

Racing and Gaming Committee Minutes
July 6, 2017 – 4:00 p.m.

Present: Chairman Matt Veitch; Supervisors Vince DeLucia, Jack Lawler, Paul Lent, Peter Martin and Jonathan Schopf; Spencer Hellwig, Chad Cooke, County Administrator; Joe Torani, Saratoga Local Advisory Board; John Matarazzo, Director of Racing, Saratoga Casino Hotel; Press.

Chairman Veitch called the meeting to order and welcomed all in attendance.

On a motion made by Mr. DeLucia, seconded by Mr. Martin the minutes of the February 9, 2017 meeting were approved unanimously.

Mr. Veitch introduced Joe Torani, Chairman of the Saratoga Race Course Local Advisory Board. Mr. Torani distributed a handout and gave an update on the history of the board.

In February 2008 the New York State Legislature passed legislation awarding NYRA a 25-year franchise agreement to operate thoroughbred racing at the three NYS tracks, Saratoga, Belmont and Aqueduct. Included in that legislation was the creation of the Franchise Oversight Board to monitor operations. The Franchise Oversight Board established a Local Advisory Board for each racing operation. The Local Advisory Board is made up of 15 members made up of 5 designees from NYRA, 5 appointed by the City of Saratoga Springs and 5 appointed by the Saratoga County Board of Supervisors. Their mission statement is to act as a liaison between NYRA, the local community and the NYS Legislature; to promote open communication between NYRA and its horse racing fans, horse owners, breeders, and trainers, as well as the Saratoga Business community to continually improve the Saratoga Race Course experience; to preserve the historic grounds, buildings, and nature of the Saratoga Race Course and to protect the charm and allure of the Saratoga Race Course Summer meet; to promote the safety of the Saratoga Race Course facility for its fans, its employees, backstretch employees and thoroughbred horses. Mr. Torani said that the other two racetracks, Belmont and Aqueduct never formed their Racecourse Advisory Board. Mr. Torani said that the Saratoga Local Advisory Board have had focus groups, reached out to the Mayor, Chief of Police, Fire Chief, local business leaders, trainers, and owners and have reported back to NYRA with constructive comments.

Mr. Lawler said that the sale and availability of grandstand passes at Stewarts Shops was a very good idea and promotes local participation.

Mr. DeLucia would like to see an increase in attendance during the weekdays and encouraging horseracing among the younger generation. Mr. Torani said that NYRA in Saratoga has started a program on handicapping and getting involved in syndications. Mr. Torani said that the thoroughbred association and jockey clubs are trying to get more in tune with websites and apps to learn about racing and encourage participation from the younger audience. Mr. Lent said that Keenland has done a very good job at attracting a younger audience. A discussion took place regarding online sports betting. Mr. Torani said that the Advisory Board would like to have a larger presence on the NYRA website so that the public can provide feedback etc. Mr. Lawler suggested that the county provide a link on the county website for at least the summer season.

Mr. Veitch introduced John Matarazzo, Director of Racing Operations at Saratoga Casino. Mr. Matarazzo reported that they have not felt the full sting they anticipated due to the opening of the Schenectady Casino. Their business is down 15% and they had initially projected a decrease closer to 30%. The Saratoga Hotel is currently running at around 80% occupancy. Morton's Restaurant has been very successful. The Saratoga Casino has live racing, Vapor nightclub, more slot machines, a safe environment and excellent customer service. The Schenectady hotel is not open yet and the full impact of the Schenectady Casino on Saratoga Springs business will not be known until the casino, hotel and other amenities offered are fully up and running.

Mr. Matarazzo said that they do not monitor attendance at live racing however the handle declines they have been experiencing are not as high as they have been in previous years. Mr. Matarazzo said that live racing is challenging right now, it has an aging clientele and is faced with a lot of competition such as mobile devices and online gaming. He said that another challenge is how many people want to get involved in the ownership side of the racing business. Breeding is down in NY and has been for a few years. In NY alone, there are six harness tracks running, which is a lot to have enough horses to fill all of their races simultaneously. Saratoga is fortunate due to the influx of money from VLTs which have inflated the purses. Mr. DeLucia asked about incentives to keep breeders in NY as many had to leave the state in the past due to decreases in tax advantages. Mr. Matarazzo said that they helped get a bill passed for NY bred only races which encourages NY breeding. This year, a piece of legislation has passed that is waiting for the Governor's signature, regarding NY owned horses - if ownership groups comprise of all NY residents they will be eligible to race in certain conditioned races. In 2010 Mr. Matarazzo wrote the business plan for the online wagering platform Saratoga Bets, which is a very successful product, however the margins for online wagering are less than on track and it does not bring people to the property. Mr. Matarazzo said that they have a strong simulcasting business because of the location and the loyal fan base. Mr. Matarazzo said that Mr. Carlson has been meeting with the Saratoga Springs Horse Show people. Mr. Carlson is working on moving the Horse Show from the Yaddo Show Grounds to Saratoga Casino Hotel in 2018. Mr. Matarazzo said that they have a very good working relationship with NYRA, they are co-sponsoring the hat giveaway on opening weekend and advertise with them at the flat track on a daily basis. Mr. Matarazzo said that they entered into an agreement with the Horsemen's Group around 1 ½ years ago. They still house 600 harness horses on track and have a very good relationship with the group.

Mr. Veitch said that the Board of Supervisors has been invited to tour the Saratoga Race Course to view their improvements on Monday July 17, 2017 at 5pm. Mr. Veitch will provide the information on where exactly everyone should meet that day for those interested in attending.

Mr. Hellwig distributed a handout summarizing the Horseracing Integrity Act of 2017 (H.R. 2651) which was introduced by Representatives Andy Barr (R-KY) and Paul Tonko (D-NY) on May 25, 2017. The bill would create new horseracing anti-doping and medication authority and uniform racing medication rules. The bill would exercise authority over all thoroughbred, quarter horse and Standardbred horseracing and would prohibit the use of any substance or medication within 24 hours of a race. Mr. Hellwig said that the legislation is much too broad at this time. Mr. Hellwig said that the bill currently has 32 sponsors. Mr. Martin said that he would not be in favor of the County taking a position on this item until they learn more, give time for horsemen's association, racing associations and lobbyists get involved. Mr. Lent expressed concern over legislature having control over an issue that is better decided by expert veterinarians and horse clinicians. Mr. Veitch

suggested that a letter be sent by the Chairman to the local representatives expressing their concerns and requesting that more opinions be sought prior to moving forward.

A motion was made by Mr. DeLucia, seconded by Mr. Schopf to honor thoroughbred trainer Chad Brown for his racing stable's dramatic victory in the 142nd Preakness Stakes (G1) at Pimlico Race Course with three-year old colt Cloud Computing. Unanimous.

Mr. Veitch said that Mr. Brown is a native of Mechanicville. Mr. Veitch said that Mr. Richardson has reached out to Mr. Brown's family and that they may be able to do a formal presentation to Mr. Brown during the August meet.

On a motion made by Mr. Martin, seconded by Mr. Schopf the meeting was adjourned unanimously.

Respectfully submitted,
Therese Connolly
Deputy Clerk of the Board