

Racing and Community Development Act of 2020

Support

Senate Bill 987

House Bill 1056



Racing and Community Development Act of 2020

Mike Johansen – RWL for Maryland
Jockey Club & TSG

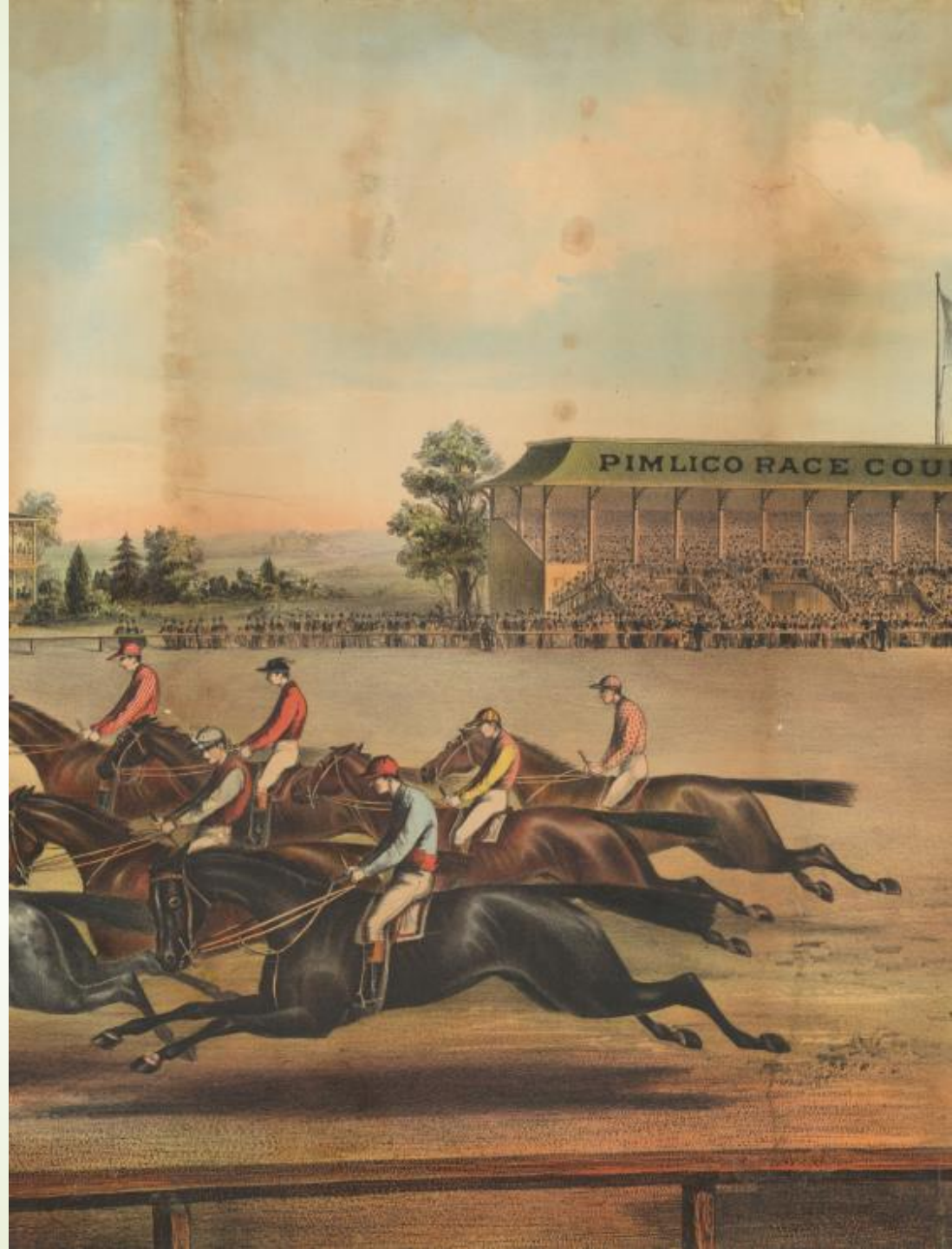
Bill Cole – for City of Baltimore

Alan Foreman – for Maryland
Thoroughbred Horsemen's Assoc

Todd Gralla – Racing Facilities
Architect, Populous

Craig Fravel – CEO Racing
Operations, TSG

Joe Bryce – Manis Canning for
Maryland Jockey Club



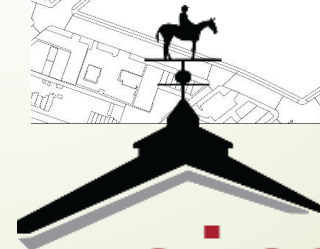
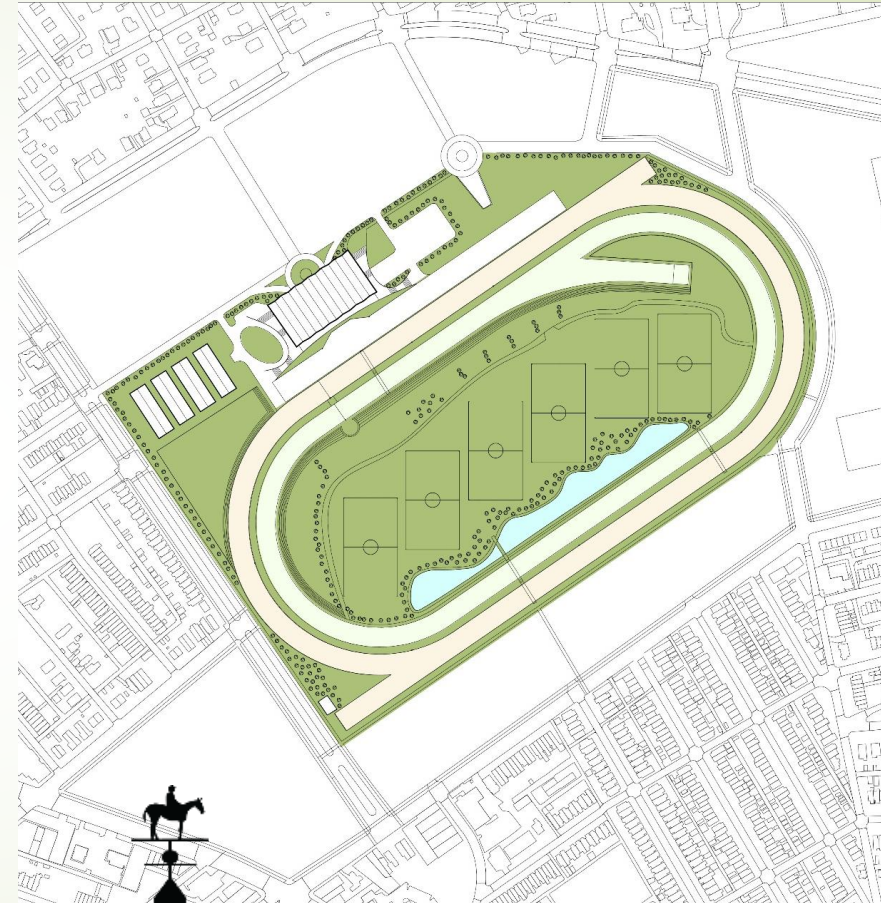
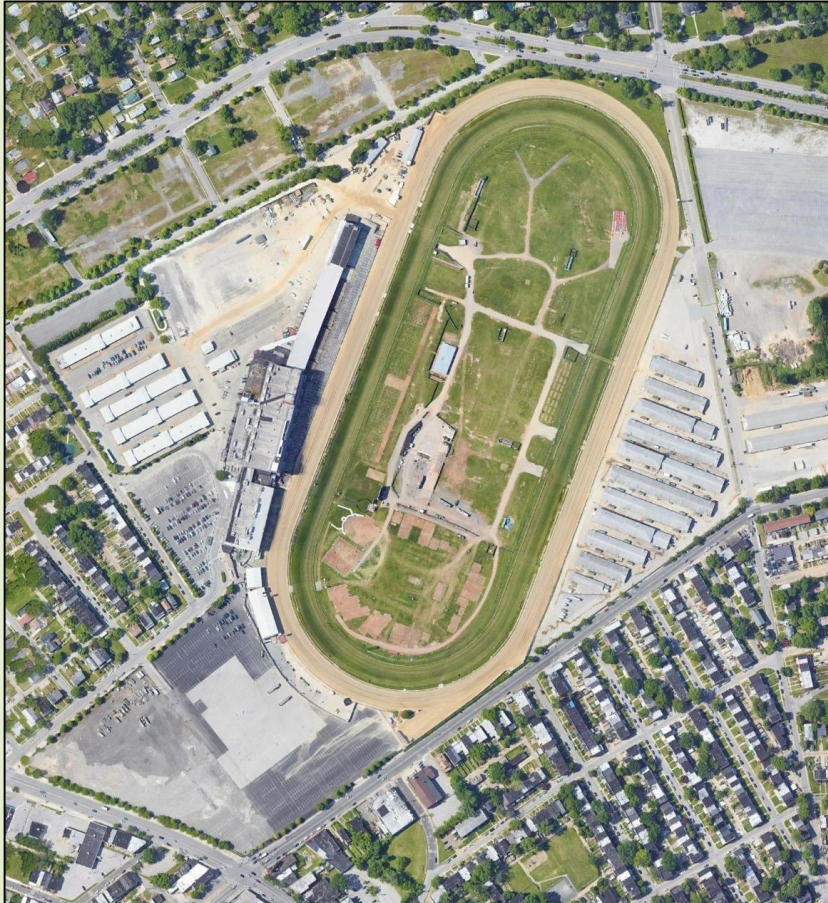
Racing & Community Development Act of 2020 – Major Objectives

- **Preserve** the Preakness Stakes® at Pimlico
- **Redevelop** Pimlico as a major center for events and community activities, including the Preakness Stakes
- **Enhance and revitalize** the communities around Pimlico
 - **Activate and energize** the Pimlico site
 - **Complement** planned investments already in the pipeline
 - LifeBridge Health
 - Redevelopment south of the Property
- **Redevelop** Laurel Park as the year-round center for racing
 - **Modernize** racing and training facilities
 - **Establish** Maryland as epicenter of thoroughbred horse racing
 - **Support** Maryland's billion dollar racing industry

**Redevelopment plan and related transactions subject by Act to mutually agreeable definitive documents.*

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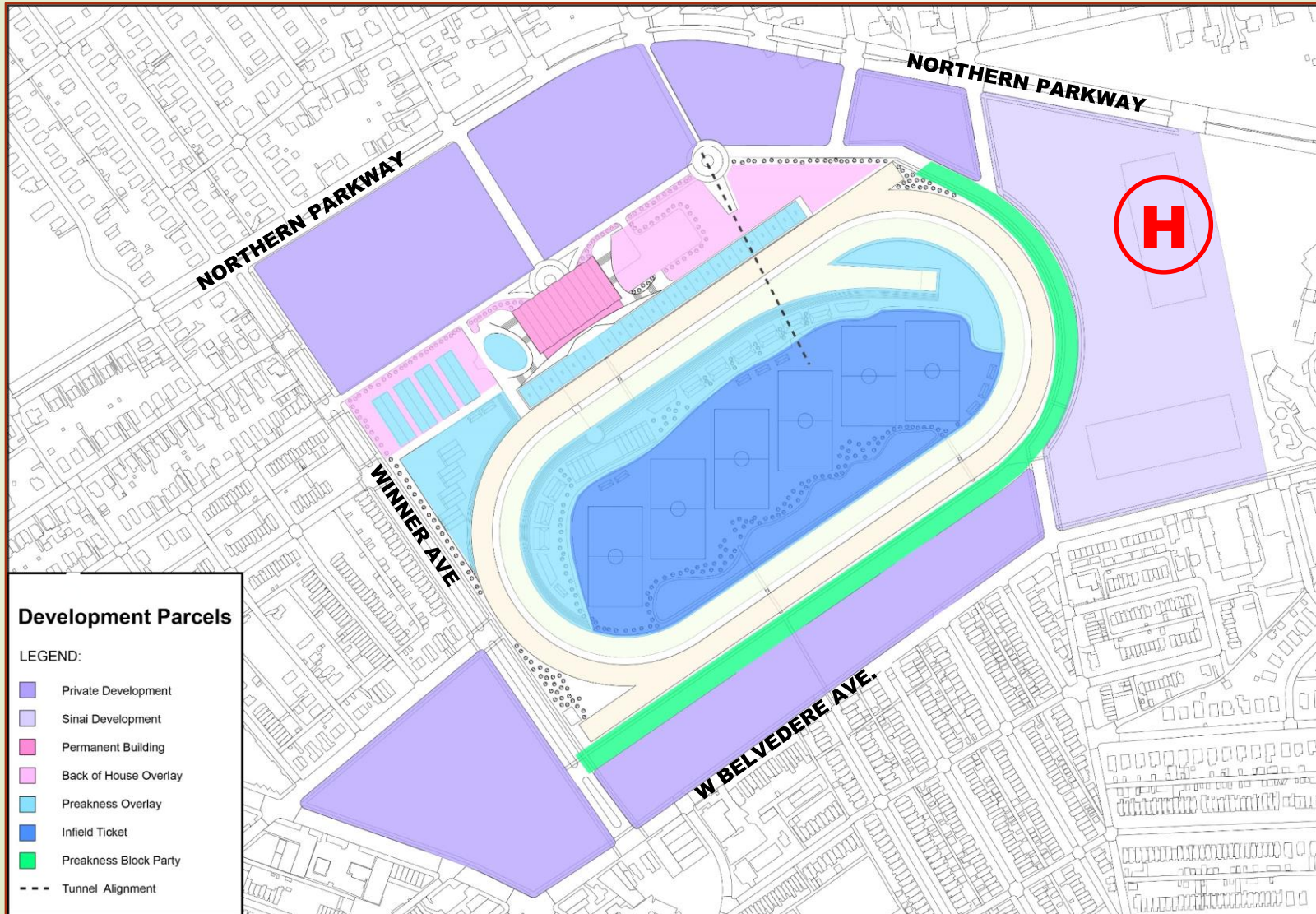
Pimlico Concept Plan



pimlico[®] 2/25/2020
Home of The Preakness Stakes[®]

Pimlico Outparcels Connecting Communities of Interest

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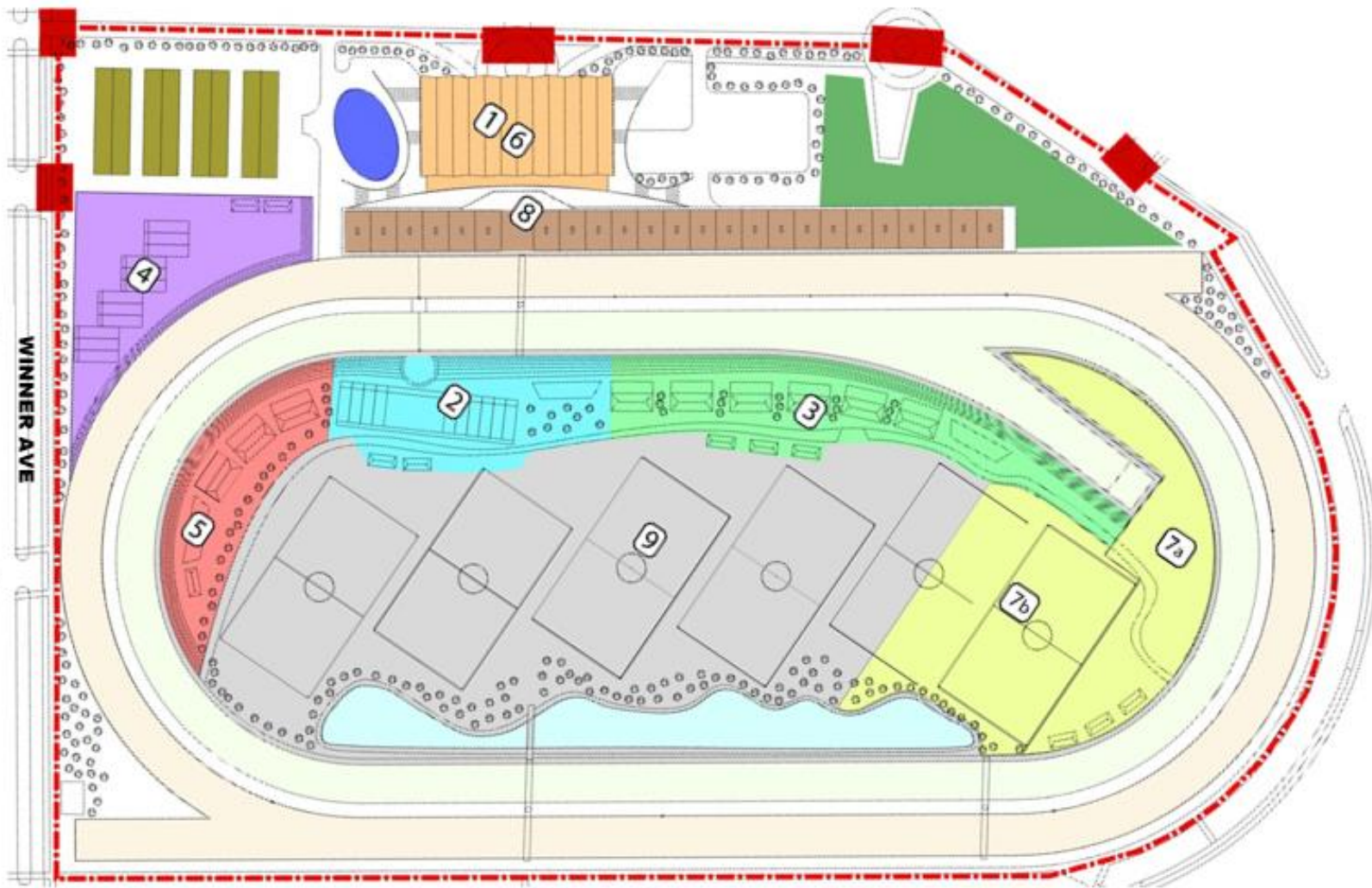


Racing Facilities and Inlay

Preakness Site Plan

LEGEND:

- - - Secure Perimeter
- Security Checkpoints
- Broadcast Compound
- 1 ■ Multi-Purpose Clubhouse
- 2 ■ Temporary Suites
- 3 ■ Track View Dining
- 4 ■ Track View Lounge - Enclosed
- 5 ■ Track View Lounge - Open Air
- 6 ■ Seating with Hospitality
- 7 ■ Picnic Lawns
- 8 ■ Reserved Seating
- 9 ■ General Admission
- Paddock
- Day Stables



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Community & Recreational Facilities



Concept Plans for Additional Public Spaces & Facility Access



PEDESTRIAN BRIDGES



THE BERM



PUBLIC SPACES

Modern State-of-Art Overlay Facilities



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Preakness Stakes® Overlay





Rendering of Pimlico Clubhouse and Events Center – “New Hilltop”

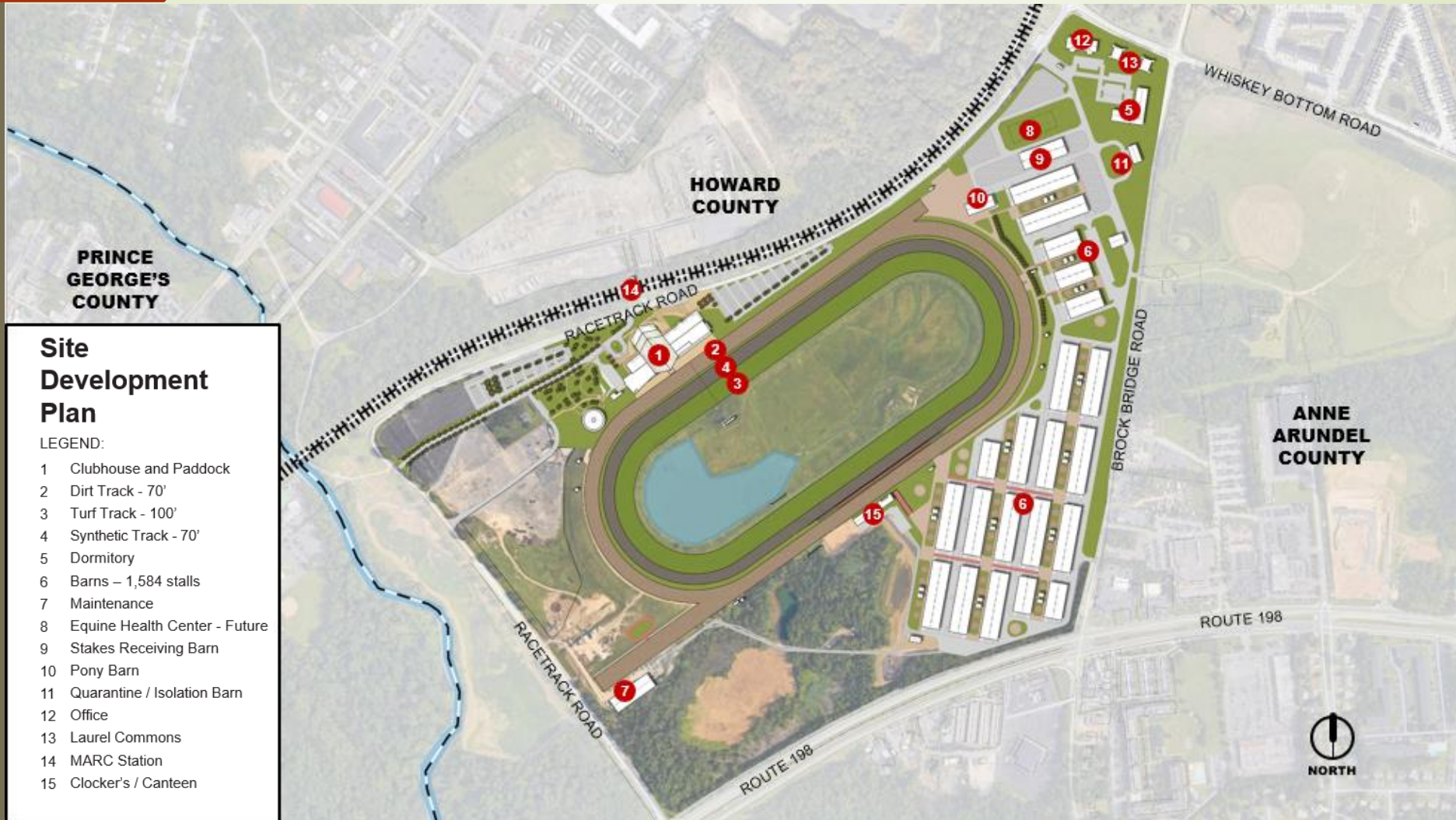


Rendering of Pimlico Clubhouse and Events Center – “New Hilltop”

Laurel Park Concept Plan



Modern Racing & Training Facilities



Modern Clubhouse, Racing & Training Facilities

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Clubhouse Site Plan

LEGEND:

- 1 Clubhouse – Everyday
- 2 Clubhouse - Special Event
- 3 Paddock
- 4 Winner's Circle
- 5 Track Apron
- 6 Service Yard (Screened)
- 7 Drop-Off
- 8 Parking
- 9 Historic Paddock (Existing)
- 10 Park
- 11 Track View Lawn
- 12 Dirt Track - 70'
- 13 Turf Track - 100'
- 14 Synthetic Track - 70'
- 15 Tote / Video Board (Existing)
- 16 MARC Station
- 17 Camera Towers (Existing)





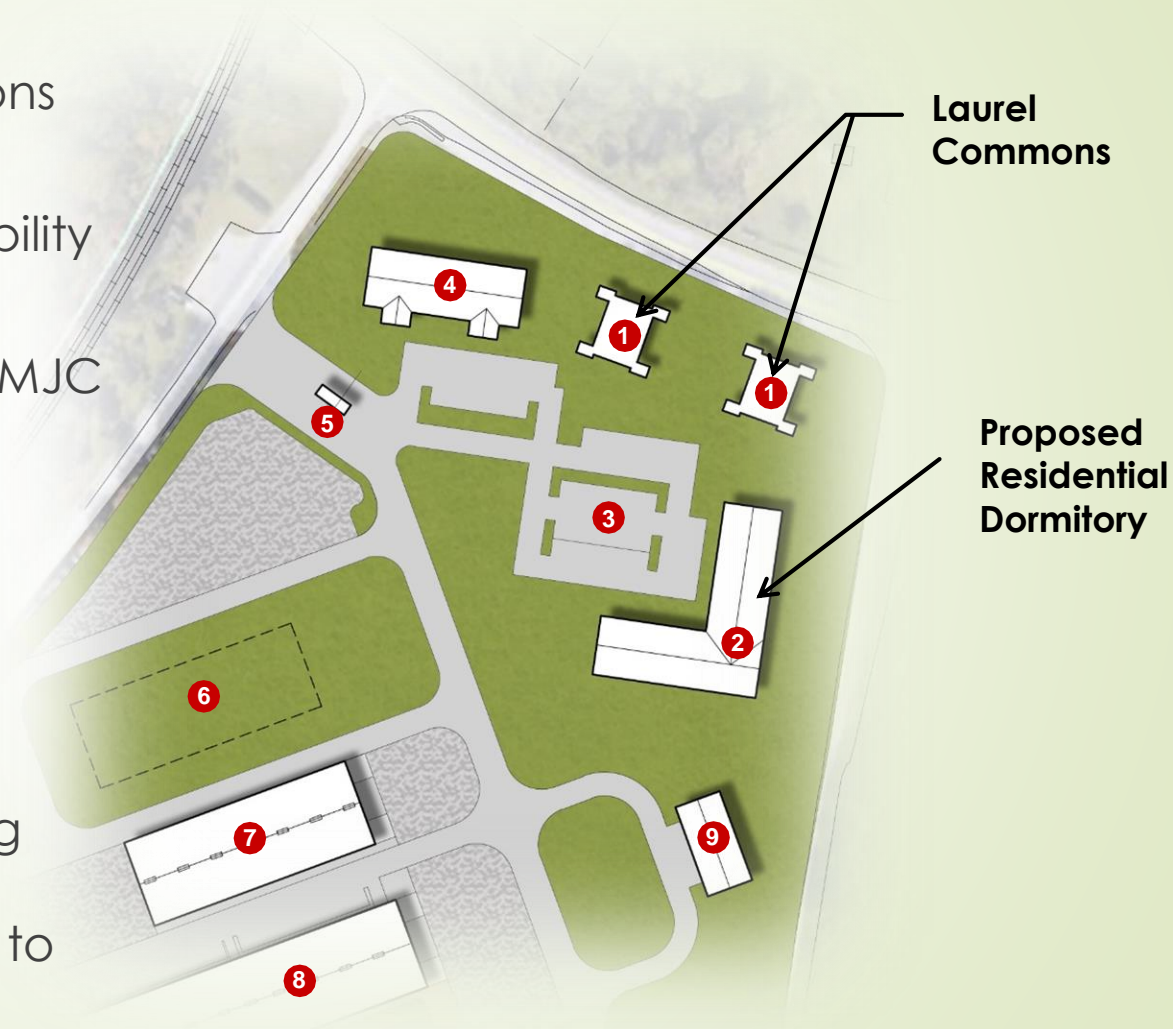
Laurel Park Clubhouse – Concept

Multi-level Clubhouse – Paddock view



Laurel Park Workforce Housing

- Copy the Laurel Commons 'nonprofit' model
- Independent Accountability & Oversight
 - Land Dedicated by MJC
 - RFI/RFP to be issued
 - Selection of housing partner
 - Financial Assistance from Horsemen
 - One track for training enhances ability for workers and families to reside in one place



Tentative Transition & Construction Timeline

Preakness Stakes Remains at Pimlico Throughout

- Aug '20 – Construct Temp Barns*
- Aug '21 Demo Laurel; move all live racing to Pimlico
- Dec '21 – Construct Laurel Track, Backstretch & Clubhouse
- Jun '23 – Open Laurel Park – horses return
- Jun '23 – Demo Pimlico & Rotate Track
- May '24 – 1st Preakness on New Racing Surface (Temporary Clubhouse)
- May '25 – 1st Preakness in New Clubhouse

Considerations:

1. Live Racing & Training occurs year round – no interruption
2. Transition Options for Training – Bowie, Pimlico, Laurel (half/half)

Sources of Funds

Why Use Lottery?

- Stable Revenue Source as compared to VLT funds
- Proven Marketability to Investors
- RaceTrax
 - a simulated horse race wager at Lottery retailers
 - has annual sales \$200+m and net to State of \$45m

Dedicated Funds to Replenish Lottery

- \$17m paid out of Lottery fund each year
- Replenished with:
 - \$5m from T-Bred Purses
 - \$3.5 m from Balto. City
 - \$8.5 m from T-Bred RFRA (winds down at 2032)

Representative Capital Investment & Financing Plan

Sources of Funds

➤ Bond Proceeds	\$348 m
➤ 1 st Year Lottery Trans.	17 m
➤ RFRA Trans.	<u>24 m</u>

TOTAL \$389 m

Project Expenditures

➤ Pimlico	\$205 m
➤ Laurel Park	167 m
➤ Transit. & Pre-constr.	13 m
➤ Cap Ex. Res.	<u>4 m</u>

TOTAL \$389 m

**Redevelopment plan and related transactions subject by Act to mutually agreeable definitive documents. Plan and transition costs reflect current estimates.*

TSG and MJC are Committed to the Future of Maryland Racing

- Maryland horse industry has seen substantial growth over the last five years:
 - Live Racing Days 35%
 - Live Races 33%
 - Overnight Purses 14%
 - Handle – In State & Export 48%
 - Preakness Day Handle 20%

- And, Nationally,
 - Special Event Days getting bigger
 - Total Handle is Flat – but stable
 - TSG Share of national handle has grown

SB 987 / HB 1056 Addresses the Industry's Needs

- Modernize and right-size the racing operations in Maryland
 - Recognizes that two tracks cannot be supported on one handle
 - Establishes Pimlico as a major events center – no year round training
 - New Laurel Park – show place for day to day racing; designed around the horse
- The Plan accomplishes our goals
 - Consolidation of Operations
 - Modernize Infrastructure & Facilities
 - Improve safety and conditions for horses and workers
- True Partnership with State, Local Gov'ts, Horsemen and the Tracks

