



**Solano360**

**SOLANO 360 VISIONING  
(SOLANO COUNTY FAIRGROUNDS)**

**This meeting will be held at 375 G Street, Mare Island, Vallejo, CA**

**Wednesday, January 20, 2010 – 4:00 to 6:00 PM**

**SOLANO 360 COMMITTEE MEETING AGENDA**

**I. CALL TO ORDER 4:00 PM**

**II. INTRODUCTIONS**

**III. REGULAR CALENDAR**

1. Receive and accept financial feasibility report. (*Action item*)
2. Review draft MOU and provide direction on revisions. (*Action item*)
3. Discussion of any outstanding Project issues (*Discussion only*)
4. Consider recommending proceeding with the Project to the Board of Supervisors and City Council. (*Action item*)

**IV. ITEMS FROM THE PUBLIC and COMMITTEE MEMBER COMMENTS.**

*This is your opportunity to address the Solano 360 Committee within the subject matter jurisdiction of the Solano 360 Committee. Please limit your comments to five minutes.*

**V. ADJOURN**



**Solano360  
Vision Plan**

**Financial Modeling and  
Fiscal Analysis**

**Prepared by  
Economics Research Associates**

**Dated: January 14, 2010**

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## I. EXECUTIVE SUMMARY

In June 2009, Solano County and the City of Vallejo unanimously approved the Vision Report for the redevelopment of the Solano County Fairgrounds. The Vision reflects an intensive outreach program, which included input from the community, Solano County Fair Association, Six Flags Discovery Kingdom, the Solano 360 Committee, and technical consultants. The Vision was similarly endorsed by a unanimous vote of the Solano County Fair Association Board of Directors this Fall. The County commissioned AECOM/ERA (“ERA”) to conduct a Financial Feasibility Analysis on the approved Vision (“the project”). Based upon the analysis described in this report, the project envisioned is feasible.

The Project Vision includes a flexible mix of land uses that were reviewed and evaluated in this financial analysis. This includes the Public Entertainment Zone which has an eight-acre water feature, a waterside pedestrian trail, restaurants, public art, main street shops, terraced seating, and water-related activities. The Fair Zone continues the 60-year tradition of the annual Solano County Fair and houses a world class Exposition Hall, organic demonstration farm, children’s discovery island, and flexible sports fields and other multi-use facilities. These distinct zones are anchored by existing and envisioned public attractors, including a 100,000 square foot Exposition Hall and an entertainment retail site. Sports fields, a transit center and a mix of hospitality, office and retail uses make up the balance of the Project Vision.

The financial analysis assumes that the County executes a ground lease with a master developer who in turn develops the site as detailed in the Vision Plan. Based on the methodology and assumptions outlined in this document, the Project Vision generates a positive return on investment, both to public monies spent for the Vision and entitlement, but also to monies spent on infrastructure, land and construction. Stabilization represents the year the project is completely built and occupied, estimated at year 15, or the year 2024. At stabilization, it is projected that the Project Vision will produce approximately \$12.3 million in direct annual revenues to the City and County, including redevelopment tax increment pass throughs (property tax revenues that continue to flow to the City, schools and other public agencies). Of the \$12.3 million, approximately \$5.5 million is projected to be reinvested in the project for both onsite and offsite infrastructure. (See Exhibit A for global assumptions.)

In addition to the direct revenue to the City and County addressed in this financial analysis, there are larger community benefits that would result from the buildout of the Project Vision. The mix of uses contemplated in the Vision has the potential to create more than two thousand permanent jobs, over 5,000 construction jobs, and millions in new private investment in Solano County. Dollars derived from visitors to the site from outside the local area would create multiplier effects that would be a benefit County-wide.



It is important to note that the Project Vision is conceptual. The financial analysis is limited by the preliminary nature of the Vision. While every effort has been made to analyze key variables such as costs, revenues, absorption, phasing, etc., the analysis is based on a plan that will be refined and change as the entitlement process progresses.

## **II. SOURCES AND ASSUMPTIONS**

The Visioning Process was guided by a team of industry experts. ERA was a key member of that team, and tested product mix assumptions throughout the process, including alternative programs suggested by the community (see Section V). ERA's research and experience informed the land planning and mix of uses ultimately approved by the County, City and Fair Board. At the conclusion of the Visioning Process in June 2009, Solano County commissioned a Financial Feasibility Analysis by ERA.

ERA is an economic research consulting firm with more than 50 years of market research expertise, specializing in commercial entertainment, public/private developments, hospitality and fairgrounds. In conducting the Financial Feasibility Analysis, ERA relied on the expertise and research of the Project's consultants, including but not limited to CB Richard Ellis, Arup and Mackay & Soms. See Exhibit B for a detailed overview of company credentials and profiles.

The financial analysis incorporates data collected from multiple industry sources, including ERA and CBRE's experience with comparable projects, research of local markets, interviews with experts, numerous meetings with City and County staff and relevant department heads, review of existing reports and analysis, and Brooks Street's direct experience managing similar projects. In addition, City staff relied upon existing resources to review and evaluate the analysis.

The financial analysis makes the following key assumptions (See Exhibit A for global assumptions):

- The analysis is informed by professional experience and comparable projects and represents ERA's best judgment and thinking given the conceptual nature of the Vision.
- The analysis assumes a return to normal market conditions.
- Market rents and absorption assume the project will create a super-regional entertainment destination, and includes expert analysis conducted by CBRE.
- Ground lease rents are based on participatory leases and reflect ERA's experience with comparable projects in other California cities, as well as data provided by CBRE.
- Retail and public entertainment numbers are based on ERA's work in Southern California, including but not limited to Seaport Village in San Diego which features a highly pedestrian environment with visitor-oriented retail, hotels on public land, visitor-oriented restaurants, etc.
- CBRE relied on their experience and expert knowledge of large commercial retailers to provide entertainment retail data.
- Exposition Hall data reflects ERA's work with the San Mateo County Event Center Exposition Hall, as well as data collected from Fort Mason, Alameda County Fairgrounds, San Francisco Design Center Galleria and the Cow Palace.
- Onsite infrastructure costs reflect meetings between MacKay & Soms's civil engineers and City and County departments. In addition, the civil engineers conducted a detailed analysis of the Vision Plan for all onsite infrastructure costs, including but not limited to: demolition, grading, erosion control, storm water, wet and dry utilities, etc. See Exhibit C.

- Offsite traffic improvement costs are derived from several meetings between the civil engineers and Solano Transportation Authority, as well as ARUP's review of I-80 HOV Lanes / Turner Parkway Overcrossing Transportation Analysis Final Report (DKS Associates, October 2008) and the memorandum Solano County Fairgrounds Traffic Threshold Assessment (DKS Associates, December 2008). See Exhibit D.
- Operational expenses come from working with the Fair Association's staff and board members, meeting with the Fair's Building & Grounds Committee, and reviewing the Fair Association's 2009 operating budget, including two historical years of data for 2007 and 2008.
- The analysis assumes that the project will remain in a redevelopment area of sufficient capacity and duration either through amendment to the existing district or the formation of a new district. The entire site currently lies within the Flosden Redevelopment Area, which was established in 1970 but has been amended several times, including most recently in 1991 to extend certain time limits. According to information provided by City staff, Flosden terminates in June 2021.
- The Redevelopment Tax Increment Pass Through amounts are the result of data provided by County and City consultants. Pass throughs are property tax revenues that continue to flow to the City, schools and other public agencies. The pass through amounts change from Tier 1 ending in FY 2014-15 to Tier 2 starting in 2015-16. The analysis assumes that the magnitude of redevelopment increment in Tier 2 will be extended throughout the life of the project. See Exhibit A.

### III. FINANCIAL ANALYSIS

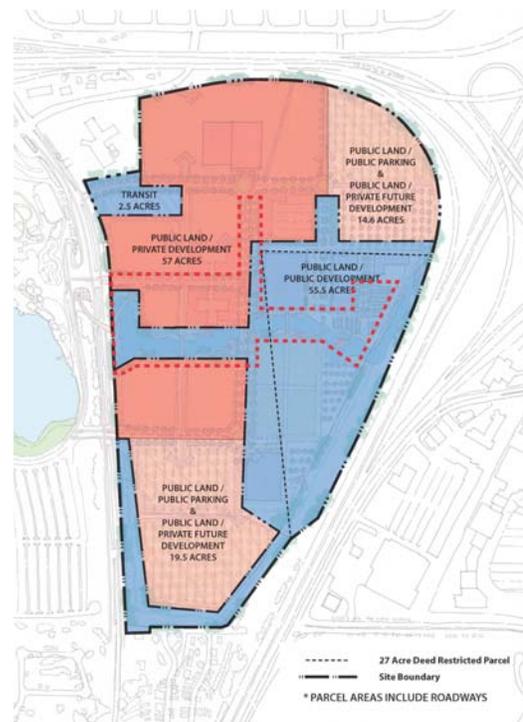
#### Methodology/Structure of the Analysis

ERA used a common form of financial analysis to assess the initial feasibility of the Vision Plan. All revenues and costs were estimated going into the future as the project is built and absorbed by the markets, and the resulting bottom line was examined to see if the project generates a return on investment. As is typical in the private real estate industry, when evaluating a development opportunity at the initial conceptual stage, an Internal Rate of Return (IRR) is calculated on the project revenues and expenses before any financing techniques are applied. Analyzing this on an all-equity, unleveraged basis is the most conservative way to look at potential project returns. (See tables below.)

The analysis looked at the costs and revenues assuming that the County executes a ground lease with a master developer who in turn develops the site as detailed in the Vision Plan. There are other options that could be used to complete the project. For example, the County could choose to serve as its own master developer and keep the entire project in-house. Alternatively, the County could keep close control of the total project, but work with experienced developers on individual pieces of the project. For purposes of this analysis, ERA chose the most conservative approach in terms of risk and return for the County.

The Project Vision contains a mix of public and private uses on approximately 150-acres of publicly owned land. For financial analysis purposes, some initial assumptions were made (see Exhibit A for additional global assumptions):

- The County funds the planning and upfront entitlement costs at the outset of the project, but through the ground lease agreement with a master developer, the County receives a ground lease payment that guarantees a 12 percent return on their investment in the planning, entitlements, and visioning process.
- The County will not sell any portion of the land – disposition of the property would be pursuant to ground leases.
- No State or Federal funds are received for any infrastructure improvements. Funding from other agencies, especially for Highway 37, or Interstate 80 interchange improvements, could greatly enhance the financial returns of the project.
- Pursuant to a ground lease, The County will select a master developer to develop the site including offsite infrastructure, the Public Entertainment Zone and vertical construction (e.g. new building construction, repair, renovation and/or expansion of existing facilities, etc.) of private uses, either directly or indirectly through subleases. In addition, the master developer would contribute significant financial resources to the construction of public facilities, including the Exposition Hall.



- The majority of revenues to the master developer are derived from subsequent ground lease agreements made with private developers/operators of the component land uses. It is assumed that the master developer would require a 12 percent unleveraged IRR on its investment in the project. (See “Project Revenue Assumptions” on page 9 for additional information.)
- The arena identified as an alternative in the Vision is not built – rather an additional multi-use sports field is constructed.
- Component land uses identified in the Project Vision were individually analyzed based on phasing identified in the Vision, assumed rents, absorption, occupancy and construction costs. (See Exhibits G through K)
- At stabilization (Year 15) the project creates direct revenues to both the City and County (including pass throughs) in total of approximately \$12.3 million. Of this amount, approximately \$5.5 million would be reinvested in the project to pay for public infrastructure costs.

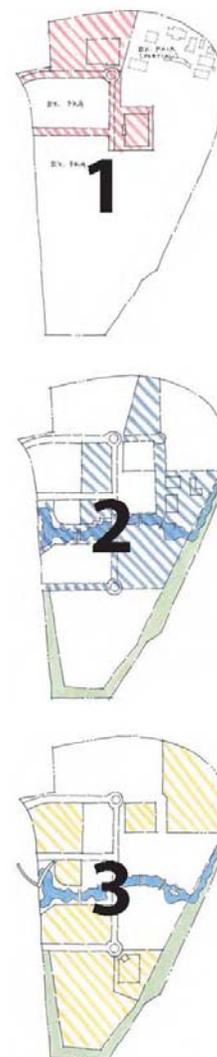
**Assumptions Regarding Entitlement and Construction**

The analysis assumes it will take two years to entitle the project, including certification of the EIR and expiration of all appeal periods. During that period, the analysis assumes the County is funding the entitlement at a cost of \$3 million. This investment, in addition to the \$1.5 million spent for the Visioning Process, will earn a 12 percent return through a ground lease payment negotiated with a master developer.

Upon completion of the entitlements, the County will negotiate a master ground lease with a developer for the property. The master developer will be responsible for demolition of buildings as necessary, offsite infrastructure including traffic improvements, onsite infrastructure including the Public Entertainment Zone, any payments required to attract tenants and/or end users, and a \$15 million contribution to the construction of vertical public facilities such as the Exposition Hall. It is assumed that the site development necessary for initial vertical construction will take two years.

As the site is developed by a master developer in phases pursuant to the phasing plan outlined in the Vision (Exhibit E), areas will become available for end users. For private purposes this includes component land uses such as Entertainment Retail, Retail, Hotels, Restaurants and Office Space. The master developer may develop these areas itself, or sublease them to other developers/operators.

For public purposes, areas will also become available to develop the Fair of the Future including the Exposition Hall and multipurpose sports fields. The costs, timing and construction of these facilities would be borne by the County (see Exhibit F), with a financial contribution from the master developer.



*Three major phases of development are anticipated, linked to offsite transportation improvements.*

## Estimated Project Costs

For purposes of this financial analysis, project costs were estimated for entitlement, onsite and offsite infrastructure costs and construction costs of the public facilities as detailed in the table below. These costs were the result of sources and assumptions outlined in Section II and further detailed in the exhibits noted in the table below.

**TABLE 1 : ESTIMATED FUTURE PROJECT COSTS**

#	Expense	Amount	Party Responsible	Note/Source
1	Entitlement Costs*	\$3,000,000	County	Initial Estimate
2	Onsite Infrastructure <sup>1</sup>	\$46,800,000	Master Developer	Mackay/Somps
3	Offsite Infrastructure <sup>2</sup>	\$60,100,000	Master Developer	Arup
4	Contribution to Fair Facilities	\$15,000,000	Master Developer	ERA
5	Const. of Other Fair Facilities <sup>3</sup>	\$31,300,000	County	ERA
	<b>Total</b>	<b>\$156,200,000</b>		

Notes: \* This does not include County costs related to the Visioning Process that have already been spent (approx. 1.5 M).

<sup>1</sup> See Exhibit C

<sup>2</sup> See Exhibit D

<sup>3</sup> See Exhibit F

The master developer would be responsible for approximately \$122 million to be funded almost entirely at the beginning of the project. The County would be responsible for a total of approximately \$34.3 million at buildout. Of the \$34.3 million, only the portion related to entitlement would be spent at the onset of the project (approx. \$3 million), and the portion related to the initial vertical construction of the Exposition Hall and multipurpose sports fields would be spent during Phase I (approx. \$11.6 million). The balance would only be spent at such time as additional fair facilities are constructed, which is not anticipated until Phases 2 and 3 of the development. See Exhibit F for a detailed overview of phasing and costs related to Fair facilities.

All other costs of vertical construction (e.g. new building construction, repair, renovation and/or expansion of existing facilities, etc.) for private purposes are assumed to be included in the analysis for each component land use.

### Component Land Uses – Private Portion of the 2009 Vision

- Retail and Restaurant: The Project Vision contained 523,000 square feet of Restaurant and Retail space. Exhibit G details the assumptions related to this land use for construction costs and projected revenue generation.

- Office: The Project Vision contained 284,000 square feet of office space. Exhibit H details the assumptions related to this land use for construction costs and projected revenue generation.
- Hotel: The Project Vision contained two new hotels with 375 total rooms. Exhibit I details the assumptions related to this land use for construction costs and projected revenue generation.
- Entertainment Retail: The Project Vision contained 150,000 square feet of Entertainment Retail space. Exhibit J details the assumptions related to this land use for construction costs and projected revenue generation.

### **Component Land Uses – Public Portion of the 2009 Vision**

The Project Vision includes a number of public facilities that would be constructed and operated by the County and/or the Fair Board as the Fair of the Future. This includes a 100,000 square foot Exposition Hall, multipurpose sports fields, 88,000 square feet of additional Fair-related buildings and additional LED signs to support the Fair, Exposition Hall and development. The costs for these facilities are included in Table 1 and detailed in Exhibit F.

On an operating basis, the Fair of the Future revenues are projected into the future by taking the average of the most recent three historical operating years and expanding it. Though several key revenue streams are assumed to be eliminated as their facilities are demolished to make way for the Vision (e.g., the horse racing track), new revenue potentials are identified in the Exposition Hall and LED Signs. Exhibit K details the assumptions related to the Exposition Hall for construction costs and projected revenue generation.

Operating expenses are projected the same way as revenues. Expense items will change as the facilities change, but by projecting the total into the future based on historical averages, the financial analysis is assuming roughly the same number of staff will be required to operate the Fair of the Future, and that the skill sets will be roughly equivalent. Based on these assumptions, on an operating basis, the Fair of the Future returns positive cash flow to the County as detailed below in Table 2.

### **Project Revenue Assumptions**

The financial analysis assumes that the County executes a ground lease with a master developer who in turn develops the site as detailed in the Vision Plan, derives project revenues in excess of its investment, and generates a 12 percent IRR on its investment. This return was evaluated in the marketplace and deemed adequate as there is an assumption that the project is highly desirable and developed in a normal market, the entitlement risk has been eliminated and the return is unleveraged. Adding project financing would significantly increase the IRR on equity.

Based on this master ground lease structure, an evaluation was made as to the revenues the project will generate for the City, County and other public agencies at stabilization (projected in Year 15) based on the specific redevelopment district (see Exhibit A for assumptions). The sources of the project revenues are estimated as follows:

**TABLE 2 : ESTIMATED PROJECT REVENUES AT STABLIZATION (YR 15)**

#	Revenue Source	Amount
1	Ground Lease Payment from Master Developer	\$709,000
2	Operational Positive Cash Flow From Fair	\$531,000
3	Sales Tax	\$3,637,000
4	Hotel Tax	\$2,246,000
5	Property Tax	\$5,182,000
	<b>TOTAL</b>	<b>\$12,305,000</b>

Of the \$12.3 million estimated project revenue, the pass through agreements require that certain monies go to other entities as follows:

**TABLE 3 : ASSOCIATED PASS THROUGH EXPENSES**

#	Designated Entity	Amount
1	Redevelopment Agency	\$1,396,000
2	Housing Set Aside	\$1,036,000
3	Schools	\$784,000
4	Greater Vallejo Recreation District	\$179,000
5	Other Agencies	\$250,000
	<b>TOTAL</b>	<b>\$3,645,000</b>

The figures in Table 2 represent annual project revenues. Of the total \$12.3 million, it is assumed in this analysis that \$5.5 million will need to be reinvested in the project for public infrastructure. A portion of the \$5.5 million may come from reinvestment of pass through monies, but that is undetermined at this time. As the project becomes more refined, a project level financing plan can be developed.

### Estimated Project Returns

Based on the assumptions made as noted above, the project revenues create a return of more than 7 percent on the County's total investment of approximately \$36 million (includes the \$1.5 million already spent on the Project Vision and \$34.3 million expected to be spent in the future). This is an unleveraged return and does not take into account the benefits of financing. It is

noted that this may be conservative, as the timing and extent of additional fair buildings, beyond the Exposition Hall and multipurpose sports fields, is solely at the County's discretion and alternative funds for development of these facilities may become available (see Exhibit F for total Fair-related construction costs). This 7 percent return differs from the 12 percent return noted above. The 12 percent return is an assumption embedded in the ground lease with a master developer based on the County's expenditures for visioning and entitlement (approximately \$4.5 million). The 7 percent return represents a total project return based on all investments and revenues as detailed in this financial analysis.

#### **IV. SIX FLAGS SHARED PARKING ASSUMPTIONS**

The Vision includes synergies with Six Flags Discovery Kingdom, which brings an average of 1.5 million visitors to its theme park each year. Shared parking for Six Flags has always been anticipated throughout the buildout of the project. For the purpose of this financial analysis, the following assumptions were made:

- Both Solano County and the City of Vallejo have separate agreements related to parking for Six Flags Discovery Kingdom.
- As part of the agreement between the County and the Marine World JPA, Six Flags can utilize a portion of the Fairgrounds parking lot as overflow parking. This agreement expires in December 2011.
- As part of the agreement between the Redevelopment Agency and Marine World, the Redevelopment Agency has an obligation to contribute funds (up to \$7 million) to help Six Flags address their parking needs should the County terminate their overflow parking agreement. This agreement expires in February 2015.
- As part of the Visioning Process, the Solano 360 team conducted several interviews and meetings with Six Flags. During these meetings, representatives of Six Flags stressed the importance of a long-term parking solution for the area.
- The Project Vision includes provisions that a shared parking arrangement could continue through the buildout of the project though it may be non-exclusive parking.
- Regardless of the future of the fairgrounds, given the expiration of the agreement for the County to provide parking and the Agency's agreement to provide funding, a permanent long-term solution will need to be addressed.
- The Financial Feasibility Analysis takes a conservative stance due to the need to provide convenient, low cost parking for some of the retail and entertainment uses, and does not include revenues derived from parking.
- In the event the County, the Agency, and/or Six Flags wants to enter into another agreement following the expiration of the current agreements, any future revenue sharing would be a net benefit to the project.

## **V. ANALYSIS OF AN ALTERNATIVE SUGGESTED PLAN**

As part of the Visioning Process, the project team led an intensive community outreach program that included community workshops, meetings, presentations and interviews with local stakeholders, a Community Outreach Office, project website and online survey. The community's input and ideas throughout the Visioning Process were instrumental in the creation and development of the ultimate Project Vision.

During the Visioning Process, the project team received an alternative vision from a community member entitled "Proposal for a Youth and Amateur Sports Complex at the Solano County Fair." The alternative presented the concept of an approximately 90 acre regional sports facility. ERA and the land planning team reviewed and evaluated this concept, including its financial feasibility and ability to meet the Guiding Principles of the Solano 360 Vision Process.

ERA's research focused on comparable youth sports complexes, in particular, facilities that were operated by either the city itself or by a non-profit organization. Research of comparable youth sports facilities showed that these complexes tend to rely heavily upon subsidies and do not generate enough revenue to cover infrastructure improvements and development costs. The majority of the facilities surveyed do not generate enough revenue to even cover ongoing operating costs. In addition, sports complexes are not a significant job generator for the amount of land devoted to them. See Exhibit L for additional research and findings.

ERA's analysis indicates that this type of use would not be financially feasible, and would not meet the majority of the Guiding Principles that were unanimously approved by the City and County to guide the creation of a Project Vision. In comparing the Vision Plan to the suggested alternative, both would have the potential to generate fiscal revenues through sales taxes and hotel taxes. However, the Vision Plan would also generate significant tax and ground lease revenues due to the value of additional private development. These revenues are necessary to help fund the considerable investment required in public infrastructure improvements. The alternative plan would generate little or no additional tax revenues because the sports fields would be primarily a public asset and not on the tax rolls, and any lease revenue is likely to be consumed by operating costs.

However, the planning team recognized the need and community benefit of recreational youth sports facilities and incorporated four, potentially five, regulation-sized fields for soccer, lacrosse and other sports. In addition, the Exposition Hall can be used for indoor sporting events. During the annual County Fair, these same fields are designed to accommodate the midway or overflow parking. Thus, the youth sports concept not only supports the Fair, but also provides year round value.

## **VI. COST OF COUNTY AND CITY SERVICES**

It was beyond the scope of this analysis to assess the cost of providing City services to the project; rather, project revenues were identified globally so it can be determined if the City can retain sufficient resources to cover expenses. It is the intent of both the City and the County that the residual revenues accruing to the City will be sufficient to pay for the required services. Revenue sharing agreements will address this issue specifically, and may be modified in the future as the plan evolves and project level financing is determined.

County administrative costs were included in the analysis to reflect a project manager within the County staff for the project. The analysis assumes most of the development is handled by a third party master developer, and consequently, the County's project management costs will be minimal.

## **VII. CONCLUSION**

Based on the methodology and assumptions outlined above, the Project Vision returns a positive return on investment, both to public monies spent for the Vision and entitlement, but also to monies spent on infrastructure, land and construction, with a return of more than 7 percent accruing to the County.

At stabilization (Year 15), it is projected that the project will produce approximately \$12.3 million in direct annual revenues to the City and County, including pass throughs. Of this amount, approximately \$5.5 million is projected to be reinvested in the project for both onsite and offsite infrastructure.

In addition, this financial analysis does not address the larger community benefits that would result from the buildout of the Vision. The mix of uses contemplated in the Vision has the potential to create thousands of permanent and construction jobs and in excess of \$500 million in new investment in Solano County. Dollars derived from visitors to the site from outside the local area would create multiplier effects that would be a benefit County-wide.

It should be reiterated that this is a “vision” level analysis. Many factors can change that will affect the project’s feasibility. This could include changes in the project size and mix of uses, conditions of approval of the entitlement, state or federal subsidies for offsite or onsite infrastructure improvements, additional refinements of onsite components including public facilities that reduce or increase costs, terms of a modified or new redevelopment agency, market conditions, revenue reinvestment decisions, etc. Ultimately a project level financing plan will be conducted that includes a fiscal impact analysis for public agencies. This financial analysis will aid in the evaluation and refinement of the Vision Plan so as to optimize project returns to the County and City.

## VIII. EXHIBITS

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- A. Global Assumptions Table
- B. Project Team Credentials
- C. Infrastructure Costs
- D. Offsite Transportation Summary
- E. Vision Report Phasing Plan
- F. Construction Costs of Fair Facilities
- G. Retail and Restaurant Assumptions Table
- H. Office Assumptions Table
- I. Hotel Assumptions Table
- J. Entertainment Retail Assumptions Table
- K. Exposition Hall Assumptions Table
- L. Youth Sports Complex Analysis

EXHIBIT A  
Global Assumptions Table

**EXHIBIT A**

**ASSUMPTIONS THAT ARE GLOBAL TO THE ANALYSIS**

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Annual Inflation	2.0%	
Prop 13 Limitation on AV Growth	2.0%	escalation allowed per year
Property Tax Increment	1.0%	of New Assessed Value Created
Affordable Housing Set Aside	20.0%	of the 1.0% Property Tax Increment
<u>Tier 1 Pass Thru:</u> <sup>1</sup>		
Pass Thru to Affected Agencies	46.3%	of the 1.0% Property Tax Increment (through 2014-15)
Total Pass Thrus + Set Asides	66.3%	of the 1.0% Property Tax Increment (through 2014-15)
Amount Flowing to Redevelopment	33.7%	of the 1.0% Property Tax Increment (through 2014-15)
<u>Tier 2 Pass Thru:</u> <sup>1</sup>		
Pass Thru to Affected Agencies	56.1%	of the 1.0% Property Tax Increment (starting 2015-16)
Total Pass Thrus + Set Asides	76.1%	of the 1.0% Property Tax Increment (starting 2015-16)
Amount Flowing to Redevelopment	23.9%	of the 1.0% Property Tax Increment (starting 2015-16)
 <u>Distribution of the Pass Thru Funds</u>		
General County	31.3%	of the Pass Thru to Affected Agencies
City of Vallejo	24.6%	of the Pass Thru to Affected Agencies
Schools and Education <sup>2</sup>	28.5%	of the Pass Thru to Affected Agencies
GVRD	6.5%	of the Pass Thru to Affected Agencies
All Other Agencies <sup>3</sup>	9.1%	of the Pass Thru to Affected Agencies
	100.0%	
Local Portion of Sales Tax	1.0%	of Gross Retail Sales (i.e., net of transportation component)
Hotel Tax Rate	11.0%	of Gross Room Sales
Master Ground Lease Term	55	years (thus, after signing lease in year 3, analysis runs to year 58)
Cost of a County Project Manager	\$150,000	annual cost including benefits package for a full-time-equivalent person in 2009-10 dolla

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<sup>1</sup> Provided by City and County staff and consultants.  
<sup>2</sup> Mostly Vallejo USD at 24.1%, but also including Solano Community College, County Superintendent of Schools, etc.  
<sup>3</sup> Including County Free Library, Aviation, Recreation, Solano County Water Agency, Mosquito Abatement, BAAQMD, etc.  
Source: Economics Research Associates.

EXHIBIT B  
Project Team Credentials

**Economics at AECOM/ERA**

The Economics Practice at AECOM was founded as Economics Research Associates (ERA) in Los Angeles in 1958. Headquarters are in Los Angeles, California, with offices in Chicago, San Francisco, San Diego, New York, London, Hong Kong, and Washington, D.C. There are roughly 100 members of the staff; professional consultant tenure with the firm averages 11 years. In domestic and international projects, Economics at AECOM has completed more than 17,000 research and consulting assignments. Approximately half of these have been for public agencies, and half for private development interests. Fusing talents of a multidisciplinary staff, the firm's experience has concentrated in four interrelated fields: (1) economic development and planning; (2) real estate and land use; (3) recreation, tourism, and leisure time; and (4) public assembly facilities.

In urban and regional economics, Economics at AECOM has conducted major studies for public and private clients in most major metropolitan areas. These have included economic base studies, urban redevelopment feasibility assessments, long-range master plans, and analysis of interactions of urban transport with metropolitan development. The firm is frequently called upon to assess fiscal impacts of development policies and projects and to recommend revenue diversification programs. Economics at AECOM often performs negotiating services and analyses for public clients seeking private ventures. The firm has been involved in all five rounds of contemporary military base reuse planning, defense industry conversion, and community economic diversification since 1988.

Real estate and land use economics constitute a primary area of Economics at AECOM project experience. Economics at AECOM has studied the marketability, feasibility, and appropriate project densities for all types of real estate uses. A specialization of the firm involves adaptive use and commercial property revitalization. Economics at AECOM also conducts project valuation analyses, portfolio reviews, and prepares independent review valuations during sales transactions. Specialties of the firm, in addition to the full range of urban real estate product types, include destination resorts and hotels, high-technology parks, and university-related land uses.

Economics at AECOM's work in the field of recreation, tourism, and leisure time incorporates experience in formulating tourist development plans for major geographic regions and subregions, evaluation of specific public and commercial recreational facilities, and analysis of special mass attraction events and sports facilities. Long known for its work with major theme parks in the United States, and now internationally as well, Economics at AECOM has also led in the definition of responsible revenue generation and cost coverage programs for public park systems. The firm is presently a leading authority on the development and programming of urban entertainment centers.

The development and operation of public assembly facilities almost always involves public/private partnerships. Economics at AECOM has worked with these to develop and expand: convention centers, conference centers, exhibition/tradeshows facilities, performing arts centers, concert theaters, sports stadiums and arenas. Economics at AECOM's services in the public assembly industry include market analysis, needs assessment, financial pro forma projections, attendance and utilization projections, economic impact, and deal structuring between public and private partners.

**Representative Projects**

We believe we have more experience than any other land use economics firm with California's fairgrounds. A listing of a portion of our nationwide fairgrounds experience is presented later in this submittal. More local relevant experience, including previous work on your site, includes the following:

- Cal Expo/NBA – AECOM has just been retained by the NBA to study the potential for redevelopment of the entire Cal Expo site in Sacramento to make room for a major league arena, a mixed-use retail and entertainment complex, hotels, residential development, and a campus that continues to meet the needs of the state fair. We have previously conducted many other assignments directly for Cal Expo.

- Vallejo Convention and Visitors Bureau - Market support for convention/conference facilities on County Fair property in Vallejo, California.
- Santa Clara County Fairgrounds – AECOM has conducted half a dozen studies for Santa Clara County related to efforts to redevelop the fairgrounds property, balancing the ongoing needs of the fair with the potential for a major new exposition hall and a 6,000 seat concert hall to be operated by House of Blues.
- San Mateo County Expo Center – Market and financial feasibility of developing a day use conference center on the Expo campus.
- Cow Palace – Market overview and analysis of potential options for the Cow Palace site, including relocation options.

We are accustomed to working on high-visibility, large scale, politically charged projects. AECOM is currently analyzing a mixed-use entertainment project including retail, restaurants, residential, a 12,000-seat event center, and a 550- room new headquarters convention hotel in downtown Albuquerque. AECOM is currently studying the fiscal and economic impacts of the proposed mixed-use Ballpark Village to be developed in Fremont to house the relocated Oakland Athletics along with a lifestyle retail center, boutique hotel, and several thousand housing units. Other qualifications of AECOM can be found in the attached material and on our website at [www.econres.com](http://www.econres.com) .



## **Steven E. Spickard, AICP, Senior Vice President**

Mr. Spickard has conducted over 350 successful consulting assignments in his 30 years with ERA. His primary area of specialization is in assessing the market demand, financial feasibility, and economic impacts of development projects that attract and entertain people. A selection of his clients and projects that reflect this specialized experience include the following:

### *Mixed-Use Urban Real Estate Development*

- **San Francisco Waterfront** – evaluation of a proposed 16-acre waterfront mixed-use development including office, retail, industrial/technology, historic preservation, and cultural arts components for the Port of San Francisco;
- **Riverfront Attractions** – feasibility, operations and impacts of six proposed projects along the riverfront in Portland, Oregon, including restaurant, retail, market hall, and recreational uses;
- **Santa Fe, New Mexico** – market demand and financial pro forma analysis for alternative mixes of retail, hotel, residential, and office uses in a vibrant complex in the heart of the historic district of Santa Fe; and
- **Expansion of Anchor Use** – feasibility of expansion for the Moscone Convention Center which serves as the largest anchor for the mixed-use district known as Yerba Buena Center in San Francisco.

### *Entertainment Driven Projects:*

- **Santa Clara County/House of Blues** – Market analysis and financial feasibility of developing a 7,000-seat concert hall for popular music as a public/private partnership;
- **SMG** – Market potential for reprogramming the Bill Graham Civic Auditorium in San Francisco to accommodate more sports events and popular concerts;
- **California Capital Group** – Market potential for live music and entertainment reuse of the Historic Fox Theater in Oakland, California;
- **Grateful Dead Productions** – Market analysis and financial feasibility of a proposed entertainment attraction focusing on the music scene in San Francisco;
- **City of Portland, Oregon** – Analysis of the revenue potential for continued use of the Memorial Coliseum as a sports and entertainment venue; and
- **State of Washington** - Economic implications of five proposed themed attractions designed to draw additional tourists from out-of-state.



### *Sports Driven Projects:*

- **Oakland A's** – Economics of moving the MLB franchise to a new site in Fremont, California, and developing a 143-acre mixed-use “Ballpark Village” with residential, lifestyle retail, main street retail, and hotel uses in addition to the major league sports facility (current assignment);
- **San Francisco Giants** – Multiple assignments, including economic impact of MLB franchise, impact of a new downtown ballpark, potential for concerts and other entertainment uses within the facility, and investigation of other ventures outside the facility for their subsidiary, Giants Enterprises;
- **Oakland-Alameda Coliseum Commission** – Potential for revenue enhancement and economic impact of constructing the new Oakland Arena;
- **Blockbuster Entertainment Corp.** – Economic impact and tax revenue generation of developing a billion dollars worth of real estate in South Florida, including an arena, a stadium, an entertainment village, and visitor-serving hotel and meeting facilities;
- **State of Utah** - As part of the analysis of the feasibility of holding the Olympic Winter Games in Utah, assessment of the immediate and long-range economic impacts; and
- **Portland Development Commission** – Market analysis for Mixed-Use in support of the urban design planning to enhance the Rose Quarter Entertainment District including the Rose Garden Arena, Memorial Coliseum, Oregon Convention Center, and other facilities.

### *International-Scale Master Planning Projects*

- **Philippines** – Mr. Spickard conducted market and financial analyses in service to the master planning team on the redevelopment potential of a five-hectare site in the Metro Manila area of the Philippines. The proposed project included 300,000 square meters of office and commercial retail space, and over 1,000 hotel, residential, and serviced apartment units;
- **Hong Kong** – Mr. Spickard analyzed the feasibility of a proposed new theme park and related mixed-uses in Hong Kong that would be based on the Hong Kong film industry;
- **Canada Olympic Park** – In Calgary, Mr. Spickard headed up the economic analysis on the master planning team for the expansion and intensification of uses on the site of the former 1988 Olympic Winter Games, including evaluation of a wide variety of indoor and outdoor sports facilities;
- **New Zealand** – For the New Zealand Government, Mr. Spickard served with an international team of consultants in formulating a tourism development strategy for the rural West Coast of the South Island; and
- **Korea** – Mr. Spickard was part of the ERA team that analyzed the potential for the nation’s largest exhibition and convention center complex including hotel and mixed-use development in the city of Koyang, Korea, just north of Seoul.

Mr. Spickard has evaluated markets for entire new towns as well as for individual proposed retail, residential, office, hotel, and mixed-use projects in dense urban settings throughout the Western United States. After assisting in project concept formulation from a market perspective, Mr. Spickard typically evaluates planning alternatives from the dual perspectives of private developer pro forma financial feasibility, and such entitlement concerns as job creation, economic development and fiscal impacts.



Prior to joining ERA, Mr. Spickard spent several years at SRI, International, and had job experience in local, regional, state and federal governments. Mr. Spickard graduated Magna cum Laude from the University of California, Berkeley, with a BA in economics. He later returned to Berkeley to earn a Masters degree in City and Regional Planning. Steven E. Spickard, A.I.C.P., is a charter member of the American Institute of Certified Planners, and is a LEED Accredited Professional.

**CB RICHARD ELLIS**  
**SERVICES**



## STRENGTH

CB Richard Ellis is the world's largest commercial real estate service provider. Our leadership comes from an enduring culture of client service. Every day we think about new ways to create value for our clients. We are the fastest to launch new services, develop market niches, and provide solutions to a swiftly evolving set of client requirements worldwide. Our clients harness the power of tens of thousands of local professionals, with intimate knowledge of every major market in the world, supported by the broadest spectrum of global intelligence, relationships and experience.

Our fully integrated, global service platform assists clients in seizing the full gamut of real estate opportunities. Our values—respect, integrity, service and excellence—are the ballast that grounds and guides our efforts. We are expanding our long-standing endeavors in corporate citizenship, including one of the industry's largest global initiatives to curb greenhouse gases.

CB Richard Ellis offers clients thought leadership, flawless execution and measurable results.





### Asset Services

Our Asset Services group transforms assets into opportunities through customized, value-added solutions that deliver measurable results in property management, leasing, tenant relations, project and construction management, technical services, sustainable business practices, risk management, business continuity planning, purchasing and financial reporting.

### Brokerage Services (Tenant and Landlord)

CB Richard Ellis provides a complete spectrum of commercial real estate brokerage services for tenants/occupiers, property owners and narrowly focused vertical industries in the office, industrial and retail sectors. Our clients make informed real estate decisions underwritten by industry-leading proprietary market research, and analytical and consulting services. The Brokerage division draws frequently and seamlessly from other CB Richard Ellis services to address clients' needs anywhere in the world.

### Capital Markets

Our Capital Markets group integrates the company's investment sales and debt and equity finance businesses into a single, complementary global service offering. CB Richard Ellis is the worldwide leader in the acquisition and disposition of income-producing properties for third-party owners, and our mortgage banking group is a leader in debt and equity finance for all property types.

### Development & Investment Services

Our wholly owned, independently operated subsidiary, Trammell Crow Company, serves users of and investors in, office, industrial, retail, healthcare, student housing, on-airport distribution, multi-family residential and mixed-use projects. For users of real estate, the firm offers build-to-suit, buy-to-suit and redevelopment opportunities. For investor clients it offers the opportunity to participate in strategic joint ventures, co-mingled opportunity funds, and targeted individual capital programs. Having developed or acquired over \$50 billion of projects, Trammell Crow Company has considerable experience building value for its clients.





## Facilities Management

Managing more than one billion square feet for corporate, institutional, not-for-profit and government space users around the world, the Facilities Management group delivers the highest level of customer service and value, enabling clients to focus on their core business. By partnering with our clients, our approach to facilities management goes well beyond traditional service models. Our people apply our knowledge, technology, procurement leverage and processes to customize service delivery to any client's culture, and create a competitive advantage for the client.

## Global Client Strategies | Consulting

Our Global Client Strategies organization drives superior business performance for our clients by maximizing value from their real estate assets and management practices. The group delivers consulting solutions that combine business intelligence with organizational strategies, portfolio optimization, expense management strategies, and labor analysis. We also serve our clients by driving innovation, researching emerging trends, and sharing leading practices.

## Global Corporate Services

Our Global Corporate Services group delivers customized, innovative workplace solutions in multiple markets worldwide. Strategically positioned to answer the real estate needs of our corporate, healthcare, government and institutional clients, this group combines expertise in portfolio management, transaction services, facilities and project management. We offer consulting with industry-specific expertise, and global service delivery to provide clients with long-term, quality account management that drives measurable results.

## Healthcare Services

Our Healthcare group professionals provide a comprehensive range of real estate and facilities management services to healthcare providers. Our specialized staff focuses on hospital and medical office development, clinical facilities management (inclusive of energy management), medical office building leasing and management, brokerage services and monetization of non-core real estate assets.



## Investment Management

CB Richard Ellis Investors is a wholly owned, but independently operated, real estate investment management firm with more than \$35 billion of assets under management. Its mission is to provide real estate investors with exceptional performance globally. Investment funds and programs are diversified by strategy, region, and/or relative risk/return, and are executed by dedicated investment management teams focused on a specific geography and style of investing.

## Industrial Services

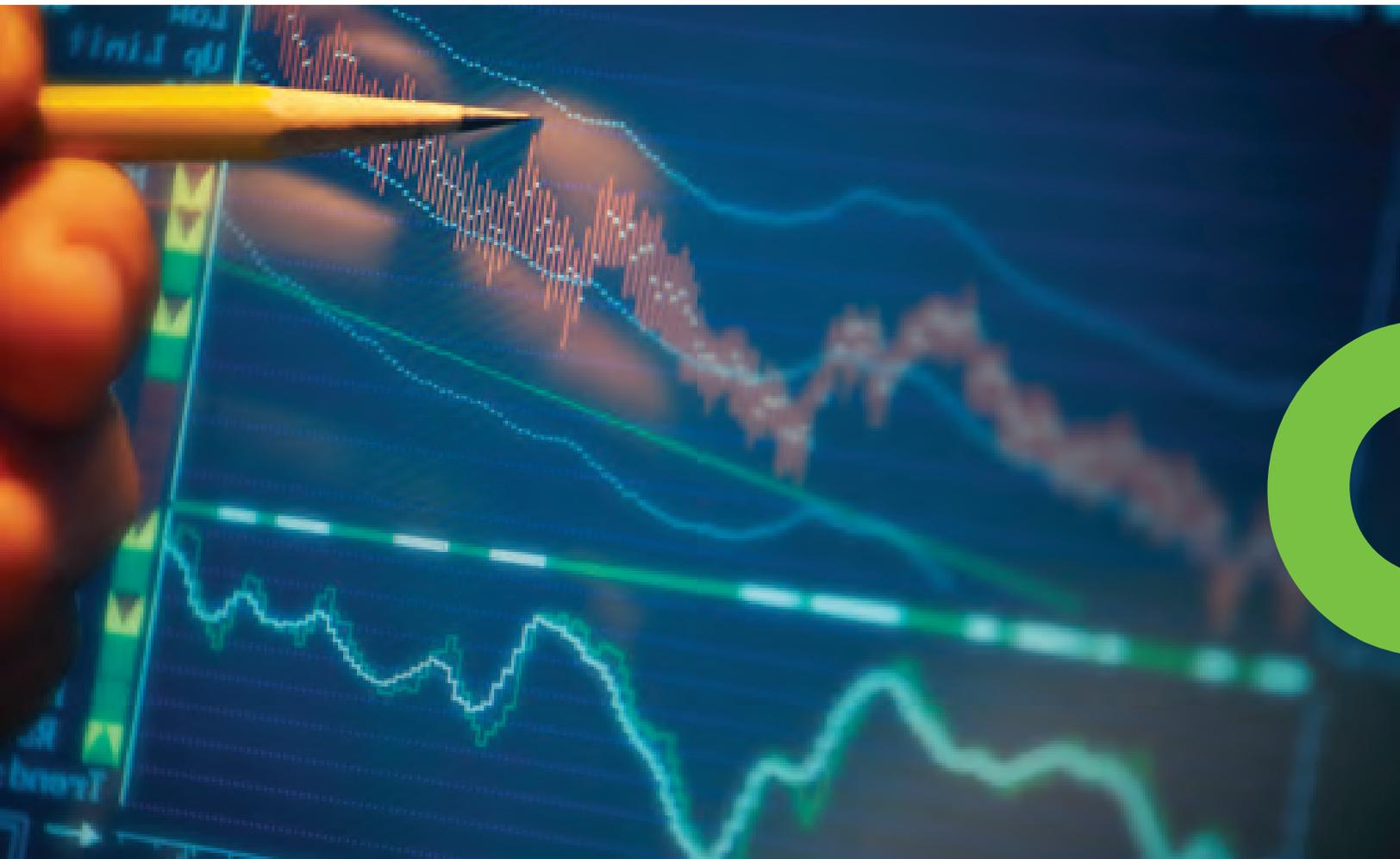
The Industrial Services group addresses the needs of owners and occupiers at every stage of the supply chain, with a special emphasis on ports, intermodals and air cargo. These professionals also work closely with research and development, manufacturing, assembly and warehouse and distribution, as well as land acquisition and disposition. These services are founded on a deep understanding of the assignment and/or project, and our strong belief in specialization, including professionals focused specifically on logistics, life sciences, food solutions and special properties, as well as our global occupier practice.

## Project Management

As one of the world's largest providers of professional real estate project management services, we offer a full menu of solutions to address the challenges that real estate occupiers and investors face across the globe. Our solutions include project management, outsourcing strategies, program management services, interior build-outs, project management for critical environments, moves/adds/changes, capital improvements and building renovations, and tenant improvements.

## Office Services

Office Services represents the largest segment of CB Richard Ellis' transaction activity. We have more professionals specializing in the office sector than any other firm. Our professionals specialize in either occupier/tenant or owner/investors needs. CB Richard Ellis professionals, unsurpassed in their local market knowledge, are supported by leading econometric forecasting and proprietary market research tools, to ensure our clients make strategic and informed decisions.



## Research and Investment Strategy

We provide commercial real estate forecasting and investment strategy services. These services cover markets around the globe in all quadrants of the real estate market, including public, private, debt and equity. We provide unrivaled, insightful analysis and opinions, based on a highly academic approach and access to the largest database of deal specific information. Our highly rigorous and reliable forecasting models, proven record of accomplishment and sophisticated analytical expertise have earned us international recognition.

## Retail Services

The Retail Services group offers solutions to the unique needs of a diverse group of retailers and retail property owners, buyers and sellers. Our expertise includes both urban and suburban real estate, and all types of retail centers. Our integrated retail real estate services include strategic planning, retailer site acquisition, disposition, investment sales, leasing, finance, asset services, mall and urban expertise.

## Valuation & Advisory Services

The Valuation & Advisory Services group provides independent, accurate, reliable and timely valuations critical to the success of every real estate transaction or financing. This is accomplished through the accumulation and dissemination of comprehensive data on commercial real estate throughout the world.



[www.cbre.com](http://www.cbre.com)

CIVIL ENGINEERS

PLANNERS

SURVEYORS



“A problem, identified and solved before you reach it, really isn't a problem at all.”

## SOLANO COUNTY FAIRGROUNDS

**MACKAY & SOMPS**

ENGINEERS      PLANNERS      SURVEYORS

5142 Franklin Drive, Suite B, Pleasanton, CA 94588 (925) 225-0690

JANUARY 13, 2010

**OUR HISTORY**, founded in 1953, MacKay & Soms provides civil engineering, land surveying and land planning services. The firm operates out of three offices located in Pleasanton, Sacramento, and Roseville, serving both the land development industry and the public works sector. The firm consistently ranks in the top half of the Engineering News Record “Top 500” design firms.



Over our 55+ year history, MacKay & Soms has successfully completed thousands of engineering, planning and surveying projects for clients throughout Northern

California and the Central Valley.

### OUR FOCUS

Our focus is to see that our clients’ projects get planned, designed and built, efficiently and successfully.

### OUR EXPERIENCE

Our 55+ years of company-wide experience lets us address complex issues quickly and confidently, using what we know has worked in the past to help our clients develop a vision of what will work now and in the future. It lets us prepare more effective designs and schedules. It produces fewer plan checks. Our experience gets projects planned, designed and built.

### OUR FORESIGHT

Our ability to look forward is what many clients value most; to identify physical and political opportunities and constraints early; to anticipate questions before they are asked; to predict and solve construction problems before they occur; and then plan and design projects accordingly. We know how to stay ahead of the curve to avoid misunderstandings and mistakes that can turn into costly delays.

### OUR PEOPLE

In every office you’ll find staff with 10, 20 and 30+ years on the MacKay & Soms team. Over half of our employees are licensed professional engineers, landscape architects/planners and/or land surveyors, including LEED Accredited Professionals. Our seasoned project managers in every office have solved complex planning and design issues. The MacKay & Soms team is able to draw on our vast experience from past projects to develop solutions for today’s challenges. Our long-lasting relationships with high-level agency officials and building industry leaders help keep projects on track.

### OUR SERVICE

On a day-to-day basis, you can expect responsiveness: timely solutions to questions and problems, on-schedule



performance, proactive project management, and high-level attention and advice based on extensive, real-world experience. Clients have been returning to MacKay & Soms again and again for decades, and they tell us our client service has a lot to do with that decision.

### OUR QUALITY

Our QA/QC program at its core is based on the principles of Value Engineering. We look for ways to help control both design and construction costs. Our most senior people are involved with and conduct constructability reviews throughout the planning and design process. Each of our offices has an engineering manager who is in “responsible charge” and signs all engineering documents. Our goal is to provide complete and accurate plans and avoid re-engineering and project delays.

*More information about our company can be found on our website at [www.msce.com](http://www.msce.com)*

We integrate our planning, engineering and surveying expertise as appropriate on all of our projects. The types of services we provide include the following:



## PLANNING SERVICES

- Constraints Identification and Mapping
- Development Feasibility Studies
- GIS Database Research
- Environmental Analysis Assistance
- Site Planning and Lotting Studies
- Digital Graphics, Color Illustrations and 3D Animations
- Zoning Changes and General Plan Amendments
- Master Plan Community Design
- Specific Plan Preparation
- Tentative Mapping
- Support for CEQA Documentation



## ENGINEERING SERVICES

- Infrastructure Master Planning
- Roadway Precise Plan Lines and Improvement Plans
- Sewer Collection System Analysis and Design
- Potable and Recycled Water System Analysis and Design
- Drainage / Flood Control System Analysis and Design
- FEMA CLOMR / LOMR Applications
- Storm Water Quality Treatment Designs
- Grading Plan Design and Earthwork Calculations
- Specifications and Bid Packages
- Construction Cost Estimates
- Engineering for Public Finance District Engineering
- Area of Benefit Analysis
- Fit List Analysis
- Composite House Assignment Exhibits
- Individual Plot Plans



## SURVEYING SERVICES

- Topographic Surveys
- Boundary Surveys
- Right-of-Way Surveys
- Property Descriptions
- Final Subdivision Maps and Parcel Maps
- Condominium Mapping
- Construction Surveying and Staking

## OUR OFFICES

# MACKAY & SOMPS

ENGINEERS PLANNERS SURVEYORS

Three full-service offices provide a comprehensive array of development consulting, planning and engineering services for projects throughout Northern and Central California.

### ROSEVILLE OFFICE

1552 Eureka Road, Suite 100  
Roseville, CA 95661-3040  
Phone: 916-773-1189  
Fax: 916-773-2595  
Email: [roseville@msce.com](mailto:roseville@msce.com)

### SACRAMENTO OFFICE

1771 Tribute Road, Suite E  
Sacramento, CA 95815-4487  
Phone: 916-929-6092  
Fax: 916-923-5625  
Email: [sacramento@msce.com](mailto:sacramento@msce.com)

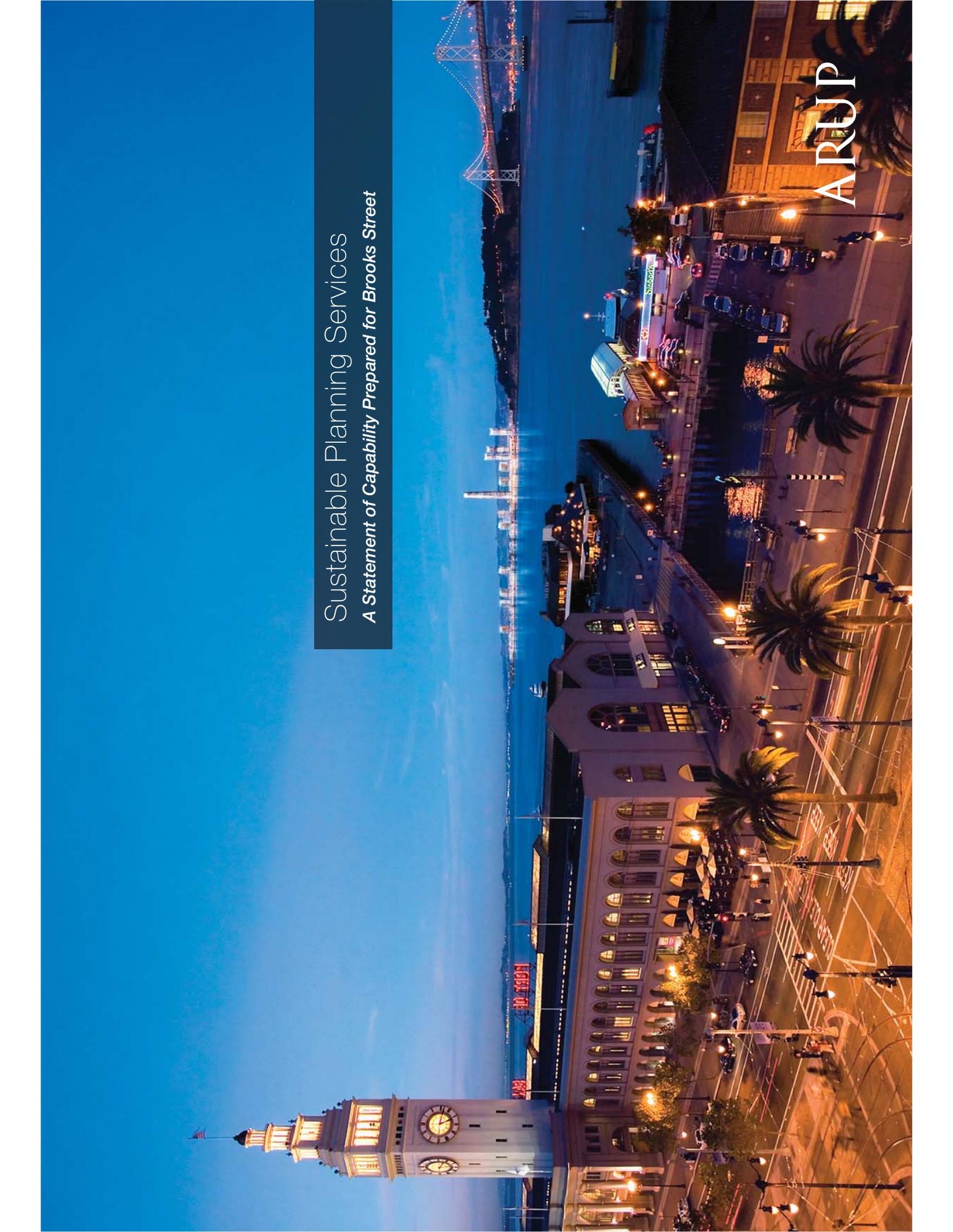
### PLEASANTON OFFICE

5142 Franklin Drive, Suite B  
Pleasanton, CA 94588-3355  
Phone: 925-225-0690  
Fax: 925-225-0698  
Email: [pleasanton@msce.com](mailto:pleasanton@msce.com)



Sustainable Planning Services  
A Statement of Capability Prepared for Brooks Street

ARUP



## An Introduction to Arup

Since its founding in 1946, Arup has become one of the world's premier engineering, planning and consulting firms. Our founder, Sir Ove Arup, believed that all good design must have a social purpose, a purpose best achieved through "total design" – an approach integrating many skills to provide simple and elegant, not simplistic, solutions to the complex problems facing our world. Sir Ove's beliefs remain the foundation of the firm's practices today. At Arup, our statement "We Shape a Better World" is more than a slogan. It defines our purpose.

Long before the concept of sustainability gained currency at the Earth Summit of 1992, Arup was pursuing sustainable solutions that were socially conscious, innovative, efficient and effective. Working around the globe, in a variety of cultures and systems on almost every aspect of the built environment, we have learned through both our successes and failures how to improve human environments while protecting and enhancing the natural environments upon which we all depend.

In recent years Arup consultants have helped regional governments plan for sustainable development in the U.S., engineered a zero-energy mixed-use development in the U.K., and planned massive, sustainable infrastructure projects throughout Asia, Europe and the U.S. The firm is continually striving to find new and more effective ways to minimize the environmental impact of buildings, developments, and transit systems, while maximizing public benefits in the most cost effective manner. In so doing we constantly strive to apply the best available science and technology to help our clients and the communities they affect to achieve their highest potential.



Treasure Island, San Francisco Bay Area, California



Beddington Zero Energy Development, UK



Concord Community Reuse Project, Concord, California



California Academy of Sciences, San Francisco, California

## Transportation Planning

Arup offers a complete range of transportation planning and engineering skills from problem identification and analysis, to functional and detailed design, and implementation and construction. We believe that effective transportation planning is an integral component of sustainable development. Our planners see the 'big picture' when delivering projects and possess a comprehensive understanding of the technical, financial and political considerations.

Our scope of expertise in the San Francisco office encompasses transportation planning, traffic engineering, and development planning. Arup is a fully integrated planning and engineering firm with a culture of collaboration across disciplines. Our transportation planners are supported by a wide range of specialists including civil engineers, transit and highway infrastructure designers and sustainability consultants. We compliment our local knowledge by leveraging the expertise of the company's global staff.

Specialist skills include:

- Transportation policy and strategy development
- Transit planning and operations
- Site access, neighborhood connectivity, and vehicle circulation
- Pedestrian and bicycle networks and linkages
- Parking policy, planning, and design
- Waterfront/riverfront access and mobility
- Transportation/land use interface
- Wayfinding and signage systems
- Traffic calming and vehicle access
- Transportation/traffic modeling
- Traffic and pedestrian simulation
- Multi-modal area and corridor studies
- Station area planning
- Airport planning
- Passenger terminal planning and design



**Berkeley Marina Ferry Terminal Parking Study**  
Berkeley, California



**Brooklyn Piers 7-12 Development Strategy**  
Brooklyn, New York



**Downtown Boise Mobility Study**  
Boise, Idaho

## Infrastructure

Our infrastructure business plans, designs, manages and delivers complex infrastructure projects to both the public and private sectors.

We are active in the energy, civil, and transport sectors, with the top level skills and experience across all of the necessary disciplines to deliver the largest and most challenging of projects.

We are organized globally to provide our clients with the best possible and state of the art experience anywhere in the region, and indeed the world, and our current assignments are some of the largest and most important projects being undertaken anywhere.

We plan, design, coordinate and construction manage infrastructure projects all across the globe on behalf of public and private clients. The breadth of our work, both in terms of geographic location and the range of skills that we employ, is extensive.

From US offices in San Francisco, New York, and Houston Arup provides infrastructure services which include:

- **Civil Engineering Projects**

- Geotechnics
- Maritime
- Tunnels
- Water

- **Energy projects**

- Energy
- Offshore engineering

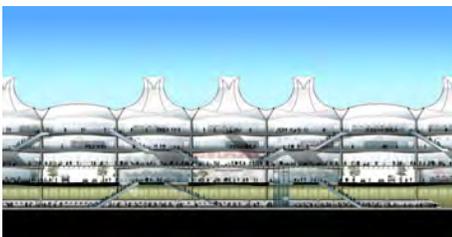
- **Transport projects**

- Airports
- Bridges
- Highways
- Rail



**Millennium Bridge**  
Denver, Colorado

A central marker and icon in a new residential and commercial development, the bridge is intended as a pedestrian crossing over rail tracks and the Regional Transportation District light rail system. It carries the extension to Denver's renowned 16th Street Mall. Arup provided structural and civil engineering services.



**Transbay Terminal Improvement Plan**  
San Francisco, California

Multi-disciplinary planning and engineering for the replacement of a downtown bus facility with a new intermodal facility for bus and rail that is vital to the San Francisco Bay Area's transportation needs. Current.



**Fulton Street Transit Center**  
New York, New York

Arup is lead consultant for the \$750 million Fulton Street Transit Center complex project, providing overall planning and project management, engineering and risk advice to MTA New York City Transit.

## Integrating Sustainability



BP Solar Showcase G8, United Kingdom

At Arup, the principles of sustainability guide everything we do. Our approach to everything from management consulting to master planning is informed by an understanding of economic and environmental impacts, social context and efficient natural resource utilization. These principles have been a vital part of the firm's ethos since its founding in 1946. Arup's sustainability services include the following areas:

### Strategic Consulting

Our consultants help clients develop strategies and take action to improve the sustainability profile of their operations, thereby improving overall performance.

### Sustainable Assessment

This includes using the LEED™ rating system and the Arup-developed SPeAR® tool, which has been used successfully to assess plans, buildings, products, organizations and processes in the US and worldwide.

### Master Planning

We provide strategic design advice, develop design guidelines and assess design strategy options and technologies at the building, community, campus and utility district levels.

### Building Engineering

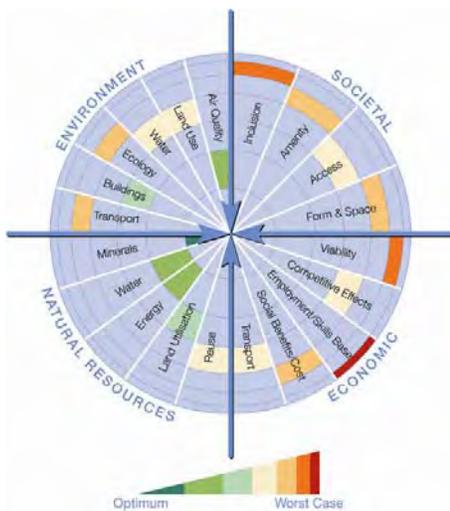
Arup's integrated engineering design services provide resource efficient, low energy, sustainable design for building projects.

### Sustainable Design Facilitation

Our broad range of services includes everything from conceptual advice on project design and leading collaborative sustainable design charrettes to project reviews, strategic white papers and design guidelines.

### Transportation and Infrastructure Planning

Our planners can help seamlessly integrate new developments into existing communities, provide bicycle and pedestrian planning, conduct demand forecasting, and help produce guidelines for sustainable site development.



Even with progress towards better indicators, linking a baseline assessment to corporate strategy and financial performance remains a significant challenge. To do so, one must understand how to integrate key industry performance drivers with sustainability strategies. Arup uses a combination of industry standard and proprietary tools to help our clients assess their competitive positioning. These transparent sustainability assessment tools, incorporating the emergent Global Reporting Initiative guidelines, give companies a basis for improving their sustainability profile and prioritizing their investments.

EXHIBIT C  
Infrastructure Costs

# **SOLANO FAIRGROUNDS PRELIMINARY CONSTRUCTION COST BUDGET ESTIMATE**

(BASED ON CONCEPT PLAN 'J' DATED MAY 14, 2009)

PREPARED MAY 27, 2009

PREPARED FOR:



PREPARED BY:



*M&S JOB NO.: 19451.000*

## BUDGET SUMMARY

ITEM	DESCRIPTION	TOTAL	BACKBONE				IN-TRACT
			PHASE 1A	PHASE 1B	PHASE 2	PHASE 3	
<b>A. DEMOLITION</b>							
1.	Surface/Underground .....	\$1,541,000	\$256,000	\$165,000	\$957,000	\$163,000	
2.	Electrical .....	\$217,000	\$34,000	\$36,000	\$107,000	\$40,000	
3.	Buildings .....	\$2,357,000	\$148,000	\$0	\$1,735,000	\$474,000	
4.	Building Abatement .....	\$1,490,000	\$80,000	\$0	\$800,000	\$610,000	
	<b>SUBTOTAL</b>	<b>\$5,605,000</b>	<b>\$518,000</b>	<b>\$201,000</b>	<b>\$3,599,000</b>	<b>\$1,287,000</b>	<b>\$0</b>
<b>B1. REMEDIAL GRADING</b>							
1.	Remedial grading (undoc. fill & compressible) .....	\$3,036,000	\$186,000	\$885,000	\$990,000	\$975,000	
2.	Remedial grading (contaminated off-haul) .....	\$250,000	\$0	\$0	\$0	\$250,000	
3.	Dewatering for remedial grading .....	\$175,000	\$25,000	\$50,000	\$50,000	\$50,000	
	<b>SUBTOTAL</b>	<b>\$3,461,000</b>	<b>\$211,000</b>	<b>\$935,000</b>	<b>\$1,040,000</b>	<b>\$1,275,000</b>	<b>\$0</b>
<b>B2. MASS GRADING (including roads)</b>							
1.	Mobilize .....	\$150,000	\$25,000	\$25,000	\$50,000	\$50,000	
2.	Clear, grub & site prep. ....	\$141,000	\$17,000	\$8,000	\$49,000	\$67,000	
3.	Rough grade .....	\$1,140,000	\$150,000	\$180,000	\$420,000	\$390,000	
4.	Excavate lake .....	\$390,000	\$0	\$0	\$390,000	\$0	
5.	Excavate drainage channel .....	\$200,000	\$0	\$0	\$0	\$200,000	
6.	Finish grade large super pads .....	\$167,000	\$18,000	\$27,000	\$83,000	\$39,000	
7.	Dewatering for lake excavation .....	\$25,000	\$0	\$0	\$25,000	\$0	
	<b>SUBTOTAL</b>	<b>\$2,213,000</b>	<b>\$210,000</b>	<b>\$240,000</b>	<b>\$1,017,000</b>	<b>\$746,000</b>	<b>\$0</b>
<b>C. ONSITE ROADWAYS &amp; UNDERGROUND</b>							
	<i>Name</i>	<i>Segment</i>	<i>Limits</i>				
1.	Street 'A' (North Entry)	1	Fairgrounds Drive to Street 'B' .....	\$1,781,000	\$1,781,000		
2.	Street 'A' (North Entry)	2	Street 'B' to Fair Entrance .....	\$702,000		\$702,000	
3.	Street 'B' (Promenade)	1	Street 'A' to Street 'C' .....	\$1,076,000	\$1,076,000		
4.	Street 'B' (Promenade)	2	Street 'C' to Street 'D' .....	\$988,000		\$988,000	
5.	Street 'B' (Promenade)	3	Street 'D' to Hotel Site .....	\$454,000			\$454,000
6.	Street 'C' (Main)	1	Fairgrounds Drive to Street 'B' .....	\$1,287,000	\$1,287,000		
7.	Street 'D' (South Entry)	1	Fairgrounds Drive to Street 'B' .....	\$1,419,000		\$1,419,000	
8.	Street 'E' (In-Tract)	1	Street 'A' to Street 'C' .....	\$505,000			\$505,000
9.	Street 'E' (In-Tract)	2	Street 'C' to Street 'D' .....	\$658,000			\$658,000
10.	Street 'F' (Interim Fair)	1	Street 'A' to Concourse .....	\$251,000	\$251,000		
	<b>SUBTOTAL</b>			<b>\$9,121,000</b>	<b>\$2,032,000</b>	<b>\$2,363,000</b>	<b>\$3,109,000</b>
						<b>\$454,000</b>	<b>\$1,163,000</b>
<b>D. LAKE CONSTRUCTION</b>							
1.	Lake lining .....	\$203,500			\$203,500		
2.	Shoreline .....	\$213,000			\$213,000		
3.	Boulder/Rock .....	\$22,500			\$22,500		
4.	Wetland planters (not including plants) .....	\$42,000			\$42,000		
5.	Aeration system .....	\$60,000			\$60,000		
6.	Biobfilter - PVC distribution piping .....	\$80,000			\$80,000		
7.	Level control .....	\$5,000			\$5,000		
8.	Vault .....	\$50,000			\$50,000		
9.	Piping and mechanical equipment .....	\$100,000			\$100,000		
10.	Controls .....	\$20,000			\$20,000		
11.	Miscellaneous .....	\$100,000			\$100,000		
12.	Well and pump for make-up water .....	\$100,000			\$100,000		
13.	Bulkhead .....	\$300,000			\$300,000		
14.	Lighting .....	\$125,000			\$125,000		
	<b>SUBTOTAL</b>	<b>\$1,421,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,421,000</b>	<b>\$0</b>	<b>\$0</b>
<b>E. MISCELLANEOUS ONSITE IMPROVEMENTS</b>							
1.	24" Sewer pipe 'A' .....	\$82,000	\$0	\$0	\$82,000	\$0	\$0
2.	24" Sewer pipe 'B' .....	\$138,000	\$0	\$0	\$0	\$138,000	\$0
3.	8" Sewer pipe 'C' .....	\$177,000	\$0	\$0	\$0	\$177,000	\$0
4.	Channel widening .....	\$500,000	\$0	\$0	\$500,000	\$0	\$0
5.	Outfalls at onsite lake .....	\$100,000	\$0	\$0	\$100,000	\$0	\$0
6.	Weir structure at lake feature .....	\$100,000	\$0	\$0	\$100,000	\$0	\$0
7.	Street 'B' bridge utilities .....	\$48,000	\$0	\$0	\$48,000	\$0	\$0
8.	Street 'E' bridge utilities .....	\$30,000	\$0	\$0	\$0	\$0	\$30,000
9.	12" Steel Gas Transmission Relocation 'A' .....	\$508,000	\$508,000	\$0	\$0	\$0	\$0
10.	12" Steel Gas Transmission Relocation 'B' .....	\$389,000	\$0	\$0	\$389,000	\$0	\$0
11.	Irrigation pump station at lake .....	\$80,000	\$0	\$0	\$80,000	\$0	\$0
12.	Interactive Fountain / Splash Pad .....	\$500,000	\$0	\$0	\$0	\$500,000	\$0
13.	Demo Street 'F' .....	\$20,000	\$0	\$0	\$20,000	\$0	\$0
14.	12" Water Pipe 'A' .....	\$83,000	\$83,000	\$0	\$0	\$0	\$0
15.	8" Water Pipe 'B' .....	\$33,000	\$33,000	\$0	\$0	\$0	\$0
	<b>SUBTOTAL</b>	<b>\$2,788,000</b>	<b>\$624,000</b>	<b>\$0</b>	<b>\$1,319,000</b>	<b>\$815,000</b>	<b>\$30,000</b>
<b>F. ONSITE TRAFFIC SIGNALS (assumed location - must be verified)</b>							
1.	Street 'B' and Street 'C' .....	\$300,000		\$0	\$300,000	\$0	
2.	Street 'A' and Fairgrounds Drive .....	\$300,000	\$300,000		\$0	\$0	
	<b>SUBTOTAL</b>	<b>\$600,000</b>	<b>\$300,000</b>	<b>\$0</b>	<b>\$300,000</b>	<b>\$0</b>	<b>\$0</b>

**BUDGET SUMMARY - CONTINUED**

ITEM	DESCRIPTION	TOTAL	BACKBONE				IN-TRACT
			PHASE 1A	PHASE 1B	PHASE 2	PHASE 3	
<b>G. LANDSCAPING (NON-FRONTAGE)</b>							
1.	Entry Parcel Landscaping .....	\$53,000	\$53,000	\$0	\$0	\$0	\$0
2.	Lake Parcel Landscaping .....	\$350,000	\$0	\$0	\$350,000	\$0	\$0
3.	Lake plants .....	\$100,000	\$0	\$0	\$100,000	\$0	\$0
4.	Channel planting .....	\$100,000	\$0	\$0	\$0	\$100,000	\$0
5.	Entry Monuments .....	\$100,000	\$50,000	\$25,000	\$25,000	\$0	\$0
6.	Street Furniture .....	\$100,000	\$25,000	\$25,000	\$25,000	\$25,000	\$0
7.	Bus Stops (Benches, Shelters, etc.) .....	\$100,000	\$25,000	\$25,000	\$25,000	\$25,000	\$0
	<b>SUBTOTAL</b>	<b>\$903,000</b>	<b>\$153,000</b>	<b>\$75,000</b>	<b>\$525,000</b>	<b>\$150,000</b>	<b>\$0</b>
<b>H. MASONRY SOUND WALLS (ASSUME NONE REQUIRED)</b>							
		\$0		\$0	\$0	\$0	\$0
<b>I. BRIDGES</b>							
1.	Street 'B' Vehicle .....	\$1,500,000			\$1,500,000		
2.	Street 'B' Promenade .....	\$500,000			\$500,000		
3.	Pedestrian @ Fairgrounds .....	\$480,000			\$480,000		
4.	Street 'E' Vehicle .....	\$1,500,000					\$1,500,000
5.	Fairgrounds Drive (Box Culvert) .....	\$1,200,000			\$1,200,000		
6.	Six Flags Access Road (Box Culvert) .....	\$800,000			\$800,000		
7.	Six Flags Pedestrian .....	\$5,400,000				\$5,400,000	
	<b>SUBTOTAL</b>	<b>\$11,380,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,480,000</b>	<b>\$5,400,000</b>	<b>\$1,500,000</b>
<b>J. OFFSITE IMPROVEMENTS (NON TRAFFIC)</b>							
1.	24" Water - Fairgrounds Drive .....	\$657,000	\$0	\$0	\$657,000	\$0	\$0
2.	Outfall at Lake Chabot .....	\$250,000	\$0	\$0	\$250,000	\$0	\$0
3.	Channel improvements at Lake Chabot .....	\$100,000	\$0	\$0	\$100,000	\$0	\$0
4.	Interim Fairgrounds Drive intersection improvements .....	\$300,000	\$100,000	\$100,000	\$100,000	\$0	\$0
	<b>SUBTOTAL</b>	<b>\$1,307,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$1,107,000</b>	<b>\$0</b>	<b>\$0</b>
<b>K. HABITAT &amp; WETLAND MITIGATION</b>							
1.	Habitat .....	\$100,000	\$0	\$0	\$50,000	\$50,000	\$0
2.	Wetland .....	\$100,000	\$0	\$0	\$50,000	\$50,000	\$0
	<b>SUBTOTAL</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$0</b>
<b>TOTAL 1: NOT INCLUDING CONTINGENCY WITHOUT OFFSITE TRAFFIC IMP.</b>							
		<b>\$38,999,000</b>	<b>\$4,148,000</b>	<b>\$3,914,000</b>	<b>\$18,017,000</b>	<b>\$10,227,000</b>	<b>\$2,693,000</b>
<b>L. CONTINGENCY @ 20%</b>							
		<b>\$7,799,800</b>	<b>\$829,600</b>	<b>\$782,800</b>	<b>\$3,603,400</b>	<b>\$2,045,400</b>	<b>\$538,600</b>
<b>TOTAL 2: INCLUDING CONTINGENCY WITHOUT OFFSITE TRAFFIC IMP.</b>							
		<b>\$46,798,800</b>	<b>\$4,977,600</b>	<b>\$4,696,800</b>	<b>\$21,620,400</b>	<b>\$12,272,400</b>	<b>\$3,231,600</b>
<b>M. VALLEJO SANITATION &amp; FLOOD CONTROL REIMBURSEMENT</b>							
1.	Lake Chabot & Fairgrounds CIP .....	-\$500,000			-\$500,000		
	<b>SUBTOTAL</b>	<b>-\$500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$500,000</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL 3: INCLUDING REIMBURSEMENTS WITHOUT OFFSITE TRAFFIC IMP.</b>							
		<b>\$46,298,800</b>	<b>\$4,977,600</b>	<b>\$4,696,800</b>	<b>\$21,120,400</b>	<b>\$12,272,400</b>	<b>\$3,231,600</b>
<b>N. OFFSITE TRAFFIC IMPROVEMENTS</b>							
1.	Highway 37 / Fairgrounds Interchange .....	\$10,000,000			\$10,000,000		
2.	Fairgrounds Drive Widening .....	\$6,400,000			\$0	\$6,400,000	
3.	Interstate 80 / Redwood Interchange .....	\$43,700,000			\$0	\$43,700,000	
	<b>SUBTOTAL</b>	<b>\$60,100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,000,000</b>	<b>\$50,100,000</b>	<b>\$0</b>
<b>TOTAL 4: INCLUDING REIMBURSEMENTS WITH OFFSITE TRAFFIC IMP.</b>							
		<b>\$106,398,800</b>	<b>\$4,977,600</b>	<b>\$4,696,800</b>	<b>\$31,120,400</b>	<b>\$62,372,400</b>	<b>\$3,231,600</b>

EXHIBIT D  
Offsite Transportation Summary



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## APPENDIX D – TRANSPORTATION SUMMARY

This document contains an executive summary of Arup's transportation assessment for the Solano360 Visioning process. The assessment includes a discussion of existing conditions and constraints, a review of previous studies, a summary of the "high-level" analysis of off-site transportation improvements, and a discussion of the various transportation components included in the Solano360 Vision. Our findings and recommendations are presented below.

### Background Conditions and Constraints

The Solano County Fairgrounds site is located at the junction of Interstate 80 (I-80) and State Route 37 (SR-37) in the City of Vallejo. The existing conditions and transportation constraints are summarized below:

- Access to the site is limited and provided via Fairgrounds Drive only.
- The site is very visible from both freeways. Access from the freeway to the local street network is provided by two interchanges:
  - SR-37 / Fairgrounds Drive: This interchange provides the closest (less than a quarter-mile) and most visible access to the site via Fairgrounds Drive.
  - I-80 / Redwood Parkway: This interchange provides less direct access to the site via Redwood Parkway and Fairgrounds Drive.
- The two interchanges and Fairgrounds Drive operate at acceptable service levels today. Field observations indicate that most of the intersections serving the interchanges experience relatively minor traffic delays and vehicle queuing.
- Both freeways experience some congestion during peak periods of the day. However, most of the significant congestion occurs on I-80 further to the south between the Tennessee Street interchange and the Carquinez Bridge.
- Transit access is very limited. The Solano County Fairgrounds is served by Vallejo Transit, which operates one bus route (#85) along Fairgrounds Drive. Two stops are located within a quarter-mile of the site: one at the Six Flags entrance and one on Sereno Drive south of the site.
- The Solano County Fairgrounds site lacks quality bicycle and pedestrian connections.

### Previous Studies

The Solano360 transportation assessment is largely based on assumptions and traffic volumes presented in *I-80 HOV Lanes / Turner Parkway Overcrossing Transportation Analysis Final Report* (DKS Associates, October 2008) and the memorandum *Solano County Fairgrounds Traffic Threshold Assessment* (DKS Associates, December 2008). The major findings from these studies are summarized below:

- A new I-80 interchange serving Turner Parkway was included in these studies. However, the short spacing between the Redwood Parkway interchange to the south and the I-80 / SR-37 connector ramps rules out the possibility of constructing an additional interchange at this location.

- Both studies assume a level of development for the site consistent with an earlier program proposed by the Mills Corporation. The PM peak hour vehicle trip generation estimate for the site at full buildout is in the range of 2,800 to 3,000 vehicle trips.
- At this level of development, the studies indicate that significant improvements are required at the SR-37 / Fairgrounds and the I-80 / Redwood Parkway interchanges. The Redwood Parkway interchange improvements also include realigning Fairgrounds Drive further to the west.
- The I-80 HOV study estimated the cost of the SR-37 / Fairgrounds Drive improvements at \$25 million and the I-80 / Redwood Parkway improvements at \$44 million.

### Off-Site Improvements

The Solano360 transportation assessment includes a “high-level” analysis of various development scenarios and their potential impacts on off-site transportation facilities. The analysis focuses on the capacity of the two freeway interchanges and identifies the levels of development that trigger additional improvements. More detailed analysis is required to verify these conclusions. Also, the analysis could also evaluate weekend peak-season conditions to assess traffic operations related to Six Flags.

The results and recommendations are summarized below:

- The field observations and traffic volumes presented in the I-80 HOV study indicate that the two interchanges have existing spare capacity.
- Vehicle trip generation estimates were developed for different development scenarios. Based on this analysis, a program generating up to 700 PM peak hour vehicle trips is possible without triggering the need for immediate physical improvements at either interchange.
- It is estimated that at 700 PM trips, improvements will be required at the SR-37 / Fairgrounds interchange.
- It is estimated that at 1,450 PM trips, improvements will be required at the I-80 / Redwood Parkway interchange.
- Cost estimates were developed using the improvements presented in the I-80 HOV study. The costs estimates were refined further to account for each individual component and to break out the cost of ROW located along the Solano County Fairgrounds frontage. The ROW cost associated with the Fairground’s frontage should not be included in the capital cost. Based on these trigger and cost estimate assumptions, the following phasing scenario can be considered.

Phase	Additional PM Peak Hour Trips	Off-Site Costs <sup>1</sup>
Phase 1	0-700	\$0
Phase 2	700-1,450	\$10 M
Phase 3	1,450-3,400	\$50.1 M
<b>Note:</b>		
1. Off-site improvement costs required at each phase. These costs may not be 100% attributable to the Solano County Fairgrounds project.		

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- The up-front infrastructure costs are difficult to calculate at this time because specific details and costs of these improvements and the fair-share allocations are unknown.

### **The Solano360 Vision Plan**

The Solano360 Vision Plan includes the following components that will help minimize the impacts to the local and regional transportation system:

- **Additional local access:** The plan features an additional third access point on Fairgrounds Drive which will help distribute traffic entering and exiting the site.
- **Creating a high-quality pedestrian-friendly environment:** The plan puts a high priority on providing high-quality pedestrian connections throughout the site. The site layout would include short blocks, wide sidewalks, on-street parking, and include many streets that could be used as pedestrian spaces for the Fair and local markets.
- **Reducing the amount of required parking:** The site will minimize the amount of required parking by leveraging “shared parking” opportunities between complementary land uses and implementing a pedestrian-friendly environment that allows patrons to park once and walk to all areas of the site (including Six Flags). On-site surface parking lots will be replaced by structured parking as the site evolves.
- **Transit Center:** The location of an on-site Transit Center will enhance and promote transit service to and from the site. The Transit Center will likely start as a park-and-ride lot for regional transit providers, but would evolve into more of a local serving facility as the site evolves.
- **Improved pedestrian/bicycle connections:** In addition to providing a high-quality pedestrian and bicycle network within the site, the plan would identify opportunities for improving the off-site connections to pedestrian and bicycle facilities. This would include connections to Six Flags, Dan Foley Park, and to sidewalks and potential bicycle lanes on Fairgrounds Drive.

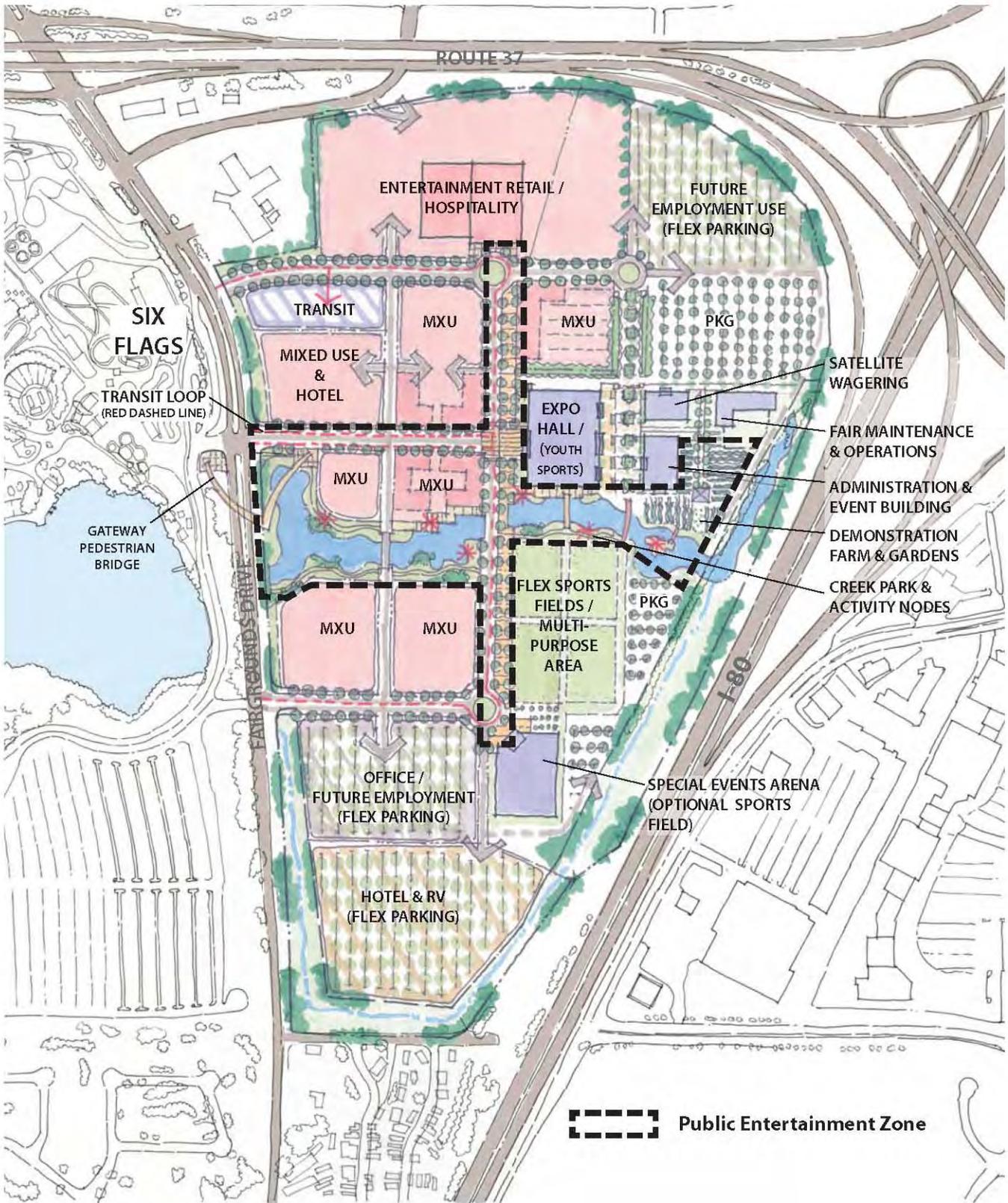
EXHIBIT E  
Vision Report Phasing Plan

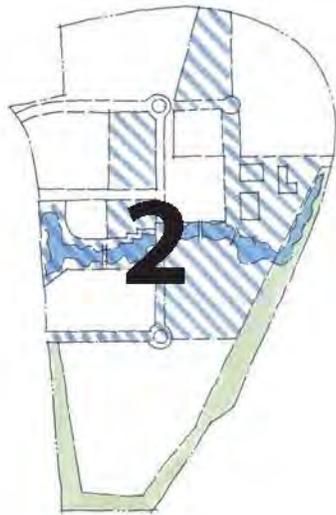
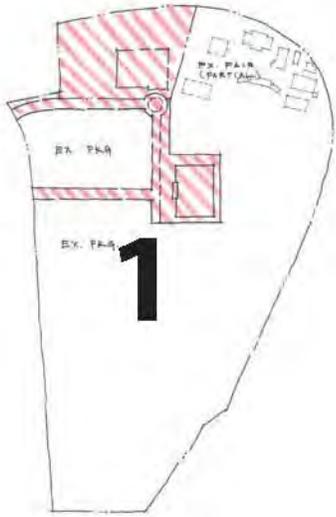


# PHASING PLAN

Solano County Fairgrounds







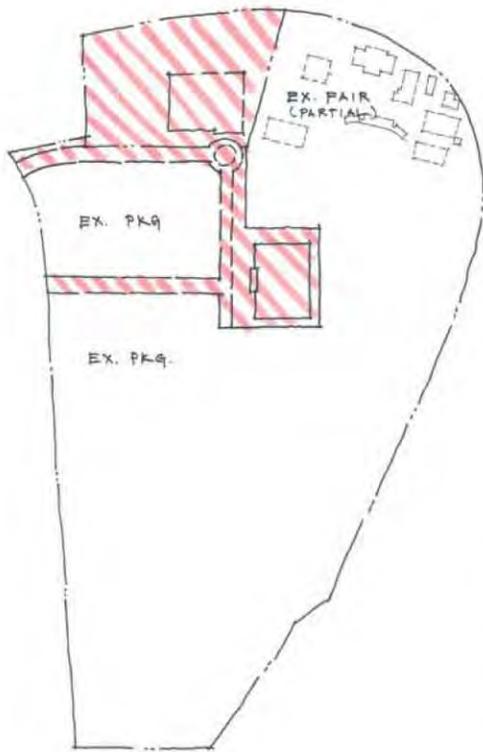
Three major phases of development are anticipated, linked to offsite transportation improvements.

## PHASING

The development capacity of the site is limited primarily by the capacity of off-site roadways and intersections. Three major increments of development are anticipated, each linked to necessary offsite transportation improvements. Within each phase, development will occur in orderly increments, based on market demand and staging of on-site infrastructure. The Preliminary Project Description and Phasing Table describes the anticipated quantities and phasing of development. The mix of uses may shift due to changes in the market; however, the total, long term development of the site will be limited by the available traffic capacity, as follows.



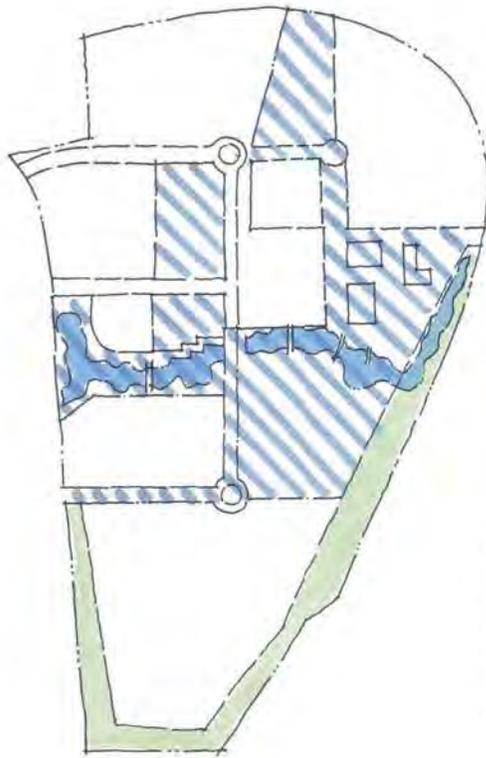
The existing County Fairgrounds site.



**Phase 1: No major offsite improvements**

Current roadways and intersections will allow the construction of approximately 250,000 square feet of new facilities, including the new multi-use Exhibition Hall (100,000 square feet) and the major entertainment retail anchor at the north end of the site (up to 150,000 square feet). Existing parking areas will continue to serve the fairgrounds, Six Flags and large events on the site.

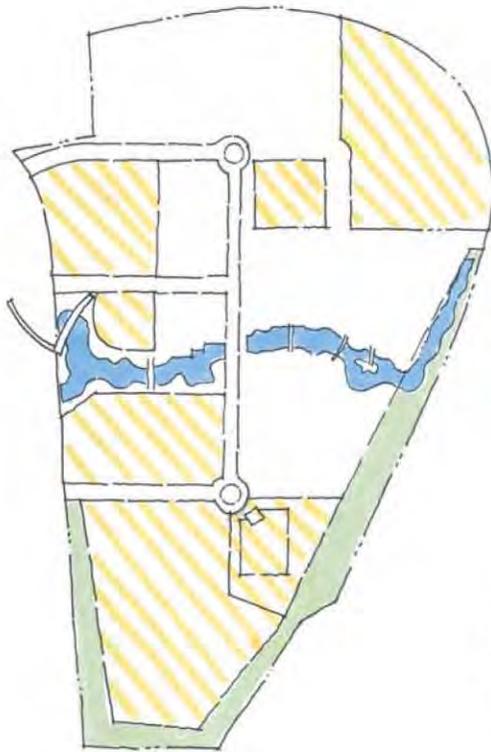




## Phase 2: Improvements to the State Route 37/ Fairgrounds Drive interchange

Additional lanes and signalization improvements will allow an increase in the total development on the site to a cumulative total of approximately 625,000 square feet, comprised of a mix of fair, mixed use commercial, public and hospitality uses. The Rindler Creek Park and core of the Public Entertainment Zone will occur during this Phase.





### Phase 3: Improvements to the I-80/Redwood/Fairgrounds Drive interchange

Major improvements including expanded rights-of-way, improved geometrics, additional lanes and signalization will allow an increase of site development to a cumulative total of approximately 1,600,000 square feet of mixed use, employment, hospitality, public facilities and parking facilities. The special events center/arena could occur during this phase. Development of sites at the northeast corner and southern ends of the site will need to accommodate shared parking for the fair and large events, or provide structured parking for such uses. During Phase 3, opportunities for shared uses and linkages between the southern portion of the site and the major Six Flags parking lot will be explored.



## Preliminary Project Description and Potential Concept for Phasing

LAND USE	PHASE 1 (SF)	PHASE 2 (SF)	PHASE 3 (SF)	AREA (AC)	FAR	JOBS	PKG (spaces)	Notes (1)
<b>PRIVATE PURPOSES</b>								
Entertainment Commercial	150,000 SF	150,000 SF	150,000 SF	14.2 AC	0.24	150	750	
Entertainment / Mixed Use			53,000 SF	4.8 AC	0.25			
Mixed Use Commercial / Hospitality				22.4 AC	0.55			(2)
Retail (85-90%+/-)		110,000 SF	470,000 SF			940	1,880	
Office (10-15%+/-)		55,000 SF	64,000 SF			256	256	
Hospitality (125 rm)		125,000 SF	125,000 SF	3.0 AC		50	156	
Office / Flex Parking			220,000 SF	16.0 AC	0.32	880	880	(3)
Hospitality (250 Rm)			250,000 SF	10.9 AC		125	313	(4)
Open Space/Drainage/Wetlands				19.7 AC				
<i>Subtotal</i>	<b>150,000 SF</b>	<b>440,000 SF</b>	<b>1,332,000 SF</b>	<b>91.0 AC</b>		<b>2,401</b>	<b>4,235</b>	
<b>PUBLIC PURPOSES</b>								
Exhibition Hall	100,000 SF	100,000 SF	100,000 SF	4.5 AC		5		(5)
Other Fair Uses				11.3 AC		2		
Satellite Wagering (1-2 story)		25,000 SF	25,000 SF			4		(5)
Event Building		25,000 SF	25,000 SF					(5)
Administration / Conference Building (2 story)		8,000 SF	8,000 SF			4		(5)
Maintenance Office, Shops, Warehouse		30,000 SF	30,000 SF			6		(5)
Food and Beverage Facilities								(6)
Outdoor Multi-Purpose Areas/Sports fields		(4 Fields)		8.0 AC				(5)
Flex Parking				6.6 AC			825	
Organic Farm / Demonstration Gardens				3.0 AC				
Open Space/Drainage/Wetlands				7.1 AC				
Events Center/Arena/Sports Field/Flex Parking			100,000 SF	4.4 AC				(7)
Transit/Multi-modal Center				2.5 AC				(8)
Roads (incl. Fairgrounds Dr. widening)				10.7 AC			100	(9)
<i>Subtotal</i>	<b>100,000 SF</b>	<b>188,000 SF</b>	<b>288,000 SF</b>	<b>47.4 AC</b>		<b>21</b>	<b>825</b>	
<b>Public and Private Totals</b>	<b>250,000 SF</b>	<b>628,000 SF</b>	<b>1,620,000 SF</b>	<b>149.1 AC</b>		<b>2,422</b>	<b>5,160</b>	

### Notes:

- (1) Building totals are cumulative and include prior phases.
- (2) Mixed Use sites can serve as temporary parking for Six Flags and the Solano County Fair
- (3) Phase 3 shared parking
- (4) Possible Water Park/Hotel and Interim RV Park
- (5) Fair Priority
- (6) Included in primary fair buildings
- (7) Numerous future possibilities
- (8) Assumes Shared Parking
- (9) On-street parking - 1 side

EXHIBIT F  
Construction Costs of Fair Facilities

## EXHIBIT F

### Development Costs -- Public Land/Public Development Portion of the Site

#### Phase 1

Construction of Expo Hall	\$21,220,000
LESS Private Contribution to Expo Construction	(\$15,000,000)
Construction of Multi-use Fair/Soccer Fields	\$2,030,000
Construction of LED Signs	\$3,410,000
<b>Subtotal</b>	<b><u>\$11,660,000</u></b>

#### Phases 2 & 3

Replacement 25,000 sq.ft. Satellite Wagering	\$6,600,000
Replacement 25,000 sq.ft. Event Building	\$6,600,000
Replacement 8,000 sq.ft. Admin./Conf. Bldg.	\$2,110,000
Replacement 30,000 Maint., shops, warehouse	\$1,980,000
Allowance for Site Devel., Landscaping, Parking	\$2,300,000
<b>Subtotal</b>	<b><u>\$19,590,000</u></b>

<b>Total Costs (Net of Private Contributions)</b>	<b><u><u>\$31,250,000</u></u></b>
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EXHIBIT G

Retail and Restaurant Assumptions Table



EXHIBIT G

RETAIL AND RESTAURANT

23-Dec-09

**Assumptions**

**Building and Performance**

Floor:Area Ratio for Retail **0.25**  
 Retail Gross Sales **\$350** per Sq.Ft. of Retail  
 Restaurant/F&B Gross Sales **\$500** per Sq.Ft. of Restaurant and Other Food & Beverage Outlets  
 Initial Year Sales Volume **80.0%** of Stabilized Volume. In the first year, gross sales are discounted by 20% to account for lease-up occupancy, business start-up, etc.  
 Portion Net New to the County **50.0%** (Note: the remainder is sales volume redirected from other areas of the County)  
 Portion Net New to the City **80.0%** (Note: the remainder is sales volume redirected from other areas of the City)

**Ground Lease Terms**

Retail Ground Lease Rate **3.0%** of Gross Sales  
 F&B Ground Lease Rate **3.5%** of Gross Sales

**Tax Rates and Fiscal Factors**

Assessed Value **\$300** per Sq.Ft. of Retail and Restaurant Space Average (including Tenant Improvements)  
 Local Portion of Sales Tax **1.0%** of Gross Retail Sales  
 Property Tax Increment **1.0%** of New Assessed Value Created (i.e., Prop. 13 Limit, net of any local option assessments)  
 Total Pass Thrus + Set Asides **66.3%** of Redevelopment Agency Tax Increment (Tier 1 through FY 2014-15) **76.1%** of New Redev. Agency Tax Increment (Tier 2 starting FY 2015-16)  
 Tax Increment Avail. to Project **33.7%** of Redevelopment Agency Tax Increment (Tier 1 through FY 2014-15) **23.9%** of New Redevelopment Agency Tax Increment (Tier 2 starting FY 2015-16)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	
Inflation Factor	100%	102%	104%	106%	108%	110%	113%	115%	117%	120%	122%	124%	127%	129%	132%	135%	137%	140%	143%	
Phasing/Schedule	Vision- ----Entitlements----- ---Construction--- Phase 1  Phase 2  Phase 3																			
<b>RETAIL/RESTAURANT SPACE DEVELOPED</b>																				
Phase 1 Retail	Sq.Ft.		0																	
Phase 2 Main St. Commercial	Sq.Ft.		0	60,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Phase 3 Entertainment/MXD	Sq.Ft.		0	0	0	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000
Phase 3 Retail in Mixed Use	Sq.Ft.		0	0	0	100,000	100,000	200,000	200,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000
<b>Total Space Developed</b>			0	60,000	110,000	263,000	263,000	363,000	363,000	523,000	523,000	523,000	523,000	523,000	523,000	523,000	523,000	523,000	523,000	
Assumed Restaurant/F&B	Sq.Ft.		0	12,000	22,000	45,000	45,000	60,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	
Retail Store Space	Sq.Ft.		0	48,000	88,000	218,000	218,000	303,000	303,000	438,000	438,000	438,000	438,000	438,000	438,000	438,000	438,000	438,000	438,000	
<b>SELECTED FINANCIAL FLOWS (\$1,000s)</b>																				
Gross Retail Sales					\$0	\$14,839	\$31,533	\$77,192	\$89,398	\$119,629	\$129,274	\$178,859	\$194,421	\$198,310	\$202,276	\$206,322	\$210,448	\$214,657	\$218,950	
Gross F&B Sales					\$0	\$5,300	\$11,262	\$23,203	\$26,362	\$34,060	\$36,570	\$49,735	\$53,900	\$54,978	\$56,078	\$57,199	\$58,343	\$59,510	\$60,700	
Total Taxable Gross Sales					\$0	\$20,138	\$42,794	\$100,395	\$115,760	\$153,689	\$165,844	\$228,594	\$248,322	\$253,288	\$258,354	\$263,521	\$268,791	\$274,167	\$279,651	
Tier 1 Assessed Value Created					\$0	\$19,873	\$37,163	\$37,907	\$38,665	\$39,438	\$40,227	\$41,031	\$41,852	\$42,689	\$43,543	\$44,414	\$45,302	\$46,208	\$47,132	
Tier 2 Assessed Value Created								\$52,725	\$53,779	\$90,708	\$92,522	\$154,054	\$157,135	\$160,278	\$163,483	\$166,753	\$170,088	\$173,490	\$176,960	

EXHIBIT H  
Office Assumptions Table



EXHIBIT H

OFFICE

23-Dec-09

**Assumptions**

**Building and Performance**

Floor:Area Ratio for Office	0.75	(note: an FAR this high will require structured parking)
Gross Office Lease Rate	\$3.00	per Sq.Ft. / Month Fully Loaded
Triple Net Equivalent Rate	\$2.00	per Sq.Ft. NNN / Month (i.e., less \$12.00/year in service costs)
Initial Year Occupancy	80.0%	In the first year, an office vacancy factor of 20% is applied to account for lease-up occupancy, business start-up, etc.
Steady State Office Vacancy	5.0%	Annual Average

**Ground Lease Terms**

Office Ground Lease Rate	15.0%	of NNN Space Lease Rate
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**Tax Rates and Fiscal Factors**

Assessed Value	\$400	per Sq.Ft. of Office (i.e., replacement cost)		
Property Tax Increment	1.0%	of New Assessed Value Created (i.e., Prop. 13 Limit, net of any local option assessments)		
Total Pass Thrus + Set Asides	66.3%	of Redevelopment Agency Tax Increment (Tier 1 through FY 2014-15)	76.1%	of New Redevelopment Agency Tax Increment (Tier 2 starting FY 2015-16)
Tax Increment Avail. to Project	33.7%	of Redevelopment Agency Tax Increment (Tier 1 through FY 2014-15)	23.9%	of New Redevelopment Agency Tax Increment (Tier 2 starting FY 2015-16)

	2009 Year 0	2010 Year 1	2011 Year 2	2012 Year 3	2013 Year 4	2014 Year 5	2015 Year 6	2016 Year 7	2017 Year 8	2018 Year 9	2019 Year 10	2020 Year 11	2021 Year 12	2022 Year 13	2023 Year 14	2024 Year 15	2025 Year 16	2026 Year 17	2027 Year 18
Inflation Factor	100%	102%	104%	106%	108%	110%	113%	115%	117%	120%	122%	124%	127%	129%	132%	135%	137%	140%	143%
Phasing/Schedule	Vision		Entitlements		Construction		Phase I	Phase 2	Phase 3										
<b>OFFICE SPACE DEVELOPED</b>																			
Phase 1 Office	Sq.Ft.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Phase 2 Office in Mixed Use	Sq.Ft.	0	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
Phase 3 Office in Mixed Use	Sq.Ft.	0	0	0	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Office Campus	Sq.Ft.	0	0	0	0	0	0	110,000	110,000	110,000	110,000	110,000	110,000	110,000	220,000	220,000	220,000	220,000	220,000
<b>Total Space Developed</b>		0	55,000	55,000	64,000	64,000	64,000	174,000	174,000	174,000	174,000	174,000	174,000	174,000	284,000	284,000	284,000	284,000	284,000
<b>SELECTED FINANCIAL FLOWS (\$1,000s)</b>																			
Office NNN Rent to Developer		\$0	\$1,108	\$1,412	\$1,629	\$1,710	\$1,744	\$4,225	\$4,933	\$5,031	\$5,132	\$5,235	\$8,040	\$8,889	\$9,067	\$9,248			
Tier 1 Assessed Value Created		\$0	\$24,290	\$24,776	\$25,271	\$25,777	\$26,292	\$26,818	\$27,354	\$27,901	\$28,459	\$29,029	\$29,609	\$30,201	\$30,805	\$31,421			
Tier 2 Assessed Value Created					\$4,135	\$4,218	\$4,302	\$58,024	\$59,185	\$60,368	\$61,576	\$62,807	\$123,282	\$125,747	\$128,262	\$130,827			

EXHIBIT I  
Hotel Assumptions Table

**EXHIBIT I**

**HOTEL**

23-Dec-09

<b>Assumptions</b>																			
<b>Building and Performance</b>																			
Phase 2 Hotel	125	Rooms with Limited Service																	
Initial Occupancy Rate	50.0%	in Year 1																	
Second Year Occupancy	65.0%	in Year 2																	
Stabilized Occupancy Rate	70.0%	Average Annual starting in Year 3																	
Average Daily Rate	\$125	per occupied room																	
F&B Sales as a % of Rooms	0.0%	of Gross Room Sales																	
<b>Phase 3 Hotel</b>																			
Initial Occupancy Rate	50.0%	in Year 1																	
Second Year Occupancy	65.0%	in Year 2																	
Stabilized Occupancy Rate	70.0%	Average Annual starting in Year 3																	
Average Daily Rate	\$175	per occupied room																	
F&B Sales as a % of Rooms	50.0%	of Gross Room Sales																	
<b>Ground Lease Terms</b>																			
Hotel Ground Lease Rate	5.5%	of Gross Room Sales																	
Hotel Ground Lease Rate	3.5%	of Gross F&B Sales																	
<b>Tax Rates and Fiscal Factors</b>																			
Assessed Value	\$125,000	per Room for 150-room Property (i.e., at replacement cost)																	
Assessed Value	\$200,000	per Room for 300-room Property (i.e., at replacement cost)																	
Hotel Tax Rate	11.0%	of Gross Room Sales																	
Local Portion of Sales Tax	1.0%	of Gross Retail Sales																	
Property Tax Increment	1.0%	of New Assessed Value Created (i.e., Prop. 13 Limit, net of any local option assessments)																	
Total Pass Thrus + Set Asides	66.3%	of Redevelopment Agency Tax Increment (Tier 1 through FY 2014-15)	76.1%	of New Redevelopment Agency Tax Increment (Tier 2 starting FY 2015-16)															
Tax Increment Avail. to Project	33.7%	of Redevelopment Agency Tax Increment (Tier 1 through FY 2014-15)	23.9%	of New Redevelopment Agency Tax Increment (Tier 2 starting FY 2015-16)															
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18
Inflation Factor	100%	102%	104%	106%	108%	110%	113%	115%	117%	120%	122%	124%	127%	129%	132%	135%	137%	140%	143%
Phasing/Schedule	Vision- -----Entitlements----- ---Construction---		Phase 1	Phase 2	Phase 3														
<b>HOTELS DEVELOPED</b>																			
Phase 1	Rooms			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Phase 2 Hotel	Rooms			0	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125
Phase 3 Hotel (w/ Waterpark)	Rooms			0	0	0	250	250	250	250	250	250	250	250	250	250	250	250	250
<b>Total Space Developed</b>				<b>0</b>	<b>125</b>	<b>125</b>	<b>375</b>												
<b>SELECTED FINANCIAL FLOWS (\$1,000s)</b>																			
Gross Room Sales-Phase 2 Hotel				\$0	\$3,148	\$4,175	\$4,586	\$4,677	\$4,771	\$4,866	\$4,964	\$5,063	\$5,164	\$5,268	\$5,373	\$5,480	\$5,590	\$5,702	
Gross Room Sales-Phase 3 Hotel				\$0	\$0	\$0	\$9,172	\$12,161	\$13,359	\$13,626	\$13,899	\$14,177	\$14,460	\$14,749	\$15,044	\$15,345	\$15,652	\$15,965	
F&B Sales				\$0	\$0	\$0	\$4,586	\$6,081	\$6,679	\$6,813	\$6,949	\$7,088	\$7,230	\$7,375	\$7,522	\$7,673	\$7,826	\$7,983	
Tier 1 Assessed Value Created				\$0	\$17,251	\$17,596	\$17,948	\$18,307	\$18,673	\$19,047	\$19,428	\$19,816	\$20,213	\$20,617	\$21,029	\$21,450	\$21,879	\$22,316	
Tier 2 Assessed Value Created				\$0	\$0	\$0	\$57,434	\$58,583	\$59,755	\$60,950	\$62,169	\$63,412	\$64,680	\$65,974	\$67,293	\$68,639	\$70,012	\$71,412	

EXHIBIT J

Entertainment Retail Assumptions Table



EXHIBIT J

ENTERTAINMENT RETAIL

23-Dec-09

**Assumptions**

**Building and Performance**

Size of Store 150,000 sq.ft.  
 Site Size 17.5 Acres  
 Gross Sales \$800 per sq.ft. (ramping up from \$500 and \$650 per sq.ft. in years 1 and 2 respectively)  
 Portion Net New to the County 80.0% (Note: the remainder is sales volume redirected from other areas of the County)  
 Portion Net New to the City 90.0% (Note: the remainder is sales volume redirected from other areas of the City)

**Ground Lease Terms**

Retailer Pays County 2.0% of Gross Sales

**Tax Rates and Fiscal Factors**

Assessed Value \$300 per sq.ft. of Building Area  
 Parking Development Cost \$6 per sq.ft. over 15 Acres (used to calculate Assessed Value of improvements)  
 Sales Tax Rate 1.00% of Gross Sales (net of transportation component)  
 Property Tax Rate 1.00% of Market Value  
 Total Pass Thrus + Set Asides 66.3% of Redevelopment Agency Tax Increment (Tier 1 through FY 2014-15) 76.1% of New Redevelopment Agency Tax Increment (Tier 2 starting FY 2015-16)  
 Tax Increment Avail. to Project 33.7% of Redevelopment Agency Tax Increment (Tier 1 through FY 2014-15) 23.9% of New Redevelopment Agency Tax Increment (Tier 2 starting FY 2015-16)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18						
Inflation Factor	100%	102%	104%	106%	108%	110%	113%	115%	117%	120%	122%	124%	127%	129%	132%	135%	137%	140%	143%						
Phasing/Schedule	<table border="1"> <tr> <td>Vision</td> <td>Entitlements</td> <td>Construction</td> <td>Phase I</td> <td>Phase 2</td> <td>Phase 3</td> </tr> </table>																			Vision	Entitlements	Construction	Phase I	Phase 2	Phase 3
Vision	Entitlements	Construction	Phase I	Phase 2	Phase 3																				
<b>RETAIL SPACE DEVELOPED</b>																									
Destination Retail	Sq.Ft.			150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000						
<b>SELECTED FINANCIAL FLOWS (\$1,000S)</b>																									
Gross Sales				\$81,182	\$107,648	\$135,139	\$137,842	\$140,599	\$143,411	\$146,279	\$149,205	\$152,189	\$155,233	\$158,337	\$161,504	\$164,734	\$168,029	\$171,390							
Tier 1 Assessed Value Created				\$52,953	\$54,012	\$55,092	\$56,194	\$57,318	\$58,464	\$59,634	\$60,826	\$62,043	\$63,284	\$64,549	\$65,840	\$67,157	\$68,500	\$69,870							
Tier 2 Assessed Value Created				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0							

EXHIBIT K  
Exposition Hall Assumptions Table

EXHIBIT K

EXPOSITION HALL

23-Dec-09

**Assumptions**

**Building and Performance**

Size of Expo Hall	100,000 sq.ft.
Daily Rental	\$0.06 per sq.ft. \$6,000 per Day
Rental for Move-in -out Days	\$0.03 per sq.ft. \$3,000 per Day
Average Attendance	1,500 per Event-Day
Parking Required	2.5 People per Car
Parking Charge	\$8.00 per Vehicle
Concession Sales	\$3.00 per Capita
Operator Share of Concessions	20% of Gross
Equipment Rental & Other	20% of Building Rent
Operating Expenses	100% of Revenue (i.e., any surplus goes to subsidize other Fair Association operations)
Construction Costs	\$200 per sq.ft. Average for Fair Buildings (hard and soft costs combined)
Construction Costs	\$50 per sq.ft. Average for Shops, Warehouse, Maint. Office (all-in cost)
Construction Costs	\$2.00 per sq.ft. of Land for Site Devel., Landscaping, Parking, etc.

**Ground Lease Terms**

Fair Association Pays County \$0 per year (but Fair Also Operates w/o County Subsidy)

**Tax Rates and Fiscal Factors**

Sales Tax Rate 1.00% of gross sales to City

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18						
Inflation Factor	100%	102%	104%	106%	108%	110%	113%	115%	117%	120%	122%	124%	127%	129%	132%	135%	137%	140%	143%						
Phasing/Schedule	<table border="1"> <tr> <td>Vision</td> <td>Entitlements</td> <td>Construction</td> <td>Phase I</td> <td>Phase 2</td> <td>Phase 3</td> </tr> </table>																			Vision	Entitlements	Construction	Phase I	Phase 2	Phase 3
Vision	Entitlements	Construction	Phase I	Phase 2	Phase 3																				
<b>UTILIZATION FACTORS</b>																									
Event-Days per Year					75	100	125	125	125	125	125	125	125	125	125	125	125	125	125						
Move Days					25.0	33.3	41.7	41.7	41.7	41.7	41.7	41.7	41.7	41.7	41.7	41.7	41.7	41.7	41.7						
Annual Attendance					112,500	150,000	187,500	187,500	187,500	187,500	187,500	187,500	187,500	187,500	187,500	187,500	187,500	187,500	187,500						
Cars Parked					45,000	60,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000						
<b>SELECTED FINANCIAL FLOWS (\$1,000S)</b>																									
Gross Concession Sales					\$365	\$497	\$633	\$646	\$659	\$672	\$686	\$699	\$713	\$728	\$742	\$757	\$772	\$788	\$803						
<b>Operating Revenues</b>																									
Building Rent					\$568	\$773	\$985	\$1,005	\$1,025	\$1,046	\$1,067	\$1,088	\$1,110	\$1,132	\$1,155	\$1,178	\$1,201	\$1,225	\$1,250						
Parking Revenue					\$390	\$530	\$676	\$689	\$703	\$717	\$731	\$746	\$761	\$776	\$792	\$808	\$824	\$840	\$857						
Concessions Net					\$73	\$99	\$127	\$129	\$132	\$134	\$137	\$140	\$143	\$146	\$148	\$151	\$154	\$158	\$161						
Equipment and Other					\$114	\$155	\$197	\$201	\$205	\$209	\$213	\$218	\$222	\$226	\$231	\$236	\$240	\$245	\$250						
<b>Total Operating Revenue</b>					<b>\$1,145</b>	<b>\$1,557</b>	<b>\$1,985</b>	<b>\$2,025</b>	<b>\$2,065</b>	<b>\$2,106</b>	<b>\$2,148</b>	<b>\$2,191</b>	<b>\$2,235</b>	<b>\$2,280</b>	<b>\$2,326</b>	<b>\$2,372</b>	<b>\$2,420</b>	<b>\$2,468</b>	<b>\$2,517</b>						

EXHIBIT L  
Youth Sports Complex Analysis

## **Youth Soccer Sports Complex Analysis**

During the Visioning Process, the project team received an alternative vision from a community member entitled "Proposal for a Youth and Amateur Sports Complex at the Solano County Fair." The alternative presented the concept of an approximately 90 acre regional sports facility. ERA reviewed and evaluated this concept, drawing on comparable projects and ERA's considerable experience with youth-oriented facilities.

The following is an overview of the research and analysis conducted by ERA:

- Youth Sports Complexes can have a positive economic impact on the local community by attracting visitors from out of the region, who stay in local hotels and spend money in local retailers and food establishments.
- Youth oriented sports and soccer complexes do not tend to generate a profit and often need annual subsidies to maintain operations.
- If the complexes are able to generate a profit, it is typically only on an operational basis and does not cover improvements or initial development costs.
- Field maintenance is the largest operating cost and can require a substantial number of dedicated personnel. For example, Lancaster National Sports Center has between 10 and 12 full-time staff and 5 to 6 part-time staff that are dedicated solely to the maintenance of their 35 fields. Other notable costs include facility and restroom maintenance, utilities (especially for lighted fields), and gate attendants for admission and parking.
- The facilities surveyed by ERA for this assignment were all operated by either the city itself or by a non-profit organization. With a public entity operating the facility, it is imperative that the local needs of community leagues and schools are accommodated. This cuts into the ability to attract out-of-town user groups.
- Lancaster National Soccer Center, owned and operated by the City of Lancaster, was said to barely break even because the extremely low rates, \$15 per day per field, charged to local leagues neither cover the maintenance costs nor the cost of onsite personnel.
- Morgan Hill recently implemented a mandatory parking fee of \$5 per space to try and keep the operating revenues above the operating costs; the Lancaster facility now charges the same rate per parked car.
- The new Redding Soccer Park expects to generate an operating profit for the first time by the end of this year, which is the third year of operations. According to the General Manager, the ability of the complex to charge admission fees into games has allowed revenues to continually grow each year, and he hopes to have a net profit within the range of \$30,000 to \$50,000 for this 2009 fiscal year. Compared with the cost of developing the park and the cost of the land, this is a very small amount of anticipated net revenue flow.
- Tournaments generate the most revenue for the facilities, especially when the facility operator is also the promoter. However, when the facility operator is not the promoter, for some youth tournaments the local government must pay a "bid fee" in

order to attract the event, and may even have to subsidize the event outright, to achieve the anticipated hotel and restaurant spin-off benefits.

- The surveyed facilities noted that tournaments where younger kids are competing typically generate a greater economic impact than tournaments with older competitors because the younger children come with their families while older competitors come alone or with a few chaperones. The young family market is notoriously price sensitive, however, and tends to pack a large number of youth players into each hotel room and often prefers to stay in private Recreational Vehicles.

In addition, ERA conducted surveys of some of the very large installations of this type of youth sports complex around the country. One notable example is Disney's Wide World of Sports in Orlando, Florida. Orlando has one of the most significant tourism infrastructures in the world, with multiple major theme parks, the second largest concentration of hotels rooms in America, the second largest convention complex in America, and restaurants and entertainment to match these. During down times for the hotel industry, it makes sense for the tourism industry to heavily subsidize a youth sports complex in order to attract additional visitation to the area. ERA's understanding is that the Disney Wide World of Sports is heavily subsidized by other land uses, and would not have made sense to build as a business on its own.

Another example is Frisco, Texas, part of the Dallas Metroplex, a metropolitan market of over six million people. Frisco has floated bonds and invested heavily over the last 10 years in developing numerous facilities including a 17-field soccer complex plus a 20,000-seat soccer stadium, a 4,200-seat arena, a AA ballpark with 10,000 seats, an 8,000-seat stadium, a 2,200-seat velodrome, softball fields, 7 football fields, and other facilities on hundreds of acres. Many of the individual facilities are operated privately with agreements that push the risk of operating losses to the private operators, but the majority of funding for development of the facilities has come from the City of Frisco, from tax increment financing, and from the Frisco Economic Development Corporation.

The Orlando and Frisco sports complexes are not comparable to the Solano County Fairgrounds site. They are much more massive in their land areas, their investment onsite, and the existing tourism infrastructure already in their areas, than what exists, or could be created, in Vallejo.