

## *Borough of Oceanport*

Mayor Michael J. Mahon

Remarks before

### **ASSEMBLY REGULATORY OVERSIGHT AND GAMING COMMITTEE**

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## Special Hearing on the Prospect of Gaming at the Meadowlands

July 19, 2012

### **Introduction**

Chairman Ramos; and Members of the Assembly Regulatory Oversight and Gaming Committee; thank you for inviting me to speak before you today on this important topic. I am Mayor Michael J. Mahon and I am here today representing the Borough of Oceanport.

Oceanport has been home to Monmouth Park since July 30, 1870. Monmouth Park 1 and 2 were located on what became the main post of Fort Monmouth. The Monmouth Park we know today began as the old Rufus West Farm and was called Elkwood Park. With a mile racing oval, tree lined grounds, stables, clubhouse and yes, a casino; a single short meeting was conducted in 1893. An act of Legislature passed in 1894 prohibited gambling in general and horse racing lay dormant for more than 50 years until the new Monmouth Park Racetrack opened in 1946.

Since 1946, the new Monmouth Park has been a vital economic asset to the community. This continued through the purchase of the racetrack by the Sports Authority in 1986, to the present with the Thoroughbred Horsemen as lease operator and only 10 days before the 45<sup>th</sup> renewal of the Haskell; a race named for the first president and chairman of Monmouth Park Jockey Club.

My remarks here today will focus on two main points:

1. A Plan for Success in horse racing that includes gaming options at the Meadowlands and Monmouth Park.
2. A Plan for Success in New Jersey that maximizes the current focus on Atlantic City gaming, capitalizes on the successful transition to private operation and incorporates a new vision of sustainability in horse racing.

### **The Oceanport/Monmouth Park Partnership**

Monmouth Park and Oceanport have long shared a special relationship. We can take a look back to 1961 when the Monmouth Park Jockey Club deeded 6 acres to the borough where the Borough Hall, Public Works Garage and Port Au Peck fire station were later built as one example. While Oceanport is a small community of less than 6,000 residents; the relationship has run both ways. Most recently, the Borough of Oceanport provided a \$23.2 Million Dollar loan for construction of a Storm Water Management project at the Track, secured by the full faith and credit of the Borough. This environmental project designed to end contaminated runoff into nearby Branchport Creek from the track and stable area. As you can see, the Borough views Monmouth Park as a partner and vital to our mutual success.

We've discussed the local importance of Monmouth Park Racetrack, but it can't go without mentioning the value of horse racing in our County and around the state. Existing studies document equine related acreage in all but 4

counties with Monmouth and Hunterdon Counties leading the way. There are tens of thousands of equine acres; Tens of thousands of jobs. The studies at your disposal are clear why so much is at stake for New Jersey.

While the focus of today's hearing is to discuss the prospect for gaming at the Meadowlands; I suspect the answer is obvious to all but a few. So if gaming is the obvious answer for the Meadowlands; the question must be asked, "Is there a gaming solution that benefits horse racing statewide, including Monmouth Park?" No discussion on the sustainability of horse racing in New Jersey is complete without including the Meadowlands and Monmouth and competition from neighboring states. In many cases, these gaming outlets are more convenient than a trip to Atlantic City and certainly less expensive for travel when distance is a factor. These gaming destinations are a direct threat to Atlantic City and the Casino Industry in New Jersey. The panels and speakers to follow will provide valuable insight to differing perspectives, but please remember; this problem is as much horse racing's as it is the casinos. Introducing slots, video lottery terminals and other forms of gaming outside of Atlantic City may be the answer by opening new markets to the casinos and attracting the convenience player once again to New Jersey gaming. Slots at NJ tracks can draw back the dollars lost to other states racetracks. The convenience gamer has already made this choice.

What are we doing locally? Monmouth Park is an historical gem recognized for its beauty and can easily support multiple uses as an entertainment destination. These compatible uses should be geared to maximize the facility in and out of season. Oceanport is working with Monmouth Park on such a plan for economic development strategies; to create jobs and stimulate the local economy.

What impact would the addition of slots and VLT's at Monmouth Park mean to Oceanport? Because Quality of life considerations are at the top of the list along with economic stability and stable taxes; We have advocated for VLT's at the Meadowlands as the obvious location outside Atlantic City. However, any plan allowing for slots and VLT's at the Meadowlands and not Monmouth; must provide a shared economic benefit just the same to ensure sustainability.

**In conclusion,**

Let me restate the main points:

3. Focus on the Possible. A Plan for Success in horse racing that includes gaming options outside of Atlantic City.
  
4. Focus on the necessary. A Plan for Success in New Jersey that maximizes the current focus on Atlantic City gaming, the success of racing under the lease operators and incorporates a vision sustainability in horse racing.

The underlying benefit to the state that must be considered by this committee as part of its research is the benefit of jobs and open space throughout our state owed in some measure to horse racing and the equine industry. The Meadowlands and Monmouth Park play key roles, directly and indirectly, as economic drivers in their communities.

We in Oceanport hope these contributions to the Committee's work can inform and influence your perspective on this important issue. Mr. Chairman, thank you for the opportunity to speak before this committee.