



Monterey County

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 22-520

October 04, 2022

Introduced: 9/21/2022

Current Status: Agenda Ready

Version: 2

Matter Type: BoS Agreement

- a. Approve and authorize the Chair of the Board of Supervisors of the County of Monterey to execute the five (5) year Lease and Fairgrounds Operation Agreement between the County of Monterey and the Salinas Valley Fair, Inc., to conduct agricultural fairs and other events on the County owned Salinas Valley Fairgrounds located at 625 Division Street in King City, California; and
- b. Approve and authorize the Chair of the Board of Supervisors of the County of Monterey to execute up to eight (8), five (5) year extension options to the active Lease and Fairgrounds Operation Agreement between the County of Monterey and the Salinas Valley Fair, Inc.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Chair of the Board of Supervisors of the County of Monterey to execute the five (5) year Lease and Fairgrounds Operation Agreement between the County of Monterey and the Salinas Valley Fair, Inc., to conduct agricultural fairs and other events on the County owned Salinas Valley Fairgrounds located at 625 Division Street in King City, California; and
- b. Approve and authorize the Chair of the Board of Supervisors of the County of Monterey to execute up to eight (8), five (5) year extension options to the active Lease and Fairgrounds Operation Agreement between the County of Monterey and the Salinas Valley Fair, Inc.

SUMMARY/DISCUSSION:

The County of Monterey, hereafter "County", owns certain properties, commonly referred to as the Salinas Valley Fairgrounds located at 625 Division Street, King City, California, hereafter "Fairgrounds". The Fairgrounds leased to the Salinas Valley Fair, Inc., a nonprofit public benefit corporation, hereafter "SVF", are described in the Lease and Fairgrounds Operation Agreement, hereafter "Agreement", between the County and SVF (Attachment A).

Since 1947, the County has contracted with SVF to manage and use the County owned Fairgrounds to conduct annual agricultural fairs and other related interim events. The Fairgrounds host a variety of events such as the annual fairs which typically lasts several days and involves thousands of visitors, entrants, and vendors, and is currently operated by SVF. However, other activities are also held at the Fairgrounds throughout the year, including events such as the flea market, rodeos and barrel racing, fundraisers, weddings, dances, and other community activities or celebrations.

The intent of the Agreement is to extend the term and continue an established relationship between the County and SVF. Government Code 25906 provides authority for the Board of Supervisors to enter into this Agreement. The initial term of the Agreement will be for five (5) years commencing on the effective date. The SVF has the option to extend the term of the Agreement for eight (8), five (5) year

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periods upon written notice to the County and the California Department of Food and Agriculture, hereafter “CDFA”, subject to the CDFAs review and preapproval of said extension with accordance with Business and Professions Code Section 19622.3.

The CDFAs has reviewed and approved the Agreement as to form, legality, and provisions. Through the Agreement, the County with the approval of the CDFAs, pursuant to Government Code Section 25906, authorizes SVF to manage, use, and possess the Fairgrounds, as set forth in the Agreement.

The County and SVF have a long history of cooperation and coordination, as related to providing services and event space at the Fairgrounds. Approval of the Agreement will continue to support conducting agricultural fairs and other events on the County owned Fairgrounds.

OTHER AGENCY INVOLVEMENT:

The SVF and CDFAs concur with the Agreement. The Office of the County Counsel-Risk Management has reviewed and approved the Agreement as to form and as to insurance and indemnity provisions.

FINANCING:

SVF annual budget will be brought to the Board of Supervisors for approval prior to submitting to the State Department of Food & Agriculture. SVF will retain all revenue generated from the conduct of said fairs, and from the use, possession, and management of the Fairgrounds. The SVF agrees to bear, assume, pay, and discharge all expenses and obligations incurred by it in connection with said Fairgrounds. Upon termination or expiration of the Agreement, all improvements constructed by SVF shall be the exclusive property of the County.

There is nominal property management staff time to oversee the agreement, which is charged to General Fund, Facilities.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

If approved, this action supports the Board of Supervisors’ Strategic Initiatives for Economic Development and Infrastructure. Executing the Agreement strengthens local economic development to ensure a healthy local economy and physical infrastructure that improves the quality of life for County residents while meeting the County obligation to conduct local fairs.


- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Reviewed by: George K. Salcido, PWF-Real Property Specialist

Reviewed by: Lindsay Lerable, Chief of Facilities

Approved by: Randell Ishii, MS, PE, TE, PTOE

Director of Public Works, Facilities, and Parks 

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Attachments are on File with the Clerk of the Board:

Attachment A - Lease Agreement Between the County and Salinas Valley Fairgrounds, Inc.

Attachment B - Location Map