



Division of Racing

APPLICATION FOR LICENSE TO HOLD OR CONDUCT A RACING MEETING

APPLICATION OF: **STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC**

FOR LICENSE TO HOLD OR CONDUCT A RACING MEETING AT:

to be located on an approximately 298.54-acre parcel located at 16 Cross Road, Sturbridge, Massachusetts 02554 and Assessor's Map/Parcel ID Nos. 237-04756-016 and 170-05045-180

FOR CALENDAR YEAR 2022.

Pursuant to the provisions of Chapter 128A of the General Laws of the Commonwealth of Massachusetts, inserted by Chapter 374 of the Acts of 1934, as amended, the Applicant hereby makes application for license to hold or conduct a **Running Horse** racing meeting at **Sturbridge**, County of **Worcester**.

As used in this application the word "applicant" has the following meanings, respectively: In case of an individual applicant, the applicant. In case of a partnership applicant, all partners, including limited and silent partners. In case of a corporate applicant, all officers, directors, stockholders of record, persons owning the beneficial interest in any stock, subscribers to any stock and persons who voted any of the voting stock at the last stockholders' meeting. In the case of an LLC, all members and managers. In the case of a trust, all trustees. In the case of an unincorporated association, all members of the association.

A check has been mailed to the Massachusetts Gaming Commission in the sum of **\$300** which is the greater of .0013 times the average dailyhandle for the racing meeting that occurred in 2021 or Three hundred dollars (\$300.00).

The Applicant will provide the Massachusetts Gaming Commission with a surety bond issued by a surety qualified to do business in the Commonwealth of Massachusetts and approved by the Commission in the amount of \$125,000 in accordance with Section 3(o) of Chapter 128A of the General Laws and 205 CMR 14.01(4). The Applicant is working with Louis J. Brudnick & Sons Insurance Agency in Chelsea to secure the bond, which the Applicant understands is the same agency that has previously secured a similar bond for Sterling Suffolk Racetrack, LLC, and would be acceptable to the Commission.

1. The name of the applicant:

Sturbridge Equine and Agricultural Center LLC

2. The post office address of the applicant:

**c/o Greenberg Traurig LLP, One International Place, STE 2000
Boston, Massachusetts 02110**

3. Address of principal office:

**c/o Greenberg Traurig LLP, One International Place, STE 2000
Boston, Massachusetts 02110**

4. Trade name, if any, under which business is or is to be conducted:

Sturbridge Agricultural & Equestrian Center

5. The location of the racetrack where it is proposed to hold or conduct such meeting, including street address, municipality, and county.

16 Cross Road, Sturbridge, Worcester County, Massachusetts 02554

6. The days on which it is intended to hold or conduct such a meeting, the number of races to be run daily and the minimum purse per race.

The Applicant does not seek to hold or conduct any such meetings in 2022 at the facility in Sturbridge. During construction of the racing facility, the Applicant hopes to conduct festival-style racing at another suitable location to commence during the 2022 calendar year, subject to a separate application and approval from the Commission.

The applicant is applying for a license to operate on dark days during the 2022 calendar year. This would provide the regulatory foundation to design, permit, finance, and construct the racetrack and operate as soon as it is built.

7. The hours of each day between which it is intended to hold or conduct racing at such meeting in accordance with G.L. c. 128A, § 2(5).

Upon commencement of operations, the Applicant will work with the Commission and the Town to identify 10 race days spread over three weekends during non-peak times, and the hours for each, to conduct racing at the facility.

8. Name and address of attorney, if any, of the applicant:

Attorney Patrick Hanley
Butters Brazilian LLP
699 Boylston Street, 12th Floor
Boston, MA 02116
617-367-2600
hanley@butterbrazilian.com

9. Applicant is (check one):

 X **An LLC**

10. If applicant is an individual, give name, address, place and date of birth.

Not applicable.

*Submit as **Exhibit 10** three personal references including one of a bank.*

Not Applicable.

11. If applicant is a corporation, LLC, partnership or other business entity:

- a. Submit as **Exhibit 11(a)** the name, place, date of birth and legal residence of each shareholder, member, manager, partner and/or officer of applicant and the office held by each.

See Exhibit 11(a).

- b. Submit as **Exhibit 11(b)** a statement showing:

1. Class of stock issued or to be issued (designate which)
2. Par value
3. Vote per share
4. Number of shares authorized
5. Number of shares issued
6. Number of shares subscribed
7. Total number of shares and the percentage of shares owned by each shareholder.

Not Applicable.

- c. If applicant is a foreign corporation, LLC or partnership, submit as **Exhibit 11(c)** a statement listing the state of formation, the entity's qualification to do business in Massachusetts and the name and address of the registered agent for service of process in Massachusetts.

Not Applicable.

- d. If business entity is an LLC or other organized entity that does not issue stock, submit

as **Exhibit 11(d)** a schedule of ownership listing all members/managers and percentage of entity held.

See Exhibit 11(d).

- e. If business entity is a partnership or other organized entity, submit as **Exhibit 11(e)** a schedule listing the partners or others holding an interest and the percentage of the entity held.

Not Applicable.

- f. Is the beneficial owner of any stock or share of business entity a person other than the owner of record or subscriber?

Yes.

*If the answer to this question is yes, submit as **Exhibit 11(f)** a statement showing:*

1. The name of the owner of record, or subscriber
2. The name of the beneficial owner
3. The conditions under which the owner or subscriber holds and votes or has subscribed for such stock or share of business entity
4. Whether applicant has any other obligations or securities authorized or outstanding which bear voting rights whether absolutely or upon any contingency
5. The nature of such securities
6. The face value or par value
7. The number of units authorized
8. The number of units issued and outstanding
9. The number of units, if any, proposed to be issued
10. The conditions or contingency upon which such securities may be voted
11. Facts showing whether or not such securities have been voted or entitled to be voted in in the period commencing five (5) years prior to this application.

See Exhibit 11(f), which refers to Exhibit 11(d).

- g. Does the applicant have officers, directors, members or managers who are also officers, directors, members, or managers of any other racetrack that is or has been licensed by this or any other racing or gaming commission?

No.

*If the answer to this question is yes, submit as **Exhibit 11(g)** a list of such officers, directors, members or managers, the racetrack or gaming facility involved, the date of licensure, the type of license and the jurisdiction in which such racetrack or gaming facility is located.*

No.

12.

- a. Has applicant or any of its officers, directors, members, or managers had a racetrack or gaming license revoked by order of decree of any Federal or State Court or any State Racing or Gaming Commission?

No.

*If the answer to this question is yes, submit as **Exhibit 12(a)** a list of such licensees, the name of the court or commission that revoked the license, the date the license was revoked and the reason for the revocation.*

Not applicable.

- b. Have voluntary proceedings in bankruptcy been instituted by, or have involuntary proceedings in bankruptcy ever been brought against applicant or any officer, director, member or manager of applicant?

No.

*If the answer to this question is yes, submit as **Exhibit 12(b)** a list describing the name of the person or entity filing for bankruptcy, the type of petition filed in bankruptcy, the date of the filing, the court in which filed and the date of final discharge, or if ongoing, indicate the expected date of final discharge.*

Not applicable.

- c. Are there outstanding any unsatisfied judgments, decrees or restraining orders against applicant or any officer, director, member or manager of applicant?

No.

*If the answer to this question is yes, submit as **Exhibit 12(c)** a list describing the type of the judgment, the court or other body entering the judgment, the date of the judgment, the person against whom the judgment is entered, the amount of the judgment and the reason why the judgment is unsatisfied.*

No applicable.

13. Does the applicant or any of its officers, directors, members, or managers, have now, or have ever had, any direct or indirect financial or other interest in:

- a. Any harness horse, running horse, or dog racing meeting conducting legalized pari-mutuel wagering?

No.

*If the answer to this question is yes, submit as **Exhibit 13(a)** a list describing the name of the officer, director, member or manager having the interest, the type of the interest, the amount of the interest, the name of the entity in which the interest is held, and the location of the entity and the jurisdiction licensing the entity.*

Not applicable.

- b. Any application other than this pending before the Massachusetts Gaming Commission?

No.

*If the answer to this question is yes, submit as **Exhibit 13(b)** a list of all such applications, the type of application, the date such application was filed, the date the application was granted or rejected or whether the application is currently pending.*

Not applicable.

- c. Any application for a racing license or a gaming license which has been denied by the Massachusetts Gaming Commission, the predecessor Massachusetts State Racing Commission or any other State Commission or authority?

No.

*If the answer to this question is yes, submit as **Exhibit 13(c)** a list of all such applications, including the jurisdiction in which it was filed, the type of application, the date the application was denied, the name of the applicant, and the reason for such denial.*

Not applicable.

- d. Any harness horse, running horse, or dog racing meeting conducting pari-mutuel wagering in a State where pari-mutuel wagering, betting, pool making or gambling was not or is not legalized by State law?

No.

*If the answer to this question is yes, submit as **Exhibit 13(e)** a list of such racing meetings, the jurisdiction where the racing meetings are located and the date such racing meetings occurred.*

Not applicable.

14. How does applicant control the real property on which the racetrack is located (indicate by check mark):

_____ Fee Simple Ownership
_____ Lease
 X Other Authority

- a. If a previous racing applicant, please state any new changes to real property plot plan from previous year. If not a previous racing applicant, submit as **Exhibit 14(a)** the exact description, by metes and bounds, number of acres in premises, a plot plan showing the entire premises with all buildings presently on premises or proposed to be erected on said premises, information showing accessibility by highway, railroad and/or other means of public transportation, population within a 50 mile radius, and distances from principal cities, within said 50 mile radius. If applicant does not control the real property on which the racetrack is located by fee simple ownership, include the name and address of the fee simple owner or lessor of the real property. If the fee simple owner or lessor is a corporation, LLC, partnership or other business entity, also include a list of the officers, directors, managers, member or other persons with an interest in the fee simple owner or lessor.

See Exhibit 14(a).

- b. Does the applicant have and maintain control of the personal property necessary to operate and maintain the racetrack, including equipment and have and maintain control over the entire operation?

The Applicant will secure and maintain control of the personal property necessary to operate and maintain the racetrack.

*Submit as **Exhibit 14(b)** a list describing all agreements relating to the operation and control of all equipment, personal property or other operational matters. This includes any agreement pertaining to operation of food, beverage, parking or other concessions, printing of programs or other materials, equipment leases, and subcontracting of services necessary to maintain and operate the racetrack. This also includes any financial interests, such as loans, and any agreement that, in the event of a default under such agreement, would have the consequence of creating a change in control of the racetrack.*

See Exhibit 14(b).

15. Has applicant's entire premises been approved by local authorities in accordance with Section 13A of Chapter 128A of the General Laws?

Yes.

*Submit as **Exhibit 15** a copy of the applicant's approval. If applicant's premises have not been approved in accordance with c.128A, §13A, explain why such approval was not*

obtained.

See Exhibit 15.

- 16.** Is the applicant delinquent in the filing of any report or the payment of any tax as required by Chapter 128A of the General Laws of the Commonwealth of Massachusetts or delinquent in the filing of any other report or the payment of any other tax required by the laws of the Commonwealth of Massachusetts?

No.

*If the answer to the question is yes, submit as **Exhibit 16** list of all delinquencies, the reason for such delinquencies and when all delinquencies will be cured.*

Not applicable.

- 17.** Submit as **Exhibit 17** a copy of all executed agreements with representative horsemen's organizations.

See Exhibit 17.

- 18.** If license is granted applicant will carry:

(Check)

Workmen's Compensation Insurance	<u> X </u>	YES
Public Liability Insurance	<u> X </u>	YES
Jockey Insurance	<u> X </u>	YES
Drivers' Insurance <u>Not</u>	<u> </u>	YES
<u>Applicable.</u>		

*Submit as **Exhibit 18** copies of all policies of insurance carried by applicant as well as a statement setting forth all other types of insurance carried for the protection of employees and patrons.*

See Exhibit 18.

- 19.** Submit as **Exhibit 19** the following information if not a previous racing applicant.

If a previous racing applicant, please state any new changes:

- a. Grandstand:
- Seating capacity
Box Seats Reserved Seats General Admission
Total seating capacity

2. Is Grandstand enclosed?
3. Is Grandstand heated?
4. Is any portion of Grandstand air conditioned?
5. Type of construction of Grandstand
6. Ground area covered by the Grandstand

b. Club House

1. Seating Capacity
Box Seats Reserved Seats General Admission
Total seating capacity
2. Is Club House enclosed?
3. Is Club House heated?
4. Is any portion of the Club House air conditioned?
5. Type of construction of Club House
6. Ground area covered by the Club House

c. Bleachers

1. Seating Capacity
2. Type of construction of Bleachers
3. Ground area covered by the Bleachers

d. Parking Space:

1. Area
2. Automobile capacity
3. Is parking area lighted?
4. Is parking area treated? And if so how?
5. Is parking area numbered?
6. Is charge made for parking? And if so how much?
7. Are the parking area and walkways cleared of snow and ice?

e. Number of pari-mutuel ticket windows provided:

Grandstand: _____ Selling: _____ Cashing: _____

Grandstand: _____ Selling: _____ Cashing: _____

Grandstand: _____ Selling: _____ Cashing: _____

f. Toilet facilities for patrons of each sex in Grandstand, Club House and/or other locations.

g. System of sewerage disposal. If not connected to main sewerage system give details of system used.

h. Number of outlets for fresh, pure drinking water for patrons in grandstand, clubhouse and/or other locations.

See Exhibit 19.

20. Submit as **Exhibit 20** a detailed statement of security measures which will be employed for the protection of patrons, employees, occupational licensees and horses and the control of traffic within the premises and on roads leading to and from the said premises. This statement should include but not be confined to:

- a. Number of uniformed police officers to be on duty each day inside the track;
- b. Whether such police officers will be regular police officers or special officers;
- c. Number of uniformed police officers detailed to traffic within the premises and on roads leading to and from the premises before, during and after racing hours;
- d. Number of plain clothes officers or detectives assigned within the track proper;
- e. System to be used for the detection and suppression of illegal gambling within the premises of the applicant;
- f. System to be used in the detection and barring of pick-pockets, touts and other undesirable characters;
- g. Name of person who will be in charge of security within the track proper;
- h. Name of person who will have supervision of traffic control within the premises of the applicant and will act as liaison between the applicant and local police authorities in the control of traffic outside of the premises of the applicant;
- i. Name of police authority that has been consulted in setting up security measures within the track and the control of traffic within and outside of the premises of the applicant.
- j. System used to protect money received by the track, including security systems protecting the cash room and measures taken to ensure that all wagering equipment is working properly and free from tampering.

See Exhibit 20.

21. Submit as **Exhibit 21**, a description of the following:

If a previous racing applicant, please state any new changes from the previous year:

- a. Size of Track
- b. Number of Chutes
- c. Number of Stables
- d. Number of Stalls
- e. Number of Tack Rooms
- f. Number of Tack Rooms Heated
- g. Number of Shower baths in stable area
- h. Toilet facilities in stable area
- i. Fire protection in stable area including: Number of sprinklers
Number of fire alarm boxes
Other fire protective measures in stable area
- j. A detailed statement of measures which will be employed in the policing of the stable area. This statement should include but not be confined to:
 1. Is stable area enclosed? If so, describe method of enclosure
 2. Number of gates to enclosure, where located and method of control;
 3. System of passes to be issued to persons employed in stable area;
 4. Method to be followed in allowing persons in and out of stable area;
 5. Number of uniformed police officers to be assigned to the stable area indicating

- the number in daytime hours and nights;
- 6. Number of plain clothes officers or detectives to be assigned to the stable area, days and nights;
- 7. Name of person who will be in charge of policing in the stable area.
- k. Recreation room
- l. Track Kitchen, including seating capacity
- m. Size of jockey or driver's room and equipment available including number of shower baths, toilets, hot-boxes, etc.
- n. List of other accommodations, facilities or services in stable area.
- o. List any other accommodations, facilities or services for the benefit of the patrons attending.

See Exhibit 21.

- 22.** Submit as **Exhibit 22** the trade name of any of the following equipment used at the track- date of purchase or the date of present contract or lease and expiration date of said contract:
- a. Pari-Mutuel Equipment
 - b. Starting Gate
 - c. Photo Finish Camera
 - d. Film Patrol
 - e. Timing Devices
 - f. Inter-communication system
 - g. Public Address System
 - h. Closed Circuit Television System
 - i. Horse Shoe Board
 - j. Scales

See Exhibit 22.

- 23.** Submit as **Exhibit 23**

If a previous racing applicant, please state any new changes from the previous year:

- a. A copy of applicant's employee handbook
- b. A copy of all of applicant's policies and procedures regarding internal controls including but not limited to those policies that deal with the handling of money, or the placing of wagers both in person and via telephone or other methods
- c. A copy of applicant's audit committee and compliance committee charters as well as a list of the audit and compliance committee members and their relationship to the applicant
- d. Any other policies that indicate that applicant meets general industry standards for business and financial practices, procedures, and controls.

See Exhibit 23.

- 24.** Submit as **Exhibit 24** a copy of the applicant's most recent audited financial statements, most recent audited or unaudited quarterly financial statement, an audited profit and loss

statement for the applicant's most recent fiscal year, a statement showing the total gross receipts for the past five calendar years received by each concessionaire operating at the racetrack and the amount paid to the applicant. If the receipts to the applicant are based on other than the gross receipts, explain how the receipts are calculated. Also include a description of any interest held by the applicant or any officer, director, member, manager, majority shareholder or partner in any concessionaire.

See Exhibit 24.

25. Submit as **Exhibit 25** a statement setting forth the reasons why the applicant believes that the dates applied for will be beneficial to the public, the Commonwealth, the applicant and the Commonwealth's thoroughbred or Standardbred owners and trainers and Massachusetts based vendors and suppliers.

See Exhibit 25.

26. Submit as **Exhibit 26** the following information:
- a. Actual amount of purses paid in the last calendar year
 - b. Estimated amount of purses to be paid in the next calendar year
 - c. Actual handle generated by applicant on its live races in the last calendar year (all sources)
 - d. Direct employment numbers attributable to applicant in the last calendar year as evidenced by the number of people who received a Form W-2 and / or Form 1099 MISC and direct employment numbers of employees who are citizens of the Commonwealth
 - e. Indirect employment numbers attributable to applicant in the last calendar year as evidenced by statements from sub-contract companies (such as concession workers, security guards, tote personnel, etc.) as to employees assigned to applicant's facility
 - f. Number of occupational licenses attributable to applicant in the last calendar year 2015
 - g. Amount of tax revenue and other revenues paid to the Commonwealth in the last calendar year including total Massachusetts income tax withheld from employees, Massachusetts sales taxes paid to the Commonwealth, Massachusetts corporate taxes actually paid or payable for the most recent fiscal year, and real estate taxes, as evidenced by appropriate source documents such as Forms W-2, M941, sales tax remittance forms, etc.
 - h. Total pari-mutuel revenue generated and paid to the Commonwealth in the last calendar year including state commissions, assessments, association license fees, occupational license fees, fines, penalties and miscellaneous revenues, other than unclaimed wagers, paid to the Massachusetts State Racing Commission and Massachusetts Gaming Commission.

Where this is a new application, there is no information to report in response to 26.

27. Include as **Exhibit 27** a master list of requested simulcast imports. A new form ("Licensee Request for Simulcast Import") MUST be completed for EACH signal and submitted to the Commission no later than November 29 of each calendar year. Approval letters from the host racetrack's regulatory authority and both representative horsemen's groups must be on

file with MGC by the close of business on the day prior to the first day of import.

Where this is a new application, there is no information to report in response to 27.

28. Include as **Exhibit 28** a master list of requested simulcast export outlets with this application. Such list should identify all secondary, satellite, and/or guest sites serviced by the primary outlet. In addition, a new form (“Licensee Request for Simulcast Export”) MUST be completed for each signal and submitted to the Commission, along with an approval letter from the applicant’s representative horsemen’s group, no later than 30 days before the first scheduled day of the live race meet.

Where this is a new application, there is no information to report in response to 28.

29. Include as **Exhibit 29** a request for authorization for a system of account wagering in accordance with 205 CMR 6.20: General Account Wagering. The request shall include information related to any planned, non-monetary, incentive programs and account security plans. If a service provider is used, include copies of any and all agreements between the service provider and the applicant regarding the services to be provided by the service provider to the applicant in respect to the applicant’s account wagering operations

See Exhibit 29.

30. General Conditions

1. Approval of a race meeting by the Commission does not establish the Commission as the insurer or guarantor of the safety or physical condition of the association's facilities or purse of any race.
2. By submitting this application, applicant agrees to indemnify, save and hold harmless the Commission from any and all liability arising from unsafe conditions at the applicant’s premises and default in payment of purses.
3. Applicant shall provide the Commission with a certificate of liability insurance as required by the Commission.
4. Applicant shall maintain in an approved depository, those amounts deducted from the pari-mutuel handle for distribution for the purposes specified in the Ch. 128A, 128C, and Commission rules.
5. Applicant and its managing officers are jointly and severally responsible to ensure that the amounts retained from the pari-mutuel handle are distributed according to the Ch. 128A, 128C, and Commission rules and not otherwise.
6. Applicant and its managing officers shall ensure that all purse monies, disbursements and appropriate nomination race monies are available to make timely distribution in accordance with Ch. 128A, and Commission rules.

The applicant agrees, if a license is issued, to abide by and comply with the provisions of Chapters 128A and 128C of the General Laws now in effect or as hereafter amended and any rules and regulations heretofore or hereafter promulgated by the Massachusetts Gaming Commission. The applicant agrees that that if a license is granted, it will become the duty of the applicant as long as the license shall remain in effect, to file with the Massachusetts

Gaming Commission such reports as may be required by Chapters 128A and 128C of the General Laws now in effect or as hereafter amended and such rules and regulations as it has adopted or may hereafter adopt, and to make such payments as may be required by law, and for failure so to do, the licensee shall incur the penalties set forth in Chapters 128A and 128C of the General Laws, or in such rules and regulations as said Massachusetts Gaming Commission has adopted or may hereafter adopt.

The applicant agrees to comply with all federal, state or local laws, rules, regulations or ordinances, now in effect or hereafter adopted applicable to applicant's activities allowed under a license granted by the Commission.

The applicant agrees that any construction on the premises covered by a license granted by the Commission shall be subject to the inspection of Commission and to that end further agrees that the Commission, its agents, representatives or employees, shall have access to the same during construction, and further agrees to so construct in strict accordance with such plans and specifications as may hereafter be approved by the Commission and to pay for the cost and expense incurred for the study and approval of the plans and specifications and inspection of the construction by said Massachusetts Gaming Commission. The applicant agrees that all buildings erected or to be erected on the premises here involved may be inspected by the Massachusetts Gaming Commission and their duly authorized agents, representatives or employees at any time, with or without prior notice to applicant.

Applicant agrees that all exhibits, statements, plans reports, papers, etc. submitted with the application are made a part hereof and are incorporated into this application as if set forth herein in full.

Applicant states under penalty of perjury that the answers provided in this application are true and correct. Applicant agrees that any license which may hereafter be granted is predicated upon statements and answers herein contained and that if the Commission determines that any information provided herein is false or misleading said license may be revoked.

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 6

The Applicant does not seek to hold or conduct any such meetings in 2022 at the facility in Sturbridge. During construction of the racing facility, the Applicant hopes to conduct festival racing at another location to commence during the 2022 calendar year, subject to a separate application and approval from the Commission.

The applicant is applying for a license to operate on dark days during the 2022 calendar year. This would provide the regulatory foundation to design, permit, finance, and construct the racetrack and operate as soon as it is built.

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 11(a)

The Applicant is Sturbridge Equine and Agricultural Center LLC, Massachusetts ID # 001535288; Certificate of Organization is attached and separately marked as Exhibit 11(a)

The Applicant is owned by Commonwealth Racing, LLC, ID # 001439079 (50% interest), and New England Horse Park LLC, ID # 001409599 (50% interest)

The Applicant is managed by Commonwealth Racing, LLC, ID # 001439079

Commonwealth Racing, LLC, ID # 001439079 is owned and managed by Commonwealth Development, LLC, a foreign LLC, organized in Delaware that is registered to transact business in Massachusetts as Commonwealth Development Manager LLC, ID # 001509820

Commonwealth Development LLC is managed by DA Commercial Finance GP LLC, a foreign LLC, organized in Delaware that is registered in Massachusetts, ID # 001509559

Commonwealth Development LLC is owned as described in Exhibit 11(d)

New England Horse Park LLC is owned as described in Exhibit 11(d)

See separately marked Exhibit 11(a) for additional details as to individuals and the applicant LLC

Although the application does not specifically request it, the Applicant is submitting its Operating Agreement separately and voluntarily with a request of confidentiality under G.L. c. 4, § 7(26)(g), and the Commission's regulations.

EXHIBIT 11(a)

COMMONWEALTH DEVELOPMENT LLC

Name	Place of Birth	Date of Birth	Legal Residence	Email Address	Phone Number
Romita Shetty					
Scott M. Esterbrook					
Thomas L. Kennedy					
Eric Esterbrook					
Robert Viola					
Zachary Gabrielli					
Richard Falk-Wallace					
Benjamin M. Stone					

EXHIBIT 11(a) (cont'd)

NEW ENGLAND HORSE PARK LLC

Name	Place of Birth	Date of Birth	Legal Residence	Email Address	Phone Number
Robin Kalaidjian	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Trustee: Attorney Karen Davis			[REDACTED]	[REDACTED]	[REDACTED]
Julianne Daly	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

D

The Commonwealth of Massachusetts

William Francis Galvin

Secretary of the Commonwealth

One Ashburton Place, Room 1717, Boston, Massachusetts 02108-1512

**Limited Liability Company
Certificate of Organization**
(General Laws Chapter 156C, Section 12)

Federal Identification No.: _____

- (1) The exact name of the limited liability company:

Sturbridge Equine and Agricultural Center LLC

- (2) The street address of the office in the commonwealth at which its records will be maintained:

ONE INTERNATIONAL PL., STE. 2000 BOSTON, MA 02110 USA

- (3) The general character of the business:

To, directly or indirectly, own, develop, construct, renovate, improve, maintain, operate, manage, lease, sell, assign, finance, mortgage, invest in or otherwise deal with real estate, and to carry on any other related or unrelated business or activity and to do all other things authorized by the Massachusetts Limited Liability Company Act.

- (4) Latest date of dissolution, if specified: _____

- (5) The name and street address, of the resident agent in the commonwealth:

NAME

ADDRESS

CT Corporation System

155 Federal Street, Suite 700
Boston, MA 02110

- (6) The name and business address, if different from office location, of each manager, if any:

NAME

ADDRESS

Commonwealth Racing, LLC

ONE INTERNATIONAL PL., STE. 2000 BOSTON,
MA 02110 USA

- (7) The name and business address, if different from office location, of each person in addition to manager(s) authorized to execute documents filed with the Corporations Division, and at least one person shall be named if there are no managers:

NAME

ADDRESS

Scott M. Esterbrook

ONE INTERNATIONAL PL., STE 2000 BOSTON,
MA 02110 USA

- (8) The name and business address, if different from office location, of each person authorized to execute, acknowledge, deliver and record any recordable instrument purporting to affect an interest in real property recorded with a registry of deeds or district office of the land court:

NAME

ADDRESS

Scott M. Esterbrook

ONE INTERNATIONAL PL., STE. 2000 BOSTON,
MA 02110 USA

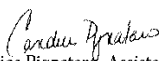
- (9) Additional matters:

Signed by (by at least one authorized signatory):



Consent of resident agent:

I C T Corporation System


Candice Pignataro, Assistant Secretary

resident agent of the above limited liability company, consent to my appointment as resident agent pursuant to G.L. c 156C § 12*

*or attach resident agent's consent hereto.

STURBRIDGE EQUINE AND AGRICULTURAL PROPERTY LLC
c/o Greenberg Traurig, LLP
One International Place, Suite 2000
Boston, MA 02110

September 29, 2021

Commonwealth of Massachusetts
Secretary of the Commonwealth
One Ashburton Place
Boston, MA 02108-1512

Re: Sturbridge Equine and Agricultural Center LLC

Dear Sir or Madam:

The undersigned, Richard Fields, an authorized signatory, of Sturbridge Equine and Agricultural Property LLC, hereby consents to the use of the name Sturbridge Equine and Agricultural Center LLC for purposes of forming a limited liability company in the Commonwealth of Massachusetts.

STURBRIDGE EQUINE AND AGRICULTURAL
PROPERTY LLC

By: 

Name: Richard Fields

Title: Authorized Signatory

THE COMMONWEALTH OF MASSACHUSETTS

I hereby certify that, upon examination of this document, duly submitted to me, it appears that the provisions of the General Laws relative to corporations have been complied with, and I hereby approve said articles; and the filing fee having been paid, said articles are deemed to have been filed with me on:

September 30, 2021 09:13 AM

A handwritten signature in black ink, reading "William Francis Galvin". The signature is written in a cursive, flowing style with a large initial 'W' and 'G'.

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 11(d)

See separately marked Exhibit 11(d).

EXHIBIT 11(d)

COMMONWEALTH DEVELOPMENT LLC

Commonwealth Development LLC is a Foreign Limited Liability Company organized in Delaware that is registered in Massachusetts
Massachusetts Secretary of State ID: 001509820
Manager: DA Commercial Finance GP LLC

Name of Investor	Percentage Ownership	Email Address	Phone Number
Romita Shetty through DA COMMERCIAL FINANCE GP LLC			
Scott M. Esterbrook			
Thomas L. Kennedy			
Eric Esterbrook			
Robert Viola			
Zachary Gabrielli			
Richard Falk-Wallace through PROJECTS HOLDCO, LLC			
Benjamin M. Stone through BMS CAPITAL INVESTMENTS, LLC			

EXHIBIT 11(d) (cont'd)

NEW ENGLAND HORSE PARK LLC

New England Horse Park is a Massachusetts Limited Liability Company

Massachusetts Secretary of State ID: 001409599

New England Horse Park LLC Manager: Robin Kalaidjian

Name of Investor	Percentage Ownership	Email Address	Phone Number
New England Horse Park Revocable Trust Trustee: Karen Davis Beneficiary: Robin Kalaidjian Revocable Trust 2019 u/d/t/ January 30, 2019 Beneficiary: Robin Kalaidjian, during her lifetime			
Julianne Daly			

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 11(f)

See separately marked Exhibit 11(d), which contains information responsive to Exhibit 11(f).

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 14(a)

Property Description

The property is comprised of two adjacent lots, 16 Cross Road comprising approximately 75.54 acres, and 180 Breakneck Road comprising approximately 223 acres. Consequently, two properties are described below.

At present, the properties are controlled pursuant to enforceable purchase and sale agreements. Although not required by the application, upon request of the Commission, the Applicant will provide copies of the agreements demonstrating control of the property with a request for confidential treatment under the Commission's regulations and Massachusetts General Laws.

Please note that these descriptions are from the title commitments and may be changed upon receiving surveys of the properties.

Please also note that the lot identified as 180 Breakneck Road currently is subject to G.L. c. 61B (recreational land). The owner is withdrawing the property from G.L. c. 61B and is prepared to pay all relevant amounts due to the Town and the use of the property will not change for the next fiscal year.

Tract I – 16 Cross Road

This parcel is owned by Breakneck Ridge, Inc., with a principal office located at [REDACTED]. The President is Michael L. Ciesla of [REDACTED]. The Treasurer is Vincent B. Ciesla of [REDACTED]. The Secretary is Andrew D. Ciesla of [REDACTED]. They are the only shareholders.

The land on Cross Road and Breakneck Road, Sturbridge, Massachusetts bounded and described as follows:

A certain parcel of land situated on the westerly side of Breakneck Road, in Sturbridge, Worcester County, Massachusetts, shown on a Plan of Land owned by Reno and Lena Accatino by Morse and Defalco dated June 15, 1982 and recorded in the Worcester District Registry of Deeds, **Plan Book 525, Plan 115**, (Sheets 1 and 2) and also on a Substitute Sectional Plan dated October 22, 1985 and recorded with the Worcester District Registry of Deeds, **Plan Book 544, Plan 59**, bounded and described as follows:

BEGINNING at a point marked by an iron pipe in a stone wall which intersects the Easterly location line of Northbound Interstate I-86¹ in the Town of Sturbridge, Massachusetts, at property

1 Online research suggests that a portion of I-84 had once been designated I-86, which would account for the

of Pontbriand;

THENCE running by said Pontbriand property wall S. 70° 27' 26" E. Seven Hundred Twenty-Two and Fifty-Two One Hundredths (722.52) feet to an iron pipe referenced 100 feet from a pond;

THENCE turning and running by said Pontbriand land and the 100 foot pond set back S. 14° 39' 34" W. Eighty-Nine and Five Tenths (89.5) feet to a point;

THENCE S. 14° 44' 34" W. One Hundred Three and Thirteen One Hundredths (103.13) feet to a point;

THENCE S. 52° 35' 34" W. Eighty and Eight Tenths (80.8) feet to a point;

THENCE running by the 100 foot pond set back 855 feet more or less around the Southerly end of said pond to a point, said pond tied by traverse lines described from the last transit station as S. 15° 03' 34" W. a distance of One Hundred Thirty-Three and Two One Hundredths (133.02) feet to a point, S. 39° 00' 26" E. a distance of Seventy-Eight and Fifty-Five One Hundredths (78.55) feet to a point, S. 41° 08' 26" E. a distance of Four Hundred Thirty-Two (432.0) feet to said prior described point;

THENCE turning and running by said Pontbriand land S. 23° 39' 37" W. Four Hundred Seventy and Eight One Hundredths (470.08) feet to a drill hole in a large boulder;

THENCE turning and running by said Pontbriand land S. 82° 00' 26" E. Four Hundred Ninety-Two and Ninety-One One Hundredths (492.91) feet to a point at a wall;

THENCE turning and running by said Pontbriand land and wall S. 80° 25' 26" E. Two Hundred Nineteen and Six Tenths (219.6) feet to Breakneck Road;

THENCE by the Westerly line of said Breakneck Road on the following Courses:

N. 32° 39' 34" E. Two Hundred Four and Five One Hundredths (204.05) feet to a point; Thence N. 33° 50' 34" E. Three Hundred Ninety-Four and Ninety-Five One Hundredths (394.95) feet;

Thence N. 48° 28' 34" E. Four Hundred Twenty-One and Forty-Five One Hundredths (421.45) feet;

Thence N. 42° 54' 34" E. Three Hundred Five and Two Tenths (305.2) feet; Thence N. 20° 51' 34" E. Two Hundred Two and Three Tenths 202.3) feet;

Thence N. 11° 24' 34" E. Four Hundred Fifty-Seven and Twenty-Five One Hundredths (457.25) feet to a junction of walls and land belonging to the Town of Sturbridge;

THENCE turning and running N. 87° 33' 26" W. Sixteen and Five Tenths (16.5)

reference to I-86, where the property is adjacent to what is now known as I-84. The property is adjacent to the eastbound side of I-84. Elsewhere in the description in which it references northbound I-86, the reader should understand that to mean the eastbound side of I-84.

feet to an iron pipe and continuing on same course a distance of Three Hundred Twenty-Three and Forty-Two One Hundredths (323.42) feet;

THENCE turning and running by said Town land and wall N. $87^{\circ} 39' 26''$ W. Three Hundred Twenty-Five and One One Hundredth (325.01) feet;

THENCE turning and running by said Town land and wall N. $86^{\circ} 02' 26''$ W. One Hundred Eighty and Twenty-Four One Hundredths (180.24) feet;

THENCE turning and running by said Town land and wall N. $87^{\circ} 56' 26''$ W. One Hundred Sixty-three and Fifty-two One Hundredths (163.52) feet to an iron pipe on Easterly side of a pond;

THENCE turning and running N. $22^{\circ} 01' 15''$ E. by said Town land Five Hundred Twenty- Six and Sixty-Four One Hundredths (526.64) feet to an iron pipe near a large boulder;

THENCE turning and running by said Town land on Northerly side of pond N. $75^{\circ} 06' 15''$ W. Four Hundred Five and Sixty-Two One Hundredths (405.62) feet to an iron pipe;

THENCE turning and running by said Town land N. $23^{\circ} 06' 15''$ W. One Hundred Forty- Four and Ninety-One One Hundredths (144.91) feet to an iron pipe;

THENCE turning and running by said Town land S. $66^{\circ} 53' 45''$ W. Thirty-Six and Eighty-Five One Hundredths (36.85) feet to an iron pipe at a Right of Way roadway;

THENCE turning and running by said Right of Way N. $15^{\circ} 18' 45''$ W. Sixty-three and Sixty-Nine One Hundredths (63.69) feet;

THENCE N. $60^{\circ} 09' 45''$ W. One Hundred Twenty-Six and Sixteen One Hundredths (126.16) feet;

THENCE N. $34^{\circ} 28' 45''$ W. One Hundred Thirteen and Ninety-Seven one Hundredths (113.97) feet;

THENCE N. $41^{\circ} 21' 45''$ W. Eighty-nine and Seventeen One Hundredths (89.17) feet to a point of curvature;

THENCE by a curve to the right on radius = 90 feet to a distance of Two Hundred Seventy-Five (275.0) feet to an iron pipe;

THENCE turning and running N. $21^{\circ} 38' 04''$ E. Thirty (30.0) feet to the cross road;

THENCE turning and running by said Cross Road N. $87^{\circ} 25' 36''$ W. Two Hundred Twenty-One and Fourteen One Hundredths (221.14) feet to an iron pipe;

THENCE turning and running by land now or formerly owned by Vinton & Manson S. $19^{\circ} 34' 40''$ W. Three Hundred One and Seventy-Five One Hundredths (301.75) feet to an M.H.B. marking the

Northbound I-86 rest area;

THENCE turning and running by said Commonwealth of Massachusetts rest area land S. $26^{\circ} 45' 24''$ W. Nine Hundred Nineteen and Fifty-Nine One Hundredths (919.59) feet to an M.H.B.;

THENCE turning and running by said rest area N. $63^{\circ} 14' 36''$ W. Three Hundred Fifteen (315.0) feet to an M.H.B. on said Northbound I-86 sideline;

THENCE turning and running by said sideline on curve to the right of radius $R=8000$ feet a distance of Four Hundred Sixty (460.0) feet more or less to the point of beginning.

Tract II – 180 BREAKNECK ROAD

This parcel is owned by the following as tenants in common:

1. Paul A. Pontbriand;
2. Marc Pontbriand, Trustee of the Roger W. Pontbriand Trust dated May 8, 1984, recorded with Worcester in Book 23354, Page 98, devisee under the Will of Roger W. Pontbriand Worcester County [REDACTED];
3. Donna Benoit, devisee under the Will of Edward A. Pontbriand, Worcester County [REDACTED] (Donna Benoit, PR)
4. Robert R. Pontbriand and Carol Anne Prince, devisees under the Will of Leon Raymond Pontbriand, Worcester County [REDACTED];
5. Judith L. Nickerson, Steven L. Pontbriand, David R. Pontbriand, Taryn Bugon and Racquet Pontbriand, devisees under the Will of Doris L. Hauger f/k/a Doris L Pontbriand, Plymouth County [REDACTED]; (Judith L. Nickerson, PR);
6. Leonard A. Pontbriand, Doreen A. Benoit, Sally A. Pontbriand, Ronald Mongeau, Rachel Mongeau, and Diane Mongeau, heirs of Madeline G. Pontbriand, Worcester County [REDACTED] (Doreen A. Benoit, PR.);
7. Jeanine Pettinelli, Denise Grudzien, and Marie Ricci, devisees under the Will of George J. Pontbriand, Worcester County [REDACTED]; (Jeanine Pettinelli, PR)
8. Nancy Boudreau, Personal Representative of the Estate of Constance Pontbriand (Widow of Roger) Worcester [REDACTED]

The land described as 180 Breakneck Road, Sturbridge, Massachusetts bounded and described as follows:

Land in Sturbridge, Massachusetts, on the southerly side of Cross Road, bounded: Northeasterly by said Cross Road about 109.24 feet; Northerly by land formerly of Manson and Vinton 270.40 feet; Westerly by N.B. I-86 Rest Area about 357.48 feet; Southeasterly by the above described Tract I 301.75 feet.

The land in Sturbridge, in said County of Worcester, Commonwealth of Massachusetts, bounded and described as follows:

BEGINNING at a point marking the S. W. corner of land to be conveyed, said point being at the intersection of the easterly line of the road leading from Sturbridge, Massachusetts to Union, Connecticut, known as U.S. Route 15, with the Massachusetts-Connecticut line;

THENCE Northeasterly by the easterly line of said U. S. Route 15, a distance of two hundred ninety (290) rods, more or less, to a stone wall at land of one Anderson;

THENCE S. 76 3/4 degrees E., twenty-four (24) rods and three (3) links, to a corner of walls;

THENCE S. 34 degrees W., nine (9) rods and six (6) links, to a corner of walls;

THENCE S. 67 degrees E., by a stone wall, twenty-eight (28) rods and thirteen (13) links, to the end of the wall;

THENCE S. 25 degrees W., one (1) rod and one (1) link;

THENCE S. 83 1/2 degrees E., twenty-two (22) rods and twelve (12) links, to a corner of walls on the east side of a cart road;

THENCE S. 57 degrees E., fourteen (14) rods and one (1) link partly by a stone wall, to a stone bound, said bound being one hundred (100) feet westerly from the corner of a fence and maple sprout situated at the high water mark on the edge of a pond;

THENCE following around the pond, one hundred (100) feet from the highwater mark, to a point at land now or formerly of Lyman Moore;

THENCE S. 18 degrees W., twenty-six (26) rods, by land now or formerly of said Moore, to a stone bound on a large rock at the east edge of a swamp;

THENCE S. 80 3/4 degrees E., about forty-nine and one-half (49 1/2) rods, to the westerly line of the old road from Badger Corner to Sturbridge;

THENCE by the westerly line of said road, S. 42 1/2 degrees W., one hundred eleven (111) rods, to an angle in said road;

THENCE S. 65 degrees W., along the westerly line of said road, sixty-two (62) rods; THENCE S. 63 degrees W., along the westerly line of said road, forty-two (42) rods, to the Massachusetts-Connecticut State line;

THENCE N. 75 degrees W., by said Massachusetts-Connecticut State line, about one hundred sixty-five (165) rods, to the point of beginning.

LESS AND EXCEPT:

- A parcel of land as described in the Deed dated April 22, 1948, recorded with Worcester Deeds, Book 3115, Page 518.
- A parcel of land as described in the Deed dated August 26, 1948, recorded with Hampden Deeds, Book 1955, Page 403 and recorded in Worcester Deeds, Book 3142, Page 65.

Exhibit 14(a) (cont'd)

A visual plot plan, renderings, and images with descriptions are attached to this application as identified below:

14(a)(1) – Visual Plot Plan

14(a)(2) – Renderings

14(a)(3) – Images & Descriptions

Please note that certain elements depicted on the visual plot plan and renderings are subject to change due to permitting and access considerations set forth by the Town of Sturbridge. In particular, please note that the Visual Plot Plan depicts Cross Road. As this application was being prepared, the Applicant learned that the Cross Road may not be placed in the location depicted on the Visual Plot Plan.

As this is an evolving project, the plans are changing as a result of meetings with Sturbridge boards, commissions, department leaders and elected officials. As the project progresses, the Applicant seeks the Commission's feedback and approval for its design.







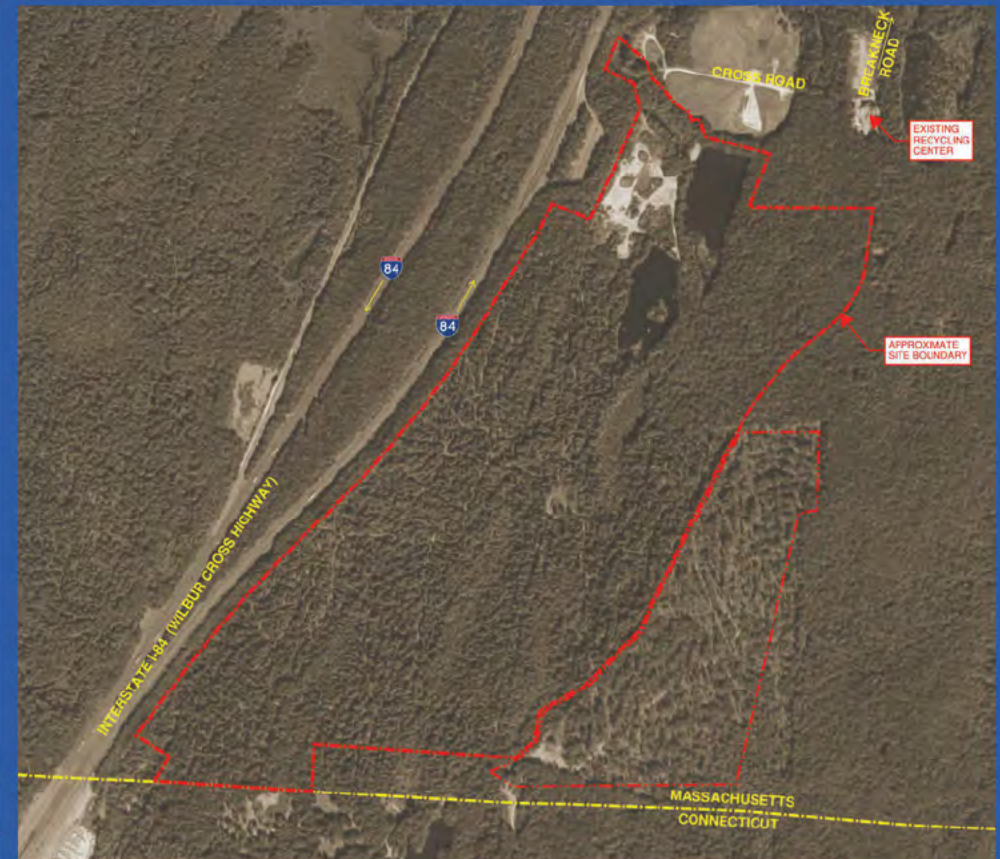
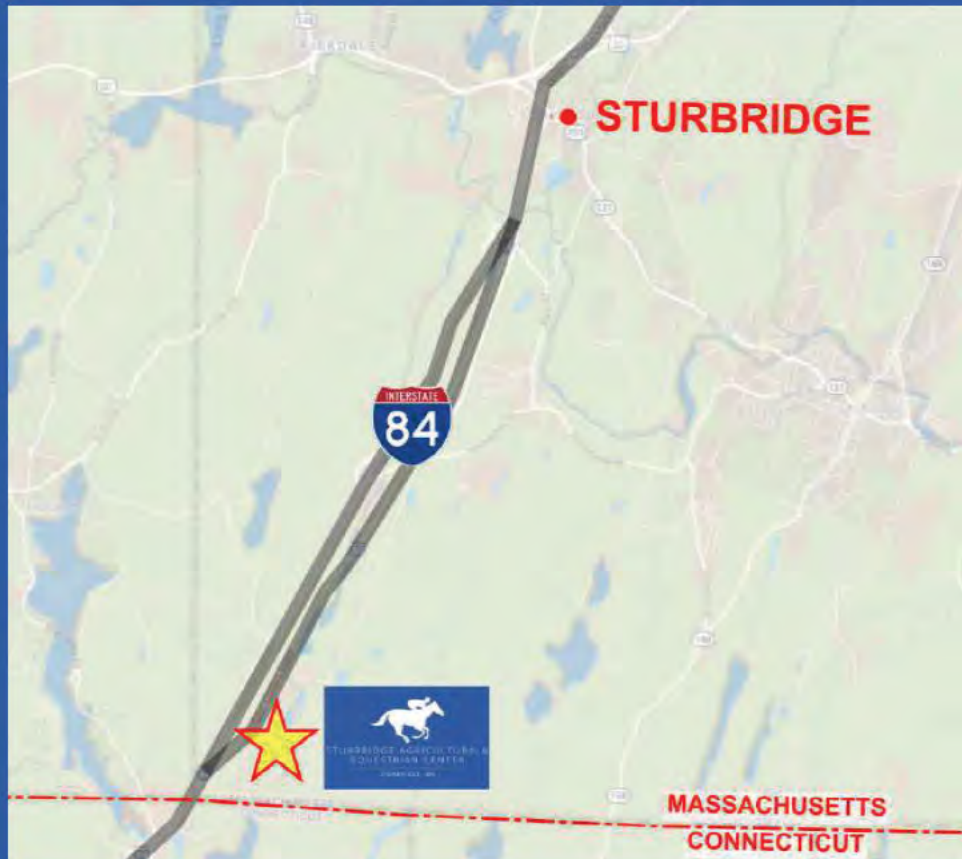


DAVID M. SCHWARZ ARCHITECTS INC.
July 2020





OVERVIEW & SITE LOCATION



STURBRIDGE AGRICULTURAL &
EQUESTRIAN CENTER

STURBRIDGE, MA

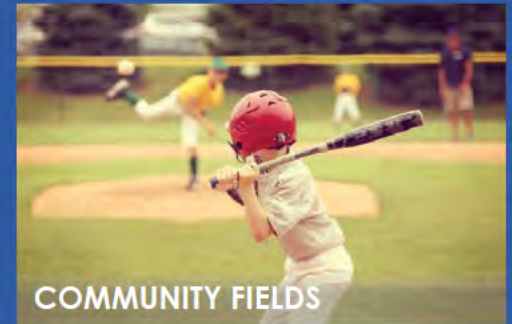
HORSE ACTIVITIES



COMMUNITY FARMING



COMMUNITY RECREATION



STURBRIDGE AGRICULTURAL &
EQUESTRIAN CENTER

STURBRIDGE, MA



Concept Plan & Vision

The Sturbridge Agricultural and Equestrian Center will be a state of the art, green complex with a racetrack and sports bar, farming programs and community amenities.



A RACING & FESTIVAL GROUNDS



B HORSE ACTIVITIES



C COMMUNITY FARMING



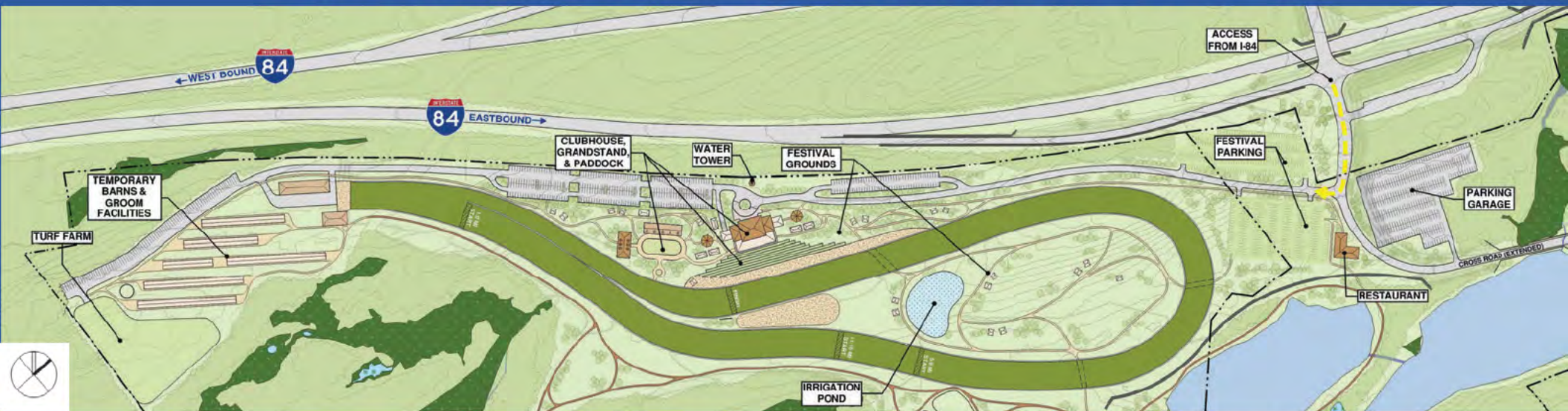
D COMMUNITY RECREATION



STURBRIDGE AGRICULTURAL & EQUESTRIAN CENTER

STURBRIDGE, MA

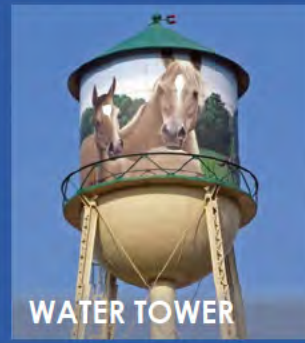
TRACK & RACING ACTIVITIES



GRANDSTAND



TURF FARM



WATER TOWER



FESTIVAL PARKING



STURBRIDGE AGRICULTURAL &
EQUESTRIAN CENTER

STURBRIDGE, MA

HORSE ACTIVITIES



We believe our facility will be the top place for horses to train, live and retire. We will offer a riding school for people of all ages to learn about horse care and how to ride, rehabilitation and therapy programs, and a retirement home for older horses.



A
RIDING RING



B
RIDING SCHOOL



C
REHABILITATION/THERAPY BARN



C
REHABILITATION/THERAPY BARN



STURBRIDGE AGRICULTURAL &
EQUESTRIAN CENTER

STURBRIDGE, MA

COMMUNITY FARMING

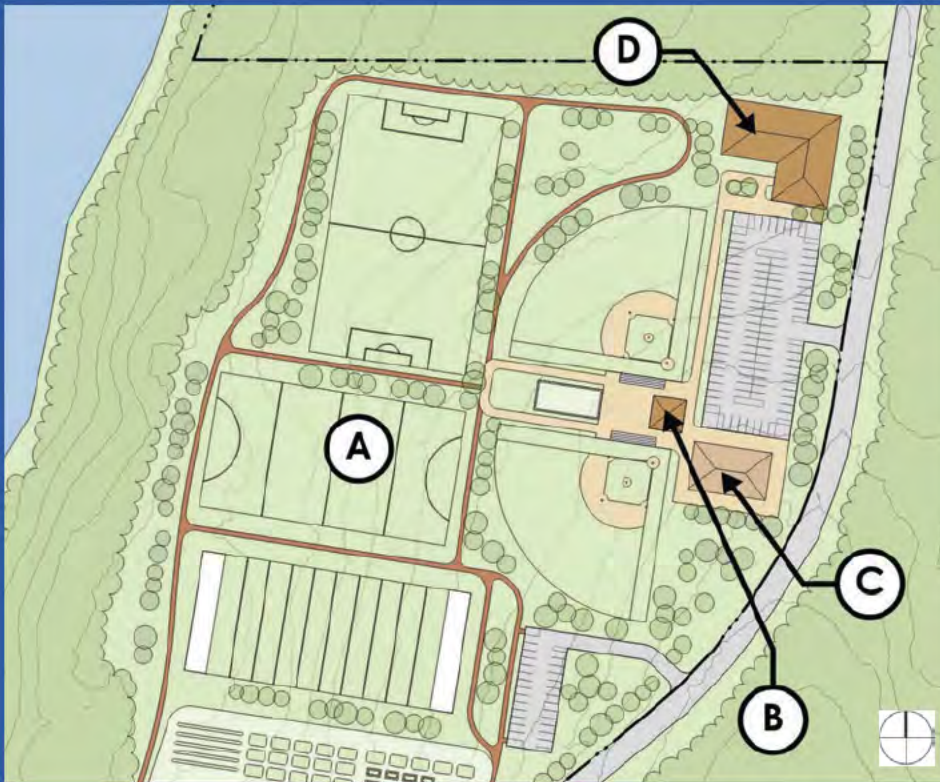


STURBRIDGE AGRICULTURAL &
EQUESTRIAN CENTER

STURBRIDGE, MA

COMMUNITY RECREATION

Imagine local sports teams playing at one of our four fields, then celebrating their win at the community pavilion. Grab a snack at the field house. Go on a family hike along the 2.5 miles of nature trails. Explore the wonders of our backyard in the wetlands through educational signage and habitat activities.



A
SPORTS FIELDS



B
FIELD SUPPORT BUILDING



C
COMMUNITY PAVILION



D
COMMUNITY ACTIVITIES



STURBRIDGE AGRICULTURAL &
EQUESTRIAN CENTER

STURBRIDGE, MA

Exhibit 14(a) (cont'd)

Information showing accessibility by highway, railroad and/or other means of public transportation, population within a 50-mile radius, and distances from principal cities, within said 50-mile radius:

Highway/Public Transportation:

Sturbridge Agricultural & Equestrian Center will be easily accessible directly from Interstate 84 (I-84), keeping traffic off local roads. Thus, the Center will be largely accessible via I-84, which travels through Connecticut, New York, and Pennsylvania to the southwest, and as far as Interstate 90 (I-90) to the northeast. According to the Applicant's engineering and design team VHB, 59 million trips go past this site on I-84 each year.

Traffic has been an area of particular focus for the Applicant. In coordination with federal, state, and municipal agencies, including the Town, the Applicant has agreed to design, permit, and construct an interchange off of I-84 to improve access to the area of the facility and alleviate current local traffic at the Applicant's sole expense. This is estimated to be a \$10,000,000 infrastructure investment. The interchange will make traffic more manageable for special events and avoid disrupting Town residents.

Worcester Regional Transit Authority Bus 29 runs from Union Station in Worcester to Old Sturbridge Village, which is approximately five miles from Sturbridge Agricultural & Equestrian Center. Union Station in Worcester is serviced by interstate, regional and local bus. Amtrak and MBTA provide train service on the Providence & Worcester Railroad.

Sturbridge Agricultural & Equestrian Center is about ½ hour drive from Worcester and Hartford. It is about a 45-minute drive from Springfield. It is about an hour drive from Boston and Providence. It is about a 2 ½ hour drive from New York City and Saratoga.

Population Within a 50-mile radius

The Total Population of all Cities and Towns within a 50-mile radius of Sturbridge is over 5,000,000, of which over 1,300,000 persons are residents of Connecticut, over 900,000 are residents of Rhode Island, and over 25,000 are residents of New Hampshire. The site is approximately 62 miles from Boston.

Exhibit 14(a) (cont'd)

Distances to Principal Cities Within a 50-Mile Radius of Sturbridge

City	Population	Miles
Worcester	185,000	18
Providence	180,000	40
Springfield	150,000	21
Hartford	120,000	38
Newton	88,000	48
Cranston	81,000	40
Warwick	81,000	42
Framingham	74,000	36
New Britain	72,000	46
Pawtucket	72,000	40
West Hartford	62,000	41
Waltham	62,000	46

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 14(b)

List of agreements in effect relating to the operation and control of all equipment, personal property or other operational matters necessary to operate and maintain a racetrack:

At present, there are no agreements in place of the type contemplated by the description of #14(b). As indicated, the Applicant has agreed to hire Louis Raffetto to be Chief Operating Officer after licensure. As indicated, the Applicant has developed a Sturbridge Racing Oversight Board to oversee the racing program.

All agreements for operation and control of the racetrack, if any, will be fully disclosed, arm's length, and at market terms. The Applicant will provide them as the facility is developed and agreements for the day-to-day operation and control of the racetrack are executed.

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 15

Local Approval

A copy of applicant's local approval is reflected in the attached letter from Sturbridge Board of Selectmen Chairwoman Mary Blanchard dated September 23, 2021, reflecting approval on September 13, 2021.



Town of Sturbridge

Mary Blanchard, Chairwoman

September 23, 2021

Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110

Dear Commissioners,

This letter is to inform you that on Monday, September 13, 2021, the Town of Sturbridge Board of Selectmen held a public hearing on the proposed racetrack for property located at 16 Cross Road and Assessor's Map/Parcel ID Nos. 237-04756-016 and 170-05045-180 Sturbridge, MA. That public hearing was held pursuant to the requirements of M.G.L. Chapter 128A, section 13A, and as such, was properly posted and advertised.

I am pleased to inform you that, after due consideration, on September 13, 2021, the Board of Selectmen which consists of Chair Mary Blanchard, Vice Chair Mary Dowling, Selectman Chase Kaitbenski, Clerk, Selectman Ian Dunnigan, and Selectman Jamie Goodwin, approved the location of the proposed race track: **located at 16 Cross Road, Sturbridge Massachusetts and Assessor's Map/Parcel ID Nos. 237-04756-016 and 170-05045-180 Sturbridge, Massachusetts, pursuant to G.L. c. 128A, § 13A**

Please do not hesitate to reach out to us if you need anything.

Sincerely,

Mary Blanchard

Mary Blanchard, Chairwoman
Sturbridge Board of Selectmen

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 17

Executed Agreements with Representative Horsemen's Organization

The New England Horsemen's Benevolent and Protective Association (NEHBPA) is the representative horsemen's organization for owners and trainers of horses that will race at Sturbridge Agricultural & Equestrian Center. The Applicant and the NEHBPA are parties to purse and recognition agreements, which are attached.

2021 PURSE AGREEMENT

This Purse Agreement (the "Agreement") is entered into by and between STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC (the "Association"), a Massachusetts limited liability company, and the New England Horsemen's Benevolent and Protective Association, Inc. (the "NEHBPA") to be effective upon execution hereof by both Parties.

WITNESSETH

WHEREAS, the Association and the NEHBPA (the "Parties") enter into an agreement relative to the conduct of racing by the Association at its premises located in Sturbridge Massachusetts, dated as of July 1st 2021 by the Parties through December 31, 2022; and

WHEREAS, pursuant to Chapter 1 of the Acts of 2021, the Association attains a license as a running horse racing meeting licensee through December 31, 2022, and authorized to conduct simulcasting until that date; and

WHEREAS, Chapter 128A and Chapter 128C of the Massachusetts General Laws and certain other racing-related statutes sunset as of July 1, 2022; and

WHEREAS, the Association, the NEHBPA, and the Massachusetts Thoroughbred Breeders Association (the "MTBA") have been working together to bring about an alternate thoroughbred race track in Massachusetts, which work is on-going; and

WHEREAS, the Association, the NEHBPA, and the MTBA have been cooperating with respect to legislation before the Massachusetts legislature affecting Sports Betting, Racing and Simulcasting, which cooperation will continue; and

WHEREAS, the Association and the NEHBPA acknowledge that the Association will not conduct a live racing meeting in 2021 but expects to obtain town vote approval in 2022 to build a racing/equine facility and accordingly the parties wish to enter into this Agreement.

NOW THEREFORE, the Parties, intending to be bound hereby and in consideration of the mutual promises herein set forth, agree as follows:

1) **BARGAINING AGENT.** The NEHBPA represents to the Association that it is the duly authorized legal representative and bargaining agent of all thoroughbred horse owners and trainers who will enter and race horses at any racing meet that the Association conducts in 2022, and the Association recognizes the NEHBPA as such bargaining agent.

2) **2022 RACING MEETING NOT ANTICIPATED.** In light of the status of efforts to procure and/or develop a racetrack, the Association does not anticipate conducting a racing meeting in 2022, which the NEHBPA acknowledges. In the event circumstances change and make it possible for the Association to hold a racing meeting in 2022, the Parties will consult and make good faith efforts to agree on terms and conditions for the meet.

3) **STATUTORY PREMIUMS.** If applicable, the Association shall pay to the NEHBPA promptly upon receipt any simulcasting premiums legislatively required to be paid by other Massachusetts racing licensees to the Association to the extent such premiums are both (a) attributable to

wagering conducted in 2022 and (b) actually collected by the Association (the “2022 Legislative Premiums”).

4) **IHA PAYMENTS.** To the extent that the Association receives payments pursuant to the federal Interstate Horseracing Act of 1978 (the “IHA”) from pari-mutuel facilities in neighboring states located within 60 miles of Sturbridge attributable to wagering at those facilities in 2022, the Association will pay such revenue over to the NEHBPA net of the Association’s legal and other expenses of pursuing the payments.

5) **MASSACHUSETTS PURSE POOL.** If applicable, the Association shall pay over to the NEHBPA any funds it receives from the Massachusetts Purse Pool pursuant to Chapter 128A, Section 5(h)(6).

6) **CONTRIBUTIONS FROM SIMULCASTS.** If applicable, the Association shall pay over to the NEHBPA an amount equal to 3.5% of wagers it takes on intrastate harness racing simulcasts. The NEHBPA agrees and acknowledges that (a) in the event that the Association does not conduct a racing meeting in 2021, there is no required statutory contribution to purses from simulcast wagers on thoroughbred races conducted outside of Massachusetts; (b) in the event that the Association does conduct a racing meeting in 2022, the statutory contribution to purses from simulcast wagers on thoroughbred races conducted outside of Massachusetts shall be not less than 0.5 per cent nor more than 2.5 per cent; and (c) it shall not claim in any administrative, judicial or other forum that, and waives any claim that, the contribution from such interstate simulcasts is or should be any other amount.

7) **NO ADDITIONAL PAYMENTS TO THE NEHBPA.** Notwithstanding any prior practice or agreement, including the Recognition Agreement, the Association for 2022 shall not be obligated to make any payments to the NEHBPA, or any trust or fund for the benefit of it or its members, other than the payments set forth in this Agreement. In addition, the Recognition Agreement is hereby amended so that, in 2022, the Association shall have no obligation: (a) to pay the NEHBPA deduction set forth in Article VIII, Paragraph 3 thereof; (b) to collect from horse owners or pay to the NEHBPA the paddock fee set forth in Article VIII, Paragraph 4. The NEHBPA acknowledges that the payments provided for in this Agreement shall satisfy all obligations of the Association with respect to amounts directed by statute to be paid to purses in 2022.

8) **ADDITIONAL AMENDMENT TO AND ACKNOWLEDGMENT REGARDING THE RECOGNITION AGREEMENT.** The NEHBPA acknowledges, and the Parties hereby amend the Recognition Agreement to provide that, with respect to the Horsemen’s Bookkeeper, as addressed in part in Article X of the Recognition Agreement, the Association shall not be required to invest purse money for the purpose of earning interest.

9) **NOTICES.** Unless otherwise directed in writing, any notice required herein to be given shall be given as indicated below by hand delivery or by certified mail-return receipt requested

To the Association: STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC
 c/o Greenberg Taurig
 One International Place
 Boston, MA 02110

To the NEHBPA:

New England Horsemen's Benevolent Association, Inc.
PO Box 550247
North Waltham MA 02455
Attention: Anthony Spadea, President

11) **FORCE MAJEURE.** Notwithstanding anything to the contrary in this Agreement, the Association's obligations under this Agreement shall be subject to weather conditions, acts of God, force majeure, and government orders, decrees or rulings.

12) **TERM.** Subject to the following two paragraphs, the term of this Agreement shall be through and including December 31, 2022.

In the event a new statute comes into effect prior to the termination of this Agreement that materially alters the terms and conditions on which the Association is authorized to conduct its business during the term of this Agreement in a way that the Association believes warrants amendment of this Agreement and/or the Recognition Agreement, the Parties shall negotiate in good faith the terms of such amendment(s). If the Parties are unable to agree on the terms of such amendment(s), the Association shall have the right in its sole discretion to terminate this Agreement and the Recognition Agreement and its obligations under each of them, with no liability to the NEHBPA.

13) **AGREEMENTS NOT ASSIGNABLE.** This Agreement and the Recognition Agreement are personal to the Parties, are not assignable by either of them, and, for avoidance of doubt, shall not be considered to run with title to the Association's property.

WITNESS, the Parties hereto have executed this Agreement on the dates indicated below.

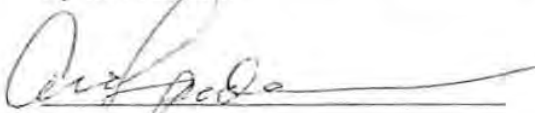


Date: 9/30, 2021

STURBRIDGE EQUINE AND AGRICULTURAL CENTER

SCOTT M. ESTERBROOK
ATTORNEY IN FACT

New England Horsemen's
Benevolent & Protective Association, Inc.
By its President



Date: 9/30, 2021

Anthony Spadea
NEHBPA

CONTRACT

This is an Agreement to be effective as upon execution hereof, between STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC, and the New England Horsemen's Benevolent and Protective Association, Inc., a corporation duly organized and existing under the laws of the Commonwealth of Massachusetts, having a mailing address of PO Box 550247 North Waltham MA 02455 hereinafter called "NEHBPA",

WHEREAS the NEHBPA is the organization which represents the owners and trainers of horses which race at STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC, and

WHEREAS, STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC and NEHBPA represent, covenant and agree that they are mutually interested in the continuance, maintenance and improvement of thoroughbred racing in the Commonwealth of Massachusetts and jointly recite their belief that it is most desirable and in their mutual best interest to resolve differences which may arise between them without undue publicity and by good faith negotiations and consultation with each other; and

WHEREAS each of the parties hereto does hereby covenant and agree with the other to promote, foster and retain public goodwill toward thoroughbred racing and to use their best efforts to conduct racing at STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC on the highest level of quality and professionalism achievable by them;

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I. TERM OF AGREEMENT

The provisions of this agreement shall be applicable to the thoroughbred race meets conducted by STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC through January 1, 2024. This agreement shall not obligate STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC to conduct thoroughbred race meets but shall apply to such race meets as STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC elects to conduct during the term hereof. This agreement contemplates the parties reaching agreement relative to purses (the so called "purse agreement") prior to the opening of the grounds for each race meet.

ARTICLE II. COMMUNICATION AND COOPERATION BETWEEN PARTIES

The parties hereto acknowledge and affirm their mutual belief and agreement that the purposes of their respective organizations will be advanced by regular communication and mutual cooperation of said organizations with respect to addressing all issues that may affect thoroughbred racing and the purposes of their respective organizations. Each party shall solicit and consider the input of the other on all issues that affect the conduct of racing in the Commonwealth of Massachusetts. Each party shall designate a representative to meet at least once during race meetings, and more often as may reasonably requested by either party, at a mutually convenient time and place, to discuss and exchange viewpoints on such issues affecting thoroughbred racing as either party may designate. The purpose of such meetings is to allow NEHBPA on behalf of horsemen, to have input into decisions and actions of STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC that affect horsemen and in return to allow STURBRIDGE EQUINE AND AGRICULTURAL

CENTER LLC input into decisions and actions of horsemen that affect STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC, including, but not limited to promotional activities, simulcasting programs, the distribution of the signal and other matters addressed in this agreement. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC agrees to consider input from the NEHBPA prior to applying for racing dates, proposing capital improvements to be funded from the Capital Improvement Fund administered by the Massachusetts State Racing Commission, and advancing any other proposals which would materially alter or affect the conduct of thorough racing in Massachusetts. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC agrees to notify the NEHBPA in advance as to any non-racing events proposed to be conducted on the premises at STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC which may materially affect racing operations and/or NEHBPA membership during such time as thoroughbred horses are stabled. The provisions of this Article shall not obligate either party to take any action with respect to the input provided by the other, it being understood and agreed that either party in their sole discretion may accept or reject the input so provided.

ARTICLE III HORSEMEN'S TRAVEL

STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC will not interfere with the freedom of horsemen shipping their horses for the purposes of racing at other race tracks, nor will they refuse entry back to the stable area of a horse that races at another racetrack, providing those horsemen stabled at STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC use every reasonable effort to race at STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC should a "proper race" be available. Factors considered when determining a "proper race" shall include the type of surface, race

conditions or claiming amount, and race distance.

ARTICLE IV. ALLOCATION OF STALLS

When horsemen are required to apply for stalls prior to the first day of any race meeting, STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC shall make every effort to notify stall applicants at least thirty (30) days prior to the opening or a race meeting of the acceptance or rejection of stall applicants received. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC may insist upon immediate advice from horsemen of their intent to use such stall(s). STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC agrees it shall not retaliate against any elected or appointed officials or representatives of the NEHBPA with regard to the allocation of stalls or number allotted, nor shall it refuse entry to the grounds of any such representative, except for good cause shown. In the event legislation is enacted permitting the operation of gaming machines in Massachusetts or there is a material increase in demand for stalls at STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC shall give additional consideration in its allotment of stalls to trainers and owners who have materially participated in the conduct of racing at STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC provided their horses are appropriate for the proposed condition books of the racing season.

ARTICLE V. USE OF BEDDING MATERIAL

STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC agrees that horsemen will be allowed to bed stalls with the material of their choice as long as such materials are normally in use for bedding horses and do not violate any applicable fire or health law or regulations.

ARTICLE VI. PURSE STRUCTURE

1. The stakes program at STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC will not be published until the NEHBPA gives its approval and consent, which consent shall not be unreasonably withheld.
2. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC agrees to consult with the NEHBPA regarding individual purse Structure before raising or lowering said purses on all other races other than stake races.
3. A purse agreement and schedule for meets covered within this Contract shall be agreed upon by the parties and shall be incorporated as a part of this Contract.

ARTICLE VII. MONOPOLY PROHIBITION

STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC agrees that it will not by agreement to otherwise, impose upon horsemen a monopoly in connection with any supplier, including but not limited to blacksmiths, feedmen, tack supplier and food supplier, provided, however, that STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC may require suppliers to comply with security and such other regulations as STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC may require or as may be required by the rules of the Massachusetts State Racing Commission.

ARTICLE VIII. NEHBPA RECOGNITION AND SERVICE PAYMENTS

1. It is agreed that the NEHBP A is the exclusive authorized representative of all horsemen racing at STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC and shall continue as such exclusive authorized representative during the term of this agreement and for the purpose of negotiating any amendment to this Agreement.

2. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC agrees to place the following notice in all stall applications and condition books:

"Horsemen who race at STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC do so subject to the provisions of a contract between STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC, and the New England HBPA."

3. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC agrees to pay the NEHBPA a minimum of two percent (2.00%), but not more than two and one-half percent (2.50%), of the total amount to be distributed for purses as compensation to NEHBPA for services rendered horsemen during the term of this agreement. The Purse Agreement in effect for each meet shall reflect the actual compensation to the NEHBPA for such services. Said NEHBPA deduction shall be deemed to be purse money for the purpose of computing total purse distributions. The service payment to NEHBPA shall be paid at the end of the race meet or as otherwise stipulated in the purse agreement for any given meet.

4. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC agrees to levy, collect and pay over to NEHBPA, for services rendered to horsemen, a paddock fee of \$10.00 per horse per race. Such fee to be assessed through the Horsemen's Bookkeeper to the owner of a horse which actually starts at STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC. Said payments to be made at the end of the meet. It is understood that STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC will turn over to NEHBPA only such fees as it is able to collect and it is further understood that STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC is in no way liable for any such fees it is unable to collect. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC shall provide the NEHBPA on a regular basis a list of fees it was unable to collect.

ARTICLE IX. HORSEMEN COOPERATION

1. The NEHBPA shall exercise its best efforts to require its members and their employees to observe and conform to all reasonable security measures instituted by STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC, and to report promptly to STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC security all incidents and individuals which appear to constitute a violation of STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC security regulations.
2. The NEHBPA shall exercise its best efforts to encourage and require its members and their employees to respect and protect the premises of STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC, especially the stables, tack rooms, dormitories, latrines, shower rooms, track kitchen and recreation facilities maintained by STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC to encourage and promote cleanliness in all backstretch areas.
3. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC further agrees to maintain its facilities in the best possible condition.

ARTICLE X. HORSEMEN'S BOOKKEEPER

STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC agrees to invest purse monies from the Horsemen's Bookkeeper account, except for a mutually agreeable working balance, for the purpose of earning interest. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC reserves the right to select the appropriate investment vehicle. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC will attempt to maximize the income earned from this investment but will place emphasis on the safety of the selected investment vehicle. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC shall account to the NEHBPA for such investment upon request. Payment

of earnings for each calendar year shall be made within fifteen days of the close of the calendar year. Earnings shall be distributed:

66 2/3% NEHBPA 33 1/3% STURBRIDGE EQUINE AND
AGRICULTURAL CENTER LLC

ARTICLE XI. UNFORESEEN CONTINGENCIES

In the event a substantial change of circumstances shall arise or become known following the date of this Agreement which can reasonably be deemed to materially affect the interests of either party to this Agreement, then the parties shall meet and resolve said issue or issues by written agreement. Such circumstances shall include, but not be limited to, off-track betting, additional Inter-track wagering, expanded simulcasting, Internet or expanded account wagering, television, tele theatre, slot machines, video machines, casino gambling or any other media income.

ARTICLE XII. SIMULCAST

STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC shall not receive or transmit any thoroughbred simulcast signal to or from any place at any time during this agreement, unless the requirements, as specified in the Federal Horseracing Act of 1978 are satisfied. Additionally, so long as this Agreement and the Purse Agreement remain in force and not in default, the NEHBPA agrees to provide STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC its approval to the extent requested or required for all incoming and outgoing simulcast signals subject to the terms set forth in the Purse Agreement and simulcast approval letter provided therewith.

ARTICLE XIII. RACING SURFACE SAFETY PROGRAM

1. The racing surface will be maintained to provide a surface suitable to the time of year and racing conditions.
2. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC will consult with the NEHBPA regarding the composition of the racing surface in advance of putting down new surfaces.
3. The soils of the racing surface will be tested once each month, in the first week of the month, to ensure that the agreed composition conforms to agreed standards.
4. When any new soil is to be added to the racing surface, the NEHBPA will be contacted and will have a 24-hour period to inspect the soil for suitability.
5. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC will consult with the NEHBPA as to the maintenance of the racing surface.
6. Designated representatives of the NEHBPA will be allowed to accompany employees of STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC to observe the racing surface if deemed necessary.
7. The racing surface will be watered frequently. In periods of dry weather, the track will be watered whenever required in addition to the other usual times of watering.
8. If the NEHBPA hires consultants to represent the interest of horsemen regarding track surface considerations, such consultants will be given reasonable courtesy and cooperation by STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC.
9. STURBRIDGE EQUINE AND AGRICULTURAL CENTER LLC and the NEHBPA shall meet at the conclusion of each Turf racing season to evaluate the performance of the Turf Course and possible improvements thereto.

ARTICLE XIV. SEVERABILITY

If any provisions, item or clause of this agreement, or the application thereof, is held invalid, such invalidity shall not affect the remaining provisions, items or clauses or applications of this agreement which can be given effect without the invalid provisions,

items, clauses or applications, and to this end, it is agreed by the parties that this agreement shall be severable.

ARTICLE XV. ABILITY TO SIGN AND BIND


1. The persons appearing for the parties hereto certify and warrant their authority to enter into this agreement and bind said parties hereto.
2. The agreement shall be binding upon the parties hereto, their successors and assigns.

IN WITNESS WHEREOF, the parties hereunto set their hands and seals this 30th
day of Month, Year

September 2021
STURBRIDGE EQUINE AND
AGRICULTURAL
CENTER

NEW ENGLAND HORSEMEN'S
BENEVOLENT AND PROTECTIVE
ASSOCIATION, INC.

BY: 
SCOTT M. ESTERBROOK
ATTORNEY IN FACT
9/30/2021

BY: 
ANTHONY SPADEA
9/30/21

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 18

Additional Insurance Policies

The Applicant intends to carry the types of insurance described in Question 18. In addition to the types of insurance listed in Question 18, the Applicant intends to carry the following other types of insurance for the protection of employees and patrons:

1. General Liability
2. Excess/Umbrella Liability
3. Employee Practices Liability/Directors & Officers Liability
4. Automobile Insurance
5. Property Insurance
6. Crime Insurance
7. Fiduciary Insurance
8. Flood Insurance

The Applicant will provide proof of insurance should it receive a license and as it obtains insurance coverage.

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 19

The facility is currently in design and anticipated to be constructed within 24-36 months in phases pending zoning and building permit approvals. The current concept plans and program call for first-class construction of a 7,500-person racing and entertainment facility.

In the interim, the Applicant hopes to conduct festival-style racing at another suitable location to commence during the 2022 calendar year, subject to a separate application and approval from the Commission.

Attached to this application are site plans and renderings. See Exhibit 14(a). As indicated above, these plans are evolving and subject to change. The number values below are estimates. The Applicant seeks the opportunity to meet with the Commission to review these materials in greater detail.

a. Grandstand & Festival Grounds

- | | |
|---|---------------------|
| 1. Seating Capacity | |
| Box/Reserved Seats | 2,250 |
| Apron Seats (mixed seating types) | 2,250 |
| Festival Grounds (infield, picnic, concessions) | 2,250 |
| TV Areas | throughout facility |
| Total Seating Capacity | 6,750 |
| 2. Is grandstand enclosed? | |

No, grandstand will be terraced into landscape, similar to an amphitheater. The upper most terrace will have covered areas expanding out from the Clubhouse to provide refuge during inclement weather.

- | | |
|--|-----|
| 3. Is grandstand heated? | No. |
| 4. Is any portion of the grandstand air conditioned? | No. |
| 5. Type of construction of grandstand: | |

Terraced landscape with stone risers with a mix of grass turf and decomposed granite treads to accommodate a variety of seating types.

- | | |
|---|--------------------|
| 6. Ground area covered by grandstand? | 35,000 NSF |
| Festival Grounds (infield, picnic, concessions) | <u>825,000 NSF</u> |
| Total Footprint | 860,000 NSF |

b. Clubhouse

- | | |
|-------------------------------------|------------------------------|
| 1. Seating Capacity | |
| Farm to Table Restaurant/Sports Bar | 500 seats / 12,000 NSF |
| Turf Club | <u>200 seats / 8,000 NSF</u> |
| Total Seating Capacity | 700 seats |

2. Is Club House enclosed? **Yes**
3. Is Club House heated? **Yes**
4. Is any portion of the Club House air conditioned? **Yes**
5. Type of construction of Club House

To Be Determined. The Applicant anticipates the Club House will be Type I or Type II per IBC 2015 building codes.

6. Ground area covered by the Club House

Approximately 15,000 GSF footprint. Building to be a mix of 1 to 3 story massings with interior conditioned spaces and open terrace areas.

- c. Bleachers **Not anticipated to be provided**
 1. Seating Capacity **N/A**
 2. Type of construction of Bleachers **N/A**
 3. Ground area covered by the Bleachers **N/A**

d. Parking

1. Racetrack, Clubhouse, and Festival Grounds Parking: **3,010 spaces**

Covered outdoor parking garage (event use)	2,100 spaces / 735,000 NSF
Uncovered outdoor parking (paved daily use)	360 spaces / 126,000 NSF
Uncovered outdoor parking (grass event use)	550 spaces / 192,500 NSF
Trailer parking (gravel paved)	75 spaces / 20,000 NSF

Parking for Other Uses:	<u>170 spaces</u>
Community Facilities parking (paved)	120 spaces / 42,000 NSF
Horse Center parking lot (paved)	50 spaces / 17,500 NSF
2. Automobile capacity (racing) **3,000 cars / 75 trailers**
3. Is parking area lit

Paved and structured parking areas to be lit in accordance to zoning and building codes.

4. Is parking area treated, and if so, how?

Yes, the principal areas are paved and appropriately treated.

5. Is parking area numbered? **No.**
6. Is charge made for parking, and if so, how much? **No.**
7. Are the parking area and walkways cleared of snow and ice?

Yes, all paved areas to be cleared. All grass areas to be treated as appropriate to maintain accessibility.

- e. Number of pari-mutuel windows provided (all to offer both betting and cashing): **90-100**
1. Grandstand **35**
 2. Clubhouse **25**
 3. Self-Service Terminals **30-40**

- f. Toilet facilities
1. Grandstand **TBD as required by building codes**
 2. Clubhouse **TBD as required by building codes**

- g. System of sewerage disposal; if not connected to a main sewerage system, give details of system to be used:

The current plan is for the facility to have its own wastewater treatment facility as developed by the engineering team and as required by building codes.

- h. Number of outlets for fresh, pure drinking water for patrons in Grandstand, Clubhouse and/or other locations:
1. Grandstand

TBD as required by building codes; Drinking water will be sourced from well water

2. Clubhouse

TBD as required by building codes; Drinking water will be sourced from well water

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 20

Detailed statement of security measures which will be employed for the protection of patrons, employees, occupational licensees and horses and the control of traffic within the premises and on roads leading to and from the said premises.

Former Massachusetts State Police Colonel Reed Hillman, a Sturbridge resident, is Chair of the Applicant's Sturbridge Racing Oversight Board and serves as a consultant to the Applicant.

The Applicant, through Colonel Hillman and others, has consulted with appropriate state and local public safety partners to discuss security measures and traffic control plans as it relates to both the live racing meeting operation, simulcasting plans, community events, and day-to-day operations. The Applicant has conferred with Sturbridge Police Chief Earl J. Dessert, Sturbridge Fire Chief John A. Grasso, Jr. (whose department also oversees EMS), and State Police Gaming Enforcement Unit Commander Captain Michael Banks. The Applicant has also spoken with the station commander at the State Police Barracks located in Sturbridge about the project. The Applicant supports a collaborative response to law enforcement issues and will be supportive of agreements to create a safe environment for all that visit the facility. The Applicant looks forward to continued dialogue with the public safety professionals as the project develops.

Sturbridge is largely rural and has low rates of crime. Neither the Applicant nor Chief Dessert anticipate major crime. Both the Applicant and the Chief want to be prepared by challenges presented by special events. Chief Dessert expressed concerns about managing traffic at current staffing levels. To address these issues, Chief Dessert would like dedicated officers at all special events. The Applicant has agreed to hire paid details at special events in appropriate numbers in consultation with the Chief.

Chief Grasso expressed concern about gaining access to the facility given the distance between the Town's Public Safety Complex. In order to address this issue, first the Applicant has agreed to add to its plans a shared public safety sub-station to store and quickly utilize life-saving equipment in the event of an emergency. This resource will add to faster response times and may provide access to an established water supply to this part of Sturbridge. The Applicant recognizes the need for an ambulance and an appropriate number of paramedics to be present at all racing meetings. A sub-station would reduce response time to zero during special events and would accommodate Police, Fire and EMS. The Applicant has also agreed to ensure emergency access by emergency vehicles to the site for public safety via Breakneck Road. The Applicant has also agreed to install, if feasible, a dry hydrant system to draw water from existing water sources on the property.

The Applicant expects to enter into a host community agreement ("HCA") with the Town. In recognition of the additional expenses and impacts on the Town's roads and other infrastructure systems, including law enforcement, fire protection services and inspectional

services, the HCA calls for an estimated \$910,000 per year in new revenue to the Town. The Applicant supports the Town's hiring of additional first responders.

Chief Dessert informed us that he and his team regularly review the security plans for other large businesses in the Town, including Wal-Mart and Old Sturbridge Village, as well as the Pan-Mass Challenge, which is the largest event hosted in Sturbridge. The Applicant would ask he and his team to participate in developing the security plan as the project comes to life. Chief Dessert also provides security personnel at Old Sturbridge Village with police radios to easily communicate with dispatch and officers. Chief Dessert indicated that the relationship with the leadership of a facility such as the Applicant's is critical to quickly and safely address issues when they arise and maintain public safety.

Traffic has been an area of particular focus for the Applicant. In coordination with federal, state, and municipal agencies, including the Town, the Applicant has agreed to design, permit, and construct an interchange off of I-84 to improve access to the area of the facility and alleviate current local traffic at the Applicant's sole expense. This is estimated to be a \$10,000,000 infrastructure investment. The interchange will make traffic more manageable for special events and avoid disrupting Town residents.

While it has not yet been determined as to whether security will be operated by an in-house staff or by a recognized security firm, the Applicant will provide a well-staffed, properly trained security team that is first responder certified to watch over and protect guests and employees, as well as secure the backstretch and integrity of the racing industry. The Applicant expects to work closely with the State Police Detective Unit assigned to the Gaming Commission's Racing Division to investigate anything that may compromise the integrity of racing.

If the Applicant determines that the security force shall be under the direction of the Applicant, then an individual with the proper credentials and law enforcement background will be hired as Director of Security.

The perimeter of the barn area, which will consist of stabling, a detention/test barn, sleeping quarters, offices for security and required commission personnel, as well as parking for licensees, will be encapsulated by a fence that permits credentialed vehicular access in one location. This restricted area will have twenty-four (24) hour security during the entire time that horses will be stabled on the grounds. This is to provide a secure environment in which only licensed personnel will be permitted. In addition to security at the entrance gate to the barn area, the applicant will employ security guards to monitor the entire barn area to ensure the integrity of racing at Sturbridge Agricultural & Equestrian Center.

The exact number of security personnel to be employed in the building and related structures during live racing has not yet to be determined, but it will be sufficient to protect both the guests and employees and the barn area, while giving special focus to the money room. Along these lines, a vault with a sophisticated video surveillance system will be utilized to monitor and protect the money room and its operation. In addition, armed security will be in place to guard the location and to help when transporting money between the money room and other locations at the facility, as well as in conjunction with the armored car services. The total

room and video surveillance room will be in a secure location that will be monitored by one or more security personnel. The stewards, placing judges, announcer, photo finish and camera personnel will also be in secure areas. Only licensed personnel will be permitted access to secure areas.

In the event of a power failure that would disrupt the operation of the racetrack, the Applicant intends to install backup generators that will ensure no interruptions in data or video transmission and, most importantly, to guarantee there will be adequate lighting for the benefit and safety of our guests and employees.

Additionally, the Applicant has conferred with Executive Director Marlene Warner of the Massachusetts Council on Gaming and Health, and intends to work with her team and the Commission's GameSense team to implement strategies to address problem wagering. The Applicant intends to identify programs that the Mass Council offers, including those tailored to employees.

- a. Number of uniformed police officers to be on duty each day inside the track:

The Applicant will hire appropriate numbers of uniformed regular police officers for live racing and special events expected to attract larger than normal crowds.

- b. Other such police officers will be regular police officers or special officers:

Not applicable

- c. Number of uniformed police officers detailed to traffic within the premises and on roads leading to and from the premises before, during and after racing hours:

In consultation with Chief Dessert, the Applicant will hire appropriate numbers of uniformed regular police officers for live racing and special events expected to attract larger than normal crowds.

- d. Number of plain clothes officers or detectives assigned within the track proper:

The Applicant expects to employ a Director of Security and a Director of Compliance. Both will serve as liaisons to law enforcement and will not be in uniform.

- e. System to be used for the detection and suppression of illegal gambling within the premises of the applicant:

Integrity of racing in critical. The Applicant will have a multi-layered approach that includes security personnel and video surveillance, and cooperation with the State Police and the Commission's Laboratory Services. The Applicant intends to work with the Massachusetts State Police on excluded persons, pre-screen potential employees, and to identify common schemes like ten-percenting. The applicant also intends to identify wagering abnormalities and notify law enforcement. Following licensure, the Applicant intends to submit a more detailed security plan to the

Commission for input and approval. The Applicant's personnel will cooperate with law enforcement and Commission personnel on all statutory requirements, including testing, to ensure the integrity of racing.

- f. System to be used in the detection and barring of pick-pockets, touts and other undesirable characters:

The Applicant will rely on its security plan, intelligence sharing with state and local law enforcement, and efforts to identify and recognize undesirable characters and issue such persons "No Trespass" orders when good cause exists. If authorized, the Applicant intends to share and receive information through the Association of Racing Commissioners International about persons who may compromise the integrity of racing.

- g. Name of person who will be in charge of security within the track proper:

A Director of Security has not yet been hired.

- h. Name of person who will have supervision of traffic control within the premises of the applicant and will act as liaison between the applicant and local police authorities in the control of traffic outside of the premises of the applicant:

A Director of Security has not yet been hired.

- i. Name of police authority that has been consulted in setting up security measures within the track and the control of traffic within and outside of the premises of the applicant.

As to security measures, the Applicant has consulted the Sturbridge Chief of Police and State Police Gaming Enforcement Unit as described above.

- j. System used to protect money received by the track, including security systems protecting the cash room and measures taken to ensure that all wagering equipment is working properly and free from tampering.

Broadly, the Applicant will employ surveillance, security personnel, a mantrap and other security measures developed in more detail once licensed and development is ongoing, subject to approval by the Commission.

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 21

Track Details

a. Size of Track

1 1/16-mile turf track (1 3/8 mile overall); width varies and is predominately 110 feet wide with portions +/-70' wide to allow for adjustable rail locations

b. Number of Chutes **1**

c. Number of Stables **6**

d. Number of Stalls **315**

e. Number of Tack Rooms **24**

f. Number of Tack Rooms Heated **0 (tack rooms may be heated via portable heat sources if need)**

g. Number of Shower baths in stable area **2 Shower Rooms (1 ladies, 1men)**

h. Toilet facilities in stable area **2 Toilet Facilities (1 ladies, 1 men)**

i. Fire protection in stable area including:

Number of sprinklers **Number mandated by G.L. c. 148 and 527 CMR 1 et seq. for the type of stabling structure by Sturbridge Fire Chief or State Fire Marshal**

Number of fire alarm boxes **Number mandated by G.L. c. 148 and 527 CMR 1 et seq. and by Sturbridge Fire Chief or State Fire Marshal**

Other fire protective measures in stable area **Patrolling security**

j. A detailed statement of measures which will be employed in the policing of the stable area. This statement should include but not be confined to:

i. Is stable area enclosed? If so, describe method of enclosure:

The stable area will be enclosed with fencing. The applicant intends to provide a secure area for horses and licensees. This area will be monitored by 24-hour security staff and video surveillance. Additionally, parking and housing will be available or licensed backstretch personnel during each racing festival. This designated region will be secured by a fence that borders the entire perimeter of the stabling area. Within this same restricted zone, close to the stabling, will be a detention/test barn that will house 8-10 horses.

ii. Number of gates to enclosure, where located and method of control:

The number of gates providing access to and egress from the stable area has not yet been determined. Regardless of number, they will be accessible via electronic keycard and subject to 24-hour video surveillance and security.

iii. System of passes to be issued to persons employed in stable area:

Those with Commission issued credentials may access the stable area, as well as those issued temporary visitor passes upon presenting proper identification information. All vehicles entering the stable area must be owned and operated by persons duly licensed by the Commission and must display a valid windshield sticker issued by the stable manager.

- iv. Method to be followed in allowing persons in and out of stable area:

Only persons with proper credentials, and vehicles with valid windshield stickers as outline in (j)(iii) above, are permitted in the stable area. All individuals are required to have proper credentials. Visitors must be signed in and issued visitor passes prior to gaining access to the stable area.

- v. Number of uniformed police officers to be assigned to the stable area indicating the number in daytime hours and nights:

None.

The Applicant intends to utilize uniformed security personnel in the stable area 24 hours per day for the entire time from when horses enter the property until that time when the last horse leaves the facility.

- vi. Number of plain clothes officers or detectives to be assigned to the stable area, days and nights:

None.

- vii. Name of person who will be in charge of policing in the stable area

- viii. **The Applicant will hire a qualified professional to oversee security and compliance.**

- k. Recreation room

The Applicant plans to develop a jockey lounge space associated with the paddock building

- l. Track Kitchen, including seating capacity

Meals will be provided for those on the backstretch by various food truck

- m. Size of jockey or driver's room and equipment available including number of shower baths, toilets, hot-boxes, etc.

Rooms for male and female jockeys large enough to accommodate all jockeys will be provided. The appropriate number of showers and toilets will be included.

- n. List of other accommodations, facilities or services in stable area.

A building to accommodate licensing, security, and racing. Additionally, when needed, the

Applicant will provide temporary dormitory-style housing for backstretch workers.

- o. List any other accommodations, facilities or services for the benefit of the patrons attending.
 - i. **Grandstand and festival grounds**
 - ii. **Clubhouse, including sports bar and turf club**
 - iii. **Riding School**
 - iv. **Covered and outdoor Riding Rings**
 - v. **Rehabilitation/Therapy Barns**
 - vi. **Farm to Table restaurant/Sports Bar**
 - vii. **Community Gardens and Apiary**
 - viii. **Community Recreation/Sports Fields including support building to house restrooms and snack bar**
 - ix. **Community Pavilion**
 - x. **Community Center**
 - xi. **Approximately 2.3 miles of educational trails for pedestrians and riders that connect the various uses within project**
 - xii. **Additionally, although not presently in the visual plans, the Applicant has agreed to build a public safety sub-station in a suitable location on the property.**

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 22

Trade name of any of the following equipment used at the track-date of purchase or the date of present contract or lease and expiration date of said contract.

As to 22(a)-(j), the Applicant has not purchased or leased any such equipment. The Applicant proposes to update the Commission of such purchases or leases during the re-application process next year. Where specified, these are the vendors that we anticipate using based upon prior experiences:

- | | |
|-------------------------------------|---|
| a. Pari-Mutuel Equipment | Sportech – however, no agreement in place |
| b. Starting Gate | Puett |
| c. Photo Finish Camera | American Teletimer |
| d. Film Patrol | International Sound |
| e. Timing Devices | American Teletimer |
| f. Inter-communication system | International Sound |
| g. Public Address System | International Sound |
| h. Closed Circuit Television System | International Sound |
| i. Horse Shoe Board | Closed circuit television |
| j. Scales | Standard digital scales utilized by racetracks |

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 23

- a. A copy of applicant's employee handbook
- b. A copy of all of applicant's policies and procedures regarding internal controls including but not limited to those policies that deal with the handling of money, or the placing of wagers both in person and via telephone or other methods
- c. A copy of applicant's audit committee and compliance committee charters as well as a list of the audit and compliance committee members and their relationship to the applicant
- d. Any other policies that indicate that applicant meets general industry standards for business and financial practices, procedures, and controls.

With respect to 23(a)-(d), the Applicant is developing such handbooks, policies, and committees. The Applicant's managers and leaders recognize the need for them and has employed all such handbooks, policies, and committees in other business ventures in which they have been involved.

The Applicant has developed a Racing Oversight Board to oversee the racing program at the facility. A description of the role of the Sturbridge Racing Oversight Board is attached.

The Racing Oversight Board Consists of:

Reed V. Hillman – Chair, Racing Board
Michael Blowen – Member, Racing Board
Dr. Eric Dickson – Member, Racing Board
Robin Kalaidjian – Member, Racing Board
Tammi Piermarini – Member, Racing Board

See Exhibit 23



Description of Sturbridge Racing Oversight Board

The Applicant has developed a Sturbridge Racing Oversight Board (SROB) that will work with the Chief Operating Officer to oversee the racing program at the facility. Subject to Commission approval, the SROB will set the meeting dates and ensure safety and integrity of the races. In addition, the SROB's role will include at least the following:

- The SROB will ensure racing compliance with G.L. c. 128A.
- The SROB will ensure that every official and employee that may be hired once the Applicant becomes licensed has knowledge of and has read 205 CMR 4.00 et seq., as required by 205 CMR 4.01.
- Ensure that the Applicant's employees seek, obtain, and maintain licensure as required by the Commission.
- The SROB will appoint the officials designated in conformance with 205 CMR 4.30, and subjection to Commission approval.
- Ensure hiring of qualified of Racing Veterinarian.
- Ensure that there are compliance systems in place for enforcement of prohibited practices under 205 CMR 4.51 in conjunction with the security director.
- The Racing Board will enact compliance procedures to prevent corrupt practices as defined in 205 CMR 4.10 in conjunction with the security director, the Commission, the State Police Racing Division, and Sturbridge Police Department.
- The Racing Board will ensure cooperation with the Commission on licensing and enforcement matters.



STURBRIDGE AGRICULTURAL &
EQUESTRIAN CENTER

Sturbridge Racing Oversight Board

Reed V. Hillman



Michael Blowen



Dr. Eric Dickson



Robin Kalaidjian



Tammi Piermarini



Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 24

Financial Statement & Receipts and Interests of Concessionaire

a. Applicant Financials

The Applicant is a new venture of seasoned business and horseracing professionals. The Applicant's investment team is led by Commonwealth Development LLC. The development team is led by Richard T. Fields. The horseracing program will be led by Louis Raffetto. Mr. Raffetto presently serves as a consultant to the Applicant. Upon licensure, the Applicant and Mr. Raffetto have agreed that he will become Chief Operating Officer.

The Applicant is a de novo LLC. Thus, the Applicant does not have the records that this question calls for. The Applicant would be able to provide a year's worth of financial statements upon request from the Commission.

The Applicant will provide additional proof of equity for the project and capital support at the request of the Commission.

The Applicant anticipates utilizing traditional financing for construction.

b. Concessionaire

The Applicant has contracted with no concessionaires.

Where this would be a new racetrack, there are no receipts to report.

All agreements for operation and control will be fully disclosed, arm's length, and at market terms.

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 25

The thoroughbred race meeting at Sturbridge Agricultural & Equestrian Center will be beneficial to the public, the Commonwealth, the applicant and the Commonwealth's thoroughbred or Standardbred owners and trainers and Massachusetts based vendors and suppliers

a. The Public

- i. At this moment there is no facility in the Commonwealth that offers live thoroughbred racing. This Applicant would fill that critical void.
- ii. The Applicant's proposal would both use and preserve approximately 298 acres of green space in south-central Massachusetts, directly provide 100 permanent jobs and 474 construction jobs, and economic spin off to sustain many hundreds more jobs.
- iii. There are fewer job opportunities in this part of the state. The Applicant would provide various skilled and unskilled job opportunities, and provide a much needed racing outlet for thoroughbred horsemen in New England.
- iv. The elected Board of Selectmen for the Town of Sturbridge approved the site of the racetrack and a zoning amendment authorizing an overlay district in recognition of the community and economic benefits of the project.
- v. Sturbridge Agricultural & Equestrian Center will be easily accessed via I-84, which itself is an easily accessible highway connecting New England to New York and Pennsylvania. This plan would maximize access while minimizing noise and traffic disruption to neighbors.
- vi. The Applicant expects to spend \$50 million to building the facility.
- vii. The Applicant's investment will have economic spinoff of millions of dollars.
- viii. The security plan will assure honesty and integrity in the conduct of wagering activity at the facility.
- ix. An operating Sturbridge Agricultural & Equestrian Center will provide revenue to the state and the Town of Sturbridge, the horse breeding industry, the Massachusetts Council on Gaming and Health, the racing industry, and Tufts Veterinary School.
- x. As to the Town of Sturbridge, the Applicant expects to execute a host community agreement ("HCA") with the Town of Sturbridge in the coming weeks. If the Commission issues the license, the Applicant has agreed to invest in public amenities anticipated to be in excess of \$10,000,000, which would include:
 1. Designing and constructing two baseball fields and two multipurpose fields, including a community pavilion, at the facility.
 2. Designing, constructing, and maintaining a community garden at the facility.
 3. Designing, constructing, and maintaining nature trails at the property.
 4. In conjunction with federal, state, and municipal agencies, including the town, designing, permitting, and constructing an interchange off of I-84 to

improve access to the facility and alleviate current and local traffic at its sole expense.

5. Constructing a public safety sub-station on the property

- xi. Pursuant to the HCA, the Applicant has agreed to make an annual contribution of \$25,000 to local charities/non-profits.**
- xii. Pursuant to the HCA, the Applicant has agreed to pay an annual community impact fee estimated to be approximately \$240,000 per year.**
- xiii. Pursuant to the HCA, the Applicant has agreed to pay the Town for various expenses that it may incur as a result this project.**
- xiv. The Applicant has demonstrated the financial ability to operate a racetrack.**
- xv. The rebirth of thoroughbred horse racing at Sturbridge Agricultural & Equestrian Center will help strengthen and expand the horse breeding and hay producing industries, which in turn protects open space.**
- xvi. The purposes and intent of all relevant Massachusetts laws, including but not limited to Chapter 114 of the Acts of 1991, Chapter 128A, Chapter 128C, and Chapter 23K of the General Laws will be effectuated.**

b. The Commonwealth

- i. Sturbridge Agricultural & Equestrian Center development and operation will provide direct and indirect revenue, including revenue generated by increased employment and economic activities in the Commonwealth. This proposal will maximize the receipt of state revenues generated by thoroughbred horse racing.**
- ii. The purposes and intent of all relevant Massachusetts laws, including but not limited to Chapter 114 of the Acts of 1991, Chapter 128A, Chapter 128C, and Chapter 23K of the General Laws will be effectuated.**

c. The Applicant

- i. The Applicant wishes to return live Thoroughbred racing to the Commonwealth at Sturbridge Agricultural & Equestrian Center's rural, multipurpose facility.**
- ii. The Applicant will benefit from excitement surrounding the recommencement of Thoroughbred racing, which will create the ability to attract racing professionals, horses, and fans upon completion of the racetrack.**
- iii. The Applicant will benefit from complementary offerings of racing, agriculture, riding, education, green energy, sports, and other community and recreational activities.**
- iv. The Applicant will benefit from economic benefits to thoroughbred racing afforded by the Expanded Gaming Act.**
- v. The Applicant is committed to improving the quality of racing in the Commonwealth.**

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 26

Purses, Handle, Employment, Tax and Pari-Mutuel Revenue

- a. Actual amount of purses paid in the last calendar year
None.
- b. Estimated amount of purses to be paid in the next calendar year
None. The Applicant anticipates construction will take approximately three years.
- c. Actual handle generated by applicant on its live races in the last calendar year (all sources)
None.
- d. Direct employment numbers attributable to applicant in the last calendar year as evidenced by the number of people who received a Form W-2 and / or Form 1099 MISC and direct employment numbers of employees who are citizens of the Commonwealth
None. At present, the Applicant has no employees and is working through its principals, consultants, and legal representatives.
- e. Indirect employment numbers attributable to applicant in the last calendar year as evidenced by statements from sub-contract companies (such as concession workers, security guards, tote personnel, etc.) as to employees assigned to applicant's facility.
None of the type contemplated by this question. As indicated, the Applicant has hired consultants and legal representatives representing it during the development and this application process.
- f. Number of occupational licenses attributable to applicant in the last calendar year 2021
None. The Commission did not accept applications for Thoroughbred racing last calendar year where no Thoroughbred racing facility was subject to licensure.
- g. Amount of tax revenue and other revenues paid to the Commonwealth in the last calendar year including total Massachusetts income tax withheld from employees, Massachusetts sales taxes paid to the Commonwealth, Massachusetts corporate taxes actually paid or payable for the most recent fiscal year, and real estate taxes, as evidenced by appropriate source documents such as Forms W-2, M941, sales tax remittance forms, etc.
None. The Applicant did not generate any revenue last calendar year.
- h. Total pari-mutuel revenue generated and paid to the Commonwealth in

the last calendar year including state commissions, assessments, association license fees, occupational license fees, fines, penalties, and miscellaneous revenues, other than unclaimed wagers, paid to the Massachusetts Gaming Commission.

None. The Applicant did not generate any revenue last calendar year.

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 27

Master List of Requested Simulcast Import

At present, there is no facility within which to simulcast. As soon as a suitable facility is constructed, the Applicant asks for permission to file a supplemental application seeking permission to simulcast.

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 28

Master List of Requested Simulcast Export Outlets

None.

Sturbridge Equine and Agricultural Center LLC
Application for 2022 Racing Meeting License

Exhibit 29

In advance of construction, the Applicant hereby requests approval for a system of account wagering in accordance with 205 CMR 6.20: General Account Wagering, which is conducting through service providers.

The Applicant has not yet executed such agreements as of the date of this filing. As soon as a suitable facility for simulcasting is constructed, the Applicant asks for permission to file a supplemental application seeking permission to simulcast.

To: Chair Judd-Stein and Commissioners Cameron, Hill & O'Brien
From: Patrick Hanley, *Butters Brazilian LLP*
Date: October 1, 2021
Re: Memorandum of Law in Support of Application for Racing Meeting License of
Sturbridge Equine and Agricultural Center LLC

Where this is the first new thoroughbred racing meeting license application presented to this Commission in its role as the Racing Commission, the Applicant offers this memorandum to describe its understanding of the Commission's legal authority to issue a racing meeting license to the Applicant.

I. Statutory Framework

The Legislature provided layers of limited county and municipal approval that must be in place before the Commission may grant a racing meeting license can be granted. This memorandum describes each and leads into the authority of the Commission to issue a license to the Applicant for its proposed racing facility in Sturbridge, Massachusetts.

a. County

"Licenses shall not be granted under this chapter for the holding or conducting of any horse racing meeting or any dog racing meeting within any county unless a majority of the registered voters of such county voting on the following described questions relative to granting such licenses *when said questions were last submitted to them have voted in the affirmative.*" G.L. c. 128A, § 14. Relevant to horse racing, the question that must have been put to the voters is: "Shall the pari-mutuel system of betting on licensed horse races be permitted in this county?" (emphasis added). "If a majority of the votes cast in a county in answer to subdivision A is in the affirmative, such county shall be taken to have authorized the licensing of horse races therein at which the pari-mutuel system of betting shall be permitted." G.L. c. 128A, § 14.¹

Worcester County voters answered in the affirmative in the November 1974 biennial election. According to records published by the Massachusetts Secretary of State, 1974 is that last year that this question was put to the voters. In 1974, there were 212,216 total ballots cast in Worcester County. A majority of all ballots, 113,656, contained votes in the affirmative, equal to 53.56%. There were 56,281 "no" votes, equal to 26.52%. There were 42,279 ballots left blank as to this question, equal to 19.92%. See Exhibit A – Election Statistics Commonwealth of Massachusetts 1974, p. 545.

The 1974 vote in Worcester County is binding in the Commonwealth and must be respected unless repealed by the voters of the county. The words contained in G.L. c. 128A, §

¹ Section 14 contains a mechanism for 10 percent of the registered voters in a given county to petition the Secretary of State to place the question on the ballot for the next biennial state elections. That has not occurred.

14, are non-technical and unambiguous.² Once a threshold vote has occurred and a majority of voters who cast a ballot to approve pari-mutuel betting on horse races, the benchmark set forth in Section 14 has been met unless and until it is overturned by the voters. There has been no subsequent vote to overturn the 1974 election results. If the residents of Worcester County want to change this result, the statute provides a mechanism for bringing the question to another vote. Until then, the will of the people must be respected, regardless of the age of the vote.

“The purpose of our election statutes is to ascertain, in a sensible and expeditious manner, the will of the voters and to inform the public promptly about election results.” Lafleur v. Chicopee, 352 Mass. 746, 753 (1967). There is no reason to believe there were any irregularities “in connection with the election. The ballots were lawfully cast and countered and returned, and the results declared with all the safeguards required by the law and under all its presumptions as to its correctness.” Swift v. Registrars of Voters, 281 Mass. 264, 269 (1932). To later invalidate the result of the election “would have the effect of disenfranchising” all the voters that voted in the election. Id. “Such a result would be unnatural. It would violate fundamental conceptions as to the operation of democratic institutions and the safety of our form of government.” Id. The SJC gives “force and effect...to votes which have once been counted and returned under all the sanctions provided by the election laws.” Felch v. Registrars of Voters, 336 Mass. 7, 12 (1957).

The Commission has previously recognized the validity of decisions made decades earlier. In the context of municipal approval under G.L. c. 128A, § 13A, the Commission continues to recognize local approval for horse betting in Boston and Revere dating to 1935, and in Plainville dating to 1997. In Bay State Harness Horse Racing & Breeding Assn. v. State Racing Com., 340 Mass. 776, 779-780 (1960), the SJC recognized the continued vitality of this local approval of the racetrack location on which Suffolk Downs operated, stating that it dated to prior to 1946. Although the source of the approval is distinct, the thought process for recognizing its continued vitality is no different.

The language requiring a majority of county voters to approve pari-mutuel betting is straightforward. Voter approval has continued to be a baseline element of racing licensing under G.L. c. 128A since the statute was enacted in 1934. The original statute provided for a specific year for the vote, but the Legislature has since modified Section 14, removing the specification of a particular year. The Legislature has the power to require periodic votes to resubmit the question to the voters. For example, for Berkshire and Hampshire Counties, the Legislature has called for county votes on the question of pari-mutuel betting on horse races to occur every four years. See G.L. c. 128A, § 14B (Berkshire), and G.L. c. 128A, § 14C (Hampshire). There is no such requirement for Worcester County. “The omission of particular language from a statute is deemed deliberate where the Legislature included such omitted language in related or similar statutes.” Fernandes v. Attleboro Housing Authority, 470 Mass. 117, 129 (2014).

² Simon v. State Examiners of Electricians, 395 Mass. 238, 242 (1985) (“The starting point of [the SJC’s] analysis is the language of the statute, ‘the principal source of insight into the Legislative purpose.’”), quoting Commonwealth v. Lightfoot, 391 Mass. 718, 720 (1984). See City Electric Supply Company, v. Arch Insurance Company, 481 Mass. 784, 788 (2019) (“Where the language of a statute is plain and unambiguous, it is conclusive of the Legislature’s purpose.”) (internal citations and quotations omitted).

The Commission has accepted the existing county votes for its other racing facilities located in Suffolk and Norfolk Counties, as well as the former dog tracks in Bristol and Plymouth Counties as the statute requires. There is no legal basis for treating the Worcester County vote any differently.

b. Municipal

The municipal approval that is a condition precedent to licensure consists of site approval for the racetrack. In the case of a town such as Sturbridge, that approval must come from the Board of Selectmen.

[N]o license shall be granted by the commission for a racing meeting in any city or town, except in connection with a state or county fair, unless the location of the racetrack where such meeting is to be held or conducted has been *once approved* by the mayor and city council or the town council or the selectmen as provided by said section thirty-three of said chapter two hundred and seventy-one, after a public hearing, seven days' notice of the time and place of which hearing shall have been given by posting in a conspicuous public place in such city or town and by publication in a newspaper published in such city or town, if there is any published therein, otherwise in a newspaper published in the county wherein such city or town is situated.

G.L. c. 128A, § 13A (emphasis added).

Here, after providing proper notice, the Board of Selectmen for the Town of Sturbridge ("Board") voted to approve the location of the track on September 13, 2021. See Exhibit B – Letter from Sturbridge Board of Selectmen Chairwoman Mary Blanchard dated September 23, 2021, reflecting approval on September 13, 2021.

The SJC has concluded that "§ 13A must be construed to mean that when the location of a racetrack has been 'once approved' by the local authorities, their jurisdiction is exhausted." North Shore Corp. v. Selectmen of Topsfield, 322 Mass. 413, 417 (1948). "It is not reasonable to suppose that the Legislature intended that, once there had been an approval by the local authorities, they were to have the power to revoke their approval and thereby deprive the commission of its jurisdiction." Id. at 418; see also Bay State Harness Horse Racing & Breeding Asso. v. State Racing Com., 340 Mass. 776, 779-780 (1960) (no requirement for "more than one local approval of the site of a track").

Section 13A has been amended since the SJC's 1948 decision to its current form, which includes a mechanism for twelve percent of the voters in the town – not the Board – to petition to overturn the Board's approval of the racetrack from taking effect. The Applicant is aware of no effort to overturn the Board's decision.

c. No Restriction to Suffolk County

Thoroughbred racing is not restricted to Suffolk County. Thoroughbreds have a long history of racing inside and outside of Suffolk County.³ Indeed, historically, thoroughbred racing has been licensed in several counties. Thoroughbred racing was held in Great Barrington for decades. It last operated as a licensed track in 1998. See 1998 State Racing Commission Annual Report, p. 5. In 1992, the Racing Commission issued a license for thoroughbred racing in Foxboro. See Taunton Dog Track v. State Racing Comm’n, 424 Mass. 54 (1997).

In 2016, the SJC examined an initiative petition that the Attorney General approved for inclusion on the November 2016 ballot that would have permitted the Commission to license an additional slots parlor adjacent to a racetrack. The primary challenge to the Attorney General’s approval of the petition was that it was a local matter, and therefore inappropriate for statewide initiative, because the only possible eligible racetrack was Suffolk Downs. After closely analyzing the petition in the context of the highly regulated gambling environment, the SJC held that it was not a local matter. In support of its conclusion, the SJC held that “nothing would prohibit a developer from building a new racetrack in the Commonwealth, holding a horse race there (subject to licensing)[,]” which would therefore make the new racetrack eligible for the would-be second slots parlor license. Bogertman v. Attorney General, 474 Mass. 607, 618 (2016).

General Laws Chapter 128A, § 13A(a), states: “No license shall be issued for more than an aggregate of 200 days in any 1 year at all running horse racing meetings combined, not including running horse racing meetings held in connection with state or county fairs; provided, however, that up to 200 days may be awarded in Suffolk County only.” This subsection limits the total number of race days to 200, and states that all race days *may – not must –* be awarded in Suffolk County. This reading is consistent with the Legislative intent and the practice in the Commonwealth of authorizing thoroughbred racing outside of Suffolk County.

This intent is reflected not only in the fact that thoroughbred racing has been licensed outside of Suffolk County, but also in the language contained in other parts of the Chapter 128A. In determining the intent of the Legislature, “we examine the *whole statute*, seeking an interpretation that is true to the legislative purpose and will make it an effective piece of legislation.” In re Bell Atl. Mobile of Mass. Corp., 456 Mass. 728, 736 (2010) (emphasis added). The Legislature intended to permit the Gaming Commission to issue licenses to multiple thoroughbred racetracks, but limited the Commission’s authority to permit racing on the same day depending on the distance between the tracks. “No license shall be issued to permit running horse racing meetings to be held or conducted...at the same time of day at more than 1 racetrack within the Commonwealth unless the racetracks are more than 75 miles apart;” and “in no case[] shall more than 2 licenses be issued for meetings to be held or conducted at the same time of day.” G.L. c. 128A, § 3(e).

³ “The operation of horse racetracks and dog racetracks has been lawful in this Commonwealth since the enactment of G.L. c. 128A, by St. 1934, c. 374, § 3. We take judicial notice of the fact that the Suffolk Downs horse race track and a dog race track have operated in Suffolk County since shortly after it became lawful to do so, and that a number of other horse and dog race tracks have operated within a fifty-mile radius of Suffolk County for many years.” Commonwealth v. Nelson, 370 Mass. 192, 202 (1976).

Again, in session laws approved July 27, 2021, extending simulcasting at Suffolk Downs, the Legislature stipulated that for the “running racehorse meeting licensee located in Suffolk County,” [Suffolk Downs] to simulcast, it must receive the approval of the New England Horsemen’s Benevolent & Protective Association (“NEHBPA”). The Legislature provided further “that if the [NEHBPA] agrees to approve the simulcast for 1 racing meeting licensee, it shall approve the simulcast for all otherwise eligible racing meeting licensees.” Section 17 of Chapter 27 of the Acts of 2021. The law relates only to thoroughbred racing and reflects that the Legislature as recently as July of 2021 envisioned the possibility of multiple thoroughbred racing licenses.

The licensing scheme under G.L. c. 128A also reflects that there is no limitation to a particular county. Nowhere in the law does such a limitation appear. However, as described above, the voters of each county have the power to approve or disallow licensed racing in their county. That is the only limitation. Otherwise, the Gaming Commission has “broad discretion in granting licenses[.]” Bay State Harness Horse Racing & Breeding Ass’n v. State Racing Comm’n, 342 Mass. 694, 699 (1961).

Should a running horse applicant in Suffolk, Norfolk or Plymouth County seek a license and request racing days, the coordination of those running horse license schedules would be in the purview of the Commission. We do not believe any other running horse application is currently before the Commission.

d. Dark Days

The law requires both new and renewal applicants to apply by October 1st of each year for a racing meeting license. Where the Applicant seeks the license to build a track, the Applicant seeks a racing meeting license for the year 2022, all of which would be “dark days” as defined in G.L. c. 128C, § 1. There is no requirement under G.L. c. 128A, § 2, for a minimum number of racing days, recognizing that a new Applicant may need time to construct a new facility.

The Commission has the authority to subject racing meeting licenses to regulations and conditions. G.L. c. 128A, § 9. “The authority to amend or modify is a corollary of the power to grant a license and is supported by the settled principle that ‘an agency is deemed to have not only those powers expressly conferred by statute, but also those reasonably necessary to carry out its mission.’” Taunton Dog Track v. State Racing Comm’n, 424 Mass. 54, 60 (1997), quoting Boston Neighborhood Taxi Ass’n v. Department of Pub. Utils., 410 Mass. 686, 692 (1991).

The concept of licensing an Applicant for a year of dark days is explicitly authorized for Suffolk Downs, under Section 17 of Chapter 27 of the Acts of 2021:

[T]he running race horse meeting licensee located in Suffolk county licensed to conduct live racing pursuant to said chapter 128A and simulcast wagering pursuant to said chapter 128C in calendar year 2021 shall remain licensed as a running horse racing meeting licensee until July 31, 2022 and shall remain authorized to conduct simulcast wagering pursuant to said chapter 128C until July

31, 2022; provided, however, that the days between January 1, 2022 and December 31, 2022 shall be dark days pursuant to said chapter 128C and the licensee shall be precluded from conducting live racing during that period unless it applies for and is granted a supplemental live racing license pursuant to said chapter 128A[.]

A license to operate on “dark days” would simply be a condition of licensure that would then permit the Applicant to take more meaningful steps towards building the facility with appropriate oversight from the Commission. This is what the former State Racing Commission did for Plainridge Park.

e. Factual Predicate

Further, issuing a conditional license to a new applicant that will not yet have the infrastructure in place to race finds historical precedence at Plainridge Park. According to the 1997 Annual Report submitted by the State Racing Commission, during that year the Racing Commission issued “a conditional license to a proposed new track in Plainville.” The 1997 Annual Report indicated that it did not hold any races that year. The 1998 Annual Report stated:

The return of harness racing was authorized for 1999 when Plainville Racing Company, LLC was granted a conditional license by a 2-1 vote. The new track will be located at the intersection of I-495 and US Route 1, in Plainville, and is scheduled to open for live racing in April 1999.

The 1999 Annual Report confirmed that Plainridge Park did in fact open during the 1999 calendar year.

II. Conclusion

In summary, the location of the racetrack has been approved at the county and local level. The Commission is vested with authority to issue a license for dark days subject to conditions set forth by the Commission, which the Applicant expects may include meeting progressive development benchmarks specific to this project.

Exhibit A

Votes on Question No. 7A

A. Shall the pari-mutuel system of betting on licensed horse races be permitted in this county?

Worcester County.

Cities and Towns.	Yes.	No.	Blanks.	Total Ballots.
Ashburnham	690	337	149	1,176
Athol	1,891	730	432	3,053
Auburn	3,408	1,880	846	6,134
Barre	819	378	364	1,561
Berlin	352	274	106	732
Blackstone	1,118	546	363	2,027
Bolton	330	363	70	763
Boylston	622	390	151	1,163
Brookfield	388	206	101	695
Charlton	721	430	199	1,350
Clinton	2,457	989	1,055	4,501
Douglas	579	464	205	1,248
Dudley	1,268	747	558	2,573
East Brookfield	332	199	107	638
FITCHBURG	7,885	2,860	2,739	13,484
GARDNER	3,608	1,597	1,299	6,504
Grafton	2,141	1,017	764	3,922
Hardwick	438	183	160	781
Harvard	523	669	152	1,344
Holden	1,834	1,798	1,302	4,934
Hopedale	788	577	277	1,642
Hubbardston	274	151	88	513
Lancaster	624	659	231	1,514
Leicester	1,757	730	454	2,941
LEOMINSTER	6,185	2,259	2,079	10,523
Lunenburg	1,525	877	390	2,792
Mendon	500	261	141	902
Millford	4,185	1,483	1,687	7,355
Millbury	2,350	898	787	4,035
Millville	323	155	127	605
New Braintree	106	71	33	210
North Brookfield	758	414	287	1,459
Northborough	1,789	1,173	371	3,333
Northbridge	1,709	1,020	1,423	4,152
Oakham	170	111	47	328
Oxford	1,237	569	614	2,420
Paxton	632	544	194	1,370
Petersham	179	172	64	415
Phillipston	140	71	20	231
Princeton	263	335	65	663
Royalston	157	55	28	240
Rutland	646	387	127	1,160
Shrewsbury	4,561	2,507	1,322	8,390
Southborough	1,155	834	252	2,241
Southbridge	1,753	1,127	2,326	5,206
Spencer	1,902	797	597	3,296
Sterling	809	503	181	1,493
Sturbridge	624	500	628	1,752
Sutton	860	536	269	1,665
Templeton	998	419	243	1,660
Upton	721	403	245	1,369
Uxbridge	1,499	782	616	2,897
Warren	708	314	236	1,258
Webster	2,310	1,310	1,222	4,842
West Boylston	1,220	978	306	2,504
West Brookfield	489	254	149	892
Westborough	2,355	1,662	640	4,657
Westminster	999	513	211	1,723
Winchendon	968	376	237	1,581
WORCESTER	32,024	13,437	11,943	57,404
Totals	113,656	56,281	42,279	212,216

Exhibit B



Town of Sturbridge

Mary Blanchard, Chairwoman

September 23, 2021

Massachusetts Gaming Commission
101 Federal Street, 12th Floor
Boston, MA 02110

Dear Commissioners,

This letter is to inform you that on Monday, September 13, 2021, the Town of Sturbridge Board of Selectmen held a public hearing on the proposed racetrack for property located at 16 Cross Road and Assessor's Map/Parcel ID Nos. 237-04756-016 and 170-05045-180 Sturbridge, MA. That public hearing was held pursuant to the requirements of M.G.L. Chapter 128A, section 13A, and as such, was properly posted and advertised.

I am pleased to inform you that, after due consideration, on September 13, 2021, the Board of Selectmen which consists of Chair Mary Blanchard, Vice Chair Mary Dowling, Selectman Chase Kaitbenski, Clerk, Selectman Ian Dunnigan, and Selectman Jamie Goodwin, approved the location of the proposed race track: **located at 16 Cross Road, Sturbridge Massachusetts and Assessor's Map/Parcel ID Nos. 237-04756-016 and 170-05045-180 Sturbridge, Massachusetts, pursuant to G.L. c. 128A, § 13A**

Please do not hesitate to reach out to us if you need anything.

Sincerely,

Mary Blanchard

Mary Blanchard, Chairwoman
Sturbridge Board of Selectmen

Economic Impact Study: Proposed Racetrack in Sturbridge, MA

Prepared for Commonwealth Racing LLC

July 29, 2021



SPECTRUM
GAMING GROUP®



Introduction

- Commonwealth Racing LLC (“Client”) first retained Spectrum Gaming Group (“Spectrum,” “we” or “our”) in summer 2020 to independently analyze and evaluate the potential for retail and digital sports betting at a proposed Thoroughbred racetrack development in Sturbridge, MA
 - Our study had two components:
 1. Project sports betting gross gaming revenue (“GGR”) statewide and for the track specifically. We assumed sports betting would be offered via both digital (i.e., online) and retail (i.e., on site) channels
 2. Determine whether a new racetrack could be economically viable without offering another form of gaming – in this case sports betting
- The Client subsequently retained Spectrum in June 2021 to forecast economic impacts of the proposed racetrack on Worcester County
 - Also assess specific impacts on the town of Sturbridge

Key Findings from 2020 Study

- Massachusetts has great potential as a sports betting market; Spectrum forecasts from \$350 million to \$500 million in annual GGR at maturity
 - *Given recent trends, Spectrum believes state will achieve high end of this range*
- Where both retail and digital betting are allowed, digital betting is the overwhelming choice for bettors
 - We assume 80% of Massachusetts bets would be made via digital channels
- Most states that permit pari-mutuel wagering also permit some form of alternative gaming – whether slots, full casinos, or sports betting
 - Alternative gaming options are necessary to ensure overall profitable operation, thus sustaining the horse racing industry
 - Tracks in states that do not allow alternative gaming are struggling
 - Last new racetrack to open without alternative gaming closed after two years
- Digital + retail sports betting at new Commonwealth Racetrack would likely ensure success of overall operation

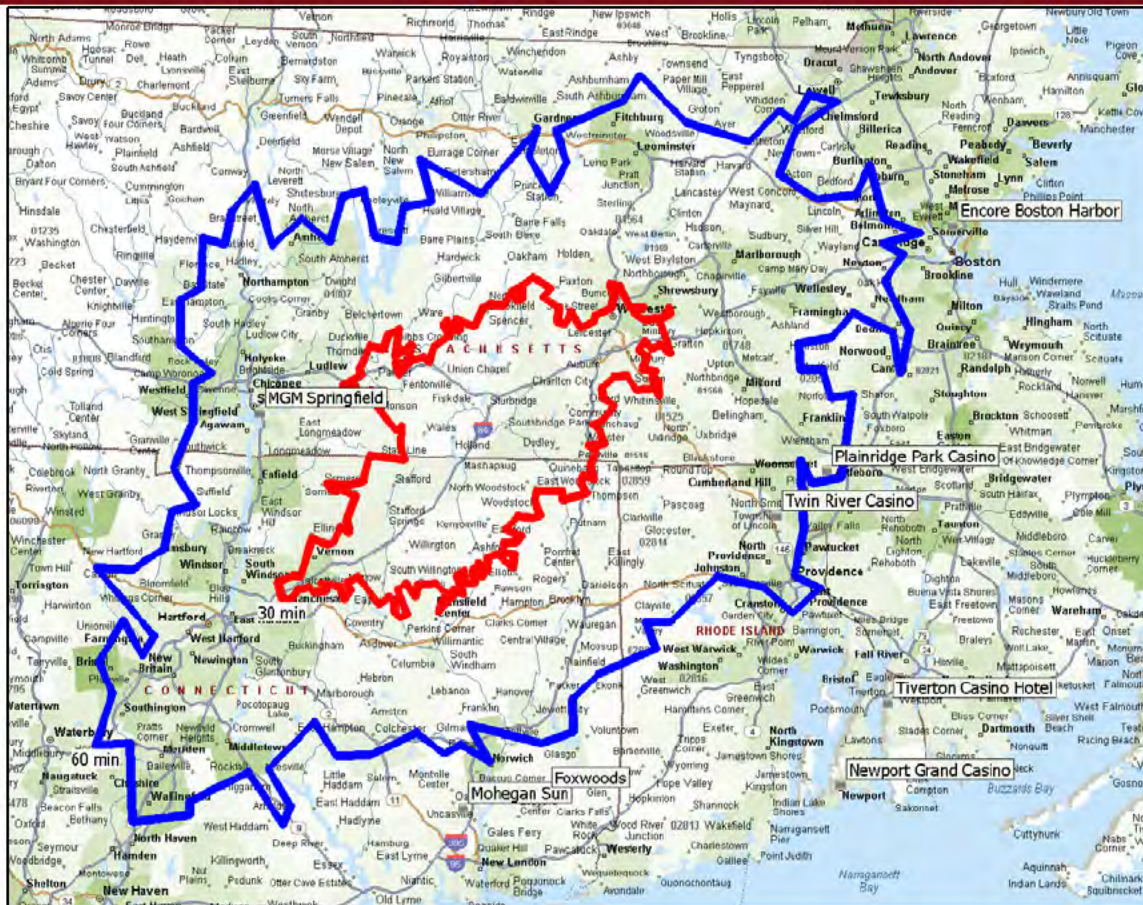
Methodology for Economic Impact Study

- Spectrum used data and information from several sources:
 - Our 2020 study for the Client
 - Facility plans provided by the Client
 - Public gaming, racing and economic data
- We also relied on our expertise in gaming, racing, and economic-impact modeling to make certain assumptions regarding staffing, facility operations, racing operations, and non-racing event days
- Retained the UMass Donahue Institute, a longstanding project partner of Spectrum's, to assist with inputs and operate the economic impact model
 - Employed the Regional Economic Models Inc. ("REMI") PI+ model for Worcester County
 - Models by REMI, based in Amherst, MA, have been used by almost every state government to help guide economic policy decisions

Horse Racing and Commonwealth Racing

- Horse racing – what’s working:
 - Big events – Kentucky Derby, special days of top races
 - Short niche race meets – Keeneland and Kentucky Downs (all grass racing for six days)
 - With increased competition from more sport events, more entertainment and more gambling, long race meets of 60, 70, or 80 days of racing are no longer competitive in the current market
- Commonwealth Racing plans:
 - Autumn Racing Festival of turf racing – 10 days
 - 3 weekends with attractive prize money that can be coupled with other events to attract people to Sturbridge and the races
 - Spectrum assumes 990 horses, 1,200 licensed horsemen and women
 - Spectrum estimates average attendance of 7,000 for each race day

Drive-Time Population to Commonwealth Racetrack



Drive Time	Population
0 – 30 Min	527,442
31 – 60 Min	3,929,837
Total 0 – 60 Min	4,457,279



Impacts of Autumn Racing Festival

- The Autumn Racing Festival will be three weekends of 3 or 4 race days each week, with the horsemen staying overnight and bringing horses to race on consecutive days while also encouraging race-day customers to attend multiple days and stay in Sturbridge with discount multiday packages. The same can be done with other events throughout the year
- 70,000 people attending 10 days of racing
- Prize money of over \$4.9 million offered to attract horses and their caretakers to Sturbridge
- 990 horses, 1,200 licensed horsemen, horsewomen and horse owners coming to Sturbridge
- At least 50% of the horse caretakers will include overnight stays, as they race more than one horse over multiple days
- Part-time payroll of \$366,101 for the three weeks of the Autumn Racing Festival
- Local employees: Of the 160 employees needed to put on racing events, about 111 of them could be hired from the local community

Summary of Autumn Racing Festival at Sturbridge

Live Racing Statistical Estimates

Race days	10
Attendance	70,000
Prize money for races	\$4,950,000
Local Aid Payment from pari-mutuel to the town of Sturbridge	\$240,000
Incentive money offered to horsemen for participation	\$1,000,000
Payroll for live racing operations*	\$366,101
Number of horses racing	990
Number of commission racing licenses issued	1,200

* Excludes payroll of full-time employees who help with live racing operations

Autumn Racing Festival Revenues

Racing Revenues (1 year of operations) ¹	
Racing Related	Revenue
Live race handle track commissions	\$185,100
Export handle host fees for track	\$123,750
Import handle track commissions	\$891,800
Revenue from ADW (advance-deposit wagering) contracts	\$882,000
Earn-back revenue from Capital Improvement Trust Fund	\$88,320
Live racing food & beverage ^{1,2}	\$910,000
Admissions	\$297,500
Publication sales ¹	\$77,700
Parking	\$140,000
Misc. sales ¹	\$35,000
Sponsorship ¹	<u>\$30,000</u>
Total	\$3,661,170

¹ Excludes food & beverage revenue from sports bar. ² Cost of goods sold is not subtracted from sales.

Significant Other Activity at the Racetrack

- 12 to 15 non-racing events throughout the year and the Autumn Racing Festival
 - A variety of events, appealing to different audiences and markets throughout the year
 - Both one-day and multi-day events will attract diverse tourism to explore and stay in Sturbridge
 - A synergy of events coordinated and co-marketed with other attractions will increase hotel stays, restaurant spending and tourism to explore Sturbridge and the local attractions
 - Commonwealth, working with the local community, will host events such as concerts, outdoor festivals, arts/crafts shows and equestrian events when there is no racing
- A year-round sports bar with sports wagering and simulcasting of horse races from throughout the country including broadcast of major league sports events and the Kentucky Derby
 - Each major sports event can offer special promotions to attract sports fans and bettors

Estimating the Economic Impacts

- Using estimates from both the client and Spectrum, we ran a REMI economic model of Worcester County and other regions of Massachusetts
- Inputs to the model included permanent and temporary employment for racing, sportsbook, sports bar, and non-racing events and revenues from the same
 - Construction, but not furniture, fixtures and equipment, also entered the model
- Estimates for non-racing temporary employment and revenues is based on an average of similar venues around the country
 - We assumed there would be 15 non-racing events per year averaging 7,000 attendees per event
 - We assumed no permanent employment associated with non-racing events as we expect existing staff from racing, sportsbook, and food and beverage would be available for planning and supervision of non-racing events

Inputs into the REMI Model

Category	Revenue
Racing	\$3,661,170
Sportsbook	\$35,400,000 ¹
Sport bar	\$3,259,382
Non-racing events	\$3,908,520
Total local taxes	\$670,666

Construction	\$40,000,000
FF&E	\$0

Permanent Employment		
Category	FTE ²	Headcount
Racing	25	41
Sportsbook	5	9
Sport bar	30	49
Non-racing events	0	0

Temporary Employment All Events ³		
Category	Work Days	Annual Headcount Equivalent
Racing	1,020	7
Sportsbook	0	0
Sport bar	0	0
Non-racing events	3,990	25

¹ Sportsbook gross gaming revenue combines digital (i.e., online) and retail (i.e., on-site), per assumptions in Spectrum 2020 report for Commonwealth Racing. ² FTE = full-time-equivalent employee. ³ Because each racing and non-racing event is one day, the “Work Days” column shows the number of workers needed to put on the event multiplied by the number of events, e.g. 102 workers per race day x 10 days = 1,020 work days. The “Annual Headcount Equivalent” column converts the work days number into the equivalent number of year-round workers needed to do the same hours of work. This conversion is needed for the economic impact model, which is annual.

Summary Economic Impacts – Construction

Category	Worcester County	Rest of State	Massachusetts
Total Employment	474	107	581
Private Non-Farm Employment	458	103	561
Business Revenues (\$M)	\$71.4	\$23.2	\$94.6
Net Economic Impact (\$M)	\$42.1	\$14.6	\$56.7
Personal Income (\$M)	\$31.3	\$14.3	\$45.6
Disposable Personal Income (\$M)	\$25.7	\$11.9	\$37.6

Economic Impacts – Construction Discussion

- Construction is expected to create 474 jobs and \$74 million of business revenues in Worcester County
 - Previous economic impact studies of construction projects have consistently shown that the majority of the workers and companies are close to the construction site
 - Given that the main aspect of this project is site preparation, we see no reason that previous patterns should not hold
 - We expect workers and companies in and around Sturbridge to provide most of the work
- By their nature construction projects, and thus impacts, are transient
 - It is usually more accurate to conceive of small- and medium-sized construction projects as supporting and retaining existing jobs rather than creating new jobs
 - Nevertheless, these types of projects are important, as an empty queue of projects would lead to job losses in the construction sector

Summary Economic Impacts – Annual Operations

Category	Worcester County	Rest of State	Massachusetts
Total Employment	341	117	458
Private Non-Farm Employment	308	110	418
Business Revenues (\$M)	\$87.1	\$31.0	\$118.1
Net Economic Impact (\$M)	\$52.5	\$20.0	\$72.5
Personal Income (\$M)	\$16.5	\$15.9	\$32.4
Disposable Personal Income (\$M)	\$13.7	\$13.2	\$26.9

Estimating Tax Receipts for Town of Sturbridge – Methodology

- We used estimates of food and beverage sales, hotel stays, and assessed value to create estimates of meals, room, and property tax payments by the track to Sturbridge
- The meals taxes are 0.75% (local options meals tax rate) of the estimated revenues of the sports bar
- Room taxes are 6% (local options rooms tax rate) of the estimated hotel revenues. We assumed 23,593 room-nights at an average daily rate of \$115. The revenues are a result of the following key assumptions:
 - 30% of race and nonracing event attendees are overnight visitors, of which 80% use double-occupancy rooms
 - Roughly 50 race staff will need accommodations
 - Attendees will preferentially book rooms in Sturbridge
- Property taxes are based on an estimated assessed value of \$25 million and the 2020 tax rate of 19.02 per thousand dollars of assessed value

Estimated Tax Receipts for Town of Sturbridge

Category	Revenue
Total local taxes	\$910,666
Local Aid Payment from pari-mutuel to town of Sturbridge	\$240,000
Meals tax to town	\$24,445
Rooms tax to town	\$162,793
Property tax to town	\$483,428

- For context, in FY 2019 average monthly meals tax was roughly \$39,600 while average monthly rooms tax was roughly \$88,700. FY 2019 property taxes were \$23.7 million.

Economic Benefits to Town of Sturbridge

Construction Impacts

Category	Worcester County
Total employment	474
Private non-farm employment	458
Business revenues (\$M)	\$71.4
Net economic impact (\$M)	\$42.1
Personal income (\$M)	\$31.3
Disposable personal income (\$M)	\$25.7

Annual Operational Impacts

Category	Worcester County
Total employment	341
Private non-farm employment	308
Business revenues (\$M)	\$87.1
Net economic impact (\$M)	\$52.5
Personal income (\$M)	\$16.5
Disposable personal income (\$M)	\$13.7

Estimated Annual Tax Impacts

Category	Town of Sturbridge
Total local taxes	\$910,666
Pari-mutuel Local Aid Payment to town	\$240,000
Meals tax to town	\$24,445
Rooms tax to town	\$162,793
Property tax to town	\$483,428

For context, in FY 2019 ...

- Average monthly meals tax was \$39,600
 - Project adds 3 weeks of tax to the year
- Average monthly rooms tax was \$88,700
 - Project adds 7 weeks of tax to the year
- FY 2019 property taxes were \$23.7 million
 - Project adds 2% to property tax receipts

Sturbridge Demographic Profile

- Per the 2019 American Community Survey, Sturbridge has a population of 9,539
 - 7,427 are considered working age (16+)
 - 65%, or 4,799, of them are in the labor force
 - 4,619 are employed, and 180 are unemployed, for an unemployment rate of 3.8% – lower than both the nation (4.8%) and the state (5.3%)
 - Median income of those 25 and older is \$53,096
- Sturbridge has a poverty rate of 5.5% (524 people)
 - Lower than both the nation (13.4%) and the state (10.3%)
 - Of those without a high school degree, 13.8% are poor, compared to under 0.5% for those with a bachelor's degree or higher
 - With a mean income deficit of \$6,036, many Sturbridge residents require only a modest job to move above the poverty line
 - We expect the jobs at the race track to pay between \$17 and \$19 dollars an hour on average. That amounts to roughly \$140 per day to temporary event workers and roughly \$23,000 per year (+/- \$500) for the average food and beverage or sports book staff. Workers in these industry are typically part time and work around 1,300 hours per year. Their pay would scale with hours.
- With a diversity of occupations, the Sturbridge racetrack could also provide jobs suitable for Sturbridge's low-income population
 - 95% of those in poverty have no college experience
 - 17% of the workforce is employed in sectors that are closely related to racetracks

Source: 2015-2019 American Community Survey

Employment of Sturbridge Residents by Sector

Sturbridge Industry Mix	2019
Civilian employed population 16 years and over	4,619
Educational services, and health care and social assistance	1,437
Professional, scientific, and management, and administrative and waste management services	640
Manufacturing	486
Retail trade	463
Finance and insurance, and real estate and rental and leasing	343
Arts, entertainment, and recreation, and accommodation and food services	301
Construction	218
Wholesale trade	208
Public administration	193
Transportation and warehousing, and utilities	135
Other services, except public administration	111
Information	84
Agriculture, forestry, fishing and hunting, and mining	-


Source: 2015-2019 American Community Survey

Jobs Impacts – Summary

- The racetrack and its various lines of business are expected to directly create 60 FTEs (or a headcount of roughly 100) in Sturbridge
 - Although private employers cannot refuse employment based on place of residence, through job preference, outreach, job fairs, and local advertising, the track is expected to heavily recruit from Sturbridge
- Most of the town's poor have no college experience, and many of the track's jobs will not require a college education
 - This match could provide opportunity for struggling residents
 - With a median income deficit of \$6,000, many households could be lifted over the poverty line with a modest job
- Every 10 jobs at the track are estimated to create 16 jobs elsewhere in Worcester County
 - Many of these are likely to be in and around Sturbridge
- With fewer than 200 unemployed individuals in Sturbridge, the 341 total jobs created and supported by the track can make a significant impact on the local unemployment picture

About Spectrum Gaming Group

- Founded in 1993.
- Specialize in studying, analyzing the economics, regulation and policy of legal gambling worldwide.
 - Wrote strategic plan and consulted for Massachusetts Gaming Commission (MGC).
 - Assessed racing industry as MGC prepared to absorb State Racing Commission.
 - Prepared casino impact study for Governor's office, with follow up study for legislature
- Policy of non-partisanship: We neither advocate for nor oppose legalized gambling.
- Policy of independent research and analysis: We do not accept engagements that seek a preferred result; we tell clients what they need to know, not what they necessarily want to hear.
- We have provided expertise in 41 US states and territories and in 48 countries on six continents. Clients include 22 US state and territory governments, six national governments, 22 Native American entities, numerous gaming companies (national and international) of all sizes, financial institutions, developers and other gaming-related entities.
- We have testified or presented before 40 governmental bodies worldwide.
- **Contact:** +1.609.926.5100 | solutions@spectrumgaming.com



Impacts of Sports Wagering at Prospective Racetrack in Sturbridge, Massachusetts

Prepared for Commonwealth Racing, LLC

September 24, 2020



SPECTRUM
GAMING GROUP®

Executive Summary

- Massachusetts has great potential as a sports wagering market: Spectrum forecasts from \$350 million to \$500 million in annual gross gaming revenue at maturity.
- Where both retail and digital wagering are allowed, digital wagering is the overwhelming choice for bettors.
 - We assume 80% of Massachusetts bets would be made via digital channels.
- Most states that permit pari-mutuel wagering also permit some form of alternative gaming – whether slots, full casinos, or sports betting.
 - Alternative gaming options are necessary to ensure overall profitable operation, thus sustaining the horse racing industry.
 - Tracks in states that do not allow alternative gaming are struggling.
 - Last new racetrack to open without alternative gaming closed after two years.
- Digital + retail gaming at a new Massachusetts racetrack would likely ensure success of overall operation.

Scope and Background

- Spectrum Gaming Group (“Spectrum”) was retained by Commonwealth Racing LLC (“Client”) to analyze and evaluate the potential for retail and digital sports wagering at a proposed Thoroughbred racetrack development in Sturbridge, MA.
- Specifically, the Client wants Spectrum to show why the proposed racetrack investment can only be economically viable if another form of gaming is also offered – in this case sports wagering in both digital (i.e., online) and retail (i.e., on-site) formats.
- To illustrate the gross gaming revenue (“GGR”) potential for sports wagering at the proposed racetrack we employed the following methodology:
 - Reviewed revenue for newly established US markets and established global markets for insight into the potential market size for the US (at maturity) on a per capita basis (sports wagering GGR per US adult).
 - We adjusted the results across total US for the income and population demographics in Massachusetts. By doing this, we arrived at a statewide estimate (assuming both retail and digital wagering is authorized).
 - Next, we produced an in-depth analysis of results in New Jersey – which is the most advanced US market for both retail and digital sports wagering – for recency and current insight.
 - We then estimated the GGR potential for retail and digital wagering operation at the proposed racetrack in Sturbridge.

Scope and Background (cont.)

- We also provided an overview of trends and economics of the racing industry to provide context as to why sports wagering is critical for the economic viability of racetracks.
- Glossary of terms used throughout this report:
 - **Digital** – refers to sports betting and other gaming via internet, including computer desktop and mobile devices
 - **Gross Gaming Revenue (“GGR”)** – The amount left for the operator after all winning bets are paid; GGR represents top-line revenue – not to be confused with handle
 - **Handle** – Total amount wagered, expressed in dollars
 - **Hold Percentage** – The percentage of money the operator retains after all bets have been settled.

***Note:** Market-based insight from Europe and recently legalized US jurisdictions are all pre-COVID-19 pandemic.*

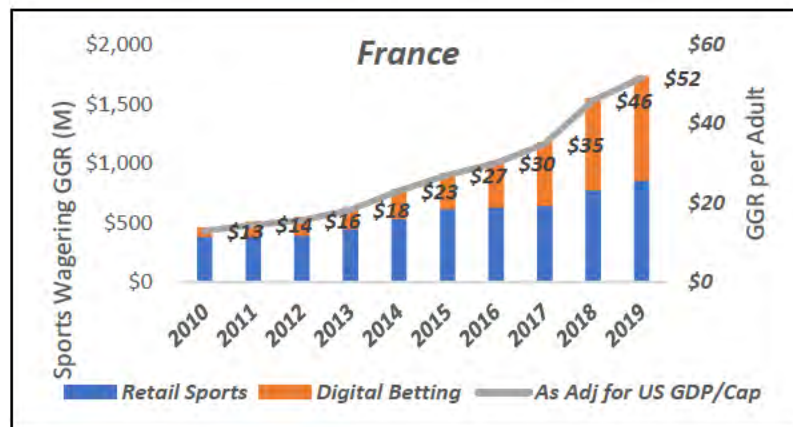
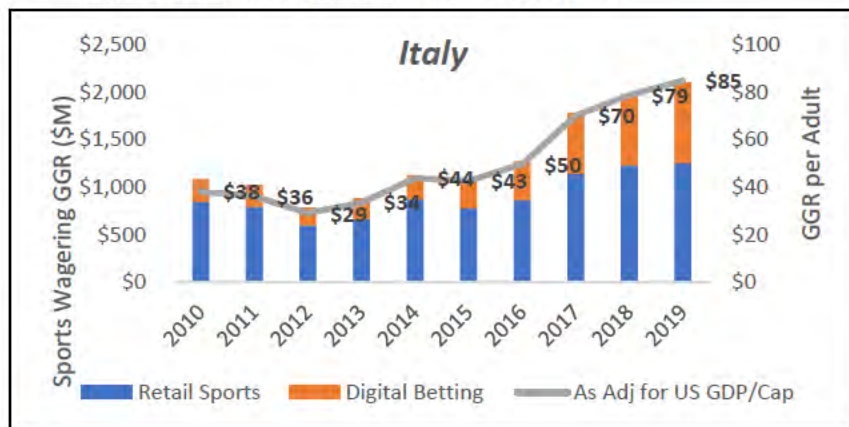
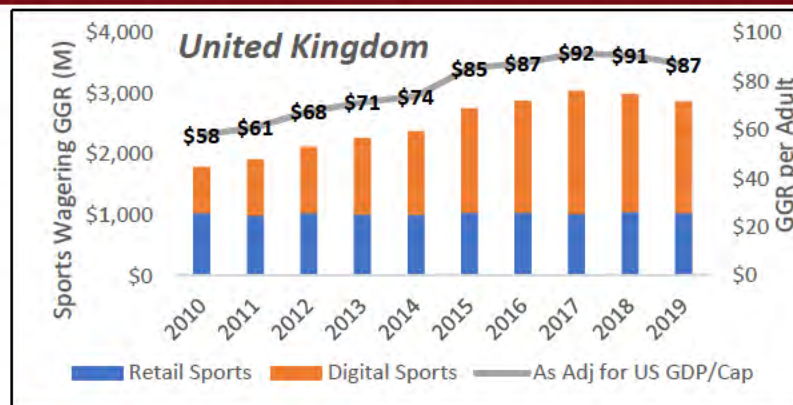
US is Just Getting Started; NJ is Most Advanced and Provides the Most Insight

- Currently there are 19 states offering sports wagering, with three additional states (NC, TN, VA) to come online in the near term.
- Among states that authorized sports wagering after the 2018 repeal of the federal prohibition, New Jersey provides the most insight because:
 - Retail and digital wagering commenced earliest
 - By instituting a low tax rate and enabling more than 30 digital operators to enter the market, regulators encouraged a free market to develop, leading to a competitive environment and thereby serving the consumer well.
- New Jersey is the market leader, generating \$48 of GGR per adult annually; other states are in various stages of rollout and are generating \$0.80 to \$27 of GGR/adult.

Summary of Recently Activated Sports Betting States											
State	Adult	Household	Start Date		Tax Rate		LTM Results			GGR/Adult	
	Pop. (M)		Income	Retail	Digital	Retail	Digital	Handle	GGR	Hold %	Actual
Retail & Digital											
New Jersey	7.0	\$76,475	Jun-18	Aug-18	8.5%	13%	\$4,912	\$338	6.9%	\$48	\$39
West Virginia	1.4	\$44,061	Sep-18	Jan-19	10%	10%	\$275	\$21	7.7%	\$15	\$21
Indiana	5.1	\$52,182	Sep-19	Oct-19	9.5%	9.5%	\$790	\$65	8.3%	\$26	\$31
Rhode Island	0.9	\$61,043	Nov-18	Sep-19	51%	51%	\$261	\$24	9.2%	\$27	\$27
Iowa	2.4	\$56,570	Aug-19	Aug-19	6.75%	6.75%	\$319	\$23	7.2%	\$19	\$21
Pennsylvania	10.0	\$56,951	Nov-18	May-19	36%	36%	\$2,115	\$151	7.2%	\$15	\$16
Retail Only											
Mississippi	2.3	\$42,009	Aug-18	NA	12%		\$386	\$46	11.8%	\$20	\$29
Delaware	0.8	\$63,036	Jun-18	NA	61%		\$98	\$15	14.8%	\$18	\$18
New York	15.7	\$65,323	Jul-19	NA	10%		NA	\$10	NA	\$0.8	\$0.8
Highlighted = states with full 12 months of data											
Source: State regulatory agencies, US Census											

Insight from Top European Markets Suggests a Range of \$50 to \$90 in GGR/Adult in US, Stabilized

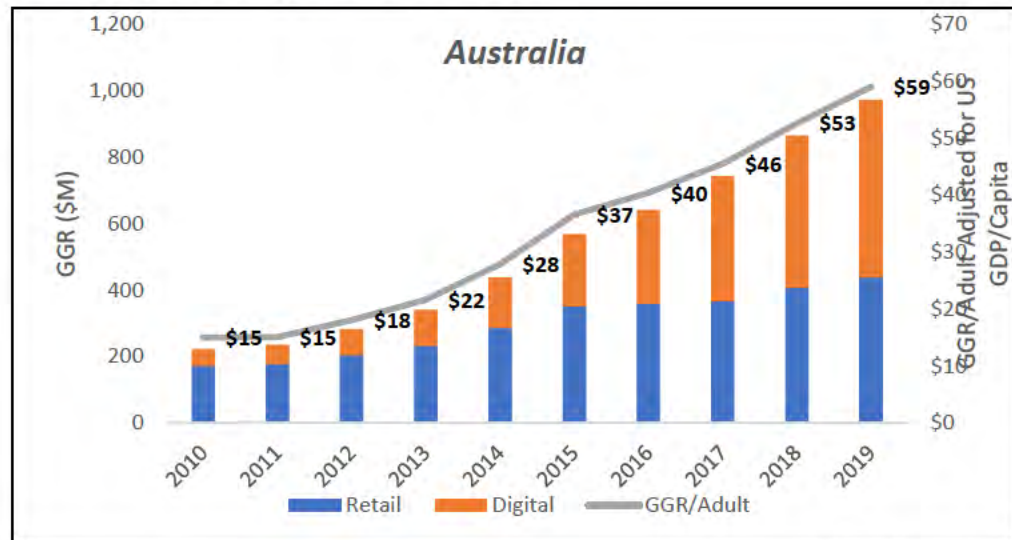
- The UK, Italy and France are the largest sports wagering markets in Europe as measured by sports wagering GGR (both retail and digital).
- Each of these markets is mature, and many of the prominent operators currently entering the US market – including William Hill, Bet365, Stars, Flutter and Bettson – are well established.
- We reviewed these markets on a GGR-per-capita basis and adjusted for GDP per capita in the US. This analysis suggests that the US market could generate \$50 to \$90 per adult at maturity. Based on actual results, Spectrum refined this estimate of **US GGR per adult (nationwide) to a range of \$50 to \$70 per adult.**
 - States such as Massachusetts with higher household incomes will yield higher GGR per adult.
- Note the significant increase in digital wagering across the three largest European markets as smartphone penetration increased over time.



Source: H2 Gambling Capital

Australian Market Provides Another Comp for Sports-Betting GGR Outlook at \$60 per Adult

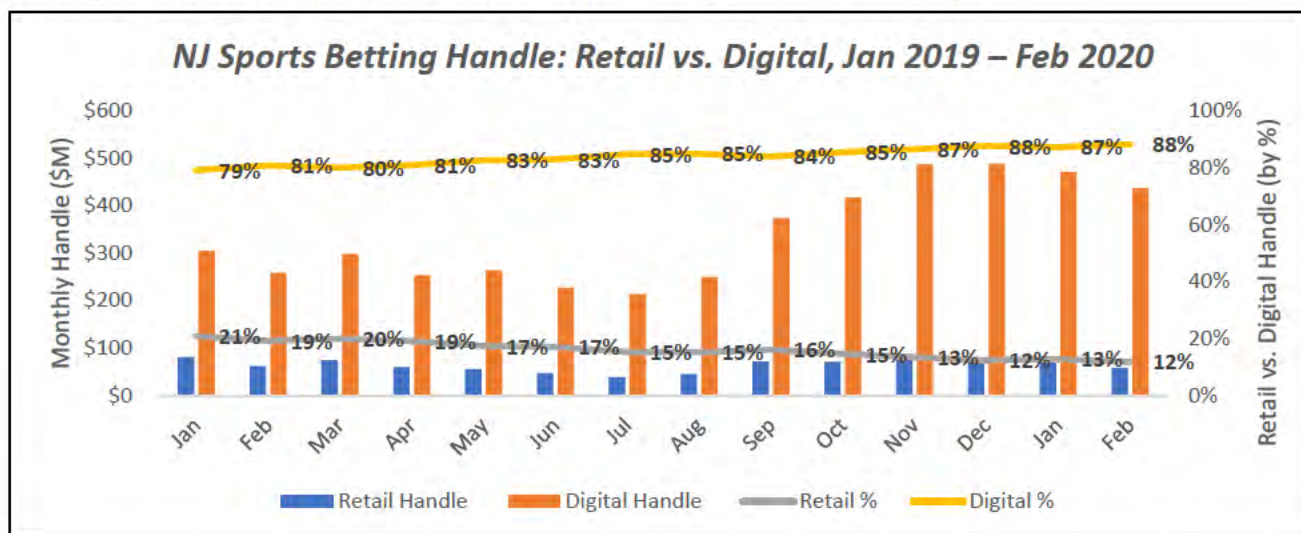
- Australia has large-scale casinos and destination gaming resorts, like the US.
- Australians are some of the most prolific gamblers in the world, spending ~\$700 per adult (retail casino gaming only) compared to ~\$300 and ~\$100 in US and Europe, respectively.
- Perhaps most relevant to the US market, since US sports are televised live during the morning hours in Australia, Australian gamblers have a high propensity to wager on US sports.
- Results from Australia suggest GGR per adult of ~\$60.



Source: H2 Gambling Capital

NJ Results Suggests Digital, if Authorized, will be Dominant Modality for Sports Wagering

- Sports wagering handle via digital is responsible for more than 80% of total in New Jersey; this suggests that if states offer both retail and digital, digital will be the dominant modality due to convenience.
- Typically, we estimate digital will account for at least two-thirds of wagering volume across the US. However, given the high degree of smartphone penetration in the US and frequency of transacting digitally, many states could generate much higher proportions from digital.

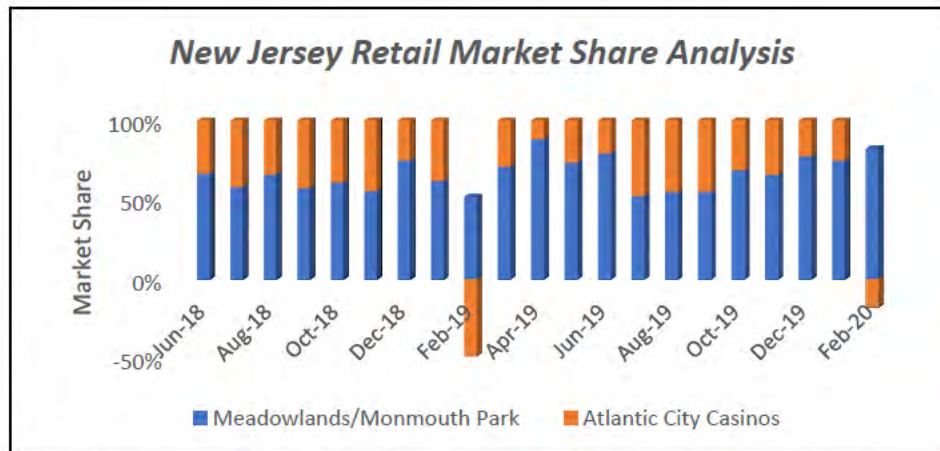


Source: New Jersey Division of Gaming Enforcement

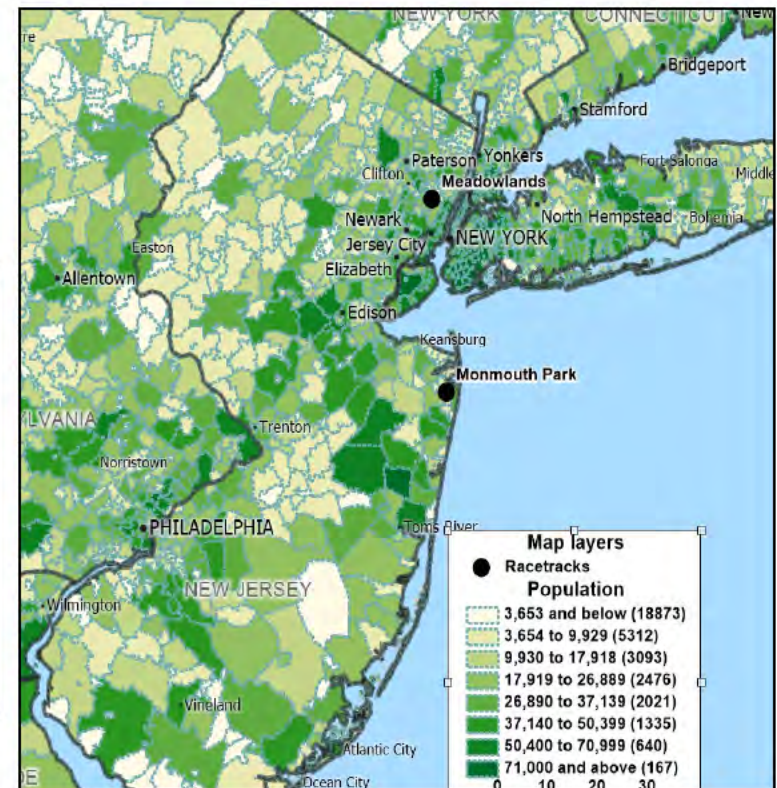
For purposes of this study we assume 80% of wagering activity is via digital.

Retail Results in NJ Illustrate the Importance of Proximity to Population

- The Meadowlands (northern NJ) and Monmouth Park (central NJ) retail locations are generating two-thirds of statewide retail GGR; the eight Atlantic City locations generate one-third.
- This is mostly attributed to Monmouth's and Meadowlands' proximity to population centers including New York City; this suggests that for a retail location to generate meaningful GGR it must be close to substantial population centers.



Note: Negative market share in February 2019 and February 2020 (Super Bowl months) due to negative GGR generated





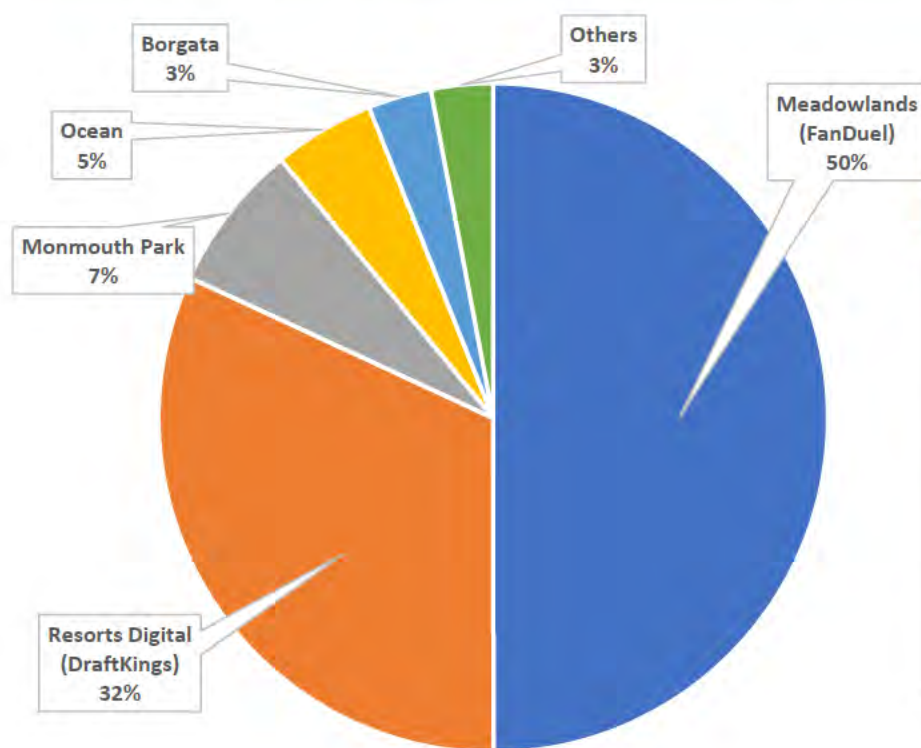
Insight from NJ Suggests Upside for Digital Sports Wagering is Dependent on Brand Partnership

However, due to the potential size of digital wagering even smaller market shares translate to substantial revenue.

- Results for the 12-month period ended February show that Meadowlands and Resorts Digital are generating 82% of digital sports wagering revenue.
 - These licensees include well-known brands including DraftKings (headquartered in MA) and FanDuel, and suggests that if the prospective Sturbridge racetrack were to partner with one of these two brands the revenue potential would be enormous.
- Still, due to the size of the NJ digital wagering market (\$272M in GGR), licensees such as Borgata and Monmouth Park are generating 3% to 7% market share, or \$7 million to \$19 million of GGR.
- This all suggests the digital opportunity is much greater than retail even if generating only a 5% to 10% market share.

Source: New Jersey Division of Gaming Enforcement

Insight from NJ Suggests Upside for Digital Sports Wagering is Dependent on Brand Partnership



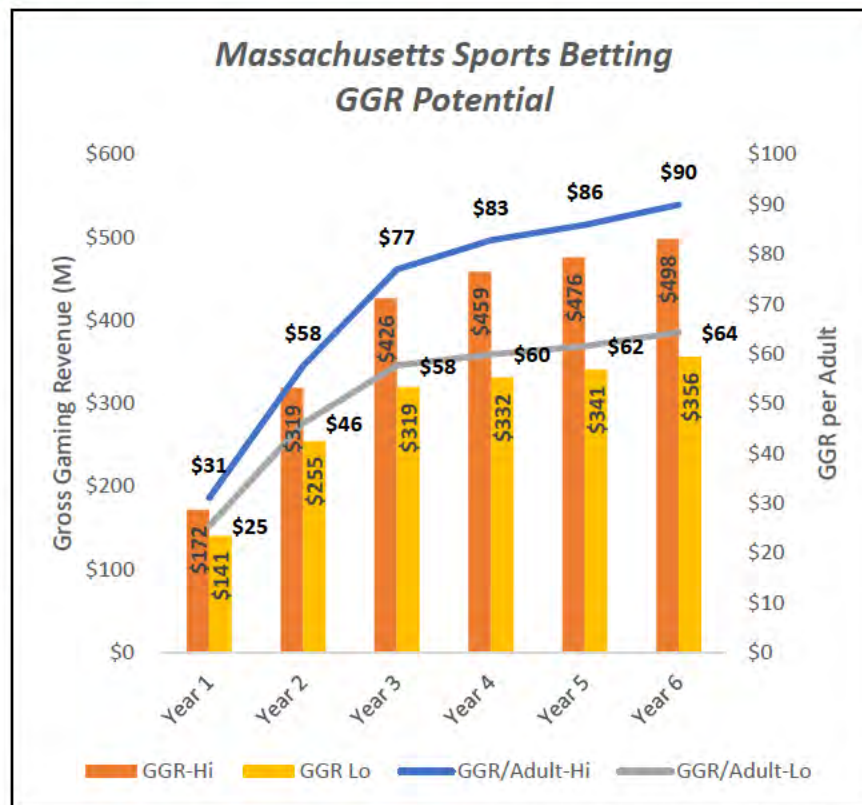
Licensee	Associated Brands/Skins
Meadowlands	FanDuel, PointsBet
Resorts Digital	DraftKings, BetStars, Resortscasino
Monmouth Park	William Hill, Rush Street Interactive, theScore
Ocean	William Hill
Borgata	BetMGM, Borgata Sports
Bally's	CaesarsCasino, 888
Golden Nugget	GoldenNuggetCasino, BetAmerica
Hard Rock	HardRockCasino, bet365, Unibet
Tropicana	William Hill

Source: New Jersey Division of Gaming Enforcement

MA Statewide Potential GGR at Maturity: \$350M to \$500M (Assuming \$50 to \$70 per Adult)

- Based on our estimate of \$50 to \$70 of GGR per adult across the United States, we can estimate the GGR potential for Massachusetts by employing the following methodology:
 - Adjust for higher household income observed in MA vs. total US (\$77,378 vs. \$60,293), which yields a range of \$64-\$90 per adult.
 - Multiplying the \$64 to \$90 range by the adult population of 5.5 million suggests that MA sports wagering market could yield \$356 million to \$498 million of GGR.
 - These estimates assume both retail and digital wagering is offered; we assume ~80% of GGR will be generated via digital and ~20% via retail (retail spend between \$13 to \$18/adult and digital spend of \$51 to \$72 per adult).

The chart at right represents an illustration of the potential ramp-up to stabilization after five years.



Source: Spectrum Gaming Group

Addressable Market for a Racetrack in Sturbridge Suggests Retail Could Generate ~\$2M of GGR

- To quantify the retail sports wagering market potential for the Sturbridge racetrack we employed the following methodology:
 - Establish an addressable market for drive-in customers by determining where the nearby competition exists. In this case, the closest competition will be MGM Springfield, therefore we estimated the potential market could be within a 30-minute drive-time radius.
 - The map illustrates the drive-time radii for both MGM and the Sturbridge racetrack with no overlap to better quantify the actual market.
 - We also included estimated passengers travelling on Interstate 84 – approximately 40M in 2019¹ – passing the Sturbridge racetrack site in our addressable market estimate.
 - Next, we multiplied the retail GGR/adult estimate of \$13 to \$18 (discussed on Slide 6) and adjusted for household income to arrive at our range of estimates of \$1.5 million to \$2.4 million of retail GGR.



Retail GGR – 30-Minute Drive Time					
Total Pop	Adult Pop	GGR/Adult	Retail GGR		
			Low	High	
101,394	81,115	\$12	\$17	\$1.0	\$1.4
Retail GGR – I-84 Traffic Counts					
Assumed					
Est. Annual Pax (M) ¹	Intercept Rate (%)	GGR/Adult	Retail GGR		
			Low	High	
40	0.1%	\$13	\$18	\$0.5	\$1

¹ Assumes 1.7 passengers per vehicle. Source: Massachusetts Department of Transportation, Mapitude

¹ Massachusetts Department of Transportation, Average Annual Daily Traffic counts

Impact from Digital Wagering will Better Position Sturbridge Racetrack to Become Profitable

- We estimate digital wagering can account for between \$285 million and \$398 million statewide.
- To quantify the potential market share for the prospective Sturbridge racetrack we made the following assumptions:
 - Each casino and racing facility in MA would qualify for a digital sports wagering license.
 - Because MA's two casinos carry greater brand recognition and awareness, they would each generate 30% of statewide digital market share.
 - Plainridge Park, MA's sole racetrack casino, would generate 15% market share.
 - The remaining 25% market share would be evenly split across MA's three racetrack facilities.
- This methodology suggests the Sturbridge racetrack could generate \$24 million to \$33 million of digital wagering GGR.

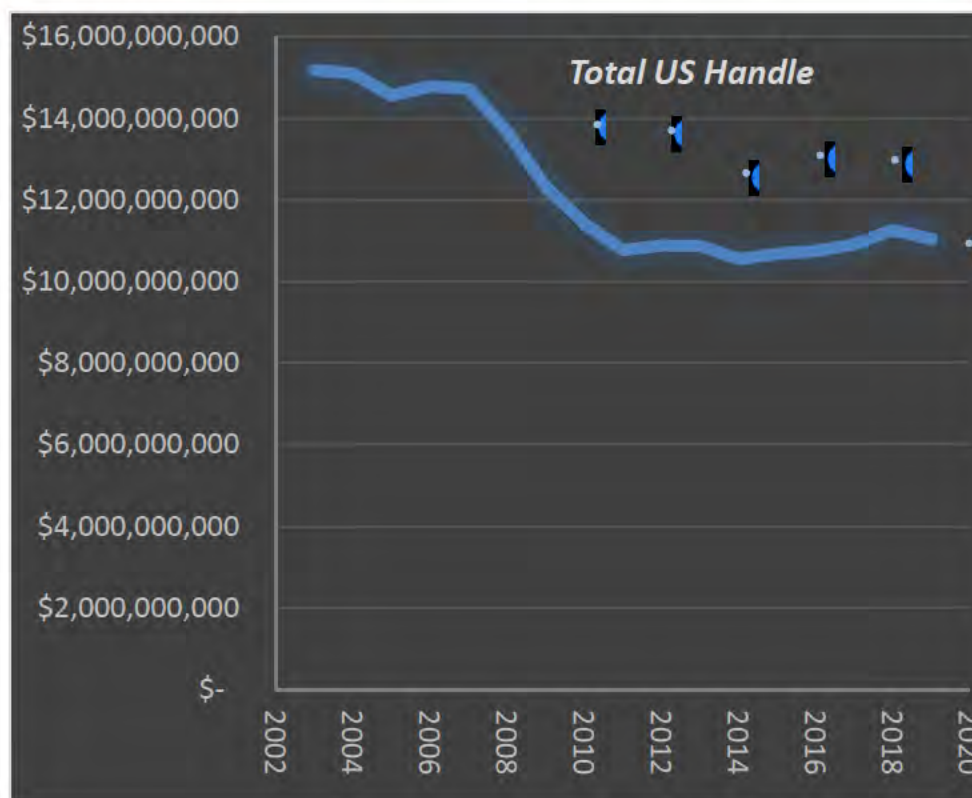
Proposed Sports Wagering Facility	Location	Facility Type	Market Share	Digital GGR Low	Digital GGR High
MGM	Springfield	Full-scale casino	30.0%	\$85	\$120
Encore	Everett	Full-scale casino	30.0%	\$85	\$120
Plainridge Park	Plainridge	Slots - only	15.0%	\$43	\$60
Suffolk Downs	Boston	Racetrack	8.3%	\$24	\$33
Sturbridge Racetrack	Sturbridge	Racetrack	8.3%	\$24	\$33
Raynham Park	Raynham	Racetrack	8.3%	\$24	\$33
Total			100%	\$285	\$398

Source: Spectrum Gaming Group

- *We believe given the declines in the horse racing industry (discussed in the next section), digital sports wagering could be a critical line of business for a racetrack to be economically viable.*

Pari-Mutuel Racing Trend: Demand (Handle)

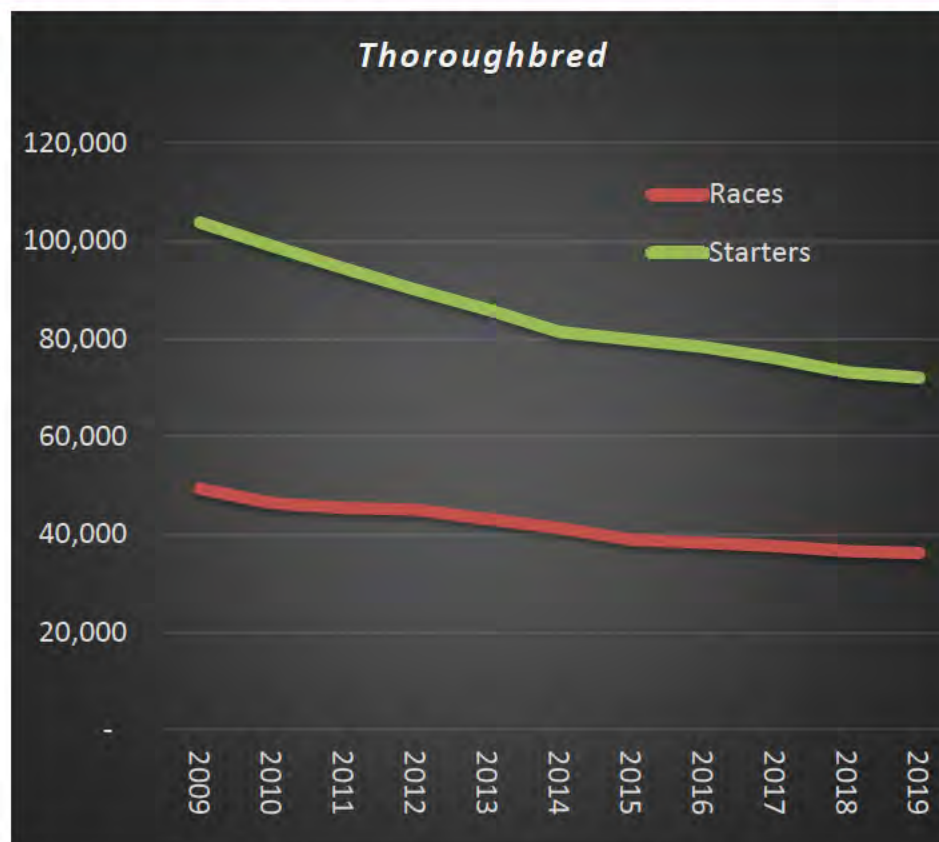
- Thoroughbred handle comprises from 85% to 90% of all pari-mutuel handle in the US.
- Thoroughbred handle declined 27.3% from 2003 to 2019.



Source: The 2020 Jockey Club Fact Book

Pari-Mutuel Racing Trend: Supply (Races & Horses)

- The number of Thoroughbred races from 2009 to 2019 declined 26.7%, from 49,368 to 36,207, and the number of Thoroughbred horses making a start in a race declined 30.6%, from 103,790 to 72,067.
- The number of Thoroughbred foals from 2009 to 2019 declined 35.1%, from 29,612 to 19,225, and from 1990 to 2019 the foal crop declined by 52%, from 40,333 foals.
- From 2010 to 2019, number of Standardbred races declined 19.1%, from 49,989 to 40,449, and horses making a start in a race declined 29.9% over the same period, from 24,025 to 16,851.



Source: The 2020 Jockey Club Fact Book

Horse Racing's Changing Market Fundamentals

- Most states that permit pari-mutuel wagering now also permit some form(s) of alternative gaming at the racetracks. The other forms of gaming support racing and are crucial to making the horse racing financially viable.
 - AR, CO, DE, FL, IL, IN, IA, KY, LA, ME, MD, MA, MN, NJ, NM, NY, OH, OK, PA, VA, WV, WY
- A few states do not allow other gaming, and in most of those jurisdictions those tracks are struggling to be competitive.
 - AZ, CA, MI, TX
 - A few states not listed (with smaller populations) either stopped racing due to the economics of the business or have very few race days of “minor league,” state-fair-type racing. As examples, most live racing in ID and NH has ceased.
- The competition for the gaming dollars has grown significantly over the past three decades with the expansion of casino-style gaming.

Horse Racing's Changing Market Fundamentals (cont.)

- Producing live horse racing content is very expensive due to the need for large facilities and the supply-side costs.
- Wagering continues to shift to account wagering.
 - In 2019, approximately 50% of the national handle was through account wagering entities. From 2010 to 2018, the account wagering at the Oregon hub (which represents a major portion of all account wagers in the US) increased by 191%.
 - Due to the continuing trend of shifting dollars to account wagering, in addition to the COVID-19 pandemic, account wagering in the second quarter of 2020 at the Oregon hub increased 47%.
 - The three largest account wagering operations licensed in Oregon in 2019 accounted for almost 95% of all the handle wagered through the Oregon account wagering hub.

Horse Racing's Changing Market Fundamentals (cont.)

- The account wagering entities – which have no bricks and mortar, little infrastructure and do not contribute to live racing beyond the host fees and/or source market fees they pay to obtain content – have much larger profit margins on the wagers made, and can therefore rebate significant portions of the wagers made to lure patrons, giving them a competitive advantage compared to racetracks with the large expense of live racing and smaller profit margins on wagering.
- The following case studies demonstrate that in the current competitive market racetracks that have opened in the past couple decades without alternative forms of gaming to support live racing have failed or at best are struggling to stay open.

Massachusetts and New England

- Only one live-racing horse racetrack in Massachusetts exists today: Plainridge Park Casino (Standardbred)
 - Suffolk Downs ceased live racing in 2019; offers only simulcast today
 - Defunct tracks: Foxboro Raceway, plus several much older tracks and state fair races
- Only two other live-racing tracks in New England, both in Maine:
 - Hollywood Casino Hotel and Raceway, near Bangor (Standardbred)
 - Scarborough Downs (Standardbred)
 - Only New England track without alternative gaming
- No remaining Thoroughbred tracks in New England
- A former Massachusetts greyhound track, Raynham Park, offers simulcasting.

Case Studies: Racing without Alternative Gaming

- Handle trends of significant racing states without alternative gaming at racetracks:
 - Arizona handle declined 41% from 2008 to 2018.
 - Arizona Downs reopened in 2019 (after being closed for several years) but did not finish its racing meet, suspending the balance of the live racing season in 2019.
 - California handle declined 31% from FY 2003 to FY 2019.
 - Michigan handle declined 50% from 2012 to 2018.
 - The most recent racetrack built in Michigan was Pinnacle Race Course, which opened 2008 and closed in 2010. Pinnacle Race Course, believed to be the only horse racetrack built in the United States in the last 15 years as just a racetrack without other gaming revenue, was a failure.
 - Texas handle declined 54% from 1999 to 2018.

Case Studies: Racing with Added Gaming

- Indiana handle declined 63% from 2005 (when handle peaked after a second track opened) to 2018.
 - Hoosier Park, the first Indiana track to open (in 1994), received subsidies from riverboat casino admission taxes.
 - Indiana Grand, the second track, opened in 2002.
 - State approved slot machine wagering at the two racetracks in 2007, and both are currently in operation.
- Virginia handle peaked in 2007 with one track Colonial Downs (opened in 1997) and several off-track wagering facilities.
 - Account wagering was permitted in 2004, and by 2013, 46% of all wagering was through account wagering platforms. Colonial Downs ceased operations in 2014.
 - Colonial Downs reopened in 2019 (with 19 race days) once historical horse racing machines (akin to slot machines) were approved for installation at the racetrack and at off-track wagering facilities.

Conclusion

- Massachusetts has great potential as a sports wagering market; Spectrum forecasts from \$350 million to \$500 million in annual gross gaming revenue at maturity.
- Where both retail and digital wagering are allowed, digital wagering is the overwhelming choice for bettors.
 - We assume 80% of Massachusetts bets would be made via digital channels.
- Most states that permit pari-mutuel wagering also permit some form of alternative gaming – whether slots, full casinos, or sports betting.
 - Alternative gaming options are necessary to ensure overall profitable operation, thus sustaining the horse racing industry.
 - Tracks in states that do not allow alternative gaming are struggling.
 - Last new racetrack to open without alternative gaming closed after two years.
- Digital + retail gaming at a new Massachusetts racetrack would likely ensure success of overall operation.

Racing Journalist Ray Paulick, Discussing the 2010 Closure of Pinnacle Race Course in Michigan:

“

I don't want to say that only a fool would do it, but only a gambler would start up a horse track today without some additional form of gaming.

”

Ray Paulick, former editor, *Thoroughbred Times*,
as reported by the *Detroit Free Press*

John Wisely, “How Wayne County lost millions on horse track in Huron Township,” Delaware Online, *Detroit Free Press*, December 19, 2019. <https://www.delawareonline.com/story/news/local/michigan/2019/12/19/former-race-track-property-sold/2687466001/>

About Spectrum Gaming Group

- Founded in 1993.
- Specialize in studying, analyzing the economics, regulation and policy of legal gambling worldwide.
 - Wrote strategic plan and consulted for Massachusetts Gaming Commission (MGC).
 - Assessed racing industry as MGC prepared to absorb State Racing Commission.
- Policy of non-partisanship: We neither advocate for nor oppose legalized gambling.
- Policy of independent research and analysis: We do not accept engagements that seek a preferred result; we tell clients what they need to know, not what they necessarily want to hear.
- We have provided expertise in 40 US states and territories and in 48 countries on six continents. Clients include 22 US state and territory governments, six national governments, 22 Native American entities, numerous gaming companies (national and international) of all sizes, financial institutions, developers and other gaming-related entities.
- We have testified or presented before 40 governmental bodies worldwide.
- **Contact:** +1.609.926.5100 | solutions@spectrumgaming.com

Towards the Creation of a Horse Park in the Commonwealth of Massachusetts: A Feasibility Study

FINAL REPORT

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The Center for Economic Development
Department of Landscape Architecture and Regional Planning
University of Massachusetts Amherst
109 Hills North
Amherst, Massachusetts 01002

July 7, 2016



**Landscape Architecture
& Regional Planning**

ABOUT THE AUTHORS

DR. HENRY RENSKI: DIRECTOR, CENTER FOR ECONOMIC DEVELOPMENT



Dr. Renski is an Associate Professor of Regional Planning at the University of Massachusetts Amherst, Graduate Program Director of the Ph.D. in Regional Planning, and the Associate Director for the Institute for Social Science Research. His research focuses on understanding the technological and social forces driving regional economic competitiveness and transformation, and building upon this knowledge to improve the effectiveness of economic development policy. He has authored or consulted on over two dozen economic impact studies during his career.

DR. JOHN R. MULLIN, FAICP: ASSOCIATE DIRECTOR, CENTER FOR ECONOMIC DEVELOPMENT



Dr. Mullin is an Emeritus Professor of Regional Planning at the University of Massachusetts Amherst, and former Dean of the Graduate School. His research and professional interests focus upon industrial revitalization, port development and downtown planning. A Senior Fulbright Scholar, Dr. Mullin has written or edited over 100 book chapters, book reviews, technical reports, journal articles, and conference proceedings. He is a retired Brigadier General from the United States Army National Guard.

JONATHAN G. COOPER: PROJECT ASSOCIATE, CENTER FOR ECONOMIC DEVELOPMENT



Mr. Cooper is an economic and community development planner. He provides research and consulting services to public agencies, nonprofit organizations, and private planning firms across New England. Mr. Cooper assists clients through his affiliation with the CED at UMass Amherst; through his role as Research Director of the Institute for Nuclear Host Communities; and as an independent consultant. He has published and presented research on workforce development, university-community partnerships, and the local impacts of power plant closure.

ABOUT THE CENTER FOR ECONOMIC DEVELOPMENT

The Center for Economic Development (CED) is a research and community-oriented technical assistance center at the University of Massachusetts Amherst. Housed in the Department of Landscape Architecture and Regional Planning, the CED provides technical assistance, undertakes critical studies, disseminates information, and enhances local and multi-community capacity for strategic planning and development. This approach is designed to relate the concerns and goals of commerce and industry to those of the broader community. The CED works closely with community and business sectors, providing information and assistance needed for growth, management, and public benefit. The CED's clientele reflects that the Center does indeed work well with all sectors: community development corporations, state agencies, municipalities, regional planning agencies, developers, business leaders, chambers of commerce, local officials, public groups, and the managers of firms.

ACKNOWLEDGEMENTS

CED research assistants Michael Havlin (MRP/MPPA) and Sarah Lang (MRP/MS) assisted Dr. Renski with the economic impacts and case study sections of the report. The Berkshire Design Group provided conceptual renderings and visual materials for use in public presentations.

EXECUTIVE SUMMARY

CONCEPT

Numerous social and economic factors have coalesced to present the Commonwealth with an opportunity to create a new model for a multi-use horse park. This model would combine a race track for Thoroughbred horses with a high-end equestrian center and a Thoroughbred horse retirement and retraining farm. This equestrian center, capable of hosting indoor and outdoor dressage, eventing, and hunter/jumper competitions, would be anchored by a large indoor arena with stadium seating and Olympic-sized surfaces. The retirement and retraining farm would enable Thoroughbred horses either to retire comfortably, or to develop new skills for other competitive and non-competitive activities, including hunting/jumping, polo, and therapeutic riding programs for at-risk and higher-needs children. With space for conferences and trade shows, 4-H activities and meets, local community recreation, pleasure riding, agricultural and artisanal markets, and equine health trainings and services, among other uses, the “Massachusetts Model” would create an economic and social hub in the service of the Commonwealth’s equestrian heritage and agricultural economy.

This study finds that the development of a Massachusetts Model horse park represents a significant economic opportunity for the Commonwealth. Capital costs are not expected to exceed \$150 million. The annual economic impact is expected to approach \$99 million and lead to the creation of more than 950 jobs throughout Massachusetts. Economic activity resulting from the facility’s development would also generate an additional \$5 million in state and local tax revenues per year.

EXISTING ACTIVITY & LOCATION CRITERIA

There are nearly 1,200 equine farms in Massachusetts, making it the most common farm type in the state. A review of commercial equestrian centers and registered Thoroughbred farms found no fewer than 125 facilities hosting various equestrian competitions, providing horse retirement and retraining services, operating riding academies, breeding Thoroughbreds, and a number of other activities. From the Berkshires to the Cape, in towns as geographically and socioeconomically distinct as Orange and Sherborn, these facilities have shown a propensity to cluster in four geographic regions: Essex County; the western suburbs of Boston; southeastern Massachusetts; and the Pioneer Valley. Surprisingly, there are very few equestrian centers west of the Pioneer Valley.

Official dressage and eventing competitions are popular in each region, as are the competitions between the 27 intercollegiate teams and 120 interscholastic teams located in Massachusetts. Since relatively few equestrian centers have the necessary facilities for hosting competitions in the winter, most activity takes place between September and November. The most distinct regional variation is the extensive presence of shows and competitions for non-Thoroughbred horse breeds in the Pioneer Valley, where Arabian and Morgan horses are especially popular.

Based on a review of existing race tracks and equestrian centers across the country, site visits to successful facilities, interviews with industry experts, and an inventory and spatial analysis of the

existing equine activities in Massachusetts, we have identified six criteria for assessing the fitness of any potential location for the proposed horse park, listed on the following page.

- At least 300 to 600 acres of preferably contiguous land, to meet all spatial, social, and logistical needs.
- Slopes of 3 to 8 percent, free from wetlands, streams, and poorly-drained soils. This will provide ease of circulation, ensure appropriate drainage, and prevent erosion.
- Access to an interstate or state route with a high level of service within five miles, to minimize traffic impacts and time lost in transit on event days.
- Open views to appealing landscapes that connect the facility visually, emotionally, and physically to its agricultural milieu.
- One hour's travel time to at least two of New England's largest cities, so that a trip to the facility is not especially burdensome for event participants, spectators, and guests.
- Land use compatibility to underscore the natural partnership between the facility's activities and the character and culture of a potential site's host community.

Although subject to change, there are currently ten sites on the real estate market that meet some or all of the established criteria. These parcels are in Bristol, Essex, Franklin, Hampden, Plymouth, and Worcester counties, in rural and suburban settings of varying density. Nearly all have some equestrian and/or agricultural activity nearby, and many are within 20 minutes of a major road or interstate.

ECONOMIC IMPACTS

This section used the industry-standard IMPLAN economic modeling program to assess the economic impacts of three of the major components of the horse park: the Thoroughbred race track; the equestrian center; and the Thoroughbred retirement farm. Because these are not the only uses proposed for the site, and the separate modeling of each component does not factor in the cost savings that would likely result from this combination of related uses, what follows is a very conservative estimate.

In 2016 dollars, the proposed facility is expected to bring approximately \$53.7 million per year in new spending to the Massachusetts economy from out-of-state sources. The ripple effects would yield a total annual impact of \$98.9 million across the entire economy, and generate another \$5 million per year in new state and local tax revenues. More than half of this total economic impact will be paid directly to Massachusetts workers as labor income, and is expected to support the creation of 957 full-time equivalent (FTE) year-round jobs in the Commonwealth. Of these, we anticipate more than 300 FTE jobs at the horse park: more than 250 at the track; at least 30 at the equestrian center; and approximately 12 at the retirement farm. In addition, the creation of a new racetrack coupled with recently enacted purse supplements and breeder awards will result in 20 new workers at thoroughbred breeding and training farms across Massachusetts.

RACE TRACK COMPONENT

Based on our research, we expect the Thoroughbred racing component to yield \$66.3 million in annual output and sales statewide. This level of economic activity would support the creation of nearly 664 FTE jobs, which would add roughly \$38 million of labor income to Massachusetts households. Money spent directly at the track by breeding farms, racing participants and spectators, or spent in-state by the track itself for services and operations, would account for \$36.7 million of the total annual output.

These totals are built on the following assumptions: 75 racing days during a typical season between May and October; 9 races per day; 800 horses in residence throughout the season; an average of 3,000 spectators per race day; and an out-of-state attendance rate of 20 percent. We also assume that the new racetrack, coupled with the purse supplements and breeding awards provided through the Expanded Gaming Act of 2011, will spur the production of 115 new foals per year.

EQUESTRIAN CENTER COMPONENT

The horse park's other major component is a first-class equestrian center capable of hosting elite national events. Based on our research, we expect the equestrian center to generate \$31.7 million in annual output and sales throughout the Massachusetts economy. This new activity is enough to support the equivalent of 280 full time jobs, and will generate \$14.5 million in new household income across the Commonwealth. Money spent directly at the center by event visitors and participants coming from out-of-state, or by the center itself for its operations, accounts for \$16.7 million. This is slightly more than half of the total output, and the rest is generated downstream.

The analysis assumes that the facility will host 70 equestrian events per year: five major events of a national scale; 40 mid-sized events of a regional/interstate scale; and 25 minor events at state and local levels. In addition, the center will also host 18 non-equestrian events of local interest. Through industry research and consultation, each event type (major, mid-sized, minor, and non-equestrian) was assigned a set of distinguishing characteristics, such as event duration, total attendance, and out-of-state attendance levels. A first-class equestrian center is likely to draw approximately 66 percent of its revenue from out-of-state sources, and we estimate that the proposed facility will result in over 82,500 visits from non-Massachusetts residents per year for all events.

RETIREMENT FARM COMPONENT

The horse park also includes a retirement/retraining farm for up to 40 Thoroughbred racing horses whose are ready to move on to equestrian careers off the racetrack. A review of existing Thoroughbred retirement facilities indicates that they have the potential to become significant tourist destinations in their own right. The study suggests that such an operation would draw roughly 7,000 out-of-state visitors per year; require annual operational expenditures of approximately \$325,000; provide 11 FTE jobs; and generate a total economic impact of approximately \$800,000 per year.

I. PROJECT OVERVIEW

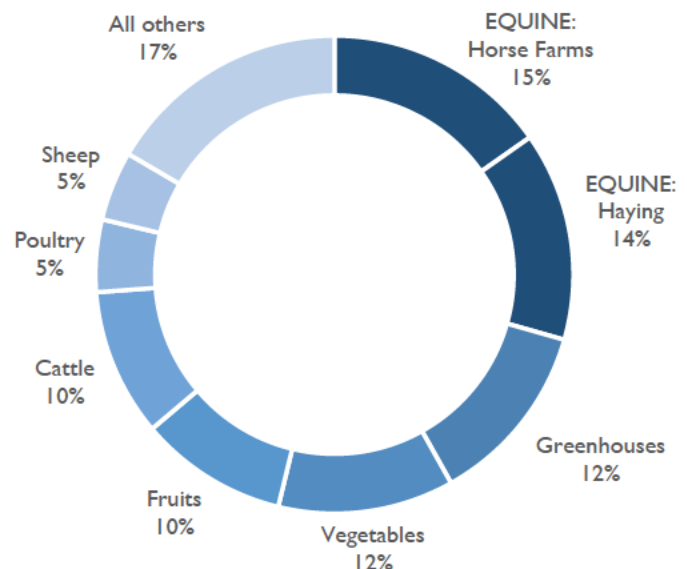
INTRODUCTION

The Commonwealth of Massachusetts enjoys a deep and varied equestrian presence that can be found in her landscapes, industries, history, and people. Horses have represented the many characteristics of Massachusetts equally well: like the state itself, its relationships with horses are at once agricultural and industrial, urban and rural, sophisticated and functional, and historic and forward-looking.

The turnpikes and Great Roads that proliferated across Massachusetts at the end of the 18th century were local successors to the King's Highway and Post Roads of the colonial era. These feats of civil engineering were ideal for the speed and stamina of horses, enabling messengers to speed from Boston to Concord under cover of night, and carriages to ferry mail through the hinterlands of southern New England. The canals that democratized shipping and commerce in the first half of the 19th century relied on draft horses to pull barges along miles of towpaths. Later on, after the Industrial Revolution had given rise to the implements that mechanized agriculture along the Great Plains, horses and oxen remained the most sensible choices in Massachusetts. Most suited to the task was the Morgan, bred from a bay stallion named Figure that was born in West Springfield in 1789. The Morgan's compact and powerful build was ideal for the smaller farms and rockier fields that still characterize much of the Commonwealth's agricultural land.

This link between horses and agriculture in Massachusetts is still evident today. The most common farms in Massachusetts are horse farms and haying operations. As Figure 1.1 shows, as of 2012 these categories alone account for over 29 percent of the 7,755 farms in Massachusetts. Furthermore, the combined acreage of these farms accounts for 30 percent of the Commonwealth's agricultural land.

Figure 1.1: MA Farms by Type, 2012



Source: USDA. 2012 Census of Agriculture.

PURPOSE & MOTIVATION

The purpose of this report is to present our preliminary findings concerning the feasibility of developing a multi-use Horse Park in the Commonwealth of Massachusetts. This center would be operated as a non-profit entity, dedicated to furthering a wide range of activities that would promote equestrian education, racing events, and Massachusetts agriculture, among other functions. The study, sponsored by the New England Horseman's Benevolent and Protective Society (NEHBPA), is being undertaken by the Center for Economic Development (CED) at the University of Massachusetts Amherst. Research for this project involved site visits to equestrian centers, interviews with equestrian business leaders and academics, and analysis of data related to equestrian activities. The project also included extensive input through a voluntary advisory committee consisting of equestrian experts familiar with equestrian operations throughout the United States.

The motivation for the project is to enhance interest in the sport of horseracing, create a tourist opportunity for the enjoyment of visitors, expand employment opportunities in equestrian activities, develop and maintain agricultural and open spaces, promote the breeding, training, racing and exhibition of Thoroughbred and other horses, and to protect the Thoroughbred racing industry and jobs resulting directly and indirectly from these purposes. The complex is intended to be multi-functional, high end, and to appeal to a wide array of patrons. It will be state of the art and befitting of the image of Massachusetts as a tourist destination. It is further envisioned that the complex will be located in a rural area outside of metropolitan Boston. The property, to be owned by a non-profit corporation, shall be deemed land devoted to agricultural use under MGL Chapter 61A. This corporation will establish relationships with (a) the Massachusetts 4-H and similar organizations to encourage the growth of agricultural products to be used at the facility and (b) Massachusetts schools offering agricultural studies dedicated to creating agricultural career opportunities in the Commonwealth.

Several factors contributed to the current interest in developing a multi-use horse park in Massachusetts. These included the following:

- Consumer preferences for Thoroughbred racing attendance are shifting away from the large urban venues of the early 20th century, such as Suffolk Downs.
- Equestrian competition opportunities are increasing across the United States. Massachusetts has very few venues for these events and most are private.
- Recreational interest in equestrian activities is growing across the country and in Massachusetts. It is of considerable interest to Massachusetts 4-H.
- The healthy caring and nurturing of horses is of great interest to those undertaking research on animals including horses. It is an opportunity for the equine studies field.
- There are no state of the art facilities in Massachusetts dedicated to the protection and care of retired and ageing horses.
- Equestrian related conferences, exhibitions, and conventions are growing business opportunities. Relatively few choose Massachusetts as a venue.

- Equestrian activities provide well-paying jobs for vocational school and community college graduates. A center would stimulate the creation of these opportunities.
- A horse park would increase farm production and agricultural land use in Massachusetts.
- A horse park would be a job and tax producer (PILOT) in the region and town where it would be located.
- A horse park would provide the opportunity for Massachusetts retailers to expand their markets.
- A horse park built with a cultural sense of the New England design ethos and complete with a first class hotel, would become a tourist destination.

VISION

The Horse Park is envisioned to include a wide range of activities that will take place throughout the year. It will be designed to reflect design features common to New England's rural character and be a welcoming place for a wide array of equestrian enthusiasts.

The center will feature a one-mile dirt oval racetrack designed for the safest possible racing of Thoroughbred horses for a 60-90 day season per year. This track could also serve as a venue for Standardbred horse racing if there is interest. Within the oval is a 7/8 mile turf course. Overlooking the track will be a viewing stand capable of seating 4,000 patrons. Within this facility will be restaurants and local wagering areas.

In close proximity to the racing facilities and barns and paddocks will be a series of indoor, outdoor, and covered arenas with rings of varying sizes to meet Olympic-level standards for equestrian training, exercise, and competition. The most substantial of these structures, a large multi-purpose arena, will provide the physical counterpoint to the track and grandstand. Inside the arena, a large natural sand surface of at least 200' x 300' will be designed to house indoor competitions of local and national prominence, surrounded by seating and concessions for upwards of 4,000 spectators. The arena will also include lecture spaces intended for research and educational activities. At other times it would be expected to be used for horse breed shows, 4-H fairs, Future Farmers of America, staff trainings, conferences and exhibitions, commercial expositions, and community college/high school instruction.

As will be noted later, the ability to attract these conferences and exhibitions to Massachusetts will generate extensive new revenues and job opportunities of their own. The racing activities and competition events will be supported by state of the art barns and paddocks that are intended to safely house and protect horses throughout the year. This part of the center will include space that would be available for use by the thousands of Massachusetts horse owners who enjoy equestrian recreational opportunities.

The Equestrian Center might include space for a veterinary facility designed to meet the needs of the horse racing community and equestrian enthusiasts throughout the northeast. It would have a small permanent staff that would expand to meet the needs of the racing season, horse show

season, conference visitors, and those housing their horses on site. Whether in conjunction with one of the veterinary or equine studies programs in Massachusetts, or through a partnership with local large animal veterinarians, it has become clear that such a facility would not only help to maintain the health of a wide range of horses but assist in expanding research opportunities partnering institutions.

The satellite veterinary center would also play an important role in the care and protection of horses, which would be housed in a retirement farm on site. Many local owners have had to ship their ageing horses to retirement homes as far away as Virginia and Kentucky. Not only would such a facility provide great care for the horses, it would create additional jobs for equestrian caregivers in Massachusetts. Furthermore, these equine retirement and retraining programs could be coupled with any number of approaches to equestrian therapy. This arrangement could provide several groups – veterans, urban youth, low-risk offenders, and the physically/developmentally disabled, as examples – with meaningful opportunities for personal and practical skill-building.

All of the above would contribute to creating an expanded market for Massachusetts agriculture. The horse park will operate under local purchasing policies in which the feed for horses would be sourced from local farmers to the greatest possible extent. Furthermore, the Center will provide a space for practical research opportunities intended to improve the health of the horses. Specific opportunities will be offered to the University of Massachusetts Stockbridge School, the Commonwealth's agricultural high schools (i.e.: Essex Agricultural, Norfolk Agricultural, Smith Vocational High School), and nearby community colleges.

Given the increasing interest in recreational equestrian activities, the Center will provide extensive space for community recreational riding. Through trails on-site, it will provide opportunities for riders of a wide range of skills and interests. Moreover, if possible, the Center will be closely linked to nearby state parks and forests, such that riders can experience the unique environments of these special places.

All of the above will be interlaced with retail opportunities. During the racing season, as well as conference, convention and exhibition times, “pop-up” market vendors will be encouraged to participate. In so doing, these local and regional merchants will be able to expand their sales. As the Center matures, there will also be opportunities for lodging. Given that the Center will be located in a rural area, it is expected that local bed and breakfast facilities will expand, and that a four season resort-style hotel will be constructed.

2. FACILITY OVERVIEW

This section of the report addresses the presence of existing equestrian centers in Massachusetts; identifies the siting criteria for evaluating potential sites; applies the criteria to currently available sites; and describes a number of best practices to ensure the facility's success in meeting previously articulated goals.

EXISTING FACILITIES IN MASSACHUSETTS

There are several dozen equestrian centers in Massachusetts, which serve a variety of equestrian activities. For the sake of simplicity, this inventory places the facilities into two categories: those that are hosting at least one sanctioned horse show competition this year, and those that are not. The various regional organizations affiliated with the United States Equestrian Federation (USEF) are responsible for ensuring that competitions take place at equestrian centers with adequate facilities, staffing, experience, and planning. This is not meant to imply that centers not hosting a USEF-sanctioned competition are sub-standard, however; it is merely a useful way to determine which centers function as regional destinations. More information about the facilities described below is available on the following pages, in Figures 2.1 and 2.2, and Table 2.1.

USEF-SANCTIONED COMPETITION

In 2016, twenty-five equestrian centers in Massachusetts will host at least one competition sanctioned by regional affiliates of the United States Equestrian Federation. These are some of the most successful equestrian centers in the Commonwealth, and through them the following disciplines are represented at the competitive level: Carriage Pleasure; Dressage (including Para-Equestrian, Seat Medal, and Western dressage); English Pleasure; Eventing; Hunter; Hunter Equitation; Jumping; Roadster; and Saddle Seat Equitation.

These venues are split fairly evenly into four geographic regions: Essex County; the western suburbs of Boston; southeastern Massachusetts; and the Pioneer Valley. Although dressage and eventing competitions are found throughout the state, there appear to be some regional preferences. Most remarkably, competitive jumping is limited to the western suburbs and southeastern Massachusetts. Essex County prefers to host hunter events, and the equestrian centers of the Pioneer Valley are far more likely to host dressage and eventing shows than hunter/jumper competitions. Meanwhile, horse shows for non-Thoroughbred breeds (Arabians, Friesians, Morgans, and American Saddlebreds) and more specialized disciplines do not stretch beyond West Springfield and Northampton.

Figure 2.1: Locations of USEF-Sanctioned Competitions

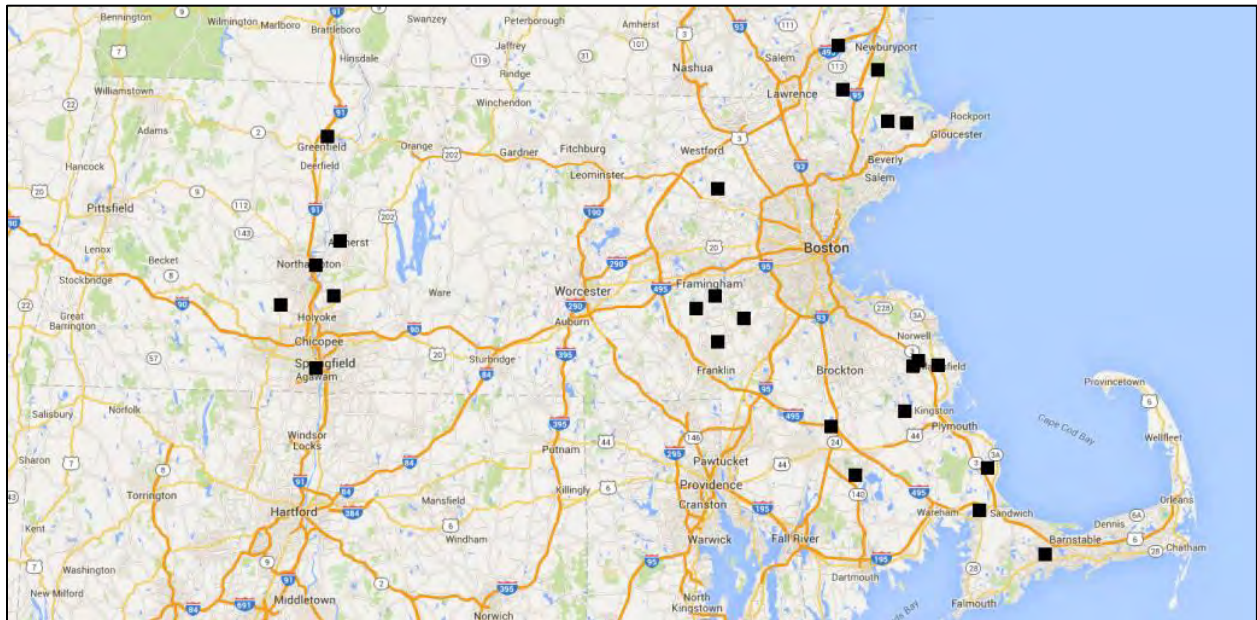


Figure 2.2: Locations of Interscholastic (Red) and USEF-Sanctioned (Black) Competitions

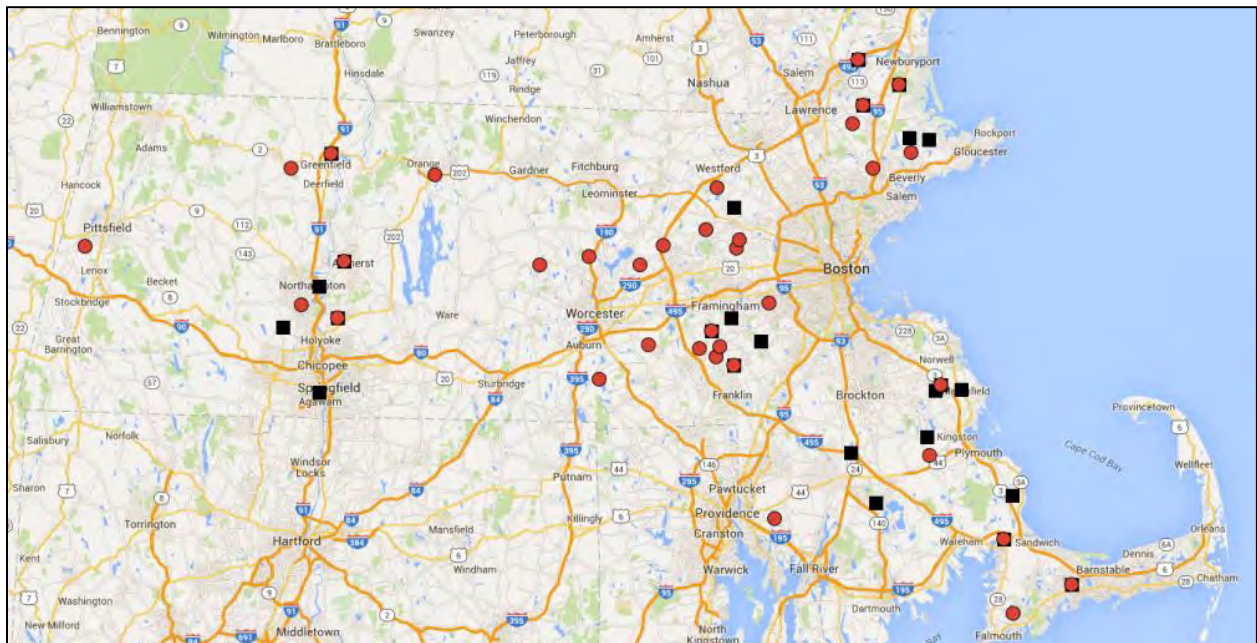


Table 2.1: Equestrian Center Community Details

County	Town	MA \$/Cap Rank	USEF-Sanctioned	Interscholastic
Barnstable	Barnstable	160	Hunter/Hunt Eq	Hunt Seat
	Bourne	209	Hunter/Hunt Eq/Jump	Hunt Seat
	Falmouth	110		Western
Berkshire	Richmond	34		Hunt Seat
Bristol	Raynham	185	Hunter/Hunt Eq/Jump	
	Rehoboth	139		Hunt Seat
Essex	Boxford	11		Hunt Seat
	Danvers	128		Hunt Seat
	Georgetown	76	Dressage	Hunt Seat
	Hamilton	71	Eventing	Hunt Seat
	Haverhill	284	Hunter/Hunter Eq	Hunt Seat
	Ipswich	80	Hunter/Hunter Eq	
	Newbury	91	Hunter/Hunter Eq	Hunt Seat
Franklin	Greenfield	313	Eventing	Hunt Seat
	Orange	345		Western
	Shelburne	255		Hunt Seat
Hampden	W Springfield	308	Western Dressage	
Hampshire	Easthampton	261		Hunt Seat
	Hadley	146	Dressage/Seat Medal	Hunt Seat
	Northampton	198	Hunter Equitation	
	South Hadley	270	Dressage	Hunt Seat
	Southampton	207	Eventing	
Middlesex	Concord	12	Dressage	Hunt Seat
	Holliston	40	Hunter/Hunter Eq	Hunt Seat
	Sherborn	4	Eventing	
	Stow	50		Hunt Seat
	Sudbury	5		Hunt Seat
	Westford	42		Hunt Seat
Norfolk	Medfield	18	Hunter/Hunt Eq/Jump	
	Medway	75	Hunter/Hunt Eq/Jump	Hunt Seat
	Wellesley	6		Hunt Seat
Plymouth	Halifax	221	Jumper	
	Lakeville	163	Dressage	
	Marshfield	77	Dressage/Seat Medal	
	Pembroke	140	Hunter/Hunt Eq/Jump	Hunt Seat
	Plymouth	172	Eventing	
	Plympton	121		Hunt Seat
Worcester	Berlin	72		Hunt Seat
	Bolton	27		Hunt Seat
	Grafton	106		Western & Hunt Seat
	Holden	99		Hunt Seat
	Rutland	218		Hunt Seat
	Sutton	87		Hunt Seat

ADDITIONAL FACILITIES

There are a number of other equestrian facilities in the state as well, which include breeding farms, stables, and riding academies. Although they are too numerous to review in great detail here, there are at least five facilities for Thoroughbred retraining and retirement; four university-based academic and research programs; and nearly three dozen centers for region-wide interscholastic competitions. The academic programs are located between Greater Boston and the Pioneer Valley, with educational options ranging from associate's degrees in equine studies at junior colleges to large-animal surgical concentrations at world-renowned veterinary schools.

In addition to these academic programs, intercollegiate equestrian teams operate at 27 colleges and universities in the Commonwealth. At the primary and secondary school levels, several hundred teams across New England (hailing from country day schools, riding academies, and private stables) participate in interscholastic competitions, with over 120 teams based in Massachusetts alone. As Figure 2.2 shows, the 35 venues hosting interscholastic competitions this year largely follow the four-region location pattern described above (nine equestrian centers are hosting both USEF-sanctioned and interscholastic competitions). In New England, the bulk of these events will take place in October and November; with nine facilities hosting competitions in the winter months of December, January, and February (see Best Practices, below).

ANALYSIS

First, the relatively low level of equestrian centers west of the Connecticut River Valley suggests that it may be difficult to establish a viable facility in the Berkshires. Despite the outstanding visual resources, exceptional rural character, and extensive park and trail access, the area has not found a natural fit with equestrian activities. Interestingly, much of the same could be said of the area east of the Connecticut River Valley, as well, from the Quabbin Reservoir to as far east as Worcester.

Second, although this is an incomplete list of equestrian centers in Massachusetts, there is a remarkable range of host communities. The 43 municipalities in Table 2.1 include some of the wealthiest towns in the Commonwealth (Sherborn and Sudbury), and some of the poorest (Greenfield and Orange). Although equestrian centers provide services to upscale consumers, more than one-third of the host communities have per capita income levels below the state median.

Finally, it is unclear whether the subtle differences in horse show tendencies of the four in-state regions is merely a coincidence, or points to something more significant. The advisory board may wish to consider ways to ensure a good match between the host region and the types of equestrian competition envisioned for the facility, especially where staffing and event planning experience is concerned.

CRITERIA FOR FACILITY LOCATION

A horse park incorporating the range of showing, racing, veterinary, adoption, agricultural, and recreational uses described in the vision will require a site with desirable characteristics in six categories, each of which is examined in the following sections. The first three pertain to the site itself, and the latter half pertain to the host community.

- **Substantial acreage:** to meet all spatial, social, and logistical needs.
- **Workable terrain:** to provide ease of circulation, ensure appropriate drainage, and prevent erosion.
- **Streamlined access:** to minimize traffic impacts on event days and time lost in transit.
- **Appealing landscapes:** to connect the facility visually, emotionally, and physically to its agricultural milieu.
- **Useful location:** so a trip to the facility is not especially burdensome for event participants, spectators, and guests, especially when compared to journeys to other facilities.
- **Land use compatibility:** to demonstrate a natural partnership between the facility's activities and the character and culture of a potential site's host community.

SUBSTANTIAL ACREAGE

At a minimum, a Thoroughbred racing park will need approximately 150 acres to meet its facility requirements, and a number of tracks have upwards of 300 acres at their disposal. However, bigger is not automatically better in the industry, primarily because the oval that is the main attraction is often a fairly consistent size from one track to the next. For equestrian centers, however, site requirements can change significantly based on the anticipated events: shows that gather hundreds of horses require hundreds of stalls and adequate space for trailers, RVs, and other equipment, while more exclusive eventing and endurance competitions bring comparatively fewer horses, but require miles of trail and open space. As an example, the Virginia Horse Park is a 600-acre facility, but approximately half of the total land is for cross country and combined driving courses, while the rest is allocated to barns, arenas, campgrounds, parking, and other structures.

The Massachusetts Horse Park is intended as a high-end equestrian center and race track. Since races and horse shows will not take place on the same days, there is the opportunity for shared facilities to reduce the total overall footprint. The ideal site is approximately 600 acres of contiguous land, with a potential reduction if the site has access to adjacent trails and parkland.

WORKABLE TERRAIN

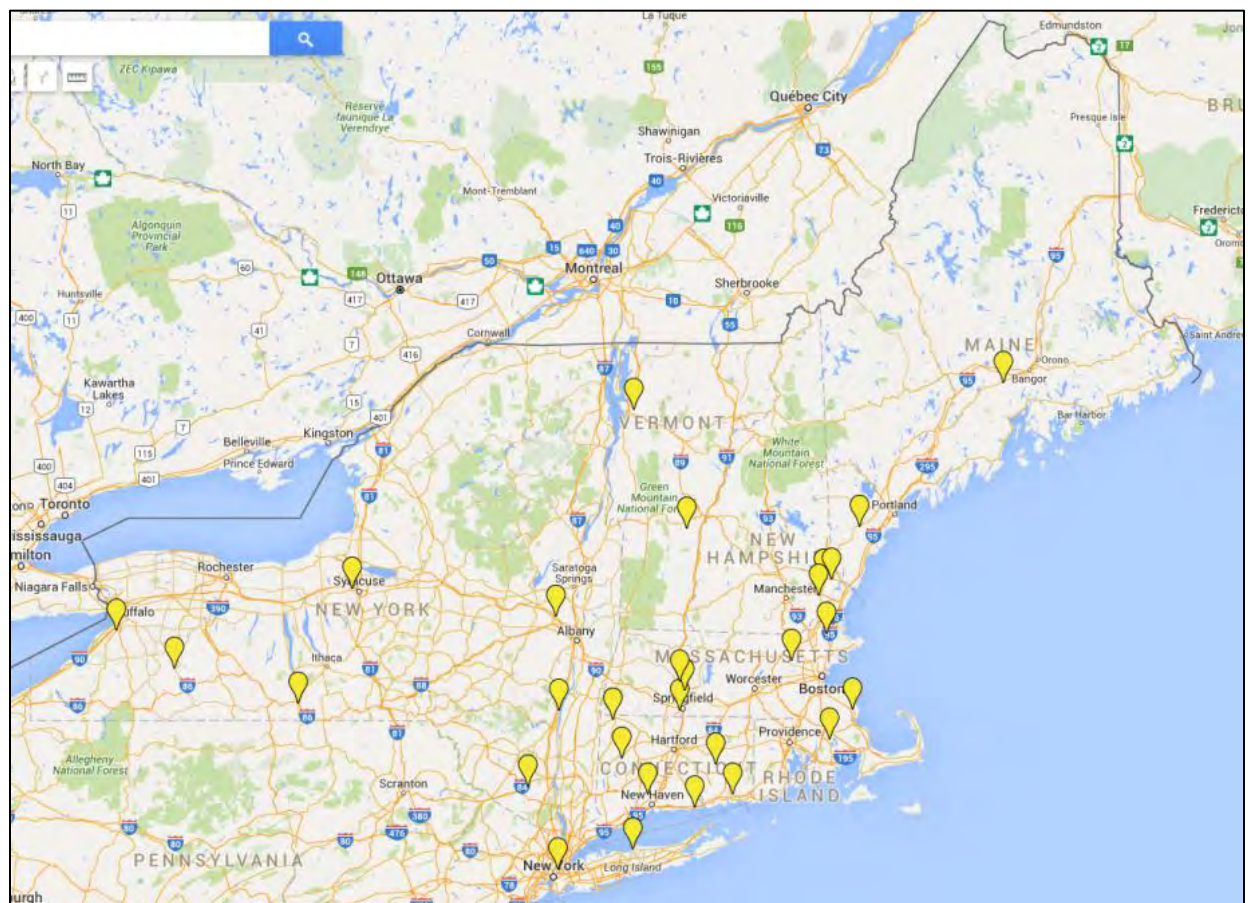
Due to the robust environmental protections in Massachusetts, the ideal site will be free from wetlands, streams, and poorly-drained soils. Slopes of 3 percent to 8 percent allow for adequate site drainage, and low-impact site engineering. Sites free from agricultural protections under Chapter 61 and 61A are preferable, but not essential. Section 3 of Chapter 40A of the Massachusetts General Laws protects commercial agriculture from over-regulation by town zoning bylaws. The law relies on a definition of agriculture found in Chapter 128, which includes both the

raising of horses and the keeping of horses as a commercial enterprise. On parcels five acres or greater, such uses are allowed by-right, meaning that no special permit is needed for such uses.

STREAMLINED ACCESS

Thoroughbred race tracks are rarely more than three miles from an interstate exit, and show a significantly higher tolerance for urbanized contexts than equestrian centers do. Equestrian centers, meanwhile, are far more tolerant of non-highway driving, but are rarely more than five miles from a state route. Figure 2.3 shows the location of the 29 facilities hosting a US Dressage Federation-recognized competition in Region 8 (New York and New England). Clearly, very few are any appreciable distance from a major transportation route. This same tendency could be observed in Figures 2.1 and 2.2, as well.

Figure 2.3: Region 8 Equestrian Centers hosting USEF-Sanctioned Dressage Competitions



APPEALING LANDSCAPES

The exacting aesthetics of competitive horse shows underscores the importance of appearance and presentation to this key user group. Massachusetts is home to some very well-regarded equestrian centers, and some legendary polo and hunting grounds. The equine community is highly discerning, and national-level event coordinators are accustomed to top-of-the-line facilities and services. This eye for detail extends to the surrounding landscape. The facility must be located in a pastoral context, with a preference for open views to natural and visually appealing landscapes. Satisfying this “country estate” aesthetic is essential for demonstrating that the facility makes a meaningful and thorough contribution to equestrian culture.

USEFUL LOCATION

Although equestrian activities are by definition mileage-heavy pursuits, the facility is meant to strengthen and promote the connections horses have to the culture, history, and economy of rural Massachusetts. An exceptionally remote location reduces the potential audience for this message, and increases the transportation costs of the in-state suppliers and vendors that would do business at the facility. Therefore, sites within an hour’s drive of New England’s largest cities - Boston, Worcester, Providence, and Springfield - provide riders, spectators, and vendors with increased availability and exposure.

LAND USE COMPATIBILITY

Because the horse park envisions an unprecedented variety of equestrian uses, the facility is likely to have a noteworthy impact on whichever community hosts it. It is essential, therefore, that the equestrian nature of the facility be congruent with existing local land uses. For example, rural communities with active equestrian activities – stables, horse farms, or agricultural haying, for example – are highly likely to view the proposed horse park as an appropriate use of locally available open space.

CURRENT SITE OPTIONS

Table 2.2 includes the characteristics of ten sites that most nearly meet the established criteria. It is important to bear in mind that this selection reflects currently-available real estate. As such, it does not identify optimal sites (those not currently for sale, but otherwise meeting all siting criteria), and it is subject to change. Identifying features have been obscured.

Table 2.2: Potential Sites and Criteria Matches

	Acres	Terrain	Access	Landscape	Location	Compatibility
001	225-250; near state forest.	Rolling; partially cleared. Stream.	10-15 min.	Rural, low density.	1 under 60; 1 under 90.	No equestrian activity nearby.
002	550-575; trails near.	Flat; partially cleared.	20-30 min.	Strong pastoral scenic.	1 under 60; 1 under 90.	Active outdoor and farming.
003	250-300; town land adj.	Hilltop. Ponds.	20-30 min.	Rural decline.	1 under 60; 1 under 90.	No equestrian activity nearby.
004	200-250 ac.	Flat; partially cleared. Pond.	5-10 min.	Suburban, mid-density.	3 under 90.	Some equestrian activity nearby.
005	475-500 ac.	Rolling, forested. Stream. 61A.	10-15 min.	Rural, low-density.	2 under 60; 2 under 90.	Equestrian and farming nearby.
006	400-415 ac.	Rocky, forested. Pond.	5-10 min.	Rural, mid-density	1 under 60; 2 under 90.	High equestrian activity nearby.
007	200-250 ac; near parks.	Non-contiguous, forested. Stream.	5-10 min.	Mid-density suburb.	3 under 60.	High equestrian activity nearby.
008	175-200 ac; trails, 4H adj.	Rolling; partially cleared. 61A.	20-30 min.	Strong pastoral.	2 under 60; 2 under 90.	Equestrian and farming nearby.
009	275-300 ac; parks adj.	Rolling, forested. No restrictions.	15-20 min.	Forested, low visual element.	2 under 60; 2 under 90.	Some equestrian nearby.
010	500 ac.	Hilly; forested.	5-10 min.	Strong scenic components.	1 under 60.	Some equestrian activity nearby.

BEST PRACTICES

In recent years, researchers and designers have begun to incorporate sustainability indicators and other markers of social and environmental well-being into the best management practices of equestrian facilities. Some principles, such as siting and designing barn and indoor arenas to maximize solar aspect, are natural extensions of existing practices. Others, such as the use of native plantings for grazing, horticultural identity, and invasive species management purposes, address

industry-specific environmental concerns. Meanwhile, the management of manure for haying and other crop-planting purposes addresses the equine-agriculture linkages this project attempts to develop. Two issues - shared services and intra-state partnerships - are described in greater detail here.

SHARED SERVICES

The parking lot of Lone Star Park, a racing track outside of Dallas, is approximately 60 acres. By comparison, in Massachusetts the average farm is just 68 acres, with a median value of 23 acres. It is therefore relatively uncommon for more than 300 acres of agricultural land in Massachusetts to come onto the market. Since it may be impractical to wait for the ideal parcel to become available, it is essential that the advisory board work closely with architectural and engineering firms to think creatively about the most efficient use of available land. Whether it be parking, RV hookups, paddocks, exercise tracks, or loading areas, every duplicative function that can be reduced, or site use that can be shared, will provide additional acreage for other programmatic elements.

PARTNERSHIPS WITH OTHER FACILITIES

Across the Commonwealth, dozens of facilities host horse shows for numerous equestrian communities. Anticipating how the facility could benefit these entities, rather than compete with them, could help generate industry-wide support. As an example, of the 35 equestrian centers currently hosting interscholastic shows, only nine do so between December and February: Mount Holyoke, Silverstone Stables, Stoneleigh-Burnham School, Saddle Rowe, Rising Star, Volo Farm, Dana Hall School, Willow Brook, and Hillside Meadows. These centers have the facilities necessary to host indoor scholastic events, and three of these (Mount Holyoke, Stoneleigh-Burnham, and Saddle Rowe) currently host USEF-sanctioned events, as well. With the addition of the horse park to the state's equestrian center mix, there is the possibility that these four equestrian centers, and perhaps others, would be able to gain approval for a series of sanctioned wintertime competitions in Massachusetts. As the largest dressage region in the country, there are many families in the northeast that might prefer participating in a competitive series around the holidays that is closer to home than Florida or Texas.

COST ESTIMATE

To date, no integrated equestrian facilities have been developed. The truly unique nature of the Massachusetts Model - thoroughbred racing, showing, riding, and retirement - means that there is no "industry standard" for estimating development costs. Accordingly, we have consulted with racetrack developers and equestrian center developers to estimate project costs for the proposed horse park. We estimate that total development costs of a world-class horse park would not exceed \$150 million. Of this, \$90 million is allocated for all land acquisition and infrastructure development, along with the construction of the equestrian center. The remaining \$60 million is the expected cost for the development of the race track's oval, rail, grandstand, stables, and other necessary structures.

The \$150 million estimate is meant to describe the upper bounds of development: it does not factor in any of the anticipated cost savings resulting from shared services, materials, or facilities.

3. ECONOMIC IMPACT ANALYSIS

CHAPTER SUMMARY

This chapter considers the potential economic impacts of the proposed horse park on the Commonwealth of Massachusetts. Because we are estimating the impacts of a facility that does not yet exist, our estimates were developed by looking at the expenditures and existing facilities in other locations coupled with insights from our advisory board and other industry experts.

We provide preliminary estimates of the economic impact of the three major components of the proposed horse park. These include:

- A Thoroughbred race track with 75 race-days of activity during a full season.
- An equestrian center that will be capable of hosting a variety of equestrian events (e.g. dressage, 3-day eventing, hunting/jumping competitions, etc.) at a national scale. We anticipate 70 equestrian and 18 non-equestrian events per year.
- A horse retirement and retraining farm, capable of the housing, retraining, and care of 40 former Thoroughbred racehorses.

To our knowledge, no other facility in the nation includes all three components together at a single site. The proposed “Massachusetts Model” is truly unique. However, this creates a challenge for estimating the prospective impacts of such a facility, because there is no appropriate template to guide us. Therefore, we model each of the three components independently, and then combine their separate impacts to produce an overall estimate of the overall impact. In other words, we assume that the race track will operate as a distinct entity from the horse center and the retirement facility. Because we are treating each separately, we are not able to account for possible cost-savings in terms of shared facilities, staff, or discounts through bulk purchasing.

Table 3.1: Combined Economic Impacts: Thoroughbred Racing, Equestrian Center, and Retirement Farm

	FTE EMPLOYMENT	LABOR INCOME*	OUTPUT (SALES)*
DIRECT EFFECT	651.7	\$34,905,383	\$53,785,565
INDIRECT EFFECT	98.4	\$6,011,609	\$13,503,183
INDUCED EFFECT	207.0	\$12,216,334	\$31,569,240
TOTAL EFFECT	957.0	\$53,133,324	\$98,857,986

*Reported in 2016 dollars

Table 3.1 reports the combined economic impacts from the three major components of the proposed facility. We estimate that a multi-purpose horse park will bring \$53.8 million in direct new spending to Massachusetts from out-of-state sources. These new dollars will have ripple effects throughout the entire economy, resulting in a total annual output impact of nearly \$100 million.

This is enough to support the creation of 957 new full-time equivalent (FTE) year-round jobs in the state. Slightly more than half of the new sales will make its way into the pockets of Massachusetts workers and households in the form of additional income.

The ratio of total to direct effects is known as the multiplier. For these three components combined, our output multiplier is 1.83. That means for each dollar spent at the new facility—whether by visitors, participants, or via facility operations—we predict an additional 83 cents will flow to other area businesses and workers.

Table 3.2: Combined State and Local Tax Revenue Impacts: Thoroughbred Racing, Equestrian Center, and Retirement Farm

STATE AND LOCAL TAX REVENUES*	
EMPLOYEE COMPENSATION	\$78,244
TAX ON PRODUCTION AND IMPORTS	\$3,125,820
HOUSEHOLDS	\$1,678,505
CORPORATIONS	\$188,253
TOTAL	\$5,070,822

*Reported in 2016 dollars

According to IMPLAN-based estimates, the combination of direct, indirect, and induced impacts will generate roughly \$5 million in new state and local tax revenues per year (Table 3.2). The majority of the increased tax revenues will come from taxes on production and imports (62 percent), namely sales tax revenues. Because we only include impacts from out-of-state visitors and participants, these sales taxes will almost entirely be borne by non-Massachusetts residents. The second largest source of tax revenues is household tax revenue, specifically the portion of personal income taxes paid on the additional earnings of workers directly and indirectly benefiting from the center. Corporate taxes (taxes on profits and dividends) are a distant third source of new tax revenue. Much of the anticipated revenue from increased corporate taxes will be from indirect sources, as we assume that the Horse Center and Retirement Farm portion of the project will operate as a non-profit entity.

STUDY LIMITATIONS

We believe that these are extremely conservative estimates of the actual impacts for several reasons. For one, we do not model economic impacts related to land acquisition costs or the construction of the facility — only operational costs. While construction impacts only last for a few years, they can often be substantial. However, construction impacts also depend heavily on site-specific features, as well as design and architectural decisions. It is rather premature to estimate these impacts before site is selected, designs for the facility have been drawn up, and there have been some preliminary engineering and architectural estimates.

Second, we only count impacts that are attributable to “new money” flowing into the state. More specifically, we exclude the anticipated spending by in-state patrons of the race track, as well as spending by Massachusetts residents and participants attending equestrian shows and competitions. We have to assume they would have spent this money within the state even if the proposed facility did not exist. This is a standard assumption of most economic impact studies, although a rather conservative one. Clearly, if there were better facilities available within the state, then more Massachusetts riders and tourists would choose to recreate closer to home, rather than spend their money elsewhere.

Third, we do not model the impacts of every aspect of the horse park: only the race track, the equestrian center events, and the retirement farm. The current plans also leave room for an on-site

large-animal veterinary clinic and research center that will be operated by a university-affiliated partner institution. To the extent that this facility serves the needs of racing and event participants, its economic impacts are included. Our cost estimates for racing and event participants cover expenses on veterinary care that we assume will be provided at the on-site veterinary clinic. However, the clinic will have additional impacts that are not counted in this study if it is able to attract other (non-participant) patients of research grants from outside of the Commonwealth.

WHAT IS ECONOMIC IMPACT ANALYSIS?

Economic impact analysis is a technique for measuring the net effects of new spending and investment on a regional economy’s employment, wages and business output (i.e. sales). This is done by estimating the amount of net new spending in the region as a direct result of a project (i.e. the direct effects). In the case of the proposed horse park, the direct economic impacts come from numerous sources. These include additional spending by event participants and horse owners required for the stabling, feeding, care and maintenance of their horses; the spending by out-of-state visitors at area retailers, restaurants, lodging establishments and other services; and the operational expenditures of the facility, of which wages and salaries are usually the largest portion.

Beyond the initial influx of new funds, new direct spending in the region then goes on to have secondary (or indirect) economic impacts. Indirect impacts are generated from the exchange of these additional revenues among area businesses and their workers. For example, a portion of the increased visitor spending on area hotels is used to pay the employees of the hotel, and another portion goes toward the purchase of products and services from other local businesses. These local workers and businesses, in turn, use some of their increased revenues to buy other goods and services from other local businesses. Some of these funds are also spent outside the study region. This is considered “leakage” and does not continue to generate additional economic activity within the region. The direct investment combined with the exchange of money among local vendors and workers make up the total economic impact. The ratio of the direct to total economic impact is referred to as the multiplier effect. The total economic impacts and multipliers were generated using the IMPLAN economic modeling system.

Similarly, the facility also calls for an RV Park. On the one hand, the RV Park is expected to cater to people attending one or more of the Center's many events, in which case they are included under our impacts of visitor spending on lodging. On the other hand, other visitors may also reserve space at the RV Park. The spending impacts from this group of visitors are not included. At this early stage we lack the information to know how widely the facility will be used by non-center related visitors. Lastly, current plans call for an extensive system of recreational trails for the general enjoyment of the public. We assume that these recreational trails will primarily attract users from within Massachusetts. However, the trails may draw visitors from neighboring states as well, depending on its proximity, the quality of the trails, and the availability of other, similar recreational trail facilities. But without knowing more about the specific site and the plans for recreational trails, it is difficult to predict the number of out-of-state visitors.

It is important to bear in mind that economic impact analysis is capable only of estimating impacts that are directly quantifiable in dollars. It is not capable of estimating impacts from less tangible benefits, such as helping to preserve Massachusetts's agricultural heritage and open space; offering a venue for outdoor recreation that improves the wellness of area residents; and helping to ensure the continued vitality of the larger equestrian industry in the state. Local and statewide horse shows and competitions are integral to the long-term growth of the equestrian industry. They fuel the enthusiasm of young and established equestrians, and imbue them with a sense of belonging to a larger community. Sponsoring and showing support for local competitions and shows is also an important prerequisite for attracting national and regional events. Yet these types of events have little impact in this type of study, because they draw almost entirely from within the state. While we adhere to the conservative assumptions of the economic impact framework, we offer several case studies of actual equestrian competition to help illustrate some of these less tangible benefits.

Our final limitation is simply a warning regarding the inherent uncertainty involved when forecasting economic impacts. This is a very early-stage assessment, and as the project develops the magnitude and distribution of the impacts will likely change. Furthermore, while the construction of a world-class facility is necessary for attracting top racing talent and sponsoring national and international caliber horse shows and competitions, it is not sufficient. The horse park must also be well-designed, well-managed, and able to successfully market itself to event organizers if it is to attract the full spectrum of events and attendance described in this report.

The remainder of this chapter provides more detail on the assumptions that are the foundation for our estimates, as well as a breakdown of the impacts by each component (race track, equestrian center and retirement farm) as well as by sub-component (e.g. racing operations, racing participants, and racing spectators).

THOROUGHBRED HORSE RACING EXPENDITURES & IMPACTS

SUMMARY & ASSUMPTIONS

The direct effects that determine the total economic impacts can be modeled either by estimating revenues or by estimating spending (i.e. expenditures). We model spending, because it allows us to more clearly identify economic transactions that take place within Massachusetts. A portion of the proceeds from racing never reaches the pockets of Massachusetts businesses or residents: the payouts to bets made over the internet or through off-site simulcast venues.

The direct effects of the Thoroughbred racing facility come from numerous sources. First, there are expenditures associated with race track operations. Much of the funds used to support operations comes from betting revenues (the handle), although portions also come from on-site purchases of spectators, and payments made to the facility by racing participants. The spending of racing participants is the second primary source of direct impact. This includes the spending of Thoroughbred race horse owners who pay for training costs, jockeying fees, veterinary care, feed and bedding, tack and equipment, and the other miscellaneous costs incurred during the racing season. The final source of direct impact is the off-track spending of out-of-state visitors and spectators. This spending has an immediate benefit to area businesses, especially hotels, restaurants, gas stations, and other retail outlets. As previously mentioned, we only consider the spending of visitors that come from out-of-state, and exclude spending by Massachusetts residents under the standard assumption that it would have occurred within the state even if a new race track had never been built.

Modeling the economic impacts of a prospective facility requires making some assumptions regarding the length of the racing season, the number of participants, and the number of out-of-state visitors.

Key Assumptions:

- There will be 75 days of racing during a typical season.
- The racing season will last for 150 days (mid-May through mid-October).
- There will be an average of 9 races per race day, or 675 races during a typical season.
- There will be a daily average of 800 horses in residence over the entire season.
- The facility will average 3,000 spectators per race day, which accounts for typical racing events and one marquee special event, such as the MassCap.
- Twenty percent of all spectators will be come from outside of Massachusetts.
- The expansion of thoroughbred racing will spur the increased production of 115 new foals per year by Massachusetts breeders.

We base these assumptions on our discussions with the client regarding their anticipated plans for race track, a review of existing Thoroughbred race tracks around the county, and through interviews with Thoroughbred racing experts.

Based on these assumptions, we expect the new race track to yield \$36.7 million in direct additional economic activity in the state (Table 3.3). These direct effects include the actual money spent in state by the race track, breeding farms, as well as by racing participants and spectators. This “new” money in the Massachusetts economy will change hands among workers and other area businesses, to generate a total of \$66.3 million in annual output and sales, and support the creation of 664 new jobs and put over \$38.2 million in the pockets of Massachusetts households each year. Our output multiplier for the race track component is 1.81. Thus, for every dollar spent directly at the race track, spectators or breeding/training farms, we expect an additional 81 cents to flow to other businesses in the state.

Table 3.3: Summary Economic Impacts: Race Track Component

	FTE EMPLOYMENT	LABOR INCOME*	OUTPUT (SALES)*
DIRECT EFFECT	465.2	\$26,212,516	\$36,662,266
INDIRECT EFFECT	49.8	\$3,229,778	\$6,914,236
INDUCED EFFECT	149.0	\$8,792,345	\$22,720,396
TOTAL EFFECT	663.9	\$38,234,638	\$66,296,898

*Reported in 2016 dollars

The remainder of this section reports the economic impacts of each of the three racing components (operations, participants and visitors) separately, and discusses the key assumptions the yield our estimates.

IMPACTS FROM RACING OPERATIONS

The first component of our analysis of the proposed race track’s impacts is the impact generated from race track operations. We assume that the race track will generate \$13 million per year in operational expenditures. We arrived at our estimates by examining other studies of Thoroughbred racing facilities around the county and consulting with racing industry experts, considering the preliminary design of the facility, and the expected length of the racing season. This amount is slightly less that what we found for other Thoroughbred race tracks. On average, our sample of other race tracks cost roughly \$136 dollars per horse day, or just over \$16 million per year. By contrast, our industry advisors estimate operational expenses in the order of \$12 to \$14 million per year for a racing facility of this size. Given its smaller footprint and more economical use of space, it is not surprising that the horse park will cost less to operate than many existing facilities.

Assuming \$13 million figure as the direct effects, our economic impact model estimates a total economic impact of just over \$23.2 million per year in 2016 dollars (Table 3.4). At this level of output, we expect the facility will produce for roughly 338 jobs full-time equivalent (FTE) in the state economy, and contribute \$14.4 million in income for Massachusetts households. Seventy of these new jobs (indirect + induced) will be created by other businesses in the state.

Table 3.4: Summary Economic Impacts: Race track Operations

	FTE EMPLOYMENT	LABOR INCOME*	OUTPUT (SALES)*
DIRECT EFFECT	267.8	\$10,371,093	\$13,000,000
INDIRECT EFFECT	14.0	\$742,727	\$1,609,959
INDUCED EFFECT	56.3	\$3,324,200	\$8,588,390
TOTAL EFFECT	338.1	\$14,438,020	\$23,198,350

*Reported in 2016 dollars

IMPACTS FROM RACING PARTICIPANTS

We estimate the direct impacts of race participants based on the average amount spent on each horse per day over the racing season (horse-days). With an estimated average of 800 horses on site per day over a 150-day season, we estimate 120,000 horse-days per year. Based on interviews with industry experts and a review of past studies, we estimate that it costs roughly \$90 per day to train, feed, and provide for the general care of each horse during the racing season.¹ This includes trainer fees and other costs paid direct by the owners, but not payments made by horse owners directly to the racetrack. Direct payments from owners to the racetrack are already included under racetrack operations. In addition, we do not consider the earnings from the horse owners' takeout (or payments from betting revenues) beyond that amount that they spend on the training and care of their horses. This is likely to be negligible, as interviews with racing experts suggest that Thoroughbred racehorse owners often have very thin profit margins, and that many owners live out-of-state.

It is important to note that we only consider the impacts of horse-related expenditures during the racing season. Although some of these will be Massachusetts Thoroughbreds and will reside in-state during the off-season, we assume that Massachusetts horses would still be stabled in the Commonwealth during the off-season (even if there were no Thoroughbred racing facility), and that out-of-state horses would reside elsewhere. Likewise, we assume that both Massachusetts- and out-of-state horses would spend the racing season outside of Massachusetts if there were no racetrack. Therefore, all horse-related expenditures during the season are included as direct effects.

Based on these calculations, we estimate \$10.8 million per year in direct spending pertaining to the care, training and feeding of Thoroughbred racehorses at the horse park (Table 3.5). This direct spending will result in a total of \$19.7 million in additional sales revenues for the state. This level of additional output can support the creation of roughly 138 FTE jobs and provide an additional \$11.3 million in income to Massachusetts households.

¹ The \$90 per horse-day cost estimate is somewhat lower than what is typically reported in other studies of thoroughbred racetracks, which average in the range of \$120 to \$130 per horse-day. However, our industry advisors anticipate that training and related costs will be less in Massachusetts and that our averages are upwardly skewed by the inclusion of premier racetracks in our sample.

Table 3.5: Summary Economic Impacts: Racing Participants

	FTE EMPLOYMENT	LABOR INCOME*	OUTPUT (SALES)*
DIRECT EFFECT	77.3	\$7,664,557	\$10,800,000
INDIRECT EFFECT	16.0	\$1,102,041	\$2,218,360
INDUCED EFFECT	44.3	\$2,615,851	\$6,760,334
TOTAL EFFECT	137.5	\$11,382,448	\$19,778,693

*Reported in 2016 dollars

IMPACTS FROM SPECTATOR SPENDING OFF-SITE

We estimate that the new facility will attract 225,000 spectators per year. While our review of other studies produced an average daily attendance of 4,500, our advisory board and industry experts felt this number was too high, given the New England market, the relatively smaller grandstand, and industry wide trends of less foot traffic, but more remote forms of wagering. They suggested that a typical racing day will draw somewhere between 2,000 and 3,000 visitors, while special events (such as the MassCap) can draw up to 10,000. We settled on a daily average of 3,000 to account for attendance on both typical race days as well as for a handful of special racing events, across 75 days of racing.

We only count the spending of out-of-state visitors as direct effects, under the assumption that Massachusetts residents would have spent this money in the state anyway, even without the new racetrack. This is a rather conservative assumption, as some Massachusetts racing enthusiasts would travel to out-of-state venues or engage in remote forms of betting. We estimate that 20 percent of all spectators will be from out-of-state. This equates to 45,000 expected out-of-state visitors per year. The percentage of out-of-state spectators is difficult to predict, however. It depends greatly on the specific location of the facility in relation to major out-of-state population centers, highway access, the prestige of the racing events, as well as the availability of other competition venues. This variability is reflected in studies of other racetracks, which estimate the share of out-of-state visitors to be anywhere from 10 percent to 60 percent. We chose the estimate of 20 percent after consulting with advisory board members and other industry experts who understand the Massachusetts racing landscape.

Compiling data from multiple studies, we estimate that each out-of-state visitor spends roughly \$113 per day outside of the racetrack. This figure does not include money spent at the track, including wagers, food and souvenirs, which was already accounted for in our measurement of Center operational expenditures. Nearly 40 percent of all off-track spending is on lodging, with another 22 percent spent on food and drink. The remainder is near evenly split between entertainment, retail and travel expenses.

Given these assumptions, the total spending of out-of-state visitors will be \$5,089,050. We adjust this figure to account for travel-related expenses that may occur outside of Massachusetts. The adjusted direct effect from racing visitors is \$4.1 million per year (Table 3.6). An increase of \$4.1

million in direct spending will produce a total impact of \$7.2 million in additional sales and output per year. This is enough to support the creation of 76.5 new FTE jobs. It is important to note that because we only consider off-site spending, the entirety these 76.5 jobs will be generated by other businesses, and not at the track.

Table 3.6: Summary Economic Impacts: Racing Spectators (Off-Site Only)

	FTE EMPLOYMENT	LABOR INCOME*	OUTPUT (SALES)*
DIRECT EFFECT	57.29	\$1,943,647	\$4,079,141
INDIRECT EFFECT	6.89	\$488,773	\$1,281,831
INDUCED EFFECT	12.28	\$724,947	\$1,873,815
TOTAL EFFECT	76.46	\$3,157,368	\$7,234,787

*Reported in 2016 dollars

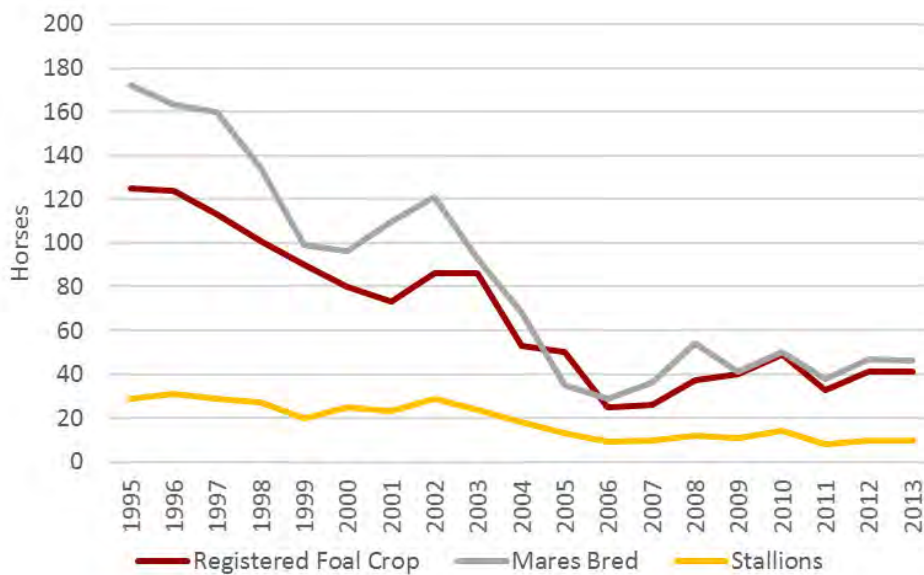
IMPACTS FROM THE THOROUGHBRED BREEDING INDUSTRY

Thoroughbred racehorse breeding is an import component of the Massachusetts Equine Industry, whose vitality is directly tied to the availability of racing opportunities within the Commonwealth. A Study of the Thoroughbred Equine Industry by Salem State University reported 62 thoroughbred breeding farms in Massachusetts as of 2013, with 71 additional farms that are somehow affiliated with Thoroughbred racing. According to that study, these farms accounted for \$15,086,483 in direct annual revenue and contributed 356 direct jobs to the state economy.

The Massachusetts breeding industry has fallen on hard times in recent years. Between 1995 and 2013, the Massachusetts foal crop has declined by 67 percent: dropping from 125 registered foals in 1995 to 41 in 2013 (Figure 3.1). We have seen a similar decline in the number of Mares bred by Massachusetts Stallions (down 73 percent) and the number of Massachusetts Stallions (down 67 percent).

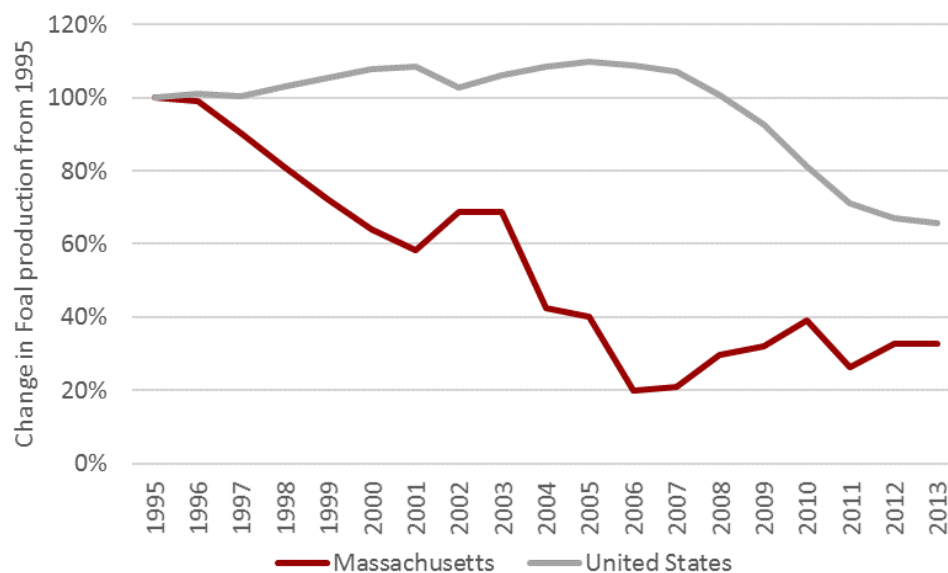
In part, the decline of Massachusetts Thoroughbred breeding reflects a broader, national decline driven by increased competition from expanded casinos and on-line wagering. As the handle to horse racing declines, so do the returns to breeders. However, the decline of the Massachusetts breeding industry far outpaces national trends. Figure 3.2, below, shows the relative decline in foal production since 1995.

Figure 3.1: Thoroughbred Horse Breeding in Massachusetts, 1995 to 2013



Source: The Jockey Club. 2016. Massachusetts Fact Book.

Figure 3.2: Foal Production, Massachusetts compared to the US, 1995 to 2013

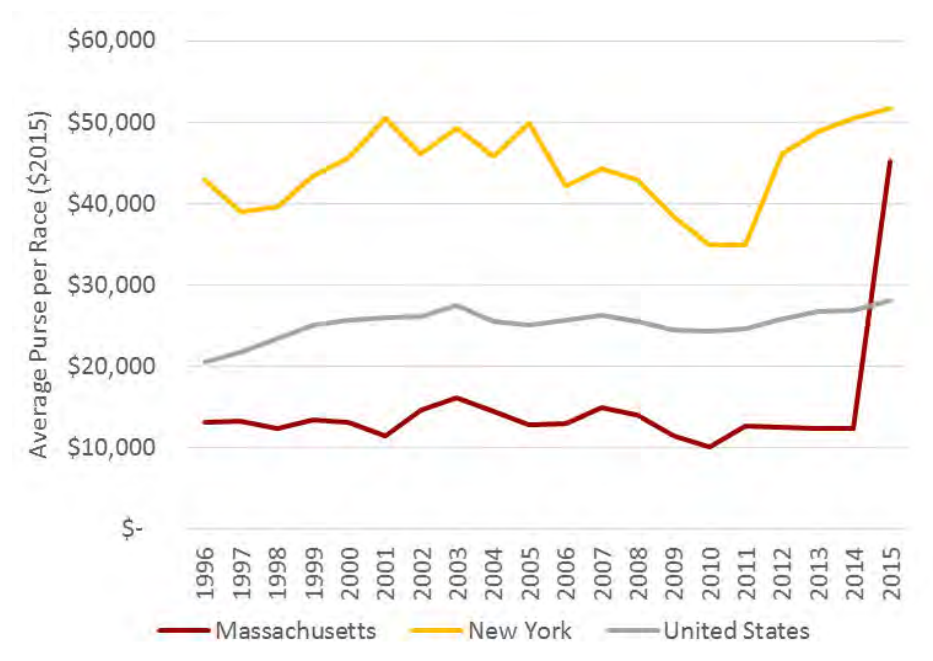


Sources: The Jockey Club. 2016. Massachusetts and National Fact Books.

Beyond national trends, the decline of the Massachusetts breeding industry is attributable to two primary factors: (1) low purses relative to other states, and (2) shrinking racing opportunities in the Commonwealth. Low relative purses reduce the potential returns to breeders and attract lower quality horses to racetracks in the state. This, in turn, leads to fewer bettors and smaller wagers,

which erode purses even further. The vicious cycle of falling purses depresses the value of Massachusetts equine breeding farms, which discourages investment in thoroughbred breeding, and threatens the open space the farms preserve. Over the past two decades, Massachusetts purses have typically fallen short of the national average, and have been well below our neighboring state of New York (Figure 3.3). That has changed following the passage of the Expanded Gaming Act of 2011, which dedicates a portion of casino revenues to supplement purses, making them more competitive with tracks in other states. The state's first licensed slots parlor opened in 2015, at Plainridge Park Casino, resulting in the dramatic rise in purses from 2014 to 2015 (Figure 3.3.) The Act also dedicates a portion of casino revenues to breeder awards, which provides additional incentives to Massachusetts-based breeders.²

Figure 3.3: Thoroughbred Purses per Race, Massachusetts vs. New York and the US



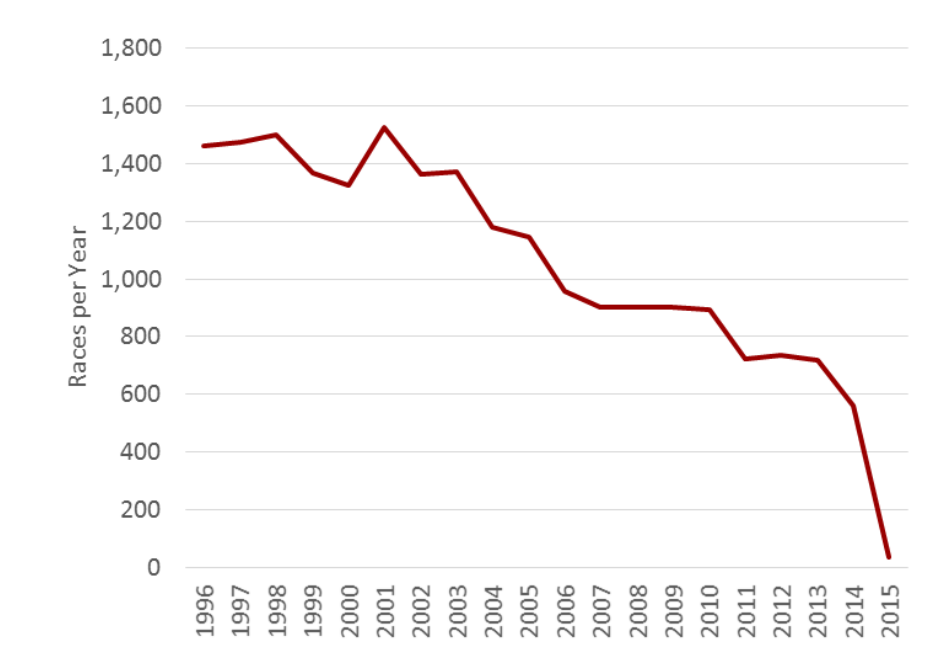
Sources: *The Jockey Club. 2016. Massachusetts, New York, and National Fact Books.*

The second critical component to a healthy thoroughbred breeding industry is access to ample in-state racing opportunities. Even with the competitive purse and breeding award programs codified in the Expanded Gaming Act, Thoroughbred breeding in Massachusetts will likely continue to struggle until there is more racing in Massachusetts. While the current rules permit bonuses paid to MA bred horses that race elsewhere, the major financial rewards are reserved for races taking

² It is worth noting that in 2011, New York began allocating a portion of the revenues from Video Lottery Terminals (VLTs) into the purse supports and breeder awards. As a result, the average purse per race rose from \$34,956 in 2011 to \$46,042 in 2012 (reported in 2015 equivalent dollars), according to data from the Jockey Club. These purse supplements and breeder awards had an immediate impact on foal production in New York, which increased by nearly 250 registered foals in a single year.

place within Massachusetts. Simply put, fewer races provide fewer opportunities to earn revenue. There were only 36 Thoroughbred races held in Massachusetts last year at Suffolk Downs (Figure 3.4). Without a racetrack of sufficient quality to attract top-level racing, the future of the Thoroughbred industry in Massachusetts remains uncertain. This uncertainty sends a negative market signal to breeders and owners that discourages long-term investments in horses, capital equipment, land acquisition and other infrastructure. Breeders and owners also have a strong preference to locate near where their horses are racing. This is, in part, due to costs associated with travel and related expenses, but it reflects the fact that owners and breeders simply love to see their horses compete.

Figure 3.4: The Number of Thoroughbred Races held in Massachusetts, 1996 to 2015



Source: The Jockey Club. 2016. Massachusetts Fact Book.

It is clear from the preceding discussion that the establishment of a new thoroughbred racetrack will have a direct impact on the state's horse breeding industry. We focus on the expenditures associated with a reasonable expansion in the number of foals bred and housed in Massachusetts. We assume that the present purse subsidies and breeding program established under the Expanded Gaming Act of 2011 will continue in their present form. The discontinuation or restructuring of these incentives would certainly have a direct impact on the relative returns to breeding, and thus the possible expansion of the industry or the expected impacts of the program.

It is difficult to predict how many new foals we can reasonably expect following the opening of a new thoroughbred track with 75 days of racing. Our discussions with breeding industry experts suggests that it is reasonable to expect an increase in the Massachusetts foal crop to something

slightly above the 1995 level of production. Therefore, we assume an increase of 115 foals per year over current levels. This is a rather conservative assumption. The ultimate size of the foal crop may well be much larger as additional casinos open and purses and breeding awards continue to rise. Breeders typically raise their foals for two years prior to sale and the start of their training. Therefore, we estimate the number of additional foals residing in Massachusetts at 230: twice the expected number of foals born each year. The mother of the foals (mares) must also be cared for during the nearly year-long gestation period. We assume 115 additional Massachusetts mares will reside in Massachusetts per year (one mare per foal).

Breeding, raising and training thoroughbred racehorses is a rather expensive business. Based upon our discussions with several Massachusetts breeders, we estimate that it costs roughly \$10,000 per year to care for a foal or mare. This estimate corresponds with those from a 2013 study of a racetrack in Saratoga, NY that estimated costs between \$6,000 and \$12,000 per year to care for a mare or foal in New York. At \$10,000 per horse for 345 foals and mares, we estimate the equestrian racing complex will result in just under \$3.5 million per year in total annual new spending by Massachusetts breeders.

Foals typically begin their formal training for racing in their third year. A young racehorse typically spends a year in training before their first start, and continues training throughout their career. According to industry experts, 90 percent of Massachusetts-bred foals will likely train and race in state (assuming the construction of a new racetrack and the current purse and award supplements). The yearly costs of training, stabling, and feeding a thoroughbred racehorse is estimated at \$25,000 per year, for a total annual expenditure bill of nearly \$2.6 million. We assume the remaining 10 percent of foals are sold out-of-state at the national average auction price. Over the past three years, the average sale price from two-year old horses was approximately \$70,000 per horse according to statistics from the U.S. Jockey Club. Thus, we include an addition \$805,000 per year for expanded out-of-state horse sales.

Our estimates of racing participant impacts already include the costs associated with active racehorses during the racing season. There, we estimated that it costs roughly \$13,500 to train and care for each horse during the season. Some of these active horses will remain in Massachusetts off-season, while others will return to their home states or move on to events in other states. For example, a 2012 study of racing at Suffolk Downs reports that over 80 percent of all Suffolk Thoroughbreds are from out-of-state. However, the purse and breeder incentives enacted through the 2011 Expanded Gaming Act greatly improve the expected returns to Massachusetts-bred horses and thus will likely increase the share of Massachusetts horses racing at the new track. We use the conservative estimate that 400 active horses (or half of the assumed 800 horses on-site) will be from Massachusetts. In time, we expect an even larger share of horses racing at the new racetrack will be from in state, although it will take a few years for the Massachusetts-bred horses to work their way into the racing circuit. Given the average care and training costs of \$25,000 per horse and the racing season expenses of \$13,500, we estimate off-season expenditures of \$11,500 per horse, or \$4.6 million in total.

Expenditures for horse breeding, care, and training typically include veterinary fees, farrier (shoeing) care, bedding, feed, and labor costs. Breeding and training farms also make periodic investments in materials, new equipment, and other infrastructure. Most of this spending will go to workers living in Massachusetts or in-state vendors. Assuming that 75 percent of all direct expenditures stay in state, we estimate a combined direct effect of just under \$8.0 million in additional direct purchases to Massachusetts businesses/workers per year. With the \$805,000 in exports from out-of-state horse sales, the total direct effect approaches \$8.8 million per year, and a total economic impact of just over \$16 million per year in 2016 dollars (Table 3.7). This level of additional output is enough to sustain 112 full-time equivalent (FTE) jobs, and contribute over \$9 million in additional income for Massachusetts households.

Table 3.7: Summary Economic Impacts: Expansion of the MA Breeding Industry

	FTE EMPLOYMENT	LABOR INCOME*	OUTPUT (SALES)*
DIRECT EFFECT	62.9	\$6,233,219	\$8,783,125
INDIRECT EFFECT	13.0	\$896,237	\$1,804,086
INDUCED EFFECT	36.0	\$2,127,347	\$5,497,857
TOTAL EFFECT	111.9	\$9,256,802	\$16,085,068

*Reported in 2016 dollars

EQUESTRIAN CENTER HORSE SHOWS & COMPETITIONS

SUMMARY & ASSUMPTIONS

The economic impact of the equestrian center component of the horse park will also come from three primary sources: (1) center operations; (2) horse-related spending by out-of-state participants; and (3) people-related spending by out-of-state visitors and participants. As before, we are careful not to double count spending across categories, such as event and entry fees, paid by participants, which fund facility operations. We also only consider spending that comes from out-of-state sources.

Our approach is to model a hypothetical “calendar” of equestrian events that could be expected at the facility once it is in full operation and has had sufficient time to establish itself as a premier destination among event organizers and horse enthusiasts. The economic impact of the proposed Equestrian Center relies greatly on the number and prestige of the events held at the facility. Generally, the more events there are, the greater the impact becomes. This is especially true when those events are international and national in scope, as they draw a greater number of visitors from outside of the state.

We assume that the proposed Center will be a first-class facility, with the potential of hosting major national events. Our estimates of the number of events and presumptive attendance figures are

based on a thorough review of existing equestrian centers and horse parks around the nation, with a particular focus on the Virginia Horse Center, in Lexington VA, and the Kentucky Horse Park, in Lexington KY. Both are considered first-class equestrian facilities, and both regularly host national and international grade events.

Using the activity at other centers as a guide, we developed a set of initial assumptions regarding the usage of the facility. We then adjusted these initial estimates based on interviews with industry experts, such as directors of similar Centers in other parts of the country. Given the inherent uncertainty, we tend to err on the side of offering more conservative, yet realistic, attendance and participation estimates.

Key Assumptions:

- There will be 70 equestrian events held throughout the year. The calendar will include five major events (national scale such as division championship), 40 mid-sized events (multi-state such as a regional division championship), and 25 minor events (within state, or local).
- The facility will also host 18 non-equestrian events, predominantly catering to a local and regional audience.
- A typical major equestrian event will last for four days. Moderate and minor events will last for 4.5 and 1.5 days, respectively. Non-equine events will last for 2 days, on average.
- The average equine event will attract roughly 2,221 unique visitors. The average non-equine event will attract 1,211 unique visitors per event.
- Eighty percent of the visitors and participants at major events will come from out-of-state. The typical moderate-scale event will draw 45 percent of its visitors from neighboring states. A minor event will only draw 5 percent from out-of-state. Finally, 20 percent of the attendees of non-equine events will be from outside Massachusetts.

The key assumption of 70 equestrian events per year falls within the range of other major equestrian centers, such as in Virginia and Kentucky, which host between 70 and 90 equestrian events per year. Our assumption of 18 non-equestrian events is also in keeping with other centers, which typically host between three to four equine events for every non-equine event.

Based on these assumptions, we expect the new facility to attract \$16.7 million in direct additional economic activity in the state each year (Table 3.8). The largest portion of this comes from event visitors and participants who make purchases at the event and at area businesses. As this \$16.7 million in new money trickles through the Massachusetts economy, it will generate a combined total of \$31.8 million in annual output and sales: enough to support the creation of 280 new FTE jobs and generate \$14.5 million in new household income. The statewide output multiplier for the Equestrian Center component is 1.9. Thus for every dollar spend directly at or by the center, we expect an additional 90 cents to flow to other businesses in the state.

Table 3.8: Summary Economic Impacts: Equestrian Center Component

	FTE EMPLOYMENT	LABOR INCOME	OUTPUT (SALES)
DIRECT EFFECT	175.0	\$8,427,085	\$16,658,893
INDIRECT EFFECT	48.1	\$2,745,964	\$6,497,418
INDUCED EFFECT	56.5	\$3,333,705	\$8,615,606
TOTAL EFFECT	279.5	\$14,506,754	\$31,771,916

IMPACTS FROM CENTER OPERATIONS

We estimate that the proposed equestrian center will spend roughly \$5.6 million per year in operations. We developed this estimate by dividing the total annual operational expenditures at other equestrian centers by the number of days those facilities were hosting events (i.e. event-days). The average operational costs for existing centers run close to \$35,600 per event-day. As we expect 157.5 total event days at the proposed Massachusetts facility, the resulting annual operations budget is estimated to be roughly \$5.6 million. This compares well with other existing centers. The Virginia Horse Center's operational budget is closer to \$4 million per year. The Kentucky Horse Park has annual operational expenditures of roughly \$12 million per year, but has extensive facilities, including a horse museum and the offices of national equestrian associations, complemented by numerous revenue streams.

Not all of the operational spending can be counted as direct effects, however. Unlike a race track, which generates a separate revenue stream through the handle, a large share of an equestrian center's operational costs are financed through fees charged to event organizers, participants, spectators, and on-site sales of products and services. Some of these individuals will be from Massachusetts. As before, we can only attribute the portion of the operational expenditures that come from out-of-state sources as direct effects. A 2007 study of the Kentucky Horse Park estimates that roughly 66 percent of all revenues originate from out-of-state.

Assuming a similar percentage, we estimate that Center operations will add \$3.7 million in new spending to the Massachusetts economy per year (Table 3.9). According to IMPLAN, this level of output is enough to sustain 32 FTE employees at the facility. The actual center may actually hire more workers than this, especially at peak season. However, our model only reports the portion of employment that is supported by new outside funds, and does not consider workers that are paid for by in-state proceeds.

We estimate the total economic impact due to operations at \$8.5 million per year. This is equivalent to 70 new FTE jobs and \$2.9 million in additional labor income.

Table 3.9: Summary Economic Impacts: Center Operations

	FTE EMPLOYMENT	LABOR INCOME	OUTPUT (SALES)
DIRECT EFFECT	31.72	\$912,007	\$3,703,346
INDIRECT EFFECT	27.43	\$1,295,161	\$3,046,032
INDUCED EFFECT	11.18	\$659,908	\$1,705,022
TOTAL EFFECT	70.32	\$2,867,076	\$8,454,400

EVENT PARTICIPANT/HORSE-RELATED EXPENDITURES

As with racehorses, participants at equestrian competitions and shows spend a considerable amount of money on the feeding and care of their horses during shows and competitions. They also make purchases of horse-related supplies and equipment at these events. Our hypothetical calendar includes 70 equestrian related events per season, divided into 5 major, 40 moderate, and 25 minor events per season. In this scenario, we model participant spending on a per horse-day basis. Based on an analysis of other studies, we assume that the typical major event hosts 500 horses per day over a four-day event. Moderate events are expected to last for 2.5 days, on average, and host 300 horses. We assume that minor events host 150 horses per day and last for 1.5 days, on average. We also make different assumptions regarding the origin of the participants, based on the scale of the event. There is no solid data on where the horses come from, but there is for the human participants. We assume that major events draw 80 percent of participants from out-of-state, moderate events draw 45 percent, and minor events only 5 percent. This is in keeping with the fact that, by definition, minor events are almost always local events that primarily draw participants from within the state.

Over a typical year of 70 events, we expect there will be just over 40,000 horse-days spent at the facility by out-of-state participants. Based upon data provide by studies of other centers, we estimate an average of \$141 of spending per horse per event day. This includes event fees, feed, bedding, veterinary care, and other direct horse expenditures while at the event. It also includes the purchase of horse-related equipment and supplies, which are typically for sale at shows by specialty retailers. It does not include spending pertaining to the lodging, care, and feeding of the human participants. The next section on visitor impacts covers the impacts of their spending.

The \$141 in daily purchases, made by out-of-state participants across 40,281 horse-days, produces a total direct effect of \$5.7 million per year (Table 3.10). This additional revenue will produce a total impact of over \$10.4 million on the Massachusetts economy, primarily through increases to household income and household spending. Over \$6 million will go to Massachusetts workers, and the additional spending of these workers alone (the induced effect) will generate \$3.6 million in new sales in the Commonwealth.

Table 3.10: Summary Economic Impacts: Center Participants

	FTE EMPLOYMENT	LABOR INCOME	OUTPUT (SALES)
DIRECT EFFECT	40.76	\$4,042,180	\$5,695,769
INDIRECT EFFECT	8.41	\$581,201	\$1,169,932
INDUCED EFFECT	23.37	\$1,379,563	\$3,565,305
TOTAL EFFECT	72.53	\$6,002,944	\$10,431,006

Note that while we provide these estimates for participants at equestrian events, we do not provide a comparable analysis of spending of participants at other events. The non-equine events held at equestrian facilities vary greatly: dog-shows, tractor-pulls, and agricultural fairs, just to name a few of the possibilities. There are simply far too many options to develop an accurate spending profile for participants at these venues. This means that our figures will be underestimates, but by how much we do not know. The downward bias may end-up being rather small considering that there are relatively few non-equestrian events on the hypothetical calendar. It is also likely that participants of horse shows and competitions spend far more money than other event participants, who do not normally have to cover the cost of feeding and care of a large animal.

IMPACTS FROM CENTER VISITOR SPENDING

The final component is the spending on the (human) participants and other event spectators. For the sake of brevity, we will refer to these as visitor impacts. We developed a profile of the typical spending patterns of equestrian center visitors, based on a review of studies of existing centers elsewhere in the county. Overall, the expenditure patterns of horse park visitors look a lot like the non-wager spending of racing spectators. Horse park visitors spend an average of \$109 per day, with lodging, food/restaurants, retail purchases, and travel services being the largest expenditure categories. We were not able to develop separate estimates for non-equestrian event visitors, but assume they follow a similar expenditure profile as those attending equestrian events.

We also used these studies to develop daily attendance rates for both equestrian and non-equestrian events. The average daily attendance for equestrian events was 2,221 visitors (including event participants). The average daily attendance for non-equestrian events held at existing centers was 1,211. Considering the number of hypothetical event days, we estimate the total annual out-of-state attendance at equestrian events (of all types) at 78,287 unique visitors per year. To put this in context, a recent study of the economic impact of the Kentucky Horse Park estimated the number of unique equine event visitors at 93,992. Attendance of roughly 80,000 visitors per year seems reasonable, given that we assuming fewer events at our prospective facility (70 equestrian events for MA, and roughly 90 for Kentucky). We also assume that larger events draw a relatively larger share of its visitors from out-of-state. Based on studies that use both license plate and visitor surveys at other centers, we assume that major events draw 80 percent of participants from out-of-state, moderate events draw 45 percent, and minor events only 5 percent. We assume that 20 percent of the visitors for non-equestrian events are from out-of-state, a number reported in a 2001 study of

the Virginia Horse Center. We estimate that there will be 21,201 attendees at non-equestrian events throughout the year, 4,240 of whom will be from out-of-state.

Multiplying our estimates of daily expenditures with our estimate of 82,527 daily event attendees produces an estimate of just over \$9 million in total visitor expenditures per year. Some of this spending will take place outside of Massachusetts. Using standard local spending averages provided within IMPLAN, we estimate that out-of-state visitors will spend roughly \$7.3 million per year in Massachusetts while attending events at the equestrian center. This additional revenue will produce roughly \$12.9 million in total new spending and 137 new FTE jobs in the Commonwealth each year (Table 3.11).

Table 3.11: Summary Economic Impacts: Center Visitor Spending

	FTE EMPLOYMENT	LABOR INCOME	OUTPUT (SALES)
DIRECT EFFECT	102.47	\$3,472,898	\$7,259,778
INDIRECT EFFECT	12.26	\$869,602	\$2,281,454
INDUCED EFFECT	21.92	\$1,294,234	\$3,345,279
TOTAL EFFECT	136.65	\$5,636,734	\$12,886,510

THOROUGHBRED HORSE RETIREMENT FARM

The third and final component of our economic impact model considers impacts from the operations of a retirement and retraining farm for Thoroughbred racehorses. Although there are no formal studies of the economic impact of such farms to use as a guide, we were able consult with the founder and current president of Old Friends Thoroughbred Retirement Farms. We used financial and operational data from Old Friends to estimate the economic impacts of a similar type of facility in Massachusetts.

Old Friends is a 501(c)(3) non-profit organization that operates two Thoroughbred retirement centers: one in Georgetown, KY and a second, smaller, facility in Saratoga, NY. In 2015, Old Friends also acquired a satellite facility along the Kentucky/Tennessee border. Together these facilities are home to roughly 150 rescued and retired Thoroughbreds. Revenues come entirely from donations, grants, sales at its gift shop, and private support. The larger Kentucky facility has also become a popular tourist destination, attracting roughly 20,000 visitors per year.

We assume that the proposed Massachusetts retirement farm will follow a similar revenue model where operational costs come entirely from out-of-state contributions. We further assume that the facility will house 40 Thoroughbreds on site, although the actual number will depend upon site-specific considerations that are yet to be determined. A 40-horse farm is considerably smaller than the Kentucky farm, with roughly 120 horses in residence, but it is larger than that of Saratoga, which has closer to 20. We cannot predict how many of these horses will be from out-of-state, but

it is a fair assumption that without such a facility in the state, these horses would have to be cared for elsewhere.

At this level, we estimate that the Massachusetts facility will spend slightly more than \$325,000 on operations, including all horse-related expenditures (Table 3.12). We also assume that the Massachusetts Farm will draw roughly 7,000 visitors per year, of which 20 percent will be from outside of the state. The spending profile of these out-of-state visitors will mirror that of other types of tourists who spend roughly \$96 per day on lodging, food and other purchases.

Table 3.12: Summary Economic Impacts, 40 Horse Retirement Farm

	FTE EMPLOYMENT	LABOR INCOME	OUTPUT (SALES)
DIRECT EFFECT	11.53	\$265,782	\$464,406
INDIRECT EFFECT	0.49	\$35,867	\$91,529
INDUCED EFFECT	1.53	\$90,284	\$233,238
TOTAL EFFECT	13.55	\$391,932	\$789,172

The combined spending of the Center and its out-of-state visitors is expected to generate roughly \$464,000 dollars in additional sales in the Commonwealth per year. This is enough to provide 11 FTE jobs at industry standard salaries. However, as this type of facility relies greatly on volunteer labor, the actual employment count at the farm may be smaller. Accounting for leakage and multiplier effects, the total economic impact of the retirement farm will be just under \$800,000 per year, enough to sustain 13.5 FTE year-round jobs.

4. CONCLUSION

Based on our analysis, it is our conclusion that the creation of a multi-use horse park would provide a significant economic opportunity for the Commonwealth. The following factors were critical in forming this conclusion.

- The creation of a horse park will result in the capture of a significant amount of tourist, recreational, educational, exhibition and service activity not presently found in the Commonwealth. The Massachusetts Horse Park would be far more than a race track: it would be an all-season venue attractive to a wide array of visitors across New England. Indeed, there is no such facility in New England.
- Massachusetts residents, despite a lack of local opportunities, have maintained a significant interest in horse wagering. The horse park would help to capture these funds within the Commonwealth.
- The horse park would capture conference and trade show events that, despite our significant interest in equestrian activities, is largely bypassing the Commonwealth and New England.
- The horse park would expand retail sales for a wide array of Massachusetts based merchants who focus on the sale of equestrian goods and services.
- The horse park would expand our academic research and training in equestrian activities through the potential involvement of equine programs at universities, community colleges, and agricultural vocational high schools.
- Through a local purchasing policy, local farmers would have increased opportunities to sell their produce. It would also bring more acreage, now unproductive, in to active use.
- Through involvement with 4-H and other organizations helping to educate our youth, the horse park would have a first rate facility to meet their needs and interests.
- Through the creation of a retirement home, the owners of older horses will be able to find a caring facility close enough for visiting, and retrain their animals for second and third careers in competitive or therapeutic pursuits.
- Through the creation of riding, hiking and cross country skiing trails, the horse park would stimulate a healthy recreational involvement of its citizens and job opportunities in a multi-season venue.
- The local community would capture additional income through a “Payments in Lieu of Taxes” (PILOT) agreement.
- The creation of a year round Farmer’s Market/Artisanal Market venue would provide the potential for the sale of local produce and products.
- Through the use of modern lodging networks, local homes could gain revenue through boarding opportunities for tourists.
- The horse park will employ green energy principles in order to save costs and reduce its carbon footprint. Its open character suggests extensive opportunities for solar power.
- With the creation of a high end hotel, it will become a destination for weddings and banquets far beyond the racing season.
- It will bring job opportunities to an area in need of economic development.

5. COMMUNITY IMPACT CASE STUDIES

In this section of the report, we profile three case studies to help illustrate the types of events that could be offered at a Massachusetts Horse Park. The first, the Rolex Kentucky Three Day Event, is a major national scale competition, one of a handful of premier events on the U.S. equestrian calendar. The second, the New England Dressage Association Fall Festival is more typical of a regional-scale event, primarily drawing participants from the Northeastern United States. The third, the Massachusetts 4-H horse-show, is a statewide event. While it may draw few visitors from outside of the Commonwealth, we include it as a case study to help illustrate how these types of events support agricultural education and heritage.

ROLEX KENTUCKY THREE-DAY EVENT | LEXINGTON, KY

HISTORY

The Rolex Kentucky Three-Day Event (RK3DE) is held annually at the Kentucky Horse Park in Lexington, KY (Figure C1, below). The 1,224-acre facility is dedicated to “man’s relationships to horse.” The Kentucky Horse Park opened in 1978; the first World Championships were held there the same year. The event attracted 170,000 spectators, and brought \$4 million to the local economy. It was also broadcast worldwide on



CBS, putting Lexington on the map. The success convinced the American Horse Show Association to ask the event organizers to hold the event annually. In 1979 it was termed the “Kentucky Horse Trials” which was later changed to its current title 1982, when it was chosen as the initial sponsorship recipient by Rolex Watch U.S.A. The RK3DE held many levels of events in its first decade of operation, including intermediate and preliminary competitions. In the equestrian eventing world, the highest event level rating is CCI**** (the Concours Complet International four-star), as determined by the International Federation for Equestrian Sports (FEI). The RK3DE became the country’s first and the world’s third CCI**** competition in 1998. In 2000, the CCI**** is the event’s only competition, and RK3DE no longer offers any lower level competitions.

Figure C1: Kentucky Horse Park (source: kyforward.com)



EVENTING ACTIVITIES

Although the competition title states “three-day,” the eventing happens over a four-day span. Dressage encompasses the first two days, and focuses on equestrian control, and is considered the most aesthetically pleasing of the disciplines. The cross-country phase is held on the third day, testing equestrian stamina with 30-40 obstacles along an outdoor course, made to simulate the surrounding countryside. The final phase, jumping, tests equestrian fitness on the final day, and is held entirely within an indoor stadium ring (Figure C2). These three events, in combination, extensively test the partnership between the horse and its rider.

Figure C2: Stadium Jumping at RK3DE (source: kentuckyworlddequestriangames.com)



COMMUNITY IMPACT

Lexington is Kentucky's second-largest city, with an estimated population of 310,797 as of 2014, according to the U.S. Census Bureau. Lexington is the center of Kentucky's Bluegrass Region, an area characterized by fertile soil, open pasture land, and active farms. It was the first city in the United States to enact an Urban Growth Boundary, which restricts development and helps to preserve farmlands. Known as the "Horse Capital of the World," it is easy to see that horses and farms are a central part of this community.

Lexington's economy is among the most stable in the country, with a 4.4 percent unemployment rate as of January 2016. Its largest employer is the University of Kentucky, and the city is home to many large corporations, including Xerox, Lexmark International, Lockheed-Martin, IBM, and the J.M. Smucker Company. Unsurprisingly, Lexington is one of the ten well-educated cities in the nation: nearly 40 percent of its residents possess at least a bachelor's degree. The city also hosts many cultural events and fairs, such as the Mayfest Arts Fair, the Festival of the Bluegrass, Festival Latino de Lexington, and "Southern Lights: Spectacular Sights on Holiday Nights" held at the Kentucky Horse Park.

Even a single massive event like the RK3DE can have considerable impact on the community. The RK3DE brings in people from all over the world, who spend a considerable amount of money at area businesses. A 2013 study estimated that the RK3DE's total economic impact on the local economy was \$14.2 million in a four-day span: over \$3.5 million per day. The major impact driver was the money spent by the estimated 35,991 visitors from outside the region, who accounted for 10,600 paid lodging room-nights during the event. Remarkably, approximately 25 percent of visitors enjoyed annual household incomes exceeding \$150,000 per year. Visitors spent an average of \$243.74 per day per person in the local economy. Almost \$4 million of the new money flowing into the region went to area businesses outside of the horse-park, for food transportation, lodging, and equestrian needs.

The Kentucky Horse Park, where RK3DE is held, is about 10 miles outside of Lexington and about 8 miles outside of Georgetown. There were plans in 2010 to put in a hotel on the same I-75 exit as the Kentucky Horse Park, but this has yet to come to fruition. However, the lack of lodging near the horse park has been to the benefit of downtown Lexington, where many RK3DE visitors stay, shop, eat and drink.

Figure C3: A view of Lexington in the distance (source: visitlex.com)



Horses are an integral part of Lexington's social fabric, woven into its, economy, culture, and identity. The RK3DE provides many benefits for people who live within the vicinity, namely the chance to see national and international equestrian celebrities. Tom Elben, a columnist for the *Lexington Herald-Leader*, describes the RK3DE as a bonus of living in Lexington. "It's a good excuse to get out and walk around on a beautiful day in a beautiful place and see some of the world's best horses and riders do amazing things" (Elben, 2009). This event is an inspiration for beginner riders who are looking to improve their riding and eventing skills. The possibility to see world-class riders and experience a world class event gives the community an opportunity to display their Kentucky pride and love of all things equestrian. "A major Rolex demographic is little girls who love horses and older girls who are getting good at riding them. They are accompanied by camera-toting fathers, and mothers, many of whom used to be those little girls" (Elben, 2009). The RK3DE is a symbol of the community's legacy and tradition. It not only brings world-class riders to the community, it also brings the community to the riders.

FALL FESTIVAL OF DRESSAGE | SAUGERTIES, NY

HISTORY

The United States Dressage Federation (USDF) was founded in the early 1970s, in order to advance “education, recognition of achievement, and promotion of dressage.” The USDF is divided into nine regions with affiliated local dressage clubs as group member organizations, or GMOs (Figure C4, below). Each region hosts its own annual championship, and the largest of these is in Region 8, which comprises GMOs in New York and New England. Every year, the New England Dressage Association (NEDA) hosts the championship, the Fall Festival of Dressage, at the HITS-on-the-Hudson event center in Saugerties, NY.



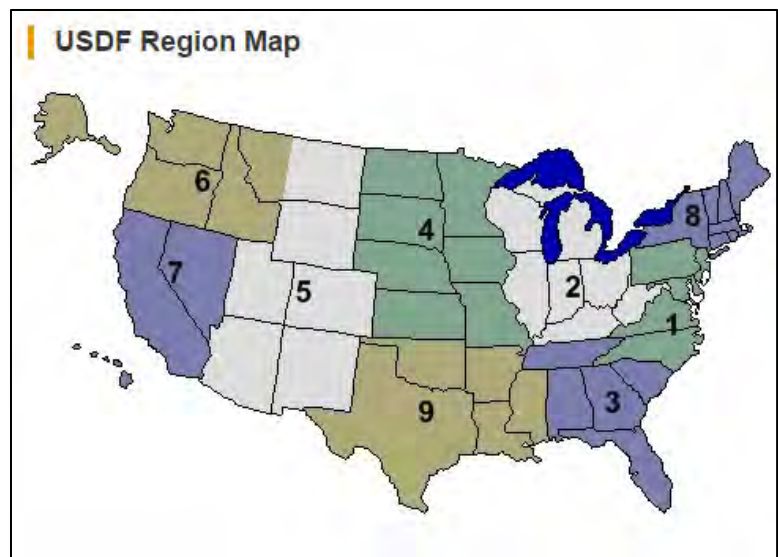
Figure C4: USDF Region Map (Source: www.usdf.org)

THE EVENT

The Fall Festival is held in late September. It is a four-day event, with multiple competitions in skill classes ranging from the Training Level to the Grand Prix. There are about 700 horses competing for the chance to move on to national competitions. The purse for the Fall Festival is \$49,000, and spectator admission is free.

The Region 8 Championship gives the winning riders the chance to compete at the National Dressage Finals at the Kentucky Horse Park in November. This event also supports a National Competition in which many rider levels compete. The NEDA sponsors the Fall Festival Dressage Sweepstakes, the NEDA Adult Amateur Championships, and the NEDA Juniors/Young Rider Championships. The CDI-W Y/J Saugerties International Competition is also held during the Fall Festival, an event recognized by the International Federation for Equestrian Sport (FEI). During this competition, riders and their horse can earn points towards representing their country at the World Games.

The Fall Festival also hosts a major competition for horse breeders and a major equestrian trade fair. The Sport Horse Breed Show is held on Thursday and Friday and offers the New England Sport Horse Breeder's Futurity Award (\$5,400) to recognize quality sport horse breeders in the



New England area (Figure C5, below). This competition serves as the regional finals of the USDF Breeders Championship New England Series. Lastly, the Equestrian Trade Fair is held all four days of the Fall Festival, supporting artists, horse suppliers, boutiques, and trailers.

COMMUNITY IMPACT

Saugerties is located in southeastern New York, sandwiched between the Catskill Mountains and the Hudson River. As of the 2010 U.S. Census, its population was 19,482. Although it is a small town, it boasts a colorful history. The town was originally purchased from the Esopus Sachem Tribe in 1677 for a piece of cloth, a shirt, a loaf of bread, and maize.

Figure C5: DonarShaun ggf [sic], winner of the 2015 Futurity

The community is extremely proud of its heritage, evident through the preservation of many historical and cultural landmarks, such as the Saugerties Lighthouse, the 1727 Kiersted House, and the Opus 40 environmental sculpture (Figures C6 and C7, below). Industry still has an important role, but there has been substantial growth in tourism in recent years, attracting people from the New York City area and beyond.



Traditionally, Saugerties is not a horse town but rather a blue-collar community that has suffered under a number of major plant closings in the past decades—such as the 1994 closure of a 1,500 job IBM plant in the nearby city of Kingston. The influx of equestrian visitors has been a welcome change. HITS Inc. developed its \$15 million equestrian center along the Hudson River in 2003. HITS-on-the-Hudson now supports about 3,000 horses and 2,200 riders every year between May and September. This center has had a major impact on the economy of Saugerties and its character. A 2011 article in the *New York Times* quotes an area resident and business owner as stating, “When we first came to town, there were a lot of empty stores...and now it feels really vibrant. It’s like having the Hamptons in your backyard.”

It took some trial and error from the local businesses to figure out how best to capture the money of competitors and spectators at the equestrian center. One of the biggest changes to businesses over the summer is the extension of operating hours, in order to utilize the time after competitions end for the day.

Figure C6: Downtown Saugerties, NY (Source: discoversaugerties.com)



The last weekend of the dressage season is dedicated to the NEDA Fall Festival. The competition brings in about 700 horses and their riders along with another two to five individuals, often trainers and family members. The biggest effect the Fall Festival has is through the competitors and their retinue, who utilize the hotels, bed and breakfasts, and restaurants. Most of the spectators and participants come from no fewer than 15 to 20 miles outside Saugerties. Economically, for the town, this is an ideal situation. Money is brought in from outside the community, spent at local businesses, and then the people who brought the money leave after the competition. An owner of a local restaurant stated in the NY Times article, “People will say, ‘ugh, the restaurants are so crowded when they’re here...’ but I say, ‘yes, but we get to have that restaurant all year round.’ And if they weren’t here, I don’t know if we would or not.”



Figure C7: Saugerties Lighthouse
(Source: www.tripadvisor.com)

It is rare for any single event, even one as well attended as the Fall Festival, to have a transformative impact on a community. Rather, it is the cumulative impact from the entire calendar of events that has helped to revive the Saugerties economy. Just about every week or weekend from May to September, there is something happening at HITS-on-the-Hudson,

drawing new visitors to the community. Beyond its immediate impact on Saugerties, the Fall Festival and regional events like it also play an important role in supporting the New England equestrian community. The Fall Festival supports all levels of dressage, from beginner classes to classes that include competitors who have also competed in the Olympics or World Games. The Fall Festival is a time for the entire NEDA community to come together and support their discipline. For them, boosting the town’s economy is a secondary benefit.

MASSACHUSETTS STATE 4-H HORSE SHOW | NORTHAMPTON, MA

HISTORY AND BACKGROUND

4-H is the youth development arm of the federal Cooperative Extension Service of 110 land-grant universities utilizing 611,800 volunteers, 3,500 professionals, and 25 million alumni. Its mission is “engaging youth to reach their fullest potential while advancing the field of youth development,” with over 90,000 clubs across the country empowering over six million young people across the country.

The Massachusetts 4-H chapter was founded in 1908 and incorporated in 1956. This year also marked the birth of the 4-H horse project in Massachusetts. It was different from 4-H’s many other livestock programs because it was the first large-scale approach with a recreational intent rather than an economic one.



Figure C8: 4-H fosters love and appreciation for other living beings (Source: manukahoneyusa.com)

The programs offered through the Massachusetts 4-H are animal science, which features the horse program; science, engineering, and technology; communications; community service; leadership; as well as other infrequent and smaller programs and projects. The animal science programs focus on companion animals, livestock, poultry, and heritage breeds; a popular

project animal is the horse.

The 4-H horse program is for horse owners as well as horse lovers who do not own a horse. It’s primarily focus is horse care and education. Members compete in areas such as horse judging, hippology, and public speaking. It does not provide in-depth riding instruction; however, 4-H members will sometimes ride their horse as part of the activities. 4-H also sponsors horse shows around the Commonwealth where members of the horse projects can display their riding skills.

THE EVENT

The annual Massachusetts 4-H State Horse Show is held on the second weekend in September at the Three County Fairgrounds in Northampton, Massachusetts. This fall will be the 38th annual show. The show consists of the Horse Lover Division, Model Horse Show, Drill Team Performance, Hunter/Jumper Classes, Showmanship, and more.



Figure C9: 4-H member at horse show
(Source: extension.usu.edu)

This two-day event allows all Massachusetts 4-H members who participate in the horse project to display the talents and skills they have learned throughout the year. It also fosters the connection between peers who share the same interest in horses. By choosing the divisions or classes they wish to participate in, the members are able to highlight their strongest attributes.

Although this show is only open to 4-H members, 4-H hosts other types of horse shows, some of which are open to non-members. Communities and clubs are also able to put on their own horse shows, using a horse show-planning guide developed by 4-H that covers all the aspects of a horse show, from judges to performance rings to prizes.

COMMUNITY IMPACT

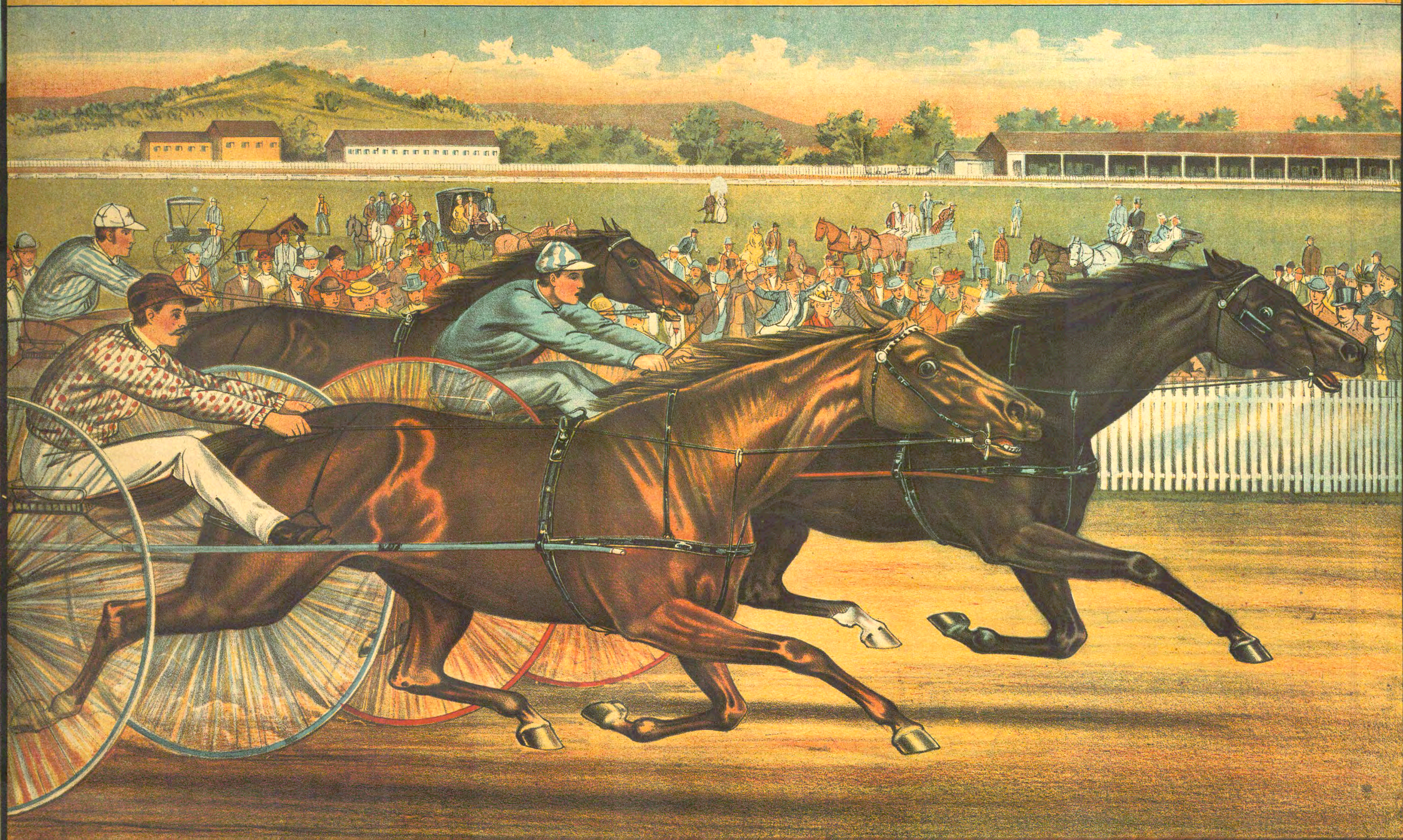
Due to its focus on local talent, events such as the 4-H State Horse Show tend to draw few out-of-state participants. As a result, from a narrow economic impact perspective, they bring little new money into the Commonwealth. However, they play a critically important role in building the equestrian community, which has spillover benefits on entire equine industry in the Commonwealth. A 2013 study by Christiansen Capital Advisors estimates that the thoroughbred equine industry alone contributes \$107 million in revenue to the Massachusetts economy each year, and is directly and indirectly responsible for nearly 1,500 full-time equivalent jobs. But this industry cannot thrive without a community of horse-lovers to support it, and a new generation of enthusiasts to take the mantle in the years ahead. The state horse show is the culmination of the stewardship of the local horse community.

The Massachusetts 4-H State Horse Show also supports an even more important educational mission. Through the horse project, participants learn responsibility and commitment to the project and horse and learn important life and work skills, such as respect for a schedule, fulfilling the needs of others, selflessness, and accountability. In fact, a recent study conducted by researchers at Tufts University's Institute for Applied Research and Development found that 4-H members were more likely to contribute to their communities, become civically active, and more likely to participate in Science, Engineering and Computer Technology programs³.

³ Lerner, RM at al. "The Positive Development of Youth: Comprehensive Findings from the 4-H Study of Positive Youth Development." National 4-H Council. Chevy Chase, MD: 2013.

1888 THE 34TH ANNUAL 1888

COREY



OF THE
WORCESTER SOUTH AGRIC'L SOCIETY
WILL BE HELD IN
STURBRIDGE, MASS.
THURSDAY AND FRIDAY,
SEPTEMBER 13 & 14, 1888

\$2,500 OFFERED IN PREMIUMS

GRAND
HOOK AND LADDER TOURNAMENT

Purse \$150. Divided, \$100 to first, \$50 to second. Open to all.

TROTTING RACES,
RUNNING RACE
AND FOOT RACES

ORDER OF ARRANGEMENTS.

FIRST DAY. Drawing numbers for Plowing Match at 9:00 A. M.; Plowing Match at 9:15. Exhibition of Town Teams at 10 A. M. Exhibition of Mares and Colts for Draft at 10:30 A. M. Exhibition of Horses and Cattle for Driving at 11 A. M. Exhibition of Stallions at 11:30 A. M. Dinner at 12 M. Speeches at table immediately after Dinner. Exhibition of Draft Horses at 1 P. M. Three-minute Race, Purse \$100; divided \$50, \$25, \$15, \$10, at 2 P. M. Running Race, Purse \$50; divided \$25, \$15, \$10, between heats of Three-minute Race. 230 Class, Purse \$200; divided \$80, \$60, \$40, \$20, at 3 P. M. Foot Race for men, 1 mile, Purse \$50; divided \$15, \$8, \$5, \$2. Foot Race, boys under 17 years of age, half-mile, Purse \$20; divided \$8, \$6, \$4, \$2. Entrance fee of one dollar required in the Foot Races, which will be run between the heats of 230 Class. The Trotting and Running Races will be best 3 in 5, mile heats. Speed to govern. 4 to enter 3 to start. Ten per cent. entrance fee required. Entries close at 11 P. M., evening before first day of Fair.

SECOND DAY. Grand Cavalcade of Horses in Harness or under Saddle at 9 A. M. Exhibition of Working Steers at 9:30 A. M. Exhibition of Carriage Horses for family use at 10:00 A. M. Exhibition of Working Oxen at 10:30 A. M. Exhibition of Gent's Driving Horses at 11 A. M. Purse \$50; divided \$20, \$15, \$10, \$5. For horses with no record, owners to drive to road wagon. Ten per cent. entrance fee required. Speed not to govern entirely. 4 to enter 3 to start. Entries close at 9 A. M. same day as race. Stallions not allowed to compete in this class. Dinner at 12. Exhibition of Fancy Trained Cattle at 1 P. M. Exhibition of Pairs of Carriage Horses at 1:30 P. M. 240 Class, Purse \$100; divided \$50, \$25, \$15, \$10, at 2 P. M. Trotting Colt Race, for Colts not over four years old, Purse \$75; divided \$30, \$20, \$15, \$10, at 2:30 P. M. Ten per cent. entrance fee required in two last classes. Entries close at 11 P. M. before first day of Fair. Speed to govern. 4 to enter 3 to start. Hook and Ladder Tournament between 1 and 2 P. M. Contest will be for men, to start from the wire in front of Grand Stand, run to Truck, take Truck to Exhibitors' Hall and place man erect astride the ridge of the building with uplited hand. Companies limited to 30 men, and must run only regular men belonging to the company.

GOOD MUSIC

WILL BE IN ATTENDANCE DAILY.

Premium List Furnished on Application to Secretary.

TIME OF ENTRIES.

All entries must be made with C. V. COREY, Secretary. For Plowing, before 4 P. M. on Saturday previous to the exhibition. A fee of \$1 required in Men's Class. All Stock thirty-six hours previous to exhibition, except horses that pay a ten per cent. entrance fee. In such classes entries will close at 11 P. M. Wednesday, 12th, except the Gent's Driving Class, which will close at 9 A. M. Friday, 14th. All entries must state age and breed of animals, manner of keeping, etc., also if owned thirty days within limits of Society previous to exhibition, except Trotting Horses, or any other fact the competitor may wish the Committee to act upon. Products of the Dairy, Articles of Manufacture, Horticulture and Floriculture, must be entered eighteen hours previous to first day of Fair. The same animal can not compete in two capacities, except in Plowing, Drawing, Town Teams, Working Oxen, Fancy Trained Cattle, and Pairs of Carriage Horses. Premiums and gratuities will be restricted to articles produced within the limits of the Society, except Neat Stock and Horses, and no premium will be awarded to any person not owner of the same, except Horses that pay a ten per cent. entrance fee, and Agricultural implements.

RULES AND REGULATIONS.

After the objects for exhibition are arranged, they will be under the care of the Executive Committee, and can not be removed without their consent until the close of the exhibition. Committees are not to award premiums to articles or objects which, in their opinion, are not worthy of the same. Premiums will be awarded to members of the Society only; gratuities to those not members. Premiums will be awarded upon all animals according to their merits, whether they have received the same or not. Competitors for premiums will be held to a rigid compliance of the foregoing rules, as well as to such regulations as may be adopted by the Committee of Arrangements for the occasion. If any competitors for any premium shall be discovered to have used any dishonest measure whereby the object of the Society has been defeated, such persons shall forfeit the premiums which shall have been awarded them. Premiums and gratuities will be paid at or after the annual meeting, except on horses that pay a ten per cent. fee, which may be paid immediately after the close of the exhibition. Any premium not demanded within one year will be forfeited to the Society. The Society has enlarged the Grand Stand to double its former capacity, and has stalls for 100 transient horses, and also have 86 box stalls. They have built 4 new, covered cattle sheds, and can cover over 300 head of cattle. By a vote of the Society, all stock and all exhibits will be required to remain on the grounds until 5 P. M. of the second day of the Fair. All horses that pay a ten per cent. entrance fee will be furnished stalls, hay and straw free, and all cattle entered for exhibition will be furnished sheds, hay and bedding free of charge. The Executive Committee will spare no pains to make this Fair the most attractive of any. Entries solicited from manufacturers, and space given free of charge. For further particulars see small bills.

ADMISSION TO GROUNDS:

First Day, Members Free.
Adults not Members, 50 Cents
Children over 5 and under 12 years, 20 Cents
Single Teams, 25 Cents
Double Teams, 50 Cents

SECOND DAY THE SAME.

EXECUTIVE COMMITTEE. Chas. H. Griffin, Brookfield; W. H. H. CHENEY, Southbridge; E. H. Chamberlain, Sturbridge; H. W. Nichols, Sturbridge; Geo. W. Sherman, Brimfield.
WALDO JOHNSON, President **C. V. COREY, Secretary.**

