

Albany's Waterfront

Our Precious Resource



Magna Corporation wants a waterfront Casino/Mall/Racetrack

We can do better than that - far better.

Track Owner Seeks to Add Casino Gambling and a Mixed Mall to Albany Shoreline – Spends Millions.

Toronto-based Magna Entertainment Corporation is planning to add casino gambling and a large development to its Golden Gate Fields Racetrack on Albany's waterfront – all this smack in the middle of the Eastshore State Park.

This is all part of Magna's nationwide plan to shore up the dying horsetrack betting industry: add casino gambling plus mall development (calling them "racinos") to all its racetracks. (*Oakland Tribune*) Magna wants to lure a new generation into gambling.

Just how serious is Magna about racetrack casinos/malls ("racinos")? Magna:

- bankrolled the horsetrack gambling initiative in the 2004 California election (Prop 68); (*campaign reports*)
- says they will keep at it until they get casino gaming at racetracks; (*L. A. Business Journal*)
- backed the 2006 horsetrack slot machine legislation in Sacramento; (*S. F. Chronicle*)
- trademarked the term "Racinos";(*Corp. Report*)
- is installing a mixed mall/casino addition to its Miami horsetrack; (*Miami Herald*)
- entered into casino discussions with Native American Tribes; (*Berkeley Daily Planet*)
- threatened to close down the Preakness in Maryland if slot machines not approved; (*Baltimore Sun*)
- pushed through slot machines for its track in Pennsylvania; (*Baltimore Sun; Pittsburgh Post Gazette*)
- is currently trying to push through slot machines for its Ohio track; (*PR Newswire*)
- spent approximately \$4 million dollars (Magna with its mall developer) pushing its development plans in Albany and in southern California at Santa Anita Racetrack;
- in Albany (with its developer) hired team of: political lobbyists, an Albany resident, lawyers, consultants, political organizers; made various promises to as many "influential people" as they could sway; profiled every voter in Albany; deluged voters with phone calls and mailings.

Albany has never witnessed political spending of this magnitude – Magna/Caruso spent millions.

Despite the Magna/developer millions, environmentalists are confident that Albany residents will still support waterfront open space, especially when they learn the facts.

Shoreline Development Plans – Traffic Nightmare, Downtown Ghost Town

Magna engaged southern California mall builder Rick Caruso to build the development. Caruso is a heavy hitter who uses political influence. Known for raising millions for Republican candidates, he wields money and influence to push his plans through city halls. (*Wall St. Journal; S. F. Chronicle; West County Times*)

Preliminary designs show a mixed-use mall plus the racetrack. This mixed mall, with added parking structures, covers about forty-five acres of development with a minimal amount of privatized open space. The development plus the racetrack would virtually fill the Albany waterfront.

Caruso recently announced he is pulling out of Albany. Shortly thereafter Magna told its shareholders: Caruso is doing the development. (*El Cerrito-Albany Journal; West County Times*) Regardless of whether this is a Caruso tactic or whether Magna uses another developer, Magna states it is doing the development. (*West Co. Times*)

The casino/mall proposal brings a host of problems.

- A mall on the water's edge would sap the economic vitality of Albany's central business district. Solano Avenue and San Pablo Avenue business losses will likely offset much of the promised income from a Magna development.
- Regionally, it will damage neighboring business districts, taking from them to survive.
- Traffic nightmare at Gilman Street, at Buchanan Street and on I-80.
- Places a "racino" on the shoreline - precluding shoreline open space; expands casino gambling to the Bay Area.

Magna's development ideas represent the worst of urban planning.

Racetrack Likely to Close?

The weight of evidence points to the track closing without the casino/mall complex.

Although Magna has stated it has no plans to close the track in Albany, that denial is expected from a publicly traded corporation. Drastic future changes are routinely concealed until the last minute. Albany will be the last to know.

The evidence: Tracks are going out of business.

- In Southern California, the Hollywood Park Race Track owner announced it was giving up after the defeat of Prop 68, stating that unless California approves casino gambling, the horse racing industry cannot stay afloat. (*L.A. Times; Hollywood Park Racetrack publication; new owner says track will close without slots: S.F. Chronicle, Sacramento Bee*)
- Bay Meadows Racetrack in San Mateo has announced it is closing and the land will be turned over to developers. (*S.F. Chronicle*)
- Magna has lost millions steadily over the last four years and is selling 4 of its own 9 racetracks. It seeks to reduce its continued losses. (*Toronto Globe & Mail*)

Magna arrived on the scene in the United States in the late 1990s, buying up nine racetracks and suggesting it would save the horse betting industry. Instead, the industry has continued its steady decline. Magna itself faced a revolt and a lawsuit from its shareholders over the steady losses from its own tracks and it recently reported it was close to going broke in its quarterly report. (*Toronto Globe & Mail*)

Albany needs to plan for a future that may not include the track.

If the Racetrack Leaves, Albany Would Not Suffer Economically.

Albany would not be economically hurt if the track decided to leave. Actually, the track does not produce that much revenue for the size of its footprint. Environmentally sensitive development could be

built on the east side of the lot, nearer the freeway and away from the wetlands.

A Development Agreement could be worked out benefiting both the owner and Albany. In return for changing the zoning to permit some development to replace the track, a deal could be fashioned that could allow the purchase or gifting of the bulk of the land for open space uses.

Most of the land could, for example, be added to the Eastshore State Park. Albany would get a world-class shoreline park and expanded beach without having to pay out of its own coffers.

Any replacement development would benefit greatly from having this excellent park at its doorstep and would easily provide greater revenue to Albany than the track currently does.

Citizens for East Shore Parks (CESP), the Sierra Club, Citizens for the Albany Shoreline (CAS), Golden Gate Audubon and others have proposed such a modest development concept - a hotel/conference center (perhaps including a wellness center).

A hotel/conference Center would reasonably generate between \$1.5 and \$2 million dollars of tax revenue for Albany. This would bring in more tax revenue to Albany (both City and school district) than the current track operation, including the property tax revenues.

Equally important, a hotel/conference center would enhance, not sap, surrounding business centers.

What if the Track Stays?

The racetrack can choose to stay.

However, it should not be allowed new development alongside the racetrack. Magna bought a racetrack, not the rights to develop a mall on the Albany shore. Magna's plans for a casino/mall complex are not legal under current zoning.

The Park District can offer to buy any unused racetrack property, using state and regional park bonds, for inclusion in the shoreline park, just as was successfully done for the ballfields currently being completed at Gilman Street.



Artist's rendering of the CESP/Sierra Club/CAS vision for Albany's Shoreline

Keep Protective Zoning – Start Community Planning

In no event should Albany unilaterally change its current waterfront zoning of waterfront recreation. This is what the Magna/Caruso supporters seek. That would only dramatically increase the property value for the landowner without getting anything in return.

Park opponents who support a zoning change know this. Vastly increased property value will likely prevent the purchase of this waterfront property for open space uses or inclusion in the shoreline park – forever. Once it is developed we can't reclaim it.

Albany must keep the present zoning until there is an agreement guaranteeing real shoreline open space, not just the hints of open space in Magna's development plans.

We urge the City of Albany to commence an open planning process for the future of the Albany Waterfront. We urge everyone to participate and to respectfully share ideas for the Albany shoreline.

Spectacular Open Spaces – a Wonderful Legacy to Leave

Albany's charm includes a unique setting of unparalleled beauty by San Francisco Bay. As racetracks in California are closing, Albany has a miraculous second chance to rethink its entire perspective on its shoreline. Let's not be rushed into destructive development and expanded gambling that would forever preclude recovering our waterfront for the entire community and for generations to come.



**Please help us
protect the shoreline.**

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