

AGENDA

**County Of Eau Claire
Committees On Parks & Forest and Exposition Advisory
Wednesday, June 8, 2016 – 5:00 p.m.
Lake Altoona County Park
604 Beach Rd, Altoona**

Members note: Please call the committee chair or office if you will not be attending the meeting.

1. Confirmation of meeting notice
2. Approval of minutes from May 24, 2016 meeting – Discussion/action – Pages 2-3
3. Public Input
4. Expo Center Status Report – Discussion – Pages 4-24
5. Lake Altoona Dredging Project Report by Lake Altoona District representative – Discussion
6. Invitation to Eau Claire Ski Sprites to report on 2016 Planned Activities at Lake Altoona - Discussion
7. Runner Club Request for race at Tower Ridge by Tim McManus – Discussion/action
8. Request to place a Memorial Bench from Chippewa Off-Road Bike Association at Lowes Creek Park – CORBA Representative – Discussion/action
9. 2017 Budget Process - Discussion/action – Pages 25- 28
 - A. Program Priorities – Discussion/action – Page 29
10. Fitz/West Wisconsin Land Trust Property in the Town of Brunswick Update – Discussion
11. Correspondence
12. Staff and committee reports
13. Exposition Advisory Committee
14. Parks & Forest Advisory Committee Input/Assignments
15. Committee Meeting Dates/places Summer 2016 – Wednesday, June 22 – 5:30 p.m. Coon Fork Lake Park Shelter 5:30 p.m.; Wednesday, July 13 5:00 p.m. – Lowes Creek County Park shelter; Wednesday, July 27 5:30 p.m. – Lake Eau Claire Park Clubhouse; Wednesday, August 10 5:00 p.m. – Ag & Resource Center; Wednesday, August 24 5:00 p.m. – Tower Ridge Chalet with user groups
16. Park Tour

PLEASE NOTE: Upon reasonable notice, efforts will be made to accommodate the needs of individuals with disabilities through sign language, interpreters or other auxiliary aids. For additional information or to request the service, contact the County ADA Coordinator at 839-4710, (FAX) 839-1669 or 839-4735, tty: use Relay (711) or by writing to the ADA Coordinator, Human Resources, Eau Claire County Courthouse, 721 Oxford Avenue, Eau Claire, WI 54703.

**EAU CLAIRE COUNTY
COMMITTEES ON PARKS & FOREST AND EXPOSITION CENTER ADVISORY**

MEETING MINUTES

Tuesday, May 24, 2016, 5:00 p.m.
Eau Claire County Exposition Center
5530 Fairview Drive, Eau Claire

MEMBERS PRESENT: Gary Gibson, Patrick LaVelle, Tami Schraufnagel, and Bruce Willett

MEMBERS ABSENT: Kevin Stelljes

EXPOSITION CENTER ADVISORY COMMITTEE MEMBERS PRESENT: Dick Zieman and Geoff Goodland

OTHERS PRESENT: Brooke Ludwig, WDNR Forester; Glory Adams, Parks & Forest Advisory Committee/citizen; Kathryn Schauf, Eau Claire County Administrator

STAFF PRESENT: Jody Gindt, Josh Pedersen and Bobbi Barone

The meeting was called to order by Chair Patrick LaVelle at 5:02 p.m.

1. Confirmation of meeting notice – Meeting notice was confirmed.
2. Approval of minutes from May 10, 2016 meeting – Gary moved to approve the minutes; motion carried 4-0.
3. Public Input – No members of the public were present for this item.
4. Curling Club Lease - Kathryn Schauf reported the Keith Zehms, Corporation Counsel, was not able to have a lease agreement drafted by this meeting but would likely be able to have it done by the end of summer. Ms. Schauf stated she would like to meet with the groups and hammer out the details of a lease extension. Josh said terms and conditions of a lease haven't really been discussed. Dick Zieman, Expo Advisory Committee, felt it was time to move forward on the lease issue, being a former County Board supervisor and on the Fair Commission. Geoff Goodland stated the Curling Club membership is rapidly increasing. The Curling Club is looking to expand the building by 50% which would also include bigger locker and restrooms for an approximately cost of \$1,000,000. Tami stated she supports the Curling Club and County moving forward on a lease. The Curlers will be prepared to present two options – 1) Just doing the HVAC Repairs; 2) Expanding the building and HVAC repairs. Gary added that nine years ago the Fair Commission stated talking this this and he would like the dialogue to continue. Bruce made a motion to move forward drafting a lease agreement between the Curling Club and the county and bring the agreement back to the committee in October; motion carried 4-0.
5. Fitz/West Wisconsin Land Trust Property in the Town of Brunswick Update – Kevin was not present at the meeting to give an update.
6. Exposition Advisory Committee Input – Dick said he felt the committee had no advice as to the operation of the Exposition Center since they had not met and discussed the issue but he personally has some opinions.

7. Timber Sale Extension – Jody passed out language that clarifies the freeze on the extension increases. After some discussion, Tami said she was comfortable recommending a freeze on timber sale extension increases for one year only and made the motion to move forward; motion carried.
8. Correspondence – There was nothing to report.
9. Staff and committee reports – Staff reported on the free camping weekend which was not well utilized as the weather was cold and rainy, the Coon Fork Campground is about 95% up and running and the shower building interiors were newly painted.
10. Advisory board input and assignments: Josh thought he would be scheduling a meeting of the Advisory Committee within the next couple of months.
11. Committee Education – Brooke Ludwig, WDNR Forester, passed around a brochure “Planting Trees and Shrubs for Long-Term Health” for the committee.
12. Future and pending items: Next meeting Wednesday, June 8 at Lake Altoona Park beginning at 5 p.m.

Motion by Gary to adjourn. Motion carried and the meeting adjourned at 6:10 p.m.

Respectfully Submitted,

Bobbi Barone
Committee Clerk

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Status Report



PREVIEW

2016 marks the 20th anniversary of the Eau Claire County Exposition Center located on Lorch Avenue. While this milestone gives reason to celebrate, it also provides an opportunity to reflect upon what the Exposition Center is and means to the residents of Eau Claire County. In recent years, the Exposition Center has been the subject of several studies which have examined the marketing, ownership, oversight, management and operations of the facilities with a focus on improving the overall function and value of the property, including:

- Land Use Plan for County-Owned Land Near the Exposition Center (2002)
- Exposition Center Civic Work Group Recommendations (2011)
- Industry Analysis of the Eau Claire County Exposition Center (2011)
- Governance/Operational Analysis – Exposition Center (2013)

The following **Status Report** has been developed as a follow-up to the Civic Work Group Recommendations (2011) and Governance/Operational Analysis (2013) reports to provide an update on actions taken to implement specific recommendations and determine what additional actions or efforts may still be necessary. The actions or recommendations are grouped in two primary categories, including: 1) Completed Actions, and 2) Future Actions/Considerations. are revisited here by Report, with the 2011 report update first.

Completed Recommendations:

Industry Analysis of the Eau Claire County Exposition Center-2011

One of the recommendations to be immediately acted upon from the Civic Work Group was a “complete marketing analysis, including needs for updated signage, website updates, and updating scheduling calendar with online reservation capabilities” in 2011. Eau Claire County contracted with Dr. Kristy Lauver of the School of Business at UW-Eau Claire and a group of students in the fall of 2011 to develop this analysis, which was completed by November. The report does an

effective job of analyzing the market of the Exposition Center, although this market has experienced a dramatic increase in competitors in recent years. The report issued by the group also made recommendations relating to operations and marketing strategies that have since been implemented. For example, a new website and reservation system has been implemented, along with a new logo and competitive pricing strategies. These combined efforts have helped to distinguish the Exposition Center from others in the community and ensured a place in the market. Still, the report went even further to suggest long-term actions, which may be discussed in more detail later in this document including:

- Sale of the existing main exhibit building and construction of a new facility that more closely matches to the vision and goals of the Exposition Center, or, at a minimum, reevaluate the Expo Long-Term Contracts.
- Invest in sports-related facilities
- Create a continuous fundraising committee
- Focus recruitment efforts on large events
- Secure private investors to operate the facility

Governance/Operation Alternatives Analysis-2013

In the Exposition Center Civic Work Group Recommendations report issued in the fall of 2011, the need to review alternative models for Exposition Center facility management and operations was identified. A work group was subsequently established early in 2013, with the final Governance/Operational Analysis report provided in fall of 2013 for implementation in 2014. Several of the recommendations within that Subsequent report addressed many of the same issues or recommendations of the Civic Work Group Report.

Transfer of Operations

One similarity between the Civic Work Group and Governance/Operations Analysis was the recommendation to transfer facilities management and ground maintenance from the UW-Extension office to the Parks and Forest Department. The 2013 report considered the “pros” and “cons” of this move and will not be reiterated here.

On May 1, 2014, this recommendation was implemented prior to the beginning of the summer season for the Exposition Center. The Parks and Forest Department assumed the roles and responsibilities for property management and maintenance while UW-Extension continued to serve in the marketing and events scheduling role. More recently, the full conversion was completed with the Parks and Forest Department also assuming these administrative roles as of January 1, 2016.

Oversight of the Exposition Center

Another similarity between the two reports focused on the oversight of operations at the Exposition Center. After opening the Exposition Center in 1996, oversight and guidance was provided by an independent commission (Eau Claire County Exposition Center Commission) appointed by the Eau Claire County Board of Supervisors, while administrative budgetary responsibilities were handled by Eau Claire County's UW Extension office. Both the Civic Work Group report and the Governance/Operations Analysis report identified the need to move broad policy oversight and budget administration to the Parks and Forest Committee as a standing committee of the Eau Claire County Board. This change in oversight and budgetary responsibility was transferred to the Parks and Forest Committee concurrently with management and maintenance responsibility in May 1, 2014. The Eau Claire County Exposition Center Commission now serves in an advisory capacity to the Parks and Forest Committee, similar to several other advisory commissions utilized in Eau Claire County. Marketing and event coordination was then transferred from UW Extension to the Parks and Forest Department at the beginning of 2016, bringing full responsibility for all marketing and property management of the Exposition Center under one County Department.

Recommendations Still Pending

Changes to the management and operational oversight of the Exposition Center have garnered the most attention in terms of implementation action since the issuance of both reports. However, several important recommendations still remain unresolved or in limbo as of the beginning of April 2016. Perhaps it is a good idea to collectively reiterate them here.

Exposition Center Civic Work Group Recommendations-2011

The following are additional recommendations contained within the 2011 report that have not been acted upon as of the date of this report:

- Develop an updated and organized master plan for the Exposition Center buildings and grounds driven by the Director, answering the questions – what is the goal and vision for Expo and what will the facility look like in the future?
- Establish a “Friends of the Expo” organization composed of major user groups, partners, founding and future members. (With the Eau Claire County Exposition Center Committee now serving in as an advisory body to the Parks and Forest Committee, this recommendation could be considered completed, perhaps not be specific name but rather function when considering membership of the advisory group.)

Industry Analysis of the Eau Claire County Exposition Center-2011

With a majority of the marketing and operational recommendations already integrated, the items identified for consideration that could/should still be considered include the following:

- Sale of the existing main exhibit building and construction of a new facility that more closely matches to the vision and goals of the Exposition Center, or, at a minimum, reevaluate the Expo long-term contracts.
- Invest in sports-related facilities
- Create a continuous fundraising committee
- Focus recruitment efforts on large events
- Secure private investors to operate the facility

Governance/Operation Alternatives Analysis-2013

Several recommendations contained within the 2013 Governance/Operations Analysis still remain unresolved or still pending.

- Sell of Building E (Main Exhibit Building) to a third party. This sale may include the existing leases in place at this time, including the Curling Club (thru July, 2021) and the Kennel Club (August, 2025). In addition, it is recommended that the sale also include a lease provision for the Eau Claire County Fair from July 15 through July 30 of each year for a period of five years. This will allow Eau Claire County ample time to consider recommendation #2 below. (Please note, other ongoing events at the Expo Grounds may warrant consideration of this lease provision as well including Breakfast in the Valley)
- Build a new facility to address the needs of Eau Claire County, and more specifically the Fair to serve as the multi-purpose building. The new facility would be financed through the sale of the existing facility as well as through budget allocations over the next five years to pay for its initial costs. Funds identified and committed to upcoming maintenance on Building E could be earmarked and committed to this project.
- Work with staff from the Finance Department to complete a more comprehensive analysis of the current fee structures to determine if the rates are adequate to cover both fixed and operational costs. Based on budget figures, incoming revenues cover roughly 50% of the yearly operational costs of the entire grounds/facilities, excluding any needed capital improvements. This analysis would take into account cost of replacement, depreciation, maintenance, and operational expenses collectively.



Common Issues to be Considered/Acted Upon:

In reviewing the outstanding recommendations or issues from these three previous reports or studies, two or three common recommendations are identified for future consideration:

- 1) Develop a vision for the Exposition Center
- 2) Sell the Main Exhibit Building (Building E)
- 3) Construct a new multi-use building to meet the specific needs of Eau Claire County

This report will review the aforementioned issues in more detail and provide additional background that is supportive of each recommendation for consideration by the Eau Claire County Board of Supervisors. It is intended that future actions on the recommendations contained within this report will resolve ongoing concerns or issues relative to the Exposition Center property and provide a more clear set of operational goals moving forward.

Recommendation #1 – Develop Vision for Exposition Center

Background

In 1993, Eau Claire County made the decision to sell the existing fairgrounds property in Altoona, and relocate to a property off of Lorch Avenue south of Eau Claire. This property would later be named the “Exposition Center.” But what really is an Exposition Center? What is the purpose of Exposition Center and what differentiates it from a fairgrounds? Why was the decision made to develop an “Exposition Center” instead of a fairground? Is that what was developed in reality?

Wikipedia defines an exposition center as “a large public exhibition or public place to inform, explain, analyze, or define.”

Although answers to the preceding questions are important, perhaps there is something more significant and impactful that is missing from the Exposition Center history. One constant question that has been reiterated in each of the more recent studies noted above relates to the lack of an established goal and/or vision for the Exposition Center. Without a clear vision or purpose, future decision making can be difficult or misdirected. So, perhaps a good starting point is to consider a few questions that could aid in the development of a vision and purpose for the property.

Wikipedia defines a vision as “a declaration of an [organization's objectives](#), ideally based on economic [foresight](#), intended to guide its internal [decision making](#).”

- What does Eau Claire County wish to achieve with the property?
- How can the property best serve the community?
- Does the location and types of building amenities at the Exposition Center meet or serve these needs?
- What is Eau Claire County’s level of commitment to this property and the Eau Claire County Fair?
- What is the economic value of the Exposition Center to Eau Claire County?

Progress/Changes since 2013:

From its inception in 1996 until more recently (May 2014) the Eau Claire County Exposition Center functioned under the oversight of the Exposition Center Commission, with operations and property management provided by the Eau Claire UW-Extension office. However, this arrangement presented challenges in terms of policy development, organizational structure, facility planning, and the allocation of

financial resources through Eau Claire County’s annual budget process. In May of 2014, property management was transferred to the Parks & Forest Department, with the Committee on Parks and Forest providing oversight as a standing committee of the County Board and the Exposition Center Commission changing over to the Expo Advisory Committee. Marketing and operations has also been transferred over to the Parks and Forest Department from the Eau Claire County UW-Extension office as of January 1, 2016, meaning all operations and property management are now provided directly by Eau Claire County. These actions are significant in that it now allows the Parks and Forest Department to align the Exposition Center to its Mission as well as the strategic initiatives of the Eau Claire County Board of Supervisors.

Mission

To enrich the quality of life for current and future generations by providing a parks & forest system that will promote recreational opportunities, wildlife, and watershed protection while sustainably managing the county forest for optimum production of forest products.



Recommendations/Actions:

With the recent changes in oversight, property management and operations now finalized, this is an excellent opportunity for Eau Claire County

- Align the Exposition Center with the mission statement of the Parks and Forest Department and the Strategic Plan of the Eau Claire County Board of Supervisors through a formal visioning process. This process should originate under the direction of the Committee on Parks and Forest with a meeting of the Expo Advisory Committee, which is comprised primarily of users and stakeholders, with the Parks and Forest Director serving as lead facilitator of the process. Staff from the Planning and Development would serve in a support role throughout this process.
- Work with staff from the Finance Department to complete a more comprehensive analysis of the current fee structures to determine if the rates are adequate to cover both fixed and operational costs. Based on budget figures, incoming revenues cover roughly 50% of the yearly operational costs of the entire grounds/facilities, excluding any needed capital improvements. This analysis would take into account cost of replacement, depreciation, maintenance, and operational expenses collectively.
- The Parks and Forest Director should conduct a review of all current long-term contracts and relationships with other organizations to gain insight into the current operations and obligations at the Exposition Center. This information will be necessary and valuable to aid in the development and/or implementation of any current or future plans for marketing and management of the Exposition Center.

Recommendation #2 - Sell Main Exhibit Building to a Third Party

Background

One of the more significant recommendations included within the 2013 Governance/Operation Analysis was the alternative to sell Building E (main exhibit building) at the Exposition Center to a third party. It may be worthwhile to note that this was not the first time this idea or recommendation had been identified. The “Values House Meetings” conducted during the development of the Civic Group Report



in 2011 included several references to the possibility of planning for a new building and also acknowledged the fact that the current main exhibit building was a “compromise” between various interests when constructed. In addition, the Industry Analysis conducted by UW-Eau Claire in 2011 recommended Eau Claire County to consider selling the existing main exhibit building and constructing a new facility on the site that better reflects the goals and needs of Eau Claire County. It is important to note that in all cases, the previous reports have proposed to construct a new multi-use building that is better suited to meet the space needs of Eau Claire County. With that being said, the focus of this report section is to present several benefits and concerns relating to the potential sale of the Main Exhibit Building to a third party. Construction of a new main exhibit building will be discussed on its own merits under **Recommendation #3** later in this report.

As for the recommendation, this report will briefly analyze three specific options for Building E. Although there are likely several more options or variations to consider, the Work Group chose to focus on the following options that seem best suited for additional analysis, including:

- A. Outright sale of the Main Exhibit Building
- B. Sale of the Main Exhibit Building with lease rights retained
- C. Maintain ownership of the Main Exhibit Building with modifications to current lease agreements (specifically with the Curling Club)

The following information and analysis is provided as an update and amendment to information provided in the aforementioned reports.

A. Option #1: Outright sale of Main Exhibit Building

This option proposes to offer the building for sale to a third party and would include the storage shed and parking lot on an approximate three-acre lot. Eau Claire County should retain an access easement through the parking lot to use in conjunction with the Eau Claire County Fair and other events on the remaining property. Should Eau Claire County wish to pursue this option, the property would need to be surveyed. Once surveyed, Eau Claire County would petition the City of Eau Claire to rezone the property to a land use consistent with the City's comprehensive plan, which would most likely be commercial use. Listing price would be determined through either an appraisal or market sales analysis.

Benefits

Capital Projects

- Funding for projects - Sale of the facility would allow Eau Claire County to use proceeds to address other outlay needs for the remaining property
- Reduce future outlay needs by excluding Building E – (the 2016 Budget included a 5-year outlay plan with nearly \$300,000 in costs attributed to upgrades and repairs for this building alone)

Operational Expenses

- Reduces operational expenses annually – reduce staffing, marketing, utilities, and other administrative costs
- Allows county to focus efforts and essential functions/services

Concerns

- Loss of code-compliant multi-purpose space or creating the need to replace this space with new construction
- Will most likely result in loss of some revenues as current user groups will most likely look for other event-space alternatives
- If events are discontinued, larger economic impacts for area (some events would relocate to another venue)
- Could negatively affect access to the rest of the property if not conveyed properly – this property sits at the front of the remaining fairgrounds property and would most likely be zoned for commercial uses given the surrounding land uses and City's comprehensive plan. Several permitted commercial uses may not be necessarily consistent with the County's continued use and interest
- Potential depreciation of future value of remaining property
- Impacts on current leases if sold to a separate party (Curling Club through 7/2021 and Indianhead Kennel Club through 8/2025)

Why not sell the whole property and relocate the fairgrounds elsewhere?

When the Governance/Operation Analysis was presented in 2013, a common question asked in response to the recommendation to sell the Main Exhibit Building was whether or not sale of the entire property was considered? The short answer was yes, to an extent.

The Exposition Center property comprises approximately 28 acres of land and includes several improvements, including the Main Exhibit Building, three sheds/barns used during the fair (and subsequently leased out for storage during the winter season), a milk parlor, 4-H storage building, and concession stand including restrooms and showers. Still other improvements include a road system, a paved parking lot, electrical service for campsites, a horse arena and additional practice arena, fenced dog agility area, and landscaping. Just as important, the Exposition Center property serves as the main eastern access point to the adjacent Lowes Creek County Park, allowing the property to be utilized in conjunction with numerous events held within the park each year. In light of its extensive improvements and proximity, the idea of selling the entire property outright and relocating the fairgrounds elsewhere is not a recommendation to easily or fully capture. However, a few important facts could play a vital role in answering this much larger question.

Cost of Improvements:

According to information obtained from the County's property insurance coverage, the replacement value of the main structures constructed on the property is close to \$2.3 million broken down as follows:

- Main Exhibit Building \$1,400,000
- Building A \$ 397,000
- Building C \$ 255,000
- Building D \$ 255,000

When considering the full value of the property and all improvements, an estimated value of more than \$4 million may be fairly accurate and likely. The value of the property's proximity and impact on Lowes Creek County Park may be less tangible or easily identified, but also important in terms of the events held at the county park each year and their respective economic impacts within the community. Should Eau Claire County wish to explore this option in more detail, a much more complex and detailed analysis would need to be conducted.

Market Value of Property:

After conducting a simple analysis of the value of improvements on the property, the Expo Work Group sought out information relating to the true market value of the property. Anytime a property is considered for possible sale and redevelopment

or reuse, a community's comprehensive plan must be consulted. The Exposition Center property is located within the corporate limits for the City of Eau Claire, so its respective comprehensive plan was consulted. Figure 2-1 of the City of Eau Claire's Comprehensive Plan serves and the "Planned Land Use" map, which specifies preferred future land uses. The Exposition Center property is identified as a "Public Facility" on this map, recognizing the property as the Exposition Center owned by Eau Claire County. It should also be noted that all privately owned land surrounding the Exposition Center property to the east, north and west is identified as commercial, while the land far to the west off the end of Lorch Avenue is depicted as "Medium to High Density Housing. Therefore, if Eau Claire County were to choose to sell the property for potential redevelopment, it is likely that the property would either be considered for commercial or medium/high density residential purposes according to the surrounding existing land uses and planned land uses.

With this information in mind, contact was made with a local real estate and development firm (Commonweal) to conduct a simple market analysis of the Exposition Center property using both recent sales and listing values. (Note: all options assume removal of the Main Exhibit Building to facilitate full redevelopment of the site) Three scenarios were considered for this analysis based on the City's comprehensive plan, including:

1. Sale for Commercial Development – based on comparable sales records and current listings with consideration of access, frontage, and property itself; estimated market value for this use would be approximately \$50,000 per acre, with an overall value of between \$1.2 to \$1.5 million – agent indicates there is considerable volume of available property in this market
2. Sale for Residential Development – based on comparable sales records and current listings, estimated market value for this use would be approximately \$26,000 to \$32,000 per acre, for an overall value of between \$730,000 to \$896,000
3. Sale for Commercial/Residential Development – to determine an estimated fair market value for this option, approximately 8 acres of property bordering Lorch Ave is valued at commercial values (10 ac. X \$50,000=\$500,000) while the remaining land was assigned a residential value (18 ac. X \$28,000=\$524,000) for an overall value of approximately \$1,024,000

Conclusions:

- The market analysis anticipates full removal of improvements to accommodate new development, therefore does not assign value to existing facilities
- Potential proceeds from the sale of the Exposition Center would be insufficient to cover the costs of relocating the fairgrounds in light of new building costs
- The property is more valuable to Eau Claire County in its current use (adjacent to Lowes Creek Park) than would be realized through a land sale

B. Option #2: Negotiated Sale of Main Exhibit Building to Curling Club w/Lease-Back Option

Another option that could be considered is a negotiated sale to the Curling Club, whom maintains an exclusive lease agreement from October 15th to April 15th each year through 2021. A complete market analysis and/or appraisal of the property would be completed to determine market value, which would also perhaps take into account the value of the remaining lease of the facility through 2021. The Expo Work Group contacted Eau Claire County Corporation Counsel to verify whether er indicates that there is no legal requirement or anything in the county purchasing code or policies that would prohibit the County from pursuing this option. However, the County Board would need to ascertain if this is in the County’s best interest taken into a variety of factors, including public perception.

Benefits

- Allows the curling club to fully utilize and operate the venue for its purposes
- Secures long term future of curling club
- Allows the possibility of expansion
- Addresses specific community events including county fair & Dairy Breakfast
- Cost savings to the County, including: operational expenses, future maintenance outlay requirements, and a reduction in staffing,

Concerns

- Maintaining cooperative relationship with curling club
- Ongoing Coordination for maintenance needs
- 4-H storage building
- Maintenance of cohesive aesthetics
- Potential of sale to a separate owner in the future and cohesive land use



Possible configuration of Building E parcel split

Economic Impact of the Exposition Center

The Eau Claire County Exposition Center plays a vital role from both economic activity and social function perspectives in our community. In 2013, Michael Strubel of **Visit Eau Claire** was asked to quantify the economic impact of the Exposition Center to the community based on the various events and activities held there each year. In order to determine the impact, Visit Eau Claire used a model obtained through the Destination Marketing Association, International (DMAI) for communities similar in size. The formula takes into account various revenue sources including: gas stations, restaurants, shops, hotels, and other similar business venues.

The model broke the events and economic impacts into three distinct categories:

1. Tourism events (including significant overnight accommodations)
 - Examples include: US Snowshoe National Championships, Indianhead Kennel Club, WORS Race, and curling bonspiels
 - Estimated economic impact: \$581,600
2. Day Trip events (may draw people in for the day, but not necessarily result in overnight accommodations)
 - Examples include: Gem & Mineral Show, Eau Claire County Fair, and Breakfast in the Valley
 - Estimated economic impact: \$207,135
3. Local events (that are small gatherings that may not have significant amounts of overnights)
 - Examples include: weddings, meetings, family gatherings, haunted houses, and dances
 - Estimated economic impact: \$26,500

Based on model estimates, the total estimated economic impact of the Exposition Center is approximately \$815,000 on an annual basis. To put this estimated economic impact into perspective, please consider the following information.

- The average annual net costs of operating the Exposition Center (excluding outlay) to Eau Claire County is approximately \$55,000 over the last 5 years
- When compared to the estimated annual economic impact, Eau Claire County realizes nearly a \$15 return for each dollar (\$1) invested on an annual basis

C. Option #3: Retain ownership of Main Exhibit Building by Eau Claire County but modify lease agreement(s)

Under this option, Eau Claire County would retain ownership of the Main Exhibit Building and would have the freedom to either extend or discontinue lease arrangements with other organizations upon their respective expirations. Should Eau Claire County wish to extend leases, rental rates and lease terms should be more closely aligned to typical commercial leases based on a local market analysis. Full oversight of operations and property management has been provided by the Parks and Forest Department since May of 2014.

Benefits

- Retains multi-use space for county/event use
- Addresses future concerns for hosting community events
- Allows for ownership and management of entire property
- Continued ability to serve other events which may utilize remaining grounds or adjacent Lowes Creek County Park
- Significant annual economic impact for the region
- Retention/preservation of overall property values

Concerns

- Addressing funding for future outlay needs
- Desire by Curling Club to significantly expand current facility
- Future operational and maintenance costs based on intended uses
- Aligning use of facility with Vision of property

Main Exhibit Building Options Analysis:

The Main Exhibit Building (Building E) has arguably been one of the more challenging assets for Eau Claire County to effectively manage over the past 20 years. The building was originally constructed as an ice rink that could also be used for exhibition-type events such as the Breakfast in the Valley, Rock and Mineral Show, and exhibit hall for the Eau Claire County Fair each year. Although the building has served this dual role well over the past two decades, significant equipment upgrades are now necessary to continue this dual use as an ice rink and multi-use building. In addition, the primary lease holder (the Eau Claire Curling Club) has expressed a desire to expand the current facility to meet their growing needs. This presents additional questions and challenges in terms of future uses, maintenance and outlay needs that should be fully considered.

A. Sale of the Main Exhibit Building (along with adjacent parking and approximately three acres of land) would allow Eau Claire County would address several issues previously identified by the Work Group in 2013, including: address the long-term lease issues discussed above, eliminate many of the ongoing/future maintenance needs included within the Capital Outlay Plan, and alleviate most of the remaining issues relating to marketing and operation of the Expo Center. However, this recommendation would still require Eau Claire County to revisit the purpose and use for the remaining property, reevaluate the needs of the Fair and other user groups that are central to the identified vision of the property which would likely create a need to construct a new multi-use building in order to meet the needs of several community events Eau Claire County has historically supported (i.e. the Breakfast in the Valley and the Firecracker Run in Lowes Creek Park).

B. Selling the Main Exhibit Building with Eau Claire County retaining a lease option would allow the County to continue accommodating certain events (i.e. Breakfast in the Valley, Eau Claire County Fair and the Firecracker Run in conjunction with the adjacent Lowes Creek County Park). Additionally, this proposal better addresses long-term maintenance issues while at the same time providing Eau Claire County with the multi-use space necessary for hosting successful events through a lease arrangement for the months of May-August. However, this may be short-sighted and may permanently limit use of the remaining property by Eau Claire County in the future.

NOTE: A significant concern worth noting in both of the first two options is the potential negative impact sale of the most visible and accessible property (fronting Lorch Avenue) may have on the remaining property (from both a value and land use perspective). In the case of property value, splitting off approximately 50% of

the road frontage from the remaining property will most likely have a significant effect on how the remaining property could be utilized, and therefore, what it is worth. From a land use perspective, several concerns relating to the presence of commercial property adjacent to public space would include: outside storage, conflicting traffic patterns, difficulty in scheduling events for the remaining property, noise, trash, property maintenance and many other similar concerns.

C. Retaining ownership of the property with modifications to the lease agreements would allow the entire property to be cohesively managed and utilized. Eau Claire County would continue to be in a position to host several community events each year, resulting in an economic impact of more than \$800,000 each year. Eau Claire County should explore options to reduce operational costs of the property while at the same time enhancing revenue streams with a goal of making the property self-sustaining. With more than two full seasons of operational and property management oversight, the Parks and Forests Department has identified numerous opportunities to improve efficiency of operations for the Exposition Center while still meeting community needs for event space. Long-term concerns relating to continued maintenance and facility upgrade costs could be largely resolved by renegotiating terms for lease agreements.

Recommendations/Actions:

After giving full consideration of the alternatives explored herein, the Exposition Work Group recommends that Eau Claire County retain ownership of all property under Option #3, including the Main Exhibit Building. In short, the potential loss of value to the remaining property and possibility for future land use conflicts would not offset potential revenue from the sale. In addition, loss of multi-use space would severely limit or prevent Eau Claire County from hosting larger community events each year, including the Eau Claire County Fair and Breakfast in the Valley. This would perhaps have a broader negative economic impact (\$800,000 annually) than any short-term value gained. The Exposition Center Work Group feels strongly that the property should be retained and managed as one cohesive unit, with added value gleaned from the adjacent Lowes Creek County Park. In light of this preferred option, the Exposition Work Group would like to offer additional recommendations that will improve overall operational and financial efficiency as follows:

- Negotiate a lease extension with the Curling Club that is better aligned with current local commercial rates and terms. In recognition of their initial contributions to the construction of the Main Exhibit Building, the Curling Club enjoys a favorable lease arrangement that is significantly less than market value through 2021 (25 years).
- Scale back - discontinue customized marketing/catering/rental for small/individual events, instead focusing on larger community-oriented events. Customized marketing and hosting of smaller events are significant drivers of operational costs and depreciation of equipment, while yielding minimal revenue returns. Reductions in operational expenses are estimated to far outweigh loss of revenue based on a review of recent rental patterns. (Note: a detailed analysis was not prepared in conjunction with this report. Should this recommendation be accepted, changes in costs would be reflected within the 2017 budget.)
- Closely reevaluate capital outlay requests to align with the intended future use of the property as determined through the Visioning efforts discussed in Recommendation #1. Make necessary changes/modifications to the 5-year Capital Outlay Plan for the Exposition Center.
- Consider designating the licensed camping sites as an official campground, which would be available to interstate motorists and well as individuals who may be interested in off-road biking in the Lowes Creek County Park and other area amenities or attractions. Include the campground within the Parks and Forest Department online reservation system. Camping would be blocked during specific community events (i.e. Breakfast in the Valley, Eau Claire County Fair, etc) in order to avoid conflicts.

Recommendation #3 – Construction of a new multi-use building

When the Exposition Center was originally planned in the mid-90s, an overall development plan of the property included a Main Exposition Hall in addition to the Curling Club facility (that we now refer to as the Main Exhibit Building). The Main Exposition Hall has never come to fruition over the last 20 years, and instead, use of the existing facility has doubled as both a multi-use building and ice rink. All three aforementioned Exposition studies referenced within this report have suggested the construction of a new multi-use building that would be available throughout the year to host large community events. The primary factor relating to this recommendation is the fact that the Main Exhibit Building is only available to rent for 6 months each year, due to the lease agreement with the Curling Club.

With respect to the recommendation to construct a new multi-use event facility, the Exposition Center Work Group does not agree with the need to construct nor recommend further study of a new facility at this time. While it is true that use of the current facility is restricted from use for 6 months each year, demand for space is not significant enough to justify the additional investment based on a review of recent rental activity over the last few years. Once more, the market has changed dramatically in the past 20 years, with the emergence of numerous large space venues such as the Indoor Sports Center, Florian Gardens, redevelopment of the Civic Center, and Menards Conference Center, not to mention several other event spaces associated with hotels. The Exposition Center Work Group instead recommends that the current Main Exhibit Building be retained, that a lease extension with the Curling Club be pursued, and that event marketing be scaled back in order to primarily serve larger community-oriented events. Best use and management of the entire Exposition Property will be determined once the visioning process has completed as outlined in Recommendation #1.

Appendices

Expo Center Governance/Operations Report

**Eau Claire County
Parcel Mapping**



1 Inch = 162,272,133 feet

PLSS Lines

- Meander Line
- Forty Line
- Quarter Section Line
- Section Line

Parcel Lines

- Parcel Line
- Extended Parcel Line
- - - Tie Line
- Extended Tie Line
- Road Right-of-Way Lines

Platted Lands

- Certified Survey Map
- Condominium Plat
- Assessors or Subdivision Plat

Navigability

- Navigable
- Non-Navigable

Alternate Number = 0210110000
Survey Map Index Number = 9-2788

Parcel Mapping Notes:

The horizontal datum is based on the Eau Claire County Coordinate System NAD_1983_48N_48_W_EauClaire_Feet

This map is a collection of public record information and was prepared as an ongoing commitment to provide quality and up-to-date information to the public. This map is intended for information use only. Although significant care has been exercised to produce maps that satisfy mapping accuracy standards, these maps are only as accurate as the source data from which they were compiled. These maps are intended to be advisory and are NOT designed or intended to be used as a substitute for an accurate field survey or a professional survey. Wisconsin Certified Land Surveyors, in addition to providing property location.

Eau Claire County does not warrant, guarantee or make any representations regarding the use of, or results from the use of, the data in terms of correctness, accuracy, reliability, completeness, or otherwise and the user relies on the map and/or data solely at their own risk.

Date:

Aerial Photography Flight Spring 2008
Information Current January 1, 2010



Eau Claire Expo Center Grounds



Proposed 2017 Parks & Forest Budget Calendar (draft)

(Budget due August 20, 2016)

Committee Meeting Dates and Locations listed for each meeting

Lake Altoona Park – Wednesday, June 8, 2016 – 5:00 p.m.

- Previous programs/priorities list distributed (see back side)
- Brief review of budget guidelines

Coon Fork Lake Park – Wednesday, June 22, 2016 – 5:30 p.m.

- Discuss any need for new or modified positions
- Discussion programs/priorities

Lowes Creek Park– Wednesday, July 13, 2016 – 5:00 p.m.

- Final action on new/modified positions

Lake Eau Claire Park – Wednesday, July 27, 2016 – 5:30 p.m.

- Initial Review of all budget accounts (County Forest/Game Mgmt/State Aid Forest Roads/State Aid Forestry; Coon Fork Lake Park; Lake Altoona Park; Lake Eau Claire Park; Tower Ridge Recreation Area; Harstad Park; Big Falls Park; Lowes Creek Park; L.L. Phillips Park; Guettinger Woods & Wildlife Area; Exposition Center; Snowmobile/ATV trails) – due August 20
- Final Review of Capital Improvement Program – (due July 31)
- Initial review of user fees and projected revenues (due September 1)

Ag & Resource Center– Wednesday, August 10, 2016 – 5:00 p.m.

- Final review of all budget expenditure accounts (due August 20)
- Final review of user fees and projected revenues (due September 5)

Eau Claire County 2017 Budget Timeline

Timeline and policies subject to adjustment throughout the process

MONTH	FINANCE DEPARTMENT	HUMAN RESOURCES DEPARTMENT	COUNTY ADMINISTRATOR	DEPARTMENT HEADS	OVERSIGHT COMMITTEES	COMMITTEE ON FINANCE & BUDGET	COUNTY BOARD
January				Review and Update Continuity of Operations – essential positions and functions.			
March		Recommendation on Elected official pay	Work with COA to develop plan for strategic planning				March 15: Elected Official Pay
April			Meetings with Department Heads on performance measures	April 1: Annual Report Due			April 5: Elections April 19: Organizational meeting
May	May 10 CIP instructions delivered		Meetings with Department Heads on performance measures May 19: Budget Guidelines / calendar Distributed	May 11: Strategic Plan PEST Analysis May 23: Technology Requests due to IS		May 12: Discussion of Budget policies and priorities and calendar	May 3: Strategic planning
June	June 7: Distribute budget forms and instructions to departments and outside agencies		June 15: CIP Team meeting to recommend capital projects				June 21: Strategic Planning at Board

Eau Claire County 2017 Budget Timeline

Timeline and policies subject to adjustment throughout the process

MONTH	FINANCE DEPARTMENT	HUMAN RESOURCES DEPARTMENT	COUNTY ADMINISTRATOR	DEPARTMENT HEADS	OVERSIGHT COMMITTEES	COMMITTEE ON FINANCE & BUDGET	COUNTY BOARD
July	<p>July 11: Budget on-line survey ready</p> <p>July 31: Final numbers on health insurance</p>	<p>July 1: Recommendation on Class/Comp changes</p>	<p>July 1: Distribute CIP to Departments to incorporate into budgets.</p>	<p>TBD: Budget training sessions for staff</p>	<p>Review draft budgets as submitted by departments – begin discussion of goals consistent with strategic plan</p>	<p>July 6: Committee meeting</p> <p>TBD: Public Input Session @ City of Augusta</p>	<p>July 19: Adopt strategic plan</p>
August			<p>Aug 23-31 Administrative Staff budget review with departments</p>	<p>Aug 20 All completed budget packets due to Finance Director (including personnel, capital & user fees) in electronic form</p> <p>Aug 23-31 Administrative Staff budget review with departments</p>	<p>August committee meetings: Discussion of goals based on strategic plan. Review draft budgets as submitted by departments</p>	<p>TBD: Public Input Session @ LE Phillips Library</p>	<p>August 16: County Board meeting</p>
September	<p>Administrative staff budget review with departments</p> <p>Meet with F&B on departmental budgets</p>		<p>Administrative staff budget review with departments</p> <p>Sept 20: Administrator’s recommended budget due</p> <p>Meet with F&B on departmental budgets</p> <p>Sept 20-22: WCA Annual Conference</p>	<p>Sept 1: Revised user fees due to Administration</p> <p>Administrative staff budget review with departments.</p> <p>Meet with F&B on department budget request.</p>		<p>Sept 22-30: Committee meets with departments</p>	<p>Sept 20 County Board meeting; 1st reading of HR Committees recommendation on personnel requests</p> <p>Sept 20 Update County Board on preliminary budget</p>

Eau Claire County 2017 Budget Timeline

Timeline and policies subject to adjustment throughout the process

MONTH	FINANCE DEPARTMENT	HUMAN RESOURCES DEPARTMENT	COUNTY ADMINISTRATOR	DEPARTMENT HEADS	OVERSIGHT COMMITTEES	COMMITTEE ON FINANCE & BUDGET	COUNTY BOARD
			Sept 25-28: ICMA Conference				information.
October			Oct 26: Budget books e-delivered to Co. Board Oct 31: Official publication of budget due to L-T.		Review F&B Committee budget recommendation Supervisor development of potential amendments	Oct 4-13: Committee meets with departments (including Community agency review) Oct 14: Complete final revisions and prepare budget recommendation (wrap up)	Oct. 4: County board meetings Oct. 18: Consideration of F&B recommendation on user fees Board receives budget and amendment forms
November			November 4: Summary of budget amendments distributed with Board packet.				Nov. 1: Co. Board meeting. Individual supervisor amendments due to Administration. Nov 9-10: Budget deliberations

2017 Parks & Forest Department Programs

Program in Priority Order	Description
COUNTY FOREST ROAD AIDS, WILDLIFE MANAGEMENT, AND STATE AID FOREST ROADS	To provide county owned natural resources for public use including timber management, wildlife habitat, and recreation opportunities, and to manage under the County Forest 15 Year Management Plan and in accordance with Chapter 28.11 Wisconsin Statutes.
COUNTY PARKS AND RECREATION AREAS	To provide, develop, and maintain high quality park and recreation facilities to meet public recreation demand
EAU CLAIRE COUNTY EXPOSITION CENTER	The Exposition Center is a multi-purpose 28-acre site for public and private use that enhances local recreational, educational and commercial endeavors. The Exposition Center is one of the only sites in the area that can host large events. It is a cost competitive site for the benefit of businesses, constituent user groups and citizens throughout the region.
STATE FUNDED SNOWMOBILE AND ATV TRAILS	Provide and maintain high quality state-funded snowmobile and ATV trails on county and private land.