



MEMORANDUM

Date: January 29, 2015

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Horseracing at Rillito Park**

Attached is a report from the Director of Economic Development and Tourism regarding the upcoming horseracing season, February 7, 2015 to April 11, 2015.

This report also updates you regarding the ongoing successful Farmer's Market that has been in place for the past several months. This market is now fully operational with the temporary power being disconnected and placed on Tucson Electric Company commercial power connections.

It is important to examine the economic impact of Rillito Park. The Rillito Park Foundation has provided their view of the economic impacts of operating the facility.

The two additional soccer fields are now out for bid, and construction will begin as soon as the horseracing season has concluded.

If you have any questions regarding the current activities at Rillito Park or the Farmer's Market, please contact me.

CHH/anc

Attachment

c: Hank Atha, Deputy County Administrator for Community and Economic Development
Nanette Slusser, Assistant County Administrator for Public Works Policy
Tom Moulton, Director, Economic Development and Tourism



PIMA COUNTY
ECONOMIC DEVELOPMENT & TOURISM

TO: C.H. Huckelberry
FROM: Tom Moulton 
DATE: January 27, 2015
RE: Update on Rillito Racing
C: Hank Atha

Rillito Racing, associated with the Rillito Park Foundation, took control of the Rillito Park Racetrack on January 1, 2015 to prepare for the horse racing season that will take place from February 7 – April 11, running every Saturday and Sunday. Through a special use agreement we allowed early access to the racing infrastructure of Rillito Regional Park to begin the process of cleaning the facilities racing assets and providing much needed repair and renovation.

Due to some generous grants received by a local businessman, sufficient cash flow has allowed much painting, repairs to the restaurant and refreshment stands, bathrooms, jockey room and paddock and other locations. A new sound and television system is being installed, all at the Rillito Racing group's expense. This will allow them to experiment with some dark day racing days which will be held in the Rillito clubhouse. A very large cleanup of the entire facility, along with new paint, has freshened up this once tired building. More repairs and renovations still need to take place next year, but the horse racing visitors will notice and enjoy all of the improvements.

The addition of the Rillito Farmers Market has been going well with Saturday and Sunday business thriving. Sunday is by far the largest day with up to 700 folks enjoying the vendors located in the new sold out pavilions. The restroom nearby has been welcomed by both the shoppers and the nearby users of the pathways. An estimated economic report is attached. Additional construction is nearing completion on the new stables and the road is completed connecting Rillito Road with River Road. The parking lot has been leveled out around the Farmers Market area with some fresh stone being laid to prevent the creation of a mud bowl in the parking lot.

El Charro Restaurant has been selected as the racetrack food concessionaire and has been busy preparing the restaurants and snack bars. The Flores family has been directly involved throughout the process. Much needed cleaning and repairs have been taking place and the Pima County Health Department has been providing guidance to ensure the food and beverage service being provided properly and in a safe manner.

Rillito Racing just completed an internal economic impact report that is attached to this memo. Overall the economic impact is optimistic, but it's the first year under new management with a new marketing and advertising plan in place. We will be receiving their revenue numbers after each weekend so we will track it closely. The estimated numbers are primarily based on an attendance of 100,000 visitors. The average attendance would climb from 4,500 to 5,300 visitors per race day. A summary of the report follows:

Racing Dates: Feb. 7–Apr 11, 2015 (19 days racing with the last week providing two rain days)
Projected Attendance: 100,000 visitors
Estimated Revenue to Pima County: \$85,000 (based on a base rent and \$.50 per visitor)
Pricing Plan: Clubhouse \$10.00 - Grandstand \$5.00 - Children under 12 Free
Hours of Operation: Gates Open 10:00 am - Post Time 1:00 pm

More information is provided on the Rillito Park Racetrack website: rillitoracetrack.com.



1-18-15

**Economic Impact of Rillito Park
By Rillito Racing, Inc.**

Projected race track attendance for 2015 **100,000**

Jobs Impact

1	Owners, horsemen, track handlers, jockeys	130
2	Direct jobs	165
3	Indirect and induced jobs (hotel, restaurant, tack, feed, heavy equipment, police & security, gas stations, printers, sign companies, others etc.). RFP IS PLANNING A SURVEY OF ATTENDEES DURING 2015 TO IDENTIFY THE POSITIVE AFFECT OF INDIRECT AND INDUCED JOBS RESULTING FROM THE RACE TRACK OPERATIONS.	

Total Jobs: **295**

Direct Economic Impact

1	Projected race track handle income	\$ 500,000.00
2	Sales revenue(tickets, program)	\$ 475,000.00
3	Hospitality revenue (box seats, parking)	\$ 635,500.00
4	Concessions	\$ 986,700.00
5	Off-season revenue	\$ 184,500.00
6	Grants received	\$ 250,000.00

Direct Economic Impact Measured as Total Revenue: **\$3,031,700.00**

Projected Retained Earnings: **\$ 494,880.00**

Wage Impact

1	Salaries and wages direct jobs:	\$ 445,000.00
2	Salaries and wages for owners, horsemen, track handlers, jockeys (@ 5% of total using 2010 US data at \$25,093 per capita):	\$ 163,105.00

Wage Impact Total: **\$ 608,105.00**

Indirect Economic Impact

1	Hotel rooms	1100 rooms @ \$95.57/room:	\$ 105,127.00
2	Bed tax revenue(.1205)		\$ 12,667.00
3	Restaurants		\$ 400,000.00
	Restaurant sales tax revenue(.081)		\$ 32,400.00

Indirect Economic Impact: \$ 550,194.00

Total Direct & Indirect 1st year Economic Impact: \$4,189,999.00

Direct Economic Affects for Pima County

1 Direct revenue to Pima County for rent & attendance: \$ 85,000.00

2 Cost of private capital improvements to the facilities:

A Materials: \$ 120,000.00

B Labor: \$ 75,000.00

Total 2015 first-year return to Pima County: \$ 280,000.00

**Economic Impact of Rillito Park
By Rillito Racing, Inc.**

Projected race track attendance for 2015 **100,000**

Jobs Impact

1 Owners, horsemen, track handlers, jockeys 130
2 Direct jobs 165

3 Indirect and induced jobs (hotel, restaurant, tack, feed, heavy equipment, police & security, gas stations, printers, sign companies, others etc.). RFP IS PLANNING A SURVEY OF ATTENDEES DURING 2015 TO IDENTIFY THE POSITIVE AFFECT OF INDIRECT AND INDUCED JOBS RESULTING FROM THE RACE TRACK OPERATIONS.

Total Jobs: **295**

Direct Economic Impact

1 Projected race track handle income \$ 500,000.00
2 Sales revenue(tickets, program) \$ 475,000.00
3 Hospitality revenue (box seats, parking) \$ 635,500.00
4 Concessions \$ 986,700.00
5 Off-season revenue \$ 184,500.00
6 Grants received \$ 250,000.00

Direct Economic Impact Measured as Total Revenue: **\$ 3,031,700.00**

Projected Retained Earnings: **\$ 494,880.00**

Wage Impact

1 Salaries and wages direct jobs: \$ 445,000.00
2 Salaries and wages for owners, horsemen, track handlers, jockeys (@ 5% of total using 2010 US data at \$25,093 per capita): \$ 163,105.00

Wage Impact Total: **\$ 608,105.00**

Indirect Economic Impact

1 Hotel rooms 1100 rooms @ \$95.57/room: \$ 105,127.00
2 Bed tax revenue(.1205) \$ 12,667.00
3 Restaurants \$ 400,000.00
Restaurant sales tax revenue(.081) \$ 32,400.00

Indirect Economic Impact: **\$ 550,194.00**

Total Direct & Indirect 1st year Economic Impact: **\$ 4,189,999.00**

Direct Economic Affects for Pima County

1 Direct revenue to Pima County for rent & \$ 85,000.00

2 Cost of private capital improvements to the facilities:

A Materials: \$ 120,000.00
B Labor: \$ 75,000.00

Total first-year return to Pima County: **\$ 280,000.00**



1-18-15

**Economic Impact of Heirloom Farmer's Market
By Rillito Racing, Inc.**

General

Projected Farmer's Market attendance for 2015 **110,000**

Jobs Impact

1	Heiloom Farmer's Market staff	4
2	Vendors	160
3	Vendors Indirect (Growers, soap makers, meat, chicken, plants, breads, etc.)	160
Total Jobs:		324

Direct Economic Impact

1	Projected Heirloom Farmer's market revenue	\$100,000
2	Viva La Local	\$100,000
3	Sales revenue stalls per year	\$1,248,000.00

Direct Economic Impact Measured as Total Revenue: **\$1,448,000.00**

Wage Impact

1	Salaries & wages direct jobs Heirloom Farmer's market:	\$ 120,000.00
Wage Impact Total:		\$ 120,000.00

Indirect Economic Impact

1	Hotel rooms	260 rooms @ \$95.57/room:	\$ 24,848.00
2	Bed tax revenue(.1205)		\$ 2,994.00
3	Restaurants		\$ 41,600.00
	Restaurant sales tax revenue		\$ 3,577.00

Indirect Economic Impact: **\$ 73,019.00**

Total Direct and Indirect Economic Impact: **\$1,641,019.00**

Direct Economic Affects for Pima County

1	Direct revenue to Pima County for rent & attendance:	\$ 41,000.00
2	Cost of private capital improvements to the facilities:	\$ 3,000.00
Total 2015 first year return to Pima County:		\$ 44,000.00