

**NEW JERSEY RACING COMMISSION
TUESDAY, DECEMBER 20, 2011
LIBRARY ROOM
MONMOUTH PARK RACETRACK
OCEANPORT, NEW JERSEY**

A meeting of the New Jersey Racing Commission was held on Tuesday, December 20, 2011, in the Library Room at Monmouth Park Racetrack, located in Oceanport, New Jersey.

The following were present:

Anthony T. Abbatiello, Commissioner
Manny E. Aponte, Commissioner
Anthony R. Caputo, Commissioner
Peter J. Cofrancesco, III, Commissioner
Francis X. Keegan, Jr., Commissioner
Frank Zanzuccki, Executive Director
DAG Judith A. Nason

No Commissioners were absent:

Executive Director Frank Zanzuccki read the following statement:

“This meeting today conforms with Chapter 231, P.L. 1975, called the “Open Public Meeting Law,” and as per the requirements of the statute, notification of this meeting has been filed with the Secretary of State and with the following newspapers: Daily Racing Form, Bergen Record, Asbury Park Press, Courier-Post and the Newark Star Ledger.

WHEREAS in order to protect the personal privacy and to avoid situations wherein the public interest might be disserved, the Open Public Meetings Act permits bodies to exclude the public from that portion of a meeting at which certain matters are discussed.

NOW, THEREFORE, be it resolved that consistent with the provision of N.J.S.A. 10:4-12(b), the New Jersey Racing Commission will now adjourn to executive session to obtain legal advice protected from disclosure by the attorney-client privilege on the following matters:

1. Legal advice concerning the application of New Meadowlands Racetrack, LLC (Jeffrey Gural, Manager) to acquire the Permit (standardbred/harness) to operate the Meadowlands Racetrack, pursuant to a Memorandum of Understanding (“MOU”) entered into by New Meadowlands Racetrack, LLC (“NMRLLC”) and the New Jersey Sports & Exposition Authority (“Authority”), the current standardbred/harness racing permit holder for the Meadowlands Racetrack, to be supplemented by a lease agreement to be entered into between the Authority and NMRLLC [and, as part of said application, consider the request of NMRLCC to conduct the same live standardbred/harness race dates, at the Meadowlands Racetrack, as previously approved for the Authority with regard to the balance of 2011, and/or 2012, subject to the issuance of a permit to NMRLLC corresponding to such time frame(s)].
 - a) Subject to any Racing Commission approval regarding item 3 above, consider the application of NMRLLC to transmit and receive, at the Meadowlands Racetrack, interstate and intrastate simulcast horse race meetings/races to and from all horse racing racetracks/outlets that are presently approved for the standardbred/harness permit holder (i.e., the “Authority”) for the Meadowlands Racetrack.
 - b) Subject to any Racing Commission approval regarding item 3 above, consider the application of NMRLLC, to participate in casino simulcasting to the same extent that is presently approved for the standardbred/harness permit holder (i.e., the “Authority”) for the Meadowlands Racetrack.
 - c) Subject to any Racing Commission approval regarding agenda item 3 above, and the required approval of the Attorney General, consider whether NMRLLC (Jeffrey , Manager) is suitable as a “qualifier” to the account wagering license held by the Authority, and if so, whether NMRLLC may therefore acquire an interest related to the account wagering licensee (that is, an interest limited to a percentage of the revenue share generated by said licensee, the Authority, as set forth in the above-referenced Memorandum of Understanding between the Authority and NMRLLC).
2. Legal advice concerning the application of the New Jersey Sports & Exposition Authority (“Authority”) to conduct thoroughbred race dates for Monmouth Park for 2012, and to conduct racing related operations at Monmouth Park for the remainder of 2011, pursuant to the race permit traditionally held by the Authority for such purpose at Monmouth Park, which race permit was on August 11, 2011, conditionally approved by the Racing Commission for assignment from the Authority to Monmouth Park Racing, LLC (“MPR”), and which transaction between the Authority and MPR was not completed.

- (a) Subject to any Racing Commission approval regarding item 4 above, consider the application of the New Jersey Sports and Exposition Authority to transmit and receive, at Monmouth Park Racetrack, interstate and intrastate simulcast horse race meetings/races to and from all horse racetracks/outlets that are presently approved for the balance of 2011 and for 2012.
 - (b) Subject to any Racing Commission approval regarding item 4 above, consider the application of the New Jersey Sports and Exposition Authority, to participate in casino simulcasting for the balance of 2011 and for 2012.
- 3. Legal advice concerning the application of the New Jersey Sports and Exposition Authority to conduct 70 thoroughbred race dates at Monmouth Park Racetrack in 2012 under the Meadowlands thoroughbred permit.
 - (a) Subject to any Racing Commission approval regarding item 5 above, consider the application of the New Jersey Sports and Exposition Authority to transmit and receive, at Monmouth Park Racetrack, interstate and intrastate simulcast horse race meetings/races to and from all horse racing racetracks/ outlets that are presently approved for 2012.
 - (b) Subject to any Racing Commission approval regarding item 5 above, consider the application of the New Jersey Sports and Exposition Authority, to participate in casino simulcasting for 2012.
- 4. Legal advice concerning the application of the New Jersey Sports & Exposition Authority ("Authority") to conduct off-track wagering operations at the Woodbridge Off-Track Wagering Facility for the remainder of 2011, and for 2012, pursuant to the license traditionally held by the Authority for such purpose, which license was on August 11, 2011, conditionally approved by the Racing Commission for assignment from the Authority to Monmouth Park Off-Track Wagering, LLC ("MPOTW"), and which transaction between the Authority and MPOTW was not completed.
- 5. Legal advice concerning the distribution of the Casino Simulcasting Special Fund accumulated in 2010 in the amount of \$1,217,408.19, pursuant to N.J.S.A. 5:12-205d.
- 6. Legal advice concerning the proposed readoption of the specially-adopted amendments to N.J.A.C. 13:74-2.1(h)(2) as amended.

7. Legal advice concerning the establishment of a deadline for submission of petitions, by permit holders subject to the participation agreement entered into prior to the effective date of P.L. 2011,c.26, to show progress toward establishing its share of the 15 off-track wagering facilities authorized by N.J.S.A. 5:5-136 since the signing of the participation agreement.
8. Other legal advice and/or status of pending litigation.

Discussion of the above matters fall within the exceptions under the law; specifically matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the Commission's attorney to exercise her ethical duties as a lawyer and/or matters involving pending or anticipated litigation."

It was noted that Commissioner Abbatiello, Commissioner Caputo and Commissioner Cofrancesco are participating by telephone.

Commissioner Keegan motioned to adopt the resolution to adjourn. Commissioner Aponte seconded the motion. The Commission then adjourned to Executive Session.

The Commission ended the executive session and Commissioner Keegan moved to reconvene the public session. Commissioner Aponte seconded the motion and the Commission concurring, the public session resumed.

CONSIDER APPROVAL OF THE MINUTES OF THE PUBLIC AND EXECUTIVE SESSIONS OF THE NOVEMBER 11, 2011 AND THE NOVEMBER 16, 2011 COMMISSION MEETINGS

Commissioner Keegan motioned to approve the public and executive session minutes of the November 11, 2011 and the November 16, 2011 public meetings. Commissioner Aponte seconded the motion and all Commissioners voted yes.

CONSIDER THE APPLICATION OF NEW MEADOWLANDS RACETRACK, LLC (JEFFREY GURAL, MANAGER) TO ACQUIRE THE PERMIT (STANDARD BRED/HARNESS) TO OPERATE THE MEADOWLANDS RACETRACK, PURSUANT TO A MEMORANDUM OF UNDERSTANDING ("MOU") ENTERED INTO BY NEW MEADOWLANDS RACETRACK, LLC ("NMRLLC") AND THE NEW JERSEY SPORTS & EXPOSITION AUTHORITY ("AUTHORITY"), THE CURRENT STANDARD BRED/HARNESS RACING PERMIT HOLDER FOR THE MEADOWLANDS RACETRACK, TO BE SUPPLEMENTED BY A LEASE

AGREEMENT TO BE ENTERED INTO BETWEEN THE AUTHORITY AND NMRLLC [AND, AS PART OF SAID APPLICATION, CONSIDER THE REQUEST OF NMRLCC TO CONDUCT THE SAME LIVE STANDARD BRED/HARNESS RACE DATES, AT THE MEADOWLANDS RACETRACK, AS PREVIOUSLY APPROVED FOR THE AUTHORITY WITH REGARD TO THE BALANCE OF 2011, AND/OR 2012, SUBJECT TO THE ISSUANCE OF A PERMIT TO NMRLLC CORRESPONDING TO SUCH TIME FRAME(S)].

- a) Subject to any Racing Commission approval regarding item 3 above, consider the application of NMRLLC to transmit and receive, at the Meadowlands Racetrack, interstate and intrastate simulcast horse race meetings/races to and from all horse racing racetracks/outlets that are presently approved for the standardbred/harness permit holder (i.e., the “Authority”) for the Meadowlands Racetrack.
- b) Subject to any Racing Commission approval regarding item 3 above, consider the application of NMRLLC, to participate in casino simulcasting to the same extent that is presently approved for the standardbred/harness permit holder (i.e., the “Authority”) for the Meadowlands Racetrack.
- c) Subject to any Racing Commission approval regarding agenda item 3 above, and the required approval of the Attorney General, consider whether NMRLLC (Jeffrey, Manager) is suitable as a “qualifier” to the account wagering license held by the Authority, and if so, whether NMRLLC may therefore acquire an interest related to the account wagering licensee (that is, an interest limited to a percentage of the revenue share generated by said licensee, the Authority, as set forth in the above-referenced Memorandum of Understanding between the Authority and NMRLLC).

The Executive Director acknowledged the presence of Mr. Jeffrey Gural and Stephen Pearlman, who is Mr. Gural’s attorney, and opened the floor to them to provide the Commission with a brief description of the transaction and statements they wish to make to the Commission.

Stephen Pearlman introduced himself as an attorney with Ingelson, Pearlman which represents Mr. Gural. Mr. Pearlman made the following statement to the Commission:

“We filed our application in August which we received certain requests from the Commission’s staff and we filed supplemental applications and answers in September, October and November. We believe we’ve met every request that has been made of us with sufficient information to meet the standard as required under the statute, 5-38 and the Administrative Code 13:71-28.1. We’re here today to answer any questions you might have and having done away with the legal introduction, I’ll turn it over to Jeff to talk about the actual development.”

Mr. Gural stated that he is present today as the face of the New Meadowlands Racing, LLC (NMR, LLC), which is basically a company that will have other partners, as well himself, and currently he is the largest investor. He stated that it is the goal to redevelop the existing racetrack by building a new grandstand on the opposite side of the track which will be smaller and more suitable for today’s racing industry. Mr. Gural added that NMR, LLC will simultaneously build an off-track wagering facility in Bayonne that is scheduled to open on July 1, 2012.

Mr. Gural indicated that NMR, LLC has reached an agreement with the thoroughbred horsemen whereby certain concessions will be made to them on the remaining off-track wagering licenses in an effort to help their cash flow. He further indicated that under the Memorandum of Understanding, NMR, LLC has the right to open three additional off-track wagering facilities and the thoroughbred horsemen have the right to open four, however, it was agreed that the thoroughbred horsemen will open the next two off-track wagering facilities.

Mr. Gural also indicated that NMR, LLC is interested in experimenting in a pilot program allowing EZ Bet wagers in bars and restaurants to generate revenue and attract new fans of horse racing.

Mr. Gural then presented drawings and illustrations of the new facility to the Commissioners.

Mr. Pearlman stated that what will enable NMR, LLC to be at this site is the trading of signature pages being held in escrow with the Sports Authority on a 31-year lease that has two, ten-year extensions. Therefore, the transaction is virtually closed and the idea is to have the transition take place on December 31 which is a change from December 24 to December 31.

Commissioner Abbatiello asked a question of Mr. Gural that with the possibility of bars and restaurants becoming off-track betting parlors, does he have an agreement with the

thoroughbreds on how the break out is to be conducted should this become a reality? Mr. Gural responded that an agreement was reached with the thoroughbreds that they could develop the bars and restaurants and NMR, LLC would waive the claim to that expansion.

Commissioner Aponte asked Mr. Gural if the development will include any alternative energy. Mr. Pearlman responded that a meeting was conducted with the State Board of Public Utilities and the State Economic Development Authority. Future meetings have been scheduled to discuss green elements and whatever funds are available from the state and NMR, LLC will try to incorporate those designs to make economic sense.

Executive Director Zanzuccki asked Mr. Gural that as a result of Mr. Bailey exiting from the negotiation table, does he envision any issues that would affect the closing of this lease? Mr. Gural responded that the issues with the horsemen have been resolved and he has developed a relationship with Mr. Drazin who seems to be a spokesperson for the thoroughbreds and he does not envision any problems. Mr. Pearlman supplemented the response by stating that the State has asked NMR provide for the possibility of a transaction with the to-be-determined Monmouth Park operator and it looks like the State is going to proceed with an RFP process and have asked Mr. Gural to agree to certain items so that those items can be included in the RFP which is encapsulated in a term sheet that is being added to the lease.

Executive Director Zanzuccki asked whether the closing date of December 31 is a firm date in that the Commission intends to include the date of closing as a condition of the approval. Mr. Gural responded the date of December 31 is a firm date and would not have any objections to include that date as part of a condition. Mr. Pearlman then indicated that it would be preferable to reference January 5 as the closing date as Mr. Gural intends to open on January 6.

The Executive Director offered Mr. Gural the opportunity to comment or supplement the record concerning the financing aspect of the lease. Mr. Gural stated that as he has previously stated, the cost of the project is valued at \$100 million and he has raised approximately \$30 to \$35 million in equity and expects to have debt of approximately \$45 million. He further stated that he expects to raise another \$25 million to complete the new grandstand, however, there are enough funds to build the Bayonne facility and operate the old facility for the foreseeable future. Mr. Gural noted that the lease contains a deadline of December 31, 2016 for the completion of the new grandstand and upon completion of the new construction, he will focus on raising the remaining equity.

Executive Director Zanzuccki asked Mr. Gural what his position is in regard to the participation agreement. Mr. Pearlman responded that Mr. Gural will either sign the original master participation agreement or sign a joinder agreement. Mr. Pearlman indicated no objection to the signing of the participation agreement as a condition of the permit application. Mr. Stefanacci, on behalf of the New Jersey Sports and Exposition Authority, stated that it is the position of the NJSEA that Mr. Gural will adhere to the terms of the participation agreement and while the original agreement cannot be signed, an amended agreement is sufficient.

A proposed motion was read by the Executive Director:

On August 12, 2011, New Meadowlands Racetrack, LLC (“NMRLLC”), filed an application to, among other things, acquire a permit to conduct a harness horse race meeting at the Meadowlands Racetrack, all pursuant to a signed Memorandum of Understanding or “MOU” it has with the New Jersey Sports & Exposition Authority (“Authority”). Jeffrey Gural is the Manager of NMRLLC, as well as an investor in the company. NMRLLC consists of Members Meadowlands Newmark, LLC, and Meadowlands Horsemen, LLC. Accordingly, if the Racing Commission approves the request, the Meadowlands Racetrack will be operated by Gural and his management team, through a limited liability company NMRLLC.

NMRLLC was formed, among other things, to enter into a lease with the Authority for NMRLLC to construct a new grandstand and operate the Meadowlands Racetrack located in East Rutherford, New Jersey, to receive an assignment from the Authority of certain off-track wagering facility license interests, including the Bayonne City OTW site, and to receive a 50 percent share of the Authority’s revenue interest in the New Jersey account wagering system.

Through this application, as amended or supplemented, the following specific relief is sought by NMRLLC:

- > Approval of the NMRLLC-Authority transaction as concerns the Authority’s intended assignment of the Meadowlands Racetrack harness permit to NMRLLC, and the issuance of a permit to NMRLLC to operate the Meadowlands Racetrack.
- > Approval for NMRLLC to transmit and receive, at the Meadowlands Racetrack, interstate and intrastate simulcast horse race meetings/races to and from all horse racing racetracks/outlets that are presently approved for permit holder Meadowlands Racetrack.

- > Approval for NMRLLC to participate in casino simulcasting to the same extent that is presently approved for permit holder Meadowlands Racetrack.
- > Approval, on the effective date that NMRLLC receives its permit and approval of the Attorney General, for NMRLLC to acquire a 50 percent revenue share from the account wagering licensee/the Authority (that is, 50 percent of the Authority's revenue share as derived by it as operator of the New Jersey account wagering system).

With respect to the 50 percent interest, to be approved as a qualifier, Executive Director Zanzuccki stated to Mr. Gural that he is being approved as an investor at this point in the account wagering system, and in his role as an investor, does he anticipate making any type of operational agreements or changes to the account wagering system. Mr. Gural responded that he does not. Mr. Stefanacci stated that the agreement with account wagering is between Mr. Gural and the Sports Authority and that he will not be a part of the participation agreement as it applies to account wagering. The Executive Director clarified that as an investor, he will not have the ability or authority to make any operational decisions concerning the account wagering system, at this point in time. Mr. Stefanacci confirmed this was correct.

The Executive Director continued reading the motion.

NMRLLC has not yet applied for a license to operate the Bayonne OTW facility, and we are not therefore now considering the assignment of the Authority's Bayonne OTW license to NMRLLC. We also are not considering anything other than the approval requests here before us, as set forth above. We are not approving the agreements between the parties, or the specific terms thereof, some of which may or may not require legislative action.

In considering these matters before us, the Racing Commissioners were provided with the results of the staff's investigation, as concerns the NMRLLC-Authority transaction, the background of the company, Jeffrey Gural, and other affiliates of NMRLLC. Pursuant to a release provided by Gural and another intended principal of the company, the Commission was also privy to aspects of the New York State investigation results regarding Gural, as concerns Gural's past acquisition of racing-related interests in that State. We also received information from the parties to the transaction, both prior to today and at this proceeding. We also consulted with Racing Commission legal counsel as appropriate.

NMRLLC has indicated, unless otherwise approved by the Racing Commission upon subsequent application by NMRLLC, that it intends to continue racetrack operations/race

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schedules of the Meadowlands Racetrack consistent with the approvals secured by the

Authority concerning 2012. As concerns Gural personally, I would note that he has been licensed to engage in horse racing activities in various states for many years, and has successfully done so. Based upon the Commission's review, coupled with Gural's own substantial personal experience in business, and horse racing, both NMRLLC and Gural appear qualified to be granted the relief here sought. Additionally, our background investigation into Gural reflects that he is qualified, in terms of his good character and business acumen, to assume his management interest in NMRLLC, and consequently, the significant interests in New Jersey racing incident to the applications before us.

I would add that the transactions related to the approval requests are relatively complex, and this complexity is amplified due to the layered inter-relationship between the several industry agreements, and recent events. Because of this, and as those transactions remain somewhat fluid in nature, I recognize that things can go wrong. However, they can also go right, and it seems that the interested industry parties want things to go right for the Meadowlands Racetrack and Gural's intended business plan ---- that is why I support an approval of the requests here today.

While the Racing Commission's approval here today can provide the harness industry with the equivalent of a "shovel," it is up to the impacted industry parties to collectively use that "shovel" to construct the road to recovery for the racing industry. I urge the industry to work together to achieve the global recovery plan that the Authority, NMRLLC, and the SBOA, have mapped out. Let us see fair and proper interpretations of the agreements that have been entered into by the industry parties, as well as concerns those agreements which need yet to be signed. Let us see mutual cooperation as problems arise, and let us work together to address those problems. Let us not see the industry party bickering that we have had to confront in the past, for surely, that will be self-defeating.

I believe that the application of NMRLLC for a permit to operate harness racing at the Meadowlands Racetrack, with the continuation of live racing at the Meadowlands, consistent with the present permit holder's approvals, would be in the public interest as set forth in N.J.S.A. 5:5-22 et seq., specifically as provided in N.J.S.A. 5:5-43 and 44. I also believe that the issuance of such a permit, and approval of the requested race schedule, is consistent with the interests of the applicant, the industry participants and, as I said, the public. Such an approval is additionally consistent with the goal of achieving reasonable continuity in harness racing during this year, the year of 2012. The approval of NMRLLC's application, with the same race schedule as allocated to the Authority as the present permit holder for Meadowlands Racetrack, considering the present economic climate and impacts our industry confronts, will continue to serve to promote the harness industry, maintain and enhance the

employment which harness racing provides, encourage horses to stay in New Jersey,

provides the maximum possible revenue to the state and to our harness horsemen, helps to maintain the competitive position in relation to neighboring states, and provides a continuation of the recreational opportunities for New Jersey residents who desire to attend Meadowlands Racetrack racing.

I therefore move that the Commission approve the issuance of a permit to NMRLLC to conduct a harness race meet at the Meadowlands Racetrack consistent with its agreement with the Authority, subject to the following conditions:

- 1) the harness permit issued to NMRLLC, to operate the Meadowlands Racetrack, shall be provisional;
- 2) the final approval of the permit shall be subject to the signing of the lease by each party thereto, on or before January 5, 2012, and the Racing Commission review of the lease for regulatory sufficiency, and the continuing investigation;
- 3) that all conditions applicable to the Authority's operation of the Meadowland's Racetrack shall equally apply to NMRLLC, and if NMRLLC believes that any such condition should not apply, it must seek to have those conditions removed in writing through written application to the Executive Director;
- 4) the issued permit shall be conditional upon compliance with all laws, rules, and directives of the Racing Commission which may be implicated;
- 5) the issued permit will be conditional upon MNRLLC becoming a party to the Master Off-track Wagering Participation Agreement; and
- 6) the issuance of the provisional permit to NMRLLC, and the effective date of the other relief proposed to be granted through this motion, shall be conditional upon the Executive Director receiving a letter, signed by NMRLLC and the Authority, setting forth the desired effective date of the permit issuance to NMRLLC and NMRLLC's assumption of operational control of the Meadowlands Racetrack. In other words, the provisional permit will be issued and effective on a future date as specified by the Authority and NMRLLC. Likewise, the other relief subject of this motion, if approved by the full Commission, will be effective upon the issuance of the provisional permit except for the account wagering interest, which additionally will require Attorney General approval.

With regard to NMRLLC's request to engage in interstate and intrastate simulcasting at the Meadowlands Racetrack, NMRLLC has indicated that it presently intends to engage in simulcasting activities to the same extent as the Authority. I believe that NMRLLC's request, which is essentially to conduct intrastate and interstate common pool and separate pool simulcasting with the facilities presently approved for the Authority at the Meadowlands Racetrack, is consistent with the Simulcasting Racing Act, N.J.S.A. 5:5-110 et seq., and our related rules. I, as part of this motion, therefore advocate approval subject to the following conditions:

- 1) that any approval is conditioned upon final approval of NMRLLC's racetrack permit, and the continuing investigation;
- 2) that all conditions applicable to the Authority's simulcast operations at the Meadowlands Racetrack shall equally apply to NMRLLC, and if NMRLLC believes that any such condition should not apply, it must seek to have those conditions removed through application to the Executive Director; and
- 3) the conditional relief granted shall be subject to compliance with all laws, rules, and directives of the Racing Commission which may be implicated.

As concerns NMRLLC's request to participate in casino simulcasting, NMRLLC has indicated that it presently intends to engage in casino simulcasting activities to the same extent as the Authority. I believe that Commission approval of NMRLLC's request would be consistent with the Casino Simulcasting Act, N.J.S.A. 5:12-195 et seq., and our related rules. I recommend, as part of this motion for approval of the request, the following conditions:

- 1) that any approval be conditioned upon final approval of NMRLLC's racetrack permit and the continuing investigation ;
- 2) that all conditions applicable to the Authority's casino simulcast operations related to the Meadowland's Racetrack shall equally apply to NMRLLC, and if NMRLLC believes that any such condition should not apply, it must seek to have those conditions removed through application to the Executive Director;
- 3) the conditional relief granted shall be subject to compliance with all laws, rules, and directives of the Racing Commission which may be implicated.

NMRLLC's intended present interest with regard to the account wagering system is to receive a 50 percent revenue share, from the Authority's revenue as derived from its continued operation of the New Jersey account system, consistent with its agreement with the Authority. Because of the significant financial interest that NMRLLC is to assume with regard to revenues accruing to the Authority, as a result of its account wagering operation, and while not required to hold an account wagering license as a result of this interest, NMRLLC and Gural as the Manager of NMRLLC must "qualify" to the personal background/good character suitability standards which would enable them to in fact hold such license. This, I find, each has done.

I therefore move that the Racing Commission approve the request of NMRLLC, with Gural as NMRLLC's Manager, to receive the described revenue stream as related to account wagering, subject to the following conditions:

- 1) final approval of NMRLLC's racetrack permit and the continued investigation;
- 2) that the interest of NMRLLC is limited to the 50 percent share of the Authority's revenue in account wagering as described in the MOU;
- 3) that the Racing Commission is not at this time approving any other transaction anticipated in the MOU or otherwise, including as relates to any future rights that Gural, NMRLLC or entities subject to either's control may seek with regard to the New Jersey account wagering system. The Racing Commission's decision today is in all respects limited to the application before it as I have described, and here particularly, to the assignment of revenue rights derived by the Authority incident to its operation of the account wagering system; and
- 4) that the Commission's action is subject to review and approval of the Attorney General. Neither Gural, NMRLLC, or any related entity, may receive any benefit resulting from this determination concerning account wagering until and unless the Attorney General favorably reviews and approves our decision in writing.

Finally, I have reviewed the permit application, and related materials concerning NMRLLC and its financing initiatives. We have also heard from NMRLLC here today, through its representative, concerning this area. Although I believe that NMRLLC has satisfied its burden of demonstrating that it has the ability to achieve its goals from a financial perspective, it is evident that there are contingencies associated with aspects of NMRLLC's financing initiatives. I therefore think that it is important that the Racing

Commission be apprised, on a regular basis, of any positives or negatives in this regard. I, as part of this motion, therefore advocate and suggest the following additional condition:

- 1) that NMRLLC, commencing no later than the first day of the month following the signing of the Meadowlands Lease, and no later than the first of the month for every other month thereafter, provide to the Racing Commission a reasonably detailed account of the status of its financing effort, including positives as well as any negatives, which submission is to be signed and attested to by the NMRLLC Manager.

As part of this motion, I move that the Racing Commission Executive Director be authorized to issue an Order consistent with the determination of the Commission.

This, my fellow Commissioners, concludes my motion.

Commissioner Aponte made a motion to approve the motion as stated by the Executive Director. Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER THE APPLICATION OF THE NEW JERSEY SPORTS & EXPOSITION AUTHORITY (“AUTHORITY”) TO CONDUCT THOROUGHBRED RACE DATES FOR MONMOUTH PARK FOR 2012, AND TO CONDUCT RACING RELATED OPERATIONS AT MONMOUTH PARK FOR THE REMAINDER OF 2011, PURSUANT TO THE RACE PERMIT TRADITIONALLY HELD BY THE AUTHORITY FOR SUCH PURPOSE AT MONMOUTH PARK, WHICH RACE PERMIT WAS ON AUGUST 11, 2011, CONDITIONALLY APPROVED BY THE RACING COMMISSION FOR ASSIGNMENT FROM THE AUTHORITY TO MONMOUTH PARK RACING, LLC (“MPR”), AND WHICH TRANSACTION BETWEEN THE AUTHORITY AND MPR WAS NOT COMPLETED

- a) Subject to any Racing Commission approval regarding item 4 above, consider the application of the New Jersey Sports and Exposition Authority to transmit and receive, at Monmouth Park Racetrack, interstate and intrastate simulcast horse race meetings/races to and from all horse racetracks/outlets that are presently approved for the balance of 2011 and for 2012

The Executive Director noted that the agenda indicates approval for the Sports Authority to continue to conduct racing at Monmouth Park for the remainder of 2011, and upon further review by counsel, this is no longer necessary because the transaction did not take place, the permit for 2011 automatically reverts to the Sports Authority.

- b) Subject to any Racing Commission approval regarding item 4 above, consider the application of the New Jersey Sports and Exposition Authority, to participate in casino simulcasting for the balance of 2011 and for 2012

The Executive Director again noted that the Commission no longer needs to consider approval for 2011.

CONSIDER THE APPLICATION OF THE NEW JERSEY SPORTS AND EXPOSITION AUTHORITY TO CONDUCT 70 THOROUGHBRED RACE DATES AT MONMOUTH PARK RACETRACK IN 2012 UNDER THE MEADOWLANDS THOROUGHBRED PERMIT

- a) Subject to any Racing Commission approval regarding item 5 above, consider the application of the New Jersey Sports and Exposition Authority to transmit and receive, at Monmouth Park Racetrack, interstate and intrastate simulcast horse race meetings/races to and from all horse racing racetracks/ outlets that are presently approved for 2012.
 - b) Subject to any Racing Commission approval regarding item 5 above, consider the application of the New Jersey Sports and Exposition Authority, to participate in casino simulcasting for 2012.
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Executive Director Zanzuccki indicated the Commission is in receipt of a request from the NJSEA indicating that they are applying for a total of 141 thoroughbred race dates for calendar year 2012. The Executive Director clarified that the dates differ from those dates previously approved for Monmouth Park Racing, LLC. The NJSEA is apply for 83 dates under the Monmouth Park permit and 58 dates under the Meadowlands' thoroughbred permit to be conducted at Monmouth Park. Specifically, racing at Monmouth Park will be conducted Wednesday through Sunday in May, May 28 (dark on May 30), Wednesday through Sunday, June through August and Saturday and Sunday in September and September 3 (Labor Day). The Meadowlands at Monmouth Park fall meet is scheduled to begin on September 6 and conclude on November 25, for a total of 58 race days, with racing being conducted on Wednesday through Sunday during September, October and November, and dark November 22 (Thanksgiving Day).

Mr. Stefanacci, again representing the NJSEA, confirmed that the Sports Authority is relying upon the 2011 applications that were filed with the Commission in October 2011.

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Commissioner Keegan made a motion to approve agenda items 4 and 5 as concerns the NJSEA's request to conduct thoroughbred racing at Monmouth Park racetrack and the Meadowlands Racetrack to conduct thoroughbred racing at Monmouth Park. Commissioner Aponte seconded the motion and all Commissioners voted yes.

CONSIDER THE APPLICATION OF THE NEW JERSEY SPORTS & EXPOSITION AUTHORITY ("AUTHORITY") TO CONDUCT OFF-TRACK WAGERING OPERATIONS AT THE WOODBRIDGE OFF-TRACK WAGERING FACILITY FOR THE REMAINDER OF 2011, AND FOR 2012, PURSUANT TO THE LICENSE TRADITIONALLY HELD BY THE AUTHORITY FOR SUCH PURPOSE, WHICH LICENSE WAS ON AUGUST 11, 2011, CONDITIONALLY APPROVED BY THE RACING COMMISSION FOR ASSIGNMENT FROM THE AUTHORITY TO MONMOUTH PARK OFF-TRACK WAGERING, LLC ("MPOTW"), AND WHICH TRANSACTION BETWEEN THE AUTHORITY AND MPOTW WAS NOT COMPLETED

Commissioner Aponte motioned to approve the request of the NJSEA to conduct off-track wagering operations at the Woodbridge Off-Track Wagering facility for the remainder of 2011 and for the 2012. Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER THE DISTRIBUTION OF THE CASINO SIMULCASTING SPECIAL FUND ACCUMULATED IN 2010 IN THE AMOUNT OF \$1,217,408.19, PURSUANT TO N.J.S.A. 5:12-205d

Executive Director Zanzuccki noted that the record for this item closed on October 7, 2011 and the Commission will not consider any additional comments concerning this matter. He stated that Commission staff has prepared several draft motions and has presented the Commissioners with all materials concerning each applicant's request, including a transcript of the oral comments given by the industry participants at a previous meeting.

Commissioner Aponte complimented staff on its preparation for the agenda item. The Commissioner agreed with Draft Allocation A and recommended allocating 75 percent under N.J.S.A. 5:12-205d(1), based upon proximity, to Atlantic City Race Course, 17.5 percent to Freehold Raceway, 5 percent to Monmouth Park and 2.5 percent to the Meadowlands Racetrack. He then recommended under N.J.S.A. 5:12-205d(2), based upon financially distressed racetracks, allocating 50 percent to Atlantic City Race Course, 25 percent to Freehold Raceway, 12.5 percent to Monmouth Park and 12.5 percent to the Meadowlands Racetrack and lastly 25 percent to the horsemen's organizations with those numbers standing the way that they should (\$T.H.A. and T.B.A. each receive \$76,088), with a correction to the S.B.O.A. allocation which should read \$152,761.01 and not \$152,176.

is allotted to Atlantic City Race Course which conducts only a six-day meet and were one of the few racetracks that made a profit last year. Executive Director Zanzuccki clarified the statement by indicating that Atlantic City reported a loss of approximately \$700,000 for the year.

Commissioner Aponte's recommendation was outlined with the following estimated allocations:

Atlantic City Race Course:	\$ 608,704
Freehold Raceway:	\$ 182, 611
Monmouth Park:	\$ 68,479
Meadowlands Racetrack:	\$ 53,261
T.H.A. and T.B.A.	\$ 76,088
S.B.O.A.	\$ 152,761

Executive Director Zanzucck asked Commissioner Aponte to explain why the Commission should deviate from the prior year distributions. Commissioner Aponte stated that in the past, the Commission considered the effect of casino simulcasting on Atlantic city Race Course as less important for several reasons, and believes that Atlantic City Race Course is the most impacted racetrack being so close to the casinos. He believes that Atlantic City Race Course requesting 90 percent of the monies is not unreasonable and the horsemen's association will still receive a good portion of the fund, while Freehold Raceway, also being closer to Atlantic City, receives a larger share than in the past, and no party is receiving more monies than they requested. The Commissioner stated that the penalties made in the past based upon the few racing days is not as compelling and he also felt that proximity to the casinos was an appropriate issue.

Commissioner Aponte made a motion to propose Draft Allocation A with the percentages as discussed. There was no second to the motion and the motion did not carry.

Commissioner Keegan stated the racetracks are the ones impacted by racing in New Jersey and the right way to allocate the monies is that which was distributed in years' past. Commissioner Keegan proposed the following allocate:

Meadowlands Racetrack:	\$275,000
Monmouth Park:	\$275,000
Freehold Raceway:	\$275,000
Atlantic City Race Course:	\$ 90,000
S.B.O.A.	\$152,000
T.H.A. and T.B.A.	\$ 76,000

to be used exclusively to subsidize the health benefit programs and the funds allocated to the T.B.A. are to be used to increase the incentive awards for its in-state program. Commissioner Keegan indicated the reasons for the allocation is contained in the motion.

Commissioner Aponte noted that in discussions held during the open record, the NJSEA indicated their share of the money was going into a pot and recommended that the source be identified. The Executive Director indicated that during the open discussion, the NJSEA indicated the money would go toward racing-created losses that occurred in 2010.

Commissioner Abbatiello seconded Commissioner Keegan's motion. The Executive Director read the following motion into the record.

Regarding the 2010 accumulated fund monies, which totals \$1,217,408.19, I would note that this represents an 11 percent decrease in the funds available for distribution compared to last year. For comparison purposes, in 1999 this fund had over \$2.2 million available for distribution. We have received applications from each racetrack, and from each horsemen's group. The Commission has also heard and considered verbal comments made at our October 7, 2011 meeting.

In these applications, all of the racetracks have requested that funds be distributed to them pursuant to N.J.S.A. 5:12-205d(1) (the racetrack can demonstrate that its financial well being has been negatively affected by casino simulcasting) and 205d(2) (the Commission finds the racetrack to be financially distressed).

Specifically, the New Jersey Sports and Exposition Authority ("NJSEA") requested that \$610,000 be distributed to the Meadowlands Racetrack and \$500,000 be distributed to Monmouth Park. Freehold Raceway requested \$350,000 and the Atlantic City Race Course requested for \$1,095,667.

In the applications filed by the horsemen's organizations, the Standardbred Breeders' and Owners' Association ("SBOA") asked for \$335,000. Of this total \$325,000 would be used to supplement its self-funded health insurance program and \$10,000 for the retirement program which seeks to find safe, healthy and caring homes for retired standardbred racehorses. The New Jersey Thoroughbred Horsemen's Association ("THA") requested a total of \$846,000. Of this amount \$446,000 is for the Backstretch Health & Welfare Program and \$400,000 for the creation of a Winter Stabling Program. Finally, the Thoroughbred Breeders Association of New Jersey ("TBA") requested \$300,000 to increase the awards for its 2011 in-state incentive program.

At its October 7, 2011 meeting, the Commission gave all of the interested parties the opportunity to provide additional, verbal comments regarding the distribution of the Casino

Simulcasting Special Funds. After receiving these comments, the Commission closed the record and informed the interested parties that any additional comments will not be circulated to, or considered by, the Commissioners.

The oral comments presented this year were much more focused and demonstrative than those offered in the past especially as regards racetracks proximity to Casino Simulcast Facilities and the impact of casino gaming on racetracks from areas other than Atlantic City.

Presenters from Freehold Raceway and Atlantic City Racecourse strongly emphasized that proximity to the Atlantic City Casinos was of paramount importance when determining the effect of Casino Simulcasting on racetrack operations and financial well being. It was noted that the impact on Monmouth Park Racetrack is similar to that of Freehold Raceway due to proximity but not so for the Meadowlands Racetrack which is much more removed from Atlantic City.

In addition, the total effect of Casino gaming at Atlantic City on the Meadowlands was downplayed by some presenters who noted that the recent opening of gaming facilities in New York and Pennsylvania have a much greater negative impact recently on the Meadowlands than Atlantic City does. The Meadowlands representative noted that the negative impact that Atlantic City gaming has on its financial well being is still substantial due in large part to the significant amount of wagering on Meadowlands racing handled by the Atlantic City casino simulcast facilities and the large population base of its trade area that is drawn to Atlantic City gaming facilities.

Also emphasized for the first time was Atlantic City Race Course's contention that since they were penalized in past distributions for reducing their racing dates, other tracks have also substantially reduced their live racing dates and Atlantic City Race Course should not be singled out in a negative light for this reason anymore.

Some concern was voiced about the NJSEA receiving funds since they are getting out of the horse racing business. Because of this it was suggested that the Commission consider not granting a distribution to them or if granted they document that they will spend the funds on racing facilities and projects.

The oral comments provided by the horsemen's groups at the October 7th meeting were similar to those provided in previous years.

I would like to note at this time that the amount of money available for the 2010 distribution is about one million dollars less than that available in 1999. This continued decline in the amount of money available in the fund is a concern when considering the

relative positive financial impact of each allocation on the respective parties based on recent Commission distributions.

The Commission has reviewed the written documents and a transcript of the oral presentations and have determined the following:

- All racetracks presented documentation that they have suffered a negative financial impact from Atlantic City Casino simulcasting and as in the past the Commission agrees that all racetracks qualify under 5:12-205d(1), the highest priority
- All racetracks have documented again that they are financially distressed. The Commission agrees and all racetracks qualify under 5:12-205d(2), the second highest priority
- The horsemen's groups have again properly applied for funds under 5:12-205d(3) the third highest priority, and, for the most part, suggested uses of the funds that could be considered appropriate

In determining specific allocations, I find that the highest priority category is the negative impact of casino simulcasting and I find each racetrack's financial well-being has been negatively affected by casino simulcasting in 2010, directly, and by casino simulcasting in a derivative manner, due to the attraction of horse players to casino simulcast parlors, and from there, to other casino games of no benefit to our industry.

The racetracks highlighted many of the same relevant issues and rationales it set forth concerning the accumulated 2009 special fund matter. Freehold states that casino simulcasting continues to negatively impacts its financial well-being, Meadowlands and Monmouth Park again noted that a negative financial impact may be implied as it continues to have the two most popular signals at casino simulcast facilities, and that the overall impact of casino gaming draws customers from its facility to Atlantic City casinos. Atlantic City continues to claim that no other entity is as negatively impacted by casino simulcasting as it is due to its proximity to Atlantic City, and that its reduced racing scheduled is directly related to the negative impacts of casino simulcasting. Atlantic City states that the award of special fund monies to tracks farther away from Atlantic City, and because they may be more viable, is not supported in law. Atlantic City argues that it is entitled to the majority of the 2010 special fund monies under the law.

I disagree with Atlantic City's claim that it is entitled to most of the special funds monies generated in 2010. Atlantic City has presented no new convincing facts to dispel this conclusion. Since 1998, we have awarded monies under paragraph d(1) to other racetracks less proximate to Atlantic City, and the negative impact of casino simulcasting to our

racetracks, as each year passes, becomes less related to distance from Atlantic City. Further, when racetracks claim a negative impact to their financial well-being has resulted from casino simulcasting, the viability of that racetrack comes into play and, as in the past, Atlantic City's reduced race schedule offering is one consideration. Racetracks whose management strive to offer meaningful and necessary live racing are harmed more by the negative impacts of casino simulcasting, than those who offer less racing. Even though other racetracks have reduced their live race dates, they still offer a significant race meet in terms of numbers as compared to Atlantic City Race Course's six days.

When Atlantic City was legally and factually entitled to the majority of the special funds, it received it. While this was the case in some of the early years of casino simulcasting, it has not been the case in recent years, and based upon the 2010 filings, is not in my view the case presently.

Monmouth Park and Freehold Raceway also argued verbally that proximity to Atlantic City Casinos should be considered when determining negative affect of casino simulcasting. Again, we disagree that proximity is an over riding factor as compared to racetrack trade area demographics, a meaningful live race meet and relative amount wagered at casino simulcast facilities on racetrack signals and from racetrack trade area residents.

Clearly, the financial well-being of each of our racetracks has continued to be negatively affected by casino simulcasting in 2010 and other economic factors. While the exact negative impact of casino simulcasting to our racetracks, as in prior years, cannot be quantified in terms of dollars and cents, casino simulcasting does negatively impact our racetracks' financial condition, and casino simulcasting serves as one ingredient to their current financial plight. Again, each New Jersey racetrack qualifies under the highest priority category, and the greatest share of the available special fund monies should legally and factually be devoted to our most viable racetracks offering meaningful live racing.

Each racetrack property has also contended that they are financially distressed, and each argues that it also qualifies for consideration under the second priority category to the statute for 2010.

Meadowlands states that it is suffering financially and is in need of financial assistance in order to maintain and/or improve racetrack operations having realized a net operating loss of \$10.0 million in 2010. Monmouth Park states that it lost \$6.0 million in 2010. Atlantic City states that it needs additional funds to continue operations, to maintain several year-round employment positions, and to continue renovations. Atlantic City states

that it realized an operating loss of \$711,000 in 2010. Freehold, citing its \$3.9 million loss for 2010, states that it has had to continue implementing cost cutting and personnel savings in order to counter its declines in business.

In considering each application, I believe that the Meadowlands, Monmouth Park, Freehold and Atlantic City racetracks have each demonstrated that they are financially distressed. I also find that Atlantic City is relatively much less financially distressed than the other racetracks.

Atlantic City has stated, through affidavit, that it realized an operating loss of \$711,000 in 2010. I believe that Atlantic City's overall condition, even with this relative small loss, is indicative of a struggling property. Its financial distress level is not as severe as that of the other racetracks and is, perhaps, tied to the financial benefits it achieves through its reduced live race offering. In making this allocation of limited funds among the racetracks based upon financial distress, I have considered this fact.

With due consideration to the reduced funds available this year, I propose, under the first two priorities, the following allocations:

- Monmouth Park, Meadowlands and Freehold each receive \$274,352.00, pursuant to paragraphs d(1) and d(2) to the statute.
- Atlantic City Race Course receive \$90,000.14, pursuant to paragraph d(1) and d(2) to the statute. Again, in making this allocation pursuant to paragraph d(1), Atlantic City's reduced racing schedule was considered, and in allocating funds among the racetracks under paragraph d(2), the relatively worse financial condition of the other racetracks was considered.

Next is the third priority category, and \$304,352.05 remains available after the above proposed distributions under the higher priority provisions. The third priority category authorizes the Commission to allocate funds, in the amount it deems appropriate, to any horsemen's group which will use the money to fund a project beneficial to racing.

Accordingly, the funds I propose for distribution to the SBOA and THA may only be used for their health and welfare programs to cover ever-increasing health insurance costs. As concerns the TBA, as expected, the TBA will use any allocated monies to enhance the in-state breeders award programs.

I propose the following for distribution to the horsemen's groups:

- \$152,176.01 to the SBOA, as the horsemen's organization representing the standardbred horsemen;
- \$76,088.02 each to the THA and TBA, as the horsemen's organizations representing the thoroughbred horsemen.

There was no further discussion and a roll call indicated that all Commissioners voted yes with the exception of Commissioner Aponte who voted no.

CONSIDER THE PROPOSED READOPTED OF THE SPECIALLY-ADOPTED AMENDMENTS TO N.J.A.C. 13:74-2.1(h)(2) AS AMENDED

Commissioner Aponte made a motion to approve the proposed amendments to N.J.A.C. 13:74-2.1(h)(2). Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF THE STANDARDBRED BREEDERS' & OWNERS' ASSOCIATION OF NEW JERSEY TO WAIVE OR MODIFY A PROVISION OF N.J.A.C. 13:71-16.4 (QUALIFYING RACES), BY INCREASING THE TIME PERIOD FROM 30 DAYS TO 45 DAYS FROM A HORSE'S LAST START, PURSUANT TO N.J.A.C. 13:71-1.34 (WAIVER OF COMMISSION'S RULES)

Commissioner Abbatiello motioned to approve the request of the SBOA to modify rule 13:71-16.4 (Qualifying races) for calendar year 2012 and until such time as the rulemaking process to amend the rule is complete.

Commissioner Keegan seconded the motion and all Commissioners voted yes.

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**CONSIDER THE REQUEST OF THE MEADOWLANDS RACETRACK, FAVORITES AT WOODBRIDGE, MONMOUTH PARK AND THE ACCOUNT WAGERING SYSTEM TO OFFER THE FOLLOWING NEW WAGERS:
BLACK GOLD PICK 5 AND MEGA 9 PICK 9**

The Executive Director indicated that Freehold Raceway, Favorites at Toms River,

and Atlantic City Race Course and Favorites at Vineland join in the request to offer the new wager.

It was noted for the record that Freehold Raceway requested an additional wager which has not yet been reviewed by staff and that once the review has been completed and staff has determined the rule complies with the rules and regulations of the Commission, the wager will be listed at a future meeting for consideration.

Commissioner Keegan motioned to approve the new wager. Commissioner Abbatiello seconded the motion and all Commissioners voted yes.

CONSIDER APPROVAL OF THE MEADOWLANDS 2012 HARNESS WAGERING FORMAT, ADMISSION PRICES, DEPARTMENT HEADS, ETC.

Commissioner Abbatiello motioned to approve the Meadowlands' 2012 harness wagering format. Commissioner Keegan seconded the motion and all Commissioners voted yes.

CONSIDER THE REQUEST OF THE BORGATA HOTEL CASINO AND SPA TO HOST A HANDICAP TOURNAMENT ON JANUARY 7, 2012

Commissioner Aponte recused himself from this item and took a seat in the audience.

Commissioner Caputo motioned to approve the request. Commissioner Abbatiello seconded the motion and all Commissioners voted yes with the exception of Commissioner Aponte who was recused.

CONSIDER THE ESTABLISHMENT OF A DEADLINE FOR SUBMISSION OF PETITIONS, BY PERMIT HOLDERS SUBJECT TO THE PARTICIPATION AGREEMENT ENTERED INTO PRIOR TO THE EFFECTIVE DATE OF P.L. 2011, C.26, TO SHOW PROGRESS TOWARD ESTABLISHING ITS SHARE OF THE 15 OFF-TRACK WAGERING FACILITIES AUTHORIZED BY N.J.S.A. 5:5-136 SINCE THE SIGNING OF THE PARTICIPATION AGREEMENT

Executive Director Zanzuccki stated that pursuant to N.J.S.A. 5:5-136(h)1, any of the 15 off-track wagering facilities authorized by statute that have not received a license before January 1, 2012 shall no longer be considered as part of the Authority's or respective permit holder's share and shall be available to be established by the horsemen's organizations in this State. However, N.J.S.A. 5:5-136 also grants authority to the Commission to extend the January 1, 2012 deadline. The statute states that notwithstanding 136(h)1, the Commission may allow the Authority or permit holder respectively to retain the rights to establish an off-track wagering facility within its share after January 1, 2012 if the Commission finds that the Authority or permit holder is making progress as of that date toward obtaining an off-track wagering license and establishing the facility in accordance with benchmarks set forth in (h)2i below and the Authority or permit holder demonstrates on an annual basis that it continues to make progress in accordance with the benchmarks set forth as stated.

The Executive Director indicated that subject to the advice of counsel, staff is recommending that a February 1, 2012 deadline be established for qualified permit holders to file petitions to show progress towards establishing its share of any unused off-track wagering licenses. Subsequent to the passing of the deadline, the Commission will evaluate the petitions and make a determination at a future Commission meeting.

Commission Caputo motioned to approve the establishment of the deadline. Commissioner Keegan seconded the motion.

Michael Musto, representing the Thoroughbred Horsemen's Association, objected to granting an extension of the January 1, 2012 deadline.

Thomas Luchento, President of the Standardbred Breeders' and Owners' Association, indicated opposition to the extension.

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Executive Director Zanzuccki stated that the law compels the Commission to make a determination as to whether the Authority or a permit holder is making progress as of January 1, 2012 toward obtaining an off-track wagering license in accordance with the applicable benchmarks. To comply with the law, the Commission is establishing the February 1, 2012 deadline for the filing of petitions to show progress which will allow the Commission to make the required determination.

There was no further discussion and a roll call of the Commissioners indicated that all Commissioners voted yes.

There being no further discussion or comments from the public, Commissioner Keegan moved that the meeting be adjourned subject to the provisions of the “Open Public Meeting Act.” Commissioner Aponte seconded the motion and it was approved unanimously.

ATTEST:



Executive Director Frank Zanzuccki