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# BOARD RENEWS DISCUSSIONS ON FUTURE DATES, PLANNING

INGLEWOOD, CA – Industry leaders assured the California Horse Racing Board Thursday that contingency plans are being developed for stabling, training, and racing to continue uninterrupted in California with or without Bay Meadows and Hollywood Park, though it could be a bumpy road the first year or two when one or both of those tracks permanently close.

While industry representatives were reluctant to provide details of their short-term and long-term financing plans for racing in Northern and Southern California, their intent was to assure the Board and the general public that efforts are being made in all areas to insure an uninterrupted continuation of racing throughout the state.

CHRB Chairman Richard B. Shapiro noted the Board had stepped back and entrusted the industry to develop alternatives to deal with various scenarios, but he stressed that the time has come for the CHRB to become very active once again, and he would be scheduling a meeting of the Strategic Planning Committee within three weeks to begin hearing details of plans both in the northern portion and southern portion of the state.

Commissioner John Amerman shared the chairman's attitude, noting, "We're fine with plans, but what we want is action." Under repeated questioning from the Board during the meeting held at Hollywood Park, the following details emerged:

- Representatives of all factions in the northern half of the state have agreed that the Alameda County Fairgrounds in Pleasanton is the logical facility to expand to accommodate year-round stabling and training and to run additional racing dates when Bay Meadows closes, as is expected to occur later this year.
- Alameda County Fair officials are exploring alternative ways to finance such an expansion, and they are addressing environmental concerns and other regulatory matters in advance of any formal applications to the City of Pleasanton and Alameda County.
- Golden Gate Fields will likely pick up additional dates that would be allocated to Pleasanton for the first year or two while work proceeded on the Pleasanton track, grandstand, and other necessary improvements to accommodate more racing during the year.
- During work on the Pleasanton racing surface and installation of a turf course, other

racing fairs in Northern California would open their stable areas to take in horses displaced from Pleasanton.

- Golden Gate will serve as the keystone or anchor for the northern circuit, and expanded racing will be conducted there at various times throughout the year.
- In the southern portion of the state, there is a possibility that Hollywood Park could close as early as the end of this year. Plans to develop Hollywood Park for other uses are not as far along as Bay Meadows, but they are progressing through the entitlement process, and according to Jack Liebau, president of Hollywood Park, at this time they are unable to commit to race beyond this year.
- Notwithstanding, all segments and stakeholders within the industry expressed a desire to see Hollywood Park remain a racing and stabling facility for as long as possible. Recognizing the uncertainty of the situation, the stakeholders and participants within the industry vowed to make every effort to look at all viable alternatives.
- Under consideration is the expansion of the Los Angeles County Fairgrounds, or Fairplex, in Pomona for year-round stabling and training in Southern California. Plans to install additional stalls, turf course, and one-mile track are being investigated. Alternative stabling options also are being reviewed, including the expanded use of Del Mar and San Luis Rey Downs.
- Additional meetings and discussions are ongoing among all parties, and the Board members were assured they would be kept advised of all developments.

In other business, thoroughbred owner/breeder and theater owner George Krikorian gave a presentation pertaining to the establishment of as many as 45 mini-satellite wagering locations in California, as authorized by a new law. Applying marketing data used in the theater business, Krikorian stressed that more sites need to be opened within the 20-mile-radius limitation from existing facilities imposed by the new law.

Krikorian also argued that the 2 percent of handle currently authorized by state law for off-track wagering locations is insufficient to justify the investments required to operate high-quality facilities. “If that amount could be increased to 4 percent, I would be ready to make the commitment today (to invest in such facilities),” said Krikorian. He added that in order to obtain financing and amortize the cost of the facilities, the Board should issue 10-year licenses rather than one-year licenses for simulcast facilities.

Chairman Shapiro noted that the law would need to be amended to allow for a revenue increase and for changing the distance restrictions from existing facilities. Various stakeholders agreed to meet and continue discussing these matters. Commissioner Jerry Moss made it clear that any revenue increase should apply to existing simulcast facilities as well as new mini-satellites, as he advocates upgrading existing facilities to make them more comfortable and inviting to patrons.

Vice Chairman Harris pointed to Advance Deposit Wagering (account wagering), which is

based on a different business model, as possibly being a better, more cost-effective model for expansion of wagering into new facilities.

The Board authorized three proposed rules for 45-day public notice. One proposal would create a new licensing category for provisional exercise riders. Another would eliminate the requirement for a licensed horse owner to have a horse in the care of a licensed trainer at the time of renewal. This issue was raised by Vice Chairman Harris, who stated that the industry needs to retain owners and not make relicensing so cumbersome. The third proposed rule change would allow thoroughbred horses to race unshod, another suggestion from Vice Chairman Harris, as he feels the option of running shoeless may help certain horses on certain tracks. The Board will conduct a public hearing for each of the three proposed rule changes following the public comment period.

The Board approved the application for the Alameda County Fair to conduct a race meet in Pleasanton from June 25 through July 6.

The Board adopted a regulatory amendment allowing for the licensing of stable group names. This allows for multiple entities to race under one stable name, each entity comprised of a unique set of horse owners. Any partner with less than a 10-percent interest is not required to be licensed but may choose to be licensed, and should that minor partner have another horse entered in the same race, those horses would not need to be coupled.

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