



August 6, 2020

**To our honorable Nebraska delegation:
Senator Fischer, Senator Sasse, Congressman Fortenberry**

Seeking your support to help Nebraska's nationally-leading fairgrounds located in the capital city of Lincoln which is not funded to survive further COVID gathering restrictions this winter

We ask your support to find backstop funding for Lancaster Event Center fairgrounds and other fairgrounds and event facilities like it in the State of Nebraska and across the USA to help these vital "gathering places" that were the first to close and will be the last to fully open survive this 100-year pandemic.

The LEC fairgrounds in the capital city has the most economic impact and is the fastest growing of ANY fairgrounds in the State, including the State fairgrounds.

In 2020, we were "on a roll," set to grow our economic impact an estimated added \$25M (or 6 more Husker Saturdays in Lincoln) for a total of \$70M impact and 630,000 visitors.

Then COVID caused us to close in mid-March for 3 1/2 months and lose 150 events with 350,000 attendees including the two international events driving that planned growth.

We re-opened end of June at approx. 35% capacity due to health restrictions which is NOT sufficient to allow us to build a reserve to make it through what could be a winter with more restrictions and shutdowns of gatherings.

LEC FAIRGROUNDS AT-A-GLANCE

The LEC fairgrounds was founded to be the home of the Lancaster County Fair which has grown to be the largest county fair in the State with 130,000 visitors over 10 days.

Over 700 4-H/FFA youth with 6000 projects compete year-round culminating in the fair.

We are proud that 1/2 of our 400 events are community events at reduced or free rental rates to support non-profit education & fundraising events and we've been proud to pivot to add food distributions, blood drives, election site, COVID testing, and public entity meetings that are seeking safe "socially-distanced" spaces among our seven buildings with 400,000 square feet and 160 acres.

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The other ½ of events add a wide variety of events for locals to attend and local businesses to sell their wares while the **100 largest shows draw 70% of their visitors from outside the State of Nebraska**. We are the proud home of:

- 2nd largest indoor farm show
- 2nd largest indoor tractor pull
- Two of the Top 10 Quarter Horse shows in the USA
- 2700-person banquet for the Natl Sports Car Club of America
- The world's largest rodeo and world's largest RV convention
- 75 trade show days, 19 motorsports events and 47 spectator shows
- 79 horse/livestock shows averaging 4 days each
- Regionally-leading pool tourney, car swap meet, horse/rodeo/livestock events

The Lancaster County Ag Society has NO public subsidy to stay open outside of the county fair and are proud to have self-funded this growth to deliver not just on our core mission to promote agriculture, community, and youth but also to be an economy driver. But this desire to have impact year-round has now put the fairgrounds at risk.

After 150 years of Lancaster County Ag Society service and 20 years of LEC fairgrounds' organic, self-funded growth and hard work, we are at risk of not surviving the upcoming winter if we are shut down again and can't identify more reserve funds.

If this happens, 20 years of work on this nationally-leading facility vaporizes and it will take a minimum of 3-5 years to regain the expert staff, event contracts, relationships, and public awareness/attendance we've built up and the very existence, mission and continuity of the uniquely ag-focused Ag Society-run fairgrounds could disappear after 150 years.

BEFORE COVID

- On track to have biggest year in its 20-year history with over 50% growth and deliver over \$70M in economic impact inside Lancaster County with 400+ events drawing 630,000 visitors booked.
- **This impact supports nearly 800 jobs and \$2M in local taxes** (not counting impact across the state from these visitors) paid by visitors mostly from outside the State of Nebraska. (estimated from 2017 Economic Impact Study by Dr. Eric Thompson, UNL Bureau of Business Research) Entire study here: <https://lancastereventcenter.org/about-us/community-impact-capital-levy-proposal>
- Two international events booked in July & August 2020 during first 45 days of opening new 10th largest event center campground with 1276 sites and 3300-person grandstand/outdoor arena
 - the National HS Finals Rodeo (1700 competitors/families from 43 states, 5 Canadian provinces, Mexico, Australia over 10 days)
 - and the FMCA International Convention (2000 RVs from the Family Motor Coach Association)

- **these two events projected to add \$25M in impact just in our county though many of these visitors would do side trips and spend dollars throughout Nebraska before/after their events. (That's about SIX more Husker football Saturdays in Lincoln as comparison.)**

COVID IMPACT

- Fairgrounds closed in midst of its busiest, most profitable month on March 14, 2020 due to gathering limits set to 10 people by State of NE. Immediate impacts the first two weeks were to the Shrine Circus, the Cornhusker Classic Tractor Pull (2nd largest indoor in the USA), City of Lincoln 2-week Pool Championship.
- All told, **150 shows with 350,000 attendees have been canceled or postponed** to indeterminate date. Some of the largest shows lost included:
 - **Both the NHSFR and FMCA international events were canceled for 2020.** The NHSFR was already contracted to return already in 2021, 2026 and 2027. FMCA rebooked for 2022.
 - Cornhusker Classic Quarter Horse Show over two weeks in June with over 1200 horses canceled—this is a top 6 in the USA sized Quarter Horse Show
- The fairgrounds opened end of June after **3.5 months closure** to hold a socially-distanced **drive-in Garth Brooks concert with 800 car sellout at \$100/car.** After the national promoter took their cut of ticket sales and we paid for screens, sound, projectors and sold as much beer as could safely, the **fairgrounds netted \$10,000.** So we are pivoting with drive-in events, weekly Food Truck Rodeos etc. for the community but there is not as much money in events as many believe.
- We **furloughed 92 mostly part-time, on call event staff** for cafes, parking, security, operations, cleaning etc. starting right away in March.
- Monthly payroll for the core expert fairgrounds staff of 20 people (1/2 operations/cleaning/maintenance, 1/2 administrative) is approx. \$110,000 for context. **(Each of these core staff drive \$3M in economic impact—a bargain.)**
- Utilities and critical maintenance are also critical to keep the fairgrounds open without losing major value to this \$30 million asset built over 20 years.
- **We probably need access to \$1-2M in mainly grants or 30-year type long term loans to be sure to survive through this COVID pandemic.**
- Selling sponsorships with benefit of advertising to our visitors is at a dead stop as we don't have events going on and/or businesses are hurting themselves and cut advertising.

COVID SUPPORT SO FAR

- We've been fortunate as a 501(c)3 to have been included in the PPP and received \$407K which **helped cover payroll and utilities 2 months of our 3.5 months shutdown.**
- After many tries, we made it through the **EIDL (Economic Injury Disaster Loan)** process with the SBA to receive a \$150K loan with long-term payback terms at 2.75% interest as a non-profit. **This only covers 3 weeks of critical expenses.**
- Received a **\$12K non-profit grant from the over \$1B in CARES Act funds** given to Nebraska to administer.

- We are still seeking more of these funds with help from our State Senators despite being told by the Governor’s staff that we would not be considered for some reason.
- We proposed a \$2.25M capital tax levy through our County Board to ease pressure on our operational budget since we don’t have the NHSFR & FMCA event revenues as planned to finish paying for these improvements.
 - **But this represents a property tax increase of \$27/household and is not gaining traction as you can imagine.**
 - Our local City, County governments feel pressured by pressing humanitarian needs and the County Board chair said “While I love the LEC fairgrounds, it seems a luxury compared to other urgent requests we are getting and we are trying to avoid any tax increases during this pandemic.” We obvious see it differently knowing all the groups we serve and folks we keep employed.
- We are actively fundraising, searching for sponsors/advertisers, trying to sell naming rights...but this takes time and is hard sell in COVID times for many businesses impacted themselves or wanting advertising impact when the fairgrounds can consistently hold events again.

WHERE WE NEED CONGRESSIONAL HELP

1. PPP: Second round of PPP loans/grants

& inclusion of more non-profits/public entities not otherwise taken care of

- with high forgiveness potential would be helpful as the COVID pandemic has lasted longer and cut our revenue deeper as a gathering place than we can survive even just with our cut-to-the-bone core staff/expenses.
- Consider including public venues that have received none or limited COVID subsidies relative to their size e.g. Lied Theater, Lancaster Event Center
- Include more types of non-profits e.g. 501c6s includes CVBs, event associations that organize events are tied to health of the event industry as well

2. EIDL: Larger loan availability and inclusion of non-profits of most types

- **Funding EIDL to give larger loans up to \$2M as done in the past with low interest and long 20-30 year payback period that would have been a great help to us.**
- Unfortunately, the **Main Street Lending Program opening up to non-profits is NOT helpful** due to the short payback period and our lack of ability to take on more debt when our revenue stream is under attack for undetermined amount of time

3. Targeted aid for “gathering places”

- **Agricultural Fairs Rescue Act HR 7883** with grants for impacted fairgrounds
 - We appreciate Congressman Fortenberry already signing up to co-sponsor—now we ask your help to get this passed & in the final stimulus bill with the Senate as well. (Jeff was the 1st calm voice on the phone when this first happened to us in March!)
 - Please help make sure this Act includes us
 - We are a 501c3 (this is unusual, some are 501c6 or no nonprofit designation I’ve found so far)
 - We are also the county Ag Society—an independent governmental entity

- but our fair property tax levy is NOT sufficient to survive months of shutdown with our core staff/maintain facility
- we do not receive ANY operating or capital subsidy from the City, County or State despite on track to send \$2M in local taxes to these entities in 2020.

4. RESTART Act

- **This looks very helpful to venues if includes ability for loans to be forgiven**
- **Consider extending the losses forgiveness period into 2021 or end of COVID and making the loan payback period longer**
- **We may need to be included in other event venue support bills like this if the Ag Fairs Rescue Act doesn't give us access to the full \$1-2M needed to make it through 2021 as we are an unusually large, multi-use year-round fairgrounds**

5. Save Our Stages Act

- This would help entities like all the downtown Lincoln music venues
- I haven't seen the language to know if would help us as well

6. Consider infrastructure support funding

- Being able to get funding to work on these types of projects would keep many of our very talented core operations/maintenance staff employed and help us build more attractions to drive outside tourism dollars to Nebraska after COVID
- E.g. \$150-250K to put in sewer dumps for RV events, not sexy but would bring more RV rallies to Nebraska
- E.g. landscaping, hardscaping the grounds, water quality/management improvement projects
- E.g. demonstration projects to show our visitors— permeable paved grass parking lots, solar/wind/other electrical power generation, self-producing horse stall shavings from all the dying ash trees etc.
- E.g. building much needed storage buildings, concession stands

In appreciation for any support or ideas you can provide and all your hard work in these times,

Amy Dickerson

Managing Director

York HS 1983, UNL BS Mgt/Mkt 1987, Univ. of CA MBA 2000

Proud "bouncebacker" to NE since 2012 and because NE is a small place:

- *Proud granddaughter of UNL East Campus animal scientist Dr. Gordon Dickerson (Ronnie Green's PhD advisor)*
- *Proud HS civics student of Dr. Rick Adams, former Speaker of the Unicameral*
- *Proud daughter of crop consultant who founded York Corn Growers Association and 25-year Boy Scouts District Leader, Dave Dickerson*
- *Proud 2nd generation Peace Corps volunteer (parents, Peru 61-63, Amy Russia 96-98)*
- *Proud former 4-Her now proud to have served at LEC fairgrounds since 2014*

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Attached: Letters of support we've received last couple days after Editorial in the LJS paper
Cc: Lancaster County Agricultural Society Board