



Utah State Fairpark

Natural Resources, Agriculture, and Environmental Quality

Appropriations Sub-committee

FEBRUARY 9, 2017

Utah State Fairpark



BACKGROUND:

- Established in 1902
- Wholly owned by State of Utah
- 65 acres, 33 buildings, outdoor arena, grandstand, etc.
- 13 buildings on the Historic Registry
- Operating with the objective of becoming self-sustaining



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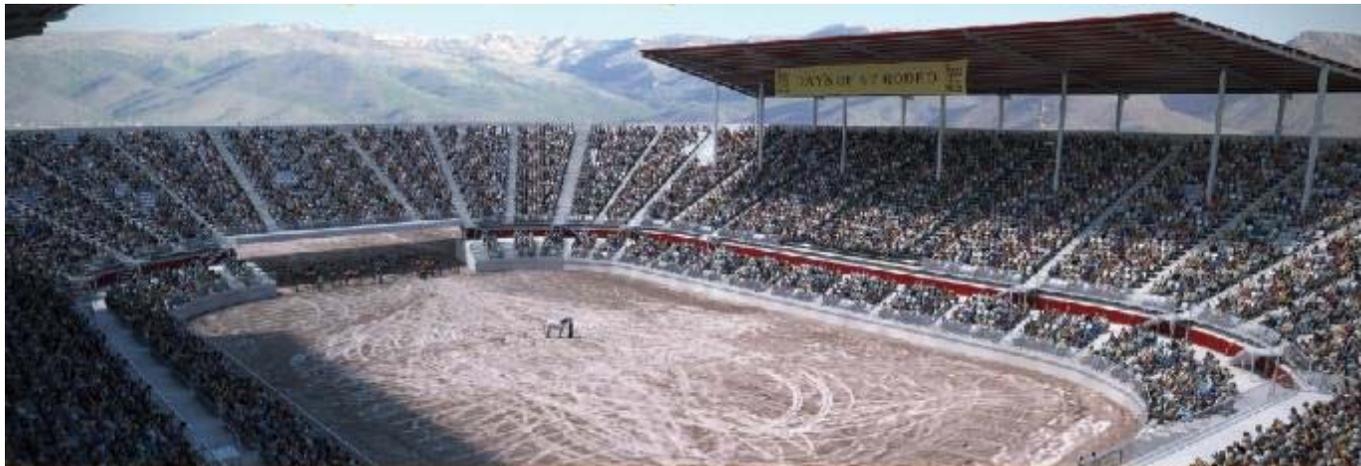
- 2016 was a banner year for the Utah State Fairpark.
 - Thanks to the Utah State Legislature for helping secure the future of the Utah State Fairpark.
 - Senator Van Tassell and Representative McKell's bill defined our working relationship and provided the ability to secure much needed financing.

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Re-Cap of 2016 Objectives:

1. Increase Year-round Fairpark Activation **Achieved!**
2. Renovation & Beautification of Existing Buildings **Significant improvements are underway. Roofs, Painting, doors, etc.**
3. Increase Utah State Fair Attendance **Achieved!**
4. Multi-Use Stadium **Opens in July 2017**
5. Exhibition Center **??**



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2016 ACCOMPLISHMENTS

Objective 1: Increase Year-round Activation

- The Fairpark successfully increased the number of events held at the Fairpark driving improved attendance. A few notable new events:
 - ABANA blacksmithing convention (1,200 out-of-state attendees (5 days utilizing hotels, restaurants, etc.)
 - Vintage Whites fall show (6,000 attendees)
 - Utah Beer Festival (10,000 attendees)
 - Reggae Rise Up (5,000 attendees)

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2016 ACCOMPLISHMENTS

Objective 2: Renovation & Beautification of Buildings

- Improvements to the Park's Infrastructure and/or operations
- Implemented procedures to monitor and correct the deficiencies identified in most recent DFCM building and grounds, and Risk audits.
- Created comprehensive preventative maintenance program to achieve "Excellence Level Ratings" ensuring the historical buildings are maintained well for future generations to enjoy.

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2016 ACCOMPLISHMENTS

Objective 2: Renovation & Beautification of Buildings

2016 infrastructure improvements:	Status:
• Grand Building & Parking Light Upgrade	In process
• Grand Building Reroof	Completed
• Zions Building Reroof	Completed
• North Temple Barns Brick Repair	Completed
• Electrical Panel Replacement	Completed
• Market & Sheep Barn Window Replacement and Repair Damaged and Missing Brick Mortar	Completed

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2016 ACCOMPLISHMENTS

Objective 2: Renovation & Beautification of Buildings

2016 infrastructure improvements:	Status:
• Broken and leaky windows replaced	Completed
• Pioneer Building and south Food Court fire systems updated to current code	Completed
• New roof shingles put on Wildlife building, Promontory exterior painted, landscaping	Completed
• Sanded and painted several structures in desperate need of new surface (Xfinity Stage Pavillion, Barnyard Friends, Driver's License Building public entrance)	Completed
• Bonneville Building roof replaced	Completed
• Bathrooms in the Grand Building remodeled	Completed

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2016 ACCOMPLISHMENTS

Objective 2: Renovation & Beautification of Buildings

2017 scheduled infrastructure improvements:

- Multipurpose Barn reroof & water damage repair
- Grand Building interior renovation
- Deferred building door repairs and replacements
- Deferred HVAC & Exhaust repairs and replacements
- Grand Building HVAC Deferred maintenance/upgrades
- Food Court window replacements
- Exterior lighting upgrades
- Storm drain and re-grading along Midway street north of malls to giant slide
- Show Ring roof replacement

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2016 ACCOMPLISHMENTS

Objective 3: Increase State Fair Attendance

- Attendance: 260,000+ ticketed attendees an increase of 4.7% over prior year.
- 10,253 Competitive Exhibits and 4,264 Exhibitors
- Carnival ride revenue exceeded “best” prior day performance four of the 11 days and exceeded previous bench mark for total revenue “2008” by 5.1%

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2016 ACCOMPLISHMENTS

Objective 3: Increase State Fair Attendance

- Increased attendance combined with new auditing practices were implemented to better monitor Fairpark revenue sharing opportunities.
 - Concessions “Food & Beverage” gross revenue exceeded prior year by 71.6%
 - Parking revenue exceeded prior year by 1.9%
- Total Fair revenue exceeded prior year by 11.1%

\$2,545,000 versus prior year \$2,290,827

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2016 ACCOMPLISHMENTS

Objective 4: Multi-use Arena Addition



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2016 ACCOMPLISHMENTS

Objective 4: Multi-use Arena Addition

- With future secured, we are able to focus on new opportunities.
- The Days of '47 Rodeo and the Fairpark formed a mutually beneficial relationship.
- Funding for a new multi purpose arena was approved and construction began July 18th substantial completion is scheduled for July 1, 2017.
- Days of '47 Rodeo will be held there this July!

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2016 ACCOMPLISHMENTS

Objective 4: Multi-use Arena Addition

Arena loss impact:

- In order to achieve the construction timeline necessary to complete the new arena for the 2017 events. The Fairpark was forced to cancel ‘all’ arena events and to cure professional contracts where applicable.



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2016 ACCOMPLISHMENTS

Objective 4: Multi-use Arena Addition

Arena loss impact:

- We will fall short of our 2016 budget plan. Therefore in order for us to maintain the financial momentum we worked so hard to achieve in 2016 we need your support. We would like for you to consider compensating the Fairpark for lost revenue for arena events and unbudgeted “actual” expenses incurred by the Fairpark to de-commission the old arena.
 - Revenue loss - \$309,000.00
 - De-commission arena expenses - \$180,000.00
 - Revenue loss (forecast) 2017 - \$115,000.00

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2016 ACCOMPLISHMENTS

Objective 4: Multi-use Arena Addition

Key elements removed during V/E	Cost:
• Heat to arena per design	\$155,000
• Light poles to original design	\$57,500
• Sound system installation per design	\$255,000
TOTAL	\$467,500

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2016 ACCOMPLISHMENTS

Objective 5: Exhibition Hall Addition



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2016 ACCOMPLISHMENTS

Objective 5: Exhibition Hall Addition

- The Department of Agriculture will occupy all three floors and the Utah State Fair Corporation will be officed on the first floor.
- The project currently ranks number four on the building boards priority list, number “one” for non educational.
- The initial concept was that the building would house the Department of Agriculture and provide the Fairpark with badly needed modern expo space below. Sadly due to the cost of construction the expo space has been reduced significantly. Our original ask was for a minimum of 30K SQ FT. Based upon current design we will end up with less than 9K SQ FT.

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2016 ACCOMPLISHMENTS

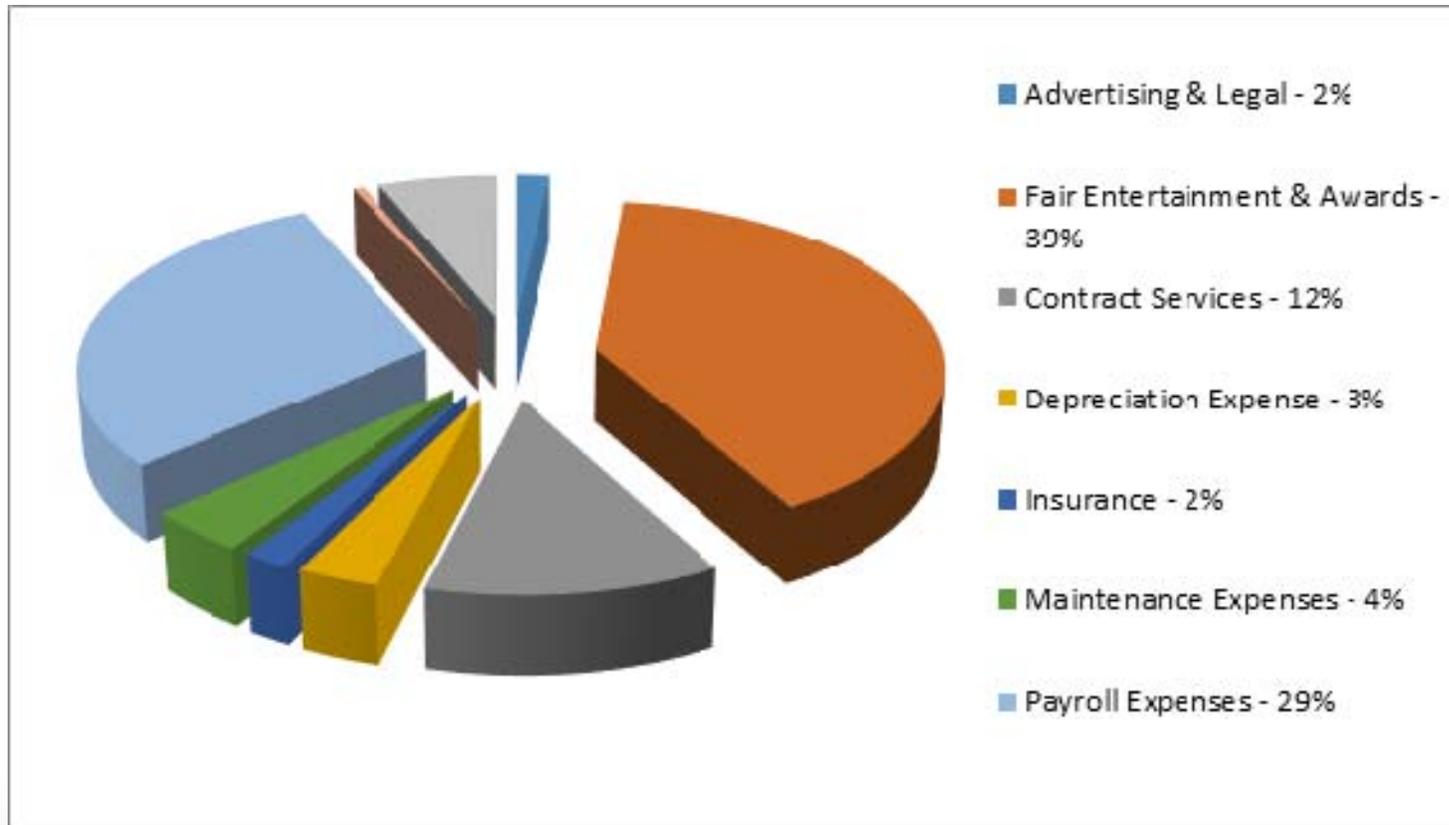
Objective 5: Exhibition Hall Addition

- 9K SQ FT will not provide the Fairpark with the new programing opportunities that were identified in our 2015 business plan. The proposed building was recently discussed with the IGGA committee. The lack of new expo space was a concern, the developer was instructed to follow-up with the committee with an estimate of the cost to increase the size of the expo space and parking.
- We propose that the Fairpark receive compensation for the land that will be surrendered to construct the new building. We would like The Fairpark be awarded the existing Dept. of Agriculture property once construction is completed on their new building.

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2017 BUDGETED OPERATING EXPENSES - \$5,700,000



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FY 2018 Appropriation Request

- \$675,000 (Governor's Proposed Budget)
 - De-commissioning expenses of old arena: \$180,000
 - Revenue loss in 2016: \$309,000
 - Revenue loss (forecast) in 2017: \$115,000
- **TOTAL ASK: \$1,279,000**