

**Minnesota Racing Commission
Meeting**

Thursday, November 21, 2024

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**Full Commission Meeting
Thursday, November 21, 2024, 4:00 p.m.
Nutrena Conference Center
1801 Dudley Avenue Saint Paul, MN 55108**

AGENDA

- 1) Call to Order
- 2) Roll Call
- 3) Adoption of Agenda
- 4) Approval of Minutes from Thursday, October 17, 2024
- 5) Committee Reports
 - A. Finance Committee
- 6) Action Items
 - A. 2025 Live Racing Requests from North Metro Harness Initiative (d/b/a Running Aces Casino, Hotel and Racetrack)
 - a. Live Racing Days Application
 - b. Televised Race Days Request
 - c. Racing Officials
 - B. Legislative Proposal – ADW Fee Increase
 - C. New Game Consideration-Double Down Madness
- 7) Status Reports
 - A. Running Aces Casino, Hotel, and Racetrack
 - B. Canterbury Park Entertainment
- 8) Executive Director's Report
 - A. Contract Approvals
 - B. HISA/HIWU Update
 - C. Personnel Update
 - D. ADW Report
 - E. Licensing Report
 - F. Other
- 9) MQHRA/MHRI/MNHBPA Reports

10) Future Meetings

- A. Full Commission Meeting - December 19, 2024 - Nutrena Conference Center

11) Adjourn

The Commission meeting packet may contain not public data pursuant to the Minnesota Government Data Practices Act. Commission staff has marked such data as not public. Please discard the data in a safe and confidential manner. Should you have questions about the classification of any data please contact Commission staff.

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Item 4 –
Minutes from
Commission Meeting
October 17, 2024

Full Commission Meeting

Thursday, October 17, 2024 – 4:00 p.m.

Nutrena Conference Center

1801 Dudley Avenue, St. Paul, MN 55108

MINUTES

Call to Order:

Agenda Item 1 – Call to Order

Chair McArdle called the meeting to order at 4:00 p.m.

Roll Call:

Agenda Item 2 – Roll Call

Present – Chair McArdle, Commissioners Benjamin, Colombo, Dehn, Gingold, Johnson, Koob. A quorum was acknowledged. Commissioner Goodman arrived at 4:04.

Other participants – Kyle Gustafson (Executive Director, Minnesota Racing Commission), Penny Nelson (Deputy Director, Minnesota Racing Commission), E. Joseph Newton (General Counsel, Minnesota Racing Commission), Dr. Lynn Hovda (Chief Commission Veterinarian, Minnesota Racing Commission), Casey Larson (Presiding Judge, Minnesota Racing Commission), Randy Sampson (President/CEO, Canterbury Park Entertainment), Aaron Bedessem (Director of Marketing, Running Aces Casino, Hotel and Racetrack), Steve Carpenito (Director of Racing, Running Aces Casino, Hotel and Racetrack), Cathy Dessert (Vice President, Minnesota Harness Racing, Inc.) Mike Cronin (Minnesota Horsemen's Benevolent and Protective Association).

Adoption of Agenda:

Agenda Item 3 – Approval of Agenda

Commissioner Koob motioned to approve the agenda; Second by Commissioner Gingold; Motion passed.

Approval of Minutes:

Agenda Item 4 – Approval of Minutes

Commissioner Colombo motioned to approve the September 16, 2024, minutes; Second by Commissioner Benjamin. Motion passed.

Agenda Item 5 – Committee Reports

A. Racing Committee Report on 2025 Rules Package

Commissioner Colombo thanked everyone for their help on the rules packet.

Agenda Item 6 – Action Items

A. Consideration of Racing Committee's Recommendation on 2025 Rules Package.

Chair McArdle gave a summary of the changes to the 2025 rule packet. Commissioner Dehn motioned to approve the 2025 Rules Packet; Second by Commissioner Koob. Motion passed.

B. 2025 HISA Assessment – MRC Partial opt-in for payment

Executive Director Gustafson reviewed the previous year's HISA assessments and payments. Commissioner Goodman motioned to direct staff to work with Canterbury Park and Running Aces to analyze how much money is paid to the state of Minnesota in sales tax revenue on food and beverage and admissions so we can see how much the state is generating from the tax; Second by Commissioner Gingold.

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Commissioner Dehn motioned to approve opt-in and cover 25% of the payment; Second by Commissioner Goodman. Motion passed.

C. Legislative Proposal – ADW Fee Increase - Tabled

Agenda Item 7 – Status Reports

A. Canterbury Park Entertainment

Mr. Sampson – Commented on the 2025 HISA Assessment, Payment and ADW Fee Increase before preceding to the Status Report. End of the meet had some positives, but overall cannot overstate the concern going forward and the need of some form of additional purse money, we are in a situation where there is a gap that needs to be filled. Attendance was flat. The most positive was the field size, 7.5 horses per race. Handle on track was flat, out of state handle up about 15%. Unfortunately, this did not translate into the business improvement we hoped for and as a result ended up with a significant shortfall in purses that the track had to make up and over-pay what is statutorily required. For next year very concerned. Last spring Mystic Lake completed an amendment with the state to their compact to add all the games that Canterbury currently has, and they have now started to put those games in over the last month. We are already seeing a decline in revenues, and they have not put all the games in yet. We expect to see a continued decline in our revenues as a result. When you look at next year's purse amount that is going to take it down even further. I again cannot overstate the concern of how we have to get something done legislatively. Construction update is going fine, new roads, Improving the RV park, permanent fencing and landscaping, all the things we could not complete when the horses were on site are now being wrapped up.

B. Running Aces Casino, Hotel and Racetrack

Mr. Bedessem – Construction, slightly disruptive but going well. Bar closed, players still coming in. Mr. Carpenito – September 21st, completed 2024 race meet with 12 race night of Champions, \$780,000 in purse money was distributed to owners of Minnesota sired Pacers and Trotters. Large and enthusiastic crowd, extremely exciting with the margin of victory in nine of the 12 races being less than one length. Highlights from the evening were a performance by DP Freedom's Chrome, who won the three-year old division, and completed a perfect 11 for 11 season at Running Aces. Overall, we were pleased with the results of the 2024 meet. Racing was exciting. There were new all age track records from both the pacing and the trotting side. Improvement in the depth and quality of the Minnesota side of performers, also the driver colony was much deeper this year. 12 drivers won at least 20 races in the meet where last year only 8 accomplished that. Numbers were positive across the board, showed increases in number of races, number of Minnesota sired races, unique starters, horses in the box, participating stables, as well as field size. Wagering handle front, on track handle was flat with 2023, all source handle was down 7% from last year.

Agenda Item 8 - Staff Reports

A. Chief Veterinarian's Report

Dr. Hovda presented the report.

B. Stewards Report

C. Judges Report

Mr. Larson presented the report.

Agenda Item 9 – Executive Director's Report

A. Contract Approvals

Mr. Gustafson – One contract for playing cards at Running Aces.

B. HISA/HIWU Update

C. Personnel Update

D. ADW Report

E. Licensing Report

F. Other

Item 10 – MQHRA/MTA/MHRI/MNHBPA Reports

MHRI – Cathy Dessert – due to time restraints will hold her report for next month’s meeting.

MNHBPA – Mike Cronin – For HISA, wanted to extend offer of assistance with fee reduction.

Item 11 – Future Meetings

Full Commission Meeting Thursday, November 21, 2024 @ 4:00 pm at Nutrena Conference Center.

Item 12 – Adjournment

Chair McArde adjourned the meeting on Monday, October 17, 2024, at 5:48 p.m.

THESE MEETING MINUTES HAVE BEEN APPROVED ON THIS ____ DAY OF _____, 2024 BY A QUORUM OF THE MINNESOTA RACING COMMISSION.

DRAFT

Action Items

Item 5 –

Committee Reports

A. Finance Committee

Item 6 – Action Items

- A. 2025 Live Racing Requests from North Metro Harness initiative (d/b/a Running Aces Casino, Hotel and Racetrack)
 - a) Live Racing Days Application
 - b) Televised Race Days Request
 - c) Racing Officials

October 23, 2024

Mr. Kyle Gustafson, Executive Director
MINNESOTA RACING COMMISSION
15201 Zurich St. NE, Suite 212
Columbus MN 55025

Subject: MRC Rule 7872.0100 and 7872.0110
Request for Racing Days

Dear Mr. Gustafson:

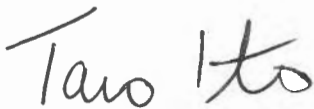
North Metro Harness Initiative, LLC d/b/a Running Aces respectfully requests consideration and approval for Live Racing Days in 2025.

This request for Live Racing Days includes the following exhibits required under MRC Rule 7872.0100:

- Statement of the precise nature and extent of the assignment requested, including dates, breeds, number of races per program, types of races, purses, and hours of racing.
- Exhibit A: 2025 Proposed Racing Calendar.
- Exhibit B: Detailed statement of how the request meets each of the criteria in 7872.0110.
- Letter of support provided by MHRI, Inc.

We appreciate your assistance with this application and look forward to another successful Racing season here at Running Aces. Please contact me directly with any related questions or comments at 651.925.4532.

Sincerely,



Taro Ito
President and CEO

Statement of the precise nature and extent of the assignment requested, including dates, breeds, number of races per program, types of races, purses, and hours of racing.

A. Live Racing Dates: Running Aces proposes a 55-day Live Harness Racing meet commencing Sunday, May 18, 2025 and closing Saturday, September 20, 2025.

B. Breeds of Horses: All races will be for Standardbred horses.

C. Number of Races Per Day: Running Aces will hold a minimum of 8 but up to 12 races on each live racing day.

D. Types of Races:

1. Maiden
2. Claiming
3. Conditioned Claiming
4. Condition (NW2500L4, NW5000L4, etc.)
5. Non-winners (1, 2, etc.)
6. Stakes
7. Minnesota-bred
8. Minnesota-bred stakes
9. Fillies and mares (open)
10. Open (stallions and geldings)
11. Open Trot
12. Late closers

E. Purses: Purses will be paid in accordance with Minnesota statutes and our agreement with Minnesota Harness Racing, Inc. (MHRI).

F. Hours of Racing: We estimate that each race program will take between 2½ to 4 hours to complete. We request a 7:00 PM post time on Tuesday's and a 6:00 PM post time for all other race days for the 2025 live racing season. We anticipate that the Minnesota Night of Champions will be on Saturday, September 20, 2025 and may contain as many as 12 championship races.

2025 Running Aces Schedule EXHIBIT A

JANUARY

M	T	W	T	F	S	S
			1	2	3	4
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

FEBRUARY

M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28		

MARCH

M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

APRIL

M	T	W	T	F	S	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

MAY

6 days

M	T	W	T	F	S	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

JUNE

13 days

M	T	W	T	F	S	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

JULY

14 days

M	T	W	T	F	S	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

AUGUST

13 Days

M	T	W	T	F	S	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

SEPTEMBER

9 days

M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

OCTOBER

M	T	W	T	F	S	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

NOVEMBER

M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

DECEMBER

M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Racing Schedule 2025

Backside opens May 4

55 days, May 18 - Sept 20

A maximum of four qualifiers will be held prior to the races on Tuesdays 5:30 PM Post (4 Qua's) 5:55 Post (3 or fewer) CT

LEGEND

RACE NIGHT Post 6PM CT
RACE NIGHT Tuesday Post 7PM CT
Minnesota Sired Consolations - 6 PM Post CT
MINNESOTA NIGHT OF CHAMPIONS - 6PM Post CT
Backside Opens
Qualifying Races - 12:00 Noon Post CT

2025 Holidays

May 11 - Mothers Day

May 26 - Memorial Day

June 15 - Fathers Day

July 4 - Independence Day

Sept 1 - Labor Day

15201 Running Aces Blvd
Columbus, MN 55025

651.925.4532
scarpenito@runaces.com
www.runaces.com

**Running Aces
Application for Race Days 2025
Detailed Statement – EXHIBIT B October 23, 2024 Exhibit B**

Detailed statement of how the request meets each of the criteria in part 7872.0110

A. The integrity of the licensee and the host racetrack: North Metro Harness Initiative, LLC (NMHI) d/b/a Running Aces has upheld the integrity of its license as a host track. NMHI received its class A and B racing licenses from the Minnesota Racing Commission (MRC) in 2005. NMHI completed construction of Running Aces in early 2008 and has successfully conducted seventeen full race meets over the period of 2008 to 2024 consecutively.

NMHI opened the card room at Running Aces on June 30, 2008. Throughout the licensing and development process, the inaugural race meet, and now in connection with ongoing operations, NMHI has conducted its business in accordance with Minnesota statute and the rules of the MRC.

B. The financial strength of the licensee and the host racetrack: NMHI and its owners have the financial resources to conduct the 2025 live race meet in accordance with this application for Race Dates.

NMHI is 100 percent owned by RAHP, LLC (RAHP) which in turn is 100 percent owned by funds managed by Black Diamond Capital Management, LLC (BDCM).

BDCM manages investment funds of over \$8 billion.

Black Diamond has demonstrated its support of Running Aces by the history of its capital investments into Running Aces to support operations and capital projects. NMHI has an equity owner with the financial wherewithal to support NMHI if necessary.

Based upon NMHI's strong balance sheet and operating results, NMHI has the financial strength to support its obligations to the racing community. All cash generated for contribution to purses is funded in separate accounts and we maintain a \$500,000 bond issued for the benefit of the Minnesota Racing Commission.

C. The ability of the licensee and the host racetrack to operate a racetrack and conduct horse racing, including licensee's facilities, systems, policy makers, managers and personnel.

We have a state-of-the art Live and Simulcast Racing facility, totalizator system, and production systems capable of presenting a quality and professional product to our customers. We have experienced licensed staff who continue to drive competitive products and programs to enhance our overall customer experience. Our Senior Racing Officials and Managers work with transparency and open communication with MHRI, the horsemen and women and the MRC staff to ensure all aspects of our policies, procedures, and practices are in the best interest of our customers and the integrity of our operations.

D. Past compliance of the licensee and the host racetrack with all laws, rules and orders regarding pari-mutuel horse racing.

We conduct our Racing and Card Club operations in full accordance with the laws of the State of Minnesota and the rules of the MRC. In 2014, Running Aces was found to be non-compliant with MN Statute 240.13 subd.5. This situation has since been resolved to the satisfaction of the MRC and MHRI.

Running Aces has received letters regarding compliance concerns from the MRC which have been responded to and corrected in a timely manner.

E. The licensee's market, including area, population, and demographics.

October 25, 2024

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Running Aces

Application for Race Days 2025

Detailed Statement – EXHIBIT B October 23, 2024 Exhibit B

We have continued to attract new and returning customers from all over the Twin Cities metro area, predominantly south and west of the property. The majority of our gaming customers and gaming revenues are generated from customers that reside within 30 miles of the property.

F. The performance of the licensee and host racetrack with previously assigned dates.

We have successfully completed sixteen live racing meets assigned by the Minnesota Racing Commission. In 2024, we completed 54 of our assigned 55 live race days. On the evening of Thursday, August 29, 2024 we were forced to cancel our race card due to track condition concerns.

G. The impact of the assignment of racing days on the economic viability of the racetrack, including attendance and pari-mutuel handle.

The requested 2025 schedule of racing days has been developed to continue the success of previous live racing meets. We met with MHRI and agreed to a schedule for the proposed 55 live racing days in 2025. For the 2025 meet we will continue with a very similar schedule to the schedule we applied for in 2024, a season in which we achieved the third highest all-source record pari-mutuel handle in our history. We will open the backside and barns for horse men and women to arrive on May 4, 2025 for training in advance of the first scheduled race day on Sunday, May 18, 2025.

The 2025 live racing days request is designed to accommodate the projected supply of horses and horsemen and women attracted to Running Aces. In addition, the requested schedule will assist in offering full, competitive fields to our fans which brings excitement to our races and drives attendance and pari-mutuel handle while offering additional racing opportunities for Minnesota's 2 and 3-year-old horses, and aged horses.

H. The quantity and quality of economic activity and employment generated.

Currently we offer approximately 410 full-time and part-time jobs and up to an additional 55 seasonal jobs. We currently support annual payroll and employee benefits in excess of \$18 million. These jobs and payroll, as well as the many vendors and other third parties that engage directly in business with us has resulted in a substantial increase in economic activity in the areas surrounding our racetrack and card club. We are one of the largest employers within the community, a generally rural area 20 miles north of downtown Minneapolis and 15 miles north of downtown St. Paul.

In 2017 the University of Minnesota Extension Program for Community Vitality estimated that Minnesota's Horse Racing Industry generated an estimated \$409.2 million of economic activity in the State of Minnesota in 2015. Of this \$176.1 million of the estimated impact was direct spending by the horse racing industry (defined as owners, trainers, breeders, Canterbury Park, Running Aces and the MRC).

I. State tax revenues from racing and related economic activity.

The State of Minnesota will receive revenue under some or all of the following taxes from business at Running Aces during 2025:

1. sales tax
2. business income tax
3. license fees
4. reimbursement of state expenses related to the regulation and operation of the track

Running Aces

Application for Race Days 2025

Detailed Statement – EXHIBIT B October 23, 2024 Exhibit B

5. Minnesota income tax on employee wages
6. unemployment tax
7. real estate taxes

We estimate that the total revenue from the above sources will exceed \$3 million in 2025. This does not include tax revenue from economic activity generated indirectly by Running Aces, but outside of its operations.

J. The entertainment and recreation opportunities for Minnesota citizens.

We offer a family-friendly environment for our live and simulcast racing which appeals to a broad range of people who seek entertainment and recreation. With the approval of the requested live racing days, Running Aces will greatly enhance the entertainment options for those Minnesotans who already dedicate a significant portion of their time and financial resources to the care and racing of Standardbred horses. During the 2024 racing season our daily race attendance closely mirrored that of 2023. This demonstrates that there is a demand for entertainment of this nature in our market and that Running Aces is a popular entertainment venue.

K. The variety of racing.

Harness racing is a relatively small and under-represented segment of horse racing, often over-shadowed by the much more well-known Thoroughbred races. Harness racing typically draws a more family-oriented spectator than thoroughbred racing. In the face of a long history of decline in the popularity of harness racing, we provide the sport of harness racing with a first-class venue, benefiting horsepersons and spectators.

Within our harness racing calendar, we will offer a variety of different races featuring different gaits, purses, Minnesota-only races and qualifying requirements.

L. The quality of racing.

Running Aces will conduct its racing in its modern facility with outstanding barns for stabling, state-of-the-art equipment and systems, and one of the safest racing surfaces in the industry. We continue to face significant competitive disadvantages with other race tracks benefiting from enhanced purses provided by Racinos, slot machine revenues, and other forms of gaming.

M. The availability and quality of horses.

The availability of horses has struck the racing industry very hard in all facets. However, we believe that our purpose-built facility for harness racing has created excitement among harness horse owners, trainers and drivers that participated in our first seventeen seasons. We have enjoyed strong local support from horsemen and women racing in Minnesota, Iowa, and Wisconsin. We have also developed a strong relationship and natural partnership with horsemen and women from California racing at Cal Expo. Nearly 50% of all horses racing in MN also race in CA during the winter months.

We continue to face challenges with attracting competitive horses as MN is isolated from other areas with more concentrated harness racing such as the Mid-East and the East Coast. Additionally, more States are authorizing Racinos or other forms of gaming at horse racing tracks to save the racing industry and to significantly improve purses. Purses are key to attracting horse men and women to the industry and to

Running Aces

Application for Race Days 2025

Detailed Statement – EXHIBIT B October 23, 2024 Exhibit B

drive equine ownership as the cost to support one race horse is significant. For 2025, we are targeting purse levels which should be similar to those of 2024, which were the second highest in our history and coupled with a continued recruitment program we have reason to believe the horse population will continue to improve in 2025. We believe by primarily racing three days per week will help to provide competitive fuller fields and help to manage the horse supply. The timing of our season remains consistent with previous years which will assist in attracting new and returning stables to Minnesota.

Running Aces purses are comparable with regional Standardbred tracks without electronic gaming but this places us in the bottom quartile for purses and at a significant disadvantage of attracting horse men and women.

N. The development of horse racing.

Running Aces proposes to offer 55 days of live harness racing in Minnesota during 2025. In addition to these dates, Running Aces requests to simulcast live racing from other racetracks every day excluding Christmas Day.

With promotions, educational seminars, and well-trained and approachable staff, we will continue to build our Live and Simulcast Racing programs in ways to continue to grow our sport. Our vision for continued growth will be measured in the relative increase of Minnesota owned and bred horses foaled and participating in our annual quality race meets. Growth in standard bred racing in MN will be dependent upon implementing other forms of approved gaming from which to provide increased purses and promote the breeding, ownership and training of Standardbred horses.

In December 2017 we formed a charity, North Metro Racehorse and Community Foundation. The charity has made donations of approximately \$55,000 to date, including a donation to This Old Horse, Calx for the housing of horses due to COVID-19 and a driver at Running Aces who was battling cancer.

In 2023, Running Aces in conjunction with the MHRI, announced a formal partnership with This Old Horse to continue our commitment to the well-being of Minnesota's Standardbreds after their racing careers are over.

O. The quality of racetrack facilities.

Running Aces is a first-class harness racing facility from the grandstand to the barns to the track surface itself. We have worked with experts in all areas of harness racing to ensure that these facilities are the highest quality in design, execution and operation.

We have three barns (A, B, and C) with 251 total stalls, plus a fourth barn (D) which houses a secured paddock and the state veterinary areas. In 2016, we constructed ten additional ship-in stalls and in 2020 we constructed eight more ship in stalls for additional stabling on site.

Running Aces has available 15 trailers for housing and an additional five pads with services, which can accommodate up to forty horsemen and women to stay onsite and in close proximity to their horses. We will furnish and offer affordable housing for those who choose to take advantages of these accommodations. Additional discounts and services are also available for MHRI members.

There are also private stabling facilities in Rice Lake, WI, Cannon Falls, MN, and other suitable stabling facilities which are relatively close to Running Aces for horsemen and women to utilize during the race meet.

P. Security.

Running Aces

Application for Race Days 2025

Detailed Statement – EXHIBIT B October 23, 2024 Exhibit B

We successfully completed our seventeenth year of live racing adequately securing our gaming and horse racing facilities. We have developed a close working relationship with the MRC, the Minnesota Alcohol and Gaming Enforcement Division and local police and fire departments to provide necessary security during the race meet. We will continue to provide a high level of security to protect the racing venue. As we prepare for the 2025 season, we will work with the MRC to continue making improvements to our existing and new security protocols in response to the 2024 end of meet judges and MRC recommendations.

Q. Purses

Running Aces again paid in excess of \$6 Million in 2024 down slightly from 2023. For 2025, we believe purses should again be in excess of \$6 Million, very similar to those of 2024, the second highest ever paid by Running Aces. Our purses remain in the bottom quartile compared to other harness tracks.

R. Benefits to Minnesota breeders and horse owners.

Running Aces provides a state-of-the-art venue for Standardbred owners in Minnesota to compete in-state at least 50 days every year. Our meet and the consistency of race days and available races, contributes to Minnesota's Standardbred owner's ability to increase ownership, breeding and training of Minnesota race horses as well as to enable planning for them to contest their horses competitively at other regional harness racing meets year-round.

S. Stability in racing dates

The 2025 racing days schedule is consistent with past years and is based on the successes and lessons learned from our first seventeen years of live racing. By maintaining a similar schedule from year to year, horsemen and women are aware of the timing of our season and can plan and train their horses accordingly. In addition, for the 2025 proposed season, Running Aces will continue to open the backside fourteen days in advance of the first racing day and will remain open through mid-September to accommodate 55 race days. A consistent schedule also contributes to better attendance and participation from our fans, horsemen, and their families and friends' entertainment.

This request is based on the successful results of the planning and execution of the previous race meets and we believe that consistency is the best ongoing approach to participation and growth of the program.

T. Competition among racetracks and with other providers of entertainment and recreation as well as its effects.

We compete with other family-oriented entertainment venues in the Anoka, Washington and Chisago County areas such as movie theaters, restaurants and sporting events. Our live meet schedule provides a quality, entertaining racing product at a time when potential guests are looking for entertainment opportunities in the summer.

U. The social effects.

Currently we offer approximately 410 full-time and part-time jobs and up to an additional 55 seasonal jobs to the north side of the Twin Cities metropolitan area. Running Aces hires these employees in accordance with the affirmative action plan adopted as part of its license application. The economic effects of this employment and the rest of Running Aces business activities will have a significant impact on the northern suburbs of the Twin Cities area.

Running Aces

Application for Race Days 2025

Detailed Statement – EXHIBIT B October 23, 2024 Exhibit B

Our racetrack and card room add a high-quality, family friendly entertainment option for people in the northern suburbs of the Twin Cities.

Running Aces will maintain a comprehensive compulsive gambling awareness program throughout its operations.

V. Ecology

We have constructed a facility in compliance with all applicable environmental regulations and we operate our business in the same manner.

W. Community and government support.

Running Aces enjoys strong government support in Columbus, Minnesota. We believe our strong support within the local community, including the local business community, continues to grow.

X. Sentiment of horsepersons.

We have an agreement with MHRI on the purse accounting period to use for the 2025 meet and we have consulted with MHRI on the 2025 race meet schedule. MHRI has provided letters of support for our 2025 Live and Simulcast Racing.

Y. Any other factors related to assignment of racing days which the commission deems crucial to its decision-making as long as the same factors are considered with regard to all requests.

Running Aces will respond to any such request.



October 21st, 2024

Steve Carpenito Director of Racing

Dear Steve,

This is a letter, per request of Running Aces Casino, Hotel and Racetrack, from the MHRI Board of Directors, agreeing to the racing schedule for 2025.

We are hopeful that the Minnesota Racing Commission will approve these dates you, Running Aces and MHRI have collaboratively defined.

We look forward to another successful racing season in 2025 at Running Aces.

Sincerely,

10/21/2024

X 

Alyssa Fetterly

MHRI Administrative Director

Signed by: 33c7fb9f-ca71-4779-ac9d-374989760baa

Alyssa Fetterly for Justin Anfinson, MHRI President



October 23, 2024

Mr. Kyle Gustafson, Executive Director
MINNESOTA RACING COMMISSION
15201 Zurich St. NE, Suite 212
Columbus MN 55025

Subject: MRC Rule 7872.0100, Subp.6
Submission of Televised Racing Dates Request 2025

Dear Mr. Gustafson:

North Metro Harness Initiative, LLC d/b/a Running Aces, respectfully requests approval to simulcast and accept wagers on Thoroughbred, Quarter Horse and Standardbred sites pursuant to MRC rule 7872.0100, Subp.6.

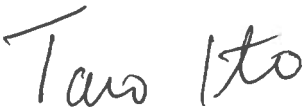
The following are included within this request:

- Simulcast Track Listing for TB, QH, and SB Harness (Exhibit B)
- Approval letter from Minnesota Horsemen's Benevolent & Protection Association, Inc.
- Approval letter from Minnesota Harness Racing, Inc.

Running Aces is requesting simulcasting 364 days in 2025 excluding only 12/25/2025. Contracts will be available to the MRC for review prior to accepting any wagers on the approved sites.

Please contact me with any related questions, concerns, or comments at 651.925.4532.

Sincerely,



Taro Ito
President and CEO

Running Aces Casino, Hotel & Racetrack 2025

Simulcast Tracks – Exhibit B

TB & QH Tracks

Australia A, B, C

Australian Racing

Arizona Downs

Prescott Valley, AZ

Assiniboia Downs

Winnipeg, Manitoba, Can

Alameda County Fair

(Pleasanton)

Pleasanton, CA

The Downs at Albuquerque

Albuquerque, NM

Aqueduct (NYRA)

Ozone Park, NY

The Big Fresno Fair (Fresno)

Fresno, CA

Belmont Park (NYRA)

Elmont, NY

Belterra Park

Cincinnati, OH

California State Fair

(Sacramento)

Sacramento, CA

Canterbury Park

Shakopee, MN

Century Downs

Calgary, Alberta, Can

Century Mile

Edmonton, Alberta, Can

Charles Town

Charlestown, WV

Churchill Downs

Louisville, KY

Churchill Downs (Derby Future

Wager)

Louisville, KY

Colonial Downs

New Kent, VA

Del Mar

Del Mar, CA

Delaware Park

Wilmington, DE

Delta Downs

Vinton, LA

Ellis Park

Henderson, KY

Emerald Downs

Auburn, WA

Evangeline Downs

Lafayette, LA

Fair Grounds

New Orleans, LA

Fair Meadows

Tulsa, OK

FanDuel Sportsbook and Racng

Collinsville, IL

Finger Lakes

Farmington, NY

Fonner Park

Grand Islands, NE

Fort Erie Racetrack

Fort Erie, Ontario, CA

Grants Pass Downs

Grants Pass, OR

Gulfstream Park

Hallandale Beach, FL

Harrahs Columbus

Columbus, NE

Hastings Race Course

Vancouver, BC, Can

Hawthorne Race Course

Stickney, IL

Horseshoe Indianapolis

Shelbyville, IN

Humboldt County Fair (Ferndale)

Ferndale, CA

Keeneland

Lexington, KY

Kentucky Downs

Franklin, KY

Laurel Park

Laurel, MD

Legacy Downs

Lincoln, NE

Lone Star Park

Grand Prairie, TX

Los Alamitos Race Course

Cypress, CA

Louisiana Downs

Bossier City, LA

Mahoning Valley Racecourse

Youngstown, OH

The Meadowslands (MTH @ M)

East Rutherford, NJ

Meydan (Dubai Racing)

Dubai, UAE

Monmouth Park

Oceanport, NJ

Mountaineer Park

Chester, WV

Oaklawn Park

Hot Springs, AR

Penn National

Grantville, PA

Parx Racing

Bensalem, PA

Pimlico

Baltimore, MD

Presque Isle Downs

Erie, PA

Prairie Meadows

Alltoona, IA

Remington Park

Oklahoma City, OK

Retama Park

San Antonio, TX

Ruidoso Downs

Ruidoso, NM

Sam Houston Race Park

Houston, TX

San Mateo County Fair (San Mateo)

San Mateo, CA

Santa Anita Park

Arcadia, CA

Saratoga (NYRA)

Saratoga Springs, NY

Solano County Fair (Santa Rosa)

Santa Rosa, CA

Sunland Park

Sunland Park, NM

Tampa Bay Downs

Oldsmar, FL

Thistledown

North Randall, OH

Timonium Racetrack

Timonium, MD

Turf Paradise

Phoenix, AZ

Turfway Park

Florence, KY

Will Rogers Downs

Claremore, OK

Woodbine

Toronto, Ontario, Can

Zia Park

Hobbs, NM

Running Aces Casino, Hotel & Racetrack

2025

Simulcast Tracks – Exhibit B

Harness Tracks

Bangor Raceway

Bangor, ME

Batavia Downs

Batavia, NY

Buffalo Raceway

Hamburg, NY

Cal Expo Harness

Sacramento, CA

Century Downs

Calgary, Alberta, Can

Century Mile

Edmonton, Alberta, Can

Chester Downs (Harrahs

Philly)

Chester, PA

Cumberland Raceway

Cumberland, ME

Cumberland Run Corbin

Corbin, KY

Dayton Raceway

Dayton, OH

Delaware County Fair

Delaware, OH

Dover Downs

Dover, DE

Flamboro Downs

Dundas, Ontario, Can

Fraser Downs

Surrey, BC, Can

Freehold Raceway

Freehold, NJ

Georgian Downs

Innisfil, Ontario, Can

Grand River Raceway

Elora, Ontario, Can

Harrington Raceway

Harrington, DE

Hawthorne Race Course

Stickney, IL

Hoosier Park

Anderson, IN

Miami Valley Gaming

Lebanon, OH

The Meadows

Meadow Lands, PA

The Meadowlands

East Rutherford, NJ

Mohawk Racetrack

Campbellville, Ontario, Can

Monticello Raceway

Monticello, NY

Northfield Park

Northfield, OH

Northville Downs

Northville, MI

Oak Grove Gaming

Oak Grove, KY

Ocean Downs

Berlin, MD

Plainridge Racecourse

Plainville, MA

Pocono Downs

Wilkes Barre, PA

Red Shores at

Charlottetown

Charlottetown, PEI, Can

Rideau Carleton

Raceway

Gloucester, Ontario, Can

Rosecroft Raceway

Ft Washington, MD

Saratoga Harness

Raceway

Saratoga Springs, NY

Scioto Downs

Columbus, OH

Shenandoah Downs

Woodstock, VA

The Red Mile

Lexington, KY

Tioga Downs

Nichols, NY

Vernon Downs

Vernon, NY

Western Fair Raceway

London, Ontario, Can

Woodbine Harness

Toronto, Ontario, Can

Yonkers Raceway

Yonkers, NY

Minnesota Horsemen's Benevolent & Protection Association

1100 Canterbury Road South, Shakopee, MN 55379

October 15, 2024

Mr. Taro Ito

Running Aces Racetrack

15201 Zurich Street NE

Forest Lake, MN 55025

Dear Mr. Ito:

The Minnesota HBPA gives its consent upon full compliance with the Interstate Horseracing Act of 1978, the Minnesota Administrative Code and Minnesota Department of Racing policies while retaining its right to withdraw consent at will, the Running Aces Racetrack to receive full/partial flat racing simulcasts and select stakes from the following tracks for 2025. (See Exhibit B)

Please be advised that the Minnesota HBPA continuously reviews and evaluates simulcast arrangements and reserves the right to withdraw its approval at will.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Mike Cronin". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mike Cronin

Executive Director – Minnesota HBPA



October 14th, 2024

Kyle Gustafson
Executive Director Minnesota Racing Commission

15201 Zurich Street NW
Columbus, MN 55025


Dear Mr. Gustafson,

This letter is to support Running Aces Casino, Hotel & Racetrack's Import Simulcast Sites list for the 2025 racing season; per the import site list contained in Exhibit B of its request to the Racing Commission.

Any changes to the import list will require additional written approval from Minnesota Harness Racing Inc.

Sincerely,

10/14/2024

X 

Alyssa Fetterly
MHRI Administrative Director
Signed by: 33c7fb9f-ca71-4779-ac9d-374989760baa

Alyssa Fetterly for Justin Anfinson, MHRI President



October 23, 2024

Mr. Kyle Gustafson, Executive Director
MINNESOTA RACING COMMISSION
15201 Zurich St. NE, Suite 212
Columbus MN 55025

Subject: MRC Rule 7877.0110 Subp. 4
Running Aces 2025 Racing Official Submission

Dear Mr. Gustafson:


North Metro Harness Initiative, LLC d/b/a Running Aces respectfully submits for review and approval the returning employees with responsibilities related to the 2025 Live Racing season.

The Running Aces employees are:

- Steve Carpenito, Director of Racing
- Ryan Hertling, Track Superintendent
- Kiel Winkler, Mutuel Manager
- Neng Yang, Director of Security

We appreciate your consideration of Running Aces Racing Officials for the 2025 Live Racing meet. Please contact me with any related questions, concerns, or comments at 651.925.4532.

Sincerely,



Taro Ito
President and CEO

Item 6 –

Action Items

B. Legislative Proposal

– ADW Fee Increase

Item 6 –
Action Items
C. New Game
Consideration –
Double Down
Madness



September 27, 2024

Kyle Gustafson, Executive Director, Minnesota Racing Commission
Penny Nelson, Deputy Director, Minnesota Racing Commission
1100 Canterbury Road
Shakopee, MN 55379

Request: Executive Director approval for Double Down Madness Blackjack

Mr. Gustafson & Ms Nelson:

Canterbury Park is requesting Executive Director approval of the blackjack variant, Double Down Madness Blackjack. This game is distributed by Light and Wonder, an MRC licensed vendor, and is approved for play in Las Vegas, Iowa, and jurisdictions across the country. This game is an enhanced blackjack game that gives the players more than one opportunity to double-down on their original wager.

I have included the game pay tables, the game math, and a sample strategy card as attachments to this email. It is my understanding that because this is a variation of a previously approved game, that it only requires Executive Director approval. Should you feel this needs full commission approval, I would welcome the opportunity to present the game to the finance committee.

Please let me know if there are any additional questions or concerns,

A handwritten signature in black ink, appearing to be "MH", with a long horizontal stroke extending to the right.

Michael Hochman
VP Card Casino Operations
Canterbury Park

cc: Nick Cummins, MRC, Sean Corrigan, MRC



HAND	Paytable 01
Suited Blackjack	2 to 1
Unsuited Blackjack	3 to 2
House Advantage	
6 Decks	0.89%
8 Decks	0.94%

HAND	Paytable 02
Suited Blackjack	3 to 2
Unsuited Blackjack	3 to 2
House Advantage	
6 Decks	2.05%
8 Decks	2.10%

HAND	Paytable 03
Suited Blackjack	3 to 1
Unsuited Blackjack	1 to 1
House Advantage	
6 Decks	2.05%
8 Decks	2.10%



INFORMATION MANUAL

WWW.LNW.COM

Double Down Madness™ Blackjack**Setting Limits on Wagers and Total Payouts**

Casino management may elect to adhere to the following directives:

- Establish and display distinct minimum and maximum wagering limits for both the main game and any side bets (if applicable).
- Establish and display an aggregate limit for payouts specifically for side bet wagers. This sets the maximum total payout allowed to winning Players who have placed side bet wagers during a single round of play. Implementing an aggregate limit helps safeguard your establishment from excessive liability in any one round while still providing Players with a broader range of betting options within the posted aggregate limits.

Fundamentals of Double Down Madness™ Blackjack

Double Down Madness Blackjack presents a twist on the traditional classic blackjack game. Within this variation, Players receive a single card and are granted the opportunity to hit or double their original wager as many times as they choose providing them the opportunity to enhance their payouts.

Getting Started

Place your wager in the betting circle, you may also place the Push 22 bonus wager. Once all wagers have been made, the Dealer deals themselves the first card, then gives each Player one card face up. Finally, the Dealer takes their 2nd card face down and places their initial card face up on top.

Hitting & Doubling Down

You get the option to hit and double down with each card you receive. When doubling down, you may double for less, or match up to the amount already in play for the chance to maximize your blackjack payouts!

Player Ace & Blackjacks

When your initial starting card is an Ace, you will only receive one card regardless of a hit or double. If you choose to double down and receive a blackjack, you will receive a complete blackjack payout. See payable for odds.

Push 22

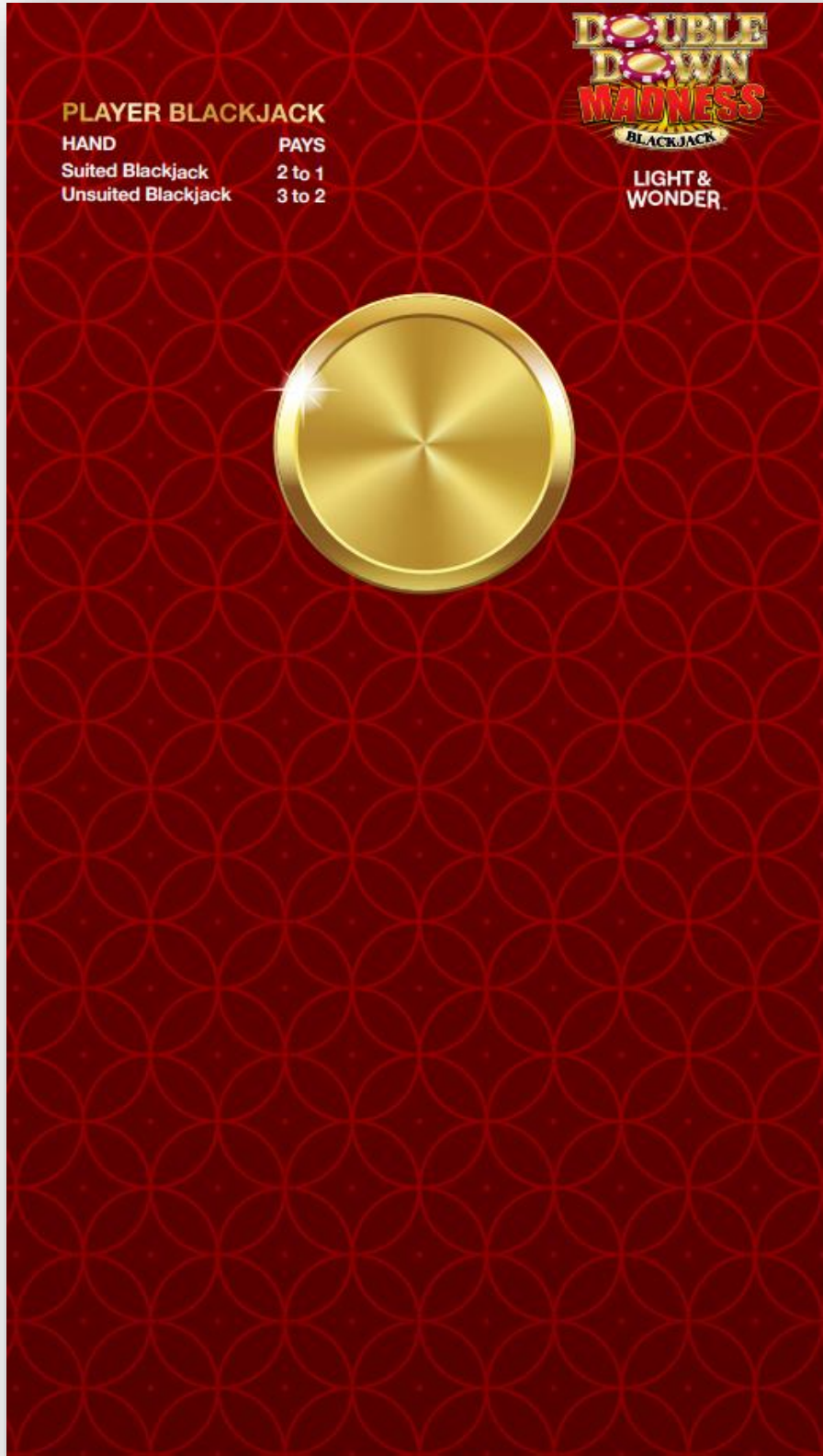
If the Dealer draws to a point total of 22, any active wagers you have left results in a push. Any Push 22 bonus wager wins if the Dealer has a point total of 22. See payable for odds. If the Dealer's final point total is any outcome other than 22, the Push 22 bonus wager loses.

Note: *Player blackjacks are paid before the Dealer completes their hand, and they are not affected by the Push 22 rule.*

Double Down Madness™ Blackjack

LAYOUT – PLAYERSPOT EXAMPLE

Paytable example: multiple paytables available



Double Down Madness™ Blackjack

RULES OF PLAY

- 6 Decks, 8 Decks, or Continuous Shuffler
- Hit soft 17
- Dealer receives the first and last card in the dealing sequence.
- Player(s) will receive one (1) up card to begin the round.
- Player(s) options:
 - **Stay** – maintain their current hand value.
 - **Hit** – for an additional card - Dealer will place all “hit” cards vertical.
 - **Double** – initial / previous wager - Dealer will place all “double” cards horizontal.
- Player(s) may continue to “Hit” or “Double” with each selected card.
 - When doubling – Player(s) may double for less or match up to the total amount already in play.
 - Ex: Player’s original wager - \$5
 - Player doubles on 2nd card for \$5
 - Player doubles on 3rd card for \$10
 - Player hits on 4th card
 - Player doubles on 5th card for \$20
- No splits
- No surrender
- Insurance - will be offered when the Dealer is showing an Ace.
 - Player(s) will **NOT** receive a 2nd card if the Dealer has blackjack (this is for both an Ace up and 10 value card)
 - No even money will be offered
- Dealer blackjack – all Player(s) wagers will lose and any insurance bets will be paid 2 to 1.
- No Dealer blackjack – all insurance wagers lose.
- Player(s) Ace - only receives one (1) card regardless of a hit or double.
- Player(s) blackjack – A Player's blackjack consists of an Ace paired with a 10-value card (10, J, Q, K). If a Player doubles and receives a blackjack, they will be entitled to the complete blackjack payout.

Example:

- Player wagers \$5 – initial card - Ace of spades.
 - Doubles 2nd card \$5 – receives a King of diamonds.
 - Total wager \$10 – Unsuit Blackjack pays 3 to 2 odds result in a \$15 payout. (See payable)
- Player(s) cannot double down on any blackjacks.
 - Push 22 – all active Player wagers will result in a “PUSH” with a Dealer total of 22.
 - **Optional** Push 22 side wagers will be paid. (See payable)

Double Down Madness™ Blackjack

DEALING

To begin, Player(s) place their desired wager in the main betting spot.

- (A) The Dealer deals the first initial card to themselves
- (B) Then gives each Player one card face up
- (C) The Dealer receive the last card face down, and
- (D) Places the initial card face up on top

See example below:



Please note that the Dealer receives two cards while each Player receives one card.

Double Down Madness™ Blackjack

PLAYER - FIRST CARD

After receiving their initial card, Player(s) are presented with three choices:

- 1) Stand - maintain their current hand value
- 2) Hit - request an additional card
- 3) Double Down - double their initial wager

In the example below, the Player opts to double down their initial card (4 of hearts) for \$25. To signify the double down, the Dealer will place the card horizontally.

Example:



NOTE: For example purposes, all double downs will be positioned on the Dealer's right side of the wager.

Double Down Madness™ Blackjack

PLAYER - SECOND CARD

After receiving their second card, Player(s) are presented with three choices:

- 1) Stand - maintain their current hand value
- 2) Hit - request an additional card
- 3) Double Down - double their current wager total

In the example below, the Player can choose to double the amount they have currently wagered. They decide to double down, matching their current wagered total of \$50. To signify the double down, the Dealer will place the card horizontally.

Example:



NOTE: When doubling – Player(s) may double for less or match up to the total wagered amount already in play.

Double Down Madness™ Blackjack

PLAYER – DECISION

After all Player decisions (stand, hit, double down) have been finalized, according to the designated house procedures, the Dealer will proceed to act on their hand as the final step.

In the example below, when the Dealer's hand exceeds a total of 22, all placed wagers will be paid even money (1 to 1).

Example:



Double Down Madness™ Blackjack

PUSH 22 – OPTIONAL SIDE WAGER

When the Dealer's hand reaches a total of 22, any active wagers will result in a "PUSH." Any Push 22 side wager will be eligible for a payout. The example below, Push 22 offers a payout of 11 to 1.

Note: Player blackjacks are excluded from the "Push 22" rule as they are paid before the Dealer resolves their hand. If the Player has placed a Push 22 wager and exceeds 21 or receives a blackjack, the Dealer will secure the cards beneath the Push 22 wager until the hand is completed. (Per House's Discretion on card placement)

Example:



Double Down Madness™ Blackjack

GAME PLAY EXAMPLES – DOUBLE / HITTING

EXAMPLE: A

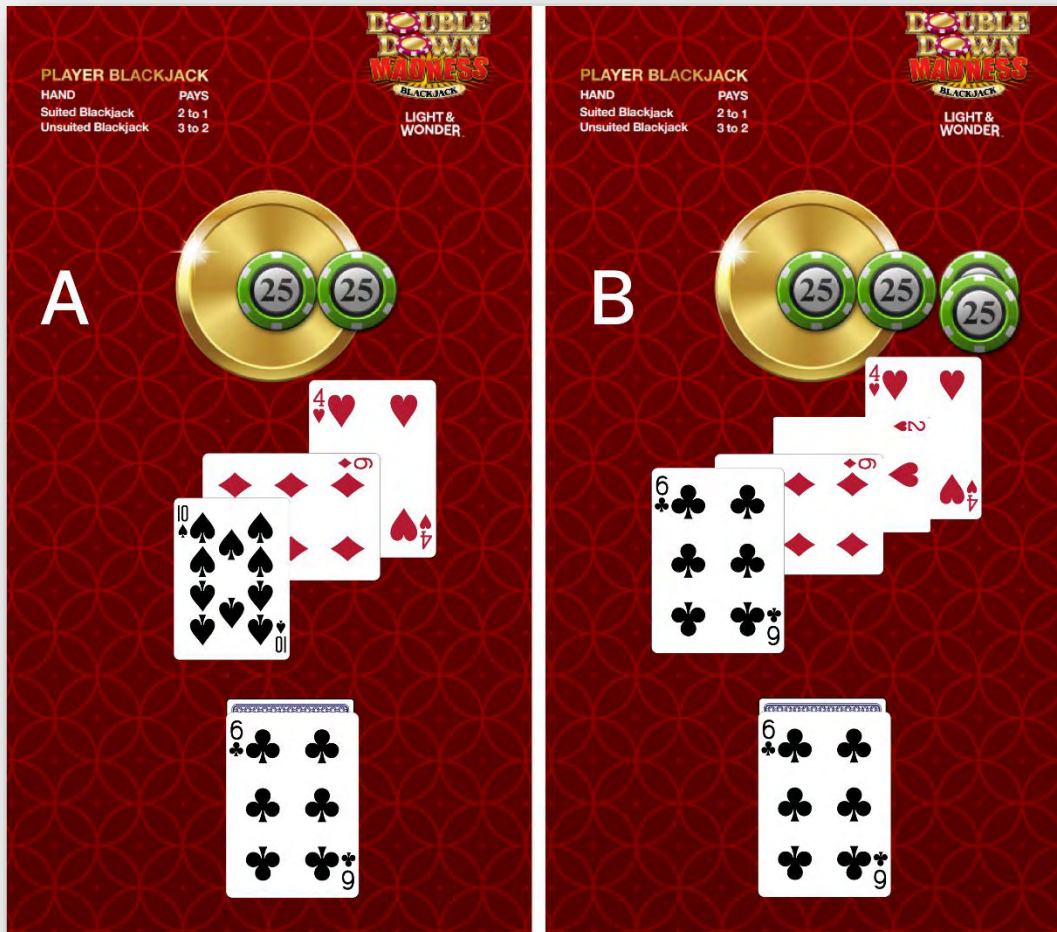
1. **Initial Card:** Player receives a 4 of hearts
2. **2nd Card:** Player opts to double down (\$25)
3. **3rd Card:** Player opts to hit and stand.

Note: Player(s) are allowed to “Hit” or “Double” with each selected card of their choosing. See example (A) below.

EXAMPLE: B

1. **Initial Card:** Player receives a 4 of hearts
2. **2nd Card:** Player opts to double down (\$25)
3. **3rd Card:** Player opts to re-double down (\$50)
4. **4th Card:** Player opts to take a hit and stand.

Example:



Double Down Madness™ Blackjack

GAME PLAY EXAMPLES – DOUBLE / DOUBLE / HIT / DOUBLE

EXAMPLE: A

1. **Initial Card:** Player receives a 2 of hearts.
2. **2nd Card:** Player opts to double down (\$25)
3. **3rd Card:** Player opts to re-double down (\$50)
4. **4th Card:** Player opts to hit
5. **5th Card:** Player opts to double down and stand (\$100)

EXAMPLE: B

1. **Initial Card:** Player receives a 2 of hearts.
2. **2nd Card:** Player opts to double down (\$25)
3. **3rd Card:** Player opts to re-double down (\$25)
4. **4th Card:** Player opts to hit
5. **5th Card:** Player opts to double down and stand (\$25)

Example:



Double Down Madness™ Blackjack

PLAYER ACE

(A) In the example below, anytime a Player is dealt an Ace as their initial card, regardless if they choose to “hit” or “double,” they will only receive one (1) additional card. The Dealer will proceed with the established house procedures for blackjack and move on to the next hand.

Example:



Double Down Madness™ Blackjack

PLAYER BLACKJACK

EXAMPLE: A

The Player receives a Jack of Spades (card value of 10) and opts to double down. They are then dealt an Ace, resulting in an unsuited blackjack. The Dealer will pay the blackjack immediately. See example (A) below.

Note - If a Player doubles and receives a blackjack, they will be entitled to the complete blackjack payout.

EXAMPLE: B

The Player receives a Jack of Diamonds (card value of 10) and opts to hit. They are then dealt an Ace, resulting in a suited blackjack. The Dealer will pay the blackjack immediately. See example (B) below.

Example:



NOTE – The payout odds for Suited and Unsuited Blackjack may vary based on the chosen paytables selected by the operator.

Double Down Madness™ Blackjack**DEALER ACE / INSURANCE**

When the Dealer's face-up card is an Ace, Player(s) have the option to take insurance. This allows them to insure up to half of their original wager by placing additional bets on the designated insurance line.

Example – Ante wager is \$25 – Insurance is \$12.50 or less.

The Dealer will close the insurance according to house procedure, utilizing the peeker to check for a blackjack. If the Dealer has a blackjack, they will gather all losing wagers and payout insurance bets at odds of 2 to 1. If the Dealer does not have a blackjack, they will collect all insurance wagers and continue dealing the game.

Double Down Madness™ Blackjack

BASIC STRATEGY

H = HIT

S = STAND

D = DOUBLE DOWN

PLAYER'S HAND

		DEALER UPCARD									
HARD TOTAL	2	3	4	5	6	7	8	9	10	A	
2	H	H	H	H	D	D	H	H	H	H	
3	H	H	H	H	D	H	H	H	H	H	
4	H	H	H	H	H	H	H	H	H	H	
5	H	H	H	H	H	H	H	H	H	H	
6	H	H	H	H	H	H	H	H	H	H	
7	H	H	H	H	H	H	H	H	H	H	
8	H	H	H	D	D	D	H	H	H	H	
9	H	D	D	D	D	D	D	H	H	H	
10	D	D	D	D	D	D	D	D	H	H	
11	D	D	D	D	D	D	D	D	D	D	
12	H	H	H	S	S	H	H	H	H	H	
13	H	S	S	S	S	H	H	H	H	H	
14	S	S	S	S	S	H	H	H	H	H	
15	S	S	S	S	S	H	H	H	H	H	
16	S	S	S	S	S	H	H	H	H	H	
17+	S	S	S	S	S	S	S	S	S	S	
SOFT TOTAL	2	3	4	5	6	7	8	9	10	A	
12	H	D	D	D	D	D	D	H	H	H	
13	H	H	D	D	D	D	D	H	H	H	
14	H	H	H	D	D	D	H	H	H	H	
15	H	H	H	H	D	H	H	H	H	H	
16	H	H	H	H	D	H	H	H	H	H	
17	H	H	H	H	D	D	H	H	H	H	
18	S	S	S	D	D	S	S	H	H	H	
19+	S	S	S	S	S	S	S	S	S	S	

Double Down Madness™ Blackjack

PAYTABLES

HAND	Paytable 01
Suited Blackjack	2 to 1
Unsuited Blackjack	3 to 2
House Advantage	
6 Decks	0.89%
8 Decks	0.94%

HAND	Paytable 02
Suited Blackjack	3 to 2
Unsuited Blackjack	
House Advantage	
6 Decks	2.05%
8 Decks	2.10%

HAND	Paytable 03
Suited Blackjack	3 to 1
Unsuited Blackjack	1 to 1
House Advantage	
6 Decks	2.05%
8 Decks	2.10%

Double Down Madness™ Blackjack

MATH REPORT



GLI

World Headquarters

600 Airport Road
Lakewood, NJ 08701
Phone (732) 942-3999
Fax (732) 942-0043
www.gaminglabs.com

Worldwide Locations

World Headquarters
Lakewood, New Jersey

U.S. Regional Offices
Colorado
Nevada

International Offices
GLI Africa
GLI Asia
GLI Australia Pty Ltd
GLI Austria GmbH
GLI Europe BV
GLI Italy
GLI South America

18 March 2024

Ms. Bo Zarach, Product Compliance Manager
LNW Gaming, Inc.
6601 Bermuda Rd,
Las Vegas, NV 89119

Re: *Mathematical Analysis of Double Down Madness*

File Number: LO-00-SHU-24-05

Dear Ms. Zarach,

As per LNW Gaming, Inc.'s request, please find **Gaming Laboratories International, LLC's (GLI)** math analysis for the table game, *Double Down Madness*.

This report only verifies the mathematical aspects of this game and DOES NOT offer an opinion as to whether or not this game is currently authorized for use in any jurisdiction. Requests for a mathematical evaluation for Nevada must be addressed directly to the respective gaming regulatory agency in that jurisdiction.

Game Description

Double Down Madness is a variant of Blackjack. It uses a shoe containing 6 or 8 standard decks of playing cards. The point values of cards are the same as in conventional Blackjack. After the player places the main wager along with an optional Push 22 side wager, the game initiates.

The player receives a single face-up card, and the dealer receives a face-up card and a face-down card. Before the player takes any action, the dealer peeks for blackjack when they have an Ace, Ten, Jack, Queen, or King as the up-card. If they have blackjack, the game immediately ends and the main wager is lost, regardless of the player's card. Otherwise, the player chooses to hit, stand, or double down. The rules for each of these are as follows:

Double Down Madness™ Blackjack

LO-00-SHU-24-05-000
GLI-1/GLI-2
Page 2 of 5

- **Hit:** The player receives an additional card.
- **Stand:** The player indicates their actions are complete.
- **Double Down:** The player places an additional wager of value less than or equal to their current wager amount. Note that the player can continue taking actions after doubling down. The player can double down even with three or more cards. The only exception is if they double down with a single Ace in which the player is dealt a single-card and is forced to stand.

The player repeatedly chooses from the actions above until they choose to stand, or their hand busts with a score of over 21. If the player busts, they lose their main wager and any additional wagers made from doubling down. If the player has a blackjack, from hitting or doubling down, they immediately win. The pay for winning with a blackjack is configurable according to the paytables in [Table 1](#).

Table 1. Blackjack Paytables

Event	Paytable 1	Paytable 2	Paytable 3
Suited Blackjack	2 to 1	3 to 2	3 to 1
Non-Suited Blackjack	3 to 2	3 to 2	1 to 1

The dealer then reveals their face-down card. The dealer hits until their hard-total is 17 or higher; dealer hits on soft-17. If the dealer ends up with a total of 22 points, then all non-busted wagers push. Otherwise, the dealer and player hands are compared as in conventional Blackjack.

INSURANCE

If the dealer's up-card is an Ace, an Insurance Wager is offered to the player at half of the amount of the main wager. The dealer proceeds to peek at their face-down card to check for a blackjack. If so, the Insurance Wager wins 2 to 1. Otherwise, the Insurance Wager is lost.

Double Down Madness™ Blackjack

LO-00-SHU-24-05-000
GLI-1/GLI-2
Page 3 of 5

PUSH 22 SIDE WAGER

The Push 22 side wager wins if the dealer ends with a total of 22. If the player busts or obtains a blackjack, the dealer will still draw cards for the purpose of resolving the Push 22 side wager. The paytables can be found in [Tables 2a and 2b](#).

Table 2a. Push 22 Paytables

Event	Paytable 1	Paytable 2
Dealer Suited 22	50 to 1	50 to 1
Dealer Colored 22	20 to 1	20 to 1
Dealer 22	8 to 1	7 to 1

Table 2b. Push 22 Paytables (cont'd)

Event	Paytable 3
Dealer 22	11 to 1

Mathematical Analysis

The main wager for *Double Down Madness* was analyzed using a program that iterated over all possible player and dealer hands. This was used to find an optimal strategy based on the player's card composition and the dealer's up-card. Running this strategy results in the returns listed in [Tables 3a and 3b](#). Here, RTP represents the Return to Player, which is the ratio of Average Win to Average Wager. RTH represents the Return to House, also known as the Element of Risk, and is the expected house earnings scaled relative to the Average Wager. The HE is the traditional House Edge measurement, scaled relative to the Initial Wager.

Table 3a. Main Wager Return Summary – 6 Decks

Metric	Paytable 1	Paytable 2	Paytable 3
Average Win	1.5836	1.6052	1.6052
Average Wager	1.5925	1.6257	1.6257
RTP	99.44%	98.74%	98.74%
HE	0.89%	2.05%	2.05%
RTH	0.56%	1.26%	1.26%

Double Down Madness™ Blackjack

LO-00-SHU-24-05-000

GLI-1/GLI-2

Page 4 of 5

Table 3b. Main Wager Return Summary – 8 Decks

Metric	Paytable 1	Paytable 2	Paytable 3
Average Win	1.5836	1.6047	1.6047
Average Wager	1.5931	1.6257	1.6257
RTP	99.41%	98.71%	98.71%
HE	0.94%	2.10%	2.10%
RTH	0.59%	1.29%	1.29%

The Push 22 side wager was analyzed using a program that iterated over all dealer hands. This was used to calculate the probabilities of all winning events, which can be found in [Table 4](#).

Table 4. Push 22 Probabilities

Event	6 Decks	8 Decks
Dealer Suited 22	0.0033269	0.0033566
Dealer Colored 22	0.0116587	0.0116764
Dealer 22	0.0585506	0.0585111

The probabilities were combined with the corresponding payable to calculate the RTP and HE listed in [Table 5](#). Note that for Paytables 3, the sum of the probabilities of all three events should be used.

Table 5. Push 22 Return Summary

	Metric	Paytable 1	Paytable 2	Paytable 3
6 Decks	RTP	94.15%	88.29%	88.24%
	HE	5.85%	11.71%	11.76%
8 Decks	RTP	94.30%	88.45%	88.25%
	HE	5.70%	11.55%	11.75%

All analysis assumes a freshly shuffled shoe.

Double Down Madness™ Blackjack

LO-00-SHU-24-05-000
GLI-1/GLI-2
Page 5 of 5

Summary

The maximum RTP for *Double Down Madness* is 99.44% from Paytable 1 of the main wager when played with 6 decks and following an optimal strategy. The minimum individual wager RTP of 88.24% occurs from Paytable 3 of the Push 22 side wager when 6 decks are utilized.

Please visit Gaminglabs.com to view the applicable Terms and Conditions and GLI Product Certification Scheme.

Should you have any questions, please feel free to contact our office.

Sincerely,
GAMING LABORATORIES INTERNATIONAL, LLC



Christine M. Gallo
Senior Vice President, Quality and Technical Compliance

mra



GLI®

World Headquarters

600 Airport Road
Lakewood, NJ 08701
Phone (732) 942-3999
Fax (732) 942-0043
www.gaminglabs.com

Worldwide Locations

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GLI Asia
GLI Australia Pty Ltd
GLI Austria GmbH
GLI Europe BV
GLI Italy
GLI South America

18 March 2024

Ms. Bo Zarach, Product Compliance Manager
LNW Gaming, Inc.
6601 Bermuda Rd,
Las Vegas, NV 89119

Re: Mathematical Analysis of *Double Down Madness*

File Number: LO-00-SHU-24-05

Dear Ms. Zarach,

As per LNW Gaming, Inc.'s request, please find **Gaming Laboratories International, LLC's (GLI)** math analysis for the table game, *Double Down Madness*.

This report only verifies the mathematical aspects of this game and DOES NOT offer an opinion as to whether or not this game is currently authorized for use in any jurisdiction. Requests for a mathematical evaluation for Nevada must be addressed directly to the respective gaming regulatory agency in that jurisdiction.

Game Description

Double Down Madness is a variant of Blackjack. It uses a shoe containing 6 or 8 standard decks of playing cards. The point values of cards are the same as in conventional Blackjack. After the player places the main wager along with an optional Push 22 side wager, the game initiates.

The player receives a single face-up card, and the dealer receives a face-up card and a face-down card. Before the player takes any action, the dealer peeks for blackjack when they have an Ace, Ten, Jack, Queen, or King as the up-card. If they have blackjack, the game immediately ends and the main wager is lost, regardless of the player's card. Otherwise, the player chooses to hit, stand, or double down. The rules for each of these are as follows:

- **Hit:** The player receives an additional card.
- **Stand:** The player indicates their actions are complete.
- **Double Down:** The player places an additional wager of value less than or equal to their current wager amount. Note that the player can continue taking actions after doubling down. The player can double down even with three or more cards. The only exception is if they double down with a single Ace in which the player is dealt a single-card and is forced to stand.

The player repeatedly chooses from the actions above until they choose to stand, or their hand busts with a score of over 21. If the player busts, they lose their main wager and any additional wagers made from doubling down. If the player has a blackjack, from hitting or doubling down, they immediately win. The pay for winning with a blackjack is configurable according to the paytables in Table 1.

Table 1. Blackjack Paytables

Event	Paytable 1	Paytable 2	Paytable 3
Suited Blackjack	2 to 1	3 to 2	3 to 1
Non-Suited Blackjack	3 to 2	3 to 2	1 to 1

The dealer then reveals their face-down card. The dealer hits until their hard-total is 17 or higher; dealer hits on soft-17. If the dealer ends up with a total of 22 points, then all non-busted wagers push. Otherwise, the dealer and player hands are compared as in conventional Blackjack.

INSURANCE

If the dealer’s up-card is an Ace, an Insurance Wager is offered to the player at half of the amount of the main wager. The dealer proceeds to peek at their face-down card to check for a blackjack. If so, the Insurance Wager wins 2 to 1. Otherwise, the Insurance Wager is lost.

PUSH 22 SIDE WAGER

The Push 22 side wager wins if the dealer ends with a total of 22. If the player busts or obtains a blackjack, the dealer will still draw cards for the purpose of resolving the Push 22 side wager. The paytables can be found in [Tables 2a and 2b](#).

Table 2a. Push 22 Paytables

Event	Paytable 1	Paytable 2
Dealer Suited 22	50 to 1	50 to 1
Dealer Colored 22	20 to 1	20 to 1
Dealer 22	8 to 1	7 to 1

Table 2b. Push 22 Paytables (cont'd)

Event	Paytable 3
Dealer 22	11 to 1

Mathematical Analysis

The main wager for *Double Down Madness* was analyzed using a program that iterated over all possible player and dealer hands. This was used to find an optimal strategy based on the player's card composition and the dealer's up-card. Running this strategy results in the returns listed in [Tables 3a and 3b](#). Here, RTP represents the Return to Player, which is the ratio of Average Win to Average Wager. RTH represents the Return to House, also known as the Element of Risk, and is the expected house earnings scaled relative to the Average Wager. The HE is the traditional House Edge measurement, scaled relative to the Initial Wager.

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Summary

The maximum RTP for *Double Down Madness* is 99.44% from Paytable 1 of the main wager when played with 6 decks and following an optimal strategy. The minimum individual wager RTP of 88.24% occurs from Paytable 3 of the Push 22 side wager when 6 decks are utilized.

Please visit Gaminglabs.com to view the applicable Terms and Conditions and GLI Product Certification Scheme.

Should you have any questions, please feel free to contact our office.

Sincerely,

GAMING LABORATORIES INTERNATIONAL, LLC



Christine M. Gallo

Senior Vice President, Quality and Technical Compliance

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Item 7-

Status Reports

A. Running Aces

Casino, Hotel and
Racetrack

Item 7 –
Status Reports
B. Canterbury Park
Entertainment

Item 8 – Executive Directors Report

- A. Contract Approvals
- B. HISA/HIWU Update
- C. Personnel Update
- D. ADW Report
- E. Licensing Report
- F. Other

Item 8 -
B. HISA/HIWU
UPDATE

October 31, 2024

Kyle Gustafson
Minnesota Horse Racing Commission
Via email – kyle.gustafson@state.mn.us

Dear Kyle,

I am writing to advise you of Minnesota's HISA financial assessment for 2025 and all related details.

As indicated in the state-by-state assessment document attached to this email, Minnesota's 2025 HISA assessment (gross) is \$966,380. However, as detailed below, it is expected to be reduced to \$690,530 after sample collection credits are applied and possibly further based on budget management and potential revenue generation.

The assessment represents Minnesota's gross total obligation for 2025 in accordance with the HISA cost assessment methodology rule approved by the Federal Trade Commission. The assessment includes financial support for:

- The Anti-Doping and Medication Control (ADMC) Program that will be administered nationally by the Horseracing Integrity & Welfare Unit (HIWU);
- HISA's Racetrack Safety Program;
- The veterinary services provided by HISA;
- HISA's technology build and maintenance to support all of its Programs; and
- HISA administration, including staff salaries and organizational operations.

I have attached as Addendum 1 HISA's 2025 budget so that you may review the specific investments designated for each area of HISA's budget.

If HIWU and the Minnesota Horse Racing Commission ("Commission") reach a Voluntary Implementation Agreement ("Agreement") for sample collection services to be provided by the Commission and/or racetracks in 2025, they are eligible to receive the following monetary credits against the HISA assessment:

- \$215,450 for Post Race testing conducted by HIWU-Authorized Sample Collection Personnel operating in accordance with an Agreement with HIWU. Post Race testing includes, but is not limited to, the collection of blood, urine, and hair samples from Covered Horses selected in accordance with the HISA ADMC Program. This amount is calculated based on the current projections for the number of 2025 Race Days in your state and the HIWU Testing Distribution Plan, and is subject to adjustment



based on the actual number of Race Days and the Commission's compliance with the Agreement and HIWU's Testing Distribution Plan.

- \$21,400 for TCO2 testing conducted by HIWU-Authorized Sample Collection Personnel operating in accordance with an Agreement with HIWU. TCO2 testing includes, but is not limited to, the collection of blood samples pre-race. This amount is calculated based on the current projections for the number of 2025 Race Days in your state and the HIWU Testing Distribution Plan, and is subject to adjustment based on the actual number of Race Days and the Commission's compliance with the Agreement and HIWU's Testing Distribution Plan.

- An estimated amount of up to \$39,000 for Out-of-Competition ("OOC") testing conducted by HIWU-Authorized Sample Collection Personnel operating in accordance with an Agreement with HIWU. OOC testing includes, but is not limited to, the collection of blood, urine, and hair samples, and is inclusive of assignments for Vets' List Testing, Clearance Testing, and sample collections following injuries or fatalities. OOC testing missions will be assigned on both Race and non-Race Days and may be requested at affiliated Training Centers and private farms or facilities. This amount is calculated based on the current projections for the number of 2025 Race Days in your state and the HIWU Testing Distribution Plan, and is subject to adjustment based on the actual number of Race Days and the Commission's compliance with the Agreement and HIWU's Testing Distribution Plan.

Please note that the actual amount that will be charged to your state to fund HISA's 2025 operations will be the net of the following components:

- The gross assessment of \$966,380;
- The estimated total of \$275,850 in credits detailed above;
- The 2024 True-Up, which will consist of the following:
 - o A recalculation of the 2024 assessments based on actual starts and purses paid in each state (the 2024 assessments were originally calculated based on historical data);
 - o A credit for your state's share of any money collected but not spent by HISA in 2024 (or an additional charge for your state's share of total expenses incurred by HISA that exceed the amount collected);
 - o A true-up of the credit given (as described in the 2024 assessment letter) vs. the actual amount earned in 2024 for Race Day sample collection in your state;
 - o A true-up of the credit given (as described in the 2024 assessment letter) vs. the actual amount earned in 2024 for non-Race Day sample collection in your state; and



- A credit for any unreimbursed investigations conducted by state personnel at the direction of HIWU as agreed upon in the Agreement.

The deadline to advise HISA whether the state will opt-in to the 2025 financial assessment is Monday, December 2, 2024. Please be advised that while we would prefer that the state fully opt-in, HISA will accept partial payments from the state if that is your preference. Regardless of whether the state opts in, HISA will accept payment in installments should that be preferred.

The attached Addendum 2 contains the specific amounts that would fall to each racetrack in Minnesota to cover should the state choose to opt-out and pass the financial assessments to the individual racetracks. Addendum 3 provides a breakdown of the gross assessment by state and Addendum 4 provides a breakdown of the gross assessment by track.

Should you wish to discuss any of these matters, I am available at your convenience. Thank you for your kind consideration of the above.

Sincerely,

Lisa Lazarus
HISA CEO

P.S. Please forward this letter and the addendums to your applicable horsemen's group(s).

November 1, 2024

Federal Trade Commission
Office of the Secretary
600 Pennsylvania Avenue NW
Mail Stop H-144 (Annex H)
Washington, DC 20580

Submitted electronically

RE: HISA Assessment Methodology Rule Modification

Dear Commissioners,

The Minnesota Racing Commission opposes the Horseracing Integrity and Safety Authority's (HISA) proposed modification to Rule 8520, regarding the Annual Calculation of Amounts Required. HISA's proposed rule change to modify the assessment methodology, to only base the assessment on each racetrack's proportionate share of projected starts, would harm small racetracks with limited purse accounts, such as Canterbury Park, the state's only Thoroughbred track.

Minnesota has been one of only a few states where the state Commission has opted-in to paying the annual assessments each year since 2022. The Commission does not have the resources to cover the annual assessment on an ongoing basis, so it will have to pass most of those costs on to Canterbury Park going forward. If HISA's proposed change to the methodology for calculating the annual assessments is approved, this shift in the burden to tracks with disproportionately low purse structures will create significant and unfair increases in their annual assessments.

Minnesota's 2025 HISA assessment is \$966,380. If the assessment had been based solely on starts, the assessment would be over \$1.28 million—a 33 percent increase. Even with an assessment cap of ten percent of a track's purse, smaller tracks such as Canterbury Park may need to consider ceasing the export of its simulcast signal to avoid the costs of HISA. While we are confident that Minnesota would be able to successfully regulate racing with integrity and the highest safety standards, as we have been doing for decades, we are deeply troubled that Minnesota would be seen as a destination for those who are trying to evade the consistent, nationwide oversight that is HISA's mission.

Furthermore, as tracks consider whether—and ultimately decide—to withdraw from the interstate market, this will reduce competition for the remaining tracks that are able to afford their HISA assessments. At the same time, this will have the unintended consequence of having an increased number of racetracks and racing jurisdictions opting out of the oversight that

Congress sought to enact. In the end, the remaining market for interstate wagering will provide fewer options for the betting public.

Lastly, in its Statement of Terms of Substance of the Proposed Rule Modification, HISA explains that it is moving toward a starts-only methodology, because “the Authority's expenses after the initial implementation period have turned out to be closely correlated to starts and not to purse amounts or the grade of a race.” This explanation is specious, based on HISA’s own budget figures. From 2024 to 2025, the number of starts subject to HISA’s jurisdiction will decline from 229,792 to 173,988—a drop of over 24 percent. Yet HISA’s budget will go from \$77.5 million in 2024 (\$337 per start) to \$80.3 million in 2025 (\$462 per start), a 37 percent increase in per-start costs. There simply does not appear to be a correlation between HISA’s costs and starts, and therefore starts should not be the sole factor in calculating a state’s assessment.

We strongly urge the FTC to not approve HISA’s proposed rule to modify the calculation of annual assessments to have that calculation be based solely on projected starts.

Sincerely,



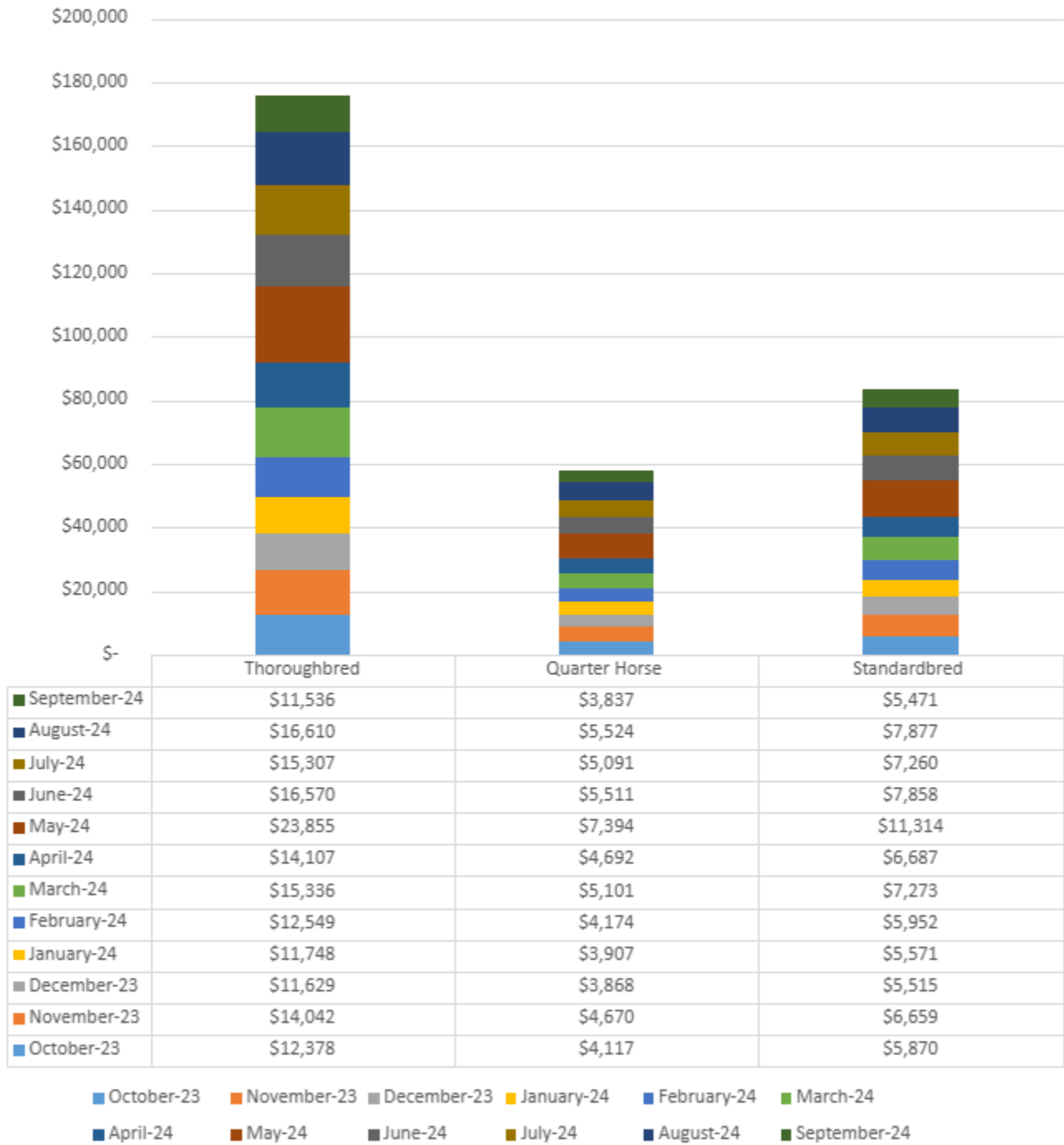
Dr. Camille McArdle, DVM
Chair

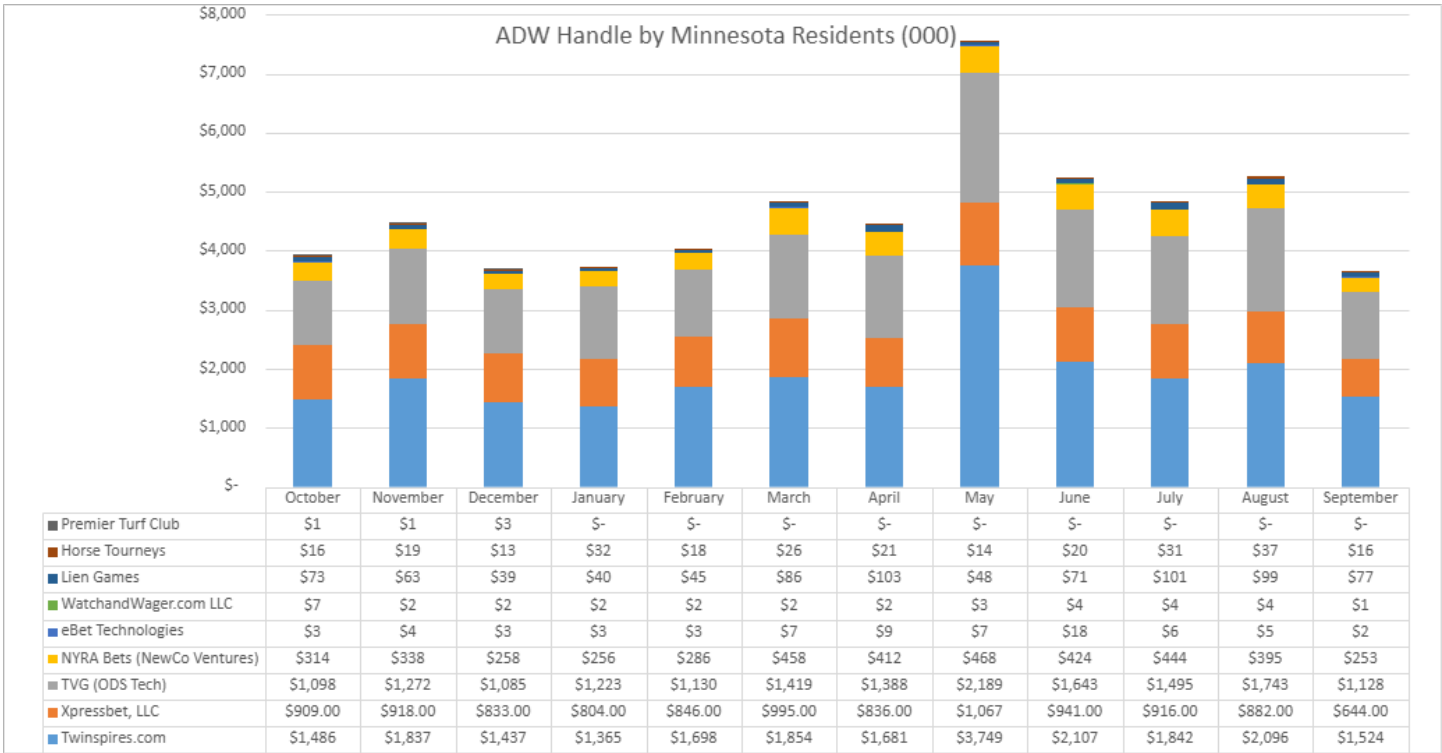


Kyle Gustafson
Executive Director

Item 8-
D. ADW Report

Incremental Breeders Awards via ADW





Item 8–
E. Licensing Report

Minnesota Racing Commission

October 2024 Licensing Report

Class C Applications Processed at Canterbury Park: 21

Class C Applications Processed at Running Aces: 24

Class C Large Racing/Gaming Vendors: 0

Class C Small Racing/Gaming Vendors: 0

Class C Non-racing/Gaming Vendors: 0

Class C Licensing Fees for October 2024: **\$610.00**

Fingerprint Fees for October 2024: **\$975.00**

(Fingerprint fees are forwarded to Public Safety for processing reports)

Fines Collected during 2024 Racing Season: **\$22,850**

Item 9 -
MNHBP A Letter to
Governor
Tim Walz

Governor Tim Walz
130 State Capitol
75 Reverend Dr. Martin Luther King Jr. Drive
St. Paul, MN 55155

November 12, 2024

Dear Governor Walz,

The Minnesota Horsemen's Benevolent and Protective Association (MNHBP) looks forward to once again working on positive sports betting legislation during the 2025 legislative session. Minnesota thoroughbred racing is struggling to compete with other racetracks that are located in states that allow their racetracks to benefit from sports betting. New revenue from sports betting used to increase purse money will attract more horse people, more horses and more agri-business to Minnesota.

Serving and representing the workers in Minnesota thoroughbred racing, we devote as much funding and time as we can to Furlong Learning, which serves all the children in our stable area community, the Chapel, which serves everyone in the stable area community, and Abijah's on the Backside, which is an equine-based psychotherapy program utilizing former racehorses in the treatment of first responders, members of the military and others who are suffering with PTSD.

That is why we will continue to work toward passing legislation that reflects the compromise that was reached at the end of the 2024 session between the tribal nations, horse people, racetracks, and charities. It is the MNHBP's hope and desire that a bill reflecting this compromise will move forward early in the 2025 legislative session.

Polling has shown that Minnesotans want sports betting and want it in a way that is beneficial to tribal nations, horse people, tracks, and charities. We are encouraged that all of these groups were able to come together last May and we will continue to honor that compromise when the legislature convenes in January.

We are ready to collaborate with all interested parties to get this done.

Sincerely,

Justin Revak, President
MNHBP

Item 10-

Future Meetings

Full Commission

Thursday, December 19,

2024 –

Nutrena Conference Center