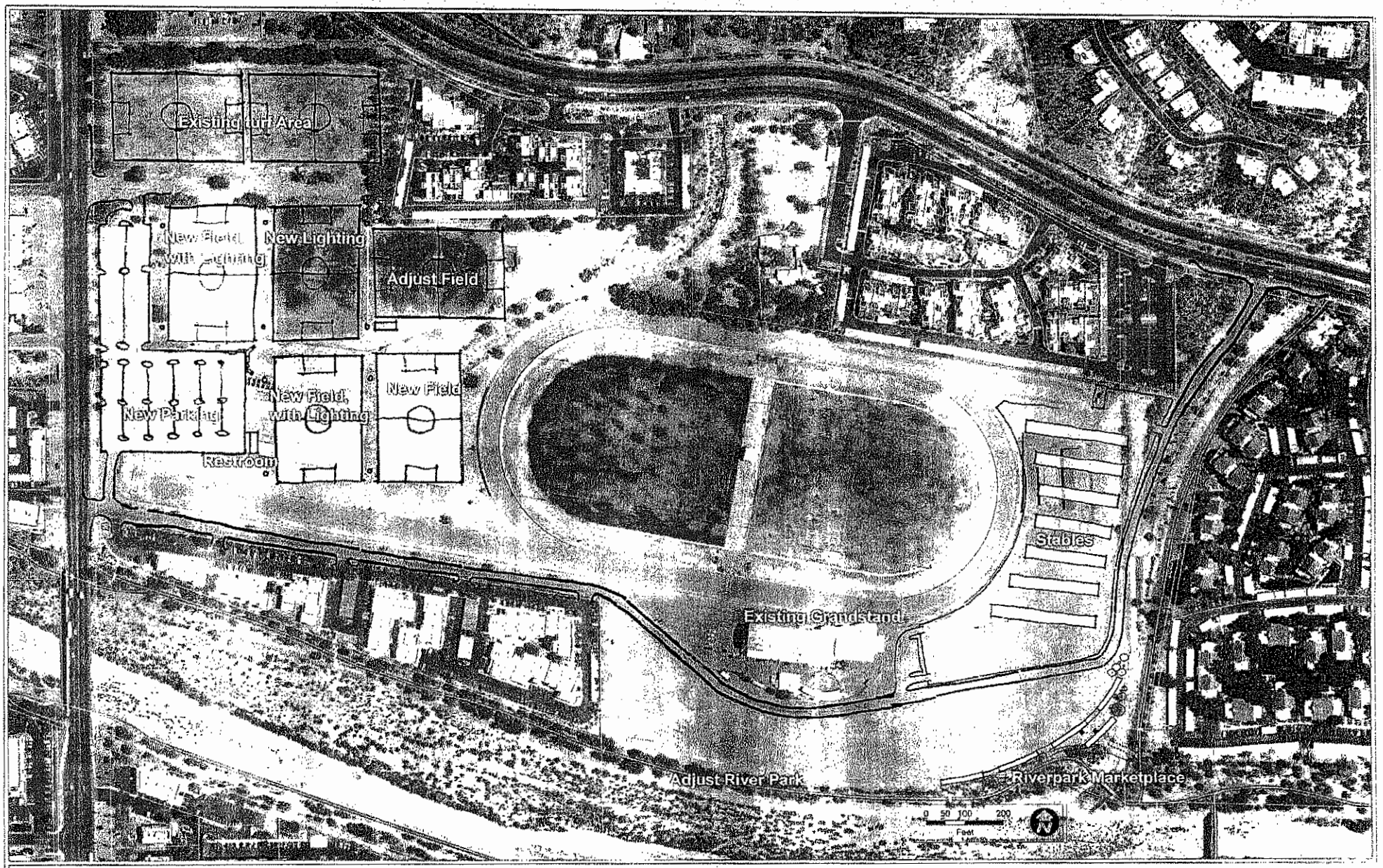


RILLITO REGIONAL PARK

January 2014

PIMA COUNTY

ECONOMIC DEVELOPMENT & TOURISM

March 14, 2014

Jaye H. Wells, Director
Rillito Park Foundation
The J. Rukin Jelks Stud Farm
1090 East River Road
Tucson, Arizona 85718

Dear Mr. Wells,

Thank you for your request to operate Rillito Park Race Track through an Operation's Agreement with Pima County for the non-exclusive operations and management of the Race Track for the purpose of conducting a horse racing meet.

In order for Pima County to evaluate your request, please answer the following questions located below and provide any information requested. The requested information is due by 4pm on Friday, April 19, 2014. We will inform you shortly thereafter if the Rillito Foundation will move forward in contract negotiations with Pima County's Economic Development and Tourism Department.

1) What are the proposed dates for the 2015 racing meet?

2) Please provide a statement as to why you believe that the Rillito Park Foundation is the best qualified entity to operate a horse racing race meet that is required to have an operating license from the Arizona Department of Racing prior to operating in Pima County. Please provide an organizational chart of the management team, their functions and individual qualifications. Include a list of the organizations Board of Directors as well and any pertinent qualifications.

3) Provide a financial business plan for the 2015 season that shows the following:

   a. Projected number of racing days
   b. Estimated attendance
   c. Admission Rates
   d. Projected Revenue (Show all primary sources, gate, food and beverage, etc.)
   e. Estimated Expenses (Show all major areas, labor, cost of goods, etc.)
   f. Proposed Capital Improvements you intend to make prior to racing to the Rillito Race Track facilities directly related to racing
   g. Show sufficient capital resources available to open and operate the race meet.

33 North Stone Ave., Suite 830 • Tucson, AZ 85701 • Office: 520.724.7355 • Fax: 520.724.7358

4) How do you plan on marketing the racing meet for the 2015 season?

I have attached a conceptual sketch of the Rillito Racetrack proposed modifications for your review. The County will make every attempt to coordinate construction to allow racing to commence during the dates as approved in the agreement. However, all parties involved will need to work closely to create a safe environment for all park users during the meet.

Send requested information to:
Tom Moulton
Pima County Economic Development and Tourism
33 North Stone Ave, Ste., 830
Tucson, AZ 85737

Thank you and feel free to contact me if you have any questions.

Sincerely,

Tom Moulton
Director
Economic Development and Tourism

c: Hank Atha, Pima County Deputy County Administrator
Nannette Slusser, Assistant Deputy County Administrator

OPERATION AGREEMENT PROPOSAL
for the
RILLITO RACE TRACK

Submitted to: Pima County Economic Development and Tourism Department

Submitted by: Rillito Park Foundation

April 18th, 2014

RECEIVED APR 18 2014
HAND DELIVERED
4:00 PM

RILLITO PARK FOUNDATION

BOARD OF DIRECTORS

JOE CASTILLO

FRANK. B. DEFAZIO,
Treasurer

KAISSA GURVINE

WALTER ROGERS,
Vice-President

RICK SCHANTZ

MANISH SHAH

RUSSELL TRUE,
Secretary

CHANDLER WARDEN

MICHAEL WEISS

JAYE H. WELLS,
President

April 18th, 2014

Mr. Tom Moulton
Director of Economic Development and Tourism
Pima County
33 N. Stone Ave., Suite 830
Tucson, Arizona 85701

RE: Rillito Park Foundation Proposal

Dear Tom:

The following is an outline of our proposal to operate horse racing at Rillito Downs. The concept proposal consists of marketing and improvements to the fan experience, as well as a detailed proforma income statement.

We believe we have answered your questions as accurately as possible, and are prepared to clarify any response

As you know, our plans address all aspects of Rillito Park, including the proposed farmers' market site, improvements to the soccer fields and facilities, and our ongoing renovations to the J. Rukin Jelks Stud Farm. However, we would like to focus on operations of Rillito Downs at this time. To that order, we created Rillito Racing, Inc., an Arizona non-profit as our racing operations arm. While some RPF Board members have roles on this new Board, additional board seats allow us to expand the board to harness the amazing local horse racing talent in southern Arizona.

Please contact me if you have any questions or need clarification on our proposal. On behalf of the Board, our industry partners and the growing base of fan supporters, I thank you for your consideration.

Best,

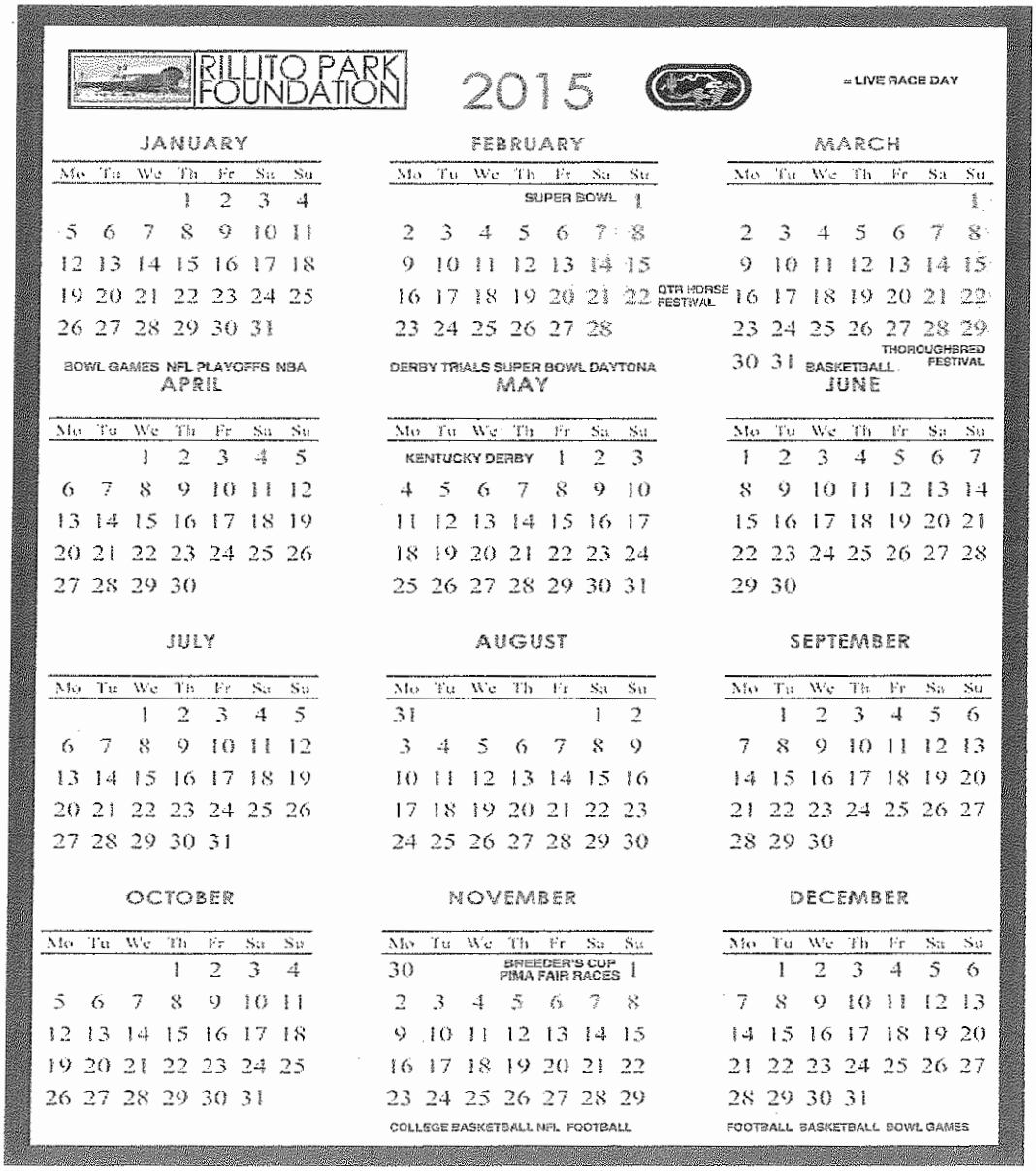
Jaye Wells, President

Table of Contents

1		Proposed Dates for the 2015 Racing Meet	7
2		RPF Statement of Qualifications	8
		Race Operations Structure	9
		RPF Board	11
		Rillito Racing Board	12
		Weiss Memo	13
		Doug Reed RTIP Memo	15
		Mike Weiss Bio	17
		S.A.H.R.A Support Letter	19
3		Business Plan for Racing Operations	21
	a	Projected Number of Racing Days	21
	b	Estimated Attendance	21
	c	Admission	21
	d & e	d. Revenue/e. Expenses	25
		Critical numbers	27
		Summary	28
		Dept 1	29
		Dept 2	30
		Dept 3	31
		Dept 4	32
		Dept 5	33
	f	Proposed Improvements	35
	g	Sufficient Capital	37
		Rillito Park Foundation Financials	39
		Wells Fargo Letter	57
		Chandler Warden Letter	59
4		Marketing Plan	61
		Grandstand Layout	63
		Racing & Running	64
		Events & Concerts	65
		Eats & Drinks	66
		How to Make a HARDTWIST	

1) What are the proposed dates for the 2015 racing meet?

The targeted racing dates for the 2015 racing meet are: June 31st though April 4th, 2015. These dates have been reviewed by the Southern Arizona Horse Racing Association (SAHRA), as well as with members of the Arizona Quarter Horse Racing Association (AQRA), and pose no potential conflicts with other horse racing venues in Arizona. The following 2015 calendar highlights each race date (marked in green):



2) **Please provide a statement as to why you believe that the Rillito Park Foundation is the best qualified entity to operate a horse racing race meet that is required to have an operating license from the Arizona Department of Racing prior to operating in Pima County. Please provide an organizational chart of the management team, their functions and individual qualifications. Include a list of the organizations Board of Directors as well and any pertinent qualifications.**

The Rillito Park Foundation (RFP) is the best qualified entity to operate horse racing at Rillito. We bring a fresh and professional team operating in a concerted effort to revitalize racing. Our broader concept of the Park brings attention to Rillito by building a broader constituency who hold a public interest in the park and its various offerings. In order to focus on all aspects of racing and associated activities, we developed Rillito Racing, Inc., an Arizona non-profit corporation, to assist with Park management racing operations. This approach will enable our team to coordinate racing and marketing operations and foster access to expertise from members on Rillito Park Foundation's board of directors, as well as board members who sit on Rillito Racing's own board. Each participating member will lend their specific expertise and talents to running the racing operation.

Our strategy is to:

- Bring common business operation controls to the existing format to capture previously lost revenue, establish accountability standards, and operate in accordance with state and federal transparency regulations.

- Expand the scope of marketing to include local, regional, and cross-border media, as well as intensive social media efforts.

- Expand and enhance the attendee experience by adding and improving spectator offerings ranging from expanded concessions in food and beverage, to providing educational information for spectators unfamiliar with pari-mutuel wagering, as well as engaging the spectator in race day associated activities designed to incorporate the spectator in the viewing experience (i.e., featured beverages bearing the names of horse race associated people, places and things).

- Highlight the history of Rillito through dissemination of public service announcements and print material distributed to electronic and mass media outlets. Outreach efforts will be coordinated with local history organizations and educational institutions to provide optimum exposure to spectators and the general public about Rillito's vast history.

2) **Please provide a statement as to why you believe that the Rillito Park Foundation is the best qualified entity to operate a horse racing race meet that is required to have an operating license from the Arizona Department of Racing prior to operating in Pima County. Please provide an organizational chart of the management team, their functions and individual qualifications. Include a list of the organizations Board of Directors as well and any pertinent qualifications.**

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- Improve track conditions for the horsemen, jockeys, horses, and racing supporters by maintaining the racing surface to consistently be in optimum shape, to building purses to attract better horses, while promoting a positive image for Rillito within the local community, as well as on the state and national racing circuits.

- Develop and implement phased restoration of the facility in concert with Rillito partners and government operations.

- And most importantly, bring in professional expertise from the racing industry to oversee operations, including alumni from the University of Arizona Race Track Industry Management Program, and national racing subject matter experts (i.e., track conditions, track surfacing, etc.).

Our Preliminary Management Structure:

- Rillito Park Foundation Board of Directors

- Rillito Racing Board of Directors

- General Manager – Michael Weiss

- Pari-mutual Manager – Tim Kelly

- Clubhouse Manager – Frank DeFazio

- Hospitality Manager – Cass Dewey

- Food & Beverage Manager – Russell True

- Track Manager – to be determined by the southern Arizona Horse Racing Board in collaboration with the Board of Rillito Racing.

In addition to our operation staff, the Rillito Park Foundation welcomes cooperative internships and projects with the University of Arizona Race Track Industry Program

RILLITO PARK FOUNDATION

Board of Directors of Rillito Park Foundation, an Arizona non-profit (as of 4.17.14) –

Joe Castillo, Ex-Officio – Mr. Castillo, an officer of the Southern Arizona Horse Racing Association, has been a horse race owner, trainer and breeder for over twenty years. A long time resident of Tucson, Castillo served as a teacher and school administrator at Pueblo High School in Tucson, Arizona.

Frank DeFazio, Director, Treasurer– Mr. DeFazio is a retired businessman, former overseas staff member of the United States Defense Department and racetrack manager in Florida and Arizona. He is a member of Historic Rillito Racetrack, the nonprofit that led the way for listing the Rillito Historic District on the National Register.

Kaissa Gurvine, Director – Ms. Gurvine is President/CEO of Tucson Adult Soccer League. She is a past commissioner of the American Youth Soccer organization, a board member of the Tucson Women's Soccer League, and was lead working with Pima County Parks and Recreation on the installation of new soccer fields at Arthur Pack Regional Park.

Walt Rogers, Director, Vice-President – A recognized landscape architect in Tucson., Mr. Rogers was on the University of Arizona faculty and is a founding board member of the Tucson Parks Foundation. He served on the Tucson Community Development Advisory Committee. He has been involved with planning for Rillito Park since the mid-nineties.

Rick Schantz, Director – Mr. Schantz is a co-founder, Head Coach, and managing member of FC Tucson, Tucson's professional soccer club, and hosts to Major League Soccer spring training. He serves as Director of Programs for the Ft. Lowell Soccer Club and assists with operations for the Tucson Associations of Realtors Shootout.

Manish Shah, Director – Mr. Shah is the owner and operator of the Maya Tea Company. He serves as Co Executive Director of Heirloom Farmers Markets, with Tucson markets at St. Philip's Plaza and Jesse Owens Park, and Steam Pump Ranch in Oro Valley. He sits on the editorial board of Fresh Cup Magazine.

Russell True, Director, Secretary – The True family has owned the White Stallion Guest Ranch in Tucson since 1965. Russell is former two-time president of the Dude Ranchers' Association, former president of the Green Fields Country Day School Board of Trustees, and is a current board member of Visit Tucson - the Metropolitan Tucson Convention and Visitors Bureau.

Chandler Warden, Director – Vice President of the Bert M. Martin Foundation., Mr. Warden is a trustee of the Arizona-Sonora Desert Museum. Voted Outstanding Philanthropist of the Year for 2013 by the Arizona Association of Fundraising Professionals, he was instrumental in funding projects such as the Skin Cancer Institute of the University of Arizona, the Warden Aquarium at the Desert Museum, and the Tucson Rodeo Parade Museum.

Michael Weiss, Ex Officio, Liaison to the Racing Industry – Mr. Weiss is a president of Weiss Ideas, a consulting firm to the horse racing industry. From 1996 to 2010, Michael served as GM for Beulah Park Race Track in Grove City, Ohio. He is a former Board member of Equibase and the Tharoughbred Racing Association. In 2006, the University of Arizona awarded Michael the John Goodman Alumni Award for outstanding contribution to the racing industry.

Jaye Wells, Director, President – Mr. Wells is a designer and developer whose portfolio includes historic preservation projects and museum work, as well as apparel design and manufacturing. He is a former Trustee and Treasurer of Green Fields County Day School. He is also President of the Board of Heirloom Farmers' Market, Inc. a local nonprofit.

Board of Directors of Rillito Racing, an Arizona non-profit and key personnel (as of 4.17.14)

Joe Castillo – See above RPF Board Profile

Frank DeFazio – See above RPF Board Profile

Cass Dewey – Ms. Dewey has served as Hospitality Manager at Rillito for the past six years. She has also for the past 16 years served as VIP coordinator at Del Mar for horse shows.

JoAnn DiFilippo – Dr. di Filippo, PhD, is Director of the Institute for Community and Social Development, and Director of the Southern Arizona Horse Racing Association, and has been a consultant to educational institutions, government operations, and tribal nations for over 18 years. di Filippo is responsible for acquiring over $42 mil in federally sponsored grant programs for clients in Southern Arizona.

Tim Kelly – Mr. Kelly has served in various capacities at Rillita for more than 40 years ranfing from Pari-mutual manager to serving as PCHA president from 2004-2006. He is a well respected CPA in Tucson with a resume ranging from real estate broker to VP of the Arizona counties Racing Associaition.

Walter Rogers - See above RPF Board Profile

Russell True - See above RPF Board Profile

Michael Weiss - See above RPF Board Profile

Jaye Wells - See above RPF Board Profile

The Board of Directors of Rillito Racing has plans to expand should RR be awarded the operational agreement from Pima County

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Michael Weiss - See above RPF Board Profile

Jaye Wells - See above RPF Board Profile

The Board of Directors of Rillito Racing has plans to expand should RR be awarded the operational agreement from Pima County

MICHAEL A. WEISS

MEMO

DATE: March 22nd, 2014
TO: Jaye Wells
FROM: Michael Weiss

Jaye,

First I want to thank you for a very wonderful and interesting weekend. I truly enjoyed spending time with you and the board of directors of your foundation. I sent Russell a separate note thanking him as the accommodations at the ranch was truly a memory.

I have to say I am very impressed by your board. It is a great feeling to find such a nice and passionate group of individuals who truly have a vision for Rillito Park.

Rillito Park, with the support of these individuals, can truly become a special place for Pima County. I (personally) loved both days at the races - the crowd was amazing! Normally one would think that kind of enthusiasm is reserved for the Keenelands or Saratogas! I have traveled the world and visited tracks, I can honestly say that not too many matched the energy and excitement that was in that old grandstand those days!

So, in short, i am excited to move forward on this project. I believe the track has potential to be become a centerpiece for the area. I can feel "your vision " with racing, soccer, farmers market, and just making Rillito a beautiful destination. Also, the potential for expanding the OTB revenue is truly there.

I have spoken with Douglas Reed at the University of Arizona. He is extremely interested in working with us. Together we can build something special, and use the track as working project for the students in the Racetrack Management Program at the U of A.

Lets follow up soon,
Have a great week !

Mike Weiss

Gmail
by Google

Fwd: Rillito

Michael A. Weiss [redacted]
To: Jaye Wells [redacted], Frank DE FAZIO [redacted]

From: "Doug Reed" <dreed@ag.arizona.edu>
Subject: Rillito
Date:
"'Michael A. Weiss'" < >

Mike:
Thanks for taking the time with me last week and sharing your thoughts

Your idea of working with the University of Arizona Race Track Industry Program (RTIP) is very interesting and I am sure we can make a number of

I agree it would be a great idea to have the RTIP and students involved.

There could be a number of ways to make the racing operation there a "working lab" for the students and curriculum here. Classes like the

take the theory of the class and apply it to the real world application by

If things progress please keep me informed and when you think it is appropriate we could discuss the ideas further.

Thanks again for the visit and sharing your thougths,

Doug

F. Douglas Reed
Director
University of Arizona Race Track Industry Program
E-mail: dreed@ag.arizona.edu
Web site: www.ua-rtip.org
Phone:
Fax:
Skype: douglas.reed27
"The opinions or statements expressed herein are my own and should not be

MICHAEL A. WEISS

Michael A. Weiss is President and CEO of Weiss Ideas LLC, which was established to provide professional services for business ventures including, but not limited to, racing, entertainment, business consulting, promotions, and management.

Michael has diligently served the racing industry over the past couple decades. After working in many capacities at various racing venues, he saw his visions fulfilled by taking a small thoroughbred track and making it one of the most recognized in the country. In 1987, Michael was appointed as the **Director of Racing** at Beulah Park Race Track in Grove City, Ohio. From September 1996 to September 2010, Michael served as **Executive Vice President and General Manager**, overseeing the entire operation. **He became nationally recognized as one of the industry's most innovative marketing and promotions coordinators.** His marketing innovations include creating the Beulah Twins, the Fortune Six bet (now the Gulfstream Rainbow 6), and optimizing relationships within the industry to increase export by over 200%.

Michael also succeeded in making Beulah Park a destination and **entertainment facility, bringing in hundreds of thousands of people** during its "dark days" on the annual calendar. He secured and managed the contract negotiations and sponsorships for all events, such as the AMA Professional Motorcycle Races, the world's largest mud volleyball tournament, as well as procuring Grove City's Blast at Beulah (July 4th), Balloons and Tunes (Hot-Air Balloon Festival), concerts, and many more. His demonstrated skill in handling the advertising, publicity and community relationships..

Upon its creation in 2001, Michael became the **Executive Vice President and General Manager** of **AmericaTab**. He **oversaw complete operations** of this ADW (Advance Deposit Wagering) company. He handled all contract negotiations with other tracks, betting facilities and Inter and Intra-state regulatory bodies. His knowledge and association with racing industry officials all over the world provided him with the ability to become the driving force in making AmericaTab one of the largest telephone and internet account wagering businesses in the world, growing from **$3.5 million in 2001** to **over a Quarter Billion Dollars in 2007**. In June of 2007, AmericaTab was purchased by Churchill Downs and is now under the Twinspires.com brand.

While working at Beulah Park, Michael was also the **Director of Racing** at the new Birmingham Race Course from 1991 until 1993. He was involved in the re-opening and re-development of the thoroughbred and quarter horse program. Prior racing official experience includes positions at Thistledown Racetrack, Hialeah Park, Gulfstream Park, and Monmouth Park in capacities such as Assistant Starter, Horse Identifier, Clocker, Placing Judge, Paddock Judge and Stable Superintendent.

Recent ventures include working with the North Dakota Racing Commission as manager of the North Dakota Horse Park. In 2012 Live racing returned after a long absence and Mike is instrumental in the reopening of a very successful live race meet.

Since 2011 - two years of working with Avatar Ventures (darkhorsebet.com) they have seen account wagering growth from approx. 20 to 80 million dollars in handle a year.

Racetrack Television Network uses Mike on new business development projects.

Additional Accomplishments:

- In 1991, Michael was the first Director of Racing in the nation to use Equibase Past Performances and was one of the first to use the 7&7 program, where two tracks work together to form one race program.

- Michael worked to acquire and develop the NHC Qualify on-line version of the daily racing form - NTRA handicapping challenge for Beulah Park to host.

- Representing the mid-west racetracks, he was appointed to the **Equibase Board of Directors** in 2001 and continued in that capacity for **10 years** and upon leaving was given an **award of merit**. During his tenure, he represented Beulah Park on the **Board of the TRA** (thoroughbred racing association).

- **In December 2006, the University of Arizona awarded Michael the John Goodman Alumni Award for outstanding contribution to the racing industry.**

- 2007- 2010 Michael was **President of the Southern Co-Op,** heading a group of 20 racetracks that work together in a buying cooperative.

- Michael **served as a regular speaker**, not only **at the Joe Hirsch Speaker Series**, but also at many racing industry meetings, including the **TRA Simulcast Conference, and the University of Arizona - Symposium on Racing.**

His key strengths include strong industry knowledge, a strong industry reputation and he is known for fair dealings -- both with horsemen and regulators.

Current projects include consulting with Avatar Ventures LLC, an advanced deposit wagering company, and working on new business development for Roberts Communications Network.

References Provided Upon Request

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References Provided Upon Request

April 10, 2014

Jaye H. Wells, Director
Rillito Park Foundation
The J. Rukin Jelks Stud Farm
1090 East River Road
Tucson, AZ 85718

Dear Mr. Wells:

The Southern Arizona Horse Racing Association (SAHRA) is pleased to provide this letter of support to the Rillito Park Foundation (RPF) to secure an Operational Agreement from Pima County to operate the Rillito Regional Park (RRP). Horse racing is a vital community engagement program currently operated at Rillito Race Track, and located within the grounds of the Rillito Regional Park. As horse racing professionals and industry supporters, we have a vested interest to ensure horse racing operations are conducted in a professional, safe and collaborative environment.

As part of our commitment to support RPF's efforts in operating the Rillito Regional Park, we pledge our willingness to assist the foundation's efforts not only in horse racing programs, but also in future community engagement programs and activities that will be offered. It is our desire to protect the sport of horse racing and ensure its continued existence for many years to come, and for people of all cultures and ages to experience this exciting sport activity!

SAHRA members maintain a vested interest in horse racing at the Rillito Regional Park. Specifically, we want to ensure the safety of our jockeys and horses, horse owners and their families, the track staff and officials, and the people who come to watch us compete—they are the heart and soul of our sport and businesses which have operated for over fifty years to bring horse racing to Southern Arizona. We are vital contributors to the community sharing a well documented history and legacy to the region—making Tucson, Pima County, Southern Arizona, and the state of Arizona known throughout the world!

Working together, we look forward to collaborating on developing quality community programs and support the foundation's efforts to transform the Rillito Regional Park as a venue that can be enjoyed by everyone!

Sincerely,

Southern Arizona Horse Racing Association Members

4255 S. Canusa Place Tucson, AZ 85735 (520) 982-4065

SAHRA Members:

NAME	CONTACT INFORMATION
PINTOO BROS. RACING	[redacted]
[illegible]	
[illegible]	
[illegible]	
Carolo Andreou Alfonso	
JOE R CASTILLO	
~~FRANK [illegible]~~	[redacted]
Sandra Johnson	
[illegible]	[redacted]
MANUEL [illegible]	
[illegible]	[redacted]
Joe Bodille Jr	
Eddie Teller	
Richard Williams	
[illegible]	
[illegible]	[redacted]
[illegible]	
[illegible]	
Ulyanda Osuna	
[illegible]	
[illegible]	[redacted]
[illegible]	
[illegible]	
[illegible]	
[illegible]	
Rosio C Corrasco	
[illegible]	
[illegible]	[redacted]
[illegible]	
[illegible]	
[illegible]	
[illegible]	
[illegible]	
[illegible]	
[illegible]	
[illegible]	
[illegible]	
Jesus F Ortega	
Morena Elizalde	
Kristen E Colmen	
DAVID MORA	
Joe Ortega	
[illegible]	

SAHRA Members:

NAME	CONTACT INFORMATION
Kinzoo Bros. Racing	[redacted]
[illegible]	
[illegible]	
[illegible]	
[illegible]	
Joe R Castillo	
~~[illegible]~~	[redacted]
[illegible]	
[illegible]	[redacted]
Manuel [illegible]	
[illegible]	[redacted]
Joe Batilla Jr	
Eddie Feller	
Richard Williams	
[illegible]	
[illegible]	[redacted]
[illegible]	
Frank [illegible]	
Alejandro Osuna	
[illegible]	
[illegible]	
[illegible]	[redacted]
[illegible]	
[illegible]	
[illegible]	
[illegible]	
Julio C Corvesi	
Charles [illegible]	
Carlos [illegible]	[redacted]
[illegible]	
Guillermo [illegible]	
[illegible]	
[illegible]	
[illegible] Luna	
R. Alarcon	
[illegible]	
Jesus F Ochoa	
Moreno Elizalde	
Cristen E Calmen	

David Mora

Joe Ortega

[illegible]

3) Provide a financial business plan for the 2015 season that shows the following:

a. Projected number of racing days –

We will propose to the Arizona Department of Racing twenty (20) live race days for the **Rillito Spring Meet**, and 4 live race days for the **Fall Pima County Fair Racing Meet**.

See Racing Calendar included in this proposal.

b. Estimated attendance -

Our proforma is based on 5,000 paid attendees per live race day. The crowds at Rillito are amazing, but statistics show that only approximately 45% of attendees pay admission. We believe that the crowds can be increased and maintained by:

- Reduction in general admission to $2.00 – collected from 85% of attendees
- Increased pre-season and ongoing marketing efforts
- Reaching out to the community through charities and demographic specific days.
- Added attractions such as concerts and festivals
- Accessing the infield between races on race days

c. Admission Rates:

GENERAL ADMISSION –

Free General Admission – Free General Admission will be offered to children under the age of twelve, Military Personnel, and Arizona Department of Racing License holders.

$2.00 Daily General Admission – A two-dollar admission is more in line with tracks nationwide. General Admission gains access to the first floor of the Grandstand, the spectator area surrounding the Grandstand, and access to the infield.

$30.00 General Admission Season Pass – A season pass offers a 25% discount for the 20-race day season.

GRANDSTAND ADMISSION –

$5.00 Grandstand Seating – In addition to covering the access gained by General Admission, a Grandstand Seating ticket gains access to Grandstand Open Seating.

$75.00 Grandstand Seating Season Pass – A season pass offers a 25% discount for the 20-race day season.

$80.00 Reserved Grandstand Seating* – includes one Grandstand Seating Pass.

$475.00 Reserved Grandstand Window Boxes* – includes four Grandstand Seating Passes. No waiter service provided.

$20.00 Daily Grandstand Window Boxes - Tables leased for a single race day do not include Grandstand Admission.

CLUBHOUSE ADMISSION -

$10.00 Daily Clubhouse Admission Pass – Clubhouse Admission gains access to the Clubhouse, Finish-Line Grandstand area, and any non-reserved table seating.

$150.00 Clubhouse Admission Season Pass – A season pass offers a 25% discount for the 20-race day season.

$500.00 Reserved Clubhouse Patio Table* - Includes four Daily Clubhouse Admission Passes, one Preferred Parking Pass. Waiter service provided.

$650.00 Reserved Clubhouse Table* $700 if video monitor is provided. - Includes four Daily Clubhouse Admission Passes, one Preferred Parking Pass. Waiter service provided.

$800.00 Reserved Clubhouse Window/Premium Table* $850 if video monitor is provided. - Includes four Daily Clubhouse Admission Passes, one Preferred Parking Pass. Waiter service provided.

$850.00 New Reserved Finish-Line Boxes* $900 if video monitor is provided. - Includes six Daily Clubhouse Admission Passes, two Preferred Parking Passes. Waiter service provided.

$25.00 Daily Clubhouse or Patio Table – Tables leased for a single race day do not include Clubhouse Admission or Parking Pass

$40.00 Daily Clubhouse Window/Premium Table – Tables leased for a single race day do not include Clubhouse Admission or Parking Pass

$40.00 Daily Finish-Line Boxes - Boxes leased for a single race day do not include Clubhouse Admission or Parking Pass.

*** Reserved Box, Table, and Seating Re-Sale Policy** – The Track policy will be that Reserved Box, Table, or Seat Holders will have the option of notifying Hospitality no later than the day before a given race day that they will not be utilizing their reserved box, table or seat for that race day. Upon notification, Track Hospitality will add their box, table, or seat into the daily rental inventory and offered at the daily rates posted above. 50% of the daily rental will be returned to the holder of the reserved box, seat or table and 50% retained by the Track.

This multi-tiered admissions and seating options are new features not previously offered at Rillito, and based on sampling statistics these programs are expected to generate substantial interest, advanced revenue, and increased attendance.

d. Projected Revenue (Show all primary sources, gate, food and beverage, etc.)

Proposed Revenue Enhancements include:

- Expanded number of Racing Days
- Tighter Gate Admission controls.
- Greater outreach education of the attendees as to the hows and whys of pari-mutuel wagering.
- Expanded offerings in concessions for food and beverage, as well as increased points of sale, and tighter inventory controls.
- Reintroduction of Simulcast wagering during the meet.
- Added entertainment opportunities including non-racing related events and festivals during the meet.

Please see Proforma Income Statement included with this proposal for a more detailed response.

e. Estimated Expenses (Show all major areas, labor, cost of goods, etc.)

Please see Proforma Income Statement included with this proposal for a more detailed response.

Rillito Park Foundation, Inc.
Rillito Race Track - Pro Forma Income Statement

October 2013

RILLITO RACE TRACK Critical Numbers						
	Year 1	Year 2	Year 3	Year 4	Year 5	avg/gst
Number of Racing Days	24	28	40	40	40	1
Average Race Day Attendance @ 5000 Patrons Per Day	120,000	140,000	200,000	200,000	200,000	5,000
Race Day Handle @ $100,000 Per Day	$ 2,400,000	$ 2,800,000	$ 4,000,000	$ 4,000,000	$ 4,000,000	$ 20.00
Average Race Day Purse	$ 43,108	$ 44,596	$ 44,160	$ 44,160	$ 44,160	
Annual Base Rent to Pima County	$ 42,000	$ 49,000	$ 70,000	$ 70,000	$ 70,000	

Combined Department Revenue & Expense	Year 1	Year 2	Year 3	Year 4	Year 5	avg/gst
	24	28	40	40	40	1
Total All Department Revenue	$ 3,106,600	$ 3,768,750	$ 5,320,700	$ 5,320,700	$ 5,320,700	$ 26.60
Total All Department Expense	$ 2,520,036	$ 3,002,997	$ 4,254,030	$ 4,254,030	$ 4,254,030	$ 21.27
Net Profit (Loss) All Rillito Race Track Departments	$ 586,564	$ 765,753	$ 1,066,670	$ 1,066,670	$ 1,066,670	$ 5.33

Note: Before Facility Improvements or Debt Service