

Market and Financial Feasibility Study for New Canyon County Fairgrounds

January 2012

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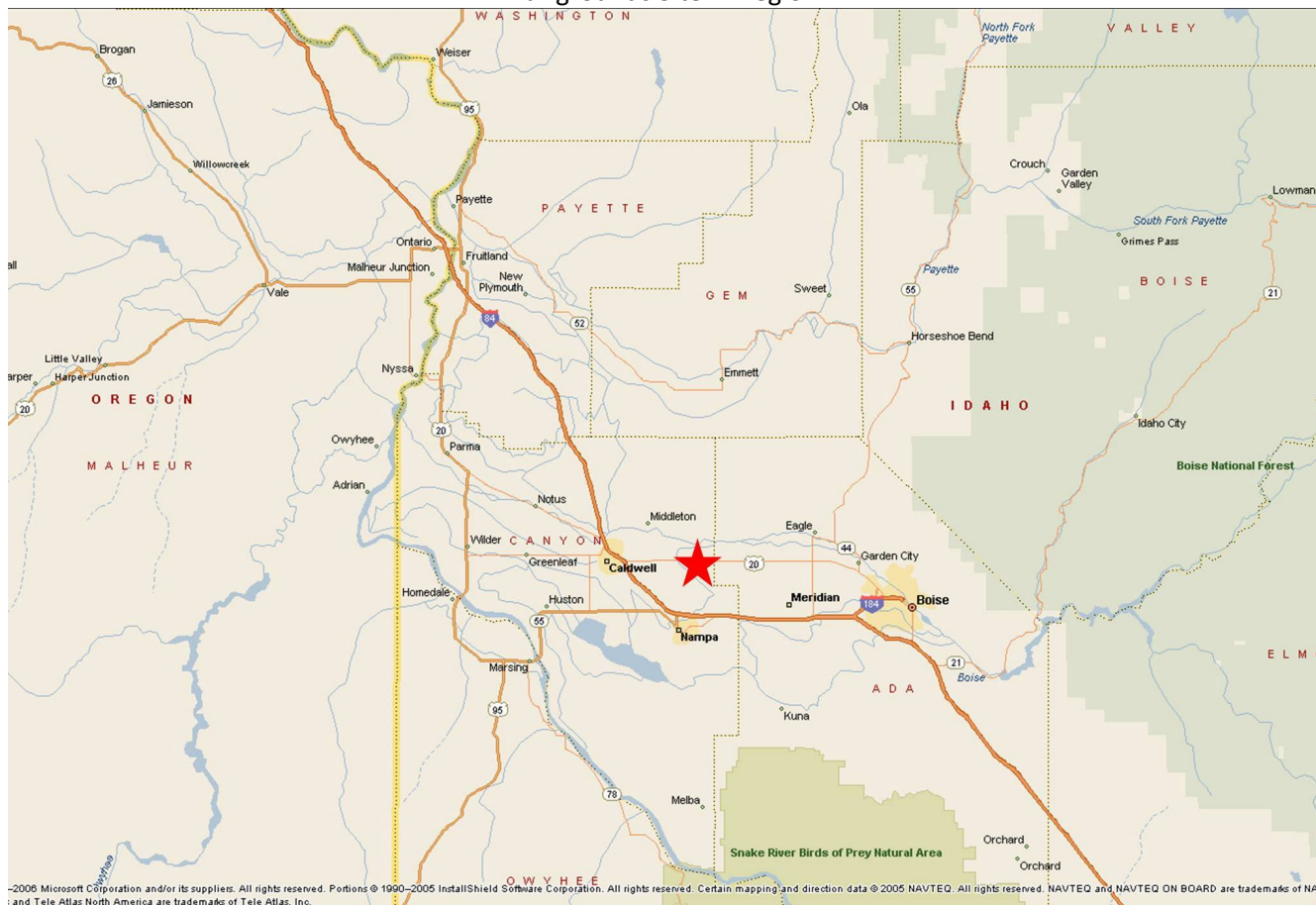
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FACTORS AFFECTING DEMAND FOR EVENT FACILITIES

- Location Characteristics
- Support Services
- Market Area Trends
- Competitive Factors
- Interviews and Research

Location Characteristics

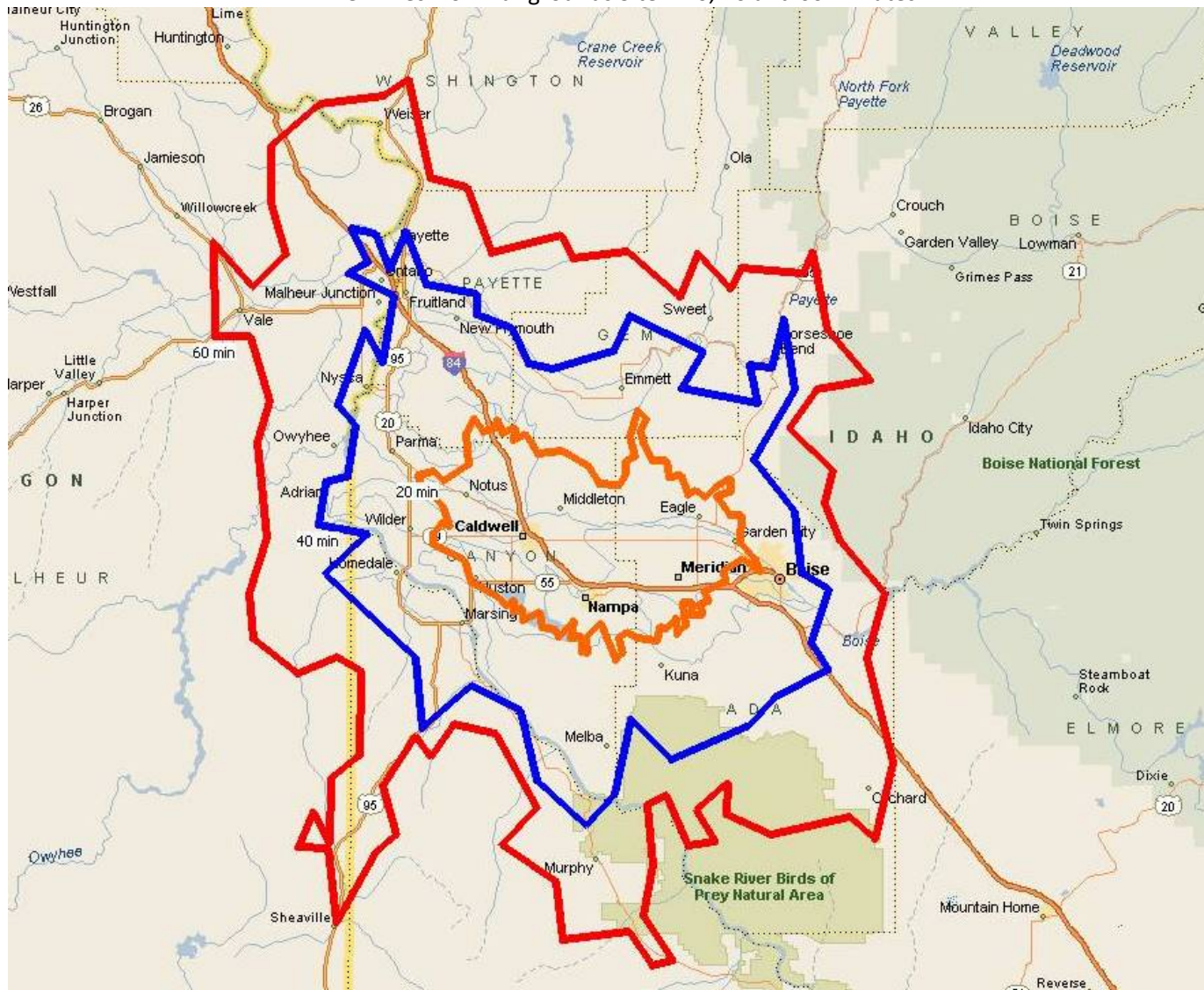
Fairgrounds Site in Region



Fairgrounds Site in Caldwell/Nampa/Boise

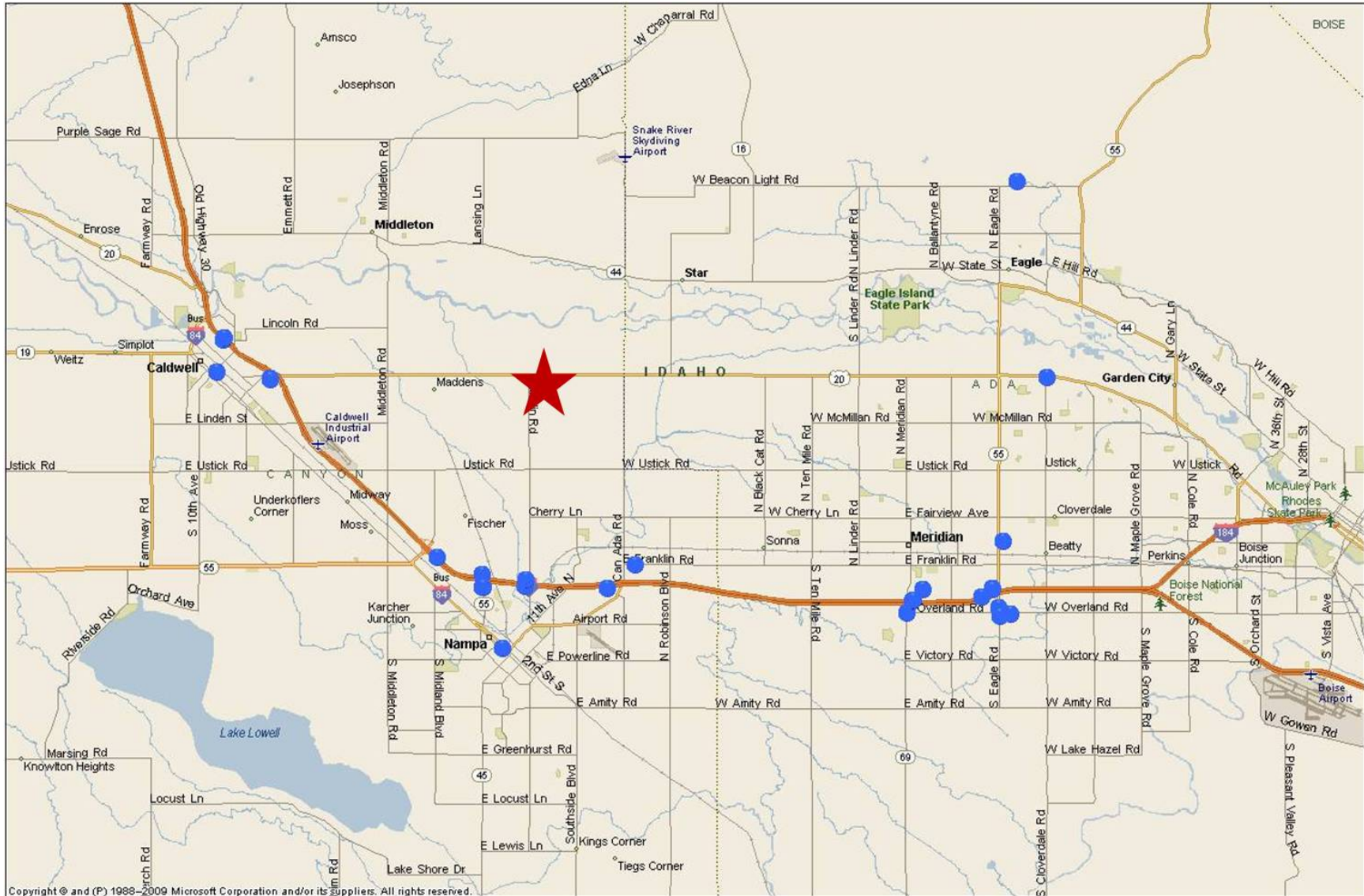


Drive Times from Fairgrounds Site – 20, 40 and 60 Minutes



Support Services

Fairgrounds Site in Relation to Lodging Facilities



Location and Support Services Summary

- The new Fairgrounds site is easily accessed from Interstate 84, approximately 6 miles to the west via Hwy 20/26 and 4.5 miles to the south via Franklin Road
- Fronting on Hwy 20/26, the site is highly visible
- The site is close to the Ada County border, in good proximity to that county's larger population base
- The new Fairground site is within a 10 to 15 minute drive of area lodging facilities, as well as retail outlets and eating and drinking establishments
- The larger acreage will greatly enhance the attractiveness of the new site for both the annual Canyon County Fair and year-round events and activities

MARKET AREA TRENDS

Population Trends

**Canyon County Fairgrounds
Market Area Population Trends; 1990, 2000, 2009**

	1990	2000	2010
Primary Market			
Canyon County	90,076	131,441	188,923
Secondary Market			
Ada County	205,775	300,904	392,365
Gem County	11,844	15,181	16,719
Payette County	<u>16,434</u>	<u>20,578</u>	<u>22,623</u>
Total Secondary Market Area	<u>234,053</u>	<u>336,663</u>	<u>431,707</u>
Total Market Area	<u>324,129</u>	<u>468,104</u>	<u>620,630</u>

Source: U.S. Census Bureau

**Canyon County Fairgrounds
Market Area Percentage Change**

Market Area	Percent Change	
	1990 - 2000	2000 - 2010
<u>Primary Market</u>		
Canyon County	45.9%	43.7%
<u>Secondary Market</u>		
Ada County	46.2%	30.4%
Gem County	28.2%	10.1%
Payette County	<u>25.2%</u>	<u>9.9%</u>
Total Secondary Market	<u>43.8%</u>	<u>28.2%</u>
Total Market Area	<u>44.4%</u>	<u>32.6%</u>

Source: U.S. Census Bureau

Population Trends

Canyon County Fairgrounds

Market Area Population Trends; 1990, 2000, 2009

	1990	2000	2009
Caldwell	18,400	25,967	43,281
Nampa	28,365	51,867	81,241
Middleton	1,851	2,978	5,781
Parma	1,597	1,771	1,881
Wilder	1,232	1,462	1,486

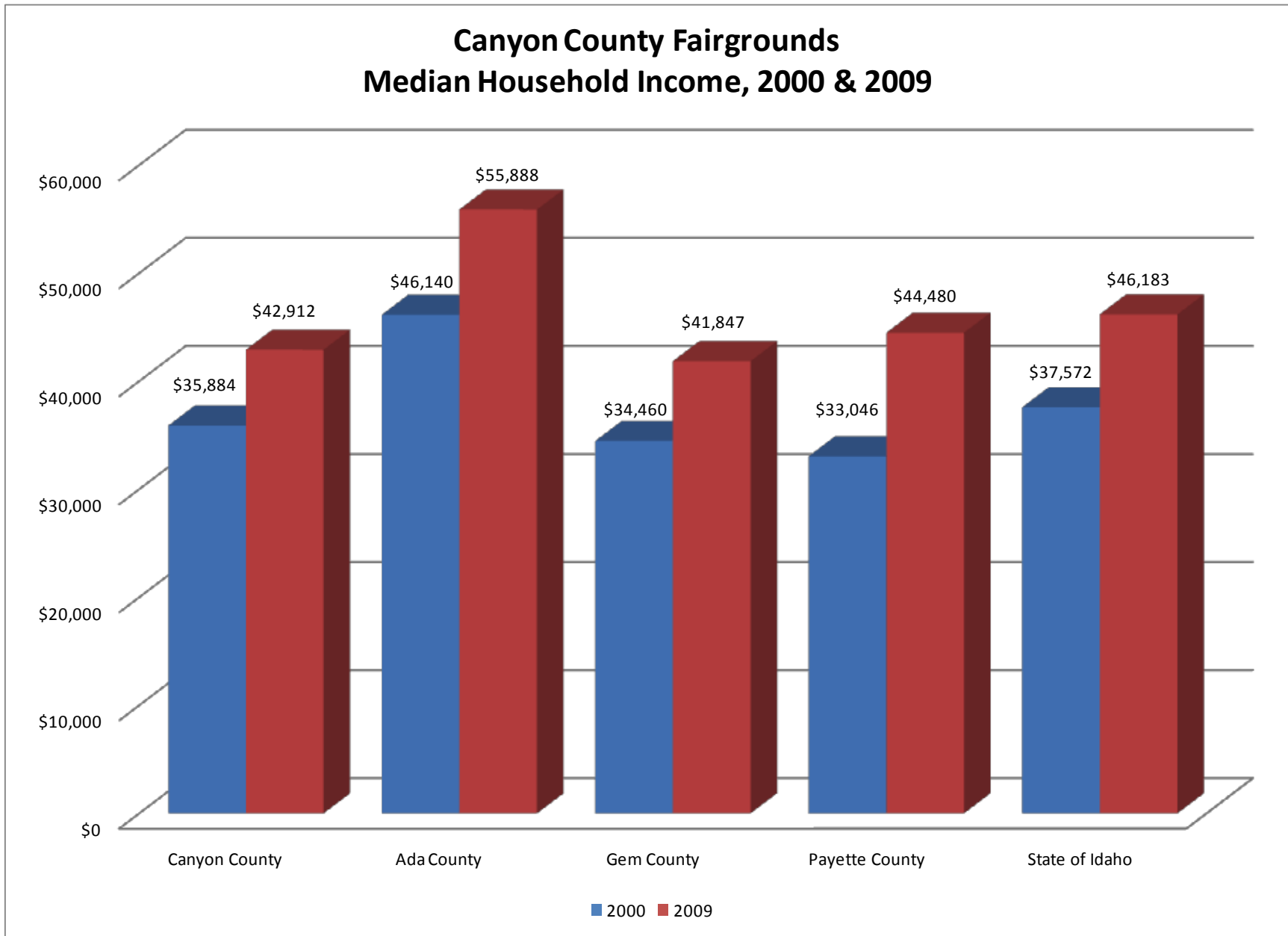
Age Trends

**Canyon County Fairgrounds
Market Area Population by Age Segment, 2000 and 2009**

Market Area	Ages						
	0 - 14	15 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65+
<u>2000</u>							
<u>Primary Market</u>							
Canyon County	26.0%	15.7%	14.5%	13.8%	11.5%	7.6%	11.1%
<u>Secondary Market</u>							
Ada County	22.8%	14.8%	15.9%	16.7%	13.6%	7.2%	9.1%
Gem County	22.7%	12.8%	11.0%	14.3%	13.3%	10.2%	15.7%
Payette County	25.2%	13.3%	12.3%	14.3%	12.1%	9.6%	13.2%
<u>2009</u>							
<u>Primary Market</u>							
Canyon County	31.3%	14.0%	15.3%	13.0%	11.7%	8.9%	10.2%
<u>Secondary Market</u>							
Ada County	21.9%	13.3%	16.4%	14.8%	14.0%	10.0%	9.7%
Gem County	20.4%	12.3%	9.9%	12.3%	14.8%	13.0%	13.2%
Payette County	23.5%	13.3%	11.4%	13.4%	13.5%	11.0%	13.8%

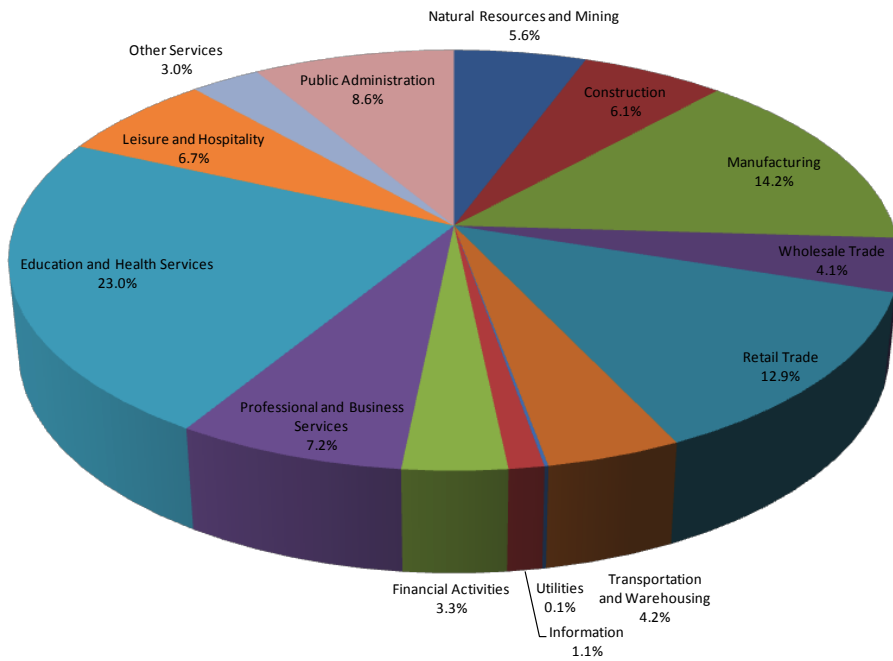
Source: US Census Bureau

Income Trends

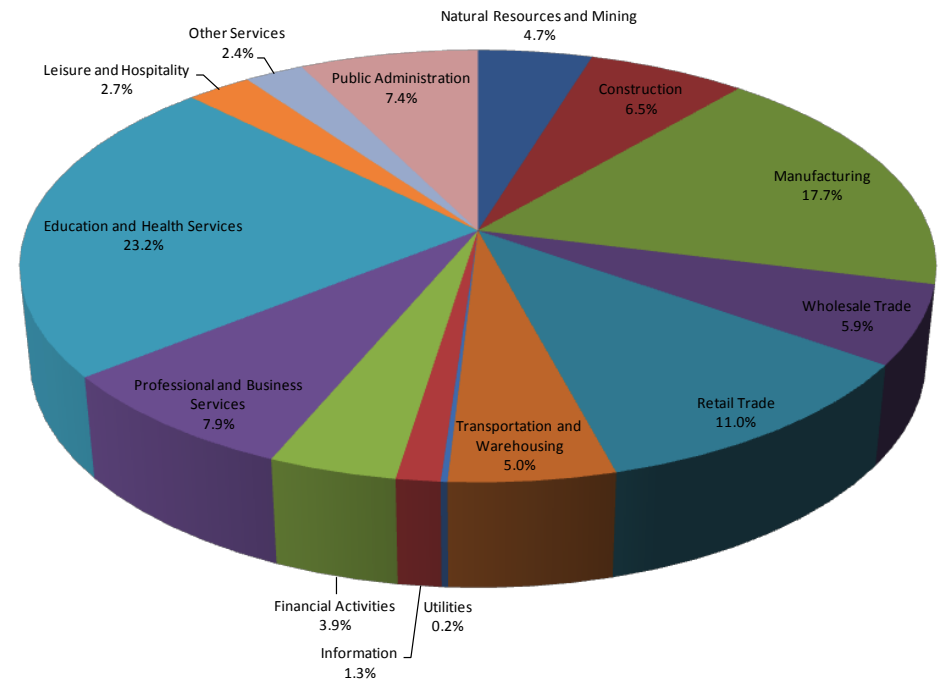


Employment Trends

Covered Employment by Industry for Canyon County, 2009



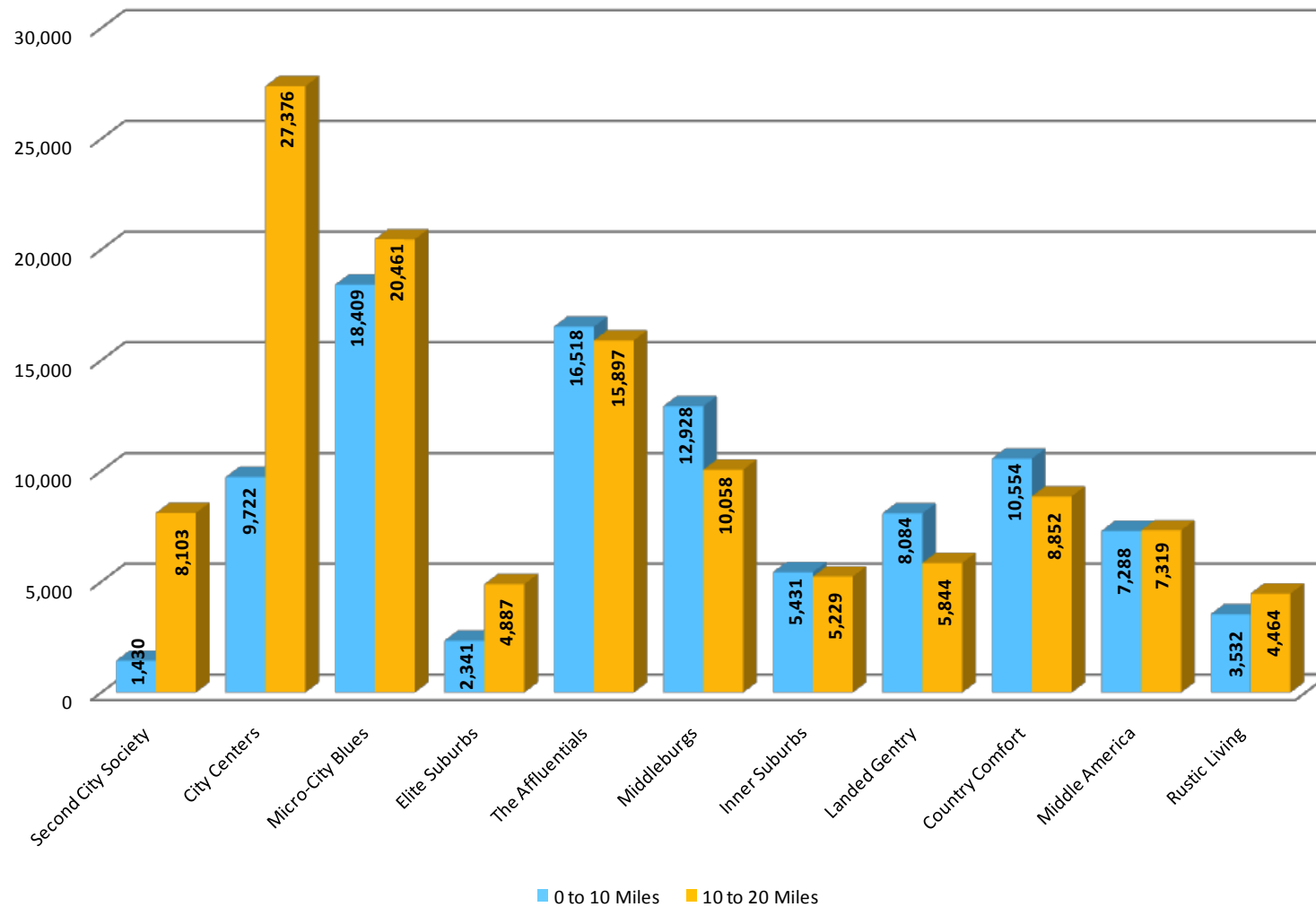
Total Wages by Industry for Canyon County, 2009



PRIZM Household Trends

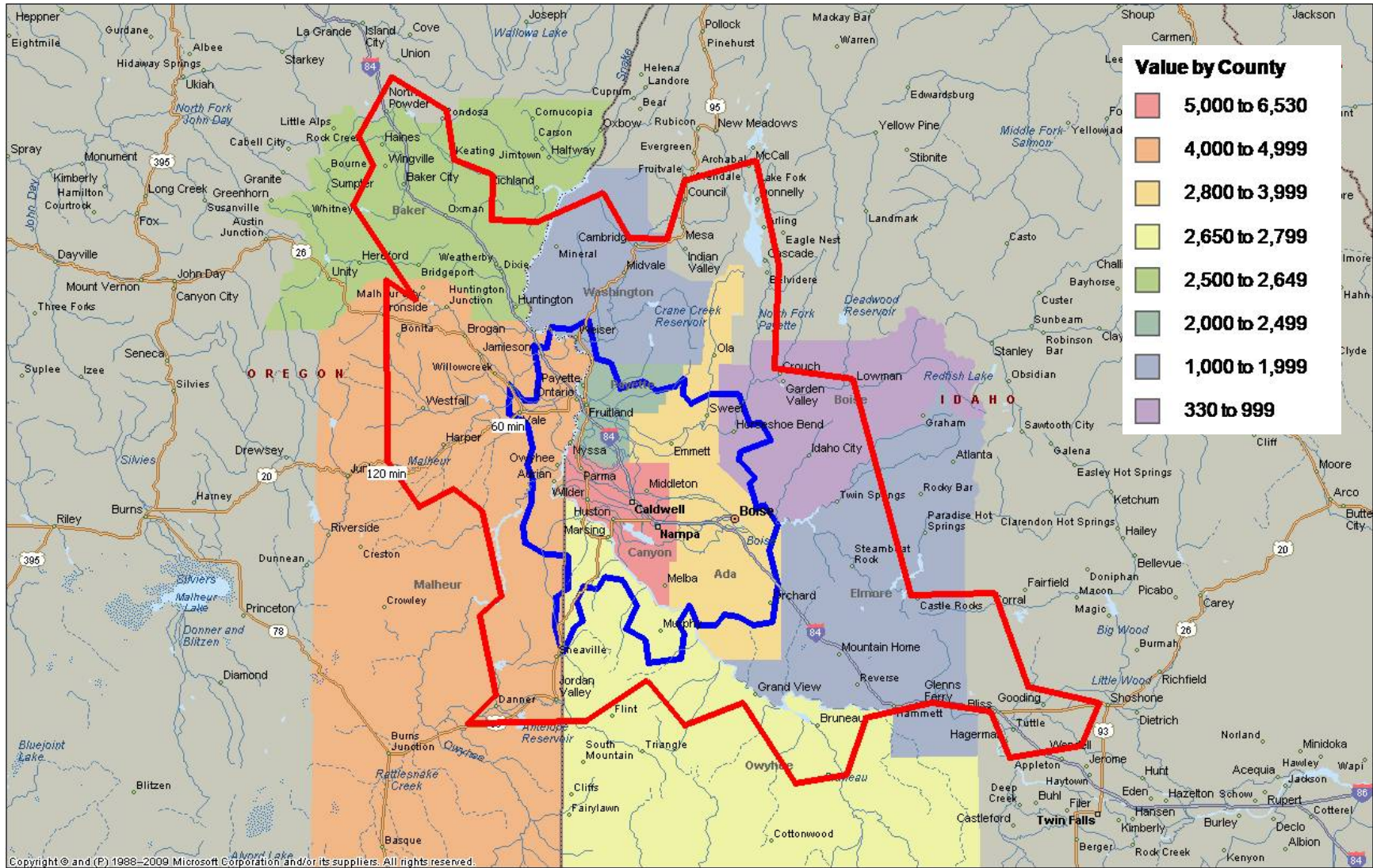
According to data compiled by Claritas, Inc., there are just over 96,000 households (about 240,000 people) within 10 miles of the new Fairgrounds site and another 118,000 households (about 300,000 people) residing between 10 to 20 miles of the new Fairgrounds site. Below is a chart showing the socio-demographic segments for those households.

Household Clusters within Radius of Proposed Site



Horse Populations and Drive Times

The map below shows the estimates of horse populations in counties southwest Idaho and eastern Oregon, along with one hour and two hour drive times from the new Fairgrounds site.



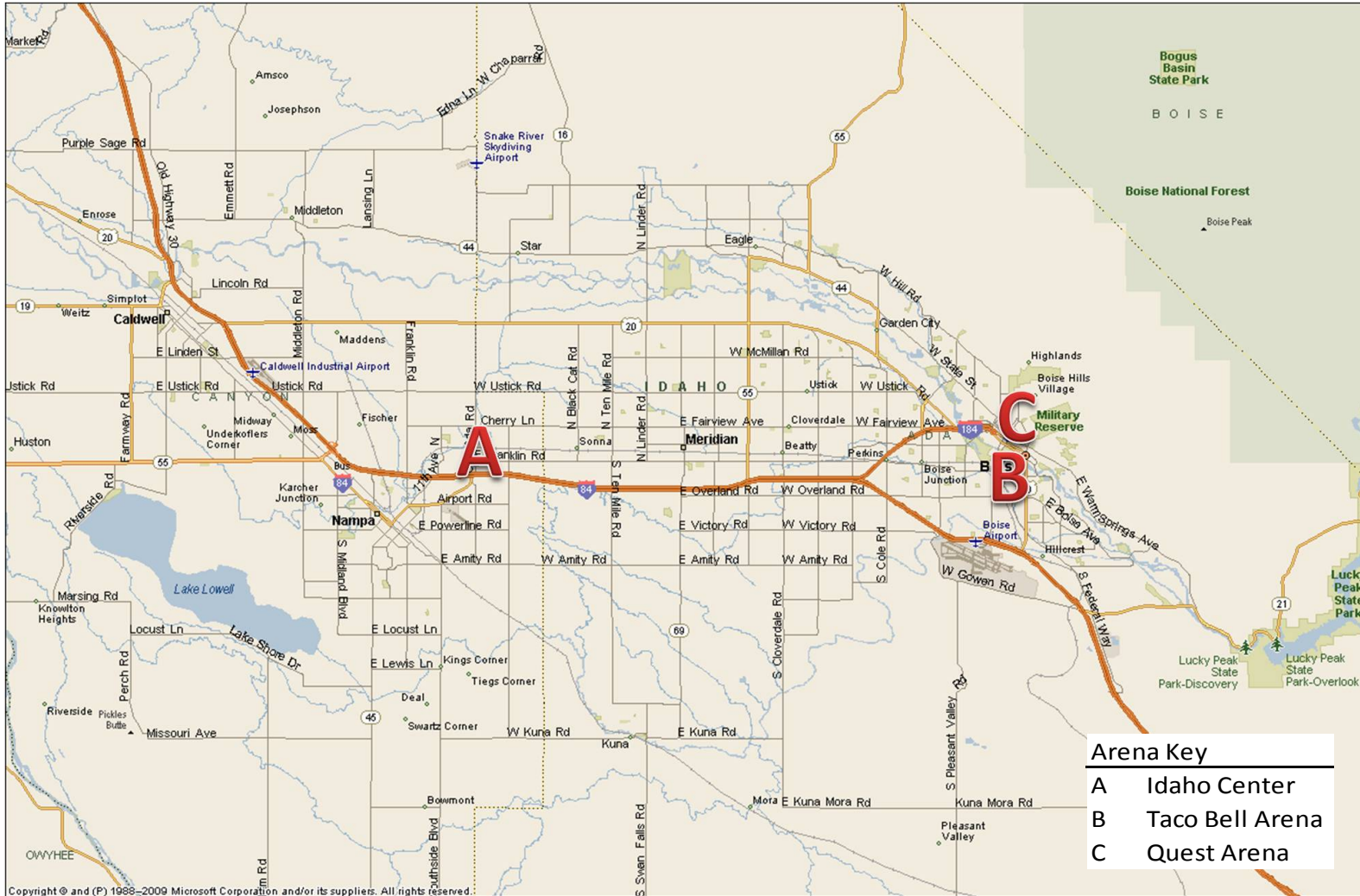
Market Area Trend Summary

- Canyon County's population grew by about 57,500 people between 2000 and 2010 – a 43.7 percent increase. During the same time, adjacent Ada County's population increased by more than 91,000 people – a 30.4 percent increase
- The strong growth rate of Canyon County and Ada County and the close proximity of the site to both County's population base is very positive
- Canyon County's population, in comparison to Ada County's population, is relatively young with over 31 percent of its population being under the age of 15 – compared with about 22 percent for Ada County
- The median incomes of Canyon County households lag behind Ada County and Payette County, as well as the State of Idaho
- Households within 10 miles of the new site tend to be more rural and less urban, with a good mix between low-income and older households with middle and upper income urban and landed households
- Canyon County has the highest population of horses of all counties in the southwest Idaho and eastern Oregon region

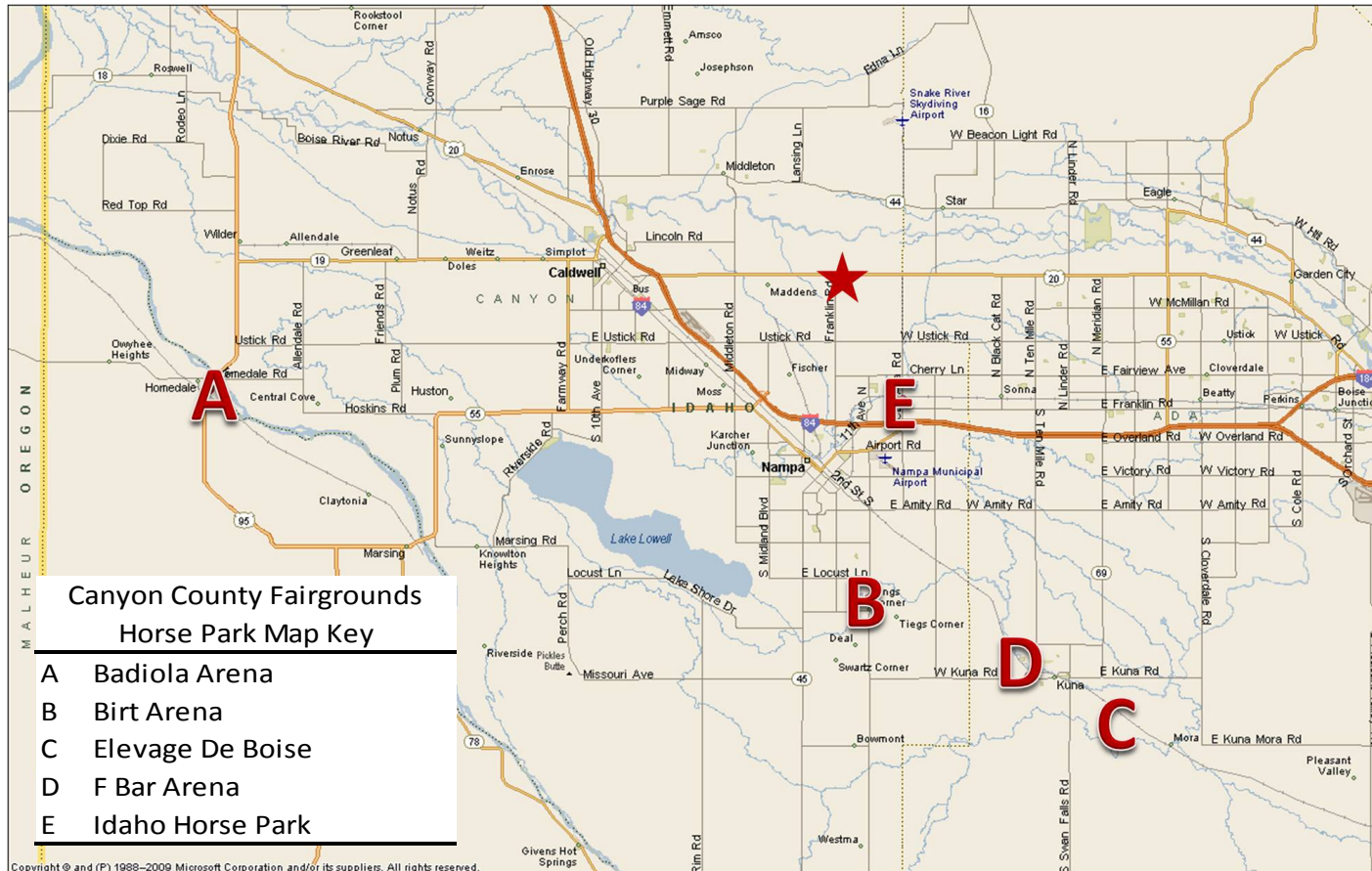
COMPETITIVE FACTORS

Competitive factors involve arenas, equestrian facilities, exhibition facilities, local banquet and meeting facilities and RV parks.

Arenas



Equestrian Facilities

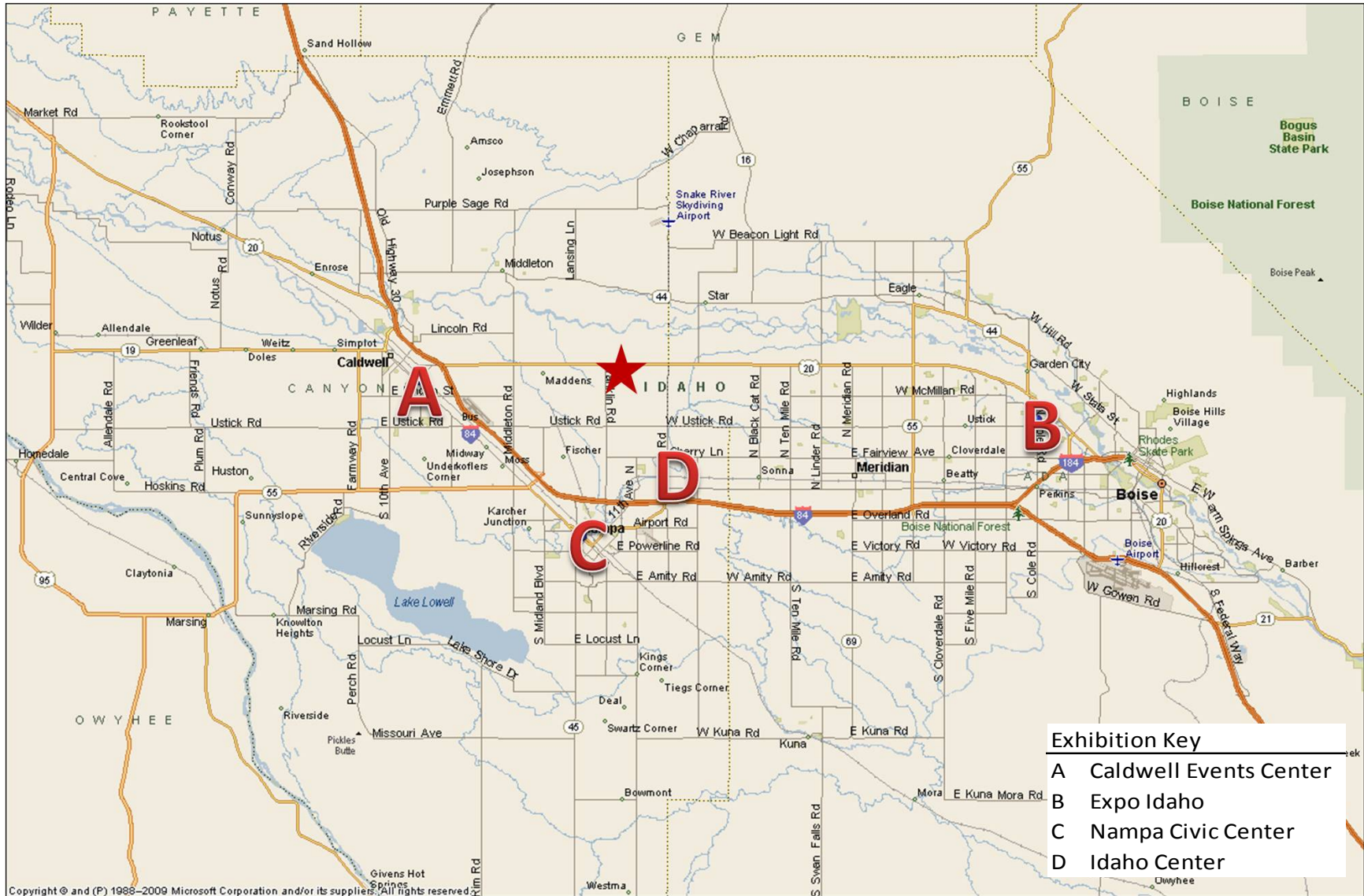


Equestrian Facilities

Characteristics	Badiola Arena	Birt Arena	Elevage De Boise	F Bar Arena	Idaho Horse Park
Location	Homedale, ID	Nampa, ID	Kuna, ID	Kuna, ID	Nampa, ID
Indoor Arena					
Seating	N/A	Minimal	Minimal	700	1,000+
Size	150' X 290'	124' X 200'	150' X 300'	120' X 215'	175' X 360'
Price per day	WND	WND	\$400	\$500	\$1,000
Other Arena					
Size	150' X 290'	150' X 300'	85' X 160'	None	150' X 300'
Price per day	WND	WND	\$175	N/A	\$500
Stalls					
Permanent	20	18	42	30	536
Portable	N/A	0	0	0	0
Price per day	WND	WND	\$15		\$5
RV					
Spots	None	10	None	None	44
Price per day	N/A	WND	N/A	N/A	\$27
Events Held	Ropings High School Rodeo	Clinics 4-H Breed Shows Jumper Shows	Breed Shows	Ropings Rodeo Clinics Bull Riding Barrels	Cutting Horse Rodeo Reining Horse Breed Shows Dressage

WNR: Would Not Disclose

Exhibition Facilities



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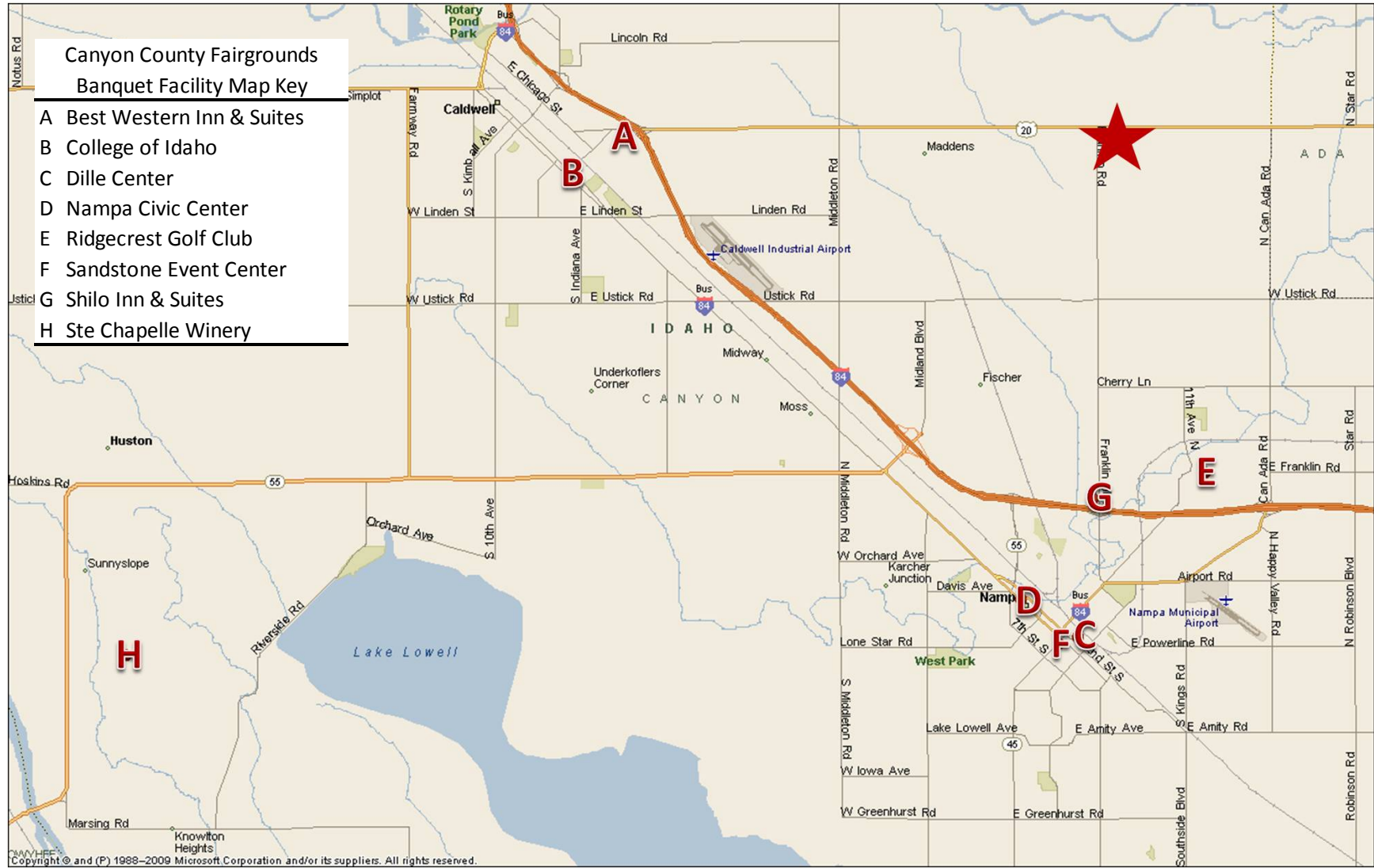
Exhibition Facilities

**Canyon County Fairgrounds
Comparison of Exhibition Space Rentals**

	Square Footage	Rental Rate	Rate Per Square Foot
Caldwell Events Center O'Connor Field House	21,400 sq. ft.	\$990 - \$1,230	\$0.046 to \$0.057
Nampa Civic Center Banquet & Exhibit Hall	10,200 sq. ft.	\$800 - \$850	\$0.078 to \$0.083
Idaho Center Arena/Concourse	42,000 sq. ft.	\$3,800 vs. 10% of ticket sales	\$0.090+
Expoidaho Expo North or South	18,125 sq. ft.	\$1,400	\$0.077
Expo Center	29,150 sq. ft.	\$2,450	\$0.084
All Expo	65,400 sq. ft.	\$5,250	\$0.080
Western Town	2,200 sq. ft.	\$685	\$0.311
Premium Building	7,200 sq. ft.	\$770	\$0.107

Source: Listed Facilities

Local Banquet and Meeting Facilities

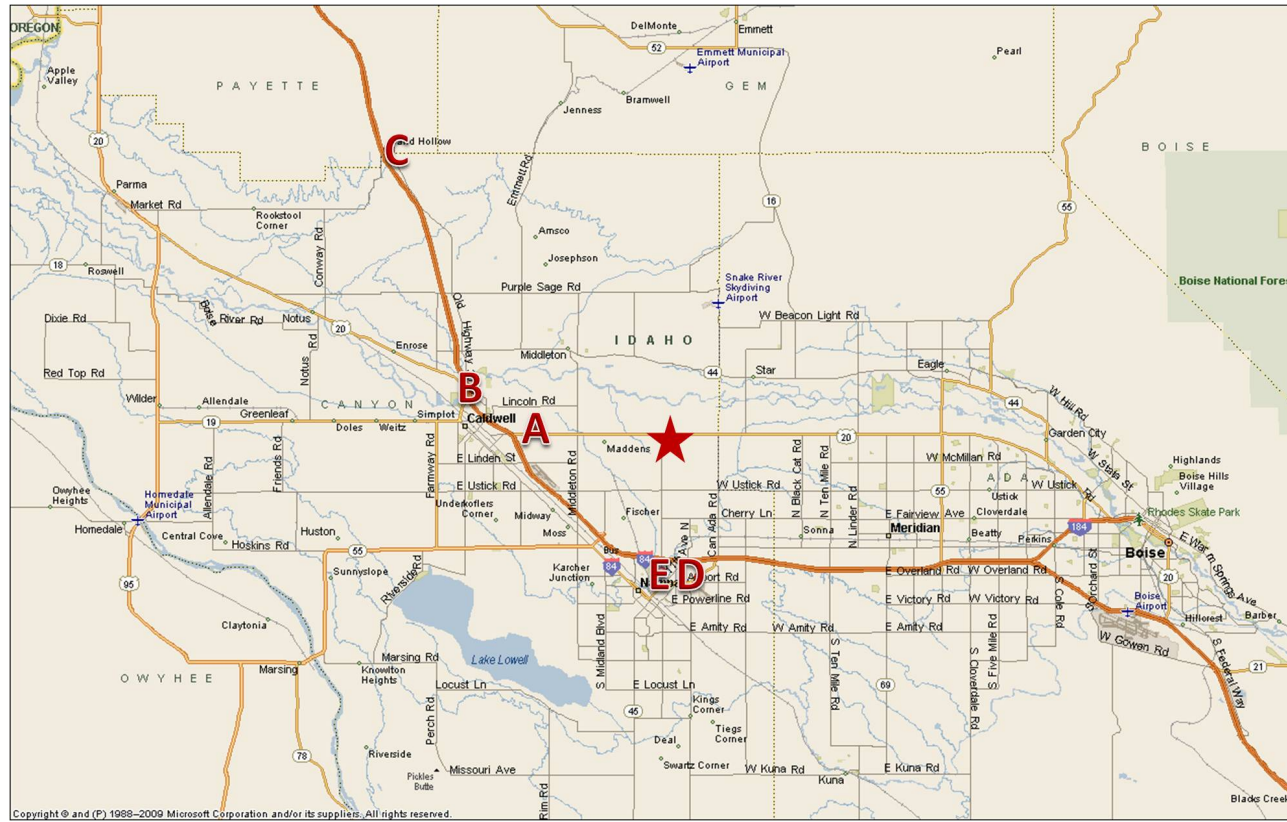


Local Banquet and Meeting Facilities

**Canyon County Fairgrounds
Banquet and Reception Facilities Comparison**

Name	City	Type of Space	Capacity
Best Western Inn & Suites			
Boulevard Room	Caldwell	Banquet	200
Blaine Meeting Room	Caldwell	Banquet	100
Cleveland Meeting Room	Caldwell	Banquet	90
College of Idaho			
Rosenthal Gallery	Caldwell	Reception	100
Sterry Hendren Boardroom	Caldwell	Reception	100
Robert E. Smylie Archives	Caldwell	Reception	75
Dille Center	Nampa	Banquet	80
Nampa Civic Center			
Banquet & Exhibit Hall	Nampa	Banquet	1,000
Lobby	Nampa	Banquet	400
North Banquet	Nampa	Banquet	200
Center Banquet	Nampa	Banquet	200
South Banquet	Nampa	Banquet	200
Ridgecrest Golf Club	Nampa	Banquet	170
Sandstone Event Center			
Great Room	Nampa	Banquet	270
Small Chapel	Nampa	Banquet	60
Green Room	Nampa	Banquet	170
Blue Room	Nampa	Banquet	110
Pine Room	Nampa	Banquet	112
Teal Room	Nampa	Banquet	64
Shilo Inn & Suites			
Meeting Room	Nampa	Banquet	50
Canyon Creek Restaurant Room 1	Nampa	Banquet	170
Canyon Creek Restaurant Room 2	Nampa	Banquet	80
Ste Chapelle Winery	Caldwell	Banquet	100

RV Parks



Map Key	RV Park Name	Location	Ownership	RV Spaces	Hook-Ups	Amps	Rates	Cable TV	Dump Station	Internet	Laundry	Playground	Pool	Rest Rooms	Showers
A	Ambassador RV Resort	Caldwell, ID	Private	188	Full	50	\$35	X	X	X	X	X	X	X	X
B	Caldwell Camp Ground	Caldwell, ID	Private	118	Full	50	\$23	X	X	X	X	X	X	X	X
C	Country Corners RV Park and Campground	Caldwell, ID	Private	75	Full	50	\$24		X	X	X	X		X	X
D	Garry RV Park	Nampa, ID	Private	88	Full	50	\$28	X	X	X	X	X		X	X
E	Mason Creek RV Park	Nampa, ID	Private	84	Full	50	\$22	X	X	X	X	X		X	X

Hook-Ups F = Full, WE = Water and Electric, E = Electric

Competitive Assessment Summary

- There are a significant number of arenas within the Boise MSA (which includes Canyon County) that provide a myriad of entertainment and spectator activities for residents of the area to choose from
- Equestrian facilities, while appearing to be quite prevalent in numbers, actually lack larger facility characteristics needed by many equestrian clubs and events – such as multiple arenas, covered arenas and stalls
- The Idaho Horse Park is the largest horse show facility in the region, yet has only one enclosed and no covered arenas.
- According to management of the Idaho Center and Horse Park, its marketing focus is toward larger regional and small national horse shows and events and not smaller regional and local shows
- Badiola Arena, a recently constructed and privately-owned facility, focuses on self-promoted ropings as well as some District 2 High School Rodeo and other local shows. This facility lacks stalling and RV sites.
- Sometimes the Idaho Center is rented for trade shows/public shows (e.g. Home Show) – using the arena floor and upper concourse area of about 42,000 square feet. O'Connor Field House is the next larger exhibition building in Canyon County, yet it is old and lacks many amenities and size for larger public shows.
- The Caldwell/Nampa area is very limited with regard to local meeting and banquet facilities. The largest facility to accommodate these events is the Nampa Civic Center with banquet seating for 1,000 (750 with round tables). The next largest facility, Sandstone Event Center, can accommodate fewer than 300 people.
- There are over 500 RV spaces among 5 RV parks in the Caldwell/Nampa area, providing sufficient capacity for transient demand. Any RV spaces at the new Fairgrounds site should be tailored for uses by event participants only.

INTERVIEWS AND RESEARCH

To further assess the potential demand for event facilities at the new Fairground site, we used the results of interviews and surveys of current and past users of the existing Canyon County Fairgrounds and potential users of the new Fairground site.

Current and Past Users

The following current and past users were interviewed/surveyed to determine interest in using event facilities at the new Fairground site and, if interested, to identify the type of facilities needed.

- BARC
- Boise Valley Cutting Horse Association
- Idaho Cowboys Association
- Idaho Miniature Horse Club
- Idaho State Horse Show Association
- ION Appaloosa Horse Club
- Lizard Butte Kennel Club
- Outback Stallion Station
- Spectra Productions

Representatives for the above organizations all expressed strong interest in using event facilities at the new Fairground site.

- Spectra Productions would move the Ag Expo, that currently uses the existing Canyon County Fairgrounds arena building and O' Connor Field House, to the new Fairground site. This event requires up to 50,000 square feet of indoor exhibition and meeting space – either contiguous under one roof or attached. Other facility features needed are easy load in and out, wide and tall access door (e.g. 20' x 15'), meeting and seminar space for a couple of breakout sessions (50 to 60 people). Representative of Spectra indicated other events could include flea markets, craft shows, seasonal shows and the like.
- Lizard Butte Kennel Club indicated the possibility of a larger, regional dog show such as The Cluster Show currently held at Expo Idaho in Boise. Facilities needed include two 100' x 100' rings, crating area and on-site camping.
- Specific facility needs of horse events are included in the following section.

Potential Non-Equestrian Uses

In conjunction with our review of competitive facilities in the Caldwell/Nampa area, we conducted a detailed review of their event schedules, noting that except for large Home and Garden Shows and Christmas Show held at the Idaho Center, there are no other consistent consumer and public shows held in Canyon County, due principally to the lack of mid-size, exhibition facilities. This gap in the market place will provide ongoing opportunities for event facilities at the new Fairgrounds site to capture and grow this market niche.

Potential Horse Club Users

We conducted interviews and surveys of 31 horse clubs, associations and shows in Idaho. The key focus of the interviews and surveys was to identify:

- General interest in hosting event(s) at the new Fairgrounds site
- Facility needs for events and activities

A listing of the clubs, associations and shows involved in the interview and survey process is presented below.

Canyon County Fairgrounds Idaho and Wyoming Horse Clubs Surveyed	
American Blazer Horse Association	Idaho Paint Horse Club
Boise Pony Club	Idaho Peruvian Horse Club
Boise Saddle and Jump Club	Idaho Quarter Horse Association
Boise Valley Cutting Horse Association	Idaho Reined Cow Horse Association
Canyon County Sheriff's Mounted Posse	Idaho Reining Horse
Des Arab Arabian Horse Association	Idaho State Horse Show Association
Gem State Rodeo Association	Idaho State POA Club
Gem State Stock Horse Association	Intermountain Pony Clubs
Idaho Bucksin Breeders Association	ION Appaloosa Horse Club
Idaho Cowboy Action Shooting	Magic Valley Arabian Horse Association
Idaho Cowboys Association	NW Barrel Racing Association
Idaho Cutting Horse Association	NW Paso Fino Horse Association
Idaho Girls Rodeo Association	Snake River Reining Alliance
Idaho Hunter Jumper Association	Southern Idaho Pinto Horse Association
Idaho Junior Rodeo Association	Treasure Valley Paint Horse Club
Idaho Miniature Horse Club	

Potential Horse Club Users

We received responses from 16 of the 31 horse clubs/associations, of which 14 indicated an interest in using horse show/event facilities at the new Fairgrounds site. A summary of the responses for the interested clubs/shows is presented in Exhibit A. Highlights of the responses are:

- The respondents represent 28 single and multi-day horse shows, representing 58 to 62 event days
- Number of horses per show range from 15 to 350 horses
- Stalls needed per event range from 0 to 350, with most in the 50 to 100 range
- Indoor arena size needs – 100' x 175' to 200' x 300'
- Covered arena and warm-up arenas needed
- RV hook-ups – 10 to 100, with most 50 or less

Specific characteristics of horse shows that could be held at the new Fairgrounds, according to club representatives, are shown in the tables on the following pages.

Potential Horse Club Users

Canyon County Fairgrounds Master Plan Study
Summary of Interested Horse Clubs and Shows

Horse Club/Show	Month	Number of Days	Number of Horses	Number of Stalls/Day	Number of Arenas/Rings ⁽¹⁾	Number of RV Sites
ID State POA						
Event 1	May/June	1	15	5	2	None
Event 2	July	1	50	10	2	None
Event 3	September	3	80	45	3	20
ID State Horse Show Assoc.						
Event 1	April	2	100	40	2	None
Event 2	June	3	150	70	2-3	10+
Event 3	September	2	75	20-30	3	10+
Gem State Stock Horse						
Event 1-4	May, June, July, Aug	1 each	130	60	3	25
Treasure Valey Paint Horse	September	2	80	40	2-3	25
Boise Pony Club	N/A	1	50	None	1	None
Idaho Cowboys Assoc	October	2	100	30	2-3	30
NW Paso Pino						
Event 1	Spring	2	50	50	2-3	30+
Event 2	Fall	2	50	50	2-3	30+
Mounted Posse						
Event 1	Varies	26	15	None	1	None
Event 2	September	1	30	None	2	15
Event 3	May	1	5	None	1	None

NR = No Response

⁽¹⁾ Includes warm-up rings

Potential Horse Club Users

Canyon County Fairgrounds Master Plan Study
Summary of Interested Horse Clubs and Shows

Horse Club/Show	Month	Number of Days	Number of Horses	Number of Stalls/Day	Number of Arenas/Rings ⁽¹⁾	Number of RV Sites
ID Reining Cow Horse						
Event 1	May	2	50-80	40	2	25
Event 2	October	6	300	250	2-3	50-60
ID Quarter Horse Assoc.						
Event 1	May	4	250-350	250-350	3-4	50-100
Event 2	August	4	250-350	250-350	3-4	50-100
ID Paint Horse						
Event 1	June/July	1-2	30-80	50	2-3	25
Event 2	August	3-4	120-190	200	2-3	100
ION Appaloosa Club						
Event 1	June	1-2	40	50	2-3	40-50
Event 2	August	1-2	40	50	2-3	40-50
ID Hunter Jumper Assoc.						
Event 1	June	3	70	80	2-3	20
Event 2	July	3	70	80	2-3	20
Event 3	August	3	70	80	2-3	20
Boise Valley Cutting Horse						
Event 1	April	2	50-60	40	2	NR
Event 2	May	2	50-60	40	2	NR
Event 3	October	3	100-120	100	3	NR

NR = No Response

⁽¹⁾ Includes warm-up rings

Canyon County Fair

The following tables present the space uses and programming of the 2010 Canyon County Fair at its current location.

**Canyon County Fair
Overview of Programming and Existing Space Use at 2010 Fair**

Space/Area	Space Features	Programing Uses
Arena Building and Stalls	28,800 gross square feet 90' x 220' dirt floor ring Concessions area 93 stalls, wash racks Bleachers for 500 people Heat and ventilation Restrooms	4-H & FFA Livestock Shows Livestock Penning Swine (Outside Arena Bldg) Sheep (Inside Arena Bldg) Poultry (Inside Arena Bldg) Dairy/Meat Goats (Inside Arena Bldg) Pygmy Goats (old stalls) Horses (stalls) 4-H & FFA Awards Ceremony Horse Stalling Livestock Judging Market Livestock Sale Poultry Showmanship
O'Connor Field House	21,400 net square feet 21 foot ceiling Full climate controls Restrooms Concession stand	4-H Activities Arts & Crafts Exhibits Baking Contests Bingo Ceramic Make-n-Take Commercial Exhibits Cooking Shows Entertainment
Small Animal Tent and Attached Barn	30' x 50' tent structure 36' x 36' metal building	4-H & FFA Small Animal Showing Other 4-H and FFA Activities Rabbit and Cavy Pens
Charolais Barn	150' x 200' open-sided structure 11 foot high ceiling Wooden interior penning Wash racks	4-H & FFA Livestock Shows & Events Large Animal Stalling Dairy Beef 4-H & FFA Judging Contest 4-H & FFA Round Robins

Canyon County Fair

**Canyon County Fair
Overview of Programming and Existing Space Use at 2010 Fair**

Space/Area	Space Features	Programing Uses
Contest Corral	30' x 100' tent	Various Open Contests 4-H & FFA Dog Show Ag Challenge Market Livestock Sale Buyer's Breakfast Ag Pavilion Senior Day Luncheon Entertainment
Rodeo Arena	Outdoor, open rodeo arena 8,000 seats 140' x 250' ring area Food court Commercial vendors	Horse Shows Dog Trials Ranch Hand Competition Team Branding Tractor Driving Contest Jr. Rodeo
Simplot Stadium/Field	4,000-seat concrete structure 32' x 32' main stage 60' x 90' VIP tent VIP seating for 520 Restrooms	Beer Garden Food Court Main Stage and VIP Tent Entertainment Trailer
Gabiola Field	210K to 220K square feet (5 acres)	Carnival Vendors
Other Outdoor Spaces	Various concrete, asphalt and grassing areas	Commercial Exhibits Contest Corral Entertainment Stages Food Vendors Parking

Canyon County Fair

Limitations of the existing site (Canyon County Fairgrounds, Caldwell Rodeo Arena and Caldwell Events Center) for staging the annual Canyon County Fair include:

- Parking and traffic is difficult for participants and fair patrons
- Livestock penning and judging areas are maxed out – limiting new/expanded entries
- The disjointed layout of the entire facilities creates traffic bottlenecks as well as lack of adequate pedestrian circulation
- O'Connor Field House is too small to accommodate the indoor programming of the Fair
- Lack of larger livestock and equestrian facilities have resulted in the horse show being held off-grounds
- In general, the entire current site for the Canyon County is a limiting factor in growing attendance and participation in the Fair

EVENT POTENTIAL

Based on the analysis of demand factors (location, market area characteristics and competitive factors) and the results of the research and interviews, we believe that year-round event facilities at the new Fairgrounds site could successfully attract the following events and activities (includes events currently held/scheduled at the existing Canyon County Events Center):

**Canyon County Fairgrounds
Preliminary Event Potential**

Event Type	Number of Events/Rentals	Number of Event Days	Minimum Space Needs	Type of Space
Consumer/Public Shows	8-12	16-24	10,000 to 25,000 sq. ft.	Exhibit Space
Trade Shows	2-3	4-6	50,000 sq. ft.	Exhibit Space
Banquet/Receptions/Dance	18-24	18-24	5,000 to 10,000 sq. ft.	Banquet Space
Small Animal Shows	15-18	40-48	30,000 to 50,000 sq. ft.	Arena/Exhibit Space
Rodeo/Bull Rides	1-2	1-2	Indoor	Arena/Seating
Sales and Auctions	6-8	12-16	10,000 to 20,000 sq. ft.	Arena/Exhibit Space
Horse Shows - Single Day	16-20	16-20	Outdoor/Covered	Arena
Horse Shows - Multiple Day	20-24	50-60	Indoor/Covered	Arena/Stalls
Horse Shows - Rotating	2-4	6-12	Indoor/Covered	Arena/Stalls
Horse Clinics	2-4	3-8	Indoor/Covered	Arena/Seating
RV Rallies	2-3	4-6	Some Exhibition Space	RV/Parking Areas
Barrel Racing/Timed Runs	18-22	18-22	Covered	Arena
Community Uses	<u>4-6</u>	<u>6-12</u>	10,000 to 30,000 sq. ft.	Exhibit Space
	<u>114-150</u>	<u>194-260</u>		

In addition to the events shown in the above table, it is assumed that open riding would also take place at the new Fairgrounds site. It is assumed, based on input from management, that the indoor flat-track racing (OMC) and certain 4-H events would remain at the existing County arena building.

PRELIMINARY MINIMUM FACILITIES

To successfully attract and retain the potential events and uses shown on the previous page and to accommodate growth of the Canyon County Fair, the following minimum facilities are required.

Exhibition Space

- 35,000 sq. ft. to 45,000 sq. ft. (net rentable)
- Single building
- Dividable into 2 to 3 sections with air wall
- 20 ft. to 25 ft. ceilings
- Full climate controls
- Concession areas in each section
- Show offices
- Catering/warming kitchen
- 2 to 3 meeting rooms
- Storage
- Restrooms
- Lobby/public area
- 2 large access doors
- Fair office

Indoor Arena

- 140' x 280' to 150' x 300' earthen floor ring
- Seating for 2,500 to 3,000
- Concessions areas
- Restrooms with showers
- Show office
- Announcers stand
- Heat and ventilation (large blade fan)
- Bucking chutes, return alley
- Warm-up ring (60' x 90' minimum) in building
- Adjacent holding pens for livestock

Other Arena

- Preferred covered
- 140' x 280' ring
- Covered seating area for 500
- Lighted
- Show office

Livestock Pavilion

- Covered or partially enclosed
- 30,000 sq. ft. to 40,000 sq. ft. (net usable)
- Clear span
- Concrete floor and dirt warm-up/judging area
- Energy-efficient lighting/natural lighting
- Restrooms with showers
- Portable stalls (10' x 12') for 120 – 150 horses

Small Animal Building

- 15,000 sq. ft. to 20,000 sq. ft. (net usable)
- Show office
- Restrooms

Other Area

- Area for 40 – 50 RV sites
- Electric and water (8 on a post)
- Carnival (5 to 7 acres)
- Trailer parking
- General parking
- Food court(s)

Fair Programming with Recommended Facilities

The following tables present how the recommended minimum facilities can be used for programming of the annual Canyon County Fair.

Canyon County Fair
Overview of Fair Programming and Recommended Facilities at New Fairgrounds

Recommended Space/Area	Space Features	Programing Uses
Exhibition Space	35,000 sq. ft. to 45,000 sq. ft. (net rentable) Single building Dividable into 2 to 3 sections with airwall 20 ft. to 25 ft. ceilings Full climate controls Concession areas in each section Show offices (2) Catering/warming kitchen 2 to 3 meeting rooms Storage Restrooms Lobby/public area 2 large access doors Fair office	4-H Activities Arts & Crafts Exhibits Baking Contests Bingo Ceramic Make-n-Take Commercial Exhibits Cooking Shows Entertainment Expanded Programming
Indoor Arena	140' x 280' to 150' x 300' earthen floor ring Seating for 2,500 to 3,000 Concessions areas Restrooms with showers Show office Announcers stand Heat and ventilation (large blade fan) Bucking chutes, return alley Warm-up ring (60' x 90' minimum) in building	Horse Shows Dog Trials Ranch Hand Competition Team Branding Tractor Driving Contest Jr. Rodeo Possibly Main Stage Entertainment
Other Arena	Preferred covered 140' x 280' Covered seating area for 500 Lighted Show office	4-H & FFA Livestock Shows Livestock Penning Swine 4-H & FFA Judging Contest 4-H & FFA Round Robins

Fair Programming with Recommended Facilities

**Canyon County Fair
Overview of Fair Programming and Recommended Facilities at New Fairgrounds**

Recommended Space/Area	Space Features	Programing Uses
Livestock Pavilion	Covered or partially enclosed 30,000 sq. ft. to 40,000 sq. ft. (net usable) Clear span Concrete floor and dirt warm-up/judging area Energy-efficient lighting/natural lighting Restrooms with showers Portable stalls (10' x 12') for 120 - 150 horses	4-H & FFA Livestock Shows Livestock Holding Sheep Goats Dairy Beef Market Livestock Sale Livestock Judging
Small Animal Building	10,000 sq. ft. to 15,000 sq. ft. (net usable) Show office Restrooms	4-H & FFA Small Animal Shows Animal Cages Poultry Rabbit Cavies
RV Area	Area for 40 - 50 RV sites Electric and water (6 to 8 on a post)	RV's
Entertainment Area	Main Stage (40' x 60')	Mainstage Entertainment VIP Tent VIP Seating General Seating Area
Other Areas	Grass and gravel areas	Carnival Food Court(s) Beer Garden Parking Trailer parking Entertainment stages

FINANCIAL ANALYSIS

This section of the report presents an analysis of the potential operating potential for the Recommended Facilities at the new Fairgrounds site. The assumptions used in the financial analysis are based on the results of the assessment of demand factors presented earlier in the report, industry trends, knowledge of the event market industry and financial results of comparable facilities.

This analysis is intended to be used for assessing the potential financial operating results of the Recommended Facilities and should not be used for any other purpose. Although we believe that the information and assumptions set forth in this report constitute a reasonable basis for the estimates of usage and financial potential, the achievement of any estimate may be affected by fluctuating economic conditions and the occurrence of other future events that cannot be anticipated. Therefore, the actual results achieved will vary from the estimates and such variations may be material.

We have presented the financial analysis using two scenarios – a low scenario and a high scenario, in terms of the number of events and activities. The low scenario represents the base amount of events and activities and the high scenario represents a best case scenario in which management is able to attract more events. All financial estimates are presented in 2011 dollars.

Fair Revenue Assumptions

To estimate the revenue potential for relocating the Canyon County Fair to the new Fairgrounds site, we have used recent historical data from the 2009, 2010 and 2011 Canyon County Fairs to prepare estimates of Fair revenues. Adjustments have been made for attendance assumptions, changes in gate admission prices, increases in commercial exhibitor space and rates and other aspects of the Fair.

We believe that by relocating the Fair to the new site, paid attendance could increase by 30 percent (low scenario) to 50 percent (high scenario) over 2011 levels. For purposes of the potential Fair revenues at the new site, shown on the following page, all Fair revenue sources reflect a 30 percent and 50 percent increase above 2011 levels, except the following:

- In addition to the 30 percent and 50 percent increase in ticket sales, it is assumed that the average gate ticket price would be increased by \$1.00
- Booth fees reflect an increase in the number of exhibitors from 75 to 100 (low scenario) or 110 (high scenario) plus a \$50 increase in the average booth fee
- Sponsorship revenues are based on our assessment of the potential to generate significantly more revenues due to new and larger facilities and higher attendance levels

Canyon County Fairgrounds Master Plan Study
Comparison of 2011 Fair Revenues and New Site Potential Revenues

Fair Revenues	2011 Fair	New Site Potential	
		Low Scenario	High Scenario
Arena Events	\$4,123	\$5,400	\$6,200
Awards	9,925	13,000	15,000
Beer Sales	62,069	81,000	93,000
Booth Electricity	1,330	1,700	2,000
Booth Fee	28,104	43,000	47,000
Carnival	18,813	25,000	28,000
Concert Tickets / Merch	25,439	35,000	40,000
Contests	2,845	3,700	4,300
Food Vendor Cleaning Fee	1,101	1,400	1,700
Food Vendor Commissions	31,088	40,400	46,600
Food Vendor Electricity Fee	2,235	2,900	3,400
Food Vendor Space Fees	5,650	7,300	8,500
Gate Admissions	117,775	189,000	218,000
Other Fair Income - ATM	695	900	1,000
Special Events	7,938	10,000	12,000
Sponsorship	64,722	90,000	110,000
Ticket/Credit Card Fees	<u>5,790</u>	<u>7,500</u>	<u>8,700</u>
	<u>\$389,641</u>	<u>\$557,200</u>	<u>\$645,400</u>

Fair Expense Assumptions

Similar to fair revenues, it is assumed that all 2011 Fair expenses (baseline) would increase by 30 percent (low scenario) or 50 percent (high scenario), except for the following:

- The cost of concert acts and related production costs are assumed to remain the same, as the quantity and quality of the acts and the capacity for growth in attendance are more than adequate
- Grounds entertainment has been increased by almost 50 percent (low scenario) and 75 percent (high scenario) to reflect additional entertainment staging areas at the new site
- Garbage collection expenses have been increased by 75 percent (low scenario) and 100 percent (high scenario) due to assumed increases in attendance at the new site

The table below presents a comparison of the 2011 Fair expenses with the potential low and high scenario expenses at the new site.

Canyon County Fairgrounds Master Plan Study
Comparison of 2011 Fair Expenses with New Site Potential Expenses

Fair Expenses	New Site Potential			Fair Expenses	New Site Potential		
	2011 Fair	Low Scenario	High Scenario		2011 Fair	Low Scenario	High Scenario
4H FCS Superintendents	\$350	\$500	\$500	Main Stage	\$53,372	\$55,000	\$58,000
4H Livestock Judges	3,000	3,900	4,500	Marketing Services	20,772	25,000	30,000
4H Livestock Superintendents	4,675	5,000	5,500	Meal /Drink/ Ice	1,882	2,400	2,800
Advertising	28,152	45,000	55,000	Open Class Judges	1,377	1,800	2,100
Arena Events	3,646	4,700	5,500	Open Class Premiums	3,653	4,700	5,500
Awards	10,720	13,900	16,100	Open Class Superintendents	6,000	7,800	9,000
Beer Sales	27,569	35,800	41,400	Outhouses	3,600	4,700	5,400
Vendor Booth Equipment	477	600	700	Promotional Items	1,775	2,300	2,700
Canopy & Rentals	13,568	15,000	18,000	Radios	1,090	1,400	1,600
Cleaning Services	3,500	4,600	5,300	Repairs & Maintenance	1,439	1,900	2,200
Concerts	110,652	110,000	110,000	Ribbons	2,774	3,600	4,200
4H FCS Judges	1,100	1,400	1,700	Sales Tax	21,742	28,300	32,600
Contests	9,748	12,700	14,600	Security/Parking	44,115	57,300	66,200
Decorations	80	100	100	Set Up Supplies/Equipment	10,666	13,900	16,000
Electrical Contractor	12,001	15,600	18,000	Shavings	1,200	1,600	1,800
Entertainment	20,235	30,000	35,000	Signs	3,343	4,300	5,000
Equipment Rental	12,611	16,400	18,900	Special Events	6,225	8,100	9,300
Event Staff	16,959	22,000	25,400	Sponsorship Expenses	30,162	40,000	45,000
Exhibitor Guide	4,099	5,300	6,100	Staff / Board Uniform	1,292	1,400	1,500
Garbage Collection	3,974	6,000	8,000	Ticket/Credit Card Expense	7,436	9,700	11,200
Gate Attendants	10,577	15,000	18,000	VIP BBQ	2,583	3,400	3,900
Golf Carts	3,110	4,000	4,700	Workman's Comp -Fair Staff	<u>1,181</u>	<u>1,500</u>	<u>1,800</u>
Grounds Crew	22,674	29,500	34,000	Total Fair Expenses	<u>\$551,154</u>	<u>\$677,100</u>	<u>\$764,800</u>

Non-Fair Revenue Assumptions

For purposes of the projections, non-fair revenue sources include building and space rentals, concession revenue, RV Park income and advertising/signage.

Building and Space Rentals

Building and space rentals include revenues generated from renting the proposed arena and exhibition building, RV sites, stalls and other structures. For purposes of the projections, the following rental rate structure is recommended for the relocated Fairgrounds:

- Exhibition Space - \$0.05 per square foot, ½ the rate for move-in-move-out
- Main Arena – \$1,500 per day or 10% of ticket sales for spectator events and \$500 per day for horse shows that also rent stalls
- Covered Arena – \$250 per day
- Warm-Up Arena – \$50 per day
- Stalls – \$20 per night
- Haul-in Fee – \$10
- RV sites for RV Rallies – \$15 per night
- RV sites for all other events – \$20 per night
- Livestock Barn – \$500 per day

Below are detailed calculations of non-fair revenues (low and high scenario) for the relocated Canyon County Fairgrounds.

Low Scenario

Exhibition Hall Rental Revenue

Exhibit Rental by Event Type	Total Rented	Move In/Out	Basic	
	Square Feet	Square Feet	Rental	
Potential Users	1,671,648	682,500	\$101,000	
RV Rallies	<u>7,500</u>	<u>0</u>	<u>400</u>	
Total	<u>1,679,148</u>	<u>682,500</u>	<u>\$101,400</u>	\$101,400

Spectator Event Arena Rental Revenue

	Event Days/ Performances	Average	Annual	Average	Gross	Facility Share		Rental Revenues
		Paid Attendance	Paid Attendance	Ticket Price	Ticket Sales	Percent of Gross Sales	Flat Fee	
Concerts	2	1,500	3,000	\$25.00	75,000	10%	\$1,500	\$8,000
Other Spectator Events	2	1,500	3,000	\$20.00	60,000	10%	\$1,500	6,000
Rodeos/Equestrian	<u>2</u>	2,000	<u>4,000</u>	\$15.00	<u>60,000</u>	10%	\$1,500	<u>6,000</u>
Subtotal	<u>6</u>		<u>10,000</u>		<u>195,000</u>			<u>\$20,000</u>

Low Scenario (continued)

RV Space Rental Revenue

Event	Event Days	Rigs/Event	Rental	
Consumer and Small Animal Shows	55	15	\$16,450	
RV Rallies	4	50	3,000	
Multi-Day Horse Shows	56	20	22,400	
Rotating Horse Shows	6	40	<u>4,800</u>	
Total RV Space Revenues			<u>\$46,650</u>	\$46,650

Arena, Livestock and Stall Income Potential

	Number of <u>Events</u>	Number of <u>Event Days</u>	Total Use <u>Days</u>	Arenas <u>Used</u>	Arena <u>Income</u>	
Singe Day Horse Shows	16	1.0	16	WA	\$4,800	
Multi-Day Horse Shows	20	2.5	50	Indoor, OA, WA	40,000	
Rotating Horse Shows	2	3.0	6	Indoor, CA, WA	4,800	
Small Animal Shows	7	2.5	18	LV	8,750	
Horse Clinics	2	2.0	4	OA, WA	\$1,200	
Livestock Shows	<u>1</u>	<u>2.0</u>	<u>2</u>	LV, WA	<u>1,500</u>	
	<u>48</u>	<u>13</u>	<u>96</u>		<u>\$61,050</u>	
<u>Stall Income</u>	Number of <u>Events</u>	Number of <u>Event Days</u>	Total Use <u>Days</u>	Average # <u>of Stalls</u>	Stall <u>Income</u>	
Singe Day Horse Shows	16	1.0	16	50	\$8,000	
Multi-Day Horse Shows	20	2.5	50	75	60,000	
Rotating Horse Shows	2	3.0	6	125	<u>12,500</u>	
					<u>\$80,500</u>	\$142,000

Concession Income Potential

<u>Event</u>	Number of <u>Use Days</u>	Total <u>Attendance</u>	Per Cap <u>Sales</u>	Total <u>Sales</u>	25% Percent <u>To Facility</u>	
Potential Exhibition Space Users	91.33	15,700	\$1.50	\$23,550	\$5,900	
Arena Events	6.00	10,000	\$4.00	\$40,000	12,000	
Horse Shows	38.00	10,600	\$1.00	\$10,600	<u>3,200</u>	
					<u>\$21,100</u>	\$21,000

Total Revenue Potential - Low Scenario **\$331,050**

High Scenario

Exhibition Hall Rental Revenue

Exhibit Rental by Event Type	Total Rented Square Feet	Move In/Out Square Feet	Basic Rental	
Potential Users	2,426,641	682,500	\$138,000	
RV Rallies	10,000	0	1,000	
Total	2,436,641	682,500	\$139,000	\$139,000

Spectator Event Arena Rental Revenue

	Event Days/ Performances	Average Paid Attendance	Annual Paid Attendance	Average Ticket Price	Gross Ticket Sales	Facility Share		Rental Revenues
						Percent of Gross Sales	Flat Fee	
Concerts	3	1,500	4,500	\$25.00	112,500	10%	\$1,500	\$11,000
Other Spectator Events	2	1,500	3,000	\$20.00	60,000	10%	\$1,500	6,000
Rodeos/Equestrian	3	2,000	6,000	\$15.00	90,000	10%	\$1,500	9,000
Subtotal	8		13,500		262,500			\$26,000

RV Space Rental Revenue

Event	Event Days	Rigs/Event	Rental	
Consumer and Small Animal Shows	71	15	\$21,250	
RV Rallies	6	75	6,750	
Multi-Day Horse Shows	72	20	28,800	
Rotating Horse Shows	12	60	14,400	
Total RV Space Revenues			\$71,200	\$71,200

Non-Fair Expense Assumptions

Non-Fair expenses in FY2011 consisted of building expenses, staff costs, overhead expenses and miscellaneous expenses. Building expenses included utilities, repairs and maintenance, cleaning costs, building supplies and other expenses associated with operating the existing Canyon County Fair Building. Staff costs include salaries and wages of full-time office staff and groundskeeper, as well as payroll taxes and employee benefits using 2012 budgeted staff costs. Overhead costs include office supplies, telephone, postage and other administrative expenditures.

For purposes of the projections of potential non-fair expenses associated with operating the new fairgrounds, the following assumptions were used:

- Building expenses – It is assumed that it will require an additional \$80,000 to \$100,000 per year in utilities, repairs and maintenance and general building operating costs
- Staff costs – In addition to the existing staff, it is assumed that 2 to 3 additional ¾-time personnel (part-time classification) will be required to handle the set-up and clean-up of non-fair events held at the new fairgrounds
- Overhead costs – It is assumed that these costs would increase between \$30,000 and \$40,000 per year to cover the increase in event contracting, accounting and marketing at the new site

Projected Revenues and Expenses

The projected revenues and expenses for the relocated Canyon County Fair and Fairgrounds are on the following page. The projected cash flows are based on the recommended rental rates and operating policies, the projected utilization of the Recommended Facilities, and the estimated revenues and expenses associated with operating the Recommended Facilities. These projections and the assumptions herein represent the revenues and expenses associated with operating the Recommended Facilities and are considered to be incremental to current revenues and expenses. There will usually be differences between the estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

The projections, presented in 2012 dollars, do not include any County subsidies, replacement reserves or depreciation.

Canyon County Fairgrounds Master Plan Study
Incremental Revenue and Expense Potential
Relocated Fairgrounds

Description	2011 Actual	Financial Potential		Incremental Change	
		Low Scenario	High Scenario	Low Scenario	High Scenario
Fair Activities					
Fair Revenues	\$390,000	\$557,000	\$645,000	\$167,000	\$255,000
Fair Expenses	<u>557,000</u>	<u>677,000</u>	<u>765,000</u>	<u>120,000</u>	<u>208,000</u>
Fair Revenues less Expenses	<u>(\$167,000)</u>	<u>(\$120,000)</u>	<u>(\$120,000)</u>	<u>\$47,000</u>	<u>\$47,000</u>
Non-Fair Activities					
Revenues					
Advertising/Signage	\$4,000	\$25,000	\$40,000	\$21,000	\$36,000
Building Rentals	43,500	182,000	241,000	138,500	197,500
Concessions (net)	3,500	21,000	29,000	17,500	25,500
Event Production (net)	(5,000)	0	0	5,000	5,000
Stall Rent	14,300	81,000	107,000	66,700	92,700
RV Spaces	0	47,000	71,000	47,000	71,000
Other	<u>1,700</u>	<u>10,000</u>	<u>15,000</u>	<u>8,300</u>	<u>13,300</u>
Total Revenues	<u>\$62,000</u>	<u>\$366,000</u>	<u>\$503,000</u>	<u>\$304,000</u>	<u>\$441,000</u>
Expenses					
Building Expenses	\$34,000	\$114,000	\$134,000	\$80,000	\$100,000
Staff Costs	192,000 (1)	224,000	240,000	32,000	48,000
Overhead and Operational Expenses	<u>24,000</u>	<u>54,000</u>	<u>64,000</u>	<u>30,000</u>	<u>40,000</u>
Total Expenses	<u>\$250,000</u>	<u>\$392,000</u>	<u>\$438,000</u>	<u>\$142,000</u>	<u>\$188,000</u>
Non-Fair Revenues less Expenses	<u>(\$188,000)</u>	<u>(\$26,000)</u>	<u>\$65,000</u>	<u>\$162,000</u>	<u>\$253,000</u>
Net Operating Income	<u>(\$355,000)</u>	<u>(\$146,000)</u>	<u>(\$55,000)</u>	<u>\$209,000</u>	<u>\$300,000</u>
(1) Staff costs shown are 2012 budgeted					

As shown in the table, Fair and Non-Fair activities at the new site are projected to generate an additional \$209,000 (low scenario) to \$300,000 (high scenario) in net operating revenues.

Potential Non-Fair Revenues by Phase

The proposed phasing of the Recommended Facilities is shown below:

Phase I – Exhibition Building, RV Parking Area, Open Warm-Up Arena

Phase II – Indoor Arena, Livestock Building

Phase III – Covered Arena

Using the above phasing for key event facilities, we prepared an analysis of the potential annual non-fair revenues (shown on the previous page), by phase, as the Recommended Facilities are operated. The table below shows the annual non-fair revenue potential as each phase is completed and operating. Phase III, in both the Low Scenario and High Scenario, reflects the total estimated potential revenues presented on the previous page.

Canyon County Fairgrounds Master Plan Study

Incremental Non-Fair Revenues By Phase

Relocated Fairgrounds

Description	Low Scenario Revenue Potential			High Scenario Revenue Potential		
	Phase I	Phase II	Phase III	Phase I	Phase II	Phase III
Non-Fair Activities						
Revenues						
Advertising/Signage	\$10,000	\$25,000	\$25,000	\$15,000	\$40,000	\$40,000
Building Rentals	107,000	177,000	182,000	147,000	231,000	241,000
Concessions (net)	6,000	18,000	21,000	9,000	25,000	29,000
Stall Rent	8,000	68,000	81,000	10,000	82,000	107,000
RV Spaces	14,000	42,000	47,000	23,000	57,000	71,000
Other	<u>5,000</u>	<u>10,000</u>	<u>10,000</u>	<u>5,000</u>	<u>15,000</u>	<u>15,000</u>
Total Revenues	<u>\$150,000</u>	<u>\$340,000</u>	<u>\$366,000</u>	<u>\$209,000</u>	<u>\$450,000</u>	<u>\$503,000</u>

All amounts shown in current dollars.

ECONOMIC IMPACTS

Overview

This section of this report presents the approach and methodology used to develop estimates of the potential economic impacts of operating the Recommended Facilities and expenditures made by non-local visitors who participate in year-round events held at the Recommended Facilities of the relocated Canyon County Fairgrounds.

Approach

Economic impacts are generally described as the amount of expenditures that occur in a defined geographic area, including subsequent re-spending of the initial expenditures. These impacts are referred to as **expenditure impacts**. A portion of the expenditure impacts is paid to local residents in the form of salaries and wages, referred to as **earnings impacts**. Similarly, the amount of earnings paid from the expenditures represent jobs to local residents – the number of jobs referred to as **employment impacts**. Lastly, certain expenditures made in the local economy by out-of-area visitors, as well as the operation itself, generate benefits in the form of state and local taxes – referred to as **fiscal impacts**.

Expenditure Impacts

The expenditure impacts consist of expenditures by non-local event participants and event producers. Non-local participant and event promoter expenditures represent those expenditures made by persons/businesses residing outside of Canyon County for lodging, food and beverage, retail purchases, transportation, entertainment and other expenditures. Expenditures of patrons living within the impact area are not included because those expenditures merely reflect a redistribution of expenditures within the impact area, and they do not represent incremental impacts.

The industry approach used to estimate the economic and fiscal impacts of the Facilities Options, as an employer, business and attractor, uses generally accepted economic principles. Fundamentally, these expenditures generate impacts through the following:

- **Direct Impacts** are those changes in the flow of dollars and employment in the local economy that result directly from incremental spending by the facility's non-local users on such items as lodging, retail, meals and the like.
- **Indirect and Induced Impacts** are created by (1) investment or spending of ExpoPark's and local business suppliers whose goods and services are used in its project, process or service and (2) household income changes (created by direct and indirect effects on wages and employment) lead to further spending throughout the city, county and regional economies.

Indirect impacts (expenditures, earnings and employment) are quantified through an economic phenomenon known as the multiplier. The multiplier concept, based on the input/output economic theory, recognizes that there is a continued flow of money within and outside of a given area. Money is spent in successive rounds within a community, thus creating an economic impact in excess of the original direct expenditures.

The output multiplier represents the total dollar change in output (total expenditures) that occurs for each additional dollar of output (direct expenditures). The output multiplier includes the initial direct expenditure to which the multiplier is applied, except for the household multiplier (salaries and wages). For example, an output multiplier of 1.80 for hotels and lodging places means that for each \$1.00 spent for lodging, an additional \$0.80 is spent by the lodging establishment and supporting industries (wages, goods and services, capital improvements). The \$1.00 is the **direct impact**, the \$0.80 is the **indirect/induced impacts** and \$1.80 is the **total economic impact**.

Earnings Impacts

A part of the initial expenditures and resulting indirect impacts result in the payment of salaries and wages to local residents. As an example, a portion of the initial expenditures of non-local participants and event producers for lodging, meals and other will be paid to workers in the hotel, restaurant, retail and other industries in the form of earnings. In addition, as a result of the expenditures of operating the facilities, a portion of those expenditures will result in earnings to persons employed by utility companies, insurance companies and other businesses. An earnings multiplier that is applied to the initial impacts to estimate the amount of the initial and indirect impacts that is paid out in earnings to local residents.

The earnings multiplier represents the estimated total (direct and indirect) salaries and wages that result from each additional dollar of direct expenditure. Assuming an earnings multiplier of .5603 for lodging places, for every dollar spent by tourists for lodging, just over 56 cents is paid to regional households in earnings. These earnings are paid to employees of the hotel (direct) and to employees of businesses and industries that support the lodging industry (indirect).

Employment Impacts

In the case of the Recommended Facilities, there will be jobs in the local community that are supported from the initial expenditures of non-local participants and event producers. These impacts are expressed in terms of the number of jobs supported.

The employment multiplier represents the number of jobs that regional industries provide, both directly and indirectly, for each \$1 million of output (direct expenditures) of a given industry. Continuing the hotel example, if the employment multiplier for lodging is 20.9, then for every \$1 million dollars spent by patrons for lodging, 20.9 jobs are required - both at the lodging facility and at industries supporting the hotel such as the utility company, telephone company, laundries, delivery services, and others.

Fiscal Impacts

Expenditures made by non-local participants and event producers of the relocated Fairgrounds for lodging, retail and other purchases generate local and state taxes – referred to as fiscal impacts.

Methodology

Operating Impacts

As presented earlier, the economic impacts associated with the Recommended Facilities will result from its operations and expenditures of non-local participants and event producers. To estimate the initial expenditures of the operations of the Recommended Facilities, we used the projected low and high scenario operating expenses of the new Fairgrounds (shown on page 44) and make adjustments for estimated operating expenditures that would be made to non-local suppliers of goods and services. The resulting local incremental expenditures of the proposed Expo Center were applied to the appropriate RIMS II multipliers and added to the estimated revenues, salaries and number of jobs related to operating the Recommended Facilities in the low and high scenarios.

Non-Local Participant Expenditures

The increase in non-local event participant expenditures are expected to occur from three principal sources – (1) trade shows, (2) horse and small animal shows, and (3) RV rallies. All other new events identified for the Recommend Facilities are either already occurring in the Canyon County area or would involve spending by residents of the Canyon County market area (a redistribution of local dollars, not new money to the area).

Convention and Conference Impacts

To estimate the initial expenditures of out-of-town attendees and event promoters of trade shows that could be attracted to the use the recommended exhibition space at the new Fairgrounds, we utilized data prepared by the International Association of Conventions and Visitors Bureau Foundation – ExPact. ExPact provides expenditure estimates, based on market size, of attendees to conferences and trade shows, as well as the expenditures of the convention organizer and trade show exhibitors. The table on the right shows the ExPact expenditures for trade shows in small markets (<500,000 people) that were used to estimate the initial direct expenditures associated with the potential conventions for the Fairgrounds.

Based on the ExPact expenditure estimates for trade show delegates, associations and exhibitions and the number and size of conventions that could be attracted to use the exhibition space recommended for the new Fairgrounds, the total estimated initial expenditures are estimated to range from \$110,000 to \$371,000.

**Canyon County Fairgrounds
ExPact Daily Expenditures for Small Market**

Expenditure Type	Daily Expenditure
Lodging	\$80
Hotel Food and Beverage	26
Other Food and Beverage	50
Tours/Sightseeing	6
Recreation	2
Sporting Events	1
Retail Stores	29
Local transportation	8
Auto Rental	7
Gasoline, Tolls	10
Other	<u>1</u>
	\$220
Associaton Expenditures	22
Exhibitor Expenditures	<u>53</u>
	<u>\$295</u>

Source: IACVB Foundation

Impacts of Non-Local Horse and Animal Show Participants

To estimate the range of initial expenditures of horse and small animal show participants/attendees, the number of non-local visitor days is first calculated by multiplying the number of shows, event days per show and the number of people assumed per animal. The resulting range of visitor days is then adjusted to account for only non- Canyon County area visitors. The resulting non-local visitor days are then multiplied by the estimated daily spending, by type.

Using the number of horse and animal shows and respective number of event days and attendance (shown on page 31), the total number of visitor days is estimated to range between 15,000 (Low Scenario) to 21,800 (High Scenario), representing 6,300 room nights to 9,100 room nights, respectively.

We used data developed in previous studies – 8 to 10 studies conducted by Markin Consulting – to prepare an appropriate estimate of average daily spending, by type, by non-local participants and attendees. In the previous studies, we conducted surveys of participants and promoters of horse shows, dog shows and other small animal shows to gather expenditure data for specific shows. We used a composite of the results of those survey results, adjusted for the general lodging rates in the Canyon County area.

Below are the daily expenditure estimates of non-local participants of horse and animal shows used in the economic impact analysis.

**Canyon County Fairgrounds
Daily Spending Per Person of
Non-Local Horse Show Participants**

Expenditure Type	Amount
Lodging	\$30.80
Meals	28.49
Transportation	22.54
Entertainment	2.63
Retail	9.30
Materials/Supplies	5.61
Other	<u>0.64</u>
	<u>\$100.00</u>

Source: Markin Consulting

**Canyon County Fairgrounds
Daily Spending Per Person of
Non-Local Animal Show Participants**

Expenditure Type	Amount
Lodging	\$41.97
Meals	16.07
Transportation	18.34
Entertainment	3.41
Retail	9.71
Materials/Supplies	7.93
Other	<u>1.92</u>
	<u>\$99.35</u>

Source: Markin Consulting

Using the assumed range of non-local participants/attendees and the average daily spending by non-local participants, the resulting initial expenditures made by these participants are estimated to range from \$993,000 to \$1,521,000.

RV Rally Impacts

To develop estimates of expenditures of participants in state rallies, we used the results of similar rally participant surveys that we conducted in recent years. Below are the calculations of the estimated range of initial expenditures related to the regional RV rallies at the new Canyon County Fairgrounds – both low and high scenarios.

**Canyon County Fairgrounds
Potential Direct Spending of Potential Regional RV Rally Participants**

	Low	High
Number of Events	2	3
Number of Rigs/Parties	50	75
Number of Days	2.0	2.0
Estimated Spending per party, per day		
Lodging	\$0.00	\$0.00
Meals	17.32	17.32
Transportation	12.58	12.58
Entertainment	7.46	7.46
Retail	10.95	10.95
Other	<u>12.29</u>	<u>12.29</u>
	<u>\$60.60</u>	<u>\$60.60</u>
Estimated Expenditures		
Lodging	\$0	\$0
Meals	3,000	8,000
Transportation	3,000	6,000
Entertainment	1,000	3,000
Retail	2,000	5,000
Other	<u>2,000</u>	<u>6,000</u>
Total	<u>\$11,000</u>	<u>\$28,000</u>

Summary of Visitor Expenditures by Industry

The total annual initial expenditures that would be made by non-local participants in horse shows, small animal shows, trade shows and RV rallies are estimated to range between \$1,124,000 and \$1,920,000 and would be spent in the following industries:

**Canyon County Fairgrounds
Initial Direct Visitor Expenditures by Industry Type**

Industry Type	Low Scenario	High Scenario
Lodging	\$377,000	to \$639,000
Restaurants and Food Outlets	271,000	to 460,000
Retail	171,000	to 286,000
Transportation	223,000	to 356,000
Other	<u>82,000</u>	to <u>179,000</u>
Total	<u>\$1,124,000</u>	<u>\$1,920,000</u>

Total Estimated Impacts of Operations and Events

Using multipliers developed by the US Bureau of Economic Analysis (RIMS II), we applied appropriate multipliers to the estimated initial expenditures, by type of expenditures, for all categories discussed above.

The table to the right presents the total estimated annual impacts associated with operating the Recommended Facilities of the new Canyon County Fairgrounds and potential events held at the new Fairgrounds.

As shown in the table, the total annual impacts of operating and hosting events at the new Fairgrounds are estimated to range between \$4.1 million and \$5.9 million, supporting between 45 and 67 full-time jobs.

**Canyon County Fairgrounds
Estimated Annual Economic Impacts from Operations & Events**

Event	Low Scenario	High Scenario
<u>Trade Shows</u>		
Initial Expenditures	\$111,000	to \$371,000
Indirect and Induced Impacts	<u>89,000</u>	to <u>297,000</u>
Total Annual Impacts	<u>\$200,000</u>	<u>\$668,000</u>
Earnings	<u>\$62,000</u>	to <u>\$206,000</u>
Jobs Supported	<u>3</u>	to <u>9</u>
<u>Horse and Animal Shows</u>		
Initial Expenditures	\$993,000	to \$1,521,000
Indirect and Induced Impacts	<u>792,000</u>	to <u>1,212,000</u>
Total Annual Impacts	<u>\$1,785,000</u>	<u>\$2,733,000</u>
Earnings	<u>\$548,000</u>	to <u>\$839,000</u>
Jobs Supported	<u>25</u>	to <u>38</u>
<u>RV Rallies</u>		
Initial Expenditures	\$20,000	to \$28,000
Indirect and Induced Impacts	<u>16,000</u>	to <u>23,000</u>
Total Annual Impacts	<u>\$36,000</u>	<u>\$51,000</u>
Earnings	<u>\$11,000</u>	to <u>\$16,000</u>
Jobs Supported	<u>0</u>	to <u>1</u>
<u>Operations</u>		
Initial Expenditures	\$925,000	to \$1,152,000
Indirect and Induced Impacts	<u>1,165,000</u>	to <u>1,317,000</u>
Total Annual Impacts	<u>\$2,090,000</u>	<u>\$2,469,000</u>
Earnings	<u>\$532,000</u>	to <u>\$593,000</u>
Jobs Supported	<u>17</u>	to <u>19</u>
<u>Total Impacts</u>		
Initial Expenditures	\$2,049,000	to \$3,072,000
Indirect and Induced Impacts	<u>2,062,000</u>	to <u>2,849,000</u>
Total Annual Impacts	<u>\$4,111,000</u>	<u>\$5,921,000</u>
Earnings	<u>\$1,153,000</u>	to <u>\$1,654,000</u>
Jobs Supported	<u>45</u>	to <u>67</u>

Exhibits

Canyon County Fairgrounds Master Plan Study
Horse Club Survey Responses

Exhibit A

Idaho State POA Club

	<u>Event 1</u>	<u>Event 2</u>	<u>Event 3</u>
	May/June	July	September
Month held			
Number of event days	1	1	3
Average number of participants	10	25	40
Average number of horses	15	50	80
Describe Facilities and Services Needed for the Event(s)			
Number of stalls per day	5	10	45
Do you need an indoor arena?	Yes	Yes	Yes
Size of indoor arena ring	N/A	N/A	N/A
Do you need a covered arena?	Yes	Yes	Yes
Size of covered arena	N/A	N/A	N/A
Do you need warm-up arena(s)?	Yes	Yes	Yes
Number of warm-up areas	1	2	3
Sound system	Yes	Yes	Yes
Concessions stand	Yes	Yes	Yes
RV hook-ups	No	No	Yes
Number of RV hook-ups	N/A	N/A	20

Any other facilities/services needed?

How many lodging rooms are needed? Not many

Canyon County Fairgrounds Master Plan Study
Horse Club Survey Responses

Exhibit A

	Idaho State Horse Show Association		Gem State Stock Horse Assoc
	<u>Event 1</u>	<u>Event 2</u>	<u>Event 1</u>
Month held	April	September	May, June, July, August
Number of event days	2	2	4 or 5
Average number of participants	100	100	130
Average number of horses	100	100	130
Describe Facilities and Services Needed for the Event(s)			
Number of stalls per day	40	40	60
Do you need an indoor arena?	Yes	Yes	Yes
Size of indoor arena ring	N/A	N/A	N/A
Do you need a covered arena?	N/A	N/A	Yes
Size of covered arena	N/A	N/A	N/A
Do you need warm-up arena(s)?	Yes	Yes	Yes
Number of warm-up areas	N/A	N/A	1
Sound system	Yes	Yes	Yes
Concessions stand	N/A	N/A	Yes
RV hook-ups	N/A	N/A	Yes
Number of RV hook-ups	N/A	N/A	25
Any other facilities/services needed?			Bedding for stalls, pens to hold 180 head of cows (feed pens), chutes, sorting alleys and roping chutes
How many lodging rooms are needed?			25

Canyon County Fairgrounds Master Plan Study
Horse Club Survey Responses

Exhibit A

	<u>Treasure Valley Paint Horse Club</u>	<u>Boise Pony Club</u>	<u>Idaho Cowboys Assoc</u>
	<u>Event 1</u>	<u>Event 1</u>	<u>Event 1</u>
Month held	September		October
Number of event days	2	1	2
Average number of participants	80	50	135
Average number of horses	80	50	100
Describe Facilities and Services Needed for the Event(s)			
Number of stalls per day	40	N/A	30
Do you need an indoor arena?	Yes	No	Yes
Size of indoor arena ring	N/A	N/A	200 x 300
Do you need a covered arena?	Yes	No	Yes
Size of covered arena	N/A	N/A	100 x 100
Do you need warm-up arena(s)?	Yes	Yes	Yes
Number of warm-up areas	N/A	1	1
Sound system	Yes	Yes	Yes
Concessions stand	Yes	No	Yes
RV hook-ups	Yes	No	Yes
Number of RV hook-ups	25	N/A	30
Any other facilities/services needed?	Bedding for stalls, lights if necessary	N/A	N/A
How many lodging rooms are needed?	25	N/A	50

Canyon County Fairgrounds Master Plan Study
Horse Club Survey Responses

Exhibit A

	NW Paso Fino Horse Assoc		Idaho State Horse Show Assoc
	<u>Event 1</u>	<u>Event 2</u>	<u>Event 1</u>
Month held	Spring	Fall	June
Number of event days	1+	1+	3
Average number of participants	50+	50+	100
Average number of horses	50+	50+	120
Describe Facilities and Services Needed for the Event(s)			
Number of stalls per day	50+	50+	70
Do you need an indoor arena?	Yes	Yes	Yes
Size of indoor arena ring	Big	Big	N/A
Do you need a covered arena?	Yes	Yes	N/A
Size of covered arena	Big	Big	N/A
Do you need warm-up arena(s)?	Yes	Yes	Yes
Number of warm-up areas	2	3	N/A
Sound system	Yes	Yes	Yes
Concessions stand	Yes	Yes	N/A
RV hook-ups	Yes	Yes	Yes
Number of RV hook-ups	30+	30+	10
Any other facilities/services needed?	Restrooms with showers Wash stalls for horses with warm water, a few 60' diameter round pens, An extreme trail course, Dressage arena, Enough 12' x 12' stalls to accommodate 500+ horses, Ample trailer parking for at least 100+ rigs allowing for room between trailers for tying up horses on both sides of trailer PA system so announcements can be heard at trailers, meeting rooms for seminars, trail riding trails around fairgrounds, cross country jump for eventing		N/A
How many lodging rooms are needed?	50		15

Canyon County Fairgrounds Master Plan Study
Horse Club Survey Responses

Exhibit A

	ISHSA		
	<u>Event 1</u>	<u>Event 2</u>	<u>Event 3</u>
Month held	April	June	September
Number of event days	2	3	2
Average number of participants	75	100	60
Average number of horses	100	150	75

Describe Facilities and Services Needed for the Event(s)

Number of stalls per day	20-30	30+	20-30
Do you need an indoor arena?	Yes	Yes	Yes
Size of indoor arena ring	100 x 175	100 x 175	100 x 175
Do you need a covered arena?	Yes	Yes	Yes
Size of covered arena	80 x 150	80 x 150	80 x 150
Do you need warm-up arena(s)?	Yes	Yes	Yes
Number of warm-up areas	N/A	N/A	N/A
Sound system	N/A	N/A	N/A
Concessions stand	N/A	N/A	N/A
RV hook-ups	Yes	Yes	Yes
Number of RV hook-ups	10+	10+	10+

Any other facilities/services needed?

Adaquate trailer parking in proximity of arenas being used

How many lodging rooms are needed?

N/A

Canyon County Fairgrounds Master Plan Study
Horse Club Survey Responses

Exhibit A

	Mounted Posse			Idaho Reined Cow Horse Association	
	<u>Event 1</u>	<u>Event 2</u>	<u>Event 3</u>	<u>Event 1</u>	<u>Event 2</u>
Month held	April-Sept	Septmeber	May	May	October
Number of event days	26	1	1	2	6
Average number of participants	15	45	25	50-80	200
Average number of horses	15	30	5	50-80	300
Describe Facilities and Services Needed for the Event(s)					
Number of stalls per day	N/A	N/A	N/A	40	250
Do you need an indoor arena?	No	No	No	Yes	Yes
Size of indoor arena ring	N/A	N/A	N/A	120 x 250	120 x 250
Do you need a covered arena?	Yes	Yes	Yes	N/A	N/A
Size of covered arena	N/A	N/A	N/A	N/A	N/A
Do you need warm-up arena(s)?	No	Yes	Yes	Yes	Yes
Number of warm-up areas	N/A	1	N/A	N/A	N/A
Sound system	No	Yes	Yes	Yes	Yes
Concessions stand	N/A	Yes	No	Yes	Yes
RV hook-ups	N/A	Yes	No	Yes	Yes
Number of RV hook-ups	N/A	15	N/A	25	50-60
Any other facilities/services needed?				Cattle pens	
How many lodging rooms are needed?				N/A	

Canyon County Fairgrounds Master Plan Study
Horse Club Survey Responses

Exhibit A

	Idaho Quarter Horse Association		Idaho Paint Horse Club	
	<u>Event 1</u>	<u>Event 2</u>	<u>Event 1</u>	<u>Event 2</u>
Month held	May	August	August	June/July
Number of event days	4	4	3 to 4	1-2
Average number of participants	250-350	250-350	500-700	100-160
Average number of horses	250-350	250-350	120-190	30-80
Describe Facilities and Services Needed for the Event(s)				
Number of stalls per day	250-350	250-350	200	50
Do you need an indoor arena?	Yes	Yes	Yes	Yes
Size of indoor arena ring	140 x 280	140 x 280	175 x 300	200 x 300
Do you need a covered arena?	Yes	Yes	Yes	Yes
Size of covered arena	140 x 280	140 x 280	N/A	N/A
Do you need warm-up arena(s)?	Yes	Yes	Yes	Yes
Number of warm-up areas	Up to 3	Up to 3	2-3	1-2
Sound system	Yes	Yes	Yes	Yes
Concessions stand	Yes	Yes	Yes	Yes
RV hook-ups	Yes	Yes	Yes	Yes
Number of RV hook-ups	50-100	50-100	100	25
Any other facilities/services needed?	Wash racks, auto water @ stalls and stall mats		Jumping equipment available for use	
How many lodging rooms are needed?	N/A		Varies	

Canyon County Fairgrounds Master Plan Study
Horse Club Survey Responses

Exhibit A

	ION Appaloosa Horse Club		Idaho Hunter Jumper Association		
	<u>Event 1</u>	<u>Event 2</u>	<u>Event 1</u>	<u>Event 2</u>	<u>Event 3</u>
Month held	June	August	June	July	August
Number of event days	1-2	1-2	3	3	3
Average number of participants	40	40	70	70	70
Average number of horses	40	40	70	70	70
Describe Facilities and Services Needed for the Event(s)					
Number of stalls per day	50	50	80	80	80
Do you need an indoor arena?	Yes	Yes	No	No	No
Size of indoor arena ring	N/A	N/A	N/A	N/A	N/A
Do you need a covered arena?	Yes	Yes	No	No	No
Size of covered arena	N/A	N/A	N/A	N/A	N/A
Do you need warm-up arena(s)?	Yes	Yes	Yes	Yes	Yes
Number of warm-up areas	1-2	1-2	2	2	2
Sound system	Yes	Yes	Yes	Yes	Yes
Concessions stand	Yes	Yes	Yes	Yes	Yes
RV hook-ups	Yes	Yes	Yes	Yes	Yes
Number of RV hook-ups	40-50	40-50	20	20	20
Any other facilities/services needed?	Hot/cold water wash racks, electrical outlets in barn areas for fans, lights, etc. Show offices				
How many lodging rooms are needed?	N/A		N/A		