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Deschutes County Board of Commissioners  
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## **MINUTES OF BUDGET MEETING**

### **DESCHUTES COUNTY BOARD OF COMMISSIONERS**

**Wednesday, June 1, 2016**

**Allen Room, Deschutes Services Building**

*Present were Commissioners Anthony DeBone, Alan Unger, and Tammy Baney. Also present were Tom Anderson, County Administrator; Erik Kropp, Deputy County Administrator; Mike Maier, Jimm Burton and Bruce Barrett, citizen members of the Budget Committee; Wayne Lowry and Loni Burk, Finance; Dan Despotopulos and Tracy Scott, Fair & Expo Center; and Steve Curley and Bill Kuhn, Fair Board.*

*Meeting minutes were taken by Elyse West, Risk Management*

*The topic of discussion was Fair & Expo Budget*

*Chair Bruce Barrett opened the meeting at 9:00a.m.*

Dan Despotopulos, Director of the Deschutes County Fair & Expo Center introduced himself and Tracy Scott, Assistant Manager of the Fair & Expo Center. Mr. Despotopulos said that the County Fair Board was recently expanded from five to seven members. Two of the new members were present, introduced as Bill Kuhn and Steve Curley. Mr. Kuhn stated he manages the commercial loan operations for Bank of the Cascades in Central Oregon. Mr. Curley stated he is the director of the Small Business Development Center at Central Oregon Community College.

Commissioner Unger said they appointed these two members to the Fair Board and increased its size with the intent to bring more expertise to the Fair & Expo Center.

Mr. Despotopulos said he would give a brief overview of the Fair & Expo Center activity over this past year and talk about next year's budget. In 2015, three staff retired and one resigned—representing nearly half of their FTE staff. On April 18<sup>th</sup>, they hired the last replacement. Last week one of their contract employees who worked sound at the Deschutes County Fair since 1955, Grover Earp, announced his departure.

The Transient Room Tax (TRT) passed and Fair & Expo began receiving it in 2014, at which point they changed their business model. All food and beverage transitioned to in-house—which was discussed with the Budget Committee and supported by all resorts and TRT collectors. Tracy Scott was hired in an internal recruitment to assist with the changes and has excelled. The top result for searching “America’s Greatest County Fair” in the MSN search bar produces the Deschutes County Fair & Expo webpage. With the TRT, they increased their marketing from approximately \$30,000 annually to nearly \$400,000, and the webpage redevelopment was one of their first projects. Tracking has shown that the primary mode of advertising that leads people to the Fair & Expo Center is the internet. In 2016 they added forty-one new events, and have twenty-four events booked in 2017 thus far. This business movement has been influenced greatly by the TRT.

With the increase of events, the economic impact has increased to a \$43,000,000 impact for this year. This is based on the same formula of hotel/motel numbers used by local organizations, and does not include incidental items. A handout was dispersed referring to the events and the audiences they attracted (Exhibit 1). The community impact is also increasing. They are hosting five high-school graduations this summer and have begun a \$200 fee for each school to help with facility preparation and tear-down. The RV Park at the Fair & Expo Center has been gaining momentum in the last ten years of its existence and is running about \$150,000 ahead of budget this year. Tracy Scott manages the RV Park and oversees its staff. The park has been sold out the last three out of four weeks.

A second handout showed the number of events at the Fair & Expo Center over the past few years and what is projected for the future (Exhibit 2). Proposals are out for eighty-eight new events between now and 2020. More focus has gone on conventions and advertising; and six months ago Sports Venue Magazine voted them the number one venue by reader's choice. One of the inserts in the publication was given as a handout (Exhibit 3).

Moving forward, a portion of the TRT will be used to make improvements on the facility to attract more business. Also seen in the budget, is \$95,000 to hire an outside consultant to look at overall plan and to give input of broader possibilities in sales and business. In 2014 they hired their first FTE in fifteen years: a food and beverage

manager. It is in the budget now to hire a sales and marketing assistant.

Fair & Expo is close to acquiring another 140 acres. They hired a company to complete a feasibility study for a sports complex, which will also look at the existing infrastructure. They are also working with three additional partners—COVA, Visit Bend, and the City of Bend. The University of Oregon did a preliminary feasibility study by studying national research on sports complexes and their community impact. The study produced positive feedback and showed the sporting market to be significant for the venue.

Bruce Barrett asked about strategy for reserves and improvements, with the increased activity. The lack of reserves was discussed in past years and he wondered if there was a renewed strategy in place.

Mr. Despotopulos said they do have money put in a reserve fund for next year. Using some of the reserves last year, they upgraded their entire fire alarm system and replaced a dishwasher, which added up to \$125,000 but it didn't impact the budget. Their main strategy is to increase events. The marketing plan has already produced good results in its first couple years: reviewing how many events can be held at one time, new event possibilities, and other factors. He stated that putting 9% in reserves would be their goal and would work toward 10%. The studies performed advised to reserve 2.5 million dollars a year. He doesn't anticipate reaching that goal, as this is the first year they've seen this type of success. With last year's internal audit results, they restructured the food and beverage programs and implemented new software and cash registers for better recording. The mortgage retires in 2017.

Commissioner Baney asked what funds the TRT affects.

Wayne Lowry answered that it is divided among line 601: RV Park, line 618: Fair & Expo Center, and line 619: Annual Fair Fund.

Tom Anderson pointed out that the TRT does not come directly to the fairgrounds, but that expenses must first be approved by Mr. Lowry and Jeanine Faria.

Commissioner Baney asked Mr. Despotopulos if he anticipates a business plan as a result from the consultant and the timeline for it.

Mr. Despotopulos agreed that is the plan.

Mr. Anderson said they are in the initial steps of the consultant search. The plan will be implemented next fiscal year and there may be discussion first with the BOCC and the fair board before finalizing the scope of the study.

Commissioner DeBone asked if there is a general fund transfer for capital reserve as in

the past.

Mr. Anderson answered that there is \$250,000 transferring from the general fund into the reserve fund, which is down from the past. Building up the reserve at lesser amount was considered appropriate in initial budget discussions.

Mr. Lowry stated this could be seen on page 321 in the capital reserve. With the new business, it is expected that revenues will reach the point to contribute to reserve.

Commissioner Baney said it would be beneficial to look at five-year projections with consideration to new events and increased revenue.

Mr. Lowry added that with the new business, current staff numbers may not be enough and there is currently a large reliance on temp agency help. Future operating cost for staff may need to be considered.

Commissioner DeBone stated he would support starting a conversation in the community to determine if a supporting tax rate would be a good idea.

Mr. Maier said that planning to have an end game of the reserve amount would be a good idea and ensure the general fund supports it.

Commissioner Baney stated she would like to see a spreadsheet that would show costs and fund transfer possibilities.

Bill Kuhn said they could make a schedule that shows what aspects of the building will need future improvement and what the reoccurring capital expenditures would be.

Steve Curley said that an inspector could look at the facility to determine what will last for what amount of time.

*Being no further discussion, the session ended at 9:40 a.m.*

DATED this 22nd Day of June 2016 for the  
Deschutes County Board of Commissioners.

Alan Unger  
Alan Unger, Chair

Tammy Baney  
Tammy Baney, Vice Chair

ATTEST SIGNATURES:

Bonnie Baker  
Recording Secretary

Anthony DeBone  
Anthony DeBone, Commissioner

## **Deschutes Fair & Expo Sales Overview**

August 2014 through July 2016, DCFE has contracted 22 new Livestock Event, 18 new Tradeshow/Conference/Banquets and 12 new Sporting Events. (A few are listed below)

### **Livestock / Equestrian Events**

Oregon Reining Horse Shows  
American Dairy Goat Association National Show  
High Desert Quarter Horse  
Charmayne James World Champion Barrel Racing Clinics  
High Desert Stampede  
ERA Rodeo Tour  
Oregon High Desert Horse Expo  
Sullivan Stock Show University  
CMSA - Cowboy Mounted Shooting Association Show  
Buck Brannaman International Horse Clinician  
Alpaca Breeders Invitational

### **Sporting Events**

Northwest Basketball Championships  
Push Enterprises – Challenge of Champions Tour  
Kids Obstacle Challenge  
Nitro Circus  
NCRC – National Cave Rescue Camp  
Bids out for:  
USA Taekwondo  
LAX USA Lacrosse Tournament  
National Collegiate Table Tennis Tournament

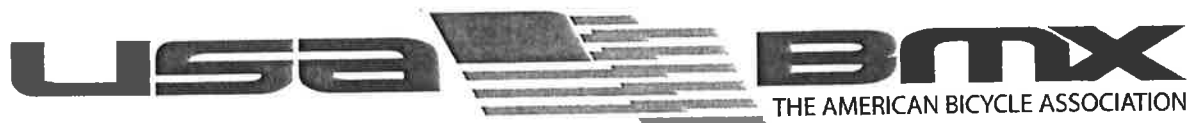
Events have grown over this time frame 13%, Option years are blocked and Proposals have been sent 88 new events through fiscal year 2020.

Largest growth has been seen in the Livestock/Equestrian & Sporting Markets. The greatest ROI is also within these two market segments.

### **Estimate of Economic Impact**

National Dairy Goat Assoc.	\$557K
Oregon Reining Horse Show	\$90K
FarWest Morgan Horse Show	\$339K
Oregon Wrestling Classic	\$4.3MM
Oregon State Basketball Championships	\$120K
USA BMX Nationals	\$2.2MM
MTBKC Dog Show	\$720K

With greater ability to advertise nationally as well as have destination spotlights and editorial features in American Livestock Magazine as well as Destination Sports Management, Deschutes Fair & Expo is on the Radar of National Sports Commissions as well as Livestock show promoters.



# **2016 USA BMX Great Northwest Nationals** **Participation Report** **April 8th - April 10th**

1	AZ	27
2	CA	396
3	CO	1
4	FL	1
5	HI	1
6	ID	29
7	KS	1
8	MA	2
9	MN	1
10	MT	2
11	NV	32
12	NY	1
13	OR	221
14	TX	4
15	UT	32
16	WA	215
17	WY	2
18	Australia	1
19	Canada	49
20	Columbia	2
21	New Zealand	1
<b>TOTAL</b>		<b>1,021</b>

<b>Spectators per Participant</b>	<b>3.2</b>	<b>3,267.2</b>
<b>Total Participants</b>		<b>1,021</b>
<b>Total Attendance</b>		<b>4,288.2</b>

<b>Total Estimated Room Nights (2.5 Room Nights Per Participant)</b>	<b>2,552.5</b>
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**'DO IT ALL' IN  
DESCHUTES**

**TENNIS:  
AGE  
FACILITIES**

**COMMUNICATING  
IN CRISIS**

**A NEW  
ERA FOR  
EQUINE  
SPORTS**

LONG

INCINTEC





# 'Do It All' in Deschutes

By Peter Francesconi

**AN EXPO CENTER LOCATED ON A FAIRGROUNDS** will certainly strike sports organizers as a great place for equestrian and rodeo events. Deschutes Fair and Expo Center, however, has planners thinking outside the show ring.

This multi-purpose arena located in Redmond, Oregon, can host everything from wrestling to motor sports, from gymnastics to basketball, and much more. In fact, not only does the Deschutes Fair and Expo Center have surprises at every turn, but its Central Oregon location has its own share of delights in store for event owners and organizers, athletes, families and fans.

Roxia Thornton Todoroff, director of sales for the Deschutes Fair and Expo Center says, "Our slogan is, 'We really can do it all.' Sports events organizers will be amazed at everything we have to offer at our facility. But that's not all. This part of the state is amazing as well."

Central Oregon, east of the Cascade Range, is a unique area of the country, not at all like the rainy areas on the west side of the Cascades closer to the Pacific. In fact, this high desert, at 3,000 feet, gets about 300 days of sunshine a year, with annual precipitation under 10 inches-

much of it in the form of snow in the winter.

"We're the sunny side of the state," Todoroff says. "You just can't beat our weather here, which is great for all the outdoor events we can accommodate." (In fact, the area gets so much sunshine that solar panels were placed on the roof of the Expo Center's largest building to generate power.)

## Multi-purpose Buildings

The Deschutes Fair and Expo Center itself is unique, too. The 132-acre site is home to Oregon's largest annual county fair and features nearly 200,000 square feet of flexible indoor space, a 95,000-square-foot barn complex, three arenas and more than 75 acres of lawns.

The largest building is the Bank of the Cascades Center, a multi-purpose indoor arena that constitutes some 279,000 square feet of space under one roof, capable of hosting virtually any type of per-

formance or competition and handling 10,000 spectators for a concert, 4,000 for a rodeo and 5,000 for basketball. The center is wired for TV broadcast and has a built-in sound system, wi-fi, scoreboard, concessions and lockerrooms.

The Three Sisters Conference and Convention Center consists of three venues that can be configured in a variety of set-ups. All have built-in sound systems and wi-fi. North Sister and South Sister are 9,416 square feet each, and Middle Sister is 14,904. Within the Three Sisters is a 5,000 square-foot kitchen designed to handle multiple catering and concession events.

The High Desert Activity Center is a multi-purpose building complete with climate control, sound and restrooms. The open floor plan offers nearly 12,700 square feet of column-free space.

The Barn Complex has four enclosed barns and one covered, all designed for multi-purpose use with blacktop flooring. The complex has stabling for 400 horses. It also features four arenas, including the Juniper Arena, which offers covered grandstand seating for 2,500 with bleacher seating for 1,000, and the fully covered Sagebrush Arena with seating for 1,500.

The Deschutes Fair and Expo Center is designed on a circular plot; the center is never more than 300 yards from any spot. This beautiful "Center Court" has a water feature in a natural landscape setting on about 3.6 acres, with beautifully manicured lawns, ponds, a cascading waterfall and windmill.



### Indoor and Outdoor Events

Beyond equestrian, rodeo, livestock and agriculture events, the center's appeal for sports of all types, for all age groups, has caught the eye of sports event organizers. "We have a wide variety of events here," Todoroff says. "Currently, we've been hosting wrestling tournaments in our Bank of the Cascades indoor arena, and we've even had the Portland Trailblazers here to play some of their preseason NBA games. We're also well-suited to host martial arts, gymnastics, competitive cheer—really any indoor events."

The Bank of the Cascades Center has permanent stadium seating for 4,000, and the finished concrete floor means any type of floor covering or course can be laid down. In addition to a basketball floor, for instance, the center can host roller derby, and even bring in an ice rink for hockey and other skating events. The center also moves in dirt and hosts the Great Northwest **BMX** Nationals. The venue is ideal for motor sports, including motocross, arena-cross and monster truck rallies. The site also contains an off-road race track in its overall 320 acres.

General Manager Dan Despotopulos says there's untapped potential in the vast, well-manicured grounds and lawns. "With about 130 acres of surrounding grass fields, we have the ability to host all types of outdoor sports as well—soccer, lacrosse, rugby, football, field hockey, you name it."

"Plus, we have a huge area for parking," he adds. "Not only can we fit 4,000 cars at the front of the facility, but we have an additional 100 acres we can use, so parking is never an issue, and it's always free." There's also a year-round RV park right on the property, offering 106 sites with full hook-ups.

### Natural Beauty

The view from the facility is unparalleled, with a panorama of seven snow-

capped mountain peaks that include Mount Bachelor, the Three Sisters, Broken Top and Mount Jefferson. There are also views of Smith Rock, one of the world's premier rock-climbing destinations.

"Central Oregon is known as the playground for the Northwest," says Despotopulos. In fact, there is so much to do in the area that athletes and families will have no problem keeping occupied off the field or competition floor. Day trips offer an incredible array of activities, such as hiking, biking and mountain biking; kayaking, canoeing and paddle-boarding on the stunning lakes; whitewater rafting and tubing; hunting and fishing (particularly trout, salmon and steelhead).

In the winter there are plenty of places for snow sports, including Mount Bachelor, a world-class ski resort that's about 40 minutes away on the eastern edge of the Cascade Range. In addition to the fresh mountain air, the high-desert climate provides some of the driest powder in the Pacific Northwest—perfect for skiing.

Many might not realize the area is also a golf Mecca. In the Redmond area, golfers can play a round on award-winning courses, Juniper and Eagle Crest, not just in the summer, but in the spring and fall. Diehard golfers also can hit the links during the occasional mild winter day, making golf a possibility year-round. The award-winning Juniper Golf course named "Best Place to Play in Oregon" four times by *Golf Digest*.

Other attractions include the High Desert Museum, a must-see for all ages, with wild eagles, owls, otters, bobcat, lynx and other animals featured in their natural habitats. There are more than 300 fascinating lava tube caves in Central Oregon, and the vibrant reds, yellows and golds of the Painted Hills are an incredible sight.

Redmond also has a great appreciation for art and culture, which, in fact, has a sports connection: Nike founder Phil

Knight and his wife started the city's foray into public art with two donations that led to the creation of the Redmond Arts Commission and Redmond Commission for Art in Public Places.

### Central Hub

The Deschutes Fair and Expo Center is in the center of the state, at the hub of three counties—Deschutes, Jefferson and Crook. It's 15 minutes from Bend, the largest city in Central Oregon. Travel is also convenient; Deschutes Fair and Expo Center is directly adjacent to the Redmond Airport and within a few hours' drive of major cities in the Northwest.

The area has restaurants and lodging options to suit all tastes and budgets, including half a dozen resort properties. While two hotels sit right next to the Expo Center, there are nearly 5,000 rooms available within a 15-mile radius.

"We work very closely with all of our tourism partners to make sure events coming into the area find exactly what they need," Todoroff says. The staff will help with finding lodging, putting together bids, seeking out discounts, and more.

"We like to say, 'We really can do it all!'" she adds. "That doesn't just apply to the Deschutes Fair and Expo Center. For sports events and visitors, this area really can do it all, too."

For more information about the Deschutes Fair and Expo Center, visit [www.expo.deschutes.org](http://www.expo.deschutes.org) or call 541-548-2711. **SOM**



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# We Really *Can* Do It All!"

- 320 Acre Expo Center site
- 75 plus acres of lawns
- 100 acres of parking
- 4,000 – 10,000 seat Bank of the Cascades Center
- NBA Regulation Basketball Court & Scoreboard
- 200,000 plus sq. ft. flexible indoor Event Space
- 1 indoor, 2 covered & 1 outdoor Livestock Arenas
- Off Road Race Track for motorsports
- Onsite - Full Service Expo RV Park
- Catering & Concessions

*North America's Premier Sports Center Located in Beautiful Redmond, Oregon*



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