

SECURITIES AND EXCHANGE COMMISSION

FORM DFAN14A

Definitive additional proxy soliciting materials filed by non-management including Rule 14(a)(12) material

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SUBJECT COMPANY

CALIFORNIA JOCKEY CLUB

CIK: **16343** | IRS No.: **940358820** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **DFAN14A** | Act: **34** | File No.: **001-09319** | Film No.: **96620793**
SIC: **7948** Racing, including track operation

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FILED BY

CALIFORNIA JOCKEY CLUB SHAREHOLDERS COMMITTEE

CIK: **1014444**
Type: **DFAN14A**

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SCHEDULE 14A
(RULE 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES EXCHANGE ACT
OF 1934 (AMENDMENT NO.)

Filed by the Registrant []
Filed by a Party other than the Registrant [X]
Check the appropriate box:
[] Preliminary Proxy Statement
[] Definitive Proxy Statement
[X] Definitive Additional Materials
[] Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

CALIFORNIA JOCKEY CLUB

.....
(Name of Registrant as Specified In Its Charter)

CALIFORNIA JOCKEY CLUB SHAREHOLDERS COMMITTEE

.....
(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):
[] \$125 per Exchange Act Rules 0-11(c)(1)(ii), 14a-6(i)(1), or 14a-6(i)(2).
[X] \$500 per each party to the controversy pursuant to Exchange Act Rule 14a-6(i)(3).
[] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:
.....

2) Aggregate number of securities to which transaction applies:
.....

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:(1)

4) Proposed maximum aggregate value of transaction:
.....

5) Total fee paid:
[X] Fee paid previously with preliminary materials.
[] Check box ;if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting

fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:
.....

(2) Form, schedule or registration statement no.:
.....

(3) Filing party:
.....

(4) Date filed:
.....

(1) Set forth the amount on which the filing fee is calculated and state how it was determined.

CALIFORNIA JOCKEY CLUB SHAREHOLDERS COMMITTEE

August 26, 1996

Dear Fellow Shareholder:

The holdover Board of California Jockey Club ("CJC") has been writing to you in the past two weeks to disparage the pledge of the California Jockey Club Shareholders Committee (the "Committee") to reevaluate CJC's current contract proposals and to tout the soundness of management's supposed business "plan." We write to set the record straight on both counts.

There is still time to vote for the Committee by following the simple instructions below.

Our platform is clear and always has been: Return control of our company to the shareholders and elect a Board of Directors committed to the best long-term interests of the shareholders. Specifically,

- 1. PRESERVE AND ENHANCE PROFITABILITY OF LIVE RACING AT BAY MEADOWS.

Live racing has been our long-term source of profits. In each of the past two years racing activities produced net income on a combined basis in excess of

\$4 million.

Current management has acknowledged its commitment to live racing only recently and only when compelled to do so for obvious political reasons. More tellingly, the holdover Board never denied that Property Resources, Inc. ("PRI"), buyer of the barn and stable area, formally warned Bay Meadows Operating Company ("BMO") against even attempting to make changes to the racecourse to accommodate live racing after the sale. Likewise, the Board has refused the Committee's request that it state publicly that it will take no unilateral action limiting the shareholders' ability to avoid this harmful PRI transaction.

The primary impediment to continuation of live racing is entirely of current management's own making -- the sale of the barn and stable area. We believe it is possible to continue operating with the existing barns through a methodical program of renovation and eventual replacement. This step will give the new CJC Board the time to implement the second part of our program--a well thought out and executed strategic plan designed to continue live racing while maximizing the value of the company's real estate and its status as a real estate investment trust. If the PRI sale is concluded, however, the barns will have to be replaced, either on or off-site. On-site replacement of approximately 900 stalls will

cost \$12-15 million, and off-site stabling is impractical at Bay Meadows, in the opinion of many racing professionals. Management's statistics on the number of horses currently stabled off-site at Bay Meadows are exaggerated and their examples of other tracks are unapplicable. Thus, the holdover Board's own actions have precipitated a crisis that could imperil the 1997 Racing Season.

2. A COMPREHENSIVE STRATEGIC PLAN DESIGNED TO MAXIMIZE THE VALUE OF OUR REAL ESTATE FOR THE SHAREHOLDERS.

It is clear that California Jockey's 178 acres (we believe the last large developable plot in San Mateo County) are an extremely valuable asset, particularly when combined with its status as a paired real estate investment trust. Maximization of value must be accomplished through a comprehensive, well thought out and executed strategic plan for the entire property. Our nominees believe that such a strategic plan would involve marketing all of CJC's San Mateo County real estate as a Planned Unit Development and finding the right site for a new racecourse that would qualify for tax deferral treatment as exchange property.

The current CJC Board's piecemeal sales strategy, dividing CJC's real estate into three separate tracts for purposes of sale, prevents maximization of value from the entire site. The retained land--the race course and abutting parking areas--is the "rear" of CJC's property and its least valuable tract. The most valuable land--the "front door"--consists of the forty (40) acre training track area fronting onto Highway 101 to be sold to the Iacocca Group for the nominal price of \$30,750,000. The next most valuable parcel is the

thirty-three (33) acre stable and barn area located between the training track and the racecourse, which the current CJC Board contracted to sell to PRI for the nominal price of \$21,000,000. This is the tract that was the subject of the MAI appraisal completed for a Committee member in October 1995. The appraisal projected the raw land's then-current value as approximately \$600,000 per acre, with estimated appreciation of up to 25% in two to three years, which would be nearly \$100,000 per acre more than the price that the incumbent CJC Board negotiated.

The current CJC Board continues to hang its reelection hat on the figure of \$52 million, which is the sum of the nominal sales prices for the two proposed land sales with PRI and the Iacocca Group (collectively the "Proposed Transactions"). As stated in our Proxy Statement, the Committee believes the net cash payable to CJC on account of the Proposed Transactions is, at best, \$49.4 million and more likely less than that. Moreover, the CJC Board embarked upon its sales strategy apparently without identifying any potential exchange property in which to make a tax deferred investment of the proceeds of any of the sales.

We think the holdover CJC Board undervalues the land, the racing

franchise

and the special "Paired REIT" corporate structure. Even if you disagree with our position that the sale price for the land is too low, Mr. Qvale is quoted as saying the barn area is worth \$700,000/Acre, and if he has his way when the gavel falls, parcels will be sold at that price. By this factor, the entire 178 acres--without any consideration of the racing franchise--should bring in \$124,600,000.

If Mr. Qvale has his way, another gavel might fall soon that would give Hudson Bay Partners 72% of a transformed CJC/BMOC for \$300,000,000. That translates into a value for our remaining 28% interest of only \$116,666,667 without factoring in a substantial discount for our minority position.

In other words, the "premium" for the Hudson Bay merger is actually a net LOSS compared to selling off all the land. This assumes the racing franchise is worth nothing, and the land is worth less than its price on the "auction block"!

Think about these factors as you make your decision about who should run CJC in 1996 and beyond:

- * DO YOU WANT A BOARD COMMITTED TO PRESERVING AND ENHANCING THE VALUE OF OUR RACING FRANCHISE?

- * DO YOU WANT A BOARD THAT WILL SELL CONTROL OF OUR VALUABLE PENINSULA LAND ONLY AT AN OPPORTUNE TIME, TO MAXIMIZE THE VALUE OF ALL OUR LAND?

OR

- * DO YOU WANT TO REELECT DIRECTORS WHO HAVE ENGAGED IN UNCOORDINATED
PIECE MEAL SALES AT WHAT WE BELIEVE ARE BELOW MARKET PRICES?
- * DO YOU WANT TO TRANSFER CONTROL OF ALL OUR PROPERTY IN EXCHANGE FOR
A MINORITY INTEREST IN A BLIND POOL OF REAL ESTATE
INVESTMENTS?

THE CHOICE IS CLEAR -- VOTE TO RETURN CONTROL OVER CAL JOCKEY TO THE
SHAREHOLDERS. SINCE TIME IS SHORT AND YOUR VOTE EXTREMELY IMPORTANT, WE HAVE
ESTABLISHED A METHOD TO ENABLE YOU TO VOTE BY TOLL-FREE TELEPHONE. PLEASE
FOLLOW THE SIMPLE INSTRUCTIONS BELOW.

If you need any assistance in the last-minute voting of your shares, please
call Georgeson & Company Inc., toll-free, at 1-800-223-2064.

Very truly yours,

CALIFORNIA JOCKEY CLUB SHAREHOLDERS COMMITTEE

TOLL-FREE PROXYGRAM OPERATORS WHO ARE INDEPENDENT OF THE COMPANY ARE AVAILABLE
TO ASSIST YOU NOW!!!

INSTRUCTIONS

1. Call Toll-Free 1-800-521-8454 between 8:00 a.m. and 12:00 midnight
eastern time.
2. Tell the operator that you wish to send a collect Proxygram to ID No.
4532, California Jockey Club Shareholders Committee.
3. State your name, address and telephone number.
4. State the bank or broker at which your shares are held and your control
number as shown below:

Name:	<NA.1>
Broker:	<BROKER>
Control number:	<CONTROLNUM>
Number of shares:	<NUMSHARES>

If you need assistance in voting, call our solicitor, Georgeson & Company Inc.
at 1-800-223-2064.

CALIFORNIA JOCKEY CLUB 1996 ANNUAL STOCKHOLDERS MEETING

THIS PROXY SOLICITED BY CALIFORNIA JOCKEY CLUB SHAREHOLDERS COMMITTEE

The undersigned stockholder of California Jockey Club ("CJC") hereby

appoints each of DAVID GJERDRUM, JOHN C. HARRIS and RONALD J. VOLKMAN, each of them with full power of substitution, for and in the name of the undersigned, to represent and to vote, as designated below, all shares of common stock of CJC that the undersigned is entitled to vote if personally present at the 1996 Annual Stockholders Meeting of CJC, and at any adjournment or postponement thereof. The undersigned hereby revokes any previous proxies with respect to the matters covered by this Proxy.

CALIFORNIA JOCKEY CLUB SHAREHOLDERS COMMITTEE RECOMMENDS A VOTE FOR PROPOSALS 1 AND 2.

1. ELECTION OF THE COMMITTEE NOMINEES TO THE CJC BOARD OF DIRECTORS:
Election of David Gjerdrum, John C. Harris, Barton D. Heller, Jerrylee Vanderhurst, and Ronald J. Volkman.

FOR all nominees except WITHHOLD AUTHORITY for all
as marked below nominees

(INSTRUCTION: To withhold authority to vote for one or more nominees, give that nominee(s) name to the operator.)

2. TO ESTABLISH A MANDATORY RETIREMENT AGE FOR DIRECTORS.
Establishing the age of 72 as the mandatory retirement age for CJC directors.

FOR AGAINST ABSTAIN

3. TO RATIFY THE APPOINTMENT OF DELOITTE & TOUCHE LLP AS INDEPENDENT AUDITORS
Ratifying the appointment of the firm of Deloitte & Touche LLP as independent public accountants for 1996.

FOR AGAINST ABSTAIN

4. IN THEIR DISCRETION, THE PROXIES ARE AUTHORIZED TO VOTE UPON SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING OR ANY ADJOURNMENT THEREOF.

This Proxy, when properly executed, will be voted in the manner marked herein by the undersigned shareholder. IF NO MARKING IS MADE, THIS PROXY WILL BE DEEMED TO BE A DIRECTION TO VOTE FOR PROPOSALS 1, 2 and 3.