

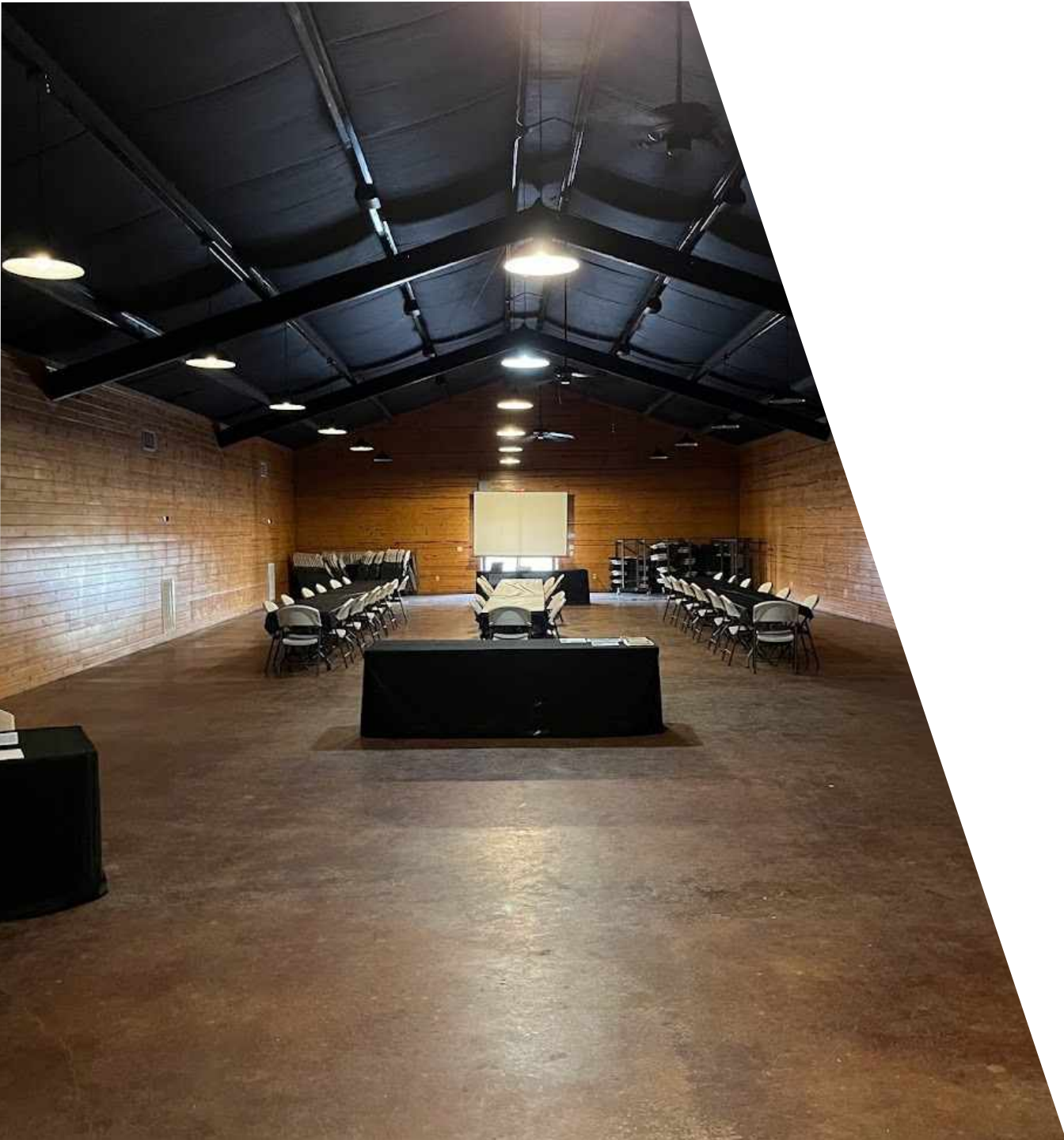
**hunden**  
partners

# Washington County Expo Center Facility Utilization Analysis Study

Phase II Findings  
Report - FINAL

■ April 8, 2024





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# 01

## Executive Summary

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# Project Objectives

*The purpose of this study is to identify the performance of the Washington County Expo in Brenham, Texas, understand how the county compares to communities in the regional market and finally, based on this analysis, draw conclusions that identify where opportunities exist to increase business at the Expo and to identify areas where the facilities need to be upgraded.*



## Where you are now.

Assessment of the current expo facilities, their attributes, quality, and overall performance along with an assessment of out-of-town visitors to the expo.



## How you stack up.

What have other counties and regions within Texas done or are doing that has been successful in elevating the expo and agricultural business or drawing visitors to the market?



## What are the opportunities.

Based on the assessment of where you are now and how you stack up, Hunden will identify opportunities to improve the performance of the expo and enhance the experience of its visitors.



## How we get there.

What are the next steps in the study? How do we execute and implement these opportunities?

# SWOT Analysis

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The following SWOT analysis details the strengths, weaknesses, opportunities and threats related to the renovation or relocation of the Washington County Expo.

## STRENGTHS



- Strong identity within the livestock business in a state where the industry is strong
- Strong 4-H program, driving the future of the agricultural industry locally
- Oldest County Fair in the State of Texas and a popular attraction in September
- Consistent weekend business
- Location relative to Houston and Austin

## OPPORTUNITIES



- Expanding the local equestrian business; these shows are more profitable than cattle shows
- New potential sites to allow for a master planned facility
  - Potential funds from the sale of the current site
- Blinn College partnership

## WEAKNESSES



- Facilities are of poor quality and outdated
- Limited number of livestock and equine stalls
- Rodeo Arena is uncovered with failing equipment due to age
- Lack of available parking for larger events

## THREATS



- General community interest is decreasing in the agricultural space and industry
- Facility is operating in the red
- Urban Growth

# Key Questions

- What is the market opportunity for a renovation or expansion of the Washington County Expo? **The Washington County Expo is a historic venue that does present the opportunity to become a destination hub for regional livestock and equine shows.**
- What type of facilities are most desired by current and potential new users? **An enclosed arena, a secondary arena for warm-up purposes, and a minimum of 400 stalls.**
- Can the facility generate revenue on the weekdays? **Yes, there is a large local draw for events on weekdays with the given event space.**
- Are Livestock and Equestrian Associations interested in an expansion or renovation of the current Expo facility? **Some groups have expressed interest; however, there would need to be penetration into the current annual rotation of facilities across Texas.**
- How well do the recommended facilities fit on the existing site? **The existing site could accommodate the recommended facilities, albeit in an inefficient manner and parking would remain a challenge.**
- Does it make more sense to relocate the Washington County Expo to another site?



# Washington County Expo

**Location:** Brenham, TX

**Opened:** 1946

**Owner/Operator:** Washington County, TX

## Facility Features:

- Uncovered Rodeo Arena (seats 2,500)
- Event Center and VIP Room Venue
- Three Livestock/Equine Stall Barns & Sales Facility
- Entertainment Center Stage

## Notes:

The Washington County Expo is an award-winning venue that offers one of the premier livestock and equestrian event locations in South Central Texas. In addition to the livestock and equestrian event capabilities, the facility has multiple small meeting space venues for many event types.

The Washington County Expo is the home of the Washington County Fair which is the oldest county fair in the state of Texas. This event runs for nine days every September.





# Washington County Expo – History & Heritage

Washington County, Texas, boasts a compelling history and rich heritage, embodying the pioneering spirit of Texan innovation. Established in 1836 as one of the original counties of the Republic of Texas and named after George Washington, it became a nexus of agricultural excellence, particularly renowned for its cotton production in the early years.

The first school district in Texas was established in the county, which demonstrates its commitment to education from its earliest days. Additionally, the Washington County Fair, a cherished annual event since 1868, stands as a testament to the community's enduring spirit and agricultural heritage, showcasing livestock exhibitions, carnival rides, and cultural festivities.

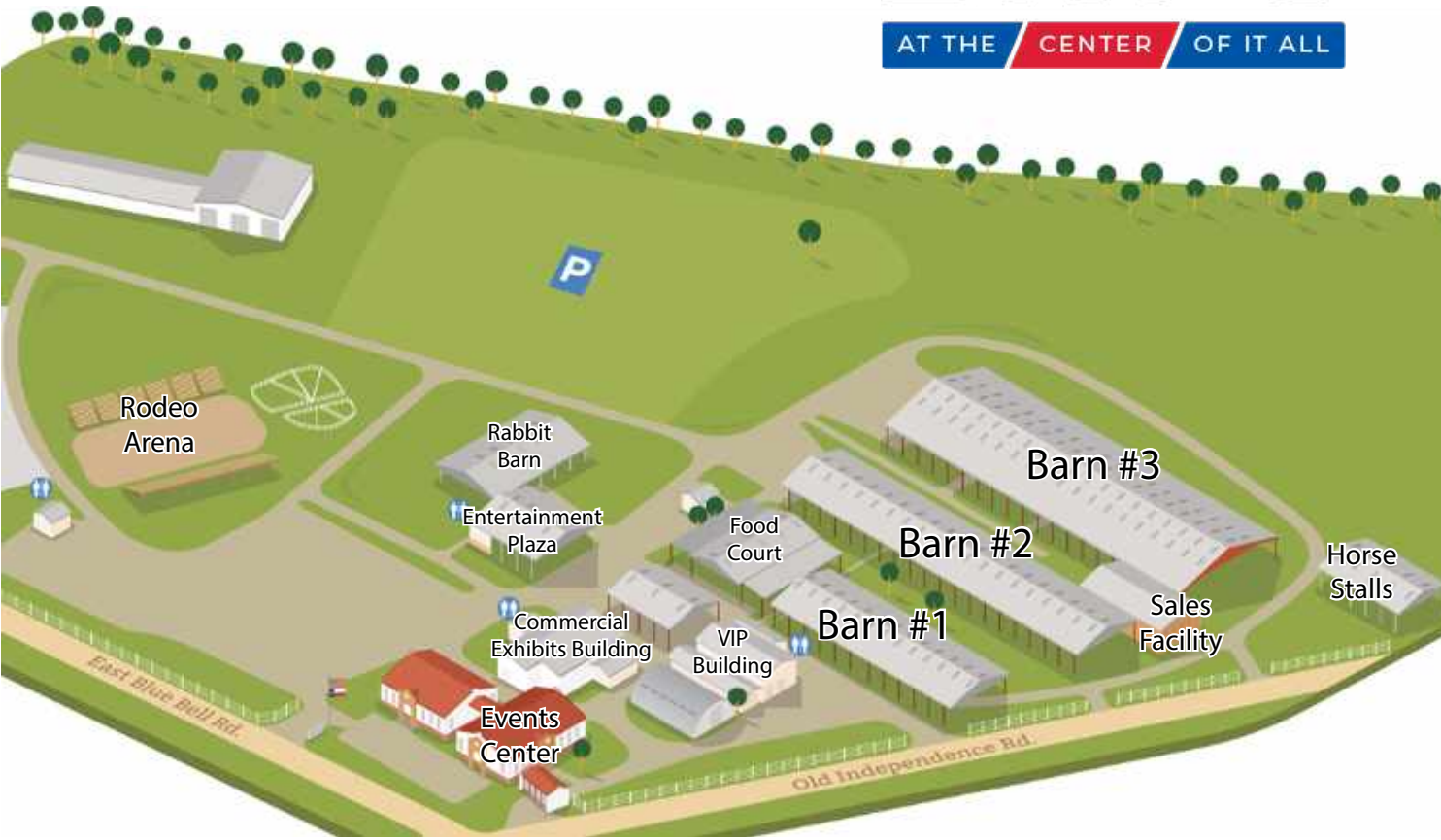
Washington County's legacy of Texan innovation continues to thrive, honoring its past while embracing progress and mindful growth.





# Current Project Site

## Washington County – Aerial Map



Washington County Expo   Space Breakdown				
Feature	Size (SF)	Arena Dimensions	Capacity	Build Type
<i>Show Arenas</i>				
Rodeo Arena	27,600	120' x 230'	5,000	Uncovered
Barn 3 Arena	20,000*	100' x 200*	250*	Covered & Open Air Concept
Barn 1 Arena	10,000	100' x 100'	250*	Covered & Open Air Concept
Total	57,600	-	5,000	-
Feature	Count	Dimensions		
<i>Animal Stalls</i>				
Designated Horse Stalls	40	12' x 12'		
Large Animal Pens	116	12' x 12'		
Small Animal Pens	169	6' x 6'		
Cattle Tie Stalls	425	-		
Total	750	-		
Feature	Size (SF)	Build Type		
<i>Function Space</i>				
Sales Facility	3,000	Concrete Floor		
Event Center	6,072	Concrete Floor		
VIP Room	3,200	Concrete Floor		
Commercial Building	5,000	Concrete Floor		
Total	17,272	-		
Feature	Size (SF)	Dimensions	Capacity	Build Type
<i>Event Spaces</i>				
Food Court Structure	9,000	75' x 120'	-	Covered & Open Air Concept
Entertainment Plaza	8,640	90' x 96'	-	Covered & Open Air Concept
Total	17,640	-	-	-

\* indicates estimations  
Source: Hunden Partners

# Washington County Expo - Facilities

## Barns 1, 2, and 3



**Barn #1**

This barn is ideal for swine, lamb, goat, mini horse, dog or other small animal shows and sales.

- **169** Small Animal Pens (6'x6')
- 10,000 square feet of open dirt area



**Barn #2**

This barn is the premier venue of the expo for regional cattle shows throughout South-Central Texas. The barn can be arranged to suit many needs.

- **116** Cattle Pens (12'x12')



**Barn #3**

This barn specializes in equine events like cuttings, calf roping's, and barrel races.

- Total space for **1,187** cattle on tie racks
- Functionally, space for **425** cattle on tie racks with show arena use

# Washington County Expo - Facilities

## Equestrian and Livestock Venues



### Rodeo Arena

This open-air arena is just over 500 feet from any of the three barns.

- Arena size: **27,600 SF (120'x230')**
- Bleacher Capacity: **2,500**
- Restrooms



### Sales Facility

The Sales facility is an indoor venue for livestock or other auction sales.

- Upstairs: **1,800 SF (30'x60')**
- Floor size: **3,000 SF (60'x50')**
- Bleacher Capacity: **150-400**



### Entertainment Center

The Entertainment Center is a covered structure made for small concerts, flea markets, and other outdoor entertainment.

- Stage: **1,200 SF (20'x60')**
- Arena size: **8,640 SF (90'x96')**

# Washington County Expo - Facilities

## Event Venues



### Event Center

This event center is a covered and air-conditioned facility that provides space for wedding receptions and social events.

- Building size: **6,072 SF (69'x88')**
- Venue Capacity: **350 (seating)**
- Kitchen, Bar & Restrooms



### VIP Room

The VIP Room is the newest building on the fairgrounds that can hold smaller receptions and social events.

- Building size: **3,200 SF (80'x40')**
- Venue Capacity: **250**
- Small Kitchen & Bar Top



### Commercial Building

The Commercial Building is a historic building on the fairgrounds that is known for commercial exhibits.

- Building size: **5,000 SF (50'x100')**
- Venue Capacity: **250**
- Singular Restroom

# Placer.ai

Hunden uses Placer.ai to collect visitation data.

- Placer.ai is a location analytics company that studies visit trends, trade areas, and demographics.
- Placer.ai collects geolocation data from mobile devices that have enabled data sharing in an unidentifiable fashion

## VISITS:

- The estimated number of visits to the Point of Interest
- This includes repeat visitors

## VISITORS:

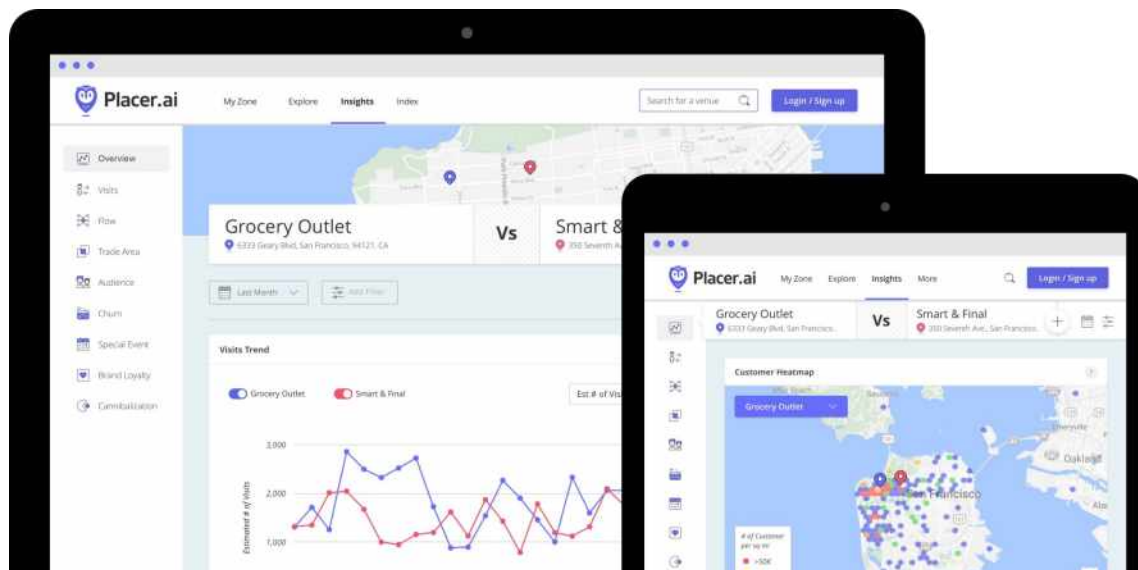
- The estimated number of unique visitors to the Point of Interest

## Example:

- A person goes to their favorite restaurant 12 times throughout the year

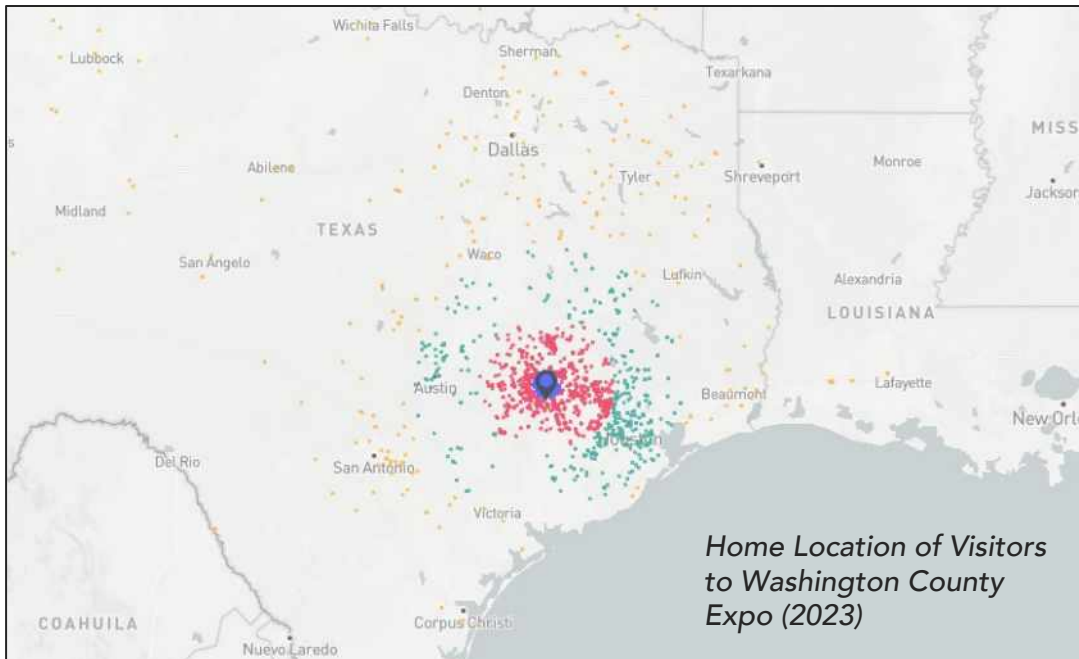
12 Visits

1 Visitor



# Washington County Expo Visitation

In 2023, Washington County Expo had over 170,000 visits, of which 48 percent came from within ten miles. However, there was a noticeable increase of weekend visitors from more than ten miles away which demonstrates the impact of the facility on regional and long-distance visitation to the county. The facility had a large spike in September due to the Washington County Fair that brings in over 50,000 visitors every year. The 2023 Visits over the Calendar Year does not include the month of September to show visits during the other 11 months of the year.

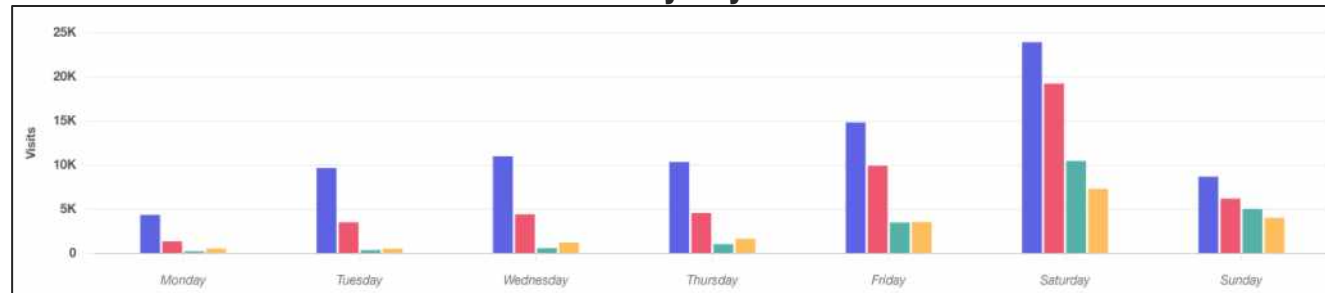


Home Location of Visitors to Washington County Expo (2023)

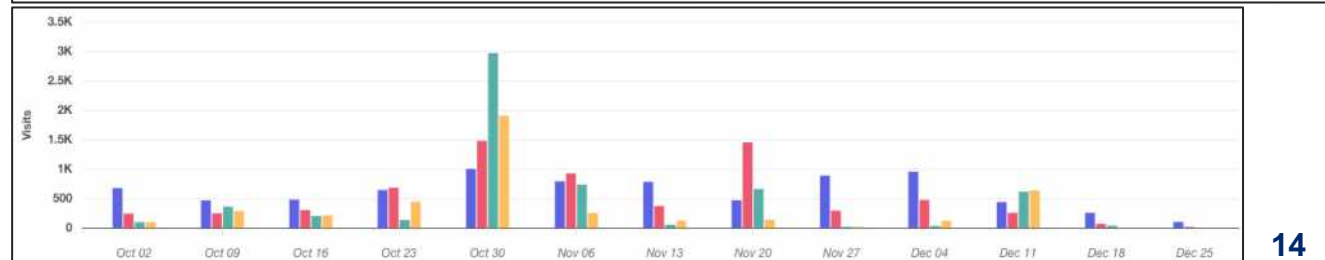
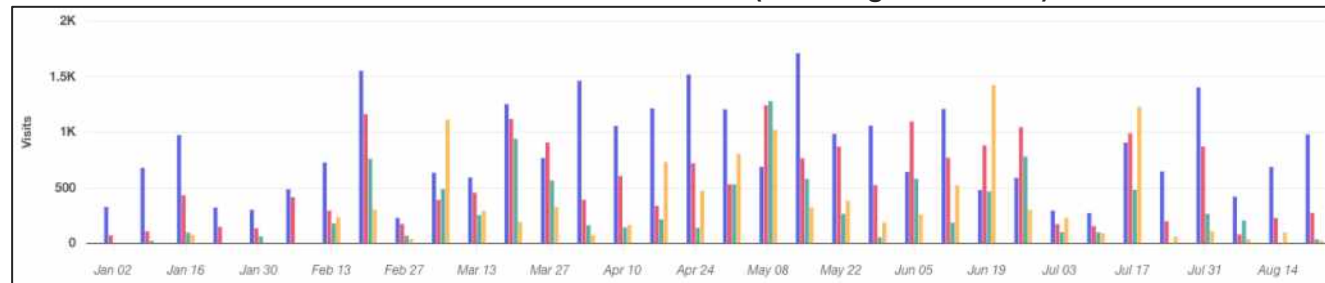
Washington County Expo Center January 1st, 2023 - December 31st, 2023						
Visitor Origins by Distance from Site (Colors correspond to charts & maps)	Total Visits		Total Unique Customers		Avg. Visits per Customer	Avg. Dwell Time
	Est. Number of Visits	Percent of Total Visits	Est. Number of Customers	Total Customers		
Locals - Within 10 miles	82,900	48.0%	19,900	32.5%	4.17	135 min.
Regional Distance - Over 10 miles & Less Than 50 miles	49,300	28.5%	21,200	34.6%	2.33	178 min.
Regional Distance - Over 50 miles & Less Than 100 miles	21,400	12.4%	12,000	19.6%	1.78	186 min.
Long Distance only - Over 100+ miles	19,100	11.1%	8,100	13.2%	2.36	230 min.
Total Visits	172,700	100.0%	61,200	100.0%	2.82	164 min.

Source: Placer.ai

2023 Visits by Day of Week



2023 Visits over Calendar Year (Jan-Aug & Oct-Dec)



# Washington County Expo – Financial Performance

Since 2019, the Washington County Expo has operated with a net deficit of over \$250,000 annually. The net deficit from calendar year 2023 was over \$500,000. The largest net deficit was over one million dollars in 2021, due to \$668,000 of weather-related expenses.

Revenues have increased by almost \$100,000 from 2019 to 2023 and rebounded quickly after the Covid-19 pandemic.

The Washington County Expo serves as a demand driver for the community, where attendees of the expo center travel to Washington County and spend money in the county. If not for the Expo Center’s existence, the indirect spending in the county would be limited.

Washington County Expo receives minimal Hotel Tax subsidy from the county level. These subsidies help many county-owned entities breakeven and be more sustainable. Additionally, net deficit is driven by rising repair costs from historical neglect of the maintenance of buildings and utilities.

Washington County Expo - Profit & Loss Statement						
Year	2019	2020	2021	2022	2023	2024*
Total Revenues	\$181,944	\$117,971	\$181,794	\$253,947	\$276,510	\$259,610
Total Expenses	\$466,759	\$511,630	\$1,243,935	\$613,815	\$796,797	\$667,941
<b>Net Deficit</b>	<b>(\$284,814)</b>	<b>(\$393,658)</b>	<b>(\$1,062,141)</b>	<b>(\$359,869)</b>	<b>(\$520,288)</b>	<b>(\$408,331)</b>

\* indicates 2024 budgeting projections  
Source: Washington County Expo

Washington County Expo - Profit & Loss Statement						
Year	2019	2020	2021	2022	2023	2024*
<i>Revenues</i>						
Expo Rentals	\$110,237	\$65,937	\$120,950	\$140,785	\$154,933	\$135,000
Civic Center Rental	\$33,912	\$16,907	\$2,790	\$25,733	\$38,420	\$35,000
Fair Dumpster Rental	\$250	–	–	–	–	–
VIP Room Rentals	\$10,937	\$6,260	\$6,385	\$16,455	\$17,965	\$20,000
Fair Association Office Rental	\$2,688	\$4,608	\$4,608	\$4,608	\$4,608	\$4,610
Fair Event Revenue	–	–	\$23,551	\$40,000	\$40,000	\$50,000
Expo Deposits	–	–	\$2,100	\$11,180	\$3,569	–
Expo RV Parking	\$23,230	\$24,260	\$21,410	\$15,187	\$17,015	\$15,000
Concession Revenues	\$691	–	–	–	–	–
<b>Total Revenues</b>	<b>\$181,944</b>	<b>\$117,971</b>	<b>\$181,794</b>	<b>\$253,947</b>	<b>\$276,510</b>	<b>\$259,610</b>
<i>Expenses</i>						
Staffing Expenses	\$220,982	\$227,795	\$206,851	\$266,118	\$288,143	\$362,141
Uniforms	\$897	\$935	\$1,949	\$256	\$874	\$1,000
Communication Stipend	\$600	\$625	\$400	\$125	–	\$600
Office Supplies	\$386	\$348	\$1,876	\$2,195	\$1,674	\$1,500
2021 Weather Damages	–	–	\$668,907	–	–	–
Covid-19	–	–	\$15,819	–	–	–
Small Capital Items	–	\$2,808	\$869	\$5,896	\$4,867	–
Operating Supplies	\$3,936	\$4,104	\$21,511	\$14,596	\$11,714	\$10,000
Coffee & Water	–	–	–	–	\$73	\$1,000
Repairs & Maintenance-Equipment	\$3,805	\$2,274	\$4,597	\$10,796	\$10,062	\$5,000
Communication	\$1,353	\$1,164	\$1,423	\$2,375	\$2,453	\$2,600
Advertising & Legal Notices	\$820	\$1,819	\$2,221	\$2,099	\$1,000	–
Insurance, Vehicle	\$1,014	\$991	\$1,206	\$908	\$1,100	\$1,250
Insurance, Property	\$13,420	\$14,042	\$16,816	\$20,052	\$29,319	\$33,000
Seminars/Dues/Mileage	\$169	\$2,561	\$1,262	\$2,579	\$6,287	\$7,850
Mileage/Travel Reimbursement	–	\$1,172	\$802	\$2,118	\$708	–
Utilities	\$66,988	\$56,209	\$82,310	\$100,078	\$115,889	\$100,000
Repairs & Maintenance-Building	\$38,170	\$75,404	\$23,919	\$42,292	\$89,963	\$35,000
Trash Service	\$3,147	\$2,489	\$16,861	\$25,573	\$30,383	\$25,000
Vehicle Repairs/Maintenance	–	\$997	\$697	\$4,611	\$1,925	\$3,000
Shavings & Sand	\$936	–	\$3,600	\$1,470	\$936	\$5,000
Promotional	–	\$6,578	\$8,988	–	\$461	–
Fair Event Expense	–	–	\$22,113	\$46,744	\$49,962	–
Contract Labor	\$16,400	\$24,908	\$31,329	\$22,353	\$37,680	\$40,000
Vehicle Fuel	\$2,905	\$3,427	\$4,151	\$9,795	\$2,917	\$8,000
Rentals	\$1,051	\$1,747	\$3,857	\$2,312	\$4,700	\$2,000
Postage	\$66	\$33	\$11	\$21	\$300	–
Building & Improvements	\$80,881	\$12,658	\$1,527	\$1,297	–	–
Machinery & Equipment	\$8,833	\$66,543	\$21,733	\$13,406	\$89,627	\$10,000
Other Improvements	–	–	\$69,078	\$1,915	–	–
Software	–	–	\$7,253	\$11,838	\$13,780	\$14,000
<b>Total Expenses</b>	<b>\$466,759</b>	<b>\$511,630</b>	<b>\$1,243,935</b>	<b>\$613,815</b>	<b>\$796,797</b>	<b>\$667,941</b>

\* indicates 2024 budgeting projections  
Source: Washington County Expo

# Historical Performance

In 2023, the Washington County Expo reported nearly \$300,000 in lost revenue. The tables detail the lost revenue by event type, showing where improved facilities could re-capture this demand.

The largest sub-category of lost revenue in 'Business' was within livestock events where over \$57,000 of revenue was lost.

The largest sub-category of lost revenue in the 'Personal' category was Party with \$73,000 of lost revenue.

Washington County Expo Center Lost Revenue Report January 1, 2023 - Decemeber 31, 2023	
Event Category	Total Cost
Business	\$ 128,470
Personal	\$ 120,750
No Category	\$ 27,050
Community	\$ 14,900
Entertainment	\$ 2,500
<b>Total</b>	<b>\$ 293,670</b>

Washington County Expo Center Lost Revenue Report - Business January 1, 2023 - Decemeber 31, 2023		
Category	Sub-Category	Total Cost
Business	Livestock	\$ 57,020
Business	Equestrian	\$ 23,475
Business	Market	\$ 20,100
Business	Other	\$ 9,600
Business	Auction	\$ 7,500
Business	Party	\$ 4,650
Business	Meeting	\$ 3,025
Business	Dinner	\$ 2,300
Business	Luncheon	\$ 800
<b>Total</b>		<b>\$ 128,470</b>

Washington County Expo Center Lost Revenue Report - Personal January 1, 2023 - Decemeber 31, 2023		
Category	Sub-Category	Total Cost
Personal	Party	\$ 73,600
Personal	Wedding	\$ 26,500
Personal	Quincenera	\$ 11,650
Personal	Graduation	\$ 5,000
Personal	Baptism	\$ 2,400
Personal	Funeral	\$ 1,200
Personal	Banquet	\$ 400
<b>Total</b>		<b>\$ 120,750</b>



# Detailed Recommendations

Based on the findings of the Project's past and existing conditions, Hunden recommends an upgraded build out of the Washington County Expo based on the table shown to the right.

- The recommended Project is a three-arena facility, where the main arena is an indoor, climate-controlled rodeo arena that seats 5,000. The Secondary Arena is a 31,500-square-foot arena, which can hold equine events that require a space 120 feet by 240 feet.
- The arenas are recommended to be complemented with 300 equine stalls, 300 large animal pens and 250 small animal pens. These stalls are recommended to be flexible and adaptable for any need necessary. Additionally, Hunden recommends 850 cattle tie stalls for a total of a 1,700-animal capacity for small to large animal sizes.
- Hunden recommends 30,000 square feet of exhibit hall space, 20,000 square feet of ballroom space and 10,000 square feet of meeting space that is divisible into four rooms.
- In order to add a large entertainment aspect to the facility, Hunden recommends a 2,500-capacity amphitheater for performances and concerts, especially during the Washington County Fair. In addition, Hunden recommends a food court structure to remain the same size as the current food court.

Washington County Expo Detailed Recommendations				
Feature	Arena Size (SF)	Build Type	Arena Dimensions	Capacity
<i>Show Arenas</i>				
Main Arena	38,500	Enclosed & Climate Controlled	–	5,000
Warm-up Arena	26,400	Unenclosed	–	–
Secondary Arena	31,500	Covered & Open Air Concept	–	500
Total	96,400	–	–	5,500
Feature	Count	Build Type	Dimensions	Capacity
<i>Animal Stalls</i>				
Horse Stalls	300	Covered & Open Air Concept	12' x 12'	–
Large Animal Pens	300	Covered & Open Air Concept	12' x 12'	–
Small Animal Pens	250	Covered & Open Air Concept	6' x 6'	–
Cattle Tie Stalls	850	Covered & Open Air Concept	–	–
Total	1,700	–	–	–
Feature	Size (SF)	Build Type	Dimensions	Capacity
<i>Function Space</i>				
Exhibit Hall Space	30,000	–	–	–
Ballroom Space	20,000	–	–	–
Meeting Room Space	10,000	–	–	–
Total	60,000	–	–	–
Feature	Size (SF) / Count	Build Type	Dimensions	Capacity
<i>Misc. Spaces</i>				
Support Cattle Building	100 pens	Covered & Open Air Concept	–	–
Food Court Structure	9,000	Covered & Open Air Concept	175' x 90'	–
Ampitheater	–	Outdoor & Uncovered	–	2,500
Parking	2,333	Surface Parking	–	–
RV Spots	75 spots	With Full RV Hookups	–	–
Total	–	–	–	–

Source: Hunden Partners, Covergence Design



**Current Fairgrounds Site**

# Detailed Recommendations and Current Site Plan



# Estimated Project Costs

Convergence Designed analyzed the Project recommendations and developed high-level project costs for the Project.

These project costs assume the renovation of the current Expo site of 42 acres.

**The total project costs for developing the Washington County Expo at the current site is estimated to be \$141.3 million. Construction costs are estimated to be \$112.7 million and soft costs are estimated to be \$28.6 million.**

These costs are considerably less than the total project costs of developing the recommended build-out of a new site. Additionally, there are buildings currently on site that only need renovation and not a total rebuild. However, due to the current site parameters, there is no acreage to develop RV spots.

Washington County Expo Order of Magnitude Cost Estimate (Fairgrounds Site)							
Feature	Arena Size (SF)	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Show Arenas</i>							
Main Arena	38,500	Enclosed & Climate Controlled	77,000	GSF	\$30,800,000	\$7,700,000	\$38,500,000
Warm-up Arena	26,400	Unenclosed	26,400	GSF	\$1,100,000	\$300,000	\$1,400,000
Secondary Arena	31,500	Covered & Open Air Concept	36,225	GSF	\$7,300,000	\$1,900,000	\$9,200,000
Total	96,400	-			\$39,200,000	\$9,900,000	\$49,100,000
Feature	Count	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Animal Stalls</i>							
Horse Stalls	300	Covered & Open Air Concept	69,120	GSF	\$3,400,000	\$900,000	\$4,300,000
Large Animal Pens	300	Covered & Open Air Concept	69,120	GSF	\$2,400,000	\$600,000	\$3,000,000
Small Animal Pens	250	Covered & Open Air Concept	14,400	GSF	\$1,500,000	\$400,000	\$1,900,000
Cattle Tie Stalls	850	Covered & Open Air Concept	935	EA	\$1,500,000	\$400,000	\$1,900,000
Total	1,700	-			\$8,800,000	\$2,300,000	\$11,100,000
Feature	Size (SF)	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Function Space</i>							
Exhibit Hall Space	30,000	-	54,000	GSF	\$18,900,000	\$4,800,000	\$23,700,000
Ballroom Space	20,000	-	45,000	GSF	\$20,300,000	\$5,100,000	\$25,400,000
Meeting Room Space	10,000	-	21,000	GSF	\$8,400,000	\$2,100,000	\$10,500,000
Total	60,000	-	120,000		\$47,600,000	\$12,000,000	\$59,600,000
Feature	Size (SF) / Count	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Misc. Spaces</i>							
Support Cattle Building	100 pens	Covered & Open Air Concept	23,040	GSF	\$1,200,000	\$300,000	\$1,500,000
Food Court Structure	9,000	Covered & Open Air Concept	10,350	GSF	\$2,100,000	\$600,000	\$2,700,000
Ampitheater	-	Outdoor & Uncovered	2,500	pax	\$8,800,000	\$2,200,000	\$11,000,000
Parking	2,333	Surface Parking	2,333	PS	\$5,000,000	\$1,300,000	\$6,300,000
RV Spots	75 spots	With Full RV Hookups	75	sites	-	-	-
Total	-	-	-	-	\$17,100,000	\$4,400,000	\$21,500,000
<b>GRAND TOTAL</b>					<b>\$112,700,000</b>	<b>\$28,600,000</b>	<b>\$141,300,000</b>

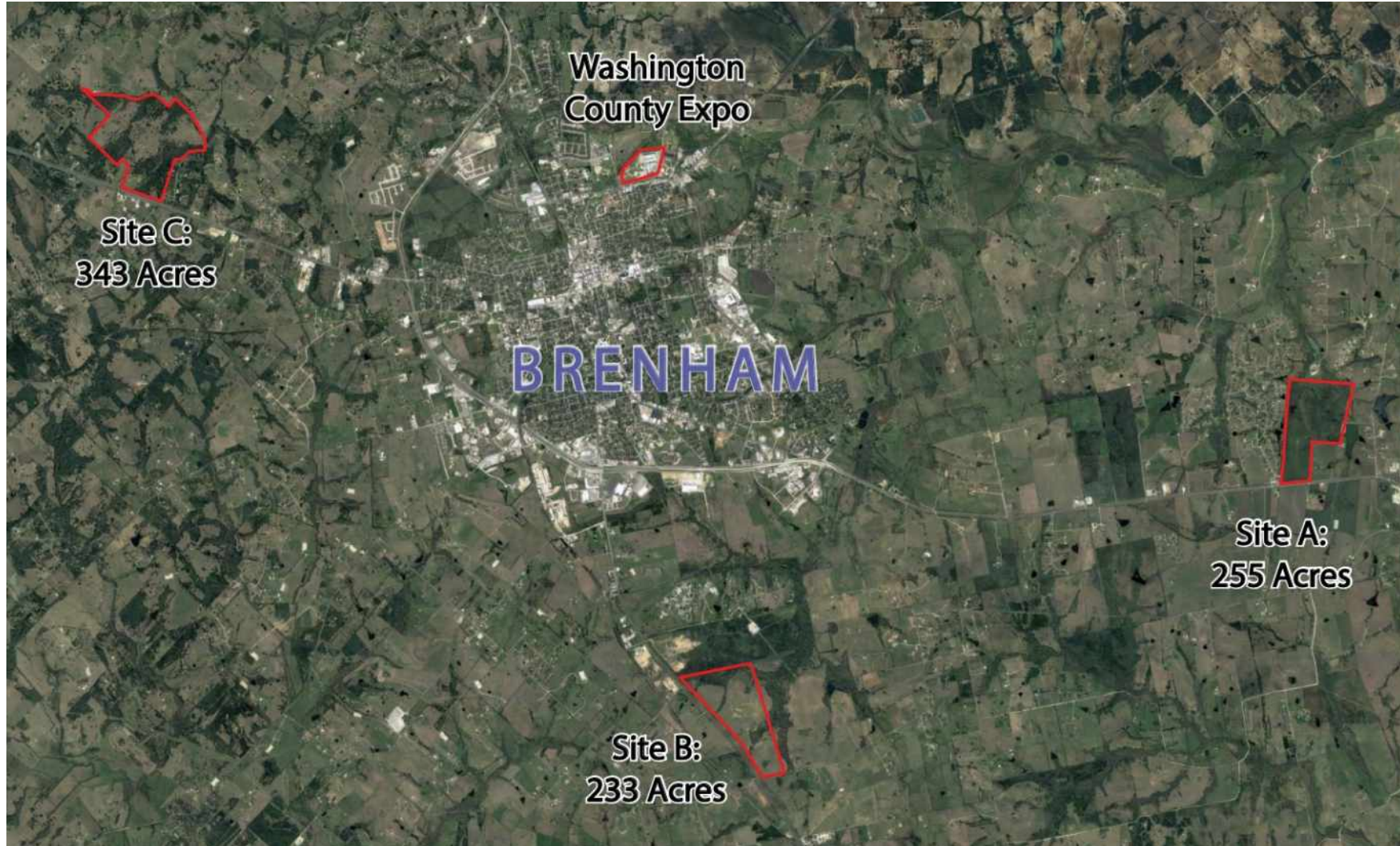
Source: Hunden Partners, Convergence Design



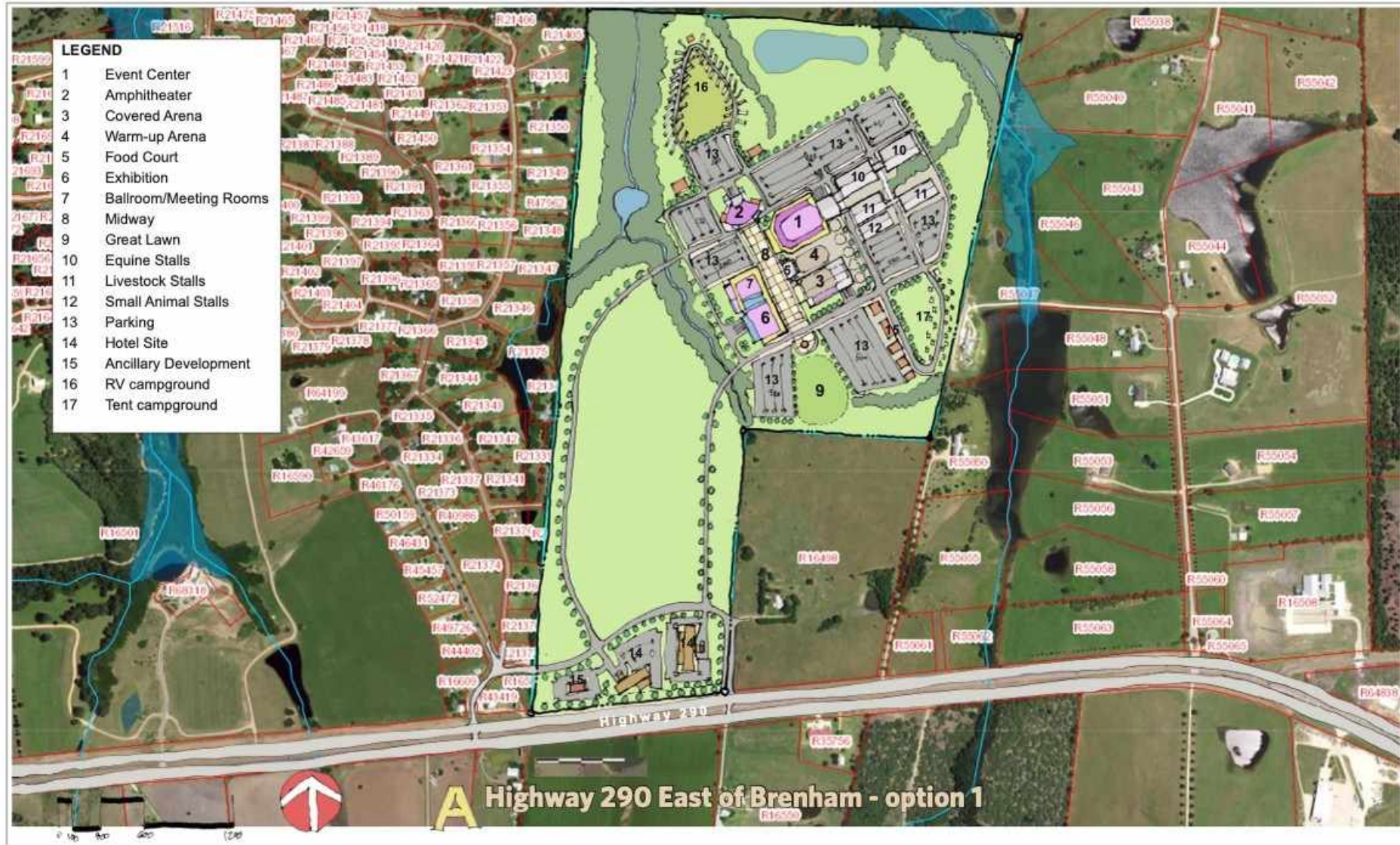
# Potential New Project Sites

# Potential Project Site

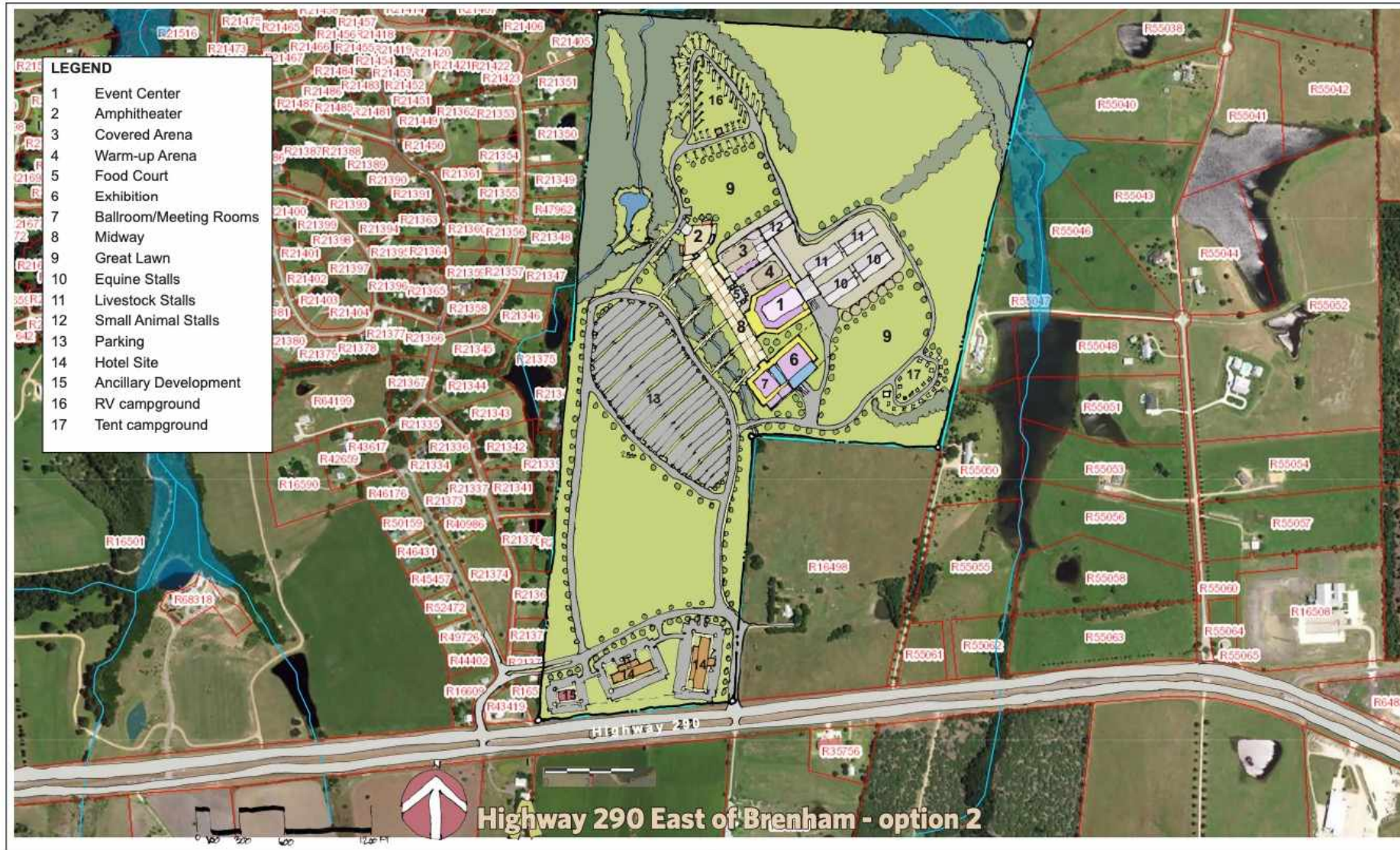
## Washington County – Aerial Map



# Detailed Recommendations and Site Plan A-1



# Detailed Recommendations and Site Plan A-2



Washington County Expo Center Study



Alternate Location Study



# Detailed Recommendations and Site Plan B



Washington County Expo Center Study



Alternate Location Study

# Detailed Recommendations and Site Plan C



Washington County Expo Center Study



Alternate Location Study

# Estimated Project Costs

Convergence Designed analyzed the Project recommendations and developed high-level project costs for the Project.

These project costs assume there is new construction on one of the three greenfield sites profiled earlier.

**The total project costs for developing the Washington County Expo on a new site is estimated to be \$162.4 million. Construction Costs are estimated to be \$129.5 million and Soft Costs are estimated to be \$32.9 million.**

These costs are considerably more than the renovation costs on the existing fairgrounds site, as there would be enhanced RV Site parking and more extensive stall barn construction.

Washington County Expo Order of Magnitude Cost Estimate (New Construction)							
Feature	Arena Size (SF)	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Show Arenas</i>							
Main Arena	38,500	Enclosed & Climate Controlled	77,000	GSF	\$30,800,000	\$7,700,000	\$38,500,000
Warm-up Arena	26,400	Unenclosed	26,400	GSF	\$1,100,000	\$300,000	\$1,400,000
Secondary Arena	31,500	Covered & Open Air Concept	36,225	GSF	\$7,300,000	\$1,900,000	\$9,200,000
Total	96,400	-			\$39,200,000	\$9,900,000	\$49,100,000
Feature	Count	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Animal Stalls</i>							
Horse Stalls	300	Covered & Open Air Concept	69,120	GSF	\$10,400,000	\$2,600,000	\$13,000,000
Large Animal Pens	300	Covered & Open Air Concept	69,120	GSF	\$8,700,000	\$2,200,000	\$10,900,000
Small Animal Pens	250	Covered & Open Air Concept	14,400	GSF	\$1,500,000	\$400,000	\$1,900,000
Cattle Tie Stalls	850	Covered & Open Air Concept	935	EA	\$1,500,000	\$400,000	\$1,900,000
Total	1,700	-			\$22,100,000	\$5,600,000	\$27,700,000
Feature	Size (SF)	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Function Space</i>							
Exhibit Hall Space	30,000	-	54,000	GSF	\$18,900,000	\$4,800,000	\$23,700,000
Ballroom Space	20,000	-	45,000	GSF	\$20,300,000	\$5,100,000	\$25,400,000
Meeting Room Space	10,000	-	21,000	GSF	\$8,400,000	\$2,100,000	\$10,500,000
Total	60,000	-	120,000		\$47,600,000	\$12,000,000	\$59,600,000
Feature	Size (SF) / Count	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Misc. Spaces</i>							
Support Cattle Building	100 pens	Covered & Open Air Concept	23,040	GSF	\$2,900,000	\$800,000	\$3,700,000
Food Court Structure	9,000	Covered & Open Air Concept	10,350	GSF	\$2,100,000	\$600,000	\$2,700,000
Amphitheater	-	Outdoor & Uncovered	2,500	pax	\$8,800,000	\$2,200,000	\$11,000,000
Parking	2,333	Surface Parking	2,333	PS	\$5,900,000	\$1,500,000	\$7,400,000
RV Spots	75 spots	With Full RV Hookups	75	sites	\$900,000	\$300,000	\$1,200,000
Total	-	-	-	-	\$20,600,000	\$5,400,000	\$26,000,000
<b>GRAND TOTAL</b>					<b>\$129,500,000</b>	<b>\$32,900,000</b>	<b>\$162,400,000</b>

Source: Hunden Partners, Convergence Design

# Proforma

After including Rental Revenues, concessions, catering, and parking, the facility is projected to make \$2.6 million in total revenues by year 2030.

Operationally, expo centers are expensive to operate, with the majority of expenses coming from salaries, wages and benefits for the staff required to operate the facility. Expenses for this facility are projected to total almost \$1.4 million in 2030.

Furthermore, this means the recommended Expo facility is projected to have a Net Operating Income of \$463,000 by Year 3 of operation.

All values are represented in thousands (\$000s) of dollars.

Washington County Expo Center		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Proforma for Current Facility		2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Visits		153,348	153,232	153,115	153,115	153,115	153,115	153,115	153,115	153,115	153,115
<b>Revenues (\$000s)</b>	<b>2023</b>										
Rental	\$ 256	\$ 246	\$ 252	\$ 257	\$ 262	\$ 267	\$ 282	\$ 287	\$ 292	\$ 297	\$ 303
Rental Items	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
Concession, Net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parking	\$ 17	\$ 19	\$ 20	\$ 20	\$ 21	\$ 21	\$ 22	\$ 22	\$ 23	\$ 23	\$ 24
<b>Total</b>	<b>\$ 277</b>	<b>\$ 270</b>	<b>\$ 275</b>	<b>\$ 281</b>	<b>\$ 287</b>	<b>\$ 292</b>	<b>\$ 308</b>	<b>\$ 314</b>	<b>\$ 320</b>	<b>\$ 325</b>	<b>\$ 331</b>
<b>Expenses</b>											
Personal Services	\$ 288	\$ 331	\$ 340	\$ 349	\$ 357	\$ 366	\$ 375	\$ 383	\$ 392	\$ 401	\$ 409
Utilities & Dirt	\$ 117	\$ 148	\$ 152	\$ 155	\$ 159	\$ 163	\$ 167	\$ 171	\$ 175	\$ 179	\$ 182
Maintenance	\$ 105	\$ 181	\$ 186	\$ 190	\$ 195	\$ 200	\$ 205	\$ 209	\$ 214	\$ 219	\$ 223
Other Operating Expenses	\$ 62	\$ 82	\$ 84	\$ 86	\$ 89	\$ 91	\$ 93	\$ 95	\$ 97	\$ 99	\$ 101
General Supplies	\$ 10	\$ 11	\$ 12	\$ 12	\$ 12	\$ 12	\$ 13	\$ 13	\$ 13	\$ 14	\$ 14
Contractual	\$ 38	\$ 43	\$ 44	\$ 46	\$ 47	\$ 48	\$ 49	\$ 50	\$ 51	\$ 52	\$ 54
Equipment & Services	\$ 170	\$ 195	\$ 200	\$ 205	\$ 211	\$ 216	\$ 221	\$ 226	\$ 231	\$ 236	\$ 241
Misc.	\$ 8	\$ 9	\$ 9	\$ 9	\$ 9	\$ 10	\$ 10	\$ 10	\$ 10	\$ 11	\$ 11
<b>Total</b>	<b>\$ 509</b>	<b>\$ 1,001</b>	<b>\$ 1,027</b>	<b>\$ 1,053</b>	<b>\$ 1,079</b>	<b>\$ 1,105</b>	<b>\$ 1,131</b>	<b>\$ 1,157</b>	<b>\$ 1,184</b>	<b>\$ 1,210</b>	<b>\$ 1,236</b>
<b>Net Operating Income</b>	<b>\$ (232)</b>	<b>\$ (731)</b>	<b>\$ (752)</b>	<b>\$ (772)</b>	<b>\$ (793)</b>	<b>\$ (813)</b>	<b>\$ (823)</b>	<b>\$ (844)</b>	<b>\$ (864)</b>	<b>\$ (884)</b>	<b>\$ (905)</b>

Source: Hunden Partners

Washington County Expo Center		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Proforma for Expansion Scenario		2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Visits		225,065	284,367	346,771	346,771	346,771	346,771	346,771	346,771	346,771	346,771
<b>Revenues (\$000s)</b>	<b>2023</b>										
Rental	\$ 256	\$ 518	\$ 705	\$ 901	\$ 922	\$ 944	\$ 975	\$ 996	\$ 1,017	\$ 1,038	\$ 1,059
Rental Items	\$ 4	\$ 31	\$ 42	\$ 54	\$ 55	\$ 57	\$ 58	\$ 60	\$ 61	\$ 62	\$ 64
Concession/Catering, Net	\$ -	\$ 248	\$ 363	\$ 492	\$ 504	\$ 517	\$ 529	\$ 541	\$ 553	\$ 565	\$ 578
Parking	\$ 17	\$ 212	\$ 306	\$ 411	\$ 421	\$ 431	\$ 441	\$ 451	\$ 462	\$ 472	\$ 482
<b>Total</b>	<b>\$ 277</b>	<b>\$ 1,009</b>	<b>\$ 1,417</b>	<b>\$ 1,858</b>	<b>\$ 1,903</b>	<b>\$ 1,948</b>	<b>\$ 2,003</b>	<b>\$ 2,048</b>	<b>\$ 2,093</b>	<b>\$ 2,137</b>	<b>\$ 2,182</b>
<b>Expenses</b>											
Personal Services	\$ 288	\$ 563	\$ 578	\$ 593	\$ 607	\$ 622	\$ 637	\$ 651	\$ 666	\$ 681	\$ 696
Utilities & Dirt	\$ 117	\$ 242	\$ 248	\$ 254	\$ 261	\$ 267	\$ 273	\$ 280	\$ 286	\$ 292	\$ 299
Maintenance	\$ 105	\$ 139	\$ 142	\$ 146	\$ 150	\$ 153	\$ 157	\$ 160	\$ 164	\$ 168	\$ 171
Other Operating Expenses	\$ 62	\$ 107	\$ 110	\$ 113	\$ 116	\$ 118	\$ 121	\$ 124	\$ 127	\$ 130	\$ 132
General Supplies	\$ 10	\$ 18	\$ 18	\$ 18	\$ 19	\$ 19	\$ 20	\$ 20	\$ 21	\$ 21	\$ 22
Contractual	\$ 38	\$ 43	\$ 44	\$ 46	\$ 47	\$ 48	\$ 49	\$ 50	\$ 51	\$ 52	\$ 54
Equipment & Services	\$ 170	\$ 205	\$ 210	\$ 216	\$ 221	\$ 226	\$ 232	\$ 237	\$ 242	\$ 248	\$ 253
Misc.	\$ 8	\$ 9	\$ 9	\$ 9	\$ 9	\$ 10	\$ 10	\$ 10	\$ 10	\$ 11	\$ 11
<b>Total</b>	<b>\$ 509</b>	<b>\$ 1,326</b>	<b>\$ 1,360</b>	<b>\$ 1,395</b>	<b>\$ 1,429</b>	<b>\$ 1,464</b>	<b>\$ 1,499</b>	<b>\$ 1,533</b>	<b>\$ 1,568</b>	<b>\$ 1,602</b>	<b>\$ 1,637</b>
<b>Net Operating Income</b>	<b>\$ (232)</b>	<b>\$ (317)</b>	<b>\$ 57</b>	<b>\$ 463</b>	<b>\$ 474</b>	<b>\$ 484</b>	<b>\$ 505</b>	<b>\$ 515</b>	<b>\$ 525</b>	<b>\$ 535</b>	<b>\$ 545</b>

Source: Hunden Partners

Current Facility

Recommended Facility

# 30-Year Impact Summary

Over 30 years the Project is expected to generate more than \$1.2 billion in net new spending, \$382 million in net new earnings and 234 net new full-time equivalent jobs.

30-Year Fiscal Impact - Tax Impacts from Recommended Facility (\$000s) - Project									
	2028	2029	2030	2031	2032	2037	2047	2057	Total
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Year 30	
<b>State Taxes (Texas)</b>									
State - Sales Tax (6.25%)	\$ 353	\$ 669	\$ 1,021	\$ 1,061	\$ 1,102	\$ 1,244	\$ 1,710	\$ 2,247	\$ 36,590
State - Mixed Beverage (8.25%)	\$ 13	\$ 14	\$ 14	\$ 14	\$ 15	\$ 53	\$ 66	\$ 78	\$ 1,167
State - Hotel Occ. Tax (4.00%)	\$ 65	\$ 131	\$ 202	\$ 207	\$ 212	\$ 238	\$ 288	\$ 338	\$ 5,842
<b>Total State</b>	<b>\$ 432</b>	<b>\$ 814</b>	<b>\$ 1,237</b>	<b>\$ 1,283</b>	<b>\$ 1,329</b>	<b>\$ 1,535</b>	<b>\$ 2,063</b>	<b>\$ 2,663</b>	<b>\$ 43,599</b>
<b>Local Taxes (Washington Co &amp; Brenham)</b>									
County - Sales Tax (0.05%)	\$ 3	\$ 5	\$ 8	\$ 8	\$ 9	\$ 10	\$ 14	\$ 18	\$ 270
Brenham - Sales Tax (1.50%)	\$ 85	\$ 161	\$ 245	\$ 255	\$ 264	\$ 299	\$ 410	\$ 539	\$ 8,021
Brenham - Hotel Occ. Tax (7.00%)	\$ 114	\$ 228	\$ 354	\$ 363	\$ 372	\$ 416	\$ 503	\$ 591	\$ 10,223
<b>Total Local</b>	<b>\$ 202</b>	<b>\$ 394</b>	<b>\$ 607</b>	<b>\$ 626</b>	<b>\$ 645</b>	<b>\$ 724</b>	<b>\$ 927</b>	<b>\$ 1,148</b>	<b>\$ 18,514</b>

Source: Hunden Partners

30-Year Impacts to Washington County Recommended Facility	
<b>Net New Spending</b>	
Direct	\$764.1
Indirect	\$302.4
Induced	\$145.9
<b>Total</b>	<b>\$1,212.3</b>
<b>Net New Earnings</b>	
From Direct	\$241.3
From Indirect	\$91.7
From Induced	\$49.5
<b>Total</b>	<b>\$382.4</b>
<b>Net New FTE Jobs</b>	
From Direct	146
From Indirect	59
From Induced	29
<b>Total</b>	<b>234</b>
<b>State Taxes</b>	
State - Sales Tax (6.25%)	\$36.6
State - Mixed Beverage (8.25%)	\$1.2
State - Hotel Occ. Tax (4.00%)	\$5.8
<b>Total State</b>	<b>\$43.6</b>
<b>Net New Local Taxes</b>	
County - Sales Tax (0.05%)	\$0.3
Brenham - Sales Tax (1.50%)	\$8.0
Brenham - Hotel Occ. Tax (7.00%)	\$10.2
<b>Total Local</b>	<b>\$18.5</b>
<b>Total Taxes</b>	<b>\$62.1</b>

Source: Hunden Partners

# 02

## Multi-purpose Expo and Event Center Market Analysis

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# **Conventions & Meetings Market Trends**

# Conference & Meetings Industry Overview

While the industry is ever-changing, the expectations for ease, convenience, and affordability have consistently increased, along with the demand for authenticity and high-quality flexible spaces. A single event may use many different types of spaces, including exhibit halls, ballrooms, and breakout meeting rooms, which increases the need for well-designed multi-purpose facilities.

Facility Types & Requirements for Various Event Types										
Event Types	Conventions with Exhibits	Conventions	Tradeshows	Consumer Shows	Assemblies	Sporting Events	Conferences	Meetings	Trainings	Banquets
<b>Attendance Range</b>	150 - 50,000	150 - 50,000	250 - 50,000	8,000 - 100,000	5,000 - 50,000	500 - 100,000	50 - 2,000	10 - 300	10 - 300	50 - 2,000
<b>Primary Purpose</b>	Info Exchange & Sales	Info Exchange	Sales	Advertising & Sales	Info Exchange	Sports	Info Exchange	Info Exchange	Training	Social, Business & Charity
<b>Facility Requirements</b>	Exhibit Halls, Ballroom, Meeting Rooms, Hotel Block	Ballroom, Meeting Rooms, Hotel Block	Exhibit Halls, Hotel Block	Exhibit Halls	Arena or Exhibit Halls, Hotel Block	Arena, Stadium or Exhibit Halls, Hotel Block	Ballroom, Meeting Rooms, Hotel Block	Meeting Rooms, Hotel Block	Meeting Rooms, Hotel Block	Ballroom
<b>Typical Facility Used</b>	Convention Center & Large Hotels	Convention Center & Large Hotels	Expo Facilities & Convention Centers	Expo Facilities & Convention Centers	Arenas or Convention Centers	Arenas, Stadiums, Convention Centers	Convention/Conference Centers and Hotels	Convention/Conference Centers and Hotels	Convention/Conference Centers and Hotels	Convention/Conference Centers and Hotels

Source: Hunden Strategic Partners

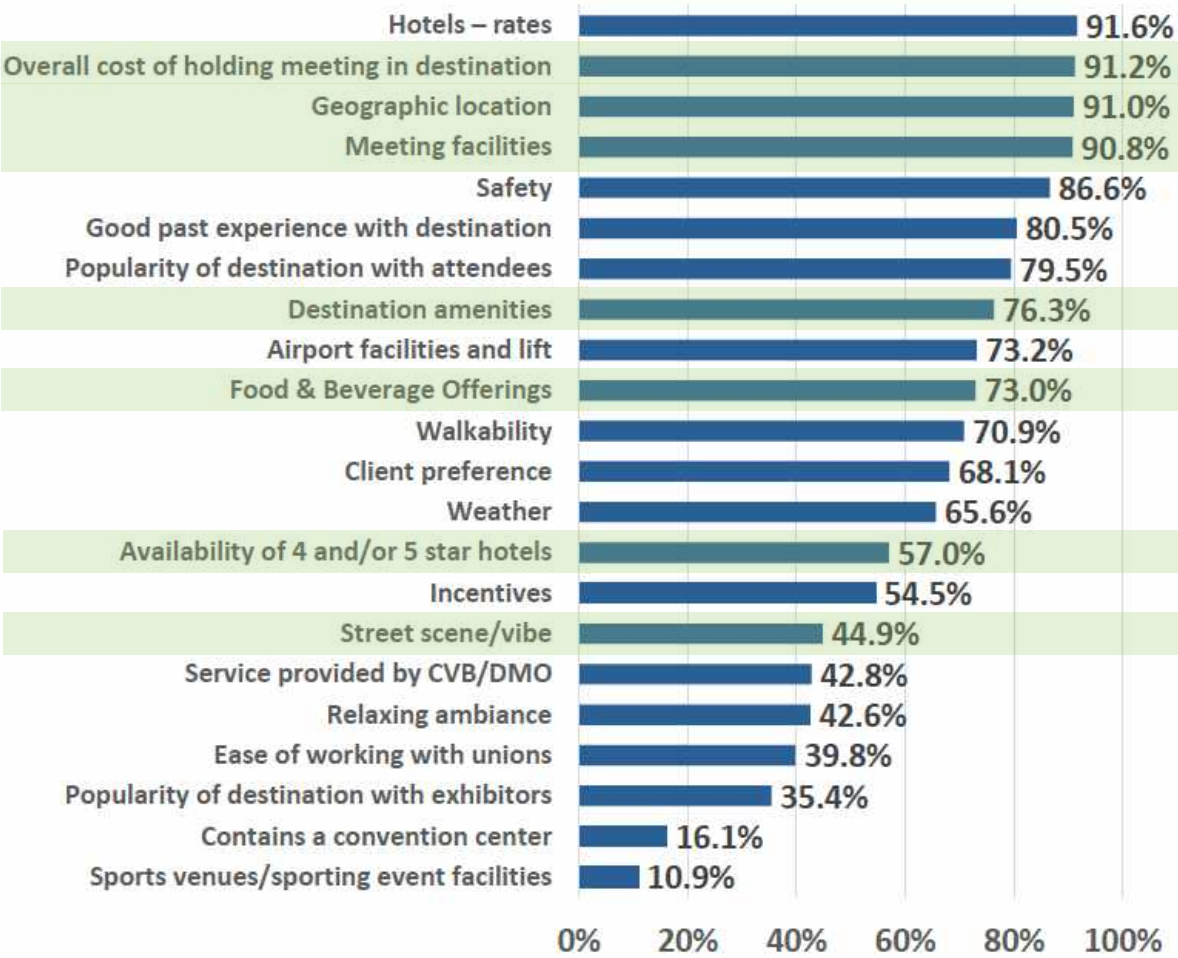
 **Project Related**



# Importance of Destination Attributes

Highlighted below are key destination attributes relevant to the Project.

**Project Related**



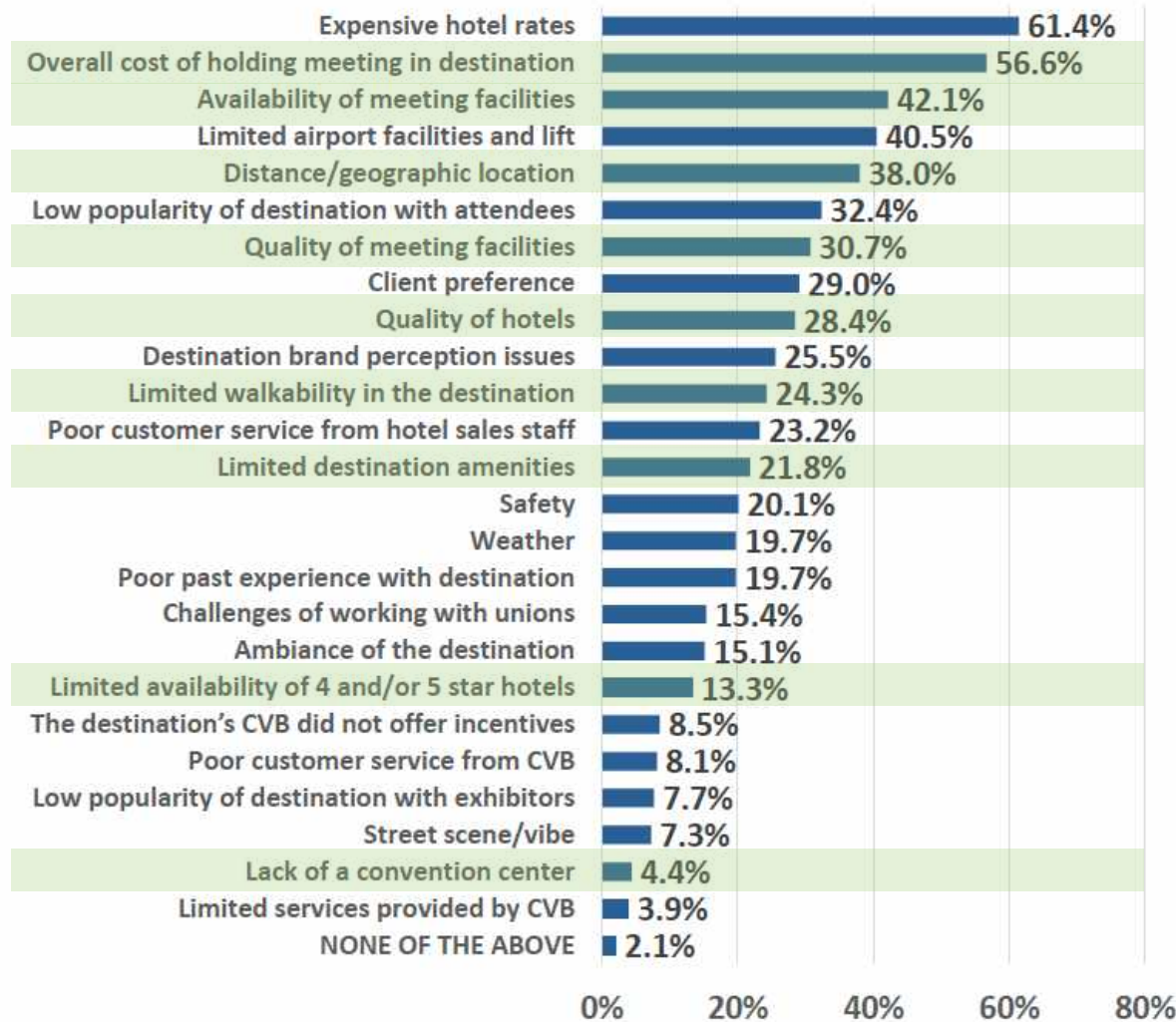
Attribute	CORP.	3RD PARTY	ASSOC.	SMERF
<b>TOP TWO BOX SCORE</b>				
Hotels – quality	95.3%	96.5%	93.0%	93.0%
Hotels – rates	91.3%	95.1%	95.2%	91.1%
Overall cost of holding meeting in destination	89.7%	95.1%	95.6%	93.0%
Geographic location	92.1%	95.1%	91.1%	89.7%
Meeting facilities	91.7%	95.1%	91.9%	91.1%
Safety	86.6%	89.5%	89.6%	87.8%
Good past experience with destination	82.6%	88.1%	82.2%	81.7%
Popularity of destination with attendees	81.0%	88.1%	83.3%	78.9%
Destination amenities (restaurants, entertainment, etc.)	80.6%	83.9%	79.3%	75.1%
Airport facilities and lift	77.1%	79.0%	74.4%	70.4%
Food & Beverage Offerings	78.7%	76.2%	74.8%	73.2%
Walkability	68.0%	69.2%	75.2%	69.0%
Client preference	78.7%	95.1%	71.9%	75.6%
Weather	71.5%	67.1%	67.4%	63.8%
Availability of 4 and/or 5 star hotels	69.2%	69.9%	57.8%	54.5%
Incentives	59.7%	69.9%	56.7%	58.2%
Street scene/vibe	46.2%	45.5%	46.3%	43.2%
Service provided by CVB/DMO	40.3%	55.2%	49.3%	50.7%
Relaxing ambiance	46.6%	44.8%	43.7%	47.4%
Ease of working with unions	44.3%	53.1%	44.1%	36.6%
Popularity of destination with exhibitors	39.9%	49.0%	40.4%	39.4%
Contains a convention center	14.2%	13.3%	17.8%	12.2%
Sports venues/sporting event facilities	16.6%	12.6%	8.5%	11.7%

Source: Destination Analysts – The CVB and the Future of the Meetings Industry

# What Causes Groups to Go Elsewhere

Highlighted below are reasons for lost business that can be mitigated due to the proposed Project.

**Project Related**

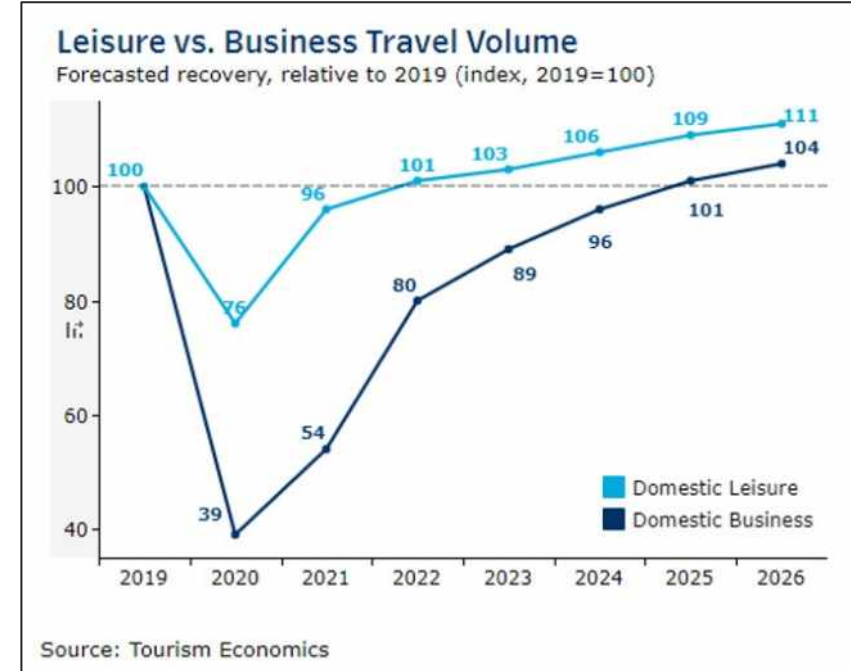
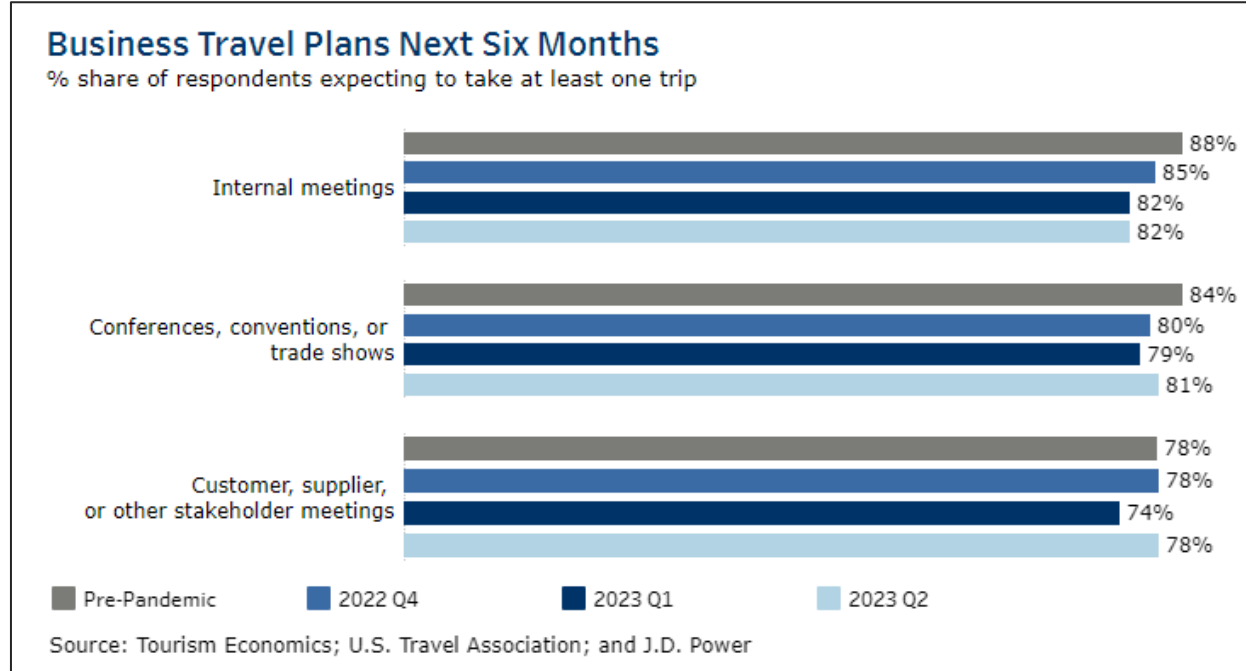


	CORP.	3RD PARTY	ASSOC.	SMERF
Expensive hotel rates	54.7%	64.3%	68.4%	66.2%
Overall cost of holding meeting in destination	51.6%	58.0%	62.9%	58.3%
Availability of meeting facilities	37.9%	39.2%	42.3%	40.7%
Limited airport facilities and lift	42.6%	43.4%	40.8%	40.3%
Distance/geographic location	34.4%	35.7%	39.3%	35.2%
Low popularity of destination with attendees	33.2%	42.0%	37.1%	37.5%
Quality of meeting facilities	29.3%	31.5%	33.1%	37.0%
Client preference	36.7%	53.1%	31.3%	34.7%
Quality of hotels	33.6%	32.9%	28.7%	29.6%
Destination brand perception issues	26.2%	37.1%	30.9%	27.8%
Limited walkability in the destination	18.0%	21.0%	27.6%	27.3%
Poor customer service from hotel sales staff	25.4%	27.3%	27.2%	29.2%
Limited destination amenities (restaurants, entertainment, etc.)	21.1%	21.0%	22.4%	24.1%
Safety	20.7%	21.7%	23.2%	20.8%
Poor past experience with destination	22.7%	26.6%	22.8%	25.9%
Weather	23.0%	27.3%	23.2%	21.8%
Challenges of working with unions	18.0%	18.9%	15.4%	12.0%
Ambiance of the destination did not fit the meeting	16.4%	16.1%	16.5%	13.4%
Limited availability of 4 and/or 5 star hotels	18.0%	17.5%	14.0%	13.0%
The destination's CVB did not offer incentives	7.0%	12.6%	11.4%	11.1%
Poor customer service from Convention & Visitors Bureau	7.8%	7.7%	8.5%	8.8%
Low popularity of destination with exhibitors	7.4%	9.1%	10.3%	7.9%
Street scene/vibe	6.6%	4.9%	9.6%	4.6%
Lack of a convention center	2.7%	3.5%	5.1%	3.2%
Limited services provided by Convention & Visitors Bureau	4.3%	4.2%	5.5%	5.1%

Source: Destination Analysts – The CVB and the Future of the Meetings Industry

# The Impact of the Pandemic

In Q2 2023, the domestic business travel market had not reached pre-pandemic levels, but many indicators suggest that a rebound in this travel market is expected over the next few years. By 2025 business and convention travel is forecasted to surpass levels set in 2019.



# Meeting Venues

Attendees are much more likely to find unique and historic venues appealing for events, while planners find hotel / resort facilities more appealing. Unique attributes to a destination, including area amenities, are important to both planners and attendees.

	Attendees	Planning Professionals
Venues that are truly unique to a destination	78%	59%
Historic landmarks or facilities	73%	32%
Hotels & resort ballrooms and conference facilities	70%	87%
Convention centers	65%	55%
Sports venues (ex. stadiums, arenas, golf courses, etc.)	58%	18%

Source: MMGY Travel Intelligence, *A Portrait of Meeting & Convention Travel*

# Event Site Selection

The Covid-19 pandemic had an influence on drivers for site selection as event planners prioritized hybrid meeting capabilities and health protocols implementation in addition to the more traditional factors of size, quality, and number of meeting spaces, site location including available hotel rooms, and off-site amenities in close proximity.

The adjacent table shows the most important factors for event planners when choosing a site for meetings and events.

Factor	Percentage
Size of meeting space	25%
Ability to host hybrid meetings	25%
Specific location type need	23%
Ease of transportation to location	20%
Preferred supplier programs	18%
Past experience with site	15%
Disinfection protocols	11%
Repeat destination	9%
Resort destination	8%
Food & beverage service	6%
COVID-19 screening	6%
Online reviews	5%

Source: 2022 Global Meetings & Events Forecast

# Industry Trends – Implications

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Trends in the conference center industry indicate important factors in the decision-making process of choosing a meeting or event site. These should be considered for any proposed conference center or hotel development in order to be competitive among other local and regional facilities.

These major factors include:

- Availability of nearby hotel rooms
- **Number and size of meeting spaces**
- Expanded meeting space technologies
- **Amenities and services**
- Health related protocols
- Contract flexibility
- **Costs related to these key elements are also a major consideration for meeting planners and attendees.**

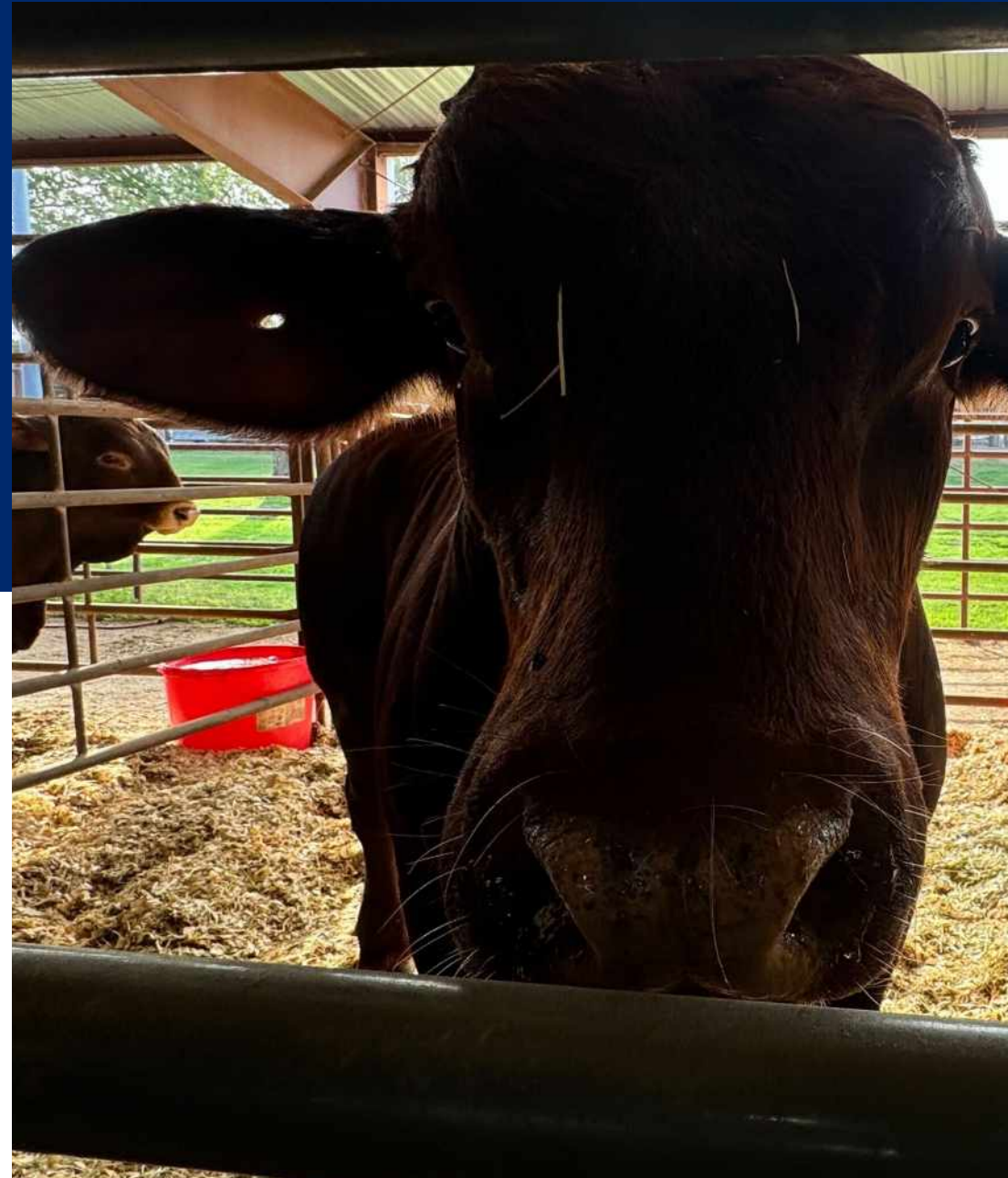
# Equestrian/Livestock Industry Profile & Trends

This section will profile the equestrian/livestock event industry and discuss industry trends.

The equestrian and livestock event industries generate well over \$100 billion dollars in spending within the United States economy annually. This study will focus primarily on the equestrian and livestock events surrounding the agriculture and trade show industry. Performance horse events include breed shows, cutting horse, reining horse, hunter jumper, English disciplines and others.

Performance horse events are hosted at facilities ranging from small outdoor arenas to fairgrounds, and more. While arena size and needs vary, in order to attract mid-to-large events, facilities must offer:

- 1+ show arenas (indoor, covered, and/or climate-controlled),
- Livestock/Equine Stalls,
- Cattle areas,
- Warm-up and practice areas,
- RV parking and hook-ups,
- Livestock trailer parking





# Livestock Industry



# Livestock Industry Associations

The table below demonstrates just a portion of national livestock and cattle associations across the United States. Texas is home to four national associations as well as affiliates.

Across three organizations in Bryan and San Antonio, there are 6,200 members.

Livestock and Cattle Associations			
Association	Location	Association	Location
United Braford Breeders	Foreman, AR	American Shorthorn Association	Kansas City, MO
North American Limousin Foundation	Aurora, CO	American International Charolais Association	Kansas City, MO
American Gelbvieh Association	Broomfield, CO	Senepol Cattle Breeders Association	Kansas City, MO
National Livestock Producers Association	Colorado Springs, CO	American Black Hereford Association	Platte City, MO
Red Angus Association of America	Commerce City, CO	American Angus Association	St. Joseph, MO
American Highland Cattle Association	Denver, CO	American Simmental Association	Bozeman, MT
National Cattlemen's Beef Association	Washington, D.C.	American Brahman Breeders Association	Bryan, TX
American Wagyu Association	Post Falls, ID	Beefmaster Breeders United	Bryan, TX
United States Cattlemen's Association	Wichita, KS	Santa Gertrudis Breeders International	Kingsville, TX
American Hereford Association	Kansas City, MO	International Brangus Breeders Association	San Antonio, TX

Source: Hunden Partners

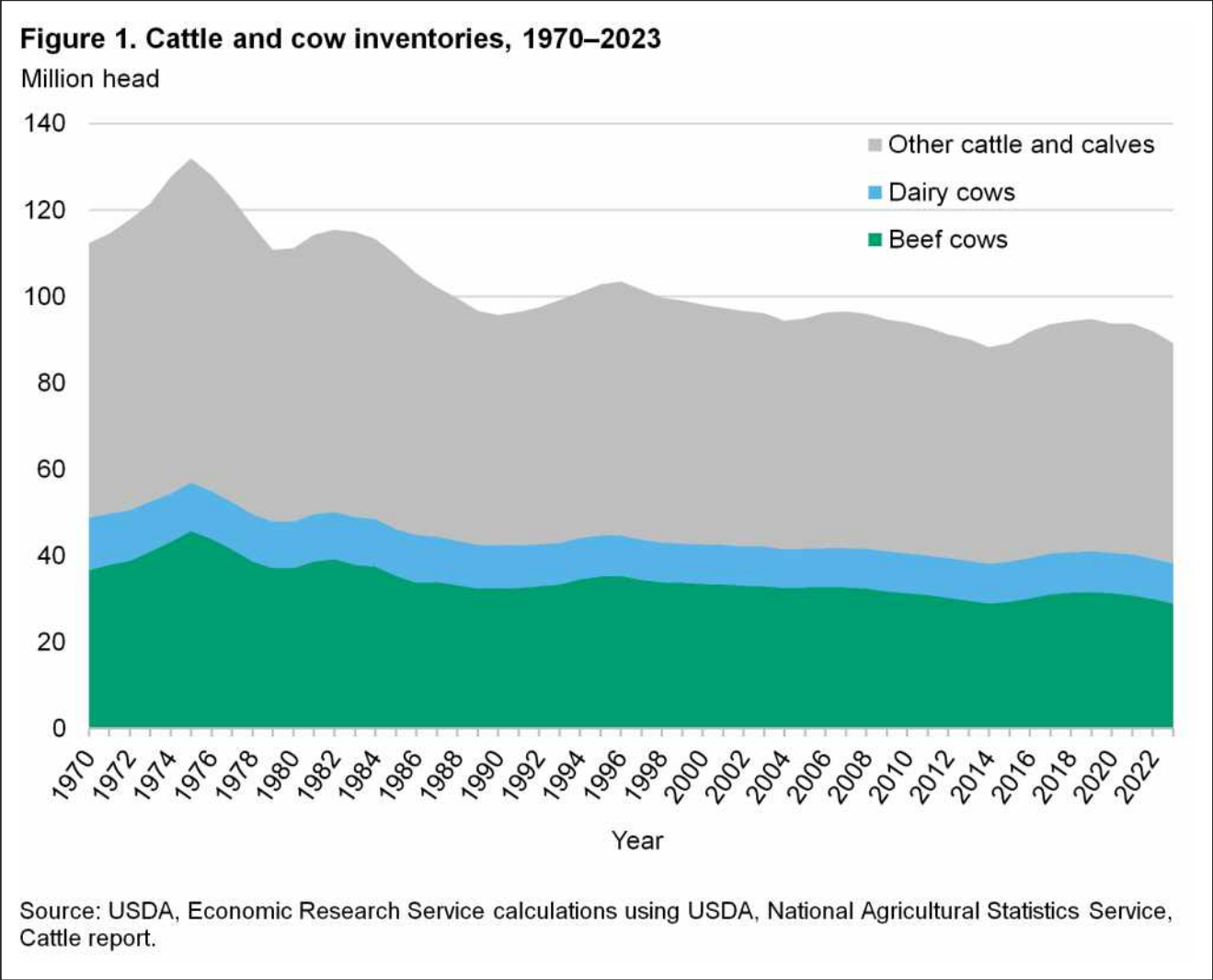
# National Livestock Industry Statistics

The chart to the right portrays the cattle and cow inventories since 1970. As an entity of the USDA, the National Agricultural Statistics Service (NASS) provides information on cattle inventory in its semi-annual cattle reports.

As of January 1, 2023, the herd has decreased by 6 percent to 89.3 million head. Since 1952, the all-time low of cattle head in the United States was 88.2 million in 2014 as there were numerous complications with breeding in the livestock industry.

Of the 89.3 million cattle head in January 2023, 43 percent of the total inventory consisted of dairy and beef cattle.

Texas accounts for approximately 14 percent of the U.S. cattle population and is the top state producer of beef in the country.



# Texas Livestock Industry Statistics

The state of Texas has the largest inventory of cattle and calves of any state in the United States. Nebraska has the second largest population of head, with around half of Texas' inventory. In addition to Texas' large inventory, The Lone Star State is number one in beef cattle production in the United States. Texas is home to 248,800 farms and ranches totaling 130.2 million acres.

In 2022, the population of all cattle and calves in Texas made up almost 14 percent of the nation's inventory. However, calf and cattle populations in Texas and in the United State have decreased from 2021 to 2022.

**Cattle and Calves Inventory of Top Five States (000's)**

Rank	State	2021	2022	% of previous Year
1	Texas	13,100	12,700	97
2	Nebraska	6,850	6,800	99
3	Kansas	6,550	6,500	99
4	Oklahoma	5,300	5,200	98
5	California	5,150	5,200	101

Source: USDA, Economic Research Service calculations using USDA, National Agricultural Statistics Service, Cattle report.

**Cattle and Calves: Inventory by Class and Calf Crop, (000's)  
Texas and United States, January 1, 2021-2022**

Class	Texas			United States		
	2021	2022	% of previous Year	2021	2022	% of previous Year
<b>All Cattle and Calves</b>	<b>13,100</b>	<b>12,700</b>	<b>97</b>	<b>93,790</b>	<b>91,902</b>	<b>98</b>
Cows and Heifers That Have Calved	5,250	5,100	97	40,286	39,500	98
Heifers 500 Pounds and Over	2,740	2,590	95	20,200	19,776	98
Steers 500 Pounds and Over	2,620	2,630	100	16,788	16,580	99
Bulls 500 Pounds and Over	360	330	92	2,211	2,110	95
Calves Under 500 Points	2,130	2,050	96	14,305	13,936	97
<b>Cattle on Feed</b>	<b>2,890</b>	<b>2,930</b>	<b>101</b>	<b>14,667</b>	<b>14,693</b>	<b>100</b>
<b>Calf Crop</b>	<b>4,800</b>	<b>4,600</b>	<b>96</b>	<b>35,496</b>	<b>35,085</b>	<b>99</b>

Source: USDA, Economic Research Service calculations using USDA, National Agricultural Statistics Service, Cattle report.



# Equestrian Industry

# Equestrian Industry Associations

The table below provides a portion of national equestrian and rodeo associations across the United States. Texas is home to seven national associations as well as affiliates.

Equine and Rodeo Associations			
Association	Location	Association	Location
American Buckskin Registry Association	Redding, CA	United States Dressage Federation	Lexington, KY
Arabian Horse Association	Aurora, CO	American Ranch Horse Association	Nancy, KY
Professional Rodeo Cowboys Association	Colorado Springs, CO	Palomino Horse Association	Nelson, MO
Women's Professional Rodeo Association	Colorado Springs, CO	World Conformation Horse Association	Guthrie, OK
Professional Assoc of Therapeutic Horsemanship Inter.	Denver, CO	National Reining Horse Association	Oklahoma City, OK
Professional Bull Riders	Pueblo, CO	Palomino Horse Breeders of America	Tulsa, OK
Appaloosa Pleasure Horse Association	McDavid, FL	Barrel Futurities of America	Vian, OK
National Barrel Horse Association	Augusta, GA	National Foundation Quarter Horse Association	Joseph, OR
National Collegiate Equestrian Association	Athens, GA	Ranch Horse Association of America	Abilene, TX
Appaloosa Horse Club	Moscow, ID	American Miniature Horse Association	Alvarado, TX
National Snaffle Bit Association	Gumee, IL	American Quarter Horse Association	Amarillo, TX
American Association of Equine Practitioners	Lexington, KY	American Paint Horse Association	Fort Worth, TX
American Farriers Association	Lexington, KY	National Cutting Horse Association	Fort Worth, TX
Certified Horsemanship Association	Lexington, KY	American Indian Horse Association	Lockhart, TX
Paso Fino Horse Association	Lexington, KY	National Reined Cowhorse Association	Pilot Point, TX
Rocky Mountain Horse Association	Lexington, KY	Cowboy Mounted Shooting Association	Columbia, TN

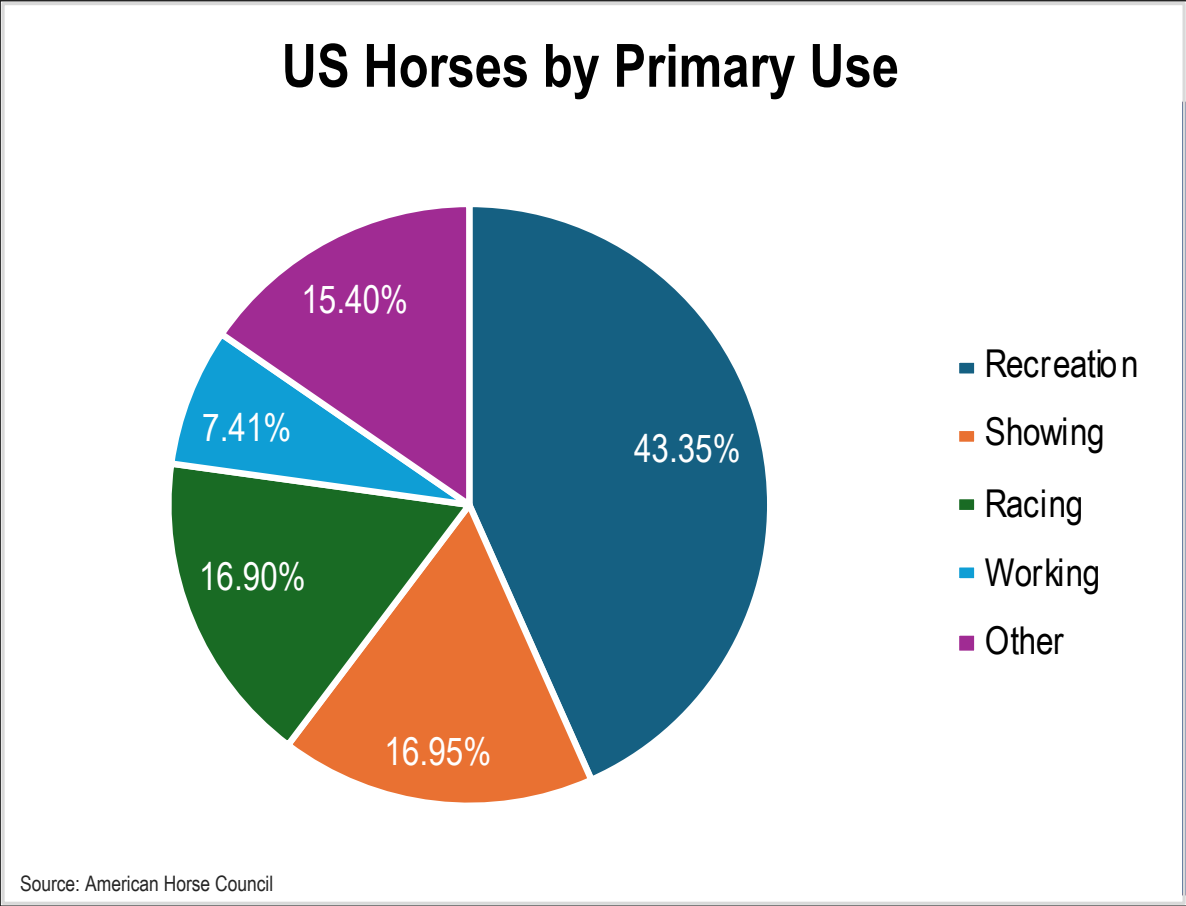
Source: Hunden Partners

# National Equine Industry Statistics

According to the American Horse Council Foundation's 2017 Economic Impact Study, the equine industry generates \$122 billion in total economic value. The sectors are broken down below:

- Working Horse - \$1.9 billion in direct value and 42,000 direct jobs
- Recreation - \$7.5 billion in direct value and 162,000 direct jobs
- Racing - \$15.6 billion in direct value and 241,000 direct jobs
- Competition - \$11.8 billion in direct value and 241,000 direct jobs

The chart to the right highlights the breakdown of primary uses for horses in the United States and categories include Recreation, Showing, Racing, Working and Other.



# National Equine Industry Survey

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According to the 2021 American Horse Publications (AHP) Equine Industry Survey:

- Participants expected to compete in an average of 4.3 events each year, which was less than the five competitions reported in the 2018 study.
- The average respondent owned or managed six horses. Three-quarters of the respondents indicated that the number of horses they currently owned/managed was the same as in 2020, and 10.4 percent owned/managed more horses than they did in 2020.
  - When asked about future expectations of ownership, 73 percent expected to own/manage the same number of horses in 2022,
  - 17.3 percent expected to own/manage more horses, and
  - 9.7 percent expected to own/manage fewer horses. Compared to the 2018 survey, there was an increase in expected stability regarding the number of horses owned/managed.
- The study showed growth in the youngest demographic of horse owners compared to the older groups of horse owners. This younger demographic was also more likely to own more horses at one time versus the older demographic.
- More than 85 percent of respondents had experienced an increase in horse keeping costs.
  - Feed and veterinary services were the most frequently identified areas of increases in horse keeping costs.

# Texas Equine Industry Statistics

The chart to the right highlights the breakdown of uses for horses in Texas and categories include Recreation, Breeding, Racing, Showing, Ranching, Rodeo and Other per the AHCF 2017 study.

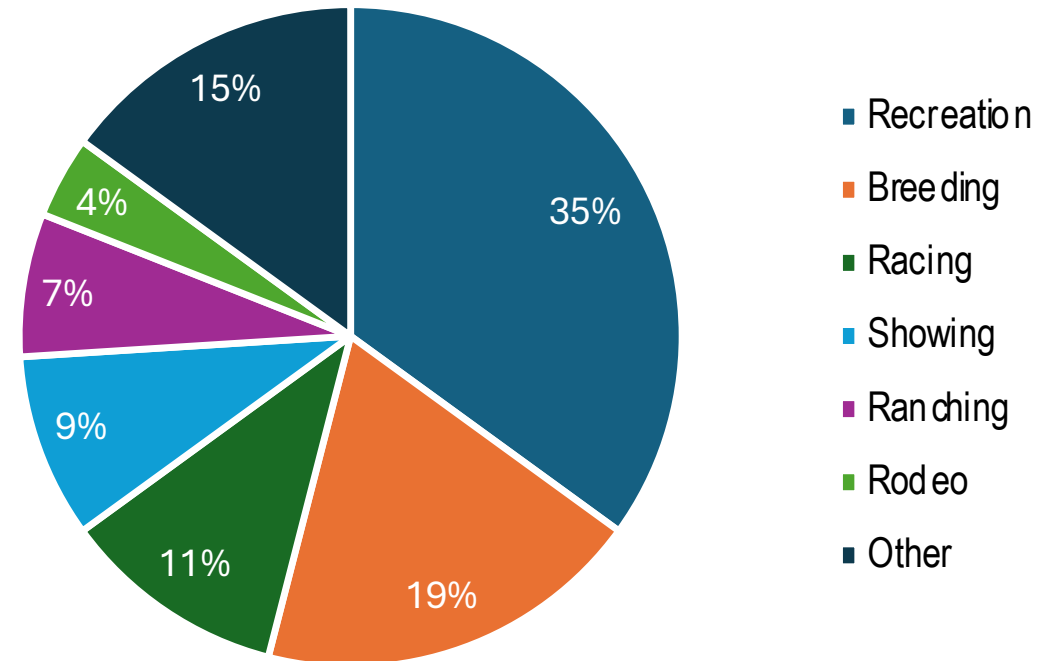
The majority of horses in the state of Texas are used for recreational purposes, which includes leisure and pleasure activities rather than for work or competition. Nine percent of all horses in Texas are used for show and four percent are used for rodeo purposes.

The survey found that the industry appears to be fairly stable based on the number of horses owned/managed and number of competitions in which individuals participate.

Texas experienced a 14.2 percent decline overall since 2005, but still has the highest horse population of any state in the country.

Discussions with industry experts show that the decrease in population was primarily related to breeding and the increase in horse keeping costs.

## Texas Horses by Primary Use



Source: American Horse Council





# Facility Development

# Equine/Livestock Facility Development Trends

While equestrian and livestock facilities vary greatly, some key trends are evident:

- All buildings should be connected and covered from stall barns to a main arena. It is important to mitigate weather issues and to keep animal welfare as the top priority. Facilities want to harvest a safe and stress-free environment for the animals and owners where there is no drastic changes in conditions.
- Based on stakeholder interviews in the market there is a desire for at least one main arena, one covered warm-up arena and additional uncovered arenas, when possible. The market also desires a warm-up arena that is adjacent to the main arena with stall barns beyond a warm-up arena and practice arenas.
  - Groups will often use warm-up arenas for smaller “main” events during major events or for smaller budget-conscious association events.
- Naming-rights sponsors can help facilities reach breakeven or achieve profitability. In Belton, the Cadence Bank Center received \$2.8 million in naming-rights and sponsorship for the period 2023 through 2032.
- Space for and the comfort of cattle is vital when creating a new facility. Additionally, a clean concrete floor allows the cattle to not have the chance to get dirty before display and auction events.
- Custom enclosed arenas add at least \$5 million beyond development costs of pre-engineered version. Air Conditioning in the large rodeo arenas have to be tailored to the dimensions of the facility.
- Stall buildings can double as exhibition space or may accommodate portable arenas, but development costs double to do so based on the cost of engineering for clear span.
- Long-term staffing costs for a large concrete facility tend to run high if the facility is not engineered for multi-use and flexible space. With the mass number of facilities, staffing costs are very high for maintain the cleanliness of the facility.

# Interviews & Feedback

## Local Stakeholders

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Hunden interviewed numerous local stakeholders in the Washington County community to better understand the supply and demand for an expansion, renovation, or relocation within the market. The following key implications were drawn:

- An enclosed and air-conditioned facility would provide more opportunity to increase regional event draw, however these facilities become costly and require proper maintenance.
- In order to bring in larger events and more revenue for the facility, there must be an increase in the number of cattle stalls to accommodate shows like the National Brahman Show (ABBA). This show and other Texas regional livestock shows require a minimum of 800 to 1,200 stalls.
- There must be further efforts to make the holding facilities nicer in terms of concrete flooring, mats in the stalls, and updating the materials of the pens as they are outdated. The pen barriers are old and have malfunctioned causing safety hazards with sharp edges and even with doors becoming unlatched easily.
- The largest complaint of the facility is the restrooms on site. Upgrades to the restrooms in terms of quality and quantity are strong updates to consider in order increase event draw.
- The Expo Center is considered expensive relative to the quality level offered onsite but is affordable relative to other facilities in the region. Many users indicated they would be willing to pay higher rates for higher quality facilities.
- The Sales Facility is one of the nicer aspects of the Washington County Expo, but it needs to be expanded along with the other facilities if there are upgrades in the quality and size of events that are attracted to a new Expo.



# **Regional and Competitive Facilities**

# Regional Supply Summary

To better understand how the Washington County Expo lines up in comparison to other regional facilities, Hunden compiled a list of regional facilities that specialize in equestrian, rodeo, and livestock events.

An analysis of the comparative facilities sheds light on how the Washington County Expo can expand its current offerings to better compete regionally and further cater to local residents.

Regional Equestrian and Rodeo Expo Facilities							
Facility Name	Location	Owner/Operator	Arenas	Largest Arena		Permanent Stalls	Acreage
				Seating	Arena Size (SF)		
Travis County Expo Center	Austin, TX	County Rented from City	2	6,400	25,000	300	128
Extraco Events Center	Waco, TX	McLennan County owned	3	6,000	38,750	710	50
Cadence Bank Center	Belton, TX	Bell County owned	3	5,979	29,400	356	50
Expo Center of Taylor County	Abilene, TX	Non-Profit Rented from County	3	5,200	30,000	130	117
The Lone Star Convention & Expo Center	Conroe, TX	Montgomery County owned	4	5,000	31,250	200	178
Henderson County Fairpark Complex	Athens, TX	Henderson County owned	3	4,500	30,000	318	68
Great Southwest Equestrian Center	Katy, TX	Privately owned	7	4,000	45,000	1,150	80
Lone Star Arena	Stephenville, TX	Privately owned	3	4,000	26,320	478	40
Brazos County Expo	Bryan, TX	Non-Profit Rented from County	3	3,000	43,400	956	150
Texas Rose Horse Park	Tyler, TX	Privately owned	7	2,200	54,000	350	485
Somervell County Expo Center	Glen Rose, TX	Somervell County owned	2	2,100	33,020	298	17
San Antonio Rose Palace	San Antonio, TX	Privately owned	2	2,000	31,800	537	72
Waller County Fair & Rodeo	Hempstead, TX	Non-Profit Rented from County	1	2,000	27,500	510	83
Circle T Arena	Hamilton, TX	Privately owned	5	1,600	43,500	480	32
Myers Park & Event Center	McKinney, TX	Collin County owned	3	1,200	16,200	150	158
Dripping Springs Ranch Park & Event Center	Dripping Springs, TX	City-owned	3	750	39,600	202	130
<b>Average</b>	<b>16 Facilities</b>	<b>-</b>	<b>3</b>	<b>3,496</b>	<b>34,046</b>	<b>445</b>	<b>115</b>
<b>Washington County Expo</b>	<b>Brenham, TX</b>	<b>Washington County</b>	<b>2</b>	<b>2,500</b>	<b>27,600</b>	<b>226</b>	<b>42</b>
<b>Difference from Average</b>	<b>-</b>		<b>(1)</b>	<b>(996)</b>	<b>(6,446)</b>	<b>(219)</b>	<b>(73)</b>

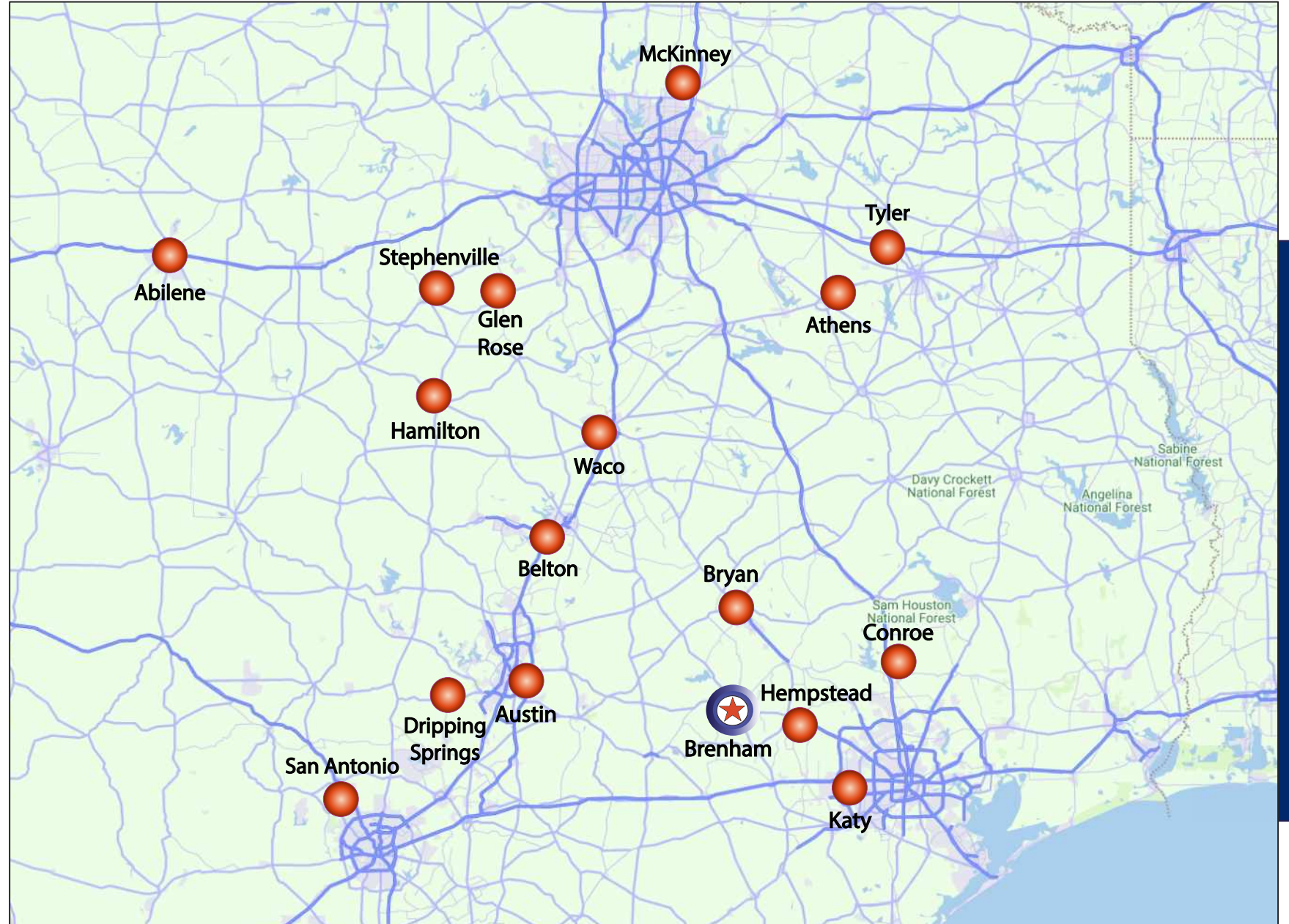
Source: Various facilities, Hunden Partners

# Regional Supply Map

The regional supply set covers a larger majority of Central Texas including major cities like Dallas, Houston, San Antonio, Austin, Waco, and Bryan.

The majority of facilities are located along Interstate highways to provide the easy accessibility.

The closest facilities to the Washington County Expo include Waller County Fairgrounds in Hempstead, Brazos County Expo in Bryan, and the Great Southwest Equestrian Center in Katy.



# Competitive Facility Summary

In order to determine how the the Washington County Expo performs currently, Hunden reviewed six competitive facilities. The facilities are listed in the table below and are profiled in the following slides. In addition to the current breakdown of the Project, the table displays the recommended breakdown of the facility.

Washington County Expo Competitive Facilities											
Facility	City/State	Miles from Washington Co.	Number of Arenas	Main Arena Seating	Main Arena Area	Total Arena Capacity	Total Arena Area	Livestock / Equine Stalls	Exhibit Space	Ballroom Space	Meeting Room Space
Waller County Fairgrounds	Hempstead, TX	25.1	2	2,500	27,500	2,500*	47,500*	510	0*	25,000*	10,000*
Brazos County Expo	Bryan, TX	37.6	2	3,000	31,300	3,720	74,700	956	48,000	26,000	13,600
Great Southwest Equestrian Center	Katy, TX	61.2	7	4,000	45,000	4,000	263,475	1,150	0*	15,000*	10,000*
The Lone Star Convention & Expo Center	Conroe, TX	67.9	4	5,000	31,250	5,000	47,750	200	45,000	56,000	13,700
Cadence Bank Center	Belton, TX	98.8	3	5,979	29,400	6,979	88,400	356	0	16,500	6,900
Extraco Events Center	Waco, TX	115.0	4	6,000	38,750	6,550	123,900	710	52,818	0	5,542
<b>Average</b>	-	<b>67.6</b>	<b>4</b>	<b>4,413</b>	<b>33,867</b>	<b>4,792</b>	<b>107,621</b>	<b>647</b>	<b>24,303</b>	<b>23,083</b>	<b>9,957</b>
<b>Washington County Expo</b>	<b>Brenham, TX</b>	<b>-</b>	<b>2</b>	<b>2,500</b>	<b>27,600</b>	<b>2,500</b>	<b>27,600</b>	<b>226</b>	<b>0</b>	<b>0</b>	<b>16,072</b>
<b>Difference from Average</b>	<b>-</b>	<b>-</b>	<b>(2)</b>	<b>(1,913)</b>	<b>(6,267)</b>	<b>(2,292)</b>	<b>(80,021)</b>	<b>(421)</b>	<b>(24,303)</b>	<b>(23,083)</b>	<b>6,115</b>
<b>Washington County Expo Recommendation</b>	<b>Brenham, TX</b>	<b>-</b>	<b>2</b>	<b>5,000</b>	<b>38,500</b>	<b>5,500</b>	<b>70,000</b>	<b>600</b>	<b>30,000</b>	<b>20,000</b>	<b>10,000</b>
<b>Difference from Average</b>	<b>-</b>	<b>-</b>	<b>(2)</b>	<b>587</b>	<b>4,633</b>	<b>709</b>	<b>(37,621)</b>	<b>(47)</b>	<b>5,697</b>	<b>(3,083)</b>	<b>43</b>

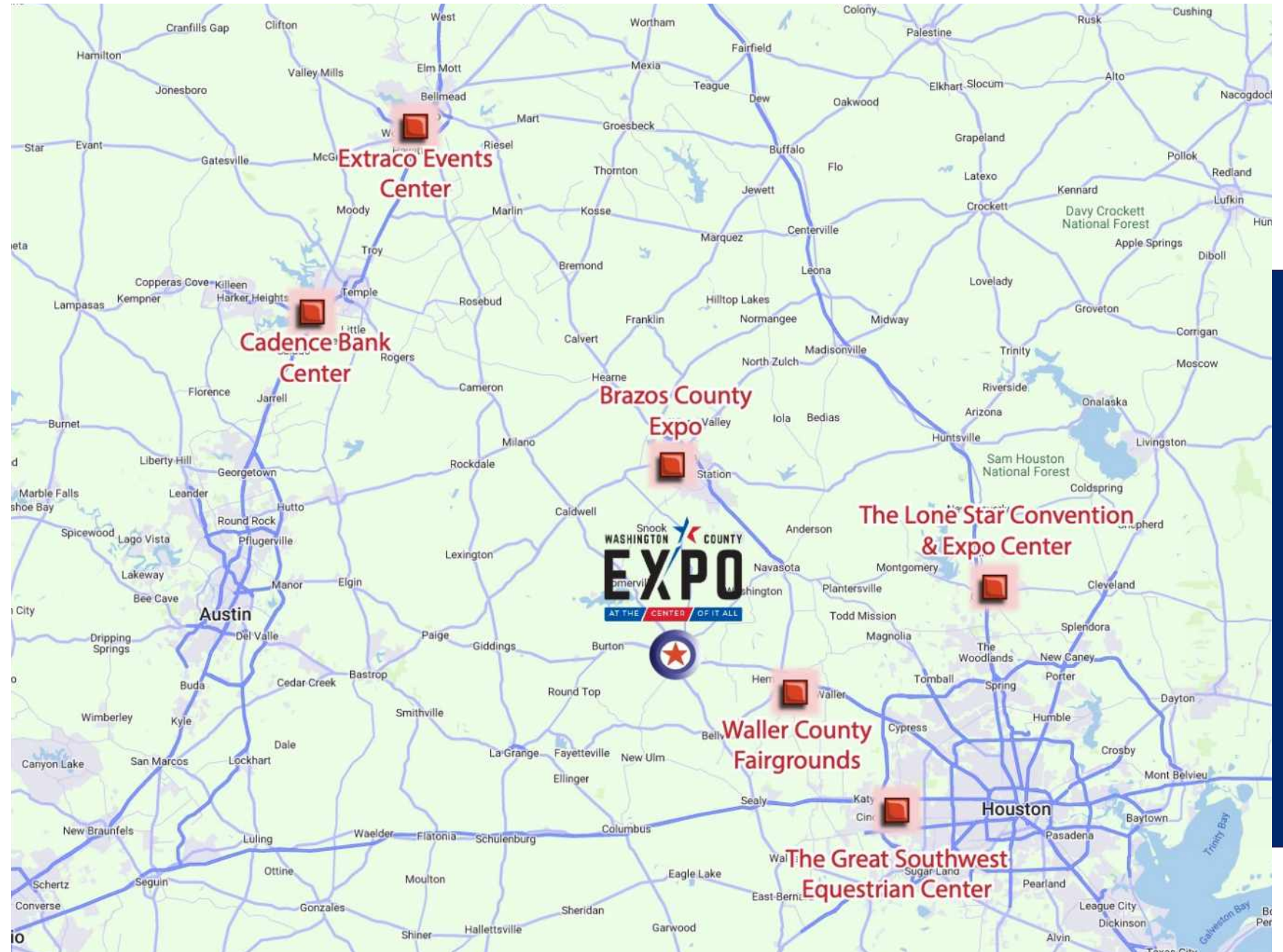
\* indicates estimations  
Source: Hunden Partners

# Competitive Supply Map

The competitive set consists of six facilities within 120 miles of Washington County.

All of the facilities in this set are located along major highways and state routes to provide easy accessibility.

The closest facilities to the Washington County Expo include Waller County Fairgrounds in Hempstead, Brazos County Expo in Bryan, and the Great Southwest Equestrian Center in Katy.





# Waller County Fairgrounds

**Location:** Hempstead, TX

**Opened:** 1945

**Owner/Operator:** Waller County Fair Association

## Facility Features:

- Rodeo Arena (capacity of 2,500)
- Event Venue
- Indoor and Outdoor Pavilion



## Notes:

The Waller County Fairgrounds facility is the closest competitive facility to Washington County. The rodeo arena recently just finished a renovation in November 2023, as a large roof was installed overhanging the rodeo arena.

The Fairgrounds attract a large amount of rodeo events as well as musical artists performing concerts in the rodeo arena. In addition to the arena, the Waller County Fairgrounds has extensive event and meeting facilities hosting gathering of 300 to 2,000 attendees.



# Brazos County Expo

**Location:** Bryan, TX

**Opened:** 2007

**Owner/Operator:** Brazos County, TX

## Facility Features:

- Two Rodeo Arenas (largest capacity of 3,500)
- Two Livestock/Equine Pavilions
- 50,000 SF Exhibit Hall connected to 26,000 SF Ballroom
- Additional Meeting Rooms and Catering Kitchen

## Notes:

The next closest facility to Brenham is the Brazos County Expo. It is one of the newer facilities within the Central Texas area. The facility offers two large stadium arenas, multiple warm-up arenas and pavilions, as well as extensive function space.

Interviews indicate that the Expo is booked 50 weekends each year and 97 percent of clients are repeat users. Management staff at the facility hopes to expand in the next coming years, due to the constant influx of business.



# Great Southwest Equestrian Center

**Location:** Katy, TX

**Opened:** 1985

**Owner/Operator:** Privately-owned

## Facility Features:

- One large arena (capacity of 4,000)
  - Two other covered arenas and four outdoor arenas
- Six stall barns
  - 650 Permanent Stalls, 500 Temporary Stalls

## Notes:

The Great Southwest Equestrian Center is a 65-acre facility in the Cinco Ranch area of Katy, TX. It is a premier equestrian center and host to some of the most prestigious horse shows in the country, with 70,000 class entries each year.

The Great Southwest Equestrian Center is the home of the Pin Oak Charity Horse Show, which is one of the oldest and most prestigious horse shows in the United States, raising upwards of \$7 million for charity annually.



# The Lone Star Convention & Expo Center

**Location:** Conroe, TX

**Opened:** 2007

**Owner/Operator:** Montgomery County, TX

## Facility Features:

- Rodeo Arena (capacity of 5,000)
- Equestrian Center (200 stalls)
- Convention Center (Ballroom & Meeting Space)
- Montgomery County Park (Exhibit Hall Space & Meeting Space)

## Notes:

The Lone Star Convention & Expo Center is one of the largest convention and expo centers in Southern Texas, as it mainly serves the Houston metropolitan area. The entire complex sits on 128 acres of land just east of Interstate 45.

The large property has plentiful parking for all the buildings on-site including the semi-enclosed arena, the convention center and fairgrounds exhibit hall. The type of events hosted at the facility range from rodeo and roping events to galas and awards ceremonies.



# Cadence Bank Center

**Location:** Belton, TX

**Opened:** 1987

**Owner/Operator:** Bell County, TX

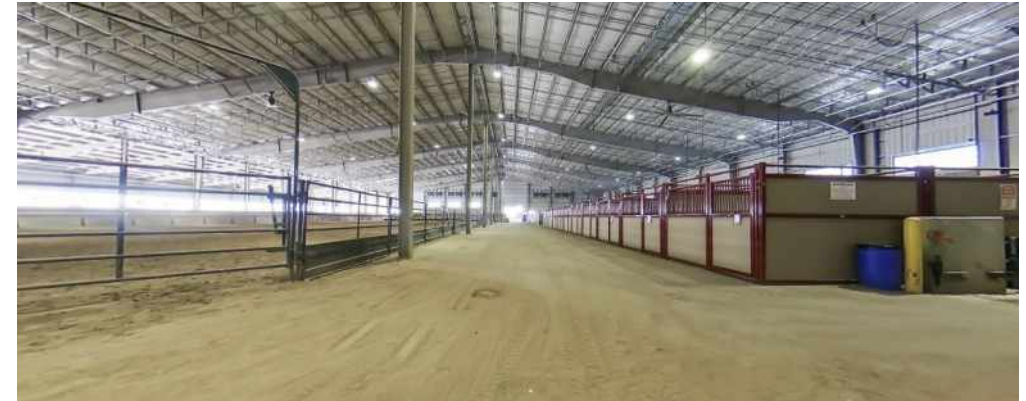
## Facility Features:

- Garth Arena (capacity of 5,979)
- Equine Livestock Complex
  - Two arena barns (one for show and one for warm-up)
  - 356 Stalls (136 Premium Stalls)
- Assembly Hall – (Exhibit Hall Space)

## Notes:

The Cadence Bank Center hosts a wide variety of events, including fairs and carnivals, rodeos, concerts, local high school graduations, banquets, livestock shows, and various conventions.

As the facility grew larger, the Livestock/Equine Complex was constructed in 2021 and added to the venue's supply of spaces. The \$32 million complex has a 2-year waiting list and has drastically upgraded the shows offered.



# Extraco Events Center

**Location:** Waco, TX

**Opened:** 1953

**Owner/Operator:** McLennan County, TX

## Facility Features:

- The Coliseum (capacity of 6,000)
- BASE at Extraco (Sports-focused event center)
- Show Pavilion (710 Stalls)
  - One Indoor Arena, One Covered Arena, One Stall Barn

## Notes:

The Extraco Events Center hosts a variety of events, including concerts, trade shows, rodeos, and sporting events. The venue is known for its versatility and has hosted a wide range of activities since 1953.

The Extraco Events Center's Coliseum was the original home of the Baylor University basketball team where games were held until 1988. The facility is the host of the Heart O' Texas Fair & Rodeo which accounts for 40 percent of facility revenues. Extraco Events Center grosses \$8.5 million in revenue annually.



# Competitive Set Visitation

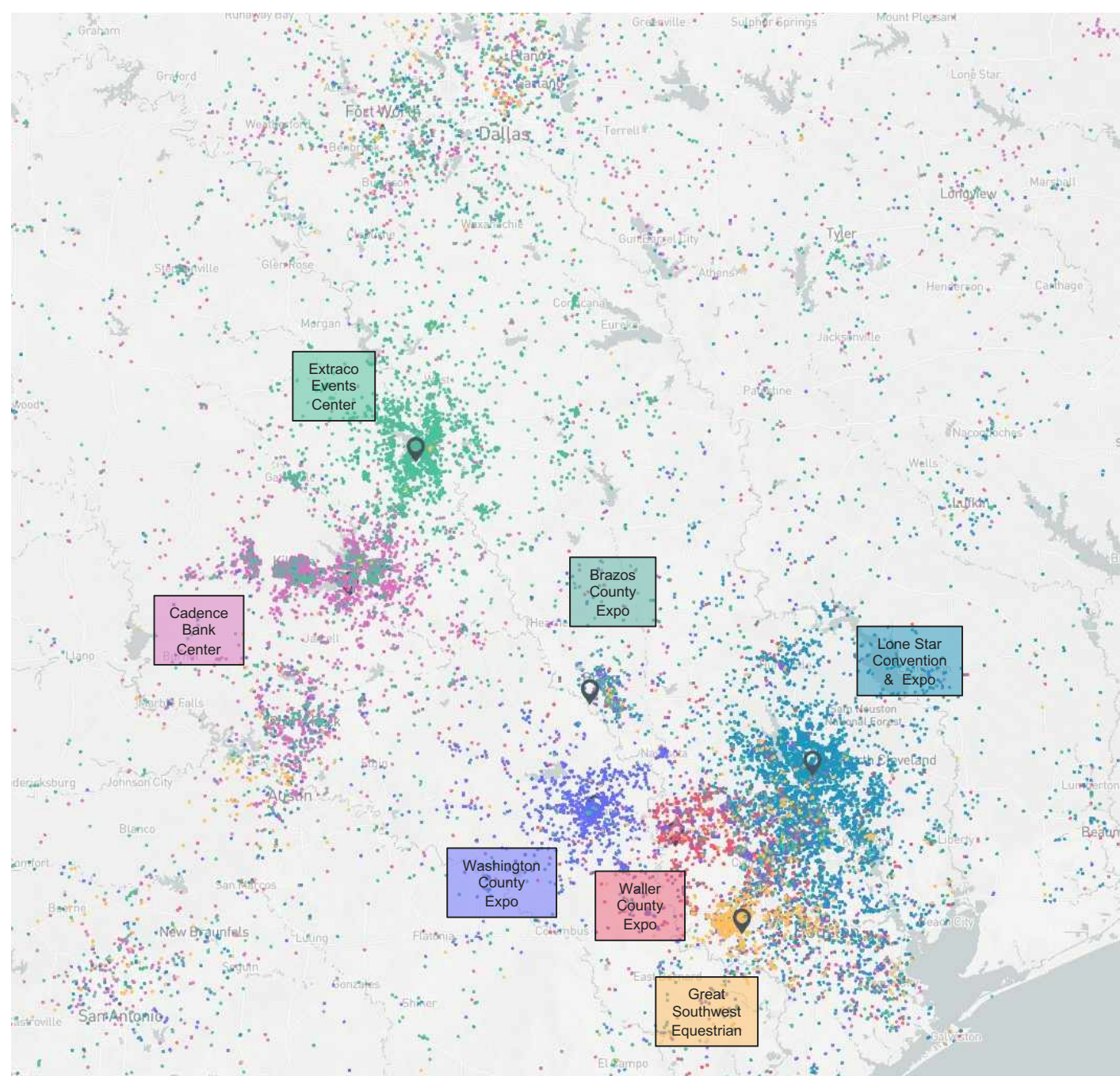
In 2023, Washington County Expo ranked sixth in terms of total visits throughout the year. Additional Washington County Expo ranked fifth in terms of percentage of visits that came from more than 100 miles away.

The Cadence Bank Center is the most visited Expo facility in the competitive set with almost half of a million visits in 2023, while more than one quarter of their visitation comes from more than 100 miles away. The Great Southwest Equestrian Center has the greatest percentage of long-distance visitation with over 35 percent.

Placer.ai Visitation Data for the Competitive Set

Facility	2023 Visits	2023 Visitors	Visits from 100 miles away	% of Visits from 100 miles away
Waller County Fairgrounds	122,000	48,100	7,300	5.98%
Brazos County Expo	236,500	11,600	22,700	9.60%
Great Southwest Equestrian Center	202,900	38,100	71,300	35.14%
The Lone Star Convention & Expo Center	473,700	269,400	68,400	14.44%
Cadence Bank Center	478,100	289,900	137,000	28.66%
Extraco Events Center	370,100	202,000	86,800	23.45%
<b>Average</b>	<b>313,883</b>	<b>143,183</b>	<b>65,583</b>	<b>20.89%</b>
<b>Washington County Expo</b>	<b>185,700</b>	<b>61,200</b>	<b>19,300</b>	<b>10.39%</b>
<b>Difference from Average</b>	<b>(128,183)</b>	<b>(81,983)</b>	<b>(46,283)</b>	<b>(10.50%)</b>

Source: Hunden Partners





# Stakeholder Outreach



# Summary of Stakeholder Meetings

In order to get a stronger understanding of stakeholder opinions on the Project, Hunden conducted several interviews with local, regional, and national individuals and groups. Hunden plans to continue conversations as the second phase of the project is ongoing. The following conclusions from the interviews were drawn.

- The local 4H community has a strong presence at the Expo. They host many weekday and weekend events that account for a majority of the visitation at the Expo separate from the fair in September.
- The Swine show and other local small animal shows are outgrowing the facility especially in the number of small animal stalls within the Expo.
- All local stakeholders have shown strong interest in a climate-controlled facility. In addition to the main arena, it is suggested that a secondary arena could become the new sales facility.
- Many of the regional facilities expressed how a property site of less than 50 acres will be pressed with the capacity of adding more facilities and enlarging the footprint.
- Many facilities across South Texas are experiencing occupied weekend for almost all 52 weekends of the year. Most facilities are hoping or even planning to expand their property size like Extraco Events Center and Brazos County Expo to account for their constant business influx.
  - The recommendation to follow this point is for Washington County to not sell itself short with expanding their footprint.

Washington County Expo Equine, Livestock and Other Industry Conversations				
Name	Category	Requested Conversation	Have Spoken With	Still Need to Speak With
Cadence Bank Center (Bell County Expo Center)	Facility	✓	✓	✓
Extraco Events Center	Facility	✓	✓	
Oklahoma State Fair	Facility	✓	✓	
Four States Fair Grounds	Facility	✓		✓
Buc Days Corpus	Facility	✓	✓	
Somervell County Expo Center	Facility	✓		✓
Brazos County Expo Center	Facility	✓	✓	✓
Williamson County Expo Center	Facility	✓		✓
Lone Star Convention & Expo Center	Facility	✓	✓	✓
Waller County Fairgrounds	Facility	✓	✓	✓
Great Southwest Equestrian Center	Facility	✓	✓	✓
Texas Rose Horse Park	Facility	✓	✓	✓
Carl Hingest - Houston Livestock & Rodeo Show	Industry Expert			✓
Steve Martin - South Texas Tack	Industry Expert			✓
Brice Mund - Swine Show	Local Stakeholder	✓	✓	
South Bound Show Management	Show Promoter			✓
National Brahman Show	User Group	✓	✓	✓
American Paint Horse Association	User Group			✓
Bluebonnet Reined Cow Horse	User Group			✓
Brazo Valley Cutters	User Group	✓		✓
National Cutting Horse Association (National)	User Group	✓		✓
National Reined Cow Horse Association	User Group			✓

Source: Hunden Partners

# Implications

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The Equestrian, Cattle and Livestock industries are staples of the Texas culture. While these industries across the United States have experienced a decline in popularity, local and regional interest remains strong. The Washington County 4-H program has one of the highest participation rates in the state, which support the localized future demand for assets.

In the United States, Texas has the largest populations of Livestock and Equestrian animals. These populations keep a constant flow of demand for events and activities relating to livestock regionally.

The competitive facilities within Southern Texas exceed the quality of assets held at the Washington County Expo. All facilities in the competitive set have a covered arena with higher seating capacities to allow larger events. Additionally, half of the facilities have climate-controlled arenas allowing for events to run through the hot summer months and the cold winter months.



# 03

## Support Amenities Analysis

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# Hotel Market Analysis

# Hotel Submarket

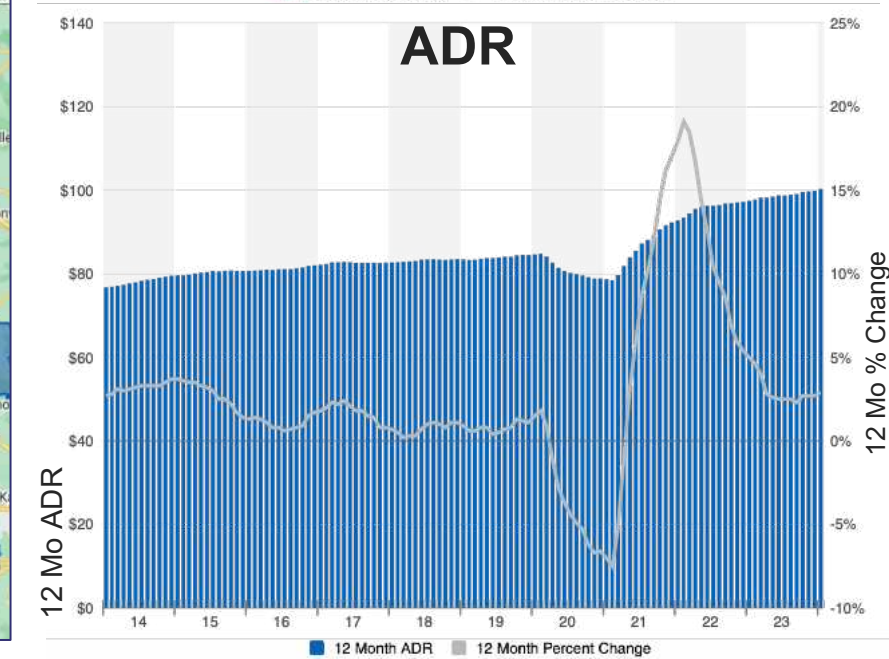
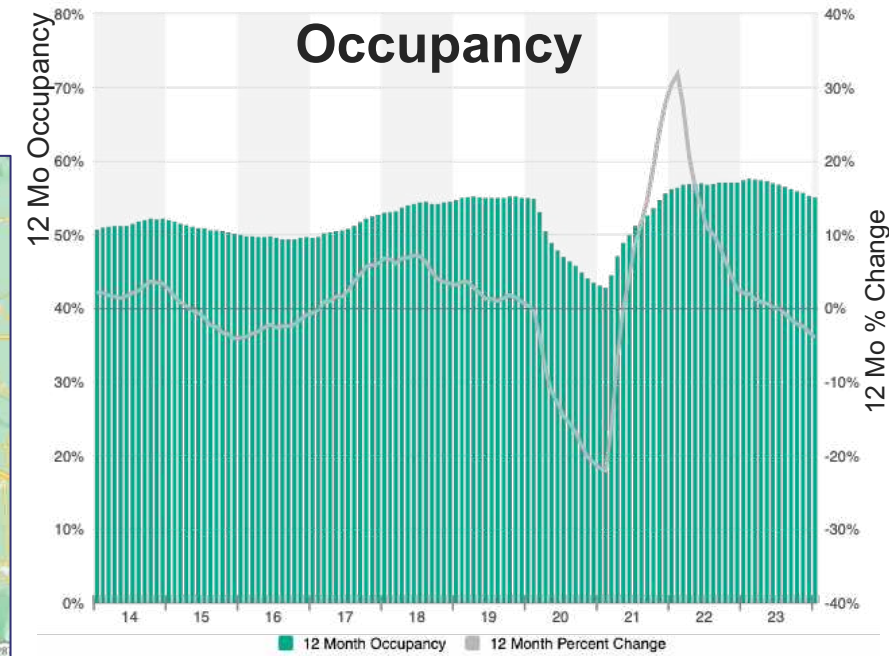
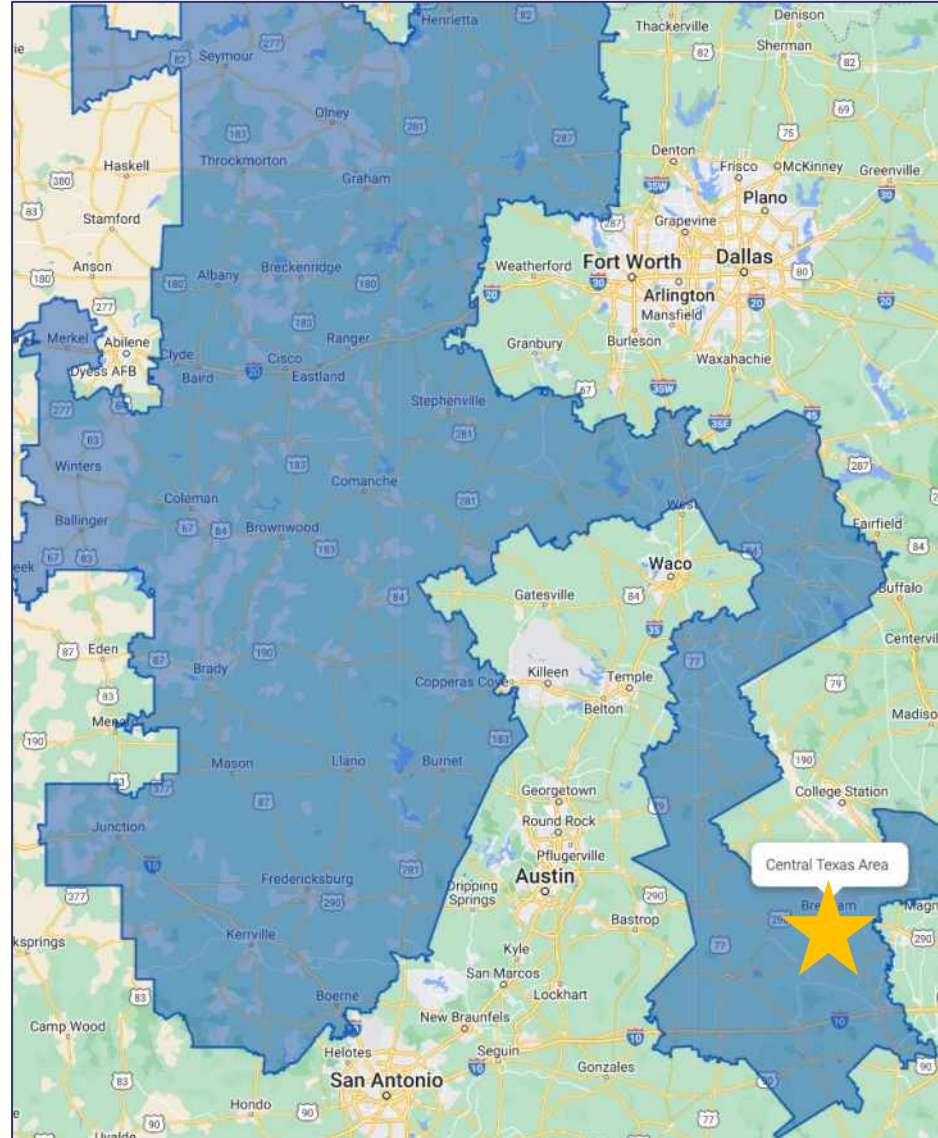
## Central Texas Area

There are only a few hotels located within and around Washington County. With this lack of supply, the hotel submarket (Central Texas Area) is vast in land area. This submarket covers areas surrounding Dallas, Austin, Houston and San Antonio. These hotels account for 40 percent of hotels within Central Texas (16,000 rooms).

While the land area of the submarket is vast, the data relating to trends provide insight into hotel performance near Brenham and Washington County.

Hotels in the submarket are generally smaller in key count, with an average of 45 rooms per hotel. In the wake of the pandemic, monthly occupancy fell to as low as 28.5% with an annualized occupancy rate of 42.8%.

In recent years, demolition has outpaced construction, causing a decrease in available hotel rooms. Development within the submarket is continuing, albeit slowly. There are 450 rooms under construction, representing a 2.8% increase in supply.



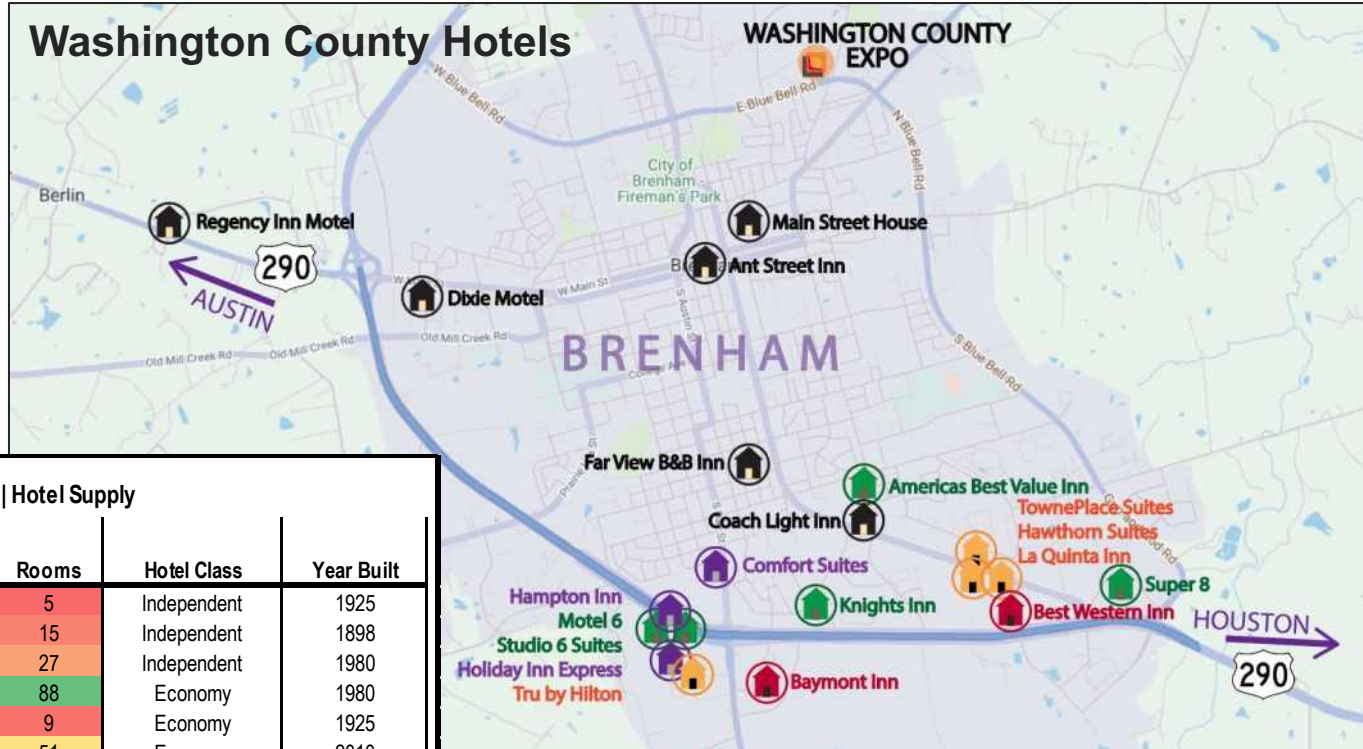
# Washington County Hotel Supply

There are 16 hotels in Washington County currently, with four properties proposed. The closest hotels to the Project are two smaller bed and breakfasts in downtown Brenham.

These hotels are located near some of the top food and beverage locations in Brenham, but are not walkable to the Project. These two BnBs combine to offer 20 hotel rooms.

The majority of hotels in the county are located along 290, the highway that connects Austin to Houston.

The largest and the newest hotels in the market are upper midscale properties, which have an average of 63 rooms and an average build year of 2009.



Washington County, Texas   Hotel Supply				
Property Name	Drive from Project (mi)	Rooms	Hotel Class	Year Built
Main Street House	1.2	5	Independent	1925
Ant Street Inn	1.4	15	Independent	1898
Coach Light Inn	2.3	27	Independent	1980
Americas Best Value Inn Brenham	2.3	88	Economy	1980
Far View Bed & Breakfast Inn	2.3	9	Economy	1925
Super 8 Brenham	2.3	51	Economy	2010
Dixie Motel	2.7	14	Independent	2004
Knights Inn Brenham	2.9	52	Economy	1981
Comfort Suites Brenham	3.1	53	Upper Midscale	2000
Best Western Inn of Brenham	3.2	59	Midscale	1997
Regency Inn Motel	3.3	76	Independent	1981
Motel 6 Brenham TX	3.4	56	Economy	1996
Studio 6 Suites Brenham Texas	3.4	36	Economy	1996
Hampton by Hilton Inn & Suites Brenham	3.6	66	Upper Midscale	2009
Baymont Inn & Suites Brenham	3.7	61	Midscale	2008
Holiday Inn Express & Suites Brenham South	3.7	69	Upper Midscale	2017
<b>Average / Total</b>		<b>737</b>	<b>16 Hotels</b>	<b>1982</b>
<b>Final Planning or Proposed</b>				
Hawthorn Suites by Wyndham Brenham	3.2	50	Midscale	2026
La Quinta Inn & Suites Brenham	3.2	75	Upper Midscale	2026
TownePlace Suites by Marriott Brenham	3.3	89	Upper Midscale	2026
Tru by Hilton Brenham	3.6	74	Midscale	2026
<b>Average / Total</b>		<b>288</b>	<b>4 Hotels</b>	<b>2026</b>

Source: CoStar

Washington County Hotel Summary				
Scale	Rooms	Hotels	Rooms/Hotel	Average Age
Upper Midscale	188	3	62.7	2009
Midscale	120	2	60.0	2003
Economy	292	6	48.7	1978
Independent	137	5	27.4	1958
<b>Avg/Total</b>	<b>737</b>	<b>16</b>	<b>46.1</b>	<b>1982</b>

Source: CoStar



# Short-term Rental Market Analysis

# Short-term Rental Overview

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Short-term rentals are residences rented out on a short-term basis (less than one year). Bookings vary from a single night to months at a time. These short-term rentals are the newfound competitor within the hospitality industry and generally known as AirBnB or VRBO.

To fully comprehend the demand for overnight accommodations, Hunden utilized AirDNA to understand the demand, supply, and performance of short-term rentals in the Washington County area.





# Market Ranking

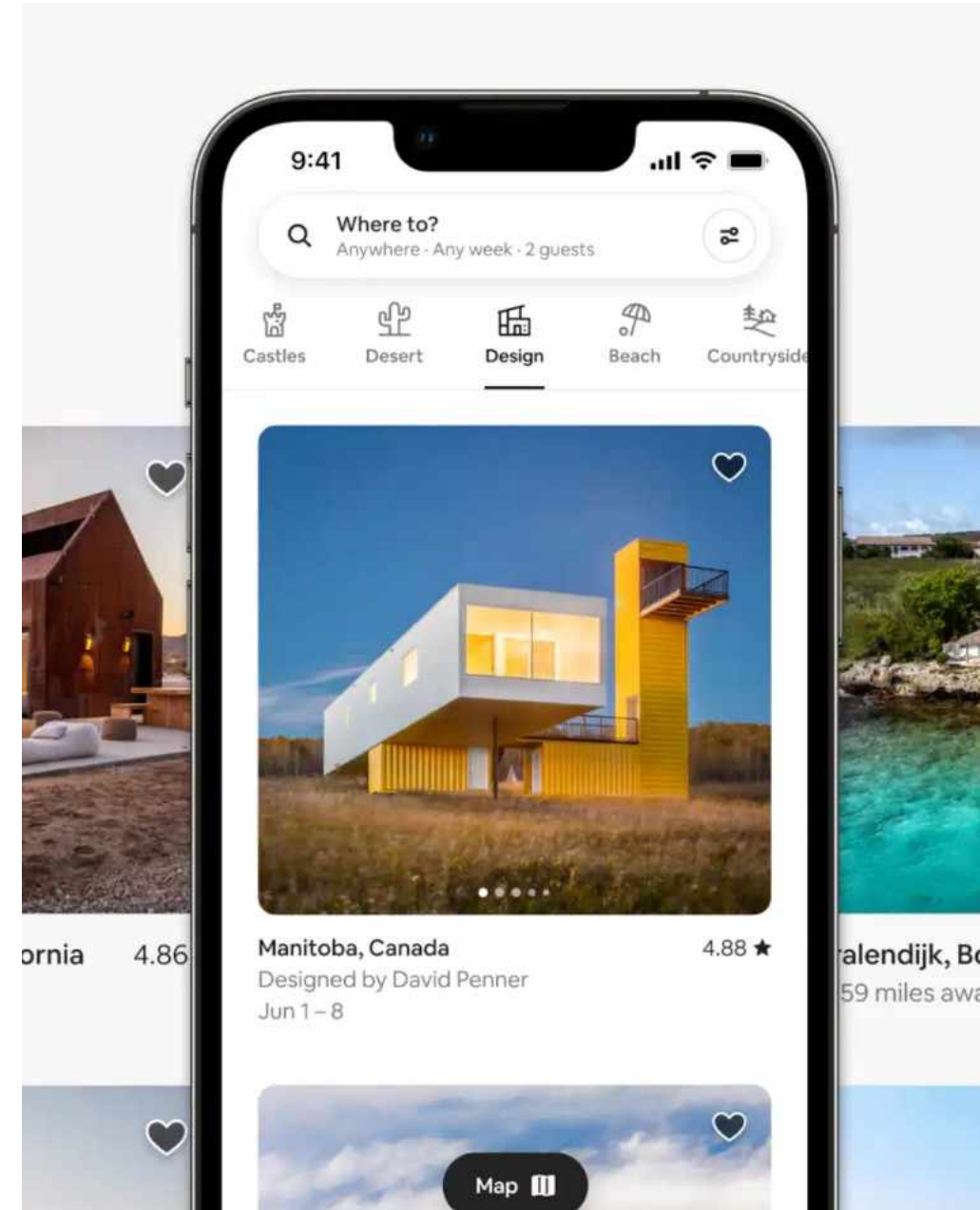
AirDNA ranks each short-term rental market against the 'Top 2000 Global AirBnB Markets.' Based on comparative performance, each market (with sufficient rentals) is graded and ranked in several categories relating to performance. A higher ranking relates to a market's ability to positively perform compared to other markets.

**77833 - Zip Code Market**

Market Grade:

**33/100 - Bad**

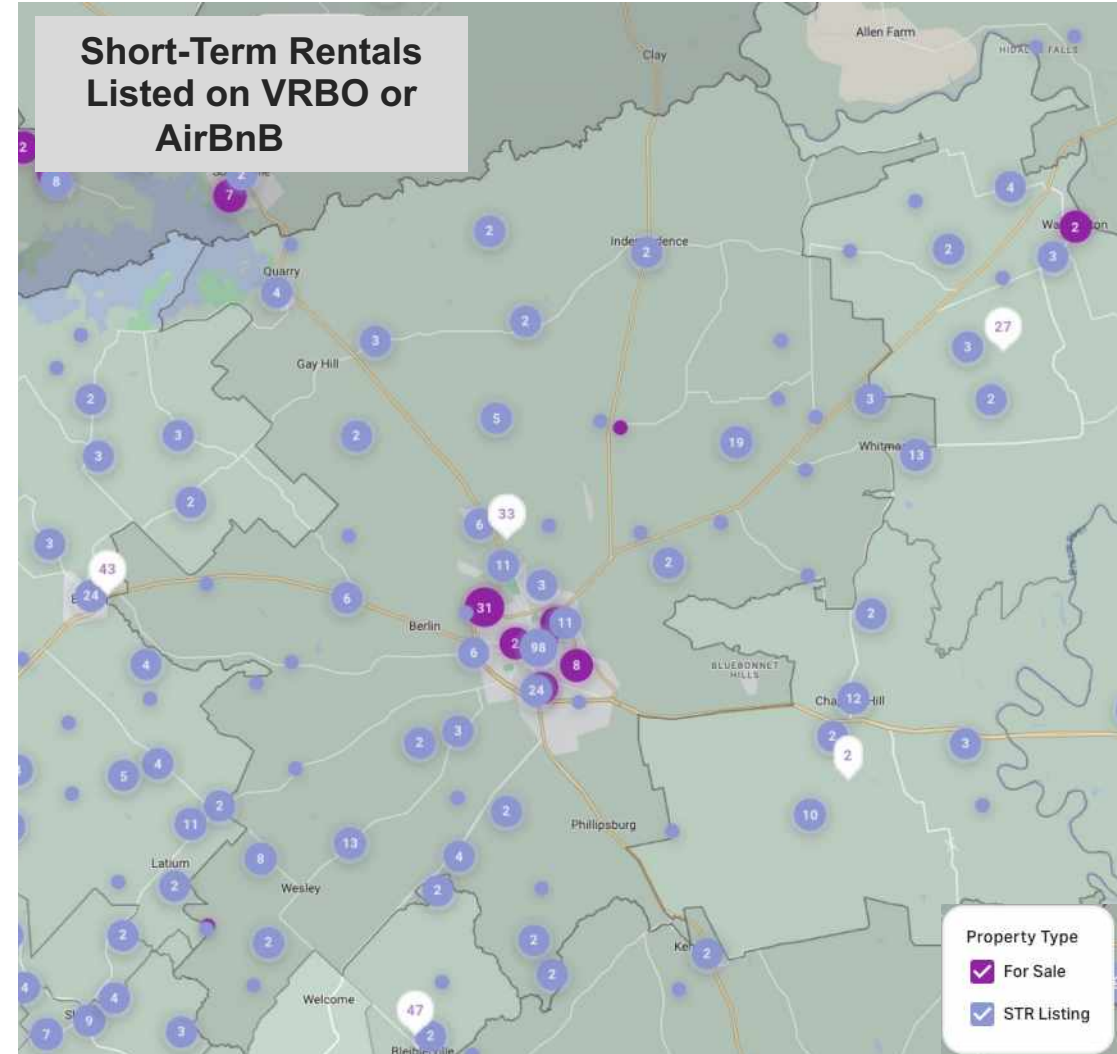
Rental Demand:	24%
Revenue Growth	42%
Seasonality:	42%
Investability:	78%
Regulation:	17%



# 77833 - Zip Code Short-term Rental Market

There are 257 total available properties listed within the Airbnb and VRBO platforms. 38 percent of these listings are one bedroom properties and 28 percent of the listings are two bedroom properties. 85 percent of the listings are entire home rentals and 15 percent of the listings are private room rentals.

The majority of the properties in the 77833 zip code area are located within the city limits of Brenham.

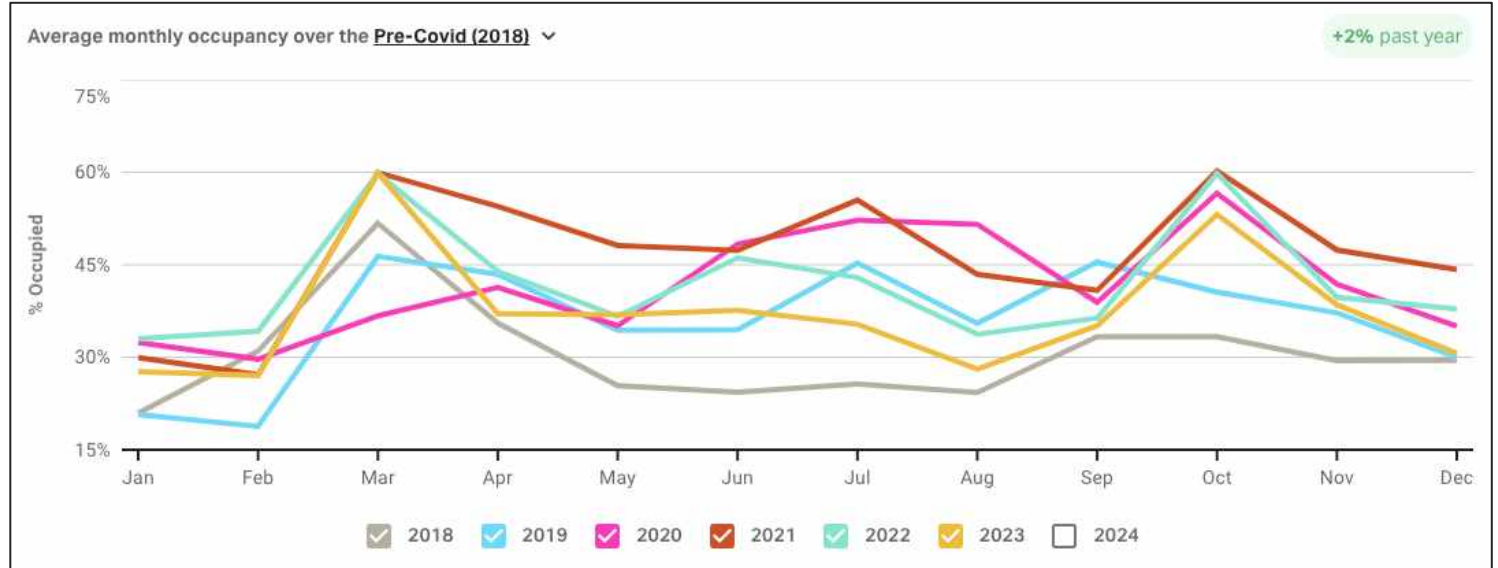


# 77833 - Zip Code Market Demand

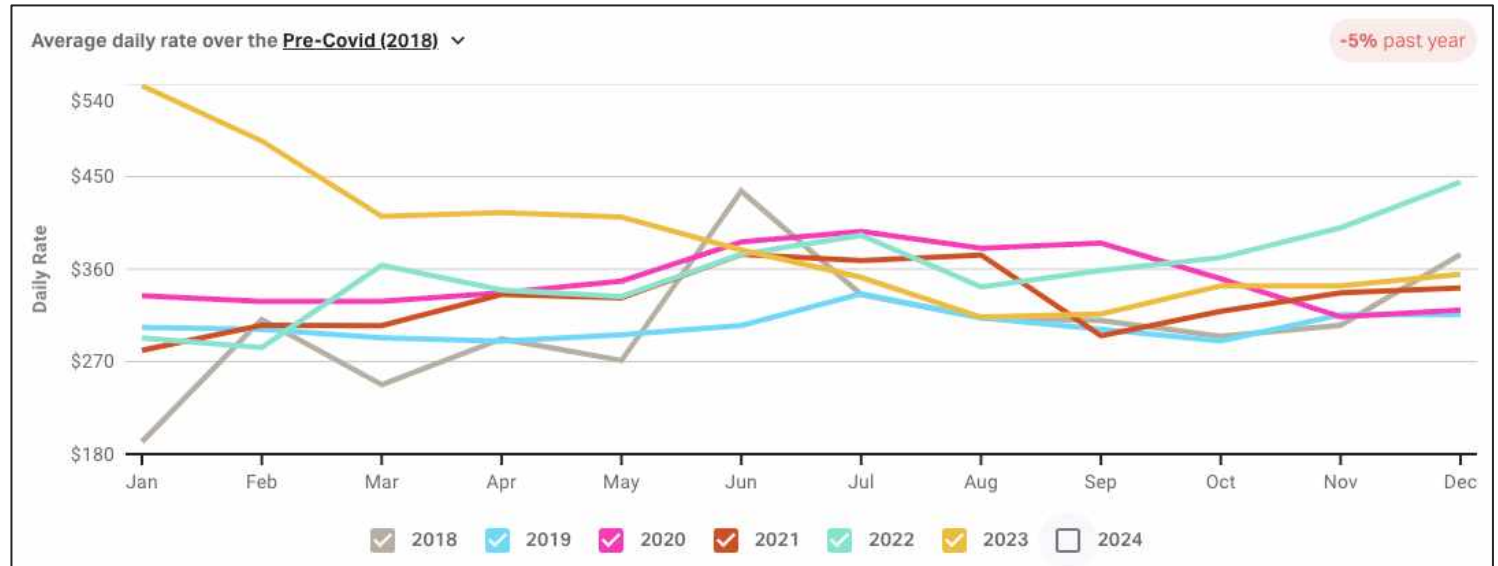
The demand for alternative accommodations in the Washington County market has several spikes throughout the year. These spikes include March, July, and October. As of February 2024, the current occupancy rate for the 77833 Zip Code is 38 percent which is up four percent from the past year.

The Average Daily Rate for this market tends to remain in the range of \$270 to \$400. As of February 2024, the current average daily rate for the 77833 Zip Code is \$378 which is down five percent from the past year.

## Occupancy Rate



## Average Daily Rate

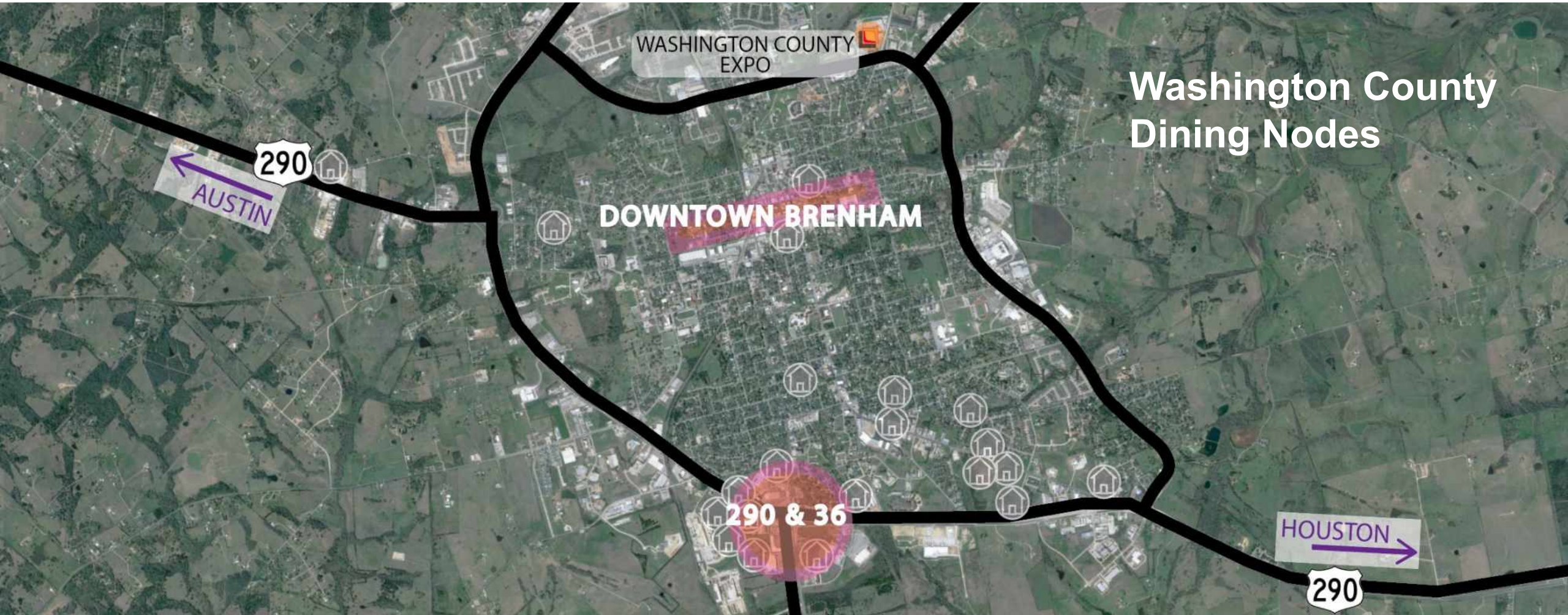




# Retail Market Analysis

# Local Retail Nodes

While there are many dining establishments around Washington County, there are two nodes: Downtown and 290 & 36. Downtown has the higher-rated and higher quality dining options in a walkable downtown, while 290 & 36 has more generic roadside retail. With accessibility from the highway, the 290 & 36 node is more popular. During 2023, the roadside node garnered over 560,000 visits each month.

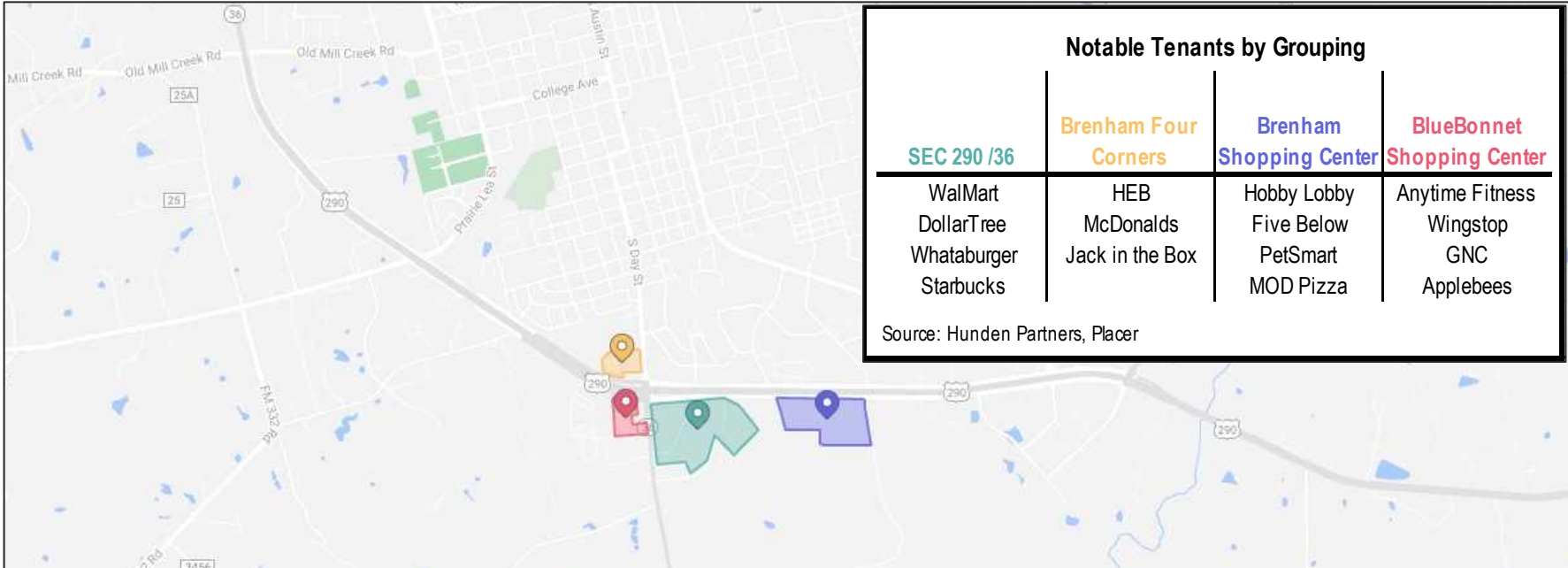


## Washington County Dining Nodes

# Shopping Node

The 290 & 36 Shopping Node, referred to as the South Brenham Shopping Node, has four different shopping centers within.

The SEC 290/36 district is the top visited shopping center in terms of overall visitation, as well as percent of visitors from over 100 miles.



SEC 290 /36	Brenham Four Corners	Brenham Shopping Center	BlueBonnet Shopping Center
WalMart DollarTree Whataburger Starbucks	HEB McDonalds Jack in the Box	Hobby Lobby Five Below PetSmart MOD Pizza	Anytime Fitness Wingstop GNC Applebees

Source: Hunden Partners, Placer

## South Brenham Shopping Node Visitation - 2022

Shopping Center	Visits	Visitors	Visits Per	% 50+ Miles	% 100+ Miles
SEC 290 /36	3,200,000	388,200	8.2	18%	8%
Brenham Four Corners	2,100,000	202,100	10.4	11%	5%
Brenham Shopping Center	1,000,000	167,400	6.0	13%	5%
BlueBonnet Shopping Center	619,900	145,200	4.3	18%	8%
<b>Total</b>	<b>6,919,900</b>	<b>902,900</b>	<b>7.7</b>	<b>15%</b>	<b>7%</b>
Washington Co Expo	185,700	61,200	3.0	23%	11%

Source: Hunden Partners

# Implications

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If the Washington County Expo is relocated, it may be worth considering locating next to the highway where restaurant and hotel supply is the greatest. These amenities next to the highway have significantly more traffic than locations within the Brenham downtown area.



# 04

## Benchmarking Case Studies

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# Benchmarking Case Studies

During conversations with potential user groups and industry experts, several facilities were mentioned to provide applicable best practices to the Project.

While every one of these will not necessarily be competitive with Washington County, it is valuable to understand what aspects of these facilities were noteworthy during conversations. The table below details these facilities and the following slides profile them in more depth.

Equestrian, Rodeo and Livestock Case Studies			
Facility	City/State	Distance from Washington	
		County (miles)	Arenas
Brazos County Expo	Bryan, TX	38	2
Will Rogers Memorial Center	Fort Worth, TX	209	5
Four States Fairgrounds	Texarkana, AR	306	3
Oklahoma State Fair Park	Oklahoma City, OK	408	8
Tulsa Expo Square	Tulsa, OK	471	9
World Equestrian Center	Wilmington, OH	1,108	13
Source: Hunden Partners			

# Brazos County Expo

**Location:** Bryan, TX

**Opened:** 2007

**Owner/Operator:** Brazos County, TX

## Facility Features:

- Two Rodeo Arenas (largest capacity is 3,500)
- Two Livestock/Equine Pavilions
- 50,000 SF Exhibit Hall connected to 26,000 SF Ballroom
- Additional Meeting Rooms and Catering Kitchen

## Notes:

The next closest facility to Brenham is the Brazos County Expo. It is one of the newer facilities within the Central Texas area. The facility offers two large stadium arenas, multiple warm-up arenas and pavilions, as well as extensive function space.

Interviews indicate that the Expo is booked 50 weekends each year, and 97 percent of clients are repeat users. Management staff at the facility hopes to expand in the next coming years, due to the constant influx of business.



# Brazos County Expo

The Brazos County Expo is located on 150 acres of land in Bryan, Texas, which is a city located on the outskirts of College Station. The fairgrounds facility is eight miles from downtown College Station.

The function space that Brazos County Expo offers includes meeting space, ballroom space, and exhibit hall space, which is all located at the front of the facility closest to the entry.

Located behind the function space is the arena and barn space with direct access to ample paved parking lots.



# Will Rogers Memorial Center

**Location:** Fort Worth, TX

**Opened:** 1936 / 2012

**Owner/Operator:** The City of Fort Worth

## Facility Features:

- Coliseum Arena (capacity of 5,652)
- Amon G. Carter Jr. Exhibits Hall
- Auditorium - (capacity of 2,856)
- Equestrian Multi-Purpose Building

## Notes:

Located in Downtown Fort Worth, Will Rogers Memorial Coliseum is synonymous with western culture and livestock events for visitors from around the world. This 120-acre renowned multi-purpose facility plays host to a variety of equestrian, agricultural, entertainment, corporate, educational, social and sporting events, including many international and grand-scale shows. The center attracts more than two million visitors each year to the Cultural District.

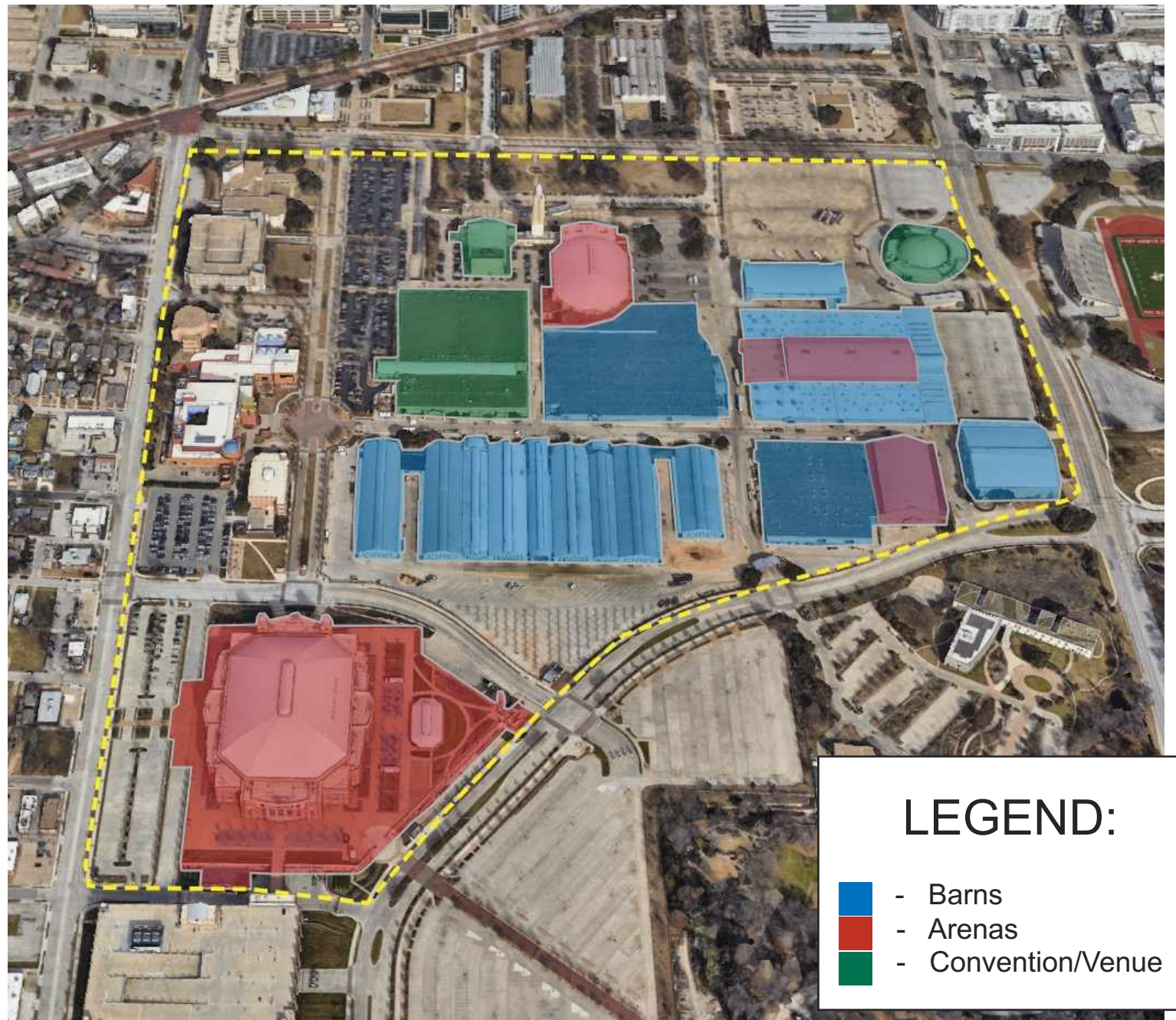


# Will Rogers Memorial Center




The Will Rogers Memorial Center is a 120-acre campus that is located just west of downtown Fort Worth. The entire campus is less than one mile away from Interstate 30.

The facilities outlined in red consist of arenas that have the capacity for rodeo events. The arenas range from the Dickie's Arena (seats 9,300) to the James L. West Sale Arena (seats 640).

The main livestock barn buildings are centralized in the Will Rogers Memorial Center campus. The majority of the campus' buildings are accessible through an underground tunnel system allowing ease of transport between the barns and the arenas.



## LEGEND:

-  - Barns
-  - Arenas
-  - Convention/Venue

# Four States Fairgrounds

**Location:** Texarkana, AR

**Opened:** 1945

**Owner/Operator:** The Four States Fair Association

## Facility Features:

- Entertainment Center (arena capacity of 4,794)
  - 32,400 SF Arena Floor
- Fine Arts Building
- Agriculture Learning Center

## Notes:

As home to the Four States Fair, the facility draws over 80,000 visitors annually to the 10-day Fair. The advantage of being housed on a fairgrounds also rests in the ability to access additional buildings and space for event rentals. The drawback of a fairgrounds is that they are generally dated (1940s in this case) and do not offer aesthetically pleasing buildings and spaces.



# Four States Fairgrounds

The Four States Fairgrounds sits on roughly 62 acres with one main arena, two ancillary arenas and multiple supportable barn facilities.

The campus is located on the northeast side of the City of Texarkana with direct access to Interstate 30 and Interstate 49.

The majority of the campus is unpaved with facilities that are outdated and much smaller than other comparable expo facilities.



# Oklahoma State Fair Park

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**Location:** Oklahoma City, OK

**Opened:** 1907

**Owner/Operator:** The City of Oklahoma City / The Oklahoma State Fair Inc.

## Facility Features:

- Jim Norick Arena (seats 8,000)
- Bennett Event Center (200,000 SF of Exhibit Hall space)
- Ten Livestock / Equine Barns (over 1,000 stalls)
- Centennial Building (Small Expo Center)

## Notes:

Oklahoma City is home to multiple equestrian association and livestock world shows. The facility has over 400,000 square feet of space, arenas and buildings that are suited to events of all types.

The Jim Norick Arena has state-of-the-art video and sound technology. The most important differentiator is that State Fair Park is within two miles of major tourism drivers including White Water, Frontier City, museums, hotels and restaurants.





# Oklahoma State Fair Park

The Oklahoma State Fair Park has eight barns and multiple arenas, which are located on the west side of the facility. All of the convention and function space is located on the east side of the fairgrounds.

The total acreage of these fairgrounds is 435 acres and is located at the intersection of Interstate 40 and 44 in downtown Oklahoma City.



## LEGEND:

- Barns
- Arenas
- Convention/Venue

# Expo Square

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**Location:** Tulsa, OK

**Opened:** 1945

**Owner/Operator:** Tulsa County, OK

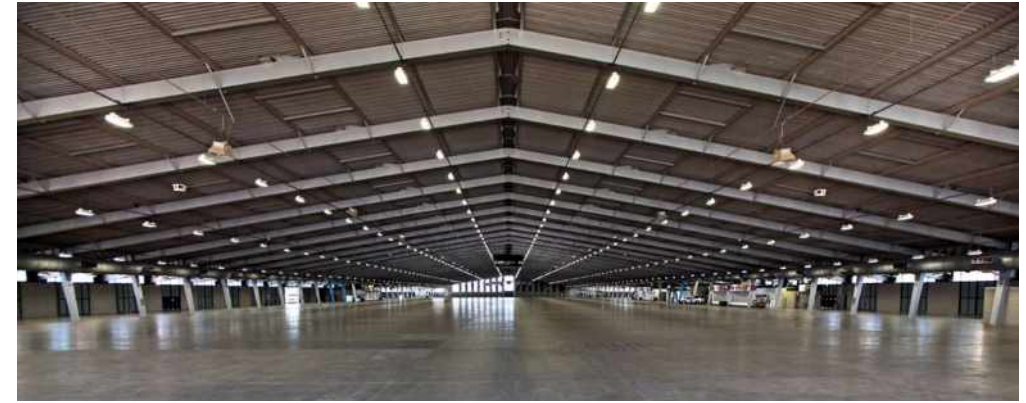
## Facility Features:

- 350,000 SF Exhibit Hall – Sagenet Center
- Two Trade Show & Convention Hall
- Arena (capacity of 4,200) – The Pavilion
- Livestock Complex – Six Barns

## Notes:

The Tulsa Expo Center has four permanent arenas, the facility also has four additional covered spaces that can be used for exhibit space, stalling, arena space and more. This allows the facility to accommodate large equestrian and livestock events that other facilities cannot.

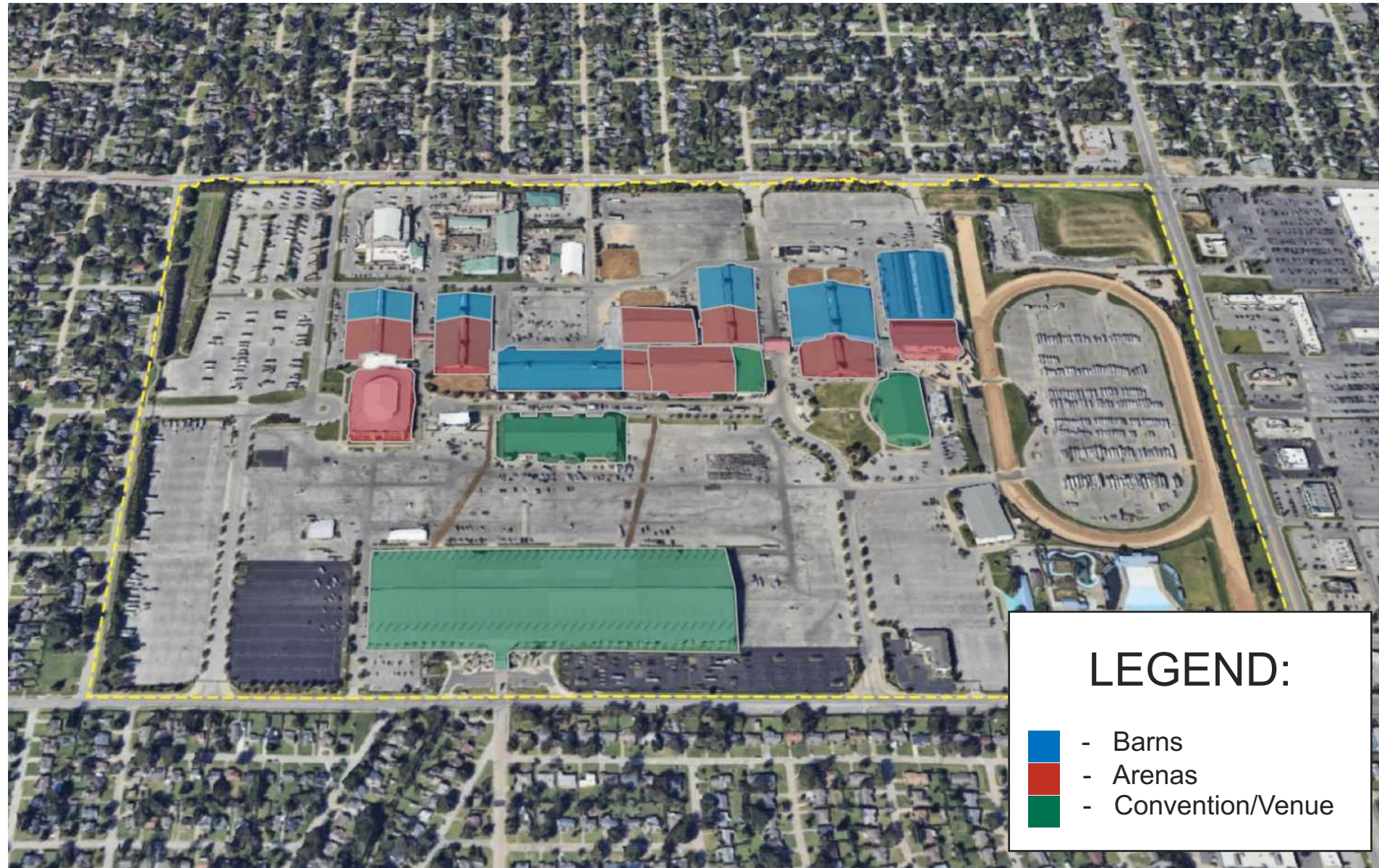
In addition to the mass number of facilities offered, a large of the majority of the buildings and pavilions have concrete flooring to provide easy clean-up and an overall more organized sense of the venue spaces.



# Expo Square - Tulsa

Expo Square in Tulsa has a total acreage of 240 acres which includes the fairgrounds, a water park, and the Fair Meadows Race Track.

The buildings are located on the inside of the entire facility with extensive parking surrounding the buildings. There is additional RV and trailer parking on the inside of the race track.



# World Equestrian Center

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**Location:** Wilmington, OH

**Opened:** 2015

**Owner/Operator:** Privately-Owned: The Roberts Family

## Facility Features:

- Four Indoor Climate Controlled Arena
- Six Outdoor Equine Arenas
- 800 stall stabling facility
- Retail Space / On-Site Dining & Lodging Options

## Notes:

While the World Equestrian Center is a state-of-the-art equine facility, the venue excels in the integration of mixed-use assets that would be beneficial for visitors. Wilmington created 36 guest cabins on property that are rented to exhibitors and customers. Wilmington is not located near an extensive supply of hotels, so the luxury cabins offer lodging options beyond the RV spots with full hook-up also available.



# World Equestrian Center

The World Equestrian Center is a 200-acre facility that has seven indoor arenas and six outdoor arenas for a total of 13 arenas.

The indoor arenas are centralized within the property with almost all the barns attached to the main competition arenas.

The mobile home supportable amenities on-site are across the street from the show barns and arenas.



# 05

## Facility and Site Recommendations

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# Detailed Recommendations

Based on the findings of the Project's past and existing conditions, Hunden recommends an upgraded build out of the Washington County Expo based on the table shown to the right.

- The recommended Project is a three-arena facility, where the main arena is an indoor, climate-controlled rodeo arena that seats 5,000. The Secondary Arena is 31,500 square feet, which can hold equine events that require a space with dimensions of 120 feet by 240 feet.
- The arenas are recommended to be complimented with 300 equine stalls, 300 large animal pens and 250 small animal pens. These stalls are recommended to be flexible and adaptable for any need necessary. Additionally, Hunden recommends 850 cattle tie stalls for a total of a 1,700-animal capacity ranging in small to large animal sizes.
- In terms of function space, Hunden recommends 30,000 square feet of exhibit hall space, 20,000 square feet of ballroom space and 10,000 square feet to comprise four meeting rooms.
- In order to add a large entertainment aspect to the facility, Hunden recommends a 2,500-capacity amphitheater for performances and concerts, especially throughout the Washington County Fair. In addition, Hunden recommends a food court structure to remain the same size as the current food court.

Washington County Expo Detailed Recommendations				
Feature	Arena Size (SF)	Build Type	Arena Dimensions	Capacity
<i>Show Arenas</i>				
Main Arena	38,500	Enclosed & Climate Controlled	–	5,000
Warm-up Arena	26,400	Unenclosed	–	–
Secondary Arena	31,500	Covered & Open Air Concept	–	500
Total	96,400	–	–	5,500
Feature	Count	Build Type	Dimensions	Capacity
<i>Animal Stalls</i>				
Horse Stalls	300	Covered & Open Air Concept	12' x 12'	–
Large Animal Pens	300	Covered & Open Air Concept	12' x 12'	–
Small Animal Pens	250	Covered & Open Air Concept	6' x 6'	–
Cattle Tie Stalls	850	Covered & Open Air Concept	–	–
Total	1,700	–	–	–
Feature	Size (SF)	Build Type	Dimensions	Capacity
<i>Function Space</i>				
Exhibit Hall Space	30,000	–	–	–
Ballroom Space	20,000	–	–	–
Meeting Room Space	10,000	–	–	–
Total	60,000	–	–	–
Feature	Size (SF) / Count	Build Type	Dimensions	Capacity
<i>Misc. Spaces</i>				
Support Cattle Building	100 pens	Covered & Open Air Concept	–	–
Food Court Structure	9,000	Covered & Open Air Concept	175' x 90'	–
Ampitheater	–	Outdoor & Uncovered	–	2,500
Parking	2,333	Surface Parking	–	–
RV Spots	75 spots	With Full RV Hookups	–	–
Total	–	–	–	–

Source: Hunden Partners, Covergence Design



**Current Fairgrounds Site**



# Detailed Recommendations and Current Site Plan



# Estimated Project Costs

Convergence Design analyzed the Project recommendations and developed high-level project costs for the Project.

These project costs assume the renovation of the current Expo site of 42 acres.

**The total project costs for developing the Washington County Expo on a new site is estimated to be \$141.3 million. Construction costs are estimated to be \$112.7 million and soft costs are estimated to be \$28.6 million.**

These costs are considerably less than the total project costs of developing the recommended build-out of a new site. With the current site parameters, there is no acreage to develop RV spots. Additionally, there are buildings currently on site that only need renovation and not a total rebuild.

Washington County Expo Order of Magnitude Cost Estimate (Fairgrounds Site)							
Feature	Arena Size (SF)	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Show Arenas</i>							
Main Arena	38,500	Enclosed & Climate Controlled	77,000	GSF	\$30,800,000	\$7,700,000	\$38,500,000
Warm-up Arena	26,400	Unenclosed	26,400	GSF	\$1,100,000	\$300,000	\$1,400,000
Secondary Arena	31,500	Covered & Open Air Concept	36,225	GSF	\$7,300,000	\$1,900,000	\$9,200,000
Total	96,400	-			\$39,200,000	\$9,900,000	\$49,100,000
Feature	Count	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Animal Stalls</i>							
Horse Stalls	300	Covered & Open Air Concept	69,120	GSF	\$3,400,000	\$900,000	\$4,300,000
Large Animal Pens	300	Covered & Open Air Concept	69,120	GSF	\$2,400,000	\$600,000	\$3,000,000
Small Animal Pens	250	Covered & Open Air Concept	14,400	GSF	\$1,500,000	\$400,000	\$1,900,000
Cattle Tie Stalls	850	Covered & Open Air Concept	935	EA	\$1,500,000	\$400,000	\$1,900,000
Total	1,700	-			\$8,800,000	\$2,300,000	\$11,100,000
Feature	Size (SF)	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Function Space</i>							
Exhibit Hall Space	30,000	-	54,000	GSF	\$18,900,000	\$4,800,000	\$23,700,000
Ballroom Space	20,000	-	45,000	GSF	\$20,300,000	\$5,100,000	\$25,400,000
Meeting Room Space	10,000	-	21,000	GSF	\$8,400,000	\$2,100,000	\$10,500,000
Total	60,000	-	120,000		\$47,600,000	\$12,000,000	\$59,600,000
Feature	Size (SF) / Count	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Misc. Spaces</i>							
Support Cattle Building	100 pens	Covered & Open Air Concept	23,040	GSF	\$1,200,000	\$300,000	\$1,500,000
Food Court Structure	9,000	Covered & Open Air Concept	10,350	GSF	\$2,100,000	\$600,000	\$2,700,000
Ampitheater	-	Outdoor & Uncovered	2,500	pax	\$8,800,000	\$2,200,000	\$11,000,000
Parking	2,333	Surface Parking	2,333	PS	\$5,000,000	\$1,300,000	\$6,300,000
RV Spots	75 spots	With Full RV Hookups	75	sites	-	-	-
Total	-	-	-	-	\$17,100,000	\$4,400,000	\$21,500,000
<b>GRAND TOTAL</b>					<b>\$112,700,000</b>	<b>\$28,600,000</b>	<b>\$141,300,000</b>

Source: Hunden Partners, Convergence Design



# Potential New Project Sites

# Potential Project Site

## Washington County – Aerial Map



# Detailed Recommendations and Site Plan A-1

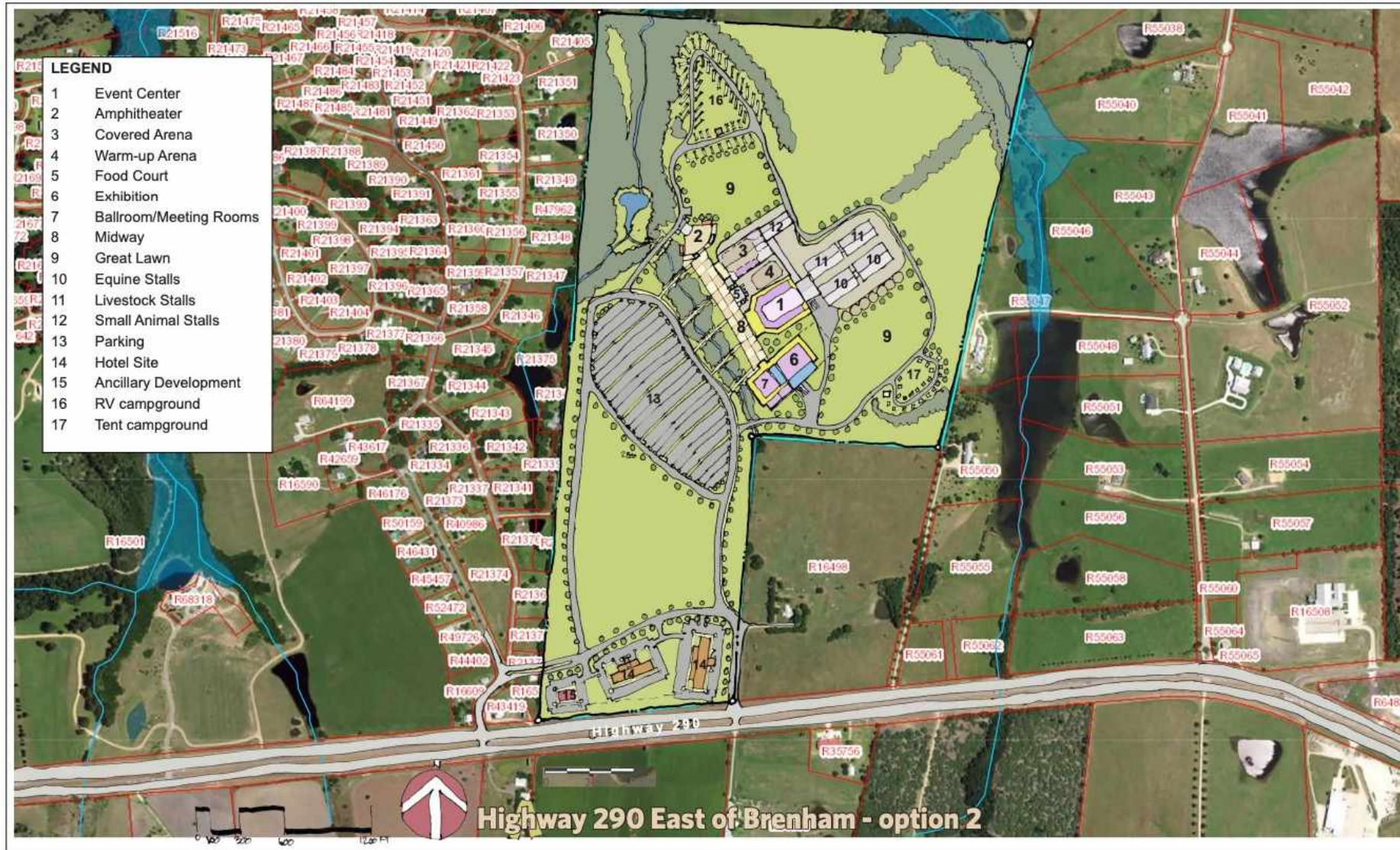


Washington County Expo Center Study



Alternate Location Study

# Detailed Recommendations and Site Plan A-2



Washington County Expo Center Study



Alternate Location Study

# Detailed Recommendations and Site Plan B



Washington County Expo Center Study



Alternate Location Study

# Detailed Recommendations and Site Plan C



Washington County Expo Center Study



Alternate Location Study



# Estimated Project Costs

Convergence Designed analyzed the Project recommendations and developed high-level project costs for the Project.

These project costs assume there is new construction on one of the three greenfield sites profiled earlier.

**The total project costs for developing the Washington County Expo on a new site is estimated to be \$162.4 million.**

**Construction costs are estimated to be \$129.5 million and soft costs are estimated to be \$32.9 million.**

These costs are considerably more than the renovation costs on the existing fairgrounds site, as there would be enhanced RV Site parking and more extensive stall barn construction.

Washington County Expo Order of Magnitude Cost Estimate (New Construction)							
Feature	Arena Size (SF)	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Show Arenas</i>							
Main Arena	38,500	Enclosed & Climate Controlled	77,000	GSF	\$30,800,000	\$7,700,000	\$38,500,000
Warm-up Arena	26,400	Unenclosed	26,400	GSF	\$1,100,000	\$300,000	\$1,400,000
Secondary Arena	31,500	Covered & Open Air Concept	36,225	GSF	\$7,300,000	\$1,900,000	\$9,200,000
Total	96,400	-			\$39,200,000	\$9,900,000	\$49,100,000
Feature	Count	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Animal Stalls</i>							
Horse Stalls	300	Covered & Open Air Concept	69,120	GSF	\$10,400,000	\$2,600,000	\$13,000,000
Large Animal Pens	300	Covered & Open Air Concept	69,120	GSF	\$8,700,000	\$2,200,000	\$10,900,000
Small Animal Pens	250	Covered & Open Air Concept	14,400	GSF	\$1,500,000	\$400,000	\$1,900,000
Cattle Tie Stalls	850	Covered & Open Air Concept	935	EA	\$1,500,000	\$400,000	\$1,900,000
Total	1,700	-			\$22,100,000	\$5,600,000	\$27,700,000
Feature	Size (SF)	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Function Space</i>							
Exhibit Hall Space	30,000	-	54,000	GSF	\$18,900,000	\$4,800,000	\$23,700,000
Ballroom Space	20,000	-	45,000	GSF	\$20,300,000	\$5,100,000	\$25,400,000
Meeting Room Space	10,000	-	21,000	GSF	\$8,400,000	\$2,100,000	\$10,500,000
Total	60,000	-	120,000		\$47,600,000	\$12,000,000	\$59,600,000
Feature	Size (SF) / Count	Build Type	Gross Area	Unit	Construction Cost	Soft Cost	Total Project Cost
<i>Misc. Spaces</i>							
Support Cattle Building	100 pens	Covered & Open Air Concept	23,040	GSF	\$2,900,000	\$800,000	\$3,700,000
Food Court Structure	9,000	Covered & Open Air Concept	10,350	GSF	\$2,100,000	\$600,000	\$2,700,000
Ampitheater	-	Outdoor & Uncovered	2,500	pax	\$8,800,000	\$2,200,000	\$11,000,000
Parking	2,333	Surface Parking	2,333	PS	\$5,900,000	\$1,500,000	\$7,400,000
RV Spots	75 spots	With Full RV Hookups	75	sites	\$900,000	\$300,000	\$1,200,000
Total	-	-	-	-	\$20,600,000	\$5,400,000	\$26,000,000
<b>GRAND TOTAL</b>					<b>\$129,500,000</b>	<b>\$32,900,000</b>	<b>\$162,400,000</b>

Source: Hunden Partners, Convergence Design

# Implications

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If the Washington County Expo is relocated, it is important to consider a location next to the highway where restaurant and hotel supply is the greatest. These amenities next to the highway have significantly more traffic than locations within the Brenham downtown area.



# 06

## Demand and Financial Analysis

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# Event & Attendance Projections

Throughout the 2023 calendar year, the Washington County Expo had 637 event days bringing in more than 170,000 attendees for these events.

If the facility goes unchanged (blue), it is projected that there will be slightly less event days at Expo in 2030.

The recommended build of the Washington County Expo (green) is expected to have 1,101 event days in 2030, which is a 464 day increase from the 2023 event days. Additionally, the increase in event days would result in 367,000 attendees which is close to 200,000 more attendees than the current Expo had in 2023.

The recommended facility is projected to have a large increase in Agriculture/Livestock and Equestrian as well as new business with Regional/National event days.

Summary of Event Assumptions						
Event Days	Event Days			Annual Attendees		
	Today 2023	Unchanged Y3 (2030)	Recommended Facility Y3 (2030)	Today 2023	Unchanged Y3 (2030)	Recommended Facility Y3 (2030)
Agriculture/Livestock	96	96	196	32,925	29,633	71,995
Equestrian	69	65	139	2,078	1,520	5,030
County Fair	14	14	14	50,000	45,000	53,560
4H	114	114	166	1,961	1,765	2,913
Regional/National Shows	0	0	35	0	0	75,720
AgriLife Ext.	53	53	89	5,198	4,678	8,849
Personal Parties	122	122	159	18,228	16,405	24,287
Community	40	40	51	5,103	4,593	6,693
Bread Partners	56	56	68	8,400	7,560	10,405
Holiday Craft Market	23	23	35	18,208	16,387	27,861
Ticketed (Rodeo/Circus)	8	8	48	3,200	2,880	19,586
Fundraisers	9	9	18	9,000	8,100	18,362
Other	34	34	85	16,216	14,594	41,355
<b>Total</b>	<b>637</b>	<b>633</b>	<b>1,101</b>	<b>170,517</b>	<b>153,115</b>	<b>366,614</b>
Difference from Today	0	(4)	+ 464	0	(17,402)	+ 196,097

Source: Hunden Partners

# Rental Revenues

Over time, expo centers develop a consistent and stable event model, leading to increasing operating margins. The most revenue is expected to come from Agriculture/Livestock facility rental revenue, followed by Equestrian stalling rental revenue in the recommended facility. The recommended facility is projected to earn \$1.4 million in combined rental revenue in the year 2030. This is \$1.1 million more than if the facility remained the same by year 2030.

## Current Facility

Washington County Expo Center Current Facility Projections	Year 1 2028	Year 2 2029	Year 3 2030	Year 4 2031	Year 5 2032	Year 10 2037	
<b>Facility Rental</b>	<b>% Paid</b>						
Agriculture/Livestock	99%	\$ 111,089	\$ 113,987	\$ 116,885	\$ 119,783	\$ 122,681	\$ 137,171
Equestrian	99%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Fair		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 60,000
Regional/National Shows	99%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personal Parties	99%	\$ 54,995	\$ 56,430	\$ 57,865	\$ 59,299	\$ 60,734	\$ 67,907
Holiday Craft Market	99%	\$ 7,389	\$ 7,582	\$ 7,774	\$ 7,967	\$ 8,160	\$ 9,124
Ticketed (Rodeo/Circus)	99%	\$ 8,379	\$ 8,598	\$ 8,817	\$ 9,035	\$ 9,254	\$ 10,347
Fundraisers	99%	\$ 2,823	\$ 2,897	\$ 2,971	\$ 3,044	\$ 3,118	\$ 3,486
Other	99%	\$ 11,717	\$ 12,023	\$ 12,329	\$ 12,634	\$ 12,940	\$ 14,468
<b>Total</b>		<b>\$ 246,393</b>	<b>\$ 251,517</b>	<b>\$ 256,640</b>	<b>\$ 261,763</b>	<b>\$ 266,887</b>	<b>\$ 302,503</b>
<b>Facility Rental - Stalling</b>							
Agriculture/Livestock		\$ 13,248	\$ 13,594	\$ 13,939	\$ 14,285	\$ 14,630	\$ 16,358
Equestrian		\$ 34,209	\$ 32,761	\$ 31,194	\$ 31,968	\$ 32,741	\$ 36,608
Regional/National Shows		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>		<b>\$ 47,457</b>	<b>\$ 46,355</b>	<b>\$ 45,134</b>	<b>\$ 46,253</b>	<b>\$ 47,372</b>	<b>\$ 52,967</b>
<b>Combined Rental Revenues</b>							
Agriculture/Livestock		\$ 124,337	\$ 127,580	\$ 130,824	\$ 134,068	\$ 137,311	\$ 153,529
Equestrian		\$ 34,209	\$ 32,761	\$ 31,194	\$ 31,968	\$ 32,741	\$ 36,608
County Fair		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 60,000
Regional/National Shows		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personal Parties		\$ 54,995	\$ 56,430	\$ 57,865	\$ 59,299	\$ 60,734	\$ 67,907
Holiday Craft Market		\$ 7,389	\$ 7,582	\$ 7,774	\$ 7,967	\$ 8,160	\$ 9,124
Ticketed (Rodeo/Circus)		\$ 8,379	\$ 8,598	\$ 8,817	\$ 9,035	\$ 9,254	\$ 10,347
Fundraisers		\$ 2,823	\$ 2,897	\$ 2,971	\$ 3,044	\$ 3,118	\$ 3,486
Other		\$ 11,717	\$ 12,023	\$ 12,329	\$ 12,634	\$ 12,940	\$ 14,468
<b>Total</b>		<b>\$ 293,850</b>	<b>\$ 297,872</b>	<b>\$ 301,774</b>	<b>\$ 308,016</b>	<b>\$ 314,258</b>	<b>\$ 355,470</b>

Source: Hunden Partners

## Recommended Facility

Washington County Expo Center Expansion Scenario	Year 1 2028	Year 2 2029	Year 3 2030	Year 4 2031	Year 5 2032	Year 10 2037	
<b>Facility Rental</b>	<b>% Paid</b>						
Agriculture/Livestock	100%	\$ 196,369	\$ 230,277	\$ 265,647	\$ 272,234	\$ 278,820	\$ 311,751
Equestrian	100%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Fair (Total)		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 60,000
Regional/National Shows	100%	\$ 100,625	\$ 206,500	\$ 317,625	\$ 325,500	\$ 333,375	\$ 372,750
Personal Parties	100%	\$ 91,829	\$ 102,949	\$ 114,513	\$ 117,352	\$ 120,191	\$ 134,387
Holiday Craft Market	100%	\$ 13,061	\$ 15,316	\$ 17,669	\$ 18,107	\$ 18,545	\$ 20,736
Ticketed (Rodeo/Circus)	100%	\$ 33,856	\$ 56,451	\$ 80,150	\$ 82,138	\$ 84,125	\$ 94,061
Fundraisers	100%	\$ 5,704	\$ 7,316	\$ 9,002	\$ 9,226	\$ 9,449	\$ 10,565
Other	100%	\$ 26,630	\$ 36,434	\$ 46,700	\$ 47,858	\$ 49,016	\$ 54,805
<b>Total</b>		<b>\$ 518,075</b>	<b>\$ 705,243</b>	<b>\$ 901,307</b>	<b>\$ 922,414</b>	<b>\$ 943,520</b>	<b>\$ 1,059,054</b>
<b>Facility Rental - Stalling</b>							
Agriculture/Livestock		\$ 77,280	\$ 90,624	\$ 104,544	\$ 107,136	\$ 109,728	\$ 122,688
Equestrian		\$ 218,936	\$ 280,810	\$ 345,539	\$ 354,106	\$ 362,673	\$ 405,508
Regional/National Shows		\$ 13,442	\$ 27,585	\$ 42,429	\$ 43,481	\$ 44,533	\$ 49,793
<b>Total</b>		<b>\$ 309,658</b>	<b>\$ 399,018</b>	<b>\$ 492,512</b>	<b>\$ 504,723</b>	<b>\$ 516,934</b>	<b>\$ 577,989</b>
<b>Combined Rental Revenues</b>							
Agriculture/Livestock		\$ 273,649	\$ 320,901	\$ 370,191	\$ 379,370	\$ 388,548	\$ 434,439
Equestrian		\$ 218,936	\$ 280,810	\$ 345,539	\$ 354,106	\$ 362,673	\$ 405,508
County Fair		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 60,000
Regional/National Shows		\$ 114,067	\$ 234,085	\$ 360,054	\$ 368,981	\$ 377,908	\$ 422,543
Personal Parties		\$ 91,829	\$ 102,949	\$ 114,513	\$ 117,352	\$ 120,191	\$ 134,387
Holiday Craft Market		\$ 13,061	\$ 15,316	\$ 17,669	\$ 18,107	\$ 18,545	\$ 20,736
Ticketed (Rodeo/Circus)		\$ 33,856	\$ 56,451	\$ 80,150	\$ 82,138	\$ 84,125	\$ 94,061
Fundraisers		\$ 5,704	\$ 7,316	\$ 9,002	\$ 9,226	\$ 9,449	\$ 10,565
Other		\$ 26,630	\$ 36,434	\$ 46,700	\$ 47,858	\$ 49,016	\$ 54,805
<b>Total</b>		<b>\$ 827,733</b>	<b>\$ 1,104,261</b>	<b>\$ 1,393,819</b>	<b>\$ 1,427,136</b>	<b>\$ 1,460,454</b>	<b>\$ 1,637,043</b>

Source: Hunden Partners

# Proforma

After including Rental Revenues, concessions, catering, and parking, the facility is projected to make \$2.6 million in total revenues by year 2030.

Operationally, expo centers are expensive to operate, with the majority of expenses coming from salaries, wages and benefits for the staff required to operate the facility. Expenses for this facility are projected to total almost \$1.4 million in 2030.

Furthermore, this means the recommended Expo facility is projected to have a Net Operating Income of \$463,000 by Year 3 of operation.

All values are represented in thousands (\$000s) of dollars.

Washington County Expo Center		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Proforma for Current Facility		2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Visits		153,348	153,232	153,115	153,115	153,115	153,115	153,115	153,115	153,115	153,115
<b>Revenues (\$000s)</b>	<b>2023</b>										
Rental	\$ 256	\$ 246	\$ 252	\$ 257	\$ 262	\$ 267	\$ 282	\$ 287	\$ 292	\$ 297	\$ 303
Rental Items	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
Concession, Net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parking	\$ 17	\$ 19	\$ 20	\$ 20	\$ 21	\$ 21	\$ 22	\$ 22	\$ 23	\$ 23	\$ 24
<b>Total</b>	<b>\$ 277</b>	<b>\$ 270</b>	<b>\$ 275</b>	<b>\$ 281</b>	<b>\$ 287</b>	<b>\$ 292</b>	<b>\$ 308</b>	<b>\$ 314</b>	<b>\$ 320</b>	<b>\$ 325</b>	<b>\$ 331</b>
<b>Expenses</b>											
Personal Services	\$ 288	\$ 331	\$ 340	\$ 349	\$ 357	\$ 366	\$ 375	\$ 383	\$ 392	\$ 401	\$ 409
Utilities & Dirt	\$ 117	\$ 148	\$ 152	\$ 155	\$ 159	\$ 163	\$ 167	\$ 171	\$ 175	\$ 179	\$ 182
Maintenance	\$ 105	\$ 181	\$ 186	\$ 190	\$ 195	\$ 200	\$ 205	\$ 209	\$ 214	\$ 219	\$ 223
Other Operating Expenses	\$ 62	\$ 82	\$ 84	\$ 86	\$ 89	\$ 91	\$ 93	\$ 95	\$ 97	\$ 99	\$ 101
General Supplies	\$ 10	\$ 11	\$ 12	\$ 12	\$ 12	\$ 12	\$ 13	\$ 13	\$ 13	\$ 14	\$ 14
Contractual	\$ 38	\$ 43	\$ 44	\$ 46	\$ 47	\$ 48	\$ 49	\$ 50	\$ 51	\$ 52	\$ 54
Equipment & Services	\$ 170	\$ 195	\$ 200	\$ 205	\$ 211	\$ 216	\$ 221	\$ 226	\$ 231	\$ 236	\$ 241
Misc.	\$ 8	\$ 9	\$ 9	\$ 9	\$ 9	\$ 10	\$ 10	\$ 10	\$ 10	\$ 11	\$ 11
<b>Total</b>	<b>\$ 509</b>	<b>\$ 1,001</b>	<b>\$ 1,027</b>	<b>\$ 1,053</b>	<b>\$ 1,079</b>	<b>\$ 1,105</b>	<b>\$ 1,131</b>	<b>\$ 1,157</b>	<b>\$ 1,184</b>	<b>\$ 1,210</b>	<b>\$ 1,236</b>
<b>Net Operating Income</b>	<b>\$ (232)</b>	<b>\$ (731)</b>	<b>\$ (752)</b>	<b>\$ (772)</b>	<b>\$ (793)</b>	<b>\$ (813)</b>	<b>\$ (823)</b>	<b>\$ (844)</b>	<b>\$ (864)</b>	<b>\$ (884)</b>	<b>\$ (905)</b>

Source: Hunden Partners

Washington County Expo Center		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Proforma for Expansion Scenario		2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Visits		225,065	284,367	346,771	346,771	346,771	346,771	346,771	346,771	346,771	346,771
<b>Revenues (\$000s)</b>	<b>2023</b>										
Rental	\$ 256	\$ 518	\$ 705	\$ 901	\$ 922	\$ 944	\$ 975	\$ 996	\$ 1,017	\$ 1,038	\$ 1,059
Rental Items	\$ 4	\$ 31	\$ 42	\$ 54	\$ 55	\$ 57	\$ 58	\$ 60	\$ 61	\$ 62	\$ 64
Concession/Catering, Net	\$ -	\$ 248	\$ 363	\$ 492	\$ 504	\$ 517	\$ 529	\$ 541	\$ 553	\$ 565	\$ 578
Parking	\$ 17	\$ 212	\$ 306	\$ 411	\$ 421	\$ 431	\$ 441	\$ 451	\$ 462	\$ 472	\$ 482
<b>Total</b>	<b>\$ 277</b>	<b>\$ 1,009</b>	<b>\$ 1,417</b>	<b>\$ 1,858</b>	<b>\$ 1,903</b>	<b>\$ 1,948</b>	<b>\$ 2,003</b>	<b>\$ 2,048</b>	<b>\$ 2,093</b>	<b>\$ 2,137</b>	<b>\$ 2,182</b>
<b>Expenses</b>											
Personal Services	\$ 288	\$ 563	\$ 578	\$ 593	\$ 607	\$ 622	\$ 637	\$ 651	\$ 666	\$ 681	\$ 696
Utilities & Dirt	\$ 117	\$ 242	\$ 248	\$ 254	\$ 261	\$ 267	\$ 273	\$ 280	\$ 286	\$ 292	\$ 299
Maintenance	\$ 105	\$ 139	\$ 142	\$ 146	\$ 150	\$ 153	\$ 157	\$ 160	\$ 164	\$ 168	\$ 171
Other Operating Expenses	\$ 62	\$ 107	\$ 110	\$ 113	\$ 116	\$ 118	\$ 121	\$ 124	\$ 127	\$ 130	\$ 132
General Supplies	\$ 10	\$ 18	\$ 18	\$ 18	\$ 19	\$ 19	\$ 20	\$ 20	\$ 21	\$ 21	\$ 22
Contractual	\$ 38	\$ 43	\$ 44	\$ 46	\$ 47	\$ 48	\$ 49	\$ 50	\$ 51	\$ 52	\$ 54
Equipment & Services	\$ 170	\$ 205	\$ 210	\$ 216	\$ 221	\$ 226	\$ 232	\$ 237	\$ 242	\$ 248	\$ 253
Misc.	\$ 8	\$ 9	\$ 9	\$ 9	\$ 9	\$ 10	\$ 10	\$ 10	\$ 10	\$ 11	\$ 11
<b>Total</b>	<b>\$ 509</b>	<b>\$ 1,326</b>	<b>\$ 1,360</b>	<b>\$ 1,395</b>	<b>\$ 1,429</b>	<b>\$ 1,464</b>	<b>\$ 1,499</b>	<b>\$ 1,533</b>	<b>\$ 1,568</b>	<b>\$ 1,602</b>	<b>\$ 1,637</b>
<b>Net Operating Income</b>	<b>\$ (232)</b>	<b>\$ (317)</b>	<b>\$ 57</b>	<b>\$ 463</b>	<b>\$ 474</b>	<b>\$ 484</b>	<b>\$ 505</b>	<b>\$ 515</b>	<b>\$ 525</b>	<b>\$ 535</b>	<b>\$ 545</b>

Source: Hunden Partners

Current Facility

Recommended Facility

# 07

## Economic, Fiscal, and Employment Impact Analysis

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# Introduction to Impacts

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Hunden uses the IMPLAN input-output multiplier model, which determines the level of additional activity in the Washington County economy due to additional inputs. For example, for every dollar of direct new spending in Washington County, the IMPLAN model provides multipliers for the indirect and induced spending that will result.

The net new and recaptured direct spending discussed earlier in the chapter is considered to be the **Direct Impact**.

From the direct spending figures, further impact analyses will be completed.

- **Indirect Impacts** are the supply of goods and services that result from the initial direct spending. For example, a visitor's direct expenditure on a hotel room causes the hotel to purchase linens and other items from suppliers. The portion of these hotel purchases that are within the local economy is considered an indirect economic impact.
- **Induced Impacts** embody the change in spending due to the personal expenditures by employees whose incomes are affected by direct and indirect spending. For example, a waitress at a restaurant may have more personal income as a result of the induced customer's visit. The amount of the increased income that the employee spends in the area is considered an induced impact.
- **Fiscal Impacts** represent the incremental tax revenue collected by Washington County due to the net new economic activity. The fiscal impact represents the government's share of total economic benefit. The most relevant tax streams that flows directly to Washington County include sales tax and hotel accommodations tax.
- **Employment Impacts** include the incremental employment provided not only onsite, but due to the spending associated with it. For example, the direct, indirect and induced impacts generate spending, support new and ongoing businesses, and ultimately result in ongoing employment for citizens. Hunden will show the number of ongoing jobs supported by the project and provide the resulting income generated.



# Net New Spending, FTEs & Earnings

As a result of the Project, the county will experience new visitors for regional and national shows that would not have visited the market otherwise. These net new visitors will spend money in Washington County, supporting the local economy.

Hunden classifies spending in five categories: food & beverage, lodging, retail, transportation and other. Hunden projects direct net new spending to total over \$764 million over 30 years. As this net new direct spending trickles through the Washington County economy, it generates induced and indirect spending.

Combined total net new spending within Washington County is expected to surpass \$1.2 billion over 30 years.

Direct, Indirect and Induced Net New Spending to Washington County (\$000s) - Project									
	2028	2029	2030	2031	2032	2037	2047	2057	Total
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Year 30	
<b>Direct Spending</b>									
Food & Beverage	\$ 1,713	\$ 3,142	\$ 4,716	\$ 4,833	\$ 4,950	\$ 5,534	\$ 6,704	\$ 7,873	\$ 181,098
Lodging	\$ 1,631	\$ 3,264	\$ 5,060	\$ 5,185	\$ 5,311	\$ 5,938	\$ 7,192	\$ 8,447	\$ 193,990
Retail	\$ 705	\$ 1,372	\$ 2,174	\$ 2,464	\$ 2,766	\$ 4,448	\$ 8,672	\$ 14,040	\$ 210,312
Transportation	\$ 1,112	\$ 1,982	\$ 2,942	\$ 3,014	\$ 3,087	\$ 3,452	\$ 4,181	\$ 4,911	\$ 113,025
Other	\$ 739	\$ 1,205	\$ 1,704	\$ 1,746	\$ 1,788	\$ 2,000	\$ 2,422	\$ 2,845	\$ 65,625
<b>Total</b>	<b>\$ 5,899</b>	<b>\$ 10,965</b>	<b>\$ 16,595</b>	<b>\$ 17,243</b>	<b>\$ 17,903</b>	<b>\$ 21,373</b>	<b>\$ 29,171</b>	<b>\$ 38,116</b>	<b>\$ 764,051</b>
<b>Total Spending</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2037</b>	<b>2047</b>	<b>2057</b>	<b>Total</b>
Direct	\$ 5,899	\$ 10,965	\$ 16,595	\$ 17,243	\$ 17,903	\$ 21,373	\$ 29,171	\$ 38,116	\$ 764,051
Indirect	\$ 2,268	\$ 4,234	\$ 6,425	\$ 6,689	\$ 6,957	\$ 8,374	\$ 11,584	\$ 15,298	\$ 302,393
Induced	\$ 1,168	\$ 2,134	\$ 3,206	\$ 3,328	\$ 3,452	\$ 4,103	\$ 5,558	\$ 7,218	\$ 145,884
<b>Total</b>	<b>\$ 9,336</b>	<b>\$ 17,333</b>	<b>\$ 26,227</b>	<b>\$ 27,260</b>	<b>\$ 28,312</b>	<b>\$ 33,849</b>	<b>\$ 46,314</b>	<b>\$ 60,632</b>	<b>\$ 1,212,327</b>

Source: Hunden Partners

# Net New Earnings & Full-Time Equivalent Jobs

Jobs will be created onsite as well as offsite from the direct, indirect and induced spending. Over 30 years net new earnings within Washington County is expected total over \$382 million, supporting an annual average of 234 new jobs over 30 years.

Net New Earnings & FTE Jobs from Direct, Indirect & Induced Spending (\$000s) - Project									
	2028	2029	2030	2031	2032	2037	2047	2057	Total
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Year 30	
<b>Net New Earnings</b>									
From Direct	\$ 2,631	\$ 4,843	\$ 7,300	\$ 7,584	\$ 7,872	\$ 9,390	\$ 12,799	\$ 16,705	\$ 241,267
From Indirect	\$ 953	\$ 1,808	\$ 2,758	\$ 2,867	\$ 2,978	\$ 3,563	\$ 4,879	\$ 6,393	\$ 91,654
From Induced	\$ 546	\$ 1,006	\$ 1,515	\$ 1,572	\$ 1,630	\$ 1,933	\$ 2,611	\$ 3,383	\$ 49,488
<b>Total</b>	<b>\$ 4,131</b>	<b>\$ 7,657</b>	<b>\$ 11,573</b>	<b>\$ 12,022</b>	<b>\$ 12,480</b>	<b>\$ 14,886</b>	<b>\$ 20,290</b>	<b>\$ 26,481</b>	<b>\$ 382,409</b>
<b>Net New FTE Jobs</b>									<b>Average</b>
From Direct	55	99	145	146	147	151	153	148	146
From Indirect	22	39	57	58	58	60	62	60	59
From Induced	12	20	30	30	30	31	31	29	29
<b>Total</b>	<b>89</b>	<b>158</b>	<b>232</b>	<b>233</b>	<b>235</b>	<b>242</b>	<b>245</b>	<b>238</b>	<b>234</b>

Source: Hunden Partners

# 30-Year Impact Summary

Over 30 years the Project is expected to generate more than \$1.2 billion in net new spending, \$382 million in net new earnings and 234 net new full-time equivalent jobs.

30-Year Fiscal Impact - Tax Impacts from Recommended Facility (\$000s) - Project									
	2028	2029	2030	2031	2032	2037	2047	2057	Total
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	Year 30	
<b>State Taxes (Texas)</b>									
State - Sales Tax (6.25%)	\$ 353	\$ 669	\$ 1,021	\$ 1,061	\$ 1,102	\$ 1,244	\$ 1,710	\$ 2,247	\$ 36,590
State - Mixed Beverage (8.25%)	\$ 13	\$ 14	\$ 14	\$ 14	\$ 15	\$ 53	\$ 66	\$ 78	\$ 1,167
State - Hotel Occ. Tax (4.00%)	\$ 65	\$ 131	\$ 202	\$ 207	\$ 212	\$ 238	\$ 288	\$ 338	\$ 5,842
<b>Total State</b>	<b>\$ 432</b>	<b>\$ 814</b>	<b>\$ 1,237</b>	<b>\$ 1,283</b>	<b>\$ 1,329</b>	<b>\$ 1,535</b>	<b>\$ 2,063</b>	<b>\$ 2,663</b>	<b>\$ 43,599</b>
<b>Local Taxes (Washington Co &amp; Brenham)</b>									
County - Sales Tax (0.05%)	\$ 3	\$ 5	\$ 8	\$ 8	\$ 9	\$ 10	\$ 14	\$ 18	\$ 270
Brenham - Sales Tax (1.50%)	\$ 85	\$ 161	\$ 245	\$ 255	\$ 264	\$ 299	\$ 410	\$ 539	\$ 8,021
Brenham - Hotel Occ. Tax (7.00%)	\$ 114	\$ 228	\$ 354	\$ 363	\$ 372	\$ 416	\$ 503	\$ 591	\$ 10,223
<b>Total Local</b>	<b>\$ 202</b>	<b>\$ 394</b>	<b>\$ 607</b>	<b>\$ 626</b>	<b>\$ 645</b>	<b>\$ 724</b>	<b>\$ 927</b>	<b>\$ 1,148</b>	<b>\$ 18,514</b>

Source: Hunden Partners

## 30-Year Impacts to Washington County Recommended Facility

<b>Net New Spending</b>	
Direct	\$764.1
Indirect	\$302.4
Induced	\$145.9
<b>Total</b>	<b>\$1,212.3</b>
<b>Net New Earnings</b>	
From Direct	\$241.3
From Indirect	\$91.7
From Induced	\$49.5
<b>Total</b>	<b>\$382.4</b>
<b>Net New FTE Jobs</b>	
From Direct	146
From Indirect	59
From Induced	29
<b>Total</b>	<b>234</b>
<b>State Taxes</b>	
State - Sales Tax (6.25%)	\$36.6
State - Mixed Beverage (8.25%)	\$1.2
State - Hotel Occ. Tax (4.00%)	\$5.8
<b>Total State</b>	<b>\$43.6</b>
<b>Net New Local Taxes</b>	
County - Sales Tax (0.05%)	\$0.3
Brenham - Sales Tax (1.50%)	\$8.0
Brenham - Hotel Occ. Tax (7.00%)	\$10.2
<b>Total Local</b>	<b>\$18.5</b>
<b>Total Taxes</b>	<b>\$62.1</b>

Source: Hunden Partners

# 08

## Fundraising and Funding Best Practices

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# How do we get there? Next Steps

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- **Strong Leadership.** The X-Factor in getting game-changing projects done is getting local leadership all-in and aligned on the vision and plan for a new and/or improved facility.
- **Plan of Finance.** In order to execute the project, a plan of finance that maximizes state and local development financing tools must be determined. The legislative representatives for the area may need to press the case to the legislature in order to be approved for certain tools, such as the PFZ (project financing zone).
- **Buy In.** Once the plan of finance is proposed, buy-in from local leadership is key prior to soliciting developers.
- **Current Taxes in Place.**
  - 0.05% County Sales Tax – The recommended build out of a new Expo facility is projected to bring in **\$331,000 for Washington County over 30 years.**
  - 1.50% City Sales Tax – The recommended build out of a new Expo facility is projected to bring in **\$9.8 million for the City of Brenham over 30 years.**
  - 7.00% City Hotel Occupancy Tax – The recommended build out of a new Expo facility is projected to bring in **\$11.6 million for the City of Brenham over 30 years.**

# Funding Interview: Industry Expert

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Hunden interviewed the director of Oklahoma State Fair, Inc. and Fairgrounds regarding fundraising and funding best practices. The individual has experience with capital allocation within the State of Oklahoma and the State of Texas. The following key implications were determined:

## **Funding Strategies for Large-Scale Expo Facilities**

Citizens of Washington County will prefer to not to see their personal tax dollars allocated to the construction of a multi-million-dollar Expo facility. The funding should fall on the new visitors to the region through an increased hotel occupancy tax at the City, County, and State level, as this would reduce the burden on the residents and taxpayers of Washington County. Currently there is a seven percent hotel occupancy tax for the City of Brenham. The State of Texas enforces a maximum of nine percent hotel occupancy tax at the city level. Additionally, there is no county hotel occupancy tax in Washington County, so there is opportunity to implement a county hotel occupancy tax of two percent.

Lastly, the State of Texas offers a special type of municipal financing tool called the Project Financing Zone or PFZ. It is designed to support specific development projects within a designated area and promote economic growth and investment. This would be done through approaching the State Legislature to ensure the project applicability, given the county's smaller size. The state officials in Texas are usually willing to support Expo facilities as it drives large amounts of tourism and visitation to the state. This process would help fund the Project by the state allocating six percent hotel tax for a period of 30 years (and associated mixed-beverage and sales tax within these hotels).

## **Concluding Thoughts**

It was mentioned that stall barn taxes and recreational vehicle lodging taxes would limit agriculture and equestrian business to a new Expo facility. Stall Barn tax has only been successful in Fort Worth and received a large amount of backlash to the implementation of it.

To cover the remainder of the construction costs, Washington County needs to go through a large bond election process to support the development of the facility. The message of this bond should focus on helping the local economy and emphasizing the effort towards helping young kids in the agriculture and equine business.



# Recent Expo Expansions – Funding Breakdown

# Brazos County Expo

In 2001, the voters of Brazos County passed a proposition which allowed Commissioners' Court to sell up to \$18.5 million in General Revenue Bonds to be used for the construction of a County Exposition Center.

- In order to cover the construction and operating costs for the Brazos County Expo and future expansion costs, Brazos County legislation established the Expo Center Expansion Fund.
- This fund allowed expenditures to be financed through the issuance of \$12,000,000 certificates of obligation in November 2009 and a portion of the hotel occupancy taxes collected. During 2013, the County used the remaining funds for a rock parking lot at the Expo Center.
- For the 2023-2024 Fiscal Year, the Expo facility was appropriated \$7.5 million for expansion of the facility through General Capital Improvements.

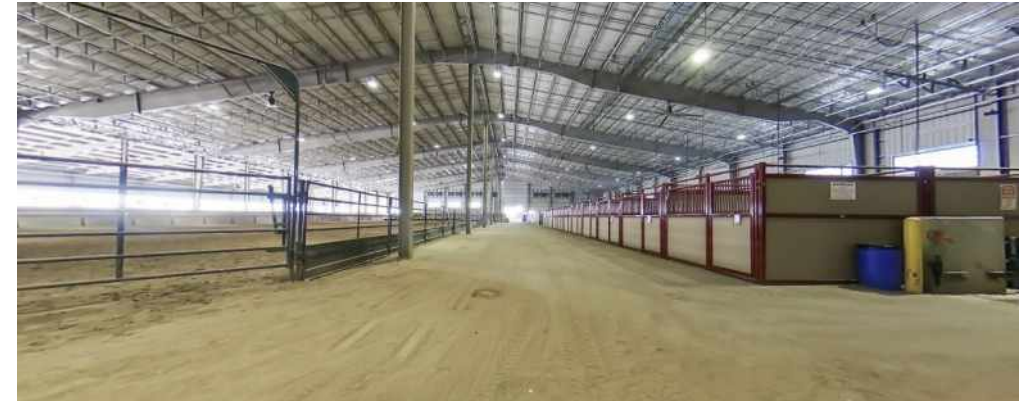




# Cadence Bank Center – (Bell County Expo)

In 2008, there was an Expo expansion plan in place that was estimated to cost \$15 million.

- The facility saw a great need for expansion and renovation as numerous organizations that used the Expo indicated their activities outgrew the pre-existing facility.
- The expansion plan included additional parking, RV hookups, and 30,000 square feet of exhibit space.
- The Expo Center board had an economic impact study performed and the study estimated the new and improved facility would have an \$18.7 million impact with an additional \$13 million of direct spending in the area.
- The expansion project was funded with a hotel/motel occupancy tax increase of two percent that was approved by the legislature.



# Implications & Funding Recommendations

Many facilities use several different funding mechanisms to cover the construction costs of a facility like the recommended Project. Hunden's recommended build out of the Project totals over \$160 million with all aspects included.

In effort to pay for the facility, Hunden recommends the local legislation pass an increase in the local hotel occupancy tax to nine percent. In addition, Hunden recommends to implement a county hotel occupancy tax of up to two percent.

Furthermore, to take advantage of all funding mechanisms, it is recommended to approach the state legislation to establish a PFZ in Washington County so the local legislation can receive segments of the 6.25 percent state tax.

To cover the remaining construction costs, as tax capital allocation will only cover a portion of the estimated Project cost, Hunden recommends that Washington County sell General Revenue Bonds to be used for the construction of the Project.



# hunden partners



213 W. INSTITUTE PLACE,  
SUITE 707, CHICAGO, IL 60610



312.643.2500



[WWW.HUNDEN.COM](http://WWW.HUNDEN.COM)

**Hunden Partners is a full-service real estate development advisory practice specializing in destination assets.**

**With professionals in Chicago and Minneapolis, Hunden provides a variety of services for all stages of destination development in:**

- Real Estate Market & Financial Feasibility
- Economic, Fiscal & Employment Impact Analysis (Cost/Benefit)
- Organizational Development
- Public Incentive Analysis
- Economic and Tourism Policy/Legislation Consulting
- Research & Statistical Analysis
- Developer Solicitation & Selection

The firm and its principal have performed more than 1,000 studies over the past 28 years, with more than \$20 billion in built, successful projects.

# Appendix – Additional Materials

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# Economic, Demographic, & Tourism Analysis

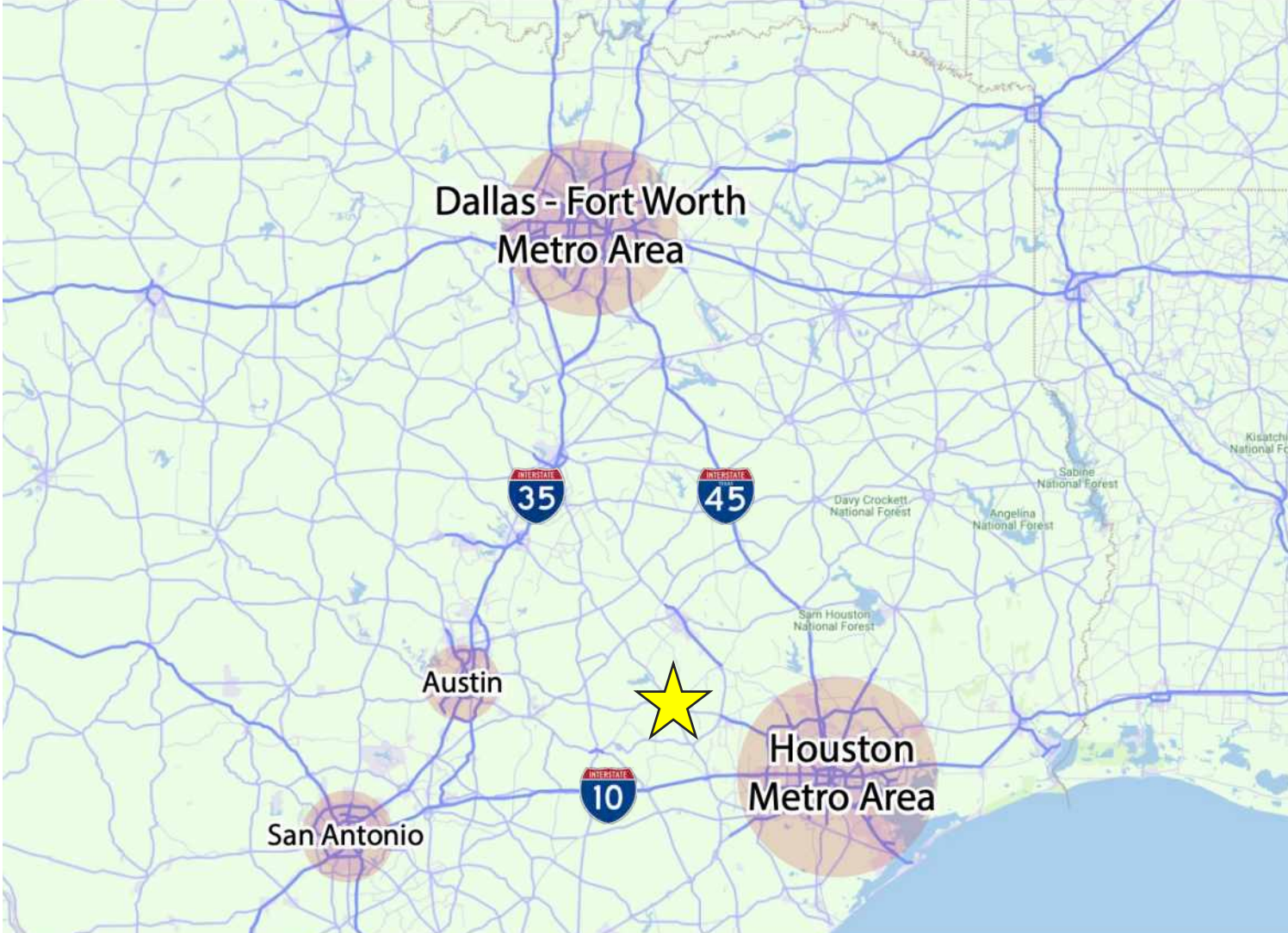
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# Regional Overview

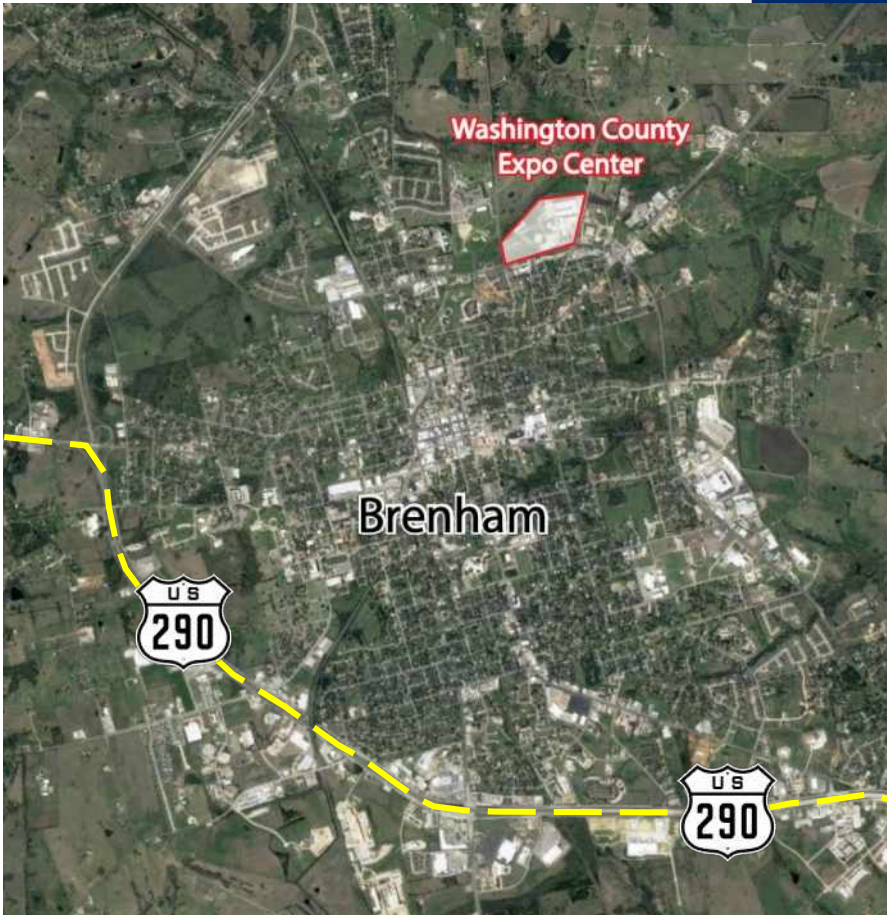
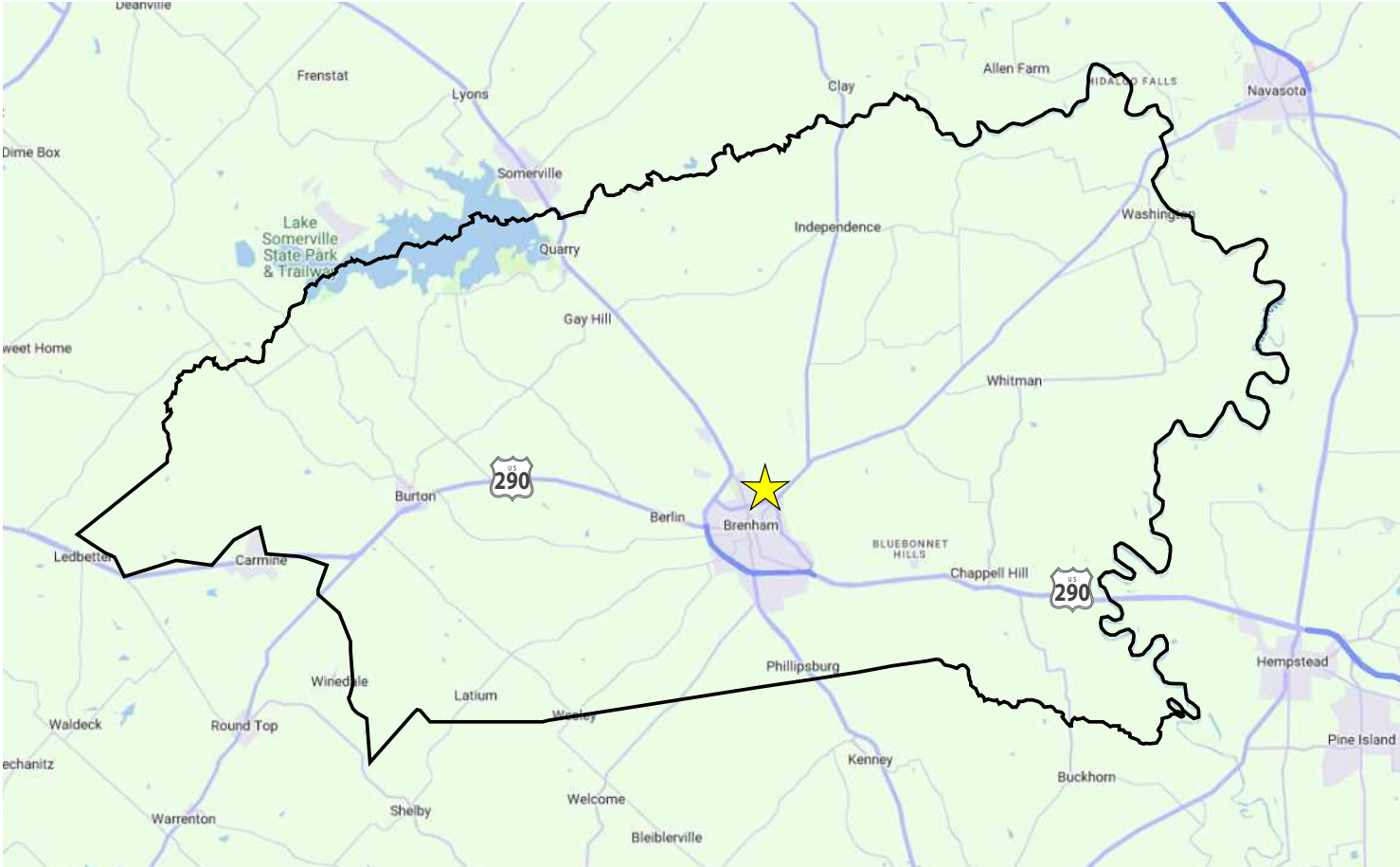
Washington County is located in southeastern Texas, and is within the Texas Triangle. The Texas Triangle is a region of Texas which contains the state's five largest cities and is home to the majority of the state's population.

The triangle is encapsulated by Houston, Dallas, Fort Worth, San Antonio, and Austin. Additionally, the sides of the triangle are held together by Interstate 35, Interstate 45, and Interstate 10



# Local Overview

The project site is in a strategic area of Washington County, located on the north side of the city of Brenham with strong drive-in accessibility due to its proximity to US Route 290. The outlined area is the county line for Washington County.



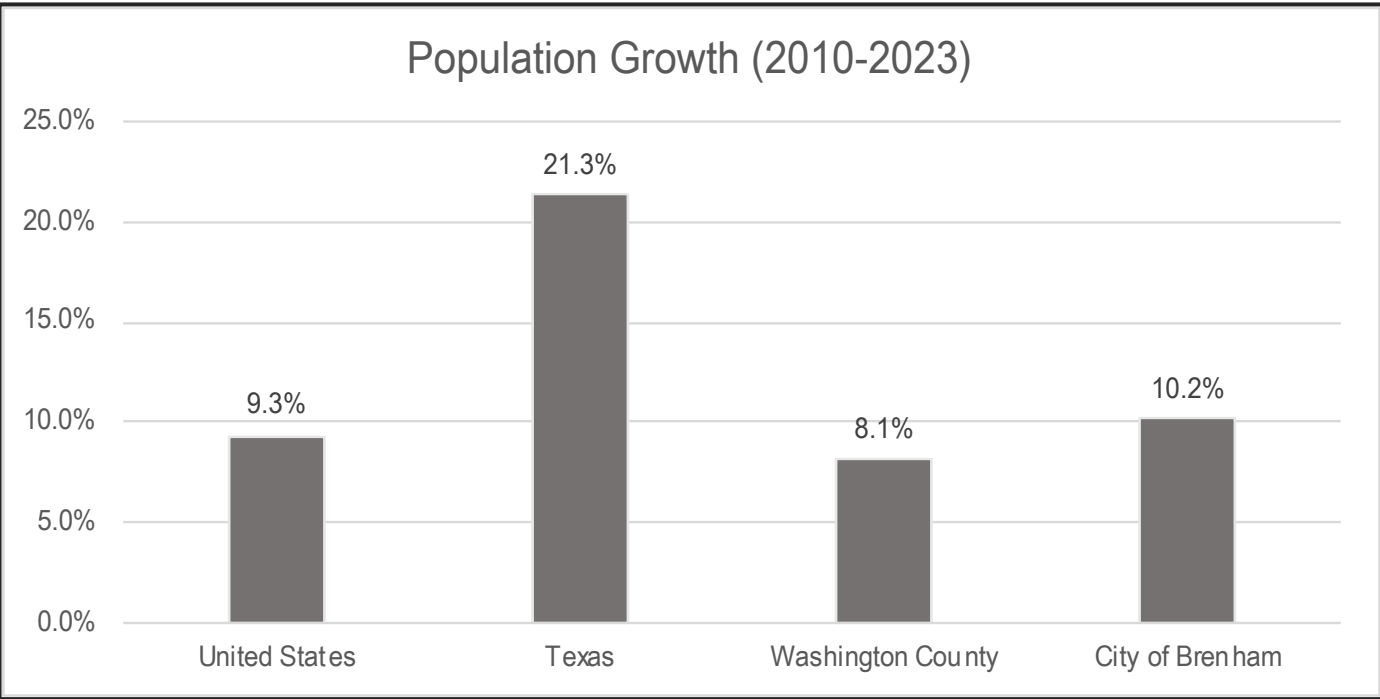
# Population

Over the period of 2010 to 2023, the population of the State of Texas increased by 21.3 percent, which is 12 percent higher than the population growth rate of the United States during that span. This increase in population is equivalent to over 5 million more residents since 2010.

Washington County, Texas, reported 8.1 percent growth from 2010 to 2023, which is slightly lower than national growth rate during that span.

	2010	2020	2023	2028 Projected	Percent Change 2010 - 2023
United States	308,745,538	331,449,281	337,470,185	342,640,129	9.3%
Texas	25,145,561	29,145,505	30,506,523	32,021,944	21.3%
Washington County	33,718	35,805	36,449	36,709	8.1%
City of Brenham	16,026	17,369	17,664	17,564	10.2%

Source: ESRI



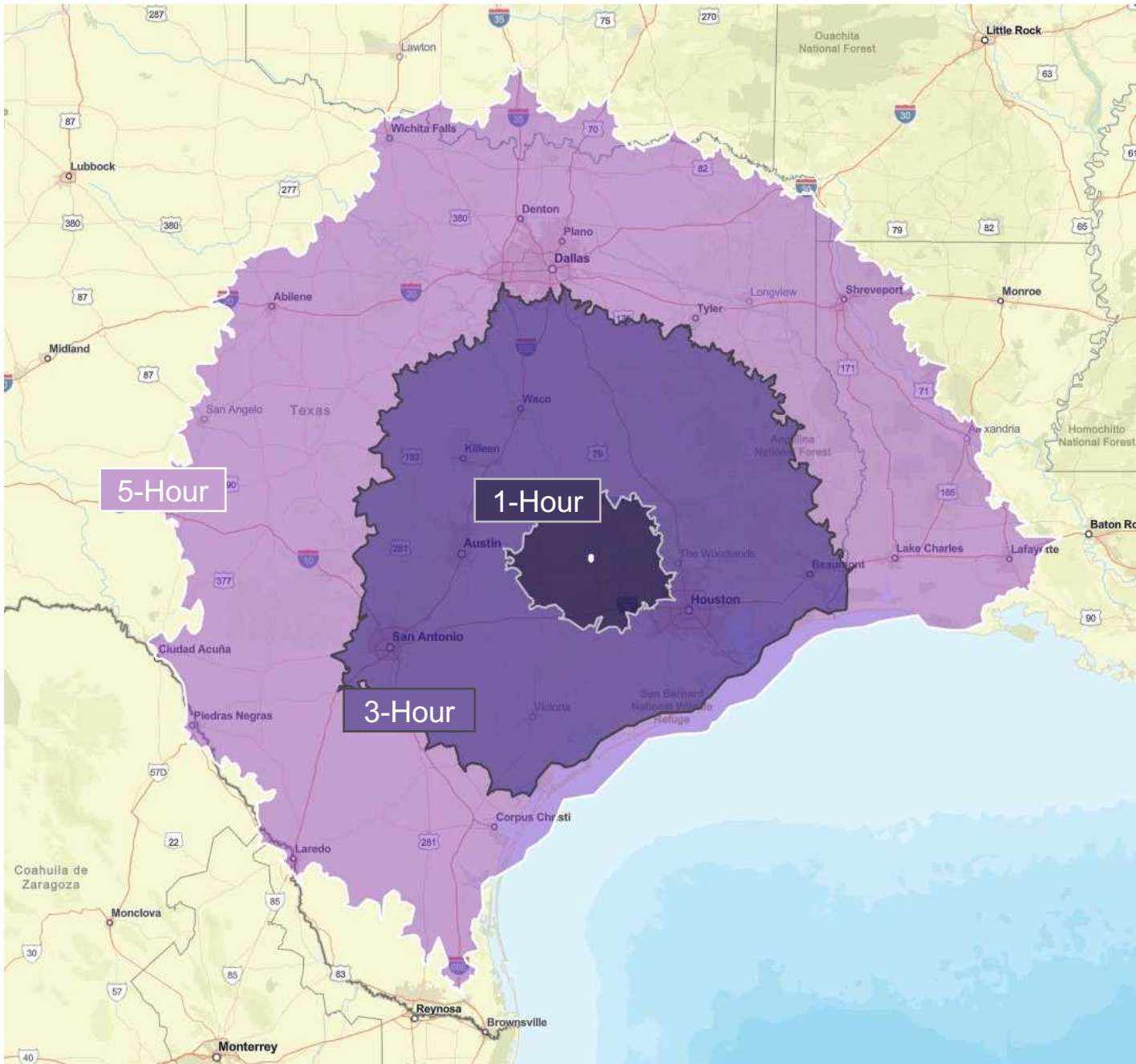


# Regional Drive Times

When evaluating the potential for growth within the expo business, economic and demographic attributes are evaluated within one-, three- and five-hour drive times to gauge the potential to attract visitation to the facility.

The population reaches over 1.3 million within a one-hour drive time of Brenham, TX. Within a three-hour drive time, the population increases to almost 16 million, and reaches more than 28 million within five hours.

The three-hour drive time captures markets such as Houston, Austin, San Antonio, and Waco. The five-hour drive time captures the entire Dallas metropolitan area.

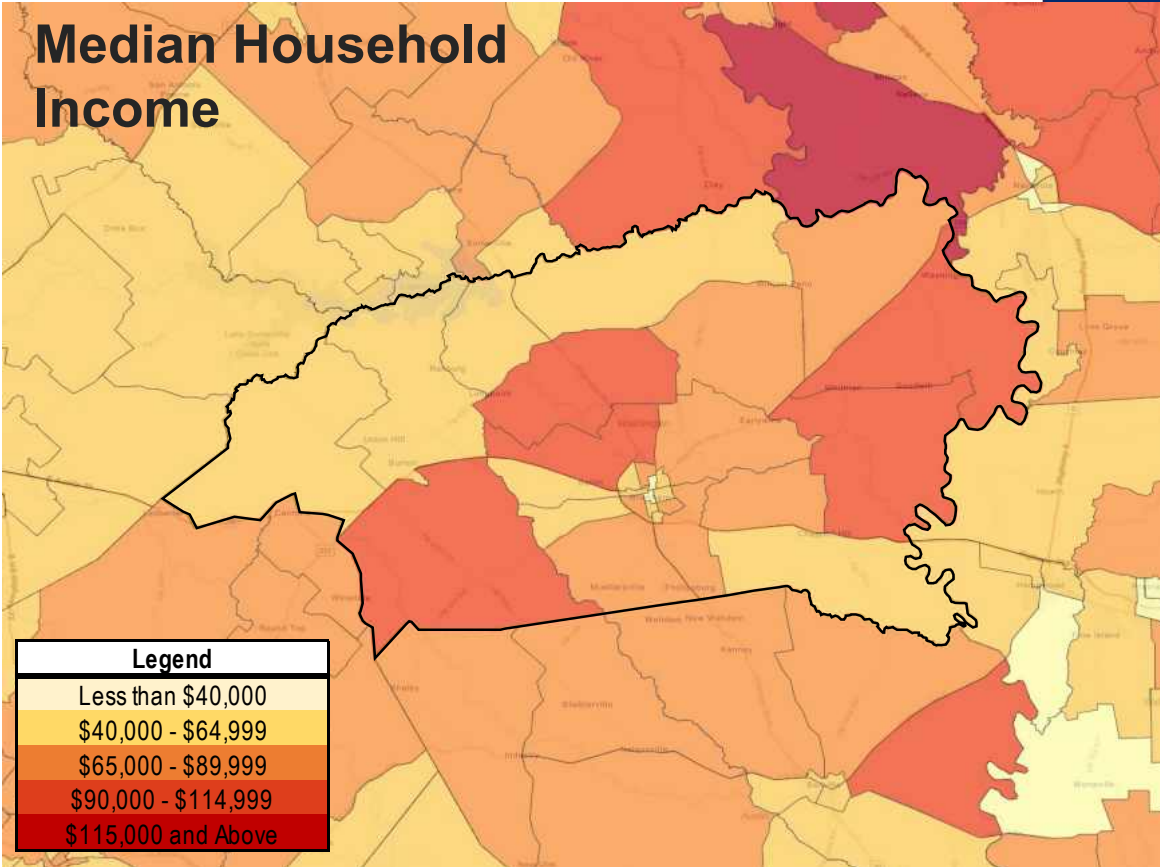
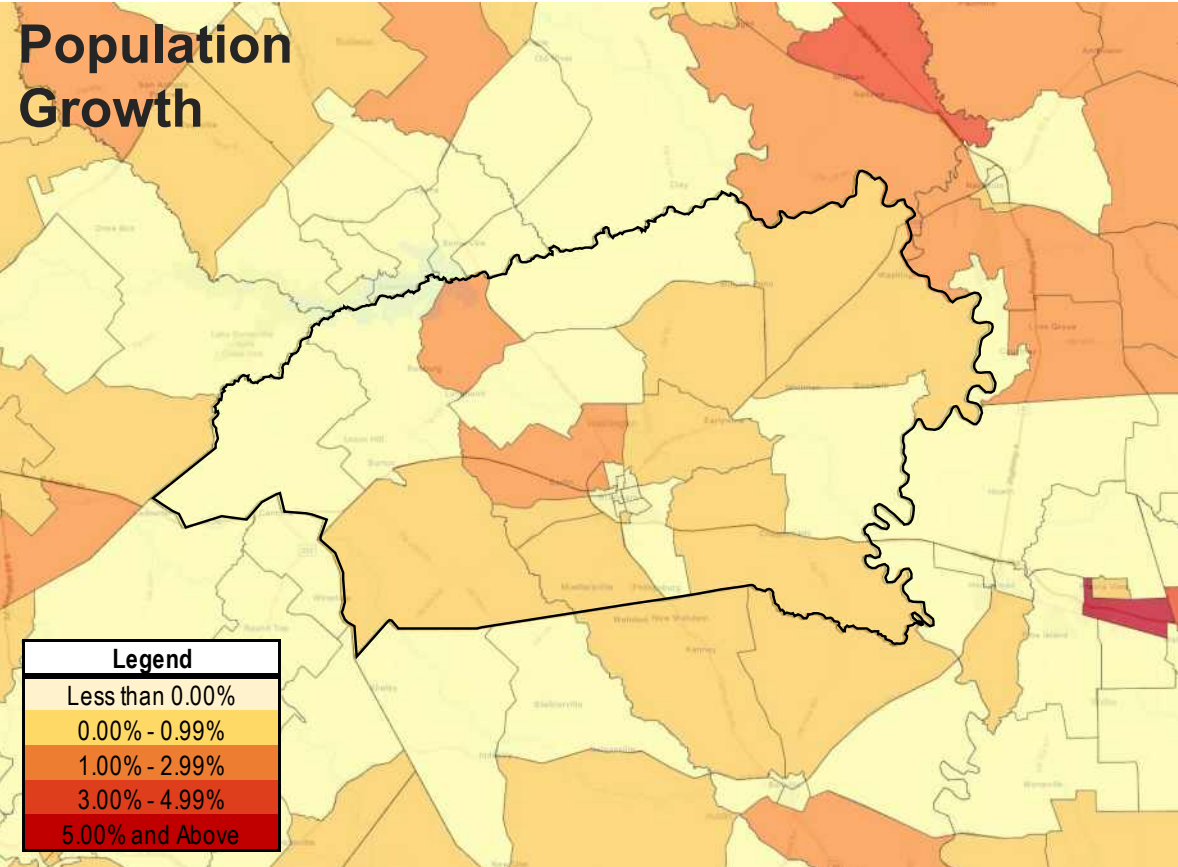


Estimated Drive-Time Statistics from Washington County, TX (2023)			
	1-Hour	3-Hour	5-Hour
Population	1,307,383	15,827,612	28,314,506
Households	450,154	5,763,276	10,395,111
Median Household Income	\$78,868	\$72,622	\$70,663
Median Home Value	\$272,396	\$270,443	\$265,079
Median Age	33.7	35.7	36.1

Source: ESRI

# Market Area & Growth Trends

The maps below illustrate the projected annual population growth rate from 2023 to 2028 and the 2023 median household income by block groups throughout the Washington County area. The area outlined is the county line of Washington County and the county shows a significant concentration of households with a median income greater than \$65,000. Expo and event facilities thrive in places with strong median household incomes and housing growth.



# Income and Education

Washington County has a homeownership rate of 73.5 percent which is higher than the state and national homeownership rate. The median value of owner-occupied housing units in Washington County is \$10,000 higher than the median value for the state of Texas.

Washington County does have a much lower persons per household value alluding to a slightly older population with children that have moved out of the household.

The median household income in Washington County is only slightly lower than the national and state median.

Category	United States	Texas	Washington County	City of Brenham
Homeownership rate, 2018-2022	64.8%	62.4%	73.5%	57.2%
Median value of owner-occupied housing units, 2018-22	\$281,900	\$238,000	\$248,300	\$193,600
Persons per household, 2017-21	2.57	2.73	2.31	2.29
Median household income, 2017-21	\$75,149	\$73,035	\$70,043	\$52,664
Persons below poverty level, percent	11.5%	14.0%	11.5%	18.2%

Source: U.S. Census Bureau

Population Age 25+	United States	Texas	Washington County	City of Brenham
Did Not Complete High School	10.4%	13.8%	10.4%	13.4%
Completed High School	26.1%	24.2%	31.5%	30.0%
Some College	19.1%	20.3%	21.7%	20.7%
Completed Associate Degree	8.8%	7.8%	7.6%	7.6%
Completed Bachelor Degree	21.6%	21.6%	19.1%	19.6%
Completed Graduate Degree	14.0%	12.3%	9.7%	8.7%

Source: U.S. Census Bureau

# Employment

The employment and workforce within Washington County boasts a robust and diverse economy, driven by a variety of sectors. It is home to Blue Bell Creameries as well as many other local corporations.

Since 2019, Washington County has seen large growth in the finance and real estate sectors of business, as well as increased employees in construction and wholesale trade.

Ranking	Company Name	Industry	# of Employees
1	Blue Bell Creameries LP *	Manufacturing	1,000-4,999
2	Blinn College *	Education	500-999
3	Brenham ISD *	Education	500-999
4	Brenham State Supported Living Center	Government	500-999
5	Germania Insurance	Finance	250-499
6	Walmart Supercenter	Retail	250-499
7	Baylor Scott & White Medical Center	Healthcare	100-249
8	Brenham Clinic	Healthcare	100-249
9	Brenham Nursing & Rehabilitation	Healthcare	100-249
10	Brenham Wholesale *	Distribution	100-249

\* indicated Company Headquarters  
Source: Brenham Washington County Economic Development

Description	2019		2022		% Change 2019 - 2022
	Employees	% of Total	Employees	% of Total	
Total employment (number of jobs)	24,801	100%	26,339	100%	6.20%
By type					
Wage and salary employment	16,423	66.22%	16,686	63.35%	1.60%
Proprietors employment	8,378	33.78%	9,653	36.65%	15.22%
By industry					
Farm employment	2,678	10.80%	2,708	10.28%	1.12%
Nonfarm employment	22,123	89.20%	23,631	89.72%	6.82%
<b>Private nonfarm employment</b>	<b>18,992</b>	<b>72.11%</b>	<b>20,648</b>	<b>78.39%</b>	<b>8.72%</b>
Manufacturing	2,681	10.18%	2,956	11.22%	10.26%
Finance and insurance	1,781	6.76%	2,586	9.82%	45.20%
Retail trade	2,424	9.20%	2,509	9.53%	3.51%
Health care and social assistance	2,020	7.67%	1,699	6.45%	-15.89%
Accommodation and food services	1,664	6.32%	1,582	6.01%	-4.93%
Construction	1,312	4.98%	1,525	5.79%	16.23%
Wholesale trade	1,187	4.51%	1,342	5.10%	13.06%
Other services (except government and government enterprises)	1,139	4.32%	1,169	4.44%	2.63%
Real estate and rental and leasing	905	3.44%	1,164	4.42%	28.62%
Administrative and support and waste management and remediation services	995	3.78%	1,092	4.15%	9.75%
Arts, entertainment, and recreation	294	1.12%	314	1.19%	6.80%
Educational services	281	1.07%	300	1.14%	6.76%
Forestry, fishing, and related activities	275	1.04%	298	1.13%	8.36%
Mining, quarrying, and oil and gas extraction	317	1.20%	287	1.09%	-9.46%
Information	166	0.63%	168	0.64%	1.20%
Professional, scientific, and technical services	876	3.33%	(D)	-	-
Management of companies and enterprises	81	0.31%	(D)	-	-
Transportation and warehousing	(D)	-	(D)	-	-
Utilities	(D)	-	(D)	-	-
<b>Government and government enterprises</b>	<b>3,131</b>	<b>11.89%</b>	<b>2,983</b>	<b>11.33%</b>	<b>-4.73%</b>
Federal civilian	83	0.32%	84	0.32%	1.20%
Military	67	0.25%	69	0.26%	2.99%
State and local	2,981	11.32%	2,830	10.74%	-5.07%
State government	1,104	4.19%	995	3.78%	-9.87%
Local government	1,877	7.13%	1,835	6.97%	-2.24%

Source: Bureau of Economic Analysis, Hunden Partners

# Tapestry Segmentation

Hunden performed a tapestry segmentation analysis which classifies neighborhoods using 68 unique segments based not only on demographics, but also on socioeconomic characteristics.



The top five segments in the Washington County are The Great Outdoors, Rooted Rural, Midlife Constants, Green Acres, and Old and Newcomers.

Understanding the segmentation profile of Washington County helps to better understand how this project may accommodate various types of residents to induce further visitation.

Rank	Segment	Median Age	Median Household Income	Percentage
1	The Great Outdoors	47.4	\$56,400	16.7%
2	Rooted Rural	45.2	\$42,300	14.8%
3	Midlife Constants	47.0	\$53,200	10.1%
4	Green Acres	43.9	\$76,800	9.4%
5	Old and Newcomers	39.4	\$44,900	7.6%
	<b>Average / Total</b>	<b>44.6</b>	<b>\$54,720</b>	<b>58.6%</b>

Source: ESRI

# Tapestry Segmentation – Top Three Segments



## The Great Outdoors

The Great Outdoors neighborhoods are found in pastoral settings throughout the United States. Consumers are educated empty nesters living an active but modest lifestyle. Their focus is land. They are more likely to invest in real estate or a vacation home than stocks.

Percent of Washington County: **16.7%**  
Median Household Income: **\$56,400**  
Median Age: **47.4**



## Rooted Rural

The Rooted Rural neighborhoods are found in Texas Arkansas and the Appalachian mountain region. This group enjoys spending time outdoors, hunting, fishing, or working in their gardens. The Rooted Rural segment also shops for American-made and generic products.

Percent of Washington County: **14.8%**  
Median Household Income: **\$42,300**  
Median Age: **45.2**



## Midlife Constants

Midlife Constants residents are seniors, at or approaching retirement, with low labor force participation and an average net worth. Although located in predominantly metropolitan areas, they live outside the central cities, in smaller communities. Their lifestyle is more country than urban.

Percent of Washington County: **10.1%**  
Median Household Income: **\$53,200**  
Median Age: **47.0**