

>>> OKAY.

GOOD MORNING, FOLKS.

WE ARE GOING TO GET STARTED.

MY NAME IS KEVIN LAW, AND I AM
THE CHAIRMAN OF THE GAMING
FACILITY BOARD.

WELCOME TO THE APPLICANT
PRESENTATION, PART TWO.

WE WERE HERE ALL DAY YESTERDAY.
WITH ME TODAY ARE MY ESTEEMED
FRIENDS AND COLLEAGUES ON THE
BOARD.

TO MY LEFT, BILL THOMPSON AND
RIGHT, PAUL FRANCIS AND DENNIS
GRAZER AND STEWART IS JOINING US
THROUGH TECHNOLOGY, AND LIVE
WITH US FROM LONG ISLAND.

TODAY, EACH APPLICANT FROM THE
CATSKILLS WILL MAKE AN
INFORMATIONAL PRESENTATION OF
ITS APPLICATION TO THE MEMBERS
OF THE BOARD AND TO THE PUBLIC.
AND WE ASK YOU TO KEEP YOUR OWN
APPLICATIONS AND NOT OTHER
APPLICATIONS.

BECAUSE WE'RE NOT SET UP IN A
FORUM TO ALLOW OTHERS APPLICANTS
TO REBUT ANYTHING YOU MAY OR MAY
NOT SAY.

THE PURPOSE IS TO PROVIDE THE
BOARD AND THE PUBLIC WITH
INFORMATION AND EXPLANATIONS OF
THE CONTENTS OF THE PROPOSED
PROJECTS AND THEIR APPLICATIONS.
THE APPLICANTS ARE INSTRUCTED TO
LIMIT THEIR PRESENTATIONS TO
THEIR OWN APPLICATIONS AS I JUST
SAID.

NO QUESTIONS FROM THE PUBLIC
WILL BE PERPETRATED AT THIS
FORUM, HOWEVER, WE WILL HAVE
THREE DAYS OF PUBLIC HEARINGS IN
TWO WEEKS, AND YOU CAN GET THAT
INFORMATION FROM THE GAMING
COMMISSION WEBSITE.

AND WE LOOK FORWARD TO THAT AS
WELL.

SO, WE ARE GOING TO ALLOW EACH
APPLICANT 45 MINUTES.

AFTER 40 MINUTES, WE WILL GIVE
YOU A FIVE MINUTE WARNING TO
WRAP UP.

AND WE HAVE NINE PRESENTATIONS
TODAY.

SO IF YOU GO OVER, WE WILL HOLD IT AGAINST YOU.
AND THEN THERE'LL BE SOME Q AND A FROM THE PANEL AS WELL.
SO WITH THAT, WE'RE GOING TO GET RIGHT TO IT.
AND OUR FIRST PRESENTATION TODAY IS FROM THE SUN AT THE CONCORD.
IF SOMEBODY COULD INTRODUCE THEMSELVES IN THE PANEL, WE COULD GET STARTED, THANK YOU.
>> GOOD MORNING.

GOOD MORNING MEMBERS OF THE BOARD, EARLY RISERS, FANS OF THE SELECTION PROCESS, MY NAME IS MITCHELL, I'M THE COMMITTEE OF EXECUTIVE OFFICER OF THE GAMING AUTHORITY.

I'VE BEEN WITH THE COMPANY FOR 18 YEARS.

I ALWAYS USE MY MIDDLE NAME FOR BUSINESS, BUT TELEVISION MUCH MORE APPROPRIATE TODAY BECAUSE MY FAMILY OWNED THE WORLD FAMOUS HOTEL FOR OVER 75 YEARS.

I, ALONG WITH ONE OF THE OTHER TEAM MEMBERS, THE OWNER OF THE HOTEL, WERE BORN AND RAISED IN THE CATSKILLS.

WE WERE BORN INTO THE RESORTS, WE TRULY UNDERSTAND THE TRAGEDY AND THE FOESHL HOLDS TODAY -- POTENTIAL IT HOLDS TODAY.

WE ARE BUILDING AND OPERATING HOHEGAN SUN ON THE CONCORD. THE HISTORIC HOTEL IN SULLIVAN COUNTY.

WHICH IS GROWING AT A TRUE ECONOMIC STIMULUS AND FUEL THE KAT SKILLS BACK TO GREATNESS. I'M NOT SURE IF ANY OF YOU HAVE BEEN TO THE PROPERTIES, IF YOU HAVE BEEN, YOU'LL SEE THE QUALITY OF THE SURROUNDINGS AND THE EXPERIENCE THAT'S UNPARALLELED.

AND THAT'S EXACTLY WHAT YOU'LL EXPERIENCE AT THE CONCORD.

NOW A BIG REASON FOR THAT IS BECAUSE WE OPERATE UNDER PHILOSOPHY OF THE SUN WAY.

OUR CORE VALUE'S DRIVE, DEDICATION TO WOWING THE CUSTOMER, TO PARTNERING WITH AN

INVESTING IN COMMUNITIES WHERE
WE WORK AND LIVE AND CREATING A
ONE OF A KIND WORK ENVIRONMENT
FOR OUR EMPLOYEES.
NOW FOR THIS PARTICULAR PROJECT,
WE'RE FORTUNATE TO HAVE PUT
TOGETHER A GREAT TEAM.
ALL OF THE TEAM MEMBERS ARE
EXPERTS.
AND SEEK OUT.
FIRST WE HAVE ARCHITECTURE,
THEY'RE THE WORLD RENOWNED
DESIGN AND DEVELOPMENT FIRM.
TRULY THEY ARE THE NAME IN HIGH
PROFILE GAMING DESIGN.
THEY HAVE DECADES OF EXPERIENCE
LIKE THE M. RESORT, ALL SUITES
CASINO HOTEL WHICH WAS REALLY
EARTH SHATTERING AND CHANGING IN
ITS DAY.
CESAR'S PALACE, BORGOTTA AND NEW
YORK NEW YORK.
AND OUR GREAT PARTNERS, THE KA
PELLA ORGANIZATION, LEWIS AND
BRIAN.
THEY HAVE OVER 40 YEARS OF
DEVELOPMENT AND CONSTRUCTION
EXPERIENCE IN NEW YORK.
THEY DEVELOPED CONSTRUCTION TO
MANAGE MORE THAN EIGHT MILLION
SQUARE FEET FROM MIXED USE
OFFICE SPACE TO HOTELS AND
RETAIL WITH A VALUE IN EXCESS OF
\$3 BILLION.
SOME OF THEIR HIGHLIGHTED
PROPERTIES RITZ CONDORS PLAZA,
AND THE TRUMP PARK IN STANFORD.
THEY'VE INVESTED OVER A \$100
MILLION OVER 15 YEARS.
BACK TO THE PURCHASE AND MY
FAMILY'S HOTEL BACK IN 1999.
AND OF COURSE YOU HAVE US,
MOHEGAN SUN, WE'RE A STEEL
OPERATOR WITH A WORLDWIDE
REPUTATION FOR WORLD EXCELLENCE.
WE OPERATE THREE CASINOS WITH
OVER 500 SQUARE FEET OF --
500,000 SQUARE FEET OF GAMING
SPACE.
LIVE TABLE GAMES, AND 2280 HOTEL
ROOMS.
WE RUN THE ARENA, THE BUSIEST
ARENA THIS SIZE IN THE WORLD.
WE OWN AND OPERATE AT WMBA

BASKETBALL TEAM, JUST PURCHASED
HALF OF A LA CROSS TEAM.

65 RESTAURANTS WIN COLLUDING
BOBBY FLAY, WOLFGANG PUCK,
MARGARITAVILLE, AND MICHAEL
JORDANS.

WE OFFER A MIX OF 50 STORES FROM
LUXURY RETAILERS TO POPULAR
BRAND LIKE SEPHORA WE OWN AND
OPERATE A 18 HOLE GOLF COURSE
AND CONNECTICUT IS THE HIGHEST
GROSSING CASINO IN TERMS OF
GAMING REVENUE IN THE WESTERN
HEMISPHERE.

THOUGH ITS WORLD CLASS IS
EXCITED TO WORK TOGETHER WITH
THE PEOPLE OF SULLIVAN COUNTY TO
BRING THE CATSKILLS BACK TO
THEIR GLORY DAYS AND MAKE IT
EVEN MORE COMPELLING THAN IT
ONCE WAS.

NOW LET'S TAKE A GLIMPSE INTO
THE STORIED PAST.

>> IT WAS EXCITING, IT WAS LIKE
GOING TO TIME SQUARE IN NEW YORK
CITY IF YOU CAME HERE IN THE
SUMMER TIME ON BROADWAY.

>> NEW YEAR'S EVE IS NICE.
THE SHOWS.

>> I THINK THERE WERE LIKE 600
STREET HOTELS AND ABOUT FOUR OR
500 SMALL HOTELS.

>> SUNDAY WE CAN CHECK OUT 1500
PEOPLE AND CHECK IN 1500 PEOPLE
IN THE FACILITY.

AND THAT WAS JUST ONE AT THE
SAME TIME YOU HAD GROWTH
STIMULATION, YOU HAD THE PINES,
YOU HAD ALL THESE HOTELS AT THAT
TIME.

>> PROVIDED INCOME FOR SO MANY
DIFFERENT PEOPLE OR DIFFERENT
VARIETIES, DIFFERENT TRADES,
DIFFERENT FAMILIES, DIFFERENT,
IT WAS AN AMAZING TIME.

>> THERE WAS A SPECIAL TIME, IT
WAS A DREAM.

>> FOR VIE BRAN SI OF THE HOTELS
IS PAGES.

>> IF YOU WENT DOWNTOWN
MONTICELLO, FOUR, FIVE DEEP ON
THE WEEKEND.

YOU COULDN'T HARDLY WALK THE
SIDEWALKS.

>> WE WANT TO DO BUSINESS WITH THE HOTELS, AND IF YOU DIDN'T, YOU WERE SELLING PO TO PEOPLE WHO WORKED AT THE HOTELS.

>> MY FIRST COMMISSION CHECK AS WELL AS SALARY, BROUGHT A BRAND NEW CORVETTE WITH IT.

>> EVERY RESTAURANT HAD LINES AT MIDNIGHT, THE THEATERS HAD POLICEMEN OUTSIDE CONTROLLING CROWDS TRYING TO GET INTO THE THEATERS.

>> WE BROUGHT IN EVERY MAJOR STAR, BIG AS LAS VEGAS AT THE TIME.

THE NIGHTCLUBS WERE PACKED WITH PEOPLE.

PEOPLE BEGGING TO GET FRONT ROW SEATS.

THE MUSIC, AND THE DANCING WAS TRULY EXCITING.

>> ON A SATURDAY NIGHT WE DID 100 SHOWS IN DIFFERENT PLACES, JUST ON THAT PARTICULAR SATURDAY NIGHT.

AND THEY WERE PACKED.

YOU COULDN'T GET INTO THESE PLACES.

>> BIGGEST NIGHTCLUBS IN THE WORLD IN SULLIVAN COUNTY.

CONCORD HOTEL, IMPERIAL ROOM, OVER 2500 PEOPLE, THAT WAS AT CAPACITY, TEXAS COUNTRY CLUB, WAY OVER 1500, AND HOTELS LIKE THE PINES AND THE STEVENSVILLE AND THE AREAS.

>> EVERYONE HAD IN THEIR POCKETS AT THOSE TIMES.

EVERYBODY SMILED.

EVERYONE WAS JUST HAPPY.

>> AND I REMEMBER HOW WONDERFUL IT WAS, AND HOW IT ENRICHED ALL OF OUR LIVES.

I'D LOVE TO SEE IT COME BACK AND BECOME REVITALIZED, HAVE OTHER PEOPLE HAVE THE OPPORTUNITY THAT I HAD AND MY FAMILY HAD GROWING UP.

IT WAS INCREDIBLY WONDERFUL.

>> I CAN'T REALLY LIE, THIS IS VERY PERSONAL TO ME.

THIS ISN'T JUST ANOTHER DEAL.

KURT AND I GREW UP IN THE RESORTS IN THE CATSKILLS, SEEING

THE DECLINE OF THE ENTIRE
REGION.
SEEING A DECLINE IN THE TOWN I
GREW UP.
WHAT IF YOU SAW BOARDED UP
STORES AND YOU SEEN WHAT'S
THERE.
YOU'VE SEEN IT, YOU'VE BEEN OVER
TO THE CATSKILLS, THE EXTENT OF
THE DECAY IS STAGGERING.
AND THE REALITY IS, THAT IS
GOING TO STAY UNTIL THERE IS
ECONOMIC DEVELOPMENT BROUGHT TO
SULLIVAN COUNTY.
THE UPSTATE DEVELOPMENT ACT,
THAT'S THE NAME, UPDATE
DEVELOPMENT, I THINK EVERYONE IN
NEW YORK BELIEVES THAT ONE OF
THE REAL REASONS WAS STIMULUS TO
THE CATSKILLS REGIONS,
SPECIFICALLY SUL CAN COUNTY.
THAT'S WHAT IT WAS ALL ABOUT.
THIS IS GREAT, MUCH MORE THAN
ORANGE COUNTY.
UNEMPLOYMENT IS HIGHER, AND JOB
GROWTH IS NEGATIVE.
THIS NEEDS A LOOK AT THE CHART
TO SEE EXACTLY WHERE THE NEED
IS.
I'M GOING TO TELL YOU THE FACTS,
YOU PUT A CASINO IN ORANGE
COUNTY, THERE WILL NOT BE A
CASINO IN SULLIVAN COUNTY THAT
WILL PROVIDE THE GROWTH THAT
THIS REGION NEEDS.
PERHAPS OTHERS WILL TELL YOU
DIFFERENTLY, BUT DEEP DOWN THEY
KNOW BECAUSE THE FACT OF THE
PRIMARY MARKET FOR A CASINO IN
SULLIVAN COUNTY IS ORANGE
COUNTY.
PUT THE CASINO IN ORANGE COUNTY,
THAT IS WHERE THE PRIMARY MARKET
WILL GO.
SO YOU CAN SEE HERE, THE SITES
OF WHERE THE ORANGE AND OUR SITE
IS.
NOW, WITHOUT THE BASE BUSINESS
THAT YOU, FROM ORANGE COUNTY,
YOU WILL NEVER HAVE THE CHANCE
TO MARKET TO THE NEW YORK
METROPOLITAN AREA OR THE OUT OF
STATES COMMISSIONERS AREA THAT
IS WHAT WE WANT TO DO HERE.

NOW, THIS IS A BASIC CHART.
THE DARKER GREEN AREA, THE
HIGHER THE POPULATION.
YOU CAN SEE WHERE THE ORANGE
COUNTY CASINOS ARE AND THE
SULLIVAN COUNTY CASINOS ARE.
NOT ONLY CUTS OFF THE AREA, BUT
YOU'RE CUTTING OFF THE PRIMARY
MARKET OF ORANGE COUNTY FOR
SULLIVAN COUNTY.
NOW THIS PHENOMENON IS OVER AND
OVER AGAIN.
IT WAS PROVEN BY THE IMPACT ON
ATLANTIC CITY BY THE EDITION OF
PENNSYLVANIA CASINOS.
IT WAS PROVEN BY THE IMPACT ON
WEST VIRGINIA BY THE DISTRICT OF
CASINOS IN MARYLAND.
AND WAS EVEN PROVEN IN THE
IMPACT OF OUR CASINOS OF
CONNECTICUT.
YOU PUT CASINOS CLOSER TO THE
PEOPLE, THAT IS WHERE THEY GO.
ORANGE COUNTY CASINO, THE
REVITALIZATION IS OVER.
YOU CAN TURN OUT THE LIGHTS,
SHUT THE DOOR, WHATEVER YOU WANT
TO SAY, IT'S DONE.
NOW WE'RE NOT AFRAID OF
COMPETITION.
WE THRIVE ON COMPETITION.
AND WE WOULD LOVE FOR OTHERS TO
BE IN THE CATSKILLS REGION.
YOU'LL GET MORE ECONOMIC
BENEFIT, ALL OF WHICH IS BETTER
FOR THE REGION.
NOT SUGGESTING THAT IF YOU PUT A
CASINO IN ORANGE COUNTY, THERE
WON'T BE ECONOMIC BENEFITS, OF
COURSE THERE WILL BE, THE FACT
IS AS WE SHOWED YOU THE NEED IS
MUCH MORE.
AND YOU REALLY JUST CAN'T HAVE
BOTH.
THE OPPORTUNITY TO REVIVE
SULLIVAN COUNTY IN UPSTATE NEW
YORK WILL BE IMPACT TO MAKE THE
DECISION IN ORANGE.
IN ADDITION, WOULD YOU
CONSIDERATE IMPACT OF AN ORANGE
COUNTY CASINO ON YONKERS.
IN ESSENCE, A CASINO IN ORANGE
COUNTY WILL TAKE GAMING THAT ARE
CLEARLY GOING TO EMPIRE CITY AND

CAPITALIZE THEM IN ORANGE.
TRIP M WHAMMY.
PUT IT IN THE REGION YOU DON'T
NEED, LOSE STIMULATION TO THE
CATSKILLS WHICH REALLY NEEDS AND
STATE TAX REVENUE ON EXISTING
GAMING DOLLARS.
DOES NOT MAKE SENSE ON MANY
LEVELS.
NOW HERE'S A QUOTE FROM THE
GOVERNOR, OUR STATE HAS THE
OPPORTUNITY TO REVITALIZE
UPSTATE NEW YORK AND CREATE
THOUSANDS OF JOBS WHERE THEY
NEED IT MOST.
IT'S ALWAYS IMPORTANT TO PRESENT
THIS SO YOU CAN UNDERSTAND OUR
POINT.
ORANGE COUNTY WOULD REALLY NOT
BE GOOD FOR THAT TO HAPPEN IN
SULLIVAN.
NOW LET'S LOOK AT US.
WE'RE A DOMINANT CASINO OPERATOR
IN THE NORTHEAST WITH A DIVERSE
ASSETS AND AMAZING TRACK RECORD.
REALLY, A LOT OF SUCCESS,
UNPRECEDENTED SUCCESS FRANKLY.
IN ADDITION, WE KNOW NEW YORK
AND HAVE A VERY STRONG PRESENCE
THERE GOING BACK TO 1996.
VERY HIGH LEVEL AWARENESS IN THE
MARKET.
IN FACT, 2014 RECENT STUDY
CONDUCTED BY THE GLOBAL RESEARCH
SHOWS THAT NOT ONLY DO WE HAVE
AN 86% AWARENESS IN THE GREATER
NEW YORK MARKET, BUT, WE SCORED
HIGHER THAN ANY NEW YORK, NEW
ENGLAND, OR NEW JERSEY CASINO IN
POSITIVE PERCEPTIONS OF THE
BRAND.
SO PEOPLE KNOW WHO WE ARE AND
THEY KNOW WHAT TO EXPECT, GOOD,
POSITIVE THINGS.
FOR YEARS, WE'VE HAD AND
CURRENTLY STILL MAINTAIN
RELATIONSHIPS WITH ICONIC NEW
YORK BRANDS, FOR EXAMPLE THE NEW
YORK YANKEES WITH THE SPORTS BAR
IN CENTER FIELD AND OF COURSE
THE MUCH VIEWED SIGNAGE BEHIND
HOME PLATE.
OTHER GREAT PARTNERSHIPS WHICH
INCLUDE IN THE MORNING, AND

ANCHOR SHOWS, BOOMERING CARDS,
OF COURSE THE CALL IN LINE AND
MANY, MANY OTHER MARKETING
EFFORTS IN NEW YORK OVER THE
YEARS.

IN FACT, SINCE OUR INCEPTION IN
CONNECTICUT, OUR TOTAL GROSS HAS
BEEN MORE THAN \$100 MILLION IN
THE NEW YORK METROPOLITAN AREA.
THAT AREA IS CRITICAL TO THE
SUCCESS OF CATSKILLS.

SO WHEN YOU PICK US, YOU PICK A
WELL KNOWN AND REPRESENTED ENEMY
THAT'S READ YOU TO DRIVE
BUSINESS.

EQUALLY CRITICAL TO OUR SUCCESS
IS THE CONCORD WAS BASED ON OUR
OUTWARDLY LOOKING MOULD.

IT'S BUILT TO PROVED THE MOST
BENEFIT TO THE ENTIRE REGION.
CUSTOMERS WERE GOING TO EARN
MOMENTUM DOLLARS FOR THEIR
GAMING PLAY, IN FACT THEY'VE
EARN ALREADIED THEM BECAUSE
THEY'RE TRANSFERABLE.

NOW THIS PROMOTES VISITATION
BETWEEN THE RESORT AND THE
SURROUNDING AREAS AND CREATES
DIRECT ECONOMIC IMPACT THAT
SULLIVAN COUNTY NEEDS.

THIS IS GOING TO DRIVE BUSINESS
TO THE REGION AND BENEFIT IT THE
MOST.

WE'LL GIVE YOU MORE DETAILS IN A
LITTLE WHILE.

WE KNOW WHAT THE MARKET WANTS
AND AFTER NEARLY 20 YEARS OF
OPERATING EXPERIENCE IN THE
NORTHEAST.

WE HOST 20,000 VISITORS A DAY
FROM THE NORTHEAST ALREADY.

WE HAVE A DATA BASE OF MILLIONS
OF CUSTOMERS.

WE ARE THE PERFECT OPPORTUNITY
AND WE HAVE, WE WILL HAVE OUR
INNOVATIVE PROGRAM AGAIN THAT
WE'RE GOING TO TALK TO YOU ABOUT
IN A LITTLE WHILE.

IT'LL BE A TREMENDOUS
DESTINATION REPORT CASINO, IT'LL
CREATE A WOW EXPERIENCE.

WE KNOW HOW TO DO IT, WE'RE
SUCCESSFUL, WE'VE DONE IT
BEFORE, AND WE'LL DO IT FOR THE

CATSKILLS.

NOW, WE DON'T BELIEVE IN COOKIE CUTTER PROJECTS.

IT'S BEST TO CREATE A DESIGN AND OFFERING FOR THE MARKET.

IT'S ABOUT BUILDING THE RIGHT SIZE PROJECT FOR THE MARKET.

SOMETIMES, WHEN YOU COME TO THESE PRESENTATIONS, IT'S SOMETHING TO SAY YOU'RE GOING TO BUILD THE BIGGEST HOPING THEY'LL PICK YOU.

THAT'S NOT WHAT IT'S ABOUT.

WE'RE GOING TO BUILD THE RIGHT PROJECT WITH THE RIGHT SIZE.

WE'RE GOING TO CREATE AN EXPERIENCE THAT'S GOING TO BRING PEOPLE TO THE REGION.

NOW, IN FACT, OUR ONE OF OUR KIND MOHEGAN HOSPITALITY WILL CREATE A SUCCESS BY CREATING THE RIGHT PROJECT FOR THE RIGHT SPACE.

OF COURSE IF YOU LOOK AT THIS, WE CAN SEE THAT IF YOU HAVE A GREAT LOCATION OFF THE HIGHWAY OR RIGHT UNTIL THE MIDDLE OF SOME PROPOSED AMENITIES AS WELL. IT GIVES US GREAT ACCESS AND REALLY SOME OF THE IMPORTANT THINGS, GETTING THAT SUPER EASY IS ONE OF THOSE.

NOW WHEN WE BUILD THIS PROJECT, IT'S GOING TO BE TRULY EFFECTIVE OF THE HISTORY AND THE BEAUTY OF THE CATSKILLS, I'D LIKE TO INTRODUCE THE COO OF THE ORGANIZATION TO WALK YOU THROUGH SOME OF THE SPECIFICS OF THE MOHEGAN SUN AT THE CONCORD.

BRIAN.

>> THANK YOU, MITCHELL.

GOOD MORNING.

MY NAME IS BRIAN CAPELLIE, I'M THE CHIEF OPERATING OFFICER OF THE ORGANIZATION.

MANY WELL KNOW THIS PROJECT HAS BEEN A DREAM OF MY FATHERS, FAMILY'S, AND COMPANY FOR NEARLY 20 YEARS.

WE'VE WORKED TIRELESSLY TO SEE THIS COME TO FRUITION, ALL BE IT IN DIFFERENT FORMS OVER THE YEARS.

THROUGH MANY OBSTACLES AND
THROUGH MUCH ADVERSITY.
WE ARE VERY, VERY PROUD OF THE
PROGRESS WE'VE ACHIEVED TODAY.
WE'VE NOW REACH THE PINNACLE OF
THIS LONG EFFORT AND PUT FORTH A
WELL THOUGHT OUT FIRST CLASS
PLAN.

AND WE DESEMIABLED A TEAM THAT
IS TRULY SECOND TO NONE.
IT'S CRITICAL TO NOTE, LARGE
SCALE, ECONOMY BOOSTING, MASTER
DEVELOPMENT IN NEW YORK STATE IS
WHAT WE DO.

ITS BEEN AT THE CORE OF OUR
COMPANY MISSION, PARTICULARLY
FOR THE PAST 20 YEARS, AND OUR
TRACK RECORD, VERY CLEARLY
ILLUSTRATES THIS.

THE ENORMOUS ECONOMIC
RENAISSANCES THAT OUR WORK HAS
SPURRED IN RIGHT PLAINS, AND
OTHER NEW YORK LOCATIONS WILL
PAIL IN COMPARISON TO WHAT WE
AIMED TO ACHIEVE FOR THE
CATSKILL REGION.

THIS IS GOING TO BE A TRUE
COMEBACK STORY, A MODEL FOR
ECONOMIC RESURGENCE THAT THE
DEVELOPMENT COMMUNITY CAN TURN
TO AS A GUIDE IN OTHER U.S.
REGIONS.

NOW, WE ARE HOME GROWN NEW YORK
DEVELOPERS.

WE ARE WORLD CLASS BUILDERS.
WE KNOW THIS MARKET, WE KNOW
WHAT NEEDS TO BE DONE, AND WE'RE
READY TO DO IT.

SO WITH THAT, LET'S TAKE A LOOK
AT SOME OF THE SPECIFICS OF OUR
VISION.

OVER THE PAST SEVERAL YEARS, THE
MOHEGANW AND THE TEAMS HAVE GONE
THROUGH PAIN STAKE EFFORTS TO
CREATE A SET OF CENTRAL DESIGN
THEMES THAT PRESERVE THE LEGACY
OF THE CLASSIC CONCORD RESORT
WHILE ADDING A TOUCH AND
CONTEMPORARY TWIST THAT'LL
RESINATE OVER DEMOGRAPHIC
SEGMENTS.

BABY BOOMERS, GENERATION X,
GENERATION Y, WE EXPECT TO SEE
EVERYONE AT THE CONCORD.

NOW WITH RESPECT TO DESIGN,
CONTEMPORARY NATURAL THEMES AND
MODERN NATURAL MATERIALS WILL BE
THE NAME OF THE GAME.

OUR KEY SLOGAN WILL BE,
CATSKILLS, COOL.

AND THE ARCHITECTURAL FOCUS WILL
FOLLOW THIS CLASSICALLY MODERN
IDEOLOGY.

NOW THE FIRST SITE, THAT'S ONE
THAT APPROACHES THE COMPLEX IS
THE GRAND AND EXPANSIVE PORT
WHICH WILL WELCOME GUESTS WITH
LARGE STONE AND WOOD ELEMENTS
AND WILL EXUDE A WARM SENSE OF
ARRIVAL.

UPON ENTERING THE MAIN FLOOR OF
THE CONCORD, YOU'LL BEGIN TO
EXPERIENCE THE THRILLING 800,000
SQUARE FOOT ESCAPE THAT IS BUILT
WITH THE GAMER AND ENTERTAINMENT
SEEKER IN MIND.

FIRST, THERE'S THE 52 THOURS
SQUARE FOOT STATE OF THE ART
GAMING FLOOR WITH 2100 SLOT
POSITIONS TO ATTRACT PLAYERS OF
EVERY LEVEL.

THEN THERE'S THE CHIC AND
SOPHISTICATED HOTEL TOWER WITH
LUXURY SUITES OVERLOOKING THE
LAKE AND THE SURROUNDING
MOUNTAINS.

FOR DINING AND DRINKS, THERE
WILL BE SEVEN PRIMARY OPTIONS,
INCLUDING SIGNATURE FINE DINING,
SUCH AS MICHAEL JORDAN'S STEAK
HOUSE, CELEBRITY CHEF CONCEPTS,
AND 24 HOUR NATURE INSPIRED
CAFE.

ON THE NORTHERN END OF THE
COMPLEX, WILL BE A 30,000 SQUARE
FOOT STATE OF THE ART
MULTIPURPOSE MEETING,
ENTERTAINMENT, AND EVENT SPACE
WHERE WE WILL HOST EVERYTHING
FROM BOXING MATCHES TO TECH
EXPOS.

AT THE HEART OF THE KAS DMOE,
WHICH YOU CAN -- CASINO, WHICH
YOU CAN SEE HERE IS THE CENTER
BAR, A HIGH ENERGY LIVE
ENTERTAINMENT LOUNGE THAT WILL
RADIATE EXCITEMENT ACROSS THE
FACILITY.

EVERY DAY AND EVERY NIGHT WILL HOLD VARIOUS FORMS OF ENTERTAINMENT, EITHER IN OUR LOUNGES OR IN THE MULTIPURPOSE ENTERTAINMENT VENUE.

AND FOR THOSE WITH EITHER ACTIVITY OR RELAXATION IN MIND, THERE WILL BE A HYBRID INDOOR, OUTDOOR POOL WITH CABANAS AND LIGHT FOOD AND BEVERAGE SERVICE, AND IN ROOM SPA SERVICES ALL JUST A QUICK WALK AWAY FROM THE GAMING FLOOR.

AND THE CASINO ITSELF, WELL THE CASINO ITSELF WILL A SHOWCASE OF ITS BRAND WITH AN INTUITIVE LAYOUT AND DYNAMIC LAYOUT WITH DESIGN AND CONTEMPORARY NATURE INSPIRED ENVIRONMENT.

OUR HOTEL ROOMS WILL BE SECOND TO NONE MOST THE COMPETITIVE SET, THEY WILL BE MODERN, STYLISHLY APPOINTED AND COMFORTABLE SPACES IN WHICH BEGIN AND END ANOTHER EXCITING CATSKILLS DAY OVERLOOKING THE BEAUTIFUL SURROUNDING LANDSCAPE.

NOW IF THERE'S ONE THING I CANNOT STRESS ENOUGH, THAT WE CANNOT STRESS ENOUGH, ABOUT OUR APPLICATION IS THE PROGRESS WE HAVE MADE TO DATE.

WE HAVE SPENT OVER \$100 MILLION ACQUIRING LAND, GAINING DEVELOPMENT RIGHTS AND APPROVALS, DEMOLISHING EXISTING STRUCTURES SUCH AS THE OLD CONCORD HOTEL, AND IN COMMENCING RESORT CONSTRUCTION.

WE HAVE OVER 100,000 SQUARE FEET OF CONCRETE FOUNDATIONS THAT ARE IN PLACE FOR THE HOTEL AND THE CASINO.

WE HAVE OVER 200,000 SQUARE FEET, \$10 MILLION WORTH OF THE HIGHEST GRADE GLASS CURTAIN WALL THAT IS READY FOR INSTALLATION.

WE HAVE \$8 MILLION WORTH OF STEEL THAT IS ALSO FABRICATED, FRAMED, AND READY TO BE DELIVERED AND ERECTED WITHIN WEEKS.

WHEN SPEAKING IN TERMS OF SPEED AND MARKET, WE ARE LIGHT YEARS

AHEAD OF THE PACK.
WE HAVE COMPLETE PLANS.
WE HAVE MATERIALS AND
FOUNDATIONS IN THE GROUND, WE
HAVE FINANCING.
WE HAVE BUILDING PERPETRATES.
I DO NOT KNOW WHO CAN SAY THOSE
FOUR THINGS.
WE CAN BREAK GROUND TOMORROW.
IF WE ARE AWARDED THIS LICENSE,
YOU WILL BE CUTTING A RIBBON AND
WALKING INTO A WORLD CLASS
RESORT WITHIN 18 MONTHS.
THAT IS A GUARANTEE.
WE PUT OUR NAME AND REPUTATION
BEHIND IT.
WHAT YOU WILL SEE AFTER THIS
PROJECT IS COMPLETE WILL BE
NOTHING SHORT OF EXTRAORDINARY
IN THIS BROADER REGION.
OUR PARTNERSHIPS WITH LOCAL
BUSINESSES AND OTHER DEVELOPERS
TO PRODUCE AN ARRAY OF VARIOUS
OTHER DEVELOPMENTS WILL TAKE
THIS VISION TO A NEW LEVEL.
THESE PLANS INCLUDE A \$1 MILLION
FINANCIAL PARTNERSHIP WITH
HOLIDAY MOUNTAIN, A FULL
REDEVELOPMENT OF GROCERIES
WHICH AS MITCHELL MENTIONED
WE'VE OWNED FOR OVER 15 YEARS
AND 50,000 SQUARE FOOT OFFICE
DEVELOPMENT JUST TO NAME A FEW.
WE ARE READY TO BRING THIS
REGION BACK TO LIFE.
WE LOOK FORWARD TO WORKING WITH
YOU AND MAKING THIS 50 YEAR
DREAM A STORYBOOK REALITY.
I'D LIKE TO INTRODUCE YOU KNOW
TO THOMAS BURKE WHO WILL WAKE
YOU THROUGH THE KIND OF NEIGHBOR
WE'LL BOO BE FOR THE PEOPLE OF
SULLIVAN COUNTY AND THE
CATSKILLS.
>> THANK YOU, BRIAN.
GOOD MORNING.
AND THANK YOU FOR HOSTING US
TODAY.
I'M TOM BURKE, PRESIDENT OF
MOHEGAN GAMING ADVISERS.
I HAVE 35 YEARS OF EXPERIENCE IN
THE GAMING INDUSTRY IN MULTIPLE
MARKETS, BUT THE RANGE OF
COMPANY DPRS MAJOR PLAYERS TO

SMALLER SKILL OPERATORS, BOTH IN THE UNITED STATES AND OVERSEAS. I'D LIKE TO ASSURE YOU THAT JUST AS WE HAVE IN CONNECTICUT, THE POLK KNOWS, AND NEW JERSEY, WE WILL ENGAGE IN SUPPORT SULLIVAN COUNTY AND THE CATSKILLS. OUR OUTWARDLY LOOKING MODEL THAT WILL ENCOURAGE VISITORS TO FLOW BETWEEN THE PROPERTY AND THE SURROUNDING COMMUNITIES. WE HAVE A TRACK RECORD OF BEING A GOOD NEIGHBOR. LET'S FAKE A LOOK -- TAKE A LOOK.

>> LIKE TO BE PART OF THE COMMUNITY, WE LIKE TO LEAVE OURSELVES IN THE SOCIETY. AND OFTENTIMES ISN'T ABOUT MAKING DECISIONS THAT MAKES THE MOST MONEY, THE MOST RETURN, IT'S OFTEN ABOUT MAKING THE DECISION THAT'S RIGHT. PUT A LOT OF MONEY INTO OUR EXISTING INFRASTRUCTURE THERE, HANDLE THEIR NEEDS, BUT IT ALSO PROVIDED EXCESS CAPACITY.

>> TODAY, SEVER MUNICIPALITIES ARE CONNECTED TO THE WATER RESOURCE THAT THEY OTHERWISE WOULD HAVE NOT HAD. THERE IS NO COMPANY IN NORTHEASTERN PENNSYLVANIA THAT IS MORE ENGAGED IN OUR COMMUNITY ON A DAY-TO-DAY BASIS THAN THEM.

>> THEY HAD IN OUR COMMUNITY GOES WAY BEYOND THE OTHER COUNTIES.

>> THERE'S FIVE HOTELS BEING BUILT OR HAVE BEEN BUILT IN RECENT YEARS.

>> NEW RESTAURANTS, NEW NIGHT LIFE, I THINK IT'S REVITALIZING THE ENTIRE VALLEY.

>> WE HAVE A HUGE RIBBON EFFECT ON THE ENTIRE BUSINESS IN EASTERN CONNECTICUT. AT LEAST A HALF DOZEN NEW HOTELS, TURNED UP IN THE PAST FEW YEARS. WE HAVE DOZENS OF NEW RESTAURANTS, AND LOTS OF SUPPORT TYPE OF BUSINESSES THAT GREW UP ALONG WITH THE SUN.

>> WHETHER THEY'RE IN
CONNECTICUT OR IN PENNSYLVANIA
OR IN ANYWHERE ELSE IN THIS
COUNTRY, THEY WANT TO BE A PART
OF THE LOCAL ECONOMY.
>> SOMETHING THAT SBHONT LEFT
UNSAID -- SHOULDN'T BE LEFT
UNSAID IS THAT IT'S ANONYMOUS.
>> THEIR POSITION ON THE DRUNK
DRIVING IS FIRST AND FOREMOST
WHAT'S IMPORTANT TO MOTHERS
AGAINST DRUNK DRIVE PG.
WHEN I FIRST MET WITH THE CEO,
HE WALKED ME THROUGH THE
PROCEDURE THAT THEY TAKE FOR
FOLKS THAT THEY THINK HAVE HAD
TOO MUCH TO DRINK.
>> WHEN WE PROVIDE HEALTH TO
ADULTS WHO HAVE SERIOUS GAMBLING
PROBLEM, WE'RE HELPING NOT ONLY
THE FAMILIES, BUT THE COMMUNITY.
MOHEGAN SON CLEARLY IS AT THE
TOP OF THE SMALL GROUP THAT
TAKES THIS VERY SERIOUSLY AND
HAS PROVIDED LOTS OF SUPPORT AND
CLEARLY RECOGNIZES THAT PROBLEM
OF UNDERAGE GAMBLING IS SERIOUS,
AND WANTS TO HELP COMBAT IT.
>> COME AND VISIT NORTHEASTERN
PENNSYLVANIA.
AND SEE THE TRUE IMPACT THAT
MOHEGAN SON HAS ON OUR
COMMUNITY, NONPROFITS, AND
CHARITIES, AND ON OUR OVERALL
REGION.
IT HAS BEEN VERY POSITIVE.
AND IT'S SOMETHING THAT YOU JUST
HAVE TO SEE IT TO BELIEVE IT.
>> AS THE VIDEO HIGHLIGHTS, IT
IS EXTREMELY IMPORTANT TO US
FROM BOTH THE BUSINESS AND
CULTURAL STANDPOINTS TO BE A
GOOD NEIGHBOR.
THE SIGNIFICANT ASPECT OF THAT
BELIEF IS OUR MOMENTUM
PARTNERSHIP PROGRAM.
THE CORE OF OUR OUTWARD LOOKING
MODEL THAT ENCOURAGES OUR
CUSTOMERS TO REDEEM THEIR
MOMENTUM FOR LOCAL GOODS AND
SERVICES WITHIN THE COMMUNITY,
IN FACT, IN ONE WEEK, WE'VE
ALREADY SIGNED UP 66 LOCAL
BUSINESSES THAT ARE EAGER TO

ACCEPT MOMENTUM DOLLARS.
EVERYTHING FROM RESTAURANTS TO
TAXI AND RETAIL, REAL ESTATE
SERVICES TO TOUR OPERATORS.
THIS IS THE FIRST OF ITS KIND
PROGRAM IN THE COUNTRY THAT
SHARES ITS CUSTOMERS WITH
BUSINESSES IN THE SURROUNDING
COMMUNITY WITH MOMENTUM DOLLARS.
WE ALREADY HAVE CUSTOMERS IN OUR
DATA BASE WHO HAVE EARNED
MILLIONS OF MOMENTUM AND ARE
READY TO SPEND THEM AT
PARTICIPATING AREA ATTRACTIONS,
RESTAURANTS, RETAIL STORES, AND
OTHER BUSINESSES WITHIN THE
REGION.

OUR OUTWARD LOOKING MODEL
DOESN'T END WITH MOMENTUM.
WE'LL ALSO PROMOTE AND SUPPORT
CROSS MARKETING INITIATIVES,
COMMUNICATING, ENGAGE WITH AND
SUPPORTING STAKE HOLDERS
INCLUDING INTERACTIVE KIOSKS
THAT WILL CONNECT TOURISTS WITH
LOCAL ATTRACTIONS.

REBRANDING AND SELLING THE
REGION AND COMPLIMENTING REGION
EVENTS.

COUPLED WITH MOMENTUM, THIS
PLANNED REGIONAL AWARENESS
PROGRAM WILL DELIVER REAL
ECONOMIC GROWTH TO THE AREA MOST
DESERVING OF THE OPPORTUNITY.
AS WE DO, EVERY DAY, AT ALL OF
OUR FACILITIES, MOHEGAN SON WILL
HIRE LOCALLY.

OUR WORK FORCE RERECRUITMENT
WILL TARGET THE UNEMPLOYED AND
UNDEREMPLOYED, AND OF COURSE
VETERANS WHO HAVE SERVED OUR
COUNTRY.

IN TANDEM WITH OUR LOCAL
RECRUITMENT EFFORTS, WE WILL
SOURCE GOODS AND SERVICES FROM
LOCAL BUSINESSES, PRODUCING
CRITICALLY NEEDED DIRECT
ECONOMIC STIMULUS.

MOHEGAN SON HAS A VERIFIABLE
TRACK RECORD FOR BUYING LOCALLY.
WE PURCHASED \$500 MILLION ANNUAL
OF LOCAL GOODS AND SERVICES, AND
AT OUR PENNSYLVANIA LOCATION,
99.7 EMPLOYEES LIVE LOCALLY.

OUR LOCAL STRANG AS A BUSINESS PARTNER WITH THE COMMUNITY AND AS A GOOD NEIGHBOR SUCCESSFULLY IMPACTS CONNECTICUT AND PENNSYLVANIA, AND IT WILL DELIVER THE SAME SUCCESS FOR SULLIVAN COUNTY AND THE CATSKILLS.

IN THE SPIRIT OF THE UPSTATE NEW YORK GAPING AND ECONOMIC DEVELOPMENT ACT, MOHEGAN SON WILL TO HELP REVITALIZE THE LOCAL ECONOMY OF COMMUNITIES IN UPZAT NEW YORK AND CREATE NEW JOBS WHERE THEY ARE NEEDED MOST. THREE TO \$3.7 BILLION IN TOTAL ECONOMIC BENEFITS OVER A 20 YEARS PERIOD.

APPROXIMATELY 1.5 TO 1.8 BILLION OF THE GAMES WILL BE REALIZED IN SULLIVAN COUNTY ALONE.

NEARLY 800 MILLION OF THAT TOTAL WILL COME DURING THE CONSTRUCTION PERIOD AND THE FIRST YEAR OF OPERATIONS.

ADDITIONALLY WE WILL CREATE AT LEAST 3,000 DIRECT CONSTRUCTION JOBS AND MORE THAN 1200 DIRECT AND INDIRECT PERMANENT JOBS ONCE THE RESORT IS COMPLETE.

THAT'S SUBSTANTIAL RELIEF, DEVELOPMENT, AND OPPORTUNITY FOR THE REGION THAT NEED AND DESERVES IT THE MOST, THE CATSKILLS.

NOW LET ME TAKE THIS OPPORTUNITY TO INTRODUCE CAL LABOC, OO OUR CHIEF HUMAN RESOURCES OFFICERS WHO WILL EXPAND ON OUR PHILOSOPHIES AND PRACTICES, THANK YOU.

>> THANK YOU, TOM.

GOOD MORNING.

MY NAME IS CAL LABOC FOR THE TRIBAL GAMING AUTHORITY.

IT IS MY PLEASURE TO INTRODUCE THE AWARD WINNING CULTURE AND PRESENT WHY MOHEGAN SON IS THE RIGHT EMPLOYEE IN SULLIVAN COUNTY.

IT'S REALLY PAID OFF AND WE SEE THE CAREERS.

>> CREATE A CULTURE WHERE 11,000 PEOPLE ENJOY COMING TO WORK.

THE MOST ESSENTIAL PART OF OUR BUSINESS.
>> WHAT I FOUND WAS A HOME, A FAMILY.
>> I'VE NEVER SEEN THE CAMARADERIE THEY EXPERIENCE ON A DAY-TO-DAY BASIS OF A MOHEGAN SON.
THEY'RE VERY SUPPORTIVE AND THEY TREAT US WELL.
>> I CAN'T THINK MYSELF ANYWHERE ELSE AT THIS POINT IN MY LIFE.
>> WE HAVE A CULTURE OF MUTUAL RESPECT, A CULTURE OF OPEN COMMUNICATION.
WE FOCUSSED ON HIRELY LOCALLY AND TRAINING.
WE OPENED UP OUR OWN SCHOOL AND TRAINED THE PEOPLE OF NORTHEAST PENNSYLVANIA.
SO THEY COULD HAVE THOSE JOBS. AND THAT IS A COMMITMENT TO THE COMMUNITY.
>> 98% OF THE PEOPLE ON THE CASINO FLOOR WERE HIRED AND TRAINED LOCALLY.
IT'S IMPORTANT FOR US TO DO THAT.
WE DID THE SAME THING WITH OUR HOTELS.
>> AT MOHEGAN SON, THERE OPPORTUNITIES.
>> ACCOUNTING, MARKETING.
>> ANYTHING A CITY REQUIRES IS WHAT WE DO HERE.
>> GREAT OPPORTUNITY TO START A CAREER.
>> YOU DON'T HAVE TO JUMP TO A NEW JOB EVERY THREE YEARS, THEY PROMOTE FROM WITHIN.
>> PROVIDED AN OPPORTUNITY FOR GROWTH, CAREER THAT YOU REALLY COULDN'T FIND IN THE AREA.
>> SUPERVISOR, RECEIVED MORE RESPONSIBILITIES OVER THE YEARS, TITLE CHANGE TO HOTEL MANAGER.
>> CARRYING 17 YEARS WITH SECURITY WITH GOOD BENEFITS.
>> 401K, TUITION REIMBURSEMENT.
>> WE HAVE A DRY CLEANERS, WE HAVE A BANK, WE HAVE A FITNESS CENTER.
WE HAVE A STORE.
>> WE GET MEALS TO EAT,

COMPLIMENTARY, I MEAN, IT'S
GREAT.

>> HONESTLY, I'M SO PASSIONATE
ABOUT THE COMPANY.

I MEAN, I WAKE UP THANKFUL EVERY
DAY THAT I HAD OPPORTUNITY TO
GET IN AT MOHEGAN SON.

I'M PROUD TO SAY I WORK FOR THEM
AND AS A WHOLE REALLY HAPPY.

>> YOU MAKE SOMEONE SMILE IN
ADDITION TO ALL THE PLAN WAS
BEING AN EMPLOYEE HERE.

I LOVE IT.

>> QUICKLY, I WOULD LIKE TO ADD
ADDITIONAL POINTS AT WHY WE ARE
THE RIGHT EMPLOYER.

WE ARE THE RIGHT EMPLOYER
BECAUSE OF GUEST SERVICE STRANG
THAT BEGINS WITH OUR EMPLOYEES.
WE HIRE LIKE OUR BUSINESS
DEPENDS ON IT, BECAUSE IT DOES.
WE TAKE A BEHAVIORAL APPROACH TO
HIRING AND PROMOTES, AND WITH
THE OUTWARD LOOKING PHILOSOPHY,
IN FACT, 90% OF OUR SUPERVISORY
AND MANAGEMENT POSITIONS ARE
FILLED BY INTERNAL PROMOTION AND
IT WILL BE NO DIFFERENT WITH
THIS PROJECT IN SULLIVAN COUNTY.
IT IS IMPORTANT TO NOTE THAT
OVER 50% OF THE TEAM MEMBERS ARE
EMPLOYEED TODAY.

WE TRAIN FROM THE HEART BY
PROVIDING TEAM MEMBERS WITH
SKILLS THEY NEED TO BE
SUCCESSFUL IN THE POSITIONS.
LEADERSHIP DEVELOPMENTS, TUITION
REIMBURSEMENT TO THE FIRST DAY
WITH THE ORIENTATION PROVIDES
THE EXPERIENCE THAT REINFORCES
THAT DECISION TO JOIN OUR
ORGANIZATION.

TO BLOW THEM AND REALIZE THEY
MADE THE BEST DECISIONS OF THEIR
LIVES.

WE PROVIDE AN OUTSTANDING WORK
ENVIRONMENT, RERLZ THAT NATURAL
RELATIONSHIP BETWEEN PROVIDING
EXCEPTIONAL SERVICE INTERNALLY
AND OUR TEAM PROVIDING
EXCEPTIONAL SERVICE EXTERNALLY.

WE DO THIS BY FOSTERING A
LEADING EDGE BALANCE.
OUR EMPLOYEES ENJOY FITNESS

CENTERS, ON SITE FARM SIS,
RELAXING BREAK AREAS WITH POOL
TABLES, PING-PONGS, VIDEO GAMES,
BUT THE MOST IMPORTANT, WE BUILD
RELATIONSHIPS OF MUTUAL RESPECT
WITH OUR TEAM MEMBERS AND WE
PROTECT THAT WITH OUR BUSINESS
DECISIONS HAVING TO DO WITH MORE
RAFFLE OUR TEAM MEMBERS IN MIND.
WE ARE THE RIGHT EMPLOYER
BECAUSE WE ARE DIVERSE.

AS IT HAS BEEN MENTIONED, WE
HAVE MINORITY OWNED AND OPERATED
BY THE MOHEGAN TRIBE.

CURRENTLY, OUR CONNECTICUT AND
PENNSYLVANIA PROPERTIES HAVE A
COMBINED DIVERSITY PERCENTAGE OF
41%.

THIS HAS BEEN ACHIEVED IN
DEMOGRAPHICS THAT ARE SIMILAR TO
THOSE IN SULLIVAN COUNTY.

EAST PENNSYLVANIA HAS LESS THAN
4% DIVERSE APPLICANTS.

IF YOU WERE TO ADD OUR MANAGED
PROPERTY IN NEW JERSEY, OUR
DIVERSITY RATE REACHES NEARLY
50%.

50%.

OUR TEAM MEMBERS ARE REPRESENTED
BY NEARLY EQUAL PARTS FEMALE TO
MALE.

AND IMPORTANTLY, OUR ENTIRE TEAM
IS COMMITTED TO DIVERSITY
INCLUDING SENIOR LEADERSHIP AND
ARE RESPONSIBLE FOR
ADMINISTRATING OUR PLAN.

WE ENSURE IT'S THE SBI CALL PART
OF THE WAY WE WORK AND ACTIVELY
PARTICIPATING IN COMMUNITY
GROUPS SUCH AS AMERICAN LEANING,
NAACP, AND LATINO CHAMBERS OF
COMMERCE TO NAME A FEW.

ABOVE ALL, THE TRULY
CONTRIBUTING FACTOR OF OUR
DIVERSITY IS OUR HIRING PROS AND
THE CONCENTRATION ON SOFT SKILLS
VERSUS TECHNICAL.

RESUME AND EXPERIENCE ARE ALWAYS
SECONDARY TO A FRIENDLY SMILE,
THUS OPENING THE DOOR TO MANY
WHO WOULDN'T OTHERWISE APPLY.

WE ARE THE RIGHT EMPLOYER
BECAUSE OF OUR EMPLOYEE'S LOVE
THEIR JOBS AND SURVEY

INDEPENDENTLY CONDUCTED CAN, 94% OF EMPLOYEES GREED OR STRONGLY AGREED THAT THEY ENJOYED WORKING FOR OUR ORGANIZATION.

MOST RECENT 2013 NORTHEAST HOSPITALITY COMP DATA SERVICE, HOSPITALITY COMPANY SOLVED 30% TURNOVER.

COMPARABLY, 5% OF OUR CONNECTICUT OPERATION AND 23% RESPECTFULLY AT OUR PENNSYLVANIA OPERATION.

IT CAN CAN BE REASONABLY CONCLUDED THAT THEY LOVE THEIR JOBS.

AND FINALLY, WE PLAY THE LEADING AGE WAGE AND PROPOSE NOTHING ELSE FOR THIS PROJECT.

NOW TO DISCUSS OUR BRAND, MITCHELL.

>> THANKS, CAL.

>> I HOPE BY NOW YOU'RE NOT ONLY GETTING A SENSE OF OUR MANAGEMENT EXPERIENCE AND THE FACT THAT BE WE'RE GOING TO BUILD A FIRST CLASS PROJECT, BUT A SENSE OF THE WAY WE DO THINGS BECAUSE WE REALLY BELIEVE THAT THE WAY WE INTERACT WITH OUR COMMUNITIES AND THE WAY WE TREAT OUR EMPLOYEES, CREATING A GREAT EXPERIENCE REALLY LEADS TO OUR SUCCESS.

IN ADDITION, WE'VE OPTIMIZED OUR FORMULA FOR DRIVING REVENUE. WE KNOW HOW TO MEET THE NEEDS AND WANTS OF OUR GUEST BEYOND. LET ME TALK IN DETAIL ABOUT THE MOMENTUM PROGRAM.

IT'S AN ESSENTIAL ELEMENT OF OUR MODEL AS ALSO THE BACKBONE OF OUR MARKETS PROGRAM.

WE PROVIDE OUR GUESTS TO NORTH CAROLINA THEIR STATUS AS THEY PLAY AND SHAPE THEIR OWN REWARDS.

IT'S A VERY COP PELLING LOYALTY PROGRAM, AND AS SUCH, GUESTS ARE EAGER TO BE REWARDED AND RECOGNIZE AND COME BACK. DRIVING THE POWER OF OUR MOMENTUM PROGRAM IS OUR DATA BASE CONSISTING OF MORE THAN FIVE MILLION CUSTOMERS IN THE

NORTHEAST ALONE.

WE HAVE A BROAD RACE NATIONAL
AND NATIONAL PLAYERS AS WELL
THAT WE CAN LENCH FROM OUT OF
STATE WHICH IS A GOAL.

THIS IS WHAT WE DO AND EXCEL AT
AS AN ORGANIZATION.

WHAT'S CRITICAL TO REALIZE IS BY
VIRTUE OF OUR EXISTING CUSTOMER
BASE, WE WILL HAVE AN INSTANT
AND ACTIVE DATA BASE AND
COMMUNICATE WITH MILLIONS
DIRECTLY THROUGH PERSONAL
RELATIONSHIPS, THE E-MAIL, AND
DIRECT MAIL AND PHONE.

NOW THIS IS QUITE A STAT.

INCREDIBLY, ALMOST 2.5 MILLION
ADULTS, PEOPLE ELIGIBLE TO GAME
WITHIN 60 MILES OF THE MOHEGAN
SON OF THE CONCORD SITE, 1.1 OR
NEARLY ONE OUT OF EVERY TWO IS
AT OUR DATA BASE ALREADY.

JUST READ THAT.

ONE OUT OF EVERY TWO WITH OF A
60 MILE RAID JUS ALREADY ONE OF
OUR CUSTOMERS.

BASED ON THAT ACTIVITY, WE KNOW
GUEST VALUE, WHEN THEY VISIT,
HOW OFTEN, WHAT GAPES THEY LIKE,
WHAT THEY LIKE TO PLAY, WHEN
THEY LIKE TO COME.

THIS IS A VALUABLE REVENUE
DRIVING INFORMATION, IT TAKES
YEARS TO GAIN.

IF YOU ASK ANY OPERATOR'S TODAY
WHAT IS KEY TO BEING SUCCESSFUL
AND DON'T SAY DATA BASE, YOU'RE
GOING TO HAVE IT AT THE
BEGINNING.

WE'RE GOING START WITH A LARGE
GROUP OF CUSTOMERS.

IMMEDIATELY DRIVES REVENUE AND
WE'RE GOING TO DRIVE SUCCESS
LIKE WE'VE ACHIEVED AT OTHER
PROPERTIES AND GOING TO CREATE
THE KIND OF IMPACT THIS
LEGISLATION WAS DESIGNED TO
DELIVER.

LET ME TELL YOU, SHOW YOU THAT
THE KIND OF IMPACT WE'VE DRIVEN
AND HAVE DELIVERED.

LET'S TALK ABOUT PENNSYLVANIA.
WE OPENED UP THE FIRST CASINO IN
PENNSYLVANIA OUT OF THEIR GAMING

ACT.

THEIR SUITABILITY, FINANCIAL SUITABILITY TASK FORCE PROJECTED MOHEGAN SON WOULD PRODUCE \$131.4 MILLION OF SLOT WIN OVER AT STABILIZED YEAR.

IN THE 12 MONTHS ENDING AUGUST 31th, THE SLOT PLAY WAS 221.6 MILLION.

THAT'S 69% BETTER.

OVER THE PAST MONTHS, THEY OUTEVER.

ED THE CASINOS IN PENNSYLVANIA IN TERMS OF YEAR OVER YEAR SLOT REVENUE GROWTH.

FURTHERMORE, WE CONSISTENTLY GENERATE FIVE TO 15% PREMIUM IN SLOT WINS VERSUS FAIR SHARE.

WE KNOW WHAT IT TAKES TO GET IT DONE AND WE'RE GOING TO EXCEED OUR EXPECTATIONS IN SULLIVAN COUNTY FOR YOU AS WELL.

>> FIVE MINUTE WARNING.

>> OKAY.

WE BECAME A PARTNER WITH THE RESORTS TO HELP RESURRECT AND IN NEW JERSEY.

WE OVERHAULED THE HOTEL AND MARGARITAVILLE ENJOYING THE BOARD WALK AND BEACH.

AND 245% JUST FOR THE LAST QUARTER.

NOW IN CONNECTICUT, WE OPENED TO THE SHADOWS OF THE LAERGES GROSSING CASINO IN THE WORLD AND ECLIPSE THEM.

IT'S WIDELY SUCCESSFUL AND MOHEGAN SON GENERATES THE HIGHEST GAMING REVENUE OF ANY CASINO IN THE WESTERN HEMISPHERE.

BIG PLAYERS, WE HAVE THEM.

CUSTOMERS FROM NEW YORK TO STAY IN NEW YORK, CUSTOMERS FROM NEW JERSEY AND CONNECTICUT TO COME WHACK INTO THE STATE, WE HAVE THEM TOO.

THEY ARE ALREADY OUR CUSTOMERS, IT'S AS SIMPLE AS THAT.

SO IN CONCLUSION, WHY SULLIVAN COUNTY?

I HOPE I'VE SHONE YOU WHY -- SHOWN YOU IT'LL CUT OFF ECONOMIC GROWTH TO THE CATSKILLS, IT

WORKS IN CONCERT WITH THE SPIRIT
OF LEGISLATION.

TO REVITALIZE ALL OF THE REGIONS
INCLUDING THE AREAS.

OUR COMPANY HAS A DEEP INTEREST
IN REVITALIZING SULLIVAN COUNTY
AND THE CATSKILLS BACK TO THE
GLORY DAYS.

WE HAVE A VERY KEEN INTEREST IN
THIS.

WE'VE SHOWN YOU OUR VAST
EXPERIENCE IN AREAS OF FOOD AND
ENTERTAINMENT, LONGING,
RELATIONSHIP SPANNING OVER 20
YEARS WITH A POWERFUL BRAND AND
AWARENESS OF THE REGION.

MOMENTUM TO DELIVER THE PATRONS
AND EXPEDITE REVENUES,
FOUNDATIONS IN PLACE AND EXTRA
REVENUES AS WELL.

CATSKILLS NEEDS THE IMPACT WE
CAN DELIVER.

AND WE'RE THE BEST CHOICE FOR
SUCCESS.

CLIFF, CLIFF IS THE MEMBER OF
OUR TEAM, HE'LL BE A MEMBER OF
THE MANAGIC TEAM, EVERYBODY
KNOWS THAT DIRTY DANCING WAS
MODELLING AFTER THEM, WHAT THEY
DON'T KNOW IS IN SPITE OF THAT,
THE CHARACTER WAS MODELLED AFTER
CLIFF.

NOT AFTER ME.

>> THANK YOU, MITCHELL.

AS MITCHELL MENTIONED, I'M CLIFF
AND I HAVE LIVED IN THE
CATSKILLS MY ENTIRE LIFE.

SPENT THE LAST 18 YEARS AS
PRESIDENT FOR A CASINO AND HORSE
RACING TRACK IN MONTICELLO, NEW
YORK.

MY FAMILY OWNED AND OPERATED THE
PONCH RESORT HOTEL FOR THREE
GENERATIONS UNTIL IT CLOSED IN
1998.

I'VE RAISED SIX CHILDREN HERE
AND THIS IS WHERE MY FRIENDS, MY
CAREER, AND MY LIFE IS.

I KNOW MANY PEOPLE IN THE
REGION, AND ASKED SOME OF THEM
TO SIT DOWN AND DISCUSS WHAT THE
CONCORD WOULD MEAN TO OUR AREA.

THERE WAS NO SCRIPT, OR LINE
THEY WERE ASKED TO READ.

THESE ARE JUST GENUINELY
PASSIONATE PEOPLE SPEAKING FROM
THEIR OR THE AND WHO WANT TO SEE
A BRIGHTER FUTURE.

THESE ARE INDIVIDUALS THAT
STAYED DESPITE THE CHALLENGES
AND DECLINE OF THE REGION, ITS
INDUSTRY AND SUPPORTING
BUSINESSES.

THESE PEOPLE BELIEVE THAT WHEN A
QUALITY CASINO COMPANY WITH THE
VAST EXPERIENCE OF MOHEGAN SON
BUILDS THEIR CASINO ON THE
ORANGEAL CONCORD SITE, OUR
REGION WILL BE TRANSFORMED FOR
GENERATIONS TO COME.

>> BEAUTIFUL HERE.

IT'S JUST BEAUTIFUL.

THE SUMMER TIME, MY FRIEND IN
THE CITY ALWAYS TELL ME HOW
LUCKY I AM TO BE LIVING UP HERE
BECAUSE THEY'RE STUCK IN
TRAFFIC.

SULLIVAN COUNTY MAY BE
BEAUTIFUL, BUT WE ARE
ECONOMICALLY DEPRESSED AND
BEAUTY DOES NOT PUT DINNER ON
THE DINNER TABLE.

>> PEOPLE COME HERE FOR ITS
BEAUTY, FOR THE FISHING, FOR THE
SMALL TOWN ENERGY THAT YOU'RE
TALKING ABOUT A LITTLE BIT.
AND FOR THE CLEAN AIR AND THE
FRESH AIR, AND WHAT MAKES US
SPECIAL IS THE FACT THAT WE ARE
AN HOUR AND A HALF FROM
MANHATTAN.

>> WE NEED JOBS, WE NEED PEOPLE
WITH YEAR ROUND PAYCHECKS, WE
NEED PEOPLE THAT CAN AFFORD
INSURANCE.

THIS IS THE ONE THING THAT WE
CAN HAVE HAPPEN HERE IN THE
COUNTY.

>> WE'RE NOT ASKING FOR ANYTHING
OTHER THAN A CHANCE.

THERE'S ONLY ONE.

WE'LL DO THE WORK.

WE DON'T WANT ANYBODY TO BUILD
BUSINESS FOR US OR GIVE US MONEY
OR HANDOUTS.

WE JUST WANT THE CHANCE.

>> WE JUST NEED NOW THAT RED
ENGINE, OKAY, TO BRING THIS

ALTOGETHER.

AND THIS WILL BE A SPECTACULAR
AREA.

WE JUST NEED THE CHANCE.

AND YOU HAVE THE RIGHT PEOPLE
DRIVING THE BUS.

>> WE NEED FOUNDATION, WE NEED
COLLABORATION, AND WE NEED TO
KNOW PEOPLE ARE COMING WHO KNOW
WHAT TO DO, HOW TO DO IT, WHEN
TO DO IT, AND WHY TO DO IT.

>> WHEN THE PEOPLE OF SULLIVAN
COUNTY LOOK AT US, WE'RE LOOKED
AT.

WE'RE LOOKED AT CLIFF WHO IS
PART OF THE MOHEGAN, HE'S ONE OF
US.

>> YOU NEED TO UNDERSTAND THIS
TYPE OF ENVIRONMENT AND HOW TO
SUCCEED AND SURVIVE IN THIS
ENVIRONMENT.

>> THEY ARE FROM HERE.

THEY GOT SKIN IN THE GAME.

THEY'VE GOT CREDIBILITY, AND
THEY'VE GOT RESPONSIBILITY, I'M
GOING TO KEEP SAYING THAT
BECAUSE I CAN'T LOOK AT MY
DAUGHTER AND GRANDDAUGHTER AND
LIE BECAUSE THEY'LL HOLD ME TO
IT.

YOU GUY BET THESE TWO MEN DO.

>> IF THE CASINO DOESN'T CLOSE,
I DON'T WANT MY DAUGHTERS TO GO
SOMEWHERE ELSE.

I WANT TO BUILD A FAMILY UNIT
HERE.

I WANT MY DAUGHTER TO STAY HERE
IN THE FAMILY BUSINESS JUST LIKE
WE DID BACK IN THE DAY.

AND ALL'S I WANT IS THE
OPPORTUNITY.

>> I'M SITTING HERE TODAY
BECAUSE I SPENT 20 YEARS OF MY
LIFE IN HOSPITALITY, AND I LOVE
IT.

AND I HAVE NOWHERE LEFT TO GO.

THIS IS THE AREA WHERE THE
MOHEGAN CON CASINO BELONGS
BECAUSE THEY'RE GOING TO
DEVELOPMENT MORE THAN A CASINO.
THEY'RE GOING TO AFFECT PEOPLE'S
LIVES.

I WANT TO GO BACK INTO MY TOWN
AND I WANT TO BUY A PAIR OF

SHOES.

I DON'T WANT TO LOOK AT EMPTY
STORE FRONTS.

FOR 20 YEARS OF WORK, I DESERVE
TO SAY SOMETHING TO THESE PEOPLE
WHO HAVE THE ABILITY TO EITHER
MAKE OR BREAK OUR AREA.

AND IT'S TIME TO MAKE THIS AREA.

>> OBVIOUSLY I CAN'T REALLY PUT
THE NEED OF THE CATSKILLS ANY
BETTER INTO THOSE PEOPLE'S
WORDS.

I MENTIONED BEFORE I'M
EXECUTIVE, MY JOB IS TO GROW MY
COMPANY, BUT OCCASIONALLY AND
RARELY YOU GET CHANCE WHERE
YOUR BUSINESS AND YOUR PERSONAL
INTERSECT IS AMAZING OPPORTUNITY
FOR ME.

I KNOW THE CHALLENGE AND THE
CATSKILLS, I ALSO NOTE POTENTIAL
IN THE CATSKILLS.

AND I REALLY KNOW THAT WHAT WE
DO WITH THE COMPANY GIVES NEW
YORK STATE THE BEST OPPORTUNITY
TO SUCCEED IN THE CATSKILLS.

WE ASK YOU TO GIVE US THAT
CHANCE, THANK YOU VERY MUCH.
WE WILL TAKE YOUR QUESTIONS.

>> THANK YOU.

>> THANK YOU.

>> PLEASURE.

>> SURE.

DENNIS.

>> YEAH.

WHAT'S THE SIZE OF THE
INVESTMENT THAT WOULD BE MADE
AND WHAT'S THE STATE OF YOUR
FINANCING, PLEASE.

>> INVESTMENT IS JUST OVER \$500
MILLION IN TOTAL.

IF YOU INCLUDE THE TOTAL EQUITY
WE SPENT TO DATE IT WOULD BE HIRED.
IN ORDER TO BE CONSERVATIVE WITH
OUR LENDERS, WE'VE TAKEN OUR
DATE DOWN, THAT BRINGS IT TO
ABOUT \$500 MILLION MARK.

WE HAVE LETTERS OF HIGH
CONFIDENCE FROM DOITCH BANK AND
WE FEEL CONFIDENT WE'LL BE ABLE
TO PROCEED EXPEDITIOUSLY.

>> DOES THE 500 MILLION INCLUDE
THE OTHER PROJECTS, INCLUDING
THE DOWNTOWN BUILDING.

THAT'S JUST THE SITE.
>> JUST THE SITE.
>> AND WHAT'S THE STATUS OF THE GOLF?
WILL GOLF BE INCLUDED?
NOBODY MENTIONED GOLF?
>> WE INTEND TO REDEVELOPMENT THE GOLF COURSE, SEPARATE IN APART FROM THIS BUDGET WHICH GUESTS WILL BE ABLE TO USE.
>> AND THE CONCORD MONSTER?
>> THAT'S SEPARATE DEVELOPER.
>> COUPLE QUICK QUESTIONS.
DIRECT EMPLOYMENT AT 1200,
WHAT'S THE DIRECT PLOIPT THAT'LL BE GENERATED BY THIS?
>> DIRECT IS 1196, WE'LL SEE KNOW MALLTY TO THAT.
WITH THE 250 ROOM HOTEL, 52,000 SQUARE FOOT GAMING TRADITIONS, TRADITIONAL HOTELS, SUPPORT.
>> REDIRECT AND INDIRECT, BENEFIT, NOT JUST THE JOBS.
>> I UNDERSTAND, BUT THE DIRECT NUMBER OF JOBS ON A YEARLY BASIS AFTER CONSTRUCTION, HOW MANY?
>> YEAH, 1200.
1200.
>> 1196 IS THE EXACT NUMBER.
>> AND THAT'S DIRECT?
>> YES.
DIRECT.
>> I HAVE A COUPLE OF QUESTIONS. QUICK ANSWERS, IF YOU CAN. JUST FOR MY IGNORANCE, SOMEONE WHO NEVER HUNG OUT IN THE CATSKILLS, HOW FAR IS GROSSENJERS FROM THE CONCORD AND DO YOU CONTROL BOTH PROPERTIES?
>> WE DO CONTROL BOTH PROPERTIES.
>> IT'S ABOUT TEN MILES, TEN MINUTES.
EXIT 100, 106, 107 FOR THE CONCORD.
BACK IN THE CATSKILLS, AND THE DRINK AGE OF DEVELOPMENT FOR THAT RESORT AREA.
>> BUT JUST THIS PROPOSAL IS JUST FOR GROSSENJE RERKS S.
>> THIS IS ON THE CONCORD.
>> CORRECT.
>> GOT IT.
>> BUT OUR PLANS, OUR PLANS TO

REDEVELOPMENT THE GOLF COURSE
AND SOME OTHER THINGS AT THE
AREA.

>> AS A SIDE PROJECT.

>> CORRECT.

>> AS PART OF OUR COMPREHENSIVE
APPROACH.

>> AND THEN JUST, I DON'T KNOW
IF THE HISTORICAL DATA IS THERE,
THE CLIPS IN THE BEGINNING WERE
PRETTY NEAT, THE HISTORY OF THE
CATSKILLS.

IN TERMS OF THE DRAW OF THE
POPULATION, THE CATSKILLS AT
THAT TIME FOR YOUR FACILITIES AT
THAT TIME, ARE YOU LOOKING AT A
COMPARABLE DRAW FOR YOUR NEW
FACILITY, WAS MOST OF THAT DRAW
JUST NEW YORK CITY AND NOW
YOU'RE LOOKING, AND WHAT'S THE
ANTICIPATED NEW DRAW?

>> IT'S KIND OF A DIFFERENT
THING, THE WHOLE CATSKILLS WAS A
MAJOR ESCAPE, RESORT DESTINATION
FOR THE METROPOLITAN AREA.

WE'RE LOOKING FOR THIS TO BE A
RESORT THAT WILL SPILL OUT INTO
THE REGION, AND WILL ACT AS A
SUPERIOR, KIND OF REGIONAL
CASINO AND THEN RESORT
DESTINATION.

AND WE'RE HOPING THAT WILL
CREATE THE STIMULIS FOR OTHER
THINGS IN THE CATSKILLS TO BRING
BACK THE ENTIRE MORE HOTELS,
YOU'LL SEE BETHEL WOODS IS
ALREADY THERE.

MORE AMENITIES -- AMENITIES.

>> IN SOME OF THE PRESENTATIONS
WE'VE SEEN, WE'VE LOOKED AT
PERCENTAGES OF INDIVIDUALS THAT
THEY'LL GET FROM SAY THE
METROPOLITAN AREA FROM THE LOCAL
AREA, FROM OUTSIDE AND PERHAPS
INTERNATIONAL.

>> YEAH, YOU KNOW, WE'VE SEEN
SIMILAR BREAKDOWNS TO SIMILAR
STUDIES THAT YOU HAVE DONE ALSO.

>> SPECTRUM GAMING PROVIDED THE
STUDY FOR US.

I DON'T HAVE THE ACTUAL
PERCENTAGES ON HAND.

WE ACTUALLY DO THAT.

WE COULD GET A TUNE.

>> AND I JUST HAD ONE MORE QUESTION IN TERMS OF YOUR OTHER FACILITIES, YOU HAVE ONE IN CONNECTICUT, THEN YOU HAVE ONE IN THE POCONOS, DO YOU ANTICIPATE CANNIBALIZATION FOR THE SON AND THE CATSKILLS?

>> WE DO.

IT'S PART OF THE NEW BUSINESS MODEL.

RERLZ WE WANTED TO EXPAND OUR FOOTPRINT OUT OF JUST CONNECTICUT.

AND WE BOUGHT A PLACE IN PENNSYLVANIA, WE WENT INTO RESORTS.

FOR EXAMPLE, 10%, BUT WE MARKETED OUR DATA BASE FOR THOSE CUSTOMERS, TO GO TO RESORTS AND DRIVING A LOT OF GROWTH THERE. AND WE KNEW THAT WE MODELLED INTO OUR FINANCIALS THAT WELD PROBABLY LOSE A FEW TRIPS, BUT REALIZE THAT IN ORDER TO CONTINUE THE COMPANY GROWING AS A WHOLE, WE MIGHT NEED TO SACRIFICE INDIVIDUAL PROPERTIES. I THINK IT'S LIKELY WE SEE DETIER RATION FOR POCONOS DOWNS, IT'S PROBABLY THE CLOSEST EXCEPT FOR THE DISTRACTING FROM THE SITE.

WE FACTOR THAT IN BECAUSE WE'RE TRYING TO GROW AS A COMPANY AND HAVE MORE AND MORE SITES. IT'S THE NEW REALITY, YES, THE ANSWER IS YES.

>> I THOUGHT I HEARD SOMETHING THAT WAS INCONSISTENT. COULD YOU BE ABSOLUTELY CLEAR. IF LICENSE IS GRANTED IN ORANGE COUNTY, YOU STILL WANT A LICENSE WHERE YOU ARE?

>> WE DO NOT BELIEVE IF YOU PUT A CASINO IN ORANGE COUNTY THAT A CASINO IN SUSTAINABLE. I DON'T THINK WE'D GET THE BANKS TO BE COMFORTABLE WITH FUNCTIONING MODEL.

IT'S JUST THE HARSH REALITY OF IT.

I THINK SOMEONE SAID THEY WOULD, IT WOULD BE A RELL IN LESS THAN A YEAR.

>> THE ANSWER IS --
>> NO.
>> TWO QUICK AND LAST FINAL
QUESTIONS.
NUMBER ONE, STRUCTURE, THIS IS
100% OWNED BY MOHEGAN SON OR THE
COOPERATION?
>> 50.5% BY MOHEGAN, THE ENTITY
IS 45% BY CAPELLE TRUST AND 45
FOR LOUIS HIMSELF.
>> AND JUST TO REEMPHASIZE, YOU
DID STATE, I GUESS THAT TWO
CASINOS IN THE CATSKILL REGION
WOULD WORK, THERE IS, I GUESS
IT'S SYNERGY YOU BELIEVE IS
CREATED BY THAT.
>> YES, I ACTUALLY BELIEVE IF
THE BOARD FELT LIKE THEY WANTED
TO AWARD TWO LICENSES AND PUT
THEM IN THIS REGION, IF YOU PUT
TWO CASINOS IN THE CATSKILL
REGION, YOU'D GET MORE OF A DRAW
TO GET TO REALLY BUILD THE
CATSKILLS AREA, THERE'D BE MORE
HOTEL ROOMS, AND YOU KNOW, WHEN
YOU BAG UP IN CONNECTICUT, EVEN
THOUGH WE BLOSSOMED REVENUE, TWO
KAS KNOWS HAVE SUCCEEDED
TOGETHER FOR A LONG TIME.
AND THERE'S REASON WHY YOU SEE,
LIKE GROCERY STORES AND THINGS
TOGETHER.
WE BELIEVE IN THIS PARTICULAR
CASE IT WOULD BE GREAT.
WE HAVE A REPORT FROM A
CONSULTANT THAT ALSO SUPPORTS
THAT, BUT WE REALLY FIRMLY
BELIEVE IT WOULD BE BEST FOR THE
CATSKILLS, AND THAT'D BE GREAT.
>> STU, ANY QUESTIONS FROM YOU,
STU?
>> YES, I'M HIGH HANDED
CONTRIBUTOR.
UNLIKE --
>> WE CAN SEE YOU.
OKAY.
>> UNLIKE KEVIN THERE, I DID
HANG OUT IN THE CATSKILLS WHEN I
WAS A YOUNG PERSON.
AFTER I COUPLE QUESTIONS.
FIRST OF ALL, AS I UNDERSTAND
THE ENABLING LEGISLATION WITH
RESPECT TO THE AREA IN SEVEN
YEARS, WHERE THE ABILITY TO

GRANT THREE ADDITIONAL LICENSES TO THE SOUTHERN TIER?

YOU'RE SAYING THAT YOU CAN'T SUCCEED IN THE CATSKILLS IF THERE ARE, OR AN ORANGE COUNTY CASINO.

COULD YOU, DO YOU HAVE A SEVEN YEAR SHELF LIFE THAT GOES BACK IT THREE YEARS THAT SOMETHING, AND SEVEN YEARS SOMETHING IN WESTCHESTER OR SOMETHING IN THE BRONX OR SOMETHING IN MANHATTAN?

>> YOU KNOW, OBVIOUSLY IT'S KIND OF A HYPOTHETICAL.

I WOULD ANSWER FROM OUR PERSPECTIVE AS FOLLOWS, IT WOULD HOPEFULLY, IF THAT WOULD BE THE CASE, HOPEFULLY BY THE TIME THOSE CASINOS STARTED THE DYNAMIC WILL HAVE CHANGED.

AND YOU WILL HAVE MORE THINGS TO DO AND THE AREA ITSELF WILL BECOME MORE OF A DRAW.

AND YOU WON'T BE QUITE AS DEPENDENT ON THE LURE REGIONAL DRIVE AND MARKET TO DRIVE REVENUES.

SO I WOULD BELIEVE THAT OVER TIME, BASED ON THE CATSKILLS DEVELOPING YOU WOULD BE ABLE TO SUCCEED BECAUSE YOU WOULD HAVE CREATED A RESORT DESTINATION AREA AS OPPOSED TO JUST MORE REGIONAL GAMING.

THAT WOULD BE BETTER BECAUSE THERE WOULD BE MORE DEVELOPMENT.

>> OKAY.

WHAT ABOUT, WHAT IF THE, WHAT IF THERE WAS A LICENSE GRANTED TO SOMEBODY IN THE CAPITOL REGION? HOW WOULD THAT IMPACT YOU AT ALL WOULD IT IMPACT YOU ALMOST THE SAME WITH THE ORANGE COUNTY?

>> WE DON'T BELIEVE THE CATSKILL REGION WOULD IMPACT -- WE DON'T BELIEVE THE CAPITOL REGION IS AN IMPACT.

>> NO EFFECT.

>> NO.

>> OKAY.

AND LAST ONE, THIS IS HALF WELL WRITTEN AND HALF, WHAT HAPPENED TO THE CATSKILLS.

WHY DID IT GO FROM BEING SUCH A

DRAW AS A RESORT AREA TO WHAT
ITS BECOME?

>> WELL MY OPINION IS THE FORMER
RESIDENT AND STUDENT IS THE
FOLLOWING, THE DYNAMIC OF MANY
THINGS CHANGED OVER TIME.
AIR-CONDITIONING, RIGHT, WAS
PEOPLE IN NEW YORK DIDN'T REALLY
NEED TO GO TO THE MOUNTAINS TO
DO THAT.

AIR FEARS BECAME CHEAPER AND
EXOTIC TRIPS WERE READILY
AVAILABLE AND IT WAS EASIER THAN
GOING TO THE CATSKILLS.
JEWISH COUNTRY CLUBS WERE
FORMED, AND JEWS DIDN'T HAVE TO
GO TO CATSKILLS TO PLAY GOLF.
OVER TYPE THE THREE MEALS A DAY,
PEOPLE WEREN'T DOING SPIN CLASS
AT 6:00 IN THE MORNING, THREE
MEALS A DAY IS A HEALTHY
LIFESTYLE CHANGE, IT CHANGED THE
DYNAMIC.

AND THEN, YOU KNOW, IT JUST KIND
OF BECAME A BAD SPIRAL OF AS
THINGS GOT WORSE AND PEOPLE
DIDN'T INVEST IN THE HOTELS,
BECAMELESS APPEALING, THE
HAVRPTONS STARTED, OTHER RESORT
AREAS STARTED, GAMBLING STARTED
IN ATLANTIC CITY.

I MEAN, CHRIS'S FATHER AND MY
BROTHER, BEFORE ATLANTIC CITY
AND GAMBLING WERE TRYING TO GET
IN A RESORT STATION, TRYING TO
GET GAMBLING IN THE CATSKILLS TO
STOP WHAT HAPPENED FROM
HAPPENING.

I THINK ALL THOSE, WE COULD TALK
ABOUT IT, BUT YOU KNOW, I COULD
REALLY TALK ABOUT IT FOREVER.
I DON'T KNOW IF ANYTHING WAS
ANSWERED.

>> YOU THINK GAMBLING,
EVERYTHING ELSE YOU SAID IS THE
SAME EXCEPT FOR GAMBLING IN THE
CATSKILLS?

THAT'S THE ANSWER?

>> I THINK GAMBLING IN THE
CATSKILLS COULD CREATE RRNS TO
VISIT AND CREATE MORE THINGS.
THINGS HAVE CHANGED.
THERE WON'T BE THREE MEAL A DAY
RESORT HOTELS.

PEEP'S TRAVEL PATTERNS HAVE
CHANGED.
NOW LONG TRIPS ARE REALLY OUT,
SHORT TRIPS ARE IN.
THE TOURISM DYNAMIC HAS CHANGED.
IF YOU HAVE A STIMULUS TO DRIVE
TRIPS, PEOPLE THINK ABOUT THE
CATSKILLS AND DON'T THINK ABOUT
THE BEST TROUT FISHING IN THE
WORLD.

GREAT GOLF COURSES AVAILABLE,
THERE'S A TON OF THINGS THAT
HAPPEN UP THERE, SKIING, AND SO
IT IS REALLY CAPTURING, IT IT
REALLY IS PERFECTLY LOCATED TO
CAPTURE THE NEW SHORT VACATION
AND BEING CLOSE TO SO MANY
PEOPLE WITH THE BEAUTY AND
EVERYTHING IS A GREAT FORM LA,
FRANKLY.

>> THANK YOU.

>> IF I COULD ADD ONE MORE,
OKAY.

THANK YOU.

>> THANK YOU.

>>> GREAT, I REMEMBER THAT.

CHAIRMAN LAW, DISTINGUISHED AND
INVITED GUESTS, MEMBERS OF THE
GENERAL PUBLIC.
THANK YOU FOR THE OPPORTUNITY TO
MEET WITH YOU THIS MORNING AND
TALK TO YOU REGARDING THE GRAND
HUDSON RESORT AND CASINO.
MY NAME IS ROBERT J.
MacLAUGHLIN, AND I'M AN ATTORNEY
THAT'S BEEN WORKING ON THE GRAND
HUDSON PROJECT AND WITH THE
DEVELOPMENT TEAM FOR MORE THAN A
YEAR.

LY INTRODUCE THE TEAM AND OTHER
MEMBERS IN A MOMENT.
BUT I WANTED TO DISCUSS JUST
BRIEFLY THE VISION FOR THE GRAND
HUDSON.

THE GRAND HUDSON RESORT AND
CASINO WILL BECOME A KEY
ATTRACTION TO THE MID-HUDSON
VALLEY.

IT INCLUDES SEVEN COUNTIES,
INCLUDING THE COUNTIES OF
SULLIVAN, ORANGE, DUTCHESS, AND
PUTNAM.

IT'S MEANT TO BE A COMPLIMENT TO
EXISTING ATTRACTIONS AND
INVOLVES TOURISTS THAT ARE
ALREADY VISITING THOSE
ATTRACTIONS.

ATTRACTIONS LIKE WINERIES IN
DUTCHESS AND PUTNAM COUNTIES,
HIKING, CLIMBING, SKIING, HORSE
BACK RIDING, SPORTS,
ENTERTAINMENT, GOLF.

AND WE WILL USE THESE EXISTING
ATTRACTIONS TO HELP GENERATE
VISITS TO OUR RESORT AND CASINO.
WE ARE LOCATED AT STEWART
AIRPORT.

A HUDSON VALLEY TREASURE.
ITS BEEN CALLED THE GATEWAY TO
THE MID-HUDSON VALLEY.
IT IS A FASCINATING SITE.
IT WAS A FARM, IT BECAME A VERY
RURAL AIRPORT IN THE 1920s.
AND WITH THE VISION OF DOUGLAS
MCARTHUR, IT WAS TURNED INTO AN
ARMY BASE AND TRAINED ARMY
PILOTS.

IT BECAME HOME TO A SQUADRON.
A SQUADRON THAT WAS CALLED THE
WINGS OF WEST POINT, AND THAT
SQUADRON AN THE PILOTS THAT
TRAINED THERE HELPED WIN WORLD
WAR II.

AFTER THE WAR, THE AIRPORT
CONTINUED TO BE AN ATTRACTION
AND AN ECONOMIC ENGINE FOR THE
VALLEY.

THOUSANDS IT OF PEEP --
THOUSANDS OF PEOPLE WERE
EMPLOYED AT THE AIRPORT, AND
THAT LED TO THOUSANDS OF
EMPLOYMENTS AROUND THE AIRPORT.
THE AIRPORT HAS A DISTINGUISHED
PAST THAT INCLUDED THE VISITS OF
THEN GENERAL EISENHOWER, FUTURE
PRESIDENT, AND 1981 WAS THE
LANDING SITE FOR THE IRANIAN
HOSTAGES WHEN THEY FIRST CAME
BACK TO THE U.S.

STEWART AIRPORT WAS ALSO AN
ALTERNATE LANDING SITE FOR THE
SPACE SHUTTLE.

IN THE 1990s, DUE TO FEDERAL
BUDGET CUTS, THE AIR BASE AND
THE SQUADRON START AT THE CLOSE,
AND TITLE WAS TRANSFERRED TO THE

TOWN OF NEW WINDSOR AND
ULTIMATELY TO THE PORT AUTHORITY
OF NEW YORK AND NEW JERSEY.
STEWART AIRPORT TODAY IS A
MIXTURE OF VACANT LAND, BROKEN
RUBBLE, AND BROKEN DOWN ARMY
BARRACKS.

ARMY BARRACKS THAT ARE AN
ENVIRONMENTAL HAZARD AND AN
EYESORE TO THE COMMUNITY.
THE STATE HAS ATTEMPTED TO
INVEST MONEY INTO THE AIRPORT TO
CREATE THAT VIBRANT ECONOMIC
ENGINE.

THE STATE INVESTED \$55 MILLION
INTO THE CREATION OF
INTERNATIONAL BOULEVARD THAT
GOES RIGHT TO THE FRONT DOOR OF
STEWART AIRPORT, AND IF YOU WENT
THERE TODAY, YOU COULD STAND IN
THE MIDDLE OF THE STREET AND NOT GET
HIT BY ANY CARS.

MORE IMPORTANTLY, THAT BOULEVARD
GOES RIGHT TO THE FRONT DOOR OF
THE GRAND HUDSON.

WE HAVE LEASED THE TOWN OF
WINDSOR 140 ACRES OF VACANT LAND
AND INTEND TO BUILD A RESORT AND
CASINO THAT WILL BE THE ENVY OF
THE VALLEY.

WE HAVE ENTERED INTO VARIOUS
AGREEMENTS WITH LOCAL
MUNICIPALITIES, COUNTIES, AND
BUSINESSES, AND WE BELIEVE THAT
THE GRAND HUDSON RESORT AND
CASINO CAN LEAD TO THE REBIRTH
NOT ONLY OF THE HUDSON VALLEY,
BUT OF STEWART AIRPORT.

OUR DEVELOPER THE TEAM HAS BEEN
LED BY GREEN TRACK INC., IT IS
AN ALABAMA CORPORATION, BUT THAT
HAS BEEN CERTIFIED IN NEW YORK
AS A MINORITY OWNED BUSINESS,
AND AT THIS TIME, I'D LIKE TO
INTRODUCE TO YOU THE PRESIDENT
OF THE GREEN TRACK, MR. LUTHER
WYNN.

>> THANK YOU.

GOOD MORNING COMMISSIONER.
WHEN I HEARD THAT THEY WERE
CONSIDERING EXPANDING GAMING IN
NEW YORK, WE WERE STILL EXCITED
ABOUT THE POSSIBILITY OF
PARTNERING WITH THE STATE TO

CREATE JOBS AND TO BUILD
COMMUNITIES.

I KNOW FIRSTHAND THE INCREDIBLE
PROSPECT OF THE CASINO GAMBLES
OFFERED.

I HAD THE PLEASURE OF ATTENDING
THE GOVERNMENT'S 2013 STATE OF
THE STATE ADDRESS WHERE HE LAID
OUT HIS VISION FOR GAMING.

WE ARE LEADING THEM TO NEW YORK
AND SPENT THE LAST YEAR AND A
HALF COMBING THE STATE FROM
SYRACUSE TO HARLEM, FROM
BUFFALO, TO BUFFALO, AND
EVERYWHERE IN BETWEEN.

TALKING TO REAL PEOPLE ABOUT
THEIR COMMUNITY MEANING.

AND LOOKING AT THE OPPORTUNITY
OF DEVELOPING A CASINO IN THE
STATE OF NEW YORK.

WE RULED OUT MANY SITES THAT WE
SAW.

SOME BECAUSE WE COULDN'T DEVELOP
IN THE TIME FRAME THAT THE
GOVERNMENT HAD LAID OUT, OTHERS
BECAUSE THEY COULD NOT, THEY
OFFERED OTHER DEVELOPMENT
CHALLENGES.

BUT WHEN WE TOURED ORANGE
COUNTY, AND MET WITH COUNTY
EXECUTIVES STEVE NEWHOUSER, WITH
THE WINDSOR TOWN SUPERVISOR,
GEORGE GREEN, AND BUSINESS
LEADERS LIKE JIM PETRO AND
OTHERS WITH COMMUNITY LEADERS
LIKE CHESTER JOHNSON OF THE
NAACP AND LEGISLATORS, WE KNEW
WE WERE AT THE RIGHT PLACE AND
WORKING WITH THE RIGHT PEEP TO
FULFILL THE STATE'S STRATEGIC
PLAN.

THE ENTHUSIASM IS OVERWHELMING.
AS YOU CAN SEE BY THE PEOPLE WHO
ARE WITH US TODAY.

THE PEOPLE OF ORANGE COUNTY
STRONGLY SUPPORT THIS PROJECT.
WE HAVE PUT TOGETHER AN AMAZING
TEAM OF ARCHITECTS, ENGINEERS,
AND ECONOMISTS.

AND WE PUT TOGETHER THE BEST
OPERATOR AND THE BEST CASINO
DEVELOPER IN THE COUNTRY AND
WE'VE DONE THAT IN THE PERSON OF
MR. MICHAEL MALLER AND FULL

HOUSE AND CASINO VICE PRESIDENT
GENTLEMAN DACEY.
AND NOW I PRESENT TO YOU MICHAEL
MALLARD.

>> THANK YOU FOR THE OPPORTUNITY
TO COME BEFORE YOU TODAY.
LET ME TALK A LITTLE BIT ABOUT
THE FIT.

WHEN I CAME TO THIS PROJECT, I
MET WITH LUTHER WYNN, AND HIS
TEAM, ANDLY TELL YOU THAT -- AND
I WILL TELL YOU OUT OF THE ALL
THE PEOPLE I MET THROUGH ALL THE
YEARS I WAS MET WITH DEDICATION,
DRIVE, AND HISTORY.

MUCH LIKE THE CITY OF DETROIT,
WHERE I EXPANDED THE GAMING
STARTING 25 YEARS AGO, I
DEVELOPED WITH PARTNERS, 134
MINORITY PARTNERS, WE DEVELOPED
THE MOTOR CITY CASINO IN
DETROIT.

IT IS ONE OF THE MOST SUCCESSFUL
CASINOS IN THE MIDWEST, AND IN
THIS AREA BECAUSE OF THAT
DEVELOPMENT, WE ALSO HAVE
DEVELOPED NEW STADIUMS,
ENTERTAINMENT DEVELOPMENTS, AND
HOSPITALITY OFFERINGS, SECOND TO
NONE IN THE COUNTRY, AND WE
ATTRACT SOME 3.9 MILLION
VISITORS JUST TO OUR FACILITIES
IN THE INNER CITY OF DETROIT.
IF YOU LOOK AT, WHEN WE BUILT
OUR PROJECT IN DETROIT, WE
PICKED A PROPERTY KNOWN AS THE
WONDER BREAD SITE WHICH WAS
ABANDONED FOR SOME 30 YEARS.
A BUILDING THAT WAS OVER 100
YEARS OLD AND WE TRANSFORMED IT
INTO A FACILITY CALLED THE MOTOR
CITY CASINO.

WE NAMED IT THE MOTOR CITY
CASINO BECAUSE WE WANTED TO BE
PART OF THE HISTORY OF MICHIGAN,
THE HEART OF CITY DETROIT WHICH
IS THE AUTOMOBILE INDUSTRY, AND
IT FIT.

WITH US COMING YEAR, WE ALSO,
TODAY, WOULD LIKE TO UNVEIL THE
GRAND HUDSON, WHICH MUCH LIKE
THE CITY OF DETROIT IN THE STATE
OF MICHIGAN, WE WANT TO DEVELOP
AN ECONOMIC ENGINE THAT'LL DRIVE

A REGION, NOT JUST A SINGLE SPOT.

IT WON'T BE THE BIGGEST AND IT'S NOT GOING TO BE LAS VEGAS FLASH, BUT IT'LL BE A JEWEL THAT'LL SHINE FOR A REGION AND ATTRACT A LOT OF VISITORS.

THE GRAND HUDSON IS A BEAUTIFUL DEVELOPMENT, BEAUTIFUL BUILDING, AND IT FITS.

AND IT FITS THE CRITERIA.

THE FACILITY ITSELF WILL BE APPROXIMATELY 450,000 SQUARE FEET OF HOTEL AND CASINO RESORT, IT'LL HAVE ALL THE AMENITIES THAT ANYBODY WILL OFFER IN SUCH A FACILITY SUCH AS THE LUXURY SPA, THE HEALTH CLUB, AND RESORT STYLE POOLS.

WILL HAVE ENTERTAINMENT AND WORK WITH THE ENTERTAINMENT IN THE REGION WHICH IS IMPORTANT TO US BECAUSE EVERYBODY MUST BENEFIT THROUGH THIS PROCESS.

WE'LL HAVE A FULL RANGE OF DINING AND BEVERAGE

OPPORTUNITIES AS EVERY CASINO WILL OFFER, BUT I THINK WE'LL BE JUST A TOUCH BETTER BECAUSE WE ARE THERE PERSONALLY EVERY DAY SEEING THAT IT RUNS WELL.

WE'LL HAVE A CAPACITY FOR RETAIL AS WE EXPAND THROUGH ATTRACTING TOURISTS AND GUESTS TO OUR FACILITY.

AND WE ARE LOCATED AT A VERY UNIQUE AIRPORT, THE STEWART AIRPORT, INTERNATIONAL AIRPORT IN THE STATE OF NEW YORK THAT IS ONE OF THE MOST UNDERUTILIZED INTERNATIONAL AIRPORTS IN THE STATE.

AND WE INTEND TO WORK WITH THAT AIRPORT AND THE AUTHORITIES TO DRIVE TOURISM TO THE STEWART AIRPORT AND TO OUR FACILITIES AND TO THE RENALS.

WE FIND THIS VERY ATTRACTIVE, AND WE WANT TO BE PART AN ECONOMIC ENGINE FOR THE REGION, NOT JUST FOR OURSELVES.

AND WITH THAT, JIM, I'D LIKE TO TURN IT OVER TO JIM DACEY, OUR PARTNERS AT FULL HOUSE GAMING.

>> GOOD MORNING, AGAIN.
I WOULD LIKE TO CONFIRM FOR THE
COMMITTEE MEMBERS THAT MR.
IOCOKA REMAINED OUR FOUNDER
OVERNIGHT.
WE'RE STILL ON THE PUBLIC
COMPANY, AND WE NOW HAVE A ONE
MORE DAY OF EXPERIENCE.
THANK YOU.
THIS IS A, THIS IS A GREAT
LAYERING OF EXPERTISE AND
RESPONSIBILITIES BECAUSE WE ARE
A FULL SERVICE GAMING MANAGEMENT
COMPANY.
AND IN THIS PARTICULAR ENDEAVOR,
WE'LL SERVE AS THE OPERATE, BE
IN OUR PREVIOUS EXPERIENCES, WE
HAVE SERVED AS DEVELOPERS, RACER
OF FUND, THE DESIGN CONSULTANTS,
THE TRAINING AND RECRUITING
STAFF.
WE THINK THIS IS A GREAT LAYERED
EXPERTISE OF THE THREE ENTITIES.
WITH US TODAY ON OR FRONT ROW IS
MARK MILLER OUR CHIEF OPERATING
OFFICER, AND HE JOINED US FROM A
LONG HISY IN THE GAMING
INDUSTRY.
HE ASSEMBLED A TEAM OF SEASONED
EXECUTIVES AND SEASONED INDUSTRY
EXPERTS, WE'RE HERE WITH A BROAD
RANGE OF EXPERTISE.
WE'RE LICENSED IN MULTIPLE
JURISDICTIONS.
WE UNDERSTAND THE
RESPONSIBILITIES AND OBLIGATIONS
OF BECOMING A LICENSED OPERATOR
IN THE STATE.
TODAY, I'M GOING TO TALK A
LITTLE BIT MORE ABOUT THE UPPER
HALF OF THE SLIDE IN YOUR BOOK,
THAT TALKED ABOUT THE LARGER
PROPERTIES THAT WE'VE OPERATED.
SO WHEN YOU LOOK AT THE
FACILITIES IN AUSTRALIA, THEY AT
THE TIME WERE SOME OF THE
LARGEST CASINO OPERATIONS IN THE
WORLD AT THE TIME.
SO OUR EXPERIENCE IS BOTH LARGE
AND SMALL.
WE HAVE EXPERTISE IN OPERATING
IN THE LOCAL MARKETS.
THIS IS A CONCEPT AND PRINCIPLE
THAT WE'VE ADOPTED THROUGHOUT

ALL OF OUR PROPERTIES, AND WHEN WE SAY THAT WE TALK ABOUT OUR LOCAL VENDER BASE, AND WHERE WE GRANT OUR TEAM MEMBERS FROM. BECAUSE OF OUR EXPERIENCE AND LARGE PROPERTIES IN MULTIPLE JURISDICTIONS, WE UNDERSTAND OUR RESPONSIBILITIES AS A RESPONSIBLE GAMING PROVIDER. SO WE ADHERE TO THE AMERICAN GAMING ASSOCIATION RULES FOR COMPULSIVE GAMING AND IN A BEST OF CLASS PROBLEM GAMING PROGRAM AND AWARENESS, WE WORK IN A TO OUR STAFF TRAINING REASON RECOGNITION, THROUGH PUBLICATIONS OF WHAT RESOURCES ARE AVAILABLE TO THEM, UP TO AND INCLUDING EXCLUSION POLICIES. COMMUNITY COMMITMENT, THAT IS SOMETHING THAT HE PUT IN PLACE IN 1987, THE LEADERSHIP OF FULL HOUSE WITH MANY YEARS AS CONTINUED TO DO THAT. YOU'LL SEE AS NOT ONLY COMMITTED TO THE COMMUNITY IN TERMS OF LOCAL GOODS AND SERVICES, BUT OUR INVOLVEMENT IN THE COMMUNITY ACTIVITIES. THIS IS A PRINCIPAL THAT LUTHER WYNN AND THE GREEN TRACK PEOPLE, WE FULLY ENDORSE, FULLY EMBRACE. WE ACHIEVE OUR SUCCESS THROUGH OUR TEAM MEMBERS. SO WE WILL SPEND A CONSIDERABLE AMOUNT OF TIME MAKING SURE THAT OUR TEAM MEMBERS ARE ALIGNED WITH OUR GOALS, OUR GOALS ARE TO PROVIDE THE GREATEST GUEST EXPERIENCE THAT WE CAN PROVIDE IN THE MOST RESPONSIBLE FASHION. WE WORK HARD AT THAT. THIS TEAM UP HERE, WHEN WE SAY FIRST TIME ACCESSIBLE, WE ARE COMMITTED TO THIS PROJECT, IT IS A CORNERSTONE OF ALL OF OUR PORTFOLIOS, IT WILL GET A GREAT DEAL OF OUR INTENTION, ATTENTION, AND OUR INVOLVEMENT WILL BE CONSISTENT AND CONSTANT THROUGHOUT ITS LIFE. I'D LIKE TO TELL YOU A STORY, I'M GOING DIRECT YOUR ATTENTION TO THE BOTTOM RIGHT OF THIS

PARTICULAR SLIDE.

SO I ASK THE QUESTION YESTERDAY,
CAN WE DO IT, AND I HAVEN'T
CHANGED MY ANSWER, WE CAN DO IT.
AND HERE IS WHY THE EXAMPLE OF
THAT.

STEWART AIRPORT IS A GREAT
LOCATION, AND WHEN WE AS A
DEVELOPER OPERATOR LOOK FOR A
LOCATION, LOCATION, LOCATION,
LOCATION.

AND THIS IS AN OUTSTANDING
LOCATION.

AND PROVIDES A RARE OPPORTUNITY
TO CAPITALIZE AND REGROW THAT
REGION.

BATTLE CREEK, MICHIGAN, EMMET
TOWNSHIP, 6 ACRE CORNFIELD -- 68
ACRE CORNFIELD, 6 IRAQ OPERATING
CORNFIELD WE SECURED THE RIGHTS
WITH THE NATIVE AMERICAN TRIBE.
AND IN 18 MONTHS, WE DEVELOPED A
3,000 POSITION, FULL SERVICE
GAPING FACILITY, FIVE
RESTAURANTS, ALL OF THE
COMMUNITY INVOLVEMENTS YOU CAN
EXPECT, ALL OF THE LOCAL
SPENDING AND LOCAL RECRUITING
THAT WE'VE DONE, WE BROUGHT ON A
1300 MEMBER WORK FORCE, A SENIOR
EXECUTIVE STAFF, WE DELIVERED
THAT ON TIME.

AND WE'RE GOING TO PUT A FIVE
STORY PARKING DECK, AND OUR
COMMITMENT TO THEM WAS WE WILL
ALWAYS BE A RESPONSIBLE PARTNER,
YOU'LL HEAR IT FROM US FIRST.
WE'LL TELL YOU WHY WE'RE DOING
IT, WE'LL HEAR YOUR CONCERNS.
THAT HOMEOWNER ASSOCIATION
ACTUALLY ISSUED LETTERS OF
FAVORABLE RECOMMENDATIONS FOR
THAT DEVELOPMENT BECAUSE WE WERE
HONEST WITH THEM, WE WERE
RESPONSIBLE TO THEM, AND WE WERE
RESPONSIVE TO THEIR NEEDS.
WE ARE PROUD TO STAND WITH GREEN
TRACK.

WE ARE PROUD TO STAND WITH
LUTHER WYNN.

WE ARE GRATE TO FEEL HAVE THE
EXPERIENCE OF MIKE MALLARD, AND
WE THINK THAT THIS COLLECTIVE
TEAM, IN THAT SINGLE LOCATION,

WILL BE SUCCESSFUL TO THE STATE,
TO THE REGIONS, TO THE CITY, AND
TO US AS WELL.

SO WE HOPE THAT AT THE END OF
THIS THAT WE HAVE PRESENTED A
COMPELLING ENOUGH ARGUMENT THAT
YOU WILL SEE THE MERITS OF THAT
SITE, THE MERITS OF THIS TEAM,
AND GRANT US THE OPPORTUNITY TO
PARTICIPATE IN THE REBIRTH OF
THAT PARTICULAR REGION AND
LOCATION.

THANK YOU.

>> THANK YOU, JIM.

IN ADDITION TO OUR DEVELOPMENT
TEAM, WE HAVE ASSEMBLED A GREAT
TEAM OF CONSULTANTS.

FIRST IS GLOBAL MARKET ADVISERS
AND STEVE GALAWAY, WE SPEAK TO
YOU IN A MOMENT REGARDING OUR
REVENUE PROJECTIONS.

STEVE HAS MORE THAN 13 YEARS
EXPERIENCE IN THE GAMING
INDUSTRY.

ALSO WITH STEVE IS PART OF
GLOBAL MARKET ADVISERS IS SCOTT
FISHER, PHD, AND PRESIDENT OF
LEASHER DYNAMICS RESEARCH WHO
HAS ALMOST 20 YEARS EXPERIENCE
IN THE GAMING INDUSTRY.

OUR ARCHITECT IS WAPG,
CONSULTANT FOR THE LEISURE AND
ENTERTAINMENT BUSINESS, AND THEY
HAVE DESIGNED STUNNING, WORLD
CLASS CASINOS EVERYWHERE.

AND FINALLY, WENDEL ENGINEERING,
A FIRM FROM BUFFALO, NEW YORK,
WHO HAS DESIGNED CASINOS IN NEW
YORK STATE.

THE GRAND HUDSON WILL BE A
CATALYST FOR CHANGE, AND AS JIM
MENTIONED, THE KEY IS THE
LOCATION.

AND ON THE BOARD, YOU WILL SEE
THAT WE ARE LOCATED RIGHT AT
STEWART AIRPORT, AND AT THE
INTERSECTION OF TWO MAJOR
INTERSTATES.

THE NEW YORK STATE FREEWAY
RUNNING NORTH, SOUTH, AND THE
INTERSTATE 84 RUNNING FROM
CONNECTICUT IN THE EAST TO
PENNSYLVANIA IN THE WEST,
HUNDREDS OF THOUSANDS OF

COMMUTERS PASS BY THIS LOCATION EVERY DAY.
WITHOUT A CASINO, AND WE KNOW THAT THEY WILL VISIT US AND THE REGION WHEN WE ARE BUILT AND UP AND RUNNING.
WE ARE A SHUTTLE READY SITE, SEEKER IS COMPLETE.
AND TO TALK TO YOU BRIEFLY ABOUT THAT, I'D LIKE TO INTRODUCE ANDREW RILEY FROM WENDEL ENGINEERING, OUR SEEKER, ZONING, AND SITE PLAN CONSULTANT.
ANDREW HAS MORE THAN 30 YEARS EXPERIENCE IN SEEKER, HE SITS AND ADVISES PLANNING BOARDS AROUND THE STATE.
ANDREW.
>> THANK YOU, BOB.
AND GOOD MORNING.
I'M GOING TO BE BRIEF.
AN IMPORTANT COMPONENT AS YOU KNOW TO ANY SUCCESSFUL PROJECT IN NEW YORK STATE IS THE COMPLETION OF THE SEEKER PROCESS.
FOR THIS PROJECT, AND ENVIRONMENTAL IMPACT STATEMENT WAS DONE FOR THE OVERALL DEVELOPMENT OF THE STEWART AIRPORT SITE.
OUR PROJECT TEAM UPDATED THAT INFORMATION, THE ENVIRONMENTAL DOCUMENT ISSUE HAD TO BE BROUGHT UP TO 2014 STANDARDS, THE RULES IN NEW YORK STATE CHANGE, WITH THAT INFORMATION, THE PROJECT WAS FOUND TO BE IN CONFERENCE WITH THE STATEMENT AND WITH THAT, THE SEEKER PROCESS WAS COMPLETED IN MAY, 2014.
THE PROCESS IS COMPLETE.
WHAT DOES THAT MEAN?
SEEKER PROCESS WAS THE CULMINATION OF THAT WORK SAYING THAT IT WAS A NEGATIVE DECLARATION, AND IF YOU GO TO THE NEXT SLIDE, WHAT DOES THAT MEAN?
IT MEANS THAT THERE ARE NO ENVIRONMENTAL IMPACTS TO WETLANDS, FLOODPLAINS, STATE FORESTLAND, STATE PARKS, COMMUNITY CHARACTER, ANY OF

THOSE THINGS, RAW SFRUR, THERE ARE NO -- INFRASTRUCTURE, THERE ARE NO ENVIRONMENTAL IMPACTS, THAT HAS BEEN CON IF I WERED. THE TOWN WAS ALLOWED TO PUT THE PROPER ZONING IN PLACE. THE TOWN CREATED A MIXED USE ZONING DISTRICT, A PLANNED CASINO OVERLAY DISTRICT THAT ALLOWS FOR ALL THE USES NAP ZONING DISTRICT IS IN PLACE. ANOTHER IMPORTANT COMPONENT IN NEW YORK STATE, NEW YORK STATE HAS A LOT OF GROWTH LEGISLATION. PROJECT MUST BE WITH LEGISLATION. THIS SPROJT CONFORMANCE. WATER, SEWER, ROADS, POWER, DRAINAGE, ALL THINGS ARE IN PLACE. IT'S THE REUSE OF A PREVIOUSLY DEVELOPED SITE, IT HAS MULTIMOBILE CAPABILITIES, IT'S IN ACCORD DANCE WITH REGIONAL AND LOCAL PLANNING. AND IT STRENGTHENS THE EXISTING COMMUNITIES IN THE AREA. THAT IS VERY IMPORTANT FOR THIS PROJECT. WE ARE ALSO NOW IN THE PROJECT FOR SLIGHT PLAN APPROVAL. WE DID IT WITH THE TOWN, WE ARE IN THAT PROCESS AND HOPE TO HAVE THAT IN THE NEXT COUPLE OF MONTHS. WITH ALL THE WORK IN PLACE, WE HAVE SITE CLEARING AND PREPARATION PERMITS IN HAND, AND WE HAVE A PERMIT FROM NEW YORK STATE UNDER THE STORM WATER SWIFT REQUIREMENTS. WE HAVE ALL THOSE THINGS IN HAND. SO, WHAT HAS HAPPENED, IN CONCLUSION TO THE EFFORTS OF THE FEDERAL GOVERNMENT, STATE GOVERNMENT, COUNTY GOVERNMENT, THE TOWN OF NEW WINDSOR AND THE GREEN TRACK TEAM, WE'RE READY TO BUILD TODAY. AND WE LOOK FORWARD TO STARTING THAT PROJECT. THANK YOU. >> THANK YOU, DREW.

AND JUST TO AMPLY FIE A LICK OF
WITH -- LITTLE BIT OF WHAT HE
SAY.

I HAVE THE PERMITS IN HAND RIGHT
HERE.

THE GRAND HUDSON WILL BRING
MILLIONS OF DOLLARS TO NEW YORK
STATE AND TO THE REGION.

AND TO TALK ABOUT THAT, I'D LIKE
TO INTRODUCE STEVE GALAWAY FROM
GLOBAL ADVISERS.

>> THANKS, BOB.

GMA WAS ENGAGED TO SIZE AND
PROJECT REVENUES AND EXPENSES
FOR THE GRAND HUDSON.

WE USE THE SAME GRAVITY MODEL
THAT OTHERS DISCUSSED, I PROMISE
I WON'T BORE YOU WITH THE
DISCUSSION OF HOW THEY WORK.

AND WE DERPED THAT APPROXIMATELY
3,000 SLOT MACHINES, HUNDRED
TABLE GAMES, AND 30 TABLE POKER
ROOM WOULD BE APPROPRIATE FOR
THE FACILITY.

THIS WOULD BE ENOUGH TO MEET
DEMAND, AND ALSO THE RIGHT SIZE
TO CREATE A GOOD LEVEL OF
EXCITEMENT WITHIN THE CASINO.
AND WE SIZE THE CASINO, IT'S
IMPORTANT FOR US TO MAKE SURE
NOT ONLY THAT WE MEET DEMAND,
YOU DON'T WANT TO HAVE TOO MANY
SLOTS OR TABLES, YOU WANT TO
MAKE SURE PEEP CAN CIRCULATE,
GET THE GAME THEY WANT, BUT HAVE
A GOOD AMOUNT OF PEOPLE IN THE
FACILITY TO CREATE EXCITEMENT.
OVERALL, WE HAVE ESTIMATED THAT
BY YEAR THREE, WHICH IS REALLY
REPRESENTATIVE OF A GOOD
STABILIZED YEAR.

THE SLOTS WOULD AVERAGE ABOUT
\$415 PER UNIT ON A GROWTH BASIS
WHICH IS ABOUT \$374 ON A NET
BASIS WHICH WOULD BE THE TAXABLE
PART AND THE TABLES WOULD BE
\$2900 A DAY WHICH ALLOWS FOR A
NICE BUSY CASINO, BUT IF YOU
WANT TO GO IN AND GET A SPOT,
THERE SHOULD BE ONE OPEN FOR
YOU.

IN TOTAL, WE ESTIMATE ABOUT 568
MILLION OF GROSS GAINING
REVENUES OR 523 MILLION OF NET

TAXABLE REVENUES.

SO IMPORTANT NOTES HERE, WHEN WE WERE FIRST TOLD TO ASSUME A 2017 OPENING.

THAT MADE ME NERVOUS.

THAT'S A TOUGH ASSUMPTION, THINK ABOUT THE WHEN THE LICENSE WOULD GET ISSUED.

AS I UNDERSTOOD THE SITE MORE AND WE HAVE PERMITS IN HAND, QUICKLY, EARLY 2017, IT BECAME A VERY REALISTIC STATE TO BE ABLE TO BEGIN OUR IN YOUR OPINIONS. THAT WAS SIGNIFICANT TO ME IN DOING THE PROJECTIONS TO MAKE SURE THAT THEY'RE ACCURATE.

ONCE THE NUMBERS WERE FINISHED, WE STRESSED THAT UP AND DOWN, 10%.

I'LL GIVE YOU A REASON OF HOW AND WHY WE WENT UP AND DOWN AT 10%.

THIS CHART RIGHT HERE SHOWS YOU A MAP OF OUR KEY MARKET AREAS. THE THREE MOST IMPORTANT AREAS TO US ARE WESTERN CONNECTICUT WHICH GENERATES ABOUT 12% OF THE REVENUE.

THAT'S THE YELLOW ONE.

THE GREEN IN THE MIDDLE IS THE NEW YORK STYLE MARKET WHICH IS OUR PRIMARY MARKET.

THAT'S OUR BACKYARD.

THAT SHOULD GENERATE ABOUT 40% OF OUR REVENUE OR 202 MILLION AND PROBABLY THE MOST VALUABLE GAMING MARKET ARGUABLY IN THE UNITED STATES IS NORTHERN NEW JERSEY MARKET RIGHT THERE.

THAT NORTHERN NEW JERSEY MARKET SHOULD GENERATE IN TOTAL ABOUT \$1.7 BILLION IN REVENUE IN 2019. THAT'S A BIG NUMBER.

THERE'S ALSO A REASON WHY THAT MARKET IS SURROUNDED TODAY BY MANY, MANY CASINOS.

PEOPLE IDENTIFY THAT MARKET BECAUSE OF ITS DENSITY, BECAUSE OF ITS WEALTH AND BECAUSE OF THEIR PROPENSITY TO GAM.

VERY, VERY VALUABLE.

WHEN WE WERE DOING OUR MODEL, THE MODEL WANTED TO THROW ABOUT \$200 MILLION MORE AT IT TO OUR

CASINO THAN WHAT WE ACTUALLY ESTIMATED.

I KNOCKED DOWN THOSE IN YOUR OPINIONS.

IT'S GOING TO TAKE TIME TO BUILD A DATA BASE.

IT'S GOING TO TAKE TIME FOR PEOPLE IN THE MARKET TO COME TO OUR CASINO.

AND THE OTHER CASINOS IN THE REGION, INCLUDING ATLANTIC CITY IS NOT GOING TO GO GENTLY INTO THE GOOD NIGHT, THEY'RE GOING TO FIGHT VICIOUSLY TO KEEP THE DOLLARS.

AFTER KNOCKING DOWN THE FACTOR OF THAT REGION TO OUR CASINO. WE STILL HAVE IT ESTIMATED AT \$159 MILLION OF GAMING REVENUE. IT'S GOING COME FROM THAT MARKET AREA ALONE.

IF WE CAN PROPERLY PENETRATE THAT MARKET, THE GRAND HUDSON WILL EASILY EXCEED THAT 10% UPSIDE THAT I DISCUSSED ON THE PRIEST PAGE.

YOU KNOW, WHAT'S THE REASON FOR THE DOWNSIDE?

THE DOWNSIDE REALLY IS MORE TO ACCOUNT FOR THE MEADOWLAND WERE EVER TO GET SLOTS.

IT'S AN UNKNOWN.

THAT WOULD OBVIOUSLY IMPACT THE GRAND HUDSON POTENTIAL AND THE OTHER AREAS.

BUT OVERALL, YOU KNOW, HAVING THE GRAND HUDSON LOCATED AT THE INTERSECTION OF 84 AND GREAT. THAT GIVES GREAT ACCESS TO SURROUNDING STATES.

IT'S THE REASON WHY THE OVERWHELMING MAJORITY REVENUES HERE WOULD BE TAX TO BELIEVE NEW YORK.

ANOTHER BIG ADVANTAGE IS AS IT'S LOCATED ON THE NORTH SIDE OF ORANGE COUNTY, IT ALLOWS FOR LICENSE TO AN ADDITION COMPETITOR IN THE REGION TO SURVIVE.

I THINK THAT'S CRUCIAL TOO. GO ON TO THE NEXT SLIDE, WE BELIEVE THAT 350 ROOM HOTEL WOULD BE APPROPRIATE, ALMOST ALL

OF THE REVENUE AND ALL THE
HOTELS WILL BE GENERATED BY
CASINO GAMERS.
ABOUT 75% WILL BE SOLD BY CASINO
GAMERS.

THE REASON THAT'S RELEVANT IS
BECAUSE IT WON'T CANNIBAL IETZ
EXISTING HOTELS IN THE AREA.
IN FACT, THERE'S MUCH MORE
DEMAND FROM THE DATA BASE DURING
THE WEEKEND PERIOD THAN THERE
ARE HOTEL ROOMS AVAILABLE AT THE
GRAND HUDSON.

AS SUCH, WHAT I IMAGINE
MANAGEMENT WOULD DO IS UTILIZE
THE OTHERS IN THE AREA FOR THE
GAMERS, WHICH WILL ONLY HELP THE
LOCAL HOTELS.

IN TERMS OF MIDWEEK BUSINESS,
THERE'S NOT ENOUGH DEMAND THAT'S
THE GRAND HUDSON WILL BE TAKING
DURING THE MIDWEEK TO OFFSET
THAT UPSIDE DURING THE WEEKEND
PERIOD.

SO AS SUCH, THE NET GAIN FOR
MOST THE GRAND HUDSON AND FOR
THE LOCAL HOTELS.

IN ADDITION, THE MOST RELEVANT
PLAN OF THE SLIDE IS THE ROOM'S
REVENUE.

IT'S NOT RELEVANT AS MOST WILL
BE GIVEN BACK IN THE FORM OF
PROMOTIONAL ALLOWANCES.

THAT IS TAXABLE REVENUE TO THE
COUNTY IN TERMS OF THE BED TAX,
AND THAT HELPS THE LOCAL TAX
BASE.

MOVING ON TO PAYROLL.

IN TOTAL THE FACILITY WILL
EMPLOY 2500 E KWI LANT.

THIS IS AN ECONOMICALLY
DEPRESSED REGION.

MOST OF THE JOBS HERE WILL COME
FROM THE LOCAL COMMUNITY, 95%.
AND OF THOSE JOBS, MOST OF THE
JOBS WILL BE ABLE TO TRAIN THE
EMPLOYEES TO DO THEM.

IT'S NOT EXPECTED TO HAVE THE
SKILLSET TODAY, PROVIDING A
BASE, THESE ARE JOBS YOU CAN
TRAIN PEOPLE TO LEARN HOW TO DO.
THIS IS WHAT GAPING DOES IN ANY
JURISDICTION.

AND IT'LL ALSO HELP WITH THE

UNDEREMPLOYMENT.

FINALLY, I WANT TO TOUCH UP ON REALLY HOW MUCH OF THIS REVENUE IS NEW TO NEW YORK.

THERE ARE A LOT OF NUMBERS ON THIS PAGE, YOU KNOW, WE HAD IN STATE OF 138 MILLION, OUT OF STATE GAMING OF 185 MILLION, THAT DOESN'T REALLY TELL THE TRUE STORY.

I WANT TO FOCUS HERE, WHICH THE NUMBERS ARE NOT ON THE BOARD, BUT I WANT TO FOCUS HERE ON HOW MUCH OF THE GAMING REVENUE BEING GENERATED BY GRAND HUDSON WILL BE NEW TAXABLE REVENUE TO THE STATE OF NEW YORK.

BASED ON OUR ESTIMATES, WE HAVE ABOUT, THIS WILL POP THE MARKET, THE OVERALL MARKET BY ABOUT \$78 MILLION.

IT'LL BE \$78 MILLION OF NEW GAMING REVENUE THAT DID NOT EXIST BEFORE GRAND HUDSON. ABOUT 294 MILLION, WHICH IS THE BIGGEST NUMBER HERE SENIOR GOING TO BE CANNIBALIZED FROM THE CASINOS IN OTHER STATES. THAT'S GOING TO BE NEW TAXABLE REVENUE TO THE STATE OF NEW YORK.

AND THEN WE HAVE A SMALL BUMP IN OUTER MARKET TOURISM AND PEOPLE WHO DON'T LIVE IN THE AREA OF 13 MILLION.

THAT MEANS OF THE TOTAL \$523 MILLION OF GAMING REVENUE, OF NET GAMING REVENUE IN YEAR THREE, 384.6 MILLION, OR 73.5% OF THAT WILL BE NEW TAXABLE REVENUE TO THE STATE OF NEW YORK.

SCOTT.

>> THANK YOU STEVE, LOCATION BOARD.

REGIONAL UNEMPLOYMENT TABLE, GRAND HUDSON IS LOCATED IN ORANGE COUNTY.

FROM THE TABLE YOU COULD NOTE THAT UNEMPLOYMENT RATES AND TRENDS FOR THE COUNTY ARE VERY SIMILAR TO THAT REGION ONE IN GENERAL.

LOOK AT THE TOWN OF NEW WINDSOR,

IT'S NOT ONLY TABLE, BUT IT'S IN A REPORT THAT YOU PREPARED. GENERALLY TREND ABOUT 3/10ths % OF THAT OF ORANGE COUNTY.

LOOK AT THE CITY OF NEWBERG FOR WHICH THE SPONSOR HAS PROPOSED TRAINING AND PREFERENTIAL HIRING PRACTICES, UNEMPLOYMENT TRENDS ARE GENERALLY ABOUT 2% HIGHER THAN NEW WINDSOR.

IN 2010, 2011, UNEMPLOYMENT RATES WERE WELL OVER 10%, AND THEY ARE STILL OVER 9% EARLIER THIS YEAR.

NEXT SLIDE.

THERE'S PROPOSED \$660 MILLION IN DIRECT SPENDING FOR THE CASINO RESORT, AND OTHER MISCELLANEOUS DEVELOPMENTS IN THE COMMUNITY WHICH BOB'S GOING TO EXPAND UPON REGARDING THE CASINO RESORT DEVELOPMENTS.

THESE ARE NOT INCLUDING THE FINANCING COSTS OR OTHER COSTS, OTHER SPENDING THAT HAS NO LOCAL IMPACT.

TABLE SHOWS THE CONSTRUCTION IMPACT USING IN PLAN MULTIPLIERS, I'M SURE YOU'VE HEARD PLENTY OF PRESENTATIONS BEFORE AND WILL LATER TODAY REGARDING INPLAN, WHICH IS ONE OF THE MOST WIDELY USED TOOLS TO THE COMMUNITY.

CONSTRUCTION IMPACTS ARE PRESENTED IN TERMS OF ONE TIME EXPENDITURES AND YEARS OF UNEMPLOYMENT.

MAN YEARS OF LABOR IS OFTEN A TRICKY CONCEPT, IT CAN OFTEN REFLECT SUSTAINED JOBS RATHER THAN NEW JOBS.

I'VE SPOKEN WITH CONSTRUCTION STEWARDS, UNION STEWARDS IN THE AREA AND THE FACT IS, THERE ARE MANY IDLE CONSTRUCTION WORKERS. WHILE THERE MAY BE THREE TO 6,000 JOBS, A LOT AREN'T SUSTAINED JOBS, THESE ARE PEOPLE WHO ARE REINTRODUCED TO THE LABOR FORCE, WHETHER IT'S DROP OUTS OR COLLECTING UNEMPLOYMENT RIGHT NOW.

NEXT SLIDE.

MY ANALYSIS FOCUSSED ON YEAR TWO, STEVE FOCUSSED ON YEAR THREE, POTENTIALLY CONSIDERED THOSE TO BE REPRESENTATIVE OF STABILIZED OR GETTING INTO STABILIZED YEARS OF OPERATION. MR. GALAWAY POINTED OUT, FOR YEAR TWO, PROJECTED 544 MILLION, \$100 PLUS MILLION IN HOUSEHOLD EARNINGS AND 2500 JOBS. ONGOING IMPACTS DIFFER FROM CONSTRUCTION IMPACT AND ONGOING IMPACTS REPRESENT ANNUAL IMPACTS. ANNUAL JOB, ONGOING THE PAYROLL WOULD BE OVER \$100 MILLION. NEXT SLIDE. AS FOR THE CONSTRUCTION MODEL, OBVIOUSLY USED IMPLANTS TO DETERMINE THE OVERALL IMPACTS OF OPERATION. BY SHOWING THE TABLE OF THE OUTPUT IN THE REGION IS PROJECTED TO BE OVER 700 MILLION, INCREASING OVER 750 MILLION STATEWIDE. WE NOTE THAT CONSERVATIVE TO SOME DEGREE IN THE NUMBER IN THAT ANALYSIS DID NOT INCLUDE THE INCREMENTAL SPENDING THAT'S GOING TO BE ENABLED THROUGH THE REVENUES TO THE LOCALS COUNTY AND STATEWIDE GOVERNMENT, WELL OVER \$100 MILLION WORTH OF TAXES, OBVIOUSLY NINETEENS THAT GOVERNMENT'S GOING TO SPEND MORE MONEY. NONE OF THOSE DOLLARS FACTORED INTO THE ECONOMIC IMPACT ANALYSIS. NEXT SLIDE. NEXT SLIDE PRESENTED A TOTAL INCOMES, INCLUDING DIRECT, INDIRECT, AND IMPACTS FROM OPERATIONS. JOBS ARE CLEARLY WHAT I WOULD CONSIDER TO BE THE MOST IMPORTANT ISSUES. INCREASING HOUSEHOLD INCOME BY 135 TO 175 MILLION FOR RESIDENTS OF THE REGION, OF THE COUNTY, CERTAINLY WOULD BE THE VERY IMPOVERISHED AREA, PARTICULARLY THE CITY OF NEWBERG, THE

PREFERENTIAL HIRING IN SOME OF THE JOBS, 2500 JOBS WILL BE GOING TOWARDS THE CITY OF NEWBERG RESIDENTS.

NEXT SLIDE.

THE TOTAL ONGOING IMPACT IS PROJECTED TO BE 31,000 TO 4100 JOBS INCLUDING DIRECT AND INDIRECT JOBS.

I WANT TO THROW CAVEAT WITH THESE JOBS MEAN.

WHETHER YOU'RE USING IN PLAN OR RIMS OR RAMMY.

JOBS ARE GENERALLY CALCULATED BASED ON THE TOTAL INCOME LEVEL. DIVIDED BY AS YOU DIVIDE BY WHAT A TYPICAL JOB PAYS.

WE'LL ELABORATE LATER, IN THE CURRENT ECONOMIC TYPES, CERTAINLY OVER THE LAST TEN YEARS, THERE'S A LOT OF CASES WHERE THERE IS UNDERSTOOD EMPLOYMENT AND PEOPLE WILL MOVE INTO THESE JOBS THAT ALREADY HAVE JOBS.

SO WHILE THERE MAY BE 3,000 JOBS, NOT NECESSARILY 3,000 NEW JOBS TO A REGION.

I'LL EXPAND ON THAT IN MAINE. GETTING INTO THE FISCAL IMPACTS, GMA PROJECT GAMING TAXES IS OVER \$165 MILLION PER YEAR.

RESULTING FROM THE NET GAMING REVENUES AT GRAND HUDSON.

THE STATE SHARE OF THAT TOTAL WOULD BE OVER 132 MILLION.

HE POINTED OUT THAT'S THE GROSS IN YOUR OPINION, THE NET NUMBER TO THE STATE WOULD BE THE FACT THAT 73.5% OF THE DOLLARS ARE NEW DOLLARS.

MULTIPLY THAT BY 132 MILLION, YEAR TWO, OVER 1 # 00 MILLION EVERY YEAR THEREAFTER.

ADDITIONALLY, THE TOWN OF NEW WINDSOR AND THE COUNTY WOULD EACH GET OVER \$8 MILLION ANNUALLY FROM GAMING TAXES. AND REMAINING COUNTIES IN REGION ONE WHICH SHARES OVER \$16 MILLION A YEAR.

OBVIOUSLY THE OTHER FISCAL IMPACTS AS WELL, WHICH WOULD TOTAL \$18 MILLION ANNUALLY.

AND PROPERTY TAXES FOR THE DEVELOPMENT WOULD BE \$16 MILLION ANNUALLY.

OF THAT TOTAL \$12 MILLION WOULD BE GO TO THE WASHINGTON VAIL SCHOOL DISTRICT.

AGAIN GOING BACK TO THE ISSUE OF JOBS, AS WE NOTED, MULTIPLY A PROS BETWEEN 3100 AND 4,000 JOBS WOULD BE CREATED ON AN ONGOING BASIS FROM THIS DEVELOPMENT.

THE DYNAMICS, WE ANALYZED LABOR MARKET IMPACTS FOR OTHERS ACROSS THE COUNTRY OVER THE PAST TEN YEARS AND IN PLACES WHERE 1500 TO 2,000 JOBS WERE CREATED, WHETHER TALKING ABOUT THE NEW CASINOS IN OHIO OR KANSAS, RHONER PARK, CALIFORNIA, MARYLAND LIVE, SEVERAL CASINOS IN PENNSYLVANIA, LOOK AT THOSE COUNTIES, AND THE COUNTIES DIDN'T EXPERIENCE DECLINE OF 1500 TO 2,000 JOBS.

IT'S MORE LIKE # 0% OF THAT -- 60% OF THAT.

ESPECIALLY DURING THE RECESSION, THE COUNTIES SAW A RISE IN UNEMPLOYMENT.

HAD NOTHING TO DO WITH THE CASINO BEING DEVELOPED OR CREATED UNEMPLOYMENT.

WHAT ACTUALLY HAPPENS IS PEOPLE MOVE AWAY FROM POOR PAYING JOBS OR MOVE INTO LABOR FORCE OR NO LONGER COMMUTE AN HOUR EACH WAY TO WORK.

THIS IS WHAT WE SEE, WE EXPECT HERE, ESPECIALLY WITH RESPECT TO THE NEWBERG RESIDENTS, THEY'RE CREATING JOB OPPORTUNITIES.

THE CASINO WILL ENABLE OVER 3,000 PEOPLE TO MOVE INTO GOOD PAYING JOBS.

LIVING WAGES.

AND SO, IN THAT REGARD, IT'S GOING TO INCREASE THE QUALITY OF LIFE FOR THE RESIDENTS OF THE AREA THAT REALLY NEEDED HELP. GET PEOPLE OUT OF POVERTY, SO AGAIN, AM I SAYING THE UNEMPLOYMENT, AND THIS IS TRUE FOR ANY APPLICANT.

NOBODY IS GOING TO BE LOWERING

UNEMPLOYMENT LEVEL IN THEIR
REGION BY 3,000, 5,000 JOBS.
HERE YOU'RE GOING TO BE GETTING
THREE TO 5,000 PEOPLE INTO
LIVING WAGE JOBS THAT RIGHT NOW
HAVE NO OPPORTUNITIES.
I DROVE AROUND THE CITY OF
NEWBERG BH WHEN I WAS DOING THIS
ANALYSIS.

THIS IS THE AREA YA NIR DIRE
NEED OF HELP.
AND THIS PROJECT WILL DEFINITELY
HELP THEM, THANK YOU.

>> THANK YOU, STEVE AND THANK
YOU, SCOTT.

VERY BRIEFLY, AS STEVE'S NURPS
DEMONSTRATE -- NUMBERS
DEMONSTRATE, THIS CAN SUPPORT
THE FACILITY AND WE ARE FULLY
FINANCEABLE THROUGH CAPITOL.
WE HAVE A \$500 MILLION DEBT
FINANCING TODAY UP WITH JEFFREYS
AND COMPANY AND MR. JEFF CONE IS
HERE SUPPORTING US.

AND WE ALSO HAVE AN EB 5
COMMITMENT FROM THE CORPORATION
FOR \$3,000 MILLION AND THE
PRESIDENT OF THE THE BRIDGE, MR.
HENRY LOWE LEONE IS SUPPORTING
US AS WELL.

THEY COULD NOT BE HERE UNLESS
THEY KNEW THAT WE COULD GET THIS
PROJECT FINANCED.

THE GRAND HUDSON WILL HELP
COMMUNITIES IN NEED SUCH AS
NEWBERG, MIDDLETON, THE COUNTIES
OF DUTCH'S, SULLIVAN, NEWBERG,
ORANGE, PUTNAM, AND THE OTHER
COUNTIES.

WE WILL BE A PARTNER TO THE
REGION.

OUR APPROACH WILL BE TO BOOST
THE ECONOMY AND TOURISM, BUILD
PARTNERSHIPS WITH LOCAL BIDS,
RESTAURANTS, AND HOTELS, BUY
LOCAL FROM FRENCH GINNNY HENS TO
FARM FRESH RAISED FISH AND
PRODUCE IN ORANGE COUNTY.

>> FIVE MINUTE WARNING.

>> WE'LL BUILD PARTNERSHIPS, AND
SUPPORT FROM THE COUNTIES.

AND LOCAL COMMUNITIES.

SEVERAL OF THE LOCAL COMMUNITY
LEADERS INCLUDING THE ORANGE

COUNTY EXECUTIVE STEVE NEWHOUSE,
LEGISLATIVE DILLARD, KEN HEINZ,
FROM THE TOWN OF NEW WINDSOR,
SUPERVISOR GEORGE GREEN, COUNCIL
MEMBERS PATRICIA MALARKY, AND
OTHER DISTINGUISHED MEMBERS FROM
THE TOWN OF NEW WINDSOR AND THE
SURROUNDING AREAS ARE HERE AS
WELL AS LOCAL BUSINESS LEADERS.
TO SHOW THE COMMITMENT WHICH
THESE THREE DEVELOPERS HAVE
DONE, OTHERS WILL SAY THAT THEY
CAN DO IT, THESE GENTLEMEN HAVE
DONE, I'D LIKE TO CLOSE AND
REINTRODUCE MR. LUTHER WYNN.

>> AT THE AGE OF 16:00, AT 11:30
P.M., I BOARDED A GREYHOUND BUS
HEADED FOR THE PORT AUTHORITY IN
NEW YORK CITY.

MY MOTHER TOLD ME THAT ONCE AT
THE THE PORT AUTHORITY, WILL I
HAVE TO CHANGE BUSS TO A SHORT
LINE.

AND GET AT CAB TO THE FLAGGER
WILL HOTEL, AND NOT TO SPEAK TO
ANYONE, OTHER THAN A POLICE
OFFICER OR A CAB DRIVER SITTING
IN A CAB.

I WAS AS SCARED AS I'VE EVER
BEEN IN MY LIFE.

IT WAS THE VERY FIRST TIME THAT
I'VE EVER BEEN OUTSIDE OF THE
STATE OF ALABAMA.

AFTER GETTING TO THE FLAGLOR
HOTEL, I BEGAN MY JOB THE NEXT
MORNING AFTER I FINISHED MY
PAPERWORK, AND I BEGAN TO WASH
DISHES AFTER FLAGLOR HOTEL.

AND I DID THAT FROM MAY TO
SEPTEMBER OVER THE NEXT THREE
SUMMERS.

WHO COULD HAVE THOUGHT THAT I
WOULD BE BEFORE YOU TODAY THE
OWNER OF THE MDE ASKING FOR THE
OPPORTUNITY TO REVITALIZE AN
AREA WHO HAD GIVEN ME MY FIRST
JOB OPPORTUNITY.

WHEN I CAME TO GREEN TRACK, AS
CEO IN 1999, GREEN TRACK HAD AN
ANNUAL PANEL OF ABOUT \$9 MILLION
A YEAR.

OVER THE NEXT THREE YEARS, WE
TURNED THAT \$9 MILLION HELM INTO
A HELM OF ABOUT 18 MILLION.

WE WERE THE ONLY GREYHOUND FACILITY IN THE COUNTRY WHO HAD HAD THAT KIND OF GROWTH OVER THAT PERIOD OF TYPE WITHOUT ADDING ANY OTHER FIRMS OF GAMING.

BUT WE WILL CONSTANTLY TRY TO ASSUME OTHER THINGS OF GAMING IN THE STATE OF ALABAMA.

AND SO IN 2003, WE PASSED THE CONSTITUTIONAL AMENDMENT ALLOWING FOR ELECTRONIC BINGO GAMES TO DISPLAY THE GREEN TRACK IN ALABAMA.

AT THAT TIME, GREEN COUNTY WAS SUFFERING.

GREEN COUNTY WAS 66th POOREST COUNTY IN THE STATE OF ALABAMA, 66th OUT OF 67.

THE SCHOOL SYSTEM WAS IN THE LEADERSHIP.

AND AFTER A FOUR YEAR PERIOD, 2007, WE BEGAN OUR OPERATIONS ON JANUARY 4, 2004 WITH 600 YOUNGINS.

WE IMMEDIATELY NORTH CAROLINAED OUR DID -- INCREASED OUR FLOOR TO 1500.

AND OVER THE 2004 TO 2007, GREEN COUNTY HAD RISEN FROM IN YOUR OPINION 67 TO NUMBER 31, AND WE LAID THE FASTEST GROWING COUNTY IN THE STATE OF ALABAMA.

WE OFFER BENEFITS TO OUR EMPLOYEES THAT RELY ON THE STATES.

WE OFFER HEALTH INSURANCE WHERE WE PAY 65% OF WHATEVER HEALTH COVERAGE THE EMPLOYEE CHOSE.

>> WE NEED TO WRAP UP, YOU'RE OUT OF TIME.

IF OFF CLOSING STATEMENT, NOW IS THE TIME TO DO IT.

>> WHAT WE ARE COMMITTING HERE IS THAT WE ARE GOING TO POOR OUR HEART, OUR SOUL INTO THIS COMMUNITY, INTO THIS REGION, AND WE BELIEVE THAT WITH THIS COMBINATION, WE WILL PRODUCE A WINNING COMBINATION FOR THE STATE OF NEW YORK.

THANK YOU.

>> THANK YOU.

[APPLAUSE]

>> THANK YOU VERY MUCH,
QUESTIONS FROM THE PANEL.
I'LL START.

IN TERMS OF YOUR PERMITS, AND
YOUR REFERENCE TO NOW THE
JURISDICTION OF THE AIRPORT IS
NOW WITH THE PORT AUTHORITY OF
THE STATE OF NEW YORK AND NEW
JERSEY, DO THEY HAVE ANY
APPROVAL OVER THIS PROJECT AND
DO YOU HAVE THAT IN PLACE?

>> YES, THE PORT AUTHORITY
CONTROLS INTERNATIONAL
BOULEVARD, WE'VE BEEN IN TOUCH
WITH THEM, THEY ARE IN SUPPORT
OF THE PROJECT, AND WE ARE
WORKING WITH THEM TO JUST GET
ACCESS ON TO THEIR HIGHWAY.
SO THAT IS THEIR APPROVAL FROM
THE PORT AUTHORITY.

>> GOT IT.

AND WHAT'S THE PROPOSED HEIGHT
OF THE HOTEL AND DOES THAT
PRESENT ISSUES WITH AVIATION
USES OF THE AIRPORT?

>> WE CHOSE THIS SITE BECAUSE
IT'S NOT IN THE RUNWAY
PROJECTION ZONE AND WE'VE BEEN
IN TOUCH WITH THEM, THE HEIGHT
OF THE HOTEL IS FINE.
WE'RE IN THE PROCESS YET TO GO
THROUGH THAT PROCESS OF GETTING
APPROVALING FROM THE PORT
AUTHORITY AND THE FAA.
THEY HAVE SEEN THIS AND WE
BELIEVE AND BUYER SUBMITTAL THAT
WE ARE NOT IN THE RUNWAY
PROTECTION ZONE.

>> THANK YOU.

>> THANK YOU VERY MUCH.

I HAVE ONE OTHER QUESTION THEN
I'LL ENDED THAT OVER TO MY
COLLEAGUES.

TO THE TWO GENTLEMEN WE WERE
WITH YESTERDAY, THE PROPOSAL FOR
THE CAPITOL REGION, ARE YOU
CONCERNED ABOUT PROJECTS IN THE
ORANGE COUNTY AREA HAVING ANY
CANABLIZATION IMPACT ON YOUR
PROPOSED PROJECT IN THE CENTRAL
REGION?

OR THE CAPITOL REGION.

>> WE WOULDN'T BE SITTING AT THE
TABLE PROPOSING THESE TWO

PROJECTS IF WE DIDN'T BOTH COULD SUCCEED.

AND WE ARE USED TO BE IN JURISDICTIONS IN THE STATE OF MICHIGAN FOR INSTANCE WE COMPETE WITH 18 CASINOS FROM ONE END OF THE STATE TO THE OTHER AND WERE LEADERS IN THIS COMPETITION. SO COMPETITION DOES NOT AFFECT US HERE I BELIEVE.

I THINK YOU WORK TOGETHER TO AGAIN WE'RE HERE TO ATTRACT THE DESTINATIONS FOR OUT OF STATERS TO NEW YORK AND KEEP NEW YORK, NEW YORKERS IN THE STATE AND THESE ARE TWO TOTALLY DIFFERENT OFFERINGS.

I THINK THEY PLAY TO A DIFFERENT CUSTOMER.

OUR MARKET GUY WHO GAVE US OUR NUMBERS YESTERDAY IS IN THE BACK OF THE ROOM.

I JUST LOOKED TO HIM AND ASKED, AND THE ANSWER I GET IS THAT THERE IS NO CANNIBALIZATION OF THE TWO COMPETING PROJECTS.

>> I UNDERSTAND THE PROGRAM, BUT COULD YOU DESCRIBE THE STRUCTURE OF THAT AND HOW IT WILL OPERATE IN RELATION TO THE \$300 MILLION COMMITMENT.

>> HENRY IS HERE AND MIKE AS WELL, BUT THE, WHAT WE ENVISION IS DEBT FINANCING FROM EVERRIS, 500 MILLION WHICH THE SECURITY INTEREST, THE EB5 WOULD BE THE SUBED OR NANT FINANCES WHICH WOULD BE COMBINATION OF EQUITY. WE HAVE THAT COMMITMENT FOR UP TO 300 MILLION.

BASED ON THE NUMBER OF JOBS THAT WE CREATE AT THE SITE.

>> THAT'S SUBJECT TO SYNDICATION OR IS IT A SINGLE INSTITUTION THAT IS BACK --

>> NO, WE HAVE THE FIRM COMMITMENT FROM VIA BRIDGE CAPITOL FOR 300 MILLION.

>> OKAY.

>> JUST A FEW QUICK QUESTIONS. THE STRUCTURE, THIS FACILITY.

>> SO THE FACILITY IS, WILL BE OWNED BY AN LLC CALLED THE NEW WINDSOR CASINO AND RESORT.

AND THAT IS THE TWO MEMBERS WILL BE THE NEW WINDSOR DEVELOPER LLC WHICH IS FULLY OWNED BY MICHAEL MALLET AND GREEN TRACK INC. IT IS OWNED BY THE SHAREHOLDERS, THE MAJORITY OF WHICH ARE EMPLOYEES WHEN THE PROPERTY WAS TRANSFERRED TO GREEN TRACK INC. IN THE 1990s.

THERE WAS A LOCAL ALABAMA LAW, I SHOULDN'T SPEAK TO THE LOCAL OUTSIDE NEW YORK LAW, BUT THERE WAS A LOCAL ALABAMA COUNTY LAW THAT REQUIRED THAT ALL OF THE INITIAL SHAREHOLDERS WERE EMPLOYEES OF GREEN TRACK.

>> OKAY.

ALSO, I GUESS YOU STATED YOU'VE ARRANGED A LEASE I GUESS OF 140 ACHERS FROM TOWN OF NEW WINDSOR. WILL THAT EXTENDED TO BE A LEASE --

>> IT'S A 99 YEAR LEASE WITH ANNUAL RENTALS THAT ACTUALLY HAVE STARTED ALREADY.

WE HAVE AN OPTION, PAYMENT THAT'S DUE THE FIRST OF EACH MONTH, UNTIL WE GET OUR LICENSE AWARD, AND THEN IT BECOMES LIVE.

>> OKAY.

TWO OTHER QUICK QUESTIONS, 2500 FULL-TIME EMPLOYEES OR FULL-TIME EQUIVALENTS BASICALLY.

>> ISN'T THAT, WHAT'S THE NUMBER OF DIRECT EMPLOYEES?

THAT WOULD BE CREATED.

2500 APPEARS TO BE HIGH.

>> IT'S A TOTAL OF 2300 FULL-TIME EMPLOYEES AND 270 PART-TIME.

>> OKAY.

YOU'RE GOING CREATE AT THIS FACILITY 2300 FULL-TIME EMPLOYEES?

>> CORRECT.

>> OKAY.

I AM LAST BUT NOT LEAST, OTHER CASINOS IN THE REGION, WHAT TYPE OF DAMAGE DOES THAT DO TO YOU?

>> OUR MODEL ASSUMES THAT THERE IS ANOTHER CASINO IN ORANGE COUNTY, IN SULLIVAN COUNTY, WE ASSUME SPECIFICALLY THE CONCORD SITE, AND WE ALSO ASSUMED A NEW

CASINO IN SOMEWHERE TO THE SOUTH
END OF DOWNTOWN ALBANY, WE DON'T
KNOW WHERE IT'S GOING TO BE, BUT
WE WANT TO ASSUME REALLY THE
WORST CASE SCENARIO, IN TERMS OF
BEING CONSERVATIVE, SO WE
BELIEVE OUR NUMBERS ARE
REPRESENTATIVE OF THAT.

>> AND I ASSUME THAT YOU WOULD
ECHO THAT SOMETHING IN LOWER
ORANGE COUNTY WOULD, WOULD --
>> DO INCREDIBLE DAMAGE.
>> ABSOLUTELY.

YES.

THIS BUILDING PLAN WOULD NOT BE
FEASIBLE.

>> OKAY.

>> STILL MANUFACTURERS.

>> CAN YOU HEAR ME?

>> YEAH.

>> I AM PROBABLY THE LEAST
EXPERIENCED IN THE FINANCING,
I'D LIKE TO GO OVER IT ONE MORE
TIME.

THE TOTAL COST OF THE PROJECT IS
ABOUT 750 MILLION, IS THAT --
>> BETWEEN 700 AND 750 PROJECTED
UNTIL WE HAVE A GMP BILL, IT
WON'T BE FINALIZED.

>> AND TELL ME, TELL ME AGAIN
HOW, YOU HAVE A FIRM WRITTEN
COMMITMENT FOR \$500 MILLION DEBT
FROM JEFFREYS?

>> IT WOULD BE UNFEASIBLE FOR US
TO GET A FIRM COMMITMENT FROM
JEFFREYS WITHOUT A GMP.

I THINK THOSE OF US THAT HAVE
DONE THESE TYPES OF FINANCING
PROJECTS, IT WOULD BE INCREDIBLY
LONG AND INCREDIBLY EXPENSIVE TO
HAVE THAT FIRM COMMITMENT AT
THIS STAGE.

WE HAVE AND WHAT WE'VE SUBMITTED
IS A HIGHLY CONFIDENT LETTER
FROM JEFFREYS.

MR. CONE IS HERE BECAUSE HIS
TEAM BELIEVES THAT THEY CAN DO
THAT FINANCING AND GET THAT
DONE.

GIVEN THE NUMBERS INVOLVED AND
THE LOCATION OF THIS FACILITY.
WE ALSO HAVE THAT FIRM \$300
MILLION COMMITMENT FROM VIA
BRIDGE WHICH WOULD BE SUBED OR

NANT TO THE FIRST FINANCING.

>>.

[INAUDIBLE]

.

>> RIGHTS NOW IT'S PROJECTSED AS
A \$300 MILLION COMMITMENT, THAT
WOULD BE A DEBT FINANCING
SUBORDINATE TO THE JEFFREY'S
FINANCING.

.

TALKING, WE BELIEVE THAT A
PORTION OF THAT WILL ALSO
INCLUDE SOME EQUITY.

>> SO RIGHT NOW, DO YOU HAVE ANY
FIRM EQUITY COMMITMENTS --

>> WE HAVE A FIRM \$300 MILLION
EB5 COMMITMENT.

>> OKAY.

>> THANK YOU VERY MUCH, FOLKS,
GOOD JOB.

NEXT UP, WE WILL BE HEARING FROM
HUDSON VALLEY CASINO.

>>> ALSO THE GAMING COMMISSION,
THE STAFF OF THE GAMING
COMMISSION WERE FOR GIVING US THIS
OPPORTUNITY.

WE WERE HERE YESTERDAY ALSO.
I MUST SAY THE AMOUNT OF WORK
THAT'S GONE INTO THIS IS
EXTRAORDINARY.

WE INTEND TO BRING A CASINO TO
THE HUDSON VALLEY, BUT NOT TO
PUT A CASINO DOWN IN THE HUDSON
VALLEY, TO BUILD A CASINO FROM
THE HUDSON VALLEY THAT FITS ON
BOTH SIDES OF THE RIVER, HELPS
BOTH SIDES OF THE RIVER, AND IS
A TRUE PARTNERSHIP, NOT JUST
BETWEEN SARATOGA AND RUSH
GAMING, BUT BETWEEN THE LOCAL
COMMUNITY, THE LOCAL GOVERNMENT
LEADERS, BUSINESSES, AND THE
ENTIRE AREA.

WE'RE PROPOSING AN \$825 MILLION
WORLD CLASS DESTINATION, AND
FRANKLY, WE ASSUME THAT ONE
CASINO WILL BE CITED IN THE
CAT -- SITED IN THE CATSKILLS,
IF THAT IS THE CASE, WE'LL
DEMONSTRATION TO YOU --
DEMONSTRATE TO YOU THAT WE WOULD
COMPLIMENT A CASINO IN THE
CATSKILLS AND WE WILL HAVE THE

LEAST CANNIBALIZATION OF A CAT
ZST SKILL CASINO BUT EXISTING
FACILITIES LIKE EMPIRE CITY AND
RESORTS WORLD AND SOON TO BE
BUILT NEW YORK STATE FACILITIES
IN NAU IS A AND SUFFIX.
WE HAVE COMMUNITY SUPPORT FROM
LOCAL GOVERNMENT AND
UNPRECEDENTED REVENUE SHARING
ARRANGEMENT BETWEEN THE CITY OF
NEWBERG AND THE TOWN OF NEWBERG.
AND FOR THOSE OF YOU WHO ARE NOT
FAMILIAR WITH THE NEWBERG AREA,
I WANT YOU TO UNDERSTAND THAT
THOSE ARE TWO COMPLETELY
SEPARATE MUNICIPALITIES, THE
CITY IS NOT CONTAINED WITHIN THE
TOWN, THOSE ARE SEPARATE
MUNICIPALITIES THAT ARE LOCATED
NEXT TO ONE ANOTHER.
WE BRING TO THIS PROJECT A TEAM
WITH DEEP LOCAL ROOTS, BUT WITH
NATIONAL EXPERIENCE.
AS YOU CAN SEE FROM THE MAP, WE
HAVE FACILITIES LOCATED AS FAR
AWAY AS COLORADO, BUT MOST OF
OUR FACILITIES ARE IN THE
NORTHEAST, THEY'RE PRIMARILY IN
URBAN AREAS, AND THEY WOULD
REFLECT WELL ON OUR EXPERIENCE
IN DEALING WITH POPULATIONS OF
THIS KIND.
YOU HEARD YESTERDAY FROM BOTH OF
THE MEMBERS OF OUR TEAM, OURSELF
AND RUSH STREET, BUT THE ONE
THING I WILL SAY ABOUT RUSH
STREET AND I'LL SAY IT QUICKLY
AGAIN, THE REVIEWS THEY GOT FROM
THE MUNICIPALITIES WHERE
THEY OWN AND OPERATE CASINOS ARE
EXTRAORDINARY.
JUST LAST WEEK, THE RIVER'S
CASINO IN PITTSBURGH RECEIVED
ITS FIFTH AWARD FOR THE BEST
OVERALL GAMING RESORT IN
PENNSYLVANIA.
SARATOGA HAS BEEN IN NEW YORK
SINCE THE INCEPTION OF GAMING,
WE OPENED THE FIRST VLT AND WE
TOLD YOU YESTERDAY WHAT OUR
HISTORY AND BACKGROUND IS.
NOW I WOULD LIKE TO TELL YOU
ABOUT OUR PROJECT IN THE HUDSON
VALLEY.

>> THE HUDSON VALLEY TODAY TELLS TWO STORIES.

THE ROERK VALLEY REMAINS VIBRANT WHILE THE CITY FACES CHALLENGES, UNRIVALLED THROUGHOUT THE STATE. ONCE VIBRANT INDUSTRIAL CENTERS NOW ARE PLAGUED WITH POVERTY AND UNEMPLOYMENT.

AGENCIES HAVE CLOSED OR MOVED AWAY, DECREASING THE OPPORTUNITIES FOR THE RESIDENTS. IT'S TIME TO REINVEST AND REINRIG RATE -- REINVIGORATE NEWBERG.

SARATOGA CASINO AND RACEWAY AND RUSH STREET GAMING ARE JOINING TOGETHER TO PROPOSE A DESTINATION CASINO AND RESORT IN NEWBERG THAT AIMS TO BRING CAPITOL INVESTMENT, SUSTAINABLE JOBS, AND NEW GROWTH AND OPPORTUNITY FOR THE ENTIRE COUNTY.

>> WHAT WE'VE DONE IS WE HAVE CREATED A DESTINATION, AN ENTERTAINMENT DESTINATION WHERE PEOPLE USED TO DRIVE THROUGH AND DRIVE PAST GIVEN THE INTERSTATE, INTERSECTIONS THAT TAKE PLACE FROM THERE.

NOW PEOPLE COME THROUGH, THEY ARE GOING TO WANT TO STAY AT THE CROSS ROADS OF THE HUDSON VALLEY.

YOU CAN SEE INTO THE HOTEL LOBBY, YOU CAN SEE INTO THE GAMING SPACE, SPECTACULAR GAME SPACE, COMPLETELY SURROUNDED WITH ACTIVITY WHETHER IT'S RESTAURANTS, BARS, LOUNGES, THERE'S MEETING SPACE, THERE IS ENTERTAINMENT FACILITIES. THERE'S GOING TO BE MOVEMENT, ACTION, LIGHTS, YOU TO GO INTO THE HOTEL, THE SPA IS THERE, AND GO UP INTO THE HOTEL, LUXURY ROOMS OF THE HIGHEST QUALITY, ROOMS SWEEP, SPECTACULAR VIEWS, THEN YOU END UP AT THE TOP OF THE BUILDING WHERE THERE IS AN OUTDOOR POOL OVERLOOKING THE ENTIRE VALLEY WITH JUST AN INCREDIBLE SPECTRUM FROM UP AT THE TOP.

>> WHAT WE COULD DO FOR THE COMMUNITY, I THINK WILL BE TREMENDOUS BECAUSE THEY DO NEED JOBS IN ECONOMIC DEVELOPMENT. AND WE THINK OUR EXPERIENCE IN DEVELOPING THE MAJOR REGIONAL PROPERTIES IN MAJOR CITIES FWHB NEWBERG IS AN IDEAL LOCATION THAT WILL CREATE THE MOST ECONOMIC BENEFIT FOR PROJECTS ANYWHERE IN THAT AREA. BEFORE WE MADE OUR DECISION TO OK THE CASINO FOR OUR AREA, WE HAD MANY MEETINGS WITH RESIDENTS, AND SOME OF THE QUESTIONS THAT CAME UP WAS CRIME TO THE NEIGHBORHOOD. AND WE FOUND OUT THAT IT DIDN'T. THE CRIME WENT DOWN 12%. WE'RE COMING UP TO THREE YEARS OF OPERATIONS, AND WE'RE VERY HAPPY WITH THE WAY THAT THE CASINO'S OPERATE. FROM TAX REVENUE TO JOB CREATION, IT HAS A GREAT PARTNER AND PLAYS A BIG ROLE IN OUR COMMUNITY. THE JOB OPPORTUNITIES ARE GOING TO BE NUMEROUS FOR FOR ALL DIFFERENT TYPES OF PEOPLE WITH DIFFERENT TALENT. AND IT'S GOING TO PULL IN FROM NOT JUST A TOWN OR A CITY, BUT ALL SURROUNDING AREAS, IF THE CASINO WERE TO COME TO NEWBERG, LOCAL BUSINESSES WILL BE HELPED IN MANY CASES.

>> NEWBERG HAS BEEN A CITY, ONCE KNOWN AS THE QUEEN CITY OF HUDSON. ITS BEEN IN IDLE FOR ABOUT THE LAST 50 YEARS. PEOPLE HAVE FELT HOPELESS, BUT IN THE LAST TWO YEARS, PART OF WHAT I HAVE TRIED TO DO IS REALLY BUILD HOPE AND CONNECT PEOPLE AND LINK PEOPLE. I COME FROM A WORLD THAT IS MINING WORLD. THEY NEED GRUB STAKES, PUSHES THE PERFECT UPSTAKE. THIS IS THE PERFECT IDEA TO HELP PEOPLE REALLY GET AHOLD AND TAKE THE CITY UP OUT OF THIS WHOLE

AND REALLY -- HOLE AND REALLY
BECOME THE QUEEN CITY OVER THE
HUDSON AGAIN.

THERE'S SO MANY OPPORTUNITIES
HERE.

AND SO WHAT YOU NEED WHEN YOU
HAVE A WHOLE LOT OF ELEMENTS IS
A CATALYST TO BRING IT TOGETHER,
TO CREATE THE EXACT RIGHT MIX.

>> HUDSON VALLEY CASINO RESORT
WILL BE THE MOST ACCESSIBLE
CASINO IN NEW YORK STATE.

IT'S RIGHT AT THE INTERSECTION
OF I-84 AND I-87, THE NORTH,
SOUTH, AND EAST WEST ROUTES
THAT'LL ALLOW US TO ATTRACT
TOURISTS FROM CONNECTICUT,
PENNSYLVANIA, FROM NEW JERSEY,
FROM MASSACHUSETTS, TO UPSTATE
NEW YORK.

>> GREAT PLACE TO WORK IS
SOMEWHERE WHERE YOU LIKE TO GO
TO WORK EVERY DAY.

IT SOUNDS SIMPLE, BUT IT'S NOT
SIMPLE TO EXECUTE ON THAT.

I ALSO THINK THAT WE HAVE
CREATED A GREAT BENEFIT PACKAGE
FOR OUR TEAM MEMBERS AT ALL OUR
PROPERTIES.

GREAT HEALTH BENEFITS AND I
THINK IT'S THE BEST 401K IN THE
INDUSTRY, BEST MATCH.

AND ALL OF OUR PROPERTIES HAVE
BEEN NAMED THE BEST PLACE TO
WORK IN THE RESPECTIVE MARKETS.

WE HAVE RECEIVED THAT AWARD
EVERY YEAR ITS BEEN OPENED AS
WELL AS PHILADELPHIA AND
PITTSBURGH THIS YEAR WAS NAMED
THE BEST PLACE TO WORK AS WELL.
RUSH STREET IS A GREAT FOR
NEWBERG BECAUSE IT'S SIMILAR TO
OUR OTHER PROPERTIES.

IT'S A REGIONAL DESTINATION
CASINO NEAR HIGHLY POPULATED
AREA.

AND YOU KNOW, WE'VE BEEN VERY
SUCCESSFUL WITH THAT MODEL AND
THE OTHER PROPERTIES.

>> RUSH STREET GAMING IS REALLY
A MATURE COMPANY TO BE SO YOUNG.
IT REALLY MAKES DECISIONS FOR
THE FUTURE AND NOT DAY-TO-DAY,
WHICH IS MY PHILOSOPHY AND WHY I

LOVE WORKING FOR RUSH STREET AS WELL AS IT'S A COMPANY THAT IS NOT AFRAID TO TAKE RISKS. I GET SO EXCITED WHEN I'M HAVING A CONVERSATION WITH A VENDER AND TELLING ME THEY'RE EXPANDING THEIR FACILITY, HIRING NEW EMPLOYEES BECAUSE ALL OF THE BUSINESS WE'RE GIVING UP. THAT MAKES ME FEEL REALLY, REALLY GOOD.

>> AS FAR AS CASINOS ARE CONCERNED, ORANGE COUNTY CHOPPERS, I'VE BEEN HERE FOR 11 AND A HALF YEARS, AND WE'VE DONE A LOT OF WORK WITH CASINOS, THE FACT IT'S HERE IN THE BACKYARD, THERE'S THINGS QUESTION COLLABORATE ON AND IT FITS WHAT WE DO PERFECTLY.

CASINOS ARE AN ENTERTAINMENT AND WE ARE AN ENTERTAINMENT BRANCH, THE FIT IS GREAT.

THE CASINO IN OUR AREA IS A GREAT SHOP.

IT'S GREAT FOR THE AREA, IT DOES NOTHING BUT POSITIVE THINGS FOR US.

>> THEY ENJOY HAVING THE OPPORTUNITY TO WORK WITH THE LOCAL FARMS.

AND IN OUR INDUSTRY, WE HAVE A LARGE LOCAL FARM PROGRAM HERE IN PITTSBURGH, AND SO CONNECTING OUR LOCAL FARMS WITH THE RIVERS CASINO HAS BEEN A NICE EXPERIENCE FOR BOTH ENDS.

>> SARATOGA CASINO AND RUSH STREET GAMING HAVE A LONG HISTORY OF PARTNERING CLOSELY WITH OUR COMMUNITIES.

AS WELL AS PROVIDE FUNDING FOR ORGANIZATIONS TO IMPROVE THE QUALITY OF LIFE IN OUR COMMUNITIES.

FROM EMPLOYEES, FOR OUR GUESTS, FOR OUR COMMUNITY AS A WHOLE. HUDSON VALLEY CASINO AND RESOURT WILL PARTNER WITH LOCAL BUSINESSES JUST LIKE WE'VE DONE AT SARATOGA AND OTHERS THROUGHOUT THE COUNTRY. LOCAL WINERIES WITH DISTILLERIES AND FARMS.

WE TO WANT HIGHLIGHT THE PRODUCTS THAT MAKE THE HUDSON VALLEY SO SPECIAL.

>> WITH THE CASINO COMING IN AND THE AGREEMENT TO PROVIDE LONG TERM FUNDING, IT ALLOWS US TO HAVE FUNDING THAT WE CAN COUNT ON, QUESTION PLAN WITH THAT FUNDING COMING IN AND MAYBE DO ADDITIONAL THINGS THAT WE HAD NOT ANTICIPATED THAT WE COULD DO.

AND SO THIS IS A GREAT BENEFIT TO THE COMMUNITY BECAUSE WE MAY BE ABLE TO BUILD MORE HOUSES.

>> COMMUNITY IS INCREDIBLY EXCITED ABOUT THIS, AND THAT MEANS FROM THE VERY TOP, THE CITY MANAGER HERE IN THE CITY OF NEWBERG AND THE MAYOR ALL THE WAY DOWN TO THE PERSON WALKING ON THE STREET, AND EVERYBODY IN BETWEEN.

EVERY KIND OF BUSINESS, WHETHER IT'S A CRAFT BREWERY LIKE MINE, BAR RESTAURANT, A DRY CLEANER, A TAILOR, IT'S EVERYBODY BECAUSE WE ALL KNOW WHAT THIS COULD MEAN FOR THE CITY OF NEWBERG.

ANY BUSINESS IN THE CITY OF NEWBERG KNOWS THE ENORMOUS POTENTIAL OF THE CITY, BUT ALSO THE STRUGGLES.

AND THE CASINO AGAIN HAS THE OPPORTUNITY TO BE THE ONE ACTION ITEM THAT COULD CHANGE THE ENTIRE LANDSCAPE OF THE CITY OF NEWBERG.

>> THE HUDSON VALLEY HAS THE OPPORTUNITY FOR A NEW BEGINNING. THE OPPORTUNITY TO BUILD AN INFRASTRUCTURE OF SUSTAINED ECONOMIC PROSPERITY.

WITH TRUE EXPERIENCE AND PROVEN PARTNERS, AND A RECORD OF IMPROVING COMMUNITIES BY PROVIDING GROWTH IN SETTLEMENT AND TAX REVENUE.

WE PROPOSE A BRIGHT NEW FUTURE FOR NEWBERG AT THE HUDSON VALLEY, HUDSON VALLEY CASINO AND RESORT.

>> THE MOVIE SHOWED YOU SOME OF THE BEAUTY OF THE HUDSON VALLEY

AND AS NEW YORKERS, I'M SURE YOU'RE FAMILIAR WITH THAT AND I'M CERTAIN YOU'RE FAMILIAR WITH THE RICH HISTORY OF THE HUDSON VALLEY.

THE REGION WHERE WE PROPOSE TO BUILD THIS CASINO, HOWEVER, THOSE STEEP IN HISTORY AND BEAUTIFUL IS A REGION IN NEED. AND TO SPEAK TO YOU ABOUT THAT NEED, I'D LIKE TO ASK THE SUPERVISOR OF THE TOWN OF NEWBERG, THE MAYOR OF THE CITY OF NEWBERG, AND ASSEMBLYMAN FRANK SCARTATOS WHOSE ASSEMBLY DISTRICT COVERS THE ENTIRE AREA.

>> THANK YOU, JIM.

I'M HAPPY TO BE HERE REPRESENTING THE TOWN OF NEWBERG.

MANY TOWN RESIDENTS WERE BORN, WENT TO SCHOOL, AND RAISED IN THE CITY OF NEWBERG.

THE ECONOMICS AND SOCIAL ISSUES OF BOTH MUNICIPALITIES ARE CLOSELY ABBREVIATED IN PARTICULAR, TO POVERTY AND CRIME ISSUES CONTINUELY SPILL OVER INTO THE TOWN.

THAT IS WHY OUR TOWN BOARD IS WILLING TO GIVE THE CITY OF NEWBERG 15% OF OUR CASINO HOST REVENUE.

EARMARKED FOR THE PUSH OF CRIME REDUCTION AND SAFETY FOR THE CITIZENS OF BOTH THE CITY AND THE TOWN.

THIS IS A HISTORICAL AGREEMENT BETWEEN TWO MUNICIPALITIES. WHEN WE HELP THE CITY OF NEWBERG, WE HELP OURSELVES AND THE ENTIRE HUDSON VALLEY, THANK YOU.

AND MAYOR JUDY KENNEDY.

>> THANKS, GILL.

AND I'D ALSO LIKE TO ACKNOWLEDGE OUR COUNTY EXECUTIVE STEVE NEWHOUSE, HE'S BEEN A GREAT SUPPORT FOR THE CITY OF NEWBERG. THANKS, STEVE FOR BEING HERE. THE CITY OF NEWBERG WAS ONCE KNOWN AS THE QUEEN CITY OF THE HUDSON.

THEN IT FELL IN A HOLE DURING

URBAN RENEWAL AND NEVER
RECOVERED.

FOR THE LAST 50 YEARS, IT HAS
HAD HIGH UNEMPLOYMENT CREATING
HIGH POVERTY AND HIGH CRIME.

THE MEDIAN HOUSEHOLD INCOME IN
NEWBERG IS 25% LOWER THAN THAT
IN SULLIVAN COUNTY.

HOWEVER, IT IS ALSO A CITY WITH
MANY ASSETS THAT ARE
UNDERDEVELOPED AND
UNDERUTILIZED.

IT IS THE HOME OF GEORGE
WASHINGTON'S HEADQUARTERS FOR
THE LAST 16 MONTHS OF THE
REVOLUTIONARY WAR.

IT IS LITERALLY THE BITTER OF
OUR NATION.

IT HAS THE SECOND LARGEST
HISTORIC DISTRICT IN THE STATE
OF NEW YORK.

IT IS A TRANSPORTATION HUB WITH
AN INTERNATIONAL AIRPORT AND THE
CROSS ROADS OF MAJOR HIGHWAYS,
87 AND 84 AND A DEEP WATER PORT
ON THE HUDSON RIVER.

JUST GOLD WAITING TO BE
DEVELOPED.

IT'S TIME TO DEVELOP THESE
ASSETS AND THIS CASINO IS THE
CATALYST TO PULL IT OUT OF THE
HOLE.

WITH AN UNPRECEDENTED TRILATERAL
AGREEMENT BETWEEN THE CITY AND
THE TOWN AND THE CASINO AND THE
ADDITIONAL 22.5 MILLION THAT
WOULD COME FROM THE CASINO AND
THE TOWN, INTO THE CITY REVENUE,
WE'D BE ABLE TO STRENGTHEN OUR
POLICE FORCE AND CREATE MORE
SAFETY FOR OUR CITIZENS, AS WELL
AS FIX OUR SEWERS THAT ARE
COLLAPSING ALL OVER THE PLACE.
PARKS AND PLAYGROUNDS THAT NEED
SO MUCH WORK AND SO MANY OTHER
PROJECTS I CAN'T LIST THEM HERE.
BECAUSE OF OUR LOW TAX BASE AND
THE HIGH POVERTY LEVELS, ERE
YEAR THE SCHOOL BOARD STRUGGLES
TO BALANCE THE BUDGET.

PROGRAMS ARE CONSTANTLY BEING
CUT AND THREE OF THE INNER CITY
SCHOOLS HAVE BEEN CLOSED, AND
THERE'S A CONSTANT THREAT OF

ANOTHER ONE BEING CLOSED OVER THE LAST TWO YEARS. HUDSON VALLEY CASINO AND RESORT IS THE ONLY CASINO THAT WILL BE IN THE NEWBERG SCHOOL DISTRICT. THAT MEANS TEN EXTRA MILLION DOLLARS IN THE SCHOOL BUDGET, NO OTHER CASINO CAN DO THAT. IN ADDITION TO THE 2.5 MILLION THAT THE TRILATERAL AGREEMENT WILL CREATE.

IN ADDITION, HUDSON VALLEY CASINO RESORT HAS AGREED TO HELP THE THREE OTHER SCHOOL DISTRICTS THAT ARE WITHIN THE TOWN OF NEWBERG.

THEY ARE SO PRO EDUCATION FOR OUR YOUNG PEOPLE.

WHEN YOU LOOK BACK AT THE MAJOR CITIES WITHIN A 20 MILE RADIUS OF NEWBERG, THERE ARE OVER 26,000 PEOPLE LIVING BELOW THE POVERTY LINE WITH OVER 18,000 STUDENTS THAT ARE AT A DISADVANTAGE.

WHEN YOU CONSIDER THE DENSITY OF THE POVERTY AND WHAT THE HUDSON VALLEY CASINO AND RESORT WILL BRING TO THIS AREA IN THE FORM OF BOTH SHORT TERM CONSTRUCTION JOBS AND LONG-TERM CASINO JOBS, PLUS THE JOB TRAINING, PLUS THE TRANSPORTATION BACK AND FORTH BETWEEN, IT'S VERY EASY TO SEE WHY THIS CASINO IS SO BADLY NEEDED IN THIS LOCATION.

WE BELIEVE THAT THE CATSKILLS DESERVE A CASINO.

THAT THE POVERTY LEVEL IN THIS AREA IS ABSOLUTELY UNDENIABLE. THE U.S. CONFERENCE OF MAYOR'S RELEASED A STUDY LAST YEAR HIGHLIGHTING THE FACT THAT THE NEWBERG METROPOLITAN AREA HAD THE WORST ECONOMIC GROWTH OUT OF THE TOP 100 METRO AREAS IN THE COUNTRY.

CONGRESSMAN MALONEY HAS SAID AS NEWBERG GOES, SO GOES THE HUDSON VALLEY.

SIMPLY PUT, THE HUDSON VALLEY CASINO AND RESORT HAS THE BEST PLAN IN THE BEST LOCATIONS TO HELP THE MOST PEOPLE IN THE

HIGHEST DISSTRESSED AREA OF THIS REGION.

WE ASK FOR THAT SELECTION, THANK YOU.

>> THANK YOU, MAYOR.

WE'D LIKE TO TALK TO YOU ABOUT OUR -- OH, I'M SORRY ASSEMBLYMAN.

>> THANK YOU, JUDY.

LADIES AND GENTLEMEN, I JOIN MY COLLEAGUES HERE TODAY, I'M PLEASED TO BE HERE.

AND I JOIN MY CLEEKES HERE TODAY IN SUPPORT OF THE SARATOGA PLAN TO BUILD THE HUDSON VALLEY RESORT AND CASINO.

I REPRESENT THE 104th ASSEMBLY DISTRICT AND I CAN TELL YOU THAT THE MAYOR IS RIGHT.

WHAT SHE SAID ABOUT POVERTY, UNEMPLOYMENT, VIOLENCE, SCHOOLS FAIL, STUDENTS FAILING, TAX DEFICITS, I'VE DEALT WITH THE LARGEST TAXPAYER THAT SHUT DOWN, AND WE'VE LOST NEARLY 80% OF THE SCHOOL BUDGET IN THE TOWN OF MARCH BRO WHICH BY THE WAY SHARES SCHOOL DISTRICTS WITH THE TOWN OF NEWBERG.

THIS WAS A MAJOR LOSS FOR US. AND WHILE WE TRIED TO GET RESOURCES, THIS IS A MAJOR WOUND.

AND NO PLAN PRESENTED HERE TODAY CAN PROVIDE THE INFUSION THAT IS REALLY NECESSARY TO PUT US BACK ON TRACK.

I BELIEVE THE SARATOGA PLAN CAN PROVIDE THAT FUEL THAT WOULD ALLOW US TO CREATE JOBS, ECONOMIC GROWTH, EDUCATE OUR CHILDREN, AND DEAL WITH THE POVERTY IN UNEMPLOYMENT THAN EXISTS TODAY IN THE CITY OF NEWBERG.

NO OTHER PLAN, AND EVERY PLAN WILL CLAIM ABOUT THE CITY OF NEWBERG, BUT REMEMBER, THIS PLAN IS AT THE RIGHT PLACE BECAUSE THERE ARE SCHOOL DISTRICTS STAND TO BENEFIT WHAT CURRENTLY IS HAS \$10.10 MILLION DEFICIT. IT PLANS TO BENEFIT FROM THIS PLAN.

IT'S A WIN-WIN SITUATION, LADIES
AND GENTLEMEN.

THIS IS THE BEST DESTINATION
POINT, THIS IS THE BEST
LOCATION, AS A BUSINESSMAN, WE
ALL KNOW ABOUT LOCATION,
LOCATION, LOCATION, AND IT WOULD
ALLOW US TO MOVE FORWARD IN A
COMMUNITY THIS IS VERY LOW ON
HOPE.

SO I ASK YOU TO GIVE US THE
OPPORTUNITY AND THE HOPE WHERE
HOPE IS VERY LITTLE.

THANK YOU.

>> THANK YOU.

ASSEMBLYMAN, I WAS GOING TO
THANK YOU ANYWAY FOR HELPING TO
KEEP ME FROM FOLLOWING THE MAYOR
WHO IS A TOUGH ACT TO FOLLOW,
BUT YOU'RE PRETTY TOUGH ACT TO
FOLLOW YOURSELF.

WOETD LIKE TO TALK ABOUT OUR
LOCATION AND IF YOU WANT TO TALK
ABOUT LOCATION, YOU SHOULD GO TO
A REAL ESTATE MAN.

TO TALK ABOUT OUR LOCATION, I'D
LIKE TO ASK NEIL BLOOM, THE
CHAIRMAN OF RUSH STREET GAMING.

>> THANK YOU, JIM.

YOU HEARD YESTERDAY THAT WE'VE
DEVELOPED A LOT OF REALLY GOOD
REAL ESTATE.

AND THAT RUSH RECENTLY DEVELOPED
AND OPENED THREE CASINOS IN
MAJOR MARKETS OVER A TWO YEAR
PERIOD.

AT A COST OF OVER \$1.6 BILLION.
THE REST STREET TEAM AND VISITED
MANY SITES IN ORANGE COUNTY, AND
IT WAS CLEAR TO US THAT OUR
LOCATION, THE SITE OF SARATOGA
PARTNERS SHOWED US IN NEWBERG
WAS THE BEST LOCATION IN ORANGE
COUNTY.

PARTICULARLY WHEN YOU FACTOR IN
THE NEED THAT WE'VE ALL JUST
HEARD.

LET ME TELL YOU ABOUT OUR SITE
AND IN SOME DETAIL.

RIGHT AT THE INTERSECTION OF TWO
MAJOR HIGHWAYS.

WE'RE LOCATED IN A COMMERCIAL
AREA.

WE'RE POSITIONED TO COMPLIMENT

NOT COMPETE WITH THE CATSKILL CASINO.
WE'RE CREATING JOBS AND BOOSTING THE ECONOMY ON BOTH SIDES OF THE HUDSON RIVER.
AND IMPORTANTLY WE'RE JEN RIGHT THE MOST INCREMENTAL TAX REVENUE, NET OF CANNIBALIZATION OF ANY OTHER GAMING FACILITY IN ORANGE COUNTY.
AND GREG WILL GET INTO THIS LATER.
OUR SITE IS RIGHT AT THE INTERSECTION OF THE TWO MAJOR HIGHWAYS, I-84, AND I-87.
84 IS THE EAST, WEST CONNECTER WITH DIRECT ACCESS TO THE CONNECTICUT GAMING MARKET.
84 INTERSECTS WITH 87, THE NEW YORK STATE THRILLWAY AND THE MAJOR NORTH, SOUTH CONNECTER.
WHAT IS UNIQUE ABOUT OUR SITE IS THAT WE HAVE EASY ACCESS, BUT DON'T HAVE MAJOR TRAFFIC CONCERNS GETTING ON AND OFF THE INTERSTATE HIGHWAYS IN EVERY DIRECTION.
WE DON'T HAVE TRAFFIC CONCERNS AT TOLL BOOTHS OR AT THE ON AND OFF RAMPS.
THIS IS NOT A CONGESTED INTERCHANGE, PARTICULARLY ON AND OFF I-87 AND I-84, AND WE DON'T CONTRIBUTE TO A READY CONGESTED TRAFFIC PARTICULARLY ON FRIDAY, WEEKENDS, OR DURING HOLIDAYS SUCH AS CHRISTMAS.
WE HAVE THE CAPACITY TO TAKE ON MORE TRAFFIC.
NOT ONLY DO WE HAVE THE BEST HIGHWAY ACCESS, WE HAVE SUPERIOR ACCESS TO RAIL, WATER, AND AIR.
OUR ACCESS TO RAIL IS ON THE METRO NORTH HUDSON LINE.
A ONE SEAT RIDE FROM NEW YORK CITY GRAND CENTRAL STATION TO THE BEACON RAILROAD STATION.
WE GET ON THE TRAIN IN MIDMANHATTAN CONNECTER WITHOUT CHANGING TRAINS.
EVEN A SUPER EXPRESS TRAIN.
THIS IS THE PRIMARY STATION FOR MOST TRIPS FROM NEW YORK CITY TO ORANGE COUNTY.

WE HAVE ACCESS DIRECTLY TO THE NEWBERG WATER FRONT, WE HAVE IMMEDIATE PROXIMITY TO THE STEWART AIRPORT, ALSO DIRECT ACCESS AND ARE THE CLOSESTS TO THE MAIN ARTERY TO DUTCHESS COUNTY ACROSS THE BRIDGE TO THE BEACON RAILROAD STATION AND ROUTE NINE WHICH BRINGS YOU TO PIKIPSI.

THIS GIVES US THE GREATEST OPPORTUNITY FOR GROWTH ON BOTH SIDES OF THE HUDSON RIVER. WE ARE ALSO MOST CONVENIENT TO THE WESTERN CONNECTICUT MARKET. IF YOU LIVE IN DANS BURY, CONNECTICUT, YOU'RE FAR CLOSER US TO THAN THE SON'S CASINOS IN CONNECTICUT.

BOTTOM LINE, WE WILL GENERATE MORE GAMING REVENUE FROM CONNECTICUT THAN ANY OTHER CASINO IN THE HUDSON VALLEY. THERE'S ALSO NO RESIDENTIAL DEVELOPMENT NEAR OUR SITE AND NO HOPES IMPACTED, AND WE'RE NOT GOING TO HAVE UNHAPPY NEIGHBORS. ONE OF THE THINGS THE PEOPLE ARE CONCERNED ABOUT WITH THE INTRODUCTION OF NEW GAMING FACILITIES IN NEW YORK STATE IS THE IMPACT ON EXISTING FACILITIES.

WE CUT INTO EXISTING NEW YORK MARKETS AND AFFECT THE CATSKILLS FARLESS THAN ANY OTHER ORANGE COUNTY PROPOSALS TO THE SOUTH. BOTTOM LINE IS WE CREATE THE HIGHEST NET GAMING TAX REVENUE FOR THE STATE AFTER CANNIBALIZATION OF THE OTHER NORFOLK KAS KNOWS THAN ANY OTHER -- CASINOS THAN ANY OTHER PROPOSAL.

THE GOAL IS TO INCREASE OVERALL REVENUE FOR THE STATE, NOT A PROJECT THAT WILL SIMPLY TAKE AWAY FROM EXISTING OR OTHER ANY FACILITIES. THAT WOULD JUST BE SHUFFLING THE DECK.

WE HAVE THE LEAST CANNIBALIZATION OF EMPIRE CITY RESORT WORLD, AND THE OTB

CASINOS TO BE BUILT IN NAS IS A
AND SUFFIX.

ALSO WHEN YOU CANNIBALIZE
ANOTHER CASINO IN NEW YORK, YOU
ALSO LOSE JOBS IN THAT
CANNIBALIZED MARKET.

WE HAVE NO CONFLICTS OF INTEREST
OPERATING ANOTHER CASINO IN NEW
YORK WHICH WOULD COMPETE WITH
NEWBERG.

PARTICULARLY A CASINO WITH A
HIGHER TAX RATE ELSEWHERE IN NEW
YORK, WHICH WOULD ENCOURAGE
SENDING CUSTOMERS FROM THE HIGH
TAX RATE CASINO TO THE LOWER TAX
RATE PROPERTY IN ORANGE COUNTY.
RESULTING IN A FURTHER LOS OF
TAX REVENUE TO THE STATE.

A PLAYER COULD ADD AN ELECTRONIC
GAME COULD BE GOING FROM A 44%
RATE AT A CASINO TO A 10% TABLE
RATE IN ORANGE COUNTY.

LET'S TALK ABOUT THE CATSKILLS.
NEWBERG HAS MORE ECONOMIC NEED
THAN WE THINK THE CATSKILLS
DESERVE A CASINO AND ARE LIKELY
TO GET ONE.

OUR SITE IS THE ONLY ONE THAT
COMPLIMENTS THE CASINO IN THE
CATSKILLS.

EVERYBODY KNOWS THAT ROUTE 17 IS
THE MAIN ARTERY TO THE
CATSKILLS.

INDIVIDUALS, PARTICULARLY FROM
NEW YORK CITY ARE GOING TO MAKE
A CHOICE.

ROUTE 17 TO THE CATSKILLS ARE
DRIVING FURTHER NORTH TO GET TO
OUR CASINO.

OUR PROJECT DOESN'T PROVIDE A
CHOICE BEFORE THEY GET TO ROUTE
17.

WE DON'T CUT OFF THE TRAFFIC
HEADED TO THE CATSKILLS.

THERE'S NO GAMING FACILITY
BEFORE YOU HIT 17.

WHEN YOU HIT 17, YOU MAKE A
CHOICE.

YOU TAKE 17 TO THE CATSKILLS, OR
KEEP DRIVING NORTH TO NEWBERG.

BECAUSE OF THAT CHOICE, WE
IMPACT CATSKILLS THE LEAST.

ANY CASINO JUST SOUTH OR NEAR
ROUTE 17 IS A SHORTER DRIVE FROM

NEW YORK THAN THE DRIVE TO
NEWBERG AND MUCH SHORTER THAN IF
YOU WENT ON ROUTE 17 TO THE
CATSKILLS.

THE BIG PICTURE IS IF YOU ARE
GOING TO CREATE A NEW CORRIDOR
OF ECONOMIC DEVELOPMENT, YOU CAN
PUT CATSKILLS ON ONE SIDE TO
ANCHOR THE WEST, WE CAN ANCHOR
THE EAST AND EVERYTHING IN
BETWEEN, WILL BENEFIT PLACES
LIKE MONTICELLO, MIDDLETOWN,
NEWBERG, BEACON, PAKIPSI.
YOU'VE CREATED A FULL CORRIDOR
COLLECTED BY TRANSPORTATION
THAT'LL COMPLIMENT EACH OTHER IN
THE REGION.

AT THE SAME TIME, YOU'RE
CREATING THE MOST NET REVENUE
FOR THE STATE AND OBVIOUSLY THE
NEED.

WE ARE THE ONLY SITE IN NORTHERN
ORANGE COUNTY THAT HAS BOTH
ACCESS TO I-84 AND THE NEW YORK
THROUGHWAY, AS WELL AS
VISIBILITY FROM BOTH
EXPRESSWAYS.

WE ARE THE ONLY SITE WHERE ALL
OF OUR PROPERTY TAXES GO TO THE
NEWBERG AND LARGE SCHOOL CITY,
CITY SCHOOL DISTRICT WHICH HAS
THE GREATEST NEED.

ASSUMING NEWBERG IS THE BEST
LOCATION, YOU MUST HAVE A TEAM
THAT DELIVERS.

THERE'S NO QUESTION THAT OUR
TEAM, RUR STREET AND -- RUSH
STREET AND SARATOGA CASINO HAVE
THE EXPERIENCE TO CREATE A
CASINO IN NEWBERG WITHOUT ANY
CONFLICTS OF INTEREST.

WE HAVE A GREAT WORKING
RELATIONSHIP WITH THE SARATOGA
TEAM AND OUR PARTNERS.

RUSH STREET HAS THE EQUITY AND
FINANCIAL STRENGTH TO GET THIS
GROUND UP DEVELOPMENT FINANCED
AND BUILT.

WE HAVE OBTAINED FINANCING OF \$4
BILLION FOR OTHER CASINO
PROJECTS.

AND OUR PUBLIC DEBT TRADES AT A
PREMIUM TO COMPARABLE DEBTS OF
OTHER CASINO OPERATORS BECAUSE

OF OUR SUCCESSFUL TRACK RECORD.
OUR CASINO PROPERTIES ARE NOT
OVERLEVERED, AND OUR KAS KNOWS
HAVE BEEN DEVELOPED ON TIME AND
ON BUDGET, ALL OF THEM.
WE'VE SUCCESSFULLY COMPLETED OUR
DEVELOPMENTS IN TOUGH FINANCIAL
MARKETS, AND HAVE INVESTED MORE
EQUITY THAN ANTICIPATED IN ORDER
TO GET THE JOB DONE.
AN EXAMPLE IN POINT IS OUR
PROJECT IN PHILADELPHIA.
YOU HEARD ABOUT PITTSBURGH
YESTERDAY, THIS IS PHILADELPHIA.
TWO LICENSES WERE AWARDED IN
PHILADELPHIA IN 2007 IN AN RFP
SIMILAR TO THIS PROCESS.
THE GREAT RECESSION HIT IN 2008.
THE OTHER LICENSING AWARDED WAS
A MAJOR CASINO COMPANY, BUT THEY
NEVER COULD GET FINANCING TO
DEVELOP ITS PROJECT.
THE PENNSYLVANIA GAMING BOARD
ULTIMATELY REVOKED THEIR
LICENSE.
WE PUT UP TWICE AS MUCH EQUITY
THAN WE ORIGINALLY PROPOSED TO
THE PENNSYLVANIA GAMING BOARD IN
ORDER TO GET OUR PROJECT
DEVELOPED.
TODAY OUR CASINO IS THE ONLY ONE
IN THE CITY OF PHILADELPHIA, AND
WE ARE UNDER WAY WITH A VERY
LARGE EXPANSION.
WE'RE CONFIDENT IF YOU SELECT US
WE WILL DELIVER EWE GREAT -- YOU
A GREAT PRODUCT IN A SPECTACULAR
LOCATION IN AN AREA THAT HAS THE
GREATEST NEED AND ON TOP OF IT,
REDUCE THE MOST NET REVENUES PER
YEAR.
THANK YOU.
>> THANK YOU, NEIL.
>> NOW I'D LIKE IT FOLLOWUP ON
THAT LAST REMARK NEIL MADE.
AND TO TELL YOU WHY WE WILL HAVE
THE GREATEST IMPACT AND BE THE
BEST VALUE FOR NEW YORK STATE, I
WANT TO CALL ON GREG CARLIN, THE
CHIEF EXECUTIVE OFFICER OF RUSH
STREET GAMING.
>> THANKS JIM.
AS NEIL MENTIONED, WE LOOKED AT
LOTS OF SIDES IN ORANGE COUNTY

BEFORE PARTNERING WITH SARATOGA,
AND WE'RE CONVINCED AS ALL THE
REASONS MENTIONED THAT OUR SITE
IN NEWBERG IS THE BEST SITE IN
ORANGE COUNTY, BUT I'M HERE TO
FOCUS ON THE NUMBERS AND TELL
YOU A LITTLE BIT ABOUT THE
NUMBERS.

WE RETAINED MAXIMUM STRATEGY
GROUP TO RUN A GRAVITY MODEL AND
A MARKET STUDY FOR OUR PROJECT.
THE PRINCIPLE AT MAXIM HAS DONE
LOTS OF WORK WITH US WHILE AT
THE INNOVATION GROUP.

ACCORDING TO THEM, OUR PROJECT
WILL GENERATE \$538 MILLION OF
REVENUE IN THE FIRST YEAR AND
\$559 MILLION IN THE SECOND YEAR.
NOW IT'S TRUE THAT OUR PROJECT
WON'T GENERATE THE HIGHEST GROSS
GAMING REVENUE IN ORANGE COUNTY,
HOWEVER, AND MORE IMPORTANTLY,
OUR PROJECT WILL RESULT IN THE
MOST INCREMENTAL GAMING TAX
REVENUE FOR THE STATE OF NEW
YORK, AND I'M GOING TO WHACK YOU
THROUGH HOW WE GET TO THAT
CONCLUSION.

THE KEY IS OUR LOCATION.
AS NEIL MENTIONED, WE ARE THE
FURTHEST NORTH OF ALL THE ORANGE
COUNTY PROPOSALS.

AND WHEN YOU FACTOR IN
CANNIBALIZATION, WE WILL HAVE
THE SMALLEST IMPACT ON ALL OTHER
NEW YORK STATE GAMING FACILITIES
INCLUDING RESORTS WORLD, EMPIRE
CITY, AND THE FUTURE NASSAU
FACILITIES.

AS YOU CAN SEE, FROM THE
PREVIOUS SLIDE, WE WILL TAKE
\$184 MILLION FROM THE REST OF
NEW YORK STATE WHILE THE
SOUTHERN ORANGE COUNTY WILL TAKE
288 MILLION AND FAR SOUTH ORANGE
COUNTY CASINO WILL TAKE \$448
MILLION.

BECAUSE OUR PROJECT WILL HAVE
THE SMALLEST IMPACT ON OTHER
GAMING FACILITIES, CASINOS, MANY
OF WHICH PAY A HIGHER GAMING TAX
RATE, OUR CASINO WILL PRODUCE
THE MOST INCREMENTAL TAX REVENUE
FOR NEW YORK STATE.

OUR PROJECT WILL ALSO HAVE THE
LARGEST IMPACT ON THE CATSKILL
REGION AND WE ESTIMATE WE WILL
CANNIBALIZE LESS THAN HALF OF
THE GAMING REVENUE THAN A SOUTH
FAR ORANGE COUNTY CASINO WILL
CANNIBALIZE FROM A CATSKILL
CASINO -- CATSKILLS CASINO.
45% OF THE REVENUES ARE FROM A
COMBINATION OF NEW YORK
RESIDENTS CURRENTLY GAMING IN
OTHER STATES, AND NONNEW YORKERS
WHO WILL COME TO OUR FACILITY
INSTEAD OF GOING TO OTHER OUT OF
STATE GAMING FACILITIES.
BECAUSE OF OUR LOCATION ON I-84.
WE PROJECT WE WILL GENERATE MORE
REVENUE FROM CONNECTICUT
RESIDENTS THAN ANY OTHER ORANGE
COUNTY PROPOSAL.
ONE OTHER FACTOR TO CONSIDER IS
THE LONG-TERM TAX REVENUE,
GAMING TAX REVENUE COLLECTED BY
NEW YORK STATE.
BECAUSE OUR LOCATION IS THE
FURTHEST NORTH IN ORANGE COUNTY,
WE WILL IMPACT, WE WILL BE
IMPACTED THE LEAST IF A FUTURE
CASINO IS OPENED IN NORTHERN NEW
JERSEY.
AND WE WILL HAVE THE SMALLEST
CONFLICT WITH THE FUTURE CASINO
IN THE NEW YORK CITY METRO AREA.
OUR PROJECT WILL HAVE A
SIGNIFICANT FISCAL IMPACT ON THE
ORANGE COUNTY REGION.
WE WILL PAY AN ESTIMATED \$34
MILLION ANNUALLY TO LOCAL
GOVERNMENT, INCLUDING THE TOWN
OF NEWBERG, THE ORANGE COUNTY,
AND NEIGHBORING COUNTIES.
WE'LL ALSO PAY UP TO 15 MILLION
IN ANNUAL PROPERTY TAXES, 10
MILLION OF WHICH IS GOING TO GO
TO THE NEWBERG AND LARGE CITY
SCHOOL DISTRICT.
WE ARE THE ONLY APPLICANT
LOCATED WITHIN THE NEWBERG AND
LARGE CITY SCHOOL DISTRICT.
WE'LL ALSO GENERATE 45 MILLION
IN ECONOMIC IMPACT PER YEAR FOR
LOCAL TOURISM AND BOTH ARE
IMPORTANT INDUSTRIES IN THE
HUDSON VALLEY.

>> THANK YOU, GREG.
IT'S NOT ALL ABOUT MONEY,
ALTHOUGH MONEY IS IMPORTANT.
IT'S ALSO ABOUT JOBS AND IT'S
ABOUT PEEP.
TO SPEAK A BIT ABOUT THAT, I'D
LIKE TO CALL ON MARY CHEEKS,
SENIOR VICE PRESIDENT OF FINANCE
AT TWO OF RUSH STREET'S CURRENT
CASINOS, MARY.
>> THANKS, JIM.
GOOD MORNING.
HUDSON VALLEY CASINO AND RESORT
WILL CREATE JOBS IN THE
COMMUNITY THAT NEEDS THE MOST
JOBS.
IT IS THAT SIMPLE.
UNEMPLOYMENT RATE IN NEWBERG IS
THE HIGHEST IN THE REGION.
THE NEWBERG AREA IS STRUGGLING
WITH HIGH UNEMPLOYMENT AND
UNDEREMPLOYMENT.
PARTICULARLY IN THE MINORITY
COMMUNITIES.
RUSH STREET GAMING HAS
EXPERIENCED HIRING THE
UNEMPLOYED AND UNDEREMPLOYED.
PHILADELPHIA HAS THE SAME
ECONOMIC CHALLENGE AS NEWBERG.
FOR EXAMPLE, 35% OF OUR TEAM
MEMBERS WERE UNEMPLOYED PRIOR TO
BEING HIRED AT SUGAR HOUSE
CASINO IN PHILADELPHIA.
WE ARE ALSO HAVE EXPERIENCE
CREATING CASINO CAREERS IN
PLACES WHERE THIS IS A NEW
INDUSTRY.
AND THE WORK FORCE HAS NO GAMING
EXPERIENCE.
AT RIVERS CASINO IN PITTSBURGH,
80% OF OUR TEAM MEMBERS AT
OPENING WERE NEW TO THE GAMING
INDUSTRY.
IN NEWBERG, WE WILL PROVIDE
TRANSPORTATION TO WORK FOR TEAM
MEMBERS.
PARTNER WITH ORANGE COUNTY
COMMUNITY COLLEGE FOR TRAINING
PROGRAMS.
OFFER GENEROUS TUITION
REIMBURSEMENT PROGRAM.
>> THANKS, JIM.
GOOD MORNING.
HUDSON VALLEY CASINO AND RESORT

WILL CREATE JOBS IN THE
COMMUNITY THAT NEED THE MOST
JOBS.

IT IS THAT SIMPLE.

THE UNEMPLOYMENT RATE IN
NEWBURGH IS THE HIGHEST IN THE
REGION.

THE NEWBURGH AREA IS STRUGGLING
WITH HIGH UNEMPLOYMENT.

>> PHILADELPHIA HAS THE SAME
ECONOMIC CHALLENGE AS NEWBURGH.
FOR EXAMPLE, 35% OF OUR TEAM
MEMBERS WERE UNEMPLOYED PRIOR TO
BEING HIRED.

WE ALSO HAVE EXPERIENCE CREATING
CASINO CAREERS IN PLACES WHERE
THIS IS A NEW INDUSTRY AND THE
WORK FORCE HAS NO GAMING
EXPERIENCE.

AT RIVERS CASINO IN PITTSBURGH,
80% OF OUR TEAM MEMBERS AT
OPENING WERE NEW TO THE GAMING
INDUSTRY.

IN NEWBURGH, WE WILL PROVIDE
TRANSPORTATION TO WORK FOR TEAM
MEMBERS, PARTNER WITH ORANGE
COUNTY COMMUNITY COLLEGE FOR
TRAINING PROGRAMS, OFFER A
GENEROUS TUITION REIMBURSEMENT
PROGRAM THAT'S A STAPLE AT ALL
OF OUR PROPERTIES.

RUSH STREET GAMING HAS A PROVEN
TRACK RECORD OF INVESTING IN
TEAM MEMBERS THAT CREATE
LIFE-CHANGING CAREERS AS WELL AS
A HIGH-PERFORMING TEAM.

I AM VERY CONFIDENT THAT WE WILL
MEET THE GOAL.

THANK YOU.

>> THANK YOU, MARY.

NOW I'D LIKE TO HAVE RITA COX
FROM SARATOGA CASINO AND RACEWAY
TALK ABOUT THE OVERWHELMING
COMMUNITY SUPPORT THAT WE
ENJOYED, SOME OF WHICH YOU HEARD
ABOUT TODAY.

>> THANK YOU, JIM.

AS YOU HEARD FROM MANY PEOPLE
TODAY, THIS REGION UNDERSTANDS
THAT WHEN NEWBURGH SUCCEEDS, THE
ENTIRE REGION DOES.

AS MAYOR KENNEDY AND THE
SUPERVISOR SPOKE ABOUT, THE
TRILATERAL AGREEMENT BETWEEN THE

CITY AND THE TOWN IS SO UNPRECEDENTED THAT THERE'S NO OTHER WAY TO TRULY DEMONSTRATE THE NEED AND THE WANT OF THIS COMMUNITY.

IN FACT, WE WERE SO TAKEN BY THAT WILLINGNESS TO COME TOGETHER THAT WE HAVE DECIDED TO MATCH THE FUNDS THAT THE TOWN OF NEWBURGH IS CONTRIBUTING TO THE CITY.

OUR POSITIVE IMPACT GOES BEYOND NEWBURGH.

COMMUNITIES ON BOTH SIDES OF THE HUDSON UNDERSTAND THE WORK FORCE WILL COME FROM ALL AROUND AND THE POSITIVE IMPACT WILL BE FELT FAR AND WIDE.

NOW, SOME MAY SENSE THAT A CASINO OR NEW HOTEL MIGHT TAKE AWAY FROM BUSINESS.

THAT IS THE FURTHEST FROM THE TRUTH.

I KNOW THAT FROM EXPERIENCE, AND MANY BUSINESSES HERE HAVE STEPPED FORWARD TO UNDERSTAND AND TO DEMONSTRATE THEIR SUPPORT BECAUSE THEY ALSO UNDERSTAND THAT WE WILL BRING ADDITIONAL BUSINESS TO THEIR REGION.

WE'RE GOING TO CONTINUE TO EXPAND ON THESE RELATIONSHIPS THROUGH PROGRAMS LIKE RUSH REWARDS PLUS, WHICH WILL LINK OUR GUESTS TO THE LOCAL BUSINESS COMMUNITY.

OUR LOCAL PARTNERS WILL BE ACTIVE PARTICIPANTS IN MARKETING CAMPAIGNS AND VENDOR FAIRS. AND VERY IMPORTANTLY, THROUGH RUSH STREET GAMING'S RELATIONSHIP WITH MWBE AND THEIR FACILITIES IN PITTSBURGH, PHILADELPHIA, AND CHICAGO, WE ARE EXTREMELY CONFIDENT THAT WE WILL BE ABLE TO MEET AND EXCEED THE GOVERNOR'S GOALS OF MWBE PARTICIPATION.

AS JIM SAID EARLIER, OUR PLAN HAS NEVER BEEN TO IMPORT A CASINO TO HUDSON VALLEY.

OUR PLAN FROM DAY ONE HAS BEEN TO BUILD A HUDSON VALLEY CASINO. THE HUDSON VALLEY IS ALREADY A

CULTURAL DESTINATION.

WE'VE TALKED ABOUT THAT A LOT TODAY.

IT'S GOT A GROWING AND VERY ACTIVE AGRI TOURISM INDUSTRY. WE'LL HIGHLIGHT THESE THINGS TO SHOWCASE THEM TO OUR GUESTS BECAUSE WE BELIEVE THAT THESE ARE THE THINGS THAT WILL ENCOURAGE OUR GUESTS FROM BOTH IN STATE AND OUT OF STATE TO KEEP COMING BACK.

ENTERTAINMENT IS GOING TO BE A HUGE PART OF WHAT WE DO.

IT IS WHAT WE DO.

PEOPLE COME TO US LOOKING FOR FUN, LOOKING FOR ENTERTAINMENT. THE MORE OPTIONS, THE MORE OFTEN THEY WILL COME.

AS SUCH, WE'VE PARTNERED WITH MANY LOCAL ENTERTAINMENT VENUES TO ENSURE THE LONG-TERM SUCCESS OF ENTERTAINMENT IN THE REGION THROUGH THESE PARTNERSHIPS THAT ARE NOT JUST ABOUT CASH, THAT ARE ABOUT LONG-TERM RELATIONSHIPS DESIGNED TO BRING MORE PEOPLE TO THE REGION OVERALL.

WHILE ENTERTAINMENT IS SUPPOSED TO BE FUN, THERE ARE TIMES WHEN IT STOPS BEING FUN AND IT BECOMES A PROBLEM.

OUR FULLY INCLUSIVE PROGRAM PROVIDES THE TRAINING AND RESOURCES FOR TEAM MEMBERS AND GUESTS ALIKE TO FULLY ADDRESS THESE ISSUES WHEN THEY ARRIVE. WE HAVE THESE PROGRAMS IN EVERY SINGLE ONE OF OUR FACILITIES, AND WE WILL BRING THE SAME PROVEN PROGRAMS HERE TO THE HUDSON VALLEY CASINO AND RESORT.

>> NOW TO TAKE YOU QUICKLY THROUGH OUR FACILITY, I'D LIKE TO CALL ON BRIAN DAVIS, DIRECTOR OF DEVELOPMENT AT SARATOGA CASINO AND RACEWAY.

BRIAN?

>> MY THANK YOU, JIM.

SUCH AN IDEAL, SPECTACULAR LOCATION DEMANDS AN EQUALLY IDEAL AND SPECTACULAR FACILITY. OUR COMPREHENSIVE MARKET

ANALYSIS HAS GENERATED THAT IDEAL RESORT PROGRAM, PENCILLING OUT AT JUST OVER 550,000 SQUARE FEET.

THAT CREATES A COMPLEX OF A 300-ROOM RESORT HOTEL THAT'S COMPRISED OF 250 LUXURY ROOMS AND 50 SUITES, VARYING IN SIZES TO MEET THOSE DEMANDING EXPECTATIONS OF OUR HIGH-END PLAYERS.

IT'S IMPORTANT TO NOTE THAT THE BUILDING AND SITE ARE PREPLANNED AND READY MADE FOR IMMEDIATE EXPANSION OF AN ADDITIONAL 200 ROOMS WHEN AND IF DICTATED BY MARKET DEMAND.

WE FULLY UNDERSTAND THE CRITICAL IMPORTANCE THAT A GREAT FOOD AND BEVERAGE PROGRAM PLAYS.

THAT'S WHY WE'VE ASSEMBLED EIGHT DIFFERENT VENUES THAT HAVE BEEN SPECIFICALLY SELECTED AND DESIGN TO COVER OUR WIDE VARIETY OF DINING AND IMBIBING PATRON EXPECTATIONS.

AT SOME OF OUR VERY FIRST MEETINGS WITH THE COMMUNITY LEADERS, THEY IDENTIFIED A REAL NEED.

THAT THERE'S AN ACUTE SHORTAGE OF MIDSIZE MEETING FACILITIES IN THE AREA.

IN RESPONSE, WE'RE PROVIDING 40,000 SQUARE FEET OF STATE OF THE ART, VERSATILE, FLEXIBLE MEETING AND ENTERTAINMENT SPACE.

>> FIVE-MINUTE WARNING.

>> IN THE EVENT THAT OUR RESORT -- IN THE HEART OF OUR RESORT IS OUR CASINO.

EVIDENCE TELLS US THAT 2,750 MACHINES AND GAMING TABLES ARE A RIGHT FIT FOR THE REGION.

WE'RE ALSO PAYING CLOSE ATTENTION TO OUR HIGH-END PLAYERS.

WE'VE SET ASIDE 10,000 SQUARE FEET OF HIGH-END GAMING SPACE WITH AN EXCLUSIVE MEMBERS-ONLY VIP LOUNGE.

AS EVERYONE KNOWS, IF THERE'S ANYTHING WE KNOW IN SARATOGA SPRINGS, IT'S HOW TO DO SPAS.

WE'RE GOING TO BRING THAT SAME
WORLD RENOWNED EXPERTISE TO
HUDSON VALLEY.

FINALLY, YET ANOTHER MEMORABLE
EXPERIENCE WILL BE OUR ROOFTOP.
A VERY SPECIAL SPOT TO RECREATE.
ON ANOTHER VERY IMPORTANT NOTE,
JUST AS WE ARE RESPECTFUL OF OUR
COMMUNITY, WE ARE EQUALLY
RESPECTFUL TOWARDS OUR
ENVIRONMENT.

WE'RE VERY PROUD TO SAY THAT
THIS TEAM IS RESPONSIBLE FOR
CREATING THE VERY FIRST LEGAL
CASINO IN THE NATION, AND WE'RE
BRINGING THAT SAME CONCERN AND
DEDICATION TO THE ENVIRONMENT TO
THE HUDSON VALLEY CASINO AND
RESORT.

>> THANK YOU, BRIAN.

GENTLEMEN, THANK YOU FOR YOUR
TIME.

IF AT THE CONCLUSION OF THIS
PROCESS YOU HONOR US WITH ONE OF
NEW YORK'S CASINO LICENSES, WE
WILL FULFILL THE PROMISE OF THE
UPSTATE NEW YORK GAMING ECONOMIC
DEVELOPMENT ACT, AND WE BELIEVE
THAT PROMISE IS TO BRING THE
MOST HELP TO THOSE IN THE MOST
NEED.

OUR AREA HAS THAT NEED.

WE WILL CREATE IN TOTAL WITH
INDUCED AND INDIRECT 4,650
PERMANENT JOBS AND 6,350
CONSTRUCTION JOBS.

THOSE WILL BE UNION JOBS.

WE HAVE A SIGNED AND EXECUTED
PLA ALREADY IN PLACE.

WE HAVE A LABOR PEACE AGREEMENT
SIGNED AND ALREADY IN PLACE.

WE WILL GENERATE REVENUE FOR
EDUCATION AND FOR TAXPAYER
RELIEF.

WITH THE MOST ACCESSIBLE
LOCATION IN THE REGION, WE WILL
PRODUCE THE HIGHEST NET REVENUE
FOR THE STATE OF NEW YORK.

WE WON'T JUST SHUFFLE THE DECK.

WE HAVE THE FINANCIAL STRENGTH
TO DELIVER A TRANSFORMATIVE
PROJECT.

WE HAVE OVERWHELMING COMMUNITY
SUPPORT, AND IF YOU TRUST US TO

BUILD THIS, WE WILL DELIVER TO YOU A WORLD-CLASS CASINO RESORT DESTINATION THAT WILL BE TRANSFORMATIVE FOR THE HUDSON VALLEY.

THANK YOU.

>> THANK YOU.

[APPLAUSE]

START WITH QUESTIONS FIRST.

DENNIS?

>> YEAH, COUPLE QUESTIONS.

THE AMOUNT OF YOUR FINANCING AND THE STATUS OF IT, PLEASE.

>> I'M GOING TO PASS THAT OVER TO MR. BLOOM.

>> WE HAVE RECEIVED SIX HIGHLY CONFIDENT LETTERS FOR FINANCING FROM WELLS FARGO, GOLDMAN SACHS, THE BANK OF AMERICA, AND UBS. ALL FIRMS WE'VE DONE SIGNIFICANT BUSINESS WITH.

WE'RE HIGHLY CONFIDENT THIS PROJECT WILL BE FINANCED, AND WE CAN PUT UP ADDITIONAL EQUITY IF NEEDED IN ORDER TO GET IT DONE, AND WE'RE CONFIDENT THIS WILL BE BUILT.

>> SECOND QUESTION.

ON ONE OCCASION YOU SAID THERE WERE 2500 FULL-TIME JOBS.

ON ANOTHER OCCASION YOU SAID 4650.

>> I THINK THE DIFFERENCE IS INDIRECT VERSUS DIRECT. 2500 ON THE PROPERTY.

IF YOU LOOK AT THE ECONOMIC DEVELOPMENT AROUND --

>> SO DIRECT JOBS --

>> HOW MANY DIRECT JOBS?

>> I THINK IT'S 2500.

>> THAT'S THE 2500.

>> AND LAST QUESTION.

THE DISTANCE YOUR PROPOSED CASINO FROM THE PLACE WHERE ROUTE 17 TAKES OFF FROM THE THROUGHWAY.

>> THE MOHEGAN SUN VERSUS US, WE ARE ABOUT --

>> THE CATSKILLS.

>> OH, YOU'RE TALKING ABOUT THE CATSKILLS, NOT CONNECTICUT.

>> DO YOU HAVE THAT?

>> IT'S OBVIOUSLY A GREATER DISTANCE.

WHILE IT IS A FORK IN THE ROAD,
IF YOU WILL, IS IT UNDERSTOOD
THAT'S A MUCH GREATER DISTANCE
TO THE CATSKILLS THAN IT IS TO
YOUR PROPOSED CASINO?
>> WE'LL GET YOU THE DRIVE
TIMES.
>> I COULD ACTUALLY GIVE YOU
THAT.
>> THANK YOU.
>> THAT IS UNDERSTOOD.
I WOULD ALSO POINT OUT IN TERMS
OF THE CATSKILLS THAT OUR
LOCATION, WE'RE NORTH OF ROUTE
17, WHICH IS THE WAY PEOPLE FROM
THE SOUTH GO TO THE CATSKILLS.
WE'RE SOUTH OF THE ROUTE PEOPLE
TAKE FROM THE NORTH GOING TO THE
CATSKILLS.
>> WORKS BOTH WAYS.
>> I ACTUALLY HAVE THAT
STATISTICAL INFORMATION.
LET ME MAKE SURE I GET THIS
RIGHT.
IF YOU'RE TRAVELING NORTH FROM
THE CITY, OR NORTHERN NEW
JERSEY, WHEN YOU ARRIVE AT
HARRIMAN, IT'S A 45-MINUTE DRIVE
TO THE CENTER OF THE CATSKILLS.
APPROXIMATELY A 24-MINUTE DRIVE
TO THE INTERSECTION OF 84.
>> IS THERE ANY OTHER -- YOU
SAID IT'S CLEAR THAT YOU WON'T
AFFECT A CASINO IN THE
CATSKILLS.
IS THERE ANY OTHER ARGUMENT
OTHER THAN THIS FORK IN THE ROAD
AND YOU'LL TAKE THE LONGER FORK
SOMETIMES?
>> WELL, WE ARE ALSO -- VERSUS
THE SOUTHERN ORANGE COUNTY, WE
ARE MUCH FURTHER FROM THE OTHER
SOUTHERN ORANGE COUNTY.
IF YOU REMEMBER, YOU'VE GOT TO
GO ANOTHER 20-SOME ODD MILES TO
US VERSUS THE SOUTHERN ORANGE
COUNTY.
>> WE ALSO HAVE LESS GAMING
POSITIONS.
WE'RE BUILDING A SLIGHTLY
SMALLER CASINO THAN THE SOUTHERN
ORANGE COUNTY.
>> THAT'S COMPARING IT TO THE
OTHER POSSIBLE CASINOS IN ORANGE

RATHER THAN WHAT YOU'LL DO OR
NOT DO TO A CASINO IN THE
CATSKILLS.

THAT CORRECT?

THANK YOU.

>> TO CUT THROUGH THE BOTTOM
NUMBER, IF I HEAR RIGHT, THERE'S
ABOUT A 45 -- FROM POINT WHERE
YOU GIVE OUR PATRONS A CHOICE,
YOU EITHER MAKE A LEFT AND GO 45
MINUTES UP TO THE CATSKILLS OR
YOU KEEP GOING STRAIGHT ANOTHER,
WHAT DID I SAY, 24 MINUTES TO
THE INTERSECTION.

>> SO WE'RE ONLY 15 OR 20
MINUTES FASTER THAN GETTING TO
THE CATSKILLS.

SOUTHERN ORANGE COUNTY IS
ANOTHER 20 MINUTES OR MORE
FASTER.

>> THANK YOU.

>> I HAVE TWO BASIC QUESTIONS.
THE FIRST ONE IS IT'S A
POSSIBILITY THAT EITHER SARATOGA
OR RUSH STREET WOULD ALSO HAVE A
GAMING FACILITY IN THE CAPITAL
REGION.

IF THAT'S THE CASE, THERE ARE
THREE PARTS, DO YOU HAVE THE
FINANCIAL CAPACITY TO DO BOTH?
DO YOU HAVE THE MANAGEMENT
CAPACITY TO DO BOTH?
AND HOW DO YOU MANAGE POTENTIAL
CONFLICTS, RECOGNIZING THAT THE
CAPITAL REGION IS NOT YOUR
TARGET MARK IN THE ORANGE COUNTY
FACILITY?

HOW DO YOU MANAGE POTENTIAL
CONFLICTS IN THE MANAGEMENT
BETWEEN THE PARTNER OF THE
SOUTHERN CAPITAL REGION FACILITY
AND THE PARTNER THAT DOES NOT?

>> LET ME ADDRESS ALL THREE OF
THOSE THINGS.

FIRST OF ALL, HOW WE WOULD
MANAGE THE TWO FACILITIES, AS
YOU KNOW, WE HAVE DIFFERENT
PARTNERS IN THE TWO REGIONS.
IN EACH CASE, OUR PARTNER IS AN
OPERATING PARTNER.

SO THERE WOULD BE NO CONFLICT
THERE IN TERMS OF THE
MANAGEMENT, EVEN IF WE GOT THEM.
IN TERMS OF FINANCING, ONCE

AGAIN, WE HAVE TWO PARTNERS WHO ARE VERY STRONG FINANCIALLY. I WOULD INVITE YOU TO EXAMINE EACH OF THEIR BALANCE SHEETS IN DETAIL.

THE FINANCING WILL NOT BE A PROBLEM.

AS TO A CONFLICT, WE HAD THE SPECTRUM PEOPLE LOOK AT THAT, BOTH FROM THE SITE WE SPOKE TO YOU ABOUT YESTERDAY AND THE EFFECT OF A NEWBURGH CASINO ON A CAPITAL REGION FACILITY IS ALMOST NEGLIGIBLE.

SOMEWHERE BETWEEN 2% AND 3%. SO WE DON'T SEE THAT AS A CONFLICT AT ALL.

IN TERMS OF GETTING BOTH PROJECTS BUILT FROM OUR PERSPECTIVE, WE BUILT THREE PROJECTS THAT WE DELIVERED OVER A TWO-YEAR PERIOD IN PHILADELPHIA, PITTSBURGH, AND CHICAGO.

WE DELIVERED THOSE IN TWO YEARS. SO -- AND WE'RE A MUCH BIGGER COMPANY TODAY THAN WE WERE WHEN WE DID THAT A FEW YEARS AGO. SO WE HAVE THESE DEVELOPMENT SKILLS AND CAPABILITY OF HANDLING THE DEVELOPMENT OF THE TWO PROJECTS AND GETTING THEM BOTH DELIVERED ON TIME AND ON BUDGET.

IT WOULD NOT BE AS MUCH, ACTUALLY, AS WE WERE DOING A FEW YEARS AGO.

AND FINANCIALLY, WE ARE MORE THAN CAPABLE OF PROVIDING THE REQUIRED EQUITY FOR BOTH PROJECTS.

OBVIOUSLY, THIS IS A BIGGER PROJECT.

THE CAPITAL REGION IS A MUCH SMALLER PROJECT.

>> OKAY.

I'LL ASK ONE OTHER QUESTION THAT'S NOT SPECIFIC TO YOUR TRANSACTION.

I'D BE INTERESTED IN THE FORMED OPINION OF MR. CARLIN.

I UNDERSTAND GOVERNOR CHRISTIE SAID YESTERDAY THAT BECAUSE OF RECENT PORT DECISIONS THAT

SPORTS BETTING IS NOW LEGAL IN NEW JERSEY. IF NEW YORK HAS A STATUTORY, YOU KNOW, BARRIER TO THAT, WHAT'S YOUR INFORMED OPINION ABOUT HOW MUCH OF A NEGATIVE IMPACT THAT WOULD HAVE ON THE NEW YORK STATE CASINOS?

>> SURE.

TWO THINGS ON THAT.

FIRST OF ALL, IT'S STILL A FEDERAL -- THERE'S STILL A FEDERAL PROHIBITION ON SPORTS BETTING.

IT WILL BE INTERESTING TO SEE IF ANY OF THE NEW JERSEY OPERATORS ELECT TO OFFER SPORTS BETTING, GIVEN THAT THERE'S STILL A FEDERAL BAN.

IT'S BEFORE THE SUPREME COURT RIGHT NOW.

>> THEY DECLINED TO HEAR THE CASE.

>> SO I GUESS IT'S STILL LEGAL. IF YOU LOOK AT LAS VEGAS AND THE AMOUNT OF HANDLE OR REVENUE THAT'S GENERATED IN A SPORTS BOOK VERSUS THE REST OF THE CASINO, IT'S A VERY SMALL NUMBER.

SO I DON'T THINK IT WILL HAVE A HUGE IMPACT.

CERTAINLY, THERE'S PLENTY OF FOLKS IN NEW YORK WHO WOULD LIKE TO BET ON SPORTING EVENTS AND WOULD PROBABLY GO TO NEW JERSEY. I DON'T THINK IT WOULD BE A BIG IMPACT.

>> TWO QUICK QUESTIONS.

SIMILAR TO THE QUESTION WE ASKED THE APPLICANT THIS MORNING.

IF WE WERE TO GRANT A LICENSE TO ONE OF THE PROPOSED PROJECTED IN SOUTHERN ORANGE COUNTY, DOES YOUR PROJECT MAKE ANY ECONOMIC SENSE, AND WOULD YOU GO FORWARD WITH IT?

>> WE HAVE NOT REALLY FACTORED THAT IN.

I NEVER THOUGHT THAT COULD HAPPEN.

I'VE NEVER EVEN CONSIDERED IT.

>> WELL, THERE'S SEVERAL OF THEM, SO THERE'S A POSSIBILITY.

I'D JUST LIKE YOUR REACTION TO IT.

>> WE'D HAVE TO HAVE OUR EXPERTS STUDY IT, BUT I -- YOU KNOW, I NEVER THOUGHT THAT WOULD HAPPEN.

>> THE ONE THING I CAN TELL YOU IS THAT IF ANYBODY WOULD BE PREPARED TO GO AHEAD, WE WOULD BE THE PEOPLE WHO WOULD BE PREPARED.

I COULD TELL YOU THAT BY THE STUDIES WE DID SHOWING WHAT WOULD HAPPEN IN SEVEN TO TEN YEARS IF NEW CASINOS ARE SITED IN THE CITY AND IF A CASINO IS SITED IN THE MEADOWLANDS.

SO I DON'T THINK ANY RESPONSIBLE DEVELOPER WOULD GIVE YOU A YES/NO ANSWER WITHOUT EXAMINING WHAT EFFECT THAT WOULD HAVE ON THE GGR.

I CAN TELL YOU THAT IF ANYBODY WAS ABLE TO DO IT, IT WOULD BE US.

>> AND SINCE YOUR LOCATION IS AT THE CROSSROADS OF I-84 AND I-87, IS ANY INFRASTRUCTURE NEEDED ON EITHER HIGHWAY, AND DO YOU HAVE THOSE APPROVALS FROM THE NEW YORK STATE DEPARTMENT OF TRANSPORTATION?

>> BRIAN?

>> WE ARE NOT ANTICIPATING -- AND WE'VE DONE EXHAUSTIVE TRAFFIC ANALYSIS, EVEN THOUGH IT'S ONGOING.

OUR EFFORTS UP TO THIS POINT INDICATED WE DO NOT HAVE ANY REQUIRED WORK AT ANY OF THE INTERCHANGE OR RAMPS OR SO ON AND SO FORTH.

IN FACT, WE'RE ALSO COMING OFF A COUPLE DIFFERENT INTERCHANGES.

SO WE'RE FINE THERE.

OUR TRAFFIC ANALYSIS HAS INDICATED THAT WE HAVE TO DO SOME PRETTY SIGNIFICANT ROAD IMPROVEMENTS RIGHT ALONG 17, WHICH WE HAVE -- WE'RE IN THE PROCESS OF MOVING THOSE FORWARD NOW ALONG WITH ALL OF THE D.O.T. APPLICATIONS AND IN ACCORDANCE WITH THE APPLICATIONS AND SO FORTH.

>> STU, ANY QUESTIONS?

>> ACTUALLY, I DON'T.

>> OKAY.

WELL, THANK YOU VERY MUCH,
FOLKS.

FOR SOME REASON, WE SCHEDULED
ONLY THREE IN THE MORNING AND
SIX IN THE AFTERNOON.

SO WE'RE TAKING A BREAKFAST
BREAK AS OPPOSED TO A LUNCH
BREAK.

WE'RE GOING TO START AT 12:15
SHARP, AND SOMEWHERE IN THE
AFTERNOON SESSION, WE'RE GOING
TO FIND TEN MINUTES AND WE'RE
GOING TO END EXACTLY AT 6:30.
SO 12:15 TO 6:30.

THANK YOU VERY MUCH.

>> THANK YOU, GENTLEMEN.

\M\M

>>> OKAY.

WE GOT A BUNCH OF PRESENTATIONS
TO MAKE THIS AFTERNOON.
FIRST UP WILL BE -- IF EVERYBODY
COULD BE QUIET AND HAVE THEIR
SEATS, PLEASE, OR TAKE IT
OUTSIDE.

THANK YOU.

NEVELE RESORT CASINO AND SPA.

>> GOOD AFTERNOON, CHAIRMAN, AND
MEMBERS OF THE BOARD.

I'M THE NEWEST MEMBER OF THE
TEAM AND HERE BECAUSE NEVELE
REPRESENTS THE SINGLE MOST
IMPACTFUL ECONOMIC DEVELOPMENT
OPPORTUNITY I HAVE EVER SEEN IN
MY 20-YEAR CAREER IN ECONOMIC
DEVELOPMENT.

LET ME SHARE A BIT ABOUT MY
BACKGROUND AND HOW I CAME TO BE
HERE WITH YOU TODAY.

I FIRST MET THE TEAM WHEN THEY
APPROACHED MY COMPANY FOR
FINANCING.

WE ATTRACT FOREIGN INVESTMENT TO
STIMULATE ECONOMIC DEVELOPMENT
IN THE UNITED STATES.

WE HAVE A 100% TRACK RECORD AND
CLIENTS FROM 40 COUNTRIES.

PRIOR TO FOUNDING THE COMPANY, I
COMPLETED MORE THAN \$3 BILLION
IN STRUCTURED TRANSACTIONS.

I'M JOINED TODAY BY THE NEVELE'S

CHIEF OPERATING OFFICER, THE EXECUTIVE DIRECTOR OF THE NEW YORK COUNCIL ON PROBLEM GAMBLING, THE EXECUTIVE VICE PRESIDENT FOR TISHMAN, AND THE MANAGING DIRECTOR OF THE INNOVATION GROUP.

THE MORE I LEARN ABOUT THE PROJECTED, THE MORE IT BECAME CLEAR TO ME I NEEDED TO BE A PART OF IT.

SO MUCH SO THAT I'VE DECIDED MUCH LIKE A TRADITIONAL VENTURE CAPITALIST TO OVERSEE THE PROJECT AND MAKE SURE THAT WE GET THROUGH BOTH CONSTRUCTION ALL THE WAY THROUGH TO STABILIZATION.

MY BACKGROUND INCLUDES REBUILDING COMMUNITIES, AND THE NEVELE ALLOWS US THE CHANCE TO REBUILD ONE OF THE MOST LEGENDARY RESORT AREAS ANYWHERE. THE CATSKILLS ONCE WAS IN ITS HEYDAY THE NUMBER ONE TOUR ITSELF DESTINATION IN AMERICA. THE MOVEMENT TO BRING CASINO GAMING BACK TO NEW YORK STATE BEGAN IN THE CATSKILL REGION MORE THAN THREE DECADES AGO. THE COMMUNITY IS CLOSER THAN EVER TO FULFILLING ITS DREAM OF REBUILDING THE TOURISM BASED ECONOMY.

IN THIS PRESENTATION, MY TEAM AND I WILL SHOW YOU THAT WE ARE READY TO BE YOUR PARTNER IN REVIVING THE ECONOMY OF THE CATSKILLS.

YOU'LL SEE ENDING THE STAGNATION THAT'S CRIPPLED THE ECONOMY REQUIRES A GATEWAY, NOT A BARRIER, FOR PEOPLE COMING FROM THE NEW YORK CITY SUBURBS. YOU'LL HEAR FROM ME AND OTHER MEMBERS OF OUR TEAM THAT OUR PLAN IS COMPLETE AND THAT WE'RE SHOVEL READY.

THE PLAN FOR THE NEVELE RESORT CASINO AND SPA IS AS COMPELLING AS THE NEED IS SEVERE.

THAT IS WHY UNIQUE AMONGST ALL THOSE WHO HAVE APPLIED FOR A GAMING LICENSE, THE NEVELE IS

THE ONLY PROJECT THAT HAS
EXCLUSIVE SUPPORT FROM IT THE
ENTIRE COUNTY.

WE HAVE BEEN CHOSEN TO ANCHOR
THE REVIVAL OF THE COUNTY AND
THE REBIRTH OF THE EASTERN END
OF THE CATSKILLS.

LET'S TAKE A MOMENT TO SEE JUST
WHAT THE NEVELE MEANS TO THE
PEOPLE OF THE COUNTY.

>> THE STORY HAS CHANGED
MARKEDLY.

AT ONE POINT, ALLENVILLE WAS A
RESORT COMMUNITY THAT STILL HAD
AN INDUSTRIAL BASE AS WELL.

THE CATSKILLS WAS A GREAT PLACE
FOR PEOPLE TO COME THAT WAS NOT
A LONG DISTANCE FROM NEW YORK
CITY WHERE THEY COULD COME UP
FOR SHORT WEEKENDS OR FOR THE
SUMMER.

>> I HEARD ALL THE STORIES FROM
MY GRANDPARENTS, PARENTS ABOUT
THE HEYDAY.

THE SIDEWALKS WOULD BE FIVE, SIX
PEOPLE ACROSS UP AND DOWN MAIN
STREET.

>> ON THAT SPOT WAS A BUILDING
THAT WAS THE CASINO KNOWN AS THE
CASINO WHERE GUESTS USED TO GO
AND THERE WOULD BE MUSIC AND
DANCING.

OVER THE YEARS, IT WAS USED FOR
DIFFERENT PURPOSES.

ONE OF THE PURPOSES WAS TO HAVE
A BOXING RING.

IT WAS SET UP WHEN I WAS A KID.
I REMEMBER IT WAS FALLING APART.
THEY WEREN'T USING IT ANYMORE.
BUT ROCKY WAS HERE, AND HE USED
THE NEVELE AS A TRAINING
HEADQUARTERS.

>> THE RESORT COMMUNITY WAS
REALLY A PERFECT FIT.

WE'RE SURROUNDED BY MOUNTAINS.
GEOGRAPHICALLY, IT'S A BEAUTIFUL
AREA IN WHICH TO LIVE.

THE GOLF COURSES WERE GREAT.
UNTIL PARTICULAR, THE NEVELE WAS
REALLY A HIGHLIGHT, A FOUNDATION
OF THE COMMUNITY.

IT WAS A GATEWAY AS YOU CAME
INTO TOWN.

YOU TOOK ONE LOOK AT IT AND

SAID, THIS IS A PERFECT PLACE FOR A RESORT HOTEL.
>> ITS HISTORY IS A BIG PART. THE TOURISM INDUSTRY ISN'T HERE SO MUCH.
THE MANUFACTURING BASE IS GONE. YOU'RE VERY MUCH AWARE OF THE HISTORY.
YOU'RE KIND OF SAYING, WELL, WHERE ARE WE GOING TO GO NOW?
>> ELLENVILLE HAD ALL THIS ALREADY.
ELLENVILLE WANTS IT BACK IN A BAD WAY.
>> IF YOU WERE TO WALK THROUGH ELLENVILLE, IT IS A GHOST TOWN. IT IS A SHADOW OF WHAT IT ONCE WAS.
YOU COULD ALMOST PICK ANY BUSINESS YOU WANT BECAUSE ALMOST ALL OF THEM ARE VACANT.
>> HOW CAN AN AREA GO FROM HAVING 2,000 ACTUAL YEAR-ROUND JOBS TO LESS THAN A COUPLE HUNDRED?
IT'S DEVASTATING.
>> HIGH SCHOOL KIDS, AFTER GRADUATION, THEY LEAVE BECAUSE THERE'S NOT MUCH TO DO. THEY NEED PLACES TO WORK. AFTER THEY GRADUATE, THEY NEED CAREERS.
THAT'S WHAT WE NEED.
>> ONE OF THE PROBLEMS WE'RE HAVING IS WITH THESE LOSS OF JOBS.
IT'S VERY DIFFICULT FOR YOUNG PEOPLE WHO EVEN WANT TO STAY HERE BECAUSE IT'S VERY TOUGH TO MAKE A LIVING UP HERE, ESPECIALLY FOR THE YOUNG PEOPLE.
>> YOU'RE FIGHTING JUST TRYING TO FIGURE OUT HOW YOU'RE GOING TO EAT OR LIVE, HOW YOU'RE GOING TO PAY YOUR TAXES.
OPPORTUNITY TO RISE ABOVE THAT IS WHAT'S IMPORTANT.
>> WE ARE ECONOMICALLY DEPRESSED.
WE'VE LOST ALL OF OUR MANUFACTURING JOBS.
WE NEED SOMETHING THAT'S GOING TO REVITALIZE OUR COMMUNITY.
>> WHAT WE'RE TALKING ABOUT IS A

VERY REAL POSSIBILITY OF ENDING
UNEMPLOYMENT IN ELLENVILLE.
ENDING UNEMPLOYMENT IN THE TOWN,
MAKING A HUGE IMPACT IN THE
CATSKILLS.

>> TO BRING FAMILIES BACK TO
ELLENVILLE IS VERY IMPORTANT.

>> FOR ME, ELLENVILLE EXISTS AS
A BALL OF POTENTIAL.

IT NEEDS A SHOT IN THE ARM TO
THRUST IT TO THE NEXT PLACE.

>> IT WILL ALLOW THE PEOPLE OF
ELLENVILLE TO BE PROUD OF WHERE
THEY LIVE.

IT WILL ALLOW THEM TO HAVE
STREETS FULL OF TOURISTS.

>> IN ORDER FOR A STATE TO BE
ALL THIS CAN BE, EVERY PART OF
THAT STATE NEEDS TO BE VITAL.
WHETHER IT'S ALL THE WAY FROM
THE TIP OF BUFFALO OR WHETHER IT
BE TO THE TIP OF LONG ISLAND, WE
HAVE AN OPPORTUNITY TO DO
SOMETHING SPECIAL HERE, AND
THAT'S TO BECOME A GATEWAY TO
UPSTATE NEW YORK THROUGH THE
NEVELE PROJECT IN THE CATSKILLS
AND POSITIVELY IMPACT THE ENTIRE
COMMUNITY.

THAT'S A PRETTY COMPELLING CASE.

>> WELL, I THINK STEVE AND THE
COUNTY EXECUTIVE SAID IT BEST.

IT'S A GHOST TOWN, AND THE
NEVELE CAN END UNEMPLOYMENT.

WE ALL KNOW WHAT CAN HAPPEN WHEN
INDUSTRY LEAVES A TOWN.

MY ENTIRE CAREER HAS BEEN
ECONOMIC DEVELOPMENT.

I KNOW WHAT OPPORTUNITY CAN BE
BROUGHT THROUGH REDEVELOPMENT
AND HOW IT CAN TRANSFORM A
COMMUNITY.

I'VE WORKED TO REBUILD AREAS OF
WASHINGTON, D.C., THAT WERE
STILL SUFFERING FROM THE
DEVASTATING EFFECTS OF THE 1968
RIOTS.

I WAS PART OF A TEAM THAT SAVED
HUNDREDS OF JOBS AT SUGAR BUSH
SKI RESORT IN VERMONT, WHERE WE
TURNED A FEW RUNS INTO A
FOUR-SEASON RESORT.

MY EXPERIENCE INCLUDES \$3
BILLION TRANSACTION RECORDS THAT

I SPOKE ABOUT EARLIER AND CREATING JOBS, LIVING WAGE JOBS, HAS BEEN THE FOUNDATION OF EVERYTHING.

OUR CHIEF OPERATING OFFICER HAS NEARLY FOUR DECADES OF EXPERIENCE IN THE GAMING INDUSTRY.

THE BREADTH OF HER EXPERIENCE HAS ALLOWED US TO CREATE A PROPOSAL FOR A YEAR-ROUND DESTINATION RESORT THAT SPECIFICALLY REFLECTS THE CHARACTERISTICS OF THE CATSKILLS AND INCLUDES A GAMING FACILITY. FROM THE VERY BEGINNING, OUR TEAM'S INTENTION WAS TO DESIGN A FACILITY AND PROGRAM THAT WAS AUTHENTIC TO THIS REGION.

WE'RE NOT PROPOSING TO REPLICATE THE VEGAS STRIP OR RELOCATE WHAT'S LEFT OF THE ATLANTIC CITY BOARDWALK TO THE CATSKILLS.

HER EXPERIENCE INCLUDES WORKING FOR SOME OF THE PREMIER GAMING PROPERTIES, INCLUDING MR. WYNN'S CASINO IN LAS VEGAS AND MACAU.

YOU'LL ALSO HEAR FROM JIM ABOUT OUR COMPREHENSIVE PROBLEM GAMBLING PLAN THAT'S ESSENTIAL.

NOW I'D LIKE TO INTRODUCE MICHAEL, AN EXECUTIVE VICE PRESIDENT WITH TISHMAN, OUR GENERAL CONTRACTOR.

WE SELECTED TISHMAN BECAUSE IT HAS BUILT MORE GAMING AND RESORT AND HOSPITALITY VENUES THAN JUST ABOUT ALL OF ITS COMPETITORS AND HAS THE EXPERIENCE NEEDED TO DELIVER THE PROJECT ON SCHEDULE AND ON BUDGET.

MICHAEL?

>> THANK YOU.

GOOD AFTERNOON.

I'M MICHAEL, EXECUTIVE VICE PRESIDENT FOR TISHMAN CONSTRUCTION.

FOR 35 YEARS, CONSTRUCTION AND DEVELOPMENT EXPERIENCE, 20 YEARS WITH GAMING AND HOSPITALITY PROJECTS ON THE EAST COAST.

TISHMAN CONSTRUCTION IS ONE OF THE WORLD'S LEADING BUILDERS AND IS HEADQUARTERED IN NEW YORK

CITY.

WE HAVE COMPLETED BILLIONS OF DOLLARS OF CASINO AND HOSPITALITY PROJECTS.

WE HAVE SHOWN HERE SOME OF THE MORE NOTABLE PROJECTS AND CASINO RESORTS SUCCESSFULLY COMPLETED ON TIME AND WITHIN BUDGET.

THOSE PROJECTS SHOWN ALL BEGAN AS WE HAVE WITH NEVELE.

AN IDEA BEING DEVELOPED INTO A REALITY.

SO LET'S TALK ABOUT NEVELE'S PROJECT STATUS.

WE'VE WORKED WITH A TEAM OF PROFESSIONALS FOR THE LAST THREE YEARS TAKING THE NECESSARY STEPS, STUDIES, DOCUMENT DEVELOPMENT, PLANNING, MEETINGS WITH AGENCIES AND COMMUNITY ALL TO ENSURE THAT NEVELE IS SHOVEL READY.

TO START CONSTRUCTION, HERE IS WHY NEVELE IS READY.

WE HAVE A COMPLETED SECRA APPROVAL.

WE ARE NOW READY TO PULL PERMITS TO BEGIN CONSTRUCTION.

THE TEAM HAS STUDIED AND CONSULTED WITH UTILITY COMPANIES AND NOW HAVE AGREEMENTS ON DESIGN AND SERVICE IN PLACE.

THE NEVELE CONSTRUCTION DOCUMENTS ARE ALREADY IN PROGRESS AND ON SCHEDULE.

THE DESIGN IS BASED ON ACHIEVING STANDARD REQUIREMENTS.

WE HAVE PROGRAMMED LABOR HARMONY INTO OUR PLANS.

TISHMAN IS A LEADER IN ACHIEVING AND EXCEEDING MBE, WBE, AND VETERANS GOALS IN CONTRACTS AND IN WORK FORCE.

OUR PROJECT LABOR AGREEMENT IS SIGNED WITH HUDSON VALLEY UNIONS FOR CONSTRUCTION.

WE HAVE INITIATED STRIVE, AN ADVERTISED EFFORT FOR LABOR WORK FORCE TRAINING AND DEVELOPMENT OPPORTUNITY.

WE HAVE MADE A COMMITMENT OF WORKING WITH LOCAL BUSINESSES TO CREATE RELATIONSHIPS IN OUR PREPARATION OF THE PROJECT.

TO EMPHASIZE THE COMMITMENT, WE
HAVE ASSEMBLED AN ALL-STAR, NEW
YORK-BASED TEAM OF PROFESSIONALS
LOCATE ALL ACROSS THE STATE OF
NEW YORK FOR THIS PROJECT, WHICH
SHOWS OUR EFFORT TO REVIVE THE
NEW YORK ECONOMY HAS ALREADY
BEGUN.

TISHMAN VIEWS AND HAS ENSURED
THAT THIS PROJECT IS SHOVEL
READY TO START CONSTRUCTION.
OUR TEAM HAS MADE ALL THE
PREPARATIONS.

THANK YOU.

>> THANK YOU, MICHAEL.

AS YOU CAN SEE, WE'RE SHOVEL
READY.

WE'RE GOING TO ENSURE THAT THE
BENEFITS OF THE DEVELOPMENT
ACCRUE BACK TO THE PEOPLE IN THE
CATSKILLS AND THE REGION.

WE HAVE DEVELOPED AN
UNPARALLELED JOB TRAINING
INITIATIVE WITH FOUR CAMPUSES,
FORK FORCE INVESTMENT BOARDS,
AND THOMAS MILLER ASSOCIATES.
AND WE'VE ALSO EXECUTED PROJECT
LABOR AGREEMENTS AND HAVE
DESIGNATED OUR PARTNERS IN
ENSURING MINORITY, VETERAN, AND
WOMEN-OWNED BUSINESSES ARE
INCLUDED.

THE TRANSFORMATIVE NATURE OF
THIS INITIATIVE IS REAL.

IT IS SIGNIFICANT, AND IT IS
ABSOLUTELY ACHIEVABLE.

BY CREATING THE NEVELE RESORT
CASINO AND SPA, WE'LL END
UNEMPLOYMENT IN THIS COMMUNITY,
WHERE UNEMPLOYMENT LEVELS LINGER
IN THE DOUBLE DIGITS.

WE'LL RESUSCITATE THE REVENUE
BASE THAT OVERBURDENS PROPERTY
OWNERS.

AND FINALLY, WE WILL RESTORE THE
CATSKILLS TO ITS GLORIOUS
POSITION AS AMERICA'S FAVORITE
PLAY GROUND.

A FOUR-SEASON DESTINATION RESORT
WILL REBUILD THE TOURISM
INDUSTRY AND SERVE AS AN
ECONOMIC ANCHOR FOR THE REGION.
PLEASE ALLOW ME A FEW MINUTES TO
TALK ABOUT THE AREA'S HISTORY

AND WHERE IT IS TODAY.
NOT SO WE CAN DWELL ON WHAT ONCE
WAS OR CAPTURED THE HARDSHIP OF
WHAT WAS LOST.
RATHER, WE'LL ALLOW MEMBERS TO
UNDERSTAND JUST WHAT IS POSSIBLE
FOR THE FUTURE IF WE ALLOW THE
NEVELE TO PROCEED.
THE CATSKILLS WAS A GATEWAY THAT
DREW PEOPLE FROM NEW YORK CITY
AND ITS SUBURBS TO THE NEW YORK
UPSTATE REGION.
PROXIMITY TO NEW YORK CITY MADE
IT CONVENIENT FOR PEOPLE TO
SPEND THEIR SUMMERS THERE.
THAT IS WHY THE AREA'S ECONOMY
IS BUILT ON TOURISM AND WHY IT
CAN BE AGAIN.
THE NEVELE WAS THE EASTERN
ANCHOR OF THE FAMED CATSKILLS
RESORTS AND IT WAS THE CENTER OF
ELLENVILLE'S DIVERSE ECONOMY.
THE NEVELE WAS THE LARGEST, MOST
SUCCESSFUL, AND BEST KNOWN OF
THE RESORTS IN THE AREA.
BUT IT WAS ONLY ONE OF HUNDREDS
OF HOTEL RESORT PROPERTIES THAT
COMPRISED A SUBSTANTIAL ECONOMY.
FUELED BY HOSPITALITY AND
TOURISM.
THE VIBRANT ECONOMY ALSO ONCE
INCLUDED STRONG MANUFACTURING
WITH COMPANIES LIKE IMPERIAL
SHRADE AND HYDRO ALUMINUM.
THESE COMPANIES ARE NOW GONE.
WHEN AMERICANS CHANGED THE WAY
WE VACATION AND ONCE FARAWAY
PLACES LIKE MIAMI, THE
CARIBBEAN, AND EUROPE WERE
WITHIN REACH, THE NEVELE AND ITS
PEERS FALTERED AND CLOSED.
WITH THE NEVELE UNABLE TO FUEL
THE REGION'S ECONOMY, THE
SURROUNDING HOSPITALITY INDUSTRY
COLLAPSED.
THE INTENT OF THIS LEGISLATION
WAS BORN IN THE CATSKILLS SOME
30 YEARS AGO, AND THE NEVELE
REFLECTS ITS VISION.
IT'S A TRUE DESTINATION RESORT
INTENT TO SERVE AS AN ECONOMIC
ENGINE.
THE CASE FOR THE NEVELE AND THE
NEED FOR THIS PROJECT IS

COMPELLING.

IT'S SO COMPELLING THAT I
DECIDED TO TAKE ON THE
DAY-TO-DAY MANAGEMENT OF THIS
EFFORT TO DEMONSTRATE MY
COMMITMENT AND THE CONFIDENCE TO
OUR INVESTORS AND THE BROADER
INVESTMENT COMMUNITY.

FOR ME, THIS ISN'T SIMPLY ABOUT
CREATING A CASINO OR EVEN A
DESTINATION RESORT.

NEITHER IS MY FOCUS.

MY FOCUS IS ON THIS AS AN
ECONOMIC DEVELOPMENT TOOL FOR
THE REGION.

THE RESORT AND CASINO WILL BOOST
ECONOMIC DEVELOPMENT IN AS MUCH
AS IT WILL DRAW PEOPLE TO THE
AREA FOR ALL OF ITS OFFERINGS
THAT WILL INCLUDE THE VERY
FINEST INDOOR AND OUTDOOR
RECREATIONAL FACILITIES.

BECAUSE WE'LL ENCOURAGE OUR
VISITORS TO SPEND THEIR TIME AND
MONEY IN NEARBY COMMUNITIES,
WE'LL BOOST THE GREATER ECONOMY.
BEING A FAMILY DESTINATION IS
NOT A NEW CONCEPT FOR THE
NEVELE.

IN FACT, IT'S HOW GENERATIONS
CAME TO KNOW THE RESORT.

THE ICE ARENA IS ONE OF THE
THREE STRUCTURES OF THE OLD
NEVELE WE WILL BE REVITALIZING.
KATHY, WHO I INTRODUCED BEFORE
AS OUR CHIEF OPERATING OFFICER,
WILL NOW WALK US THROUGH THE
PHYSICAL AND PROGRAM ATTIC
ASPECTS.

>> THANK YOU, ANGEL.

CHAIRMAN, MEMBERS OF THE BOARD,
I AM VERY PLEASED TO SIT BEFORE
YOU TO MAKE PART OF THIS
FANTASTIC PRESENTATION.

I'VE BEEN IN THE CASINO INDUSTRY
FOR A FEW DECADES NOW.

THREE DAYS BEFORE I TURNED 21
YEARS OLD, MY FATHER DECIDED I
NEEDED TO GO TO WORK, SO HE TOOK
OUT AN IRONING BOARD AND TAUGHT
ME HOW TO DEAL.

THREE DAYS LATER ON MY 21st
BIRTHDAY, I WAS DEALING
BLACKJACK.

AND I WORKED AT A VARIETY OF POSITIONS THROUGHOUT THE CASINO AND HOSPITALITY INDUSTRY THROUGHOUT MY CAREER. FOR THE LAST 15 YEARS, I'VE BEEN PART OF EXECUTIVE TEAMS THAT HAVE BEEN IN THE PREOPENING DEVELOPMENT PHASES AS WELL AS OPERATIONAL PHASES. I HAVE RECRUITED TEAMS AS GREAT AS 1800 EMPLOYEES IN ENVIRONMENTS THAT HAVE 3.4% UNEMPLOYMENT WITH A TOTAL POPULATION IN THE COUNTRY OF ONLY 470,000 PEOPLE. THAT WAS AT WYNN MACAU. I WAS PART OF THE EXECUTIVE MEMBERSHIP TEAM, 12 MEMBERS, THAT MR. WYNN SAID PERFORMED FOR HIM THE MOST SUCCESSFUL OPENING IN HIS CAREER. THAT WAS IN 2006 AFTER MANY CASINOS PRIOR TO US. IN PENNSYLVANIA, I OPENED UP THE TABLE GAMES AND POKER BUSINESS AND PARKS. WE NEEDED TO HIRE 600 DEALERS, AND I HAD ATLANTIC CITY AT OUR DOORSTEP. WE COULD HAVE HIRED HAD 600 DEALERS FROM ATLANTIC CITY, BUT LIKE NEW YORK, THE PENNSYLVANIA LEGISLATION WAS INTENDED TO BENEFIT THE RESIDENTS IN THE COMMUNITIES OF PENNSYLVANIA. AND WE ARE MAKING A COMMITMENT TO HIRE OUR DEALERS AT LEAST 90% OF THEM FROM THE NEW YORK AREA. WE WILL TRAIN THEM. THIS LEGISLATION IS INTENDED FOR NEW YORKERS. I RECEIVED RECOGNITION FROM THE PENNSYLVANIA GAMING CONTROL BOARD FOR HAVING THE MOST SUCCESSFUL AND ORGANIZED TRAINING PROGRAM IN THE STATE OF PENNSYLVANIA FOR NINE CASINOS OF WHICH ALL OPENED IN NINE DAYS. WE ALSO RECEIVED RECOGNITION FOR HAVING THE MOST READY TABLE GAMES AND POKER OPERATION IN THE STATE. I BUILT EXECUTIVE TEAMS, SUCCESSFUL EXECUTIVE TEAMS, FROM

THE GROUND UP IN THE
INTERNATIONAL, DOMESTIC, AND
REGIONAL MARKETS, WHICH IS WHAT
OUR PLAN IS FOR NEVELE.
WE DON'T WANT TO IMPORT A TEAM
THAT ISN'T DESIGNED TO WORK IN
THE NEW YORK CATSKILL
ENVIRONMENT.
WE'VE ALL SEEN CASINO SIGNS THAT
SAY CASINO RESORTS.
I'VE WORKED AT SOME OF THEM.
IN MY EXPERIENCE, THOSE RESORTS
ARE TYPICALLY LIMITED TO DINING,
SHOPPING, AND SHOWS.
NEVELE GOES FAR BEYOND THAT.
WE WILL HAVE A CELEBRITY
DESIGNED CHAMPIONSHIP 18-HOLE
GOLF COURSE, FITNESS CENTER S
SPA, AND OTHER AMENITIES
THROUGHOUT THIS 460-ACRE SITE IN
A MORE SPECTACULAR SETTING THAN
YOU CAN FIND IN NEW YORK STATE.
WE HAVE FIVE MILES OF RAIL TRAIL
THAT WILL CONNECT 35 MILES OF
ALREADY EXISTING RAIL TRAIL THAT
SPAN THE WIDTH OF THE COUNTY.
NEVELE IS MORE THAN A CASINO
RESORT.
IT IS A DESTINATION CASINO
RESORT.
WE HAVE NEVELE FALLS.
LEGEND HAS IT THAT BACK IN THE
1800s, 11 SCHOOL TEACHERS WENT
AND STUMBLED UPON NEVELE FALLS.
IF YOU LOOK AT NEVELE SPELLED
BACKWARDS, IT'S 11.
IF YOU KNOW ANYTHING ABOUT THE
GAME OF CRAPS, YOU KNOW THAT 11
IS SIGNIFICANT.
PERHAPS IT'S DESTINY THAT THIS
DESTINATION RESORT BE A CASINO.
WE HAVE A SKI SLOPE.
WE HAVE TUBING, EQUESTRIAN,
TENNIS, BASKETBALL, HIKING, ICE
SKATING.
WE HAVE A ROOFTOP POOL WITH
180-DEGREE VIEWS OF THIS
FANTASTIC VALLEY.
IT'S AN INDOOR POOL, MAKING IT
USABLE BY OUR GUESTS FOR TEN
MONTHS OUT OF THE CAREER.
PRETTY UNIQUE IN OUR WEATHER UP
HERE IN NEW YORK.
IF GUESTS DON'T WANT TO ENGAGE

IN GAMING, THEY DON'T HAVE TO.
WE HAVE DESIGNED THIS PROPERTY
IN SUCH A WAY TO BE FAMILY
FRIENDLY.

OUR OUTDOOR AMENITIES, OUR HOTEL
ROOMS, OUR SPA, POOL, MANY OF
OUR FOOD OUTLETS ARE ACCESSIBLE
WITHOUT ENTERING THE GAMING
SPACE.

ARRIVAL TO OUR RESORT IS
HERALDED BY A FOUNTAIN LEADING
UP TO A REFLECTIVE POOL,
EMBRACING THE POOL IS SUPPORTED
BY LOCALLY QUARRIED STONE THAT
CAPTURED THE SUSTAINABLE SPIRIT
AND SEEMINGLY EMERGE FROM THE
LANDSCAPE BELOW.

LOOKING AT THIS ARCHITECTURE, I
CHALLENGE YOU TO DESCRIBE THIS
AS A CASINO.

IT WAS DESIGNED TO BLENDS IN AND
ENHANCE THE NATURAL LANDSCAPES.
THERE ARE NO GIANT NEON SIGNS OR
UPLIGHTING THAT DISTURB THE SKY
OR THIS BEAUTIFUL, PEACEFUL
VALLEY.

WE COVERED OUR CASINO PODIUM
WITH LIVE GREENERY SO THE RESORT
COMPLEMENTED THE ENVIRONMENT.
AND THOSE LOOKING DOWN UPON US
WILL NOT VIEW A SEA OF CONCRETE
OR PARKING.

THIS EXISTING ROUND TOWER THAT
YOU SEE HERE IS ONE OF THE THREE
BUILDINGS THAT WE ARE
REVITALIZING ON THIS PROPERTY.
THE OTHER ONE ANGEL MENTIONED IS
OUR ICE ARENA.

THE THIRD ONE YOU'LL SEE IN THE
BACKGROUND IN THIS PHOTO IS A
MIDRISE HOTEL TOWER.

WE CALL THIS WILL ICONIC ROUND
TOWER THE PRESIDENTIAL TOWER IN
HONOR OF PRESIDENT LYNDON B.
JOHNSON, WHO STAYED HERE IN 1966
FOR THE DEDICATION OF THE
ELLENVILLE COMMUNITY HOSPITAL.
OUR TASK AT HAND IS NOT JUST
ABOUT NEVELE.

IT'S ABOUT BRINGING THE HUDSON
VALLEY CATSKILLS BACK AND
REINVIGORATING OUR HOST
COMMUNITIES.

OUR HOTEL, WE ARE SO PROUD TO BE

WORKING WITH STARWARD AND THEIR WESTIN FLAG AND MANAGEMENT COMPANY TO BE OUR PARTNER IN HOTEL OPERATIONS.

OUR WESTIN FLAG HOTEL WILL BE THE FIRST IN THE CATSKILLS, AND IT WILL GIVE US ACCESS TO WESTIN'S CENTRAL RESERVATION SYSTEM THAT WILL HELP KEEP OUR 446-ROOM HOTEL BOOKED.

NOT ONLY DOES THIS GIVE NEVELE A PREMIER HOTEL OPERATOR WITH A SUPERIOR BRAND, IT GIVES US ACCESS TO THE STARWOOD PREFERRED GUEST MEMBERSHIP DATABASE, WHICH IS 19 MILLION MEMBERS STRONG.

WHAT DOES THIS MEAN FOR NEVELE? IT MEANS THAT WE HAVE AN EXCELLENT MARKETING LAUNCH PAD. WE HAVE A VERY STRONG DATABASE FROM WHICH TO MARKET AND GROW PLAYERS, GUESTS.

STARWOOD IS CONFIDENT THROUGH THEIR INSIGHT, RESEARCH AND FAMILIARITY WITH THEIR 19-MILLION MEMBER DATABASE, THAT THEIR STARWOOD PREFERRED GUEST PROGRAM WOULD BE, AND I QUOTE FROM THEM, PARTICULARLY ATTRACTED TO A DESTINATION RESORT IN THE CATSKILLS.

IN ADDITION TO NEVELE'S OWN MARKETING EFFORTS, STARWOOD WILL PROVIDE TARGETED ADVERTISING AND MARKETING TO THEIR 1 MILLION STARWOOD PREFERRED GUEST MEMBERS WHO LIVE WITHIN A 350-MILE RADIUS OF NEVELE.

WE HAVE A WIDE VARIETY OF RESTAURANTS, ENTERTAINMENT, BAR, LOUNGES.

WE HAVE A NIGHTCLUB.

WHEN A STEAKHOUSE WAS CHOSEN TO BE OUR FINE DINING OPTION, BEING IN NEW YORK, THE CHOICE IN PARTNERS WAS EASY.

WE CHOSE OLD HOMESTEAD.

OLD HOMESTEAD HAS BEEN IN ITS FLAGSHIP LOCATION IN THE MEAT PACKING DISTRICT SINCE 1868. AND THEY KNOW HOW TO RUN FOOD AND BEVERAGE IN A CASINO OPERATION.

THEIR FIRST VENTURE INTO CASINO

WAS IN BORGATA IN ATLANTIC CITY.
11 YEARS AGO WHEN BORGATA
OPENED, OLD HOMESTEAD WAS ONE OF
THE ORIGINAL RESTAURANTS.
TODAY IT'S THE ONLY ORIGINAL
RESTAURANT THAT IS STILL IN
OPERATION.

OLD HOMESTEAD TOOK A SECOND
VENTURE IN CASINOS ON THE LAS
VEGAS IN 2011.

AND NEVELE IS VERY PROUD TO BE
THE THIRD CASINO DESTINATION FOR
OLD HOMESTEAD.

IN ADDITION TO OUR DINING AND
RESTAURANTS, WE HAVE OVER 20,000
SQUARE FEET OF CONFERENCE AND
MEETING SPACE, ALLOWING US TO
ADDITIONAL BUSINESS TO OUR
LEISURE AND VACATION BUSINESS.
WE'LL HAVE CONVENTIONS,
WEDDINGS, BAR MITZVAHS, THINGS
THAT WILL KEEP US BUSY DURING
THE WEEK AND ALL SEASONS OF THE
YEAR.

THE DRAMATIC INTERIORS ARE A
CELEBRATION OF THE PROPERTY'S
HISTORIC PAST, RECAST IN NEO ART
DECO.

PLUSH AND INVITING SPACES WILL
PROVIDE A CHARMING AND
COMFORTABLE ENVIRONMENT FOR
GUESTS, CREATING THE PLAY AREAS
NECESSARY FOR SUCCESSFUL CASINO
OPERATIONS.

SMARTLY SCALED SPACES WILL BE
INFUSED WITH PATTERN, COLOR,
WHIMSY TO REFLECT THE HISTORY OF
THE SITE AND THE REGION AS WELL
AS THE STYLE OF THE EXISTING
BUILDINGS.

THE MATERIALS, FINISHES,
FURNISHES, COLOR, AND LIGHTING
WILL BE USED TO COMPLEMENT THE
OVERALL NEO ART DECO THEME THAT
WILL BE REFLECTED DOWN TO THE
SMALLEST DETAIL.

AND AT THE CENTER OF THIS RESORT
IS 80,000 SQUARE FEET OF CASINO
SPACE COMPRISING OF TABLE GAMES,
SLOT MACHINES, ELECTRONIC GAMING
MACHINES, AS THEY'RE CALLED
THESE DAYS BECAUSE SLOTS WENT
AWAY A LONG TIME AGO.

WE HAVE A HIGH-LIMIT GAMING

ROOM.

WE'LL HAVE A SPECIALTY GAMING AREA.

IN ADDITION TO PROVIDING AN EXCELLENT GAMING PRODUCT, NEVELE WILL HIRE AND TRAIN CUSTOMER CENTRIC EMPLOYEES TO PROVIDE THE EXCELLENT CUSTOMER SERVICE THAT CASINO CUSTOMERS DEMAND AND DESERVE.

THESE EMPLOYEES WILL NOT BE NICE TO HAVE.

THEY WILL BE MUST HAVES.

AND NEVELE HAS COMMITTED TO WORKING WITH ITS RECRUITING AND TRAINING PARTNERS TO INSTILL THIS IN ALL APPLICANTS REFERRED TO NEVELE.

CUSTOMERS HAVE A CHOICE ON WHERE THEY GO TO DINE, TO STAY, TO PLAY, TO GET THEIR ENTERTAINMENT.

MOST CASINOS OFFER BLACKJACK, CRAPS, ROULETTE, SLOT MACHINES, VIDEO POKER, BUT ONLY NEVELE CASINO RESORT AND SPA OFFERS NEVELE-TRAINED EMPLOYEES, OFFERING CUSTOMER-CENTRIC SERVICE WHILE RECOGNIZING, APPRECIATING, AND UNDERSTANDING THE TRUE VALUE OF CUSTOMERS.

WHEN CUSTOMERS ARE SERVICED IN THIS WAY, THEIR CHOICES ARE INHERENTLY MINIMIZED, THEIR DECISION IS QUITE EASY.

LET'S GO TO NEVELE.

ANOTHER WAY NEVELE COMMITS TO SERVICING ITS CUSTOMERS AND EMPLOYEES IS THROUGH THE ESSENTIALS OF A PROBLEM GAMBLING PROGRAM.

WITH THAT, I'D LIKE TO TURN THIS OVER TO JIM OF THE NEW YORK COUNCIL ON PROBLEM GAMBLING.

THANK YOU.

>> GOOD AFTERNOON, EVERYBODY.

I'M THE EXECUTIVE DIRECTOR OF THE NEW YORK COUNCIL ON PROBLEM GAMBLING.

I'VE BEEN THE EXECUTIVE DIRECTOR SINCE 2001.

THE COUNCIL'S MISSION IS TO RAISE THE AWARENESS OF PROBLEM GAMBLING IN THE STATE OF NEW

YORK AND ACCESS SERVICES FOR ALL NEW YORKERS THAT MAY NEED THEM. ABOUT A YEAR AGO NEVELE CAME AND APPROACHED US TO HELP THEM DEVELOP THEIR PROBLEM GAMBLING PLAN.

DURING THIS FIRST MEETING, WE DISCUSSED THAT THE ONLY WAY WE'D BE INVOLVED IN THIS PROGRAM IS IF WE DID IT THE BEST WAY POSSIBLE.

SO WHAT DID WE DO?

WE TOOK A LOOK AT THIS AND WE DECIDED THAT WE'D ADDRESS IT IN THREE DISTINCT AREAS.

THE FIRST AREA THAT WE TOOK A LOOK AT WAS EMPLOYEE TRAINING. WE DECIDED THAT THE EMPLOYEES -- THERE WOULD BE THREE DIFFERENT LEVELS OF EMPLOYEE TRAINING. FIRST, ALL EMPLOYEES WOULD BE TRAINED IN PROBLEM GAMBLING. THAT MEANS WE'D RAISE THE AWARENESS OF PROBLEM GAMBLING, TEACH THE WARNING SIGNS TO ALL, MAKE SURE THAT FOLKS KNEW WHAT TO DO IF THEY SUSPECTED ONE OF OUR CUSTOMERS WAS HAVING AN ISSUE.

THE SECOND LEVEL WOULD BE DEALING WITH THE MIDLEVEL MANAGERS.

THEY WOULD BE TRAINED TO INTERVENE WITH ANYBODY THAT MAY HAVE DIFFICULTIES ON THE CASINO FLOOR.

THEY WOULD MAKE SURE THAT THEY USED THE CARE AND CONCERN APPROACH TO FIND OUT HOW EVERYBODY IS DOING.

THAT THEN THEY WOULD BE THE BACKBONE OF THE TRAINING BECAUSE THOSE FOLKS WOULD BE THE FOLKS THAT WERE GOING TO DEAL WITH THE CUSTOMERS AND MAKE SURE IF THEY NEED HELP, THEY GET THE HELP THEY NEEDED.

THE FINAL LEVEL OF THE TRAINING WOULD BE SENIOR MANAGEMENT. THEY'D BE RESPONSIBLE FOR ALL THE TRAINING.

THEY'D BE RESPONSIBLE FOR MAKING SURE THAT THIS PROGRAM IS EFFECTIVE AND THAT IT WORKS.

SO WE'RE VERY PLEASED IN THAT
LEVEL OF TRAINING.

THE SECOND AREA THAT NEEDED TO
BE ADDRESSED WAS HOW WE'RE GOING
TO ADDRESS PROBLEM GAMBLING IN
THE CASINO.

BESIDES HAVING SIGNAGE, INSTANT
MESSAGING, WEBSITES IN EVERY
PIECE OF MARKETING THAT GOES OUT
THAT HAS A RESPONSIBLE GAMBLING
MESSAGE, WE ALSO TOOK A LOOK AT
DEVELOPING A RESOURCE CENTER ON
PROPERTY.

AND THIS RESOURCE CENTER WOULD
BE AVAILABLE FOR ANYBODY THAT
WANTED TO LEARN MORE ABOUT
GAMBLING.

MAYBE THEY WANTED TO LEARN ABOUT
THE ODDS OF GAMBLING, THE MYTHS
OF GAMBLING.

PERHAPS THEY WANTED TO TALK TO
ONE OF THE MIDDLELEVEL MANAGERS
ABOUT THEIR OWN GAMBLING.

WE'D ALSO USE THIS RESOURCE
CENTER TO DEAL WITH
SELF-EXCLUSION.

THE GOOD NEWS IS THAT WE'D TAKE
THIS SELF-EXCLUSION PROGRAM
THAT'S BEEN A SECURITY ISSUE
TYPICALLY TO A HELPFUL PROGRAM.
WE'D MAKE SURE ANYBODY THAT'S
HAVING A GAMBLING PROBLEM GETS
THE HELP THEY NEED.

FOR OFTEN DURING THE
SELF-EXCLUSION PROGRAMS, IT
WOULD BE THE FIRST TIME SOMEONE
SHARES WITH ANOTHER PERSON THAT
THEY MAY HAVE A GAMBLING
PROBLEM.

WE WANT TO MAKE SURE THAT WHEN
THAT HAPPENS, WE GET THEM THE
HELP THEY NEED.

THE THIRD LEVEL AND PROBABLY THE
MOST UNIQUE LEVEL OF THIS WHOLE
PROGRAM IS ADDRESSING PROBLEM
GAMBLING IN THE COMMUNITY.

SO WE'VE ADDRESSED IT BY
EDUCATING THE EMPLOYEES.
WE'VE ADDRESSED IT ON THE CASINO
FLOOR.

AND NOW WHAT WE HAVE TO DO IS
ADDRESS IT IN THE COMMUNITY.
WE NEED TO MAKE SURE THAT WE ARE
DOING OUR PREVENTION, OUR

EDUCATION, AND OUR PUBLIC
AWARENESS OUT IN THE COMMUNITY.
SO THE COMMUNITY IS INFORMED.
THEY'RE INFORMED BEFORE THEY GO
GAMBLING OR KNOW WHAT THE
WARNING SIGNS ARE ABOUT PROBLEM
GAMBLING.
THIS IS A UNIQUE APPROACH.
WE BELIEVE THIS APPROACH IS MOST
BENEFICIAL FOR THE WHOLE
COMMUNITY.
AND THE THIRD AREA IS WE'RE
GOING TO MAKE SURE THERE'S
TREATMENT AVAILABLE FOR ANYBODY
IN THE COMMUNITY THAT NEEDS IT.
I STARTED THE LITTLE
PRESENTATION BY SAYING WE
WOULDN'T DO THIS UNLESS THIS WAS
THE BEST POSSIBLE PROBLEM
GAMBLING PLAN.
I CAN SHARE WITH YOU THIS IS THE
BEST POSSIBLE PROBLEM GAMBLING
PLAN THAT THERE IS.
AND I WOULD SAY THAT THIS MODEL
SHOULD NOT ONLY BE USED HERE BUT
IN EVERY CASINO FACILITY
THROUGHOUT THE STATE OF NEW
YORK.
THANK YOU.
>> THANK YOU, JIM.
WE'RE VERY, VERY PROUD OF OUR
PARTNERSHIP WITH YOU.
LET'S TALK ABOUT THE NUMBERS.
LET'S TALK ABOUT THE REAL
NUMBERS.
SO THERE IS WORKING POPULATION
DECLINE, UNEMPLOYMENT LEVELS
ROSE, POVERTY LEVELS ROSE.
HERE'S WHERE WE ARE NOW.
64% OF THE CHILDREN WHO ATTEND
SCHOOL IN ELLENVILLE RECEIVE
FREE OR REDUCE THE LUNCH.
THAT'S DOUBLE THE RATE IN
DUCHESS COUNTY AND SIGNIFICANTLY
HIGHER THAN THE 40% RATE IN
ORANGE COUNTY.
MORE THAN 20% OF THE PEOPLE WHO
LIVE IN ELLENVILLE LIVE BELOW
THE POVERTY LEVEL.
THAT'S SIGNIFICANTLY HIGHER THAN
THE NATIONAL AND NEW YORK STATE
RATE, BOTH OF WHICH HOVER AROUND
15%.
HOUSEHOLD INCOME IS

APPROXIMATELY \$20,000, JUST
TWO-THIRDS OF THE STATE'S
\$32,000 AVERAGE.

SO WHILE ALL THE APPLICANTS CAN
SPEAK OF INVESTMENT, JOB
CREATION, AND REVENUE
GENERATION, I BELIEVE THAT THE
NEVELE ALONE WILL HAVE THE MOST
TRANSFORMATIVE IMPACT ON THE
LOCAL ECONOMY.

THE NEVELE SERVES AS AN ECONOMIC
LIFEBOAT FOR THE REGION.

THIS ONE PROJECT CAN REVERSE ALL
OF THESE TRENDS.

THE REDEVELOPMENT OF THE RESORT
WILL RESTORE JOBS AND END
UNEMPLOYMENT.

THE JOBS WE WILL BE CREATING
WILL BE LIVING WAGE JOBS THAT
OFFER CAREER OPPORTUNITIES.

IT WAS CRAFTED WITH PLACES JUST
LIKE ELLENVILLE IN MIND.

>> WHAT WE WERE DOING FOR THESE
YEARS WAS TO GET THIS AREA READY
FOR THE DAY THAT SOMETHING BIG
HAPPENED.

>> WHERE IS THE FUTURE OF
ELLENVILLE?

WHERE ARE THE JOBS GOING TO COME
FROM, IF NOT FOR A JOB LIKE
THIS?

>> IF YOU REFER BACK TO WHAT
GOVERNOR CUOMO SAID, HIS IDEA
WAS TO USE CASINOS AND CASINO
LICENSES TO RESTORE ECONOMIC
DEVELOPMENT REQUIRED HERE IN THE
CATSKILLS.

THIS CERTAINLY FITS THAT BILL
PERFECTLY.

>> WE HAVE A REAL OPPORTUNITY TO
OPEN UP AND BE A GATEWAY INTO
ELLENVILLE.

>> THE NEVELE REPRESENTS THE
LAST BEST HOPE FOR THE ECONOMIC
DEVELOPMENT OF ELLENVILLE.

>> IN ELLENVILLE, THE EXCITEMENT
WAS BUILT.

>> YOU GOT TO BRING THE
CATSKILLS BACK.

>> WE NEED THE NEVELE.
WE'VE BEEN WAITING FOR THE
NEVELE.

WE'RE READY FOR THE NEVELE.

>> I THINK THE NEVELE PROJECT IS

THE RIGHT PROJECT FOR THE RIGHT PLACE AT THE RIGHT TIME.
>> THIS WOULD LIFT UP THE WHOLE EASTERN SIDE OF THE CATSKILLS.
>> WE HAVE TO THINK ABOUT WHAT IT MEANS FOR THE BROADER PERSPECTIVE OF ALL OF NEW YORK. WE'RE ALL ONE NEW YORK.
>> THIS WAS OUR LIFE, AND IT WAS WHAT WE DID AS NOT ONLY A BUSINESS BUT AS A WAY OF LIFE.
>> THE NEVELE HOLDS A VERY SPECIAL PLACE IN OUR HEARTS.
>> WE SPENT OUR HONEYMOON HERE IN 1938.
>> I WOULD BE VERY HAPPY TO SEE THE NEVELE COME BACK. IT BRINGS BACK WONDERFUL MEMORIES.
>> IT'S IMPORTANT TO BRING THE NEVELE BACK SO WE BRING THE COMMUNITY BACK TO WHERE IT WAS IN ITS HEYDAY.
>> PEOPLE CAN FIND GOOD PAYING JOBS. THE COMMUNITY IS GOING TO CHANGE. THE WHOLE FABRIC OF THE COMMUNITY. PEOPLE WILL BUY HOMES, INVEST MONEY IN THEIR CURRENT HOMES. I THINK IT'S JUST A COMMUNITY PRIDE THAT WILL COME BACK.
>> MY NAME IS BRANDON. I'VE BEEN LIVING IN ELLENVILLE FOR TEN YEARS. I'M A SENIOR IN HIGH SCHOOL. ELLENVILLE IS A WONDERFUL PLACE. THE SCENERY HERE IS RARE AND YOU CAN'T FIND IT ANYWHERE. I WOULD LOVE TO COME BACK HERE AFTER COLLEGE, BUT UNFORTUNATELY, THERE'S NOTHING TO COME BACK TO. ELLENVILLE IS IN DIRE NEED OF AN ECONOMIC BOOST.
>> FIVE-MINUTE WARNING.
>> WELL, THAT CONCLUDES OUR PRESENTATION. I'D LIKE TO REITERATE MY INITIAL POINT. I'M HERE BECAUSE I'M COMPELLED TO BE HERE BY THE OVERWHELMING STRENGTH OF THIS OPPORTUNITY.

THE NEVELE IS THE ONLY ECONOMIC
OPTION FOR ALL OF ULSTER COUNTY.
THANK YOU.

>> WE'RE READY TO TAKE ANY
QUESTIONS.

>> I HAVE TWO.

ONE RELATES TO FINANCING AND
WHERE YOU STAND ON THAT.

DOES BEING SHOVEL READY MEAN
YOUR FINANCING IS IN PLACE?

>> IT DOES.

OUR FINANCING IS IN PLACE.

WE HAVE A \$300 MILLION
COMMITMENT, A HIGHLY CONFIDENT
LETTER FROM DEUTSCH BANK.

AND I'M MEETING THE EQUITY
COMPANIES, WHICH WILL BE A
MINIMUM OF \$100 MILLION AND AN
ADDITIONAL \$140 MILLION TO GET
US TO THE TOTAL \$640 MILLION
CAPITAL STACK.

>> HOW LONG UNTIL YOU'RE
COMMITTED?

>> EXCUSE ME?

>> HOW LONG UNTIL THAT'S
COMMITTED?

>> WELL, IT'S COMMITTED NOW.
SO WE WOULD BEGIN -- WE WOULD
COMPLETE IT AFTER THE LICENSE
WAS ISSUED.

>> I'M DISTINGUISHING BETWEEN
HIGHLY CONFIDENT LETTERS AND --

>> OH, SURE.

WELL, AS YOU KNOW, THE LICENSE
WOULD BE THE TRIGGER FOR THAT.

>> HOW LONG?

>> I WOULD SAY ANOTHER THREE
MONTHS OR SOMETHING.

>> AND A SECOND QUESTION.

WE HEARD FROM THE PEOPLE WHO
HAVE THE CONCORD PROPOSAL.

THEY THINK THERE'S A LOT OF
SYNERGIES TO HAVING TWO HOTELS
AND CASINOS IN THE AREA.

IS THAT SOMETHING YOU SHARE?

>> ABSOLUTELY.

100%.

WE'RE JUST ONE ANCHOR.

IF YOU WANT TO REVITALIZE THE
WHOLE REGION, YOU NEED TWO, AND
THE COMMUNITY TRAFFIC AND
RESIDUAL ECONOMIC SORT OF
RUNOFF, SPILLOFF, WILL IGNITE
THE ENTIRE AREA.

>> AND ON THE OTHER ISSUE, HOW WOULD YOU FEEL ABOUT A CASINO IN ORANGE COUNTY?

>> YOU KNOW, I DON'T REALLY SEE HOW THE CATSKILLS SURVIVE IF THERE'S A CASINO THAT CLOSE TO MANHATTAN.

I THINK IT WOULD SERVE AS A DAM. IT WOULD COMPLETELY SHUT OFF THE UPSTATE REGION.

>> DOES THAT MEAN YOUR PROPOSAL DOESN'T GO FORWARD IF THERE'S AN ORANGE COUNTY PROPOSAL?

>> IT DOES NOT GO FORWARD.

>> IS THAT ANY PROPOSAL IN ORANGE COUNTY REGARDLESS OF LOCATION?

>> WE'RE CREATING A DESTINATION RESORT, SO WE DO THINK THAT ULTIMATELY WE CAN COMPETE IN AN ENVIRONMENT WHERE WE HAVE COMPETITORS THAT ARE OTHER OPTIONS.

AS THE NEVELE, WE'RE GOING TO DRAW HEAVILY UPON OUR HISTORY. WE'RE NOT ATTEMPTING TO BE A GAMING DESTINATION.

WE'RE ATTEMPTING TO BE A PURE FOUR-SEASON RESORT DESTINATION. WE HAVE OFFERINGS I DON'T THINK ANY OF THE ORANGE COUNTY OFFERINGS CAN COMPETE WITH. BUT I THINK IT WOULD BE VERY DIFFICULT TO CONVINCING THE FINANCIAL COMMUNITY THAT IT IS NOT A REAL PROBLEM COMING OUT OF THE GATE.

NOW, ED IN THE FUTURE, WHEN THE ADDITIONAL LICENSES ARE ISSUED, I THINK WE'LL HAVE A STRONG FOUNDATION AND WE WILL HAVE AN ABILITY TO COMPETE.

BUT STRAIGHT OUT OF THE BOX, I THINK IT WOULD BE A REAL CHALLENGE.

>> HOW LONG FROM ISSUANCE OF A LICENSE UNTIL FIRST GUEST?

>> UNTIL THE FIRST GUEST?

24-MONTH CONSTRUCTION TIME.

>> THANK YOU.

>> DENNIS ASKED EVERY QUESTION I WAS GOING TO ASK.

>> YOU GUYS GOT TO COMMUNICATE A LITTLE BETTER THEN.

>> I MENTIONED EARLIER I'VE NEVER BEEN UP TO THIS PART OF THE CATSKILLS. BUT I DO REMEMBER THE NEVELE COMMERCIALS ON CHANNEL 11. FOND MEMORY. RIGHT NEXT TO THE PALISADES AMUSEMENT PARK COMMERCIALS. THANK YOU FOR YOUR PRESENTATION. WE APPRECIATE IT. I'M SORRY, STU. THANK YOU.

>> I JUST WANT SOME CLARIFICATION. I DON'T KNOW IF YOU WERE PRESENT, BUT WE HAD A PRESENTATION FROM AN APPLICANT WHO WANTED TO ESTABLISH A CASINO IN NEWBURGH, WHICH IS IN ORANGE COUNTY. ARE YOU -- THEY SAID THERE WOULD BE NO OR LITTLE IMPACT ON ANYTHING IN THE CATSKILLS. BECAUSE YOU HAVE TO CHOOSE ROUTE 17 OR THE THROUGHWAY BEFORE YOU GOT TO NEWBURGH. SO I UNDERSTAND WHAT YOU'RE SAYING ABOUT ORANGE COUNTY. BUT DO YOU THINK IN NEWBURGH, BECAUSE THERE ARE TWO APPLICANTS AROUND THERE, DO YOU THINK THAT WOULD HAVE A NEGATIVE IMPACT, SUCH THAT YOU WOULDN'T PURSUE THIS OR YOU THINK THAT FINANCING WOULD BE IMPOSSIBLE?

>> I THINK FINANCING WOULD BE DIFFICULT TO IMPOSSIBLE IN THAT CASE AS WELL.

>> OKAY.

AND MY OTHER QUESTION IS ON THE PROBLEM GAMBLER.

SO I'M SORRY, I MISSED THE NAME OF THE PRESENTER.

I HAVE TWO QUESTIONS.

ONE, WHAT IS A PROBLEM GAMBLER, SINCE EVERY ONE OF THE APPLICANTS HAVE TO DEAL WITH THAT?

AND TWO, WHAT ORGANIZATION AND WHAT KIND OF ORGANIZATION DOES THE SPOKESPERSON REPRESENT?

>> SURE.

I'M ACTUALLY GOING TO LET JIM ANSWER THAT QUESTION.

>> SURE.

HI.

STU, RIGHT?

THE DEFINITION OF A PROBLEM
GAMBLER YOU WOULD FIND IN THE
DSM-5.

IT'S A BASIC CRITERIA NO
DIFFERENT THAN YOU'D FIND FOR
ALCOHOLISM OR DRUG ADDICTION OR
SCHIZOPHRENIA.

THAT'S HOW YOU BASICALLY DEFINE
PROBLEM GAMBLING ON A DIAGNOSTIC
SCALE.

THE WAY I DO, AND THIS IS MY OWN
STUFF, I DEFINE PROBLEM GAMBLING
AS ANY GAMBLING RELATED ACTIVITY
THAT CAUSES A PROBLEM.

MOST PROBLEM GAMBLERS DON'T
BELIEVE THEY HAVE A GAMBLING
PROBLEM, BUT MOST WIVES OF
PROBLEM GAMBLERS BELIEVE THEY
HAVE A PROBLEM.

THERE'S A BUNCH OF DIFFERENT
WAYS TO LOOK AT IT.

WE MAKE IT ANYTHING THAT'S
CAUSING PROBLEMS IN SOMEONE'S
LIFE IS PROBLEMATIC.

I HOPE THAT ANSWERS YOUR
QUESTION.

>> SOMEWHAT.

YOU KNOW, IT STILL IS VERY FUZZY
TO ME HOW YOU IDENTIFY SOMEBODY
WHO INSTEAD OF BUYING SOME
COMMODITY THAT WOULD BE
EXTREMELY USEFUL TO HIS OR HER
CHILDREN, LET'S SAY, DECIDES TO
GAMBLE INSTEAD.

I DON'T KNOW IF THAT'S A PROBLEM
GAMBLER OR A GAMBLER WITH
MISPLACED PRIORITIES.

IT APPEARS TO BE THAT'S VERY
DIFFICULT TO IDENTIFY.

BUT THE OTHER THING IS WHAT IS
YOUR ORGANIZATION, AGAIN?

IS IT CONNECTED AT ALL TO --

IS THIS THE ONLY PROJECT THAT
YOU'RE WORKING WITH OF ALL THE
APPLICANTS?

>> OUR JOB IS TO RAISE AWARENESS
OF PROBLEM GAMBLING IN THE STATE
OF NEW YORK.

WE HAVE OUR CONTRACT WITH THE
STATE OF NEW YORK TO PROVIDE
THESE SERVICES.

WE'VE BEEN AROUND SINCE 1994.
WE WORK WITH ANY ORGANIZATION
THAT WANTS TO HAVE MORE
INFORMATION ABOUT PROBLEM
GAMBLING.

SO ON THE PROBLEM GAMBLING
PLANS, I THINK I'VE HAD
DISCUSSIONS ON DIFFERENT LEVELS
WITH PROBABLY 11 OR 12 OF THE 16
APPLICANTS THAT HAVE SUBMITTED
HERE TODAY ON DIFFERENT LEVELS.

>> IF THEY ASK YOU TO APPEAR IN
THE PRESENTATION, WOULD YOU
HAVE?

>> I DIDN'T QUITE HEAR THAT.
YEAH, MY JOB IS TO RAISE
AWARENESS OF PROBLEM GAMBLING IN
THE STATE OF NEW YORK.

I HAVE FIVE MINUTES TO TELL MY
PLANS.

THIS IS COOL FOR ME.

THIS IS FANTASTIC.

SO YEAH, WE'RE VERY PLEASED.
I'LL SIT AROUND AND TALK FOR THE
REST OF THE DAY IF YOU'D LIKE,
EVERY PRESENTATION.

>> SO STUART, COMMISSIONER, I'D
LIKE YOU TO HAVE ONE TAKEAWAY
FROM THAT.

I WOULD GUESS THEN THAT WE'RE
THE ONLY ONES THAT ASKED, WHICH
DEMONSTRATES OUR COMMITMENT TO
PROBLEM GAMBLING.

>> I GET IT.

I GET IT.

>> ON THAT NOTE, WE THANK YOU
VERY MUCH FOR YOUR PRESENTATION.

NEXT UP WILL BE --

[APPLAUSE]

\M\M

>>> I'LL GIVE YOU A FIVE-MINUTE
WARNING TO WRAP UP.

>> THANK YOU.

GOOD AFTERNOON, EVERYBODY.

I'M NANCY.

I HAVE SERVED AS A MEMBER OF THE
BOARD OF DIRECTORS OF EMPIRE
RESORTS SINCE 2009.

PRIOR TO JOINING EMPIRE RESORTS,
I SPENT 25 YEARS IN STATE
GOVERNMENT SERVING THE PEOPLE OF
THE STATE OF NEW YORK.

AS SUCH, I'D LIKE TO TAKE THIS

OPPORTUNITY TO THANK ALL OF YOU
TO YOUR SERVICE TO NEW YORK
STATE BY SERVING ON THIS BOARD.
TODAY, I'M PRIVILEGED AND PROUD
TO BE HERE WITH A GREAT TEAM OF
PEOPLE TO TALK ABOUT HOW EMPIRE
SPORTS HAVE DEVELOPED A
COMPREHENSIVE MASTER PLAN THAT
CLEARLY AND COMPLETELY MEETS THE
INTENT OF THE UPSTATE NEW YORK
GAMING ECONOMIC DEVELOPMENT ACT.
OVER THE NEXT 45 MINUTES, WE
WILL SHOW THE FACILITY LOCATION
BOARD AND THIS WONDERFUL
AUDIENCE HOW WE WILL DRIVE
REGIONAL TOURISM TO THE
CATSKILLS AND HOW THIS SURGE OF
NEW VISITATION TO ONE OF THE
EMPIRE STATE'S MOST BEAUTIFUL
AND SCENIC REGIONS WILL CREATE
GOOD-PAYING JOBS AND ECONOMIC
GROWTH FOR AN AREA OF UPSTATE
NEW YORK THAT HAS WAITED
GENERATIONS FOR THIS VERY
OPPORTUNITY.

WHAT HAVE WE CREATED?

WHAT IS OUR MASTER PLAN ALL
ABOUT?

HOW ARE WE DRIVING TOURISM AND
MEET THE INTENT OF THE UPSTATE
NEW YORK GAMING ECONOMIC
DEVELOPMENT ACT?

THE ANSWER IS THIS.

FOUR SEASONS OF INDOOR FUN AND
OUTDOOR ENTERTAINMENT.

WHAT WE'RE ABOUT TO SHOW YOU
RIGHT NOW IS A CATSKILL
DESTINATION REBORN.

\M\M

\M\M

>> NOW I'D LIKE TO INTRODUCE
CHAIRMAN OF THE BOARD OF
DIRECTORS OF EMPIRE RESORTS.
MANNY?

>> THANKS, NANCY.

GOOD AFTERNOON, EVERYONE.

I ALSO WANT TO THANK ALL OF OUR
EMPLOYEES WHO WERE ABLE TO COME
TODAY TO SUPPORT US.

WE APPRECIATE IT.

WE'RE SO PLEASED TO BE HERE
TODAY TO SHARE A VISION THAT IS
UNLIKE ANY PROJECT THAT YOU HAVE
SEEN OVER THE LAST FEW DAYS.

BROUGHT TO YOU BY EMPIRE RESORTS
AND OUR PARTNER EPR PROPERTIES.
AS CHAIRMAN OF EMPIRE RESORTS,
I'M PROUD TO SAY WE'RE THE ONLY
EXISTING OPERATOR IN THE
CATSKILLS TODAY.

WE'RE A PUBLICLY TRADED COMPANY
ON NASDAQ AND ARE INCLUDED IN
BOTH THE RUSSELL 2,000 AND 3,000
INDICES.

WE HAVE A PROVEN TEAM, A WORLD
CLASS PARTNER IN EPR PROPERTIES,
AND ARE FULLY FINANCED AND READY
NOW.

I'D LIKE TO TAKE A MOMENT TO
INTRODUCE OUR TEAM.

OUR COMBINED EXPERIENCE IS
ALMOST A CENTURY IN GAMING AND
ENTERTAINMENT THROUGH ALL
ASPECTS OF BUSINESS FROM CONCEPT
DEVELOPMENT THROUGH FINANCING
AND CONSTRUCTION, OPERATIONS AND
EXPANSION.

WITH US TODAY IS OUR CEO, OUR
COO, CHIEF COUNSELOR, AND OUR
EVP OF GOVERNMENT AFFAIRS.

THIS PROJECT IS LIKE NO OTHER.
OUR COMMITMENT IS UNPARALLELED,
AND OUR PROJECT GOES WELL BEYOND
GAMING AS YOU WILL SEE IN THE
UPCOMING VIDEO SHORT.

THIS IS A \$1 BILLION
ENTERTAINMENT AND LIFESTYLE
COMPLEX.

AND OUR PROJECT TRULY WILL BE A
GAME CHANGER FOR SULLIVAN
COUNTY.

OUR MANTRA HAS REMAINED
UNCHANGED.

WE WANT TO REINVENT, REVITALIZE,
AND REIMAGINE, AND WE ARE READY
NOW.

LET ME INTRODUCE YOU TO
MONTREIGN.

>> MONTREIGN IS A BOLD NEW
APPROACH.

>> THIS IS WHAT SULLIVAN COUNTY
HAS BEEN WAITING FOR.

>> MONTREIGN IS AMBITIOUS, AND A
CONSUMMATE EXAMPLE OF A
WORLD-CLASS DESTINATION GAMING
RESORT ENVISIONED FOR UPSTATE
NEW YORK.

>> THIS IS A GAME CHANGER.

>> WHEN WE WERE CREATING THE VISION FOR MONTREIGN, WE WANTED TO BUILD AN ENTERTAINMENT DESTINATION THAT WAS GOING TO BE TRULY INNOVATIVE.

WE BELIEVE PLAYERS ARE TIRED OF THE SAME OLD CASINO EXPERIENCES. WE NEED TO REINVENT, REIMAGINE, AND REVITALIZE.

MONTREIGN WILL BE DIFFERENT.

>> THINK ABOUT IT THIS WAY.

HOW MANY CASINOS WILL OFFER THE ABILITY TO DRIVE

HIGH-PERFORMANCE EXOTIC CARS AT OVER 140 MILES PER HOUR ON A FOUR-MILE PRIVATE RACE TRACK?

>> BECAUSE OF THE RESORT'S RELATIONSHIP WITH OUR ELITE MOTOR CLUB LOCATED JUST MINUTES AWAY, MONTREIGN'S VIP CUSTOMERS CAN DO JUST THAT.

>> OUR NEW CASINO WILL BREAK THE MOLD WITH PLAYER EXPERIENCE.

WE'RE BRINGING ENTERTAINMENT AND QUALITY DINING BACK TO THIS REGION.

>> OUR FOUR-STAR HOTEL IS PRECISELY WHAT SULLIVAN COUNTY NEEDS TO REVITALIZE TOURISM.

>> MONTREIGN RESORT CASINO HAS BEEN DESIGNED TO ALLOW ITS GUESTS AN EXPERIENCE OF CASUAL ELEGANCE REMINISCENT OF THE DAYS WHEN THE CATSKILLS WERE AT THE HEIGHT OF THEIR POPULARITY. THIS SITE OFFERS LEISURE AND RELAXATION WHILE CELEBRATING THE NATURAL ENVIRONMENT AND TRULY ENL BRACES THE PRIME VISTAS OF THE REGION.

OUR HOTEL'S EXTERIOR DESIGN, WHILE MODERN AND CHIC, WAS CREATED TO REFLECT THE SURROUNDINGS OF NATURE AND THE PANORAMAS OF THE ROLLING WOODLAND AND ALSO TO COMPLEMENT THE ARCHITECTURE OF THE MASTER PLAN.

>> SULLIVAN COUNTY HAS BEEN WAITING YEARS TO GET THE RIGHT OPPORTUNITY.

THIS PROJECT'S TIME HAS COME.

>> MONTREIGN IS THE CENTER PIECE OF A GRAND VISION.

IT'S GREAT TO WORK WITH A PARTNER LIKE EPR PROPERTIES, WHICH IS DEEPLY COMMITTED TO THE CATSKILLS.

IT'S DESIGNED TO BE A ONE OF A KIND DEVELOPMENT THAT WILL DRIVE TOURISM TO THIS REGION FOR YEARS TO COME.

>> EVEN OUR CULINARY APPROACH WILL HIGHLIGHT THE DIVERSITY OF THE OFFERINGS IN THE REGION AND WILL INCLUDE AN ITALIAN STEAKHOUSE CREATED BY CELEBRITY CHEF SCOTT CONAN.

>> I'LL FOCUS ON CULINARY EFFORTS WHILE DELIVERING A DINING EXPERIENCE THAT WILL RIVAL ANYTHING I'M DOING NATIONWIDE.

ARTISAN PASTAS WILL BE ON THE MENU.

FRESH PASTAS, RAVIOLI.

>> WHEN YOU THINK ABOUT ALL WE HAVE TO OFFER TO VISITORS, YOU BEGIN TO SEE WHY THIS PROJECT IS ONE OF A KIND IN THE STATE.

WE'LL KEEP TOURISM AND REVENUE IN NEW YORK STATE AND BRING NEW VISITORS FROM PENNSYLVANIA, MASSACHUSETTS, CONNECTICUT, AND NEW JERSEY.

THIS PROJECT IS THE BEST EXAMPLE OF WHAT THESE UPSTATE GAMING LICENSES ARE MEANT TO FULFILL.

>> WE'RE EXPECTED TO BE A COMBINED \$1 BILLION INVESTMENT UPON OPENING WITH \$500 MILLION EXPECTED IN REGIONAL AND ECONOMIC ACTIVITY, RESULTING IN OVER \$100 MILLION ANNUALLY TO BE USED FOR LOCAL AND STATE GOVERNMENT.

AND MOST IMPORTANTLY, WE EXPECT TO GENERATE OVER 4,000 CONSTRUCTION JOBS AND OVER 3,000 PERMANENT JOBS IN THIS REGION.

>> THAT'S HOW YOU REINVENT AN ECONOMY.

>> HOW YOU REVITALIZE A COMMUNITY.

>> HOW YOU REIMAGINE A REGION.

>> NOW THAT'S A CATSKILLS DESTINATION REBORN.

>> IT WILL BE AN

ALL-ENCOMPASSING RESORT WITH
WORLD-CLASS GAMING AND
ENTERTAINMENT, CONVENTION AND
MEETING SPACE, HOTEL, SPA, AND
FOOD AND BEVERAGE WITH A
SIGNATURE RESTAURANT LED BY THE
CULINARY MAGIC OF CELEBRITY CHEF
SCOTT CONAN.

THANK YOU SO MUCH FOR BEING
HERE, SCOTT.

[APPLAUSE]

AND WE'RE NOT THE ONLY TEAM
EXCITED ABOUT THIS PROJECT.
THIS IS A VISION THAT HAS
ATTRACTED SOME OF THE NATION'S
BEST AND BRIGHTEST WHEN
DEVELOPING INTEGRATED LIFESTYLE
RESORT COMPLEXES.

FIRST, RENOWNED MASTER PLAN
DESIGNER.

JCJ ARCHITECTS, WHO HAVE
DESIGNED SOME OF THE LARGEST
GAMING PROPERTIES.

AND LEGENDARY REECE JONES, WHOSE
PLANS TO REIMAGINE THE GOLF
COURSE WILL MAKE OUR PROJECT A
MUST-PLAY DESTINATION FOR MILES
AROUND.

THANK YOU SO MUCH, REECE.

[APPLAUSE]

WE HAVE BEEN FORTUNATE TO
ATTRACT OTHER PARTNERS, MANY
FROM NEW YORK, TO HELP ASSIST IN
THE VISION OF MONTREIGN.
TO BREAK DOWN THE INVESTMENT,
MONTREIGN'S MINIMUM CAPITAL
INVESTMENT WILL BE \$450 MILLION.
ADD TO THAT EPR'S PROJECT AND
\$270 MILLION AND YOU GET A GRAND
TOTAL MINIMAL CAPITAL INVESTMENT
OF \$720 MILLION FOR THIS
PROJECT.

BUT MORE IMPORTANTLY IS THE
ECONOMIC IMPACT TO THE REGION.
FROM CONSTRUCTION ALONE, AN
ESTIMATED \$1 BILLION TO THE
STATE OF NEW YORK, \$882 MILLION
TO THE REGION, AND FOR OUR
NEIGHBORS IN SULLIVAN COUNTY,
\$610 MILLION.

IN ADDITION, ECONOMIC BENEFITS
FROM THIS PROJECT'S OPERATIONS
WILL BUILD TO AN ESTIMATED \$300
MILLION IN ADDED BENEFITS TO THE

STATE IN 2019.

AND WHEN YOU LOOK AT DIRECT AND
INDIRECT TAX REVENUES THROUGH
2021, YOU CAN SEE WHY THIS IS AN
UNPARALLELED PROJECT.

AS I STATED EARLIER, WE'RE FULLY
FINANCED, AND I WANT TO CLARIFY
ONE THING.

WE DON'T HAVE HIGHLY CONFIDENT
LETTERS.

WE HAVE SECURED BINDING
COMMITMENTS FOR BOTH EQUITY AND
DEBT.

WE'RE PLANNING TO RAISE \$150
MILLION IN EQUITY BACKSTOPPED BY
OUR LARGEST SHAREHOLDER TO
GUARANTEE ITS FUNDING AND CREDIT
SWISS, THE NATION'S LEADING
GREEN FIELD DEVELOPMENT BANKER
FOR CASINO PROJECTS HAS
COMMITTED TO LEND US UP TO \$478
MILLION.

I WANT YOU TO REMEMBER TWO WORDS
TODAY.

READY NOW.

WE HAVE OUR APPROVALS.

WE WANT TO BREAK GROUND, AND WE
ARE READY NOW.

AS YOU KNOW FROM OUR
APPLICATION, WE ARE COMMITTED TO
BUILDING IN THE CATSKILLS.

SULLIVAN COUNTY BOTH NEEDS AND
DESERVES OUR PROJECT.

WE HAVE PRESENTED THREE
SCENARIOS TO THE BOARD FOR OUR
CASINO'S MINIMAL CAPITAL
INVESTMENT.

IF NO OTHER LICENSES ARE AWARDED
IN THE REGION, THE MINIMAL
INVESTMENT WILL BE \$452 MILLION.

IF A LICENSE IS AWARDED ANYWHERE
ELSE IN THE REGION, EXCEPT
SOUTHERN ORANGE COUNTY, THE

CASINO'S MINIMAL CAPITAL
INVESTMENT WILL BE \$277 MILLION.

AND IF A LICENSE IS AWARDED IN
SOUTHERN ORANGE COUNTY, THE
CASINO'S MINIMAL CAPITAL
INVESTMENT WILL BE \$172 MILLION.

EACH IS RIGHT SIZE TO THE
ANTICIPATED COMPETITIVE
ENVIRONMENT.

WITH THAT, I'D LIKE TO INTRODUCE
YOU TO MY GOOD FRIEND AND

PARTNER AND THE VISIONARY FROM
EPR PROPERTIES TO TELL YOU ABOUT
IT.

>> THANK YOU VERY MUCH, MEMBERS
OF THE BOARD.

I'M DAVID BRAIN.

THANK YOU FOR THE OPPORTUNITY TO
BE HERE AND ADDRESS YOU.

I WANT TO GO QUICKLY BECAUSE WE
HAVE A TIME CONSTRAINT.

THIS IS A BIG PROJECT, AND THERE
IS A LOT TO TELL.

I'M HERE TO CREDENTIAL EPR
PROPERTIES FOR YOU AS WELL AS
ILLUSTRATE THE LARGER PROJECT,
THE RESORT, THAT IS EXCLUSIVELY
PART OF THE EMPIRE-MONTREIGN
CASINO APPLICATION.

FIRST, ABOUT EPR PROPERTIES.
IT'S A PUBLICLY TRADED COMPANY.
WE'RE ON THE NEW YORK STOCK
EXCHANGE.

THERE'S AN ABUNDANCE OF PUBLIC
INFORMATION AVAILABLE ABOUT US.
WE'RE ORGANIZED AS A REAL ESTATE
INVESTMENT TRUST.

WE'RE 16 YEARS OLD.

WE'VE GROWN FROM ZERO TO NEARLY
5 BILLION IN MARKET
CAPITALIZATION IN 16 YEARS.

WE HAVE INVESTMENTS IN 39

STATES, INCLUDING CANADA.

WE'VE DONE BUSINESS IN NEW YORK
FOR OVER TEN YEARS.

YOU SHOULD KNOW WE'RE A

SPECIALTY INVESTOR.

WE'RE NOT A COMMODITY.

WE FOCUS ON ENTERTAINMENT,
RECREATION, AND EDUCATION.

WE'RE AN INNOVATIVE AND

PIONEERING INVESTOR.

WE'RE USED TO BREAKING NEW
GROUND.

AND WE'RE PERFECTLY SUITED TO A
PROJECT OF THIS TYPE.

WE HAVE THE SCALE TO CARRY FORTH
ON THIS IMPORTANT PROJECT.

LAST YEAR WE HAD OVER \$400
MILLION IN NEW INVESTMENTS.

THIS YEAR WE'LL HAVE OVER \$500
MILLION IN NEW INVESTMENTS, NOT

COUNTING ANY INVESTMENT

ASSOCIATED WITH THIS PROKT.

YOU SHOULD ALSO KNOW WE'RE VERY

LONG-TERM ORIENTED.

WE OWN THOSE SAME ASSETS WE BOUGHT WITH OUR IPO PROCEEDS IN 1997.

WE'VE ESSENTIALLY SOLD LESS THAN ONE HALF OF 1% OF THE ASSETS WE'VE ACQUIRED SINCE THE BEGINNING OF THE COMPANY.

WITH THAT ABOUT EPR, LET ME INTRODUCE YOU TO THE PROJECT.

>> WE ARE EXCITED TO INTRODUCE AN ALTOGETHER NEW DESTINATION RESORT IN NEW YORK STATE'S CATSKILL REGION.

AN EXPANSIVE DESTINATION THAT HAS EMERGED FROM YEARS OF HARD WORK AND VISIONARY THINKING BY EPR PROPERTIES AND OUR LOCAL PARTNER, EMPIRE RESORTS.

TOGETHER WE'VE ASSEMBLED A LOCAL TEAM BEHIND THE WORLD'S MOST ICONIC RESORTS, CHAMPIONSHIP GOLF COURSES, AMAZING WATER PARKS, AND SUPERIOR HOSPITALITY OFFERINGS TO DEVELOP A UNIQUE EXPERIENCE.

WELCOME TO A PLACE WE HOPE WILL BECOME THE DESTINATION IN THE NORTHEAST FOR PEOPLE TO TAKE THEIR FAMILIES AND FRIENDS TO OVER AND OVER FOR YEARS TO COME. LOCATED JUST 90 MINUTES FROM MANHATTAN, WE OFFER GUESTS OF ALL AGES FOUR SEASONS OF FUN IN A SCENIC LANDSCAPE.

THE SEAMLESSLY INTEGRATED DEVELOPMENT OF THIS WITHOUT COMPROMISING THE ENVIRONMENT IS A SIGNIFICANT UNDERTAKING.

WE'VE MADE A COMMITMENT TO THE PRESERVATION OF THE CATSKILLS AND ARE MAKING ENVIRONMENTALLY CONSCIOUS DECISIONS THROUGHOUT THE DESIGN AND PLAN.

WE'RE CREATING A WORLD-CLASS RESORT THAT'S BEEN THOUGHTFULLY PROGRAMMED TO TAKE ADVANTAGE OF OVER 1700 ACRES OF BEAUTIFUL CATSKILLS LANDSCAPE.

IT OFFERS SOMETHING TO EXPLORERS OF ALL KINDS

WE HAVE AN INDOOR/OUTDOOR WATER PARK AND A VILLAGE WITH ENTERTAINMENT LIKE SHOPPING,

DINING, AND MOVIES THAT WILL BE A DESTINATION TO DRAW PEOPLE FOR YEAR-ROUND FUN.

WE'RE AN EXISTING CATSKILL BASED COMPANY THAT KNOWS THE MARKET.

WE'RE COMMITTED TO PROVIDING OUR CUSTOMERS WITH THE BEST POSSIBLE SERVICE.

OUR BOLD, SLEEK, AND MODERN CASINO AND FOUR-STAR HOTEL WILL CONTRIBUTE TO THE TOTAL ENTERTAINMENT AND HOSPITALITY EXPERIENCE.

>> I'M SO PLEASED TO BE REDESIGNING THE FAMED GOLF COURSE.

THIS WILL BRING PEOPLE BACK TO THIS AREA AS IT DID IN THE PAST.

>> WE ARE BRINGING SUBSTANTIAL ECONOMIC, SOCIAL, AND ENVIRONMENTAL BENEFITS TO NEW YORK STATE AND SULLIVAN COUNTY. THROUGH TOUGH ECONOMIC TIMES, WE STAYED COMMITTED TO THE COMMUNITY, BECAUSE WE BELIEVE THIS PLACE HAS THE POTENTIAL TO BECOME SOMETHING TRULY SPECIAL. WE WORK WITH PUBLIC OFFICIALS AND BUSINESS LEADERS TO MEET THE NEEDS OF THE LOCAL COMMUNITY. IT WILL BRING AN INFLUX OF CONSTRUCTION AND PERMANENT JOBS AND OPPORTUNITIES THAT ENGAGE LOCAL COMMUNITIES AND BUSINESSES.

OUR MASTER PLAN HAS BEEN APPROVED.

FUTURE TENANTS AND PARTNERS ARE READY TO OPEN FOR BUSINESS.

>> GENTLEMEN, I HOPE YOU UNDERSTAND FROM THAT VIDEO, AND I WANT TO REINFORCE THE IDEA. IT'S MORE THAN JUST A CASINO. IT'S NOT A SINGLE FOCUS CASINO PROJECT.

IT'S A MASTER PLANNED RESORT COMMUNITY ON 1700 ACRES. THE MONTREIGN RESORT CASINO WILL BE A CENTER PIECE THAT IS ONLY ONE FACET OF THE ATTRACTIONS THERE.

IT'S BEEN PLANNED TO BE ACTIVE AND VIBRANT, INDOORS AND OUTDOORS, IN SUMMER AND WINTER

SEASONS.

BEYOND THE CASINO COMPLEX THERE WILL BE A FAMILY ORIENTED WATER PARK HOTEL, DIVERSIFIED RETAIL VILLAGE WITH ENTERTAINMENT, RECREATION, DINING OPTIONS, A CHAMPIONSHIP GOLF COURSE, AND A VARIETY OF OUTDOOR ACTIVITIES SUCH AS ICE SKATING, ROPE COURSES, ZIP LINE, ROCK CLIMBING, AND BICYCLING IN THE SUMMER.

WE EXPECT NEARLY 1 MILLION VISITORS ANNUALLY WHO COME THERE JUST FOR THESE AMENITIES.

THIS IS A PLAN THAT TRULY MEETS THE VISION AND IS READY NOW.

THE PROJECT WILL ATTRACT CONSTITUENTS AND CONSUMERS BEYOND THE GAMING PATRON, CREATES A COMPLETE RESORT AS CONTEMPLATED BY THE UPSTATE ECONOMIC DEVELOPMENT ACT.

IT HAS SCALE, DIVERSITY, AND DIMENSIONS TO BE A TRUE ECONOMIC DEVELOPMENT CATALYST FOR THE REGION.

A 12-MONTH, FOUR-SEASON ECONOMIC ENGINE THAT WILL ATTRACT GUESTS AROUND THE REGION AND WELL BEYOND.

THE DIVERSITY OF THE ATTRACTIONS HAS THE BEST PROSPECT OF THRIVING IN A HIGHLY AND MAYBE INCREASINGLY COMPETITIVE CASINO ENVIRONMENT.

I WANT TO GO NOW TO A LITTLE DETAIL ON A COUPLE ELEMENTS BEYOND THE CASINO.

I MENTIONED THE WATER PARK LODGE.

THIS IS A FOUR-SEASON FAMILY ORIENTED LODGE.

IT WILL BE COMPLETE WITH WATER PARK AND A VARIETY OF OUTDOOR ACTIVITIES, AND IT'S MODELED ON THE VERY SUCCESSFUL CAMEL BACK MOUNTAIN PROPERTY IN THE POCONOS.

CAMELBACK IS THE NUMBER ONE TOURIST ATTRACTION IN THE POCONOS.

IT DRAWS OVER 1 MILLION VISITORS ANNUALLY, SPLIT ALMOST EVENLY

BETWEEN WINTER AND SUMMER.
WE'RE BRINGING THE SAME
SUCCESSFULLY TEAM AT THAT
PROPERTY TO CREATE THIS
ATTRACTION, WHICH INCLUDES THE
ALBANY, NEW YORK, BASED AQUATIC
DEVELOPMENT GROUP, A WORLDWIDE
LEADER IN DESIGNING WATER PARKS
AND ATTRACTIONS.
IT WILL BE OPERATED BY
WILDERNESS VENTURES, THE
OPERATOR NOT ONLY OF CAMELBACK
BUT ALSO THE LARGEST WATER PARK
HOTEL IN THE WORLD, THE
WILDERNESS TERRITORY PROPERTY IN
THE WISCONSIN DELLS.
THE CATSKILL WILDERNESS
EXECUTION WILL INCLUDE A 400-KEY
FAMILY STYLE LODGE, 80,000
SQUARE FOOT WATER PARK, 30,000
SQUARE FOOT CONFERENCE CENTER,
1,000-GUEST BANQUET HALL, ZIP
LINES, ROAD COURSES, BIKING,
HIKING TRAILS, AND FISHING AND
STREAMS AND LAKES.
TO COMPLEMENT THAT WILL BE THE
RETAIL VILLAGE.
THE OUTSTANDING LONG ISLAND, NEW
YORK, FIRM BLUMENTHAL
DEVELOPMENT GROUP IS OUR
CO-INVESTOR, DEVELOPER, AND
PROPERTY MANAGER.
BRAD IS WITH US THIS AFTERNOON.
THANK YOU FOR COMING.
WE BROUGHT PEOPLE FROM THE TEAM
SO YOU COULD ASK QUESTIONS
DIRECTLY OF THEM.
THEY SHOW ENTHUSIASM AND GOALS
OF MAKING THIS A SPECIAL PLACE,
A MEMORABLE PLACE WITH A VILLAGE
THAT WILL BECOME A TOWN SQUARE
FOR THE ENTIRE DEVELOPMENT.
IT'LL BE THE HUB OF ACTIVITY,
WHERE DAYS START AND END.
WE FOUND GREAT RETAILER
ENTHUSIASM FOR THE CATSKILLS.
WE HAVE NEARLY 150,000 SQUARE
FEET OF RETAIL AND
ENTERTAINMENT, LETTERS OF INTENT
SIGNED, DEPENDENT UPON AWARD OF
THIS LICENSE.
THIS WILL BE THE SECOND HOME FOR
THE FAMED MANHATTAN INSTITUTION
AT THE BIRTHPLACE OF STAND-UP

COMEDY, THE CATSKILLS.
WE'LL ALSO HAVE A FOOD AREA.
THEY OPERATE 75 EATERIES
NATIONWIDE.
THEY FOCUS ON NEW YORK FOODS AND
PRODUCTS.
WE'LL HAVE BUBBY'S RESTAURANT
WITH POPULAR LOCATIONS IN NEW
YORK CITY.
KIDS QUEST AND CYBER QUEST FOR
KIDS AND NEW HORIZONS ACADEMY AS
A DAY CARE OPERATOR.
WE'RE NOT JUST READY TO START.
WE'RE ALREADY UNDER WAY.
WE'RE NOT JUST PLANNING.
WE'RE PERFORMING.
THIS PORTION OF THE PROJECT,
LIKE THE OTHERS YOU WILL HEAR
ABOUT, IS READY NOW.
ALSO, I MENTIONED THE MONSTER
GOLF COURSE.
WE'LL RESTORE ONE OF AMERICA'S
GREAT COURSES TO PROMINENCE.
HE'S DESIGNED AND REHABILITATED
OVER 100 GOLF COURSES.
A SPECIAL FEATURE WE HAVE TO
ANNOUNCE TODAY IS THAT WE SIGNED
A LETTER OF INTENT TO BE THE
PERMANENT HOME OF THE LEGENDS OF
SPORT GOLF TOURNAMENT.
THIS WILL BE A RYDER CUP STYLE
MATCH PLAY TOURNAMENT FEATURING
ALUMNI FROM THE FOUR MAJOR
PROFESSIONAL SPORTS ASSOCIATIONS
AND ENDORSED BY THEM, THE NFL,
THE NBA, MLB, AND NHL.
WE BELIEVE THIS IN ITSELF CAN
EVOLVE INTO A MAJOR AE TRACTION
AND ECONOMIC CATALYST.
ALSO, YOU'VE HEARD MENTION OF
THE MASTER PLANNERS.
I WANT TO MENTION THEM.
THE FIRM CEO IS WITH US TODAY.
THEY'RE ANOTHER NEW YORK-BASED
WORLD-CLASS FIRM, PARTNERS FOR
SOME OF THE GREAT RESORTS,
INCLUDING DISNEY WORLD.
THEY'RE DESIGNERS OF SEVEN OF
THE TEN TOP GOLF COMMUNITIES IN
THE UNITED STATES PER "TRAVEL &
LEISURE GOLF" MAGAZINE.
ALL ARE CREATED TO DESIGN A
DESTINATION THAT'S A GOOD FIT
FOR THE COMMUNITY AND A CATALYST

FOR DEVELOPMENT OUTSIDE THE PROJECT AS WELL AS INSIDE. AND THAT'S BECAUSE WE CONSIDER OURSELVES PART OF THE COMMUNITY. IN CLOSING, I JUST WANT TO SAY THIS HAS ALL THE ELEMENTS TO BE A COMPLETE RESORT, VERY MUCH IN TUNE WITH THE LEGISLATION THAT DRAWS US ALL HERE TODAY. THE CATSKILLS REGION OF SULLIVAN COUNTY HAS BEEN THE VICTIM OF EMPTY PROMISES FOR DECADES. THE DIFFERENCE IS EPR AND EMPIRE HAVE THE EXPERIENCE, THE EXPERTISE, FINANCIAL CAPACITY, AND YEARS OF LOCAL COMMITMENT TO ACTUALLY GET THE JOB DONE AND MAKE THIS A REALITY. OUR PARTNERSHIP HAS PUT TOGETHER A PLAN THAT'S NOT ONLY ASPIRATIONAL, IT IS ACHIEVABLE. WE ARE NOT JUST PROMISES, WE ARE ACTUAL PROGRESS, WE ARE ACTUAL PERFORMANCE, AND WE'RE READY NOW FOR FULL IMPLEMENTATION. I'LL TURN IT OVER TO JOE, THE CEO OF EMPIRE, TO PROVIDE DETAIL ON THE CASINO OPERATIONS NEXT. >> THANK YOU, DAVID. GOOD AFTERNOON, COMMISSION STAFF AND BOARD MEMBERS. OVER THE LAST THREE YEARS, I'VE BEEN INVOLVED IN EVERY ASPECT OF DESIGN AND PLANNING THAT WILL DEFINE THE MONTREIGN EXPERIENCE. FROM OUR LEAD CERTIFIED ENVIRONMENTALLY FRIENDLY AND STATE OF THE ART HOTEL AND GAMING COMPLEX TO EVERY ASPECT OF THE HOSPITALITY EXPERIENCE, MONTREIGN IS READY TO DELIVER. OUR PLAN FOR THE CASINO FLOOR WILL TRULY MAKE MONTREIGN A UNIQUE AND INVITING EXPERIENCE FOR THE CASUAL PLAYER AS WELL AS THE HIGH ROLLER. WITH 2,150 SLOTS AND 61 TABLE GAMES PLANNED IN AN EXPANSE OF 80,000 SQUARE FEET, THIS CASINO IS DESIGNED TO BE DIFFERENT. WE HAVE METICULOUSLY PLANNED OUR FOOD AND BEVERAGE OFFERING TO BE ONE OF THE MOST VARIED IS AND CREATIVE IN THE GAMING INDUSTRY

TODAY.

OUR SIGNATURE RESTAURANT UNDER THE CULINARY SUPERVISION OF SCOTT WILL FOCUS ON SOURCES PRODUCTS FROM THE REGION, MAKING MONTREIGN A TRUE CELEBRATION OF ALL THAT UPSTATE NEW YORK HAS TO OFFER.

ENTERTAINMENT IS AT THE HEART OF WHAT WE WILL DELIVER AT MONTREIGN.

WE HAVE A BROAD RANGE OF VENUES FROM OUR INTIMATE SPOTLIGHT THEATER THAT WILL HOLD 500 PEOPLE TO OUR EXPANSIONIVE CENTER FOR SEATING UP TO 1300. WE'RE BRINGING ENTERTAINMENT BACK TO THE CATSKILLS.

AND AFTER EXPERIENCING ALL THE ACTION AND ADVENTURE THAT THIS RESORT CASINO HAS TO OFFER, WE WILL CREATE AN OASIS TO RETREAT, TO REJUVENATE AND REVITALIZE THE SENSES.

OUR SPA AND FITNESS AMENITIES WILL BE BEST IN CLASS.

OUR PLANNING AND FEASIBILITY STUDIES COME FROM ONE OF THE WORLD'S MOST RESPECTED FIRMS, GLOBAL GAMING AND HOSPITALITY. THEY ARE PROJECTING TOTAL GROSS GAMING REVENUES THAT ESCALATE FOR THE FIRST TEN YEARS WITH TOTAL REVENUES THAT GROW FROM \$319 MILLION TO \$422 MILLION. MORE IMPORTANTLY, LET'S HIGHLIGHT REVENUE RETENTION. GLOBAL GAMING AND HOSPITALITY ESTIMATES THAT MONTREIGN WILL BE ABLE TO RECAPTURE UP TO \$54 MILLION ANNUALLY FOR REVENUE THAT CURRENTLY LEADS THE STATE. WITH GROSS REVENUE TOTALS FROM OUT OF STATE VISITORS UP TO \$151 MILLION ANNUALLY OVER THE NEXT FIVE YEARS.

MONTREIGN WILL BE DIFFERENT. AND TO CELEBRATE THAT SPIRIT, WE CREATED A UNIQUE AND INDIVIDUAL BRAND.

AT THE CENTER OF THIS STRATEGY IS THE MONTREIGN ENTERTAINMENT CLUB.

THIS WILL BE DESIGNED TO BE ONE

OF THE MOST SOCIALLY ENGAGED
LOCALLY PROGRAMS IN THE
INDUSTRY.

GUESTS WILL BE ABLE TO EARN
POINTS IN PROGRAMS THAT TRAVEL
WELL BEYOND THE CASINO WALLS.
THERE ARE PLANS TO CREATE
DISCOUNT PROGRAMS WITH OUR
PARTNERS AND THROUGHOUT THE
REGION.

IT IS NOW MY PLEASURE TO
INTRODUCE TO YOU OUR EXECUTIVE
VICE PRESIDENT, CHIEF OPERATING
OFFICER AND CFO AND SOMEONE
WHO'S WORKED CLOSELY WITH ME ON
THIS PROJECT.

>> THANK YOU, JOE.

WE HAVE ENGAGED NEW YORK BASED.
UNION CONSTRUCTION TRADE WORKERS
WILL ACCOUNT FOR APPROXIMATELY
2.6 MILLION WORK HOURS DURING
CONSTRUCTION OF THE GAMING
FACILITY.

3,029 DIRECT EMPLOYMENT JOBS
FROM CONSTRUCTION ARE
ANTICIPATED WITH 1.7 -- I'M
SORRY, 177 MILLION IN DIRECT
EMPLOYEE COMPENSATION AND 594
MILLION IN DIRECT ECONOMIC
OUTPUT.

A GOAL OF 20% COMBINED LOCAL,
MINORITY, WOMAN, DISABLED
PERSON, AND VETERAN
PARTICIPATION FOR CONSTRUCTION
HAS BEEN ESTABLISHED.

WE HAVE ALREADY REACHED OUT TO
REGIONAL VENDORS AT A LOCAL
VENDOR FAIR WE HELD AT
MONTICELLO CASINO.

ALL BIDS WILL INCLUDE A THOROUGH
VETTING FOR NEW YORK BASED
SUPPLIERS AND MANUFACTURERS.
WE HAVE A PROVEN RECORD OF
BUYING LOCALLY AS SHOWN IN OUR
2013 NUMBERS.

WE PURCHASED HAD 64% OF OUR
GOODS AND SERVICES FROM NEW YORK
STATE VENDORS AND DISTRIBUTORS.
WE HAVE RETAINED CONSULTING TO
ASSIST US WITH THE DEVELOPMENT
AND IMPLEMENTATION OF A
DIVERSITY PROGRAM.

PRESENT WITH US TODAY IS
ALEXANDRA CHANCEY, THE CEO

WE HELD AN OUTREACH EVENT AT MONTICELLO CASINO WHERE WE PROVIDED INFORMATION TO LOCAL AND REGIONAL CONTRACTORS AUGMENTED WITH A TARGETED OUTREACH TO MWVBE CONTRACTORS SO AS TO MAX MIETZ OUR COMMITMENT TO UTILIZE THIS PORTION OF THE POPULATION.

HIRING PRACTICES AT MONTREIGN ARE DESIGNED TO PROMOTE THE DEVELOPMENT OF A SKILLED AND DIVERSE WORK FORCE BY OFFERING PROMOTIONAL OPPORTUNITIES, WORK FORCE TRAINING AND DEVELOPMENT, TUITION REIMBURSEMENT, ON-SITE DAY CARE, EMPLOYEE ASSISTANCE PROGRAMS, AND ALSO OUTREACH TO LOCAL UNEMPLOYED AND UNDEREMPLOYED WILL HELP US ACHIEVE THIS GOAL.

THE GAMING FACILITY WILL OFFER APPROXIMATELY 2400 FULL AND PART-TIME POSITIONS.

DIRECT EMPLOYEE COMPENSATION WILL BE UP TO \$76 MILLION ANNUALLY WITH \$340 MILLION IN DIRECT ECONOMIC OUTPUT FROM ANNUAL OPERATIONS.

WE ARE COMMITTED TO A 30% COMBINED MINORITY, WOMAN, DISABLED PERSON, AND VETERAN WORK FORCE.

TODAY EMPIRE RESORT'S EXECUTIVE TEAM CONSISTS OF 50% FEMALE, AND THE SENIOR LEADERSHIP TEAM HAS 47% DIVERSITY.

AT THIS TIME, PLEASE ALLOW ME TO INTRODUCE OUR EXECUTIVE VICE PRESIDENT, CHIEF COUNCIL AND CHIEF COMPLIANCE OFFICER OF EMPIRE RESORTS.

SHE WILL BE DISCUSSING WITH YOU RESPONSIBLE GAMING.

>> THANK YOU.

THANK YOU, COMMISSION STAFF AND BOARD MEMBERS.

IN MY FORMER LIFE AS A REGULATOR, I WAS THE FIRST DIRECTOR OF THE OFFICE OF COMPULSIVE AND PROBLEM GAMBLING AT THE PENNSYLVANIA GAMING CONTROL BOARD.

IN THAT POSITION, I WAS

RESPONSIBLE FOR DRAFTING REGULATIONS, CREATING PROGRAMS, AND DEVELOPING A MODEL PLAN FOR ALL PENNSYLVANIA CASINOS TO UTILIZE CONCERNING COMPULSIVE AND PROBLEM GAMBLING, ININTOXICATED GAMBLING, UNDERAGE GAMBLING, SELF-EXCLUSION AND EXCLUSION.

I AM ON THE BOARD OF DIRECTORS OF THE NATIONAL COUNCIL ON PROBLEM GAMBLING, AND I'M CHAIR OF THE COMPANIES RESPONSIBLE GAMING COMMITTEE.

WITH THAT BACKGROUND, I HAVE DEVELOPED THE COMPULSIVE AND PROBLEM GAMBLING PLAN.

IT'S CURRENTLY IN USE AT MONTICELLO AND WAS SPECIFICALLY DESIGNED FOR USE AT MONTREIGN CASINO RESORT.

THE CPG PLAN INCLUDES AMONG OTHERS EMPLOYEE TRAINING ON THE CPG PLAN ITSELF, EMPLOYEE TRAINING THAT WAS DEVELOPED BY THE NEW YORK COUNCIL ON PROBLEM GAMBLING REGARDING THE SIGNS AND SYMPTOM OF COMPULSIVE AND PROBLEM GAMBLING.

TIPS TRAINING FOR A RESPONSIBLE ALCOHOL SERVICE, ON-SITE INFORMATION AND PRINTED MATERIALS REGARDING COMPULSIVE AND PROBLEM GAMBLING TREATMENT IN THE AVAILABILITY OF COMMUNITY, PUBLIC, AND PRIVATE TREATMENT PROGRAMS.

IT ADDRESSES PROCEDURES FOR SELF-EXCLUSION AND MOST IMPORTANTLY IT ADDRESSES THE OASIS HELPLINE, WHICH IS 877-8-HELP-NY.

I WILL NOW TURN THE PRESENTATION OVER TO CHARLIE, EXECUTIVE VICE PRESIDENT OF GOVERNMENT AFFAIRS AND COMMUNICATIONS.

>> THANK YOU.

WE ARE ESPECIALLY PROUD OF YOUR IMPORTANT WORK IN THE AREA OF RESPONSIBLE GAMING.

AFTER YEARS OF PLANNING AND PREPARATION AND WITH APPROVALS ALREADY IN HAND, TODAY EMPIRE RESORTS IS MORE THAN READY TO

BUILD IN SULLIVAN COUNTY
CATSKILLS.
IT ALL STARTS WITH CONSTRUCTION
JOBS.
AND LADIES AND GENTLEMEN,
MONTREIGN WILL BE UNION BUILT.
EVERYTHING FROM OUR GARAGE TO
OUR GAMING FLOOR, ALL THE WAY TO
THE TOP OF OUR HOTEL TOWER WILL
BE BUILT UNION.
WE BUILD UNION THROUGH OUR
SIGNED AGREEMENT.
AND OUR LOCAL CONSTRUCTION
TRADES ARE READY TO GO TO WORK
ON MONTREIGN.
AND WHEN IT COMES TO CASINO
OPERATIONS, HISTORICALLY EMPIRE
RESORTS HAS A STRONG UNION
TRADITION.
WE ALREADY HAVE A COLLECTIVE
BARGAINING AGREEMENT AT OUR
EXISTING FACILITY, AND WE HAVE
EXECUTED A LABOR PEACE AGREEMENT
FOR MONTREIGN, ALSO WITH OUR
PARTNERS AT THE NEW YORK HOTEL
TRADES COUNCIL.
JUST AS EMPIRE RESORTS CURRENTLY
SUPPORTS MANY LOCAL BUSINESSES,
WE WILL DO EVEN MORE WITH
MONTREIGN.
MONTREIGN WILL HAVE A KEY
AMENITY BEYOND GAMING, INCLUDING
OUR EXCLUSIVE LOCAL PARTNERSHIP
WITH THE MONTICELLO MOTOR CLUB,
WHICH IS JUST MINUTES FROM OUR
FRONT DOOR.
THE MOTOR CLUB IS NORTH
AMERICA'S PREMIER AUTOMOTIVE
RESORT AND PRIVATE RACE TRACK.
IT FEATURES FOUR MILES OF
RACEWAY AND AMENITIES SUCH AS
PRIVATE RACE SCHOOLS FOR NOVICES
AND EXPERTS ALIKE.
OUR MOTOR CLUB PARTNERSHIP IS AN
EXHILARATING AND UNIQUE AMENITY
TO HELP MONTREIGN SUCCEED IN A
VERY COMPETITIVE ENVIRONMENT.
MONTREIGN IS ALSO COMMITTED TO
EXTERNALIZING OUR SUCCESS WITH
THE AMAZING NOT-FOR-PROFIT
VENUES LOCATED IN REGION ONE.
OUR AGREEMENT WITH THE FAIR GAME
COALITION WILL PROMOTE
COLLABORATION AND MUTUAL SUCCESS

WITH IMPACTED LOCAL VENUES SUCH AS THE BETHELWOOD CENTER FOR THE ARTS.

AS THE CURRENT GAMING OPERATOR IN THE CATSKILLS, OUR LINKS WITH OUR COMMUNITY ARE VERY DEEP, LIKE A CLOSE-KNIT FAMILY WE WORK TOGETHER IN GOOD TIMES AND IN BAD.

FINALLY, THERE'S NO DOUBT WHEN WE TALK UPSTATE NEW YORK, THE SULLIVAN COUNTY CATSKILLS IS UPSTATE NEW YORK.

BUT I THINK THE PEOPLE OF SULLIVAN COUNTY CAN EXPLAIN IT BEST.

>> SULLIVAN COUNTY.

>> THE CATSKILLS.

>> THIS IS UPSTATE NEW YORK.

>> THIS IS UPSTATE NEW YORK.

>> THE SULLIVAN COUNTY

CATSKILLS.

>> ONE OF THE MOST BEAUTIFUL PLACES IN THE WORLD.

>> THROUGH THE YEARS --

>> LOTS OF PROMISES.

BUT SULLIVAN COUNTY STILL NEEDS THE JOBS AND INVESTMENT.

>> EMPIRE RESORTS IS BRINGING BACK UPSTATE NEW YORK AND THE CATSKILLS.

>> BRINGING YOU BACK WITH MONTREIGN.

>> MONTREIGN WILL BE A CATSKILLS DESTINATION REBORN AT THE SITE.

A TRUE FAMILY DESTINATION DEVELOPED IN COOPERATION WITH EPR PROPERTIES.

>> MORE THAN 1500 ACRES FULLY APPROVED, READY NOW FOR DEVELOPMENT.

>> READY NOW WITH FINANCING IN PLACE.

>> WE'RE TALKING THOUSANDS OF JOBS.

READY NOW WHEN NEW YORK NEEDS IT MOST.

>> ALL AT MONTREIGN.

>> THIS FROM EMPIRE RESORT, AN EXISTING UNION PARTNER COMMITTED TO CREATING GOOD JOBS IN A REGION THAT DESPERATELY NEEDS THEM.

>> MONTREIGN WILL BE PART OF A

\$1 BILLION MASTER PLAN THAT WILL ATTRACT MILLIONS IN TOURISM DOLLARS TO THE EMPIRE NORTHEAST.
>> WE'RE TALKING A DESTINATION GAMING RESORT THAT WILL TURN IT ALL AROUND FOR THE CATSKILLS.
>> YOU'LL WANT TO TAKE YOUR FAMILY THERE WITH A 350-ROOM INDOOR WATER PARK RESORT. READY NOW.
>> AN ENTERTAINMENT VILLAGE, INCLUDING A CATSKILL MARKETPLACE, FEATURING LOCAL PRODUCTS.
>> AND GOLF LIKE A NEW MONSTER GOLF COURSE BY REECE JONES.
>> NOW THAT'S GOLF.
>> ALL THIS FROM EMPIRE RESORTS, A NEW YORK COMPANY AND CURRENT GAMING OPERATOR WE ALREADY KNOW AND TRUST.
>> AND EMPIRE RESORTS IS ALL ABOUT NEW YORK.
>> AS A CURRENT REGIONAL BUSINESS, THEY ALREADY ARE A BIG PART OF OUR ECONOMY.
>> THE ONLY SULLIVAN COUNTY CASINO PROPOSAL COMMITTED TO WORKING WITH NONPROFIT ENTERTAINMENT VENUES.
>> MONTREIGN WILL BRING NEEDED PROSPERITY TO OUR COMMUNITY.
>> JOBS AND NEW OPPORTUNITIES THAT WILL CREATE A VARIETY OF CAREERS.
>> AND NEW INVESTMENT THAT WILL POSITIVELY IMPACT OUR SCHOOLS.
>> AND MONTREIGN WILL RAISE THE STANDARD OF LIVING IN SULLIVAN COUNTY.
>> WE'VE BEEN WAITING SO LONG AND WE'RE READY. READY NOW.
>> READY NOW FOR THE OPPORTUNITIES.
>> READY NOW.
>> READY NOW FOR A CATSKILLS DESTINATION REBORN.
>> SCOTT SAMUELSSON, LEGISLATURE CHAIRMAN.
>> THOMPSON SUPERVISOR.
>> SULLIVAN PARTNERSHIP PRESIDENT AND CEO.
>> HOTEL COUNCIL.

>> CEO CATSKILL REGIONAL MEDICAL CENTER.
>> SULLIVAN COUNTY FARMER.
>> MONTREIGN, READY NOW.
>> MONTREIGN, READY NOW.
>> READY NOW.
>> READY NOW.
>> READY NOW TO BRING BACK UPSTATE NEW YORK.
>> TO BRING BACK THE SULLIVAN COUNTY CATSKILLS.
>> MONTREIGN, READY NOW TO BRING BACK UPSTATE NEW YORK.
>> TO BRING BACK THE SULLIVAN COUNTY CATSKILLS.
>> READY NOW TO BRING BACK UPSTATE NEW YORK.
>> MONTREIGN.
>> MONTREIGN.
>> MONTREIGN.
>> MONTREIGN.
>> MONTREIGN.
[APPLAUSE]
>> AS WE CLOSE, I JUST WANT TO SAY HOW PROUD AND PLEASED WE ARE TO WORK WITH SUCH A GREAT TEAM AND PARTICULARLY THE VERY PROFESSIONAL GROUP OF THE EMPIRE MONTREIGN APPLICATION. WE REALLY APPRECIATE EPR PROPERTIES, APPRECIATE THE OPPORTUNITY TO SPEAK DIRECTLY WITH YOU.
LOOK FORWARD TO ANSWERING ANY QUESTIONS.
I WANT TO SAY LASTLY THAT I WANT TO SPECIFICALLY ASK FOR YOUR ENDORSEMENT AND YOUR SUPPORT TO CONTINUE THE PROGRESS WE'RE ALREADY UNDER WAY WITH.
>> THANK YOU VERY MUCH.
THANK YOU EVEN MORE BECAUSE I DIDN'T HAVE TO GIVE YOU THE FIVE-MINUTE WARNING.
IF THAT WAS YOUR CLOSE.
YOU ARE DONE?
>> WE'RE DONE.
>> GREAT.
WE'LL START WITH SOME QUESTIONS. I'LL START WITH SOME EASY ONES AND HAND IT OVER TO MY COLLEAGUES.
I'M SURE THEY'LL HAVE SIMILAR QUESTIONS.

MONTREIGN, DOES IT MEAN ANYTHING?

>> I DIDN'T HEAR THAT.

>> IT WAS A NAME WE CAME UP WITH AFTER A LOT OF STUDYING THAT BASICALLY BROUGHT TOGETHER MONTICELLO WITH REIGN OF A KING, SO IT WAS MONTREIGN.

WE WERE SOLD ON THE NAME BECAUSE WE REALIZED HOW MUCH WE COULD DO WITH IT.

THIS IS ALL ABOUT ME, THE PERSON, AND ALL ABOUT YOU.

IT WAS A WHOLE MARKETING CAMPAIGN WE'VE BEEN WORKING ON WITH JAN SITTING THERE RUNNING OUR SLIDES.

WE'VE BEEN WORKING OVER A YEAR WITH TO BE READY.

>> THANK YOU.

MORE OF AN OBSERVATION.

IT REALLY GOES TO ALL THE APPLICANTS, BOTH YESTERDAY AND TODAY.

ONE OF YOUR SLIDES SORT OF HIT IT.

IT'S NEAT TO SEE SO MANY COMPANIES, DEVELOPERS, LENDERS, AND OTHER BUSINESSES THAT WANT TO INVEST IN OUR STATE.

THAT'S A GOOD SIGN, SOMETHING I THINK WE SHOULD CELEBRATE AND WELCOME.

THE CHALLENGE FOR US IS WE ONLY GET TO PICK UP TO FOUR.

SO I THANK YOU FOR THAT.

THE 1700 ACRES.

DO YOU OWN AND CONTROL THEM ALL?

>> OWN AND CONTROL THEM ALL,

YES, SIR.

>> OKAY.

THEN MY LAST QUESTION -- OH, DOES THE PROJECT STILL GO FORWARD WITHOUT THE CASINO?

>> I THOUGHT YOU WERE GOING TO ASK ME WHAT THE NAME MEANT.

>> YOU COULD EXPLAIN THE NAME.

>> IT'S AN ACTUAL DUTCH WORD. CONNECTED TO THE DUTCH HERITAGE OF NEW YORK.

IT MEANS SOARING EAGLE, ESSENTIALLY.

BUT THE PROJECT DOES NOT GO FORWARD AS YOU SEE IT, AS WE'VE

OUTLINED IT HERE, WITHOUT THE
AWARD OF THE CASINO LICENSE TO
EMPIRE MONTREIGN.

WE HOPE TO GO FORWARD WITH
SOMETHING.

BUT THIS IS ENABLING FOR THIS TO
BE A LARGE MULTIGATE ATTRACTION.
I WANT YOU TO KNOW WE ARE NOT
CONSUMING THE 1700 ACRES FOR THE
DEVELOPMENT OF WHAT WE TALKED
ABOUT HERE.

WE'RE CONSUMING MORE LIKE 700
ACRES BETWEEN THE GOLF COURSE
AND THE RETAIL VILLAGE AND THE
WATER PARK HOTEL AND CASINO
COMPLEX.

SO WE STILL HAVE SUBSTANTIAL
DEVELOPMENT OPPORTUNITY AT THAT
LOCATION AND WE'LL CONTINUE TO
PURSUE THAT.

>> BUT IT'S ALL PART OF A MASTER
PLAN.

>> YES, SIR.

BUT THIS IS WHAT WE'LL HAVE AND
BREAK GROUND WITH FOR DELIVERY
ON A SIMULTANEOUS SCHEDULE WITH
THE CASINO.

>> THANK YOU.

PAUL?

>> LOOKS LIKE YOU REALLY
SEPARATED FROM THE CONCORD BY
THE MONSTER GOLF COURSE.
WHAT ARE THE PROS AND CONS IF
THE YOU RECEIVED A LICENSE AND
MOHEGAN SUN ALSO RECEIVED A
LICENSE.

>> SURE.

WE'D HEARD SOME OF THE QUESTIONS
YOU WERE ASKING EARLIER.

FIRST OFF, THE MOST IMPORTANT
THING FOR USES IS THAT WE ARE
PART OF A DESTINATION RESORT.
WITHOUT DAVID AND EPR
PROPERTIES, WE WOULD NOT BE
STANDING HERE TODAY BECAUSE WE
ACTUALLY DO NOT BELIEVE BUILDING
A CASINO IN THE CATSKILLS THAT'S
NOT PART OF A DESTINATION RESORT
IS SOMETHING THAT WORKS.

SO IT'S A BIG THRILL FOR US TO
BE HERE WITH DAVID.

IN TERMS OF HAVING A SECOND
PERSON IN THE CATSKILLS, WE
BELIEVE THE TWO CASINOS IN THE

CATSKILLS CAN SURVIVE.

I DON'T NECESSARILY THINK THAT ONE PLUS ONE BRINGS YOU TWICE THE REVENUE.

WE ACTUALLY THINK THAT ONE CASINO AS PART OF A DESTINATION RESORT HAS MUCH MORE SUSTAINABILITY GIVEN WHAT COULD HAPPEN.

BUT YES, TWO CASINOS CAN SURVIVE IF NEEDED.

>> EVEN NEXT DOOR TO EACH OTHER?

>> EVEN NEXT DOOR TO EACH OTHER.

>> I WOULD JUST ADD THAT I THINK -- AND THIS GOES TO THE GAMING CONSULTANT.

THERE'S A REAL CENTER OF GRAVITY THAT'S CREATED BY THE PROGRAM OF DEVELOPMENT THAT WE'VE LAID OUT. I THINK BY DISTRACTING FROM THAT, IT MAY NOT BE AS PRODUCTIVE OTHERWISE.

BUT WE'VE DONE GAMING RESEARCH FOR THAT PURPOSE.

WE THINK IT'S IN LINE AND THE BEST OPTIMAL CASE IS THE SINGLE LOCATION.

>> THE SECOND QUESTION RELATES TO THE MONTICELLO FACILITY.

I MAY HAVE LOST TRACK OF IT, BUT HOW DOES MONTICELLO RELATE TO THIS PROJECT GOING FORWARD OR IF IT DOESN'T RECEIVE AN APPLICATION.

>> MONTICELLO IS OWNED BY A SEPARATE SUBSIDIARY OF EMPIRE RESORTS.

IT'S OUR INTENT TO CONTINUE TO RUN IT.

DEPENDING ON WHERE LICENSES ARE GIVEN, WE MAY HAVE TO SHRINK THE NUMBER OF VLTs, OBVIOUSLY OF CONSULTING WITH THE LOTTERY COMMISSION.

WE ACTUALLY BELIEVE THAT IF AWARDED THE LICENSE THAT WE COULD CROSS MARKET WITH THEM. THAT THE FACILITY WILL DO MUCH BETTER THAN IF WE AREN'T GRANTED A LICENSE.

ACTUALLY, IF WE'RE NOT GRANTED A LICENSE, I CAN'T TELL YOU WHAT THE FINAL RESULT WILL BE.

IT WILL BE VERY, VERY DIFFICULT.

BUT THERE ARE CASES,
PARTICULARLY IN OKLAHOMA, WHERE
THEY HAVE BUILT WORLD-CLASS
CASINOS NEXT TO OLD-CLASS
FACILITIES.

THE OLD-CLASS FACILITIES
CONTINUE TO PERFORM VERY WELL.
WE WOULD EXPECT TO BE ABLE TO
CO-MARKET AND HAVE THAT HAPPEN
BEING AWARDED A LICENSE.

>> OKAY.

THANK YOU.

>> YOU'VE HEARD THE ORANGE
COUNTY QUESTIONS.

IF A CASINO IS AWARDED --
LICENSE IS AWARDED IN ORANGE
COUNTY, DOES THAT PRE-EMPT YOUR
PLAN?

>> WELL, I THINK WE SPENT A LOT
OF THE TIME GOING THROUGH OUR
PLANS.

I THINK WE SHOWED YOU IN ONE OF
THE SLIDES OUR DIFFERENT LEVELS.
WE ARE ABLE TO BUILD IN ANY
CIRCUMSTANCE, ANY COMPETITIVE
CIRCUMSTANCE THAT YOU ALL DECIDE
IS WHAT YOU WANT TO DO.

OBVIOUSLY WE WOULD PREFER FOR US
TO BE THE ONLY CASINO, BUT WE
HAVE SET UP WHAT WE CALL RIGHT
SIZING THE INVESTMENT.

WE HAVE ADJUSTED CAPITAL
STRUCTURES AND HAVE FULLY
COMMITTED FINANCING IN EACH OF
THESE.

SO WE'RE NOT UP HERE TELLING YOU
THAT CAPITAL MARKETS CAN'T
FINANCE US, BECAUSE THEY CAN IF
NEEDED.

IF WE END UP GOING DOWN THE
CHART HERE, THE LESS WE SPEND IN
SULLIVAN COUNTY, THE LESS IMPACT
ON OUR NEIGHBORS.

WE REALLY THINK WHAT SULLIVAN
COUNTY NEEDS IS THE PREFERRED
ALTERNATIVE, WHICH IS THE \$452
MILLION.

>> THAT ASSUMES YOU GET A
LICENSE AND THE POSSIBILITY OF
SOMEBODY IN ORANGE COUNTY
GETTING A LICENSE.

>> IF SOMEONE IN ORANGE COUNTY
GETS A LICENSE, IF IT'S NOT IN
WHAT WE CALL SOUTHERN ORANGE

COUNTY, WE WOULD BE DOING THE
\$277 MILLION.

RIGHT SIZING OURSELF BECAUSE WE
WANT TO BE ABLE TO SURVIVE AND
BE PROFITABLE AND BE ABLE TO
GIVE GOOD RETURNS TO OUR
INVESTORS.

IF SOMETHING IS PUT IN WHAT
WE'VE CALLED SOUTHERN ORANGE
COUNTY, WHICH IS THE
INTERSECTION OF ROUTE 17 AND THE
FREEWAY, WE WOULD -- OUR PROJECT
WOULD BE MUCH -- IT'S DOWN TO
\$172 MILLION.

THE LEVEL OF THE HOTEL WOULDN'T
BE A FOUR STAR.

WE'RE RIGHT SIZING OURSELVES,
BECAUSE WE WANT TO BE ABLE TO
SURVIVE AND BE PROFITABLE AND BE
ABLE TO GIVE GOOD RETURNS TO THE
INVESTORS.

IF THEY ARE IN SOUTHERN ORANGE
COUNTY, THE INTERSECTION OF
ROUTE 17 AND THE FREEWAY, OUR
PROJECTS -- THE LEVEL -- THE
LEVEL OF THE HOTEL WOULDN'T BE
FOUR STAR, THE CASINO WOULD BE
SMALLER, FEWER GAMES, AND IT'S
REALLY NOT WHAT THE CATSKILLS IS
LOOKING FOR.

>> IF YOU DON'T GET THE LICENSE,
THIS IS OFF?

>> WE HAVE THE WORST WAY, AND,
HONESTLY, WE'LL HAVE A VERY
DIFFICULT TIME IF WE'RE NOT
GIVEN A LICENSE TO BE ABLE
COCOMPETE, PARTICULARLY IF YOU
GIVE OUT TWO OTHER LICENSES IN
THE REGION.

>> THERE'S NO PART OF THE OTHER
PLAN THAT GOES FORWARDS WITHOUT
A CASINO LICENSE P ZBLP WITHOUT
A LICENSE, THERE'S NO PART OF
WHAT YOU SAW TODAY WE'RE GOING
TO EMBARK ON IN THE IMMEDIATE
FUTURE.

THIS IS ALL TIED TO THE AWARD OF
THE LICENSE AT SOME LEVEL.

WE'RE PREPARED TO GO FORWARD
UNDER ALL THE SCENARIOS OF
IDENTITY LICENSES AS LONG AS ONE
IS AWARDED HERE AS WELL.

AS YOU SAW IN THE INVESTMENT IN
THE CASINO, THERE'S SOME

MODESTLY SKILLED, ALL THE MAIN ELEMENTS IN TERMS OF WATER PARK, HOTEL, GOLF COURSE, AND SO FORTH, OUTDOOR ACTIVITIES, MIGHT BE MORE SKILLED IN OTHER WORDS TO RIGHTS SIZE IN THE SAME WAY ADDRESSED FOR THE CASINO, BUT THEY ARE DEPENDENT UPON A LICENSE BEING AWARDED AT LEAST.

>> STUART?

>> YEAH, I THINK YOU ANSWERED MOST OF MY QUESTIONS.

I APOLOGIZE, THE AUDIO ON MY END IS BAD SO I GET THE QUESTIONS, BUT NOT THE ANSWERS, BUT JUST WORST CASE SCENARIO, I UNDERSTAND YOU'RE NOT GETTING ANY LICENSE, BUT SECOND WORSE CASE SCENARIO OR THIRD, IF YOU GET -- IF THERE'S TWO LICENSES IN THE CATSKILLS AND ONE IN NORTHERN ORANGE COUNTY, ARE YOU -- ARE YOU PREPARED TO MOVE FORWARD, AND IS THAT THE SMALLEST CASINO SIZE INVESTMENT ON THE CHART?

>> NO.

THE SMALLEST SIZE INVESTMENT ON THE CHART IS THE 172 MILLION DOLLARS, WHICH WILL BE -- IF IT'S IN SOUTHERN ORANGE COUNTY. ANYWHERE ELSE IN THE REGION BESIDES SOUTHERN ORANGE COUNTY, IT'S THE MIDDLE ONE, AND IF THERE'S NO OTHER LICENSE AWARDED, IT WOULD BE THE LARGE ONE, WHICH WE, AGAIN, IS OUR PREFERRED ALTERNATIVE IN WHAT WE THINK THE COUNTY NEEDS.

>> IF THERE'S ONE IN THE CATSKILLS -- TWO IN THE CATKILLS, INCLUDING YOU, AND ONE IN -- I'M JUST TRYING TO --

>> I DON'T THINK --

I THINK UNDER THE EXISTING LEGISLATION YOU CAN DO THAT. I THINK THERE'S ONE FOR EACH ONE AND A FOURTH TO BE GIVEN IN ANY THREE REGIONS.

IN ANY PARTICULAR REGIONS, THERE'S TWO THAT COULD BE THERE. I APOLOGIZE.

>> SO, YOU COULDN'T HAVE THREE IN ORANGE COUNTY IN THE

CATSKILLS.
>> CREDIT.
>> THANK YOU VERY MUCH.
>> NEXT UP.
RESOURCE --
>>> INTRODUCE YOURSELF AND GET
STARTED, 40 MINUTES AND I'LL
GIVE YOU A FIVE MINUTE WARNING
TO WRAP IT UP.
FEEL FREE NOT TO USE IT ALL.

>> THANK YOU, CHAIRMAN.
GOOD AFTERNOON, I'M KEVIN Z.
JONES, DEPUTY GENERAL COUNSEL
FOR GENTING AMERICA, THE PARENT
COMPANY OF ORANGE COUNTY LLC.
WE'D LIKE TO THANK YOU, CHAIRMAN
AND DISTINGUISHED BOARD, FOR
THIS OPPORTUNITY TO PRESENT
RESOURCE WORLD HUDSON VALLEY.
WITH THE GAMING INDUSTRY
UNDERGOING RAPID CHANGE, IT'S
CLEAR THAT THIS IS NOT BUILD IT
AND THEY WILL COME.
THIS IS BUILD IT WITH THE RIGHT
COMPANY IN THE RIGHT LOCATION,
AND WE'LL ALL PROSPER.
MOREOVER, IN RECOGNITION OF THE
MULTIPLE OBJECTIONS OF THE RFA,
AND THE DEPTH OF OUR COMMITTING
TO THAT THE STATE GETS THIS
RIGHT, WE SUBMITTED TWO
PROPOSALS.
WITH TWO DIFFERENT APPROACHES.
THE APPROACH THAT I AM GOING TO
PRESENT IN HUDSON VALLEY, A BEST
IN CLASS REGIONAL DESTINATION
RESORT.
TO WHAT MAKES HUDSON VALLEY
DIFFERENT?
IN THE BEST REGIONAL OPTION,
SIMPLY PUT THE FACTS.
WE WILL INVEST MORE.
WE WILL BUILD MORE.
WE WILL GIVE MORE UP FRONT IN
TERMS OF EXPECTANCY.
WE'LL PAY OUR EMPLOYEES MORE.
WE'LL GIVE MORE IN TERMS OF
GAMING REVENUE.
WE'LL BRING MORE TO THE TABLE IN
TERMS OF DIVERSITY, GLOBAL
EXPERIENCE WITH A MILLION DOLLAR
RESORT, FINANCIAL WHEREWITHAL
AND CERTAINTY OF FINANCING,

CERTAINTY OF COMPLETION, AND A
PROVEN TRACK RECORD RIGHT HERE
IN NEW YORK CITY.

TO FOCUS ON THE TAKE AWAY
POINTS, WE'LL TAKE THE WINSTON
CHURCHILL MODEL.

BE CLEAR, BE BRIEF, AND BE
SEATED.

SO FIRST, WE'LL WALK THROUGH WHY
THIS WOULD MAXIMIZE ECONOMIC
ACTIVITY IN THE BUSINESS
DEVELOPMENT.

SECONDLY, WHY THIS WILL HAVE
UNPRECEDENTED COMMUNITY IMPACT,
AND LASTLY, WHY IT IS THIS WILL
USHER IN TRANSFORMATIVE WORK
FORCE DEVELOPMENT.

WE'LL START, OF COURSE, WITH A
BRIEF VIDEO THAT DESCRIBES WHAT
MAKES US DIFFERENT AND BETTER
THAN OTHER CASINO COMPANIES.

>>> A GLOBAL COMPANY ARE PRIMARY
BUSINESSES IN THE GAMING,
LODGING, AND LEISURE INDUSTRY.
THEY INVEST IN AGRICULTURE, REAL
ESTATE, POWER GENERATION,
EXPLORATION, BIOMEDICAL
RESEARCH, AND MANY OTHER
INTERESTS.

IN THE GAMING AND LODGING
INDUSTRY, THE GROUP IS THE
PIONEER AND LEADING RESOURCE
OPERATOR IN THE WORLD UNDER THE
BRAND RESOURCE WORLD IN THE
PHILIPPINES, UNITED KINGDOM, THE
BAHAMAS, AND IN THE U.S.

WITH RESOURCE WORLD NEW YORK
CITY, RESOURCE WORLD LAS VEGAS,
RESOURCE WORLD MASSACHUSETTS,
AND SOON ON THIS 40-ACRE
WATERFRONT SITE IN DOWNTOWN
MIAMI, RESORTS WORLD MIAMI.
IN 1992, AFFILIATES FINANCED THE
DEVELOPMENT OF THE FOXWOOD
CASINO AND THE NIAGRA CASINO IN
1992.

?

1993, THE GROUP FOUNDED STAR
CRUISES, THE FIRST MAJOR CRUISE
LINE IN ASIA.

AFTER BUYING NORWEIGAN CRUISE
LINE, THEY INVENTED FREE STYLE
CRUISING, EAT WHENEVER AND
WHEREVER AND WITH WHOMEVER THEY

WANTED, AN INNOVATION THAT
REVOLUTIONIZED THE CRUISE
INDUSTRY, THE MOST SUCCESSFUL
CRUISE LINE IN THE UNITED
STATES.

YOU CAN FIND THE GROUP ALSO
SUCCESSFULLY PARTNERING WITH
U.S. COMPANIES GLOBALLY.

THERE IS UNIVERSAL STUDIOS IN
SINGAPORE, 20th CENTURY FOX
STUDIOS IN MALAYSIA AND
OPERATING HOTELS WITH BRANDING,
AND WE HAVE THE LONG AND
FRUITFUL RELATIONSHIP WITH NEW
YORK.

HAVING FINANCED THE FIRST
REGULATED CASINO, THE NI AGS GRA
CASINO THAT OPENED IN 2002.

NCL WAS THE FIRST CLUZ CLINE TO
HOME PORT THE CRUISE SHIP YEAR
ROUND IN NEW YORK CITY.

WE GOPED THE LATEST CASINO IN
NEW YORK, RESOURCE WORLD, NEW
YORK CITY, IN A RECORD ONE-YEAR
AFTER GROUND BREAKING AND
SUCCESSFULLY BECAME THE LARGEST
AND MOST SUCCESSFUL SLOT
OPERATION IN THE COUNTRY.

THE U.S. OPERATIONS ARE MANAGED
BY APP ALL-AMERICAN EXECUTIVE
COMMITTEE WITH EXTENSIVE
EXPERIENCE NATIONALLY AND
GLOBALLY.

EVERYONE IN THIS COMMITTEE HAS
WORKED IN RESOURCE WORLD NEW
YORK CITY AND HAVE EXPERIENCE
WITH THE DIVERSE AND MULTIFACETS
OPERATIONS.

THIS TEAM HAS RAISED MORE THAN
\$1.2 BILLION IN TAXES AND FOR
HORSE RACING IN THE STATE,
SURPASSING EXPECTATIONS.

ALREADY A PART OF NEW YORK,
ALREADY A SUCCESS HERE,
SEASONED, AND EXPERIENCED.
AND READY TO FURTHER CONTRIBUTE
BY CREATING A WORLD CLASS
DESTINATION RESORT IN WHICH ALL
NEW YORKERS WILL BE PROUD.

THE EXECUTIVE COMMITTEE YOU SAW
IS ALL HERE TODAY.

OUR EXECUTIVE COMMITTEE IS
HEADED BY CHRISTIAN GOOD.

WE ALSO HAVE ED FERREL IN

QUEENS, JESSICA HOPPY, GENERAL COUNSEL, AND WE HAVE MIKE STALLER, PRESIDENT OF THE FOURTH WORLD MASSACHUSETTS.

WE HAVE RYAN HELDER, CFO OF RESOURCE WORLD NEW YORK CITY, WE HAVE RESOURCE CORAL WORLD, AND YOU HAVE COUNSEL IN NEW YORK.

ALL OF US HAVE WORKING DEVELOPMENT, CASINO, AND FINANCIAL EXPERIENCE HERE IN THE STATE OF NEW YORK.

IN TERMS OF EXPERIENCE, EACH HAVE OVER 40 YEARS OF EXPERIENCE, SPANNING FOUR SEPARATE CONTINENTS, EUROPE, ASIA, AUSTRALIA, NORTH AMERICA. IN FACT, HE OPEN UP THE FIRST CASINO IN AUSTRALIA, THE FIST U.S. CASINO IN MA COW.

WE HAVE 45 YEARS EXPERIENCE ALONE.

THIS TEAM BRINGS LEADERSHIP FROM THE MOST COMPETITIVE MARKET IN MISSISSIPPI AS WELL AS LEADERSHIP ROLES FROM SENECA AND FOXWOOD.

CLET COLLECTIVELY, WE REPRESENT THE GROUP WITH MORE DIVERSITY AND MORE EXPERIENCE RIGHT HERE IN NEW YORK THAN ANYONE ELSE.

WHY ORANGE COUNTY?

WHY THE TOWN THE MONTGOMERY?

THAT FACILITY IN LEGION 1'S ORANGE COUNTY IS ALL ABOUT LOCATION, LOCATION, LOCATION.

THE LONG TERM SUCCESS OF ANY FACILITY IN ORANGE COUNTY DEPENDS ON PROXIMITY TO NEW YORK CITY.

AS YOU'LL HEAR LATER, NEW YORK CITY HAS AN UNSATISFIED DEMAND OF \$4 BILLION.

MAXIMIZING ACCESS TO THE UP SATISFIED DEMAND DRAWS YOU TO NEW YORK'S FREEWAY, I-87.

WHEN YOU GO UP I-87, WHAT YOU NOTICE IS THE FIRST INTERCHANGE IN THE REGION EXISTING TODAY IS INTERCHANGE 16.

WHEN WE WERE LOOKING AT POLL SITES, WE HAD TO KEEP GOING FURTHER NORTH BECAUSE INTERCHANGE 16 HAS TWO PRINCIPLE

PROBLEMS.

TODAY, IT'S WOEFULLY CONGESTED WITH OVER 17 MILLION ANNUAL VEHICLE TRIPS, THE ADDITION OF ALL 5 MILLION VEHICLE TRIPS WOULD RENDER TRAFFIC UNACCEPTABLE.

SECONDLY, THAT IS THE WOODBURY COMMON EXIT.

THE PROBLEM WITH THAT EXIT IS THAT THE PEAK HOURS FOR WOODBURY COMMON DETAIL BUSINESS OVERHAPPENS WITH THE PEAK HOURS OF OUR RESORT SO THAT IT WOULD BE UNACCEPTABLE AND PRESENT US FROM MAKING GOO GOOD ON THE PROMISE FOR 0 NEGATIVE IMPACTS FROM LOCAL TRAFFIC.

WE WENT FURTHER NORTH.

WHEN YOU GO FURTHER NORTH, YOU'LL FIND WHAT YOU HEARD BEFORE, THE INTERSECTION OF I-87 AND I-84.

IT'S YEAR THAT WE FOUND RESOURCE WORLD HUDSON VALLEY.

THAT TRANSPORTATION HUB OF THE NORTHEAST BECOMES REALER THE CLOSER YOU LOOK AT THIS SITE.

IT'S A MERE TWO MINUTES AWAY FROM THE AIRPORT, A MERE TWO MILES AWAY FROM WHERE I-87 AND I-84 MEET.

EXIT 5A, WHICH LEADS YOU INTO THE SITE, REQUIRES MINIMAL IMPROVEMENT BECAUSE THAT WAS PUT IN PLACE FOR INTERNATIONAL AIRPORT THAT NEVER HAPPENED.

HERE WE CAN OFFER CERTAINTY OF COMPLETION BECAUSE EXIT 5A COULD HANDLE OUR TRAFFIC TOMORROW.

OUR SITE HAS ALREADY BEEN THROUGH TWO ENVIRONMENTAL IMPACT STUDIES IN THE LAST TEN YEARS.

ON THE FINAL STUDY ANALYSIS BEFORE THE PRIDE DEVELOPER RAN OUT OF FUNDS, AND OUR CAPITAL STRUCTURE PROVIDES FOR AN UNHEARD OF 50% OWNER-OPERATOR EQUITY.

WHICH GIVES US MORE THAN ENOUGH ROOM TO DEAL WITH COST OVERRUNS.

LASTLY, THIS SITE IS 373 ACRES.

WE CURRENTLY OWN THE ALREADY 20%, WHICH MAKES IS THE LARGEST

ACREAGE OF ANY OTHER PROJECTS
NEAR INTERCHANGE 17 ALLOWING
THIS BEST IN CLASS REGION NAP
DESTINATION RESORT TO GROW INTO
AN INTERNATIONAL INTEGRATED
RESORT.

TO SHOW YOU WHAT A BEST IN CLASS
REGIONAL DESTINATION RESORT
LOOKS LIKE, I INVITE WORLD
RENOWN CASINO, ARCHITECTS, PAUL.
>> THANK YOU, KEVIN.

>> THANK YOU, MR. CHAIRMAN,
ESTEEMED CHAIRMAN.

I, AS A KID, GREW UP SKIING, SO
I KNOW THE AREA WELL.

THANK YOU FOR HAVING ME TODAY.
DESIGNING A RESORT IS REALLY
FUN.

THEY HAVE CREATED RESORTS WHICH,
BY FAR, HAS BECOME THE MOST
SUCCESSFUL INTEGRATED WELL-LOVED
RESORT IN THE WORLD THE THE BAR
WAS SET HIGH FOR US TO DESIGN A
DIVERSE RESORT IN AMERICA THAT
FUELS A SIMILAR TYPE OF SUCCESS.
WHAT HAVE WE PROPOSED?

WELL, WE'LL SPEND A BILLION
DOLLARS.

THAT'S A LOT OF MONEY.

WE CREATED A BEAUTIFUL HOTEL
WITH 600 ROOMS AND SUITES FOR
FAMILIES, VIPs, FOR SUPER VIPs.
WE CREATED FAST, INDOOR PARKING
THAT RETAINS THE NATURAL SITE SO
THERE'S NOT A LOT OF SURFACE
PARKING LOTS, BUT WE'LL HAVE
FOOD AND BEVERAGE OPTIONS THAT
CATER TO ALL TASTES AND BUDGETS
AND A CONVENTION SPACE WITH A
LARGE 5,000 CAPACITY
MULTIPURPOSE ROOM.

WE WILL ALSO HAVE IRRESISTIBLE
INDOOR AND OUTDOOR POOLS WITH
TRANSFORMATIONAL ENVIRONMENTS.
HOW DO WE TELL THE STORY OF
RESORTS HUDSON VALLEY?

DESIGN AN EXCELLENT HOTEL THAT
LOOKS LIKE IT'S PART OF THE
GUILDED AGE OF NEW YORK.

WE FUNDED THAT ON A BEAUTIFUL
LAKE OF WHICH WILL REFLECT AND
SPARKLE FOR THE FREEWAY DRIVES
PASSING BY.

WE CREATED A LOW PODIUM THAT

TUCKS INTO THE LAND SCAPE AND
PLACED THE GARAGE ON THE REAR
PART OF THE SITE CLOSE AND
CONVENIENT FOR THE PATRONS, BUT
SET BEHIND THE SCENES OF THE
RESORT AND COMMERCIALIZATION OF
THE BEAUTIFUL DESIGN.

PAINTED THE BUILDINGS IN SOFT
COLOR WITH SOFT LIGHT, IT'S ART
BEFORE SCIENCE APPROACH.

WE HAVE A CASINO OF FIVE
DISTINCTIVE LEVELS OF GAMBLING.
VIP GAMBLERS ENTER THROUGH A
BEAUTIFUL GARDEN AND GAMING
AREA.

ALL OF THE RESTAURANTS ARE
ACCESSIBLE WITHOUT GOING THROUGH
THE CASINO, AN THERE'S A
FANTASTIC ENTERTAIN ATTRACTION
BY YOU.

YOU'LL RUN THE LIGHTING, THE
MUSIC, AND AT THE END, YOU'LL
PUT A SELFIE OF YOURSELF IN THE
MIDDLE OF THE GARDEN.

MANY OF THE RESTAURANTS HAVE
WINDOWS TAKING IN THE SEASONS OF
THE BEAUTIFUL SITE, AND FINALLY,
THERE'S A BUILDING WITH A STRONG
SENSE OF LONGING THAT THIS, IN
FACT, IS A NEW YORK CASINO.

THE FOLLOWING'S A SHORT LITTLE
VALLEY.

>> HUDSON VALLEY OFFERS BEST IN
CLASS RESORT THAT SHOWS THE
NATURAL BEAUTY OF THE VALLEY.
THE IDEA IS TAKE A SHOVEL-READY
SITE AN HOUR AWAY FROM NEW YORK
CITY WITH MAJOR TRANSPORTATION
LINES MEET AND A DESIGN TO EVOKE
A POWERFUL, EMOTIONAL EXPERIENCE
FOR VISITORS WHO WITNESS ITS
HIDDEN, NATURAL BEAUTY.

THE ARRIVAL TO THE HOTEL IS
PLACED FOR GUESTS TO EXPERIENCE
THE RESTORATION OF THE SITE'S
MIXED OF NEGLECTED WET LOONDS
LANDS, FARM FEELS, AND WOODED
AREAS TO REAWAKEN TO ITS NATURAL
GRACE.

EACH ASPECT MAKES
ENVIRONMENTALISTS OUT OF GUESTS
PUTTING ECOTURNISM ON THE SAME
SCALE AS GAMING TOURISM.

THERE'S A WETLANDS PARK SHOWING

THE PRESERVATION EFFORTS.
THE PROPERTY'S ELEGANT FACADE IS
CUT FROM A MANNER IN THE LINEAGE
OF THE GRAND RAILROAD HOTEL, FAR
FROM THE CANYONS OF NORTHEAST
CITIES.

CARVED OF LOCAL MATERIALS AND
SUSTAINABLE RESOURCES, THE
COMBINATION OF THE HIDEAWAY BEAUTY
OF THE SITE GIVES THE RESORT A
MEMORABLE ADDRESS.

THE UNPRECEDENTED INITIAL
CAPITAL INVESTMENTS OF OVER 1
BILLION DOLLARS AFFORD GUESTS
WITH MORE LUXURY AND MORE
VARIETY THAN OTHER REGIONAL
RESORTS IN THIS CLASS.

TO ENSURE NEW EXCITEMENT WITH
EACH RETURN, THE RESORT FEATURES
INDOOR AND OUTDOOR ATTRACTIONS
FOR ALL SEASONS AS WELL AS HOTEL
ROOMS AND SWEET SUITES TO MATCH
THE TOP OFFERINGS OF OTHER
INTERNATIONAL RENOWNED RESORTS.
THIS BRINGS A BEST CLASS TO NEW
YORK, ESTABLISHING A NEW
STANDARD IN GAMING AND CAPTURE
THE LOST TOURING AND GAMING
DOLLARS THROUGH A SUSTAINABLE
DESIGN TO BE ENJOYED FOR MANY
YEARS TO COME.

THANK YOU.

>> WHAT DOES THE FUTURE HOLD?
THIS, AS KEVIN SAID, IS A VERY,
VERY LARGE SITE, AND THE MASTER
PLAN FOR ADDITIONAL ATTRACTIONS
INCLUDING A DYNAMIC INDOOR WATER
PARK.

IMAGINE A CONCERT IN THE MIDDLE
OF WINTER IN A BEAUTIFUL WATER
PARK AND WAVE POOL.

THE CHAIRMAN WAS INTIMATELY
INVOLVED IN THE CREATION OF THE
RESORT.

HIS ASSISTANCE AND INSTRUCTION
CHALLENGED US TO OVERRIDE THE
STATUS QUO AND CREATE A RESORT
THAT RIVALS OF SUCCESS OF THE
WORLD'S SANTOSA.

IF WE RERESOURCEFUL, THERE WOULD
BE NO INNOVATION OR INTEREST.
HUDSON VALLEY IS AN ORIGINAL
CREATION, THE VOID OF TRISCENES,
BUT SURPRISES AND MAKES THE

PATRONS SMILE AND COME BACK TIME
AND TIME AGAIN.

THANK YOU VERY MUCH.

I'LL INTRODUCE MIKE SPELLER.

MICHAEL, THANK YOU.

>> THANK YOU, PAUL.

MR. CHAIRMAN, MEMBERS OF THE
BOARD, GOOD AFTERNOON TO YOU.

I'M MIKE SPELLER.

I'M THE PRESIDENT OF THE RESORTS
WORLD MASSACHUSETTS.

PREVIOUSLY, I HAVE SERVED AS
PRESIDENT OF FOXWOOD, RESOURCE
WORLD NEW YORK, AND SPENT SEVEN
YEARS WORKING WITH THE SENECA
NATION IN THE CREATION OF THEIR
FIRST CASINO AS THE VICE
PRESIDENT OF GAMING OPERATIONS.

THANK YOU VERY MUCH FOR THE
OPPORTUNITY THAT I CAN PRECHT TO
YOU TODAY.

I CAN TELL YOU WE HAVE A
FANTASTIC PROJECT FOR HUDSON
VALLEY.

OUR TEAM IS VERY EXCITED ABOUT
THE ENTIRE PROJECT AND THRILLED
TO HAVE THE OPPORTUNITY TO BE
HERE TODAY TO TALK TO YOU ABOUT
IT.

I'VE WORK HERE FOR ALMOST 30
YEARS.

MOST OF THAT TIME HAS BEEN SPENT
HERE IN THE NORTHEAST.

I CAN TELL YOU FIRSTHAND THAT
THE GROUP OF COMPANIES IS,
WITHOUT QUESTION, THE GREATEST
GLOBAL GAMING COMPANY IN THE
WORLD AND LONG BEEN THE PIONEER
AND MARKET LEADER IN DEVELOPING
CASINOS WORLDWIDE.

NOW, THE REGIONAL MARKETS
CONTINUE TO DECLINE, AND
RESOURCE WORLD SUCCESSFULLY
CONTINUED TO NEW YORK OUR
REVENUES IN THE MARKET.

THIS CHART SHOWS US WHEN WE LOOK
AT GAMING REVENUE IN OTHER MAJOR
MARKETS, IT IS VERY CLEAR THAT
BY COMPARISON, THE NEW YORK MSA
HAS A HUGE UNSATISFIED MARKET
DEMAND WHICH HAS BEEN ESTIMATED
AT \$4 BILLION.

THIS CHART SHOWS US THAT NEW
YORK STATE CASINO REVENUES

WITHOUT RESOURCE WORLD REMAIN
RELATIVELY FLAT SINCE 2011.
OVER THE LAST THREE YEAR PERIOD,
RESOURCE WORLD NEW YORK HAS
SUCCESSFULLY GROWN THE TOTAL
GAMING MARKET BY MORE THAN 80%.
RESOURCE WORLD NOW COMPROMISES
42% OF THE OLD NEW YORK MARKET.
I CAN SAY TO THE PANEL TODAY
THIS DOES NOT HAPPEN BY
ACCIDENT.

IT TAKES A TREMENDOUS AMOUNT OF
WORK.

AND A VERY DEDICATED TEAM, MOST
OF WHICH ARE HERE TODAY SITTING
IN FRONT OF YOU.

IN THE LAST PEER, THE REVENUE
DECLINED BY 3%.

IN STARK CONTRAST, THEY LED THE
MARKET AND SUCCESSFULLY GROWN
YEAR OVER YEAR REVENUES BY 3% IN
THE SAME PERIOD.

MR. CHAIRMAN AND MEMBERS OF THE
BOARD, YOU HAVE LISTENED TO MANY
PRESENTATIONS OVER THE LAST TWO
DAYS.

WE AT RESOURCE WORLD HAVE
TREMENDOUS EXPERIENCE OPERATING
ALREADY IN NEW YORK STATE.
WE ARE VERY EXPERIENCED IN THIS
MARKET.

WE UNDERSTAND IT VERY WELL.
WE HAVE ALREADY DELIVERED
TREMENDOUS RESULTS TO THE STATE,
AND WE CAN LEVERAGE THAT
SIGNIFICANT EXPERIENCE TO
DELIVER A VERY SUCCESSFUL HUDSON
VALLEY INTEGRATED RESORT AND
CASINO TO THE STATE OF NEW YORK.
SO WHY IS RESOURCE WORLD
DIFFERENT?

HOW DO WE DELIVER OUR RESULTS?
WE BEGIN WITH OUR CASINO DESIGN
EFFICIENCY MODELS, STATE OF THE
ART SYSTEMS, AND CAPITAL
INVESTMENTS.

IN DEVELOPING RESOURCE WORLD NEW
YORK, WE ADDED ANOTHER 300
MILLION DOLLARS AND AN EVENT
CENTER TO GET JUST THE RIGHT
DESIGN.

IN HUDSON VALLEY, WE'LL SPEND
MORE THAN ANY OTHER OPERATOR TO
GET THE BEST FINANCIAL RESULTS.

WE'LL SPEND \$880 MILLION TO BUILD THIS FANTASTIC INTEGRATED RESORT FOR PLENTY OF ROOM FOR FUTURE EXPANSION.

WE FOCUS ON LEVERAGING OUR DATA BASES AS MARKET DRIVERS.

WE TALK ABOUT STRATEGIES TO ADDRESS EACH MARKET SEGMENT.

RESOURCE WORLD NEW YORK ALREADY HAS 1 MILLION TRISTATE CUSTOMERS IN OUR NEW YORK DATA BASE.

WE ALREADY HAVE THE RECK SIT MAJOR DATA BASES IN THE COMPANY AND IN PLACE TO MAXIMIZE REV RANG --

LEVERAGE AND MARKETING STRALT JIS.

WE HAVE DIRECT CUSTOMER BASE, AND IN HUDSON VALLEY, WE'LL STIMULATE MORE DEMAND WITH AGGRESSIVE ROYALTY POINTS IN INVESTMENT.

IN GROWING OUR ASIAN-BACKGROUND BUSINESS, WE HAVE DEVELOPED A STRATEGY THAT'S UNQUESTIONABLY THE BEST IN THE U.S.

AS A RESULT, WE HAVE MORE ELECTRONIC TABLE GAMES ON OUR CASINO FLOORS THAN ANY OTHER CASINO, BAR KNOWN.

WE'LL SUPPLEMENT THAT WITH LIVE GAMING PRODUCTING TO ADD TRADITIONAL VALUE.

>> WHEN LOOK AT THE ADDITIONAL MARKETING STRATEGIES, WE RECOGNIZE FOR A NONSATISFIED MARKET, DEMAND CONTINUES TO EXIST AND BUILT STRATEGIES TO GROW DEMAND AND THE MARKET. OUR KEY FOCUS IS GROWING MARKETS.

WE HAVE ALREADY SUCCESSFULLY RECAPTURE NEW YORK GAMING REVENUE PREVIOUSLY GOING TO OUT OF STATES.

WE'LL IMPROVE ON THE RESORTS, AND THERE'S VALLEY BY LEV RAMGING COMPETITIVE TAX, FREE PLAY, KOOMP THE, AND, OF COURSE, 24 HOUR GAMING.

WHEN YOU LOOK AT THE UNIQUE MARKETING OPTIONS, WE ARE AN INVADER AND ALWAYS HAVE BEEN. WE OWN AND OPERATE A FLEET OF

MOTOR COUNTRIES WHICH YOU CAN
SIGH ON THE RIGHT HAND SIDE.
WE USE COACHES TO DEVELOP THE
MANHATTAN RESIDENTIAL AND
TOURIST BUSINESS, AND YOU CAN
SEE BUSES RUNNING UP AND DOWN
EASTERN SIDE OF MANHATTAN SEVEN
DAYS A WEEK.

THE KEY TO SUCCESS ON BUSES IS
THAT THEY ARE FREE TO RIDE AND
OPERATE ON A SCHEDULE TO
CUSTOMERS KNOW WHERE TO BE, WHAT
TIME, TO GET ON THE BUS, AND
COME OUT AND SPEND A LATER TIME
WITH US.

RESORTS WORLD HUDSON VALLEY,
WE'LL EXPAND OUR PROGRAMMING
WITH FREE BUS TRAVELERS FROM
WOODBURY COMMONS.

WE'LL USE OUR FLEET TO TAP INTO
THE GAMING MARKETS, BUT ARE
GOING CURRENTLY TO ATLANTIC CITY
AND SORE CONNNECTICUT CASINOS.
FOR THE VERY IMPORTANT VALUED
CUSTOMERS, WE HAVE DEVELOPED
AGGRESSIVE WELL-EXECUTED
REINVESTMENT STRATEGIES TO
REWARD CUSTOMERS AND MAINTAIN
THEIR LOYALTY.

MR. CHAIRMAN, MEMBERS OF THE
BOARD, I CAN SAY TO YOU TODAY
THAT GIVEN THE OPPORTUNITY, THIS
GROUP WILL DELIVER DESTINATION
RESORT CASINOS IN HUDSON VALLEY
THAT ALL OF NEW YORK WILL BE
VERY PROUD OF.

THANK YOU FOR THE SUNT TO
PRESENT TO YOU TODAY, AND,
KEVIN, I WILL NOW TURN IT BACK
OVER TO YOU, THANK YOU.

>> THANK YOU, MIKE.

SO I'M OLDER THAN I LOOK, AND
MIKE'S CASE, SAY HE'S A LITTLE
MORE WISED AND EXPERIENCE THAN
THE PICTURE SHOWS.

FACT, OUR \$1 BILLION INVESTMENT,
THAT'S THE \$880 MILLION CAPITAL
INVESTMENT COMBINED WITH THE
\$120 MILLION LICENSING FEE WILL
GENERATE OVER \$227 MILLION
ANNUAL DOLLARS IN GAMING
REVENUES.

10% OF WHICH WILL BE EQUALLY
SHARED BETWEEN ORANGE COUNTY AND

TOWN OF MONTGOMERY.
FACT, WITH ZERO ABATEMENTS AND
ZERO TAX BREAKS, WE'LL GENERATE
ANOTHER 40 MILLION DOLLARS IN
ANNUAL COUNTY AND TAX REVENUES
FOR THE LOCAL SCHOOLS, PUBLIC
INFRASTRUCTURE, AND A HOST OF
ECONOMIC DEVELOPMENT
INITIATIVES.
NEARLY TRIPLING THE TOWN'S
EXISTING BUDGET.
WE DIDN'T STOP THERE.
WE WENT ON TO PROVIDE
UNPARALLELED OPPORTUNITIES.
WE GUARANTEED OVER \$20 MILLION
TO THE LOCAL TOWN.
THAT'S A GUARANTEE THAT STANDS
NO MATTER WHAT HAPPENS TO TAXES,
WHETHER THEY GO UP OR WHETHER
THEY GO DOWN.
FREE THE TOWN UP TO LOWER TAXES.
THAT'S 4.7 MILLION GUARANTEED TO
THE TOWN.
THAT'S 13 MILLION GUARANTEED TO
THE LOCAL SCHOOLS.
THAT'S 3 MILLION KARN GUARANTEED
TO THE THREE VILLAGES WITHIN THE
TOWN OF MONTGOMERY SHARED
EQUALLY AMONGST THEM.
THOSE ANNUAL CONTRIBUTIONS, OF
COURSE, ARE COMBINED WITH THE
STAGGERING WORK FORCE
DEVELOPMENT THAT WE WOULD
GENERATE.
THE NEXT VIDEO DESCRIBES WHAT
THIS CHANGE MEANS TO THE LOCAL
COMMUNITY.
>>> RESOURCE WORLD'S VALUE HAS A
POSITIVE IMPACT ON THE LOCAL
COMMUNITY, THE HUDSON VALLEY
TACTICAL REGION, AND THE ENTIRE
STATE.
>> Host: RA PROJECT THAT COMES
IN HERE, A ONCE IN A LIFETIME
PROJECT THAT WE'LL NEVER SEEING?
LIKE THIS EVER COME INTO THE
AREA KBEN AGAIN.
THE INITIAL CAPITAL INVEST MMENT
OVER \$1 BILLION TO MAKE THIS THE
MOST VALUABLE PROPERTY
GENERATING OVER \$40 MILLION IN
ANNUAL COUNTY AND TOWN TAX REEVE
KNEWS.
THE RESORT WILL GENERATE

THOUSANDS OF MIDDLE CLASS CAREERS.

>> WE HAVE PEOPLE IN POVERTY FOR A LONG TIME, AND TO BE ABLE TO WORK FOR THE RUDDSON VALG LEE, WHO IS LOOKING TO BRING IN ALMOST 4,000 JOBS, AND, AGAIN, NOT JUST JOBS, BUT REAL CAREERS. I THINK IT'S A WONDERFUL THING.

>> WE ARE A STRUGGLING COMMENT. WE ARE RUBBING TWO NICKELS TO GET A QUARTER EVERY TIME. I SEE THIS RAZZ A POSITIVE IMPACT IN THE ENTIRE TOWN. IT WAS VERY EMOTIONAL THAT DAY, THE CLOSING, AND VOWED TO MY REVERENCE, I'M NOT GOING TO GIVE UP ON THE SCHOOL AND DO EVERYTHING I CAN TO MAKE SHAUR THAT SCHOOL REOPENED AGAIN SOMEDAY.

>> THE COMPANY RALLY AROUND THE RESORT, LET US SUPPORT THE RESORT, LOCAL RESIDENTS, AND SIMILAR TO THE 2,000 LETTERS SUBMITTED HAS CONTINUED TO COME IN.

OVER 400 LOCAL BUSINESSES URGE THE SUPPORT FOR THE RESORT AND OVER 50 ENTERED TO HAVE A LOCAL FEATURE.

LIVE ENTERTAINMENT VENUES ACROSS THE REGION ENTERED INTO AGREEMENTS WITH US.

>> THIS WILL BRING HCH NEEDED OPPORTUNITY THAT THE VILLAGE HAS BEEN WAITING FRGS AND IT'S NOT JUST AN OPPORTUNITY TO GET A JOB.

IT'S THE OPPORTUNITIES OF THE RESOURCES THAT IT BRINGS. AS A YOUNG FATHER WITH A THREE MONTH OLD DAUGHTER, I KNOW HOW IMPORTANT DAY CARE AND TRANSPORTATION IS.

WE HAVE A WALKABLE VILLAGE, SO HAVING MORE OPPORTUNITIES FOR THE RESIDENTS HAVE TO TRANSPORTATION TO A JOB IS ABSOLUTELY AMAZING.

>> ALSO GUARANTEED \$3 MILLION OF ANNUAL FUNDS TO THE VAIL LANGS OF, AND PARTNERED WITH THE RUE BUY GROUP TO ESTABLISH THE MAIN

STREET VILLAGE NETWORK IN HISst
HOUSTON.

THE RECITAL --
REVITALIZATION.

>> ALL THING GO THROUGH A LIFE
CYCLE, AND THE CITY HAS BEEN IN
A DOWN CYCLE, SO A LITTLE BIT OF
TIME, AND QUITE LANGE FRANKLY,
IT'S TIME FOR IT TO CYCLE UP.

>> AS YOU KNOW WELL, THE RFA
REQUIRED US TO HAVE LOCAL
SUPPORT OF THE TOWN AND ENTER
INTO COOPERATIVE AGREEMENTS WITH
LIVE ENTERTAINMENT VENUE.
WE WENT BEYOND THAT.

WE GOT THE UNANIMOUS SUPPORT OF
THE TOWN AND EACH OF THE THREE
VILLAGES.

WE ALSO SUBMITTED THOUSANDS OF
LETS OF SUPPORT WITH OUR
APPLICATION, ENTERED OVER 400
LOIS AND MOUs WITH LOCAL
BUSINESSES TO FEATURE THEIR
GOODS AND SERVICES IN OUR
FACILITY.

WE ENTERED INTO AGREEMENT THAT
IT WAS THE PREMIER LIVE
ENTERTAINMENT VENUE.

THAT SUPPORT CAME POURING OUT
BECAUSE OF ONE WORD -- JOBS.
FACT, WE CURRENTLY PAY THE
HIGHEST WAGES IN THE ENTIRE
CASINO INDUSTRY IN THE UNITED
STATES RIGHT HERE IN NEW YORK.
FACT, AN AVERAGE SALARY WITH
FULL BENEFITS OF THEREFORE 60
,000 A MORE, WE OFFERED MORE AND
IT PAYS MORE THAN ANY OTHER
OPERATOR IN THE PROCESS.

WE UNDERSTAND WHAT IT MEANS TO
PAY A REAL LIVING WAGE IN NEW
YORK BECAUSE WE'RE THE ONLY ONES
DOING IT.

THAT AVERAGE OF THEREFORE 60,000
A YEAR WITH FULL BENEFITS IS
NEARLY DOUBLE THE NATIONAL
AVERAGE.

NOW, MUCH HAS BEEN SAID ABOUT
THE ROLE OF ORANGE COUNTY IN THE
PROCESS, SO I'LL SPEAK DIRECTLY
TO IT.

FACT, ORANGE COUNTY HAS MORE
UNDEREMPLOYED PEOPLE THAN ALL OF
SULLIVAN AND OLSTER COUNTY

COMBINED.

OUR ABILITY TO ADDRESS THE REGIONAL NEED IN A MORE KPRONSIVE AND TRANSFORMATIVE WAY TURNS, AGAIN, TO LOCATION, LOCATION, LOCATION.

WHAT YOU'LL SEE IT IS TO THE GREATEST NEED IN THE REGION, AND IT'S 35 MILES FROM PORT JARVIS, 45 MILES --

12 TO MIDDLETOWN, AND EIGHT MILES TO THE CITY OF NEWBURG.

OUR PROPERTY LINE FITS THE BORDER OF THE TOWN OF MONTGOMERY IN THE TOWN OF NEWBERG.

AS THE NEXT VIDEO SHOWS, THAT US IN THE HEART IN THE GREATEST NEED IN THE ENTIRE REGION.

>> RESOURCE WORLD ORANGE COUNTY LLC IS COMMITTED TO A TRANSFORMATIVE WORK FORCE THAT WILL GENERATE THOUSANDS OF CAREER PATH, REDUCE UNEMPLOYMENT IN DISADVANTAGED AREAS, AND ACCELERATE THE REVITALIZATION OF THE ENTIRE VALLEY AND REGION.

>> WHAT I'VE SEEN IN MY EXPERIENCE IS THEY BENEFIT FROM THE CASINO ENVIRONMENT.

>> THIS REALLY HELPS OUT A TREMENDOUS AMOUNT WITH -- FINANCES -- THE RENT AND EVERYTHING PAID ON TIME WITH NO GOVERNMENT HELP, WHICH IS GREAT.

>> I'M MARRIED FOR 11 YEARS, I HAVE THREE KIDS, AND THE BENEFITS HELP ME OUT WITH THE CHILD CARE, HELP OUT TREMENDOUSLY.

>> I THINK IT'S SAFE TO SAY THAT THE COOPERATIVE NATURE OF THE RELATIONSHIP THAT'S EXISTED BETWEEN THIS WORLD AND PATTERN AND THE TRADES COUNSEL HAS BEEN ONE THAT'S BENEFITTED THE EMPLOYEES WHO CLEARLY MOVED INTO GAINFUL EMPLOYMENT AND THE MIDDLE CLASS AND BENEFIT THE NEW YORK STATE BY POWERING TENS OF MILLIONS OF DOLLARS INTO OUR TREASURY TO EXPRESS USE OF EDUCATION.

>> HIRE LOCALLY WITH OVER 60% OF THE EMPLOYEES COMING FROM

QUEENS, AND TO PAY A REAL LIVING WAGE.

TODAY, THEY PAID THE HIGHEST WAGE IN THE ENTIRE GAMING INDUSTRY WITH AN AVERAGE SALARY AND BENEFITS PACKAGE OF \$80,000 A YEAR AT THE QUEENS FACILITY.

>> THEY HAD UNRIVALLED SUCCESS IN CHAMPIONING DIVERSITY HERE IN NEW YORK AND 90% OF THE WORK FORCE ARE FEMALE AND MINORITY EMPLOYEES.

WE WANT TO DELIVER THE SAME RESULTS AND LIFE CHANGING WAGES IN AREAS LIKE MIDDLETON AND PORT OF JERSEY.

>> THERE'S STATISTICS THAT SUGGEST THE UNEMPLOYMENT RATE IS 20 TO 25%, AND BREAK IT DOWN MORE, SAY BY AGE GROUPS, MINORITY MALES, IT IS 18 TO 25. WITHIN THE CITY OF NEWBERG, IT'S 30 TO 40%.

>> THE GREATEST INITIATIVE, PARTNERED WITH ORANGE COUNTY COMMUNITY COLLEGE AND HOST OF COMMUNITY STAKE HOLDERS TO ESTABLISH TRAINING CURRICULUMS, THE CAREER CENTERS, AND DAY CARE CENTERS THAT LIFT ENTRY LEVEL APPLICANTS INTO MIDDLE CLASS WORK FORCE.

>> KNOTS JUST A JOB, YOU A CAREER POSITION. THOSE OFFERS HOPE, SOMETHING THEY HAVE NOT HAD IN A LONG TIME, ESPECIALLY FOR THE VETERANS IN THIS COUNTY, TO HAVE AN ORGANIZATION COME THROUGH HERE AND BUILD A HOME NEAR THE CITY, AND THERE'S PLENTY OF OFFER TO THOSE RESIDENTS AND VETERANS OF ORANGE COUNTY THERE'S A FUTURE OUT THERE FOR THEM.

>> FIVE MINUTE WARNING. WHEN I TRAVEL, MIDDLETON, PORT JARVIS AND NEWBERG, I FEEL THAT SAME SENSE OF ENTRENCHED POVERTY I BATTLED WITH IN THE PHILADELPHIA NEIGHBORHOODS WHERE I GREW UP.

THE DIFFERENCE THIS TIME IS I'M BACKED BY A 40 BILLION-DOLLAR

COMPANY THAT WANTS TO BRING ABOUT REAL CHANGE NOW. EVERYONE HAS SAID THEY WOULD CREATE JOBS, AND THEY WOULD, BUT NOBODY WOULD PAY THE LIVING WAGE THAT WE WILL.

WE R WE ALSO LEVERAGE TREMENDOUS SUCCESS IN NEW YORK CITY.

AS THE HEAD OF THE COMMUNITY AFFAIRS, I CAN TELL YOU THESE ARE NOT FALSE HOPES.

IN NEW YORK, 33% OF OUR GOODS AND SERVICES COME FROM NBBE. 30% OF THE CONSTRUCTION TO BUILD THAT FACILITY CAME FROM MWBE, AND GIVEN THE DEMOGRAPHIC OF QUEENS, OVER 90% OF THAT FACILITY IS CONSTITUTED OF FEMALES AND MINORITY MALES. 90%.

NOBODY ELSE CAN SAY THAT.

NOTHING ELSE DOES IT.

WE ARE AT THE FORE PROMPT TO ENSURE GAMING IS AN ECONOMIC ELEMENT, AND WHEN THEY WERE HERE WHEN REGULATED GAMING STARTED IN NEW YORK, WE WORKED HAND IN HAND WITH THE NEW YORK COUNSEL AND PROBLEM GAMING, AND WE CREATED THE MULTILINGUAL PROBLEM GAMING PLATFORM AND HAVE ONE OF THE MOST ROBUST, ALCOHOL SHUT OFF POLICIES IN THE GAMING INDUSTRY, AND I WAS THERE WITH MIKE AND WITH RYAN WHEN THE MULTIWERE DOLLAR PLAYER IN THE QUEENS FACILITY CAME BACK ONE WEEK AFTER SIGNING A SELF-EXCLUSION FORM AND ASKED TO BE LET BACK INTO THE FACILITY.

IT TOOK US LESS THAN ONE MINUTE TO CONFIRM THAT HE COULD NOT COME BACK.

THE STATE HAS ENTRUSTED US AS STEWARDS, AND WE TAKE THAT ROLE UTTERLY SERIOUSLY.

THREE DIVISIONS STARTED.

THIS IS THE BEST IN CLASS REGIONAL DESTINATION RESORTS BECAUSE WE'LL INVEST MORE.

WE WILL BUILD MORE.

WE WILL GIVE MORE UP FRONT WITH A 120 MILLION DOLLAR LICENSING FEE BEFORE ANY SHOVEL HITS THE

GROUND.

WE WILL PAY OUR EMPLOYEES MORE.
ALREADY PAYING THE HIGHEST WAGES
IN THE ENTIRE INDUSTRY.
IT'S \$300 BILLION OVER TEN
YEARS.

WE CAN STAND HERE AND SAY THAT
WITH A STRAIGHT FACE BECAUSE IN
THE LAST THREE YEARS SINCE
OPENING OUR DOORS IN QUEENS ON
OCTOBER 28th, 2011, WE ALREADY
GENERATED AND GIVEN OVER \$1.2
BILLION TO THE STATE OF NEW
YORK.

IN CONCLUSION, OUR DIVERSITY,
EXPERIENCE, AND FINANCIAL
STRENGTH HAS MADE HISTORY IN NEW
YORK.

WE BECAME THE HIGHEST GROSSING
SLOT FACILITY NOT JUST IN NEW
YORK, BUT IN THE ENTIRE WORLD.
WE WENT ON TO NOW PAY THE
HIGHEST WAGES IN THE ENTIRE
INDUSTRY, AND WE HAVE THE MOST
DIVERSE WORK FORCE IN THE ENTIRE
INDUSTRY.

WE MADE HISTORY IN NEW YORK, AND
WE WOULD BE HONORED TO MAKE
HISTORY AGAIN WITH THE NORTHWOOD
HUDSON VALLEY IN THE HUDSON
VALLEY CAT SKILLS REGION.

THAT CONCLUDES OUR PRESENTATION.
WE NOW OPEN IT UP TO QUESTIONS.

>> DO I UNDERSTAND CORRECTLY
THAT THERE'S ANOTHER PROPOSAL TO
BE HEARD LATER ON?

>> THAT'S CORRECT.

>> THAT IT'S FURTHER SOUTH?

>> THAT'S CORRECT.

>> AND LARGER?

>> THAT'S CORRECT.

>> AND AS BETWEEN THE TWO
PROPOSALS, DOES YOUR COMPANY
HAVE A PREFERENCE?

>> THIS RESORT WOULD GENERATE
MORE REVENUE AND JOBS, SO, YES,
THERE'S A PREFERENCE TO BUILD
THE RESORT BECAUSE WE FEEL THAT
DEVELOPMENT WOULD PROVIDE THE
GREATEST ECONOMIC IMPACT FOR THE
STATE OF THE NEW YORK.

THAT SAID, WE ARE COMPLETELY
RESPECTFUL OF THE FACT THAT THE
DECISION HERE IS ENTIRELY UP TO

THE BOARD.

IF THE BOARD SHOULD DECIDE IT'S MORE APPROPRIATE TO PUT A FACILITY FURTHER NORTH, THEN WE'VE ALSO HAVE THE BEST REGIONAL DESTINATION RESORT IN THAT CLASS.

>> I JUST ONE QUESTION, THE AVERAGE SALARY NUMBERS ARE VERY, VERY IMPRESSIVE, BUT I ALSO KNOW YOU CAN SOMETIMES GET BURIED IN THE LAW OF AVERAGES, SO WHEN -- WOULD YOU BREAK THAT OUT A BUILT IN TERMS OF WHAT HOSPITALITY WORKERS HAVE IN SALARY, WHAT WORKERS ON THE GAMING FLOOR HAVE AS A GAMING SALARY, ET CETERA, ET CETERA.

THE STRUCTURE IN PLACE IN QUEENS, WHICH IS LARGELY THE STRUCTURE THAT IS ADJUSTED FOR THE REGIONALTY OF THE WAGE STRUCTURE, IN QUEENS, THE MINIMUM WAGE IS \$21 AN HOUR. IF YOU WORK ON A SUBWAY CHAIN, THE LARGEST GROSSING SUBWAY CHAIN I THINK IN THE UNITED STATES, IF YOU WORK VALET, IF YOU WORK ANYWHERE ELSE ON THE FLOOR, THE MINIMUM YOU WILL MAKE IS \$21 AN HOUR.

IT'S A STAGGERING AMOUNT THAT ANYONE ELSE IS PAYING.

WE FOLLOW THAT SAME STRUCTURE BEGIN THE FACT THAT WE ALREADY HAVE A COLLECTIVE BARGAINING AGREEMENT IN PLACE THAT COVERS ORANGE COUNTY WITH THE HOTEL TRADES COUNSEL AND HAVE THAT MODEL DEPLOYED IN ORANGE COUNTY.

>> I APPRECIATE YOUR HONESTY TO THE QUESTION ON PREFERENCE.

THAT'S LOGICAL AS WELL.

WHEN YOU SHOW THE LIST OF REPORTERS, WAS THE CITY OR TOWN ON THAT LIST?

>> NO, THEY WERE NOT ON THAT LIST, AND IT WAS AN INTERESTING DYNAMIC, ONE WHICH WE REPLICATED, AND THAT'S A GREAT QUESTION.

A HOST OF MUNICIPALITIES LOOK AT THE PROCESS AS AN EXCLUSIVITY PROCESS.

WE RESPECTED THAT.

WE SAT DOWN WITH EACH OF THE JURISDICTIONS, LOOKED THEM IN THE EYE AND SAID ALL WE WANT TO DO IS BRING CHANGE TO THE POLICY.

JUST LET ME KNOW THAT IF I BRING PROGRAMS THAT CAN HELP YOUR CONSTITUENTS THAT WE CAN WORK TOGETHER, AND THE ANSWER WAS A RESOUNDING YES.

>> AND CAN WE, IF YOU ARE PART OF THE TEAM, WOULD BRAD GO BACK TO PAGE 16 AND THEN 17, AND PERHAPS A QUESTION FOR THE GENTLEMAN IN THE SECOND SEAT, SORRY, FORGET YOUR FIRST NAME.

>> MIKE SPELLER.

>> MIKE, YES.

>> MR. CHAIRMAN?

>> LET'S GET THE CHART UP FIRST, AND THEN I'LL ASK MY QUESTION. YEAH, THE ONE RIGHT BEFORE THAT. YES, THAT ONE.

THE CHART'S SHOWING NEW YORK'S COMMERCIAL REVENUES, AND ONCE RESOURCE IN NEW YORK CAME ON LINE, YOU SHOW THE REST OF THE NEW YORK MARKET ESSENTIALLY STAYING FLAT FROM 2011 THROUGH 2014.

>> THAT'S CORRECT.

HAD RESORTS NOT ENTERED THE REALM IN THE GAMING ENVIRONMENT, WOULD THOSE NUMBERS LIKELY HAVE GONE UP IN THE REST OF NEW YORK?

>> MR., I THINK THE KEY FOCAL POINT IS ON THE CHART THAT WHEN WE ENTERED THE MARKET, WE GREW IT.

>> EXCUSE ME?

>> WE GREW IT.

WE DID NOT GROW THE MARKET AT THE EXPENSE OF ANYONE ELSE. THAT'S THE KEY ISSUE TO FOCUS ON, THE FACT THAT IN A VERY DIFFICULT MARKET FOR EVERYBODY, AND AS YOU'VE ALL HEARD OVER THE LAST THREE YEARS, ALL GAMING OPERATIONS HAVE HAD THAT DIFFICULTIES WITH REVENUES, THAT WE, COMING INTO THE MARKET INCREASED IT TREMENDOUSLY, AND NOT AT THE COST OF THE EXISTING

OPERATOR.

THAT IS THE KEY POINT OF THIS CHART.

>> SO WOULD IT BE UNFAIR FOR ME TO SURMISE FROM THIS CHART THAT THE CLOSER TO NEW YORK CITY YOU GET WITH A GAMING FACILITY, THE MORE CANALIZATION THAT HAPPENS IN THE UPSTATE GAMING?

>> THEY ARE TWO DIFFERENT MARKETS.

OUR MARKET AND QUEENS.

THERE'S A MARKET THAT HAS ON AVERAGE A SPAN OF BETWEEN 60 AND 70 AND \$80 PER TRIP.

THAT CUSTOMER DOES NOT GO UP TO ORANGE COUNTY BECAUSE THE COST OF DOING THAT EATING INTO WHATEVER THEIR SPEND IS AND TIME VALUE IS.

I'LL TURN IT OVER TO CHRISTIAN TO TALK FURTHER ABOUT THAT, BUT WE THINK THEY ARE COMPLIMENTARY, AND THEY DO NOT CANNIBALIZE EACH OTHER.

TWO SEPARATE MARKETS, VERY, VERY BIG, VERY VIBRANT MARKETS.

OF COURSE QUEENS RUNS OUT TO THE END OF LONG ISLAND, AND THAT IS A DIFFERENT MARKET WHEN YOU TALK ABOUT AS WE COME ACROSS THE BRIDGE TO JERSEY AND UPSTATE NEW YORK.

>> AND BEFORE WE GET THERE, JUST REPHRASE THE QUESTION.

IF YOU WERE TO RECEIVE ONE OF THE TWO PROPOSALS YOU HAVE IN ORANGE COUNTY, ONE WE'LL HEAR ABOUT LATER, DO YOU BELIEVE THAT YOUR NUMBERS IN NEW YORK CITY WILL GO DOWN?

>> THANK YOU.

I THINK THAT'S A GREAT QUESTION, OBVIOUSLY A CONCERN TO US AS OPERATORS AND APPLICANTS, AND, OBVIOUSLY, A CONCERN TO THE BOARD BECAUSE IT'S ABOUT OVERALL MAC MIZING THE STATE OF NEW YORK THE THE NEW FACILITY, TRUE IN ANY JURISDICTION, THERE'S CANNIBALIZATION.

WE THINK WE ARE SITUATED TO RELOSE, E LIMB GNAT EXTENT POSSIBLE ANY CANNIBALIZATION,

BUT THE FACILITIES ARE
COMPLIMENT RI, THE WAY OUR
FACILITY COMPLIMENTS THE
EXISTING OPERATORS HERE WHEN WE
OPENED RESORTS WORD NEW YORK.
ON THE TOUCH POINT, AND THE BLT
MARKET, IT'S BASED, LOOK AT OUR
DATA BASE AND OTHER OPERATORS'
DATA BASE, PEOPLE FROM BROOK
LIP, QUEENS, AND PEOPLE FROM THE
BRONX, THESE UPSTATE FACILITIES
HAVE UNIQUE ABILITY TO
CAPITALIZE, NOT ONLY ON REGIONAL
GAMING COMING FROM, YOU KNOW,
ORANGE COUNTY, THE OTHER COUNTY
IN REGION ONE, BUT NORTHERN NEW
JERSEY, MARKETS WE'RE NOT
ATTRACTING.

I KNOW FOR SURE RESORTS WORLD
NEW YORK CITY HAS LITTLE, IF ANY
BUSINESS, COMING FROM NORTHERN
JERSEY, THE BRONX, WESTCHESTER,
OR WHITE PLAINS.

THESE FACILITIES UNIQUELY
CAPITALIZE ON THE UNSATISFIED
NEEDS IN THE JUST DICTIONS.
NOW THEY GO TO CONNECTICUT, NEW
JERSEY, AND PENNSYLVANIA.
LOOKING AT THE START THAT SHOWED
THE ON-SITE DEMAND, YOU KNOW, WE
RESEARCHED IT, AND LOOKED IT AT
IT OVER MANY YEARS.
WE ARE CERTAIN THERE'S
UNSATISFIED DEMAND, AND SOME OF
THE DEMAND GOES TO OTHER
MARKETS.

THAT WE CANNOTING THE FOR.
THOSE ARE THE DOLLARS THAT
PARTICULARLY THIS FACILITY AND
THE OTHER PROPOSAL WILL GO ALONG
WAY TO RECAPTURE.

>> THANK YOU, AND DON'T READ
INTO THE QUESTION BECAUSE WE
HAVE 16 PROPOSALS BEFORE US AND
SO MUCH INFORMATION TO DIGEST.
I HAVE NOT BEEN TO THE FACILITY
IN QUEENS, AND YOU DID A GREAT
JOB THERE SO DON'T READ INTO THE
QUESTIONS, SO THANK YOU.

DENNIS, DO YOU HAVE A FOLLOW-UP?
>> YOU'RE OFFERING TO PAY A FEE
TO THE STATE IN WHAT'S REQUIRED,
IS THAT MAKING YOUR PROPOSAL
MORE ATTRACTIVE, IS THAT THE

IDEA?

>> IT'S A DEMONSTRATION OF THE COMMITMENT TO ENSURE THAT GAMING, IN THIS FASHION, FULL SCALE, NONTRIBAL GAMING, GETS OFF TO A GREAT START AND SUSTAINS ITSELF.

NOW, THE RFA ALLOWED FOR TWO DISCRETIONARY ITEMS. ONE, A DISCRETIONARY ADDITIONAL LICENSING FEE ABOVE THE REQUIRED MINIMUM, AND, TWO, A DISCRETIONARY SHARING OF REVENUES.

WE'D ADDRESS BOTH OF THOSE. IN HUDSON VALLEY THEWAY WE ADDRESSED IT IS BY PROVIDING AN ADDITIONAL \$50 MILLION IN LICENSING FEES, AND WHAT THAT REFLECTS AGAIN IS, ONE, OUR COMMITMENT TO PUTTING FORTH A PROPOSAL THAT'S HANDS DOWN THE BEST.

THAT CAN ALLOW THE STATE TO HAVE RESOURCES BEFORE ANY SHOVEL HITS THE GROUND TO DEPLOY AND HAVE ITS ON CONSULTANT.

I WALK AROUND TO THE TOWN MEETINGS FEELING LIKE THE VERIZON MAN.

THE ONE GUY WITH THOUSANDS OF PEOPLE BEHIND HIM?

WE HAVE A TEAM THAT WE'VE ALREADY SPENT COLLECTIVELY BETWEEN TWO PROJECTS OVER \$50 10 MILLION IN CONSULTING FEES TO ENSURE THAT WE CAN HAVE THE FACILITIES BUILT WITHIN 24 MONTHS OF THE ISSUING OF LICENSING, ALLOWING THEM RIGHT OVER THERE, ON VARIETIALS, AND LEGAL, DRAKE LOBE, LAND USE, YOU GOT PHILLIP ON TRAFFIC, KEN ON SITE CIVIL.

JUST A HOST OF PEOPLE.

THAT DOES NOT INCLUDE THE THREE DIFFERENT FINANCIAL FIRMS THAT WE HAVE BROUGHT ON TO ENSURE THAT OUR NUMBERS ARE ACCURATE.

>> LATER ON, ARE WE GETTING THE SAME TEAM BACK UP?

>> YES.

>> STU, ANY QUESTIONS?

A HYPOTHETICAL QUESTION.

WHAT HAPPENS INSTEAD OF YOURS IF THERE'S A CASINO BUILT CLOSER TO NEW YORK THAN -- SUPPOSE YOU GET THIS LICENSE HERE, NOTHING STOPPED YOU YET, BUT IN 7 YEARS THERE'S A CASINO CLOSER TO NEW YORK CITY, WHAT HAPPENS TO THIS CASINO?

>> PHENOMENAL QUESTION.

I'LL ANSWER IN TWO PARTS AND PASS IT OVER TO CHRISTIAN. FIRSTLY, ONE OF THE THINGS THAT MAKES THIS BID UNIQUE, MAKES OUR APPROACH UNIQUE IS THAT WE ARE COMING IN AND PUTTING 50% OF OUR OWN OWNER-OPERATOR EQUITY. WHAT THAT ALLOWS US TO DO IS TO HAVE SUFFICIENT ROOM IN TERMS OF LEVERAGING.

OVER SEVEN YEARS -- AND IT'S JOUST NOT SEVEN YEARS BECAUSE YOU HAVE SEVEN YEARS WHAT'S LEGALLY PERMISSIBLE, AND TAKE OUT THE TIME IT TAKES TO CONSTRUCT, YOU'RE TALKING TEN YEARS FROM NOW WE WOULD HAVE SUFFICIENTLY DELEVERAGED TO THE POINT WHERE WE CAN WEATHER A CHANGE IN THE INDUSTRY WITHOUT TAKING A DRAMATIC HIT.

CHRISTIAN, DO YOU WANT TO ELABORATE?

>> YEAH.

TO ADD ON TO THAT, AS WE TALKED ABOUT, KEVIN HIGHLIGHTED ON AND PAUL TALKED ABOUT, THIS FACILITY HAS THE ABILITY TO GROW.

THERE'S A PARTICULAR LOCATION, YOU KNOW, A GAMING FACILITY WITH CONFERENCE SPACE AND HOTEL IS JUST THE BEGINNING, ADD WATER PARKS, ADD OTHER REGIONAL OFFSITE ATTRACTIONS THAT MAKE THE PROJECT SUSTAINABLE OVER FIVE, ZEMPB, TEN YEARS, WHATEVER THE SPECTRUM YOU LOOK AT.

WE'RE NOT INVESTS IN THE SHORT TERM, BUT INVESTORS FOR THE LONG TERM.

IT'S ABOUT CREATING UNIQUE DIFFERENCES, UNIQUE AND DISTINCT DESTINATIONS.

WE START THAT PROCESS MEETLY, AND WE THINK THE PROPOSAL PUT

FORWARD HAS THE AMT TO GROW INTO, PERHAPS, THE JEWEL OF THE CATSKILLS REGION AND BE AN ATTRACTION FOR FAR MORE THAN TEN YEARS.

>> THANK YOU.

>> OKAY, WELL, THANK YOU VERY MUCH FOR YOUR PRESENTATION.

I GUESS WE'LL SEE YOU LATER.

>> THANK YOU, MR. CHAIRMAN.

THANK YOU, BOARD.

>> THE NEXT PRESENTATION WILL BE THE LIVE HOTEL AND CASINO NEW YORK.

WE'LL START IN FIVE MINUTES.

>>> PLEASE BE SEATED.

OKAY, NEXT UP IS THE LIVE HOTEL CASINO IN NEW YORK.

PLEASE IDENTIFY YOURSELF AND PAM.

YOU HAVE 40 MINUTES, AND I'LL GIVE YOU A FIVE MINUTE WARNING, AND WE'LL FINISH UP THE Q&A, THANK YOU.

>> THANK YOU.

I HAVE WITH ME TODAY THE PRESIDENT OF THE CORNISH COMPANY, JARED WINEBERG, THE CEO OF GAMING, TIM, AND JAY SNOWDEN, THE COO.

THE PROJECT WE'RE GOING TO PRESENT TODAY IS A 50/50 JOINT VENTURE BETWEEN GAMING AND THE CORNISH COMPANY.

ON BEHALF OF BOTH COMPANIES, AND I THANK THE COMMISSION FOR INVITING US TODAY TO SPEAK AND TO PRESENT TO YOU.

IF I WAS GIVING OUT AWARDS, I MIGHT GIVE YOU THE AWARD CALLED THE CAL RIPKEN IRON MAN AWARD.

I DON'T THINK OF ANY OF THE PRESENTATIONS, ANY PANEL HEARD AS MANY PRESENTATIONS AS YOU HAVE TO LISTEN TO TODAY, AND I CAN ONLY COMPLIMENT YOU.

MY GOAL THIS MORNING IS BRIEF.

IT'S JUST TO GIVE YOU AN OVERVIEW OR THESIS AS TO HOW WE PICKED SOUTH ORANGE COUNTY AS OUR SITE, AND THEN I WAS GIVEN THE PRIVILEGE ON THE TEAM TO PRESENT AN IDEA THAT'S NEVER

BEEN DONE EVER IN THE UNITED STATES FOR ANY CASINO AND COMPANY.

I'LL SAVE THAT FOR LAST.

YOU ARE ALL FAMILIAR WITH THE WORD "SATURATION" AS IT APPLIES TO GAMING.

UNFORTUNATELY, IT'S A SERIOUS PROBLEM BECOMING MORE SO. TODAY, FOR EXAMPLE, YOU'VE BEEN LOCKED IN THE ROOM, BUT TRUNK FILE FOR BANKRUPTCY IN ATLANTIC CITY AND AWARDED IN MASSACHUSETTS -- THE BOGS P AREA, AND I SAY THAT IT'S A REAL PROBLEM BECAUSE IT IS AND ON THE OTHER HAND R IT'S NOT HOPELESS. THERE ARE HOLES IN THE MARKET, AND WE THINK THAT THE SITE THAT'S PICKED IS ONE OF THE HOLES BUT IT IS A VERY DIFFICULT JOB YOU HAVE IN SELECTION AND THAT WE HAVE IN THE PRIVATE SECTOR.

WE CALL IT THREADING THE NEEDLE, AND IF YOU DON'T THREAD THE NEEDLE EXACTLY RIGHT FOR THE EAST COAST SITUATION ON MORE AND MORE CASINOS, YOU'LL FAIL IN THE MISSION FOR THE STATE WHICH IS TO CREATE MAXIMUM JOBS AND REVENUE.

I WANT TO GIVE YOU ONE EXAMPLE OF HOW OUR COMPANY THREADED THE NEEDLE.

THERE ARE OTHERS IN WHICH I CAN GIVE AND MY PARTNER WILL GIVE LATER, BUT I'LL GIVE YOU ONE. THIS IS A CASINO THAT'S TWO YEARS OLD.

THEY GENERATE OVER A BILLION DOLLARS A MONTH IN BETTING REVENUE.

IT'S JUST A DIAL ON THE PAR. THIS IS FROM MARYLAND IN A CITY OF 10 MILLION PEOPLE. THEY ARE NECK AND NECK ON TOTAL BETTING.

NOW, THE HOLE IN THE MARKET FOUND THERE WAS BY ESTABLISHING OUR CASINO ON PROPERTY OF AN EXISTING, VERY SUCCESSFUL REGIONAL AND BROADER THAN REGIONAL OUTLOOK BY ASSIGNING

PROPERTIES COMPANY CALLED --
VERY, VERY SIMILAR.
BOTH MALLS ARE RUN BY THE SAME
COMPANY, PROPERTIES, AND
PROXIMITY TO BOTH OF THEM.
IN FACT, DRAW 14 MILLION PEOPLE
A YEAR.

THAT'S PRIOR TO OUR CASINO.
ONE MORE STATISTIC, WE GENERATE
OVER A MILLION DOLLARS A DAY IN
TAXES EACH AND EVERY DAY TO THE
STATE.

WHAT WE USE TO DISCOVER ON LIVE
PRINCIPLES ARE TWO PRINCIPLES
THAT CONTROL, MUST CONTROL BOTH
SELECTIONS BY THE PRIVATE AND
PUBLIC SECTOR.

THAT IS PROXIMITY TO POPULATION
AND CONVENIENCE TO GET TO THAT
POPULATION, AND WE NEED TO HAVE
BOTH IF YOU'RE GOING TO BE
SUCCESSFUL.

IT'S NOT ENOUGH ONLY TO BE
LOCATED IN SHORT DRIVING
DISTANCE FOR MILLIONS OF PEOPLE.
THAT'S VERY NICE, BUT THEY HAVE
TO BE ABLE TO GET TO YOU AND GET
TO YOU IF YOU'RE TWO HOURS AWAY.
IF YOU LOOK AT THE SITUATION IN
NEW YORK, WHERE ARE THE AMOUNTS
OF PEOPLE?

I DON'T HAVE TO TELL THIS
DISTINGUISH PANEL.
THEY ARE IN GREATER METROPOLITAN
NEW YORK CITY, AND IF YOU WANT
TO GET CLOSE TO THE POPULATION,
THEM YOU BELONG -- NEAR THIS
COUNTY.

THE REASON IT IS DIFFICULT TO
THREAD THE NEEDLE AND WHY THAT
LOCATION BECAME BOTH THE FOCUS
IS INDEPENDENT BEFORE WE JOINED
FORCES IS THAT NEW YORK CITY
CUSTOMER ALREADY HAS NUMEROUS
CHOICES, AND THAT'S PRIOR TO ANY
SELECTION BY YOU OR ANY BOARD,
AND IT IS IMPOSSIBLE NOT IN YOUR
CONSIDERATION TO TAKE INTO
ACCOUNT PLACES IN PENNSYLVANIA
WHICH HAS A FULL CASINO AND
HOTEL OPERATED BY ONE OF THE
GREAT GAMING COMPANIES IN THE
WORLD, SAM, AND WHAT THEY ARE
DOING, AND IN NEW YORK CITY

TODAY, YOU CAN EASILY, YOU KNOW,
GO THERE, GO TO ATLANTIC CITY,
YOU CAN GO TO CONNECTICUT.
IF YOU'RE NOT IN SOUTH ORANGE
COUNTY, YOU'LL THEN HAVE TO
COMPETE WITH THE CHOICES.
IF YOU ARE, YOU CAN EASILY BE
CLOSER AND WE WIN THE BATTLE OF
PROXIMITY.
WE -- PUT IT THIS WAY, THE
OPTIMAL CHOICE FOR MAXIMIZING
REVENUES AND MAXIMIZING JOB
CREATION IS SOUTH ORANGE COUNTY

--

[INAUDIBLE]

WHAT DRIVES MOST GAMBLERS TODAY
IS CLOSENESS AND PROXIMITY TO
THE CASINO THEY ARE VISITING.
NOW, THE OTHER PART OF THE
EQUATION THAT I MENTIONED WAS
CONVENIENCE.
YOU GOT TO GET THERE, EVEN IF
YOU ARE CLOSE, AND TO -- WE
LOOKED AT AND ACTUALLY ON THE
INTERNATIONAL WORKING ON IT,
WOODBURY COMMONS, THE SITUATION,
WHY WOULDN'T YOU WORK THERE?
WOULDN'T IT BE CLOSE TO WOODBURY
COMMONS BECAUSE IT GIVES THE
CASINO AN ADVANTAGE THAT IS
TREMENDOUS, JUST LIKE COMPARABLE
TO WOODBURY COLLINS, AND WE
CONCLUDED ROUTE 32, ONE OF THE
COMPETING PROPOSALS, WOULD NOT
BE MAKING IT CONVENIENT,
PROXIMITY, BUT NOT CONVENIENCE.
LIKEWISE, WE LOOK AT TUXEDO PARK
AND CONCLUDED WITH A NEW
INTERCHANGE IT MAYBE A PLAYER,
AND THEN WE LOOKED AT COULD A
NEW INTERCHANGE BE ACHIEVABLE,
AND WE FOUND IN ORDER FOR IT TO
BE SO, WE HAVE TO REQUIRE
CONVERSATIONS WITH THE
INTERSTATE PARK COMMISSION.
WHICH CONTROLS THE LAND NEXT TO
THE FREEWAY THAT YOU'D NEED.
WE LEARNED THE COMMISSION IS BY
FIVE COMMISSIONERS AND FIVE FOR
NEW JERSEY.
WHEN I SAID TO YOU IT'S
THREADING THE NEEDLE, THERE'S
NOT ANY QUESTION, IN MY MIND,
THAT SOONER OR LATER AND

PROBABLY SOONER, ONE OF THE CASINOS WE'LL ALL HAVE TO FACE IS MORE THAN ONE IN NEW JERSEY, AND WHETHER IT'S --
[INAUDIBLE]
I WOULD BE SHOCKED.
MOST EXPERTS WOULD BE SHOCKED.
MORE IN NEW JERSEY -- MAJOR CASINO OR TWO.
IF THERE'S GOING TO BE A NEW JERSEY CASINO, ONE OF THE FIVE COMMISSIONERS OF NEW JERSEY WHY CREATE A COMPETITOR ON THE OTHER SIDE OF NEW YORK CITY.
WE SEE IT TOO HEAVY, HOW DO WE STAY CLOSE, AVOID 3 2, AVOID THE INTERCHANGE, AND THIS IS LITERALLY THREE AND A HALF MINUTES FROM WOOD BURY, AND THAT'S A TREMENDOUS ASIAN -- 14 MILLION VISITORS A YEAR, AND VERY SIGNIFICANT NUMBER, AND JUST AS WE PARTNER WITH THE COOPERATIVE ASSIGNMENTS, WE'LL DO THE SAME THING IN AVOIDING 42, AND ANY OTHER PROBLEMS IN CREATING NEW INTERCHANGES.
MY LAST TOPIC, AS I SAID IS TO INTRODUCE SOMETHING THAT WILL HAVE SOLVED THE APPLICATION, BUT I JUST WANTED TO TOUCH ON A FEW HIGHLIGHTS.
WE RIGHTFULLY ARE GOING TO BRAG ABOUT HOW MANY THOUSANDS OF CASINO JOBS WE'RE GOING TO CREATE IN ADDITION TOWARDS IT AND HOW MUCH TAXES THE CASINO WILL PAY THE COUNTY AND MUNICIPALITY AND THE STATE, AND THERE'S CERTAINLY NOTEWORTHY AND IMPORTANT, BUT THE INDUSTRY WHAT WE'LL DO IN NEW YORK IS CREATE MANUFACTURER JOBS.
OUR TEAM PLEDGED A MILLION AND A HALF DOLLARS A YEAR EVERY YEAR AS LONG AS WE HAVE A LICENSE INTO A NONPROFIT FUND CALL H 2 V 2.
THAT'S HUDSON VALLEY, THAT'S THE H AND V.
THIS WOULD BE RUN BY UNIVERSITIES AND COMMUNITY COLLEGES.
THEY'LL MAKE THE FINAL DECISIONS

ON WHO GETS THE GRANTS.
IN A ROUGH NUMBER, PROBABLY 1500
BUSINESS GRANTS A YEAR.
THERE'S NO SET RULES.
IT COULD BE A FEW COMPANIES AND
BIGGER GRANT, AND A MILLION FIVE
IS WHAT SENT.
THERE'S 15,000 MANUFACTURING
JOBS CREATED, AND MOVE NEW
COMPANIES TO NEW YORK TO THE
HUDSON VALLEY THE ONLY WAY TO BE
ELIGIBLE IS IF YOU BRING A NEW
MANUFACTURING COMPANY OR YOU
TAKE YOUR COMPANY AND CREATE IT
FROM SCRATCH IN OUR INCUBATOR.
IT'S A BIG NUMBER AND GAME
CHANGER FOR THE STATE, AND IT
WORKS HAND IN GLOVE WITH THE
GOVERNOR'S TAX INCENTIVE PROGRAM
TO DO THE SAME THING.
WE'LL BE ABLE TO SAY TO A
COMPANY THAT WE'RE RELOCATING IN
NEW YORK, JOIN OUR INTEGRATED
FILL, NOT ONLY WE'LL GET THE
MILLION-FIVE WE'RE PUTTING UP
EACH YEAR IN THE BUSINESS, BUT
THESE ARE GRANTS AND GET
PROGRAMS THAT ARE A COUPLE YEARS
OLD AND THE TAX PROGRAM IN
HUDSON VALLEY.
IT IS SUCH AN IMPORTANT AND
UNIQUE MAE, AND WE THOUGHT IT
WAS IMPORTANT THAT YOU HAVE THAT
VERIFIED BY INDEPENDENT SOURCES,
NOT THE CORNISH COMPANY JUST
TELLING YOU THAT'S THE NUMBER SO
WE WENT TO TWO DIFFERENT
SOURCES, AND YOU HAVE THEIR FULL
REPORTS, AND I'LL READ ONE
EXCERPT FROM ONE OF THEM BECAUSE
TIME IS LIMITED.
WE WE WANT TO THE UNIVERSITY OF
MASSACHUSETTS, AND WHY DID WE GO
THERE?
WE PAID THEM NOTHING, BY THE
WAY, BUT WE WENT TO THE
UNIVERSITY OF MASSACHUSETTS
BECAUSE THEY HAVE SOMETHING
CALLED M2D2.
AND THIS IS H2V2.
THE PROGRAMS HAVE A LOT IN
COMMON.
THE DIFFERENCE IS ON THIS
PROPOSAL, THEY'VE BEEN DOING IT,

AND CREATING JOBS AND CREATING NEW BUSINESSES, AND IT'S A DIFFICULT AREA, AND IT'S BEEN SO SUCCESSFUL THAT THEY DON'T HAVE A CASINO BACKING THEM, BUT THE MULTIPLIER EFFECT IS STAGGERING IN AREAS THAT DESPERATELY NEED THE JOB.

WE ASKED THEM IF THEY EVALUATE IT AND TELL THE STATE OF NEW YORK WHAT THE UNIVERSITY OF MASSACHUSETTS THINKS THEY'LL DO. WE ALSO WENT TO JOHNSON CONSULTING IN CHICAGO, AND WHEN YOU LOOK AT THEIR REPORT, YOU WILL SEE DOZENS AND DOZENS ON CITIES, STATES, MUNICIPALITIES, COUNTY, AND OTHER NONPROFITS WHO HAVE BEEN HIRED TO EVALUATE JOB CREATION.

THAT'S WHAT THEY DO FOR A LIVING, AND THEY DO IT ALL OVER THE UNITED STATES.

I'M JUST GOING TO CONCLUDE BY READING YOU A LITTLE BIT FROM THE UNIVERSITY OF MASSACHUSETTS. THIS IS A REPORT.

IN THE PROPOSAL I NOTE THE ENVIRONMENT OF THE REGIONS' UNIVERSITIES AND COMMUNITY COLLEGES, SOMETHING I AGREE IS IMPORTANT TO AN INCUBATOR SUCCESS.

SUCCESSFUL INCUBATORS REQUIRE THE REQUIREMENT TO DIFFERENTIATE THE SERVICES.

COMMUNITY SERVICE PARTNERS CAN TURN THE SUCCESSFUL WORK FORCE DEVELOPMENT ASSOCIATED WITH THE DEVELOPMENT OF NEW TECHNOLOGY BASED COMPANIES AND CLUSTERS.

FROM THIS PERSPECTIVE.

THIS INCORPORATES HIGHER EDUCATION PARTNERS INTO THE PROGRAMS AND OPERATIONS IS A WELCOMED AND POSITIVE FACTOR.

H2VT 2 INCORPORATES CONCREMENTS OF MB, THEIR SUCCESSFUL PROGRAM. ASSUMING H2V FINDS TEN COMPANIES A YEAR, WE ANTICIPATE AVERAGE JOB CREATION OF 50 EMPLOYEES -- THESE ARE DIRECT -- PER COMPANY OVER THE COURSE OF TEN YEARS GENERATING 5,000 DIRECT NEW JOBS

IN THE COMPANIES, AND A
MULTIPLIER OF INDIRECT JOBS IN
THE SUPPLY CHAIN FOR THE HUDSON
VALLEY.

THESE SHOULD BE HIGHER PAYING
JOBS AVERAGING 75,000 SALARY PER
EMPLOYEE.

THE THE PROJECTIONS ARE BASED ON
OUR EXPERIENCE IN MASSACHUSETTS.
H THIS HAS AN ADDITIONAL POWER
ADVANTAGE OVER MASSACHUSETTS DUE
TO THE STATE OF NEW YORK'S TAX
INCENTIVE PROGRAM TO ATTRACT
COMPANIES FROM OUTSIDE THE STATE
TO RELOCATE IN THE STATE OF NEW
YORK.

AS SUCH, I HOPE THE PROJECTIONS
IMPROVE CONSERVATIVE.

THANK YOU VERY MUCH.

I'D LIKE TO CALL ON MY PARTNERS
LONG STANDING FRIEND, JOE.

>> THANK YOU, AND GOOD
AFTERNOON.

VERY SIMPLY, OUR TEAM IS ABOUT
EXPERIENCED, FINANCIAL STRENGTH,
AND TRACK RECORD.

WE ARE TWO OF THE LARGEST GAMING
ENTERTAINMENT AND REAL ESTATE
DEVELOPMENT COMPANIES IN THE
COUNTRY.

WE HAVE THE STRONGEST BALANCE
SHEET IN THE INDUSTRY.

NOBODY HAS OUR TRACK REPORT OF
BUILDING AND OPENING CASINOS IN
THIS COUNTRY.

IN FACT, WE BUILT MORE GROUND-UP
CASINOS THAN ANYBODY IN THE
INDUSTRY.

IN ADDITION, WE DON'T HAVE ANY
CONFLICTS IN TERMS OF CURRENTLY
OPERATING ANY OTHER CASINOS IN
THE MARKET SO FOCUS IS ON THE
PROJECT.

WE HAVE EXPERIENCE IN COMPETING
IN THE NORTHEAST MARKET.

IN FACT, WE OPERATE TWO OF THE
TOP 5 CASINOS IN THE MID AT
LAPPIC MARKET.

OUR MARYLAND LIVE FACILITY IS
THE TOP GROSSING CASINO IN THE
MID ATLANTIC AND CHARLESTOWN
FACILITY IS ALSO AMONG THE TOP
FIVE.

WE KNOW HOW TO BUILD, OPERATE,

AND COMPETE IN THE MARKET.
EXPERIENCE TRACK RECORD AND
FINANCIAL STRENGTH.
WE ARE NOT DEPENDENT AT ALL UPON
ANY THIRD PARTY EQUITY, ANY
THIRD PARTY DEBT, AND, IN FACT,
WE'RE COMMITTED TO BUILDING THE
FACILITY WITH 100% OF OUR OWN
EQUITY SO TO MAKE IT CLEAR,
THERE'S NO CONTINGENCIES IN OUR
ABILITY TO FUND, BUILD, AND
OPERATE THIS FACILITY.
I'M GOING TO SHOW YOU A SHORT
FILM NOW ON OUR COMBINED
COMPANIES, AND THEN WE'LL COME
BACK AND GO INTO A LITTLE BIT
MORE DETAIL IN THE EXPERIENCE
AND PLANS FOR THE PROJECT.
>>> THERE'S GOOD.
THERE'S GREAT.
AND THEN?
THERE'S BEYOND.
BEYOND EXPECTATIONS.
BEYOND PROJECTIONS.
BEYOND COMPARE.
WE PREFER BEYOND.
THIS IS PRECISELY WHERE THE
COMPANIES IS ONE OF THE LARGEST
GAMING ENTERTAINMENT, AND REAL
ESTATE DEVELOPERS IN THE ENTIRE
COUNTRY PARTNERED WITH PENN
NATIONAL GAMING.
COLLECTIVELY, THEY BUILT MORE
GROUND-UP REGIONAL CASINOS THAN
ANY OTHER GAMING COMPANY IN THE
UNITED STATES.
TOGETHER, CORNISH AND PENN HOSTS
TWO OF THE STRONGEST BALANCE
SHEETS IN THE GAMING HISTORY.
THE COMPANIES HAVE OVER A
CENTURY OF HISTORY THAT SPANS
FOUR GENERATIONS OF FAMILY
OWNERSHIP.
TODAY, IT IS AMONG THE MOST
SUCCESSFUL DEVELOPERS OF GAMING
AND ENTERTAIN DISTRICTS IN THE
COUNTRY.
SPORTS AND SHOPPING DESTINATIONS
TO CASINOS AND RESORTS TO CASINO
AND RESIDENTIAL.
THERE'S AN UNPARALLELED TRACK
RECORD OF SUCCESSFUL OPENINGS
AND OPERATIONS INCLUDING HARD
ROCK AND MARYLAND LIVE CASINO,

THE LARGEST COMMERCIAL CASINO IN
THE U.S.

PENN NATIONAL GAMING, RESPECTED
LEADER IN THE GAMING INDUSTRY
AND OPERATES 27 CASINOS IN 18
JURISDICTIONS ACROSS THE
COUNTRY.

WITH EVEN MORE WORLD CLASS
FACILITIES UNDERWAY.

OUTSTANDING GROWTH AND
SUCCESSFUL PARTNERSHIPS WITH ITS
HOST COMMUNITIES, PENN NATIONAL
GAMES HAS BEEN NAMED TO

"FORTUNE"'S AMAZING HIS OF 100
FASTEST GROWING COMPANIES IN THE
U.S. FOR A RECORD SIX YEARS.

THE CORNISH COMPANIES HAVE A
PROVEN TRACK RECORD OF BUILDING
AND MANAGING SUCCESSFUL
DESTINATIONS THAT GARNERED
COUNTLESS ACCOLADES INCLUDING
THE CORDISH COMPANY OPEN LAND
INSTITUTE AWARDS OF EXCELLENCE,
MORE THAN ANY OTHER DEVELOPER IN
THE ENTIRE WORLD.

TOGETHER, THE COMPANIES AND PEN
NATIONAL GAMING HAVE A LEGACY OF
WORKING WITH CITIES AND STATES
THROUGHOUT THE COUNTRY ON
IMPORTANT DEVELOPMENT PROJECTS.
THROUGH THESE NUMEROUS DEVELOPS,
CORDISH AND PENN EARNED A
STUNNING REPUTATION, AND WE ARE
EXTREMELY PROUD OF THE PRAISE
AND ACCOLADES WE RECEIVED FROM
THE GOVERNMENT OFFICIALS WE'VE
WORKED SO CLOSELY WITH.

WHEN IT COMES TO DEVELOPING
UNPARALLELED WORLD CLASS GAMING
AND ENTERTAINMENT DESTINATIONS
THAT ENSURE A PROSPEROUS FUTURE,
THERE'S NO GREATER RESOURCE FOR
SUCCESS THAN THE UNMATCHED
EXPERIENCE AND EXPERTISE OF THE
CORDISH COMPANIES AND PENN
NATIONAL GAMING.

LET'S GO.

BEYOND.

TO TELL YOU ABOUT THE COMPANY,
OUR COMPANY'S INTERNATIONALLY
RECOGNIZED AS ONE OF THE PREMIER
DEVELOPERS OF GAMING
ENTERTAINMENT AND REAL ESTATE, A
MIXTURE OF REAL ESTATE

DEVELOPMENTS.

AS YOU HEAR, WE HAVE BEEN RECOGNIZED BY THE URBAN LAND INSTITUTE WITH SEVEN AWARDS OF EXCELLENCE, MORE THAN ANY OTHER DEVELOPER IN THE WORLD TODAY. THESE ARE WORDS RECOGNIZE NOT ONLY THE QUALITY OF OUR DEVELOPMENTS, BUT ALSO THE IMPACT THAT THEY'VE HAD IN THE COMMUNITIES IN WHICH WE ARE LOCATED.

THE INTERHASHL WATER FRONT CONFERENCE IS ONE OF THE BEST WATER FRONT DEVELOPMENTS WORLDWIDE.

IN GAMING, WE'VE BUILT AMONG THE MOST DOMINANT CASINO PROJECTS IN THE COUNTRY.

OUR SEMINAL HARD ROCK DEVELOPMENTS IN FT. LAUDERDALE AND TAMPA, FLORIDA ARE WIDELY RECOGNIZED AS THE MOST PROFITABLE CASINOS, NOT JUST IN THE U.S., BUT WORLD WIDE, AND OUR LIVE DEVELOPMENT IN THE BALTIMORE-WASHINGTON CORRIDOR, THE TOP GROSSING CASINO IN THE REGION.

WE'VE BUILD TWO OF THE FIVE LARGEST CASINOS IN THE COUNTRY, HARD ROCK IN TAMPA AND MARYLAND LIVE IN THE BALTIMORE MARKET. TODAY, OUR MARYLAND LIVE CASINO IS THE LARGEST COMMERCIAL CASINO IN THE U.S.

WE'VE BEEN RICK NEWS THE WIDELY, BOTH FOR OUR COMMUNITY INVOLVEMENT AS WELL AS BY THE QUALITY OF THE DEVELOPMENTS. IN MARYLAND, WE WERE RECOGNIZED BY THE MARYLAND MINORITY BUSINESS ASSOCIATION AS THE MOST INCLUSIVE COOPERATION IN THE REGION.

WE'VE ALSO BEEN RECOGNIZED FOR OH PHILANTHROPY IN COMMUNITY INVOLVEMENT, THE BOARD OF EDUCATION RECOGNIZED US FOR OUR PARTNERING WITH HIGHER EDUCATION IN THE STATE OF MARYLAND.

WE'VE BEEN RECOGNIZED BY CONSUMERS FOR EACH OF OUR GAMING DEVELOPMENTS AS BEING BEST IN

CLASS, BEST CASINO, BEST ENTERTAINMENT, BEST DINING, BEST HOTEL IN FLORIDA, BOTH OUR TAMPA AND FT. LAUDERDALE HARD ROCK FACILITIES AS WELL AS MARYLAND LIVE SWEEP EVERY AWARD IN THE REGION IN WHICH WE COMPETE. OUR PARTNERS AT PENN ALSO HAVE A STELLAR REPUTATION FOR DECADES OF DEVELOPMENT AND HERE TO SPEAK FOR PENN NATIONAL IS TIM, THE CEO.

>>> THANK YOU, JOE.

GOOD AFTERNOON, MR. CHAIRMAN, MEMBERS OF THE SELECTION BOARD, I'M THE PRESIDENT, EXECUTIVE OFFICER OF NATIONAL. I'D LIVE TO GIVE A BRIEF OVERVIEW OF OUR COMPANY. WE'RE HEADQUARTERED IN EASTERN PENNSYLVANIA, ONE OF THE LARGEST PUBLICLY TRADED GAMING INDUSTRIES IN AMERICA, TRADED ON NASDAQ SINCE 1994, OPERATE IN 19 JURISDICTIONS, UNDER 20,000 EMPLOYEES, 3 BILLION IN REVENUES AND CONTINUE TO BE ONE OF THE MOST AGGRESSIVE GROWTH COMPANIES OPERATING IN THE SECTOR IN THE UNITED STATES.

THESE ARE QUOTES FROM THE WALL STREET COMMUNITY AND FROM, MORE IMPORTANTLY, BOTTOM THREE QUOTES, FROM COMMUNITIES RECENTLY OPENED CASINOS IN, AND AS YOU GO THROUGH THE PROCESS OF MAKING THE DIFFICULT DETERMINATION ON WHO TO SELECT AND IN WHAT COMMUNITIES, IT'S IMPORTANT TO GO AND LOOK AT APPLICANT'S TRACK RECORD IN OTHER PARTS OF THE UNITED STATES AND IN THE DEVELOPMENTS AND OPERATIONS, AND WE FEEL STRONGLY YOU'RE GOING TO LEARN ABOUT THE TRACK RECORD WE HAVE IN WHICH WE RECENTLY OPENED CASINOS. IN OTHER GAMING COMPANY THAT YOU HAVE IN FRONT OF YOU YESTERDAY AND TODAY OPENED UP MORE NEW PROPERTIES IN THE LAST SIX YEARS, EIGHT, AND, IN FACT, NEXT YEAR, WE'LL BE THE EIGHT ONE OUTSIDE OF OHIO, BUT WE HAVE A

VERY SOLID TRACK RECORD OF DEVELOPING AND OPERATING VERY SUCCESSFUL CASINOS, MOSTLY UNDER THE HOLLYWOOD BRAND HERE IN THE CONTINUE CONTINENT OF NORTH AMERICA.

THIS IS AN EXAMPLE OF SOME OF THE PROPERTIES.

IN THE LAST ONE, ONE WE OPENED UP TWO YEARS AGO ON INTERSTATE 75 IN OHIO.

THIS IS A -- THIS IS A MAP OF WHERE OUR PROPERTIES ARE LOCATED.

YOU CAN SEE THAT WE HAVE A NUMBER OF PROPERTIES IN THE MIDWEST AND THE NORTHEAST. WE HAVE FOUR THAT ARE EITHER OPENING OUR UNDER DEVELOPMENT. TWO WEEKS AGO, WE OPENED UP THE 21st CASINO OUTSIDE OF DAYTON, OHIO.

NEXT WEEK, AS I MENTIONED, WE'RE OPENING UP A FACILITY IN YOUNGS TOWN, OHIO.

ALSO, YOU CAN SEE THAT IN MASSACHUSETTS, WE WERE FORTUNATE ENOUGH EARLIER THIS YEAR TO BE AWARDED THE FIRST GAMING LICENSE THIS THAT STATE AND EXPECT TO OPEN THE FACILITY IN THE SUGGEST QUARTER OF 2015 AND UNDER DEVELOPMENT RIGHT NOW IN PARTNERSHIP WITH THE RURAL INDIAN VILLAGE OUTSIDE SAN DIEGO TO OPEN A CASINO UNDER THE HOLLYWOOD BANNER IN THE MID PART OF 2016.

THE BLUE DOTS SHOW CASINOS CURRENTLY IN THE UNITED STATES AND RED DOTS SHOW PROPERTIES OF WHERE WE HAVE RACETRACKS THAT ARE PURELY PARAMUTUAL OPERATIONS.

IN FACT, THE COMPANY WAS FOUNDED INITIALLY IN 1974 AS A PARAMUTUAL FACILITY, AND, TODAY, WE'RE THE LARGEST PARAMUTUAL COMPANY AS WELL.

WE ARE OPERATING SUCCESSFUL CASINOS HERE IN THE UNITED STATES.

AGAIN, I HOPE I'M BRIEF ENOUGH ABOUT PENN NATIONAL.

I WANT TO TURN IS BACK OVER TO
JOE WINEBERG TO GET IN THE
SPECIFICS OF THE PROFITS OF
SOUTH BLOOM GROVE.
>> THANK YOU, TIM.
EXPERIENCE.
WE UNDERSTAND WHO OUR MARKET IS.
OUR MARK THE IS MOST
SOPHISTICATED IN THE WORLD.
OUR JOB IS TO PROVIDE
EXCEPTIONAL GAMING AND
ENTERTAINMENT AND RESORT
AMENITIES FOR AN ADULT AUDIENCE
THAT IS GOING TO MEET AND EXCEED
THE EXPECTATIONS OF THE VERY
DISTERNING MARKET AREA, AND
THAT'S HOW WE'VE DESIGNED OUR
PROJECT, AND THAT'S HOW WE
DESIGNED THE LAYOUT AND THE
AMENITIES AND THE LOOK AND
FINISHES OF THIS PROJECT.
AS YOU CAN SEE HERE, WE HAVE A
VERY ELEGANT TEXTURED GLASS,
12-STORY HOTEL TOWER ATTACHED TO
THE PODIUM FOR THE CASINO.
DAVID HAD MENTIONED EARLIER
PROXIMITY TO THE POPULATION,
HIGHWAY ACCESS, VERY KEY
ELEMENTS TO THE SELECTION AT
THIS SITE, RIGHT OFF ROUTE 17 AT
208 BETWEEN BOTH 87 AND I-84.
WE'RE ABOUT APPROXIMATELY FOUR
MILES FROM WOODBURY COMMONS.
WE'RE 15 MILES FROM NEW YORK
CITY.
WITH VERY EASY ACCESS OFF THE
HIGHWAYS.
HERE YOU SEE THE SITE PLAN FOR
THE PROJECT.
WE DESIGNED THE SITE WITH
PARKING IN THE BACK SO IT'S
NESTLED BEHIND THE FINISHED
FACADE FOR THE LOW RISE AND THE
HOTEL, TO THE BOTTOM OF A
PORTION OF THE SITE, YOU SEE
PLANS FOR A DAY CARE CENTER.
ON THE SITE, BUT SEPARATE FROM
THE CASINO SO THAT GOES -- THOSE
FUNCTIONS DON'T HAVE TO
INTEGRATE WITH THE CASINO
ITSELF.
ALSO, YOU'LL SEAL THE WAY WE
DESIGN THE PLAN.
IT'S TO PROVIDE ENERGY BOTH

WITHIN THE GAMING FLOOR AS WELL AS ALONG THE PERIMETER. WE HAVE ALL THE RESTAURANTS THAT ARE LOCATED ALONG THE PERIMETER OF THE FACILITY THAT PROVIDES ACCESS BOTH FROM THE OUTSIDE AS WELL AS FROM INSIDE THE CASINO. WE HAVE OUTDOOR SEATING PROVIDED AT ALL OF OUR RESTAURANTS, AND THEN WE HAVE SEVERAL LOUNGES THAT BREAK UP THE CASINO FLOOR INTO INTIMATE SPACES. WE HAVE A VERY EXPERIENCED DESIGNED CONSULTING GROUP. THESE ARE CONSULTANTS, ARCHITECTS, ENGINEERS WE WORKED WITH WELL OVER A DECADE WHO HAVE DONE MANY AWARD-WINNING PROJECTS WITH, NOT JUST EXPERIENCE FROM US AS OWNERS AND DEVELOPERS, BUT FROM ALL OUR CONSULTING GROUP FROM THE ARCHITECTS, RESPONSIBLE FOR THE GREAT CASINOS IN THE COUNTRY LIKE MARYLAND LIVE. OUR GENERAL CONTRACTOR HAS THE GREATEST EXPERIENCE IN BILLING CASINOS IN THIS COUNTRY BASED HERE IN NEW YORK. OUR CASINO. AN IMPORTANT ELEMENT TO UNDERSTAND IS WHEN YOU LOOK AT ALL THE MARKET DEMAND AND SITUATION IS THAT THERE'S A TREMENDOUS OPPORTUNITY FOR TABLE GAMES IN THE MARKET. THE SPOTS WILL DO QUITE WELL, BUT WHERE THERE IS A TREMENDOUS MARKET IS THE TABLE SIDE. WE DESIGNED THE CASINO WITH A VERY HIGH DEGREE OF TABLE GAMES BOTH IN NUMBERS AS WELL AS AMENITIES. THE CASINO INCLUDES 3 200 SLOTS, 190 BANKED TAIL GAMES, WE HAVE 80 POKER, LARGEST IN THE COUNTRY, AND IP ROOM FOR TAIL SLOTS AS WELL AS FOR OUR CUSTOMERS. THE HOTEL IS 321 ROOMS. THE TOWER IS 12 STORIES. WE HAVE A TWO-LEVEL SPA THAT'S LOCATED ON THE TOP TWO LEVELS INCLUDING SPA, FITNESS, AND POOL AREAS.

THE ROOMS IN THE HOTEL ARE FIVE-STAR QUALITY. SO VERY FINE FINISHES, AND, AGAIN, WE KNOW THE MARKET, SOPHISTICATED MARKETS, AND THE ROOMS ARE DESIGNED TO EXCEED THEIR EXPECTATIONS. WE HAVE THE FULL COMPLIMENTS OF SUITES AS WELL AS PART OF THE HOTEL. LOBBIES, TWO LEVEL, DRAMATIC LOBBY WITH A MAJOR FIREPLACE FEATURE BEEN THE LOBBY. LOBBY PROVIDES ACCESS TO THE ROOMS WITHOUT HAVING TO WALK IN THE CASINO AND LINKS TO THE CASINO ITSELF. WE HAVE 50,000 SQUARE FEET OF MEETING SPACE THAT'S PART OF THE PROGRAM, AND, AGAIN, LIKE EVERYTHING ELSE IN THE PROJECT, VERY HIGH END FINISHES AND MEANT TO ATTRACT MAJOR CORPORATIONS AND GROUPS AND ASSOCIATIONS AND SOCIAL EVENTS. AS I SAID BEFORE, THE RESTAURANTS ARE ALL LOCATED ALONG THE PERIMETER OF THE FACILITY AND PROVIDE FOR ACTIVITY AND END JOYMENT OF THE NATURAL ENVIRONMENT IN WHICH OUR SITE IS LOCATED. WE HAVE COMMITMENTS FROM MANY OF THE GREAT NATIONALS AS WELL AS REGIONAL FOOD AND BEVERAGE OPERATES. BOY FLAY STEAK, CHEESECAKE FACTORY, ONE OF THE HIGHEST GROSSING RESTAURANT GROUPS IN THE COUNTRY, THE GREAT ITALIAN PIZZA RESTAURANT OUT OF BROOKLYN. BOBBY'S BURGER PALACE FROM CHEF BOBBY FLAY AS WELL, AND THOSE OF YOU WHO ARE PARTICULAR WITH THE SMORGS BOARD IN BROOKLYN, WILLIAMSBURG, THEY ARE EXPERTS AT ATTRACTING THE BEST LOCAL VENN DARS BOTH ESTABLISH AND NEW BUSINESSES AND GIVING THEM AN OPPORTUNITY TO PRESENT THEIR GOODS IN FRONT OF THE PUBLIC. THEY'LL BE SOURCING THE BEST OF LOCAL TALENT FOR THE FACILITY.

NOW WE'LL FLY THROUGH THIS.

>> FIVE MINUTE WARNING.

>> GOOD AFTERNOON, CHAIRMAN OF THE COMMITTEE, I'M THE CHIEF OPERATING OFFICER WITH PENN NATIONAL GAMING.

I THANK THE COLLEAGUES FOR LEAVING WE WITH THE MOST SLIDES AND MOST AMOUNT OF TIME TO GO. BUT I BELIEVE THE FIRST THREE SLIDES ARE THE MOST IMPORTANT TO SPEND WITH YOU AND REALLY UNDERSCORE POINTS THAT DAVID MADE IN THE INTRODUCTION WHERE WE CHOSE THIS AS THE SITE HERE IN NEW YORK.

OUR EXPERIENCE IN REGIONAL GAMING MARGS ACROSS THE COUNTRY IS IN APP ENVIRONMENT OF LIMITED COMPETITION, THE CASE IN SOUTH ORANGE COUNTY EXISTS TODAY, ASSUME 90-PLUS PERCENT OF THE REVENUES ARE DERIVED IN A 60-MINUTE DRIVE TIME, 60 MINUTES IN THIS CASE BECAUSE IT INCORPORATES MUCH OF THE NEW YORK CITY MSA AS E ALLUDED TO EARLIER, LESS THAN A 50 MINUTE DRIVE FROM MIDTOWN, MANHATTAN. ONE OF THE GOALS THE ENABLING GAMING WAS JUST TO CAPTURE OUTOF STATE DOLLARS, AND YOU SEE OF THE 1 PREPONDERATE 8 BILLION IN DEMAND, 700 BILLION COMES FROM THE STATE, AND LIMITED OPPORTUNITIES IN THE STATES OF PENNSYLVANIA AND CONNECTICUT BECAUSE THE EXISTING COMPETITION IN THE TWO STATES, BUT THERE'S SIGNIFICANT COMPETITION HIEG HIGHLIGHTED IN THE BLUE IN THE STATE OF NEW JERSEY.

THIS ASSUMES THERE WILL BE A CASINO IN THE YEARS TO COME GIVEN THE DEBATES AND WHAT HAPPENED TO ATLANTIC CITY. WE HIGHLIGHTS PROPOSALS YOU HEARD ABOUT YESTERDAY AND TODAY AS WELL AS A BLACK DOT IN THE GREATER NEWBERG AREA, AND YOU'LL SEE A WHITE DOT HIGHLIGHTED IN THE BLUE AREA IN NOURN NEW JERSEY ASSUMING THE MEADOWLANDS OR JERSEY CITY, THERE'S A CASINO

IN THE NEAR FUTURE.
REALITY IS WITH A COMPETITIVE ENVIRONMENT YOU CAN NO LONGER BANK ON A 60 MINUTE DRIVE TIME. THAT IS REDUCED TO 30 MINUTES. MIGHT BE 40, MAYBE 20, UP FOR DEBATE, EVERY MARKET IS DIFFERENT, BUT LESS THAN 60 MINUTES.
YOU SEE WITH A 30 MINUTE DRIVE TIME, OUR LOCATION IN SOUTH ORANGE COUNTY ALLOWS YOU TO COMPETE NOT JUST IN NEW YORK, BUT NORTHERN NEW JERSEY AND CLOSE TO NEW YORK CITY. WITH THE NORTHERN NEW JERSEY CASINO IN THE 30 MINUTE DRIVE TIME.
THE LOCATIONS IN THE CATSKILLS, LOCATIONS IN NEWBERG, YOU COMPETE LESS EFFECTIVELY THAN YOU DEAL WITH SOUTH ORANGE COUPE.
THIS SHOWS THE GAMING POTENTIAL IN AND OUT OF STATE COMPARE TO NEWBERG AND PROPOSALS IN THE CATKILLS.
THEY TOUCHED ON THE GREAT TABLE GAME OPPORTUNITY.
AND THE CLOSEST LIVE TABLE GAME OFFERING FROM NEW YORK CITY TODAY IS A 90-MINUTE DRIVE IN PENNSYLVANIA FOR A DRIVE IN NEW YORK CITY OR OFFERINGS IN STATE OF CONNECTICUT LESS THAN A 60 MINUTE DRIVE TIME WITH THE OPPORTUNITY IF THE LICENSE IS LOCATED IN SOUTH ORANGE COUNTY.
FINANCIAL IMPACT, I WILL NOT DETAIL, TREMENDOUS IMPACT AT THE STATE AND COUNTY LEVELS WITH REGARD TO TAX GENERATION AND PROJECTED PAYROLL FIGURES AT THE BOTTOM.
THERE'S THE HIGHER NEW YORK RESIDENCE AND FOCUS ON THE AREAS MOST IN NEED WHICH WE CONSIDER TO BE HIGH IN EMPLOYMENT AREAS IN ANYBERG AND SULLIVAN COUNTY. DAVID COVERED IN DETAIL, AND FROM A BUSINESS PERSPECTIVE, A RISING TIDE SHOULD RISE ALL BOATS.
THIS NEEDS TO BE OUTWARD

LOOKING, AND WE HAVE AN ART CONTEST PROPOSED WE SPONSOR, AND THE WINNER, AS AN EXAMPLE, IS AWARDED \$10,000 TO HAVE BUSINESSES FOR LOCAL ARTISTS IN THE HUDSON VALLEY REGION AND HAVE ARTWORK DISPLAYED IN THE CASINO.

WITH REGARD TO THE DATA BASE AND TOURISM, WE PROVIDED YOU IMAGES OF, WE BRING TO THE TABLE A COMBINED DATA BASE WITH 400 ACTIVE CUSTOMERS THAT LIVE IN THE AREA, AND ACROSS THE COUNTRY AND ACROSS THE BORDER.

WE CAN TAB INTO THOSE FROM A TOURISM PERSPECTIVE.

WE REACHED OUT TO OVER 100 BUSINESSES LOCALLY, EXAMPLES LISTED HERE.

HERE ARE EXAMPLES IN LOCAL MARKETS ACROSS THE COUNTRY TO ENGAGE IN PROMOTION AND EVENTS IN OTHER MARKETS OPERATED BY PENN NATIONAL GAMING.

THIS IS FROM A RELATIONSHIP WITH A NUMBER OF UNIONS, AND WE SIGN AGREEMENTS WITH THE HUDSON VALLEY CONSTRUCTION COUNSEL AND TRADES COUNSEL, AFL-CIO HERE IN NEW YORK.

>> SORRY.

YOU GOT A PUNCH LINE?

GIVE IT TO US.

>> I'LL ADVANCE TO THE FINAL VIDEO.

>> WE'VE DONE EVERYTHING FROM DAY ONE WHAT THEY SAID THEY WOULD DO.

THE ENTIRE OPERATION HERE IS STATE OF THE ART AND ANYONE WOULD BE PROUD TO HAVE THEM IN THEIR COMMUNITY, COUNTY, AND THEIR STATE.

>> THEY'VE BEEN A FULLY ENGAGED MEMBER OF OUR BUSINESS COMMUNITY HERE.

IF THERE'S SOMETHING GOOD GOING ON IN THE COMMUNITY, THEIR NAME IS ON IT.

>> THOUSANDS OF JOBS HAVE BEEN CREATED.

THEY ARE SO RESPECTED THAT OTHER COMPANIES LOOKED AT US AS

LEADERS BECAUSE THEY BLESSED US.
>> IT'S THE WHOLE ECONOMIC
DEVELOPMENT.

IT REALLY STARTED WITH PENN
NATIONAL BRINGING SLOTS TO THE
AREA.

>> THIS IS A GREAT PROJECT TODAY
AND TOMORROW, JOBS, ECONOMIC
DEVELOPMENT, AND TAX REVENUE.

>> PROUD TO SAY WITH THE HELP OF
PARTNERS THAT WE NEVER HAD TO
DENY THE REQUEST OF A CRITICALLY
ILL CHILD.

>> THEY ARE TRUE PARTNERS.
LAST YEAR, THEY GAVE \$20 MILLION
TO THE LOCAL COMMUNITY IN AND
AROUND VERMONT.

>> ALWAYS BEEN KPLECHT AT GIVING
OPPORTUNITIES TO MY STUDENTS TO
WORK IN MULTIPLE DEPARTMENTS.
THEY DID EVERYTHING THEY CAN FOR
THEIR EMPLOYEES, AND YOU CAN SEE
IT AND HEAR IT IN THE COMMUNITY
ALL THE TIME.

THE COMMITMENT AND PARTNERSHIP
FOR THE COMPANY HAS BEEN
EXTRAORDINARY.

IT'S ABSOLUTELY FIRST CLASS,
WORLD CLASS PROJECTS.

>> HAVING PARTNERS LIKE THESE,
EMPLOYEE STEP UP EVERY DAY TO
HELP PROGRAMS LIKE THIS SPEAKS
TO WHO THEY ARE AS A BUSINESS.

>> WE KNEW FROM THE FIRST TIME
THE COMPANY CAME IN TO TALK TO
US THEY DID THINGS DIFFERENTLY.
THEY WERE ABOUT COMMUNITY
PARTNERSHIP AND BEING A GOOD
NEIGHBOR.

>> THE LEADERSHIP FROM THE KA
KNEE KNOW REACHED OUT TO SUPPORT
OUR STUDENTS, UNDERSTAND THE
NEED FOR EDUCATION, AND
UNDERSTAND THE STRONG
PARTNERSHIP WITH THE COMMUNITY
COLLEGE.

>> THE COMPANY HAS REALLY STRUCK
MY HEART AND GIVEN OUR COMPANY A
MINORITY-LED COMPANY, THE
OPPORTUNITY TO BE THE LEAD ON
THIS \$500 MILLION FACILITY.
THE COMPANY DESERVES SO MUCH
CREDIT FOR TAKING SO MUCH EFFORT
TO REACH OUT TO LOCAL BUSINESSES

TO DO DUE DILIGENCE AND TAKE A RISK THAT NO OTHER DEVELOPER HAS TAKEN IN THE STATE OF MARYLAND.

>> A BENEFIT TO THE COMMUNITY, THE WATER FRONT, AND OUR TAX BASE.

ALL A-PLUSES.

>> THEY HAVE DONE EVERYTHING THEY SAID THEY WOULD DO FROM THE VERY BEGINNING, REALLY A GREAT CORPORATE TEAM MEMBER OF THIS COMMUNITY.

>> QUESTIONS?

>> I HAVE TWO QUESTIONS.

FIRST, I APPRECIATE THE SIGNIFICANCE THAT YOU WILL COMPLETE THE PURCHASE WITH 100% EQUITY.

GIVEN YOUR PRACTICES IN MARYLAND, WHAT DO YOU EXPECT THE SUB CONVINCE LEVERAGING OF THE PROJECT IN TERMS OF THE AMOUNT OF DEBT COMPARED TO THE TOTAL AMOUNT OF INVESTMENT AND THE AMOUNT OF DEBT SERVICE IN RELATION TO THE EXPECTED CASH FLOW?

>> WELL, FIRST OF ALL, BOTH WE AND PENN HAVE A HISTORY OF DOING EXACTLY WHAT WE TALK ABOUT DOING HERE IN NEW YORK, BUILDING PROJECTS OUT OF EQUITY. WE BUILT OUR MARYLAND LIVE FACILITY OUT OF EQUITY AND PUT A MODEST AMOUNT OF DEBT ON AFTER WE OPENED.

OUR DEBT EQUITY RATIO AT MARYLAND LIVE IS 25%, MAYBE. WE EXPECT TO MAINTAIN LOW LEVERAGE ON THIS PROJECT IN THE FUTURE.

>> FROM A PENN STANDPOINT, OUR LEVEL IS THREE TIME RIGHT NOW ON THE PARENT BALANCE SHEET. PROBABLY, YOU KNOW, WHERE WE THINK IT NEEDS TO BE, MAYBE A LITTLE BIT HIGHER BASED ON OPPORTUNITIES OUT THERE IN THE FUTURE.

>> OKAY.

AND THE SECOND QUESTION, NOT REALLY DIRECTLY RELATED TO THE PROJECT.

YOU HAD EXPERIENCE WITH BRANDS

LIKE HARD ROCK WITH A WIDE NATIONAL RECOGNITION. YOU HAVE EXPERIENCE WITH BRANDS LIKE LIVE THAT REALLY SUCCEEDED IN A NUMBER OF LOCATIONS. WHAT HAS BEEN YOUR EXPERIENCE IN TERMS OF THE IT TAKES TO BUILD A BRAND WITH SOMETHING THAT STARTS OUT WITH MORE WIDE, NATIONAL RECOGNITION?

>> WELL, CERTAINLY, WHEN YOU START WITH A RECOGNIZED BRAND, IT COMES WITH BOTH PROS AND CONS. BECAUSE PEOPLE HAVE A AN ALREADY ENGRAINED POSITION OF WHAT IT LOOKS LIKE AND WHETHER IT'S RELATIVE TO THEM. IT'S DEPENDENT UPON WHAT THE BRAND IS.

YOU HAVE TO REMEMBER WITH A LIVE BRAND, A NATIONAL BRAND, AND THERE'S EXPERIENCE WITH IT WHETHER IN PHILADELPHIA OR WASHINGTON MARKET OR LOS ANGELES OR OTHER PLACES IN THE COUNTRY, WE'LL SPEND TENS OF MILLIONS OF DOLLARS ON MARKETS IN THE MARKET.

WITH THE TYPE OF MARKETING RESOURCES WE'LL PUT BEHIND THE BRAND AS WE OPEN AND SUSTAIN THE PROPERTY, WE HAVE FOUND GREAT SUCCESS IN ESTABLISHING THE BRAND IN THE MARKET.

>> HOW CLOSE IS YOUR EQUIVALENT OF WOODBURY COMMONS?

>> TO THE EQUIVALENT OF WOODBURY?

YEAH.

WE ARE ADJACENT, ATTACHED TO A RUN OF THE MILLS --

>> WHAT SORT OF TRAFFIC DOES THAT PROVIDE TO YOUR CASINO? WE GET A LOT OF TRAFFIC FROM THE RETAIL.

WE EXPECT TO GET A SIMILAR SPINOFF FROM THE PROMOTIONAL PROGRAM AND DO IT WITH WOODBURY AS WELL.

>> EVEN BEING FOUR MILES AWAY?

>> YES, YEAH, BECAUSE WE'LL -- NO, YOU HAVE PEOPLE WHO ARE COMING TO WOOD BURY AS A

DESTINATION, SO BUILDING IN OUR FACILITY WHICH IS JUST FOUR MILES AWAY, WE THINK THAT WILL BE, YOU KNOW, A GREAT CROSS MARKETING OPPORTUNITY FOR US.

>> THEY'LL COME AND STAY WITH YOU?

>> THEY'LL -- RIGHT NOW R THERE'S REALLY NO HOTEL OPTIONS IN THE WOODBURY IMMEDIATE AREA, SO WE THINK THAT THEY WILL COME STAY AT THE HOTEL, EXPERIENCE THE DINING, AND CASINO AT LIVE AND SHOP AT WOODBURY AND VICE VERSA.

>> TWO QUESTIONS.

ONE RELATES TO COMMUNITY SUPPORT.

I DON'T RECALL SEEING THE SLIDE IN TERMS OF THE TYPE OF SUPPORT OF THE LOCAL COMMUNITY AND THE COUNTY OF ORANGE.

>> WE'VE GOTTEN RESOLUTIONS AND SUPPORT FROM BOTH THE VILLAGE OF SOUTH GROVE AS WELL AS THE TOWN, AND AS WELL AS, YOU KNOW, DOZENS AND DOZENS OF LETTERS OF SUPPORT FROM AREA ORGANIZATIONS, CHAMBERS, BUSINESSES, LITTLE LEAGUES, ET CETERA.

>> THANK YOU.

OTHER QUESTION.

ONE OF THE GENTLEMEN TALKED ABOUT GROWING THE MARKET AND WAS TO RECAPTURE OPPORTUNITIES OF NORTHERN NUMBER.

WAS THAT BEFORE OR AFTER NEW JERSEY MAY EXPAND CASINOS UP NORTH OR IS IT HOPE?

>> WELL, WE STILL BELIEVE EVEN WITH A -- A FUTURE FACILITY IN NORTH -- IN NORTH JERSEY THAT WE'LL STILL BE ABLE TO MAINTAIN JUST BECAUSE OF THE EASE OF ACCESS FROM THAT MARKET, A LARGE PART OF THAT NORTH JERSEY MARKET THAT'S NOW GOING TO UPLIFT BETHLEHEM OR GOES SOUTH, WE THINK WE'LL BE ABLE TO MAINTAIN, YOU KNOW A SUBSTANTIAL PART OF THE MARKET EVEN WITH THE NORTH JERSEY FACILITY.

>> STU?

>> WELL, I HAD THE SAME QUESTION

SORT OF THAT YOU DID, KEVIN, AND THAT IS, YOU KNOW, YOU CAN'T BE EXPECTED -- USING OLD FORMULAS, CAN'T BE EXPECTING THE SAME KEEP OF PROFIT THAT YOU'RE PROJECTING NOW IN TEMPERATURE YEARS BECAUSE THERE'S NEW YORK CITY AND NEW JERSEY.

I MEAN, IT'S POSSIBLE IN TERMS OF THREE MORE DOWN STATE MARKETS.

THREE MORE DOWN STATE CASINOS AND SOMETHING IN NEW JERSEY AT THAT POINT.

I MEAN, WHAT HAPPENS THEN TO THIS CASINO?

I MEAN, DO YOU MAKE ENOUGH MONEY -- ARE YOU PROJECTED TO MAKE ENOUGH MONEY WITH CASINOS CLOSER AND CONVENIENT TO NEW YORK CITY AND INCLUDING IN NEW YORK AND NORTHERN NEW JERSEY, YOU KNOW, TO MAKE IT WORTHWHILE TO CONTINUE OPERATING CIRCUMSTANCES.

ISN'T THAT WHAT HAPPENS IN CONNECTICUT AND WHAT HAPPENS IN NEW YORK CITY?

>> CERTAINLY AS MORE CAPACITY COMES IN THE MARKET THAT'S IMPACTING EXISTING CAPACITY, YOU KNOW, WE'D BE LOOKING AT A DECLINE IN REVENUES IN THE FUTURE, AND, HOWEVER, COUPLE THINGS, AS TO NEW YORK CITY, THAT WAS THE RATIONALE OF THE LEGISLATION FOR A SEVEN-YEAR HIATUS ON LOOKING AT ANY FACILITY IN NEW YORK CITY, AND THAT CERTAINLY GIVES US THE ABILITY TO GET RETURN ON INVESTMENT WITH A RELATIVE EXCLUSIVE IN THE MARKET PLACE. SECONDLY, WE ARE APPROACHING THIS ON A ZERO OR LOW LEVERAGE FINANCING STANDPOINT SO WE DON'T HAVE PRESSURE FROM THIRD PARTY FINANCING THAT WOULD CAUSE PROBLEMS TO OTHERS WHO HAVE A HIGH LEVEL OF DEBT AS FUTURES COME ON BOARD.

>> DO YOU THINK YOU HAVE ENOUGH SIZE LOCATION?

ARE THERE FACTORS ASIDE FROM

LOCATION FOR YOU TO MAINTAIN A HIGH LEVEL OF PROFITABILITY IF YOU LOSE THE LOCATION BATTLE?

>> THERE'S A HEAD START IN OBTAINING AND MAINTAINING A LOYAL CUSTOMER BASE.

WE'LL HAVE, YOU KNOW, A NUMBER OF YEARS TO BUILD UP A RELATIONSHIP WITH THE CUSTOMERS. WE FEEL THE QUALITY OF THE FACILITY AND AMENITIES WE'LL BUILDING, AND THIS IS TRUE OF THE PROPERTIES THAT WE HAVE DONE, THEY WITHSTAND THE COMPETITION THAT CAME ON THE MARKET LATER.

ONE EXAMPLE IS IN SOUTH FLORIDA WHEN WE OPENED THE FACILITY IN FT. LAUDERDALE, THEY HAD THE TRACKS IN DADE COUNTY WITH LITERALLY ZERO IMPACT ON THE HARD ROCKS BECAUSE OF THE LEVEL OF FACILITY AND AMENITIES WE PUT INTO THE FACILITY.

WE'RE SEEING A SIMILAR THING IN MARYLAND AND BECAUSE OF THE BREATH AND QUALITY OF THE QUILT, WE'RE NOT SEEING ANY IMPACT.

THERE'S A COMBINATION OF CREATING THAT CUSTOMER RELATIONSHIP, LOYALTY HAVING A GREAT LOCATION AND GREAT FACILITY THAT'S BUILT FOR THE CUSTOMER SO -- THIS IS REALLY A KEY ISSUE.

OUR CUSTOMER DOES NOT CARE ABOUT FERRIS WHEELS.

OUR CUSTOMER DOES NOT CARE ABOUT SKIING.

OUR CUSTOMER CARES ABOUT AFTER EXCEPTIONAL GAMING ENTERTAINMENT HOSPITALITY EXPERIENCE.

THAT'S WHERE WE FOCUS OUR ENERGY AND INVESTMENTS.

THANK YOU.

THANK YOU VERY MUCH, GUYS, GOOD JOB.

>> THANK YOU.

>> NEXT UP IS CAESARS IN FIVE MINUTES.

>>> WE'RE GOING TO GET STARTED. PLEASE, EVERYBODY, BE SEATED.

>> ARE WE READY TO PROCEED?

>> I WILL -- WE ARE READY TO GO WITH CAESARS IF YOU HAVE A LEADING PRESENTATION, INTRODUCE YOURSELF, PANEL MEMBERS, AND 40 MINUTE, AND AFTER THAT, I'LL GIVE YOU THE FIVE MINUTE WARNING.

THANKS.

>> WILL DO SO, MR. CHAIRMAN, MEMBERS OF THE LOCATION COMMITTEE, I'M THE CHAIRMAN AND CEO OF PRESIDENT OF CAESARS ENTERTAINMENT, JOIN BY MY COLLEAGUES, GREG MILLER, DAN JONES, FRED KEATON, THIRD TO THE LEFT HERE, CHIEF DIVERSITY OFFICER, AND, FINALLY, OUR HOST, MIKE FROM WOODBURY.

I'VE BEEN THE CEO OF CAESARS ENTERTAINMENT FOR 12 YEARS NOW, AND PROUD TO INTRODUCE YOU TO CAESARS ENTERTAINMENT.

>> FOR OVER 75 YEARS, CAESARS ENTERTAINMENT HAS BEEN SYNONYMOUS WITH THE CASINO RESORT INDUSTRY WITH 53 PROPERTIES WORLDWIDE, OUR EXPERTISE IS UNMATCHED AND ENSURES THAT CAESARS NEW YORK WILL GENERATE MORE REVENUE, MORE JOBS, AND MORE COMMUNITY BENEFITS FOR NEW YORK THAN ANY OTHER PROPOSAL.

HERE'S WHY.

THE CAESARS GRAND IS INTERNATIONALLY RECOGNIZED REPRESENTING WORLD CLASS CASINO ENTERTAINMENT, AND LUXURY HOSPITALITY OFFERINGS.

WE PUT AN EMPHASIS ON BEING A COMMUNITY PARTNER AND SUSTAINABLE DESIGN THAT COMPLIMENTS THE SURROUNDING AREA.

WE'LL SEAMLESSLY INTEGRATE WITH THE COMMUNITY WITH CALL BUSINESS, AND ATTRACTIONS.

CAESARS NEW YORK IS SITUATED ON THE OPTIMAL SITE LOCATION.

APPROXIMATELY 50 MILES FROM NEW YORK WITH PROXIMITY TO THE COMMUTER RAIL AND THE INTERNATIONAL AIRPORT.

WITH A STRONG BRAND, UNRIVALLED

NETWORK, COMMUNITY INTEGRATED DESIGN, CAESARS NEW YORK IS POISED TO BE THE NEXT SUCCESS STORY FOR THE STATE OF NEW YORK. >> PROUD TO BE JOINED THIS AFTERNOON BY SEVERAL MEMBERS OF THE DEVELOPMENT TEAM, INTRODUCED OUR MEMBER, AND A WEST POINT GRADUATE LEADING DEVELOPMENT OPERATIONS IN NEW YORK, AND DAVID, THE HEAD OF THE GOVERNMENT RELATIONS ACTIVITY, AND MIKE, DEPUTY LEADER OF THE DEVELOP, AND RICO, WORKING CLOSELY HERE IN ORANGE COUNTY WITH OUR MAYOR AND HIS COLLEAGUES AND MEMBERS OF THE COMMUNITY.

THEY'VE OVERSEEN \$3 BILLION OF DEVELOPMENT ON CAESARS BEHALF OVER THE LAST SEVERAL YEARS IN OHIO, MARYLAND, NEW JERSEY, AND NEVADA AND PROUD TO HAVE THEM HERE ON THE GROUND NOW FOR SOME TIME.

MEMBERS OF THE BOARD, I'M NOT THE FIRST TO SAY TO YOU OVER THE LAST TWO DAYS WE BELIEVE WE'RE THE BEST POTENTIAL LICENSEE FOR THE STATE OF NEW YORK CITY AND PARTICULARLY ORANGE COUNTY, BUT, OF COURSE, I BELIEVE THAT COB THE CASE FOR SEVERAL DEMONSTRATEBLE REASONS.

WE BELIEVE WE BRING THE GREATEST REVENUE TO THE STATE OF NEW YORK AND CITIZENS, GENERATE MORE JOBS AND HAVE GREATER BENEFITS THAN ANY OTHER LICENSEE FOR DEMONSTRABLE REASONS.

FIRST, WE'VE BEEN IN OPERATION FOR 48 YEARS, A PREMIER BRAND IN GAMING, KNOWN TO END THURSDAYIESTS AROUND THE WORT, AND CALLED ON CUSTOMERS IN PLACES LIKE COASTAL CHINA IN 1966.

WE HAVE A DATA BASE WITH SOME 46 MILLION AMERICAN GAMING ENTHUSIAST WHO WE SOLICIT TO VISIT US AROUND THE COUNTRY AND GET TO KNOW THEM NEARBY TO WHERE THEY LIVE AND ENCOURAGE THEM TO VISIT US IN SECOND, THIRD, AND

FOURTH LOCATIONS.

INDEED, HALF THE REVENUE THE COMPANY GENERATES FROM \$4.5 BILLION COMES FROM LOCATIONS OTHER THAN THOSE NEAREST TO WHERE THEY LIVE.

WE BELIEVE OUR LOCATION IN THE WOODBURY AREA IS AN IDEAL VISIT NOT JUST FOR THOSE WHO LIVE APPROXIMATELY, BUT THOSE WHO KNOW US ELSEWHERE THAT WOULD ENJOY THIS BEAUTIFUL AREA OF NEW YORK.

WE BELIEVE WOODBURY IS THE BEST LOCATION ENJOYING VISITORS ALREADY, AND MOST ARE INTERNATIONAL VISITORS, WELL-KNOWN TO CAESARS, GAMING ENTHUSIAST IN THE AREA ALREADY, AND WE BELIEVE THE PRESENCE OF THE PREMIER CAESARS RESORT WOULD ATTRACT INTEREST PROFOUNDLY. THIS BENEFITS AVAILABLE IN UP FRONT PAYMENTS TO THE HOST COMMUNITY AND \$20 BILLION PUT FORWARD IN REGIONAL TRAFFIC ISSUES ALREADY MANIFESTED IN THE AREA AS A RESULT.

WE HAVE A COMMUNITY INTEGRATED DESIGN AND OPERATES STRATEGY, HEAR MORE FROM GREG MILLER SHORTLY, BUT INVOLVES THE CREATION OF 4500 DIRECT JOBS AND SOME 10 MILLION INCREASE IN ANNUAL VISITATION AS A RESULT OF THE DEVELOPMENT.

WITH RESPECT, WE ARE THE WORM EAST LARGEST, MOST EXPERIENCED COMPANY.

WE OPERATE 53 PROPERTIES IN SEVEN COMPANIES, MORE THAN 100 MILLION PEOPLE VISIT US ANNUALLY, AND WE PROVIDE AN \$2 OF A BILLION DOLLARS IN TAX REVENUE TO THE LOCAL JURISDICTIONS, BUILDING \$3 BILLION IN NEW DEVELOPMENTS IN THE LAST FEW YEARS, MORE THAN 170,000 PEOPLE WORK FOR US, OPERATE, HOTEL ROOMS, SHOPS, AND HIGHEST YIELDING RETAIL SPACE IN NORTH AMERICA IN LAS VEGAS. WE OPERATE 1.6 MILLION SQUARE FEET OF MEETING SPACE, BARS, AND

CLUBS, AND THE JOKE BEING MY WEIGHT SIZE, I VISITED NEARLY ALL OF THEM MORE THAN ONCE. IN ADDITION, WE HAVE A NUMBER OF OTHER BRANDS BESIDES CAESARS INCOMING HORSESHOE, FLA MINGO B PLANET HOLLYWOOD, AND PORKER ENTHUSIAST.

WE'LL BRING BEST ASSETS AND RENOWN REPUTATION FOR PREMIER ENTERTAINMENT IN NEW YORK, CELINE DION, ELTON JOAN AND BRITNEY SPEERS, ONE OF THE MOST SIGNIFICANT HEADLINERS IN THE WORLD.

WE WOULD BRING THIS AS WELL AS WORLD CLASS HISTORY FOR HOSPITALITY AND ENTERTAINMENT TO NEW YORK.

WHAT IS COMPANY IS FAMOUS FOR IS THE LOYALTY PROGRAM.

THIS PROGRAM WAS THE OUTGROWTH OF A SPECIFIC PROBLEM WHEN I CAME TO THE COMPANY 15 YEARS AGO AS A RECOVER I ACADEMIC.

THE PROBLEM I WAS CHARGED TO ADDRESS WAS HOW TO YOU GET CUSTOMERS TO VISIT A CASINO WHEN THERE'S A NICER CASINO NEXT DOOR?

AT THIS TIME, IN 1998, WE OWNED ONE CASINO IN LAS VEGAS, COSTING \$280 MILLION, AND DOWN THE STREET MONTHS LATER, STEVE WYNN OPEN THE THE BELAGIO, REFERRED TO AS THE PLACE GOD WOULD BUILD IF HE HAD THE MONEY.

HOW CAN WE ENCOURAGE A VISITOR WHO WALKED INTO THERE AND THEN WALK INTO OUR LITTLE DECADE'S OLD TERRACE WHEN THE SAME GAMES WERE AVAILABLE.

WHAT WE DID WAS BUILD A SYSTEM THAT ASKED REPEATED LY WHAT OUR CUSTOMERS PREFERRED IN VISITS. GATHERED INFORMATION FROM THEIR EXPERIENCES WITH US AND PREDICTED WHAT INTERESTED THEM THE MOST WHEN THEY WOULD SEE US. PERHAPS A BUFFET, FINE DINING, SHOWROOM, GOLF, SPA VISIT, SHOPPING, A ROOM OVERLOOKING THE POOL.

MINOR DIFFERENCES BILLING INTO

THE PREMPS AND SELECTIONS OF OUR GUESTS SO THAT WE COULD BE ON A MORE I WANT MAT BASE WITH EACH OF THEM EVEN IF THE PRODUCT WAS CHALLENGED.

THE SUCCESS OF THIS PROGRAM APPLIED TO 45 MILLION ADULTS FACILITATED SUPERIOR PERFORMANCES THAT ALLOWED US TO GO IN AND IMPROVE OUR PORTFOLIO, BUILD NEW ON THE LENT FACILITIES, AND HAVE A TERRIFIC LOYALTY PROGRAM.

WE WILL BRING THE TOTAL REWARDS NETWORK WITH US TO CAESARS NEW YORK.

WE'LL HAVE 45 MILLION AMERICANS WHO WILL BE ASKED TO COME AND VISIT CAESARS NEW YORK IMMEDIATELY.

BRING ENTHUSIAST OF THE CHICAGO CUBS IN THE AREA WHEN THEY PLAY THE METS.

WE'LL INVITE PEOPLE WITH AN INTEREST IN THE ACTIVITIES OF THE BROADER COMMUNITY TO SEE US HERE ON SPECIAL EVENTSING AND THIS TYPE OF DEMAND STIMULATION THIS SYSTEM PERMITS IS UNPARALLELED IN THE HOSPITALITY WORLD IN ANY CASE AND LEADS US TO BE ABLE TO PERFORM AT A HIGH ERE LEVEL HEAD TO HEAD AGAINST COMPETITORS IN THE UNITED STATES.

ONE OF THE GOOD THINGS IS DATA IS VIABLE TO ANALYZE TO SEE WHETHER IN FACT THE CLAIMS ARE VALID.

TWO MEASURES ARE PROM INNOCENT IN THIS CASE.

ONE IS ONE PERFORMS AT OR ABOVE ONE'S FAIR SHARE OF REVENUE IN THE MARKET JUDGED BY RECURRENCE IN THE NUMBER OF GAMING COMMISSIONS EACH COMPETITOR OPERATES.

WHAT YOU SEE HERE ARE FOUR EXAMPLES, CHICAGO, NEW ORLEANS, SOUTHERN INDIANA, AND A COLLECTION OF MIDWEST MARKETS WHERE WE ASKED COMPARED TO OTHERS IN THE SAME MARKETS, HOW DO EACH OF OUR SLOT MACHINE AND

TABLE GAME POSITIONS PERFORM ON A REVENUE GENERATION BASIS WHEN COMPARED WITH THE PEERS?
WE ENJOY A 20 TO 40% PREE YUM HEAD TO HEAD, LIKE TO LIKE, IN THE SAME MARKETS.
THE RESULTS RELEASED DAYS AGO BY THE ILLINOIS GAMING BOARD, YOU'LL SEE JOLIET AT 17 BILLION IN REVENUE, AND COMPETITORS AT 11 BILLION IN REVENUE, DESPITE SIMILARLY SITUATED FACILITIES WITH THE SAME SIZE GAMING OPERATIONS IN BOTH INSTANCES.
ANOTHER WAY IS THE BEFORE AND AFTER WITH THE SAME ASSETS.
A FEW YEARS AGO, WE BOUGHT PLANET HOLLYWOOD IN VEGAS, JUST REBRANDED, OPENING INITIALLY AS THE ALADDIN RESORT.
IT'S ON THE LAS VEGAS STRIP. SINCE WE BOUGHT, IT GREW CASH FLOWS BY 162%, AND THE PRINCIPLE REASON IS WE MADE THE PROPERTY AVAILABLE TO THE 45 MILLION AMERICANS AND PARTICIPANTS IN REWARDS, OFFER TRIPS TO THE NEW RESORT FILLING IT WITH BETTER ENTERTAINMENT, IMPROVED THE FOOD OFFERING, AND THE SAIL BUILDING, SAME LOCATION, SAME COMPETITORS ENJOYED THIS IMPROVEMENT.
IT'S THIS EVIDENCE WE PUT BEHIND THE CLAIM THAT GIVEN THE OPPORTUNITY WE CAN AND WILL PRODUCE SUPERIOR PERFORMANCE.
LET ME TURN BRIEFLY TO THE SITE ITSELF.
THIS IS A TERRIFIC SITE.
I SIT ON THE BOARD OF COACH.
COACH HAS AN OUTLET STORE IN THE COMMON, YEARS AND YEARS THE HIGHEST PERFORMING STORE IN THE COACH CHAIN AND ADMIRERED TREMENDOUS PRODUCTIVITY OF THE OUTLET.
WE PROPOSE A CASINO IN PARTNERSHIP WITH THE LOCAL LAND DEVELOPER SITUATED NEAR TO THE COMMONS, 51 MILES AWAY FROM NEW YORK CITY, NEARBY TRANSPORTATION, IN WHAT I CONSIDER BOTH IDEAL AND IDYLLIC LOCATION.

IT'S A BEAUTIFUL SPOT.
VISTAS A FANTASTIC, AND IT'S
APPROXIMATE TO THE LARGEST
NUMBER OF ENTHUSIAST YOU CAN
FIND.

FOR POLICY PURPOSES, THE LARGEST
NUMBER OF VISITOR FROM THIS
LOCATION COME FROM OUTSIDE THE
LOCAL AREA.

THIS SITE WILL ENJOY GREATER
VISITATION, BROAD VISITATION
THAN ANY OTHER SITE IN MY VIEW
PROPOSED.

WHEN WE HAVE THE TPT TO WORK
WITH THE DEVELOPMENT PARTNERS,
WE WERE VERY ENTHUSIASTIC AS
THIS SITE AS THE BEST SITE
FOREVER NEW YORK.

WE KNEW WE HAD TO MAKE OUR
RESORT AS PART OF A BROADER PART
OF UPSTATE NEW YORK, BEAUTIFUL
SITE, OFFERING ATTRACTIONS AND
LEISURE ACTIVITIES OF ALL SORTS,
AND WE BEGAN PUTTING TO THE A
PROCESS TO INTEGRATE OUR RESORT
DEVELOPMENT WITH WHAT WAS
AVAILABLE IN UPSTATE NEW YORK.

WE'VE NOW SIGNED 348
PARTNERSHIPS WITH FOOD
PROVIDERS, RESTAURANTS,
ESTABLISHED POICHS WITH ORNG
COUNTY AND OFFICIALS, MARKETING
ALL OF THE ATTRACTIONS AND
AMENITIES OF THE BEAUTIFUL AREA
TO OUR GUESTS AND ASK TO
CONSIDER A VISIT WITH MORE TO IT
THAN A CASINO.

IT'S MORE OUTWARD LOOKING THAN
WAS THE CASE.

WHEN I STARTED IN THE BUSINESS,
I CAME IN A ROOM LIKE THIS,
SAYING THIS IS THE ROOM THAT A
CASINO GUY LIKES, THERE'S NO
WINDOWS, AND THE EXITS ARE
POORLY MARKED.

THAT'S NOT TODAY'S WORLD OF A
COO SEE KNOW.

TODAY, WE WANT TO BE OUT TO THE
LOCAL COMMUNITY.

WE DON'T WANT TO OFFER LITERALLY
EVERYTHING NEEDS IN THE
BUILDING.

WE WANT TO ENCOURAGE VISITORS TO
TAKE ADVANTAGE OF ALL THE THINGS

THE LOCAL COMMUNITY ALREADY HAS ON OFFER, AND IN THIS AREA OF WOODBURY AND UPSTATE NEW YORK, THERE'S A TREMENDOUS AMOUNT TO INSPIRE VISITORS.

WE EXPERIENCE THIS EVERY DAY SITTING NEXT TO THE FRENCH QUARTER, COLLABORATE WITH THE GREAT CULINARY LIFE OF NEW ORLEANS, ARTISTIC LIFE, THEATER LIFE OF THIS WONDERFUL AMERICAN CITY AND TURN OURSELVES OUT TO THAT COMMUNITY, AND VERY MUCH THE SAME WAY WE WOULD CHOOSE TO DO SO NOW.

TURNING TO THE WAY THE BUILDING WOULD BE BUILT AND PROCESS FOR THE DEVELOPMENT IF WE WERE TO BE FORTUNATE TO RECEIVE A LICENSE, WE WOULD DO SO WITH UNION JOBS, UNION AGREEMENTS, MANY ALREADY IN PLACE THAT WOULD INVOLVE SOME 1500 CONSTRUCTION JOBS IN 3,000 PERMANENT LARGE RI UNION JOBS. THE AVERAGE COMPENSATION IS HIGH, CASINO EMPLOYMENT IS A BUSINESS FOR THOSE WHO WORK WITH US, CONSEQUENCE OF BOTH SALARIES, HOURLY WAGES, AND GRATUITIES AND INCLUDE A BENEFIT PROGRAM I DESCRIBED.

WE HAVE IN PLACE NEUTRALITY AGREEMENT WITH THE HOTEL NEW YORK TRADES COUNSEL, WORKED WITH THE TRADES COUP, ALL THE RELEVANT LABOR GROUPS TO POSITION OURSELVES TO BE WELL PREPARED TO PROCEED IN THE EVENT WE'RE ABLE TO DO SO.

WE'LL PRIORITIZE LOCAL RESIDENTS AND BUSINESSES IN THE WORK. PRIME AMONG US, OUR VETERANS. OF WE HAVE A PROGRAM CALLED ENLISTING HEROS.

WE HAVE IN JUST THE LAST 18 MONTHS HIRED 900 RETURNING SERVICEMEN AND WOMEN RETURNING BACK, AND EMPLOYEE OTHERS ACROSS THE COUNTRY.

45 LOCAL VETERAN SERVICE ORGANIZATIONS ATTENDED A FORUM HOSTED TO TALK ABOUT HOW TO PURSUE THAT HERE LOCALLY.

WE'LL DEVELOP AN EDUCATION AND

TRAINING PARTNERSHIP WITH THE
EDUCATION, AND WORKING IN THE
COUNTIES WITH \$50 MILLION TO
SPEND WITH REGIONAL BUSINESSES
IN THE OPERATION OF THE RESORT
AND HOSTED A NUMBER OF LEADERS
TO WORK WITH US TO THIS END.

THIS WILL BE A BUSINESS
INTERGRATED IN THE COMMUNITY.
RAZZ YOU HEAR IN A MOMENT,
DOERNT TAKE MY WORD FOR IT.
YOU'LL HEAR FROM OUR NEIGHBORS,
PARTNERS, AND FRIENDS AND MANY
OTHER COMMUNITIES IN WHICH WE
OPERATE.

HEAR DIRECTLY FROM THEM TO SEE
HOW WE EXPERIENCED AS A PARTNER
OVER THE MANY YEARS.

WHEN I LEFT ACADEMIC LIFE AND
CAME INTO THE GAMBLING BUSINESS,
THE ONE ISSUE I SPENT THE MOST
AMOUNT OF TIME ADDRESSING MORE
THAN ANY OTHER IS THE PROBLEM OF
PROBLEM GAMBLING, AND THOSE WHO
SUFFER FROM THE INABILITY TO
RESTRAIN THEMSELVES IN HOW MUCH
GAMBLING THEY PURSUE.

THIS IS A BIG ISSUE.

WE HAVE TO TAKE IT VERY
SERIOUSLY.

NONE OF THE 70,000 PEOPLE WHO
WORK WITH ME WOULD EVER WANT TO
GO HOME AT THE END OF THE SHIFT
AND SAY, I SOMEHOW, TODAY,
FACILITATED A GAMBLER DOING HARM
TO THEMSELVES OR FAMILY.

UNDER DAN JONES LEADERSHIP MORE
THAN TEN YEARS AGO, WE
ESTABLISHED THE FIRST EVER
RESPONSIBLE GAMING PROGRAM THAT
GP WITH WHAT WAS CONTROVERSIAL
AT THE TIME.

IT'S A STATEMENT OR ADMISSION
THIS IS A REAL PROBLEM, AND THE
INDUSTRY HAS TO TAKE IT
SERIOUSLY.

THE BEST WAY TO DO THAT IS PUT
PARAMETERS ON JUAN'S BEHAVIOR
HOW TO ENGAGE WITH CUSTOMERS IN
THE MOST RESPONSIBLE, POSSIBLE
FASHION.

TRAIN, SUPPORT, AND MOTIVATE
EMPLOYEES IN THE PURSUIT OF THAT
END.

WE ESTABLISHED THIS IN THE INDUSTRY, FIRST DATA BASE TO CHECK TO SEE IF A SELF-ADMITTED PROBLEM GAMBLER WAS COMING TO SEE US AND COULD RESTRICT MARKETING AND CREDIT SERVICES TO THE PLAYER.

WE SPEND TENS OF MILLIONS OF DOLLARS LEADING THIS INDUSTRY'S EFFORTS.

IN 2006, SEVERAL YEARS AFTER IT BEGAN, THE AMERICAN GAMING ASSOCIATION DECIDED THIS SHOULD BE EXTENDED TO THE INDUSTRY BROADLY AND ESTABLISHED A SOMEWHAT LESS STRINGENT SET OF RULES ON BEHALF OF THE INDUSTRY SEVERAL YEARS AFTER WE LED THIS DIRECTION.

OUR COMMITMENT TO RESPONSIBLE GAMING 1 PART OF A BROADER COMMITMENT KNOWN AS OUR CODE OF COMMITMENT.

FIRST THINK THE EMPLOYEES LEARN WHEN THEY JOIN US SPEAKING TO THE STANDARD WE SET FOR THE WAY IN WHICH WE BEHAVE WITH EACH OF THE CRITICAL CONSTITUENCIES.

THE COMPANY HAS BEEN WIDELY REWARDED AN RECOGNIZED FOR ENVIRONMENTAL LEADERSHIP, THE SUPPORT ITS GIVEN TO THE COMMUNITIES, PHILANTHROPIC LEADERSHIP, SEEN AS THE HIGHEST CASH DONORS OF ANY FORTUNE 3500 COMPANY, CHARITABLE CAUSES OVER THE YEARS, AND CARE OF OUR GUESTS AND EMPLOYEES.

WE'LL BRING THE CODE PROUDLY TO ORANGE COUNTY AND TO WOODBURY. NOW TO HEAR THIS FROM PEOPLE WHO WORKED WITH US OVER THE YEARS, INDULGE ME FOR A MOMENT IN A BRIEF VIDEO.

\M \M

>> I THINK THE SURROUNDING VILLAGES BENEFITTED.

>> WHEN I WAS MAYOR, I HAD CORPORATIONS TO LEAVE THEIR EMPLOYEES FOR A DAY TO DO PROJECTS, AND THEY PARTICIPATED IN THAT.

>> A SHINING STAR FOR US THEY USE AS AN EXAMPLE WHEN

RECRUITING NEW COMPANIES TO THE REGION SO WORK WITH OFFICIALS AND NEIGHBORHOODS TO FIND OUT WHAT'S IMPORTANT TO THE COMMUNITY.

>> THEY HAVE GONE ABOVE AND BEYOND IN THE DOWN TIME TO HELP OUR EMPLOYEES, OUR COMMUNITY, AND I THINK THEY EXEMPLIFY WHAT THEY DO AND WHAT IT'S ABOUT.

>> YOU GOT EMPLOYEES THAT WANT TO GIVE BACK TO THE COMMUNITY, AND THEY HAVE BEEN ABLE TO CAPTURE THAT SPIRIT.

>> IT'S A TREMENDOUS PARTNER WITH A SOCIAL RESPONSIBILITY BUILT INTO THE CORE OF THEIR MISSION AND DNA.

OVER THE 17-YEAR HISTORY, THE LEADERS, THE STAFF HAS BEEN THE SINGLE MOST IMPORTANT COMMUNITY PARTNER TEA AND WOULD NOT BE WHERE WE ARE TODAY.

>> WE HAVE A PROVEN TRACK RECORD ALL OVER THE COUNTRY, DO IT RIGHT, A CLASSY ORGANIZATION.

>> I'VE BEEN BLOWN AWAY BY THEIR COMMITMENT TO DIVERSITY, TO INCLUSION, AND TO MAKING THE CASINO.

>> THEY HAVE LEADERSHIP EVENTS, SIGNED UP OTHERS IN A PROGRAM, AND ANYTHING TO EXPAND ON THE KNOWLEDGE WE ALREADY HAVE.

>> I WOULD TELL SOMEONE LOOKING IT PARTNER, IT'S ONLY BEEN A POSITIVE RELATIONSHIP FOR US PERSONALLY AND CLEVELAND.

>> WE PUT MORE THAN HALF OF THE NEW EMPLOYEES HIRE IN HORSESHOE CASINO, BALTIMORE CITY RESIDENTS.

>> TO BE ONE OF THE 1600 MEMBERS CHOSEN TO WORK THERE IS INCREDIBLE.

>> BEST OPPORTUNITY AT CAESARS IS ABSOLUTELY MADE IT AN OUTSTANDING PLACE TO WORK. THEY GENERATED --

>> THE WAY IT'S HAPPENING AND HOW IT'S TAKEN PLACE IS MIND BLOWING.

>>.

>> IF YOU ARE LOOKING FOR

SOMEONE CONCERN WITH HOW THEY
FIT INTO THE COMMUNITY, CAESARS.
>> THE BOTTOM LINE IS SEE NARS
IS THE BEST, NO QUESTION.
WHAT YOU WANT IN A GAMING
PARTNER IS A PARTNER THAT HAS
SUCH A GRASP OF THE INDUSTRY AND
THE ONE THAT'S KNOWN FOR THE
INTEGRITY, FOR THE
PROFESSIONALISM, FOR THE
MARKETING SOPHISTICATION, AND
FOR THE WILLINGNESS TO PARTNER
WITH YOU TO DRIVE SUCCESS TO THE
DESTINATION AS A WHOLE, AND
THAT'S WHAT WE HAVE FOUND WITH
CAESARS.

>> THE DEVELOPMENT OF THESE
COMPLICATED PROJECTS REQUIRES
TREMENDOUSLY TALENTED
EXECUTIVES.

I WAS LUCKY TO HIRE ONE, GREG
MILLER, A NUMBER OF YEARS AGO,
WITH ME THE LAST SEVERAL YEARS,
BUILTING BILLIONS OF DOLLARS
WORTH OF COMPLICATED PROJECTS,
THE WORLD'S LARGEST OB VAGS
WHEEL, THE HIGH ROLLER IN VEGAS,
WORKED IN UNIVERSAL STUDIOS,
BILLING THE ORLANDO DEVELOPMENTS
AND BARCELONA DEVELOPMENTS AND
WORK HARD TO OVERCOME A NOTRE
DAME EDUCATION.
GREG MILLER.

>> THANK YOU, GUYS.
THANK YOU, MEMBERS, FOR HAVING
US TODAY.
MY PRIVILEGE TO INTRODUCE YOU
ALL TO CAESARS NEW YORK.
IT'S A PROPOSED LUXURY RESART WE
BELIEVE IS A GAME CHANGING
EDITION TO THE COMMUNITY OF WOOD
BURY.

WE EXPECT TO SPEND \$880 MILLION
ON THE OUR PROJECT.
IT'S GOING TO FEATURE 300 LUXURY
HOTEL ROOM, SUITESING AND
VILLAS, AND IT'S GOING TO
INCLUDE 64 LUXURY VILLAS THAT WE
BELIEVE WE DO AS WELL IF NOT
BETTER THAN ANYONE IN THE WORLD,
INCLUDE SIX RESTAURANTS IN THE
PROGRAM THAT ARE OUTWARD FACING
AS DESCRIBED AS WE EVOLVED OUR
DEVELOPMENT APPROACH HERE.

WE ALREADY GOT INTEREST FROM NOBU, GORDON RAMSEY, FROM OTHER PEOPLE WE'VE ALREADY PARTNERED WITH EFFECTIVELY AT CAESARS IN LAS VEGAS, INTERESTED IN BEING PART OF THE PROJECT, AND, OF COURSE, WE'LL HAVE A WORLD CLASS SOPHISTICATED GAMING PROGRAM WITH SLOT MACHINES, 190 TABLE GAMES, 50 TABLE WORLD SERIES POKER GAMING -- POKER ROOM THAT WE WOULD POSITION AS OUR FLAG SHIP OF THE WORLD LEADING POKER BRAND ALONG THE EAST COAST.

FINALLY, WE'LL ADD FLEXIBLE MEETING AND ENTERTAINMENT SPACE TO USE TO HOST CONCERTS, WEDDINGS, OTHER EVENTS THAT WILL BE BENEFICIAL TO THE COMMUNITY, AND, OF COURSE, WE'LL AUGMENT ALL OF THIS WITH A LUXURY SPA AND FITNESS CENTER.

TO PROVIDE A LITTLE BIT OF CONTEXT, OUR SITES -- OUR TEAM, ACTUALLY, IS WHAT'S GOING TO BE NEEDED TO ACCOMPLISH THE PROJECT ITSELF.

GARY MENTIONED THAT WE'VE DONE \$3 BILLION WITH OUR INTERNAL TEAM OF WORK OVER THE LAST FIVE YEARS.

WE'RE GOING TO AUGMENT THAT TEAM WITH PEOPLE WE BELIEVE ARE UNIQUELY QUALIFIED TO HELP SUCCEED IN OUR GOALS OF MAKING CAESARS NEW YORK A WORLD CLASS FACILITY.

THE DESIGN ARCHITECT WE'VE CHOSEN TO PARTNER WITH IS BASED IN THE NORTHEAST, IN BOSTON FOR YOU YANKEE FANS, APOLOGIZE FOR THAT IN THE PAST, AND THEY'VE DONE A TREMENDOUS AMOUNT OF WORK, WORLD CLASS BRANDS IN DEVELOPING DESTINATIONS WORKING FOR DISNEY ON SEVERAL PROJECTS INCLUDING THEIR CRUISE SHOP PRONGT PROJECTS, DOWNTOWN DISNEY PROJECT, WORK WITH THE PENINSULA HOTEL GROUP, AND HAVE DONE MANY PROJECTS INCLUDING THE VERY WELL-KNOWN PENINSULA IN CHICAGO, AND THEY ARE VERY

ACCOMPLISHED, VERY CREATIVE AT DEVELOPING SOPHISTICATED RESORTS.

WE'RE COMPLIMENTING THEM ON THE LANDSCAPE DESIGN SIDE WITH SAKI, A FIRM THAT IS WORLD RENOWN, OVER 500 AWARDS THAT'S REALLY REFLECTING THEIR COMMITMENT TO CELEBRATING THE INTRINSIC LANDSCAPING.

THEY INDIGENOUS CHARACTER OF LOCAL LAND SCAPING OPPOSED TO INTRODUCING FAUX INTO THE ENVIRONMENT.

THEY WERE PART OF THE BEIJING OLYMPICS, THE LINCOLN MEMORIAL REFLECTING POOL, AND THEY ARE A TREMENDOUS PARTNER IN SHAPING THE VISION HOW WE TAKE WHAT'S ALREADY AN AMAZING LOCATION AND MAKE IT SOMETHING THAT REALLY COMES TOGETHER AS A DESTINATION RESORT.

FINALLY, THE OTHER TWO LEGS OF THE STOOL HERE, PARTNERING ON THE TRAFFIC AND CIVIL ENGINEERING SIDE, THEY ARE A LOCAL BASE FIRM IN NEW YORK. THEY HAVE A TREMENDOUS AMOUNT OF EXPERIENCE IN THE SPECIFIC LOCATION, AND WE'LL GO THROUGH DETAIL IN A FEW MOMENTS.

THE RESULTS OF THE WORK AND EMBEDDED IN OUR PROPOSAL.

AS WE START TO UNDERSTAND THE PROPOSAL BETTER, USEFUL FOR CONTEXT TO LOOK AT THE SITE.

THE SITE ITSELF FEATURES BEAUTIFUL TERRAIN, 50 ACRES OF WETLANDS, AND WE INTENTIONALLY HAVE CHOSEN TO CONSOLIDATE AND CONVINCED OUR DEVELOPMENT ON THE LEFT HAND SIDE OF THE CHART IN FRONT OF YOU ON 11 ACRES, 11 PREPONDERATE 5 ACRES OF LAND, AND SO WE HAVE 1.1 MILLION SQUARE FEET OF DEVELOPMENT ON 11.5 ACRE FOOTPRINT TO PRESERVE AND BALANCE THE TERRAIN AS SOMETHING COMPATIBLE WITH OUR VIEW OF A LUXURY DESTINATION RESORT.

WE DON'T HAVE SURFACE PARKING ON THE SITE, AND IT'S SOMETHING,

AGAIN, THAT WE ARE CONFIDENT
WILL MEET AND EXCEED THE
EXPECTATIONS OF THE GUEST COMING
TO CAESARS NEW YORK.

WE TALKED TO PREVIOUSLY IN THE
PRESENTATION ABOUT ACCESS TO THE
TRANSPORTATION SYSTEMS ON THE
RIGHT HAND SIDE OF THE START
HERE, IT'S SUBTLE, YOU SEE THE
TRAIN STATION, WIDELY USED, AND
WE, OF COURSE, SHUTTLE GUESTS TO
COME BY TRAIN IN THE CITY OF NEW
JERSEY, WHEREVER THEY COME FROM,
TO THE SITE, SHUTTLE THEM
DIRECTLY BECAUSE THIS TRULY IS
AJAY SENT TO THE SITE.

YOU'LL NOTICE IN THE SITE THAT
THE SITE IN TOTAL AS WE
CONSOLIDATED THE SITE ON THE
UPPER LEFT HAND SIDE, WE WANTED
TO -- THERE'S A PARCEL TO THE
NORTH OF -- WELL, TO THE TOP OF
THE PARCEL HERE TO LOCATE OUR
HOTEL, AND SO IT IS THE CASE ON
EVERY PROJECT, EACH COMES CAN
CONSTRAINTS, AND THE CORE OF THE
SITE HAS A CONSTRAINT THAT
PROHIBITED THE DEVELOPMENT OF
HOTELS, SO WE ACQUIRED THE
ADJACENT SITE AND PUT A 300-ROOM
HOTEL PROJECT THERE.

YOU CAN SEE IT JUST TO THE UPPER
PART OF THE DOTTED LINE.

IN TOTAL, WE'RE REALLY CONFIDENT
THAT THIS IS JUST GOING TO BE A
SPECIAL EXPERIENCE FOR OUR
GUESTS AS THEY COME HERE FOR
BOTH LOCAL MARKETS AND

INTERNATIONAL LOCALES AND FROM
THROUGHOUT OUR DOMESTIC NETWORK.

THIS IMAGE BASICALLY TAKES A
STEP BACK, GIVES YOU A VANTAGE
POINT OF THE DESTINATION IN
THREE DIMENSIONS, AND, AGAIN,
HOW IT INTEGRATES INTO WHAT'S
ALREADY A BEAUTIFUL LOCALE.

AS OUR GUEST, ARRIVE AT THE
PROJECT, IT'S REALLY IMPORTANT
FOR US TO CELEBRATE THE
EXUBERANT LUXURY OF WHAT THE
CAESARS BRAND MEANS.

WE DEVELOPED A WELCOMED PORT
SHARE AS SOMETHING WE BELIEVE
DOES THAT.

THE THIS IS GOING TO BE COMING UP TO THE GRAND COLUMNS THAT WELCOMES PEOPLE TO CAESARS NEW YORK, AND THE REST OF THE ARCHITECTURE, AGAIN, IT'S VERY SOPHISTICATED AS ALL THE APPLICANTS DO.

WE'RE CONFIDENT THIS WILL ACHIEVE AND COMMUNICATE THE GOALS THAT WE HAVE FOR OUR BRANDS.

OF COURSE, AS YOU GO INTO THE CASINO AT ITS CORE, A CASINO HAS TO BE A GREAT, FUN PLACE. THEY MENTIONED THIS ROOM DOES NOT HAVE A LOT OF WINDOWS AND WAYS TO LOOK IN AND OUT, AND OUR PROJECT WILL, BUT OUR PROJECT'S ALSO GOING TO BE FUN.

IT'S NOT GOING TO BE SERIOUS, BUT GIVE GUESTS AN ESCAPE THEY LOOK FOR AT ANY ENTERTAINMENT DESTINATION, ANY FORM OF ENTERTAINMENT.

THAT'S WHAT PEOPLE ARE LOOKING FOR.

IN OUR EXPERIENCE OF OUR NETWORK THAT GARY DESCRIBED PREVIOUSLY MAKES US QUALIFIED TO STAY ON TOP OF WHAT DO PEOPLE CARE ABOUT?

CREATE A FUN PLACE.

THAT'S REALLY WHAT IT'S ABOUT FOR US.

OF COURSE, WE MENTIONED A FEW TIME THE FACT WE'LL BRING PEOPLE IN FROM OVERSEAS.

WE'RE GOING TO BE BRINGING PEOPLE IN FROM THROUGHOUT THE U.S.

WE HAVE AN UNPARALLELED TRACK RECORD OF BRINGING PEOPLE THROUGHOUT THE COUNTRY TO OUR DIFFERENT PROPERTIES.

WE'RE 100% SURE WE'LL DO THAT HERE AND SURE WE UNDERSTAND THE EXPECTATIONS OF THE GUESTS WHEN THEY COME HERE.

WHEN I HAVE GUESTS COME, THIS IS A STANDARD ROOM, AND YOU'LL SEE THE GUESTS THERE IS LOOKING OUT, ENJOYING THE VISTA ACROSS THE PROPERTY RIGHT THERE.

WE'RE GOING TO DEVELOP A LUXURY

HOTEL ROOM THAT WE KNOW THESE GUESTS WOULD BE EXCITED TO COME AND ENJOY.

WE'RE GOING TO COMPLIMENT THAT WITH OUR MIXED USE, MULTIPURPOSE EVENT SPACE DESCRIBED BEFORE.

WE'LL BE ABLE TO ACCOMMODATE A 10 --

1333 GUESTS FOR A CONCERT OR LIKE EVENT OR UP TO 4,000 PEOPLE STANDING ROOM FOR A CONCERT HERE, AND THIS BRAND HAS A REPUTATION FOR HIGH LEVELS OF ENTERTAINMENT QUALITY AND CAN DELIVER IT HERE AND CAN HOST WEDDINGS, CORPORATE MEETINGS, INCENTIVE EVENTS, THINGS THAT WE KNOW ARE VERY USEFUL TO OUR GUESTS, AND WE'LL BRING PEOPLE TO MARKET HERE.

OUR ESTIMATE IS THAT OVER -- 83% OF THE REVENUES FROM THE PROJECT ITSELF COMES FROM OUTSIDE OF 30 MINUTES AWAY FROM THE PROJECT, AND WE KNOW WE HAVE TO HAVE AMENITIES LIKE THIS THAT IS GOING TO SERVE THE GUESTS.

WE'LL HAVE WORLD SERIES OF POKER EVENTS HOSTED IN THIS ROOM AS WELL AS THE MAIN POKER ROOM. THIS ROOM IN ITS FINAL FORM, SHOULD WE BE CHOSEN, WOULD BE ON NATIONAL TV WITH ESPN AND CIRCUIT EVENTS THAT ARE WIDELY PUBLICIZED.

GARY MENTIONED OUR CODE OF COMMITMENT, AND IT'S SOMETHING THAT'S VERY, VERY IMPORTANT TO US, AND OUR COMMITMENT TO ENVIRONMENTAL STEWARDSHIP IS VERY, VERY IMPORTANT PART OF THAT.

OUR APPLICATION COMMITTED THAT WE WOULD ACHIEVE A MINIMUM OF PLEASE.

I WANT TO BE CLEAR, IT'S NOT LIMITS OF OUR ASPIRATIONS. WE ASPIRE FOR THIS FACILITY TO OPEN AS LEAD GOALS.

WE OPENED THE LAST FOUR FACILITIES ALL MET LEAD STANDARD, AND, IN FACT, BALTIMORE, OPENED ON AUGUST 26th, ACHIEVED LEAD GOALS, AND

SIMILARLY IN THAT PROCESS, WE COMMITTED TO THE STATE WE'LL ACHIEVE A MINIMUM OF LEAD SILVER, BE 100% SURE WE DELIVER WHATEVER WE COMMIT, AND, IN FACT, WE EXCEEDED THAT COMMITMENT TO THE STATE OF MARYLAND AND ACHIEVE LEAD GOLD AND AWARDED THAT LAST WEEK. BEYOND THAT, AS WE OPERATE THE FACILITY, WE HAVE A VERY WELL-ORGANIZED CODE GREEN PROJECT OR PROGRAM WHERE OUR EMPLOYEES ARE ESSENTIALLY THE FONT OF IDEAS HOW TO IMPROVE PERFORMANCE.

YOU SEE ON THE CHART HERE, EXPERIENCING A 21% REDUCTION IN CARBON EMISSIONS INCLUDING FROM THE LEGACY FACILITIES.

I'M NOT GOING TO DWELL ON THE NEXT CHART, BUT IT'S A QUICK SNAPSHOT OF THE INTERNAL PROCESS AS WE GO THROUGH AND THINK THROUGH AND START TO DESIGN THESE FACILITIES, WHERE SENSITIVITIES ARE IN THE ENVIRONMENT -- BECAUSE THAT'S WITHDRAWN OF THE OUR COMMITMENTS -- IT'S BAKED UP IN FRONT, AND WE HAVE WALKING PATHS, AND WE HAVE IN REFLECTIVE ROOFING.

ALL OF THE THINGS THAT OUR EXPERIENCE OVER THE LAST SEVERAL YEARS HAVE TOLD US WILL BE IMPORTANT FOR US TO EXCEED OUR COMMITMENTS TO YOU AND MEET OUR GOAL OF BEING LEAD GOLD.

FINALLY, TRAFFIC.

TRAFFIC IS CERTAINLY ONE OF THE MOST IMPORTANT ISSUES THAT RELATES TO OUR PROPOSAL.

IT'S NOTE AN ISSUE THAT WE VIEW OURSELVES AS HAVING TO CHECK THE BOX OR SOMEHOW MAKE IT THROUGH. IT'S WITHOUT SOLVING THE TRAFFIC ISSUES THAT CURRENTLY EXIST AT EXIT 131 OFF THE 17, WE SIMPLY WON'T REACH OUR FINANCIAL GOALS. WE UNDERSTAND THAT, WE ACKNOWLEDGE THAT.

I MENTIONED WE WORKED WITH TRC, OUR TRAFFIC AND CIVIL

ENGINEERING PARTNER, TO DEVELOP SOLUTIONS.

THE SOLUTIONS THAT ARE OUTLINED HERE THAT I'LL GO THROUGH IN A MOMENT, WE'VE ALREADY HAD NUMEROUS MEETINGS WITH THE NEW YORK DEPARTMENT OF TRANSPORTATION, IN FACT, I BELIEVE OUR APPLICATION HAD A LETTER FROM REGION A THAT SUGGESTED THE IMPROVEMENTS PROPOSED HERE WOULD MORE THAN OFFSET IMPACTS OF OUR PROJECT. IT'S VERY IMPORTANT.

AS WE GO IN, WE WILL ACTUALLY DRAMATICALLY IMPROVE THE EXISTING CONDITIONS THERE. IT'S NOT SOMETHING TO BE LOST. CERTAINLY WAS NOT WITH THE DEPARTMENT OF TRANSPORTATION, THAT THIS IS AN IMPORTANT ISSUE THAT WOULD HAVE TO BE SOLVED. NOW, I DON'T KNOW IF THE OTHER APP CAPTAINS WHO ARE NORTH OR SOUTH OF US ARE GOING TO SOLVE THE ISSUE AT THIS SPECIFIC EXCHANGE, BUT WE KNOW, FOR INSTANCE, AT THE EXIT 131 THAT 60% OF THE GUESTS, WE EXPECT ARE GOING TO COME, COMING NORTH TO THE SOUTH, EXITING OFF 87 AND COMING TO THE EXIT OR COMING FROM THE SOUTH ALONG EXIT 87.

.
>>> AS WE GO IN WE WILL HAVE IMPROVED THE CONDITIONS THERE, AND IT'S NOT SOMETHING TO BE LOST, CERTAINLY WASN'T WITH THE DEPARTMENT OF TRANSPORTATION THAT THIS IS AN IMPORTANT ISSUE THAT HAS TO BE SOLVED.

I DON'T KNOW IF THE OTHER APPLICANTS THAT ARE NORTH OR SOUTH OF US ARE GOING TO ON SOLVE THE ISSUE AT THIS SPECIFIC EXCHANGE.

WE KNOW, FOR INSTANCE, AT THE EXIST 131 THAT 60% OF THE GUESTS, WE EXPECT ARE GOING TO COME, EITHER COMING FROM THE NORTH TO THE SOUTH. EXITING OFF OF 87 AND COMING TO THAT EXIT, OR COMING FROM THE SOUTH, ALONG EXIT 87.

SO WE HAVE SIMPLY HAVE TO SOLVE THIS.

AND OUR \$20 MILLION FINANCIAL COMMITMENT IS BELIEVED TO BE MORE THAN SUFFICIENT TO ACHIEVE THAT.

WHILE WE DO NOT HAVE COMMITMENTS ON HOW IT WORKS WITH THE DEPARTMENT OF TRANSPORTATION, WE HAVE CONSTRUCTIVE CONVERSATIONS ON THE PROCESS OF ESTABLISHING A MECHANISM TO ACHIEVE THE THREE IMPROVEMENTS WE HAVE TALKED ABOUT.

SO OUR PROJECT IS AN IMPORTANT ECONOMIC ENGINE.

I WILL TURN IT OVER TO GARY TO GO TO SPECIFICS AND WRAP UP AND TAKE QUESTIONS FROM YOU.

>> THANK YOU, GREG, LADIES AND GENTLEMEN, I THINK YOU WILL AGREE IT'S A BEAUTIFUL RESORT DEVELOPMENT.

WE DO NOT USE THE CESAR'S BRAND LIGHTLY.

AND WE WOULD NOT PUT IT IN THE LOCATION IF WE DID NOT THINK THAT IT COULD LIVE UP TO OUR STANDARD.

I THINK YOU WOULD AGREE IT'S A SPECTACULAR PLACE TO VISIT.

TWO YEARS AGO, WE CREATED CAESARS GROWTH PARTNERS, CREATED WITH THE PURPOSE OF FUNDING GROWTH PROJECTS.

THIS AS INEXCESS OF A BILLION DOLLARS ON THE BALANCE SHEET AND LIGHTLY LEVERED AND THIS PROJECT, CAESARS' NEW YORK WOULD EXIST IN THE GROWTH CATEGORY. IT WOULD GENERATE MORE THAN \$200 MILLION TO THE STATE OF NEW YORK.

AND YOU SEE LISTED BELOW THE OTHER BENEFITS THAT IT WOULD GIVE TO THE CITY.

WE HAVE MADE THE ARGUMENT THAT WE ARE IN A POSITION TO PROVIDE THE BEST USE OF THE LICENSE FOR THE STATE OF NEW YORK, FOR THE LOCAL AREA.

FOR REGION BROADLY.

WE BELIEVE THAT THIS IS THE

PROJECT THE PIE THE BIGGEST
HOWEVER YOU CHOOSE TO CUT UP THE
PIE IS UP TO YOU.

WE BELIEVE WE WOULD BRING MORE
VISITORS TO THE AREA WITH THE
CAESARS BRAND'S DRAW.

THE QUALITY OF THE DEVELOPMENT,
THE SITING ON THE LOCATION, AND
THE COMPANY'S REPUTATION FOR
INTEGRITY, RESPONSIBLE GAMING
AND COMMITMENT TO THE
COMMUNITIES TOGETHER WE THINK WE
WILL MAKE A VERY SPECIAL PLACE
AND WE ARE HONORED TO HAVE THE
CHANCE TO PRESENT IT TO YOU.

HELP ME CONCLUDE WITH ONE MORE
LOOK AT CAESARS ENTERTAINMENT.

\M \M

\M \M

\M \M

\M \M

\M \M

\M \M

>>> EVERY TIME I SEE THAT VIDEO,
I FEEL I SHOULD HAVE MORE FUN IN
THE JOB, THAT CONCLUDES OUR
PRESENTATION, WE ARE DELIGHTED
TO TAKE YOUR QUESTIONS.

>> THANK YOU, VERY MUCH, GARY
AND FOR THOSE OF YOU KEEPING
TRACK.

I WAS GOING TO SAY, FIVE MINUTES
LEFT, BUT YOU STUCK TO THE
SCHEDULE.

THANK YOU.

SINCE I HAVE THE MIC, I WILL
START, A COUPLE OF QUESTIONS,
FIRST DO YOU CONTROL THE LAND?
YOU TONIGHT THE LAND YET OR DO
YOU HAVE AN OPTION PURCHASE?

>> GREG, WHY DON'T YOU DESCRIBE
SPECIFICS?

>> WE PARTNERED WITH THE FAMILY
WHO HAS AN OPTION TO SECURE ALL
OF THE LAND MESS TO EXECUTE THE
PROJECT.

>> THE \$20 MILLION YOU REFERRED
TO REGARDING THE TRAFFIC
MITIGATION MEASURES, WAS THAT
BASED ON AN ESTIMATE THAT YOU
GOT FROM D.O.T. AND YOUR
PRELIMINARY DISCUSSIONS WITH
THEM?

>> THE \$20 MILLION WAS SOURCED FROM IDENTIFYING THE SPECIFIC AREAS OF IMPROVEMENT AND THERE ARE A NUMBER OF SPECIFIC ONES IN THE OUR PROPOSAL.

RELATED TO HOW ONE GET FROM -- ON TO THE 17, GOING SOUTH, WIDENING THE ROAD, IMPROVING THE TRAFFIC SIGNALING.

THAT \$20 MILLION, RELATES TO OUR OWN INTERNAL ESTIMATES OF WHAT IT WOULD COST ACHIEVE THAT. SPECIFIC SCOPE OF WORK.

>> OKAY.

AND GARY, I HAVE ANOTHER EASY ONE AND THEN A MORE COMPLICATED ONE.

>> PLEASE.

>> THE EASY ONE, THE HORSESHOE FACILITIES IN OHIO, WAS THAT AN ACQUISITION OR DID YOU DEVELOP THEM UNDER THAT NAME FOR WHAT REASON?

>> SO, THE FACILITIES IN OHIO AND IN BALTIMORE ARE UNDER THE HORSESHOE BRAND, WE DEVELOPED THEM.

MY RIGHT TO USE THAT NAME CAME FROM AN ACQUISITION IN TWO HOW AND THREE FROM THE HORSE SHOE GAMING COMPANY.

SO WE BOUGHT THE EXISTING 3 CASINOS AT THAT TIME IN LOUISIANA, MISSISSIPPI AND INDIANA AND WITH IT CAME THE RIGHTS TO DEVELOP UNDER THE HORSESHOE NAME ELSEWHERE. WHICH WE HAVE DONE EXTENSIVELY SINCE.

>> SO THERE'S NO NEED TO CHANGE THE NAME TO CAESAR?

>> WE RESERVE CAESAR ONLY FOR RESORT DESTINATIONS.

RESTAURANTS AND THE LIKE.

THE HORSESHOE FACILITY IS A HIGH END GAMING FACILITY, BUT MAY NOT OFFER THE AMENITIES, IT SUITS THE URBAN MODEL IN CINCINNATI, AND BALTIMORE.

>> OKAY.

AND THE MORE COMPLICATED ONE, I'M JUST INTRIGUED BY YOUR EXPERIENCE, YOUR EXPERTISE AS HEAD OF CAESARS, HOW IS CAESARS

DOING IN AC, WHERE DO YOU SEE ATLANTIC CITY GOING AND THE IMPACT ON NEW YORK?

>> IT'S AN IMPORTANT AND TIMELY QUESTION AS GOVERNOR CHRISTIE CONVENED A MEETING ON THIS YESTERDAY AFTERNOON.

THE GAMING HAS FALLEN FROM \$5 BILLION \$2.5 BILLION. AND THAT IS MAINLY BECAUSE OF COMPETITION.

SO, THE BROADER MARKET HAS GROWN, THE AMOUNT OF GAMING IN THE REGION IS UP SUBSTANTIALLY. BUT HAS COME TO THE SENTENCE OF ATLANTIC CITY, FOR THEM TO STABILIZE AT 2.2 REVENUES, I BELIEVE WE NEED TO SEE SEVERAL THINGS.

FIRST, A REDUCTION IN SUPPLY, THAT YOU HAVE SEEN WITH CLOSURES OF CASINOS IN THE MARKET.

SECOND, A GREATER DEVOTION TO NONGAMING THINGS.

WE ARE BUILDING A NEW CONFERENCE CENTER THAT I THINK IS BADLY NEEDED.

ADDITIONAL RETAIL AND NIGHTCLUB AND LEISURE ACTIVITIES AND A GREATER USE OF THE NATURAL BEAUTY OF THE BEACH FRONT AND AN EFFORT TO CLEAN UP THE CITY.

THE CITY'S FINANCES ARE IN TERRIBLE SHAPE.

THEY HAVE CERTAIN IS AS

--

ASPECTS TO THE CITY THAT ARE NOT FROM.

THEY NEED TO MAKE IT A MORE DESIRABLE BEACH FRONT COMMUNITY. IT'S HARD WORK.

IT'S BEEN A SOURCE OF A GREAT DEAL OF PAIN FOR THOSE THAT OPERATE THERE AND LIVE THERE. THE TURN IN THE CORNER MAY BE COMING.

>> BUT IF THAT TURN IN THE CORNER COMES, AND AGAIN, WE ARE ALL COMPETING FOR THOSE DISPOSABLE GAMING DOLLARS.

>> RIGHT.

>> AND IF THE HOPE FOR YOUR SOUTHERN ORANGE COUNTY FACILITY IS TO DRAW ON THE NEW YORK CITY

METROPOLITAN AREA, IF AT
ATLANTIC CITY BOUNCES BACK, HOW
DOES IT IMPACT YOUR ECONOMICS?
>> I THINK IT HAS LITTLE EFFECT.
IF YOU THINK OF THE PROXIMITY OF
VISITATION FROM NEW YORK, PEOPLE
LOOKING FOR CONVENIENT GAMING
ARE GOING TO CONNECTICUT, TO

SAMS BETH LA HAM AND ONLY GOING
TO ATLANTIC CITY IF THEY ARE
SPENDING A FEW DAYS.
ATLANTIC CITY TOOK ITS WORST
BLOWS FROM PHILADELPHIA, WHICH
WAS A CRITICAL SOURCE OF
BUSINESS IN TO ATLANTIC CITY,
THERE WILL BE A FEW MORE BLOWS
BUT NOT AS SEVERE AS WHAT WE
HAVE HAD THUS FAR.

[INAUDIBLE QUESTION]

>> MR. MILLER?

>> WE HAVE ENGAGED IN A PROCESS
LOCALLY WITH THE VILLAGE OF
WOODBURY AND THE TIME THAT WE
HAVE -- THE PROCESS IS UNDER
WAY.

OUR EXPECTATION IS THAT THAT
PROCESS WILL BE CONCLUDED BY
JANUARY.

SO, SHORTLY THEREAFTER THE
CONCLUSION OF THIS PROCESS,
WHENEVER IT WOULD BE.

AND NO SIGNIFICANT ISSUES HAVE
COME UP THROUGH THE PROCESS TO
DATE.

>> WOULD YOU WELCOME YOUR FIRST
GUEST, WHEN?

>> WE WOULD BE IN A POSITION TO
24 MONTHS AFTER THAT, BE ABLE TO
WELCOME OUR FIRST GUESTS.

WE ARE CONFIDENT IN THAT.

>> COUPLE OF QUESTIONS, THE
TRAFFIC IMPROVEMENTS YOU HAVE
DESCRIBED, WHAT IF THOSE TAKE
MUCH MORE THAN \$20 MILLION?
ARE YOU GUYS COMMITTED TO MAKE
WHATEVER IMPROVEMENTS ARE
NECESSARY TO SOLVE THE TRAFFIC
PROBLEM?

WELL, LET ME TAKE IT AND GREG
CAN ELABORATE ON IT.

IN MY EXPERIENCE, MAKING AN OPEN
ENDED COMMITMENT TO A TRAFFIC
PROBLEM IS DIFFICULT.

WHAT CONSTITUTES THE SOLUTION IS
IN THE EYE OF THE BEHOLDER.
IT'S OUR VIEW THAT \$20 MILLION
WILL RESOLVE THE ISSUE AS IT
STANDS.

I'M SURE THERE'S PEOPLE THAT
ASK

FOR MORE THAN THAT.

WE ARE GOING TO TAKE IN THOSE
CONSIDERATIONS.

BUT THERE'S A LIMIT TO WHAT WE
COULD SUPPORT.

>> I'M SURE NEW YORK STATE
DOESN'T WANT THE OPEN ENDED BILL
FOR THAT EITHER.

>> I'M SORRY?

>> I'M SURE NEW YORK STATE
DOESN'T WANT AN OPEN ENDED BILL
FOR THAT EITHER.

>> NO, I DON'T THINK THEY DO
EITHER, I THINK THERE'S A
CONINFLUENCE OF INTERESTS HERE.
IT WILL RESOLVE A TRAFFIC
PROBLEM THAT EXISTS EVEN IF THE
PROPERTY IS NOT PUT AT ORANGE
COUNTY.

>> AS I HEARD YOUR ANSWER TO
FINANCING, I HEARD CAPABILITY
BUT NOT COMMITMENT.

IS THE MONEY COMMIT INSIDE.

>> THE MONEY IS COMMITTED.

SO WE HAVE IN EXCESS OF A
BILLION DOLLARS OF CASH IN
CAESARS GROWTH PARTNER THAT IS
THE FUNDING.

AND THEN WE SEEK FINANCING
THROUGH TRADITIONAL BANK
FINANCING SOURCES.

WE HAVE LETTERS OF COMMITMENT TO
FUND THE TYPICAL FIRST YEAR
BANKS.

>> LETTERS OF COMMITMENT
MEANING?

THEY ARE COMMITTED?

>> THEY ARE COMMITTED IN THE
ASSUMPTIONS PUT FORTH IN THE
TYPICAL LANGUAGE IS MET.

IF THE WORLD IS STILL AS WITH WE
THINK IT IS, IF THE LICENSES ARE
COMMITTED THE WAY WE THINK THEM
TO BE COMMITTED THE BANK IS
PREPARED TO FUND.

>> STEWART?

ONE LAST QUESTION, UNFAIR

QUESTION, BUT SO WHAT.
TWO OF THE APPLICANTS AT LEAST,
I BELIEVE, AT LEAST ONE, IN THE
CATSKILLS AND PERHAPS SOMEBODY
IN -- SAID THAT IF THERE WAS A
DOWNSTATE LICENSE GREAT THAT
THEY COULD -- THERE -- THEY
WOULD NOT PURSUE IT.
DO YOU THINK FROM THIS

PERSPECTIVE, IF THIS WERE
CAESARS, THAT YOU ARE RIGHT,
THAT YOU WOULD TAKE SO MUCH OF
THEIR BUSINESS AWAY THAT YOU
COULD NOT HAVE A VIABLE CASINO
IN THE CATSKILLS FOR EXAMPLE?
>> NO, I THINK IT'S A WELL POSED
QUESTION, BUT I THINK THERE'S A
VIABLE CASINO IN THE CAT SKILLS,
IF THEY DO NOT PUT FORTH TOO
AGGRESSIVE A CAPITOL
DEVELOPMENT.

THERE'S CASINOES THAT WOULD
TAKE SOME PORTION OF THE
VISITATION, AND THE LICENSEE
WOULD HAVE TO BE MINDFUL OF THE
FACILITY THEY OPERATE.
WE OPERATE SEVERAL CASINOS THAT
ARE SMALLER THAN ONES IN THE
CATSKILL IF IT WAS AWARDED IN
ORANGE COUNTY.
I THINK THERE'S A VIABLE
BUSINESS THERE.
I THINK A \$200 MILLION GAMING
BUSINESS BE EXISTING IF WE WERE
OPERATING OR ONE OF OUR
COMPETITORS WAS OPERATING IN THE

GENERAL AREA.
I TRAINED AS AN ECONOMIST.
THE GENERAL IDEA IS LET'S MAKE
THE PIE BIG FIRST AND THEN CUT
THE PIECES.
THERE'S NO QUESTION, BUT THAT A
CASINO AT THIS LOCATION MAKES
THE NEW YORK STATE PIE BIGGER.
THEN IF THERE'S AN EFFORT TO
REALLOCATE THAT TO OTHER AREAS,
ONE CAN DO THAT, AND THE
POLITICAL PROCESS IS CHARGED
WITH THAT JOB.
AND THE TOTAL OF THAT EXERCISE
WOULD BE A BENEFIT TO THE STATE.
>> THANK YOU, VERY MUCH.

>> GARY, THANK YOU AND YOUR
TEAM, GOOD JOB.
AND THANK YOU FOR YOUR
PRESENTATION.
>> MEMBERS OF THE BOARD, THANK
YOU, AND MR. CHAIRMAN, THANK
YOU.

>> LAST UP IS THE STERLING
FOREST RESORT IN FIVE MINUTES.
>>> SOME OF YOU WE SAW EARLIER
TODAY THE.
>> GOOD AFTERNOON, I WAS
INTRODUCED EARLIER, I'M THE
PRESIDENT OF AND SPONSOR OF THE
STERLING FOREST RESORT PROPOSAL.
IT'S BEEN A LONG COUPLE OF DAYS
AND I APPRECIATE THE TIME TO
TALK ABOUT THE KEY ASPECTS OF
THE PROPOSAL.
I WILL TRY TO WALK THROUGH THE
KEY PARTS.
I WILL NOT REVISIT OUR
CREDENTIALS.
JOINING US IS JESSICA HOPPY.
PAUL STEELMAN, AND LARRY PRA ZMP

-- PRAZESKY, YOU SEE A SCALE
MODEL, THE GOAL IS TO GIVE THE
MEMBERS THAT WERE NOT FAMILIAR
WITH THE SITE, SOME PERSPECTIVE
OF WHAT THE PROPOSED DEVELOPMENT
WILL LOOK LIKE, IN TERMS OF THE
CONTEXT AND THE LANDSCAPE OF THE
SURROUNDING AREA.
IN ORDER TO SUBMIT THE BEST
PROPOSAL, WE DID RESEARCH AND
DETAIL ANALYSIS OF THE SITE AND
THE OPPORTUNITY PRESENTED BY THE
UP STATE DEVELOPMENT ACT OF
2013.
THIS EFFORT WAS SUPPORTED IN
WHOLE AND IN PART BY SEVERAL
CONSULTING FIRMS.
AND AS WELL AS UNION GAMING AND
ANALYTICS TO ADVISE ON THE
OVERALL MARKET OPPORTUNITY.
I WOULD LIKE TO SHOW BRIEF VIDEO
THAT WILL GIVE A HIGH LEVEL VIEW
OF THE PROJECT.
YOU SAW THE KEY ELEMENTS
SCROLLING ON THE SCREEN.
WE WILL GET IN TO THE DETAILED
PRESENTATION AFTER THIS BRIEF

VIDEO.

>>> THE MEDIA IS FULL OF DOOM AND GLOOM STORIES OF THE DECLINE OF REGIONAL GAMING, NOW TO REPLACE JOBS AND BUSINESSES, NEW JERSEY IS CONSIDERING NEW CASINOS AND THE SIGHTS ARE TARGETING NEW YORK MARKETS. TARGETING BILLIONS OF DOLLARS FROM NEW YORK CITY.

THE STAGE IS SET FOR NEW YORK TO LOSE MUCH NEEDED FUNDS FOR EDUCATION AND OTHER SERVICES. POTENTIALLY MAKING NEW TAXES OR REDUCTIONS IN STATE MANDATED PROGRAMS NECESSARY.

BUT THERE'S A VIABLE LONG-TERM SOLUTION.

STERLING FOREST RESORT.

SET AT THE CLOSEST LOCATION TO NEW YORK CITY PERMITTED BY LAW, AND DUE TO THE PROXIMITY, THE ONLY SITE THAT CAN ENSURE THE LONG-TERM SUSTAINABILITY AND COMPETITIVENESS.

ANCHORED BY TWO MAJOR ATTRACTIONS.

LEVERAGING THE ATTRACTION OF THE MOST RECOGNIZED GLOBAL CITY IN THE WORLD, THE LEADER IN FINANCE, CULTURE, MEDIA, ART, FASHION, RESEARCH, TECHNOLOGY, EDUCATION AND ENTERTAINMENT.

WITH MORE FORTUNE 500 COMPANIES HEAD QUARTERED HERE IN NEW YORK CITY ANYWHERE ELSE AND HOST TO OVER 50 MILLION TOURISTS IN A YEAR.

IT WILL BE UNIQUE IN FOCUSING ATTRACTING THE \$100 BILLION GLOBAL CASINO MARKET OUTSIDE THE U.S. THE SAME INTERNATIONAL MARKET THAT ALLOW TODAY LAS VEGAS STRIP TO RECOVER AFTER THE RECESSION.

PRIMARILY INCREASED TO ASIAN BACCARA PLAYERS, SHOWCASING THE CROSS MARKETING.

MANAGED BY THE WORLD RENOWNED GINTON GROUP.

USING THEIR TEN MILLION PLAYER DATABASE, AND AN UNMATCHED RESORT IN A BEAUTIFUL SETTING.

IT WILL BE SUSTAINABLE AND

COMPETITIVE FOR DECADES TO COME.
OVER THE NEXT TEN YEARS OF THE
INITIAL LICENSE PERIOD, THEY
WILL CONTRIBUTE \$4.6 BILLION
STATE AND LOCAL GOVERNMENTS AND
WE ARE PREPARED TO PAY A \$450
MILLION LICENSE FEE.

THAT WILL ALLOW FOR ECONOMIC
EXPANSION PROGRAMS FOR THE MOST
DISADVANTAGED AREAS, AND WE HAVE
AGREED TO PAY A 6%, OR A \$30
MILLION A YEAR SUPPLEMENTAL TAX
FOR SLOT REVENUES THAT CAN BE
USED FOR PARK PRESERVATION.

WITH A TEAM THAT HAS NEW YORK
EXPERIENCE AND THE BACKING OF A
COMPANY WITH INVESTMENT GRADE
RATING.

SER TING FOREST RESORT WILL BE A
WORLD CLASS INTEGRATED
DESTINATION RESORT.

WITH UNMATCHED AMENITY, FOCUSED
ON RECAPTURING THE NEW YORK
GAMING DOLLAR ATTRACTING THE
TOURIST GAMING DOLLARS FROM A
CASINO MARKET.

>> THAT IS A BRIEF INTRODUCTION
IN TO THE HIGH LEVELS OF THE
MARKET.

WE ARE DIFFERENT AND WE HAVE
DESIGNED SOMETHING UNIQUE AND
SPECIAL THAT WILL ENSURE THE
INDUSTRY NEW YORK AND THE
VIABILITY OF OF THE PROJECT.

WE WILL FOCUS ON ECONOMIC
ACTIVITY AND BUSINESS
DEVELOPMENT, WHERE WE DISCUSS
THE SITE THAT WE HAVE CHOSEN AND
THE MASTER PLAN AND ARCHITECTURE
AS WELL AS THE ENVIRONMENTAL
OPPORTUNITIES PRESENTED BY THIS
SITE AND WE WILL TALK ABOUT HOW
WE WILL HAVE THE BIGGEST
CONTRIBUTION FOR THE COMMUNITY.
AND WE HAVE THE BEST WORKFORCE
DEVELOPMENT PLAN.

AND WE WILL HAVE REMARKS ABOUT
THE GAMING INDUSTRY THAT IS
RELEVANT TO THIS PROPOSAL AND
THIS PROCESS.

THE FIRST AND PROGRAMS THE MOST
IMPORTANT STEP IN ENSURING THAT
WE IDENTIFIED A SITE THAT
ALLOWED US TO FULFILL THE GOALS

OF THE RFA WHICH ARE TO MAXIMIZE INVESTMENT IN NEW YORK STATE AND PROVIDE THE MOST BENEFITS TO THE LOCAL COMMUNITY ANDISM AN APPROPRIATE WORKFORCE DEVELOPMENT PLAN.

NOT ALL SITES ARE CREATED EQUAL. IT'S CRITICAL TO KNOW WHAT MAKES ONE SITE SUPERIOR TO ANOTHER. TRADITIONALLY IN THE U.S., THE CRITICAL COMPONENTS OF SUCCESS RELATES TO THE PROXIMITY TO POPULATION.

SO THIS IS REVIEW IN RETAIL AND OTHERS AND IT'S TRUE IN THE GAMING INDUSTRY.

THE PREVIOUS PRESENTATIONS HAVE SHOWN THE SIZE OF THE NEW YORK CITY TARGET MARKET.

THIS IS THE MOST SIGNIFICANT OPPORTUNITY IN THE U.S. TODAY. BASED ON THE LEGISLATION.

THE LEGISLATION CALLED FOR THE CLOSEST SITE TO BE LOCATED IN THE COUNTY OF ORANGE AND CLOSEST TOWN OR TOWN NEAREST TO THE ORANGE COUNTY BOARD OF TUXEDO, A SITE WE THINK IS FANTASTIC.

IN ORDER FOR IT TO BE VIABLE, IT WAS IMPORTANT THAT WE CONDUCTED THE RESEARCH AND SUSPEND THE TIME UNDERSTANDING THE -- AND SPENT THE TIME UNDERSTANDING THE INFRASTRUCTURE IN THE AREA.

WHEN WE BRING 5 MILLION TRIPS TO THE AREA, WHEN WE HAVE 1,000 HOTEL GUESTS IN OUR ROOMS, DOES ALL THE INFRASTRUCTURE EXIST?

PERHAPS THE MOST CRITICAL COMPONENT OF INFRASTRUCTURE NEEDED IS TRAFFIC RELATED.

TODAY, TUXEDO DOES NOT POSSESS THE NECESSARY TRAFFIC RELATED INFRASTRUCTURE THOUGH HOST ANY LARGE DEVELOPMENT PROCHBLTH SAY NOTHING ABOUT A PROJECT OF THIS SIZE.

HOWEVER, IN OUR DETAILED RESEARCH, WE REALIZED AND WE WERE QUICKLY ACT LA MATED WITH THE FACT THAT THE NEW YORK STATE LEGISLATURE PASSED LEGISLATION THAT APPROVED INTERCHANGE B OFF THE HIGHWAY.

IT MEETS THE NEEDS OF THE PROJECT AND ALLEVIATE THE CONGESTION IN THE TRAFFIC SITUATION.

THIS PROBLEM IS SO SIGNIFICANT THAT THE TOWN'S OWN 2011 PLAN UPDATE IDENTIFIED IT AS ONE CRITICAL FACTOR TO LONG-TERM VIABLE OF THE TOWN AND REGION WAS THE IMPROVEMENT OF THIS EXIT.

IT WILL BE FUNDED BY OUR PROJECT AND THE MAINTENANCE.

THE EXIT WILL BE OPEN AND OPERATIONAL WELL IN ADVANCE OF THE OPENING OF THE CASINO PROJECT.

AND WILL CREATE AN OPPORTUNITY FOR THE AREA RESIDENTS.

AFTER CONFIRMING THE SITE AND SEEING THE INFRASTRUCTURE IN PLACE OR COULD BE IN PLACE, WE REALIZED WE HAD THE OPPORTUNITY TO BUILD A REMARKABLE FACILITY. I WILL ASK PAUL TO COME UP AND PRESENT THE KEY DESIGN ACTIVITIES RELATED TO THE STERLING FORESTS RESORT.

>> THANK YOU, CHRISTIAN.

MR. CHAIRMAN.

THANK YOU AGAIN, I'M EXCITED TODAY TO SHARE WITH YOU AN AMAZING BUILDING, ON AN AMAZING SITE, THE FIRST TRUE ENVIRONMENTAL CASINO.

I HAVE A GREAT CLIENT, THEY DEVELOPED THE MOST DIVERSE RESORT IN THE WORLD IN SINGAPORE AND THEY OPERATE A GREAT SKIING RESORT IN CHINA.

I HAD AN OPPORTUNITY TO SKI THERE LAST JANUARY AND IT'S

SPECTACULAR.

THERE'S A SAYING THAT IF YOU WANT TO BE HAPPY FOR A DAY, HAVE A GOOD MEAL, BUT HAPPY FOR A YEAR, FALL IN LOVE, IF YOU WANT TO BE HAPPY FOR A LIFETIME, PLANT A GARDEN.

AND THE GARDEN WAS ONE OF THE KEY DESIGN INSTRUMENTS THAT WE PUT IN THIS PROJECT.

WE TOOK CUES FROM OTHER AREAS
AND IT WILL BE THE FINEST GARDEN
ATTRACTION IN NEW YORK.
IT WILL BE THE MOST PHOTOGRAPHED
PART OF THE RESORT.
A NEW SKI AREA, A GREAT

RENAISSANCE FAIR THAT WILL
CREATE MEMORIES THAT WILL BE

CHERISHED BY FAMILIES.
IT WILL BE MENTIONED IN THE SAME
SENTENCE AS YOSEMITE AND THE
GRAND CANYON.
STERLING FOREST RESORT IN
TUXEDO.

NOTE NOTES

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>> STERLING FOREST RESORT, A
WORLD CLASS INTEGRATED RESORT
WITH COUNTLESS AMENITIES,
DESIGNED TO APPEAL TO CASINO
PLAYERS, AND FAMILIES AND
ABROAD, IT'S DESIGNED BY PAUL
STEELMAN.

I HAVE BEEN INVOLVED IN THE
ENTERTAINMENT HOSPITALITY AND
GAMING ARCHITECTURE FOR 37
YEARS, I WAS FORTUNATE TO DESIGN
EVERY TYPE OF RESORT AND CASINO,
SINCE THE FIRST HOTEL ON THE
STRIP IN 1941, LAS VEGAS HAS
GONE THROUGH FOUR GENERATIONS OF
DESIGN.

EACH SET A STANDARD.

TODAY, IT'S TRANSFORMED IN TO A
DESTINATION RESORT WHERE
NONGAMING PLAYS AN IMPORTANT
ROLE N MY WORK OVERSEAS, IT
STRUCK ME THAT THERE'S ANOTHER
SUCCESSFUL APPROACH.

THE INTEGRATED RESORTS IN ASIA.
PIONEERED BY OUR GROUP, SUCCESS
IN SINGAPORE, THE RESORT OF THE
FUTURE OFFERS MORE THAN A
CASINO.

A DESTINATION PLACE WITH A
SIGNIFICANT COMPONENT FOR
FAMILIES TO ENJOY.

WELCOMING ALL AGES TO PLAY IN
DOORS AND OUT.

GAMING AND NONGAMING.

THIS CONCEPT HAS BEEN SO SUCCESSFUL THAT IT IS BEING ADOPTED IN JAPAN AND OTHER JURISDICTIONS.

WHEN THE GROUP APPROACHED ME TO DESIGN A GAMING FACILITY FOR NEW YORK, I KNEW IT WAS AN OPPORTUNITY TO CONTINUE THEIR SUCCESSFUL STRATEGY FOR AN INTEGRATED RESORT.

THE OLD SKI CENTER BUILT 30 YEARS AGO, WILL BE RENEWED TO A ASPEN LIKE SKI FACILITY. THE STERLING FOREST GARDENS WILL BE REBIRTHED IN TO NEW LIFE. AND THE RENAISSANCE FAIR THAT OPERATES ONLY 17 DAYS PER YEAR WILL NOWING UTILIZED IN ALL SEASONS.

FEATURING AN AUTUMN MAPLE FESTIVAL AND ICE AND SNOW FESTIVAL, AND SPRING FESTIVAL. IT WILL HAVE A FIVE STAR HOTEL ROOMS, 19 LOUNGES AND CLUBS WITH LEADING CONCEPTS BY LEADING GROUPS.

A WORLD CLASS SPA OPERATED BY THE INTERNATIONALLY RENOWNED ESPA WITH PRESENCE IN NEW YORK CITY.

AND THE DINING AND LOUNGE AND OTHER FALLS, MODELED AFTER THE TURN OF THE 20th CENTURY, IT WILL CAPTURE THE HEART AND SPIRIT OF A CELEBRATED TIME WHEN THE NORTHSHORE CAME IN TO THE FASHION.

THIS MAGICAL YET CLASSIC RESORT INVIEFTS GUESTS TO DREAM OF THE INTOXICATING RICHES OF LIFE. THE MOMENTS OF THE IMAGINATION ARE CREATED THROUGHOUT THE INTERIOR.

WHERE TIMELESS STYLE MEETS FASHION.

WITH MY 37 YEARS OF EXPERIENCE WORKING IN 20 COUNTRIES.

I CAN SAY WITHOUT A DOUBT THAT IT WILL PROVIDE UNIQUE OFFERING THAT ATTRACTS NATIONAL AND INTERNATIONAL GUESTS.

THEY WILL ENJOY AN INTEGRATED RESORT THAT A CANNOT BE FOUND

ANYWHERE ELSE SO CLOSE TO NEW YORK CITY.

IT WILL BE A FACILITY THAT NEW YORK CAN BE PROUD OF.

THANK YOU.

THE CHAIRMAN WANTED US TO CREDIT A RESORT WHICH CELEBRATED NEW YORK'S INCREDIBLE SEASONS FROM BOTH AN INDOOR AND OUTDOOR PERSPECTIVE.

HE ENVISIONS A RESORT THAT IS HISTORICALLY LOVED FOR A TIME DEFYING 50 YEARS.

NOT A YEAR OR TWO.

THE CHAIRMAN MANDATED THAT IT BE AN INTEGRATED RESORT, NO NOT A BOX-LIKE FACILITY.

AND HE WANTED TO FOCUS ON FAMILIES AND WANTED TO BUILD A SIGNIFICANT NEW TOURIST ATTRACTION, NOT FOR NEW YORK'S VISITORS BUT THE NATIVES.

A RESORT THAT THE STATE COULD BE PROUD TO CALL ITS OWN.

CASINO DESIGN SHOULD FOCUS ON SOMETHING PEOPLE WILL LOVE TO TELL IN THE STORY OF THEIR LIVES.

CREATING A MEMORABLE GROUP OF EXPERIENCES IS VERY IMPORTANT TO THE CHAIRMAN TO THE GROUP AND I HOPE YOU FEEL THAT WAY.

THANK YOU VERY MUCH.

NOW, I'M GOING TO INTRODUCE LARRY.

TO GIVE YOU A LITTLE BIT OF TALK ON THE ENVIRONMENT ADDITIONS AT THE SITE, THANK YOU.

>> IN MANAGING THE ENVIRONMENTAL IMPACT ASSESSMENT PROCESS UNDER LAW I WAS BORN IN ELMYRA AND EDUCATED IN CORNELL, I HAVE 30 YEARS OF MAJOR EIS EXPERIENCE IN ORANGE CAN COUNTY AND ELSEWHERE IN NEW YORK.

IF YOU SEE FROM THE MODEL BEFORE YOU, THE PROJECT IS LOCATED IN AN ENVIRONMENTALLY SENSITIVE SETTING.

MORE SPECIFICALLY AT THE EDGE OF STERLING FOREST STATE PARK.

THEY ARE FAMILIAR WITH OPERATING IN SUCH SETTINGS.

ITS CRUISE LINE OPERATES IN THE

ALASKA COASTAL WATERS.
RECOGNIZING THE PREDOMINANCE OF
THE PARK FOR THE PROJECT, THEY

SELECTED A TEAM OF EXPERTS WITH
FAMILIARITY WITH THE PROJECT
AREA.

STEVE HOROWITZ IS HERE TODAY.
STEVE HAS A DEEP HISTORY WITH
STERLING FOREST STATE PARK.
GIVEN THE PRO BONO COUNCIL WORK
HE DID FOR THE ENVIRONMENTAL
GROUPS THAT SPEAR HEADED THE
FORMATION OF THE PARK IN 1988,
AND HE HAS BEEN THE LIAISON
BETWEEN THE TEAM AND VARIOUS
ENVIRONMENTAL GROUPS.

MANY GROUPS ARE NOT POSITIONED
FOR THE PROJECT, WE RECOGNIZE
THAT, BUT OUR TEAM HAS PRO
ACTIVELY REACHED OUT TO THE
GROUP AND DISCOVER WHAT THE
ISSUES ARE SO WE CAN GO BACK AND
WORK ON RESOLVING THOSE ISSUES.
ONE OF THE RESULTS ON OF THE
COLLABORATION, I WOULD NOT CALL
IT COLLABORATION, DIALOG.

IS THE IMPACT OF THE WETLANDS
FROM THE FIRST SITE PLAN TO THIS
SITE PLAN, TO 70%.

>> STERLING FOREST OF RESORT, AN
ENVIRONMENTALLY CONSCIOUS
DEVELOPMENT THAT RESPECTS THE
BEAUTY OF ITS SURROUNDINGS.
THE RESULTS 238 ACRE SITE HAS
BEEN AN EXTENSIVELY USED TOURIST
DESTINATION FOR OVER 60 YEARS.
PROTECTING THE SCENIC SETTING IS
CRITICAL AND IMPORTANT TO THE
RESORT'S SUCCESS.

HOWEVER, CURRENT VENTURE ON THE
SITE ARE NOT OVERLY SUCCESSFUL
AND THE STATE OF THE PROPERTY AS
OF NOW, IS DILAPIDATED.

>> THE PROJECT, IT'S A NEW
DEVELOPMENT PROJECT AND THAT IS
WHAT THE TOWN DESIRES.
TOWN'S MASTER PLAN SAID THEY
WANT NEW DEVELOPMENT WHERE THERE
WAS PREVIOUSLY DEVELOPMENT.
SO THIS SITE HAS BEEN DISTURBED,
EXTENSIVELY DISTURBED IN THE
PAST AND PLACING THE BULK OF
DEVELOPMENT ON AREAS THAT WERE

ALREADY DISTURBED MAINTAINS
BUFFER BETWEEN THE SITE AND THE
SURROUNDING PARKLANDS.
>> THE LAND IS DISTURBED FROM
THE CREATION OF THE FAILED AIR
STRIP, PARKING LOT AND
SURROUNDING STRUCTURES, CREATING
UNCONTROLLED RUN OFF AND
POLLUTION.
WE ARE RESEARCHING ENVIRONMENTAL
CONCERNS AND CONSULTING LEADING
WATER QUALITY EXPERTS, ISSUES SUCH AS
IMPACT ON WATERSHED, TRAFFIC,
HAS BEEN IN THE FOREFRONT OF THE
DESIGN OF THE RESORT.
THE SITE IS CURRENTLY SERVED BY
A 1960s ERA WASTEWATER
TREATMENT FACILITY THAT PRODUCES
CLASS-C DISCHARGE.
THE NEW APPROXIMATE
APPROXIMATELY \$25 MILLION WATER
RECLAMATION FACILITY WILL TREAT
ALL WATER USED ON SITE TO
DRINKING WATER STANDARDS.
THE DESIGN IS SIGNIFICANTLY
EFFECTED.
THEY TRY TO KEEP THE -- AS FAR
AS WINDOWS AND LIGHTING AND AS
FAR AS BUILDING OUT BELOW.
>> OVER 10% OF THE RESORT'S
ELECTRICITY WILL BE PLACED BY
SOLAR PANELS PLACED ABOVE THE
PARKING STRUCTURE.
ADDITIONALLY, THE RESORT WILL BE
CERTIFIED, AND WILL CREATE
MINIMAL LIGHT POLLUTION THROUGH
THE USE OF L.E.D.s AND FIXTURES.
THE RESORT WILL BE BUILT ON LESS
THAN 20% OF THE TOTAL SITE.
IMPACTING THREE ACRES OF
WETLANDS, WHILE.
>> I WOULD LIKE TO HIGH LIGHT A
FEW BEFORE AND AFTER POINTS
HERE.
THERE'S A STORY TO BE TOLD.
I WANT TO FOCUS ON STORM LANDS,
WETLANDS AND ENERGY.
AND STORM WATER, RIGHT NOW,
THERE'S UNMANAGED DISCHARGE, RUN
OFF FLOWS IN TO INDIAN KILL
TREAT.
UNTREATED.
AFTER THE RESORT IS CONSTRUCTED,
STORM WATER WILL BE MANAGED

THROUGH TREATMENT INFILTRATION.
WETLANDS CURRENTLY UNMANAGED,
THE WETLANDS WILL BE RESTORED
AND ENHANCED AND THERE WILL BE A
NET INCREASE IN THE LANDS.
THE SAME COMMITMENT HAD HAS BEEN
CONSTRUCTED ON INTERCHANGE 15-B
PLANNING.

THIS WAS AUTHORIZED IN 1985 AND
BUT FOR POOR CAPITAL COST
RECOVERY, IT PROBABLY WOULD HAVE
BEEN CONSTRUCTED BY NOW, THEY
HAVE BEEN TAKING CARE OF THE
PROJECT WITH A \$30 MILLION
INVESTMENT THAT WILL PROVIDE A
DIRECT HIGHWAY ACCESS TO THE CAN
CASINO PROPERTY.

THE DESIGN IS BEING ACCOMPLISHED
SO THAT THERE WILL BE NO
PARKLAND IMPACTED BY THE
CONSTRUCTION OF THE INTERCHANGE
AND NO WETLANDS IMPACTED BY THE
CONSTRUCTION OF THE INTERCHANGE.
THIS INTERCHANGE IS IN THE
TUXEDO COMPREHENSIVE PLAN FOR A
REASON.

IT WILL BENEFIT THE COMMUNITY OF
TUXEDO.

THANK YOU.

>> THANK YOU, LARRY.

GOOD AFTERNOON, CHAIRMAN LAW
AND MEMBERS OF THE BOARD.

AS YOU HAVE HEARD STERLING
FOREST RESORT IS COMMITTED TO
BEING A GREAT BENEFIT.

THE SITE UPON WHICH THE RESORT
IS TO BE BUILT WAS DESIGNATED
FOR NEW COMMERCIAL DEVELOPMENT.
SPECIFICALLY TOURISM RELATED
ACTIVITIES BY THE TIME TUXEDO
AND THE COMPREHENSIVE PLAN.

THE LOCAL COMMUNITY WOULD
BENEFIT FROM THE HOST COMMUNITY
AGREEMENT WHICH WILL FULLY
OFFSET ANY IMPACT OF THE RESORT
AND THE MEASURES WILL IMPROVE
THE QUALITY OF LIFE FOR THE TOWN
AND THE SURROUNDING AREAS.

WE ENJOY PUBLIC SUPPORT FOR THE
TOWN, OTHER MUNICIPALITIES AND
HUNDREDS OF LOCAL BUSINESSES AND
HAVE APPROXIMATE PARTNERSHIPS
WITH LOCAL BUSINESSES AND
REGIONAL ENTERTAINMENT VENUES.

IT'S STRATEGICALLY POSITIONED TO MAKE A SIGNIFICANT ECONOMIC IMPACT ON THE TOWN OF TUXEDO AND THE REGION.

BRINGING WELL PAYING CAREERS AND ATTRACTING NATIONAL AND INTERNATIONAL VISITORS.

NOW WE WOULD LIKE TO SHOW A SHORT VIDEO SO YOU CAN HEAR FROM THE RESIDENTS OF THE REGION OF WHAT STERLING FOREST WOULD MEAN TO THEM.

>> IT WOULD BE A CONTRIBUTING MEMBER OF THE TUXEDO COMMUNITY, ORANGE COUNTY AND THE STATE OF NEW YORK.

THE \$1.5 BILLION RESORT WILL CREATE REAL CAREERS FOR BOTH LOCAL AND THE REGION'S MOST ECONOMICALLY DISADVANTAGED. FROM TOWNS LIKE NEWBURGH, POUGHKEEPSIE AND LITTLE TOWN, IT WILL OPERATE REGIONAL TRANSPORTATION CENTERS FOR EMPLOYEES, PROVIDING A SHUTTLE SERVICE THAT WILL ALLOW NEW YORKERS FROM THE SURROUNDING AREAS ACCESS TO THE A WELL PAYING CAREER.

THE RESULT WILL BE ENHANCED AND ACCELERATED GROWTH IN THE REGION'S ECONOMY.

>> WE HAVE SEEN DEVELOPMENT TO THE NORTH OF MONROE AND SOUTH, AND TEN FOLD POPULATION GROWTH, TUXEDO STAYED THE SAME.

>> IN FIVE TO TEN YEARS YOU WILL SEE AN AREA THAT IS COMPLETELY REBORN.

IT MAKES IT HAVE A REBIRTH TO ITS HEY DAY.

>> LIVE ENTERTAINMENT, HAVE ENTERED IN TO AGREEMENTS TO ENSURE THERE'S BENEFIT FROM STERLING FOREST RESORT.

ADDITIONALLY THE CITY OF PORT -- THE TOWNS OF STONEY POINT AND DEER PARK HAVE ALL PLEDGED THEIR SUPPORT TO STERLING FOREST RESORT.

LOCAL SCHOOLS WILL BE SUPPORTED, AS STERLING FOREST RESORT WILL PROVIDE OVER \$37 MILLION PER YEAR TO BOTH TUXEDO AND MONROE

WOODBURY SCHOOLS.

>> WE ARE A COMMUNITY THAT IS FISCALLY CHALLENGED, NOT ONLY THE TOWN, OF COURSE, SCHOOLS, SCHOOLS EVERYWHERE HAVE FISCAL CHALLENGES.

SO, I'M OPTIMISTIC THAT WITH STERLING FOREST, WE WILL SEE SOME GROWTH IN DEVELOPMENT AS WELL AS INCREASED REVENUE.

>> JUST THE OPPORTUNITY, THE REPRECUSIONS OF THE SCHOOL CLOSING DOWN, THE EFFECT AFFECTS NEW YORK.

>> THEY WILL REALIZE A SHORTER COMMUTE AND LESS TIME SPENT IN TRAFFIC, THANKS TO THE CREATION OF EXIT 15-B OFF OF THE NEW YORK STATE FREEWAY.

>> WHETHER YOU ARE GOING TO THE TRAIN STATION OR DRIVING TO THE TRAIN STATION IN SOUTH BEND, OR PROCEEDING FURTHER ALONG TO NEW YORK CITY, OBVIOUSLY, IT WOULD LESSEN THE CONGESTION IF WE HAD THE FREEWAY ACCESS.

>> NEW YORKERS IN THE SURROUNDER REGION WILL BE ABLE TO EFFICIENT COMMUTE TO A JOB IN THE RESORT. WE HAVE COMMITTED \$60 MILLION TO THE HOST COMMUNITY TO SUPPORT LOCAL PROJECTS AND OVER \$25 MILLION PER YEAR WILL BE PAID TO THE TOWN OF TUXEDO IN PROPERTY TAXES AND GAMING REVENUE.

>> WHAT WE ARE FINDING OUT IS THE TAX BASE IS SHRINKING. THE FACT THAT THERE'S A PARTNER THAT WILL COME IN AND DO THEIR FAIR SHARE, PAY THEIR WAY, AND OFF IS SET THAT, THAT SHRINKING TAX BASE.

>> STERLING FOREST RESORT WILL BE A CONTRIBUTING MEMBER OF THE TUXEDO COMMUNITY, STICK TO IT'S WORD AND MAKE GOOD ON THE COMMITMENTS TO THE REGION AND NEW YORK STATE.

>> AS YOU HAVE HEARD IN THE VOLUNTARY, IT'S A LONG AWAITED DEVELOPMENT IN THE TOWN OF TUX

E

EDOE AS WELL AS THE REGION. IT'S THE RIGHT COMBINATION TO

DESIGN AN ENVIRONMENT AS WELL AS THE CONSTRUCTION OF THE EXIT. WITH THE \$60 MILLION PAYMENT WE HAVE THE ABILITY TO OFFSET ANY IMPACTS TO THE COMMUNITY AS WELL AS THE TOWN OF TUXEDO. FURTHER, TEN MILLION DOLLARS OF THE 60 MILLION WILL BE IDENTIFIED FOR FUTURE PARK LANDS.

IT WILL IMPACT THE STATE, COUNTY, TOWN, THE SCHOOL DISTRICTS AND WILL MAKE SIGNIFICANT CONTRIBUTIONS. STERLING FOREST RESORT WILL DHANG LIVES OF MORE THAN 40 YOU,000 INDIVIDUALS. WITH SALARIES OF \$75,000 ANNUALLY.

DOUBLE NATIONAL AVERAGE. THE POTENTIAL TO GROW IN TO ANY POSITION, WE OFFER UNPRECEDENTED CAREER OPPORTUNITIES FOR OUR EMPLOYEES.

OUR WAGES REFLECT OUR COMMITMENT AND BELIEF THAT EACH EMPLOYEE SHOULD EARN A LIVING WAGE.

[INAUDIBLE BRBLTHS

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>> FROM THE DOZENS OF SHOWS -- SEVERAL PLACES ARE AVAILABLE. THAT PEELS TO THE ASIAN MARKET, THEY HAVE SINGLE HANDEDLY OFFERED THAT ATTRACTION. IT'S A RESULT, AS IT HAS ALL THE AMENITIES AND ENTERTAINMENT OPTION THE ASIAN IS CREATING NEW UPPER CLASS CITIZENS AND IT'S THE FASTEST PART OF THE COMMUNITY AND THE POPULATION. JUST LIKE U.S., AND UPPER CLASS, THOSE PEOPLE LIKE TO ENJOY ENTERTAINMENT, THEY LIKE THE TRAVEL, THE ONLY DESTINATION IN THE U.S. IS VEGAS. WE INTEND TO CHANGE THAT. WHY IS THAT? BECAUSE ACTUALLY GETTING TO NEW YORK AND GETTING TO STERLING FOREST IS FAR EASIER THAN GETTING TO LAS VEGAS. YOU SEE BEIJING A DIRECT FLIGHT FROM BEIJING TO NEW YORK IS 13-1/2 HOURS.

ARE YOU HAVE TO GO THROUGH LOS ANGELES TO GET TO LAS VEGAS, THAT 15-1/2 HOURS, A VERY CONFUSING AND COMPLEX JOURNEY. IT'S INTERESTING TO NOTE THAT NEW YORK REGION HAS 26 DAILY NONSTOP FLIGHTS ARE ASIA, FROM BEIJING AND SHANGHAI AND THE OTHER PARTS OF THE PAN-ASIAN REGION.

THERE'S 26 DAILY FLIGHTS FROM ASIA A, THEY COME IN TO TWO INTERNATIONAL AIRPORTS THAT ARE CONVENIENTLY LOCATED AND AN ASSET THAT STERLING FOREST EXPECTS TO LEVERAGE.

UTILIZING TWO AIRPORTS TO ENTERTAIN AND ATTRACT AND STIMULATE MASS CONSUMER TRAVEL SIGNIFICANTLY IS SIGNIFICANT. WE BELIEVE IT'S AN ALTERNATIVE THAT WILL IMPROVE AND INCREASE THE VIABILITY OF STERLING FOREST RESORT.

FURTHERMORE, TO TAP IN TO AND INDICATOR TO THE VIP MARKET, WE EXPECT TO USE THE UNDER UTILIZED INTERNATIONAL AIRPORT.

THE INFRASTRUCTURE IS STILL EXISTING TODAY.

OUR PLAYERS IN THE INTERNATIONAL MARK CAN ATTRACT VIP CHARTERS, IT CAN ATTRACT VIP GAMERS VIA PRIVATE AIRCRAFT, IT'S PERFECTLY DESIGNED CONSTRUCTED AND OPERATING TO ACCOMMODATE THAT VIP, THAT EXPERIENCE.

IN ADDITION, WE UTILIZE CEDAR BOROUGH, A AIRPORT THAT ACCEPTS PRIVATE INTERNATIONAL PLANES.

THIS DESTINATION IS UNIQUE. THE GROUP AS A WHOLE CURRENTLY OPERATES A FLEET OF AIRCRAFT, SEVEN DAYS A WEEK.

365 DAYS A YEAR.

WHEN STERLING FOREST COMING ON ONLINE, WE EXPECT TO INCREASE THE FLEET.

WHY ARE THEY GOING TO COME HERE? IS THE QUESTION.

AS WE TOUCHED ON EARLIER, THEY GO TO LAS VEGAS BECAUSE IT'S A COMPLETE ENTERTAINMENT EXPERIENCE.

I'M A NATIVE NEW YORKER AND MOST
HERE ARE, WE REALIZE THAT NEW
YORK CITY IS THE MOST ATTRACTIVE
DESTINATION IN THE WORLD.
FROM AN ENTERTAINMENT PER SPECK

-- FROM AN ENTERTAINMENT
PERSPECTIVE, TO THE BROADWAY
SHOWS AND CELEBRITY CHEFS AND
MUSEUMS AND THE NUMBER ONE
SHOPPING DESTINATION IN THE U.S.
AND IN THE WORLD.

INTERESTING ENOUGH, TALKING
ABOUT THE OTHER REGIONAL ASSETS
WE ARE COMMONLY LOCATED, LESS
THAN TEN MILES OF THE FALL IS
THE LARGEST RETAIL FACILITY AND
40% OF THEIR VISITATION COMES
FROM INTERNATIONAL PATRONS.
THAT IS THE SAME PATRON THAT
WILL COME TO STERLING FOREST
RESORT.

GIVEN THE CLOSE PROXIMITY.
STERLING FOREST IS 35 MILES, OR
35 MINUTES FROM MID TOWN MAN
HAT

AN AND WE THINK WE CAN LEVERAGE
THE OTHER ENTERTAINMENT
AMENITIES, THE U.S. OPEN JUST
COMPLETED, YESTERDAY.

BUT LAST OF WEEK FOR THE FIRST
TIME THEY HAD A CHINESE LADY IN
THE SEMIFINALS.

SHE QUALIFIED.

FOR MY COUNTERPARTS IN ASIA
LOOKING FOR ACCESS TO TICKETS,
THERE A WAY TO ACCOMMODATE THEM,
THEY WANTED ON COME AND
EXPERIENCE NEW YORK AND GO TO
THE EVENT.

THAT IS THE KIND OF LEVERAGING
THAT WE CAN BRING TO NEW YORK
AND STERLING FOREST.

>> NEW YORK CITY IS HOME TO THE
CONSECUTIVE LARGEST POPULATION
OF ASIAN POPULATION.

IT'S THE MOST FREQUENTLY VISITED
U.S. DESTINATION WITH ALMOST 55
MILLION TOURISTS ANNUALLY AND
IT'S THE NUMBER ONE DESTINATION
OF CHINESE VISITORS WITH A YEAR
OVER YEAR GROWTH OF 20%.

MOST OF THEM ARE COMING FOR THE
ENTERTAINMENT OPTION AND BECAUSE

THEY SEND THEIR KIDS THE GO TO

SCHOOL HERE.

NYU, COLUMBIA, OTHER FINE
INSTITUTIONS.

HOW DO YOU ATTRACT THE
INTERNATIONAL SHARE AND WHAT
DOES IT LOOK LIKE?

IT'S \$164 BILLION MARKET.
\$100 BILLION OF WHICH RESIDES
OUTSIDE THE U.S. WE BELIEVE WE
CAN LEVERAGE IT THROUGH VARIOUS
MEANS.

BUT MORE PRECISELY, WE WANTED TO
KNOW WHAT THE MARK LOOKED LIKE,
WITH WE DID A COMPREHENSIVE
MARKET ANALYSIS THAT WE
UNDERSTOOD WHAT THE POTENTIAL OF
INTERNATIONAL GAMING WAS.

SOME OF THE KEY FACTS THAT WE
LEARNED IS THAT LOSS VAGUE A --
LAS VEGAS RECEIVES \$2 BILLION
THIS THIS GAMING.

AND LONDON, WHICH FEATURES SMALL
BOUTIQUE CASINOS, MUCH SMALLER
THAN HERE IN THE UNITED STATES,
ATTRACTS A HALF A BILLION.

CLEARLY NEW YORK CAN ATTRACT
MORE THAN THAT.

GIVEN ALL THE AMENITIES THAT WE
DISCUSSED.

THE END OF THE RESULT OF THE
STUDY INDICATED TWO THINGS.
ONE, WE CAN EXPECT CONSERVATIVE
\$200 MILLION IN ANNUAL GAMING
REVENUE AND MOST LIKELY ONCE
STABILIZED CLOSER TO A HALF A
BILLION AND IF NOT MORE.

IT REPRESENTS A SMALL MARKET
PERCENTAGE OF THE OVERALL
MARKET.

WE WILL ATTRACT THEM BY USING
LEVERAGING OUR INTERNATIONAL
DATABASE THAT IS COMPRISED OF
PATRONS FROM HONGKONG, UNITED
KINGDOM AND AS WELL AS RESORTS
FROM THE NEW YORK FACILITY.
THE OVERSEAS LOCATIONS WILL BE A
KEY MARKETING AGENT FOR THE
PROPERTY AND EXPOING IT TO THE
WORLD MARKET, NOT ONLY DO WE
HAVE THE OPERATING FACILITIES,
WE HAVE THREE MARKETING OFFICES
ACROSS FIVE CONTINENTS AND 27

OFFICES.

WE BELIEVE THIS IS THE KEY TO
OUR SUCCESS.

THE WUNG THING THAT WE NEED TO
KNOW IS THAT NEW JERSEY IS WELL
REPORTED THAT THEY ARE
CONSIDERING EXPANDING GAMING IN
NORTHERN NEW JERSEY, IT'S
IMPORTANT NOTE THAT IT'S
SUSTAINABLE EVEN IF THE
COMPETITION COMES.

THE SUCCESS WILL NOT BE
GENERATED ON PROXIMITY
POPULATION.

BUT UNIQUENESS OF DESTINATION.
WE WILL CREATE A RELATIONSHIP
FOR THE PATRON THAT STIMULATES
INTERNATIONAL VISITATION AND
REGIONAL MARKETS FOR RECAPTURE.
SPECIFICALLY WE WANTED TO
ANALYZE FINANCIALLY WHAT DOES IT
MEAN?

RIGHT?

SO, WHEN WE OPEN OR SHORTLY
THEREAFTER WITH WE LOOK AT WHAT
NEW JERSEY MEANS TO THE PROJECT.
WE START OUT WITH 65% OF
REGIONAL GAMING ACTIVE,
RECAPTURE OF DOLLARS, DOLLARS
THAT ARE COMING FROM OTHER
JURISDICTIONS THAT ARE NOT
COMING HERE TODAY AND WE HAVE
16% OF WHAT WE CALL DOMESTIC
VISITATION, WHICH IS OHIO OHIO,
PENNSYLVANIA AND OTHERS.
AND 20% THAT ARE PART OF
EXPOSING THE PROPERTY TO A
WORLDWIDE AUDIENCE.

WE EXPECT THE INTERNATIONAL TO
BE 45% OF THE MARKET SHARE.
AND WE THINK THAT THE NEW
FACILITIES, BECAUSE THEY ARE
CLOSER, WILL ARE HAVE AN IMPACT
ON THE REGIONAL REVENUES.
WE THINK IT WILL SHRINK TO BE
40%, BUT OVERALL REVENUE WILL
GROW.

WE THINK THE SAME TREND IS TRUE
IF YOU PUT UNIQUE RESORTS
ANYWHERE ELSE IN THE LOWER
HUDSON AND CATSKILLS PROPERTY,
YOU CAN HAVE MORE THAN ONE AND
THEY WILL BOTH BE SUSTAINABLE.

IN SUMMARY, ONE OF THE IMPORTANT FACTORS THAT THE BOARD WILL BE INTERESTED IN, THE PROCESS IS UNDER WAY AND WE EXPECT TO BE COMPLETE BY 2031.

WE HAVE A REPUTATION OF DEVELOPING LARGE SCALE PROJECTS IN THE SHORTEST AMOUNT OF TIME. PERHAPS ONE OF THE MOST IMPORTANT FACTORS WITH WE HAVE OVER -- U.S. DOLLARS OF CASH ON HAND.

AND WE CAN SELF FINANCE THE PROJECT.

THAT DOES NOT MEAN THIS THAT WE WILL NOT LOOK TO CAPITOL MARKETS.

IF WE DO, WE HAVE COMMITMENT LETTERS.

SIGNIFICANT AS WE HAVE A PROVEN DEVELOPMENT TRACK RECORD IN NEW YORK AND WORLDWIDE, WE HAVE A INTERNATIONAL EXPERIENCE IN THE MARKETING DATABASES AND WE HAVE THE FINANCIAL MEANS TO EXECUTE THE PROJECT.

JUST QUICKLY.

TALK ABOUT NEXT STEPS.

IF IF A DECISION IS MADE EARLY FALL, WHICH HAS BEEN PUBLICALLY REPORTED COULD HAPPEN, OUR -- WE EXPECT IT TO BE DONE BY THE END OF THE YEAR.

TWUNS DECISION IS MADE FINAL.

WE EXPECT THAT THE BOARD AND NEW YORK STATE GAMING COMMISSION WILL COMMENCE LICENSING.

AS SOON AS THAT IS COMPLETED WE EXEC TO PAY A LICENSE FEE.

THAT WE HAVE PROPOSED THE \$450 MILLION.

BY THE END OF THE STATE FISCAL'S YEAR, OR POTENTIALLY BY TEND OF THE CALENDAR YEAR.

IN SUMMARY.

STERLING FOREST IS THE BEST OPTION.

IT'S CLOSEST TO THE LARGEST DOMESTIC MARKET IN THE U.S. AND IT CAN CAPITALIZE ON IT AND PROVIDE AN OPTION FOR AN UNDER SERVED MARKET.

AND TWO, IT'S SUSTAINABLE.

LONG-TERM AND SHORT-TERM.

IT'S CONVENIENT TO OTHER MARKS
AND HAS A TRACK RECORD OF BEING
SUCCESSFUL.

THE 1.5 BILLION IN CAPITOL
INVESTMENT UP FRONT, WE WILL ON
TOP HAVE A \$450 MILLION IN
LICENSE FEE.

AND IT INCLUDES A 6% SUPPLEMENT
AL FEE, AND MORE IMPORTANTLY, A
LONG-TERM IMPACT OF THE PROJEC
IT'S GOING TO CREATE 4,000 GOOD
PAYING CAREERS.

PEOPLE THAT EARN A LIVING WAGE.
WITH THAT, THAT CONCLUDES MY
FORMAL REMARKS.

MORE THAN HAPPY TO ENTERTAIN
QUESTIONS FROM THE BOARD.

>> THANK YOU VERY MUCH AND YOU
ARE RIGHT ON TIME.

I WAS JUST GOING TO CUT YOU OFF.
GOOD TIME.

>> UNFORTUNATELY I THOUGHT I HAD
MORE TO SAY.

>> OKAY.

SO, I HAVE A COUPLE OF QUESTIONS
AND THEN, AFTER OUR QUESTIONS, I
HAVE GENERAL KMEPTS ABOUT THE
PROCESS FOR ALL THE APPEAR CANS.
IN TERMS OF SITE ITSELF, DO YOU
HAVE THE WHOLE STERLING FOREST
PRESERVE YOUR SITE IS 230 ACRES,
THIS IS PRIVATELY OWNED AND NOT
PART OF THE STATE PA PARK?
AND DO YOU GUYS OWN IT AND
CONTROL IT OR ARE CONTRACTED TO
PURCHASE IT?

>> GOOD QUESTION, WE CONTROL THE
SITE VIA AN OPTION AGREEMENT, WE
HAVE FULL LICENSE TO EXECUTE.
SO THAT IS NO ISSUE.

THE SITE IS 238 PLUS OR MINUS
ACRES.

IT'S NEXT TO STERLING FOREST
PARK.

THE EFFORT THAT THE CULMINATED
IN 1998 CREATION OF STERLING
FOREST PARK, DURING THAT PROCESS
IT WAS SPECIFICALLY CALLED ON
OUT AND DECIDED THAT I SHOULD BE
DEVELOPED.

IT WAS NOT INCLUDED IN THE PARK
PROPERTY, THE PREVIOUS OWNERS
AND THE ENVIRONMENTAL GROUP AND
THE STATE CAME TO THE CONCLUSION

THAT IT SHOULD BE LEFT FOR
DEVELOPMENT.
>> AND AS FOR ACTUALLY IF YOU GO
BACK TO PAGE SIX.
WHEN YOU SAY EXIT 15-A, \$12
MILLION AND EXIT -- \$17 MILLION,
WHAT IS THAT?
>> THAT'S THE TRAFFIC.
>> DAILY.
>> YEAH, ANNUALLY.
>> AND THOSE ARE D.O.T. NUMBERS?
>> THEY ARE D.O.T. NUMBERS.
THE INTERESTING PART OF IT, JUST
SO I'M CLEAR, IT'S WHAT IS GOING
THROUGH, MOST OF THAT IS
TRANSIENT TRAFFIC GOING FURTHER
UP STATE.
WHEN YOU GET OFF AND AVOID THE
TOLL, BECAUSE 15 IS NONTOLL,
PEOPLE AVOID THE TOLL AND PEOPLE
GO THROUGH, IN TUXEDO, IT'S A
FOUR-LANE HIGHWAY.
IF YOU TRY TO MAKE A LEFT DURING
RUSH HOUR, THE IT'S NEARLY
IMPOSSIBLE.
>> FOR US DOWN STATERS, I DON'T
KNOW IF SOMEBODY ON THE TEAM CAN
ANSWER, IF I'M GOING UP THE
FREEWAY AND I SEE THE STOP I
STOP AT AFTER I GET TO THE CITY,
IS 15 B BEFORE THAT OR AFTER?
>> AFTER IS GOING NORTHBOUND.
>> DID I SEE GOLF ON YOUR PLAN?
>> WE DO NOT HAVE GOLF ON THE
PLAN?
>> IS THERE A FUTURE?
>> WE HAVE NO PLANS TO INTRODUCE
A GOLF COURSE.
WE THINK THAT YOU KNOW, THAT IS
AN AMENITIY SERVED FOR OTHER
PLACES, WE ARE FOCUSED ON THE
STERLING FOREST GARDENS AND
REJUVENATING THAT AREA.
WE FEEL THAT IS A GOOD, GREAT
INTERNATIONAL ATTRACTION.
SO NO.
>> YOU SAID SEVERAL TIMES THAT
YOU ARE AIMING FOR THE VIP
PLAYER.
WHAT DOES THAT MEAN FOR THE
OTHER PEOPLE WHO LIVE IN THE
AREA WHO ARE WANTING TO COME?
WILL THEY BE PRICED OUT OF THE
RESORT?

>> THESE RESORTS AND I THINK THAT IS A GREAT QUESTION OF. THESE RESORTS ARE DESIGNED ON THE IDEA THAT YOU ARE TARGETING CERTAIN MARKET SEGMENTS. IT WAS NEVER TO PRICE SOMEBODY OUT OF THE MARKET. ARE WE GOING TO HAVE \$5 TABLE GAMES IN NO, NOT FOR THE WAGES WE ARE PROVIDING FOR OUR EMPLOYEES. IT'S NOT VIABLE. BUT WHAT IS VIABLE IS \$25, AND \$50 TABLES. WE WILL YIELD IT LIKE ANY OTHER A CASINO.

>> AND SAME GOES FOR HOTEL RATES AND THINGS LIKE THAT?

>> EXACTLY.

>> YOU WILL HAVE A HIGH ROLLER AREA, AND YOU'LL HAVE A --

>> WE WILL HAVE ESPECIALITY CASINOS THAT WE TOUCHED ON THAT ARE UP SCALE AND HAVE A HIGHER PRICE POINT AND SUITES AND A SPA, THAT GENERALLY, EXCUSE ME, FREQUENTLY A DIFFERENT CLIENTELE, PEOPLE WILL NOT BE PRICED ON OUT. WE WANT PEOPLE TO COME OUT AND ENJOY A NIGHT, A WEEKEND, A WEEK. AND THAT IS WHAT COMES FROM HAVING SEVERAL DIFFERENCE OPTIONS. AND YOU KNOW, OUR PARTNERSHIP WITH PLACES ALLOWS US TO CREATE AND UNIQUE EXPERIENCES. IN THE LONG-TERM, IT WILL MAKE IT SUSTAINABLE AND VIABLE.

>> YOU UNDOUBTEDLY HEARD SOME OF THE PROTESTS AND I UNDERSTAND YOU ENGAGED THEM. YOU WANT TO TALK ABOUT YOUR POINTS AND YOUR VIEW OF IT?

>> WE HAVE TAKEN A PRO ACTIVE APPROACH FROM DAY ONE. WE HAVE ENGAGED ORGANIZATIONS SUCH AS OSI, AND NRDC, WE CONTINUE TO ENGAGE ORGANIZATIONS, RECENTLY I HAD A DISCUSSION, THE NEW JERSEY ENVIRONMENTAL GROUPS, WE WANT TO BE OPEN AND CONSTRUCTIVE IN THE

PROCESS.
YOU KNOW, AND IN ORDER TO DO
PROPER IDENTIFY THEIR CONCERNS,
WE HAVE TO TALK.
WE DON'T WANT TO READ ABOUT IT
IN A NEWSPAPER.
I'M MORE THAN HAPPY TO SIT DOWN
WITH ANYBODY AND ADDRESS
CONCERNS.
A KEY THING THAT WE HAVE DONE IS
IT'S EVOLVING.
THROUGH THE PROCESS, YOU GO
THROUGH AND IDENTIFY ALL THE
IMPACTS.
ALL THE GROUPS HAVE INPUT IN THE
PROCESS.
THE TOWNS RETAINED FIRST CLASS
PROFESSIONALS TO HELP THEM AND
SIFT THEM AND EVALUATE.
EVERYONE HAS A VOICE.
WE WILL MEET WITH EVERYONE AND
DO EVERYTHING THAT WE CAN TO
ADDRESS THEIR CONCERNS.
AND FRANKLY WE HAVE DONE THAT AS
WAS POINTED OUT WITH THE
WETLANDS.
WE STARTED OUT WITH A BIGGER
FOOTPRINT AND AFTER DISCUSSIONS,
WE REALIZED WE COULD DO WITH
LESS AND IT WAS THE RIGHT THING
TO DO DO.
AND WE DID IT.
WE WILL HAVE A NET BENEFIT
PERSPECTIVE.
AND THAT CONVERSATION WE THINK
WILL CONTINUE, THROUGH THE
ENTIRE EIS PROCESS.
YOU KNOW, EVERYONE KNOWS HOW TO
GET AHOLD OF ME, WE HAVE AN OPEN
DOOR POLICY AND WE WILL CONTINUE
TO HAVE ONE.
>> GOING BACK TO THE PROPOSED
15-B ISSUE.
YOU'RE AGREEING TO PAY FOR THE
ENTIRE EXIT, CORRECT?
>> YES.
>> AND HAVE YOU HAD DISCUSSION
WITH D.O.T. TO HAVE A PUBLIC
PRIVATE PARTNERSHIP TO DO THAT
OR ARE YOU EXPECTING TO DO THAT
AND SEND YOU THE BILL?
>> NO, WE HEARD THE PROCESS AND
ENGAGED IN THE DISCUSSION, TO
UNDERSTAND THE TECHNICAL DETAILS

AND REQUIREMENTS FIRST AND FOREMOST TO MAKE SURE WE COULD BUILD IT.

WE CAN BUILD IT WITHOUT IMPACTING WETLANDS AND THIS WAS A BIG SUCCESS AND FACTOR IN OUR THOUGHT PROCESS.

BEFORE THAT, WE TALKED ABOUT AN ONGOING MAINTENANCE, WE PLAN TO PAY FOR MY MAINTENANCE WITH THE INTERCONTAINING, AND MORE IMPORTANTLY WE TALKED ABOUT GETTING THE AGREEMENTS IN PLACE. WE STARTED AND USED THE TYPICAL OR WHAT I CALL STANDARD DRAFT FORM AGREEMENT.

WE ARE READY TO PROCEED WITH THAT ONGOING DISCUSSION. I THINK THERE'S ONE THIS MORNING AND WE EXPECT TO COMPLETE THE PROCESS IN THE FUTURE.

>> ONE LAST QUESTION ON PROPOSED LICENSE FEE.

HEARD YOU CORRECTLY, YOU HAVE AGREED TO PAY IF YOU RECEIVED A LICENSE \$450 MILLION LICENSE FEE?

>> THAT'S CORRECT.

>> IT'S SIGNIFICANT.

IF I'M NOT INCORRECT FROM ALL THE MATERIALS I HAVE BEEN READING OVER THE LAST FEW WEEKS. IT'S THE LARGEST THAT HAS BEEN PROPOSED.

I ASSUME THERE'S CONDITIONS ATTACHED TO THAT AND WHAT ARE THEY?

>> THE THINGS THAT WE NEED TO UNDERSTAND IS THAT THE GAMING REGULATIONS HAVE TO COME OUT. WE ARE COMFORTABLE THAT THEY ARE GOING TO BE INDUSTRY STANDARD OR WE ARE COMPETITIVE WITH OTHER INDUSTRIES AND OTHER THAN THAT THERE'S NO CONDITION. WE WILL WRITE YOU THE CHECK TODAY.

>> ONE MORE QUESTION FOR ME.
-- MORE THAN HAPPY, SEND IT IN MY ROAD LETTER THAT THAT IS WHERE YOU WANT IT TO GO.
MORE THAN HAPPY.

>> THAT WAS A JOKE.

>> IF YOU WERE AWARDED A CASINO

LICENSE IN NEW YORK, WILL YOU BE OUT OF THE COMPETITION WITH REGARD TO THE POSSIBLE COMPETITIVE CASINOS TO BE WORKED ON IN NEW JERSEY OR ACROSS THE RIVER?

>> I THINK IT'S A FAIR QUESTION. TODAY, WE HAVE NO INTEREST IN NEW JERSEY, WE NEVER HAD IN ATLANTIC CITY OR OTHER PARTS OF NEW JERSEY.

WE DON'T KNOW WHAT WILL EVOLVE THERE, IT'S A LONG-TERM PROCESS AND IT'S NOT GOING TO GET SOLVED THIS WEEK, THIS MONTH OR THIS YEAR.

I NEVER CAN SAY NEVER, BUT TODAY, OUR FOCUS IS STERLING FOR HE WAS RESORT.

THIS IS WHERE WE WANT TO MAKE THE INVESTMENT AND IT'S A UNIQUE OPPORTUNITY TO CAPITALIZE ON THE REGION AND THE LANDSCAPE, AND TRULY CREATE A UNIQUE DESTINATION.

INTERNATIONAL RESORT.

>> STEW?

>> REPEAT THAT WAS A JOKE BEFORE?

>> NO, I HAVE NO FURTHER JOKES OR QUESTIONS.

>> OKAY, WELL, THANK YOU VERY MUCH, FOR YOUR PRESENTATION.

[APPLAUSE]

>> AGAIN, I WANT TO THANK THE CHARP AND THE MEMBERS FOR THE OPPORTUNITY, ANY FOLLOW-UP QUESTIONS THAT THE BOARD MAY HAVE, CONTACT US AND WE WILL BE HAPPY TO PROVIDE ANY ADDITIONAL INFORMATION THAT IS NECESSARY.

>> ALL RIGHT HAD, I THINK YOUR FOLKS DROWNED OUT EVERYTHING THAT YOU SAID, I SORT OF GOT THE GIST, HERE IS WHERE WE ARE AFTER HEARING PRESENTATIONS FOR TWO DAYS.

UM, WE ARE NOT MAKING ANY DECISION TODAY OR SOON.

AND ALL THE FOLKS IN THE YELLOW SHIRTS, WE WILL BE HAVING PUBLIC HEARINGS, IN A COUPLE OF WEEKS, WHERE WE WILL LISTEN TO THE

COMMENTS FROM THE PUBLIC.
WE HAVE A TEAM OF CONSULTANTS
HELPING US DIGEST THE HUGE
AMOUNT OF DATA THAT HAS BEEN
SUBMITTED TO DO US, AND SO, WE
HAVE A LOT OF WORK AHEAD OF US,
YOU KNOW, STILL.
AND WE ANTICIPATE BEING ABLE TO
MAKE DECISIONS IN THE MONTH OF
OCTOBER.
CERTAINLY AFTER THE PUBLIC
HEARINGS.
BUT, YOU KNOW, WE ARE NOT GOING
TO HOLD ON OURSELVES TO ANY
PARTICULAR DEADLINE, WE WANT TO
GET THE DECISIONS RIGHT AS
OPPOSED TO QUICKLY.
BUT THAT IS WHAT THE GAME PLAN
IS, SO THERE WILL BE
OPPORTUNITIES FOR PUBLIC
COMMENTS AND OPPORTUNITIES TO
SUBMIT PUBLIC THINGS FOR PUBLIC
RECORD TO THE EXTENT THAT WE
HAVE QUESTIONS FOR ALL OF THE
APPLICANTS, WE WILL DO THAT
PROCESS AS WELL, IN TERMS OF
MEETING ADDITIONAL INFORMATION
OR CLARIFICATION, ALL OF THAT
WILL HAPPEN OVER THE NEXT COUPLE
OF WEEKS, ON BEHALF OF THE
ENTIRE BOARD, WE WANT TO THANK
ALL OF YOU, WE KNOW THIS WAS A
TREMENDOUS AMOUNT OF WORK.
PUTTING IN BOTH THE APPLICATION
AND THE PRESENTATIONS.
YOU HAD OUR ATTENTION FOR THE
TWO DAYS.
YOU ANSWERED OUR QUESTIONS.
WE THANK YOU FOR YOUR
PRESENTATIONS.
AND FOR YOUR COMMITMENT AND YOUR
DESIRE TO INVEST IN THE STATE OF
NEW YORK.
ON BEHALF OF ALL OF US, THANK
YOU AND STAY TUNED.
[APPLAUSE]