



RIVERS
CASINO



RIVERS
NEW YORK

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COVER LETTER



Rush Street Gaming is proud to share this response to the RFI issued for the State's three unawarded Downstate commercial casino licenses. As a vested stakeholder in New York's gaming industry, we deeply appreciate the opportunity to tell our story and share our ideas for how to best optimize this vital opportunity for New Yorkers.

Let us be clear — New York's three Downstate casino licenses are tremendously valuable assets for the State. The massive Downstate market can easily accommodate three casinos, and we enthusiastically support authorizing all three licenses to maximize economic benefit to the State.

New York should not sell itself short by focusing only on short-term benefits, but instead, should take a long-term view as to how three destination casinos located Downstate can enrich local communities, create thousands of great careers, generate tax revenue, foster opportunities for New York's diverse residents and businesses, and drive tourism.

First and foremost, we are developers of destination casinos, and we are proud of how we have transformed local communities — including right here in New York. Our unparalleled track record for developing destination casinos that uniquely blend first-rate gaming experiences with innovative dining and entertainment options, as well as a deep commitment to sustainable practices and a supportive work environment, separate us from others in our industry. We are proud to have developed and operated casinos in the largest metropolitan areas in the United States that have commercial casinos.

Equally important, we have always delivered our projects on time and on budget, and because of our unmatched financial capacity and access to the capital markets, we have delivered these projects in good times and in the toughest of times — including opening the first casino in the U.S. after the Great Recession.

We are proud to have contributed to New York's economic fabric for many years, having transformed a former brownfield site that once housed a locomotive plant that had been abandoned for decades into Rivers Casino & Resort Schenectady, which is part of the flourishing Mohawk Harbor mixed-use development. Our strategies and accomplishments in New York mirror our track record across North America, where we have developed market-leading destination casinos and resorts in Philadelphia, Pittsburgh, Mississippi, the Chicago area, and Niagara Falls, Ontario.

Beyond these achievements, we are dedicated to core pillars that define the focused energy and drive that we bring to each of our developments.

These pillars include:



DELIVERING POWERFUL ECONOMIC IMPACT TAILORED TO EACH HOST COMMUNITY. We work tirelessly to collaborate with our stakeholders to ensure that our projects seamlessly integrate with their surrounding environments and serve as transformational economic development catalysts for their communities. In Schenectady, Rivers Casino & Resort has served as the anchor for Mohawk Harbor, a thriving, dynamic entertainment destination. Today, Mohawk Harbor features a vibrant range of activities adjacent to Rivers, offering live concerts, dining, outdoor recreation including a recently opened ice rink, multiple hotels, luxury apartments, office space, and excitement year-round. Outside of New York, one study that measured the changes in quality of living of all neighborhoods in Philadelphia over a five-year period found that Fishtown, where Rivers Casino Philadelphia is located, was near the very top. We have a thorough familiarity with the ways a destination casino can serve as a transformative positive catalyst to a host community Downstate.



ESTABLISHING TOP PLACES TO WORK. In addition to creating thousands of jobs, our destination casinos promote workforce development and training and improve the career experience of all employees with benefits such as tuition reimbursement and a generous scholarship program for employees (and their children and grandchildren). Collectively, we have promoted more than 2,000 employees and are proud that so many of Rivers properties' original team members are still with us today. This supportive environment is why all of our destination casinos have won multiple Top Workplace and/or Best Places to Work awards.



BUILDING DIVERSITY, EQUITY, & INCLUSION. Rush Street Gaming has a strong history of hiring a diverse workforce from the communities in which we operate, and of exceeding diverse vendor goals from ground breaking through the daily operational needs of our destination casinos. In Schenectady, we awarded more than 40% of our contracts during development to MBE and WBE businesses. Similarly, Rivers Philadelphia has spent over \$80 million with minority- and women-owned businesses since it opened, and we expect to achieve similarly impactful results with a Downstate New York project. At Rivers Casino Des Plaines, just outside of Chicago, 61% of all employees are people of color and 70% of promoted team members over the last four years were minorities. And most recently with two separate destination casino development opportunities, Rivers has undertaken raising equity from minority investors so they can invest shoulder-to-shoulder with Rush Street Gaming.

"Along with Rivers Casino Philadelphia, Rivers Casino Pittsburgh has paid more than \$82 million to gaming providers and vendors, 76% of which are local minority-owned businesses."

BILL PEDUTO, PITTSBURGH MAYOR

04

GENERATING SUSTAINABLE TAX REVENUES. Our well-crafted developments bring in millions of tax dollars to their host locations. In Schenectady, we have delivered \$17 million of gaming taxes to the city and county, in addition to over \$13 million in other direct taxes. Just outside of Chicago, Rivers Des Plaines — the top casino in Illinois since its ribbon-cutting — has the highest win-per-gaming position in the U.S., and this one casino generates more than 50% of the total state gaming taxes that come from Illinois' ten casinos.

05

CREATING ELEVATED GAMING & ENTERTAINMENT EXPERIENCES. Our decades of investment and knowledge in this area ensure that we will create a dazzling, vibrant destination in Downstate New York. In Schenectady, our destination casino offers dining options unmatched in the area, a highly regarded craft brewery, a luxury hotel, an entertainment lounge, and the Mohawk Harbor Amphitheater, which draws thousands for free music from top acts at its Harbor Jam summer concert series. We tailor the amenities and attractions to the needs of each host community.

06

BEING ENVIRONMENTALLY & SOCIALLY RESPONSIBLE. Environmental and social issues have always been a top priority for us. Our Chicago-area property became the world's first LEED Gold-certified casino when it achieved this goal in 2012, and we operate multiple LEED-certified casinos, including in Schenectady. We will bring a similar level of commitment to sustainability at future developments in New York. We also maintain a deep devotion to local philanthropy and service — we administer the corporate-wide "Rivers Gives" program in all of our markets, and we are active corporate citizens, supporting local nonprofits through funding and by deploying team members to volunteer in their communities. Each property also funds numerous local charities that are important to the community and Rivers team members.



We are thrilled to engage with New York State at this crucial moment in this process. As was expressed by the State's voters when they went to the ballot boxes in 2013, we believe this is the right time to award all three of these valuable licenses.

We humbly ask the Commission to give Rush Street Gaming an opportunity to duplicate Downstate what we have already accomplished in the Capital Region of New York and across North America. We have developed six successful casinos from the ground up, we just broke ground on the seventh, and we would love for the eighth to be in Downstate New York.

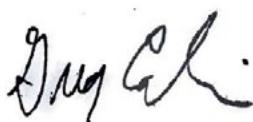
Such an opportunity would, in turn, benefit both Downstate and Upstate by expanding the Rivers brand and creating more career growth opportunities for our employees — many of whom are represented by the Hotel Trades Council. We believe our engagement in this once-in-a-generation opportunity would be a home run for the New York economy, its residents, and out-of-town visitors.

Thank you for your consideration.

Sincerely,



NEIL BLUHM
Chairman, Rush Street Gaming



GREG CARLIN
CEO, Rush Street Gaming

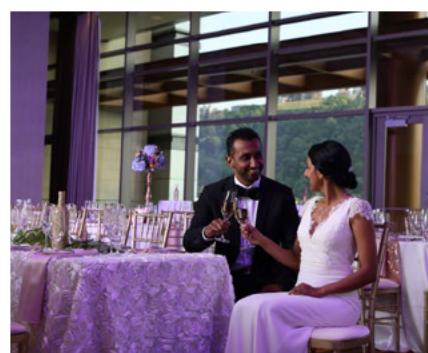


INFORMATION FOR FOLLOW-UP CONTACT

TIM DREHKOFF

Chief Financial Officer, Rush Street Gaming

[REDACTED]
[REDACTED]
900 N. Michigan Avenue #1600
Chicago, IL 60611



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TOPICS & QUESTIONS



3.2 TOPICS & QUESTIONS

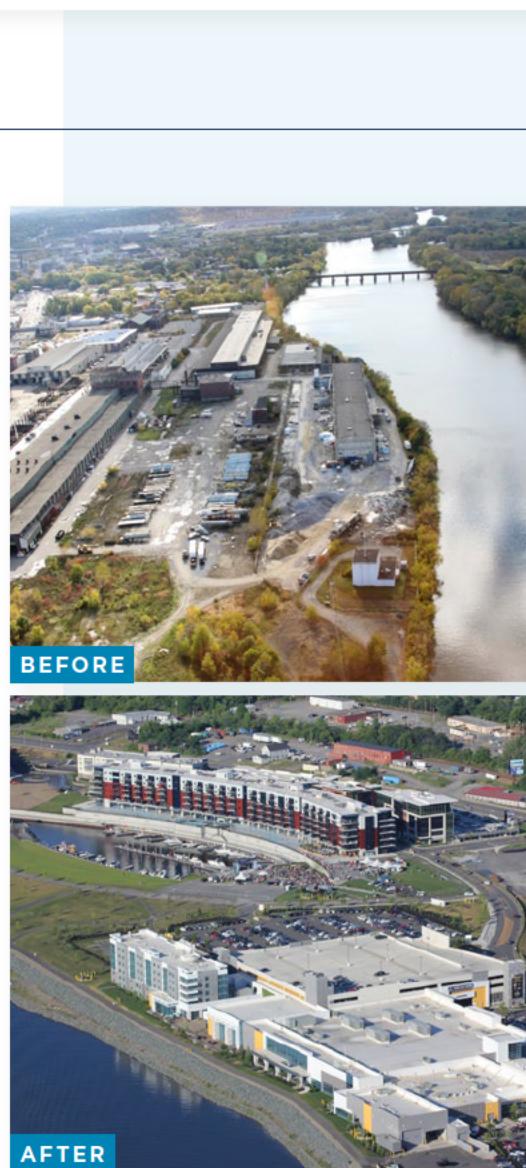
3.2.1 | INTEREST

Are any parties interested in developing a gaming facility pursuant to the grant of award?

Rush Street Gaming — whose affiliate, Capital Region Gaming, LLC, developed and operates Rivers Casino & Resort Schenectady, which opened in 2017 — is interested in developing and operating a destination casino in Downstate New York. Rush Street Gaming is ready and equipped to bring the same collaborative approach to the development of a Downstate gaming facility that we used to transform a former brownfield site in the city of Schenectady into a thriving economic engine and a flourishing riverfront destination.

Rush Street Gaming, co-founded in the mid-1990s by internationally renowned real estate developer Neil Bluhm with partner and gaming entrepreneur Greg Carlin, has delivered successful destination casino developments in the United States and Canada for more than 25 years. Beyond New York, we have built strong brand awareness for our gaming enterprise in states and provinces including Illinois, Pennsylvania, and Ontario, and we will soon open our seventh ground-up destination casino development in Portsmouth, Virginia.

Prior to these destination casino developments, Bluhm was known for developing and/or acquiring \$60 billion+ real estate of marquee projects, including Boston's Faneuil Hall and Copley Place, Chicago's 900 North Michigan and Mercantile Exchange, Los Angeles' Century City, and myriad luxury hotels including multiple Four Seasons and Ritz Carltons.



With destination casinos in large metropolitan areas in the Capital Region of New York, Philadelphia, Pittsburgh, and outside of Chicago, the Rivers brand has an extremely strong and highly respected profile. This strength in the Capital Region can be amplified and enhanced with the addition of a Downstate New York destination casino, which will also drive new economic benefit in Upstate New York.

With our strength and experience in high-quality real estate development and our extensive work in the casino sector, Rush Street has created memorable and thoughtfully designed gaming properties that bring real energy and true impact to their communities. Our destination casinos combine an elevated gaming experience, superlative live entertainment, and culinary excellence in a beautifully designed space to deliver a package that appeals to locals and visitors alike, creating economic impact far beyond the gaming tables.

We've delivered our casinos on time and on budget, and these facilities have generated new jobs and career paths, built new local partnerships, and created dramatic economic impact within the municipalities and regions they serve.

We are keenly aware of our role within the areas where our properties are located, and giving back to the community is a key focus of every Rush Street property. Our corporate-wide "Rivers Gives" program is administered in all of our markets — supporting local nonprofits, deploying team members into the community to volunteer, helping nearby schools, activating neighborhood improvements, and much more.

In the Capital Region, Rivers Casino & Resort Schenectady has lived up to its commitments as a strong partner by helping regional nonprofits and community organizations that assist people in need. Rivers team members dedicate thousands of volunteer hours each year, and our community outreach program forges relationships with these organizations to assist in areas including career development for underrepresented young people, financial assistance, food donations, charity efforts, and many other community-enriching activities.

We believe that the Rivers brand is perfectly positioned to bring the experiences, local engagement, and impact to Downstate New York that create strong economic growth in the local communities.

3.2.1 | CONTINUED

What factors would be limiting to this interest?

A potential new destination casino has to be economically viable in order for a developer to pursue the project.

Are any cities, towns, or municipalities interested in hosting a gaming facility?

As illustrated by our past collaborations with Schenectady officials, business owners, and residents, Rush Street Gaming understands the importance of building support from all of these groups in the communities in which we operate. We understand that Downstate communities will look to have strong partners, and we believe our engagement with Schenectady serves as a good case study.

What factors would be limiting to this interest?

N/A as Rush Street Gaming is a developer and operator of destination casinos.

What inducements should be provided to hosts?

We believe the State should dedicate a predetermined share of gaming revenue from the tax waterfall to host communities.

Should all three unawarded licenses be awarded?

We believe the three licenses are important assets to the State and that they should be awarded Downstate, where the economic impact and tax revenue generation opportunities are the greatest. By comparison, there are three thriving commercial casinos in the Detroit market which is a smaller metropolitan market than Downstate New York.

3.2.2 | LOCATIONS

Should the State limit the potential award of licenses to existing development zones and regions defined at N.Y. Racing, Pari-Mutuel Wagering and Breeding Law § 1310? The law divided the State into two zones, which are functionally Zone 1: Downstate and Zone 2: Upstate.

Zone 1 consists of New York City and the counties of Nassau, Putnam, Rockland, Suffolk, and Westchester.

- *Region 1: Putnam, Rockland, & Westchester*
- *Region 2: Bronx, Kings, New York, Queens, & Richmond*
- *Region 3: Nassau & Suffolk*

Zone 2 consists of the rest of the state.

- *Region 4: Cayuga, Chenango, Cortland, Herkimer, Lewis, Madison, Oneida, Onondaga, Oswego, & Otsego*
- *Region 5: Broome, Chemung (east of State Route 14), Schuyler (east of State Route 14), Seneca, Tioga, Tompkins, & Wayne (east of State Route 14)*
- *Region 6: Allegany, Cattaraugus, Chautauqua, Chemung (west of State Route 14), Erie, Genesee, Livingston, Monroe, Niagara, Ontario, Orleans, Schuyler (west of State Route 14), Steuben, Wayne (west of State Route 14), Wyoming, & Yates*

Destination casinos are large real estate developments that require significant capital investment, and long-term planning and commitments. Often, it takes many years to recoup that investment. Destination casino investments are also public-private partnerships in many respects, with the private developer/operator making the large investment and sharing in the proceeds with the government — both state and local — through the payment of gaming and other taxes.

We believe it is important for the State to be mindful of the significant investment that has been made in communities in Upstate New York as it considers the expansion of gaming in Downstate New York.

As such, we believe that awarding the casino licenses to the Downstate area creates the largest opportunity for the State. For the sake of clarity, we believe the State should select the three casino locations anywhere in the Downstate area where they generate the most benefit regardless of what Region within Downstate they each are located including in the case where more than one facility could be located in the same Region. We believe this point is validated by the analysis done for the State by its outside industry consultants.

By taking this approach, New York can best leverage this opportunity and create a “**1+1=3**” **STRATEGY**, establishing a Downstate casino that drives new revenue into the state’s economy while also leveraging this additional exposure for an Upstate brand such as Rivers — thereby increasing the overall economic impact of both properties.

The four Upstate commercial casinos, including Rivers Casino & Resort Schenectady, have made large capital and community engagement investments in their respective locations, creating significant positive impact.

Examples of Rush Street Gaming’s approach to building local relationships, as well as our contributions, commitment to, and impact on the Capital Region, tell the story of how to build successful community partnerships. The examples shared on the following pages represent the types of customized engagement and investment that would be activated in Downstate New York.

There are six principles that guide Rush Street's approach to how we work with each community where we receive a gaming license:

- | | | | |
|-----------|---|-----------|--|
| 01 | POSITIVE ECONOMIC IMPACT | 04 | SUSTAINABLE TAX REVENUES |
| 02 | DIVERSITY, EQUITY, & INCLUSION | 05 | ELEVATED GAMING & ENTERTAINMENT |
| 03 | THOUGHTFUL COMMUNITY INTEGRATION | 06 | ENVIRONMENTAL & SOCIAL RESPONSIBILITY |



POSITIVE ECONOMIC IMPACT

All of Rush Street Gaming's casinos have been economic drivers. The energy and excitement that our venues deliver to their communities have brought family-sustaining jobs, productive community investment, increased tourism dollars, and unprecedented growth to the people and businesses in each locale.

Across our portfolio of current casinos and the forthcoming location in Portsmouth, Virginia, Rush Street employs — and will be hiring soon — enough to bring our total number of jobs created to nearly 10,000 positions. Having a diverse, equitable, and inclusive workplace is a core corporate value of Rush Street Gaming across all of our locations. Providing new sales opportunities to local small and medium-sized businesses has been an equally important cornerstone of Rush Street's business approach, with education provided to local vendors on how to comply with state gaming regulations.

Rush Street developed the Fallsview Casino & Resort in Niagara Falls, Ontario, in close partnership with the Province of Ontario. At the time, the model in Ontario called for the Province to own the casino. After winning a highly competitive RFP, Rush Street's team capitalized and developed the \$1 billion integrated resort with gaming, a large luxury hotel, restaurants, and entertainment venues. In doing so, Rush Street took all of the financial risk associated with the development and construction — meaning although the Province would own the casino, it was not at-risk for cost overruns (noting the project ended up coming in on-time and on-budget like other Rush Street developments). The property opened in 2004 and is widely considered the most successful casino resort in all of Canada.

Our Chicago-area facility has been a productive member of the community, spending over \$80 million with minority- and women-owned businesses since its inception. Located by Chicago's O'Hare International Airport, Rivers Des Plaines has brought in the highest gaming revenues in Illinois since its ribbon-cutting in July 2011, and we have spent more than \$30 million with Chicago-area businesses in 2019.



UPSTATE NEW YORK CASE STUDY

"For a second year in a row, travel and tourism spending has surged in Schenectady County, increasing at more than triple the rate of the Capital Region and state."

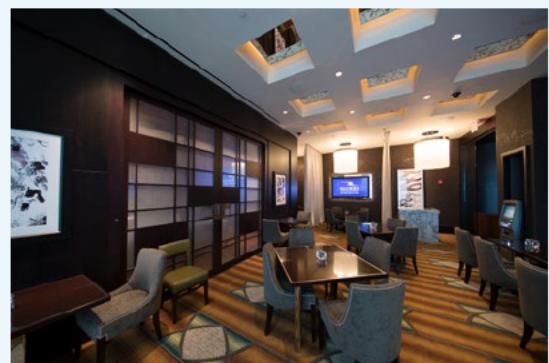
SCHENECTADY
DAILY GAZETTE

Rivers Casino & Resort Schenectady was the first destination casino to open in Upstate New York. This was a result of our vast experience in developing destination casinos, as well as our ability to tap the capital markets for the most favorable financing.

Rush Street Gaming currently spends over \$25 million annually with New York State vendors and has hired close to 1,000 local employees. In addition, our creation of Mohawk Harbor — featuring hotels, a marina, and an amphitheater — has made the casino and its surroundings a draw from throughout the region.

Rivers Casino & Resort Schenectady is currently ranked the top tourism destination in the Capital Region with more than 1.7 million visitors annually, according to the Albany Business Review. Indeed, the area saw tourism spending increases of 16% in 2017 and 10.5% in 2018.

Each region of New York has a different path for tourism growth. For the Downstate region, we anticipate that a vibrant new casino will help increase the length of stay for existing visitors and keep them in the State longer, complementing the region's numerous entertainment options. A destination casino will also help drive a new revenue stream for events, bringing in conferences, meetings, banquets, weddings, and other activities.



DIVERSITY, EQUITY, & INCLUSION

Rush Street Gaming is actively committed to equitable participation in workforce development, contracting, and the supply chain, in addition to investing in multiple programs within the communities where we work. With two separate destination casino development opportunities, Rivers has recently undertaken raising equity from minority investors so they can invest shoulder-to-shoulder with Rush Street Gaming.

EMPLOYMENT OPPORTUNITIES/WORKFORCE DEVELOPMENT

A strong commitment to diversity, equity, inclusion, and access is a fundamental pillar of our workforce development strategy. It is important to us that our efforts impact local communities as well as underrepresented populations. We have a strong history of hiring and developing a diverse workforce from our surrounding communities.

Rush Street is known for strategically following a plan designed to develop our workforce through training programs, transparent career paths, and employee resources such as tuition reimbursement. It is a critical part of our culture to promote from within, and there are many employees who have developed flourishing careers at our destination casinos.



Key elements of our employment programs include:

Building a hiring network that reflects community engagement.

This network includes labor unions, community colleges, and organizations committed to workforce development, as well as construction trades and hospitality training programs.

Engaging with the general contractor to enable opportunities with local trade unions

to create access for apprenticeships for members of the local community.

Developing a partnership with minority and woman business enterprises (MWBE)

through the entire process.

Prioritizing hiring local residents

as well as people who live within a certain radius of the property.

Working with this network to provide sustainable jobs,

as well as contracting, apprenticeship, and internship opportunities for residents in construction and professional services.

Collaborating with business leaders & community organizations

to identify applicants from diverse backgrounds and provide career opportunities for those who have historically been excluded.

Hosting and participating in job fairs, skills training workshops, and access-to-capital opportunities.

Giving priority procurement opportunities to companies who hire and invest in the local community.

Pittsburgh Mayor William Peduto recently shared this testimonial about our efforts:

"Along with Rivers Casino Philadelphia, Rivers Casino Pittsburgh has paid more than \$82 million to gaming providers and vendors, 76% of which are local minority-owned businesses."

WILLIAM PEDUTO, PITTSBURGH MAYOR

UPSTATE NEW YORK CASE STUDY

In Schenectady, our commitment to job creation and a diverse workforce has generated powerful results. We created nearly 1,000 jobs for a team that is currently comprised of 42% women and 42% minorities.

Our team members, many of whom are represented by the Hotel Trades Council, earn attractive salaries and benefits. Since opening, Rivers has provided tens of millions of dollars in salaries and wages (not including tips) annually and benefits to the region.

Our commitment to Rivers employees was particularly evident during the height of the pandemic shutdown, when we continued to pay our employees' health insurance. We also donated large quantities of food and meals to local charities, and we worked to provide community access to vaccinations by opening the casino's Event Center to the public.

Leading by example, Rush Street has publicly endorsed and committed to a living wage across all of our casinos. **For reasons like these, Rush Street Gaming's casinos have been voted a "Best Place to Work" or "Top Workplace" by our team members in each of our locations.**



DIVERSITY IN CONTRACTING & VENDORS

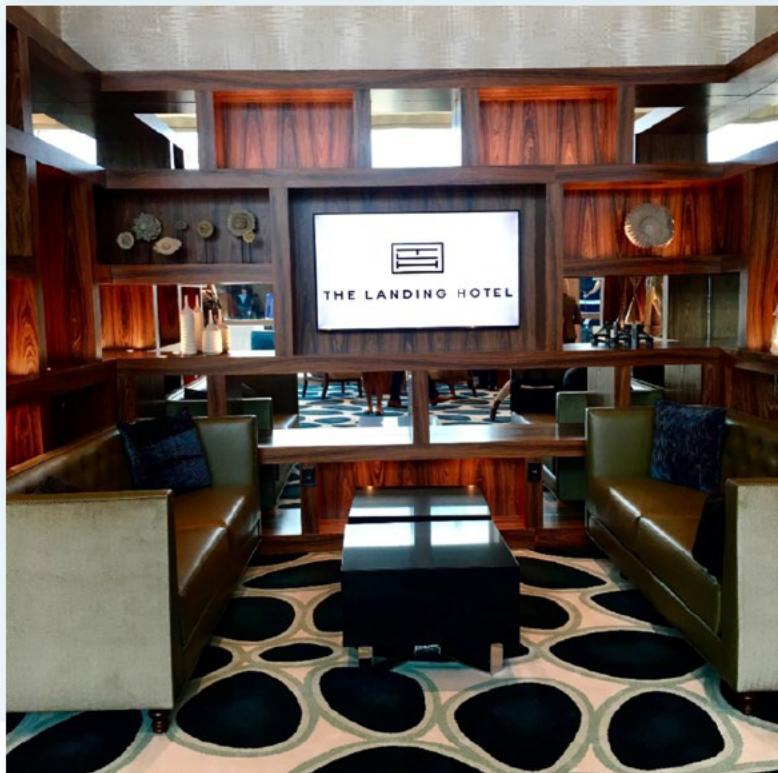
This same approach to a diverse and inclusive workforce can be seen in the ways we partner with developers, construction contractors, and supply chain connections. Rush Street has a resolute commitment to doing business locally, prioritizing opportunities for minority

and women-owned business enterprises (MWBE). Each of our casinos proactively offers free training for small business owners to help them meet regulatory requirements to conduct business with casinos.

UPSTATE NEW YORK CASE STUDY

From groundbreaking through present-day operations, Rivers Casino & Resort Schenectady has met and exceeded MWBE goals, as we have contracted with many local businesses, vendors, and small MWBEs. Indeed, we awarded more than 40% of our contracts during development to MBE and WBE businesses.

In the Capital Region and elsewhere, Rush Street has a strong and established track record of working with diverse and local vendors. We would bring this same commitment to a Downstate New York opportunity, including working with local restaurateurs and entertainment venues to ensure a strong connection with area businesses and a locally driven experience for casino guests through key offerings, events, and sponsored initiatives.



THOUGHTFUL COMMUNITY INTEGRATION

The Rivers Casino brand is cohesive and consistent across all markets; however, we customize each Rivers Casino to integrate seamlessly with the local environment. No two venues are exactly alike — there are shared themes and best practices, but we don't believe in cookie-cutter development.

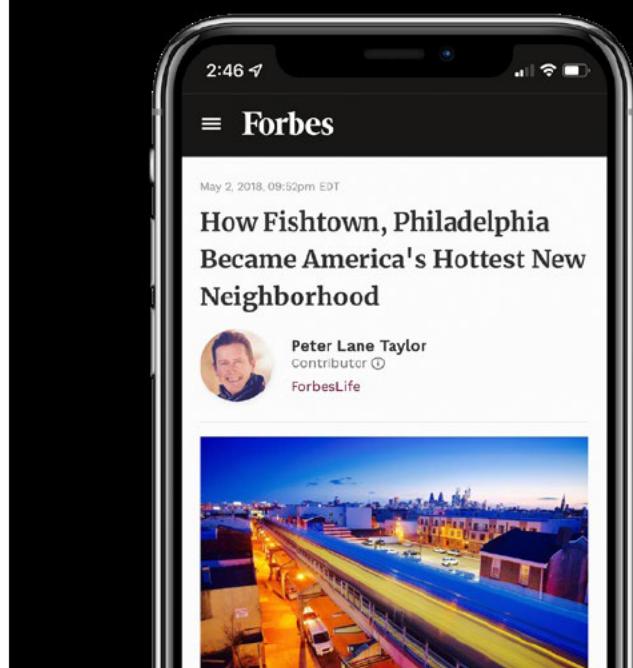
An example of this is in Philadelphia, where we were selected as one of two casino licensees in the city at the end of 2006 after a highly competitive RFP process that included several legacy brand gaming companies. The casino site was eventually situated at an abandoned industrial site on the Delaware River about two miles north of downtown Philadelphia.

From the beginning, we developed strong and effective community dialogue and communication. We proactively initiated conversations with local leaders to overcome any misconceptions or concerns regarding the casino, and we built strong partnerships citywide — particularly with residents of Philadelphia's Fishtown neighborhood, where the casino is located. Notably, we built this facility during the height of the Great Recession.

Despite hurdles, we worked tirelessly and collaboratively with local leaders and residents to thoughtfully integrate Rivers Philadelphia into the community. For example, we helped form the "Penn Treaty Special Services District," an independent nonprofit organization established to direct casino funds into neighborhood improvements. Philly's Rivers Casino also integrated a riverwalk into its exterior design, enabling community access to the Delaware River waterfront.

Due to significant equity investment and the ability to raise capital in the most difficult of markets, we were also able to overcome the Great Recession and become the first casino to open in the U.S. after the economic downfall hit.

In just over a decade of operations, Rivers Philadelphia has proven to be a proud community partner, a great place to work, and a thriving economic engine. Not coincidentally, the Fishtown neighborhood is now known as one of the city's most exciting and eclectic neighborhoods. In fact, multiple residential projects have sprouted up near the casino, and in 2018, Forbes ran a feature story titled, "How Fishtown, Philadelphia Became America's Hottest New Neighborhood."



UPSTATE NEW YORK CASE STUDY

The Rivers Casino & Resort Schenectady project represents a \$330 million investment. Opened in 2017, this development quickly became a powerful economic catalyst that led to more than \$220 million in additional private investment in the city of Schenectady and almost \$100 million in new infrastructure projects within the Mohawk Harbor Corridor.

The Mohawk Harbor development, where Rivers is located, is a 60-acre master planned community that integrates luxury living, high-tech offices, acclaimed restaurants, and popular retail options along one mile of waterfront. Mohawk Harbor includes 206 apartments, 50 condominiums, 15 townhouses, 2 hotels, 100,000 square feet of harborside retail/dining, and 74,025 square feet of Class A office space in addition to Rivers. This pedestrian-friendly waterfront area offers public access to the water for boating and recreation, as well as community areas with outdoor seating, landscaped green space, and a direct link to the Mohawk Hudson Hike-Bike Trail.

Due in no small part to the casino's presence, the area has become one of the most desirable places to live in the Capital Region, and The Landing Hotel which we developed is consistently rated among the area's top hotels.

Other features include an outdoor concert series and the leading commercial sportsbook in New York, which have served as catalysts to drive new visitors to the area.

Sharing his support for Rivers Casino & Resort Schenectady, Mayor Gary McCarthy stated in 2019:

"Rivers has been a catalyst for economic development and tourism in the area and has created numerous opportunities for residents. Rivers has shown a strong commitment to hiring and training local residents and using local vendors..."

**GARY MCCARTHY,
SCHENECTADY MAYOR**



SUSTAINABLE TAX REVENUES

Creating thousands of jobs is one way that Rush Street Gaming has proven to be transformative for our host communities; generating sustainable new tax revenues is another.

Since our inception, Rush Street Gaming and Rivers Casinos have generated billions of dollars in new income for the regions where our facilities are located. These funds have been used to fund public education, libraries, and other critical infrastructure.

As an example, Rivers Philadelphia has been transformative in terms of regional economic impact. We have paid over \$110 million in gaming taxes to the city and over \$74 million of other city taxes since inception. Taxes from Rivers Casino Pittsburgh have generated more than \$10 million to fund the local library system.

Rivers Casino Des Plaines has consistently generated the highest win-per-gaming position of any casino in the country. As an example, in October 2021, Rivers Des Plaines generated win/gaming position/day of \$1,048; also, the casino generated more than 50% of the state gaming taxes — even though Illinois has ten casinos.

UPSTATE NEW YORK CASE STUDY

Rivers Casino & Resort Schenectady was completed on time and under budget, flowing tax dollars into the state and local economy as soon as possible upon opening. The taxes paid by Rivers Casino & Resort Schenectady have not only delivered new dollars to the area, but have also helped reduce taxes for local residents.



ELEVATED GAMING & ENTERTAINMENT

The elevated casino environment that Rush Street Gaming offers will surprise and delight customers with every visit. BetRivers sportsbooks are part of each of our destination casinos ,and have quickly become the leading commercial sportsbooks in each state in which we operate. The high energy and hum of excitement at each location ensure a vibrant and memorable experience.

Our established and longstanding commitment to creating customized, well-designed casinos specific to each community has resulted in a lively and welcoming environments for our customers. Our decades of work in this area guarantee an exciting environment for our customers, delivering experiences that are continuously enhanced and updated to create the strongest possible value to all.

Beyond a premier gaming experience, we offer superb live entertainment and first-rate dining options in an exquisite space, creating an unforgettable destination for visitors of all types.

In every one of our locations, our primary focus has been on creating world-class destination properties that deliver amazing experiences to our customers and drive job growth and economic success in our communities.

In Schenectady, we created the free Harbor Jam Summer Concert series. The 2019 event brought seven concerts and featured food and beverage from Rivers as well as the local community college, area breweries, and area businesses. This community-wide effort is an example of how Rush Street Gaming generates new experiences for the entire community.

In Philadelphia, where Rivers opened years ahead of a second casino licensee, performance venues and restaurants have blossomed in the surrounding neighborhood since the casino opened. Rivers is now the second most-visited tourism attraction in Philadelphia behind the Liberty Bell, according to the Philadelphia Business Journal. Additionally, the casino's Fishtown neighborhood has seen a spillover economic impact, with new bars, restaurants, amenities, and other construction — all following the opening of Rivers Philadelphia.

In the Chicago area, Rivers Casino is minutes from O'Hare International Airport and has been Illinois' top-performing casino since ribbon-cutting — not just because of the myriad gaming opportunities, but also for its restaurants and entertainment options.



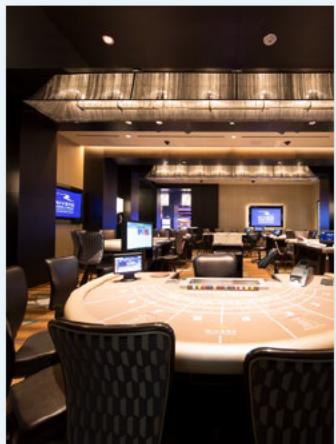
UPSTATE NEW YORK CASE STUDY

Rivers Casino & Resort Schenectady's fully integrated complex offers gaming, dining, nightlife, space for private events, and live entertainment, as well as a top area hotel. For these reasons, the site has been a key driver for new tourism dollars.

In addition, this popular destination continues to create experiences beyond gaming that surprise and delight its visitors. The "Harbor Jam" summer concert series brings thousands to the Mohawk Harbor Amphitheater

annually, and the venue was voted "Top Live Performance Venue" by readers of the Schenectady Daily Gazette.

The destination casino delivers a full-scale, state-of-the-art gaming floor, a 165-room hotel with a multi-purpose event center, five restaurants, a VIP lounge, and a BetRivers Sports Lounge. The adjacent marina and amphitheater have combined with this premier gaming location to create an experience that wows and amazes its visitors.



SOCIAL & ENVIRONMENTAL RESPONSIBILITY

The Rivers Casino brand is cohesive and consistent across all markets; however, we work tirelessly to customize each venue. To that end, our social and environmental responsibility efforts are integrated seamlessly within each host community.

Rush Street thoughtfully considers every site, taking into account geography, surrounding neighborhoods, and the local business district. The unique settings influence each design, and the needs of each community drive our decision-making. In Philadelphia, our casino blends with the historic Fishtown neighborhood among residences, performance venues, and restaurants, helping to create an area that has flourished since the casino opened.

Understanding and embracing each market's unique characteristics has been paramount to our success. What remains consistent market-to-market is a steadfast commitment to community engagement and service. The corporate-wide "Rivers Gives" program is administered in all Rush Street Gaming markets, and we support local nonprofits by deploying team members into the community to volunteer, work with nearby schools, activate neighborhood improvements, and much more.

An example of this program is Rivers Casino in Pittsburgh, where we have contributed some \$5 million to area nonprofits, benefiting more than 100 local organizations each year since 2009.

One key relationship has been with the civic improvement group Riverlife, which has a mission to "create, activate, and celebrate Pittsburgh's riverfronts, connecting people through exceptional places and experience." We worked collaboratively with Riverlife on the design of our outdoor amphitheater on the Ohio River, our parking garage, and our new hotel, creating a cohesive, unified, and accessible feeling to the property.

Environmental and sustainability continue to be a top priority for Rush Street Gaming, and a large factor in how we design and develop all of our locations. As a company, we have long been leaders in sustainable development, and we are actively engaged in the green building movement. **In the Chicago area, Rivers Casino became the first LEED-certified casino in the world when it achieved this goal in 2012.**



UPSTATE NEW YORK CASE STUDY

Rivers Casino & Resort Schenectady and its nearly 1,000 diverse team members have partnered with numerous charitable organizations, and they have made a significant impact on the city of Schenectady — and the entire Capital Region — by contributing food, thousands of volunteer hours, and tens of thousands of dollars each year to people in need. The way we see it, our social responsibility efforts are essential to our community engagement.

Rivers Casino & Resort Schenectady has worked closely with local officials and community leaders to ensure the casino's impact is felt far beyond the walls of the casino. We would bring this same level of dedication to a Downstate New York community engagement program. **Key components of social responsibility and community engagement in Schenectady and the surrounding area include:**

Casino team members volunteer in their community and provide donations to dozens of local nonprofits on a recurring, but not contractual, basis. In partnering with close to 30 organizations, we have had a significant impact on the entire Capital Region by contributing our team members' time, food, and tens of thousands of dollars each year to people in need.

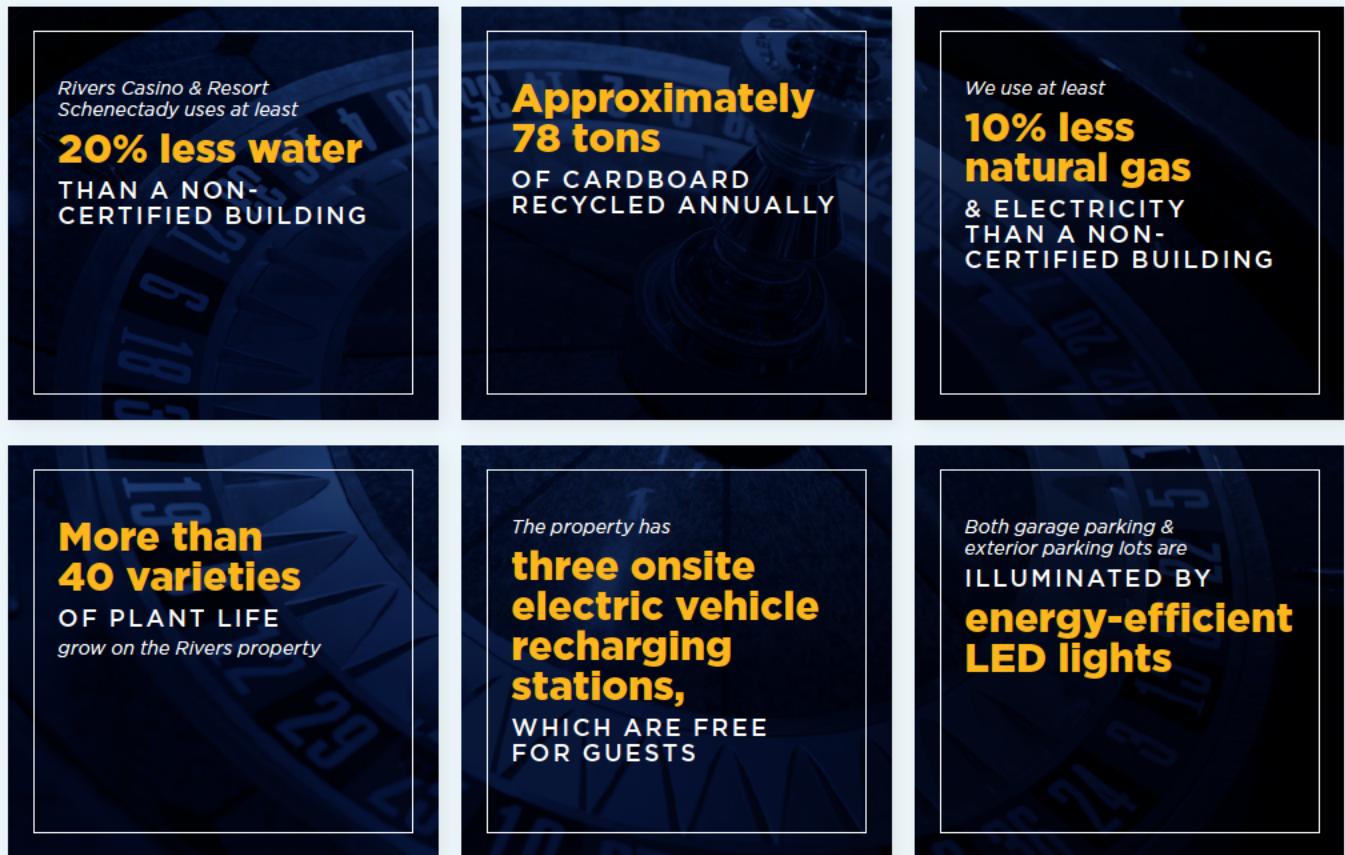
During the height of the COVID-19 pandemic in 2020, Rivers team members volunteered nearly 1,500 hours — despite the fact that the casino was closed for six months. Additionally, Rivers offered four weeks of full pay, paid all health insurance premiums during the shutdown, and provided care packages and gift cards to employees. Upon reopening, Rivers worked with its community partners to develop a comprehensive plan that addressed key issues and provided the safest possible environment for all.

Rivers' team members have partnered with organizations including SEAT Center in Schenectady, Schenectady Community Action Program, City Mission of Schenectady, Schenectady County Human Rights Commission, Joseph's House in Troy, Habitat for Humanity, The Leukemia and Lymphoma Society, Alzheimer's Association, American Cancer Society, Center for Disabilities, American Heart and Stroke Associations, Veterans Miracle Center, Capital Region Pride, and many more.

Rivers Casino & Resort Schenectady continues to identify and develop important and transformational elements in our community engagement strategy, and this same dedication would be a key element of our approach in a Downstate New York project.

As an environmentally conscious partner, our Schenectady casino is one of the few buildings in the Capital Region to earn Silver LEED certification by the U.S. Green Building Council. To achieve Silver LEED certification, the building was required to meet strict construction waste recycling, occupant health, energy efficiency, and cost-effectiveness standards. The sustainably oriented culture at Rivers Casino translates into an extensive recycling program, onsite water conservation, highly efficient lighting, and close engagement with local food banks.

BY THE NUMBERS



One of our most far-reaching environmental accomplishments has been our recycling partnership with the Schenectady ARC and its bottle and can redemption business, Pine Ridge Industries. Via our collaboration, we've recycled nearly 600,000 bottles a year prior to suspending the partnership due to the pandemic. The program also generated monthly revenue for Pine Ridge Industries, provided job opportunities for people with developmental disabilities, and supported even greater bottle recycling services within the Schenectady area.

3.2.2 | CONTINUED

Should certain zones or regions be excluded from consideration?

We believe it is prudent for the State to consider the regions that present the greatest economic and tax generation opportunity for the State. As noted above, we believe it is important for the State to be mindful of the significant investment that has been made in communities in Upstate New York as it considers the expansion of gaming in Downstate New York. For the sake of clarity, we believe the State should select the three casino locations anywhere in the Downstate area where they generate the most benefit regardless of what Region within Downstate they each are located including in the case where more than one facility could be located in the same Region.

As such, we believe that awarding the casino licenses to the Downstate area creates the largest opportunity for the State. We believe this point is validated by the analysis done for the State by its outside industry consultants. In its evaluation of sites, the State should evaluate any impacts on the four Upstate casinos.

Should differing criteria and consideration be given to proposals in rural, suburban, or urban areas?

The State's criteria should be dependent on its goals for the Downstate casinos (e.g., tax revenue, economic development/revitalization, tourism, job creation, etc.). In any case, the State should consider the long-term value of the three licenses to the people of New York when making the determination (and not just focus on short-term benefits).

Should a certain number of licenses be guaranteed for different zones or regions?

We believe it is prudent for the State to keep an open mind regarding the distribution of licenses Downstate.

Should locations be preferred in underutilized parcels?

The State's criteria should be dependent on its goals for the Downstate casinos (e.g., tax revenue, economic development/revitalization, tourism, job creation, etc.). In any case, the State should consider the long-term value of the three licenses to the people of New York when making the determination (and not just focus on short-term benefits).

Should locations requiring dislocation of existing tenants be disfavored?

Local residents should not be dislocated from their residences as part of this process.

Should property use history be considered?

It is our belief that the biggest consideration should be how a given site best meets the State's goals for the Downstate casino expansion.

How should proposals on public lands be compared with those on privately held lands?

The State should consider this question in the larger context of the bids (e.g., the revenue that would go to the State and/or local government, the likelihood the public land could be developed with alternative uses, etc.). If the State decides its preference for a particular site, including a site that may or may not be on public land, the State should make that known early in the process.

3.2.3 | SCALE

Should there be a facility size requirement, or should the expected market determine size?

Our belief is that market factors should dictate the size of the facility, based on the parameters put in place by the State.

If a facility size requirement is preferred, how should the size be selected?

Our belief is that market factors should dictate the size of the facility, based on the parameters put in place by the State.

Should the State require any minimum level of table games, slot machines, or poker tables?

Our belief is that market factors should dictate the size of the facility, based on the parameters put in place by the State. It is also our experience that there are many other factors that dictate the success of a facility beyond the numbers of slots, table games, and poker tables.

Should certain amenities be required in any proposed development? Should certain amenities be prohibited or limited from being developed?

Our belief is that market factors and amenities that best suit a specific locality should dictate the non-gaming amenities and features of the casino development. That said, if the State desires certain non-gaming amenities, particularly if the State designates a specific site, then the State should communicate those desired amenities to the industry early in the process.

Our belief is that the State should not specifically preclude any amenities. Any savvy casino developer that performs its due diligence will propose amenities that appeal to the market and are appropriate for the local community.

Should the State consider varying types of proposals? For instance, allowing a facility with fully-integrated amenities and allowing a facility with just gaming, if located in an area with substantial surrounding commerce? If yes, how should the differing proposal be compared?

The State's criteria should be dependent on its goals for the Downstate casinos (e.g., tax revenue, economic development/revitalization, tourism, job creation, etc.). In any case, the State should consider the long-term value of the three licenses to the people of New York when making the determination (and not just focus on short-term benefits).

Should there be a minimum dollar figure required to be invested? If so, how should this dollar figure be established and verified?

The State's criteria should be dependent on its goals for the Downstate casinos (e.g., tax revenue, economic development/revitalization, tourism, job creation, etc.). In any case, the State should consider the long-term value of the three licenses to the people of New York when making the determination (and not just focus on short-term benefits). It will likely be best for the State not to set minimum levels of capital investment, as market conditions will dictate appropriate investment levels. This has typically been the method used for competitive bidding processes across the country.

Should existing structures be allowed to be utilized or re-purposed or should greenfield construction be required?

It is our belief that reusing existing structures currently being used for non-gaming purposes (e.g., retail malls, office buildings, etc.) should not be ruled out by the State. There may be opportunities to repurpose existing structures for casino development that may be as compelling as a greenfield development (or more so), particularly if the current use is no longer viable.

3.2.4 | TRANSPORTATION

Should proposed development have convenient access to public transportation?

Our belief is that market factors should dictate site selection. As an example, if a site is in a dense urban location, public transportation availability is more important than if a site were located in a suburban area.

Should proposed development be required to have an associated parking structure?

Similar to our response to the previous question, our belief is that market factors should dictate parking needs and the size and scope of any parking garage.

Should local traffic impacts be considered? If so, how should these concerns be evaluated?

It is common in competitive bidding processes for applicants to submit traffic studies that lay out the ability of local traffic and transit networks to handle anticipated demand. It is our belief that these studies should be evaluated in the context of casino visitation patterns and in the context of other “micro-access” factors that will impact consumer decisions to visit a property (e.g., walking distance from public transit, the presence of tolls, perceived safety of the area, etc.). These studies should also help the State understand whether a site is easy to get to, and whether it would be one that customers would like to visit.



3.2.5 | LOCAL FACTORS

How should the State gauge local support of a development project?

It is our view that, in order to maximize value for the State, the State should create an application and evaluation process with a level playing field that does not prejudice one applicant versus another.

One way to achieve this goal is to emulate the model used for Upstate casinos in which the gaming revenue share that would go to the host community — and surrounding communities, if applicable — is predetermined.

Our view is that the State should consider a process whereby a portion of the evaluation criteria would be the demonstration of genuine support from the local community, the established reasons for that support, and the impact the development would have on the local community. The State should keep an open mind as to how this demonstration of support is manifested, with the main focus being on how authentic and organic the community's support is.

In evaluating sites and localities, our belief is that the State should place significant emphasis on the track record that casino developers/operators have had in their host communities in other markets. Have they lived up to promises? Were the developments delivered on time? Have they “checked the box” or made genuine efforts to uplift their host and surrounding communities?

For instance, during the development and construction of Rivers Casino & Resort Schenectady, it was vital that Rush Street Gaming and the team at Rivers Casino established sound working relationships with local officials and community leaders based on trust and partnerships that provided value to all parties.

From the beginning, the close relationships that Rush Street Gaming forged with local officials and community leaders were critical in the overwhelming success of Rivers Casino & Resort Schenectady. Without those relationships, which continue to grow today, Rivers Casino would not be able to continue delivering on all its promises to the State, the Capital Region, and the city of Schenectady.

It should be noted that there is strong support throughout the region for a casino in Downstate New York. In the 2013 referendum on this question, every Downstate county, and all of the outer boroughs of New York City, were in favor of Downstate casinos.

Should local zoning requirements be considered?

Our belief is that the State should ensure that local zoning requirements and any land use approval processes do not inhibit or greatly delay the development of a casino.

How should the State consider the potential impacts of any proposed development on infrastructure such as roads, water, and sewer? How should any necessary improvements be funded?

It should be noted that there is a distinction between infrastructure improvements that are required for — and a direct result of — the development of a casino, and infrastructure improvements that a locality may have been wanting to make whether or not the casino existed. In the case of the former, it is common for the developer to fund such improvements. In the case of the latter, the revenue share that the host community receives can go toward such improvements if the community desires.

Should the State consider the potential impact on a host's public services (such as police, fire, EMS, public health)? If so, should proffered private sector funding be considered?

The non-gaming taxes paid by the casino (e.g., property taxes) and the gaming revenue share from the tax waterfall from the State with the host community — and if applicable, surrounding area — should more than offset the host community's direct needs.

Should a proposed facility be seamlessly integrated into the locale or should it be developed as a focal point?

Rush Street Gaming has developed facilities that fit both descriptions. In each Rivers Casino location, the emphasis has been on a cohesive and customized approach to the setting, its needs, and how to best serve the community.

EXAMPLES INCLUDE:

Fallsview Casino Resort, a landmark development for the Ontario Lottery and its host province that was established as a ground-up development opportunity in the mid-1990s, was created to be a significant new addition to an array of natural wonders and visitor attractions. By harmoniously integrating this development into its setting, the casino drove strong revenues and also increased overall tourism growth within an existing range of offerings and established experiences.

Rivers Casino & Resort Schenectady is a focal-point development project that had to be mindful of the importance of providing an environmentally conscious riverfront experience. With this in mind, we developed a property that melds with the local environment and creates a holistic, integrated experience. In part due to this work, the casino has become the number one tourist destination in the Capital Region, leads the region in tourism spending increases, and is home to the area's number one live performance venue — all while providing the community and tourists convenient access to the Mohawk River.

Rivers Casino Pittsburgh is located down the street from Heinz Field and PNC Park along the city's North Shore. Open since 2009, this integrative approach on the Ohio River has generated strong synergies between the venues and experiences that they offer.

How should local business impacts be considered?

While each location will have its own controlling factors that will dictate how each project will impact local business, the State should consider projects that, as much as possible, incorporate local businesses. We remain adamantly committed to this practice in all of our casinos.

For instance, we made it a priority from the outset of our project in Schenectady to be inclusive of the surrounding community. In developing the destination casino, we made a conscious effort to ensure that as many businesses as possible — with a focus on women- and minority-owned enterprises — were able to benefit from economic activity generated by the casino.

From construction through supply chain development to casino operations, Rivers Casino & Resorts Schenectady contracted with many local businesses, vendors, and MBEs, providing healthy revenue streams for these groups. In fact, during the property's development, more than 40% of Rivers' contracts were awarded to MBE and WBE businesses — greatly exceeding all expectations.

This approach was also reflected in our collaboration with the local arts and cultural community. In Schenectady, we have collaborated with Proctors Theatre, a beautifully restored 20th-century vaudeville theater and destination for Broadway shows and other events. We have created a close partnership with Proctors and other local entertainment facilities and supported their efforts through financial backing, joint marketing programs, the purchase of ticket blocks, and event promotion.

3.2.6 | TAXATION & LICENSE FEES

Should the State seek an upfront license fee? If so, how should this fee be set?

The State's strategy on license fees and tax rates should depend on and balanced with its goals for the Downstate casinos (e.g., tax revenue, economic development/ revitalization, tourism, job creation, etc.). In any case, the State should consider the long-term value of the three licenses to the people of New York when making the determination (and not just focus on short-term benefits).

We understand that increasing revenue is an important policy objective for the State for Downstate gaming expansion. And to that end, we will work earnestly to develop a destination casino under the license fee/tax framework that the State determines.

What taxation rates should be imposed for table games, slot machines and other gaming activities?

Please refer to our answer to the prior question.

How should the State balance gaming taxes against license fees?

We defer to the State as to how it wishes to balance any near-term funding needs against long-term revenue considerations.

What purposes should gaming taxes and license fees be used? How should these fees be distributed?

The uses should be determined by the State. That notwithstanding, please note our previous comments about a predetermined share of the tax revenue going to the host — and if applicable, surrounding — communities.



3.2.7 | EVALUATION

In evaluating proposals, which of the following factors should the State deem important?

- Construction investment
- Construction employment
- Permanent employment
- Induced employment
- Facility development cost
- Use of renewable energy
- Infrastructure development cost
- Incremental gaming tax revenue, e.g. impact on existing gaming locations and gaming revenues
- Speed to market
- Level of local support
- MWBE/V utilization
- Impact on nearby cultural institutions and small businesses
- Some other factor (specify)

Our belief is that all of the above listed items are important to a destination casino development and operation. In particular, our belief is the State should have a keen eye toward the track record and ability of an applicant to deliver on a destination casino development. **Here are some additional criteria for consideration:**

+ **QUALITY OF JOBS & CAREER PATHS**

In addition to simply the number of new jobs projected, applicants should demonstrate their history of creating quality jobs with benefits, fruitful career paths, a genuine commitment to employees and workforce development, and recognition by their employees as a top place to work.

+ **DEVELOPMENT EXPERIENCE & TRACK RECORD** of delivering destination casino projects on-time and on-budget.

+ **ABILITY TO DELIVER PROJECTS** from a financial capacity perspective and a history of delivering projects and keeping work underway, even in difficult financial conditions.

- + **CULTURE & LEADERSHIP** in the areas of compliance and responsible gaming, and a history of being proactive in addressing regulatory issues in New York and elsewhere.
- + **HISTORY OF BUILDING GENUINE LOCAL SUPPORT**, community partnerships, giving/volunteerism, financial donations, and experience being proactive in addressing the needs of host communities.
- + **LONG-TERM VALUE** to the State of New York in the context of how the three licenses have the ability to create significant benefits for the State.
- + **ABILITY TO CREATE SYNERGIES** and benefits for both Downstate and Upstate New York.
- + **TRACK RECORD AND COMMITMENT** to the creation of local minority equity investment opportunities.

Rivers Casino & Resort Schenectady has always viewed the destination casino as a public-private partnership with the State of New York and the Capital Region. To that end, we have been a catalyst of economic activity, a generator of significant state and local tax revenue, and a creator of diverse and memorable cultural and entertainment experiences. Through these efforts, we have become a valued community partner.

Should existing gaming facility development be credited against greenfield development? If so, what methodology should be used?

We will work within the framework that the State selects.

How should the State consider the potential infrastructure impacts of any proposed development on roads, water and sewer? How should improvements be funded?

It should be noted that there is a distinction between infrastructure improvements that are required for and a direct result of the development of a casino, and infrastructure improvements that a locality may have been wanting to make whether or not the casino existed. In the case of the former, it is common for the developer to fund such improvements. In the case of the latter, the revenue share that the host community receives can go toward such improvements if the community desires.

What review and evaluation criteria should be replicated from the evaluation criteria associated with the Gaming Facility Location Board's 2014 and 2015 RFAs?

We applaud the State's transparent and meritorious approach to the RFAs in 2014 and 2015. We look forward to the Downstate RFA process building upon that successful process. Conceptually, we agree with keeping the enumerated criteria, albeit with adjustments made based on the goals for the Downstate destination casinos that are established by the State (i.e., which of the goals does the State prioritize, and are there certain factors that were more important Upstate than Downstate — or vice-versa).



3.2.8 | OTHER FACTORS

What are the main barriers to the development of a successful gaming development?

The main barriers to a successful gaming development are:

01 UNCERTAIN COMPETITIVE ENVIRONMENT

02 AN RFA PROCESS THAT REQUIRES NUMEROUS PHASES & does not have a clear timeline for decision making

03 THE POTENTIAL LENGTH OF LOCAL ZONING & land-use approval processes

04 LACK OF CLARITY ON THE LONG-TERM REGULATORY & legislative environment

What is a reasonable timeline for RFA issuance, review, license award and gaming facility development?

Below is a reasonable timeline that is proposed for an RFA:

FOUR MONTHS

SIX MONTHS

EIGHTEEN MONTHS TO THREE YEARS

FOR DEVELOPERS/ OPERATORS TO RESPOND TO AN RFA
(assuming the Commission will give ample notice ahead of issuing the RFA that the RFA is imminent so that developers/operators can begin the planning process in advance of the actual issuance of the RFA)

FOR REVIEW

FOR CASINO DEVELOPMENT

Depending on local zoning and land-use approval process timing, location, and scope of project



What other information is pertinent to the State in ensuring this gaming development process will be successful?

Key information and best practices pertinent to a successful gaming development process include:

CLARITY

A clear and articulate RFA process, with specific requirements and requests that effectively spell out the requisites for this opportunity, is essential for a successful gaming development process.

TRANSPARENCY

It is crucial to have a gaming development process that is direct and unambiguous, and that allows the applicant to understand what criteria will impact these decisions and how decisions will be made.

PARTY

It is critical that there be a level playing field for all potential applicants within the process, creating an impartial system and incorporating community input and assessment of current operations.

Rush Street Gaming is proud to share this information with the New York State Gaming Commission, and we look forward to learning about the next steps in this process.