



September 16, 2020

F2020-12

TO: Fair CEOs and Board Chairs

SUBJECT: Fiscal Year 2020/21 Funding for Fairs

The Fairs & Expositions Branch (F&E) is pleased to announce the \$12 million distribution plan for fiscal year (FY) 2020/21. The \$12 million will consist of funds from General Fund (GF) base allocations and the AB 1499 (New Fair Funds) that will be distributed through two separate grant agreements. The following table provides a breakdown of the funds broken down by fair class size and program year. Being mindful that fairs in class sizes V through VII are not eligible to receive the GF base allocation dollars and that larger fairs have greater needs at this time (based on pure volume of staff, expenses, etc.,) the distribution of the New Fair Funds was weighted towards the larger fairs receiving a greater share.

<b>Fund Source:</b>	<b>GF (Base Allocation)<sup>1</sup></b>	<b>New Fair Funds</b>		
<b>Class Size</b>	<b>FY 20/21 \$2.7M</b>	<b>FY19/20</b>	<b>FY20/21 Partial<sup>2</sup></b>	<b>Total \$</b>
I	53,360	12,851	20,359	86,570
I-X	49,910	8,567	13,573	72,050
II	48,030	17,135	27,145	92,310
III	44,030	21,415	33,925	99,370
III+	40,020	25,698	40,712	106,430
IV	37,360	29,982	47,498	114,840
IV+	32,030	34,266	54,284	120,580
V	0	51,401	81,429	132,830
VI	0	77,099	122,141	199,240
VII	0	321,247	508,923	830,170
<b>Total Distribution</b>	<b>\$2,730,000</b>	<b>\$3,597,938</b>	<b>\$5,699,902</b>	<b>\$12,027,840</b>

*1/ Note to 2.7M GF: Of the 3 fairs in class size I-X, one fair receives \$44,030 and the other two receive \$52,850*

*2/ FY20/21 AB 1499 partial distribution until Department of Tax & Fee Administration finalizes dollar amount*



### **Fund Distribution**

Base allocation funding followed the same model as last year; however, it also includes the training allocation. The New Fair Funds distribution plan was based on the fair's proportionate size relative to the entire fair industry. Financial metrics such as the operating revenues/expenditures were analyzed, which showed that the largest fair class had an outsized proportion within the industry. Although the distribution was mindful of each fair's proportionate size, adjustments were made to the largest fair class and the smaller fair classes. This distribution plan was developed based on the financial impacts of COVID-19 and may change in the future.

### **Base Allocations (Operating and Training)**

California's FY 2020/21 budget provides funding towards an allocation for general operation support and for professional development/training services to be provided as one lumpsum allocation. F&E will disburse this allocation funds to eligible fairs class I to IV+.

CDFA Grants Office will send an agreement for operating and training funds to eligible Fairs that will require board approval for the base allocation support, including supporting documentation. (see attached scope of work for details and requirements). Eligible fairs must meet the enclosed criteria to receive the allocation. A maximum of 4.5 percent of the allocation may be spent on training related expenses. Fairs will no longer have to submit training invoices to be reimbursed, however there will be a requirement to incorporate the training expenses in the annual fairgrounds budget.

Allocation funds are expected to be available Fall 2020 and F&E must receive allocation requests by June 1, 2021. All grant agreements will be delivered to the Fair CEO by email by the end of September 2020; once approved by the Board of Directors, please return the signed document in a timely manner to CDFA's Grants Office as the grant is not in force until signed by CDFA. Please note that unspent allocations for operating and training will be returned to the State General Fund if not disbursed by June 30, 2021. **All requests, including required documents and forms, for the general allocation must be submitted by June 1, 2021.**

### **New Fair Funds**

F&E anticipates making New Fair Funds (FY 19/20 & 20/21) in the amount of \$9.3 million available this fall. F&E will disburse these funds to all qualified fairs regardless of class size. It is important to highlight that fairs that became qualified to receive New Fair Funds prior to June 1, 2020 do not need to re-apply. Non-qualified Fairs that are interested in becoming eligible to receive for New Fair Funds will need to submit an application to the Fairs and Expositions Branch by **November 30, 2020 to become a qualified fair**. Please, see Circular Letter [F2020-07](#) released on April 6, 2020 for information on how to become a qualified fair.

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Grant agreements and the scope of work specific to new fair funds are currently being prepared for distribution. The grant agreements for the New Fairs Funds are expected to have a start date in October 2020 with an end date of June 30, 2021. Also, [Executive Order N-40-20](#) suspending workforce conditions is still in place; however, if the Executive Order ends prior to the end date of the grant agreement, the fair will need to implement the required workforce conditions.

Although there is much uncertainty about the total amount of the New Fair Funds for FY 2020/21, the availability for the first distribution of \$5.7 million has been confirmed. Any additional funds identified under AB 1499 Funds will be communicated once that information becomes readily available.

Please contact John Quiroz at 916-900-5025 or via email at [John.Quiroz@cdfa.ca.gov](mailto:John.Quiroz@cdfa.ca.gov) with questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Quiroz', is positioned above the typed name.

John Quiroz  
Branch Chief

Enclosure: Scope of work for General Fund Allocation