BOARD OF DIRECTORS MEETING

22ND DISTRICT AGRICULTURAL ASSOCIATION

DEL MAR FAIRGROUNDS

2260 JIMMY DURANTE BOULEVARD

DEL MAR, CALIFORNIA 92014

(TELECONFERENCE)

TUESDAY, OCTOBER 13, 2026

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Transcribed by:

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IN ATTENDANCE:

22ND DAA OFFICERS AND DIRECTORS PRESENT:

SAM NEJABAT, CHAIR

LISA BARKETT, VICE CHAIR

MARK ARABO, DIRECTOR

PHIL BLAIR, DIRECTOR

DONNA DeBERRY, DIRECTOR

KATHLYN MEAD, DIRECTOR

TED MIYAHARA, DIRECTOR

ELSA MORALES-ROTH, DIRECTOR

FREDERICK SCHENK, DIRECTOR [VIA ZOOM]

22ND DISTRICT AGRICULTURAL ASSOCIATION STAFF:

BECKY BARTLING, CHIEF EXECUTIVE OFFICER

KATIE MUELLER, CHIEF OPERATIONS OFFICER

DUSTIN FULLER, SUPERVISING ENVIRONMENTAL PLANNER

MICHAEL SADEGH, FINANCE DIRECTOR

HENRY RIVERA, PRODUCTION DIRECTOR

MOLLY ARNOLD, ADMINISTRATIVE ASSISTANT

22ND DISTRICT AGRICULTURAL ASSOCIATION COUNSEL

JOSHUA CAPLAN, OFFICE OF THE ATTORNEY GENERAL

OTHER SPEAKERS:

ZAC LEVINE, CEO, LEVINE LEICHTMAN FAMILY OFFICE

LAUREN LEICHTMAN, FOUNDER, LEVINE LEICHTMAN CAPITAL PARTNERS

ERIC ANDALMAN, PARTNER, KING & SPALDING

BOBBY ASSIL, CEO, EIGHTY EIGHT PLACE

JOSH RUBINSTEIN, PRESIDENT & COO, DEL MAR THOROUGHBRED CLUB

PUBLIC COMMENTERS:

JOHN SPELICH

TRACY MARTINEZ

CHAUN REYNOLDS

JANE CARTMILL

PHOENIX

MARTHA SULLIVAN

ALLISON PRATER

RACHEL KEENAN

SHANE HARRIS

MR. RIVERA: Good morning, everybody.

The room is live.

Please make sure your microphone buttons are on when we're speaking.

Have a good meeting.

CHAIR NEJABAT: All right, good morning.

Today is Tuesday, October 13th, 2026 and the time is 9:40 a.m.

I now call this meeting of the 22nd DAA Board of Directors to order.

Can we please get the roll?

MS. ARNOLD: Chair Nejabat?

CHAIR NEJABAT: Here.

MS. ARNOLD: Vice Chair Barkett?

VICE CHAIR BARKETT: Here.

MS. ARNOLD: Director Arabo?

MR. ARABO: Here.

MS. ARNOLD: Director Blair?

MR. BLAIR: Here.

MS. ARNOLD: Director DeBerry?

MS. DeBERRY: Here.

MS. ARNOLD: Director Mead?

MS. MEAD: Here.

MS. ARNOLD: Director Miyahara is coming late.

Director Morales-Roth is not here yet.

Director Schenk?

VICE CHAIR BARKETT: Is he unmuted?

Yeah, he's muted.

MR. RIVERA: You're on mute, Fred.

MR. SCHENK: Here.

Thank you.

CHAIR NEJABAT: All right, we do have a quorum.

We'll now start by taking public comment for items not on today's agenda.

As a reminder, the board will not debate nor act on any comments heard today.

If you are here to speak on an agenda item, please wait until we take up that item.

For all public comment opportunities, each speaker will be given two minutes to make their remarks.

Please queue up at the line if you'd like to speak in person.

Thank you.

JOHN SPELICH: Good morning.

John Spelich, Deputy Mayor of Del Mar.

Thank you for this opportunity.

I want to start off by saying we've submitted a

new proposal to you for affordable housing on the RV park.

We listened to all your concerns.

We clarified, we hope, the issues and responsibilities in this new streamlined proposal.

We're all under direction from the Governor and the Assembly to do the best we can to make this happen, but the key points from our perspective are there is no financial risk to the DAA.

This board will always stay in control of this process.

Working with the City of San Diego, we believe the overall annexation process should be complete within two years of the start of the annexation process and probably even sooner based on our conversations with LAPCO.

Del Mar will shoulder the bulk of the work and all of the expense in this proposal.

We are asking the board to place this topic on their agenda for the next meeting as an action item.

Let's build this project.

It's with the State and our City and our area in need right now.

I thank you for your time.

TRACY MARTINEZ: Good morning, Honorable Chair and members of the board.

My name is Tracy Martinez and I'm the Mayor of Del Mar.

I'm here today to respectfully ask that you place our new streamlined proposal for affordable housing on site on the November agenda for your full consideration as outlined in the letter we submitted to you on September 28.

We heard your past concerns.

This is a new approach and we have changes in the framework to address those concerns.

One, total control by the board.

All future development decisions remain entirely at the sole discretion of the board.

There is no staff level authority and your master planning efforts will be fully respected.

Zero cost to the District.

The City of Del Mar will fully fund all costs associated with annexation and related work with the City of San Diego.

There is zero cost to the District.

Laser focused.

We have eliminated the broad scope of past

agreements we are looking exclusively on site for.

With your affirmative vote, we can all be part of a significant contribution to the much needed affordable housing development and support the Governor's request to do so.

I thank you very much.

CHAIR NEJABAT: Thank you.

We have six, seven, excuse me, members of the public on Zoom.

We'll begin with Allison Prater.

MR. RIVERA: Allison, you're in the meeting.

CHAIR NEJABAT: All right, we'll come back to Allison.

How about Chaun Reynolds?

MR. RIVERA: Chaun, you're in the meeting.

Chaun.

CHAUN REYNOLDS: Hello, can you hear me?

CHAIR NEJABAT: Yes, we can.

CHAUN REYNOLDS: Good morning.

If this board truly wants to recognize the contributions that have made Del Mar racing possible, it should mandate the posting of all deaths of horses in the Del Mar racetrack premises in the most recent and current race meeting.

The name and age of the horse and the date and cause of death should be listed and displayed next to the admission purchase at racetrack and online at the admission purchase page.

The listing should be titled horse deaths at this track and along with the list of deaths should be clearly legible and large enough letters to easily be read, one, from where the tickets are purchased and two, online.

Deaths from the previous race meet should be listed one week before each race meet starts and added within 24 hours.

All horse deaths on the racetrack premises should be reported as are reported to the CHRB.

This public listing at the racetrack and online where consumers purchase tickets to attend races would inform them of the deaths of the horses at the track prior to making the purchase.

Currently, this information is not readily available to consumers.

Thank you.

CHAIR NEJABAT: Thank you.

Next up, we have Jane Cartmill.

JANE CARTMILL: Last month, people again

protested your contracted exotic reptile expo.

Signs urged patrons to adopt, don't shop, and leaflets explained the dark side of the reptile trade.

An online petition generated nearly 1400 responses asking the governor to halt these events.

Expo patrons were civil and receptive to the protesters, notably unlike the horse racing crowd at the same fairgrounds.

Most patrons appeared to be purchasing supplies and equipment.

Some exited with a snake or lizard, but more were carrying terrariums and habitat supplies.

It occurred to me that this event might be redesigned from live reptile sales to an adoption and supplies only expo, a changed venue in which more rescue groups would be present where people could relinquish unwanted reptiles without guilt instead of abandoning them into lakes, ponds, and woods.

Education booths would teach proper animal husbandry and equipment, food, and habitat materials would be available as well.

Less profitable for expo operators, but more responsible and compatible with the fairgrounds

stated values.

Central Valley Reptile Expos admitted an impassioned defense of their business and industry in response to recent arrests in San Diego of reptile traffickers, yet acknowledged that a criminal underground smuggling market exists.

At some point, animals bred and sold from illegal operations produced some reptiles who will be bred and sold legally.

Lizard laundering, if you will.

No one accused CVRE of doing business illegally, but events like their expo fueled the demand for ever more rare reptiles supporting black market trafficking and they know it.

Slow the demand, slow the supply.

Their letter to the board about transparency, yet their letter was unsigned.

Was no one willing to attach their name to the defense of the exotic reptile trade?

Thank you.

CHAIR NEJABAT: Thank you.

Next up, we have Martha.

MR. RIVERA: Martha is not in the queue.

Phoenix.

PHOENIX: Good morning.

Can you hear me?

MR. RIVERA: Yes.

PHOENIX: Hi, good morning.

I'm commenting to urge the Del Mar fairgrounds to stop hosting reptile and live animal expos.

Confining animals in tiny plastic containers where they can barely move is not education.

It's blatant exploitation.

The exotic animal trade is a leading cause of biodiversity loss.

More than 30% of animals imported into the U.S.

for the pet trade are captured from the wild, abducted from their native homes.

After enduring long hours of transportation, these animals are subjected to loud crowds and constant handling at the fairgrounds.

Many of them end up dead and even discarded in the trash like some sort of expired grocery items.

Besides the blatant animal cruelty, breeding only fuels our never-ending shelter crisis and leads to ecological and public health risks.

If people want to learn about animals, they should observe them in nature while hiking, support

local sanctuaries and shelters, and only adopt instead of buying or breeding.

Thank you.

CHAIR NEJABAT: Thank you.

Ariana?

MR. RIVERA: Ariana is not in the queue.

CHAIR NEJABAT: Nicole?

MARTHA SULLIVAN: Hello, this is Martha Sullivan from Imperial Beach.

In August, this board approved out-of-state travel for events services supervisor Mary Lawson to travel to Phoenix to see the Black Rodeo.

This fairground does not need more animal abuse on its premises.

From a Los Angeles Times December 2022 report on Rodeo, quote, a good stock owner will have an animal so well trained that injuries are negligible, Temple Grandin said in an interview.

She said deadly events occur when animals aren't trained or habituated to arenas and crowds, which is partly why she does not like calf roping or wild cow milking events in which wild skittish animals are chased.

That's when things get bad, she says.

But Crystal Heath, a Bay Area veterinarian and former Grand National Rodeo queen contender said even trained animals run the risk of injury.

I think we have to ask if scaring, provoking and potentially injuring animals just for entertainment purposes is something we support as a society.

I don't think that's what the public wants, she said.

In 28 of the 35 deaths reviewed by the Times, the animal died while performing.

Twelve horses died in Bronco riding events, rodeo performances in which a flank strap is cinched around a horse's waist to make it buck.

Riders try to stay atop the bucking horse for several seconds.

One of these horses ran headfirst into a pole and died almost immediately.

Another went full speed into a metal gate and broke its neck.

Others had their legs break underneath them as they bucked, end quote.

Please do not add rodeo to the list of animal abuse activities at the fairgrounds.

Thank you.

CHAIR NEJABAT: Thank you.

Do we still have Allison?

ALLISON PRATER: I am still here.

MR. RIVERA: Yes.

ALLISON PRATER: Hello?

I am still here.

MR. RIVERA: Go ahead, Allison.

We are listening.

ALLISON PRATER: Okay, good.

CHAIR NEJABAT: Allison, it's your turn.

ALLISON PRATER: Yeah, I can't all of a sudden find my page.

Okay, here we go.

Last month, the editor-in-chief for the Pawlik Report wrote in the op-ed, quote, the case I struggle with more is the trainer who does everything right.

The horse has been carefully managed.

The trainer listens to the veterinarian.

The pre-race exam finds nothing wrong.

Maybe the horse has even passed whatever additional training tools racing developed in the years ahead.

And then the gate opens and something catastrophic happens anyway.

What do we tell the person watching from outside racing?

That nobody did anything wrong?

Everyone may have done what they were supposed to do and the horse still died.

That is heavy.

I think racing sometimes hears criticism from outsiders and immediately assumes the problem is that they don't understand us.

If they knew how well these horses were cared for, we think, if they understood how much we spend on safety research, if they could see how devastated the people in the barn are when we leave the horse, I wish these things were enough.

They would be part of the conversation, but they don't entitle us to the conclusion we want.

And for some people, the problem isn't how safely we treat the horses.

It's that we race them at all.

The trip advisor may have drawn the line in a place racing leaves is unfair, but we can challenge the reasoning behind that one.

We can provide evidence that the sport has changed and we should continue doing everything we

can to make racing safer, even when the next improvement is frustratingly small.

But ultimately, the social license isn't something racing can't award itself.

We can tell the public what we're doing.

We can show them the progress.

We can be honest about the failures.

CHAIR NEJABAT: All right, that concludes public comment.

We'll now move on to Item 4, the Consent Calendar.

Do you have any members of the public in the room who wish to speak on this matter?

Seeing nobody in the room and nobody online.

Any discussions or questions from the board?

No.

Do I have a motion for approval of the consent calendar?

VICE CHAIR BARKETT: So moved.

MR. BLAIR: Second.

CHAIR NEJABAT: Second.

All right, can you please get the roll?

MS. ARNOLD: Chair Nejabat?

CHAIR NEJABAT: Aye.

MS. ARNOLD: Vice Chair Barkett?

VICE CHAIR BARKETT: Aye.

MS. ARNOLD: Director Arabo?

MR. ARABO: Aye.

MS. ARNOLD: Director Blair?

MR. BLAIR: Aye.

MS. ARNOLD: Director DeBerry?

MS. DeBERRY: Aye.

MS. ARNOLD: Director Mead?

MS. MEAD: Aye.

MS. ARNOLD: Director Morales-Roth?

MS. MORALES-ROTH: Aye.

MS. ARNOLD: Director Schenk?

MR. SCHENK: Aye.

CHAIR NEJABAT: All right, the motion carries.

We'll now move on to Item 5 of our agenda today, which is the CEO report.

This is an information item only.

I'd now like to recognize our CEO, Becky, to provide the report.

MS. BARTLING: Thank you, Chair Nejabat.

I put in here the contracted events and some information about upcoming events.

You may have seen some of this before, but I

just think it's worthy of repeating some of the great events we had this last month.

In September, Bridal Bazaar, the La Mesa RV sale, of course the pumpkin patch, which is still out there.

If you need a pumpkin on your way home, make sure you stop by and pick one up.

The Just Between Friends clothing sale.

We had Jack White at the Sound, which was very popular.

Boots and Brews, which was in the arena.

We had a train show, Surfboard Expo, Jiu-Jitsu, and then coming up this weekend, we have the Harry Potter Drone Show, which should be very interesting.

Then we've got Lie 11 in November at the Sound, and of course we have the Del Mar Thoroughbred Club Race Meet, which starts on the 6th.

And we have several other great events at the Sound.

We've got the 3-Day Walk fundraiser, and then we start getting to December where we get rid of pumpkins and we have Christmas trees.

And then if you are a skier, snowboarder, or winter activity enthusiast, we have the Snow Jam,

which is a great event.

So just some of the events we've got going on.

And before I go on, I don't want to forget about Dustin and the SANDAG honors that we're giving to the Del Mar Fairgrounds, a Diamond Award, and he's going to give a little information about that great award.

DUSTIN FULLER: Yes, we have a trophy.

So SANDAG annually hosts the Diamond Awards.

It is a grant from San Diego County to improve air quality and reduce traffic congestion through sustainable commuting choices.

There are four award categories, bronze, silver, gold, and platinum.

So last month Katie and I went down and we were awarded the Platinum Award, which is the highest tier.

We, as an employer, we promote alternative transportation to our employees.

We do countywide events, promotion of countywide events such as Clean Air Day and Bike to Work Day.

During the fair time, we allow carpoolers who would normally park at Horse Park to park on grounds with three or more in their car.

Cumulatively, the program reduces 976,000

vehicle miles and reduces over 83,000 tons of carbon dioxide emissions.

So I probably want to frame this somewhere.

I'll hold on to it until somebody asks for it.

MS. BARTLING: Thank you, Dustin, and we really appreciate all the effort that you go through to make these things happen.

MR. BLAIR: I drove by the fairgrounds this weekend and the parking lot was packed.

What?

I don't see an event on here on the 10th, 11th that -- Mastodon, the Sound? It was packed, it was full all day.

What was going on here?

MS. BARTLING: Well, we have, we had the jiu-jitsu tournament.

We had a private event.

We had the card show.

MR. BLAIR: Oh, so it went from the 9th to the 11th.

MS. BARTLING: Yes.

MR. BLAIR: I mean, was that that popular?

MS. BARTLING: Very, throughout all the various different shows, yeah.

MR. BLAIR: Because, I mean, it was really cool seeing it so full on a non-fair, non-race day, and I wonder, so it was the jiu-jitsu and legend pride, well, that can't be too much, Del Mar High School.

It was great.

I mean, I was just surprised.

I thought we had some big event going on and we missed it.

MS. BARTLING: We are really good at doing multiple events throughout the property and hopefully moving forward with the additional staff that we're getting in the events department to actually do more of that.

So that's a, you know, big shout out to them.

Okay, a little bit of an update on some construction projects we've got going.

The Mission Tower's HVAC, we're going to take that in-house and run the project that'll save us some money.

Of course, we talked about the Connection Center last year, or last month, that we are not doing that, and that's going to save us about, well, a total of $7.4 million, but $600,000 is coming back.

We've got DMTC HVAC, which has gone on for a

very long time, and it's on schedule to hopefully be completed by the middle of November.

And we have the Legends HVAC, which went out during the fair, and the Electrical Room HVAC, which went out during the fair, have both been completed.

And the Elevator Assessment Facilities is working on obtaining proposals from architects to proceed with door operators, guide replacement, and things to make those much, much better.

There's a few things that are being done at the Fire Station with its door, and as you all noticed, the Director's Hallway, the tiles being replaced, all of that's being fixed so that it not only looks better, but is much safer.

And this is an interesting, very interesting, so if you all remember, we did a very large water quality improvement project to the tune of, I think, $12 million to $15 million to clean water coming from the stable area.

It was originally designed with two pumps.

Apparently, right after it went into operations, one of the pumps failed and we left it there.

So becoming aware of that, I was very concerned about what happens now if we get such a, you know,

intrusion with water because of the El Nino.

So we are taking out the one pump that's working, repairing it, and putting it back in so that we'll have plenty of pump capability, which I think is really important.

And then the last item I have is just a discussion about what Del Mar is doing with its emergency declaration regarding El Nino.

So I think it was in 2024 there was a sand replacement in Encinitas and also in Solana Beach, which came to almost a million cubic yards of sand that was put out on the beach, which is great, you know, because sand gets sucked out in the ocean.

The problem is, according to the City of Del Mar, that sand now has moved its way south into the lagoon area, into the inlet from the ocean, which is causing some challenge and backup, right, with water getting back out to the ocean.

So the Southern California Edison, who was charged with doing dredging on a various level and time frame, is planning on doing this, and they have a permit to be able to do that.

And if you remember, they did the, you know, the whole restoration process out here in the lagoon.

Of course, we paid for, I believe, most of that.

But anyway, they can dredge up to 16,000 cubic yards, up to 20, but the City of Del Mar is requesting that they get, because of this local emergency, that they're able to dredge about 50,000 cubic yards, which should help us in the event that there's high tides and heavy rains and that kind of thing.

So I just wanted to pass that along.

Dustin is working with them in support of that.

There's several agencies that are involved with it.

It's Southern California Edison, the Army Corps of Engineers, of course, the Coastal Commission, and some other agencies.

So I just wanted to update you on that.

MS. MEAD: Becky, that cost is being incurred by?

MS. BARTLING: Southern California Edison.

MS. MEAD: Okay, so they are the one responsible for arranging it and paying for it.

MS. BARTLING: Yes.

MS. MEAD: Thank you.

And you said earlier that when previous work was done, we incurred a lot of that expense.

What's the difference?

MS. BARTLING: So they, remember the south lot used to be a parking lot, and then through, you know, our permits with the Coastal Commission, we agreed to allow that to go back into restoration.

And Dustin could tell you, you know, the amount of money that we actually put towards that and continue to do that with, you know, various studies that we have to do throughout the years and modifications and this, that, and the other.

But that was, that came from that.

MS. MEAD: But it was because it was more specific to our property.

MS. BARTLING: Right.

MS. MEAD: Thank you.

MS. BARTLING: Essentially what we did is we allowed that parking lot to now become a wetlands and restoration project for the use of the east lot.

MS. MEAD: So the difference is really, the difference is that at that point, we paid for it because it had, it was on our footprint.

And this project is much more of a public land.

MS. BARTLING: Yeah, it's a pretty big project.

And Dustin could speak to more details about it.

But Southern California Edison, it was a mitigation project that they, that they did, that we were involved with, with leased-term nesting sites.

And so at this point, the concern though is, is the sand that's in the river mouth and, you know, blocking, blocking the, you know, river.

MS. MEAD: Thank you.

MS. BARTLING: You're welcome.

Okay.

I think that's it for me.

CHAIR NEJABAT: All right.

Any other questions from the board?

Okay.

Seeing none, we do have one member of the public signed up online to speak on the CEO report.

And that's Martha Sullivan.

MARTHA SULLIVAN: Hello.

Thank you.

I was very interested to hear CEO Bartling's report about the pump in the water quality project that failed soon after its installation, which has been several years now, and wasn't replaced until recently, given the forecast of bigger storms this winter.

And one, I guess I'm grateful that that was done.

But two, I'm really kind of flabbergasted that a project of that scope and cost, you know, was allowed to be that impaired for as long as it was.

Because as we know, we can't control or really predict the weather.

So I'm glad it's been fixed, but it's very disheartening to hear that happened.

Thank you.

CHAIR NEJABAT: Thank you.

And that concludes public comment on the CEO report.

With that, we'll move on to our general business, which consists of items listed under Item 6 on our agenda.

Our first item under general business is Item 6A, the Master Side Plan Committee Report.

Today we have a presentation by Del Mar Dreams LLC regarding a Master Side Plan development with focus on a soccer stadium at the Del Mar Fairgrounds for the new home of a professional soccer team.

As a reminder, this is an informational item only and no action will be taken.

With that, I will pass it on to the team from the Del Mar Dreams LLC for perhaps introductions to start.

ZACHARY LEVINE: Hey, everybody.

Can you guys hear me all right?

CHAIR NEJABAT: Yes.

ZACHARY LEVINE: Great.

My name is Zachary Leichtman Levine.

I'm joined by Lauren Leichtman, who's my mother and founder of Levine Leichtman Capital Partners and Levine Leichman Family Office and heads up San Diego Wave Investment with me as part of our family.

We're also joined here by Eric Andalman, who's been very helpful with the Wave in securing training facilities pretty close to the Del Mar Fairgrounds today.

And we also have our business colleague, Bobby Assel, on the line if you want to give a little background on yourself.

But Bobby and I have been in business together on real estate developments since pre-COVID, probably seven, eight years, I would say maybe 10 years now.

BOBBY ASSIL: Hi, everybody.

Nice to meet you.

Bobby Assil.

My company is Eighty Eight Place Acquisitions, based out of Los Angeles and very, very honored to be here and present to you guys today.

ZACHARY LEVINE: Thank you.

If it's all right, we'll just give you a little more background just on ourselves, if that's helpful.

And Lauren, if you want to go first.

LAUREN LEICHTMAN: Hi.

Thank you for taking the time to meet with us today.

We appreciate it.

As Zac said, I'm Lauren Leichtman.

I am co-founder of Levine Leichtman Capital Partners.

That is a private equity firm that was founded in 1984.

It currently manages over $20 billion of institutional capital.

It's based in Los Angeles with offices throughout the United States and in Europe.

And I'm also the head of one of the heads of our family office, as Zachary mentioned.

He's the president of the Leichtman Family

Office.

And through that, we have a number of investments that do not conflict with our private equity business, one of which is the Wave, which we purchased in 2024.

And just a little bit of background, our interest in women's soccer goes back to 2000, when we went to the World Cup as a family and got so excited to see our women win the World Cup.

Shortly after that, we started sponsoring and donating to the women's soccer team at UCLA, where we helped rebuild the stadiums, locker rooms, uniforms, many, many things.

Through our foundation, we've also been a big backer of women's sports in general at UCLA, including women's softball and the women's crew team.

Through our foundation, we also support educational programs for women as well as medicinal programs in general, community projects.

And I have lived in San Diego for over a year.

When I first started my career, I was a lawyer for 10 years originally, and very excited to be back in San Diego with the Wave when we saw this opportunity in early late 23, early 24.

It was fantastic for us.

As Zac mentioned, we are currently planning in plans and development for a training facility close to Del Mar, and would really like to basically give back both to San Diego and to the Wave by being able to construct a stadium for our team.

And I'll let Zach take it from here.

I am our representative on the National Women's Soccer League, and Zach is the alternative governor along with me.

ZACHARY LEVINE: Yeah.

Would it be helpful if I gave you just a tiny bit more background on our sort of process with the San Diego Wave and what we've worked on prior to this in our look for developing a stadium to date?

CHAIR NEJABAT: Please, sure.

ZACHARY LEVINE: Thank you.

Yeah, happy to.

So when, as Lauren mentioned, we acquired the team in 2024, we started out with a minority interest and took over majority control around October of 24.

At the time, we've been, and since then, we've been tenants, as you know, of Snapdragon Stadium.

And what we learned along the way as owners in

this team, as well as kind of what we've experienced through a number of philanthropic processes that we've been involved in related to women's academics and sports, is that women tend to be considered second, third, or sometimes even fourth-class citizens.

What we found at Snapdragon is something resembling a fourth-class citizen.

We are fourth on the list of selecting dates for the games.

We have a limited capacity and ability to affect outcomes that support women's endeavors, support women in general, support young women, support families at the stadium.

While we have enjoyed playing there and have a number of years left on our lease, we would like to be able to provide a supportive sort of women's purpose-built stadium for the San Diego Wave and a way to support women and children and families in the community.

We've looked at, I would say, three or four sites in surrounding San Diego areas, all of which have had different challenges.

Some of them have been similar to what we've

heard today around environmental and wetland and protecting animals.

And we found it to be difficult up to this point to acquire or work with a landowner to develop our stadium.

As Lauren and I have mentioned, we've been working on a training facility, which Eric has been very critical in helping us get to we are today.

However, stadium component to this endeavor and investment has been evading us up to now.

This project, we think, could be sort of what we're looking for to achieve a long-term home for the San Diego Wave and a women's purpose-built stadium.

From there, I'm happy to talk a little bit more about what we think in terms of the project and we're looking to achieve, if that's helpful.

Sounds good.

Okay.

Do you want to skip to the next slide?

I don't know who's in control.

Great.

Just a quick overview, as you guys know, 324-acre site that's state-owned.

The Fairgrounds 2050 is charting a future for

324-acre coastal development.

What we view here is a way to create durable new revenue streams, not only for the Fairgrounds, but for San Diego and the surrounding communities, in addition to adding and supporting the local infrastructure, local environment, animals, wetlands, etc., and continuing to support a fairground and racing history and other non-main fairground events that already take place on the site.

This is probably could skip this slide.

I've kind of already said some of this.

Six promises that we feel are critical as part of every decision we make.

Obviously, community first.

Not only are we focused on what the community wants, but also on ways that we can bring ideas to help support the community.

As I mentioned, coastal stewardship, protecting the lagoons, the local environment, the coastal environment, really making sure that we are crossing every T and dotting every I in terms of what's required to support the surrounding environment here.

We see this as a way of being able to fund the District.

Our expectation, although we have yet to commence our third-party work as part of our ask here, is that there'll be thousands of long-term jobs created here at the site, and it'll create significant revenue streams to support local economy and also state economy.

What we're looking for, as I mentioned, is a home for women's sports.

We believe the Wave to be, I think it is, the number one recognized women's soccer team in the world.

What we hope to do is have a home for women and support women's sports, as we have done for a number of years as a family.

In all aspects of the work we've done to date on other parts of the team and other elements that we've worked on with Bob, as I mentioned, through some of our prior real estate developments, we would bring in a world-class design team here to not only reflect what we envision, but also honor the history of the fairgrounds and the track and what's been there for so many years.

Lastly, this would be a phased and self-funding process, so as each phase continues to move forward,

additional revenue would be unlocked that would support future development.

This, we kind of covered already.

Thank you.

We can, again, probably skip this, but this kind of goes back into the things I just mentioned.

Here's a little bit of an overview of the overall project.

The first phase is going to consist of the stadium, parking for the stadium, and then a tram.

Our thought here with the tram was to connect to the main platform that's being built, but also a shuttle service that can help move around the site.

It's a very large, as you know, site, and so thinking through how do we move folks around in an efficient way.

The next component here we'll call the District, which would be retail and restaurants that will help support and continue to develop sort of the interest of visitors on a day-to-day basis.

Lastly, we've got a hotel and convention center, which we think can continue to improve the value, improve the interest, improve the overall number of visitors to the site, and allow people to really

appreciate this land that has been appreciated in a certain way today, but not to its fullest extent.

Along the way of all of these development phases, we'll be adding public use and parks and community areas and gathering areas.

We'll also be thinking about programming for the stadium and in the District retail and restaurants, and what I mean by that is providing opportunities for local families to come and enjoy further some of the spaces that you guys already have, and some spaces that we'll build out.

Think of your local fairs, just similar to some of the things that, Becky, you were describing.

Think of kids coming to do, you know, free training and programming with some of the players that we have on the team, underserved children possibly coming to, you know, have experience around sports or education or meal planning, community cleanups, these kind of things.

Next slide, please.

So, this is just a high-level design that is not yet to be fully flushed out, but as we kind of looked at the site, we wanted to put something in front of you that, you know, hey, this could be the design

that we go for.

As I mentioned, there's a lot of third-party work that will need to be done, as you guys know.

It's a big site that requires a lot of careful planning, but as you can see, the horse race track is preserved.

We've got the barns and backstretch area still intact.

I think the top track is still here, as we intend it to be, and the original called seating and bandstands for the track as well is still here.

So, we're really thinking about taking what's been there, sort of, for lack of a better phrase, patting you guys on the back for the legacy that you built and continuing to help build on that legacy and bring more infrastructure to the site itself.

This talks about a phase development timeline.

Again, this is subject to all of our diligence, but what we believe we can achieve today based on our early look, and you'll notice the racetrack, meet, and the fairgrounds, all that continues throughout the phase of our work here.

So, going into what the public gains and what we've talked about, one is all the studies that we

intend to do.

I think our early estimates are somewhere in the $10 million plus range that we will pay for, will be yours to benefit from, should you have interest in those documents.

Maybe there's a reason you don't, but if there is, they're free for you, and that is a public benefit.

The additional open public spaces, plazas, promenades, community centers that we intend to construct and work on will be a benefit to you guys.

Significant revenue streams, as I mentioned, sort of a future long-term solution to protecting the fair, protecting the track, the stables, and all of the animals and environments and things that are there today, which I think is critical, as you mentioned, as you heard some of the folks already on the call today are very concerned about wildlife and wetlands.

And then, lastly, which is most important to me, but also I think hopefully you guys find interesting, is a home for our team and the women's sports community here in San Diego.

So, just a quick one slide here just on the

stadium and give you some perspective.

So, Snapdragon, as you know, is a 32,000-person stadium.

Early days when the team was launched, we were filling the stadium quite well and actually have done so in a number of games in the last year or two years.

But what we found is for us to create the environment that we want to achieve, we think the 12,000 to 16,000-seat capacity stadium is probably the sweet spot.

There are a number of other reasons why we think that that size is the best, and I'll give you a few.

One is just overall footprint.

The amount of space that's needed for 20,000 to 30,000 seats is significant.

12,000 to 16,000 gives you enough of a feeling of a real sports event without becoming gigantic.

The ability to program a site that's 12,000 to 16,000 seats with other events is much more easily achievable versus a 32,000 or 30,000-seat stadium.

We just feel that that's the right number, and likely what we would be interested in doing is probably starting off with something in the 12,000

range with the ability to add the initial 4,000 pending as we see the demand that we expect.

Similar purpose-built stadiums around the country for women in the NWSL are in that 12,000, 13,000, 10,000 range and have since began to expand into that 16,000 range.

All of those stadiums are typically sell-out stadiums with a significant amount of other programming that's happened in those stadiums.

Actually, there's a great note here about CPKC Stadium.

Okay.

Next slide, please.

Bob, do you want to cover this one?

BOBBY ASSIL: Yeah.

This is going to be focusing towards now going into phase two and three of the project, which is going to be focused on the community and bringing this project to more of an area where people can come as a destination with restaurants, retail, movie theater, night life, in addition to the fair and non-fair events, but now creating somewhere people can go every night, and it's not just a thing for some event that's happening, but somewhere that they could be

every day as they want to come there and visit the fairgrounds.

So, our goal here is to really create an amazing environment that people really have pride of that they could come and visit while they're here in San Diego and Del Mar.

Next slide, please.

The Hotel and Convention Center, this again, just adding to it, we think that this is going to be a huge base for revenue for the project as well as for the state and county.

So, we feel that this is going to be a wonderful addition to bringing more revenue, adding to the racing for when people are visiting for the stadium, for events, and for the wave to come and grow that business and grow that fan base.

Shops, retail, again, this is all just focused around the destination and making this more of a destination and somewhere people could come and really visit and be a part of the fairgrounds experience.

ZACHARY LEVINE: Yeah, for just some additional context on the hotel component, maybe you know this already, so I apologize if it's repetitive, but

typically when our team travels to an away match, we'll use a hotel anywhere from two to four nights and we'll take anywhere from 20 to 30 rooms, similar for teams that come to visit us.

And part of the challenge that we've had is sort of where's the hotel located in proximity to the team.

LAUREN LEICHTMAN: To the stadium.

ZACHARY LEVINE: Thank you, to the stadium.

And how that adds to player fatigue, and there's a whole level of science that I can go into with any of you offline or at another time if you'd like, but having the hotel close by is really helpful for the team.

And I think our focus is to get the stadium built first and to begin using and programming and creating that revenue stream for everybody, and then the hotel would come shortly after.

ERIC ANDALMAN: I'd also add that the hotel can help support all the District's missions and can help the things, the improvements that we're looking to build, but as well as the existing improvements that include the racetrack.

It can be, I do these developments all over the

country and the world and having a hotel and a convention space can really drive economic activity that pursues other interests of the public.

And so we think there's an important component of unlocking the whole thing.

And as Zac mentioned, the cadence is purposeful so that it becomes a viable addition to this District.

ZACHARY LEVINE: Right.

Bob, you want to take this one?

BOBBY ASSIL: You go for it.

ZACHARY LEVINE: So again, going back to protecting quality of life and making sure that what's there in the infrastructure that exists is also supported with new infrastructure.

I mentioned the tram that we'd like to create at the site that'll help connect to the existing rail line and the one that's being expanded now and help navigate across the entire site.

As I mentioned too, there's a parking structure that we'll be looking to create.

This is also open, I want to mention, to really what the Board's direction is, but also the community's direction.

So if we think that some three-story vertical structure is the highest and most efficient use of space and cost and the District and yourselves and the community are saying, no, we really don't want to see a constructed parking site and even if you paint the outside and make it beautiful, we're open to that feedback and trying to find the best way to work through this process together.

We'll be very thoughtful about the noise and the light that the construction creates.

We are critically sensitive to this.

As Bobby knows from our other projects, I'm always running around telling him more soundproofing and I don't want to disturb people.

And I think it's really important that when you come to create something from the ground up, you're respectful of those around that have to bear that process.

And in our construction, we plan to limit noise, limit hours, and really be thoughtful to the community and probably likely have moments where we invite them in to really see what we're working on and get excited about the entire opportunity.

This is just a little bit of a kind of closing

remarks around the engine of growth for the District.

The jobs that we imagine being created in addition to the revenue streams for the District, whether it be through the long-term ground lease, additional tax levies that we can see on the hotel and other streams of transactions that take place, but also the number of jobs that we expect both through vendors, folks that are servicing the stadium, grounds crews serve the entire community, construction work that's going to take place, long-term maintenance.

There's a significant number of folks that will be working here to help support the site.

And then just to wrap up, what we'd like to see is, and I think there might be a typo here, I apologize, but we are looking for a two-year exclusive period to start that allows us to spend the money and do the work and get up to speed in terms of what the entire project is going to look like.

During that time, we'll be working with you on a number of definitive documents to get to an agreement in fulsome order.

But we would like to have you guys think through this and come back to you in November for a decision

in your next board meeting.

Are there any questions or any other thoughts, or concerns that we can discuss with you all?

CHAIR NEJABAT: Thank you for that presentation.

I think we can go around the horn and start with board questions.

Director Blair?

MR. BLAIR: Yeah, could you go back to the slide that showed the stadium and the grounds?

Is that -- you just went past it.

Is that the 12,000 or 16,000 version?

ZACHARY LEVINE: It's really an illustrative example.

I think we used like, what, 13,000, 14,000, Bobby?

BOBBY ASSIL: It's just giving a general range.

It's not to scale.

LAUREN LEICHTMAN: Exactly.

This is not to scale.

MR. BLAIR: Okay.

It's not to scale?

LAUREN LEICHTMAN: No.

MR. BLAIR: Okay.

Because my other question is, you've clearly

kept the racetrack and viewing.

Where would the fair be with the convention center there and the shops and the parking?

Where would we put the fair on?

BOBBY ASSIL: So, just to be a little bit more clear on this, this is all just really first base.

We have to do a ton of studies and a bunch of work and a bunch of site planning and feasibility to really master plan exactly where these things can go.

None of this is something that we're 100%.

We just want to give you some idea of what it could look like in some way, shape, and form.

LAUREN LEICHTMAN: To your, yeah, to your question.

MR. BLAIR: This is interesting because it's the first sort of presentation we've heard of what could be there, be it a soccer stadium or a football, you know, or whatever.

BOBBY ASSIL: So, where the events and recreation is, is kind of the potential concept of where the fair could be on the far right.

MR. ARABO: And then it's an item the committee actually asked for.

But if you see behind us, the portrait behind us

has the fair ongoing.

And if you look at that portrait and you see how it is laid out there, I believe they did make room for the fair.

MR. BLAIR: But isn't the hotel there?

And the convention center?

MR. ARABO: Right, but if you draw the hotel on that map, it's a separate part of that map.

So, it doesn't have that much encroachment on the fair.

If you take like a, I wish we'd had that other slide to show, because we have a graphic in front of us, Zac and Bobby and team, of what the fair, what the grounds look like when the fair is on.

If you look at that and you look at your rendering, you can kind of see where the fair fits in.

But also not mentioning the convention center for exhibits and stuff.

Because we asked that question in the master site committee.

It's a really good question.

Two things we said in the committee is two things the committee was hoping, if the chair is

okay, was preserving horse racing and preserving the fair.

And emergency evacuation.

That's the three things we talked about.

MS. BARTLING: And if I may just, the convention center concept would work well for the fair because, you know, obviously all of our vendors, our commercial vendors are in the old halls.

And my understanding is the way that this would be developed is it could be cordoned off so that we could have various sections.

It would work well for the fair and then also interim event wise too.

I think, and just to point out, I mean this is extremely conceptual.

But we would look at, you know, where do we put the carnival?

Probably not across the street, a great idea.

So we would have to look at somewhere within, you know, the main boundary of the fairgrounds to accommodate that.

But I just wanted to point that out that because it is so conceptual that it's very open for redesign for what we need.

ERIC ANDALMAN: I would say that a lot of this will be informed by the diligence we perform.

And how traffic patterns lay out and geotechnical conditions and trap flows of pedestrians and other things.

And so absolutely this is just to give, you know, the mind's eye some visual context.

But, you know, we would, this is all kind of, all these big pieces can be, are subject to movement based on what we find out in diligence.

LAUREN LEICHTMAN: And that's what we need the couple of years for to spend the money and actually come up with something that would meet the needs of the community.

What we need, like 12 to 14,000 feet, square feet -- seats.

ERIC ANDALMAN: More than that many feet.

LAUREN LEICHTMAN: Whatever.

But what we need and what the community needs.

I think that's what we were trying to emphasize here, to be respectful of what has been built over the last hundred years.

ZACHARY LEVINE: What I think what I'm just hearing in this conversation is, you know, how

important the fairgrounds are and how important the fair and other non, you know, annual fair events are.

And so I think just keeping that in the forefront of our mind as we start to do our diligence and site planning is like, this is a critical component to the site and the history here.

And we need to not like find a way for that to work within what we want, but rather for us to work around what you guys need.

CHAIR NEJABAT: Director Mead.

MS. MEAD: Thank you.

First, thank you so much for your presentation today.

My questions are going to be probably more for the committee.

And first of all, I want to thank the committee for bringing this to us.

But I have to admit that I feel like I came into the middle of a movie.

Maybe the popcorn line was a little too long.

But I think it might be helpful to have a little bit more of a tee up as to how this came to us, whether we have made a call to other developers to present projects like this to us.

Are there going to be other calls?

Are we going to look at other projects?

What my big concern is, I just don't want to, number one, have us be considering options in a first to the trough kind of approach.

But rather, what's the strategy for getting opportunities like this to come to us?

I can tell you both to the presenters and to the committee, after talking about the master plan for so long, it is delightful to see a concept like this that gives us a 10-year view.

But I'd like to go back a few steps just to better understand our process, please.

CHAIR NEJABAT: Sure, and I can speak to that.

So we've had a couple of different groups come and tour the property.

One of them was The Wave.

We haven't been proactive on outreach.

These are folks that have reached out to us requesting property tours and to explore the opportunities.

And this organization was one of a couple that have come to the property.

And we had a committee meeting with them as they

wanted to pursue further discussions.

So that was the --

MS. MEAD: Thank you.

Certainly, necessity is the mother of invention, right?

You guys need a stadium.

We need a master plan.

And I love this.

I think now that we've done this, it would be great to then for us to talk about what are the next steps to look at other options.

MR. ARABO: Yeah.

And when it came to the committee -- great point, I mentioned that as well.

What is the unique offering?

We always have the fairgrounds first hat on.

What's best for the fairgrounds?

And what's the unique offering that this developer, this group brings?

I think for the committee, at least for myself, was the soccer team.

That's something a lot of developers can't bring.

And commitment to women's sports, that's

something a lot of developers cannot bring.

And so when we said...

We looked at the engagement we did through Southwest Strategies and we looked at -- we asked what was the master site idea back in the day, 2008, and we saw they wanted a hotel, a convention center, and a stadium.

Well, a stadium not that was offering that they wanted to bring.

We saw their deals the District has made in the past.

I mean, the District made a...

This is a deal for a study where at the end of a few years, we get $1 million worth of studies.

So one thing, hopefully, the group could talk about, how much do you think you're going to commit to studying the property?

Because I think there's a lot of value in getting the studies for the District, what we could do, what we can't do.

But from one thing that popped out to me with the team, we could host the...

I think they bring, the other people don't.

But great points, because that's one thing I

always ask, like why?

Everyone wants to develop this amazing property.

Why them?

Yeah, what's unique to them, to other people?

And when they said, well, we have the team.

I said, wow, that's great for San Diego, great for Del Mar, great for the country.

That's what got me more enthusiastic about it.

CHAIR NEJABAT: Thanks, Chair Barkett.

VICE CHAIR BARKETT: Thank you.

So, Director Mead, I understand your concerns.

And Sam and I have actually been approached by other groups that are all able to do this project, in my estimation.

And so, but because of Bagley-Keene, I didn't even know about this group, because Mark and Sam are on that committee.

And it's working, right?

So it's working, because I had no idea.

It wasn't teed up at all, so I can tell you honestly.

The other group is very similar.

I can tell you of the one that's serious, except it has an affordable housing component, and on site

for it would be looked at.

So my question, number one, is have you thought of including affordable housing in the project?

BOBBY ASSIL: We are open to any direction from the board that, again, our goal is to enhance the fairgrounds.

If affordable housing is something that the board has direction on, we're happy to, again, yes, anything's on the table for us to be doing it.

If it's an essential need, absolutely.

VICE CHAIR BARKETT: Yes, Zac, the thing is, it's governor mandated.

So as a board, we're, you know, each one of us want to follow the governor's mandates.

ZACHARY LEVINE: Us too.

VICE CHAIR BARKETT: So I know it's kind of a, yeah, do we, don't we?

And since it's not in this project right now, I'm thinking, okay, how are we going to, now I know we have a change in governorship coming.

And, you know, I'm sure Xavier, I don't know his stance, to be honest.

The Democratic, you know, front runner right now, and I don't know his stance on it.

Maybe I know other board members might know, but I don't know.

But it's just something to consider that I would consider.

And then I have two other questions.

Are you doing anything on the other side of Jimmy Durante, that San Diego City, actually, it's in San Diego County versus Del Mar, the City of Del Mar, the land we owned right across from Jimmy Durante, that buffers the freeway, the 5 freeway?

ZACHARY LEVINE: Go ahead, Bob.

BOBBY ASSIL: Yeah, we haven't, again, this is, as part of, you know, our goal here is when we enter the exclusivity with the District, we are going to be having an intense amount of communication and direction and discussions on how and where and what's important, you know, outside of the high level things that we're already all aware of.

But all these little things that we don't know that you're going to have questions about, we're going to look at everything.

So as part of all the feasibility that we're going to be doing and the money we're going to be spending through all the site plan and studies and

research that we're going to do, this is all the stuff that we're going to need to discuss with you guys.

And by the way, from now till November, we're more than happy to meet and talk as much as, you know, individually that we're able to meet with you guys and discuss it and try to figure out what is the additional things that you guys may want after our presentation that would be concerning for you that you want to see come to life on the property.

VICE CHAIR BARKETT: Okay, great.

My last question is, I don't see anywhere where our offices have been moved.

And maybe Becky, I know Becky, you've probably been on these discussions, I would think, right?

Where's office space going to be in this?

I don't see any office space where our employees need to gather to do their job.

MS. BARTLING: That's a good point, Director Barkett.

ZACHARY LEVINE: Yeah, we can certainly program additional office space.

I think part of it would be --

VICE CHAIR BARKETT: I would make that a

priority.

Just to enlighten you, we get, you know, during the fair, we get up to, we have what right now about 72 employees, but we want to move that number up to close to 100.

And then we hire anywhere up to 1,600 part-time employees.

So we really, yeah, we really need to figure that in.

I think it's very important we start with our employees and find a home for them on this.

Beautiful.

I mean, really, it's beautifully done.

It's quite enticing.

LAUREN LEICHTMAN: Can I ask a question?

The 1,600 employees you bring in, they're not in the offices during the fair, right?

VICE CHAIR BARKETT: Well, they have to have somewhere to work out of, yeah.

MS. BARTLING: So they, it depends on which department, you know, they're working in.

You know, as parking folks are out in the parking area, exhibits are, they're around the various property doing various things.

So nobody really during the fair is sitting, too many are sitting in an office.

They're out in the areas, you know, of their department.

But they do need meeting, you know, morning meeting areas and that kind of thing.

So a lot of it currently are some of it does happen in the existing grandstand.

And then we have some older buildings where they do Monday, you know, meetings during the morning or the second shift comes in.

But I'm sure that moving forward with this, you know, as you know, if we do move forward, that'll all, you know, we can accommodate that for.

ZACHARY LEVINE: I just, I wanted to respond if it's okay, just to show the points that you made.

Is that all right?

CHAIR NEJABAT: Yes.

ZACHARY LEVINE: Okay.

One was the kind of just echoing some of the things that Bobby said about the affordable housing component.

You know, one of the first things that Bob and I started doing together was actually building

multifamily real estate.

And so we have a lot of experience in building apartments.

And I know Bobby has some affordable experience as well.

What our thought in presenting to you today was, look, let's not throw so many things on this plan that we start opening up, you know, Pandora's box with any potential issues that maybe you guys have already been dealing with for a number of years.

But as I mentioned, we're very open to your needs and the things that you want us to consider.

And if housing is something that the board would like us to work on, the governor certainly wants us to work on, then we are more than happy.

And offices, et cetera, like those are things that we'd be happy to include in our plan.

LAUREN LEICHTMAN: I mean, that's really part of the point of this is that we, we presented something preliminary to you.

We need to know what more, what your needs are.

So that as we go and spend this, you know, million plus dollars that we can make sure that we've taken all of that into account.

Because otherwise, we're working in a vacuum.

We're not working for ourselves.

We want to work with the community.

ZACHARY LEVINE: I think you're missing a zero.

Probably 10 million.

I wish it was a million.

VICE CHAIR BARKETT: Thank you.

Honestly, it was a pleasure to meet you.

Thank you.

And I know you bought from Ron Burkle, who we've dealt, we like Ron a lot.

He's a good guy.

So thank you so much.

ZACHARY LEVINE: Of course.

Thank you.

LAUREN LEICHTMAN: Thank you for taking the time.

MR. ARABO: And just so the board knows, the committee did talk about affordable housing, but off, not on the main campus.

We talked about because we figured one thing we took from the engagement surveys was the main campus is more the community gathering area.

This is for the community, not for one person.

And to that, so we definitely did bring up

affordable housing.

VICE CHAIR BARKETT: So, Mark, is the committee considering -- I'm sorry, thank you.

Is the committee still considering affordable housing where Site 4 is possibly?

MR. ARABO: I don't think by Site 4.

I think the committee looked at, it's still early to speak for Sam, at the area where I think it's in this, not Site 4, but near where HITS is, I believe.

I don't know what you call that area.

VICE CHAIR BARKETT: Oh, on the other side of the freeway, you mean?

MR. ARABO: Horsepark.

So we're looking at how we can, I don't want to speak for Sam, but the chair of the committee.

CHAIR NEJABAT: No, we're still having discussions and we have meetings lined up.

MR. ARABO: But it's a priority.

I mean, we're trying to figure out how we make the whole community and the state happy, for sure.

VICE CHAIR BARKETT: Yeah, that's a real bottleneck.

I just want to warn you.

They've been trying to do housing there before.

MR. ARABO: I think we looked at workforce housing more than, so that way it's something to tie into the fair and horse racing and stuff.

VICE CHAIR BARKETT: Good.

Thank you.

MS. MORALES-ROTH: Can I share?

Just very quickly, one, thank you for bringing up this presentation.

It gives me hope.

It's very interesting to see this space.

This is where we want to bring in, again, I mentioned the TED conferences, all the conferences here.

We need this space in San Diego County.

So amazing to see this.

And I know this is very preliminary, so we still have to bring in the needs for the District.

This is just for the committee.

I would love to see, I don't know if we've talked to other districts, like the Midway District, they did an RFP, as you know, taking into account the stadium, sports arena, and everything.

So I would love to see some sort of open call

for requests for proposals to see many more of these, making sure that we provide the guidelines first and they align that to the needs of the community.

So thank you for bringing this forward.

CHAIR NEJABAT: Director DeBerry?

MS. DeBERRY: So first of all, thank you so very much.

I'm just thinking about a while back, Chula Vista, the City of Chula Vista, and their thought process around really kind of building that city when they were thinking about the and all the other entities that is taking a second tier city.

And really, when I think about Del Mar in the scope or in the grand scheme of San Diego being a smaller city, a smaller footprint, this is such a great opportunity for us to really bring a significant experience and value to the city, not only from a tax revenue standpoint, but also from the small businesses in the area.

And I love this concept.

I am biased because I come from sports.

So I just think that having a team here and things that not just the businesses, but communities, children, family, it really is an overall experience

from shopping to the convention center, horse racing, all of that.

I do have a quick question for you, though.

I just can't remember the season when the Wave play.

What's the season?

From what month to what month?

ZACHARY LEVINE: Yeah, so right now we start preseason in January.

The official season kicks off in March.

There are a number of stops along the way for international breaks and FIFA required breaks.

And then we end our season in very early November.

So it's pretty much all year long.

But we only have today, it's 15 home games.

And that we expect to expand to 16.

LAUREN LEICHTMAN: Sixteen.

And then probably up to, eventually, I think by 2030, it will be 18 to 20 home games.

Hopefully, as we're looking now, we're making the playoffs, some home games in the playoffs too.

So that'll add another four.

Thank you.

We're in second place.

We're very excited.

Don't want to jinx us.

MS. DeBERRY: We didn't have the Padres, so come on.

LAUREN LEICHTMAN: Okay, now, there you go.

MS. DeBERRY: The only reason, I'm sorry, were you finished?

ZACHARY LEVINE: No, go ahead, please.

MS. DeBERRY: The reason I was asking that is around parking.

So I'm thinking about when the races occur versus when your team plays, right?

And do we have a footprint and the fair?

Sorry, all of that.

What does that footprint look like for parking?

And I'm sure somewhere in there, you'll be erasing and providing a larger footprint for parking.

But I love the concept.

Thoughts on that?

ZACHARY LEVINE: Yeah, happy to give you some context.

And thank you for your thoughts here.

So as I mentioned before, we're tenants of

Snapdragon Stadium.

One of the challenges that we have there is we are fourth on the list.

First, it's, I believe, college and SDSU events.

Eric knows this well, because he's helped us.

So correct me if I make a mistake.

Then it's the men's sports, which is, right, men's soccer.

ERIC ANDALMAN: It's marquee events, which is like concerts and other things.

And then it's men's, and then it's women's.

And then if they decide to be nice enough, maybe us.

ZACHARY LEVINE: And the reason I bring that up is that we are quite well experienced today in navigating what the home game dates are going to be so that we can work around the other challenges of what's happening at the site today.

So absolutely, parking, traffic.

I grew up in Los Angeles.

Traffic is just like having another sibling.

It's always there.

And it's never as fun as you think it's going to be at some times.

And other times it is.

And so we want to solve those problems in our plan.

And as well, be thoughtful around when are the most important moments for horse racing or the fairgrounds or any other fair-related activities.

And plan our games around those dates.

And if we think we can be successful at that, and have done so at our current stadium today.

CHAIR NEJABAT: Director Arabo?

MR. ARABO: Thank you.

CHAIR NEJABAT: Any other comments?

MR. ARABO: I think it's, well, thank you very much for the group.

I love, Zac, that your mom came and Bobby and the team.

The committee has had a, I think we walked in very skeptical.

We ended up very happy, for myself at least.

And I think it's important to know that what we're presenting is just a study.

They're not saying we're going to develop it.

They're going to say, can you do it?

Can you not?

Can we do this?

Can we do that?

This is a, it's just, it's a study.

I want to really highlight that.

They're not asking this.

It's not like we're going to start building right away.

Because I think the milestones down the road and open to everyone's suggestions on what we could do to maximize best use for the fairgrounds and best use for the community.

I like the renderings.

I still have a lot more questions to ask, but I think they're all preliminary.

I like that we're going to go really slow.

You know, definitely crawl, crawl, walk, run.

With different milestones and times they'll come back to the board to see, do you like this?

Do you like that?

A lot of unknowns.

I think we have a commitment to doing what's best always just for the fairgrounds first and the community at large.

And knowing that this is, you know, this is a

lease.

Whoever builds whatever here, this is a state land.

No one owns it but the state.

Just a lease to the District.

But I'm learning as much as everyone on this board and happy to look at more ideas and renderings and opinions.

And I do think the fairgrounds in general should do something.

I don't know if it's with who and what and when, but we should do something.

Because it's been too long.

For 1937 we've had gatherings of this property and it's underutilized.

And everyone around that would complain.

I would ask them, who built first?

I'd love to see a map of what it looked like in 1937 when the fairgrounds was here.

So this is the fairgrounds property, fairgrounds first.

Thank you so much for your interest.

We love the fact that it's the team.

That's a huge driving point for me personally.

And it's women's sports, which does not get the credit that men's sports do.

And I love the commitment of the group on that.

So thank you for putting that on the forefront.

And gratitude and skepticism and fairgrounds first.

Let's go.

CHAIR NEJABAT: And I think Fred.

MR. BLAIR: I'm surprised you're not using the barns and backstretch at all.

It seems to our most underutilized land.

I mean, it's clearly needed during the races, but -- and not to start a whole conversation.

But that's the most worn out part of our entire grounds.

And it sure seems like in the 80 years we've been doing this, there's a more efficient way to rent facilities when the horses are here or the people are here.

But use that space, because I'd hate to see that dilapidated space continue while we use all sorts of great things on this side.

MR. ARABO: So to Phil's point, we asked, I believe the DMTC has made many points before that

they feel like the stables, horses aren't something you just bring.

A big point for DMTC was keeping the racetrack and the stables as is, almost historical preservation.

I did see Josh this past weekend at the Black Chamber dinner, which was phenomenal, which I hope everyone attends next year.

Don is the president of.

And he mentioned, he saw it in the packet, that whoever looks at the property, that top training area in the top left-hand corner, where the training fields, that he said, if anything, could be on the table for development.

But he did, yeah, the top left.

That's an area he said, if anything, because we're very keen on preserving horse racing, make sure it thrives, and the fair.

And what it could look like and who should study it and how to study it.

And getting opinions.

MR. SCHENK: Excuse me, I haven't had a chance yet.

So Mr. Chairman, whenever it's appropriate, I'd

like to.

CHAIR NEJABAT: Yeah, we'll go to you.

Becky will make her comment and then we'll go to you, Director Schenk.

MR. SCHENK: Thank you.

MS. BARTLING: Thank you.

I just wanted to point out, we went through the master plan process in the 2000s for several years and ultimately finalized it with the EIR.

The challenge was, we didn't have any money.

So nothing got done.

So anything that comes before us, and this plan does that, it needs to get paid by the developer.

And that's the great opportunity with this project.

And if there's another project out there with a similar concept, those are the things we need to look at because we don't have the money.

So it's exciting to have somebody who does.

MR. ARABO: To Becky's point, sorry, Mr. Chairman, back in the days, because we asked that question.

They had a great plan and they didn't have money, so they didn't do it.

And then I think I asked, out of that plan, what percentage was done from 2008 to now?

Eight percent.

So 92% of the plan from 2008 was not done.

92%.

That's what I worry about in general, in action.

But crawling, crawling, walking, walking, studying, I'm very for.

I don't think anything should be forced.

But I definitely think we should look at doing something expeditiously.

CHAIR NEJABAT: Director Schenk.

MR. SCHENK: Thank you.

And Director Barkett, I want to let you know that I too did not know about this.

So I could not, I could not have promoted the opening comments that were made about my alma mater, UCLA.

Because that was not anything that I knew that was going to be forthcoming.

But boy, did that, you know, draw my attention.

And I'm grateful for the work that they do there.

And perhaps we can get you to, if you are

successful, pay attention to some of the great universities here in San Diego as well.

Now, one thing that I have done as a lawyer, and I'm happy to say that neither UCLA nor UFC have been subject to my areas of litigation, is Title IX.

And those of you who are familiar with women's sports may know that there's tremendous inequality in women's sports at the college level.

And Lisa, that's why I say I'm delighted to say that neither USC nor UCLA have been the subject of my attention in that litigation.

But other universities here in town have, and elsewhere.

And so I think this is a great step forward in helping to promote women's sports.

As Director Arabo points out, it is an area that has tremendous growing interest.

And one thing that I, and I'm not going to talk about the perspiration.

I'm going to focus my attention as I am now on the inspiration side of the conversation.

There will be plenty of time for further conversation about the perspiration.

But on the inspiration side, I want to just

comment that there is a great wealth transfer taking place over the next decade.

Trillions of dollars of wealth transfer will take place.

And the truth is most of it from men to women.

Most of it is from men to women.

And I think this is a great way to promote something that more women are interested in, young girls are interested in, and young men are growing, growingly interested in.

And I love seeing this be a component, because I think this will really help promote women's sports, use of economics, monetizing in a positive way.

And I'm really excited about the opportunity.

Obviously, we want to hear from others.

But like Lisa, I did not know about this, but I'm inspired by it, folks.

LAUREN LEICHTMAN: Director Schenk, if I could just tell you, we gave the first grant-in-aid scholarship to the UCLA women's soccer team.

There was zero scholarship for women's sports under Title IX at UCLA at that time, which was pretty shocking.

I think that was like, I want to say, 2010,

something like that.

ZACHARY LEVINE: No, earlier.

I think it was like 2002 or 2003.

LAUREN LEICHTMAN: We also gave the endowed chair for the first woman to win the Nobel Prize in astrophysics at UCLA.

We also, I'm a graduate of Southwestern Law School, gave a million dollars there to endow their JD online program, as well as additional money for scholarships.

So I hope, too, that we can give back to San Diego in other ways, because the women's community, as well as organizations like Southwestern and UCLA, we need to support our women's population there.

It's a big theme.

My family, fortunately, is very supportive of this.

MR. SCHENK: Nice to hear.

I look forward to seeing you in person.

Unfortunately, I'm out of town at a lawyer's convention right now, which I'm breaking away from.

But I really do look forward to visiting with the two of you and others in person next time.

LAUREN LEICHTMAN: Thank you.

CHAIR NEJABAT: Director Mead.

MS. MEAD: Thank you, Sam.

I just would like to just offer a specific process request for the committee.

What I would like to see happen is that at our November meeting, we have a discussion about what the next steps might be for whether solicited or unsolicited proposals.

I think that it would be good for us to know if there's a timeline.

I suspect that after today, we may get other unsolicited proposals.

I think it would be great for us to be able to say, here's the timeline we're working on, whether solicited or unsolicited, so that we can then make a determination of which organization we would like to give the opportunity to perform any studies at their cost, at their expense.

Thank you.

CHAIR NEJABAT: Noted.

And one thing I do want to commend this group about is that they've come forward and are willing to present to the entire board.

As long as I've been on the board, we've heard

of rumblings and rumors of folks interested, and nobody's come forward in the public setting and presented to the entire board.

And as chair, it's important to me to have this as transparent a process as possible, and for every board member to be involved in it.

MS. MEAD: Thank you.

And yes, thank you for taking the initiative.

MR. ARABO: Yeah.

That it was unsolicited.

I'm sorry, a point about the, I remembered also about the stable area just for the board.

It's a floodplain.

So just keep that in mind.

That's another reason why it's stables.

ZACHARY LEVINE: Is there anything we can do in ahead of your next board meeting in November to help move this along and get you guys any questions or concerns that you have on what we're working on, share other thoughts, spend time together, whatever the case may be, so that we can be ready for your next meeting.

CHAIR NEJABAT: Anything from any board members?

No?

Okay.

Looks like everyone's answers, everyone's questions have been answered, and we will follow up to hear back from you and Becky and the committee and bring the next presentation or whatever it may be to the entire board for further discussion.

ZACHARY LEVINE: Okay.

Thank you, everybody.

CHAIR NEJABAT: Thank you all.

BOBBY ASSIL: Thank you very much.

VICE CHAIR BARKETT: Nice to meet you.

CHAIR NEJABAT: All right.

With that, we will now move on to public comment.

Seeing no one in the room signed up, we do have eight members of the public who wish to speak online.

So we'll start with Allison Prater.

ALLISON PRATER: Hello.

CHAIR NEJABAT: Yes.

ALLISON PRATER: Okay.

General business.

Uh, suggested comments.

Four racehorses died during this year's Del Mar Summer Meet.

CHAIR NEJABAT: So this item is on master site planning and the Del Mar Dreams presentation.

So we were requesting public comment on that item only.

ALLISON PRATER: This is Item 3, correct?

VICE CHAIR BARKETT: No, six.

CHAIR NEJABAT: 6A1.

Master site plan.

ALLISON PRATER: I mean, I'm sorry.

It's Item 6, yes.

CHAIR NEJABAT: That is not the topic.

So if you have anything to comment on this particular item, let us know.

Otherwise, we'll move on to the next member.

ALLISON PRATER: Okay.

I guess go ahead and move on.

CHAIR NEJABAT: Thank you.

Next up, we have Chaun Reynolds.

CHAUN REYNOLDS: Hello.

Can you hear me?

CHAIR NEJABAT: Yes.

CHAUN REYNOLDS: Horse racing tracks have been and are being repurposed.

CHAIR NEJABAT: Sorry to interrupt.

Again, this is Item 6A1.

The master site plan committee report on the presentation that we just heard about.

I don't know what's going on with the sign up, but this is Item 6A, one for a reminder to everybody.

CHAUN REYNOLDS: Yes, I am speaking on 6A1.

CHAIR NEJABAT: 6A1.

CHAUN REYNOLDS: May I continue?

CHAIR NEJABAT: If it is relevant to the committee item, yes.

But horse racing, if you'd like to speak on that matter, that's Item 6G, which could be the DMTC committee report, if it's related to that.

CHAUN REYNOLDS: I have a different comment for 6-A.

CHAIR NEJABAT: Would you like to comment on this particular item 6A1?

CHAUN REYNOLDS: May I continue the comment that I have for this item?

CHAIR NEJABAT: Yes.

CHAUN REYNOLDS: Horse racing tracks have been and are being repurposed throughout California and the U.S. due to the [unintelligible] of the industry since 2003.

Last week, KQED reported on the transition of the Golden Gate Fields racetrack now underway.

In June of 2024, Golden Gate Fields held its final race, bringing an 83-year run in horse racing in the Bay Area to an end.

Across the Bay, the racetrack at Tanforan in San Bruno shuttered more than 60 years ago.

Bay Meadows in San Mateo closed in 2008.

As interest in the sport wane and concerns grew about the safety of the horses at the tracks, animal rights activists estimated that thousands of horses died at the Golden Gate Fields during the operation.

Both other tracks have been replaced with massive developments.

A sprawling shopping center where Tanforan once stood and mixed-use housing and commercial space at Bay Meadows.

Rodriguez said that while those uses make sense for their locations, when Golden Field shutters, it was the public's turn to get a new open space.

The Trust for Public Land announced earlier that it would purchase the property from the Canadian Stronach Group, which operates the San Antonio racetrack in Arcadia, and transfer it to the East Bay

Regional District Park.

While restoration and recreation will be at the forefront, what exactly will become of the parcel that once housed more than 1,000 horses and hundreds of workers in its backstretch hasn't yet been decided.

But Mayor Peggy McQuaid said everyone is excited about what's really possible and exploring all the options.

The potential closure of the racetrack should be included in their proposal.

Thank you.

CHAIR NEJABAT: Thank you.

Next up, Jane Cartmell.

MR. RIVERA: Jane is not on the queue.

CHAIR NEJABAT: Martha Sullivan.

MARTHA SULLIVAN: Hello, this is Martha Sullivan from Imperial Beach.

As the horse racing industry in the U.S., and particularly California, continues to nosedive, this proposal for a soccer stadium at this fairground is very timely.

In addition to transitioning from a dying to a growing industry, it would free up at least some of

the huge racetrack backstretch area for affordable housing, which was envisioned back in 2018 by then Del Mar Mayor Dwight Worden, as reported in the San Diego Reader.

Del Mar Mayor Dwight Worden says with a straight face that his town, the most expensive city in the county, needs to open up and welcome in some more downscaled neighbors.

Diversity is healthy, says Worden, about his tiny city of 1.8 square miles, with some beachfront homes listed for $12 million.

We shouldn't just be a place for old, rich, retired people.

The person who cuts your hair should have an opportunity to live here as well.

Mayor Worden admits the City of San Diego could prove to be a small fly in the ointment with a plan to convert Surf and Turf RV into mobile homes.

He says another plan could be to convert the so-called barn housing used by temporary racetrack employees, including hot walkers, groomers, and stall muckers into apartments.

That area of the fairgrounds sits on Del Mar property, says Worden, and would not have to involve

San Diego.

It's a win-win for the future of this fairgrounds and desperately needed affordable housing.

Go soccer!

CHAIR NEJABAT: Thank you.

Next up we have Phoenix.

PHOENIX: Good morning.

I strongly support the development with focus on soccer stadium at the Del Mar Fairgrounds.

Soccer is a vibrant, growing sport with a younger and more diverse fan base than the horse racing industry, which continues its nosedive throughout the years while perpetuating animal cruelty.

Now is a great time to begin this fairgrounds transition from horse racing.

The following are some facts and figures from shareamerica.com for your consideration.

The Economist magazine reports that soccer is now the third most followed sport among American fans, and 10% of Americans call it their favorite sport.

Signs of a soccer craze are everywhere, and

Major League Soccer, the principal professional men's soccer league in the U.S., is flourishing.

Following its first year of play in 1996 with just 10 teams, the league has expanded to 30 teams, and they play a 34-game regular season schedule followed by four weeks of playoff games among the top teams.

The average attendance for MLS games has grown to around 22,000 fans per game.

A decades-long period of growth in the league's popularity has given soccer an established, enthusiastic fan base in the States.

Women's professional soccer has become popular in the U.S., too, driven by the remarkable international success of the U.S.

Women's National Soccer Team, winners of five Olympic gold medals.

The National Women's Soccer League has 16 teams playing in cities from coast to coast, with additional expansion underway.

A March 28th women's match between the Washington Spirits and the Denver Summit was watched by a record crowd of 63,000 fans.

To recap, the public prefers soccer over cruel

horse racing.

Thank you.

CHAIR NEJABAT: Thank you.

Rachel?

RACHEL KEENAN: Hello, can you hear me?

CHAIR NEJABAT: Yes.

RACHEL KEENAN: Hi.

As a San Diego native, I'd like to see a new future for the Del Mar Fairgrounds, one that repurposes the racetrack into a soccer stadium.

Horse racing comes at a tremendous cost to its athletes.

When horses suffer injuries and die, we must ask ourselves whether this form of entertainment is ethical.

29 horses died at the Del Mar Fair racetrack since January 2022 to date.

These statistics are shocking.

I pulled these figures from the California Horse Racing Board website.

Imagine transforming the racetrack into a vibrant soccer venue that serves our community throughout the year.

The acreage currently used for the racetrack and

the barns and backstretch is large enough to be repurposed into a soccer stadium, probably with room for dedicated parking structures, hotels, and affordable housing.

Soccer is the world's most popular sport.

Everyone in my personal life is a soccer fan, yet I don't know anyone who attends horse races or even watches it on TV.

Soccer, on the other hand, brings people together across generations and cultures.

A soccer venue at the fairgrounds could welcome youth leagues, women's teams, and hold professional competitions.

Unlike a racetrack that depends on live horse racing, a soccer facility gives us true recreation, physical fitness, and community engagement without subjugation of horses or fellow sentient beings.

With thoughtful planning, the fairgrounds could become a year-round destination that reflects the modern world's interests and values.

Let's create a future where the excitement of competition remains without horse sacrifice.

CHAIR NEJABAT: Thank you.

Next up we have Rachel.

Rachel?

MR. RIVERA: She's unmuted.

CHAIR NEJABAT: Can you hear us?

You have two minutes.

If we don't hear from you, we're going to have to move on.

MR. RIVERA: And she's muted again.

Rachel, you're in the meeting.

CHAIR NEJABAT: Okay, we'll move on to Ariana.

MR. RIVERA: She is not in the queue.

CHAIR NEJABAT: All right.

That concludes public comment.

We'll now move on to Item 6B, discussion on how the 22nd DAA should handle the dissemination and communication of the October 1, 2026, letter from the Public Integrity Unit of the San Diego County DA's Office regarding the referral concerning elected and appointed officials.

This is an information item only.

The Board will not take any action.

We do have a letter that we received that CEO Bartling will read to the public and Board.

MS. BARTLING: Thank you.

This letter is from the Office of the San Diego

District Attorney.

It was written on October 1, 2026, to Ms. Christina M. Cameron, City Attorney, City of Del Mar, regarding referral concerning elected and appointed officials.

Dear Ms. Cameron, your August 7, 2026, letter regarding the referral concerning elected and appointed officials was forwarded to the Public Integrity Unit of the San Diego County District Attorney's Office.

We have carefully reviewed your letter, the accompanying materials, as well as other available materials.

Despite several efforts, we have not been able to confirm the complaining party's identity or legitimacy as a complainant.

We also reviewed publicly available information indicating that the California Attorney General's office has been involved in numerous matters concerning compliance with low-income housing requirements through their housing justice team.

Nothing in this matter suggests that the performance of Rob Bonta's duties is connected in any way with contributions to his political campaign.

Therefore, based on the information we were able to obtain, there is insufficient evidence to indicate that a criminal offense has occurred.

Accordingly, our office will not pursue a criminal investigation or file criminal charges in this matter.

As an aside, we wanted to convey that the way this complaint was referred was very irregular, especially with the media publicity surrounding its submission.

Historically, referrals of this nature have been communicated directly to the Public Integrity Unit rather than through public channels.

Sincerely, the Public Integrity Unit, San Diego County District Attorney's Office.

CHAIR NEJABAT: Okay.

Thank you, Becky.

And for me, it was important to bring this to the board because, unfortunately, this happened to a board member of ours, and it could happen to any other board member sitting at this table.

So with that being said, I wanted to bring this to discussion and have board members chime in and give direction on how we can proceed on this.

MR. ARABO: Thank you, Chair.

If it's okay, I'd like to pass out a document that I created and have it for the public as well, just about what the public should know since this was out in the public.

I want to thank everyone in the room, especially my colleagues.

For weeks and months, my name was tied to really damaging, slanderous, defamatory public allegations.

The story reached out to national news.

The New York Post covered it.

Other outlets covered it.

And people questioned my honesty.

They spoke to me as if they already judged me.

My wife and my children lived through those headlines, and I spent time and effort for attorneys.

The City of Del Mar posted details of my family home online, which is illegal.

And its attorney confirmed removing the original packet only after I demanded it.

They posted photos.

They posted the address.

And I definitely was harmed.

My family was harmed.

And we did not deserve this, what the City of Del Mar did.

The fairgrounds, which I really have a deep admiration, respect, and love for, this institution was pulled into this controversy, too.

Our name was in those headlines, and our public trust of this board, I believe, is still at risk.

Now we hear what the District Attorney found.

They found insufficient evidence to pursue an investigation or file charges.

The complainant, this Deborah Barnes, could not even be verified as a real person.

And the DA called the referral process very irregular, especially because of the publicity that came because of the City of Del Mar's action.

The Voice of San Diego reported that the City of Del Mar manager said the city did not even investigate the concerns or the person who raised them.

So I want everyone to think about that.

The City of Del Mar did not even check if the person exists, if the person is real.

Yet they took the public channels, media, to communicate this about me and our Attorney General.

So I am thankful for our Chair for bringing this to the agenda.

I still don't know why this was handled so publicly.

There's channels to do this.

Anyone could do a referral.

You do it.

There's channels to the Public Integrity Office, and it says it in the District Attorney's letter today.

Why was it turned into such a media spectacle instead of being sent directly to prosecutors through usual channels?

Why all the headlines, the damaging headlines for me personally and for my family and for this institution?

I don't know why.

I don't know who wrote it.

And now we figure out even the prosecutors cannot verify that they exist.

I will not guess, I know the DA questioned the process, but I think the public deserves to hear that part of our story.

You know, bad news travels a hundred times and

good news never gets told.

And I'm definitely a victim of this.

And I want every one of my colleagues that I have deep respect for to imagine if this was you.

Imagine if this was Phil, or Kathlyn, or Lisa, or Sam, or Donna, or Becky, or Elsa, or Fred, or Ted.

Imagine the chilling effect it has when we have to make tough decisions for the best interests of the fairgrounds and we worry if someone's going to unfairly, slanderously, defamatory attack us and our character and publish our home address to the public, which is not allowed to do under state law.

And the City of Del Mar did this.

This isn't a private citizen.

This isn't a private company.

This is a local government that they say is a partner of ours.

So, Chair, I really want to thank you for taking the first important step and for your great statement to the press.

I want to thank the District Attorney's Office and our great DA for the due diligence.

I want to thank the board for your patience, but also I want to imagine if you were in my shoes and it

really has damaged me.

The allegations were public and now the full findings must be public, too.

I don't know what that looks like.

I want to definitely see everyone's opinion on this board.

They had so much media, almost one week of media, the New York Post, all the local headlines, all the channels, Union Tribune, Voice of San Diego, Del Mar Times, Coast News, everyone covered it.

And the City of Del Mar did not even check if the person exists.

They said that.

And they should have handled it through their appropriate channels.

The District Attorney said that.

But they didn't.

They chose to use the public media airways to call into question my integrity, which is not negotiable, and to question the decisions we make as a board.

So, thank you, Chair, and I hope this is the beginning and we see, figure out who is this Deborah Barnes.

Tomorrow it might be Sally Barnes, Judy Barnes, Charlie Barnes.

Who is it?

And why didn't the city check?

A basic check of why didn't they check if the person exists?

And why didn't they take the appropriate channels, which everyone could do?

Why do it so publicly?

Thank you.

CHAIR NEJABAT: Any comments?

MR. SCHENK: May I make a comment, Mr. Chairman?

CHAIR NEJABAT: Yes.

MR. SCHENK: Thank you.

Because Director Arabo, I can't even imagine how devastating this must have been to you personally, and to your family, and to your loved ones.

What you didn't mention is that this decision, from what we understand, was made within 10 minutes.

That's the amount of time that they took to make a decision about your fate, in their perspective of what they thought needed to be done, without checking, without verifying.

I have communicated publicly at our last board

meeting my real disappointment to the leadership of the City of Del Mar.

But I've also communicated it to them privately, because how outraged I was by their behavior, and by the actions, and by their disregard for what is right.

Because what they did was wrong.

And Director Arabo, I have not seen an apology.

I have not seen any sense of an effort to try and make good for what they did that was so wrong.

And I'm wondering, have you received any acknowledgement, either before or since the DA's office published their findings?

Where they apologized?

Where they sent any message of regret for what they did to you, and the disparaging remarks that they made that were unfounded and really unconscionable, in my perspective?

Have you heard anything from them?

MR. ARABO: Thank you, Director Schenk.

I have not heard anything.

I want to add, when they first made the filing, I sent a three-page written document to the city asking them to read it, going point by point, and

showing how everything they're saying is so outrageous and so not true.

And they did not even acknowledge it.

And then I had to hire an attorney, and then the attorney asked them to retract it, because we felt it was so wrong.

And they did not retract it as well.

They have not apologized.

They have done nothing but damage me, and I think damaged this institution.

Because how can you vote on something that's for the public's interest and worry about someone—we don't know who fabricated the name, but we know the person—no one could verify the person exists, including the prosecutors.

Why wouldn't the city check?

And then why would they take the public route to do this?

Why?

They wouldn't think before you damage someone's character, reputation, business.

Those headlines live forever.

And I worry about my colleagues on the board as much as myself.

We're all volunteers.

Who would volunteer for that?

And so thank you for bringing up the point where -- but they have not.

That's the long-winded answer.

MR. SCHENK: Yeah, the notion of a chilling effect is really so important, a point that you brought up, because, as you indicate, this could have been any one of us.

Obviously, they—someone, someone, not they, but someone, perhaps, targeted you, thinking that your influence might impact some other decisions made by this board.

Relative to some decisions that affect the City of Del Mar.

But the truth is, that could have been any one of us.

And we are public servants, but we are volunteers.

And none of us would deserve to have that kind of disparagement generated against any of us or any of our peers.

So the fact that they didn't apologize, Director Arabo, I apologize for, you know, trying to do what I

could to correct, but obviously not enough to be able to make a change before all of this disparaging and character assassination occurred.

And I'm sorry that I couldn't do more to help you.

MS. DeBERRY: So, not only do -- when I think about what's happened to you, and like we've all said, it could happen to any of us, right?

I feel like the City of Del Mar owes the board an apology as well.

First to you, and then to the board.

And I think there's no—there can be no moving forward when we have specific feelings about it could be any one of us.

This could have happened in the way it happened.

And so I just don't—I don't understand why that -- the City of Del Mar can continue to come for public comment without doing that first.

Create—having some type of empathy and humility to say, I'm sorry to you first, because it impacted you the most, and actually to the board of how it was -- how it was done.

CHAIR NEJABAT: Thank you.

MS. MEAD: Thank you, Mark.

And I echo Donna's comments as well.

I think not only an apology from Del Mar to you, Mark, and to the full board is necessary, but a retraction as well.

I very much appreciate the fact that our chair released a press release that addresses this.

But it is very important for Del Mar, who started this with a media coverage, has a retraction and an apology publicly as well.

This has taken a lot of time, emotional time, and energy from a lot of us, to include people who are in my circle who asked me about Mark as a colleague.

And we should—we should only be able to share the good work that all of us are doing on this board in a voluntary manner without any fear of public retribution.

So, thank you, Mark.

Thank you, Sam.

And I hope the City of Del Mar does the right thing and at least begins with the apologies and retraction.

MR. BLAIR: Can we make that a motion?

Asking the city to retract and apologize to the

board and to our member?

Is there a way to -- or a letter from the entire board to the city or --

CHAIR NEJABAT: Josh, I mean, this is an information item.

How can we --

MR. CAPLAN: It's an information item, but I think the board chair can take the comments and thoughts of the board.

And similar to the press release that the board chair issued on behalf of the board, the board chair could do something similar in preparing a communication to the City of Del Mar.

But the board can't take an up or down vote on it.

I think it's essentially up to the board chair.

MR. BLAIR: I don't care how -- I just want it to happen and I think it needs to come from the full board by name, not just the chair.

MR. SCHENK: Phil, I think one thing that we can do is publish a letter to the editor that's signed by all of us as individuals.

Josh, is that something that we could do?

MR. CAPLAN: It is, Director Schenk.

The only challenge is that presumably that board would need to approve that letter to sign off on it.

And the only space to approve that letter would be in a public meeting where you're taking an up or down vote.

And so I guess to the extent this board wants a more formal action taken where each of you signing your name to a letter, you likely need to put this on an action item on the agenda for the next board meeting to carry the discussion and so that you all can affirmatively vote on that item.

MR. BLAIR: I'd like us to do something sooner.

I think the more we drag this out, it just, you know, has a life of its own and it's sort of asking for the retraction is the end of it.

I mean, for us, and not bring it up at board meetings anymore.

I mean, it just drags it out.

CHAIR NEJABAT: We can also send a letter that does say on behalf of the board, if I do have consensus here, I'd be more than happy to do that.

MR. BLAIR: Whatever can move it along quickly, Sam, I would support.

MS. MORALES-ROTH: Can I add a little bit more?

Yes, I agree we should sign something with consensus from the board, but I think it goes even beyond.

I'm shocked at the lack of due diligence from a government entity.

In regards to not reviewing a complaint thoroughly investigation, that's where I draw the line.

I think there was a lack of, again, due diligence and process.

Now that we have a little bit more information around the context, it was 10 minutes.

It was an emergency meeting.

I think that says a little bit more about that.

So I don't know if, again, Josh, on that side, I know that we're asking for an apology, but I also want to hear the other side.

What was the due diligence?

What is going to happen after this?

Because this is, again, one case of one colleague, but this could happen again.

So are we going to just accept apologies and that's it?

Or are we going to ensure that the government

entity does their due diligence?

Because that's also our responsibility, making sure that our institution, because at the end of the day, it's not only our colleague, or it could be any one of us, but it's really damaging for the institution.

The fact that Del Mar Fairgrounds in this District was in the national news, it's not only Mark, Director Mark Arabo, it's all of us, right?

Now it puts a damper on all of our reputations.

Even though we do this in a volunteer role, we do it with compassion, with community service, we were selected here because of our ethics.

There is a process.

It's not that we got picked because somebody likes us.

That's not how it works.

There was a due diligence.

It was years, right?

So we want to ensure that, again, this doesn't damage the institution in the long run.

Yes, I agree with the apology.

That's the minimum, the retraction.

But also, how can we ensure that those partners

that we work with, that are also government entities, again, comply with their due diligence?

This was their job.

The city attorney should have investigated it and use the proper channels.

Summer Stephan, our District Attorney, said it.

So I don't know if there's something that we can do as an organization beyond the apology and the retraction.

Josh, I don't know if there's something, if you can get in.

I'm new here, so I'm learning.

But I think we need to also focus on that.

MR. CAPLAN: Well, I think the board can always invite the City to a meeting to address the concerns that you're raising today.

There's certainly nothing that this board can do that would require the city to be here or to provide the responses that you all are looking for.

But again, you could extend that request that they be here to address the additional concern, which is what steps will they put in place to prevent this from happening again?

MS. DeBERRY: I think they should definitely be

here, if for no other reason but to publicly -- a letter is not enough.

Like, they really should present to come and say, and apologize.

VICE CHAIR BARKETT: I would love to say something.

Mark, I wrote some notes based upon that letter because I happened to be on the phone with Sam when that letter came through.

And so I immediately, you know, took some notes.

And there's three things that really stood out for me from Summer Stephan's letter, or DA.

And I have to tell you, I was very pleased with what she did.

And the first was, there's no verification of a complaint.

And to me, moving forward would have been detrimental, not only to you, but to everybody on this board.

Absolutely.

And of course, your family.

The second is, there's no connection to political contributions.

And, you know, at some point, maybe sitting on

this board, we've all given political contributions.

And all I keep hearing is, bribery, bribery.

You bribed to get on that board.

I'm like, no.

It's based upon my work ethic, my background, and serving on multiple boards.

And I said, I've made it a career of serving on boards.

And I really take an issue with it.

But that's what gets said.

And it's horrible.

And people have to realize, they've got to stop going there.

I mean, we're living in an age where people are throwing out allegations left and right.

And they're false.

And they know they're false.

But they do it anyway.

And question why?

Well, they see you as a threat.

Somebody saw you as a threat.

Now, you know, that could have been like you said, any one of us, though.

And thirdly, it is an irregular referral

process.

This is not done in the media normally.

It's done where it's sent over to the DA's office or the AG's.

I've lived through this very privately.

And I want to speak to you as a friend and as somebody that serves on a board.

I've received, I mean, our family has received an AG apology from San Diego.

San Diego's AG, this goes way back, and apologizing for starting an investigation.

And I was so impressed.

It was six weeks until we received that letter.

And they said there would be no charges brought.

And any charges that were coming would be looked at as, you know, dismissed with prejudice, which means they can never go against you again for those.

But go back to the start, all the damage that was done.

We were in the newspapers, too.

It's very damaging to your family.

And to live through the notoriety that you don't want, through the talks and whispers.

And you will survive.

Your family will survive.

In fact, you'll come out stronger because you'll know that you have nothing to be ashamed of.

You can hold your head high and continue your path.

And I know this is troubling for you.

And my empathy really goes out because it's a terrible thing to deal with.

And I'm glad to see this board stand up, actually, to take some, you know, and say, we're going to stop this.

But today in the society we're living in, a lot of people are being targeted.

It's very, very sad for no reason.

And they're having to pay attorney's fees.

And their families are going through it with them.

It's really a sad state of affairs.

So I'm proud of this board for taking a stand.

I really am.

And thank you, Chair.

MR. ARABO: Thank you.

Thank you very much, Lisa.

How does the board, a question, more of a

question for me.

How do we find out, or do we find out, who Deborah Barnes is?

Because I'll tell you, there, when we did a public records request, a lot of things they did not turn over.

I mean, I was the victim, but there's always a suspect.

And for us not to try to find the suspect, that's why I worry about the institution, not me.

They've damaged me beyond a lot of people could imagine.

I'm living with those headlines every day.

And they're not true.

They're slanderous.

They're super defamatory.

It was very malicious.

But if we don't find the suspect who did it, then we're all sitting ducks.

And how do you vote on anything and not worry about, well, they're going to make up something and hide it and go to the Union Tribune and go to the New York Post and go to all these news channels?

And a lot of people won't fight back.

A lot of people who are volunteers will say, you know what, it's not worth it.

Or I'll vote differently because I don't want to, instead of thinking about what's good for the fairgrounds, the board member will think, well, I don't want to get attacked.

I don't want them to come after me.

And that's what I worry about, the chilling effect on the institution.

That's why I think it's much, it is much, much greater than me.

I've been damaged.

The fairgrounds has been damaged because of what the City of Del Mar did not do.

They did not verify.

They did not check.

And they chose the very irregular route of going to the media and publicizing it.

And how do you prevent it if you can't find the suspect?

That's more of a question to the board.

MR. SCHENK: Director Arabo, may I respond to that?

MR. ARABO: Yeah.

MR. SCHENK: All right.

So I would say to you that we are not a legislative body.

We don't have subpoena power.

The one way, a way, in which to get answers is, and I'm not advising you, I'm just answering your question.

If there was litigation, your council would have subpoena power to uncover and do discovery and get to the bottom of it.

Again, I'm not encouraging.

I'm not advising.

I'm just answering your question.

Okay?

MR. ARABO: Great.

Thank you.

MS. MEAD: Mark, I will say that I am less concerned about this body investigating because of our ability to, as Fred said, to subpoena or get additional information.

I believe that this body has done what it can do, which is to hold Del Mar accountable for doing their due diligence, for the action they're taking, they took, and that we are requesting that the City

of Del Mar shares with us how we can feel safe and comfortable going forward with them as partners, that their processes will not have these breaks in due diligence and their processes will be improved go forward.

So I feel like trying to figure out who Deborah Barnes is, is a question we ask of them, why they, what investigation they have done to have gotten them this far, as opposed to our own investigation.

But it is really how do we make sure that go forward they are going to behave as true partners and dot their I's and cross their T's and improve their processes go forward.

VICE CHAIR BARKETT: You know, I want to tag onto Fred's comment.

You know, Fred, on the subpoena process, a number of cities now are taking what's called the deliberative process privilege.

And it is a common law doctrine that shields internal government communications, recommendations, draft documents, and advisory opinions from civil or criminal discovery.

And that's scary.

Because there's nobody overseeing what's

happening at the cities.

And if they can shield themselves behind that process, it's really bad.

So it could lead to a no end.

And you know, you could spend a lot of money and get nowhere.

But that's what's happening, which tells me that there's something wrong then.

Right?

If they can't be up front and come out, or they have to hide behind this process, then something's very wrong.

But don't be surprised.

That's what I'm saying, I don't know what can be done if they invoke that.

It will be very difficult.

But that's what's happening.

MR. ARABO: How do you prevent it as an organization?

What do we do to prevent another vote comes up?

They don't like a board member.

They'll say, oh, this came up.

We don't know who it is.

We did the channel, 10 minute meeting, emergency

session.

VICE CHAIR BARKETT: I don't.

It's a good question, because they're --

MR. ARABO: Contact the media, help put it out.

VICE CHAIR BARKETT: Hide behind a deliberative process privilege.

MR. ARABO: That's what they did.

It's not like a fictional story.

This is what they did.

They literally, in many ways, you know, I was hoping that, oh, this Deborah Barnes is a person.

The fact that no one could find out if the person exists.

We're sitting ducks.

How do you prevent it as an organization?

How do you take a hard vote if you worry?

I'm worried.

I'll tell you, it crosses my mind, and my oath is to this District.

It's less for the fairgrounds.

But how do you have a tough conversation about our future as an organization if you're worried?

Like, I'm worried.

I got damaged from a local city that doesn't

like, you want to put a pool somewhere?

We don't want a pool.

And they just attack you.

Maliciously.

Maliciously.

How do you prevent it, Josh?

How do you as an organization?

Is there safeguards?

How do you prevent it from happening again?

MR. SCHENK: Well, may I reply?

I'm sorry, Director Arabo, but I do want to respond to Director Barkett’s query.

And because I want to stay on that point before we move on to council's recommendations.

At least the deliberative process privilege does not defend against or shield against fraud or government misconduct.

So there are areas where they are doing their government work.

But in something such as this, where there's an allegation of fraud or misconduct, it does not rise as a viable defense.

I just want you to know that.

VICE CHAIR BARKETT: Well, Fred, I would have to

say otherwise.

MR. SCHENK: Well, that's the law.

VICE CHAIR BARKETT: In the judicial system.

Yeah, unfortunately, judges are allowing it.

MR. SCHENK: The law does not allow it as a defense to fraud.

CHAIR NEJABAT: Josh, are there any legal remedies or legal actions or any legal suggestions you have for putting in the safeguards that Director Arabo has mentioned?

MR. CAPLAN: This probably isn't the answer you're going to want to hear, Director Arabo or the other board members.

But I think, unfortunately, no, you can't really take proactive decisions to prevent or limit the ability of an individual, a city, a county, to make baseless allegations against the board.

Similarly, you can't prevent a plaintiff from filing a lawsuit against the 22nd DAA where that lawsuit is not based in fact.

So I think some board members have said this before.

Director Mead said this.

Director Barkett said this.

We do live in a time where allegations are made against people that have no basis in fact.

And it can be detrimental and harmful to the individual that's the target of those allegations.

It can cause certainly tremendous pain by that individual and the members of their family.

But there really isn't a way to prevent it from happening.

VICE CHAIR BARKETT: Yeah, sadly.

CHAIR NEJABAT: Well, given the unprecedented things that have occurred, I would like to put something on the agenda for the next board meeting and invite the City of Del Mar rather than this being a two-minute public comment and back and forth.

I think it's appropriate for the healing process and for everyone moving forward to agendize this and invite them.

And it's happening right now in a public setting.

And we'll also follow up, Becky, if you could do so, inviting them to the board meeting so we can get some answers and heal and move on from what's happened to Director Arabo.

That's appropriate.

MS. MORALES-ROTH: Chair Nejabat, I would distinctly, if possible, mention an apology and retraction.

Because this needs to be sent out to media so they can pull that story because it damages not only Director Arabo, but again, the institution.

So I would mark that.

CHAIR NEJABAT: Okay, will do.

Any other comments?

MR. SCHENK: I just want to say, Director Arabo, I applaud your strength.

And, you know, some people might not have taken every step that you have taken.

And perhaps you were underestimated.

But bravo for not just giving in to this malicious malignment of your reputation.

And I'm proud of you for standing up for what is right for yourself, for your family, and for the 22nd DAA.

MR. ARABO: Thank you, thank you.

Thank you very much, Fred.

That means a lot, especially coming from you and everything you've seen.

Thank you, Chair, for allowing the conversation

and any ideas in general for future meetings, just to protect the independence each board member needs to have in acquiring the institution.

CHAIR NEJABAT: One thing I will mention is that some board members of other agencies may not be able to afford representation.

And so, you know, this really could be used against people in the future that don't have adequate resources and means to represent themselves and defend themselves.

All right, let's take up item --

We'll do public comment and then wrap up this item.

So we do have one member of the public signed up online, and that's Shane Harris.

SHANE HARRIS: Good afternoon, Chair Nejabat, Commissioners.

Good morning.

Good afternoon.

I'm deeply disturbed by what has unfolded involving Commissioner Mark Arabo, Attorney General Rob Bonta, and the entire City of Del Mar.

On October 1st, the District Attorney's Public Integrity Unit stated it could not verify the

complainant's identity or legitimacy.

Think about that.

A public servant's reputation was questioned, yet investigators couldn't verify the complainant.

Was an alias used?

Was this complaint manufactured?

Did anyone affiliated with the city play a role?

These are unanswered questions, not established facts.

The DA called the referral process very irregular.

As someone affiliated with a major law firm in this town, I'm concerned about possible malice and intent to defame.

And frankly, I'm damn tired of seeing people of color who build influence through genuine service in this county inherited suspicious.

The racial implications deserve examination.

Mark Arabo is like a big brother to me.

I've witnessed his extraordinary commitment to our communities.

An attack on his integrity is an attack on this entire institution's integrity.

Let me be clear.

And frankly, some commissioners did remain silent.

It's easy to speak now that the DA has spoken.

I have heard some discouraging legitimate avenues for answers before facts are fully examined.

I say to my brother, Mark, examine every damn lawful avenue, including civil remedies where warranted, and we will get the subpoenas.

Taxpayers deserve to know how the complaint attributed to Deborah Barnes originated, what the city verified, and why it became a public referral.

I call on this commission to request an apology from the City of Del Mar and review reimbursement of Arabo’s legal expenses, the long list of legal expenses already that he has spent.

And my office will intensify scrutiny of Del Mar's affordable housing obligations.

CHAIR NEJABAT: Thank you for your comments.

All right.

That concludes public comment on this item.

We'll take up item 6-C and then break for a five-minute working lunch so everyone knows.

All right.

Moving on.

The Item 6C is the Audit and Governance Committee Report, Items 1 through 3.

This consists of one action item and two information items.

We'll begin with the action item today, 6C1, discussion vote regarding the adoption of a policy authorizing payment of legal fees incurred by board members of the 22nd DAA Board of Directors in connection with actions taken against them, arising from decisions made in their official capacity.

If we have no motion or no second to begin discussions, we'll simply move on.

Does the committee have any context to provide on this item?

MS. DeBERRY: I do.

First, I want to move, do the motion.

Sorry.

I move that the board adopt a director legal expense review policy that establishes a legally permitted reimbursement or payment necessary legal expenses arising directly from a director's good faith performance of official District duties.

The policy may apply to qualifying governmental referrals, investigations, and legal proceedings,

including expenses incurred before the policy's adoptions were lawful.

Each request shall be considered individually and shall require board approval, supported by the findings on the public purpose, number one, the public purpose served, two, whether the matter falls within the scope of the director's official duties, three, the availability of a lawful funding source, four, the availability of insurance coverage, and five, any conflict of interest.

MR. SCHENK: May I?

I'm sorry, I didn't hear you, Mr. Chairman.

CHAIR NEJABAT: We also have to take public comment for the motion.

MR. SCHENK: Right.

I wanted to just ask for a clarification on that, but you want to wait until we take public comment?

I just want to add, Director DeBerry, I totally agree with your motion.

I'd be happy to second.

I'm just going to ask if you would add the word “reasonable” before the word “attorney's fees.”

MS. DeBERRY: “Reasonable” before “attorney's

fees."

MR. SCHENK: Yes, please.

That's just pretty standard practice.

I hope you understand.

MS. DeBERRY: Yeah.

MR. SCHENK: Okay.

CHAIR NEJABAT: Public comment.

No one in the room.

Anybody online?

There's no one signed up online.

So now we'll move on to the motion again.

Did you want to add that reasonable language, Director DeBerry?

MS. DeBERRY: Reasonable legal expenses.

MR. SCHENK: Fees and expenses.

Yeah.

And if you do that, I'd be happy to second that.

MS. DeBERRY: Okay.

I move that the board adopt a director legal expense review policy that establishes a legally permitted reimbursement necessary reasonable fees and legal expenses arising directly from a director's good faith performance of official District duties.

The policy may apply to qualifying governmental

referrals, investigations, and legal proceedings, including expenses incurred before the policy's adoption were lawful.

Each request shall be considered individually and shall require board approval supported by findings on: number one, the public purpose serve, two, whether the matter falls within the scope of director's official duties, three, the availability of a lawful funding source, four, the availability of insurance coverage, and five, any conflict of interest.

MR. SCHENK: And with that modification of reasonable fees and costs, I'm happy to second that motion.

Thank you.

CHAIR NEJABAT: Okay.

So we have a motion and a second.

Now we can begin board discussion.

We can go maybe around the horn.

Director Blair?

MR. BLAIR: Gosh, it feels very open-ended.

You know, as your finance chair, is there a max dollar amount or -- the reason I added the word -- some criteria or, you know, parking ticket.

I mean, I'm being facetious here, but --

MR. SCHENK: The reason I added the words reasonable are really to address those issues, Phil.

MR. BLAIR: Well, I think that addresses the fee, but –

MR. SCHENK: Fees and costs.

MR. BLAIR: It's sort of -- no, I mean, the rate be reasonable, right?

But, I mean, open-ended...

MS. DeBERRY: What you're asking is...

MR. BLAIR: It could be $400,000, you know, $500,000.

I mean, there's no max on this.

MR. SCHENK: But the term reasonable would incorporate that into the assessment of whether and what, to what extent those fees and costs should be paid by adding that term.

MR. BLAIR: I think I'd like more than "reasonable."

I mean, that could be $5,000 to $500,000.

And we're setting ourselves up to have to pay a bill.

We don't know what it could be.

And I would like more structure than unlimited.

MS. MEAD: Can we consider pre-approved, you know, so that we can look ahead and the board member -- at some point, maybe there is a ceiling and then other expenses above that ceiling are considered on a pre-approved basis.

Or some way that we can consider -- what's the strategy here?

And how far is this going to go after a certain amount of monies are expended?

MR. SCHENK: May I suggest that we do it as a monthly invoice where the legal committee, unless whoever is on the legal committee is the one being targeted, but presumably...

Or, you know, if not someone on the legal committee, whoever those people might be, they would review the invoices and present it to the board each month.

MS. MEAD: That is retrospective though, right?

If you're looking at the -- that means the costs have been incurred as opposed to understanding, is this going to go on for months and more expenses incurred?

MR. SCHENK: Well, but that would be on a monthly basis, right?

So it wouldn't be more than 30 days' worth of effort.

VICE CHAIR BARKETT: I think we have a pre-question.

CHAIR NEJABAT: Pre-question?

VICE CHAIR BARKETT: Yeah, before we get to this on reasonable attorney fees.

CHAIR NEJABAT: Yeah, the one thing that we also don't want to create red tape if somebody needs to hire counsel, you know, imminently and defend themselves to have to go through hurdles and committees.

And that's why I think adopting a board policy with reasonable language, I mean --

MS. MEAD: Thank you.

CHAIR NEJABAT: -- it's adequate.

VICE CHAIR BARKETT: Sorry, Josh, I need your help on this.

And Fred, so there's a constitutional ban on the gift of public funds, which I know you're familiar with, I'm familiar with, which strictly prohibits public agencies from allocating public revenues for private benefit.

Allocating public fairgrounds revenue, they say,

cannot be used to insulate an individual director against allegations of collusion, which inherently implies acting outside the scope of official duties.

Yeah, it goes on to say, you know, we have to be very careful here because as directors, we can all be sued personally.

And we could also incur a taxpayer lawsuit from the taxpayers.

So I would like, I think what we should do to insulate all of us is to get an opinion from the AG's office that says that we can adopt a policy that doesn't violate the gift of public funds and how we should do it to insulate us.

Right now, I think we're jumping ahead of the horse, if that makes sense.

Because otherwise, we're putting our, everybody here at some possible liability, and then we're all going to have to defend ourselves.

MR. SCHENK: Yeah, what you're saying is a roadmap that would sort of direct what is permissive, permissible.

VICE CHAIR NEJABAT: Barkett.

MR. SCHENK: Yeah, I'd be willing to recommend that we table this, and that's not a bad idea, Lisa,

until we do get, I didn't know.

VICE CHAIR BARKETT: To protect all of us.

Because I could see a taxpayer lawsuit coming up right away, to be honest, if we allocate this.

MR. BLAIR: And we have a legal committee that I, you know, this should have been.

VICE CHAIR BARKETT: We're legal.

MR. BLAIR: So you're in effect referring it to the legal committee?

Okay.

VICE CHAIR BARKETT: Well, it would be our chair's choice.

Yeah.

MS. DeBERRY: Are you going to respond to that?

MR. CAPLAN: My only thought, and I was trying to listen carefully to track Director DeBerry's reading of the policy, I don't have anything in writing in front of me, but the phrase that I wrote down on my notepad was legally permitted payment.

And so when I heard that phrase, and I also heard her use, make some reference to the fact that this would be on a case-by-case basis.

And so I think what my office would likely say, and there's a unit within our office that helps to

assess whether a specific request for payment is unconstitutional or constitutional in terms of public funds.

And so certainly it would need to be on a case-by-case basis because it's very fact specific.

But this policy doesn't require the District to pay or reimburse anything yet.

This essentially opens the door for a board member to step forward and say, hey, I've incurred these expenses.

I appreciate that they aren't required to be reimbursed under state law.

But notwithstanding, I would request that the board reimburse my reasonable fees and costs given the policy the board has adopted.

And at that point, once that request comes in, I think it will be on this board to ask our office and this unit within our office to determine whether under the circumstances on this small, narrow question, would a reimbursement be considered an illegal gift of public funds?

The other items in the policy that Director DeBerry mentioned, that would be within the purview and authority of this board to determine.

But that one question they said that you raised, I think it would need to be referred.

VICE CHAIR BARKETT: Just to safeguard all the directors here.

And not only that, we are not a fact-finding institution board.

We're not a fact-finding board, so we, you know, we can’t find the facts out.

But, you know, we're putting ourselves as directors in jeopardy.

We really are.

So it would be better to have it that way, case-by-case, go to the AG and determine it.

MR. SCHENK: So if we have language in there that says as approved by the California Attorney General's office.

VICE CHAIR BARKETT: Yeah, that's all we need to add.

MS. DeBERRY: Okay.

Well, could we amend the motion?

VICE CHAIR BARKETT: Sure.

MS. DeBERRY: Okay.

So let me ask this.

I move that the board adopt a director legal

expense review policy that establishes legal, legally permitted reimbursement or payment necessary reasonable fees and expenses arising directly from a director's good faith, subject to review from the AG's office that this is not considered a gift of public funds.

VICE CHAIR BARKETT: Perfect.

That's it.

MR. SCHENK: Second.

VICE CHAIR BARKETT: Second, yeah.

Okay.

Good.

MR. BLAIR: In this, I mean, two questions also is we have director's liability insurance, you know, where does that fit into this conversation?

And also, finance chair, I'm concerned about retroactively covering expenses that we had not anticipated.

That may be a good idea or it may not be a good idea, but just eyes wide open.

CHAIR NEJABAT: And Josh, how long would a legal opinion take, you know, given you don't want to drag this process any further?

MR. CAPLAN: Just because this is a public

meeting, the term opinion carries special weight.

In the attorney general's office, there's a special unit.

This would not be a capital O opinion from the attorney general because those opinions can take months or years.

This would be guidance, legal guidance from a unit within our office.

I guess it depends on how many inquiries they're working with from others.

I mean, there are hundreds of state agencies.

And so sometimes it might take a few weeks.

Sometimes it may take longer than that.

But I think if we communicate, if there's a particular urgency with a decision, I can certainly pass that messaging along.

But I couldn't commit to a particular timeline just because that process is outside of the work that I do.

CHAIR NEJABAT: And as far as the retroactive part goes, given that we know, I mean, the board knows what legal expenses have occurred the last few months.

I don't think we're opening up any Pandora's box

since it's all public knowledge.

So I'm not concerned about adding that language.

So we have a motion and a second.

Any other comments or questions before we take?

MS. MORALES-ROTH: Can I just add something very quickly?

I do want to make sure that we also have clarity.

And Josh, maybe you can help us in the next board.

Recognizing the existing legal obligations that CDFA has with us, because at least for me, a new board member, I don't know how can I request support or in which cases it's allowed and all that.

So clarification around that I think would be very key for all of us to be on the same page and then go from there and add that or not to the existing policy.

So just understanding where the California law may require the District or another responsible entity to provide legal defense to the board.

MS. DeBERRY: Okay.

Noted.

So noted.

CHAIR NEJABAT: Can we get the roll, please?

MS. ARNOLD: Chair Nejabat?

CHAIR NEJABAT: Aye.

MS. ARNOLD: Vice Chair Barkett?

VICE CHAIR BARKETT: Aye.

MS. ARNOLD: Director Arabo?

MR. ARABO: Abstain.

MS. ARNOLD: Director Blair?

MR. BLAIR: Aye.

MS. ARNOLD: Director DeBerry?

MS. DeBERRY: Aye.

MS. ARNOLD: Director Mead?

MS. MEAD: Aye.

MS. ARNOLD: Director Morales-Roth?

MS. MORALES-ROTH: Aye.

MS. ARNOLD: Director Schenk?

MR. SCHENK: Aye.

CHAIR NEJABAT: All right, the motion carries.

We'll now move on to the information Item 6C2, a discussion of efforts to clarify the current ticket policy and guidance for the development and 6C3, a discussion of the FPPC Form 700 filing requirements and consideration of requesting an FPPC representative to provide refresher training for the

board.

I'd like to recognize Committee Chair DeBerry to provide that.

MS. DeBERRY: So the Audit and Governance Committee is reviewing the language and will present proposed language as an action item at the November board meeting to clarify the current ticket price policy and guide its further development.

The proposed language is intended to encourage greater participation from the board members, guests, stakeholders, and broader community involvement to promote and raise awareness of the sound, the fair, horse racing, and other District venues by inviting them to use their networks to identify potential events at these facilities.

CHAIR NEJABAT: Okay.

All right, any questions from the board?

Seeing no members in the room wishing to speak on this item, and no members signed up online, that concludes public comment.

We can move on to the next committee report.

All right, perfect.

We'll actually take a five-minute break to grab our...

MS. DeBERRY: Can we just submit?

What's the next one?

MS. MEAD: Number three.

MS. DeBERRY: Yeah, can we just knock out number three?

CHAIR NEJABAT: Oh, yeah, go ahead.

Sorry.

MS. DeBERRY: Okay.

The District will invite a representative from the Fair Political Practice Commission, the FPPC, to provide the board with refresher training on Form 700, especially since the filing requirements, and we have new people here also, including myself.

The session will also explore options for updating District policies while remaining consistent with FPPC regulations.

CHAIR NEJABAT: All right.

Always good to have those refreshers.

MS. DeBERRY: Always.

CHAIR NEJABAT: Okay.

All right.

Now we'll break for five minutes.

MR. RIVERA: All right, the room is live again.

CHAIR NEJABAT: All right, it is 12:30 and we're

back.

We'll now continue with Item 6-D, the Finance Committee Report.

It's an information item only.

I'll pass it on to Committee Chair Blair for the report.

MR. RIVERA: Microphone, please.

MR. BLAIR: Our report starts on page 40.

Before I sort of go into those details, Michael, who prepares all our reports, needs to leave at 12:45.

So I'm doing this a little backwards.

If you have specific questions that you had before referring this, please ask them now of Michael.

And then we'll go back to our typical 35,000-foot review, which the news is good.

But if you had anything particular, I asked Michael to wait until.

Does anybody have anything they didn't understand on here that needs in-depth?

Cool.

Thank you, Michael.

Great job of waiting.

But we want all 15 minutes, just in case.

Okay.

I mean, it starts on 40.

I'm not going to read it out to you.

The Fair profit was $11.6 million.

It was below budget.

But gosh, we'll take that all day long.

Great expense controls, as you understand.

The parametric flood insurance, and I'll skip through it.

The committee suggested not buy it.

Ted is on the committee, by the way.

It's Ted and I decided not to buy it, that the benefit, the chance of it happening and the cost of the insurance for the benefit, if it did happen, was so far that we'd wait another year and see what happens.

You'll see that we go into great depth on the budget for the fair.

And another topic was to develop for the District to develop a P&L specific to DMTC.

So we actually see net profit what we make and expenses.

You know, we've sort of got three buckets, as I

see.

We've got the fair, we've got horse racing, and then all others.

And like any business, you know, it's like we have three corporations and we need to know where we're making our money and where we're spending our money.

So it's a change, but I think it will be reassuring for all of us.

Financial reports are here.

I love these green dots, red dots.

And the other board, well, we do have yellow dots.

We just don't have any of them.

Page 41, revenues were up 2% and expenses were down 14%.

I do want to point out on the top of page 42, we did receive a $1.6 million payment from SANDAG for right away for the new trestles and our platform.

Nice they have to pay.

It's sort of a win-win-win there, I think.

Anyway, so it shows in here, and there's also reimbursement from the City of San Diego, from Del Mar for affordable housing expenses that we had, and

they reimbursed those.

And so the expenses happened in other months and they reimbursed it this month.

So that's a plus.

But if you go down the dots, you'll see where revenues were.

Sponsorships were up for 34%, which is great.

And admission revenues were down.

And that's a point of discussion that we really want to look at.

And the elasticity of the cost of tickets into the fair versus what they spend on food.

If we raise them, what that does to attendance.

If we lower the tickets, what that does to food and beverage expense.

And, you know, economics, that's very elastic.

So we need to make eyes wide open decisions on that.

And then the ratio of the tickets we give away to charity and press and all that are a lot.

I mean, but hopefully they spend money inside.

The small percent that pays retail tickets, price, like buys them the day of.

And then the Costco, Kroger's, Vons packages

that are what most people buy.

And some include parking, some don't include parking.

Becky, I appreciate your nods as I'm getting this right, right?

And the other thing is Horsepark.

We'd like to make that free parking because the hassle factor is high.

Shuttles and paid parking.

And we think that might entice people to come if they can get more free parking options rather than the 25 to pay on site.

MS. BARTLING: Yes, and I think we've talked about that previously with the Fair Ops Committee about making Horsepark free, which will be an encouragement for people to come, more people to come to the fair because they don't have to pay for parking.

It also assists in our traffic direction to get, keep people from trying, more people from coming here that don't necessarily have to come here can go to horse park.

And then the idea, some of the other things that we've talked about to assist with your comments about

fair attendance is looking at a free paid combination with our concerts and all of those things, you know, we're looking forward to in the budget.

MR. BLAIR: Yeah, and I think those recommendations will come from various committees who are really going into depth on them.

So we'll hear more about that.

MS. DeBERRY: I have a question.

MR. BLAIR: The only thing I want to point out is the sponsorship revenue of 34%.

That's a nice, it's $700,000 above.

That is, and it costs us nothing, right?

It's so low, except a lot of work.

I don't mean nothing like no effort.

I mean, we don't have to feed it.

We don't have to park it.

We don't have to do anything to it.

So sorry, didn't mean to cut you off.

MS. DeBERRY: That's okay.

So as it relates to the sponsorship revenue, my question for, I bet this is a Katie question or somebody, right?

I don't know.

Anyway, is that plus, I mean, that's a

substantial increase, right?

So my question for you is, is that from adding additional sponsors or is it from sponsors that we said, hey, they've increased their sponsorship commitment?

MS. MUELLER: Both.

It's a combination of increase in sponsors.

We had a lot more success booking mobile tours this year, which we didn't have quite as many last year.

It's very cyclical sometimes, depending on the economy a lot of the times.

So those are the sponsors that you see that are the one, two day sponsorships that will be on the track often.

We have them over in our livestock area too, where they just come in for a couple days and then they leave.

So we had the addition of the haunted house attraction that was in the sound that we hadn't had in the past.

We had some increases in some of our beverage sponsorships, which are very lucrative.

Some unanticipated increases.

MS. DeBERRY: Okay, and the last question on the sponsorship, are there any specific sponsors that we've had for a long time that they consistently are, I mean, sponsoring at the same, like I'm giving an example, Kroger's every year for the next six years at $5,000.

MS. MUELLER: Our sponsorship coordinator, who's a contractor, does a really nice job of building in some incremental increases where he can.

The Ralphs one is a little, that's the Kroger one you're referring to.

I mean, I'm sorry, not Ralphs, Albertsons.

That's the Kroger one that you're referring to, Albertsons.

And they also are hugely important to our fare program because they serve as a ticket outlet and they have 72 locations throughout San Diego County.

So there's a lot of indirect, they do also provide a cash sponsorship, but there's a lot of indirect benefit to having a partnership with them as well.

But no, for the most part, there's some incremental increases that are built into the --

MS. DeBERRY: Okay, and this is really the last

question, is that do we have any multi-year sponsors?

MS. MUELLER: Yes.

MS. DeBERRY: How many?

MS. MUELLER: I couldn't tell you off the top of my head.

Probably a couple dozen.

MS. DeBERRY: Okay.

MR. BLAIR: And on page, I was just pointing out a fly to Kathlyn.

Boy, she got this one over here, Lisa, right in the middle of your presentation.

She did it.

On page 41, the executive summary, as we all know in business, cash is king.

Total cash balances through August also exceed levels from the same period in 2025 and 24 by $5 million.

Yay, staff, yay team.

And that ends my report.

And Michael's still here if any questions came up.

CHAIR NEJABAT: Any questions?

MR. BLAIR: Super.

CHAIR NEJABAT: No, seeing none.

MR. BLAIR: Thank you, Mr. Chair.

CHAIR NEJABAT: Thank you.

We'll now take public comment on this matter.

Seeing no one signed up online and no one wishing to speak in the room.

That concludes public comment.

We'll now move on to Item 6-E, which is the Regulatory and Governmental Affairs Committee Report.

This is an information item only.

I'd like to recognize Vice Chair of that committee, Morales-Roth, to provide the verbal report.

MS. MORALES-ROTH: Thank you so much, Chair Nejabat.

Very quickly, we had a couple of meetings, one of them with Senator Catherine Blakespear.

We were just doing our rounds with, again, government officials.

One, reintroducing ourselves as the institution that they would be working with in regards to master plan, just asking what are their priorities for the office and ourselves.

Becky, thank you so much for helping us out and attending all the meetings and giving us a little bit

more of the operations.

A couple of really great conversations.

We were talking about environmental petition policies and procedures that we might take on with a couple of the senators.

Again, just recommendations.

We do have a couple of meetings, one with Mayor Todd Gloria and a couple of them with Coastal Commission that was rescheduled.

But again, all these conversations are to really reconnect and reengage with elected officials, ask about their priorities, start talking about our priorities.

One of the main ideas that we brought forward was having a biannual meeting with all the elected officials where we can bring them in and have conversations, one, on providing us from ourselves a report of what we're doing, what we're working on, how it impacts constituency, but also creating a feedback loop, making sure that we are hearing them out and seeing where can we partner more and where can we, again, make sure that while we represent the institution, this, anything that we do connects with the community overall.

So, you'll see a little bit more of that.

We're looking at a couple of days once we define that.

After a couple of conversations, I will invite you because I think it would be really great not only to have staff representation, but also on the committee level.

So, again, this is our first round.

The idea is that we continue these engagement opportunities with them, but really great conversations.

Thank you.

Anything that you would like to add?

MS. BARTLING: No, that's great.

Yes, we had a meeting with Lesa Heeber, the Mayor of Solana Beach, and that was a nice meeting, talked about, you know, various issues and that kind of thing.

Of course, affordable housing came up.

And then with Senator Blakespear, we had a longer meeting, I thought was very productive.

She actually, I think, had us scheduled for half an hour and we were there over an hour.

So, it's very positive.

CHAIR NEJABAT: That's always a good sign.

MS. BARTLING: Yeah.

MS. MORALES-ROTH: It's a great sign.

MS. BARTLING: Yeah, and some great conversation about composting.

Yes.

So, we're going to go visit Legoland, who has a really great composting process.

And then Katie and I are going to be meeting with Solana Recycling?

Solana Center.

Yeah, and having some discussions with them.

So, really great conversations.

CHAIR NEJABAT: Any other questions from the board?

MS. DeBERRY: I have one.

So, when you, and I'm looking here, as far as government officials, elected officials, are you meeting with, I mean, what levels?

Just mayors or city council members or county supervisors?

I'm trying to see.

And is that for the County of San Diego or specific areas?

MS. MORALES-ROTH: So, we're doing it in tiers.

So, we're starting with our closest partners, let's just say that.

And it's federal, state, and local level.

So, truly all of them.

And supervisors.

So, we're trying to emphasize those that are, basically, we're in their District.

And then start moving towards the rest of them, north, south, and all.

And the idea is, again, start closely, then create those relationships with the rest, every single level.

But ideally, we also don't have to do it only county for San Diego, right?

We also want to make sure that we have relationships with maybe those organizations, like the Ventura County, or getting to know them a little bit more.

But starting to get every single level and starting with the closest to our District.

CHAIR NEJABAT: All right.

Thanks to that committee for being proactive and meeting with all those folks.

All right.

We'll now take a public comment.

Seeing no one in the room and no one signed up online.

That concludes public comment on this item.

We'll now move on to Item 6F, the Fair Ops Committee Report.

This also is an information item only.

And I will recognize Committee Chair Mead for the verbal report.

MS. MEAD: Well, thank you very much for recognizing me.

And I am going to recognize Katie.

To give us a reminder again about the Concessionaire's Advisory Committee and the results of that first meeting.

MS. MUELLER: Is Fred not on the call anymore?

Because he...

MS. MUELLER: I was going to say, I didn't say, because I couldn't see that he was there.

MR. RIVERA: He just has his camera off right now.

MS. MUELLER: So Fred joined us for the first inaugural Concessions Advisory Committee meeting.

It was really well received.

We had so much to talk about that we're actually going to be planning a second one here at the end of the month, which we hadn't really anticipated doing.

We weren't going to...

The original plan was to meet with them quarterly.

So we were going to meet with them again at the WFA convention in January.

But we didn't get to all of the items on the agenda.

But it was very positive.

A lot of great feedback.

We picked their brain about current promotions that we operated last year and how those worked out.

And then promotions that they've seen at other fairs.

We talked...

We shared the fair survey with them, kind of an abbreviated version.

Where we shared the same survey that we shared with all of you at last meeting.

You know, we showed them kind of people's adversity is some of our pricing.

And some of the other, you know, guest comments and things like that.

So it was a really great meeting.

There was eight...

There's 18 people on the different...

Various sizes concessionaires on the committee.

And we had a really robust conversation.

And so we'll be taking a lot of that back.

That feedback back and working on our planning.

And just working on really building those relationships.

And making sure that they're strong going forward.

And we're hearing them.

And they're hearing us.

And that kind of thing.

So more to come.

Like I said, we got through about three quarters of the agenda.

MS. MEAD: I just want to commend you, Katie, for putting together this group.

And ensuring that representation is there from our very largest vendors.

As well as our smallest vendors.

I think it's great to get them all in a room together.

And better understand each other's opportunities and challenges.

Thank you very much.

CHAIR NEJABAT: All right.

Any questions from the board?

MR. ARABO: I have a question for the committee.

I know I think now there's 80 -- I think it's 82 vendors represent 115 booths.

Something like that.

Was there a plan to increase the number of vendors?

So there's more broadly participation from other companies?

Or is it you're here, you're here.

You're locked in.

No one else could come in.

What is the mindset?

And what is the plan?

MS. MEAD: Well, first, it's never you're here, you're here.

You're locked in.

And nobody else can come in.

I'm going to ask Katie to talk about our process for assessing the success of some of our vendors.

And the continuation of vendors.

And the opportunities for others to come on in.

So Katie, come on up again.

MS. MUELLER: Yeah.

So we're just at the very beginning of the process.

So we haven't even updated our handbooks, our procedures, and our guidebooks and things like that.

So we're getting kind of feedback on that from those folks.

But then we'll be opening it up.

And I believe the applications will open up in November when we do the rollout to all of you about the updated website and the new logo and all of that kind of stuff.

And so then from there, we'll solicit as many people as we can to apply.

And certainly, we'll have an outreach plan where we send information out to various organizations and that kind of thing.

If any of you have any contacts in that world, we'd certainly love to send them information to

apply.

And then once we receive the applications in, we'll start taking a look and seeing what could add.

Maybe there's products out there that we don't currently have, things that we could add to the mix.

We're always looking for something unique and different.

So it's an open field right now.

Of course, we have many longtime winners who are extremely successful.

And we want to continue that and continue the tradition of the fair.

A lot of people really come for tradition, as you saw in the guest survey.

But it's always nice to add new features as well.

MS. MEAD: And I just want to tag on that, not only just for the sake of adding new vendors each year, but Katie's team really looks at an assessment of those that are performing and that are doing good sales, those that may not be doing as well.

We look at where they're located compared to other organizations that have vendors that have similar product or where their product is going to

be, do better at a different location.

But we also have opportunities.

Remember, that's one of the reasons we have a theme every year.

And so there's also opportunities for people to come and align more closely with the theme.

So as Katie said, there's just, you know, we're two months post-fair and that process is just beginning in November.

But we will certainly give you more updates in November.

MR. ARABO: Is there an internal target for the committee?

Like, is it is the goal to get there's 112 booths?

I forgot how many.

MS. MUELLER: So it varies year to year, but yeah, between 100 and 115, somewhere around there.

MR. ARABO: So is there a target of like, let's get to 100?

Because right now I think 85 companies represent 112.

And I think around six or seven or maybe 10 companies make half of the revenue because of the,

you could say food, but also the locations are very like prime.

I forgot.

Are we still studying the prime locations?

MS. MUELLER: There isn't, you can't really quantify it that way where we're targeting a number.

Because it takes a very specific kind of an organization to be able to handle the volume that comes at the fair.

So we can't just have food trucks out here and that kind of thing.

You need to have a substantial business to be able to, you know, serve the volume of customers that we have here.

So that is a certain population, right?

And then we get new applications from different companies every year, but sometimes it's the same products we already have.

We don't need more barbecue.

We don't need more corn dogs.

You know, those are just examples that I'm throwing out there.

So we have to look at product mix too because we don't want to bring in one company to cannibalize

somebody else that's serving the exact same thing.

So we're very careful about that as well.

So it's not so much a target like we want to have 100 companies here.

It's just do we want to have how many qualified people are available and have us on their route?

Because, you know, someone that's operating in Florida isn't going to drive out to Del Mar.

So it limits our choices as well.

We certainly would love more people to apply and be available to choose from.

MR. ARABO: So how do you -- do you do best in class?

Like, for example, you have someone they'll sell a I don't pick on a vendor, but they'll sell something, but they'll sell four or five other items.

But it's not best of class for that item.

Do you do ever those studies?

Or because I worry if you don't have benchmarks, then it's just the same.

Or another question should be how many the last year, two years and next year, how many are new?

How many are returning?

So we see that percentage.

You could see if it's a, you're here, you're here and you're locked, or is it the best in the class?

Come one, come all.

We'll pick who's best, like the staff.

MS. MEAD: Well, I want to I want to begin, Mark, by saying I think what Katie's pointing out and the committee is done is it's never you're here, you're here, you're locked.

It is, the important part of selecting the vendors is that mix between product offerings, their capability to manage the size of the fair that we have, et cetera.

I don't think that it's important for us to set targets and say we're going to have this many vendors leave or this many more come on.

I think what's most important is to look at track record and say, are they performing?

If we would not say cancel a contract on a vendor that is doing very well to bring on a vendor that is unknown to us.

But we have spots open is what Katie's saying.

Every year we have a call for new vendors and we would have spots open to look at new vendors that

would come in and be part of that mix for new product offerings, new mix, new services.

So I just, if you're looking to say has the committee set a target, then I agree with Katie.

It's too important to look at the total mix of what's happening with the vendors as opposed to, say, a target.

But go ahead, Donna.

MS. DeBERRY: So -- I'm sorry, did you want to finish?

MR. ARABO: No, no, that took a lot of time.

MS. DeBERRY: I think my question may be a little different, is that let's say that there's a vendor that has been here for 15 years and actually they're doing very well, right?

The revenue is coming in, all that's there.

And then where is the and whatever that product is, there's another company that is absolutely equal, right, in serving the, you know, serving the constituents, serving our people that come to the fair, da, da, da, da.

But they don't, will they get an opportunity to, pardon?

MR. BLAIR: Bump the other one out?

MS. DeBERRY: Well, not bump the other one out, but at least to present, you know, to come to present to the, to you really, like, here's who we are, here's our base, we are equal.

And then do you do, like, any type of competitive analysis around that?

Like, I'm just curious because if it's someone that has been here for a very long time, how are you giving another opportunity if that particular vendor has always been here for the last 15 years?

MS. MUELLER: Well, we don't have, I'm not saying we don't have duplicates.

I mean, we have a lot of duplicates around the fairgrounds.

And if you'll notice, I'll use Rafiki's as an example.

We started him, he was a brand new vendor.

We had no history with him, but, you know, wanted to give him a chance.

He had a good setup, a good, a unique product offering.

And we started him out in an area that's not as high traffic as, you know, the Avenue or everybody wants to be.

And his offering turned out to be very popular.

It was well received.

He ran a good operation.

He was safe, you know, met all of the standards that he needed to meet.

And we happened to have an opening on the Avenue.

And we said, hey, do you want to try, you know, you were successful here.

Can we, you know, do you want to give it a try on the Avenue and see how it works out?

And so he moved up that way.

So, you know, same thing with any other new vendor.

You know, you might, without any history at our fair, you can look at their history at other fairs, but every fair is unique.

They have a unique footprint, a unique layout, a unique culture and community, you know, that like different types of foods.

And so you have to give them a try, you know, at our fair and see how it goes and, you know, be able to move from there.

So there's opportunities and we don't take it

lightly that, you know, when we, to bring in a new person probably means we have to dismiss somebody else because there is a finite amount of space available, you know, on the fairgrounds, sewer and water and hookups and all that kind of stuff.

So, you know, there's over the years been people that have performed less than others and we've, you know, removed them in favor of giving someone else an opportunity.

So that, you know, happens.

MS. MEAD: And let me tag in just on that to answer your question, Donna, is this competitive analysis, this analysis that you're asking about, is taken on every year in terms of looking at similar products and where they're located and what their return is in terms of how it's returned obviously and does for the fairgrounds.

So those analyses are always in process.

It may, if you're looking for, does somebody get the chance to come pitch to bump somebody out, I think that what is taken into consideration is all of the components of location, return, et cetera, and it's not any one of those.

It's almost like earlier when we were talking

about sponsorships.

Sponsorships are not all sponsorships.

They're not all sponsorships.

Some come with a certain delivery.

Some come, like Katie said, with Ralph's, which is also a sponsorship and a delivery for tickets.

So there's variables that are considered as part of that analysis.

Does that help?

MR. ARABO: One last comment, one last question, I would say.

Donna, sorry.

MS. DeBERRY: No, no, no.

I was honestly trying to help.

MR. ARABO: Yeah, no, I think the finite amount of space, the lens I was looking at is there's 112 booths.

There's 85 companies.

That means companies have duplicates.

So the idea is instead of offering this chicken bowl in two big places, you could have one company do your chicken bowl and another company do a steak bowl, but a different company because now it's, I've seen last year's at least, it's the same, for the

most part, 85 vendors, but instead the problem with that is there are a lot of duplicates and you're cannibalizing yourself because if you go walk to the right, you're going to get a chicken bowl.

If you walk to the left, it's the same chicken bowl.

MS. MEAD: So if that chicken bowl, and that's what I think Katie was pointing out, is that if that chicken bowl has proven to be popular and as we shared with you in the survey from, that was the family survey from the event this year, many people come for the experience that is, I know every year I'm going to be able to get that chicken bowl.

And some people may buy that chicken bowl closer to where the Midway is and other people might buy that chicken bowl closer to where the concerts are, but having those two bowls available can meet the consumer demand.

They're both doing well.

So it's not like what we're saying is you've got two locations and one's doing well and the other's not because they're doing well in both.

MR. ARABO: But my argument is because the location in both is prime.

For example, if you go to a grocery store, which I'm from, grocery store business, it's like having, we walk in a big display of Heinz ketchup and then the Heinz ketchup in the very back and the Heinz ketchup in the very left and the Heinz ketchup in the very right.

So I'm saying instead of the Heinz ketchup, the same Heinz ketchup, then you pick a different product.

It could be a different company because you're given the prime locations to duplicate vendors with the same offering.

And that's why I think we're leaving money on the table.

Imagine walking to a grocery store and you have everywhere Heinz ketchup, Heinz ketchup, all the top corners.

And that's how I think the fair is merchandised now.

MS. BARTLING: Katie, can I ask you a question?

So how many actual new opportunities from vendors come to us each year?

MS. DeBERRY: People that say, I want to be there.

MS. MUELLER: Yeah, less than 10.

Less than 10.

MR. ARABO: It's hard.

I mean, I don't even know how, I'm a board member.

I don't know how you could even recommend a company.

I don't think our communication is to attract new vendors.

And then they come in and they say, oh, we already have a hot dog.

We already have a taco.

We already have a shawarma.

We already have.

Then they're eliminating them because you're giving duplicates to the same companies.

MS. MUELLER: Part of the duplicates, like for example, I'll give you an example.

Juicy's in the infield.

We also have a Fruit Caboose ice cream in the infield.

Those people can't survive on just that one location alone and do the presentation and employ the labor and all of that kind of stuff.

They need a second location on the main side, which has a lot more traffic to support.

But we still need food in the infield.

We still need to provide that to our fair patron.

So in that case, letting a company bring two stands in, one in the infield and one on the main side, is really important to the fair program because they wouldn't be able to, if we just said, oh, you can keep your infield one, but we're going to take your avenue one, they wouldn't be able to make it on just that one location.

MR. ARABO: I think that's a very vendor-centric, as opposed to fairground-centric.

There's a lot of good vendors, a lot of good food.

I think for them to say, we can't make it unless you give us more booths.

MS. MUELLER: No, that's not what I said.

MS. MEAD: That's not what she said.

MS. MUELLER: That's not what I said.

MR. ARABO: Like if you take one away.

MS. MEAD: The vendor is important to us.

MS. MUELLER: Exactly.

MS. MEAD: And so we then say to ensure that we're not going to lose that vendor, we're going to create a second spot so that you can also sell the product there, but you're making the economics you need to be able to be here for us.

MS. MUELLER: Also, the people that are doing this professionally for a living, this isn't their only event.

They're doing dozens, if not 50 events or more a year to make their living.

So we're just one stop on the route.

So it's a unique field to get into from that standpoint because it's not just come to Del Mar.

It's spend your entire summer, fall, and spring traveling from fair to fair.

And I will say we get the best of the best vendors that are available.

Everybody wants to be here.

MR. ARABO: It’s an observation.

MS. MEAD: I appreciate your bringing this to our attention.

It's something that the committee will look at, but I want to be honest with you and say if you're looking for us to have targets, et cetera, we have

not established that, but I've definitely heard you and it's something that we can look to the staff and say let's be sure that we're doing all of the appropriate analyses to ensure that we've got the best vendors, we've got the best results in terms of the revenue, and that we're opening up new opportunities.

And as Katie shared earlier, in November we're going to come out with the here's how to get if you want to apply to come in.

And that's how you can refer people to us as soon as we provide that information.

They can say here's your way in and then hopefully we'll have more options.

MR. ARABO: I personally don't want to refer anyone.

I'm just saying I see it as a systematic vulnerability for merchandising.

And I know there's relationships, there's friendships.

These vendors are friends for a lot of the folks for a long time.

I get that.

But there's a lot of duplication.

I've walked the fairgrounds.

I've like walked and we saw that here and we saw that there.

If you just walk it, you'll see like the same hinds catch up everywhere.

MS. MEAD: Well, the only thing I want to do is to share that I think most of the board members have, and certainly Fred and I serving on the committee do that same level walking that you do.

But what we also do is recognize and understand that the staff does this every year in terms of the analysis they do and the work they perform.

And it's not often as easy as just saying I see two vendors over here or there.

It's taking into consideration all of those variabilities about revenue, what our needs are, et cetera, and then laying that all out.

So I want to assure you that we are working with staff to ensure that duplication doesn't mean a duplication, there's money on the table.

Duplication really means that we need that to generate the revenue that we're looking for.

And I don't know if you recall the report or the presentation from last month, but I'm happy to review

it with you.

That presentation showed that it's food and beverage that people come for most.

And I think that what it's proving out is that that's what has been, that's what we're generating revenue on is that food and beverage.

But again, I'm going to take all of this consideration.

MR. ARABO: The committee can study that.

MS. MEAD: Yeah, I can't see if Fred's here, but Fred and I both will continue to work with Katie.

MR. ARABO: The committee can study if --

You have all the booths written down, how much revenue each booth.

If you see that, it's really more like a monopoly board.

And if you think that the offering of the food is what brings them, then you could put them anywhere.

Don't give them the prime location and they'll go to it.

So they can't have both arguments.

Either they're coming for my food, okay, we'll put you anywhere.

Or it's a prime location, that's what in the past we've mentioned, you should charge a surcharge for a premium spot.

Just for the committee to study.

I just want to maximize it for the District.

MS. MEAD: I do want to reassure you, you brought that forward.

We were asked to look at that.

That's step 617 and we're on step eight.

So give us a little bit of time.

We're just starting.

Thank you.

CHAIR NEJABAT: Thank you.

One last comment.

MR. BLAIR: I have a quick one.

Katie, we're known for fried Twinkies and turkey legs.

Last year we talked about some healthier alternatives.

Did they do well?

Did they bomb?

Did we try?

MS. MUELLER: You know what?

We brought in last year a brand new stand.

It was a gluten-free stand.

And everything they served, corn dogs and funnel cakes and all your fair favorites were all 100% gluten-free.

And it caught fire on social media, you know, among the people that have celiac and have to eat gluten-free.

And it was really well-received and really popular.

And that was really exciting to see.

And then, you know, if you haven't visited Roxy's, they've got very healthy, you know, Mediterranean food as well.

They're a popular favorite here.

MR. BLAIR: I mean, is there a trend toward --?

MS. MUELLER: No.

People come here for an escape.

I'm going to be honest with you.

People come here for an escape.

The day is to indulge and to enjoy themselves and to try foods.

MR. BLAIR: I’m the perfect example of that.

MS. MUELLER: Yeah, I mean, you and me both.

MR. BLAIR: The ice cream bars that are dipped in

dark chocolate and then caramel.

Yeah.

Okay.

Well, we try.

I mean.

MS. MUELLER: No, I mean, it's important to have those offerings for sure.

But still, the overall favorites are, you know, yeah, the Fair-tastic Foods.

MR. BLAIR: So a salad bar may not be something.

MS. MUELLER: You can get fresh salads at the Albertson's store.

They sell them every day.

And a lot of our employees love to go grab those that have to eat at the fair every day.

But no, the fair patrons are here for the turkey legs.

CHAIR NEJABAT: All right.

Thank you.

And you get salads once a month here over at the board meeting.

So there you go.

That's your salad fix.

All right.

Seeing no one in the room.

Thank you, Chair Mead.

Seeing no one in the room and no one signed up online for public comment.

We'll move on to Item 6G, which is the DMTC liaison committee report.

This includes two information items and one action item.

We'll begin with Item 6G1, the recap of the latest committee meeting, followed by action Item 6G2, discussion vote to approve an amendment to the Verizon lease agreement L2998.

First, we'll take public comment on those items.

Anyone in the room?

Seeing nobody.

We have four members signed up online who'd like to speak on this matter.

First, Allison Prater.

MR. RIVERA: Allison is not in the queue.

CHAIR NEJABAT: Chaun Reynolds.

CHAUN REYNOLDS: Hello, can you hear me?

CHAIR NEJABAT: Yes.

CHAUN REYNOLDS: For months, we've had forecasts of serious coastal flooding in San Diego County, then

due to the combination of king tides and super El Nino conditions.

Such conditions complicate the evacuation of the hundreds of horses and people on site for a Del Mar all race meet, including spectators.

Fox San Diego reported last month, along San Diego County's coast, scientists are particularly focused on several threats that can compound one another.

Larger waves, elevated coastal water levels, and heavy rainfall can accelerate beach erosion and increase the potential for coastal flooding.

Director of the Southern California Coastal Ocean Observing System, Anderson said, unusually warm water offshore is another factor researchers are closely monitoring.

The fact that there is this incredible amount of this high temperature water sitting offshore can fuel tropical storms, Anderson said.

The potential impacts are particularly important in communities such as Del Mar and Encinitas, where coastal erosion and unstable bluffs are already concerns.

Powerful waves can erode the base of the coastal

cliffs, while heavy rainfall saturates the ground above, a combination that can contribute to bluff instability.

U.S. Geological Service Pacific Coastal and Marine Science Center has mapped flood-prone low-lying areas in the Del Mar Fairgrounds parking lots parallel to the Coastal Railway next to the racetrack.

This warrants a board agenda sub-item.

Thank you.

CHAIR NEJABAT: Thank you.

Martha Sullivan.

MARTHA SULLIVAN: Martha Sullivan from Imperial Beach.

I note that there's not one word from the Del Mar Therapeutic Club about the four musculoskeletal deaths of young horses in racing and training during its summer meets.

Three-year-old fillies Valentina Jan on August 6th and Can You Dream on July 26th from racing.

Four-year-old Colt Cornucopian injured racing on July 25th and reported euthanized on July 26th.

And three-year-old Gelding Sham Ray in training on September 3rd.

Is DMTC too ashamed to mention these deaths?

It should be.

What legitimate sport tolerates the deaths of four of its athletes within eight weeks of the same competition?

It's not going well at the two other tracks left operating in California either.

Three deaths in the last three days at Santa Anita Park and Los Alamitos Racecourse.

Two musculoskeletal and one sudden death.

Saturday night, eight-year-old quarter horse champion Empressum died in the ambulance after collapsing soon after he started a featured race at Los Al.

Sunday night, five-year-old thoroughbred mare Ebok’s Dream Girl died after being ambulance following a mixed race at Los Al.

And Saturday afternoon at Santa Anita Park, five-year-old thoroughbred gelding Mici’s Express was injured in the first race and reported dead by the California Horse Racing Board later that afternoon.

These three racing deaths followed six musculoskeletal deaths at Santa Anita and Los Al in the prior month.

Two racing and four training.

As the racehorse population continues to shrink, more stress is put on the remaining horses to perform.

This is only going to get worse --

CHAIR NEJABAT: Thank you.

Next up, we have Phoenix.

PHOENIX: Good afternoon.

Many horses who have been raised at Del Mar have gone missing or trafficked out of state.

Here are multiple examples in 2025.

Doreen's wildcat pulled up and van off July 27th.

No U.S. races since.

Where is she now?

Vera Cruz vanned off August 2nd.

Two months later, he is dumped out of state and trafficked to cheaper tracks.

True Mantra did not finish on August 3rd.

Not even one month later, he is dumped at Emerald Downs, Washington.

And no U.S. races since.

Shriver was another did not finish on August 16th.

No U.S. races since.

Where is she now?

Water Tiger placed seventh on November 7th.

One of two horses vanned off from that race.

No U.S. races since.

Where is she now?

I mean, he.

Crime Lord was the second horse vanned off from the November 7th race.

Five months later, he reappeared at Mountaineer, West Virginia, which is not subject to the jurisdiction of the Horse Racing Integrity and Safety Authority due to pending federal litigation.

In 2022, his current trainer Juan Pablo Silva was fined $2,500 and suspended 180 days after stewards at Turf Paradise said they believe he ran a horse named Jura in the fourth race on March 10th at the Phoenix, Arizona track, knowing he was sore and unfit to race.

Impossible Task did not finish on November 16th.

No U.S. races since.

Where is he now?

Race tracks are nothing more than glorified meat grinders where horses are ground up and spat out.

Please end this animal cruelty now.

Thank you.

MR. RIVERA: Your microphone, please.

CHAIR NEJABAT: I do want to pass it on to Committee Chair Arabo to provide the committee report and then entertain the motion for Item 6G2.

MR. ARABO: Thank you, Chair Nejabat.

We had a great committee meeting with Vice Chair Barkett and Josh Rubinstein and our CEO, Becky.

The information is in the packet, page 49 to 85.

Also, we have President Josh Rubinstein here for DMTC.

But I'll pass it on to Becky if she wants to mention Item 1, 2.

And for 3, I'll call up Josh.

2, in particular, I feel like the fairgrounds got a really good deal because we pushed back on Verizon.

Before it was, we're locked in, but they could leave.

And I think now we changed it where we could both, the fairgrounds could cancel it within a two-year --

MS. BARTLING: Correct, 24 months.

MR. ARABO: 24 months, which is a great development and increased rent.

But I'd like to invite Becky to discuss.

MS. BARTLING: Thank you, Director Arabo.

And I appreciate you encouraging us to work on that.

The contract was already signed, so we were concerned that we couldn't get through.

But with our friends at DGS and some conversations, we were able to modify the agreement so that we each have a 24-month out, which we feel gives us plenty of opportunity if we have any kind of development or something that would need to accommodate that.

And then regarding the lease agreement that provides an additional -- I think, Katie, isn't it $1,500 a month?

And then it escalates.

MS. MUELLER: Yes, that's correct.

MS. BARTLING: Yeah.

So it's two good things that will happen, and we support it.

It also increases the capability in the grandstand, which is helpful during large days of the

races and also in the grandstand during the concert, because everybody wants to get on their phone and, you know, post photos and get on Instagram and Facebook and whatever, TikTok.

So it'll assist us in that as well.

MR. ARABO: Thank you.

Yeah, we definitely thank Vice Chair Barkett and Becky for allowing us to push back and say, let's get a better deal for the fairgrounds.

And they came back.

Now we have flexibility.

Before, we did not have that as much.

Also, we talked about opening day party event at the Sound.

We heard from the board we want to do that.

Definitely want everyone's feedback.

It's a great building, great different rooms.

That's on page 50.

And on page 49, we talked about elevator-escalator discussion.

The board approved $1.6 million previously for elevators.

We know there's a lot of issues with the elevators, and now they're looking at modernizing the

cabs and the doors.

It's around $925,000.

So we recommended that we modernize the cabs at an approximate cost, $50,000 to $60,000 each per Turf Club and $25,000 apiece for service.

I want to thank Becky and the team for really making this issue of elevators escalators focusing on the Turf Club area first.

And then Verizon Lease, I know, is the action item.

We have one information, one action, and another report from DMTC.

CHAIR NEJABAT: We can entertain the motion for the 6G2.

MR. ARABO: Yeah.

I'll do the motion to approve the amendment for the Verizon Lease Agreement, L2998.

It's in the packet 51 to 85.

MS. DeBERRY: Second.

CHAIR NEJABAT: All right.

Can we get the roll, please?

MS. ARNOLD: Chair Nejabat?

CHAIR NEJABAT: Aye.

MS. ARNOLD: Vice Chair Barkett?

VICE CHAIR BARKETT: Aye.

MS. ARNOLD: Director Arabo?

MR. ARABO: Aye.

MS. ARNOLD: Director Blair?

MR. BLAIR: Aye.

MS. ARNOLD: Director DeBerry?

MS. DeBERRY: Aye.

MS. ARNOLD: Director Mead?

MS. MEAD: Aye.

MS. ARNOLD: Director Morales-Roth?

MS. MORALES-ROTH: Aye.

CHAIR NEJABAT: All right.

Motion carries.

We'll now continue on to Item 6G3.

I'd like to welcome up the president of the Thoroughbred Club, Josh Rubinstein, to provide the update for the 2026 fall race meet.

MR. RUBINSTEIN: Thank you, Chair Nejabat, and good afternoon, District directors and staff.

Lunch smells delicious.

Is it good?

Flower Child?

Yeah, one of my favorites.

All right.

So following a very successful summer meet with increases on wagering and positive attendance trends, we're really excited to begin our fall season, which starts on November 6th.

The four-week meet runs through November 9th.

Racing is Friday through Sunday, with first race beginning at 1230, except for Thanksgiving.

And after taking a year off running on Thanksgiving, we're back to racing on the holiday, which I think a lot of people are excited for.

We have an early first post of 11:00 a.m.

So it allows people to enjoy some races and then get back home for turkey dinner.

We'll also have a fun run on the track in the morning.

So bring friends, family, kids, everyone.

And the fun run benefits the Helen Woodward Animal Center.

So that's Thanksgiving morning.

As many of you have seen firsthand, our social and media digital efforts have been very successful in increasing attendance with young adults.

And we're really leaning into that this fall with colleges back in session.

So we'll have special offers for colleges, fraternities, sororities.

We have a special college day on November 7th.

And some of our other promotional highlights, not specifically college-related, but our uncorked wine tasting and very popular tacos and tequila festival.

So we're packing a lot into the four-week season.

We also have food and drink specials on Sundays.

So we're encouraging people to come out.

We'll have the NFL games broadcast throughout the facility.

And Sundays has proven to be a very profitable and successful day for us.

You know, last but certainly not least, you've heard us report before on the importance of equine safety and welfare.

And it remains the top priority of everything we do.

We're proud to continue our industry-leading safety and welfare protocols.

And there's always more work to be done.

But we're very proud of the strides that we've

made over the last several years.

And before I open things up to questions, I want to express DMTC's gratitude for the tremendous support we received from this board and the District staff on the support of horse racing.

It is truly a team effort in making what we have here at the fairgrounds and horse racing a world-class event.

And we really appreciate everyone's contribution.

So with that, happy to answer any questions.

CHAIR NEJABAT: All right.

MR. ARABO: Okay.

Thank you, Josh, and DMTC for everything.

It was really nice to see Josh at the -- I know it's the DMTC report, but example of, at the San Diego Black Chamber of Commerce dinner.

Fantastic, amazing job.

Donna’s the president of it.

Amazing banquet.

But there, Donna, one of her really good friends, is owner of the Padres, Jose and Kwanza, and very close with.

But just an idea for DMTC, collaborations with

local sports teams like the Padres, like SDSU football, maybe a Padres pub inside during the season.

Just so that cross-marketing, cross-collaboration.

I know you know the CEO there very well.

But I encourage you to lean on as much as you can on Ms. Donna to get her network up.

Fantastic network.

I think everyone should go next year.

Really, really impressed with their dinner.

But different sports collaborations to see that horse racing is part of Del Mar, but part of San Diego, California, and the country.

Especially with the, I think there's some natural things with the Padres and other folks.

MR. RUBINSTEIN: Yeah.

Thank you for bringing that up, Director Arabo.

I did speak with Eric Greupner, the CEO of the Padres, and we did discuss a little bit, some cooperative promotional efforts between DMTC and the Padres.

And I'm really glad you brought up that event.

And I was so proud of Director DeBerry.

She did an amazing job of not just putting on the gala for the San Diego Black Chamber of Commerce, but her speech was really incredible and moving, and I was honored to be there.

MS. DeBERRY: Thank you.

MR. BLAIR: On a more boring note, this is the dang Finance Committee.

You must do an annual study of the economic benefit of the, with Breeders' Cup years and without it.

What are those numbers, if you remember them off the top of your head?

MR. RUBINSTEIN: So we will do one at the end of this year.

We did some surveying during the summer meet.

We'll continue for the fall.

Last year, the total economic impact from horse racing here at the fairgrounds was over $300 million for the local community.

That includes Breeders' Cup.

That includes Breeders' Cup, yeah.

You know, specifically related to the summer meet, and every time I bring this stat up, people are amazed.

We provide here at the fairgrounds over 3,000 jobs during the summer meet.

So it is really, it's obviously people going out after the race in the community, restaurants, hotels, but providing jobs, you know, from 18 on up.

We employ at DMTC a lot of teachers that work for us as ushers and customer service during the summer when they're off from school.

So it really, for a long, long time, it's been a very important economic driver for the local community.

MS. DeBERRY: And I -- may I?

MR. RUBINTEIN: Please.

MS. DeBERRY: Okay.

I want to piggyback on something you said around the jobs.

One of the things that I do at every meet is I walk around and talk to the employees of all—from all backgrounds, age groups, everything.

And I ask this one question, you know, do you really like working here?

Do you, like, is this really fun for you?

Just those types of questions.

And every last one has said how they enjoy

working during this time and all the people that they meet.

And it's just not about people, but it's a pride that they have of being here and doing this.

It's not, they don't see it as a job, Josh.

They see it as something that they're really dedicated to.

They have a commitment around.

And it's just seeing people -- they, you know, all backgrounds have said, hey, listen, just seeing all the people who come from, you know, so many different places and areas and speak different languages and everything.

They really enjoy.

And it's the energy around horse racing and the connection that people do love.

I can tell you that for sure from my being so nosy.

The second thing I wanted to say is that I really want to commend you for the—that you always are thinking about the horse's welfare, that the animal welfare, and that making sure that not just the jockeys, but the horses, and not just the horses, but the people who take care of the horses.

You have always been that person since I've started on this board and actually before.

But that is actually a priority for you.

And so I really want to acknowledge that.

And then the last thing is around College Day.

I think you said College Day, did you not?

Oh, my God.

Remind me not to come that day because I know it will be a party.

But I want to just provide you with a recommendation.

I don't know how you're going to advertise that.

Maybe that's something you could talk about a little bit.

But whatever that advertisement is, going to make sure that you even do like a second deep dive, not just a broad advertisement to colleges, but going really into the Greek fraternities and sororities and do a deeper dive into different organizations is going to be a key for you.

And so maybe I'm just also thinking, is this an opportunity for this fall race meet to bring those particular organizations in, to invite them so that they can see what it's all about?

So that when you're looking at your strat plan for 2027, that that—you know, then you've already built those relationships and those connections.

And, you know, that's more revenue.

MR. RUBINSTEIN: Absolutely.

And thank you for bringing those points up.

We do have ambassadors within the Greek system with the local colleges.

But it's, and I'll speak with you offline about it just to get some more thoughts.

It's a very important group for us.

And, you know, you've heard us report before.

And Erin Bailey, our vice president of marketing, has discussed previously that most of our marketing efforts are geared towards social and digital media.

We don't buy, for the most part, traditional advertising, radio, TV, and print.

And that's really to focus on those young adults.

And what's really gratifying during the summer and fall, that even when we don't have a specific promotion, you know, say a beer festival or a tacos event, we're still seeing young adults here dressed

up because of, you know, the efforts that we're making with social and digital media.

So I'll definitely speak with you offline about, you know, how we can improve upon that college day.

But I would like to add, and thank you for bringing up the great team that we have.

And I would love to take all the credit for it.

But it really, you know, started, you know, with Joe Harper.

And Joe has really fostered, you know, a team and family atmosphere.

And we talk about culture a lot.

And when we're looking to hire somebody, it doesn't matter if it's, you know, customer service or in C-level areas, we talk about culture and how they're going to fit in with us culturally.

And that's very important because, you know, guests, they sense that.

People are having a good time.

We've all been to a venue where staff may or may not be happy.

And that impacts your experience.

But when you go somewhere and people are excited, they're happy to have you, that really kicks

off the day well.

And I think that starts for us, you know, when you park your car, if you're walking in or valet, you see that experience.

And hopefully it lasts all the way through your day at the races.

MS. MEAD: And I just would like to comment and tag on Donna's comments as well.

Not only is the culture that you've created important and validated from everywhere we stop, from where we park our cars to get our way through the system.

But as Donna pointed out, every staff member that we encounter is always very, very happy to be here.

You can see it on their faces.

But also I've been on the board for, I think, 10 years now.

I see the same faces.

And obviously people vote with their feet.

If they're not, if you're not living, walking the talk and living the culture, then they will not come back the next year.

And seeing that familiarity of people who we see

year after year and know my name now and welcome me.

And I feel like that is so important because I hear them do the same things with people who aren't on the board, who are behind me.

And they say, hello, Mr. So-and, and hello, Mrs. So-and.

Because they've gotten to know them.

So the culture that you're trying to create is bearing its way out in the way that we interact with people when we're here.

So thanks, Josh.

MR. RUBINSTEIN: Thank you for saying that.

Yeah.

And it's like your favorite restaurant.

It's likely a place where the staff has been there.

They recognize you.

They know you.

And that's because the people enjoy what they do.

So we don't always connect on everything.

But we try hard.

And when we make mistakes, we try to improve in the future.

CHAIR NEJABAT: All right.

Thank you so much, Josh.

Appreciate it.

MR. ARABO: Josh, one last question, real quick.

I mentioned earlier, we talked about Master Site.

Can you tell the board what you told me about if the board committed to horse racing and we're looking at Master Site and those DMTC operations, what areas is non-negotiable for DMTC?

MR. RUBINSTEIN: Yeah.

I was watching online and appreciated all the thoughtful comments in the presentation on the potential master plan.

Of course, the racing surfaces, both the main track and the turf course, without racing services, we can't have racing, right?

And then the stable area is extremely important during the summer.

We have about 2,000 horses back there.

And Director Mead, or I think it was Director DeBerry mentioned the people that take care of them.

We have a lot of folks back there, over 1,000, that are taking care of those 2,000 horses.

So definitely the stable area, racing services.

Of course, customers need a place to park and that parking structure looked really, really interesting.

But the training track, which we do utilize during the summer significantly, look, we understand if there is going to be, and we're very supportive of kind of a new vision for the fairgrounds that everybody needs to chip in and say, OK, how can we manage our operations differently?

So the training track, while we do utilize it, is something that if that were to be repurposed for a master plan, I think would fit within our operations.

MR. ARABO: OK, thank you.

CHAIR NEJABAT: Okay.

All right.

Thank you, Josh.

We'll now move on to public comment.

We have four members signed up online, beginning with Allison Prater.

MR. RIVERA: She is not in the queue.

CHAIR NEJABAT: Jane Cartmill?

MR. RIVERA: Not in the queue.

CHAIR NEJABAT: Martha Sullivan?

MARTHA SULLIVAN: Martha Sullivan from Imperial Beach.

I know that you consider me a wet blanket on your happy talk about horse racing, but you've got to face reality that Del Mar is one of three tracks left operating in California when there were nine in 2024.

At least 53 tracks have closed in the United States since 2000, and wagering handle continues to drop.

It's down 57% since 2003, adjusted for inflation, and it's down every month this year, with a few, you know, with like two small exceptions because of more races this year.

In that month, California handle, wagering handle is way down.

This is an industry on hospice care.

And, you know, the Kentucky Derby and the big race days will continue because, you know, there's a lot of money behind that.

But the rest of the industry is going away.

The Jockey Club just reported that the foal crop, the, you know, young horses that are born to be raced, is down again.

And in California, it's down by over 25%.

In Florida, it's down by like 50%.

You know, it's doing okay in Kentucky and in New York, but the rest of the country is dying.

So you need to steel yourself for this and stop doing the happy talk.

CHAIR NEJABAT: Thank you.

Phoenix L?

MR. RIVERA: Not in the queue.

CHAIR NEJABAT: All right.

With that being said, that concludes public comment on this item.

We'll now move on to Item 6H, which is the Food and Beverage Committee report.

Today, we have an update on the contract for Food and Beverage Consulting Services.

I'd like to recognize Committee Chair Barkett to give the report.

VICE CHAIR BARKETT: Thank you, Chairman Nejabat.

I have a quick question, though.

Did you want me to comment on the Food and Beverage report on page 48?

It's not under mine, but it was part of, I think, part of Director Blair's report.

But I don't know if we went over the Food and

Beverage report on page 48.

Okay, well, I'll talk about it.

It's really good.

That's why I thought we should mention it.

MS. MEAD: That’s why you should take it.

It's a good report.

MS. BARTLING: That should be under Food and Beverage.

VICE CHAIR BARKETT: That's okay.

Our total revenues are modestly ahead of budget, which is good.

It's 0.7 percent above, and I'll always take that.

The gross margin is improving, which is nice.

Our payroll savings is significant to profit, which is great, 40.9 percent to 42.8 budgeted.

So that's a 1.9 percent improvement.

Our operating expenses exceed budget by 1.1 percent, and our net profit is ahead of plan by 9.9 percent.

So our District distribution exceeded budget by 22.8 percent.

So I just had to brag a little bit, throw those numbers out there.

MS. MEAD: He didn't want to steal them.

VICE CHAIR BARKETT: Thank you.

I appreciate it.

MR. BLAIR: [off mic] I wonder if this ought to be part of your report, going forward, instead of mine.

MS. BARTLING: I think it should.

VICE CHAIR BARKETT: I think it normally is.

Yeah, it always has been.

And I want to compliment the DMTC on the Food and Beverage.

It's been fantastic, really wonderful.

So thank you.

Okay, so now I am going to turn it over to Becky Bartling, because I did not meet the consultant, and Mark couldn't make the meeting either, so we apologize.

I had a dead battery.

And AAA showed up right when I was supposed to get on the call.

So my apologies, but I'm going to turn that over to you now.

MS. BARTLING: Thank you, Director Barkett.

If you remember, we had a discussion about what

model we should move forward with, whether it's a managing model, which we have now, a management model, or we should go to a percentage, lots of lively discussion about that.

So the result was to go out and find a food and beverage consultant, which we did.

And we are happy to say we found an amazing organization.

They are experts in the food and beverage consulting area, in operations, not only what we're looking for, which is to go figure out what's best for us operationally and financially, but they go into facilities and analyze their existing food and beverage operation, labor, they analyze the quality of the food, the way that the food and beverage is operating, something we should consider going forward, maybe even on an annual basis.

We are very impressed with this organization.

It's FS Strategies, and they clearly understand what we are looking for.

They will be coming out during the fall race meet to spend time with our current operator to look at the food and beverage services, the catering services, the kitchens, all of that.

So they can get a really good feel of what we have, what we have going on, and the importance of the catering operation to us moving forward.

So we're looking forward to working with them.

They will also be reviewing 25 different venues that have food and beverage, looking specifically for ones that have high-end catering, so we can determine, you know, what's the best management, and what's the best financial model for us moving forward.

VICE CHAIR BARKETT: Great.

Thank you so much.

Mark and I look forward to meeting them.

And I believe, Mark, thank you, because that was your suggestion at our committee meeting.

So thank you.

MR. ARABO: Yeah, no, thank you.

VICE CHAIR BARKETT: It really proved fruitful.

Any other comments, Director Arabo?

MR. ARABO: Nope.

Everything's great.

Thank you.

Thank you.

VICE CHAIR BARKETT: And then go ahead.

CHAIR NEJABAT: Okay, all right.

VICE CHAIR BARKETT: I'm finished, thank you.

CHAIR NEJABAT: With that, any other further questions from the board?

No?

VICE CHAIR BARKETT: Anybody online?

CHAIR NEJABAT: Nobody online, nobody in person.

So that concludes public comment.

We'll keep the ball with you, Vice Chair Barkett, moving on to the final item under general business today, the Emergency Preparedness Committee Report, and I'll pass it back over to you for the rest of the report.

VICE CHAIR BARKETT: Thank you.

So this committee is filled with enthusiasm, I'm telling you.

It's just unbelievable.

I'm so excited.

So on October 7th, I met with Mark Elvin, our Public Safety Director, and then Brian Waterman, our Public Safety Supervisor, and of course, Katie, our COO

And our CEO, unfortunately, couldn't make this meeting because she was having fun in Tennessee.

But I'm teasing, I'm teasing.

But what was so great is actually the Rancho Santa Fe Fire Chief, I have to give him a shout out, Dave McQuead, introduced us to CAL FIRE Division Chief of San Diego County, Rick Johnson, and we also had the Sheriff from San Diego County, Mike Hanks, and it was a great meeting.

I mean, just wonderful.

So basically, you know, they've really turned into wildfire readiness is what we want to call it.

They've coordinated plans, they've put in pre-fire investments, expanded staffing, modernized equipment, and strengthened cross-agency coordination to protect our communities in San Diego County.

So important.

They've got it down.

They really do.

And I'm so impressed with what they talked about.

They talked about their tablet command tech of real-time tracking and tactical sharing, digital mapping of perimeters and evacuation sites.

And they have what's called AWARE California Platform, which integrates UCSD wildfire cameras,

satellite detections, and weather feeds.

Also, they have what's called ASTRIA, which is the Sheriff's Aerial Support Unit, central to firefighting and patrol and research in the air.

And so, you know, this is the whole thing.

Coordinate before, during, and after.

So we would normally go through the Office of Emergency Services.

That would be our conduit.

And as Mark Elvin said last time, he called and you said, we need crowd control.

Whatever we need, you call them and let them know.

And that activates us.

They are the ones who are responsible for activating us as open and a center for evaluation.

So beyond that, we have on staff with us on our committee, Kendra King from the Department of Animal Services, and she's really doing all the MOUs.

And I think Katie's reached out to her about that.

And they said she's the right person for us to do all these MOUs with.

She's got it down.

And I'm just so impressed.

I also want to give a shout out to our potential governor candidate, Xavier Becerra, because he's implementing a California disaster preparedness and resilience plan, which I think is just fantastic.

So hoping he is our next governor.

We can even get more involved in his plan of action.

And so Katie, any comments, anything you'd like to come up and say?

MS. MUELLER: So they were just really thrilled that we are open to the community as an activation center because that's been a little bit in question in the past few years.

But they know we went through our plans and what we're working on, and they were very complimentary, felt that we were very well prepared, that we were really on the right track for things.

We are just, for your knowledge, next week we're having, all full-time staff are going to be in this room.

We're doing a two-hour training about activating our site as an emergency operations center.

So we'll be using the nice big map here to

familiarize everybody with the operation, and then we'll be actually taking everyone into the backstretch and showing them the areas that we utilize for horse, especially horse evacuations.

So yeah, so we're excited.

Well, we're not excited, but we're ready.

We hope we don't ever have to use any of these plans.

VICE CHAIR BARKETT: But we also, we want to also take directors on a tour of these sites, too, and what happens.

So to familiarize ourselves with that in case we do have to activate, and yeah, everyone could participate.

Yeah, Phil?

MR. BLAIR: Lisa, we've always been concerned about fire coming from the east.

This weekend, we saw water coming from the west.

I'm sort of looking at the map.

Is that, if an El Nino is bad enough, does it flood us?

And therefore, we can't be a site?

Or am I being pessimistic?

MS. MUELLER: Yeah, we would not be able to be a

site in the event something like flooding happened or perhaps a wildfire is threatening the Del Mar Fairgrounds.

They would not activate us then.

They have, like, I think they said 15 other livestock evacuation centers throughout the county of San Diego that they would, you know, be able to go to if we weren't available.

Like, during the fair and horse racing, we're not available.

We're not available.

And they are aware of that and, you know, they know that the months of June and July and August are, you know, because we have so many horses back there during those months.

MR. BLAIR: So if there's a fire, I was never sure, do they activate us first and then pick other ones around the county?

Or are we the one for the entire county?

MS. MUELLER: No, we're not the ones for the entire county.

We're the ones for, you know, Rancho Santa Fe, this kind of area of the county.

They have livestock evacuation sites.

For example, Lakeside Rodeo Grounds is the site designated for East County.

They wouldn't want them to have to transport this far away.

MS. BARTLING: It also depends on where the fire is.

You know, I've had experience in, unfortunately, many wildfire evacuations.

And I think over the many events, they've recognized that sometimes it's not great to put a few here and a few here and then be chasing people, the fire chasing here and having to move people.

That happened to us in 2003.

In 2007 here, they just came here.

They knew that they didn't want to go to an off-site location and then have to, you know, hook back up, move their horses and come here.

So they just came here.

One of the things that even though there's an activation protocol, we open up when we have trailers of horses trying to get in here.

We can't let people just wait to, you know, bring their horse in and drop it off.

We will open up and we'll open up the barns and

the stables and we will start our operation because it's frightening.

During those fires, people have five horses and a two-horse trailer.

So they're rushing here with their two horses.

They want to drop it off.

They want to rush back.

It's an operation that starts, you know, and it always seems to happen in the middle of the night.

So in 2007, I remember specifically, we had trailers lined up all around Jimmy Durante Boulevard and then trailers into the east lot.

So it happens and it happens fast.

So we would open up, then there will be an official OAS.

But that's what, you know, that's our internal mandate of what this organization does and what Fairgrounds do, which is to become an emergency evacuation site for our community.

VICE CHAIR BARKETT: What was great, too, is they have these certified community emergency response teams, too, everywhere.

And they activate them, too.

So it really, yeah, we were talking about our

first 40, yeah, first 50, yeah, which is starting to get done right now.

I think we have about 42 volunteers.

MS. MUELLER: Yeah, the email just went out yesterday to our volunteer list from 2017 to see who's still in the area, interested in serving, and then we'll be outreaching to others once we determine who's still part of that team.

VICE CHAIR BARKETT: But I really want to thank them for coming out, Mike Hanks and Rick.

They did a phenomenal job and they were like, you guys are great.

This is where you need to be.

And it was very exciting, I thought.

Mark, did you want to say anything, too?

No, okay.

Okay, thank you.

Thank you, everybody, too.

CHAIR NEJABAT: All right, thank you to everyone involved in that.

All right, seeing nobody signed up to speak in the room and online, that concludes public comment on this item.

We'll now move on to Item 7, matters of

information at this time and director's requests at this time.

Any board requests for future agenda?

Nothing?

All right.

We can also look at the correspondence found on page 86 of the packet for a list of further things.

The board will now move on to Item 8, which is our closed executive session.

The current time is 1:52 p.m. and pursuant to the authority of government code section 11126A, B, and E, the board of directors will meet in closed executive session on the items described on today's agenda.

[Meeting adjourned to Closed Executive Session at 1:52 p.m.]

[Meeting reconvened to open session at 2:13 p.m.]

MR. RIVERA: Okay, we are live in the meeting again.

MR. BLAIR: -- about how we get topics on the agenda, and it's through the chair, which makes perfect sense.

There was an understanding that if, the way I

heard it, if two people voted against an issue, those two could ask to have it be brought back.

It turned out to be folklore.

VICE CHAIR BARKETT: Yeah, no, that, yeah, it's not in the bylaws.

MR. BLAIR: Nobody knew where it came from.

And the reason I wanted Josh to, cut down on his steps.

No, he's not cutting down on his steps.

MR. CAPLAN: [off mic] We shouldn’t be having this conversation since we’re back in open session, this is a director comment.

MS. BARTLING: Yeah.

CHAIR NEJABAT: We already finished that off, too.

MR. BLAIR: So are we in session or not?

VICE CHAIR BARKETT: No.

MR. RIVERA: Yes, we are back in.

The room is open.

MS. BARTLING: Yeah, we're back in session.

MR. BLAIR: I mean, I’d just like to put that topic on the, the topic is how board members get issues onto the agenda.

CHAIR NEJABAT: We already passed that item, but.

Yeah, okay.

The time is 2:13 pm, and we've returned from our closed executive session.

The 22nd DAA Board of Directors considered the advice of council on the items listed on the closed session portion of the agenda.

And we have nothing to report.

Seeing no other business before the board of directors today.

The time is 2:13 PM, and the meeting of the 22nd DAA Board of Directors is hereby adjourned.

Thank you.

[Meeting adjourned at 2:13 p.m.]