



# COUNTY OF SAN DIEGO

## BOARD OF SUPERVISORS

1600 PACIFIC HIGHWAY, ROOM 335, SAN DIEGO, CALIFORNIA 92101-2470

### AGENDA ITEM

**DATE:** October 31, 2012

**05**

**TO:** Board of Supervisors

**SUBJECT:** WHERE THE TURF MEETS THE SURF: LOCAL LEADERSHIP FOR A COUNTY ICON (DISTRICTS: ALL)(DISTRICTS: ALL)

#### **SUMMARY:**

##### **Overview**

Governor Edmund G. Brown Jr. is encouraging state District Agricultural Associations to explore options for governance changes with the goal of bringing oversight of DAAs to a local level while providing more transparency and involvement to the communities they serve. Officials of the 22<sup>nd</sup> District Agricultural Association (DAA) in San Diego, known popularly as the San Diego County Fairgrounds, have had preliminary discussions with the Governor's office about partnership possibilities.

As a regional asset, the 22<sup>nd</sup> DAA serves all cities and communities in the County of San Diego, making a potential partnership an ideal model for leadership. The 22<sup>nd</sup> DAA is the most financially successful District Agricultural Association in California, with an annual budget of \$90 million. Its operations include the fair, world-renowned thoroughbred race meets and hundreds of special events year-round.

Because of its history of financial success, a partnership with the 22<sup>nd</sup> DAA would not create any financial burden for the County of San Diego. Rather, a partnership would serve to provide regional control and leadership for a valuable community asset that is on par with Balboa Park and Mission Bay Park as a community asset. A partnership also would remove any uncertainty surrounding the property's future as the state of California struggles to balance its budget.

The time is right for the County of San Diego to enter into discussions with the 22<sup>nd</sup> District Agricultural Association on the possibilities for a partnership that would provide operational oversight of this critical regional asset. Enhancing regional control and oversight will protect the interests of all communities in San Diego County. Today, we are recommending the San Diego County Board of Supervisors direct the Chief Administrative Officer to open discussions with the 22<sup>nd</sup> DAA and report back to this

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board in 60 days on potential partnership options.

**Recommendation(s)**

**CHAIRMAN ROBERTS AND VICE CHAIRMAN GREG COX**

Direct the Chief Administrative Officer to open discussions with the 22<sup>nd</sup> District Agricultural Association to explore partnership opportunities with the County of San Diego for operational oversight of the San Diego County Fairgrounds and report back in 60 days.

**Fiscal Impact**

There is no fiscal impact as a result of this action.

**Business Impact Statement**

N/A

**Advisory Board Statement**

N/A

**BACKGROUND:**

In 1880, a group of San Diegans organized an agricultural fair to bring county farmers together to share ideas, see who had the best citrus fruit, who baked the best pie, and who had the fastest horse. By the 1930s, faced with fairs that struggled fiscally each year for survival, voters approved pari-mutuel racetrack betting to help fund the state's agricultural fairs. In 1936, the 22nd District Agricultural Association bought land at the mouth of the San Dieguito River for a county fairgrounds. About the same time, the Del Mar Turf Club leased the racetrack from the 22nd DAA to operate an annual live racing meet.

Today, the 22nd District Agricultural Association, an agency of the state of California, still owns and operates the Fairgrounds. Its staff organizes four major annual events, including the San Diego County Fair, and runs Surfside Race Place, the year-round satellite horse racing operation. The Del Mar Thoroughbred Club leases the facilities for its live meet each summer. And hundreds of consumer and trade promoters rent the Fairgrounds facilities for home and garden shows, dog shows, antique fairs, sports shows, music festivals and much more. No tax dollars are used; the Fairgrounds is entirely self-supporting.

Now, Governor Edmund G. Brown Jr. is encouraging California District Agricultural Associations to explore options for governance changes with the goal of bringing oversight of DAAs to a local level while providing more transparency and involvement to the communities

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they serve. The 22<sup>nd</sup> District Agricultural Association (DAA) in San Diego, known best as the San Diego County Fairgrounds, has had preliminary discussions with the Governor's office about partnership possibilities.

As a regional asset, the 22<sup>nd</sup> DAA serves all cities and communities in the County of San Diego, making a potential partnership an ideal model for leadership. The 22<sup>nd</sup> DAA is the most financially successful District Agricultural Association in California, with an annual budget of \$90 million. Its operations include the fair, world-renowned thoroughbred racing meets and hundreds of special events year-round. The San Diego County Fair itself was recently ranked as the fourth largest fair in North America.

Because of its history of financial success, a partnership with the 22<sup>nd</sup> DAA would not create any financial burden for the County of San Diego. Rather, a partnership would serve to provide regional control and leadership for a valuable community asset that is on par with Balboa Park and Mission Bay Park as a community asset. A partnership also would remove any uncertainty surrounding the property's future as the state of California struggles to balance its budget.

The time is right for the County of San Diego to enter into discussions with the 22<sup>nd</sup> District Agricultural Association on the possibilities for a partnership that would provide operational oversight of this critical regional asset. Enhancing regional control and oversight will protect the interests of all communities in San Diego County. We are recommending the San Diego County Board of Supervisors direct the Chief Administrative Officer to open discussions with the 22<sup>nd</sup> DAA and report back to this board in 60 days on its partnership options.

We urge your support for the recommendation in this letter.

Respectfully submitted,

CHAIRMAN RON ROBERTS  
Fourth District

VICE CHAIRMAN GREG COX  
First District

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**AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**          Yes        No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**  
    Yes        No

**PREVIOUS RELEVANT BOARD ACTIONS:**  
N/A

**BOARD POLICIES APPLICABLE:**  
N/A

**BOARD POLICY STATEMENTS:**  
N/A

**MANDATORY COMPLIANCE:**  
N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):**  
N/A

**ORIGINATING DEPARTMENT:** Office of the Chairman of the Board of Supervisors

**OTHER CONCURRENCE(S):**    N/A

**CONTACT PERSON(S):**

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