

1 THE COMMONWEALTH OF MASSACHUSETTS
2 MASSACHUSETTS GAMING COMMISSION
3 PUBLIC MEETING
4
5

6 CHAIRMAN

7 Stephen P. Crosby
8

9 COMMISSIONERS

10 Gayle Cameron

11 James F. McHugh

12 Bruce W. Stebbins

13 Enrique Zuniga
14 -----

15 RE: RUNNING HORSE RACING APPLICATION
16 -----
17
18
19

20 June 11, 2015 3:30 p.m. - 5:03 p.m.

21 BOSTON CONVENTION AND EXHIBITION CENTER

22 415 Summer Street, Room 102

23 Boston, Massachusetts
24

1 P R O C E E D I N G S :

2

3 CHAIRMAN CROSBY: We ready to call
4 to order -- if I can have your attention, grab
5 your seats. We are going to call to order the
6 Racing Division's public meeting on the running
7 horse racing application of Suffolk Downs,
8 again at the Convention Center at about 3:30 on
9 June 11.

10 The Gaming Commissioners including
11 myself quite vociferously have frequently said
12 that we want to do everything in our power
13 within common sense to figure out a way to keep
14 the thoroughbred running horse industry going.
15 And we continue to have that feeling.

16 Whether this is the right way to do
17 it or not, we will determine as we go through
18 the conversation today and then a subsequent
19 meeting. This will only be a hearing not a
20 deliberation. This is just an opportunity for
21 people on either side of the issue to speak to
22 us.

23 Commissioner Cameron has been our
24 point person on most of our racing issues from

1 the very beginning three years ago. And she
2 will take over as the Chair of today's hearing.

3 COMMISSIONER CAMERON: Thank you,
4 Mr. Chair. Good afternoon everyone. I am
5 Commissioner Gayle Cameron. And here with me
6 today are Commissioners Stebbins, Zuniga,
7 Chairman Crosby and Commissioner McHugh.
8 Because of the amount of people here today, I
9 know the other Commissioners wanted to join me
10 in listening to you today.

11 Today is June 11, 2015. And it is
12 3:30 PM. The purpose of our public hearing
13 today is to hold the hearing in the community
14 required by Chapter 128A. And to receive
15 comments on the application for live racing
16 filed by Sterling Suffolk, LLC to conduct three
17 days of live racing at the Suffolk Downs
18 Racecourse located in East Boston, Mass.

19 A notice of this meeting was posted
20 on the Gaming Commission website on May 22,
21 2015. And updated notice listing a change in
22 the hearing room was posted on the Commission's
23 website on June 9, 2015.

24 The Commission will take comments

1 from any interested person who has signed up on
2 the sign-up sheet outside. Each person is
3 asked to limit their comments to no more than
4 two minutes in length in order to allow all
5 interested persons to speak.

6 To the extent that a group wishes to
7 make comments, we ask that in the interest of
8 time the group appoint a spokesperson to make
9 comments on behalf of the group. Again, it's
10 June 11, 2015 at 3:30, and I'd like to call
11 this public hearing to order.

12 What we'll do is since it is a
13 license from Suffolk Downs, we'll have Chip
14 Tuttle speak first. And then we will go in the
15 order of the signup sheet. Mr. Tuttle.

16 MR. TUTTLE: Thank you, Commissioner
17 Cameron, Commissioners, Mr. Chairman, thank you
18 very much. Happy to be here before you on our
19 supplemental application for three days of
20 racing in 2015.

21 We sent an application to you I
22 think around the end of April. It is for three
23 days, which given the change of circumstances
24 at the facility over the last several years is

1 an amount that we came to with consultation
2 over the winter with New England HBPA. As you
3 are aware, it is -- Our responsibility is to
4 negotiate purse agreements with the NEHBPA.

5 So, we came to the number of days in
6 racing program in the application that we filed
7 in conjunction with the HBPA and with NEHARC,
8 the New England Horsemen's Agricultural and
9 Racing Corporation which is a new company.

10 Over the course of the winter, it
11 became clear to us that the NEHBPA in good-
12 faith applied for and this Commission issued a
13 placeholder license for them for 2015. So, our
14 initial discussions with the HBPA were about
15 its ability to get its own license and lease
16 our facility from us.

17 When it was clear to us that that
18 was not going to take place, we shifted to the
19 idea of Suffolk Downs once again hosting a race
20 meet after announcing we thought pretty
21 unequivocally last year that we didn't have
22 interest in continuing live racing operations.

23 So, we are hopeful that you will
24 look favorably upon this application. We know

1 it's not as robust as the programs that we've
2 run the last several years, but as the horsemen
3 continue to look for their own facility as part
4 of their long-term plan, we hope this provides
5 a little bridge for them and the ability for
6 some of them to earn some of the money out of
7 the Race Horse Development Fund for which we
8 also have a request before you, and to continue
9 to have some continuity in live racing
10 operations for 2015 and 2016.

11 We also want to satisfy the
12 legislative requirement. There was legislation
13 passed in December originally that extended our
14 2014 license for 90 days. Then legislation
15 passed in March of this year that extended our
16 racing license into 2015 and 2016 but invited
17 us to apply for at least one day of racing in
18 each of those years.

19 So, I don't have a lot of other
20 material or comments for you. You have a
21 letter on file that I submitted June 8 to the
22 Commission.

23 I am happy to answer questions that
24 you have as always. And if you'd like I can

1 stay here until the end of the program and
2 answer any questions for you that may arise
3 during the course of the hearing.

4 COMMISSIONER CAMERON: Mr. Tuttle, I
5 had a couple of questions. First was the purse
6 money, significant purse money you requested
7 for the three days. Do you have any idea, has
8 any analysis been done as to the Suffolk
9 horseman and horse women, how much of that
10 purse money -- Do you have an indication of how
11 much would go to those folks so that the money
12 doesn't just benefit the people that do not
13 have ties to Suffolk or the state of
14 Massachusetts?

15 I know that there's a preference
16 going to be given to horses trained and owned
17 by Suffolk horsemen and women. But they have
18 to meet the race condition.

19 How many do you have any idea
20 Suffolk trainers and horsemen, horse women do
21 you think will meet those conditions will be
22 competitive, will be able to compete for those
23 monies? Any idea of those things?

24 MR. TUTTLE: As a percentage

1 projection, I don't. I couldn't tell you.
2 Obviously, all of the money from -- We had look
3 at different models. We had looked at one day.
4 We had looked at 40 or 50 days with the HBPA
5 and talked through those options.

6 We had talked about running six days
7 at \$1 million a day and trying to having a
8 really spectacular racing program, a boutique
9 meet. But there were some concern that that
10 would attract only major stables from out of
11 town and wouldn't give the local horsemen an
12 opportunity to run.

13 We also looked at having three or
14 four days but all at once in a shorter
15 duration, which is much more economically
16 feasible. There's considerable expense of
17 opening the facility the way we're talking
18 about, which is one day a month for July,
19 August and September.

20 The main consideration in doing it
21 this way was to give the Massachusetts
22 Thoroughbred Association, the Mass. Breeders,
23 the opportunity to race their horses and race
24 for some of the money that they've amassed in

1 the Mass. Breeders funds over three separate
2 days so that they could have the opportunity to
3 race their horses more than once and to rest
4 them in between and to get them ready for the
5 next time.

6 As far as the races in the racing
7 program, I believe Lou Raffetto of NEHARC has
8 signed up to speak. We are working with NEHARC
9 to manage live racing operations for this meet
10 having let our racing department and our racing
11 employees go as part of layoffs last year.

12 So, I think he's got some thoughts
13 and ideas on how to accomplish that. We have
14 talked about giving a preference, an entry
15 preference to people that have supported the
16 program over the last two or three years.

17 So, that would give horsemen who
18 have supported the Suffolk Downs program over
19 the last three or four years, two or three
20 years at least the opportunity to have an entry
21 preference over somebody who hadn't. So, the
22 idea is someone who has started, we obviously
23 know who has started horses and how many horses
24 they've started at Suffolk Downs in 2012, '13

1 and '14.

2 And if we're fortunate enough that
3 the entry box is full and we have 15, 16 horses
4 available for each race, the first 10 or 12
5 that get in will be people that have supported
6 the program in the past.

7 But in terms of being able to give
8 you a percentage of the actual purse amounts, I
9 don't think I could do that.

10 COMMISSIONER CAMERON: I'll hold my
11 additional question for Mr. Raffetto. Thank
12 you, Mr. Tuttle.

13 COMMISSIONER MCHUGH: I had a
14 question about how this was going to work. If
15 I read the letter correctly, the races would be
16 on Saturday. The barns would be open Thursday
17 night.

18 MR. TUTTLE: Thursday morning.

19 COMMISSIONER MCHUGH: Thursday
20 morning, so the horses could come there
21 Thursday and be there Thursday and Friday and
22 then race on Saturday.

23 But there would be no dormitory
24 facilities available and there'd be no kitchen.

1 And there'd be no ability except for Thursday
2 and Friday to train on the track. Don't people
3 have to be with the horses all night?

4 MR. TUTTLE: We have security.
5 We'll have security all night. People don't
6 necessarily have to be with the horses all
7 night. Some people prefer to do that. Some of
8 the horsemen prefer to do that but it's not a
9 necessity.

10 COMMISSIONER MCHUGH: Would they be
11 able to camp out, pitch a tent?

12 MR. TUTTLE: Let me put it this way,
13 we don't have living facilities in the barn
14 area other than the dormitories. And the
15 dormitories are decommissioned. It would be
16 considerable expense to get them back up and
17 running. If that had to be done, we'd
18 obviously take a hard look at that.

19 Not having -- And we have a limited
20 number of dormitories. Sometimes people elect
21 to stay with their horses around the clock
22 whether they have a dormitory or not. And we
23 don't authorize people sleeping in tack rooms
24 or doing things like that. But you would be

1 surprised sometimes things like that happen
2 around the racetrack.

3 COMMISSIONER MCHUGH: Okay. Thank
4 you.

5 COMMISSIONER STEBBINS: Mr. Tuttle,
6 your proposal is it based off what tracks have
7 done in other jurisdictions? Is there a model
8 you can point to that says we kind of liked
9 what Kansas did, maybe we can mirror that here?

10 MR. TUTTLE: I don't know that I
11 can, Commissioner Stebbins. This is unproven
12 as a model for sure. We'll have some risk as
13 to whether or not we're able to attract
14 sufficient horses to race.

15 We're looking at an average of about
16 \$500,000 a day in purses. Last year we gave
17 away about \$7.5 million in purses. So, we'd
18 look at given away \$1.5 million over three
19 days.

20 And we're hoping that the purse
21 levels -- Suffolk Downs for the last several
22 years has had if not the lowest, among the
23 lowest purse levels on the East Coast. We pay
24 about \$100,000, a little over \$100,000 a day

1 in purses.

2 And one thing we've proven probably
3 pretty definitively over the last four or five
4 years is that there is no market for that
5 racing. There wasn't really a market to
6 attract a lot of horses. And there wasn't a
7 market to attract a lot of bettors. And we
8 have operated at a substantial loss for the
9 last seven years as the Commission knows.

10 Part of our filings are our annual
11 financials. So, we're pretty certain that the
12 old model doesn't work. We had a preference
13 for grouping the days together, whatever the
14 number was trying to do it all at once. And
15 again, at the behest of the HBPA and the Mass.
16 Breeders, we've elected to try it this way.
17 But it is very much an experiment.

18 COMMISSIONER STEBBINS: Okay. Thank
19 you.

20 COMMISSIONER CAMERON: Questions?
21 Okay. Thank you, Mr. Tuttle. Now will go to
22 our list. And our first speaker Mr. Paul
23 Brooker.

24 MR. BROOKER: Mr. Chairman, members

1 of the Commission. I'm Paul Brooker, national
2 director of the horseshoers union and allied
3 trades. To me, I've been looking at this for
4 60 years of racing at ground level. It's rife
5 with problems and situations. There's been
6 mention and suggested that many of the people
7 to be employed in this program will be from out
8 of state because it is very impractical to hire
9 officials for one day or three days a year.

10 So, this is a Massachusetts job
11 hiring out of state people again. If you look
12 and try to find qualified competent persons to
13 fill the jobs of racing officials, racing
14 personnel and horsemen, it's a very improbable
15 fact. It's not going to happen.

16 You have ballots and gate crew,
17 which both are very dangerous jobs. Are you
18 going to be like the Calcutta Benton who takes
19 someone off the street or off the backside? Or
20 like Calcutta Benton or hump meet, the groom
21 holds the horse and the jockey and the trainer
22 saddle him. How is that going to affect
23 insurance and competency?

24 I don't think the jockey guild will

1 go along with this either. So, like I said,
2 it's rife with a lot of problems and a lot of
3 situations that need to be resolved. I would
4 rather see a situation of a longer meet, if it
5 has to be somewhere else for a year or two
6 while they're looking for a place.

7 I don't know if they've investigated
8 looking into the Trustees of Prowse Farm which
9 is deeded to the state for 100 years as a horse
10 facility. It abuts Ponkapoag Golf Course state
11 owned. It's across the street from the Blue
12 Hills ski resort or facility.

13 It's a half a mile to Houghton's
14 Pond. It's probably three-quarters of a mile
15 to 95 and Route 24. It's a half a mile to the
16 Amtrak T station, plus you have buses come in
17 from Mattapan to that area.

18 There are places to go and you
19 cannot make a living three days a year. I
20 don't know what the situation is, but I just
21 cannot see it. And you'll look as you see here
22 a consensus of the opinion of the people here
23 this is not a viable program. And I thank you
24 for your time and empathy.

1 COMMISSIONER CAMERON: Thank you,
2 Mr. Brooker. Next speaker is Mr. Louis
3 Ciarlone.

4 MR. CIARLONE: Good afternoon
5 Commissioners. My name Louis Ciarlone and I am
6 a business agent at IBEW local 103. I've been
7 authorized by our business manager, John Dumont
8 to speak on behalf of our members who are
9 employed at Suffolk Downs.

10 Compared to the employment level
11 prior to September 16 about 30 percent of the
12 employees remain employed at the track, which
13 consists of approximately 25 full-time and 20
14 part-time workers who we represent. I should
15 say that I'm only speaking for the people I
16 represent. There are many other people
17 employed at Suffolk Downs in different
18 capacities who are represented by other unions
19 or are direct employees of Suffolk Downs.

20 Our union is grateful to Suffolk
21 Downs, the state Legislature and NHBPA to allow
22 simulcasting at the track for the next two
23 years, enabling these workers to continue to be
24 employed. I wish circumstances were different.

1 I fully respect my friends who have
2 a different opinion but I wish circumstances
3 were different. I wish the Commission made a
4 different decision on September 16. I wish
5 Suffolk Downs would run a full live meet. I
6 also wish I was six feet tall.

7 However, we all have to play the
8 hand that's been dealt us. And under these
9 circumstances the application presented to you
10 today by Suffolk Downs is the only plan that
11 can preserve the current jobs being performed
12 by our members at the track. For that reason,
13 IBEW local 103 fully supports this application
14 and asks you to approve it. Thank you.

15 COMMISSIONER ZUNIGA: May I ask a
16 question? In your membership what kind of jobs
17 do they do? Are they associated with live
18 racing or simulcast?

19 MR. CIARLONE: We do have some
20 workers who are associated with live racing.
21 Those folks naturally are not working at the
22 current time. The simulcasting employees --
23 most of our members are mutuel clerks.

24 We also represent the food and

1 beverage workers. There's a small group of
2 people working in that capacity, program
3 sellers, the admissions department.

4 So, Suffolk Downs currently is open
5 five days a week for simulcasting. So, we're
6 talking about 260 days of work. They are open
7 some nights. So, we have some people working
8 in a full-time capacity at the track. We are
9 grateful for that. And we fully supported the
10 legislation that appeared before the House of
11 Representatives and the Senate, which allowed
12 simulcasting with a limited amount of live
13 racing.

14 I've been in communication with
15 people from Suffolk Downs as well as the
16 NEHBPA. I'm convinced that this is the only
17 way of keeping the remaining workers working.
18 I know we are begging for crumbs. We're not
19 going to get the loaf of bread.

20 It's ironic to me that people who
21 work so hard for the gaming legislation worked
22 10 years on this, the first order of business
23 was that many of them, 70 percent lost their
24 jobs as a result, the decision was made on

1 September 16.

2 However, we are here actually
3 begging for crumbs. On behalf of the workers
4 at Suffolk Downs -- I was a mutuel clerk for 20
5 years. I don't feel it's beneath me to beg for
6 crumbs because it does feed the families of a
7 few workers that remain at Suffolk Downs.

8 COMMISSIONER CAMERON: Thank you for
9 that. We are going to move onto the next
10 speaker. Mr. Bill Lagorio.

11 MR. LAGORIO: Good afternoon,
12 Commissioners. It's good to see you all again.
13 It's getting to be a habit. I'm a trainer at
14 Suffolk Downs for 30 plus years and a resident
15 of Revere, Massachusetts my whole life.

16 I represent a group today that
17 strongly objects to the use of Race Horse
18 Development Fund monies for a three-day event
19 as proposed by the HBPA board and Suffolk
20 Downs. The group I represent is comprised of
21 the majority of local horsemen who have been
22 the backbone of Massachusetts racing for many
23 years.

24 A good number of them are in

1 attendance today. And many more that couldn't
2 be here today have already submitted their
3 letters of disapproval to the Commission.

4 Also in attendance today as part of
5 our group are many of the vendors such as
6 blacksmiths, veterinarians and other supply
7 vendors who also depend on a significant live-
8 racing meet to make their living.

9 You ask why do we disapprove? It
10 provides no meaningful long- or short-term
11 benefits for the local horsemen, for the
12 breeding program or for the local vendors and
13 businesses. It uses Race Horse Development
14 monies, which are meant to be utilized for
15 purses at a meaningful race meet, which would
16 benefit all horsemen.

17 The main beneficiary in this three-
18 day event would be Suffolk Downs, the very
19 entity that announced last October that they
20 would no longer be in the racing business. The
21 horsemen do not want to dedicate any of their
22 monies to subsidize future real estate plans at
23 Suffolk Downs unless Suffolk Downs is willing
24 to run a significant amount of race days to

1 allow us the horsemen to transition to our next
2 phase.

3 Many of our horsemen have been left
4 adrift while Suffolk Downs operates a simulcast
5 parlor. We should not reward Suffolk Downs
6 with three days of racing and continue
7 simulcasting while the average horseman wonders
8 how they will survive. As we continue to work
9 on alternate racing solutions for this year and
10 next, the horsemen believe that escrowing purse
11 monies will give us the best opportunity to
12 entice professional racing entities that could
13 take advantage of our four major assets.

14 These are assets we've never had in
15 the past and we have now. Those are control of
16 a very lucrative local simulcast signal, which
17 currently while in the hands of Suffolk Downs
18 dilutes that ingredient.

19 Number two, a fully funded breeding
20 program that provides additional horses and a
21 series of solid stakes races.

22 Number three, a very strong purse
23 base for many years to come as a result of
24 purse supplements from expanded gaming as part

1 of the Race Horse Development Fund.

2 Number four is a per capita
3 population that we can all basically attest is
4 second to none in sports attendance and local
5 gaming. Which states have been successful
6 using this formula, Indiana with two
7 racetracks, New Mexico, Iowa, Louisiana with
8 four tracks, New York with four tracks,
9 Pennsylvania with three, West Virginia with two
10 tracks, Ohio with four tracks, two of them
11 brand-new that were just built and opened.
12 They are Belterra and Mahoning Valley.

13 Illinois has three racetracks, two of them are
14 in Chicago and Maryland of course has two.

15 Make note that a significant amount
16 of the economic activity created by this
17 formula happens off the track. For example,
18 the boarding farms, the breeding farms, the
19 off-track training facilities and the farms
20 dedicated to growing hay and straw.

21 It's hard to believe that
22 Massachusetts can't do what these other states
23 have done and are currently doing.

24 Before the Gaming Commission was

1 appointed, our Legislature after years of
2 research and planning put together an
3 outstanding expanded gaming bill. The bill was
4 designed to in part to guarantee that live
5 thoroughbred racing with all of its attending
6 and economic benefits would thrive in the
7 Commonwealth.

8 It contains all of the ingredients
9 to make our industry a huge success. Who would
10 be interested in investing in Massachusetts
11 racing? Number one, Frank Stronach of Magna
12 Entertainment who has expressed interest in the
13 past. And although he was here in the past, he
14 wasn't here when we had these four ingredients.

15 Local racing track ownership for
16 example Brockton and/or Raynham. Number three,
17 Suffolk Downs may find it to their benefit to
18 once again host an extended live meet in order
19 to maintain and enhance the simulcast business
20 they are now benefiting from.

21 Last on the list would be the
22 current board's plan to bond out and build a
23 southborn (PHONETIC) racetrack. As this plan
24 could take years and involves no interim racing

1 to allow the majority of the horsemen to
2 continue to make a living. Certainly, not the
3 intent of the gaming bill.

4 The first three options I identified
5 come with an experienced racetrack management
6 team, which would be an asset to the horsemen
7 and to the Commonwealth. In the same way the
8 Gaming Commission seeks out casino applicants,
9 so should we seek out an interested and
10 experienced racetrack operator. We have a lot
11 more to offer now than we've had in the past.
12 I beg your indulgence. I'll be done shortly,
13 but I do represent --

14 COMMISSIONER CAMERON: Mr. Lagorio,
15 you are representing the 123 individuals that
16 submitted this form letter?

17 MR. LAGORIO: Yes, I am.

18 COMMISSIOENR CAMERON: So, you are
19 representing 123 people, so we'll let you
20 speak. Is your statement almost concluded,
21 Sir?

22 MR. LAGORIO: We're getting there,
23 probably about three-quarters of the way.
24 Thank you.

1 The actions of the past year have
2 disrupted the legislative intent of the gaming
3 bill. Since Suffolk Downs announced in October
4 that it would abandon live racing, our HBPA
5 Board of Directors has managed our current
6 affairs as well as our plans for the future in
7 such a way as to destroy the fiber of our
8 industry and its people.

9 There has been a total alienation of
10 the average horseman without as much as a
11 single phone call going out to explain their
12 actions. And while all along the president of
13 the board and his consultant, Mr. Raffetto,
14 were claiming they had the horsemen's full
15 support, the fact is they didn't and they still
16 don't.

17 The board has left most of those who
18 have stuck it out for years waiting for better
19 days on the side of the road. Many are in a
20 very difficult financial situation with nowhere
21 to turn. Most members including myself relied
22 on what we were being told and believed that
23 the board is working toward a 50-day meet at
24 Suffolk Downs.

1 The HBPA brought Mr. Raffetto on
2 board to help facilitate that 50-day meet. In
3 my conversations early on with Lou, he told me
4 he had a better plan rather than 50 days. He
5 said to me a three-day boutique meet would
6 better suit his grand plan of building a new
7 racetrack in two or three years. And he saw no
8 merit in holding a more significant meet in the
9 interim to help the general membership as this
10 would use monies he would need for his new
11 track.

12 That conversation left me
13 speechless. I immediately called Mr. Spadea,
14 our HBPA president and relayed to him my
15 concerns about Mr. Raffetto's plan. Mr. Spadea
16 advised me that that was only the backup plan.
17 I asked him whose backup plan?

18 At this point they had decided there
19 would be many casualties along the way to his
20 new plan, but that was the cost of doing
21 business. And when they reached their ultimate
22 goal of (INAUDIBLE) new racetrack, that some of
23 us would survive. Totally unacceptable.

24 We had supported legislative change

1 to help what we thought would be a 50-day meet.
2 When the horsemen realized what the board was
3 really doing, they flooded the Governor's
4 office with phone calls to reverse their
5 position. But the amendments had already
6 passed the House and Senate. They were
7 attached to a very important supplemental
8 budget bill and it was just too late.

9 Please note that all of these
10 legislative changes were advocated by the HBPA
11 board without as much as a signed term sheet, a
12 lease agreement pending legislation with
13 Suffolk Downs.

14 The alienation continued with some
15 very disturbing posts on our HBPA's official
16 website, which is our only source of
17 information and has been the horsemen's
18 information.

19 A March 24 post read as follows
20 about the three- or four-day boutique meet: We
21 must stay in control instead of just doing
22 nothing. By moving forward we address two
23 critical issues. First another entity could
24 apply for dates and take millions from the Race

1 Horse Development Fund on us. I ask who is us.

2 That's our purse money and that
3 would have allowed us to run some sort of meet
4 and earn some sort of purse income from that
5 meet.

6 A second post read we would rather
7 get some racing days for more money and help
8 some folks rather than do nothing at all. Just
9 helping some folks goes against the moral fiber
10 of the HBPA and the 501(c)(6) status they
11 maintain.

12 Under that nonprofit status, they
13 have a fiduciary responsibility to all of its
14 membership to safeguard and manage our monies
15 so that all members equally benefit.

16 The post closes by saying we know
17 it's going to be difficult for some with the
18 possibility of losing their homes and jobs. We
19 have to stay in control and show the Gaming
20 Commission and the state we are in control and
21 can run a meet and put on a good show. That
22 entry is signed the New England HBPA board
23 members.

24 I'd just like to add that last year

1 we put on a good show, very limited purses, 61
2 days of racing with 600 horses. And we could
3 have run 30 more. And we had the best equine
4 safety record in America.

5 What Commissioner Cameron has done
6 as far as regulations and medication with the
7 help of the vets and some wonderful horse
8 people that we have, so we maintained a
9 wonderful record last year and we put on a good
10 show for the Commission.

11 We believe the HBPA has failed in
12 its obligation to represent the best interests
13 of all its membership. They now believe that
14 massive collateral damages are an acceptable
15 byproduct of their grand plan.

16 We as a group have always said that
17 losing one trainer during this transition
18 period would be unacceptable. The current
19 president and his consultant believe that while
20 we will lose many along the way, the strongest
21 will survive.

22 It should be noted that the
23 president, Anthony Spadea, owns a horse and
24 breeding farm in New York, and that is his

1 primary racing operation in New York.

2 In conclusion, the current
3 president's racing interest is out of state.
4 And he has nothing to lose while many of the
5 general membership struggle to survive the
6 board's ill-conceived plans. -- This wraps up
7 quickly -- It should also be noted that while
8 we meet here today, there is an active and
9 pending legal protest as to the results of the
10 2014 HBPA election.

11 This should be allowed to reach
12 conclusion before this HBPA board makes any
13 decisions as to our future. While the HBPA
14 seeks additional monies for administrative
15 expenses and benefits, please keep in mind that
16 four percent of the Race Horse Development Fund
17 monies is for the horsemen's health and pension
18 benefits.

19 Currently, there are very few
20 eligible trainers that have health insurance
21 and none of us have a pension plan. I would
22 ask the Gaming Commission to carefully examine
23 any requests for monies to be released to the
24 HBPA as I fear that most of the money they

1 receive is going to administrative salaries and
2 health insurance premiums that few of us
3 benefit from.

4 The application also calls for
5 \$350,000 of Race Horse Development Fund monies
6 to go to Mr. Raffetto's search for a new
7 racetrack. I believe the local horsemen should
8 explore the options I previously mentioned and
9 seek a new racetrack investor, while at the
10 same time continue our search for a permanent
11 racing facility in the Commonwealth.

12 The horsemen can carry out the
13 search for a new racing investor or facility
14 without paying a large salary to a consultant
15 using our purse monies. We should concentrate
16 on escrowing the monies for the current and
17 future needs of our membership.

18 It's time we tightened our belts and
19 concentrated on helping our horsemen in trouble
20 by putting Massachusetts racing back on track
21 in a sound and responsible manner. I thank the
22 Gaming Commission very much.

23 COMMISSIONER CAMERON: I realize
24 that Mr. Lagorio did represent 123 individuals.

1 So, we let him speak. But everyone else we're
2 going to hold to two minutes. They are
3 speaking as individuals. And we're going to
4 hold you to two minutes. Next speaker is Mr.
5 Dale Solim, Mass. Breeder.

6 MR. SOLIM: Good afternoon, Gaming
7 Commission, ladies and gentlemen of the
8 audience. My name is Dale Solim. I would like
9 to thank the Gaming Commission for giving me
10 the opportunity to speak today.

11 I am a retired engineer, engineer by
12 education. I have worked the high-tech
13 industry for 45 years and I've been a Mass.
14 thoroughbred breeder for 35 years. I'm the
15 largest single breeder in the state, the
16 largest single breeder in the state. I've
17 always had between 12 and 15 horses racing, all
18 Mass. breds, racing at any one time at Suffolk
19 Downs when the track is open.

20 I have my own farm, my own brood
21 mares, two stallions. And I've always bought
22 my feed, hay, bedding and all my supplies right
23 here in the state of Massachusetts.

24 I am very much opposed to the three

1 days of racing at Suffolk Downs and spending
2 close to \$2 million of the Race Horse
3 Development Fund as this will not help any
4 local horsemen or business in the state. It
5 will only help horsemen from New York, New
6 Jersey, Pennsylvania and Maryland and other
7 neighboring states who will ship in their
8 horses to Suffolk Downs fit and ready, take the
9 money and go back home laughing all the way to
10 the bank.

11 Yes, the HBPA president and Mr.
12 Raffetto and the lawyer will argue that the
13 Race Horse Development Fund is for purse money.
14 And that's what they are doing. They are
15 giving close to \$1.5 million for purse money.
16 It is true.

17 But do they think for one moment
18 that when our Legislatures approved the Race
19 Horse Development Fund that their intention was
20 to give millions of dollars to horsemen from
21 New York, Pennsylvania, New Jersey and other
22 states? All this Race Horse Development Fund
23 is an investment fund like many other. State
24 investments investing in opportunities, in jobs

1 and business to grow horsemen, backstretch
2 employees, all track employees.

3 If they think for one minute that
4 the intention of the Legislature is to give
5 millions of dollars to out of state, I hope
6 they think again. I do not think so. They do
7 not think so. And I don't think anyone in this
8 room thinks the same.

9 COMMISSIONER CAMERON: Mr. Solim,
10 two minutes, Sir. Thank you very much.

11 MR. SOLIM: Will you give me one
12 more minute?

13 COMMISSIONER CAMERON: We're going
14 to try to hold it. We have a lot of speakers.

15 AUDIENCE MEMBER: He can take my
16 time. I signed up, but he can take my time.

17 MR. SOLIM: Thank you. There are
18 many reasons why our local horsemen will not
19 benefit from the three days of racing. Many of
20 them did not leave home and their families
21 behind to go to other states where there is
22 racing and training facilities.

23 Their horses are still in the barns
24 with no training place to get their horses fit

1 and to be able to race in the three days.

2 They are starving and broke because
3 of the hardship that was imposed on them by our
4 HBPA. I say the HBPA president and board,
5 because in my mind they killed thoroughbred
6 racing and not Suffolk Downs.

7 Suffolk Downs management was
8 straight with the horsemen. They told us many
9 times over they do not want racing. As a
10 matter of fact, Mr. Spadea himself back in
11 September in one of the board meetings said to
12 the board that Suffolk Downs does not want
13 thoroughbred racing. And also said in that
14 meeting, he met with Joe O'Donnell who is a
15 principal owner of Suffolk. Joe O'Donnell told
16 him and I quote Mr. Spadea, I will have the
17 utmost pleasure to take an ax and destroy the
18 first barn in the backstretch.

19 Suffolk management reiterated it
20 again in December of last year. They told HBPA
21 negotiation is dead. We do not want you people
22 but for sure Suffolk wants our simulcast money.

23 But for sure our HBPA president and
24 board did not get it. They kept beating a dead

1 horse trying to negotiate with Suffolk Downs.
2 They kept stalling and deceiving. All of the
3 horsemen instead of finding an alternative to
4 Suffolk in order to keep racing alive.

5 They should have learned a lesson
6 from Michigan HBPA. In 1999, after the loss of
7 Michigan's two tracks located in Detroit, their
8 HBPA activated and renovated an old fairgrounds
9 consisting of five full long tracks in
10 Muskegon, Michigan in the middle of nowhere.
11 They fixed it and built temporary barns and did
12 what they had to do to save thoroughbred racing
13 jobs, businesses and farms.

14 The track was the Great Lakes Down.
15 The track operated for several years until a
16 new racetrack was built south of Detroit. This
17 is an HBPA who truly represents and cares about
18 the livelihood of their members, the racing
19 industry, the related businesses and farms.

20 Compare this to our HBPA president
21 and his board. They're only there to self-
22 serve. In one of the HBPA meetings, I said to
23 Mr. Raffetto there are no horses here in the
24 state. Where are you going to the horses to

1 fill races? He answered me proudly and said I
2 could get truckloads of horses from Maryland.
3 We want to put on a show.

4 Well, Mr. Raffetto, I ask you the
5 same question I asked earlier. Is this what
6 our Legislature intention was for you to spend
7 close to \$2 million on a dog and pony show and
8 give it to people from Maryland? Is this the
9 best you could do for our horsemen? This is
10 insane and immoral.

11 While our local horsemen in the
12 state lost their livelihood and are about to
13 lose their homes and farms, Massachusetts Horse
14 Race Development Fund is to develop horse
15 racing in Massachusetts and not in Maryland.

16 As for the amount of money the HBPA
17 is asking for, please look closely.

18 COMMISSIONER CAMERON: Mr. Solim,
19 could you wrap it up, please? We're trying to
20 adhere to this time. You've taken two persons
21 time now. So, you can leave comments with us
22 if you'd like, Sir, and we'll read them.

23 MR. SOLIM: I'll wrap it up right
24 now. You might be wondering why I'm so opposed

1 to the three days of racing and I'm a Mass.
2 breeder. My horses can participate in these
3 races. And I've won quite a few stakes in the
4 past and placed in these stakes. But racing in
5 Massachusetts is not about the breeders only
6 and it's not about a select group. It is about
7 all local horsemen. I thank you for giving me
8 the time.

9 COMMISSIONER CAMERON: Thank you,
10 Sir.

11 COMMISSIONER ZUNIGA: Will there be
12 opportunity for questions perhaps at the end
13 for a couple of principles that represented
14 other people?

15 COMMISSIONER CAMERON: Yes,
16 absolutely.

17 COMMISSIONER ZUNIGA: I may have
18 some later.

19 COMMISSIONER CAMERON: Mr. Robert
20 Scarano.

21 MR. SCARANO: My name is Robert
22 Scarano. I'm from Tewksbury. I am a former
23 owner of a horse that currently is now in
24 Maryland because there simply is no racing in

1 Massachusetts.

2 I'm here as an attorney as well.
3 I've heard the arguments. I've heard the
4 positions about the board and membership.
5 There is no conflict resolution and it has
6 never happened, despite the fact that these
7 people have very different positions. But to
8 Mr. Tuttle's point, they've had 270 days to
9 come up with a plan for racing to benefit
10 horsemen in Massachusetts. Since October 4,
11 the last racing day, 270 days have passed.

12 We have a three-day proposal in
13 front of us. There has been no due diligence
14 conducted, no outreach to other tracks, other
15 investors, other folks that would come here and
16 relish the thought that there's a simulcast
17 signal and there is Race Horse Development
18 money available to invest into a first-class
19 facility here in Massachusetts.

20 I am shocked and surprised Suffolk
21 Downs is sitting here today with an application
22 for three days. And I've looked at their
23 financial statement as it relates to their
24 application. I honestly believe that they

1 don't qualify under 128 section 3(i) as a
2 racehorse applicant. They in fact have to take
3 Race Horse Development money in order to run a
4 race.

5 They can't do it on their own.
6 There is no proposal for them to do it on their
7 own. 270 days, no proposal because they have
8 no interest in racing. They've said it once.
9 They've said it twice. They said it the last
10 day of racing goodbye, thanks for the memories.
11 That's exactly the way it was left.

12 Two, I think this board has options.
13 And I think the options are to look at this
14 application very carefully and determine
15 whether it complies with 128A especially
16 section (i). I also think that this board has
17 options to defer a decision on this. Why,
18 because there is a protest going on with the
19 HBPA. It's currently in front of American
20 Arbitration Association.

21 The allegations are serious,
22 misconduct, self-dealing, election that has
23 been manipulated, biographical data that has
24 been abused. I'm not going to go into the

1 HBPA's actions but I do have the protest
2 letters with me and I'm going to leave them
3 with you. And I suggest you go through them
4 very quickly because that's whose going to take
5 the money. That's who is going to facilitate
6 the transfer of money to Suffolk Downs, the
7 same people under protest. Serious
8 considerations need to be made.

9 I would say that this board has the
10 authority to defer any action on this
11 application --

12 COMMISSIONER CAMERON: Sir, thank
13 you.

14 MR. SCARANO: -- until that protest
15 has concluded and until a decision has been
16 made so that the board can make an informed
17 decision. Thank you very much.

18 COMMISSIONER CAMERON: Thank you,
19 Sir. Ms. Lee Loebelenor, and I apologize. I'm
20 mispronouncing a lot of these names.

21 MS. LOEBELENOR: Good afternoon. I
22 own a farm and have been breeding thoroughbred
23 horses for over 30 years. I've gone from
24 operating with 18 and 20 horses to one lonely

1 stallion. I used to employ two full-time
2 workers, two agricultural students, two adopt a
3 vet students. Now I have one part-time
4 employee.

5 Like many others, I did not bring my
6 horses home to the farm for the winter. As a
7 result of that was at the farm only once in the
8 fall for shots instead of several times a month
9 when we were breeding. I did not employ
10 exercise riders to get the horses started back
11 in training in the spring.

12 The blacksmith who spent a full day
13 at the farm is now only there for an hour. I'm
14 not using or purchasing hay, shavings or grain
15 in large quantities as I have in the past.

16 In addition, I am currently spending
17 money for care, training and racing on my
18 horses out of state. I feel three days of
19 racing for high purses is not going to help
20 local horsemen. Instead of the money going to
21 Suffolk Downs who put us out of business, I
22 would rather see it go towards developing a
23 racetrack.

24 As a breeder, it's three financial

1 years to get an animal to racing. And a new
2 track would help keep the benefits in the
3 state. Thank you.

4 COMMISSIONER CAMERON: Thank you.
5 Paddy Reardon.

6 MS. REARDON: Hi Commissioners. How
7 are you? I am Paddy Reardon. My daughter is a
8 trainer, MC Reardon. I don't have a lot of
9 facts and equations of who will it benefit and
10 who it won't. I'm going to tell you how it
11 affects me. My daughter suffered a couple of
12 years of bad racing, short season, lowered
13 purse all in the hopes of having a full meet
14 done in Massachusetts.

15 We own a home in Revere,
16 Massachusetts. Right now we have to take our
17 equity loans for her to stay at Delaware
18 because we never planned on this.

19 The way it is written, those three
20 days of racing won't help her or anybody else
21 in Massachusetts. It's just to get people
22 ready for a meet, it goes through a lot of
23 consequences the first few days with
24 gatekeepers and everything else to get them in

1 the swing of things.

2 Now we're going to take these people
3 that are working someplace else that won't come
4 back here to work. They're going to grab
5 somebody that doesn't have the experience,
6 doesn't have the knowledge and we're going to
7 have serious physical consequences.

8 On the breeders, we have two horses
9 that are down in Florida now. We wanted to
10 breed up in Massachusetts. That's our home.
11 My daughter went to Essex Agricultural School
12 equine studies. This is a career not a hobby.
13 This is a livelihood not just something to do.

14 It has gotten to the point that we
15 don't know what to do anymore. She's worked so
16 hard night and day. This is not something that
17 you're just going to do a festival for. This
18 is a career. This is a livelihood that she
19 gets up every single morning at 4:00 in the
20 morning and goes to work and doesn't go to bed
21 until it's dark. I want her to come home. I
22 want her to come home to a full career in
23 Massachusetts, which I pay taxes for my whole
24 life.

1 I've grown up in Saugus. She did
2 too. We need to bring this home. And the only
3 way to do this is to make a full-time meet out
4 of this like every other state has done. To
5 make it profitable for the people of
6 Massachusetts and the tax money and the
7 wagering money that comes in. There is so much
8 to benefit everyone but three days is not
9 going to do it.

10 Three days are not going to help
11 anybody. Three days are going to hurt people.
12 It's going to hurt the industry. And it will
13 end the breeding in Massachusetts because I'm
14 not bringing a horse here to foal here, raise
15 it for two years and find out there's no track
16 to go to. A Mass. bred with no track, it's not
17 worth it.

18 We need to start doing this now. We
19 need to move on. Suffolk Downs has proven they
20 don't want racing. They've said even with the
21 demolishing of barns when the casino was going
22 to come in with no plans to build any others.
23 Nothing. We need to move on.

24 COMMISSIONER CAMERON: Thank you,

1 Ms. Reardon. Lou Raffetto.

2 MR. RAFFETTO: I promise you I won't
3 get a round of applause when I'm done. Thank
4 you Commissioners, Mr. Chairman for allowing me
5 to be here.

6 I'm happy to answer any of the
7 questions that you brought up before or any of
8 the points before I give you my prepared
9 statement if you'd like me to.

10 COMMISSIONER CAMERON: Mr. Tuttle
11 spoke on behalf of the application. So, we're
12 going to hold you to the three minutes we've
13 been giving people. I said two, evidently it
14 is three. So, why don't you speak and then if
15 there's questions, we'll ask.

16 MR. RAFFETTO: That's fine. First
17 of all, I'd like to start by saying that after
18 reviewing all of the form letters that Mr.
19 Lagorio penned on behalf of the owners and
20 trainers that not only I but the NEHBPA agree
21 with three key points he makes.

22 Number one, we don't believe the
23 Race Horse Development Fund should subsidize
24 Suffolk Downs and its future real estate plans.

1 Two, we don't believe the Race Horse
2 Development Fund should be given to an
3 uncommitted licensee.

4 Three, we oppose the transfer of
5 Race Horse Development Funds to the licensee in
6 consideration for a few days of racing. It's
7 precisely for these reasons that the board of
8 the HBPA unanimously voted to support a three-
9 day festival race at Suffolk Downs as well as
10 the Mass. breeders with one abstention
11 supported the concept.

12 The plan allows us as an industry to
13 remain relevant while escrowing funds for the
14 future. Simply put it's our only hope for the
15 future of thoroughbred racing in Massachusetts.
16 People have to understand that the Race Horse
17 Development Fund cannot be used for racetrack
18 operations despite what Mr. Lagorio has told
19 the horsemen.

20 This being said there is simply not
21 enough money to fund purses and at the same
22 time pay Suffolk Downs the lease payments
23 necessary to operate a meet for 50 or even 30
24 days. Moreover, there are not enough horses.

1 I know I've heard from a few
2 trainers that we have plenty of horses. Let me
3 point out that last year there were
4 approximately 640 horses on the grounds. I
5 gave Acting Director Lightbaum a sheet. And I
6 can point out exactly how many horses are
7 available now. And I'll run through them
8 quickly. These are all Massachusetts horsemen.
9 Finger Lakes are 63 horses, Mamouth Park there
10 are 40, Parks in Pennsylvania five, Delaware
11 60, Maryland 80 and Charlestown 12.

12 That's a total of 260 horses that
13 would be stabled here. If you assume other
14 trainers that are not on this list that I've
15 given the director, there may be another 75
16 horses. That's 335 horses. That's 300 less
17 than a year ago when they ran three days a
18 week.

19 If I'm wrong, and there's another
20 hundred horses that's 360 horses. 360 horses
21 take it from me as a horsemen you're lucky if
22 there's 310 that'll be running. That's the
23 reality of the situation. It's wonderful to
24 hear the fantasies that I've heard up here, but

1 that's not the reality.

2 COMMISSIONER CAMERON: Mr. Raffetto,
3 your time is up. Thank you. We had one
4 speaker on behalf of the application.

5 MR. UMBRELLO: I'm Paul Umbrello. I
6 signed up but he can take my time.

7

8 (Discussion in audience)

9

10 COMMISSIONER CAMERON: Hold on, hold
11 on. Let's not speak over one another. We made
12 a decision because we actually had 123 letters.
13 I do not have letters from that group, Sir.
14 That's why you weren't allowed that. I will
15 allow -- Mr. Raffetto, you're going to speak
16 instead of this person, please. Got it, very
17 good.

18 MR. RAFFETTO: Let me speak as it
19 relates to the comments. And the individuals
20 whose signatures are on those form letters that
21 you received. Check them out, just don't take
22 at face value that they're legitimate. You'll
23 find over 50 percent of them come from people
24 that haven't raced at Suffolk Downs for two

1 years or more or haven't had a starter in 2015.

2 Why, how is it possible not to have
3 a starter this year? Some of these individuals
4 are out of the business that are on that list.
5 And many of the trainers simply do it as a
6 hobby. In fact, one individual who signed
7 hasn't started a horse since 2008.

8 Another trainer who signed isn't
9 allowed on the grounds because he was ruled off
10 because he sent a horse to the killers, yet he
11 signed a letter. It didn't matter if they
12 raced at Suffolk as long as -- if someone was
13 still breathing and they could write their
14 name, Bill Lagorio sold them a bill goods.

15 There isn't one individual in this
16 crowd who has ever written a condition book or
17 understands what's needed to run a meet in
18 terms of horse flesh or moreover has ever
19 managed a racetrack.

20 I've done both in addition to
21 training horses. Yet they come before you
22 today complain to say they want more. They
23 deserve more. The terrorists, as I like to
24 call them like most terrorists have no viable

1 plan. If they can't get what they want, they'd
2 just as soon blow up the current proposal.

3 COMMISSIONER CAMERON: Sir, sir.

4 COMMISSIONER MCHUGH: No, Sir. Wait
5 a minute, name-calling like that -- Just stop.
6 Stop.

7 COMMISSIONER CAMERON: You are using
8 your time to speak ill of other speakers here
9 today. And I don't think that's a good use of
10 your time. So, I'm going to ask you to end
11 your comments here. That is not --

12 MR. RAFFETTO: I appreciate that,
13 but I feel the same was done towards myself.

14 COMMISSIONER CAMERON: This is for
15 new information for us not to speak about
16 others here today. Okay, next speaker Paul
17 Umbrello. Oh, yes. You just gave up your
18 time. Thank you. Florence Siravo.

19 MS. SIRAVO: I'm probably the oldest
20 trainer here. I've been training for 50 years.
21 I've been an owner and trainer for 50 years.
22 And for the last 50 years that I can remember
23 we had enough horses at Suffolk to run a meet.

24 A lot of trainers get rid of horses,

1 but if a meet opened they would find them to
2 come down here to run. I've had a lot of
3 trouble trying to survive since they closed the
4 track. I lost my husband a few years ago and
5 that was my only means of income. I race every
6 year. I usually have a 15 to 20 horse outfit.

7 I've been training on the farm. I
8 have a farm. And I've been training on the
9 farm trying to find out whether we're going to
10 have a meet or not. And they've strung us
11 along all year thinking that maybe we're going
12 to have 30 days. And I'm training and feeding
13 and paying and the windup was I feel bad not
14 only for me but for everybody here.

15 We don't have any 401(k)s. We don't
16 have any kind of income outside of this racing
17 business. And it's too bad that we don't and
18 we didn't think about that a long time ago.
19 Now at this stage of my life all I have is a
20 Social Security check and that's not going to
21 pay my mortgage and pay for the feed and
22 everything. A three-day meet is not going to
23 work. That's absurd. I've never heard of such
24 a thing.

1 I want to know if they didn't fill
2 the races with this three-day meet, what
3 happens to that money? Does Suffolk put that
4 money up or does that money come from the
5 Gaming Commission? That's a question I wanted
6 to know. If they hold this meet and they get
7 this money and then they can't fill the races,
8 what happens to the money?

9 COMMISSIONER CAMERON: We are
10 listening to information today. No decisions
11 are being made.

12 MS. SIRAVON: Thank you. That's
13 all. But I am completely against three days.
14 That's not going to help us.

15 I don't know what happened to the 60
16 days that I thought was by law. I thought in
17 Massachusetts we had to run so many days. I
18 never heard of a three-day meet and I've been
19 in business a long, long time. So, thank you
20 very much.

21 COMMISSIONER CAMERON: Thank you.
22 Carol Skawinski.

23 MS. SKAWINSKI: (INAUDIBLE FROM
24 AUDIENCE)

1 COMMISSIONER CAMERON: David Geller.

2 MR. GELLER: Good afternoon
3 Commissioners. My name is David Geller. I am
4 not a racing person. I am a citizen of the
5 Commonwealth. I did have involvement with
6 Suffolk Downs 25 years ago. I was the project
7 manager when the track was revived in 1990,
8 1991. And I am a fan. That's the limit of my
9 knowledge.

10 I'm here for two reasons. The
11 intensity of feeling in this room is immense.
12 It is obviously very, very important to
13 everyone on the left side of the room and for
14 good reason. But the racing industry does not
15 consist of the owner operators of the racetrack
16 and the horsemen. There is a third element
17 that no one has mentioned. And that is the
18 bettor, the wagerer, the people who put their
19 money on races.

20 And the long-term trend at Suffolk
21 Downs was simply pathetic. Year after year
22 after year, the bettors voted with their feet
23 and with their wallets and they voted to stay
24 home. This industry is not a utility. People

1 are not guaranteed jobs. There are very few
2 businesses in the United States which guarantee
3 lifetime employment however the market's ups
4 and downs may occur.

5 That's not unique to racing. That's
6 a reality of life in the United States. The
7 point of the festival idea, if people can lower
8 their temperature a little bit, is to prove
9 that there is an audience for racing in
10 Massachusetts which will come out for these
11 days in droves and demonstrate that the right
12 kind of meet with the right kind of horses and
13 the right kind of purses would in fact allow
14 the industry to be revived.

15 And that should be uppermost in your
16 mind. This is not an attempt to kill the
17 trainers. It's an attempt to establish a step
18 in the transition to the reestablishment of a
19 viable racetrack industry in Massachusetts.

20 My last point is I am Lou Raffetto's
21 friend. I was the key person -- That's not a
22 disqualifying comment. I was a key person in
23 recruiting him to be the co-manager of the
24 racetrack in 1990, 1991. He did a simply

1 spectacular job. And I will point out that the
2 Mass. cap days that Lou was instrumental in
3 bringing to fruition that reality were
4 immensely exciting. And demonstrated that the
5 right kind of product would in fact elicit
6 support from the racing community.

7 And that's the whole point of this
8 proposal. This is not an attempt to put anyone
9 out of business. It's an attempt to begin the
10 long hard slog to make the industry viable
11 again. And that should be utmost in your
12 minds. Thank you.

13 COMMISSIONER CAMERON: Thank you.
14 Mr. Leonard Patrick.

15 MR. PATRICK: Good afternoon and
16 thank you. I'm a veterinarian 42 years of
17 practice. I just want to reflect upon some of
18 the times at Suffolk Downs where the people
19 have been so dedicated, so hard-working. And I
20 thought this was a state that had a lot of
21 concern for jobs.

22 And I practice in several other
23 states where jobs just aren't as important in
24 those other states and wages aren't either.

1 And I thought Massachusetts at some point
2 everybody could have come together here and at
3 least kept this industry going through some
4 sort of arrangement either partially through
5 slot machines or something else.

6 It's just to me a very sad day to
7 see a three-day event. I think that's a death
8 nail myself. I think that would be the end of
9 it after this year. Thank you for your time.

10 COMMISSIONER CAMERON: Thank you,
11 Sir. Barry Familetto.

12 MR. FAMILETTO: Good afternoon,
13 Commissioners. My name is Barry Familetto.
14 I'm the former CFO at Suffolk Downs when we
15 were open. I love horses. So, I can identify
16 with what's going on here. But some of the
17 things that may not be involved here is that
18 the numbers are very tough. That is what keeps
19 us running.

20 It has to start with -- It's a big
21 cycle. You know the cycle. You have to have
22 the horses. You have to have good horses to
23 get money out. So, although it might not be
24 the plan of 30 or 60 days, it is going to help

1 the long-term viability of the industry. I
2 think we have to take that first step. A
3 three-day meet, we're going to have to be
4 innovative to make this work.

5 So, I hope that you'll give this
6 plan consideration because it's a plan and it's
7 here now. Thank you.

8 COMMISSIONER CAMERON: Thank you,
9 Sir. Tim Ryan.

10 MR. RYAN: Thank you to the
11 Commission for hearing me. I'm a third-
12 generation owner. I grew up on the horse farm.
13 My father owned it, his father before him.

14 It comes to my attention that
15 somewhere in the 40s Suffolk Downs started
16 racing. And I think of all the millions of
17 dollars that it generated in taxes and jobs and
18 everything else. While the industry is a
19 little down, I think it paid its dues.

20 You could give it a shot in the arm
21 and get it back with the right plan. A three-
22 day meet I don't believe is the right plan. I
23 have a two-year-old filly currently. I don't
24 think it's right for me to send her somewhere

1 on what if and maybe.

2 One to another racetrack to use them
3 as a training center with the intent to come
4 back here for a two-year-old stake race in
5 September, which I figure they're proposing.
6 It's unethical for me to do that. It wouldn't
7 be fair for somebody to use Suffolk Downs as a
8 training facility with no intent on racing
9 their horse there when they were open.

10 It happened that people had shipped
11 out. We had a very nice horses, the families
12 that they never rode races that he fit in. We
13 had to go to other places. Not due to our not
14 wanting to race here but they didn't offer a
15 race he would fit in.

16 That said, even if this were to go
17 off, I have no opportunity to get a gate card,
18 a published work which you need to be eligible
19 to race, nowhere to school my filly. On a what
20 if and maybe to send Mass. bred horses off to
21 New Jersey, New York, it just isn't fair.

22 I say come up with a better plan,
23 double the purses when you get to that. If
24 it's next year, great. If it never happens

1 find an equitable way to distribute the money
2 amongst those folks that were breeding horses
3 that put the money into the program. I hope it
4 wouldn't come to that but that's my feeling on
5 it. Thank you for your time.

6 COMMISSIONER CAMERON: Thank you.
7 Stephen Cummings.

8 MR. CUMMINGS: Good afternoon.
9 Thank you for the meeting. My name is Steve
10 Cummings. I raced horses for 50 years. People
11 talk about the horse people and the race people
12 but as a community we're suffering, the
13 businesses in the area. So, live racing did
14 bring some relief to our area.

15 Anthony Spadea and Chip Tuttle have
16 been always good to our community through the
17 years. Nobody's talking about that. We own
18 businesses in the area. We need some relief.
19 Three days are better than none. So, on behalf
20 of my community, I do support that. So, thank
21 you for your time.

22 COMMISSIONER CAMERON: Thank you.
23 Mark Eagan.

24 MR. EAGAN: Thank you. Almost

1 everything has been said. I'm an owner
2 trainer. I was in Virginia from 2006 until two
3 years go. I moved back. I watched this model
4 of the Virginia person presenting five-day
5 illustrious meet. The horsemen voted totally
6 against it. It's not economical for the whole
7 area to even have a five-day meet without even
8 a racetrack to condition in. They voted it
9 out. They also voted out the HBPA.

10 They decided to start their own
11 horsemen's alliance and they are working on
12 racing live in Virginia.

13 Michigan did a plan, a smaller
14 racetrack for a couple of years while they
15 built a bigger one. Ohio built racetracks.
16 Three days of racing just won't benefit any
17 horsemen in New England. It just won't. Thank
18 you.

19 COMMISSIONER CAMERON: Thank you.
20 Anthony Zizza.

21 MR. ZIZZA: Good afternoon. My name
22 is Dr. Anthony Zizza. I work at the Beth
23 Israel Deaconess Medical Center.

24 I must say that I'm a convert, so to

1 speak. At the beginning of this process, I was
2 very much against a short and abbreviated meet.
3 I heard all of the concerns of my fellow
4 horsemen. And I must say that they made a lot
5 of sense to me.

6 And then I started getting more
7 involved. I'm on the board of the Mass.
8 Breeders Association. I started attending the
9 HBPA meetings as a board member. And the more
10 I heard the conversation and the more I saw
11 things progress, I saw hard-working honest
12 decent men and women who were on the board of
13 the HBPA and the breeders try over and over
14 again to come up with some solution to help the
15 people that wanted a meet.

16 And little by little I converted.
17 And I said this does not make sense for us to
18 try to go and do something that we cannot do.
19 So, how do we save racing? How do we build for
20 the future unless we have something now?

21 And as a breeder, it's more to me
22 than just racing. If you think about what it
23 takes to breed a race horse, it takes three,
24 four sometimes five years to have a mare to

1 plan a mating to breed. A year gestation,
2 several months -- several years of developing
3 them and training. And you're lucky if they
4 make it to the races in three years.

5 Our breeding program in
6 Massachusetts will fall apart if we do not
7 continue the work that we started. And I
8 finally converted. And when I did convert, I
9 became like one of these former smokers you
10 don't want to be around. You have to convert
11 and be 100 percent for something.

12 And as much as I love what a lot of
13 the horsemen here have said and as much as I
14 feel for them and my trainer is one of them who
15 also sees that this is the only way to go, the
16 shorter meet to continue racing and to continue
17 our breeding program, the Mass. breeders
18 officially voted as a board at our last meeting
19 to support this three-day meet.

20 We publicized it on our Facebook
21 page. We sent an official letter to this
22 Commission that we supported it. I was very
23 disappointed to hear some board members speak
24 against the meet, very surprised in fact.

1 So, I spoke to the chairman of the
2 Mass. breeders several minutes ago. And he
3 echoed his support of this meet. So, I will
4 make myself -- I don't want to speak too much
5 longer now because I know there are a lot of
6 speakers. But I would really welcome to be
7 available to anybody who wants to speak to me
8 after or at any time in the future to get my
9 take on more of the details. As a board member
10 as an owner and as a breeder, I officially
11 support the three-day meet. Thank you so much.

12 COMMISSIONER CAMERON: Thank you.
13 Those are the list of speakers that I have. Is
14 there someone else here that would like to
15 speak that is not somehow on the list that I
16 have?

17 MR. SPADEA: Mr. Chairman,
18 Commissioners, Alex Lightbaum. The only reason
19 I am speaking, I did not want to speak, because
20 I represent -- I thought I represented all of
21 the horsemen. I do feel bad for some of them
22 that don't think I do. But I heard my name
23 mentioned numerous times today and not the way
24 I want to be recognized is at least what I feel

1 and what I tried to do.

2 To some people's disbelief, I talked
3 to Frank Stronach. I talked to Tim Ripvo
4 (PHONETIC). I talked to George Carney. I
5 talked to the location that is near Ponkapoag
6 golf course. I talked to a place out in
7 Northampton. I talked to place out in Hadley.

8 We looked at location after location
9 to be able to have a horse meet. I spent day
10 and night with Bill Lagorio thinking that we
11 could work something out with Suffolk Downs.
12 Each time we got close to a situation that we
13 thought we could work out, we found that the
14 revenues we had weren't enough to do what we
15 had to do.

16 What's most important to everybody
17 in this room is not solving the problem for
18 this year or next year. The better part of our
19 horsemen to do this and whether some people
20 like it or not, as a profession and for a
21 living they have to have a surety. They have
22 to know that there's going to be a meet. They
23 have to know that every year we do not have to
24 be at the request of people that do not want to

1 race that own a facility where the bottom line
2 is profit to them.

3 The architect that we have or the
4 architectural plans we have for the future will
5 be for racing in a new venue that you've never
6 seen. We've already spoken with the head of
7 economic development for the state of
8 Massachusetts. We're meeting with the Mass.
9 Redevelopment Commission.

10 We're meeting with a commission with
11 state-owned land. We have been actively
12 working night and day. The difference we have
13 from the state somebody else mentioned is I
14 read in the Globe today Senator Eldridge, how
15 much money are you wasting giving to
16 thoroughbred racing. You're wasting \$18
17 million a year.

18 For anybody's belief, Pennsylvania
19 gives \$230 million to thoroughbred racing. New
20 York and New Mexico, if you pay attention to
21 see what they've done, the jobs the state
22 created, the employment they've created and
23 what they've done with the revenue that they've
24 given to thoroughbred racing. If we allow the

1 ignorance and we allow the unknown by people
2 who have made statements that don't realize we
3 are giving Suffolk Downs nothing.

4 What we are doing is trying to
5 preserve racing so the future of horse racing
6 in New England will benefit and will be
7 something we will be proud of. It will not be
8 just a racing facility.

9 Our concept will be something new.
10 And we do have heads of leadership in the state
11 that think it's a grand idea. We think the
12 whole emphasis has to stop being on the horse.
13 We think we have to have equestrian, Polo, and
14 other types of events at a racing facility. We
15 think we need a large animal clinic and
16 adoption center. We think we need 4-H flavor.

17 And we want to save the farmers. If
18 we do what some people would like us to do,
19 farmers would be out on unemployment. Farmers
20 and the people that they employ will not be
21 able to make it. Most of our money would have
22 went to rent a racing facility not to purses.

23 The cost to rent a facility for us
24 is impossible. We have \$5.52 million. You

1 know money don't start coming from Plainridge
2 until June 24. We won't see it for four or
3 five months after that. We would bring in a
4 whole four or five million every year to run a
5 50-, 30-day meet makes no sense.

6 COMMISSIONER CAMERON: Mr. Spadea,
7 your time is up. I know there were requests
8 from Commissioners to ask a couple of
9 questions. Do you want to do that now?

10 COMMISSIONER ZUNIGA: I have a
11 question of Mr. Lagorio first and then Mr.
12 Spadea. It's part of the same question or
13 similar question.

14 What would you view as a viable
15 alternative? You started to allude to that in
16 your my remarks.

17 MR. LAGORIO: First of all, I
18 appreciate Mr. Spadea's comments. The problem
19 is in going forward there has to be a bridge to
20 the future. No entity has moved to the future
21 by eliminating the present and the past.
22 That's the current plan.

23 We look at the escrowing of the
24 monies as a possibility. When I mentioned

1 Brockton and Raynham, I've had numerous
2 conversation with George Carney. Two days ago
3 I spoke to George Connie. Very interested, but
4 as you know he's very tied up at with the
5 Region C casino application.

6 We had opportunities early on to
7 meet with Mr. Carney. His words to me were
8 nobody wanted to talk to me. So, we can hear
9 what we want to hear.

10 But escrowing the money will allow
11 us the opportunity to if this year doesn't come
12 to fruition certainly, an avenue will open for
13 us next year. These people losing their farms
14 and their homes. They need access to that Race
15 Horse Development Fund money for purses and not
16 spend \$1.2 million on purses for three days.

17 The opportunity is there to lure in
18 an investor. And I seriously mean when Mr.
19 Spadea said he spoke to Frank Stronach, he
20 didn't speak to him when we had these four
21 ingredients. He didn't speak to him when we
22 had access to a lucrative simulcast signal.
23 Which once again while Suffolk Downs maintains
24 that signal, they take a key ingredient in

1 luring an investor here.

2 And investor is going to say, hey
3 that's a strong signal. This is the Northeast.
4 They would die for that signal, to bring it in,
5 to send it out both sides.

6 And a Race Horse Development Fund
7 with a strong breeding program and a strong
8 purse base, those are the ingredients that have
9 worked. We need to pursue an investor.
10 Building a racetrack is years down the road.
11 These people don't have years to wait.

12 Florence Siravo's farm has got 16 to
13 20 horses on it. They need to eat. There are
14 other people that need to eat. There are
15 different ways of looking at this. But we can
16 bridge to the future.

17 Certainly, escrowing the money gives
18 us our best opportunity to look at if not a
19 meet in August and September of this year which
20 is still a possibility with other entities,
21 next year we look at 60, 70 or 80 days.

22 We can use that money smartly and
23 help these people get to the future. It's
24 bringing them with us. We never meant to

1 eliminate trainers. This will eliminate the
2 local trainers. And it's not good horses.
3 Don't say good horses. All horses are good
4 horses. A horse is a horse. I love every
5 horse if he's \$4000 or if he's \$400,000.

6 I trained one horse that won 25
7 races for me. And I have the experience to say
8 that. It's not good horses that bring people
9 in. It's creature comforts. It's the
10 amenities of a nice facility. It's the sports
11 room where you can go and watch a big screen
12 television. It's a place where you can sit
13 down and you can come and have lunch. We
14 haven't had that in a long time.

15 And there would be interest, very
16 much so in investing in Massachusetts racing.
17 We have everything we need to bring these
18 people here. But we have to look into that.
19 That's what we should be concentrating on, not
20 spending our money on a three-day meet. I
21 don't care where the money's coming from. It's
22 coming from the Race Horse Development Fund.
23 That's the bottom line. We have an opportunity
24 to bring investors in.

1 COMMISSIONER ZUNIGA: Thank you,
2 Sir.

3 COMMISSIONER CAMERON: Commissioner
4 did you have another question?

5 COMMISSIONER ZUNIGA: Mr. Spadea,
6 would you care to come forward. Maybe you're
7 getting to this, but what you outlined in your
8 prior comments the future plans, the
9 alternative, wouldn't that be well served by
10 preserving the money for a few years
11 essentially the escrow?

12 MR. SPADEA: That's exactly what
13 we're doing. Everybody is talking about
14 spending a lot of money. We're spending enough
15 money to run a three-day meet. In addition to
16 us spending that money, we hope to get some
17 revenue from doing this three-day meet.

18 In addition to that, we think that
19 we have to show Legislators for their support
20 that racing at Suffolk Downs would attract a
21 great deal of people. To my difference and Mr.
22 Lagorio, I believe but yes I believe all levels
23 of racing is something that I personally enjoy.
24 But I do think the fans come out for the better

1 racing.

2 And I think we proved that in New
3 England when we had the events in the Mass.
4 caps. Those are when we get our largest
5 crowds. There are not people knocking down the
6 doors to invest in thoroughbred racing. There
7 are not. There are not investors knocking down
8 the doors.

9 I don't think the ownership of
10 Suffolk Downs, and believe me I don't have the
11 greatest respect for the ownership because of
12 the fact that I love racing and they don't, but
13 that's their real estate, their property to do
14 what they choose.

15 If it was lucrative why wouldn't the
16 people that owned it, and there are the real
17 estate investors there, why wouldn't they be
18 interested in trying to develop it and to put
19 money into it if there was a possibility of
20 making a great deal of money?

21 We've interviewed investors, but we
22 can't sell them a bill of goods that they can
23 make a profit. Our idea is that it has to be a
24 nonprofit. It has to be state owned. We have

1 to have state land because it's impossible for
2 many of the racetracks to exist. Why are they
3 getting revenues from casinos? Why do they all
4 need the help? What's the secret? Why aren't
5 tracks so lucrative all over the country
6 without the help?

7 If it's so easy to build a racetrack
8 and make money at it, why aren't they opening
9 up all over the country? They are not. They
10 are not. Let's not be ridiculous.

11 We see what's happened with many of
12 the racetracks and declining. People like to
13 stay home, look at a computer, wager through
14 the computer. That's where most of our
15 revenues went. Sure, there's not been the type
16 of energy we thought there should be put to
17 Suffolk Downs to attract new patrons to come
18 but we've lost.

19 The gambling goes to all of the
20 other place that you could do, all of the other
21 places you can go to spend the entertainment
22 dollar. The competition is great. That's why
23 we need different venues at a racetrack to make
24 it exist today.

1 There's too many opportunities for
2 the extra dollar. There's too many other
3 places to spend it.

4 COMMISSIONER ZUNIGA: Thank you.

5 MR. SPADEA: Believe me we thought
6 we could try to look at every possible way.
7 Nobody wants to hurt anybody or anybody's
8 ability to make a living. Nobody wants to do
9 that. The trainers have a number of horses.
10 They have families to support and had to go
11 race at another location every year. You can't
12 make a living racing in Massachusetts for just
13 60 or 80 days. You have to run some other
14 place. So, the trainers that are making a
15 living are running another place right now.
16 And we could tell you who they all are.

17 COMMISSIONER ZUNIGA: That would be
18 for another time. What about the notion
19 realistically being able to practice here to
20 have more days quite simply to be able to make
21 it feasible?

22 MR. SPADEA: If we did that we'd be
23 depleting the Race Horse Development Fund each
24 year. The projected amount of revenue between

1 the 5/8 of one percent, the minute Springfield
2 opens and the minute Everett opens, the nine
3 percent from Plainridge, we feel that
4 Plainridge generates somewhere around \$8
5 million a year to us. We feel that the other
6 two casinos when they're full stream, they're
7 going to generate somewhere around \$3 million
8 apiece. So, that's somewhere around \$14
9 million with everybody's numbers that we've
10 looked at.

11 So, for two years, we feel we can
12 accumulate somewhere around \$14-\$15 million.
13 When we get into our third year, what our
14 problem would be if we have a facility of our
15 own and we do what want, if we have \$14 million
16 accumulating and we have to float revenue bonds
17 and we have to pay a debt on the revenue bonds
18 to guarantee us the money to generate to build
19 a facility, we need so much for debt payments.

20 Then we need so much for purses.
21 So, if we accumulate money for two years we
22 have \$14 million for an example, we have \$2
23 million for debt payments, \$2 million to redeem
24 some of the bonds if they're sold if they're

1 federal and state tax exempt, we'll be left
2 with somewhere around \$10 million. If we want
3 to run an 80- or 100-day meet, we have \$10
4 million.

5 How do we attract a longer meet for
6 our horsemen and better racing for a good
7 future? That's why we can't have another meet.
8 We have to have enough money to escrow for our
9 future.

10 In the meantime though, we need to
11 gain support from the House and the Senate.
12 And how do we gain that support, by putting on
13 a show with better horses and showing people
14 what we can do if we have the money to do it.

15 COMMISSIONER ZUNIGA: Thank you.

16 COMMISSIONER CAMERON: Any other
17 questions? Okay. It's now 5:00 in the
18 afternoon. Seeing there are no other speakers.

19 COMMISSIONER ZUNIGA: Was there
20 someone else who wanted to speak?

21 MR. COLLINS: My name is Michael
22 Collins. Say it takes us two years to
23 accumulate enough money to run a one-year meet.
24 Then what happens in the year after that? What

1 do we do the year after that?

2 COMMISSIONER CAMERON: Thank you
3 very much. No one else signed up to speak.
4 So, I'll close this public hearing. Thank you
5 for sharing your comments.

6 MR. HICKEY: My name is Brian
7 Hickey. I'm a lobbyist. I've traveled far and
8 wide with Anthony Spadea, Bruce Patton trying
9 to develop a piece of legislation that we could
10 build our own facility. The endeavor is to
11 continue racing, showcase what it's capable of
12 so it'll give us time to actually find a
13 facility that I keep hearing about, a practice
14 facility, a racing facility which an investor,
15 which I keep hearing about but there is no
16 plan. It's pie-in-the-sky.

17 What Mr. Spadea is trying to do is
18 present to you a plan that would give us the
19 time and the revenue to site a facility with
20 the backing of the state government in a
21 collaborative effort honestly with you.

22 And our fear is in politics once you
23 are gone just like when you're out of office,
24 you're gone. So, I am proud to stand with this

1 group. I'm proud to stand with Lou Raffetto,
2 Anthony Spadea, Bruce Patton. They're trying
3 their very best. That should not to be lost on
4 this Commission. That's all.

5 COMMISSIONER CAMERON: Thank you.
6 We're going to close this public hearing.
7 Thank you for sharing your comments with the
8 Commission today. Thank you.

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10 (Meeting closed at 5:03 p.m.)

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1 SPEAKERS:

2 Chip Tuttle, Suffolk Downs

3 Paul Brooker, Local 947

4 Louis Ciarlone, IBES 103

5 Bill Lagorio, Trainer

6 Dale Solim, Mass. Breeder

7 Robert Scarano, Owner Farmer

8 Lee Loebelener, Lion Spring Farm

9 Paddy Reardon, MC Reardon Racing

10 Lou Raffetto, NEHARC

11 Florence Siravo, Owner Trainer

12 David Geller

13 Leonard Patrick, veterinarian

14 Barry Familetto, Former CFO

15 Tim Ryan, Owner

16 Stephen Cummings, East Boston resident

17 Mark Eagan, Owner Trainer

18 Anthony Zizza, Mass. Breeders

19 Anthony Spadea, NEHBPA

20 Michael Collins,

21 Bob Hickey, Lobbyist

22 ATTACHMENTS:

23 1. Massachusetts Gaming Commission June 11,

24 2015 Notice of Meeting and Agenda

C E R T I F I C A T E

I, Laurie J. Jordan, an Approved Court Reporter, do hereby certify that the foregoing is a true and accurate transcript from the record of the proceedings.

I, Laurie J. Jordan, further certify that the foregoing is in compliance with the Administrative Office of the Trial Court Directive on Transcript Format.

I, Laurie J. Jordan, further certify I neither am counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken and further that I am not financially nor otherwise interested in the outcome of this action.

Proceedings recorded by Verbatim means, and transcript produced from computer.

WITNESS MY HAND this 15th day of June, 2015.



LAURIE J. JORDAN
Notary Public

My Commission expires:
May 11, 2018