

A meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 40 Main Street, 3rd floor, Hempstead, County of Nassau, New York on June 1, 2010, at 8:00 a.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

Jeffrey L. Seltzer	Chairman
Louis G. Savinetti	Vice Chairman
Bruce Ungar	Treasurer
Christopher Fusco	Asst. Secretary

ABSENT:

Gary Weiss	Secretary
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THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Joseph J. Kearney	Executive Director
Cara Longworth, Esq.	Chief Financial Officer
Colleen Pereira	Administrative Director
Mary Dolan Grippo	Chief Marketing Director
Edward Ambrosino, Esq.	General Counsel
Paul O'Brien, Esq.	Special Counsel

Ungar: The attached resolution no. 2010-09 was offered by C. Fusco, seconded by B.

Resolution No. 2010-09

RESOLUTION OF THE NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") APPROVING THE SPONSORSHIP OF CERTAIN BELMONT PARK RACETRACK EVENTS

WHEREAS, the Nassau County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), and Chapter 674 of the 1975 Laws of New York, as amended, constituting Section 922 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to, inter alia, promote the economic welfare, recreation opportunities and prosperity of the inhabitants of New York State and to actively promote, develop, encourage and assist in the promotion, attraction and development of economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their economic welfare, recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration, and to promote the development of facilities to provide recreation for the citizens of New York State and to attract tourists from other states; and

WHEREAS, The New York Racing Association, Inc., as operator of the Belmont Park Racetrack, develops and runs certain events for purposes of, among other things, encouraging tourism and supporting economic development on Long Island (collectively, the "Events"); and

WHEREAS, the purposes of such Events are consistent with the mission of the Agency; and

WHEREAS, the Agency desires to support certain Events;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby approves the financial support by the Agency of the Events more particularly set forth in a certain form of Agreement between the Agency and NYRA (the "Agreement"), a copy of which is attached hereto, at a cost not to exceed \$133,000.00. The Agency finds that the Events contemplated by the Agreement are unique and that therefore no competitive bidding process is feasible.

Section 2. The Executive Director is hereby authorized and directed, in his sole discretion, to negotiate and enter into the Agreement in the form attached hereto, together with

such changes to the terms and conditions thereof that the Executive Director may deem advisable or necessary, subject to the terms of this Resolution. The Executive Director's execution of the Agreement shall evidence the Agency's approval of the terms thereof.

Section 3. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Jeffrey L. Seltzer	VOTING	Aye
Louis G. Savinetti	VOTING	Aye
Bruce Ungar	VOTING	Aye
Gary Weiss	EXCUSED	
Christopher Fusco	VOTING	Aye

The foregoing Resolution was thereupon declared duly adopted.


STATE OF NEW YORK)
) SS:
COUNTY OF NASSAU)

I, the undersigned [~~Assistant~~] Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 1, 2010, with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ~~11~~ day of June, 2010.



[Assistant] Secretary

(SEAL)

AGREEMENT

THIS AGREEMENT is entered into as of the _____ day of June, 2010 by and between THE NEW YORK RACING ASSOCIATION, INC. ("NYRA"), a New York corporation, having an office at 110-00 Rockaway Boulevard, Jamaica, NY 11417, and the NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, having an office at 40 Main Street, Hempstead, NY 11550 ("NCIDA").

WITNESSETH:

WHEREAS, NCIDA is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), and Chapter 674 of the 1975 Laws of New York, as amended, constituting Section 922 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to, inter alia, promote the economic welfare, recreation opportunities and prosperity of the inhabitants of New York State and to actively promote, develop, encourage and assist in the promotion, attraction and development of economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their economic welfare, recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration, and to promote the development of facilities to provide recreation for the citizens of New York State and to attract tourists from other states; and

WHEREAS, NYRA is the operator of the facility known as Belmont Park Racetrack (located in the County of Nassau, New York) and is engaged in the business of thoroughbred horse racing and wagering at such facility; and

WHEREAS, NYRA and NCIDA desire to memorialize their agreement whereby NYRA will designate and appoint NCIDA as an Official Partner of Belmont Park and NCIDA will pay to NYRA the relevant sponsorship and other fees, all as more fully set forth herein; and

WHEREAS, each party recognizes the commercial value of the goodwill associated with the other party's trademarks, service marks, logos, copyrights, symbols, emblems, designs, identifications, and visual representations (collectively, "Intellectual Property"); and

WHEREAS, each party further recognizes that because such Intellectual Property has secondary meaning in the minds of the public, all goodwill arising in connection with the use of a party's respective Intellectual Property will inure solely to the benefit of the party owning the rights to such Intellectual Property; and

NOW, THEREFORE, for good and lawful consideration, receipt of which is hereby acknowledged and for the further consideration of the promises, covenants, and agreements contained herein, it is mutually agreed as follows:

1. The parties represent, warrant, and agree that the above-referenced recitals are true and accurate and that they are incorporated herein as if again fully set forth in their entirety.
2. The term of this Agreement will commence as of the date first written above and will continue through and until NYRA's close of business at the end of the Belmont 2010 Fall Race Meeting on October 31, 2010 (the "Term").
3. NYRA hereby designates NCIDA as an Official Partner of NYRA and NCIDA will receive from NYRA hereunder the following benefits as an Official Partner of Belmont Park (the "Beneficial Services"):

Belmont Stakes Day 2010

- a. Presenting sponsorship of the 2010 Just A Game Stakes on June 5th, to be promoted in all respects by NYRA as the Just A Game Stakes presented by VisitNassauCounty.com. NYRA will provide branded gate crew, outrider and groom jackets or vests, and branded saddle towels for the race at its own expense. NYRA will provide three (3) 3'X7' under rail banners at the finish line for the sponsored race at its own expense. NYRA will provide a full page, four color ad adjacent to the race page and logo designated by NCIDA on the race page in the Belmont Stakes souvenir program. Representatives designated by NCIDA will present the trophy in the Winner's Circle to the connections of the winner of the sponsored race.
- b. NCIDA will have a semi-private hospitality venue in the North Shore Terrace for up to fifty (50) guests on June 5, 2010, including complimentary luncheon buffet from noon to 4:30pm and alcoholic beverages from noon to 7pm, draping around the perimeter of the hospitality area, tables and chairs, standard linens, china and flatware, a registration table, a private bar area. Guests will have complimentary clubhouse admission and programs for the June 5th event. NYRA will provide forty (40) of the best available parking credentials for guests. In the event that NCIDA actually has fifty (50) guests in attendance, NYRA shall provide, at no additional cost to NCIDA, the same services and amenities for up to ten (10) extraneous NCIDA members and employees. To the extent that NCIDA does not actually have fifty (50) guests in attendance, the extraneous NCIDA members and employees (up to ten) will be considered to be part of the above-referenced fifty (50) guests.

Fall Championship Meeting:

- a. NCIDA will have the presenting sponsorship of the 2010 New York Showcase Day on Saturday, October 23. NYRA will include the sponsorship mention in all event promotion.
- b. NCIDA will be a co-sponsor of the Cradle of Aviation Museum Centennial Exhibit of 1910 International Air Show exhibit at Belmont Park, including logo on posters and all other promotional materials produced by NYRA, including the Fall Race Meeting promotional brochure. The exhibit will be at Belmont Park from October 8-17, 2010.

Branding:

- a. NYRA will provide a clubhouse lobby sign from execution of this agreement until the end of the Belmont Fall Race Meeting on October 31, 2010 promoting Nassau County events. NYRA will provide sign printing using artwork supplied by NCIDA.
- b. (i) NCIDA will have twenty (20) half page black and white ads in the track program for which sponsor will provide NYRA with camera ready ad copy and a placement schedule for the remainder of the Belmont Spring and/or the Belmont Fall 2010 Race Meetings.

(ii) NCIDA will have forty (40) (i.e., daily) half page black and white ads in the track program during the period of the 2010 Saratoga race meeting, for which sponsor will provide NYRA with camera ready ad copy.
- c. NCIDA will have twenty (20) 30-second TV spots on NYRA TV and the NYRA simulcast to run during the remainder of the 2010 Belmont Spring Meeting and thirty-seven (37) 30-second TV spots on NYRA TV during the Fall Championship Meeting.
- d. NCIDA will have a logo and web link to www.visitNassauCounty.com on the Preferred Partner tab of www.BelmontStakes.com and www.nyra.com throughout this sponsorship.

4. No consideration or service is being provided by NYRA or any other agency, entity or person acting on behalf of NYRA other than the Beneficial Services. NCIDA shall pay to NYRA a sponsorship fee of \$133,000 in certified funds or the equivalent as follows: \$66,500 within one (1) day after full execution and delivery of this agreement, \$33,250 on or before July 18, 2010, and \$33,250 on or before October 23, 2010. In the event that NYRA discontinues racing at Belmont Park prior to the expiration of the Term herein,

NCIDA shall receive a partial refund of any monies heretofore paid calculated as follows: (i) If NYRA discontinues racing at Belmont Park prior to the Belmont Stakes, NCIDA shall receive 100% of the monies tendered to NYRA and shall not be required to pay any further sums hereunder; (ii) If NYRA discontinues racing at Belmont Park after the Belmont Stakes, but prior to the end of the Spring race meeting, NCIDA shall receive 50% of the monies tendered to NYRA and shall not be required to pay any further sums hereunder (iii) If NYRA discontinues racing at Belmont Park after the expiration of the Spring Meeting but prior to the commencement of the Fall Race Meeting, NCIDA shall receive 25% of the monies tendered to NYRA and shall not be required to pay any further sums hereunder and (iv) If NYRA discontinues racing at Belmont Park after the commencement of the Fall Race Meeting, NCIDA shall receive 15% of the monies tendered to NYRA. This paragraph shall survive termination of this Agreement.

5. Each party hereby grants to the other party a non-exclusive license to use the relevant Intellectual Property designated by the party owning rights to such Intellectual Property during the Term of this Agreement in the manner previously approved by the party owning the rights to such Intellectual Property. Whenever either party uses such Intellectual Property of the other party, it will clearly indicate the ownership thereof by including such designation of the Intellectual Property as the owner directs in writing in advance. This non-exclusive license will not include any intellectual property rights to the mark "Triple Crown" or to any of the other Intellectual Property owned by and/or to which Triple Crown Productions LLC or any other person or entity claims rights. In no event will either party be permitted to use the Intellectual Property of the other party in any other promotion or for any other commercial purpose aside from what is contemplated herein without the other party's prior written consent. Neither party will be permitted to sublicense or assign its limited license to use the other party's Intellectual Property except in furtherance of the provisions of this Agreement with the owner's prior permission. Each party acknowledges that it has no interest in the other party's Intellectual Property, except as provided for herein, and will not take any action, or fail to take any action, which could impair the owner's rights in such Intellectual Property.

6. Each party will promptly disclose to the other party all literary, artistic or other material created or composed by the party or its officers, employees, or associates which makes use of the marks of the other party, or any part thereof, or which is otherwise a work product hereunder.

7. Each party hereto represents, warrants, and covenants that it will be the responsibility of that party to ensure compliance with relevant laws, rules and regulations in connection with the party's performance hereunder. Each party hereto will keep confidential the express terms and conditions of this agreement, subject to the requirements of law of the State of New York. Each party agrees that the terms of this Agreement are, within the meaning of §87(2)(d) of the Public Officers Law of the State of New York, trade secrets submitted to an agency derived from information obtained from a commercial enterprise and which, if disclosed, would cause substantial injury to the competitive position of the subject enterprise. Subject to the requirements of law of the State of New York, neither party will communicate or disclose to any third party any confidential material of the other party.

8. It is understood and agreed by each party that from and after the termination of this Agreement all of the rights of each party to the use of the other party's Intellectual Property will cease absolutely and the other party will not thereafter use the other party's Intellectual Property in any way whatsoever. Upon expiration or termination of this Agreement, all rights to use of Intellectual Property granted hereunder will immediately revert to the relevant party. Each party acknowledges that the failure of it to cease and desist from the use of the other party's Intellectual Property upon the expiration or termination of this Agreement may result in immediate and irreparable damage to the other party. Each party agrees that in the event of such failure, the other party will be entitled to seek injunctive relief in any court having competent jurisdiction.

9. Each party represents, warrants, and covenants that, except as provided herein during the Term hereof, it will never claim any right, title, or interest with respect to any of the Intellectual Property utilized by the other party. Each party represents, warrants, and agrees that it will not use any of the other party's Intellectual Property before obtaining the written consent of the other, which consent will not be unreasonably withheld.

10. Each party hereby represents, warrants, and covenants to defend and indemnify the other party, its directors, officers, contractors, and agents, and undertakes to hold the other party harmless against any action, claims, suits, losses, damages, judgments, or expenses brought against or incurred by the other party based on any third party claims (I) that either party is not possessed of such right, title, and interest as to be entitled to enter into this Agreement, (ii) resulting from the negligence or intentional misconduct of either party hereunder or such party's employees, contractors, or agents, or (iii) which arise out of or in connection with the breach by either party of any representations, warranties, or agreements hereunder.

11. Nothing herein contained will be deemed to constitute a partnership between the parties or a joint venture by them, nor to constitute either of them as the other's agent. Neither party will make any commitment or incur any liability for which the other may be liable. Neither party will be bound by any representation or act on the other's part in contravention of the provisions of this Agreement.

12. The failure of either party at any time or times to demand strict performance by the other of any of the terms, covenants or conditions set forth herein will not be construed as a continuing waiver or relinquishment thereof.

13. This Agreement will be governed by, construed, and interpreted in accordance with the laws of the State of New York. The parties hereby consent to the personal jurisdiction in the Federal and State Courts located in the State of New York. If any provisions of this Agreement are held or found to be illegal, invalid, or unenforceable, such holding or finding will not effect the remaining provisions of this Agreement, which will be construed and interpreted as to achieve the intended purpose of the parties hereto. The payment and indemnification obligations of the parties hereunder shall survive the

termination of this Agreement as well as any term of this Agreement that by its nature should so survive.

14. NYRA represents and warrants to NCIDA that (i) NYRA has the full right, power, and authority to enter into this Agreement and that this Agreement has been duly authorized by NYRA; (ii) the execution of this Agreement by NYRA does not violate any other agreements, rights or obligations existing between NYRA and any other person or entity; (iii) NYRA is not a party to any agreement whether oral or written which would prevent, limit or hinder her performance of any of its obligations under this Agreement; and (iv) no funds of NCIDA paid to NYRA pursuant to this Agreement shall be used for the purpose of preventing the establishment of an industrial or manufacturing plant, nor shall any of such funds be given to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York nor shall such funds be used for advertising or promotional materials which depict elected or appointed government officials in either print or electronic media.

15. NCIDA represents and warrants to NYRA that (i) NCIDA has the full right, power, and authority to enter into this Agreement and that this Agreement has been duly authorized by NCIDA; (ii) the execution of this Agreement by NCIDA does not violate any other agreements, rights or obligations existing between NCIDA and any other person or entity; and (iii) NCIDA is not a party to any agreement whether oral or written which would prevent, limit or hinder her performance of any of its obligations under this Agreement.

16. NYRA shall, throughout the Term of this Agreement, obtain and maintain at its own cost and expense from a qualified insurance company, liability insurance in a reasonable amount naming NCIDA as an additional insured.

17. Neither party shall assign its rights or obligations under this Agreement without the prior written consent of the other party.

18. WAIVER

No waiver by either party of any default shall be deemed as a waiver of prior or subsequent default of the same of other provisions of this Agreement.

19. SEVERABILITY

If any term, clause or provision hereof is held invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other term, clause or provision and such invalid term, clause or provision shall be deemed to be severed from the Agreement.

20. INTEGRATION

This Agreement constitutes the entire understanding of the Parties, and revokes and supersedes all prior agreements between the Parties and is intended as a final expression of their Agreement. It shall not be modified or amended except in writing signed by the Parties hereto and specifically referring to this Agreement. This Agreement shall take precedence over any other documents which may conflict with this Agreement.

21. NOTICES

(a) All notices, certificates and other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given on the earlier of (1) three (3) business days after being sent to the applicable address stated below by registered or certified mail, return receipt requested, or by such other means as shall provide the sender with documentary evidence of such delivery, or (2) the date on which delivery is refused by the addressee, as evidenced by the affidavit of the person who attempted to effect such delivery.

(b) The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

IF TO NYRA:

The New York Racing Association, Inc.
110-00 Rockaway Boulevard
Jamaica, NY 11417
Attn: Charles Hayward, President/CEO

WITH A COPY TO:

The New York Racing Association, Inc.
110-00 Rockaway Boulevard
Jamaica, NY 11417
Attn: Patrick L. Kehoe, Esq., General Counsel

IF TO NCIDA:

Nassau County Industrial Development Agency
40 Main Street, 3rd floor
Hempstead, NY 11550
Attn: Executive Director

WITH A COPY TO:

Nassau County Industrial Development Agency
40 Main Street, 3rd floor
Hempstead, NY 11550
Attn: General Counsel

1. NYRA and NCIDA may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

22. LIMITATION ON LIABILITY.

With respect to NCIDA, it is agreed that NCIDA and its officers, members, employees, attorneys, servants, agents and directors shall have no personal liability under this

Agreement, nor in their capacity as officers, members, employees, attorneys, servants, agents and directors. No provision, covenant or agreement contained in this Agreement or any obligations herein imposed upon NCIDA or the breach thereof shall constitute or give rise to or impose upon NCIDA a pecuniary liability or a charge upon its general credit, but shall be payable only from the funds obligated by NCIDA for such purposes. All covenants, stipulations, promises, agreements and obligations of NCIDA contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of NCIDA and not of any member, director, officer, employee, attorney, servant or agent of NCIDA in his or its individual capacity, and no recourse shall be had for the payment of any amounts under this Agreement or the performance of any of the obligations of NCIDA under this Agreement or for any claim based thereon or hereunder against any member, director, officer, employee, attorney, servant or agent of NCIDA or any natural person executing this Agreement. No covenant herein contained shall be deemed to constitute an obligation of the State of New York or of the County of Nassau and neither the State of New York nor the County of Nassau shall be liable on any covenant herein contained, nor shall the obligations of NCIDA under this Agreement be payable out of any funds of NCIDA other than the funds of NCIDA obligated for such purpose.

With respect to NYRA, it is agreed that NYRA's officers, members, employees, attorneys, servants, agents and directors shall have no personal liability under this Agreement, nor in their capacity as officers, members, employees, attorneys, servants, agents and directors. All covenants, stipulations, promises, agreements and obligations of NYRA contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of NYRA and not of any member, director, officer, employee, attorney, servant or agent of NYRA in his or its individual capacity, and no recourse shall be had for the payment of any amounts under this Agreement or the performance of any of the obligations of NYRA under this Agreement or for any claim based thereon or hereunder against any member, director, officer, employee, attorney, servant or agent of NYRA or any natural person executing this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

THE NEW YORK RACING ASSOCIATION, INC.

By: _____

Name: _____

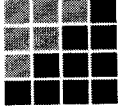
Title: _____

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: _____

Name: Joseph Kearney

Title: Executive Director



camoin associates
ECONOMIC DEVELOPMENT

May 28, 2010

Ms. Cara Longworth
Chief Financial Officer
Nassau County Industrial Development Agency
40 Main Street, Third Floor
Hempstead, NY 11550

Saratoga Office:

PO Box 3367
Saratoga Springs, NY 12866
Phone: 518.899.2608
Fax: 518.899.9642

New York City Office:

304 Park Avenue South, 11th Floor
New York, NY 10010
Phone: 646.434.5682
Fax 646.434.5683

Re: Review of Belmont Stakes Impact Assessment

Dear Ms. Longworth:

At your request, we have reviewed information provided to the Nassau County Industrial Development Agency ("IDA") by the New York Racing Association ("NYRA") regarding the Belmont Stakes racing event (the "Event") at Belmont Park racetrack in Elmont, New York (the "Venue"). The information provided by NYRA was used as a foundation for certain conclusions (the "NYRA Assertions") regarding the economic impact of the Event on Nassau County (the "County"). Below is a description of the review we undertook and our major findings.

METHODOLOGY AND LIMITATIONS

Unlike the analyses we have conducted previously for various Nassau County IDA projects, our work herein consisted only of a review of the information provided by NYRA and of the NYRA Assertions. Camoin Associates performed no data manipulation and did not attempt to calculate its own impact assessment. Rather, we comment on the reasonableness of the NYRA Assertions based on the information we have been provided and our general experience assessing the impacts of visitor spending in general and horse-racing in particular¹.

We reviewed three sets of information provided by NYRA:

- Employment information for: (a) NYRA staff employed in the County, (b) Event-associated jobs for trainers, grooms, hot walkers and other trainer staff, and (c) employment by the Venue's concession vendors.
- A spreadsheet titled "Figures on Calculation of Economic Impact of Belmont Stakes on Nassau County" listing handle, attendance, sales and estimates of visitation spending.

¹ Camoin Associates is currently completing a New York State-wide analysis of the Standardbred breeding and racing industry for the Agriculture & New York State Horse Breeding Development Fund (a.k.a. the New York State Sire Stakes).

- A summary document titled "Economic Impact of the Belmont Stakes (focus on Nassau County)".

We did not attempt to corroborate or refute the statistics on handle, attendance or direct NYRA staff employment. However, we did compare our experience in assessing impacts in the horse racing industry to the figures provided for visitation spending, Event-associated employment and the Venue concession employment. We find those NRPA figures to be generally acceptable and consistent with our experience.

DISCUSSION

As with any economic impact assessment, the first step is to define a geography and then to determine the extent to which a particular action (an industry, event, or other) would cause "new dollars" to flow into the selected geography. In this case, the geography is Nassau County and the question is, "To what extent does the Event cause new dollars to enter the County?" The second step is to calculate how these new dollars, the "Direct Impacts" of the action, then go on to fuel additional cycles of spending as the new dollars flow through the economy and create additional jobs and wages.

The NYRA Assertions rely on information that calculates spending without consideration of new dollars and non-new dollars. NYRA provides some insight into the question by breaking out "Advance Sales" into "2010 non-NY" (certainly new dollars to Nassau County) and "2010 NY State" (some of which may be Nassau County residents spending and therefore not "new" to the County). We believe a better estimate would require attempting to calculate how much of the spending described comes from Nassau residents, who would presumably spend these amounts on goods and services in the County regardless of the Belmont Stakes, and remove that from the total spending.

The NYRA Assertions do not take into consideration the follow-on multiplier effects of the new dollars. The Direct Effects (new dollars) cause "Indirect Effects" (the purchases in the County by businesses involved in the Event, such as concession vendors purchasing food inputs locally) and "Induced Effects" (the purchases made by employees earning wages because of the Event). The "multiplier" is the coefficient that explains the relationship between the new dollars entering the economy and the total change to the economy. So, a multiplier of 1.5 tells us that for each new dollar, an additional 50 cents of following-on spending occurs through vendor purchases and employees spending their wages.²

Additional, NYRA recognizes that its figures do, "...not include the economic impact of wagering," which is a significant source of economic impact for the County. NYRA reports handle during the 2009 Belmont Stakes at \$9,529,280. Even assuming that a significant portion of that figure may be coming from Nassau County residents (and thus not represent new dollars to the County), we can safely assume that millions of dollars in wagering is coming from non-County sources. These

² We reviewed the appropriate multipliers for Nassau County. "Racetracks" have a sales multiplier of 1.71; "Hotels and accommodates" 1.58, etc.

dollars are the source of impacts for County residents who are employees at the Event and County businesses who are serving the business activity of the Event.

As a final consideration, we move away from the more empirical and quantifiable discussion above to one of the nature of image and name recognition. A more general understanding of the impact of the Belmont Stakes can be thought about in this manner, "What would happen if the Belmont Stakes did not exist?" The Belmont Stakes, as part of the "Triple Crown" set of races, is a high profile event that sets the Venue apart from other venues across the country as being of particular importance and weight. It would be reasonable to conclude that, absent the Belmont Stakes, the Venue itself would be less well attended and therefore less of an attraction for visitors and associated spending in the County for the balance of the racing season. Therefore, the impact of the Belmont Stakes is to not only provide new dollars during the Event itself but also to help sustain the economic activity of the Venue (and associated new dollars) throughout the year.

CONCLUSION

The NYRA Assertions do not follow the generally accepted principals of economic impact analysis. They overstate the impacts by failing to net out dollars that would otherwise be in the County. However, they understate the impacts in several material ways: (a) they do not incorporate the multiplier effects, (b) they exclude the impacts of wagering, and (c) they do not express how the Event contributes to the economic impact of the Venue for the remainder of the racing season outside of the Event itself.

In consideration of these various offsetting factors and subject to the limitations described above, we believe that the Event is a contributor to the County's economy and the actual impact is likely in excess of the \$9 million figure provided by NYRA. However, the true figure cannot be ascertained without further research and analysis.

Thank you for the opportunity to review these materials. We appreciate our continued relationship with the Nassau County IDA and look forward to working with you again.

Sincerely,
CAMOIN ASSOCIATES

/s/

R. Michael N'dolo
Associate Principal

MEMORANDUM

To: Jeff Seltzer, Chairman
Board Members

From: Cara Longworth

Cc: Ed Ambrosino, Agency Counsel

Date: May 28, 2010

Re: Belmont Stakes – Economic Impact to Nassau County

As supported by the attached economic impact analysis prepared by Camoin Associates, it is clear that the Belmont Stakes and the entire spring Meet is an important part of Nassau County's economy. Camoin reviewed the economic information provided by NYRA and determined that the Stakes and the entire Spring and Fall Meets contribute well in excess of \$9 million to the County's economy.

Moreover, the Stakes draws tens of thousands of racing fans to Nassau County and thus should not be overlooked as a tremendous tourism asset for the County. NYRA predicts that over 50,000 people will attend the track for the Stakes alone. NYRA has sold 10,000 advance tickets and knows that almost half of those tickets were sold to out-of-state residents.

Finally, the Stakes will be televised to over 6 million viewers and thus offers a unique opportunity for the Nassau County IDA to market Nassau County as a place to locate or expand businesses. This exposure is extremely valuable to the economic development efforts of the IDA.

PHILLIPS LYTTLE LLP

MEMORANDUM

To: Jeffrey Seltzer
Chairman
Nassau County Industrial Development Agency (“Agency”)

cc: Edward Ambrosino, Esq.

From: Paul O’Brien, Esq.

Date: May 19, 2010

Re: Sponsorship

You have asked us whether the Agency may use its funds to procure a sponsorship of the Belmont Stakes horse racing event.

Section 858 of the General Municipal Law (“GML”) sets forth the powers of the Agency, which include the power to dispose of its personal property for its corporate purposes. Section 852 of the GML provides that it is the policy of the State of New York (“State”) and the purpose of the Agency to, among other things, (i) “promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation, economically sound commerce and industry”, and (ii) “to increase trade through promoting the development of facilities to provide recreation for the citizens of the state and to attract tourist from other states.”

Assuming that the Agency makes the factual determination that sponsorship of the Belmont Stakes will further recreation and recreation opportunities, increase trade by promoting facilities to provide recreation for citizens of the State and/or attract tourists from other states, use of the Agency’s funds to procure a sponsorship of the Belmont Stakes is not prohibited by the New York State Industrial Development Agency Act, Article 18-A of the GML.

Also, please note that obtaining a sponsorship is a form of procurement within the general scope of the Agency’s Statement of Procurement Policy and Guidelines (“Statement”). However, the version of the Statement that is currently in effect provides that sponsorships of “charitable and civic events” are intended to be exempt from the Agency’s competitive procurement process.

Please let us know if you have any questions.

MASSAU COUNTY I D A

2010 MAY 24 P 4:19



May 20, 2010

Mr. Jeff Seltzer, Chairman
Nassau County Industrial Development Agency
40 Main Street, Third Floor
Hempstead, NY 11550

Subject: Belmont Park Race Track

Dear Mr. Seltzer:

As the official tourism promotion agency for Nassau County and Long Island, I am writing to request that the Nassau County IDA provide any and all support to one of the truly iconic attractions on Long Island.

While I cannot provide you with Belmont Park's definitive economic impact on the County's tourism economy, I would like to convey that it is a major component in helping to extend the Long Island tourism brand on a global basis. We have and continue to utilize the visual nature of this grand track in many of our on-going marketing and sales materials including our annual *Long Island Travel Guide*, our website, www.discoverlongisland.com, in our meeting planners guide and within our printed and online calendar of events.

As I said, this home of the world renowned Belmont Stakes is an iconic attraction and extension of our tourism brand. Keep in mind that the core of our business focus is generating overnight visitation from off-Island travel consumers. With this in mind, in 2009 alone, over 5,200 visitors to our website clicked through to the Belmont Park web address seeking information regarding the Park's racing programs and events.

For these reasons, we believe it is imperative that Belmont Park receive your utmost support as an economic engine during these most difficult times.

Sincere regards,


Moke McGowan
President

MM:sw

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