

Q & A *with* ALAN RIFKIN

The future of horse racing

By Mark R. Smith
Senior Writer

Working for the Maryland Jockey Club, Alan Rifkin led a group that developed a \$375 million capital plan that would keep the Preakness in Baltimore, get new facilities at Pimlico and Laurel and boost Maryland racing prosperity. Now, it's time to hear what the state legislature thinks.

How would the deal to rebuild Pimlico and renovate Laurel Park be paid?

It's entirely paid for via existing funds that are already dedicated to the racing industry or the city by law. One percent of the take from the casino wagering is dedicated to the horse racing industry annually but, under current law, those funds are used for one-time specific projects.

Our thought was to redeploy those funds to support the debt service on long-term government bonds to rebuild the facilities. That essentially multiplies the value of the annual appropriation and allows for approximately \$350 million in capital construction proceeds. The other \$25 million would come from the existing cash balance of the existing racing funds.

If our plan is approved, Pimlico will be a signature venue and Laurel Park will be the finest racing and training facility in the country. All told, in our view, Maryland will become the epicenter of the industry.

With the plan calling for racing to shift to Laurel Park what, aside from the Preakness, would Pimlico be used for?

It calls for Pimlico to become the state's major event center for the Preakness, which includes all of the events held during Preakness Week and hopefully a Breeder's Cup event. And, since the deal calls for the Stronach Group to donate the entire site to the city, the facilities and grounds will be available for community, recreational and civic purposes. It's a grand public-private partnership.

How important is the Preakness?

It's like having the Super Bowl in the city every year. The Preakness brings recognition from all over the world to the city and state as well as \$50-\$60 million annually in economic impact. And a new first-class Pimlico facility will send a powerful message around the world that Baltimore and the state are open for business.

What made the deal finally come to fruition?

The stumbling block had been how to make two tracks only 30 miles apart work together. What we did differently was to reimagine the tracks as having different purposes and complementing each other. Pimlico is the major events center and Laurel Park is the day to day racing and training center. We worked tirelessly to fit that vision within our budget. That's what made this deal happen.

How did you keep the negotiations under wraps?

We knew that this negotiation would be difficult. We needed to focus our attention, without distractions, on finding a plan to keep the Preakness at Pimlico as well as to preserve year 'round racing in the state in an affordable, efficient manner. Essentially, there were less than a dozen people who knew the details. The prime negotiators met for four months, around the clock at times.

Why demolish the grandstand at Laurel Park?

The track is antiquated and needs to be modernized. Like Pimlico, it's more than 100 years old and it has been weathered by time and the elements. It's simply time for a new facility to be built upon its grounds.

How will training and stable operations work at Laurel Park?

Laurel Park has the benefit of ample acreage that allows for the construction of a consolidated horseman's village. If we build it, no other state will have that kind of state-of-the-art training and racing facility.

In addition, the plan incorporates a dirt, turf and synthetic Tapeta rubberized surface that facilitates training, regardless of weather. Not only will that benefit training and racing, but assists our efforts with equine safety measures.

How might the Bowie Race Course figure into the deal?

It's going to be important to maintain Bowie during the construction transition period. Under the plan, the first thing to do is to take Laurel Park to the ground and build a new venue on that site, so during construction we'll have to move about 1,000 horses, some to Bowie.



Alan Rifkin

Thereafter, we're open to reasonable dialogue about the Bowie site.

How will the quarters for the workers be improved?

We envision a modernized dorm facility that will house 300-400 workers. It's worth noting that the racing industry is the last industry I know of that is even expected to provide housing for the workers but we accept the challenge.

How does the Breeder's Cup fit?

We would like to attract the Breeder's Cup to Pimlico. The negotiators and I informally met with members of the Breeder's Cup board and they were enthusiastic. That race attracts people from all over the world and would be the equivalent of holding a second Preakness.

When can the project begin?

If the plans are approved via policy-makers in Annapolis, we would begin immediately thereafter this spring with the preplanning and engineering. Time is of the essence because on the back end, time is money and everyday matters.



Alan Rifkin (left), managing partner of Rifkin Weiner Livingston and chair of the firm's Sports Franchise and Media Rights practice, has a plan to boost the financial viability of horse racing in Maryland.

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