

RACING COMMITTEE MEETING

March 14, 2006 – 2:30 p.m.

PRESENT: Chairman Wood; Supervisors Lawler, Yepsen; Graddidge, M. Johnson, Connors; David Wickerham, Co. Administrator; Chris Callaghan, Treasurer; Tom Roohan, Rod Sutton, Concerned Citizens for Saratoga Racing; Mayor Valerie Keehn, Saratoga Springs; Press

Chairman Wood called the meeting to order.

Ms. Yepsen moved to approve the minutes of the February 14th meeting. Mr. Lawler seconded. Unanimous.

Mr. Callaghan distributed copies of information on Saratoga County Tax Revenue Generated by the Race Track: He stated for Property Tax, NYRA owns 15 parcels and paid \$160,583.58 in County tax in 2005 as well as \$289,571.46 to the City of Saratoga Springs. He said for Admissions Tax, the County used to get all of it. In 1998, the Board decided to share it with the City of Saratoga Springs. That number has increased fairly rapidly in the past few years. This growth would suggest there is an attendance growth, he said.

Mr. Callaghan stated the OTB Surcharge is going in the other direction. Because the City's and County's revenue is fixed, the first \$1,658,154.64 goes to the County, and the City gets the next \$322,914.21. He stated the revenue is declining, and if the trend continues, the City will be getting no revenue at all from the OTB surcharge. He said probably, the most revenue the County receives as a result of the race track is in sales tax. He reviewed a table showing just County tax inside and outside the City of Saratoga Springs. He said the City receives amounts essentially equal to the Inside Saratoga Springs figures as shown. He reviewed a table on Occupancy Tax. He said like sales tax, occupancy is not generated exclusively by racing, but seasonal fluctuations may indicate the affect of racing on this revenue. He reviewed the revenues received by County, and Inside and Outside Saratoga Springs from December, 2002 through November, 2005. Chairman Wood said obviously, a lot of revenue flows to the City and the County here. Mr. Callaghan stated Christmas time helps also.

Mr. Lawler asked Mr. Callaghan if attributes the rise in sales tax to the price of gas. Mr. Callaghan said sales tax on gas is collected under a separate system and that information is segregated out of the reports he gets. Certainly, it is a part of it, he said. The period after Katrina is when gas prices were the highest, he stated.

Chairman Wood said Mayor Keehn was appointed a member of the Ad Hoc Committee on Racing for the Future of New York State. Mayor Keehn stated the full committee met for the first time about a month ago in New York. One of the things we will be looking at is with regard to three separate options for bidders to the proposed RFP. She said they could propose on little to no legislative changes; some legislative changes; or proposing sweeping changes or bid on all three. She said it was brought to the forefront by Assemblyman Pretlow that there would be no sweeping changes. Our committee would make recommendations to what we think is beneficial to changes in the legislation. We will be looking at what the rules are now that affect racing and wagering. She said they will get recommendations from their staff. We have one paid staff member, Robert Williams, who is paid by the Racing and Wagering Division. We see ourselves as a recommending body, she said. She mentioned the RFP is in the process of being prepared. We put together what we believe are universally whole desires and opinions about racing in New York State, she said. She said based on 10 to 12 recommendations that they siphoned through hearings, the RFP will be developed.

Mayor Keehn stated some of the recommendations are: the 3 tracks remain together; Saratoga maintain its exclusive dates; historic nature of Saratoga Springs be preserved; grounds be included in whatever proposal is being made; Oklahoma Track retain its dates. Chairman Wood stated these are all points that are good for Saratoga. Mayor Keehn stated it was a universal agreement that these be included in the RFP.

Mayor Keehn announced that a fan forum will be held in Saratoga Springs the morning of March 23rd at the Racing Museum. The beginning part of the day will be devoted toward bringing in round table groups to inform and educate the committee on expertise with regard to racing. Beginning at 5:30, it will be open to the public. Racing fans can come in and give us their opinions. She said another forum will be scheduled later on in Long Island.

Ms. Yepsen asked if there was any role for Chairman Wood or anyone on that day. Mayor Keehn said you can certainly come and listen to discussions. She invited the Committee to attend that meeting. I cannot tell you exactly what different groups will be speaking, she said. Chairman Wood said he would make it a point to be there. He requested Mayor Keehn to share any documents she may get with this Committee. Just keep communication open with us, he said.

Mayor Keehn stated she is in the process of putting together an advisory committee of not only Saratoga Springs residents but people who have been involved in racing. She stated Ken Klotz and Harry Snyder will be co-chairing that committee. I am sure that will be a wonderful group, she added.

Ms. Yepsen asked Mayor Keehn if she had a sense of a time line in terms of the RFP process. Mayor Keehn said Robert Williams has been charged with putting together a time line. Everybody on the Ad Hoc Committee feels this is important, and we do not want to rush this process, she said. We want to be as inclusive and encompassing as possible, she stated. She said she is trying to get as much information out to the press as possible.

Discussion was held on the nine positions taken by the Concerned Citizens for Saratoga Racing. Mr. Sutton mentioned that Joe Dalton and Bill Wilmot came to this Committee last time. We are seeking an endorsement from this Committee to go forward with this, he said. We will be seeking approval of these points from other areas, he said. Mr. Lawler said he raised a point with regard to #4. What about the Saratoga VLT's, he asked. Mr. Sutton said the track is not being mentioned as a location for VLT's. Our understanding is that VLT's will be isolated to the Belmont area. We would not endorse VLT's at the Saratoga Racecourse, he stated. Mr. Lawler said he was talking about the Harness Track VLT's. Mr. Wickerham said that is a different section of law.

Mr. Sutton stated that it costs a lot to put this whole thing together. We want to make sure the race track stays in tact and is not compromised in any way, he said. Monies need to be put back into the infrastructure of the raceway, he stated. He said they are looking to narrow this down to what they can do for the RFP, he said. **Mr. Lawler moved to endorse the nine positions of the Concerned Citizens for Saratoga Racing. Ms. Yepsen seconded. Unanimous.**

Chairman Wood said the Committee will meet next month.

On a motion by Mr. Lawler, seconded by Ms. Yepsen, the meeting was adjourned.

Respectfully submitted,

Elaine M. Sodemann