



October 30, 2018

F2018-08

TO: All Fairs

SUBJECT: SB 5 (De León) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018

With passage of Proposition 68 (as directed by the passage of Senate Bill 5) by California voters in June 2018, \$18 million in bond funds have been allocated to the California Department of Food and Agriculture (CDFA) to provide for facility improvement for county fairs, district agricultural associations, citrus fruit fairs, and the California Exposition and State Fair.

The Fairs and Expositions Branch (F&E) wanted to update the industry on activities that have taken place and that will take place related to distribution of the bond monies.

Since July, the following activities have occurred:

- 1) F&E staff are learning about the specific provisions and administrative requirements associated with Prop 68/SB5 bond funding;
- 2) F&E staff are identifying the most appropriate distribution method to allocate the monies for facility improvement projects (i.e., deferred maintenance);
- 3) F&E have developed a draft budget of the \$18M (subject to further approval);
- 4) F&E staff are working with the California Fairs Finance Authority (CFFA) to develop an assessment tool to identify deferred maintenance/facility improvement projects and create an updated projects list;
- 5) F&E staff has initiated a recruitment process to hire two new staff persons to administer Prop 68/SB5 funding, including the enhanced reporting requirements;
- 6) F&E and CFFA staff have discussed timelines of the assessment tool and allocation distribution, including approval timeline requirements.

In the coming months, the following activities will occur:

- 1) CDFA will finalize the specific requirements and provisions associated with Prop 68/SB5 funding (Fall - Winter 2018)
- 2) CFFA will initiate the assessment process with all fairgrounds, identifying potential projects. Only projects identified in this assessment process and that have not been initiated will be eligible for funding. (Fall 2018 through January 2019)



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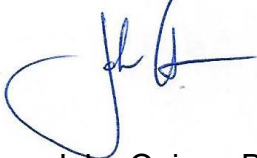
Page 2

- 3) CDFA, working with CFFA, will finalize the selection criteria and identify a review team (which will include some fair CEOs) to assist with the selection of those deferred maintenance projects (Spring 2019)

CDFA anticipates distribution of the first phase of bond funds in summer 2019 and looks forward to working with the network of fairs and CFFA to identify facility improvement projects.

More information will also be provided at the California Fair Alliance Fall Manager's Conference in November. If you have questions you would like to have addressed at that event, please let us know.

Respectfully,

A handwritten signature in blue ink, appearing to read 'John Quiroz', with a large loop on the left side.

John Quiroz, Branch Chief  
Fairs & Expositions Branch

cc: Brian Eubanks, CFFA