

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24

BOARD OF DIRECTORS MEETING  
22ND DISTRICT AGRICULTURAL ASSOCIATION  
DEL MAR FAIRGROUNDS  
2260 JIMMY DURANTE BOULEVARD  
DEL MAR, CALIFORNIA 92014

WEDNESDAY, JULY 23, 2025

--o0o--

Transcribed by:

QuickCaption, Inc.  
3457 Arlington Avenue, Ste. 104  
Riverside, CA 92506

--o0o--

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24

IN ATTENDANCE

OFFICERS:

- FREDERICK SCHENK, PRESIDENT
- MICHAEL GELFAND, 1ST VICE PRESIDENT
- JOYCE ROWLAND, 2<sup>ND</sup> VICE PRESIDENT
- MARK ARABO, DIRECTOR
- LISA BARKETT, DIRECTOR
- PHIL BLAIR, DIRECTOR
- DONNA DEBERRY, DIRECTOR (VIA ZOOM)
- KATHLYN MEAD, DIRECTOR
- SAM NEJABAT, DIRECTOR

22ND DISTRICT AGRICULTURAL ASSOCIATION STAFF:

- CARLENE MOORE, CHIEF EXECUTIVE OFFICER
- KATIE MUELLER, CHIEF OPERATIONS OFFICER
- TRISTAN HALLMAN, CHIEF COMMUNICATIONS OFFICER
- MIKE SEYLE, CHIEF ADMINISTRATIVE OFFICER
- DONNA O'LEARY, OFFICE MANAGER
- HENRY RIVERA, PRODUCTION DIRECTOR

1           22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION COUNSEL  
2                   JOSHUA CAPLAN, OFFICE OF THE ATTORNEY GENERAL  
3  
4           OTHER SPEAKERS:  
5                   CHRIS GOLDSMITH, PRESIDENT, BELLY UP ENTERTAINMENT  
6  
7           PUBLIC COMMENTERS:  
8                   DARREN PUDGIL  
9                   CARLA ECHOLS-HAYES  
10                  ABIGAIL HAWTHORNE  
11                  MARTHA SULLIVAN  
12                  ALLISON PRATER  
13                  RUBY DOMINGUEZ  
14                  ARIANA GARCIA  
15                  JANE CARTMILL  
16                  OSCAR DE LA TORRE  
17                  JIM COLEMAN  
18                  MARIA LUISA  
19  
20  
21  
22  
23

1 [Meeting called to order at 9:33 a.m.]

2 PRESIDENT FREDERICK SCHENK: Welcome, Donna, as well  
3 as the rest of the board. She is remote today and because  
4 of the timing of her appointment conflicts created that  
5 issue for her to physically be here.

6 But Director DeBerry, welcome. We got to spend a  
7 little bit of time with you during the course of the fair  
8 and before. And we're very delighted, excited and pleased  
9 that you will be serving on our Board moving forward. So  
10 welcome to the Board of Directors of the 22nd District Ag  
11 Association.

12 MS. DeBERRY: Thank you.

13 PRESIDENT FREDERICK SCHENK: Are you able to hear us?  
14 I just want to make sure. Thumbs up if you can hear us  
15 please. All right, you are muted but that's okay. I just  
16 want to make sure that you can hear us and, of course,  
17 you know what to do if you want to voice in.

18 Let's take a roll please.

19 MS. O'LEARY: President Schenk.

20 PRESIDENT FREDERICK SCHENK: Here.

21 MS. O'LEARY: Vice President Gelfand.

22 VICE PRESIDENT MICHAEL GELFAND: Here.

23 MS. O'LEARY: Vice President Rowland.

1 MS. ROWLAND: Here.

2 MS. O'LEARY: Director Arabo.

3 MR. ARABO: Here.

4 MS. O'LEARY: Director Barkett.

5 MS. BARKETT: Here.

6 MS. O'LEARY: Director Blair.

7 MR. BLAIR: Here.

8 MS. O'LEARY: Director DeBerry.

9 MS. DeBERRY: Here. Can you hear me?

10 PRESIDENT FREDERICK SCHENK: Yes.

11 MS. O'LEARY: Yes.

12 Director Mead.

13 MS. MEAD: Here.

14 MS. O'LEARY: And Director Nejabat.

15 MR. NEJABAT: Here.

16 PRESIDENT FREDERICK SCHENK: All right, so we have a

17 full Board and we have a quorum as well.

18 So we're now going to move into our closed executive

19 session as was indicated on the agenda. We anticipate

20 returning to open session, I'm going to say around 11:30.

21 I will try although I'm not heading up that session, I

22 will try.

23 >> [Off mic]

1           PRESIDENT FREDERICK SCHENK: Yeah, right. What is the  
2 over-under?

3           The time is 9:35. The time is 9:35. Pursuant to the  
4 authority of Government Code section 11126(a), (b), and  
5 (e), the Board of Directors will meet in closed executive  
6 session on the items described on today's agenda.

7           With that, we'll invite those who are not permitted  
8 to be here, we'll ask them to leave the room and we will  
9 then close the doors and go into our closed session.

10          [The Board recessed to closed session at 9:35 a.m.]

11          [The Board reconvened from closed session at 11:45  
12 a.m.]

13          MR. RIVERA: So the room is live.

14          PRESIDENT FREDERICK SCHENK: Okay, great. Thank you.

15          And is Director DeBerry on as well?

16          MS. DeBERRY: I am.

17          PRESIDENT FREDERICK SCHENK: Okay. All right. I want  
18 to acknowledge that we are back. We're back in session.  
19 The directors, the Board of Directors considered advice  
20 of counsel on the items listed on the closed session  
21 portion of the agenda and we have nothing further to  
22 report out at this time.

23          So now we're going to move on to the consent

1 calendar. I see that we have a couple of people remotely.

2 But Ms. Sullivan, I see you here in person. Okay, I  
3 just noted that you are -- I want to acknowledge -

4 >> [Off mic]

5 PRESIDENT FREDERICK SCHENK: -- and I appreciate that  
6 but I also want to acknowledge it.

7 All right. But if there is anyone here in the room  
8 who would like, from the public, who would like to  
9 address the Board, please approach the microphone. You  
10 can queue up if there is more than one so that we can  
11 keep the process going. And I just want to first welcome  
12 you but also advise that you have two minutes. I have  
13 said this countless times but I will say it now because  
14 there is a rather full room and I'm not sure who wishes  
15 to speak us, to address us. But to the extent that you  
16 do, I hope you are prepared because I will cut off at two  
17 minutes. And so I would like you to be able wrap-up and  
18 give us your most salient points and, you know, make sure  
19 that you cover everything you can in the two minutes. But  
20 at two minutes, I apologize in advance, but we will cut  
21 off.

22 With that, please go right ahead.

23 DARREN PUDGIL: On the housing item on the consent

1 calendar. Good morning, I think it may be still morning.

2 PRESIDENT FREDERICK SCHENK: Hold on, the microphone.

3 And we'll credit you for this tech moment here. All

4 right.

5 DARREN PUDGIL: Was I not speaking loud enough?

6 PRESIDENT FREDERICK SCHENK: That's all right. Good

7 morning.

8 DARREN PUDGIL: Good morning, President Schenk and  
9 members of the Board. My name is Darren Pudgil. I'm here  
10 on behalf of Seaside Ridge, the proposed affordable  
11 housing project that would be built just on the other  
12 side of Camino del Mar. Given that Del Mar has yet to  
13 produce even a single unit of affordable housing we  
14 believe that the city should look at every possible  
15 location to put such housing. But you shouldn't have to  
16 solve Del Mar's housing crisis under their tight time  
17 line. You are not here to get pulled into legal and  
18 political battles. Your mission is to steward the  
19 fairgrounds and make decisions that best serve the  
20 public.

21 Today Del Mar is clearly under pressure to meet the  
22 state's housing deadlines. If they weren't they wouldn't  
23 be pushing housing off their own land and onto yours with



1 no entitlements, no Coastal Commission approval, and no  
2 site selected. You brought in consultants to help figure  
3 out the best uses for this land, and that's smart. But  
4 you shouldn't undermine this once-in-a-generation  
5 opportunity, this planning effort just to meet Del Mar's  
6 deadline. Meanwhile, Seaside Ridge is a fully defined  
7 site that's shovel ready and 49% affordable. Seaside  
8 Ridge gives Del Mar a way to help meet its housing  
9 obligations today while giving this Board time to  
10 carefully craft its masterplan.

11 As for Seaside Ridge, last year we filed suit against  
12 the city for holding up our project. Before our lawsuit  
13 can move forward, however, the city must make a final  
14 determination. As such, we've asked Del Mar to decide  
15 within 60 days either allow Seaside Ridge to move forward  
16 or formally deny the project, which would allow our suit  
17 to proceed. And given the recent ruling against the City  
18 of La Cañada Flintridge in a very similar case, we are  
19 optimistic that if our suit goes to trial, we will win.  
20 And just last month, California's Attorney General issued  
21 a stern warning to all cities that they must process  
22 Builder's Remedy projects like ours or face heavy  
23 consequences. Finally, the Del Mar City Council voted

1 last week to support a ballot initiative to completely  
2 override state housing laws. The vote sends a clear  
3 message, Del Mar is not aligned with the governor's  
4 housing priorities and this Board shouldn't carry the  
5 burden for a city working against the state.

6 Thank you.

7 PRESIDENT FREDERICK SCHENK: Thank you very much.

8 Would anybody else like to address the Board with  
9 regard to the consent calendar?

10 >> [Off mic]

11 PRESIDENT FREDERICK SCHENK: No, this is consent  
12 calendar. We'll get to public comment matters not on the  
13 agenda. This is your time, so please, if it's on the  
14 consent calendar.

15 Hello.

16 CARLA ECHOLS-HAYES: Hello, everybody. I'm Carla  
17 Echols-Hayes, co-founder of Del Mar Horsepark.  
18 Everything's going great. The fair is going great. And  
19 you do have a long-term commitment to public housing as  
20 you have done for many, many, many years at the track,  
21 that's part of the deal. A 200 luxury unit, five-story  
22 build on an 18-foot rise with no access, that's not a  
23 mandate. And by the way, Del Mar has fulfilled all of its

1 moderate-income housing things that they need to solve  
2 through ADUs. So I really resent listening to this 49%,  
3 it ain't 49%, guys. Don't listen to P.R., look at the  
4 facts.

5 Thank you very much.

6 PRESIDENT FREDERICK SCHENK: Thank you.

7 I see that Abigail Hawthorne is someone who would  
8 like to speak on the consent calendar.

9 Ms. Hawthorne, are you there?

10 ABIGAIL HAWTHORNE: Yes, I'm here. Can you hear me?

11 PRESIDENT FREDERICK SCHENK: Yes, If you would speak  
12 as loud as you can, because while we can hear you, not  
13 really well.

14 ABIGAIL HAWTHORNE: Perfect. Good morning, everyone.  
15 My name is Abigail Hawthorne. And I called back in May  
16 and asked for an update on the masterplan efforts. I am a  
17 little disappointed that it's been a couple of months  
18 since then, and I just feel like the item still isn't  
19 being discussed with any real substance. I think the  
20 previous two speakers spoke to this too, so there is  
21 clearly public interest in this.

22 I did take the online survey that's on the project  
23 page, and I thought the vision wall was a cute idea but

1 I'm curious if like when will all that feedback be made  
2 public and how does that influence the next steps. You  
3 know, the previous two folks had talked about Del Mar  
4 specifically but there are two other neighboring cities  
5 nearby the fairgrounds. And so I was curious kind of is  
6 there something in it for them too or just how does that  
7 all work. I agree there's so much potential here and I'm  
8 just really hoping that this Board and the staff who is  
9 overseeing this project really look at all the potential  
10 environmental impacts since we're so near the lagoon and  
11 all of that. So we can just see what is feasible here. I  
12 really agree that it's a great opportunity to masterplan  
13 the fairgrounds. And I just am excited to see what is to  
14 come. So thank you.

15 PRESIDENT FREDERICK SCHENK: Thank you. Generally, we  
16 don't reply to comments from the public. I just want to  
17 remind everybody, this is process is an ongoing one. It's  
18 a marathon, not a sprint. So we are moving forward.

19 But thank you for your comments.

20 Now, is there anybody from the Board or the public  
21 that would like to remove any items from the consent  
22 calendar?

23 MR. ARABO: I would like to remove the affordable

1 housing talks off consent calendar.

2 PRESIDENT FREDERICK SCHENK: All right. We'll put that  
3 on the general business calendar.

4 Anyone else? Seeing none, I'll entertain a motion to  
5 approve the consent calendar.

6 MR. ARABO: So moved.

7 MR. BLAIR: So moved.

8 PRESIDENT FREDERICK SCHENK: All right. Well, I'm  
9 going to assume that there was a first and second in  
10 between those two. Director Arabo, Director Blair for a  
11 second.

12 Discussion? All right. Seeing none, hearing none,  
13 we'll take a roll call vote please.

14 MS. O'LEARY: President Schenk.

15 PRESIDENT FREDERICK SCHENK: Aye.

16 MS. O'LEARY: Vice President Gelfand.

17 MR. GELFAND: Aye.

18 MS. O'LEARY: Vice President Rowland.

19 MS. ROWLAND: Aye.

20 MS. O'LEARY: Director Arabo.

21 MR. ARABO: Aye.

22 MS. O'LEARY: Director Barkett.

23 MS. BARKETT: Aye.

1 MS. O'LEARY: Director Blair.

2 MR. BLAIR: Aye.

3 MS. O'LEARY: Director DeBerry.

4 MS. DeBERRY: Aye.

5 MS. O'LEARY: Director Mead.

6 MS. MEAD: Aye.

7 MS. O'LEARY: And Director Nejabat.

8 MR. NEJABAT: Aye.

9 PRESIDENT FREDERICK SCHENK: All right, the consent  
10 calendar passes. We will defer the topic with regard to  
11 the authorizing the district CEO to continue affordable  
12 housing discussions for later in the agenda.

13 We'll move onto public comment for items not on the  
14 agenda. And again, we'll invite members of the public.  
15 Once again reminded, and we do look at the clock, two  
16 minutes please.

17 And with that, Ms. Sullivan, I see you standing so  
18 we'll recognize you first.

19 MARTHA SULLIVAN: Thank you. Martha Sullivan from  
20 Imperial Beach.

21 I wish to commend Don Mosier on his seven years of  
22 service on this Board and for lending his commitment to  
23 sustainable energy and environmental stewardship as well

1 as his deep scientific knowledge, expertise and  
2 experience. Don and I were part of the grassroots  
3 coalition who kept the defective San Onofre nuclear power  
4 plant closed.

5 And I welcome the new director to the Board, Donna  
6 DeBerry. I worked for the State of California for 20  
7 years, mostly at the California public utilities  
8 commission, which regulates investor and privately-owned  
9 utilities providing energy, water and telecommunication  
10 services. Like many regulatory bodies, the CPUC is  
11 largely funded through the industry that regulates which  
12 collect funds from customers. Such bodies are prone to  
13 consider themselves as board of directors for the  
14 industries regulated when in fact as decision-makers  
15 appointed by the governor and governed by the Bagley-  
16 Keene Act, these bodies are boards of directors for the  
17 people of California.

18 In recent years California has increasingly acted to  
19 ban cruel industries such as the manufacture and sale of  
20 fur products, the retail sale of dogs, cats and rabbits,  
21 the use of wild species in circuses, and animal testing  
22 of cosmetic and personal care items. These industries all  
23 have employees, yet California have acted to end them in

1     our state due to the cruelty to animals inherent in these  
2     industries. Thank you.

3           PRESIDENT FREDERICK SCHENK: Thank you. And I  
4     appreciate your comments with regard to Dr. Mosier. We  
5     will be acknowledging him in the near future as well.

6           Almost, good afternoon, but still good morning.

7           ALLISON PRATER: I'm Allison Prater from Imperial  
8     Beach.

9           I've been attending these meetings recently as an  
10    animal advocate but I would like to introduce myself,  
11    especially since we are welcoming a new member to the  
12    Board. I'm Allison Prater from Imperial Beach. I'm a  
13    former California certified community manager, more than  
14    20 years. I have attended hundreds of board meetings with  
15    board members from all walks of life. I handled  
16    communities from here in this area to northern Orange  
17    County.

18          I applaud each of you for taking on this role for  
19    your community, as I know it is not an easy job and you  
20    will never satisfy everyone with your decisions. I too am  
21    interested in helping not only the animals but also the  
22    members and residents of the communities around me.

23          It is a pleasure to welcome you, Ms. DeBerry.



1           PRESIDENT FREDERICK SCHENK: Thank you very much. I

2   see Jane -

3           >> [Off mic]

4           PRESIDENT FREDERICK SCHENK: Oh, I'm sorry, yes.

5           CARLA ECHOLS-HAYES: Hi, everybody. Again, Carla

6   Echols-Hayes, co-founder Friends of Del Mar Horse Park.

7           Of course, I care about the horses. This year we have  
8   a great number of horses that are not coming from Mexico,  
9   because of the screwworm infestation, they closed the  
10   border to all livestock in May and then they closed it  
11   again a couple of weeks ago. So that's a huge part --  
12   that's like a quarter of the horses that come, the jumper  
13   horses. And so that's a problem. The screwworm  
14   infestation, as some of you were asking, is really  
15   something that is very, very important to anyone who  
16   likes animals and humans because the screwworm can also  
17   kill a human. Uh-huh. It really hurts a lot. There is a  
18   bipartisan STOP Screwworm Act that is introduced by Tony  
19   Gonzalez and John Cornyn in Texas. So that's bipartisan  
20   and I think it's really, really important. Okay, so you  
21   guys need to keep track of that and you need to kind of  
22   look at it because you've got also animals coming in here  
23   all the time. Okay. So that's just something that is very

1 important.

2 The other thing I would like to say is it would be so  
3 cool to have a little bit more transparency in the master  
4 planning process because I thought they were going to be  
5 talking to us and it sounds like people are talking to  
6 all of the representatives but a lot of people across  
7 this county, I'm sorry guys, they don't know who their  
8 city councilors are or that there is a city council and  
9 it's July and August. So it would be really, really cool  
10 if you guys could make it just, you know, I would like to  
11 see a list of a meeting I could go to, any meeting  
12 anywhere in the whole county, okay. Just asking for it.  
13 Thank you very much, guys.

14 PRESIDENT FREDERICK SCHENK: Thank you.

15 All right. So, I see we have some additional  
16 visitors. Would you do me a favor. Raise your hand if you  
17 would like to speak. Okay. As representing a group, yes?

18 I was going to ask if there were others to stand and  
19 queue up but if you're going to be the one representing,  
20 please come and join us.

21 RUBY DOMINGUEZ: Good morning. My name is Ruby  
22 Dominguez. I represent the Changers of San Dieguito  
23 Alliance Youth Group. Our goal is to educate peers,

1 community and civic leaders on the dangers of underage  
2 drinking, tobacco, vaping, and marijuana and other drug  
3 use. Recognizing that young people are especially  
4 influenced by what they see around them, we want to  
5 educate peers on the risk and harms of tobacco and  
6 marijuana use and encourage them to be tobacco and vape  
7 free.

8 Data show that tobacco use begins between the ages of  
9 12 and 17 and that one in five high school students use  
10 vaping products. These products contain enormous amounts  
11 of nicotine or marijuana that can rewire a young person's  
12 developing brain and lead to addiction.

13 Again, the year we assess the fair for compliance  
14 with tobacco and marijuana rules by fairgoers, staff and  
15 vendors our observational assessment was to determine the  
16 extent of smoking, vaping on the fairgrounds. We want to  
17 recognize the efforts the fair did to improve the  
18 enforcement of the nonsmoking policy. For our second  
19 year's assessment, we did see people vaping more often  
20 than observed than traditional cigarette use. Many  
21 fairgoers did not hesitate to vape just walking around  
22 the fair or when standing in line for a ride. The smell  
23 of marijuana was noticeable in areas including the

1 Grandstand, product, and fun zone areas. Fair employees  
2 told us they were not instructed or trained in how to  
3 confront smokers and the lease staff said that the smoke-  
4 free policy is not being enforced.

5 Ariana will share with you our observations. Thank  
6 you.

7 PRESIDENT FREDERICK SCHENK: Thank you.

8 ARIANA GARCIA: Good morning. I'm Ariana Garcia and  
9 I'm here with the Changers and Ruby. I'm here today to  
10 share some factors the Changers feel contribute to the  
11 non-smoking noncompliance with the fair's no-smoking and  
12 vaping policy. Number one, lack of enforcement or  
13 monitoring of smoking free rules by fair employees and  
14 security staff. We suggest the fair website should more  
15 aggressively emphasize and promote the fair as a no-  
16 smoking/vaping venue.

17 PRESIDENT FREDERICK SCHENK: Slow down please.

18 ARIANA GARCIA: Number two, lack of no smoking/vaping  
19 signs around the fairgrounds. There is a need for more  
20 signs to remind the public and staff of the non-smoking  
21 policy. We urge you to include marijuana images as well.

22 Number three, enforcement of the smoke/vape free  
23 policy is designed to be self-enforcing but without

1 signage, monitoring and education fairgoers will not be  
2 aware of the smoking restrictions. Smoke-free policies  
3 are good for the health of the fairgoers and employees,  
4 good for the environment, and make good business sense by  
5 reducing cleaning maintenance and cost at the  
6 fairgrounds. As a group we recognize the importance of  
7 improving neighborhoods, participating in community and  
8 speaking about important issues. We hope the fair board  
9 will consider concerns and make changes for the upcoming  
10 year. Thank you for hearing our concerns.

11 PRESIDENT FREDERICK SCHENK: Thank you very much. I  
12 applaud you for taking time to come out here today to  
13 share your thoughts and observations with us. I'm very  
14 grateful for that.

15 Is there anybody else from the public here sitting  
16 with us that would like to address the Board?

17 All right, there is one another person online, and  
18 that's Jane Cartmill.

19 Ms. Cartmill, would you like to speak to the Board?  
20 You have two minutes.

21 JANE CARTMILL: I, too, would like to acknowledge  
22 Donna DeBerry on your appointment. Your impressive  
23 background and experience suggest a commitment to

1 fairness and ability to evaluate varying opinions which  
2 serves the Board of Directors well. Because I frequently  
3 comment in these board meetings, I would like to  
4 introduce myself.

5 I'm a 40-year resident of San Diego County. I retired  
6 as a practice manager of a medical group but will never  
7 retire from animal advocacy. I learned a plight of wild  
8 and domestic horses from the Sacramento-based Animal  
9 Welfare Institute in the '70s. Since then, I've supported  
10 many more local and national animal protection  
11 organizations and was president of the nonprofit San  
12 Diego Animal Advocates for over 25 years.

13 In that capacity, I was regularly interviewed by  
14 print, radio and television media on animal-related  
15 topics and appeared as a guest on local and national news  
16 programs, including Sunup San Diego, PBS NewsHour and  
17 Good Morning America. My commentaries have been published  
18 in the Journal of Nature, Time Magazine and Natural  
19 History. Over 100 of my letters and op-eds have been  
20 printed in our area newspapers. I've testified often at  
21 meetings of the city councils, board of supervisors,  
22 chambers of commerce, Coastal Commission and other  
23 regulatory bodies on a host of animal issues. I've

1 conducted wildlife seminars, debated researchers, and  
2 served on the Board of Directors of Rancho Coastal Humane  
3 Society in Encinitas for several years. And I have held  
4 many a protest sign.

5 I relay all this only because I believe the fair  
6 board should seriously consider, recruit and include  
7 informed, experienced animal advocates as stakeholders in  
8 their strategic and master planning. I trust you may  
9 bring new perspectives to the Board and I wish you  
10 success in your endeavors for the 22nd DAA.

11 PRESIDENT FREDERICK SCHENK: Ms. Cartmill, thank you  
12 for your comments today.

13 All right. We're going to move on to general business  
14 but we're going to include and add Director Arabo's  
15 request that which was previously under the consent  
16 calendar to authorize the district CEO to continue  
17 affordable housing discussions with the City of Del Mar  
18 under the exclusive negotiating rights agreement entered  
19 into between the district and the City of Del Mar.

20 Would you like to address that, Director Arabo?

21 MR. ARABO: Yeah, thank you, President Schenk. Can I  
22 address it or need a motion to talk or speak about the  
23 item? Or a motion is needed?

1           PRESIDENT FREDERICK SCHENK: It would be a motion.

2           MR. ARABO: Okay. I motion to pause all discussions  
3 with the City of Del Mar's housing until the City of Del  
4 Mar comes and meets the Board and tells us how they are  
5 going to fix their 160-unit housing issue, that's the  
6 motion.

7           PRESIDENT FREDERICK SCHENK: Okay. I probably should  
8 have asked for comment first. I think so, because, no? I  
9 think I should.

10          [Off mic] MR. GELFAND: Unless there's a motion,  
11 second.

12          PRESIDENT FREDERICK SCHENK: Okay, we'll do it. All  
13 right. Is there a second to have that matter addressed  
14 separately from consent?

15          MR. NEJABAT: Second.

16          PRESIDENT FREDERICK SCHENK: All right. Director  
17 Nejabat.

18          Now I will entertain public comment on that  
19 particular because that was taken off of consent so I do  
20 need to have that publicly acknowledged and I'm getting  
21 acknowledgement from our counsel. I do try to pay  
22 attention to those Robert's Rules.

23          All right. So is there any public comment with regard



1 to this item, which was deleted from consent calendar and  
2 placed on general business? Seeing none. Any further  
3 discussion amongst the Board on that particular topic?

4 MR. ARABO: Yeah, the motion is to pause all  
5 discussions with City of Del Mar until they come to the  
6 Board and show us their plan to fix their 160-unit  
7 affordable housing issue.

8 PRESIDENT FREDERICK SCHENK: Okay. Do you wish to give  
9 some discussion as to why you choose to take it off?

10 MR. ARABO: Yeah, I do.

11 PRESIDENT FREDERICK SCHENK: Thank you.

12 MR. ARABO: I was surprised it was moved to consent.  
13 Because I know the reason why this Board put it on  
14 general business, because at the time City of Del Mar  
15 went and tried to change the rail routing to hurt the  
16 fairgrounds. So we put it on there just so we have an  
17 ongoing item so we could make sure that we have a good  
18 partnership with them.

19 I'm a big advocate on housing. I think the housing  
20 crisis is a real crisis. I think we need to do everything  
21 we can to fix the crisis. But what alarms me is today I  
22 heard public comments that City of Del Mar supported, the  
23 city council supported a ballot initiative that goes

1     against the housing, all the productive housing talks  
2     we've done and what our amazing governor has done and  
3     clearly goes against the housing. I don't know how a city  
4     can say we support initiative that's anti-affordable  
5     housing, but we want the fairgrounds to help us with this  
6     housing crisis and we really care about it.

7             I want to make sure that the City of Del Mar is very  
8     authentic in solutions at fixing this problem. I  
9     personally think we should be part of the solution but  
10    they need to be leading it. And then another public  
11    comment is there is a project I guess and they are not  
12    even talking to them. So I think the City of Del Mar is  
13    taking us for granted. The fact they don't show up and  
14    they should show us. I, as a Board member, still don't  
15    know how they're gonna fix their issue. And another  
16    public comment said that they fix all their moderate  
17    housing with ADUs but they want the fairgrounds to do all  
18    the low-income.

19            I know it's still a study. I know this Board hasn't  
20    decided if we're going to do it or not but we should be  
21    addressing this. It's such a major issue. And I think the  
22    City of Del Mar needs to tell us why in the world would  
23    they support a ballot initiative that goes against

1 affordable housing laws, if I understood right.

2 PRESIDENT FREDERICK SCHENK: So you started your point  
3 by saying I'm surprised or I don't know why it was put on  
4 consent. You answered the question, with all due respect.  
5 I was the one that suggested that it go on consent for  
6 every reason you just stated. Because I don't think it's  
7 right for us to every month go through each one of these  
8 steps when their position is, as you so well-articulated  
9 it, that's why I recommended that it go on consent.

10 MR. ARABO: No, that's fine.

11 PRESIDENT FREDERICK SCHENK: That's the -

12 MR. ARABO: I appreciate the fact we could.

13 PRESIDENT FREDERICK SCHENK: So I mean, unless we feel  
14 every month that we need to regurgitate what you so  
15 artfully expressed, I don't see the need to do that.

16 MR. ARABO: Well, we have new information. I mean -

17 PRESIDENT FREDERICK SCHENK: Okay, and that's why I  
18 think it's appropriate this time. But going forward, I  
19 think either we table it or we make a decision that we  
20 might do this quarterly. But to every month go through  
21 the same conversation when we -- there is no movement on  
22 the other side to acknowledge their role and  
23 responsibilities, I just don't -- you know, I think it's

1 a waste of our time. That's my view.

2 MR. ARABO: I appreciate it.

3 PRESIDENT FREDERICK SCHENK: But for the reasons you  
4 articulated.

5 MR. ARABO: Right. This is the first time that I've  
6 brought it up outside of the consent. This is the first  
7 time it's been on consent.

8 PRESIDENT FREDERICK SCHENK: Right. And it was my  
9 urging that we do it so that you know.

10 MR. ARABO: All right.

11 MR. GELFAND: So this issue has been around the Board  
12 since before you were on the Board. And first came up  
13 before you were on the Board. It's complex. You know, I  
14 say the issue, the question of whether or not the DAA  
15 should entertain the possibility of housing on  
16 fairgrounds property. It's complicated.

17 The existence of the potential development that was  
18 referred to in public comment today, that issue existed  
19 and the Board was aware of it at that time that we  
20 initially decided to consider this relationship with Del  
21 Mar. So it's not new news to people who are on the Board  
22 prior. I recognize that it may be new news to you.

23 Del Mar's need to meet state guidelines, they are

1 fighting. They may lose that battle and still want to  
2 come back to us and ask for housing on fairground's  
3 property. And we'll most undoubtedly want to continue  
4 those discussions on the assumption they lose that issue.  
5 And so, the question of whether or not we cease those  
6 discussions is what you've brought before us.

7 I think an alternative to ceasing the discussions  
8 would be part of what your motion was, which is as we  
9 continue the discussions ask Del Mar to come in,  
10 intelligence where they are on the issue, explain to us  
11 why they think we should continue our discussions, ask  
12 Del Mar to come in, tell us where they are on the issue,  
13 explain to us why they think we should continue our  
14 discussions, you know, and attempt to justify why you  
15 would put housing in the middle of Central Park in New  
16 York, which is what I think they are trying to do here,  
17 when they haven't increased density in other parts of the  
18 city or handled the requirements other ways.

19 So I'm reluctant to support the motion just because I  
20 don't want to cease the discussions because they are also  
21 tied into the issue of the rail alignment. And we want to  
22 keep them onboard with the rail alignment. So I would  
23 maybe amend the motion or maybe you as the author of it

1 would amend the motion to simply say, we'll approve  
2 continuing the discussions at the moment but we would  
3 like before the next meeting or at the next meeting, Del  
4 Mar to come in and tell us what's going on.

5 MR. ARABO: Yeah, I'm happy to amend the motion. The  
6 goal of it, I'm in consensus of the housing. I think the  
7 City of Del Mar should come and explain to us their plan  
8 to fix this issue. And also explain why would they  
9 support a ballot initiative that goes directly against  
10 all the great work our governor is doing as far as  
11 housing. There is an issue, there is a crisis, they  
12 should try to fix it, not fight it. And then I see that  
13 and also I see speakers saying we have a solution, we  
14 have a solution, let's solve it. I'm happy to have them  
15 come back.

16 PRESIDENT FREDERICK SCHENK: If you look at the item  
17 that was on consent, is to have us provide permission to  
18 our CEO to continue discussion. A discussion requires  
19 people to communicate with one another. And so the reason  
20 I felt it's appropriate to put it on consent is because  
21 until there is a time where all of what you two are  
22 sharing comes to pass, there is no discussion.

23 MR. GELFAND: I agree. I think it's not that it was on

1 consent. I think the issue is, yes, let's approve it,  
2 approve the CEO continuing the discussions, but prior to  
3 the or at the next meeting as Del Mar to come in and give  
4 us an update on why that --

5 PRESIDENT FREDERICK SCHENK: Then that can be a part  
6 of the ongoing consent calendar topic so that we give  
7 permission to our CEO, authority to our CEO to engage in  
8 additional discussion if and when the City of Del Mar  
9 decides to come and address the topic. But to every month  
10 have this repeated I think is just it's already a waste  
11 of some time.

12 We'll go that way down.

13 Mr. Blair from Del Mar.

14 MR. BLAIR: I think most of us on the Board would like  
15 an update from the City of Del Mar. I'm with Michael, I  
16 prefer it not to be so confrontive. And I agree with the  
17 consent calendar but I would like it to be more we ask  
18 the City of Del Mar to update us on their progress on the  
19 numbers because we've also heard different numbers, the  
20 160, 130, whatever, just so we understand it. But I do  
21 agree, there is two issues, that's one. Number two, I  
22 think it should stay on consent because it wastes our  
23 time to bring it up every month when nothing's happening.

1           MR. GELFAND: Just to clarify where we are in the  
2 process.

3           Mark agreed to amend his motion if Sam agrees to  
4 amend his second. Then our discussion is a new motion,  
5 which is the CEO continues discussions with Del Mar, for  
6 at least another month, it could be on consent next month  
7 or whatever but also we as a board want Del Mar to come  
8 in and talk to us.

9           MS. MEAD: [off mic] - wait until the amendment and  
10 amended the motion and seconded the amendment to the  
11 motion until every body's been heard. Because we don't  
12 want to have to go back and amend the motion.

13          PRESIDENT FREDERICK SCHENK: You might consider that  
14 at least until everybody's spoken.

15          MR. ARABO: Please.

16          MR. NEJABAT: I mean, I just find it a little  
17 perplexing that we're in an exclusive negotiating rights  
18 agreement, yet we are not being spoken to and receiving  
19 updates. I find that perplexing.

20          PRESIDENT FREDERICK SCHENK: Yeah. Okay. Just go  
21 around the horn.

22          [Multiple speakers]

23          MR. GELFAND: Were you going to address that in your



1 executive?

2 PRESIDENT FREDERICK SCHENK: You want a moment?

3 MS. MOORE: I was not. I was not going to be  
4 addressing it this month.

5 PRESIDENT FREDERICK SCHENK: Director Mead, for a  
6 moment.

7 Joyce, any comments?

8 MS. ROWLAND: No, I think I'm where Director Gelfand  
9 is, that unless we need it for purposes of a threat  
10 somehow, I think we could continue to do both, continue  
11 to have whatever staff level conversations are required  
12 to continue discussion and vetting. But I don't disagree  
13 that it would be good to know what their motivation was  
14 around joining what three or so other cities in north  
15 county around this proposal to bring control of housing  
16 back to the cities as opposed to having so much done at  
17 the state level. I would like to see how that affects  
18 what we're talking about and what the intent was behind  
19 that.

20 PRESIDENT FREDERICK SCHENK: Lisa, would you like to?

21 MS. BARKETT: I mean, I feel the same way. I think  
22 we're kind of at a standstill now until that gets  
23 rectified, the issue of the cities joining, you know,

1 we're going to be sitting ducks until that's decided  
2 upon. So there's really no need to, yeah, to have any  
3 discussions because that's going to come first.

4 PRESIDENT FREDERICK SCHENK: Which brings me back to  
5 why I put it on consent, just so we could fit it out  
6 there but not have to spend -- I understand the value of  
7 it but each month to do that is not the best use of  
8 collective time. So there was a motion to or there was a  
9 request to amend.

10 MS. MOORE: But Kathlyn is back.

11 PRESIDENT FREDERICK SCHENK: Oh, I'm sorry, you're  
12 back.

13 MS. MEAD: I'm no longer choking. Thank you.

14 PRESIDENT FREDERICK SCHENK: Glad to hear that. All  
15 right. Please, Kathlyn.

16 MS. MEAD: I just would like to --

17 PRESIDENT FREDERICK SCHENK: Oh, yes.

18 Thank you.

19 MS. MEAD: I just want to say that I am supportive of  
20 the discussion to request information from Del Mar. But I  
21 would like to strengthen it rather than we'd like to. I  
22 would like to direct our CEO, who is engaging in these  
23 discussions to continue the discussion with the request

1 to come meet with our Board and to discontinue  
2 discussions until such time as that occurs. Because this  
3 conversation back and forth, we, sort of following what  
4 Sam said, we're not getting updates from these  
5 discussions so we don't know what discussion is  
6 happening. We're looking for one thing, and that is, is  
7 the City of Del Mar interested in being part of the  
8 solution or part of the problem?

9 [Multiple speakers]

10 PRESIDENT FREDERICK SCHENK: That's why I said, the  
11 discussion requires a two --

12 MR. GELFAND: I would like to comment on that because  
13 it relates to whether or not we amend the motion or  
14 whatever. I agree with your sentiment but, and in a  
15 vacuum, I think it would be appropriate to be more  
16 directive about it. And basically to say, until we hear  
17 from you and you convince us, we're going to cease  
18 discussions. But because we're not in a vacuum because we  
19 have this issue of the rail alignment, we want to  
20 maintain good relations with Del Mar, I think a softer  
21 approach is probably better. And simply approving it to  
22 continue this month but also you know saying we want you  
23 to come in and talk to us. We can next month pull it from

1 consent again, waiting for that, you know, and hear from  
2 them and then decide whether since it's pulled from  
3 consent, whether we want to continue it thereafter.

4 MS. MEAD: And I was just simply trying to support  
5 both the need for continued discussion, move it from a  
6 continual item every single month as opposed to consent  
7 but maybe that is resolved by just simply stating and  
8 we'll receive a report regarding the discussion from our  
9 CEO. That. So, yeah.

10 PRESIDENT FREDERICK SCHENK: Mark, you know, maybe  
11 it's up to you to do that.

12 Donna -

13 [Multiple speakers]

14 MR. ARABO: Donna.

15 PRESIDENT FREDERICK SCHENK: Sorry, DeBerry.

16 MS. DeBERRY: Pardon me?

17 PRESIDENT FREDERICK SCHENK: Yes.

18 MS. DeBERRY: Can you hear me? Perfect.

19 So I just, I am in total agreement. We need more  
20 clarification, better clarification of why they joined  
21 the other cities, but also I'm in agreement to approve  
22 the CEO to continue discussions with the City of Del Mar  
23 and I'm also in agreement with that the City of Del Mar

1 needs to come and talk to the Board, present to the  
2 Board.

3 PRESIDENT FREDERICK SCHENK: All right. Thank you.

4 Okay, everybody who would like to share has shared.

5 MR. ARABO: Just more clarity. I looked it up. So it's  
6 they voted to support a constitutional amendment that  
7 would override SB 330, which is the Builder's Remedy, and  
8 other state housing mandates. The very laws that justify  
9 their plan to come to the fairgrounds to put their -  
10 they're contradicting themselves. We should call them on  
11 the carpet. And so I would because on one hand they are  
12 supporting two other cities and saying constitutional  
13 amendment, take more power to the city, less to the  
14 state. We're a state agency. They are coming to us to  
15 help with their problem, when they are going against the  
16 state.

17 PRESIDENT FREDERICK SCHENK: But no action has been  
18 taken from us.

19 MR. ARABO: I mean, but they're supporting it.

20 PRESIDENT FREDERICK SCHENK: No, I know. But that is  
21 going to run through the state and then the Assembly, and  
22 then depending on the outcome, it may go to the  
23 governor's desk.

1           MR. ARABO: It goes to the whole thing. When someone  
2 shows you who they are, believe them.

3           PRESIDENT FREDERICK SCHENK: I understand. I'm just  
4 wondering what we need to do while they're --

5           MR. ARABO: Right. I'm happy to accommodate my  
6 colleagues on the Board and to continue discussions and  
7 amend the motion and bring it back in August and  
8 hopefully the City of Del Mar is here to explain why they  
9 would join that amendment. And then to show us their plan  
10 on how they are going to fix the housing crisis that they  
11 have, that they are asking us to help them with.

12          PRESIDENT FREDERICK SCHENK: Okay. A friendly  
13 amendment has been made. Director Nejabat, been seconded.  
14 Additional discussion?

15          MS. MOORE: Just in terms of it being specific to  
16 August. I might just suggest that it be September because  
17 the cities take, they are on their break now, so it might  
18 not be feasible even if we are having an August meeting,  
19 so if we could we're going to be specific, perhaps  
20 September.

21          MS. BARKETT: I think we have a very full August  
22 meeting, I mean September meeting though. It might  
23 behoove us to go to the October meeting.

1 MS. MOORE: Okay or perhaps where I can work with the  
2 chair on the timing of the "when."

3 PRESIDENT FREDERICK SCHENK: You are pointing to the  
4 wrong person if you are talking about November. Okay.

5 MR. BLAIR: Are we having an August Board meeting? Has  
6 that been decided yet?

7 PRESIDENT FREDERICK SCHENK: Not yet.

8 MR. BLAIR: Has not been?

9 PRESIDENT FREDERICK SCHENK: No. I think we will  
10 discuss that. All right.

11 MR. GELFAND: It will be in Hawaii though.

12 PRESIDENT FREDERICK SCHENK: So there's been a motion  
13 and a second. Any additional discussion relative to the  
14 motion made by Director Arabo and seconded by Director  
15 Nejabat, any further discussion?

16 MR. ARABO: I think the overall theme from my  
17 perspective is we want to solve this housing crisis, we  
18 want a good partner that really listens.

19 PRESIDENT FREDERICK SCHENK: I think that's the right  
20 message, thank you. All right.

21 Josh. You got to go green, you are red.

22 MR. CAPLAN: There's been a lot of discussion and back  
23 and forth --

1           PRESIDENT FREDERICK SCHENK: You're red. You need to  
2 go green.

3           MR. CAPLAN: Mine's only no light or red. So I'm going  
4 on red.

5           PRESIDENT FREDERICK SCHENK: You're green up here.  
6 Okay, red up there.

7           MR. CAPLAN: Don't tell my 16-year-old daughter but  
8 I'm going on red.

9           If Director Arabo can just restate the motion, the  
10 amendment motion cleanly for the benefit of the minutes  
11 and so we can hear Director Nejabat second that motion  
12 just so that in particular that the staff, including  
13 Carlene know what their authority is and what their  
14 direction is following the meeting.

15          PRESIDENT FREDERICK SCHENK: Thank you.

16          MR. ARABO: And it could be changed but the motion is  
17 to continue discussions for the, with the City of Del Mar  
18 for the housing, affordable housing with the caveat of  
19 the City of Del Mar coming to the September Board meeting  
20 and discussing their plan of how they are going to fix  
21 their problem. See how many units they are saying they  
22 are short. And to explain why they would support SB 330.

23          MR. NEJABAT: Second.



1       PRESIDENT FREDERICK SCHENK: Okay. We'll take a vote.

2       MS. O'LEARY: President Schenk.

3       PRESIDENT FREDERICK SCHENK: Aye.

4       MS. O'LEARY: Vice President Gelfand.

5       MR. GELFAND: Aye.

6       MS. O'LEARY: Vice President Rowland.

7       MS. ROWLAND: Aye.

8       MS. O'LEARY: Director Arabo.

9       MR. ARABO: Aye.

10      MS. O'LEARY: Director Barkett.

11      MS. BARKETT: Aye.

12      MS. O'LEARY: Director Blair.

13      MR. BLAIR: Aye.

14      MS. O'LEARY: Director DeBerry.

15      MS. DeBERRY: Aye.

16      MS. O'LEARY: Director Mead.

17      MS. MEAD: Aye.

18      MS. O'LEARY: And Director Nejabat.

19      MR. NEJABAT: Aye.

20      PRESIDENT FREDERICK SCHENK: All right. Thank you. The

21      motion carries. Thank you for the robust discussion.

22      We'll move on to general business. Finance Committee.

23      There are three action items from our Finance Committee

1 report. So I want to ask if any Board Members have  
2 questions about the monthly financial statements and the  
3 corresponding reports on pages 15 through 22 of your  
4 board packet. Any?

5 Yes, Director Mead.

6 MS. MEAD: I've reviewed the financials but I am  
7 having difficulty with the summary that is found on pages  
8 16 and 17 that gives us the up and down arrows, the  
9 legend that indicates revenues are up, operating expenses  
10 are down. And the legend just, it's just minor but it  
11 indicates operating expenses are green when they are  
12 down. And I just don't necessarily know that just because  
13 operating expenses are down, that's a good thing. And I  
14 just would -- I just recognize whether or not the color  
15 coding, which is either green is good or red is down, I  
16 just want to be sure that what we're doing is recognizing  
17 that sometimes with our expenses being down it's  
18 reflective of the needs to invest in the organization. It  
19 doesn't necessarily mean it's a good thing. That's all.  
20 Just the color of the legend and the message that that  
21 might be giving.

22 MS. ROWLAND: I mentioned that even though green has a  
23 positive implication it basically is saying it's

1 different than anticipated. So anticipated, you know, is  
2 kind of a neutral term. It's not as anticipated. But the  
3 green does lend a view it's a positive thing.

4 [Multiple speakers]

5 MS. MEAD: The words are there, it's just the color  
6 coding and the connotations, just a minor but point it  
7 out. Thank you.

8 PRESIDENT FREDERICK SCHENK: All right, but before we  
9 get into the action items, I do want to go to public  
10 comment. So is there anybody from the public who would  
11 like to address the Board with regard to item number 7?

12 Ms. Sullivan, I do see you.

13 [Multiple speakers]

14 MR. NEJABAT: Is that 7 in general?

15 PRESIDENT FREDERICK SCHENK: 7A1 is the first one if  
16 you would like to address. Pass? Okay.

17 Director Gelfand, would you like to begin the  
18 conversation?

19 Or are you, Carlene?

20 MR. GELFAND: I'm turning it over to Carlene, who is  
21 introducing our presentation.

22 PRESIDENT FREDERICK SCHENK: All right. Fair enough.

23 MS. MOORE: We do have for this item, we do have a few

1 slides but I thought first starting with just kind of as  
2 a reminder at the time of the RFP, because if you recall  
3 while this is a revenue contract, we went out to bid on  
4 it. And at the time the goals that were set for The Sound  
5 were to provide for the arts, entertainment, cultural and  
6 intellectual enrichment of the community while also  
7 creating a positive economic impact through optimizing  
8 the use of the venue in a complimentary manner with other  
9 activities held on the fairgrounds. And ultimately  
10 building it into an iconic destination for live  
11 entertainment in San Diego County. And we embarked on  
12 this process or, in essence, we opened about two and a  
13 half years ago.

14 Internally though, so that was our kind of stated  
15 goals in terms of the RFP. And then internally in terms  
16 of our business it was, you know, the first goal was get  
17 it operational for those of you who have been on the  
18 Board for a little while. You know, get operational,  
19 which we did in February of 2023. And then the second  
20 being to, in essence, not only to be profitable in terms  
21 of even covering the debt on the space. And then of  
22 course, the third is for this to be a positive, you know,  
23 real income generator, and sort of new business for the

1 district.

2 With that, I'll kind of go through some slides but  
3 just, again, talk to you about some background things.  
4 This is just an idea of where we are at, where we have  
5 been at of planned versus actual just in terms of events.  
6 And one of the ways that we have done it is also through  
7 private events as well as at the shows. But this gives an  
8 example, and as you can see have been building 2025,  
9 we're not through the year yet. And most of the business  
10 at The Sound really comes in and you've all seen it as  
11 well but it comes in the fall and winter months. And in  
12 part because it's an indoor venue. With the outreach that  
13 we did and some feedback we got from within the industry  
14 and promoters of other venues and things that is not  
15 uncommon, especially in California, where the weather is  
16 nice in the summer and artists really want to be playing  
17 more outdoor versus indoor. So don't be alarmed by what  
18 we're seeing so far for 2025. We have a very full slate  
19 of activity that is coming up.

20 This just gives you an idea in terms of the event  
21 type, which the majority of which has been shows with a  
22 small amount of private events. It's a large - it is a  
23 large venue. And "private events" meaning it's not a

1 concert or comedy show, ticket sales to the general  
2 public. And so we've had about the same number of those  
3 each year. But that's an area of opportunity that we have  
4 previously identified. And as a reminder of the financial  
5 arrangement that we have with the Belly Up, and again  
6 through this bidding process, it really puts the burden  
7 on them for successful shows. Because we as the district  
8 retain the food and beverage revenue, we retain the  
9 parking revenue, and so one of the things that is unique,  
10 and that was some of the feedback we also got in terms of  
11 the industry, is the relationship that we have. Where,  
12 and again, this is revenue driven and for them it's about  
13 those profitable shows. You know, really quality shows.  
14 Again, it's a big venue, so shows that have about a two-  
15 thirds mark or greater really have been our successful  
16 shows in terms of ticket sales. And they pay us a minimum  
17 guarantee rate or a percentage of the ticket sales,  
18 whichever is greater. And typically what we found is that  
19 on average we receive more than that minimum guarantee on  
20 a per-show basis. So it's been very successful in terms  
21 of that business.

22 MS. ROWLAND: Is this the revenue for food and  
23 beverage?

1 MS. MOORE: Yes. Yes, so this is kind of all in here.  
2 Here's another way of looking at that in terms of what  
3 portion of. So of the, and this is private and the shows.  
4 And again, the shows really being the majority of the  
5 number of events that have been held in there. The  
6 portion of it that is from that facility rent, from the  
7 parking, which we retain and then the gross revenue of  
8 food and beverage. And as you can see even as it  
9 increased in 2024, kind of proportionally that still  
10 remains the same in terms of the buckets of income from  
11 it.

12 MS. ROWLAND: [off mic]

13 MS. MOORE: Yes, to just under three. Mm-hmm.

14 And so now you can see, okay, how is it that we're  
15 doing in terms of that. And this was for year one, which  
16 was, and if you recall, this contract began February 1.  
17 So it doesn't quite align with, currently it doesn't  
18 align with our fiscal year of January to December. And so  
19 how we had budgeted versus actually how the numbers came  
20 in from a revenue standpoint, expenses and then so in  
21 that first year of operation once you factored in the  
22 debt payments but we knew going into the first year,  
23 we've got to build awareness of this new venue, we've got

1 to build awareness within the performing and artist's  
2 community. And by the second year, even after debt  
3 payments we were actually operating, it's not much, but  
4 we were actually operating at kind of a break-even point.  
5 And of course now we're into the third year. And so,  
6 which it began for 2025. So as you can see, even though  
7 we have budgeted for higher revenues and going back to  
8 that number on we had planned for, budgeted for higher  
9 revenues because we planned on more shows but the success  
10 of those shows that we have had is really what has driven  
11 that net a greater kind of net income or about where we  
12 had targeted being in both years.

13 And so but one thing to know about this venue is in  
14 terms of the debt is the venue itself, the building, surf  
15 side, the structure is going to require ongoing  
16 investment into it in order to maintain and to maintain  
17 this business. You have heard when we talk about our  
18 capital expenditure projects, we have the mechanical  
19 roof, there's the outdoor deck and stairs. Because while  
20 we made the investment into the interior of the building  
21 to build this incredible space, we did not necessarily  
22 address some of the bones of the building and that's  
23 where by this driving revenue and a positive revenue



1 contribution to help drive that ability to reinvest back  
2 into the facility.

3       There are a couple of, so I mentioned what our  
4 financial arrangement is in terms of what we receive. And  
5 then another aspect to the agreement has been the  
6 calendar coordination or when we're talking about, let me  
7 go back here, to the number of shows. And goals that we  
8 have had in terms of events what we had planned on from a  
9 budget standpoint, where we actually were. If you recall  
10 for those who have been on the Board since that time, we  
11 had a carve out of the fair. So Belly Up, we take six  
12 weeks out of the calendar for the year for them to have  
13 be booking that space. So a little bit less than you know  
14 so about 10 and a half months versus really a 12-month  
15 period. And that's one of the things in terms of the  
16 recommendation going forward is and now that we've had a  
17 couple of years under our belt, and we've done some  
18 things, we did some things, more things during the fair  
19 in that space but really working with them more  
20 collaboratively to program that space during the fair.  
21 And open up the calendar, which opens up the number of  
22 event. Because this does not take into consideration the  
23 events that we produced in there, for example in 2025 for

1 the fair.

2 MS. ROWLAND: [Off mic]

3 MS. MOORE: Mm-hmm.

4 MS. ROWLAND: [Off mic]

5 MS. MOORE: Mm-hmm.

6 MS. ROWLAND: [Off mic]

7 MS. MOORE: Yes, so if you recall in 2024 there was  
8 kind of a challenge issued by the Finance Committee to  
9 have more events in there. And so then working, which we  
10 bumped that number for that purpose but then working with  
11 the Belly Up as our partners in this space and  
12 understanding better the calendar of and what really we  
13 can expect also too for a venue of this size. So again,  
14 Katie and I, our chief operating officer, we've done some  
15 outreach. We've met with folks in the industry.

16 When you look at a venue that holds almost 2,000  
17 people when it's standing-room only and about 900 when  
18 seated. How that's positioned, the 65 to 70 mark, the  
19 feedback we've received is really strong, especially for  
20 something that is only a couple of years in. And other  
21 venues, smaller venues will have, like the Belly Up  
22 itself, will have more shows because artists tend to fall  
23 in a spot of either venues less than a thousand or

1 greater than 5,000 because they have sort of made it. And  
2 so we really are in this very interesting and unique  
3 niche place with regard to the size of our venue and also  
4 it being indoor and being able to build that business.

5 But we also anticipate that with the change and the  
6 recommendation in terms of the calendar management where  
7 the district taking back control of the calendar will  
8 open the calendar up for us a bit for some of the more  
9 private events versus the shows. And that's what we would  
10 be working toward.

11 MS. ROWLAND: [off mic]

12 MS. MOORE: So well, I should have -- I -- it should  
13 have said on here projected. So this is based on the  
14 shows that are booked. So if you go on to the, so the  
15 shows we've had and the shows that are booked through, in  
16 essence, January because the calendar runs through it.  
17 Right now we're on pace for 60, I believe it's 66 shows  
18 this year. And yet we -- but it's something that  
19 continues to evolve. I think just recently two shows were  
20 announced for example, Jason Mraz was announced. Yes.

21 MS. ROWLAND: And he sold out?

22 MS. MOORE: And they announced a second one.

23 MS. ROWLAND: [Off mic]

1 MS. MOORE: Mm-hmm. Yes.

2 And so with that, actually, I'm going to invite the  
3 Belly Up team to come on up and talk about from their  
4 perspective with regard to operating as our managing  
5 promoter at The Sound.

6 MS. ROWLAND: [Off mic] you know, how worrying is  
7 that? Does it really mean [off mic]

8 MS. MOORE: Sorry, Donna.

9 PRESIDENT FREDERICK SCHENK: Donna.

10 MS. DeBERRY: Yes. Pardon me?

11 PRESIDENT FREDERICK SCHENK: Yes.

12 MS. DeBERRY: Okay. Just a real quick question. Is  
13 there a collaborative effort to market The Sound? Or is,  
14 or do you collaboratively market The Sound, that's what I  
15 wanted to say, between you and our partner to date?

16 MS. MOORE: So Belly Up markets the individual shows.  
17 And then but what we do from a collaboration standpoint  
18 is we send it out in our announcements of, like our  
19 monthly calendar announcements and things like that in  
20 terms of and other promotions.

21 And I'm going to turn it over to Tristan here for  
22 what else we have done.

23 TRISTAN HALLMAN: Yes, so we also included on our

1 signage outside, the digital billboard that goes outside  
2 of the fairgrounds as well as our website features it on  
3 our calendar events as well. We actually worked together  
4 collaboratively this year to the Belly Up graciously  
5 advertised our shows that were at The Sound during the  
6 fair and we returned the favor by sending out sort of an  
7 exclusive to The Sound email campaign regarding their  
8 upcoming shows.

9 PRESIDENT FREDERICK SCHENK: Welcome.

10 CHRIS GOLDSMITH: Thanks for having us here today and  
11 to comment on the last board member's question. I think  
12 brand identity is one of the areas where we really want  
13 to focus on collaborating a little bit more. We have been  
14 very focused on promoting the shows and it's been, you  
15 know, there is some trial by fire in that. But we've  
16 learned at the Belly Up that it's also really important  
17 to future the brand identity. And I think that we look  
18 forward to this next year now that the operations are  
19 running without, you know, constant vigilance that we'll  
20 be able to spend some time getting more creative and  
21 figuring out how to continue how to make The Sound, you  
22 know, synonymous with San Diego as a great music venue in  
23 the same way that the Fillmore is with San Francisco.

1           And I do think that we have a niche in venue size,  
2   which was actually the original intent was to fill that  
3   gap in the San Diego market between small venues, of  
4   which there were several, and large venues of which there  
5   were several. And there is this space in between, which  
6   there has never in all my life of being here, been a  
7   venue of quality in that space. And so people would skip  
8   the market, they wouldn't come. And so it is taking some  
9   time to kind of wave that flag and go, hey, remember San  
10   Diego when you're worth a couple of thousand tickets  
11   because now there's a great venue. And that's a harder  
12   message in this day and age to get out because nowadays  
13   the territorial assignments from agencies, I don't mean  
14   to get too in the woods, but in the old days used to be a  
15   territory agent that would work at William Morris Agency.  
16   So you'd have one guy or Guy Richards was the guy in the  
17   '80s. And you could just say we're here and here's the  
18   situation and he would have the whole William Morris  
19   roster. Now every agent seems to take care of their own  
20   booking business there.

21           So at Wassermann, there's 70 or 80 agents we have to  
22   deal with on a regular basis in order to get their whole  
23   roster. So that's part of why it's taking a little longer

1 to get the message out than we would have liked. But we  
2 are getting. And I think, I really think we've passed the  
3 tipping point on that at this point based on what is  
4 happening in Q3 and 4 and what we're seeing coming down  
5 the pike in '26.

6 I will say I looked at those charts and I was like a  
7 little horrified because they are incomplete in '25 I  
8 feel like because they are based on what's actually on  
9 the books as opposed to these others that have the  
10 benefit of being on the far side of the year. The numbers  
11 for '25 I think are really excellent. I'm very happy with  
12 them. You know we went from 53 shows to 60 shows and this  
13 year we actually are projecting 74 shows, so it's not  
14 accurate that that's projected number that's up on the  
15 board, it's actually what's confirmed right now.

16 Projected, there's a few more. Like three days ago, Jason  
17 Mraz, or five days ago, was projected and now it's real.  
18 We have - we probably have another 12, 15 offers out  
19 right now between now and the end of the year. We're  
20 projecting that at least five or six of those come in. I  
21 think this year we'll see closer to 74 shows. And that  
22 will represent you know a 40% increase from our first  
23 year. So I think we're on a good trajectory.

1           And the other thing is is that in '26 at this time  
2   looking ahead into '25, at this time in '24 looking ahead  
3   we would see one or two confirmed shows and we would see  
4   a few offers out. And it was sort of a telling, the whole  
5   industry had a problem this year with availability of  
6   artists because everybody toured after the pandemic and  
7   then everybody kind of shut it back down. And so '25 was  
8   a scramble for Live Nation. It was a scramble for AEG. It  
9   was a scramble for us at the club level. And it was  
10   definitely a very difficult year in booking The Sound  
11   just because of the lack of available talent. So the fact  
12   that we posted a growth in the number of shows in our  
13   second year with that kind of headwind was actually  
14   something that we're pretty proud of.

15           As we look into '26 we already have 10 confirmed  
16   shows. So 5X on this point in '24. We also have probably  
17   you know another 25 offers out, which means including as  
18   far out as November which was not at all happening last  
19   year. So I just think, you know, we're on a nice  
20   trajectory. I think 74 is going to happen this year. And  
21   I think we'll see another nice kick on our way to 100,  
22   which is our ultimate goal.

23           PRESIDENT FREDERICK SCHENK: I saw that, for example,



1     if Leonid & Friends, you had them at Belly Up and then  
2     the next day you have them coming to The Sound, which was  
3     a brilliant idea.

4           CHRIS GOLDSMITH: Well, thank you.

5           PRESIDENT FREDERICK SCHENK: I'd like to see you do  
6     the same with Mark Cohen next time.

7           CHRIS GOLDSMITH: Okay. Done.

8           PRESIDENT FREDERICK SCHENK: No, I'm serious.

9           CHRIS GOLDSMITH: We've done that a couple of times  
10    now. We've done it with Michael Franti. And we did it  
11    with Steel Pulse. And now we've done it with Leonid. With  
12    those two, we did it at the same time, we put them both  
13    up at the same time because we kind of knew. This time we  
14    moved, Leonid has traditionally played at the Belly Up  
15    and we felt like it was time to move him. And that sold  
16    so well that we actually backfilled with another show.  
17    Jury is still out. Like we're not sold out yet but  
18    hopefully it's gonna work out, I think.

19          PRESIDENT FREDERICK SCHENK: I'm trying to help you.

20          CHRIS GOLDSMITH: Please, we need promo help from you  
21    please, Fred.

22          So I think, you know, I would say the other things  
23    that I'm looking forward to right after this I'm going

1 over to meet with Jamie, your new Premier lead and we're  
2 trying to really work on ways to create a little bit more  
3 of an inviting space and increase people's interest in  
4 coming early and hanging out and increasing food and bev  
5 per caps. You know, you can't get more people in there  
6 but you can get them to come earlier and you can get them  
7 to spend money. And that's where we're going to kind of,  
8 you know, Phil and Steve have a great expertise in  
9 environment and vibe and we want to bring more of that  
10 into The Sound. And I think Jamie is going to be a good  
11 partner with us on that.

12 And I would just say I know some of the Board Members  
13 here were not here when we were voted on to the project  
14 or in the early years of the development of it. And I  
15 welcome anytime getting together, coming over and having  
16 lunch if you have an idea, if you want to talk about some  
17 programming or just learn about what we're doing, I'm  
18 happy to share our experiences with you and to take  
19 suggestions and any questions.

20 MR. GELFAND: Yeah. You know, there was a question  
21 about marketing, you know, joint marketing with the DAA.  
22 But I think there is potential of joint marketing with  
23 Premier. Because, for example, you, you know, the website

1     there's an advertisement for tickets to a show but  
2     there's no mention of the fact that they can come and  
3     have dinner.

4             CHRIS GOLDSMITH: Yes.

5             MR. GELFAND: So there's a whole ripe opportunity  
6     there I think to enhance food sales through joint  
7     marketing between Belly Up and Premier.

8             The second thing is when you talk to them, the way  
9     Premier is set up is a little weird. Like if I go to get  
10    a bottle of water and a cocktail, I got to go to two  
11    different places, you know, and pay twice, you know? It's  
12    just a little weird the way they've got it set up. So I  
13    know you guys know a lot about that. You might want to  
14    talk to them about it.

15            CHRIS GOLDSMITH: I will. I will mention it. And there  
16    are, you know, there's definitely some things we -

17            MR. GELFAND: The other thing is I want to apologize  
18    to you guys because the facility is in a bit of a state  
19    of disrepair. I know we've had ongoing issues with the  
20    HVAC system. I went to one particular show that I was  
21    really excited about and literally it was so hot in the  
22    balcony, I had to go downstairs and stand by an open  
23    door. You know, and that impacts people's willingness to

1     come back to future shows. We need to step up our game in  
2     that regard. Okay.

3           MS. MOORE: And I would just like to clarify that we  
4     are. Done a number of things and we do continue to make  
5     that investment and that's why but just being aware that  
6     there are.

7           PRESIDENT FREDERICK SCHENK: All right. I'm going to  
8     go around the horn.

9           Blair?

10          Nejabat?

11          Mead? Director Mead?

12          MS. MEAD: Thank you.

13          Thank you for being here today. Two comments. One is  
14     I want to echo what Michael says. Often times when I go,  
15     people that are getting alcohol say I didn't know that  
16     there was food, I could have eaten here before I came. So  
17     I just really think dinner and a show kind of stuff is  
18     really important. So echo that.

19          Second thing is I kind of go -- come from the school  
20     of that which gets measured gets done. And what I don't  
21     see in this document is essentially what are the goals?  
22     There's a plan but it wasn't until you said the ultimate  
23     goal is 100. I would just like to see a goal, because if

1 we're working toward it then it's better than well, we're  
2 hoping to get 74 and maybe our ultimate goal is 100, but  
3 none of us know that's the measure. And I do agree that  
4 we may come up with a number together but then we're  
5 working on that number together. I would love to see if  
6 we continue this agreement some goal that we're all  
7 working toward each year. Number of shows. Thank you.

8 MS. ROWLAND: I just had a question about, is there  
9 any particular infrastructure or other facility  
10 improvement that you think is kind of essential for  
11 moving us forward, something that makes us even more  
12 competitive?

13 CHRIS GOLDSMITH: Well, I do think that the HVAC  
14 situation is important and that's where all of my focus  
15 is in terms of not wanting to dilute the momentum on  
16 that. You know because on the other side of the too hot  
17 was there's been several instances where it's been too  
18 cold and we haven't been able to address that. I think,  
19 you know, we are -- we have a list of things that have to  
20 do with, you know, improved lighting, you know, making  
21 sure that we're able to maintain the quality of the sound  
22 system because it's a constant maintenance situation with  
23 the abuse that those systems get. And then there's some

1 stuff that has to do on the back end with like load-in  
2 for the artists.

3 There's two main issues. One is there's a lot of  
4 obstacles back there and we're working to hopefully find  
5 a way to remove some of them so that buses and trucks can  
6 move more easily in the sort of confined backstage space  
7 because that's a source of complaint from them. And then  
8 also during the fair, I mean during the - I'm sorry,  
9 during the race track, we have a much more convoluted  
10 load-in situation and we're working with the race track  
11 now to try and address that and get it to the point where  
12 we can get our load-in. Right now, we have to relocate.  
13 We were not able to park in the back of the venue load-in  
14 like the other months. We have to park over by the arena  
15 and actually, you know, push the gear all the way around.  
16 And it's for the protection of the horses. But we do have  
17 a solution and I think that, you know, the track has been  
18 very willing to entertain that and hopefully by fall  
19 season we'll have that.

20 MR. GELFAND: Question.

21 PRESIDENT FREDERICK SCHENK: Yeah.

22 MR. GELFAND: Is the P.A. system and lighting system  
23 owned by the DAA or leased?

1 CHRIS GOLDSMITH: It is owned by the DAA.

2 MR. GELFAND: And so during our budget process, does  
3 the Belly Up submit requests to us for upgrades?

4 CHRIS GOLDSMITH: Yeah, and maintenance stuff too.  
5 Yeah.

6 MR. GELFAND: And the maintenance of it, expense --  
7 [multiple speakers]

8 MS. MOORE: -- goal setting for the year as well.

9 MR. GELFAND: And maintenance expense, is that on us  
10 or Belly Up?

11 MS. MOORE: For the facility -

12 [Multiple speakers]

13 MS. MOORE: Whatever is ours, so whatever we own, is  
14 ours to maintain.

15 MR. GELFAND: So if their sound guy turns up the sound  
16 too loud and blows out a speaker, we have to pay for  
17 that?

18 MS. MOORE: Unless their sound guy did something like  
19 that.

20 CHRIS GOLDSMITH: I would volunteer to pay if we did  
21 that.

22 PRESIDENT FREDERICK SCHENK: Lisa?

23 MS. BARKETT: No, I'm just very excited about what is

1 up coming next year. That was all great news. And these  
2 are small problems that we have, so, [chuckling] -- so  
3 I'm very excited, thank you.

4 CHRIS GOLDSMITH: Thank you.

5 MS. BARKETT: Thank you to the whole crew.

6 PRESIDENT FREDERICK SCHENK: Director Arabo.

7 MR. ARABO: Thank you for coming. I haven't been to a  
8 show and but I definitely want to come see it.

9 From an asset though, I see -- I know it's new but it  
10 seems to be a little bit underperforming as far as --  
11 last year we made 600,000 prior to the debt service,  
12 after we've netted 50. Just perspective. I know it's a  
13 whole different industry. Last year horse racing gave us  
14 \$9.5 million, so I'm hoping that in the future The Sound  
15 could really pump up with your expertise because you have  
16 a great brand and you have great knowledge in the  
17 industry. Whatever we could do to get better and make  
18 more money for the district. I encourage you to lean on,  
19 we have directors, like Director Nejabat I'll tell you he  
20 has a brilliant sense of music. He referred someone to  
21 the staff for the Del Mar Fair, I think Zedd, and it was  
22 a total sell out. So I know Director Barkett and Director  
23 Gelfand, so many are really good in this space. And an



1 opportunity long term now with Legends buying out  
2 Premier. Legends has like around 160 stadiums. They also  
3 have a promoting arm. Just for us to think about long  
4 term. But hopefully we stay with your company but I hope  
5 -- we need to make more money for the district. And I  
6 hope you could deliver that.

7 CHRIS GOLDSMITH: Well, it is our goal for sure. You  
8 know, I think that there's, you know, how much it costs  
9 to build a building, how much the debt service is. Those  
10 are things that are out of my control, you know. And what  
11 on a square-foot basis, you know, to compare it to the  
12 racetrack. You know, if we had as many square feet to  
13 generate revenue, I think that'd be --

14 MR. ARABO: Yeah, right. Right, right. But - [multiple  
15 speakers]

16 CHRIS GOLDSMITH: -- I would --

17 MR. ARABO: But even the net of 600,000, pretend it's  
18 paid off. 600,000.

19 CHRIS GOLDSMITH: In the second year of a thing to net  
20 \$600,000, it's not, I mean, again, it's up to you guys  
21 what is acceptable. I think within the realm of the  
22 industry for what we're doing for that size venue in its  
23 second year, I think that was a good step towards where

1 we want to be and we definitely want to be north of there  
2 and try to make you guys and us as much money as we can.

3 MR. ARABO: How much you think you're expecting this  
4 year or next year? What are you projecting?

5 CHRIS GOLDSMITH: Well, this year we're projecting 74  
6 shows and for '26 our goal is 100. I haven't really dug  
7 into the projection yet, it's a little early. Some of  
8 it's like you say, you don't know. Some of it's very  
9 fickle in terms of this year was very difficult, which we  
10 wouldn't have been able to see coming because bands  
11 decide they don't want to play there's nothing you can  
12 really do except overpay them, which isn't a financially  
13 good idea.

14 And you know, just our talent buyer is down at the  
15 Chula Vista on Saturday for Incubus and he was talking  
16 with the main talent buyer for Live Nation, and they  
17 consider this year a blood bath. Like, you know, so, I  
18 think sometimes these things do have little bits of peaks  
19 and valleys. I mean, if we can get, you know, more  
20 private events going, if we can get other types of  
21 programming besides just rock and roll concerts, which is  
22 something that we're working on and trying to diversify  
23 into different genres of music, which is, you know, we

1     have a wheelhouse but we also have the and ability to  
2     expand beyond that. I think we'll book as many shows as  
3     we can.

4             MR. ARABO: You do country music? You do all types of  
5     genres?

6             CHRIS GOLDSMITH: Yeah.

7             MR. ARABO: Well, good luck.

8             PRESIDENT FREDERICK SCHENK: Mark, you got to go.

9             MR. ARABO: I'll go to it. I'll go to it. We're very  
10    grateful that you are there and helping. We just hope  
11    obviously we all could do a little more. And I hope, you  
12    know, it's early. It's still early.

13            CHRIS GOLDSMITH: Well, I'm more than willing to sit  
14    and talk more about that too and to talk music ideas too.  
15    That would be great.

16            PRESIDENT FREDERICK SCHENK: Director DeBerry? Donna?

17            MS. DeBERRY: Yes.

18            PRESIDENT FREDERICK SCHENK: Thank you.

19            MS. DeBERRY: Yes, so absolutely. So thank you. And I  
20    haven't been either so I'm looking forward to a great  
21    concert.

22            First, there is a couple of things. One, I want to  
23    say what I've seen work especially in the concert or even

1 private event is partnering with external organizations.  
2 And so, and not just with organizations but really seek  
3 out the social influencers online and different places.  
4 It works well because the community at large can be your  
5 biggest advocate for filling The Sound up for sure,  
6 right. Butts in seats as they say.

7 Second is I strongly, strongly believe from my own  
8 personal experience of being a producer, is it's really  
9 around the overall concert experience, right. And so you  
10 are seeing now more smaller venues and medium size venues  
11 really focusing on experience and [audio cutting in and  
12 out] the fact we have dining opportunities, food  
13 offerings and really trying to promote that more and  
14 anything else that's really not just about the act itself  
15 but around the whole experience itself. So anything that  
16 we can do to help to help you with that and suggest  
17 organizations that you should be partnering with to  
18 really promote those concerts and also, to open up The  
19 Sound for private events certainly lean on us. And I  
20 think I talked a little bit about the La Jolla Playhouse,  
21 that's one of the things that they do very well. They  
22 partner in the community to fill those venues, especially  
23 around diverse acts. So that's another opportunity for

1     you.

2           CHRIS GOLDSMITH: Thank you.

3           MS. DeBERRY: Thank you. But thank you. I'm looking  
4     forward to it.

5           CHRIS GOLDSMITH: All right.

6           PRESIDENT FREDERICK SCHENK: I would just observe, you  
7     know, getting Jason Mraz. We had him here when we first  
8     opened. You know, he's a local legend. But also people  
9     that live in San Diego that might be interested, Joe  
10    Walsh has a home in San Diego, Mike Love has a home in  
11    San Diego. And this guy from Blink 182, Tom DeLong has a  
12    home here in San Diego. So you know, maybe we should be  
13    trying to identify some local. I know we're competing  
14    nationally, but we have people in our own backyard maybe  
15    to do acoustic or something, you know, really unique at  
16    The Sound.

17          CHRIS GOLDSMITH: For sure. And Tom DeLong actually,  
18    he's been in the venue, he loves the venue actually. And  
19    word is spreading. And I think, you know, as the  
20    reputation for the venue spreads there will be more  
21    people like that coming in. And Jason's come back again.  
22    I mean, he had such a great experience he came back  
23    again, you know. That speaks loudly to how we're all

1 doing as a team down there.

2 PRESIDENT FREDERICK SCHENK: Great. Thank you very  
3 much.

4 CHRIS GOLDSMITH: Thank you.

5 PRESIDENT FREDERICK SCHENK: Good to visit with you.

6 CHRIS GOLDSMITH: Thanks.

7 PRESIDENT FREDERICK SCHENK: All right, so with that.

8 Okay, Director Gelfand, it's yours.

9 MR. GELFAND: With that, I would like to make a motion  
10 to exercise the second of three year -- second of three,  
11 three-year options to renew agreement 22-018, managing  
12 promoter of The Sound per the terms provided in our  
13 committee report with the following changes. First of  
14 all, the contract shall be modified to coincide with the  
15 22<sup>nd</sup> DAA's fiscal year. Second, this new three-year option  
16 will terminate on December 31st, 2029. And third, the 22<sup>nd</sup>  
17 DAA will assume control of the master calendar of The  
18 Sound effective immediately.

19 PRESIDENT FREDERICK SCHENK: Okay, there's a motion  
20 made. Is there a second?

21 MR. NEJABAT: Second.

22 MR. GELFAND: And in the way of discussion.

23 PRESIDENT FREDERICK SCHENK: Right, we'll make a

1 couple of comments. [multiple speakers]

2 MS. MOORE: Second was Nejabat?

3 PRESIDENT FREDERICK SCHENK: Yes. [multiple speakers]

4 We'll go with -- [multiple speakers]

5 Yeah.

6 MR. GELFAND: Yeah, the third item I mentioned, you  
7 know, assuming control of the master calendar, first of  
8 all, coming up to 100 events, you know, per year will I  
9 think significantly increase the net income, so that'll  
10 be helpful. But also controlling a master calendar will  
11 enable us to better market banquets and events ourselves  
12 when Belly Up is not operating the venue. So I think this  
13 helps us a lot to get to where we want to end up.

14 Independent of this, I would just comment that you're  
15 right, this thing's got to make more money. It's part of  
16 why I think being better enabled to promote events  
17 ourselves will be helpful as well because, you know, look  
18 making \$50,000 a year net after debt isn't going to cut  
19 it. We invested over \$20 million in this thing, we should  
20 be making more. I assume the debt is fully amortizing but  
21 still, we need to be making more. But in any event, this  
22 helps get us there. And generally speaking, I'm thrilled  
23 with the job they are doing. The quality of the

1 performances, I'm not talking about the musicians, they  
2 are obviously either good or bad. But the way the venue  
3 is operated, the ticket sales, getting people in and out,  
4 the actual management of the stage, and turning over  
5 bands you know from the opener to the next, I mean,  
6 really the professionalism has I think been phenomenal.

7 MS. MEAD: Ditto.

8 PRESIDENT FREDERICK SCHENK: Any other discussion?

9 Hearing none, okay. All right.

10 Donna?

11 MS. DeBERRY: Yes.

12 PRESIDENT FREDERICK SCHENK: You're okay? Anything  
13 further? All right.

14 MS. DeBERRY: No, I'm great. Thank you.

15 MS. O'LEARY: The other Donna.

16 President Schenk.

17 [Multiple speakers]

18 PRESIDENT FREDERICK SCHENK: We did have public  
19 comment. Yeah, I invited before the vote.

20 Aye.

21 MS. O'LEARY: President Schenk.

22 PRESIDENT FREDERICK SCHENK: Yes.

23 MS. O'LEARY: Vice President Gelfand.



1 MR. GELFAND: Aye.

2 MS. O'LEARY: Vice President Rowland.

3 MS. ROWLAND: Aye.

4 MS. O'LEARY: Director Arabo.

5 MR. ARABO: Aye.

6 MS. O'LEARY: Director Barkett.

7 MS. BARKETT: Aye.

8 MS. O'LEARY: Director Blair.

9 MR. BLAIR: Aye.

10 MS. O'LEARY: Director DeBerry.

11 MS. DeBERRY: Aye.

12 MS. O'LEARY: Director Mead.

13 MS. MEAD: Aye.

14 MS. O'LEARY: And Director Nejabat.

15 MR. NEJABAT: Aye.

16 PRESIDENT FREDERICK SCHENK: Motion carries.

17 Thank you very much from our friends down the block.

18 And I'll also point out Alicia Keys is also a San Diego

19 resident. I didn't mean to exclude her from the list of

20 notables.

21 CHRIS GOLDSMITH: Wow, we got to get her here.

22 PRESIDENT FREDERICK SCHENK: I forgot, she was on my

23 list as well.

1 All right. We're going to move on to 7A2,  
2 consideration and vote on operator rental agreement 25-  
3 903SET Spike LLC, dba Wave Volleyball. Okay, it's an  
4 action item.

5 MR. GELFAND: I move to authorize the CEO to approve  
6 operator rental agreement 25-903 SET Spike LLC, dba Wave  
7 Volleyball under the terms provided in our committee  
8 report in today's Board packet.

9 PRESIDENT FREDERICK SCHENK: All right.

10 MR. ARABO: Second.

11 PRESIDENT FREDERICK SCHENK: Motion has been made by  
12 Gelfand, seconded by Arabo. I'm going to take public  
13 comment at this time. Is there anybody in the public who  
14 would like to address the Board on that? Seeing none, and  
15 there's no one else online, we'll open it for discussion.  
16 Anyone from Board who would like to address before we  
17 vote? All right. Seeing none. I like that. Let's move it  
18 along then.

19 MS. O'LEARY: President Schenk.

20 PRESIDENT FREDERICK SCHENK: Yes.

21 MS. O'LEARY: Vice President Gelfand.

22 MR. GELFAND: Aye.

23 MS. O'LEARY: Vice President Rowland.

1 MS. ROWLAND: Aye.

2 MS. O'LEARY: Director Arabo.

3 MR. ARABO: Aye.

4 MS. O'LEARY: Director Blair.

5 MR. BLAIR: Aye.

6 MS. O'LEARY: Director DeBerry.

7 MS. DeBERRY: Aye.

8 MS. O'LEARY: Director Mead.

9 MS. MEAD: Aye.

10 MS. O'LEARY: And Director Nejabat.

11 MR. NEJABAT: Aye.

12 PRESIDENT FREDERICK SCHENK: I'm going to take this

13 moment just to enjoy this how quickly we were able to get

14 through that. It's an important one. Just absorb the

15 moment.

16 MR. BLAIR: I can hardly wait for golf.

17 PRESIDENT FREDERICK SCHENK: Right, okay. And here we

18 go. Moving on to item 7-A-3, consideration and vote on

19 the amendment to the operator rental agreement number 24-

20 905 AM1 DMGC Golf Management, Inc.

21 Action item, Director and Vice President Gelfand.

22 MR. GELFAND: I'm going to make another completely

23 uncontroversial motion.

1       PRESIDENT FREDERICK SCHENK: I like that. I like that.

2       MR. GELFAND: Theoretically.

3       [Multiple speakers]

4       MR. GELFAND: I move to authorize the CEO to execute  
5 an amendment to the operator rental agreement 24-905 AM1  
6 DMGC Golf Management, Inc. under the terms provided in  
7 our committee report in today's Board packet.

8       PRESIDENT FREDERICK SCHENK: Motion has been made by -

9       -

10      MS. DeBERRY: Second.

11      PRESIDENT FREDERICK SCHENK: -- Director Gelfand. Is  
12 there a second?

13      MS. MEAD: Second.

14      PRESIDENT FREDERICK SCHENK: Seconded by Director  
15 Mead.

16      I will open it up for public comment. Seeing none, I  
17 do want to point out that Director Barkett had to leave,  
18 so as we take a roll call, she will not be included in  
19 that vote. Any discussion?

20      MR. BLAIR: Just a question. 600,000 in upgrades seems  
21 like a lot of money, what are they going to do?

22      MS. MOORE: So it's an interesting building over  
23 there. Actually it's one building that Golf Mart as a

1 retail shop was operating in and DMGC Golf with the  
2 driving range and Pelly's was opening up, reconnecting  
3 that space. Opening it. And really their investments are  
4 for the performance center and that's really where the  
5 investment is. And it's in essence the stations you can  
6 go into, practice your swing, practice on different  
7 courses, figure out your exact club fittings and so  
8 forth. So for their operational purposes is a large part  
9 of that investment that they are making into expanding  
10 their business.

11 PRESIDENT FREDERICK SCHENK: Any other?

12 Yes, Director Mead.

13 MS. MEAD: I don't know if this was planned or  
14 coincidental, but I'd just like to reinforce that  
15 receiving the recommendation was made so much easier  
16 given the fact that two months ago, the golf DMG Golf  
17 folks came to give us a presentation. So we were -- I  
18 felt knowledgeable and I felt like we knew the team and  
19 so if it was planned, kudos, if it was a coincidence, I  
20 like these coincidences, so thank you.

21 PRESIDENT FREDERICK SCHENK: Thank you.

22 Any other comments?

23 MR. ARABO: I have a question. On page 30, I see there

1 is a ceiling of the profit share that they give to the  
2 district, were they fighting that or open to not doing  
3 that? Like I said, 6% of the gross sales up to \$2 million  
4 annually, is there a reason they capped it?

5 MS. MOORE: Well, it's 6% up to \$2 million. Because  
6 once they go over \$2 million in sales, it actually  
7 increases to now 6.5%, we get an additional half percent  
8 on anything higher.

9 [multiple speakers]

10 MR. ARABO: Or 600,000 per year. So they have a base  
11 minimum of 600,000 per year.

12 MS. MOORE: Yes.

13 MR. ARABO: I understand.

14 MS. MOORE: And that was something new with the  
15 Finance Committee for these commission-based contracts if  
16 you have a minimum guarantee in them, which we  
17 calculated.

18 MR. ARABO: Great job, Director Gelfand and Carlene.  
19 That's great.

20 MR. GELFAND: That was committee work.

21 PRESIDENT FREDERICK SCHENK: All right. Good to hear.  
22 Good to hear.

23 Any other comments for the good of the order? Hearing

1 none, we will take a roll.

2 MS. O'LEARY: President Schenk.

3 PRESIDENT FREDERICK SCHENK: Aye.

4 MS. O'LEARY: Vice President Gelfand.

5 MR. GELFAND: Aye.

6 MS. O'LEARY: Vice President Rowland.

7 MS. ROWLAND: Aye.

8 MS. O'LEARY: Director Arabo.

9 MR. ARABO: Aye.

10 MS. O'LEARY: Director Barkett.

11 MS. O'LEARY: Director Blair.

12 MR. BLAIR: Aye.

13 MS. O'LEARY: Director DeBerry.

14 MS. DeBERRY: Aye.

15 MS. O'LEARY: Director Mead.

16 MS. MEAD: Aye.

17 MS. O'LEARY: And Director Nejabat.

18 MR. NEJABAT: Aye.

19 PRESIDENT FREDERICK SCHENK: Thank you very much. The

20 motion carries.

21 We're going to move on to 7B, Master Site Plan,

22 Environmental Stewardship Committee Report. This is

23 information. The report is on pages 32 and 33 of the

1 Board packet.

2 I'll recognize Director Arabo to provide verbal  
3 committee -

4 MS. MOORE: It would be Director Mead.

5 PRESIDENT FREDERICK SCHENK: Oh, Director Mead. You  
6 are right. I apologize. Didn't want to -- I saw the look  
7 in your eyes there for a moment.

8 Director Mead, thank you.

9 MS. MEAD: I too have that deer in the headlights look  
10 that Don was our previous chair. However, I did attend  
11 the meeting and the report stands for itself. We had the  
12 opportunity to meet with the consultant, provide, get  
13 information about who is being consulted and provide  
14 information about who we thought might be missing from  
15 the list. But we're very happy with the plan to go  
16 forward and get information from experts in the field. So  
17 I'm very comfortable with the memo as presented.

18 PRESIDENT FREDERICK SCHENK: Any members of the public  
19 who would like to -- well, first let me ask, anybody else  
20 on the Board who would like to discuss this? Seeing none.  
21 Anybody from the public that would like to? All right.  
22 Anything further? All right. Very well. Very good.

23 Now, we will move on to 7-C, DMTC Liaison Committee



1 Report. And this also is informational only.

2 Director Arabo, would you like to provide a report?

3 MR. ARABO: Yeah, thank you very much.

4 PRESIDENT FREDERICK SCHENK: And I apologize for  
5 raising your blood pressure momentarily over there.

6 MR. ARABO: No problem at all.

7 Thank you, President Schenk and members of the Board.  
8 The DMTC, we had a great opening day this year. We opened  
9 up on Friday, July 18<sup>th</sup>. It was a great opening weekend. I  
10 want to thank the DAA staff and DMTC for the quick  
11 turnaround between the fairgrounds and opening day. It  
12 was a big positive increase. We so far opening day  
13 weekend, we had an increase of 5.5% compared to 2024.  
14 We're seeing upward trend for the Del Mar Race Track.  
15 Wagering is up 28.9%. Opening day we saw 21 different  
16 California assembly members attend, including the speaker  
17 of the Assembly, which was a great opportunity, very  
18 valuable to the DAA and DMTC to engage with our public  
19 officials for the betterment of the community. 2024 horse  
20 racing at the fairgrounds generated over \$300 million in  
21 positive economic impact. And each year because of the  
22 race track we have around 3,500 individuals that work at  
23 the fairgrounds.

1        Now dollars and cents. We see upward trends. We're  
2        bullish on horse racing. And we have a unique situation  
3        with the single circuit now with Del Mar and Santa Anita.  
4        In 2023, because of horse racing the District received,  
5        and RTA, \$9.2 million because of it. In 2024, the  
6        District and RTA received \$9.5 million because of it. And  
7        I'm hoping, we talked to Josh Rubinstein, that this year  
8        we'll receive \$10 million. We're hoping to increase it  
9        more and more.

10       I have asked them to look at what we can upgrade to  
11       help horse racing and the experience to see, look at the  
12       committee to see a couple of potential bids for screens  
13       or for backstretch. I'm also most grateful for DMTC's  
14       commitment to safety. The equine standards are the gold  
15       standards in the entire industry. We definitely want  
16       other opinions. And I'm going to be asking the DMTC to  
17       come to the next meeting to talk on their perspective as  
18       far as the health of the industry. I know that always  
19       worries me, worries everybody. But so far, we're bucking  
20       the trend. We're seeing it go up and up and up and very  
21       grateful for them. Usually in business there's a  
22       principle called the 80/20. 20% of your activities bring  
23       80% of the revenue. And I think that's very applicable to

1 the fairgrounds, where we have the Del Mar Fair and the  
2 Del Mar races really make up the majority of our money.  
3 But we could do better, we can make more and we have to  
4 be always committed to safety and welfare of the animals.  
5 And so, we're very optimistic. And we're hoping to have a  
6 meeting soon, we'll report back with talking to Premier  
7 and hopefully we'll do more and more benefits, offerings.

8 I encourage, DMTC does too, Board members to attend  
9 and get involved, present an award, get to know the horse  
10 racing industry and hopefully be a great year.

11 PRESIDENT FREDERICK SCHENK: Director Arabo, thank you  
12 very much for your leadership on that.

13 Any questions from the Board, including Director  
14 DeBerry.

15 I see you on the screen. I just want to make sure  
16 just, you know, wave at me if you would like to offer  
17 some commentary on item 7-C.

18 Start with Director Blair. Anything?

19 Nejabat?

20 Mead?

21 Rowland?

22 Director DeBerry, any comment?

23 MS. DeBERRY: No.

1           PRESIDENT FREDERICK SCHENK: We're going to open it up  
2 to the public at this point.

3           So Ms. Sullivan, I see you on the agenda. Welcome  
4 again.

5           MARTHA SULLIVAN: Martha Sullivan again from Imperial  
6 Beach. I left for you before the meeting this handout  
7 that's basically a snapshot of the status of the U.S.  
8 horse racing industry, which you've heard from me and  
9 others over the past few years, those of you who have  
10 been here for a while, and it's a good snapshot for those  
11 of you who haven't.

12          Following the industry, DMTC's wagering handle has  
13 dropped the last few years, even with a Friday opening  
14 day. For example, the difference was a 9% drop from the  
15 last three-day opening day. The Daily Racing Forum  
16 recently reported that DMTC starts this meet with over \$1  
17 million debt in its purse account due to this wagering  
18 decline. DMTC is already bracing us for another drop in  
19 handle this year with Josh Rubinstein quoted by the  
20 Paulick Report that quote, "While we should get some  
21 benefit in the handle from having a single circuit, we  
22 could see eight figure reduction in wagering due to  
23 increased computer-assisted wagering rates."

1       So sure enough, as I said, that there was a drop in  
2       handle for the opening weekend. And a 9% drop that I  
3       referred to earlier was for the year. The opening weekend  
4       for this year compared to the last three-day weekend was  
5       6.5%, that was a decline. For the benefit of new Director  
6       DeBerry, this Board can replace the revenue it gets from  
7       DMTC by adding 10 days to the county fair. This is not a  
8       difficult thing.

9       MS. O'LEARY: Ms. Sullivan, your time is up.

10       PRESIDENT FREDERICK SCHENK: Thank you for your time.

11       Next is Allison Prater. Good afternoon.

12       ALLISON PRATER: Allison Prater from Imperial Beach  
13       again.

14       While I would never encourage anyone to watch or  
15       attend horse racing, a sport which kills and injures  
16       beautiful animals only for the entertainment of gamblers,  
17       I ask that if you do, you pay attention to the details  
18       I've had to view on monitoring the races. Watch as they  
19       are led out in the post parade when they have to be  
20       hooded or have blinkers on because they fear the noise as  
21       they twitch or rear up from being so nervous as they  
22       resist being roughly shoved into their tiny stall at the  
23       starting gate, sometimes throwing their jockey and trying

1 to fight back. Then they are forced to shoot out of the  
2 gate being bumped and crowded and quite often clipping  
3 heels or falling sometimes to their immediate death or  
4 having to be euthanized a short time after. The first  
5 horse I watched die was Goodbye Kai, who clipped heels  
6 with another horse, fell and convulsed on the track  
7 before dying. It was horrifying. The jockey who recently  
8 placed first in the Kentucky Derby, Junior Alvarado, was  
9 fined for violating the no more than six times whipping  
10 rule. He actually said, "I'm doing my best to win a race,  
11 I can't be thinking about how many times I'm hitting the  
12 horse." Think about that for a minute how incredibly  
13 cruel. Statistics show that live horse racing is coming  
14 to an end. I choose to believe that's because people  
15 finally realize these magnificent horses deserve better.  
16 Thank you.

17 PRESIDENT FREDERICK SCHENK: Thank you for your time.

18 Next, there are no other individuals in the audience  
19 here. So the next person online is Jim Coleman.

20 Mr. Coleman, you have two minutes.

21 MR. RIVERA: Jim has dropped out of the queue.

22 PRESIDENT FREDERICK SCHENK: All right. Thank you.

23 Next is Jane Cartmill. Good afternoon, again, Ms.

1     Cartmill.

2           JANE CARTMILL: Ray Paulick's interview with Josh  
3     Rubinstein was troubling. Asked what the Del Mar  
4     Thoroughbred Club has done to prepare for possible I.C.E.  
5     raids at the track, Rubinstein had surprisingly little to  
6     say. Stating that protocols were in place that have been  
7     reviewed by backstretch personnel sounded rather vague  
8     and bland given the current circumstances of highly  
9     aggressive enforcement actions, possibly indicating one  
10    of two things. One, that there is little fear of any raid  
11    taking place since it's unlikely that the current  
12    administration wants to harm a wealthy industry that  
13    produces big donors. While a few tracks have seen I.C.E.  
14    action actions such as Delta Downs, one could reasonably  
15    predict that more popular and prestigious tracks will be  
16    spared. Or two, his weak response could reflect  
17    insufficient concerns for these exploited workers. Their  
18    abysmal housing, extremely long hours and low pay has  
19    always been revealing in horse racing, where there is  
20    more than ample money to improve conditions dramatically  
21    if concern for their well-being was genuine.

22           Million dollar horses with billion dollar owners  
23    being cared for by immigrants who barely make subsistence

1 wages, said one commenter on the recent Washington Post  
2 story about the fear gripping backstretch workers now.  
3 Rubinstein asserts that only licensed personnel can enter  
4 the barn area. Really? Armed federal agents in riot gear  
5 don't ask permission. I'd like to have heard what, if  
6 any, legal advice and assistance and spiritual counsel  
7 would be provided to the backstretch workers in the event  
8 of a raid. Would anyone be there to shepherd them through  
9 the nightmare of being grabbed and jailed with no  
10 recourse. Who will look after their children if they are  
11 taken? Who cares for the horses in their absence?  
12 Hopefully, there has been a much taller response to the  
13 threats of I.C.E. raids and Rubinstein's comments reveal.  
14 And has the 22<sup>nd</sup> DAA itself developed measures in the face  
15 of this threat to the already fragile -

16 MS. O'LEARY: Your time is up.

17 JANE CARTMILL: -- future of racing.

18 PRESIDENT FREDERICK SCHENK: Thank you, Ms. Cartmill.

19 Next is - oh, I'm going to come back to Mr. Coleman  
20 because I see you are back in the queue. So I'm going to  
21 recognize Jim Coleman for two minutes.

22 MR. RIVERA: And he just dropped off again.

23 PRESIDENT FREDERICK SCHENK: Don't mess with me, Mr.



1 Coleman. I'm joking. I don't know who he is but, all  
2 right, we gave him another opportunity. All right.

3 Next up is Oscar de la Torre. Are you with us this  
4 afternoon, Mr. de la Torre? You are hurting my ego here,  
5 you know. I do see you on the screen. Mr. de la Torre,  
6 you're up for two minutes please.

7 OSCAR DE LA TORRE: Yes, thank you very much.

8 My name is Oscar de la Torre. Backstretch worker  
9 advocate. I have the privilege and honor of working with  
10 backstretch workers. And so the comment that was made  
11 recently regarding the fear that exists, that fear is  
12 real. There are a lot of concerns, not just in this  
13 industry but in all industries throughout, you know, the  
14 country right now. And so, those are real concerns. You  
15 know, despite that, the workers here at Del Mar are very  
16 fortunate, very appreciative of their jobs, caring for  
17 horses, you know, and being part of this amazing  
18 industry.

19 Opening day was a great success. They had a major  
20 role, you know, to play in that. And you know, these are  
21 living-wage jobs, medical attention, other programs and  
22 services. DMTC recently implemented a free-meal program,  
23 which with high inflation and so forth going on, it's

1 very appreciated by many of the backstretch worker  
2 community. We also just you know look at the positive  
3 impact that the race track but beyond that, you know, the  
4 jobs that are provided throughout north San Diego County,  
5 hotel workers, restaurant workers, you know, many, many  
6 families depend on live racing and it's very important to  
7 consider the impact that it has on these families that  
8 live horse racing has on families, not just at the race  
9 track but beyond the race track.

10 We're very fortunate also that Del Mar is considered  
11 one of the safest race tracks in the country. You know,  
12 and not only in the country, in the Americas. One thing  
13 that is very important to note that since 2019, the  
14 reform effort in the State of California has had a very  
15 positive impact reducing accidental horse racing  
16 fatalities by 50%.

17 MS. O'LEARY: Your time is up.

18 PRESIDENT FREDERICK SCHENK: Mr. de la Torre, thank  
19 you for your input.

20 George Bush so wisely once said, fool me once, shame  
21 on me. Fool me twice, I'm not going to be fooled again. I  
22 think those were his words.

23 Mr. Coleman, we're going to invite you back, if you

1 would like.

2 Third time's the charm is the other side of that  
3 expression.

4 Mr. Coleman, you have two minutes, sir.

5 JIM COLEMAN: Good afternoon, Chair and Members of the  
6 Board. Thanks, again, for the opportunity to speak to you  
7 today.

8 As stewards of the Del Mar Fairgrounds you understand  
9 better than anyone the powerful role this venue plays in  
10 our region. I want to take a moment to highlight the  
11 ongoing positive impact that thoroughbred racing  
12 continues to have, not just within these gates, but  
13 throughout the greater Del Mar community. You know, each  
14 racing season draws thousands of visitors for our area.  
15 These guests support our hotels, restaurants, retail  
16 stores and service providers creating a ripple effect  
17 that fuels our local economy. The revenue generated  
18 during the meet, tens of millions of dollars helps  
19 sustain jobs and small businesses year around.

20 Racing contributions go well beyond the economic  
21 impact. Thoroughbred racing supports hundreds of local  
22 jobs, trainers, grooms, veterinarians, hospitality  
23 workers and administrative staff. Many of whom rely on

1 racing in this facility to support their families. Just  
2 as importantly, racing in Del Mar helps preserve  
3 California's agricultural heritage, supports equine  
4 welfare organizations and continues to partner with  
5 community charities and youth programs. This isn't just  
6 about entertainment, it's about heritage, responsibility,  
7 and economic vitality. And it's all happening right here  
8 with the DMTC thanks to your leadership and support. So  
9 on behalf of so many in our community, thank you for  
10 helping keep this tradition and positive effect it has on  
11 our area alive. Thank you.

12 PRESIDENT FREDERICK SCHENK: Thank you, sir.  
13 Appreciate your input.

14 Last is Maria Luisa. I hope I pronounced it  
15 correctly.

16 MARIA LUISA: Yes, good afternoon, commissioners. My  
17 name is Maria Luisa and I'm calling to support the --  
18 excuse me, yes, I'm calling -- hello.

19 PRESIDENT FREDERICK SCHENK: Yes, you have two  
20 minutes. Go right ahead.

21 MARIA LUISA: Oh, yes. Sorry.

22 Yes, as many people have acknowledged before, we  
23 should all be proud of Del Mar's horse safety record.

1 Some people with extreme views will never accept Del Mar  
2 as being recognized as the safest race track in America.  
3 Instead of applauding the successes or horse safety  
4 reform effort in California, a local minority continue to  
5 advocate for the prohibition of horse racing without any  
6 thought of the consequences of this on the many working  
7 families whose lives depend on live horse racings. Many  
8 of my family members wake up early each day to take care  
9 of the horses at the race track. They are truly the  
10 animal rights advocates.

11 The backstretch workers I know love their jobs taking  
12 care of horses and are offended to see people equating  
13 their jobs to animal abuse. These are some of the most  
14 committed workers dedicated to the welfare and well-being  
15 of horses and appreciative of their jobs and support they  
16 receive at Del Mar. It's hard enough to be an immigrant  
17 worker in America. The cost of housings is high and  
18 inflation continues to make things more challenging for  
19 working families.

20 My family members who work in horse racing earn  
21 living wages and receive health benefits and other  
22 supports such as scholarships. I aside from jobs,  
23 housing, and health benefits that are provided at the

1 race track to workers that DMTC implemented a meal  
2 program for free to all backstretch workers. In a time of  
3 high inflation, these meals are appreciated and  
4 contribute to the overall well-being of the workers who  
5 take care of the horses at Del Mar. On behalf of my  
6 family members who work at the race track, I want to  
7 express my appreciation for the thoughtful support that  
8 the DMTC has provided backstretch workers. DMTC continues  
9 to show that it is responsible operator by continuing to  
10 be responsive --

11 PRESIDENT FREDERICK SCHENK: Thank you, Ms. Luisa.  
12 Appreciate it.

13 MARIA LUISA: Thank you, everyone.

14 PRESIDENT FREDERICK SCHENK: Thank you.

15 All right. That completes DMTC Liaison Committee  
16 report.

17 Is that correct, Director Arabo, is that the end of  
18 your report?

19 MR. ARABO: Yes, it is. Thank you.

20 PRESIDENT FREDERICK SCHENK: All right. Thank you.

21 MR. ARABO: Thank you.

22 PRESIDENT FREDERICK SCHENK: Before we go on to  
23 Executive Report, we don't have on calendar today fair

1 ops because typically we don't meet in July and things  
2 aren't available yet. But I can't wait until the fall to  
3 acknowledge Carlene Moore, Katie Mueller, Tristan  
4 Hallman, Donna O'Leary, and the hundreds of others who  
5 worked so hard and gave so much to make this fair so  
6 successful. I know we'll have an opportunity later in the  
7 summer, in the fall, to acknowledge but I couldn't let  
8 July go without acknowledging that entire team. Yeah.

9 MS. MOORE: Thank you.

10 PRESIDENT FREDERICK SCHENK: Sure.

11 And with that, we go to Executive Report.

12 MS. MOORE: All right. So, as well just to follow-up  
13 as Director Arabo said, hopefully we see -- nearly  
14 everybody was there on opening day and on opening  
15 weekend. But the slide before was "see you at the races,"  
16 so hopefully we do. So thank you, and thank you very much  
17 for that -- those kind words.

18 We don't typically meet in July. Usually this is the  
19 time where we're starting to get back now that we're  
20 through the fair and we're through horse racing and that  
21 transition that takes place and then starting to kind of  
22 normal - get some time off and normalize out on some  
23 operations and committee work and things like that. It

1 has been unusual for us to be meeting this time. Just  
2 something to think as we consider potentially scheduling  
3 an August meeting in terms of having some time for  
4 September.

5 PRESIDENT FREDERICK SCHENK: And I should have  
6 acknowledged Molly too. I didn't see you back there, but  
7 Molly, you as well. Thank you. You were hidden by the  
8 chair.

9 MS. MOORE: First off, got a couple of things just to  
10 update you on that were included in your packet. But I  
11 want to first start off with, most of you had the  
12 opportunity to meet him, and that is to introduce Mike  
13 Seyle, our new Chief Administrative Officer, who's joined  
14 us at today's meeting. He joined us starting on July 10<sup>th</sup>  
15 it was. And now you as directors might think you have an  
16 amount of training to do. Well, when you join full time  
17 with the state. So he's joined the team. We're working  
18 through some training and on-boarding things. We'll have  
19 some overlap with Doug Lofstrom, who has been our interim  
20 CAO. Doug happened to be on vacation this week. So you  
21 will still see him around for a few more weeks as that is  
22 continuing.

23 Also too, we'll have a report out the fair for the



1 September meeting. And when we have all of the financials  
2 and things. But I just want to echo what President Schenk  
3 has shared just in terms of overall what a quality fair  
4 we had and just the work and the passion that pours into  
5 it. And to Katie, Tristan and the rest of the team and  
6 really to everyone, it really was a great fair. People  
7 really enjoyed themselves. And in a time where our  
8 community, I think, needed that in the early part of the  
9 summer.

10 A couple of other reports. We are, for those of you  
11 who are following this as well, we are monitoring the  
12 requests. So Surf Cup has requested of the City of San  
13 Diego to reach out and potentially see about having deed  
14 restrictions lifted with regard to the Surf Cup property  
15 for their pursuit of other activities. So that is  
16 something we are aware of, we're monitoring. For us, our  
17 biggest concern has become traffic with regard to the  
18 fair and other activities that take place at Horsepark.  
19 But that is an evolving situation.

20 MS. ROWLAND: I can't tell Via de la Valle has been an  
21 absolute nightmare and spilling over onto Lomas Santa Fe  
22 as well. And getting in and out - [multiple speakers]

23 PRESIDENT FREDERICK SCHENK: El Camino Real.

1 MS. ROWLAND: And I don't know what that portends for  
2 the entry into Surf Cup but Via de la Valle cannot take  
3 all the traffic that's going up into that entrance what  
4 they call the main entrance. So something has to give on  
5 El Camino Real as well.

6 MS. MOORE: And that's where - it's kind of nice when  
7 the traffic complaints aren't about what's coming this  
8 direction but it's really been minor. My understanding is  
9 the traffic complaints headed eastbound. So we'll keep  
10 you apprised of that.

11 And then also, you know, it came up a little bit  
12 earlier, but just some brief updates in terms of our  
13 Master Site Planning process, and we do plan on having  
14 this on calendar because in addition to the Environmental  
15 Stewardship Committee that met our Public Engagement  
16 Committee will be bringing forward poll results. We're  
17 still in that green area which is at the back of your  
18 books, kind of our green sort of listening tour,  
19 awareness building. We'll be coming forward with a  
20 schedule of public workshops and so forth. We had  
21 scheduled for September to have kind of our quarterly  
22 update on the overall progress, if you recall with  
23 Southwest Strategies. So, that is on our calendar for

1 September. More to come on that. But things are  
2 continuing and it was well said that it is a marathon and  
3 not a sprint. We can be doing a better job of keeping  
4 everybody updated.

5 And that also includes the Technical Advisory  
6 Coalition met since our last Board meeting. And their  
7 work is underway and is continuing. So I think we'll have  
8 more robust information to be sharing this fall. But that  
9 work was continuing on through the fair.

10 And then before updating on the specific items on the  
11 agenda, I also just want to take a moment to say thank  
12 you to all of you because the feedback throughout today's  
13 meeting has been really helpful and insightful. And I  
14 just really appreciate that in the moment feedback.

15 And then with that, included in your packet was our  
16 response to SANDAG's NOP for the LOSSAN Rail Realignment  
17 Project. So you've all seen a copy of that. And just as  
18 an update, I have a call tomorrow with Mario Orso, the  
19 Executive Director of SANDAG for further update on it.

20 With regard to our facility's condition assessment  
21 report as indicated in the packet --

22 MS. ROWLAND: Can I ask a question about the SANDAG?

23 MS. MOORE: Oh, yes.

1 MS. ROWLAND: Given that that kind of additional  
2 alternate route was sort of dropped without much notice,  
3 if any, what do they say about that?

4 MS. MOORE: Well, I think I'll have more after the  
5 conversation tomorrow. They have not said anything yet.

6 MS. ROWLAND: That was the question.

7 MS. MOORE: And because of how that was dropped  
8 without the specificity of this project, it could in  
9 essence trigger a restart if that is something on this  
10 whole process, if that's something that's really going to  
11 be introduced and pursued. But more to come on that.

12 As on page 42 of our packet, I mentioned we received  
13 our Facility's Condition Assessment Report. Still not in  
14 the condition and readiness for bringing that forward to  
15 the Board but we're working through and they made some  
16 final revisions and edits to it. So, we're working  
17 through that and will be looking to present that at  
18 either the September or October Board meeting, again,  
19 depending on the robust nature of our agenda for  
20 September.

21 And then, finally, we put on the agenda and then as I  
22 was working on it, we're actually supposed to provide the  
23 annual update on the California Construction Authority in

1 November. So there's really just right now though, I  
2 wanted to just make you aware that the executive officer  
3 we're currently the Boards is in a recement for  
4 executive officer for California Construction Authority.  
5 And that's underway. And so hopefully by November I'll  
6 have some more robust information to share. But  
7 otherwise, there really hasn't -- haven't been any other  
8 changes at CCA.

9 And I think that concludes my Executive Report. And  
10 trying to keep it brief in the interest of everyone's  
11 time as well.

12 PRESIDENT FREDERICK SCHENK: I appreciate that. Thank  
13 you very much.

14 And so I'll open it up for public comment.

15 Ms. Sullivan, you are listed on here. Would you like  
16 to address the Board? Okay.

17 Then under matters of information, number 9 before we  
18 adjourn, a note that one can find matters of information  
19 beginning on page 45 of our packet, which includes all  
20 contracts executed per the CEO's delegation of authority,  
21 as well as the delegation of authority granted to me as  
22 Board President at our May Board meeting, which I did do  
23 during the course of the last few months.

1           And then on to number 10, adjournment with this. I  
2   see no other business before the Board and we've lost  
3   board member, and we've gained one back. The time is  
4   1:40, July 23rd, 2025. And the meeting of the 22<sup>nd</sup> DAA  
5   Board of Directors is hereby adjourned.

6           Director DeBerry, welcome to the Board and so glad  
7   that you are able to be a part of us and looking forward  
8   to your continued participation.

9           MS. DeBERRY: Thank you.

10          [Meeting adjourned at 1:40 pm PST]  
11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

CERTIFICATE OF TRANSCRIBER

I, Antha A. Ward, do hereby certify that the 22<sup>nd</sup> District Agricultural Association Board of Directors Meeting was transcribed from audio by me; that said digital audio recording of said proceedings are a true and accurate record to the best of my knowledge, skills, and ability; that I am neither a member for, related to, nor employed by the District in which this was taken; and, further, that I am not a relative or employee of any member or staff employed by the District hereto, nor financially or otherwise interested in the outcome of this action.

\_\_\_\_\_  
Antha A. Ward

QuickCaption, Inc.

--o0o--