



# Gaming Commission

**February 27, 2015**

Rob: New York State Racing Pari-Mutuel Wagering and Breeding Law Section 109-A provides that the Gaming Facility Location Board shall consist of five members appointed by the New York State Gaming Commission. Five members having been appointed by the commission affords the board an ability to establish a quorum and to undertake action. This present meeting of the board is now called to order. Establishments of a quorum requires three members being present. Please indicate your name when it is called.

Rob: Paul Francis?

Paul Francis: Present.

Rob: Dennis Glazier?

Dennis Glazier: Present.

Rob: Kevin Law?

Kevin Law: Here.

Rob: Stewart Rebinouis?

Stewart Rebinouis: Present.

Rob: William Thompson?

Chairman Law.

Chairman Law: Thank you, Robert. For the record board member Bill Thompson is excused we tried to coordinate all of our schedules and it's very difficult to schedule five people's schedule's and we had to go with a date that worked for four of us. And so, he apologized, he was available for other dates, but trying to get us all together to get this done, we would have been into mid-March before all five of us were together. So, Bill is excused and apologized for not being here.

Our first order of business is the approval of the minutes from January 13<sup>th</sup>, 2015, which were previously circulated. Take a motion to entertain that by Dennis, seconded by Paul. Any comments, revisions, or additions to the minutes? Hearing none all in favor?

All: I.

Chairman Law: Any opposed? The motion to approve the minutes carries. Our first item on the agenda is the consideration of the gaming facility location boards. Reports and recommendations relative to the request for application to develop and operate a gaming facility in New York State issued in 2014, as you're all aware the board publicly announced its license recommendations on December 17<sup>th</sup>, 2014, when we were in Albany. This report serves as the full record of the actions and determinations of the board. As you can see, the report is comprehensive, detailed, an exhausted examination of the entire siting process.

It sort of fully explains everything that we did. The rationale for why we did things. A summary of all the activities that we conducted. And, overall rationale for our decisions. And, it is lengthy. But it's designed to sort of be a one-stop resource on the casino siting process and the decision. And thus, it contains everything that we did basically from the constitutional amendment that was approved by the voters, to the original request for applications to the staffs. Public communications, to the public comments. Everything else that we did, ultimately to the decision. And I'd really like, you know, I know I speak on behalf of all of us to thank the staff and commend the staff for pulling this together. This was no easy task. It was really a herculean effort.

And first, I want to thank all of my colleagues on the board. As volunteers, we took our job seriously. We put in hundreds of hours over the past year on this process, whether it was reviewing thousands of pages of documents, participating in public forums with the applicants, participating in multiple days of public hearings. And public comment sessions. And just, it was really a remarkable effort. So, I thank my board members. And then certainly the staff, to the gaming commission, Rob, and Lee, Ed, Brad, and the whole team, Heather. It really, you guys did a terrific job. And, we saw it firsthand. And, we thank you for everything that you guys did for us because it was a very, very intensive and laborious process. So, we all feel the same in that. I know I speak on behalf of all of you.

Does anyone have any comments or concerns regarding the proposed report that was circulated to us? And we had that chance to review and comment and make our suggestions on over the last month since we met on January 13<sup>th</sup>.

Unidentified male: No.

Chairman Law: No.

Unidentified male: I don't have a comment on this. I would just like to say on behalf of the other commission members what a great job Kevin Law has done as Chair of this committee, this board. This hasn't been the easiest board to chair for a variety of reasons. And Kevin always kept us on track, on mission. He kept reminding us all the time of what our job was. And, dealt with a lot of difficult logistics. And I've seen a lot of chairs in my time on a lot of different committees. And I don't know how anybody could have done a better job than Kevin.

Kevin Law: Thank you very much, you're certainly welcome. Thank you guys. And with that, I'll accept that as a motion by Stew to approve and seconded by Paul. Any other comments, revisions, or additions to the report? All in favor?

All: I.

Kevin Law: Any opposed? No. and I spoke with -- I vote yes as well. I spoke with Bill Thompson and he advised us that we don't allow for proxy'. But he advised me on the phone, that if he was here, he would also have supported and voted to adopt the report. So let Rob, the record reflect that as well.

Rob: So in a real sense it's unanimous.

Kevin Law: Exactly. Okay, so the adoption of the report is approved. Next...

Unidentified male: It will be posted momentarily, available to the public.

Kevin Law: Very good. Yeah, some preliminary copies have been prepared and we'll direct staff to send them to all of our state leaders. And to the public, it will be posted online.

Rob: Yes.

Kevin Law: Right. So we save some trees and not print, what is this about 800 pages?

Rob: Just about.

Kevin Law: Yeah. So, let's put it online and be efficient when it comes to that. Next up, on the agenda is the continuation of the discussion that we had in January regarding a potential issuance, a renew request for applications limited to zone two, region five, in the Southern Tier region. Both Southern Tier, Finger Lakes region. As we know, the board made our decision on the first RFA on December 17<sup>th</sup>, 2014. Subsequently we were asked to consider the issuance of a new RFA directed to the Southern portion of zone two, region five. As we know, this is called the Southern Tier. As we mentioned at our last meeting, after some contemplation we have come to the conclusion that we should honor that request. And we directed staff to begin preparing the RFA.

The territory to be considered in the new process does not lie within an existing Indian gaming exclusivity zone. Nor is it part of the Gaming market of any of the three recommended casino gaming licenses bidders that we previously recommended. This offers a unique opportunity for a bid for just this territory. We ensure this by adding the fact that any new responses must demonstrate that they do not affect the new facilities that we have recommended. And I think it's important to underscore that neither of the two previous bids were suitable for the award. And, that at our last meeting, I stated that we would not necessarily recommend an award of a fourth license unless we saw something better than what we previously were presented with. And, so I want to stress that, that still holds true from, certainly my perspective. I trust it's your perspectives as well.

It's also important to note that our adoption of a new document today, still requires the approval of the Gaming Commission before it can be released. So if we're inclined to approve the staff's preparation of a new RFA that doesn't start a new procurement process. The Gaming Commission first has to adopt it and then issue it. So, we'll keep that in mind. And, so, the staff has created and circulated the draft for application for zone two, region five. And, I would entertain; first, I'll ask do any of my colleagues have any thoughts, comments, revisions, or additions to that draft RFA? Stewart?

Stewart Rebinouis: No, it's not about the draft RFA. But, I want to emphasize, just for the record. That I agree completely with you on the accuracy of the decision of we made the first time around. And that the two proposals from that -- now what we've learned, or what I've learned is true Southern Tier, neither one of those proposals was strong enough in my opinion to have a reasonable chance of succeeding in the way the legislature envisioned these things to succeed. And, if the same ones come back in the same shape again, I want to second Kevin's notion, that I would not vote to approve them. And I also want to emphasize the importance of competition. And I don't believe anybody, I don't think the legislature or anybody else viewed this process as any one person or entity having an entitlement to this license without going through the process. And, I think that competition as always tends to improve

the situation for the public good. So that there's some pressure on the applicants to do their very, very best and perhaps to stretch. So I would, again, encourage people, other proposals to come forward from the Southern Tier so that when we make a recommendation we can compare and know that whichever one we choose, we've done everything possible to make it the best for the people of the Southern Tier.

Unidentified male: If any.

Stewart Rebinouis: If any.

Kevin Law: I agree. And just, looking back, recall, we never said that two casinos in the Finger Lakes/Southern Tier region could not work. We made a decision that we thought the one we selected was the best out of the three.

Stewart Rebinouis: And the other thing I would just add to that, is that I urge people who are concerned or have a different point of view, to read the report that we just issued 10 minutes ago. And understand factually, why we didn't choose, why we chose the one we chose. Which as you said, by the way, was included by the legislator in the same region as quote "the true Southern Tier". And why we didn't choose the others. And so far, that information has, that reasoning has sort of been lost in the various press reports. And so on. And we're hoping that by putting out this report now that people will understand our reasons.

Kevin Law: That's a good pint Stew. Again, you look at this, and I'm glad it's finally completed because people will finally see how much work we put into this. And that, does it mean we're perfect? No, but it shows the amount of hard work we put into it that we really did the best job that we could do. And now it will be out there....

Stewart Rebinouis: As far as I'm concerned, It's perfect.

Kevin Law: Yeah, and well they'll always be Monday morning quarterbacks. But we know we did a great job.

Unidentified male: I just want to make the one additional point, and that was that if we had found the Lago Proposal wanting, for some of the same reasons we found the other proposals wanting we might have issued no licenses. And recommended no licenses in that region.

Kevin Law: Right, correct.

Unidentified male: And it's not that we found Lago the best of the three. And therefore selected it, but we also found Lago to meet the objectives of the statute. And the objectives, as we saw them for success. Because had Lago not met those objectives, criteria in our view I believe that we would have gone without a recommendation in the region, if appropriate. So I don't want to leave the wrong impression on that.

Kevin Law: No, that's a good point. And with the item before us now, with the new RFA, I said it in the January meeting if private companies are willing to submit bids for private investments. And they believe they can make something work, without any taxpayer dollars being utilized, you know, let's explore it. And so, I'm happy to explore this new possibility. And, entertain the new RFA before us. And so we'll take a motion by Paul on that, and a second by Dennis. Any comments, revisions, or

additions to the RFA? All in favor to make a recommendation to release the RFA to the Gaming Commission, who will then officially release it, all in favor?

All: I.

Kevin Law: Any opposed? No. and again, speaking with our colleague Bill Thompson the other day, he advised me that if he was here he would also have voted to approve the issuance of the new RFA. That matter is also approved. Is there any old business that any of the board members want to raise? Is there any new business Rob, for us to take up?

Rob: There is not.

Kevin Law: That really concludes our published agenda for the day. Any other items, folks to bring up? Hearing none, take a motion by Stew to adjourn, seconded by Paul. All in favor?

All: I.

Kevin Law: The meeting of the Gaming Facilities Location Board is adjourned. Thank you very much for your service guys.

Unidentified male: Thank you.