

# Alberta Downs

240082 LOTT CREEK DRIVE, CALGARY, AB T3Z 2V4

## ERIC THE GREAT

The 81st Running Of The Alberta Derby



Alberta Downs, Lacombe, Aug. 18, 2013, Tony Maragh Up  
Skim (2nd) 1 Mile Turf 1:41:0 Gold Kid (3rd)  
Mitch Klimove & Jerri Robertson, Owners Jerri Robertson, Trainer  
Purse \$15,000.00 7.10 4.90 4.70



\*\*Sponsored By Alberta Veterinary Centre\*\*



## TOP FLIGHT JUSTICE

Alberta Downs Media/Management Race



Alberta Downs, Lacombe, Sept. 5, 2011, Robert Allen Driver  
Les Butler (2nd) Evergreen Park  
Jackie Rae (3rd) 790 CFCW Radio  
Chris Roberts/Northlands Park Monica Culic/Shaw TV Max Gibb/RMTC



ALBERTA DOWNS INC.  
VS  
HORSE RACING ALBERTA  
September 16, 2020

**THIS PACKAGE INCLUDES documented  
history of HORSE RACING ALBERTA  
relationship with ALBERTA DOWNS**



December 9, 2008

Mr. Bobby Allen  
Fax: 403.782.9203

CORPORATE OFFICE  
#720, 9707 110 Street  
Edmonton, Alberta T5K 2L9  
Phone: (780) 415-5432  
Fax: (780) 488-5105  
Toll Free: 1-888-553-7223

CALGARY OFFICE  
#602 Sloan Square  
5920 1A Street S.W.  
Phone: (403) 543-8951  
Fax: (403) 543-8950  
Mailing Address:  
Box 5684, Postal Station 'A'  
Calgary, Alberta T2H 1Y1

Dear Mr. Allen,

Horse Racing Alberta wishes to thank you for your interest in the horse racing industry. Your vision and commitment will help ensure the necessary growth and stability of horse racing in the Province of Alberta. As you are well aware our industry has a significant agricultural basis, of which we are very proud. If we can be of any assistance during the various administrative processes that may be required for you to run live horse racing, please do not hesitate to notify us.

You have the full commitment of our board that represents all segments of our industry as you significantly contribute to our future.

Sincerely,

Dr. D.C. Reid  
CEO

**ALBERTA DOWNS (AD) was encouraged by HORSE RACING ALBERTA, ROCKY MOUNTAIN TURF CLUB and ASHA to build ADs Racetrack. The entire Alberta Standard bred industry relied on ALBERTA DOWNS for THEIR LIVELY HOOD.**



**ALLEN'S TROUT FARM INC. (Est 1961) was sold for \$5,000,000 & all the funds were used to build the ALBERTA DOWNS FACILITY.** Also we had to supplement the operating expenses from many of our auction sales that we had over the years to survive.

## **Built 7/8 mile harness track and the only 1 mile TURF TRACK in Western Canada**



## **Events that led to Alberta Downs Closure**

- 1. 2008 - TRACK OPERATED BY ROCKY MOUNTAIN CLUB LIC.**  
Alberta Downs Initially operated the track under Rocky Mountain Turf Club race license temporarily with a further 10 year license renewal clause, among other provisions. RMTC, ASHA and HRA all agreed to provide Alberta Downs with a signed Long term Race License. ADs then became the primary 'A' Circuit Standardbreds Harness Track in Alberta when Stampede Park closed. When the racing licenses was signed, Alberta Downs committed it's whole future effort to racing and feel that Horse Racing Alberta signed a contract to ensure that we were solvent.
- 2. 2008 - PURCHASED 147 ACRES OF LAND AT LACOMBE**  
To get a building permit and zoning, Horse Racing Alberta, Alberta Downs and Rocky Mountain Turf Club had to sign a contract with the County of Lacombe to pay for a paved access service road (RR27-2) and traffic lights (at the time, it was to be over 1.5 million dollars) Alberta Downs was to pay installments over a number of years. This resulted in a LEIN being registered against property of Alberta Downs.

### 3. **2008 & 2009 - BUILT TRACKS, BARNs, GRANDSTANDS, ETC.**

This resulted in a large capital investment and a lengthy approval process with Horse Racing Alberta that culminated with the long term race license. Among other provisions, the racing license agreement obligated Horse Racing Alberta ("HRA") to provide an operating grant to Alberta Downs on an annual basis to assist in funding the racetrack operations. This follows from Horse Racing Alberta's overriding obligations to the Government of Alberta (under the HRA/GOA agreement) to preserve and promote horse racing in Alberta. Top qualified bookkeepers and management were hired, that were all approved by HRA.



4. **2014 - HRA SEIZED OUR OFF TRACK SITES,** and advised us by a letter that our home market area with off-track betting sites was to be taken over on January 1st, 2015 by United Horsemen of Alberta and Century Downs, a foreign company. The sites cost us thousands of dollars to setup and forced us to lay off our staff. We were never offered compensation for our investment and were never told why this happened without cause. Alberta Downs was further entitled to the proceeds from on and off-track betting receipts in its exclusive area, being a fifty-kilometre radius of its facility. What is unique in this arrangement is that the licensing arrangement consists of an agreement with mutual covenants by both parties, rather than a simple patent of authority issued by Horse Racing Alberta under their governing legislation. HRA never did give Alberta Downs sufficient operating funds that were promised to pay for the track expenses, upgrades & conditions needed to support "A" circuit harness racing. For instance, we experienced many unexpected expenses in 2014. The standardbred races ran one month longer than the contract agreement causing us to exceed our operating grant.

Alberta Downs also paid Northlands Park \$50,000 in November of 2015 for it's Post Time Tele-theater in Red Deer that was in our home market area. At that time, Northlands Park sat on the HRA Board and later after we paid this purchase fee, they voted to shut us down. This is a severe conflict of interest and a very corrupt practice.

### **Some of our many off-track betting sites**

China Town, Calgary  
Stinky's Sports Bar, Calgary  
Rocky Mountain House  
Town & Country, Calgary  
Blackfalds  
Pied Pickle, Calgary  
Rimbey Hotel  
Ranchman's, Calgary  
Post Time, Red Deer  
Ventura Hotel, Coaldale  
Casino at Red Deer  
West Gate, Calgary  
York Hotel, Lethbridge  
Desperados Saloon, Calgary  
Stage West, Calgary  
Five Star Bingo, Calgary  
River Inn, Calgary



**AND MANY MORE**



## 5. 2015 - RACES CANCELLED BY HRA

On November 27th, 2014 Horse Racing Alberta advised Alberta Downs that it would NOT be awarded race days for the 2015 racing season. This despite just two weeks earlier, Alberta Downs attended an industry meeting where the draft race schedule had been agreed on granting us 22 Harness race days with 4 thoroughbred cards for the 2015 season. Alberta Downs hired a lawyer for breach of contract and HRA counsel replied with many conditions and said they would consider giving races if the conditions were met. HRA could have moved the stewards down to the main floor temporarily wagering while it was being fixed, but they declined. Alberta Downs did complete the conditions on their time line and Horse Racing Alberta still refused us race days for 2015 when Century Downs opened.



Judges at temporary site during construction

## 6. 2016 - RACES CANCELLED

On January 6th, 2016 an application to Horse Racing Alberta for 29 racing days if Alberta Downs agreed to pay all expenses and recruited the horses. Horse Racing Alberta then terminated the Alberta 2016 race meet after only six days of racing giving no reason. Horse Racing Alberta did not fulfill their commitment outlined in the 2016 Thoroughbred Racing Agreement. At the same time, we had a simulcast contract to sell our races to Gulfstream track in the USA. With six days of racing, Alberta Downs was wagering from \$25,000 to \$50,000 per race, higher than any other Alberta Track. Then the Canadian Pari-Mutuel Agency stepped in and stopped the USA from betting into our mutual pools, stating that Alberta Downs was classified as a foreign track even though the track was in Canada. HRA did not step up to help us, instead they cancelled our races that Horse Racing Alberta had approved. These decisions caused a LOSS of 40 plus jobs, resulting in sudden job terminations of race officials, jockeys, etc. (some have had to get social assistance). Our local feed supplier closed and there were over 200 race horses with their staff that had to be relocated. In addition, local dedicated fans had to be turned away.

## **7. 2017 - RACE DAYS REFUSED**

Alberta Downs applied for an 18 race day season and was refused again. Horse Racing Alberta denied race days and operating grants to Alberta Downs, despite its obligations under the general licensing agreement with Alberta Downs for 10 years and an ongoing 10 years.

## **8. 2016 - FORECLOSURE BY LACOMBE COUNTY**

On November 1, 2016 the Court of Queen's Bench of Alberta granted Alberta Downs six months to bring the access road arrears owing into good standing. Alberta Downs was unable to pay because HRA terminated Alberta Down's races cutting off our only income. Lacombe County commenced foreclosure proceedings and issued a notice of foreclosure on Alberta Downs lands and we were forced to sell the track.

## **9. 2017 - HRA CANCELLED RACING LICENSE**

On the grounds that we no longer owned the land that was foreclosed on, HRA cancelled Alberta Downs racing license. This, despite Horse Racing Alberta allowing United Horsemen of Alberta to hold a race licence for several years without conducting races (on the site of Century Downs Calgary).



The lawyers opinion is as many as 8 out of 10 of the board members are in conflict for various reasons as a result of the financial advantages or other benefits, such as decisions that would bring to them personal gain. Over the past 60 years, I have observed the board members who had their own interests at heart, making decisions on racing and most of them to date have failed. The civil servants come and go with limited experience.

When our legal counsel reviewed all the material that we have maintained over the past years, their opinion is Alberta Downs Inc. has a very good case to sue for damages, plus compensation and possible criminal charges. Horse Racing Alberta has not only breached its authoritative powers by the actions taken against Alberta Downs but additionally is in breach of its contractual obligations to Alberta Downs which give rise to a claim for compensatory damages.



# HRA RACETRACK GRANTS & STATS

In 2014, Alberta Down's operating grant was \$1,227,946 for 54 race days averaging \$22,739 per race day (the lowest of all tracks). The next year in 2015, Century Downs opened with the same horses and received a \$7,715,144 operating grant, plus \$1,000,000 discretion project grant for 84 days averaging \$103,751 per race day.

	STAMPEDE PARK			ALBERTA DOWNS			CENTURY DOWNS		
	RACE DAYS	# OF RACES	HRA GRANT	RACE DAYS	# OF RACES	HRA GRANT	RACE DAYS	# OF RACES	HRA GRANT
2008	46	368	\$6,799,935						
2009				15	114	\$375,000			
2010				47	480	\$503,117			
2011				76	747	\$1,040,000			
2012				68	616	\$1,170,000			
2013				73	659	\$1,170,000			
2014				72	650	\$1,227,946			
2015				0	0	\$0	84		\$8,715,144
2016				6	33	\$0	97		\$10,404,441
2017				0	0	\$0	71		\$11,180,960
2018				CLOSED - SOLD					

Alberta Downs track grants were never in line with other tracks even though we ran "A" circuit harness horses. Alberta Downs required operating grants and off-track betting income that was consistent with the other tracks to be viable. Among other provisions, the RLA obligated Horse Racing Alberta ("HRA") to provide an operating grant to Alberta Downs on an annual basis to assist in funding the racetrack operations. This obligation follows from Horse Racing Alberta's overriding obligations to the Government of Alberta (under the HRA/GOA agreement) to preserve and promote horse racing in Alberta.

Alberta Downs ran 3,299 races over 9 years (2009 to 2017) and ran first class race meets. HRA planned our track closure by putting us out business and giving no explanations. HRA started finding issues in 2015 when Century Downs race track opened.

# ALBERTA DOWNS INC. LOSSES

## Alberta Downs Inc.

Statement of Retained Earnings (Deficit)

For the Year Ended November 30, 2019

Unaudited - See Notice to Reader

	<u>2019</u>	<u>2018</u>	<u>2017</u>
BALANCE, BEGINNING OF YEAR	\$ ( 4,955,148 )	\$ ( 4,550,775 )	\$ ( 2,431,378 )
Net Income (loss)	<u>( 433,616 )</u>	<u>( 404,373 )</u>	<u>(2,119,397 )</u>
BALANCE, END OF YEAR	<u>\$ ( 5,388,764 )</u>	<u>\$ (4,955,148 )</u>	<u>\$ ( 4,550,775 )</u>

**ROBERT B. SHULER**  
CHARTERED PROFESSIONAL ACCOUNTANT



# Horse track plans embraced in Lacombe

By **BRENDA KOSSOWAN**  
Advocate staff

**LACOMBE** — Plans for a new race track received overwhelming approval at an open house on Tuesday.

Property owner Robert Allen of Calgary and Max Gibb, CEO of the Rocky Mountain Turf Club in Lethbridge, laid out plans to build a \$12-million to \$15-million horse racing centre on a quarter-section of land located east of Hwy 2 and south of Hwy 12, just inside town limits.

Investors in the project would lease the land from Allen, who used to own and operate the Trout Springs race track at Calgary.

Gibb and Allen said they were surprised to see a crowd of about 100 at the meeting. Everyone they spoke to seemed to be in favour of the proposal. The only concern Gibb heard was from a resident worried about dust control. He said the road would be paved.

"Wonderful," said Lacombe resident Barry Black, a sponsor and member of Dave Bensmiller's chuckwagon racing team, said he expects the new track will bring a huge economic benefit to Central Alberta.

An officer with the World Professional Chuckwagon Association, Black said Gibb and his crew at Rocky Mountain Turf are known for running a good show.

"I think they're just princes to work with. Every year we roll into Lethbridge with the chuckwagons and we deal with Max Gibb and his people, and it's a first-class opera-

dent Gwen Jones, who expects to spend a lot of time at the track with her children when they come to watch the races.

"Our kids are all into horses and following the races, and we'd see more of them."

Orest Schur, who owns property beside the Allen site, said he sees nothing but good in the plan. "It's in a perfect setting and there's a service road in place already."

Schur said he sees the year-round venue becoming a smaller version of Spruce Meadows, offering all kinds of opportunities for people who are involved with horses at all different levels.

Lacombe-based equipment manufacturer.

Ernie Caron, a director with Horse Racing Alberta and chairman of the Alberta Standardbred Association's B-circuit racing committee, said he had prompted Gibb several months ago to take another stab at putting up a race track in Central Alberta.

Gibb attempted unsuccessfully for several years ago to build a track at Red Deer. At Caron's urging, he started scouting out properties for a track.

Please see **HORSE** on Page A2



**Max Gibb:**  
president and  
CEO of Rocky  
Mountain Turf  
Club.

## Horse: Restaurant

Allen, who raises trout near his old race track, purchased the Lacombe property about two years ago with plans to create a horse training centre.

He and Gibb plan a centre with stabling for 400 horses attached to an indoor arena, outdoor paddocks, a campground with a stocked trout pond, and an enclosed grandstand with a year-round restaurant and lounge.

The track would include an inner track of seven furlongs and an outer track of one mile

**ROCKY  
MOUNTAIN  
TURF CLUB**



March 3, 2009

Lacombe County  
Attention: Terry Hager  
RR 3  
Lacombe, AB T4L 2N3  
Fax: 403.782.3820

CORPORATE OFFICE  
#720, 9707 110 Street  
Edmonton, Alberta T5K 2L9  
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CALGARY OFFICE  
#602 Sloane Square  
5920 1A Street S.W.  
Phone: (403) 543-8951  
Fax: (403) 543-8950  
Mailing Address:  
Box 5684, Postal Station 'A'  
Calgary, Alberta T2H 1Y1

Dear Mr. Hager,

Horse Racing Alberta will undertake to forward to the County of Lacombe \$300,000 in order to satisfy assessments and levies required to complete the necessary permitting for Horse Racing to take place at the Alberta Downs Track in the County of Lacombe.

Sharon Steil is Horse Racing Alberta's Chief Financial Officer and arrangements for transfer of funds can be made by contacting her at 780.415.5427.

If you wish to discuss this further, please do not hesitate to call me.

Sincerely,

Dr. David C. Reid  
CEO

1 780. 415. 54 75  
cc: Shirley McClellan, Chair, Horse Racing Alberta - S M c  
Sharon Steil, CFO, Horse Racing Alberta @THEHORSES.COM  
Gary Belecki, Chair, Finance & Legal Committee, Horse Racing Alberta  
Max Gibb, Rocky Mountain Turf Club  
Bobby Allen, Alberta Downs

S M C L L A N @ T H E H O R S E S . C O M

S E E G E N O R B E R @





September 24, 2009

CORPORATE OFFICE  
#720, 9707 110 Street  
Edmonton, Alberta T5K 2L9  
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Fax: (780) 408-5105  
Toll Free: 1-888-553-7223

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#602 Sloane Square  
5920 1A Street S.W.  
Phone: (403) 543-8951  
Fax: (403) 543-8950  
Mailing Address:  
Box 5684, Postal Station W  
Calgary, Alberta T2H 1Y1

Alberta Downs  
Attention: Bob Allen  
2 Fairway Drive  
Lacombe, AB T4L 1R3


Dear Mr. Allen 

I am in receipt of your letter of September 9, 2009 regarding the application for live race dates, as well as simulcasting.

Our records show a 10 year lease agreement between Alberta Downs and Rocky Mountain Turf Club. Specifically, this lease agreement outlines horse racing and simulcasting approvals being the Turf Club's responsibility.

Although, as outlined in your letter, the contract with Rocky Mountain Turf Club may not be "viable", Horse Racing Alberta respectfully requests you provide an update on the status of this contact.

Sincerely,

  
Shirley McClellan  
Chair



February 11, 2013

Mr. Bob Allen  
Alberta Downs Inc.  
#2 Fairway Drive  
Lacombe AB T4L 1R3

CORPORATE OFFICE  
#720, 9707 110 Street  
Edmonton, Alberta T5K 2L9  
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5920 1A Street S.W.  
Phone: (403) 543-8951  
Fax: (403) 543-8950  
Mailing Address:  
Box 5684, Postal Station 'A'  
Calgary, Alberta T2H 1Y1

Dear Mr. Allen:

By this letter, I am responding to your letters of January 23, 2013 and February 5, 2013. Your letter of January 23 was vetted through the Committee process and subsequently your letters of January 23 and February 5 were reviewed and discussed at the HRA Board of Directors' meeting on February 7<sup>th</sup>.

The decision of the Board is not to change or amend the Home Market Areas for Off Track Betting at this time. All contracts for OTB operators/tracks are in place for 2013. The Board made the decision to assign the Home Market Areas to Northlands Park and Rocky Mountain Turf Club after careful and thorough consideration of avenues available and in the best interests of racing in the province.

This will of course be a part of our Business Planning process for the 2014 Racing Year and your comments and recommendations will be a part of that review.

We appreciate the efforts you have made to have Alberta Downs a quality racing venue and look forward to working with you in the 2013 season in accordance with our signed Operating Agreement.

Sincerely,

Shirley McClellan, CEO

cc: HRA Board of Directors



## INDUSTRY ADVISORY

### Horse Racing Alberta Announces Off – Track Betting Decision

After a lengthy review which began in June 2014 by an industry evaluation committee and the Strategic and Sustainable Development Committee, the Board of Horse Racing Alberta announced today a split model for the Off Track Betting/Simulcast operation for the province of Alberta.

Northlands Park was awarded all OTB outlets north of Red Deer, while Century Casino/ Mr. Max Gibb (Newco) will operate all outlets south of Red Deer including Red Deer utilizing the area codes 780 (north) and 403 (south) as the dividing line.

The detailed process included an Expression of Interest phase that was reviewed and evaluated by an external industry advisory committee. The process then moved to a detailed Request For Proposal process resulting in an external industry committee making recommendations to the HRA Strategic and Sustainable Business Committee.

The Committee's recommendations were then presented and approved by the Board of Horse Racing Alberta.

Contact:  
Jeff Robillard  
780 415-5432

#### CORPORATE OFFICE

#720, 9707 110 Street, Edmonton, Alberta T5K 2L9  
Phone: (780) 415-5432 Fax: (780) 488-5105 Toll Free: 1-888-553-7223

October 29, 2013

Mr. Robert Allen  
Alberta Downs Inc.  
#2 Fairway Drive  
Lacombe AB T4L 1R3

Dear Mr. Allen:



In response to your letter of October 14, 2013 regarding a Home Market Area for Alberta Downs, please be advised that Horse Racing Alberta has awarded Alberta Downs a Home Market Area of a 50 km radius of your track.

In response to your Business Plan to operate Off Track Betting in your Home Market Area, the present OTBs operating in the Red Deer Market are grandfathered, and as such, will remain with their present operators. You may open other sites in the Red Deer Market.

The following requirements must be met prior to opening OTBs in your Home Market Area:

You must have a Horsemen's Agreement with a recognized Horsemen's Association; approval from CPMA and HRA; and as per your Business Plan, a letter of engagement with Jim Reid (Company name - Alberta Teletheatre Group) to provide services to include installing OTB equipment, obtain track contracts, do settlements and secure decoders.

If you have any questions regarding the above, please feel free to contact me.

Sincerely,



Shirley McClellan, CEO

cc: Susan McCulloch, CPMA  
Rick LeLacheur, Chairman  
Dale Leschiutta, Chair, Strategic & Sustainable Development  
Committee  
Sharon Steil, CFO

**CORPORATE OFFICE**

#720, 9707 110 Street, Edmonton, Alberta T5K 2L9  
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November 10, 2014

Mr. Bob Allen  
Alberta Downs Inc.  
#2 Fairway Drive  
Lacombe AB T4L 1R3

Dear Mr. Allen:

Further to our meeting today, this letter is to inform you that Horse Racing Alberta is not assigning race days to Alberta Downs for the 2015 Race Season.

Sincerely,

Shirley McClellan  
CEO

cc: Susan McCulloch, CPMA  
Fred Gillis, ASHA  
William West, ACTRA  
HRA Board of Directors  
Sharon Steil, CFO, HRA  
Doug Fenske, Manager of Racing Supervision & Security, HRA

CORPORATE OFFICE

#720, 9707 110 Street, Edmonton, Alberta T5K 2L9

Phone: (780) 415-5432 Fax: (780) 488-5105 Toll Free: 1-888-553-7223



Via E-mail to Mr. Robert Allen ([bob.abdowns@gmail.com](mailto:bob.abdowns@gmail.com)) and  
Registered Mail

May 28, 2015

Alberta Downs Inc.  
#2 Fairway Drive  
Lacombe AB T4L1R3

Dear Mr. Allen:

**RE: Notice of Breach of Racetrack Licensing Rules (the "Rules")**

This Notice of Breach is further to the Direction to Respond sent by Registered Letter to the address referred to in Alberta Downs' Racetrack License and subsequently sent by our counsel to yours due to the Direction not being picked up by you despite postal notices being delivered.

Please note Horse Racing Alberta hereby gives Alberta Downs Notice of Breach of s.10(3)(b) of the Rules. Pursuant to the Rules, Alberta Downs has 15 days from the date of this letter to respond to this Notice to avoid application of sanction or sanctions pursuant to s.10(4) of the Rules.

Yours truly,

Rick LeLacheur  
Chair, HRA Board of Directors

**CORPORATE OFFICE**

#720, 9707 110 Street, Edmonton, Alberta T5K 2L9  
Phone: (780) 415-5432 Fax: (780) 488-5105 Toll Free: 1-888-553-7223



December 1, 2014

Mr. Bob Allen  
Alberta Downs Inc.  
#2 Fairway Drive  
Lacombe AB T4L 1R3

Dear Mr. Allen:

This letter is to inform Alberta Downs that pursuant to the Expression of Interest (EOI) and Request for Proposal (RFP) process for a single OTB/Simulcast provider in the Province of Alberta (a process that Alberta Downs participated in), we confirm **that four (4) Off Track Betting sites presently operated by Alberta Downs will not be operated by Alberta Downs after December 31, 2014 and all tickets should be cashed prior to that date.**

Attached please find the Announcement made by Horse Racing Alberta dated December 1, 2014.

Sincerely,

A handwritten signature in dark ink, appearing to read "Shirley".

Shirley McClellan, CEO

attachment

cc: Susan McCulloch, CPMA  
Rick LeLacheur  
Dale Leschiutta  
Sharon Steil  
Jeff Robillard

CORPORATE OFFICE

#720, 9707 110 Street, Edmonton, Alberta T5K 2L9

Phone: (780) 415-5432 Fax: (780) 488-5105 Toll Free: 1-888-553-7223



July 20, 2015

HRA Board Members  
Horse Racing Alberta  
9707 – 110 Street  
Edmonton AB T5K 2L9



Attn: HRA Board Members

Please find attached;

1. 2015 and 2016 business plan
2. 2014 operating financial from R Shuler CA.
3. Letter from Alberta Municipal Affairs
4. R O Allen net worth & water sale option agreement
5. letter from ACTRA
6. Letter from HBPA

Alberta Downs has complied with your conditions and Alberta Municipal Affairs at a cost of over \$250,000.

The only things left is to cut door in truss to Judges (which takes 3 days) and rent a 8 stall washroom for the races. We do not want to this until Alberta Downs is granted race days.

If HRA follows our Business Plan THIS TIME it clearly demonstrates the track can be successful if the plan is not changed.

We do have support from both Thoroughbred groups and Northlands said they don't mind if we use some of their staff on the off days.

Alberta Downs owns assets that are worth millions but it can't continue to supplementing the track forever, HRA must let it stand on it's own. You have insinuated I need management and JUST so you know that I never made millions because I was stupid. Every time we brought in management in a part time conditions that's when the trouble started, right from the start..

Alberta Downs is prepared to settle for 3 TB days in 2015 and 24 TB days in 2016 and would like this proposal addressed at the July 29<sup>th</sup> board meeting.

Thank You

R.O.Allen  
Alberta Downs Inc  
403-606-3653  
albertadowns@mail.com



Agriculture and  
Agri-Food Canada

Agriculture et  
Agroalimentaire Canada

Canadian Pari-Mutuel  
Agency

Agence canadienne  
du pari mutuel

File No: 3930-2/8550-1  
N° de dossier :

**PERMIT TO  
CONDUCT  
PARI-MUTUEL  
BETTING**

**2016**

**PERMIS  
D'OPÉRER LE  
PARI MUTUEL**

THE ASSOCIATION TO WHICH THIS PERMIT IS  
ISSUED IS SUBJECT TO THE PROVISIONS OF  
THE CRIMINAL CODE, PARI-MUTUEL BETTING  
SUPERVISION REGULATIONS AND ANY  
ADDITIONAL CONDITIONS ATTACHED HERETO.

L'ASSOCIATION VISÉE PAR LE PRÉSENT  
PERMIS DOIT SE CONFORMER AUX  
DISPOSITIONS DU CODE CRIMINEL ET DU  
RÈGLEMENT SUR LA SURVEILLANCE DU PARI  
MUTUEL, ET RESPECTER TOUTES AUTRES  
CONDITIONS QUI Y SONT RATTACHÉES.

**ASSOCIATION  
ALBERTA DOWNS INC.**

**RACE COURSE - HIPPODROME  
ALBERTA DOWNS**

**2016-06-05**

DATE OF ISSUE  
DATE D'ÉMISSION DU PERMIS

  
EXECUTIVE DIRECTOR - CANADIAN PARI-MUTUEL AGENCY  
LE DIRECTEUR EXÉCUTIF - AGENCE CANADIENNE DU PARI MUTUEL

**Canada**



April 21, 2016

Alberta Downs Inc.  
#2 Fairway Drive  
Lacombe, Alberta T4L 1R3

Attention: Mr. Robert Allen

Dear Mr. Allen:

**Re: Race Dates for 2016 Racing Season**

You have request that Horse Racing Alberta grant race dates for the running of certain thoroughbred horses at Alberta Downs.

After due consideration, HRA will grant the requested 22 days of racing as follows:

Alberta Downs may operate a 22-race racing season at its race track at or near Lacombe, AB (the "Race Track") along the following schedule:

June 5, 12, 19, 26 - 4 days  
July 3, 10, 17, 24, 31 - 5 days  
August 7, 14, 21, 28 - 4 days  
September 4, 11, 18, 25 - 4 days  
October 2, 9, 16, 23, 30 - 5 days

Post times for June, July and August shall be at 3:15 PM.  
Post times for September and October shall be at 2:15 PM.

It is understood by the parties that HRA shall not provide any financial contribution for any costs of racing at the Race Track, including but not limited to purses or staff. HRA will invoice Alberta Downs for the General Fee and Promotional Levy, to be paid by ABD to HRA 30 days from the date of invoice. Alberta Downs will ensure HRA receives continuous totalisator communication directly from AmTote Canada Inc. and any other tote provider operating at the Race Track during the Racing Season.

This granting of race days, however, is also conditional upon Alberta Downs honoring upon the terms of the a 10-year Class "B" Race Track License, commencing on the 22nd day of March, 2012 in accordance with the Rules (the "License"), such License having continued to run unabated.

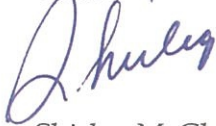


This granting of race days is also conditional upon Alberta Downs strictly adhering to the following terms and conditions at all times during this Racing Season:

- (a) compliance with all laws, regulations, and any lawful direction of relevant provincial or federal agencies including but not limited to the *Horse Racing Alberta Act*, the *Rules Governing Horse Racing in Alberta* and the *Race Track Licensing Rules* and those pertaining the Canadian Pari-Mutuel Agency;
- (b) only permitting horses to run at the Race Track that:
  - i. have approval to race from the Southern Alberta Community Track Racing Association ("ACTRA");
  - ii. have a notarized bill of sale to an HRA-licensed owner for each U.S. horse to be raced at the Race Track;
  - iii. have an HRA-licensed and registered trainer (for each horse) to be raced at the Race Track;
  - iv. would not race at Grande Prairie during the 2016 horse racing season;
- (c) ensuring a duly executed contract with ACTRA to identify Southern Alberta horses and manage the purse monies is in place at all times during the Racing Season, a copy of which is to be delivered to HRA;
- (d) hiring all personnel required as per the *Rules Governing Horse Racing in Alberta*, including but not limited to two race judges, one security and track veterinarian for each race day;
- (e) ensuring the all Race Track facilities are in safe and proper condition.

Please indicate Alberta Downs' agreement to these terms and conditions by duly executing a copy of this Letter Agreement and returning an original copy to HRA. In so doing, Alberta Downs accepts that any breach of any of these conditions may result in the cancellation of any race day of the Racing Season without prior notice. We look forward to an excellent Racing Season.

Yours,



Shirley McClellan, CEO

AGREED & ACCEPTED:  
ALBERTA DOWNS INC.



Robert Allen, President

APRIL 22, 2016



April 25, 2016

Alberta Downs Inc.  
#2 Fairway Drive  
Lacombe, Alberta. T4L 1R3

ATTN: Mr. Robert Allen

Dear Mr. Allen,

**RE: Approved Race Dates for 2016 Racing Season**

Thank you for taking the time to meet with me on Friday to review your agreement and outstanding issues.

Horse Racing Alberta has approved your Race dates for the 2016 Racing Season as per the attached signed agreement.

We look forward to working with you once again this season.

Sincerely,  
Horse Racing Alberta

A handwritten signature in blue ink, appearing to read "Shirley".

Shirley McClellan  
CEO

CORPORATE OFFICE

#720, 9707 110 Street, Edmonton, Alberta T5K 2L9

Phone: (780) 415-5432 Fax: (780) 488-5105 Toll Free: 1-888-553-7223



September 1, 2016

Alberta Downs Inc.  
#2 Fairway Drive  
Lacombe, Alberta. T4L 1R3

ATTN: Mr. Robert Allen

Dear Mr. Allen,

**RE: 2016 Race Dates**

Further to our telephone conversation and previous emails, this letter is to inform you that all 2016 future race dates at Alberta Downs are cancelled effective immediately.

Sincerely,  
Horse Racing Alberta

A handwritten signature in blue ink, appearing to read "Shirley".

Shirley McClellan  
CEO

CPMA  
Doug Fenske, HRA  
Sharon Steil, HRA

CORPORATE OFFICE

#720, 9707 110 Street, Edmonton, Alberta T5K 2L9

Phone: (780) 415-5432 Fax: (780) 488-5105 Toll Free: 1-888-553-7223





August 11, 2016

Alberta Downs Inc.  
#2 Fairway Drive  
Lacombe, Alberta. T4L 1R3

ATTN: Mr. Robert Allen

Dear Mr. Allen,

**RE: Approved Race Date August 16, 2016**

Further to your meeting with the Board of Judges/Stewards, and in response to your request for a race day August the 16th, 2016, we grant approval of August 16th, 2016, with strict adherence to the condition sheet attached.

We remind you that you are required to conduct racing according to the rules governing horse racing in Alberta.

Further consideration of additional race days will be assessed after the race day of the 16th.

Sincerely,  
Horse Racing Alberta

Shirley McClellan  
CEO

**CORPORATE OFFICE**

#720, 9707 110 Street, Edmonton, Alberta T5K 2L9  
Phone: (780) 415-5432 Fax: (780) 488-5105 Toll Free: 1-888-553-7223

Nov. 8<sup>th</sup>, 2016



Horse Racing Alberta

Suite 720 Capital Place

9707 – 110 Street

Edmonton AB T5K 2L9

Att.; Broad of Horse Racing Alberta

Dear Board

Alberta Downs applying for 18 race days for the 2017 season to run on Sundays and Mondays,  
Post time 1;15 pm. Entries Fridays

July 2<sup>nd</sup>, 3<sup>rd</sup>, 9<sup>th</sup>, 10<sup>th</sup>, 16<sup>th</sup>, 17<sup>th</sup>, 23<sup>rd</sup>, 24<sup>th</sup>, 30<sup>th</sup>, 31<sup>st</sup>

August 6<sup>th</sup>, 7<sup>th</sup>, 13<sup>th</sup>, 14<sup>th</sup>, 20<sup>th</sup>, 21<sup>st</sup>, 27<sup>th</sup>, 28<sup>th</sup>.

We are asking for B Circuit purses minimum 8 races per day and daily operating grants par to  
RMTC and Evergreen Park. ATCRA will handle disbursement of purses

Staff is in place, Jockeys / gate crew are from NP and we have arranged for a commission Vet.  
AD has contracts with International Sound (photo finish). Amtote (tote),

Alberta Downs is in danger of losing our track to the County of Lacombe. This is caused from  
the agreement I made with the county before construction to pay for the paving of the access  
road. The Slots did not come but agreement stayed, which is now \$420,000 plus 24% interest  
per year. Under that County agreement we are only allowed to run horse racing on this  
property. When HRA refused to give us race days and operating funds we were unable to  
generate funds. To top it off the Alberta Government has quarantined all trout farms in  
Calgary area from selling fish. Their reason is they found diseased fish in the Bow River basin.  
This cut the only other income we had.

HRA encourage this track to be built. It cost us almost \$8,000,000 and we dedicated 10 years  
of our lives to this venue. The Alberta slot handle has doubled and all the other tracks got  
operating grant increases. Alberta Downs serves a vital service to racing in Central Alberta.  
We imported 140 well bred race mares into the province in 2016 and our handle over the  
years is higher than the other two B Circuit tracks.

No racing has put us in a serious situation and appreciate if HRA would give us these race  
days. The County will accept \$50,000 yearly payments for the road.

Thank You

R O Allen

# NO RESPONSE TO APRIL 18, 2017

Feb. 15, 2017

Horse Racing Alberta  
Suite 720 Capital Place  
9707 – 110 Street  
Edmonton AB T5K 2L9



Attention; Rick Lelacheur

Dear Rick

We at Alberta Downs cannot understand how Horse Racing Alberta can encourage us to spend millions of dollars on a race track, given a 10 year race license, a home market area, race at our facility for 6 years with A circuit horses and then take it all away.

Alberta Downs is asking again for 2017 race days that we applied for in our letter dated Nov. 8<sup>th</sup>, 2016 with purses and operating grant.

In that letter, we explained the hardship HRA is putting Alberta Downs through by refusing dates and viewing HRA financials the small funds we are asking for would not have a negative impact on the industry. We have provided first class racing both Thoroughbred and Harness to Central Alberta for six years wagering more than any other B circuit track.

If HRA cannot award the above, we will have no alternative but to take another course of action. We have been advised that there are three directions that can be pursued, Mediation, Arbitrator or Legal action in court

We have dedicated our whole life to racing and can't understand why we are treated like an Enemy. Alberta Downs did nothing wrong to hurt the Racing Industry. HRA letters has never given a reason for refusing race dates and taking our home market area away. (given it to Century Downs)

Alberta Downs will fight to the end to get our racing business back and would appreciate if this application be addressed again.

R O Allen

403 606 3653

[albertadowns@mail.com](mailto:albertadowns@mail.com)

Cc; HRA board of directors  
Ron Orr MLA



# Vision

*Alberta will be recognized internationally  
for premier horse racing, breeding  
and quality entertainment.*

## MANDATE

1. To govern, direct, control, regulate, manage, market and promote horse racing in any or all of its forms.
2. To protect the health, safety and welfare of racehorses and, with respect to horse racing, the safety and welfare of racing participants and racing officials.
3. To safeguard the interests of the general public in horse racing.

## MISSION

To be a governing body whose role is to promote and facilitate the growth, integrity and economic contribution of the Alberta horse racing and breeding industry. This shall be done by providing quality entertainment, employment, economic and value-added agricultural opportunities within a unified, viable, progressive, accountable and self-regulated industry environment.

## CORE BUSINESS

To stabilize, enhance and ensure the growth and integrity of the Alberta horse racing and breeding industry.



## 2017 Board of Directors

Rick LeLacheur	Chairman
Blair Corbeil	Alberta Standardbred Horse Association representative (Horsemen)
Bill Andrew	Alberta Standardbred Horse Association representative (Breeders)
Brian Alexander	Canadian Thoroughbred Horse Society representative
Norm Castiglione	Horsemen's Benevolent and Protective Association representative
Martin West	Other Breeds representative
Paul Ryneveld	"A" circuit representative
Tim Reid	"A" circuit representative
Max Gibb	"B" circuit representative (to July, 2017)
Dan Gorman	"B" circuit representative (as of August, 2017)
Dale Leschiutta	Public representative (to April 27, 2017). Vacant at end of 2017.
Gill Hermanns	Public member (as of April, 2017)
Mark Ham	Alberta Treasury Board and Finance representative (non-voting)
Jamie Curran	Alberta Agriculture and Rural Development representative (non-voting)
Shirley McClellan	Chief Executive Officer (non-voting)

## 2017 HRA Committee Chairs

Brian Alexander	Governance and Compensation Committee
Bill Andrew	Breed Improvement Committee
Gill Hermanns	Audit and Finance Committee
Paul Ryneveld	Strategic and Sustainable Development Committee
Martin West	Regulatory and Licensing Committee

# Alberta Downs

## Alberta Downs Grandstand Relocated from Trout Springs



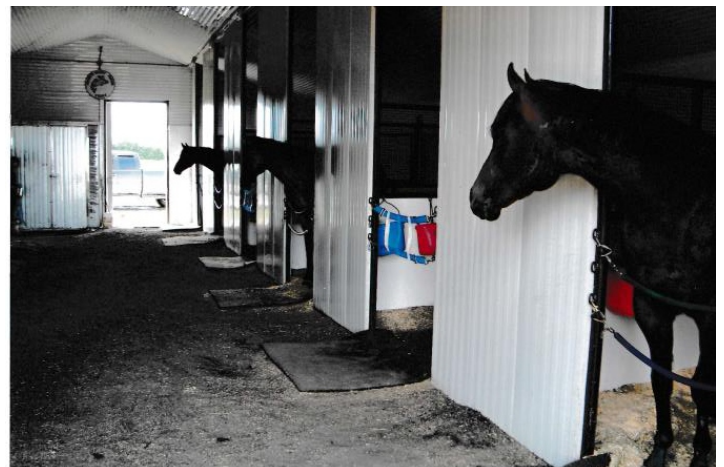
## Alberta Downs Grandstand Construction



21,000 760 sq.ft. Grand Stand and Entertainment Centre



Stable



Horses in Stalls





7/8 Mile Turf Track



Sodding Turf Track



Laying Track Surface



Constructing Track



Planted 1,500 Trees on  
Alberta Downs Property



120 Stall Arena

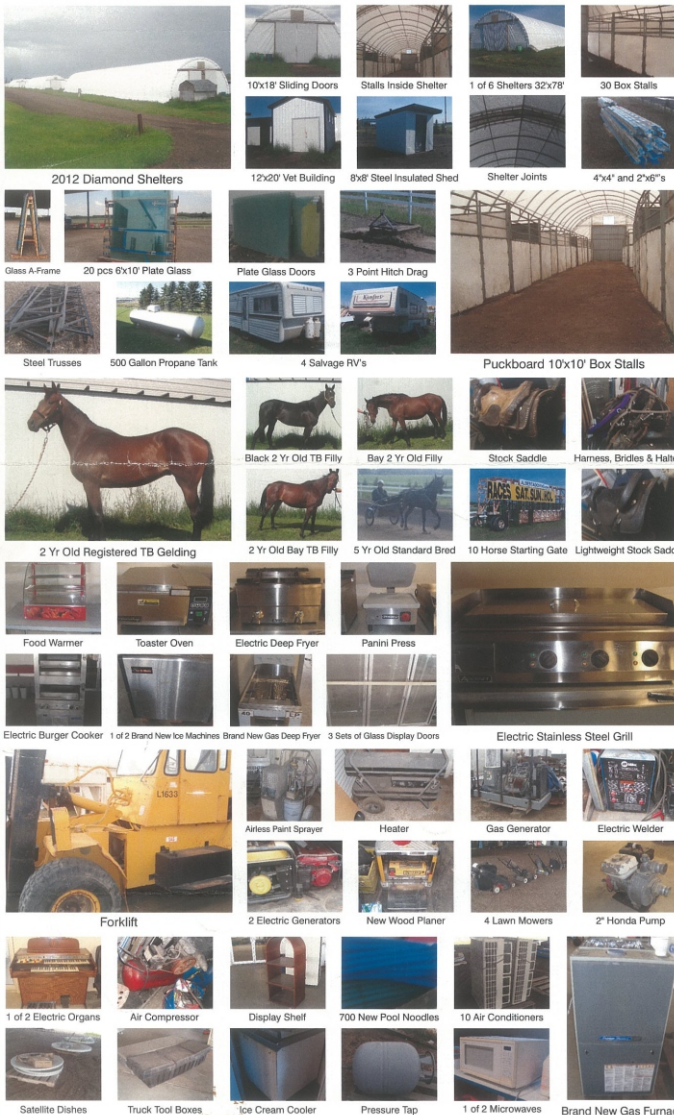


# AUCTION SALE

**Location: Alberta Downs Racetrack**  
**Saturday, Sept. 19, 2015 - 11 am**

**Dispersal of Thoroughbred Horses and  
 Surplus Equipment of Alberta Trout Inc.**

**Pictures & Info: [www.albertadowns.com](http://www.albertadowns.com)**



**Many More Items & Collectibles**  
 For more info call: Bob (403) 606-3653

**Don Montgomery, ICCA**

Auctioneer Lic. #195917, Box 939 Blackfalds, AB T0M 0J0  
 Phone (403) 885-2520 | Fax (403) 885-2520 | [don@montgomeryauctions.com](mailto:don@montgomeryauctions.com)

# AUCTION SALE

**Held at Alberta Downs Racetrack - Lacombe, Alberta**  
 1/4 mile east of overpass exit 422, on Hwy. 12 and Hwy. 2,  
 to RR27-2, turn right and follow RR27-2 to municipal 40309.  
**Monday, Sept. 19, 2016 - 11 am**



**50 Horses of Racing Age ~ All Fillies and Mares**  
**TOP PEDIGREES in the WORLD**  
 Catalogues available at [albertadowns.com](http://albertadowns.com)



**20 Barns with 4 Box Stalls 10'x40' Insulated Steel  
 Lined with Puck Board on Skids**



**50, 10'x10' Box Stalls  
 Steel & Puck Board**

**10'x40' Steel Tack Rooms  
 Insulated & on Skids**

**3 Washrooms with Utility Room  
 10'x30' on Skids, Steel R20 Insulated**



**International Tandem Water Truck  
 3000 Gallon with 30' Spray Bar**

**Ford Tandem Gravel Truck**

**350 Ford Ambulance  
 Fully Equipped**



**John Deer 14' 6WD Grader**

**Packer Attachment**

**1 mile of 5.5" Plastic Fencing**



**50" & 60"  
 Flat Screen TV's**

**Boardroom Table  
 & 7 Chairs**

**Bucking Bull**

**Cement Blocks**

**Aluminum  
 Horse Statues**

**PLUS MANY MORE ITEMS!!!**

**PERLICH BROS.**  
**AUCTION MARKET LTD.**  
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**PLANNED MARKETING PAYS!**  
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SELLING FOR ALBERTA TROUT INC. VISIT [WWW.PERLICH.COM](http://WWW.PERLICH.COM) FOR SALE LISTING AND PICTURES!



# Background of R.O. Allen

Owned and currently operating Allen's Trout Farm in Calgary, Alberta. The farm is surrounded by a 36-hole golf course and million dollar houses. Established in 1961, celebrating our 54th year of continuous stocking of lakes and ponds of live rainbow trout in Alberta.

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Owned and operated Happy Valley Recreations, Calgary, Alberta featuring an 18 hole golf course, a large amusement area with Olympic size indoor swimming pool, a 1,000 stall RV and tenting park. Happy Valley Recreations was sold in 1979 for housing development.

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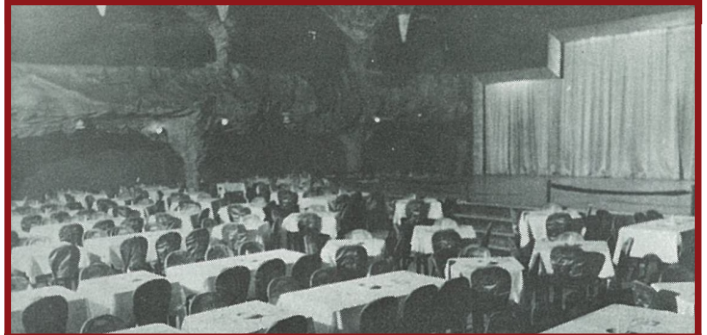
Operated the Cave Night Club, Vancouver, BC, established in 1937 and was replaced by a 37 story bank tower in 1981. Some of the best acts in the world played there. Roy Orbison, Bette Midler, BB King, Village People, Sonny and Cher, Wayne Newton, Johnny Cash, Mitzi Gaynor, Chuck Berry, Tina Turner, Louis Armstrong, Frank Sinatra and many more. The Club was a big stepping stone to playing Las Vegas.

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Alberta Downs constructed it's first race track in Calgary, in 1981 and it sold in 1998 for a housing and golf course development. We were the first track to provide simulcasting in Alberta and an all-weather sawdust racetrack.

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In 2006, Alberta Downs commenced a new racetrack operation in Lacombe, Alberta which has a 1 mile dirt all-weather track and a 7/8 mile turf allowing us to run thoroughbred and harness racing on the same card.







*Alberta Downs*  
INC.

e-mail [albertadowns@mail.com](mailto:albertadowns@mail.com)  
phone 403 606 3653

September 16, 2020