

## State of New Jersey

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Commissioners

## ORDER

JUDITH A. NASON Executive Director

TRANSFER OF 2024 THOROUGHBRED RACING PERMITS FROM THE NEW JERSEY THOROUGHBRED HORSEMEN'S ASSOCIATION, INC. TO DARBY DEVELOPMENT, LLC

**WHEREAS,** the New Jersey Racing Commission ("Commission") received timely applications for thoroughbred permits and race dates at Monmouth Park and the Meadowlands racetrack and a timely application for a special steeplechase permit with one steeplechase race date being requested at Moorland Farm in Bedminster, New Jersey and Far Hills, New Jersey;

**WHEREAS,** the Commission considered all information submitted in connection with the permit applications, applications for race dates and the public comment offered at its November 15, 2023 and January 24, 2024 public meetings;

**WHEREAS**, the New Jersey Thoroughbred Horsemen's Association, Inc. ("NJTHA") requested, as thereafter amended, 51 race dates for Monmouth Park starting May 11, 2024 and ending September 15, 2024; 10 race dates for the Meadowlands Racetrack starting on September 20, 2024 and ending on October 18, 2024; and one steeplechase race date for Moorland Farms on October 19, 2024;

**WHEREAS**, the Commission provided notice to the governing bodies of the Borough of Far Hills, New Jersey, and Bedminster Township, New Jersey, pursuant to <u>N.J.S.A.</u> 5:5-38.2(f) and the governing bodies did not object to the issuance of the special permit by passing a resolution within 30 days;





- **WHEREAS**, the Commission issued the thoroughbred permit for Monmouth Park, the thoroughbred permit for the Meadowlands and the special steeplechase permit to the NJTHA by letter dated March 21, 2024, subject to the terms and conditions set forth in the Commission's Order, dated March 12, 2024, which terms and conditions were accepted on March 13, 2024;
- **WHEREAS,** on February 29, 2024, Christina Vassiliou Harvey, Esq. filed a Joint Petition on behalf of the NJTHA and Darby Development, LLC ("Darby") seeking approval of the transfer by the NJTHA to Darby of its three race permits and NJRC-granted simulcasting approvals;
- **AND THE COMMISSION FINDING THAT** approval of the transfer of the permits to Darby would be in the public interest as set forth in N.J.S.A. 5:5-22 et seq., specifically as provided for in N.J.S.A. 5:5-43 and -44;
- AND THE COMMISSION FINDING THAT continuation of thoroughbred racing in 2024 by Darby will serve to promote the thoroughbred racing industry, maintain and enhance the employment which it provides, encourage thoroughbred owners to keep their horses in New Jersey, provide revenue to the State and horsemen, help the State maintain and improve its competitive position in relation to neighboring states and provide for recreational opportunities for New Jersey residents who attend thoroughbred races;
- **AND THE COMMISSION FINDING THAT** Darby has established, by clear and convincing evidence, that it, its officers and its employees, who have been conducting the thoroughbred meets on behalf of the NJTHA since 2012, are qualified to hold the permits;
- **AND THE COMMISSION FINDING THAT** Darby has established, by clear and convincing evidence, that the transfer of the permits will not be inimical to the best interests of the public and the horse racing industry in this State:
- IT IS THEREFORE ORDERED THAT the transfer of the 2024 thoroughbred race permits, including the special steeplechase permit, from NJTHA to Darby is approved subject to the conditions set forth in Schedule A, which is attached to this Order and incorporated herein. The conditions in Schedule A are consistent with the conditions set forth in the Commission's Order, dated March 12, 2024, which were accepted on behalf of the NJTHA on March 13, 2024.
- **IT IS FURTHER ORDERED THAT** all simulcasting approvals the Commission granted to the NJTHA for 2024 at its November 15, 2023 meeting are transferred to Darby.

This Order memorializes the action taken by the Commission at its April 24, 2024 special public meeting.

## **NEW JERSEY RACING COMMISSION**

By: Judith A. Nason, Executive Director

Dated: May 10, 2024

## Schedule A - Conditions

- 1) The permit holder shall comply with any and all obligations imposed upon it pursuant to the Racing Act of 1940, N.J.S.A. 5:5-22 et seq., the Off-Track and Account Wagering Act, N.J.S.A. 5:5-127 et seq. and all other applicable state and federal laws.
- The permit holder shall be responsible for the prompt and timely payment of any invoice in accordance with N.J.A.C. 13:74-10.1 and 10.2 for "racing costs" as defined by N.J.S.A. 5:5-129. Each permit holder will be called upon to make payments as directed by the Commission for "racing costs" which may include, but shall not be limited to:
  - a) The funding of the Commission's license program;
  - b) The funding of the Commission's drug testing program as well as all costs incurred by the Commission in funding an uniform drug testing and quality assurance program;
  - c) All reasonable fees related to the Commission's appointment of engineers who shall conduct fire, safety and other inspections at each racing association;
  - d) The funding of the Commission's investigative unit; and
  - e) The funding of Commission's Supervisor of Mutuels positions associated with live racing operations and non-casino pari-mutuel wagering activities.
- 3) The permit holder shall ensure that all statutorily allocated revenues, including those derived from live racing, simulcasting and off-track or account wagering, are distributed as required by law. The Commission's approvals for participation in live racing, simulcasting and off-track or account wagering are conditional upon satisfaction of the live racing permit.
- 4) The permit holder shall make prompt and timely payments pursuant to all "seven-day reports" issued on behalf of the Commission, which reports may require the payment of racing costs, purse monies and other racing-related revenue consistent with law.
- 5) By August 1, 2024, the permit holder shall submit to the Commission anticipated capital improvements to be made in 2024 as well as anticipated expenditures to be made in connection with the maintenance and renovation of existing facilities.

- The permit holder shall, if so directed, open its stable area and track facilities 30 days prior to its scheduled opening of the race meet and shall keep the stable area and track facilities open for a period of 30 days following the close of its respective race meeting(s). If the permit holder is unable to open its stable area due to other racing commitments, the Commission may direct the permit holder to provide alternate stabling or contribute toward the purchase of alternate stabling.
- 7) At least 60 days prior to the opening of a race meet, the permit holder shall file a request with the Commission identifying and seeking approval of the officials, pools, post-time, prices and wagering format for the meet.
- 8) At least 10 days prior to the opening of a race meeting, the permit holder's Director of Security shall provide the Commission with a list of all persons who will be employed in its security department.
- 9) At least 10 days prior to the opening of a race meet, the permit holder's Director of Security shall review the racetrack's security program with the Commission and the New Jersey State Police.
- 10) Consistent with N.J.S.A. 5:12-195, if the permit holder cancels any live race day or part thereof due to weather or another act of God, the permit holder shall promptly apply for Commission approval.
- 11) A permit holder seeking to cancel any portion of a race meet due to the voluntary scheduling of a non-racing-related event must obtain the Commission's approval, which approval may be conditioned upon mandatory compensation as determined by the Commission for loss to the State and other racing interests. This voluntary cancellation of a race date shall not count toward the statutorily required minimum number of race dates.
- 12) The issuance and acceptance of this permit shall be deemed an express waiver of any rights the permit holder may have to a renewal of the permit at any time hereafter.
- 13) The permits shall be conditional upon compliance with all laws, rules, conditions and directives of the Commission. The permits shall be revocable by the Commission for any violation of applicable statutes, rules, conditions or directives imposed by Commission.
- 14) The permit holder shall be required to comply with minimum simulcast signal-to-operator hub facility staffing levels as the Commission or the Commission's Executive Director shall require regardless of whether the permit holder conducts such operations itself or through a third party or parties.

- All members, officers and employees of Darby involved in the management, oversight or operation of Monmouth Park, the thoroughbred meet at the Meadowlands or the special steeplechase meet at Far Hills shall secure licensure from the Commission before engaging in activities requiring licensure. Darby shall ensure that all members, officers and employees of entities utilized by Darby in connection with the management and operation of Monmouth Park, the thoroughbred meet at the Meadowlands racetrack or the special steeplechase meet at Far Hills have secured licensure from the Commission before engaging in activities requiring licensure.
- Darby shall advise the Commission in writing of any facts immediately upon recognition of any issue existent that could potentially be disruptive to racing, racing-related activities or the conduct of pari-mutuel wagering at any of the race meets that are authorized by this Order.
- 17) The permit granted to Darby for the thoroughbred race meet at the Meadowlands racetrack shall be subject to all rights granted and incident to the standardbred permit granted to New Meadowlands Racetrack, LLC.
- 18) Darby and any of its appointed agents shall comply in a timely manner with all reasonable requests of the Commission for information in connection with Darby's permits and these conditions.
- 19) If applicable, Darby shall file with the Commission any executed management agreement related to the operation of the thoroughbred race meets at Monmouth Park and the Meadowlands, which sets forth with specificity the rights, duties, obligations and responsibilities of Darby and any appointed agents.
- 20) On or before September 15, 2024, Darby shall file with the Commission fully executed management and operation agreements which detail the operation, management, supervision, security and control of all aspects of the special steeplechase meet to be conducted at Moorland Farms in Far Hills on October 19, 2024 including all details related to the operation, management, supervision, security and control of all simulcasting and pari-mutuel wagering to be conducted in connection with the special steeplechase meet.
- 21) Darby shall promptly report in writing to the Commission any material changes regarding information Darby has submitted to the Commission in connection with the transfer of the thoroughbred permits to Darby.
- 22) Darby shall provide the Commission the results of a full and complete independent audit (conducted by a certified public accounting firm licensed in New Jersey, chosen from a list of such firms compiled by the

- Commission) of all funds related to the operation of the thoroughbred meets or pari-mutuel wagering.
- 23) Should any of the foregoing conditions not be met within the time periods provided, the Commission may, in its sole discretion, immediately revoke Darby's permits and/or licenses.
- 24) Any time limits set forth herein may be extended at the discretion of the Commission or its Executive Director.
- 25) Permit holders shall file fully completed 2025 permit applications and applications for 2025 race dates with the Commission on or before October 15, 2024.
- 26) If the number of 2025 race dates sought by the permit holder requires the written consent of the NJTHA pursuant to N.J.S.A. 5:5-156, the permit holder shall obtain the written consent of the NJTHA and file it with the Commission on or before October 31, 2024.
- 27) Darby shall work with Rutgers University personnel to ensure that the weather station in Monmouth Park's infield is serviced and calibrated annually. Darby shall notify the Commission immediately if the weather station is moved, damaged, ceases to operate properly or has not been serviced within a period of twelve months.