



March 5, 2025

To: House Committee on Economic Development, Small Business, and Trade

RE: Support for HB 2304 and – 1 amendment

Dear Chair Nguyen, Vice-Chairs Diehl and Isadore, and Members of the House Committee on Economic Development, Small Business, and Trade:

On behalf of the Oregon State Fair Council, I would like to express why House Bill 2304 and – 1 amendment is important and so crucial to the Oregon State Fair and Exposition Center as well as fairgrounds across Oregon.

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. This closure resulted in tough financial decisions of laying almost all staff off, not having the 2020 Oregon State Fair and shuttering the property for business outside of emergency needs. 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 communities with their many needs. 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.

OSFEC is happy to continue to support our community in time of need as well as year-round by allowing use of our fairgrounds for little to no charge. Such partners that utilize our grounds for emergency training include Salem Keizer Reunification Center, Salem Fire, Oregon State Police, Salem PD and Search and Rescue.

It is evident that the Oregon State Fair and Exposition Center does not have what is required to maintain an efficient fully operational Regional Emergency and Evacuee Center. With continued usage and limited resources, it is a struggle to keep DAS's buildings and grounds rentable and in safe condition. 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 have determined the attached urgent needs.

Funding under the issuance of bonds and inclusion in Lottery Funds would allow OSFEC to prepare for future emergency needs and continued day-to-day business. 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.

Budget Narrative continuation

OSFEC has developed plans for both Major Construction and Capital Improvement projects for the upcoming 2025-2027 biennium. We are currently working with LRS Architects, of Portland, as the architect of record for Phase One of Major Construction and Capital Improvements. Additionally, we are currently working with Dalke Construction, of Salem, as the general contractor. The contract documents – design plans and specifications have been completed for both the historic Poultry and Stadium Phase Two projects. These items are summarized below:

The Major Construction (MC) projects are summarized below:

Historic Poultry Building Restoration Estimated costs \$3,000,000

Continue to next phase of the Poultry Building restoration work per existing project contract documents, Addendum 2, dated 12/6/2023

Historic Horse Stadium Restoration Estimated costs \$6,000,000

Continue to next phase of the Historic Horse Stadium restoration work per existing project contract documents, Addendum 2, dated 12/6/2023

Campus-Wide Fire Alarm Systems Replacement Estimated costs \$1,500,000

The campus-wide fire alarm system is outdated and no longer works properly due to various vendor's proprietary equipment not communicating with panels, a continuing lack of repair items, and a system with several critical devices/parts no longer available and at an end of useful life state.

Pavilion Estimated costs \$1,650,000

Provide much needed air conditioning via mechanical modifications to existing systems. Estimated costs \$750,000

Replace failed skylight roof section with roofing details to match roof field. Estimated costs \$600,000

Improve multiple failures to the Exterior Insulation and Finish System (EIFS). Estimated costs \$300,000

Regional Emergency and Evacuee Center Estimated costs \$4,886,000

The Oregon State Fair and Exposition Center (OSFEC) opened its doors to help our Oregon community with their many needs over the past several years. Whether it be 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 and sorting area; and numerous Covid-19 Testing and Vaccination Centers. OSFEC

proudly was available to assist in any way necessary. Unfortunately, during these events we were made aware that the OSFEC does not have what is required to maintain an efficient fully operational Regional Emergency and Evacuee Center. The Oregon State Fair and Exposition Center has limped by with limited resources, but not in the most effective or safe way. We have established a list of requirements based on the feedback received from the National Guard, Marion County Emergency Management, City of Salem, American Red Cross, Salem Health, Church in the Park and many others that have used the grounds. 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. The component projects are shown below:

Emergency Communications Estimated cost \$725,000

This project will fund Security Camera Equipment, Wireless Broadcasting/PA System Equipment to Match DOJ, Upgrade/Replace Equipment for WIFI & Security Upgrades, Public WIFI Upgrade Equipment and Server Upgrades, IT Radios/Phone Emergency System Upgrade to Align with State Agencies & Local Jurisdictions.

Digital Messaging Package Estimated cost \$835,000

This project will fund messaging equipment for emergency use coordination with evacuation sites, staging areas/sites, and temporary receiving sites, by the installation of 6 permanent reader boards and 2 trailer-mounted led solar backup message boards.

Curved Security Fence Panels and Security Gates Estimated cost \$2,000,000

This campus-wide project will replace unserviceable fencing and security gates to provide safety and security year-around and importantly, during all periods of emergency evacuation site usage.

Water Bottle Filling Stations Estimated cost \$55,000

This campus-wide project will replace end-of-life/unserviceable water drinking fountains with up-to-date and more user friendly water bottle filling stations.

Water Container System to Connect to Hose Bibs Estimated cost \$75,000

This campus-wide project will provide water container systems allowing for easy access to potable water connections in case of emergency site usage and events during a heat advisory.

Current ROM Major Construction costs \$17,036,000.00

The Capital Improvement (CI) projects design drawings for Jackman Long, Columbia Hall, and Cascade Hall were developed for Phase One and are easily annotated by addendum to include this new Capital Improvement work. We anticipate these projects will be contracted via Design Build methodology; they are as summarized below:

Jackman Long Building – Main Office Estimated CI costs \$600,000

Replace floor covering and install base, replace certain interior wood doors/jambs, paint certain hallways and offices.

Estimated costs \$225,000

Improve deficient building electrical system. Estimated costs \$250,000

Improve/replace rusted steel window assemblies at west stairwell locations. Estimated costs \$125,000

Columbia Hall Building Estimated CI costs \$410,000

Replace roof leak damaged t-bar grid and tiles at perimeter (alcoves) north, south, and west locations damaged by roof leaks.

Estimated costs \$180,000

Improve deficient building electrical system. Estimated costs \$230,000

Cascade Hall Building Estimated CI costs \$205,000

Improve deficient building electrical system. Estimated costs \$205,000

Show Horse Barn Estimated CI costs \$337,000

Improve/replace deficient roof valleys. Estimated costs \$65,000

Repair failing exterior concrete surfaces and wood doors/horse stalls. Estimated costs \$93,000

Improve failing mechanical/electrical/plumbing systems. Estimated costs \$179,000

Campus-wide Security Upgrades Estimated CI costs \$440,000

Messaging system upgrades. Estimated costs \$150,000

Water safety and bottle filling stations. Estimated costs \$130,000

Purchase of emergency-use generators. Estimated costs \$160,000

Campus-Wide Parking Lot Improvement Estimated costs \$700,000

This project will improve interior and exterior parking lot assets and certain site-wide degraded asphalt and gravel surfaces. These improvements are necessary as most lots are non-paved and do not satisfactorily drain, causing stuck vehicles and very difficult walking conditions. The 17th Street parking lot will receive a crosswalk installation with warning lighting when occupied and further ADA improvements.

Deferred Maintenance Estimated cost \$1,110,690

OSFEC has been significantly hampered by not receiving a sustaining funding source to address deferred maintenance; this has been the case for multiple biennia. This request includes deferred maintenance funding level support as published by the Building Owners and Managers Association (BOMA); this association is widely recognized as the international expert for commercial facilities deferred maintenance costs. The current annual cost per square foot for deferred maintenance is \$2.15 per square foot per year. This funding request is limited to the following building assets under OSFEC operational control:

Jackman Long Building 81,000 sf

Columbia Hall Building 45,230 sf

Cascade Hall Building 10,070 sf

Pavilion 107,000 sf

Floral Building 5,000 sf

LB Day Amphitheater (limited) 10,000 sf

Current ROM for Deferred Maintenance request is \$555,345 per year, or \$1,110,690 for the upcoming biennium. This funding level will support 258,300 square feet of our generally recognized profit generating facilities.

Current ROM Capital Improvement costs \$3,802,690.00