



EXHIBIT VIII.B.8. COMPETITIVE ENVIRONMENT

Submit as Exhibit VIII.B.8. a description of the competitive environment in which the Applicant anticipates the proposed Gaming Facility will operate over the ten (10) years after opening and how the Applicant plans to succeed in that environment while limiting the impact on revenues at other New York gaming establishments (e.g., VLT facilities, tribal casinos, race tracks) or other New York businesses.

Montreign Resort Casino will operate in the competitive Northeast environment. In recent years, the expansion of gaming into states such as Pennsylvania, Massachusetts, Rhode Island and Maryland has resulted in gaming growing beyond New Jersey, Connecticut and Delaware. In order to compete against these facilities and accomplish the goals of keeping New York residents based gaming and tourism budgets in New York, and attract out of state tourism and gaming budgets into New York, we will be co-developers with EPR Properties to create a regional tourism destination in the Catskills. The Gaming Facility is the first phase of development of Adelaar and is intended to lead the rebirth of the tourism and hospitality industries in the Catskills. This unique resort development, Adelaar, will combine Montreign Resort Casino, with the Indoor Waterpark Lodge and its 80,000 square foot indoor water park,



the world-famous Monster Golf Course redesigned by Rees Jones, the “Open Doctor,” and an approximate 200,000 square foot Entertainment Village, featuring a movie theater, restaurants, comedy club, bowling alley and retail. We are well-positioned to exceed our competition with a superior hotel-casino located in the dynamic and exciting Adelaar resort that offers our guests, those of Adelaar and the area, a vast array of entertainment, shopping, dining, recreation and gaming options.

Montreign will succeed in the first ten (10) years after opening by: maintaining the highest quality of guest service; offering our guests a clean and safe hotel-casino in a contemporary and sophisticated design; continuing to offer the latest titles in slot machines and table games; restaurants that offer high quality food and beverage; pampering our guests in the our spa and salon; numerous and diverse entertainment options offered throughout the resort casino; and continuing to provide state-of-the-art technology in all aspects of Montreign. A key to a resort casino keeping its competitive edge is its commitment to reinvest capital to maintain and improve its physical appearance and the maintenance of its furniture, fixtures and equipment. The physical environment our guests see and experience will be of paramount concern to us as Montreign is committed to such a reinvestment.

TO ENSURE SUCCESS OF THE GAMING FACILITY, LOCATED IN ONE OF THE MOST SCENIC AND EASILY ACCESSIBLE AREAS OF UPSTATE NEW YORK, ADELAAR HAS BEEN METICULOUSLY PLANNED AS AN ALTOGETHER NEW TYPE OF **YEAR-ROUND DESTINATION RESORT**. RE-IMAGINED TO MEET THE SENSORY AND EXPERIENTIAL NEEDS OF TODAY’S DISCERNING GUESTS, ADELAAR INCORPORATES THE **BEST IN HOSPITALITY, ENTERTAINMENT, INDOOR FUN AND OUTDOOR ADVENTURE ACROSS 1,695 ACRES OF NATURAL LANDSCAPE.**

Empire’s wholly owned subsidiary, Monticello Raceway Management, Inc. (“MRMI”), subject to Commission approval and authorization, will continue to operate Monticello Casino & Raceway (“MCR”), with its VGM and harness horse racetrack operation, in the Village of Monticello. Maintaining the operation of MCR is expected to minimize any loss of revenues to the State that the closing of MCR could cause and will continue to provide additional employment in Sullivan County. The two properties, Montreign and MCR, are not directly competitive. Montreign and Adelaar will provide the regional destination resort setting, and MCR will be marketed as “the locals place” in which to relax and enjoy VGMs, harness horse racing, dining and



entertainment. Additionally, MCR will be cross marketed with Montreign and the combined Me. Card rewards program will assist in limiting the impact that Montreign may have on MCR.

Montreign is also uniquely positioned to compete directly with two Northeast Pennsylvania casinos for tourism and gaming budgets because the gaming and non-gaming amenities that will

be offered at the Gaming Facility will assist in drawing out-of-state tourists who desire an experience beyond convenience gambling. Montreign will also engage in marketing efforts into certain counties of New Jersey for gaming and non-gaming guests. Please see Attachment VIII.B.1.-1 to Exhibit VIII.B.1. for our independent consultant's report regarding the estimated revenues to be derived from out-of-state patrons.

Competition between Montreign and other gaming facilities in New York that are located outside of our Region will be limited and is dependent on the scope, location and marketing plans of such gaming facilities. While Montreign and Adelaar will attract guests from these other regions, such visits will be for overnight stays rather than convenience oriented trips. Because of our location in Sullivan County, we expect that Montreign will have a minimal impact on revenues of the existing New York VLT and racing facilities due to their location in relationship to Montreign. Montreign will not directly compete with tribal casinos within New York due to their geographic locations, so we do not expect that there will be any significant impact on their revenues. Please see Attachment VIII.B.1.-1 to Exhibit VIII.B.1. for our independent consultant's report regarding the estimated revenues Montreign will generate from existing New York based gaming operators.

Additionally, as set forth in Exhibit VIII.B.9.c., we believe that Montreign and Adelaar will bring tourists back Sullivan County, thus having a positive impact on the revenues of local New York businesses. An integral part of Montreign's Marketing Plan, attached as Attachment VIII.B.9.b.-1 to Exhibits VIII.B.9.b., is to leverage our location and development to benefit the Region's business by significantly increasing year-round tourism and visitors to the Catskills area. Our location enables us to market the pristine expanse of the Catskills and its varied recreational opportunities. We will limit the impact to other businesses in our Region by continuing to foster relationships that complement area businesses and that offer choices to visitors and residents of Sullivan County when seeking to spend their entertainment budget. The cross-marketing agreements that we will have with Bethel Woods Center for the Arts and the Monticello Motor Club, along with our program to permit our Me. Club rewards points to be accepted for purchases in participating businesses in the Region, will aid in spreading the economic benefits of our development beyond Montreign and Adelaar.