

State of California

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**MEMORANDUM**

**Date:** April 17, 2018

**To:** Long Range Planning Committee  
California Exposition & State Fair

**From:** Rick K. Pickering, Chief Executive Officer  
California Exposition & State Fair

**Subject:** Update and Status of Rock & Brews Family Entertainment Center

Rock & Brews of the Pacific continues to move forward through the formal Plan Check process.

**TIMELINE OF KEY MILESTONES**

April of 2016	R&B approached Cal Expo to discuss the potential of rehabilitating the structures on the Northeast corner of Cal Expo near the intersection of Expo Blvd/Arden Way/Ethan Way.
June 6, 2016	Approval of LOU to establish parameters of negotiations and the required CEQA process.
March 15, 2017	Effective Date of the signed Agreement between Cal Expo and R&B.
April 15, 2017	Cal Expo granted R&B's request to extended the Due Diligence period by 30 days. Per the Agreement, Due Diligence was to conclude on April 15, 2017.
May 15, 2017	Due Diligence period concluded.
July 15, 2017	By granting a 30 day extension on the Due Diligence period, R&B's obligation to pay its first tier of monthly payments at \$2,500 per month, was also delayed by 30 days, from June 15 to July 15, 2017.
October 30, 2017	R&B submitted its signage plans to Cal Expo for review.
December 4, 2017	Cal Expo granted R&B's request to delay tier two rent for 45 days. Per the Agreement, R&B's tier two of monthly payments at \$12,500 per month was to begin on December 15, 2017.
March 1, 2018	R&B began paying tier two rent of \$12,500 per month for February.

Future Revenues    Once R&B is officially open, Cal Expo will continue to receive tier two monthly payments, plus a percentage of R&B's annual gross income.

The purpose of the two tiered rent structure was to provide relief to R&B during the design phase of the project, while at the same time encourage R&B to reach its planned opening date of mid to late 2017. In granting R&B's requests for delays, Cal Expo has forgone \$17,500 (\$2,500 due to 30 day extension of Due Diligence period; \$15,000 due to 45 day extension before tier two payments of \$12,500 began.) However, all parties believe that once R&B is open it will be very successful, and Cal Expo will recover most if not all of the \$17,500.

Since R&B is renovating existing old structures, some delays are understandable. The following is a timeline of construction plan submittals by R&B.

### **CONSTRUCTION PLANS**

November 6, 2017    R&B submitted its formal construction plans to CFFA.  
November 20, 2017    CFFA supplied structural/code related comments back to R&B.  
March 1, 2018        R&B submitted 2<sup>nd</sup> set of plans to address CFFA comments.  
                                  Unfortunately, R&B's original architect was hospitalized with a long-term illness in late 2017. By early February 2018 a new architect began working on the plans.  
March 14, 2018        CFFA supplied additional comments back to R&B.  
April 13, 2018        R&B submitted 3<sup>rd</sup> set of plans (with partial comments) to CFFA.  
                                  CFFA is awaiting final portion from R&B before starting final Structural/Code review.

**NOTE:** The Structural/Code review must be completed by CFFA before the Construction Plans may be submitted to the Office of the State Fire Marshal.

### **DEMOLITION PLANS**

Since R&B is renovating several older buildings, in addition to Construction Plans, the Office of the State Fire Marshal has required R&B to submit Demolition Plans.

March 7, 2018        R&B submitted Demolition Plans to the State Fire Marshal.  
March 23, 2018        State Fire Marshal provided comments back to R&B.  
March 27, 2018        R&B resubmitted plan to State Fire Marshal.  
**NOTE:**                    R&B is currently awaiting response from State Fire Marshal.

R&B's general contractor has moved on to the site. The contractor has been removing overgrown vegetation, restoring some outdoor landscaping elements, and generally cleaning outdoor debris from the site. (See attached photos.)

We will not be able to estimate a new opening date, until such time as construction plans are submitted to and approved by the State Fire Marshal.

As of April 16, 2018





O/B-LRPC-4