



# City of Saratoga Springs

OFFICE OF THE MAYOR

Joanne D. Yepsen, Mayor

474 Broadway  
Saratoga Springs, New York 12866  
Telephone 518-587-3550 ext. 2514 • Fax 518-587-1688

Joseph J. Ogden  
Deputy Mayor

Gayle B. LaSalle  
Executive Assistant  
to the Mayor

April 26, 2016

Mr. Christopher Kay  
Chief Executive Officer and President  
New York Racing Association  
P.O. Box 90  
Jamaica, NY 11417

President Kay:

First, let us take this opportunity to congratulate you on your continued success with the New York Racing Association (NYRA). Under your leadership, NYRA has made impressive strides in improving its overall financial viability, while gradually restoring the faith and enthusiasm of many horse racing fans and city residents.

Second, we would respectfully ask that, in light of our being a host community, NYRA return to its previous practice of waiving the fee for the City of Saratoga Springs' box (i.e., "The Mayor's Box") at Saratoga Race Course during the meet.

Until recently, it was a long-standing tradition for NYRA to present the City with a box each year, at no cost. This arrangement allowed the Mayor and City officials to: formally represent the City at a wide variety of events and races throughout the summer; recognize special citizens by inviting them to enjoy a day at the track; use the box to raise money for local charities; more effectively market the myriad amenities our City has to offer, including our beloved track.

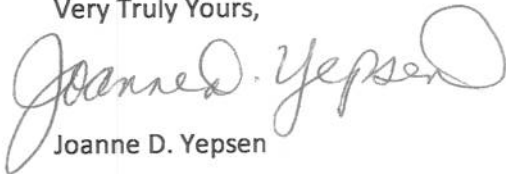
Sadly, since the suspension of this arrangement, it has largely fallen to the sitting mayor to privately pay for the box upfront in an effort to keep the City's traditional place at the Track, a place which we feel does so much for our community. The Mayor's position is a part-time job that pays \$14,500 a year per the City Charter; the cost of the box is now at least half of this salary.



This is not only inequitable, it is unsustainable. We happily provide, and will continue to provide, a multitude of public goods and services such as police, fire, water, sewer, flowers, street maintenance, etc. which are necessary to ensure the track's effective and efficient operation. Our hope is that NYRA will agree that providing the City with its traditional box at no cost is just one way that our community can be recognized for the integral part we play as a host community.

For over 150 years a large part of our City's culture and economy has been indelibly tied to Saratoga Race Course. We deeply value our mutually beneficial partnership and are proud stewards of the many traditions that have shaped our way of life through many generations. We hope that you look upon our request favorably, and are able to assist us in our efforts to extend this considerable public benefit to the greater Saratoga Springs community.

Very Truly Yours,

A handwritten signature in cursive script, reading "Joanne D. Yepsen". The signature is written in dark ink and is positioned above the printed name.

Joanne D. Yepsen

Cc:

Commissioner Michele Madigan  
Commissioner Skip Scirocco  
Commissioner John Franck  
Commissioner Chris Mathiesen  
Assemblywoman Carrie Woerner

*Saratoga Springs*  
*Department of Public Safety*

Christian E. Mathiesen, Commissioner  
Eileen Finneran, Deputy Commissioner

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*City Hall Saratoga Springs, New York 12866*

*518-587-3550*



May 6, 2016

Christopher Kay  
Chief Executive Officer and President  
New York Racing Association  
PO Box 90  
Jamaica, NY 11417

Dear Mr. Kay,

Last week, I received a copy of a letter that was sent to you by Saratoga Springs Mayor Joanne Yepsen and dated April 26. In her letter, the Mayor asked that NYRA return to its previous practice of providing a box at no charge during the Saratoga racing season for the City of Saratoga Springs (which she referred to as the 'Mayor's Box').

Please know that the City of Saratoga Springs functions under a commission form of government. It is the City Council that governs this City. The Mayor is one of five members of the Council and she speaks on behalf of the Council only when authorized to do so.

Speaking only as another member of the City Council, I would like you to know that I disagree with the points raised in the Mayor's letter. I am an enthusiastic fan of thoroughbred racing in general and of Saratoga Racecourse in particular. I was raised across the street from the Oklahoma Track and, while in college, I worked five summers for NYRA. Nothing would please me more than to have free access to a box at the track if I thought such a gift was ethically proper.

I was in agreement when NYRA decided in 2013 to no longer provide a free box to our City. This change erased any possibility of claims of ethical impropriety or conflict of interest against the City or NYRA. This decision also showed that NYRA was responsibly managing their financial resources. The value of a clubhouse box reserved for the entire racing has been estimated to have a value of more than \$9,000.00.

While the mayor noted in her letter that the City provides many services such as police, fire, water, sewer, flowers, street maintenance, etc. which she states ensure the track's effective and efficient operation, I don't agree with her assertion that providing the City with its traditional box at no cost 'is just one way that our community can be recognized for the integral part we play as the host community'. Resumption of this practice could

be viewed quite harshly. It could easily be considered a violation of the City's Ethics Code section 13-3 paragraph C (Gifts).

I believe that NYRA and the City of Saratoga Springs now have a healthy, mutually beneficial relationship. Continuing this relationship should not require that NYRA revert to an old, ill-advised practice. The 'Mayor's Box' imposed a significant financial sacrifice on the operation of Saratoga racecourse and called into question the ethical standards of all involved. NYRA is to be congratulated for changing this policy should continue to uphold this important ethical standard.

Sincerely,



Christian E. Mathiesen

Saratoga Springs Commissioner of Public Safety

cc: file ✓

Mayor Yepsen

Commissioner Franck

Commissioner Scirocco

Commissioner Madigan

Saratoga Springs Ethics Board

Gov. Andrew Cuomo



**CHRISTOPHER K. KAY**

Chief Executive Officer and President

May 13, 2016

The Honorable Joanne D. Yepsen  
Mayor of Saratoga Springs  
Office of the Mayor  
474 Broadway  
Saratoga Springs, New York 12866

Dear Mayor Yepsen:

Thank you for your recent letter.

At the time that Governor Andrew M. Cuomo and the State Legislature created the New York Racing Association (NYRA) Re-organization Board, there was a commitment made to transparency and fairness. To further this commitment, the Reorganization Board took action at its early meetings to make it clear that NYRA would not participate in certain political activities. For example, at the December 12, 2012 NYRA Board of Directors meeting, the Board passed the following resolution:

*"It is hereby resolved the NYRA Board of Directors, having had full opportunity to inquire, consider, and understand, hereby approves a prohibition on New York State political campaign contributions to New York State – wide legislative campaigns by NYRA and by NYRA's officers; and that there will be immediate termination of "the New York Thoroughbred Racing Industry Political Action Committee".*

In addition, at the June 10, 2013 Re-organization Board meeting, the Board passed the following resolution banning political fundraisers and related activities at the racetracks:

*"It is hereby resolved that the NYRA Board of Directors, having had full opportunity to inquire, consider, and understand, hereby approves a prohibition on the collection of political contributions and political fundraisers on any property within the operation of NYRA."*

Pursuant to and consistent with those resolutions, NYRA ceased the practice of providing free tickets to political entities and elected officials. Since that time, many elected officials have attended the Saratoga meet and their tickets were purchased.

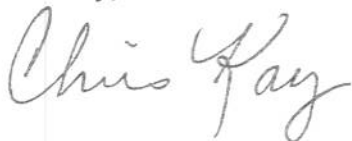
Pursuant to the same resolution, NYRA advised the City of Saratoga Springs that it would have to pay for its box, and each year since then the box has been paid for by the Mayor's office.

Consistent with the resolution set forth above, and the practice since those resolutions have been put in place, we would suggest that the City of Saratoga Springs pay for the box, or continue the

current practice of having the Mayor pay for the box. This is consistent with the practice of other elected officials and the right thing for all parties involved to do.

There are many ways that NYRA provides assistance and services to the City of Saratoga, and vice versa which have proven mutually beneficial. We value our partnership.

Sincerely,

A handwritten signature in cursive script that reads "Chris Kay". The signature is written in dark ink and is positioned below the word "Sincerely,".

Chris Kay

cc: Commissioner Michele Madigan  
Commissioner Skip Scirocco  
Commissioner John Franck  
Commissioner Chris Mathiesen  
Assemblywoman Carrie Woerner  
Mr. Brendan Fitzgerald  
Mr. Michael J. Del Giudice



**CITY OF SARATOGA SPRINGS**  
**BOARD OF ETHICS**  
474 Broadway  
Saratoga Springs, NY 12866-2296  
518-587-3550 Ext 2414  
518 587-1699 Fax

JUSTIN HOGAN  
*Chairperson*

BRENDAN CHUDY  
COURTNEY DeLEONARDIS  
JOHN ELLIS  
MARILYN RIVERS

June 3, 2016

Commissioner Christian Mathiesen  
Department of Public Safety  
City Hall, 474 Broadway  
Saratoga Springs, NY 12866

Re: Inquiry

Dear Commissioner Mathiesen:

The Board of Ethics has reviewed your inquiry received on May 11, 2016 regarding whether there has been an improper solicitation of a gift or favor in violation of City Ethics Code Section 13-3 (C). The Board has also reviewed copies of the April 26<sup>th</sup>, 2016 and May 6, 2016 letters you attached to your inquiry.

You ask whether the Mayor's April 26<sup>th</sup>, 2016 letter to Mr. Christopher Kay constitutes the improper solicitation of a gift or favor. The Board has reviewed Section 13-3 (C) in its entirety. It reads:

*C. Gifts. Except as set forth below, a City officer or employee shall not directly or indirectly solicit, accept or agree to accept any gift or favor, whether in the form of money, services, loans, travel, entertainment, hospitality, material items, promise or any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence such City officer or employee, or could reasonably be expected to influence such City officer or employee in the performance of his or her official duties, or was intended as a reward for any official action taken by such City officer or employee. This restriction shall not be construed as applying to the following situations in which gifts or benefits are:*

- (1) received by the officer or employee from his or her parent, spouse, child or sibling;*
- (2) accepted on behalf of the City and transferred to the City;*
- (3) received as refreshments or meals at a widely attended gathering;*
- (4) received for the solemnization of a marriage by an officer or employee of the City of Saratoga Springs listed in § 11 of the Domestic Relations Law at a place other than his or her normal place of business or at a time other than his or her normal hours of business, and*

*which have a value of \$75 or less;*

*(5) received as non-monetary awards from charitable organizations; or*

*(6) received as City services or benefits, or the use of City facilities, generally available on the same terms and conditions to residents or a class of residents in the municipality.*

The Board notes at the outset that the initial of Section 13-3(C) prohibits such solicitation under circumstances where it could reasonably be inferred or expected that the gift would either influence the City officer or employee or was intended as a reward for official action. The Board also notes the specific exemption for situations where gifts or benefits are accepted on behalf of the City and transferred to the City.

Turning now to the April 26<sup>th</sup>, 2016 letter, we find several instances in which Mayor Yepsen indicates that the gift in question would be “for the City of Saratoga Springs” and “providing the City with its traditional box.” There is a statement in the fourth paragraph of the letter where the Mayor states that she has previously paid for the box with private funds, however, given the overall content of the letter in question we conclude that the solicitation of the race track box was not made under circumstances reasonably indicating an intention to either influence Mayor Yepsen in her official duties or to reward her for any official action.

Section 7.6 of this Board’s procedures requires that a copy of this finding be forwarded to both the complainant and respondent.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin A. Hogan". The signature is fluid and cursive, with the first name "Justin" and last name "Hogan" clearly distinguishable.

Justin Hogan  
Chair

CC: Mayor Joanne Yepsen



