



ADDENDUM No. 1

RFP: 2021 Lane Events Center Facility Master Plan

Addendum Date: 10/22/2020

Closing Date and Time: Unchanged

Item 1: Change Prior study information is included in this attachment.

Item 2: Change In addition, we need to clarify the budget is not to exceed \$80K for the entire project.

- **End** -



AGENDA COVER MEMO

Memorandum Date: 12/23/19

Meeting Date: 1/15/20

TO: Board of County Commissioners

DEPARTMENT: Public Works, Lane Events Center

PRESENTED BY: Charles Johnson, Johnson Consulting
Corey Buller, Lane Events Center Manager

AGENDA ITEM TITLE: REPORT/ Market Demand Analysis and Consultant Report

I. MOTION

None. Discussion only.

II. AGENDA ITEM SUMMARY

The purpose of this item is to update the Board on the current economic impact and potential market demand of the Lane Events Center and discuss process for generating a Master Plan for the future. Included in the report are some recommendations for capital projects that can be implemented while the Master Plan process is developed.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

The last economic impact analysis or market demand was completed in 2007 and was discussed as part of a Lane County Fair Review and Relocation Assessment Report for the Lane Events Center and Lane County Fair. A result of that report and discussion was to commit to the current site and business model of the Lane Events Center for the foreseeable future.

B. Board Goals

The Lane Events Center supports and contributes to the Robust Infrastructure and Vibrant Communities priorities by providing a venue and opportunities for business, education and entertainment. The Lane Events Center supports the travel industry and continues to contribute to bringing people to Lane County through the events hosted at the facilities.

C. Financial and/or Resource Considerations

It is anticipated that some of the capital recommendations will be identified as high priority and placed on the Capital Plan. Long term funding for recommendations or renovations will be discussed in subsequent discussions and may include multiple funding options.

D. Health Implications

Environmental Quality	NA
Housing	NA
Land Use	NA

E. Analysis

In order to facilitate a long range plan or Master Plan, the current market demand and economic impact was needed. A part of that analysis was to identify the current condition of the facilities and identify opportunities to increase usage. A facilities condition assessment was concluded recently and that information was provided to Johnson Consulting. Through a series of interviews, surveys and discussions with various users, clients, staff and partners Johnson Consulting has developed the current report. A portion of the deliverables from this project include some recommendations on immediate projects that could deliver an ROI and help generate increased usage while the long range plan is developed. In addition, we asked for a review of current practices, prices and marketing strategies with recommendations on any areas identified as below expectations. Due to discussions of using a portion of the property for development that does not support the business model or allow for consideration of all recommended projects, a commitment to the facility and business model by the BCC would be needed in order to move forward with the planning process.

F. Alternatives/Options

Discussion only.

IV. RECOMMENDATION

Staff recommends vetting the proposed capital projects and working on implementation of those identified as supportive of the goals and priorities of the County and Fair Board. Staff also recommends immediately identifying a committee that is represented by staff, clients, partners and public to begin work on a masterplan. In order to facilitate the long range planning, staff recommends a commitment to remain at the current location and a commitment to reinvest in the facilities in order to continue contributing to the local economy.

V. TIMING/IMPLEMENTATION

Immediate

VI. FOLLOW-UP

Discussions and updates to follow regarding Capital Projects and Master Planning.

VII. ATTACHMENTS

A. Johnson Consulting Market Analysis Report



MARKET DEMAND ANALYSIS LANE EVENTS CENTER – EUGENE, OR

SUBMITTED TO
Lane Events Center

SUBMITTED BY
Johnson Consulting
Priefert Complex Designs

DATE
January 2020

REVISED DRAFT



January 7, 2020

Mr. Corey Buller
Division Manager/ Fair Manager
Lane Events Center/ Lane County Fair
corey@laneevntscnter.org

Re: Market Demand Analysis – Lane Events Center

Dear Corey,

Johnson Consulting, in association with **Priefert Complex Designs (PCD)**, is pleased to submit this draft report regarding the Lane Events Center (LEC). Pursuant to our engagement, this report provides an analysis of the economic and demographic characteristics of the local and regional markets; presents case study profiles of comparable venues; reviews operational and physical attributes of the LEC campus; summarizes key observations from interviews with key stakeholders and community members; provides program recommendations for improvements to the LEC; presents demand and financial projections for an improved facility; provides an economic and fiscal impact analysis; and proposes an implementation strategy.

Johnson Consulting has no responsibility to update this report for events and circumstances occurring after the date of this report. The findings presented herein reflect analyses of primary and secondary sources of information. Johnson Consulting used sources deemed to be reliable, but cannot guarantee their accuracy. Moreover, some of the estimates and analyses presented in this study are based on trends and assumptions, which can result in differences between the projected results and the actual results. Because events and circumstances frequently do not occur as expected, those differences may be material. This report is intended for the clients' internal use and cannot be used for project underwriting purposes without Johnson Consulting's written consent.

We have enjoyed serving you on this engagement and look forward to providing you with continuing service.

Sincerely,

DRAFT

C.H. JOHNSON CONSULTING, INC.

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INTRODUCTION AND EXECUTIVE SUMMARY

INTRODUCTION

Johnson Consulting and Priefert Complex Design (PCD) were retained by the Lane County Public Works Department to provide a market and demand analysis relating to current facilities, grounds and miscellaneous structures on, and any potential improvements to, the Lane Events Center (LEC) campus. This analysis will be used to inform a future master plan for the 55-acre LEC campus that ensures the long-term viability and relevance of the LEC in the local and regional marketplaces. The master plan is separate to this market demand analysis.

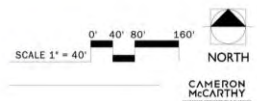
Figure 1 - 1 provides an overview of existing facilities and grounds at the LEC.

Figure 1 - 1



Lane Events Center—Lane County Fairgrounds

796 West 13th Avenue, Eugene, Oregon 97402 Phone: 541-682-4292 Fax: 541-682-3614



STUDY OBJECTIVES

The key objective of this study is to provide a market-driven foundation for a long-term vision for the LEC. This is achieved through an analysis of existing facilities to clearly define and prioritize potential facility improvements, as a means of attracting new business and regaining lost business. It is anticipated that the study, in conjunction with a Facilities Assessment undertaken by Faithful+Gould in August 2017, will inform the development of a master plan for the LEC, separate to this study.

Of critical importance is respecting and upholding the unique character of the LEC campus and the local area, and ensuring that the LEC continues to be a viable and relevant asset for the community. This is a key consideration of our study.

METHODOLOGY

In order to complete the analysis required for this project, Johnson Consulting and PCD performed the following tasks, the findings of which are presented in this report:

1. Toured the site and surrounding area, as well as other major concentrations of activity in Eugene and Lane County.
2. Conducted Client and stakeholder meetings and interviews, and online surveys of 3 distinct groups – 1). Current and prior users of the LEC; 2). Representatives of lost/ turned-away business from the LEC; and 3). General public.
3. Analyzed demographic and economic characteristics, and demand and supply conditions in the local and regional markets, based upon published sources of data and information, supplemented by our interviews with key stakeholders in the local market.
4. Identified and analyzed a set of indicative and comparable venues, regionally and nationally.
5. Reviewed historic operations at the LEC and provided an assessment of the physical conditions of buildings on the campus.
6. Provided recommendations regarding improvements to the LEC.
7. Projected market performance of the recommended improvements to the LEC over a 10-year period, in terms of demand (events and attendance) and operations.
8. Estimated economic and fiscal impact of the recommended improvements.
9. Defined a funding and implementation strategy for recommended improvements.

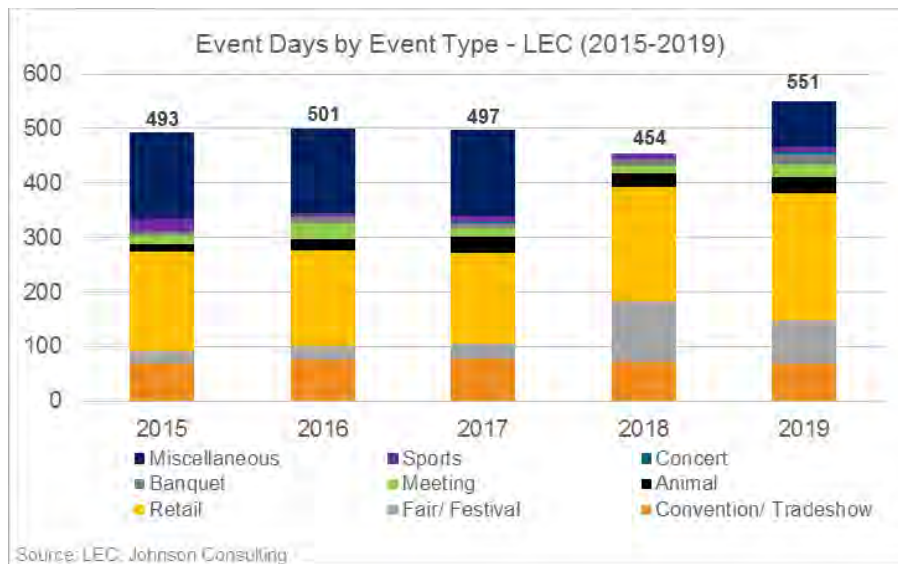
EXECUTIVE SUMMARY

The 55-acre LEC campus is the largest event venue in the Eugene and Springfield markets and is strategically located in downtown Eugene. In recent years the County has completely restructured the LEC’s organization to be much more business-minded, customer-focused and fiscally responsible. The organizational and operational structure now exists to attract more and larger events, but the physical offerings need to be substantially enhanced to allow the LEC to continue serving the hundreds of events and almost 1.0 million visitors it brings to the region, many from outside of Lane County, and position it to create an even greater impact.

DEMAND ASSESSMENT

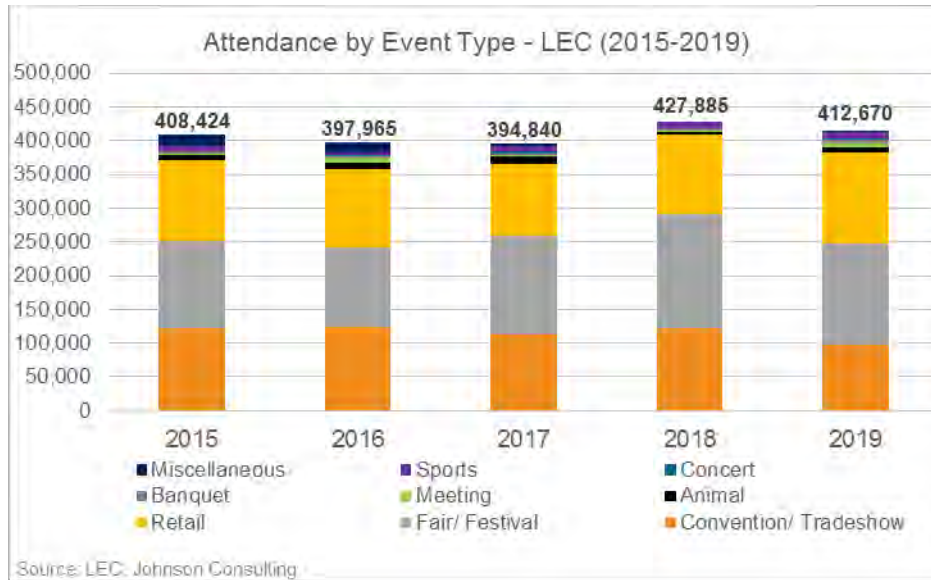
The LEC is home to the annual Lane County Fair, which runs for 5 days (Wednesday through Sunday) on the 4th weekend of July. In 2019 (as of November) the LEC hosted a total 111 events (including the annual County Fair). These events spanned 551 event days, representing a considerable increase of 21.4 percent over 2018 figures (454 event days), and driven primarily by growth in event days associated with Fairs/ Festivals and Banquets. Figure 1 - 2 shows total event days (including the annual County Fair) at the LEC since 2015, by event type as defined by Management of the LEC.

Figure 1 - 2



During the 2015-2019 period, total attendance has remained relatively stable, increasing slightly at an average annual rate of 0.3 percent. Fairs/Festivals have consistently accounted for the highest proportion of attendance (34.9 percent), followed by Retail events, including consumer and public shows (29.0 percent), and Conventions/ Tradeshows (28.4 percent). Figure 1 - 3 provides a breakdown of attendance by event type at the LEC since 2015.

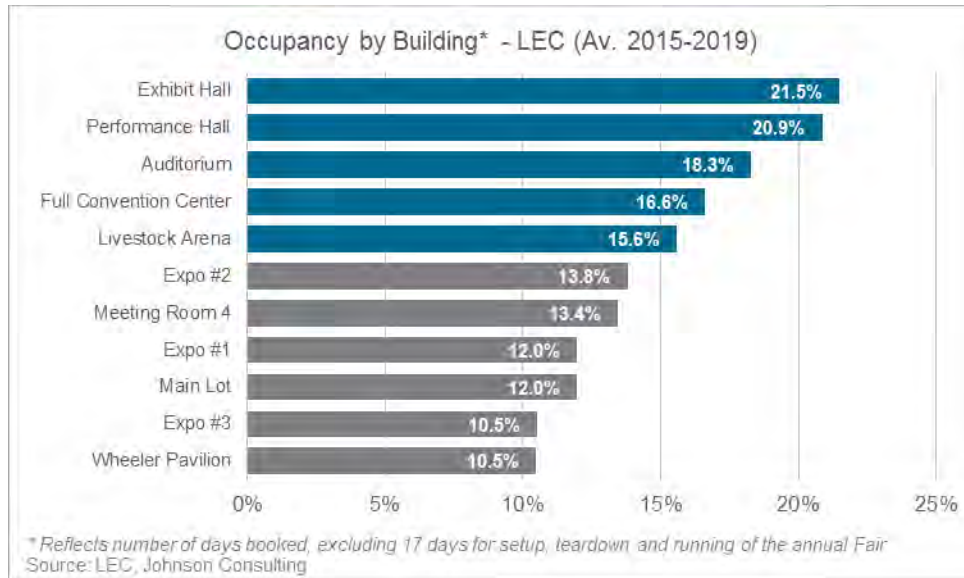
Figure 1 - 3



UTILIZATION BY BUILDING

Since 2015 the highest average occupancy has been reported at the Exhibit Hall (21.5 percent) and Performance Hall (20.9 percent), as well as the Auditorium (18.3 percent) and the Full Convention Center (16.6 percent), which includes the Exhibit Hall, Performance Hall, the Gleason Atrium and Meeting Rooms. Figure 1 - 4 provides a breakdown of non-Fair utilization and occupancy by building, averaged across the 2015-2019 period. It is noted that Expo Halls 4, 5 and 6, which are not shown in Figure 1 - 4, are utilized by 3 sporting groups annually from September through June (estimated 1,300 total utilization hours). These are the only buildings on the campus that are rented on an hourly basis, and as such, are not reflected in the daily building rental data reported by Management.

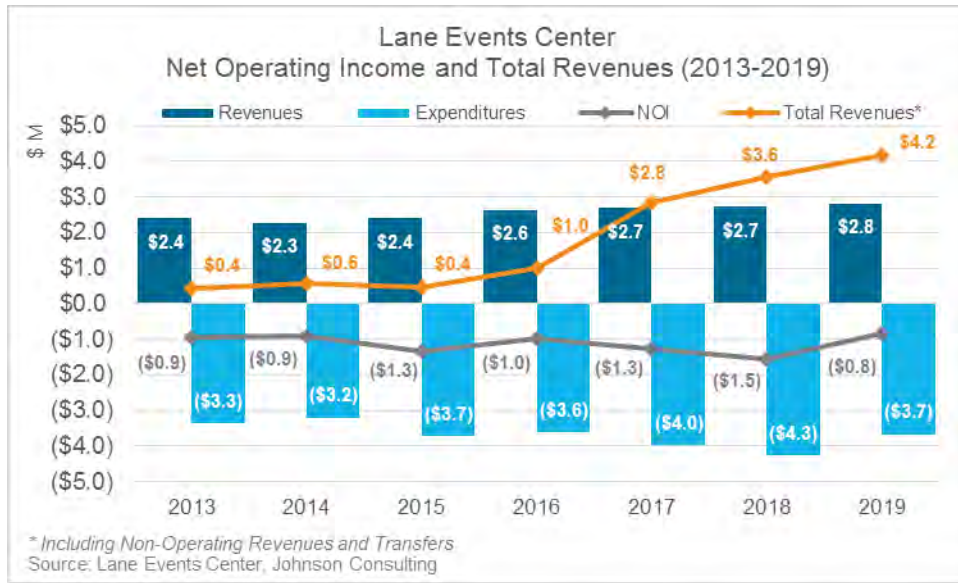
Figure 1 - 4



FINANCIAL PERFORMANCE

Since 2013 the LEC's total operating revenues have increased at an average annual rate of 2.8 percent, while operating expenses increased at a lower average annual rate of 1.5 percent. This resulted in a reduction in the net operating deficit, before non-operating revenue and expenses, at an average annual rate of (2.0) percent. Considerable improvement was reported between 2018 and 2019, with a net operating deficit of (\$1.5) million in 2018 compared to an estimated deficit of (\$838,000) in 2019. Figure 1 - 5 shows operating revenues, expenses, operating income (loss) and total revenues over (under) expenditures for the LEC between 2013 and 2019.

Figure 1 - 5



STAKEHOLDER INPUT

Stakeholder, user group and community outreach conducted as part of this analysis revealed a high level of support for improvements to the LEC. Interviewees and survey participants were very complimentary of staff of the LEC but noted a need for significant modernization of facilities, improved technology offerings, and the addition of HVAC.

As it relates to the ability to regain lost business, the most influential factor in survey respondents' decisions not to host their event at the LEC was Date Availability, followed by Affordability and Proximity to Hotels. The improvement most likely to encourage survey respondents to reconsider the LEC for their event(s) is More Date Availability, with many respondents also willing to reconsider holding their event(s) at the LEC if issues of Affordability and Ease of Load In/ Load Out were addressed. An Onsite Hotel would also encourage users to reconsider the LEC for their event(s).

It is our assessment that the LEC cannot attract more conventions and tradeshow, and thus generate more room night demand and greater impact for the local market, without additional meeting room and ballroom space. An on-site hotel could provide supplemental space and would allow for better market penetration in these event categories.

COMPARABLE FACILITIES

Figure 1 - 6 provides a summary of key market attributes of case study facilities, include a mix of traditional fairgrounds, as well as aspirational expo/ convention centers in the region. These facilities are not necessarily direct competitors with the LEC but the size and characteristics of these facilities, rental rates,

and demand and financial performance data provide insight into the general parameters within which an improved LEC would be expected to operate. As shown, the LEC's primary market, as defined by a 1-hour drive time radius, ranks among the lowest with respect to median household income (9th out of 10) and entertainment spend (9th), and also has a relatively small population (7th) with a high median age (8th) compared to the peer set. Among the identified markets, the LEC's surrounding market characteristics are most similar to those of the HAPO Center in Pasco, WA, and the Deschutes County Fairgrounds and Expo Center in Redmond, OR.

Key locational attributes include:

- The proximate inventory of hotel guest rooms to the LEC (as defined as a 1-mile radius) is large (818 guest rooms) relative to the peer set, and trails only the Sacramento Convention Center (2,884 guest rooms) and the Portland Expo Center (1,365 guest rooms). The LEC's large hotel inventory likely reflects its proximity to the University of Oregon and to downtown Eugene, although as previously discussed, there are very few hotels in immediate proximity of the LEC (the closest hotel is 0.6 miles away).
- The closest major international airport is the Portland International Airport, which also serves many of the other comparable markets in the matrix. The annual passenger volume of the Portland and Seattle-Tacoma airports combined is just under 70.0 million passengers.
- The LEC ranks among the smallest in the comparable set with regards to the largest amount of contiguous exhibit space but is among the middle of the set with respect to total Fair attendance, revenues, expenses and net operating income.

In general terms, many of the regional fairgrounds offer newer facilities and/ or more recently renovated facilities than the LEC and a number have invested in outdoor event venues, landscaping and other support amenities such as attractive RV parks. Easy access, including public transport options, is also a key characteristic of many of the more successful fairgrounds and event venues. All of these enhancements help to attract year-round visitors to the fairgrounds.

Figure 1 - 6

Key Market Characteristics - Comparable Facilities										
Metric	Lane Events Center	Fairgrounds						Convention and Expo Centers		
		Douglas County Fairgrounds	Washington County Fair Complex	Clark County Event Center	Deshutes County Fairgrounds Expo Center	Washington State Fair and Event Center	HAPO Center	Portland Expo Center	Sacramento Convention Center	Fresno Convention and Entertainment Center
Location	Eugene, OR	Roseburg, OR	Hillsboro, OR	Ridgefield, WA	Redmond, OR	Payallup, WA	Pasco, WA	Portland, OR	Sacramento, CA	Fresno, CA
Demographic Characteristics (2018)										
1-Hour Drive Time Radius										
Population	550,975	124,764	2,244,835	2,419,398	234,651	2,731,098	437,953	2,528,861	3,213,732	1,626,286
Rank	7	10	5	4	9	2	8	3	1	6
Median Age	38.7	47.1	38	38.3	42.8	38.1	33.3	38.2	36.2	31.6
Rank	3	1	7	4	2	6	9	5	8	10
Median Household Income	\$52,407	\$49,834	\$73,971	\$74,311	\$60,904	\$79,442	\$59,382	\$74,236	\$67,672	\$52,505
Rank	9	10	4	2	6	1	7	3	5	8
Entertainment Spending (per capita)*	\$181.95	\$156.30	\$258.10	\$257.06	\$199.09	\$285.08	\$207.45	\$256.57	\$244.07	\$194.31
Rank	9	10	2	3	7	1	6	4	5	8
Location Attributes										
Major International Airport	Portland	Portland	Portland	Portland	Portland	Seattle Tacoma	Portland	Portland	Sacramento	Fresno
Annual Airlift # Passengers (Million)	19.8	19.8	19.8	19.8	19.8	49.8	19.8	19.8	12.1	1.8
Rank	2	2	2	2	2	1	2	2	9	10
Hotels < 1 Mile (# Properties)	14	3	1	0	5	4	3	9	18	6
Hotel Guest Rooms < 1 Mile	818	192	118	0	378	359	270	1,365	2,884	777
Rank	3	8	9	10	5	6	7	2	1	4
CVB	Travel Lane County	Visit Roseburg	Hillsboro Chamber of Commerce	Visit Vancouver	Redmond Chamber of Commerce	Travel Tacoma	Visit Tri-Cities	Travel Portland	Visit Sacramento	Visit Fresno County
Facility Attributes										
Largest Exhibit Space (SF)	37,000	28,000	39,300	97,200	80,000	84,972	39,000	324,000	137,500	66,371
Rank	9	10	7	3	5	4	8	1	2	6
Annual Fair Attendance	110,000	-	110,000	270,000	260,000	1,000,000	-	-	-	-
Rank	4	-	4	2	3	1	-	-	-	-
Revenues (\$M - Most Recent Year)	\$2.8	\$1.9	-	-	\$5.1	-	\$2.4	\$6.4	-	\$3.5
Rank	4	6	-	-	2	-	5	1	-	3
Expenses (\$M - Most Recent Year)	\$3.7	\$2.0	-	\$4.3	\$6.1	-	\$2.5	\$6.2	\$28.8	\$4.1
Rank	6	8	-	4	3	-	7	2	1	5
Net Operating Income (Loss)	(\$0.8)	(\$0.05)	(\$1.8)	\$0.2	(\$1.0)	-	(\$0.1)	\$0.2	-	(\$0.5)
Rank	6	3	8	1	7	-	4	2	-	5

* Includes annual average spending on tickets to theater/ operas/ concerts; tickets to movies/ museums/ parks; and admission to sporting events.

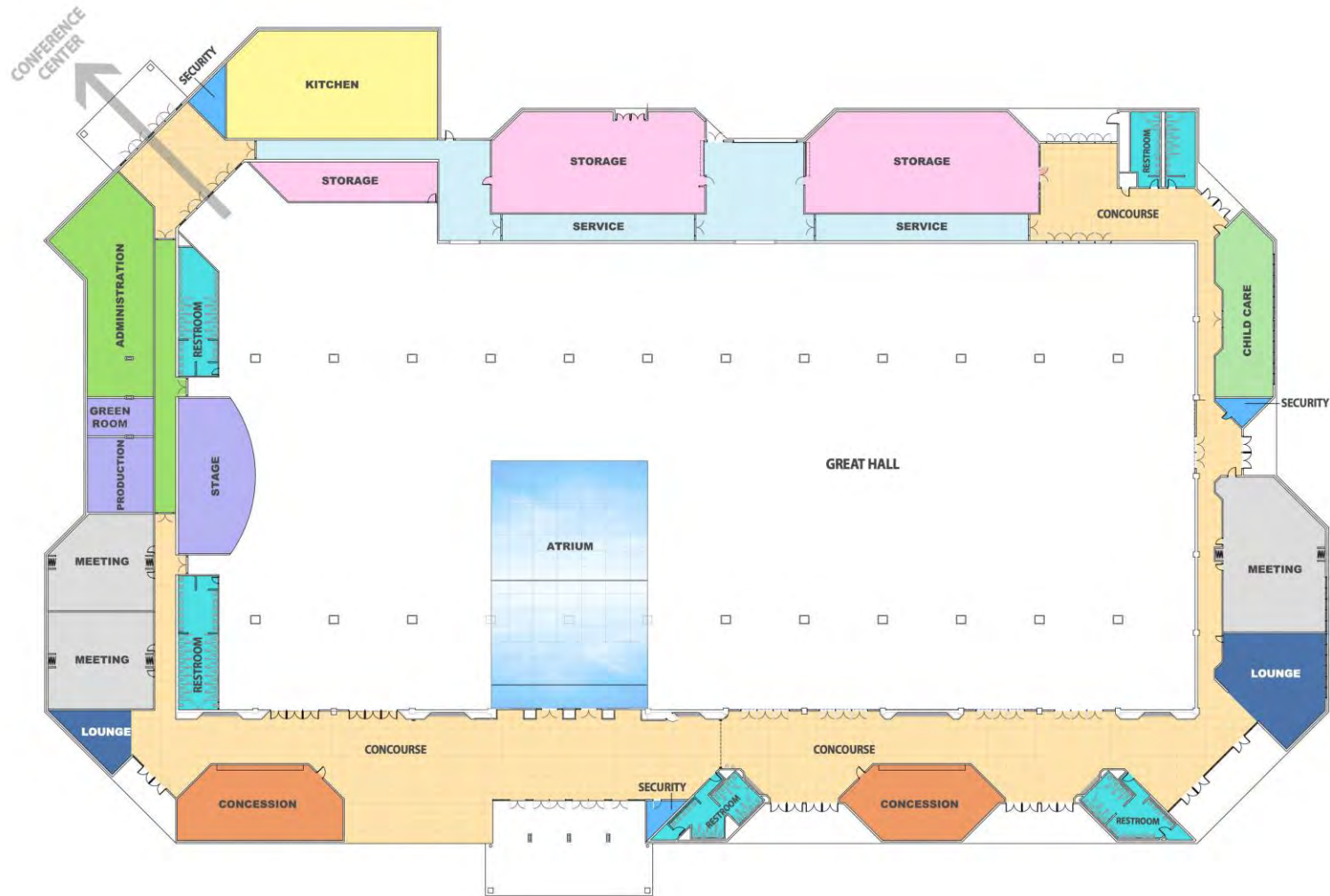
Source: Relevant Facilities, Ersi BAO, STR, Johnson Consulting

FACILITY PROGRAM RECOMMENDATIONS

Our recommendations for the LEC focus on broad themes and master planning opportunities to support and enhance the LEC's role as a year-round community and regional asset. We also make recommendations that will modify the LEC to grow and expand its business. These improvements should form the foundation of a master plan for the venue as they will create efficiencies for individual buildings and the overall grounds, and help increase the number of events and visitors attracted to the campus. Specifically, the following facility program enhancements are recommended:

- **GENERAL GROUNDS IMPROVEMENTS:** The LEC must become an attractive edge to downtown. It should be viewed as a regional park serving residents and businesses located immediately in the downtown core and the surrounding areas. Upgrades to the overall campus should include improved wayfinding to the site, and within the site, by providing easy to read, and easy to see signage; Improved green space will improve the overall attractiveness of the campus and create space for outdoor events; and increased tree and garden plantings will provide shade for outdoor activities and soften the building facades. Pedestrian links from downtown, with special street and sidewalk art and landscaping programs, are needed.
- **CONVENTION/ EVENTS CENTER IMPROVEMENTS:** The Convention/ Events Center is the workhorse of the campus but, from a competitive standpoint, it is not very functional. The interior of the Exhibit Hall and Performance Hall need to be fully refreshed and the protruding kitchen needs to be removed so the space can be rented contiguously as a 'Grand Hall' or in two or three sections. Further, a redesign is needed to enhance and create concourses, reconfigure entrances and exits and create primary points of access, provide a dedicated service area, improve the functionality of meeting and breakout space, create additional lounge space and a green room to support events, provide supplemental restroom facilities, and provide for much better circulation. The new design should also incorporate dedicated security offices and relocate the administrative office to provide for better customer interface. The northeast corner of the concourse of the refreshed Grand Hall should contemplate an extruded concourse connecting to a new meeting and ballroom complex, placed between the Convention/ Events Center and the targeted location of the proposed hotel, as discussed below. Figure 1 - 7 provides a preliminary concept for potential improvements to the Convention/Events Center. **It is noted that the building modifications are shown for discussion purposes only. The feasibility and practicality of these changes must be vetted by thorough building engineering and architectural analysis.**

Figure 1 - 7



- **SUPPLEMENTAL MEETING SPACE:** Given the high cost associated with reconfiguring the meeting space at the Event Center, it is recommended that additional meeting space be newly developed on the campus. An additional $\pm 15,000$ SF of meeting space, along with a $\pm 20,000$ to 25,000 SF dedicated ballroom, would greatly enhance the appeal of the LEC for a variety of event types, current and new.

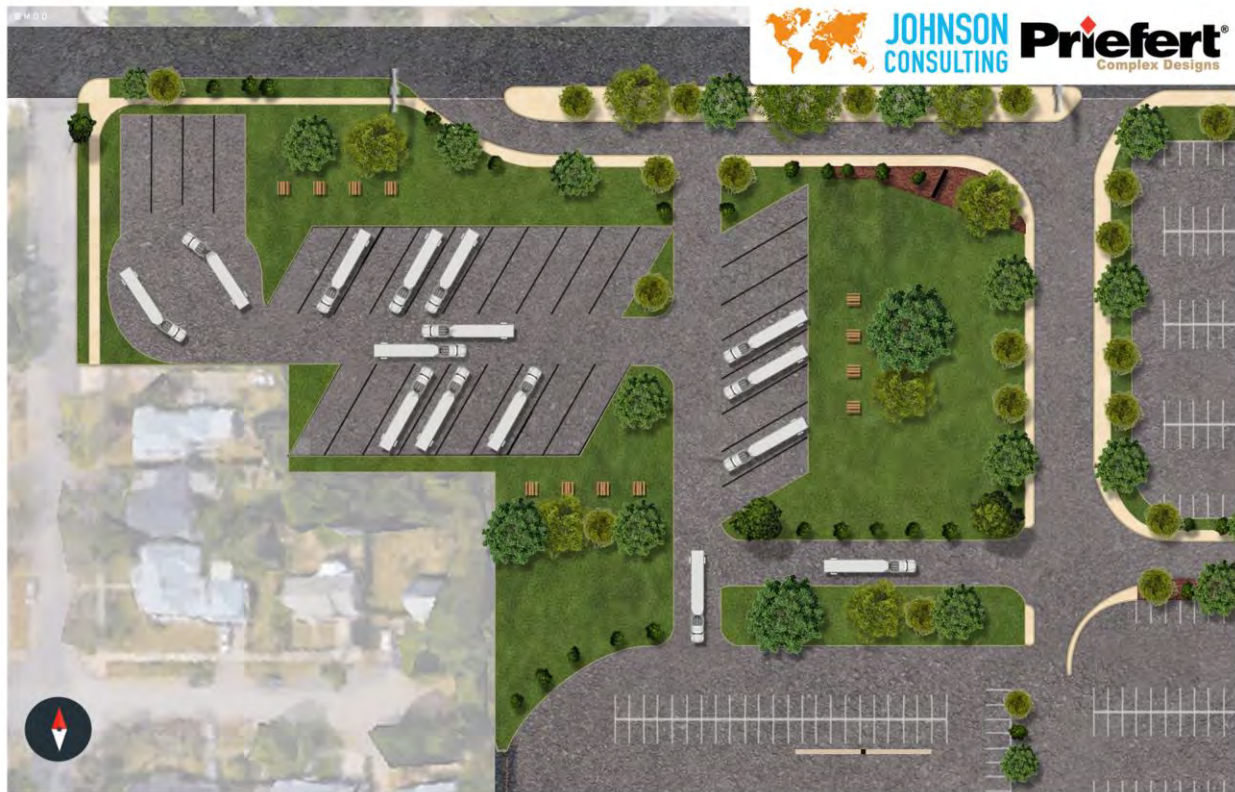
The ideal location of the supplemental meeting and ballroom space would be adjacent to the Convention/Events Center, perhaps adjoining a new hotel to be attracted to the northeast edge of the site. Given the number of recently completed, and currently under construction, hotel projects in the Eugene market, there is considered to be limited opportunity for additional new hotel properties over the short- to medium-term, especially if there is no policy to better link the LEC site to downtown. Notwithstanding this, a limited inventory of hotels within walking distance of the LEC and the ability to capitalize on the expansion of downtown may present an opportunity for a hotel property (± 150 rooms) on the campus, subject to some form of County incentives to attract a private developer. It is recommended that the County undertake a formal procurement process to gauge and solicit interest from the hotel community.

- **INCREASED ARENA FLEXIBILITY:** As a priority, the main arena dirt floor of the Livestock Arena should be replaced with a concrete floor to enhance the flexibility and usability of the Arena. Additional improvements to the Arena building are recommended in supplemental phases. At this time, we have not prepared concept plans for these improvements, however it is recommended that the Arena floor be adapted to allow for flat floor shows and sports. Subject to design and physical building parameters, it is expected that the Arena could accommodate approximately 6 basketball courts which could be converted into 9 volleyball courts. This would support youth sports and local league play and could allow the LEC to attract a small number of local and regional tournaments. Dirt flooring could also be brought in for Ag and animal events, including during the Fair, as needed.

As it relates to the Ice Arena, there may also be potential to repurpose the space to allow for greater flexibility, additional revenue generation for the LEC and room night demand for area hotels. It is similarly sized to the Livestock Arena so if redesigned to allow it to accommodate basketball and volleyball courts, this would create the critical mass necessary to attract additional local and regional tournaments to the LEC. Again, this is subject to detailed design development and exploration of the physical parameters of the existing Arena building.

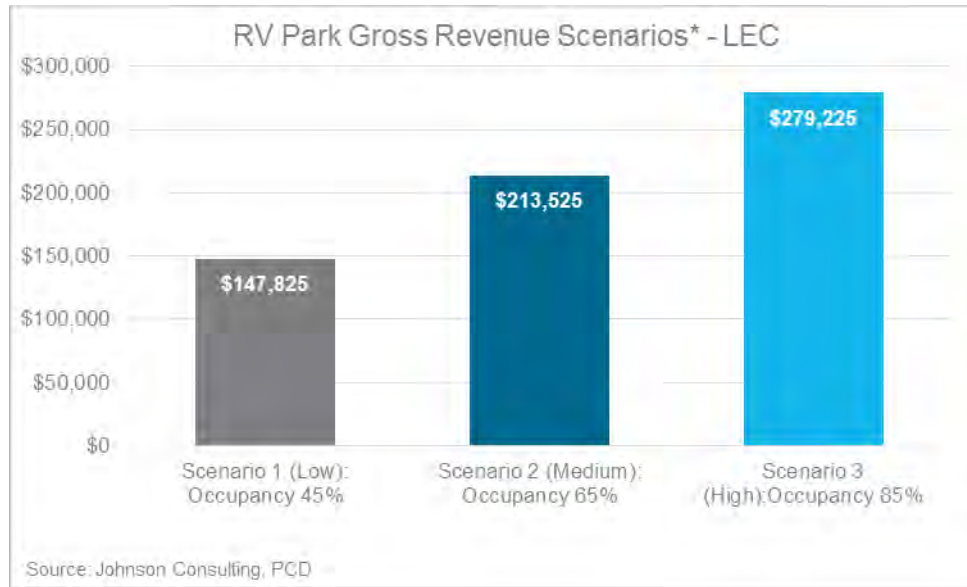
- **NEW RV PARK:** Improved and additional RV sites present synergistic opportunities with the overall campus and the mission of the LEC, will generate additional revenues to support operations and capital improvements, and serve to support and grow current events and attract new events to the LEC. Figure 1 - 8 shows preliminary recommendations for the layout of the improved and additional RV sites.

Figure 1 - 8



Although there were varying opinions regarding an improved RV Park from survey respondents and other stakeholders, it is our experience and recommendation that this is an effective means to generate additional revenue for deferred maintenance and capital improvements at a relatively low cost to the County. Figure 1 - 9 provides a high level analysis of the revenue potential from an improved RV park at the LEC, assuming a total of 30 full hook-ups and an average rate of \$30 per day (reflecting rates at comparable regional facilities), based upon varying occupancy scenarios ranging from 45.0 percent (low occupancy scenario) to 85.0 percent (high occupancy scenario).

Figure 1 - 9



As shown, the gross revenue potential of an improved RV Park is estimated to range from \$147,826 (low scenario) to \$279,225 (high scenario) in a typical year. Assuming an average development cost of between \$6,000 and \$8,000 per site, based upon current industry standards, the total project cost is estimated to range from \$180,000 to \$240,000. This suggests that the revenue-generating potential of an improved RV Park would effectively cover the development cost, under any occupancy scenario, within 1 to 2 years.

As it relates to the contemplation of affordable housing on the LEC campus, we do not recommend that this land use be incorporated on the site identified for an RV Park, nor any other portion of the campus. In contrast to the positive synergistic opportunities related to the RV Park, as listed above, affordable housing will not generate any revenues to support and enhance the LEC and is likely to negatively impact the overall attractiveness of the campus to users, visitors and adjacent neighbors.

Figure 1 - 10 provides a preliminary concept for potential improvements to the LEC grounds.

Figure 1 - 10



DEMAND PROJECTIONS

Improvements to the LEC campus will be designed to be sufficiently flexible to continue accommodating the needs of numerous diverse entities. Figure 1 - 11 shows the current (2019) and projected event schedule, by event type, at an improved LEC over a 10-year period. It is noted that Year 1 assumed that all recommended improvements have been completed, and may occur several years after 2019.

Figure 1 - 11

Lane Events Center Historical and Projected Events											
	2019	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Convention/ Tradeshow	17	17	18	19	20	21	21	21	21	21	21
Lane County Fair	1	1	1	1	1	1	1	1	1	1	1
Other Fair/ Festival	6	6	6	7	7	8	8	8	8	8	8
Retail*	48	50	52	54	56	58	58	58	58	58	58
Animal Show**	9	9	9	10	10	11	11	11	11	11	11
Meeting	14	14	16	18	20	22	22	22	22	22	22
Banquet	9	9	10	11	12	13	13	13	13	13	13
Concert	2	3	4	5	6	7	7	7	7	7	7
Sports	4	7	7	8	8	9	9	9	9	9	9
Miscellaneous	1	6	7	8	9	10	10	10	10	10	10
TOTAL	111	122	130	141	149	160	160	160	160	160	160

*Including Consumer and Public Show

**Largely occurring in the Livestock Arena

Source: LEC, Johnson Consulting, PCD

As shown, the LEC is projected to host 122 events in Year 1, increasing to and stabilizing at 160 events in Year 5. The most significant increase over current demand is projected in the Convention/ Tradeshow, Retail (Consumer/ Public Show), Meeting, and Banquet categories, reflecting the addition of meeting and ballroom space, improvements to the Convention/ Events Center and enhancements to the Livestock Arena to allow it to function as a true multi-purpose space

Figure 1 - 12 shows the current (2019) and projected attendance, by event type, at an improved LEC over a 10-year period. As shown, the LEC is projected to attract 447,288 attendees in Year 1, representing an increase of 8.4 percent over 2019 attendance, increasing to 655,802 attendees in Year 5 and to 689,255 attendees in Year 10.

Figure 1 - 12

Lane Events Center Historical and Projected Attendance											
	2019	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Convention/ Tradeshow	98,150	118,508	128,366	138,544	149,043	159,863	161,461	163,076	164,706	166,354	168,017
Lane County Fair	112,700	110,540	110,540	110,540	110,540	110,540	111,645	112,762	113,889	115,028	116,179
Other Fair/ Festival	36,650	38,810	52,999	92,577	108,793	154,452	155,997	157,557	159,132	160,724	162,331
Retail*	134,900	140,521	143,307	145,876	148,226	150,359	151,862	153,381	154,915	156,464	158,029
Animal Show**	7,500	10,063	10,791	12,799	13,608	15,858	16,017	16,177	16,339	16,502	16,667
Meeting	5,945	5,945	6,794	7,644	8,493	9,342	9,436	9,530	9,625	9,721	9,819
Banquet	5,350	4,239	4,745	5,259	5,779	6,307	6,370	6,433	6,498	6,563	6,628
Concert	2,225	3,735	5,485	7,488	9,743	12,250	12,373	12,496	12,621	12,747	12,875
Sports	9,000	8,140	10,043	13,651	15,826	20,250	20,453	20,657	20,864	21,072	21,283
Miscellaneous	250	6,787	8,844	11,162	13,742	16,582	16,747	16,915	17,084	17,255	17,427
TOTAL	412,670	447,288	481,914	545,539	583,792	655,802	662,360	668,984	675,674	682,430	689,255

*Including Consumer and Public Show

**Largely occurring in the Livestock Arena

Source: LEC, Johnson Consulting, PCD

OPERATING PROJECTIONS

Figure 1 - 13 shows the current (2019) and projected operating statement for the first 10 years of operation following completion of all recommended improvements. The projections are based upon historic operating statements and statistics for the LEC, adjusted as appropriate to recommended improvements. The projections use accrual-based accounting, wherein revenues are recognized when they are earned and expenses are recognized when they are incurred. Revenues include all revenues generated by the LEC that can be used for operations. All revenues and expenses are inflated at a 3.0 percent annual rate, unless otherwise specified.

Figure 1 - 13

Lane Events Center Historical and Projected Statements of Revenues and Expenses (\$000) - ALL EVENTS											
	2019	Year 1*	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Operating Revenues											
Building Rental	\$944	\$1,157	\$1,240	\$1,374	\$1,469	\$1,607	\$1,655	\$1,705	\$1,756	\$1,809	\$1,863
Annual Fair	1,223	1,365	1,406	1,448	1,491	1,536	1,598	1,663	1,730	1,799	1,872
F&B	138	244	271	316	349	403	420	436	454	472	491
Equipment Rental	238	348	373	413	441	483	497	512	527	543	559
Miscellaneous	282	373	404	455	492	549	569	589	609	631	653
Total Operating Revenues	\$2,824	\$3,488	\$3,694	\$4,006	\$4,243	\$4,579	\$4,739	\$4,904	\$5,076	\$5,254	\$5,438
Expenses											
Personnel and Fringe	\$1,318	\$1,443	\$1,487	\$1,531	\$1,577	\$1,625	\$1,673	\$1,724	\$1,775	\$1,829	\$1,883
Materials and Services	2,217	2,515	2,652	2,857	3,014	3,226	3,322	3,422	3,525	3,630	3,739
Capital Projects/Outlay	107	55	56	58	60	61	63	65	67	69	71
Other Expenditures	21	28	29	31	33	35	36	38	39	40	41
Reserves	0	73	79	87	93	102	105	109	112	116	119
Total Expenditures	\$3,663	\$4,114	\$4,303	\$4,565	\$4,777	\$5,049	\$5,201	\$5,357	\$5,518	\$5,684	\$5,855
Net Operating Income (Loss)	(\$838)	(\$626)	(\$609)	(\$559)	(\$534)	(\$471)	(\$462)	(\$453)	(\$442)	(\$430)	(\$416)
Non-Operating Revenue and Transfers											
Non-Operating Revenue	\$1,435	\$1,577	\$1,624	\$1,673	\$1,723	\$1,775	\$1,828	\$1,883	\$1,940	\$1,998	\$2,058
Transfers	3,576	3,049	3,140	3,234	3,331	3,431	3,534	3,640	3,750	3,862	3,978
Total	\$5,011	\$4,626	\$4,765	\$4,907	\$5,055	\$5,206	\$5,362	\$5,523	\$5,689	\$5,860	\$6,036
Revenues Over (Under) Expenditures	\$4,173	\$4,000	\$4,155	\$4,348	\$4,521	\$4,736	\$4,900	\$5,071	\$5,247	\$5,430	\$5,619

*Reflecting the first full year of an improved operation, which may be a number of years after 2019.
 Source: LEC, Johnson Consulting, PCD

As shown, in a stabilized year of operation (assumed to be Year 5), operating revenues are projected to amount to close to \$4.6 million and operating expenditures to \$5.0 million, resulting in a net operating loss of (\$471,000), before non-operating revenue and transfers. When non-operating revenues and transfers are accounted for, the LEC is projected to report revenues of \$4.7 million. These projections represent a significant improvement over 2019, when the LEC is estimated to incur a net operating deficit of (\$838,000) and \$4.1 million in total revenues after accounting for non-operating revenues and expenses.

ECONOMIC AND FISCAL IMPACT ANALYSIS

Figure 1 - 14 shows the total estimated economic and fiscal impact of the LEC following completion of all recommended improvements and reflecting the assumptions described above. As shown, in a stabilized year (Year 5) visitors to the LEC are projected to generate \$42.8 million in direct spending, \$68.9 million in total spending, and \$19.7 million in increased earnings, and support 888 full-time equivalent (FTE) jobs annually. The fiscal impact of the LEC is estimated to be \$498,000 of lodging tax revenues, annually in a stabilized year (Year 5).

Although our study did not include a specific analysis of the current impact of operations at the LEC, our base assumptions for 2019 highlight a significant impact that includes \$22.7 million in direct spending, \$36.5 million in total spending, \$10.5 million in increased earnings, and 580 FTE jobs, along with \$252,000 in lodging tax revenues, annually.

Figure 1 - 14

Lane Events Center Estimated Spending and Impact													
	Rate/ Assumption	2019	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Activity Volume													
1	Attendance Person-Days	412,670	447,288	481,914	545,539	583,792	655,802	662,360	668,984	675,674	682,430	689,255	
2	Attendees	512,518	586,677	633,844	710,554	762,443	848,649	857,136	865,707	874,364	883,108	891,939	
3	Exhibitors and Other Visitors	182,740	217,724	225,246	242,835	250,407	268,046	268,046	268,046	268,046	268,046	268,046	
4	Total	695,258	804,400	859,090	953,389	1,012,850	1,116,695	1,125,182	1,133,753	1,142,410	1,151,154	1,159,985	
5	Room Nights	20,480	24,096	25,496	28,309	29,821	32,866	33,030	33,196	33,364	33,533	33,704	
Sales Volume (\$000)													
6	Spending at Lane Events Center	\$2,824	\$3,488	\$3,694	\$4,006	\$4,243	\$4,579	\$4,739	\$4,904	\$5,076	\$5,254	\$5,438	
Additional Spending													
7	On Lodging	<i>Av. Spending</i> \$109 (a)	\$2,232	\$2,870	\$3,128	\$3,577	\$3,881	\$4,406	\$4,561	\$4,721	\$4,887	\$5,060	\$5,238
8	On Food and Incidentals												
8	by Attendance	\$15 (b)	\$7,816	\$9,776	\$10,879	\$12,562	\$13,884	\$15,917	\$16,558	\$17,226	\$17,920	\$18,642	\$19,393
9	by Exhibitors and Other Visitors	\$50 (c)	9,183	11,955	12,739	14,146	15,025	16,566	17,063	17,574	18,102	18,645	19,204
10	On Car Rental	\$34 (d)	695	893	973	1,113	1,208	1,371	1,419	1,469	1,521	1,575	1,630
11	Subtotal Additional Spending		\$19,926	\$25,495	\$27,720	\$31,398	\$33,998	\$38,260	\$39,601	\$40,991	\$42,430	\$43,921	\$45,465
12	Total		\$22,750	\$28,983	\$31,414	\$35,404	\$38,241	\$42,838	\$44,340	\$45,895	\$47,506	\$49,175	\$50,904
Economic Impact (\$000)													
13	Direct Spending	<i>Multiplier</i>	\$22,750	\$28,983	\$31,414	\$35,404	\$38,241	\$42,838	\$44,340	\$45,895	\$47,506	\$49,175	\$50,904
14	Indirect Spending	0.608	13,833	17,623	19,101	21,528	23,252	26,048	26,961	27,907	28,886	29,901	30,952
15	Total Spending		\$36,583	\$46,606	\$50,515	\$56,932	\$61,493	\$68,886	\$71,301	\$73,802	\$76,392	\$79,076	\$81,856
16	Increased Earnings	0.461	\$10,494	\$13,369	\$14,490	\$16,331	\$17,639	\$19,760	\$20,452	\$21,170	\$21,913	\$22,683	\$23,480
17	Increased Employment	25.48	580	676	711	778	816	888	892	896	901	905	910
Fiscal Impact (\$000)													
<i>Tax Rates</i>													
17	State Lodging Tax	1.8%	\$40	\$52	\$56	\$64	\$70	\$79	\$82	\$85	\$88	\$91	\$94
18	Local Lodging Tax	9.5%	212	273	297	340	369	419	433	449	464	481	498
19	Total Tax Revenues		\$252	\$324	\$353	\$404	\$439	\$498	\$515	\$533	\$552	\$572	\$592

a) Derived from US GSA Per Diem for Eugene and Portland, and Business Travel News' Corporate Travel Index for Portland.
 b) Assuming an average spend of \$15 on meals and incidentals ON TOP OF what they may have spent already at the LEC.
 c) Assuming an average spend of \$50 on meals and incidentals (or \$35 higher than that of an attendee's) ON TOP OF what they may have spent already at the LEC.
 d) Derived from US GSA Per Diem for Eugene and Portland, and Business Travel News' Corporate Travel Index for Portland. Only applied to overnight visitors who stay in hotels.
 Source: LEC, Johnson Consulting, PCD

FUNDING RECOMMENDATIONS

The funding sources for improvements to the LEC should be as broad as possible, with funding from the County, as well as potential funding from the City, University and private sponsors and benefactors. Each time any amount of funding is secured, it should be allocated to a specific improvement project. This will help to advance the improvement strategies for the LEC.

Our funding recommendations are summarized as follows:

- **COUNTY FUNDING:** The County will have to direct, redirect or extend certain revenue streams for this facility. The most logical sources of funding for the County would be the General Fund, revenue bonds and hotel tax.
- **UNIVERSITY PARTNERSHIP:** The University is also a natural funding partner for the LEC, particularly given its educational focus and the potential to provide complementary sports and recreation facilities. There may also be a way to market facilities at the LEC collaboratively so as to demonstrate a critical mass of offerings and attract users to the marketplace. Arrangements could be made to allow the University to utilize the LEC facilities for their programs.
- **PRIVATE SPONSORS:** The LEC should be positioned to attract naming rights sponsors for various improved buildings and facilities. There are a number of potential partners among the prominent businesses throughout the region. Section 2 of this report identifies major corporations active in the local area.

IMPLEMENTATION STRATEGY

In order to assist LEC Management in prioritizing improvements to the LEC campus, Johnson Consulting and PCD assigned an implementation ranking, based upon cost, ease and the ability to create meaningful outcomes for the LEC with regard to demand and revenue potential. It is noted that the implementation ranking, as shown in Figure 1 - 15, is a quantitative measure and should be used in conjunction with the recommendations described above, as these will be most effective in positioning the LEC for ongoing success, albeit for more substantial financial outlay.

It is noted that these projects do not include a hotel, which should be set forth in the site masterplan, advocated for by the County, and executed on a long-term land lease with incentives provided to make it feasible. Modifying the Convention/ Events Center and adding meeting and ballroom space will result in the greatest level of tourism impact and hotel room night generation, and will serve existing customers better. The analysis shows that these improvements are most expensive to implement, but are also most needed.

Figure 1 - 15

Lane Events Center Recommended Improvements - Implementation Rating					
Facility	Recommended Improvement	Ease*	Cost**	Effectiveness***	Impact on Demand
Convention/ Events Center	Reduce number of entry points accessible to the public.	1	1	1	3
Ice Arena	Replace / remove bleachers to provide additional floor space.	1	1	2	4
Livestock Arena	Provide handicapped accessibility for the elevated viewing area on the east end of the building.	2	2	1	5
Auditorium	Improve ventilation with the addition of exhaust fans and high-volume/low-speed ceiling hung fans.	1	3	1	5
Site	Improve wayfinding to site, and within site, by providing easy to read, and easy to see, signage.	1	3	1	5
Livestock Arena	Replace Main Arena dirt floor with concrete floor.	1	3	2	6
Livestock Arena	Provide an enhanced sound system would make events more manageable by the promoters and more enjoyable by attendees.	1	4	1	6
Exposition Hall	Improve acoustics in areas of dense occupancy.	2	2	2	6
Wheeler Pavilion	Improve audio system and acoustical treatments.	1	4	1	6
Site	Create grand entrance to identify the entry and define a theme for the fairgrounds.	2	3	1	6
Site	Provide improved green space for outdoor gatherings.	2	3	1	6
Site	Increase tree plantings to provide shade during outdoor events and to soften the buildings' facades.	1	3	2	6
Events/ Convention Center	Improve overall security procedures, and security, by limiting access to the building, installing cameras, and installing motion detectors.	2	4	1	7
Ice Arena	Repair roof leaks.	3	3	1	7
Ice Arena	Replace arena floor with concrete for additional exhibition space.	3	4	1	8
Exposition Hall	Update restrooms and make compliant with ADA.	3	4	1	8
Exposition Hall	Repair areas of wood decay to prevent severe structural damage.	3	3	2	8
Wheeler Pavilion	Provide air conditioning to make the use of the Pavilion more comfortable during the summer months.	2	4	2	8
Wheeler Pavilion	Update restrooms to bring into compliance with ADA requirements	3	4	1	8
Exposition Hall	Improve HVAC for year-round comfort for events.	3	4	2	9
Site	Provide improved and additional RV sites to increase revenue during events.	4	4	1	9
Convention/ Events Center	Improve lighting levels and provide adjustable lighting within exhibition space.	4	4	2	10
Convention/ Events Center	Increase door widths and overhead door access for large deliveries to the building for event logistics.	4	4	2	10
Convention/ Events Center	Provide a more open entry with better lighting in order to make Events Center more inviting to visitors.	5	5	1	11
Convention/ Events Center	Provide additional and appropriately sized and shaped break-out rooms are needed to better facilitate meetings, lectures, and presentations.	5	5	1	11
Livestock Arena	Provide an upgraded entry, improved restrooms and the addition of meeting space should be considered to make the building more marketable for events.	4	4	3	11
Exposition Hall	Provide larger doorways for loading equipment in and out of the facility.	4	4	3	11
Convention/ Events Center	Provide service corridor for operations throughout the building during events.	5	5	2	12

* Ease: 1 = Easily Implemented; 5 = Difficult to Implement

** Cost: 1 = Inexpensive to Implement; 5 = Expensive to Implement

*** Effectiveness: 1 = Results in Meaningful Changes; 5 = Results in Less Meaningful Changes

Source: PCD, Johnson Consulting

MARKET ANALYSIS



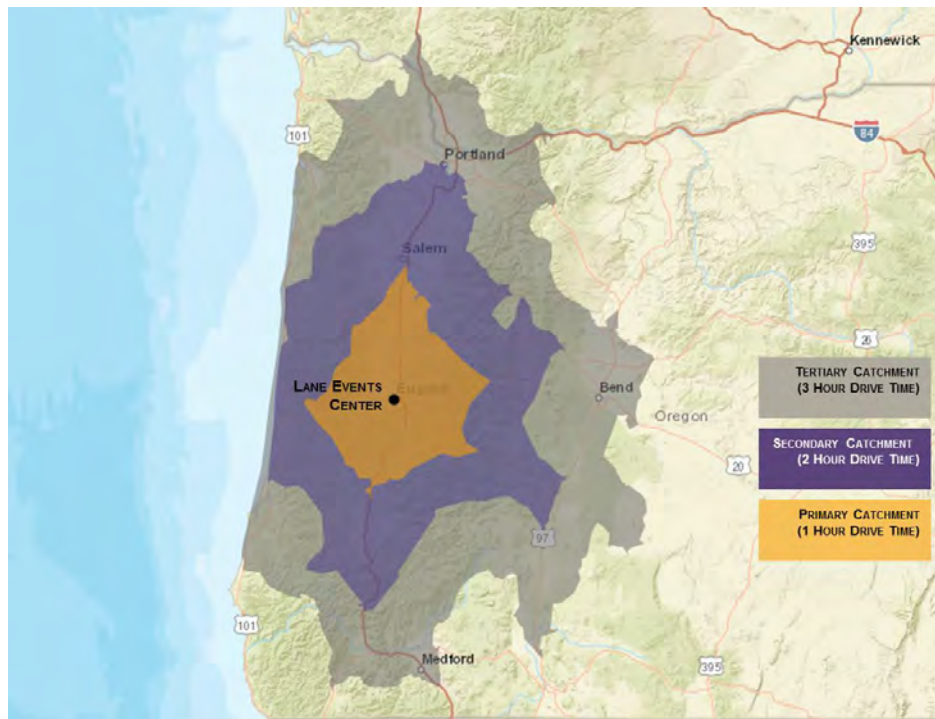
MARKET ANALYSIS

In order to analyze the market opportunity for various improvements to the LEC, Johnson Consulting undertook a detailed analysis of market conditions in Lane County and the broader region. The key objectives of our analysis were to identify structural factors, strengths and weaknesses that may affect the market’s ongoing competitive position and to gauge the level of ongoing support that exists for various offerings at the LEC. While characteristics such as population, employment, and income are not strict predictors of the performance of Fairgrounds and event venues, nor of tourism and economic development potential, they provide insight into the capacity of the market to provide ongoing support for facilities and activities. In addition, the size and role of a marketplace, its civic leadership, corporate presence, proximity to other metropolitan areas, land use patterns, transportation concentrations, and amenities and attractions directly influence the scale and quality of facilities that can be supported within that particular market.

DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS

The following analysis highlights key demographic and socio-economic characteristics of Lane County, as well as populations within a 1-, 2-, and 3-hour drive time radius of the LEC, as shown in Figure 2 - 1. These reflect the estimated primary, secondary and tertiary catchment areas for the LEC. Within a 3-hour drive time, there is access to a population of more than 4.0 million persons, which is a significant demand pool that can potentially be attracted to the LEC.

Figure 2 - 1



Source: Esri BAO, Johnson Consulting

POPULATION

The 2018 resident population of Lane County was 376,223 persons. Since 2010, the population of the County has increased at an average annual rate of 0.8 percent, which is consistent with the rate of growth observed throughout the U.S. but slightly slower than the rate of growth recorded throughout Oregon (1.1 percent per annum). Within a 1-hour drive time radius of the LEC, the resident population is estimated to be 570,537 persons, increasing to 2.0 million persons within a 2-hour drive-time radius and to 4.3 million persons within a 3-hour drive time radius of the LEC. Since 2010, population growth within the 1-hour drive time catchment has mirrored the rate of growth recorded in Lane County, increasing at an average annual rate of 0.9 percent, while rates of growth within the 2-hour and 3-hour drive time catchment areas have more closely aligned with the State average (1.0 and 1.1 percent growth per annum, respectively). These historic and current population trends are shown in Figure 2 - 2.

Figure 2 - 2

Historic & Current Population - Lane County (2010-2018)			
	2010	2018	CAGR* 2010-2018
Lane County	351,715	376,223	0.8%
1-hour drive time	531,694	570,537	0.9%
2-hour drive time	1,846,854	2,001,079	1.0%
3-hour drive time	3,918,439	4,315,484	1.2%
Oregon	3,831,074	4,185,014	1.1%
U.S.	308,745,538	330,088,686	0.8%

* Compounded Annual Growth Rate
 Note: Distance Measured from LEC
 Source: Esri BAO, Johnson Consulting

Going forward, the population of Lane County is projected to reach 395,766 persons by 2023. This represents an average annual increase of 1.0 percent over 2018, which is slightly faster than the forecast rate of growth throughout the U.S. (0.8 percent per annum) but slower than the rate of growth forecast across Oregon (1.2 percent). Within a 1-hour and 2-hour drive time radius of the LEC, similar rates of growth are forecast (1.0 and 1.1 percent per annum, respectively), with a slightly faster rate of 1.3 percent per annum projected throughout the 3-hour drive time catchment area. Figure 2 - 3 shows current and forecast population growth within the various geographies.

Figure 2 - 3

Projected Population - Lane County (2018-2023)			
	2018	2023	CAGR* 2018-2023
Lane County	376,223	395,766	1.0%
1-hour drive time	570,537	600,480	1.0%
2-hour drive time	2,001,079	2,117,705	1.1%
3-hour drive time	4,315,484	4,598,145	1.3%
Oregon	4,185,014	4,439,230	1.2%
U.S.	330,088,686	343,954,683	0.8%

* Compounded Annual Growth Rate

Note: Distance Measured from LEC

Source: Esri BAO, Johnson Consulting

AGE CHARACTERISTICS

The age composition of a particular market can be a particularly important factor in determining the ongoing success of event and entertainment venues, as certain types of events appeal to specific age groups. In 2018, the median age of residents of Lane County was 40.6 years, which was slightly older than the national average (38.3 years). The median age of residents within a 1-hour drive time radius of the LEC is similar to the national average (38.8 years), with slightly older median ages reported throughout the 2-hour (39.5 years) and 3-hour (40.2 years) drive time catchment areas, as well as throughout the State (39.7 years).

Going forward, the median age of residents of Lane County is expected to grow to 41.5 years by 2023, representing an increase of 2.2 percent over 2018 figures, which is higher than the rate of growth forecast throughout Oregon and the U.S. (both 1.8 percent). Similarly, the median age of residents within a 1-hour drive time radius is projected to increase by 1.8 percent between 2018 and 2023, while the rate of growth forecast throughout 2-hour drive time catchment (2.3 percent) is more closely aligned with Lane County. In contrast, within the 3-hour drive time catchment, the median age of residents is projected to increase at a much slower rate of 1.5 percent between 2018 and 2023. Figure 2 - 4 shows the median age characteristics of the County and catchment areas relative to the U.S.

Figure 2 - 4

Median Age - Lane County (2010-2023)					
	2010	2018	2023	% Growth 2010-2018	Growth 2018-2023
Lane County	38.9	40.6	41.5	4.4%	2.2%
1-hour drive time	37.2	38.8	39.7	4.3%	2.3%
2-hour drive time	38.1	39.5	40.2	3.7%	1.8%
3-hour drive time	37.8	39.3	39.9	4.0%	1.5%
Oregon	38.3	39.7	40.4	3.7%	1.8%
U.S.	37.1	38.3	39.0	3.2%	1.8%

Note: Distance Measured from Soundside Site

Source: Esri BAO, Johnson Consulting

EDUCATIONAL ATTAINMENT

Residents of Lane County are well educated, with 39.6 percent of residents aged 25 years and older holding an Associate’s degree or higher. This is generally consistent with the national average (40.3 percent). Similar educational attainment levels are reported within a 1-hour drive time radius of the LEC, with 40.7 percent of residents aged 25 years and older holding an Associate’s degree or higher, while even higher attainment levels are recorded within a 2-hour and 3-hour drive time radius (43.4 and 42.5 percent, respectively), as well as throughout Oregon (41.9 percent). Figure 2 - 5 provides a breakdown of educational attainment levels in Lane County and the defined catchment areas, relative to State and national averages.

Figure 2 - 5

Educational Attainment 25+ Years - Lane County (2018)												
	Lane County		1-hour drive time		2-hour drive time		3-hour drive time		Oregon		U.S.	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Less than High School	6,591	2.5%	9,730	2.5%	45,746	3.3%	102,037	3.4%	105,359	3.6%	27,681,332	12.3%
High School Graduate	65,115	24.7%	94,966	24.4%	314,678	22.7%	711,260	23.7%	702,390	24.0%	51,761,839	23.0%
GED/Alternative Credential	11,863	4.5%	17,514	4.5%	59,609	4.3%	129,047	4.3%	131,698	4.5%	9,002,059	4.0%
Some College, No Degree	75,924	28.8%	108,588	27.9%	364,583	26.3%	783,286	26.1%	763,849	26.1%	46,135,553	20.5%
Associates Degree	23,463	8.9%	35,029	9.0%	119,217	8.6%	264,097	8.8%	248,763	8.5%	19,129,375	8.5%
Bachelor’s Degree	47,716	18.1%	72,782	18.7%	292,498	21.1%	618,226	20.6%	594,105	20.3%	44,110,089	19.6%
Graduate Degree	33,217	12.6%	50,597	13.0%	189,916	13.7%	393,144	13.1%	383,388	13.1%	27,456,280	12.2%
TOTAL	263,624		389,206		1,386,246		3,001,097		2,926,626		225,051,476	

Source: Esri BAO, Johnson Consulting

HOUSEHOLD INCOME

In 2018, the median household income in Lane County was \$51,894, which was lower than the median household incomes within a 1-, 2-, and 3-hour drive time radii of the LEC, as well as State (\$57,902) and national (\$58,100 per annum) averages. By 2023, the median household income in the County is expected to reach \$56,146, representing an average annual increase of 1.6 percent. This growth rate is significantly lower than the state (2.2 percent) and national (2.5 percent) averages, as well as forecast growth throughout the 2- hour and 3-hour catchment areas (2.1 percent and 2.3 percent, respectively). Within a 1-hour drive time radius, the projected growth in income is more consistent with County projections (1.7 percent). Figure 2 - 6 shows the current and projected median household incomes within the defined geographies.

Figure 2 - 6

Median Household Income - Lane County (2018-2023)			
	2018	2023	CAGR* 2018-2023
Lane County	\$51,894	\$56,146	1.6%
1-hour drive time	\$53,031	\$57,669	1.7%
2-hour drive time	\$59,744	\$66,414	2.1%
3-hour drive time	\$60,192	\$67,404	2.3%
Oregon	\$57,902	\$64,471	2.2%
U.S.	\$58,100	\$65,727	2.5%

* Compounded Annual Growth Rate

Note: Distance Measured from Soundside Site

Source: Esri BAO, Johnson Consulting

ENTERTAINMENT SPEND

Residents of Lane County and the 1-hour drive time catchment area spend slightly less on entertainment than the average spending across the U.S., while residents within the 2-hour and 3-hour drive time catchment areas spend approximately the same amount as the U.S. average. In Lane County, residents spend an average of \$94.61 annually on fees for participant sports (representing 84.0 percent of the national average spending), \$55.89 annually on theaters, operas, and concert tickets (88.0 percent of the national average), \$67.85 annually on tickets to movies, museums, and parks (85.0 percent of the U.S. average), and \$48.41 annually on admission to sporting events (82.0 percent of the U.S. average). Figure 2 - 7 shows rates of spending in the County and catchment areas.

Figure 2 - 7

Average Spending on Entertainment - Lane County (2018)								
Spending Category	Lane County		1-Hour Drive Time Catchment		2-Hour Drive Time Catchment		3-Hour Drive Time Catchment	
	Average Spend *	Index**	Average Spend *	Index**	Average Spend *	Index**	Average Spend *	Index**
Fees for Participant Sports	\$94.61	84	\$95.43	84	\$112.90	100	\$112.17	99
Tickets to Theater/ Operas/ Concerts	\$55.89	84	\$56.14	85	\$65.72	99	\$65.27	99
Tickets to Movies/ Museums/ Parks	\$67.85	85	\$68.79	86	\$80.09	100	\$79.87	100
Admission to Sporting Events	\$48.41	82	\$49.43	83	\$58.28	98	\$57.69	97
TOTAL	\$266.76	-	\$269.79	-	\$316.99	-	\$315.00	-

* Average spend per person, per annum

** National Average = 100

Source: Esri ArcGIS BAO, Johnson Consulting

EMPLOYMENT

In 2018, data from the Bureau of Labor Statistics (BLS) indicates that the predominant industries of employment in Lane County were Trade, Transportation and Utilities (19.1 percent of employed persons aged 16 years and older), Education and Health Services (17.7 percent), and Government (15.5 percent). Between 2017 and 2018, the largest increase in employment was recorded in Education and Health Services (9.6 percent), while the largest decrease was reported in Information, contracting by (10.7) percent. Figure 2 - 8 shows employment by industry in Lane County.

Figure 2 - 8

Non-Farm Employment by Industry - Lane County (2017-2018)			
Industry	2017	2018	Growth Rate 2017-2018
Natural Resources and Mining	2,283	2,356	3.2%
<i>% of Total</i>	1.5%	1.5%	
Construction	6,882	7,199	4.6%
<i>% of Total</i>	4.5%	4.6%	
Manufacturing	13,790	14,164	2.7%
<i>% of Total</i>	8.9%	9.0%	
Trade, Transportation, and Utilities	29,986	29,867	(0.4%)
<i>% of Total</i>	19.4%	19.1%	
Information	2,701	2,411	(10.7%)
<i>% of Total</i>	1.7%	1.5%	
Financial Activities	6,144	6,198	0.9%
<i>% of Total</i>	4.0%	4.0%	
Professional and Business Services	17,956	18,192	1.3%
<i>% of Total</i>	11.6%	11.6%	
Education and Health Services	25,325	27,760	9.6%
<i>% of Total</i>	16.4%	17.7%	
Leisure and Hospitality	17,249	17,525	1.6%
<i>% of Total</i>	11.2%	11.2%	
Other Services	6,597	6,639	0.6%
<i>% of Total</i>	4.3%	4.2%	
Government	25,620	24,328	(5.0%)
<i>% of Total</i>	16.6%	15.5%	
TOTAL	154,533	156,639	1.4%

Source: BLS, Johnson Consulting

UNEMPLOYMENT

Figure 2 - 9 shows the annual unemployment rates in Lane County relative to the U.S., for the period of 2014 through 2018. As shown, since 2014 the unemployment rate in Lane County has trended downwards but has generally tracked above the national average. In 2018, the unemployment in the County was 4.5 percent, compared to 4.2 percent throughout Oregon and 3.9 percent throughout the U.S.

Figure 2 - 9

Unemployment Rate - Lane County (2014-2018)						
	Lane County		Oregon		U.S.	
	Rate	Change	Rate	Change	Rate	Change
2014	6.9%	-	6.8%	-	6.2%	-
2015	5.8%	(1.1)	5.6%	(1.2)	5.3%	(0.9)
2016	5.1%	(0.7)	4.8%	(0.8)	4.9%	(0.4)
2017	4.4%	(1.4)	4.1%	(2.7)	4.4%	(1.8)
2018	4.5%	(0.6)	4.2%	(1.4)	3.9%	(1.4)

Source: BLS, Johnson Consulting

MARKET ATTRIBUTES

LOCATION AND ACCESS

The strategic location of Lane County in Southern Willamette Valley means that is accessible via various modes of transport:

- AIR:** Eugene Airport (EUG) is located immediately to the northwest of Eugene. EUG serves 1.1 million passengers annually, with non-stop flights to 12 destinations throughout the U.S. operated by 5 airlines. Portland International Airport (PDX), which is located approximately 120 miles (2 hour drive time) to the north of Eugene, is the closest international airport. PDX serves 19.8 million passengers annually, with non-stop flights to 73 national and international destinations operated by 16 airlines.
- RAIL:** Amtrak passenger services are available from Eugene Station, which is located approximately 1.4 miles to the northeast of the LEC. Daily services operate along the Amtrak Cascades line between Eugene and Vancouver, BC via Portland, OR and Seattle, WA, and along the Coast Starlight line between Seattle, WA and Los Angeles, CA, with connecting service to San Diego, CA. Thruway bus service is also available between Eugene Station and the University of Oregon.

- **BUS:** The Lane Transit District (LTD) operates regular commuter bus services throughout Eugene and Springfield. There are routes along the LEC's northern boundary on W 13th Avenue and eastern boundary on Jefferson Street, as well as to the south of the campus along W 18th Avenue.
- **ROAD:** Interstate Highway 5 runs along the eastern boundary of Eugene, providing connectivity with the University of Oregon and Vancouver, BC to the north and the U.S.-Mexico border to the south. The area is also served by Oregon Routes 36, 58, 99, 126 and 158.

EDUCATIONAL INSTITUTIONS

There are a number of higher education institutions located within and around Eugene and throughout Lane County. Some of the larger institutions include:

- **UNIVERSITY OF OREGON (UO):** Located immediately to the east of downtown Eugene, approximately 1.8 miles to the east of the LEC, UO is the largest public institution in the State. UO offers over 300 academic programs across 9 colleges and schools including Arts and Sciences, Business, Design, Education, Honors College, Journalism and Communication, Music and Dance, Law and the Graduate School. The 295-acre campus has a total enrollment of 22,760 students.
- **LANE COMMUNITY COLLEGE:** The College's main campus is located approximately 5.7 miles to the southeast of the LEC, with 5 additional satellite campuses throughout the County, including a downtown campus, approximately 1.0 miles to the northeast of the LEC. Lane Community College enrolls 25,000 students annually in transfer, career technical, and personal enrichment programs.
- **NORTHWEST CHRISTIAN UNIVERSITY (NCU):** NCU is a private liberal arts college located immediately to the northwest of the UO campus, approximately 1.5 miles to the east of the LEC. NCU offers undergraduate, graduate and certificate programs, with a total enrollment of 800 students, including 367 undergraduates, 226 online/ evening undergraduates, and 207 graduate students.
- **NEW HOPE CHRISTIAN COLLEGE (NHCC):** NHCC is a private bible college located approximately 3.5 miles to the southwest of the LEC. NHCC offers a Bachelor of Science – Creative Arts of Ministry Leadership and Associate of Science – Ministry Leadership programs, with various areas of concentration. The 36-acre campus has a total enrollment of approximately 140 students.

The Eugene School District includes 5 high schools, 8 middle schools and 19 elementary schools, supplemented by a number of private and parochial schools. The adjoining Bethel School District, located at the northwest boundary of Eugene, includes an additional 11 schools.

CORPORATE PRESENCE

A strong corporate and business presence can be an important factor in the success of any event and entertainment facility, because local businesses support facilities by attracting residents to the area and providing disposable income, through their requirement for event space, and through donations, advertising, and sponsorships. Figure 2 - 10 shows the largest employers in Lane County, indicating that the largest employers are concentrated within the healthcare, education and government sectors.

Figure 2 - 10

Largest Employers - Lane County (2016)		
Employer	Industry	# Employees
PeaceHealth	Healthcare	5,500
University of Oregon	Education	5,479
U.S. Government	Government	1,602
City of Eugene	Government	1,463
Lane County Government	Government	1,369
Springfield School District	Education	1,242
Eugene 4J School District	Education	1,198
Lane Community College	Education	943
McKenzie-Willamette Medical Center	Healthcare	880
Royal Caribbean	Tourism	700

Source: Lane County, Johnson Consulting

HOTEL INVENTORY

Data from Smith Travel Research (STR), which is an independent hotel research firm whose statistics are widely used within the industry, indicates that there are 55 hotel properties throughout Eugene and Springfield, totaling 4,120 guest rooms. Figure 2 - 11 shows hotels with more than 50 guest rooms that are located within a 2-mile radius of the LEC, indicating a total inventory of 29 properties and 3,142 guest rooms. As shown, the largest hotels within 2 miles of the LEC are the 274-room The Graduate (formerly Hilton Eugene), which also has the largest inventory of meeting space (34,800 SF), and the 257-room Valley River Inn, which offers 15,085 SF of meeting space.

Figure 2 - 11

Hotel Inventory within 5 miles of LEC with 50+ Guest Rooms (2019)					
Hotel	Distance from Subject Site (Miles)	Chain Scale*	Year Opened	Guest Rooms	Meeting Space (SF)
Home2 Suites by Hilton Eugene Downton University	0.6	Upper Midscale	2016	120	625
The Graduate	0.9	Independent	1982	274	34,800
Red Lion Inn and Suites Eugene	1.2	Midscale	2009	50	5,600
66 Motel	1.3	Independent	1965	66	-
Phoenix Inn Suites Eugene	1.4	Independent	1994	95	2,325
Valley River Inn	1.5	Independent	1973	257	15,085
Residence Inn Eugene Springfield	1.6	Upscale	2001	108	150
La Quinta Inn and Suites Eugene	1.6	Upper Midscale	2000	73	1,800
EVEN Hotels Eugene	1.8	Upscale	2017	100	1,060
Best Western New Oregon	1.9	Midscale	1959	129	-
Best Western Greentree Inn	2.0	Midscale	1977	65	-
Days Inn Eugene Downtown University	2.0	Economy	1997	60	-
Hyatt Place Eugene Oakway Center	2.1	Upscale	2017	130	400
Hampton Inn Eugene	2.2	Upper Midscale	2011	61	625
Holiday Inn Express and Suites Eugene Downtown University	2.3	Upper Midscale	2007	114	870
Fairfield Inn and Suites Eugene East/ Springfield	2.9	Upper Midscale	2018	81	240
Candlewood Suites Eugene Springfield	2.9	Midscale	2014	87	-
Comfort Suites Eugene	3.2	Upper Midscale	2008	67	450
Motel 6 Eugene South Springfield	3.4	Economy	1968	59	-
HomeTowne Studios Eugene Springfield	4.1	Economy	1997	127	-
Super 8 Springfield	4.1	Midscale	1991	65	-
GuestHouse Inn Eugene Springfield	4.2	Midscale	1978	143	-
Quality Inn and Suites Springfield	4.2	Midscale	1978	100	470
Hilton Garden Inn Eugene Springfield	4.2	Upscale	2011	149	6,460
Comfort Suites Springfield	4.3	Upper Midscale	1999	77	600
Holiday Inn Express Eugene Springfield East I-5	4.3	Upper Midscale	1993	85	-
Courtyard Eugene Springfield	4.3	Upscale	1997	116	595
Holiday Inn Eugene Springfield	4.3	Upper Midscale	2008	153	4,350
Motel 6 Eugene North Springfield	4.3	Economy	1985	131	-
TOTAL				3,142	76,505

* Chain scale defined by Smith Travel Research (STR) whereby 1) Upscale are typically full-service hotel properties with a wide variety of onsite amenities, such as restaurants, meeting spaces, exercise rooms or spas; 2) Upper Midscale, Midscale and Economy are typically limited-service properties that offer limited facilities and amenities, typically without a full-service restaurant; 3) Independent are properties that are not affiliated with a chain and are independently operated.

Source: STR, Mpoint, Relevant Properties, Johnson Consulting

In addition to the existing inventory, there are several hotel properties in various stages of planning and development throughout Eugene and Springfield. Figure 2 - 12 summarizes 3 projects that have scheduled openings, totaling 368 guest rooms. It is noted that the Romania project is still tentative at the time of this study.

Figure 2 - 12

Planned Hotel Projects - Eugene/ Springfield (2019)			
Hotel	Location	Guest Rooms	Scheduled Opening
Tru by Hilton	Glenwood	86	2020
The Gordon	Market District	82	2020
Romania Project	Walnut & Franklin	200	2022
TOTAL		368	

Source: Travel Lane County, Johnson Consulting

Data from Travel Lane County's (TLC) Annual Reports indicates that Lane County collected \$12.2 million in local transient room tax in 2018. This represented an increase from 2017's \$11.6 million and \$10.5 million in 2016, in part reflecting the addition of new inventory to the market but continuing the steady upward trend observed since 2011.

EVENT VENUES (NON-HOTEL)

The LEC is the largest meeting and event space in the Eugene market. In addition to hotel meeting space, as listed in Figure 2 - 11, existing event and entertainment venues within the local market are shown in Figure 2 - 13. The largest venues include the 12,500-seat Matthew Knight Arena, home of University of Oregon's basketball teams, and the 9,000-seat McArthur Court Arena, both of which are located on the University of Oregon's campus.

Figure 2 - 13

Event Venues - Eugene, OR*		
Venue	Type	Capacity
Matthew Knight Arena**	Arena	12,500
McArthur Court Arena**	Arena	9,000
Cuthbert Amphitheater	Amphitheatre	5,000
Silva Concert Hall	Auditorium/Theatre	2,448
McDonald Theatre	Auditorium/Theatre	1,300
The Jaqua Concert Hall	Auditorium/Theatre	800
Venue 252	Event Venue	770
Soreng Theatre	Auditorium/Theatre	496
Recital Hall	Auditorium/Theatre	200
Veteran's Memorial Building	Auditorium/Theatre	-

* Located within 25 miles of Eugene; Excluding LEC

** Located at University of Oregon

Source: Pollstar, Relevant Facilities, Johnson Consulting

In recent years, contemplation has been given to a new convention center in both Eugene and the adjoining City of Springfield. At this time, neither City has committed to a specific project or site. It is our opinion that Eugene's downtown area has a more established, and expanding, hotel inventory and other necessary amenities to support a new convention center than Springfield's.

OBSERVATIONS

Lane County has many of the key demographic and socioeconomic characteristics necessary to provide ongoing support for facilities at the LEC, including a significant regional population to draw from. The LEC is the largest event venue in the Eugene and Springfield markets, with the preponderance of other venues being hotel meeting spaces or University of Oregon facilities, all of which are oriented to slightly different target markets. This further supports the unique role that the LEC plays, and should continue to play, in the local and regional communities.

Given the synergistic opportunities that exist with the existing inventory of meeting and event spaces on the LEC campus and proximity to the downtown core, the LEC could be contemplated as the location for a new convention center in the local market. This would necessitate the addition of an onsite hotel, which should be subject to a separate feasibility study, but is desired by a significant cohort of users of the LEC, as described later in this report.

COMPARABLE FACILITIES ANALYSIS



COMPARABLE FACILITIES ANALYSIS

In order to understand the market opportunity for potential improvements to the LEC, this section presents summarized case study profiles of a set of comparable fairgrounds and event centers in the Pacific Northwest (Note: Detailed case study profiles are included in Appendix A to this report). The size and characteristics of these facilities, rental rates, and demand and financial performance data provide insight into the general parameters within which an improved LEC would be expected to operate.

CASE STUDY PROFILES

The case study profiles presented below include a mix of traditional fairgrounds, as well as aspirational expo/ convention centers in the region. These facilities are not necessarily direct competitors with the LEC but as stated above provide insight into the parameters within which an improved LEC could be expected to operate. Figure 3 - 1 provides a summary of key market attributes related to each of the identified facilities. As shown, the LEC's primary market, as defined by a 1-hour drive time radius, ranks among the lowest with respect to median household income (9th out of 10) and entertainment spend (9th), and also has a relatively small population (7th) with a high median age (8th) compared to the peer set. Among the identified markets, the LEC's surrounding market characteristics are most similar to those of the HAPO Center in Pasco, WA, and the Deschutes County Fairgrounds and Expo Center in Redmond, OR.

Key locational attributes include:

- The proximate inventory of hotel guest rooms to the LEC (as defined as a 1-mile radius) is large (818 guest rooms) relative to the peer set, and trails only the Sacramento Convention Center (2,884 guest rooms) and the Portland Expo Center (1,365 guest rooms). The LEC's large hotel inventory likely reflects its proximity to the University of Oregon and to downtown Eugene, although as previously discussed, there are very few hotels in immediate proximity of the LEC (the closest hotel is 0.6 miles away).
- The closest major international airport is the Portland International Airport, which also serves many of the other comparable markets in the matrix. The annual passenger volume of the Portland and Seattle-Tacoma airports combined is just under 70.0 million passengers.
- The LEC ranks among the smallest in the comparable set with regards to the largest amount of contiguous exhibit space but is among the middle of the set with respect to total Fair attendance, revenues, expenses and net operating income.



Figure 3 - 1

Key Market Characteristics - Comparable Facilities										
Metric	Lane Events Center	Fairgrounds						Convention and Expo Centers		
		Douglas County Fairgrounds	Washington County Fair Complex	Clark County Event Center	Deshutes County Fairgrounds Expo Center	Washington State Fair and Event Center	HAPO Center	Portland Expo Center	Sacramento Convention Center	Fresno Convention and Entertainment Center
Location	Eugene, OR	Roseburg, OR	Hillsboro, OR	Ridgefield, WA	Redmond, OR	Payallup, WA	Pasco, WA	Portland, OR	Sacramento, CA	Fresno, CA
Demographic Characteristics (2018) 1-Hour Drive Time Radius										
Population	550,975	124,764	2,244,835	2,419,398	234,651	2,731,098	437,953	2,528,861	3,213,732	1,626,286
Rank	7	10	5	4	9	2	8	3	1	6
Median Age	38.7	47.1	38	38.3	42.8	38.1	33.3	38.2	36.2	31.6
Rank	3	1	7	4	2	6	9	5	8	10
Median Household Income	\$52,407	\$49,834	\$73,971	\$74,311	\$60,904	\$79,442	\$59,382	\$74,236	\$67,672	\$52,505
Rank	9	10	4	2	6	1	7	3	5	8
Entertainment Spending (per capita)*	\$181.95	\$156.30	\$258.10	\$257.06	\$199.09	\$285.08	\$207.45	\$256.57	\$244.07	\$194.31
Rank	9	10	2	3	7	1	6	4	5	8
Location Attributes										
Major International Airport	Portland	Portland	Portland	Portland	Portland	Seattle Tacoma	Portland	Portland	Sacramento	Fresno
Annual Airlift # Passengers (Million)	19.8	19.8	19.8	19.8	19.8	49.8	19.8	19.8	12.1	1.8
Rank	2	2	2	2	2	1	2	2	9	10
Hotels < 1 Mile (# Properties)	14	3	1	0	5	4	3	9	18	6
Hotel Guest Rooms < 1 Mile	818	192	118	0	378	359	270	1,365	2,884	777
Rank	3	8	9	10	5	6	7	2	1	4
CVB	Travel Lane County	Visit Roseburg	Hillsboro Chamber of Commerce	Visit Vancouver	Redmond Chamber of Commerce	Travel Tacoma	Visit Tri-Cities	Travel Portland	Visit Sacramento	Visit Fresno County
Facility Attributes										
Largest Exhibit Space (SF)	37,000	28,000	39,300	97,200	80,000	84,972	39,000	324,000	137,500	66,371
Rank	9	10	7	3	5	4	8	1	2	6
Annual Fair Attendance	110,000	-	110,000	270,000	260,000	1,000,000	-	-	-	-
Rank	4	-	4	2	3	1	-	-	-	-
Revenues (\$M - Most Recent Year)	\$2.8	\$1.9	-	-	\$5.1	-	\$2.4	\$6.4	-	\$3.5
Rank	4	6	-	-	2	-	5	1	-	3
Expenses (\$M - Most Recent Year)	\$3.7	\$2.0	-	\$4.3	\$6.1	-	\$2.5	\$6.2	\$28.8	\$4.1
Rank	6	8	-	4	3	-	7	2	1	5
Net Operating Income (Loss)	(\$0.8)	(\$0.05)	(\$1.8)	\$0.2	(\$1.0)	-	(\$0.1)	\$0.2	-	(\$0.5)
Rank	6	3	8	1	7	-	4	2	-	5

* Includes annual average spending on tickets to theater/ operas/ concerts; tickets to movies/ museums/ parks; and admission to sporting events.

Source: Relevant Facilities, Ersi BAO, STR, Johnson Consulting

FAIRGROUNDS AND EXPO CENTERS

DOUGLAS COUNTY FAIRGROUNDS COMPLEX ROSEBURG, OR

LOCATION: The Douglas County Fairgrounds Complex (DCFC) is located between Interstate Highway 5 (Pacific Highway) and the South Umpqua River, approximately 74 miles south of Eugene, OR. The 74-acre Complex is home to the 5-day annual Douglas County Fair.

OWNERSHIP/ MANAGEMENT: The DCFC is owned and operated by Douglas County. Stewardship is provided by a 5-member Fair Board, which comprises one representative from the agricultural industry, one from the timber industry, one from the business community and two at-large members appointed by the Board of Commissioners.

FACILITIES: The DCFC comprises 85,000 SF of rentable exhibit and meeting space, 3 arenas, 2 barns, and a variety of outdoor spaces, supported by parking and RV parking. Figure 3 - 2 summarizes facilities at the DCFC.

Figure 3 - 2

Douglas County Fairgrounds Complex Facilities and Capacity			
Building	Size (SF)	Capacity (# of Persons)	
		Classroom	Banquet
Conference Building	13,475	902	664
Cascade Hall*	4,605	310	176
Pacific Hall	4,322	287	168
Umpqua Hall	4,547	305	176
Dormitory	2,400	125	70
Douglas Hall	24,336	2,500	1,500
Exhibit Building*	28,000	2,500	1,000
Flora Building	3,600	240	145
Total Exhibit and Meeting Space	85,285		
Garden Park			
Grandstands	-	5,000	-
Arenas			
Pavilion Lithia Arena	20,000	400	-
River Arena	26,000	600	-
Outdoor Arena	25,200	900	-
RV Park		50 total spaces	
Horse Stalls		120 total stalls	
Umpqua Park and Amphitheatre			

* Divisible into 2 smaller sections

Source: DCFC, Johnson Consulting

RENTAL RATES: Figure 3 - 3 details the rental rates for the DCFC.

Figure 3 - 3

Douglas County Fairgrounds Complex Rental Rates			
	Size (SF)	Rental Fee (per Day)	Move In/ Move Out Rental Fee
Conference Building	13,475	\$1,450	\$400
Cascade Hall	4,605	500	175
Cascade East Hall	1,943	350	175
Cascade West Hall	2,661	350	175
Pacific Hall	4,322	500	175
Umpqua Hall	4,547	500	175
Dormitory	2,400	160	65
Douglas Hall	24,336	1,000	300
Exhibit Building (Full)	28,000	\$1,150	\$300
Exhibit Building (Half)	12,000	750	175
Floral Building	3,600	400	100
Garden Park		160	
Grandstand	5,000 (capacity)	\$1,800	\$515
Arenas (Equestrian Events)		\$370	\$150
Arenas (Special Events)		550	
Horse Stalls		\$25/night, \$120/month	
RV Park		\$25.50/night	
Umpqua Park Amphitheater*		\$1,840	

**Daily rate or 10% of ticket sales, whichever is greater. The facility also charges 25% on novelties*

Source: DCFC, Johnson Consulting

DEMAND AND FINANCIALS: Anecdotal information from Management of the DCFC indicates that the Complex is booked for 1,400-1,500 use days, annually. The FY2018-19 operating budget for the DCFC is \$2.2 million, up slightly from the FY2017-18 operating budget of \$2.1 million.

OBSERVATIONS: The DCFC provides an example of a highly utilized fairgrounds located in relatively close proximity to the LEC, further removed from downtown but with convenient freeway access. The DCFC operates with a similar budget to the LEC despite being smaller, in terms of total acreage and the size of indoor space. The Amphitheater and RV Park at the DCFC provide key points of difference. The location of the Amphitheater along the South Umpqua River frontage of the site creates a highly attractive setting. Consideration could be given to ways to capitalize on the LEC's frontage to the Amazon Creek and creating attractive outdoor environments for events and recreational use.

WASHINGTON COUNTY FAIR COMPLEX HILLSBORO, OR

LOCATION: The Washington County Fair Complex (WCFC) is located in Hillsboro, OR, to the south of Highway 26, approximately 20 minutes to the west of downtown Portland.

OWNERSHIP/ MANAGEMENT: The WCFC is owned and operated Washington County. During the annual County Fair, the Fair Board, which is appointed by the Board of Commissioners, oversees the use of the Fairgrounds and provides fiscal and operational oversight of the production of the Fair.

FACILITIES: Current facilities at the 100-acre WCFC include a 39,000 SF expo hall, 16,000 SF of meeting space, and a 3,500 SF covered outdoor event space. The new Event Center will comprise a 39,200 SF exhibit hall and 13,400 SF of meeting space, supplemented by 10,800 SF of outdoor event space. Figure 3 - 4 shows current and future facilities at the WCFC.

Figure 3 - 4

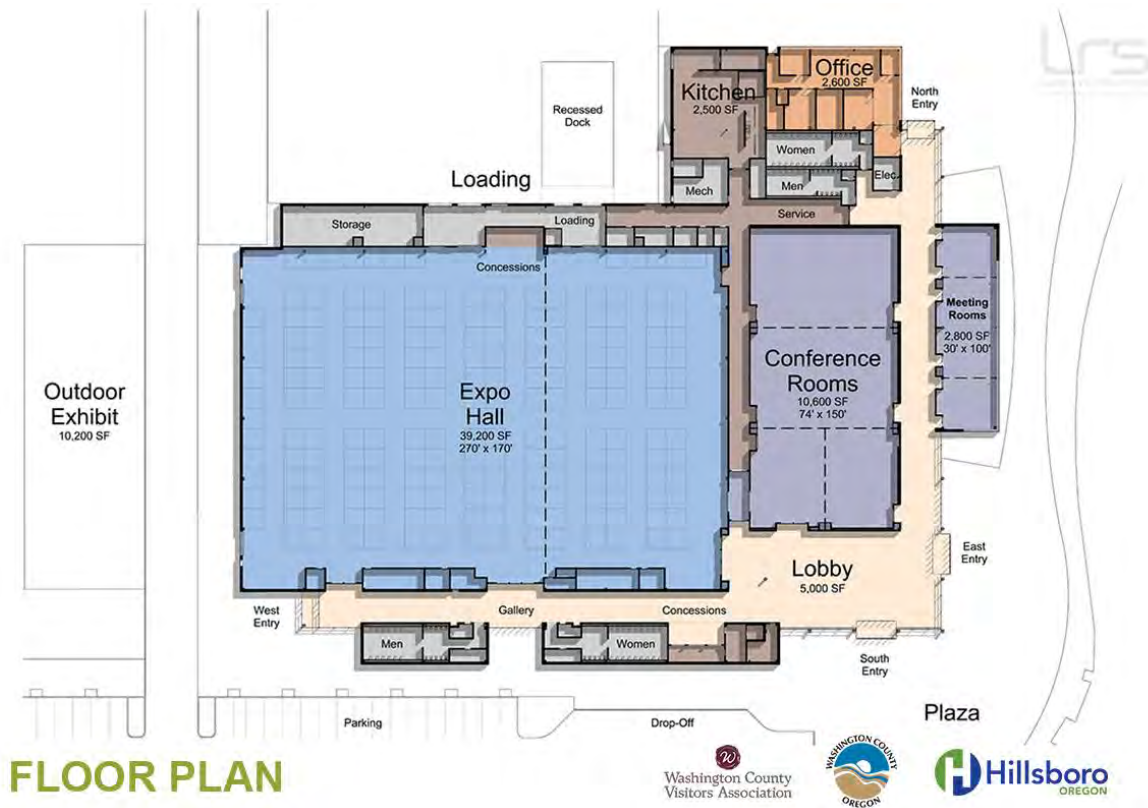
Washington County Fairgrounds Complex Facilities	
Building	Size (SF)
Event Center*	52,600
Expo Hall	39,300
Expo Hall West	24,770
Expo Hall East	14,530
Conference Room	10,225
Meeting Rooms (3)	5,785
Cloverleaf Building	3,200
Large Covered Show Ring	60x120ft
Small Show Ring	40x60ft
Barns	6 total barns
Friendship Square (Covered Outdoor)	3,534

*Event Center is slated to open in Mid-2020

Source: WCFC, Johnson Consulting

Figure 3 - 5 shows the proposed floorplan layout of the proposed Event Center.

Figure 3 - 5



Adjacent to the WCFC is the Fairgrounds Sports Complex. The 19.6-acre site includes 5 baseball fields (3 lighted), playground equipment, restrooms, a concession building and parking. The Sports Complex is owned and operated by the City of Hillsboro.

RENTAL RATES: Rental rates for Friendship Square (covered outdoor area) range from \$885 per day (for 100 or less attendees) to \$1,360 per day (501-600 attendees).

DEMAND AND FINANCIALS: The WCFC is home to the annual Washington County Fair, which runs for 4 days in July and attracts, on average, 110,000 persons annually. In FY 2018-19, the WCFC has an operating budget of \$4.7 million. The \$52 million Event Center is being funded through the County’s share of lodging taxes and State Gain Share payments, along with \$8 million in City lodging taxes and \$1 million from the Washington County Visitors Association.

OBSERVATIONS: The WCFC provides an example of a highly utilized facility that achieves substantial operating revenues from both the annual County Fair and year-round operations. Recognizing a need to provide additional, modern facilities to capitalize on growing demand, the new Event Center that is currently under construction will add a substantial amount of meeting and event space to the WCFC and will provide a significant draw, particularly for consumer and public shows, as well as conventions and meetings.

CLARK COUNTY EVENT CENTER AT THE FAIRGROUNDS RIDGEFIELD, WA

LOCATION: The Clark County Event Center (CCEC) and Fairgrounds is located in Ridgefield, WA, just off Interstate Highway 5, approximately 20 minutes (drive time) to the north of downtown Portland.

OWNERSHIP/ MANAGEMENT: The CCEC is owned by Clark County and operated by the Fairgrounds Site Management Group (FSMG), a private non-profit organization, except during the annual County Fair which operates under the direction of the Clark County Fair Association.

FACILITIES: The CCEC comprises 97,200 SF of contiguous exhibit space, along with 2 separate halls of 24,000 SF and 18,000 SF. Additional facilities include an 8,775-seat Grandstand and a 225-seat Equestrian Arena. Figure 3 - 6 provides a summary of facilities at the CCEC.

Figure 3 - 6

Clark County Event Center at the Fairgrounds Facilities and Capacity			
Building	Size (SF)	Capacity (# of Persons)	
		Classroom	Banquet
Exhibit Hall ABC	97,200	10,894	3,460
Exhibit Hall A	32,400	3,502	1,140
Exhibit Hall B	21,600	2,520	740
Exhibit Hall C	43,200	4,872	1,580
South Hall One	24,000	2,286	-
South Hall Three	18,000	1,888	-
Total Exhibit and Meeting Space	139,200		
Grandstand	45,000	8,775	-
Barns		160 total stables	
Arenas			
Dr. Jack Giesy Equestrian Arena	36,400	225	-

Source: CCEC, Cvent, Johnson Consulting

RENTAL RATES: Figure 3 - 7 provides a summary of rental rates for facilities at the CCEC.

Figure 3 - 7

Clark County Event Center Rental Rates		
	Size (SF)	Rental Fee (per Day)
Exhibition Hall		
Hall A	32,400	\$2,250
Hall B	21,600	1,700
Hall C	43,200	3,000
Hall AB	54,000	3,450
Hall BC	64,800	4,200
Hall ABC	97,200	6,200
Equestrian Arena		
Equestrian Events	25,200	\$750
Non-Equestrian Events		850
Charged set-up day*		150
Commercial Exhibit Areas		
South Hall 1	24,000	\$850
South Hall 2	8,000	850
South Hall 2**	8,000	425
South Hall 3	18,000	750
Grandstand		
Grandstand	45,000	\$4,000
Grandstand Plaza	100' x 150'	Included

*if requested or if Arena is used on included set up day

**South Hall 2 rental price when rented in addition to South Hall 1

Source: Johnson Consulting, Clark County Event Center

DEMAND AND FINANCIALS: The annual Clark County Fair runs for 10 days in August and attracts, on average, 270,000 visitors. In 2019, there are 161 event days scheduled at the CCEC, including the Fair, of which the preponderance of event days relate to Animal Shows (28.6 percent), predominantly canine events, and Equestrian Events (28.0 percent), as well as Consumer Shows/ Public Events (25.5 percent). The 2019 operating budget of the CCEC is \$4.3 million, down from \$8.9 million in 2018.

OBSERVATIONS: The CCEC offers considerably more indoor meeting event space than the LEC and is able to capitalize on its proximity to downtown Portland, particularly with respect to attracting visitors to the annual County Fair. The CCEC operates with a much larger budget than the LEC and reports an annual net operating profit, without subsidy, highlighting the financial strength of operations.

DESCHUTES COUNTY FAIRGROUNDS & EXPO CENTER REDMOND, OR

LOCATION: The Deschutes County Fair and Expo Center (DCFEC) is located in Redmond in Central Oregon, which is a tri-county area defined as Deschutes, Jefferson and Crook counties. The site is located off Highway 97, approximately 15 minutes (drive time) from Bend, one of Oregon’s largest cities.

OWNERSHIP/ MANAGEMENT: The DCFEC is owned and operated by Deschutes County. Stewardship is provided by a 7-member Board of Directors.

FACILITIES: Figure 3 - 8 summarizes event facilities at the DCFEC, which include a mix of exhibit and event space, along with covered livestock and equestrian arenas. The broader 320-acre site also includes 400 horse stalls and a 105-space RV park.

Figure 3 - 8

Deschutes County Fairgrounds & Expo Center Facilities and Capacity		
Building	Size (SF)	Capacity (# of Persons)
First Interstate Bank Center	80,000	
Arena Floor	40,000	7,800
High Desert Activity Center	12,684	1,408
Three Sisters Conference Center	33,736	
North Sister	9,416	1,045
Middle Sister	14,904	1,654
South Sister	9,416	1,045
Outdoor Arenas		
Juniper Arena		3,500
Sagebrush Arena		1,500
Barns		400 stalls (75 permanent)
Beef Barn	28,000	
Dairy Barn	16,000	
Horse Barn	24,000	
Sheep Barn	13,000	
RV Park		105 spaces
Outdoor Event Space	3.65 acres	Landscaped

Source: DCFEC, Johnson Consulting

RENTAL RATES: Figure 3 - 9 summarizes the rental rates for facilities at the DCFEC. The entire complex can be rented for \$17,500 per day.

Figure 3 - 9

Deschutes County Fairgrounds and Expo Center Rental Rates		
	Size (SF)	Rental Fee (per Day)
Entire Fairgrounds		\$17,500
First Interstate Bank Center	40,000	\$3,150
Three Sisters Conference Center	33,736	\$3,050
South Sister	9,416	1,700
Middle Sister	14,904	2,100
North Sister	9,416	1,500
Arenas		
Hooker Creek Arena	17,750	\$600
Juniper Arena	51,625	840
Sagebrush Arena	(used for warmup)	740
High Desert Activity Center	12,684	\$1,260
Meeting Space		
Meeting Room (Smallest)	456	\$80
Meeting Room (Largest)	1,482	250
Barns		
Beef Barn	28,000	\$580
Dairy Barn	16,000	480
Horse Barn	24,000	1,155
Sheep Barn	13,000	580

Source: DCFEC, Johnson Consulting

DEMAND AND FINANCIALS: Anecdotal information from management of the DCFEC indicates that in addition to the 5-day annual Fair in July/ August, which attracts on average 260,000 visitors, the DCFEC records 400 event days annually. The DCFEC has a budget of \$2.1 million for year-round operations, \$1.2 million for the annual County Fair, \$837,600 for the RV Park, and \$1.6 million for capital reserves.

Operations are supported by a 1.0 percent increase in lodging tax (effective 2014), of which 70 percent is allocated to marketing of the DCFEC and 30 percent is for general purposes (in 2019 the 30 percent is programmed as a contribution to the DCFEC reserve fund). In 2019, the 1 percent allocation amounted to \$907,500.

OBSERVATIONS: The DCFEC has a substantial inventory of land and a variety of facilities that help to generate year-round revenues of approximately 1.5 times the annual County Fair revenue. The campus is removed from downtown but easily accessed from the broader area, which includes a significant population base in Bend, OR.

WASHINGTON STATE FAIR AND EVENT CENTER PAYALLUP, WA

LOCATION: Home to the Washington State Fair, the Washington State Fair and Event Center (WSFEC) is located just south of the Puyallup River, off Interstate Highway 5 and approximately 135 miles south of Seattle and 10 miles east of Tacoma.

OWNERSHIP/ MANAGEMENT: The WSFEC is owned and operated by the Washington State Fair, a private, not-for-profit 501(c)(3) corporation. A 12-member Board of Directors provides stewardship of the WSFEC and the Washington State Fair Foundation financially supports scholarship and educational programs associated with the Fair.

FACILITIES: Figure 3 - 10 summarizes event facilities at the 169-acre WSFEC, the largest of which is the 85,000 square foot Mattress Firm Showplex.

Figure 3 - 10

Washington State Fair and Event Center Facilities and Capacity		
Building	Size (SF)	Capacity (# of Persons)
Mattress Firm Showplex	84,972	3,400 (400 booth spaces)
East Bay	23,300	
West Bay	23,400	
Center Bay	38,272	
Pavilion	46,200	800
1st Floor	22,700	
2nd Floor	23,500	
Expo Hall	20,000	800
Agriplex	22,263	800
Barn Complex	23,260	
Draft Horse Barn		23 box stalls
4-H Horse Barns		125 box stalls
Poultry/Rabbit Barn		55 box stalls
Centennial Tent	13,440	
Fair Farm	5,265	250
Meeting Rooms (7)	27,453	
Total Exhibit and Meeting Space	242,853	
Grandstands		10,368
Arenas		
W.H. Paulhamus Arena	25,000	1,961
Tractor Supply Arena	7,242	
Show Arena	18,686	1,000

Source: WSFEC, Johnson Consulting

RENTAL RATES: Figure 3 - 11 provides current rental rates for facilities at the WSFC.

Figure 3 - 11

Washington State Fair and Events Center Rental Rates		
	Size (SF)	Rental Fee (per Day)
Buildings		
Mattress Firm ShowPlex	84,972	\$7,600
Conference Center	12,768	2,100
Heritage Room	2,880	550
Founders Room	2,880	550
Pioneer Room	2,880	550
Agriplex	22,263	2,650
Expo Hall	20,000	2,300
Fair Farm	5,265	1,800
Fair View Club	2,800	800
Pavilion	46,200	3,850
Arenas		
Paulhamus Arena	25,000	\$2,000
Meeting Space		
Meeting Rooms (Building A, Floor 1)	4,985	\$950
Meeting Rooms (Building A, Floor 2)	4,075	1,000
Meeting Rooms (Building B, Floor 1)	3,750	950
Meeting Rooms (Building B, Floor 2)	1,875	550
Barns		
Beef Barn	13,448	\$1,000
Draft Horse Barn	9,209	750
4-H Horse Barn	13,468	750
Rodeo Barn		850
Outdoor Area		
SillyVille (Base)		\$2,500

Source: Washington State Fair and Event Center, Johnson Consulting

DEMAND AND FINANCIALS: The WSFEC is home to the annual Washington State Fair, which will run for 22 days in 2020, opening on Labor Day weekend. This represents an extended Fair from 2019 (20 days) and historically the Fair has run for 17 days and attracted between 1.0 and 1.2 million visitors. The WSFEC also hosts a 4-day Spring Fair annually in April. No revenue and expense data was made available by management.

OBSERVATIONS: The WSFEC provides an example of a highly successful fairgrounds owned and operated by a not-for-profit organization. Proximity to Seattle and Tacoma, as well as ease of access via public transportation, are advantageous for the WSFEC. Consideration could be given to improving public transportation options to the LEC.

HAPO CENTER PASCO, WA

LOCATION: The HAPO Center is located in Pasco, in southeastern Washington, just off Interstate High 182. Pasco, along with the cities of Kennewick and Richland, collectively comprise the “Tri-Cities” region. All 3 cities border the Columbia River and comprise a significant population base to support the HAPO Center.

OWNERSHIP/ MANAGEMENT: The HAPO Center (formerly the TRAC Center), is owned and operated by Franklin County. A 7-member Advisory Board provides stewardship.

FACILITIES: The HAPO Center, which opened in 1995, comprises a 39,000 SF exposition hall, 3 meeting rooms totaling 5,155 square feet of space, and the 5,000-seat Ranch and Home Arena. Figure 3 - 12 summarizes the event space at the HAPO Center. The Franklin County RV Park is also located adjacent to the HAPO Center.

Figure 3 - 12

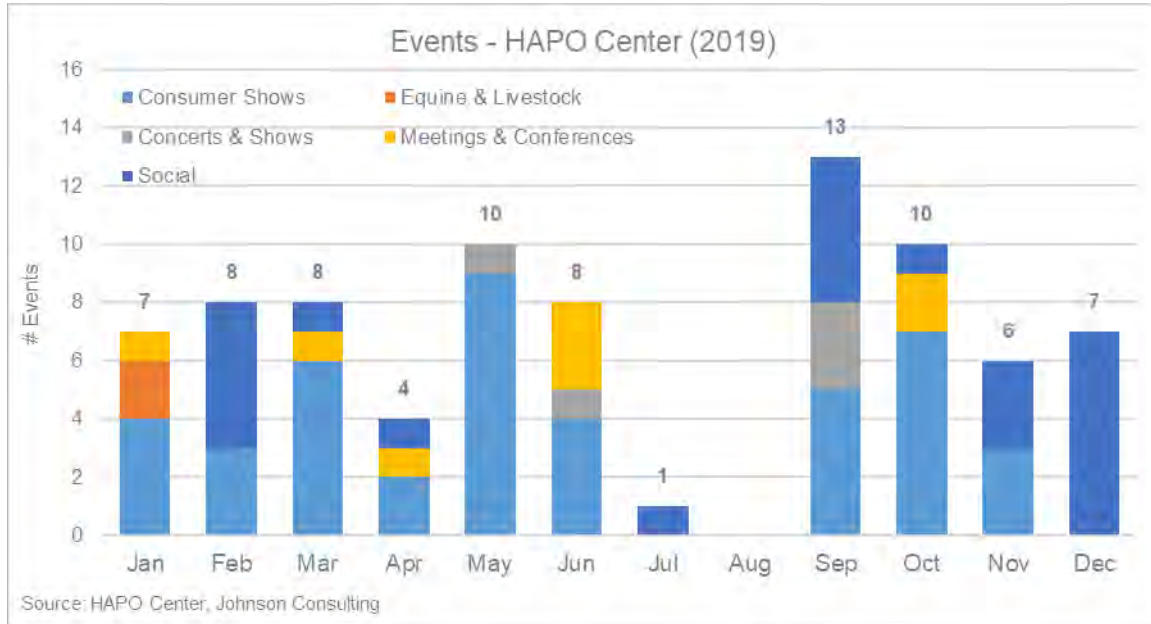
HAPO Center Facilities and Capacity			
Building	Size (SF)	Capacity (# of Persons)	
		Classroom	Banquet
Exposition Hall	39,000	2,950	1,800
Meeting Rooms	5,155		
Board Room	713		
Room #2	1,960	160	80
Room #4	2,482	200	140
Total Exhibit and Meeting Space	44,155		
Arenas			
Ranch & Home Arena	43,472	5,000	

Source: HAPO Center, Johnson Consulting

RENTAL RATES: Rental Rates were not made available by management.

DEMAND AND FINANCIALS: In 2019, the HAPO Center reported 82 booked events, the preponderance of which (52.4 percent) were Consumer/ Public Shows, followed by Social/ Private Events (29.3 percent). Figure 3 - 13 provides a breakdown of events by type and by month in 2019, highlighting a slight peak in events in September-October and May-June.

Figure 3 - 13



The HAPO Center’s operating budget has averaged \$2.5 million over the past several years. In March 2019, the Franklin County Commission signed a 10-year naming rights deal with Pasco-based HAPO Community Credit Union for \$1.0 million.

OBSERVATIONS: Similarly to the LEC, the HAPO Center is located on the edge of downtown. The facility benefits from an onsite 85-room Holiday Inn Express and Suites Pasco, which offers an additional 9,843 SF of meeting space in 8 breakout rooms, and the adjoining RV Park. From a financial perspective, the HAPO Center operates with a similar budget to the LEC and also benefits from the naming rights deal. This could be considered at the LEC as an additional revenue stream, although a naming rights partner would desire newer, more modern facilities.

CONVENTION AND EXPO CENTERS

PORTLAND EXPO CENTER PORTLAND, OR

LOCATION: The Portland Expo Center (PEC) is located just off Interstate Highway 5 between downtown Portland and Vancouver, WA, in close proximity to the Portland International Airport.

OWNERSHIP / MANAGEMENT: The PEC is owned and operated by Metro regional government, which owns and/or operates several other venues including the Oregon Convention Center, Oregon Zoo, Portland’s Center for the Arts, and a handful of parks and cemeteries throughout the state. The Metro is run by seven councilors, who each represent their own district. The Metropolitan Exposition Recreation Commission manages the facility.

FACILITIES: The 53-acre PEC campus comprises approximately 329,000 SF of meeting and event space, the preponderance of which (324,000 SF) is exhibit space. Figure 3 - 14 shows the summary of meeting and event space at the PEC.

Figure 3 - 14

Portland Expo Center Summary of Exhibit and Meeting Space					
	Size (SF)		Capacity (# of Persons)		
	Individual (Smallest)	Combined (Largest)	Theater	Classroom	Banquet
Exhibit Hall ABCDE	324,000				
Hall A	48,000		2,726	1,680	1,860
Hall B	36,000		2,700	1,656	1,440
Hall C	60,000		4,736	3,000	2,880
Hall D*	72,000		7,000	3,208	4,620
Hall E**	108,000		9,000	5,280	6,240
Meeting Rooms					
Number of Rooms	10	5			
Smallest Room	204		25	12	12
Largest Room		2,380	300	156	160
Subtotal Meeting Room SF		4,903			
Total Exhibit and Meeting Space		328,903			

* Divisible into 2 sections of 36,000 SF each

** Divisible into 2 sections of 54,000 SF each

Source: Portland Expo Center, Johnson Consulting

RENTAL RATES: Rental rates for facilities at the PEC vary based on whether the event is ticketed or non-ticketed and include 3 move in/ move out days free of charge, when available. Any additional move in/ move out days are charged at half the daily rent rate. Figure 3 - 15 shows rental rates at the PEC.

Figure 3 - 15

Portland Expo Center Rental Rates			
	Size (SF)	Rental Fee (per Day) Ticketed	Rental Fee (per Day) Non-Ticketed
Exhibit Halls			
Hall A	48,000	\$3,050	\$3,740
Hall B	36,000	2,410	2,790
Hall C	60,000	3,965	4,700
Hall D	72,000	6,660	7,700
Hall D1	36,000	3,330	3,850
Hall D2	36,000	3,330	3,850
Hall E	108,000	9,570	11,280
Hall E1	54,000	4,785	5,640
Hall E2	54,000	4,785	5,640
Combined Exhibit Halls			
Hall AB	84,000	\$5,460	\$6,530
Hall AC	108,000	7,015	8,440
Hall ABC	144,000	9,425	11,230
Hall DE	184,500	16,630	19,380
Hall ABCD	216,000	16,485	18,930
Hall CDE	244,500	20,595	24,080
Hall ABCDE	328,500	26,055	30,610
Meeting Space			
Meeting Rooms	204-2,352	\$150 (Smallest)	\$720 (Largest)

Source: Johnson Consulting, Portland Expo Center

DEMAND AND FINANCIALS: In 2018 the PEC hosted 114 events and attracted 392,760 attendees. Between 2010 and 2018, the total number of events held at the PEC increased at an average annual rate of 1.9 percent, while total attendance contracted at an average annual rate of (0.9) percent. The preponderance of events (52.7 percent) are typically Consumer Shows/ Public Events, with the next highest proportion (23.7 percent) being Meetings. In 2018 the PEC reported a net operating income of \$240,905, down considerably from a net profit of \$408,914 in 2017.

OBSERVATIONS: Although the PEC is considerably larger than the exhibit space offerings at the LEC, it provides an example of a highly divisible space that is flexible in design and allows for the creation of ballroom space. The PEC benefits from its proximity to downtown Portland, as well as the fact that it is a location for a Park and Ride hub because the area's light rail system terminates at the PEC.

SACRAMENTO CONVENTION CENTER SACRAMENTO, CA

LOCATION: Situated in downtown Sacramento, south of the American River and east of the Sacramento River, the Sacramento Convention Center (SCC) opened in 1974, was expanded in 1996 and is currently closed for a \$180 million renovation and expansion that will be completed in November 2020.

OWNERSHIP/ MANAGEMENT: The SCC is owned and operated by the City of Sacramento. It is understood that private management is being contemplated as part of the current renovation and expansion.

FACILITIES: The SCC previously offered 137,500 SF of exhibit space, divisible into 5 sections, along with a 25,000 SF ballroom and a 9,500 SF junior ballroom. These spaces were supplemented by approximately 12,100 SF of meeting space, the 2,400-seat Community Center Theater, the 272-seat Jean Runyon Little Theater, and the 3,849 seat Memorial Auditorium.

The current expansion involves replacing the western half of the facility to add 22,494 SF of exhibit space, meeting rooms, a 40,000 SF ballroom, a kitchen, and lobby. The eastern side of the existing building will be renovated to add meeting rooms, a new lobby and upgrade the existing ballroom, pre-function and meeting space. A 15,300 SF outdoor activities plaza will create flexible outdoor space for a variety of events. Upon completion, the new SCC will offer more than 240,000 SF of leasable space, including 160,000 SF of exhibit space, 37 breakout rooms, and 79,100 SF of meeting space.

RENTAL RATES: Figure 3 - 16 summarizes 2018 rental rates at the SCC. It is anticipated that rental rates will increase upon opening of the renovated and expanded facility.

Figure 3 - 16

Sacramento Convention Center Rental Rates (2018 - Prior to Expansion)		
	Size (SF)	Rental Fee (per Day)
Exhibit Hall		
Exhibit Hall A	37,745	\$7,925
Exhibit Hall B	34,050	7,150
Exhibit Hall C	32,871	6,905
Exhibit Hall D	54,843	11,515
Ballroom		
Ballroom A	39,224	\$14,540
Ballroom B	24,385	9,040
Meeting Rooms (16)		
Meeting Room (Smallest)	701	\$260
Meeting Room (Largest)	2,567	1,050

Source: Sacramento Convention Center, Johnson Consulting

DEMAND AND FINANCIALS: Pre-renovation demand at the SCC is deemed to have little relevance to likely future demand and is therefore not included in this case study profile. In 2018 the SCC had an operating budget of \$28.8 million. It is anticipated that this will increase upon re-opening.

OBSERVATIONS: While the SCC is well located in the State capital, with easy access via the established road and public transport networks, as well as proximity to Sacramento Airport, the County identified that its competitive position was continuing to decline as other cities invested in the hospitality, entertainment and retail through renovations and expansions to their main convention facilities. This justified the current expansion and renovation to the SCC and is an important consideration for all event facilities as they strive to remain current in their respective marketplaces.

FRESNO CONVENTION AND EVENT CENTER FRESNO, CA

LOCATION: Located in downtown Fresno, CA, in close proximity to Los Angeles, San Francisco and Yosemite National Park, the Fresno Convention and Event Center (FCEC) originally opened in 1966 and was expanded in 1981 and 1999.

OWNERSHIP/ MANAGEMENT: The FCEC is owned by the City of Fresno and managed by SMG, a private venue management company.

FACILITIES: Figure 3 - 17 summarizes meeting and event space at the FCEC.

Figure 3 - 17

Fresno Convention and Entertainment Center Facilities	
Building	Size (SF)
Exhibit Hall (Combined)	66,371
Exhibit Hall 1	43,004
Exhibit Hall 2	10,769
Exhibit Hall 3	12,598
Valdez Hall	32,000
Valdez Hall Meeting Rooms (14)	14,360
Exhibit Hall Meeting Rooms (20)	13,040
Total Exhibit and Meeting Space	125,771
Sayoran Theatre	
Arenas	
Selland Arena	

Source: FCEC, Johnson Consulting

RENTAL RATES: No rental rate information was made available by management.

DEMAND AND FINANCIALS: No demand schedule was made available by management. The FCEC reported total direct event income of \$1.2 million in FY2018 and \$1.1 million in FY 2019, with total event income of \$2.8 million in FY2018 and \$3.6 million in FY2019. After accounting for indirect expenses, the FCEC reported net losses of (\$681,083) and (\$594,506) in FYE2018 and FYE2019, respectively.

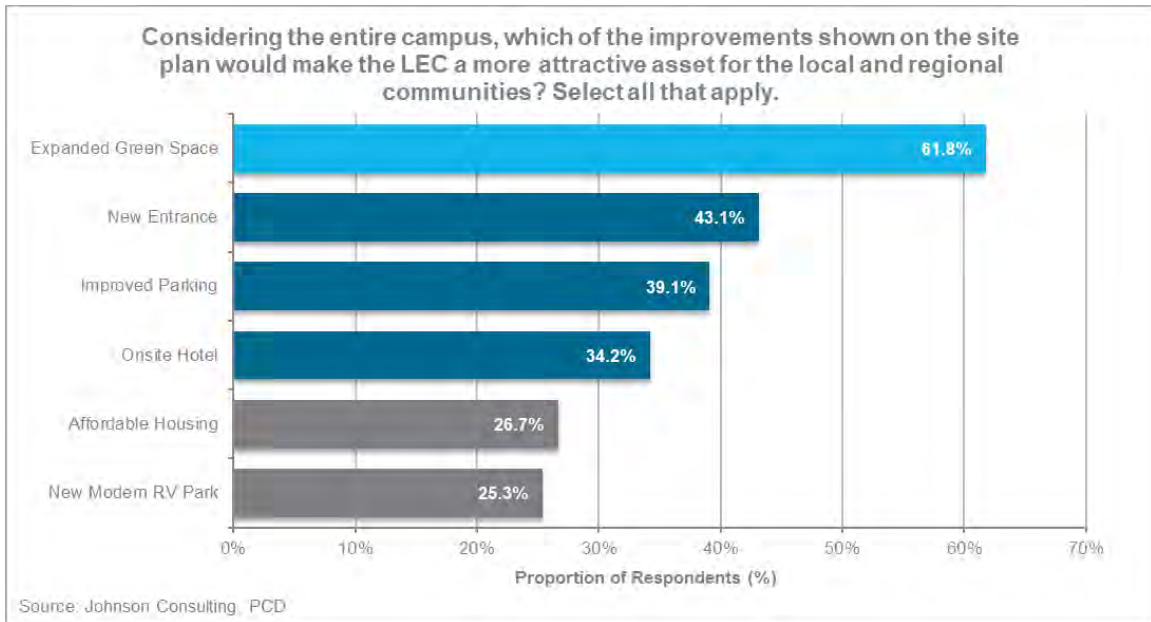
OBSERVATIONS: The FCEC figures to continue being a competitive facility for meetings and events in the Fresno area. By offering approximately 127,000 square feet of meeting and event space, as well as a theater for smaller performances and an arena for larger performances, the FCEC provides event planners with a good foundation for most events. Its presence in a significant market such as Fresno is important, and its operating loss in the past two fiscal years is normal for such a facility. Like most convention centers, the FCEC benefits from being in the city, which generally entails high accessibility to retail and entertainment offerings. This can be an important amenity for event attendees.

CONCLUSIONS

Each of the facilities included within the peer set were developed in response to a community's desire to generate significant benefits for local and regional economies. Many were also designed to produce an annual Fair and to stimulate year-round utilization and tourism, all while leveraging the strengths of their respective marketplaces. Although there is variation in the size, orientation, and role that each of these facilities play in their communities, most are firmly grounded in their mission to encourage agricultural education and advancement, and demonstrate how a fair operation can evolve into a year-round exhibition, equine/livestock and consumer show destination with the right facilities, leadership and support.

In general terms, many of the regional fairgrounds offer newer facilities and/ or more recently renovated facilities than the LEC and a number have invested in outdoor event venues, landscaping and other support amenities such as attractive RV parks. Easy access, including public transport options, is also a key characteristic of many of the more successful fairgrounds and event venues. All of these enhancements help to attract year-round visitors to the fairgrounds.

Figure B - 6



The most popular improvement among respondents was Expanded Green Space (61.8 percent), followed by a New Entrance (43.1 percent) and Improved Parking (39.1 percent). The addition of an Onsite Hotel was identified by approximately one-third of respondents (34.2 percent), while almost equal proportions of respondents indicated that Affordable Housing (26.7 percent) or a New Modern RV Park (25.3 percent) would make the LEC a more attractive asset for the local and regional communities.

OBSERVATIONS

While the preponderance of survey recipients have visited the LEC at least once, close to one-third of respondents (32.0 percent) do not visit the LEC on a regular basis. Consumer/Public shows, the Annual Fair and Festivals are among the event types most frequently attended by respondents, and the LEC is well perceived with respect to its location, particularly the proximity to downtown, and the availability of parking. Conversely, the factors most concerning to respondents are the quality of facilities and the attractiveness of the grounds. This issue was also mentioned in the User Survey and the Lost Business Survey. The overarching theme among respondents to all three surveys, and supported by our interviews with key stakeholders, is that the LEC would benefit from a modernization/renovation of its facilities to keep up with current meeting and event standards, and help to attract new and repeat business to the complex.