

CALIFORNIA HORSE RACING BOARD
1010 HURLEY WAY, SUITE 300
SACRAMENTO, CA 95825
(916) 263-6000
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REGULAR MEETING

of the California Horse Racing Board will be held on, Thursday, April 15, 2010, commencing at 9:30 a.m., in the Baldwin Terrace Room at the Santa Anita Park Race Track, 285 West Huntington Drive, Arcadia, California.

AGENDA

Action Items:

1. Presentation of the **California Horse Racing Board Resolution to John Andreini.**
2. Approval of the **minutes of the regular meeting of March 19, 2010.**
3. **Public Comment:** Communications, reports, requests for future actions of the Board. **Note:** Persons addressing the Board under this item will be restricted to **three (3) minutes** for their presentations.
4. Public hearing and action by the Board regarding the **proposed amendment to CHRB Rule 1689, Safety Helmets Required**, to establish and/or revise standards for safety helmets worn by any person mounted on a horse on the racetrack, mounted in or riding on a sulky, or working as a member of the gate crew. (Note: This concludes the 15-day public comment period. The Board may adopt the proposal as presented.)
5. Discussion and action by the Board regarding the **proposed amendment to CHRB Rule 1505, Qualification for License as Horse Owner**, to allow outriders to own race horses.
6. Discussion and action by the Board on the **request from the California Authority of Racing Fairs (CARF), to designate the following allocated race dates as a combined fair horse racing meeting, pursuant to Business and Professions Code section 19549.1:** San Joaquin County Fair, June 16, 2010 through June 20, 2010; Alameda County Fair, June 23, 2010 through July 11, 2010; Humboldt County Fair, August 12, 2010 through August 22, 2010 and the Big Fresno Fair, October 6, 2010 through October 17, 2010.
7. Discussion and action by the Board on the **Application to Conduct a Combined Horse Racing Meeting of the following California fair:**

Alameda County Fair (F) at Pleasanton, commencing June 23, 2010 through July 11, 2010, inclusive.

8. Discussion and action by the Board regarding the **licensing process and requirements for satellite wagering facilities in California.**
9. Discussion and action by the Board regarding a report from Los Alamitos Racing Association regarding the impact the 2 percent increase in the take-out on conventional and exotic wagers on races conducted by the racing association has had on handle, and if the take-out increase should continue until September 8, 2010, as approved by the Board.
10. Discussion and action by the Board regarding Oak Tree Racing Association and the status of its lease with Santa Anita Park Race Track, including any potential impact the lease may have on its September 29, 2010 through October 31, 2010 allocated race dates.
11. Discussion and action by the Board regarding the **possible closure of the New York Off-Track Betting (NYOTB) operations and the impact the closure may have on California racing.**
12. Report from the **Legislative, Legal and Regulations Committee.**
13. Discussion and action by the Board regarding **an update from Magna Entertainment Corporation concerning its bankruptcy filing, racing operation and the status of statutory funds that may still be owed money for pre and post bankruptcy petition debts.**
14. **Closed Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by section 11126 of the Government Code.
 - A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," as authorized by Government Code section 11126(e).
 - B. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending administrative licensing or disciplinary matters described in the attachment to this agenda captioned "Pending Administrative Adjudications," as authorized by Government Code section 11126(e).

Additional information regarding this meeting may be obtained from the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000; fax (916) 263-6042. This notice is located on the CHRB website at www.chrb.ca.gov. *Information for requesting disability related accommodation for persons with a disability who require aid or services in order to participate in this public meeting, should contact Jacqueline Wagner.

CALIFORNIA HORSE RACING BOARD

Keith Brackpool, Chairman
David Israel, Vice Chairman
Jesse H. Choper, Member
Bo Derek, Member
John C. Harris, Member
Jerry Moss, Member
Richard Rosenberg, Member
Kirk E. Breed, Executive Director

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PENDING LITIGATION
APRIL 2010

CASE

Jeff Mullins v. CHRB

Court of Appeals of California, Second District, Division Seven No. B213436

Jamgotchian, Jerry v. CHRB, Kirk Breed and Ingrid Fermin

Superior Court of California, County of Los Angeles, Case No. BS123038

Pamela A. Berg v. CHRB

Superior Court of California, County of Sacramento, Case No. 34-2008-00028104

Magna Entertainment Corporation, *et al.*

District of Delaware Case No. 09-10720 (MFW)

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PENDING ADMINISTRATIVE ADJUDICATIONS
APRIL 2010

CASE

FITNESS FOR LICENSURE

Benito Perez, Jr.

IN THE MATTER OF THE ACCUSATION AGAINST:

Jeff Mullins

CHRB License #211845

APPEAL OF THE BOARD OF STEWARDS OFFICIAL RULINGS #223 and #26, LOS
ALAMITOS QUARTER HORSE RACING ASSOCIATION

Blake Heap

CHRB Licenses #092362, #277603 and #264118

CALIFORNIA HORSE RACING BOARD

APRIL 15, 2010
REGULAR BOARD MEETING

There is no board package material for Item 1

PROCEEDINGS of the Regular Meeting of the California Horse Racing Board held at the Arcadia City Hall, 240 West Huntington Drive, Arcadia, California, on March 19, 2010.

Present: Keith Brackpool, Chairman
 David Israel, Vice-Chairman
 Jesse H. Choper, Member
 Bo Derek, Member
 John C. Harris, Member
 Jerry Moss, Member
 Richard Rosenberg, Member
 Kirk E. Breed, Executive Director
 Robert Miller, Staff Counsel

PRESENTATION OF THE CALIFORNIA HORSE RACING BOARD
 RESOLUTION TO RICHARD SHAPIRO.

Chairman Brackpool stated the Board had a resolution to present to former Chairman, Richard Shapiro. He spoke about Mr. Shapiro's service during his tenure on the Board and his continuing dedication to the horse racing industry. Mr. Shapiro thanked the Board for the resolution.

PUBLIC COMMENT: COMMUNICATIONS, REPORTS, REQUESTS FOR
 FUTURE ACTIONS OF THE BOARD.

Leigh Ann Howard of San Luis Rey Downs (SLRD) informed the Board that SLRD was still operating. The horsemen obtained a two-year lease from the land owner, MI Developments. She added the lease had a one-year extension for each year thereafter. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding horse racing. Staff Counsel Robert Miller said the first item on the agenda stated a presentation of a resolution and did not reflect discussion. Portor Goltz, representing San Mateo County and the San Mateo Jockey Club, stated San Mateo County and the San Mateo Jockey

Club reached an agreement to create a minisatellite wagering facility at Artichoke Joe's in Northern San Mateo County. An application to operate a minisatellite wagering facility at Artichoke Joe's would be submitted by the end of March 2010. Rod Blonien, representing the Lucky Chance card room, stated 14 months ago his organization began conversations with the San Mateo County Fair regarding the operation of a minisatellite wagering facility. However, Lucky Chance was recently informed of the agreement with Artichoke Joe's, which was 10.5 street miles from the San Mateo County Fair satellite wagering facility. Lucky Chance was just under 20 miles from the San Mateo County Fair facility, and it hoped that in the future it could also have a minisatellite wagering facility. Vice-Chairman Israel said there was pending legislation that dealt with the 20-mile buffer zone. He asked if it were possible to amend the legislation so the jurisdiction of an existing satellite wagering facility ended at the county line, even if the 20-mile radius was greater. Mr. Blonien said "yes" but there might be situations where the satellite facility was close to the county line, so that might be unfair. However, it was also unfair for one county to have the ability to preclude a neighboring county from having satellite wagering unless it was part of the deal. When the minisatellite wagering bill was written, the parties never imagined the current dilemma. Vice-Chairman Israel asked if there were other instances in state law that allowed one county from preventing private or public interests in another county from acting as they saw fit. Mr. Blonien said he was not aware of such a law. He stated when the parties wrote the minisatellite wagering legislation, they considered the 20-mile radius to mean street miles; however, San Mateo County argued it meant air miles. That gave San Mateo County the ability to completely black out San Francisco City and County, and part of Alameda and Santa Clara Counties.

Richard Castro of the Pari-Mutuel Employee's Guild said his organization hoped that future minisatellite wagering facilities would follow the staffing precedent set by the Commerce Club.

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF JANUARY 15, 2010.

Chairman Brackpool asked for approval of the minutes of the Regular Meeting of January 15, 2010. Commissioner Choper **motioned** to approve the minutes. Commissioner Rosenberg **seconded** the motion, which was **unanimously carried**.

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF FEBRUARY 19, 2010.

Chairman Brackpool asked for approval of the minutes of the Regular Meeting of February 19, 2010. Commissioner Moss **motioned** to approve the minutes. Commissioner Rosenberg **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENT/ADDITION OF THE FOLLOWING CHRB RULES IN COMPLIANCE WITH THE PROVISIONS OF BUSINESS AND PROFESSIONS CODE SECTION 19510, WHICH CLASSIFIES THE OTRIDER AS A RACING OFFICIAL:

- (A) RULE 1481, OCCUPATIONAL LICENSES AND FEES, AMEND TO ADD THE OCCUPATIONAL LICENSE CLASS OF "OTRIDER: TO THE LIST OF RACING OFFICIALS WHO MUST OBTAIN AN OCCUPATIONAL LICENSE;
 - (B) RULE 1504.3, QUALIFICATIONS FOR LICENSE AS OTRIDER, ADD RULE TO PROVIDE FOR THE TESTING OF APPLICANTS FOR AN ORIGINAL LICENSE AS OTRIDER;
 - (C) RULE 1520, RACING OFFICIALS, AMEND TO ADD THE OCCUPATIONAL LICENSE CLASS OF "OTRIDER" TO THE LIST OF RACING OFFICIALS;
 - (D) RULE 1564, DUTIES OF THE OFFICIAL OTRIDER, AMEND TO SPECIFY THE DUTIES OF THE OTRIDER;
 - (E) RULE 1693, CONTROL OF HORSES AND JOCKEYS ON ENTERING THE TRACK, ADD TO CLARIFY THE ROLE OF THE OTRIDER WITH REGARDS TO HORSES ENTERING THE TRACK PRIOR TO A RACE.
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Jacqueline Wagner, CHRB staff, said Assembly Bill 1575, Chapter 650, Statutes of 2009, amended Business and Professions Code section 19510 to classify the outrider as a racing official. In response, staff proposed the amendment of a number of Board Rules to reflect the outriders' new status. Ms. Wagner said the proposed amendment to Board Rule 1481, Occupational Licenses and Fees, would change subsection 1481(b)(6) to provide that a racing official, as defined in Board Rule 1520, Racing Officials, must obtain an occupational license. She added Rule 1520 was referenced, as it identified who is a racing official. The proposed addition of Board Rule 1504.3, Qualifications for License as Outrider, set the qualifications for persons who wished to be licensed as an outrider. The proposed rule would require candidates for license as an outrider to take and pass a written examination administered by the Board or its agents. The proposed amendment to Rule 1520 would add outrider to the list of racing officials at a race meeting. The proposed amendment to Rule 1564, Duties of the Official Outrider, would

describe the general duties of the outrider. Under the regulation the outrider would be responsible to the stewards and would have supervisory authority over the conduct of horses and all persons on the racetrack who were mounted on a horse or sitting on a sulky, and who were training or participating in a race. The proposed amendment to Rule 1693, Control of Horses and Jockeys on Entering the Track, would provide for the role of the outrider who would be in control of the post parade. CHRB Executive Director Kirk Breed recommended that the Board direct staff to initiate a 45-day public comment period for the proposed regulations. He stated he would work with interested parties to initiate additional proposals to amend rules that dealt with horse owner licenses. Many of the outriders currently held dual licenses, and there was a provision in the Board's regulations that prevented racing officials from owning racehorses. Chairman Brackpool asked if the notice period would allow the regulations to be considered at the May 2010 Regular Meeting, along with additional rule changes. Executive Director Breed said that was correct. Commissioner Harris said he would rather have the rules the Board wished to adopt put out for comment, instead of noticing something the Board might not support. Ms. Wagner stated if the regulations were put out for a 45-day comment period, and the Board accepted comments that resulted in changes to the texts of the regulations, there would have to be an additional comment period. Chairman Brackpool stated the public needed to comment on the proposed regulations, so it would probably be better to send them out to notice. Commissioner Derek **motioned** to direct staff to notice the proposed additions/amendments to the outrider rules for a 45-day public comment period. Vice-Chairman Israel **seconded** the motion. Barry Broad, representing the Teamsters Union, stated there were two issues regarding the outriders. The first issue was the collective

bargaining agreement, which had been in place for about four decades. There were rumors circulating that certain provisions of the agreement would be abrogated. However, the State could not do that, and Mr. Broad said he did not believe that was the intention of the statute that made outriders racing officials. In addition, many persons who held an outrider license were also trainers or horse owners. That meant a Board regulation would have to be amended to allow outriders to hold trainer or horse owner licenses. The motion to direct staff to initiate a 45-day public comment period was carried with Commissioner Harris voting "no" because he believed the comment period should not start until the regulations were in a form the Board could support.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE PROPOSED AMENDMENT OF RULE 1766, DESIGNATED RACES, TO REQUIRE A JOCKEY OR DRIVER TO SERVE ADDITIONAL SUSPENSION DAYS, SIMILAR TO THE CALIBER OF THE DESIGNATED RACES, SHOULD A SUSPENDED JOCKEY OR DRIVER PARTICIPATE IN MORE THAN ONE DESIGNATED RACE PER DAY IN CALIFORNIA.

Jacqueline Wagner, CHRB staff, said the proposed amendment of Rule 1766, Designated Races, would require a suspended jockey or driver who participated in more than one designated race in California, or in one or more designated race in another racing jurisdiction to complete his or her suspension on an equivalent day of the week following the day on which the jockey or driver participated in the designated race(s). Ms. Wagner stated staff recommended the Board direct staff to initiate a 45-day public comment period regarding the propose amendment. Commissioner Rosenberg motioned to direct staff to initiate a 45-day public comment period for the proposed amendment to Board Rule 1766. Commissioner Choper seconded the motion, which was unanimously carried.

REPORT FROM THE LEGISLATIVE, LEGAL AND REGULATIONS
COMMITTEE.

Chairman Brackpool stated a meeting of the Legislative, Legal and Regulations Committee (committee) was held on March 4, 2010, in Sacramento. The sole agenda item was a discussion regarding the creation of a common piece of legislation to promote horse racing on which the industry could agree. Chairman Brackpool said the committee heard from the Legislative Secretary for Governor Schwarzenegger, Mike Prozio, who spoke about the Governor's interest in legislation that would help the industry. Mr. Prozio asked the industry to dream a little, be creative and yet work within the framework of existing statutes and the State Constitution. Chairman Brackpool said various ideas were discussed, including exchange wagering. In addition, there was discussion about the concept of "instant racing," which was being looked at by other racing states. The committee also discussed several ideas that would facilitate placement of advance deposit wagering transactions. Chairman Brackpool stated a follow-up meeting of the committee would be held in Southern California prior to the April 2010 Regular Board Meeting. Commissioner Moss asked if the committee discussed the question of classifying the backstretch as "agricultural" rather than "entertainment." Chairman Brackpool said the concept was not discussed. He stated there was discussion about the maintenance of the 20-mile radius with the California Authority of Racing Fairs. The message the committee tried to convey was that there were too many pieces of horse racing legislation – each trying to fix minor problems. The industry needed a piece of legislation that was clear, and though not a panacea, would significantly move horse racing forward. Commissioner Choper added the Governor only had one more Legislative session, so this was the last significant opportunity. Barry Broad, representing organized labor, provided

a lengthy explanation of how backstretch workers achieved their current exemption from the Fair Labor Standards Act. He concluded by stating that in the current political world, the idea of changing backstretch workers' status was extremely problematic.

REPORT FROM THE PARI-MUTUEL/ADW AND SIMULCAST COMMITTEE.

Commissioner Moss stated the Pari-mutuel/ADW and Simulcast Committee (committee) met on March 19, 2010. The committee heard a proposal from Darrell Vienna for a "second chance lottery" to be used to promote on-track wagering. A patron who made an on-track wager and who kept his or her non-winning ticket would be eligible for a consolation prize. The patron would have to be on track during the drawing to receive the prize. Commissioner Moss said the concept was well received and would be discussed further to determine how it would affect the lottery, etc. The committee also heard from Scientific Games regarding the status of its acquisition by Sporttech. A Scientific Games representative stated his organization did not foresee any changes. Commissioner Moss said the committee discussed the idea of changing the odds to read in decimals. The Southern California tracks indicated they could show decimal odds, and they pledged to work together to accomplish the task. Finally, there was some comment on minisatellite wagering. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding horse racing. Commissioner Harris commented the problem with decimal odds was that breakage would round down. If a horse was 3.95 to 1, patrons would be paid 3.80 to 1. It was not a big issue with exotic wagers because of the large payoffs; however, with win, place and show wagers the effect on takeout could be substantial just due to breakage. Chairman Brackpool said France went to decimals a while ago, so it

would be a model for the Board to examine. Commissioner Moss asked if there were standards for satellite wagering facilities, or were they awarded a license and left on their own? CHR B Executive Director Kirk Breed stated there were standards in the license application, and the satellites were reviewed on an ongoing basis. Chairman Brackpool said the standards might not be current. It would be worthwhile to review the standards and the compliance mechanism at a future Regular Board Meeting.

DISCUSSION BY THE BOARD REGARDING A REPORT ON THE RATIFICATION OF AMENDMENT TO THE COLLECTIVE BARGAINING AGREEMENT.

Jack Liebau of Hollywood Park Racing Association said the Pari-Mutuel Employee's Guild, Local 280 (Guild), ratified an amendment to its collective bargaining agreement. Mr. Liebau stated the industry was very appreciative of the leadership of the Guild for cooperating with the initiative. He said the satellite wagering facilities were operating with deficits, and Southern California Off Track Wagering, Inc. (SCOTWINC) was operating at \$27,000 per day above the revenue generated by the expense fund. The satellites were in danger of closing unless a change was negotiated. The Guild, which had a manning clause, decided it was in everyone's interest to reduce the requirement by 22.5 percent. As a result of the amendment to the collective bargaining agreement, the satellite wagering facilities would see more equilibrium between revenues and expenses. Commissioner Choper asked what the rationale was for the 22.5 percent reduction. Mr. Liebau said the percentage was based on the handle. To match staffing with the nature of the business, it was determined there needed to be a 22.5 percent reduction. He added the amendment was a short term fix, and it would not affect the efforts to reconsider satellite

wagering as a whole. Chairman Brackpool stated the Board requested SCOTWINC and Northern California Off Track Wagering, Inc. to present their business plans well before the June 2010 Regular Meeting. Doug Kempt of the Guild stated the amendment was difficult for the Guild's membership to accept. The Guild gave up quite a bit for the greater good, and it was hoped that the sacrifice would not go unnoticed in the future. There was a lot of talk about other forms of wagering, and the Guild had an experienced workforce. As the industry moved forward the Guild hoped its members who were displaced by the agreement would be considered first in line for new jobs. Richard Castro of the Guild spoke about the decline in the handle, and how it might have affected the Guild membership. He stated the reduction hurt the Guild, but considering the current state of the industry, it could have been worse. Chairman Brackpool asked if the layoff was geographically proportional, or was it based more on the geographic distribution of the handle. Mr. Castro said the Guild looked at the handle, and then tried to determine where cuts should be made without compromising service. He stated the agreement was in effect until 2014, and there were provisions that could subject pari-mutuel employees to further cuts. Conversely, if the handle increased, so would employment. Vice-Chairman Israel said jobs could return if the industry and labor worked together to alter the manner in which minisatellites were created. For legislation to pass, the support of labor was needed. Mr. Castro stated the Guild supported minisatellites; however, it did not want to see a lot of self service terminals without pari-mutuel employees. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding satellite wagering.

DISCUSSION AND ACTION BY THE BOARD REGARDING A REPORT FROM THE CALIFORNIA MARKETING COMMITTEE ON ITS BUDGET FOR 2010 AND 2011 AND MARKETING AND PROMOTION PLANS.

Chairman Brackpool commented the Board previously discussed the continued need for the promotion of horseracing. A portion of the takeout was currently going towards marketing; however, the Board was not receiving information regarding the marketing efforts and there was a question as to whether the decisions of the California Marketing Committee (CMC) were effective. That was why the Board wished to discuss the CMC budget for 2010-11 and the CMC marketing and promotion plans. Chairman Brackpool added additional detail would be required when the Committee on Innovative Marketing and Promotion of Horse Racing met. Craig Fravel, representing the CMC, spoke about the creation and history of the CMC. He also spoke about the composition of the CMC and stated the organization met every year to plan for the following year and create the upcoming year's budget. Mr. Fravel stated the CMC did not have a 2011 budget because of the statutory sunset provision; the CMC might not exist in 2011. In addition, the fund generation had declined, so the CMC took a closer look at its programs to determine if they should be continued, modified or discontinued. Commissioner Rosenberg said under the category "track media match" in the CMC's 2010 marketing plan, tracks had the ability to use CMC funds to augment purse programs. He stated the media match referred to matching track promotional dollars. In Southern California a track would receive one dollar for every three spent, and in Northern California a track would receive one dollar for every two dollars spent on promotions. Commissioner Rosenberg asked how money that was supposed to be used for promotions fit into enhancing purses. Mr. Fravel said the original concept of track media match was to encourage host tracks to

increase marketing. In 2009 the CMC was approached with concerns about the competitiveness of purse money, particularly on the lower end of the purse schedule. Interested parties thought it would be a good idea to allow the use of the track media match money to supplement purses within certain categories. So, subject to the agreement of the Thoroughbred Owners of California (TOC), and the presentation of a purse supplement plan to the CMC, tracks were allowed to utilize a portion of that money to supplement purses. Commissioner Rosenberg asked if there was a formula being used, or could tracks just take the money to supplement purses? Mr. Fravel said no funds had been disbursed because of the requirement that the tracks come to the CMC with a plan and TOC approval. Commissioner Rosenberg said there was the issue of how the CMC calculated the media match, and how much of that would supplement purses. If Hollywood Park were to receive \$500,000 from the CMC it would be expected to spend \$1.5 million on promotions. However, if TOC agreed that Hollywood Park could supplement purses by \$200,000 was that considered promotion money? Chairman Brackpool stated the CMC had become a pot of cash that was fought over on an irregular basis. What was missing from the CMC materials was the process with which the issues were debated. There was a different grant each year. In 2009 the California Thoroughbred Breeder's Association (CTBA) received funds; in 2010 the purses would receive funds. However, one track would receive the supplemental funds, and another would not. What was the theory and process used to make such decisions? Mr. Fravel said the CMC had numerous subcommittees. In the case of the CTBA, the racing secretaries, the CTBA and TOC determined the California breeding program needed to be promoted. There were numerous meetings of industry representatives, and it was

decided to craft a program to enhance purses. Mr. Fravel said the process was not a struggle, as it depended on industry consensus. Chairman Brackpool stated it had the feel of a struggle, because everyone was just dividing up the pool. Commissioner Rosenberg said he was not opposed to helping purses, but was the CMC money used to supplement purses really promoting horse racing? Vice-Chairman Israel said the common definition of marketing was outreach to the public to expand and attract horse racing fans. Yet, it appeared the CMC definition was turned into a purse supplement. Mr. Fravel agreed that the purse alternative in the 2010 CMC budget was a purse supplement, and the 2009 option attempted to jump start a promotional program for breeding. He stated purse supplements were historically used as promotional activities. The issue could be debated, and reasonable people could disagree. The CMC believed the purse supplements were the proper thing to do considering the current environment. Vice-Chairman Israel said that could be warranted, but the question was: should there be a CMC? Was there another way to distribute funds to supplement purses? What was the point of having a CMC if it was not engaged in a coherent, concerted marketing effort that cut across all seasons and helped the entire industry? Why not let the tracks keep the dollars that funded the CMC so they could use them as they saw fit? Commissioner Brackpool stated the CMC enabling legislation would soon sunset. It did not appear that the Board would support continuing the program on an ongoing basis. There were funds allocated for staffing and marketing, but they were not going to items directly related to marketing. The industry should have a debate about whether the funds should supplement purses, or if the funds should actually be used to market horse racing. Commissioner Rosenberg said the CMC enabling statute required that each year a marketing and promotion plan

should be submitted to the Board – before the yearly plan took place. Part of the problem was that there were no plans submitted. Chairman Brackpool stated the Board was not debating how the CMC funds were used, it was expressing unhappiness that the CMC had not submitting its marketing plans to the Board, which was a direct violation of the enabling statute. Vice-Chairman Israel said given the legislation's sunset clause, the Board and the Legislature should question if there was a purpose for the CMC to exist, and would the CMC's funding be better spent elsewhere? It would be more honest and direct to call it a purse supplementary fund and not have the overhead necessary to determine how the funds were spent. Commissioner Harris commented that when the CMC legislation was written the idea was to promote satellite wagering. Advance deposit wagering (ADW) did not exist, and horse racing was not in such a steep decline. The CMC funds came from the satellite wagering facilities, not the racetracks or ADW. That meant the amount of funding had declined and the needs of horse racing turned the CMC into a slush fund. The entire concept needed to be reinvented. Vice-Chairman Israel said he would be more supportive if there was evidence of a coherent, ongoing marketing plan. It would be nice to see the Southern California thoroughbred associations all operating with a united, seamless marketing plan, but they were not. It was every association for itself with no concerted effort to attract fans to the sport. The racing associations were operating under seasonal monopolies, so Hollywood Park was not competing against Santa Anita, or against Del Mar. That meant there should be a way for the CMC to benefit the entire industry instead of individual tracks. Commissioner Rosenberg commented he was impressed with the racing fair portion of the materials supplied by the CMC. There was a clear plan for spending the \$250,000

allocated to the fairs. Darrell Vienna of the California Thoroughbred Trainers said the CMC enabling legislation did not provide for purse supplementation, but it did provide that the CMC should provide the Board with a statewide marketing and promotion plan, and a thoroughbred trainers' workmen's compensation plan, which had not been included since 2005. Mr. Vienna said the trainers did not have a voice on the CMC. James Allred, aka Jimmy the Hat, a professional gambler, spoke about his concerns regarding the current state of the horse racing industry. He explained several of his ideas for attracting new fans and underserved populations. Chairman Brackpool suggested that Mr. Allred consider attending the upcoming meeting of the Committee on Innovative Marketing and Promotion of Horseracing. In addition, he asked that Mr. Allred share his list of ideas with the Board. John Bucalo of the Barona Casino spoke about his concerns regarding the promotion of horse racing and the need for CMC accountability. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding the CMC.

DISCUSSION AND ACTION BY THE BOARD REGARDING A REPORT BY A REPRESENTATIVE OF THE OWNERSHIP OF HOLLYWOOD PARK AS TO ITS FUTURE STATUS AS A RACING VENUE.

Rod Blonien, representing Hollywood Park, spoke about the history of Hollywood Park as it related to its purchase by Stockbridge Partners. Chris Meany of Stockbridge Partners stated that while his organization would operate its racetracks to the best extent it could, it would also work to prepare for a future if the industry was not fixed. Stockbridge Partners actually set up two businesses to handle Hollywood Park. The horse racing arm, which was run by Jack Liebau, was instructed to run the racetrack for the long term, and investments in the track were never limited by the idea that it would

close. However, Stockbridge Partners had invested heavily in preparing for the future if industry solutions did not work. Hollywood Park was important to the industry, and to the City of Inglewood, which was adversely affected by the decline of horse racing. In the summer of 2009 a master plan and long-term development agreement with the City of Inglewood was approved. The agreement required that Stockbridge Partners begin developing the Hollywood Park property within 15 years. If that were the case, the agreement would be extended for another five years. The agreement also stated that Hollywood Park would operate as a racetrack until the day construction began. Chairman Brackpool asked what investments had been made in the Hollywood Park facility besides the synthetic racing surface. Mr. Liebau said there were improvements in the paddock, and now all horses could be saddled in stalls. He stated the total cost of improvements to Hollywood Park Race Track was eight to ten million dollars. Vice-Chairman Israel said it was clear that within five to 20 years Hollywood Park would be developed. The problem for the industry was long term planning because the industry did not know if or when the racing schedule would change. Hollywood Park had the benefit of being able to budget and plan ahead for up to two decades, but the industry could not plan more than two meets ahead. All Hollywood Park ever agreed to was a six-month warning. That might work for Hollywood Park; it did not work for the industry and it affected the possible value of Santa Anita due to uncertainty. Chairman Brackpool asked what the lead time was to determine when Stockbridge Partners would begin developing Hollywood Park. Mr. Meany said the market needed to be appropriate and all the pieces needed to be in place. Stockbridge Partners would also look at the status of the industry. Hollywood Park could not commit to more than one race meeting at a time. Vice-

Chairman Israel said it did not seem unreasonable for the Board to ask for a plan from Hollywood Park. If there were unforeseen changes in the economy, Hollywood Park could ask for modifications. Hollywood Park could do better than stating it would commit to only one meeting at a time. Mr. Meany said Stockbridge Partners had to balance its efforts to run Hollywood Park with the reality that the decline in racing revenues was adversely impacting investors and the City of Inglewood. Stockbridge Partners had invested heavily in initiatives to enhance gambling and the industry. If that happened, Hollywood Park would remain open. However, Stockbridge Partners could not accomplish that goal alone, and it had yet to see an industry answer. So, there was a development agreement in place, and infrastructure plans were being drawn, and Stockbridge Partners was working with the city to process tentative tract maps. Construction would not start until such work was done. The difficult part was predicting the economy. Stockbridge Partners commissioned many market reports. One land economist reported land was in short supply in coastal California, and as soon as the economy started to normalize, its value would be apparent from 2011 through 2013. That meant the redevelopment of Hollywood Park was near. Conversely, other economists predicted California would endure a decade of bad market conditions due to its continuing budget problems. Mr. Meany stated Stockbridge Partners did not know which predictions would come true, but it would not start redeveloping Hollywood Park until it was sure conditions were right. He added at the City of Inglewood State of the City Address on March 18, 2010, it was declared that given the current performance of Hollywood Park, the City's highest priority was redeveloping the facility as soon as possible. Stockbridge Partners would not do that, though, until it saw signs of economic

recovery. Vice-Chairman Israel said the Board respected Stockbridge Partners' desire to be flexible in determining when it would redevelop Hollywood Park. Yet, it was not unreasonable for the Board to ask that the industry's need to make future plans be added to Stockbridge Partners' calculations. Commissioner Moss said he understood the price for redeveloping Hollywood Park was around \$2 billion. Was Stockbridge Partners thinking of redeveloping the facility all at once, or would it be done in stages? Mr. Meany said Stockbridge Partners would first create the horizontal infrastructure, such as streets and utilities. Stockbridge Partners would not build all of the buildings; it would sell sites to others. That meant the buildings would go up in phases. Unfortunately, the utilities, the sewer and water lines, would impact parts of the track. Stockbridge Partners did have plans to rebuild the casino and the pavilion, and because of infrastructure work, that had to take place in advance of the destruction of the grandstand and racetracks. So, there would be a certain amount of phasing, but it was difficult. Vice-Chairman Israel said Stockbridge Partners indicated it wanted to work in the best interests of the community. The City of Inglewood was a community, but the Board represented the community of horse racing, which moved from track to track and employed thousands of people. Improvements could be made at every racing facility if there were an economic incentive. The Board would like to see improvements made in racing facilities that were long term and that would attract more customers. To that end, the Board and the industry needed definitive answers in a relatively short period of time so it could plan for the future of Del Mar, Pomona and Santa Anita. Commissioner Derek asked how long it would take Stockbridge Partners to get infrastructure approval. Mr. Meany said the soonest approval could be granted was probably in one year. Chairman Brackpool

commented he was an optimist, but the idea that in 12 months the industry could improve to a degree that it made more sense for Stockbridge Partners to operate a race meeting made no sense. The Board knew that ultimately redevelopment was the goal. In the issue at hand, the Board had a responsibility to the family of thoroughbred interests. The Board and the industry planned to approach the Legislature to improve horse racing, and the allocation of monies was one to the items to look at. If a new source of funds was found, Hollywood Park's demise would have to be taken into account and resources directed to a plan B backup. Chairman Brackpool said he would like to try and explore if there was a timeline that had various conditions attached, but that would give the industry a sense of security and would guarantee Hollywood Park would not take a share of any new income for six months, then disappear. Mr. Meany said Stockbridge Partners understood that it – and the Board - had to address thoroughbred interests. It was not true that Stockbridge Partners bought Hollywood Park with the sole idea of redeveloping the property. Rather, Stockbridge Partners invested tens of millions of dollars in an effort to effect change in the horse racing industry. Chairman Brackpool said the Board looked forward to working with Hollywood Park to effect some changes. David Stilwell of the Service Employees International Union spoke about the concerns of labor with regards to the possible closure and redevelopment of Hollywood Park. Richard Castro of the Pari-Mutuel Employee's Guild stated that when his organization negotiated the amendment to its contract, Hollywood Park indicated it would remain open until 2014. He said he hoped that would be the case. Jerry Jamgotchian, a horse owner, spoke about the pending closure of Hollywood Park.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A HORSE RACING MEETING OF THE HOLLYWOOD PARK RACING ASSOCIATION, LLC (T) AT HOLLYWOOD PARK, COMMENCING APRIL 21, 2010 THROUGH JULY 18, 2010, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the Hollywood Park Racing Association (HPRA) proposed to run from April 21, 2010 through July 18, 2010 for a total of 60 days. Originally HPRA was allocated 65 days, but it was requesting the elimination of live racing on the dates specified in the staff analysis, and it was requesting the addition of racing on July 7, 2010. HPRA would run five days per week, and the first post time would be 1:00 p.m., daily. Ms. Wagner stated the staff analysis indicated several items were missing from the application. However, the promotional plan and the fire clearance were received. The advance deposit wagering (ADW) providers were TVG, YouBet, Xpressbet and Twinspires. Documentation was missing from Xpressbet and Twinspires. Ms. Wagner said staff recommended the Board approve the application pending receipt of the outstanding items. Staff also recommended that the applicant be required to come before the Board at a future date to address the status of the outstanding documents and to remove the contingency status from the Board's approval. Ms. Wagner commented staff was working with HPRA to get the missing ADW documentation. Vice-Chairman Israel asked if HPRA could project the horse population. Eual Wyatt of HPRA said the significant decrease in the Southern California horse population, as well as the Monmouth Park project, which would open in May 2010, would affect the horse inventory. Chairman Brackpool said HPRA was very successful with its Friday evening concert series. The series attracted a lot of young people; however, HPRA did not seem to be successful in turning many of those concert attendees into horse racing fans. The HPRA marketing plan did not seem to address the issue. He asked if HPRA had any

plans to make the concert attendees into horse racing fans. Mr. Wyatt said night racing began at HPRA in 1993. HPRA thought it would be a good marketing tool, and it would attract a younger demographic who would become horse players when they had more discretionary income. However, simple exposure did not result in a universal love of the sport. Chairman Brackpool stated that if over 15 years simple exposure to horse racing did not work, HPRA must have some new ideas. Mr. Wyatt said HPRA held handicapping seminars and tried to educate the Friday night attendees, but it did not work. The Friday night crowd was there for the social and entertainment aspect of the evening. Commissioner Choper asked if HPRA tried to attract an older demographic. Mr. Wyatt said HPRA did try to attract older persons by offering reduced admission prices. There were other things HPRA could try to do on Friday nights, and it was willing to try anything. Commissioner Choper said he did not know if HPRA had to try and attract seniors on Friday nights, but it should be more aggressive than simply giving discounts on admission. Commissioner Rosenberg said HPRA had \$350,000 allocated towards talent for its Friday night concerts. He asked if HPRA recouped that money in food and beverage sales. Mr. Wyatt said HPRA absolutely recouped the money. Diane Grealish of HPRA said her organization was venturing into new areas; primarily the short message services that reached out to patrons on phones and mobile platforms. Ms. Grealish described other venues HPRA used to advertise its concerts. Vice-Chairman Israel asked if HPRA had its performers play one or two numbers before racing began. Ms. Grealish said "yes." She added HPRA charged a higher admission after 10:00 p.m. in an effort to expose the crowd to racing. Ms. Grealish explained where the concerts were held, and activities HPRA used to gather data to continue to market to the people

who attended the concerts. Vice-Chairman Israel asked why HPRA wanted to be dark on Thursdays instead of running four consecutive days. Mr. Wyatt said all the Churchill Downs properties were going dark on Wednesdays. HPRA hoped to get a larger share of the market if it was one of the two major signals on Wednesdays. Conversely, being simulcast only on Thursdays provided an abundance of product that was absent Wednesdays. Commissioner Rosenberg commented there was an \$111,000 payment to the National Thoroughbred Racing Association (NTRA) during the meeting. Mr. Wyatt stated that was the agreed upon membership fee. Jack Liebau said the NTRA dues were based on handle. Commissioner Derek asked what HPRA got for the money. Mr. Liebau said the NTRA was helpful with national legislation, and it communicated nationally to fans. He added the NTRA's biggest current initiative was the Safety Alliance. Commissioner Moss **motioned** to approve the application for license to conduct a horse racing meeting of HPRA. Vice-Chairman Israel **seconded** the motion, which was **unanimously carried**. CHRB Executive Director Kirk Breed said the night industry was applying to be dark on the nights HPRA would be dark. He added approval of the requests would be handled administratively. Jerry Jamgotchian, a horse owner, spoke about his concerns regarding the HPRA application.

DISCUSSION AND ACTION BY THE BOARD REGARDING: A) AN UPDATE FROM MAGNA ENTERTAINMENT CORPORATION CONCERNING ITS BANKRUPTCY FILING; RACING OPERATION AND THE STATUS OF STATUTORY FUNDS THAT MAY STILL BE OWED MONEY FOR PRE AND POST BANKRUPTCY PETITION DEBTS AND B) THE PROPOSED POST BANKRUPTCY BUSINESS STRUCTURE OF MAGNA ENTERTAINMENT CORPORATION AND MID DEVELOPMENTS, INCLUDING OFFICERS AND DIRECTORS OF BOTH ORGANIZATIONS AND THE CROSS SHARE HOLDINGS OF THE ENTITIES.

Gregg Scoggins, representing Magna Entertainment Corporation (MEC), stated his organization supplied the Board with information it requested relative to claims that were California based. MEC also provided an executive summary of the plan that was issued. He added there would be an amended plan issued within the last week of March 2010, which would update the plan currently before the bankruptcy court. Chairman Brackpool said he hoped the amended plan would incorporate changes suggested by the CHRB. He asked if MEC would support the CHRB motion. Mr. Scoggins said the CHRB had a role to play in the bankruptcy, but he could not guarantee the success of its motion, or state whether MEC agreed. Mr. Scoggins said the materials provided to the Board showed the current ownership structure, and if the necessary regulatory approvals were obtained, the proposed ownership structure. Mr. Scoggins explained the proposed ownership structure. Chairman Brackpool asked what the purpose of the multiple subsidiary treatments was and what was MEC trying to protect and/or avoid paying by having that structure. Mr. Scoggins stated he could not give the Board an answer because it was not his role to make those kinds of decisions. He said in his experience it was common to have multiple subsidiaries, and tax attorneys advised that was the way to structure the entity. Chairman Brackpool said the Board would need an explanation of the reasons for the structure, and the separation of the land from the operation of the track. Mr. Scoggins stated he would

provide a response as soon as possible. Chairman Brackpool said the Board would like a response within a week. Commissioner Harris asked who would guarantee the licensee association. Mr. Scoggins said he would not expect any changes from where the structure currently was, as MI Developments was the owner of MEC. Commissioner Harris said the Board did not wish to get into the same situation with another bankruptcy. Vice-Chairman Israel said HRTV was not on the chart. Mr. Scoggins said HRTV would fall under MI Developments as a subsidiary. Chairman Brackpool commented there would be officer changes, but no management changes. He asked what that actually meant. Mr. Scoggins said under the current structure MEC officers served as directors and executive officers of the various MEC owned subsidiaries. That practice would continue with the new entity. MI Developments would appoint directors of Los Angeles Turf Club (LATC) and Pacific Racing Association (PRA), and it would appoint additional officers. No changes in the day-to-day management meant the persons who were currently managing LATC and PRA would remain in place. Chairman Brackpool said that meant LATC and PRA management reported to new persons. Mr. Scoggins stated that was correct. Ronnie Lang, a horse racing fan, spoke about his concerns regarding difficulties with advance deposit wagering. Jerry Jamgotchian, a horse owner, spoke about his concerns with the lessons that could be learned from the MEC bankruptcy.

MEETING ADJOURNED AT 1:45 P.M.

A full and complete transcript of the aforesaid proceedings are on file at the office of the California Horse Racing Board, 1010 Hurley Way, Suite 300, Sacramento, California, and therefore made a part hereof.

Chairman

Executive Director

CALIFORNIA HORSE RACING BOARD

APRIL 15, 2010
REGULAR BOARD MEETING

There is no board package material for Item 3

STAFF ANALYSIS
PUBLIC HEARING AND ACTION REGARDING THE PROPOSED AMENDMENT OF
CHRB RULE 1689, SAFETY HELMETS REQUIRED, TO ESTABLISH AND/OR REVISE
STANDARDS FOR SAFETY HELMETS WORN BY ANY PERSON MOUNTED ON A
HORSE ON THE RACETRACK, MOUNTED IN OR RIDING ON A SULKY, OR
WORKING AS A MEMBER OF THE GATE CREW

Regular Board Meeting
April 15, 2010

BACKGROUND

Business and Professions Code section 19420 provides that jurisdiction and supervision over meetings in this State where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings, is vested in the California Horse Racing Board (Board). Business and Professions Code section 19481 states that in performing its responsibilities, the Board shall establish safety standards governing equipment for horse and rider to improve the safety of horses, riders, and workers in the racing inclosure. Board Rule 1689, Safety Helmets Required, provides that a racing association may not permit any person to gallop or pony a horse, to ride a horse in a race or be mounted in or riding on a sulky unless the person is wearing a properly fastened safety helmet.

At the July 23, 2009 Regular Board Meeting, the California Horsemen's Safety Alliance (CHSA) presented technical information regarding the testing of safety helmets. In addition, several proposed texts of an amendment to Rule 1689 were provided to the Board for consideration. The Board decided to refer further discussion on the proposed amendment of Rule 1689 to the Safety Committee (committee).

A committee meeting was held on September 4, 2009 to discuss the CHSA and Jockey Guild recommendations regarding the proposed amendment to Rule 1689. The committee determined it would recommend that Rule 1689 be amended to provide that a racing association, fair, or authorized training facility may not permit any person to gallop or pony a horse, to ride a horse in a race, or be mounted in or riding on a sulky, unless the person is wearing a properly fastened safety helmet that meets at least one of four specified product standards.

At its October 15, 2009 Regular Meeting, the Board accepted the committee recommendation, and added "any person handling a horse on the racetrack" to the list of those required to wear a safety helmet. Staff was directed to initiate a 45-day comment period regarding the proposed amendment to Rule 1689.

The proposed amendment to Rule 1689 was again discussed at the Board's November 17, 2009 Regular Meeting. At that meeting, the issue of whether a trainer walking his horse on the racetrack should be required to wear a safety helmet was discussed, as the proposed language

requiring any person handling a horse on the race track to wear a safety helmet could be construed to mean trainers walking horses would be required to wear a helmet. The CTT representative commented that the CTT believed the text that the Board directed staff to notice for 45 days was similar to the current regulation, which requires any person galloping, ponying or riding a horse in race to wear a safety helmet. Trainers walking a horse would not be required to wear a safety helmet, and to require trainers to wear a helmet when just sitting on a pony on the track, or grooms to wear a helmet when walking a horse off the track after a race would be over regulating.

The CTT concurred with the addition of the proposed safety product standards, however it objected to the proposed text: "any person handling a horse on the racetrack," and recommended the text be deleted and replaced with: "or works as a member of the gate crew." A spokesman for the Teamsters Union, which represents the gate crews, supported the proposal to require gate crews to wear helmets.

A Hollywood Park representative commented that under Hollywood Park's house rules anyone mounted on a horse would be required to wear a helmet. This was the basis of the National Thoroughbred Racing Association (NTRA) certification for Hollywood Park. Trainers or anyone else mounted on a horse would be required to wear a safety helmet at the Hollywood Park race track.

The Board ultimately deleted the language requiring "any person handling a horse on the racetrack" to wear a helmet and added language requiring any person working as a member of the gate crew to wear a helmet. The Board determined that individual tracks, however, could implement house rules requiring anyone mounted on a horse to wear a helmet.

During the 45-day public comment period, staff received one comment from Jack Liebau, President of Hollywood Park. Mr. Liebau suggested the Board amend Rule 1689 to require anyone mounted on a horse on a racetrack to wear the prescribed helmet. A public hearing was held on February 19, 2010 and the Board determined it would add language requiring anyone mounted on a horse on the racetrack to wear a safety helmet, as specified. The proposed amendment was subsequently noticed to the public for a 15-day comment period.

ANALYSIS

The proposed amendment to Rule 1689, as originally noticed for 45 days, adds any person working as a member of the gate crew to the list of those who must wear a safety helmet. For purposes of the rule, a member of the gate crew includes any person licensed as an assistant starter or any person who handles a horse at the starting gate. The amendment also establishes new standards requiring that safety helmets comply with at least one of the following four product standards: American Society for Testing Materials (ASTM) standard F1163-04a, European Norms (EN) standard 1384, Australian and New Zealand Racing Boards (AS/ZN) standard 3838, and Snell Memorial Foundation (Snell) standard H2000. These standards were recommended by the CHSA and Jockeys' Guild.

The proposed amendment to Rule 1689, Safety Helmets Required, as noticed during the 15-day comment period, includes the originally noticed amendments and adds anyone mounted on a horse on the racetrack to the list of those who must wear a safety helmet. For purposes of the rule, "racetrack" is defined as the racing surface of the racing or training track.

During the 15-day public comment period, the following two comments were received:

Steward, C. Scott Chaney commented that, under the proposed changes to Rule 1689, licensees would not be required to wear safety helmets while on horseback when not on the racetrack. He suggested the Board amend Rule 1689 to expand the proposed changes to anyone mounted on a horse anywhere on the grounds, not just on the racetrack. Specifically, he suggested the Board substitute the word "premises" for "racetrack" in the proposed amendment.

As a condition of its accreditation by the NTRA Safety and Integrity Alliance, Hollywood Park enforces a house rule requiring any person mounted on a horse on the *racetrack* to wear a helmet. At the February 19, 2010 Regular Board Meeting, a Hollywood Park representative recommended that the Board amend Rule 1689 to mirror the Hollywood Park house rule. The Board subsequently determined it would add language requiring anyone mounted on a horse on the racetrack to wear a safety helmet, with "racetrack" meaning the surface of the racing or training track.

Assistant Starter, Mike Sherlock submitted a letter signed by 13 assistant starters, expressing disapproval of the language originally noticed to the public during the 45-day comment period requiring assistant starters to wear a safety helmet. He and the other assistant starters who signed the letter believe that wearing helmets would alter their peripheral vision and would hinder the performance of their duties. (*Note: The gate crew written comments fall outside the scope of the 15-day public comment period, and are included for information purposes.*)

At its November 17, 2009 Regular Meeting the Board determined it would amend Rule 1689 to require individuals working as members of the gate crew to wear a safety helmet. The decision to include these individuals was made due to concerns over their safety. The Teamsters Union, which represents the gate crews, supported the proposal to require members of the gate crew to wear helmets.

RECOMMENDATION

This item is presented to the Board for public hearing and adoption.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 8. RUNNING THE RACE
PROPOSED AMENDMENT OF RULE 1689, SAFETY HELMETS REQUIRED

Regular Board Meeting
April 15, 2010

Single Underlined text represents the original language as noticed to the public on December 4, 2009.

Deletions to the noticed text appear as ~~Double Strikethrough~~ and new text appears as Double Underlined.

1689. Safety Helmets Required.

(a) A racing association, fair, or authorized training facility may not permit any person to be mounted on a horse on the racetrack ~~gallop or pony a horse, to ride a horse in a race,~~ or be mounted in or riding on a sulky, or work as a member of the gate crew unless the person is wearing a properly fastened safety helmet.

(1) For purposes of this regulation, a member of the gate crew means any person licensed as an assistant starter or any person who handles a horse at the starting gate.

(2) For purposes of this regulation, "racetrack" means the surface of the racing or training track.

(b) Safety helmets required under subsection (a) of this rule shall comply with one of the following product standards:

(1) American Society for Testing Materials (ASTM) standard F-1163-04a, or

(2) European Norms (EN) standard 1384, or

(3) Australian and New Zealand Racing Boards (AS/ZN) standard 3838, or

(4) Snell Memorial Foundation (Snell) standard H2000.

Authority: Sections 19420 and 19440,
Business and Professions Code.

Reference: Sections 19481 and 19460,
Business and Professions Code.

CALIFORNIA HORSE RACING BOARD
285 WEST HUNTINGTON DRIVE
ARCADIA, CA 91007
(626) 574-6432
FAX (626) 821-1510



21 March 2010

Please allow this to serve as a comment on the proposed changes to California Horse Racing Board rule 1689 (Safety Helmet Required). Despite the changes, it appears that licensees would not be required to wear safety helmets while on horseback when not on the racetrack (i.e. the stable area, paddock, pathways, etc.). A simple solution to this omission might be to substitute "premises" for "racetrack.." The word "premises" is defined in CHRB rule 1420 (Definitions) and would expand the proposed changes to anyone mounted on a horse anywhere on the grounds. It would also eliminate the need to define "racetrack" in the amended rule.

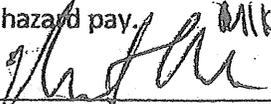
Respectfully,

A handwritten signature in black ink, appearing to read "C. Scott Chaney".

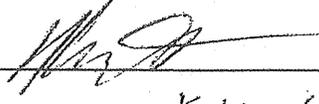
C. Scott Chaney
Steward, Santa Anita

1. Assistant starters believe wearing helmets would alter our peripheral vision and be more of a hindrance than an asset to perform our duties.

If there is concern with our safety then why wouldn't the CHRB look into the harmful chemicals the surface may be admitting into our systems on a daily basis. If the CHRB insists on making us wear helmets then they are condoning this is a hazardous job . We would expect on receiving hazard pay.

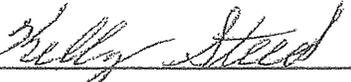
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Kevin Steed

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Kyle Lopez

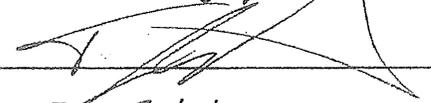
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Gilbert V. Cardenas

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Tim Craigmyle

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Tim Folgham

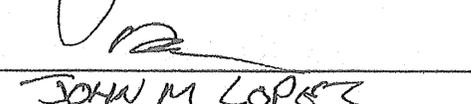
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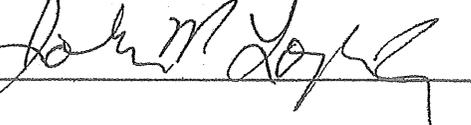
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John M Lopez

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John M Lopez

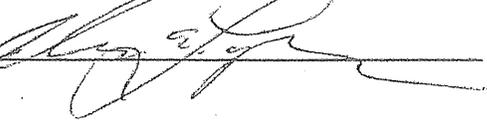
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John E. Lopez

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CALIFORNIA HORSE RACING BOARD

APRIL 15, 2010
REGULAR BOARD MEETING

There is no board package material for Item 5

DISCUSSION AND ACTION BY THE BOARD
ON THE REQUEST FROM THE CALIFORNIA AUTHORITY OF RACING FAIRS
(CARF), TO DESIGNATE THE FOLLOWING ALLOCATED RACE DATES AS A
COMBINED FAIR HORSE RACING MEETING, PURSUANT TO BUSINESS AND
PROFESSIONS CODE SECTION 19549.1:

SAN JOAQUIN COUNTY FAIR, JUNE 16, 2010 THROUGH JUNE 20, 2010;
ALAMEDA COUNTY FAIR, JUNE 23, 2010 THROUGH JULY 11, 2010;
HUMBOLDT COUNTY FAIR, AUGUST 12, 2010 THROUGH AUGUST 22, 2010
AND THE BIG FRESNO FAIR, OCTOBER 6, 2010 THROUGH OCTOBER 17, 2010

Regular Board Meeting
April 15, 2010

BACKGROUND

Business and Professions Code section 19549.1 states the Board may allocate horse racing days for mixed breed meetings and combined fair horse racing meetings pursuant to Section 4058 of the Food and Agricultural Code. Business and Professions Code section 19549.1(a) provides the dates may only be allocated for a combined fair horse racing meeting between June 1 and October 31. The California Horse Racing Board (CHRB) approved the 2010 race dates calendar at the November 17, 2009 Regular Board Meeting. The following fairs were approved to conduct a mixed breed horse racing meeting:

- San Joaquin County Fair – June 16-20, 2010 (5 race days)
- Alameda County Fair – June 23- July 11, 2010 (15 race days)
- State Fair/Cal Expo – July 14 - 25, 2010 (10 race days)
- Santa Rosa – July 28 - August 15, 2010 (15 race days)
- Humboldt – August 12 - 22, 2010 (9 race days)
- Big Fresno Fair – October 10 -17, 2010 (10 race days)

ANALYSIS

The California Authority of Racing Fairs (CARF), a California joint powers authority operating on behalf of its member fairs, has requested that the Board designate the racing dates listed above as a “combined fair horse racing meeting,” for a total of 64 combined actual race dates. However, each racing fair would submit the “normal” license application for its segment of the combined race meeting.

Under Business and Professions Code section 19549, a fair may be allocated a maximum of four weeks of racing each year. The 2010 allocated fair race dates fall well beneath this maximum.

In submitting its request for a combined fair race meeting CARF maintains, as it did in 2009, that a designation of “...a combined fair horse racing meeting will allow Northern California racing Fairs the mechanism needed to conduct the dates allocated by the

Board for 2009...[and] will allow flexibility in planning for a changing calendar in Northern California.”

This is essentially the same request that was submitted to the Board and approved in 2009.

In 2007 the Board approved a request from the Solano and Sonoma County Fair to conduct a combined fair horse racing meeting. The Solano County Fair Association and the Sonoma County Fair and Exposition, Inc. entered into a Joint Powers Agreement to combine their fair dates and conduct a four-week mixed breed horse racing meet called the “Sonoma Solano Wine Country Racing.” The combined race meeting was introduced to increase handle and attendance. Additionally, the change in the Sonoma County Fair race dates gave fans one more week of turf racing in Northern California.

The 2007 Sonoma Solano Wine Country Racing meeting was marketed as a combined race meeting. CARF’s 2009 proposal for a combined race meeting did not include plans to promote the fair race dates as a combined race meeting.

In 2007 Sonoma and Solano submitted individual license applications for their respective segments of the combined Sonoma Solano Wine Country Racing meeting. However, specific sections of the applications were modified to capture information reflecting the combined race meeting.

CARF maintains a precedent has been set for combined race meetings. However, questions have arisen with the advent of the combined fair race meetings. What are the advantages of a combined fair race meeting versus the traditional fair meetings? The advantages have not been adequately explained to the Board, nor has CARF explained who is responsible/liable for the combined race meeting; who is the licensee, CARF or the individual fairs?

The 2009 combined fair meeting generated an under-payment of purses that has yet to be paid. Are the individual fairs, or is CARF responsible for the underpayment? There are other issues, such as the distribution of the supplemental purse fund for the 2010 fairs, and the criteria used for the distribution. Does the Thoroughbred Owners of California and the Pacific Quarter Horse Racing Association recognize the need for a combined race meeting, and how would the horsemen’s agreements be handled?

Given all these factors staff recommends the Board not approve CARF’s request for a combined fair race meeting.

RECOMMENDATION

Staff recommends that the Board not designate the 2010 fair race dates as a combined fair race meeting.

The Board may wish to hear from the CARF representative.



a California joint powers agency

1776 Tribute Road, Suite 205
 Sacramento, CA 95815
 Office: 916.927.7223 Fax: 916.263.3341
 www.calairs.com

March 30, 2010

Mr. Keith Brackpool, Chairman
 California Horse Racing Board
 1010 Hurley Way
 Sacramento, CA 95815

VIA e-mail and USPS

Dear Mr. Brackpool,

Pursuant to Food and Agricultural Code Section 4058 and Business and Professions Code Section 19549.1 (excerpts attached), the California Authority of Racing Fairs (CARF) requests that the Board designate the following 2010 racing dates as a combined Fair horse racing meeting.

- San Joaquin County Fair
- Alameda County Fair
- Humboldt County Fair
- Fresno District Fair

We are requesting that license applications for each segment of the combined Fair horse racing meeting be filed in the usual manner.

A combined Fair horse racing meeting allows Northern California racing Fairs the mechanism and the flexibility needed to plan for and adapt to a changing calendar in Northern California.

We note two precedents: In 2007, the Board designated the Solano and Sonoma County Fairs as a combined Fair horse racing meeting; in 2009 the Board designated the San Joaquin, Alameda, Solano, Humboldt and Fresno Fair racing dates as a combined Fair horse racing meeting.

Respectfully submitted

Christopher Korby
 Executive Director

Attachments: 2

CODE SECTION EXCERPTS PERTINENT TO CONDUCT OF A COMBINED FAIR HORSE RACE MEETING

FOOD AND AGRICULTURAL CODE SECTION 4058

4058. (a) Notwithstanding Section 4052, the California Exposition and State Fair, a district agricultural association fair, or county fair in the northern zone, with the approval of the Department of Food and Agriculture, may form an entity for conducting combined fair horseracing meetings and utilize their racing facilities for conducting horseracing meetings, with parimutuel wagering, on days other than the days on which general fair activities are conducted. A combined fair horseracing meeting pursuant to this section shall be a general fair activity for the purpose of Section 19549 of the Business and Professions Code.

(b) The association shall designate certain days of a mixed breed meeting held pursuant to this section as charity days with the proceeds therefrom to be distributed in accordance with Sections 19550 and 19556 of the Business and Professions Code.

(c) The association shall encourage the racing of emerging breeds of horses.

Business and Professions Code Horse Racing Law

19542. Notwithstanding any other provision of law, fairs that conduct live horse racing meetings in the northern zone may allow a joint powers authority to administer and distribute purses and to achieve the purposes of Section 19606.4.

19549.1. Notwithstanding Sections 19533 and 19549 or any other provision of this chapter, the board may allocate horse racing days for mixed breed meetings and combined fair horse racing meetings pursuant to Section 4058 of the Food and Agricultural Code, except as follows:

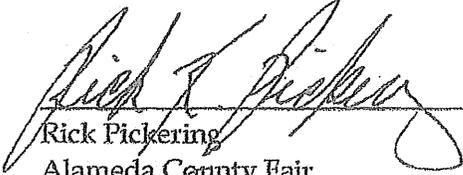
(a) Dates may only be allocated for a combined fair horse racing meeting between June 1 and October 31.

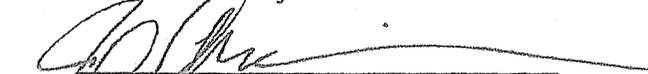
(b) Days may not be allocated for a mixed breed meeting or a combined fair horse racing meeting during the month of June at the California Exposition and State Fair if a standardbred meeting is being conducted at that facility during the month of June.

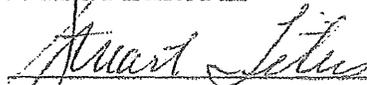
The mixed breed meetings shall be conducted by a person other than the fair and shall be subject to Section 19550. The mixed breed meetings shall encourage the racing of emerging breeds of horses.

-AGREEMENT-
COMBINED FAIR HORSE RACING MEETING

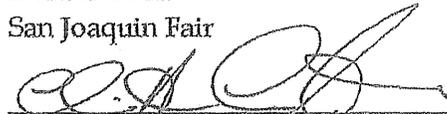
The undersigned Fairs agree to and confirm their participation in a combined Fair horse racing meeting pursuant to California Food and Agriculture Code Section 4058 and Business and Professions Code Section 19549.1 ff. This agreement is effective April 24, 2009, and will remain in effect until a participating Fair gives notice in writing to CARF that withdraws from participation. These Fairs designate California Authority of Racing Fairs (CARF) to act on their behalf to conduct the combined Fair horse racing meeting.

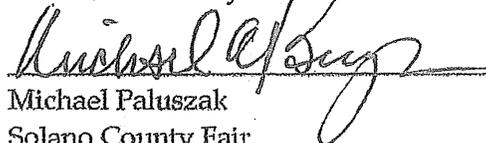

Rick Pickering
Alameda County Fair


John Alkire
Fresno District Fair


Stewart Titus
Humboldt County Fair


Debbie Cook
San Joaquin Fair


Chris Carpenter
San Mateo County Fair


Michael Paluszak
Solano County Fair

STAFF ANALYSIS

April 15, 2010

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE ALAMEDA COUNTY FAIR AT PLEASANTON JUNE 23, 2010 THROUGH JULY 11, 2010

Alameda County Fair (ACF) filed its application to conduct a horse racing meeting at Pleasanton as part of the 2010 combined fair horse racing meeting:

- June 23 - July 11, 2010, or 16 days, one more than 2009. The fair proposes to race a total of 172 races, 16 more than 2009. California Authority of Racing Fairs (CARF) has submitted a request to CHRB for permission to run a 2010 combined fair horse racing meeting. Subsequently, if CARF's request is approved the Alameda County Fair plans to participate in the 2010 combined fair race meeting.
- In 2009 the Alameda County Fair participated in a combined fair horse racing meeting. The Board approved a request from the California Authority of Racing Fairs at the April 24, 2009, regular meeting to designate the allocated race dates of the San Joaquin County Fair (9 days), Alameda County Fair (15 days), Solano County Fair (5 days), the two CARF at Golden Gate Fields meets (29 days), the Humboldt County Fair (9 days) and the Big Fresno Fair (10 days) as a combined fair horse racing meeting. The total number of race dates allocated to the fairs participating in the combined fair horse racing meeting was 77 days. One known characteristic of the 2009 combined fair race meeting was the extended distribution time for the carryover pool. There were no additional attributes identified in relation to the combined fair race meeting. In 2009 the distribution of the carryover pool for Alameda County Fair was July 26, 2009 (Closing Day of Solano County Fair).
- The distribution of the carryover pool will be July 11, 2010 (Closing Day of Alameda County Fair).
- The proposed race dates are different from what was originally allocated to Alameda County Fair. At the January 15, 2010, regular meeting Alameda County Fair was allocated race dates from June 23, 2010 through July 11, 2010, for a total of 15 racing days. To coordinate racing with Hollywood Park, Alameda County Fair is requesting to add July 7, 2010, increasing the number of racing days from 15 to 16.

June - 2010						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

July - 2010						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

- The application lists ACF racing Wednesday through Sunday the first and third week and Thursday through Monday the second week. 10 races per day Wednesdays, Thursdays, Fridays and Monday. 12 races on Saturdays and Sundays.
 - Number of horses available determines the number of daily races programmed by breed.

- 2009 Race Meeting: Average number of runners per race (TB): 7.91
- 2009 Race Meeting: Average number of runners per race (Arabian): 7.09
- 2009 Race Meeting: Average number of runners per race (Quarterhorse): 7.00
- 2009 Race Meeting: Average number of runners per race (Mules): 6.25

- First post 12:45 p.m.
 - As much as possible, ACF intends to align its post times to compliment the Hollywood park post times.

- Specific changes from the 2009 license application:
 - Reserved Seating (general) increase from \$3 to \$3.50
 - Reserved Box Seats increase from \$3.50 to \$5.00
 - Daily Box Seat increase from \$3 to \$5.00
 - Fun Pack increase from \$25 to \$30

- Request Patrick Kealy be appointed horse identifier pursuant to CHRB Rule 1525.

- Wagering program will use CHRB and ARCI rules.
 - \$1 pick 4 on the first 4 and last 4 races and \$2 pick 6 on the last 6 races.
 - \$1 place pick all on last 10 races.
 - \$1 Pentafecta on last race of the day.
 - Early wagering will not be offered.

- The Advance Deposit Wagering (ADW) providers are XpressBet, TVG, TwinSpires and YouBet.

Pursuant to Business and Profession Code section 19604, specific provisions must be met before an ADW provider can accept wagers.

Summary of B&P code 19604

To accept wagers on races conducted in California from a resident of California.

- The ADW provider must be licensed by the Board.
- A written agreement allowing those wagers exists with the racing association or fair conducting the races on which the wagers are made.
- The agreement shall have been approved in writing by the horsemen's organization responsible for negotiating purse agreements for the breed on which the wagers are made.

To accept wagers on races conducted outside of California from a resident of California.

- The ADW provider must be licensed by the Board.
- There is a hub agreement between the ADW provider and one or both of (i) one or more racing associations or fairs that together conduct no fewer than five weeks of live racing on the breed on which wagering is conducted during the calendar year during which the wager is placed, and (ii) the horsemen's organization responsible for negotiating purse agreements for the breed on which wagering is conducted.

Documents received in compliance with Business and Professions code 19604:

No documents have been received in compliance with Business and Professions Code section 19604.

- Simulcasting conducted with other out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing has been completed.
- Track safety inspection has been requested and will be completed prior to start of race meet.

ITEMS STILL NEEDED:

1. Pertinent contract and/or agreements required pursuant to Business and Professions Code section 19604 that allows Alameda County Fairs designated ADW providers to accept wagers on races conducted in and outside of California for the applied license term.
2. Hub agreement
3. Horsemen agreement(s)
4. Fire clearance
5. Board approval of the proposed 2010 combined fair racing meeting.

RECOMMENDATION:

Staff recommends the Board not approve the application until the outstanding documents have been received.

If the application is considered for approval, staff recommends a contingent approval upon the submission of outstanding items and recommends the applicant be required to appear again before the Board to address the status of the outstanding documents and to remove the contingency status from the Board's approval.

ALAMEDA
COUNTY
FAIRGROUNDS
PLEASANTON

April 2, 2010

Kirk Breed, Executive Director
California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Dear Kirk,

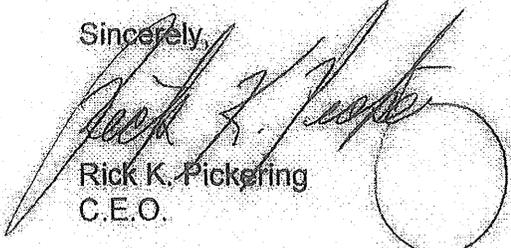
RE: Alameda County Fair – Racing License Application

As requested by CHR B Staff, please accept this letter as a reiteration of our request to conduct Live Racing at the Alameda County Fairgrounds on Wednesday, July 7, 2010. This date was requested by the Fair Association back in November of 2009. At that time it was not certain if Hollywood Park would be running on Wednesday, July 7.

As of the writing of this letter, Hollywood has confirmed that they intend to conduct live racing on Wednesday, July 7, 2010.

Thank you for your ongoing assistance. We hope that you will be able to join us this summer, June 23 through July 11, at the, "Fastest Growing Fair in America!"

Sincerely,


Rick K. Pickering
C.E.O.

cc: Hollywood Park
Golden Gate Fields
CARF

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting of a California fair as authorized by Article 6.5 of the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and in accordance with applicable provisions and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT FAIR ASSOCIATION

A. Name, mailing address, telephone and fax numbers of fair:

Alameda County Agricultural Fair Association
4501 Pleasanton Avenue, Pleasanton, CA 94566
925-426-7600 925-426-7644 (Fax)

B. Fair association is a: District Fair County Fair Citrus Fruit Fair
 California Exposition and State Fair Other qualified fair

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF RACE MEETING

A. Inclusive dates of race meeting: **June 23, 2010 - July 11, 2010**
 B. Dates racing will NOT be held: **June 28 & 29 & July 6, 2010**
 C. Total number of racing days: **16**

3. RACING PROGRAM

A. Total number of races: **172**

B. Number of races by breed:

Thoroughbreds Quarter Horses Appaloosas
 Arabians Paints Mules

C. Number of races daily:

	Wed 6/23	Thurs 6/24	Fri 6/25	Sat 6/26	Sun 6/27	Wed 6/30&7/7	Mon 7/5	Thurs 7/1&8	Fri 7/2 & 9	Sat 7/3 & 10	Sun 7/4 & 11
Thoroughbred	7	8	8	9	10	7	8	8	8	9	10
Other Breeds	3	2	2	3	2	3	2	2	2	3	2
Total	10	10	10	12	12	10	10	10	10	12	12

CHRB CERTIFICATION		Hearing date: 4/15/10
Application received: 3/25/10		Approved date:
Reviewed: <i>[Signature]</i>		License number:

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813.

4. FAIR ASSOCIATION

A. Names of the Fair Directors:

Lil Arnerich	Gordon Galvan	Janet Lockhart	Bonnie Sabraw	Naomi Wallace
Sherman Balch	Patsy Gilbert	Tony Macchiano	Dean Schenone	Ario Ysit
Paul Banke	Frank Imhof	Bill McCammon	Arthur Scott	
Connie Campbell	Patricia Ising	Patrick O'Brien	Richard Sealana	
Jason Chin	Jack Kavanagh	Anthony Pegram	Harvey Smith	
	Jim Knudsen	Charlie Plummer	Anthony Varmi	

B. Names of the directors serving on the Racing Committee or otherwise responsible for the conduct of the racing program:

Lil Arnerich	Gordon Galvan	Jim Knudsen	Harvey Smith	
Paul Banke	Frank Imhof	Bill McCammon	Naomi Wallace	
Connie Campbell	Patti Ising	Tony Macchiano	Ario Ysit	
Jason Chin	Jack Kavanagh	Dean Schenone		

C. Name and title of the fair manager or executive officer and the names and titles of all department managers and fair staff, other than those listed in 9B, who will be listed in the official program:

Name	Title
Rick K. Pickering	C.E.O. and Director of Racing
Randy Magee	C.F.O.
Anthony Pegram	President, Board of Directors
Tom Doutrich	Racing Secretary
Tony Macchiano/Ario Ysit	Co-Chairs, Racing/Satellite Committee
Jeanne Wasserman	Satellite Manager
Jim Burns	Racetrack Superintendent/Maintenance
Bryan Wayte	Mutuel Manager
Frank Mirahmadi	Announcer

5. PURSE PROGRAM

A. Purse distribution:

1. All races other than stakes:

Current meet estimate: \$1,534,210
 Prior meet actual: \$1,658,606

Average Daily Purse (5A1 ÷ number of days):

Current meet estimate: \$ 102,280
 Prior meet actual: \$ 110,573

2. Overnight stakes:

Current meet estimate: \$ 100,000
 Prior meet actual: \$ 100,000

D. Total number of stakes races by breed:

<input type="text" value="3"/>	Thoroughbreds	<input type="text" value="0"/>	Quarter Horses	<input type="text" value="0"/>	Appaloosas
<input type="text" value="0"/>	Arabians	<input type="text" value="0"/>	Paints	<input type="text" value="0"/>	Mules

E. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each.

ALAMEDA COUNTY FAIR ASSOCIATION OVERNIGHT 2010 STAKES SCHEDULE

THOROUGHBRED STAKES

Alameda County Fillies and Mares Handicap – 42nd Running \$50,000 Guaranteed Sat. June 26
 Fillies and Mares 3 years old and upward – 1 1/16 Miles

Alamedan Handicap – 45th Running \$50,000 Guaranteed Sun. July 4
 3-year olds and upward 1 1/16 Miles

Sam J. Whiting Memorial Handicap – 48th Running \$50,000 Guaranteed Sun. July 11
 3-year olds and upward – 6 Furlongs

THOROUGHBRED OVERNIGHT STAKES:

Juan Gonzalez Memorial Stakes – 32nd Running \$50,000 Added Sat. July 3
 Fillies 2-years old Five & 1/2 Furlongs (Plus up to \$15,000 to Cal-Breds)

Everett Nevin Alameda County Stakes – 49th Running \$50,000 Added Sat. July 11
 2-year olds (Cal Bred) – Five & 1/2 Furlongs (Includes \$10,000 to Cal-Breds)

F. Will provisions be made for owners and trainers to use their own registered colors?

Yes No If no, what racing colors are to be used:

G. List all post times for the daily racing program:

Race Number	Weekdays	Weekends & July 4
Race # 1	12:45 p.m.	12:45 p.m.
Race # 2	1:15 p.m.	1:15 p.m.
Race # 3	1:45 p.m.	1:45 p.m.
Race # 4	2:15 p.m.	2:15 p.m.
Race # 5	2:45 p.m.	2:45 p.m.
Race # 6	3:15 p.m.	3:15 p.m.
Race # 7	3:45 p.m.	3:45 p.m.
Race # 8	4:15p.m.	4:15 p.m.
Race # 9	4:45 p.m.	4:45 p.m.
Race # 10	5:15 p.m.	5:15 p.m.
Race # 11		5:45 p.m.
Race # 12		6:15 p.m.

* As much as possible, we intend to align our post times to compliment the Hollywood Park post times

Average Daily Purse (5A2 ÷ number of days):

Current meet estimate: \$ 6,667
 Prior meet actual: \$ 6,667

3. Non-overnight stakes:

Current meet estimate: \$ 150,000
 Prior meet actual: \$ 150,000

Average Daily Purse (5A3 ÷ number of days):

Current meet estimate: \$ 10,000
 Prior meet actual: \$ 10,000

B. Funds to be generated for all California-bred incentive awards:

Current meet estimate: \$ 145,806
 Prior meet actual: \$ 166,067

C. Payment to each recognized horsemen's organization contracting with the fair:

	Current Meet Estimate	Prior Meet Actual
CTT	\$ 4,959	\$ 5,648
TOC	\$ 9,919	\$ 11,297
NTRA	\$ 2,726	\$ 3,105
PCQHRA	\$ 6,269	\$ 7,140
CWAR	\$ 0	\$ 0
ARAC	\$ 6,479	\$ 7,379
AMRA	\$ 2,386	\$ 2,717
CHBPAPEN	\$ 14,878	\$ 16,945
CTHF	\$ 14,878	\$ 16,945
TOTAL	\$ 62,493	\$ 71,176

D. Amount from all sources to be distributed at the meeting in the form of purses or other benefits to horsemen (5A+5B+5C):

Current meet estimate: \$ 1,992,509
 Prior meet actual: \$ 2,145,849

Average Daily Purse (5D ÷ number of days):

Current meet estimate: \$ 132,834
 Prior meet actual: \$ 143,056

E. Purse funds to be generated from on-track handle and intrastate off-track handle:

Current meet estimate: \$1,398,131
 Prior meet actual: \$1,625,733

Average Daily Purse (5E ÷ number of days):

Current meet estimate: \$ 93,209
 Prior meet actual: \$ 108,382

F. Purse funds to be generated from interstate handle:

Current meet estimate: \$ 277,216
 Prior meet actual: \$ 282,873

Average Daily Purse (5F ÷ number of days):

Current meet estimate: \$ 18,481
 Prior meet actual: \$ 18,858

G. Bank and account number for the Paymaster of Purses' purse account:
 West America Bank (C.A.R.F.) Account No: On file

H. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:
 Disher Accountancy Corporation, 1816 Maryal Drive, Sacramento, CA. 95864, (916) 482-4224

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, shall not be deemed as income to the fair and shall, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt into such liability account. In the event the fair is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the fair shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The fair is entitled thereafter to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the fair is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of underpayment of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the fair may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

A. Number of usable stalls available for racehorses at the track where the meeting is held:
684 – (Portables also available if needed)

B. Minimum number of stalls believed necessary for the meeting:
2,000

C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers:
1,440

D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site:

Golden Gate Fields	1,440 stalls
--------------------	--------------

E. Attach each contract or agreement between the fair and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site.
Northern California Stabling and Vanning Fund (On File)

Complete subsections F through H if the fair will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

F. Total number of usable stalls made available on-site for the 1986 meeting:
884

G. Estimated cost to provide off-site stalls for this meeting. Show cost per-day per stall:

\$8.43

H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse:

None

7. PARI-MUTUEL WAGERING PROGRAM

A. Pursuant to B&P Code Section 004-105, and with the approval of the CHRB, fairs may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

Example Race	<u>TYPE OF WAGERS</u>	<u>APPLICABLE RULES</u>
	\$1 E; \$1 Double	CHRB #1959; RCI #VE
Race #1	\$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, \$1PPN% \$1PK4	CHRB #1959, CHRB #1977, CHRB #1979 CHRB #1958, CHRB #1957, CHRB #1979.1 CHRB #1976.8, CHRB#1978
Race #2	\$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, \$1PPN%	CHRB #1959, CHRB #1977, CHRB #1979 CHRB #1958, CHRB #1957, CHRB #1979.1 CHRB #1976.8
Race #3	\$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, \$1PPN%	CHRB #1959, CHRB #1977, CHRB #1979 CHRB #1958, CHRB #1957, CHRB #1979.1 CHRB #1976.8
Race #4	\$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, \$1PPN%	CHRB #1959, CHRB #1977, CHRB #1979 CHRB #1958, CHRB #1957, CHRB #1979.1 CHRB #1976.8
Race #5	\$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN%	CHRB #1959, CHRB #1977, CHRB #1979 CHRB #1958, CHRB#1957, CHRB #1979.1 CHRB #1976.9, CHRB #1976.8
Race #6	\$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN%	CHRB #1959, CHRB #1977, CHRB #1979 CHRB #1958, CHRB #1957, CHRB #1979.1 CHRB #1976.9, CHRB #1976.8
Race #7	\$1E, \$1PK3, \$1PK4*, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN%	CHRB #1959, CHRB #1977, CHRB #1978, CHRB #1979 CHRB #1958, CHRB #1957, CHRB #1979.1 CHRB #1976.9, CHRB #1976.8
Race #8	\$1E, \$1PK3, \$1PK4*, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN%	CHRB #1959, CHRB #1977, CHRB #1978, CHRB #1979 CHRB #1958, CHRB #1957, CHRB #1979.1 CHRB #1976.9, CHRB #1976.8
Race #9	\$1E, \$1PK3, \$1PK4*, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN%	CHRB #1959, CHRB #1977, CHRB #1978, CHRB #1979 CHRB #1958, CHRB #1957, CHRB #1979.1 CHRB #1976.9, CHRB #1976.8

Race #10	\$1E, \$1PK3, \$1PK4*, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN%	CHRB #1959, CHRB #1977, CHRB #1978, CHRB #1979 CHRB #1958, CHRB #1957, CHRB #1979.1 CHRB #1976.9, CHRB #1976.8
Race #11	\$1E, \$1TRI, \$2Q, \$1PK4* \$2DD, \$.10SF, \$2PNP@, \$1PPN%	CHRB #1959, CHRB #1979, CHRB #1958, CHRB #1978 CHRB #1957, CHRB #1979.1 CHRB #1976.9, CHRB #1976.8
Race #12	\$1E, \$1TRI, \$2Q, \$1PK4* \$2DD, \$.10SF, \$2PNP@, \$1PPN% \$1 Super H5	CHRB #1959, CHRB #1979, CHRB #1958, CHRB #1978 CHRB #1957, CHRB #1979.1 CHRB #1976.9, CHRB #1976.8 ARCI 004-105

B. Maximum carryover pool to be allowed to accumulate before its distribution OR the date(s) designated for distribution of the carryover pool:
July 11, 2010 (Closing Day of Alameda County Fair)

C. List any options requested with regard to exotic wagering:
\$1pk4* on first race and last 4 races
@\$2Pick 6 on last 6 races
% \$1 Place Pick all on the last 10 races
\$1 Pentafecta selecting the first five finishers in a same race. 100% payout on all tickets selecting five winners. No consolation: 100% carryover if no ticket has five winners. Note: Superfecta will not be offered in a selected Super High-5 race. Super High-5 will be carded as last race of the day. Applicable rule: (ARCI 004-105 PICK (N) POSITON (X) POOLS)

D. Will "advance" or "early bird" wagering be offered? Yes No
 If yes, when will such wagering begin:

E. Type(s) of pari-mutuel or totalizator equipment to be used by the fair and the simulcast organization, the name of the person(s) supplying equipment, and expiration date of the service contract:
Scientific Games Racing (Tom Kelso) Expiration: September 30, 2012.
Equipment description on file with Board.

8. ADVANCE DEPOSIT WAGERING (ADW)

A. Identify the ADW provider(s) to be used by the fair for this race meeting:
TVG, YouBet, Xpress Bet & Twinspires.com

9. SIMULCAST WAGERING PROGRAM

A. Simulcast organization engaged by the association to conduct simulcast wagering:
Northern California Off-Track Wagering, Inc (NOCTWINC)

B. Attach the agreement between the fair and simulcast organization permitting the organization to use the fair's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools.
On File with CHRB

C. California simulcast facilities the fair proposes to offer its live audiovisual signal:

NORTHERN CALIFORNIA

- Alameda County Fair, Pleasanton
- Big Fresno Fair, Fresno
- California State Fair & Exposition, Sacramento
- Club One, Fresno
- Golden Gate Fields, Albany
- Jockey Club at San Mateo, San Mateo
- Kern County Fair, Bakersfield
- Monterey County Fair, Monterey
- San Joaquin County Fair, Stockton
- Santa Clara County Fair, San Jose
- Shasta District Fair, Anderson
- Solano County Fair, Vallejo
- Sonoma County Fair, Santa Rosa
- Stanislaus County Fair, Turlock
- Tulare County Fair, Tulare

SOUTHERN CALIFORNIA

- Barona Valley Ranch Resort & Casino, Lakeside
- Cabazon Fantasy Springs Casino, Indio
- Commerce Casino Racebook, Commerce
- Derby Club, Seaside Park, Ventura
- Fairplex Park, Pomona
- Horsemen's Club, Santa Barbara
- Los Alamitos Race Course, Los Alamitos
- Santa Anita Park, Arcadia
- Shalimar Sports Center, Indio
- Sports Center, San Bernardino
- Sports Pavillion at The Farmers Fair, Lake Perris
- Sports Pavillion, San Bernardino Cty. Fair, Victorville
- Surfside Race Place at Del Mar, Del Mar
- Sycuan Gaming Center, El Cajon
- Viejas Casino & Turf Club, Alpine
- Watch & Wager, Antelope Valley Fgds, Lancaster

And any other similar site that becomes duly licensed by the California Horse Racing Board

- D. Out-of-state wagering systems the fair proposes to offer its live audiovisual signal:
See E - Common Pool Sites, Separate Pool, Flat Fee Sites (Attachment "A")
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the fair:
Attachment "A"
- F. List the host tracks from which the fair proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":
See Attachment "B"

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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- G. List imported simulcast races the fair plans to receive during the racing meeting which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:
N/A

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
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- H. If any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Sections 19596.2 and 19596.3, attach a copy showing agreement by the appropriate racing association(s).

Wagering will be offered on all races conducted or imported by Los Alamitos (Quarter Horse) and Cal Expo (Harness)

Attachment A – Section 9D and E

CARF – Alameda County Fair, Pleasanton			ATTACHMENT A
June 23 – July 11, 2010			
COMMINGLED POOL SITES			
Amwest Entertainment		Harrington Raceway	Racing2Day LLC
Riders Up (SD)		Hawthorne Race Course	Raceway Park
Time Out Lounge (SD)		Hazel Park	Raynham Taunton Greyhound
Triple Crown OTB (SD)		Hinsdale Greyhound	Remington Park
Arapahoe Park		Hipodromo Presidente Remon (Pan)	Retama Park
Arma Race Club		Hoosier Park @ Anderson	Racing & Gaming Services, Inc.
Arlington International		Horsemen's Park	River Downs
Atlantic City Race Course		Indiana Downs	Rockingham Park
Atokad Downs		Clarksville OTB	Seabrook Greyhound
Balmoral/Maywood Park		Evansville OTB	Rosecroft Raceway
Bangor Historic Track/Millers OTB		Jackson Harness Raceway	Royal Turf Club
Bet Pad Ltd.		Keeneland	Royal River Racing
Bet America		Kentucky Downs	Ruidoso Downs
Befair International Wagers		Kentucky OTB	Running Aces Harness Park
Beulah Park		Lebanon Raceway	Sam Houston Race Park
Birmingham Race Course		Les Bois Park	Valley Greyhound Park
Bluffs Run Greyhound Track		Lewiston Raceway/OTB-ME	Saratoga Raceway
Bordertown		Lien Games	Scarborough Downs
Buffalo Raceway		Chips Lounge and Casino	Scioto Downs
Calder Racecourse		El Rancho Motor Hotel OTB	Sol Mutuel Ltd
Amwest Entertainment ADW		Idaho Falls Racing OTB	Southland Greyhound Park
Canterbury Park		North Dakota Horse Park	Suffolk Downs
Capital District OTB		- Clubhouse Lounge	Suffolk Downs ADW
Catskill Regional OTB		Rumors OTB	Pat's Pizza OTB (ME)
Charles Town Race Course		Aberdeen Racing OTB (SD)	Suffolk Regional OTB
Churchill Downs		Mitch's Grandstand OTB	Sunland Park
Chester Downs & Marina LLC		SkyDancer Casino	SunRay Park & Casino
Choctaw Racing Services, LLC		Lincoln Greyhound Park	Tampa Bay Downs
Coeur d'Alene Casino		Lone Star Park	The Greyhound Park @ Post Falls
Coeur d'Alene Acct. Wagering		Louisiana Downs	The Lodge @ Belmont
Colonial Downs		LVDC	The Meadows
Colonial Downs		Atlantis Paradise Casino	The Racing Channel
Columbus Raceway		Cities of Gold / Pojoaque	Thistledown
Connecticut OTB		Foxwoods Resort Casino	Tioga Downs
Divi Carina Bay Casino		Meskwaki Bingo	Tri-State Greyhound
Pony Bar Simulcast Center		The Stables	Turf de Venezuela
Randall James Racetrack		Avatar	Turf Paradise

Royal Beach Casino		Elite Turf Club #1	Turfway Park
Tote Investment Racing Service		Elite Turf Club #2	TVG
Millenium Racing Sites		Elite Turf Club #3	Twin Spires
Fair Chance Racing Service		Elite Turf Club #4	Vernon Downs
Comtch Intemational		Elite Turf Club #6	Western Regional OTB
Shoreline Star OTB		Elite Turf Club #7	Wheeling Downs
John Martin's Manor		Elite Turf Club #8	Will Rogers Downs
Ho-Chunk Casino		Manor Downs	Wonderland Greyhound
Milford OTB		Maryland Jockey Club	Woodlands
Mohegan Sun Casino		Meadowlands/Monmouth	Wyoming OTB
Oneida Bingo		Montana Simulcast Partners	XpressBet
Paragon Casino Resort Racebook		Monticello Raceway	Yavapai Downs
Corpus Christi Greyhound Park		Mountaineer Park	Yonkers Raceway
Cyprus Bayou OTB		Mount Pleasant Meadows	Youbet I
Dairyland Greyhound Park		Nassau Regional OTB	Youbet
Delaware Park		Nebraska State Fair Park	Zia Park
Delta Downs		Nevada Pari-Mutuel Ass'n	
Dover Downs		New Jersey Casino Ass'n	
Downs at Albuquerque		Newport Jai Alai	
eBet Online		New York City Off-Track Betting	
Ellis Park		New York Racing Association	
Emerald Downs		Northfield Park	
Euro Offtrack		Cedar Downs OTB	
Evangeline Downs		Northville Racing Corp.	
Fair Grounds		Oaklawn Park	
Fair Meadows		Ocean Downs	
Finger Lakes		Penn National	
Fonner Park		Philadelphia Park	
Freehold Raceway		Phumelela Gold	
Gillespie County Fair		Pinnacle Racecourse	
Global Wagering Solutions (MEC)		Plainridge Racecourse	
MagnaBet		Pocono Downs	
Greenetrack		Portland Meadows	
Gulf Greyhound Park		Potawatomi Casino	SEPARATE POOL SITES
Gulfstream Park		Prairie Meadows	Caymanas Park (Jam)
		Premier Turf Club	Hipodromo Camarero (PR)
		Presque Isle Downs	MIR/Caliente book locations Mexico, Latin America

Attachment A – Canadian Sites

COMMINGLED – CANADIAN SITES	
Assiniboia Downs	Kawartha Downs
Barrie Raceway	Marquis Downs
Charlottetown	Mohawk Racetrack
Clinton Teletheatre	Northlands Park – Edmonton
Dreseden	Picov Downs
Elmira Raceway	Quinte Raceway
Evergreen Park Grande Prairie	Rideau Carleton
Exhibition Park	Rocky Mountain Turf Club
Flamboro Downs	Royal Britannia Hub
Fort Erie	St. John's
Fraser Downs	Stampede Park
Fredericton Raceway	Sudbury Downs
Georgian Downs	Summerside-PEI
Grand River	TBC Sandown
Hanover Raceway	TBC Teletheaters
Hastings Park	Truro Raceway
Hiawatha	Western Fair Raceway
Hippodrome De Montreal	Windsor Raceway
Hippodrome De Quebec	Woodbine
Hippodrome De Trois-Rivieres	Woodstock-Ontario
Inverness Raceway	

Attachment B – Section 9F

Attachment B – Section 9F

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Arlington	6/23/10 – 7/11/10	Full Card or Partial Cards
Assiniboia	6/23/10 – 7/11/10	Full Card or Partial Cards
Australian Racing	6/23/10 – 7/11/10	Full Card or Partial Cards
Calder	6/23/10 – 7/11/10	Full Card or Partial Cards
Canterbury	6/23/10 – 7/11/10	Full Card or Partial Cards
Churchill Downs	6/23/10 – 7/11/10	Full Card or Partial Cards
Delaware Park	6/23/10 – 7/11/10	Full Card or Partial Cards
Finger Lakes	6/23/10 – 7/11/10	Full Card or Partial Cards
Emerald	6/23/10 – 7/11/10	Full Card or Partial Cards
Evangeline Downs	6/23/10 – 7/11/10	Full Card or Partial Cards
Fort Erie	6/23/10 – 7/11/10	Full Card or Partial Cards
Hastings Park	6/23/10 – 7/11/10	Full Card or Partial Cards
Indiana Downs	6/23/10 – 7/11/10	Full Card or Partial Cards
Lone Star	6/23/10 – 7/11/10	Full Card or Partial Cards
Louisiana Downs	6/23/10 – 7/11/10	Full Card or Partial Cards
Monmouth	6/23/10 – 7/11/10	Full Card or Partial Cards
Mountaineer Park	6/23/10 – 7/11/10	Full Card or Partial Cards
Northlands Park	6/23/10 – 7/11/10	Full Card or Partial Cards
NYRA-Aqueduct	6/23/10 – 7/11/10	Full Card or Partial Cards
Penn National	6/23/10 – 7/11/10	Full Card or Partial Cards
Philadelphia Park	6/23/10 – 7/11/10	Full Card or Partial Cards
Ruidoso	6/23/10 – 7/11/10	Full Card or Partial Cards
Prairie Meadows	6/23/10 – 7/11/10	Full Card or Partial Cards
Presque Isle	6/23/10 – 7/11/10	Full Card or Partial Cards
River Downs	6/23/10 – 7/11/10	Full Card or Partial Cards
South American Racing	6/23/10 – 7/11/10	Full Card or Partial Cards
Suffolk Downs	6/23/10 – 7/11/10	Full Card or Partial Cards
SunRay Park	6/23/10 – 7/11/10	Full Card or Partial Cards
Thistledown	6/23/10 – 7/11/10	Full Card or Partial Cards
United Kingdom	6/23/10 – 7/11/10	Full Card or Partial Cards
Woodbine	6/23/10 – 7/11/10	Full Card or Partial Cards
Yavapai Downs	6/23/10 – 7/11/10	Full Card or Partial Cards
Subject to change.		

NOTICE TO APPLICANT: All interstate wagering to be conducted by a fair is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by a fair is subject to the provisions of B&P Code Sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every fair shall pay to the simulcast organization within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every fair shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

10. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

A. Racing officials nominated:

Association Veterinarian(s)	Dr. Robert Connolly (Track) & (Fitness)
Clerk of Scales	Gary Lawless
Assistant Clerk of Scales	Danny Winick
Clerk of the Course	Dolores Collins (E-Breeds) & Tina Walker (Thoroughbreds)
Assistant Clerk of the Course	Lisa Jones
Film Specialist	Matt Nichols
Horse Identifier	Patrick Kealy
Horseshoe Inspector	Jack Hammonds
Paddock Judge	Joe Gibson
Patrol Judges	Matt Nichols & Kenneth Sjoldal
Placing Judges	Greg Brent & Ella Robinson
Starter	Robert Mooneyhan
Timer	Melody Trutt

B. Management officials in the racing department:

Director of Racing	Rick K. Pickering
Racing Secretary	Tom Doutrich
Assistant Racing Secretary	Linda Anderson
Paymaster of Purses	Victoria Layne (C.A.R.F.)
Others (identify by name and title)	

C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:

**Secretary, Alameda County Agricultural Fair Association
4501 Pleasanton Avenue, Pleasanton, CA 94566, 925-426-7600**

D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:

Plusmic Corporation, USA – Bill O’Brien (Expires 12/7/10)

E. Photopatrol video equipment to be used to record all races, name of the person supplying the service,

and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.

Pegasus Communication, Inc. - Jim Porep) Contract Expires: April 30, 2013

Equipment description on file with the Board: 5 Cameras – (3 Tower, 1 Pan, 1-Hand-Held)

- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:

Pegasus Communication, Inc. - Jim Porep Contract Expires April 30, 2013

11. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.

Racetrack/Grandstand: Alameda County Sheriff Chief in Charge

Liaison Officer yet to be assigned (925-426-7525)

Barn Area: David Rezendes, President, Security Eye Patrol, Inc. (925-455-6585)

(See attached)

- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis:

Racetrack/Grandstand: 8 Sheriff's Deputies

Barn Area: 5 Security Officers, 2 Security Rovers, 3 Licensed Gatemen based on 8/hour shifts

1. Attach a written plan for enhanced security for graded/stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns.

N/A

2. Detention Barns:

(The Fair is not running graded stakes)

- A. Attach a plan for use of graded stakes or overnight races.

N/A

- B. Number of security guards in the detention barn area during a 24-hour period.

N/A

- C. Describe number and location of surveillance cameras in detention barn area.

N/A

3. TCO2 Testing:

- A. Number of races to be tested, and number of horses entered in each race to be tested.

All horses in thoroughbred races where the number is determined by a random algorithm generator.

- B. Plan for enhanced surveillance for trainers with high-test results.

Trainer with high test results will be moved to the detention area

- C. Plan for detention barns for repeat offenders.

Ten (10) stalls adjacent to Test Barn, which are under 24-hour video surveillance

Item 11 A:

Security Organizational Chart

Security during the Live Race Meet is coordinated by a number of groups. Day-to-day security items are handled the Stable Manager in concert with Security Eye personnel assigned to the Guard Shacks and Barn Area. As issues escalate, Fair Management, Security Eye Management, and the Sheriff's Department become involved as necessary.

Alameda County Agricultural Fair Association

Rick K. Pickering, CEO	925-567-6032
Ed Johnson, Manager of Maintenance Operations	925-567-6043
Judy Carrico, Fair Operations Manager	925-567-6039
Randy Magee CFO Risk Manager	925-567-6034

Security Eye

Dave Rezendes, President	925-455-6585
Dave Graber, Vice President	925-455-6585
Barn Area Guard Shack, various personnel	925-426-7519
Roadway 12 Guard Shack, various personnel	925-426-7519

Alameda County Sheriff Department

Fairgrounds Command Center	925-426-7525
Sergeant J.D. Nelson, Sheriff Liaison Officer	510-272-6901

Note: Confidential cell phone numbers are made available to CHRB staff. Additional security related personnel are available by direct radio contact.

D. Number of security personnel assigned to the TCO2 program.

One (1) 24-hour security guard when detention stalls are occupied.

C. Describe the electronic security system.

C.A.R.F. Surveillance equipment and program that travels between racing Fairs.

1. Location and number of video surveillance cameras for the detention barn and stable gate.

4 surveillance cameras monitoring this area

12. EMERGENCY SERVICES

A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:

Westmed Ambulance Service, 2424 Whipple Road, Hayward, CA 94544, 510-614-1420

B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:

Golden Gate Fields
Turf Rescue LLC
19615 Barclay Road
Castro Valley, CA 94546
510-5818470

C. Describe the on-track first aid facility, including equipment and medical staffing: (Attachment)

D. Name and emergency telephone number of the licensed physician on duty during the race meeting:
Dr. Peter Wong, 1.925.997.0015 (cell)

E. Name, address and emergency telephone number of the hospital to be used for admittance and treatment of emergency injuries in the event of an on-track injury to a jockey:

Valley Care Medical Center, 5555 W. Las Positas, Pleasanton, CA 94588
(admittance & emergency: 925-416-6125)

F. Attach, in English and Spanish, the emergency medical plan procedures that will be posted in each jockey's room to be used in the event of an on-track injury to a jockey:

(Attachment)

G. Name of health and safety manager and assistant manager responsible for compliance of health and safety provisions pursuant to B& P Code 19481.3(d):

Randy Magee, Health & Safety Manager, Vicki Hunter, Assistant Manager

H. Attach a fire clearance from the fire authority having jurisdiction over the premises.

May 1, 2010 (scheduled fire inspection)

I. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the fair for payment of workers' compensation.

Attached

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall pursuant to B&P Code 19481.3 maintain, staff, and supply an on-track first aid facility, that may be either permanent or mobile, and which shall be staffed and equipped as directed by the board. A qualified and licensed physician shall be on duty at all times during live racing, except that this provision shall not

apply to any quarter horse racing at the racetrack if there is a hospital situated no more than 1.5 miles from the racetrack and the racetrack has an agreement with the hospital to provide emergency medical services to jockeys and riders. An ambulance licensed to operate on public highways provided by the track shall be available at all times during live racing and shall be staffed by two emergency medical technicians licensed in accordance with Division 2.5 (commencing with Section 1797) of the Health and Safety Code, one of whom may be an Emergency Medical Technician Paramedic, as defined in Section 1797.84 of the Health and Safety Code. (b) Each racing association and racing fair shall adopt and maintain an emergency medical plan detailing the procedures that shall be used in the event of an on-track injury. The plan shall be posted in each jockey room in English and Spanish. (c) Prior to every race meeting, the racing association or racing fair shall contact area hospitals to coordinate procedures for the rapid admittance and treatment of emergency injuries. (d) Each racing association or racing fair shall designate a health and safety manager and assistant manager, who shall be responsible for compliance with the provisions of this section and one of whom shall be on duty at all times when live racing is conducted. The health and safety manager may, at the discretion of the racing association, be the person designated to perform risk management duties on behalf of the association.

13. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, other than those already identified, and the goods and/or services to be provided by each:

CONCESSION/SERVICE	COMPANY	OWNER	ADDRESS
Food & Beverage (Non-Alcoholic)	Stroud Enterprises	Tom Stroud	5119 North Archerdale, Linden, CA 95236
Food Service	Ovations Fanfare	Charlie Neary Nick Nicora	4501 Pleasanton Avenue, Pleasanton, CA 94566
Food & Beverage (Alcoholic & Non)	Ovations Fanfare	Charlie Neary Nick Nicora	4501 Pleasanton Avenue, Pleasanton, CA 94566
Tip Sheets	Jack's Blue Card	Lisa Wasserman	127 Sun Avenue, San Leandro, CA 94544
Racing Form	Daily Racing	Wicks Sports	100 Broadway, 7 th floor, New York City, N.Y. 10005
Program	Delmar Graphics	Del Scott	7806 Honors Court, Pleasanton, CA 94588
Winners Circle Pictures	Vassar Photography	Bill Vassar	5075 Double Point Way, Discovery Bay, CA 94514
Jockey Laundry Service	Bailey Mobile	Lorene Dutton	3263 Vineyard venue, #35, Pleasanton, CA 94566
Starting Gate	United/Puett Start Gate	Michael Costello	1 Soundview Loop, S. Salem, N.Y. 10590
Sound System	Speeda Sound	Mike King	5617 W. San Madele, Fresno, CA 93722
Armor Car Service	NOTWINC		11875 Dublin Blvd., #D275, Dublin, CA 94568

14. ON- TRACK ATTENDANCE/FAN DEVELOPMENT

- A. Describe any promotional plans:
(See Attached for Items A, B, C, & D)
- B. Number of hosts and hostesses employed for meeting:
1 hostess & 2 greeters
- C. Describe facilities set aside for new fans:
(See Attached)
- D. Describe any improvements to the physical facility in advance of the meeting that directly benefits:
(See Attached)
 - 1. Horsemen
 - 2. Fans
 - 3. Facilities in the restricted areas

Item 14 A, B, C, & D

Improvements to the physical facility:

Horsemen, Track, Fans and Restricted Areas

Installed emergency warning lights on the Quarter Poles, installed large lights on the roof edge of the Grandstands in support of early morning training, and widened the Bridle Path to further enhance safety for horses and riders.

The Palm Pavilion, located trackside, has been fully remodeled. This remodel included installing outdoor patio viewing of the track, indoor large screen TV's to broadcast racing, self-serve wagering terminals, etc... The Palm Pavilion also serves food and beverages & includes a full bar.

The Racing Paddock has been remodeled so that more fans can gather in the general area. The roof was elevated to enhance the safety of riders. A grass oval was installed to accommodate owners and trainers. Additional cameras were used to enhance the broadcasting of the Paddock area.

The Track Side Terrace was created to provide upscale VIP outdoor dining and viewing of the races. The Track Side Terrace also allows enhanced marketing to our corporate partners.

The VIP Directors Lounge has been refurbished with new carpet, air conditioning, paint, etc., to better accommodate VIP's. Every Mayor, City Council Member and Chambers of Commerce from throughout the County of Alameda, is extended an invitation to visit the VIP Directors Lounge. Racing VIP's, elected officials from the County, State and National level also attend the lounge.

The Jockey's Club House has been remodeled to open up the dining area, relocate the laundry facilities, add more sleeping areas, etc...

Restrooms and Showers in the barn area have been remodeled to provide upgraded facilities for employees and tenants.

Roadway #12 has been upgraded and widened to better accommodate large horse trailers. Catch basins and a storm drain line have been installed to mitigate the flooding that previously occurred in this area.

Campgrounds have been upgraded and more spaces added to better house out-of-the-area trainers and racing employees during the Race Meet.

Barn Roofs and Solar Energy – All barns received new roofs in 2004, in advance of the Fair installing a 1 Megawatt Solar Energy System on the barns. According to PG&E, the Fair is the "largest nonprofit generator of solar energy in the nation."

60 New Haysheds have been custom built into each Barn Row for the ease of storing hay and feed in closer proximity to the horses.

Upgraded the Main and Auxiliary Water Wells with variable speed submersible pumps. This provides more constant and consistent water supply to our training and racing operations, since we are on our own water system.

The Pole Barn Arena has been upgraded to better allow training under a covered roof during the winter.

Upgrades to "cash management areas."

Alameda County Fair COME OUT & PLAY! 2010

"The Oldest One-mile Racetrack in America"

On-Track Attendance & Fan Development Plan 2010 Alameda County Fair Live Horse Race Meet

The 2010 Alameda County Fair will operate 17 days this summer from June 23 – July 11 closed on Tuesdays, with an estimated attendance in excess of 400,000 patrons. The Live Horse Race Meet will be conducted during 15 days of the Fair, June 23 – July 11 (dark days TBA). More than \$1.9 million in cash and cash equivalents (in-kind advertising) will be spent to promote the 2010 Annual Fair and Race Meet. The majority of advertising for the Annual Fair includes advertising of the Race Meet.

Fair Horse Racing takes racing to the public in a very unique manner. The thrill and excitement of concerts, carnival rides, unique food items, exhibits, etc., all combine to provide a one-of-a-kind experience in a local community. Many first timers and casual players, who might never attend a private track, are exposed to Horse Racing in an exciting manner at California's Racing Fairs. Consequently, the Alameda County Fair utilizes a wide variety of methods to market, promote and advertise Live Horse Racing during its 17-day Annual Fair event.

Our Horse Racing Marketing is designed to enhance on-track attendance and develop fans through a variety of multifaceted marketing channels and on-site experiences. Each element is designed to interconnect into a successful and effective program, helping to create exposure for the Fair Race Meet and Horse Racing in general.

The Live Race Meet continues to gain new customers while retaining existing patrons. The continued and increased participation of the Fair patrons in the many Live Racing promotions offered by the Fair further attests to the fact that our marketing campaigns are attaining many of their objectives.

Trackside Terrace:

Fairgoers can experience a winning view of the races at the Trackside Terrace, a VIP lounge with an elevated view of the racetrack. With three levels of seating, catered food, private betting machines, full bar, and a quiet place to sit and enjoy the day with friends, Trackside Terrace will be a staple for Fair racing. The Trackside Terrace offers a gourmet buffet including carving stations and private betting windows with open-air terrace seating overlooking the finish line. This site is perfect for corporate parties and group reservations. The Trackside Terrace is marketed in several ways which include county wide Chamber of Commerce marketing channels, local events, guerilla marketing, electronic newsletters and Fair website.

Sponsorships and Partnerships:

The Marketing Department works year-round to develop strong relationships with local and national companies. Additionally, the Fair develops new advertising partnerships, and strengthens existing partnerships, in an effort to incorporate more "in-kind" trade and promotion into the advertising mix. For example, the Fair Staff will once again partner with the Oakland Coliseum to trade on-site booth presence in the Racing Grandstand for all 11 days of Racing, in exchange for advertising on the Oakland Coliseum's highly visible electronic reader board (alongside Highway 880). Additionally, the Valley Times, a local newspaper, will continue to sponsor the Live Race meet due to the great exposure and high subscription sign-up rates the paper received in prior years. Budweiser will once again sponsor the Grandstands. Cross-promotions with Budweiser are currently being planned to increase on-track attendance.

Paid Advertising:

Buying advertising on radio, television, and in print is necessary to encourage more people to come to the Fair and Race Meet. The Fair's general marketing strategy is to include the Race Meet in all advertising mediums whenever possible. For example, a portion of the Fair TV commercial focuses on shots of the horse races. Fair Staff targets sports-related and older generation-formatted radio stations to advertise the Live Race Meet. Print is especially important in advertising the Horse Races. Advertising for the Live Race Meet is included in all general Fair print ads. Additionally, racing-specific ads are created for the sports sections of the newspapers and for sports-focused print media.

Grassroots Marketing:

Poster placement is a grassroots marketing method employed by the Fair. Businesses and public organizations displaying posters, flyers, and brochures advertising the Fair and the Live Race Meet show their community support and enthusiasm for the Fair. Organizations in Alameda County continually support the Fair by allowing Fair information to be included in their internal and external communications, such as newsletters, email programs, direct mail pieces, etc.

Online Marketing:

The Alameda County Fair utilizes the Web to communicate and promote the Fair's message. The website is an informative and functional tool because of the number of ways it can be used. Email newsletters with Horse Racing information are sent via the Internet to the Fair's continually growing database of patrons. Additionally, the website lists the daily schedule and links to real-time race results each day of the Fair's Live Race Meet.

Box Seat Sales:

The Marketing Department is responsible for selling the over 150 Box Seats in the Race Track Grandstands. A number of methods are used to achieve the sale of Box Seats including direct mail, print advertising and online banner ads at partner websites. Promotion of the Fair's Live Horse Race Meet is incorporated in the Box Seat Sales strategy.

Non-profit Outreach:

Each year the Marketing Department makes available on a daily basis a select number of Box Seats to various non-profit organizations. The non-profits in turn raffle off "A Day at the Races." This includes parking, Fair admission and box seat admission.

Publicity:

The Marketing Manager meets with area media prior to the Race Meet to disseminate information on the Race Meet and the many promotions occurring at the Race Track. Print, radio and television media are all used to promote the Race Meet. The Fair Association's Marketing Manager serves as the Racing Publicist and provides information and statistics to various media outlets daily during the Race Meet. Additionally, the Fair Association hires well-known sports writer, Dennis Miller, to write articles, place Daily Picks in local papers and on the Fair's website as well as local news websites and generally promote horse racing to the media.

Educational Programs:

The Fair, in partnership with CARF, holds educational seminars every morning before the first Post Time to educate beginners on how to wager at the races. The panel consists of experienced and well-known personalities within the racing industry. Seminars have included such guests as owners, trainers, jockeys, handicappers, racing officials, racing reporters, "tipsters," and information on how to make various wagers. The Fair, CARF and the Daily Racing Form sponsor the daily racing seminars. The Racing Seminars have become quite popular, with attendance increasing year after year.

Additional educational tools will be available at the Track to promote "How to Wager" for those new to horse racing and not able to attend the seminars.

Promotions:

Many types of promotions have been developed and/or to be repeated for the 2010 Live Horse Race Meet. Some are designed to attract new patrons, while others cater to existing customers. A sampling includes:

- **"Horse Racing at the Fair" Coloring Contest** –downloaded from the Fair's website. Each youth who participates will receive a Free Admission ticket to the Fair. These pictures will be displayed in the Grandstands for all to enjoy.
- **Win, Place and Show Contest** -is a randomly drawn voucher giveaway to those who enter the correct Win, Place and Show horses in the ballot box. The prize amount is \$450 per day: \$200 Win, \$150 Place & \$100 Show. The winners are drawn every day after the 8th Race.
- **Opening Day Horse Racing Themed T-shirt Giveaway** -to the first 1000 people who enter the Win, Place and Show contest on Wednesday, June 23rd.
- **Horse Racing Sun Visor Giveaway**– to the first 1000 people who enter the Win, Place and Show contest on Friday, July 2nd.
- **Horse Racing Beach Towel Giveaway** – to the first 1000 people who enter the Win, Place and Show contest on Friday, July 9th.
- **\$10,000 Putting Contest** –was such a success in prior years that the Fair will bring the contest back for another year. Each day, randomly selected fairgoers will try to qualify for the chance to compete in a 40-yard, \$10,000 Putt on Saturday July 10th.
- **Horse Racing Video Montage** –fairgoers will take a trip down memory lane in a video of popular racing fans reminiscing of past good times at the Fair's Live Races. This video will be played on the website prior to Fair and on the Jumbotron during the Races.
- **"Scratch & Win \$500" Contest** –fairgoers can enter to win cash in a scratcher contest located by the Amphitheater. A random number of scratcher tickets will be vouchers valued at \$2, \$5, \$10 and \$500. These vouchers can be cashed at the Grandstands. A "Second Chance Drawing" for non-winners will be offered as a

- consolation on the back of the scratcher. The collection of email address allows the Fair to expand the email database to further promote horse racing.
- **World Championship Mutton Bustin' on the Track** – Children under six can partake in the race for a Gold Buckle! Mutton Bustin' is similar to the undertaking it imitates—bull riding. Contestants age 6 years and younger and less than 60 lbs attempt to last 6 seconds on a sheep that's as unpredictable as a bull.
 - **NTRA Racing Commercials** -will air on the Fairgrounds Public Address System periodically during the races to promote the Live Race Meet to all Fair patrons.
 - **Chamber of Commerce Days at the Races** -where all Chambers within Alameda County are invited to attend the Race Meet on their own day. Chamber Presidents and Executives are hosted in the Fair Director's VIP Lounge for lunch. These honored guests in-turn present a basket in the Winner's Circle during their named race.
 - **City Days at the Races** -each Mayor, City Council and City Manager in Alameda County are invited to attend the Race Meet in concert with their local Chamber of Commerce. City Officials are hosted as VIP's and participate in the Winner's Circle presentation.
 - **VIP Director's Lounge** -each Director of the Fair Association Board has the opportunity to entertain dignitaries, VIPs, elected officials, business leaders, etc., daily in an air-conditioned lounge at the top of the Race Track Grandstand.
 - **The Palm Pavilion** -will offer patrons the opportunity to enjoy full meal and bar services alongside the Rail of the Race Track. Patrons may also place their wagers in the Palm Pavilion.
 - **Advertising of Local Businesses** -occurs on the Jumbotron and in the Racing Program during the race meet. Many of these businesses cannot afford to advertise at the private tracks.
 - **Naming of Feature Races** -is another opportunity provided to businesses, families, local wineries, etc., to showcase their name and products in the Winner's Circle.
 - **Public Service Announcements** -appear on the Jumbotron during racing.

Featured Alameda County Wineries:

The 2010 Fair Race Meet will include promotion of the local Alameda County wineries within the Grandstands and at the Race Track. A new Wine Bar featuring local premium wines will be added inside the Grandstands. Additionally, wineries will be promoted as a Feature Race, in the Daily Program and on the Jumbotron and at the Trackside Terrace.

Satellite Wagering Facility:

The Fair Association operates one of the most successful Fair Satellite Wagering Facilities in Northern California. The Fair Association's Satellite Wagering Manager takes a very active role in the Live Race Meet and actively cross promotes with Satellite Wagering customers. In-turn the Fair Association also promotes its Satellite Wagering Facility to patrons of the Live Race Meet.

Attachment to ACF License Application – Section 12 C

Alameda County Fair Emergency Care and Medical Facilities

Alameda County Fair as well as all Racing Fairs provide emergency care which provides for comprehensive medical care for jockeys, track staff and allied personnel. Emergency care focuses on immediate stabilizing, comfort and evacuation of injured racetrack personnel to appropriate hospital care facilities.

Staffing

Two Emergency Medical Technicians from Westmed Ambulance Service staff located in an on-track ambulance that follows at a safe distance from the horses racing during each race. This ambulance and crew are present whenever horses are on the track (during both racing and training hours) and are responsible for initiating basic life support measures, including immediate medical stabilization, care and evacuation to medical care facilities.

Licensed Physician on duty is responsible for care on an ongoing basis of jockeys, track staff and allied personnel requiring non-emergency medical care.

Physical Resources

Alameda County Fair provides the services of a state of the art Kimzey Horse Ambulance as well as a senior experienced driver who is responsible for the evacuation and disposition of injured horses at all racing fairs.

Redundant communications services are provided to ensure constant contact between all emergency care personnel. Two way radio networks are established within the racing operations as well as fair emergency operations. All key emergency care personnel also carry cell phones and each is provided a laminated card containing all contact numbers. The fair also has an emergency response cell which responds to all emergencies both medical as well as non-medical.

Attachment to ACF License Application – Section 12F in English

Alameda County Fair Racing Accident Procedures

In case of an accident on the racetrack, the following procedures are to be implemented:

Track Ambulance

The track ambulance will travel immediately to the scene of an accident and assume triage and patient care responsibilities and evacuate.

Security

1. As soon as possible, a member of the track security staff shall report to the scene of the accident and thereafter take direction from the EMT responsible for the accident scene management. The track security representative shall be responsible for keeping bystanders away from the accident scene.
2. A member of the track security staff shall proceed to the Jockey's Room to secure the ambulance transfer area and prevent visitation from bystanders away from the accident area.
3. A member of the track security staff shall be responsible for escorting emergency vehicles.
4. The security staff shall be responsible for all "crowd control" activities.

Racing Staff/Track Veterinarian

1. Upon arrival at the scene, the Outrider should hold the injured horse in order to prevent further harm to people, horses and property.
2. Horses with severe injuries should be transported off the track via the horse ambulance whenever it is practical to do so.
3. The track veterinarian shall make the decision as to the necessity of euthanasia on the track.
4. The screen blocking the public's view of the injured horse shall be set-up prior to the euthanasia procedure.
5. Outriders are responsible for the removal of any debris from the racetrack following the removal of the injured person or horse from the track.

Plant Staff

1. The Horse Ambulance shall travel immediately to the scene of an accident whenever it appears that a horse will require transport.
2. Members of the plant department who are near the accident site shall assist in screening the accident scene from the public view and shall take direction from the EMT that is responsible for the management of the accident scene.

Announcer

The announcer shall make riders aware of the details of the situation (such as the location of a loose horse, the necessity to pull up, etc), enabling them to take the necessary steps to mitigate additional problems.

Senior Management

1. A senior management representative should quickly proceed to the location on the racetrack where the accident has occurred. The manager should report to other members of the management team as to the accident status.
2. An additional member of the management team should report to the video department in order to monitor the scene and access the extent of video coverage to be transmitted to the public.
3. A member of the management team should provide input as to announcements to be made by the track announcer.
4. A member of the senior management team should be responsible for seeing that information regarding the accident is communicated to family member of the injured. Efforts need to be made to escort family members to the hospital, if necessary. In this regard, a current compilation as to who should be notified in the case of an injured jockey is kept on file.
5. All public address announcements and responses to press inquiries are within the sole purview of the senior member of the management team then available.

All Department Heads

All Department heads shall communicate to their employees that, although intentions are good, the treatment of the injured rider must be left up to trained personnel, and all other employees must stay away from the scene of an accident.

Attachment to ACF License Application – Section 12 F in Spanish

Procedimiento en caso de Accidente en Alameda County Fair

De ocurrir un accidente en el hipodromo, se debe hacer lo siguiente:

El personal de la Ambulancia

El personal de la ambulancia trasladarse inmediatamente al lugar del accidente siempre que lo necesario para tratar a la(s) victima(s).

Seguridad

1. Tan pronto como sea posible, un miembro de seguridad del hipodromo debera reportarse al lugar del accidente y desde ahi recibir las instrucciones del Paramedico responsable del lugar del accidente. El miembro de seguridad sera responsable de mantener a los transeuntes fuera del lugar del accidente..
2. Un miembro del departamento de seguridad del hipodromo se acercara al cuart del jockey para asgurar el area donde la ambulancia estara y prevenir que transeuntes y personas ajenas se acerquen.
3. Un miembro de seguridad del hipodromo sera responsable de escoltar a los vehiculos de emergencia..
4. Los miembros de seguridad seran responsable de controlar a la multitud.

Personal de Carreras/Veterinario del hipodromo

1. Una vez en el lugar del accidente, el Outrider/escolta debera sujetar al caballo herido para evitar que lastime a la gente, a otros caballos o a la propiedad.
2. Los caballos muy mal heridoa deberan ser sacados de la pista con la ambulancia para caballos, siempre que sea posible hacerlo de esa manera.
3. El veterinario del hipodromo debera decidir si se sacrifica al caballo en la pista.
4. Sea posible hacerlo, se debe colocar la pantalla/screen para tapa la vista al publico, antes de iniciar el procedimiento de sacrificio del animal.
5. Los Outriders son responsables de remover cualquier desecho en la pista despues de que la persona o caballo accidentado haya sido trasladado del lugar.

Personal de Planta/Plant Staff

1. La Ambulancia de Caballos debera trasladarse inmediatamente al lugar del accidente siempre que un caballo este severamente lesionado y necesite transporte.
2. Los miembros del departamento de planta que esten cerca del accidente deberan ayudar a fapar el lugar para que el pulico no pueda ver lo que sucede, ademas deberan recibir instrucciones del Paramedico responsable del lugar del accidente.

Locutor

El locator debera informar a los jinetes acerca de los detalles de la situacion (como la ubicacion del caballo suelto, la necesidad de adelantar, etc.) para que puedan hacer lo necesario y mitigar otros problemas.

Gerencia

1. Un representante de la gerencia se apersonara rapidamente al lugar del accidente en el hoipodromo. El genente informara a los otros gerents sobre las lesions sufridas.
2. Otro representante de la gerencia debera informar al departamento de videio para monitorear la escena y ver la cobertura de video que sera transmitida al publico.
3. Un miembro de la gerencia debera aportar con informacion sobre los anuncios que debera hacer el locutor.
4. Un miembro de la gerencia sera responsable de ver que la informacion con respecto al accidente sea dada a los familiars de los heridos. Se debe hacer lo necesario para acompanar a los familiars a los hospitals, de ser el caso. Al respecto, es necesario tener un registro de la persona a quien se debe comunicar en caso de que un jockey sufra un accidente.
5. Todos los anuncios publicos y respuestas a la prensa las realice unicamente el funcionario de gerencia de alto nivel que se encuentre disponible en ese momento.

Todo los Jefes de Departamento

Todos los Jefes de Departamento deben comunicar a sus empleados que, a pesar de que las intenciones sean buenas, el tratamiento de un jinete/jockey herido debe ser realizado por el personal calificado para ello, y todos los demas empleados deben permanecer lejos del lugar del accidente.

July 1, 2008

To: California Horse Racing Board
Attn: Andrea Ogden
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Re: Alameda County Fair Association
4501 Pleasanton Avenue
Pleasanton, CA 94566

2008 JUL -3 PM 12:07

Please be advised that the Alameda County Fair Association is a member of the California Fair Services Authority (CFSA), and participates in the following self-insurance and loss pooling programs which are administered by CFSA:

I. COMPREHENSIVE GENERAL LIABILITY PROGRAM

- A. Primary Coverage \$750,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
- B. Excess Coverage \$9,250,000 in excess of \$750,000
Coverage provided by Insurance Company of the State of Pennsylvania
Term: 01/01/2008 to 01/01/2009

II. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

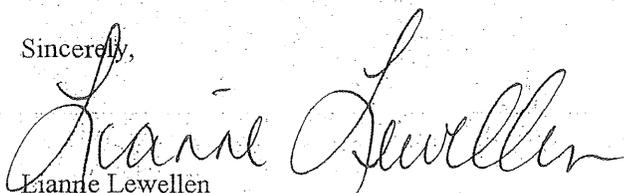
- A. Primary Coverage \$500,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
- B. Excess Coverage (a) Workers' Compensation: \$299,500,000 in excess of \$500,000
(b) Employers' Liability: \$4,500,000 in excess of \$500,000
Coverage provided by CSAC Excess Insurance Authority
Term: 07/01/2008 to 07/01/2009

CFSA represents to California Horse Racing Board that within the above limits, terms and provisions of the coverage stated, to the extent provided by law, CFSA will provide defense, payment, and indemnification on loss funding in accordance with the terms of the contractual assumption of the Alameda County Fair Association as set forth in California Horse Racing Board's "Insurance Requirements".

You will be given at least thirty (30) days notice of any change in the foregoing information. We trust that this commitment will satisfy your insurance requirements.

Please feel free to contact this office on all matters including possible claims.

Sincerely,



Lianne Lewellen
Risk Analyst

March 23, 2010

To: California Horse Racing Board
Attn: Andrea Ogden
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Re: Alameda County Fair
4501 Pleasanton Avenue
Pleasanton, CA 94566

Please be advised that the Alameda County Fair is a member of the California Fair Services Authority (CFSA), and participates in the following self-insurance and loss pooling programs which are administered by CFSA:

I. COMPREHENSIVE GENERAL LIABILITY PROGRAM

- A. Primary Coverage \$750,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
- B. Excess Coverage \$9,250,000 in excess of \$750,000
Coverage provided by Allied World Assurance Company
Term: 01/01/2010 to 01/01/2011

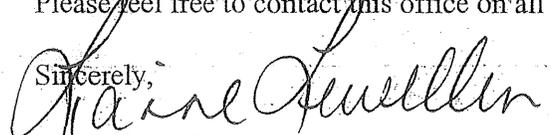
II. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

- A. Primary Coverage \$500,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
- B. Excess Coverage (a) Workers' Compensation: Statutory Limit in excess of \$500,000
(b) Employers' Liability: \$4,500,000 in excess of \$500,000
Coverage provided by CSAC Excess Insurance Authority
Term: 07/01/2009 to 07/01/2010

CFSA represents to the California Horse Racing Board that within the above limits, terms and provisions of the coverage stated, to the extent provided by law, CFSA will provide defense, payment, and indemnification on loss funding in accordance with the terms of the contractual assumption of the Alameda County Fair as set forth in the California Horse Racing Board's "Insurance Requirements".

You will be given at least thirty (30) days notice of any change in the foregoing information. We trust that this commitment will satisfy your insurance requirements.

Please feel free to contact this office on all matters including possible claims.

Sincerely,

Lianne Lewellen
Risk Analyst

15. SCHEDULE OF CHARGES

A. Proposed charges, note any changes from previous year:

General Admission/Grand Stand	Free with Fair Admission
Fair Admission/Adults (13 & older)	\$ 10.00
Advanced Sale Tickets (On-line)	30% discount
Fair Admission/Children (6-12)	\$ 6.00 (Free on Fridays)
Fair Admission/Seniors	\$ 8.00 (Free on Thursdays)
Fair Admission/V.I.P. Discount	\$ 5.00
Admission (clubhouse)	N/A
Reserved Seating (general)	\$ 3.50 (on weekends only)
Reserved Seating (clubhouse)	N/A
Reserved Box Seats	\$ 5.00
Parking (general)	\$ 8.00
Parking/Western Pacific VIP Lot	\$20.00
Parking (preferred)	\$15.00
Parking (valet)	N/A
Programs/on track	\$ 1.00
Programs/off track	\$ 2.25

B. Describe any "Season Boxes" or other special accommodation fees:
 Daily box seat sales - \$5.00 (if available). All box seats usually sell out 30-60 days in advance.

C. Describe any "package" plans such as combined parking, admission and program:
Play Every Day Pass - \$30
 1-Admission good for every day of the Fair (available on line only)

Fun Pack - \$30
 1-General Parking
 4-Admissions
 2- 2 for 1 drink coupons (available pre-sale only)

16. JOCKEYS' QUARTERS

A. Check the applicable amenities available in the jockeys' quarters:

- Corners (lockers and cubicles) How many
- Showers Steam room, sauna or steam cabinets Lounge area
- Masseur Food/beverage service Certified platform scale

B. Describe the quarters to be used for female jockeys:
 Separate area containing an office, lounge area, sauna, showers, restroom facilities, lockers, & bunks. Jockeys & Jockettes share the scale.

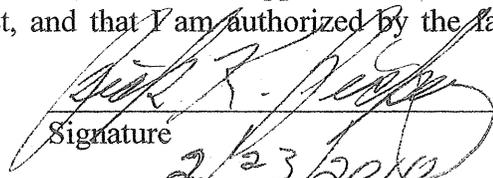
- C. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state):
No Exceptions
- D. Absent natural disasters or causes beyond the control of the fair, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the fair except as follows
- E. (if no exceptions, so state):
No Exceptions

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

20. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the fair to attest to this application on its behalf.

RICK K. PICKERING
 Print Name
C. F. O.
 Print Title


 Signature
3/23/2010
 Date

DISCUSSION AND ACTION BY THE BOARD
REGARDING THE LICENSING PROCESS AND REQUIREMENTS
FOR SIMULCAST WAGERING FACILITIES IN CALIFORNIA

Regular Board Meeting
April 15, 2010

BACKGROUND

Business and Professions Code section 19440 provides that the Board shall adopt regulations for the control of pari-mutuel wagering. Business and Professions Code section 19590 provides that the Board shall adopt rules governing, permitting, and regulating pari-mutuel wagering on horse races under the system known as the pari-mutuel method of wagering.

Division 8, Chapter 4, Article 9.2 of the Business and Professions Code authorizes the Board to permit the extension of pari-mutuel wagering through use of live audio-visual simulcast television programming of horse races and to regulate an extension of pari-mutuel wagering to be located at approved horse racing facilities and at other specified California facilities where live horse racing is not conducted.

Business and Professions Code section 19433 provides that the Board may visit or investigate the office, track, or other place of business of any licensee for the purpose of satisfying itself that its rules and regulations are strictly complied with.

Board Rule 2057, Initial Application and Approval of a Simulcast Facility, provides that racing associations, fairs or other entities proposing to act as a guest association shall complete the application: Authorization to Operate a Simulcast Wagering Facility (Form CHRB-25, Rev. 4/92). The rule also provides the requirements for submission of a complete application. Rule 2056, Definitions, states "Guest association" means racing associations, fairs or other entities licensed by the Board to receive a host association's simulcast or signal to operate a facility where simulcast wagering is offered on the host association's racing card. "Host" means the racing association or fair conducting a licensed horse racing meeting this simulcast it racing program.

Pursuant to Rule 2057, the approval of an application constitutes a license to operate as a simulcast wagering facility. The license does not have an expiration date, but is subject to compliance with the Board's rules and statutes prescribed in the Horse Racing Law. Approved facilities are not required to resubmit an application or renew their license unless altering the physical facility. Plans for new, proposed simulcast facility sites or for the remodeling or alteration of existing sites are required to be submitted to the Board for review prior to the preparation of construction.

Simulcast facilities are the only racing organizations whose license to operate contains no specific term. The license for a racing association or racing fair to operate a horse racing meeting, for example, expires at the end of the race meeting. A license to operate a minisatellite wagering facility has a two year term, and advance deposit wagering licenses may be approved for up to two years. All of these organizations except simulcast wagering facilities are required to resubmit a complete application for approval by the Board if they wish to continue to operate; The Board may wish to consider amending its rules to specify a term of license and renewal process for simulcast wagering facilities.

ANALYSIS

Simulcast wagering facilities have operated in California since the mid-1980s. Including the five major racetracks and eight racing fairs, there are currently 32 simulcast wagering facilities located throughout the state. Four of the 32 are located on Indian reservations. Pursuant to Board Rule 2057, the day-to-day operation of a facility is overseen by a simulcast supervisor who works in concert with a pari-mutuel manager to ensure that all aspects of the facility operation run smoothly.

Under the Board's rules, simulcast wagering facilities are required to provide a patron area for pari-mutuel wagering and observation of the signal received from the host association and to provide security personal to protect the public and maintain the peace within the facility. The Board's rules currently do not specify minimum standards for the size of facility, tables, parking, concessions etc. Facilities are required to identify such items at the time of applications. Minimum equipment standards necessary for facilitating pari-mutuel wagering are identified in the Board's rules.

Approved facilities are inspected by CHRFB enforcement approximately once per year. These inspections focus on the overall facility operation in addition to compliance with the Board's rules and regulations. Inspections reports are retained by the Chief Investigator and copies are forwarded to the Executive Director.

RECOMMENDATION

This item is presented for discussion and action.

Staff recommends that the Board instruct it to review its rules governing simulcast wagering for possible revisions to the application process for simulcast wagering facilities.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 24. INTRASTATE SIMULCAST WAGERING
RULE 2057 INITIAL APPLICATION
AND APPROVAL OF A SIMULCAST FACILITY

Regular Board Meeting
April 15, 2010

2057. Initial Application and Approval of a Simulcast Facility.

No person, which includes any individual, partnership, corporation, or other association or organization, shall conduct or attempt to conduct wagering on the results of races simulcast from a race meeting held in this State unless authorized and permitted to do so by the Board as follows:

(a) A racing association, fair or other entity proposing to act as a guest association shall complete an Application for Authorization to Operate a Simulcast Wagering Facility (FormCHRB-25, Rev. 4/92) which is hereby incorporated by reference. Form CHRB-25 shall be available at the Board's administrative office. The application shall be filed with the Board at least ninety (90) days prior to the first day of racing for review, investigation and approval based on the following conditions:

(1) In order to allow an evaluation of the competence, integrity, and character of the applicant to operate a simulcast wagering facility, any person, corporation, trust association, partnership or joint venture shall submit with the application, a Personal History Record (Form CHRB-25A, Rev 7/93), which is hereby incorporated by reference, for the following:

(A) If the applicant is a corporation, the officers, directors, and each owner, directly or indirectly, of any equity, security or other ownership interest in the corporation. However, in the case of owners of publicly held equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to beneficially own five (5) percent or more of the publicly held securities need be disclosed.

(B) If the applicant is a trust, the trustee and all persons entitled to receive income or benefit from the trust.

(C) If the applicant is an association, the members, officers and directors.

(D) If the applicant is a subsidiary, the officers, directors, and stockholders of the parent company thereof. However, in the case of owners of a publicly held equity securities of publicly traded corporation, only the names and addresses of those known to the corporation to beneficially own five (5) percent or more of the publicly held securities need be disclosed.

(E) If the applicant is a partnership or joint venture, all of the general partners, limited partners or joint venturers.

(F) If the parent company, general partner, limited partner, or joint venturer of any applicant is itself a corporation, trust, association, subsidiary, partnership, or joint venture, then the disclosure of such information, shall be made, as necessary, to determine ultimate ownership. However, in the case of owners of publicly held equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to beneficially own five (5) percent or more of the publicly held securities need be disclosed.

(G) If the applicant employs a management company, disclosure shall apply to the management as set forth in subsections A through F as appropriate.

(2) The applicant has executed an agreement with a simulcast organization for the conduct of simulcast wagering at its facility; or may act on its own behalf by contracting with simulcast service suppliers and each individual racing association or fair to act as a guest association. Copy of each signed contract must accompany the application (Form CHRB-25, Rev. 4/92).

(3) Every licensed simulcast facility shall be inspected by the fire authority having jurisdiction as dictated by that authority's inspection schedule. After each inspection, a fire clearance by the fire authority must be obtained by the simulcast facility and filed with the Board within ten (10) calendar days of its receipt. This clearance must indicate that the facility meets the standard of fire safety set by the fire authority and that said facility is in compliance with fire safety codes as are applicable in that jurisdiction.

(4) Every simulcast facility shall be equipped with a downlink system consisting of a network broadcast quality satellite receiving antenna coupled with a broadcast specification Ku and/or C band receiver compatible with the encryption system used, with motorized directional control, electrical service, coaxial cabling, or equivalent or industry-accepted cabling, closed-circuit TV monitors and audio system, and a public address system.

(5) The guest association shall provide a patron area for pari-mutuel wagering and the observation of the satellite signal as received from the host association. The patron area shall be designated on the application by the applicant. Such area shall be the inclosure-public, as defined in Rule 2056 (j) in this Article, of the simulcast facility. No form of horse racing wagering, either in person, or by the use of runners, messengers, or otherwise shall be permitted outside the inclosure. All odds data made available to the guest association by the host association shall be displayed at all times. Effective January 1, 1994 for new facilities, the only offices permitted in restricted pari-mutuel access areas will be those required for operation of the pari-mutuel system.

(6) The guest association shall appoint and have on duty while racing is being conducted, a simulcast facility supervisor or an assistant simulcast facility supervisor as defined in Rule 2056 (a) and (n) in this Article.

(7) Every person employed by a guest association within the restricted area of the inclosure, as defined in Rule 1420 (v) in this Division and Rule 2056 (j) in this Article, of the simulcast facility is required to be licensed pursuant to Rules 1440 and 1481 in this Division.

(8) Every guest association shall provide security personnel to protect the public and maintain the peace within the simulcast wagering facility. Additionally, the guest association shall maintain such security controls over its inclosure and premises, as defined in Rule 1420 (q) in this Division, the areas where uplink and downlink equipment is located, fencing, access gates, cables, wires and power lines and warning notifications where uplink and exterior equipment is located and the equipment room where inside downlink receiving components relocated as the Board's Executive Director or his/her designee shall direct. Guest associations shall also remove, deny

access to, eject or exclude persons as provided by Rules 1980 and 1989 in this Division. Guest associations shall have the right to request, in writing, that the Chairman of the Board grant a stay from such security controls directed by the Executive Director within seventy-two (72) hours of the directive. If granted, such a stay shall remain in force until an appeal can be considered at the next regularly scheduled public meeting of the Board. An appeal must be submitted, in writing, at least two (2) weeks prior to the meeting date. The directive will be in force until a stay is issued or the Board renders its decision on the appeal. Decisions by the Board shall be final.

(9) No guest association shall conduct wagering on any race or races other than those approved by the Board or simulcast by its host association.

(10) No guest association, except as provided for in Business and Professions Code Section 19605.3, may discontinue its operation nor conduct any activity which would cause interruption of the signal without giving the Board and the host association prior written notice within fifteen (15) calendar days of such discontinuance or other change.

(11) Plans for new, proposed simulcast facility sites or for the remodeling or alteration of existing sites shall be submitted to the Board for review prior to the preparation of construction drawings. The Board shall review and approve said plans relative to security for the pari-mutuel operations, placement of data lines and overall compatibility with Board policy and regulation within thirty (30) working days from the date the plans were received. If applicable, the simulcast organization named in the agreement described in (a) (2) of this rule shall be notified by the guest association of the availability of the plans and shall have the right to review them relative to security for the pari-mutuel operations and placement of data lines and comment to the Board prior to Board approval or denial of the plans.

(12) In the case of a fair, the Department of Food and Agriculture must approve the application pursuant to the provisions of Sections 19605.1, 19605.2 and 19605.6 of the Business and Professions Code. Such approval is not required for the California Exposition and State Fair and the Los Angeles County Fair.

(b) The Board will notify an applicant in writing within fourteen (14) calendar days from the receipt date by the Board's Administrative office if its application is incomplete. This notice will include:

(1) Instructions as to what is required of the applicant to complete the application.

(2) Instructions for requesting additional time to satisfy the requirements listed in the notification, if needed.

(c) The Board shall approve or deny a completed application within sixty (60) calendar days from the receipt date by the Board unless the applicant requests and is granted additional time to supply information.

(d) If the Board denies approval of the application, the applicant has thirty (30) calendar days, from the receipt date of the Board's denial notification, to request a reconsideration of the Board's decision. This request must be in writing and sent to the Board's Administrative office. If reconsideration is denied, the applicant has thirty (30) days to file for Superior Court review in accordance with Section 19463 of the Business and Professions Code.

(e) The approval of the application by the Board shall constitute a license to operate as a simulcast wagering facility subject to the compliance provisions of Section 19433 of the Business and Professions Code.

Authority: Sections 19420, 19440 and 19590, Business and Professions Code.

Reference: Sections 19410, 19410.5, 19460, 19433, 19463, 19601, 19605, 19605.1, 19605.2, 19605.6, 19608, 19608.1 and 19608.2, Business and Professions Code and Sections 15376 and 15378 Government Code.

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD
APPLICATION FOR AUTHORIZATION TO OPERATE A SIMULCAST WAGERING FACILITY
CHRB-25 (Rev. 4/92)

Application is hereby made to the California Horse Racing Board (CHRB) for authorization to operate a simulcast wagering facility in accordance with the California Business and Professions Code (B&P), Chapter 4, Division 8 (Horse Racing Law) and the California Code of Regulations, Title 4, Division 4 (CHRB Rules and Regulations).

Name of applicant association, fair, or tribal facility:

Location of facility (City and County):

Mailing address of association, fair, or tribal facility:

Telephone number:

Name and title of the managing officer or tribal council representative of the applicant association, fair, or tribal facility:

Name of the affiliated (simulcast) organization(s) that will operate the pari-mutuel wagering at the facility:

The regular schedule for operation of the facility will be as follows:

Inclusive date during which the applicant proposes to operate as a simulcast wagering facility during the current racing year:

Application must be filed not later than 90 days before the scheduled start date for operation of the proposed facility pursuant to CHRB Rule 2057.

CHRB CERTIFICATION	
Application filed on:	Approved on:
Reviewed by:	License number issued:
Date of Hearing:	Date tribal compact approved:

Names and titles of management personnel assigned to the simulcast wagering facility:

TRIBAL FACILITY

Approval is requested pursuant to the Tribal-State Compact signed on _____.

The name of the tribe under which the Tribal-State Compact was approved:

Names and titles of management personnel assigned to the facility:

If applicable, names and titles of management personnel comprising management company or other entity operating gaming and simulcast wagering at the facility:

Has the management company or other entity been approved by the U. S. Bureau of Indian Affairs?
 Yes No If yes, the date of that approval _____.

NOTICE TO APPLICANT Changes to management personnel and Simulcast Facility Supervisor(s) must be immediately reported to the Board.

CONCESSIONAIRES AND VENDORS

The concessionaires, vendors, and other entities providing food service, beverage service, racing selection services, janitorial or custodial service, or other service or supplies within the simulcast wagering facility are (specify the name and type of service of supplies):

Other vendors to be permitted to sell products or services outside, but on the premises of, the simulcast wagering facility are:

SUPERVISION, SECURITY AND FIRE PREVENTION

The names of all persons to be employed as a Simulcast Facility Supervisor at the simulcast wagering facility:

The workers' compensation insurance carrier and the policy number securing the applicant's liability for payment of workers' compensation is (if self-insured, give details):

Attach a copy of the Certificate of Insurance.

Attach a fire clearance from the fire authority having jurisdiction.

The name of the person having responsibility for security controls at the facility is:

The number of security officers and/or guards to be regularly employed at the facility is:

The police or sheriff's department having jurisdiction for criminal law enforcement over the premises of the facility is:

Specify the name, address and telephone number of the emergency ambulance service the applicant will utilize in event of illness or injury at the facility:

Does the applicant propose to have emergency medical care available at the facility:

Yes No If yes, describe:

EQUIPMENT PROVIDED BY THE GUEST ASSOCIATION

Describe the television equipment (simulcast receivers, decoders, controls, monitors, etc.) to be utilized at the facility:

Describe the public address equipment (controls, microphones, speakers, etc.) to be utilized at the facility:

— Attach a detailed scale plan of the facility indicating all points of access, emergency exits, and the placement of offices and food and beverage service locations.

PARI-MUTUEL EQUIPMENT AND WAGERING SERVICES

Describe the pari-mutuel equipment, odds displays, modems or muxes, and method of data transmission to be utilized (include the number of pari-mutuel terminals to be on-site):

Will the applicant be responsible for maintenance of the pari-mutuel equipment?

Yes No

Describe the method by which patron complaints regarding wagering operation and/or the facility or its employees may be filed:

The total number of parking spaces available in the combined parking areas can accommodate (number of standard sized automobiles):

Describe any other activities to be scheduled on or near the facility premises that may have a negative impact on available parking:

AGREEMENTS

Fair applicants must attach the resolution of its governing body that determined that the conduct of simulcast wagering at its fair facility best serves the interest of the fair.

Attach a copy of the agreement between the applicant and the (simulcast) organizations(s) that sets forth therein the duties of the respective parties.

Attach a copy of the written consent of the horsemen's organization(s), if applicable, consenting to the acceptance of wagers at the facility.

NOTICES TO APPLICANT

Notice is given to the applicant that its application, if approved by the Board, authorizes the applicant to offer pari-mutuel wagering at its simulcast facility until notified otherwise.

Notice is also given that retention of and control over all moneys generated from pari-mutuel wagering held or conducted at the facility is the responsibility of the (simulcast organization(s) which contract(s) to provide the pari-mutuel equipment and pari-mutuel employees; and that such organization(s) is (are) responsible for its proper distribution in accordance with the law and the rules and regulation of the Board.

Notice is also given that CHRB Rules 1870 and 1871 require that the Board be given 15 days notice in writing of any intention to terminate operations, engagements, or services by any licensee, approved concessionaire, or approved service contractor.

DECLARATIONS

All labor agreements, concession contracts, service contracts, horsemen's agreement, lease agreements and agreement with the (simulcast organization(s) necessary to conduct and operate the simulcast wagering program at the facility have been finalized except as follows (if there are no exceptions, so state):

All service contractors and concessionaires have valid State, County or City licenses authorizing

each to engage in the type of service to be provided and have valid labor agreements (when applicable) which remain in effect for the entire term of the approval except as follows (if there are no exceptions, so state):

Absent natural disasters or causes beyond the control of the applicant, its service contractors, concessionaires or employees engaged at the facility, no reasons are believed to exist that may result in a stoppage to the conduct of pari-mutuel wagering at the facility or the withholding of any vital service to the applicant except as follows (if there are no exceptions, so state):

By authority of Article 9.2, of the California B&P Code; and the Federal Indian Gaming Act; in order to allow an evaluation of the competence, integrity, and character of potential simulcast facility operators authorized by the CHRB, any person, corporation, trust association, partnership, joint venture, or management firm who submits an application for such authorization or who is named in such application and who is not a State or County entity, or has not previously completed such disclosure when filing for a horseracing application pursuant to Article 4, Section 19480 of the California B&P Code shall be required to complete and submit a full disclosure statement.

CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the applicant to attest to this application on its behalf.

Print Name

Signature

Print Title

Date

STAFF ANALYSIS
DISCUSSION AND ACTION BY THE BOARD
REGARDING A REPORT FROM LOS ALAMITOS RACING ASSOCIATION
REGARDING THE IMPACT THE TWO PERCENT INCREASE IN THE TAKEOUT ON
CONVENTIONAL AND EXOTIC WAGERS ON RACES CONDUCTED BY THE RACING
ASSOCIATION HAS HAD ON HANDLE, AND WHETHER THE TAKEOUT INCREASE
SHOULD CONTINUE

Regular Board Meeting
April 15, 2010

BACKGROUND

At its January 15, 2010 Regular Meeting the Board approved a temporary increase of in the takeout on conventional and exotic wagers on races conducted by Los Alamitos Quarter Horse Racing Association (LAQHRA) as permitted pursuant to Assembly Bill 246, Chapter 226, Statutes of 2009.

ANALYSIS

The CHRB audit staff calculated the LAQHRA takeout rate and total handle for a period of 30 race days one year prior to when the Board approved the increase in takeout and 30 race days after to determine whether the takeout increase at LAQHRA should continue. The 30 race day period prior to the increase was used to mitigate the possible effects of seasonality. The table below shows that the combined total takeout for the two 30 race day periods increased by \$512,052 and total handle increased by \$543,654.

Los Alamitos Quarter Horse Racing Takeout Increase				
Date Range	Pre Board Approval 01/21/2009-3/14/2009	Post Board Approval 01/21/2010-3/31/2010	Change	
Number of Race Days	30	30	0	
Average number of races per day	9.60	8.07	-1.53	
Brick and Mortar				
Handle Percent Takeout	20.08%	22.05%	1.97%	
Total Takeout	2,848,942	3,038,934	189,992	
Total Handle	14,186,584	13,779,858	-406,726	
ADW				
Handle Percent Takeout	20.06%	22.03%	1.97%	
Total Takeout	1,148,855	1,470,916	322,060	
Total Handle	5,727,355	6,677,735	950,380	
Combined (Brick and Mortar and ADW)				
Handle Percent Takeout	20.07%	22.04%	1.97%	
Total Takeout	3,997,797	4,509,849	512,052	
Total Handle	19,913,939	20,457,593	543,654	

RECOMMENDATION

This item is presented for discussion by the Board.

The report below was provided by Rick English from Los Alamitos Quarter Horse Racing Association via email.

LOS ALAMITOS

AVERAGE DAILY LIVE HANDLE
PRE AND POST TAKEOUT INCREASE

	pre	Fridays post	change	pre	Saturdays post	change	pre	Sundays post	change
on track	126,137	129,239	2.5%	132,259	132,524	0.2%	107,241	111,039	3.5%
off track	251,034	266,925	6.3%	273,402	274,199	0.3%	260,385	272,449	4.6%
out of state	378,654	401,573	6.1%	391,082	358,380	-8.4%	389,631	402,643	3.3%
total	755,825	797,738	5.5%	796,742	765,103	-4.0%	757,256	786,130	3.8%

Comments

The takeout was increased 2.0% effective January 21, 2010. Prior to the increase there were 3 Fridays and 4 Saturdays and Sundays. Subsequent to the increase there have been 10 Fridays and Saturdays with 9 Sundays.

Factors

The increased takeout coincided with the reduction of the racing week from 4 to 3 days.
The post increase period includes competition from the Olympics and more bad weather

DISCUSSION AND ACTION BY THE BOARD
REGARDING OAK TREE RACING ASSOCIATION AND
THE STATUS OF ITS LEASE WITH SANTA ANITA PARK RACE TRACK,
INCLUDING ANY POTENTIAL IMPACT THE LEASE MAY HAVE
ON ITS SEPTEMBER 29, 2010 THROUGH OCTOBER 31, 2010 ALLOCATED
RACE DATES.

Regular Board Meeting
April 15, 2010

BACKGROUND

On March 5, 2009, Magna Entertainment Corporation (MEC) filed voluntary petitions for relief under Chapter 11 of the US Bankruptcy Court. The MEC bankruptcy filing impacted the Los Angeles Turf Club, Inc. (LATC) which is an MEC subsidiary.

The Oak Tree Racing Association (OTRA) leases Santa Anita Race Track from LATC. The OTRA "Audited Financial Statements May 31, 2009 and 2008" states the association leases Santa Anita Park Race Track from LATC under a lease agreement that expires May 31, 2016, subject to specified earlier termination provisions.

OTRA has stated that the confirmation or disaffirmation of its lease will be included in the Order to be issued by the Delaware Bankruptcy Court, which is scheduled for release on April 20, 2010.

OTRA representative, Sherwood Chillingworth, is prepared to provide an update on the status of the OTRA lease agreement with LATC and any potential impact the lease may have on OTRA's September 29, 2010 through October 31, 2010 allocated race dates.

RECOMMENDATION

Staff recommends the Board hear from the OTRA representative.

STAFF ANALYSIS

DISCUSSION AND ACTION BY THE BOARD REGARDING THE POSSIBLE CLOSURE OF THE NEW YORK OFF-TRACK BETTING (NYOTB) OPERATIONS AND THE IMPACT THE CLOSURE MAY HAVE ON CALIFORNIA RACING.

Regular Board Meeting
April 15, 2010

BACKGROUND

The New York Off-Track Betting (NYOTB) entity filed for bankruptcy on December 3, 2009. On March 22, 2010, a New York judge ruled that the NYOTB could proceed with its bankruptcy despite the objections of the New York Racing Association. This news prompted California regulators to request an analysis of the financial impact that the NYOTB will have on California handle and takeout.

ANALYSIS

For the calendar year 2009, California wagered \$157,960,839 on races from New York including the traditional wagers placed at brick and mortar locations and through advance deposit wagering. The total takeout generated for the period was \$32,543,406. The takeout was distributed as follows: \$27,035,729 stayed in California to fund the statutory distributions and \$5,507,677 went to New York. The table below presents a detailed breakdown of the handle, takeout and its distribution between the two states.

California Wagering on New York Races

	At brick and mortar locations	Through ADW	Total
Handle	105,770,558.90	52,190,280.99	157,960,839.89
Takeout	21,896,294.4	10,647,111.79	32,543,406.25
	↓	↓	
Back to New York	3,700,836.46	1,806,840.69	5,507,677.15
Stay in California	18,195,458.00	8,840,271.10	27,035,729.10

Similarly, New York wagered \$163,085,102 on races from California of which \$82,314,684 was placed at NYOTB facilities. The total takeout for the period was \$31,709,229 of which \$16,987,580 was generated by NYOTB. The takeout was distributed as follows: \$25,530,628 stayed in New York to fund the statutory distributions and \$6,178,601 came to California.

NYOTB accounts for more than 50 percent of the New York wagers placed on California races. In the event that the NYOTB closes its doors, California may lose \$2,907,113 in takeout moneys. However, it is likely that other racing outlets in the state of New York will make up some of the losses.

The table below presents a detailed breakdown of the handle and takeout by NYOTB and all other New York wagering outlets, and the takeout distribution between the two states.

New York Wagering on California Races

	NYOTB	All Other NY	Total
Handle	82,314,684.66	80,770,418.20	163,085,102.86
Takeout	16,087,580.54	15,621,648.65	31,709,229.19
	↓	↓	
Back to California	2,907,113.32	3,271,487.71	6,178,601.03
Stay in New York	13,180,467.22	12,350,160.94	25,530,628.16

RECOMMENDATION

This item is presented for discussion by the Board.

The following report was provided by Mark and Bernie Thurman, Marks is the President of CHRIMS and Bernie is Vice President of Hollywood Park.

New York - 2009

Wagering in New York on California races:

In 2009, NY City OTB wagered \$82,314,685 on races conducted in California. California tracks, which include Racing Fairs and Thoroughbred, Quarter Horse and Harness Racing Associations, were entitled to \$283,010 in Workers' Compensation Funds and \$2,624,103 from Host Fees.

The host fees under current California racing law would be distributable as follows:

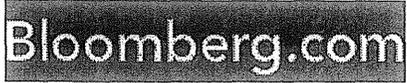
▪ CHRB Board Support	89,429
▪ F & E Fund	9,928
▪ Breeders	75,832
▪ Purses	1,225,957
▪ Track Commissions	1,225,957

NY City OTB owes \$195,097 to Pacific Racing Association, \$278,916 to Oak Tree, \$170,560 to Hollywood Park and \$178,657 to Santa Anita.

In 2009, wagering at other New York outlets, including the New York Racing Association, totaled \$91,972,461.

Wagers placed in California on races run in New York:

Californians wagered \$109,103,162 at brick and mortar sites on races conducted by New York tracks, which included Aqueduct, Belmont Park, Saratoga and Vernon Downs.



NYC Off-Track Betting Bankruptcy Allowed to Proceed (Update1)

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By Tiffany Kary

March 22 (Bloomberg) -- **New York City Off-Track Betting Corp.**, the operator of the city's horse-race wagering parlors, can go ahead with its bankruptcy, a judge said, overruling objections from the New York Racing Association.

U.S. Bankruptcy Judge **Martin Glenn** said in an order entered today that OTB will stay under protection of Chapter 9, part of the bankruptcy code for municipalities. New York Racing Association, a creditor, had asked that the case be thrown out, saying OTB doesn't have real business prospects and is using bankruptcy to avoid payments.

The operator meets the criteria for a municipality, and will reorganize or liquidate "depending on the actions of the New York State Legislature and NYC OTB's further negotiations with each of its important constituencies," Glenn wrote. He also found that OTB filed for bankruptcy in "good faith" after examining alternatives.

Under state law, OTB must make payments to New York's horse-racing industry, including tracks and breeding funds, and distribution to state and local governments based on the amount wagered. Rising operating costs led to deficits after the legislature increased OTB's mandatory distributions by an average of \$7.8 million a year from 2003 to 2005, Glenn said.

OTB filed for bankruptcy on Dec. 3, saying it plans to reorganize after five years of losses totaling \$45 million. OTB employs about 1,365 people at 68 betting parlors in New York City's five boroughs.

The case is *In re New York City Off-Track Betting Corp.*, 09-17121, U.S. Bankruptcy Court, Southern District of New York (Manhattan).

To contact the reporter on this story: **Tiffany Kary** in New York at tkary@bloomberg.net.

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Off-Track Betting lets go of 1,300 workers, says it will close 66 parlors if state can't reach deal

BY Glenn Blain
DAILY NEWS ALBANY BUREAU

Saturday, March 27th 2010, 4:00 AM



Noonan for NewsOff-Track Betting says it will shutter its 66 betting parlors on April 11 if the state can't come up with a rescue deal.

ALBANY - The city's Off-Track Betting issued pink slips to 1,300 employees Friday as efforts to extend a lifeline to the cash-strapped agency stalled during budget talks in Albany.

"We cannot reach a three-way agreement on it to keep them afloat," said Assembly Speaker Sheldon Silver (D-Manhattan), referring to talks with Gov. Paterson and the state Senate.

Without a rescue deal from the state, the struggling OTB says it will shutter its 66 betting parlors on April 11.

The agency has become a political football as lawmakers scramble to close a \$9 billion budget gap.

Paterson is pushing to allow the city's OTB to defer up to \$3.7 million in payments it owes while work continues on a reorganization plan.

But lawmakers balked.

Assemblyman Gary Pretlow, chairman of the Racing and Wagering Committee, blasted OTB management for "unconscionable delays" in providing accurate financial information.

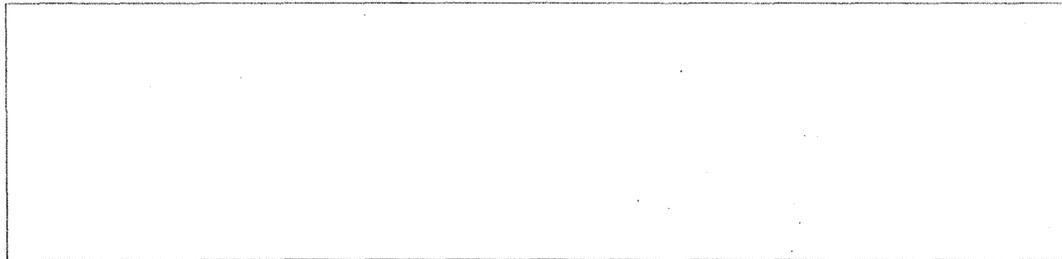
The Legislature will miss its April 1 deadline for a 2010-2011 budget - and is working on a short-term stopgap.

The Assembly approved a spending extension Friday. The Senate delayed action until Monday after Westchester Dem Ruth Hassell-Thompson fell ill.

"We are very far away on spending reductions," said Larry Schwartz, secretary to the governor, about the budget talks.

gblain@nydailynews.com

Advertisement



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CALIFORNIA HORSE RACING BOARD

APRIL 15, 2010
REGULAR BOARD MEETING

There is no board package material for Item 12

DISCUSSION AND ACTION BY THE BOARD REGARDING AN
UPDATE FROM MAGNA ENTERTAINMENT CORPORATION CONCERNING ITS
BANKRUPTCY FILING, RACING OPERATION AND THE STATUS OF STATUTORY
FUNDS THAT MAY STILL BE OWED MONEY FOR PRE AND POST BANKRUPTCY
PETITION DEBTS

Regular Board Meeting
April 15, 2010

BACKGROUND

On March 5, 2009, Magna Entertainment Corporation (MEC) filed voluntary petitions for relief under Chapter 11 of the US Bankruptcy Code. At the March 19, 2009, Regular Board Meeting, the Board discussed the significance of the bankruptcy filing of MEC on its subsidiaries operating in California, Los Angeles Turf Club, Inc., and Pacific Racing Association. At its April 24, 2009, and June 5, 2009, Regular Meetings, the Board heard presentations by MEC representatives and interested parties regarding the progress of the bankruptcy proceedings and the sale of certain MEC California assets.

At the June 5, 2009, Regular Board Meeting MEC representatives reported that definitive bids for the assets identified for sale were to be filed on July 31, 2009. The bids would be evaluated between July 31, 2009 and August 7, 2009, to determine the highest and best offer, which would then be designated the stalking horse bidder for the particular asset or group of assets. On September 8, 2009, a bidding auction would allow other parties to offer higher bids or better terms than the stalking horse bid. The auction would result in the final successful bidder for any asset or assets; however, the bankruptcy court would ultimately decide whether it would approve the winning bidder. The Board also heard an extensive discussion regarding an industry petition that was filed with the bankruptcy court to force the distribution of pre-petition funds, such as advance deposit wagering fees and satellite wagering fees, and MEC's objection to the petition. The Board urged the parties to present their positions: why MEC felt its objection to the petition was appropriate, and why the industry believed the funds owed were different from funds owed general creditors and should have a priority position.

At its July 23, 2009 Regular Meeting the Board heard from representatives of MEC regarding the MEC bankruptcy proceedings. The dates for the bidding auction process, as reported at the June 5, 2009, Regular Board Meeting, had not changed. The Board was informed that industry and Board staff met with MEC representatives to discuss the Southern California Off Track Wagering, Inc. claims; however, no resolution was reached. An extensive discussion of payment of priority claims was heard. Priority tax claims and claims for fees would be paid in full over a five-year period with interest at the prevailing interest rate. The Board was informed that the State had filed its proofs of claim regarding taxes and fees owed it by MEC.

At the August 27, 2009, Regular Board Meeting an MEC representative reported that Mi Developments, Inc. (MID), MEC's principal creditor, filed a proposed modified credit agreement with the Ontario, Canada, Securities Commission. The agreement would be heard in mid-September 2009, and would add up to \$28 million to the MEC loan that was currently in place.

The additional funds would extend MEC's operational abilities through April 2010, and allow MEC to continue its operations and meet its obligations. The agreement contained milestones that pertained to some of MEC's California operations: 1) by October 31, 2009, MEC would obtain bankruptcy court orders approving the sale of various assets, including XpressBet and AmTote; 2) by November 30, 2009, there would be a sales order in place with respect to Golden Gate Fields and Santa Anita Park Race Track. MID reserved the right to credit bid on Golden Gate Fields and Santa Anita Park Race Track if it believed the sale price was not adequate. By mid-September 2009 MEC would know the extent to which the amended credit arrangement would be in place, which should provide a sense of MEC's ability to meet its obligations going forward.

At the October 15, 2009, Regular Board Meeting an MEC representative stated that on October 14, 2009, a bankruptcy court hearing was held in Delaware. The court heard a motion regarding a \$26 million credit agreement between MID and MEC, which would provide funds to allow MEC to operate through April 2010. One of the creditors had some questions, so the court granted an additional three weeks to confirm that there were no issues. The motion would be reheard on October 28, 2009. In the interim, the court granted MEC \$2 million under the MID credit agreement to allow MEC to meet its obligations through the balance of October 2009. The court did not deal with auction deadlines for Golden Gate Fields and Santa Anita Park Race Track. In addition, the MEC representative reported MEC paid its tax obligations to the State of California. The payment satisfied all outstanding pre-petition tax obligations.

At the November 17, 2009 Regular Board Meeting a representative of MEC reported that the motion to amend the credit agreement between MID and MEC was approved in late October 2009. The agreement would provide MEC with \$26 million and allow it to operate through April 2010. A February 10, 2010 deadline was set for receipt of definitive bids on Santa Anita Park Race Track and Golden Gate Fields. A stalking horse bidder for each of the properties would be announced by February 17, 2010 and an auction would be held on February 25, 2010, at which time a sale order would be entered by the court. In addition, bids were being solicited for the sale of the advance deposit wagering provider, XpressBet. Once the sale order was entered, the buyer would proceed to obtain the Board's approval for ownership.

At the January 15, 2010 Regular Board Meeting an MEC representative reported that MID, the parent company and largest creditor of MEC, had reached an agreement with the creditors' committee, subject to court approval, that would allow MID to take possession of Santa Anita Park Race Track, Golden Gate Fields, and other significant MEC holdings. There was no certain date when the transactions might be completed, nor could the MEC representative provide information concerning future racetrack operations.

At its February 19, 2010 Regular Meeting the Board heard from an MEC representative regarding the ongoing MEC bankruptcy proceedings. The MEC representative stated a reorganization plan was filed with the bankruptcy court during the week of February 15, 2010. The plan would be heard in April 2010. The MEC representative also discussed the categories of creditors, and how they would eventually be paid, as well as the results of MEC's request to pay statutory fees, which was denied by the court. After discussing the issues, it was determined that California horse racing interests that were owed statutory fees would provide the Board with

information regarding their position on payment of statutory fees. After conferring with the Attorney General's office, the Board would consider making a motion to the court in support of the parties.

At the March 19, 2010, Regular Board Meeting a representative of MEC spoke about the reorganization plan submitted to the bankruptcy court. There would be no change to the management of Santa Anita Park Race Track or Golden Gate Fields when MID assumed the MEC operations. However, the managing directors of the various MEC subsidiaries would be appointed by MID after it acquired the assets. The Board expressed concern over the number of subsidiaries that were reflected in the reorganization plan and requested a clarification from MID within one week.

RECOMMENDATION

This item is presented for Board discussion and action.