The Daily Courier e-Edition

Yavapai Downs gets new state permit



PHOENIX After only one brief comment, the Arizona Racing Commission voted unanimously Wednesday to grant a new three-year permit for horse racing and teletrack wagering for Yavapai Downs near Prescott Valley.

It took nearly two years of detailed scrutiny by a Department of Racing special investigator and contract auditor for the department to be satisfied that the Yavapai County Fair Association is financially strong enough to operate the track.

This was a lengthy review, investigator Linda Bergevin told the commission during its meeting in Phoenix Wednesday. We thoroughly reviewed all aspects of the Yavapai County Fair Association.

The Department of Racing and Fair Association corresponded back and forth numerous times as the department requested more information about various aspects of the relationship between the racetrack and the ACHIEVE Academy charter school that is located on the fairgrounds. The final submitted documents numbered more than 800 pages.

The Yavapai County Fair Association responded positively to all our requests, Racing Director Jeffrey Gonsher told the commission.

I appreciate the thoroughness of the investigation, Racing Commissioner Michael Napier told staff before making a motion to grant the permit. His was the only comment from the commission.

Fair Association General Manager Jim Grundy thought the investigation was a bit too thorough, however.

They went into an exorbitant amount of details, Grundy said after the meeting. Were glad the process is over. Theres no question in my mind we were going to get the permit, but it was a long, drawn-out procedure.

Grundy wasnt happy that the non-profit Fair Association had to pay the approximately \$50,000 cost of the investigation, either. And it had to pay the bill before it could get a Racing Commission hearing, he said.

The department stated in writing that it expected the Fair Association to pay the bill before the commission took action on the permit, but it would have scheduled the hearing anyway, Gonsher said.

The investigators, especially the contractor, had no real incentive to seek a speedy resolution to the case either, Fair Association lobbyist Jim Norton charged.

The department should have a cap on permit application fees, Norton said.

State law requires permit applicants to pay for the cost of processing their applications, Gonsher said.

The department also should extend its permit terms to at least five years, Norton said. The newly issued three-year permit for the Fair Association already is a year old.

The department is willing to consider three-year permits with two one-year options, Gonsher said.

Non-profit track operators should get less detailed reviews than for-profit operators, Fair Association Attorney Alex Vakula added.

State law doesnt make a distinction between the two, Gonsher said.

They were trying to get involved in year-round activities instead of focusing on the race meet, Grundy said. Gonsher disagreed, saying the department has a responsibility to look at all the revenues that support the track.

We hope we can address the underlying issues short of running a bill at the Legislature where we believe there is sufficient political will to change the process, Norton said.

Horse and dog track operators will meet with department officials April 22 to talk about ways to streamline the permit application process.

Soon afterward, the department will send letters to permittees suggesting they start compiling information for the next round of permit reviews, Gonsher said.

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