



March 3, 2023

To: Joint Subcommittee on General Government

Re: Support of the Oregon State Fair and Exposition Center

Dear Senator Patterson, Representative Smith, Senator Bonham, Senator Campos, Representative Chaichi, Representative Gomers, Representative Reschke and Representative Walters,

The Oregon State Fair and Exposition Center (OSFEC), a Public Corporation, was required to close and cease all operations March 2020 through much of 2021. Just recently we have seen a glimpse of business returning to pre COVID-19 status. This closure resulted in tough financial decisions of laying almost all OSFEC staff off, not having the 2020 Oregon State Fair and shuttering the property. The Oregon State Fair and Exposition Center estimated revenue loss for the State Fair and our 185-acre, 12 structure year-round exposition rental business of just over \$6 million dollars.

The Oregon State Fair and Exposition Center opened its doors to help our Oregon community with their many needs over the past 2 years. In 2020, the emergency and evacuee operations held at the Oregon State Fair and Exposition Center totaled 236 days or 65% of the year. During 2021 we opened our doors for use 262 days, which was 72% of the year. This included providing space and services for OHA Medical Facilities; Oregon Department of Education and OSU mask storage; Santiam Canyon Wildfire Evacuee Center; Cold Weather Houseless Shelter; wildfire hazard waste storage; animal shelter and sorting area; and numerous Covid-19 Testing and Vaccination Centers.

During these events we were made aware that the Oregon State Fair & Exposition Center does not have what is required to maintain an efficient fully operational Regional Emergency and Evacuee Center. OSFEC has struggled with limited resources to keep DAS's buildings and grounds rentable and safe. We have established a list of requirements based on the feedback received from our partners at the National Guard, Marion County Emergency Management, City of Salem, American Red Cross, Salem Health, Church in the Park and many others that utilized the grounds for emergency uses. To effectively be a fully functioning Regional Emergency and Evacuee Center, we are in dire need of the requested items to be funded to prepare for the future emergency needs of our community to ensure fire, life and safety needs are met. Based on their requests and the 2020 Facility Assessment we determined the following end of life needs:

- Replacement and repair of leaking building roofs
- Alarm and security upgrades
- HVAC repair and installation
- LED lighting upgrades
- Messaging installation and upgrades
- Asphalt repairs and installation

- Replacement of current condemned building to provide a community kitchen, emergency housing and storage
- Water safety and filling stations
- Purchase of generators
- Livestock building upgrades

OSFEC receives State funding of a little less than \$1 million per biennium to be used for all things funded by the general fund. Historically these monies help to offset usual and customary operational expenses. Additional sources of funding include revenue from yearly Expo business and the annual Oregon State Fair. These two revenue sources are continually reviewed to pinpoint real or potential revenue shortfalls. OSFEC utilizes a proven and effective financial model that includes, but is not limited to, profit and loss reporting; balance sheet and revenue aging reports. This information is submitted for approval and guidance of the Oregon State Fair Council six times per year. An independent audit/review is performed yearly as well as a daily Fair-time reconciliation. The Council directed the financial modeling which has allowed us to limit the possibility of cash flow crises.

Highlighted below is the OSFEC Mission and Vision statements which provides direction to our business plan to:

- Achieve or exceed year-round Expo sales revenue goals
- Successfully run a 11-day State Fair
- Host the Marion County Fair
- Work towards becoming a fully functioning Regional Emergency Evacuee Center

Funding would allow the OSFEC to prepare for future emergency needs. Our facility is the living room for our Oregon community and we want to welcome humans and animals in the most effective and safe way.

Sincerely,

Kim Grewe-Powell

CEO/Director

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A Public Corporation is an entity that is created by the state to carry out public missions and services. In order to carry out these public missions and services, a public corporation participates in activities or provides services that are also provided by private enterprise. A public corporation is granted increased operating flexibility in order to best ensure its success, while retaining principles of public accountability and fundamental public policy. The board of directors of a public corporation is appointed by the Governor but is otherwise delegated the authority to set policy and manage the operations of the public corporation.

Our Mission

The mission of the Oregon State Fair & Exposition Center is to provide a reason and a place for all people to gather, connect, learn, embrace excellence in all forms and celebrate the achievements of Oregonians.

Our Vision

We envision a relevant Oregon State Fair & Exposition Center that embodies good stewardship of the public's trust and serves as a self-sustaining asset for Oregonians to treasure long into the future.