

IOWA STATE RACING COMMISSION  
MINUTES  
February 2, 1984

The Iowa State Racing Commission was called to order by Commission Chairman Larry Scalise on February 2, 1984 at 9:50 a.m. The Commission met in the First Floor Conference Room of the Wallace State Office Building. Present were Commissioners Scalise, Pike, Mydland, Prickett and Sovern.

Chairman Scalise asked for a motion of approval of the minutes from the December 2 meeting. Commissioner Mydland moved to approve the minutes and Commissioner Pike seconded the motion. Commissioner Sovern asked the minutes be amended per his letter to Secretary Ketterer. The Commission unanimously approved the amendment and the amended minutes. (The letter has been attached. See Order 84-22).

Chairman Scalise moved to the second item on the agenda, a presentation by Mr. Larry Waller of the Cedar Rapids Chamber of Commerce and by Dr. Norman Crossley, Solon dentist and president of Nikoni Parks, Inc. Mr. Waller spoke briefly in support of Dr. Crossley regarding his efforts in planning a thoroughbred racetrack near Cedar Rapids.

Dr. Crossley presented his plan for a track near Cedar Rapids, as well as his theory that Iowa can support two tracks, one in Des Moines and one in Cedar Rapids, as long as neither area is "over-raced". In response to a question from Chairman Scalise regarding the Delaware North study for Des Moines, Dr. Crossley said that he believed Delaware North "missed the boat" with their study. (Chairman Scalise asked specifically why Delaware North did not use Fonner Park, Grand Island, Nebraska, as an example in the study. Dr. Crossley said he did not know).

Each Commissioner and the Executive Secretary posed questions to Dr. Crossley following his presentation.

At the request of Chairman Scalise, State Representative Jack Woods briefly explained to the Commission that there are companion bills in both houses of the Legislature dealing with the Commission's proposed amendments to the parimutuel legislation passed last year. Right now, both bills are in committee, and the Senate version is slated to be taken up very soon.

In response to a question from Commissioner Sovern, Representative Woods noted that emergency rules could be adopted and implemented if the Commission showed that to do so would confer a benefit to the public. The process otherwise would take 90-120 days.

Chairman Scalise next introduced Sandy Shrader and John Temple from Touche, Ross and Company, a consulting firm from Kansas City which has done studies in other states for racing associations.

Mr. Temple gave a presentation focusing on what their firm has done in other states, and then discussed the commission's need to establish selection criteria for developers who might be interested in making application.

Mr. Temple expressed his opinion that a macrostudy of the state would be "academic", that the Commission would be better served to develop the criteria against which to measure the validity of the feasibility studies conducted by the individual applicants, and the applications themselves.

He stressed the importance of giving the horse and dog people the criteria so that they know early on what the Commission is looking for.

Chairman Scalise next addressed the "Administrative Business" item on the agenda.

Mr. Ketterer stated that the Governor's Office and legislative leadership have been supportive of the Commission's proposed amendments to the legislation, and anticipates that things will go well on that issue.

The Commissioners took up the discussion of how best to proceed in establishing selection criteria.


Commissioner Prickett made the motion to have the Commission staff prepare an informational report to help them establish guidelines in the location and number of tracks, and report to the commission at the next meeting. Commissioner Mydland seconded the motion.

Chairman Scalise asked for discussion of the motion. Commissioner Sovern asked to amend the motion to include consideration of the types of racing Iowa should have first and whether the commission should begin accepting applications of all types simultaneously.

After some further discussion by the commission, the amendment was not taken, but the motion was passed unanimously. (See Order 84-23.)

Chairman Scalise then asked for additional administrative business. Receiving no response, he asked for comments and questions from the general public.

Commissioner Mydland moved to adjourn and Commissioner Pike seconded the motion. The motion passed unanimously, and the commission adjourned at 1:10 p.m.

  
Debbie White Owen

IOWA STATE RACING COMMISSION  
MINUTES  
February 24, 1984

The Iowa State Racing Commission was called to order by Commission Chairman Larry Scalise on February 24, 1984 at 1:30 p.m. The Commission met in the Second Floor Conference Room of the Wallace State Office Building. Present were Commissioners Scalise, Pike, Mydland, Prickett and Sovern.

Chairman Scalise asked for a motion of approval of the minutes from the February 2 meeting. Commissioner Mydland moved to approve the minutes and Commissioner Prickett seconded the motion. The motion passed unanimously. (See Order 84-24).

Chairman Scalise took up the second item on the agenda, the discussion and adoption of licensing rules. He called upon the Executive Secretary for comment. Mr. Ketterer made note of the fact that copies of the proposed rules had been sent out to interested persons three weeks prior to the meeting, so that they might have an opportunity to provide input in the rulemaking process. Mr. Ketterer also said that he had heard from several interested parties and had, in fact, incorporated some changes in the rules based on their suggestions.

Mr. Ketterer discussed some changes made in the rules, bringing the Commissioners and other interested persons present up to date.

Mr. Ketterer explained that the rules would be submitted to the Administrative Rules Coordinator both under "Notice of Intended Action", which is the normal rulemaking procedure, and as "Emergency Implemented and Adopted" rules, which would expedite the process and become effective April 1.

He also stated that during a meeting attended by the Administrative Rules Coordinator, Director of the Legislative Rules Committee, the Legal Counsel for the Commission and Commission staff, all agreed that this "double-barrel" procedure should be followed.

Mr. Ketterer stated that emergency rulemaking served to speed up the process, and that by filing rules both ways, he felt that the public would be better served because those wishing to race in 1985 could begin their application process earlier. The normal process could take several more months to complete.

Chairman Scalise asked Gary Hayward, legal counsel to the Commission, whether the Commission should entertain statements or questions from the public with respect to the rules at that moment.

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Mr. Hayward replied that it was not necessary, but that on April 19 the Commission would hear from anyone who wished to comment during a public hearing held in conjunction with a regularly scheduled meeting. The public hearing is part of the normal rules procedure.

Mr. Hayward noted that in using the shortened process, all the steps are followed, including allowing for public reaction, but that the commission could act on applications in the meantime.

Commissioner Sovern asked how the applications would be judged, what the Commission would be looking for. Mr. Ketterer explained that those questions would be answered by another chapter of the rules which would be drafted and mailed to the Commissioners and the interested public, to be taken up at the next Commission meeting.

Commissioner Sovern also asked whether the Division of Criminal Investigation had had the opportunity to provide input into the rules as they were written. The Executive Secretary stated that the DCI had indeed been contacted with respect to the writing of the rules, and that their recommendations had been considered as the rules were being written.

Chairman Scalise asked for comments from the audience regarding the rules, and for final discussion from the Commissioners.

After some further discussion on the part of the Commission, Chairman Scalise asked for a motion. Commissioner Pike moved to adopt the emergency rules and notice of intended action pursuant to 99D.7 and 99D.9 of the Code. The motion was seconded by Commissioner Mydland. The motion passed unanimously. (See Order 84-25).

Chairman Scalise then moved to the third item on the agenda and introduced Mr. Jim Coulter of the Iowa Harness Association, who spoke on behalf of the harness racing associations in Iowa.

Owen Julius, president of Hawkeye Colt Stakes, and Al Westoff, Jones County Fair Association, also spoke to the Commission, their point being that harness racing is an established tradition in Iowa and they would like to see parimutuel racing at Iowa's county fairs, perhaps even this summer.

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Following the presentations, Commissioner Sovern made a motion to determine what type of application would be required for county fair racing. Chairman Scalise seconded the motion.

After some further discussion, including an invitation from the Executive Secretary to the county fair representatives to come in to the office to further discuss their ideas and feasibility of fair racing this year, Chairman Scalise took a vote. The motion passed unanimously. (See Order 84-26).

The Chairman then took up the agenda item involving a discussion by Mr. Ketterer regarding racing in other states where both dog and horse racing are legalized. Mr. Ketterer did a comparative market analysis of six states which have both dog and horse racing. He summarized the analysis which he sent home with the Commissioners.

Chairman Scalise then took up item 6 on the agenda, administrative business.

Mr. Ketterer proposed the possibility of meeting in the auditorium in the Wallace building for future commission meetings. He also reminded the Commissioners of the NASRC meeting in Denver early in April.

Bill Brosnahan, DCI, approached the Commission requesting reimbursement of agent expenses incurred during the preparation of a parimutuel study which involved travel to several states.

The Chairman asked for a motion for payment of the bill. Commissioner Pike moved to approve payment of the bill and the motion was seconded by Commissioner Sovern for discussion. In response to questions from Commissioners Prickett and Sovern, Mr. Brosnahan said that this expense was non-recurring and that in future matters, the Commission would be consulted for prior approval of such expenditures. The Commission then unanimously passed the motion. (See Order 84-27).

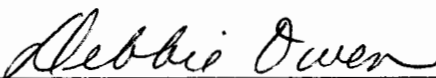
The Commissioners discussed whether to change the date of the March meeting and decided to hold it at the scheduled time, March 23 in Dubuque at 1:30.

Chairman Scalise opened the meeting to the general public.

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Commissioner Mydland moved to adjourn. Commissioner Pike seconded the motion. The motion passed unanimously.

Minutes taken by:

  
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Debbie Owen

IOWA STATE RACING COMMISSION  
MINUTES  
March 23, 1984

The Iowa State Racing Commission was called to order by Commission Vice-Chairman Bud Pike on March 23, 1984 at 1:30 p.m. in the Symposium meeting room of the Midway Motor Lodge, Dubuque, Iowa. Present were Commissioners Pike, Mydland, Prickett and Sovern. Chairman Scalise was absent.

Vice-Chairman Pike asked for a motion of approval of the minutes from the February 24 meeting. Commissioner Mydland moved to approve the minutes and Commissioner Prickett seconded the motion. The motion passed unanimously. (See Order 84-28).

Vice-Chairman Pike took up the second item on the agenda, the discussion of proposed rules regarding the commission's organization and operation, rulemaking, declaratory rulings and criteria for granting licenses and determining race dates. He called upon the Executive Secretary for comment. Mr. Ketterer explained the contents of each rule.

Commissioner Sovern moved to amend Rule 1.2(2) to read, "The State Racing Commission consists of five members. The membership shall elect a chairman and vice-chairman in July of each year."

Commissioner Prickett seconded the motion, which was unanimously passed. (See Order 84-29).

After some further discussion, there were no other changes to the rules.

The Executive Secretary explained that the rules would be submitted to the Administrative Rules Coordinator as "notice of intended action" only. He then asked the commission to approve the rules, as amended.

Commissioner Sovern made the motion, Commissioner Mydland seconded it. The motion passed unanimously. (See Order 84-29.)

The Vice-Chairman next took up Item 3 on the agenda, the presentation of proposed plans by the Dubuque Racing Association. Terry Harrman made the presentation on behalf of the Association.

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Following his presentation, the commission heard from Mr. John J. "Hank" Waltz, who represents a group of Dubuque citizens who feel they should have more time to study the racing proposal before being asked to vote on a referendum, which is slated for April 24.

Mr. Hugh Field, Chairman of the Waterloo Racing Association, invited the commission to meet in Waterloo.

Vice-Chairman Pike next took up Item 4 on the agenda, which was Administrative Business. The Executive Secretary brought the Commissioners up to date with the status of parimutuel legislation. In the senate, the bill is out of the Ways and Means Committee and should be brought up for debate very soon.

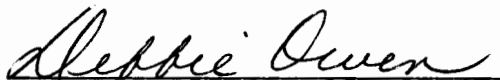
Mr. Ketterer also brought up the business of the project appointment of Mick Lura as Director of Administration to the Commission. He explained that the Office for Planning and Programming and the Governor's Office wished to reconcile the OPP's Table of Organization and put Mick full time on the Racing Commission's payroll. Commissioner Mydland moved to approve the project appointment. Commissioner Sovern seconded the motion. (See Order 84-30).

The Commission next discussed their schedule of future meetings. They decided to hold their next two meetings immediately following the public hearings on the rules which are to be held on Thursday, April 19 and Thursday, May 17 in the Wallace Building Auditorium at 10:00 a.m.

The commissioners also expressed an interest in holding a planning session in conjunction with their next meeting and decided to meet at 1:00 p.m. on April 18 to discuss their goals and objectives, staff organization, visitations by various tracks, etc.

At approximately 3:30 p.m., Commissioner Prickett moved to adjourn. Commissioner Mydland seconded the motion, which was unanimously passed.

Minutes taken by:

  
Debbie Owen  
Recording Secretary



IOWA STATE RACING COMMISSION  
MINUTES  
WORK SESSION  
APRIL 18, 1984

The State Racing Commission met for a work session on April 18 at 1:30 p.m. in the Conference Room of the Iowa Development Commission. Present were: Chairman Larry Scalise, Commissioner Bud Pike, Commissioner Lavonne Mydland, Commissioner Sally Prickett and Commissioner Steve Sovern.

In an informal meeting, the Commissioners discussed various operations of the Commission. No formal action was taken on any of the matters brought up for discussion.

Executive Secretary Jack Ketterer brought the Commission up to date on recent developments in pending racing legislation.

Chairman Scalise brought up the findings of an attorney general's opinion regarding the prohibition of ownership (of a racetrack) by a private investor. It found that the facility could be privately owned and leased to a non-profit corporation. It was the feeling of the Chairman that the Commission should inspect very thoroughly the relationships between the parties involved in making application.

Chairman Scalise also stated that he believed that out-of-state track operators should have local Iowa investors and community support.

Commissioners Pike and Mydland commented on the NASRC Convention in Denver which they attended early in April. They both noted that while the Commission is largely a regulatory body, it also needs to be active in marketing and public relations and that in Iowa, the Commission should work closely with the Iowa Development Commission to promote the industry.

Executive Secretary Ketterer next outlined a potential timetable for licensing applicants. He suggested that the Commission could begin accepting licenses on June 1, to be in a position to grant licenses in mid-July. Chairman Scalise suggested August 1 be the cut-off date for accepting applications. Commissioner Sovern added that the date could be extended if a need was demonstrated.

The Commissioners discussed their feelings about numbers and locations of potential track sites around the state. Executive Secretary Ketterer reiterated his feeling that dogs and horses should not run concurrently in the same geographic market area. Chairman Scalise said he felt that Iowa needed a flagship horse track in either Cedar Rapids or Des Moines and that Delaware North, in an earlier feasibility study for Des Moines, had willfully attempted to kill horse racing in Des Moines because it is primarily interested in dog racing. He also said that there are people interested in having a horse track in Des Moines running a split season so as not to conflict in any way with Ak-Sar-Ben. The big question with having a track in Des Moines, he continued, would be its location.

Chairman Scalise said that in terms of locations of dog tracks, he felt the possibilities were: Dubuque (if Cedar Rapids/Iowa City area does not have horse racing), Council Bluffs, Shenandoah, Davenport, and Waterloo, and that there should be no more than four tracks. He also feels it is important to have a distance of 125 miles between the dog tracks and the "flagship" horse track.

Chairman Scalise also said that he would like to see some harness racing taking place at county fairs.

Commissioner Sovern expressed the opinion that the commission should act conservatively in granting track licenses, and that those making application should do so with the knowledge that their application might fail.

Executive Secretary Ketterer said that the Commission could set guidelines without making a decision as to numbers of tracks, and should set standards for facilities.


Bill Brosnahan, DCI, was present to discuss the application form. He asked for a definition of the term "principal stockholder" used in the application and in the Commission rule 5.7(4).

The Commission discussed the possibility of striking the word "principal" from the references to stockholders.

Various administrative matters were discussed including: Waterloo's invitation to the Commission to meet in their community as it had in Dubuque, the staff sending a monthly printout of expenditures to the Commissioners, and potential meeting dates in June.

The Commission adjourned at 4:45 p.m.

Minutes taken by:

  
Debbie Owen

IOWA STATE RACING COMMISSION  
MINUTES  
APRIL 19, 1984

The Commission had its regular meeting on April 19, 1984 at 10:00 A.M. immediately following the public hearing on Chapter 5 of the rules.

Chairman Scalise called the meeting to order in the Wallace Building Auditorium. All commissioners were present.

Chairman Scalise asked for a motion to approve the minutes from the March 23 meeting. Commissioner Mydland moved to approve the minutes. Commissioner Pike seconded the motion, which passed unanimously. (See Order 84-31).

Executive Secretary Ketterer discussed the status of the commission's pending legislation. The bill had passed the Senate 35-9 and was scheduled for debate in the House.

The Commission heard from representatives from several racing associations around the state.

From Council Bluffs, George Beeno and Stan Duysen were present to provide the Commission with an update on their progress. They had hired consultants, legal counsel, an architect and were working on their by-laws, etc. Chairman Scalise advised them that his comments about Delaware North should not influence their consideration of Delaware North as a means for financing their facility.

From Shenandoah, Dean Tjards spoke about plans for the "Shenandome" being considered by the Southwest Iowa Racing Association.

Ted Hovick, president of the Iowa Greyhound Association spoke in support of the dome concept.

Jeff Shirley from Waterloo stated that Waterloo would be ready to make their application on June 1, and that the industrial revenue bonds issue was an important factor in their planning.

George Lipper, a lobbyist for Dubuque's highway concerns, spoke on behalf of the Dubuque association, saying that they would be ready also on June 1.

Lyle Bunston, representing the Nashua Big Four Fair asked whether fair racing would be feasible this year.

Executive Secretary Ketterer explained that he had visited the Monticello and Humboldt fair sites, and expressed the need to look carefully at the financial structure of the pari-mutuel bill. He noted that in other states which have fair racing, there is a subsidy program from the major tracks for fair purses, and that much of the time, there is no pari-mutuel wagering.

Mr. Ketterer then told the Commissioners that in Cedar Rapids Dr. Crossley was getting \$15,000 from the Chamber of Commerce to finance a feasibility study, but does not have a firm commitment on financing that he would discuss.

He also stated that Des Moines has engaged the services of Killingsworth Associates for a feasibility study, the first phase of which should be released at any time.

Chairman Scalise moved to the next item on the agenda, a timetable for accepting license applications. Mr. Ketterer stated that from the work session of the day before, it was the consensus of the Commission that June 1 was a good starting date for accepting applications. A cut-off date of August 1 was suggested.

Commissioner Sovern suggested flexibility in the cut-off date, due to the fact that those making application for a horse track had been hampered by unworkable legislation.

Commissioner Sovern then made the motion formally to establish a June 1 starting date to begin accepting applications, and a cut-off date of August 1. Commissioner Pike seconded the motion. It passed unanimously. (See Order 84-33).

Chairman Scalise next took up item 5 on the agenda, the discussion of changes to Chapter 5 of the rules.

Commissioner Sovern moved to strike the word "principal" from the term "principal stockholder" wherever it appears in Chapter 5. Commissioner Prickett seconded the motion. It passed unanimously.

Dr. Prickett moved to accept the amendment allowing the Commission to waive any of its rules in consideration of an application from a county fair association. Commissioner Sovern seconded the motion, which passed unanimously.

Commissioner Pike moved to adopt Chapter 5 of the rules as amended. The motion was seconded by Commissioner Mydland and was unanimously approved. (See Order 84-32).

Commissioner Pike gave a brief synopsis from the NASRC meeting attended by him and by Commissioner Mydland in early April. He again stressed the need to work closely with tourism people to promote the racing industry.

The Commission discussed administrative matters including the May and June meeting dates.

The Commission adjourned on a unanimous voice vote.

Minutes taken by:

  
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Debbie Owen

IOWA STATE RACING COMMISSION  
WORK SESSION MINUTES  
WEDNESDAY, MAY 16, 1984

The Iowa State Racing Commission met for a work session on Wednesday, May 16 at 2:00 P.M. Those attending were Commission Chairman Larry Scalise, Vice-Chair Bud Pike and Lavonne Mydland. Commissioners Steve Sovern and Sally Prickett were absent.

The Commission discussed a number of topics, but no formal actions were taken on any of them.

Tom Ruxlow, Director of the Division of Criminal Investigation, asked the Commission to approve the transfer of funds from the Commission budget to the DCI to cover expenses incurred by the special agents conducting background investigations on the applicants for track licenses. He asked for a total between \$30,000 and \$31,000 to cover their expenses. Mick Lura of the Commission staff suggested that one way to effectively handle the transfer would be to give the DCI \$15,000 at the present time, reassess the situation on June 15 to see how much more they might require.

The next item taken up by the Commission was a presentation by Bob Parsky and Bob Krause of Ewing Cole Cherry and Parsky, an architectural firm. They presented a slide presentation and program on the construction of grandstand facilities.

Will Cummings of Killingsworth Associates next spoke to the Commission regarding the feasibility study being done for the Des Moines area. He said it was his hope to have the three-phase study completed by July 1. He stated that the study was currently in the second phase near completion.

The Commissioners next discussed the evaluation process for the applications. Executive Secretary Jack Ketterer said that some steps to include in the process would be site visitation, applicant presentations, and receipt of the DCI background investigations. He also said that it was his hope that they could use July 15 as a target date for announcing their decisions.

The Commission also discussed the possibility of hiring a consultant to assist in the analysis of the applications with regard to financing, feasibility studies, etc.

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There was some discussion regarding the neighborhood impact studies to be done for each neighborhood where a track has been proposed to determine the impact on the quality of life in the area. Mr. Ketterer said that a public meeting would be held for each area, and that those persons owning property adjacent to the track site would be invited to share their feelings regarding the proposal.

Chairman Scalise also asked whether the language in Commission rule 5.7(4) was too stringent. He pointed out that the intent of the Commission might be better served if the language regarding prohibiting licensure of any convicted felon were to instead refer to persons of good repute and moral character. He said that common sense should dictate how a felony situation was considered with respect to a license application.

Commissioner Pike brought up the idea of marketing racing, with the use of films and other aids in educating the public and promoting the industry in Iowa.

The work session adjourned at 4:15 P.M.

Minutes taken by:

  
Debbie Owen, Recording Sec'y

IOWA STATE RACING COMMISSION  
MINUTES  
THURSDAY, MAY 17, 1984

The regular meeting of the Iowa State Racing Commission was called to order by Commission Chairman Larry Scalise on Thursday, May 17 at 10:00 A.M. Those attending were: Chairman Larry Scalise, Vice Chairman Bud Pike, Commissioners Lavonne Mydland, Sally Prickett. Commissioner Steve Sovern was absent. The Commission met in the Auditorium of the Wallace Building following a public hearing on Chapters 1, 2, 3 and 6 of their administrative rules.

Chairman Scalise asked for approval of minutes from the April 19 meeting. Commissioner Mydland moved to approve the minutes. Commissioner Prickett seconded the motion which passed unanimously. (See Order 84-34).

The second agenda item, a discussion of Chapters 1, 2, 3 and 6 of the rules, was deferred until later in the meeting.

Chairman Scalise then introduced Al Ross, owner and operator of six dog tracks around the country, for a video tape presentation on greyhound racing. Mr. Ross stated that it was his intent to file an application for a dog track license in the quad-cities area.

Following Mr. Ross' presentation, he answered questions from the Commission. He pointed out that the most important thing to bear in mind in the operation of a track is the assurance to the public that the operation is clean. He noted that the taking of urine samples and the weigh-in and weigh-out procedures should be done in full view of the patrons.

Chairman Scalise moved next to the discussion and adoption of Chapters 1, 2, 3 and 6 of the rules. He asked for discussion from the Commission members.

Mr. Ketterer discussed some minor changes to those chapters.

Chairman Scalise said, with regard to rule 5.7(4) which prohibits licensing a convicted felon, that the commission should use common sense in considering a felony with respect to an application. He stated that the rule as it is worded is stronger than the law, and that the rules should not re-write the legislation. He asked Gary Hayward, Assistant Attorney General, to put together language which would protect the Commission and the public with respect to this matter.

The next item brought up for discussion was the DCI's request for additional funds to help pay for the background investigations which will be required in processing the applications.



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Commissioner Pike moved to authorize a transfer of up to \$15,000 to the DCI from the Commission budget to pay for agents' expenses incurred while conducting the background investigations submitted by the applicants for track licenses. The \$15,000 would cover the expenses incurred up to and including June 15. Commissioner Mydland seconded the motion, which passed unananimously. (See Order 84-37).

Chairman Scalise asked for a motion to adopt the administrative rules chapters 1, 2, 3 and 6 as amended. Grammatical and typographical corrections are to be made as required.

Commissioner Mydland moved to adopt the rules. Commissioner Pike seconded the motion. The motion passed unanimously. (See Order 84-35).

The next item brought up for discussion was the neighborhood impact studies required by statute. Mick Lura told the Commission that the law states that those neighborhoods adjacent to the proposed site of the track be studied to determine the impact of granting a license on the quality of life in those neighborhoods. The studies are to be paid for by the applicant.

In moving to administrative business before the Commission, Executive Secretary Ketterer next brought up for discussion the hiring of an objective consultant to review the financing mechanisms and other complexities of the applications. He asked to be allowed to look into the cost of such a study and report his findings to the Commission.

The Commission next discussed possible times for future meetings. Mr. Ketterer suggested that the Commissioners should see each of the proposed sites sometime in mid-June. He suggested viewing the sites on June 25 and 26, hearing presentations on June 27 and 28.

Chairman Scalise asked for a motion setting the next meeting dates for June 27 and 28. Commissioner Pike moved to do so. Commissioner Prickett seconded the motion. The motion passed unanimously. (See Order 84-36).

Chairman Scalise next opened the meeting for public comment.

The Commission adjourned at 11:30 A.M.

Minutes taken by:

  
Debbie Owen, Recording Sec'y

IOWA RACING COMMISSION  
MINUTES  
CONFERENCE CALL MEETING  
MONDAY, JUNE 11, 1984

A telephonic meeting of the Iowa State Racing Commission was held on June 11, 1984 at 4:10 P.M. Those participating in the conference call were Commissioners Sally Prickett, Steve Sovern and Lavonne Mydland. Chairman Scalise and Vice-Chair Pike were absent.

Commissioner Sovern nominated Commissioner Prickett to officiate and Commissioner Mydland seconded the motion.

Commissioner Prickett called the meeting to order for the purpose of discussing the proposal of hiring a consultant to study the track applications on file with the Commission.

Executive Secretary Ketterer told the Commissioners that the proposal to hire Touche Ross and Company had been approved by the Merit Employment Department and by the Comptroller's offices as required. He also said that the contract had been approved as to form by Gary Hayward, counsel for the Commission.

Mr. Ketterer explained that Touche Ross and Company would be expected to look at four aspects of the applications: financing, feasibility, cost projections and operating expenses, and revenue projections.

Commissioner Sovern asked Mr. Ketterer what Touche Ross Company had over other consulting firms in the field. Mr. Ketterer explained that Touche Ross had experience in the field, that other firms which might have been considered were already involved with racing associations in Iowa and were therefore ineligible to work with the Racing Commission, and that Touche Ross had a reasonable fee. They would be paid no more than \$25,000 to study eight or nine applications. The Minnesota Racing Commission had paid \$41,000 to have a consulting firm examine five applications' financing proposals only.

Commissioner Mydland moved that the Commission hire Touche Ross and Company to assist the Commission in the evaluation process. The motion was seconded by Commissioner Sovern.

Commissioner Prickett brought up for discussion the fact that no competitive bidding had been done for the contract, and voiced concern that only three of the five Commissioners were making a rather major decision.

Mr. Ketterer told the Commissioners that competitive bidding was impracticable because of the specialized knowledge which was required. Not all consulting or accounting firms are knowledgeable of the racing industry. He cited examples of other firms which might have been contenders for the contract, but were already involved in feasibility studies for racing associations around the state.

He also assured them that in previous conversations with Commissioners Scalise and Pike, their support for the project had been expressed.

He also told the Commissioners that the report would be made public.

Commissioner Sovern pointed to the fact that the Commission would weigh a number of factors in making their decisions as to location of the tracks and that the consultant's study would be only one of those factors. He said the decisions on which tracks to license rest ultimately with the Commission.

The Executive Secretary told the commissioners that because there were only three in attendance, they would need a unanimous vote to pass the motion.

Commissioner Sovern indicated that he, too, had experienced some reservations because of the fact that the contract had not been sent out for bid, but it was his feeling that in the interest of time and money saved, it was his conclusion that this would be the best way to go.

Commissioner Prickett then asked for a vote on the motion, which was passed unanimously. (See Order 84-38).

Commissioner Sovern moved to adjourn. Commissioner Mydland seconded the motion, which passed unanimously.

Minutes taken by:

  
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Debbie Owen, Recording Sec'y

IOWA STATE RACING COMMISSION  
MINUTES  
THURSDAY, JUNE 28, 1984

A meeting of the Iowa State Racing Commission was called to order at 8:15 A.M. on Thursday, June 28 by Chairman Larry Scalise. Present were Chairman Scalise, Vice Chairman Pike, Commissioner Mydland, Commissioner Prickett and Commissioner Sovern. Also present was Executive Secretary Jack Ketterer. The meeting was held in the Oak Room of the Des Moines Hyatt Hotel.

The first order of business was to elect the Commission Chairman for the upcoming year. Commissioner Pike nominated Lawrence Scalise for re-election to the position, Commissioner Mydland seconded the nomination. There were no other nominations. The motion to re-elect Chairman Scalise was unanimously approved. (See Order 84-40).

The Chairman recognized Tom Ruxlow of the DCI, who asked that the DCI be reimbursed for actual expenses and overtime incurred by agents conducting background investigations related to the licensing applications.

Commissioner Sovern moved to authorize Executive Secretary Ketterer to reimburse any actual expenses incurred by the DCI over and above the \$15,000 already approved by the Commission. Commissioner Prickett seconded the motion, which was unanimously approved. (See Order 84-39).

Chairman Scalise next asked for nominations for Vice Chair for the Commission for the upcoming year. Commissioner Prickett nominated Bud Pike. Commissioner Sovern seconded the nomination. There were no other nominations. The motion to re-elect Commissioner Pike passed unanimously. (See Order 84-40.1)

The Chairman next introduced the various racing associations making application for tracks.

Kenneth Grandquist, Des Moines real estate developer and owner of the Iowa Cubs Triple-A baseball franchise, proposed a \$40 million horse racing facility on behalf of the Central Iowa Racing Association to be constructed on 560 acres near Bondurant, Iowa just northeast of Des Moines. Grandquist contemplates running thoroughbreds in the fall and spring seasons to avoid direct competition with Ak-Sar-Ben.

Dr. Norman Crossley, a Solon, Iowa dentist and president of Nakoni Park, Inc., proposed a \$30 million facility on 130 acres south of Cedar Rapids to race May through August.

The Iowa West Racing Association, led by Council Bluffs insurance executive, John Nelson, proposed a \$12 million facility to conduct greyhound racing during the months of April through November.

The Southwest Iowa Racing Association in Shenandoah proposed an \$8.5 million facility to conduct greyhound racing during the winter months of November through April.

The Council Bluffs Greyhound Racing Association, led by Bernie Hartman and Herb Tyner, owners of Detroit Racecourse and Hazel Park in Michigan as well as Hollywood Greyhound Park in Hollywood, Florida, proposed an \$11 million facility to run during the months of March through November in Council Bluffs.

The National Cattle Congress Association in Waterloo proposed a \$7 million greyhound facility to run during the months of April through September.


The Dubuque Racing Association proposed a \$7.5 million facility which will be owned by the city of Dubuque and financed through general obligation bonds. A referendum of the people in the city of Dubuque carried by an overwhelming 71% to 29% in April. Dubuque has applied for dates during the months of April through November.

The Quint-Cities Greyhound Park, Inc. proposed an \$8.25 million facility to race during the months of October through May in Davenport, Iowa. Alfred Ross, owner and operator of six greyhound facilities in four states, is the driving force behind the Quint-Cities application.

The Muscatine County Fair board proposed to add \$100,000 of improvements to their county fairgrounds in West Liberty, Iowa and run a greyhound meet during the months of May through August.

At the close of the meeting, the Commissioners discussed their schedule of July meetings. They agreed to meet July 11 for the purpose of hearing reports regarding neighborhood impact studies, the DCI background investigations and financial analyses by Touche Ross and Company. They set a date of July 18 to make the final decisions on the granting of licenses.

Minutes taken by:

  
Debbie Owen

IOWA STATE RACING COMMISSION  
MINUTES  
JULY 11, 1984

The Iowa State Racing Commission met on Wednesday, July 11 at 8:00 a.m. at the Des Moines Hyatt. Attending were Commission Chairman Larry Scalise, Vice Chair Bud Pike and members Lavonne Mydland, Sally Prickett and Steve Sovern. Chairman Scalise called the meeting to order at 8:05 a.m.

The first order of business was to approve the minutes from the June meeting. The minutes were unanimously approved. (See Order 85-1).

The Chairman next recognized Tom Ruxlow, Director of the Division of Criminal Investigation of the Department of Public Safety. Mr. Ruxlow asked the Commission to enter into executive session in order to hear the contents of background investigations conducted by the DCI relating to the applicants for licenses. He cited Chapter 692 of the Iowa Code, which states that criminal history and intelligence data must be kept confidential subject to both civil and criminal penalties; §68A.7(5), which states that peace officers investigative reports are confidential; and §28A.5(1)(a) and (g), which state that with a two-thirds vote, the Commission can go into closed session to review or discuss records required or authorized by law to be kept confidential, as in the case of the DCI investigations.

Commissioner Prickett moved to go into closed session. Commissioner Pike seconded the motion. The Chairman asked for discussion pursuant to the motion.

Chairman Scalise asked Commission Counsel, Gary Hayward, whether the Commission could be sued if criminal history data was publicly discussed. Mr. Hayward said that indeed was true, and that the background investigations must be examined to determine whether there was criminal history data contained therein.

The Chairman asked for a vote to go into executive session. The motion was unanimously approved. (See Order 85-2).

Commissioner Sovern asked whether the contents of the investigations could be made public by the Commission if the contents affected their decisions. Mr. Hayward said that if a decision not to license a track was based solely on the contents of the background investigation, that the Commission could make such information public, because it would be its official duty as a Commission.

The Commission met in closed session. The session was taped and minutes were taken, pursuant to §28A.5, Iowa Code.

The Commission reconvened at 10:15 A.M. to resume the regular portion of the agenda.

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July 11, 1984  
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The Chair first recognized Jack Ketterer, Executive Secretary, for a synopsis of the neighborhood impact studies completed to date. Mr. Ketterer explained that in accordance with Chapter 99D.9, Iowa Code, the neighbors adjacent to the track were contacted so that the impact of a racing facility on each neighborhood could be determined. Each applicant submitted a list of neighbors who own property adjacent to the proposed site. They were asked to fill out a survey and return it to the Commission office. Also, a meeting was held at which the discussion was limited to those neighbors, although anyone who wanted to could attend.

Chairman Scalise next recognized Gary Owen of the Siouxland Association of Business and Industry who expressed concern that a track licensed in Council Bluffs could prove detrimental to Sodrac Park, a race track in South Sioux City, South Dakota. He expressed the opinion that neither applicant for a license in Council Bluffs had adequately examined the impact such a track would have on its competition at Sodrac or Ak-Sar-Ben.

Chairman Scalise turned to the next agenda item, the report from Touche Ross and Company consultants, who had examined and compared the applications to aid the Commission in the decision-making process. John Temple, Sandy Shrader and Larry Guevel of Touche Ross and Company summarized their analyses of the applications and then took questions from the Commission.

The Commissioners asked for their judgments as well as their statistical comparisons.

John Temple stated that the horse track applications were not as far along as were the dog tracks, he advised the Commission to take "some longer looks" at those applications.

He also said that the allocation of dates and competition factor were most important issues to be looked into to insure sufficient profitability.

After pointed questions from the Commission and requests that they be specific, Mr. Temple finally stated that at most Iowa could support a dog track in western Iowa; a horse track in central Iowa; and a horse and a dog track or two dog tracks in eastern Iowa, provided they operated during non-competing seasons.

Following the presentation made by Touche Ross, the Commission broke for lunch. Chairman Scalise announced that they would return to executive session, again citing the code sections dealing with such matters, to hear DCI reports through lunch.

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After the lunch break, each racing association had an opportunity to speak to the Commission on its own behalf, responding to questions raised by the Touche Ross study or anyone else.

Following the presentations by the associations, Chairman Scalise opened the meeting to the general public. Several persons were given an opportunity to speak to the Commission regarding their personal concerns, problems and thoughts on racing.

The Commission ended the formal portion of the agenda, again to go into a closed session in order to hear the remaining DCI investigative reports. Chairman Scalise again cited sections 28A.5(1)(a) and (g), 68A.7(5) and Chapter 692 of the Iowa Code, which relate to the ability of the Commission to vote to close their meeting to discuss investigative reports which must be kept confidential by law.

The Commission met in executive session through the evening. The session was taped, minutes were taken and sealed.

At approximately 10:15 p.m., Commissioner Sovern moved to adjourn and Commissioner Prickett seconded the motion. The motion was unanimously approved.

Minutes taken by:

  
\_\_\_\_\_  
Debbie Owen



IOWA STATE RACING COMMISSION  
MINUTES  
WEDNESDAY, JULY 18, 1984

The Iowa State Racing Commission met Wednesday, July 18 at 9:30 a.m. in the Oak Hall of the Hyatt Hotel. Present were Chair Lawrence Scalise, Vice Chair Bud Pike, Commissioners Sally Prickett, Lavonne Mydland and Steve Sovern. Chairman Scalise called the meeting to order.

Commissioner Prickett moved to approve the minutes from the July 11 meeting. Commissioner Pike seconded the motion, which passed unanimously. (See Order 85-3).

The Chair next asked the Executive Secretary, Jack Ketterer for the results of those neighborhood impact studies completed since the Commission's last meeting. Mr. Ketterer gave the details of the studies completed for Racing Association of Central Iowa (Bondurant) and the Council Bluffs Greyhound Association. It was moved by Commissioner Mydland and seconded by Commissioner Pike to receive and file the neighborhood impact studies as required by 99D.9, the Code. There was no discussion and the motion was unanimously approved. (See Order 85-4).

The Chair recognized Jerry Boubin of Independence, who submitted a letter of intent to file an application for horse racing from Rush Park Racing Association in Independence. Frank Bremer, mayor of Independence, was there to lend his support of the project.

Chairman Scalise recognized the Executive Secretary for comments before the Commission commenced voting on the applications for licensure.

The Chairman then thanked the DCI for their painstaking labor in completing the background investigations for the applications.

Chairman Scalise noted that each application would receive a vote and that they would begin on the eastern border with Dubuque and continue westward across the state.

Chairman Scalise next recognized Commissioner Prickett, who moved to grant a conditional three-year license to the Dubuque Racing Association, Ltd. subject to their compliance with the law (Chapter 99D, Iowa Code) and Commission Administrative Rules 5 and 6. She said their racing dates would be given consideration later in the process. Commissioner Mydland seconded the motion. Chairman Scalise asked for discussion of the motion. The Commissioners praised the proposal, citing community support, financing, the possibility of luring out-of-staters to Iowa with a Dubuque track. The Commission unanimously supported the Dubuque application. (See Order 85-5).

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The Chair next recognized Commissioner Pike, who moved to grant a conditional three-year license to the National Cattle Congress in Waterloo, subject to their compliance with Chapter 99D and the Commission Rules 5 and 6, to possibly race in the fall, spring or winter. Commissioner Mydland seconded the motion. Chairman Scalise asked for discussion, pointing out that the Commission rules state that overlapping dates must be agreeable to both tracks and the Commission.

Commissioner Pike had praise for the Waterloo effort, noting an impressive site with good visibility, low land-acquisition costs and the fact that the Cattle Congress would run its own concessions.

Commissioner Mydland seconded the motion.

Commissioner Sovern led the discussion and expressed concern that two eastern Iowa dog tracks would adversely affect a horse track located in eastern Iowa. Commissioner Prickett also voiced problems with two eastern Iowa dog tracks, specifically racing dates and the fact that to compete successfully, they would have to engage in winter racing with its inherent problems. She said she preferred to be conservative.

Commissioner Mydland suggested the possibility of split seasons or a fall, winter, spring season.

The Chair again noted that overlapping dates would have to be agreeable to both associations, and that Dubuque's market area was more protected.

Commissioner Sovern asked whether a winter season had been specified in Commissioner Pike's original motion. The recording secretary reread the motion, which mentioned only a possible fall, spring or winter season.

The Chair asked for a new motion, specifying a winter season.

The vote on the original motion was 2-3 against, Commissioners Scalise, Prickett and Sovern voting no. (See Order 85-6).

Commissioner Pike then re-stated his earlier motion, asking to grant Waterloo a conditional three-year license, provided they were in compliance with Chapter 99D and Commission Rules 5 and 6, to include a winter racing season. Commissioner Mydland seconded the motion.

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The Chair called for a vote. This time the vote was 3-2 in favor of the motion, Commissioners Prickett and Sovern voting no. (See Order 85-7).

Chairman Scalise next recognized Commissioner Sovern for a motion regarding the Cedar Rapids horse track proposal.

Commissioner Sovern, noting that the issuance of a Waterloo license reflects a good deal on the Cedar Rapids application, moved to issue a conditional license to Nakoni Park in Cedar Rapids. He noted in the motion that the applicant would need to remedy deficiencies in the application pursuant to a memorandum from Jack Ketterer regarding those deficiencies. (See attached memorandum.) The Chair seconded the motion.

After some discussion involving the viability of three racing facilities in eastern Iowa, the financial soundness of the application, the question of whether there was community support for the project, and other matters, the Chair called the question for a vote. The motion failed, 1-4, with Commissioner Sovern giving the only assenting vote. (See Order 85-8).

The Chair recognized Commissioner Mydland, who moved to deny a license to West Liberty for the Muscatine County Fairgrounds renovation project for greyhound racing. The motion was seconded by Commissioner Pike and was passed unanimously. (See Order 85-9).

Chairman Scalise recognized Commissioner Prickett, who moved to grant a conditional three-year license to the Racing Association of Central Iowa for thoroughbred racing from March 1-May 1 and August 15-November 15. She mentioned that other dates for other breeds could be considered at a later time. Commissioner Mydland seconded the motion.

Commissioner Sovern asked to amend the motion, asking that it be conditional also upon the completion of the deficiencies in the memorandum referred to in consideration of the Cedar Rapids application. (See attached memorandum). Commissioner Prickett accepted the amendment. The motion passed unanimously to grant the Racing Association of Central Iowa a conditional license. (See Order 85-10).

Commissioner Pike moved to deny a license to Southwest Iowa Racing Association of Shenandoah, citing community opposition and lack of core population in that area. Chairman Scalise seconded the motion.

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Commissioner Sovern asked to defer on the proposal until it was determined whether Council Bluffs was to be awarded a license, so that the Shenandoah proposal could be evaluated vis-a-vis the disposition of the other applications pending in southwest Iowa.

Commissioner Pike agreed, withdrawing his motion to be taken up at the end of the day.

Chairman Scalise recognized Commissioner Sovern for a motion on the Council Bluffs Greyhound Association. Commissioner Sovern moved to deny the license, citing the lack of Iowans participating in the project and articles in a national magazine regarding the would-be management's problems at other tracks. Commissioner Pike seconded the motion. The motion was unanimously approved. See Order 85-11).

Chairman Scalise next made a motion to defer on the application for Iowa West Racing Association (Council Bluffs) until such time as the DCI has had ample opportunity to complete background investigations relevant to the application. Commissioner Sovern seconded the motion. Tom Ruxlow, Director of the Division of Criminal Investigation, noted the investigations would require another 60 days. The motion to give the DCI that amount of time passed unanimously. (See Order 85-12).

Commissioner Sovern made a second motion to defer on the application from Shenandoah. Hearing no second to the motion, the Chair declared it dead.

Commissioner Pike moved to deny a license to the Southwest Iowa Racing Association in Shenandoah. The Chair seconded the motion, which passed 4-1, Commissioner Sovern voting no. (See Order 85-13).

At approximately 1:45 P.M., Commissioner Prickett moved to adjourn the meeting for approximately an hour so that the applicants from Waterloo, Dubuque and Des Moines could discuss dates, hopefully to the satisfaction of all concerned. Commissioner Sovern seconded the motion, which passed unanimously. (See Order 85-14).

At 2:50 P.M. the Commission reconvened and the Chair asked to hear from each of the applicants on the dates they had discussed.

Dubuque requested the following dates: June 1 - November 15, 1985 and April 1-October 31, 1986 and 1987.

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Waterloo said they could live with the following dates:

1985: December 1-December 22  
1986: January 1-June 7 (EXCEPT that they would close  
their operation in March and April if Des  
Moines horse racing was in operation at that  
time).  
October 15-December 31, 1986  
1987: January 1-March 1  
May 1-June 7  
October 15-December 31

The Chair asked for a motion to delay for seven days  
the final decision regarding dates for Dubuque and Waterloo.  
Commissioner Sovern made the motion, which was seconded by  
Commissioner Pike. The motion was unanimously approved.  
(See Order 85-15).

Commissioner Pike made a motion to adjourn and  
Commissioner Prickett seconded the motion. It passed unani-  
mously.

Minutes taken by:

  
Debbie Owen

IOWA RACING COMMISSION  
MINUTES  
TELECONFERENCE  
JULY 25, 1984

On July 25, 1984 the Iowa Racing Commission met via teleconference. Those included in the call were: Vice Chair Bud Pike, Commissioners Mydland, Prickett, Sovern and representatives of the National Cattle Congress and the Dubuque Racing Association. Present in the Commission Office were Chair Lawrence Scalise, Jack Ketterer, Counsel Gary Hayward and representatives of the Racing Association of Central Iowa. The Chair called the meeting to order at 4:30 p.m.

The Chair proceeded with the first item on the agenda, a report from the Waterloo National Cattle Congress on the feasibility of dates. Mr. Hugh Field, Waterloo Racing Task Force, stated that Waterloo was prepared to accept the license and the dates presented at the July 18 meeting, which were:

September 1-December 22, 1985  
January 1 - June 7, 1986 (EXCEPT that if a Des Moines horse track is operating in March and April, Waterloo would not be licensed to race during those months)  
October 15, 1986-December 31, 1986  
January 1, 1987-March 1, 1987  
May 1, 1987 - June 7, 1987  
October 15, 1987 - December 31, 1987

The Chair restated that the license issued was conditional upon the Cattle Congress' compliance with Chapter 99D of the Code and Chapters 5 and 6 of the Commission rules.

Chairman Scalise reviewed the situation from the previous meeting which had resulted in the conference call. The Commission had passed a motion 3-2 to license Waterloo for a winter meet. The Des Moines and Dubuque Associations were asked to get together with Waterloo at that meeting to discuss dates, because in accordance with Chapter 6 of the rules, overlapping dates must be agreeable to both tracks involved in the overlap. At the conclusion of that meeting, Dubuque said they could live with the overlap May 1-June 7. Des Moines indicated they could live with overlap from October 15 to November 15. Chairman Scalise said that at that point, Waterloo was asked to get give the matter some thought and respond to the commission with the dates they wanted.

Chairman Scalise stated that there had been no motion including these dates because Waterloo had requested a week to think about it.

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Chairman Scalise asked for a motion to grant the dates discussed previously. He again repeated the dates.

Commissioner Pike moved that Waterloo be granted a license to race those dates mentioned above. Commissioner Mydland seconded the motion, and the Chair asked for discussion.

Commissioner Sovern began the discussion. He asked what the overlapping dates with Dubuque were. Chairman Scalise responded that they were in 1985: September-November  
in 1986: May 1-June 7, October 15-November 15

Chairman Scalise also noted that the month of October 15 - November 15, Waterloo would also be overlapping with Des Moines.

Commissioner Sovern asked the opinion of the staff regarding those dates. Mr. Ketterer responded that one of the advantages with winter dates would be to provide greyhound owners, trainers and officials an opportunity to race year around, a situation which does not exist when there is overlap.

Commissioner Pike proposed a May 1 to November 1 meet for Dubuque, a November 1 to May 1 for Waterloo. From March 15 to April 30 Waterloo would run head to head with Des Moines.

Commissioner Prickett asked to hear the alternative dates Waterloo intended to propose. Mr. Field said they would ask for October 15 - May 1.

Representatives from both Dubuque and Des Moines expressed concern that such dates as those proposed by Waterloo would make their operations marginal.

Chairman Scalise asked for a roll call vote on the pending motion. The motion to grant the dates mentioned originally passed, 4-1. Commissioner Sovern cast the dissenting vote. (See Order 85-16).

Mr. Field asked at that point to amend the license which Waterloo had just been granted. He requested October 15-May 1, for the 1985-86 season; and October 15-May 1 for the 1986-87 and 1987-88 seasons.

The Chair asked if a Commission member would be willing to make such a motion. Commissioner Pike agreed to move to amend Waterloo's license to include the dates requested by Mr. Field. Hearing no second to the motion, the Chair declared it to have failed. (See Order 85-17).

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The Chairman moved to the next agenda item, discussion of the dates for Dubuque.

Terry Harrmann, on behalf of the Dubuque Racing Association, Ltd. requested June 1-November 15, 1985; April 1 - October 31, 1986; April 1 - October 31, 1987.

Commissioner Sovern moved to grant the dates requested by Dubuque. Commissioner Prickett seconded the motion. Chairman Scalise asked for discussion. Hearing none, he called the roll. Commissioners Mydland, Prickett, Sovern, Scalise voted aye. Commissioner Pike voted nay. (See Order-18).

The Commissioners discussed options for future meeting dates and decided to hold their next meeting between August 20 and 30.

The Chair recognized Hugh Field, who wished to pose a question to the Commissioners individually. He asked the members whether there had been any off-the-record conversations with Bill Killingsworth prior to the July 18 meeting or the teleconference. Chairman Scalise answered no, as did Commissioners Mydland, Prickett, and Pike. Commissioner Sovern was absent.

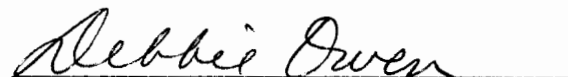
Mr. Field then asked whether the Cattle Congress could opt not to act immediately upon the license until such time as it had received a favorable feasibility study from a nationally-known consultant.

Chairman Scalise stated the license was granted pursuant to Chapter 99D of the Code, as well as Chapters 5 and 6. He stated that Waterloo should build their track pursuant to those rules and hopefully be running in 1985 with the dates granted. The Chair said the licensee should act expeditiously and responsibly in getting their feasibility study in order, and that if they did not plan to build a track, the Commission should know about it.

The Chair and Vice Chair advised them that they would be given fair treatment and adequate time for study of their project, but that they should act within a reasonable time (60 days or so).

Commissioner Mydland moved to adjourn. Commissioner Pike seconded the motion. The meeting was adjourned at approximately 5:30 p.m.

Minutes taken by:

  
Debbie Owen



IOWA STATE RACING COMMISSION  
MINUTES  
AUGUST 28, 1984

The Iowa State Racing Commission met on Tuesday, August 28, 1984 in the Auditorium of the Wallace State Office Building. Those Commissioners present were Vice-Chair Bud Pike, Dr. Sally Prickett, Steve Sovern and Lavonne Mydland. Chair Larry Scalise was absent. Vice-Chair Bud Pike presided and called the meeting to order at 10:00 a.m.

The first order of business was the approval of the minutes from the July 18 meeting and July 25 teleconference. Commissioner Mydland moved to approve the minutes as written. The motion was seconded by Commissioner Prickett. It passed unanimously. (See Order 85-19).

The Vice-Chair recognized Mr. Lew Harris of Harris Laboratories, who basically made a pitch for his laboratory to be given consideration as the Commission became involved in that decision.

Vice-Chair Pike next recognized Peggy Devine, a Des Moines woman who is investigating the feasibility of building a greyhound racetrack in the West Des Moines area (Ultraistic Raceway). Ms. Devine stated that the proposed greyhound track could be ready to open in 1985 and that she would not have the track in operation concurrently with the Bondurant horse track. However, she said her organization would also be receptive to the idea of being licensed at this time for racing in 1988, thus giving the Bondurant track a two-year head start.

Vice-Chair Pike said that because the Racing Commission membership might be entirely different in 1988, they should submit their application at that time. Commissioner Sovern reminded her that his position had been to protect the interests of the horse facility or facilities licensed in Iowa because they generate more industry.

The Vice-Chair next recognized the Don Hess, newly appointed Administrative Coordinator for the Dubuque Racing Association for an update on their progress. Mr. Hess stated that their organization is making an attempt to better communicate with the City of Dubuque as they proceed with the project. He addressed the issue of their problems with cost projections coming in higher than they had earlier anticipated. He also noted that they are meeting weekly with the architect for the facility and are close to making decisions regarding their concessionaire and general manager.

Vice Chair Pike next recognized John Nelson from Iowa West Racing Association. John and several others from that association expressed opposition to the suggestion (per news article) that the racing season they had requested might be shortened. Mr. Nelson, Stan Duysen and Bob Kehm all spoke out against such a proposal, stating that it would be disastrous for them in terms of obtaining financing.

Executive Secretary Jack Ketterer asked Mr. Nelson specific questions about some of the financial projections contained in the application, including:

1. What were the numbers they felt they would absolutely have to have to break even.

2. The application used 5 days per week from April 5 to November 16, the standard was 6 days per week. Wouldn't that make a difference in their projections? (Mr. Nelson later stated that their projections were all based on a 6-day racing week).

3. Would the Association still be interested in racing year around, as stated in the application?

4. Mr. Kehm's figures on debt service used a 16-year term and 15.5% interest or \$2 million per year in debt service. But using a 20-year term and 12.5% interest rate, that fell to \$1,650,000 approximately.

5. The patrons in Council Bluffs and Omaha would be educated bettors and would therefore likely reach a mature per capita wager faster than the 2-3 years normally allotted for that process. In the proposal, their per capita wager is 10% lower than the national average.

6. The \$3,000 per performance advertising and promotion figure was twice that of other applicants (almost 11% of gross revenue as opposed to 5% in other applications).

Mr. Ketterer was concerned that some of the aforementioned items might have been too conservative.

Mr. Nelson stated that if Mr. Ketterer wished answers to those kinds of items, they could perhaps discuss them at more length. He stated that the figures could be manipulated to reveal different things, but that in the final analysis, the bankers were even more conservative than those figures demonstrated.

The Iowa West representatives continued with their presentation, addressing their potential problems with financing. They said it would be difficult to go back to those people they had approached about financing if the numbers changed significantly.

Mr. Nelson also stated, however, that if they were very successful, they would be willing to come back and talk about shortening their season to give more ground to Des Moines. He stated that they would enter into a resolution to that effect and sign it if it were the wish of the Commission. He said they would be willing to make concessions the second year if it looks like they should, in order to give everyone a chance to succeed.

Following additional discussion about the dates, Commissioner Sovern reminded the association that no action had been taken by the Commission, and moved, for the purpose of discussion, to grant Iowa West Racing Association a three-year conditional license, subject to their compliance with Chapter 99D of the Code and Chapters 5 and 6 of the Commission's rules.

Commissioner Mydland seconded the motion.

The Commissioners present voted unanimously to grant a license under the above conditions. Chairman Scalise was absent. (See Order 85-20).

There was further discussion about the dates they would be granted.

Mr. Ken Grandquist, president of the Racing Association of Central Iowa, the Bondurant licensee, was called upon to express his feelings about head-to-head racing in the fall (August 15 to November 15), should Iowa West be granted a season from May 1 to December 1.

Mr. Grandquist stated that in the spirit of giving everyone a chance to succeed he would be amenable to such an arrangement, though he did not feel comfortable at the prospect of having head to head competition for the entire fall. He said that it was impossible to accurately predict what would happen to the two facilities, and again said that if things were not going well for the horse facility, he would want another chance to talk it over.

Commissioner Sovern, noting that compromise suggestions had been heard from both Council Bluffs and Des Moines, moved that Council Bluffs be given May 1 to December 1 as their racing season, with the understanding that while the horses were running in Bondurant, their races would be held only at night.

Commissioner Mydland seconded the motion.

After some further discussion, the motion passed unanimously. (See Order 85-21).

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Commissioner Sovern then asked the recording secretary to make a note for the record that in response to a question during the July 25 teleconference when Hugh Field asked for all the Commissioners to state whether or not they had had off-the-record conversations with Bill Killingsworth prior to that teleconference or the July 18 meeting, his response would also have been, "No."

The Vice-Chair took comments from the public.

The Executive Secretary suggested the Commission set up two-person committees for the purpose of studying staffing, selection of a laboratory, marketing and rules.

The Commission set the next meeting for September 25, at 9:30 a.m. and adjourned on a unanimous voice vote.

Minutes taken by:

  
\_\_\_\_\_  
Debbie Owen, Recording Sec'y

IOWA STATE RACING COMMISSION  
MINUTES  
SEPTEMBER 25, 1984

The Iowa State Racing Commission met on Tuesday, September 25 at the Holiday Inn South in Des Moines at 9:30 a.m. Present were Chair Larry Scalise, Vice-Chair Bud Pike, Members Sally Prickett, Lavonne Mydland and Steve Sovern. The Chair called the meeting to order.

The first agenda item was the presentation of the Davenport Greyhound Racing Association. Davenport Mayor Charles Peart, Attorney Bob Van Vooren, and City Administrator Bruce Romer made the presentation for a \$6-million greyhound racing facility featuring winter races. They stated they planned to finance the facility with \$3 million in general obligation bonds and \$3 million in loans from local lenders. The proposed facility would be located either on 40 acres at the junction of I-80 and Northwest Boulevard, or on a site on the river in downtown Davenport. The Association proposed a racing season from September 15 through May 15.

The second agenda item was the presentation by Cedar Rapids Horse Racing, Inc. which proposed a \$22 million thoroughbred racing facility on 200 acres of city-owned property located adjacent to the local airport. Von Elbert and Robert F. Kazimour, area businessmen and principals in the organization, made the presentation. The racing dates requested by the organization were April 18 through September 1.

After the presentations were made the Commission referred again to the Touche Ross study which advised them that no more than two tracks should be licensed in eastern Iowa. They reiterated their position that they did not wish to jeopardize the success of any track by licensing too many in one market area.

The third and fourth agenda items were presentations by the Dubuque Racing Association and the National Cattle Congress (Waterloo) as they stated their opposition to the issuance of any more licenses in the eastern part of the state.

Next on the agenda was a progress report from Iowa West Racing Association in Council Bluffs. Walt Pyper from that organization requested a change in their racing dates for the second season of racing. The dates originally granted to Council Bluffs were May 1-December 1, 1985-87. The revised schedule would have their track in operation from March 1-August 26 in 1986, the other two years remaining the same. Iowa West offered to make the change so that the Des Moines horse track could have the fall of 1986 and spring of 1987 in which to run unopposed.

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Commissioner Sovern asked what the response was from the Des Moines track and Mr. Pyper noted that they were pleased with the arrangement.

Commissioner Prickett moved to approve the change in the Council Bluffs dates and Commissioner Mydland seconded the motion. The motion passed unanimously. (See Order 85-22).


Stan Duysen gave the Commission an update on financing the track in Council Bluffs, noting that they still did not have a firm commitment from anyone, but that they were getting closer.

Executive Secretary Jack Ketterer brought the Commission up to date on some proposed rule changes, but no formal action was taken.

The Commission set November 8 for their next meeting date.

The meeting adjourned on a unanimous voice vote.

Minutes taken by:

  
Debbie Owen

IOWA STATE RACING COMMISSION  
MINUTES  
OCTOBER 31, 1984

The Commission met on October 31, 1984 at 9:00 a.m. in the Wallace Building Auditorium. Present were Chair Larry Scalise, Vice Chair Bud Pike and Commissioners Lavonne Mydland, Sally Prickett and Steve Sovern. The Chair called the meeting to order.

The first item on the agenda was the approval of minutes from August 28 and September 25, 1984 meetings. The motion to approve the minutes was made by Commissioner Prickett and seconded by Commissioner Sovern. The motion was unanimously approved. (See Order 85-23).

The Chair recognized Commissioner Sovern for comments. Commissioner Sovern, responding to comments made by other public officials, stated that the Commission had been given the responsibility of deciding the number of tracks and the location of them, as well as the type of racing to be permitted in Iowa. He stated that those decisions would be made by the Commission, pursuant to the appropriate legislation.

The Chair next recognized Mr. Von Elbert, Cedar Rapids businessman, for remarks. Mr. Elbert responded to questions from the Commission staff related to the break-even figures required by the proposed facility from both an attendance and cash flow perspective. In response to a question regarding the impact of dog racing in Dubuque on the horse racing facility, he cited figures compiled by Killingsworth Associates and estimated a 10% impact on Dubuque's facility.

The Chair moved to the next agenda item: the National Cattle Congress' amended application. The Chair recognized Mr. Hugh Field and Mr. Lyndal Graff to present the amended application on behalf of Waterloo. They stated that they had lined up financing for the \$5.6 million facility from within the Waterloo-Cedar Falls community. Architects for the project were present to illustrate changes made in the proposed facility.

Mr. Field and Mr. Graff asked that the dates of the racing season in Waterloo be adjusted to include October 1, 1986 to March 31, 1987, suspending the May 1-June 7 days which they had been granted originally.

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Delegations from the Dubuque Racing Association and the Racing Association of Central Iowa both spoke out against the change in dates. They argued that they had presented scenarios to their lenders based on the dates they had been granted in July, and that they were not comfortable with adding more days of competition to those scenarios.

Commissioner Sovern, for the purpose of discussion, moved to grant Waterloo a revision of racing dates, to include October 1, 1986 to March 31, 1987, suspending the May 1-June 7 days. Commissioner Pike seconded the motion. There was discussion of the motion by all Commissioners. The Chair called for a vote on the motion. Commissioners Scalise, Sovern, Prickett and Mydland voted no. Commissioner Pike voted yes. (See Order 85-24). The motion failed 4-1.

Commissioner Pike then moved to change the dates to October 15, 1986 through March 30, 1987, suspending the May 1-June 7 days. Chair Larry Scalise seconded the motion. After some discussion, Commissioner Pike withdrew his motion, then made a new motion to change the dates to include October 1, 1986 through March 15, 1987, suspending the May 1-June 7 days. Commissioner Scalise seconded the motion. The motion failed 3-2, the other three Commissioners (Mydland, Prickett and Sovern) voting nay. (See Order 85-25).

The Chair then moved to change the dates to October 1, 1986 through March 1, 1987 keeping the May 1-June 7 days. Commissioner Pike seconded the motion.

Commissioner Sovern expressed concern about whether, as a policy matter, the Commission should again issue dates which had not been requested by the association.

The Executive Secretary asked Mr. Graff if the dates proposed by the Chair were acceptable to the Cattle Congress. Mr. Graff said they would be acceptable.

Commissioner Sovern asked whether the licensees from Dubuque and Des Moines should again have a chance to respond in light of the fact that they had not had an opportunity to consider such a change in their own plans.

The Chair suspended the discussion so that all parties could respond to the new motion.

Mr. Graff indicated that the Cattle Congress would accept the new motion and would work within itself to iron out the rest of the details in putting the project together.



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Ken Grandquist and Dave Mulcahy from the Racing Association of Central Iowa and Terry Harrmann and Arnie Honkamp of the Dubuque Racing Association all expressed emphatic opposition to making changes in the dates awarded to Waterloo. They felt they had gone ahead with their plans based on the dates that had been awarded in July, and that it would undermine their progress if changes were made now.

Upon hearing the objections from those licensees, the Chair withdrew his motion.

The Chair next recognized John Nelson, Iowa West Racing Association, who stated he believed they would have their permanent financing in place no later than November 15. He said they had completed an agreement with an architect which included a not-to-exceed construction cost figure of \$8.5 million for total costs of \$10.6 million. Mr. Nelson stated it was his belief they would not be able to start up until March of 1986.

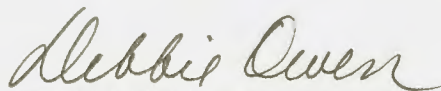
The Chair next recognized Terry Harrmann from Dubuque for a progress report from Dubuque Greyhound Park. He told the Commission they were progressing well with the construction.

The Executive Secretary read a telegram from the Southwest Iowa Racing Association in Shenandoah, which indicated the association is still intact there and ready to proceed with the application proposed in June.

The Chair asked for any administrative business. Commissioner Sovern asked about deadlines for the current licensees in fairness to those not licensed. The Chair asked the staff to prepare a memo with respect to deadlines.

The commission adjourned at 12:15 p.m. on a unanimous voice vote.

Minutes taken by:



Debbie Owen

IOWA STATE RACING COMMISSION  
DECEMBER 20, 1984  
MINUTES

The Iowa State Racing Commission met in Des Moines on Thursday, December 20, 1984 in the Wallace State Office Building Auditorium. The meeting was called to order at 1:00 p.m. by Chair Larry Scalise. Also in attendance were Vice Chair Bud Pike and Commissioners Lavonne Mydland, Dr. Sally Prickett and Steve Sovern.

The first agenda item was the approval of the minutes of the previous meeting. Commissioner Mydland moved to approve the minutes from the October 31 meeting. Commissioner Pike seconded the motion, which was unanimously approved. (See Order 85-26).

The Chair moved to the second agenda item and recognized the mayor of Ankeny, Ollie Weigel, for comments. The mayor told the Commission his city would welcome a racetrack if the site in Altoona proposed by the Racing Association of Central Iowa did not meet with the commission's approval. He also said Ankeny would support the track if located in Altoona.

The Chair next recognized representatives of the Racing Association of Central Iowa. Bill Masterson, general manager, Ken Grandquist, president, Dave Mulcahy, accountant, all spoke on behalf of the Association in asking the Commission to approve a change in site for their proposed facility. They asked that the Association be allowed to locate the track near Adventureland in Altoona, rather than in Bondurant, as had originally been proposed. The reason given for requesting the change was that the sewer system in Bondurant had been found to be inadequate to support the racetrack facility. He said there would be no changes in the scope of the original proposal.

Andrew Mooney, Chairman of the Des Moines Chamber of Commerce Federation, and Ellen Brown, Greater Des Moines Convention and Visitors Bureau, spoke in support of the proposal to locate the track in Altoona.

Mick Lura, Racing Commission staff, presented a neighborhood impact study conducted in Altoona. He expressed sympathy for those living adjacent to the proposed site, but also expressed the belief that the specific problems cited by those living there were manageable ones. He stated that he would recommend the site for approval from a neighborhood impact standpoint, conditioned upon the following:

1. Unless otherwise approved by the Commission, the licensee would construct a privacy-type fence on or near the eastern and western boundaries of the back stretch area and the southern boundary of the track area prior to other construction.

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2. Unless otherwise approved by the Commission, the licensee would restrict entrance of all construction vehicles to the northern and southern boundaries of the proposed site and that portion of Southwest 17th Street that is immediately adjacent to the site.

The Chair next recognized representatives of a group of Altoona residents who opposed the track. Representing the opposition were attorney Richard Updegraff, and neighbors Rod Braun, Mary Lou Graves and Jim Carley. They stated their objections to the location of a racing facility so near their residences.

The proponents also were recognized for comments. Their representatives included attorney Jim Skinner, and neighbors Don Morlan, Marguerite Newell and Ken Sand. They spoke in favor of the track site and the potential betterment of their community.

After some discussion by the Commissioners, the Chair recognized Commissioner Mydland, who moved to allow the Racing Association of Central Iowa to change their building site from Bondurant to Altoona, provided they complied with those recommendations made in the neighborhood impact study--building a privacy-type fence and restricting construction vehicles from travel on residential streets as much as possible.

The Commission voted to approve the motion 4-1, Commissioner Sovern casting the dissenting vote. (See Order 85-27).

The Commission next voted unanimously to enter into a closed session to hear the results of background investigations conducted by the DCI relating to the Iowa West Racing Association and Dubuque management contracts and the Cedar Rapids track proposal.

Pursuant to Iowa Code Chapter 692, Section 68A.7(5) and Section 28A.5(1a) and (1g) the Commission met in closed session to discuss the contents of the background investigations done by the DCI. Also pursuant to §28A.5, the session was taped and minutes were taken.

The Commission reconvened in public session at 4:00 p.m.

The Chair recognized Bernard Ebbing from the National Cattle Congress for an update on the progress made on the Waterloo greyhound facility. Mr. Ebbing reported that the NCC had unanimously voted to proceed with the project and that digging should begin mid-Jan. They would like to be prepared to open September 1, 1985. He presented the latest site plans to the Commission.

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Arnie Honkamp, treasurer for the Dubuque Racing Association, told the Commission the progress on constructing the Dubuque Greyhound Park was ahead of schedule and that they would perhaps be prepared to open as early as Memorial Day weekend.

The Chair next recognized John Nelson, president of the Iowa West Racing Association, and Paul Bryant, Jr., president of AIM, a corporation which sought to enter into a management contract with Iowa West. The Commission voted 5-0 in favor of the management contract. (See Order 85-28).

On a unanimous voice vote, the Commission adjourned shortly after 5:00 p.m.

Minutes taken by:

  
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Debbie Owen

TRANSCRIPT OF MEETING ON DECEMBER 20, 1984, IOWA RACING COMMISSION (as it pertains to the Commission's decision to allow the Racing Association of Central Iowa to change its site from Bondurant to Altoona)

Chair (Lawrence F. Scalise): "The next item on the agenda is the Racing Association of Central Iowa and Mr. Masterson, you are going to be speaking for the group?"

Mr. Masterson: "Good morning. My name is Bill Masterson and I represent the Racing Association of Central Iowa. Part of our team is here today to make presentations and answer questions. Ken Grandquist, developer of the site; David Mulcahy with the accounting firm Ernst and Whinney; Andrew Mooney, president of the Greater Des Moines Chamber of Commerce; Ellen Brown from the Des Moines Convention and Tourist Bureau.

"First, I would like to thank Mayor Weigel and the people of Ankeny for their support. I wasn't aware of what they were going to say today and I'm happy after hearing that--the people of Ankeny came to us at a time when we were particularly in need, when we were having some original problems...and through the efforts of Supervisor Brown and some other people they came forward to help us so this project wouldn't be lost, and although we've chosen to go with the Altoona site, ... we are greatly appreciative of the work they've done and the support of that community and appreciate your kind comments today.

"I'd like to, if I may, if it's proper, Mr. Chairman, there are some documents I'd like to have included in the record of this proceeding as part of our presentation, primarily some

documents which were sent to the Commission, the original copy which Mr. Ketterer has, dated 14 December 1984 and it's entitled, 'Racing Association of Central Iowa.' It's support of a request to change the location of a horse race track facility from Bondurant to Altoona. I'd ask that that be included officially as part of the record of this proceeding."

Chair: "They may be included."

Mr. Masterson: "And in addition, an amendment, a site plan, for a horse racetrack facility, in the city of Altoona dated 17 December 1984."

Chair: "That may be included."

Mr. Masterson: "If I may, I'd like to spend a few minutes summarizing how we came to Altoona from Bondurant inasmuch as on July 18 the Commission awarded to the Racing Association of Central Iowa a license to conduct horse race meetings in a facility to be constructed in the city of Bondurant.

"The development of the facility would be undertaken by Central Iowa Sports Facility limited partnership and leased back to the Racing Association of Central Iowa...project. The proposed track site consisted of 540 acres of land located primarily outside but adjacent to the city limits of Bondurant. As with any development of this nature, we were quite concerned with the availability of city services, particularly the sewer and water. Prior to our selecting that site and recommending it to you for your approval, which you later acted on, we sought the assurance of the city of Bondurant that the city was

in a position to service it adequately and a written communication followed to this commission and that commitment is on file from the city.

"Upon the granting of a license by the Commission, the Racing Association proceeded to retain an engineering firm to do the preliminary studies of the analyses of the utilities such as sewer and water on the facility. The preliminary planning reports prepared by the engineers--in that first stage of the report it became apparent for the first time that the existing sewer and water systems of Bondurant and the Bondurant area were unable to serve the site. In addition, in discussions with officials of the city of Bondurant, it became apparent that the financial posture of the city was such that it could not bear the cost of upgrading its system. Therefore, it would be incumbent upon the developer to expend substantial capital not previously anticipated that the project would ... The additional development costs could possibly have a negative effect upon the feasibility and success of the project.

"....we were meeting with our architects in an effort to refine and finalize our site and ... plant. It was during this process we made the decision to stand by our commitment to you, that we would provide a first class facility, something that you made apparent that you wanted, something that Ken Grandquist and his corporation wanted to do. Therefore, after you originally approved our \$30-million project, on our own initiative, we increased the cost of that project by

\$10-million. That was done to assure that this would be a first class facility able to accommodate the people we intend to draw to our site.

"At this time, we were faced with a dilemma. The project had to have sewer and water. However, we only had \$40 million. I know to some people \$40 million seems endless--a lot of money. When you're in a project like this, you start adding up the costs and the cost overruns, you have to draw the line at a certain point. We really could not achieve a \$40 million level if we had to assume the substantial costs increases it would have meant that a like amount would have to be cut from our construction budget. Such a reduction in construction costs would have negatively impacted not only our patrons, but the horses, which are crucial to the operation of the facility. Seriously concerned about the feasibility of the project, we aggressively began searching for alternatives to assist the city of Bondurant in providing the services. However, no solutions were found.

"In early October, the United States Department of the Treasury issued its temporary regulations dealing with the voluntary cap limitations for the industrial development revenue bonds. The temporary regulations were drafted in such a way they did not prohibit the moving of the project to another location within the county for which it had been originally approved, as long as the size, surface and character of the project were unchanged. Initially, our understanding



had been that the IRS regulations would not permit this project to be moved to another location. However, after reviewing the newly issued temporary regulations with our bond counsel, it became evident that the change in location could be made. This clarification of applicable tax law came during the same period we were seeking to work through the problems in Bondurant.

"Jack Krantz, who is president of Adventurelands of America, the operator of Adventureland amusement park approached us and discussed our predicament in Bondurant. He was aware of the sewer and water problem because in addition to being with Adventureland, he is also a developer. The substance of this and future discussions was that just three miles south of the Bondurant site near the city of Altoona was situated an ideal site. This site already had available to it sewer, water, gas, electric and roadways. This site was adjacent to Adventureland Park.

"After discussing the possible move with Mr. Krantz and after exhausting all known possibilities solving the Bondurant situation, we approached the owners of the three separate parcels in Altoona, and on Sunday, November 4 we reached an agreement to purchase the land.

"On Monday, November 5 we appeared before the Bondurant City Council and advised that Council of our actions to move the site to a different location. A half hour later that evening, we appeared before the City Council of Altoona and made our desires known to the City and asked if they would consider

zoning that land for use for a racetrack. The City Council did assign that to the Planning and Zoning Commission.

"On Wednesday, November 7, we requested an opportunity to appear before a citizens group which was gathering--500 people to discuss information on the track site. Our request was denied. Later that evening, however, the 500 citizens gathered were told that we had refused an offer to attend. Many residents were angered at what they perceived as our insensitivity or a bad attitude and adopted positions of opposition.

"The Altoona Planning and Zoning Committee held a public hearing to hear our request on November 15 at which time we presented our site plan and answered questions. The meeting went on from seven o'clock in the evening to roughly 12 o'clock or maybe a little bit later. Residents of the community, supporters, opponents expressed their positions. The Committee voted 5-2 to recommend to the Council that request be denied.

"On November 26, that same Planning and Zoning Commission, meeting in regular session, discussed the matter again. ... the City Council would be advised that by a vote of 5-2 the members of the Planning and Zoning Commission now supported the re-zoning measure before the city.

"On Thursday, November 29, fifteen hundred residents of Altoona and Southeast Polk school district held a rally at Adventureland Palace in support of the proposed site.

"Our first and only opportunity to address the leaders and members of the group opposing the site was Sunday, December 2.

In the home of one of the adjoining residents we, for four and a half hours, answered each question raised. The discussion was wide-ranging and no facet of the ... was left untouched.

"The Altoona City Council met on Monday, December 3 to act upon the request. After we presented our site plan and answered questions from members of the council, residents located within 300 feet of our proposed property line testified and expressed their opinions. After lengthy testimony and discussion, the council, by a vote of four to one, approved the amendments from the zoning board, thus the site now was covered by the most restrictive section of that city's ordinance.

"In a special meeting of the Altoona City Council held on Sunday, December 9, the Council, by a vote of 4-1 approved the resolution and support of the resident efforts to support the proposed Altoona site.

"Part of the Commission neighborhood impact study, a question and answer session was held in Altoona on December 11. For five and a half hours we answered each question raised. In addition, staff of the City of Altoona and Polk County Board of Supervisors were on hand to answer questions of a technical nature, such as sewer, water, ... etc.

"Support for the Altoona site had come from the majority of the residents of the city, the local business community, the local school district, and city government. Individuals voicing concern about our proposal had primarily been the residents of the property adjoining our property line border

and adjacent to the site. Options to purchase the 540-acre Bondurant site have expired and have not been renewed.

"As to the Altoona site, for which we are requesting your approval, it is located three miles south of Bondurant, closer to the center of population and located at the intersections of Highway I-80 and U.S. 65, consists of 238 acres situated entirely within the city limits of Altoona in the county of Polk.

"We propose no changes in the scope of the project originally approved by the Commission with the exception of the new location. Nothing has been deleted, no component reduced in size. The rectangular shapes of the parcels of land permit an efficient placement of all the facilities within this property. There is no wasted ground. The grandstand building, paddock, parking and main track are located on a 160-acre parcel, while the stable area, training track and support buildings are located on a 78-acre parcel. The site plan which has been distributed, I think this morning, to you, the amended site plan, though the question has been raised by members of the Commission and staff, is to ... a 77-acre parcel of land... In just a moment, I'll go to the site plan and explain it.

"By locating the horse race track adjacent to the 164-acre Adventureland Amusement Park, we will then form a 402-acre industrial complex unequalled in the midwest, attracting more than 1.5 million patrons each year. In addition to the 6,000 parking spaces provided on our 238 acres, 35 acres of adjoining

paved parking will accommodate an additional 3,500 vehicles. Therefore, in all we will be able to accommodate 9,500 vehicles. If you use the ratio which was used...

Chair: "Let me interrupt you and ask you to repeat that again. I am trying to write..."

Mr. Masterson: "Oh, I'm sorry. In addition to the 6,000 parking spaces provided for in our 238 acres, the 35 acres of adjoining paved parking will accommodate an additional 3,500 vehicles. Therefore, there will be parking for 9,500 vehicles. And if you use the 2.5 per car ratio, which I think is a little bit low, if you use that as a conservative ratio, people per car in terms of patrons, we could accommodate 23,750 patrons, which we'd love to do. (Laughter).

"Adjacent to our proposed site, is a 58-acre recreational vehicle park ... with 460 sites. There are 350 which are equipped with full utility hook-ups. This park will serve both patrons and the horsemen.

Chair: "Three hundred and fifty? Excuse me."

Mr. Masterson: "Three hundred and fifty, fully developed and an additional 110 spaces that don't have all the full utility hook-ups yet. And Adventureland does have plans to make some of them..."

"A hundred and thirty room full service hotel, with enclosed pool, recreation facilities, ballroom, meeting room, full food and beverage services adjoins the site to the west. Located within this 402-acre complex is the \$24-million Adventureland

Park, which is truly one of the finest recreational parks in the midwest or even the country, drawing more than 550,000 in 1984.

"Directly across from the complex to the north and west are a full range of businesses to serve our patrons: service stations, full service fine dining restaurants, the Viking, uh, and fast food franchises ...

"The one million gallon Altoona above-ground water storage tower is directly across the street to the north. The main new trunk line of the city sanitary system runs directly to the site, water mains adjoin the property on several sides. Gas and electric...serve the site. A new four-lane frontage road has recently been completed along the north side of the property and the roadway along the south has just been approved by the D.O.T. and upgraded to a 1987 major expansion to a four-lane highway to the south. The site, 10 miles northeast of downtown Des Moines, served by two entrances and exits from I-80 and by Highway 65. Attachments to our document include a different report, which I think ... we'll get into later. If I could, very quickly, move to the site plan and show how things will sit.

"The 160-acre parcel that will house the grandstand, parking and the public facilities, is this area. The entrances and exits off of Interstate 80 are here. Already just finished in November, major widening of the four lanes of Adventureland Drive was completed from this point right to our site line and

we fought the city about extending that to the east, that's what's called 17th, here. And it's prime roadway right now. We anticipate that the traffic will enter and exit basically from this intersection. The barn area, located on the southern 77 acres, 78 acres, consists of, on this drawing, stabling for 1200 horses. We have carried that out on the drawing before you that we could easily fit in, based on 100-stall barns, 1500 horses plus all the support buildings and still have room for the half mile training track and still allow some expansion for if we wanted to spread things out on that property.

"We have, in addition to the 77 acres, this week, we have secured an agreement to acquire an additional 16 acres of land, which is not shown on your drawing, but I'll point it out to you--there's a 16-acre strip adjacent to the barn area, that if we need that, it's farm land right now, it's right behind Adventureland Park. Some of it is owned by Adventureland, some is owned by a farmer in the area, and we have acquired an agreement on that if we need to expand to that. We believe that the 77-acre site is consistent with what is being developed in race tracks today, based on the plan we believe is, in our opinion, suitable for what we need to develop and for future expansion."

(Inaudible question from a Commissioner)

Mr. Masterson: "This land is higher than the surrounding ground, which part are you talking about, the 16-acres? The 16-acres, running through the 16-acres, at an angle, is a

little storm run-off pond, creek, a little crick that runs through there. What we would do, now I'm not an engineer, I'm guessing what we would do is tile that, cover it so we'd have a straight piece of land across there. Now, I'm not an engineer. I may be speaking out of...but that's, that land was farmed this year and, if I'm not mistaken, it was corn on that land this year and it's not a bad piece of land at all. Both parcels we have are high ground, and, if you'll notice the ponds we have on the property, there is a serious problem with water run-off in the Adventureland Estates community, which is part of the city of Altoona, uh, and the water is running off our property without us being there. And by ponding the water on there, we have people in city government that think that we're going to eliminate some or all of that water run-off problem because the land drops off and is lower on the adjacent property. Our land is higher than the property around it. So, when we get in there, there's not a lot of cutting that has to be--we haven't gotten to do any testing on the ground yet. But, we anticipate we'll be able to keep a lot of that water on site in the ponds that we're going ... the landscaping and otherwise. So that's the entrance to the stable area at this point is scheduled to be off of Highway 6 which will be widened. Just one entrance and exit to the stable area."

Chair: "What's to the north of the stable area and to the east?"

Mr. Masterson: "To the east, I should for the record correct,



because it is misleading, although I think most of you know, there is housing developed. On the site plan you have before you, which is an aerial view, it shows some farmland up next to below the main race course. Those are homes that have been developed at least halfway across that. Two new streets have been added and its fully developed, so there's housing which is termed the Adventureland Estates subdivision within the city of Altoona is there and there is housing there, that would be to the east of the stable area. To the north of the stable area is that developed recreational vehicle park with all the in-ground--it's a highly developed multi-million dollar development, uh, really a deluxe type of RV park with swimming pool and a lot of things there, so ...

Chair: "Is that the 58 acres?"

Mr. Masterson: "That's the 58 acres there."

"At this point, being available later for questioning, I would like to introduce Andrew Rooney, president of the Greater Des Moines Chamber of Commerce. He will be followed by Ellen Brown of the Convention Bureau and then by Ken Grandquist, the developer of the project."

Chair: "Keep it straight. You've got 11 minutes."

Mr. Andrew Rooney: "Good afternoon Mr. Chairman and members of the Commission. The Greater Des Moines Chamber of Commerce Federation wishes to reaffirm its...support for the thoroughbred racing facility proposed by the Central Iowa Racing Association. In making this reaffirmation, we realize

that the Association is seeking your permission for a change in location from the original site in Bondurant to one in the city of Altoona. It is our point of view that the new location is an excellent choice for the following reasons:

"First, it is ideally located for easy access to major transportation routes.

"Second, it complements and supports other recreational facilities already in the area.

"Third, it will create some 1500 jobs and add significantly to the tax base of the city of Altoona.

"Fourth, it can be built at this site using an infrastructure already in place and capable of handling this type sewage and water requirements.

"There are some critics of the Altoona site. While we are sympathetic with their concerns, we believe that the proposed facility is a very positive development for the Altoona community as a whole and that individual concerns can be resolved on a case by case basis by the city of Altoona itself.

"You also need to consider carefully that your decision today will probably spell the life or death of thoroughbred racing in Iowa all together. If the Association's license is not changed to permit the Altoona location, no track will be built in central Iowa in the foreseeable future. And I strongly believe, because of current federal tax laws, that no other individual developer or city in Iowa will be able to share the financing now guaranteed to Mr. Grandquist and the Association

after December 31 of this year. In the meantime, dollars that could be spent in our community by racing enthusiasts and tourists will be spent in other states, and Iowa will once again lose a real opportunity for further development. The proposal of the Central Iowa Racing Association is the last death toll for thoroughbred racing in Iowa and we urge your positive consideration of the proposal license change before you. The decisions you have made in these matters in 1984 have been critical to its survival, and we know they have been difficult. We wish to thank you for your leadership and commend you for your foresight. And I want to thank you for the opportunity to speak to you today. I'll turn it over to my colleague, Ellen Brown, of the Convention Bureau."

Chair: "Thanks."

Ms. Ellen Brown: "I'm here representing the Greater Des Moines Convention and Visitors Bureau and I have prepared a letter and a resolution that was passed by the Board of the Greater Des Moines Convention and Visitors Bureau on December 11, 1984, supporting the City of Altoona and the Central Iowa Racing Association in their request to locate a thoroughbred racing track east of Adventureland of America in Altoona, Iowa.

"The Greater Des Moines Convention and Visitors Bureau is dedicated to improving convention and tourism business in this community. To establish this, we need to expand our market area into contiguous states. The packaging of an established and successful attraction, Adventureland, with the thoroughbred

track as proposed by the Central Iowa Racing Association, will greatly enhance our ability to promote metro Des Moines in these target market areas.

"The Racing Commission, I think with great foresight, has chosen a schedule of racing that will not only blend well with the surrounding state racing schedules, but it will also make those cities that have existing tracks' potential market areas, and it will greatly increase our ability to market into some of our off-season periods that we have here in this community.

"There is an established record of positive impact of thoroughbred racing on tourism and acceptance ... Metropolitan Des Moines has 6,000 hotel rooms; many, many fine restaurants; attractions and great transportation capabilities with the interstate system ... that we already have. It's an absolute natural to reap the economic benefits of this industry that is already enjoyed by other states and other cities.

"Thank you for the leadership you've already shown in bringing this new product, if you will, to the tourists visiting here in Iowa, and we ask for your approval of the Altoona site as submitted by the Racing Association of Central Iowa. Thank you for your time."

Chair: "Thank you."

Mr. Ken Grandquist: "Mr. Chairman, members of the Racing Commission, I know we're running out of time so I won't take a long time. I know openly, you haven't said this, but I know probably in your own minds you probably have thought of myself

and my staff that we have been dragging our feet, and rightfully so, because our license was issued in July, although it seems like a lot of things have happened, there have been a lot of things happen but....

"But, I guess the main thing is trying to find a location that is suitable for everybody. The financing was the biggest thing and still is. I feel we weren't as smart as the people in Dubuque who went out and got general obligation bonds. We should've gone to the bank first, I guess, seeing how they were able to do it. But, anyhow, we did get industrial revenue bonds, and we are in a posture (to proceed).

"In our travel across the country, and Bud, I don't mean any reflection when I say this, but, the bankers don't move real fast. And, we've been to Minneapolis, we've been to New York, we've been to Dallas, been to Chicago a number of times, we've been to Boston.

"Boston was where I got my eyes opened up, I guess. Because we were on the 25th floor of some big building, a beautiful building and things like that, and we went in and made our presentation...letter of credit...purchase of the bonds and a few things like that and they said to me, 'Well, who's going to support your track?' I said, 'What?' He said, 'Who's going to support your track?' He says, 'Everybody in Iowa are starving to death because the farm economy is so bad.' I said, 'Well, it isn't real good, but, I said, have you ever heard of Firestone, Maytag, Winnebago, Armstrong, or Bankers Life?' I

said, 'You don't know about a few other things ... out there.' ...So I said, 'If you'd take a trip, you probably won't, but, it you'd take a trip to Des Moines and see what's going on in downtown Des Moines--there's more construction going on in downtown Des Moines than there is the great city of Boston.' Well, we knew we wasn't going to get too far with him, so, we...the meeting lasted very shortly after that, after he told me that he had never been to a horse track, he'd never been to a baseball game, he'd never been to a football game, or anything like that, we just said we've got the wrong cat. (Laughter). We spent two days getting back.

"But anyhow, we have worked hard on the financing and we also have worked hard on the site and, I know the changes Bill has just explained to you, its not everbody in Altoona who is for it, there are objectors that you'll be hearing from and they have a reason to object. I've said that all along--we will work with them as hard as we can and, within reason, whatever we can do to satisfy those people out there. I know we're not going to satisfy them 100 percent, but we're going to try. We'll work with them hard. I've promised the mayor of Altoona and everybody else that we'll do whatever we can to make the people happy if we possibly can. I know once decided they'll, that it'll be good for everybody in central Iowa.

"I think the site that we have chosen now, that although the mayor of Ankeny has a great site, the timing was just bad. The timing was bad, but, both sites are good, but the Altoona is

the one that I gave my word that I would go there if we get approved. And we were turned down by the Planning and Zoning the first night, I was blue and I started looking around for a site myself. But, I'll say one thing, that once I made that announcement, I had 17 sites--people would call in and had sites for me--they weren't in the county, they didn't have sewer, they didn't have water, they didn't have anything, they just had some ground, but they were trying to find ground again.

"So, really, the site that we got and we picked and when I find out what the citizens ... to racing...and how hard they have worked--to me, it just changed the whole thing around. I thought maybe we'd been splitting the town, but, it happened the other way around, it pulled the town together. They're working for one simple, good thing, I think. Now the objectors, they've got one other objection they want to do also, but, I promise you this, Commission, that we've worked with the people of Adventureland or other people in Altoona that are opposed to the track...that live close or adjacent to, but I think it's the greatest site and it'll work and if you can fantasize with me just a little bit, somewhere between 14 and 16 months down the road, when we get this thing built...and you Commissioners, the Governor, and the mayors and all...when you look up at that little cutie and think that we finally got it done and I know that it will be successful.

"You hear about all the competition that's going to be around with lotteries, and things like that--we'll still make

it work. And I'm just as interested as you are, I know its a long ways around the track, and I'm not a John Henry, but I've got some three year olds here that'll help me move a little faster than normally, but I'm after one thing, I want to get to the finish line.

Chair: "You just did."

Mr. Grandquist: "I want to thank you."

Chair: "The next item on the agenda is--you folks are going to be around to take questions? The next item on the agenda is the Commission staff, Mick Lura."

Mr. Lura: "I have the neighborhood impact study and...you all have copies of it and have had a chance to review it. I'd like to say, before talking about conclusions, that this study was conducted identical to all the other studies...it was not treated as a special case either way. It was treated as consistent as possible with other locations around the state. The only adjustment I had to make in my procedures was at the neighborhood impact meeting--around the state we have held informal meetings with the neighbors and developers so that they could establish a rapport and get questions answered. We had about 500 at the meeting and it went on about 5½ hours and in order to keep that somewhat organized and somewhat in control, we limited the people to participate to those people who we were actually surveying and those were people within 300 feet and adjacent. We did allow anyone who wanted to come to come. It was a wide open meeting in terms of anyone being able



to observe. And I think it was a very good meeting, very productive meeting.

"Even though it went on 5½ hours, I think everyone concerned, both the developers and the neighbors, stayed to the point, talked about specific potential problems...It was from this meeting and also the survey that was sent out--we sent out 111 and received 66 back. That, those two items plus various pieces of information that I acquired over the last three weeks, I came up with my conclusion.

"I went through everything in depth Monday and Tuesday, and I was very, very sympathetic to those people who are adjacent to the track. I could understand their concern and really, in a way, felt bad for them. And, when I started going through the factual data, I was having difficulty coming up with conclusions and recommendations simply because every specific, or virtually every specific item, that been addressed as a potential problem to the neighborhood, had also been addressed with a very suitable or reasonable solution.

"And, really I finally came down to the conclusion that if Mr. Grandquist develops this property, and if he keeps his commitment to working with those neighbors, that the impact of this race track upon the neighbors of it is not going to be of major significance. When I say that, I mean the quality of life of those people living in the neighborhood. If the buffers are created, it's possible they are only going to be mildly aware that it's there. When I say that, I should be

stating the fact that these same people said what a quiet neighborhood it is now, and they have Adventureland going on along with them.

"In other words, I think the adjustment can be made, and I don't think that the ultimate impact will be significant. Again, that's with a big IF, if the development proceeds as scheduled. And that's what's in my report--I emphasized that I think that the opposition is going to continue to be intense probably for the next year or year and a half simply because there are still ifs. And, I think after all the ifs are answered and the track is up and running, you will not have many neighborhood difficulties.

"So that's in essence, now I come down to the specific recommendations and I do recommend that you approve this track from a neighborhood impact standpoint and, I also recommend that you impose two conditions upon your approval, or upon your granting approval of this site. And these are to develop immediately that segregation, that buffer as much as possible so that the neighbors will be subjected to the annoyance of construction to the minimum amount possible. And, I recommend: 1) that the privacy, a privacy-type fence be the first item of construction. I'd spell out that that should be the eastern and western boundaries of the backstretch area--they are residential, and the southern boundary of the track area which again is residential. That still allows a great deal of open space for the construction to continue.

"The other condition is that to the extent possible the developer should try to keep the construction vehicles and that type of thing out of residential areas, and so, I'd ask that you restrict the entrance of construction vehicles to the northern and southern boundaries which are Highway 6 and Adventureland Drive and a portion of Southwest 17th that is directly adjacent to the track. I think that will help with your relationship with the neighbors and also help keep the neighborhood a neighborhood and not subject to any interruptions.

"Now on both these recommendations, I said "unless otherwise approved by the Commission." If some practical problem of immense proportion comes up, Mr. Grandquist could come to you and ask for a release from these requirements, but, I think its something we should keep a handle on and by phrasing it that way, he would have to prove that it....

"Then the, the final thing is many of the other little problems, there's more than one solution, so I couldn't recommend different things that I thought this development could do because should he have a sound wall, should he have a 12-foot privacy fence, should he, you know, there's more than one solution. One may be better than another, so I didn't even attempt to do that, and I think that's more appropriately left to the Planning and Zoning Commission of the City of Altoona. And I think that commission has already shown a willingness to listen to the neighbors complaints and I think they were quoted

later they "overlistened." But at least they have shown some sensitivity to those neighbors and so I think they will do an adequate job...so, that's my report. I can answer questions..."

Chair: "You're going to file that?"

Mick: "Yes."

Chair: "Anybody have any questions for Mick?"

Commissioner Sovern: "Mick, you've said that 'the neighbors will only mildly be aware the track is there if the 'ifs' are met' and 'we will not have many neighborhood problems.' It seems to me you've said an awful lot when you've said that."

Mr. Lura: "That's correct."

Commissioner Sovern: "And, if I were a neighbor and, for some reason, this didn't hold to be the case in the future, I'd come back and remind you about that, and would remind the Commission. And, justifiably so. You have taken a position to recommend it in light of the neighborhood impact and all of those concerns that you heard. My question, I guess, is that given that kind of what I see as a fairly strong recommendation, what kind of assurances can you give the Commission and those people that this is likely to be true?"

Mr. Lura: "That is the greatest difficulty of this whole thing. I think that's one of the reasons that the people in the neighborhood are very adamant against the track coming in. Assurances aren't binding. I mean, it's a situation where we have to use our judgment."

"I've used my judgment on this study. When I went into writing conclusions, I really had in mind to write maybe 10 or 20 conditions that would make sure that these neighbors were protected. And as I tried to formulate them, I realized that there are things that are yet to be decided and we have to have faith in the future and we have to have some faith in the Planning and Zoning Commission, that type of thing. Because it is impossible to do now and, as I say in my report, it is impossible for them to do prior to approval because he needs to sell those bonds and get some money to do the studies, so it's a Catch 22 type of situation.

"He needs some money to do the research to be able to accommodate the neighbors and he needs approval to get the money. So, it's a situation where I think we're going to have to have some faith and when I come up with that conclusion, I'm using my judgment and that's really the only assurance there is in this whole situation as far as the neighbors are concerned. We use our judgment...I will say this, I think for the next year and a half we will be hearing from neighbors, because the problems will not totally all be resolved until the track is up and running."

Chair: "Bud?"

Commissioner Pike: "As I understand it, we do have a commitment from Mr. Grandquist's group that there will be a fence built, are we assured of that, there will be a 100-foot strip, that there will be a berm area...?"

Chair: "I think ..."

Mr. Lura: "We have those assurances from Mr. Grandquist and also Mr. Grandquist has to submit a specific plan to the Planning and Zoning Commission of all these details."

Commissioner Sovern: "There are conditions that have been made. They're 99% conditions based upon, 'I have to deal with the architects first,' or 'I have to deal with the contractor first.' And what they are is he's committed to do that or something or something like it that works. And satisfies the neighbors. But these are 99% commitments, is that fair?"

Commissioner Pike: "Those are big commitments to us in their conditions. At least they are to me."

Mr. Masterson: "And they're big jobs, too, cause that's the big concern. The ordinance, a lot of people aren't aware, the ordinance we're covered under in Altoona is the most restrictive on the books and they made it just that way for us. If it hadn't been, we could probably have built within 15 feet of those homes on that side the way the ordinance was written..."

"When we first went before the Planning and Zoning, before the City Council of Altoona, before they knew we were coming with this project, I made a commitment and, I thought somebody was going to kick me next time I made any commitments without any reason, that we wouldn't build for 40 feet. We'd put a 40-foot greenbelt without even seeing the ordinance, it would be 40 feet and we wouldn't build within 100 feet. We made that

commitment without any ordinance, without any pressure. It was our commitment that we were concerned about that issue, too. We publicly have said in all the public hearings...a 40-foot zone, we're going to leave it up to the discretion and desire of the Planning and Zoning of the City of Altoona what do they want us to do in that zone. Makes no difference to us, we can berm it, we can...it, those types of things we're going to go back to P and Z and say, "What would you like?"

"We've also made a commitment to the neighbors ... I made a commitment with Ken and the corporation that we would consult with them, pass among them prior to going to Planning and Zoning what we're intending on doing, giving them opportunity for some feedback. I met with homeowners last week and another group of homeowners that have adjacent property and made that same commitment...we're going to do what we can. This is a legitimate concern, we don't disagree with their concern, they've had some good suggestions: Do you set your fence back 40-feet off the property line or do you go on the property line?

"What we've set up until now is the reason we haven't been specific is that number 1, we have to have a site first; number 2, we need to first discuss and share with the Planning and Zoning people what they want before we then come...to the Commission itself. Then we go back to that formal plan of the Planning and Zoning, so what we've set up is we've talked about these 99% assurances, that's based on people that ask, "What

guarantee can you give us that you're going to do it?" I have said, "At this point, I can give you no concrete guarantee other than look you in the eye and give you my word what we're going to do." Up to this point we couldn't do any more. That's why it's a 99% guarantee.

"We want to -- many of the suggestions made by the adjoining, there are 44 adjoining lots to the east and to the south which are most directly affected, although we're concerned about the whole community, we're more concerned about the 44 adjoining lots -- there are many suggestions that have been made that I think we're going to incorporate. Very good suggestions made, such as putting the fence up--the first thing we're going to do is put the fence up and do ... landscaping. First thing we do out of the starting gate, do that, because that helps them and it gets it to mature quicker and all that, I never even thought of that. I wouldn't think of that, but those people with backyards that back up against there wanted it, and I see no reason why we can't do that, but I have been in the difficult position and Ken has, of making commitments before we go through city government and see what they want. We're caught in the middle there of trying to follow the citizen's concerns through the appropriate government agencies, as well as talking directly with them. So we've made a commitment to address those things. I think the fence and the berm, at least from our standpoint, it costs no more money to set a fence back or put it on the property line. It's a legal



question, a responsibility and liability question that we have to talk about with the city and... but, those things we've been very open and said we're willing, through this whole process, even after the neighborhood impact, we met with another group of homeowners. We're continuing to go on, independent of Citizens for Progress, which a local group, we're dealing directly with those neighbors...

Chair: "Thank you very much."

Chair: "Lavonne, I didn't mean to cut you off, did you have anything ... Sally?"

Commissioner Mydland: "That's all right, Bill answered my questions."

Commissioner Prickett: "That's all right."

Chair: "2:00. Comments from opponents of the Altoona site...(Mr. Updegraff) and incidently that is slotted for twenty minutes, there has been a request and it is granted, for additional time for Mr. Braun, I think, to speak as well. So, Richard (Updegraff)..."

Mr. Richard Updegraff: My name is Richard Updegraff. I'm with the law firm of Brown, Winick, Graves, Donnelly and Baskerville. Following my presentation today will be Mr. Braun, Mr. Carley and Mrs. Graves ...

"I think the first item we should talk about is the specific issue that is before this Commission. We've heard the application for this license now characterized as a life or death of thoroughbred racing in central Iowa. It is the

position of the Citizens Against a Residential Race Track that this particular license should be evaluated on its own merits. It's a question of the time and the unavailability of ... other sites should carry no weight with your decision as to whether or not this should be the site to be given a license for racing. The timing of this issue has placed this Commission somewhat in a (corner). That is to say significant advantages apparently are lost if this license is not approved. Those lost advantages should not influence your decision in considering the impact that this site will have on the neighbors and adjacent properties nor deafen your ears to their opinions as to the effects of this race track on their properties.

"You have seen a great deal of support for this race track, both from people in central Iowa and from all over the state. This is no doubt due to what I feel is a very heartfelt opinion from ... people that they want this type of activity in Iowa. You see a great many of the surrounding city councils, school districts, etc. voicing their support for this track. You must realize that to a large extent those supporting resolutions, etc. are based on their support for a racetrack in general, not necessarily their analysis of this particular site as opposed to any other site.

"I am reminded of a case which I handled several years ago, representing in that case the developer as opposed to the citizens, now that I represent the citizens, I .... for their

views. A man wanted to build a larger funeral home in a small Iowa town. And he was not allowed to do it because of the opposition of nearby residents. He and his wife and I were sitting in the kitchen of his residence, trying to decide what to do after his application for ... was denied on the basis of the objections of the nearby opponents. The husband suggested he undertake to purchase the three small homes across the street from his residence, demolish those homes and build the funeral home there. His wife replied, 'Nothing doing. Not on your life. I don't want that funeral home across the street across the street from my home' " I think you would find that the opinions of many of the people who support this particular site would change if their backyards shared a common property line with it.

"Mr. Lura has done a very fine job of collecting the information and being very tolerant and even-handed with the different opinions submitted by people at his meeting. I would not have wanted to occupy his chair for over 5½ hours to hear the objections.

"Citizens Against the Race Track and I myself most respectfully disagree with his recommendations. He has stated that there are guarantees or ways of overcoming the problems that we foresee. The questions becomes one of this, do you first approve the site and then seek the solution to these problems, or do you first hear the solutions to these problems and then approve the site. I do not feel that it should be

acceptable to you to hear explanations given that say we will find a way to overcome them. I think it would be more fair for you to demand the explanations to overcome the problems before you approve the site, not afterward. Particularly in view of the fact that we are now looking at only one possible site for this development. There have been a great many neighborhood impact studies done on the different licenses. It would be instructive for you to look at the number of people involved in those other studies.

"In Shenandoah, there were 20 neighbors that were located close enough to receive the survey questionnaires. Eleven of them responded, and several of them showed up at the impact meeting. In Waterloo, there were 11 neighbors. Six of them responded. One of them appeared at the impact meeting. In Council Bluffs, there were five neighbors, no one attended the impact meeting. In Dubuque, 13 neighbors, several of them appeared at the impact meeting. In Council Bluffs, nine neighbors, one of them appeared at the meeting, zero responded to the surveys. In Cedar Rapids, there were ten neighbors, eight of them responded, six of them appeared at the impact hearing.

"For this site in Altoona, there were 111 people who were located close enough to the track to be eligible to receive the questionnaire. Over 500 people appeared at the impact meeting. By way of comparison, this particular site differs from all the others. It is the only one which has the sweeping changes that will occur.

"The effects of this track, many believe that the effects of this track will be minimal and that the problems are solvable. We respectfully submit that a residential use of property and a racetrack use of property adjacent to one another is inherently incompatible. Use of this property for a racetrack would generate noise, lights in the evening, traffic problems and other problems that will destroy this area as a residential site. It will also entail invasions of privacy as people in their residences face the prospect of thousands of spectators located in the grandstand within viewing range of their property, and it threatens the area with the increased level of crime. It is impossible to empirically evaluate ... once the racetrack is in place.

"The police chief, who is about the finest police chief you can find in Iowa, believes that there will be no increase in crime problems in this area. It is the perception of the increased crime and the perception of these types of problems that cannot be erased.

"The property values in that area are going to decline, because people who determine property values are the people who buy these residences, not the people who run the racetrack, not the people who take supplies to the racetrack, not the people who sell the homes, it is the people who buy the homes. The people who buy them are going to see a racetrack next door and they are going to take that into account and its going to have an impact on that neighborhood that has not been evaluated either by Mr. Lura ... or by any others.

"There are other speakers to follow and we wish their views to be heard. I would urge you to dispassionately evaluate this site on its own merits and ask you to deny it.

Chair: "Thank you very much. Who would like to speak next, Mr. Braun?"

Mr. Braun: "Yes. Braun (Brown)."

Chair: "Braun (Brown). Thank you very kindly."

Mr. Braun: "Mr. Scalise, members of the Commission. My name is Rod Braun. I live on Northeast 57th Court and my property borders on the, what would be the west edge of that southern parcel. I bought my home about three years ago when...

"First, I would like to address the threat of no thoroughbred racetrack in Iowa should the Altoona site not get approved. If the track is as big and wonderful as the proponents would have us all believe, then it will survive the test of time and alternate funding sources should not be a problem. Six weeks is not adequate time for making a \$40-million decision. You don't have to make the developer's timetable your timetable. Also, if it so wonderful then the proponents should not be reluctant to guarantee fair market value to those of us owning homes adjacent to the site.

"Second, we were told that the other sites, away from residential areas in Altoona were not feasible because the developer was unable to purchase the needed land. Was it that the land could not be purchased, or that the price was not right?"

"Finally, I would like to read to you from a 1982 study by \_\_\_\_\_ . I read to you from the study, 'the response options related to issues which have been cited as a cause for opposition, specifically these reasons included 1) adversely affected character of neighborhood, 2) lowered real estate values, 3) brought in undesirable individuals, 4) lack of proper security, 5) increased traffic or noise, 6) increased demand upon neighborhood services, 7) threats to neighborhood children, 8) loiterers (in the area), 9) loss of business, and 10) increase in crime.'

"A study on race tracks in residential areas, no, the title is Community Acceptance of Residential Programs for Developmentally Disabled Persons. But the issues are almost identical. For the past eight years, I have worked with the development of group homes and I have been in Mr. Grandquist's shoes, albeit on a much smaller scale. Group homes for people with developmental disabilities are about as desirable as residential area racetracks...(change sides of tape).

"When I go into an area to develop a group home I have an empirical data base, a bundle of scientific studies to show people, not just subjective opinions and guesstimates. I do believe that Mr. Grandquist and Mr. Masterson have made a sincere effort to answer our questions and address the issues and I respect them for that. But, the fact is they do not have the facts. A thoroughbred race track has not previously been developed in an existing residential neighborhood. There is a

lack of factual data and too many unknowns. Please don't experiment with our neighborhood. Thank you."

Chair Scalise: "Mr. Braun."

Mary Lou Graves: "Ladies and gentlemen of the Commission, my name is Mary Lou Graves and I have lived at 609 25th Avenue Southwest in Altoona for 9½ years. When I was asked to speak because I am a resident who will be directly affected by the proposed location of the track, I tried to think of what I could say that would help you make the right choice in this matter. I decided you've probably read and heard more about Altoona and the opponents and the proponents of this track than you'll ever want to hear about anything again.

"But, I have one advantage over the printed word. I am here. I am real, not just another statistic on a piece of paper. And what you decide will affect my family and families just like mine. Sometimes when we look at all those facts and figures about taxes and projected income, we tend to forget that there are people behind those statistics. I am a statistic. I am a homeowner whose property will be adjacent to the track. I am a wife of 16 years and a mother of three small children. I own a dog, drive a station wagon, and live in the suburbs with all the pleasant things people live in the suburbs for. My neighbors mow their yards, paint their homes, go to soccer games and to little league games as a family, borrow things from each other, and most drive into Des Moines to work. I don't see a horse racing track exactly fitting the normal



description of my typical neighbor. Horse racing tracks don't belong 40 feet from my neighbors' or anyone else's backyards.

"During the past seven weeks, I have learned a lot about how governmental process works. Mostly, I have been disappointed by the treatment afforded the average citizen trying to save what may be the single largest investment of their lives. Once again, ... and again, I will remind you that people are involved, not just black and white letters and numbers on a piece of paper.

"Your decision today is a difficult one, but I am asking you to please take into consideration the people whose lives will change if this is allowed to proceed. You've been told all the reasons why we live where we do. Help us protect a way of life that we feel will help nurture our children into good citizens of Altoona and Iowa.

"I think it's ironic that we moved into Adventureland Estates almost ten years ago because of an area developed by Mr. Grandquist, and now may have to make a choice about moving from our home because of another project developed by Mr. Grandquist. Thank you."

Jim Carley: "My name is Jim Carley. I live in the city of Altoona and happen to be blessed with the benefits of living within 450 feet of the proposed track. The letters that I just gave to you were letters that came back to us after we sent the commissioners their packets on Monday, ... letters from state legislators stating that their intent was not to put the racetrack adjacent to the homes.

"Please excuse my reading from my notes, but we're limited on time and I'm known to ramble on if I don't look at my notes.

"There's been a large debate about the amount of signatures and who has the most. Yes, our proponents do have more, but very few more. What's more important is where did these signatures come from? This is not a one for one issue that we're talking about. The closer one lives to the proposed track site, the more that person's signature should count because they will be affected the most. In Adventureland Estates and Altoona Village 69 percent did not want the track in its proposed location.

"As far as ... signatures, they should have no impact at all. I ask you, as I have asked others, who wouldn't sign a petition for the track as long as it wasn't in their back yard? And I strongly believe a lot of people signed it just for that purpose. I don't want it to come to the west side of town to my backyard.

"Again, I want to remind you, Commissioners, that this is not, this is an Altoona issue, not a central Iowa issue. The proponents very cleverly changed the issue when the Planning and Zoning Board voted no. The issue became having or not having a track in central Iowa. The real issue is, and always has been, the placing of a racetrack within 200 feet of 111 homes and within one mile of 987 homes. Many of these families have the potential of 4,000 or more strangers of looking in their back yards and bedroom windows. I ask, would any of you

care to have God only knows who looking upon you and your family in some of your most personal and private moments? I really don't think anybody in this auditorium wants that."

Chair: "Folks, please give this man the courtesy the courtesy you've given others. The Chair wishes you would not make any comments and not laugh, not applaud...any of these folks. They are honest people trying to do the best they can...Thank you."

Mr. Carley: "Thank you. I purchased my home in April of 1979. I financed \$37,600 at 10 3/8...30 years. I hope to have my home paid for prior to my retirement. I currently have 292 payments of \$340.45 each for a total of \$99,411. Don't ever do this to your mortgage because it will scare the hell out of you. But at any rate, that's what it's going to cost me. If the track goes in and I move, I do not want to live that close to a track and it's a very viable option at that point in time, and, if I finance the same amount, and that's a very large assumption because I don't think I'll get my value out of it, the current rate's now 14 1/2. Instead of 292 payments to get my house paid off at retirement, I now will have 360 payments of \$453.08 a month. In other words, Commission members, it's going to cost me \$63,697 just to move. And that's only in interest rates and adding ... 360 payments. There's no effect on realtors' fees, moving expenses, or the fact that I may not get what my value is worth. There are 111 homes within 200 feet. If all of them chose to move, which a good majority of them already have talked about, that comes to a loss of those

residents of \$7 million. That's \$3 million more than what it's going to cost to put the sewers in at the Bondurant site. And if 25% of the people living in Altoona Village and Adventureland Estates decide to move, that comes to a whopping of \$637 million. I ask you, is it really fair to place this kind of financial burden on regular, normal private citizens so someone else can put in a race track? Don't be afraid to vote. Mr. Grandquist is playing a game the only way he knows how, his way or not at all. He refuses to continue looking at Bondurant or Ankeny, even though both have more land, very few homes, better traffic flow, and cost less. What's so special about Altoona? I wonder if Mr. Grandquist ever had any intention of building in Bondurant.

Chair: "...you've got about 30 seconds."

Mr. Carley: "I'm almost done, Larry. Just a couple of lines to go down here. There are many locations, some of them are begging. Just remember, central Iowa does not get a race track. It's not because of me, there's people in this room, there's a Commission sitting at the desk, because Mr. Grandquist picked a lousy site and these people have had the intestinal fortitude to say no. I ask you to ... for our security, our peace of mind, and our well-being and please vote no now...Thank you."

Chair: "Thanks very kindly. The next item on the agenda are comments from the proponents of the Altoona site. Mr. Skinner, I believe."

Ed Skinner: "I think Mr. Morlan is on there."

Chair: "Yes, Mr. Morlan."

Mr. Don Morlan: "...I know Mr. Grandquist and Bat, Bat Masterson, I guess that's Matt Dillon sitting over there. Anyway, there's been a lot of talk going on here and nobody to this day since this track started has mentioned and brought up the west side of this track. And that's where I live. I built a new home there. So what I am after here today, and I think you folks should have got it, I turned it into the Racing Commission a list of concessions that I would like to be entered into this meeting to have. I hope you'll go through them and read them or anything like that, cause I think folks should have them. I will mention a few of them that are very important.

"To start it off with, I didn't have it in the minutes that Mr. Masterson has already crossed up here about the 16 acres on the north side of the property there and what they will do there. And that land floods, from that crick going down through there, and they're going to have a problem putting that drainage in out there.

"I hope these cameras are getting my good side, that's this side right here. But anyway, Mick you leave the water alone, cause you had a problem out there the other day.

"So, anyway, here we go on the deal here and I have had some dealings, in fact quite a few, with Mr. Skinner and Ed Skinner has never lied to me, and I've fought against him in court, and

I've fought for him or he's fought for me in court, but what he says is the truth. And those concessions that I have turned in, he has said that if it was in his power, that ... he will see to it that we get them. I would still...I'm not against the race track. I want the race track in Altoona, not in Ankeny. But we have a site out by Ace Lines which would be a better location for this. Mr. Masterson's forgot to tell you there's water and sewer out there, too. So, therefore, it could go out there -- it would make an awful nice location out there.

"And, anyway, I will not read all those other things, you folks should have them.

"One of the things I want to bring up is around this track, there is as much water under the ground and as Mr. Masterson has said, he keeps talking about the east side, the run-off into the east side. The west side has the biggest drop off. We have the water problem over there more so than they have on the east side. Therefore, this frog pond they're going to put in there won't take care of that water. They're going to have to put in a storm sewer in underground to take care of that water.

"And, the people on 57th Court over there, they should be included in some of this stuff that's going in around there and they've been left out of every bit of it. They haven't been talked to at all, not by the city of Altoona, or no one else. There's 20 some homes there. I have a brand new home right

down there on the end, which I just found out today about this other land, it kind of bothers me a little bit there.

"And on the lighting there I turned in there to you, on the street lights, ... a asked a year and a half ago for Polk County to put a street light up out there on the corner on 57th Court--they said they would, they said we needed it, we haven't got it to this day. We got two reflectors put up down there on a stop sign, four guys came out there to put that up. One of them to hold the reflector, that's where they get these Pollack jokes, one of them to hold the reflector, one of them to hold the nail, one of them to hold the hammer and the other one to deflect traffic. Anyway, we didn't get no light down there.

"So, the other thing, the roadway going in and out of the track, I wish the Commission would look at that very carefully and I think one of the recommendations that's been handed to you by one of your own people is that only entrance into this place would be on the south end off of Highway 6, and the other roadway into the track, on the north end off of Adventureland Drive. And not make 57th Court a backdoor for the garbage and the horse stuff, you know, to be hauled out.

"And, anyway, this Racing Commission, the eyes of the whole state of Iowa are upon you. I'm not against the track, I want the track in Altoona, but I want it in the right spot and the people of Altoona want this also. So don't let three or four men persuade you to vote one way or the other. You make a good and just decision. And I read in the paper the other day where

they..."

Chair: "Don't believe everything you read in the paper."

Mr. Morlan: "I don't...where they made the statement where our town was going to be divided and would stay divided. That town will get back together, it has before, and it will after this."

Chair: "Anybody else for the proponents of the Altoona site, anybody for it want to speak? Give us your name, please, sir."

Mr. Ken Sand: "My name is Ken Sand and I'm superintendent of schools at Southeast Polk, but that's not why I'm here today, I'm here representing myself as I am a neighbor. I live at 304 Village Circle which is directly across the street east of the proposed track.

"When we moved there over ten years ago, we were the only immediate neighbor east or south of the proposed race track. We were the only house on that half-mile...We expected growth in the area, but have seen very little.

"Today, there are only four houses on the street in that half-mile stretch. After ten years, living well within the city limits of Altoona, we still have a cornfield a block north of us, a cornfield one house south of us, and a cornfield directly across the street to the west of us. When they built the house south of us, we had some problems, it was in a state of construction for most of two years. Next to it was a, the other lots had been...for about eight years to get those mowed, they were weed patches...The house across from us was an open basement for about two years.



"Now, we kind of had the understanding that when we built on the circle, that all houses would face the circle. But the last house built was built with its back door to my front door, and we made the decision at that time, if we'd wanted to control how the house went on that lot, we should've bought the lot.

"So, we've accepted that and all the problems we've had, they wouldn't have been solved when we got ...

"So, it's now ... to build a race track across the street from me and another neighbor that I didn't choose. However, I do know I don't know anything that I would prefer. It will take 800 houses, roughly, to equal the valuation that's going in over there. There's going to be more people, more traffic, more congestion, more pollution, more crime if that happens. So that could be a problem also. And I wouldn't attempt to discourage 800 houses going in across from me, but it would have a greater impact on my home than a race track would have.

"However, that's still not our option, we have not had a building boom in our area and there's none anticipated. In general, with the track I see an opportunity to lose the ... to our fence that's been across from me for ten years and to replace the mouse breeding area that's been dumping dirt on me for that period of time. And, in general, I think that we'll will have an opportunity to replace, to have go in its place, a place that's a clean, well-kept facility that I can be proud to have across from me.

"To date, I have not had the privilege of choosing any of my neighbors. But I do have good neighbors, I would choose to keep every one of them and I wouldn't trade any one of them for what I had before they showed up. I would not ask permission to build a race track across the road from them, but I'm not worried and I do not oppose it. I believe it will also be a good neighbor and I support their moving into our neighborhood. The next speaker will be Marguerite Newell, who is a former teacher. Thank you."

Chair: "Thank you. Mrs. Newell?"

Marguerite Newell: "I am Marguerite Newell, widow of Bill Newell, and I live at 5922 East Broadway, Altoona, directly across Highway 6 from the practice area and the barn of the proposed race track facility. One of the reasons that I support the track is my concern for the youth of our area. Having taught in the Southeast Polk School District for 17 years, I know the excellent quality of education we have given them. With the talk of cutting federal and state aid to education, we certainly need this new tax base.

"As I walk into Adventureland and the Burger King, the Pizza Hut and McDonald's and see so many of our area youth working there, and knowing that this race track is going to bring many more jobs to the youth of our area, I don't need to worry about our youth because idle hands create many of our problems. For so many years, development of these businesses ... besides Des Moines. I think its about time that the east side gets some of

this. I know the race track will do this. We may never have this opportunity again.

"My last reason for wanting the track is a selfish one. Since I live directly across the highway from the barns and the practice area, I am looking forward to being entertained by all the activity, and the sounds of happy people and enjoy the beautiful setting. Surely, that's better than the open fields with all the dust rolling on me and the snow coming through across the fields and pond this high. ...

"Bill Newell was a member of the Polk County Board of Supervisors for 27 years and during that time he worked closely with Ed Skinner for the betterment of Altoona and Polk County. Ed has contributed so much to our school and our community. So it's with great pleasure that I introduce my long time friend, Ed Skinner, Chairman of the Citizens for Progress through Racing. I thank you for this opportunity."

Chair: "Thank you."

Mr. Ed Skinner: "Mr. Chairman, members of the Commission, thank you for the opportunity of appearing before you.

"If nothing else over the past 35 days, I have drawn a keen respect for the jobs that you've taken as Racing Commissioners of the State of Iowa and some of the objections that you'll run into from some of the members of the state of Iowa with respect to moral beliefs in regards to gambling. However, it is time that we realize that in order to keep our young people at home in order that we provide a place for our older citizens to be

after age of retirement, that we realize we cannot live in the dark ages, but that we've got to recognize that racing is an industry, it is a facility that we want in this state and that we want as our neighbor.

"It is a great honor that Ken Grandquist has chosen the City of Altoona as the site. I want to say one word to Ankeny, 'you are the home of champions, and you have a champion in respect to your Chamber of Commerce and your City Council in regards to the positions they have taken today, and the citizens of Altoona thank you for that.

"Members of the Commission, I'd like for you to realize that in respect to the area that we're talking about being the location of the track, next to Adventureland, that you're talking about putting together a combination that could be the greatest facility in the state of Iowa and can be the recreation center of the state of Iowa in cooperation with the Greater Chamber of Commerce of the City of Des Moines."

"If I could, I would like to show this map to the Commission and please turn it this way, so the top is north. And the area that I am pointing to is the present Adventureland, the 80 acres of the thoroughbreds where the race track, the main race track, will be in this area. This is the entrance off the interstate. The area that is shown in green on the 80 plus the 80 of the 160, this 77 acres is the, the area shown in green is the support that have signed with our committee asking this body to issue a license. The total area that surrounds this

track...including the lots that have signed with us in Adventureland Estates accounts to 85% of the front footage area. This is the Wayland(?) Acres over on the west side. Don Morlan lives on this property right here. Mr. Braun, who spoke earlier that is in white lives here. Marguerite Newell lives down on this location right here. Polk County Supervisor Jack Bishop who has worked with us lives in this house right where my pointer is in this location. It's been talked about what the support is of the residents that live in Adventureland Estates, of adult residents that live there, we have 113 signed on certified petitions that are in support of you issuing the license today. Dr. Sand, who spoke earlier, lives in this house here. You'll notice that along the streets there is only the one home that has not signed with us or else give us permission to say they were neutral. Mr. Chairman, I'd like to file this as an exhibit to be part of the presentation today."

Chair: "You may."

Ed Skinner: "One of the important aspects of this race track being in Altoona is the support it's going to have from the city, the support it's going to have from the people from Altoona, the support it's going to have from the school district.

"In respect to the City Council of the City of Altoona, it's a strong city council. One member, Bob Stewart, has served 20 years on the Board of Adjustment for Polk County, been in on

our decisions in that capacity. One of the members, Marvel Hall, is former president of the Seventh District Nurses Association, the other members, the strong members that have exerted the necessary qualities to make the decisions that have to be made.

"In addition, one of the strongest reasons for this track coming to the city of Altoona, Iowa is the strong leadership that is in our mayor, Sam Wise. He's former president of the Iowa League of Municipalities, he was one of the individuals who with myself traveled around this state, when home rule came into existence, he is a mayor that has been in office for more than twenty years out of the last 24 of the City of Altoona. He's an individual that will see that the facilities are in place in regards to the transportation on Highway 6. He's given to me to announce today that he's met with the Department of Transportation.

"They are going to design stages on the expansion of Highway 6 to a four-lane highway from the junction at the 'Y' on Hubbell Avenue all the way east to the east city limits of Altoona and that design stage goes into effect January of 1985. It is anticipated the contracts will be let for 1986 construction with the completion to be done in 1987.

"Let me give you a little idea of the total amount of support. We have certified petitions that we filed with the Commission this morning with 2,001 residents of the city of Altoona in support of this racetrack. That's approximately 66%

of the eligible voters of our city. Throughout our school district we then went to certified petitions in order to determine the support that we would have and the necessity of having an entire school district behind us. One of those areas is \_\_\_\_\_ township which includes Runnells. We have 474 certified signatures on file with your Commission today from that area, which is approximately 75% of the eligible voters of that area. We have throughout the entire district a total of 4,240 certified signatures on file with you. We have filed from central Iowa certified petitions today of 30,214 signatures.

"Ladies and gentlemen of this Commission, without question you have before us the most historical decision to make for our community for the future of our community. We are prepared for horse racing in Altoona. We have the ideal location for it. We have the support for it. We're going to be there after the track is there. We're going to see that the track is successful. We're going to join a venture with Grandquist along with Ken; along with Mr. Krantz, of Adventurelands of America; we are going to join with the Chamber of Commerce of the City of Des Moines. We are going to continue to work with our friends in Ankeny. We are going to develop the best thoroughbred horse racing facility in the midwest. With your vote today, Southeast Polk will become the recreation center of the state of Iowa and it'll be something that this Commission will be proud of.

"I was formerly city attorney since 1963 in the city of Altoona, Iowa. I intend to be there after this track is constructed. I intend to work with the problems and see that they're solved. I intend to work with you after this vote to see that this facility is the facility that this Commission wants. Thank you very much."

Chair: "Thanks very much. (Applause) And, you're right on time. Next item on the agenda is discussion, questions from the Commission regarding the proposal to move the track site, and the chair will invite questions and discussion from you (indicating the Commission)."

Commissioner Sovern: "Just one minor matter. Could you hold up that map, Mr. Skinner, just a second? I just want to clarify, with the green on it. And Ms. Newell, Ms. Newell, would you show me where you live on that? Would you mind just rolling it back where she is, I don't mean to have her get up and have to come all the way up here? Where does Mrs. Newell live, maybe you could show me? Maybe you should just show me?"

Ed Skinner: "If you'll look at the name that is marked on it, right here."

Commissioner Sovern: "OK. And then these people are people who--?"

Ed Skinner: "Those people are people that have given me consent to color them in in light green to show their neutrality on the subject. The dark green is those that have signed with us, the light green have declared their neutrality



and have asked to be represented as such."

Commissioner Sovern: "The reason I bring it up, thank you very much, the reason I'm bringing it up is just a couple of minutes before I almost ran into one of the other Commissioners out there doing our own neighborhood impact studies,-- I was going down the street, Bud Pike was coming up the other way and we were both looking away and wandering into the center of the street, we almost collided. But, the reason I'm bringing that up is because it was of interest to me that I stopped, one of the houses I stopped, was the one next to you (Mrs. Newell) that's colored in light green, and the lady expressed to me her pretty solid opposition to it, so I only raise that because it may speak to some of the other aspects of it...So, if I could, if there are any others like that that you may think that might be wavering, that may in fact not be supportive."

Ed Skinner: "Are there any others?"

Commissioner Sovern: "Yes. The one case I happened to stumble onto..."

Ed Skinner: "Mr. Sovern, she's lived next door to Mrs. Newell for a number of years and she told Mrs. Newell. That's where my information came from on it, and if there's any others I do not know of them."

Commissioner Sovern: "OK. Fine. Let me ask you about the question, if I could, Mr. Grandquist and Mr. Masterson, there's been talk about the possibility of purchasing some of these...homes, and given the fact that this is a questionable

compatibility, and the theory of zoning, some could argue it's a partial taking, and in that aspect, is has there been consideration for, either on the part of the interests who proposed the track or those citizens of Altoona who support the track for compensation?"

Bill Masterson: "As developers, we've not discussed that matter or proposed or offered it at all. I am aware of, I'm directly involved ... there was some talk in the Des Moines Register--some people, I don't know who in Altoona, have talked about that. We obviously, that is not of major interest to the Racing Association of Central Iowa--we have not suggested that at all. That's because our position is we don't feel, we take a counter position, we don't feel it's going to have that detrimental effect on the value, so ..."

Commissioner Sovern: "I've got another quick one, Mr. Chairman, regarding the, have we looked at the feasibility study as it has been affected by the increase in \$10 million in expenditures, has that been before the Commission?"

Bill Masterson: "Can I speak to that?...We filed it with the Commission and have discussed it with some staff and some Commissioners..."

Commissioner Sovern: "I don't recall that being discussed at a Commission meeting. That's what..."

Bill Masterson: "I don't think it came up at a formal meeting."

Commissioner Sovern: "You appear satisfied, I guess then my

question would be regarding the continued feasibility of your operation.."

Bill Masterson: "Our figures show that it is feasible. As you may be aware, the proposal that Ken submitted originally to the Commission was -- he took a conservative approach to projections. We've upped the costs of construction, worked those figures out, it's still a very viable proposal and we're satisfied with the projections..."

Commissioner Sovern: "Thank you, Mr. Chairman."

Chair: "Anything else?"

Commissioner Sovern: "No..."

Chair: "Sally? Discussion or questions of any of the..."

Commissioner Prickett: "Yes. Mr. Grandquist or Mr. Masterson, how definite is your commitment to the persons ... that additional or adjacent 17-20 acres?"

Mr. Masterson: "We have, at this point oral agreements, to acquire that property. Our commitment has been strong ... we had an original written agreement, which then was amended, and in the amending process an issue arose not over price or over the land or the availability, but the terms of the sale, how that should be structured..."

"Mr. Donald Swanson represents Mr. Everett Anderson, who is the owner of that property. Mr. Anderson is here today, but Mr. Swanson, yesterday I asked him if it was fair for me to represent what I just said, that we had an agreement to acquire that property, and he said, 'Yes, that's fair,' but it's not

signed yet, but we do have an agreement to acquire the property...A concern was raised about the land, and if we need it, we'll do it."

Commissioner Prickett: "One other question, Mr. Chairman.

"Would you be agreeable, as you indicated by Mick Lura, to, one of the first things that were done out there is to erect a privacy-type fence prior to construction?"

Mr. Masterson: "Some of the suggestions he made we committed to at the meeting. A privacy fence is something we're going to have to work out with you as a Commission, because, as a requirement of the Commission, well, we're assuming it's a requirement of the Commission...and there are some very strong pro-sides to that issue. I understand people's backyards going up to it. It's difficult to visualize what it's going to be...We haven't had anything to show, pictures of what it would be. A privacy fence can be many things, it can be a half a million dollar fence, it can be something less. I think we will not, provided that it's suitable with the Planning and Zoning of the City Council of Altoona, I don't think we have any trouble committing ourselves to putting a fence up first, to landscaping first along the property line and negotiating whatever that fence is going to be.

"I can't make a commitment at this point because I don't know what the city's going to want us to do. The city is going to hold some hearings with Planning and Zoning about what they want us to do on that fence line.

"So privacy fence, I have trouble defining what a privacy fence is, there is some concern from a security standpoint, so I've got to put my ... hat back on, I'd put on for plain chain link fence from a pure security standpoint, because it's the best alternative. I think your law enforcement people will tell you that. It gives you the visibility between, it gives you as much security as possible. It's just a very workable thing.

"The other alternatives, a solid barrier fence or do you somehow slip wood or vinyl strips, some color combination into that chain link. With chain link they've made great advances with screening. And then with the landscaping we're doing, you put the trees in front of it, behind it, whatever. I think hand in hand with the fence question comes the landscaping question and I think we can commit to putting the fence up first, because it is in our interest to keep people from wandering off that field behind their property with all that construction equipment and there are children to be concerned about.

"The prime concern of the parents in the neighborhood, we're worried about our children while they're on your property during construction and from a liability standpoint, we're concerned about that also. I think we're in agreement on that.

"It's a matter of exactly what the fence will look like. I think that's coming...with negotiations with the city. I think we would expect them to be reasonable in terms of what they

want, and I think they are going to have the upper hand on what they make us do. They are going to be in a very strong position, so, if...But, I think we're going to come to an agreement with the City of Altoona on that because they've already brought it up. The privacy fence guide, the difficulty is defining what that is. We're going to need your assistance as a Commission to approve this project to kind of help us with the definition of working that out."

Chair: "Thanks, Bill. Lavonne?"

Commissioner Mydland: "Would there be any facility changes from the original?"

Masterson: "No. The proposal we made in Bondurant, we improved upon. We're going to come back to you. Really, we've added to that project a little bit, in terms of the grandstand building. We're -- an ongoing program to modify, to improve, if you will, the actual, final plan. We will not cut in size anything, we will not delete any component that was included in the Bondurant site that you originally approved. The only thing changed is the location. We have not deleted or altered the scope or the specifics of that project other than the city and the physical location. As far as the buildings and facilities, there will be no alteration whatsoever. That was a requirement, also, of the industrial development revenue bonds,.. we did not...that, but that was a requirement that we had to first meet that test, was ..."

Commissioner Pike: "Bill, in building the fence, will the ..."

way around the whole perimeter of the whole facility, not just the residential areas, but the whole site?"

Masterson: "Yes. Right. It is now... I am assuming, without a lot of rules being promulgated, I guess, I am assuming that would be the custom and practice in regulation of racing ... and that has been, it may be in the rules and I forget it right now, my understanding of what I've explained...as its been explained to me is the barn area, the backside of the track up to the side somewhere close here is the minimum that that portion needs to be enclosed for security purposes to protect the integrity basically of the stable area of the facility.

"At this point, that is our plan is to, working from this point across, to fence. The neighbors have raised a concern about not allowing people to park on 17th. Should we do some sort of barrier different to something that we suggest, we'll do it. We don't exactly, some other part we couldn't guarantee what it would be because we don't know yet but we've given our commitment to the city of Altoona for ..., said yes, we'll do that. But we don't know if it's necessary to do the chain link or barrier fence there, we'll do something else there, whatever we have to do. Our plan is to completely seal this area, to control the access to the area...for security purposes."

Commissioner Pike: "That 100-foot strip...we've talked about that a lot. The 100-foot strip goes around here, along here, is it also on the west side of the 80 acres?"

Masterson: "No, it isn't and the reason is that those lots are approximately 400-plus feet in depth.

"In this area here, there's about a 30 or 40 foot setback...those are very deep lots and there are overhead tension wires, electric wires and there's really nothing developed under those...homes to the west end, to the best of my information, looking at it, is at least 200 feet, if not more back.

"So, we didn't have the same concern as we had, although we did,... there Commission did survey those people, we did talk to a number of these people here so they were included in--see, they're not part of the city of Altoona, so they weren't legally permitted to speak at the Planning and Zoning meeting, but, we have been concerned about this property. There will be some setback, but it won't be the setbacks that are greatly affecting these people here.

"So, the 100-foot zone, which, to clarify in your minds, that I'm talking about is a 40-foot green zone, the green zone is whatever we're required to put in there, and we're talking about a very nice, highly landscaped, trees, whether it's a berm, some people, some neighbors don't want berm, some people want berm, we have to get neighbors together first ... will be along this property line and this property line.

"We'll have some type of landscaping over here because there are ... here because where Dr. Sands lives and those people, we need to do something there.

"Along here we don't intend to do any kind of ... there will be some normal landscaping on the property line to dress it,



but it's a different ... it belongs ... along the RV park, Adventureland is going to, on their own, do a highly, high-landscaped area to separate their--there'll be no entrance to the RV park from the stable area, they will landscape that themselves."

Commissioner Pike: "... on the southeast corner of the quarter it shows a church. Is that on the 160 acres, or is that south?"

Masterson: "No, its on the 160 acres, approximately 3.8 or 4 acres. We're presently--the church is not taking a position in opposition to the track. We're currently engaged in negotiations over the acquisition of that land and we have no reason to believe it will not be successful. The church has not taken a position in the dispute...they have not made a final decision, they have appointed a party to negotiate on their behalf over the acquisition of that land. And there is, it's right here."

Commissioner Pike: "It might be a good spot for a church. They'd get a lot of ...(laughter)."

Masterson: "That property is owned by the Presbytery of Des Moines."

Chair: "Don't go away. I want to know if there were noise studies done by anybody ...the city of Altoona..."

Masterson: "Yes, what we have to--one of the first questions I had because, I guess I first want to say that the city of Bondurant has been absolutely terrific to us and we have a

great relationship with them and have had a great deal of support.

"But, ... we got stung once on thinking things were okay, so when we looked at Altoona, the first thing we did was sit down with the city agency heads accounting people on a head-to-head basis and go through specifics--where everything was at and what the capacities were.

"Gary Pryor, who is present today, is the director of Physical Planning for the Polk County Board of Supervisors. It's already documented in this black book which is being entered in the record today and that you have, there's an analysis done--it's an enforcement agency, the Polk County intergovernmental agencies have certain standards they use because they're the regulatory agency in a lot of these different areas--pollution and environmental impact--so by direction of the County Board of Supervisors, they have prepared studies to see if we would violate the ... environmental impact.

"And yes, this extensive study, which shows such things as dust and emissions and different points it shows in diagrams and an aerial map of our site, showing these...it is similar to traffic counts and a number of things, ... of roadways, there's a discussion of possible...anticipating what problems there may be and proposing solutions to those problems. So that is contained as part of our presentation."

Chair: "What's the result of that study?"

Masterson: "The result of the study, can I ask Mr. Pryor to speak?"

Chair: "Yes, Gary?"

Masterson: "This is Gary Pryor, the director of Physical Planning for the Polk County Board of Supervisors."

Mr. Pryor: "Thank you. Based on the track layout you had presented to you today, using OSHA's standards and type of climate for noise levels, we found there would be no violation of any known federal standard at this particular point in time. Additionally, we prepared that through the EPA regulations the carbon monoxide...a regulatory agency acting on behalf of the state of Iowa, we found no violation on ... on that particular site...and so, from an environmental standpoint, we found no situation that would prevent the location of this facility on this particular site."

Chair: "Thank you, Gary."

Masterson: "I would only add one thing and it's that that study was not prepared at the request or cost of the Racing Association of Central Iowa. It was done as a governmental report and was presented in support of our request but was not done at our request or at our expense or, all we did was supply maximum numbers to that agency."

Chair: "Did I understand you to say that you, your associates will indeed permit homeowner input prior to going to any Planning and Zoning ... on matters like setback, trees, berm, fences, that kind of thing?"

Masterson: "I've made a commitment on the entire package, even things that I wouldn't think normally--they were concerned about wash stalls and speakers inside the barns and things that if I lived next door I would probably ask about, too, and made the commitment at the meeting that Mick was at, the impact question and answer meeting, I told some homeowners that adjoined the track last weekend when I met with them in a home that at a meeting of homeowners that prior to any submission to the city of Altoona, I would circulate and poll them for their comments, for their input, and that's a commitment that Ken has been concerned about and that made, that we have a very good, even if we don't agree on a lot of issues, we have established a good rapport and working relationship with the people who oppose the track. We don't agree on many of the issues, but the lines of communication--we've worked very hard not to close them...

"If this is approved, we expect to be there a long time and I'm going to be the manager and I don't want to get all these calls at home at night--we're going to work with them and we've made that commitment and have demonstrated that to them."

Chair: "Bill, you've been in the racing business, I suspect, with the exception of maybe one other individual in this room, and perhaps others, but certainly longer than let's say ten people in this room. And, how many tracks are there in residential areas, do you know?"

Masterson: "I don't know how many there are, there are many,

but I think you need to split that issue out. We've made the statement there are many, but it is true that many of those tracks were in--homes were developed after the track went in, but, you have to realize that there have been no new racetracks built in this country in 15 or 20 years, except in rare exceptions, Louisiana Downs. ...these tracks were built basically in the 30's, 40's and 50's. They have not been built since then.

"Now we're finding a number of new states such as Iowa, going on line. Of the new states, the new Garden State in Cherry Hill, New Jersey, burned down and didn't operate for three or four years. They just rebuilt, it cost \$110 million in the middle of Cherry Hill, New Jersey, the average home would probably be \$100-150,000 in value.

"Now, granted, the track was there once before, but it burned and shut down and they rebuilt. In several other instances, tracks are being built close to housing areas, but not in the same situation as this.

"There are tracks that are operating, as I mentioned before, the track I managed in Chicago, operates with very close, right--the barns are in their backyard, there's no setback--right in your backyard is a barn and people, granted, those homes came after the track, but those homes were also built after the track had expanded its season. That track used to only race thirty days a year. It now races 160, the homes were built after the season had expanded. Homes continue to be bought and sold without difficulty in that community.

"I don't know the number that there are. We asked Ewing Cole Cherry Parsky, a very recognized design firm, we asked them that very question... We presented our proposal to Planning and Zoning in Altoona, we showed some of those things, such as ... Hot Springs, Saratoga, different tracks around the country, even in non-resort areas, showed tracks that were close to housing, and there are a number of them.

"But, I think, in fairness to the opponents, they say well, show us a new track that was put in the middle of an already developed community, and I'm not sure I can ..."

Chair: "Anybody else?"

Commissioner Sovern: "A couple of questions. First, there is a lawsuit about this matter and I am just wondering, Gary, does this complicate our decision today at all? Or should it enter into our considerations at all?"

Chair: "We're not party to the lawsuit, and I understand that proponents themselves are not party to the lawsuit. The lawsuit is between, I believe, the landowners and the city of Altoona, if I understand that correctly. Is that right, Mr. Skinner?"

Mr. Skinner: "That's correct."

Chair: "From my point of view, there isn't anything that prohibits us from acting upon it at all."

Gary Hayward, Commission Counsel: "As I understand the action, and I have had a chance to briefly skim through the pleading, it is on the issue of zoning, it wouldn't prohibit the

Commission from going ahead with its own business. Should the clients in that action be successful, there might be some questions regarding whether the land is properly zoned, and that can be dealt with at a future time."

Chair: "But, we're not a zoning commission."

Mr. Hayward: "Right."

Commissioner Sovern: "Mr. Chairman?"

Chair: "Yes, sir."

Commissioner Sovern: "And, I might ask for--maybe a short response would be all right--with the Commission--both the proponents and opponents on this question, that's this matter of sewer and water. Because that's been such a, I've read reports.

"First of all, I don't understand a lot of what I read, in regard to this technical matter, and even if I did, if I put them on the scales, they may come up about equal, can you make a short summary that might help us out? And, is there any way we can shed some objective light on it?"

Masterson: "I think I can, because I was concerned about the same thing. I'm going to introduce in a moment John Hessling, who is a city engineer for the city of Altoona and a highly respected professional for more than 20 years. When I met with a member of the state agency that governs waste, water, WAWM, whatever you call it. I met with the deputy director of WAWM..."

Commissioner Sovern: "Is that a rock group?" (Laughter).

Masterson: "If we'd had a rock in our hand, we would've made it a rock group, I'll tell you. But, they have rescinded that letter that circulated to the press and disavowed any opposition to the site. But John Hessling is the official city engineer for the city of Altoona who designed that system and who we have..."

Mr. Hessling: "With respect to the..."

Chair: "Give us your full name please."

Mr. Hessling: "John Hessling...I think you have the engineer's utility report...it's a synopsis really of the current conditions in Altoona. And it says you have adequate water supply. We have already planned for the development of this area in a long term plan as far as the water is concerned.

"But with respect to the sewer, which is a more pressing problem, we have been asked by Water, Air and Waste Management to come up with a plan and has asked to meet with them to promote what our plan is going to be, we have now had since the proposal of a racetrack came to Altoona, three meetings with WAWM, the last being Monday. We are in the process of taking the necessary steps with the full backing and direction of the City Council, the mayor, and things are proceeding rapidly and on schedule. And, we anticipate no problem in being able to supply the necessary facilities with this racetrack.

"I might add one other thing, in the discussion with WAWM, the most pressing issue is not the racetrack. It's another matter with respect to sewage treatment plant design and I



won't go into details, but the racetrack does not change the map proposal that we have and the amount of sewage we'd want to treat. It's a different problem, it has to do with rainstorms and hydraulics and not the racetrack."

Commissioner Sovern: "Could I follow up? I heard that the completion date of this program that you allude to is 1988, or something of that nature. And it occurs to me that we need to be concerned as Mr. Grandquist I'm sure is, about, as one clever headline put it, 'The Bondurant site went down the sewer.' And, will it be able to accommodate it by the time that they plan to have it finished?"

Mr. Hessling: "A lot of that depends on the federal funding and the amount, and when, when the federal funding will become available. Those things are going on right now. I just cannot predict exactly when its going to be. However, the plan was proposed to take place now, and is taking place now. We hope that the federal funding can come on line as soon as possible, so that the city can build the facility within the ICA plan, maybe somebody can bring me up to date."

Sam Wise, Mayor of Altoona: "Mr. Sovern, I think I could answer that."

Chair: "Use your full name, there, Doctor."

Mr. Wise: "My name is Sam Wise. I am the mayor of Altoona. And about the sewer problem, I want you folks to know that we have been, the city of Altoona and the greater metropolitan Des Moines area, have been in sewer studies since 1972. We have a

group called the ICA, which Altoona is a part of. We are right on schedule. If everything goes according to Hoyle, if the federal funds come, why, we are going to be funded to upgrade this facility in 1986, to be built in '87. This was just established this past week at a WAWM meeting right here in this building.

"In the same way, I want to address Highway 6 a little bit. There were ten engineers in the City Hall yesterday from DOT. We've been working diligently for 30 years before old Highway 6. I've made five personal appearances before the DOT, it's finally coming to solve this problem. It promised me that it would be built. The contracts (will be) let in '86 to be built in '87. But, we feel, I feel as mayor, that all these facilities are going to be in place or are in place to accommodate this facility. Thank you."

Commissioner Sovern: "What is the completion date of the facility?"

Masterson: "Our plan is to open the first day of racing on August 15, 1986."

Commissioner Sovern: "How are we going to flush the toilets?"

Mr. Masterson: "Oh, no. As I understand it, maybe I shouldn't ask at a public meeting, but, if I were to say, as I understand, the city sewage system is designed for a population serving the 12,000 people, is that right?"

Mr. Hessling: "The ultimate design."

Mr. Masterson: "Okay, the ultimate design. Our peak periods

are when Adventureland is closed. And so, it is built into the city system to handle Adventureland. We'll operating our thoroughbred season when Adventureland is closed. And so, and we'll be operating with less people than Adventureland. And so, we are operating on the assumption, we asked the question, if we come into the city of Altoona, is the city going to have to make a major modification in the ... the sewer and water are coming in. The water we know--it's across the street, that's not an issue. It's the sewer that was raised as an issue. We were told, no it wasn't.

"There were the other plans too, other plans or problems with the system, have nothing to do with a racetrack. I don't know what they all are. But, we were told that the racetrack didn't affect that at all.

"I spoke to Keith Uhl, a member of whatever that state agency is--Water, Air and Waste Management. He told me that it was premature at this time for WAWM to even indicate there may be a problem, because they don't have any facts. And, that was Ellen Stokes, the deputy director of that department, who said the same thing. They apologized for the way that letter came out and how it came out, but, we've been operating on the assumption, based on the discussions with the city, that the existing city system is suitable and adequate to handle the sanitary sewer.

"We estimated, really on a regular basis, a maximum crowd. We had to do that for design purposes. We don't plan to have

12-15,000 people a day at a racetrack. We'd love to. But, those are the kind of figures they're using, that they have to, because they have to go to a design maximum in designing their system. When you look at what we showed, what we anticipate our real figures to be with those ... If you consider that we will be operating at a time when Adventureland is not operating, their peak periods ... one sets off against the other."

Chair: "Is that right?"

Unknown: "Yes, that's..."

Commissioner Sovern: "Mr. Chairman, I just wonder if the opponents, is there a group ...?"

Mr. Carley: "Well, I'd just like to add a couple of comments to that. I've been down to the Water, Air and Waste Management and I did look at those charts. There are charts down there from December of '82...The majority of those days in those months that are charted, Altoona exceeds the current standards in three categories. I don't have a chart in front of me, I can't remember what they are. One was in million gallons, the number of million gallons per day, and one was from the DOT--don't ask me what all those figures mean, but the figures are right upstairs in this building that will show you that they have exceeded it in the majority of the months since 1982.

"He also says that they do not compete with, are not open the same time as Adventureland, but this is not true. There are parts of it they aren't, but they're also open parts that

they are, and they're also talking about going to harness racing in the summer and that's the same time as Adventureland is open.

"I've talked with Mr. Hamlin, he informed me that was in the letter is correct. He couldn't help it if his boss overruled his feeling. I've also talked to other people in there that said they didn't have the authority to stop the racetrack, but they only merely tell them, 'you've got a problem,' and that's what they did. I asked what is the next step and they said, well, if they hook up the sewer and you exceed the standards, it's going to cost you \$1000 per day, probably. That's sure as heck cuts a part of that tax base they talk about coming in.

"Like as I said, I'm not a sanitary engineer and I don't know, but the charts I saw showed that we're already in violation. It's not going to be ready to go before the track opens and that the track will be running the same time as Adventureland."

Chair: "What do you say to that?"

Mr. Hessling: "May I speak from here?"

Chair: "Sure."

Mr. Hessling: "He referred to 1982. I would advise the commission that on May 15, 1984 we put into place a new retention pond and ... station which is a part of a two-phase plan for the improvement of the treatment plant. Since that time we've had no violation. It is also true that ... As soon thereafter (opening of the track), we'll be 100%."

Mr. Carley: "Sir, I'd like to make one comment."

Chair: "Folks, I want to just tell you, our agenda now calls for us to go into background investigations on the other proponents, and we're not going to be here, I'm going to tell you right now, we're not going to be here until 6, 7 o'clock tonight. We're going to get out of here on schedule at 5:00 if not before and that's a fact. Every time we've had a meeting, we have allowed fifteen minutes at the end for people to speak. I am going to tell you right now, we are not going to get outside of this agenda. It's that simple, that's where it is. You folks who want to speak, will be given an opportunity at the end of the day like we've done every time we've met, fifteen minutes set aside for public input. OK? That's the way it is."

"Any of the other Commission members have any further questions or discussion of the opponents or proponents of--or of any other member of the Commission or of these folks here? Steven?"

Commissioner Sovern: "No, sir."

Chair: "Sally?"

Commissioner Prickett: "No."

Chair: "Lavonne?"

Commissioner Mydland: "No."

Chair: "Bud?"

Commissioner Pike: "No."

Chair: "Well, the matter to be taken up then, I assume, is what do you guys want to do? Anybody got something? Steve?"

Commissioner Sovern: "Well, I have a point of view, Mr. Chairman, but it probably would be best directed in a motion, and I'm not inclined to give one."

Chair: "Anybody wish to make a motion?"

Commissioner Mydland: "To get this started, for discussion, I so move that a license be granted to build a racetrack in Altoona."

Chair: "Second?"

Commissioner Prickett: "Does that include the recommendations?"

Commissioner Mydland: "That includes the recommendations."

Commissioner Pike: "We're really asking for a change of location."

Chair: "We're asking for a change of location and we're asking, as I understand it, Lavonne, to include Mick's recommendations? Is that it?"

Commissioner Mydland: "Right."

Chair: "Is there a second to that?"

Commissioner Pike: "Mr. Chairman, I would second that motion."

Chair: "All right. Now, it's time for discussion."

Commissioner Sovern: "I've been making some notes, Mr. Chairman, as we've gone through and I'll try to keep it as brief as I can, recognizing what you said."

"But, this has been a difficult matter, to be sure. And, I am glad I had a two-hour drive to get to this meeting, it helps to think about these things, and, I began weighing my mail rather than counting it the last week or so."

"As we all know, it has been significant, there's a lot of interest. And, the premise under which I made, at least approached this, is that Mr. Grandquist has done an excellent job on this proposal and under very difficult circumstances and they are trying to do for Iowa what I think what Iowa wants-- they want a horse racing track or two. And, they want that industry, and I think what they're doing to provide it is certainly yeoman's duty. I think that what they've done is to meet virtually, or most, every criteria.

"The new site, when I heard about it, it sounded to me to be a terrific spot, with all the things they've mentioned, and community support is something that is important to the Commission. It's a rule that we established, and I think that that's been met in terms of the vote of the Council.

"I am not in a position to conclude whether a community supports it or not, but I think elected representatives are.

"But, there's one problem, and that's the law. And, it's one problem that I can't overcome in order to support this motion. And the law reads, and I think it carries more weight because it is law, it is not our rule, regarding community support. The law says, 'the commission shall conduct a neighborhood impact study to determine the impact of granting a license on the quality of life in the neighborhood adjacent to the proposed racetrack facility.' It's very specific language that I don't think would have been in there, had they not wanted us to weigh this matter. And, I weigh it heavily.



"I weighed it heavily when Cedar Rapids was before us. Cedar Rapids, as you recall in its first proposal, proposed to build a track with three residential lots that were right-- about the same distance from the barn. We insisted that they buy those lots, and I led that insistence. And, I think that other members of this Commission voiced that same concern. And, because we feel it's important what the legislature told us is our responsibility.

"I had the opportunity to chair a zoning commission in Linn county, to chair a regional planning commission, and we talk a lot about compatibility, and it's something that, as a result of the law, and not because I'm sitting here as a zoning commissioner, because I'm not, but the law says what we have to consider, and one of those is compatibility and industry is not compatible with residential use. If it shows up afterwards, it's a different matter, but, as Bill has said, this is not the case, and I wish it were. I just wish it were. And, again, I don't propose to tell a City Council how to zone.

"But, to me, in my experience, it's a matter of putting two incompatible uses right up next to each other. The role of government is something that I also thought about, and again, there's 30,000 signatures in this county is a pretty significant number and it means a lot, but the role of government and our responsibility is also to protect the rights of those few who really are going to be impacted by this. And, that has to be weighed with much more weight than all the rest

of us, including me, who really want to see this work. It's a good project and if it is good, it was said by some of the opponents.

"I regret as you do, as everybody does, that this is under the gun of the industrial revenue bonds situation. I wish we had opportunities and I hope we will have opportunities for considering other sites, but I can't make allow that to make a decision for one commissioner, so, I come down on the side, after the discussion today, and considering these facts and visiting people today and going from house to house to maybe a dozen homes in that area, going to those who have signed saying they supported the track, going to those who have said they opposed it, and going to the one lady who didn't have a sign, who was, I think, listed in error in that study. She's probably going to kill me for saying this in public. But, because she shared her private thoughts with me, I guess, in regard to the matter, and she said that she opposed it. I can't help but, after driving through that neighborhood, realize that for us to impose this, no matter how good for the state of Iowa, no matter how good for the majority of us this ..., so I'll be opposing the motion."

Chair: "Thank you. Sally?"

Commissioner Prickett: "I have some concerns beyond the neighborhood impact, my major concern with this site, this particular site, is potential lack of space. You can squeeze everything in, but, as I have stated before, I am very much

interested in a first class facility. The possible addition of an extra 16 to 20 acres, I feel could certainly make up in a large way this problem. I would hope that if the Commission passes this motion, that that would go through.

"Beyond that, I think, just briefly, Rick Updegraff said that a race track in a residential area are inherently incompatible. Mick Lura said there are no guarantees, and what we have to do is use our best judgment. And, that's what we're about to do--use our best judgment, put all our heads together for the good, as we see it, the state of Iowa."

Chair: "Bud?"

Commissioner Pike: "Are we going to vote?"

Chair: "No, just your comments, then we're going to vote."

Commissioner Pike: "OK. We've had a lot of time to look over the facts...we're well versed on both sides...Let me just take a minute out and admonish you people from Altoona. ... It doesn't make any difference which side you're on, ... you take pride in your community, I take pride in my community. I've received about 500 letters from you, and only about 75% of you spelled Grundy Center...It's G-r-u-n-d-y, not G-r-u-n-d-i-e.

"Mr. Carley, I think it's Mr. Carley, isn't it, said that this is an Altoona issue and not a central Iowa issue, and I guess I'd have to give a lot of credence to that. As I measured the letters that we got, the articles in the paper, the feel of the community, I have a feeling about two-thirds of the people of Altoona, and I don't count those people from the

surrounding, those people from outside the area, they don't have a lot at stake. But, I see two-thirds of the people in Altoona supporting the race track and ... I see the City Council, by a vote of 4-1 in favor, I see the Planning and Zoning Commission by a vote of 5-2 supporting it. And then I look at myself and I say, who am I from the small community that I'm in to tell these people what to do. You really have spoken and I'm going to give that some consideration when I make my vote. I see practically the whole business community supporting the race track and ... I expect that. They're interested in the economic development of their community and they do have a lot at stake. I would accept the neighborhood impact study that Mick conducted, I accept the results. From what I understand, an excellent job was done, so I give that consideration. I guess when it comes back to me, I don't like the residential issue, and I ..., and if all the things that ... could be done, put an isolation area with a growth of trees and ... fence, and if everything is done as it has been promised to us, I guess I can accept that as ... the residential area. So, with those thoughts in mind, when you get back to me, ... I will be voting in favor of it."

Chair: "Lavonne?"

Commissioner Mydland: "Well, I too feel I realize your concern but, it's just like a politician--anybody that grows up, politics is just one issue, there are so many more issues that are involved here, and I know it's a personal thing, I

understand this, very well. But, yet, I think you have to look at this as a package for the state of Iowa."

Chair: "Anything else? The chair then, asks if there's any further discussion by the members of the Commission. Hearing none, the chair calls the question. All those in favor of the motion by Lavonne to grant the move to Altoona including Mr. Lura's recommendations, signify so by saying aye. Let's do a roll call, and Steven we'll start with you."

Commissioner Sovern: "No."

Chair: "Sally?"

Commissioner Prickett: "Aye."

Chair: "Bud?"

Commissioner Pike: "Aye."

Chair: "Lavonne?"

Commissioner Mydland: "Aye."

Chair: "The chair votes aye. Doesn't matter anyway."