

VIII. ECONOMIC ACTIVITY AND BUSINESS DEVELOPMENT

C. LAND, CONSTRUCTION AND DESIGN OF PHYSICAL PLANT

7. HOTEL

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Submit as Exhibit VIII. C.7.f. a description of any particular efforts – design, operations, and/or marketing – that are planned to differentiate the hotel from competitors and to maximize the potential of the market.

The Applicant's assessment of the unmet demand in the 120 minute market circle around the proposed sight is in excess of \$2 billion annually. Our research further demonstrates that some New Yorkers, primarily from the New York Metropolitan area are spending nearly \$100 million a month and over \$1 billion yearly in out-of-State gaming venues in Connecticut, New Jersey and Pennsylvania. The Applicant plans to focus first on these two lucrative markets, rather than to compete directly with other New York casinos for existing customers. Two aspects of Applicant's Project facilitate its effort: casino table games and poker, neither of which are currently offered by existing New York gaming facilities.

The Applicant has developed building and marketing plans to attract the unmet demand, repatriate the dollars currently being lost to out-of-State casinos, and at the same time, create a facility that would complement an expected destination, longer stay, multi-faceted casino hotel resort in the Region.

The Applicant's facility has been designed primarily for the single day visitor, that is, for persons whose primary interest is gaming but who would be interested in fine food, world class entertainment and a renowned Spa experience. The building plan contains over 300 rooms and suites in an upscale boutique hotel which are planned to be utilized by the Applicant for marketing purposes to support the casino, special events, entertainment and its banquet/exhibition components.

With this backdrop in mind, the Applicant has proposed a casino housing 190 table games, 3200 slot machines and 80 poker games. Significantly, there are three "special condition" casino areas for the higher limit players; one each for high limit tables and slots and an area designed with games and amenities for the anticipated Asian demand. Each of these areas offers a "separation" from the main casino floor with dedicated restrooms, food service and localized cashiering. The planned poker room will be among the largest in the country, and as such be a major draw both in the region and beyond.

Our research indicates that the casino table games and poker markets in the 120 minute market will be substantial, and offers the greatest opportunity to capture the unmet demand currently in the market and to repatriate the monies lost to out-of-State casinos. Significantly, in the areas of the largest population, Empire City and Resorts World do not currently offer live table games or poker; that geographic area also includes a significant number of Asian gamers as our independent market study observes who are currently seeking out-of-State gaming opportunities for live table game play.

In order to broaden the appeal and the market, LIVE! will have six different dining experiences, including four gourmet rooms and a celebrity chef. The Event Center will offer world class entertainment and will seat 3000 for concerts, but also serve as a multi-function room for special events, banquets and

exhibitions. For the ultimate escape, LIVE! will offer a world class Spa and an indoor pool experience with an expansive pool deck.

In short, the Applicant plans to compete with out-of-State casinos by offering a conveniently located, full service, world class experience, and to compete with in-State gaming facilities by marketing to the market that they currently cannot service.