



# Memorandum

Date: June 22, 2010

To: Mark Fenner, General Counsel

From: *SJ* Sammy Jackson, Deputy Director for Wagering & Racing Review

RE: Extension Agreements for Allocation of Purse Revenues Generated from Simulcasting (2010 thru 2012), & Distribution of Funds Accrued in Escrow Purse Account (2011 and 2012)

Staff has reviewed the documents provided on behalf of the active Texas Horse Racetracks seeking to extend agreements that govern the allocation of horse purse funds outlined within Commission Rules §321.505 and §321.509 for a two year period beginning January 1, 2011 and ending December 31, 2012. Staff compared the extension agreements to the current "breed split" agreements that were approved by the Commission in November 2007 for a three year period beginning January 1, 2008 and ending December 31, 2010.

**Allocation of Purse Revenues Generated from Simulcasting (\$321.505):**

The agreements that address allocation of purse revenues generated from simulcasting are identical to the original agreements except for one area. The extension agreement has an addendum that further allocates the minor breed purse accounts between the Arabian and Paint Horses.

It also has a separate provision that addresses the 2010 minor breed purse accounts for each racetrack in two distinct ways. First, effective May 25, 2010, for all tracks except Manor Downs, this provision requires the accrued balances in each of the minor breed purse accounts to be allocated between the Arabian and Paint Horses by the same percentages agreed to for years 2011 and 2012. Also effective May 25, 2010, it provides that the Manor Downs minor breed accrued balance be allocated 50% to Arabians and 50% to Paint Horses. Second, this provision requires all future allocations to minor breed purse accounts during 2010 be allocated to the Arabian and Paint Horse purse accounts by the percentages agreed to for the years 2011 and 2012.

With this new addendum, 100% of purse revenues generated from simulcasting will be allocated to a specific breed of horse, providing a more accurate means to account for and report on purse account activity/status. The following tables reflect the agreed to allocations in both the extension agreement and the addendum to the extension agreement:

Allocation of Purse Revenue Generated from Simulcasting - 2011-2012					
By Breed of Horse	GCF	MD	LSP	RP	SHRP
Minor Breed Purse Account	1.50%	1.50%	1.25%	2.00%	2.00%
Quarter Horse Purse Account	68.95%	72.89%	16.79%	21.56%	21.56%
Thoroughbred Purse Account	29.55%	25.61%	81.96%	76.44%	76.44%

Allocation of Minor Breed Purse Account - 2011-2012					
By Breed of Horse	GCF	MD	LSP	RP	SHRP
Arabian Purse Account	0.00%	0.00%	65.00%	75.00%	70.00%
Paint Horse Purse Account	100.0%	100.0%	35.00%	25.00%	30.00%

**Distribution of Funds Accrued in Escrow Purse Account (\$321.509):**

There is no change in the distribution of funds accrued in the escrow purse account from cross-species wagering. The following table reflects the agreed upon distribution of funds accrued in the escrow purse account to each horse racetrack and the allocations of these purse funds between the various breeds of horses participating in racing at each racetrack:

<b>Distribution of Funds Accrued in Escrow Purse Account - 2011-2012</b>					
<b>Distribution %</b>	<b>GCF 1.60%</b>	<b>MD 7.80%</b>	<b>LSP 24.65%</b>	<b>RP 24.65%</b>	<b>SHRP 41.30%</b>
Arabian Purse Account	3.50%	3.50%	3.50%	3.50%	3.50%
Paint Horse Purse Account.	3.50%	3.50%	3.50%	3.50%	3.50%
Quarter Horse Purse Account	72.075%	72.075%	72.075%	72.075%	72.075%
Thoroughbred Purse Account	20.925%	20.925%	20.925%	20.925%	20.925%

**Summary:**

The associations have submitted the agreements outlined above in accordance with Commission Rules 321.505(a) and 321.509(a). These agreements:

- allocate purse money generated from simulcasting to the various breeds of horses for calendar years 2011 and 2012;
- further allocates the minor breed purse money generated from simulcasting to the Arabian and Paint Horses for the period of May 25, 2010 thru December 31, 2010, and for calendar years 2011 and 2012; and
- distributes the escrow purse account funds to each horse racetrack and then allocates these purse funds between the various breeds of horses participating in racing at each racetrack .

Commission Rules 321.505(a)(6) and 321.509(e) stipulates that an association, in lieu of the processes outlined within these rules, may submit a signed agreement between the association and the organizations referenced within these rules to the Commission for approval. These rules further state, for the Commission to approve the agreements, the agreements must delineate the percentages by which the association will divide the purse revenue generated from simulcasting among the various breeds of horses, must delineate the percentages by which the escrow purse account will be distributed to the racetracks, and must be signed by the association and all organizations referenced within the relevant rules.

Staff's finds that the agreements submitted by the associations for Commission approval are in compliance with Commission Rules 321.505(a)(6) and 321.509(e).

Please let me know if you have any questions.

Cc: Charla Ann King, Executive Director  
Chuck Trout, Deputy Director for Racing Oversight  
Shelley Harris-Curtsinger, Deputy Director for Finance & Administration  
Carol Olewin, Compliance Audit Administrator

Attachments: Original Agreement  
Extension Agreement  
Addendum to Extension Agreement



2010 MAY 17 PM 1:48

RECEIVED  
TEXAS RACING  
COMMISSION

May 6, 2010

Ms. Charla Ann King  
Executive Director  
Texas Racing Commission  
P.O. Box 12080  
Austin, TX 78711-2080

Dear Ms. King:

On behalf of all racetracks in Texas, we are seeking approval from the Texas Racing Commission of an extension to the current Breed Split agreement. Please accept this letter as our formal request to add this item to the agenda for the next Texas Racing Commission Meeting scheduled to be held on July 7, 2010. Enclosed is a copy of the executed extension for your review and to be included in the agenda packet for the referenced meeting.

Should you have any additional questions, please do not hesitate to contact me directly.

Sincerely,

  
Andrea B. Young  
President

Cc: Sammy Jackson  
Mark Fenner

## Agreement

In an effort to achieve a fair and equitable split of revenue available to horsemen, the following Agreement is made by and between Lone Star Park, Gillespie County Fair, Manor Downs, Retama Park, Sam Houston Race Park, Texas Horsemen's Benevolent and Protective Association and Texas Thoroughbred HBA, Inc. The term of the agreement shall be for calendar years 2008, 2009 and 2010.

The parties believe that this is the best possible allocation of revenue, at this time, for the specified term of the Agreement and recognize that the overall distribution of revenue must be observed to maintain the equity interests of each signatory party and the horsemen they represent. This Agreement is submitted in accordance with 16 Tex. Admin. Code Sec. 321.505

Purse revenue generated by importing horse simulcasting at each of the horse racetracks shall be allocated between the breeds of horses participating as follows:

Lone Star Park for calendar years 2008, 2009, 2010 – 1.25% to the Minor Breed Account; 83% of the balance to the Thoroughbred Account and 17% of the balance to the Quarter Horse Account;

Retama Park for calendar year 2008 – 2% to the Minor Breed Account; 79% of the balance to the Thoroughbred Account and 21% of the balance to the Quarter Horse Account;

Retama Park for calendar years 2009 & 2010 – 2% to the Minor Breed Account; 78% of the balance to the Thoroughbred Account and 22% of the balance to the Quarter Horse Account;

Sam Houston Race Park for calendar 2008 – 2% to the Minor Breed Account; 79% of the balance to the Thoroughbred Account and 21% of the balance to the Quarter Horse Account;

Sam Houston Race Park for calendar years 2009 & 2010 – 2% to the Minor Breed Account; 78% of the balance to the Thoroughbred Account and 22% of the balance to the Quarter Horse Account;

Manor Downs for calendar years 2008, 2009, 2010 – 1.5% to the Minor Breed Account; 26% of the balance to the Thoroughbred Account and 74% of the balance to the Quarter Horse Account; and

(SA)  
b  
BAM  
W  
IV.E.4

Gillespie County Fair for calendar years 2008, 2009, 2010 – 1.5% to the Minor Breed Account; 30% of the balance to the Thoroughbred Account and 70% of the balance to the Quarter Horse Account.

The escrowed horse purse account funds generated by importing inter-state horse simulcasting at each of the Texas greyhound racetracks and collected/administered by the Texas Racing Commission shall be allocated to the Texas horse racetracks for purses as follows:

Lone Star Park for calendar years 2008, 2009, 2010 – 24.65%,

Retama Park for calendar years 2008, 2009, 2010 – 24.65%.

Sam Houston Race Park for calendar years 2008, 2009, 2010 – 41.3%,

Manor Downs for calendar years 2008, 2009, 2010 – 7.8%, and

Gillespie County Fair for calendar years 2008, 2009, 2010 – 1.6%

The escrowed horse purse account funds collected by the Texas Racing Commission and allocated to each Texas horse racetrack shall be allocated between the breeds of horses participating as follows:

Lone Star Park for calendar years 2008, 2009, 2010 – 3.5% to the Arabian Account, 3.5% to the Paint Horse Account, 20.925% to the Thoroughbred Account and 72.075% to the Quarter Horse Account;

Retama Park for calendar years 2008, 2009, 2010 - 3.5% to the Arabian Account, 3.5% to the Paint Horse Account, 20.925% to the Thoroughbred Account and 72.075% to the Quarter Horse Account;

Sam Houston Race Park for calendar years 2008, 2009, 2010 - 3.5% to the Arabian Account, 3.5% to the Paint Horse Account, 20.925% to the Thoroughbred Account and 72.075% to the Quarter Horse Account;

Manor Downs for calendar years 2008, 2009, 2010 - 3.5% to the Arabian Account, 3.5% to the Paint Horse Account, 20.925% to the Thoroughbred Account and 72.075% to the Quarter Horse Account; and

Handwritten signature and initials, including a circled 'B' and a large signature.

Gillespie County Fair for calendar years 2008, 2009, 2010 - 3.5% to the Arabian Account, 3.5% to the Paint Horse Account, 20.925% to the Thoroughbred Account and 72.075% to the Quarter Horse Account.

This Agreement does not establish a precedent, nor are its provisions binding beyond the stated 3-year term.

The foregoing is acknowledged and agreed to on this \_\_\_\_\_ day of November 2007.

*Eric F. White*

Gillespie County Fair

Manor Downs

*W. M. S. [Signature]*

*ACB [Signature]*

Lone Star Park

Retama Park

*ATLR [Signature]*

*J. E. [Signature]*

Sam Houston Race Park and Protective Association

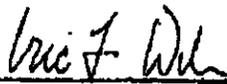
Texas Horsemen's Benevolent

Texas Thoroughbred HBPA, Inc.

Gillespie County Fair for calendar years 2008, 2009, 2010 - 3.5% to the Arabian Account, 3.5% to the Paint Horse Account, 20.925% to the Thoroughbred Account and 72.075% to the Quarter Horse Account.

This Agreement does not establish a precedent, nor are its provisions binding beyond the stated 3 - year term.

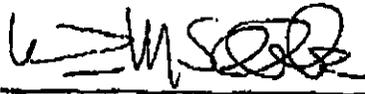
The foregoing is acknowledged and agreed to on this \_\_\_\_\_ day of November 2007.



Gillespie County Fair

\_\_\_\_\_

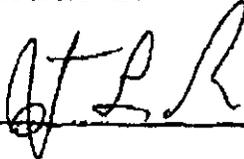
Manor Downs





Lone Star Park

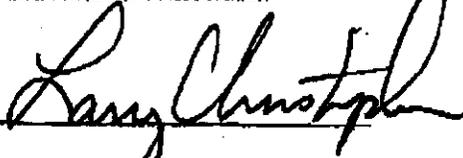
Relama Park





Sam Houston Race Park  
and Protective Association

Texas Horsemen's Benevolent



Texas Thoroughbred HBPA, Inc.

Gillespie County Fair for calendar years 2008, 2009, 2010 - 3.5% to the Arabian Account, 3.5% to the Paint Horse Account, 20.925% to the Thoroughbred Account and 72.075% to the Quarter Horse Account.

This Agreement does not establish a precedent, nor are its provisions binding beyond the stated 3 - year term.

The foregoing is acknowledged and agreed to on this \_\_\_\_\_ day of November 2007.

\_\_\_\_\_

Gillespie County Fair



Manor Downs

\_\_\_\_\_

Lone Star Park



Relama Park

\_\_\_\_\_

Sam Houston Race Park  
and Protective Association

\_\_\_\_\_

Texas Horsemen's Benevolent

\_\_\_\_\_

Texas Thoroughbred HBPA, Inc.

**EXTENSION AGREEMENT**

Lone Star Park, Gillespie County Fair, Manor Downs, Retama Park, Sam Houston Race Park, Ltd., Texas Horsemen's Benevolent and Protective Association and Texas Thoroughbred HBPA, Inc. (collectively, the "Parties") entered into an agreement dated effective as of January 1, 2008, pertaining to the allocation of revenue of the Minor Breed Account, Thoroughbred Account and the Quarter House Account (the "Agreement").

The Agreement expires on December 31, 2010 and the Parties desire to extend the term of the Agreement.

Therefore, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. The Agreement shall be extended for a term of two additional years, commencing on January 1, 2011 and expiring on December 31, 2012, unless sooner terminated as provided below.

2. Any of the Parties may terminate the Agreement for any reason, but only after December 31, 2011, and only upon providing not less than 90 days written notice to all of the Parties.

3. Except as expressly provided in this Extension Agreement, all the terms and conditions of the Agreement are hereby ratified and confirmed and shall remain in full force and effect. All terms defined in the Agreement shall have the same meaning in this Extension Agreement unless expressly provided to the contrary in this Extension Agreement.

4. It is expressly understood among the parties that by execution of this Extension Agreement that the Agreement is hereto attached and incorporated into this Extension Agreement by reference.

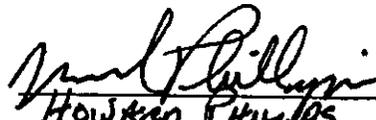
5. This Extension Agreement may be executed in counterparts, each of which shall be an original and together will constitute a fully executed Extension Agreement. As soon as possible, the Parties agree to exchange counterparts so that each party will have a fully executed Extension Agreement.

Dated: March \_\_\_\_\_, 2010.

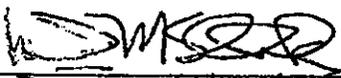
**Gillespie County Fair**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Manor Downs**

By:   
Name: Howard Phillips  
As Its: CEO  
Date: 2-26-10

**Lone Star Park**

By:   
Name: DREW SHUBERT  
As Its: President  
Date: 3-28-10

**Retama Park**

By:   
Name: Brian R. Brown  
As Its: CEO  
Date: 3/26/10

**EXTENSION AGREEMENT**

Lone Star Park, Gillespie County Fair, Manor Downs, Retama Park, Sam Houston Race Park, Ltd., Texas Horsemen's Benevolent and Protective Association and Texas Thoroughbred HBPA, Inc (collectively, the "Parties") entered into an agreement dated effective as of January 1, 2008, pertaining to the allocation of revenue of the Minor Breed Account, Thoroughbred Account and the Quarter House Account (the "Agreement").

The Agreement expires on December 31, 2010 and the Parties desire to extend the term of the Agreement.

Therefore, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. The Agreement shall be extended for a term of two additional years, commencing on January 1, 2011 and expiring on December 31, 2012, unless sooner terminated as provided below.

2. Any of the Parties may terminate the Agreement for any reason, but only after December 31, 2011, and only upon providing not less than 90 days written notice to all of the Parties.

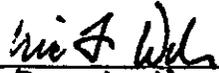
3. Except as expressly provided in this Extension Agreement, all the terms and conditions of the Agreement are hereby ratified and confirmed and shall remain in full force and effect. All terms defined in the Agreement shall have the same meaning in this Extension Agreement unless expressly provided to the contrary in this Extension Agreement.

4. It is expressly understood among the parties that by execution of this Extension Agreement that the Agreement is hereto attached and incorporated into this Extension Agreement by reference.

5. This Extension Agreement may be executed in counterparts, each of which shall be an original and together will constitute a fully executed Extension Agreement. As soon as possible, the Parties agree to exchange counterparts so that each party will have a fully executed Extension Agreement.

Dated: March 18, 2010.

**Gillespie County Fair**

By:   
Name: ERIC L. WILSON  
As Its: DIR. OF COMPLIANCE  
Date: 3-18-2010

**Manor Downs**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Lone Star Park**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Retama Park**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Sam Houston Race Park, Ltd.**

By: SHRP General Partner, Inc.,  
Its General Partner

By: \_\_\_\_\_  
Name: Andrea Young  
As Its: President and  
Chief Operating Officer

Date: \_\_\_\_\_

**Texas Thoroughbred HBPA, Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Texas Quarterhorse Association**

By: \_\_\_\_\_  
Name: Rob Werstler  
As Its: Executive Director  
Date: \_\_\_\_\_

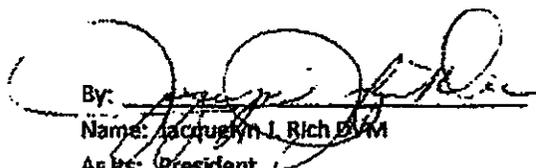
**Texas Arabian Breeders Association**

By: \_\_\_\_\_  
Name: Ed Wilson  
As Its: President  
Date: April 1, 2010

**Texas Horsemen's Benevolent and Protective Association**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Texas Thoroughbred Association**

By:   
Name: Jacquelyn L. Rich, DVM  
As Its: President  
Date: April 7, 2010

**Texas Paint Horse Breeders Association**

By: \_\_\_\_\_  
Name: Karen Utecht  
As Its: Director  
Date: \_\_\_\_\_

**Sam Houston Race Park, Ltd.**

By: **SHRP General Partner, Inc.,  
Its General Partner**

By: \_\_\_\_\_  
Name: **Andrea Young**  
As Its: **President and  
Chief Operating Officer**

Date: \_\_\_\_\_

**Texas Horsemen's Benevolent and Protective  
Association**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Texas Thoroughbred HBPA, Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Texas Thoroughbred Association**

By: \_\_\_\_\_  
Name: **David Hooper**  
As Its: **Executive Director**  
Date: \_\_\_\_\_

**Texas Quarterhorse Association**

By: \_\_\_\_\_  
Name: **Rob Werstler**  
As Its: **Executive Director**  
Date: \_\_\_\_\_

**Texas Paint Horse Breeders Association**

By: *Karen Utecht*  
Name: **Karen Utecht**  
As Its: **Director**  
Date: **4-1-10**

**Texas Arabian Breeders Association**

By: \_\_\_\_\_  
Name: **Ed Wilson**  
As Its: **President**  
Date: \_\_\_\_\_

**Sam Houston Race Park, Ltd.**

By: SHRP General Partner, Inc.,  
Its General Partner

By: \_\_\_\_\_  
Name: Andrea Young  
As Its: President and  
Chief Operating Officer

Date: \_\_\_\_\_

**Texas Horsemen's Benevolent and Protective Association**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Texas Thoroughbred HBPA, Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Texas Thoroughbred Association**

By: \_\_\_\_\_  
Name: David Hooper  
As Its: Executive Director  
Date: \_\_\_\_\_

**Texas Quarterhorse Association**

By: \_\_\_\_\_  
Name: Rob Werstler  
As Its: Executive Director  
Date: \_\_\_\_\_

**Texas Paint Horse Breeders Association**

By: \_\_\_\_\_  
Name: Karen Utecht  
As Its: Director  
Date: \_\_\_\_\_

**Texas Arabian Breeders Association**

By: Ed Wilson  
Name: Ed Wilson  
As Its: President  
Date: 4/1/10

**Sam Houston Race Park, Ltd.**

By: SHRP General Partner, Inc.,  
Its General Partner

By: \_\_\_\_\_  
Name: Andrea Young  
As Its: President and  
Chief Operating Officer

Date: \_\_\_\_\_

**Texas Horsemen's Benevolent and Protective Association**

By: Mausha Reintree  
Name: Mausha Reintree  
As Its: Ex. Director  
Date: 3-31-10

**Texas Thoroughbred HBPA, Inc.**

By: Mausha Reintree  
Name: Mausha Reintree  
As Its: Ex. Director  
Date: 3-31-10

**Texas Thoroughbred Association**

By: \_\_\_\_\_  
Name: David Hooper  
As Its: Executive Director  
Date: \_\_\_\_\_

**Texas Quarterhorse Association**

By: \_\_\_\_\_  
Name: Rob Werstler  
As Its: Executive Director  
Date: \_\_\_\_\_

**Texas Paint Horse Breeders Association**

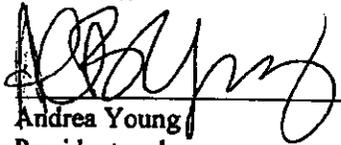
By: \_\_\_\_\_  
Name: Karen Utecht  
As Its: Director  
Date: \_\_\_\_\_

**Texas Arabian Breeders Association**

By: \_\_\_\_\_  
Name: Ed Wilson  
As Its: President  
Date: \_\_\_\_\_

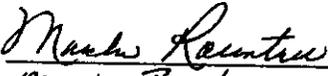
**Sam Houston Race Park, Ltd.**

By: SHRP General Partner, Inc.,  
Its General Partner

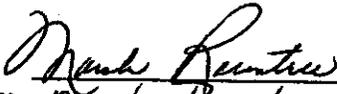
By:   
Name: Andrea Young  
As Its: President and  
Chief Operating Officer

Date: \_\_\_\_\_

**Texas Horsemen's Benevolent and Protective  
Association**

By:   
Name: Marsha Renstreet  
As Its: Ex. Director  
Date: 3-26-10

**Texas Thoroughbred HBPA, Inc.**

By:   
Name: Marsha Renstreet  
As Its: Ex. Director  
Date: 3-26-10

**Sam Houston Race Park, Ltd.**

By: SHRP General Partner, Inc.,  
Its General Partner

By: \_\_\_\_\_  
Name: Andrea Young  
As Its: President and  
Chief Operating Officer

Date: \_\_\_\_\_

**Texas Thoroughbred HBPA, Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Texas Quarterhorse Association**

By: Rob Werstler  
Name: Rob Werstler  
As Its: Executive Director  
Date: \_\_\_\_\_

**Texas Arabian Breeders Association**

By: \_\_\_\_\_  
Name: Ed Wilson  
As Its: President  
Date: \_\_\_\_\_

**Texas Horsemen's Benevolent and Protective Association**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
As Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**Texas Thoroughbred Association**

By: \_\_\_\_\_  
Name: David Hooper  
As Its: Executive Director  
Date: \_\_\_\_\_

**Texas Paint Horse Breeders Association**

By: \_\_\_\_\_  
Name: Karen Utecht  
As Its: Director  
Date: \_\_\_\_\_

**AGREEMENT**  
Addendum to Horsemen's Agreement effective January 2008

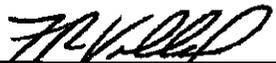
In an effort to achieve a fair and equitable split of Purse revenue available to Paint Horses and Arabian Horses, the following agreement is made by and between the Texas Paint Horse Breeders Association and the Texas Arabian Association. The term of the agreement shall be for calendar years 2010 and 2011, 2012.

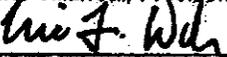
The parties believe that this is the best possible allocation of purse revenue for the source identified below, at this time, for the specified term of the Agreement and recognize that the overall distribution of revenue must be observed to maintain equity interests of each signatory party and the horsemen they represent. This Agreement is submitted in accordance with 16 Tex.Admin.Code Sec. 321.505(a)

Purse revenue generated by importing horse simulcasting at each of the horse racetracks shall be allocated between the breeds of horses participating as follows:

1. Lone Star Park for calendar year 2010, 2011, 2012 – 1.25% to the Minor Breed Account. This account will be divided 35% to Paints and 65% to Arabians.
2. Retama Park for calendar year 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 25% to Paints and 75% to Arabians.
3. Sam Houston Race Park for calendar years 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 30% to Paints and 70% to Arabians.
4. Manor Downs for calendar year 2010, 2011, 2012 – 1.5% to the Minor Breed Account. This account will be divided 100% to Paints.
5. Gillespie County Fair for calendar year 2010, 2011, 2012 – 1.5% to the Minor Breed Account. This account will be divided 100% to Paints.

This Agreement will take effect as of **May 25, 2010** and all monies currently held in the Minor Breed accounts at each respective track shall be divided per the percentages stated above with the exception of the Minor Breed account at Manor Downs, which shall be split 50% to Paints and 50% to Arabians. All funds generated by importing horse simulcasting at each of the horse racetracks and allocated to the Minor Breed account received from May 25, 2010 forward shall be allocated by and between the Paints and Arabians pursuant to the above percentages. This agreement is for the allocation purse revenue generated by importing simulcasting at each of the horse racetracks and does not affect any other agreements and/or allocation of funds.

  
\_\_\_\_\_  
Texas Paint Horse Breeders Association  
Pancho Villarreal, President

  
\_\_\_\_\_  
Gillespie County Fair

\_\_\_\_\_  
Lone Star Park

\_\_\_\_\_  
Sam Houston Race Park

\_\_\_\_\_  
Texas Arabian Breeders Association  
Ed Wilson

\_\_\_\_\_  
Manor Downs

\_\_\_\_\_  
Retama Park

\_\_\_\_\_  
Texas Horsemen's Partnership

revised 5/25/2010

**AGREEMENT**  
Addendum to Horseman's Agreement effective January 2008

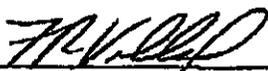
In an effort to achieve a fair and equitable split of Purse revenue available to Paint Horses and Arabian Horses, the following agreement is made by and between the Texas Paint Horse Breeders Association and the Texas Arabian Association. The term of the agreement shall be for calendar years 2010 and 2011, 2012.

The parties believe that this is the best possible allocation of purse revenue for the source identified below, at this time, for the specified term of the Agreement and recognize that the overall distribution of revenue must be observed to maintain equity interests of each signatory party and the horsemen they represent. This Agreement is submitted in accordance with 16 Tex.Admin.Code Sec. 321.505(a)

Purse revenue generated by importing horse simulcasting at each of the horse racetracks shall be allocated between the breeds of horses participating as follows:

1. Lone Star Park for calendar year 2010, 2011, 2012 – 1.25% to the Minor Breed Account. This account will be divided 35% to Paints and 65% to Arabians.
2. Retama Park for calendar year 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 25% to Paints and 75% to Arabians.
3. Sam Houston Race Park for calendar years 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 30% to Paints and 70% to Arabians.
4. Manor Downs for calendar year 2010, 2011, 2012 – 1.5% to the Minor Breed Account. This account will be divided 100% to Paints.
5. Gillespie County Fair for calendar year 2010, 2011, 2012 – 1.5% to the Minor Breed Account. This account will be divided 100% to Paints.

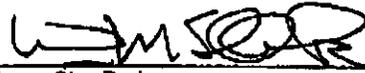
This Agreement will take effect as of May 25, 2010 and all monies currently held in the Minor Breed accounts at each respective track shall be divided per the percentages stated above with the exception of the Minor Breed account at Manor Downs, which shall be split 50% to Paints and 50% to Arabians. All funds generated by importing horse simulcasting at each of the horse racetracks and allocated to the Minor Breed account received from May 25, 2010 forward shall be allocated by and between the Paints and Arabians pursuant to the above percentages. This agreement is for the allocation purse revenue generated by importing simulcasting at each of the horse racetracks and does not affect any other agreements and/or allocation of funds.

  
\_\_\_\_\_  
Texas Paint Horse Breeders Association  
Pancho Villarreal, President

\_\_\_\_\_  
Texas Arabian Breeders Association  
Ed Wilson

\_\_\_\_\_  
Gillespie County Fair

\_\_\_\_\_  
Manor Downs

  
\_\_\_\_\_  
Lone Star Park

\_\_\_\_\_  
Retama Park

\_\_\_\_\_  
Sam Houston Race Park

\_\_\_\_\_  
Texas Horsemen's Partnership

revised 5/25/2010

**AGREEMENT**

**Addendum to Horsemen's Agreement effective January 2008**

In an effort to achieve a fair and equitable split of Purse revenue available to Paint Horses and Arabian Horses, the following agreement is made by and between the Texas Paint Horse Breeders Association and the Texas Arabian Association. The term of the agreement shall be for calendar years 2010 and 2011, 2012.

The parties believe that this is the best possible allocation of purse revenue for the source identified below, at this time, for the specified term of the Agreement and recognize that the overall distribution of revenue must be observed to maintain equity interests of each signatory party and the horsemen they represent. This Agreement is submitted in accordance with 16 Tex.Admin.Code Sec. 321.505(a)

Purse revenue generated by importing horse simulcasting at each of the horse racetracks shall be allocated between the breeds of horses participating as follows:

1. Lone Star Park for calendar year 2010, 2011, 2012 – 1.25% to the Minor Breed Account. This account will be divided 35% to Paints and 65% to Arabians.
2. Retama Park for calendar year 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 25% to Paints and 75% to Arabians.
3. Sam Houston Race Park for calendar years 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 30% to Paints and 70% to Arabians.
4. Manor Downs for calendar year 2010, 2011, 2012 – 1.5% to the Minor Breed Account. This account will be divided 100% to Paints.
5. Gillespie County Fair for calendar year 2010, 2011, 2012 – 1.6% to the Minor Breed Account. This account will be divided 100% to Paints.

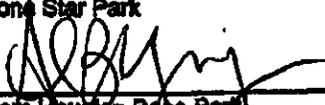
This Agreement will take effect as of May 25, 2010 and all monies currently held in the Minor Breed accounts at each respective track shall be divided per the percentages stated above with the exception of the Minor Breed account at Manor Downs, which shall be split 80% to Paints and 50% to Arabians. All funds generated by importing horse simulcasting at each of the horse racetracks and allocated to the Minor Breed account received from May 25, 2010 forward shall be allocated by and between the Paints and Arabians pursuant to the above percentages. This agreement is for the allocation purse revenue generated by importing simulcasting at each of the horse racetracks and does not affect any other agreements and/or allocation of funds.

  
\_\_\_\_\_  
Texas Paint Horse Breeders Association  
Pancho Villarreal, President

  
\_\_\_\_\_  
Texas Arabian Breeders Association  
Ed Wilson

\_\_\_\_\_  
Gillespie County Fair

\_\_\_\_\_  
Manor Downs

\_\_\_\_\_  
Lone Star Park  
  
\_\_\_\_\_  
Sam Houston Race Park

\_\_\_\_\_  
Retama Park  
  
\_\_\_\_\_  
Texas Horsemen's Partnership

revised 5/25/2010

**AGREEMENT**

Addendum to Horsemen's Agreement effective January 2008

In an effort to achieve a fair and equitable split of Purse revenue available to Paint Horses and Arabian Horses, the following agreement is made by and between the Texas Paint Horse Breeders Association and the Texas Arabian Association. The term of the agreement shall be for calendar years 2010 and 2011, 2012.

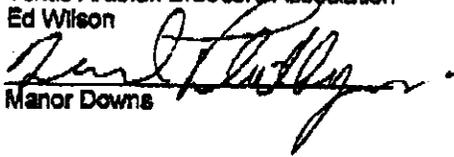
The parties believe that this is the best possible allocation of purse revenue for the source identified below, at this time, for the specified term of the Agreement and recognize that the overall distribution of revenue must be observed to maintain equity interests of each signatory party and the horsemen they represent. This Agreement is submitted in accordance with 16 Tex.Admin.Code Sec. 321.505(a)

Purse revenue generated by importing horse simulcasting at each of the horse racetracks shall be allocated between the breeds of horses participating as follows:

1. Lone Star Park for calendar year 2010, 2011, 2012 – 1.25% to the Minor Breed Account. This account will be divided 35% to Paints and 65% to Arabians.
2. Retama Park for calendar year 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 25% to Paints and 75% to Arabians.
3. Sam Houston Race Park for calendar years 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 30% to Paints and 70% to Arabians.
4. Manor Downs for calendar year 2010, 2011, 2012 – 1.5% to the Minor Breed Account. This account will be divided 100% to Paints.
5. Gillespie County Fair for calendar year 2010, 2011, 2012 – 1.5% to the Minor Breed Account. This account will be divided 100% to Paints.

This Agreement will take effect as of May 25, 2010 and all monies currently held in the Minor Breed accounts at each respective track shall be divided per the percentages stated above with the exception of the Minor Breed account at Manor Downs, which shall be split 50% to Paints and 50% to Arabians. All funds generated by importing horse simulcasting at each of the horse racetracks and allocated to the Minor Breed account received from May 25, 2010 forward shall be allocated by and between the Paints and Arabians pursuant to the above percentages. This agreement is for the allocation purse revenue generated by importing simulcasting at each of the horse racetracks and does not affect any other agreements and/or allocation of funds.

  
\_\_\_\_\_  
Texas Paint Horse Breeders Association  
Pancho Villarreal, President

\_\_\_\_\_  
Texas Arabian Breeders Association  
Ed Wilson  
  
Manor Downs

\_\_\_\_\_  
Gillespie County Fair

\_\_\_\_\_  
Lone Star Park

\_\_\_\_\_  
Retama Park

\_\_\_\_\_  
Sam Houston Race Park

\_\_\_\_\_  
Texas Horsemen's Partnership

revised 5/25/2010

**AGREEMENT**  
Addendum to Horsemen's Agreement effective January 2008

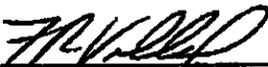
In an effort to achieve a fair and equitable split of Purse revenue available to Paint Horses and Arabian Horses, the following agreement is made by and between the Texas Paint Horse Breeders Association and the Texas Arabian Association. The term of the agreement shall be for calendar years 2010 and 2011, 2012.

The parties believe that this is the best possible allocation of purse revenue for the source identified below, at this time, for the specified term of the Agreement and recognize that the overall distribution of revenue must be observed to maintain equity interests of each signatory party and the horsemen they represent. This Agreement is submitted in accordance with 16 Tex.Admin.Code Sec. 321.505(a)

Purse revenue generated by importing horse simulcasting at each of the horse racetracks shall be allocated between the breeds of horses participating as follows:

1. Lone Star Park for calendar year 2010, 2011, 2012 – 1.25% to the Minor Breed Account. This account will be divided 35% to Paints and 65% to Arabians.
2. Retama Park for calendar year 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 25% to Paints and 75% to Arabians.
3. Sam Houston Race Park for calendar years 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 30% to Paints and 70% to Arabians.
4. Manor Downs for calendar year 2010, 2011, 2012 – 1.5% to the Minor Breed Account. This account will be divided 100% to Paints.
5. Gillespie County Fair for calendar year 2010, 2011, 2012 – 1.5% to the Minor Breed Account. This account will be divided 100% to Paints.

This Agreement will take effect as of May 25, 2010 and all monies currently held in the Minor Breed accounts at each respective track shall be divided per the percentages stated above with the exception of the Minor Breed account at Manor Downs, which shall be split 50% to Paints and 50% to Arabians. All funds generated by importing horse simulcasting at each of the horse racetracks and allocated to the Minor Breed account received from May 25, 2010 forward shall be allocated by and between the Paints and Arabians pursuant to the above percentages. This agreement is for the allocation purse revenue generated by importing simulcasting at each of the horse racetracks and does not affect any other agreements and/or allocation of funds.

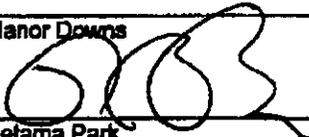
  
\_\_\_\_\_  
Texas Paint Horse Breeders Association  
Pancho Villarreal, President

\_\_\_\_\_  
Texas Arabian Breeders Association  
Ed Wilson

\_\_\_\_\_  
Gillespie County Fair

\_\_\_\_\_  
Manor Downs

\_\_\_\_\_  
Lone Star Park

  
\_\_\_\_\_  
Retama Park

\_\_\_\_\_  
Sam Houston Race Park

\_\_\_\_\_  
Texas Horsemen's Partnership

revised 5/25/2010

AGREEMENT

Addendum to Horsemen's Agreement effective January 2008

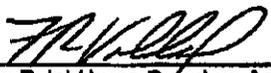
In an effort to achieve a fair and equitable split of Purse revenue available to Paint Horses and Arabian Horses, the following agreement is made by and between the Texas Paint Horse Breeders Association and the Texas Arabian Association. The term of the agreement shall be for calendar years 2010 and 2011, 2012.

The parties believe that this is the best possible allocation of purse revenue for the source identified below, at this time, for the specified term of the Agreement and recognize that the overall distribution of revenue must be observed to maintain equity interests of each signatory party and the horsemen they represent. This Agreement is submitted in accordance with 16 Tex.Admin.Code Sec. 321.505(a)

Purse revenue generated by importing horse simulcasting at each of the horse racetracks shall be allocated between the breeds of horses participating as follows:

1. Lone Star Park for calendar year 2010, 2011, 2012 – 1.25% to the Minor Breed Account. This account will be divided 35% to Paints and 65% to Arabians.
2. Retama Park for calendar year 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 25% to Paints and 75% to Arabians.
3. Sam Houston Race Park for calendar years 2010, 2011, 2012 – 2% to the Minor Breed Account. This account will be divided 30% to Paints and 70% to Arabians.
4. Manor Downs for calendar year 2010, 2011, 2012 – 1.5% to the Minor Breed Account. This account will be divided 100% to Paints.
5. Gillespie County Fair for calendar year 2010, 2011, 2012 – 1.5% to the Minor Breed Account. This account will be divided 100% to Paints.

This Agreement will take effect as of May 25, 2010 and all monies currently held in the Minor Breed accounts at each respective track shall be divided per the percentages stated above with the exception of the Minor Breed account at Manor Downs, which shall be split 50% to Paints and 50% to Arabians. All funds generated by importing horse simulcasting at each of the horse racetracks and allocated to the Minor Breed account received from May 25, 2010 forward shall be allocated by and between the Paints and Arabians pursuant to the above percentages. This agreement is for the allocation purse revenue generated by importing simulcasting at each of the horse racetracks and does not affect any other agreements and/or allocation of funds.

  
\_\_\_\_\_  
Texas Paint Horse Breeders Association  
Pancho Villarreal, President

\_\_\_\_\_  
Texas Arabian Breeders Association  
Ed Wilson

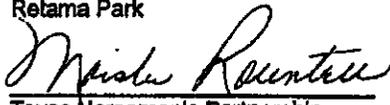
\_\_\_\_\_  
Gillespie County Fair

\_\_\_\_\_  
Manor Downs

\_\_\_\_\_  
Lone Star Park

\_\_\_\_\_  
Retama Park

\_\_\_\_\_  
Sam Houston Race Park

  
\_\_\_\_\_  
Texas Horsemen's Partnership

revised 5/25/2010



**TEXAS RACING COMMISSION**  
**P. O. Box 12080**  
**Austin, TX 78711-2080**  
**(512) 833-6699**  
**Fax (512) 833-6907**

June 8, 2010

To: Charla Ann King  
Executive Director

From: Michael Gougler  
 Director of Investigation

RE: Ownership Changes Retama Park

On February 17, 2010, the Commission received a written request from Retama Park for approval of transfer in ownership of 0.249% (approximately one-quarter of 1%) from Leo and Marilyn Sue Greenblum, with 0.1245% transferred to Leo Greenblum personally and 0.1245% transferred to Leo Greenblum as Trustee of the Bypass Trust created under the will of Marilyn Sue Greenblum.

Background information forms for the applicant were forwarded to the Department of Public Safety Bureau of Information Analysis for investigation.

On May 19, 2010, the Commission received a written report from DPS advising that there was no disqualifying information revealed by the investigation.

Staff recommends that the application for ownership transfer, as indicated above, be approved.

Retama Partners Ltd.  
P. O. Box 47535  
San Antonio, TX 78265-7535  
210-651-7129 FAX 210-651-7097

RECEIVED  
TEXAS RACING  
COMMISSION

February 11, 2010

Ms. Charla Ann King  
Executive Director  
Texas Racing Commission  
PO Box 12080  
Austin, TX 78711-2080

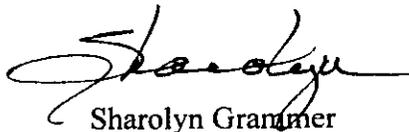
Dear Charla Ann:

Enclosed are the documents and check required for transfer of the following ownership interests/units in Retama Partners Ltd.

- Leo and Marilyn Sue Greenblum transferred 10 interests (effective January 1, 2010) as follows:
  - Leo Greenblum 5 interests/units (.1245% ownership)
  - Leo Greenblum, Trustee of the Bypass Trust created under the Will of Marilyn Sue Greenblum 5 interests/units (.1245% ownership)

Please let me know if you need any further information for approval of this transfer by the Texas Racing Commission. Thanks for your help.

Sincerely,

  
Sharolyn Granmer

Enclosures



**TEXAS RACING COMMISSION**  
**P. O. Box 12080**  
**Austin, TX 78711-2080**  
**(512) 833-6699**  
**Fax (512) 833-6907**

June 23, 2010

To: Charla Ann King  
Executive Director

From: Michael Gougler  
 Director of Investigation

RE: Ownership Changes Retama Park

On June 4, 2010, the Commission received a written request from Retama Park for approval of transfer in ownership of 0.249% (approximately one-quarter of 1%) from Sanger & Altgelt Agency to Jones N. and Christine A. Haynes.

Background information forms for the applicant were forwarded to the Department of Public Safety Bureau of Information Analysis for investigation.

On June 11, 2010, the Commission received a written report from DPS advising that there was no disqualifying information revealed by the investigation.

Staff recommends that the application for ownership transfer, as indicated above, be approved.

Retama Partners Ltd.  
P. O. Box 47535  
San Antonio, TX 78265-7535  
210-651-7120 Fax ~~210-651-7097~~ 1:13

RECEIVED  
TEXAS RACING  
COMMISSION

June 2, 2010

Mr. Mark Fenner  
Texas Racing Commission  
PO Box 12080  
Austin, TX 78711-2080

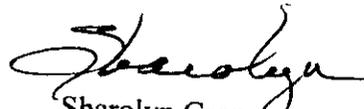
Dear Mark:

Enclosed are the documents required for transfer of the following ownership interests/units in Retama Partners Ltd.

- Sanger & Altgelt Agency to
  - Jones N. and Christine A. Haynes 10 interests/units (.2490% ownership)

A check for \$75.00 is enclosed to cover the transfer/investigation fee. Please let me know if you need any further information for approval of this transfer by the Texas Racing Commission. Thanks for your help.

Sincerely,

  
Sharolyn Grammer

Enclosures

**IV.F.4**



## Memorandum

Date: April 9, 2009

To: Mark Fenner, General Counsel

From:  Sammy Jackson, Deputy Director

RE: Totalisator Contract between AmTote International, Inc. and Retama Park

Attached to this memorandum is an amendment to the tote contract between Retama Park and AmTote International, Inc. that has been requested to be placed on the April 20, 2010 Commission Agenda for consideration. The amendment submitted for consideration would continue services as outlined within the contract approved by the Commission on May 14, 2007. Staff has completed a review of the contract approved by the Commission in 2007 and the amendment attached to this memorandum that has been submitted for consideration. Staff finds all documents to be in compliance with the Texas Racing Act and the Texas Rules of Racing.

If you have any questions, please feel free to contact Carol Olewin or me.

Cc: Carol Olewin, Compliance Audit Administrator



2010 APR -8 PM 2: 11

RECEIVED  
TEXAS RACING  
COMMISSION

Mr. Sammy Jackson  
Deputy Director  
Texas Racing Commission  
8505 Cross Park Drive #110  
Austin, Tx 78754

Dear Sammy:

Retama Park requests that the following item be included in the next Texas Racing Commission meeting agenda:

Approval of Totalisator Services Agreement between Retama Development Corporation and AmTote International

Please let me know if you have any questions with regard to this request.

Many thanks.

Bryan Brown  
CEO

# **Austin Jockey Club, Ltd.**

## **Status Report**

**June 23, 2010**

2010 JUN 23 PM 2:38

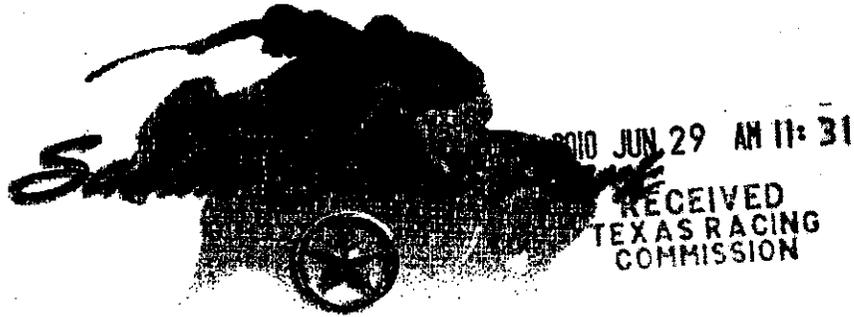
RECEIVED  
TEXAS RACING  
COMMISSION

Since the last Texas Racing Commission meeting, several events have occurred with regard to the Austin Jockey Club, Ltd. First, our group closed on a 148 acre parcel in southeast Austin in a cash closing. The parcel provides an excellent location for a horse race track for several reasons:

- The property is easily accessible from I-35
- The property is in an unincorporated area and officials in the closest city have expressed enthusiasm about the project. The project is seen as a potential catalyst for much needed development in the area.
- Water and electrical lines are in place along the property boundary. The property may be included in a municipal services district which would provide waste water treatment services.
- The community officials would like to annex the property.
- The property is 1.5 miles from a veterinary clinic/hospital and a fire station

The group that has purchased the parcel would become the owners of the Longhorn Downs, Inc. stock under a purchase and sale agreement entered into with the Austin Jockey Club. All partners in the group have completed DPS Disclosure forms and a meeting has been set with the DPS to present the forms and application for transfer/change of location on June 24.

The preliminary site plan and the floor plan for the clubhouse are complete. The clubhouse will be unique to any that have been developed in Texas and includes an emphasis on sports in addition to horse racing. Not only will the facility be known as a modern and comfortable place for racing fans, it will also be one of the best facilities in the area for watching big games. The idea is to appeal to a broader market of sports enthusiasts with the hopes of indoctrinating them into our great sport.



June 29, 2010

Texas Racing Commission  
P.O. Box 12080  
Austin, Texas 78711-2080

Re; Progress Reports

Dear Charla Ann King:

As previously reported, Saddle Brook Park has a contract to sell its interests to an affiliate of Global Gaming Solutions, LLC. ("GGS"). As part of its due diligence, representatives of GGS have met with members of TRC staff and been instructed to prepare a complete application to accompany the request for transfer of ownership. Accordingly, a current demographic study of the Amarillo market is required in order to prepare the financial forecasts and budgets required by the TRC in its application form. The Innovation Group has been engaged and is performing the required study and its report is due in about 3 weeks. Upon its receipt, it will then have to be evaluated and adjustments to current plans and designs will have to be performed to match the facility with the projections. I will report back to you after that has been received.

Respectfully Submitted,

Drew Alexander  
President and CEO  
Saddle Brook Park

Office 806-359-9546 • Fax 806-359-5239 • P. O. Box 50597 • Amarillo, Texas 79159  
[www.saddlebrookpark.net](http://www.saddlebrookpark.net)

**IV.H.2**

*Valle de los Tesoros*  
3900 N. McColl Road  
McAllen, Texas 78501  
Phone: 956-687-7751 Fax: 956-687-8569

June 29, 2010

Charla Ann King, Executive Secretary  
Texas Racing Commission  
8505 Cross Park Dr., Suite #110  
Austin, Texas 78754

Via Fax

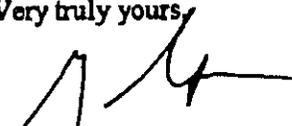
Re: Progress Report – Tesoros Race Park

Dear Ms. King:

We are in receipt of your correspondence seeking a written progress report with respect to Tesoros Race Park. We understand that this progress report will be included in the agenda packet for possible discussion during the upcoming Texas Racing Commission meeting scheduled for July 7, 2010. In addition, it is my intention to be present at the July 7, 2010 Commission meeting to answer any questions the Commissioners may have.

The schedule for beginning construction of Tesoros Race Park is dependent upon the progress made by the City of McAllen in extending utility services to the Site. I have attached a letter dated June 23, 2010, from the City of McAllen addressing its plans for future utility services at the proposed Site. As indicated in that letter, the City of McAllen had submitted a request to the City of Hidalgo for an extension of utility services to the Site, but that request was recently denied. Accordingly, the City of McAllen is currently examining its budget and working with Valle de los Tesoros, Ltd. to raise the needed funds for utility services. Once the City of McAllen has committed funds for the project, there will be a request for bids for the project, and construction of these utilities can begin. The schedule for construction and operation of Tesoros Race Park is dependent on finalization of the City of McAllen's extension of needed utilities.

We will keep you apprised as progress continues.

Very truly yours,  
  
Greg LaMantia

Attachments

**IV.H.3.1**



RICHARD F. CORTEZ, Mayor  
HILDA SALINAS, Mayor Pro-Tem and Commissioner District 3  
AIDA RAMIREZ, Mayor Pro-Tem and Commissioner District 4  
SCOTT C. CRANE, Commissioner District 1  
MARCUS C. BARRERA, Commissioner District 2  
JOHN J. INGRAM, Commissioner District 5  
JIM DARLING, Commissioner District 6

MIKE R. PEREZ, City Manager

June 23, 2010

Greg LaMantia  
3900 North McColl Road  
McAllen, Texas 78501

Dear Mr. LaMantia:

This letter is to inform you of the update concerning the extension of utilities for the proposed Horse Track Project on Dicker Road, in McAllen Texas.

We submitted a request to the City of Hidalgo for Utility service and our request was denied.

The City of McAllen is in the process of moving funds around to fund the project, along with financial assistance from your group. We anticipate accomplishing this within the next 90 days. We look forward to working with you on the new development.

If you should have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike R. Perez".

Mike R. Perez  
City Manager

MRP:sc

Cc: Mayor and City Commission

**LRP Group, LTD**  
**3900 N. McCall Road**  
**McAllen, Texas 78501**  
**Phone: 956-687-7751 Fax: 956-687-8569**

June 29, 2010

Charla Ann King, Executive Secretary  
Texas Racing Commission  
8505 Cross Park Dr., Suite #110  
Austin, Texas 78754

Via Fax

Re: Progress Report - Laredo Downs

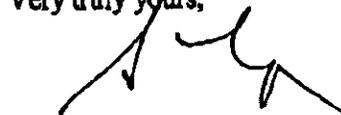
Dear Ms. King:

We are in receipt of your correspondence seeking a written progress report with respect to Laredo Downs. We understand that this progress report will be included in the agenda packet for possible discussion during the upcoming Texas Racing Commission meeting scheduled for July 7, 2010. In addition, it is my intention to be present at the July 7, 2010 Commission meeting to answer any questions the Commissioners may have.

As the Commission is aware, LRP Group, Ltd. has been exploring opportunities to relocate the proposed racetrack from Laredo, Texas, to the Dallas/Fort Worth area. A critical component of that proposed relocation is discussions with representatives of the industry concerning the exact location, as well as addressing any other issues of concern in an effort to ensure the relocation is in the best interest of the racing community, the patrons, and the public. These discussions are complex and challenging, but are progressing in a positive direction. LRP Group, Ltd. remains hopeful that an application for relocation will be filed in the near future.

We will keep you apprised as progress continues.

Very truly yours,



Greg LaMantia

**IV.H.4**



2010 JUN 24 PM 1:55

RECEIVED  
TEXAS RACING  
COMMISSION

**VIA EMAIL AND FEDEX**

June 23, 2010

Ms. Charla Ann King  
Executive Director  
Texas Racing Commission  
P.O. Box 12080  
Austin, TX 78711-2080

Dear Ms. King:

Thank you for your letter dated May 20, 2010 requesting a written progress report of our efforts to bring live racing to Webb County. Please accept the following summary as a high level overview of our efforts.

Since our last report at the April Commission meeting we have been party to or the topic of various meetings and discussions regarding the proposed golf course location. Specifically, Laredo Race Park and the proposed Casa Blanca Golf Course location was discussed at numerous Webb County Commissioner Court meetings and ultimately rejected in early June. After receiving political pressure and feedback from more than 200 local golfers, the County opted to change course and reinvest in the current golf course location rather than build a new golf course. As you can imagine, we were deeply disappointed by this development.

However, on a more promising note, at the same June meeting, Mrs. Anna Laura Cavazos Ramirez, Webb County Attorney, explained that the Commissioners Court had hired Mr. Steve Whitworth as an independent counsel to review the proposed lease agreement and that he had recommended that a committee composed of himself, members of the County Attorney's Office and Mr. Leroy Medford continue discussions with our group. County Judge Valdez motioned to allow the continuation of discussion and look into the site of LIFE Downs property (Laredo International Fair and Exposition) rather than the golf course property. The motion carried by unanimous consent and a few days later we were asked to attend a meeting with County officials and Mr. Whitworth which we did. At that meeting we confirmed our interest in the LIFE Downs site because its existing facilities are ideal for a racetrack. At this time, we are awaiting feedback from the County and LIFE Down officials as to our suggestions on the most appropriate next steps.

If you have any questions or comments about the contents of this letter, please feel free to contact me.

We look forward to our oral presentation at the July 7, 2010 Texas Racing Commission meeting.

Sincerely,

Andrea B. Young  
President

Cc: Rex VanMiddlesworth

**IV.H.5**

**Laredo Race Park**

7575 North Sam Houston Parkway West. Houston. TX. 77064 •281.807.8700

1 **Sec. 303.93. Quarter Horse Rules.**

2 (a)-(e) (No change.)

3 (f) Procedure for the Payment of ATB Awards

4 (1)-(2) (No change.)

5 (3) Procedures for Payment of Awards

6 (A)-(C) (No change.)

7 (D) TQHA shall maintain records of all ATB racing stock  
8 that earn awards. At the completion of a race [~~period not to~~  
9 ~~exceed four racing weeks~~] meeting, TQHA will begin the process  
10 to generate awards checks for the owners, breeders, and ~~the~~  
11 stallion owners corresponding to those ATB racing stock by  
12 apportionment according to the percentages expressed in  
13 subparagraph (C) of this paragraph. The awards for each race  
14 shall be divided 50% to first place, 30% to second place, and  
15 20% to third place. Upon receipt of the ATB funds from the  
16 commission for the race meeting [~~period~~], TQHA shall disburse  
17 the awards by U.S. mail. [~~For race meets less than 18 days in~~  
18 ~~duration the TQHA reserves the right to consolidate ATB awards~~  
19 ~~into one payout upon completion of the race meet.~~]