

ANTELOPE VALLEY FAIRGROUNDS AUTHORITY

Established in 1938, the Antelope Valley Fairgrounds (AV Fair) has been a cultural, economic, and social asset for the region. Initially located at Avenue I and Division Street on land donated by local farmers in Lancaster, the fairgrounds were relocated in 2004 to Avenue H and State Route 14 with the help of the City of Lancaster. This relocation addressed the community’s growing needs. By the late 2000s, dwindling state funding for fairgrounds threatened their sustainability.

Recognizing the urgency, in November 2011, with the help of Assemblyman Steve Knight and Senator George Runner through SB-1085, the City of Lancaster and the 50th District Agricultural Association entered into a Joint Exercise of Powers Agreement (JPA), creating the Antelope Valley Fairgrounds Authority (Authority) to help operate, maintain and improve the AV Fair and Events Center. This partnership transferred governance to local hands, creating closer ties to local government and enabling the AV Fair to operate more efficiently and flexibly. Per the JPA, the Authority has designated the Antelope Valley Fair Association, a non-profit 501(c)(4)(Association), to operate, administer, and execute the Authority's duties and obligations.

The Antelope Valley Fair and Event Center regularly operates as an evacuation center for people and animals during wildfires in northern Los Angeles County and the San Gabriel Mountains. During the COVID-19 pandemic, the fairgrounds hosted mass vaccination clinics that vaccinated tens of thousands of Antelope Valley residents in 2021. The fairgrounds have also served as a temporary shelter during winter for persons experiencing homelessness. The COVID-19 pandemic demonstrated the vulnerability of the fairgrounds, which experienced financial challenges because it had to close temporarily as a public gathering spot, and illustrated the need for multipurpose facilities to serve as community hubs for crisis response. These challenges led the JPA board to devise the Multi-Agency Regional Resilience Center (MARRC) plan, a model for coordinated emergency response, resource distribution, and recovery efforts.

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MOTION

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The MARRC is envisioned as a 140,000-square-foot building that can serve as a large-scale, full-function, off-the-grid emergency evacuation center, able to accommodate up to 1,000 evacuees and offer command space and facilities for emergency responders. Its day-to-day use will be as a community event center. In June 2023, the Antelope Valley Fair Authority received a \$20.5 million grant from the California Department of Food and Agriculture (CDFA) Fairs and Expositions Branch toward the MARRC.

The AV Fair contains various event spaces and hosts numerous events throughout the year, including corporate gatherings, private events, exhibitions, and filming. Some of the facilities of the AV Fair include (i) the H.W Hunter Pavilion, made up of 28,155 sq ft. with an assembly capacity of 2,200, (ii) the Van Dam Pavilion, made up of 17,788 sq ft. with an assembly capacity of 1,200, (iii) the Antelope Valley Harley Davidson Legacy and LA County Farm Bureau Community Hall made up of 4,000 sq ft. with an assembly capacity of 300, and (iv) the La Plaza Pavilion made up of 8,000 sq ft. located outdoors in front of a beautifully landscaped fountain.

The Joint Powers Association has requested that the City of Palmdale and the County of Los Angeles (County) become full members of the Authority to enhance the governance and sustainability of the AV Fair further. This move aims to strengthen regional collaboration, ensure financial stability, enhance emergency preparedness, and promote economic and cultural development. By joining the JPA, the County can directly benefit from and influence strategies that enhance the economic impact, expand public service community offerings, formalize the fairgrounds' role in regional disaster preparedness by integrating them into county-wide response plans, promote unity and regional pride, and reinforce the County's commitment to resource distribution and addressing the needs of underserved areas.

The next steps, prior to the County agreeing to join the Authority, is for the County to conduct its due diligence regarding the Authority and the Association to determine if it is appropriate for the County to join the Authority and, if so, to negotiate terms and conditions for the County's participation in the Authority. To facilitate these next steps, the County and Authority can enter into a Negotiation Agreement (NA) to provide a framework whereby the Authority would provide access to AV Fair's facilities, the Authority's and Association's financial and operational records, and the parties can negotiate the terms and conditions of the County potentially joining the Authority, including potential amendments to the JPA. At the conclusion of the NA period, the Chief Executive Office will return to the Board with recommendations regarding the County's potential membership in the Authority and any proposed amendment or agreements for consideration by the Board.

On July 27, 2021, the Board directed the Chief Executive Officer (CEO) to engage one or more expert technical consultants to conduct an analysis of an existing JPA and to analyze and make recommendations for improving the County's monitoring and oversight of JPAs to which it is a party for purposes of reducing potential liabilities to the County and ensuring best practices.

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The final report back was issued on August 8, 2023 and indicated that the CEO will work with the Auditor-Controller to develop a draft Board policy for the Board's consideration which will include safeguards and requirements to protect the County's financial interests; this policy is currently in the draft stage as the CEO and Auditor-Controller continue to work with departments to finalize it. The due diligence process, as directed in this motion, will be conducted consistent with the Board's prior direction and draft policy.

I, THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS:

1. Find that approval of the proposed actions are not a project subject to California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines section 15378(b)(5) because the actions are organizational or administrative activities of government that will not result in direct or indirect physical changes in the environment. In the alternative, pursuant to CEQA Guidelines section 15061(b)(3), the proposed actions do not commit the County to a project, and it can be seen with certainty that there is no possibility that the proposed actions will have a significant effect on the environment. If there is a recommendation for the County to join the Antelope Valley Fairgrounds Authority (Authority), appropriate CEQA findings will be presented to the Board at that time.
2. Authorize and delegate authority to the Executive Office of the Board (EO), or his designee, to enter into agreements with consultant(s) to conduct due diligence review of all Authority, Antelope Valley Fair & Event Center (AV Fair), and Antelope Valley Fair Association (Association) finances and operations, to be paid for with Supervisorial District 5 discretionary funds, not to exceed \$150,000.
3. Authorize and delegate authority to the EO, or his designee, to negotiate and execute a Negotiation Agreement (NA) with the Authority, approved as to form by County Counsel, for an initial six-month term, which term may be extended at the discretion of the County for a maximum of up to one (1) additional six-month extension period. The NA will provide the framework for allowing the County to access and review AV Fair, Authority, and Association facilities and financial and operational records during the NA period to conduct its due diligence, and to facilitate negotiations of the terms and conditions of the County potentially joining the Authority, including potential amendments to the Joint Exercise of Powers Agreement for recommendation to, and approval by, the Board.
4. Direct the CEO to evaluate the due diligence review and to provide a recommendation on whether it is in the County's best interest to enter this JPA.

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