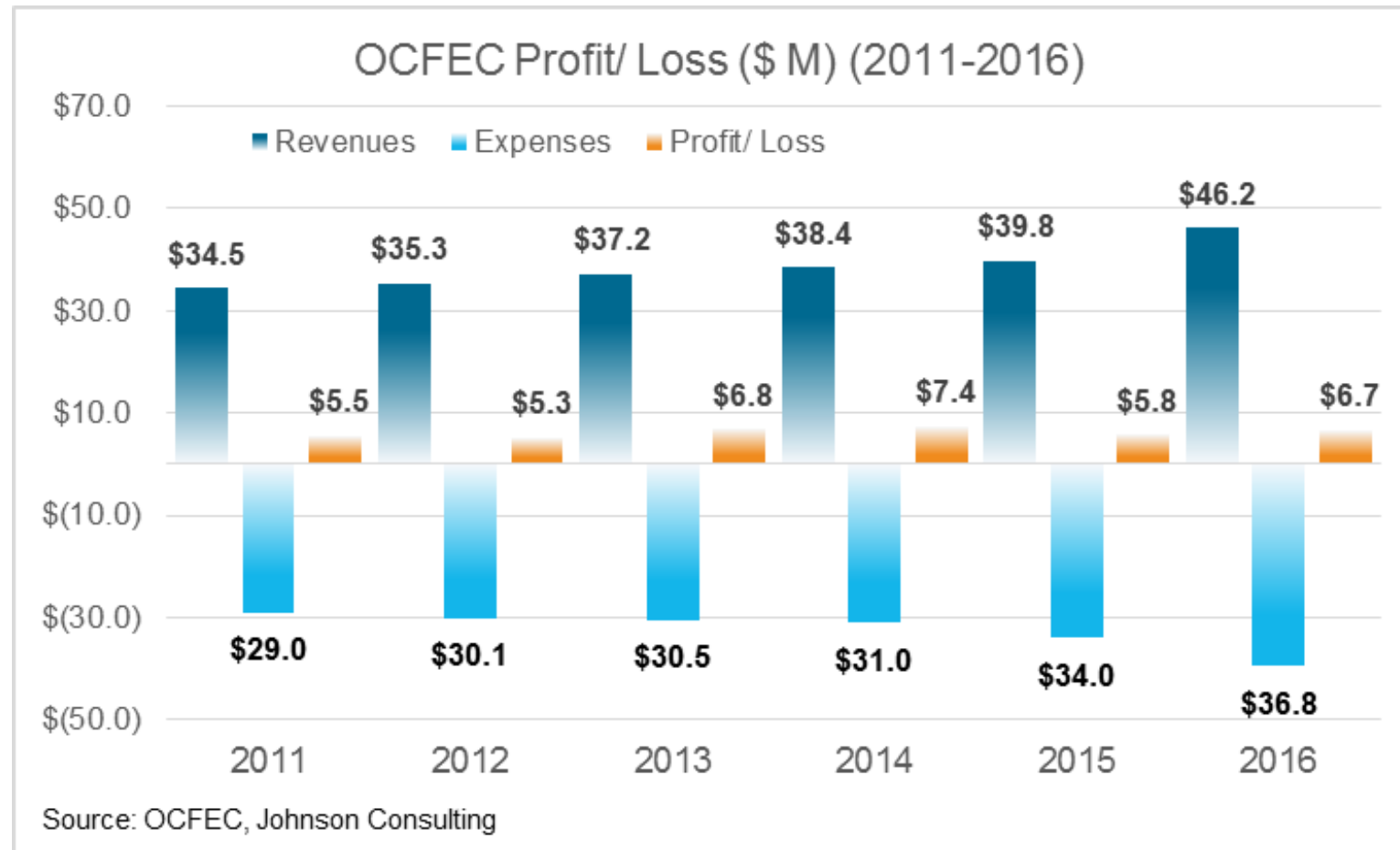


Source: OCFEC, Johnson Consulting

Existing Operations – Revenues



Existing Operations – P&L



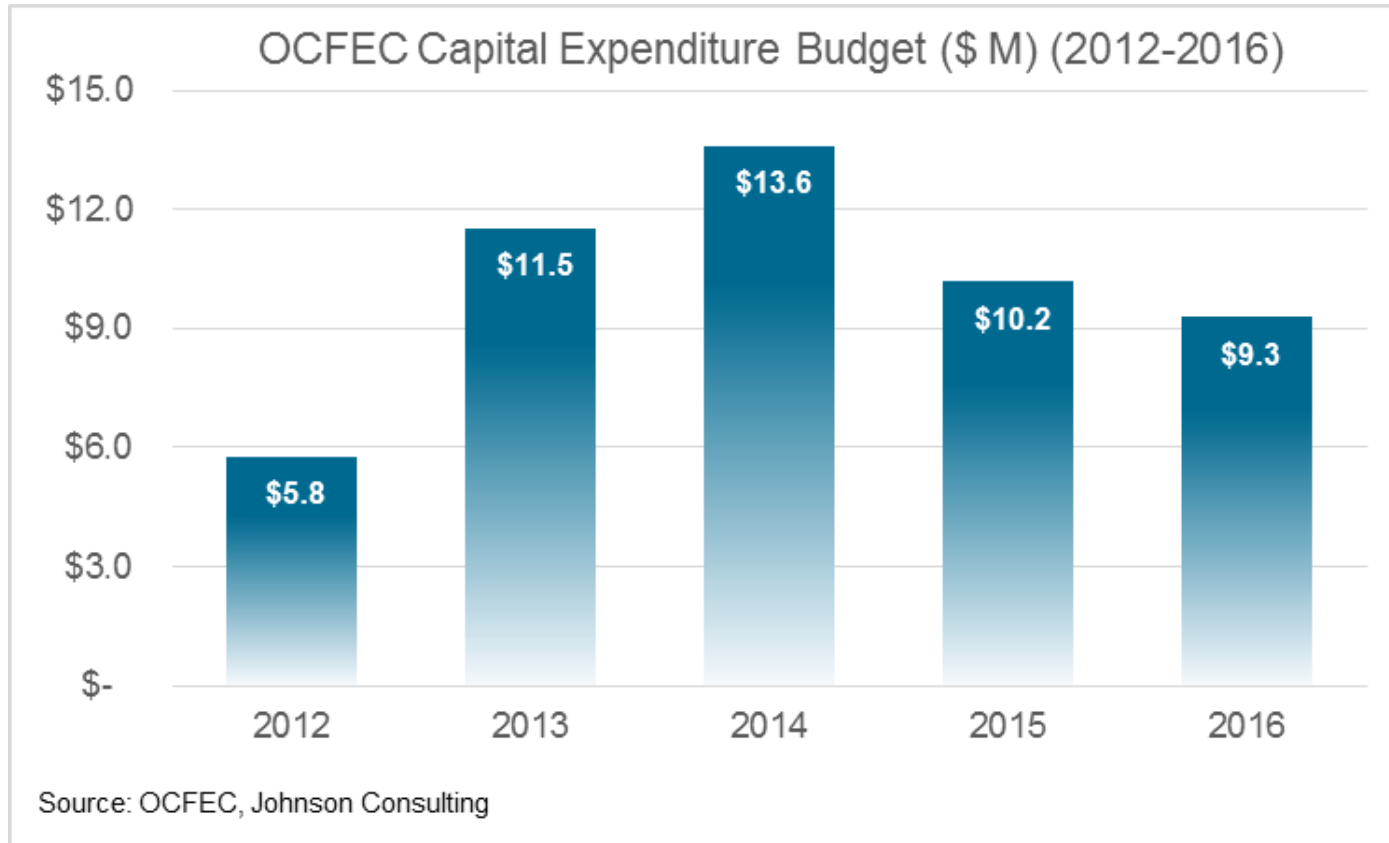
Existing Operations – P&L

OCFEC Revenue and Expenses Statement (2015-2016)		
	2016 Actual	2017 Actual
Revenues		
Annual Fair		
Admissions to Grounds	\$ 10,492,464	\$ 11,079,220
Commercial Space Rental Revenue	1,480,745	1,366,431
Carnival and Concessions Revenue	11,719,719	12,042,852
Exhibits Revenue	101,219	105,332
Attractions Revenue	5,188,971	5,581,490
Miscellaneous Revenue	5,220,059	4,899,724
Total Summer Fair Revenue	\$ 34,203,177	\$ 35,075,049
Year-Round		
Rental of Facilities	\$ 3,531,742	\$ 3,439,026
Other Event Revenue	5,685,654	6,576,411
Equestrian Center Revenue	117,864	144,345
Other Operating Revenue	232,064	433,216
Total Year-Round Revenue	\$ 9,567,324	\$ 10,592,998
Non-Operating Revenues		
Interest Earnings	\$ 190,893	\$ 374,189
Grants	8,970	159,423
Other Non-Operating Revenue	112,500	4,125
Prior Year Revenue	2,191	12,794
Total Non-Operating Revenue	\$ 314,554	\$ 550,531
Total Revenue	\$ 44,085,055	\$ 46,218,578

OCFEC Revenue and Expenses Statement (2015-2016)		
	2016 Actual	2017 Actual
Expenses		
Operating Expenses		
Payroll and Related Expense	\$ 13,701,737	\$ 14,898,921
Professional Services Expense	3,389,566	4,812,505
Directors Expense	18,537	24,034
Insurance Expense	297,267	266,187
Telephone & Postage Expense	182,300	196,875
Supplies and Equipment Expense	3,764,114	3,897,345
Facility and Related Expense	3,686,838	4,130,716
Publicity & Related Expense	2,098,194	2,223,202
Attractions Expense	4,666,801	4,834,349
Other Self-Prod Event Expense	302,200	278,484
Premium Expense	117,664	112,271
Other Operating Expense	688,062	609,230
Total Operating Expense	\$ 32,913,280	\$ 36,284,119
Non-Operating Expenses		
Depreciation Expense	\$ 3,145,163	\$ 3,279,919
Major Projects	420,165	774,194
Net Pension Adjustment	(59,545)	(930,051)
Prior Year Expense	31,909	114,517
Total Non-Operating Expense	\$ 3,537,692	\$ 3,238,579
Total Expense	\$ 36,450,972	\$ 39,522,698
Net Proceeds	\$ 7,634,083	\$ 6,695,880

Source: OCFEC, Johnson Consulting

Existing Operations – Cap Ex



3. Outreach Summary

Community Outreach - Schedule

January 26 OCFEC Board Workshop

March 14 OCFEC Staff

April 17 On-Grounds Partners

May 17 Facility Users

June 2 Community Partners

June 5 Community Neighbors



OCFEC Mission Statement: *Celebration of Orange County's Communities, Interests, Agriculture and Heritage*

What We've Heard – General Comments

- Proud of Heritage
- Appreciation for Education / Community Resources
 - Centennial Farm
 - Heroes Hall
- Opportunity to integrate Equine into the Fairgrounds
- Improve / expand services & user experience
 - Year round purpose
 - Create a greater experience for guests

What We've Heard – Concerns

- Parking
- Vehicular Access
- Wayfinding
- Guest Comfort (seating / shade / amenities)
- Maintain & Improve Facilities
- Site lacks enough Meeting and Classroom Space
- Safety / Security (Guest / Staff / Animals)
- Integration of the Equestrian Center
- Edge Conditions / Visual Character

What We've Heard – Vision

- To Continue to SERVE the Community in Education, Entertainment & Community Service
- Iconic – “Visualization should start before you enter the Site”
- To become a “Fair of Choice” - The #1 to attend!
- Maximize the Site (community resource / business opportunities)
- Improve Guest Experience
 - Outdoor Spaces - Shade / Comfort
 - Parking (Parking Garage?)
 - Vehicular Circulation
 - Freeway Access
 - Wayfinding / Signage

What We've Heard – Vision

- Maintain & Improve Facilities
 - Meeting & Classroom Space
 - Flexibility of facilities to support a variety of users
- Integration of Centennial Farm, Heroes Hall, Market Place etc.

4. Case Studies

San Mateo Event Center

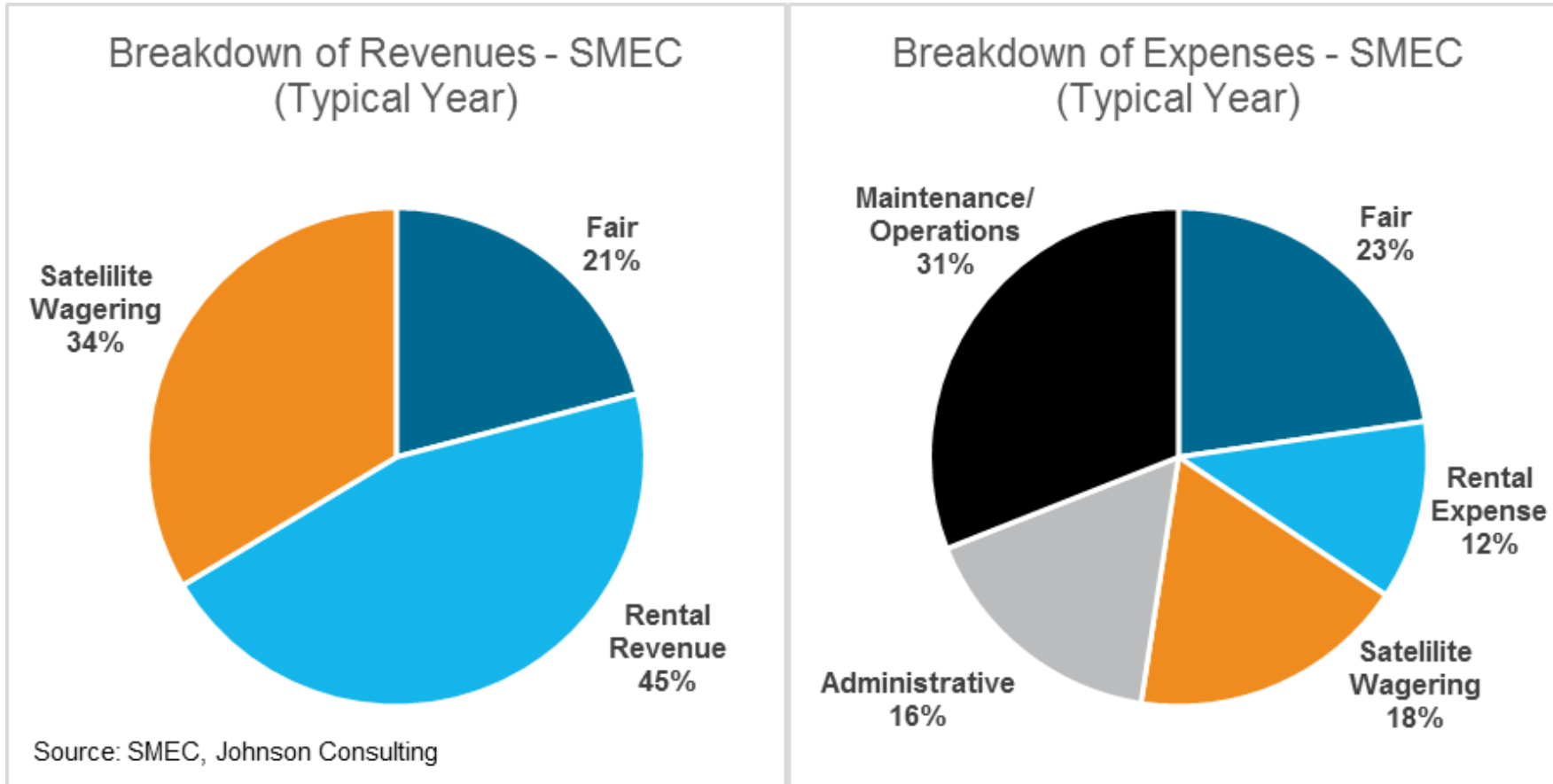
San Mateo Event Center					
Summary of Exhibit and Meeting Space					
	Size (SF)		Capacity (# of Persons)		
	Individual (Smallest)	Combined (Largest)	Theater	Banquet	Exhibits (# of Booths)
Exhibit Halls					
Expo Hall	104,900	-	7,500	6,000	576
Fiesta Hall	34,200	-	2,400	2,280	196
Jockey Club*	15,680	-	1,250	1,056	101
Cypress Hall	15,680	-	1,250	1,056	101
Redwood Hall	1,400	-	550	466	75
Sequoia Hall	6,500	-	425	350	38
Meeting Pavillion	6,500	-	425	350	38
Subtotal Exhibit Hall SF		184,860			
Meeting Rooms					
Number of Rooms	3	3			
Smallest Room	3,600	-	350	225	-
Largest Room	-	4,800	-	-	-
Subtotal Meeting Room SF		12,600			
Total		197,460			

* On-site satellite wagering facility that opened in 2008 and is managed by the Association.

Source: San Mateo Event Center, Johnson Consulting

San Mateo Event Center

Revenue = \$9.0 M; Expenses = \$8.5 M; NOI = \$500K

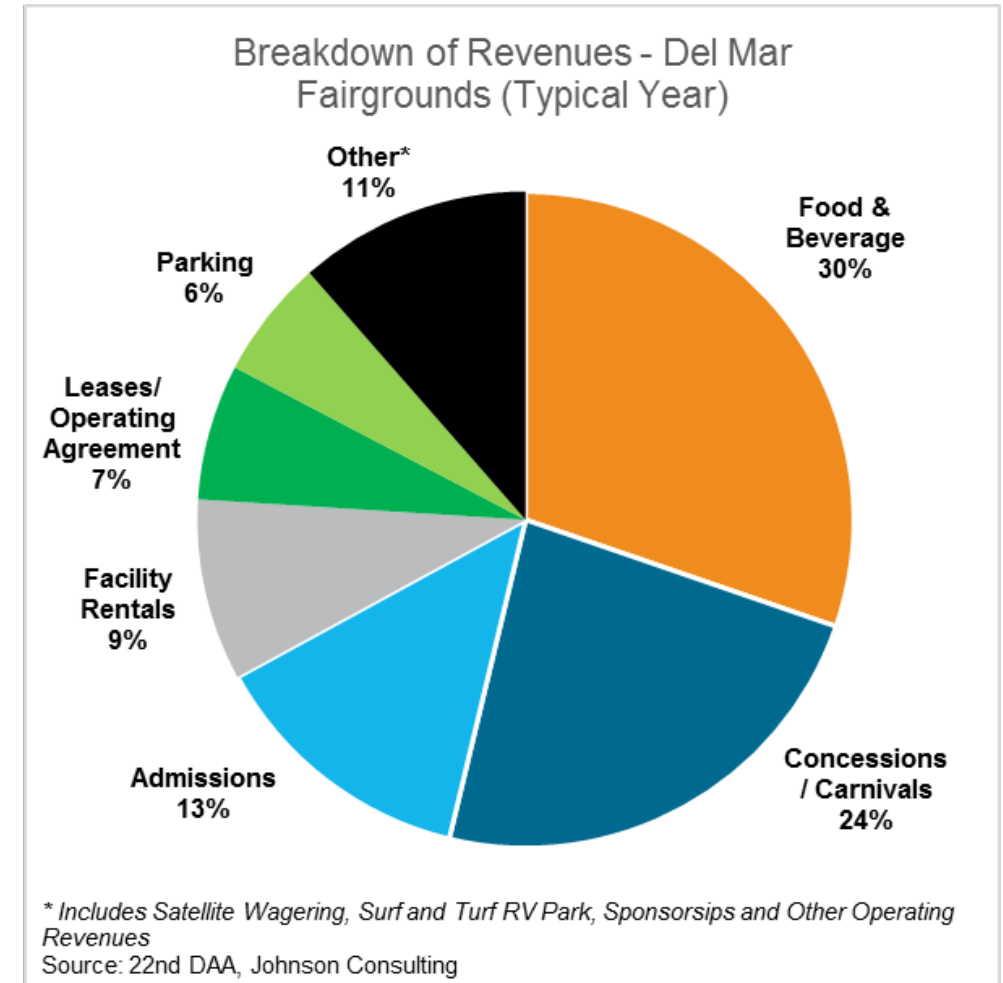


Del Mar Fairgrounds

Del Mar Fairgrounds						
Summary of Exhibit and Meeting Space						
	Size (SF)		Capacity (# of Persons)			
	Individual (Smallest)	Combined (Largest)	Theater	Classroom	Banquet	Exhibits (# of Booths)
Exhibit Halls						
O'Brien Hall	68,680	-	6,800	4,100	-	300
Exhibit Halls	55,200	-	5,500	3,300	-	250
Bing Crosby Hall	31,900	-	3,500	2,200	-	150
Wyland Center	30,800	-	3,000	800	-	145
Activity Center	19,800	-	2,200	1,300	-	100
Mission Tower	13,000	-	1,200	-	-	65
Subtotal Exhibit Hall SF	219,380					
Meeting Rooms						
Number of Rooms	19	-				
Smallest Room	420*	-	-	20	10	-
Largest Room	-	6,200	-	500	300	-
Subtotal Meeting Room SF	20,116					
Total	239,496					

* One of 15 'Luxury Suites'.

Source: Del Mar Fairgrounds, Johnson Consulting



Fairplex – Ponomo, CA

Fairplex Summary of Exhibit and Meeting Space					
	Size (SF)		Capacity (# of Persons)		
	Individual (Smallest)	Combined (Largest)	Theater	Classroom	Banquet
Exhibit Halls					
Expo Hall 4	105,500	-	10,526	6,896	8,333
Expo Hall 5	33,600	-	3,157	2,068	2,500
Expo Hall 6	33,600	-	3,157	2,068	2,500
Expo Hall 7	33,600	-	3,157	2,068	2,500
Exposition Center	33,600	-	2,200	1,300	-
Expo Hall 9	41,120	-	4,210	2,758	3,333
Expo Hall 10	30,800	-	3,157	2,068	2,500
Total		311,820			

Source: Fairplex, Johnson Consulting

- **Sheraton Fairplex Hotel & Conference Center:** On-grounds, 244 rooms + 11,000 SF of meeting space.
- **KOA RV Park:** 185 spaces.
- **OTB**
- **Barretts:** Horse auction company.
- **Event Production Solutions:** Equipment rental.
- **501(c)3 Organizations:** The Learning Centers at Fairplex and Fairplex Child Development Center

Fairplex – Ponomo, CA

Fairplex - Ponomo, CA	
Total Revenues by Business Unit (2015)	
	2015
LA County Fair	\$27,690,537
Fairplex Year-round Events	\$10,837,675
Sheraton Fairplex Hotel & Conference Center	\$17,358,893
Barrets Equine Limited	\$2,449,504
Cornucopia Foods LLC	\$11,600,720
RV Park and Other	\$4,064,046
Total Operating Revenues	\$74,001,375

Source: Fairplex - Ponomo, CA, Johnson Consulting

LA County Fair (1.3 M visitors) + 300 events

Oklahoma State Fair Park

Oklahoma State Fair Park Summary of Event Spaces	
	Size (SF)
Exhibit Halls	
Bennett Event Center	201,000
The Pavilion	70,000
Oklahoma Expo Hall	47,022
Centennial Building	28,800
Modern Living Building	36,750
Hobbies, Arts & Crafts Building	19,600
Total Exhibit Halls	403,172
Other Event Spaces	
Animal Barns	9 Buildings
Jim Norick Arena*	8,000-seats
RV Park	330 spaces
*Also includes multiple meeting rooms	
Source: Oklahoma State Fair Park, Johnson Consulting	

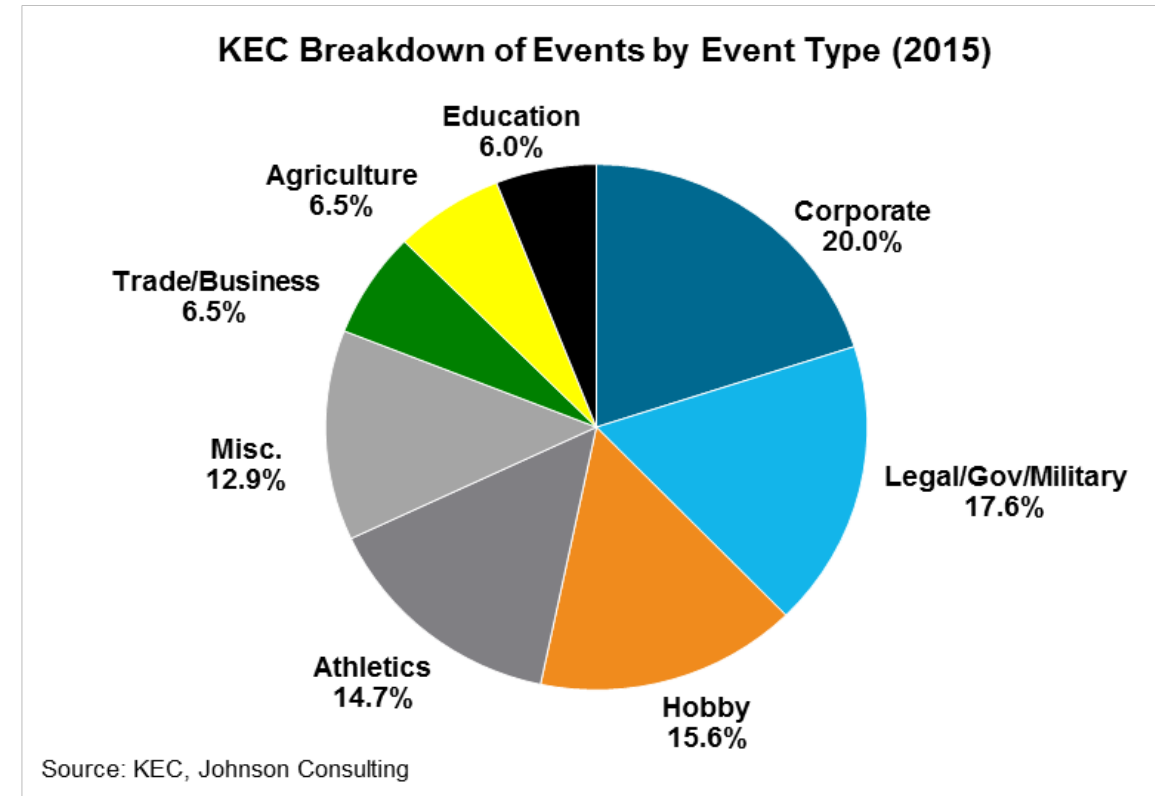
Oklahoma State Fair, Inc. Revenue & Expense Statement (2016) (\$'000s)	
	2016
Revenues	
Admissions	\$3,816
Concessions	1,217
Entry Fees	5,315
Rental Income	6,788
Gifts and Grants	442
Fair Park and Related Events	1,425
State Fair	50
Corporate Sponsors	667
Other	598
Total Revenues	\$20,318
Total Operating Expenses	\$18,946
Total Operating Income (Loss)	\$1,372
Source: Oklahoma State Fair, Inc., Johnson Consulting	

Kentucky Exposition Center

Kentucky Exposition Center Summary of Exhibit and Meeting Space						
	Size (SF)		Capacity (# of Persons)			
	Individual (Smallest)	Combined (Largest)	Theater	Classroom	Banquet	Exhibits (# of Booths)
Exhibit Halls						
West Wing	-	175,700	5,400	5,400	5,400	1,050
West Hall A	-	18,144	2,400	1,213	1,213	98
West Hall B	-	14,265	1,200	934	934	75
Pavilion	-	75,300	1,800	1,800	1,800	381
North Wing	-	216,000	5,400	5,400	5,400	1,205
East Hall A	-	18,144	1,400	1,213	1,213	98
East Hall B	-	14,265	1,200	934	934	75
South Wing A	-	129,600	14,109	8,666	8,666	700
South Wing B	-	129,600	14,109	8,666	8,666	700
South Wing C	-	166,500	10,860	10,860	10,860	875
Subtotal Exhibit Hall SF		957,518				
Meeting Rooms						
Number of Rooms	54	-				
Smallest Room	590	-	84	40	40	-
Largest Room	-	4,659	665	310	310	-
Subtotal Meeting Room SF		70,000				
Arenas/ Amphitheaters						
Freedom Hall	-	-	19,169	-	-	-
Broadbent Arena	-	-	6,600	-	-	-
Newmarket Hall	-	-	600	-	-	-

Source: Kentucky Exposition Center, Johnson Consulting

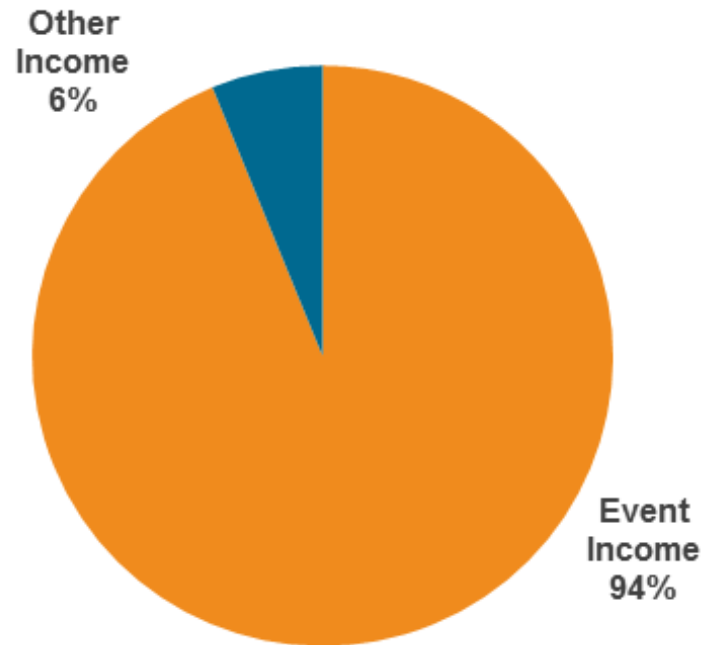
183 events; 1.7 M visitors



Kentucky Exposition Center

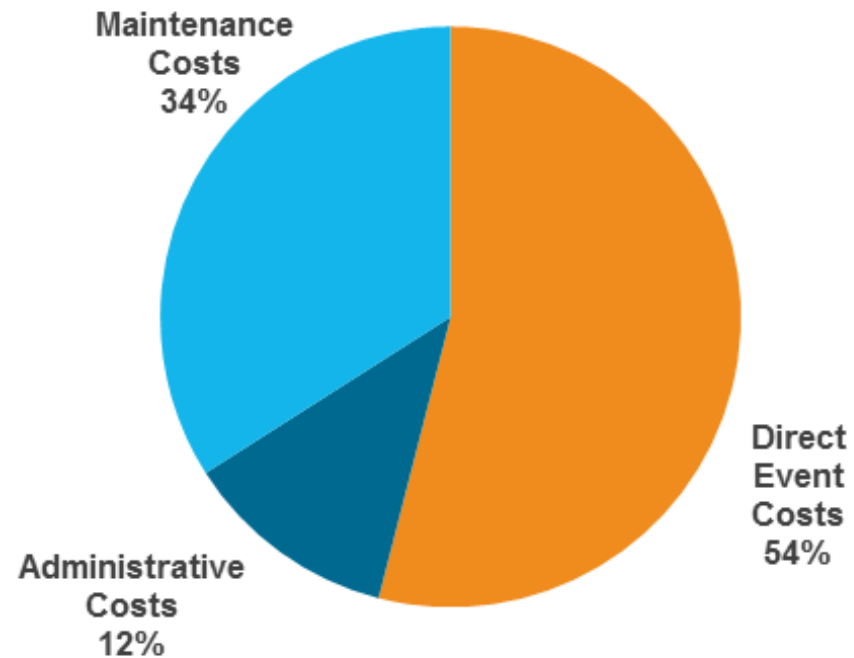
Revenues = \$38 M; Profit = \$3.5 M

Breakdown of Revenues - KEC
(Typical Year)



Source: KEC, Johnson Consulting

Breakdown of Expenses - KEC
(Typical Year)



5. Indicated Strategy

Overall Strategy

1. Improvements be made to the Equestrian Center to enhance functionality and competitiveness; more oriented to serving the youth market.
2. Replace animal barns in the livestock area that are in disrepair; add larger facilities.
3. Noise issues related to the complex were a common complaint among stakeholders and community members.
4. Back and front of house functions campus-wide are currently intermingled and clearer delineation is essential, along with small, flexible buildings that can be utilized for storage.
5. Existing Administration Building should be expanded to at least double its current size. This will allow it to better serve the overall OC FEC.

Overall Strategy

6. Additional, flexible meeting space should be considered on the campus. This will help to better align the OCFEC with peer facilities.
7. Enhance education by building education facility and a community facility; multi-purpose and flexible in design
8. Dedicated off-street parking is provided in several large surface lots but the number of available spaces do not adequately support the volume of visitors to the Fair and non-Fair events at the OCFEC.; Market assessment highlights need for additional, and structured, parking.
9. Overall aesthetic and landscaping enhancements should be made campus-wide.

6. Draft Concepts

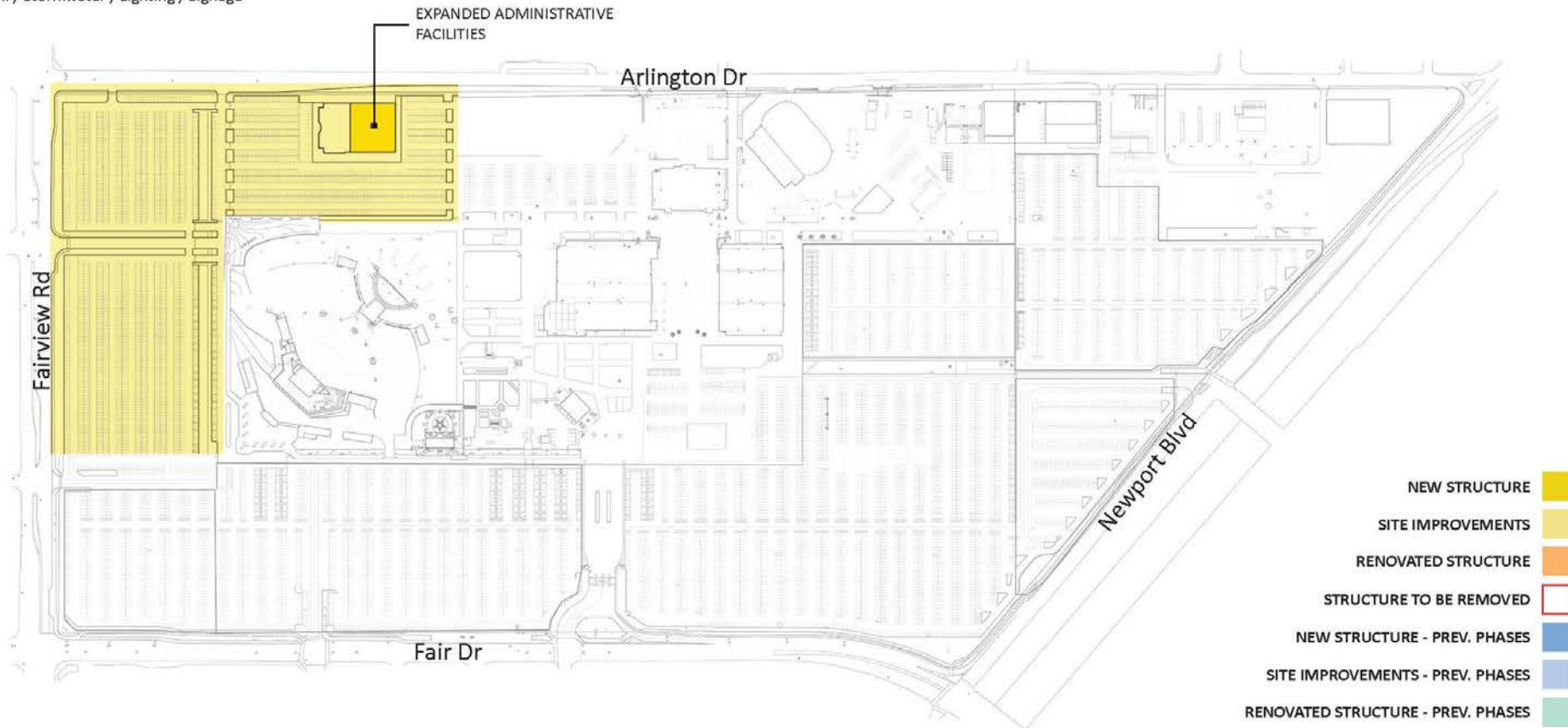
Orange County Fair & Event Center - Master Site Plan



PHASE I - ADMINISTRATION BUILDING ADDITION

- NEW:
 - » Sally Port and Main Bank
 - » Offices for Exhibits Team
 - » Offices for Creative Services Team
 - » Archives / record keeping storage
 - » Re-align space into work groups
- SITE IMPROVEMENTS FOR NW AREA:
 - » Landscape of site area
 - » Adjacent property edge (excluding fence)
 - » Parking Realignments / Upgrades
 - » Civil / Stormwater / Lighting / Signage

CHANGE IN PARKING COUNT: +525
TOTAL PARKING COUNT: 9778



PHASE I COST: \$22,913,371

PHASE II - LIVESTOCK BARN REPLACEMENT, ACTION SPORTS ARENA UPGRADE, & HORSE PADDOCKS

A

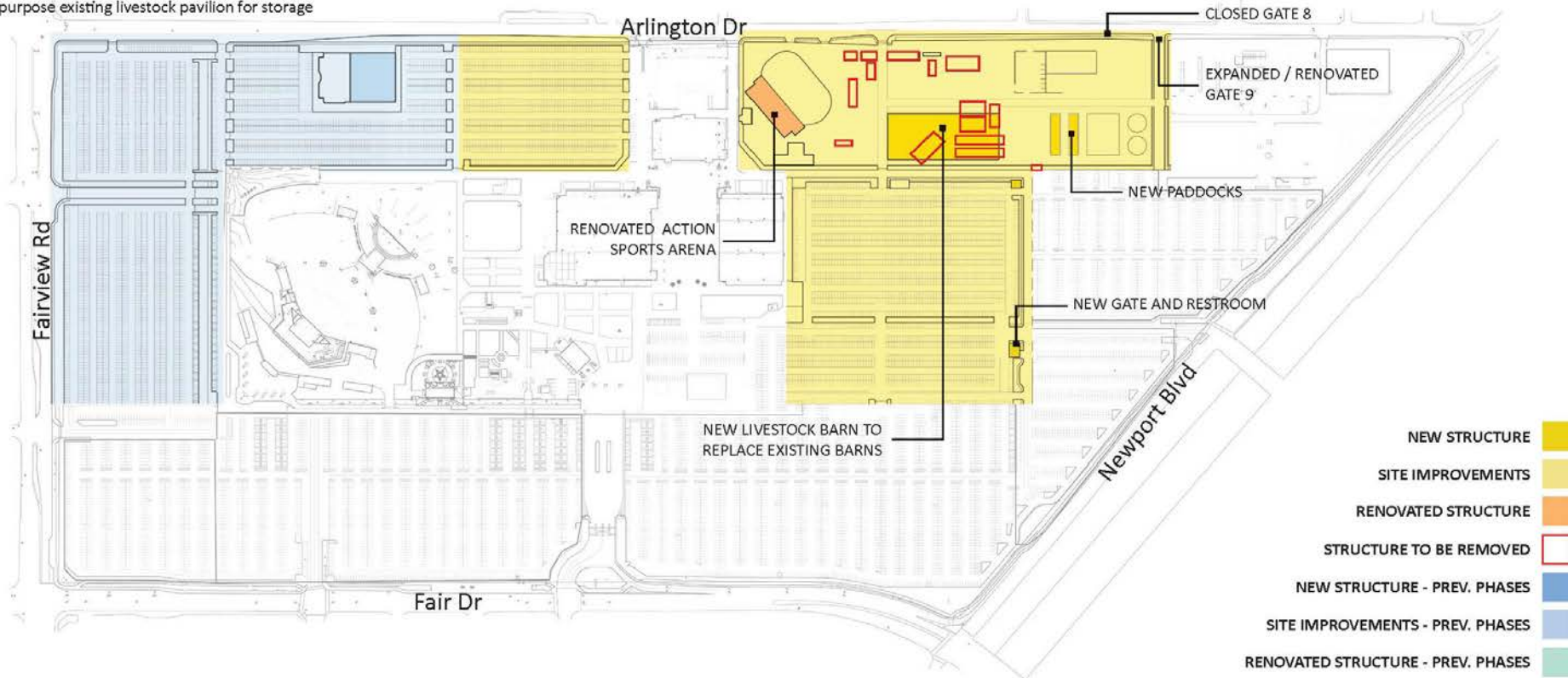
- DEMOLISH:
 - » 3 old barns
 - » Miscellaneous storage sheds
 - » Ranch building and EE office building
 - » Temporary tents
- NEW:
 - » Livestock barn with exhibit and show space
 - » Storage space for fair material
 - » Purchase portable stall system (support equipment for emergencies)
 - » Expanded building/storage operational space for Spectra Yard
 - » Repurpose existing livestock pavilion for storage

- SITE IMPROVEMENTS FOR MIDWAY & ARENA/LIVESTOCK AREA:
 - » Landscape of site area
 - » Adjacent property edge (excluding fence)
 - » Parking Realignments / Upgrades
 - » Civil / Stormwater / Lighting / Signage

B

- NEW:
 - » Midway Restrooms
 - » 2 Open air barns/paddocks to support agricultural & equine initiatives/events
 - » Outdoor lunging areas
- REPLACE/RENOVATE:
 - » Action Sports Arena
 - » Replace existing seating with stadium seating
 - » Replace boards with portable board system
 - » Sound wall

CHANGE IN PARKING COUNT: **+634**
TOTAL PARKING COUNT: 10,412



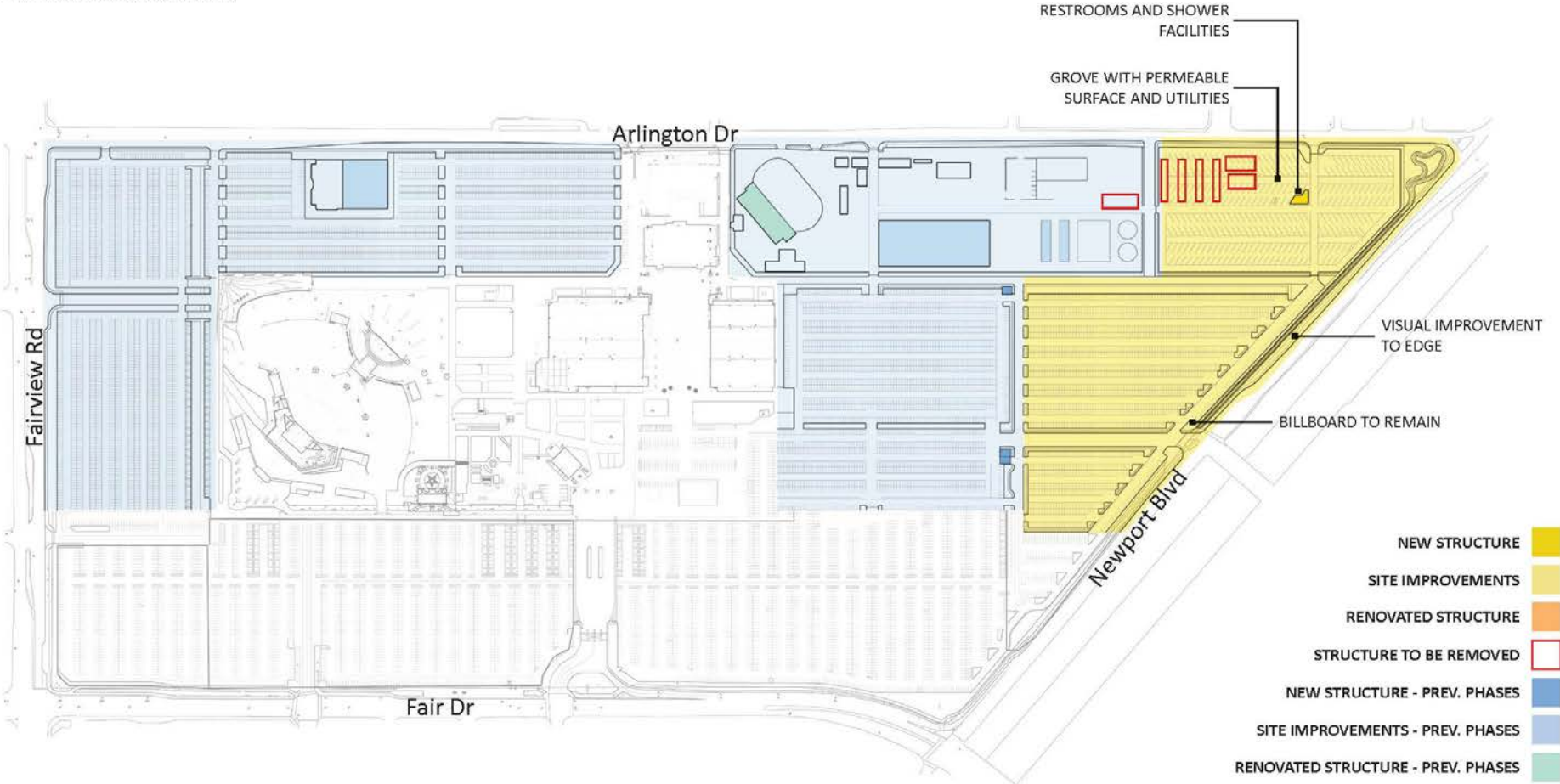
PHASE II COST: \$21,861,024

PHASE III - REPURPOSE EQUESTRIAN CENTER SPACE

- DEMOLISH:
 - » Equestrian center barns and offices
- NEW:
 - » Multi-purpose ground space
 - » Restrooms / Showers
 - » Carnival parking and storage for Fair
 - » Creates opportunity for expanded children/family area tied to existing kiddie midway
- SITE IMPROVEMENTS FOR NE AREA & KIDDIE MIDWAY:
 - » Landscape of site area
 - » Adjacent property edge (excluding fence)
 - » Additional parking to support east end show activities
 - » Parking Realignments / Upgrades
 - » Civil / Stormwater / Lighting / Signage

CHANGE IN PARKING COUNT: **-100**
TOTAL PARKING COUNT: 10,312

*245 RV Parking Stalls can be flexed to 900 Standard Stalls

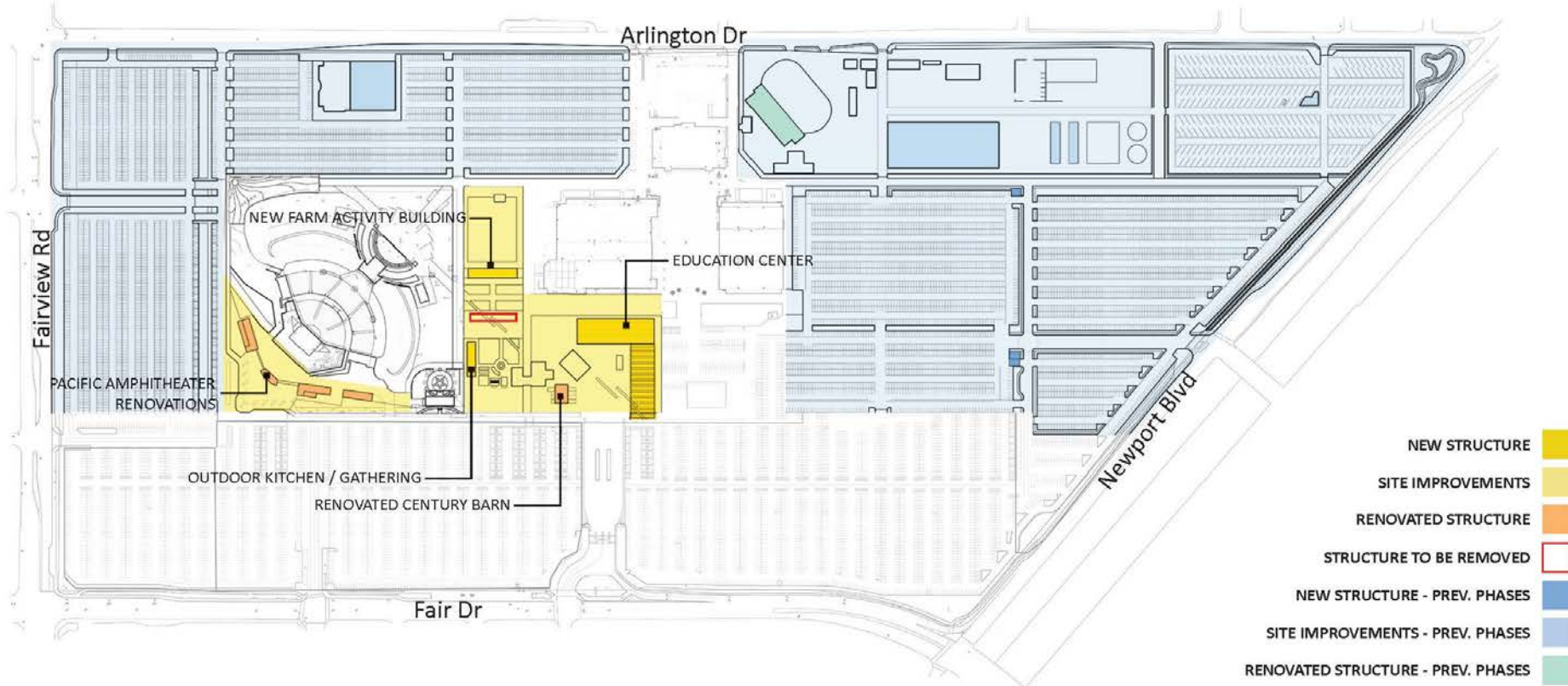


PHASE III COST: \$16,116,301

PHASE IV - NEW EDUCATION CENTER AND CENTENNIAL FARM UPGRADES

- DEMOLISH:
 - » Building 15
 - » OCWS trailer/offices
 - » Existing Century Barn
- NEW:
 - » Education center with multi-purpose classroom / break out room space, restrooms, offices, meeting room
 - » Outdoor kitchen
 - » OCWS offices
 - » Farm activity building
 - » Additional solar array w/Education Center
 - » New Century Barn
- RENOVATE / REPLACE:
 - » Pacific Amphitheater SW Plaza, ticketing, and back of house, green rooms, offices
- SITE IMPROVEMENTS FOR CENTENNIAL FARM AREA:
 - » Landscape of site area
 - » Pacific Amphitheater SW Plaza
 - » Adjacent property edge (excluding fence)
 - » Parking Realignments / Upgrades
 - » Civil / Stormwater / Lighting / Signage

CHANGE IN PARKING COUNT: N/A
TOTAL PARKING COUNT: 10,312

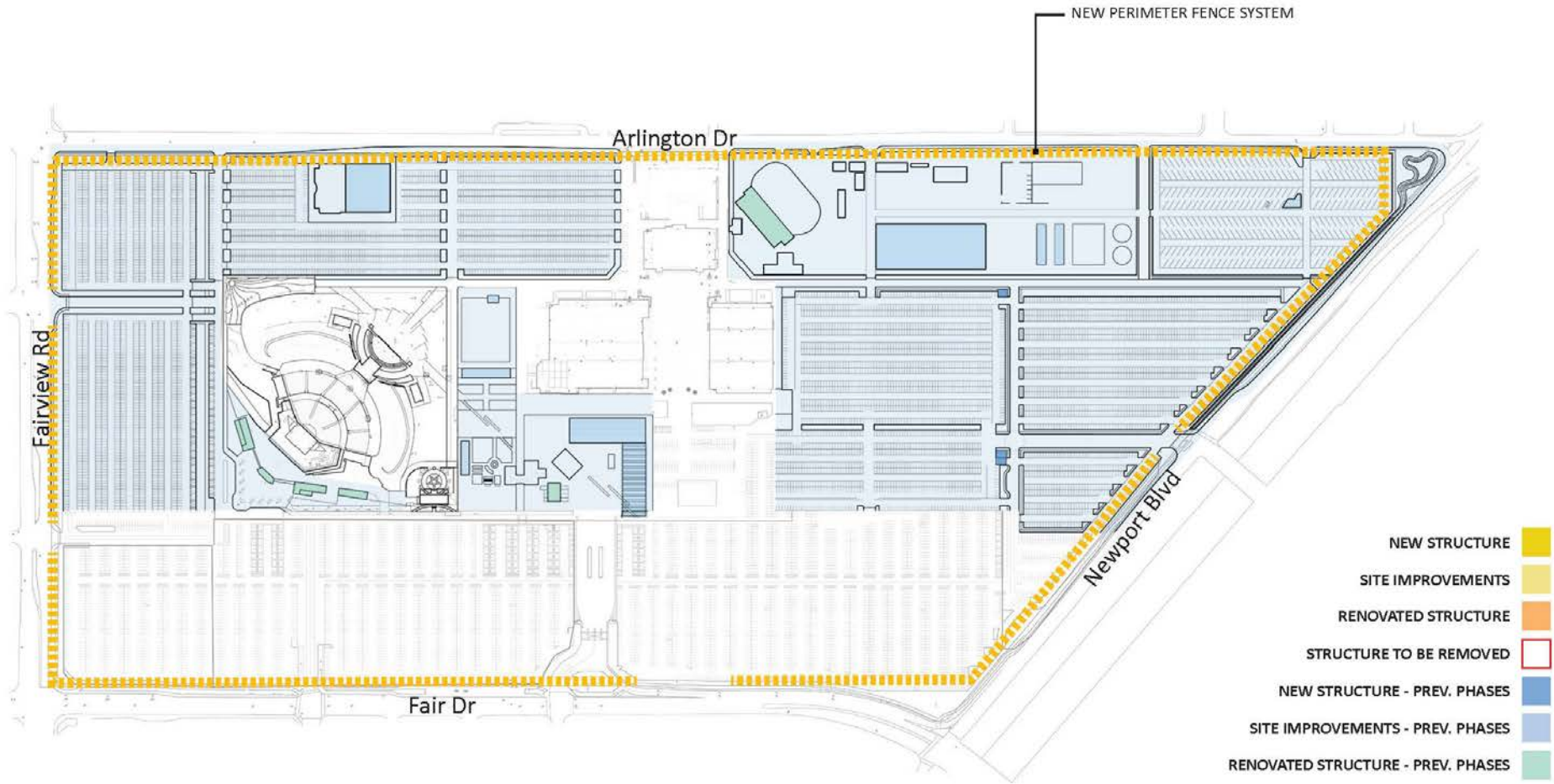


PHASE IV COST: \$27,440,630

PHASE V - PERIMETER FENCE & SITE IMPROVEMENTS

- NEW:
 - » Perimeter fence system
 - » Wayfinding signage
 - » All grounds PA system
- SITE IMPROVEMENTS FOR CENTENNIAL FARM AREA:
 - » Additional site improvements
 - » Civil / Stormwater / Lighting / Signage

CHANGE IN PARKING COUNT: N/A
TOTAL PARKING COUNT: 10,312

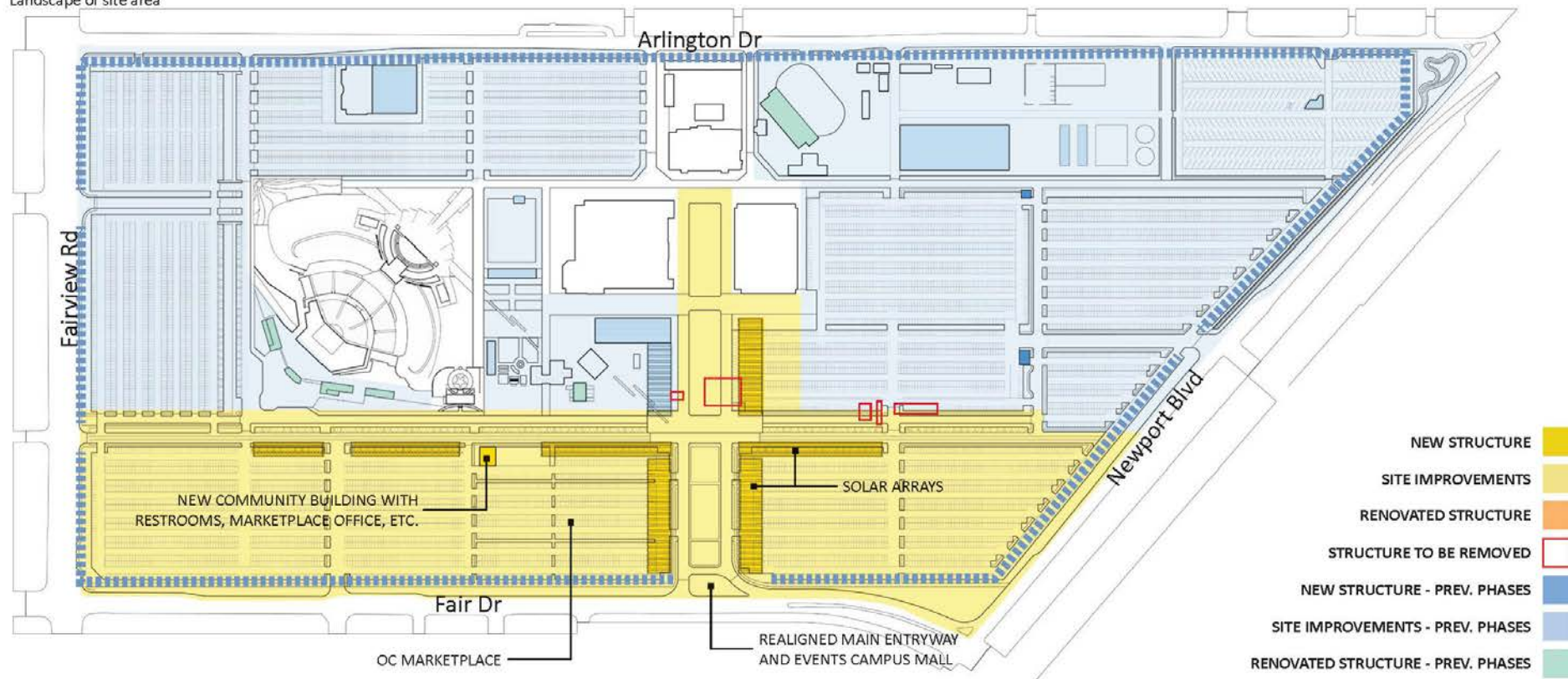


PHASE VI COST: \$9,400,426

PHASE VI - MAIN ENTRANCE RELOCATION

- A**
- DEMOLISH:
 - » Existing marketplace buildings
 - NEW:
 - » Gateway and signature entranceway sign
 - » Solar arrays
 - SITE IMPROVEMENTS FOR NEW MAIN ENTRY & FAIR DR FRONTAGE:
 - » Relocate main entrance to the east to align with main mall
 - » Central events campus mall
 - » Landscape of site area
- B**
- New
 - » OCMF offices
 - » OCMF & community kitchen/concession facilities
 - » Multi-purpose room
 - » Restrooms
 - » Related site improvements
- » Adjacent property edge (excluding fence)
 » Shuttle / bus / ride-share drop-off
 » Parking Realignments / Upgrades
 » Civil / Stormwater / Lighting / Signage

CHANGE IN PARKING COUNT: **-165**
 TOTAL PARKING COUNT: **10,147**



PHASE VI COST: \$50,818,455

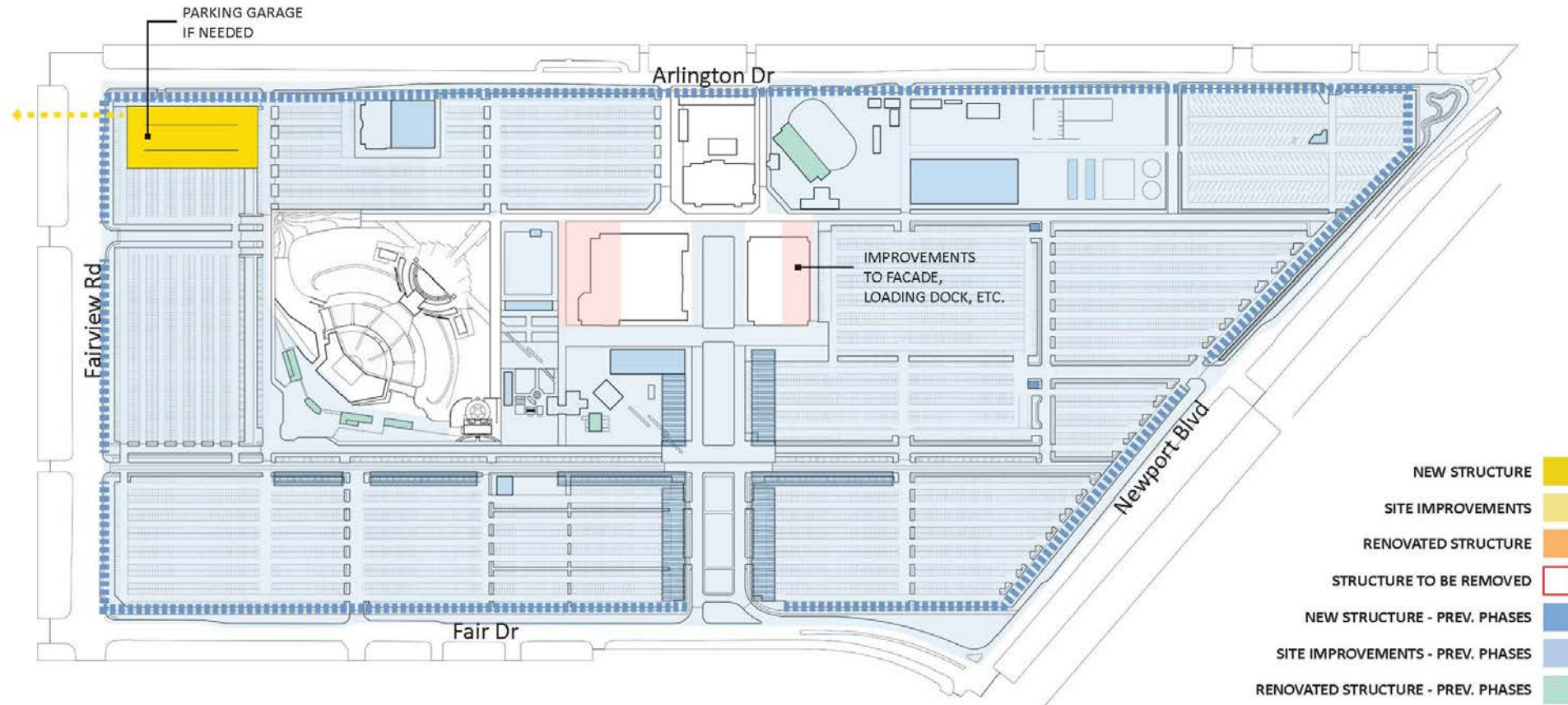
PHASE VII - OTHER PROJECTS

- NEW:
 - » Parking structure if needed
 - » Partner with OCC
 - » Screened to lessen impact on neighbors
 - » With elevators
 - » Build West Tower at OCC
 - » Build bridge over Fairview Dr to OCC
- RENOVATE / REPLACE:
 - » Facade, loading dock, etc. for existing show buildings

- SITE IMPROVEMENTS ADJACENT PARKING GARAGE:
 - » Landscape of site area
 - » Parking Realignments / Upgrades
 - » Civil / Stormwater / Lighting / Signage

CHANGE IN PARKING COUNT: **+307**
TOTAL PARKING COUNT: 10,454

*Parking garage assumed 3 stories @ +210 stalls per floor
 *Footprint of parking garage removes -323 stalls of surface parking



PHASE VII COST: \$20,588,569

Entry Overview - BEFORE



Entry Overview - AFTER



Main Entry



Campus Core - Typical Walkway



7. Implementation Plan

Cost Estimates*

Phase	Cost
Phase I	\$22,788,371
Phase II	\$21,861,024
Phase III	\$16,116,301
Phase IV	\$20,588,569
Phase V	\$9,400,426
Phase VI	\$50,818,455
Phase VII	\$27,440,630
TOTAL	\$169,013,776

** Note: Rough Order of Magnitude Costing Estimated in 2018 Dollars*

Financial Projections - Assumptions

1. Projections are shown in non-inflated dollars, due to the currently unknown timing and sequencing of the proposed MSP improvements and enhancements to the OC FEC.
2. Only specific revenue and expense items highlighted are adjusted to directly relate to the proposed program elements identified in each Phase. All other revenue and expense items are maintained at current levels. While there is potential for other revenues and expenses to increase, for example reflecting increased attendance at the Fair or growth in wages, these will correlate with the timing of the MSP improvements and enhancements and as such, are not accounted for in our projections.

Financial Projections - Assumptions

3. An allowance is made in all Phases for increased depreciation expenses. These are based on the overall costing budget for each Phase, and reflect new and renovated buildings only. Different assets will depreciate at different rates, however this approach serves to provide a guideline estimate that reflects the unknown timing and sequence of each MSP Phase. Once the timing and sequencing of the MSP improvements has been determined, more detailed depreciation projections can be prepared.

Financial Projections – By Phase

OCFEC Current and Projected Revenue and Expenses Statement - Affected Line Items Only*									
	2017 Actual	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7	Notes
Program Elements									
New Construction/ Renovation (SF)		15,000	32,950	1,900	34,300	-	3,000	220,500	
Demolition (SF)		-	22,300	36,900	8,790	-	21,300	-	
Net Gain in Parking (Spaces)		525	634	-100	0	0	-100	307	
Revenues									
Miscellaneous Revenue	\$4,899,724	\$4,978,474	\$4,994,824	\$4,899,724	\$4,899,724	\$4,899,724	\$4,899,724	\$4,945,774	Includes rental of additional parking spaces at \$10 for days during Fair
Rental of Facilities	3,439,026	3,439,026	3,439,026	3,307,026	4,306,082	3,439,026	3,439,026	3,439,026	In Phase 4 assumes 16 incremental Amphitheater events per year at \$54,191 average profit
Total Revenue	\$43,672,004	\$46,297,328	\$46,313,678	\$46,086,578	\$47,085,634	\$46,218,578	\$46,218,578	\$46,264,628	
Expenses									
Payroll and Related Expense	\$14,898,921	\$14,898,921	\$14,898,921	\$14,898,921	\$14,898,921	\$14,898,921	\$14,898,921	\$14,978,921	In Phase 7 assumes 2 additional staff
Facility and Related Expense	4,130,716	4,163,116	4,130,716	4,055,116	4,130,716	4,130,716	3,970,756	4,622,346	Assumes \$2.16 per SF in incremental space**; Savings from demolition; in Phase 6 \$0.20 pkw h saving from solar energy; in Phase 7 Assumes increase utilities at parking garage, plus \$50 maintance reserve per space****
Depreciation Expense	3,279,919	3,469,534	3,465,418	3,308,797	3,541,052	3,279,919	3,311,073	3,778,527	Assumes depreciation rate of 2.6% per annum***
Total Expense	\$38,226,790	\$39,744,713	\$39,708,197	\$39,475,976	\$39,783,831	\$39,522,698	\$39,393,892	\$40,592,936	

* Non-inflated dollars

** Source: Building Owners and Managers Association International (BOMA)

*** Source: IRS - useful life of non-residential buildings is 39 years; Depreciation calculated at value x 2.6%

**** Source: Carl Walker Inc, national parking consultant and research publisher

Source: OCFEC, Johnson Consulting, HPI, SWA

Projected Balance Sheet

OCFEC Balance Sheet (\$M)						
	Phase	Cash on Hand*	Earnings (Profit)**	Capital Expenditure (Budget)	MSP Expenditure	Balance
2017		\$46.2	\$6.7	(\$9.3)	-	\$43.6
2018		\$43.6	\$4.0	(\$2.5)	-	\$45.1
2019		\$45.1	\$4.0	(\$2.0)	-	\$47.2
2020	Phase 1	\$47.2	\$6.6	(\$2.0)	(\$22.8)	\$28.9
2021		\$28.9	\$6.6	(\$2.0)	-	\$33.5
2022	Phase 2	\$33.5	\$6.6	(\$2.0)	(\$21.9)	\$16.2
2023		\$16.2	\$6.6	(\$2.0)	-	\$20.8
2024	Phase 3	\$20.8	\$6.6	(\$2.0)	(\$16.1)	\$9.3
2025		\$9.3	\$6.6	(\$2.0)	-	\$13.4
2026	Phase 4	\$13.4	\$7.3	(\$2.0)	(\$20.6)	(\$2.3)
2027		(\$2.3)	\$5.7	(\$2.0)	-	\$0.8
2028	Phase 5	\$0.8	\$6.7	(\$2.0)	(\$9.4)	(\$4.4)
2029		(\$4.4)	\$6.7	(\$2.0)	-	(\$0.2)
2030	Phase 6	(\$0.2)	\$6.8	(\$2.0)	(\$50.8)	(\$46.7)
2030		(\$46.7)	\$6.8	(\$2.0)	-	(\$42.4)
2031	Phase 7	(\$42.4)	\$5.7	(\$2.0)	(\$27.4)	(\$66.6)

* Revenues based on 2017 Actuals; Carries forward from 2018 onwards

** 2017 Actual; 2018 Budget; Carries forward

Source: OCFEC, Johnson Consulting, HPI, SWA

- Positive cash flow in non-MSP project years
- Phase 4 = negative balance
- Borrow MSP project cost and review cash flow every 3 years subsequently
- \$170M loan: debt repayment on principal over 30 years at 6% = \$15M annually

Summary

Phase 1: Administration Building Addition	\$22.8M
Phase 2: Livestock Barn, Action Sports Arena Upgrade & Horse Paddocks	\$21.8M
Phase 3: Repurpose Equestrian Center Space	\$16.1M
Phase 4: New Education Center & Centennial Farm Upgrades	\$20.6M
Phase 5: Perimeter Fence and Other Site Improvements	\$9.4M
Phase 6: Main Entrance Relocation	\$50.8M
Phase 7: Parking Garage and Other Projects	\$27.4M