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Executive Director

**FINAL DETERMINATION AND ORDER
OF THE NEW JERSEY RACING COMMISSION**

**IN THE MATTER OF THE APPLICATION OF
THE NEW JERSEY SPORTS AND EXPOSITION
AUTHORITY AND ACRA TURF CLUB, LLC
FOR A LICENSE TO ESTABLISH AN
OFF-TRACK WAGERING FACILITY IN EGG
HARBOR TOWNSHIP, ATLANTIC COUNTY,
NEW JERSEY AND RELATED MATTERS**

The New Jersey Sports and Exposition Authority ("Authority"), having filed an application with the New Jersey Racing Commission ("Commission") for the issuance to it of an initial off-track wagering license, pursuant to the Off-Track and Account Wagering Act, N.J.S.A. 5:5-127 et seq. ("Act"), and Chapter 74 of Title 13 of the New Jersey Administrative Code (N.J.A.C. 13:74-1.1 et seq.) ("Chapter 74"); and the Authority and ACRA Turf Club, LLC ("ACRA Turf Club") having applied for the Commission's approval to immediately transfer any off-track wagering license issued to the Authority to ACRA Turf Club; and ACRA Turf Club having filed an application with the Commission for the issuance to it of the initial off-track wagering license in accordance with the Act and Chapter 74 to establish an off-track wagering facility in Egg Harbor Township, Atlantic County, New Jersey;

AND, the application for the issuance of an off-track wagering license, as filed by the Authority and ACRA Turf Club, having been accompanied by the filing fee required by N.J.A.C. 13:74-2.1(a);

AND, the application of the Authority and ACRA Turf Club, having been accompanied by a fully executed Master Off-Track Wagering Participation



Agreement, as amended, which the Authority entered into with all parties or successors in interest that held a valid race permit in year 2000 in full compliance with N.J.A.C. 13:74-2.1(b)(2) and (3);

AND, the application of ACRA Turf Club, having sought the issuance to it of a license to establish an off-track wagering facility in Egg Harbor Township, Atlantic County, particularly described in said application to be located in Chickie's & Pete's at 6055 Black Horse Pike, Egg Harbor Township, New Jersey;

AND, the Commission, having conducted investigations into the application of the Authority for the issuance to it of an off-track wagering license and the application seeking the immediate transfer of any off-track wagering license issued to the Authority to the ACRA Turf Club pursuant to N.J.A.C. 13:74-4.1;

AND, the Commission's Executive Director, in accordance with N.J.A.C. 13:74-2.1, having determined, that the respective off-track wagering application was complete and, upon legal review, was in due form and consistent with the requirements of law;

AND, complying with the public notice requirements of the Act and Chapter 74, the Commission, on March 21, 2017, conducted a public hearing in Egg Harbor Township regarding the relief sought in the application;

AND, the Commission, having closed the record upon the completion of the public hearing;

AND, the Commission having considered the application at the May 17, 2017 public meeting with the following Commissioners in attendance: Commissioner Arnone, Commissioner CoFrancesco, Commissioner Hoffman, Commissioner Keegan and Chairman Clyne;

AND, the Commission, having considered the record before them which included, but was not limited to, the applications, attachments and supplemental submissions of the applicants, investigative reports, public hearing transcript, public comments and other documents submitted by staff;

AND THE COMMISSION FINDING THAT the Authority, as contemplated by the Act and Chapter 74, inclusive of N.J.A.C. 13:74-2.1, has demonstrated by clear and convincing evidence that it is qualified to be issued an off-track wagering license for the purpose set forth in its application, that is, the immediate transfer of said license to ACRA Turf Club;

AND THE COMMISSION FINDING THAT the Authority and ACRA Turf Club have, pursuant to N.J.S.A. 5:5-131 and N.J.A.C. 13:74-2.1(j), demonstrated by clear and convincing evidence in their respective parts of the application that the proposed off-track wagering facility site is in an appropriate location and that it is located in an area zoned commercial;

AND THE COMMISSION FINDING THAT the establishment of the Egg Harbor off-track wagering facility at its proposed location will not be inimical to the interests of another planned or established off-track wagering facility or to a State racetrack as required by N.J.S.A. 5:5-131 and N.J.A.C. 13:74-2.1(g);

AND THE COMMISSION FINDING THAT the Authority and ACRA Turf Club have demonstrated by clear and convincing evidence through their respective applications that: the plan and specifications for the proposed off-track wagering facility, including its size, seating capacity, parking and services to be provided reflects appropriate standards of quality; that the plan and specifications for the facility promote maximum comfort and safety for patrons and efficient operation of the facility, as well as viewing of simulcast races by patrons in a comfortable manner, which is not obtrusive to the additional amenities offered; that the dining, handicapping and security facilities comply with the Act and Chapter 74; and that there is sufficient and convenient parking, all in compliance with N.J.S.A. 5:5-131, N.J.S.A. 5:5-133, N.J.A.C. 13:74-2.1(j) and 6.1;

AND THE COMMISSION FINDING THAT ACRA Turf Club has demonstrated its suitability for licensure by clear and convincing evidence which included proof of financial resources sufficient to enable it to establish and conduct a quality off-track wagering facility with appropriately staffed and managed operations and proof of good character and integrity as required by N.J.A.C. 13:74-2.1(h) and 5.8;

AND THE COMMISSION FINDING THAT ACRA Turf Club, subject to the conditions noted below and as contemplated by the Act and Chapter 74, together with its employees, is qualified in all respects to hold a license to establish an off-track wagering facility in the Chickie's & Pete's located at 6055 Black Horse Pike, Egg Harbor Township, New Jersey;

AND THE COMMISSION FINDING THAT the Authority and ACRA Turf Club have demonstrated by clear and convincing evidence through their respective parts of the application that each of the other licensure requirements of N.J.A.C. 13:74-2.1 has been met;

AND THE COMMISSION FINDING THAT, as required by N.J.A.C. 13:74-4.1, that the Authority and ACRA Turf Club have demonstrated by clear and

convincing evidence that ACRA Turf Club and its employees are qualified in all respects to hold the off-track wagering license, the transfer of the off-track wagering license from the Authority to ACRA Turf Club will not be inimical to the best interests of the public and the horse racing industry in this State and that, subject to the approval of the Attorney General, all requirements of the Act and Chapter 74 have been met;

AND THE COMMISSION FINDING THAT the immediate transfer of the off-track wagering license issued to the Authority to ACRA Turf Club is consistent with the Act and Chapter 74 in all respects:

IT IS THEREFORE ORDERED that the application of the Authority for an off-track wagering license is approved subject to the conditions set forth in Schedule A, which conditions are attached hereto and incorporated herein.

IT IS FURTHER ORDERED that the application filed by the Authority and ACRA Turf Club seeking Commission approval for the Authority to immediately transfer the off-track wagering license to ACRA Turf Club is granted subject to the conditions set forth in Schedule A.

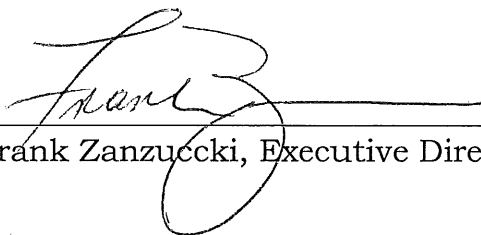
IT IS FURTHER ORDERED that the application of the ACRA Turf Club for the issuance of an off-track wagering license is approved subject to the conditions set forth in Schedule A.

The Commission reserves the right and ability, consistent with its broad regulatory authority, to impose additional conditions upon the off-track wagering licensee where necessary to effectuate the purposes of the Act, Chapter 74 and other applicable laws.

This Order memorializes the final determination of the Commission which was rendered at its public meeting of May 17, 2017.

NEW JERSEY RACING COMMISSION

By:



Frank Zanzuccki, Executive Director

Dated: June 7, 2017

Schedule A - Conditions

- 1) The Commission's Final Determination and Order shall be subject to the review and approval of the Attorney General as required by N.J.S.A. 5:5-133 and N.J.A.C. 13:74-2.1.
- 2) The Commission's Final Determination and Order shall be subject to the approval of any other governmental agency necessary to the establishment and operation of the off-track wagering facility.
- 3) Prior to the opening of the proposed off-track wagering facility and the issuance of the off-track wagering license, ACRA Turf Club shall cause to be implemented testing of all equipment and software associated with the proposed off-track wagering facility and related totalisator system as well as all equipment on the premises of the facility which can impact the public's safety or well-being. Prior to the opening of the proposed off-track wagering facility and the issuance of the license, ACRA Turf Club shall provide the Commission with written evidence that such testing has been successfully accomplished.
- 4) The off-track wagering licensee may not open to the public unless and until the Commission's Executive Director or his designee conducts an inspection of the completed facility and finds that the facility is in accordance with the Act, Chapter 74 and the Commission's Final Determination and Order.
- 5) All individuals to be employed at the proposed off-track wagering facility and any persons, regardless of location, who are responsible for the supervision or oversight of any aspect of an off-track wagering facility shall, pursuant to N.J.A.C. 13:74-5.1, be required to take out the appropriate license from the Commission.
- 6) All vendors of the proposed off-track wagering facility and their employees, where necessary, shall be licensed by the Commission unless an exemption is granted pursuant to N.J.A.C. 13:74-5.1(f) through (i).
- 7) Prior to the opening of the proposed off-track wagering facility and consistent with N.J.A.C. 13:74-5.7, the off-track wagering licensee shall submit for approval to the Commission's Executive Director the final version of the identification tag to be worn by all Commission licensed personnel to be employed at the off-track wagering facility.
- 8) The off-track wagering licensee, in connection with the operation of the proposed off-track wagering facility, shall comply with the "Standards for Off-Track Wagering Facilities" set forth in N.J.A.C. 13:74-6.1 et seq.

- 9) The off-track wagering licensee shall comply with the "Conduct of Off-Track Wagering" provisions set forth in N.J.A.C. 13:74-8.1 et seq.
- 10) The off-track wagering licensee shall receive all live races that are offered and transmitted by in-State sending tracks approved by the Commission. Where the off-track wagering licensee offers a wagering opportunity on a race from an approved in-State sending or host track or from an approved out-of-state sending or host track, each patron of the off-track wagering facility shall be offered the same wagering opportunity on that race.
- 11) Agreements between the off-track wagering licensee and a sending track shall be in writing and shall be filed with the Commission.
- 12) The off-track wagering licensee, unless the Commission approves otherwise, shall use Sportech Racing, LLC for the hub facility as required by N.J.A.C. 13:74-8.1.
- 13) The off-track wagering licensee, at a location within the off-track wagering facility approved by the Commission, shall provide a "comment box" with a locking mechanism to allow patrons the ability to provide written complaints or comment to the Commission by depositing a completed form, as provided by the Commission, in the comment box.
- 14) The off-track wagering licensee shall comply with all laws and regulations if it decides to secure and maintain a liquor license.
- 15) The off-track wagering facility shall install and maintain in good working order security and surveillance equipment in public and non-public areas to enhance safety, the integrity of wagering and the integrity of the proceeds from wagering. The money room at the off-track wagering facility, established pursuant to N.J.A.C. 13:74-6.11, shall include closed circuit television equipment. The Commission shall have access to the system or its signal to the same extent as employees of the off-track wagering licensee.
- 16) The Commission, its agents and representatives, in furtherance of its regulatory responsibilities, shall have unrestricted access to the off-track wagering facility.
- 17) The off-track wagering licensee shall, in furtherance of the Commission's regulatory responsibilities and unless otherwise directed by the Commission, provide the Commission with two suitable designated parking spaces.

- 18) The off-track wagering licensee shall, in a timely fashion, satisfy its obligations for racing costs as set forth in N.J.A.C. 13:74-10.1.
- 19) The off-track wagering licensee shall comply with all representations made in its application for a license to the Commission, including those within its internal control procedures. Any amendments to the off-track wagering licensee's internal control procedures, prior to implementation thereof, shall be submitted to the Commission's Executive Director for approval.
- 20) The off-track wagering licensee, prior to the opening of the off-track wagering facility and if not included in its original application submission, shall submit for approval to the Commission's Executive Director an internal control procedure establishing a "self-exclusion list" pursuant to N.J.A.C. 13:74-12.1 and N.J.A.C. 13:74A-1.1 et seq.
- 21) Upon the opening to the public of the off-track wagering facility and thereafter, the off-track wagering licensee shall, within twenty-four hours of such occurrence, notify the Commission in writing, on a form to be provided by the Commission, of any technological or non-technological occurrence not delegated to the totalisator operator which has disrupted or negatively impacted the ability of the off-track wagering licensee to continually offer wagering to the public or which has temporarily or permanently negatively impacted the integrity of any aspect of the off-track wagering infrastructure. Where delegated to the totalisator operator, Sportech shall submit such writing within twenty-four hours of the occurrence to the Commission.
- 22) The off-track wagering license may not be transferred or assigned to a successor in interest absent the prior approval of the Commission and Attorney General.
- 23) The off-track wagering licensee shall comply with the Act, the regulations of the Commission, any directives or orders of the Commission, these conditions and any additional laws that may be applicable.