

**STATE OF ILLINOIS  
ILLINOIS RACING BOARD**

**IN THE MATTER OF THE ISSUANCE OF ORGANIZATION LICENSES  
AND THE ALLOTMENT OF THOROUGHBRED AND HARNESS RACING  
DATES FOR CALENDAR YEAR 2016**

**ORDER**

This matter came to be heard on the applications of Arlington International Racecourse, LLC (“Arlington”), Hawthorne Race Course, Inc. (“Hawthorne”), and Fairmount Park, Inc. (“Fairmount”) for organization licenses and 2016 thoroughbred racing dates; and the applications of Balmoral Racing Club, Inc. (“Balmoral”), Maywood Park Trotting Association, Inc. (“Maywood”), and Suburban Downs, Inc. at Hawthorne Race Course (“SDI”) for organization licenses and 2016 harness racing dates.

Each applicant submitted a written waiver of the contested case provisions of the Illinois Administrative Procedure Act (5 ILCS 100/1, *et seq.*) and elected to present evidence to the Board at an open meeting conducted on September 29, 2015 (“2016 Dates Hearing”) at the James R. Thompson Center. (Tr. Part 1, 15). The Board heard testimony from witnesses for each of the applicants and considered exhibits submitted by each of them. In addition, the Board heard testimony from representatives of the Illinois Harness Horsemen’s Association (“IHHA”), the Illinois Thoroughbred Horsemen’s Association (“ITHA”), the Illinois Horsemen’s Benevolent and Protective Association (“HBPA”), and the Illinois Thoroughbred Breeders and Owners Foundation (“ITBOF”) per IRB Rule section 205.60. At its meeting on September 29, 2015, the Board deliberated and voted on the applications for organization licenses and race dates for 2016.

It is the public policy of this State to: (a) support and enhance Illinois’ horse racing industry, which is a significant component within the agribusiness industry; (b) ensure Illinois’

horse racing industry remains competitive with neighboring states; (c) stimulate growth within Illinois' horse racing industry, thereby encouraging new investment and development to produce additional tax revenues and to create additional jobs; (d) promote the further growth of tourism; (e) encourage the breeding of thoroughbred and standardbred horses in Illinois, and (f) ensure that public confidence and trust in the credibility and integrity of Illinois horse racing operations and the regulatory process is maintained. 230 ILCS 5/1.2.

In granting organization licenses and allocating dates for horse race meetings, Section 20(e-5) of the Illinois Horse Racing Act of 1975 ("Act"), 230 ILCS 5/20(e-5), vests the Illinois Racing Board ("Board") with the discretion to determine an overall racing schedule which is conducive to the best interest of the sport of Illinois horse racing and Illinois public. In making this determination, the Board must consider the following factors enumerated in Section 20(e-5):

- The character, reputation, experience and financial integrity of the applicant and of any other person that controls such applicant, directly or indirectly;
- The facilities or proposed facilities for the conduct of horse racing;
- The total revenue to be derived by the State and horsemen from the applicant conducting a race meeting (without regard to Section 32.1);
- The good faith affirmative action plan of each applicant to recruit, train and upgrade minorities in all employment classifications;
- The applicant's financial ability to purchase and maintain adequate liability and casualty insurance;
- The applicant's proposed promotional and marketing budget and prior year's promotional and marketing activities and expenditures for those activities;
- Any agreement among applicants for the issuance of racing dates; and
- The extent to which applicants meet or exceed other standards adopted by the Board.

The Board has carefully reviewed each of the applications, exhibits, presentations and supplemental information submitted by the applicants; all of the testimony and evidence; and the

Board has officially noticed other materials in its possession including, but not limited to, the Board's annual reports, past Dates Orders, the 2016 Staff Report, and Board statistics on racing through August 31, 2015. With respect to each application, the Board has considered all of the statutory criteria listed in Section 20(e-5) of the Act. Being fully advised in the premises, the Board makes the following findings of fact and conclusions of law:

- 1) Each applicant has demonstrated the financial ability to purchase the necessary casualty and liability insurance. (Exhibit 18 to 2016 Applications); (Staff Report, Ex. 1).
- 2) The following applicants own or have a lease or contract for the possession of the following racetracks:

<u>ASSOCIATION</u>	<u>TRACK</u>
Arlington International Racecourse, LLC	Arlington Park
Balmoral Racing Club, Inc.	Balmoral Park
Hawthorne Race Course, Inc.	Hawthorne Race Course
Fairmount Park, Inc.	Fairmount Park
Maywood Park Trotting Association, Inc.	Maywood Park
Suburban Downs, Inc. at Hawthorne Race Course	Hawthorne Race Course

- 3) None of the applicants is in default in the payment of any obligation or debt due the State.
- 4) The mileage between racetracks located in upstate Illinois is as follows:
 

Arlington Park and Balmoral Park	63.6 miles
Arlington Park and Hawthorne Race Course	30.4 miles
Arlington Park and Maywood Park	20.5 miles
Balmoral Park and Hawthorne Race Course	37.5 miles
Balmoral Park and Maywood Park	50.7 miles
Hawthorne Race Course and Maywood Park	10.5 miles

Fairmount Park is located more than 225 miles from the racetracks at which all other applicants seek to conduct race meetings.
- 5) Each applicant has submitted a summary of its workforce and its affirmative action plan

to recruit, train and promote female and minority employees. (Exhibit 27 to 2016 Applications);  
(Staff Report, Ex. K).

6) The racing dates awarded by the Board for 2015 were as follows:

**THOROUGHBRED**

	<u>Host Days</u>	<u>Live</u>	<u>Dark</u>
<b>Arlington Park</b> January 4 through January 26 (no live racing) April 27 through September 30	180	77	103
<b>Hawthorne Race Course</b> January 27 through February 19 (no live racing) January 1, 2, and 3 February 20 through April 26 October 1 through December 31	185	83	102
<b>Fairmount Park</b> March 24 through September 7	n/a	54	

**HARNESS**

	<u>Host Days</u>	<u>Live</u>	<u>Dark</u>
<b>Balmoral Park</b> January 3 through December 27	266	96	170
<b>Maywood Park</b> January 1 through December 31	99	96	3
<b>Suburban Downs Inc. at Hawthorne Race Course*</b> * No application for 2015 race dates was submitted.	0	0	0

7) The average daily handle (live and simulcast), State revenue generated, commingled handle (e.g., out-of-state handle on Illinois races) and on-track attendance at each 2015 race meet through August 31, 2015 are set forth below (Staff Report, Ex. C, 4-6):

<b>THOROUGHBRED</b>	Average Daily Handle	Average Daily State Gov. Revenue***	Commingled Handle **	Attendance
Arlington Park	\$1,819,613	\$26,181	\$1,341,966	8,320
Hawthorne Race Course Fall*	\$1,208,039	\$17,320	\$1,858,163	1,004
Hawthorne Race Course Spring	\$1,381,399	\$19,708	\$1,228,989	1,154
Fairmount Park	\$127,824	\$1,155	\$223,021	2,247
<b>HARNESS</b>				
Balmoral Park	\$508,485	\$7,328	\$794,309	1,100
Maywood Park	\$483,225	\$6,987	\$471,923	536
Suburban Downs Inc.****	\$0	\$0	\$0	0

\* Hawthorne Race Course Fall statistics reflect its 2014 race meet.

\*\* The State of Illinois does not generate revenue on commingled handle.

\*\*\* This reflects only the 1.5 percent pari-mutuel tax, and not local government revenue, sales or income or employment tax.

\*\*\*\* No application for 2015 race dates was submitted.

8) The Board considered the total revenue to be derived by the State and horsemen from the conduct of race meetings, without regard to Section 32.1 of the Act (the real estate pari-mutuel tax credit). State revenue generated per live race day in 2015 was greatest at Arlington (\$26,181), followed by Hawthorne (\$19,708), Balmoral (\$7,328), Maywood (\$6,987), and Fairmount (\$1,155). (Staff Report, Ex. C, 8). Purses earned are a statutory percentage of, and proportionate to, handle generated. (230 ILCS 5/26, 26.2, 29).

9) Consideration of **Financial Integrity**. The Board carefully considered the financial integrity of each applicant. In doing so, the Board took into consideration the economic climate in which the applicants, equine and agricultural participants, and the Board all must operate. The decline in handle and revenues from wagering over the past fifteen (15) years has caused concern over the financial health of each of the applicants. Absent legislatively enacted financial relief, racing presents a financial challenge to each applicant. (Tr. Part 1, 36, 51, 118).

On December 24, 2014, Balmoral and Maywood voluntarily commenced Chapter 11 bankruptcy reorganization proceedings in the U.S. Bankruptcy Court, Northern District of Illinois (Exhibit 12 to 2016 Applications). The filings were in response to a judgement entered against the racetracks on December 11, 2014, in favor of the state's four largest riverboat casinos. *Id.* The suit arises out of 2008 legislation, which extended a 3% tax on these casino's adjusted gross receipts, and was found constitutional by the Illinois Supreme Court decision in 2009. *Id.* The bankruptcy filings were necessary to preserve the value of the businesses and to ensure continued operations. *Id.*

In assessing the financial integrity of the applicants, the Board has reviewed each applicant's independently audited financial statements (Exhibit 5 to 2016 Applications); (Staff Report, Ex. F). The Board also considered a Financial Analysis of each applicant by IRB's Chief

Financial Officer, Vitto Okoye, as well as the General Financial Statement Review Checklist (“Checklist”), which is a summary of the information contained in each applicant’s financial statements (Staff Report, Ex. F). The Checklist includes a Z-score calculation for each applicant, of which the Board took official notice. A Z-score is a tool used to determine the potential risk of a business filing bankruptcy. The Z-score factors in components of debt, equity, assets, and liabilities to determine a final score Z-score (Staff Report, Ex. F, 4). The Z-score is then compared to historical information to evaluate the potential of bankruptcy. *Id.* A safe Z-score is greater than 2.60 with the potential for bankruptcy reflected by a score less than 1.10. *Id.* Arlington’s current year Z-score is 3.73 compare to their prior year Z-score of 2.90; Hawthorne, -4.41 compared to -3.31; Fairmount, 13.19 compared to 7.25; Balmoral, -32.25 compared to 12.77; Maywood, -46.79 compared to 3.00; and SDI’s current year Z-score is 11.04.

With respect to Balmoral’s and Maywood’s negative 32.25 and 46.79 Z-scores, respectively for calendar year 2014, the Board notes Mr. Olech’s testimony,

if you look at the board package, you can see that everybody, including Arlington and Hawthorne, are in fact losing money as we are. Our losses happen to be magnified for 2014 because we had a 77 plus million dollar judgment against us, and so all of our ratios look like garbage basically because of that one [judgment].

(Tr. Part 1, 43). Balmoral and Maywood do not have any assets collateralizing its debt or guarantees by any related party affiliates to ensure it can continue to meet its obligations in 2016.

In fact, Mr. Olech testified,

the notion of this money potentially going to the judgment creditors is one that effectively with this liability the entire estate of Maywood and Balmoral are in fact in the control of the judgment creditors because the 77 million dollar judgment against us is significantly greater than the valuation of the race track[s], even with the optimism based on Rossoff’s estimates on what the tracks will sell for, we will not get the 77 million dollar number. So effectively [the casinos] are in control of the estate at this point.

(Tr. Part 1, 50).

With respect to Hawthorne's negative 4.41 Z-score for calendar year 2014, the Board notes Hawthorne received a "clean opinion" and did not receive a "going concern" disclosure from its independent auditor. (Staff Report, Ex. F, 1-2). Hawthorne's 2013 and 2014 Z-scores and current ratios are calculated based on its Marketable Securities (approximately a 6.6 million dollar FMV) being restricted. (Staff Report, Ex. F, 3); (Hawthorne App., Ex. 5, Consolidated Financial Statements for 2014 and 2013, Notes 2, 5 & 17). These assets are currently pledged to Inland Bank, and thus, not classified as current assets. *Id.* Footnote 5, entitled "LONG-TERM DEBT" states in pertinent part,

The credit facilities are cross-collateralized by substantially all assets of the Company and certain real estate of the Company and co-borrowers including the real estate known as Hawthorne Race Course, which is owned by an affiliate/co-borrower of the Company. The agreements also contain certain limited joint and several guaranties of certain shareholders and related party affiliates. The credit facilities include certain financial covenants, as defined. At December 31, 2014, the Company was in compliance with the financial covenants or had received the appropriate waivers.

(Hawthorne App., Ex. 5, Consolidated Financial Statements for 2014 and 2013, Note 5). Based on the pledged Marketable Securities and cross-collateralized property and guarantees by related party affiliates Hawthorne can continue racing in 2016. The race dates awarded to Hawthorne are subject to the following condition:

Hawthorne is required to maintain the existing secured lines of credit and secured loans, and to produce written confirmation letters from those financial institutions verifying the loans have been maintained and extended, with sufficient available credit to satisfy all statutory obligations through the entirety of its 2016 race meet.

(2015 Dates Order, Para. 11, 20).

Based on the applicants' financial statements, the financial statement analysis and review, and the above condition placed on Hawthorne, the Board finds Arlington, Fairmount, Hawthorne and SDI each has the requisite financial integrity to conduct the race meets pursuant to the dates delineated in this order.

10) Members of the Board have visited each Illinois racetrack and are familiar with the facilities and accommodations of each applicant. The Board notes the following about Illinois' five racetracks:

**Arlington Park**

- a) Arlington Park has a 1 1/8 mile main course with a synthetic racing surface (Polytrack) and a one-mile turf course. Both are ideal for thoroughbred racing.
- b) For its main course, Arlington utilizes the Fontana safety rail, which is preferred by thoroughbred jockeys.
- c) Arlington's public facilities and accommodations are superior for warm weather racing.
- d) Arlington's backside facilities are conducive for warm weather racing.
- e) Arlington has sufficient stall space to accommodate all race dates requested.

**Balmoral Park**

- a) Balmoral Park has a one-mile clay and limestone track, equipped with lights, which is excellent for harness racing.
- b) Balmoral utilizes the "hubless hubrail," which is considered by harness drivers to be the most important safety feature available.
- c) Balmoral's facilities and accommodations for the public are excellent and appropriate for all weather conditions.
- d) Balmoral's backside facilities and accommodations are adequate for all weather conditions.
- e) Balmoral has sufficient stall space to accommodate all race dates requested.



**Fairmount Park**

- a) Fairmount Park has a one-mile dirt course and utilizes the Fontana Safety rail.
- b) Fairmount's public facilities and accommodations are adequate.
- c) Fairmount's backside facilities are adequate.
- d) Fairmount has sufficient stall space to accommodate all race dates requested.

**Hawthorne Race Course & Suburban Downs Inc.**

- a) Hawthorne's accommodations for the public are adequate for all weather conditions.
- b) Hawthorne Race Course has a one-mile dirt course, equipped with lights, and a 7/8 mile turf course, which is ideal for thoroughbred racing.
- c) Hawthorne uses a removable, modified Fontana safety rail system, for thoroughbred racing and the "hubless hubrail" for standardbred racing. Thoroughbred jockeys prefer the Fontana safety rail and harness drivers prefer the hubless hubrail.
- d) Hawthorne's backside facilities and accommodations are adequate for all weather conditions. Hawthorne provides and maintains off-site housing for backstretch workers.
- e) Hawthorne has sufficient stall space to accommodate all race days requested.

**Maywood Park**

- a) Maywood Park has a half-mile limestone track, equipped with lights, which is acceptable for harness racing.
- b) Maywood utilizes the "hubless hubrail," which is considered by harness drivers to be the most important safety feature available.
- c) Maywood's public and backside facilities and accommodations are excellent for all weather conditions.
- d) Maywood has sufficient stall space to accommodate all race dates requested.

## **HARNESSES**

11) **Balmoral Park**, located in Crete, Illinois has conducted both harness and thoroughbred racing during its 89-year history. Balmoral has conducted harness racing since 1991. Since 1998, Balmoral has operated a coordinated meet and purse distribution schedule with Maywood. In 2015, Balmoral was awarded two nights per week, January 3 through December 27, on Saturdays and Sundays. However, on August 27, 2015, the Board approved Balmoral switching live racing on Sundays to Fridays effective October 9, 2015. Balmoral hosts numerous stakes races during the summer and early fall. This stakes schedule directs national attention to the Illinois harness racing program. Several of these stakes races are part of the "American National" series and many stakes are restricted to Illinois bred horses. Balmoral's "Super Night," where approximately 1 million dollars in purses are distributed, is one of the country's premier harness racing events. Balmoral has assembled a year-around, full time professional organization with expertise in all areas of harness racing and marketing. In its 2016 application, Balmoral proposed a marketing and promotions budget of \$741,000. (Staff Report, Ex. J, 14). In 2014, actual marketing expenditures were \$814,261. (Staff Report, Ex. J, 13) For 2016, Balmoral has requested live racing two nights per week on Fridays and Saturdays, from January 2 through November 3. Balmoral requested a total of 87 live race days in 2016, as compared to 96 days awarded in 2015. (Staff Report, Ex. A, 2, 13).

12) **Maywood Park** located in Maywood, Illinois has conducted harness racing for more than half a century. Maywood is the host of the prestigious Windy City Pace. Since 1998, Maywood has operated a coordinated meet and purse distribution schedule with Balmoral. In 2015, Maywood was awarded two nights per week, January 1 through December 31, on Thursdays and Fridays. However, Maywood vacated live racing, approved by the Board on

August 27, 2015 and effective October 8, 2015. In its 2016 application, Maywood proposed a marketing and promotions budget of \$652,500. (Staff Report, Ex. J, 27). In 2014, actual marketing expenditures were \$711,921. (Staff Report, Ex. J, 23). For 2016, Maywood has requested live racing two nights per week on Fridays and Saturdays, from November 4 through December 31. (Staff Report, Ex. A, 1, 13). Maywood requested a total of 17 live race days in 2016, as compared to 96 days awarded in 2015. *Id.*

13) Representatives from Balmoral and Maywood testified in support of their applications and their proposed racing schedules. (Tr. Part 1, 30-87); (Tr. Part 2, 35-47). The following testified on behalf of Balmoral and Maywood: William “Duke” Johnston, President and General Manager of Maywood and Vice President of Balmoral; Randy Olech, Chief Financial Officer and Chief Operating Officer, William McKenna and Chad Gettleman, counsel, and Mike Belmonte, General Manager of Balmoral. (Tr. Part 1, 30, 84). Mr. Johnston testified that the Board members need to look out for the best interest of Illinois horse racing and specifically Illinois harness racing and the way to achieve that is to keep the race tracks going until slot legislation is passed. (Tr. Part 1, 36).

Mr. Olech testified the historic basis of the investment in harness racing made by Balmoral and Maywood over the years to be:

- a) Year-round stabling;
- b) Deferred recapture since 2003 totaling 3.6 million dollars – outstanding amount owed by the IHHA to Balmoral and Maywood;
- c) Maintained a presence on the mile harness track;
- d) Project purses to the horsemen will be overpaid by 5.6 million dollars by the end of 2015;
- e) Running the two (2) State fairs and the Brown County fair;

- f) Operate nine (9) OTBs;
- g) Provide one of the finest harness stakes programs highlighted by Super Night, which alone has over 1 million dollars in purses; and
- h) Out handled many of the racetracks in the country, with the exception of The Meadowlands.

(Tr. Part 1, 54).

Mr. Olech testified that Balmoral's and Maywood's "objective as operators of the race track is to try and keep things going in 2016 to live another day to potentially get the legislation passed for slots which is ultimately the only saving grace for the industry, at least in my opinion." (Tr. Part 1, 51). Mr. Olech also testified that the board package shows "Arlington, Hawthorne and Maywood had double digit declines in the Illinois product." *Id.* The double digit declines are a function of less racing, smaller fields, lower quality, and lower purses. *Id.* Purses will decline from 2015 to 2016 by approximately five percent (5%) to forty-two thousand eight hundred dollars (\$42,800) per day with Balmoral's and Maywood's 2016 proposed 104 race day schedule. (Tr. Part 1, 57-8).

In addition, Mr. Olech testified that the "racing board has to consider the best interest of the public and the sport of horse racing." (Tr. Part 1, 53). However, Mr. Olech also testified that the goal of Balmoral and Maywood is to "minimize the loan" and "the cash burn" in "anticipation of looking better to a prospective buyer" and to keep the race tracks financially viable for a potential suitor. (Tr. Part 1, 55, 61). Additionally, Mr. Olech testified that Balmoral and Maywood do not have an agreement with the IHHA. (Tr. Part 1, 55).

14) **Suburban Downs, Inc. at Hawthorne Race Course** in Stickney, Illinois has been in the standardbred horse racing business on and off since 1956. (Tr. Part 1, 95). SDI was incorporated in 1956 and ran double headers in the 1970s and 1980s in January and February.

*Id.* Doubleheaders were being run Wednesdays, Fridays and Saturdays during the day and again at night. *Id.* Hawthorne Race Course has a one-mile limestone course, which is excellent for standardbred racing. (2016 Applications).

15) Representatives from SDI testified in support of its joint agreement between Arlington, Hawthorne and SDI (“Joint Agreement”) and proposed racing schedule with Hawthorne, SDI and Arlington. (Tr. Part 1, 87-135). Tim Carey, President of Hawthorne and SDI, testified that as a result of meetings with the IHHA and ITHA, the Joint Agreement for calendar year 2016 was modified to increase the number of harness racing programs requested by SDI from 61 to 117 (no live racing during the two state fairs)(Tr. Part 1, 97-100); (Arlington/Hawthorne, slide 4). During his presentation, Mr. Carey testified that in the event there was no harness racing at the two (2) state fairs, SDI would race such dates, thus, SDI requested 128 harness programs. (Tr. Part 1, 100). The Joint Agreement estimates overnight harness purses of \$8,302,000 to be paid at SDI compared to \$4,440,800 at Balmoral and Maywood (104 harness programs) (Arlington/Hawthorne, slide 6). Mr. Carey testified if SDI received the 2016 harness dates, the “5 million dollar recapture liability to the IHHA is now a 1.5 million dollar liability” so an additional 3.5 million dollars can go in the harness purse structure. (Tr. Part 1, 102-3). Balmoral/Maywood slide presentation indicated “100% recapture recovery in 2016” (Balmoral/Maywood, slide 5). Board staff testified, if there is a dual breed race meet, there is a division of recapture among the two purse accounts (harness and thoroughbred). (Tr. Part 1, 71).

In addition, Mr. Carey testified that the Joint Agreement provides more racing programs and larger purses than under Balmoral’s and Maywood’s plan. (Tr. Part 1, 103); (Arlington/Hawthorne, slide 6). Mr. Carey also stated, the Joint Agreement proposes ten (10) months of thoroughbred racing and seven (7) months of harness racing, which is rivaled by only

four (4) other states in the country, all have alternative gaming (i.e. slots). (Tr. Part 1, 101-2). The Joint Agreement would also provide for harness racing five (5) days per week while Balmoral and Maywood is only proposing two (2) days per week. (Tr. Part 1, 113).

Prior to the 2009 racing season, SDI at Hawthorne Race Course had a long history of operating successful harness racing meets during the months of January and February (Arlington/Hawthorne, slides 7-9). Mr. Carey testified that in 2008, SDI had the highest average daily Illinois handle, the highest average daily simulcast handle, the highest average daily attendance, and the highest average daily purses. (Tr. Part 1, 103); (Arlington/Hawthorne, slide 7). In 2008, SDI ran 39, Balmoral 176 and Maywood 88 harness programs, respectively. (2008 IRB Annual Report). Mr. Bob Molaro, counsel for SDI and Hawthorne, testified that in 2008 SDI ran a great harness meet and Balmoral and Maywood also made rankings with their harness meets; however, Balmoral and Maywood asked the IRB for the entire harness schedule (all 365 days) because it could not be done without the host time. (Tr. Part 1, 123). He also stated that there is no way that two (2) main harness tracks, two (2) entities running harness in the same year. "It can't be done." SDI's plan must be adopted by the Board because it is the best plan. *Id.* In fact, Mr. Molaro stated the Board can grant 2016 racing dates to Balmoral and Maywood, but that would put Arlington, Hawthorne and SDI out of business. (Tr. Part 1, 126).

16) David McCaffrey testified on behalf of the IHHA as its President (Tr. Part 2, 2-19). He testified that Illinois horse racing is in a crisis situation and "we really need more racing opportunities." *Id.* Mr. McCaffery testified that Balmoral and Maywood requested two days of racing per week for 52 weeks and racing year round has its benefits but "two days a week is not an option to make a living." (Tr. Part 2, 5). He also stated the IHHA met with Balmoral and Maywood several times to request they try to increase the number of race days per week;

however, each time Balmoral and Maywood said they do not have the purse money to race more dates in 2016 after taking their recapture. (Tr. Part 2, 5-8). Conversely, SDI originally requested 61 racing days, but agreed to increase its harness program to accommodate the IHHA's requests. *Id.* He further testified that "[IHHA] as a board then met, and we were all over the place as a board." (Tr. Part 2, 7). There were people that wanted to stay with the Balmoral and Maywood plan and there were people that wanted to go to the Hawthorne plan." *Id.* The IHHA did not support or oppose the applications submitted by Balmoral, Maywood, or SDI; however, the IHHA said the following about its meetings with SDI, "that was a very good idea, a very good concession, very good compromise. [SDI] showed great flexibility, and they're to be given a lot of credit for that." (Tr. Part 2, 7-9); (Tr. Part 1, 55); (TR. Part 1, 129).

17) Because the Board finds that it is in the best interest of the sport of Illinois horse racing and the public to offer harness racing opportunities more than 2 days per week and to increase purse amounts by approximately 3.5 million dollars to keep horsemen in Illinois and maintain jobs; a condensed harness meet (7 vs. 12 months) needs to be provided to make Illinois competitive with its surrounding states, as only 4 other states have standardbred racing 7 months per year. (Tr. Part 1, 101-02). In addition, it is not in the best interest of the sport of Illinois horse racing and Illinois public, specifically, Illinois harness racing to issue race dates to "minimize the loan" and "the cash burn" in "anticipation of looking better to a prospective buyer." (Tr. Part 1, 55). The Board commends Arlington, Hawthorne and SDI in coming together and presenting the Joint Agreement for 2016 race dates with the goal of sustaining themselves, pursuing joint marketing efforts and willingness to work with the horseman associations to ensure the best interests of Illinois horse racing. Section 21(b) of the Act provides in pertinent part,

[t]he Board may exercise discretion in granting racing dates to qualified applicants different from those requested by the applicants in their applications. However, if all eligible applicants for organization licenses whose tracks are located within 100 miles of each other execute and submit to the Board a written agreement among such applicants as to the award of racing dates, including where applicable racing programs, . . . the Board may grant such dates and programs to such applicants as so agreed by them if the Board determines that the grant of these racing dates is in the best interests of racing. The Board shall treat any such agreement as the agreement signatories' joint and several application for racing dates during the term of the agreement.

(230 ILCS 5/21(b)). The Board finds the granting of racing dates requested pursuant to the Joint Agreement is in the best interests of racing.

#### **THOROUGHBRED**

18) **Fairmount Park**, located in Collinsville, Illinois provides racing opportunities for downstate Illinois horsemen and racing fans. As they have done for the last several years, Fairmount and the Illinois HBPA submitted a joint request for thoroughbred live race dates, this year requesting either: (1) 36 race days with eight (8) races per day or (2) 42 race days from May 3 through September 5, 2016 with seven (7) races per day. (Staff Report, Ex. D, 3-5); (Tr. Part 1, 19). After extensive conversations with trainers and owners, Mr. Lanny Brooks HBPA's Executive Director, obtained unanimous approval by the HPBA's Board for the 42 race day proposal. (Tr. Part 1, 21). Fairmount has experienced financial difficulty in recent years that has caused it to voluntarily reduce race days. Under Section 26(g)(7.1) of the Act, Fairmount must apply for at least as many live racing days as it conducted in calendar year 2000 in order to qualify for thoroughbred purses from simulcast and intertrack wagering. (230 ILCS 5/26(g)(7.1)). Fairmount has met this requirement by requesting 150 race dates in 2015. (Staff Report, Ex. A, 2, 9). The statute does not, however, require the Board to award any specific number of live racing days to Fairmount. In 2015, Fairmount was awarded 54 days. (Staff



Report, Ex. A, 13). Fairmount's request for a 42-race day schedule in 2016 represents a 22% reduction in dates that were awarded in 2014. (Tr. Part 1, 20). In its 2016 application, Fairmount proposed a marketing and promotions budget of \$258,200. (Staff Report, Ex. J, 11). In 2015, actual marketing expenditures were \$331,420. (Staff Report, Ex. J, 10).

19) Pursuant to Section 26(h)(1)(iii)(B) of the Act, in order for Fairmount to qualify for its intertrack wagering location licenses, the HBPA agreed with Fairmount Park President and General Manager Brian Zander to conduct fewer than 100 live days of racing at Fairmont Park. (Staff Report, Ex. D). Mr. Zander stated "we have a bottom of \$5,000 [purse]. (Tr. Part 1, 22-23). I sadly refer to it as the poverty level." *Id.* Mr. Brooks stated "don't lower the bottom anymore than \$5,000." (Tr. Part 1, 24). Pursuant to Section 26(h)(1)(iii)(C) of the Act, the Board finds that as a result of the insufficient level of purses available, that extraordinary circumstances exist, and that it is in the best interests of the sport of Illinois horse racing and Illinois public to conduct fewer than 100 live days of racing at Fairmount.

20) **Hawthorne Race Course** in Stickney, Illinois has been in the thoroughbred horse racing business for 106 years. Hawthorne Race Course has a one-mile dirt course and a 7/8 mile turf course, which are both excellent for thoroughbred racing. Hawthorne Race Course's turf course can be used in the spring, as it can regenerate in the summer and be ready for turf racing in the fall. Hawthorne traditionally starts the thoroughbred racing season with a meet in the late winter/spring and closes the thoroughbred season with a late fall, early winter meet. In 2015, Hawthorne raced January 1 through 3, February 20 through April 26, racing two, three, and four days per week, and from October 1 through December 31, four days per week. The Board finds that strong race meets in March and April conducted at Hawthorne Race Course are critical to maintaining a healthy horse population ready to run at Arlington in the summer. Hawthorne

hosts the prestigious Grade II Gold Cup and the Grade III Illinois Derby. Hawthorne's thoroughbred program emphasizes more Illinois bred races and provides racing opportunities and purses for more Illinois horsemen and those who are unable to race at Arlington. In its 2016 application, Hawthorne proposed a marketing and promotions budget of \$1,707,000. (Staff Report, Ex. J, 8). The total marketing budget for 2014-2015 was \$2,394,588 (Staff Report, Ex. J, 7). Mr. Carey testified that due to the Joint Agreement, "we plan on doing joint marketing." (Tr. Part 1, 104-5); (Arlington/Hawthorne, slide 10). He further testified that Arlington has assured Hawthorne that they are going to assist with Hawthorne's harness meet and the ITHA and IHHA will be asked to help facilitate Hawthorne's harness product. *Id.* He also testified that 10 months of thoroughbred racing and 7 months of harness racing only take place in 4 other states, and those states have alternative gaming. (Tr. Part 1, 101-2). For 2016, Hawthorne has requested live racing on January 1 and 2; two days per week on Fridays, Saturdays from March 7 through March 31; three days per week on Thursdays, Fridays, and Saturdays from April 1 through April 30; four days per week on Wednesdays, Thursdays, Fridays, Saturdays from September 30 through November 30; and three days per week on Thursdays, Fridays, and Saturdays from December 1 through December 31. Hawthorne requested a total of 65 live race days in 2016, as compared to 83 days awarded in 2015. (Staff Report, Ex. A, 4,16).

21) **Arlington Park**, located in Arlington Heights, Illinois is viewed nationally and internationally as a premier racing facility and has been successful in attracting world-class horses and horsemen. The Board has historically awarded Arlington a thoroughbred meet that spans the entire summer. In 2015, Arlington raced from April 27 through September 30, racing three days per week in May, June, and September, Fridays, Saturdays, and Sundays; and four days per week in July and August, Thursdays through Sundays. (Staff Report, Ex. A)

Arlington's on-track attendance has traditionally been the strongest in the state with an average daily attendance in 2015 of 8,320. (Staff Report, Ex. C, 4). Arlington's stakes program includes its centerpiece, the Grade I Arlington Million, generates substantial fan interest in Illinois and nationwide. Out-of-state wagering on Arlington's live product averaged 1.3 million dollars daily in 2015. *Id.* Arlington Park has a synthetic surface race track, installed in 2007 and a first class turf course. In its 2016 application, Arlington proposed a marketing and promotions budget of 4.2 million dollars. (Staff Report, Ex. J, 4). In 2014, actual marketing expenditures were \$4,525,758. (Staff Report, Ex. J, 1-3). For 2016, Arlington has requested live racing three days per week on Fridays, Saturdays and either Thursdays or Sundays from May 1 through July 2 and September 1 through September 29; and live racing four days per week on Thursdays, Fridays, Saturdays and Sundays from July 3 through August 31. (Staff Report, Ex. A, 1-2).

22) Representatives from Arlington (Richard Duchossois, Shawn Wood, and Tony Petrillo) and Hawthorne (Tim Carey and Robert Molaro) presented their Joint Agreement to the Board. (2016 applications); (Tr. Part 1, 87-135). To support its request, Arlington presented the testimony of Richard Duchossois, its Chairman, and Tony Petrillo, its General Manager. *Id.* The Joint Agreement for calendar year 2016 proposes 74 live and 216 dark host days for Arlington and 65 live and 150 dark host days for Hawthorne. (Staff Report, Ex. D, 1-2). The Joint Agreement designates host track status (no live racing) from January 3 through March 6 to Arlington. Arlington requested a total of 74 live race days in 2016, as compared to 77 days awarded in 2015. (Staff Report, Ex. A, 4, 16).

23) Mr. Duchossois provided testimony on the background of the Joint Agreement. (Tr. Part 1, 88-94). Mr. Duchossois states the Joint Agreement is designed to produce a profitable, solid business industry that the State of Illinois can be proud of and generates, not uses Illinois

revenue. (Tr. Part 1, 94). Mr. Carey testified that without the Joint Agreement, Hawthorne would run 21 days as opposed to 65 in 2016. (Tr. Part 1, 111). He also stated per the Joint Agreement, the track commissions from March 7 to March 28, on 16 non-racing days, are retained by Hawthorne but the purse commissions during that same period are allocated to Arlington. (Tr. Part 1, 107, 128). Mr. Petrillo testified that without the Joint Agreement, Arlington would drop to 32 race days with projected purses totaling only \$80,000 per day in 2016, down from \$114,000 per day in 2015 and that would be unacceptable and disastrous to the industry. (Tr. Part 1, 108-10). Conversely, with the Joint Agreement, Arlington's projections show purses may increase to \$176,000 per day in 2016. (Tr. Part 1, 108-10); (Arlington/Hawthorne slide 14). Mr. Petrillo also testified that the Joint Agreement ensures that the monies available for horse racing stay in the industry and work for the best interest of the State of Illinois, the horse owners, breeders, race track operators and all other horsemen. (Tr. Part 1, 108). The Joint Agreement was presented to owners, breeders, trainers and the horsemen's associations (i.e. ITHA, IHHA, and ITBOF) and anticipates thoroughbred purses to increase by sixty (60%) percent. (Tr. Part 1, 92, 112). Arlington and Hawthorne believe the Joint Agreement, which provides for 10 months of thoroughbred racing and increased purses, gives the horsemen the best opportunity to stay and race in Illinois, not just stable in Illinois and ship out and race elsewhere. (Tr. Part 1, 114).

24) Michael Campbell, President, and Glen Berman, Executive Director, testified on behalf of the ITHA (Tr. Part 2, 19-26). Mr. Berman testified, "I cannot sit here and tell you that the ITHA supports or doesn't support this schedule because I've got no authority to do it because we haven't met on it yet." (Tr. Part 2, 22). "But we support Hawthorne and Arlington working together." *Id.* We appreciate that they're doing it and we'll do our best to make sure that the

2016 meets at both tracks are successful.” Mr. Campbell testified the Joint Agreement is a schedule that the ITHA can help support its harness counterparts and still maintain the dates that have been traditionally granted to the thoroughbred horsemen. (Tr. Part 2, 22-3). In addition, he emphasized the ITHA wants to cooperate with Arlington and Hawthorne and wants to be a part of the solution and is willing to do its part to ensure it happens. (Tr. Part 2, 23-4).

25) Dan Sullivan, a thoroughbred breeder and President of the ITBOF, testified that the ITBOF supports the Joint Agreement. (Tr. Part 2, 28). “They’ll provide a funding that allows us to put the horses to the track and further our business.” (Tr. Part 2, 28-30). In addition, the number of thoroughbred foals has decreased from 923 in 2008 to 405. (ITBOF packet dated September 10, 2015, 23).

26) Section 3.075(a) needs to be waived so an Organization Licensee can be eligible for simulcast host track status through December 31, 2016, if racing fewer than five (5) days per week and fewer than nine (9) races per day is desired in 2016. “Host track” means

the organization licensee (i) conducting live thoroughbred racing between the hours of 6:30 a.m. and 6:30 p.m. from the first day to the last day of its horse racing meet as awarded by the Board (including all days within that period when no live racing occurs), except as otherwise provided in subsections (c) and (e) of this Section, or (ii) conducting live standardbred racing between the hours of 6:30 p.m. to 6:30 a.m. of the following day from the first day to the last day of its horse racing meet as awarded by the Board (including all days within that period when no live racing occurs, except as otherwise provided in subsections (b), (d), and (e) of this Section); provided that the organization licensee conducts live racing no fewer than 5 days per week with no fewer than 9 races per day, unless a lesser schedule of live racing is the result of (1) weather, unsafe track conditions, or other acts of God; (2) an agreement between the organization licensee and the associations representing the largest number of owners, trainers, and standardbred drivers who race horses at that organization licensee's race meeting, with the Board's consent; or (3) a decision by the Board after a public hearing (in which the associations representing the owners, trainers, jockeys, or standardbred drivers

who race horses at that organization licensee's race meeting shall participate) either at the time racing dates are awarded or after those dates are awarded due to changed financial circumstances, upon a written petition from the organization licensee, accompanied by supporting financial data as requested by the Board, stating that the organization licensee has and will continue to incur significant financial losses.

230 ILCS 5/3.075(a). Mr. Petrillo and Mr. Carey requested from the Board a waiver of host track status, so the Organization Licensees can race less than five (5) days per week and nine (9) races per day. (Tr. Part 1, 134); (Staff Report, Ex. A, p 4). The IHHA and ITHA did not waive section 3.075(a) at or prior to the 2016 Dates Hearing, but both agreed they expect an agreement can be reached with the race tracks. (Tr. Part 2, 24-5). IRB staff advised the Board members, absent a waiver at the 2016 Dates Hearing, the Board can condition its host track status and ability to conduct simulcast or waive section 3.075(a) itself. *Id.* The Act allows the Board to waive such requirement without agreement between the horsemen's association and the host track. 230 ILCS 5/3.075(a)(iii)(3).

27) The Board finds that Illinois thoroughbred and harness racing, wagering and revenues, are still in decline. Handle at brick and mortar locations dropped an additional 8% in 2015, but with Advance Deposit Wagering, total handle is down 5%. (Staff Report, Ex. C). Out-of-state handle on Illinois races was down 18%. *Id.* The State receives no revenue from out-of-state handle on Illinois races. *Id.* Arlington's Illinois handle was down 1% in 2015 on live and simulcast races, and attendance remained even. *Id.* Arlington's out-of-state handle on its races decreased by 29%. *Id.* Hawthorne's Illinois handle was down by 5% over its 2014 Spring Meet. *Id.* Out-of-state handle on Hawthorne's races was down 3%. *Id.* On the harness side, Balmoral was up 11% in out-of-state handle on their races and their Illinois handle on live and simulcast races was up 5%. *Id.* Maywood was down 10% in out-of-state handle on their races and their

Illinois handle on live and simulcast races was down 13%. *Id.* Fairmount's Illinois handle was down 10% and out-of-state handle on its races decreased by 3%. *Id.* (Staff Report, Ex. C).

28) The Board has considered each of the applicants consistent with the factors enumerated in Section 20(e-5) of the Act (230 ILCS 5/20(e-5)). Considering all of the evidence, the Board finds that adopting the Joint Agreement with ten (10) months of thoroughbred and seven (7) months of harness racing is necessary in order to sustain and promote the industry, to ensure the integrity of racing, and to serve the best interests of the Illinois public. (230 ILCS 5/21(b)). Consistent with its obligation to act in the best interest of the sport of Illinois horse racing and Illinois public and to determine an overall schedule which enhances and supports Illinois' horse racing industry, ensures that Illinois' horse racing industry remains competitive with neighboring and other states, promotes tourism, stimulates growth within Illinois' horse racing industry, encourages the breeding of horses in Illinois, and ensures that public confidence and trust in the credibility and integrity of Illinois' racing operations and the regulatory process is maintained, and based on the applications, exhibits, and testimony,

**IT IS HEREBY ORDERED:**

29) Forty-two (42) days of thoroughbred racing are allotted to Fairmount, to be conducted at Fairmount Park from May 3, 2016 through September 5, 2016. Racing two days per week from May 3 through June 4 and July 19 through September 5, Tuesdays and Saturdays. Racing on May 30 and dark on May 31 and September 3. Racing three days per week from June 7 through July 16, Tuesdays, Fridays, and Saturdays. Fairmount shall card no less than seven races per program.

30) Seventy-four (74) days of thoroughbred racing are allotted to Arlington, to be conducted at Arlington Park from May 1, 2016 through September 29, 2016. In addition, Arlington is

awarded host track status from January 3, 2016 through March 6, 2016. Arlington will race three days per week in May, June, and September, Fridays, Saturdays, and either Sundays or Thursdays. Four days per week in July and August on Thursdays through Sundays. Racing on May 30, July 4 and September 5 and dark on May 1. Post-times shall be 1:00 p.m. to 1:15 p.m., except Kentucky Derby Day and Million Day with a post-time dependent upon the number of races being conducted. Post-time on Fridays shall be 3:00 p.m. to 3:15 p.m. Arlington shall conclude its Friday afternoon program (last race declared official) by 7:25 p.m. so as not to conflict with SDI's evening program. Post time July 3, 4:00 p.m. Arlington shall operate as the Illinois host track for the entirety of its meet, even on days and during weeks when no live racing occurs. Arlington shall notify the Board, on or before April 1, 2016, whether live racing shall be conducted on Thursdays or Sundays in May, June, and September 2016. From March 7 through March 28, 2016, on 16 non-racing days, purse commissions earned by Hawthorne shall be transferred to Arlington's purse account, per the Joint Agreement.

31) Sixty-five (65) days of thoroughbred racing are allotted to Hawthorne, to be conducted at Hawthorne Race Course on January 1 and 2 and from March 7, 2016 through March 31, 2016, two days per week on Fridays and Saturdays; April 1, 2016 through April 30, 2016, three days per week on Thursdays, Fridays, and Saturdays; September 30, 2016 through November 30, 2016, four days per week on Wednesdays through Saturdays, dark September 30, October 1, 5, 6, November 23, 24, and 30; and December 1, 2016 through December 31, 2016, three days per week on Thursdays, Fridays, and Saturdays. Racing on December 26 and dark December 24. During live racing, post-times shall be 1:30 p.m., except that Hawthorne may have a 3:00 p.m. post on Fridays, as daylight may permit. Hawthorne shall operate as the Illinois host track for the entirety of its meet, even on days when no live racing occurs. From March 7 through March



28, 2016, on 16 non-racing days, purse commissions earned by Hawthorne shall be transferred to Arlington's purse account, per the Joint Agreement.

32) One hundred and twenty-eight (128) nights harness racing are allotted to SDI to be conducted at Hawthorne Race Course from January 6, 2016 through February 6, 2016, five nights per week, Wednesdays through Sundays. Racing May 6, 2016 through September 25, 2016, five nights per week, Wednesdays through Sundays and racing on July 4. In addition, SDI is awarded host track status January 1 through January 5, February 7 through May 5, and September 26 through December 31. SDI shall operate as the Illinois host track for the entirety of its meet, even on days when no live racing occurs. Post-time shall be 7:00 p.m.

33) Balmoral and Maywood were not awarded 2016 organization licensees or live race dates.

34) No Organization Licensee receiving racing dates pursuant to this order shall be deemed to have a vested interest, property right or future expectation to receive an organization license in any subsequent year as a result of the granting of an organization license for the calendar year 2016. 230 ILCS 5/20(f).

35) Each Organization Licensee shall adhere to their published post times for each race, allowing for reasonable deviation. (Tr. Part 2, 58).

36) Each Organization Licensee shall maintain an open backstretch for the entirety of the race meet with sufficient dormitories, rooms, to house backstretch workers and sufficient stall space to accommodate horses for all race dates awarded. Housing shall be consistent with the applicable state and local occupancy statutes and ordinances. *Id.*

37) Each Organization Licensee shall have a written contract with their respective horsemen's association no later than sixty (60) days before the commencement of their respective race meet. If no agreement is reached by the 60-day deadline, the Organization

Licensee shall immediately notify the Board's Executive Director who shall notify the Board's Chairman, who will either serve as a mediator or designate a mediator for the resolution of the dispute. (Tr. Part 2, 57).

38) Each Organization Licensee, pursuant to Section 3.075(a) of the Act, shall have a written agreement with their respective horsemen's association to allow a lesser schedule than five days of racing per week and less than nine races per day. *Id.*

39) As a condition of their organization license, Hawthorne and SDI shall use a sufficient number of HVAC and/or portable air conditioning units at Hawthorne Race Course to satisfy Board staff. (Tr. Part 1, 132).

40) As a condition of their license, Arlington shall notify the Board, on or before April 1, 2016, whether live racing shall be conducted on Thursdays or Sundays in May, June, and September 2016.

41) From March 7 through March 28, 2016, on 16 non-racing days, purse commissions earned by Hawthorne shall be transferred to Arlington's purse account, per the Joint Agreement.

42) Board staff shall provide under separate cover a list of general maintenance items that must be completed to the satisfaction of the Board.

43) Each Organization Licensee shall:

- a) Post signage and print a statement in the racing program pursuant to the following statutory requirements:
  - i. assistance with gambling problems. (230 ILCS 5/34.1); and
  - ii. delinquent child support. (230 ILCS 5/34.2).
- b). Make available no less than two automated external defibrillators (AEDs) that are operational and accessible when backstretch workers are present at their racing facilities. At least one AED shall be placed in the paddock and at least one on the backstretch. (230 ILCS 5/31.2).

44) Each Organization Licensee shall establish and maintain security staffing at a level that is satisfactory to the Board.

45) Each Organization Licensee shall furnish to the Board annually the following inspection reports:

- a) A report from the Health Department of the municipality in which the track is located, or the Health Department of the County or State if the municipality lacks jurisdiction. This inspection report shall include, but not be limited to, an inspection of kitchen and concession equipment, water supply, sewage, drainage, housing and sanitation facilities of both the backside and the public areas. This report shall state that the facilities inspected at the particular track are in satisfactory compliance with the applicable health code provisions.
- b) A report from the Building Department of the municipality in which the track is located, or the Health Department of the County or State if the municipality lacks jurisdiction, stating that all the buildings located on the physical plant of the particular track are in satisfactory compliance with the applicable building code provisions.
- c) A satisfactory report from the State Fire Marshal's Office. This report shall detail any corrective action required in the areas of fire prevention, detection, suppression, construction, or health and safety addressed by the State Fire Marshal, the Board's Fire Safety rules (11 Ill. Adm. Code 403), or any state statutes which may be applicable. If the track appeals the findings of the Office of the State Fire Marshal, a copy of said appeal shall be filed with the Board in lieu of the Statement of Satisfactory Compliance. All tracks shall keep Board staff apprised of the status of any appeals.
- d) Copies of all interim inspection reports, citing code and fire rule violations, if any, shall be submitted to the Board by the Organization Licensee within three (3) working days of receipt by the Organization Licensee. In the event of successive race meets of the same breed at the same track, only the first organization need submit the inspection reports required in this paragraph, unless any applicable rules require additional inspections.

46) Prior to the issuance of an organization license, each Organization Licensee shall file an admission tax bond in the amount of \$25,000 and a pari-mutuel tax bond in the amount of \$200,000. (230 ILCS 5/21(e), 25). Said bonds shall be filed with the Board not less than 20 days prior to the opening of each applicant's meet.

- 47) Each Organization Licensee, within 10 (ten) days of receipt of the final executed Dates Order, shall file with the Board an acceptance of the award, and pay to the Board one hundred and ten dollars (\$110) for each racing date awarded. (230 ILCS 5/20(h)).
- 48) Each thoroughbred Organization Licensee shall submit its proposed stakes schedule to the Board, including proposed purses at least sixty (60) days prior to the commencement of its race meet.
- 49) Each Organization Licensee accepting thoroughbred dates under this order shall publish condition books covering at least the first seven (7) days of the meet and make them available to horsemen at least three (3) weeks prior to opening day; except Hawthorne and Fairmount, which shall provide such books no later than six (6) weeks prior to opening day. Thereafter, condition books shall be provided no later than three (3) weeks prior to the effective date of the first day of racing provided in such subsequent condition books.
- 50) Each Organization Licensee shall make pari-mutuel settlements within a seven (7) calendar day cycle. Pari-mutuel settlements include, but are not limited to, live and host track commissions, purse allocations, outstanding pari-mutuel winnings, surcharges and interstate host fees.
- 51) The failure of any Organization Licensee to satisfy any of the aforementioned conditions or mandates to the Board's satisfaction may result in civil penalties being assessed against them, rescission of their racing dates, and revocation of their organization licenses.
- 52) Attached as Appendix A and made a part hereof is a chart of the 2016 dates awarded.
- 53) The IRB Commissioners unanimously approved the 2016 racing schedule by a vote of 11 to 0. (Tr. Part 2, 61).

54) This is a final administrative decision subject to the Administrative Review Law. 230 ILCS 5/46. This decision may be challenged by the filing of an action for administrative review within thirty-five (35) days of deposit in the U.S. mail. 735 ILCS 5/3-103.

55) This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one document. Signatures may be transmitted initially by email or facsimile, with hard copy to follow.

[Signature Page to Follow]

**APPENDIX A**  
**2016 LIVE RACING DATES SCHEDULE**

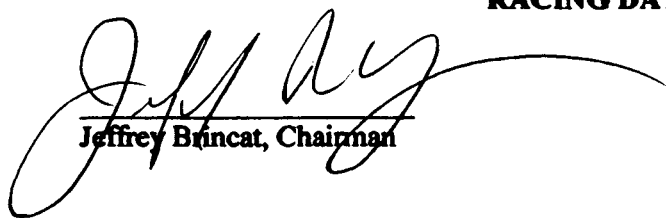
**THOROUGHBRED**

	<u>Host Days</u>	<u>Live</u>	<u>Dark</u>
<b>Arlington Park</b> May 1 through September 29	216	74	142
<b>Hawthorne Race Course</b> January 1 and January 2 March 7 through April 30 September 30 through December 31	150	65	85
<b>Fairmount Park</b> May 3 through September 5	n/a	42	

**HARNESS**

	<u>Host Days</u>	<u>Live</u>	<u>Dark</u>
<b>Suburban Downs Inc. at Hawthorne Race Course</b> January 6 through February 6 May 6 through September 25	366	128	238

**BOARD ORDER SIGNATURES  
RACING DATES FOR 2016**



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Kathy Byrne

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Shelley Kalita

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Travis Swoope

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Roger F. Whalen


Action taken by the Board at its  
September 29, 2015 meeting.

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Domenic Dicera, Executive Director

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Date Executed

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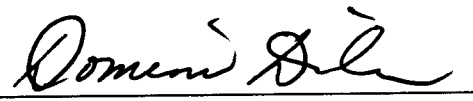
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Domenic DiCera, Executive Director

OCTOBER 15, 2015  
Date Executed

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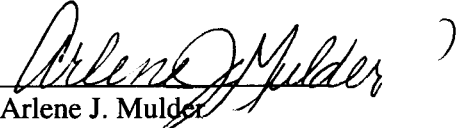
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RACING DATES FOR 2016**

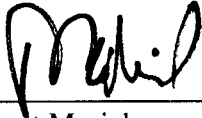
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Roger F. Whalen

**BOARD ORDER SIGNATURES  
RACING DATES FOR 2016**

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Jeffrey Brincat, Chairman

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Kathy Byrne


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Shelley Kalita

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Robert Lunt

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Arlene J. Mulder

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Robert Muriel

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Hugh Scates

  
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Robert G. Schiewe, Jr.

Action taken by the Board at its  
September 29, 2015 meeting.

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Gregory W. Sronce

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Domenic DiCera, Executive Director

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Travis Swoope

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Date Executed

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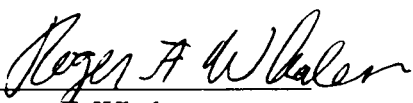
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Robert G. Schiewe, Jr.

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