

January 18, 2010 3-15 PM

City might earmark \$250,000 for fairgrounds expenses

By ELLYN PAK

THE ORANGE COUNTY REGISTER

Story Highlights

Costa Mesa has incurred costs fighting sale of site, and expects to spend more in coming months.

COSTA MESA – The city will consider Tuesday setting aside \$250,000 in its budget for costs associated with preserving the Orange County fairgrounds.

According to a staff report, a budget needs to be established for incurred and future expected costs. The fairgrounds sale has consumed the city, which has tried to tackle the issue with a multi-prong approach.



Representatives from Orange County and Costa Mesa, left to right, County Supervisors, [John Moorlach](#) and [Bill Campbell](#), Costa Mesa City Manager, Allan Roeder, and Costa Mesa Mayor, Allan Mansoor realize that their bid was not large enough at the state held public auction for the Orange County Fairgrounds and Event Center last Thursday.

MICHAEL GOULDING, THE ORANGE COUNTY REGISTER

The city has already incurred costs in attempts to stop the sale of the 150-acre site, including shuffling city officials up to Sacramento to lobby the governor to halt the process.

It has also worked with the county to purchase the property, which the state put on the auction block Thursday. The city committed to sharing costs including legal, financial and consultant fees when [it signed a memorandum of understanding with the county](#) last month.

A pair of developers, [Steven Craig and Dwight Manley](#), submitted the highest bid, \$56.5 million, for the fairgrounds. The city-county partnership submitted a \$6.5 million bid.

Costa Mesa is working to launch a ballot initiative to lock in the land-use designation of the fairgrounds. City leaders have said zoning restrictions are required to make sure the site stays as-is. The city also estimates that it will spend about \$130,000 in its efforts to place a ballot initiative on the June election ballot.

Revenue that was not originally appropriated in the last fiscal year – \$259,656 – will be reclassified for the fairgrounds costs, according to the staff report. The city's auditors and finance staff determined that deposits made during the past couple of years were not recorded as revenue.

The city is already working with a slim staff to fill in a \$19 million budget gap. Fifty-three of its employees have retired early, saving the city about \$3.6 million throughout the rest of the fiscal year, along with staffers taking a 5 percent pay cut to save about \$3.6 million

white1932 wrote:

True Republicans recognize that America was built on freedom, and free enterprise. That's what our country is all about.

As I see it, the Fair Board Foundation was formed in order to disassociate itself from the state Fair Board. In so doing how could there possibly be any kind of conflict of interest? Conflict of interest would occur if they used the AG office to represent both entities. That's why the AG cut the Fair Board loose, to prevent any appearance of conflict. At any rate, I see no conflict. None.

As far as all the ballyhoo about closed door meetings, and the lack of transparency, it should be noted that private enterprise does not have the same requirements as governmental bodies. The public cannot expect Mr. Craig, and his partners, to divulge details of every meeting they have, nor their financial information. The same goes for the Fair Board Foundation meetings, they should be entitled to their privacy. Even the city council holds closed session meetings. I don't hear anyone complaining about those.

In my mind only the City of Costa Mesa, or the Fair Board Foundation, should have possession of the fairgrounds. Since neither of them stepped up to the plate, however, Craig Realty is the winner of the auction. The public needs to get over it.

Our Governor might be considered remiss in his duty if he fails to accept the high bid. In the future, no one will be willing to bid at state auctions if there is a chance their high bid will be refused. After all, this is a recession year, so recession prices are in order. All real estate across the country is selling for half of it's prior value. The 56.5 million is not an unreasonable bid, --

- it's just an unpopular bid.

Another factor we need to consider is the "get even" attitude that our governor has always espoused. The city of Costa Mesa threatened him with a June zoning initiative. Arnold made it clear they would not get away with such a threat. Me thinks it's pay back time!

It's a real shame the Derailers couldn't bring themselves to support a true Republican cause, --- free enterprise! I'm not so sure they derailed anything, other than our future use of the fairgrounds.

1/18/2010 9:40 PM PST

lwpsxx wrote:

Getting screwed by the governor couldn't happen to a nicer bunch of bigots than the Costa Mesa city council. This fiasco is not going to be pretty.

1/18/2010 10:02 PM PST

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1ocrepublican wrote:

My family and I have been Republicans for three generations. "The Free Market" is the cornerstone for all Republicans. In saying that lets review what that concepts truly means; Both parties undertake the exchange because each expects to gain from it. But exchanges are not necessarily free. Many are coerced. If a robber threatens you with "Your money or your life," your payment to him is coerced and not voluntary, and he benefits at your expense. Slavery was also argued in its day to be the "Free Market". Republican History has taught us that we abolished "Slavery" and "Incarcerated Robbers", Republicans

saw through those individuals that misused the “Spirit of The Free Market”.

That brings us to the Orange County Fair Grounds. A group of Fair Board members violated the rules by hiring Dick Ackerman with tax payer dollars to lobby legislators to sell the Fair Grounds. Reason, they could purchase the property, below market value, remove union employees and manage the facility without oversight. They used the economic down turn and “California Budget Catastrophes” to perpetuate their own gain. The Attorney General's office also took unprecedented action in December, cutting their ties to the OC Fair Board, which they normally represent. In a letter to Kristina Dodge, Fair Board Chair, the Attorney general cited conflict of interest by the Fair Board in forming a private foundation to purchase the fairgrounds. From all the “Visible Bids” it looked like none of the Fair Board or any of its family or business colleagues bid for the property. As I indicated “Currently Visible” but instead this property that has been estimated to be worth well over 180 Million dollars was purchased for 56.6 million dollars. I am happy to report “True Republicans” in Orange County have found this to be a violation of the “Free Market”. We have stood up to those that used slavery and robbery as justifications of the “Free Market” and we can see through those that are currently trying to use it to let a developer steal property from the State of California.

1/18/2010 3:28 PM PST

paratrooper wrote:

You know if I was a police officer or a firefighter working for the city of Costa Mesa I'd be pretty pissed off about this. Those folks put their lives on the line everyday, are given a 5% pay cut and the city is squabbling about setting aside a quarter million dollars just to keep the fairgrounds.

Give it a rest, just be thankful it isn't South Coast Plaza that's packing up and leaving!

1/18/2010 11:55 AM PST

white1932 wrote:

datkundude makes a VERY good point!

I donated 5 acres of waterfront property to the state awhile back. It was supposed to be turned into a park. Now I have to wonder what they might do with it. Since this fiasco, I've decided to donate the balance of my estate to HSUS and ASPA. I know that they will appreciate it, --- or at least sell it for a worthy cause!

The ONLY entities that should EVER hold title to our Fairgrounds are either the city of Costa Mesa, or the OC Fairgrounds Board Foundation. The intentions of anyone else will always be suspect.

1/18/2010 2:47 PM PST

1ocrepublican wrote:

ORANGE COUNTY FAIR BOARD NEEDS TO RESIGN

The Attorney General's unprecedented action in December, cutting their ties to the OC Fair Board, which they normally represent. In a letter to Kristina Dodge, Fair Board Chair, the Attorney general cited conflict of interest by the Fair Board in forming a private foundation to purchase the fairgrounds.

Call or Fax the Governor and let him know what they have done.
Governor Arnold Schwarzenegger
916-445-2841 Fax 916-558-3160

1/17/2010 6:33 PM PST

1ocrepublican wrote:

Governor - Stop The Sale! You can smell the corruption a mile away. Please represent the citizens, not the influence peddlers in Orange County. We voted for you in Orange County in good times and bad.. True Republicans never hurt small business - they help them grow and prosper. This is going to go down in history as one of California's biggest financial scandals. The bad news my own kind the "Republicans" were behind all this. The Fair Board Christina Dodge, Dave Ellis and hired gun Dick Ackerman plotted the biggest heist we can imagine. Stop the Sale! " "

1/17/2010 3:06 PM PST