

MINUTES OF THE BOARD OF SELECTMEN

October 21, 2019

Special Meeting held at Pine Grove School, 191 Main Street, Rowley, MA
7:00 p.m.

MEMBERS PRESENT: Chairman Cliff Pierce; Vice Chairman Joseph Perry; Clerk Robert Snow; David Petersen, Deana M.P. Ziev (Town Administrator Deborah Eagan, Assistant Town Administrator Amy Lydon)

CALL MEETING TO ORDER

Chairman Pierce called the meeting to order at 7:02 p.m. He said the meeting is being video recorded and televised live by Rowley Community Media.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

7:00 p.m. Appointment: Attorney Robert Scarano, William Lagorio, and John Grossi of the Massachusetts Thoroughbred Horsemen's Association to discuss a proposal for a horse race track off of Silva Lane

Chairman Pierce said the purpose of this appointment is to hear the proposal from the Massachusetts Thoroughbred Horsemen's Association for a racetrack facility in the Town of Rowley. He said this is purely an informational meeting for the developer to provide an explanation of the project and to answer questions. He said this is the first opportunity for the Board of Selectmen to hear the proposal, and there will be no decision tonight. He outlined the process as follows:

- Under Massachusetts Law the Board of Selectmen needs to approve the layout and operation of a racetrack. Conditions can be imposed. We have not yet received a request to approve this, and there is no deadline to approve this.
- This is not allowed under the zoning and will require a zoning change. He said this will require a public hearing by the Planning Board and then 2/3^{rds} approval at Town Meeting is required.
- After the approval of the zoning change, they need to submit an application for Site Plan review and a Special Permit. More public hearings will take place during this process.
- This will take at least one year under the Town's bylaw, not counting the State's process.

Pierce said everyone will have the opportunity to ask questions. He said he will call the names listed on the sign-in sheet. He asked for comments to be brief and not overly repetitive or redundant.

Attorney Robert Scarano thanked the Board of Selectmen, Chief Dumas, Chief Broderick, Matt Liacos from Triton who helped with the IT and Pine Grove School Janitor Frank Janvrin. He said the theme of the presentation is "Bring the Horsemen Home". He said the horse racing industry has suffered over the years in Massachusetts. He said the industry started in the 1600s, and racing was done on ¼ mile lengths in this area. He said there are here since there is a long history of horse racing in this area. He introduced the equine team as follows:

- John Grossi is an Amesbury resident who has businesses in Newburyport and employs 500 people. He said Grossi has owned fitness centers, and is bringing his experience to the table in Rowley. He said Grossi is an accomplished thoroughbred horse owner.
- Bill Lagorio is a long-time trainer in Massachusetts who has been in the industry since 1981. He said Lagorio is the president of the Massachusetts Thoroughbred Horsemen's Association.

Scarano said he would like to start by clarifying the following:

- There is no casino associated with this proposal and there cannot be one. Casinos are controlled by the Massachusetts Gaming Commission, the licenses have been given out, and there is a remaining license available for Southern New England. If a license was available, they would need to go through a complicated process to obtain it. He said they have no intent to have slots or casinos. The Association depends on agriculture, specifically breeding. In the U.S. the equine industry is a \$1.9 billion industry.
- Racing in Rowley will be limited to thoroughbred horses, there will be no harness or cross over racing. The track would have a 1 mile oval dirt track, and a 7/8th grass track.
- Racing would take place from the first Saturday in May through the end of October. There would be 60 days of racing on three to four days per week. The racing would start at 1:00 p.m. and end at 5:00 p.m. There would be no Sunday racing.
- Massachusetts legislature passed in 2011 expanded the Gaming Act and was designed to promote agriculture. Money is taken from betters and earmarked as agricultural money to be used to preserve farms and open space.
- This proposal is for 250 to 280 acres of land that is surrounded by the Rowley Golf Course and the former Girl Scouts land. This would put together 600 to 700 acres of land to preserve. This takes the land away from the housing industry and its impacts to the Town of Rowley.
- The economic impact is key. Pennies are taken from bets made either at the facility, through simulcast bets, or online bets which will benefit Rowley. He said the last track in Massachusetts generated \$250,000 per quarter that went straight to the host community.

- A three bedroom house will have students living in it. It costs \$15,000 to educate a student in Massachusetts, so a house with three children would be a \$45,000 outlay.
- Rowley is a small community and this project can have a positive financial impact on the Town and be an everlasting preservation of open space and a way of life for farmers. Rowley has always been an agricultural community.
- Equine use, racing , breeding and visage has a \$500 million dollar impact on the state of Massachusetts.
- There would be 60 days of racing from May 4th through the end of September from 1:00 p.m. to 5:00 p.m. with nine races per day, with races 25 to 30 minutes apart. There will also be simulcasting and advance deposit wagering money that goes to the host community under the statute that could be \$1 million to \$1.5 million per year. This is 5% to 9% of Rowley's annual Town budget.
- This will be a long process and this is just informational meeting to show the site's suitability.

Scarano went through the presentation slides 1-4. He said another presenter tonight is Dr. Richard Sheehan who is a veterinarian and Rowley resident. He said the firm Populous is the designer of the facility and is the number one architect firm in the world for equine venues. He said populous has also worked on venues for the Olympics. He said they looked at many sites for this project, including former racetracks, which are no longer suitable because they are too small and don't have the correct surfaces. He said Rowley is a suitable location because there are adequate roadways. He said Haverhill Street is right off of Interstate 95. He said the traffic will not be overwhelming since people no longer flood the racetracks and instead stay at home and bet, or watch the race on their phones. He said they support people coming to the facility in a reasonable way. He said the location is two miles east of Interstate 95, and one mile from Route 1. He said the site is on 280 acres, and there is very little impact outside of the site. He said the cars will be contained within the site with 1200 feet of queuing area for cars coming into the site, which will keep the cars off of Route 133. He said on race days they expect 400 to 500 cars, all handled on-site. He said if 200 houses are built instead of the racetrack, there will be a greater traffic impact.

Scarano made the following comments about slide #5: Site Selection // Context:

- They will have to do a traffic study on the 11 circles areas shown on the slide. They will more than likely improve the traffic impacts at these locations, which will need to go through the Town and the Massachusetts DOT. A very comprehensive traffic mitigation study will be done.
- There will be no shortcuts on this proposal, and all Town boards will be submitted to, and there will be public hearings. This is just an introduction and they will have community meetings to answer questions.
- The website rowleygroup2020 will be up next week for people to express their thoughts and feelings.
- The project will have no impact on any neighborhood.

- After the Board of Selectmen issues the site suitability letter, then they will apply for their permits.

Scarano made the following comments about slide #6: Site Plan // Proposed:

- This will be a state of the art facility with the latest building, surface and maintenance technologies. This will have the safest course and amenities. He reviewed each section of the proposed site plan.
- The site can hold up to 1,000 cars, and they expect fifty cars per hour on simulcast days, where patrons will sit in the clubhouse and wager while watching races on television.
- Lottery payments are included in all municipal budgets, but the money from this venue would be just for Rowley.
- This venue would bring 200 jobs in areas such as parking attendants, facilities maintenance and ticket takers. Rowley residents will be given preference for these jobs.
- The tote board shows the races and the odds.
- They will invite other equine groups in the area to use the facility.
- The clubhouse will be 100,000 square feet, two stories high, and will have a restaurant. The clubhouse can be used by the Town for conventions or weddings, but they aren't trying to compete with Rowley businesses.
- There will be an emergency exit onto Daniels Road that will not be used unless there is an emergency. The primary entrance will be off of Haverhill Street.
- There is a heavy route of traffic on Route 133, 800 trips per day, to EBSCO. There are 15,000 cars per day traveling on Route 133, but cars for their venue won't overlap with the commute time for EBSCO.
- On four or five days per year, there will be a large number of attendees at the facility, such as on Kentucky Derby Day. They anticipate the maximum number of vehicles allowed on these days.
- There will be 600 to 700 horses on site when there is a race meet. 120 people will live on-site in dormitories to care for the horses.
- All participants undergo a background check through the Massachusetts Gaming Commission, and participants need a license to get in or out of the facility. Security is also placed at checkpoints. The State Police oversee the backside. The industry is not the same as it was 30 years ago. There are valuable animals there and many employees are professionals who have gone through college, such as veterinarians.

Scarano made the following comments about slide #7: Site Plan // Neighborhood Proximity

- The closest residence is 600 feet from the edge of one of the parking lots, which is 2 football fields distance.
- A sound attenuation study will be done.

Scarano made the following comments about the remaining slides:

- The traffic study will look at the 11 study areas, and will look at an alternate situation with houses being developed on the site instead of the racetrack.
- The area is currently zoned for homes on either one or one and a half acre lots.
- There will be an economic impact on the surrounding farmers who can house the horses for four to five months at \$600 per month.
- Route 133 will have dedicated turning lanes
- All materials are available on-site to construct the facility, and they will get earth removal permits as required.
- They can have temporary tables and stands in the center of the track.
- They think the site is suitable and has a low impact on the environment and on water usage.

Scarano showed a short video.

Dr. Richard Sheehan said he is a Rowley resident who worked at the racetracks in Rockingham and Suffolk Downs. He said he has been a resident since 2008, he values the land and the community and the thought put into making decisions. He said this is a great use of the land rather than 200 houses. He said a lot of care and dedications goes into the care for the horses. He said on race days, the horses are evaluated no less than three times; the thoroughbred industry has the strictest medication rules of any other equine discipline on the planet, and they work with an organization to rehome the horses once they are done racing.

William Lagorio said the thoroughbred industry is a mess and needs to come back. He said it is alive and well, and things have changed. He said 500 people go to the Laurel Park track in Maryland daily, the Belmont Park track in New York is being downsized, the industry has changed and many bets are done electronically. He said in 2001, DeLeo and Senator Tarr worked for the Racehorse Development Fund, which began in 2011. He said they have this money, but no racetrack. He said farms are empty and the breeding program is a shell of what it used to be. He said Massachusetts money is being used to fund races in New York, and we will lose this money if racing doesn't start in Massachusetts. He said farms are empty and we are running out of time. He asked people to keep an open mind and listen. He said the Suffolk Downs grounds are being turned into houses. He said Suffolk Downs was bought by a casino owner, the license was lost to Wyn, so the owner closed the track. He said the Rockingham track closed since the legislation didn't see the need to expand and is being developed. He said they can build a beautiful track and use the purse money to operate it.

Chairman Pierce called the residents up who signed up to speak, and their comments/questions were as follows:

Comments from Sandra Soraci from 155 Daniels Road: Way of life has been mentioned here tonight, but this is not about horses, it is about people. What hasn't been discussed is the traffic, carbon emissions and noise will have an impact on the health and wellness of the people. What are you going to do about the ground pollution

that will get into the drinking water. Money and jobs are tradition for this industry, but we don't need Mr. Grossi and his investors or this in our backyard for Grossi's financial gain at the expense of our health. She lives 800 feet from the facility and this will impact her life and her family. Scarano said there is no amount of development that will address these concerns. He said traffic is currently static here and they can't control it, they can only direct it. He said sound attenuation is one thing they will work on throughout the process and they are committed to addressing this concern so that her quality of life is not impacted. He said equine use has as little environmental impact as possible on the environment compared to other developed uses of the project, but they encourage people to bring forward concerns like this. Lagorio said for one minute during the nine daily races, there will be announcements projected out into the 250 acres towards the Girl Scout land, and no noise will come from the barns.

Comments from Lyle Graham from 650 Wethersfield Street: He has owned horses for a long time, and at best horse racing is a high risk business. The incentives offered to the Town and for the farmers is guesswork. What is the plan if this doesn't work out? Will a bond be posted? What would happen to the track? Houses can be resold or repurposed. If it doesn't work out taxes will increase rather than decrease. Lagorio said in 2002 horseracing was a 15 billion dollar industry and in 2018 it was 11 billion, handles are up 3% nationwide. He said nobody is selling a racetrack and it has a little risk. He said the Racehorse Development Fund is paying their biggest expense, and without this fund it doesn't work. He said the industry is alive and well, they have lost a lot to casinos, slots and the lottery, but the legislation is using casino revenue to support horse race tracks. He said the handle has been steady or slightly increasing over the past several years.

Resident from 57 Newbury Road said their questions / comments have been covered.

Comments from Craig Copland from 265 Dodge Road: We have been told there will be \$250,000 per quarter coming to the Town and he would like to know where those numbers are coming from. We have been told if there isn't a track there will be 200 houses, and should we be looking at it this way? Will the questions from residents sent to the Board of Selectmen be put on the record? Pierce said the host community of a racetrack gets a cut on every dollar of gambling revenue that the facility gets. Lagorio said the amount is under the law and is not negotiated with the host community. He said it is a percentage of the live handle, simulcast and advance deposit wagering (ADV). He said ADV is one of the largest form of gambling today and it can be done from your phone. He said money would go back to the facility and the Town for bets made by anyone in the Commonwealth on any race anywhere. He said now Suffolk Downs receives \$800,000 running few races, so the estimates provided for this proposal are modest. He said the percentage is one third of 1% put aside for the host town on hundreds of millions of dollars. He said the simulcast and ADV on thoroughbred racing is \$250,000,000 right now. He said the legislation may change, or these numbers may get bigger, but the numbers are good right now. He said the numbers are based on the handle which fluctuates, but they would be happy to provide

the numbers. Petersen said this isn't a threat between either houses or a racetrack. He said there are 49 houses going in right now off Wethersfield Street which will have two dead end roads into the backside of the land owner by the developer who owns the Wagon wheel factory, who has built many houses. He said there has been a proposal for a 40B development behind the for the Wagon Wheel property. He said Mr. Riquier has signs on Route 133 that there are 137 acres of land for sale. He said we can't tell people what is going in, but this land will be developed. He said whether houses, a track or some other commercial development will be going into this area because people cannot afford to hold onto land anymore. Chris Thornton from the audience said the land has been owned for years and there is no urgency to develop the land. He said they would never develop hundreds of houses at once, there would be maybe 20 houses per year, and they would never approve hundreds of houses. Petersen said it may take 20 to 30 years, but the choice now is the track or houses/ other commercial developments. Scarano said they aren't using houses as a cudgel for this track, but they are required under the Massachusetts Environmental Policy Act (MEPA) to do an alternative analysis for the State, which is required anytime there is a proposal for a major development. Pierce said there are 280 acres with good access of Route 133 that will be developed eventually. He said the choice is not between a racetrack and nothing, there will be something put there. Chris Thornton said Pierce is aware that an OSRD development would create the same amount of open space as proposed for this project. Pierce said that is hopefully true, but there will still be a large number of houses developed and if that is what he (Thornton) wants that is fine, but you have to consider the alternative. A woman in the audience said that she works in the reproductive field, births are going down, and each new house wouldn't necessarily have children. Scarano said an OSRD rewards in housing density what it given in open space. He said they are not coming forward with an application anytime soon, but are showing what is available.

Comments from Rick Hydren from 21 Kittery Avenue: Kittery Avenue has more horses than people. He worked for Suffolk Downs and this is an opportunity for the Town to benefit from this industry and help the farmers. An amazing number of jobs were lost when Suffolk Downs declined. Look at what the farmers will get out of this and keep an open mind.

Debra Torto-DiScipio of 38 Rowley Country Club Road said her questions have been answered.

Comments from Robert Barrows from 193 Dodge Road: Is gambling approved in Rowley? Pierce said it is not disapproved, and there is no bylaw governing gambling, it is neither approved or disapproved. Barrows: Would there be a single vote for the racetrack and gambling, or would there be two different votes? Pierce said we would be approving the racetrack and simulcasting, and not approving any other form of gambling. Barrows asked if the Town wants to implement gambling that would be a separate bylaw. Pierce said right. Barrows asked the presenters if they are aware of any other racetrack in the United States and Canada that doesn't have a casino. Lagorio said yes, and those facilities have a funding source like they have the

Racetrack Development Fund, which has \$14,000,000. He said Pennsylvania Park is an example. An audience member said they have a casino. Lagorio said Saratoga. An audience member said Saratoga Springs has a casino. Lagorio said the new owners of Suffolk Downs never intended to race horses. Barrows asked what the business hours are for the bar and simulcasting. Lagorio said the simulcast will be open from 1:00 p.m. until 9:00 p.m. year round with no lights. Barrows asked if the two empty house lots on Emily Lane will be used as exits. Scarano said those lots are part of a subdivision with subdivision covenants, and it would be impossible to use them as exits. He said the Daniels Road exit will be dedicated for emergency use only.

Comments/Questions from Barrett Bacall, Elizabeth Muise and Keith Bartlett had already been addressed.

Comments from Robert Pietrillo from 916 Haverhill Street: Suffolk Downs also had simulcast and it went down the shoe. Thirty thoroughbreds were recently lost in California, so how well are they treated. How much wetlands are we losing? Is this a ploy to set this up, collapse and then use the land for something else? What will they do with urine and manure from 600 horses? Scarano said the plan for feed and manure will be done through the Board of Health, but it won't hit the ground or the aquifer. He said they will use containers to capture it and it will be moved off site. He said this is a low impact development, and the water will be filtered before it goes back to the aquifer. He said this is no ploy, they are protecting agriculture under the statutory framework in place which takes money from casinos and pours it into the equine industry. Petrillo said he has counted cars on Route 133 and it varies from 47 to 163 cars every five minutes.

Comments from Enid Larsen from 162 Dodge Road: She would appreciate if they could do a comparative analysis on the impact to the property values of the homes within the ½ to 1 mile radius of the proposed facility. Scarano said real estate investment is a consideration, he doesn't see that there would be a great effect, but their experts can study this and provide the information.

Comments from Liane Mann of 41 Rowley Country Club Road: The scope of this project is huge, and we have never done anything like it in Rowley. She is asking for official public hearings on this, rather than being rushed when there is a Patriot's game one. She asked if residents will hear from industry critics. Pierce said this is not being ram-rodged through, and there would be public hearings held as it goes through the process. He said critics can present their side if they show up at the meetings. Mann said those are part of the regulatory meetings and she is talking about public hearings before the small regulatory hearings. Pierce said the regulatory hearings shouldn't be dismissed, and they are important. Mann said they have heard about the use of the facility for racing, conventions, weddings etc. Scarano said they will have outreach meetings that will address questions, and the website rowleygroup2020 will be up next week. He said they are not in a rush, and all questions will be answered without bias so people can make informed decisions, and they will provide industry resources for people to look up the information themselves. Liane asked how the people can hear

about alternative perspectives before the regulatory hearings. Snow said this will be a long process and this is just the very beginning stage. He said he and Pierce have served on the Planning Board and the Chairman of the Planning Board Chris Thornton is here tonight. Lagorio said there are fine with the use being just a racetrack, and the other options to use the facility were intended for the Town, but if they aren't wanted, they won't have them used in these capacities. Scarano said the zoning overlay required is a public process, and if certain allowed uses aren't wanted, they won't be included in the zoning overlay.

Nicole Thornton of Emily Lane took the microphone from Scarano and said the presenters have had two and half hours to speak. She said this has all been marketing, the racetrack will impact the resident's daily lives and the education of the children. She said it will change the fabric of the community. She said give the community a chance to express their position. Pierce said he thinks they have been doing that. Nicole said you have been but the previous speaker has asked for another forum to do that. Pierce said there will be other forums. Snow said this is the beginning of the process and the proposal will need to go before the Planning Board, and many aspects need to be addressed. Nicole said she doesn't want it to go before the Planning Board, and the Selectmen have the opportunity to vote no on this before it gets to the Planning Board. She said the Selectmen need to listen to the people in the community and say no, this isn't good for Rowley. She said big box stores are not allowed in Rowley, and there is a 20,000 square foot limit on any building in Town. She said this proposal is for a 100,000 square foot building. She said how do we get from saying no to a Target to we will have a racetrack. She said we cannot have a Starbucks in this Town because there are no drive throughs allowed. She said we can't have a Starbucks, but a racetracks sounds perfect. She said that is why we are frustrated.

Chris Thornton asked the presenters if they will provide the Town with a budget to hire our own consultant to consider the impact this project. Scarano said if the project requires a peer review they will pay for it. Chris said he is talking about before it goes to the Planning Board, so the Town can consider whether or not we even want to consider a zoning amendment to do this. Scarano said would the 7% to 10% of the Town's budget in revenues from the facility be enough to get people to consider this. Chris said no, it's not enough for him. He said the Town needs hundreds of thousands of dollars to hire a consultant to consider the impact that their proposed facility will bring to Town. Scarano said he can provides the daily handle numbers that are reported to the Massachusetts Gaming Commission tomorrow. Chris said you haven't answered my question. He asked if the opposition will be allowed an opportunity to present their perspective in an unedited format similar to tonight's meeting.

Comments from Jeanne Masher of Wethersfield Street: She works for EBSCO, and is wondering where the data came from on the traffic counts of EBSCO employees commuting on Route 133. Scarano said those are the number of employees currently traveling from Interstate 95 on Route 133 to EBSCO. He said EBSCO published their number of employees since they are the largest employer in Essex County. Masher said there are about 1,000 people who work for EBSCO between Ipswich and Topsfield,

and many work remotely or take the train. She said she is an employee of EBSCO and she wasn't surveyed about how she gets to work. She said if the EBSCO traffic data used was an assumption, it shouldn't be portrayed as a fact.

An audience member asked if they have purchased the property yet. Scarano said the land is under Purchase and Sales agreements, and one portion is under an option to purchase. He said they have over one year to finalize this, with liberal extension. Another audience member asked if racing has ever been banned or brought up in Rowley before. Pierce said he doesn't believe so.

ADJOURN

Chairman Pierce called for a motion to adjourn. Dave Petersen so moved, Bob Snow second, all in favor - aye (5-0).

Meeting adjourned at 9:33 p.m.

Respectfully submitted,
Amy Lydon
Assistant Town Administrator

ATTACHMENTS:

1. Presentation slides for Rowley Massachusetts Site Suitability Analysis
2. Memo from Bob Scarano to Deb Eagan regarding the Expanded Gaming Act of 2011