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BOARD OF DIRECTORS MEETING
22ND DISTRICT AGRICULTURAL ASSOCIATION
DEL MAR FAIRGROUNDS
2260 JIMMY DURANTE BOULEVARD
DEL MAR, CALIFORNIA 92014
(TELECONFERENCE)
TUESDAY, AUGUST 18, 2026

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IN ATTENDANCE:

22ND DAA OFFICERS AND DIRECTORS PRESENT:

SAM NEJABAT, CHAIR
LISA BARKETT, VICE CHAIR
MARK ARABO, DIRECTOR
PHIL BLAIR, DIRECTOR
DONNA DEBERRY, DIRECTOR
KATHLYN MEAD, DIRECTOR
TED MIYAHARA, DIRECTOR
ELSA MORALES-ROTH, DIRECTOR
FREDERICK SCHENK, DIRECTOR

22ND DISTRICT AGRICULTURAL ASSOCIATION STAFF:

BECKY BARTLING, CHIEF EXECUTIVE OFFICER
KATIE MUELLER, CHIEF OPERATIONS OFFICER
HENRY RIVERA, PRODUCTION DIRECTOR
MOLLY ARNOLD, ADMINISTRATIVE ASSISTANT

22ND DISTRICT AGRICULTURAL ASSOCIATION COUNSEL

JOSHUA CAPLAN, OFFICE OF THE ATTORNEY GENERAL

OTHER SPEAKERS:

ASHLEY McCAUGHAN, EXECUTIVE DIRECTOR, DON DIEGO
SCHOLARSHIP FOUNDATION
ZACH MACQUARRIE, SENIOR DIRECTOR, BODEWELL GROUP
JOSH RUBINSTEIN, PRESIDENT & COO, DEL MAR
THOROUGHbred CLUB

1 PUBLIC COMMENTERS:
2 DAISY DOMINGUEZ
3 LILLY
4 DOMINIC PALMIERI
5 NATHAN MARCUS
6 MARTHA SULLIVAN
7 JANE CARTMILL
8 STEPHEN VARTANIAN
9 NATHAN JANOUSEK
10 RYANN NEWMAN
11 LYNN FREUDENBERG
12 CARMEL DYER-PITTROFF
13 CHARLIE BOGHOSIAN
14 CARLA HAYES
15 TRACY MARTINEZ
16 KAREN BRINDLEY
17 DON MOSIER
18 LESA HEEBNER
19 ALEX GOODMAN
20 LAURA DEMARCO
21 JOHN SPELICH
22 NATHAN MARCUS

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1 CHAIR NEJABAT: Good morning.

2 Today is Tuesday, August 18th, 2026 and the time is
3 9:34 a.m.

4 I now call the meeting of the 22nd DAA Board of
5 Directors to order.

6 Before we take a roll, I'd like to call to your
7 attention some items that are going to change on the
8 agenda for today's meeting.

9 Item 8A1, the vote on the interagency agreement
10 with CDFA and Item 8D2, the staff report on the special
11 events train platform project are both being tabled
12 until a future meeting.

13 And in the CEO report, Item 7, the update on the
14 Governor's Hall plaque dedication will be moved to the
15 DMTC Liaison Committee report in general business.

16 With that being said, may we please get the roll?

17 MS. ARNOLD: Chair Nejabat?

18 CHAIR NEJABAT: Here.

19 MS. ARNOLD: Vice Chair Barkett?

20 VICE CHAIR BARKETT: Here.

21 MS. ARNOLD: Director Arabo?

22 MR. ARABO: Here.

23 MS. ARNOLD: Director Blair?

24 MR. BLAIR: Here.

1 MS. ARNOLD: Director DeBerry?

2 MS. DeBERRY: Here.

3 MS. ARNOLD: Director Mead?

4 MS. MEAD: Here.

5 MS. ARNOLD: Director Miyahara?

6 MR. MIYAHARA: Here.

7 MS. ARNOLD: Director Morales-Roth?

8 MS. MORALES-ROTH: Here.

9 MS. ARNOLD: And Director Schenk?

10 MR. SCHENK: Here.

11 CHAIR NEJABAT: Thank you.

12 We have a quorum.

13 We'll now start by taking up public comment for

14 items not on today's agenda.

15 As a reminder, the Board will not debate nor act on

16 any comments heard today.

17 For all public comment opportunities, each speaker

18 will be given two minutes to make their remarks.

19 Please be prepared with your remarks and be ready

20 to speak as soon as you are recognized to do so.

21 Out of respect for everyone, we'll mute the

22 microphones after two minutes.

23 Do we have any public speakers in the room today

24 with us that would like to speak on matters that are not

1 on the agenda?

2 If so, please queue at the podium.

3 Thank you.

4 SHANE HARRIS: Thank you.

5 Good morning, Commissioners.

6 My name is Shane Harris, San Diego Public Advocate
7 and CEO of S. Harris Communications.

8 Today I'm here to speak in support of Attorney
9 General Rob Bonta and Commissioner Mark Arabo because I
10 believe what we're witnessing with the request for the
11 investigations into them demands scrutiny.

12 Let's follow the timeline.

13 Attorney General Bonta's office was already
14 pressing the City of Del Mar over its affordable housing
15 obligations, warning the City about compliance with
16 California housing law.

17 Commissioner Arabo has supported affordable
18 housing, but making it clear that the Fairgrounds is not
19 the proper place for it here in the City.

20 Then comes a letter asking for investigations into
21 both men.

22 And now I have a question.

23 Who is Deborah Barnes?

24 I'm not saying that she doesn't exist, but the

1 newspapers, news, everyone's asking, who is she?

2 Nobody knows where she came from.

3 Did officials verify her identity, her residency?

4 No.

5 According to a recent news report, the City of Del
6 Mar did not even confirm that she was real beyond an
7 email.

8 Those aren't accusations.

9 Those are legitimate questions.

10 Because before government puts the credibility of
11 two public officials under a cloud, government ought to
12 have established the credibility of the process that put
13 them there.

14 And let's remember what sits underneath this fight,
15 affordable housing.

16 Affordable housing isn't about bringing those
17 people into somebody's neighborhood.

18 Those people are teachers, nurses, construction
19 workers, seniors, young families, black families, Asian
20 families, white families, Californians at large.

21 There remains an exclusionary attitude in this
22 city, in too many communities, that says we believe in
23 affordable housing, just not here.

24 That will not be California's future.

1 So commissioners, I ask you to assess the recent
2 request here.

3 If Del Mar wants privilege being a part of
4 California, then Del Mar must share the responsibility
5 of housing California.

6 Thank you.

7 CHAIR NEJABAT: Thank you.

8 Anyone else in the room would like to speak?

9 DAISY DOMINGUEZ: Good morning, members of the Fair
10 Board.

11 My name is Daisy Dominguez, and I represent the
12 Changers, a San Diego Alliance youth group.

13 We know that young people are especially influenced
14 by what they see and experience in their communities.

15 That is why we work to educate our peers about the
16 risks and harms associated with tobacco, vaping, and
17 marijuana use, and encourage young people to remain
18 tobacco and vape free.

19 As a group, we love coming to the Fair.

20 We also recognize that the Fair has an opportunity
21 to set an example for the community by maintaining a
22 smoke and vape free environment.

23 A strong, consistently enforced policy is an
24 important part of protecting public health, especially

1 when so many families and young people are enjoying the
2 Fair.

3 This year, we again assessed the Fair's no smoking
4 and no vaping policy by observing the behavior of
5 Fairgoers, staff, and vendors.

6 Our goal was to determine how effectively the
7 policy was being followed and enforced throughout the
8 Fairgrounds.

9 Unfortunately, we observed numerous instances of
10 vaping.

11 Many Fairgoers appeared comfortable vaping while
12 walking through the Fair and while standing in line for
13 rights.

14 We also noticed the smell of marijuana.

15 We were also concerned to learn from some Fair
16 employees and security personnel that they had not been
17 instructed or trained on how to address people who were
18 smoking and vaping.

19 Some staff members did not appear to be aware that
20 the Fair was a no smoking policy at all.

21 At least staff also told us that the smoke and vape
22 free policy was not being enforced.

23 As the Fairgoer looks ahead to next year, we hope
24 you will consider our observations as young people are

1 watching what happens in our community.

2 By making the Fair truly smoke and vape free, you
3 can send a clear message that protecting the health of
4 young people and families is a priority.

5 Thank you for listening and for giving us the
6 opportunity to share our perspective.

7 Thank you.

8 CHAIR NEJABAT: Thank you.

9 LILLY: Good morning.

10 My name is Lilly.

11 I'm here today on behalf of the Changers, a San
12 Diego Alliance youth group, to share some concerns about
13 complaints with the Fair no smoking and no vaping
14 policy.

15 We believe there are three key factors and
16 contribute to the difficulty of keeping the Fairgrounds
17 smoke and vape free.

18 First, education and training.

19 All Fair employees and vendors, volunteers, and
20 security should receive clear information and training
21 about the smoke and vape free policy.

22 Second, consistent enforcement and monitoring of
23 policy is more effective when it's consistently
24 supported and enforced.

1 Fair employees and security staff should actively
2 monitor the grounds and provide friendly reminders when
3 necessary.

4 Everyone working at the Fair should understand the
5 policy.

6 Know where it applies and know how to appropriately
7 respond when a violation occurs.

8 Third, more visible signage.

9 There is need for additional no smoking and no
10 vaping signs throughout the Fairgrounds.

11 Signs serve as important reminders for Fair Board
12 employees and vendors and help make the policy clear to
13 everyone.

14 We also strongly encourage the Fair Board to
15 include marijuana imagery or a clear reference to
16 marijuana on the signs.

17 Today, smoke-free policies need to address more
18 than traditional cigarettes.

19 We understand that the Fair's smoke and vape free
20 policy is indeed to be largely self-encouraged.

21 However, self-enforcement works the best when
22 people are educated about the policy.

23 A smoke and vape free Fair is good for everyone.

24 It helps protect the health of Fair Board employees

1 and families.

2 As a changer, we recognize the importance of
3 improving our neighborhood and participating in our
4 census by reducing rotary cleaning and maintenance costs
5 throughout the Fairgrounds.

6 Thank you for listening for our concerns and giving
7 us the opportunity to speak with you today.

8 CHAIR NEJABAT: Thank you.

9 Anyone else in the room would like to speak on
10 public comment?

11 DOMINIC PALMIERI: Good morning, Commissioners.

12 Good morning.

13 My name is Dominic Palmieri.

14 I'm the Midway Gourmet.

15 Many of you recognize me.

16 I came today in the red chef coat because I am what
17 I believe is the face of the Fair along with about 500
18 other families and companies that bring the actual Fair
19 to the San Diego County Fair.

20 Without us, there is no Fair.

21 With that said, these families work so hard to
22 bring the best and the magic of what a Fair and a
23 community event really has to offer.

24 The Fair is the most amazing part of what a

1 community event really is in our San Diego area.

2 Our Fair industry has not had a reset in over 40
3 years.

4 We're at a very difficult time at this moment with
5 how Fairs are performing across the country.

6 We've seen exorbitant inflation with very little
7 increase at all in wages.

8 Our Fair guests cannot afford to come to a Fair
9 anymore.

10 They are struggling.

11 They're working.

12 They're everything they could do working and living
13 paycheck to paycheck.

14 As that customer tries to come to this event and
15 share in what the community has to offer, I want to keep
16 this last thought in your minds.

17 All the decisions that we make all year long to get
18 us to day one of the opening of the San Diego County
19 Fair, every decision we make is for the one person
20 that's not in this room and that's the Fair guest.

21 We need to keep them at the top priority of how we
22 move them in, how we park them, how we spend them, how
23 we experience them, and how we educate them, and how we
24 entertain them.

1 That should be the number one thing that we focus
2 on from the time that this meeting is over until the
3 time that the Fair ends next year on 4th of July
4 weekend.

5 Thank you.

6 CHAIR NEJABAT: Thank you.

7 And just as a friendly reminder, public comment is
8 for matters not on the agenda.

9 So if any folks want to comment on Fair Ops, please
10 comment under that agenda item.

11 Anyone else in the room would like to speak on
12 public comment for matters not on the agenda?

13 Speak on Fair Ops.

14 Let them know that Fair Ops is separate.

15 NATHAN MARCUS: My name is Nathan Marcus.

16 I'm a vendor that's at the Fair.

17 We've been here for over 50 years.

18 I'm third generation.

19 I've been in business for 75 years.

20 And I like to look at myself as an ambassador for
21 the industry, ambassador for the industry.

22 And I think that some of the people that we work
23 with at the Fair are here to represent others that
24 couldn't be here.

1 And I also think that it's good to have us take
2 part in some of these meetings that we normally
3 wouldn't.

4 I'd like to use my two minutes here kind of to
5 introduce myself, not what we're going to be talking
6 about later, and to give a little clarity that as being
7 ambassadors for the Fair itself and you guys being
8 ambassadors, I think it's very important to pull from
9 experiences from elsewhere to help us make decisions
10 that will lead to the Del Mar Fair's prosperity in the
11 future.

12 And sometimes we're in the moment of today's
13 decisions, and we don't see that sometimes these
14 decisions may have been made elsewhere, and we don't
15 take those into note, which we can see right in on the
16 wall, that could have ramifications that could
17 negatively affect the Fair in the future.

18 There's lots of different things that could be
19 talked about, and I think that us being ambassadors of
20 the Fair, we have to remember that it's the Fair's best
21 interest at heart, not any single interest.

22 And for our companies, I think that the Fair's best
23 interest starts and ends with the customer's experience
24 and the value that they see that the Fair gives.

1 So we just need to make sure that all decisions we
2 make take that into consideration first, is that the
3 guest is who ultimately is going to lead to the
4 prosperity of the Fairgrounds moving forward, and this
5 definitely is directly affected by the value they
6 perceive the Fair to give them.

7 That's all.

8 CHAIR NEJABAT: Thank you.

9 Anyone else?

10 Moving on to, we have six callers on Zoom.

11 Start with Martha Sullivan.

12 MARTHA SULLIVAN: Hello, this is Martha Sullivan
13 from Imperial Beach.

14 I wrote this almost nine years ago, and sadly, it
15 is even more true today.

16 An important reminder to this board of all San
17 Diego County residents, not just those in four of the
18 county's wealthiest communities which surround the
19 Fairgrounds.

20 At the core of homelessness is greed, stagnant
21 wages, health care for profit, and housing for profit.

22 Chronic illness and disability, physical and
23 mental, with addiction classified as a mental illness,
24 drives many people to the streets due to health care,

1 including treatment for addiction, which is too
2 expensive and or scarce.

3 Rents have increased 58% in San Diego County since
4 2011.

5 10,000 low-income housing units were replaced by
6 market rate and luxury development in the city of San
7 Diego between 2010 and 2016.

8 Homeless people represent less than one-half of 1%
9 of our San Diego County population, and a growing number
10 of them are seniors.

11 It is ridiculous that we cannot care for this
12 struggling population.

13 Thank you.

14 CHAIR NEJABAT: Thank you.

15 Next up, Jane.

16 JANE CARTMILL: This board remains enamored of
17 exotic reptile exhibits, despite documented public
18 health risks, environmental hazards, and mistreatment of
19 the unfortunate creatures displayed and sold.

20 This is an ugly, largely unmonitored industry with
21 scant enforcement of its few regulations.

22 Exotic reptile shows fuel the demand for unique
23 species for sale to breeders, hobbyists, and an
24 uninformed public.

1 They contribute to the global \$20 billion illegal
2 wildlife trade, the second largest trafficking in the
3 world after drugs.

4 Hundreds of thousands of reptiles are imported and
5 smuggled into the country yearly, bringing an assortment
6 of infections and parasites to an unsuspecting public.

7 About 90% are captured from the wild, depleting
8 wild populations then used for breeding.

9 Many escape or are lost in transport, others
10 discarded by disenchanted buyers.

11 Those invasive species become established and harm
12 native ecosystems.

13 About 90% of imported exotic reptiles will die
14 within a year due to gross mishandling and intensive
15 confinement prior to sale, and neglect of their complex
16 habitat and dietary needs after purchase.

17 Little husbandry information is provided to
18 potential buyers.

19 I attended the expo at Del Mar in March and saw the
20 rows of tiny, barren containers and clumsy handling by
21 customers.

22 No one was even collecting admission when I
23 arrived, and a few exhibitors had left early.

24 The only hand-washing stations were in the

1 restrooms, yet kids were eating snacks while handling
2 some of the animals.

3 Snake and alligator did not appear to enjoy the
4 hands-on photo ops.

5 There's nothing educational or agricultural about
6 hawking snakes and turtles.

7 Several states and cities, including Del Mar, ban
8 retail sales of live animals, including reptiles.

9 The Del Mar 2050 report reveals no clamoring for
10 more lizards at the fairgrounds.

11 Please choose a responsible exhibit to replace this
12 one.

13 CHAIR NEJABAT: Thank you.

14 Next up, Stephen.

15 Stephen, you're in the meeting.

16 STEPHEN VARTANIAN: Can you hear me now?

17 CHAIR NEJABAT: Yes.

18 STEPHEN VARTANIAN: Okay, sorry.

19 I just wanted to say I am looking forward to
20 hearing everybody's input today and different
21 perspectives on different issues.

22 We've been doing this for pretty much my whole
23 life.

24 Family's been in it for over 50 years.

1 I think we've been part of the San Diego County
2 Fair for 52 or 53, and I think we're really facing some
3 challenging times.

4 And I think we need to come together to come up
5 with solutions for our guests, because at the end of the
6 day, it is about our guests.

7 And there's a lot of different parameters that
8 essentially are passed down to our guests.

9 And I love the fairs.

10 I want them to be around.

11 And like I said, I just I look forward to different
12 solutions and ideas that people come up with.

13 And thank you for having me.

14 CHAIR NEJABAT: Thank you.

15 Nathan.

16 NATHAN JANOUSEK: Yes.

17 Can you hear me?

18 CHAIR NEJABAT: Yes.

19 NATHAN JANOUSEK: Hi, I'm Nathan Janousek.

20 I'm a concessionaire at the San Diego County Fair,
21 gratefully participating in the fair.

22 My family has been a part of the fair and in some
23 regard, my wife's family and I have been involved in the
24 fair for over 40 years.

1 And today, I just wanted to address the issue of
2 diversity, equity and inclusion.

3 It's something we hear a lot in the media.

4 It's very important culturally right now in a lot
5 of discussions.

6 And I think as a fair and as businesses and as
7 organizations, we need to we need to consider the ways
8 that our practices prevent certain groups and exclude
9 certain groups from being able to come to the fair and
10 enjoy the fair.

11 San Diego County is over 35 percent Hispanic.

12 And as we know, in America, a large number of
13 people are what's called unbanked.

14 They don't trust the banking system.

15 And sometimes for good reason, when we look at
16 what's going on with.

17 The immigration and deportation situations going on
18 and by having policies that prevent people from coming
19 to the events and being able to spend cash, we prevent
20 those people from being able to essentially come to the
21 fair.

22 I think we need to consider some of these groups,
23 not just Hispanic population, but the elderly and older
24 folks and just folks who don't trust banking

1 institutions in our country for various reasons and how
2 we can be more inclusive and cast a wider net.

3 CHAIR NEJABAT: Thank you.

4 Thank you.

5 Next up, we have Ryann.

6 Yes.

7 RYANN NEWMAN: Can you hear me?

8 CHAIR NEJABAT: Yes.

9 RYANN NEWMAN: I apologize.

10 I'm traveling today as we just wrapped up the OC
11 Fair on Sunday.

12 We're moving to our next event.

13 But we also participate in the San Diego County
14 Fair.

15 My family has been on that ground since 1971.

16 I used to work as a kid to raise money so I could
17 buy geodes in the gem and mineral building.

18 So the fair holds a very special place in my heart.

19 It's a place that we are all honored to participate
20 in and to be at.

21 I would just want to comment.

22 I will be speaking on agendized item later.

23 But I wanted to say that we felt a culture change
24 this year at the fair.

1 A lot of inclusion from staff and they have created
2 a vendor council with 18 people who are very progressive
3 thinking want to solve problems who want to bring your
4 ideas from other fairs that we participate in and
5 collaborate with you guys because the goal here for all
6 of us is to be incredibly successful.

7 I would say I don't mind writing the fair a big
8 check because that means I've made a lot of money while
9 I was there.

10 But that should be done through volume.

11 We're excited to do that with you and create ideas
12 with you with that vendor council.

13 And I'm happy to see that it feels like there's a
14 change in the culture there.

15 So I look forward to speaking again later in the
16 meeting.

17 Thank you for the time.

18 CHAIR NEJABAT: Thank you.

19 And last up we have Lynn.

20 LYNN FREUDENBERG: Good morning.

21 I want to share some excerpts from an article by
22 Wayne Hsiung.

23 It's called The Last Ridglan Beagle is Free, So Why
24 Am I in Despair?

1 He quotes, "I refuse to accept that we were
2 helpless".

3 Maybe we couldn't rescue all the dogs ourselves,
4 but I thought we could win people over to this cause.

5 So we fought.

6 We did small things, a press release, a 10-person
7 protest, another letter to a politician.

8 Each was insignificant on its own.

9 Each was still a win.

10 And something amazing happened.

11 The momentum started to build with sympathetic
12 portrayals in the media, social media, videos started
13 going viral.

14 Then on the first morning of the trial, the
15 government dropped every charge against me and my co-
16 defendants.

17 That win taught thousands of people that we can
18 beat the industry.

19 We could rescue dogs and win in court.

20 On April 18th, 1000-plus people marched right up to
21 the Ridgeline to bring that lesson to life.

22 Now Ridgeline is finished.

23 Its victims will no longer face torture in another
24 sector's cage.

1 They'll grow old with families.

2 And it happened because we fought back against
3 learned helplessness.

4 There is a lesson here, one that Seligman, who is a
5 professor from the University of Pennsylvania, did
6 research, himself later discovered.

7 If you feel helpless, find small ways to make
8 progress.

9 Then do these small things over and over until you
10 have taught yourself that you can make a difference.

11 Seligman calls the experiment the expectations of
12 control, but I think there's a better term, learned
13 strength.

14 We have to teach each other and one another that we
15 have the strength to help.

16 His experiment was from dogs having a shuttle box.

17 It had two compartments.

18 They both had metal flooring.

19 One delivered painful shocks, the other one didn't.

20 So anyways, thank you so much, and I hope you get
21 some learned strength out of this meeting today.

22 Thank you.

23 CHAIR NEJABAT: Thank you.

24 And with that, we'll wrap up public comment.

1 We'll now move on to Item 4, which is our closed
2 executive session.

3 The current time is 9:57 a.m.

4 And pursuant to the authority of Government Code
5 Section 11126(a), (b), and (e), the Board of Directors
6 will now meet in closed executive session to discuss the
7 items on today's agenda.

8 We anticipate coming back in about an hour.

9

10 [The Board recessed to closed session at 9:57 a.m.]

11 [The Board returned from closed session at 10:37
12 a.m.]

13

14 MR. RIVERA: All right.

15 We are live again.

16 CHAIR NEJABAT: All right.

17 The time is 10:37 a.m., and we have returned from
18 our closed executive session.

19 The 22nd DAA Board of Directors considered the
20 advice of Council on the items listed on the closed
21 session portion of the agenda.

22 We have nothing further to report.

23 Our next order of business is Item 6, the Consent
24 Calendar.

1 Do we have any members of the public in the room
2 with us today who wish to speak on this item?

3 Seeing nobody in the room, we have three public
4 speakers on Zoom.

5 First up, Martha.

6 MARTHA SULLIVAN: Hello.

7 This is Martha Sullivan from Imperial Beach.

8 I request that Out-of-State Travel Approval for
9 Events Services Supervisor Mary Lawson to travel to
10 Phoenix, Arizona, to see the Black Rodeo September 4th
11 through 7th, 2026, be pulled from the Consent Calendar.

12 The travel giant TripAdvisor recently announced
13 that it will no longer offer bookings for experiences
14 that involve animal racing and rodeos.

15 A travel industry titan like TripAdvisor making
16 this important move sends a clear message.

17 Animals are not entertainment.

18 Thank you.

19 CHAIR NEJABAT: Thank you.

20 Next up, Jane.

21 JANE CARTMILL: I also thank the request for the
22 Out-of-State Travel for the Events Supervisor to attend
23 the Black Rodeo in Phoenix should be pulled from the
24 Consent Calendar.

1 I believe this deserves broad discussion and vote
2 due to the many contentious issues involved in rodeo.

3 San Diego dealt with protracted litigation and very
4 negative publicity after a horrific horse death during
5 its rodeo.

6 And I would think the board would want to discuss
7 whether to pursue this type of exemption of fairgrounds.

8 Thank you.

9 CHAIR NEJABAT: Thank you.

10 And last up, we have Lynn.

11 LYNN FREUDENBERG: I also request that Out-of-State
12 Travel Approval for Events Services Supervisor Mary
13 Larson to travel to Phoenix, Arizona to see the Black
14 Rodeo September 4th through 7th, 2026, be pulled from
15 the Consent Calendar for a full board discussion and
16 vote.

17 The Los Angeles Times has reported that a review of
18 21 years of rodeo animal injury reports shows a hidden,
19 violent, and deadly side to a sport heralded as an icon
20 of American tradition.

21 This fairground does not need more animal abuse on
22 its premises.

23 Thank you.

24 CHAIR NEJABAT: Thank you.

1 And that concludes public comment.

2 Are there any requests from any board members to

3 remove any items from the Consent Calendar for further

4 individual discussion under General Business?

5 Do I have a motion to approve the Consent Calendar?

6 MR. BLAIR: So moved.

7 MR. ARABO: Second.

8 CHAIR NEJABAT: Second.

9 Director Arabo.

10 Can I please get the roll call for the vote?

11 MS. ARNOLD: Chair Nejabat?

12 CHAIR NEJABAT: Aye.

13 MS. ARNOLD: Vice Chair Barkett?

14 VICE CHAIR BARKETT: Aye.

15 MS. ARNOLD: Director Arabo?

16 MR. ARABO: Aye.

17 MS. ARNOLD: Director Blair?

18 MR. BLAIR: Aye, but I would like to abstain.

19 I was not on the minutes of the June 9th meeting

20 because I wasn't in attendance.

21 MS. ARNOLD: Director DeBerry?

22 MS. DeBERRY: Aye.

23 MS. ARNOLD: Director Mead?

24 MS. MEAD: Aye.

1 MS. ARNOLD: Director Miyahara?

2 MR. MIYAHARA: Aye.

3 MS. ARNOLD: Director Morales-Roth?

4 MS. MORALES-ROTH: Aye.

5 MS. ARNOLD: Director Schenk?

6 MR. SCHENK: Aye.

7 CHAIR NEJABAT: All right, the motion carries.

8 With that, we'll move on to Item 7 on our agenda,

9 the CEO Report.

10 This is an information item only.

11 As a reminder, we have one change to this item, the

12 Governor's Plaque.

13 Dedication will be discussed under Item 8F, the

14 DMTC Liaison Committee Report under General Business.

15 At this time, I'd like to recognize our CEO, Becky

16 Bartling, to provide the report.

17 MS. BARTLING: Thank you.

18 Thank you.

19 And I would like to introduce Ashley McCaughan --

20 it used to be Colburn -- but who is Executive Director

21 of our Don Diego Scholarship Foundation, and I'm here to

22 speak on, I'm assuming, the gala and how successful it

23 was.

24 ASHLEY McCAUGHAN: Yes, so are my slides going up?

1 I put together a few slides just to kind of
2 showcase our very, very successful gala this year.

3 Oh, perfect.

4 So here is an image of our scholars who were able
5 to attend.

6 Not all of them were able to because some had high
7 school graduation, but if you remember, our gala was
8 held on opening night of the fair, so that's the first
9 time we've had it when I've been Executive Director, and
10 it worked out great.

11 It was nice to be able to set up a little bit
12 before the fair began.

13 So we had 175 guests attend.

14 We raised over \$126,000.

15 So it was our most successful gala yet.

16 Thank you to all of you here in the room who helped
17 put that together.

18 We also got to honor Director Schenck, and many of
19 you here attended, and I would like to thank you for
20 that, or donated, or sponsored, or helped get live
21 auction items.

22 So every little bit supports.

23 We awarded \$94,000 this year in scholarships, and
24 that was divided amongst 22 scholars.

1 It was the first night and the first concert on the
2 VIP Terrace, and the feedback that we got from those in
3 attendance, they really loved it.

4 And so I don't know if that's something we're going
5 to have in the future, but I will say it was just so
6 nice to have all of the people attending our gala be in
7 one spot and be able to mingle.

8 There was a bar there and a great concert by
9 Chicago.

10 So I just wanted to let all of you guys know that
11 we really did enjoy using that VIP Terrace.

12 It was also an honor for us to have Captain Royce
13 Williams come to our gala.

14 Many of our board members were able to interact
15 with him, and he is a legend here in San Diego, and it
16 was a true honor for us to have him there.

17 So it was nice to have a VIP guest as well.

18 And then every month now, I kind of wanted to honor
19 one of our scholarship recipients, now that our gala is
20 over and Plant Grow Eat is over, up until that all
21 happens again.

22 And one of our top scholars was Arya Bosworth.

23 She'll be attending Harvard University.

24 Here's a picture of her with her parents.

1 And I just, again, want to put an emphasis on how
2 magnificent these individuals are.

3 I just remember going through her application, and
4 she did everything.

5 She started a nonprofit, and it's just going to be
6 so great to follow her journey at Harvard.

7 And I know I had the honor of talking to her
8 parents as well.

9 And I hope some of you in the room also were able
10 to speak to her that evening.

11 So all in all, I just wanted to thank you again for
12 helping us put this all together.

13 It was kind of crazy having it be over after the
14 first night of the fair, but it was very successful, and
15 we appreciate all of your support.

16 Thank you.

17 MR. SCHENK: So may I just add that Arya sat next to
18 me during the dinner, and I enjoyed her company very
19 much.

20 She also was the team head of a robotics
21 competition in San Diego.

22 And it was mostly girls, she said, girls team.

23 Some boys, but mostly girls.

24 And very unique.

1 I mean, these were engineering kids, and she came
2 in first place.

3 I think she was 15 years old when she started doing
4 this.

5 Very impressive young lady.

6 ASHLEY McCAUGHAN: Yeah, and she received our
7 Spanjian Scholarship, as well as she was the top scholar
8 for being an exhibitor.

9 And that's what she had exhibited at the
10 fairgrounds is being in the robotics.

11 She was amazing.

12 MS. BARTLING: Thank you, Ashley.

13 That's great.

14 I attended the event, and it was wonderful.

15 Thank you.

16 Okay, moving on.

17 We've got some information in your packet here on
18 upcoming events, some things that I just wanted to point
19 out.

20 I'm excited to see that we have a wedding event.

21 One of the things that I think we really want to
22 look forward to in bringing back are wedding and
23 receptions and that kind of thing.

24 So we've got that coming up in September.

1 We've got the La Mesa RV sale.

2 Of course, we're bringing the pumpkin patch back.

3 Just Between Friends, which is really an excellent
4 event where folks bring in all kinds of lightly used
5 youth clothing, very affordable for folks to come in,
6 and it's a great event for our community.

7 We have the Lynyrd Skynyrd and Loverboy concert
8 that will be in the arena, so we're really looking
9 forward to see how that goes.

10 We've got several other things that are happening
11 at the Sound.

12 Actually, the activity in the Sound is very busy,
13 so looking forward to all of that.

14 We've got Boots and Brews in October.

15 We've got the train show coming back.

16 We've got the Surfboard Expo.

17 We've got a card show, the Gem Faire.

18 We've got a drone show in the Grandstand.

19 I'm excited to learn a little bit more about that.

20 Then into November, and these are things that are
21 booked now.

22 This isn't necessarily the end of our booking, but
23 these are some highlights I'm pointing out now.

24 We've got the breast cancer three-day walk, which,

1 gosh, we've been doing that forever.

2 We also have the fall horse race meet, and I don't

3 want to be remiss that we are right now in the world's

4 best live horse race meet right now.

5 Del Mar Thoroughbred Club runs that.

6 Of course, we have the Christmas trees coming back,

7 and very excited, Cirque du Soleil is going to do a

8 move-in at the end of December, and we have them next

9 year.

10 MR. SCHENK: What are the dates?

11 MS. BARTLING: That looks like their opening dates

12 are around March 7th through the 30th.

13 They have quite a bit of a load in.

14 Yeah, so super.

15 Oh, you know.

16 Yeah, you don't have all of them.

17 We'll send out a full update.

18 Yeah.

19 Yeah, ho ahead.

20 Thank you.

21 MS. DeBERRY: Are those all except for Cirque du

22 Soleil?

23 Are those all for this year for the rest of the

24 year?

1 MS. BARTLING: Yes, yes, yes.

2 MS. MORALES-ROTH: Could you share those in the
3 marketing materials so we can post and share them out in
4 the community?

5 MS. BARTLING: Absolutely.

6 MS. MORALES-ROTH: Thank you.

7 MS. BARTLING: Yeah, we'll put something together.

8 MS. MEAD: Quick question, Becky.

9 I don't know that I've ever seen before that we've
10 had a show in the arena.

11 Is this new?

12 Can you just talk to us a little bit about that?

13 Since it's a new venue that we're using, we want to
14 be able to use as much space as we can.

15 MS. BARTLING: Yeah, so we have done in the past, in
16 my prior life here, we did a lot of Hispanic shows and
17 concerts and rodeos.

18 We have done a few concerts in the past.

19 I want to commend Paul Blaney for working with a
20 promoter to do this.

21 The first one is sort of a let's see how that goes
22 because the promoter is very interested in bringing some
23 additional ones.

24 So we're excited to see how this goes.

1 MS. MEAD: Can you talk a little bit about the
2 operational aspect of that?

3 Set up lighting and sound.

4 Is that all fairly established at the arena for
5 concerts?

6 I've been there for shows and other things, but not
7 concerts.

8 MS. BARTLING: No, the production will be totally
9 different than what we have in the arena --

10 MS. MEAD: Okay.

11 MS. BARTLING: -- which is basically an announcing
12 system.

13 So you wouldn't want to have a concert through
14 that.

15 MS. MEAD: And is that on us or does the promoter
16 come in with all of their sound and lights?

17 MS. BARTLING: The promoter does that.

18 MS. MEAD: Thank you.

19 MR. BLAIR: Why is it not in the Sound?

20 MS. BARTLING: Yes, quite a bit more.

21 The sounds with, if it's a GA floor, I think we're
22 around 1,800.

23 The arena you can get around 5,000 people.

24 So yeah, much bigger difference.

1 Thank you.

2 You bet.

3 Okay, and I'm super excited to announce that our
4 Marketing Director, Jennifer Hellman, was honored as one
5 of the 2026 Indispensable Winners by the San Diego
6 Business Journal.

7 I'm going to read a little bit about Jennifer.

8 She has worked for us for many years, and she
9 became the marketing director in 2016 after holding
10 positions of media buyer, deputy manager for more than
11 10 years before that.

12 In 2020, during COVID pandemic, her marketing
13 department went from a team of 13 to just herself.

14 For 19 months, Jennifer held down the fort at the
15 fairgrounds as a one-person marketing department while
16 having to promote the 2021 homegrown fair, a mini fair
17 of sorts, with no staff relying solely on outsourced
18 vendors.

19 Today, Jennifer's market is still a team of only
20 three year-round permanent employees who, with the
21 support of the outsource agency, produce the work
22 previously created by a team of 13.

23 So she's done an amazing job.

24 One of the things that we'll be asking you today is

1 to help her out with some additional staff.

2 But Jennifer has a smile on her face all the time.

3 She's an amazing person and a really hard worker,
4 so I want to congratulate her on that.

5 VICE CHAIR BARKETT: Is she here?

6 MS. BARTLING: No, she's not here.

7 MS. MUELLER: But she's listening.

8 VICE CHAIR BARKETT: Jennifer, this is Lisa Barkett,
9 and I want to just say you came on after I was a board
10 of director member already, and you are always a shining
11 light.

12 And when Becky said you're always smiling, that is
13 100% true.

14 And through it all, you say we'll get it done, and
15 you do.

16 And I just want to applaud you for that.

17 I applaud you.

18 I think you're amazing.

19 I really do.

20 So thank you.

21 MR. BLAIR: That's all true, Lisa.

22 And the other thing you need to know about
23 Jennifer, I see her out in the community at chamber
24 events and San Diego tourism events, so it gets the fair

1 and the races out in the public because I think we're
2 too isolated up here, and it's great to have her out and
3 around.

4 With that bubbly personality, everybody knows
5 Jennifer's there.

6 Congratulations, Jennifer.

7 MS. DeBERRY: She absolutely is a great brand
8 ambassador.

9 MR. ARABO: I agree with Donna.

10 Amazing brand ambassador, great job, always
11 smiling.

12 Super asset for the District.

13 CHAIR NEJABAT: Thank you, Jennifer.

14 We're all grateful for your work.

15 MS. BARTLING: Thanks, Jen.

16 All right, moving on, just kind of an update on
17 some projects.

18 If you remember, there was a conversation from the
19 previous CEO about creating a connection center at the
20 Surfside Race Place where the sound is, and it was to
21 bring all of the staff into one location.

22 Since I've been here, I have had many of our staff
23 members request that we do not do that.

24 They like where they are, and secondly to that, the

1 estimate from that project, which went from about \$2
2 million to over \$7 million, so I am not moving forward
3 with that program.

4 That will get us back from CCA about \$600,000, and
5 the staff seems to be very happy where they are and
6 prefer to be in those locations.

7 And we've had the poor DMTC and their HVAC system
8 that has been a debacle through CCA for several years
9 now, and we are working diligently to, the unit is
10 there, but the connection for it is a whole second
11 process which has taken some time.

12 We've provided DMTC with additional air
13 conditioning units.

14 Not great, they're loud, but they're making do, so
15 I want to commend them for getting through this process.

16 But the timeline for completion now is at the end
17 of October.

18 Unfortunately, it was not during the fair.

19 During the fair, we had several units go out.

20 The HVAC in Legends went out, the HVAC in our
21 electrical unit went out, and we're in the process of
22 replacing those.

23 Of great interest is the elevator assessment.

24 The contract for that has been signed.

1 The assessment took place last week, and Brad will
2 be getting an update this week on that assessment.

3 And that's kind of the major items.

4 We are working with CCA on some of the projects
5 that we are bringing back and looking at doing in-house.

6 There have been some changes up there that maybe
7 have not provided us with the best in service, and so we
8 are actually looking at Brad Mason, who is our
9 facilities director, his ability to become an oversight
10 of projects that we can bring some things back in-house.

11 So working with that and with DGS on approval of
12 that.

13 And that is basically my report.

14 CHAIR NEJABAT: Thank you.

15 Any questions from the board?

16 MR. BLAIR: Becky, a few months ago I toured that
17 open area, the connection center that you were calling
18 it before, and I can certainly understand why it's \$7
19 million.

20 Is there any use of all that space for anything
21 short of storage of Christmas decorations?

22 MS. BARTLING: Well, we got rid of those, so that's
23 a start.

24 MR. BLAIR: Now it's really useless.

1 MS. BARTLING: I agree.

2 That used to be the Saddle Club, if you remember
3 when we had OTB off-track betting over there.

4 That building has great potential, and that one
5 room has a kitchen off of it.

6 It has a beautiful outdoor, it's not beautiful
7 right now, but beautiful outdoor area off of that that
8 looks over the racetrack area.

9 So that would be something that I think that we
10 should seriously look at.

11 If we're going to put money into that, that is the
12 area that we need to put it into because we can generate
13 additional revenue for it.

14 One of the great things that came out of, and I
15 don't want to take Mark's thunder away if he's going to
16 talk about this, but the event after the races is
17 expanding into all those different rooms, all those
18 different types of entertainment next year for that
19 event.

20 And not just that, that's a great rentable facility
21 for parties and events up there.

22 MR. BLAIR: Do we ever sublease it to a for-profit
23 to run events?

24 MS. BARTLING: Sure.

1 MR. BLAIR: I mean, for five years they do the
2 renovation and we get the income.

3 MS. BARTLING: Well, that's something certainly to
4 look at.

5 The other part of that property, downstairs on the
6 east side of that building is a whole set of office
7 space that needs a lot of work mainly because of some
8 leaks that are happening upstairs on the patio.

9 But that's a great opportunity for that to lease
10 that out to an organization.

11 I think there's maybe four different offices, there
12 are restrooms down there, there's an outside area there.

13 MR. BLAIR And lots of parking.

14 MS. BARTLING: Yes, and parking is available.

15 Okay, that's it for me.

16 CHAIR NEJABAT: Okay, moving on.

17 Anyone from the public in the room who wishes to
18 speak on Item 7, CEO Report?

19 Seeing nobody in the room, we have one member of
20 the public online, Martha Sullivan.

21 MARTHA SULLIVAN: Hello, maybe I missed something,
22 but on the agenda is listed September Board of Directors
23 meeting date under the CEO Report, Item 7.

24 MS. BARTLING: Thank you, Martha, for keeping me on

1 task.

2 Yes, just a notification to remind everybody that
3 the September Board meeting was moved from the 8th to
4 the 15th.

5 Now I am done.

6 CHAIR NEJABAT: That concludes our public comment on
7 the CEO Report.

8 With that, we'll move on to general business, which
9 consists of the items listed under Item 8 of our agenda.

10 The first item is 8A, the Executive Committee
11 Report.

12 As a reminder, we're postponing 8A1.

13 With that, we'll move on to Action Item 8A2,
14 discussion and vote on whether to adjust the terms of
15 board officers to align with the calendar year.

16 You can find the report on page 41.

17 As a reminder, under Robert's Rules on Action
18 Items, the procedure is as follows.

19 The item is read into the record.

20 Next, we'll entertain public comment, then directly
21 to a motion and second.

22 Then after that, we will open up to questions and
23 discussion of the Board.

24 And then, finally after that, a vote.

1 Do we have any members of the public who wish to
2 speak on Item 8A2 in the room?

3 Seeing nobody in the room wishing to speak and
4 nobody online, that concludes public comments.

5 Before we begin discussion, I'll entertain a motion
6 on Item 8A2.

7 MS. MEAD: I move approval of the proposal to change
8 the board officers' terms to coincide with the calendar
9 year.

10 MR. ARABO: I'll second.

11 MS. DeBERRY: Second.

12 CHAIR NEJABAT: Director Arabo.

13 Becky, did you want to perhaps give some context?

14 MS. BARTLING: Yes, thank you for that.

15 Really, it was a staff recommendation to move the
16 annual elections for the President and the Vice
17 President to December to allow the timing to align more
18 with our budgeting process and the Board leadership
19 transitions within the organization's budgeting and
20 operating cycles and also to have a full set of
21 experience and analysis of the events that we do.

22 We've got three major events that happen in a year
23 in a year time frame and that's the fair, the summer
24 race meet, and a live race meet.

1 And the current board president and vice president,
2 you know, gives them an opportunity to oversee the
3 conclusion of all of those events and it also aligns
4 with our budgeting process.

5 So that that was my recommendation.

6 MR. SCHENK: My recollection is that we used to have
7 it in, was it November I think, wasn't it, Lisa?

8 Or maybe it was December?

9 VICE CHAIR BARKETT: I think it was December.

10 But it depended on if we had a meeting.

11 MS. MEAD: Yeah, I was going to say, typically we're
12 dark in December.

13 VICE CHAIR BARKETT: Typically we were dark, so we
14 moved to November.

15 MR. SCHENK: Yeah that's what it was.

16 VICE CHAIR BARKETT: And then you would take you
17 take over the new group or the same group would take
18 over in January.

19 MR. SCHENK: Right, so I think it makes sense
20 because it's really how we did it up until a few years
21 ago essentially.

22 MS. MEAD: I think -- so I think the only real
23 question is are we going to establish that we're going
24 to have a December meeting every year to at least have

1 this one of those items or since we have typically been
2 dark in December, do we want to make this November
3 rather than December?

4 MR. SCHENK: Effective December though, right?

5 MS. MEAD: No, I think it was effective January.

6 MR. SCHENK: Oh, effective January.

7 All right.

8 MS. MEAD: So I guess, Mr. Chair, do you want to
9 have meetings in December to support this?

10 CHAIR NEJABAT: I don't think we need a meeting --

11 MR. SCHENK: You're not -- you're not on mic.

12 CHAIR NEJABAT: I don't think we need a meeting
13 solely to take this matter up so assuming we don't have
14 a board meeting in December we can take it up in
15 November.

16 If the board's okay with that.

17 MR. SCHENK: I think that's a good point.

18 MR. BLAIR: But the point is it'd be effective
19 January first, right?

20 That's what matters.

21 VICE CHAIR BARKETT: Yes.

22 MS. MEAD: So, elections November-December.

23 So the motion is to elect in November-December
24 meeting with effective date January 1.

1 MR. SCHENK: Right, which is -- again which is how
2 we used to do it as I recall.

3 CHAIR NEJABAT: It also now aligns with other
4 elections in November.

5 [Laughter]

6 High stakes.

7 VICE CHAIR BARKETT: As long as it's not November --
8 board -- first week.

9 We're the second week.

10 CHAIR NEJABAT: Any other questions or comments
11 about that?

12 VICE CHAIR BARKETT: Yeah, exactly it's on Tuesday.

13 CHAIR NEJABAT: Okay.

14 All right.

15 We'll take the vote.

16 MS. ARNOLD: Chair Nejabat?

17 CHAIR NEJABAT: Aye.

18 MS. ARNOLD: Vice Chair Barkett?

19 VICE CHAIR BARKETT: Aye.

20 MS. ARNOLD: Director Arabo?

21 MR. ARABO: Aye.

22 MS. ARNOLD: Director Blair?

23 MR. BLAIR: Aye.

24 MS. ARNOLD: Director DeBerry?

1 MS. DeBERRY: Aye.

2 MS. ARNOLD: Director Mead?

3 MS. MEAD: Aye.

4 MS. ARNOLD: Director Miyahara?

5 MR. MIYAHARA: Aye.

6 MS. ARNOLD: Director Morales-Roth?

7 MS. MORALES-ROTH: Aye.

8 MS. ARNOLD: Director Schenk?

9 MR. SCHENK: Aye.

10 CHAIR NEJABAT: All right, the motion carries.

11 We'll now move on to Item 8B, the Finance Committee

12 Report.

13 This includes an action item, discussion and vote

14 on whether to approve an additional \$27,767 monthly in

15 labor costs to support new needed positions and

16 adjustments and position responsibilities.

17 The report can be found beginning on page 42 of the

18 packet.

19 Does the committee have anything to add to the

20 report?

21 MR. ARABO: Thank you, Chair Nejabat.

22 Is it okay we take up possible Item 2?

23 That one's more straightforward.

24 An action item.

1 CHAIR NEJABAT: Okay.

2 You need a motion.

3 MR. ARABO: I don't know if Becky wants to give some
4 summary about the request from staff for this.

5 MS. BARTLING: Sure, absolutely.

6 MR. ARABO: 8B2.

7 MS. BARTLING: So when I first came on board, Katie
8 and I did a real analysis with each of the departments
9 and looking at their staffing and if you think about
10 what I just spoke about with -- with Jennifer during
11 COVID which was certainly not unusual for any
12 organization, there were a lot of layoffs.

13 And unfortunately after that we really didn't bring
14 our staff back to regular levels.

15 So in the past when I was here we had about 170
16 employees.

17 We're now at about 65.

18 I'm not suggesting that we need a 170 employees.

19 I think there was some right, you know, there
20 certainly can be right sizing of the organization, but
21 we've lost -- we've lost a lot of support with all --
22 almost all of our -- all of our departments.

23 If you look at what we have in the packet and to
24 talk about public safety, security guards, we're going

1 to -- we're going to move them to a different level.

2 They're making \$18 an hour.

3 VICE CHAIR BARKETT: Wow.

4 MS. BARTLING: I'm actually surprised that we have
5 these folks and they're so dedicated and hard-working.

6 We're creating an Event Supervisor position so
7 we'll have a lead in the evenings on the -- on the --
8 unless they switch crew, but that's not the terminology.

9 Swing, thank you, on the swing crew.

10 And so important for our Safety and Security
11 Department that they take care of us 24/7 throughout --
12 throughout the year.

13 Ticketing, after COVID, the ticketing department
14 used to do admissions.

15 It now does admissions and it does parking, year-
16 round parking for the sound and also now takes over the
17 Midway admissions which both of those were staffed by
18 two additional individuals.

19 And Lena and Matt in the ticketing department have
20 been doing this basically alone since this time.

21 So we're requesting an additional event coordinator
22 position for them.

23 Production, we have -- some of these are people
24 that have been doing jobs that really are not reflective

1 of what their pay scale is, so there are several
2 positions in here that we're looking to modify and get
3 them to the point where they need to be, and that's an
4 event -- in production Event Services Supervisor to
5 Supervisor I.

6 Human Resources, that's been a big challenge.

7 We haven't had the people to actually hire and
8 work, you know, with our vacancies.

9 Very important there.

10 Art -- Agricultural, Arts and Education desperately
11 needs a graphic designer that can be working in all
12 kinds of areas.

13 If you see the things that we have during the fair,
14 all the amazing production that come out of our
15 [indiscernible] department, this would be a huge
16 assistance there.

17 Marketing.

18 Jennifer has done an amazing job.

19 We are part of -- this discussion was we eliminated
20 the Chief Communications Officer and are bringing back
21 an Information Officer II, so there's savings there, but
22 that's drastically needed there as well.

23 We also are looking to hire a Facility Marketing
24 Representative so that we can actually go out and market

1 this facility.

2 We have -- we have not had that and I want to give
3 Paul and Dennis a huge pat on the back for what they've
4 done, but they don't -- they haven't had the time to do
5 this, right?

6 I mean it's just two guys and they used to have --
7 and Katie you can remind me -- but I think there were
8 like 12?

9 Yes, 12 people in that department.

10 So marketing gets, you know, the Information
11 Officer, the Facility Marketing Representative, and an
12 Office Technician.

13 Sales and rentals, back to Paul.

14 We are making some changes to Event Services
15 Supervisor to Supervisor I and getting an Event
16 Coordinator, so that all these great events that the new
17 Facility Marketing Representative will bring in, we have
18 somebody that can actually coordinate those events and
19 be here on site.

20 That's one of the challenges that we've had.

21 In the past when we had events, we always had an
22 event coordinator here, somebody that could respond to
23 issues and questions and assist with whatever, the home
24 show or, you know, the car show or whatever.

1 In contracts, that's been a challenge.

2 We just haven't had the staff to facilitate getting
3 the contracts out.

4 There's been a lot of lag time they've tried their
5 best but they need a new analysis and I want to I really
6 want to say that we are now going to hire a CFO and
7 we're in process of getting that approved by the state
8 we had to change the position from a CAO to a CFO so
9 that's in the works and I think April 28th we can
10 actually right after that start hiring for that and then
11 of course and I highly support this moving our COO from
12 a level a to a level B it's a small amount of money but
13 Katie's taken on way more responsibilities than she was
14 assigned in the past and of course is a huge asset to
15 this organization so the total savings of the changes
16 from the positions that we don't need is about \$65,000 a
17 month so the total budget impact at this point is twenty
18 seven thousand seven hundred and sixty seven dollars and
19 that includes fringe benefits and you know anything that
20 is associated with that payroll and that's my analysis.

21 VICE CHAIR BARKETT: Excellent.

22 MR. BLAIR: Do you need a motion?

23 VICE CHAIR BARKETT: Yes.

24 MR. BLAIR: I move that we accept those changes.

1 VICE CHAIR BARKETT: I'll second.

2 MS. DeBERRY: I second.

3 CHAIR NEJABAT: Okay.

4 Vice Chair Barkett seconds.

5 Any board discussion?

6 Director Mead?

7 MS. MEAD: Thank you.

8 I want to begin by saying that I cannot support
9 this recommendation as it has been presented. I have a
10 lot of questions and I chair the People and Culture
11 Committee. None of this was presented to the committee.
12 And the expense that is associated with this isn't
13 justified in terms of what the value-add is to the
14 organization and to the clients we serve. And I think
15 that it determines -- it requires more of an analysis.
16 But my big concern is that it's very difficult to
17 separate 8A.b.1 or, yeah, 8B.1 from labor costs when we
18 have not identified how we're going to pay for this. The
19 documentation that I have seen is making some
20 recommendations on how we would make -- generate
21 additional funds through food concessions, ticket
22 pricing, et cetera, and I just can't support having a
23 \$27,000 a month increase when we don't know how we're
24 going to pay for it. And then finally my point also is

1 that this is asking for \$27,000 per month increase but
2 it does not spread out when these positions are expected
3 to be hired over this fiscal year. We have been looking
4 for an Administrative Assistant for at least six months.
5 None of these positions are going to hit us all at once
6 and I believe that we deserve a spread to say how
7 frequently do we expect to hire and when do we have
8 these positions filled. So I have a lot of questions and
9 it is my request that this is sent back to the People
10 and Culture Committee to try to identify the benefits
11 and advantages of these positions, especially promotions
12 and also to then come back with a plan for how it's
13 going to be paid for.

14 MR. ARABO: Yeah.

15 The Finance Committee was not aware that the People
16 and Culture -- this was a staff brought to the
17 committee. I know Director Ted's here and Vice Chair of
18 our committee, but I as one board member are fully
19 comfortable pushing it back to the People and Culture.
20 And I don't know how the process is with Josh and what
21 it works, but I totally hear what you say and I agree
22 with it that I think it's important that items go to the
23 right committees. This was not an item that Finance
24 Committee -- that me or Ted -- Director Ted brought up.

1 This was given to us from staff but I think I always
2 think the more due diligence, the better.

3 MS. MEAD: Thank you.

4 VICE CHAIR BARKETT: You -- usually the Chair
5 decides where it's going to go, right? You maybe want to
6 give your opinion on why you sent it to Finance.

7 CHAIR NEJABAT: I didn't have that discussion.

8 MS. BARTLING: No.

9 When -- one of the charges when I first got here
10 was to look at staffing, which we did.

11 We did a lot of analysis.

12 We went through every department and did an
13 analysis on that.

14 So that's -- that's the result of that -- that
15 request by many board members and it seemed appropriate
16 to put it in Finance since it is a financial number.

17 We are -- we are one point something -- Katie, what
18 is it?

19 We are under budget with labor at this point.

20 MS. MUELLER: Well, payroll, we're under budget by
21 \$740,000.

22 MS. MEAD: Which then begs the question, if we
23 haven't spread these costs over the remainder of the
24 fiscal year and we're under budget, why are we coming

1 back with a budget increase request?

2 I just think that this -- you may have done an
3 internal analysis about the positions but we haven't
4 done a thorough review that would state, how do these
5 get spread over the year?

6 Is 27,000 a month necessary given that we're
7 currently under budget?

8 It's just a budgetary request that I think isn't
9 inappropriate without further analysis.

10 MR. ARABO: Can we -- are you open to amending it
11 where it does not increase the monthly budget?

12 That way, you could have the -- the tools you need
13 to give us, I don't know, one more month so that People
14 and Culture could see it?

15 Like, is there a happy compromise between having
16 another committee look at it but also not over indexing
17 staff?

18 Because I think that's the --

19 MS. BARTLING: Yeah, I mean, I think, you know, none
20 of this is going to happen.

21 You're not going to have \$27,767 in in September.

22 Obviously, you know, there's going to be a lot of
23 work that goes into the duty statements and job searches
24 and, you know, sending these out.

1 So to your point, Director Mead, that's not going
2 to happen.

3 But I can't really analyze or tell you that this
4 position will be hired in this month because you know
5 you just -- it just -- it's a process, right?

6 And we're still looking for an Executive Assistant.

7 So it takes a while.

8 But I can't -- I can't -- I don't think we could
9 anticipate, you know, when that person would be hired.

10 So like I said, you're not going to see \$27,000 in
11 September.

12 MR. SCHENK: I have a question.

13 To what extent would Director Mead's committee play
14 a role if this was approved in determining actually how
15 the needs should be fulfilled?

16 Would there be a role for People and Culture?

17 Because what I'm hearing is -- from a -- there's a
18 need and there is, you know, the financial -- financial
19 aspect of it.

20 But in terms of the drilling down and in doing the
21 due diligence, wouldn't that come from People and
22 Culture in terms of how the jobs are going to be filled
23 and by whom?

24 VICE CHAIR BARKETT: Fred, I have a question on to

1 your question though that intersects that.

2 My question is, we never got involved in hiring,
3 the board.

4 That's a CEO -- that's her job.

5 MR. SCHENK: That's why I'm wondering.

6 VICE CHAIR BARKETT: The board has never gotten
7 involved.

8 It's never gone to a committee that I know of.

9 Ever.

10 So I don't know.

11 MS. MEAD: This isn't that the committee would be
12 involved in the hiring.

13 This is creating promotions, new positions that
14 have a \$27,000 a month price tag on it.

15 And before that \$27,000 a month price tag is
16 approved, at least by me, I would want to determine
17 whether or not these promotions are necessary.

18 I don't see that there has been an analysis to be
19 done that says I'll just make this up.

20 Are other security officers being paid about \$18 an
21 hour?

22 Where's the cut -- the -- what are we -- what
23 analysis have we done to be able to justify this level
24 of expense?

1 And that's -- I'm not asking to hire the positions.

2 I'm asking to support the budget for this review.

3 VICE CHAIR BARKETT: I think it has to come through
4 the -- I mean, our CEO because they've got to do their
5 analysis.

6 That's what they need to do.

7 And get it in that form.

8 So I don't know.

9 I've just never seen this done and you've been
10 president.

11 I -- have you ever seen this done?

12 MR. SCHENK: No.

13 That's why I was asking the question, what role
14 would People and Culture -- what role does it play
15 because I'm unclear as to -- and how that would --

16 VICE CHAIR BARKETT: Yeah, if you look at it -- just
17 -- I don't know in your committee briefing here where it
18 says this is part of your committee assignment.

19 MS. MEAD: Well, it's -- my request is that it comes
20 back to the committee.

21 It's up to our Chair to make that determination.

22 But either way I'm not going to support spending
23 \$27,000 without more of an analysis that states that
24 today we came forward and said we just need these

1 positions.

2 VICE CHAIR BARKETT: Yeah, because it's not within
3 your People and Culture Committee -- if someone could
4 point that out to me.

5 So my recommendation is it stays in Finance.

6 That's my recommendation to the Chair.

7 Let the CEO and their staff do their analysis and
8 bring it back to Finance with more, if we want more
9 detail.

10 That's what -- that's what I would say if you can
11 provide more detail.

12 MS. BARTLING: Yeah, I'm just unclear exactly what
13 kind of detail you'll be looking for.

14 You know, Director Mead mentioned, you know, the
15 phasing of these positions will look like.

16 I mentioned, you really can't -- I can't tell you
17 that in November X amount is going to be spent in
18 November or X amount is going to be, you know, spent in
19 October.

20 It's all based on, you know, getting the job
21 announcement out there and doing the interviews and, you
22 know, bringing people back.

23 So I'm not sure other than, you know, the cost
24 analysis, you know, really as to what we can bring

1 forth.

2 I've expressed that we are, you know, highly
3 understaffed.

4 Our folks have challenges now, you know, doing the
5 things that they need to be doing.

6 We've got, you know, a box office, a person that
7 literally is here almost every single day of the year
8 doing the things that she -- that they're doing.

9 VICE CHAIR BARKETT: Becky, I'd like to say one more
10 thing.

11 I'm -- and I was going to save this for later, but
12 it kind of comes into our discussion.

13 We have to be a very, very careful about
14 overworking our staff.

15 There has to be certain delegation.

16 We have labor loss that we're under and our staff
17 is overwhelmed to the point that I'd say it's an
18 emergency.

19 And this needs to get done sooner rather than later
20 because they go above and beyond.

21 And I'll tell you that eight hours -- after that
22 eight hours, we're in trouble as a Board if we keep
23 pushing the envelope with these employees.

24 It's just not -- it's not creating a good culture.

1 CHAIR NEJABAT: Director Mead, Director Miyahara,
2 and then Director DeBerry.

3 MS. MEAD: I'm happy to -- it's at the discretion of
4 the Chair.

5 I am happy to click down each position and every
6 question if you'd like me to do this in this meeting.

7 Because we can't -- the People and Culture
8 Committee participate in the Finance Committee.

9 I thought that it might be helpful to identify the
10 questions that may be asked in the finance -- in the
11 People and Culture Committee, bring those questions and
12 then can be reviewed for the financial implications.

13 But it is not -- certainly -- unless you want me to
14 click down every question I have, I certainly have a lot
15 of them, that I reviewed from this.

16 MR. MIYAHARA: So I hear Director Mead's concerns.

17 I'm not sure myself how People and Culture
18 intersect with Finance.

19 I believe this is something that belongs in
20 Finance.

21 I'm one of the newest board members but since
22 coming on I've heard that we're understaffed, that there
23 are X amount of FTEs and there's quite a few that aren't
24 filled.

1 And hearing -- hearing Katie say we're 200,000 plus
2 under budget --

3 MS. BARTLING: Million.

4 MR. MIYAHARA: -- million, it just speaks to -- just
5 speaks to that.

6 So it's my understanding that -- that we need to,
7 you know, we delegated authority to our CEO to make
8 these type of day-to-day decisions.

9 So we're understaffed.

10 We're under budget.

11 We need to attract and retain a qualified
12 workforce.

13 So again, I hear -- I hear you, Director Mead, but
14 I'm comfortable with the recommendation as -- as made
15 today.

16 MS. DeBERRY: So, Becky, I have a question.

17 Just around the kind of -- your -- what your
18 workforce strategy plan.

19 So I'm assuming there's like a phase one and a
20 phase two.

21 Phase one being the most critical positions that
22 are in need right now, right?

23 MS. BARTLING: Correct.

24 MS. DeBERRY: And I'm assuming that these positions

1 that we're staring at are the critical positions for
2 phase one?

3 MS. BARTLING: Correct.

4 MS. DeBERRY: Okay.

5 The second question I have for you is that as it
6 relates to promotion -- just for my -- going to sound a
7 little crazy and for kindergartners like me, level one
8 to -- I mean level A to be what has helped me with that?

9 I know what that means but how does that equate
10 from a salary increase or a title increase?

11 MS. BARTLING: So the title change stays the same
12 within the CEA position which Katie's in.

13 There are several ranges of pays.

14 She is at the top of hers but when you go to the B
15 it's about \$700 a month.

16 MS. DeBERRY: Oh, okay.

17 And so I think -- I mean what would eliminate a lot
18 of the challenges and questions is just knowing, number
19 one, seeing or knowing that there is there is an HR,
20 there is a workforce strategic plan.

21 That's -- that's number one.

22 And then and how you're -- how you decided, like,
23 this is the first, you know, phase one of that plan,
24 phase two of that plan, whatever.

1 And then -- because I think you will get this here
2 -- I hear that from here that you have the support but I
3 think what the question more is that what does that look
4 like?

5 Like we haven't been able to kind of a review a
6 strategic plan from you as it relates to a workforce
7 plan.

8 That -- I think that that could eliminate a lot of
9 the questions.

10 MR. ARABO: Yeah, I agree with -- yeah, I agree with
11 director DeBerry in the sense that -- especially if it's
12 -- we're triaging now, we have to fix triage.

13 It's immediate.

14 Then maybe People and Culture come in and say,
15 okay, this is what, as a policy macro, because we have
16 delegated to our CEO.

17 We have to trust our CEO to do the right -- we
18 trust our CEO to make the best decision for the
19 District.

20 Maybe it's more of a triage stage one and the
21 People and Culture, stage two.

22 I'll see how Director Mead feels about it, because
23 we want to make sure that -- I always think nine brains
24 are better than two.

1 So the more people look at the same document have
2 difference of opinions, it's healthy.

3 MS. MEAD: And I -- the way I look at this is either
4 the Finance Committee reviews this and says what is that
5 strategy and they think through the personnel issues
6 that are there.

7 And yet the Finance Committee is looking at the
8 dollars.

9 And the People and Culture Committee are looking at
10 what's the hiring strategy et cetera.

11 I don't care if it comes back to the committee, if
12 that's the role that the Finance Committee wants to
13 play, which is to ask these kinds of questions about the
14 positions that are being presented.

15 But somehow these questions broadly should be asked
16 especially when, number one, we are down budget by
17 700,000 I think I just heard, so why would we consider
18 an addition to budget when we're already behind budget
19 because of all the available open positions.

20 Two, we may not have an idea about when the time is
21 that these positions are going to get hired but we also
22 don't have an idea about when the position -- job
23 descriptions are going to be completed, when they're
24 going to be posted, what our average hiring time is we

1 may not know but we can certainly be informed about when
2 these are going to approximately hit our budget and then
3 we can look and say is that number really 27,000 per
4 month or is it something south of that that we don't
5 know today.

6 So I just look at this and say -- I'm recommending
7 it comes to our committee because we would look at the
8 entire gestalt of the personnel, but I don't feel like
9 it has to come here if that's the role that Finance
10 would like to review if this does not pass.

11 MS. DeBERRY: Kathlyn, may I say something?

12 So we just -- I said -- I'm saying this to all of
13 the board members, we really need to make sure that we
14 completely understand our role versus operations and
15 when we are crossing the line that belongs to operations
16 versus that which belongs to the board.

17 And I understand that it's important for the People
18 and Culture Committee to really play a role in people,
19 right?

20 In how HR, you know, around policy, and so I want
21 to make sure that we -- we stay in that role.

22 But I absolutely understand what you're saying and
23 I hear you loud and clear, this is -- these are critical
24 roles and we really need to understand that these were -

1 - if we don't get these roles filled and we don't stop
2 tiring out this beautiful lady over here, it's just
3 going to keep, you know, this is going to even impact
4 the operations and the -- the employee experience, the
5 community experience.

6 MR. ARABO: The morale.

7 MS. DeBERRY: Right, the morale and all those
8 things, so we have to -- I'm recommending that we move
9 forward and just and not, you know, keep talking about
10 this over and over.

11 MR. BLAIR: Yeah, I -- I -- it's an interesting
12 discussion.

13 I'm going to leave my motion as is it.

14 I understand it has gone to Finance and you've
15 approved this, right?

16 MR. ARABO: Correct.

17 MR. BLAIR: Which is the important part.

18 I think we're getting into the weeds of when and
19 start.

20 I'm in the staffing business.

21 You don't know that stuff.

22 And you can guess and you can throw darts.

23 But you don't know.

24 I'm more concerned that if we stall it a month or

1 two months or three months and the problem gets worse,
2 we're under budget on staffing.

3 We need to start hiring people, right?

4 Not micromanage when they start and one, two, three
5 and all that sort of stuff.

6 So I'm going to leave my motion that we proceed and
7 approve these positions as quickly as possible seems to
8 be the words we should ask.

9 MS. MEAD: But that's not the motion.

10 The motion is to approve an additional 27,767 in
11 labor cost.

12 There's nothing -- there's no motion that said not
13 to hire the position.

14 MR. BLAIR: No, I didn't say -- I'm supporting we
15 spend the 27,000 so we can hire all these positions as
16 fast as possible.

17 We can't be worried about overworking the staff and
18 then refer things back to committees for -- and I'm in
19 HR.

20 I mean, I think you're asking for things that are
21 impossible.

22 They're guesses.

23 And I would just say hire as fast as you can to get
24 good people in here as fast as you can and that's why I

1 think leaving it clear that we approve the money and
2 let's move ahead.

3 MR. MIYAHARA: This begs the question for me.

4 Why -- why is this bring -- being brought forward
5 as an action item versus an informational item?

6 We approve an annual budget, you know, things have
7 been delegated to the CEO for the day-to-day operations.

8 Just taking a quick peek at our income statement, I
9 would just note that we're ahead of budget on revenue.

10 We're -- we're below on expense.

11 And we're tracking extremely well year-to-date.

12 So I look at the, you know, payroll and related
13 expenses.

14 I'd also note that we're well below budget to the
15 tune of \$700,000.

16 So again, I just made the question, why is this not
17 an informational item versus an action item?

18 MR. ARABO: I think because she's asking for an
19 additional 27,000.

20 So that was the question Director Mead was asking.

21 We're under budget 700,000.

22 My question, so you could bring it to the next
23 meeting, with that within that 700,000, can you do
24 something to help triage?

1 I think the question from the board today is, the
2 staff is saying can you give us an additional, call it
3 \$28,000 a month, because we're really in bad shape.

4 I also -- I want to echo to Director Barkett's
5 point, I hope that Becky tells the staff how much the
6 board appreciates the staff and make sure they don't get
7 over indexed.

8 And I hope that if staff receives the email after
9 work hours, they don't check it.

10 They don't work.

11 They just work within their time and they always,
12 you know, and it's very important Director Donna's
13 point, everyone staying in their lane and governance and
14 policy where the day-to-day is the CEO.

15 But that's my understanding.

16 Is that right?

17 About why it's an action item as opposed to
18 information.

19 MS. BARTLING: So you approved certain positions in
20 your in your budget last year.

21 So these positions are new.

22 That's why it's brought back forward.

23 MR. ARABO: Oh, okay.

24 MS. BARTLING: Yeah.

1 MR. SCHENK: It's not only new.

2 We're talking about increasing categories or going
3 from A to B for Katie so it's a combination.

4 MS. BARTLING: Right, it is a combination, yeah.

5 MR. SCHENK: Which I, by the way, I think is well-
6 deserved.

7 VICE CHAIR BARKETT: Yes, it's well deserved.

8 MS. MEAD: Can I just make one more attempt because
9 still I'm having difficulty communicating this.

10 I am NOT saying that we should not fill the
11 positions.

12 What has come forward to us from the Finance
13 Committee, and correct me if I'm wrong, but it looks
14 like the Finance Committee is making a recommendation to
15 increase the budget for staffing by \$27,000 a month
16 which is \$3,000,000 a year and I cannot decouple this
17 from the other recommendations.

18 \$300,000 a year, which is \$300,000 a year.

19 But my point in this is that that we don't approve
20 positions we approve budgets and it is within the
21 purview of our CEO to be able to make the decision with
22 those -- with those -- how those positions are used.

23 Money within a budget for -- for staffing is
24 fungible.

1 You can say, I'm going to choose to fill this
2 position not this position, so on.

3 What I'm looking at is that we are being requested
4 to spend \$300,000 a year, not \$3,000,000 a year, but
5 that \$300,000 has not been identified.

6 And how we are going to pay for it?

7 What we do know is that these positions will be
8 staged over the next seven months, remaining of the
9 fiscal year, and we don't know when they are going to
10 start.

11 So to approve \$27,000 per month without knowing
12 that we are even going to have a budget shortfall is to
13 me irresponsible for us to approve a budget increase
14 when we have not even paid out or we are so far behind
15 in our current budget.

16 Not saying don't hire the positions, don't hire the
17 key positions that are necessary, and I also know that
18 it's going to take several months to get some of these
19 filled.

20 MR. ARABO: Would you be okay that the increase in
21 budget occurs after the 700,000 under budget gets filled
22 first so this will come last?

23 So the CEO -- like a mechanism.

24 I'm trying to understand --

1 MS. MEAD: Why don't we just come back?

2 Why don't we get an update that we've hired the
3 positions and that we are now, from the Finance
4 Committee, say that we are -- identified where we are
5 that we are now going to have a shortfall of \$50,000
6 this, \$100,000 this year?

7 But at this point to approve a budget where we
8 haven't even, as far as I understand, we haven't even
9 posted the most critical position yet.

10 This is a CFO position and is more than likely that
11 position is going to take three to six months to fill.

12 MR. ARABO: Yeah.

13 MS. MEAD: So that's -- I'm just not sure that we
14 have a contingency that's necessary when we could come
15 back and approve a budget shortfall.

16 MR. SCHENK: Are you suggesting we reverse it so
17 that you fill the positions then determine what the
18 actual cost is and then approve that value to this
19 position?

20 VICE CHAIR BARKETT: How would you know though?

21 MR. BLAIR: I'm -- I'm uncomfortable with that.

22 We go out and hire people and then tell us what you
23 spent and then we approve it, right?

24 If we know what you're going to need I'd much

1 rather approve the budget with the Finance Committee
2 staff approval and now go fill them.

3 Now an update on -- we've -- if you've talked about
4 12 positions or whatever we filled two, we filled four,
5 you know, give us the feedback that way, but we need to
6 get going on this.

7 I mean, and to me -- the difficulty of being a
8 state organization but there are good people out there
9 available for work.

10 I mean we got to move this along.

11 And I think I would feel better approving the money
12 and then filling the positions than the other way
13 around.

14 VICE CHAIR BARKETT: And people need jobs today.

15 CHAIR NEJABAT: Any other comments?

16 All right.

17 MS. BARTLING: Oh, public comment.

18 CHAIR NEJABAT: We do need to take public comment on
19 the other item as well.

20 MS. BARTLING: Do you want to take public comment
21 just -- we haven't really done your report yet.

22 CHAIR NEJABAT: Yeah, so we'll take public comment
23 on item 8B2 which is this -- this matter.

24 Anyone in the room who wishes to speak on this?

1 Seeing nobody in the room, please get the roll call
2 for the vote.

3 MS. ARNOLD: Chair Nejabat?

4 CHAIR NEJABAT: Aye.

5 MS. ARNOLD: Vice Chair Barkett?

6 VICE CHAIR BARKETT: Aye.

7 MS. ARNOLD: Director Arabo?

8 MR. ARABO: Aye.

9 MS. ARNOLD: Director Blair?

10 MR. BLAIR: Aye.

11 MS. ARNOLD: Director DeBerry?

12 MS. DeBERRY: Aye.

13 MS. ARNOLD: Director Mead?

14 MS. MEAD: No.

15 MS. ARNOLD: Director Miyahara?

16 MR. MIYAHARA: Aye.

17 MS. ARNOLD: Director Morales-Roth?

18 MS. MORALES-ROTH: Aye.

19 MS. ARNOLD: Director Schenk?

20 MR. SCHENK: Aye.

21 CHAIR NEJABAT: All right.

22 Motion carries.

23 We'll now move on to the report.

24 The Finance Committee Director Arabo.

1 MR. ARABO: Okay, thank you, Chair Nejabat.

2 No one else thanked Director Ted the vice chair of
3 the committee.

4 I don't want to say anything before I talk to me.

5 We're actually -- we're actually a great team
6 because Director Ted is very, very analytical, or so --
7 I have ideas, he has the analysis, so we're able -- or a
8 great push and pull.

9 So thank you for being such a great committee
10 member.

11 So Director Ted and I had two productive Finance
12 Committee meetings.

13 This is an information item only.

14 We just had some handouts I was given from staff so
15 I passed it all out for all the board and the public to
16 consume and to study.

17 It's a bunch of numbers and data.

18 We're not prejudging anything, we're just asking
19 the question.

20 And what drove this is -- I don't -- Becky could
21 talk about real quick, about the email we all received
22 regarding the fair and the budget and how we're under
23 budget.

24 If you could talk about that, that way that --

1 that's what -- so our mindset going to the Finance
2 Committee was -- we missed our mark on the -- the fair's
3 budget.

4 MS. BARTLING: Correct.

5 So yes, we missed -- we missed the budget on
6 several items.

7 And it's important to understand what we do, you
8 know, what we provide, you know, to our community, to
9 our partners, you know, within concessions and vendors
10 and that kind of thing.

11 We spend a whole lot of money marketing this
12 organization to bring people to the fair and I want to -
13 - I want to preface this that it's important with our
14 partners that they're a big part of this and what they
15 do and I -- and I think Director Arabo, the discussion
16 was, are there areas that could assist us in additional
17 finances that will help us, you know, continue to
18 support the organization in the way that that it needs
19 to be.

20 More work, you know, potentially more marketing
21 dollars to bring more people into the fair.

22 And this year, you know, we didn't hit -- we didn't
23 hit the mark on what we anticipated.

24 We were too far off, you know, and we had some

1 challenges with -- with NASCAR being on three days of a
2 major event week for us -- weekend for us.

3 Of course as amazing and wonderful as the World Cup
4 was, we prefer not to be have a month of the fair during
5 the World Cup.

6 So I think that the goal through my -- my eyes was
7 let's look at the various revenue sources that we have.

8 Are there opportunities to increase the revenue
9 sources, certainly considering, you know, the impact and
10 -- and the discussion, you know, from our partners on
11 that.

12 So, you know, I think that's where we ended up in,
13 you know, how do we continue to produce the fair and
14 work on moving forward increasing, you know, more
15 attendance at the fair?

16 You know, is it more marketing dollars?

17 Is it different events?

18 Or should we spend more money on entertainment?

19 I mean, how do we do that and that all takes
20 dollars, right?

21 MR. ARABO: And so everything is on the table for
22 our Finance Committee to look at every little part of
23 it.

24 So I hope what come -- the takeaways is that the

1 vendors we have are true partners.

2 We really appreciate everything the vendors do to
3 help the District to thrive and survive.

4 And this is multiple items but how much were we off
5 based on the budget for the fair, just so some context.

6 I want the public and our colleagues on the board
7 to see the lens we had when you get this Finance
8 Committee.

9 This isn't something that we woke up one day and
10 said let's look at it.

11 This is more -- email was received to the -- as a
12 one-way -- there is an issue about the fair budgeting
13 and actuals so we said let's look at everything from the
14 finance side.

15 How do we maximize the revenue?

16 How do we maximize attendance?

17 But also knowing that this is not our fair -- ops
18 is -- Fair Ops -- it's not our department so we'd want
19 to purely look at the financial side and policies.

20 Not who they bring, not where they bring, because
21 that's the fair.

22 That's not our committee.

23 But if you could talk about the actual --

24 MS. BARTLING: Yes.

1 So we don't have the finals because we don't have
2 all, you know, all the expenses in, you know, at this
3 point because that's -- that's critical.

4 But several millions for sure short of what we
5 anticipate for the budget.

6 MR. ARABO: Like is it -- we're five million off?

7 Six million?

8 Two million?

9 MS. BARTLING: Well, so, yes.

10 Part of that was the concerts.

11 If you add, you know, the revenue the less revenue
12 from the concerts, some of the budgeting that the former
13 CEO did, yes, that definitely affects us and will
14 probably be, you know, based on that, you know, probably
15 six -- six million off, seven million off.

16 MR. ARABO: So Finance Committee has our meeting.

17 We've had two meetings and we see we're off six to
18 seven million on the budget.

19 So let's look at everything.

20 How -- so -- well, the former CEO -- the way to
21 budget but also look at all the different areas.

22 So Director Ted and I we had them at two meetings.

23 We focus on a basic fiduciary responsibility.

24 Making sure the District is maximizing long-term

1 value, revenues, contracts in real estate.

2 The major topic on this committee was food
3 concessions.

4 And one thing I brought to the meeting and I'll
5 bring to show today, I'll get to it later, was really
6 the monopoly.

7 So everyone has a visual but I really had this at
8 the committee.

9 So we looked at the fair and the map we had the
10 knowledge of Monopoly, how Boardwalk has more value than
11 Connecticut, just because the position of where it's at.

12 And although those in real estate know a different
13 -- the same building in different areas in the county of
14 San Diego had different values because of the location
15 which triggered us to do a deeper dive which we're going
16 to still continue to study at our next committee
17 meeting.

18 And I definitely want as much feedback from the
19 public, feedback from colleagues on the board, and the
20 staff to see how do we maximize every inch of real
21 estate that the District has.

22 So for the fair what I understand there's 75
23 companies that do 111 booths and most, many of the
24 vendors are strong partners and important revenue

1 producers for the District.

2 I want to be clear that this effort -- and looking
3 into it is not about punishing success or taking away
4 opportunities from operators who perform well which I
5 know a lot are here today.

6 The question we asked is a simple financial one,
7 does every concession location at the fair have the same
8 economic value?

9 The data suggests that there may be meaningful
10 differences, performance from one location to another.

11 That is why the committee asked the staff to
12 further analyze concession performance and identify
13 potential premium locations against standard locations
14 along with different rent and revenues, share scenarios
15 for the committee to review the concept.

16 It's very straightforward.

17 In a shopping center not every storefront has the
18 same value and Monopoly Boardwalk is a different value
19 than Connecticut.

20 They're both properties but they are not valued the
21 same.

22 We're not prejudging the answer.

23 We're asking staff and asking the question to use
24 the data to help us understand similar value differences

1 across the fair locations.

2 The committee also wants to better understand how
3 assets performed by linear foot, square footage,
4 location, and financial return to the District.

5 It's important not just for concessions, but as a
6 broader theme that I always say about fairgrounds first
7 and everything we do on this property.

8 We've also discussed how we could get potentially
9 more revenue through a variety of companies.

10 Currently, like I said, 75 companies make up 111
11 locations.

12 And we just want to better understand the mindset
13 and how they do that.

14 Um, the committee is also going to look at more
15 closely all service contracts over \$500,000 so we can
16 provide stronger financial oversight where appropriate.

17 But I want to be very clear.

18 I know I said it earlier, there is no return
19 predetermined outcome.

20 We're not asking the board to adopt a new rent
21 model or a new concession policy at this meeting.

22 This is an information-only item.

23 What we are do what we are doing is the work.

24 We're reviewing the data, studying the options, and

1 asking whether there are ways to improve the financial
2 return to the District, expand opportunities, and
3 strengthen the fairgrounds over long term.

4 That is the finance committee's role.

5 Our guiding principle, fairgrounds first, pro
6 protect what works, create opportunity where it makes
7 sense, and make sure the District is getting the
8 strongest value from its assets.

9 And director Ted, you want to add anything or
10 colleagues on the board?

11 MR. MIYAHARA: Nothing much to add.

12 I think the, you know, in all the discussions and
13 staff, they're really the subject matter experts here
14 and, you know, we're relying on them for the most part.

15 I mean, the most meaningful thing that I think the
16 22nd DAA can do is increase volume right at our fairs.

17 Let's figure out ways to drive attendance and for
18 the guests that are attending, how can we have them stay
19 longer?

20 CHAIR NEJABAT: We'll go around the horn.

21 MR. BLAIR: Okay.

22 It seems like a lot of these topics would should be
23 coming from the fair operations committee, right?

24 Is that -- is that you Fred, or who's fair

1 operations?

2 MR. SCHENK: Director Mead chairs and I co-chair.

3 MR. BLAIR: I mean location and I mean finance adds
4 up the money right and all that but it - so, I mean not
5 knowing what these recommendations are I mean it seems
6 like I would want to hear now I'm going the other
7 direction I would want to hear from the operations
8 committee and then --

9 MS. MEAD: Imagine that.

10 MR. BLAIR: I'm just, where one starts and stops.

11 Because it sounds like well location and I mean you
12 didn't mention number of days of running.

13 I mean do we make more money if we are open 24 days
14 or net more if we're open 18 days?

15 Right.

16 That kind of analysis I would think would come
17 through the operations committee and then the finance
18 would add the money up and you know make sure --

19 MR. ARABO: Well, the finance committee is not a
20 bookkeeper.

21 The finance committee sets budgets and looks at
22 financial contracts.

23 So our lens was not anything to do with the details
24 of who goes where.

1 It's analyzing each area and which contract should
2 go for each area similar to a pricing strategy.

3 So it's more of a macro.

4 And the fairgrounds has a policy which says
5 different booths could get charged different rates but
6 no policy has seen no one studied what are premium areas
7 compared to not we don't want to get involved in the
8 operations at all but the money part as far as studying
9 which corners yield the most money.

10 That's what we're discussing, and ultimately why we
11 brought it up to the board.

12 And if the Chair feels, we could we can move it or
13 discuss it.

14 We don't want to get into the weeds and we want to
15 respect everyone's committee's work.

16 MR. BLAIR: I'd love to hear the operations talk
17 about I mean we just got handed.

18 Is this suggestions or just analysis?

19 MR. ARABO: Analysis.

20 It's an information item.

21 MR. BLAIR: Be interesting what your com what your
22 says about like I don't know how booths are located.

23 Is that a staff decision or an auction item?

24 You know, do you auction off sites?

1 You know, like, well, I mean, you know, maybe
2 that's you want you want right inside the door that
3 costs more than Kiddieland or whatever we call that.

4 MR. BLAIR: Thanks, Phil.

5 And certainly when I reviewed this, I looked at
6 this and thought this really needs to be remanded back
7 to the Fair Ops Committee.

8 Um, I look at this like you would with a contract.

9 You don't want to take out one provision of a
10 contract and make a change to that without having the
11 impact on the rest of the contract.

12 And I look at this as this is a recommendation to
13 look at revenue.

14 But we haven't looked at expense.

15 And whenever there's a budgetary problem, when
16 we've got a \$5 million problem with the fair, it's
17 either going to be revenue, expense, or both.

18 But we've this is suggesting one area.

19 and the Fair Ops Committee just had our first
20 meeting following the fair.

21 Um, you I haven't even done a Fair Ops report yet,
22 but I will.

23 But we've begun looking at various components of
24 the fair, but not all of them.

1 And I would lift back up your monopoly board and
2 say we don't want to look at Boardwalk separate from
3 Tennessee.

4 We want to look at the entire the entire gestalt of
5 the board.

6 And that's exactly what I think that the fairs
7 committee's responsibility is to do.

8 I think timing is of the essence because as Katie
9 likes to remind us, I we've got a Fair Ops review on
10 August the 22nd where all of the leaders of the fair are
11 going to come and they're going to talk about what they
12 observed, what they think could be different, etc.

13 So that kicks things off and then the process
14 starts for next year.

15 So time is of the essence and I think Fred and I
16 are absolutely open to put in the time that's necessary
17 to do a thorough analysis both revenue side and expense
18 side marketing elements staffing components which is why
19 I was trying to make clear that having a staffing budget
20 that's approved without expense without understanding
21 how we're going to pay for it.

22 So, I think it's an overall gestalt that we really
23 need to look at and I think Fred and I working with
24 Katie and Becky are perfectly happy to become come back

1 to you and work extra hard to get back responses so that
2 the finance committee can take up the expense associated
3 with this.

4 But I would say that I am concerned that when we
5 identify one or two areas of potential concern that that
6 raises concern amongst particular partners.

7 If this today was we're talking about concessions
8 and there is a concession you heard earlier there's a
9 concession committee that's meeting to give the team
10 information for what we need to know into the future.

11 But if we would have singled out the midway and
12 gaming, it would have caused concern against that
13 population.

14 So I think it's just really important that we look
15 at it in toto as opposed to singling certain areas out.

16 So yeah, Fred, I mean, so Phil, I hope that helps,
17 but I do agree that Fred and I really should begin to
18 look at this and then come back to everyone.

19 MR ARABO: My perspective and I know how Ted feels
20 about it is I'm totally fine and happy with your
21 committee taking the lead and you looking at it and
22 you're doing it.

23 I'm glad we looked at it because we got an email
24 saying we're off.

1 The fair has a \$6 million problem and say well with
2 the finance committee and we have a \$6 million problem.

3 How can we fix it?

4 So this is just data.

5 We're happy to hand it off and that Fair Ops does
6 to every agency and perfect.

7 CHAIR NEJABAT: So I will -- any other comments
8 before we make a decision?

9 MR. SCHENK: May I?

10 Thank you.

11 So I want to start out by thanking Mark and Ted for
12 the analysis because I think it's so valuable.

13 I really do and uh it's something that I know that
14 Kathlyn and I absolutely need and want to incorporate.

15 I have a question, Becky.

16 Prior to this year, have you looked at what our
17 final results were from the fair over maybe the last
18 well post-covid or the year before COVID?

19 How did we do relative to our budget?

20 MS. BARTLING: No, that analysis, I have not done a
21 complete analysis.

22 That's part of this.

23 MR. SCHENK: But it's a rhetorical question.

24 I know the answer.

1 We never lost 6 to 7 million before.

2 MS. BARTLING: And there's some extenuating
3 circumstances -

4 MR. SCHENK: And I wanted to talk about that right
5 now.

6 So on opening weekend for the FIFA

7 Over 50 million viewers watched across Canada,
8 Mexico, and the United States.

9 The US opener drew 27 million total viewers.

10 Mexico opener 23.4 million.

11 When I was watching the match between England and
12 Mexico, I watched it from a bird's eye perspective in
13 the paddock.

14 If there weren't at least a thousand people there
15 or something close to that, not one person moved, not
16 one person ate, not one person drank.

17 They stood there and watched on the big screen,
18 which was wonderful that we provided that.

19 I was so grateful that we provided that.

20 But there was nothing by way of food and beverage
21 being offered.

22 And you know what?

23 Maybe we should have anticipated that, Kathlyn.

24 And I I'll say I'm sorry that I didn't think about

1 that.

2 I didn't realize what the dynamics would have
3 looked like.

4 But we have a lot of vendors sitting out here and
5 none of them were benefiting from people standing there
6 in the in the paddock watching the match.

7 VICE CHAIR BARKETT: But they could have eaten
8 before or after.

9 MR. SCHENK: They could have, but you know what?
10 Not for those 90 minutes, but not for those 90
11 minutes.

12 VICE CHAIR BARKETT: But we can't gauge that yet.
13 Yeah.

14 MR. SCHENK: Not for those 90 minutes.

15 And I was watching for most of those 90 minutes for
16 that reason because I wanted to come here.

17 I didn't anticipate this issue.

18 I was anticipating for our internal issue about how
19 do we improve that and in our last very first ops
20 meeting, we started to address that kind of an issue.

21 Uh, there were some issues with regard to some of
22 the concerts that I maybe will report out on later, but
23 concerned me in terms of downtime during like
24 intermissions between one set and another.

1 People are sitting in their seats for close to an
2 hour, Lisa, not eating, not drinking, and not visiting
3 the food vendors.

4 So there are things that we need to do better, but
5 I absolutely appreciate, you know, the value ad that the
6 two of you created and I and I don't want it to be under
7 I want to underscore the value that to that.

8 But as Kathlyn also pointed out, that's one aspect
9 of it.

10 People and culture is one aspect of it.

11 You know, security is another aspect.

12 I mean, there's we need to look at every piece of
13 this puzzle, every piece of that board game.

14 You know, there's a get out of jail as well and I
15 hope we do get out of jail on this one, but there is
16 much that needs to be analyzed, but I think we've
17 learned from this.

18 Uh-huh, the next time we may face this is in four
19 years.

20 We have to see when honestly we may need to see
21 when you know the it is the it was the largest watching
22 event in world history and it was right smack in the
23 middle of our fair and that's why I know that our
24 numbers were better in years past than it was.

1 There was there was not one single item that was
2 different this year other than that.

3 VICE CHAIR BARKETT: you know, and in growing from
4 what you say too, Fred, I think we need to anticipate
5 better as a board.

6 We knew about FIFA.

7 We had concerts that happened during FIFA too.

8 And in fact, I heard from some concert people that
9 said, "Well, we got tickets, but we're not going. We
10 want to watch FIFA."

11 So, they didn't even show up.

12 That's shocking to me, but not to them.

13 And the world right now loves sports.

14 If anything, we need to bring sports here.

15 MR. SCHENK: Well, I will say that Charlie had a
16 screen up in front of his I don't know if you did that,
17 Charlie, or if you did that, but you know, people were
18 standing there watching his sign, but watching the, you
19 know, the football.

20 VICE CHAIR BARKETT: Very smart.

21 And I think we need to anticipate more of that and
22 help our vendors, too.

23 Like say maybe we could put up, you know, TVs by
24 them, you know, or have more of the vendors at a certain

1 time come into the paddock, but I think as a board, you
2 know, we could have played much more off of that whole
3 FIFA.

4 MR. SCHENK: I totally agree and that's our
5 responsibility to anticipate that for or whoever will be
6 in that seat four years from now.

7 CHAIR NEJABAT: I just want to also be mindful of
8 time.

9 So, any other comments from the directors before --

10 MR. ARABO: Thank you, Chair Nejabat.

11 Just one thing, be mindful how important the
12 vendors are out of all the vendors.

13 So, the fair concessions were done \$22 million to
14 the District total sales.

15 Half of that come from 11 vendors.

16 Uh, so, \$11 million is from 10 companies.

17 Just be mindful of the importance of it and how
18 important making sure every how do we maximize revenue
19 for the District and --

20 VICE CHAIR BARKETT: Sorry, can you repeat -- not
21 the 11 million, prior to that you said 20 --

22 MR. ARABO: So \$22 million total sales brought in
23 from the fair just from food and out of 75 companies 10
24 companies make up 11 million so 10 companies that are

1 vendors of ours bring in \$11 million gross sales And the
2 other 11 million is brought up from around 65.

3 Usually business 80-20 principle.

4 20% of your clients bring 80% of your revenue.

5 So it's mindful of is something worth studying for
6 the committee.

7 MR. SCHENK: Yeah.

8 I would encourage you to study brand identification
9 with that analysis.

10 MR. ARABO: Yeah, study everything including brand
11 and location.

12 I think study everything, me personally.

13 CHAIR NEJABAT: All right.

14 So, we'll pass that football on to the Fair Ops
15 committee, Director Mead and Director Schenk, for
16 further review.

17 Thank you.

18 Any other any other things to report out of that
19 committee?

20 MR. ARABO: No.

21 Thank you, Chair.

22 CHAIR NEJABAT: All right, we'll move on to public
23 comment on this item.

24 Any folks in the room who'd like to speak?

1 Just a reminder, you have two minutes.

2 Thank you.

3 CARMEL DYER-PITTROFF: My name is Carmel Dyer-
4 Pittroff and I've been at the San Diego County Fair for
5 40 -- 40 years in next year.

6 Um, I also attend the Minnesota State Fair and this
7 is the largest fair in the country.

8 They get 2.1 million people in 12 days.

9 It's also the highest grossing fair for food.

10 Um, our rent in Minnesota is 15% which allows us to
11 provide a much cheaper menu and a lot of their a lot of
12 the patrons come to the fair three or four times because
13 it's more affordable.

14 Um, you know, you can even get a bottle of water
15 for a dollar.

16 I don't sell water for a dollar, but you can.

17 Um, so um, they have a true partnership there.

18 Um, and I'm every time I go to the fair, I'm
19 overwhelmed.

20 It's just like, you know, like being in the food
21 industry and going to Disneyland.

22 And I encourage everyone here to go to the
23 Minnesota State Fair, see how they do it because they
24 obviously do it right because they get all those people

1 and just, you know, that's how many people they're
2 getting through the gate and that's the that's the
3 secret to the success is getting people to the fair.

4 Thank you so much.

5 MR. SCHENK: What are the dates?

6 CARMEL DYER-PITTROFF: It starts next Thursday
7 actually.

8 Um, the 27th to Labor Day, which is a --

9 The cheapest amount of money you can spend to go
10 there.

11 You'll learn a lot.

12 I still do.

13 CHAIR NEJABAT: Thank you.

14 CHARLIE BOGHOSIAN: Hi everyone.

15 I'm Chicken Charlie and I want to thank you for
16 having me here and allowing me to share my thoughts with
17 you.

18 Um, I've been doing this for 42 years at the San
19 Diego County Fair, 12 years for Mr. Bob Jackson, 30
20 years as Chicken Charlie's.

21 And I'm honored to be here and honored to be part
22 of your team.

23 Um, I just want to tell you that I saw the petition
24 to raise the rent.

1 At the LA County Fair, they tried that a few years
2 ago.

3 They did it and they also raised the gate and then
4 they raised the parking and this year after a few years
5 of this year on a Friday night you could look down
6 Broadway and it's empty.

7 They really just shot themselves in the foot.

8 I think this is the wrong direction.

9 I don't think we should raise the rent.

10 I think we should lower the rent in my opinion.

11 Also, I want to tell you that the staff the cons
12 the food concessions management team has done an amazing
13 job.

14 It's the part of the fair that is best right now.

15 I don't know about the other parts.

16 I don't know about the concerts or the entrance or
17 whatever, but these guys have done a tremendous job.

18 It's the only part of the fair that's kicking butt
19 in the world of finance.

20 But we need to get people into the fair.

21 We need them to stay longer per day.

22 We need them to come back multiple times.

23 It's really, really important that we focus on
24 bringing more people into the fair, not raising the

1 rent.

2 I think the economy right now is hurting and this,
3 you know, people are going to raise their prices.

4 they're going to lower their quality.

5 It's not going to be a good direction for us to go.

6 Having said that, specifically talking about the
7 avenue with those big concessioners, they're \$11
8 million.

9 Me, for example, and a lot of my fellow
10 concessioners have put our money back into our company.

11 I have spent 8 and 3/4% on loans with banks so that
12 I could have those new equipment, so I could have better
13 looking uniforms, so I could buy the best quality that
14 money could buy.

15 And the proof is in the pudding.

16 We're the best of the best.

17 We literally are the best.

18 And what I want to see from you guys is to you for
19 you to reward me.

20 I want you to lower my rent for that corner and not
21 raise my rent.

22 CHAIR NEJABAT: Thank you.

23 Thanks for your comments.

24 Appreciate it.

1 NATHAN MARCUS: So, I had a whole thing written up I
2 was going to talk about, but I think some of the things
3 you guys mentioned have led me astray from what I wanted
4 to talk about.

5 Um, you know, we do over 75 fairs, festivals,
6 across seven states.

7 We're one of the larger operators in the nation.

8 I'm one of the larger operators here.

9 We're one of the people in the 11 that do 11
10 million.

11 Um, to kind of piggy back off of what Charlie said,
12 um, I've reinvested 100% of my money since taking over
13 the business and purchasing it from my parents.

14 And we put a lot out to be those top 11 people, you
15 know, that make half.

16 And if you walk around the fair, and I know there's
17 Broadway and Park Place, but if you look at the
18 investments going into the companies that are producing
19 this, not to say that the other companies aren't as
20 well, but there definitely is a visual difference.

21 Um, my grandfather used to say, if you have the
22 best fly trap, you'll catch the most flies.

23 And we look at our customers as we want to give
24 them the best experience, the best product.

1 And with that comes a lot of investment on our side
2 before we see any return.

3 As Charlie said, we take out huge loans on some of
4 these equipment.

5 Uh, maybe five to seven years we run a negative
6 loss.

7 So to increase rent with everything else that's
8 going up in the country.

9 Um, since Covid, it's been very difficult for
10 everybody probably including you guys in finance.

11 Um, but we've bared the burden mostly instead of
12 pushing it to our customers.

13 We've reduced our margins.

14 We haven't increased price equally to inflation and
15 things like that.

16 We understand that the customer sees the value.

17 The value brings them in the gate and the gate is
18 the heartbeat to our industry.

19 If we start and stop all conversation, it should
20 only be talked about with attendance and then you put
21 the right people in place and have them take care of the
22 guests because everything can be solved with attendance.

23 And I think that that's where we need to look at it
24 and we don't want to have a value diminished due to rent

1 increase.

2 Thanks.

3 CHAIR NEJABAT: Thanks for the comments.

4 DOMINIC PALMIERI: As you know, I'm Dominic Palmieri
5 as introduced before the Midway Gourmet.

6 I'm the CEO of my company, but don't think of that
7 as a traditional CEO.

8 My wife runs the company and everybody that knows
9 Kim is very clear about that.

10 But I'm the chief excitement officer.

11 My job is to create passion, to create new foods,
12 to create all these things to bring people to come to
13 the fair to get them through your gate so they pay
14 whatever that gate admission is.

15 Gate admission is what solves the problems of the
16 cost that we have that we're trying to overcome.

17 I served as president and chair of three different
18 industry trade organizations.

19 And I want to go on record and say I've seen a lot
20 of fairs across the country.

21 I've seen every business model.

22 I've seen free gate.

23 I've seen expensive gate.

24 I've seen a percent rent fair for food.

1 I've seen flat fee.

2 I have seen it all.

3 The one thing that's consistent at every fair is no
4 matter what the model is, it's when they increase
5 attendance, that's when the magic happens.

6 Fairs like Minnesota, Wisconsin, Iowa, Houston
7 livestock show and rodeo, North Carolina state fairs,
8 while all different, they prosper with incredible
9 excitement, electricity, and community that brings that
10 community support that people come back to the fair over
11 and over again.

12 When that happens, you bring more sponsors, which
13 equals more money to you.

14 When you bring more attendance, that's more money
15 to you.

16 When you sell more foods, that's more money to you.

17 The overall model, if it's successful, is when
18 attendance is increased.

19 And that's the goal that we're always looking for.

20 Instead of increasing rents, I'm with Charlie.

21 I'm saying, let's lower the rent and let's lower
22 our menus and our cost to the consumer to make it
23 affordable to them.

24 We've been talking about this model for over 10

1 years.

2 The time is now.

3 We need to do this.

4 We need to drive parking revenue.

5 If we do this, we'll drive parking revenue, gate
6 revenue, concessions revenues, carnival revenues, and we
7 will fill the buildings again with commercial exhibitors
8 as buildings are going empty, carving out the critical
9 component.

10 CHAIR NEJABAT: Thank you.

11 Thanks for your comments.

12 Anyone else in the room?

13 All right, we'll now move on to Zoom speakers.

14 We have seven members online.

15 We'll begin with Stephen.

16 STEPHEN VARTANIAN: I think the park concessioners
17 that have come up have pretty much hit the nail on the
18 head.

19 We need to lower rent, not increase rent.

20 Um, volume fixes everything.

21 I think especially at the fact that we're having
22 this conversation before we even have the full recap of
23 the numbers from the 2026 San Diego County Fair is a
24 little bit premature.

1 And I believe that going straight to a rent
2 increase, it's kind of it's a little insulting in a way
3 to a concessionaire because clearly you guys have a
4 shortage.

5 You have not figured out exactly why you have that
6 shortage and you're coming to us for a topic of
7 increasing rent when at the end of it we're paying our
8 25% rent for volumes of people.

9 Every single concession area you have on your
10 fairgrounds is grade A number one.

11 They have those great locations because they've
12 made those investments.

13 Mind you, those locations have been provided by
14 staff at the fairgrounds and as far as \$1 million goes,
15 that's because they seized the opportunity.

16 You have the best people doing that to get the most
17 money.

18 I think we really need to sit down with that
19 committee that's been formed of the 18 people to analyze
20 everything.

21 I think you need to have conversations with
22 operators on their different challenges.

23 I think that you guys need to bring more people to
24 the fair to warrant 25% rent, not look at us to solve

1 your six to 7 million shortcoming.

2 Thank you.

3 CHAIR NEJABAT: Thank you.

4 Next up, we have Chris.

5 MR. RIVERA: Chris is not in the queue.

6 CHAIR NEJABAT: Nathan?

7 NATHAN JANOUSEK: Hello.

8 Can you hear me?

9 CHAIR NEJABAT: Yes, we can.

10 Yes, we can hear you now.

11 You have two minutes.

12 NATHAN JANOUSEK: Sorry about that.

13 I was talking on mute.

14 All right.

15 I'm Nathan Janousek, the owner of Fun Biz

16 Concessions.

17 The mission of any fair organization should be to

18 foster community, celebrate local culture, support small

19 business, and provide an accessible gathering place for

20 families and visitors.

21 Raising fees for food vendors is an antithetical is

22 antithetical to that mission because it places

23 additional financial burdens on the very people who help

24 bring the fair to life.

1 Food vendors are not merely participants.

2 They are essential partners in creating the
3 experience that attracts attendees.

4 Many vendors are small family-owned businesses that
5 already face rising costs for ingredients, labor,
6 transport, insurance, equipment.

7 Increasing vendor fees forces these businesses to
8 either absorb the added expense, reducing their
9 profitability, or pass those costs on to fairgoers
10 through higher food prices.

11 Neither outcome serves the fair's purpose.

12 Higher prices make the event less affordable for
13 families, while reduced vendor participation can lead to
14 fewer choices, less diversity, and a diminished visitor
15 experience.

16 Over time, excessive fees risk driving out smaller
17 vendors, and leaving only larger operators who are
18 better able to absorb the costs.

19 This undermines the local character and
20 entrepreneurial spirit that many fairs strive to
21 promote.

22 A fair should be investing in invest in in vendor
23 success, not creating new barriers to participation.

24 When vendors thrive, attendees benefit from greater

1 variety, better value, and a more vibrant atmosphere.

2 The fair in turn benefits from stronger attendance,
3 community goodwill, and a reputation as a supporter of
4 local businesses.

5 If the organization's mission is truly centered on
6 community engagement, economic opportunity, and
7 accessibility, then raising fees on food vendors moves
8 the fair in the wrong direction.

9 Rather than increasing costs, the fair should seek
10 collaborative solutions that strengthen both the
11 organization and the vendors who play such a critical
12 role in its success.

13 And I just want to also note I was one of the I I'm
14 right there next to the Gem and Mineral Building and I
15 invested \$200,000 in that big video screen there to play
16 FIFA as well.

17 Um, trying to bring that to the fair.

18 CHAIR NEJABAT: Thank you for your comments.

19 Next up, we have Ryann.

20 RYANN NEWMAN: Yes.

21 Hi, can you hear me?

22 CHAIR NEJABAT: Yes.

23 RYANN NEWMAN: Let me begin by expressing my
24 gratitude for the opportunity to participate in one of

1 the most beautiful.

2 It's truly an honor.

3 The grounds are stunning.

4 The staff is forward thinking and I have the
5 pleasure of working side-by-side with premier
6 concessionaires in the country, if not the world,
7 serving and hosting the community of San Diego.

8 The news that the fair was considering a rent
9 increase for concessionaires participating in the San
10 Diego fair came as a shock to most of us in the
11 industry.

12 Over the past three years, we've already absorbed
13 several significant increases the cost of doing
14 business.

15 The transition to cashless system added a 3% fee to
16 approximately 25 to 30% of our collected revenue.

17 We've been asked to transition to compostable
18 products which added another expense and the cost of
19 park RVs and vehicles during our stay has increased
20 substantially.

21 These are just the costs associated with the
22 grounds.

23 We don't have enough time to review our other cost
24 increases like insurance, payroll, product, gas, and

1 many more.

2 At the same time, the attendance of the San Diego
3 County Fair has unfortunately declined.

4 This seems to be a trend in the industry.

5 As concessionaires, our business model is based on
6 volume.

7 Our goal is to serve as many fairgoers as possible,
8 provide a high quality product at a reasonable price,
9 and generate substantial revenue for both our business
10 and the fair.

11 For that model to work, we need people through the
12 gates.

13 We're concerned that other significant possible
14 course session make difficult choices, raising prices,
15 reducing portions, or compromising on the quality of our
16 products.

17 Ultimately, the fairgoer bears those costs.

18 We believe the focus should instead be on
19 increasing attendance, creating value for the customer.

20 Strong marketing and an affordable, enjoyable, fair
21 experience are what brings people back.

22 If customers feel they're getting less while paying
23 more, it can have the opposite effect and further impact
24 attendance and spending.

1 As we've seen in the negative social media coverage
2 that Sturge just received, we want to emphasize that we
3 are not looking to make more money by simply charging
4 more.

5 We want to sell more.

6 We want to serve more people and generate more
7 revenue through volume.

8 We cannot achieve that without a strong attendance.

9 Visited vendors are an important part of the fair
10 success.

11 Keeping established vendors financially healthy
12 allows us to maintain quality, reasonable pricing,
13 adequate staffing and overall experience the fairgoers
14 expect.

15 We respectfully ask the board to reconsider the
16 proposed rent increase and look at the cumulative
17 financial impact.

18 CHAIR NEJABAT: Thank you for your comments.

19 Next up we have Ryan as well.

20 MR. RIVERA: Ryan Needham is not in the queue.

21 CHAIR NEJABAT: Moving on to Lisa.

22 Lisa, we can't hear you.

23 All right, we'll move on to Sean and if she comes
24 back, let us know.

1 Sean? Sean, we can't hear you.

2 All right.

3 One last time, Sean.

4 Okay, all right.

5 With that, we'll that concludes public comment.

6 Uh, we will move on to item 8 C and then take a

7 brief working lunch break.

8 So just for everyone to know.

9 All right.

10 Item 8C the Audit and Governance Committee Report.

11 This is an information item only.

12 The board take will take no action.

13 I'd like to recognize Director Morales Roth for the

14 verbal report on this item.

15 MS. MORALES-ROTH: Thank you, Chair Nejabat.

16 Very quick report.

17 We met last month and we mentioned basically that

18 we were went through the RFP process for our audit this

19 year.

20 We were able to select LSL as you see in the board

21 packet.

22 We're moving forward with that vendor.

23 We had a very thorough conversation around that and

24 ultimately LSL was selected.

1 So we're looking forward to looking at those
2 numbers.

3 Thank you Becky for leading that.

4 On the other piece, the other conversation we had
5 is going back to basics and making sure that part of the
6 audit and governance committee we have a formal
7 strategic plan as a board.

8 So we are looking into our archives to see if
9 there's any sort of strategic plan.

10 The conversation went around differentiating the
11 master plan from a strategic plan.

12 The strategic plan should be normally on average
13 three to five years focused on the board and actually
14 would allow us to evaluate the work of the board
15 alongside with our CEO.

16 So the idea is we're going to look into our
17 archives, revise that and if there isn't an existing
18 strategic plan, we will be making maybe a recommendation
19 so we develop one along with the community so we can
20 have a very clear strategic plan.

21 Again, this is the this is the goal for the next
22 couple of meetings.

23 So, we are we are looking into that and we'll bring
24 recommendations forward to the board.

1 And then finally, we're going to start reviewing
2 the current policies in regards to the board and just go
3 through recommendations with the rest of the staff to
4 see if we need to -- need to do any upgrades or any
5 actualizations and updates based on the current status
6 of our organization.

7 So, that's basically it.

8 Anything that I missed?

9 Thank you so much.

10 CHAIR NEJABAT: Thank you, Director Morales-Roth.

11 Any questions from the board?

12 Seeing none, we'll move on to public comment.

13 Anyone in the room who'd like to speak on this
14 matter?

15 Seeing nobody in the room and nobody online, that
16 concludes this committee report.

17 We'll take a 10-minute break and let's say start
18 back up again around 12:35 for a working lunch to resume
19 the meeting.

20 Thank you.

21 [The Board recessed for a short break at 12:20 p.m.
22 The meeting resumed at 12:42 p.m.]

23 CHAIR NEJABAT: It is 12:42.

24 We're back from our break.

1 Are we live?

2 MR. RIVERA: We are live.

3 CHAIR NEJABAT: Great.

4 Thank you.

5 We'll now move on to item 8D, the Master Site
6 Planning Committee Report, items 1 through 5.

7 As I mentioned earlier, item 8D2, the staff report
8 on the special events train platform project has been
9 postponed to a future board meeting.

10 With that change, there are three information items
11 and one action item under this committee report.

12 We will take public comment on each item.

13 We'll begin with the first information item, a
14 presentation by the Bodewell group regarding the
15 finalization of the technical advisory coalition and
16 recommendations for the next phase of the master plan
17 timeline.

18 With that, I'd like to recognize Bodewell's Public
19 Affairs Director, Zach, to present this report.

20 ZACH MacQUARRIE: Afternoon.

21 Thank you for having us.

22 Um, I do have some slides that I wanted to go
23 through.

24 We're excited to provide an update on the technical

1 advisory coalition's work.

2 Thank you, sir.

3 So, quick agenda for today.

4 I know you all have a lot of business to get
5 through, so we want to be pretty concise, but also happy
6 to take any questions and discussion at the end.

7 Uh, we just want to provide a quick recap on where
8 we're at to date, as well as what the technical advisory
9 coalition report includes, and then a quick overview of
10 some recommended next steps.

11 So, just kind of want to reorient where we always
12 do.

13 Um, this board's leadership established the guiding
14 principles that you see on the board here which were set
15 in place to guide the process the master site plan and
16 how it would be done organized around these five
17 buckets.

18 Community focus, purposeful planning,
19 accessibility, environmental stewardship and economic
20 impact.

21 These things guide everything we do and was set in
22 direction by this board.

23 We've all seen this our lovely referred to
24 Candyland map outlining the master site planning

1 process.

2 At this point, we're at the end of the green phase.

3 So just a quick reorientation the per the pink
4 phase is when the guiding principles were first adopted
5 by the board.

6 We also did some initial outreach at the fair and
7 began some initial discussions with key leaders around
8 the region.

9 We then initiated the green phase which is the
10 listening phase.

11 This included several different components and it
12 was all about making sure we left no stone unturned in
13 terms of community outreach, community input.

14 So, we did nine open houses, we did a statistically
15 significant poll, we surveyed the region's leaders, we
16 presented to every city council meeting across the
17 county as well as several regional boards, all sharing
18 about the District's vision for the master site plan as
19 well as the process that we're undertaking to go into
20 that.

21 So we're here today to present on the culmination
22 of that work and then begin the next steps for the
23 purple phase.

24 This outreach, you've seen this slide before, but

1 it was significant we engaged thousands of people across
2 the county not just in Del Mar Solana Beach or even you
3 know central San Diego.

4 We made sure to go to every corner make sure we had
5 multiple inputs so we were leaving no stone unturned.

6 So now jumping into the technical advisory
7 coalition.

8 So this was part of the listening phase, but this
9 was a little bit more focused on the actual technical
10 elements that'll go into the master site plan.

11 The coalition is comprised of 12 technical experts.

12 This was a pro bono group, so they're volunteering
13 their time.

14 Uh, but these are experts from San Diego and beyond
15 that have certain expertise within the CEQA domain.

16 So we're talking geotechnical, building design,
17 environmental, all those different elements.

18 They came in and provided voluntary
19 recommendations.

20 The group really had a core focus.

21 This was to provide a framework which is sitting
22 before you today in terms of a report that would help
23 inform the next steps of the master site planning
24 process.

1 Um, they did this through really four buckets.

2 One is by identifying opportunities that the master
3 site plan would present to the 22nd DAA.

4 Identify some potential technical constraints that
5 this board and this organization needs to think about as
6 they develop the master site plan.

7 Provide recommendations for additional research and
8 data that needs to be collected in developing a master
9 site plan.

10 And then also providing parallel concepts that
11 align with some of the challenges and opportunities that
12 this District is facing that have been tackled in other
13 ways.

14 And those are all built out in the different
15 categories in the report.

16 This is a quick overview of the timeline of
17 engagement with the technical advisory coalition.

18 We started recruitment for this in February 2025.

19 We wanted to make sure we brought in folks that you
20 know were seasoned experts that were familiar with the
21 District, familiar with San Diego and were able to
22 provide great recommendations and opportunities and
23 assessments for us.

24 We did our first kickoff session in April of 2025

1 which is where the TAC identified those buckets in terms
2 of the opportunities, constraints, parallel concepts
3 that they wanted to provide in this report.

4 We did a site tour and guided discussion in May of
5 2025.

6 We brought TAC members here.

7 Dustin and other staff from the District led them
8 on a tour, walked through some of the challenges that
9 the District faces, how some of the operations work, and
10 then we closed with a guided discussion around
11 observations and where they'd like to explore further.

12 We of course then had the county fair.

13 Many of the TAC members attended the fair to see it
14 in action during one of the biggest events that this
15 District hosts to get observations in how traffic works,
16 how the guest experience works, just really where it's
17 at its height in terms of operations.

18 We then got to work on developing the outline with
19 the TAC and making sure that we had a sense of the areas
20 we wanted to be double clicking on that we wanted to be
21 providing more assessment on and we ultimately wanted to
22 be developing the report around.

23 Once that outline was developed, we then did small
24 group sessions.

1 This is where the TAC members brought in technical
2 information.

3 They brought in recommendations and they really
4 started chopping through and hashing out what they
5 wanted the ultimate report to include.

6 We then worked through drafting.

7 Dustin was a great resource as well as several
8 other members of the DAA staff and helping provide prior
9 information whether it be the 2008 master site plan,
10 previous geotechnical reports and so on and so forth
11 that all went to inform this report.

12 And that brings us to today presenting the report
13 to you all and going through, you know, what it
14 includes.

15 Quick snapshot of all the members.

16 Um, we did recruit a fabulous group of folks.

17 I do want to offer to this board, you know, we're
18 going to cover everything at a high level today, but if
19 you want to explore more, um, all these folks are super
20 invested in this process.

21 They love the fairgrounds.

22 They love what you do.

23 If we want to set up a separate briefing or
24 separate meeting with any of them, we'd be happy to

1 accommodate that.

2 I do also want to flag that we have many locals
3 here.

4 We also have folks affiliated with educ educational
5 institutions.

6 Those are marked by the asterisks on the board as
7 well as Chip Overton from K/O Architects, which is a
8 firm that does fairgrounds master site planning.

9 So, we made sure that we were covering all the
10 different domains.

11 MR. BLAIR: If I can just point out on your on your
12 slide about community involvement in the region, having
13 Kerri Kappich from the Tourism Authority is great.

14 Having Evan Strawn from the San Diego Regional
15 Chamber of Commerce is great.

16 I mean that gets the our story out there throughout
17 the region instead of just a coastal event.

18 ZACH MacQUARRIE: Thank you, Director Blair.

19 MS. DeBERRY: That's interesting.

20 May I comment on that?

21 What I don't see are any ethnic chambers on there.

22 I don't see any I would say representatives from
23 particular neighborhoods or communities on there.

24 And that and to me that is an atrocity and a

1 problem because the people -- those people come you know
2 to the fair and also should have a voice and a seat at
3 the table and to me that's a challenge.

4 MR. ARABO: I if you go back to that slide...

5 I completely agree with Director DeBerry that not
6 having that is more than just a missed opportunity.

7 It's you know it's very disheartening to see no
8 other ethnic groups have been as if they're not
9 included.

10 ZACH MacQUARRIE: I appreciate the feedback and I'm
11 sorry, Director Morales-Roth, were you going to say
12 something?

13 MS. MORALES-ROTH: No, I was I was just going to
14 mention that specifically what was the thinking behind
15 it?

16 I understand the technicality and everything, but I
17 think throughout the process, we keep going back to how
18 are we truly including those that we serve.

19 We just talked about the fair, right?

20 We need to make sure that there are included and
21 that the voice, we signal to them that their voice
22 matters.

23 So I would really use this as a learning
24 opportunity because what I want us as a board is to make

1 sure that we're always including these voices in this
2 space because this not only is going to be the buy-in
3 but we also need to make sure that we're including other
4 perspectives that we might not be used to that would
5 actually take us to an innovative stage of the Del Mar.

6 So I just wanted to highlight that.

7 MS. DeBERRY: Yeah.

8 Um, I'm just reading your TAC overview in addition
9 to outreach to CI civic leaders and I'm just curious
10 like who are the civic leaders that you're identifying
11 or who's left out of the of the community?

12 That that that's probably my real question, is did
13 you reach out?

14 Was there a vast outreach through the county of San
15 Diego?

16 When you say the county of San Diego, what does
17 that look like?

18 How are you engaging?

19 Who doesn't have a seat at the table.

20 I think that we just, as a reminder, this is more
21 of a reminder for all of us is that we need to think
22 about how we create an inclusive process in everything
23 that we do even with our consultants, everything that
24 we're working on.

1 Is there an inclusive women, people of color,
2 veterans, people with disability?

3 Does it matter that we have an inclusive process?

4 MS. MEAD: And the only thing I do want to remind us
5 about though is that specifically today we're talking
6 about the TAC, but in one of your earlier slides you
7 showed that there were I think 15 -- the number of
8 community meetings there were.

9 ZACH MacQUARRIE: We had nine open houses across the
10 region including specific subregional communities and I
11 know this board has had that discussion and I take this
12 feedback absolutely to heart, and I don't mean to cut
13 you off director.

14 MS. MEAD: Oh, that's okay.

15 I just wanted to be sure that you're focusing on
16 the TAC today, but you have come to present to us about
17 the individual community meetings.

18 We added one when we thought there was a community
19 southeast San Diego, I think, that was not represented.

20 So, I just want to be sure we look at all of this
21 in total and not just I think the inclusiveness comment
22 is important, but we've got to look at that whole
23 Monopoly board in the process or Candyland board in the
24 process.

1 MR. ARABO: Yeah, agreed.

2 It's not to take away from the outreach, that was a
3 comment more on the TAC.

4 So, I hope that it's when we look at stuff, it's
5 not well, we did this so we won't do that.

6 I agree with Director Mead.

7 ZACH MacQUARRIE: Appreciate the comments,
8 directors, and yes, no, it's at the center of what all
9 the decisions we need to make and that this feedback is
10 very important and we do take it seriously.

11 We cast a pretty wide net in recruitment we can of
12 course always do better it was a voluntary group so it
13 was folks are willing to offer their time and that's
14 probably an area we could double click further in the
15 future so thank you for the feedback.

16 Just to jump back into it, because again I want to
17 be respectful of time.

18 Um, there's a lot in the report and again this
19 focused on the opportunities, potential constraints,
20 recommendations for further research and then parallel
21 concepts.

22 We really tried to distill it down in a concise
23 format on this, but I do encourage you to read the
24 report and again if you have any deeper questions on I'm

1 happy to connect you with members of the TAC to go
2 through that in further detail.

3 But it broadly falls into five categories of
4 economic, environmental, design, transportation and
5 permitting.

6 From the economic perspective, the District has a
7 really tremendous opportunity to uphold those
8 agricultural traditions.

9 The District is founded on a basis of providing
10 agricultural education and celebrating these traditions.

11 So this of course needs to remain a centerpiece of
12 the master site plan and what the District is doing.

13 Uh, but there's an opportunity to introduce
14 modernization to provide year-round activation.

15 So folks are seeing the fairgrounds as a
16 destination that also provides some additional financial
17 sustainability for the District.

18 Um, a good parallel concept that the TAC identified
19 for this is Liberty Station, which I'm sure we're all
20 very familiar with.

21 Lovely place to visit year round.

22 From an environmental perspective, the District has
23 always been an environmental steward.

24 It's one of the it's one of the guiding principles.

1 It's one of the key objectives of the District.

2 Given the unique place that this property is at,
3 the TAC really leaned in on the fact that this board
4 should consider environmental placemaking when it comes
5 to the master site plan.

6 There's opportunities to protect ecology, promote
7 climate resiliency, but also use our position as a
8 coastal property to enhance the user experience.

9 A good parallel concept on this was the Chula Vista
10 Bayfront project.

11 They faced a lot of similar geological challenges
12 that this property does in terms of flood zones,
13 liquefaction, different seismic challenges.

14 So, there's a really great case study in the report
15 on that.

16 From a design perspective, again, the unique
17 coastal location is really critical and an opportunity
18 we the TAC felt we should be leaning into.

19 Building efficiency, I don't think that, you know,
20 that's lost on anyone.

21 There's always ways we can improve our efficiency.

22 We can look at current facilities, future
23 facilities, making sure that it's all working together
24 in an efficient manner.

1 There are some challenges when it comes to design.

2 As anywhere in California, you have wildfire threat
3 zones.

4 But then we also have unique flooding environment
5 here.

6 They need to be taken into consideration.

7 The San Diego Convention Center provided some great
8 case studies, especially in terms of the flooding piece.

9 So I recommend you looking into that more.

10 The transportation perspective.

11 This is, I think, one of the things we heard a lot
12 from the community during our outreach is that we got to
13 look at how the moment of arrival works for the
14 fairgrounds.

15 Whether you're attending the fair, horse racing,
16 any of the seasonal events, currently the moment arrival
17 happens through cars.

18 It goes through the parking lot and you go through
19 that whole parking experience.

20 And while the District has worked very hard at
21 maximizing that for the guest experience, as we're
22 rethinking into the future, there is an opportunity to
23 reimagine this.

24 The future temporary seasonal events platform

1 prevent prevents a presents sorry an additional arrival
2 of opportunity moment and then we can think about how
3 the configuration of parking works into that as well.

4 Snapdragon stadium, I'm sure we've all attended
5 events there.

6 They really captured this well.

7 You have the trolley stop right there.

8 You have the parking.

9 It works together into a great moment of arrival
10 and reduces congestion and provides mobility options.

11 And then permitting.

12 The California environmental quality act has a
13 process you need to go through.

14 The DAA is going to put this master site plan
15 together and this board will vote on it itself but then
16 ultimately it will go to the California Coastal
17 Commission.

18 The TAC provided several insights and
19 recommendations on how to navigate that process.

20 We've started well in advance with this outreach in
21 terms of engaging the community, getting those
22 perspectives, getting that public input, but the TAC
23 does recommend continuing to engage the commission,
24 continuing to put protecting coastal access as a key

1 element in future master site plan decisions, and then
2 really looking at opportunities to accomplish those
3 objectives that the commission cares about in line with
4 what the District is doing.

5 Of course, housing is a big component of that.

6 That's a discussion beyond the master site plan,
7 but that all has to be incorporated into it.

8 And the Pomona Fairplex as well as a couple other
9 fair case studies were included too that explore some of
10 that.

11 So, now we're I'm wrapping up my thoughts here.

12 Appreciate your time.

13 We do have a few recommended next steps that we're
14 just putting before this board for consideration.

15 We do think that maintaining momentum is critically
16 important.

17 We have this board and this District has invested a
18 lot of time and resources in going into the community,
19 having those conversations across the county and
20 building trust.

21 From those conversations, we've gotten a lot of
22 great feedback and overwhelming support for a master
23 site plan and something that brings in greater financial
24 sustainability as well as advancing the District's

1 mission.

2 We think maintaining that momentum with the public
3 is really important.

4 It's important to go through the next steps, but we
5 can't go in the dark as to some of the comments that
6 were made today.

7 We can't just leave the discussion empty and not
8 open-ended and we need to bring them along in the
9 process.

10 Otherwise, we're going to have to redo it all again
11 later on and rebuild that trust.

12 So, we think it's important to continue to do that.

13 We should update the elected officials around the
14 region in terms of we've ended the listening process,
15 we're embarking on the next process.

16 We think the next step really is, and we've heard
17 this from Becky, we've heard this from directors, is
18 that we need to be exploring the business of the
19 fairgrounds, the future business of the fairgrounds.

20 We need to be looking at what different components
21 are brought here in this master site plan, what
22 decisions are made that maximize the utilization of the
23 property as well as advance the vision and mission of
24 the District.

1 We think this could look like bringing in an
2 owner's rep, uh, someone with industry experience in
3 fairground master site planning to help guide
4 discussions so that this board can really dive in and
5 make those decisions around what the objective-based
6 design principles need to be in an eventual master site
7 plan.

8 And what we mean by that is, where do we need to
9 get in terms of whether it be revenue, economics,
10 environmental, social, whatever the guiding principles
11 are, what the objectives that this District has for what
12 this property should do in the future and what are the
13 design principles that need to go behind that to make
14 sure at the end of the day you get the master site plan
15 you expect and deserve.

16 So by going through board workshops with some sort
17 of expert to explore these and to understand what the
18 future business of the fairgrounds might look like, we
19 think that this can come together into an outcomes-based
20 design objective.

21 Then the last one I know I've come here several
22 times.

23 I think it's 13, today's the 14th. And I've talked
24 about an international design competition.

1 And you know, we were speaking with Becky and we're
2 ending up this listening session and we really came to a
3 conclusion that this is really the concept is more of a
4 call for concepts.

5 It's not about pretty renderings.

6 It's not about a great map or artwork.

7 It's about this concept of what the future
8 fairgrounds looks like.

9 So the recommendation is that those design
10 objectives would lead to a solicitation for a call for
11 concepts where eligible firms from around the world can
12 come in and say I can deliver what you expect and
13 deserve and this is how we do it and you do it through a
14 competitive format so you get the best of the best.

15 So we think that that process can start as early as
16 next year at the beginning.

17 We think the board engagement and exploring the
18 economics of the property should start immediately and
19 we look forward to continuing to work with you all and
20 really appreciate the opportunity to support this
21 effort.

22 It has been just a tremendous opportunity to work
23 under your leadership and on this process that we know
24 will be a legacy defining project for the region.

1 So I will conclude my presentation there but I'm
2 happy to answer any questions.

3 MS. MEAD: Thank you for your presentation today.
4 Do you mind going back to the Candyland slide?

5 ZACH MacQUARRIE: Yeah, of course.

6 MS. MEAD: And thank you for the reports.

7 MR. SCHENK: From Monopoly to Candyland.

8 MS. MEAD: You know, we have just lots of games, fun
9 and games.

10 So, I appreciate the reports that are due and you
11 said we've essentially finished the green component.
12 What are the deliverables?

13 Do you want to just remind us some of some of us
14 are new to the board since this started.

15 What are the deliverables in the next color phases
16 that align with your recommendations of the next steps?

17 Because I'm sort of seeing a just I'm feeling a bit
18 of a disconnect with what are your next steps and how
19 important are they to each of those sections of
20 deliverables?

21 ZACH MacQUARRIE: Absolutely.

22 I appreciate the question.

23 So the purple phase would be this process of
24 exploring the future business of the fairgrounds.

1 We think some potential deliverables, but
2 ultimately this is up to the District leadership, so I
3 don't want to get ahead of you in that sense.

4 But we think some recommendations for consideration
5 would be board workshops where we bring in industry
6 experts who can provide insight on how the business at
7 different fairs work, how innovation is working in the
8 industry, how different land uses work, and then
9 potentially experts that have experience in developing
10 large scale properties like this, in order to develop a
11 solicitation and get a master site plan proposal that
12 you expect and deserve that meets all the objectives
13 you're looking for.

14 You're going to need to look at the business.

15 You're going to need to look at land utilization.

16 I know there was a lot of discussion earlier today
17 about that utilization in different prices for different
18 lots.

19 It's the same thing with the property.

20 So really bringing in those experts for discussions
21 and workshops that you all can have that can culminate
22 in some sort of framework that will serve as the basis
23 for that solicitation for folks to come in and present
24 their proposals.

1 So I think that's kind of the key part of the next
2 phase.

3 There can be a lot that goes into that.

4 I'd love to have further discussion on the nitty-
5 gritty behind that, but again, we didn't want to get
6 ahead of this board or the leadership of the District
7 and provide detailed, you know, steps on that.

8 We'd love to explore it and further develop it.

9 MS. MEAD: So, the components you shared today that
10 you know, whether it's the concept phase or board-led
11 engagement with folks that all falls in the purple
12 section or could and that will be our next discussion.

13 Is this linear?

14 Do we have to do purple to get to blue?

15 Do you have to do blue to get to yellow?

16 ZACH MacQUARRIE: So the purple and blue really
17 falls into that due diligence in the future business of
18 the fairgrounds.

19 MS. MEAD: Okay.

20 ZACH MacQUARRIE: And developing some sort of
21 solicitation for the development of a master site plan.

22 Now, we have proposed a call for concepts or design
23 competition throughout this whole process.

24 We think that'd be a great opportunity to continue

1 to involve the community and the public in that because
2 it's developed in a public and transparent process.

3 We think that if we go dark for a year or two and
4 then come back with a fully baked plan, you know, we're
5 going to have to rebuild that trust.

6 We're going to have to go back out and have that
7 conversation.

8 So, we've always felt that doing it in a
9 transparent and some sort of competitive basis would
10 allow the community to be involved and provide that
11 input.

12 That being said, that's this board's decision on
13 how they want to proceed with the actual solicitation.

14 And then so the blue phase is what we would
15 recommend is be the call for concepts or the design
16 competition.

17 The yellow phase has to happen no matter what.

18 No ifs, ands, or buts about it.

19 This is the CEQA process.

20 This is where you're going to have to do scoping
21 meeting.

22 You're going to have to do a draft EIR.

23 You're going to have to do a final EIR.

24 You're going to do public comments all within that.

1 And then you're going to have to go to the Coastal
2 Commission.

3 Now, the great advantage that this District has is
4 you've already done a tremendous amount of outreach,
5 which the Coastal Commission really values.

6 And you're going to be continuing that
7 conversation.

8 So when you get there, it's not the first time the
9 public's had it.

10 You're able to present to the commission about this
11 is the conversations we've had with the communities in
12 our region.

13 This is where our decisions are made around that
14 and this is how we're upholding those and we're also
15 going to protect coastal access, or whatever it is the
16 objectives that this board decides are.

17 And that'll allow you to go through that process.

18 So the yellow phase has to happen.

19 No ifs, ands, or buts about it.

20 But that purple and blue phase is up for this
21 board's discretion for sure.

22 MS. MEAD: And one last question for you.

23 Is your firm contracted for purple and blue or does
24 your role end in the green?

1 ZACH MacQUARRIE: So our firm provides strategic
2 communications and outreach.

3 We would love to continue to support this process
4 throughout the whole way.

5 We think that engaging the community, having that
6 dialogue is important.

7 We think that you know we have a unique perspective
8 and working with the TAC and working in all these
9 different outreach.

10 I won't stand here today and say that I know how to
11 develop this property.

12 I think that bringing in some sort of expert,
13 whether it be someone who does master site planning for
14 fairgrounds, whether it be some sort of owners' rep that
15 has led these types of projects before but can operate
16 on your behalf.

17 That would likely be a wise course of action for
18 this project.

19 MS. MEAD: Thank you.

20 CHAIR NEJABAT: Director DeBerry then, Director
21 Blair.

22 MS. DeBERRY: Do you mind just going back to the
23 slide with your recommendations?

24 ZACH MacQUARRIE: Yeah, of course.

1 MS. MEAD: They need to be side by side.

2 MS. DeBERRY: I know.

3 There.

4 So, I am very excited to see about under board
5 engagement where you have board workshops to meet with
6 industry experts.

7 I was heavily involved in hotel developments for a
8 very long time and it's really important one of the
9 things that we did is that not only did we bring people
10 in the United States as subject matter experts but we
11 also brought people outside like international people
12 because sometimes the vision is you have a certain
13 vision that is within the frame of how the US works and
14 they do things right and out of nowhere we developed a
15 hotel that was really very modernized and just really
16 different and so and it really and we looked at you know
17 from a branding standpoint what would that do how do we
18 attract more people to come to that hotel because of the
19 differences right and I'm happy to see that you're
20 wanting to meet with industry experts and I hope if we
21 do that we consider bringing people internationally in
22 to meet with also.

23 CHAIR NEJABAT: Go ahead, Director Blair.

24 MR. BLAIR: Yeah, when we started this -- Jacob,

1 right?

2 ZACH MacQUARRIE: Zach

3 MR. BLAIR: Zach, our two issues are fairs and horse
4 racing, both of which we greatly support and are
5 successful.

6 I'm concerned about where fairs are going and where
7 horse racing is going.

8 And I'd love to see a third-party analysis, so,
9 eyes wide open, that this is how they see fairs changing
10 in the coming 10 years or 20 or 30 year that we're
11 talking about this.

12 And the same with horse racing, right?

13 Because those are our two bread and butters.

14 And are they going up?

15 Are they leveled off?

16 Are they going down?

17 Because if we really need to understand that if we
18 build this progress about our what we now see as our two
19 big strengths and one of them is going away and we need
20 to be aware of that over time not tomorrow but over a
21 decade or so.

22 So it where would that play into this?

23 ZACH MacQUARRIE: I think that would be a key part
24 of the board engagement.

1 I think bringing in experts who face that challenge
2 in other areas would be a good place to have for this
3 board to have a discussion.

4 I will say in the TAC report there's some excellent
5 case studies around the Pomona fair, the LA Fairplex,
6 the Ventura County Fairgrounds who all face similar
7 challenges.

8 You know, Ventura had has a coastal property and
9 then there's the train that runs right through there.

10 So, there was an opportunity for that moment of
11 arrival piece to it.

12 The LA Fairplex has some mixed use elements in
13 there.

14 And so that may be a good place to start in terms
15 of seeing how -- report the -- that's the outreach
16 report but the other one, yes, this one blue one this
17 one.

18 MR. BLAIR: I didn't see we had two.

19 ZACH MacQUARRIE: But I do -- I do think that the
20 comment is well noted in the sense of and you'll see
21 several of the TAC members did recommend that you know
22 there needs to be and there's a preliminary assessment
23 extremely high level of what like retail rent looks like
24 in the region what lodging looks like in the region.

1 Um, and so those decisions, you know, are all on
2 the table and I think should be explored in the in the
3 next phase.

4 CHAIR NEJABAT: Thank you.

5 Any other questions from the board?

6 No.

7 All right.

8 Thank you, Zach, for that presentation.

9 ZACH MacQUARRIE: Thank you so much,

10 CHAIR NEJABAT: Appreciate it.

11 All right.

12 We'll now take public comment on item 81.

13 Anyone in the room who'd like to speak on this
14 matter?

15 Seeing nobody in the room, we have one caller
16 online, Carla Hayes.

17 CARLA HAYES: Can you hear me?

18 CHAIR NEJABAT: Yes.

19 CARLA HAYES: Great.

20 Hello, everyone.

21 I'm sorry I couldn't attend this meeting.

22 First of all, great report.

23 I thought it was very thorough.

24 I actually read it, for most of it.

1 There's one little thing regarding horse park that
2 I was a little disturbed by in that it said on page 180
3 recommendations under the TAC report 45 quote storm
4 water best management practices will need to be
5 installed monitored along the south side of horse park
6 property to continue ensuring the horse manure and
7 associated bacteria don't re reach the San Diego River.

8 So when I read that I went, "What?" And because
9 Hitz spent a lot of money upgrading that water system
10 and I got it back from Hitz that they are in fact up to
11 date.

12 So I wanted you guys to kind of know that, note
13 that, sir, because I know you want to be completely
14 accurate.

15 The other thing I think that is important is what
16 everyone was saying at the beginning of this
17 presentation.

18 It was really hard to get community engagement and
19 part of it I believe was communication to the public
20 that you had to take your time out after work to go
21 somewhere in Balboa Park that was hard to find and
22 engage in something that you didn't totally understand.

23 And so I think that if you guys could do a little
24 better job of communicating the importance of coming to

1 the meetings and making your voices heard and that also
2 goes with all diverse communities.

3 I didn't even know when the meetings were half the
4 time and I was very involved.

5 So, I'm just hoping that on the next phase we can
6 get more members of the public out because they do have
7 opinions and we need to hear from everybody.

8 Thank you very much.

9 CHAIR NEJABAT: Thank you.

10 And that concludes public comments on this
11 informational item.

12 MR. RIVERA: We have -- Martha Sullivan had her hand
13 up.

14 CHAIR NEJABAT: Late addition, all right.

15 Martha Sullivan.

16 MATHA SULLIVAN: Hello, this is Martha Sullivan and
17 thank you for acknowledging my hand up.

18 I just wanted to repeat something that I and others
19 have suggested and recommended in past comments to this
20 board relative to the master site planning process.

21 This fairgrounds uses a lot of animals, you know,
22 in various settings during the fair, uh, in horse shows,
23 in horse racing.

24 Um, and I think it's important that as part of this

1 technical advisory uh, committee or board or whatever, I
2 forget what it's called, that you have Someone like a
3 veterinarian who can advise about current modern issues
4 and concerns and constraints relative to keeping animals
5 on site at the fairgrounds.

6 It has changed a lot and society's values about how
7 we use and treat animals has changed a lot and this
8 board needs to incorporate that into its planning about
9 its future.

10 Thank you.

11 CHAIR NEJABAT: Thank you.

12 And now that concludes public comment.

13 We'll now take up item 8D3, the staff report on the
14 affordable housing site due diligence and development
15 and feasibility analysis agreement.

16 This is an information item only.

17 And now I'd like to invite CEO Bartling to provide
18 this report.

19 MS. BARTLING: Sorry, jumped the gun.

20 What I've done is put together in your board packet
21 is a timeline of the discussions, uh, the ENRA and where
22 we where we are now.

23 Um, and I won't go through everything, but just uh,
24 you know, information-wise, in February 2021, the 22nd

1 DAA board create created an affordable --

2 MS. MEAD: Becky, which page are you on?

3 CHAIR NEJABAT: 192.

4 VICE CHAIR BARKETT: Oh, it's -- I just couldn't

5 remember where -

6 MS. MEAD: It's just the affordable housing section.

7 MS. MEAD: Thank you.

8 Just want to follow along.

9 There we go.

10 MR. ARABO: Mr. Chair, I'd like to make a statement.

11 CHAIR NEJABAT: Go ahead.

12 MR. ARABO: For all three items.

13 Okay.

14 And Becky, thank you.

15 Members of the Board, before we proceed on the ENRA

16 item, I want to make a brief statement explaining today

17 my voluntary recusal.

18 I will not address the merits of the ENRA and

19 nothing I say is intended to influence the board's

20 consideration of this item.

21 I am only explaining what I have chosen, why I have

22 chosen to voluntarily step aside.

23 The city of Del Mar made a referral concerning this

24 router affordable housing matter that included

1 California Attorney General Rob Bont and myself.

2 According to the city, its referral was prompted by
3 a letter from individual identifying herself as Deborah
4 Barnes.

5 Published media reports have been unable to ident
6 independently verify her identity or residency and the
7 Del Mar Times reported that the city communications with
8 her were only by email.

9 The letter itself, the referral did not allege any
10 wrongdoing by any individual.

11 That is the context surrounding the referral and my
12 decision today.

13 I categorically deny any wrongdoing.

14 My attorney's written response is included in
15 today's public board packet and it speaks for itself.

16 I hope all members of the public and the media read
17 it.

18 Importantly, the 22nd DAA's general counsel has
19 advised me that I am not legally required to recuse.

20 Nevertheless, out of an abundance of caution and
21 for my deep respect for this board, I am voluntarily
22 stepping aside.

23 My voluntary recusal is not an admission nor a
24 validation of the city's referral.

1 I will not participate in discussion for these
2 items.

3 CHAIR NEJABAT: Thank you, Director Arabo.

4 We'll now pass it on to you, CEO Bartling, for the
5 report.

6 MS. BARTLING: Okay.

7 Thank you.

8 So, um, February 2021, uh, the 22nd DAA board
9 created the affordable housing ad hoc committee, uh,
10 created to address city of Del Mar's request to use
11 District land to satisfy to satisfy regional housing
12 needs allocation.

13 In 23, the state of California's housing and
14 community development department approved city of Del
15 Mar's sixth cycle housing element plan, including the
16 city's request to build 61 affordable housing units on
17 District property.

18 I'm going to jump ahead a little bit.

19 In February 2024, the 22nd DAA board of directors
20 voted to enter into an exclusive negotiating rights
21 agreement with the city of Del Mar with the goal of
22 identifying and studying potential housing sites on
23 District property.

24 The ENRA allowed the District to negotiate only

1 with the City of Del Mar and not with other parties such
2 as private developers.

3 In March 2024, the city of Del Mar approves the
4 ENRA with the District.

5 April 15, 2024, the ENRA goes into effect with a
6 negotiating period of 24 months.

7 There was a period between 2024 and 20 -- March
8 2026 when District contractor Harris and Associates
9 started conducting comprehensive studies of potential
10 sites.

11 In December '24, the District and the city of Del
12 Mar amended the ENRA schedule to extend the negotiating
13 period through April 15th, 2027.

14 February 2025, the 22nd DAA voted to temporary
15 discontinue affordable housing discussions with the city
16 of Del Mar under the ENRA until the board can consider
17 the matter at a future meeting.

18 March 25, the 22nd DAA board votes to immediately
19 resume the affordable housing discussions.

20 Between April, May, July, and September of '25,
21 2025, the 22nd DAA board votes to continue affordable
22 housing discussions with the city of Del Mar under the
23 ENRA.

24 In May '25, the District and city of Del Mar enter

1 into an -- allowing the city to reimburse the District
2 for cost of conducting feasibility studies.

3 October 25, the 22nd DAA votes to authorize
4 amendments to the ENRA and the chair directs the legal
5 committee to work with the CEO in the city of Del Mar.

6 Uh, let's hop to January and February '26.

7 The 22nd DAA board postpones voting on whether to
8 continue affordable housing discussions with the city of
9 Del Mar under the ENRA.

10 March 2026, the 22nd DAA board votes to approve
11 amendments to the ENRA, including language to align ENRA
12 with state housing requirements requiring all actions
13 and milestones to be presented to and approved by the
14 board, removing language regarding exclusivity and
15 clarifying that the 22nd DAA board has final say on
16 potential housing sites.

17 April 20, 2026, the city of Del Mar revises the
18 amended ENRA.

19 The city changes have still not been voted by or
20 approved by the 22nd DAA board.

21 May 2026, the 22nd DAA board postpones voting on
22 whether to continue or terminate the ENRA.

23 June 2026, at the board meeting on June 9th, the
24 HAP study grant results are presented to the board.

1 The Board Chair creates a new housing committee to
2 assess the study results and recommend next steps to the
3 board.

4 The board directs the District to work with the
5 city of Del Mar to seek approval from the city of San
6 Diego to annex the potential housing location identified
7 as site 4 currently occupied by the Surf and Turf RV
8 park on District property within the city of San Diego.

9 No action is taken by the 22nd DAA board on whether
10 to continue or terminate the ENRA.

11 So that's just a timeline of the activities
12 regarding this document and the board's actions.

13 CHAIR NEJABAT: Any questions about the timeline or
14 anything else before we move on?

15 No.

16 All right, we will take public comment on item 83.

17 Anyone in the room who'd like to speak on this
18 matter?

19 TRACY MARTINEZ: I believe I'm speaking on three and
20 four, so I'll go ahead this time.

21 Thank you.

22 TRACY MARTINEZ: My name is Tracy Martinez.

23 I'm the mayor of Del Mar.

24 We stand together at a unique and historic

1 crossroads.

2 For nearly 90 years, the relationship between the
3 city of Del Mar and the fairgrounds has been defined by
4 collaboration, celebration, and mutual respect.

5 But today, our collaborative history is called upon
6 to solve a modern, pressing regional challenge, the
7 critical shortage of affordable housing.

8 On behalf of Del Mar, thank you for supporting the
9 ongoing talks with San Diego regarding affordable
10 housing on light on lot 4, the board's preferred site.

11 Both cities recognize the import both cities
12 recognize the importance of using public property for
13 housing, aligning with the governor's clear mandate for
14 public agencies to build affordable housing units.

15 Del Mar is fully committed to this effort.

16 Your qualified workforce can apply to live on this
17 property.

18 We are ready to move forward with an affordable
19 project on our civic center property as well as 10 units
20 in the north commercial zone near the fairgrounds.

21 We're also making real progress on site 4.

22 On July 17th, we met with San Diego Council
23 President Joe LaCava who committed to working with us on
24 next steps to the toward the annexation.

1 As your partner, Del Mar will fund building and
2 operational costs for housing on the fairground property
3 within our jurisdiction.

4 We only asked for the District for a ground lease.

5 Today, we asked the board to formally identify site
6 4 as a District's preferred affordable housing location
7 contingent on a successful annexation.

8 This action states satisfies our city's District's
9 agreement, which HCD would like resolved by November
10 2026.

11 Building lower income units in a coastal zone is a
12 major regional win.

13 After two years of working under the exclusive
14 negotiating rights agreement to build 61 affordable
15 units, I urge you to please move forward decisively on
16 light on the RV site known as site 4.

17 I thank you very much for your attention.

18 CHAIR NEJABAT: Thank you.

19 KAREN BRINDLEY: Good afternoon, honorable Chair and
20 Board.

21 I'm Karen Brindley.

22 I'm the Community Development Director with the
23 City of Del Mar.

24 The city appreciates the fair board continuing

1 conversations to facilitate affordable housing on
2 District property and specifically site four to meet
3 state, regional, and local priorities.

4 Multiple consultant reports show that it's
5 financially feasible to build senior housing or family
6 housing at this location.

7 A new newly published report from Kaiser Marston
8 Associates, which has been shared with your staff for
9 distribution to you provides greater detail.

10 To be clear on process, once the fair board
11 identifies site 4 as the preferred location, the city
12 will work with LAFCO to further explore the annexation
13 process.

14 This includes broadening support with San Diego.

15 City staff, as the mayor mentioned, has met with
16 council president Joe LaCava, Council Member Marni von
17 Wilpert, and have meetings scheduled this month with
18 Council Members Stephen Whitburn and Vivian Moreno.

19 Del Mar is following through with all of its
20 housing element and fair housing commitments.

21 Affordable housing at the fairgrounds is also an
22 important part of this multifaceted approach to further
23 fair housing in North San Diego County.

24 We are pleased to share that Del Mar is one of 13

1 jurisdictions in the region that has produced units for
2 very low affordable very low income households.

3 Del Mar's 10 units in the low, very low, and
4 extremely low income categories represent 9% of its 113
5 lower income arena assignment, which is comparable with
6 other cities making progress towards that goal.

7 Also, as Mayor Martinez shared, the city is in the
8 process of building additional lower income units at the
9 Del Mar Civic Center property.

10 Identifying a location for affordable housing on
11 District property is also an important next step under
12 the agreement between the city and the District which
13 HCD has requested occur by November of 2026.

14 Please continue.

15 CHAIR NEJABAT: Thank you.

16 Thanks for your comments.

17 DON MOSIER: Good afternoon, Council Members.

18 I'm Don Mosier, if you don't remember me.

19 I served for eight years on the Del Mar City
20 Council and almost eight years on this board.

21 I'm here because we have two state mandates that
22 should be in synchrony.

23 One is from the governor.

24 When I was appointed in 2018, he already said that

1 affordable housing on state property was one of his top
2 priorities.

3 And as a governor's appointee, it was my duty to
4 help implement that goal.

5 One state mandate, affordable housing on state
6 property.

7 Del Mar got a second mandate from housing and
8 community development.

9 Build more affordable housing wherever you can.

10 Those two state mandates should be in synchrony.

11 The only difference is that Del Mar has some
12 deadlines from HCD.

13 The Board does not have deadlines for building
14 affordable housing.

15 But this issue has been under discussion for 10
16 years now.

17 I think it's time to actually take action and
18 that's what I urge the Board to do.

19 Work together with city of Del Mar.

20 Now, the city of San Diego is going to be involved
21 and the Board needs to move forward and recognize that
22 this is an issue that you were appointed to help solve.

23 Thank you.

24 CHAIR NEJABAT: Thank you.

1 LESA HEEBNER: Hello, Board and staff.

2 I'm Lesa Heebner.

3 I'm the Mayor of Solana Beach.

4 I'm here today to share our city's strong support
5 for the ongoing regional efforts to identify and
6 designate viable sites for affordable housing on the
7 22nd DAA property.

8 The city of Solana Beach values its longstanding
9 relationship with the DAA and the partnership that has
10 developed over decades with Solana Beach and Del Mar
11 around shared infrastructure, resources, and economic
12 activity.

13 The 22nd DAA's commitment to help find solutions to
14 our housing crisis sets an example of how state agencies
15 can join in the effort with local cities to create
16 affordable housing for the workforce and/or seniors.

17 As we know from recent housing developments in
18 Solana Beach with affordable components such as Solana
19 Highlands, Stevens 13, Sandbox, the Pearl and Ocean
20 Ramps.

21 Developing affordable housing in our coastal zone
22 presents complex, highly unique jurisdictional and land
23 use challenges.

24 Recognizing these constraints only underscores the

1 importance of the progress made to date by the
2 fairgrounds, Del Mar and now the city of San Diego and
3 the tremendous opportunity to deliver much needed
4 affordable housing units.

5 The city of Solana Beach is committed to being a
6 part of this collaborative momentum as needed.

7 Overcoming the affordable housing crisis demands
8 active participation, creative problem solving, and
9 accountability across every level of government.

10 Something I'd like to add that might be of interest
11 to the Board because I understand you have expressed
12 some interest in senior housing there.

13 One of our affordable projects which is called used
14 to be Solana Highlands, now it's called Reva.

15 This affordable part is senior 62 plus and it was
16 32 units.

17 The interest list was 350 people long.

18 So, thank you.

19 CHAIR NEJABAT: Thank you.

20 ALEX GOODMAN: Good afternoon, everyone.

21 My name is Alex Goodman and I'm here on behalf of
22 Assembly Member Tasha Boerner of California State
23 Assembly District 77.

24 I will now read a statement from her.

1 Thank you for -- Thank you for providing me with
2 the opportunity to comment.

3 As we know, our area is in need of housing,
4 especially affordable housing.

5 The fairgrounds generate much needed jobs and
6 revenue for the area and it would be reasonable for the
7 fairgrounds to partner with our local government to find
8 ways to meet the housing needs.

9 If the RV park is determined to be an ideal
10 location for development, I encourage all parties to
11 work together to find a path so housing can be built.

12 I understand there are many moving parts, but I
13 hope that the fairgrounds and cities can partner to find
14 a viable and timely solution.

15 Thank you so much.

16 CHAIR NEJABAT: Thank you.

17 Anyone else in the room who'd like to speak on this
18 matter?

19 All right, seeing nobody else in the room and
20 nobody signed up online, that concludes public comment
21 on this item, we'll now continue to item 8D4, which is
22 the staff recommendation regarding a potential
23 affordable housing site at the RV park site east of
24 Jimmy Durante Boulevard.

1 This is an information item only.

2 Uh, you can find the report beginning on page 192
3 of your packet.

4 We'll now turn it over to CEO Barting.

5 MS. BARTLING: Thank you.

6 So, the staff recommends that the City of Del Mar
7 continue conversations with the City of San Diego about
8 exploring potential affordable housing options at the
9 surf and turf RV park site.

10 Site number four, east of Jimmy Durante Boulevard.

11 Any plans must include relocating the existing RV
12 park to a similar location of at least the same size,
13 including in-kind replacement of existing utilities for
14 water, sew, and electrical, along with adding new
15 amenities.

16 District staff looks forward to discussions with
17 both cities regarding affordable housing opportunities
18 on the fairgrounds property.

19 CHAIR NEJABAT: Thank you.

20 Any questions from the Board?

21 MR. BLAIR: This is a no-action, right?

22 CHAIR NEJABAT: correct.

23 MR. BLAIR: Okay.

24 Just that I support this concept and I think it's

1 great and it's a -- and it sounds like LAFCO will
2 support it and I think this is a wonderful solution.

3 I would encourage if it's a solution for 60 sites,
4 maybe it's a solution for 90.

5 You know, if it works out, we might solve lots of
6 people's problems.

7 CHAIR NEJABAT: Director Miyahara?

8 MR. MIYAHARA: I would just add and I think the city
9 of Del Mar noted this to Becky's schedule that she went
10 through that you know the surf and turf RV lot emerged
11 as the preferred site per Board direction at the last
12 meeting.

13 Since our last meeting it sounds like the city of
14 Del Mar has met with council member Joe LaCava.

15 I think they did that in early July.

16 Council member LaCava wrote a letter, which is
17 attached to the Board report.

18 And I also believe they met with council member Von
19 Wilpert and have meetings planned with council member
20 Whitburn and council member Moreno.

21 So just for the record I thought that was important
22 to note in regards to the discussions that have taken
23 place.

24 MS. MEAD: No, you raised your hand.

1 CHAIR NEJABAT: We'll go around the circle, that'll
2 be easier.

3 MS. MEAD: I just want to be sure that -- I believe
4 it would be really nice, and I'm sure we don't have a
5 transcript, but we can oh yeah, it might be in the
6 minutes.

7 Um, I don't believe that we voted that this is a
8 preferred site.

9 I just thought we did.

10 Okay.

11 Thanks, Fred.

12 Never mind.

13 VICE CHAIR BARKETT: Thank you for all the comments
14 and I really appreciate the rendition chronologically
15 because it really helps refresh everybody's mind and
16 Ted, I also thank you for pointing all that we tasked
17 the city of Del Mar to do and they've done it.

18 I don't know why we can't work together.

19 We're neighbors.

20 We're good neighbors.

21 And I feel very strongly that we should be in
22 collaboration with any city that wants to put affordable
23 housing.

24 And see, you know, site number four to me is a

1 great site.

2 And I think that we've been at this process much
3 longer than we needed to.

4 This could have been done and fast-tracked a long
5 time ago, but it is what it is and we have to move
6 forward and I believe that as good neighbors, we have to
7 help out each other.

8 So, thank you.

9 MR. SCHENK: Del Mar has spent many years trying to
10 develop a relationship, being good neighbors with us,
11 and what I'm about to say is no reflection on the
12 substance of what we're trying to do because I do
13 believe in it.

14 However, I find it shameful that it took all these
15 years to try to build up a relationship and you found 10
16 minutes in which to try to undermine the reputation of a
17 fellow board member and the AG of the state of
18 California.

19 You should be ashamed of that effort.

20 It's not going to affect my views on what I know is
21 the right thing to do, but what you guys did was the
22 wrong thing.

23 And you owe an apology to those people that you
24 have unfortunately tried to ruin their reputation.

1 I'll pass.

2 MS. DeBERRY: Coming behind that one.

3 So, I guess my question I agree with you about
4 collaboration and I certainly agree with the city of Del
5 Mar and the city of San Diego coming together.

6 But my bigger question is -- I should say "and"
7 because it's not a "but" -- and my question is number
8 one I'm assuming that means that the city of San Diego
9 would have to annex that land to San Diego.

10 I mean to Del Mar number one, right?

11 So Mayor Martinez, my question for you is have you
12 had that question have you had that, I'm sorry, that
13 conversation with Mayor Gloria because it's great that I
14 mean we've had that there's been a conversation with Joe
15 LaCava, right?

16 Councilman LaCava, but and it's great that those
17 letters are there, but I'm just thinking out aloud of
18 have would he be willing to even do that?

19 So, that's my question for you.

20 TRACY MARTINEZ: Thank you for the question because
21 I think it needs to be stated.

22 So, according to what we heard from the mayor's
23 office is that he was not interested in moving this
24 process forward.

1 He had a full plate and he's the one that urged us
2 to talk to council member Joe LaCava.

3 He's the president of the council.

4 He's also this is his jurisdiction.

5 We were also told that Mayor Gloria would not
6 oppose it, but he wanted the council to take this
7 forward.

8 So, we immediately then reached out to Joe LaCava's
9 office.

10 It was recess and he was, I believe, in Europe, but
11 we got him I think less than 24 hours after he hit the
12 ground.

13 And we had a very fruitful meeting with him.

14 This isn't new to him either, because as many board
15 members said, we have spoken to him about this
16 previously.

17 And when the Board said this is the site, the only
18 site and the preferred site, then we knew that we had to
19 move this forward.

20 MS. DeBERRY: Thank you.

21 MS. MEAD: I'm sorry.

22 I don't mean to be difficult, but can somebody just
23 point me to because I'm reading the minutes and I just
24 have some difficulty with the characterization that the

1 Board voted on this being a preferred site.

2 As I'm reading the minutes that it reads, only
3 contemplate affordable housing east of Jimmy Durante on
4 the site known as Surf and Turf RV Park, known as the RV
5 park, and so long as it's relocated to a similar
6 location, blah blah blah.

7 I just don't see anything in these minutes that
8 says that we voted on this being a preferred site.

9 And the reason this is important in this
10 characterization for me is that we have not considered
11 other options as part of our master planning process.

12 So I'm just getting down to a few semantics here
13 about how to characterize looking at the RV park.

14 Not necessarily that we voted for this to be the
15 preferred site.

16 MR. SCHENK: I think what we did was we eliminated
17 everything else.

18 That's how we came to this conclusion.

19 That's my recollection.

20 It was a process of elimination.

21 Not so much as an adoption, but more we've
22 eliminated all the other sites.

23 MS. MEAD: We eliminated the sites that were
24 presented to us.

1 And again, I just don't see anywhere in the minutes
2 that we characterize it as our preferred site.

3 Just for clarification.

4 CHAIR NEJABAT: Yeah, I do agree that there was no
5 vote taken on that.

6 Any other comments from the board?

7 No.

8 Okay.

9 We will now take public comment on item 84.

10 Anyone in the room would like to speak?

11 LAURA DeMARCO: I'm sorry I'm late.

12 I first of all I wanted to support affordable
13 housing as it's one of the most important initiatives of
14 the governor who appoints you.

15 So I think it's great that you are looking at that
16 and considering that the site and the RV park which
17 doesn't interfere with the main campus and all the great
18 activities you have here.

19 And then I also wanted to share that you could also
20 domicile the workers that take care of all the animals
21 that are on site and over at Horse Park.

22 And what I really wanted to share with you is
23 there's a Grand Prix \$90,000 Grand Prix jump off on
24 Saturday.

1 There is barrel racing in November and there's a
2 Cirque du Soleil event as well at Horsepark.

3 So we have a lot of great activities with animals.

4 They need a lot of care and to have a site across
5 the street from the stables and by Denny's and down the
6 street from the grocery store.

7 It's a perfect site and with all the
8 transportation.

9 So, I would encourage you to go forward and approve
10 the site and have all those animals well taken care of.

11 Thank you.

12 CHAIR NEJABAT: Thank you.

13 LAURA DeMARCO: Besides the Pacific Classic this
14 Saturday.

15 MS. MEAD: Lots of things going.

16 KAREN BRINDLEY: Okay, I'm back.

17 Just wanted to finish up on my comments and again,
18 it's in relation with just wanting to express the
19 overall sentiment here to just please continue to
20 support the efforts that are also have been supported by
21 the county of San Diego.

22 The city of Solana Beach that's the mayor has
23 spoken.

24 Thank you very much.

1 SANDAG as well as Senator Blakespear and also
2 Assembly Member Boerner.

3 The governor's office has also stayed engaged and
4 continues to express support for the project.

5 So we look forward to continuing the engagement
6 with the with the board as well as the next steps with
7 the city of San Diego and other agencies that will be
8 involved in the process.

9 Thank you.

10 CHAIR NEJABAT: Thank you.

11 Anyone else in the room?

12 All right.

13 Seeing no one else in the room would like to speak
14 on this matter and nobody signed up online, we'll now
15 move on to item 8D5, which is an action item, the
16 discussion and vote on whether and or how to proceed
17 with the affordable housing site due diligence and
18 development and feasibility analysis agreement,
19 including possible affordable housing site location
20 alternatives east of Jimmy Durante Boulevard.

21 Since this is an action item, we'll begin with
22 public comment.

23 So again, anyone else in the room who'd like to
24 speak on this matter?

1 Seeing nobody in the room and nobody online, that
2 concludes public comment.

3 Before we begin discussion, I will entertain a
4 motion.

5 MR. BLAIR: I'm not sure how to how to phrase this
6 because I do think we need to get that site four in here
7 somewhere.

8 But I support proceeding with discussions at site 4
9 for affordable housing due diligence and development
10 with the city of San Diego and Del Mar.

11 Is that --

12 MS. DeBERRY: You have to follow, like are you
13 recommending that we continue discussions?

14 MR. BLAIR: Well, I mean if you want that to be the
15 exact wording, I'm fine with that.

16 That's long -

17 MR. SCHENK: That being 8D5.

18 MR. BLAIR: Except that we need to say site four in
19 there, right?

20 Okay.

21 I move we proceed with the affordable housing site
22 due diligence and development feasibility analysis
23 agreement for site 4 including possible affordable
24 housing I would and/or senior alternatives east of Jimmy

1 Durante Boulevard.

2 MR. SCHENK: I'll second that.

3 MR. BLAIR: So what I did add was senior citizens
4 because I think that's a great potential too.

5 And I added four.

6 MR. BLAIR: That was maybe the longest motion of the
7 day.

8 CHAIR NEJABAT: All right.

9 We have a motion in a second.

10 Now we can begin discussion.

11 Director Miyahara.

12 MR. MIYAHARA: Let me start by saying, you know, I
13 appreciate all the work that's gone into getting us to
14 where we're at today.

15 You know, it's been a real long timeline and as I
16 understand it, this conversation has taken place long
17 before we had the ENRA.

18 Having said that, I also think that this board
19 needs to take a step back and ask itself a fundamental
20 question and that is are we confident that continuing
21 down this path with the city of Del Mar presents a
22 realistic, an achievable opportunity for the 22nd DAA?

23 Or are we getting ourselves further into a process
24 where the ultimate outcome is increasingly dependent on

1 circumstances outside of our control?

2 I want to be clear that I am not questioning the
3 importance of affordable housing.

4 This is what I do in my 9 to 5.

5 I'm a housing advocate.

6 I believe in affordable housing.

7 I'm not questioning whether or not the city needs
8 to address its housing obligation.

9 The question for the 22nd DAA is much different.

10 Does this particular project on this particular
11 piece of property involving the city of Del Mar and city
12 of San Diego and the timelines outlined in our
13 agreement?

14 You know how the ENRA as amended, does that present
15 an acceptable level of risk to the DAA?

16 So specifically, what's the likely outcome of
17 annexation of property between these two cities?

18 I think that's the question that we need to answer
19 before we decide whether and/or how to proceed with the
20 affordable housing site due diligence development and
21 feasibility analysis agreement.

22 I'm going to reference it today as the ENRA.

23 The surf and turf lot changes the equation for us.

24 Two cities need to determine if there is political

1 will to get it done.

2 And as it currently stands, we don't know if the
3 city of San Diego and the city of Del Mar can work out
4 an agreement to annex property.

5 The fundamental issue is simply is not simply
6 whether San Diego likes this concept.

7 The question is whether San Diego will take the
8 necessary governmental action to annex property and
9 allow the city of Del Mar to receive RHNA credit.

10 The DAA is now dealing with two cities and we don't
11 have control over that outcome.

12 San Diego has not given us a commitment.

13 The response from the city of San Diego so far has
14 been cautious by my account after reading the letter
15 from council member Joe LaCava.

16 Neutral at best.

17 The mayor of San Diego asked the city of Del Mar to
18 reach out to council member Joe LaCava and when the city
19 met with council member LaCava he subsequently wrote
20 that letter and I would describe that letter as
21 expressing support for continued consideration and
22 dialogue regarding affordable housing opportunities on
23 our property.

24 He recognizes the unique geographic and

1 jurisdictional circumstances involved, but the letter
2 does not endorse annexation of the of the San Diego
3 property or commit the city of San Diego to supporting
4 the proposal.

5 It specifically recognizes the importance of
6 protecting San Diego's own affordable housing arena
7 opportunities.

8 That's really important for us here today.

9 There has not been a clear commitment or indication
10 of support uh around this concept.

11 The timing might be the biggest problem of all of
12 this particularly if the board wants to explore
13 development of affordable housing in an expedited
14 manner.

15 The agreement runs through April 15, 2027.

16 That creates a timing problem for us if you ask me.

17 We are being asked to continue pursuing a site that
18 requires future DAA action, city of San Diego action,
19 city of Del Mar action, LAFCO action, uh, and the
20 Department of General Services action.

21 We're not talking about one approval here.

22 We're talking about a chain of approvals.

23 And that's an extraordinary number of steps that
24 are they're going to take a lot of time.

1 Um, and we need to ask ourselves, can all of this
2 realistically happen given the current timeline of our
3 agreement?

4 I think that the answer to that is no.

5 The primary step annexation is extremely uncertain.

6 We also need to recognize as a board the political
7 uncertainty in San Diego.

8 And this is the crux of the issue for me in regards
9 to annexation.

10 This isn't an election.

11 This isn't an election year.

12 And this is one of the bigger reasons we need to
13 think careful about assuming what will happen.

14 City council has to vote on annexation.

15 Four Districts in the city of San Diego 2, 4, 6,
16 and 8 are on the November ballot.

17 Council member Jen Campbell is going to term out as
18 will council member Vivian Moreno.

19 And then District four and six, it's an election a
20 reelection year for them.

21 So, they each have opposition.

22 So, District 4 and six will also be on the ballot.

23 To add to that, council member Marni von Wilpert is
24 running for a congressional seat.

1 If she wins, her seat's going to be up for a new
2 council candidate.

3 So, what that really means to me is that 2027 is
4 going to look very different from a city council
5 composition standpoint in the city of San Diego.

6 We don't know what the current city council would
7 do today if asked will you annex and we definitely don't
8 know what the future council will look like.

9 So we don't have an answer there.

10 That's the biggest point of concern for me.

11 Will annexation be approved by the city of San
12 Diego?

13 And that's the question I don't think this board
14 can answer today.

15 This issue is really around RHNA credit, right?

16 It's why the city of Del Mar has approached us to
17 pursue housing on fairground property.

18 We should also be acknowledging that the city of
19 San Diego has its own obligations.

20 Will they actually give up RHNA credit?

21 That creates a legitimate policy question for the
22 future San Diego elected officials.

23 And I don't think that we can assume that the
24 answer will be yes.

1 This is not a new problem, right?

2 In in regards to annexation.

3 There's a history here.

4 It's been contemplated before.

5 The city of Del Mar actually issued a report in
6 2018 titled "22 in 5 Affordable Housing Study".

7 It identified a number of affordable housing sites
8 on fairground properties, including the surf and turf RV
9 park.

10 The city's own consultant identified the
11 jurisdictional problem.

12 The city contemplated annexing the parking lot from
13 the city of San Diego.

14 They expressed and recognized that the process
15 could be difficult and time consuming.

16 The study concluded that because annexation would
17 require cross-jurisdictional agreements, the likelihood
18 of implementing the annexation process within 5 years
19 could be low.

20 Five years.

21 So this is not something that has newly emerged.

22 It's been thought of before.

23 Our own Harris and Associates report that was just
24 completed recognized that the RV surf and turf lot was

1 on San Diego property and that presented a lease timing
2 problem because additional actions involving the city of
3 San Diego would have to occur before the project could
4 move forward.

5 So when we look at that report the findings in that
6 report said no this is not a good site for that very
7 reason and that's a significant finding.

8 So again the issue is whether you know governmental
9 and jurisdictional steps necessary to make this project
10 work the annexation can realistically occur before the
11 end of our current ENRA term.

12 So, you know, I don't think that this is in our
13 best interest to continue to commit the DAA property to
14 a project whose success depends on decisions by other
15 cities.

16 The DAA is one decision removed from the outcome.

17 We're really not in control, right?

18 This is a conversation, a negotiation between city
19 of Del Mar and city of San Diego.

20 So I think we have to distinguish between wanting a
21 project to work and having a reasonable basis to believe
22 that it will actually work out.

23 The city of San Diego in my mind has not expressed
24 declared willingness to pursue annexation or another

1 jurisdictional solution.

2 The mayor didn't respond.

3 He deferred to the council president Joe LaCava.

4 And again, Joe LaCava's letter to me is neutral at
5 best.

6 It was non-committal.

7 It didn't put a stamp of approval on annexation by
8 any means.

9 So, I don't think annexation will be resolved by
10 April of 2027.

11 I don't think we can pursue a project with the city
12 of Del Mar that does not have a realistic path to
13 execution.

14 And I don't think we should continue with an
15 agreement that requires the 22nd DAA to wait on a series
16 of decisions by other government bodies because these
17 decisions are completely out of our control.

18 The fundamental issue here is lack of certainty and
19 for that reason you know I will not support continuing
20 with the current agreement.

21 You know, I fully recognize the sensitivity around
22 this recommendation.

23 A significant amount of time and resources have
24 been invested into this process and I do not want to

1 take that investment lightly.

2 But I also don't believe that means it was all for
3 nothing.

4 The work that we have undertaken has provided us
5 with very valuable information to better understand
6 housing on fairground property.

7 We should build on that information rather than
8 just shelf it.

9 So, you know, I think that, you know, I know
10 there's a been a motion put forward and there has been a
11 second, but I have a separate motion.

12 I don't know if it's proper to put that motion
13 forward right now for consideration, or if we need to
14 discuss.

15 Okay.

16 I mean, I just think --

17 CHAIR NEJABAT: Any other further comments?

18 MR. MIYAHARA: In closing, I'm just going to say the
19 ENRA was designed to inform us, right, and help us make
20 a decision, not to predetermine an outcome.

21 So, that's where I'm at today.

22 CHAIR NEJABAT: We're going to go around the horn.

23 So, Director Blair.

24 Vice Chair Barkett, I'd like the board to speak

1 first and then we'll go to the public.

2 Thank you.

3 MR. BLAIR: Yeah, I imagine no affordable housing
4 project was ever easy and everything fell into place.

5 I mean, I was surprised with your hesitancy about
6 affordable housing since that's what you do for a
7 living.

8 We've studied this 10 years.

9 This is the best place per research, per study.

10 And are there unknowns?

11 Absolutely.

12 there is every development.

13 Is that a reason to kill it?

14 No.

15 This is feasible.

16 I understand why the mayor obviously has issues on
17 his plate and deferred to the city council.

18 He didn't say no.

19 Our District director is supportive of it.

20 Somebody's got to take the first step because all
21 those organizations that what if, what if, what if, what
22 if, they're going to turn and say, well, what did the
23 Del Mar Fair say?

24 It's their land, right?

1 And we got to step out and show leadership.

2 It may work, it may not, but stalling it again with
3 no follow up is not right.

4 I think it'll work out.

5 I think everybody wants this to happen, but we've
6 got to be strong and make this decision that to move
7 forward and give the city of Del Mar and the city of San
8 Diego and LAFCO the best chance to pull this off and
9 we've got to have strong support in favor of this small
10 little corner of our land that does work out for
11 affordable or senior housing or housing for our
12 employees.

13 So I strongly support this.

14 I think we need to show leadership and make
15 something happen so that everybody else can fall into
16 place and do their work instead of being mealy-mouthed
17 about it and say let's keep studying.

18 Let's keep analyzing.

19 We've done this for 10 years.

20 Let's take a statement and make this happen.

21 MS. MEAD: Thank you.

22 I really appreciate the work that we've done
23 together for the past few years under the ENRA.

24 I am not supportive of continuing the ENRA in this

1 vein.

2 I too want to reiterate that I am u very supportive
3 of affordable housing.

4 I too do this on a daily basis for a living.

5 The philanthropy I work for has two areas of
6 interest.

7 One is affordable housing and the other is
8 mitigating the impact of climate change and we work in
9 the areas of resilience and sustainability.

10 So I know a little bit about this as well and I
11 will tell you that I agree with our previous colleague
12 Mr. Mosier's comments.

13 Del Mar does have a deadline and we do not, and
14 that does not require us to move at a pace any faster
15 than we are ready and willing to move in.

16 We received a report today about the master plan
17 and as I pointed out earlier we did Fred I would agree
18 with your characterization.

19 We looked at the presentation of the locations and
20 the others were ruled out and that was the one that was
21 left.

22 But we haven't actually studied any further than
23 those that were originally presented to us.

24 Nor have we really fully embarked on the master

1 plan at the time frame that I think is necessary for us
2 to consider because we are considering the best needs of
3 the Del Mar Fairgrounds.

4 So with that, I just simply can, I agree with you,
5 Phil.

6 I think it's time we make a decision and I think
7 our decision should be that we move in the time frame
8 that is best for the San Diego -- for the Del Mar
9 Fairgrounds, not that of the deadline that's faced Del
10 Mar.

11 Thank you.

12 VICE CHAIR BARKETT: Okay.

13 Ted, I agree with a lot of what you said.

14 And I get it.

15 Phil, I also agree with you because you both make
16 very similar points if you were to take them in tandem.

17 Okay.

18 And first of all, my point was going to be this is
19 state property and we oversee it.

20 So unless we take the initial step of saying we're
21 going to do this, then you know nothing could possibly
22 go unless they get our permission that it's okay.

23 They need our permission.

24 Secondly, I think that I've been there.

1 I know who did the study in 2018 because I've been
2 doing this since 2010, unfortunately.

3 I was on community planning at that time for Del
4 Mar on this board.

5 So Toni Atkins was a big proponent and her partner
6 firm is the one who did the study.

7 I can see that page in my -- right here, it's in my
8 video screen right here in front of me right now.

9 And yes, the only reason they did not like it were
10 because they thought annexation would be hard.

11 That's really not a question for this board
12 annexation.

13 It's a question for Del Mar and the city of San
14 Diego.

15 So, let them go through the process.

16 What's the harm? Time?

17 But okay, so you could take I know you don't like
18 the April 2027, you know that it goes that long.

19 Maybe we take the ENRA and we revamp that and say,
20 okay, let's go to 2026.

21 Give them time.

22 Let's see what happens in that time frame and allow
23 them to go further.

24 Really the process just started because we as a

1 board finally came up with an area that we would
2 approve.

3 That's and this is where we are.

4 We haven't given them the time now to do the dance.

5 And the dance is the dance.

6 But that dance doesn't include us.

7 That dance includes them.

8 And I know you're saying Joe LaCava's letter.

9 Let me tell you, I know Joe LaCava very well, too.

10 Our kids went to school together.

11 So, you know, as any politician, they love to flip-
12 flop.

13 And you know what?

14 I know what he says on one side, and I'm sure he's
15 saying something on the other side, too.

16 Sorry, Joe.

17 But you know, that's what happens in this in this
18 game.

19 And you might think you're closer to him than they
20 are, but you know what?

21 Nobody really knows how close a person is to
22 another person.

23 It's ultimately their decision as a council and I
24 think that if we say look at we're in favor of this we

1 have been mandated as our former board member Don Moer
2 said we are mandated to do affordable housing.

3 So I let them see if they can do the annexation if
4 they can come to a meeting of the minds and can actually
5 do it.

6 It's a win-win for everybody.

7 It's a win for us.

8 It's a win for Del Mar.

9 And it's a win for the city of San Diego.

10 I don't think there's any harm, no fall.

11 And I have great faith.

12 I believe in the power of people.

13 If you want to get it done, it can get done.

14 And I'm willing to take that chance.

15 CHAIR NEJABAT: Thank you, Vice Chair Barkett.

16 And you and I have agreed on a lot of things during
17 this this time period of our leadership.

18 It's my opinion that we've spent millions of
19 dollars throughout this process.

20 We're in a master side plan committee.

21 We need to come to a conclusion of whether or not
22 we're going to proceed.

23 Are we going to control our own destiny with the
24 cities and what we want to do?

1 And to be clear, I am with all of our board members
2 that I'm in support of affordable housing, but I'm also
3 in support of a realistic path.

4 And for me, the path that's been proposed with
5 annexation in multiple cities and given all the factors
6 surrounding what Director Miyahara has said, I'm of the
7 belief that we need to make a decision to terminate and
8 stick to that and explore all our options as we move
9 forward.

10 And we've always been good neighbors.

11 I've always answered the phone with the city of Del
12 Mar as soon as they've called and done everything and
13 I'm sure we will do everything moving forward to work
14 together and I hope you know whether our decision
15 whether what decision we make today hopefully that
16 doesn't affect the future of our partnership.

17 MR. SCHENK: Thank you, Mr. Chair.

18 I have mixed emotions, mixed feelings about this
19 because both Ted and Phil spoke so well and at least as
20 you were speaking I'm just shaking my head because what
21 you were saying is what I was going to say.

22 To me it's look there is little doubt in anyone's
23 mind that there are so there's so much need for housing
24 affordable housing in this county.

1 Yeah.

2 Sixty-one residences will make little difference to
3 the millions of people, but to 61 people and their
4 families or their partners or their spouses or their
5 children, it will make a huge difference.

6 And so my view is what we're talking about really
7 is a prerequisite for the city of Del Mar.

8 And if they don't achieve their goals, we're not
9 talking about taking any piece of property that's within
10 the area of Del Mar.

11 We have eliminated every other parcel.

12 This is San Diego.

13 So if Del Mar cannot succeed in getting the
14 annexation achieved, there's no value to them.

15 It they they've lost the benefit.

16 It has to be that parcel.

17 And quite honestly, if they can learn not to put
18 their feet in their mouth and to and to create animosity
19 with other people that are having a voice in this
20 process, maybe they'll learn to get it done right.

21 So, that's why I have these mixed emotions because
22 I don't like the way they've gone about this recently,
23 but I absolutely am willing to set aside those personal
24 views for what I think is the greater good for some

1 people that I look forward to meeting having a place to
2 live.

3 MS. DeBERRY: So, this is very difficult for me.

4 One of the reasons is because I am involved or
5 about to be involved in an affordable housing project
6 for in southeastern San Diego.

7 So I certainly understand it quite well and the
8 difficulty is that it's this one piece of land that
9 belongs to the city of San Diego that we really -- that
10 is not our world to be involved in.

11 I'm just still confused of how we didn't do the
12 master plan first, but that's okay.

13 That's a different conversation.

14 And in light of all I feel like I've been on the
15 board for what has it been a year?

16 MS. MEAD: Yes.

17 MS. DeBERRY: Oh my god.

18 No wonder I feel old.

19 But the thing of it is that it's a matter of how
20 messy it's been, the conversations.

21 It's just hasn't been easy and it's been messy.

22 We have a board member that's, you know, been
23 involved in conversations around the city and
24 everything.

1 And I just feel like we must dissolve this
2 agreement even if we choose to do something different, a
3 different agreement.

4 Open to those type of conversations, but I'm not
5 open to the conversation of continuing this agreement
6 under the circumstances.

7 I just feel like we should not be we should think
8 about the fairgrounds first, get the strategic plan and
9 the master plan done and then move from there.

10 And I also feel like that the city of Del Mar is
11 would be a great partner.

12 I still believe in that.

13 I just feel like timing as you were saying Ted is
14 everything.

15 MS. MORALES-ROTH: I wholeheartedly agree with you
16 Director DeBerry and Ted.

17 Thank you so much for sharing that.

18 Look, part of it -- I'm newer to the board, but in
19 these couple of months, I've seen so much animosity that
20 for me it's, I'm going to phrase it that it's been
21 shameful, in the sense that we are here to serve the
22 community and that's our priority.

23 Same for the District.

24 And the fact that this has been going on for 10

1 years, that tells you a lot about the complexity of this
2 relationship.

3 And we love our neighbors and we want to support as
4 much as we can.

5 We're pro-affordable housing.

6 I've been an advocate behalf of city council at the
7 state level.

8 So, it's not the question if we agree with
9 affordable housing or not.

10 We definitely agree.

11 We see it with our employees with those that attend
12 the fair.

13 Right now, more than ever, we need affordable
14 housing, but it has to be done in the right way.

15 When I read the letter from Joe LaCava, from
16 Council Member President and Council President Joe
17 LaCava, it's very open-ended.

18 Yes, they're continuing the conversation, but that
19 is not a no.

20 That is not a yes, sorry.

21 And it's also not a no.

22 It's neither.

23 So, we're prolonging this and prolonging this and
24 prolonging this while we still have to work on a master

1 plan.

2 So for from my perspective, we want to serve the
3 community, but we cannot do it in a rushed way.

4 We cannot be figuring out if five different
5 entities are going to say yes or no.

6 There's other ways to go about it.

7 There's simpler ways to go about it.

8 And to be honest, I would like more community
9 stakeholders to be part of the conversation.

10 And that's why we have a master plan in place.

11 So for me, while I'm a big proponent of affordable
12 housing like the rest of my colleagues here, this has
13 been a very complex conversation and a very complex
14 relationship for now.

15 And I don't think it's in service of our community
16 to delay it any longer.

17 Millions of dollars have been spent on this.

18 And I think it's also our financial responsibility
19 and fiduciary responsibility to acknowledge that.

20 And my other final piece I'll say again the
21 fairgrounds.

22 We always think families first, fairgrounds first,
23 and part of that decision is making tough decisions.

24 That doesn't mean we're not going to support

1 affordable housing in the future.

2 It's just not right now.

3 There is a timeline that is very, very complex and
4 it's going to impact what we do in the master plan.

5 So, at the end of the day, I do not I don't think
6 we should continue.

7 Again, I'm restating this.

8 That doesn't mean that this board is not pro-
9 affordable housing, at least from my perspective, and
10 for me, I speak for myself.

11 We're very much pro affordable housing.

12 This is just not the best agreement to do this and
13 not the best way.

14 Thank you.

15 CHAIR NEJABAT: Thank you.

16 So Josh, just for clarification, we have a motion
17 by Director Blair.

18 Once that vote is taken, whether or not -- if it
19 does fail indeed, we can bring up a new motion.

20 Is that correct?

21 MR. CAPLAN: Yes.

22 CHAIR NEJABAT: So just for the record, Director
23 Blair, would you kindly state your motion just to the
24 board?

1 MR. BLAIR: Proceed with the affordable housing due
2 diligence and development analysis, including possible
3 onsite for including possible affordable and/or senior
4 housing site location.

5 CHAIR NEJABAT: A second?

6 VICE CHAIR BARKETT: Second.

7 MR. SCHENK: Well, I already had.

8 VICE CHAIR BARKETT: Oh, yeah.

9 Sorry, you already did.

10 I apologize.

11 CHAIR NEJABAT: So, with that, we'll do the roll
12 call.

13 MS. ARNOLD: Chair Nejabat?

14 CHAIR NEJABAT: No.

15 MS. ARNOLD: Vice Chair Barkett?

16 VICE CHAIR BARKETT: Yes.

17 MS. ARNOLD: Director Blair?

18 MR. BLAIR: Yes.

19 MS. ARNOLD: Director DeBerry?

20 MS. DeBERRY: No.

21 MS. ARNOLD: Director Mead?

22 MS. MEAD: No.

23 MS. ARNOLD: Director Miyahara?

24 MR. MIYAHARA: No.

1 MS. ARNOLD: Director Morales-Roth?

2 MS. MORALES-ROTH: No.

3 MS. ARNOLD: Director Schenk?

4 MR. SCHENK: Yes.

5 CHAIR NEJABAT: Motion fails.

6 MR. MIYAHARA: I'd like to make a new motion,
7 please.

8 So, this motion that I'm about to make is not to
9 abandon affordable housing.

10 I want to make that very clear.

11 It's a decision to recognize that the District
12 cannot move forward indefinitely under the current
13 agreement with the city of Del Mar.

14 This approach will allow the District to move
15 forward in the most expedited manner to determine
16 whether site 4 is the best site if it's feasible.

17 It also protects the District's ability to make
18 decisions concerning what we do with state property
19 while continuing to pursue affordable housing.

20 Authorizing additional due diligence as outlined in
21 what I'm about to say doesn't commit us to developing
22 affordable housing on the surf and turf RV lot.

23 We're really just exploring it, right?

24 So the goal is really to continue what we're doing.

1 So, I would move that the 22nd DAA terminate the
2 affordable housing site due diligence and development
3 feasibility analysis agreement with the city of Del Mar.

4 Number two, that the 22nd DAA continue to
5 independently evaluate the feasibility of developing
6 affordable housing at the surf and turf RV park.

7 Number three, authorize up to 100 \$100,000 for
8 additional due diligence and feasibility analysis
9 necessary to determine whether site 4 is suitable and
10 feasible for affordable housing.

11 And number four, direct that the results of that
12 additional work be brought back to the board for
13 consideration and direction regarding any appropriate
14 next steps.

15 I'll just say this does not preclude the city of
16 Del Mar to continue working with the city of San Diego.

17 This really just allows us to move forward and to
18 be in the driver's seat to explore affordable housing to
19 do what the governor wanted to do in terms of exploring
20 this.

21 So that's my motion.

22 MR. CAPLAN: I just need to provide some guidance
23 before there's a second or a vote.

24 As you all know sitting around this table, Bagley-

1 Keene is not necessarily a vehicle for efficiency.

2 And so, while part one, Director Miyahara, of your
3 motion would be appropriate under the language of this
4 agenda, parts two, three, and four, I don't think this
5 board can discuss or vote on those simply because those
6 issues weren't part of this agenda that was posted 10
7 days ago.

8 And there may be members of the public that would
9 want to be here to discuss, for example, the dollars
10 that the District would contemplate allocating to future
11 studies.

12 And so that that's not to say this board can't
13 bring back items 2, three, and four as like a collective
14 action item at a subsequent board meeting.

15 But at least for the purposes of today, the motion
16 would need to be focused specifically on the existing
17 agreement with the city of Del Mar.

18 MR. MIYAHARA: Okay, that would be my motion then to
19 terminate the existing agreement with the city of Del
20 Mar.

21 CHAIR NEJABAT: Motion.

22 MS. MEAD: Second.

23 CHAIR NEJABAT: We have a motion and a second.

24 Any further discussion before we call the vote?

1 MR. BLAIR: We can't all go around the table and say
2 we support affordable housing, it's very important to
3 us, the governor said use state land, right?
4 We've analyzed this.
5 We've studied it and this motion says nothing.
6 We're going to look at it again.
7 There's no new looking at it again.
8 Other organizations need to move forward.
9 It's got to go through LAFCO, we all get that,
10 right?
11 If it falls apart anywhere along the line, then
12 it's not our fault and it may come back to us, right?
13 But we're the roadblock.
14 If we stall this, nobody's got anything to talk
15 about.
16 There's no reason to go to LaCava.
17 There's no reason to go to the mayor.
18 There's no reason to go to LAFCO.
19 The Del Mar board said no to my motion.
20 And we're going to continue to discuss it.
21 MR. SCHENK: When you said the Del Mar Board, you
22 mean the 22nd DAA, as opposed to the city of Del Mar?
23 MR. BLAIR: Yes.
24 Our Board said no to moving this forward.

1 So they're going to look at that and go, well, it's
2 dead.

3 I don't know what new information and you we don't
4 want to stole things.

5 We don't want to spread it out.

6 We don't want it, we don't want it.

7 Then vote in favor of this site.

8 We've studied it to death.

9 And if we believe in affordable housing, we need to
10 make this happen.

11 And this motion is like the worst of government.

12 "Just keep studying it."

13 Right?

14 MS. MEAD: Actually, this motion is just to
15 terminate.

16 MR. BLAIR: Well, and do what?

17 That's my problem.

18 Terminate the agreement -- and?

19 What does anybody do with that?

20 CHAIR NEJABAT: Some would say the worst of
21 government 10, 12 years of dialogue without any action.

22 So some would also argue that as well.

23 MR. BLAIR: Well, being 10 years is a long time.

24 MS. DeBERRY: Chair, I have a question.

1 MR. BLAIR: Other than that I don't feel strongly
2 about it.

3 MS. DeBERRY: The recommendation is so I want to
4 make sure I'm clear.

5 The recommendation on the table is that we
6 terminate the existing contract with the city of Del
7 Mar.

8 Is that correct?

9 CHAIR NEJABAT: The motion.

10 MS. DeBERRY: The motion and who seconded it.

11 Okay, you seconded that.

12 So now we're in discussion of is it possible, this
13 is just a possibility that -- can there be another
14 recommendation?

15 That's the question.

16 I just need to understand.

17 CHAIR NEJABAT: It's got to be tailored to what's on
18 the agenda.

19 Nothing else outside the scope.

20 VICE CHAIR BARKETT: You'd have to -- Ted could
21 amend it, right?

22 MR. SCHENK: Is that what you're asking?

23 MS. DeBERRY: I am asking that.

24 MS. MEAD: "Whether or how to proceed."

1 The termination comes under the "whether" and "how
2 to."

3 It's limited.

4 MS. DeBERRY: Okay.

5 MR. SCHENK: Are you making a friendly amendment?

6 MS. DeBERRY: I'm trying to, maybe, I was just
7 thinking.

8 MR. SCHENK: Well, can I just suggest -- just say it
9 and then see if Ted and Kathlyn will adopt it?

10 MS. DeBERRY: Yeah, I know that's how it works, but
11 I wasn't -- okay, never mind.

12 Is it possible the amendment would be to abide by
13 the recommendation of terminating this and enter into a
14 different one?

15 That's the question.

16 With the city of Del Mar and the city of San Diego.

17 MS. MEAD: One needs to come back another month.

18 That hasn't been agenda for this month.

19 MS. DeBERRY: Okay.

20 CHAIR NEJABAT: I think what may be more appropriate
21 is to direct staff to continue discussions and see if
22 there could be a direct staff to okay.

23 MR. MIYAHARA: Yeah, I would -- I would entertain
24 that and direct DAA staff to return to the board with,

1 you know, recommendations around affordable housing site
2 location at the subject and alternatives east of Jimmy
3 Durante Boulevard.

4 MR. BLAIR: But what would be different?

5 Right?

6 I mean, we've done this for 10 years.

7 We've looked at six sites.

8 MS. DeBERRY: There's a big difference.

9 MR. BLAIR: This is the one that works best for us
10 and for everyone.

11 What's going to happen in four weeks that, aha!
12 There's no conflict.

13 We don't need other groups support.

14 Let's put it at Y sight.

15 MR. MIYAHARA: I'm not -- I'm not to cut you off.

16 I'll wait till you finish.

17 CHAIR NEJABAT: Director Mead has made a motion.

18 We have an amendment.

19 MR. BLAIR: So I don't understand what stalling it
20 would do when we've studied this.

21 MR. MIYAHARA: Can I respond to that, please?

22 What it what this does is, we're no longer in
23 limbo.

24 Cities, counties, states do this all the time.

1 It's a surplus land.

2 We're not subject to that act, but they dispose of
3 assets via long-term ground leases to affordable housing
4 developers.

5 There's nothing precluding us from doing it in that
6 fashion.

7 Right now, we're in the passenger seat.

8 Through this agreement, terminating it, we can
9 decide how to proceed on our own terms.

10 And what I'm suggesting is with the annexation
11 process, it's not going to be on our terms.

12 It's out of our control.

13 And I don't want to end up a year, 2, 3, 4, 5 years
14 from now to find out that the city of San Diego says no,
15 we're not interested in entertaining that.

16 We can proceed today with the site that the board
17 has determined looks to be the most viable.

18 Whether that gets done through it being in city of
19 San Diego or in city of Del Mar, I'm focused on getting
20 affordable housing built on fairground property where we
21 can continue what we're doing.

22 VICE CHAIR BARKETT: Yeah.

23 Okay, this is the problem with that analysis.

24 The city of San Diego still has the opportunity to

1 say no to Del Mar, right?

2 Am I correct in saying that?

3 Even if the ENRA is still we keep the ENRA.

4 Is that correct?

5 MR. MIYAHARA: Yeah.

6 VICE CHAIR BARKETT: The city of Del Mar, I mean, is
7 just wanting that time period to say to the city of San
8 Diego, we're interested in this site that sits on state
9 property.

10 Del Mar has said yes and we need to see what you
11 say.

12 They're going to go to them.

13 It's their -- as I said before, it's their dance;
14 they need to talk with us out of the picture.

15 We've given them permission: go.

16 Now let them meet.

17 Let them go.

18 You know, half the council is in Europe, okay?

19 So, they need to get back.

20 They need to talk to them.

21 It they I don't know why we're not affording them
22 that conversation because they have a deadline.

23 I just don't understand.

24 We're out of it.

1 They're going to do what they do anyway.

2 And I know what you said.

3 We don't control it anymore.

4 We won't control it with the city of San Diego
5 either.

6 So I don't or anybody who wants to come in and see
7 if city of San Diego annex the land to maybe them,
8 right?

9 MR. MIYAHARA: It could stay as city of San Diego
10 land and it gets developed and it has a city of San
11 Diego address.

12 VICE CHAIR BARKETT: I get it.

13 But then you're eliminating our neighbor.

14 You're you are the cause of eliminating our
15 neighbor from the discussion.

16 And I don't think that's what a good neighbor is
17 all about.

18 I just want to say one thing.

19 Ten years, I mentioned that because I've been at
20 the project 10 years ago.

21 Okay, this is when it all started.

22 It takes a long time to do this type of thing.

23 I mean the cities, look at all the cities.

24 There's cities up and down.

1 Yeah, they're in the 90 percentile now of getting
2 it done.

3 But this is happening and it's not unusual for all
4 the cities.

5 We're doing it last minute.

6 So, this is not unusual.

7 And I think just to penalize a city that is really
8 part of us.

9 I have a hard time with it.

10 I really do.

11 And you know, granted, what happened over here, you
12 know, and I understand with one of our directors, but
13 what happened with our directors is between Director
14 Arabo and the city of Del Mar.

15 It is not a 22nd DAA matter in front of us.

16 We can't, you know, it has nothing to do with us.

17 CHAIR NEJABAT: I just want to be careful on the
18 words we're using.

19 It's not my intention as Board Chair and I don't
20 think anyone else on this board to penalize anyone.

21 VICE CHAIR BARKETT: No, no, I was I was commenting
22 on what Fred said.

23 CHAIR NEJABAT: Okay.

24 MR. SCHENK: But I also did not penalize them.

1 In fact, I admonished them, but none of us have
2 penalized them.

3 VICE CHAIR BARKETT: But I'm just saying when it was
4 brought up, that is not something before our board, the
5 22nd DAA.

6 It's very highly unusual what has happened.

7 So, I want to say, you know, let's go back.

8 It's a short period of time.

9 We can revise the timeline and maybe we have to
10 make a motion to do that.

11 So you know because if like I said if something
12 isn't happening in 12 months then you know then we
13 understand.

14 Now regarding the master plan I do not believe this
15 inhibits our ability on the master plan at all only
16 because over the last six years I've also had
17 discussions with various people in relation to it and it
18 never came up as a big issue.

19 So in fact now developers want to do affordable
20 housing on our land because it gives them the builder's
21 remedy and it gives them other things.

22 So I think that you know this doesn't inhibit what
23 we're doing on the master site at all.

24 CHAIR NEJABAT: I'm going to direct me if you can

1 conclude with your last comment.

2 MS. MEAD: Thank you.

3 I just I know that there was a friendly amendment
4 on the table and I don't know, Ted, if you accepted that
5 a friendly amendment but I think that was the step we
6 need to take is whether the friendly amendment is
7 accepted or not.

8 And so that's number one in the process.

9 Number two in the process is, it has been
10 characterized today that the governor asked to have
11 affordable housing built on state land.

12 That was state land as a priority, not the Del Mar
13 Fairgrounds.

14 And we were given the responsibility for us to
15 analyze this and to determine whether or not it is
16 appropriate for us to build that housing on this
17 property.

18 We've never even had the discussion whether or not
19 we believe philosophically in doing this.

20 We've had a discussion about a particular location.

21 And I think that the ENRA continues to put us in a
22 position to specify whether or not we want to have an
23 affordable housing on a specific location without us
24 taking that step back that we need to take as a board

1 and say, do we want to consider affordable housing at
2 the Del Mar Fairgrounds?

3 So from my perspective, I am not accepting the
4 friendly amendment.

5 I like the amendment the termination that's on the
6 table now.

7 We can do something later if that's what's
8 requested.

9 MR. MIYAHARA: What is what is the friendly
10 amendment, if any?

11 MS. DeBERRY: Well, she didn't even accept.

12 MS. MEAD: Your amendment was to -- I believe -- we
13 might need to have it read back, but I think the
14 amendment was to consider another option for working
15 with the ENRA in place.

16 MS. DeBERRY: No, it wasn't working with the ENRA in
17 place.

18 MS. MEAD: Oh, okay.

19 MS. DeBERRY: No.

20 It was -- it was pretty much eliminating this one,
21 dissolving this one, and creating another one.

22 CHAIR NEJABAT: Creating or looking at creating
23 another one?

24 MS. DeBERRY: Looking at creating a different

1 amendment that included the city of San Diego and Del
2 Mar.

3 MS. MEAD: It was the directing staff to come back
4 with a recommendation, I think that's what it was.

5 MS. DeBERRY: It was.

6 Yeah, directing staff to look at a potential for
7 the city of San Diego and the city of Del Mar to work
8 together.

9 But for the staff to do that.

10 MR. MIYAHARA: Oh, I wouldn't --

11 MS. DeBERRY: Okay, that's fine.

12 CHAIR NEJABAT: So, just for clarity on the record,
13 are we sticking to your original motion?

14 MR. MIYAHARA: Terminate.

15 MS. MEAD: Yes.

16 CHAIR NEJABAT: Second?

17 MS. MEAD: Yes.

18 Re-second.

19 CHAIR NEJABAT: I will end on this last note.

20 TRACY MARTINEZ: I just want to correct.

21 CHAIR NEJABAT: Ma'am, I understand.

22 But this is a as you should well know more than
23 anybody else, we got to respect the body and the
24 government process.

1 That's right.

2 I understand that.

3 Once we get through our process, we can allow you
4 to comment.

5 VICE CHAIR BARKETT: Sorry, I just want to address
6 Kathlyn, you know, we did discuss it.

7 Don't forget we all signed on to the ENRA as a
8 board.

9 We -- you voted.

10 MS. MEAD: Yeah, I agree.

11 VICE CHAIR BARKETT: And what happened next?

12 We gave Carlene, right, as our representative, to
13 go and speak to Del Mar for us.

14 MS. MEAD: To enter into the ENRA which was research
15 and information to help inform us.

16 VICE CHAIR BARKETT: No, but we discussed it.

17 We voted on that.

18 It was discussed.

19 MS. MEAD: I agree.

20 VICE CHAIR BARKETT: And Fred, I believe you sat in
21 those discussions.

22 Well, the board to me, you know, we basically gave
23 our permission and not only once, twice afterwards we
24 gave it to Carlene.

1 So, it's hard.

2 I'm sure the city believes that they had our board
3 members vote on this and that we were wanting to do the
4 ENRA.

5 I know, I bet if you went and --

6 MS. MEAD: I'm not disagreeing with the ENRA.

7 I know we voted on the --

8 VICE CHAIR BARKETT: No, but on putting possibly
9 affordable housing on this.

10 Carlene was in -- they did a site selection, right?

11 And then we decided what site was best feasible
12 with a new CEO in fact and so we have discussed it and I
13 just want --

14 I just want to clarify that.

15 CHAIR NEJABAT: Okay.

16 Vice Chair, I think it's time for us to take the
17 role on the vote.

18 Okay, Josh, we've had a motion in a second.

19 I know it's not appropriate for public comment at
20 this time given the Robert's Rules.

21 What do you suggest?

22 MR. CAPLAN: I think given the sensitivities of the
23 issue, uh, the ongoing relationship with surrounding
24 jurisdictions, well, I defer to the Board Chair.

1 I think it would be appropriate if you allowed any
2 members of the public that are here in person or online
3 that want to speak for two minutes on the motion that's
4 on the table.

5 CHAIR NEJABAT: Okay.

6 I will allow for two minutes, but I do not want
7 dialogue back and forth.

8 I think the board needs to make its decision and
9 should not be influenced by outside sources.

10 Agree at this time.

11 TRACY MARTINEZ: Thank you for the opportunity and
12 I'm not going to regurgitate everything that I just
13 said, but I wanted to clarify some things that I believe
14 are not understood by the board.

15 First of all, the board is the one that chose the
16 sites to be studied.

17 We didn't.

18 The board told us the only site feasible was lot 4
19 and to pursue that.

20 Anything else?

21 I my first impression is every time we get here,
22 you keep moving the goalpost.

23 If the goal is to truly get affordable housing for
24 our community, for your workers, we are doing that.

1 Now, it might not work out, but I heard you say,
2 "Oh, LAFCO, that's a really difficult thing."
3 We thought the same thing, too.
4 What we learned in talking with them is it will
5 take 6 to 8 months and \$22,000.
6 Of course, we picked that up.
7 They were completely in favor of it.
8 HCD is in favor of it.
9 The governor's office is in favor.
10 The community is in favor of it.
11 And I can't understand why stopping the ENRA, which
12 would only kill the deal, would be a vote today.
13 You have nothing to lose by letting us pursue this.
14 Nothing.
15 It's a lot that you chose.
16 And my understanding was it's that or nothing.
17 We took those as marching orders and we went to
18 work during a very difficult time during the recess.
19 We met with as many people as we can.
20 Our goal is to get affordable housing.
21 The governor's goal is to get affordable housing.
22 This is a big win for all of us in this community.
23 So, you know, Del Mar did I'm sorry, San Diego did
24 not want this property.

1 They have the housing element.

2 They weren't interested in developing it.

3 There was something also said about this being San
4 Diego's property.

5 It's not.

6 It's your property in San Diego's jurisdiction.

7 That's a big difference.

8 So, the reason to cancel the ENRA because you feel
9 that the annexation might not fail.

10 Let us be the workers for that to get to that
11 point.

12 We'll work our tail off.

13 And you're right, we have worked and I know
14 Kathlyn, you were one of the lessons that we worked with
15 on getting this through.

16 So, we're willing to do the work.

17 I don't understand why we are.

18 CHAIR NEJABAT: Thank you, Mayor.

19 TRACY MARTINEZ: Thank you.

20 LESA HEEBNER: Lesa Heebner, Mayor of Solana Beach,
21 and I'm here to speak in favor of keeping the ENRA
22 going.

23 As a small city next door, I know how difficult it
24 is to site these sorts of affordable housing projects.

1 Ten years ago, I was with you also, um, member
2 Barkett, and I can see the report that Jennifer Lassar
3 came up with and it identified these locations.

4 The whole reason behind this was because Del Mar is
5 such a small city, the smallest in the region, and the
6 fairgrounds take up an awful lot of that.

7 So, it made a lot of sense for Del Mar Fairgrounds
8 to offer up some property and say, "Yeah, we really want
9 to be partners with you and provide the affordable
10 housing."

11 The only way to do that is to look at all those
12 locations.

13 Again, as Mayor Martinez just said, you guys chose
14 that one location, gave them the marching orders to go
15 talk with folks.

16 You can't do it in an August recess and get
17 anything done.

18 So, let's be realistic.

19 Actually, let's maybe cancel that last vote on
20 canceling the ENRA and giving Del Mar more time.

21 Give them a few months to get this thing done.

22 If you say no today, as your previous vote said,
23 then this is -- this is over.

24 They do have a deadline.

1 It's very important that they meet these goals for
2 a number of reasons.

3 It's important to the city of Solana Beach as well.
4 We're an empathetic city next door understanding.
5 So, please reconsider your previous vote.
6 Thank you.

7 CHAIR NEJABAT: Thank you.

8 JOHN SPELICH: Promise this will be the last.

9 John Spelich, Deputy Mayor, Del Mar.

10 All affordable housing projects west of the five
11 would be a huge win for all of us and everybody gets to
12 pat themselves on the back and say this is wonderful.

13 If you end the ENRA, this is it.

14 We can't proceed because it would be a gift of
15 public funds.

16 It would be all kinds of legal problems.

17 San Diego has no intention, from what we were told,
18 of doing anything on that site.

19 It's too small a project for them.

20 They have many bigger fish to fry.

21 The letter from Councilman LaCava, I was in the
22 meeting.

23 My read on it was, if he wasn't supportive of
24 trying to take this forward, there wouldn't have been a

1 letter.

2 So the fact that the letter exists is a testament
3 to his intent to test his council.

4 We were told to take the council route.

5 We said we could gone the mayoral route.

6 We could have gone the council route.

7 We were instructed that the council route was the
8 most effective way to go and that's what we did.

9 I would say, you know, again, we're trying to do
10 all the work here.

11 We're going to pay for the annexation.

12 We're going to pay for the laugh work.

13 We've been told 8 months.

14 We're thinking it's more like 12, maybe a little
15 longer, but it's something we're willing to do.

16 And it's just ironic that for small coastal cities
17 getting accused of being anti-housing, we're the ones
18 sitting here begging for 61 affordable housing units.

19 And I think director Blair's had a great idea.

20 You could do 120 units there.

21 You could do market rate there if you wanted to.

22 There's You talk about wanting to make more money.

23 That's a nice way to make more money.

24 We're here in support.

1 We're trying to be good neighbors.

2 We hope you feel the same about us.

3 Thank you.

4 CHAIR NEJABAT: We'll limit it to two other comments
5 before we move on.

6 Thank you.

7 LAURA DeMARCO: I'm not only here as Friends of Del
8 Mar Horse Park co-founder, but also Chair of the city of
9 Del Mar's finance committee.

10 Ten years ago, we were not in a fiscal position to
11 even embark on affordable housing.

12 Now we are.

13 We've reserved for it.

14 We really want to get it done.

15 Our staff has worked really hard to get it done.

16 Don't put a roadblock, please, and terminate this
17 agreement.

18 Because then the city of San Diego go, who cares?

19 Why?

20 Why have us accelerate this process, which they
21 already indicated they were willing to do?

22 Normal LAFCO process takes 24 months.

23 They committed to 6 to 8 months, which is light
24 speed.

1 Okay, guys.

2 And the other thing is Del Mar has done a lot of
3 great things for you guys.

4 I was at the racetrack on Saturday when I was
5 crossing the street after the sixth race.

6 There was Del Mar fire department people there
7 because somebody had somebody needed help in the
8 grandstand.

9 We our fire department's there for you.

10 We've just spent an a lot of money on Jimmy Durante
11 improving it which is a great improvement.

12 There's more things that we can do, especially if
13 you give us this site to make great affordable housing
14 so we could have great housing for the workers that make
15 these animals and take care of them.

16 Thank you.

17 KAREN BRINDLEY: Good afternoon,

18 Karen Brindley, once again.

19 I would just respectfully request that the ENRA
20 remain in place.

21 We have some critical deadlines with HCD coming up
22 in November of 2026.

23 As we've demonstrated here, we're making good
24 progress with the city of San Diego.

1 I'd like to be able to continue that.

2 We've got some critical meetings that are

3 forthcoming and we'll know more as we continue on those

4 discussions as well as the process with LAFCO.

5 Thank you.

6 CHAIR NEJABAT: Thank you.

7 And now to circle back, we have a motion in a

8 second.

9 We'll take the role.

10 MS. ARNOLD: Chair Nejabat?

11 CHAIR NEJABAT: Aye.

12 MS. ARNOLD: Vice Chair Barkett?

13 VICE CHAIR BARKETT: Nay.

14 MS. ARNOLD: Director Blair?

15 MR. BLAIR: Nay.

16 MS. ARNOLD: Director DeBerry?

17 MS. DeBERRY: Aye.

18 MS. ARNOLD: Director Mead?

19 MS. MEAD: Aye.

20 MS. ARNOLD: Director Miyahara?

21 MR. MIYAHARA: Aye.

22 MS. ARNOLD: Director Morales-Roth?

23 MS. MORALES-ROTH: Aye.

24 MS. ARNOLD: Director Schenk?

1 MR. SCHENK: No.

2 CHAIR NEJABAT: All right.

3 Motion carries.

4 We'll now move on to item 8E, the people and
5 culture committee report.

6 This is an information item only.

7 No action will be taken.

8 I'll now recognize Director Mead to provide the
9 verbal report.

10 MS. MEAD: Thank you.

11 I'm on page 202, which is the Fair Ops Committee
12 report.

13 As I shared with you earlier, on August 5th, my co-
14 chair Fred Schenk and I met with Katie and Becky to have
15 our first meeting post-fair and begin looking not taking
16 information from -- what?

17 MS. BARTLING: Are you talking about Fair Ops, or
18 People and Culture?

19 MR. SCHENK: You're right, people and culture.

20 MS. BARTLING: Yeah, people and culture.

21 Wait, I was like, wait, now we're doing fair, too.

22 MS. DeBERRY: It's all good.

23 MS. MEAD: What page am I on?

24 MS. BARTLING: You are on --

1 MS. MEAD: Oh, it's a verbal.

2 MS. BARTLING: You're not on a page.

3 MS. MEAD: It's a verbal recap.

4 MS. BARTLING: You're page-less.

5 MS. MEAD: Thank you.

6 I'm page-less.

7 Thank you very much.

8 See, I had my page marked.

9 We will first talk about the People and Culture
10 committee, which my co-chair, Donna DeBerry, and I met
11 with Becky.

12 There were three things that we reviewed during
13 this meeting.

14 The first was we want to share with the board that
15 all of the time we spent earlier this year to work on
16 CEO goals, we have picked up that process again with
17 Becky and thanks to Becky, what she's working with us on
18 is refining the goals so that they work for Becky in
19 terms of the organization that she's come into and what
20 she can commit to achieving.

21 And during this next calendar year of our
22 operations.

23 So that's first.

24 We expect that in September we're going to come

1 back to you with those CEO goals and an update of
2 Becky's tenure thus far and we have already asked Becky
3 and Chair Nejabat to have a CEO performance uh executive
4 session on that next agenda.

5 The second thing that the People and Culture
6 committee looked at was... somebody give me a clue
7 because I didn't turn my page.

8 MS. BARTLING: Board committees.

9 MS. MEAD: Thank you, thank you.

10 We did have a conversation about board committees
11 and we h this conversation was because staff is again
12 people and culture committee looks at people the
13 organization and the impact on the culture the board
14 committees we have several board committees we have some
15 added board committees and we're asked we're asked to
16 look at the impact of these we asked Becky to go back
17 and talk with our Board Chair because the committees are
18 established by our Board Chair and staffed by our Board
19 Chair as recommended by him.

20 So that was referred back to from out of our
21 committee back to our Board Chair.

22 We will continue to meet so that we are looking at
23 Becky's performance for September.

24 And with that, that was our meeting.

1 CHAIR NEJABAT: Okay.
2 Thank you.
3 Anything else to add?
4 Any questions?
5 No.
6 Okay.
7 Anyone we'll now take up public comment.
8 Anyone in the room who'd like to speak on this
9 report?
10 Seeing nobody in the room --
11 MR. SCHENK: Literally seeing nobody in the room.
12 CHAIR NEJABAT: Well, one person.
13 MS. BARTLING: Well, there's two Joshes here.
14 MS. MEAD: Yeah, there's a couple of Joshes.
15 CHAIR NEJABAT: That concludes public comment on
16 this informational item.
17 Might be a good time to take a few minutes of a
18 break.
19 [crosstalk] Good idea.
20 [The Board recessed for a short break at 2:48 p.m.
21 The meeting resumed at 2:58 p.m.]
22 MR. RIVERA: We are live again.
23 CHAIR NEJABAT: Thank you.
24 The time is 2:58 p.m. and we are back from a break.

1 We'll now move to item 8F which is the DMTC liaison
2 committee report.

3 This includes three information items now and one
4 action item.

5 The report can be found starting on page 197.

6 And just a reminder, the governor's plaque will
7 also be brought up.

8 I will now pass it over to you, Director Arabo.

9 MR. ARABO: Thank you, Chair Nejabat, my colleagues
10 on the board.

11 For the DMTC report, the packet starts at page 197
12 to 2011.

13 Everything's pretty much in the packet.

14 Couple things I want to highlight and first want to
15 thank Josh Rubinstein, DMTC, if he wants to come to the
16 queue.

17 Opening concert.

18 I want to thank this board for allowing -- the
19 direction to give the District for doing a concert at
20 the sound for opening day.

21 It was around over 800 people in total.

22 The District did make money and so it's a big, big
23 success.

24 One month before we announced one month before we

1 did it and thanks to DMTC for helping us with that.

2 And do want to get some direction from the board.

3 Is it something we should do next year, and really

4 want to get your directive?

5 Sshould the committee explore or not?

6 What does everybody think for the concert?

7 CHAIR NEJABAT: I think that'd be great.

8 MS. DeBERRY: Are you asking -

9 MR. ARABO: Just if you give us some guidance, like

10 input.

11 Should we do another afterparty for next year's

12 opening day races?

13 MS. BARTLING: At the Sound.

14 MR. ARABO: At the Sound, yeah.

15 MS. DeBERRY: I absolutely am for that.

16 I actually, you know, had a conversation with a

17 couple of people that attended, late, but they really

18 loved it.

19 And what I did like about it, there's two things.

20 One is that the time that you had, it was it from

21 7:30 to what, 10:00?

22 So for people who did not attend the races but

23 wanted something to do, it was a great opportunity to

24 involve the community like community at large as well as

1 for people who attended the fair.

2 So I thought it was really great.

3 It's obviously a revenue generator, right?

4 You know maybe we can think about some doing some
5 things different, just differently within the venue.

6 MR. ARABO: Yeah.

7 MS. DeBERRY: I think I heard some recommendations
8 about leveraging utilizing some of the rooms for
9 different kind of m different music venues with in that
10 day.

11 But also thinking through F&B, right?

12 And what type of entertainment is it just a DJ or
13 do we want to bring in something, you know, like a rock
14 star?

15 MR. SCHENK: Or maybe the Arena as a venue.

16 MS. BARTLING: Josh has a lot -- not just Josh --
17 DMTC has a lot of things going on in the arena during
18 that time frame.

19 There's a lot of staging.

20 MR. ARABO: Yeah.

21 Or if you want, or other members of the board -- so
22 that way the committee could work on it and it'll bring
23 it back to the board on but we want as many
24 recommendations as possible to not just generate revenue

1 but more amenities for our patrons for opening day.

2 MS. MEAD: Yeah.

3 Mark, I have to tell you, I heard a lot of people
4 who and I was really, with Molly's help, trying to get
5 people to go to the event and getting tickets to folks
6 and so on.

7 And I think that planning ahead, this year came
8 together pretty quickly.

9 But I was actually very impressed with the numbers
10 that coming together that quickly generated that kind of
11 revenue.

12 Once we found out about this, I was looking at
13 other venues, events, and there were some that were a
14 lot more expensive than ours.

15 And I think being right here enabled people to say,
16 you know what, after the races, I'm not going to get on
17 the road.

18 I'm going to go there and have some fun.

19 So, I suggest doing it again and just starting
20 early.

21 And I'm happy to think through some suggestions,
22 ideas to give to you guys.

23 MS. DeBERRY: The last thing I do, just one thing.

24 I also am going to recommend that you really take

1 the opportunity around a branding campaign, like really
2 marketing and branding that maybe a little differently
3 than you did before because I think there was some
4 confusion on whether that was the official afterparty or
5 what was really going on.

6 But let me tell you, don't worry about it, because
7 the official afterparty was \$475.

8 So, I'm not I don't think it was a lot of people
9 that were going to show up at that, but certainly just
10 the branding aspect of it.

11 MR. ARABO: Okay.

12 MR. BLAIR: And I went by later in the night as it
13 was winding down.

14 I thought it was cool.

15 It was a whole different clientele.

16 It was young, you know, 20, 30 years old.

17 MS. DeBERRY: My age.

18 MR. BLAIR: Hmm. Died for lack of a second.

19 It was way younger than us.

20 Which I thought was great because it was a new
21 audience to come to the sound and well they probably go
22 to the Sound but to come to the fair and races and
23 stuff.

24 So that's what I thought was cool.

1 MS. MORALES-ROTH: I agree.

2 I my only recommendation is the promotion.

3 Exactly.

4 The branding I think it was a huge success for such
5 a quick turnaround and everything but if we can push it
6 with other community partners or even the cities like we
7 can do some sort of cross collaboration having even more
8 influencers that we already worked with DMTC and
9 bringing them in so they can actually do that
10 advertisement way in advance almost giving them like oh
11 here's a VIP if you go to the Sound for the afterparty
12 and this is where all the influencers are.

13 So that could be a great idea, but it was
14 phenomenal, so thank you.

15 CHAIR NEJABAT: Yeah and I just want to add if we
16 can start earlier in the process and work on getting a
17 good act or a better act to do a concert or performance
18 I think it would do even better.

19 MR. ARABO: Great.

20 CHAIR NEJABAT: Thank you for the work last minute.

21 I know that was not easy.

22 MR. ARABO: Thank you.

23 Thank you for the committee to Director Barkett --
24 Vice Chair Barkett and Josh and the Sound and thank you

1 Chair Nejabat for and the board for allowing us to
2 explore it.

3 We did it with one month to do it and Becky and the
4 team and Katie pulled it all together.

5 So, we're very grateful and impressed and the
6 Sound, they did a great job.

7 Belly up did a great job promoting it and his
8 vision of let's make it work.

9 And that that building is very big.

10 There's different rooms.

11 I got to took a tour with Becky and she showed me
12 what they used to do in the past with acts and
13 definitely we need Chair Nejabat's help.

14 I know you know a lot of people in the
15 entertainment world, and Director DeBerry, of what we
16 should do and offer.

17 Okay.

18 So there's the opening day concert and then the
19 other item if we'll jump around right before Josh is the
20 screens for the DMTC screens.

21 I don't know if we want to do that or should I give
22 it over to Josh.

23 Before passing over to Josh I want to really thank
24 him for his leadership and DMTC's leadership.

1 Horse racing, we have our challenges.

2 The industry has its challenges, but really Del Mar
3 is a premier destination spot for horse racing.

4 The equine safety, unfortunately, we've had some
5 tragedies this year.

6 We give our deepest condolences.

7 And it's important to always know the economic
8 impact and the social impact horse racing does have.

9 In our packets, it shows that horse racing over 25
10 years has given around half a billion dollars to the
11 state of California just from the DMTC's being here and
12 around \$150 million over the last 25 years in rent to
13 the District.

14 So with I think we have 30 or 40 million in the
15 bank.

16 So imagine if we didn't have horse racing for the
17 last 25 years, we would be non-existent.

18 So really grateful for Josh what you do and
19 bringing people out.

20 And without further ado, I'll pass it over to you.

21 JOSH RUBINSTEIN: Thank you, Director Arabo.

22 And good afternoon, District directors and staff.

23 I have about a 45-minute presentation.

24 I hope that's okay.

1 Just kidding.

2 I know it's been a long day.

3 Just a few remarks.

4 So it's hard to believe that we are more than
5 halfway through the end of the summer meet.

6 It feels like it's just yesterday was opening day.

7 The first half of the meet has delivered strong
8 results led by competitive racing in full fields.

9 Average field size and industry leading 8.6 runners
10 per race and that's really important.

11 The more horses, obviously the more wagering that
12 goes on in those races.

13 Wagering across most all segments has seen an
14 increase which is obviously helps our bottom line.

15 The opening day crowd was a sellout.

16 So, it was great to see so many of you at opening
17 day and we've seen positive attendance trends through
18 the first five weeks.

19 Our biggest race day is on Saturday and I know some
20 of you will be attending.

21 It's the \$1 million Pacific Classic and as we like
22 to say internally, opening day is about the party;
23 Pacific Classic is about the racing.

24 And we have an incredible card.

1 As I said, the million-dollar Pacific Classic, four
2 total stakes races, three Breeders' Cup win and you're
3 in qualifying races.

4 So, a lot going on and it's really worldclass
5 racing, you know, at the highest level.

6 You know, as I said, it it's been wonderful to see
7 so many of you at the races this summer, and we're very
8 appreciative of your engagement, your continued
9 engagement, and as I've discussed with many of you, um,
10 equine safety and welfare remains our top priority, and
11 we continue to provide resources to expand our
12 protocols, including um, enhanced veterinary oversight.

13 As Director Arabo mentioned, in your board package
14 is, we feel, really some compelling data.

15 So 2000 the year 2000 through 2025 the total amount
16 provided to the state of California from horse racing at
17 the fairgrounds conducted by DMTC and over that time
18 period over \$544 million has been provided to the state
19 of California through horse racing right here at the
20 fairgrounds.

21 I'll say that again.

22 \$544 million since 2000 because of horse racing to
23 the state of California.

24 Closer to home, since 2000, uh, the District and

1 the RTA have received \$295 million from horse racing
2 operations when you include food and beverage.

3 Like many businesses, DMTC has become increasingly
4 reliant on digital sales.

5 In our case, that's internet wagering, which is a
6 huge part of what we do.

7 But as you can see from the analysis in the board
8 package, the revenue that's produced each race meet
9 continues to be strong.

10 We're very appreciative of the support we received
11 from this board and the District staff working with
12 Becky and Katie and the rest of the team.

13 We could not do that without them.

14 And it allows us to put on not just a world-class
15 racing event, but a world-class entertainment event.

16 So with that, I'm happy to answer any questions you
17 may have.

18 MR. BLAIR: Josh, 544 million is a whole lot of
19 money.

20 Can you give us a sense of the trend over that?

21 Twenty-five years is a long time.

22 Like in 2000, what kind of returns did we give to
23 the state versus last year?

24 JOSH RUBINSTEIN: So yeah, if you look at the far

1 right column, in 2000, the total amount was 21 -- 22
2 million.

3 In 2025 we were at 19 million.

4 2024 we're at 20 million.

5 2023 we're at 18 million.

6 So we saw an increase from 18 to 24.

7 You know and a lot of it our as I said you know our
8 reliance on internet wagering has changed.

9 In 2000 most of the revenue derived was on track.

10 It was people coming to the track and wagering.

11 Now we're making it more convenient for people to
12 bet.

13 So even at the track, you don't have to necessarily
14 go up and stand in line and bet with a live teller.

15 You can do it on your phone and we geotrack those
16 internet wagers.

17 So we're getting compensated at the same level that
18 if you're going to the windows.

19 MR. BLAIR: Is it the same level?

20 JOSH RUBINSTEIN: Yeah, it's just a tick less.

21 But you know, from a customer convenience side, it
22 is something that that we encourage.

23 MR. ARABO: Yeah.

24 And if you go on page 201, has the breakdown of

1 every year and where that 544 million came from.

2 It shows trends, District rent, food and beverage,
3 sales and property tax, city of Del Mar, other
4 California cities, total payments, charity payments,
5 equine research and breeders awards.

6 So really it's very comprehensive.

7 It shows the economic impact.

8 And this does not include all the economic impact
9 horse racing has in the surrounding cities.

10 When Breeders' Cup comes in, around \$200 million
11 economic impact.

12 So really love to see the numbers and the data.

13 Thank you Josh for also taking care of the
14 backstretch.

15 The backstretch is very important to and also big
16 thank you to state of California.

17 For the first time in 15 years, state of California
18 has given \$8 million over two years to CHRB which is the
19 horse regulator and safety.

20 Four millions \$4 million each year.

21 Thank you to Peter Stern from CHRB for really
22 championing that and shows the really the commitment to
23 keeping this the horse racing alive in the state.

24 JOSH RUBINSTEIN: And Director Arabo, thank you for

1 bringing up the economic impact.

2 Just like the fair is responsible for a significant
3 amount of jobs, horse racing each summer, over 3,000
4 jobs right here at the fairgrounds.

5 So, that's, you know, something that, you know,
6 we're very proud of in terms of providing the community
7 with jobs.

8 And then, of course, when the races are over,
9 people going to not just Del Mar, but all throughout
10 North San Diego, hotels, restaurants.

11 It really is a huge benefit to the community.

12 MS. DeBERRY: I have a question for you, Josh.

13 Are we measuring at all the economic impact of the
14 races outside of the fairgrounds, outside of the races
15 like in in the city of Del Mar, Solana Beach, the city
16 of San Diego?

17 Is there are we measuring that though?

18 JOSH RUBINSTEIN: Yeah, we did a an economic impact
19 survey with the Breeders' Cup last year and the total
20 impact from horse racing on the fairgrounds, the local
21 community was over \$300 million.

22 MS. DeBERRY: Excellent.

23 Excellent.

24 MS. MEAD: Not chump change.

1 MS. DeBERRY: No.

2 MR. BLAIR: Over how many years?

3 JOSH RUBINSTEIN: Just the one year.

4 In 2025 the total economic impact to the region,
5 north San Diego County, over \$300 million.

6 MR. BLAIR: In those three days?

7 JOSH RUBINSTEIN: No, I'm sorry, from horse racing
8 at the fairgrounds.

9 MR. BLAIR: Oh, horse racing.

10 JOSH RUBINSTEIN: With Breeders' Cup folded in.
11 Yes.

12 MR. BLAIR: Okay.

13 MR. ARABO: So economic impacts just for one year's
14 300 million and then 19 million hard dollars to the
15 state and through rent.

16 JOSH RUBINSTEIN: Yes.
17 Yes.

18 MR. ARABO: Great.

19 MR. SCHENK: Breeders' Cup is in two years? Back
20 here?

21 JOSH RUBINSTEIN: We hope so.

22 MR. ARABO: We're hoping.

23 JOSH RUBINSTEIN: We hopefully we'll be coming to
24 you guys in a few months with some positive news.

1 And we've talked about this at previous meetings.

2 It's a very competitive landscape and Director
3 Arabo mentioned the video boards being able to in our
4 discussions with the Breeders' Cup to show them that we
5 are investing in the facility.

6 That's a big deal because you've heard me mention
7 it before.

8 They're going to Keeneland this year in Lexington.

9 Keeneland just underwent a \$120 million plus
10 paddock renovation in 2027.

11 And they're going to Belmont Park which has a brand
12 new facility, costs of over \$550 million.

13 So it's the competition is steep.

14 MR. SCHENK: That's why I was asking really is in
15 anticipation of that potential --

16 MS. BARTLING: Fred, your --

17 MR. SCHENK: Thank you.

18 That's why I was asking because if that is a
19 potential date for us, what do we need to do to be
20 competitive amongst that?

21 JOSH RUBINSTEIN: So yeah, as I said, investment in
22 the property goes a long, long way.

23 So I know that the Breeders' Cup loves coming to
24 Del Mar.

1 They love the facility.

2 They love working with you all and the team at
3 DMTC, obviously all the you know surrounding wonderful
4 benefits that that North San Diego County has to offer.

5 But they're also looking for you know what's new
6 and shiny.

7 MR. SCHENK: How about elevators at work?

8 JOSH RUBINSTEIN: That would help too.

9 CHAIR NEJABAT: All right.

10 Any other questions?

11 MS. DeBERRY: Escalators.

12 MS. BARTLING: Josh, I have a question for you.

13 So, when horse racing in Northern California went
14 away, what my understanding was is that you all,
15 including Santa Anita and Los Alamitos would be riding
16 races that those horse owners and trainers could
17 actually come down here and run.

18 How successful has that been?

19 JOSH RUBINSTEIN: It's been very successful.

20 It's helped us maintain the field size levels that
21 we're at.

22 I mentioned the industry leading 8.6 six runners
23 per race.

24 You know, many tracks would love anything that

1 starts with a seven and, you know, here we are over
2 eight and a half.

3 So yes, we there have I'd say about 65 to 70% of
4 the horses in stables from Northern California have
5 migrated down south.

6 The other percentage have went to Arizona and
7 Washington, kind of more secondary racing.

8 But you know several of the trainers are doing
9 quite well and as you said, Becky, we are riding races
10 to ensure that those horses you know have spots to
11 compete.

12 MS. BARTLING: That's great.

13 Thank you.

14 MR. ARABO: Yeah.

15 And I think it also increased purses by 15%.

16 So it also so it's -- it's helped with the single
17 circuit.

18 Hopefully Santa Anita stays though, because we need
19 Southern California racing.

20 Also news, Joe Harper, legendary Joe Harper, DMTC,
21 the end of the season, is retiring as CEO.

22 And congratulations, Josh Rubinstein will be the
23 CEO of DMTC.

24 MR. ARABO: Well, well, well deserved and all the

1 great work you do and can't thank you enough.

2 JOSH RUBINSTEIN: Thank you.

3 MR. ARABO: Thank you.

4 CHAIR NEJABAT: Thank you, Josh.

5 We need to take public comment.

6 Public comment.

7 Thank you, Josh.

8 All right, we'll now move on to public comment on
9 item 8F3.

10 LAURA DeMARCO: Yes.

11 In addition to the economic impact was incredible.

12 We now have a grocery store in little old Del Mar
13 that is being supported there.

14 Their proceeds have gone up dramatically with the
15 racetrack in and every restaurant.

16 Have you gone to Del Mar lately?

17 It is packed.

18 There's no parking at the plaza.

19 Go park at St. Peters.

20 That's a word to the wise, okay?

21 The social impact.

22 Yours truly has been going to the racetrack since I
23 was this high.

24 All the well-behaved grandchildren my grandparents

1 would take to the track.

2 We would sit at the table with them and they would
3 point out Desi Arnaz and Lucille Ball and Martin Milner,
4 you know, all these people.

5 When David Cassidy of the Partridge family sat in
6 the box next to us, oh my god, that was that was the
7 best.

8 So, I'm just telling you the social impact, the
9 bonding.

10 I mean, look at your race racing form.

11 It says on there, it has somebody's birthday
12 they're honoring.

13 You see the entire family go down into the paddock,
14 go to the winner circle.

15 I still have my grandmother's picture of her 90th
16 birthday, you know, the, you know, uh, with her.

17 I mean, it's incredible.

18 So, there's a lot of great social impacts in Del
19 Mar, the entire community, a multigenerational stuff.

20 It's not about gambling.

21 It's about socializing and seeing the most
22 beautiful horses.

23 Thank you.

24 CHAIR NEJABAT: Thank you.

1 Anyone else who'd like to speak on that?

2 We have two members of the public online.

3 Martha Sullivan.

4 MARTHA SULLIVAN: Hello, this is Martha Sullivan and
5 you know there's been some confusion with the comment
6 numbering for the on the registration system.

7 So, I'm actually going to do my comment for 8F2 on
8 the summer race meet, which was listed on the
9 registration page, and save 8F1, which was on the
10 registrations page for when you do the video boards.

11 That being said, I'd like to have my clock start.

12 Now, Del Mar's wagering handle this past weekend
13 was down 4.2% 2% from 2025, even with one more race this
14 year.

15 And the average field size this year was down 9%.

16 Wagering on Thursday, Friday, and Saturday, was
17 each down over 10% per the final equals race chart each
18 day.

19 For comparison, Del Mar's biggest competition,
20 Saratoga, had over twice the Del Mar wagering handle on
21 just 36% more races than Del Mar last week.

22 Opening weekend, Del Mar's wagering handle was down
23 3.4% on the same number of races and big races in 2025,
24 Ian, with the addition of the \$300,000 San Diego

1 handicap in 2026.

2 Saratoga's handle was 52.6% higher than Del Mar's
3 even at 20% fewer races at Saratoga than in 2025
4 reported by the daily racing form on August 6.

5 Quote, "The two-year program two-year-old program
6 in California is reeling.

7 Only four unrestricted special weight dirt bases
8 have been run this year in California.

9 Since then made them special weights for two-year-
10 olds on August 2nd and 8th were scrapped due to
11 insufficient entries.

12 End quote.

13 Del Mar racing continues to dim as California horse
14 racing continues its inexorable decline at the leading
15 edge of the continuing nose dive of the US horse racing
16 industry.

17 Thank you.

18 CHAIR NEJABAT: Thank you.

19 Jane Cartmill?

20 JANE CARTMILL: Live horse racing in California has
21 long outlived its 1933 purpose of generating gambling
22 revenues.

23 It's time to put it out of its misery.

24 That is, out of the horse's misery.

1 25 reported dead by the California Horse Racing
2 Board in less than eight months of 2026 racing so far at
3 only three racetracks still operating, down from nine in
4 2024.

5 These deaths include three racing deaths here since
6 July 26.

7 Wagering on US horse races continues its downward
8 spiral since 2003, dropping 4.45% 45% in July during
9 peak summer racing season and dropping 4.51% year-to-
10 date -- the industry data standard.

11 The industry in California likes to tout a 50% drop
12 in horse deaths since 2019 but the number of race starts
13 are down 48% in California since 2019.

14 24,764 in 2019 versus 12,874 in 2025.

15 According to the 2026 Rocky Club Factbook, not
16 racing horses is what spares their lives, and the public
17 is increasingly aware of this as the industry continues
18 its decline.

19 Our California legislature can put a proposition on
20 our November 2028 ballot, repeal the legalization of
21 gambling on live horse racing, and end the misery all
22 around.

23 CHAIR NEJABAT: Thank you.

24 That concludes public comment.

1 We'll now move to item 82, which is an action item
2 discussion vote on like -- for like replacement of the
3 infield video board versus designing and constructing a
4 new structure.

5 We'll begin with public comment.

6 Anyone in the room who'd wish to speak on this item
7 seeing nobody in the room wishing to speak?

8 We have three members online.

9 We'll begin with Martha Sullivan.

10 Martha, I know you wanted to speak on this item.

11 MARTHA SULLIVAN: This is Martha Sullivan.

12 Is this on 8F1 the infield video board?

13 CHAIR NEJABAT: 8F2.

14 Yes.

15 MARTHA SULLIVAN: You know, your numbering is all
16 screwed up.

17 All right.

18 I'm going to just do my comment and spending more
19 for horse racing is an unwise choice at this time.

20 Published July 21st in the New Yorker.

21 Quote, "Fewer people are attending live races and
22 fewer people are betting on horses.

23 Betters in the US place a record 166.94 billion on
24 sports in 2025.

1 Just 11 billion of that was on horse racing.

2 In some states, including New York, the sport is
3 largely bolstered by state subsidized loans.

4 There is no real way to defend the sport, the
5 writer writes, the author writes, McCarthy.

6 Racing kills about 850 horses in the US each year.

7 When private training facilities are included, the
8 annual death toll may reach 1,800.

9 End quote.

10 With the three racing deaths in two weeks so far
11 this year, it is now 132 horse deaths at Del Mar Racing
12 in 13 years.

13 No legitimate sport would tolerate such deaths to
14 its athletes in just one venue during competition for
15 only 12 weeks each year.

16 California taxpayers will now fund 23% of the
17 California Horse Racing Board's \$17.1 million annual
18 budget as the horse racing industry continues to nose
19 dive in California with only three operating tracks now
20 versus nine in 2024 and nationally with 53 tracks closed
21 since 2000.

22 In prior years, it was funded 100% by the
23 California industry.

24 The California horse racing industry is literally

1 on life support.

2 Thank you.

3 CHAIR NEJABAT: Thank you.

4 Next up, Jane.

5 JANE CARTMILL: Don't throw good money after bad for
6 new video boards for the Del Mar racetrack.

7 Wagering on live horse racing was made legal by
8 California voters in 1933, 50 years before they
9 authorized the California lottery and Native American
10 gaming became legal in California.

11 These two gambling options have boomed while
12 gambling on live horse racing has continued to decline.

13 For the most recent annual report of the California
14 Horse Racing Board, 2.69 billion was wagered on
15 California racing between July 1, 2024 and June 30,
16 2025.

17 This is down from 2.8 8 billion the prior year at
18 only two year round tracks and a handful of fairgrounds
19 tracks running a few months annually.

20 Now that's down to two year round tracks and one
21 fairgrounds track.

22 In contrast, the California lottery recorded nearly
23 9 billion in sales, resulting in a contribution of more
24 than \$1.9 billion to school Districts, educational

1 institutions, and state agencies.

2 The lottery's network of over 23,000 retail
3 partners across the state played a crucial role in these
4 sales figures, earning over 612.2 million in commissions
5 and bonuses in fiscal year 2425.

6 Last year, tribal gaming operations in California
7 generated 8.5 billion in gross gaming revenue at 85
8 tribal casinos.

9 California horse racing wagering revenue will be
10 down again in the next CHRB annual report fully
11 reflecting the loss the six operating tracks in 2025.

12 CHAIR NEJABAT: Thank you.

13 Next up we have Lynn.

14 LYNN FREUDENBERG: Hi there.

15 I'm going to read something from the Athletic.

16 It was in the New York Times and it's commentary
17 from Jason Lloyd.

18 He quotes, "This isn't about six races.

19 It's about survival.

20 If it feels like the thoroughbred championship
21 series, a six race competition announced jointly this
22 week by the Church Hill Dons and New York Racing
23 Authority is a Hail Mary attempt to save horse racing
24 from national extinction.

1 Well, it just might be true.

2 Given the financial woes coupled with animal rights
3 groups that continue to dent the sports economics, it's
4 fair to wonder what form horse racing will take in
5 another 25 years.

6 Activists do not directly lead to the demise of
7 horse racing, but they have certainly accelerated the
8 process by highlighting the sports doping scandals and
9 amplifying images of animal mistreatment to a generation
10 more sensitive to animal suffering for entertainment
11 purposes.

12 This has been on display at Del Mar's racetrack
13 this summer.

14 Three racing desk of horses at Del Mar's in two
15 weeks.

16 Three-year-old Philllies Valentina Jan on August 6th
17 and Can You Dream on July 26th and four-year-old Colt
18 Cornucopia injured racing on July 25th and reported
19 euthanized on July 26th.

20 No legitimate sport would tolerate the deaths of
21 three of its athletes within two weeks at the same
22 venue, and then carry on as if it's nothing.

23 Please don't dismiss this as unfortunate incidents.

24 Maybe think forward and ask how many more will die.

1 And I did sign up for the commentary before and I
2 was not called.

3 I didn't I didn't wasn't able to raise my hand
4 because I'm just on my phone.

5 CHAIR NEJABAT: Thank you.

6 That concludes public comment.

7 Before we begin discussion, I will entertain a
8 motion.

9 MR. ARABO: I'll do a motion to replace like-for-
10 like infield video boards versus designing and
11 constructing a new structure.

12 MS. MEAD: Second.

13 CHAIR NEJABAT: Okay.

14 All right.

15 Now we can discuss.

16 MR. ARABO: Okay.

17 All right.

18 Thank you, Mr. Chair.

19 The committee, Vice Chair Barkett and I, we had our
20 fiduciary hats on and we're thinking about along with
21 DMTC how do we maximize the experience for everyone
22 attending horse racing but save money because the
23 money's right now we have to make sure we're
24 safeguarding the District assets.

1 Also, there are some issues with RFPs and what
2 looks like should we do it or should we not?

3 And the explanations are in the packet, but the big
4 picture was the previous board meeting, the board
5 approved up to \$3 million to bid do bigger screens.

6 And then the idea came to the committee of let's do
7 like-for-like we could save around \$2 million for the
8 District.

9 And we could also get a rental for the infield
10 which cost around \$45,000 per week just for opening day.

11 And the idea was save money, increase experience
12 for the customer and make it more streamlined.

13 I don't know if Director Barkett wants to also
14 mention of what we spoke about with the screens and --

15 VICE CHAIR BARKETT: No, actually I think you've
16 done a great job.

17 You've handled this perfectly all the way through.

18 MR. ARABO: Thank you.

19 VICE CHAIR BARKETT: I mean, I'm just really amazed.

20 MR. ARABO: Thank you.

21 Thanks for your support.

22 And thank you to Josh at DMTC.

23 In every committee we do, we try to have the
24 fiduciary hat on and say I know the board gave us

1 marching orders, do bigger screens, but the way we kept
2 looking at it, it was hard to spend over almost over \$3
3 million up to 3 million.

4 And now we have a solution to spend maybe 1 million
5 or 1.2 million or less and have better screens, better
6 visibility.

7 It's a quick fix and the committee thinks we should
8 do it.

9 MS. MEAD: Can I just be sure that I understand
10 like-for-like?

11 MR. ARABO: Yes.

12 MS. MEAD: What I understand is that your mean like-
13 for-like is that we will stay at the same size, but with
14 improved technology which will improve the visual
15 experience.

16 MR. ARABO: Correct.

17 So think of the screens as little Lego pieces.

18 MS. MEAD: Yeah.

19 MR. ARABO: So same structure, changing out those
20 Lego pieces.

21 We won't need to do five points anymore because
22 that went out last year right before Breeders' Cup when
23 we did an -- the District staff did an emergency repair
24 and that's been fixed.

1 So the idea is same structure, new Legos, save
2 money, and hopefully I don't know how the board feels.

3 We could even change the other screens like-for-
4 like.

5 The entrance, those little, smaller screens.

6 And so it it's a better user experience, save the
7 District \$2 million, and be mindful of our of our spend.

8 MS. MEAD: Thank you,

9 CHAIR NEJABAT: Director DeBerry, and then Director
10 Blair.

11 MS. DeBERRY: Yes.

12 This is more of a question.

13 So one of the things that we've talked about is
14 about future events and bigger concerts and things like
15 that.

16 My question is that will this conversation come up
17 again because now we've decided that we need bigger and
18 better and now we're going to spend more money to get
19 bigger and better, or B, we do it now because we already
20 approved that and that we keeping in mind our future
21 vision of our master plan, our events, all of the things
22 that we're thinking of doing.

23 Just a question.

24 MR. ARABO: Yeah.

1 No, it's something that the committee did study.

2 A good idea that Vice Chair Barkett had was she's
3 seen at other places where you rent screens.

4 So, it's a rental from a company and you
5 strategically place them on the infield.

6 And we asked DMTC to get us a quote of it and we're
7 happy to see it's around \$45,000 per week, so we can be
8 strategically doing it for example the week of opening
9 day next year and that way we don't have to store it
10 technology you reel it in, bring it in, you take it out.

11 There's ways you could maximize the experience with
12 minimizing the cost.

13 So for concerts and events, similar to what they do
14 when we do for concerts, we bring in the big screen and
15 then take it down.

16 MS. BARTLING: Right.

17 It wouldn't it wouldn't be a benefit to the fair
18 concerts because it's off to the side,

19 MR. ARABO: Right.

20 MS. DeBERRY: Okay.

21 MR. ARABO: And there's so many permits.

22 Coastal permits and structural and engineering and
23 infill.

24 The master site's not done, so, the committee felt

1 like we could save money, like-for-like, and streamline
2 it.

3 MS. DeBERRY: Thank you.

4 MR. BLAIR: I think this is a good idea.

5 I'm trying to understand.

6 So, we're supporting the concept of renting the
7 \$45,000 when needed, the \$45,000 in-and-out piece for
8 opening day.

9 How much money is involved?

10 MR. ARABO: So, it's two different things.

11 This is before the board said let's go up to \$3
12 million to do bigger screens.

13 Now, the committee is saying let's not do bigger
14 screens.

15 Let's keep the same structure.

16 Instead of spending \$3 million, we'll spend 1.2
17 million.

18 We'll just replace the little Legos, think of them
19 as Legos, the thing that builds the screen.

20 MR. BLAIR: So that's the 750 plus 300?

21 MR. ARABO: Yep.

22 MR. BLAIR: Is that what we're doing?

23 MR. ARABO: Yeah.

24 In the packet.

1 The all-in expected for the project is now a
2 million fifty as opposed to \$3 million.

3 And now it's only two screens, as opposed to the
4 Five Points.

5 MR. BLAIR: Okay

6 MR. SCHENK: What's the life expectancy of this new
7 technology, Mark?

8 MR. ARABO: I think 10 years.

9 And a lot of the screens we have now are kind of
10 shaky at best, so we saw Five Points went out the week
11 of the Breeders' Cup.

12 Staff real quick replaced it, so we feel like it's
13 something that needs to be done with screens.

14 It's higher lighting, it's a crisper vision and
15 it's an overall win because we get to save money.

16 MS. DeBERRY: Are these screens, can you upgrade?

17 Are they upgradeable in any form of fashion that
18 technology that you're talking about, or is it that
19 after two or three years when new technology comes up
20 that we're replacing the screen?

21 I'm asking questions again.

22 MR. ARABO: Yeah, from what I understand, think of
23 it as pixels.

24 So even when you enter the fairgrounds, there's

1 little screens and each one's a little pixel like a foot
2 one foot by one foot and they just change those out.

3 MS. DeBERRY: Okay.

4 So it's upgradeable.

5 MR. ARABO: Yeah, you could upgrade it.

6 MS. DeBERRY: Okay.

7 MR. BLAIR: And five points stays the same.

8 MR. ARABO: Yeah.

9 Under this proposal, we could stay the same.

10 CHAIR NEJABAT: How long does this take?

11 I may have missed that.

12 The like-for-like replacement?

13 MR. ARABO: Hopefully, if it's like-for-like -- I'll
14 ask the staff or Josh.

15 We're thinking, I don't know.

16 Should be pretty straightforward, but I'll ask the
17 experts.

18 What do you guys think?

19 Like a long timeline.

20 MS. MUELLER: Does this work?

21 Okay.

22 Well, the paddock screen, we're hoping to have in
23 place after the fall meet.

24 So, probably like January, February timeline.

1 And definitely before the fair, of course, and then
2 the infield board shortly after.

3 So, obviously we have to go to bid on both of these
4 items.

5 MR. ARABO: We could have a goal by hopefully by the
6 next summer meet 2027.

7 Hopefully.

8 I know it's a goal.

9 But I want to thank everyone for bringing it to the
10 committee's attention.

11 And any idea that my colleagues think the committee
12 should study, please let us know because we're -- we
13 want to see horse racing survive and thrive with safety
14 top of our mind and a safe backstretch.

15 For this one, we'll save \$2 million approximately
16 and it'll be quicker.

17 CHAIR NEJABAT: Okay.

18 Any other comments?

19 No.

20 All right.

21 We'll take it to a vote.

22 MS. ARNOLD: Chair Nejabat?

23 CHAIR NEJABAT: Aye.

24 MS. ARNOLD: Vice Chair Barkett?

1 VICE CHAIR BARKETT: Aye.

2 MS. ARNOLD: Director Arabo?

3 MR. ARABO: Aye.

4 MS. ARNOLD: Director Blair?

5 MR. BLAIR: Aye.

6 MS. ARNOLD: Director DeBerry?

7 MS. DeBERRY: Aye.

8 MS. ARNOLD: Director Mead?

9 MS. MEAD: Aye.

10 MS. ARNOLD: Director Miyahara?

11 MR. MIYAHARA: Aye.

12 MS. ARNOLD: Director Morales Roth?

13 MS. MORALES-ROTH: Aye.

14 MS. ARNOLD: Director Schenk?

15 MR. SCHENK: Aye.

16 CHAIR NEJABAT: All right.

17 The motion carries.

18 will now move on to item 8G, the food and beverage

19 committee report.

20 This is an information only item.

21 I'll recognize Vice Chair Barkett to provide the

22 verbal report.

23 VICE CHAIR BARKETT: Thank you, Mr. Chairman.

24 If any everybody would like to follow in our board

1 package, it's on page 49 because it is a little
2 confusing.

3 The best part about this is all the operational
4 updates that are coming our way and we have new culinary
5 offerings themed you know foods and speakeasys as we saw
6 and that continues on with legends they keep
7 reformulating which I love now the variance in year-to
8 date with the client distribution is driven by early
9 operations overhead which always happens prior to the
10 fairgrounds and fair going off and with our contracts
11 our interim contracts with the sound.

12 So those always vary and when they start ramping up
13 that's when that operational overhead goes up.

14 But the interesting thing, if you go to net profit,
15 which is the one I'd love to point out right now, which
16 is second from the bottom, the net loss in early spring
17 was due to a high upfront operational overhead.

18 And that represents a standard pre-fair position.

19 Well, if you look at the loss of 792,3 look at our
20 loss in 2025, it was a million, one.

21 1,951,171.

22 So really, we're looking good right now with I love
23 the summer operations that we should improve with this
24 summer.

1 I think we're going to see a nice turnaround.
2 So I'm hoping.
3 And then Katie, I think you need to come up
4 regarding the RFP.
5 Is that correct?
6 Or is that Becky?
7 MS. BARTLING: I'll do that.
8 VICE CHAIR BARKETT: Okay.
9 Sorry.
10 MS. BARTLING: It's just a short information item.
11 We have been working on the consultant RFP and if
12 you remember the board supported hiring a consultant to
13 do an analysis of the benefits of staying with the model
14 that we have which is a management fee model or going to
15 straight percentage and then assisting us in the actual
16 RFP.
17 So we have drafted the consultant RFP and looking
18 sending that out in the next week or so.
19 MR. ARABO: Great.
20 I have a question.
21 Do we have dates on when the I don't think we met,
22 the committee.
23 Do you know when we're going to meet the food and
24 beverage committee?

1 MR. ARABO: Am I on that food and beverage
2 committee?

3 MS. BARTLING: You are.

4 I think we should have a meeting in --

5 VICE CHAIR BARKETT: I think we should wait till the
6 summer numbers come in.

7 MR. ARABO: Okay.

8 VICE CHAIR BARKETT: There's no reason to meet until
9 then.

10 MS. MEAD: But are you going to look at the RFP
11 before it goes out?

12 VICE CHAIR BARKETT: Oh, yeah.

13 Becky, you'll probably, but we'll have to see it
14 first and then we can -

15 MS. BARTLING: Yeah, I'll send it.

16 VICE CHAIR BARKETT: Hopefully it'll be a week.

17 MR ARABO: You know, the committee could see it
18 prior to going out.

19 MS. BARTLING: Yeah, sure.

20 MR. ARABO: Okay.

21 I want to thank Legends.

22 I'll tell you, they've really stepped up their
23 game.

24 Legends have done a great job.

1 So, whatever assistance you need, as a member of
2 the committee, I'd love to offer.

3 CHAIR NEJABAT: All right.

4 Thank you.

5 We'll now move on to public comment on the food and
6 beverage committee report.

7 Anyone in the room who'd like to speak on this
8 item?

9 We have two members online.

10 We'll begin with Gigi.

11 MR. RIVERA: He's not in, or they are not in the
12 queue.

13 CHAIR NEJABAT: Okay.

14 Sean

15 MR. RIVERA: Also not in the queue.

16 CHAIR NEJABAT: All right.

17 That concludes public comment on this informational
18 item.

19 We'll now move on to item 8H, the Fair Ops
20 committee report.

21 This is an information-only item.

22 Beginning on page 202 of the packet.

23 I'll now turn it over to you Director Mead.

24 MS. MEAD: The people and culture committee met...

1 [laughter]

2 MS. MEAD: Just a little comic relief.

3 Okay.

4 The Fair Ops committee met on August 5th.

5 This was our first meeting following the completion
6 of the fair and we reviewed a couple of things.

7 First, we reviewed the PowerPoint presentation, a
8 draft of it that you're going to see today, which is
9 pretty cool, I think, I must say.

10 The second thing is that on August 26th there's
11 going to be an annual fair debrief meeting that Katie
12 chairs and Fred and I are going to attend that meeting,
13 first to thank all of the team for their hard work
14 during the fair, and then for us to listen and learn
15 from the debrief that the staff is going to be sharing
16 from what they learned.

17 We also just discussed the grandstand bookings.

18 This came up earlier today in terms of the losses
19 that we experienced, or the budget that we didn't reach
20 during the fair.

21 And we are very excited about the fact that our new
22 CEO Becky has some experience in booking and is going to
23 be able to provide better oversight or additional
24 oversight into the booking process so that we can begin

1 looking at that last next year.

2 But I do want to share with everyone that we've
3 already begun to talk about this as a committee in terms
4 of the sorts of things that came up earlier today.

5 The days, the acts, the size of the venue, the
6 various kinds of options that we have for next year.

7 And we certainly know that even though many of you
8 don't sit on a committee, you may have op have
9 suggestions about acts that we could consider.

10 And so we definitely want to hear that from you.

11 And then finally, we talked about the fair dates
12 and are analyzing those dates as to whether or not we're
13 going to be looking at additional dates for 2027.

14 And we expect that we will come back to you at the
15 September board meeting with that information.

16 I do want to assure the board that my co-chair Fred
17 and I are working very closely with the Fair Ops
18 committee to be informed and learn from this year about
19 things that we can do better to improve not only revenue
20 but expense in the future years.

21 And it's not too soon to start now.

22 So thank you all.

23 And with that, I'd like to invite Katie up because
24 I've got a really cool deck to share with you.

1 MS. MUELLER: Good afternoon.

2 So, this is -- Is this jumping onto the -- oh,
3 there we go.

4 Okay.

5 So this is just a really a brief wrap-up -- I'll
6 try to keep it very brief.

7 I know it's been a long day, but brief wrap-up of
8 some of the highlights of the fair.

9 Some very preliminary numbers not financial because
10 those are not complete yet and we'll be looking at a
11 better financial picture of the fair in September along
12 with we'll also be presenting to you we conducted a fair
13 survey after this year's fair of the public and we have
14 those results back so we'll be able to share those with
15 you as well about the community's feelings about the
16 fair.

17 So again, you know, the fair is self- sustaining.

18 It's our biggest annual event and largest gross and
19 net generator contributes to our environmental
20 investments that we're obligated and happy to make.

21 Our capital investments and our year-round
22 operations.

23 And we also have a an economic impact report that's
24 been done that generate shows the fair generates about

1 \$328 million for the community each year.

2 So this go way back.

3 This feels like years ago, but it wasn't.

4 So, opening day was a lot of fun.

5 We got to cut the ribbon.

6 It was great.

7 Again, I I've heard this comment over and over, but
8 I don't think we've ever seen better board participation
9 in the fair.

10 So many of you guys came out, you know, not just
11 one time, but many times, and the staff really did feel
12 the love.

13 So, thank you for doing that.

14 So, just some attendance figures to kind of draw
15 some comparisons.

16 You know, we're only down a couple thousand from
17 last year when it all was said and done.

18 Our paid attendance was actually a little higher
19 than last year.

20 Same number of days, so very fair attendance.

21 Where we really got hurt is in our grandstand paid
22 attendance.

23 Our ticket sales were down quite a bit for a number
24 of different factors.

1 We did have a couple less grandstand shows than the
2 previous year.

3 So that also contributed to it.

4 And then our averages.

5 So we've got average daily attendance, average paid
6 daily attendance, and our average grandstand attendance.

7 MR. BLAIR: Give yourself more credit.

8 Paid attendance was up 100,000 people.

9 MS. MUELLER: There's always a positive.

10 This is not all negative.

11 It's not all bad news.

12 MS. MEAD: You said a little better.

13 It was a lot better.

14 MR. BLAIR: We care about the paid people.

15 MS. MUELLER: Well, we did have some, you know,
16 special promotions and things that help with that that
17 we'll talk about.

18 So, incorporating the theme, we had a lot of fun
19 really incorporating the theme.

20 A lot of people, you know, said, "How are you going
21 to incorporate a reading theme into the fair?" And I
22 think we did a really nice job.

23 Our theme exhibit was really the best I've ever
24 seen it.

1 And a huge hats off and credit goes to Michelle
2 Weir who's our creative services manager in the agon and
3 education department.

4 But we were able to get some really cool partners.

5 We had the San Diego County Library system.

6 We had Dr. Seuss Enterprises who helped us hugely.

7 That's who donated those books that you have in
8 front of you today.

9 And then we also had a Scholastic book fair which
10 was really popular.

11 People loved it.

12 You know, everybody's grown up going to a
13 Scholastic book fair, so it brought back a lot of
14 memories, but just really fun ways that we were able to
15 incorporate the fair or the theme.

16 So, we had our first ever press sneak peek event on
17 June 8th of just the theme exhibit, which was really
18 cool.

19 It was kind of a gallery type event.

20 We had a group of kids that actually sang the song
21 in the book that is in front of you.

22 MS. DeBERRY: That's great.

23 MS. MUELLER: We also partnered with the library
24 program to do the summer reading program and kids read

1 books and turned them into their librarian and they got
2 a free admission ticket to come to the fair as a reward.

3 Our partnerships, I mentioned.

4 \$86,000 was grossed by the Scholastic Book Fair and
5 \$12,000 of that will be used on our behalf to help bring
6 Scholastic Book fairs to Title I schools in San Diego
7 County.

8 They'll be partnering with other community
9 organizations like the Padres and some other places to
10 do that.

11 So, that was pretty cool.

12 MS. MORALES-ROTH: Sorry, Katie.

13 I want to go back.

14 That's a huge win, too, just for the community.

15 Thank you so much for incorporating that and we
16 need to advertise that and all of us as ambassadors, we
17 should be highlighting this because this is exactly the
18 sense of belonging, like, the county fair is also giving
19 back.

20 So, thank you for doing that.

21 I appreciate that.

22 MS. MUELLER: Absolutely.

23 Scholastic was wonderful to work with.

24 MS. DeBERRY: Stop skipping over the good stories.

1 MS. MEAD: We're trying to get you to happy hour.

2 [Laughter]

3 MS. MUELLER: Some of the other fun things that were
4 new, the \$5 opening before 5:00 p.m. on opening day was
5 a fabulous promotion.

6 That was Becky's idea.

7 Give her the credit for it.

8 It really was a it really was a home run because it
9 got not only people out to the fair, but all of our
10 vendors and sponsors and partners on the fairgrounds
11 were like, "Wow, you guys are really making this effort
12 to get people here," and they were so appreciative and
13 that lasted that gratitude or whatever you want to call
14 it really lasted through the whole run of the fair.

15 So, it got us all off on the right foot.

16 We had those early buyer flash sales.

17 We had the season pass flash for Black Friday and
18 then we had the ride lovers flash sale at Valentine's
19 Day.

20 Those were huge, well received, pushed our numbers
21 up.

22 Northgate offered a new discount package this year.

23 Legoland offered a buy one get one free for tickets
24 on Fridays, a coupon that was passed out at the

1 admission gates that you got just for just for coming to
2 the fair.

3 We had the Terrace C VIP section, I know that was
4 very well received by everybody.

5 We had on-site concert discounts that we offered.

6 We had our first ever Juneteenth festival which was
7 also really cool, well received.

8 It was awesome that Juneteenth was on a Friday.

9 So that really incentivized people to come out.

10 We did do World Cup watch parties as Fred
11 mentioned.

12 The World Cup -- oftentimes people would be facing
13 the screen watching the World Cup in the paddock and not
14 the stage or the but you know that's just part of it.

15 And the World Cup was extremely popular.

16 But it gave us an opportunity to have some
17 sponsorship engagement this year.

18 We turned the Paddock Club into an official World
19 Cup watch party site that was sponsored by Anheuser
20 Bush.

21 So it was really cool.

22 We had the Marine Band San Diego.

23 So those of you that joined us on Fourth of July,
24 we were able to really expand not just the fireworks,

1 but also having the Marine Band and we had the Cat in
2 the Hat doing some fun things on stage.

3 So it was really cool.

4 We had a farm our first-ever farmers market in Farm
5 to You where we had a little store that offered products
6 that were made with farm products, or local farm
7 products I should say.

8 There was cheeses, there was lotions and creams
9 made with goat milk, there was honey, there was locally
10 made jams.

11 So we're going to be expanding on that next year.

12 We added a new activity called Little Farmer in the
13 Del for little kids out in the farm.

14 It provided a structured activity for kids.

15 It was totally free.

16 They got an apron and a basket and they did little
17 farm chores.

18 They collected the eggs and they milked the cow and
19 they collected the wool from the sheep.

20 And then at the end they got a dollar for, you
21 know, all of their tasks and then they got to buy a
22 snack which there was fruit rolls and granola bars and
23 things like that.

24 So it was a really cool activity and I'm looking

1 forward to that coming back.

2 We themed our speakeasy in the Arena Room the Loose
3 Caboose.

4 Very popular again.

5 We had an industrial mechanics build off
6 competition where high school student groups got
7 together one day and then we had a sponsor that donated
8 all the supplies and materials and they built a picnic
9 bench and then they competed with each other and then
10 those same sponsors sponsored awards for the kids.

11 So, it really was just kind of a great nod to
12 vocational education which was really cool.

13 We hope to build on that.

14 There was a haunted house up in the Saddle Club
15 this year for the first time.

16 Not sure if that will be back, but it was new.

17 We had some new carnival rides.

18 We had eight new food stands, and we had 47 new
19 food items -- and Ted and Fred tasted all of them --
20 entered in the Fair-tastic Food Competition.

21 Our new promotions this year, you know, as I
22 mentioned before, the five before five day one
23 attendance was up 49% from 2025.

24 So it really went well.

1 Season passes, we were up 126% this year because of
2 that flash sale.

3 People are really looking for deals and discounts.
4 Really, uh, looking for them.

5 The family pack, we sold family packs at Northgate,
6 which is great for the first year.

7 And then our blast pass bonus um, was up 48%.

8 We sold 1,200 of those just in I think it was two
9 or four days that we had it for sale.

10 And then again, you're going to see all of our
11 deals and promotions did really well.

12 Costco was up 13%.

13 We've been with Costco for years, had our stuff in
14 Costco for years and it was up.

15 Albertsons and Vons --

16 MS. BARTLING: Could I just stop you on Costco?

17 MS. MUELLER: Sure.

18 MS. BARTLING: It was I think up 13% and it's an
19 amazing package.

20 It has four tickets in it and when you break it
21 down has four tickets, it's got parking, it's got --

22 MS. MUELLER: Ride tickets, and a Passport to
23 Savings.

24 MS. BARTLING: And a Passport to Savings.

1 When you break it all down, the ticket in it is
2 about \$7.

3 Isn't that the breakdown for that portion?

4 MS. MUELLER: I don't know off the top of my head.

5 MS. BARTLING: So, it's a really good value.

6 And I think our one of our goal next year is to
7 really push all of this because I think we did a good
8 job, but I think next we need to do an excellent job for
9 people to know that.

10 But it that's a value the Albertsons and everything
11 are going to go on.

12 MS. MUELLER: Yeah, and Albertsons was the cheapest
13 ticket you could buy.

14 It was \$1,650 any day of the fair and it was up 40%
15 over last year.

16 So, just again going back to people are looking for
17 deals.

18 VICE CHAIR BARKETT: Katie, I have a question.

19 I heard that wristbands were given out for free
20 this year.

21 Was that something new?

22 MS. MUELLER: No, I don't know where that came from.

23 VICE CHAIR BARKETT: No? Okay.

24 MR. ARABO: You know, for the Costco question is,

1 have you ever thought about putting maybe like one or
2 two concert tickets?

3 That way, you know, it's like an airplane, once it
4 takes off, every seat you lose money on.

5 Maybe like a premium package has couple I know the
6 concert, we don't know yet, but maybe redeem this ticket
7 for a concert if available.

8 MS. MUELLER: That's a thought.

9 MR. ARABO: Just an idea to increase the attendance.
10 You know, and the inventory is there, unless it's a
11 sellout.

12 We'll lose the money in every seat anyways.

13 MS. BARTLING: Yeah, we'd have to do something that
14 was, you know, "as available" or something like that.

15 MR. ARABO. Right.

16 Sign up -- limited concerts.

17 So everyone could go to the concerts at a valued
18 price, but also we could have a sellout in every --
19 because the act charges what the act charges.

20 The seats are the seats, you know?

21 MS. MUELLER: Right.

22 MR. ARABO: Just an idea, of like two packages if
23 you will.

24 MS. MUELLER: Kids are free 12 and under on Fridays

1 and that was up about 15%, our kid numbers.

2 Horsepark parking was down but we also raised the

3 price at Horsepark parking.

4 MR. SCHENK: What was the price for parking at horse

5 park?

6 MS. MUELLER: \$15.

7 Yeah,

8 MS. BARTLING: That's a Fair Ops item to discuss.

9 MS. MUELLER: Foodie Fridays was up 88%.

10 We sold 6,136 items which was fantastic.

11 That's really starting to you know drive attendance

12 and purchasing on Fridays.

13 The \$15 meal deal, 48 stands participated.

14 That's up from 37.

15 So we'll hope that that trend continues.

16 And then game on Fridays we had 47 games that

17 participated.

18 Parking and shuttles -- 12.4% of our guests parked

19 off site.

20 That was up 16% because it's no cost to park off of

21 offsite.

22 The Torrey Pines shuttle was up 34%.

23 Horsepark again down 7%.

24 MS. BARTLING: We do charge at Horsepark.

1 MS. MUELLER: We do.

2 MS. BARTLING: Yeah.

3 MS. MUELLER: Right.

4 Just not at Torrey Pines, yeah.

5 MS. MEAD: Which is kind of interesting.

6 Those that are free are up.

7 MS. MUELLER: Right

8 MS. MEAD: Something for us to look at.

9 MS. MUELLER: And then the Solana Beach station

10 shuttle was down 12% because that ridership on the

11 public transportation was down a bit.

12 We had 1300 hours of free entertainment that was

13 included with your admission ticket.

14 20,000 total entertainers.

15 18,000 of those based in San Diego County.

16 EDM -- we made a slide for this because EDM was

17 such a huge hit.

18 I mean, we obviously had Zedd or I'm sorry, Zedd

19 was last year.

20 We obviously had Marshmello and Griz on the

21 grandstand, but we really found success doing EDM shows

22 in the paddock.

23 We had the Shrekno.

24 We had Brownies and Lemonade on Fourth of July.

1 Those were just really big shows and drew a lot
2 because they do a ton of social media.

3 So, did very well for us.

4 Most popular grandstand shows, Griz, Marshmello,
5 and Chicago in that order.

6 And The Sound sold 6,400 tickets.

7 The most popular was J Boog, who is a reggae
8 artist, but if you recall, the Belly Up booked, I
9 believe, six or seven shows at the sound during the
10 fair.

11 That one's just a picture.

12 And then we had some our top five rides, 71 rides
13 and 47 games.

14 Of course, Sky Ride, no surprise.

15 The Royal Wheel was a brand new Ferris wheel that
16 we had never had before.

17 Was the biggest one we'd ever had.

18 The Raptor Coaster, the Fast Track Slide, and the
19 Crazy Mouse.

20 The Crazy Mouse is always in that top five.

21 And then the games as well, the top five games.

22 And then just a little bit about community
23 connection -- here they are all watching the World Cup -
24 - about community connection.

1 We hired 1197 temporary employees between March and
2 July.

3 We had 379 commercial and food vendors.

4 146 of those were local.

5 We had 25 independent ride and game operators, 92
6 sponsors, and we generated, this is really notable,
7 5,133,393 in sponsorship revenue, which is up from 2025
8 and 2024.

9 And that's a real testament to our sponsorship team
10 who's been here a long time.

11 They really have built relationships with our
12 sponsors and we're able to bring it in.

13 Of course somebody mentioned earlier today, you
14 know, sponsorship just like everything else is based on
15 volume and so we do well in sponsorship when our
16 attendance is up and so you know, we'll hope for great
17 numbers next year, but that's another important reason
18 to be really getting the volume through the door.

19 And then we had of course 10 summer social and
20 networking night receptions during the fair for the
21 community.

22 We distributed 17,258 tickets through our Fair for
23 All program.

24 So we start advertising that, we put the

1 application online.

2 If you guys have charities that you'd like to
3 encourage to apply, we put that online in December and
4 the deadline is in April.

5 And we distribute as many tickets as we possibly
6 can.

7 We're only allowed by the state to distribute 4% of
8 our previous year's paid attendance.

9 So we came in just right under that number.

10 But it's a really good program.

11 Plant Grow Eat had 2018 kids and 627 adults and 32
12 Title I school buses were sponsored by the Don Diego
13 Scholarship Foundation to be able to attend that.

14 We hold that in May as you recall and then of
15 course we invite them to come back to the fair and then
16 we had 90 troops that did the flag raising every
17 morning.

18 We had about 41 nonprofit and government
19 association participation that includes pet rescue
20 groups of which 110 pet adoptions took place this year
21 which is incredible given that that's wasn't even our
22 theme.

23 That was our theme last year, but that was
24 overwhelmingly popular in that area was the pet rescue

1 groups.

2 So, very cool.

3 We participated again in the San Diego Food Bank
4 donation.

5 So, over a thousand pounds of food was donated at
6 the end of the fair.

7 And again, we participated in Care 'N Share.

8 We weren't sure we were going to be able to because
9 the woman who has spearheaded that for so many years,
10 she kind of wanted to take a step back.

11 But we had a hospital over on the border that
12 serves both sides of the border that used to be a
13 recipient of Care 'N Share.

14 They generously said we'll take in we'll take on
15 the program.

16 And so 4,211 toys got donated to their program and
17 they were able to be distributed.

18 They got volunteers that came out every single day
19 and solicited people to donate their toys into the bins
20 and so it was a really great partnership, continuation
21 of the partnership.

22 MR. BLAIR: These are guests toys.

23 MS. MUELLER: No, they're guests at the fair that
24 won toys at the games.

1 The plush --

2 MR. BLAIR: They donate them back?

3 MS. MUELLER: Yeah.

4 They walk around the fair with them and you think
5 my you know I thought the first year we did this I'm
6 like, who's going to donate their toy?

7 They work so hard and spend so much money to get it
8 and you know they just love to walk around with it and
9 then at the end of the fair they're like you know what
10 it's going to a good cause let me donate it.

11 So there's a little history -- launched in 2009.

12 150 stuffed animals were collected the first year
13 and they were distributed like I said to nonprofits and
14 children's hospitals in San Diego and Tijuana.

15 So what they do is they give the toys to their
16 patients.

17 So sometimes they'll go into a surgery or something
18 and then the toys like waiting for them when they get
19 out of the surgery.

20 It's really sweet.

21 Yeah.

22 MS. MORALES-ROTH: Sorry, I have to comment on this.

23 I actually have a really good relationship with
24 Hospital Infantil de las Californias, which is a

1 hospital that is the recipient.

2 This is one of the best events for them.

3 But also I love to see that they actually engage
4 the community here.

5 So the rotary clubs volunteer for them so they can
6 see the impact of, again, the county fair and people
7 giving back.

8 So yes, thank you for doing that.

9 It's just an amazing program.

10 VICE CHAIR BARKETT: It's similar to what you do
11 with the Rady Hospital, which we love.

12 MS. DeBERRY: Exactly.

13 VICE CHAIR BARKETT: And having been on the board of
14 that for many, many years.

15 I think that's one of the other wonderful programs.

16 MS. MUELLER: Yeah.

17 And there it is.

18 That was a great one.

19 Directors Arabo and Schenk joined us.

20 We had a really great day interacting with the kids
21 and Ted too.

22 Sorry, Director Miyahara was there as well.

23 And we had a great day interacting with the kids
24 and it's just it's a very heartwarming thing to do and a

1 lot of our vendors support it with, you know, the food
2 and the other activities, the entertainment and other
3 activities going on.

4 MR. SCHENK: Great conversation.

5 MS. MUELLER: So yeah, they're just they're so cute
6 and they just have a great time.

7 VICE CHAIR BARKETT: We did it together.

8 MS. MUELLER: This year our exhibit our competitive
9 exhibit entries which is basically our community
10 participation in the fair had a 16% increase and that
11 was due in large part to a very concerted marketing
12 effort between the ag on education and the marketing
13 departments.

14 So you can see the numbers.

15 We had over 25,000 total entries.

16 We added a few fun farm contests, produce, honey,
17 and eggs, which actually had some entries, and I hope we
18 can grow those next year.

19 New record set at the Junior Livestock Auction.

20 \$802,000 was raised at the auction.

21 We had some more a few more entries than we
22 normally do.

23 114 buyers and our food concessioners come out big
24 time and they make purchases at the auction and help

1 support the kids.

2 So, it's really a great event.

3 If you haven't been to it, make sure you stop by
4 next year.

5 It's really a good old-fashioned auction.

6 It's fun.

7 And then the Don Diego Scholarship Foundation.

8 Ashley talked about the gala a little bit earlier,
9 but also if you didn't know, Hollandia Dairy with their
10 help and ours we sell bottles of milk during the fair.

11 We sold 9,407 bottles of milk.

12 They offer chocolate milk, plain milk, and Dutch
13 coffee.

14 And they only make the Dutch coffee for the fair.

15 They don't make it any other time of the year.

16 It's the best.

17 If you like coffee and you like milk, it's amazing.

18 Not low calorie, but.

19 So we sell the milk, our staff sells it.

20 We get reimbursed for our labor costs.

21 We have we set up a little stand there this year.

22 It was on the corner of Barn W and we raised
23 \$12,540 for the Don Diego Scholarship Foundation.

24 And then also Hollandia for the day of the auction,

1 they sell milk on the floor and they donate that 100%.

2 So, another \$1,000 was sold that day.

3 Our street banner program, we talked about this
4 back in, I think, May.

5 We ended up doing over a thousand banners with 600
6 different community members in 25 different communities.

7 So, very successful grassroots campaign that's
8 spearheaded by our marketing department.

9 This was some of our social media stats.

10 You know, all kinds of fun and interesting numbers
11 in there.

12 And our Fair-tastic Foods competition.

13 It was hot that day, but everybody persevered.

14 MS. DeBERRY: Is that Fred on the end?

15 MR. SCHENK: Yes, a very full Fred.

16 MS. MUELLER: Yeah.

17 So, these were some of our winners.

18 They were amazing, if you got to try them out.

19 Every Friday I would go buy one because it was 50%
20 off.

21 Very good.

22 So they just step it up every single year.

23 I'm really looking forward to what kind of
24 creations they come up with next year.

1 And then of course we had our Fourth of July
2 parade.

3 We had the firefighters participate.

4 We had golf carts participate.

5 We had a marching band.

6 It was a lot of it was a really fun day.

7 And then of course Cat in the Hat.

8 That was also a really hot day I remember.

9 And then of course our world-famous fireworks show.

10 And then next steps like Kathlyn mentioned, we're
11 going to be having our fair debrief which all of our
12 full-time staff comes to including some of our key
13 temporary staff coordinators.

14 We talk about fair operations and programming.

15 We talk about what worked and what didn't work and
16 we start setting some goals for next year.

17 We're going to review the fair survey, which we'll
18 review with all of you as well in September.

19 And then from there we build task forces which are
20 just small working committees that work on specific
21 goals for the fair, whatever we base our goals on.

22 We'll work on building partnerships for our theme.

23 And then we'll just work on planning for next year
24 and even 2028 a little bit.

1 MR. BLAIR: Is that something all the board could
2 attend or is it limited?

3 Is it a committee event?

4 MS. BARTLING: It's staff.

5 MR. BLAIR: It's staff?

6 We could attend?

7 MS. MUELLER: Yeah, you could stop by.

8 Yeah.

9 MS. DeBERRY: They know, Josh.

10 They know.

11 Let them have their moment.

12 MR. BLAIR: Don't be a killjoy, Josh.

13 MR. CAPLAN: I mean, Director Blair, you could go.

14 The challenge is that the more directors that are
15 there at a meeting when the intent is to kind of do a
16 debrief of something within the purview of the
17 organization, the more likely it is you're going to have
18 discussions about improvements to make things to change.

19 And so that's you're going to get into challenges
20 under Bagley-Keene.

21 So if you're going to go there and listen only
22 shake people's hands and say thank you and not talk to
23 your other board members or give perspective or
24 feedback, I don't think that would create challenges.

1 It's just, being there and the likelihood that
2 you're going to engage in discussions with other
3 directors on the topic of a debrief on the fair, that
4 would create problems.

5 MR. BLAIR: Okay, don't talk to me.

6 [Laughter]

7 MR. ARABO: Lay it all out in the meeting.

8 Lay it all out in the meeting.

9 MS. MUELLER: And this was our end of the night
10 photo, which is kind of our annual tradition.

11 And all in all, it was a great fair.

12 Very smooth.

13 [Applause]

14 MS. MUELLER: Any questions?

15 If not, thank you for your support.

16 MR. ARABO: Thank you to the team.

17 Great work.

18 I have just one comment if I could share.

19 I'll be really quick.

20 Fantastic, fantastic, fantastic job.

21 I love the fair for all program.

22 One thing that I didn't mention to Becky, I was
23 able to bring county assessor Jordan Marks and he thinks
24 for next year they could do, like people get married on

1 the Ferris wheel, or renewal and he'll be there.

2 He's the county assessor, so he's the one that

3 signs the marriage certificate.

4 So, just the idea for the Fair Ops.

5 VICE CHAIR BARKETT: Wow.

6 MR. ARABO: So, he's willing to come and County of

7 San Diego marry people at the fair, on the Ferris wheel

8 wherever the CEO or the committee wants.

9 MS. BARTLING: Ferris wheel is great.

10 CHAIR NEJABAT: All right.

11 MR. BLAIR: Didn't we vote on the theme for the

12 coming year last year?

13 What is our '27 theme?

14 MS. MUELLER: Our '27 theme is chocolate.

15 And we'll be talking to the Fair Ops committee

16 about a logo and tagline at our next meeting.

17 MR. BLAIR: Can't believe I forgot that.

18 CHAIR NEJABAT: All right.

19 MS. MUELLER: It's going to be fun and tasty and

20 fattening.

21 CHAIR NEJABAT: Thank you so much for that.

22 Okay, we'll now move on to public comment.

23 Anyone in the room who wishes to speak on the Fair

24 Ops committee?

1 Seeing nobody in the room and nobody online wanting
2 to speak, we'll now move on to item 8I, the Emergency
3 Preparedness Committee report, which is an information
4 item only.

5 We'll pass it on to Vice Chair Barkett.

6 VICE CHAIR BARKETT: Thank you.

7 We had a great committee on August 5th and um, Phil
8 was available and I thank him.

9 He was on a plane and so he Zoomed in, which I
10 really appreciate Phil.

11 Thank you.

12 And then in attendance is of course our CEO Becky
13 Bartling, Katie Mueller our COO, and as far as staff
14 goes, Brian Waterman and Mark Elvin.

15 Thank you.

16 It was great time.

17 And they are committed to be ready for the
18 community in any event, mass evacuation of animals,
19 people, Horsepark, fairgrounds, you name it, they're
20 ready.

21 The effort included conducting an inventory of
22 supplies housed on site during storage containers owned
23 by the fairgrounds as well as trailers of supplies
24 stored here but owned by the County Office of Emergency

1 Services.

2 And they're going to do the whole inventory and
3 then we will be able to see what we have and what we
4 need.

5 Some of the other items identified to be developed
6 is adding an emergency page to the DelMarfairgrounds.com
7 that outlines what owners need to do and bring as well
8 as the forms to complete.

9 And these forms are great.

10 They did emergency evacuation forms and they're so
11 detailed.

12 They encompass number one, an emergency stabling of
13 large animals, number two, an emergency information
14 sheet, number three stable map of all backside barns,
15 and number four, animal care checklist.

16 And it really is pretty impressive everything that
17 was put together.

18 And so, thank you so much.

19 This is in conjunction with reestablishing I think
20 a number of you know about the First 50.

21 It was a volunteer program that was very successful
22 here during the past fires, and so we want to
23 reestablish this because somehow it went by the wayside.

24 And they are vetted individuals for their horse

1 acumen and knowledge to assist with the care of animals
2 on site as needed.

3 And this year, we're going to be supplying them
4 with training as appropriate through FEMA and other
5 opportunities.

6 Might be some with San Diego's Humane Society.

7 We just have to see what they have available.

8 And then you can read all about it on page 203.

9 Establishing an agreement with a feed/bedding
10 supplier because that's very -- we need that.

11 Because from the past fires we weren't always to
12 get able to get feed I believe, Katie, that was a big
13 issue, right?

14 You went to speak to that?

15 MS. MUELLER: We had a feed store on site for many
16 years that we operated ourselves because we had so many
17 horse shows here and the Del Mar National Horse Show was
18 here and that kind of thing which was self-produced, but
19 we don't have that anymore.

20 We don't have a feed store on site or at Horsepark
21 because they also used to have one.

22 So what we want to do is establish an agreement
23 with a feed store or maybe multiple ones, because you
24 know a situation can happen anywhere and they might not

1 be available.

2 But basically where they would supply us with the
3 bedding and the feed, hay and grain and you know alfalfa
4 pellets and whatnot that we might need in case horses
5 get evacuated here and they don't have time to grab
6 their own feed and bedding on the way here.

7 VICE CHAIR BARKETT: Right, it's great thinking and
8 being prepared.

9 Right.

10 And then we also want to establish an agreement
11 with a large animal veterinarian to assist during the
12 evacuation housing period.

13 And actually we have one and you met Ashley today,
14 McCaughan, and she her husband is an equine vet and he
15 has decided to join our committee and help out with us
16 which is great.

17 So we're very excited about him.

18 And then identify DAA staff roles in the
19 evacuation.

20 All state employees are considered emergency
21 workers during this time and so they will have their
22 designated roles and it will be a very streamlined
23 operation.

24 And then we want to create some marketing pieces of

1 one pages of information that can be used to do some
2 outreach with the horse owner community to assist them
3 in being prepared during an emergency.

4 So, what we've done in our outreach, we've
5 developed a committee that is just outstanding.

6 I'm very, very excited.

7 And the meeting included Justin Stillions.

8 He's a representative from the San Diego Humane
9 Society.

10 He offered us guidance and he educated our group on
11 the Humane Society's role.

12 We have Russ Penniman, former 22nd DAA board member
13 and past president of this board twice, who was involved
14 in fire evacuations at the fairgrounds.

15 And Paul Ecke III, and we've all heard of the Paul
16 Ecke Garden Show, who is an area horse owner and
17 connected with the horse community and internal
18 stakeholders from the fairgrounds.

19 The meeting will be expanded in September to
20 include Dr. Julie Swain, who is a well-known among San
21 Diego first responders for donning firefighter's
22 protective gear and entering fire zones to conduct
23 search and rescue of horses and other domestic animals
24 during backcountry fires, wildfires.

1 She has been doing this over 24 years.

2 She's also a cardiovascular doctor at Mount Sinai
3 and is in charge of the department of cardiovascular
4 there.

5 She has been awarded the San Diego Humane Society's
6 Volunteer Excellence Award.

7 Then we also have the Rancho Santa Fe Fire Chief
8 Dave McQuead; the Rancho Santa Fe Fire Marshal, Marlene
9 Donner; Managing Director of the Inn at Rancho Santa Fe,
10 Andrew Archibald; the Department of Animal Services
11 leader Kendra King.

12 She's Deputy Director for Public Safety and in fact
13 that's the meeting Becky and I had to cancel because we
14 had a meeting at 4:00 today with her.

15 But she is on board, and we are now we have a name
16 that has been given to us for the San Diego County
17 Office of Emergency Services directly.

18 And the committee has invited other experts and
19 stakeholders to participate in upcoming meetings, and so
20 as they come aboard we'll let you know of that.

21 So, there's one, I'll tell you who it is.

22 It's we're hoping that he can.

23 It's one of the doctors that is here on site for
24 the jockeys for the race meets.

1 And so we've initially talked to him, but Becky's
2 going to have her conversation with him about joining,
3 but he's very interested.

4 So, it's an exciting group and I can't wait for
5 Phil to meet everybody.

6 And the community is very excited about this.

7 And you know, again, this goes back to being a good
8 neighbor and working together because in these emergency
9 situations, those that are around us, we want help from.

10 Because we're going to need them and they're going
11 to need us.

12 So, I'm very excited.

13 Thank you.

14 CHAIR NEJABAT: Thank you.

15 MR. ARABO: I have a quick recommendation.

16 VICE CHAIR BARKETT: Sure.

17 MR. ARABO: I don't know if the committee has
18 reached out to CalOES?

19 They could probably help.

20 VICE CHAIR BARKETT: Becky, were you going to reach
21 out to CalOES?

22 MS. BARTLING: Yeah.

23 I have a connection with the former chief of, not
24 CalOES, CalFire.

1 VICE CHAIR BARKETT: Oh, CalFire.
2 Okay.
3 MR. ARABO: And then I also know the head person for
4 Director of -- I think I sent it to Becky -- Department
5 of Homeland Security for SoCal.
6 I know really well.
7 I could forward it over to you, Becky.
8 You could loop them in.
9 VICE CHAIR BARKETT: That would be great.
10 Thank you, Mark.
11 MR. ARABO: Yeah, I think that in CalOES, there's so
12 many -- being a state property, so many resources for
13 emergency preparedness.
14 VICE CHAIR BARKETT: Excellent.
15 You're the man.
16 CHAIR NEJABAT: Thank you.
17 Thanks for making so much progress in less than a
18 year with the new committee.
19 VICE CHAIR BARKETT: Very exciting.
20 CHAIR NEJABAT: Yeah.
21 MS. MEAD: I just want to thank you, Lisa, and the
22 team here, but also all of the volunteers that you've
23 amassed.
24 And I hope this is a committee whose work we never

1 have to use.

2 VICE CHAIR BARKETT: That's right.

3 But we're prepared.

4 MR. ARABO: Amen to that.

5 VICE CHAIR BARKETT: We're the Boy Scouts, said the
6 Girl Scouts.

7 CHAIR NEJABAT: All right.

8 Thank you.

9 We'll now move on to public comment on this
10 committee report.

11 Anyone in the room would like to speak on it?

12 Nobody online and nobody on the in the room.

13 That concludes public comment.

14 We'll now move on to the final item on today's
15 agenda, which is the Regulatory and Government Affairs
16 Committee report.

17 I'll pass it on to you, Director Miyahara, to
18 provide the verbal report.

19 MR. MIYAHARA: Seeing that it's the last item, I'll
20 keep it brief.

21 The committee met on August 14.

22 We discussed a coordinated proactive partnership
23 strategy around engagement with elected officials and
24 public agencies.

1 The goal is really coordinating you know across
2 agencies on issues that overlap our agency with theirs
3 or have you know broader regulatory or public policy
4 implications.

5 Our goal is to share information as it's a two-way
6 street with us and them.

7 One of the purposes is to create consistent
8 messaging especially when it comes to the 22nd DAA
9 around our business and our priorities.

10 And we want to strengthen the relationships that we
11 have with public officials and public agencies.

12 So some of the folks we'll be meeting with is
13 elected officials, you know, perhaps the supervisors,
14 mayors, city council members as examples SANDAG, NCTD,
15 the Coastal Commission.

16 And so there's been a discussion about a biannual
17 meeting with the elected officials, their staff and
18 public agencies, so that there is a sharing of
19 information.

20 Perhaps, Elsa, you have something to add?

21 MS. MORALES-ROTH: No, you just said it beautifully.
22 This is more of a listening tour.

23 Again, we have a newer CEO, two newer board
24 members, so we want to also make sure that we create

1 those connections and again, it's more of a listening
2 tour.

3 Thank you.

4 CHAIR NEJABAT: All right.

5 Any questions from the board?

6 MS. MEAD: I just have a quick question.

7 And we had very difficult conversation today about
8 the ENRA and my question is that there was a
9 conversation about how the conversation can continue in
10 partnership with Del Mar to look at affordable housing.

11 Is that something you're considering as part of
12 this regulatory and governmental affairs?

13 MR. MIYAHARA: That's a great question.

14 In the context of affordable housing, we do have an
15 affordable housing committee.

16 I think for the time being, as long as that
17 committee's in existence, I think that's the probably
18 the proper communication channel to go through.

19 MS. MEAD: Okay.

20 So, that'll be within that affordable housing
21 committee.

22 MR. MIYAHARA: Agreed.

23 MS. MEAD: Okay.

24 Thank you.

1 MR. BLAIR: Who heads that?

2 CHAIR NEJABAT: Director Miyahara.

3 You've got your hands full.

4 CHAIR NEJABAT: All right.

5 VICE CHAIR BARKETT: Directors' requests?

6 CHAIR NEJABAT: Yeah, we're going to get to public

7 comment on this.

8 VICE CHAIR BARKETT: Oh, sorry.

9 CHAIR NEJABAT: No worries.

10 Public comment on this matter?

11 Go ahead.

12 LAURA DeMARCO: I think it's great that you guys are

13 reaching out to other bodies, especially the City of Del

14 Mar.

15 Actually, one of the things that Kathlyn and I

16 discussed during the break is your master plan will be

17 very negatively impacted by the potential Seaside Ridge

18 development if that goes through, because it'll build up

19 that entire area which is by your platform which is a

20 great transportation hub for a hotel or any other

21 development around that area which is underutilized.

22 And so I this is the kind of thing that would be

23 great if we had more dialogue with the entire board with

24 the City of Del Mar so you could see all the

1 permutations that would help you guys.

2 Again, we want to be good partners.

3 And it would be great if we could work together to
4 do that and see everything holistically, not just the RV
5 site, but if you look over there on that map, you can
6 see that that whole area where that platform is very
7 underutilized space.

8 It doesn't have the same flood risk and building
9 200 I don't know 80 units there with all the access and
10 egress that's going to be required is really going to
11 impact your ability to get through the Coastal
12 Commission which is the only jurisdiction you have to
13 worry about, unlike the City of Del Mar.

14 Thank you.

15 CHAIR NEJABAT: Thank you.

16 Anyone else?

17 All right, seeing nobody else wanting to speak and
18 nobody signed up online, that concludes this
19 informational item, we'll move on to item 9, matters of
20 information and board requests.

21 At this time, I'd like to invite any members of the
22 board who'd like to make requests for items they'd like
23 to see on a future agenda.

24 VICE CHAIR BARKETT: Okay, I'd love to.

1 Thank you.

2 So I would like to task the Audit and Governance
3 Committee, and I know Elsa, you're the Chair.

4 And it's government code section 11020 about office
5 hours requiring all state agencies to be open for a
6 transaction of business from 8:00 to 5:00 p.m. every day
7 except Saturdays, Sundays, and legal holidays.

8 Any state agency or administration unit may stay
9 open at other times, especially fairs.

10 This is where we kind of get into different things.

11 As long as the rules and laws and labor agreements
12 about employee hours of work are not broken.

13 So, it goes on to state that California State Board
14 Directors should avoid direct non-emergency contact with
15 staff on weekends.

16 Communications regarding committee work must route
17 through the Executive Director or designated liaison
18 during standard business hours Monday through Friday
19 8:00 to 5:00 p.m., per California government code
20 section 11020, to prevent micromanagement, respect of
21 off-the-clock boundaries, and ensure compliance with
22 transparency laws.

23 So there's three core communication rules under
24 this.

1 One is respect for off hours, and that's refraining
2 from calling, texting, or emailing staff on the weekends
3 unless a verified time-sensitive public safety or
4 there's a legal emergency.

5 And communication past eight hours in a day can
6 bring different time things and compensation.

7 So and after-hours calls, texts or emails are
8 considered legally work hours during they have to be
9 during work hours.

10 The second core communication skills is engaged
11 leadership, copy or route request through the Executive
12 Director or CEO.

13 This is in compliance with our policy.

14 It's board policy 3.03, respect for roles and
15 primarily A, B, and C.

16 And then avoid task creation for staff.

17 Limit your inquiries to retrieving already
18 published reports or general committee background,
19 stopping short of assigning new weekend research or
20 overnight duties.

21 MS. MORALES-ROTH: Thank you.

22 I will note that.

23 Thank you.

24 CHAIR NEJABAT: Any other requests?

1 MR. ARABO: I think with that, I have a request for
2 the committee when they look at that.

3 It may be good to even create an email policy,
4 because from what I understand if someone sends the
5 email, they're not expecting the person to respond.

6 So -- or should we do every board member only email
7 during these hours?

8 I think the general understanding is when someone
9 sends the email they don't expect the response
10 immediately.

11 I definitely do not.

12 The other thing -- there's assigned committees.

13 Since the CEO is the only one that really reports
14 to the board as one body, shouldn't only the CEO be in
15 the committees?

16 That way all of our emails should just go to the
17 CEO, not to anyone else, to make sure that there's no
18 communication with the board member and the staff.

19 Like how do you do that how do you -- maybe the
20 committee could also --

21 MS. BARTLING: Well, the committees the committees
22 have been designated that there are particular staff
23 members for them but most of them it's me --

24 MR. ARABO: Okay.

1 MS. BARTLING: Which is fine and appropriate.

2 I think maybe the concern just is -- actually I
3 think we should we should refer it and have the
4 committee look it.

5 MR. ARABO: Yeah, all right.

6 Another thing if we could, maybe DMTC will look at
7 for a future board meeting.

8 How do we study the racetrack some type of historic
9 total designation or not to see it's a historic site.

10 I don't know if that's ever been explored or not,
11 but for future board consideration.

12 CHAIR NEJABAT: Okay.

13 All right.

14 Before we adjourn, I'd like to note that
15 correspondence can be found beginning on page 205 of the
16 packet.

17 Also under matters of information is the list of
18 committee assignments as well as contract information.

19 VICE CHAIR BARKETT: Yeah, I think we have one
20 change in a committee too, right?

21 CHAIR NEJABAT: Yeah, I vice chair the Audit and
22 Governance Committee.

23 That's the update.

24 VICE CHAIR BARKETT: And is it... I thought there

1 was one other, but maybe not.

2 CHAIR NEJABAT: That was it.

3 VICE CHAIR BARKETT: Okay.

4 CHAIR NEJABAT: All right.

5 Seeing no other business before the Board of
6 Directors today, the time is 4:32 p.m.

7 And this meeting of the 22nd DAA Board of Directors
8 is hereby adjourned.

9 Thank you.

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11 [The meeting adjourned at 4:32 p.m.]

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