

A stylized graphic of a bird's wing, rendered in shades of gray, sweeping diagonally across the text.

PACIFIC FLYWAY CENTER

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Business Plan
May 2020

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EXECUTIVE SUMMARY

Strategic Mission

The Pacific Flyway Center (PFC) is a comprehensive project for the development of a major interpretative preserve and educational facility focused on wildlife and migratory birds, contained within an 845-acre wetland area near the San Francisco Bay in California. It is located within the 116,000-acre Suisun marsh and wetland in Solano County. The PFC site was specifically selected as it serves as a key rest stop and sanctuary for migratory birds along North America's westernmost aerial superhighway, the Pacific Flyway. It is located near the intersection of Interstate highways 80 and 680 in Fairfield, California, with 10 million people living within a 100-mile radius of the site.

As the creation and vision of philanthropist, businessman, educational advocate, and outdoor enthusiast, Mr. Ken Hofmann (1923 – 2018), the PFC concept was initially developed in 2013. The full project plan consists of multiple phases, starting with an initial Walk in the Marsh experience that will allow visitors to interactively observe nature, with plans for later initiatives to construct buildings and facilities which will serve the public and be suitable for hosting events.

The Center's mission is to connect people to nature and invite them to experience the wonders of the Pacific Flyway, with an emphasis on education, outdoor exploration, land stewardship, conservation, and preservation of its native biodiversity.

History and Legacy

Passionate for waterfowl, wetland, and wildlife conservation, in 2013, Mr. Hofmann came up with the idea of establishing a PFC in order to share his love of wildlife with the local community, and to inspire conservation of the Pacific Flyway. To realize his dream, he established the Pacific Flyway Fund as a non-profit 501(c)3 organization. As for the site of the PFC, a number of

different properties in the surrounding area were considered, with the final decision made to locate near the Golden Hill Road exit in the vicinity of the junction of Interstate highways 80 and 680. With Mr. Hofmann providing seed money funding of over \$4.5 million to start the project, initial work included acquisition of land and adjoining properties to secure the site. This was combined with a successful campaign ballot measure for annexation of the properties into the City of Fairfield, while simultaneously navigating through the complex environmental approval and permitting processes including local, state, and Federal authorities.

With his beloved PFC project still in progress in its early phase, Mr. Hofmann passed away in early 2018. Since then, the PFC project has continued to progress forward through the efforts of its Board of Directors, select members of the Hofmann Company team, a seasoned advisory board, and many partners in the wildlife and business community. As a tribute, and in recognition of Mr. Hofmann's efforts on the endeavor, it was recently announced that the initial phase of the PFC will be named and dedicated as the "Ken Hofmann Walk in the Marsh."

Long-Term Vision

The ultimate and long-term vision of the PFC is to have as its base, a 125,000 square-foot Education Center facility, comprised of three buildings with exhibits, amphitheater, food services, administrative offices, and event spaces. Set adjacent to the Walk in the Marsh, these facilities will be an attraction for educational visits, exhibits, conferences, corporate meetings, and other events.

PROJECT – OFFERINGS, PHASES, AND TIMELINES

Offerings

The PFC concept is to offer residents, visitors to the greater surrounding community, and wildlife enthusiasts everywhere an opportunity to learn about, observe, and interact with the wonders of nature. The goal is to host school-age children and educational classes, wildlife enthusiasts, visitors, and tourists. The facility will also serve as a community multi-use event center.

With an understanding that an endeavor of this magnitude is substantial, complex, and will evolve over time, the project has been stratified into three distinct phases:

- ***Phase I*** – Education Center (and Walk in the Marsh)
- ***Phase II*** – Future Main Entrance Building, with Café and Event Center
- ***Phase III*** – Exhibit Center and Theatre Structures

Knowing that the project’s ultimate success is contingent upon being able to pique public interest through a physical presence and high visibility, the first phase (i.e., Phase I) has been further subdivided for expediency, thus creating an initial Phase 1(a) (referred to as the Walk in the Marsh). With a focus on the Phase 1(a), the emphasis will be to promote physical progress in the community by getting “a shovel in the ground”, while accelerating the timeframe for actually getting “visitors on the premises”.

Not only is the project a benefit for potential visitors, attendees, and followers, but as an endeavor devoted to environmental conservation and wildlife preservation, it can offer nature and wildlife philanthropists with an avenue for participating in a legacy endowment. Accordingly, the project

will consider opportunities for naming rights and other types of recognition for major financial supporters.

Opening Phase I(a) – The Walk in the Marsh

After having spent several years in the developmental stage laying the groundwork for the PFC project, concentrated efforts are now focused upon completing Phase 1(a), and in constructing the Walk in the Marsh. It is comprised of a 124-acre marsh walk, which is designed with an infrastructure to service several hundred acres of adjoining habitat refuge, and will provide benefit to the entire surrounding Suisun marsh and wetland. It will also include development of an accompanying parking area, and will incorporate costs for the prerequisite permitting, applications, and/or approvals for future phases.

In addition to the costs already expended to date for the project (amounting to \$2.7 million), the estimated cost for completion of Phase 1(a) will be \$5.3 million. Fundraising efforts are currently underway and in progress to secure adequate funding for this initial phase.

Future Phases

In addition to the initial Phase I(a), the complete PFC concept includes three additional future phases:

- **Finish of Phase I** – This work will entail the construction of a 28,000 square foot Education Center, which will also serve as a community multi-use event center, and house exhibits, a café, a media center, administrative offices, and event space. Also included in the design will be the construction of a temporary main entrance, which will be used until

future phases provide for a redesigned permanent main entrance.

- **Phase II** – Construction of a 23,000 square foot building to house the redesigned permanent main entrance and expand the overall experience.
- **Phase III** – Construction of a 74,000 square foot solar building for comprehensive exhibits, classrooms, a large screen theatre, elevated platform areas, catwalks, expanded outdoor areas, and an amphitheater.

More specific information on these subsequent phases will be available once the initial Phase 1(a) is nearer completion.

Timelines

On a project like the PFC, much of the “heavy lifting” and front-end time is spent in the environmental approval, application, and permit process. The Project has been fortunate to have enlisted the services of several local engineers and experts in the area of environmental development, and through their effort the project has been moving forward through the application and permitting processes.

As stated, for public visibility purposes, emphasis has been placed on getting to the groundbreaking step of Phase I(a), the Walk in the Marsh, with fundraising for its cost of \$5.3 million currently in progress and on track. Once Phase I(a) construction begins and fundraising on this phase is fulfilled, planning and fundraising efforts will be focused upon completing the balance of Phase I. This consists of constructing the first building, the Education Center, currently estimated at a cost of \$21 million.

Scheduled below is a list of milestones that have been completed to date on the project, as well as timeline estimates through the Phase I(a) groundbreaking effort:

Completed milestones

- 2013 – PFC concept created
- 2015 - Architectural design created by Dahlin Group
- Nov. 2016 – City of Fairfield ballot measure provides 78% voter approval for zoning change and annexation of property for PFC
- Feb. 2017 – Purchased several key related parcels to be used as exchange properties with the State of California in order to secure the final PFC site property.
- Jul. 2017 - Community Outreach Meeting in Fairfield with PFC Partners
- Oct. 2018 - Mitigated Negative Declaration approved
- Dec. 2018 – Approval received from City of Fairfield for site plan completion
- May 2019 - Annex moved from Solano County to the City of Fairfield
- Sep. 2019 - First Annual Coast & Creek Clean-up event
- Dec. 2019 - National Audubon Xmas Bird Count
- Dec. 2019 – Receipt of landscape design grading proposal from H.T. Harvey
- Mar. 2020 – Closure of Ramsey Rd. and installation of gate
- Mar. 2020 – Receipt of landscape pond/concept plan from H.T. Harvey
- Mar. 2020 – Receipt of bio-monitoring contract from Dudek

Future timeline to groundbreaking (estimate)*

- Jun. 2020 – Receipt of grading plan from Bellecci & Associates

- Jun. 2020 – Submission of plans to City of Fairfield for grading permit
- Jun. 2020 – Submission of plans to Corps of Engineers and Agencies for permitting
- Aug. 2020 – Receipt of proposal and contracts for construction and utilities relating to boring
- Apr. 2021 – Submission of permit approvals
- Jun. 2021 - Proposed groundbreaking for the Walk in the Marsh

** - Subject to timely easing of virus-related mandates and restrictions*

Once the Phase I(a) groundbreaking occurs, the construction of the Walk in the Marsh project is targeted to take about two (2) years to complete. Although all plans are subject to and contingent upon the easing of virus-related mandates and restrictions, the initial expectation is to have the Walk in the Marsh open to the public by August 2023. A separate construction timeline will be created once more information and timing becomes available.

MARKETING – FEASIBILITY AND FUNDING

The Location and Surrounding Area

Positioned near the intersection of Interstate highways 80 and 680 in Fairfield, California, the PFC is centered within San Francisco’s Greater Bay Area with access to 10 million people. Designed as a center for wildlife education and learning, in that same geographical area, the PFC is accessible to 528 elementary schools, 76 high schools, and 50 colleges and universities. With passing traffic in the nearby vicinity of 280,000 cars per day, once operational with signage and accessibility, the Pacific Flyway Center site will receive high visibility and public notice.

Local Support and Community Endorsements

The existing site for the PFC was originally adjacent to, but outside of the city limits of Fairfield. Realizing that support from the City of Fairfield for essential services (consisting of police, fire, water, electrical, and sewer) was crucial to the ultimate and ongoing success of the Center, in 2016, a ballot initiative (Measure T) for annexation was introduced. The Measure passed successfully to annex the PFC property in the City of Fairfield, and to provide for the needed services. Since then, through the efforts of its civic administration and citizen groups, the City of Fairfield continues to provide its support and assistance for the project. In brochures such as the “Fairfield Development Pipeline Brochure” as created by the City of *Fairfield’s Economic Development Division, Department of Community Development*, the PFC is prominently displayed and identified as a center of interest.

Website Presence, Social Media, and Creation of the Virtual Experience

To provide the PFC with a high media presence and profile, a robust website development and social media campaign has been established. The website (www.pacificflywaycenter.org) has been updated and is in test development. Professionally-produced, with four (4) main slide categories (Introduction, the Walk in the Marsh, Focus on Conservation, and Project Portfolio), and detailed drill-down capability, the website is designed to provide the viewer with interactive features and will regularly include updates on project progress.

Other social media platforms such as Hootsuite and Zoho will be used for posting schedules and events on a regular basis. In addition, sites such as YouTube, Instagram, and Twitter will be utilized to keep followers up to date with videos, photos, and postings.

In another strategic move to promote and expand its presence, the PFC is poised to engage and embrace a larger, remote audience by offering a “virtual experience” of its wildlife environment. This “virtual” approach using remote and interactive technology, is considered especially important, given the fluid landscape of a virus-impacted world and with uncertainties into the foreseeable future as to exactly how human beings will choose to physically interact and participate in social activities. For this approach, the PFC will use state-of-the-art videography techniques and interactive technologies to interject the viewer into the “feel” of the wildlife habitat and nature experience, while at the same time allowing him/her to remain remote and socially distanced. And regardless of whether social distancing remains a continuous practice or soon phases out, this latest evolution to virtual technology will undoubtedly become more prevalent in our society. As a result, the “virtual experience”, along with the potential for a subscription service program, will be an integral component of the PFC menu of offerings.

Not only will PFC host technology on its platform, but other key partners will also be utilized as available to promote the project on their platforms, with an expectation that the site “Visit Fairfield” will also include updates and information on the project.

Audience and Potential Visitors

The PFC is designed as an educational nature-based tourism destination, a niche of ecotourism which includes avitourism, wildlife, and botanical tourism. Users of facilities and destinations such as the PFC want to participate in nature-based activities that are low impact and allow experiential, educational, and nature-driven adventures. Today’s data reflects that such experiential services, such as those found at nature-based venues, provide a vast array of benefits to seekers of nature-based tourism.

These nature-based visitors are looking for unique experiential activities, and areas that are protected with restoration for biodiversity, with cultural and historical elements that connect with nature. Today's patrons have a greater public awareness and interest of environmental issues, and are interested in localized tourism destinations for friends and family. Key to the PFC audience will be school-aged children (K-12) on field trips, as well as families visiting with school-aged children. However, there are also niche interest groups that include tours and feature travel to areas such as the PFC, providing a variety of nature activities for their members.

Attendance Data and Public Interest

Recent data suggests that a third of the US population who are 16 years and older (representing approximately 86 million people) participate in some level of wildlife viewing. And of all the wildlife in the U.S., birds attract the largest following, with approximately 45 million people actively participating. The majority of active wildlife followers do so locally or around their homes. However, over 23 million people eagerly take trips to wildlife refuges, nature centers, and estuaries to participate in recreational activities. These trips represent an annual expense of \$76 billion on wildlife, with the watching experience portion representing an average of \$1,193 per spender per trip.

Birdwatching, as a singular category, represents \$41 billion in spending across the United States. The activities of bird viewing and photography have grown 287% since 1982, due to technology and interest improvements.

In an effort to project initial attendance estimates for the PFC, comparative data points from other local attractions in Northern California were obtained. Included below are some of the more noteworthy sites:

<u>Local Attraction</u>	<u>Annual Visitors</u>
Yosemite National Park, Yosemite	4,000,000
Monterey Bay Aquarium, Monterey	2,000,000
California Academy of Science, San Francisco	1,300,000
Don Edwards Refuge, Fremont	973,000
San Francisco Botanical Garden, San Francisco	450,000
Jelly Belly Factory, Fairfield	550,000
Lindsay Wildlife Museum, Walnut Creek	100,000

Based on examination of these comparative attendance numbers, a conservative starting attendance estimate of **150,000** visitors per year has been established as a benchmark for Walk in the Marsh during its first three years of operations when it is open to the public.

Competition from Other Local Attractions

The State of California's ecotourism industry includes 25 wildlife sanctuaries, 35 wildlife refuges, and 50 assorted public and non-profit environmental education centers. And although in one sense these can be considered as competition, they also serve to socially promote the overall importance of environmental awareness and conservation. This, in turn, helps to synergistically build public interest and attention across the environmental spectrum, thus benefiting all of the peer wildlife attractions/centers. Local centers such as the Monterey Bay Aquarium in Monterey and the Lindsay Wildlife Museum in Walnut Creek serve as examples of attractions that have successfully formed unique niches in their communities, and have flourished by building a loyal interest from followers, supporters, and attendees.

Fundraising and Ongoing Financial Support

In order to provide for the long-term sustainability of the project, the PFC will use a multi-faceted approach to its fundraising effort and ongoing financial support: 1) foundational support from key philanthropists, wildlife/nature enthusiasts, and interested parties, 2) local community involvement and corporate sponsorship, 3) support through grants and public offerings designed to benefit environment and wildlife preservation, and 4) grassroots support from the general public through memberships, donations, and interactive activities.

Foundational support from key philanthropists, nature/wildlife enthusiasts, and interested parties - Thanks to the high profile of the PFC project, it has caught the attention of many key and influential individuals and organizations involved in the area of environmental/wildlife protection. Several have indicated their interest in supporting the PFC with contributions that will serve as a solid foundation to build momentum in Phase I(a) fundraising.

Local community involvement and corporate sponsors – The local and surrounding communities of Fairfield and Solano County have heartily embraced the plans for developing the PFC. Having a new and exciting attraction center located in Fairfield, especially one that brings goodwill and a mission of nature appreciation and preservation, will add to the area's business development opportunities and appeal. Community leaders have been quick to lend political support to the PFC effort and are anxious to collaborate together to create synergy for the geographical area. The expectation is that local business and large corporations will likewise contribute their resources and support to the PFC. Efforts are already in place to reach out to the business community to better familiarize them with the project, its merits, and to strategize for ways in which it can provide mutual benefit to all involved.

Support through grants and public offerings designed to benefit wildlife preservation -

Especially in California, the protection of wildlife and the environment is an important public issue. Consequently, grant monies can sometimes become available, and are often earmarked for environmental and wildlife protection causes. The PFC stands ready to apply and solicit for environmental/wildlife grants that can augment its fundraising efforts and are in line with its overall mission. Of course, the PFC will be selective to ensure that any grants accepted do not come with restrictions, limitations, and/or stipulations that would otherwise hinder the PFC operations and its objectives.

Grassroots support by engaging the general public through memberships, donations, and

activities – Though it is absolutely essential to have foundational support from various sources (previously mentioned), there is also an understanding that the long-term survival and sustainability of the project will come from its overall popularity and attendance, and by building a grassroots network of support in the general public. This strategy is validated through successful political and organizational fundraising. Engaging passionate, small dollar donors in large numbers, will yield significant results. The PFC plans to attract interest and participation from the general public, offering a variety of tiered memberships and subscription programs, designed to promote ownership and a “belonging” to something special and unique. This, in turn, will build community pride and camaraderie, while promoting a great cause - wildlife habitat and its preservation.

ORGANIZATION AND OPERATIONS

Organization

In order to create the PFC, a 501(c)3 non-profit organization, the Pacific Flyway Fund (FIN 47-4675766), was established in 2015. It will continue to be the entity that oversees and is responsible for the development and construction of the PFC. Financial information relating to the organization can be found on its annual Federal form 990 return filed with the Internal Revenue Service.

Leadership Team and Board

The Pacific Flyway Fund is governed by a three-member board. Serving on its board are:

- Ms. Lisa Hofmann Morgan, daughter of Mr. Hofmann, Chairperson and President of the Fund
- Mr. Dennis Drew, CFO/Treasurer of Hofmann Trust
- Mr. Claude Grillo, Entrepreneur and long-term and trusted associate of Mr. Hofmann

Knowing the expertise and abilities of Mr. Grillo, the Board has empowered him to act as its prime liaison on the project, and he continues to spearhead and drive activities on its development and progress.

Formation of Executive Committee

As another step by the Board of the Pacific Flyway Fund to ensure the eventual success of the PFC project, they have commissioned the formation of a specially appointed 10-person Executive

Committee to provide leadership, mentoring, and guidance on strategic matters relating to management of the project. This “blue ribbon” committee will consist of key and influential business leaders, who share in the PFC vision and concern for wildlife preservation. Already named to participate on the Executive Committee are the following distinguished members:

- Claude Grillo (Chairperson) – Board Member, Pacific Flyway Fund
- Paul Bonderson, Jr. – Chairman of the Board, Ducks Unlimited, Inc.
- Ken Coit – Owner, Coit Financial
- Tom Gallo – Owner, Gallo Winery
- Steve Gonsalves – Owner, The Conco Companies
- David Grieve - AC Ventures
- Greg Kent, Owner – California Custom Carpets
- John Ribeiro – Owner, The Ribeiro Company
- Albert Seeno, Jr. – Owner, Seecon
- John Thompson – Chairman, Microsoft Corporation

Advisors and Support Team

Pitching in to perform the daily activities of keeping the project moving forward has been a long list of advisors and a very capable support team. This advisory committee consists of the following members:

- Claude Grillo, Chairperson
- Beth Stagner, Project Manager
- Erin Beavers, Project Oversight Manager
- Josh Birch, Advisor
- Veronica Cornett, Community Advisor
- Yancy Forest-Knowles, Advisor

- Jay Goble, Advisor
- George Kammerer, Advisor
- Mike Sutton, Advisor

Key Partners/Alliances

Joining the list of resources/persons who are helping to promote the project, the PFC has been privileged to have established the following key partners/alliances in support of the project:

- *Audubon Society* – Glen Olsen, representative
- *California Waterfowl* – John Carlson, Jr., representative
- *Ducks Unlimited* – Fritz Reid, representative
- *University of California – Davis* – Andy Engilis, representative
- *Suisun Resource Conservation District* – Steve Chappell, representative
- *International Bird Rescue* – JD Bergeron, representative

Operational Considerations

In order to manage the PFC project through the various steps of planning, construction, and to its operational opening to the public, managerial and operational expertise will be engaged as needed, along with incremental staffing for operational support. As the groundbreaking and construction phase approaches, a seasoned Project Manager will be engaged on a contract basis to handle day-to-day construction management of the project.

Additionally, to help manage the administrative and operational aspects of the project surrounding community support/involvement, fundraising, education, administration, and promotion, it is anticipated that a Project Director position will be needed. Again, this will be set up as a contract position, and the candidate will be expected to possess project management

expertise, marketing and customer service industry experience, along with a familiarity of, and high profile in, the surrounding community.

Once the Walk in the Marsh is open to the public and starts accepting visitors, daily staffing at the PFC site will be required for onsite maintenance support, along with docent assistance for visitors. Although there is a realization that admission fees will not cover operating costs and that ongoing fundraising and corporate sponsorship will be necessary, donation fees will gradually be introduced to the Center as a way to encourage visitor participation, support, and financial “buy-in”. The intention is to determine the structure for public fees and donations at the time of opening, and it will be modified thereafter as deemed prudent. Other ideas include special events such as a “Wetland Walk” led by specialists/botanists, photography events, sunrise and sunset experiences, and holiday hikes (all with suggested donation amounts attached).

A preliminary operational revenue/expense budget has been established to provide support for base services. After its initial opening to the public, and as the PFC gains more traction/public traffic within the community, as feasible, its operations and offerings will be incrementally expanded.

Risk Assessment

As with a project like the PFC, there are many risks and uncertainties involved in executing the plan. To provide identification and assessment of these risks for contingency planning purposes, the PFC management team has performed a SWOT (Strengths, Weaknesses, Opportunities, Threats) risk analysis:

Strengths –

- The PFC project has received endorsement and support from a broad base of friends, colleagues, and leaders, representing business and industry, wildlife/environmental preservation, and local government. This is a group that has influence, knowledge, and connections in getting things done, and these are individuals who can provide advisory support in the efforts to establish the PFC.
- The local and surrounding community has been extremely supportive of the project. In fact, the City of Fairfield proposition to change zoning passed by a vote of 78% in favor to develop the PFC.
- The location of the PFC is key, in that it serves as a critical midway stopover point for many of the billion birds that travel along the 10,000-mile Pacific Flyway. Habitat at the site includes a large variety of species (i.e., 221 birds, 45 mammals, and 16 reptiles/amphibians).
- The PFC site includes 845 acres of habitat, conserved and restored, adjacent to the 116,000-acre Suisun Marsh. This is the largest brackish water marsh on the West Coast.
- The list of key partners supporting the project includes highly-respected organizations in the field of environmental education and preservation, such as Ducks Unlimited, California Waterfowl, International Bird Rescue, Suisun Conservation Resource District, and the University of California – Davis, School of Agriculture.
- On its advisory board, the project has enlisted the help of a number of individuals who are knowledgeable and experienced in the field of permitting, civil engineering, and local/state/federal environmental protocols. On both a contract and voluntary basis, these

individuals have been instrumental in guiding the project through the various steps involved, and in moving its progress forward.

Weaknesses –

- Although the project has been in active progress for over 5 years, due to the complex permitting and intricate infrastructure-building requirements, it has yet to attract high visibility and attention to the general public.
- Additionally, because of complexity of the initial restoration and habitat development in the secondary marsh for Phase 1(a), it will still take 2-4 years for the Walk in the Marsh to be completely open to the public and reach desired growth levels.
- Absent in-house marketing expertise, and because of the uniqueness of this project, in order to grasp all of the sales/marketing aspects of this endeavor, it will be necessary to engage outside marketing resources to comprehensively evaluate the project and its marketability. This will require identifying and funding a dedicated professional marketing consultant/agency to assist with custom solutions to bring the vision to reality, by helping to drive public awareness and traffic, promote fundraising, create events, and drive email marketing.

Opportunities –

- The PFC project has a potentially large audience and is well suited for the populated and vibrant Solano County/Suisun Valley area and the Greater Bay Area. Within the

immediate area there are relatively few recreational attractions, and this community is aggressively promoting new development and businesses.

- Leveraging upon 1) the expertise of high-profile individuals on the Executive Advisory Committee, 2) experienced and well-connected people on the Advisory Board, and 3) others involved on the project who have affiliations with other Bay Area nature attractions, the PFC has valuable access to mentoring and assistance in navigating through the project.
- Brand recognition and broad appeal can be created through social media, starting with the base of a robust website platform. With regular interactions, use of interactive teasers, and optimization through solid search engines, project support can be driven in the area of potential donors, partners, tourists, corporate sponsors, and vendors.
- Using available technology, existing and future apps can be used to create a “virtual experience”, thus making the PFC accessible and familiar to remote followers. This offering can prove beneficial, especially at a time where virus-related issues leave social interaction and activity as an uncertainty.
- Using a fundraising effort which builds upon the foundation of contributions from significant donors/philanthropists, embraces corporate sponsorship, solicits for key grants, and offers ownership for the general public through tiered-membership programs, subscription services, and participation offerings, the project can grow and thrive into its future phases.

Threats –

- As has been recently demonstrated with the COVID-19 outbreak, unforeseen events can occur that make it difficult to focus energies and maintain momentum on the project and its progress. Measures such as social distancing, which is hopefully a temporary situation, discourage the gathering of crowds and people, making public attraction sites less desirable.
- Financial and economic downturns can impact the ability to fundraise for the project and secure donations, contributions, and grants.
- Depending upon the outcome of the funding campaign and the means of financing the project, raising labor costs may factor into the overall phasing price tag and timelines.
- Utilizing public grant money under certain circumstances might place limiting requirements and restrictions on the specific use of funds, the accountability for funds received, and require some narrower guidelines on the nature of the project.
- If the project is not able to secure adequate financial resources beyond the Walk in the Marsh and Phase 1(a), the PFC site will be limited in its functionality and offerings. It will still provide an outlet for wildlife and bird observation, but it will lack the additional amenities included in the future phases.

HISTORICAL AND PROJECTED FINANCIAL STATEMENTS

Cash Flow Schedule – Inception to date and projected through entire completion of Phase I

Pacific Flywood Center Project

Cash Flow Schedule

Inception to date and projected through completion of Phase I (including building structures)

	<u>Incept to date</u> Acquisition and insfrastructur e)	<u>Phase I(a) - Walk in the Marsh</u> In progress and open	<u>Phase I (remainder)</u> Future project - pending at this time	<u>Estimated totals through completion of Phase I</u>
Contributions - Seed money (Hofmann)	2,677,576			2,677,576
Open fundraising for Phase 1(a) - in progress		5,296,413		5,296,413
Future fundraising			20,790,000	20,790,000
Total Project Funding	\$ 2,677,576	\$ 5,296,413	\$20,790,000	\$ 28,763,989
<u>Initial Development</u>				
Land/property acquisition	1,666,801			1,666,801
Land exchange costs	84,372			84,372
Design costs	666,630			666,630
City and County costs	63,893			63,893
Environmental costs	195,881			195,881
<u>Phase I(a) - Walk in the Marsh</u>				
Engineering and design		713,656		713,656
Permits		125,317		125,317
Construction (incl conting)		4,402,315		4,402,315
Professional fees		55,125		55,125
<u>Remainder of Phase I - Building Structures</u>				
Stie Contruction			8,750,000	8,750,000
Building - Warm Shell			6,000,000	6,000,000
Interest Design and Exhibits			6,040,000	6,040,000
Total costs	\$ 2,677,576	\$ 5,296,413	\$20,790,000	\$ 28,763,989
Net cash flow	\$ (0)	\$ -	\$ -	\$ (0)

Operations Schedule – Fiscal year-end 2019 and projected through 2023

Pacific Flywood Center Project

Operations Schedule

Fiscal year-end 2019 and projected through 2023

	<i>Actual</i> <u>2019</u>	<i>Projected</i>			
		<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Contributions/donations	\$ 130,400	\$ 200,000	\$ 400,000	\$ 400,000	\$ 400,000
Total Project Revenue	\$ 130,400	\$ 200,000	\$ 400,000	\$ 400,000	\$ 400,000
<u>Operating Expenses</u>					
Consulting and Project Management	-	75,000	174,000	174,000	174,000
Maintenance	45,264	16,000	106,000	106,000	106,000
Insurance	2,173	2,500	25,000	25,000	25,000
Utilities and Security	2,957	3,000	7,400	7,400	7,400
Marketing and Promotion	14,773	10,000	10,000	10,000	10,000
Professional Fees	2,970	5,000	5,000	5,000	5,000
Permits and Fees	5,408	705	705	705	705
Property Taxes	20,885	21,000	22,000	23,000	24,000
Grant Preparation and Administration	12,552	10,000	10,000	10,000	10,000
Travel and Entertainment	3,383	2,500	2,500	2,500	2,500
Other Administrative Expenses	1,946	3,000	3,000	3,000	3,000
Tota Operating Expenses	\$ 112,310	\$ 148,705	\$ 365,605	\$ 366,605	\$ 367,605
Net Surplus(Loss)	\$ 18,089	\$ 51,295	\$ 34,395	\$ 33,395	\$ 32,395

Balance Sheet – March 31, 2020 (unaudited)

Pacific Flywood Center Project

Balance Sheet (unaudited)

March 31, 2020

3/31/2020

Assets

Reserve cash fund	1,800,000
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Initial Development Costs

Land/property acquisition	1,666,801
Land exchange costs	84,372
Design costs	666,630
City and County costs	63,893
Environmental costs	195,881

Total Assets	<u>4,477,576</u>
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Liabilities and Reserves

Liabilities

Contract payables	106,701
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Total liabilities	106,701
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Reserves

Unrestricted reserve	4,370,876
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Total Liabilities and Reserves	<u>\$ 4,477,576</u>
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