



Item 5-A Horsepark Ad-Hoc Committee Report

Background:

In December 2020, the 22nd District Agricultural Association (22nd DAA) announced a pause of equestrian uses at Horsepark. As reported at the January board meeting, and captured again in this Committee's written report of March 9, there were a series of events that led to this decision. Correspondingly at the January board meeting, the Horsepark Ad-hoc Committee was appointed to work with staff and the community and to hold a public workshop to allow the community to express their thoughts and interests regarding Horsepark in order to allow a fuller and further discussion about regulatory requirements, fundraising interests, etc. The workshop was held on January 29, 2021.

Direction received from the board meeting on Feb. 9, 2021, was to gather additional information and provide regular updates to the board, including a better understanding of the range of cost estimates, ongoing operational costs associated with the 22nd DAA continuing to operate Horsepark, historic profit and loss of Horsepark operations and past capital investments/improvements, estimated costs for needed future capital investments/improvements including deferred maintenance, consideration for the potential changes in requirements associated with Regional Water Quality Control Board (RWQCB) permits, and to explore funding opportunities.

In addition to the written Committee Report presented at the March board meeting, the board received a copy of staff's letter to the San Diego Regional Water Quality Control Board (SD Reg. Board) on March 1, 2021, seeking written clarification of storm water permit coverage requirements for Horsepark. As part of the meeting presentation, staff provided the board with a review of CAFOs, the 22nd DAA's Waiver Application process during 2019-2020, information regarding the range of potential costs of storm water improvements at Horsepark, and a list of potential considerations for capital improvements at Horsepark.

Later in March, the SD Reg. Board responded, confirming that in order to have coverage under the Waiver permit, the 22nd DAA must continue implementation of the waste management measures identified in the Waiver. If the storm water management measures/best management practices required by the Waiver are not being implemented, the 22nd DAA would not be covered by the Waiver. Additionally, the response confirmed that the 22nd DAA will need to enroll Horsepark in the Industrial General Permit (IGP) for Medium CAFOs (150 - no more than 499 horses). Estimates for compliance with the IGP at this level is \$3 - \$4 million for the Waiver plus IGP (85th percentile Storm Event (.65").

The Committee has also provided relevant background on the history of the acquisition of Horsepark. The 22nd DAA's 1985 Master Plan and Environmental Impact Report (EIR) identified the need to mitigate parking impacts through the acquisition of an off-site parcel that could be used for parking during the Fair. Horsepark, then called Showpark, came available for purchase in 1991 and was ultimately acquired by April 1996 for \$4.9 million funded by the Race Track Authority/Race Track Leasing Commission (RTA/RTLCL).

In 2005, the 22nd DAA went before the California Coastal Commission to permit, after the fact, essentially all of the structures on the site. Unbeknownst to the 22nd DAA, the previous owner never sought Coastal Development Permits for the property. The permit also included plumbing all wash racks and the existing restroom to sewer, relocation of the existing water tower, and the provision of a buffer between the facility and the wetland resources of the San Dieguito River.

Process and Approach:

The Committee and staff continue to gather and review more information with plans to present a comprehensive report to the full board at their meeting on June 8th.

On-Going Research

In order to resume equestrian activity at Horsepark in 2022, three possible scenarios have been briefly mentioned and more information will be presented to the board, including advantages and disadvantages of each. Those scenarios are:

- 22nd DAA Operation: The DAA would resume full operation of Horsepark including the capital and ongoing investment necessary to meet the SD Reg Board requirements.
- Public-Private Partnership (P3): An arrangement between government and private entities to share responsibility for a project or service delivery. In this case, the 22nd DAA would remain actively involved in overseeing the project and the private entity may be responsible for project design, construction, finance and/or operations of the project.
- Operator: Through an open bidding process, an individual or business would enter into contract with the 22nd DAA to invest in, manage, and operate Horsepark pursuant to the contract and criteria established by the 22nd DAA.

Time Scheduled Order (TSO)

A TSO is an agreement between the RWQCB and a discharger that states that the RWQCB will refrain from taking an enforcement action during the period of the TSO *provided that* the discharger implements the structural improvements set forth in the TSO on the schedule the parties have agreed to. A TSO also acts as a permit shield against third party enforcement provided that the terms of the TSO are met. The 22nd DAA is not yet in a position to propose a specific set of improvements and does not have a confirmed funding source to meet any obligations that may be agreed to in a TSO. Staff has engaged the SD Reg Board on the prospects/requirements of a TSO and has provided the SD Reg Board with the assumptions of what is understood to be required, with the request of confirmation of these assumptions. These included:

- Description of expected numeric action levels for all pollutants associated with horse activities
- Justification as to why the full set of improvements cannot be implemented prior to horse populations/horse events returning
- Detailed description of the full set of improvements to comply with both the Waiver and IGP
 - Detailed engineering drawings (30-50% design detail)
 - Narrative summaries
- Interim Best Management Practices (BMPs) while improvements are being implemented (i.e. implementation of Storm Water Pollution Prevention Plan (SWPPP), pollutant source reduction measures, etc.)
- Interim water quality limits (may require upfront sampling to justify interim limits)
- Detailed schedule of improvements
- Funding source
- Confirm steps required for approval of TSO
 - Application review by SD Reg Board staff for technical compliance
 - 30-day public comment period
 - SD Reg Board staff prepares responses to comments and makes recommendations to the Executive Officer or San Diego Regional Water Quality Control Board for adoption, which may include additional requirements based on the public comments

A power point presentation has been prepared to supplement information provided in this report.

Environmental/Coastal Commission Review:

None at this time.

Fiscal Impact:

The complete fiscal impact of water quality improvements, capital improvements, and ongoing operational expenses are unknown at this time.