



**Executive Secretary's Report  
Class 2 Racetrack License Applications  
In Webb County**

**LAREDO RACE PARK LLC  
AND  
LRP GROUP, LTD.**

**March 14, 2007**

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## **Executive Secretary's Report**

### **Class 2 Racetrack License Applications in Webb County**

#### **Introduction**

This report is prepared pursuant to Section 303.8 of the Rules of Racing, which requires the Executive Secretary to review all applications for racetrack licenses and prepare a report for the Commissioners. The Executive Secretary's Report is an outline of the application process. It does not replace, amend, or supplement any of the written documentation presented to the Commissioners by the parties or the ALJs.

Agency staff and the two applicants for Class 2 racetrack licenses in Webb County have completed their work before the State Office of Administrative Hearings. The Proposal for Decision (PFD or proposal) issued by Administrative Law Judges (ALJs) at the State Office of Administrative Hearings (SOAH) on September 19, 2006, may now be considered by the Texas Racing Commission in an open meeting. Under Rule § 307.36(b), the Commission may:

1. Adopt the proposal for decision, in whole or part;
2. Decline to adopt the proposal for decision, in whole or part; or
3. Remand the proceeding to SOAH and direct the ALJs to give further consideration to the proceeding with or without reopening the hearing.

#### **Standards for Issuing a Racetrack License**

The Texas Racing Act ("TRA" or the "Act"), TEX. REV. CIV. STAT. ANN. ART. 179e (Vernon Supp. 2006) governs the issuance of racetrack licenses. The Rules of Racing (or "Rules") as provided in 16 TEX. ADMIN. CODE ("TAC") §§ 307 and 309 detail the process and the standards that are to be utilized in the licensing process.

Under Section 6.04 of the Act, the Commission may issue a license if: The applicant is qualified; the conduct of the race meetings at the proposed track and location will be in the public interest; the proposed racetrack complies with all zoning laws; the proposed racetrack complies with this Act and the rules adopted

by the Commission; and it finds by clear and convincing evidence the applicant will comply with all criminal laws of Texas.

Section 6.06 of the Act sets out the grounds for denial, revocation and suspension of a racetrack license. After notice and a hearing, if the Commission has reasonable grounds to believe that any of the seventeen factors listed in § 6.06 exist, the Commission may refuse to issue a racetrack license, as well as revoke or suspend a license.

### **The Eleven Factors**

In addition to the threshold qualification issues described above, TRA Section 6.04 lists eleven factors the Commission may review in determining whether to grant a license. Those factors are:

- (1) the applicant's financial stability;
- (2) the applicant's resources for supplementing the purses for races for various breeds;
- (3) the location of the proposed track;
- (4) the effect of the proposed track on traffic flow;
- (5) facilities for patrons and occupational licensees;
- (6) facilities for race animals;
- (7) availability to the track of support services and emergency services;
- (8) the experience of the applicant's employees;
- (9) the potential for conflict with other licensed race meetings;
- (10) the anticipated effect of the race meeting on the greyhound or horse breeding industry in this state; and
- (11) the anticipated effect of the race meeting on the state and local economy from tourism, increased employment, and other sources.

### **Timeline of Significant Events**

The application process has taken over three years to complete. Listed below are the key milestones.

#### December 1, 2003 - January 29, 2004

The Commission opened an application period for a Class 2 horse racetrack license in Laredo, Webb County, Texas.

January 29, 2004

LRP Group and Laredo Race Park filed racetrack applications.

February 11, 2004

Laredo Race Park's application was certified complete by then Executive Secretary, Paula Flowerday.

March 15, 2004

LRP Group's application was certified complete by then Executive Secretary, Paula Flowerday.

May 3, 2004

Agency staff filed a request to docket the case for a hearing at the State Office of Administrative Hearings (SOAH).

May 14, 2004 - August 18, 2004

Agency staff requested documentation from Webb County regarding the certification of the election results for pari-mutuel wagering.

August 17, 2004

Agency staff requested an Attorney General's Opinion regarding the certification of the election results in Webb County.

December 20, 2004

The Attorney General issued an opinion regarding the certification of the election results.

January 2005 - March 2006

Discovery, depositions, motions for summary disposition, and pre-trial hearings ensued.

March 27, 2006 - April 7, 2006

A hearing on the merits was convened before Administrative Law Judges (ALJs) Suzanne Marshall and Kerry Sullivan at SOAH.

August 25, 2006

The record for the case closed and the briefing period ended.

September 19, 2006

The Proposal for Decision (PFD) was issued.

October 4, 2006

Exceptions to the PFD were filed.

October 19, 2006

Replies to the exceptions to the PFD were filed.

October 27, 2006

The ALJs modified the PFD.

January 2007

Laredo Race Park requested a delay of consideration of the Webb County applications pending the resolution of the sales contract terms for Valley Race Park.

March 2007

The Webb County applications are pending consideration and action before the Commissioners.

## **State Office of Administrative Hearings and Contested Case Development**

Agency staff sent a request to docket the case to the State Office of Administrative Hearings (SOAH) on May 3, 2004.

As part of the contested case process, the Commissioners have been required to observe important prohibitions against ex-parte communications, delaying all discussion for the open meeting. Additional training on the applicable provisions of the Texas Racing Act, the Open Meetings Act, and ex-parte communications has been provided throughout the process.

Over an approximate period of 22 months, the parties, the agency staff, and the ALJs developed exhaustive documentation to demonstrate their respective positions. In addition to the applications, hundreds of additional pages have been filed by each of the parties to ensure that every aspect of the applications would be fully explored.

A hearing commenced March 27, 2006, before Administrative Law Judges (ALJs) Suzanne Marshall and Kerry Sullivan. All parties were represented at the hearing. All parties were given the opportunity to present witnesses and cross-examine the opposing witnesses. At the conclusion of the hearing, all parties agreed to present closing arguments, replies, exceptions, and proposed findings of fact and conclusions of law in the form of written briefs.

## **The Proposal for Decision**

The ALJs issued their Proposal for Decision on September 19, 2006. The parties filed Exceptions to the Proposal, followed by Replies to the Exceptions.

Upon completion of the ALJs' Proposal for Decision, agency staff provided copies to the Commissioners for their individual review. Agency staff have also transmitted copies of the Replies, the Replies to the Exceptions, and the ALJs' final letter to the Commissioners as each was filed.

The ALJs issued a final letter to the parties on October 27, 2006. The final recommendation of the ALJs was that the Commission issue a license to Laredo Race Park, but made the recommendation contingent upon the Commission's approval of the sale of Valley Race Park. The ALJs observed that the Texas Racing Act prohibits a person from owning more than a five percent interest in more than two racetracks. Laredo Race Park's parent company, MAXXAM, Inc., already holds the majority interest in Sam Houston Race Park and Valley Race Park. The Judges noted that the Commission could potentially issue the license to LRP Group if the Commission fails to approve the sale or if the sale fails to close.

Since this is a contested case, the Commission will base its decision whether to grant any licenses upon the contents of the PFD, the subsequent briefs filed by the parties, and the oral presentations by the parties and agency staff in the open Commission meeting. The information appearing in this report serves to summarize the applications and the agency staff's position and does not offer new information regarding the applications.

## **Consideration of the Valley Race Park Sales Contract**

In preparation for consideration of the applications, the Commissioners reviewed MAXXAM's proposed sale of Valley Race Park at the January 31, 2007, Commission meeting. Although the Commission took no formal action, individual Commissioners expressed their reservations that the contract as written was not

sufficient to effectively transfer 95% or more of the ownership interest in Valley Race Park. The Commission deferred a decision regarding the applications until the March 20, 2007, Commission meeting to allow MAXXAM time to propose a satisfactory sales contract.

## **Summary**

The Webb County applications represent three years of intensive labor by the ALJs, the parties, and the agency staff. A comprehensive and exhaustive examination of the applications was conducted.

All relevant information concerning the applications is available for review and consideration by the Commission. The Commission's next task is to determine whether awarding a license to either applicant will be in the best interest of the state, the public, and of racing. Since the Commission has the ability to issue one, two, or no licenses, it is incumbent upon the parties to demonstrate to the Commissioners how their proposed facility will serve the interests of the public, the breeders, the patrons, the licensees, and the State of Texas.

Agency staff has maintained throughout the application process that MAXXAM's ownership of Valley Race Park did not preclude Laredo Race Park/MAXXAM from applying for a third license; however, staff asserted that MAXXAM must divest itself of at least one of its two current licenses prior to the granting of a Laredo license. Any other result would run afoul of the two-track restriction outlined in the Act.

Agency staff expressed a concern regarding the number of stalls proposed by LRP Group, asserting that 240 is insufficient given the number of proposed race dates and runs contrary to the requirements of the Rules. Agency staff reasserts that 240 stalls are inappropriate; however, concurs with the ALJs that a partial exemption may be granted for a lesser number of stalls.

Both sites have the potential for a tick quarantine due to their proximity to the permanent tick quarantine zone and given the history of fever ticks throughout

the border region; however, agency staff believes that the likelihood of a quarantine may be significantly reduced with adequate preventative measures such as game-proof double fencing, vegetation reduction, and site access control.

The LaMantia family's ownership of a beer distributorship and potential for a TABC tier violation exists with the LRP Group. It is incumbent upon the LaMantia family to negotiate a satisfactory agreement with TABC to sell alcoholic beverages to the patrons at its facility. A liquor license is not listed as a factor to be considered when deciding whether to issue a racetrack license; however, it ultimately could affect the applicant's profitability and hence the viability of the track and its future. Agency staff concurs with the ALJs' assessment that TABC takes a practical approach to resolving tier conflicts and this issue should not be an impediment to licensure.

The Commission's consideration of the racetrack applications is scheduled to occur on Tuesday, March 20, 2007. At that time, agency staff, the ALJs, and the parties will present their materials. This public hearing will allow participants to review key considerations and discuss the merits of the applications with the Commissioners. This gives the members of the Commission an opportunity to ask questions and facilitate a full public discussion of what is in the best interest of the racing industry and the public.

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**Summary**  
**of**  
**Applications**

# **SUMMARY OF LAREDO RACE PARK LLC APPLICATION**

## **Ownership**

The applicant (Laredo Race Park LLC) is a Texas limited liability company. The applicant is 100% owned by Laredo GP LLC ("GP"), a Delaware limited liability company. GP is wholly owned by MAXXAM Inc., which owns and operates Sam Houston Race Park in Houston and Valley Race Park in Harlingen. See attached ownership information, pages A-1 & A-2.

## **Background Investigation**

The Department of Public Safety (DPS) background investigation found no information which would preclude licensure and determined that MAXXAM has the financial means to complete its intended financial investment.

## **Management**

Sam Houston Race Park, Ltd. (SHRP) will manage the proposed track in Webb County. The employees are licensed and in good standing with the Commission.

## **Location**

The proposed site is located on Mines Road, approximately 11 miles from Loop 20 and roughly 5 miles from the Camino Columbia Toll Road. Mines Road is a four-lane divided highway. See attached location map, page A-3. Any improvements to the physical roadway outside the sites would have to be negotiated with Texas Department of Transportation (TXDOT). The site is in an area zoned for agricultural use. The application complies with all local zoning laws. The proposed site is located within 15 minutes to the nearest hospital and veterinary facility and 10 minutes to the nearest fire station.

## **Tick Zone**

The track's location lies across the street from a permanent fever tick quarantine zone. The land is currently in a "check" or "free" zone.

## **Facilities**

The proposed facility will include a 7/8 mile oval racetrack, 90 feet wide, utilizing Fontana Safety Rails. A tri-level grandstand will provide views of live racing. The track level will include a 550 seat dining room, box, reserved, and free seating areas. The track level will be enclosed and air-conditioned. See attached site plan, page A-4.

A total of 656 stalls will be provided for the race animals. The stable area will have 15 barns with 40 stalls per barn. The stakes barn will contain 16 stalls and the receiving barn will contain 40 stalls. Stalls will be 10'x12' in dimension. Grooms will be provided with living quarters. See attached site plan, page A-5.

The cost of the land and facilities as proposed in the initial application is approximately \$28 million.

## **Operations**

The applicant proposes one race meet per year with 20-30 live race days during the meet. The dates are yet to be determined. Post time will be 1:00 p.m. There will be 10 races per day - 4 thoroughbred and 6 quarter horse.

Simulcasting will be conducted year-round, except Christmas Day. Laredo Race Park projects 90,000 in attendance for live racing in the first year of operation and 88,088 in attendance for simulcast race days. These projections result in an average of 3,000 patrons per live race day and 242 for simulcast attendance.

The application anticipates live on-track handle of \$4.95 million per year, with \$3 million in live export handle over 30 race days, and \$24.24 million in same and cross-species simulcast handle over 364 simulcast race days. The live on-track handle is anticipated to average \$165,000 per race day and the live export handle is expected to average \$100,000 per race day. The average same species and cross-species simulcast handle is projected to be \$66,550 per race day. The average per capita wager is estimated at \$163.82 per on-track attendance. This average is roughly 12.5% below other operating horse racetracks in Texas.

The applicant will utilize the site as a year-round training facility to augment income.

## **Financing**

The applicant's financing structure calls for \$25 million in capital contributions from MAXXAM and \$10 million in loans.

## **Economic Impact**

The economic output from construction is estimated to be \$34 million for Laredo Race Park. As noted by the ALJs in the PFD, the track will generate an annual economic output of between \$26 and \$28 million per year and employ between 400 and 500 permanent workers.

## **Areas of Concern**

### **Ticks**

The proximity of the proposed facility to a permanent tick quarantine zone raised an issue of concern from Dr. Stewart Marsh, the Commission's Chief Veterinarian. Dr. Marsh was concerned about the safety of the race animals and the possible disruption to a live race meet if an animal was discovered infected with fever ticks. The likelihood of experiencing a tick problem can be reduced with preventative measures such as double game-proof fencing, controlled access to the site, and the elimination of vegetation.

### **Sale of Valley Race Park**

MAXXAM currently has two racetrack licenses, Sam Houston Race Park and Valley Race Park. The ALJs found that to grant MAXXAM a third license would violate § 6.06(h): "[a] person may not own more than a five percent interest in more than two racetracks licensed under this Act." MAXXAM proposed to divest itself of Valley Race Park prior to the issuance of a final order granting the Webb County license.

# **SUMMARY OF LRP GROUP, LTD. APPLICATION**

## **Ownership**

The applicant (LRP Group, Ltd.) is a Texas limited partnership, comprised of 23 limited partners. LRP has a 1% general partner, LRP GP, LLC, which is owned by the limited partners in the same proportions as the interest in the limited partnership. See attached ownership information, pages B1 - B3.

## **Background Investigation**

The Department of Public Safety (DPS) background investigation found no information which would preclude licensure and determined that the LRP Group partners have the financial means to complete the intended financial investment.

## **Management**

Retama Entertainment Group (REG) will manage the proposed track in Webb County.

## **Location**

The proposed site is located on Highway 59, roughly 2 miles east of the Loop 20 intersection. Highway 59 is a two-lane, undivided highway at the site. See attached location map. Any improvements to the physical roadway outside the sites would have to be negotiated with Texas Department of Transportation.

The site is in an area zoned for agricultural use. The application complies with all local zoning laws. The applicant is located within 15 minutes to the nearest fire station and 10 minutes to the nearest hospital and veterinary facility. See attached map, page B-4.

## **Tick Zone**

The track's location does not lie within the boundary of any type of tick zone.

## **Facilities**

The proposed facility will include a 7/8 mile oval racetrack, 90 feet wide. The grandstand will provide views of live racing and accommodate 1,035 people. Bleacher seating at the apron will provide room for 175 patrons and the 25,000 square foot simulcast building will hold 350 people. The simulcast building will be air-conditioned. See attached site plan, page B-5.

The applicant proposes a total of 240 stalls for the race animals. The stable area will have 5 barns with 48 stalls per barn. Additionally, the stakes barn will have 12 stalls and the test and holding barns will have 18 stalls. Stalls will be 11'x10' in dimension. See attached site plan, page B-6.

The cost of the land and facilities as proposed in the initial application is \$15 million.

## **Operations**

The applicant proposes two live race meets per year. One quarter horse meet is planned from January 14 to February 21, comprised of 10 races per day (including Arabians and Paints). Post time would be 1:30 p.m. on Fridays and 12:30 p.m. all other days. One thoroughbred meet is planned from July 7 to July 24, comprised of 10 races per day (including Arabians). Post time would be 5:00 p.m.

Simulcasting will be conducted year-round, except Christmas Day. LRP Group projects 65,159 in attendance over 27 live race days and 120,120 in attendance over 364 simulcast days. These projections result in an average per day live attendance of 2,413 patrons and simulcast attendance of 330 patrons per day.

The live on-track handle is projected to be \$3.39 million for the first year of operation. LRP Group estimates the live export handle to be \$9.38 million over 27 live race days, with \$21.95 million in same species simulcast handle and

\$3.28 million in cross-species simulcast handle over 364 race days. This results in an average live on-track handle of \$125,491 per race day and an average live export handle of \$347,222 per race day. The same-species simulcast handle projections result in an average of \$60,291 per race day with an average cross-species handle of \$9,009 per race day. The per capita wager is estimated to be \$153.43 for each betting patron. This average is roughly 15% below other operating horse racetracks in Texas.

## **Financing**

The applicant will finance the venture entirely from equity contributions from the partners.

## **Economic Impact**

The economic output from construction is estimated to be \$14 million for LRP Group. As noted by the ALJs in the PFD, the facility will generate an annual economic output of between \$26 and \$28 million per year and employ between 400 and 500 permanent workers.

## **Areas of Concern**

### **Stalls**

As submitted, the LRP Group application proposed 240 stalls would violate Rule § 309.243, which requires "... a sufficient number of stalls to house twice the anticipated number of starters per week of races."

The LRP Group simultaneously requested a stall exemption with the submission of their initial application; however, LRP Group has proposed to add additional stalls to meet the requirements of the rules if the exemption is not granted.

The ALJs determined that 600 stalls would be sufficient to meet the regulatory requirements and would leave enough space between the barns to accommodate the hot walkers.

## **Texas Alcoholic Beverage Code**

The LaMantia family, one of the significant interest holders in the LRP Group partnership, owns a beer distributorship. It is unlawful for an individual or entity to own an interest in more than one tier in the alcoholic beverage industry in Texas, the three tiers being: manufacturing, distributing, and retailing. For example, a beer distributor may not also be a manufacturer or retailer or even own an interest in the land or fixtures of those tiers. The same is true of a manufacturer or retailer – they may not own an interest in the other two tiers. LRP Group will be required to negotiate an agreement with the Texas Alcoholic Beverage Commission (TABC) in order to sell alcoholic beverages at the facility. The ALJs observed that TABC takes a practical approach towards these issues and that it appears likely that a satisfactory arrangement could be reached to allow LRP Group to sell alcoholic beverages at its track.

## Appendix

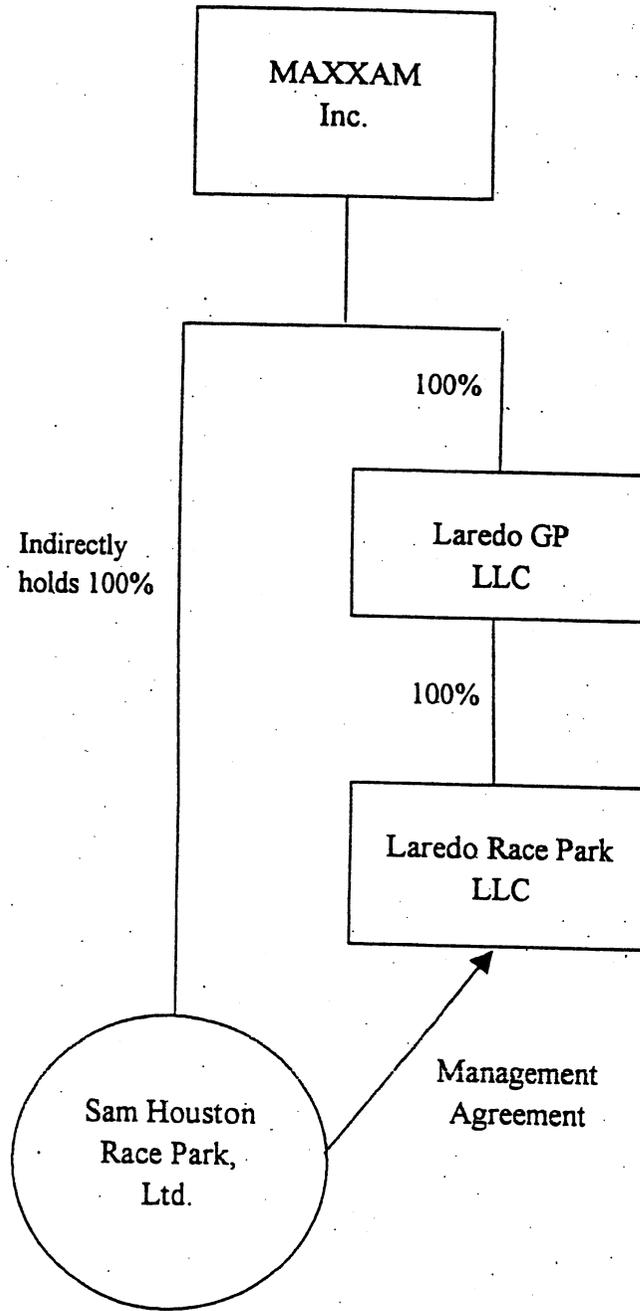
### Laredo Race Park LLC

Ownership Documents .....	A-1
Location Map .....	A-3
Site Plans.....	A-4

### LRP GROUP, LTD.

Ownership Documents .....	B-1
Location Map .....	B-4
Site Plans.....	B-5

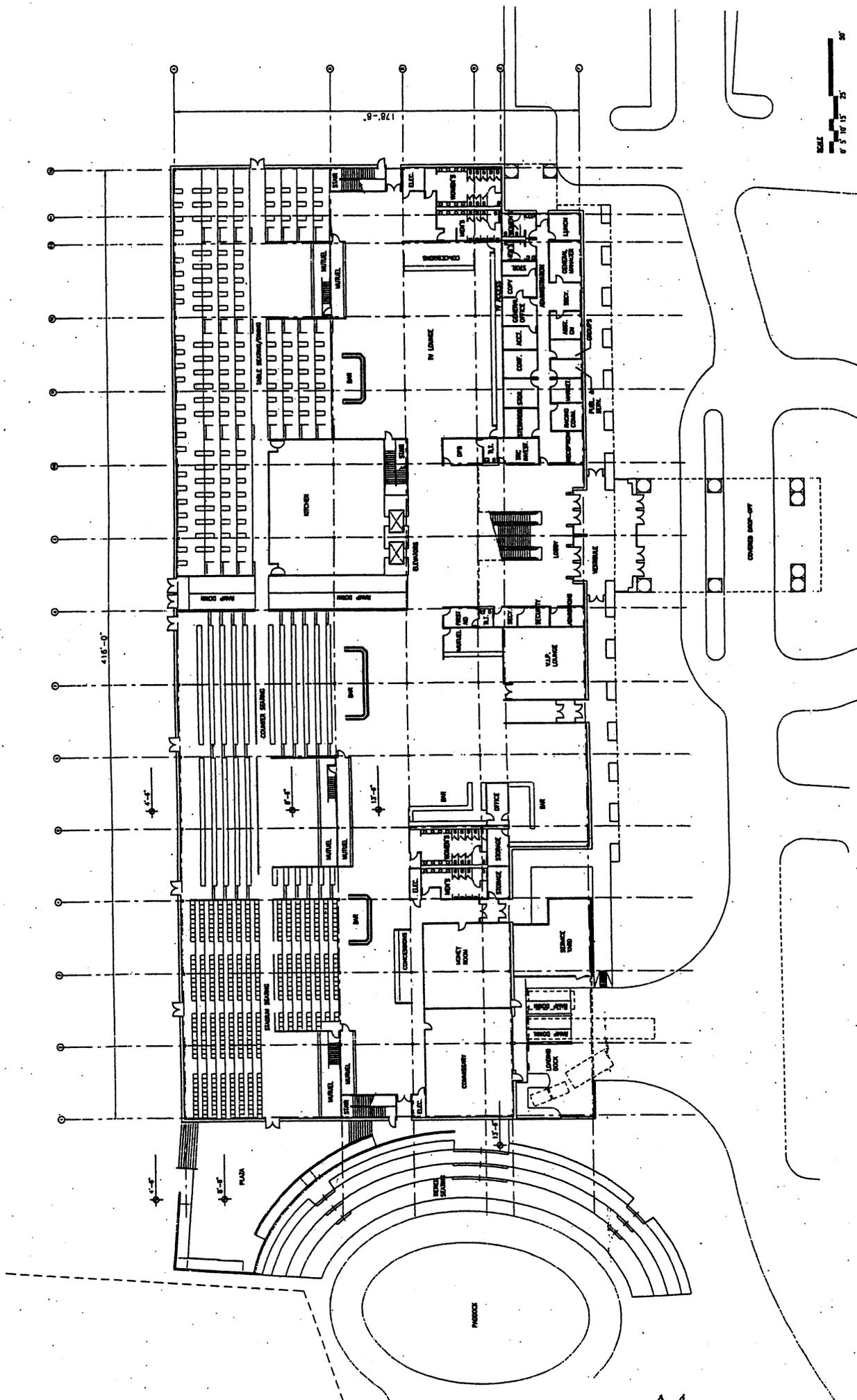
OWNERSHIP STRUCTURE FOR LAREDO RACE PARK



**EXHIBIT "B"**

Name	Address	Position or Office	Principal Occupation for Prior 5-year Period	Nature and Extent of any Ownership Interest
Robert L. Bork	7575 N. Sam Houston Pkwy. Houston, Texas 77064	President of Applicant	President and General Manager of Sam Houston Race Park, Ltd. and Valley Race Park Inc.; President of SHRP General Partner, Inc. and Laredo GP LLC	None
J. Kent Friedman	5847 San Felipe, Suite 2600 Houston, Texas 77057	Manager, General Counsel and Secretary of Applicant	Vice Chairman and director of MAXXAM Inc. (since May 2000) and General Counsel (since December 1999); Director (since October 1995) and General Counsel of SHRP General Partner, Inc. (since May 2000) and Valley Race Park Inc. (since January 2000); Manager, General Counsel and Secretary of Laredo GP LLC (since December 2003); and Partner of Mayor, Day, Caldwell & Keeton, L.L.P. from 1982 through December 1999.	Holds options to purchase MAXXAM common shares.
Charles E. Hurwitz	5847 San Felipe, Suite 2600 Houston, Texas 77057	Manager and Chairman of the Board of Applicant	Chairman of the Board and Chief Executive Officer of MAXXAM Inc.; President and Director of Gideon Holdings, Inc. (a principal shareholder of MAXXAM Inc.); Chairman of the Board of SHRP General Partner, Inc. and Valley Race Park Inc.; and Manager and Chairman of the Board of Laredo GP LLC.	Beneficially owns approximately 47.8% of MAXXAM's common shares and approximately 99.2% of MAXXAM's preferred shares. Also holds options to purchase MAXXAM common and preferred shares.
Ann M. McGovern	7575 N. Sam Houston Pkwy. Houston, Texas 77064	Vice President of Applicant	Vice President of Operations of Sam Houston Race Park, Ltd. and Valley Race Park Inc.; Vice President of SHRP General Partner, Inc. and Laredo GP LLC.	None
Paul N. Schwartz	5847 San Felipe, Suite 2600 Houston, Texas 77057	Manager and Vice President of Applicant	Director, President and Chief Financial Officer of MAXXAM Inc.; Director and Vice President of SHRP General Partner, Inc. and Valley Race Park Inc.; and Manager and Vice President of Laredo GP LLC.	Beneficially owns MAXXAM common shares representing less than a 0.2% interest in MAXXAM. Also holds options to purchase MAXXAM common shares.
Michael J. Vitek	7575 N. Sam Houston Pkwy. Houston, Texas 77064	Vice President of Applicant	Vice President of Finance of Sam Houston Race Park, Ltd.; Vice President of Finance and Secretary of Valley Race Park Inc.; Vice President of SHRP General Partner, Inc. and Laredo GP LLC.	None





SCALE  
0 5 10 15 20 30'

00014

Wilson Architect

16 JANUARY 2004 - LARED

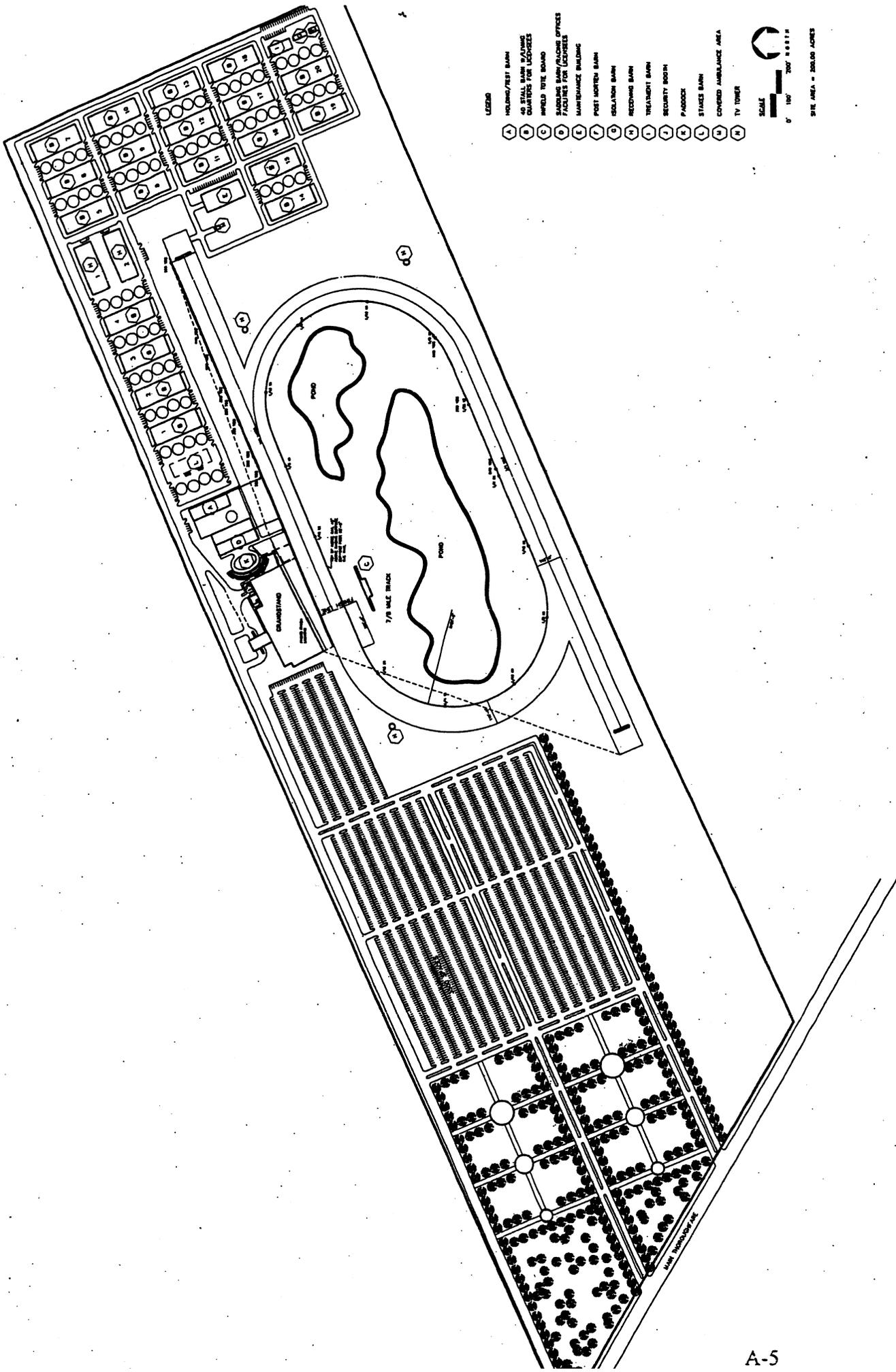
REDO RACE PARK

NDSRAND FIRST FLOOR PLAN

S: 1/16" = 1'-0"

PROJECT NUMBER 03385

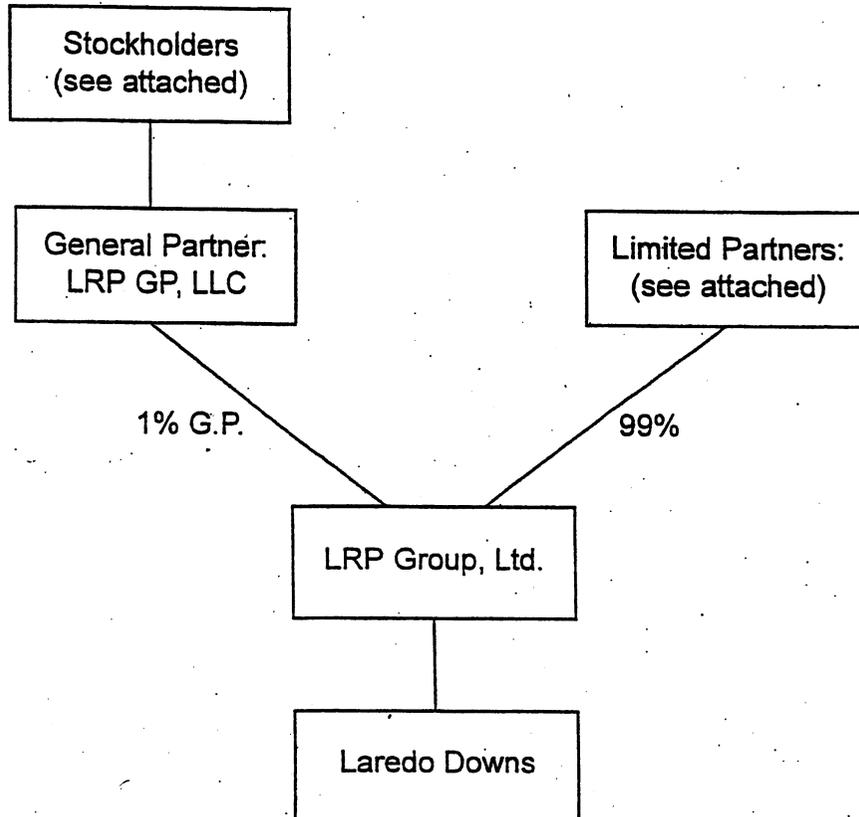
A A



- LEGEND
- (1) HOLDING/REST BARN
  - (2) 40 STALL BARN WAITING QUARTERS FOR LICENISEES
  - (3) IMPROVED TOTE BOARD
  - (4) SADDLE BARN/CLUBHOUSE OFFICES FACILITIES FOR LICENISEES
  - (5) MAINTENANCE BUILDING
  - (6) POST MORTEM BARN
  - (7) ISOLATION BARN
  - (8) RECEIVING BARN
  - (9) TREATMENT BARN
  - (10) SECURITY ROOM
  - (11) PADDOCK
  - (12) STAKES BARN
  - (13) CONCEDED AMBULANCE AREA
  - (14) TV TOWER

SCALE  
 0' 100' 200' 300' 400'  
 SITE AREA = 200.00 ACRES

## LRP Group, Ltd., Organizational Chart



**LRP GP, LLC**

**Summary of Stockholders**

<b><u>Partner Name</u></b>	<b><u>Interest*</u></b>
Muy Buena Suerte, Ltd.	23.50%
Straus 2003 Irrevocable Trust	8.00%
Paul W. Bryant, Jr.	4.79%
Sam M. Phelps	4.79%
Christopher Hall	4.79%
Thomas R. Johnson	4.79%
William M. Allen	2.00%
Charles W. Graham, DVM	4.79%
James E. Helzer	4.79%
Ted G. Abrams	4.79%
George A. Wolff	3.79%
Gary Wolff	1.00%
Larry J. Christopher	4.79%
Silver Creek Racing, Ltd.	4.79%
Larry J. Martin	4.79%
Lisa L. Medrano	1.30%
Robert W. Pollock	1.30%
Steven M. Ross	1.30%
Douglas B. Vair	1.30%
Larry A. Craft	1.30%
Robert Johnson	2.00%
Gordon R. Johnson	2.00%
Bryan P. Brown	3.31%

\*All percentages derived from the initial application

**LRP Group, Ltd.**

**Summary of Partners**

<b><u>Partner Name</u></b>	<b><u>Interest*</u></b>
LRP GP, LLC	1.00%
Muy Buena Suerte, Ltd.	23.27%
Straus 2003 Irrevocable Trust	7.92%
Paul W. Bryant, Jr.	4.74%
Sam M. Phelps	4.74%
Christopher Hall	4.74%
Thomas R. Johnson	4.74%
William M. Allen	1.98%
Charles W. Graham, DVM	4.74%
James E. Helzer	4.74%
Ted G. Abrams	4.74%
George A. Wolff	3.75%
Gary Wolff	.99%
Larry J. Christopher	4.74%
Silver Creek Racing, Ltd.	4.74%
Larry J. Martin	4.79%
Lisa L. Medrano	1.29%
Robert W. Pollock	1.29%
Steven M. Ross	1.29%
Douglas B. Vair	1.29%
Larry A. Craft	1.29%
Robert Johnson	1.98%
Gordon R. Johnson	1.98%
Bryan P. Brown	3.28%

\*All percentages derived from the initial application

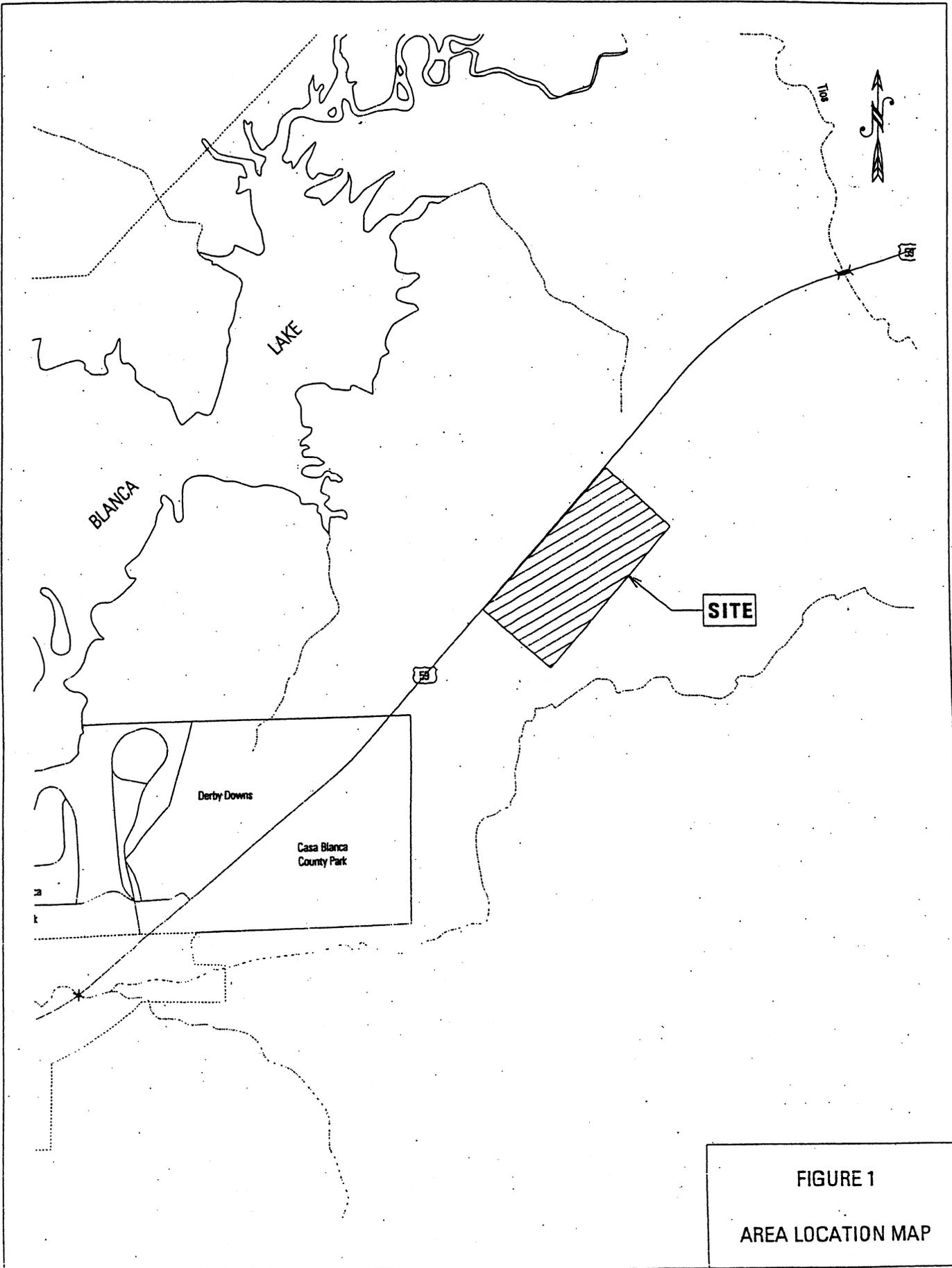


FIGURE 1  
AREA LOCATION MAP

FINISHLINE

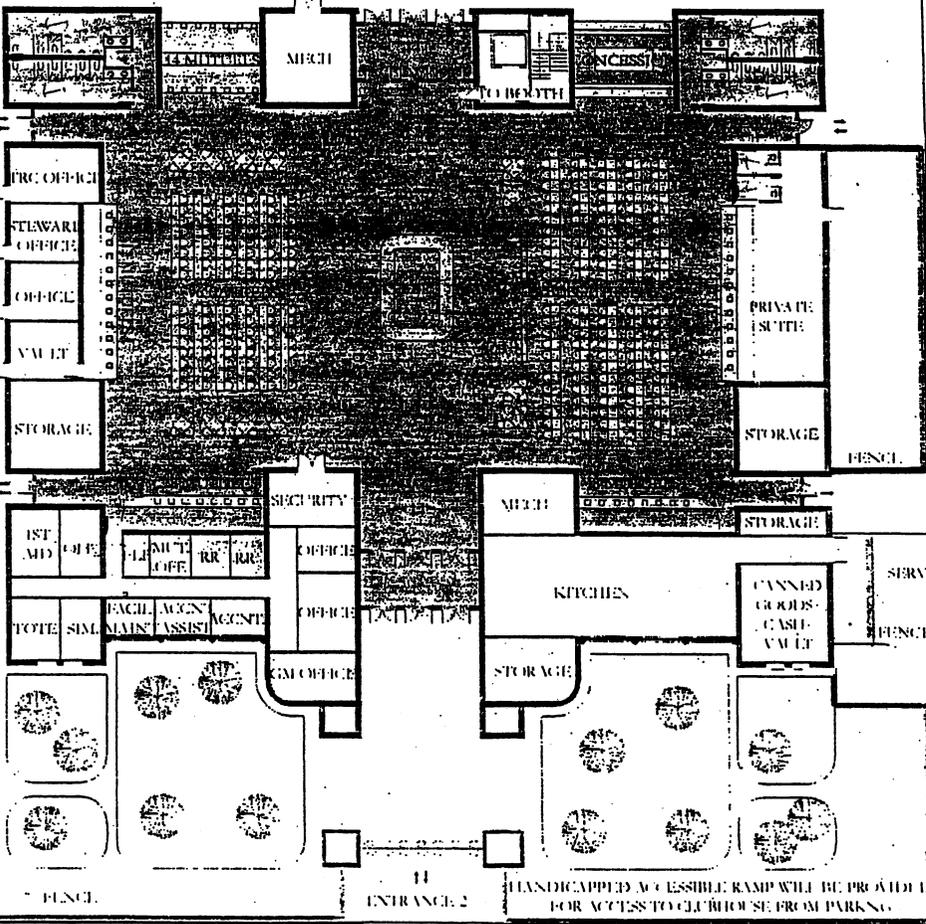
APRON

GRANDSTAND ROOMS THROUGH

FENCE

TO FACILITY (173 PEOPLE)

ENTRANCE 3



FENCE

ENTRANCE 1

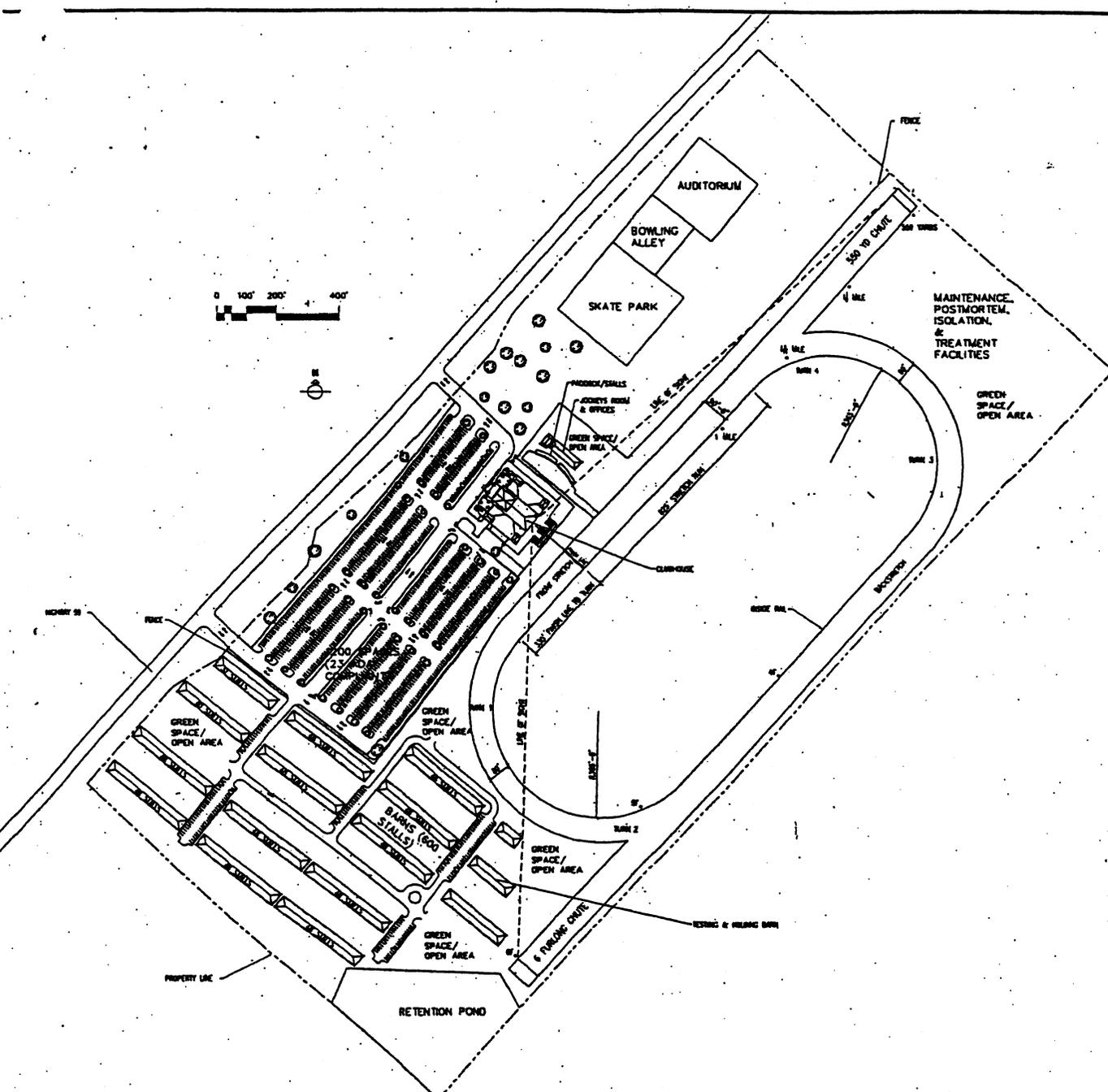
ENTRANCE 2

HANDICAPPED ACCESSIBLE RAMP WILL BE PROVIDED FOR ACCESS TO CLUBHOUSE FROM PARKING

SERVICE DRIVEWAY

FENCE

TO PARKING



# LRP GROUP - LAREDO DOWNS

#### **IV. PROCEEDINGS ON RACETRACKS**

Discussion, consideration and possible action on the following matters

- D. Application by Valle de los Tesoros for a Class 2 horse racetrack license in Hidalgo County

*Materials:*

Executive Secretary's Report on Hidalgo County Applicant

Pleading to Institute a Contested Case Proceeding & Motion to Transfer the Hidalgo County

Application to SOAH filed by Attorneys for Valley Race Park LLC

VDLT Response to Pleading to Institute a Contested Case Proceeding & Motion to

Transfer the Hidalgo County to Application to SOAH