



February 22, 2021

Leonard Sledge  
Director of Economic Development  
City of Richmond  
1500 East Main Street, Suite 400  
Richmond, Virginia 23219

Re: Response to the City of Richmond's Request for Qualifications and Proposals (RFQ/P) for Casino Development and Operation

Dear Mr. Sledge,

It is our pleasure to respond to the referenced RFQ/P for Casino Development and Operation in the city of Richmond (the "City"). Urban One, in partnership with Peninsula Pacific Entertainment ("P2E"), (collectively referred to as the "Applicant" or "ONE"), can meet every objective the City has identified for this project. We can make this declaration because we have the in-house expertise to develop and manage each aspect of the project and, more importantly, we have done it before.

Urban One and P2E's decision to partner on this project was carefully considered and was fueled by our respective admiration and commitment to the City and the Commonwealth of Virginia as a whole. For more than 40 years, Urban One has been the leading voice speaking to Black America. Urban One reaches 82% of the African American community in the United States, delivering content that informs, entertains, and inspires our audience through our radio, television, and digital platforms. As a member of the Richmond community since 1999, Urban One is a dominant media provider in the City and surrounding counties and reaches 545,000+ listeners locally, as well as 25 million listeners nationally.

P2E has been instrumental in the growth of the gaming industry in Virginia and has decades of experience developing and operating award-winning casino, entertainment, and hospitality businesses. Together, Urban One and P2E will bring the most exciting casino, resort, and entertainment experience to the City, while honoring its commitment to the Richmond residents to provide rewarding careers, long-term support to key community organizations, and create sustainable greenspace that will enhance residents' quality of life for years to come.



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Our exemplary development team and operating partners include eleven prominent Richmond-based companies. As you will see in the following proposal, P2E was instrumental in the passing of several recent gaming referendums in the Commonwealth. As such, P2E has a deep understanding of the intricacies of gaming in this state and what it takes to create successful projects that synergistically grow the economy where they are based. Urban One has a track record of developing successful multi-format and multi-generational radio stations, cable television networks, and digital platforms.

We have drawn on this experience while planning the proposed Casino project. We are fully committed to achieving each of the City's objectives as outlined below:

- We are an African American owned and controlled business. Diversity, equity and inclusion are at the core of our business plan;
- Our site is perfect for resort development: terrific access, close to downtown without interfering in day-to-day life of City residents;
- We will open a temporary casino by December 2022 – quickly creating jobs and generating tax revenue for the City;
- We have developed an investment strategy to create sustained wealth for minority businesses and entrepreneurs. Ten percent of the ownership interest has been made available to local minority investors in addition to enlisting several minority restauranteurs in our culinary experience. We will establish a profit-sharing plan for our team members to aid in building wealth, offsetting child-care needs, making housing more affordable, and improving the overall quality of life for our employees;
- ONE will meet or exceed the City's goal of at least 40% MBE/ESB participation in the construction of the project and ongoing contracting opportunities post the issuance of a certificate(s) of occupancy for the proposed casino;
- In addition to the statutory tax revenue share the City will receive, ONE will make an additional annual payment of two percent of net gaming revenue to the City, estimated at \$5.3 million upon full operation;
- ONE will contribute \$30 million over ten years to education, workforce development, affordable housing, community partnerships and sponsorships;
- Urban One, as a part of the ONE project, is committing to provide the City with \$25,000,000 across all Urban One media assets to promote any City initiative (e.g., public service announcements, tourism, education) as they deem acceptable; and
- While we are a national multi-media powerhouse, we know Richmond. We are prepared to invest \$50,000,000 in radio, broadcast, and digital production at our on-site production studios and soundstage.

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The Partnership of Urban One and Peninsula Pacific Entertainment creates a gaming and entertainment powerhouse that is the perfect match for what Richmond is seeking. The ONE Development Team is fully committed to building a truly dynamic resort that Richmond can be proud of and call its own. With a consistent focus on outstanding quality, the array of upscale amenities, and exclusive worldwide entertainment, ONE will create a wave of excitement and act as a catalyst for tourism. We believe that if chosen, we will not only meet but exceed the Cities' expectations.

Sincerely,



Alfred Liggins, III  
President and CEO  
Urban One, Inc.



M. Brent Stevens  
Chief Executive Officer  
Peninsula Pacific Entertainment

# EXECUTIVE SUMMARY



## EXECUTIVE SUMMARY

As the Capital of the Commonwealth, Richmond is the heart of Virginia, and Urban One, Inc. and Peninsula Pacific Entertainment, LLC (“P2E”) are uniquely positioned to bolster Richmond’s coveted position by having the only destination casino resort built on the foundation of an entertainment powerhouse and a premier, award-winning casino development company. We can make this claim primarily for three reasons:

- (1) Urban One, Inc. as the largest diversified media company with a targeted demographic of Black and Urban consumers in the United States, is positioned to bring unmatched and exciting entertainment to the city of Richmond (the “City”); and as an award-winning casino development and management company for more than 20 years, P2E has successfully developed several best-in-class casino resort properties.
- (2) We have existing ties to Richmond that form the basis of our commitment to this project and this City – P2E is headquartered here and has invested over \$40 million to date in other gaming projects in the City, and Urban One’s, a part of the Richmond community since 1999, has leading radio stations located in the market include iPower Richmond 92.1fm, 104.1fm, Kiss 99.3fm, 105.7fm, and ESPN Richmond; and
- (3) Philanthropy is at the heart of what we do, and this project will allow us to give back to the people of Richmond in life-changing, transformational ways.

Urban One has a national reach coupled with a laser focus on the local communities that it serves. Urban One reaches consumers through its radio division, Radio One; television networks, TV One and CLEO-TV; digital platform, iOne Digital; syndication company, Reach Media; and integrated marketing company, One Solution. For over forty years, Urban One’s mission is to be the most trusted source that informs, entertains, and inspires its audience by providing culturally relevant integrated content through radio, television, and digital platforms. Each year, Urban One gives back to Richmond through its community events, monetary and in-kind donations.

Urban One positions its team of elite broadcasters, executives, producers, and talent to super-serve more than 82-percent of the African American community weekly and is a gateway to onboard the next generation of industry professionals and influencers.

Urban One chose to partner with P2E, an experienced casino development and management company, to bring this project to life. P2E combines more than twenty years in the gaming industry with its high-level managerial experience and investment expertise to pursue new development opportunities nationwide.

The key to P2E’s strategic growth is based on the application of successful analytic and forecasting tools. Through market studies, research and extensive analysis, we design solutions to add value to the communities where we operate. This includes increasing



value for the property investors and shareholders, providing exceptional guest service, demonstrating a commitment to team member work-life balance and providing support to community nonprofits with donations and volunteer service.

P2E has owned and operated premium gaming venues in New York, Iowa, Louisiana, and Virginia that focus on outstanding service and exceptional quality. Included in our portfolio is the famed Colonial Downs Racetrack in New Kent, Virginia and Rosie's Gaming Emporiums in Richmond, New Kent, Hampton, Vinton, and Dumfries, Virginia. Since opening our corporate offices in Richmond in 2018, P2E has donated more than \$1.1 million and logged more than 1,100 volunteer hours to local philanthropic organizations.

Together, we are proud to present our vision for the City's premier resort development. We will develop a \$521 million destination resort like no other. Before completing the resort, we will open a temporary facility on site to jumpstart employment. The transitional location and space allow us to develop a 900-slot machine, 20-table game facility with ample dining options and suitable parking to begin generating gaming tax and contributing to the local economy as soon as December 2023.

## INTRODUCING, ONE

Located just off exit I-95 in the Commerce Road industrial area, the property is primed for future economic development opportunities while having virtually no impact on the infrastructure.

In spirit, ONE is an upbeat celebration of Richmond's rich cultural and vibrant art scene. In body, ONE will be an unparalleled tourism destination, attracting visitors from all over the country with its energetic, diverse entertainment offerings. With more than 300,000 square feet, 150 luxurious hotel rooms, 90,000 square feet of casino gaming space, 12 unique bars and restaurants, a sportsbook, 20,000 square feet of event space, a live radio booth, and more, all sitting on 100 acres of well-preserved open green space with nature walks, bike trails and dog park; ONE is the total package.

ONE will usher in a whole new era of dining, entertainment, nightlife, and gaming to the great city of Richmond. The culinary additions will be unmatched and a true celebration of the rich heritage of Richmond's local, homegrown eateries.

Our marketing plan for the resort includes the introduction of the exclusive ONE Card. When visitors play at our property, they will earn points that will not only be valid for complimentary within the resort, but they can also be used to purchase goods and services at participating locations throughout Richmond.

This exciting resort will feature the Urban One broadcast booth driving the heartbeat of the property at the center of the casino.



The foundation of ONE will be its wide-ranging, live entertainment offerings. In order to bring truly unparalleled entertainment, ONE is in partnership with Live Nation, the global leader in live entertainment. Unrivaled, Live Nation produces more concerts, sells more tickets and connects more brands to music than anyone else in the world. ONE together with Live Nation will bring more than 200 live shows annually to the 3,000-capacity theater.

With the development of this project, the hospitality and tourism industry will directly and indirectly impact the growth of the local economy. Through a dramatic increase in both fiscal and social opportunities, ONE will transform Richmond's Southside. While ONE will deliver on their promise to drive tourism and grow tax revenue to the area, the benefits won't stop there. ONE will prioritize the procurement of local resources. From art to dining, to the creation of new job opportunities, ONE pledges their commitment to community growth. Furthermore, we will provide career opportunities through continued education programs, scholarships and on-the-job management training. ONE will bring more than just jobs; ONE will bring careers!

Finally, ONE is proud to already have the support of respected community organizations that share our vision for the project (see Letters of Support in Exhibit B.3.2) and we are confident that our list of endorsements will grow as more is learned about what we have in store for this beautiful city.

Together with the city of Richmond, ONE looks forward to taking this remarkable step towards the future.

## SIGNATURE ELEMENTS



### Overview: ONE

ONE will be an unparalleled tourism destination, attracting visitors from all over the country with its energetic, diverse offerings. Situated in an area of Richmond that's easy to get to, but won't disrupt other more congested areas, ONE is primed to be a true lodestone for the city.



### ONE Casino + Resort

With 90,000 square feet of casino gaming space including 1,500 slot machines, 100 tables games, a poker room, and a high-tech sportsbook, ONE Casino brings unrivaled gaming entertainment to Richmond. It will offer the latest and most popular slot machines titles, multi-denomination options, coinless wagering and cutting-edge technology for player tracking and advanced surveillance and management systems.





## Legacy Tower

Legacy Tower is a 4-Star, AAA 4-Diamond, 150-room hotel. Luxurious finishes wrap guests in the warm comfort of home while delivering an opulent escape.

For its design, Legacy Tower will look to Richmond's vibrant art scene to obtain works by local artists, further strengthening our commitment to Richmond. In each room well-appointed neutral finishes will be the comfortable backdrop to the bold art of Richmond's own, creating a truly unique, one-of-a-kind hotel experience.

Each room will be appointed with best-in-class amenities including web accessible 4K televisions, luxury bath products, robes & slippers, and in-room coffee makers. Premium rooms will boast panoramic views of Richmond's striking open green space along with stunning city views. Hotel guests will have easy access to Legacy Tower's Business Center and Fitness Room.



## Rise Theater™

A true entertainment destination, the 3,000 capacity Rise Theater will bring 200 live shows to Richmond each year, with an expected annual attendance of more than 250,000 people. Designed to be acoustically superior, Rise Theater will have state-of-the-art sound and world class lighting. From local and regional talent to national touring shows, from the next big thing to living legends, representing a wide range of genres and age demographics, we will surely have something for everyone.

To bring truly unsurpassed entertainment, ONE is in partnership with Live Nation, the global leader in live entertainment.



## The Best of Richmond

As one of the "top 10 foodie cities" in the entire country, Richmond's gastronomic scene is among the very best. ONE is committed to not only maintaining this level of dining, but will usher in a whole new era of dining, entertainment, nightlife, and gaming to the great city of Richmond. The culinary additions at ONE will be unmatched and a true celebration of Richmond's local, homegrown eateries. The addition of 12 unique restaurants and bars will bring all new concepts from some of Richmond's most beloved chefs and restaurateurs; including Chef Mike Ledesma of Perch, Lester Johnson of Mama J's, Chris Tsui of Eat Restaurant Partners, and Shane Roberts-Thomas of the famed Southern Kitchen in Jackson Ward. Along with Richmond's restaurant royalty, ONE's local offerings will also include several of Richmond's flourishing craft breweries, wineries and distilleries, creating a true celebration of local fare.

ONE's restaurant scene will be anchored by an inimitable dining experience that brings the best of local fare, street fair and music to Richmond. In this one-of-a-kind concept, live jazz music will carry the atmosphere as a pianist tickles the ivory keys or a drum corps marches through the open venue. The laid-back, fun vibe and casual setting will encourage guests to try a variety of the best in food and drink that Richmond has to offer.



## Glory Park

ONE is fully dedicated to developing the social, fiscal and environmental well-being of the area, and in doing so, realize the necessity of urban green space. ONE's lush, 20-acre green space initiative will include space for community gardens, miles of bike trails, a one acre festival lawn with a dedicated space for food trucks, a playground for all ages and abilities, large-breed and small-breed dog parks, six different fitness trails and a walk-through arboretum featuring Richmond's native plant and tree species. In addition to the park, a portion of the trails will wind through 30 acres of untouched, preserved wetlands, where lush greenery brimming with wildlife will provide a beautiful peek into Richmond's natural scenery.

Glory Park will be a place for families to relax, for people to gather, to exercise, to celebrate and to learn amid nature's splendors. It will be inclusive and open to all while remaining dedicated to the preservation of Richmond's precious natural landscape.



## Urban One Experience

For more than 40 years, Urban One has been the leading voice speaking to Black America. First, as the largest local urban radio network and syndicator of urban programming. Now, with the addition of its cable television networks and digital platforms, the largest African American owned distributor of urban content. Urban One reaches 82% of the African American community across the United States, delivering content that informs, entertains, and inspires its audience through its radio, television, and digital platforms.

ONE will have radio and television production studios including a 15,000 square foot sound stage on-site. As experts in the production and distribution of star-studded events such as Urban One Honors and the NAACP Image Awards, Urban One is confident that these assets will bring significant media production opportunities to Richmond. We are making an initial commitment of \$50,000,000 (\$5,000,000 per year for 10 years) in original programming production by Urban One's broadcast, radio, and digital companies. The studio will be instrumental in luring other audio and video production projects to Richmond.

The radio station on property will broadcast unique and original programming every week. ONE's broadcast framework not only spans from the leading Radio One stations in the market including iPower Richmond 92.1fm, 104.1fm, Kiss 99.3fm, 105.7fm, ESPN Richmond and, through a partnership with Summit Media, New Country K95, Classic Rock



96.5 103.7 PLAY, 100.9 JACK FM, G104.3fm and Sports 106.1fm; but will also include nationally syndicated shows such as D.L. Hughley, Rickey Smiley, Erica Campbell and more. The advertising value generated from this powerhouse group of media conglomerates is projected in the millions of dollars in exposure each year. The entire city of Richmond will benefit from this local, regional, and national spotlight.



## Community ONE<sup>1</sup>

We owe much of our success to those that have supported us along the way. As proud members of the Richmond business community, we know that now is the time to give back. Our philanthropic philosophy is guided by three core principles. First, we believe in channeling our charitable dollars to those communities and citizens who need it most. Second, we believe in diversifying our altruistic efforts across many platforms, in a multitude of ways to produce maximum impact. And finally, **we believe in strong partnerships with proven Richmond-based organizations and leaders that have deep ties into the communities in which they already serve.** We believe that this approach is the best way to achieve sustainable, growth-driven platforms of service.

Within that context, including an extensive Community Sponsorship program, and with an emphasis on traditionally overlooked segments of the broader community, we have organized Community ONE around four critical areas of need:

- **Education**
- **Workforce Development**
- **Affordable Housing**
- **Community Sponsorships**

### OUR PLEDGE:

**In association with this project, ONE will infuse \$30 million in charitable contributions, programs and initiatives into the Richmond community.** In addition, **ONE will contribute to the City an amount equal to two percent (2%) of net gaming revenue** annually, estimated at \$5.3 million upon full operation.

### PROJECT OBJECTIVES

As you will see in the following proposal, P2E was instrumental in the passing of several gaming referendums in the Commonwealth. As such, P2E has a deep understanding of the intricacies of gaming in this state and what it takes to create successful projects that synergistically grow the economy where they are based. Urban One has a track record

<sup>1</sup> In addition to other aspects of the project, we feel this entire Community ONE program is responsive to the City's request for ways in which we plan to positively impact the communities and neighborhood in close proximity.





of developing successful multi-format and multi-generational radio stations, cable television networks, and digital platforms.

We have drawn on this experience while planning the proposed Casino project. As this RFP response will illustrate in its totality, we are fully committed to achieving each of the City's objectives as outlined below:

***Induces capital and ongoing investment in the City to make a significant and lasting contribution to Richmond and the COMMUNITY.***

Approximately 3.6 million guests will visit ONE annually. Through introduction of our 'ONE Card-Unlimited Possibilities' player's club, casino guests will be able to earn points when they play on property. These points can be redeemed on property to purchase goods and services and, through this unique program, they can also be used at participating restaurants, hotels and retail stores in Richmond. This will encourage our visitors to explore Richmond, extending their economic impact. We are confident that introducing our guests to the city of Richmond and highlighting citywide amenities will be integral to our success. Today's casino visitor wants more than simply a night out gambling, they want multi-faceted entertainment that includes shopping, dining, seeing a show, and sightseeing.

We expect to work in tandem with the Greater Richmond Convention Center to provide unique experiences designed to bring in more business travelers. We feel strongly that our property, and the amenities that we offer, will be a strong determining factor when groups are deciding to come to Richmond versus another competing city.

We intend to build radio and broadcast production studios, as well as a 15,000 square foot sound stage, on site. Urban One will bring \$50,000,000 in production business to these spaces over the next 10 years. We will further use these spaces to attract additional radio and broadcast projects to Virginia, spurring job creation and incremental revenue to the City.

***Creates sustainable and well-paying jobs with benefits, new employment opportunities, and workforce training programs for Richmond residents.***

We will create nearly 1,500 sustainable jobs including benefits, and our non-tipped positions will start earning at \$15.00 per hour. Tipped positions will start at \$7.50 per hour. We believe that a living wage is the pathway out of poverty and creates stability as well as security for individuals and families. We will establish a profit-sharing plan for our team members to aid in building wealth, offsetting child-care needs and making housing more affordable.

In addition to our extensive in-house training, we have committed \$500,000 per year to workforce training programs in the city of Richmond. This includes, \$250,000 per year to Virginia Union University and \$150,000 per year to Reynolds Community College. Those



participating in the workforce development programs will learn leaderships skills and complete training in culinary, hospitality and various trades.

***Creates opportunities for upward economic mobility and wealth building for Richmond residents.***

### **Targeted Employment Opportunities**

We know that this project will have a profound impact on Richmond residents as it relates to economic mobility and wealth building. The primary driver for these outcomes will be the nearly 1,500 jobs in the gaming and hospitality space, which are growing industries with vast career opportunities for City residents. In addition, we have a detailed plan to recruit Richmond residents (see ONE's Supplier & Workforce Diversity Plan) and utilize existing community partners that can deliver wrap-around services to ensure broad-based access, particularly to traditionally underrepresented groups (see Community ONE, above).

### **Local Investors & Business Partners**

We have also deliberately sought out Richmond-based investors (see Investor List starting in Section A.2.B) and business partners, including Richmond-based restaurateurs that will directly benefit from the ONE's economic success.

***Acts as a catalyst for additional economic development in the City and enhances the City's economic and community development objective.***

This project will generate significant economic impact in the City economy, supporting thousands of new jobs. The Economic Impact Study prepared by Chmura estimates by 2026, the total annual economic impact (direct, indirect, and induced) of the resort casino will reach \$526.4 million (in 2026 dollars) that will support 2,399 jobs in the city of Richmond.

The proposed resort casino can contribute significant tax revenues to the city and state governments. From casino operations and visitor spending, the resort casino will generate an estimated \$41.7 million in tax revenue to the city government. ONE will also contribute another \$8.4 million to support the city government and other non-profit organizations based in the city. Those economic and fiscal impacts are sustainable and will recur each year.

In addition, from 2022 through 2024, the cumulative economic impact (direct, indirect, and induced) of construction is estimated to be \$187.4 million in the City, with an estimated \$141.2 million directly spent in the City. The construction activities of the Richmond resort casino are estimated to support 375 jobs per year in the city of Richmond. The construction activities will also contribute an estimated \$5.8 million in annual state and local tax revenue during this period.





***Contributes to the City's efforts to attract sustainable economic benefits from tourism.***

As previously noted, the resort will host approximately 3.6 million annual visitors. When guests arrive at ONE their entertainment, shopping and culinary experiences will be extraordinary. However, our relationships with local businesses, cross-promotions and our players card program will entice our visitors to explore Richmond to find local restaurants, shops and entertainment venues.

At the center of the gaming floor, will be a state-of-the art radio broadcast center which will feature a live on-air broadcast that will produce powerful media value. The value of this advertising is measured in the millions of dollars annually and the entire city of Richmond will benefit from this significant advertising exposure. The broadcast center will be a draw to the property where visitors can meet their favorite on-air personalities, and the many celebrity guests that will do in-studio interviews.

The 3,000 capacity Rise Theater's diverse entertainment schedule will drive Richmond visitation. With over 200 shows and an estimated 250,000 tickets sold annually ONE will significantly contribute to the City's efforts to attract sustainable benefits from tourism.

In addition, Urban One is committing to provide the City with \$25,000,000 across all Urban One media assets to promote any City initiative (e.g., public service announcements, tourism, education) as they deem acceptable.

***Maximizes the economic impact of the project by including components in addition to gaming – e.g., hotel, non-gaming entertainment options, other commercial activities.***

We expect a project timeline that creates jobs and tax revenues for the City starting as early as December 2022 with the opening of a temporary casino while the permanent casino is being constructed. The temporary casino will create a total economic impact (direct, indirect and induced) of \$221.1 million, supporting over 1,122 jobs in the City. The temporary operations and visitor spending is expected to contribute an estimated \$16.5 million in tax revenues for Richmond.

As previously noted, the resort will include radio and broadcast production studios, as well as a 15,000 square foot sound stage, on site. Urban One will bring \$50,000,000 in production business to these spaces over the next 10 years. We will further use these spaces to attract additional radio and broadcast projects to Virginia, spurring job creation and incremental revenue to the City. Urban One has committed to spend \$5 million annually to produce media content for our Urban ONE experience.



***Supports the City's mission to facilitate, produce, and advance opportunities for minority business enterprises (each an "MBE") and emerging small businesses (each an "ESB"), both as defined by Chapter 21 of the Richmond City Code, to successfully participate in the full array of contracting opportunities available in the city of Richmond.***

By dedicating resources, executing on its plan which includes connecting with the community, working to build MBE/ESB capacity and ensuring contract compliance (see ONE's Supplier & Workforce Diversity Plan), ONE will meet or exceed the City's goal of at least 40% MBE/ESB participation in the construction of the project and ongoing contracting opportunities post the issuance of a certificate(s) of occupancy for the proposed casino.

***Adds to and supports the existing Richmond entertainment community.***

The 3,000 capacity Rise Theater will host more than 200 nights of live entertainment annually, from local favorites to international superstars, Broadway to cultural exhibits and national touring shows, comedians, celebrity appearances and live podcasts. To ensure that we can attract the best acts to Richmond we have partnered with Live Nation, the global leader in live entertainment. Unrivaled, Live Nation produces more concerts, sells more tickets, and connects more brands to music than anyone else in the world. Bringing 40,000 shows and 100+ festivals to life and selling 500 million tickets per year is a massive undertaking, made possible by their 44,000 employees worldwide.

We have seen firsthand that when we produce schedules of this magnitude, the entire area becomes an entertainment hub. We are confident that we will see these synergies in Richmond as well. Bars, restaurants, and event centers throughout the area will host more shows too. We are certain that on major show nights, Richmond will be the place to be. Citywide hotels, retail stores, bars and restaurants will be bustling with activity before and after the show.



**Provides a high-quality development of which Richmond can be proud.**

P2E has a successful track record of working with local communities and developing strong regional brands. Our properties throughout the country have won hundreds of awards including:

- 3-time winner of USA Today's 10 best casinos in the country award
- AAA 4-Diamond Awards for multiple properties
- Casino Entertainment Awards – Arena/Amphitheater of the Year Award
- Casino Player Magazine – dozens of best of gaming awards



Our intention for Richmond is just as grand. The moment a guest arrives, they will feel the quality and uniqueness of the property. The restaurant experience will present the finest Richmond has to offer and Glory Park will preserve much needed green space for all to enjoy. Our entertainment experience and affiliation with Live Nation will allow us to offer the best in entertainment, cultural exhibits and shows, Broadway productions and national touring comedians. Nationally syndicated shows will be broadcast from our radio station on property. Television and digital production studios will help bring television and movie production to Virginia.

***Is located in an area supported by the community as an appropriate location for a casino.***

The 100-acre site located off I-95 in the Commerce Road industrial area is the perfect location for ONE. It is only five miles from downtown Richmond without the infrastructure pressure on traffic and causes no impact on existing residential areas.

The expanse of the site allows us to be first to market utilizing a temporary casino to generate jobs, benefits and tax revenue for the citizens of Richmond.

Finally, the property also affords the opportunity to provide the community a significant expanse of recreation space to include walking and biking trails, dog parks, a children's play area suitable for all ages and abilities, a community garden, and a large open multi-use lawn space which can accommodate events throughout the year.

***Mitigates any potential adverse impacts on the City and its residents – particularly the neighborhoods in close proximity to the Casino.***

Independent third-party consultants were commissioned to study the potential social impacts and infrastructure improvements that may be required of our proposed casino resort. We are pleased to report that our project and site will not require any infrastructure improvements, bolstering our stated goal to be operational quickly. Our project site and design were purposefully curated to enhance the surrounding neighborhood, especially with the addition of our Glory Park.

We are also encouraged that the social impact study identified only minimal potential stressors on Richmond area services and agencies resulting from our project. We will mitigate and minimize such impacts through best-in-class business practices and by generating funding streams to support organizations in need.

***Provides resources and additional revenues to the City that can be utilized to address important needs such as public education, affordable housing, and public infrastructure.***

We recognize that support comes in many forms, and that, traditionally, it has been harder to come by for some, more than others. For this reason, our philosophy on philanthropy is threefold. First, we believe in channeling our charity to those communities



and citizens who need it most. Second, we believe in diversifying our altruistic efforts across many platforms, in a multitude of ways. And finally, it's about being present in the community and creating sustainable, growth-driven platforms of service.

Therefore, ONE has committed to providing **\$30 million over 10 years** to deserving nonprofits that make a positive impact on the causes that matter most to Richmond. Distribution has been designated as follows:

- \$900,000 annually to Education Programs;
- \$500,000 annually to Workforce Programs;
- \$1,000,000 annually to Public Housing Assistance Programs; and
- \$600,000 annually to Community Partnerships ranging from the Metropolitan Business League to the Black History Museum.

Having met your objectives for this project as thoughtfully outlined above, as well as providing a preview video with vibrant highlights of our exciting development project, we now invite you to review our thorough response to the Request for Qualifications/Proposals. We are confident that you will agree that ONE is the right choice for the great city of Richmond.

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# SECTION A: APPLICANT'S QUALIFICATIONS & EXPERIENCE

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## A.1. NAMES & ALL CONTACT INFORMATION

Representative / email address / business mailing address / phone / fax for point(s) of contact.

### APPLICANT'S RESPONSE:

<p>Alfred C. Liggins, III, President and CEO Urban One 1010 Wayne Avenue, 14th Floor Silver Spring, Maryland 20910 Redacted Redacted</p>	<p>M. Brent Stevens, CEO Peninsula Pacific Entertainment 800 East Canal Street, Suite 1901 Richmond, VA 23219 Redacted Redacted</p>
<p>Kristopher Simpson, SVP and GC Urban One 1010 Wayne Avenue, 14th Floor Silver Spring, Maryland 20910 Redacted Redacted</p>	<p>Jonathan Swain, President Peninsula Pacific Entertainment 800 East Canal Street, Suite 1901 Richmond, VA 23219 Redacted Redacted</p>
<p>Karen Wishart, CAO Urban One 1010 Wayne Avenue, 14th Floor Silver Spring, Maryland 20910 Redacted Redacted</p>	<p>Peter Thompson, CFO Urban One 1010 Wayne Avenue, 14th Floor Silver Spring, Maryland 20910 Redacted Redacted</p>
<p>Mary Ellen Kanoff, SVP Peninsula Pacific Entertainment 800 East Canal Street, Suite 1901 Richmond, VA 23219 Redacted Redacted</p>	<p>Natalie Schramm, CFO Peninsula Pacific Entertainment 800 East Canal Street, Suite 1901 Richmond, VA 23219 Redacted Redacted</p>

<p>Aaron Gomes, COO Peninsula Pacific Entertainment 800 East Canal Street, Suite 1901 Richmond, VA 23219 Redacted Redacted</p>	<p>Dustin Manternach, CAO Peninsula Pacific Entertainment 800 East Canal Street, Suite 1901 Richmond, VA 23219 Redacted Redacted</p>
<p>Karanja Augustine, SVP and GC Peninsula Pacific Entertainment 800 East Canal Street, Suite 1901 Richmond, VA 23219 Redacted Redacted</p>	<p>Stefan Huba, CDO Peninsula Pacific Entertainment 800 East Canal Street, Suite 1901 Richmond, VA 23219 Redacted Redacted</p>

Key point of contact for the RFP:

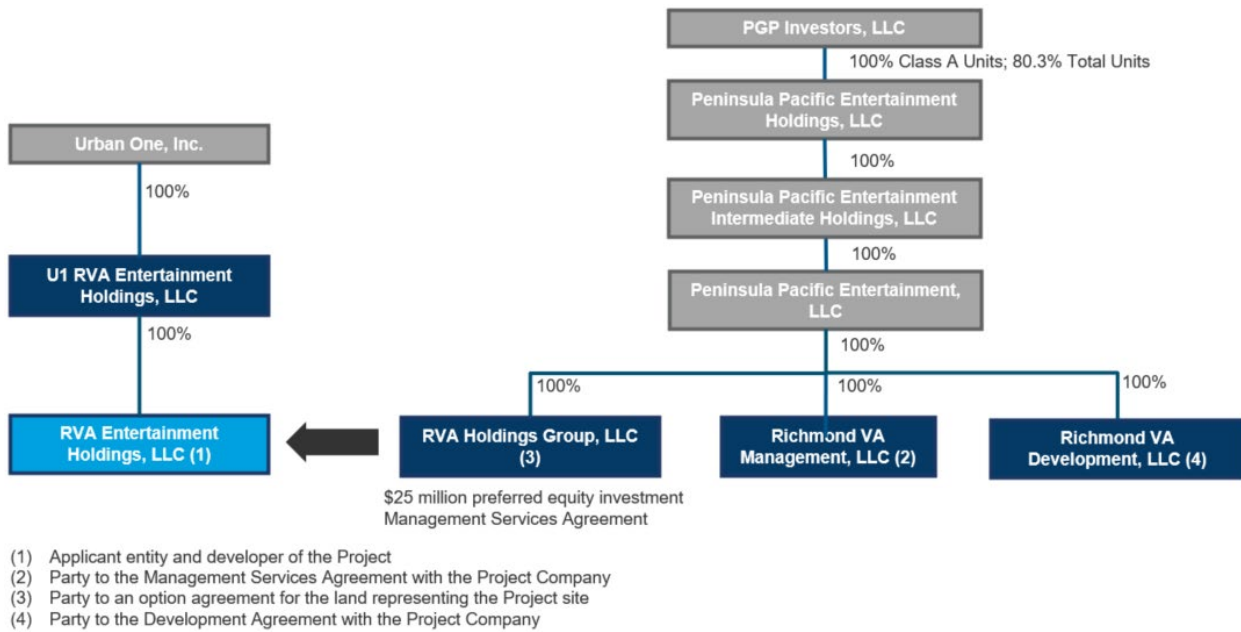
Jamie Hartman  
Peninsula Pacific Entertainment  
800 East Canal Street, Suite 1901  
Richmond, VA 23219  
Redacted  
Redacted

## A.2. DESCRIPTION OF THE APPLICANT & ALL PARTNER ENTITIES

Description of the Applicant and all of its partner entities, including company organizational structure, all officers, directors, members, partners, beneficiaries, key personnel, including for each entity:

### APPLICANT'S RESPONSE:

The organizational structure for the Applicant is as follows:



The Applicant will be controlled by U1 RVA Entertainment Holdings, LLC, a subsidiary company of Urban One, Inc. and developed and managed by Richmond VA Development LLC and Richmond VA Management LLC, wholly owned subsidiaries of Peninsula Pacific Entertainment LLC. A list of the officers, directors, members, partners, beneficiaries and key personnel for each entity is listed in the chart below:

Name	Designation
<b>APPLICANT ENTITY</b>	
RVA Entertainment Holdings, LLC**	Beneficiary
<b>CONTROLLING INTEREST AND OWNERSHIP</b>	
Urban One, Inc. U1 RVA Holdings, LLC Alfred C. Liggins, III* Peter D. Thompson Karen Wishart* Catherine L. Hughes* Terry Jones* Brian McNeill Doyle Mitchell* Public Shareholders of Urban One, Inc. Alfred C. Liggins III, personal holdings* Minority Investment Group**	Beneficiary Beneficiary Officer, Director, Beneficiary, Key Personnel Officer, Beneficiary, Key Personnel Officer, Key Personnel Director, Beneficiary Director, Beneficiary Director, Beneficiary Director Beneficiary Officer, Director, Beneficiary, Key Personnel Beneficiary
<b>MANAGER AND DEVELOPER</b>	
<u><b>Peninsula Pacific</b></u> PGP Investors, LLC Peninsula Pacific Entertainment Holdings, LLC Peninsula Pacific Entertainment Intermediate Holdings, LLC Peninsula Pacific Entertainment, LLC Richmond V A Management, LLC Richmond V A Development, LLC M. Brent Stevens Jonathan Swain Natalie Schramm Mary Ellen Kanoff David Schwartz Andrew Whittaker Eaton Vance Boston Income Fund Smaller Investment Holders of PGP Investors LLC	Beneficiary Beneficiary Beneficiary Beneficiary Beneficiary, Manager Beneficiary, Developer Officer, Director, Beneficiary, Key Personnel Officer, Director, Beneficiary, Key Personnel Officer, Director, Beneficiary, Key Personnel Officer, Beneficiary, Key Personnel Beneficiary Beneficiary Beneficiary Beneficiary

\* Individual is a minority

\*\* See response in Section A.2.a below for details

Development Team and Operating Partners			
Role	Company/Individual	Richmond Based Companies	Minority Owned Business/ Owners
Lead Architect	Baskervill	√	
Design Architect	Friedmutter		
General Contractors	Penta Building Group		
	Hourigan	√	
	Team Henry	√	√
Engineering	Timmons Engineering	√	
Banking and Vault Services	Atlantic Union Bank	√	
Diversity and Workforce Development	JMI	√	√
Dining	Lester Johnson Jr.	√	
	Johnny Giavos	√	
	Mike Ledesma	√	
	Shane Roberts-Thomas	√	√
	Chris Tsui	√	√
Live Entertainment	Live Nation		
	Urban One		√
	Peninsula Pacific Entertainment	√	
Project Financing	Credit Suisse		

For additional details on the development team and operating partners please refer to Exhibit A.2.1

*a. Minority-Owned Business Status*

*Indicate whether the Applicant or any partner entity is a minority-owned business as defined in Va. Code § 2.2-1604 and any commitment from the Applicant to solicit equity investment in the proposed casino gaming establishment from one or more minority-owned businesses and any commitment to solicit contracts with minority owned businesses for the purchase of goods and services.*

**APPLICANT'S RESPONSE:**

**Minority Ownership**

RVA Entertainment Holdings, LLC, (ONE), will be a minority-owned business (MBE) pursuant to Va. Code § 2.2-1604.

ONE has solicited equity investment in the proposed casino project from a multitude of minority business owners, including MBEs, and local entrepreneurs (see Investor list below).





The common equity required for the project is being committed 80% by Urban One, Inc., 10% by Alfred C. Liggins, III personally and 10% by minority and local investors with no individual minority or local investor holding a direct or indirect pecuniary interest greater than 1%. We are excited to include the following individuals as investors in our project:

Minority Investment Group			
Investor	Description	Minority Group Member	Local
Amin, Neil	Business Owner	√	√
Ampy, Ken	Business Owner	√	√
Bailey, Emmanuel	Business Owner	√	
Baine, Ed	Business Professional	√	√
Barahona, Amy	Business Professional	√	√
Bobb, Robert	Business Professional	√	√
Brown, Carlos	Attorney	√	√
Burrell, Carleen	Community Advocate/Business Owner	√	√
Covington, Damien	Physician	√	√
Cummings, Greg	Business Professional	√	√
Dean, Andre	Business Professional	√	√
Dixon, Craig	Business Owner	√	
Elliott, Missy	Entertainer & Business Professional	√	
Epps, Charles	Business Professional	√	√
Foster, Moses	Business Owner	√	√
Friend, Wilson	Business Professional	√	√
Fuller, Wendell	Business Owner	√	√
Fulton, Brian K.	Business Owner	√	√
Gee, Donald	Attorney	√	√
Gould-Champ, Patricia	Faith Leader/Community Advocate	√	√
Hallock, David	Attorney		√
Harris, Monroe	Physician	√	√
Henry, Devon	Business Owner	√	√
Hourigan, Mark	Business Owner		√
Jackson, B. Keith	Attorney	√	√
Johnson, Darius	Business Professional	√	√
Johnson, Kenneth	Business Owner	√	√
Johnson, Lester	Business Owner	√	√
Johnson-Williams, Tara	Physician	√	√

(continued on the following page)

**(Minority Investor List continued)**

<b>Minority Investment Group</b>			
<b>Investor</b>	<b>Description</b>	<b>Minority Group Member</b>	<b>Local</b>
Jones, Kevin	Business Professional	√	√
Jordan, Nicholas	Business Owner	√	√
Lamar, Andrew	Business Owner		√
Lawrence, Clovia	Business Professional	√	√
McCoy, Ed	Business Owner	√	√
McKinney, Willie	Business Professional	√	√
Mosby, Michelle	Community Advocate/Business Owner	√	√
Newman, Johnny	Business Owner	√	√
Powell, Michael	Business Professional	√	
Robinson, Danny	Business Professional	√	√
Royal, Frank	Retired Physician	√	√
Royal, Pamela	Retired Business Profession	√	√
Royal, Pamela K	Physician	√	√
Speller, Lisa	Business Professional	√	√
Stone, Jackie	Attorney	√	√
Sutherland, Immanuel	Business Professional	√	√
Sutton, Charles	Business Owner	√	√
Thomas, Eugene	Business Owner	√	√
Thomas, Malcolm	Business Owner	√	√
Tsui, Chris	Business Owner	√	√
Waldo, Todd	Community Advocate	√	√
Walker, Rob	Attorney	√	√
Williams, Germaine	Business Professional	√	

**Minority Contracting Opportunities**

To fulfill the promise of broad-based opportunity and prosperity for underrepresented minorities arising from the multi-million-dollar construction and operation of a destination resort casino in the City, ONE has assembled a team with an unparalleled ability to deliver a product that will inure to the benefit of so many individuals, organizations and businesses that have traditionally been shut out of transformational projects like the one we are proposing herein.



## The ONE Diversity Team - Leadership, Experience, Know-How

### Urban One

Urban One has over 40 years of experience being a champion for the inclusion of black people in all facets of the American experience, including the business world. Diversity is at the heart of every business decision that Urban One makes and that purpose-driven leadership is a crucial, but often overlooked, component of the success on any diversity, equity, and inclusion initiative.

### P2E

P2E develops and operates premium gaming venues that focus on outstanding service and exceptional quality. The company has more than 20 years in the gaming and hospitality industries with high-level managerial experience and investment expertise. P2E has experience monitoring large-scale casino development projects with robust diversity goals. Simply put, P2E's in-house expertise around public and private procurement diversity programs designed to increase the participation of traditionally underrepresented minorities is unmatched in the gaming industry.

### JMI

JMI is a Richmond-based, MBE that has intimate knowledge, expertise, know-how, and experience with implementing programs aimed at the meaningful inclusion of MBEs in Richmond projects. Their understanding of the marketplace, access to qualified MBEs, and past successes and failures, are invaluable to the achievement of ONE's diversity and inclusion goals.

### The Plan

Minority contracting opportunities on the ONE project will be significant. To meet or exceed the City's goal of at least 40% MBE and emerging small business (ESB) participation in the construction of the project and ongoing contracting opportunities post the issuance of a certificate(s) of occupancy for the project, ONE will implement its comprehensive Supplier & Workforce Diversity Plan (see Exhibit B.3.1). The ONE Supplier & Workforce Diversity Plan adopts a "Dollar One/Top Down" approach that provides for significant and meaningful diverse business participation at each level of the development process -- beginning with the casino's ownership (see chart 2b below); to requiring minority participation as a part of its prime/general contractor construction team; to providing for significant MBE/ESB subcontracting opportunities across the building and professional trades during construction; as well as also providing post construction subcontracting opportunities to MBE/ESB during casino operations.



b. Ownership Percentage

Identify every person or entity having a greater than 1% direct or indirect pecuniary interest in the project or casino operation. If an Applicant has a pending registration statement filed with the Securities and Exchange Commission, only the names of those persons or entities holding interest of 5% or more must be provided.

**APPLICANT'S RESPONSE:**

The following will have a direct or indirect pecuniary interest in the project or casino operation:

Name / Entity
<b>Direct Owners of 1% or more of the Casino Operation</b>
<p><b><u>Applicant Entity</u></b> RVA Entertainment Holdings, LLC</p> <p><b><u>Urban One</u></b> Urban One, Inc. U1 RVA Holdings, LLC Alfred C. Liggins, III Catherine L. Hughes Eric Semler TCS Capital Management, LLC Dimensional Fund Advisors, LP</p> <p>Alfred C. Liggins, III, personal holdings</p>
<b>1% or More Pecuniary Interest in the Casino Operation</b>
<p><b><u>Peninsula Pacific</u></b> PGP Investors, LLC Peninsula Pacific Entertainment Holdings, LLC Peninsula Pacific Entertainment Intermediate Holdings, LLC Peninsula Pacific Entertainment, LLC Richmond VA Management, LLC Richmond VA Development, LLC M. Brent Stevens Chris and Mary Ellen Kanoff David Schwartz Andrew Whittaker Eaton Vance Boston Income Fund</p>

c. *Criminal Offenses Disclosure*

Indicate whether any individual listed has been indicted, convicted, pleaded guilty or nolo contendere or forfeited bail concerning any criminal offense under the laws of any jurisdiction either felony or misdemeanor (except for traffic violations), including the date, name and location of the court, arresting agency and prosecuting agency, the case number, the offense, the disposition and the location and length of incarceration.

**APPLICANT'S RESPONSE:**

Please see Exhibit A.2.2 for the response.

d. *Prior and Current Licensing by Gaming Authorities or Commissions*

Indicate whether any individual listed has previously been licensed by a gaming authority or commission or is currently licensed by a gaming authority or commission.

**APPLICANT'S RESPONSE:**

The following individuals have been or are currently licensed by a gaming authority or commission:

Alfred C. Liggins, III	Maryland Lottery and Gaming Commission
Catherine L. Hughes	Maryland Lottery and Gaming Commission
M. Brent Stevens	Iowa Racing and Gaming Commission Louisiana State Racing Commission Louisiana Gaming Control Board Kansas Racing and Gaming Commission Virginia Racing Commission New York State Gaming Commission
Jonathan Swain	Iowa Racing and Gaming Commission Louisiana State Racing Commission Louisiana Gaming Control Board Kansas Racing and Gaming Commission Virginia Racing Commission New Jersey Casino Control Board New York State Gaming Commission Clark County (Nevada) Commission

Natalie Schramm	Iowa Racing and Gaming Commission Louisiana State Racing Commission Louisiana Gaming Control Board Kansas Racing and Gaming Commission Virginia Racing Commission New York State Gaming Commission Illinois Gaming Board
Andrew Whittaker	Iowa Racing and Gaming Commission Louisiana State Racing Commission Louisiana Gaming Control Board Kansas Racing and Gaming Commission Virginia Racing Commission New York State Gaming Commission
Mary Ellen Kanoff	Iowa Racing and Gaming Commission Louisiana Gaming Control Board Louisiana State Racing Commission Virginia Racing Commission New York State Gaming Commission
Chris Kanoff	Iowa Racing and Gaming Commission Louisiana Gaming Control Board Louisiana State Racing Commission Virginia Racing Commission New York State Gaming Commission
Aaron Gomes	ACT Australia Gaming Commission Indiana Gaming Commission Louisiana Gaming Control Board Kansas Racing and Gaming Commission Virginia Racing Commission New York State Gaming Commission New Jersey Gaming Commission Queensland Australia Gaming Commission
Dustin Manternach	Iowa Racing and Gaming Commission Louisiana Gaming Control Board Kansas Racing and Gaming Commission Virginia Racing Commission New York State Gaming Commission
Stefan Huba	Illinois Gaming Commission Indiana Gaming Commission Iowa Racing and Gaming Commission Kansas Racing and Gaming Commission

Virginia Racing Commission  
New York State Gaming Commission

Karanja Augustine

New York State Gaming Commission  
Virginia Racing Commission

*e. Gaming License Denials*

*Indicate whether any individual listed has previously been denied a license by any gaming authority or commission, as well as details of the application and denial.*

**APPLICANT'S RESPONSE:**

No listed individual has been previously denied a license by any gaming authority or commission.

*f. Gaming License Suspensions*

*Indicate whether any individual listed has previously had a license by any gaming authority or commission suspended, revoked or not renewed and a statement describing the action, including the licensing authority, date each such action was taken, and the reason for such action.*

**APPLICANT'S RESPONSE:**

No listed individual has previously had a license by any gaming authority or commission suspended, revoked or not renewed.

*g. Bankruptcies or Debts*

*Indicate whether any individual or entity listed herein has ever filed or had filed against it a proceeding in bankruptcy or has ever been involved in any formal process to adjust, defer, suspend or otherwise work out the payment of any debt including the date of filing, the name and location of the court, the case and number of the disposition.*

**APPLICANT'S RESPONSE:**

No individual or entity listed herein has ever filed or had filed against it a proceeding in bankruptcy or has ever been involved in any formal process to adjust, defer, suspend or otherwise work out the payment of any debt.



*h. Tax Filing and/or Payment Disputes*

*Indicate whether any individual or entity listed herein filed or been served with a complaint or other notice filed with any public body, regarding the delinquency in the payment of, or a dispute over the filings concerning the payment of, any tax required under federal, state or local law, including the amount, type of tax, the taxing agency and time periods involved.*

**APPLICANT'S RESPONSE:**

No individual or entity listed herein filed or been served with a complaint or other notice filed with any public body, regarding the delinquency in the payment of, or a dispute over the filings concerning the payment of, any tax required under federal, state or local law.

*i. State and City Officers/Employees with Beneficial Interests*

*List the names and titles of all officers and employees of the Commonwealth of Virginia, the city of Richmond, or any political subdivision or other unit of state or local government in Virginia, as well as all blood or in-law relatives of such officers and employees, who, directly or indirectly, own any financial interest in, have any beneficial interest in, are the creditors of or hold any debt instrument issued by, or hold or have any interest in any contractual or service relationship with, the Applicant or any of its partner entities.*

**APPLICANT'S RESPONSE:**

The Applicant is unaware of any officers and employees of the Commonwealth of Virginia, the city of Richmond, or any political subdivision or other unit of state or local government in Virginia, as well as all blood or in-law relatives of such officers and employees, who, directly or indirectly, own any financial interest in, have any beneficial interest in, are the creditors of or hold any debt instrument issued by, or hold or have any interest in any contractual or service relationship with Applicant or any of its partner entities.





### A.3. APPLICANT'S EXPERIENCE

A description of Applicant's experience during the last five (5) years in designing, developing, or operating destination resort casino projects. For each project, include:

- a. Name and location.
- b. Total development cost.
- c. Gaming mix (# of slot machines, table games, other).
- d. Total gross gaming revenues for each of last 3 years.
- e. List and size of non-gaming amenities.
- f. Number of hotel rooms, if applicable.
- g. Total gross non-gaming revenues for each of last 3 years.
- h. To the extent such information exists, percentage of visitors from within the geographic region compared to percentage of visitors from outside of the geographic region.
- i. Employment
  1. Total employment (FTE) and average salary.
  2. Description of any efforts towards minority and local hiring.
  3. Description of job training partnerships and collaboration.
  4. Benefits provided and opportunities made available to employees, such as, but not limited to:
    - i. Health insurance;
    - ii. Retirement benefits;
    - iii. Training and advancement opportunities;
    - iv. Economic mobility through ownership opportunities;
    - v. Childcare; and
    - vi. Housing assistance.
- j. Efforts towards environmentally friendly and sustainable development and operation.

### APPLICANT'S RESPONSE:

On the following pages, the requested information is provided for the following properties:

- Hard Rock Hotel & Casino – Sioux City, Iowa
- Kansas Crossing Casino + Hotel – Pittsburg, Kansas
- del Lago Resort + Casino – Waterloo, New York
- Colonial Downs Racetrack and Rosie's Gaming Emporiums® at Colonial Downs – Various Locations, Virginia
- Diamond Jacks Casino & Hotel – Bossier City, Louisiana

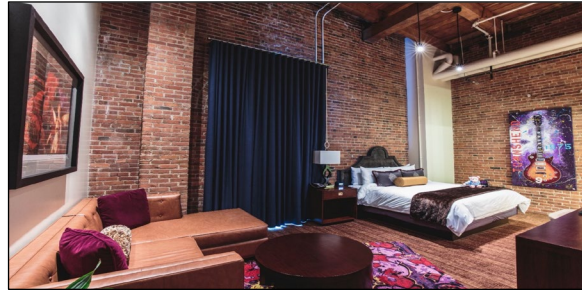
### Hard Rock Hotel & Casino Sioux City – Sioux City, Iowa

Set in a former train station overlooking the Missouri River, the Hardrock Hotel & Casino Sioux City offers a premier entertainment destination for experimental souls from all walks of life. Located in the historic Battery Building our state-of-the-art casino, boutique-style hotel, live entertainment venues and world-class amenities ensure legendary nights of unforgettable memories. The property was opened in August 2014.

Hard Rock Hotel & Casino Sioux City, Sioux City, Iowa			
<b>Development Cost</b>	\$130 million		
<b>Gaming Mix</b>	Slots: 839 Live Tables: 26 Hard Rock Sportsbook		
<b>GGR Last 3 Years</b>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
	\$78M	\$77M	\$56M
<b>Non-Gaming Amenities</b>	3 restaurants, 3 bars, showroom, outdoor venue, retail shop Outdoor pool: 6,300 sq. ft. with seating for 26 Main + Abbey: AAA Three Diamond, 6,000 sq. ft inside with 144 seats 2,992 sq. ft. and 112 seats outside on patio World Tour Buffet: 9,450 sq. ft. with 196 seats Fuel American Grill: 1,375 sq. ft. with 42 seats Sports Bar Lounge: 2,044 sq. ft. with 48 seats Yards Bar: 874 sq. ft. with 28 seats Anthem Bar: 1,500 sq. ft. with 44 lounge seats around the bar Rock Shop & 100 Piece Music Memorabilia Collection Anthem Entertainment Venue: 9,000 sq. ft. with GA capacity of 900, seated 476 Battery Park Outdoor Amphitheater: 65,280 sq. ft. with 7,000 GA capacity		
<b>Hotel and Rooms</b>	Hard Rock Hotel (AAA Four Diamond Award) – 50 boutique rooms ranging in size from 350 sq. ft. to 950 sq. ft. Hotel lobby/waiting area: 1,620 sq. ft. with 8 lounge seats.		
<b>Gross Non-Gaming Revenue</b>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
	\$17M	\$15M	\$7M
<b>FTE's</b>	375		
<b>Average Salary</b>	\$33,700		
* Reflects COVID-19 Pandemic Impact			







### Kansas Crossing Casino + Hotel – Pittsburg, Kansas

At the intersection of Highways 69 and 400 strategically near the borders of neighboring Missouri, Oklahoma and Arkansas, sits Kansas Crossing Casino + Hotel, Southeast Kansas' top entertainment destination. Food and beverage offerings include Two Brothers Mining Co. – an enticing menu that includes all of today's favorites, Bronco Bar - offering specialty drinks and live entertainment, and The Corral - the top entertainment venue in the region. Attached to the Kansas Crossing Casino is the 124 room Hilton-flagged Hampton Inn.

Kansas Crossing Casino + Hotel – Pittsburg, Kansas			
<b>Development Cost</b>	\$80 million		
<b>Gaming Mix</b>	Slots: 625 Live Tables: 16		
<b>GGR Last 3 Years</b>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
	\$42M	\$43M	\$31M
<b>Non-Gaming Amenities</b>	Two Brother's Mining Company: 7,986 sq. ft. with 130 seats Bronco Bar: 3,696 sq. ft. with 40 seats The Corral: Multi-Purpose Venue (Wedding, Trade Show, Concerts, Wrestling, MMA, Boxing, Corn Hole Tournaments) - 250 people for dinner - 450 people for seated shows - 675 people for standing shows - 2,000 people for an outdoor show		
<b>Hotel and Rooms</b>	Hilton's Hampton Inn – 124 Rooms		
<b>Gross Non-Gaming Revenue</b>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
	\$4M	\$4M	\$2M
<b>FTE's</b>	235		
<b>Average Salary</b>	\$34,250		
* Reflects COVID-19 Pandemic Impact			





**del Lago Resort + Casino – Waterloo, New York**

Located in upstate New York and opening in 2017 at a cost of \$440 million, del Lago Resort & Casino instantly became the region's hottest entertainment destination. With an unparalleled mix of amenities including award-winning restaurant Portico by celebrity Chef Fabio Viviani, The Vine, a 2,400 seat venue voted Showroom of the Year, and state-of-the-art Spa del Lago with 14 treatment rooms, full salon and retail boutique, del Lago Resort & Casino was voted Top 5 in the Country in the 2019 Reader's Choice Travel Awards. It also offers a luxurious AAA Four Diamond 200+ room hotel, an impressive business center, convention space, retail shops and other locally inspired and national branded restaurants.

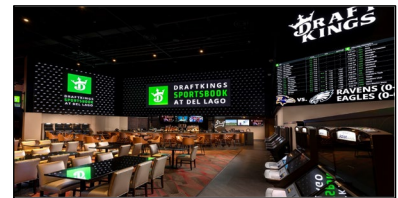
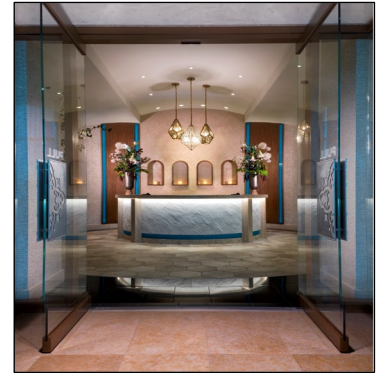
As the Finger Lake's #1 Casino, del Lago Resort & Casino offers only the very best in gaming including the newest slot machines and top-rated gaming tables coupled with the industry's most responsible gaming programs.

The chart on the following page provides additional requested information.



del Lago Resort + Casino – Waterloo, New York			
<b>Development Cost</b>	\$440 million		
<b>Gaming Mix</b>	Slots: 1,650 Live Tables: 80 DraftKing's Sportsbook		
<b>GGR Last 3 Years</b>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
	\$181M	\$186M	\$68M
<b>Non-Gaming Amenities</b>	Portico by Fabio Viviani: 5,705 sq. ft. with 210 seats The Farmer's Market Buffet: 6,503 sq. ft. with 285 seats The Sociale: 4,335 sq. ft. Savor NY by Mackenzie-Childs: 2,303 sq. ft. with 50 seats Centrifico: 2,296 sq. ft. Food Court: 4,152 sq. ft. with 134 seats - Ciccino's Pizzeria - Thai Mii Up Express - Smashburger Galleria del Lago (Citizen, Vera Bradley): 5,000 sq. ft. The Vine Showroom: 60,000 sq. ft. DraftKing's Sportsbook & Grille: 6,100 sq. ft. with 185 seats Del Lago Spa: 10,500 sq. ft. - Fitness Center: 1,810 sq. ft. Convention & Business Center: 40,000 sq. ft. Salo da Ballo (Ballroom): 3,721 sq. ft.		
<b>Hotel and Rooms</b>	del Lago Hotel – 205 Rooms (Top 5 in the Country USA Today Reader's Choice Awards)		
<b>Gross Non-Gaming Revenue</b>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
	\$48M	\$51M	\$11M
<b>FTE's</b>	880		
<b>Average Salary</b>	\$44,485		
* Reflects Covid-19 Pandemic Impact			





### **Colonial Downs Group – Multiple Locations, Virginia**

Colonial Downs Group, LLC ("CDG") is a Virginia-based company and operation, bringing extensive knowledge of the local market, culture, and player demographics within the Commonwealth of Virginia. CDG is familiar with working with Virginia's regulatory agencies to obtain and maintain good standing on the required licenses for its business operations throughout the state. Through its Colonial Downs Racetrack operation, CDG has a Limited License to conduct Live Horse Racing, as well as a Significant Infrastructure Limited License, both of which are issued by the Virginia Racing Commission ("VRC"). CDG's off-track betting ("OTB") locations, VA-Horseplay®, are Licensed Satellite Facilities by the VRC. Lastly, CDG's operations of its Rosie's Gaming Emporium® properties (also known as "Rosie's"), are licensed to Conduct Pari-Mutuel Wagering on Historical Horse Racing and are also Licensed Satellite Facilities by the VRC. Each Rosie's property is also licensed by the Virginia Alcoholic Beverage Control Authority and the Virginia Health Department.

CDG is a proud business operator in Virginia, and with the opening of its eighth location in 2021, will employ more than 1,000 team members (including seasonal team members employed during live racing season) in the Commonwealth of Virginia, paying over \$30,000,000 in annual salaries, wages, and benefits, and more than \$32,000,000 in annual state and local taxes plus an additional \$12,000,000 in racing industry payments annually.

To date, CDG has invested more than \$300,000,000 in the Commonwealth of Virginia to develop Colonial Downs Racetrack and create five Rosie's Gaming Emporium® locations in New Kent, Vinton, Richmond, Hampton and the newest property in Dumfries.

In addition to its gaming operations facilities in Virginia, CDG is proud to have revived a thriving Live thoroughbred horse racing industry, which help support many related ancillary agribusinesses in the Commonwealth. The storied Colonial Downs® 1 ¼ mile dirt track at Colonial Downs® is second in length to only the Belmont Park surface and Colonial Down's Secretariat Turf Course is the widest turf course in North America.







**Colonial Downs Racetrack and Rosie's at Colonial Downs – New Kent, Virginia**

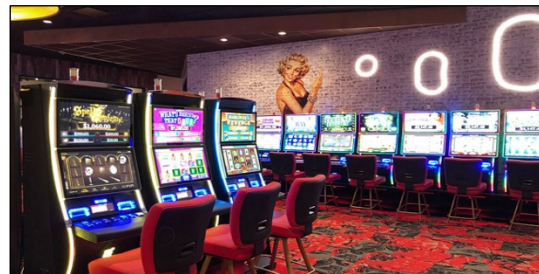
Located on over 300 acres in between Richmond and Williamsburg, Virginia in New Kent County just off Interstate 64, Colonial Downs Racetrack and Rosie's at Colonial Downs successfully opened in 2019 reviving Virginia's rich horse racing tradition and industry. Building on its success, Colonial Downs will increase the lucrative racing season for 2021 including offering daily purses of \$500,000. In addition to the industry leading horse racing track and facilities offering private, luxury suites, Rosie's at Colonial Downs offers exciting yearlong entertainment options including 600 Historical Horse Racing (HHR) gaming machines. Other new-to-market entertainment amenities include restaurants 1609 and Rosie's Kitchen and the craft-cocktail inspired Whiskey Bar. Colonial Downs hosts a variety of entertainment offerings, including our comedy series, tribute acts, dueling pianos as well as summer concerts.

Virginia's horse racing industry is not the only winner. This project has spurred unprecedented economic development in New Kent County as well as providing substantial tax revenues and hundreds of jobs to residents. In 2019, Colonial Downs and Rosie's raised its minimum wage to \$15, one of the very first Virginia-based companies to do so.



### **Rosie's Gaming Emporium®**

Rosie's is Virginia's newest and most exciting type of gaming entertainment. With five open and operating locations, Rosie's currently features 2,300 historic horse racing machines, multiple restaurants, simulcast wagering, bars and entertainment venues located in New Kent, Vinton, Richmond, Hampton, and Dumfries. Each location is strategically designed to integrate into the fabric of the local communities.





Colonial Downs Racetrack and Rosie's at Colonial Downs - Multiple Locations, Virginia			
<b>Development Cost</b>	\$300 million including all Colonial Downs Group Properties: - Colonial Downs Racetrack - Rosie's Gaming Emporium®		
<b>Gaming Mix</b>	Total HHR Gaming Machines: 2,300 - New Kent: 600 - Vinton: 150 - Richmond: 700 - Hampton: 700 - Dumfries 150		
<b>GGR for CDG Last 3 Years</b>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
	\$ -	\$83M	\$131M
<b>Non-Gaming Amenities</b>	Collectively: - One high-end restaurant "1609"; 5,600 sq. ft. with 127 seats - Five casual "Rosie's Kitchen" restaurants: Avg. 2,000 sq. ft. with 65 seats - Nine bars, including a specialty "Whiskey Bar": Avg. 10 seats each · Private Track-side Luxury Suites: 10 with capacity of 45 - Two Retail Shops: Average of 350 sq. ft. - One Mile and 1/4 Dirt Track; One Mile and 1/8 Turf Track - Thoroughbred Racetrack Concert Venue: #AddLife Stage - Thoroughbred Racetrack Private Event Space: 4,800 sq. ft - Stable Area: 1,000 Stalls, 120 dorms and 2 community bath houses, 1 receiving barn (accommodates 106 day-stay horses), 1 kitchen, 1 test barn and other racing-related services.		
<b>Hotel and Rooms</b>	Not applicable		
<b>Gross Non-Gaming Revenue</b>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
	\$ -	\$11M	\$11M
<b>FTE's for CDG</b>	604		
<b>Average Salary CDG</b>	\$44,879		
* Reflects Covid-19 Pandemic Impact			



**Diamond Jacks Casino & Hotel – Bossier City, Louisiana**

Diamond Jacks Casino & Hotel was closed in 2020 with the goal of utilizing the gaming license on a land-based casino resort in Louisiana in the near future. The facility was located in the Shreveport-Bossier City metropolitan area, situated on 35 acres on the banks of The Red River. The resort included 800 slot machines, 14 live table games, a 400-room hotel and dining amenities.

Diamond Jacks Casino & Hotel – Bossier City, Louisiana			
<b>Development Cost</b>	Acquired		
<b>Gaming Mix</b>	Slots: 800 Live Tables: 14		
<b>Non-Gaming Amenities</b>	Pavilion: 185,000 sq. ft. with VIP lounge area Resort Style Outdoor Pool Legend's Buffet: 7,500 sq. ft. with 282 seats Whiskey Jacks (Bar & Live Entertainment): 6,504 sq. ft. with 108 seats The Grill: 2,532 sq. ft. with 43 seats DJ's Seafood and Steaks: 3,674 sq. ft. with 80 seats Retail Shop and Arcade: 2,036 sq. ft. Banquet and Meeting Space: 21,458 sq. ft.		
<b>GGR Last 3 Years</b>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
	\$36M	\$37M	\$6M
<b>Hotel and Rooms</b>	400 - Rooms		
<b>Gross Non-Gaming Revenue</b>	<u>2018</u>	<u>2019</u>	<u>2020*</u>
	\$12M	\$11M	\$2M
<b>FTE's</b>	N/A		
<b>Average Salary</b>	N/A		

\* Partial Year







**Summary: Applicant Experience**

The following table summarizes all properties sold by Peninsula Gaming, LLC in 2012 to Boyd Gaming.

Development Name	Location	Purchase/ Opening Date	Development Cost <sup>(b)</sup>	Gaming Mix <sup>(c)</sup>			Hotel Rooms <sup>(d)</sup>	Non-Gaming Amenities
				HHR	Slots	Table		
<b>Other Developments<sup>(a)</sup></b>								
Diamond Jo Casino	Dubuque, IA	Jul-99	\$82M	N/A	925	17	N/A	4 Restaurants 3 Bars Show Room Bowling Alley Banquet Rooms Retail Shop
Evangeline Downs	Opelousas, LA	Feb-02	\$130M	N/A	1,350	N/A	117	Horsrace Track 6 Restaurants 5 Bars Banquet Rooms Retail Shop
Diamond Jo Casino	Northwood, IA	Apr-06	\$70M	N/A	900	17	115	3 Restaurants 2 Bars Banquet Room Retail Shop
Amelia Belle Riverboat	Amelia, LA	Oct-09	Acquisition	N/A	800	11	N/A	2 Restaurants 3 Bars
Kansas Star Casino	Mulvane, KS	Dec-11	\$235M	N/A	1,750	50	150	4 Restaurants 4 Bars Arena Banquet Rooms Retail Shop

<sup>(a)</sup> Properties developed by Peninsula Gaming, LLC and acquired by Boyd Gaming in November 2012

<sup>(b)</sup> Cumulative development cost including property acquisition.

<sup>(c)</sup> Gaming counts are reflected prior to impact of Covid Pandemic

<sup>(d)</sup> Includes third party managed hotel properties.

- h. *To the extent such information exists, percentage of visitors from within the geographic region compared to percentage of visitors from outside of the geographic region.*

**APPLICANT'S RESPONSE:**

P2E's resort casinos receive approximately 47% of their visits from outside a 25-mile radius. Our resort amenities and marketing approach allow the casino and hotels to extend their reach well beyond the local geographic region.

*i. Employment*

1. *Total employment (FTE) and average salary.*
2. *Description of any efforts towards minority and local hiring.*
3. *Description of job training partnerships and collaboration.*
4. *Benefits provided and opportunities made available to employees, such as, but not limited to:*
  - i. *Health insurance;*
  - ii. *Retirement benefits;*
  - iii. *Training and advancement opportunities;*
  - iv. *Economic mobility through ownership opportunities;*
  - v. *Childcare; and*
  - vi. *Housing assistance.*

**APPLICANT'S RESPONSE:**

**Total Employment (FTE) and Average Salary**

Please see the property charts above for details.

**Efforts Toward Minority Hiring**

P2E values a diverse workforce. Our team members have unique perspectives, and our goal is to create one inclusive team that values each individual's ideas and contributions. By embracing our differences and treating everyone with respect, we strongly encourage diversity, equity and inclusion in all that we do as an organization; values equally shared with our partner Urban One. Working with the communities where our companies are located, the company has formed partnerships with workforce development groups, Chambers of Commerce, local community colleges and others to insure that hiring practices reflect the demographics of the communities in which we operate.

**Health Insurance**

P2E and Urban One, both offer comprehensive benefits packages to its team members and their dependents. Both entities make every effort to offer better-than-competitive medical, dental and vision benefit coverage. Multiple plans are offered, allowing team members to select an option that best serves their individual needs. Other benefits



include voluntary life for the team member and dependents, accidental death, critical illness/hospitalization, short and long-term disability, Health Savings Accounts and even pet insurance.

### **Retirement Benefits**

Retirement benefits are offered to all regular part-time and full-time team members subject to the terms of the various plan designs. We work closely with plan administrators to offer a wide range of investment opportunities, as well as options such as 401k and Roth IRAs.

### **Childcare and Housing Assistance**

An Employee Assistance Program ("EAP") is provided at no cost to all team members and their dependents. Benefits of this program include Legal, Financial and Crisis consultation, and ID recovery. Other resources include providing information on childcare, adoption, summer camps, college placement, elder care and assisted living through the EAP website. At our del Lago Casino, we partnered with a local childcare provider, providing capital improvements and guaranteed a minimum number of spots to help them get started. The program helped provide day care in the community and ensured our employees had services.

### **Training and Advancement Opportunities**

P2E properties provide training specific to each job to ensure consistency. All team members attend initial training through New Hire Orientation, and then annually after for topics such as Sexual Harassment, Responsible Gaming, and Safety. Most training is on-the-job and is continuous for the time the team member is with the Company; however, other opportunities for learning exist to learn new skills, or improve upon the ones a team member already has. Programs such as Supervisory Skills and Leadership Development exist to help team members advance within the organization to managerial and leadership roles. We believe in continuous training at all levels to promote the careers of team members and encourage growth. P2E has a strong transfer/promote from within policy and has consistently looks internally first before hiring from outside the Company.

### **Economic Mobility Through Ownership Opportunities**

When we enter a new market, we understand it is a privilege and that our organization plays a key role in increasing job and training opportunities for residents. As part of that role, we have always valued the importance of creating significant career opportunities for those that live and work in the cities we operate. Our well-paying jobs and benefits package provides a solid foundation for our team members to create wealth and pursue ownership opportunities with housing, business investments and retirement savings, to name just a few. Our business practices act as a catalyst to further economic mobility by giving preference to local suppliers, who in-turn create job opportunities for others in the community.



- j. *Efforts towards environmentally friendly and sustainable development and operation.*

**APPLICANT'S RESPONSE:**

P2E has a proven history of efforts toward environmentally friendly development. Sustainability is part of the process as our design begins with a team that includes LEED Certified architects and designers. Our sustainability processes are the evolution in our construction techniques, materials acquisition that reduce waste, energy and inefficiencies. Our deployment of best practices includes the use of sustainable construction materials, the implementation of 'just-in-time' product specifically with concrete to minimize waste, the integration of alternative and sustainable methods to include prefabrication construction specifically with the structured parking, and the utilization of technology to minimize use of paper blueprints.

All P2E properties are developed using best building practice with sustainability and environmental measures being of great importance. As an example, the del Lago Resort and Casino development with LEED certification in mind. The project incorporated various design features and measures that are related to the credit categories in the rating system. In the Sustainable Sites credit category, these include.

- Creation of bus stops at the facility, bicycle racks and showers/changing rooms, vegetated open space, enhanced storm water design to control storm water runoff and use of a light roof.
- In the Water Efficiency credit category, some of the landscaping throughout the project was used to divert storm water for irrigation and low-flow plumbing fixtures were used throughout the facility.
- Under the Energy and Atmosphere category, multiple facets of the project design were designed to help achieve the Optimize Energy Performance (OEP) credit (targeting a 20% reduction in energy use), these include enhancing the building envelope, reducing interior and site lighting power and high efficiency HVAC systems.
- The Materials and Resources category addresses environmental concerns relating to material selection, waste disposal and waste reduction. The facility implemented a recycling program to facilitate waste generated by building occupants. Food waste is be sorted and turned into an energy source. A Construction Waste Management Plan was implemented to divert debris from disposal in landfills. Materials used for the project are specified to have a high amount of recycled content and be sourced regionally, some examples are



concrete, steel, asphalt. Compost from the methane plant will also be available for Lago Resort and Casino to use on site as mulch.

- Various design features improve the Indoor Environmental Quality of the facility, these include monitoring outdoor air delivery of ventilation units, implementation of a Construction IAQ Management Plan and specification of low-emitting (low-VOC) materials (adhesives, sealants, paints, coatings, flooring systems).

Our projects in Virginia were built with sustainability in mind. All of the facilities were built in rehabilitated facilities and employed our sustainable philosophy. These facilities were built with the following sustainable features:

- LED light fixtures were installed in all parking lots and throughout the development that reduce energy usage and maintenance costs.
- Low-flow plumbing fixtures and sensor-controlled faucets reduce water usage by 40 percent.
- Occupancy sensors were installed in office spaces reducing energy consumption.
- Paint and adhesive materials were utilized with low levels of Volatile Organic Compounds (VOC's) provide a healthier environment for workers and future inhabitants.
- Our operations include a single-stream recycling plan, reducing the amount of waste delivered to landfills.
- 90 percent of all construction waste to be recycled or utilized on site – avoiding the landfill.
- Occupant sensor-controlled lighting provides lighting when needed and saves energy at other times.
- The project managed site water runoff with a Surface Water Intake Protection Program (SWIPP) program during construction to prevent runoff damage to adjoining areas.
- We installed concrete drives, landscaping, a multi-level parking structure and white roof reduce the urban heat island effect.
- Material for the project was sourced from within 500 miles of the project site, reducing carbon emissions from transportation of that material and supporting local economies.
- Bike racks are provided for workers and customers.
- Landscaping is largely native and drought tolerant plant species, eliminating the need for irrigation and saving both potable water and hundreds of thousands of dollars.
- We specified and installed the most water efficient plumbing products available.

In addition to the above design features, P2E has earned NetZero designation for building carbon-neutral facilities.



## A.4. APPLICANT'S COMMUNITY INVOLVEMENT

*Evidence of the Applicant's community involvement in other jurisdictions, such as, but not limited to public-private partnerships, local philanthropic involvement, community benefit agreements, project labor agreements, and memoranda of understanding or other agreements with local governments or other governmental entities for the provision of public services and infrastructure improvements.*

*Description of Applicant's social programs and efforts to educate the community about gambling and alcohol addiction.*

### APPLICANT'S RESPONSE:

#### Community Involvement

##### P2E

At the core of the P2E philosophy is a commitment to "Lead by Example". Leading by giving is the standard we have set to provide continual investment in the growth of the communities we operate and throughout the Commonwealth. Our aim is to meaningfully improve the quality of life where our team members live and work. We wholeheartedly engage in philanthropic activities because we value caring for others, it is the right thing to do, and we desire to create positive change.

We give in a variety of ways:

- We provide substantial cash donations to ensure nonprofits can continue their community-based services and fulfill their mission;
- We contribute in-kind items, such as large food donations to food pantry's during the holiday season, backpacks filled with school supplies at the beginning of each school year, as well as complimentary use of our facilities to hold events;
- We volunteer at a variety of fundraising events and at local schools;
- We serve on nonprofit Boards of Directors; and
- We partner with both local and state-wide non-profits for the broadest impact possible.

It is our goal to partner with community organizations to help meet their mission and ultimately create transformational change in our communities. P2E's history of charitable giving spans 21 years and in that time, we have donated over 90 million dollars to various nonprofit organizations and our team members have volunteered over 100,000 hours with deserving organizations. Our targeted area of giving includes veteran support organizations, education related initiatives and organizations that support meeting local needs.





**Property-Specific Community Involvement: Hard Rock Hotel & Casino Sioux City**

Hard Rock Hotel and Casino Sioux City takes pride in supporting the local community. Since 2014, we have contributed almost \$20,000,000 to include the Missouri River Historical Development (MRHD), Saturday in the Park sponsorship, Sioux City Conservatory of Music, Briar Cliff University, Morningside College and Western Iowa Technical Community College in the form of scholarships.

We host the ALS Awareness Benefit Concert, Ribfest for Camp High Hopes, Baconfest for Habitat for Humanity and Dueling Pianos for Support Siouland Soldiers. Furthermore, we host the Hard Rock Heals Golf Tournament to support the Sioux City Conservatory of Music, our charity of choice. All net proceeds go directly to them which has accounted for \$45,000 over the last 3 years. We support the USS Sioux City by supplying them with custom shirts for the crew to wear in port, a guitar display signed by Battery Park artists and ongoing memorabilia to keep it fresh. Not included in the above number are the property's contributions to the Siouland United Way. Since 2015, our team members have pledged \$213,632 to that organization.

**Property-Specific Community Involvement: Kansas Crossing Casino + Hotel**

The Kansas Crossing Casino + Hotel has committed to three community partnerships valued at more than \$4.5 million over 10 years. The commitments are to support the workforce development, education, economic development, and tourism in Southeast Kansas. The partnerships have been awarded to the Southeast Kansas Career and Technical Education Center (CTEC), Pittsburg State University, and the Crawford County Convention & Visitors Bureau.





## Property-Specific Community Involvement: Colonial Downs Group (Combined)

In just over eighteen months, through its charitable giving program, Rosie's Gives Back, CDG has made direct monetary donations of more than \$1,000,000, in-kind donations of more than \$200,000 and have logged over 1,300 service hours in local Virginia communities. A few initiatives that CDG is particularly proud of includes its efforts to provide 30,000 free meals to health care workers, first responders and those working on the frontline fighting the pandemic, pledging \$500,000 over (5) years to Richmond's Miles Jones Elementary School, and supporting over 100 groups and causes in the Commonwealth. In 2020, the company donated to over fifty organizations.





**Property-Specific Community Involvement: del Lago Resort & Casino**

Del Lago Resort & Casino (del Lago) was constructed with a Project Labor Agreement in place. In terms of charitable contributions, del Lago gives away approximately \$80,000 in donations annually to charities located in and around the Finger Lakes region of Upstate New York. Further, del Lago has several community partners that receive annual support from the casino; including approximately \$200,000 to Upstate New York performing arts centers, \$100,000 to the Town of Tyre for local agricultural land preservation and \$155,000 for the Town of Tyre's fire protection services, \$150,000 to the Seneca County Sheriff and approximately \$300,000 to assist Seneca County with infrastructure maintenance. Finally, to assist the community with problem gambling concerns, del Lago provides approximately \$175,000 to provide the community with addiction and mental health services.

**Urban One**

While Urban One's national presence through its on-air radio, television and digital talent is undeniable, its focus on local community impact is one of its most notable accomplishments. Following the model established by Cathy Hughes, the company maintains a footprint for each community served within its markets. Urban One has a national reach, but a laser focus on the local communities that it serves. On-air talent and staff are vested in providing information resources and solutions to the community. From employment assistance and financial literacy to educational services and voter registration, they seek to make a difference each and every day, hosting ongoing events throughout the year. Myriad community partners help to provide career fairs, food drives, back to school programs, voter registration drives, health fairs, and other worthwhile initiatives as part of the company's community service repertoire.

Other examples include:

- Radio One Raleigh's Women's Empowerment and Networking Expo - created to educate and inspire African American women - it has grown into the largest Women's Expo on the east coast, with attendance topping 20,000 people annually.
- Radio One DC's annual walk – *Making Strides Against Breast Cancer* – garners over 10,000 participants each year and raises money for cancer research.
- Radio One Houston' *Harvey Didn't Win Home Giveaway* – hundreds of local families entered the contest by submitting their story to win a new three-bedroom/two-bathroom home after losing everything during Hurricane Harvey.
- Radio One Cleveland's Empower One virtual homeownership forum – presented to educate listeners about the proper steps for homeownership – over 6,000 attendees participated.
- The Biden-Harris campaign partnered with the company's divisions to host the Black Ballot initiative during the 2020 presidential campaign to secure the black vote. The initiative sought to educate voters them about the key issues that affect the African American community and counteract voter suppression.



These programs indicate the level of support Urban One stations provide to local communities and demonstrate the level of support they reciprocated by their loyal listeners and content consumers. Regardless of a natural disaster or shutdowns due to the COVID-19 pandemic, Urban One remains a vital voice and resource to the community – in person or virtually.

Since 1999, Radio One Richmond has been an integral part of the fabric of Richmond's thriving African American community and the epitome of service in action. Each year, Urban One gives back to Richmond through its community events, monetary and in-kind donations valued over \$700 thousand. The station is front and center, working to determine the community's needs by connecting people to resources and providing actionable solutions. It employs a proactive approach, generating effective initiatives by connecting directly with its listening audience to determine their needs and creating the appropriate activations. As a result of that strategy, the Barbershop Talk Series – One Community of Recovery was developed to address the community's mental health and substance use disorder crisis. The series has been so successful the Richmond Behavioral Health Authority and the Health and Human Services Department, city and state agencies, sponsored the learning series and promoted it in the local jails.

The station also hosts a Barbershop Talk Series for teens to reduce summer learning loss and encourage academic success. They connect students to mentoring and tutoring programs to assist with SAT Tests Preparation and discuss public safety and mental health services with youth. Radio One Richmond is committed to supporting the education of the city's youth. It has raised over \$450,000 during the past 12 years to send Richmond city children to summer day camps and after school programs and promotes conversations with student and law enforcement around various issues to promote unity in the community. The station also seeks to support families by presenting monthly community conversations called Grits and Grants. The program helps first-time homebuyers by with support services to help them secure grants and down payments toward their first home purchase.

Radio One Richmond was recognized at the city and state level for its exemplary work in the community. Recently, Governor Ralph Northam invited Clovia Lawrence, Community Affairs Director and Morning Show Host, to be a guest speaker at the bill signing of the new voter registration law for early voting in the Commonwealth of Virginia because of the station's work with voter registration, rights restoration for ex-offenders, and support with the US Census count.

Urban One took another step to formalize its legacy of community service and philanthropic mission during the celebration of its 40th anniversary in October 2020. To commemorate this milestone anniversary, Hughes and Liggins announced the launch of Urban One Community Works, Inc., (UOCW) a non-profit designed to provide support to organizations and programs that work to strengthen and improve African Americans' quality of life in the communities in which it operates. UOCW allows Urban One to further extend its reach and brand beyond the corporate walls by assisting non-profit organizations with their critical missions to address the disparities and inequities in the



African American community. Through various partnerships, UOCW strives to support multiple campaigns and initiatives, including voter registration drives, voter education, anti-voter intimidation efforts, financial literacy, and educational programs, for disenfranchised individuals and families.

Ms. Hughes and Mr. Liggins are also ardent supporters of education and HBCUs. They continue to support their family's work and legacy at The Piney Woods School, established by Hughes' grandfather in 1901, in Piney Woods, Mississippi. The Piney Woods School is the longest standing independent boarding school in the United States that was established for the education of African- American students. They also made a sizeable donation to Howard University, home of the Cathy Hughes School of Communications (CHSOC). Hughes pays homage to the university where she started her career and credits its staff for helping her to achieve her success. She hosts panel discussions with the students each semester and provides opportunities for students to serve as interns and volunteers for special events hosted by Urban One.

### **Problem Gambling and Alcohol Responsibility**

All P2E properties go through extensive training in both Responsible Gaming and Alcohol Responsibility Training.

### **Problem Gaming**

P2E has demonstrated long-term experience in the implementation of robust responsible gaming programs at its properties. P2E's commitment to responsible gaming extends to our team members, guests, and the community to make responsible gaming an integral part of our daily operations. Our responsible gaming program sets forth the responsibilities of our team members, which includes: the promotion of responsible gaming and the prevention of gaming by individuals that are underage, impaired and/or on the exclusion or self-exclusion lists. Every team member is trained on the regulations, policies, and procedures during company orientation, with continued annual refresher training. Literature is available to all guests on resources to assist with problem gaming, help hotlines are posted directly at our gaming devices and through our messaging to guests. We utilize technology resources to identify customers attempting to gamble after exclusion, including the use of surveillance. At ONE, we will additionally include facial recognition technologies to aid in the identification of excluded and self-excluded individuals attempting to enter the casino. More details on our Plan are included as Exhibit B.2.7.

### **Alcohol Responsibility**

As an organization, we have strict protocols on responsible alcohol service. All food service personnel are trained on their many responsibilities for maintaining a safe and regulated operation, which include preventing underage sales and consumption of alcoholic beverages. Our training programs are designed to align well with the local requirements for certifications and support servers in understanding the facts of alcohol education and prevent violations of alcohol related laws and regulations. The training provides our team members with the tools and knowledge needed to responsible and compliant alcohol service.



**Redacted Pursuant to Va. Code § 2.2-3705.6(3)**

## A.6. VALIDATION / CERTIFICATION OF SUITABILITY

*Validation/Certification of suitability and ability to pass background checks and be licensed as a casino gaming operator in the Commonwealth of Virginia pursuant to the Virginia Casino Act.*

### APPLICANT'S RESPONSE:

Alfred C. Liggins, III and Catherine Hughes have been previously licensed by the Maryland State Lottery and Gaming Control Agency. P2E's wholly owned subsidiary, Colonial Downs Group, LLC, possesses a Limited License to conduct Live Horse Racing, as well as a Significant Infrastructure Limited License, both of which are issued by the Virginia Racing Commission ("VRC"). CDG's off-track betting ("OTB") locations, VA-Horseplay, are Licensed Satellite Facilities by the VRC. Lastly, CDG's operations of its Rosie's Gaming Emporium properties are licensed to Conduct Pari-Mutuel Wagering on Historical Horse Racing and are also Licensed Satellite Facilities by the VRC. P2E also possesses casino gaming operator licenses in New York, Iowa and Kansas. Based on the foregoing, we are confident in our ability to pass background checks and be licensed by the Virginia Lottery Board.

# SECTION B: APPLICANT'S PROPOSED CASINO PROJECT

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## B.1. PROPOSED CASINO SITE

### a. The Site

*Identify the Applicant's proposed casino site. Include the collective size and configuration of the size as well as:*

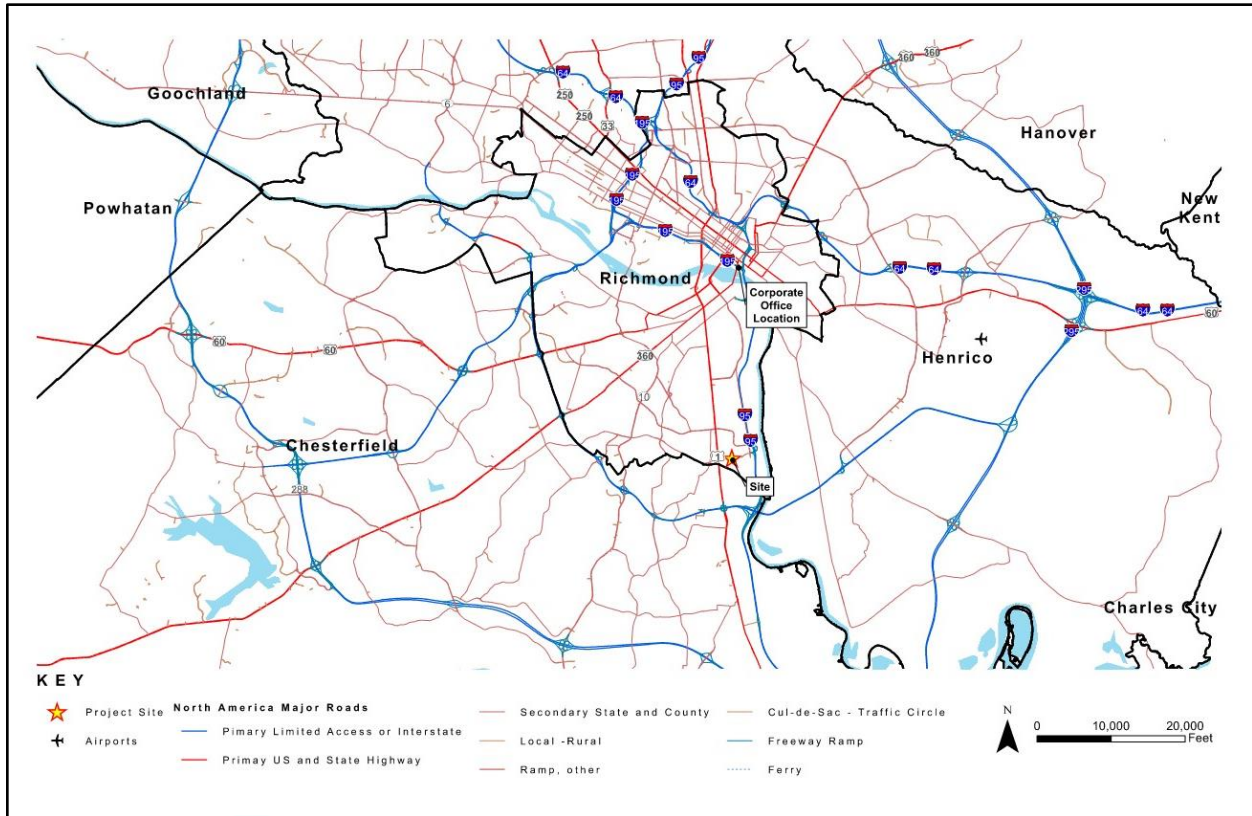
- 1. The collective size/configuration of the site;*
- 2. Any access requirements/hinderances or other barriers to development;*
- 3. Any expected infrastructure improvements that Applicant believes will be necessary or otherwise proposes be completed as the estimated cost of such infrastructure (all of which will be applicant's sole expense); and*
- 4. Any other pertinent specifications for the collective site.*

### APPLICANT'S RESPONSE:

The casino (branded as "ONE") will be developed on approximately 100 acres off I-95 in the Commerce Road industrial area on the site of the Phillip Morris Operations Center. The primary entrance is on Walmsley Boulevard and just off the I-95 Bells Road Interchange (Exit 69).



Location



An enlarged version of this graphic is included in Exhibit B.1.1

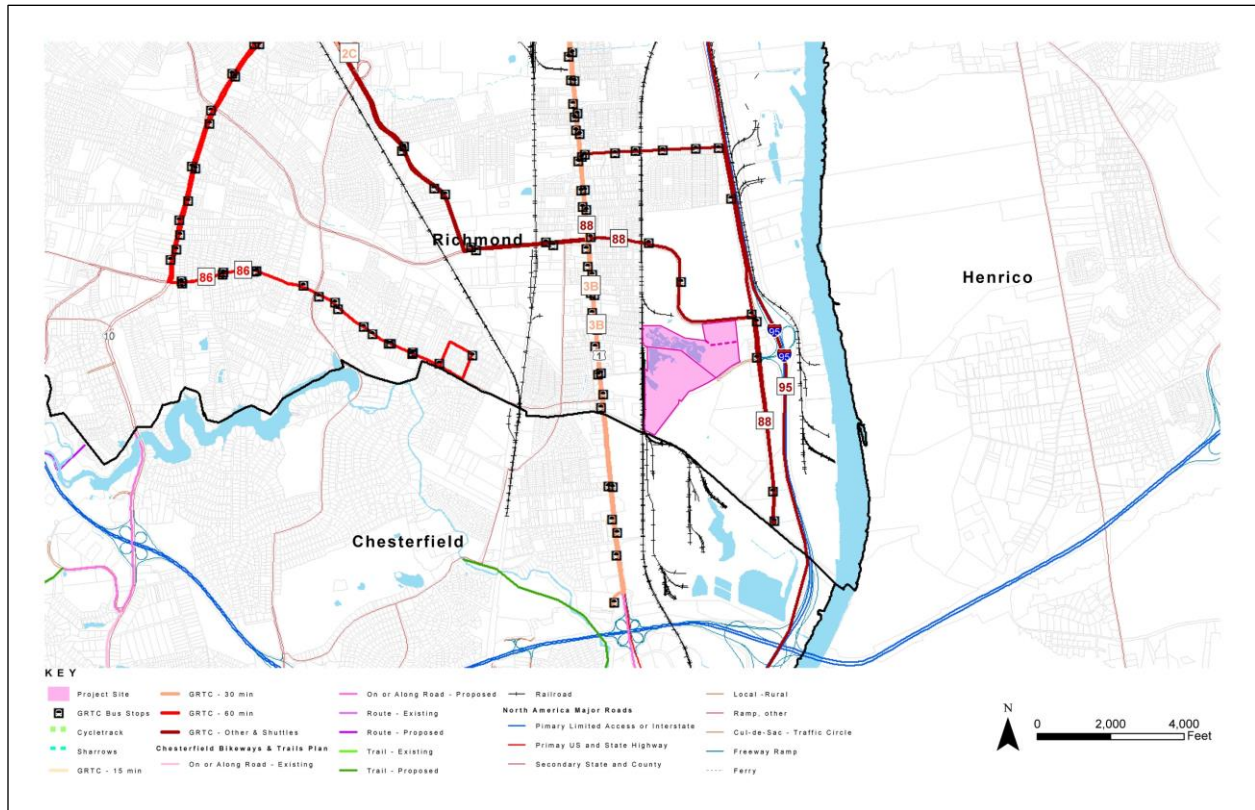
The site is only five miles from downtown Richmond and is ideal for the type of resort we envision without the infrastructure pressure on traffic and causing no impact on existing residential areas.

The expansive site allows for the development of over 55 acres of conservation open green space and parking in addition to the casino resort. Over 20 acres of the development will be transformed into a dedicated park complete with community gardens, miles of bike trails, a festival lawn with dedicated space for food trucks, a playground for all ages and abilities, large-breed and small-breed dog parks, trails and a walk-through arboretum featuring Richmond's native plant and tree species. In addition to the park, a portion of the trails will wind through 30 acres of untouched, preserved wetlands; where lush greenery, brimming with wildlife, will provide a beautiful peek into Richmond's natural scenery.

The Greater Richmond Transit Company (GRTC) offers service along Commerce Road with a stop at Commerce Road and Walmsley Blvd. The Applicant will work with GRTC to incorporate a stop at the dedicated park as well as the entertainment facility. Additionally, the Applicant shall fund, at its sole cost and expense, the design and construction of such bus stop shelters in cooperation with the GRTC.



### Bus Route Accessibility



An enlarged version of this graphic is included in Exhibit B.1.1

The project will be developed with all necessary requirements for ADA accessibility. The Applicant is committed to constructing and maintaining a property that is fully accessible for all ability levels. The accessibility design will include features outside and inside the facility to encourage all patrons to take advantage of both the built and the natural environment that the project will offer. ADA compliant pedestrian routes from public right of way to the building, and throughout the property, will be planned for in the design of the project.

### Transportation Network

Since the property is a former operations and employment center for Philip Morris and situated within an industrial corridor that also includes DuPont and an Amazon distribution center, the surrounding public infrastructure was developed to serve a demanding land use.

The Applicant acknowledges that based on the proposed land use change and proximity to I-95, a VDOT Chapter 527/870 traffic impact analysis will be required. The Applicant will work with the City to resolve any VDOT concerns and implement reasonable recommendations for improving access to the site.

Adjacent primary routes include I-95 and Commerce Road (to the east), US Route 1/Jefferson Davis Highway (to the west), and Route 150/Chippenham Parkway (to the

south). Secondary roads that border the site and that could provide access include Walmsley Boulevard (to the south) and Trenton Ave/Dale Avenue (to the south and west). Bells Road (to the north) is limited to emergency access, based on an agreement between the seller and purchaser.

Primary access to the site is anticipated via I-95 and the Commerce Road interchange. This interchange and the adjacent signalized Commerce Road/Walmsley Boulevard intersection were recently included in the Richmond Regional Transportation Planning Organization (2017) Commerce Corridor Study<sup>1</sup> and the (2020) I-95 Richmond Marine Terminal/Commerce Corridor Access Study<sup>2</sup>.

Per the findings of these studies, **under current conditions there is available capacity in the existing road network**; however, there is anticipated growth in the area that may warrant future modifications to the existing interchange ramps and signalized Commerce Road/Walmsley Boulevard intersection. The short-term improvement concepts include interchange ramp and intersection modifications. The long-term improvement for the interchange/intersection includes ramp modifications and a proposed roundabout at the Commerce Road/Walmsley Boulevard intersection.

These improvements are not required to accommodate the anticipated traffic demands and under either of these improvement scenarios, access to the proposed entertainment venue would remain intact.

Dale Avenue/Trenton Avenue is available to provide secondary/emergency ingress and egress to the site from the south and west. Dale Avenue is a city street becoming Trenton Avenue (a private drive) on the east side of an existing at-grade crossing of the CSX Railroad tracks. The Applicant will work with the City of Richmond (the "City") to implement appropriate restrictions on this corridor to limit its use to authorized vehicles.

Overall, there are limited opportunities within the vicinity of the site to expand the existing local road network, except for the Walmsley Boulevard Extension as shown in the following graphic. This unfunded future project includes a grade-separated extension of Walmsley Boulevard from US Route 1/Jefferson Davis Highway over the CSX railroad tracks and across the site's frontage. While this extension would be an amenity to the proposed project, it is not a necessity with respect to access and function. The Applicant will work with the City (and/or VDOT as appropriate) to establish a mutually agreeable alignment for this proposed road extension and is willing to dedicate the right-of-way and easements required for its construction.

### Local Road Expansion

<sup>1</sup> Adopted Oct 5 2017. Commerce Corridor Study Implementation Plan. RICHMOND REGIONAL TRANSPORTATION PLANNING ORGANIZATION. <https://planrva.org/wp-content/uploads/2019/03/Commerce-Corridor-Technical-Report.pdf>

<sup>2</sup> Richmond Marine Terminal/Commerce Corridor Access Study. <https://storymaps.arcgis.com/stories/900e6c45c8db4d1db9a1c2dd60cf33c0>







An enlarged version of this graphic is included in Exhibit B.1.1

**Utility Infrastructure**

The surrounding utilities for water, stormwater, and sanitary sewer are all present with large diameter pipe facilities serving the property. Infrastructure capacity compliance will be demonstrated during the permit review process for the project. The property is served by waterline infrastructure of 12" – 16" pipe. The Applicant anticipates that there is adequate flow and pressure in this area to meet domestic and fire needs. Stormwater and sanitary sewer connections are served by large diameter pipes in Walmsley Boulevard, and capacity issues are not anticipated at this time. If on-site attenuation or treatment of stormwater are required, those designs will be developed during the permitting stage of the project. There are also gas facilities available in Walmsley Boulevard, and based on their size these are anticipated to have adequate capacity to serve the project.

*b. Real Estate Parcels*

*List each of the parcels of real estate comprising Applicant's Proposed Casino Site. For each parcel, the list shall include:*

- 1. The parcel number as assigned by the Richmond City Assessor;*
- 2. The parcel addresses;*
- 3. The current owner of the parcel; and*
- 4. The current zoning district applicable to the parcel. If the Applicant believes a change to the parcel's zoning district or a Special Use Permit would be necessary to the permit Applicant's proposed Casino/development, then the Applicant must indicate within its response.*

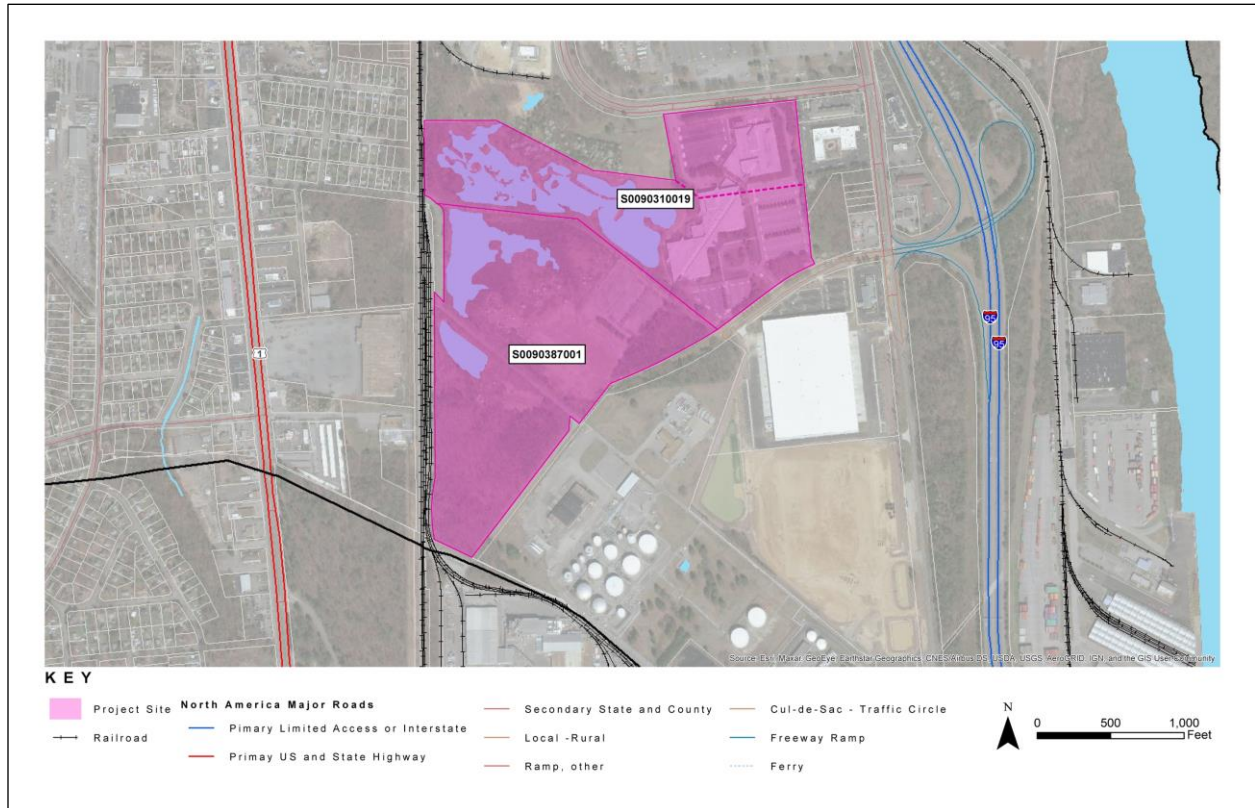
**APPLICANT'S RESPONSE:**

Parcel Number	Parcel Address	Current Owner	Zoning District
S0090310019	2001 Walmsley Blvd., Richmond, VA 23261	Philip Morris USA, Inc	M-2 - Heavy Industrial
S0090387001	4700 Trenton Ave., Richmond, VA 23234	Philip Morris USA, Inc	M-2 - Heavy Industrial

The current zoning district applicable to the parcel allows the proposed Casino Project. The Property is zoned M-2, which allows uses permitted in other classifications including B-3 entertainment uses "by right." A Richmond casino would be an entertainment use allowed at the Property without a rezoning or Special Use Permit.



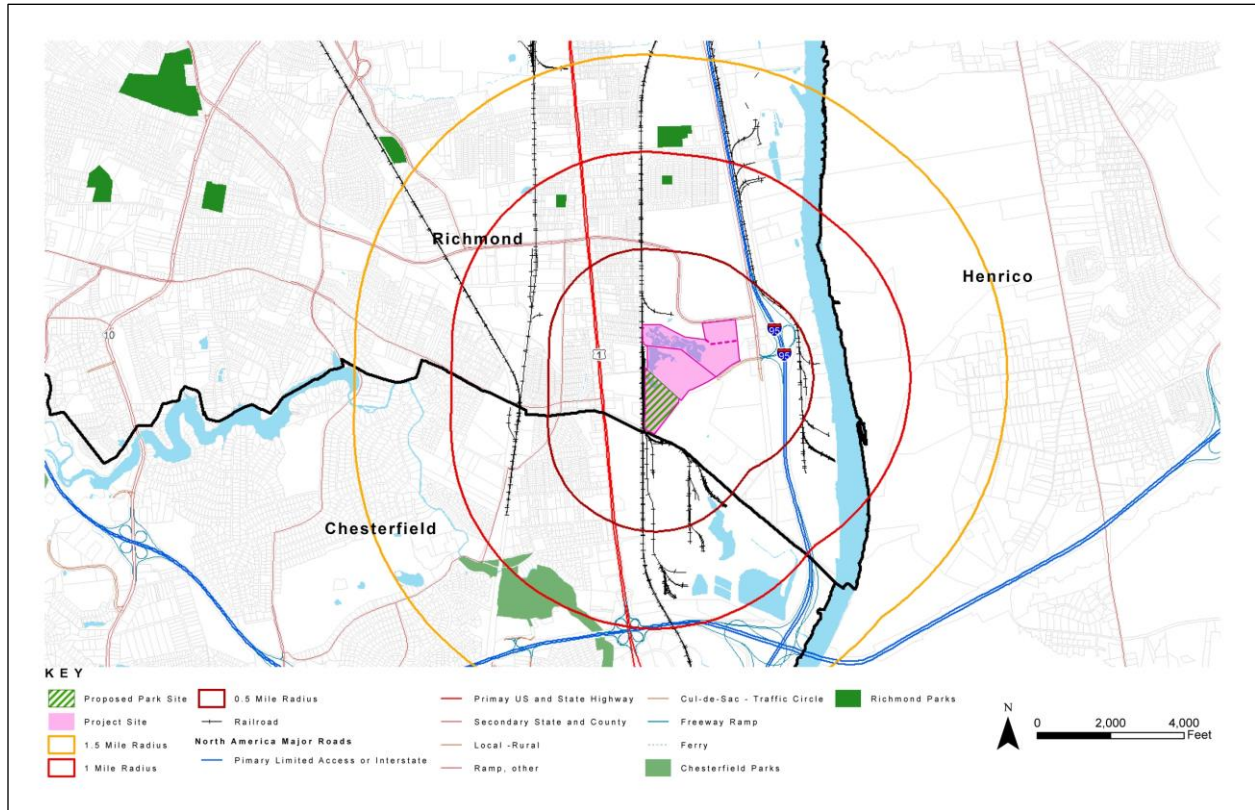
Parcels



An enlarged version of this graphic is included in Exhibit B.1.1

A community park and environmental preservation area for public use at the south end of the property will be developed as the surrounding neighborhoods do not have direct access to quality park and recreation opportunities within a one-mile walkable radius. Therefore, this site will fill a gap in the park network in this part of the City. The proposed community benefits of this recreational space are planned to include walking and biking trails, large-breed and small-breed dog parks, a children's play area suitable for all ages and abilities, a community garden, and a large open multi-use lawn space which can accommodate events throughout the year. The recreational area will be connected by walking paths to the main casino property and will also provide a parking area for visitors arriving by vehicle and potential GRTC bus stop.

**Surrounding Park Network**



*An enlarged version of this graphic is included in Exhibit B.1.1*

In addition to the designated park areas, the southern portion of the site will also maintain dedicated environmental preservation areas that are home to a diverse range of native flora and fauna. The existing lakes behind the resort site are also going to be maintained as an asset to the community with walking trails, boardwalks, and bridges to capitalize on the natural beauty of the site. The approximate size of the park and preservation areas are listed below.

- Total area in conservation: 22 AC in Preservation Areas
- Total area in parks/open space: 35 AC
- Total green area (conservation + parks/open space): 57 AC (57% of site)



*c. Purchase Options*

*If the Applicant is not the current owner of any listed parcel then the Applicant shall indicate whether it currently holds any options to purchase or other contractual rights to acquire, lease, or otherwise use the property for its Proposed Casino Project (including any relevant details regarding such rights).*

*In the event the Applicant does not hold contractual rights to acquire, lease, or otherwise use the property for its Proposed Casino Project then the Applicant must provide either:*

- 1. A statement signed by the property owner indicating that the owner is willing to convey to the Applicant and is working with the Applicant to accomplish; or*
- 2. Applicant's plan to acquire the necessary real estate including a timeline under which the Applicant expects to get the necessary property rights. Applicant shall also indicate whether Applicant's Proposed Casino Project could move forward in the event that the Applicant is unable to acquire a particular parcel (and if so, how).*

**APPLICANT'S RESPONSE:**

The Applicant has contractually binding control of the parcels comprising the project site through purchase and sale agreements attached hereto as Exhibit B.1.2. The purchase and sale agreements do not contain any restrictions that would prohibit siting the Proposed Casino Project on such parcels.



## B.2. APPLICANT'S PROPOSED CASINO PROJECT

### a. Destination Resort Casino Description

*A description of destination resort casino conceptual plan, including any preliminary renderings, proposed branding, amenity mix and overall scale.*

#### APPLICANT'S RESPONSE:

ONE will be an unparalleled tourism destination, attracting visitors from all over the country with its energetic, diverse offerings. Situated in an area of Richmond that is easy to get to and will not disrupt other more congested areas, ONE is primed to be a tourism magnet for the City. With more than 300,000 square feet, the project will consist of:

- ◆ 150 luxurious hotel rooms,
- ◆ 90,000 square feet of casino gaming space,
- ◆ 12 unique bars and restaurants,
- ◆ a sportsbook,
- ◆ 45,000 square feet of event space/3,000 person entertainment venue,
- ◆ a live radio broadcast booth,
- ◆ a media production studio,
- ◆ parking structure for 800 vehicles, and
- ◆ over 50 acres of green space to include 20 acres of a well-preserved park with nature walks, bike trails, dog parks and much more!



ONE is the total package, equally committed to offering a one-of-a-kind, unparalleled entertainment experience while growing the local economy and preserving the natural landscape.

Our proposed project also includes the construction of a temporary casino consisting of 50,000 square feet of gaming space, featuring 900 slot machines, 20 table games, bars, casual dining options and valet service. The temporary casino would require less than 12 months to go from permitting to operations, delivering meaningful economic impacts, including tax revenues, community involvement, and rewarding careers to Richmond as the permanent casino resort is being constructed contemporaneously.

## Master Plan (1)



An enlarged version of this graphic is included in Exhibit B.1.1

## Master Plan (2)



An enlarged version of this graphic is included in Exhibit B.1.1



## *Facing Perspective at Arrival*



*An enlarged version of this graphic is included in Exhibit B.1.1*

## *Perspective at Arrival*



*An enlarged version of this graphic is included in Exhibit B.1.1*





## Perspective at Arrival – Porte Cochere



An enlarged version of this graphic is included in Exhibit B.1.1

## Resort Aerial View



An enlarged version of this graphic is included in Exhibit B.1.1



## Resort Aerial View



An enlarged version of this graphic is included in Exhibit B.1.1

## Exterior View – Hotel Tower



An enlarged version of this graphic is included in Exhibit B.1.1



*b. Gaming Mix*

*Gaming mix (# of slot machines, table games, other).*

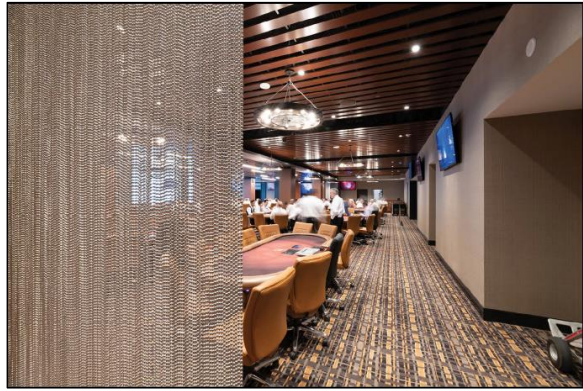
**APPLICANT'S RESPONSE:**

The casino will include 90,000 square feet of gaming space and offering 1,800 slot machines, 100 table games, poker room and high-end VIP slot and table game areas. The casino will also feature a state-of-the-art sportsbook. It will offer the latest and most popular slot machines titles, multi-denomination options, as well as coinless wagering and cutting-edge technology for player tracking and advanced surveillance and management systems.

**Precedent Imagery - Casino**







*c. Casino Brand and Theme*

*Identification of casino brand or theme that the operator would develop in Richmond, and details on how that brand or theme would promote visitation to Richmond – such as but not limited to a description of the target audience and marketing approach.*

**APPLICANT'S RESPONSE:**

We are an entertainment company. Our focus on creating exceptional experiences will be our differentiator. It is the promise of memorable moments that will drive visitation to our property, and to Richmond. The entertainment, supported by a robust show calendar (more than 200 shows annually), will allow us to attract visitation from across the country. From local and regional talent to national touring shows, from the next big thing to living legends,



representing a wide range of genres and age demographics, we will surely have something for everyone. More than just music, Rise Theater will host national touring comedians, Broadway shows, special events and unique productions.

Urban One's radio division, Radio One has entered into a shared services agreement with Summit Media in Richmond. Together they have 545,100 listeners each week. Their stations span the radio dial including Country, Urban AC, Rock, Hip Hop, Adult Contemporary, Oldies, Alternative and Sports. Around the country, Radio One owns more than 60 stations, with more than 25 million radio listeners each month.

In the Regional Market which includes Washington, DC, Charlotte, Baltimore, Philadelphia, Raleigh, and Atlanta, Urban One's radio coverage extends to 11,000,000 listeners weekly.

This inimitable radio dominance is unmatched. We will leverage this media dominance and massive voice to promote our project and the great City of Richmond.

At the center of our gaming floor will be a state-of-the-art radio broadcast center which will feature live on-air broadcast that will produce powerful media value. At each break the live DJ's will be promoting the property. The value of this advertising is measured in the millions of dollars annually. The center will be a draw to the property where visitors can meet their favorite on-air personalities, and the many celebrity guests that will do in-studio interviews. Plus, the entire sound system of the property will be controlled from this broadcast center – property DJ's will be responsible for controlling the vibe throughout the property, they will even take requests from guests.





**ONE** unites seven key visions to produce one extraordinary force:

- **ONE Casino Resort**, featuring 90,000 square feet of non-stop gaming action including the state-of-the-art slot machines, a wide variety of table games, sports wagering and poker.
- **Legacy Tower**, a luxurious hotel with 150 rooms, each well-appointed with the bold art of Richmond's own, creating a truly unique, one-of-a-kind hotel experience.
- **Rise Theater™**, through a partnership with Live Nation, the global leader in live entertainment, will bring 200 shows a year and more than 250,000 guests to the 3,000 capacity Rise Theater. Live Nation produces more concerts, sells more tickets, and connects more brands to music than anyone else in the world.
- **The Best of Richmond**, 12 bars and restaurants featuring food and beverage offerings led by Richmond Restaurant Royalty, a collection of trendsetting local restaurateurs that put the City on the national culinary map.
- **Glory Park**, a lush 20-acre green space initiative featuring community gardens, walking and biking trails, a walk-thru arboretum featuring native plants and tree species and so much more.
- **Urban One Experience**, producing barrier breaking resort musical experiences, television and radio production studios, including a 15,000 square foot sound stage, and, through their partnership with Summit Media, a massive, inimitable advertising reach across the local, regional and national landscape.
- **Community ONE**, our philosophy on philanthropy is built on the understanding that we are all in this together. We do not just write checks – we show up and make a difference in this community, *our* community.



*d. Number of Visitors*

*Estimates of the number of visitors to the proposed casino on an annual basis, as well as peak days or periods.*

*1. To the extent such information is available, include estimates as to:*

- i. percentage of visitors living within the city of Richmond compared to percentage of visitors from outside of city limits; and*
- ii. percentage of visitors living within the geographic region (i.e., Richmond/Petersburg MSA) compared to percentage of visitors from outside of the geographic region.*

**APPLICANT'S RESPONSE:**

ONE commissioned GI Enterprises ("GI") to perform an independent market study on visitation and revenue forecasts for our proposed development project. GI's gaming market projections are driven by a gravity model that analyzes the population and income present within a one hour drive of the project site in Richmond.

GI's proprietary gravity model helps identify which casinos have the strongest competitive offerings in any distinct market, while providing insights into how the market might rebalance itself if competitive dynamics are changed. These changes could include new supply entering the market, existing supply expanding or upgrading its operations, and any regulatory changes allowing new games to be offered. All of these variables tend to grow the total revenue of the gaming marketplace, but they usually lead to changes in the market share held by each gaming offering in the larger market going forward.

The foundation of GI's model is the relationship between an individual's distance from a casino and their expected spend at that casino. The closer the distance, the higher the expected spending becomes on average. This relationship is the basis for gravity modeling, which is the industry-standard in regional casino analyses. Gravity models rely on the average behavior of a collective area as consumer decisions play out amongst thousands or even millions of residents. As a result, gravity models tend to become more accurate when looking at markets with a larger number of residents.

GI projects the number of visitors to ONE in three distinct categories: city of Richmond residents, Richmond MSA residents (excluding City residents), and residents from outside the Richmond MSA. Below we note the city of Richmond is a relatively small part of the Richmond MSA, comprising just 18% of the total residents. City residents are also slightly older and earn a slightly lower income than the average resident of the MSA.



Richmond City	
Population	230,464
Per Capita Income	\$ 36,434
Total Income	\$ 8,396,725,376
Est Adults (21+)	177,457

Richmond MSA	
Population	1,290,866
Per Capita Income	\$ 37,590
Total Income	\$ 48,523,652,940
Est Adults (21+)	968,150

Richmond MSA (ex-City of Richmond)	
Population	1,060,402
Per Capita Income	\$ 37,841
Total Income	\$ 40,126,927,564
Est Adults (21+)	790,692

Source: US Census, GI Enterprises LLC

### Gaming Visits

Just over a quarter of the gaming revenue will be generated from outside of the Richmond MSA by patrons expected to spend much more on gaming than the average visit from a City or MSA resident. These visits are difficult to project on a precise geographic basis, but it is fair to assume a majority will be Virginia residents from all parts of the state.

Outside Richmond MSA - Gaming	
Visits	575,993
Gaming Spend Per Visit	\$145
Total Gaming Rev	83,542,180
Unique Customers	164,569

Total Richmond Casino - Gaming	
Visits	2,811,467
Gaming Spend Per Visit	\$111
Total Gaming Rev	311,560,542
Unique Customers	524,788

Source: GI Enterprises LLC

At 2.8 million annual gaming visits, the project's casino can expect an average visit count of about 7,700 visits per day before considering non-gaming related visitation.





However, casinos rarely have average days. We would expect the project to see the typical demand surges that are seen at most regional casinos, although having a hotel should slightly moderate these peaks. A typical pattern for casinos is to see the lowest visit counts on Monday and Tuesday, with business picking up slightly on Wednesday and Thursday, then peak visitation on Friday evening and all day on Saturday. During typical weeks with no holidays or special events that might bring customers into the area, Saturdays will see between 2.5 and 3.5 times as many visitors as a Tuesday.

Below we project estimates for visits by day and the share of total weekly visits each represents. In a "normal" level of seasonal demand, we would expect about 50,000 gaming visits per week, ranging from a low of about 4,600 visits on a Tuesday to 12,200 visits on Saturday. We then estimated what a busy peak week could look like during a high seasonal time with a major event going on in Richmond, such as a NASCAR race week. Such a week could attract 74,000 total visitors with a peak day of 20,700 gaming visits.

Richmond Casino Daily Visitor Projections								
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total
Day's Share - Normal	15%	10%	9%	11%	12%	18%	24%	
Visits - Normal	7,622	4,878	4,573	5,488	6,098	9,146	12,195	50,000
Visits - Peak	10,671	6,341	5,945	7,409	8,232	14,634	20,732	73,963

Source: GI Enterprises LLC

**Total Visitors to the Project**

While we expect the majority of visits to the Project will be for gaming, the amenities offered will also draw non-gaming customers from the City and the MSA, as well as a smaller share of visitors from further out. As with most regional casinos, most non-gaming visits will be to the food outlets as the restaurants should serve the demand for quality dining options in the southern part of Richmond. The food court and casual dining outlets will likely capture the greatest share of non-gaming customers, with the bar options and the entertainment venue also drawing in visitors from around the MSA. We are projecting about 800,00 non-gaming visits to the property.

Recall our projection for 2.8 million casino visits, so at just over 800,000 non-gaming visits, non-gamers would generate about 29% of the visits that gamers do. Adding the gaming and non-gaming visits, a total projection of 3.6 million visitors to the project is estimated in 2025. Just under a third of the visitors are projected to come from the City of Richmond and about half of the visitors are expected to come from the MSA area excluding city residents. In total, an estimated 82% of all visitors will come from the Richmond MSA.



e. *Projected Gross Gaming Revenue*

*Projected gross gaming revenues for the first 5 years of operation (and copies of market assessments, if completed).*

**APPLICANT'S RESPONSE:**

ONE's proposed development includes both a temporary casino and permanent casino resort. The project would be developed with speed to market at the core, providing much needed local jobs and tax revenues to city of Richmond as quickly as possible. Our development plan will simultaneously construct the temporary casino and permanent casino resort. Activation of amenities would occur as development completes over the initial two years of development.

Our development timeline anticipates opening the temporary casino in December 2022, which will operate for a year before the main casino is completed in December 2023. In the year 2024, operations would consist of seven months of operating the main casino and five months with the hotel and event center, represented as "Phase 1A" in the charts below and throughout the remainder of the RFQ/P response.

The chart below represents the high, low and base case revenue projections: Gross gaming revenue projections for the temporary casino range from a high of \$163 million to a low of \$120 million. Gross gaming revenues from Phase 1A are projected to be between \$318 million to \$235 million. See below and the attached GI Enterprises Market Study (Exhibit B.2.1) for additional details:

Gaming Revenue (\$000's)	Temp/Partial Operations		
	Temporary Casino	Phase 1A	2 Year Total
High Case	\$ 162,897	\$318,043	<b>\$ 480,940</b>
Base Case	\$ 141,649	\$276,559	<b>\$ 418,208</b>
Low Case	\$ 120,402	\$235,075	<b>\$ 355,477</b>

Year 2025 is expected to be our first full year of operations with all amenities being active. The chart below provides the five-year gaming revenue projections:

Gaming Revenue (\$000's)	Full Operations					5 Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
High Case	\$ 364,411	\$382,420	\$ 392,674	\$402,849	\$414,935	<b>\$1,957,289</b>
Base Case	\$ 316,879	\$332,539	\$ 341,455	\$350,304	\$360,813	<b>\$1,701,991</b>
Low Case	\$ 269,348	\$282,658	\$ 290,237	\$297,758	\$306,691	<b>\$1,446,692</b>

For the period commencing with opening of the temporary casino through the fifth year of full operations, gross gaming revenue projections are as follows:



Gaming Revenue (\$000's)	Temp/Partial Operations		Full Operations					7 Year Total
	Temporary Casino	Phase 1A	Year 1	Year 2	Year 3	Year 4	Year 5	
High Case	\$ 162,897	\$318,043	\$ 364,411	\$382,420	\$392,674	\$ 402,849	\$414,935	<b>\$2,438,229</b>
Base Case	\$ 141,649	\$276,559	\$ 316,879	\$332,539	\$341,455	\$ 350,304	\$360,813	<b>\$2,120,199</b>
Low Case	\$ 120,402	\$235,075	\$ 269,348	\$282,658	\$290,237	\$ 297,758	\$306,691	<b>\$1,802,169</b>

f. Security Plan

Describe security plans for the proposed casino.

**APPLICANT'S RESPONSE:**

Please refer to the attached Security Plan marked as Exhibit B.2.2.

g. Financial Statements

*Detailed projected balance sheets, income statements (detailed on a departmental basis) and cash-flow statements for the first five (5) years of operating the Casino using generally accepted accounting principles (to the extent applicable) reflecting a best, worst and most likely case outcome.*

**APPLICANT'S RESPONSE:**

Please refer to Exhibit B.2.3 for the balance sheets, income statements and cash-flow statements.

**Redacted Pursuant to Va. Code § 2.2-3705.6(3)**



***Redacted Pursuant To Va. Code § 2.2-3705.6(3)***





*j. Development Phasing & Timeline*

*Describe the phasing and timeline for the development.*

- 1. Sustainable development components, such as but not limited to: LEED standards to be met, energy efficiency, green infrastructure, landscape and storm water management, green/open space.*

**APPLICANT'S RESPONSE:**

ONE's proposed **development includes both a temporary casino and permanent casino resort**. The project will be developed with speed to market being paramount, providing much needed local jobs and tax revenues to the city of Richmond. Our development plan would simultaneously construct the temporary casino and permanent casino resort. Activation of amenities would occur as development completes over the initial two years of development.

Our development timeline anticipates opening the temporary casino in December 2022, which will operate for a year before opening of the main casino in December 2023 and hotel/event center to open seven months following. A complete timeline and phasing for ONE is as follows:

Timeline (Post-Referendum)	Milestone Date
Referendum Passes	11/2/2021
City Certifies Preferred Casino Operator	11/17/2021
Licensing by Virginia Lottery Commences	11/18/2021
Permitting Package Submitted - Temporary Casino	1/17/2022
Permitting Package Submitted - Main Casino	2/16/2022
Construction Starts - Temporary Casino	4/17/2022
Construction Starts - Main Casino	5/17/2022
Permitting Package Submitted - Event Center/Hotel	5/26/2023
Construction Complete - Temporary Casino	12/13/2022
Construction Starts - Event Center/Hotel	8/24/2023
Licensing by Virginia Lottery Ends	11/18/2022
<b>Commence Operations - Temporary Casino</b>	<b>12/27/2022</b>
Constuction Complete - Main Casino	12/8/2023
<b>Commence Operations - Main Casino</b>	<b>12/22/2023</b>
Constuction Complete - Event Center/Hotel	7/19/2024
<b>Commence Operations - Event Center/Hotel</b>	<b>8/2/2024</b>

*k. Sustainable Development Components*

*Sustainable development components, such as but not limited to: LEED standards to be met, energy efficiency, green infrastructure, landscape and storm water management, green/open space.*

**APPLICANT'S RESPONSE:**

The project envisions a sustainable design that ensures a high quality of life being consistent with the overall master plan for a sustainable Richmond. The design, development and construction teams will utilize available solutions to provide a sustainable, green project. The design team members are LEED accredited and will seek LEED certification(s) for the project. The team will provide independent verification of the development's green features, allowing for the design, construction, operations and maintenance of resource-efficient, high performing, healthy, cost effective buildings. This will include but not be limited to:

- Over 58 percent of the development is dedicated conservation green, open space and parking.
- Over 22 acres of conservation preservation areas.
- Over 35 acres of parks and open space.
- LED light fixtures in the parking garage and other areas throughout the development will save on energy usage and maintenance costs.
- Skylights and Clerestory windows add natural light for guest and employee comfort while saving on lighting costs.
- Low-flow plumbing fixtures and sensor-controlled faucets reduce water usage by 40 percent.
- Paint and adhesive materials with low levels of Volatile Organic Compounds (VOC's) provide a healthier environment for workers and future inhabitants.
- Casino operations include a single stream recycling plan, reducing the amount of waste delivered to landfills.
- 90 percent of all construction waste to be recycled or utilized on site – avoiding the landfill.
- Interior living green walls provide better air quality and comfort.
- Occupant sensor-controlled lighting provides lighting when needed and saves energy at other times.
- Complimentary electric car charging stations are provided for customer use. Free valet parking is available to low-emissions and fuel-efficient vehicles.
- The project will utilize a site water runoff system with a Surface Water Intake Protection Program (SWIPP) during construction to prevent runoff damage to adjoining areas.
- Installation of concrete drives, landscaping, a multi-level parking structure and white roof to reduce the urban heat island effect.



- Material for the project will be sourced from within 500 miles of the project site, reducing carbon emissions from transportation of that material and supporting local economies.
- The site is close to public transportation to promote efficient travel. The project will work with GRTC to add bus lines to the park as well as the development.
- Bike racks are provided for workers and customers and preferred parking is provided for alternate fuel vehicles.
- Landscaping will be largely native and drought tolerant plant species, eliminating the need for irrigation and saving both potable water and hundreds of thousands of dollars.
- Sustainably sourced and manufactured materials from recycled or salvaged products will be used throughout.
- Efforts will be made to reduce consumption of non-renewable resources to minimize waste and create a healthy, productive environment.
- A focus will be made on specifying local products that can be delivered to the site with a minimum of transportation distance.
- The most water efficient plumbing products available will be utilized.
- An energy efficient design approach for all building materials, glazing and facades to produce the most efficient energy solutions.
- We will establish a carbon neutral construction program through the purchase of carbon offset credits.

While much of this proposal has focused on the development that ONE will bring to Richmond, this project is equally focused on insuring the protection of invaluable green space. As the city of Richmond remains focused on ensuring that Richmonders have access to more green space, ONE is committed to providing the City over 57 acres of conservation green space to include a dedicated 20-acre park and parking. ONE is fully dedicated to developing the social, fiscal and environmental well-being of Richmond's Southside neighborhood, and in doing so, realize the necessity of urban green space.

ONE's lush, 20-acre park will include space for community gardens, miles of bike trails, a festival lawn with dedicated space for food trucks, a playground for all ages and abilities, large-breed and small-breed dog parks, trails and a walk-through arboretum featuring Richmond's native plant and tree species. In addition to the park, a portion of the trails will wind through 30 acres of untouched, preserved wetlands; where lush greenery, brimming with wildlife will provide a beautiful peek into Richmond's natural scenery.

This will be a place for families to relax, for people to gather, to exercise, to celebrate, and to learn amid nature's splendors. It will be inclusive and open to all while remaining dedicated to the preservation of Richmond's precious natural landscape. The development team also plans to employ a "local food" initiative whereby food offerings will be grown on-site and locally farmed. This initiative is designed to develop more reliant and resilient food networks, contribute financially to the local economy, and promote sustainable and organic farming practices.



## *l. Hotel*

*Any proposed hotel components, including but not limited to the minimum number of keys, estimated average room rates, hotel brand (if known) or level of quality of hotel brand (if specific brand unknown), and any plans/potential opportunities for coordination and synergy with the Greater Richmond Convention Center and Richmond Region Tourism if applicable.*

### **APPLICANT'S RESPONSE:**

#### **Legacy Tower**

Legacy Tower is a 4-Star, AAA, 4-Diamond, 150-room hotel. Luxurious finishes wrap guests in the warm comfort of home while delivering an opulent escape.

For its design, Legacy Tower will look to Richmond's vibrant art scene to obtain works by local artists, further strengthening our commitment to Richmond. In each room well-appointed neutral finishes will be the comfortable backdrop to the bold art of Richmond's own, creating a truly unique, one-of-a-kind hotel experience.



Richmond convention business is very important to the success of the resort. We expect to work hand-in-hand with the Greater Richmond Convention Center (GRCC), as well as Richmond Tourism, for the mutual benefit of all. Our facility is a significant amenity for these organizations to add to their arsenal to extend the reach and attract conventions from farther away. Our plan is to coordinate with these organizations and provide shuttle service back and forth to the Richmond Center at optimal times when conventions are in town.

Each room will be appointed with best-in-class amenities, including web accessible 4K televisions and in-room coffee makers. Premium rooms will boast panoramic views of Richmond's striking open green space along with stunning city views.

Guest rooms will be approximately 380-420 sf for standard/king and 850-900 sf for suites. The main floor of the hotel will host guest check-in, a business center, fitness center and meeting rooms. The hotel rooms will start on the 2nd floor of the complex and have a mix of suites as well as King and Double Queen rooms. We forecast average room rates at \$145-175 over the first five years of operations.

## *m. Non-Gaming Amenities & Activities*



*List and size of any non-gaming entertainment, recreational space and other family friendly or non-gaming amenities (such as but not limited to retail, restaurants, and meeting, conferencing, or other public space).*

### APPLICANT'S RESPONSE:

The resort will include amenities that will offer something for everyone.

#### Rise Theater™

The 3,000 person capacity Rise Theater will host more than 200 shows annually with an expected attendance of over 250,000 ticket buyers each year. Designed to be acoustically superior, the Rise Theater will have state-of-the-art sound and world class lighting. In addition, Rise has been designed to allow for a wide variety of events to ensure that it functions in the region as not just an entertainment venue, but rather a destination spot whose form and function serve as the benchmark.



From local and regional talent to national touring shows, from the next big thing to living legends, representing a wide range of genres and age demographics, we will surely have something for everyone.

To produce this amazing line-up, we have assembled the perfect powerhouse:

**Live Nation.** The global, unrivaled leader in live entertainment. Live Nation produces more concerts, sells more tickets, and connects more brands to music than anyone else in the world. Bringing 40,000 shows and 100+ festivals to life and selling 500 million tickets per year is a massive undertaking, made possible by their 44,000 employees worldwide.

Live Nation's un-matched concert marketing resources and their ability to connect to more than 500 million ticket buyers annually grant their artists and partners access to their extensive traditional and digital media toolbox. This allows the artists to reach valuable audience segments through advanced targeting and data sharing capabilities, email, social engagement, competitive media rates and added value opportunities.

**Urban One.** The largest distributor of urban content in the country. For more than 40 years, Urban One has been the leading voice speaking to Black America. First, as the largest local urban radio network and syndicator of urban programming. Now, with the addition of its cable networks and digital platforms, Urban One is the largest African American owned distributor of urban content. Their relationships and connections in the entertainment industry, along with their cross-platform marketing capability is certainly enviable.





**Peninsula Pacific Entertainment.** Over the past 20 years P2E has hosted thousands of shows and has sold millions of tickets at their market-leading casino properties across the country. Their venue experience is wide and varied, from intimate showrooms breaking the next big artist to theaters and arenas and standing-room-only outdoor shows for thousands. Across the country their venues have been artists' favorites because of their attention to detail, professional technicians and welcoming team members.

### Renderings – Rise Theater



## The Best of Richmond

The New York Times included Richmond on their list of the top 52 places to travel in 2020. The NY Times describes Richmond as, "a dynamic cultural center on the cutting edge of the arts, food and recreation." This is exactly the image of Richmond that ONE intends to reflect. In order to achieve this goal with ONE's Restaurant Scene, rather than bringing in outside restauranteurs or national chains, ONE has teamed up with the City's most beloved chefs and restauranteurs to create all-new concepts with a distinct Richmond flavor.



The culinary additions at ONE will be unmatched and a true celebration of Richmond's local, homegrown eateries. The addition of 12 unique restaurants and bars will bring original concepts from some of Richmond's restaurant royalty. Included in ONE's restaurant offering will be: Chef Mike Ledesma of Perch, who's signature blend of 'Pacific-inspired flavors with the Virginia spirit', has garnered a loyal following; Lester Johnson of Mama J's, which has introduced many to what true soul food is; Chris Tsui of Eat Restaurant Partners, whose creative restaurant concepts push boundaries in the most fun and delicious ways; Shane Roberts-Thomas of the famed Southern Kitchen in Jackson Ward will bring both her warm personality and her southern fare; Michelle Williams' Richmond Restaurant Group and Johnny Giavos owner of Stella's Market round out our restauranteur cadre. Along with Richmond's restaurant royalty, ONE's local offerings will also include several of Richmond's flourishing craft breweries, wineries and distilleries, creating a true celebration of local fare.

ONE's restaurant scene will be anchored by an inimitable dining experience that brings the best of local fare, street fair and music to Richmond. In this one-of-a-kind concept, live jazz music will create the atmosphere as a pianist tickles the ivory keys or a drum corps marches through the open venue. The laid-back, fun vibe and casual setting will encourage guests to try a variety of the best in food and drink that Richmond has to offer.

Best of Richmond - Concepts

BEST OF RICHMOND RESTAURANTS



The story of Mama J's begins during the childhood of **Velma Johnson** (affectionately known as Mama J), who was born one of fourteen children to Willard and Alease Roland. In their cozy home on the West End of Richmond, Velma and her siblings took part in all of the household chores, including helping their mother and grandmother in the kitchen as they prepared large family meals. This is where she learned the magic of the recipes that are now served at Mama J's.



RICHMOND'S RESTAURANT ROYALTY



BEST OF RICHMOND RESTAURANTS



From Baltimore to Oahu to Richmond, **Mike Ledesma's** culinary travels and Filipino heritage continue to inspire his cooking. Once a financial advisor, he made a career change in 2002 when he enrolled in culinary school in Hawaii. Since moving from desk to kitchen, he's worked under "Iron Chef" Roy Yamaguchi and has brought his passion for food back to the East Coast. Most recently he led operations, training, and menu development for six restaurants as corporate chef for Richmond Restaurant Group. He opened his first restaurant, Perch, in September 2018. Perch blends Pacific-inspired flavors with the Virginia Spirit. Housed in the former Joy Garden space in historic Scott's Addition, their award-winning and thoughtful renovations brings a sleek, modern feel to the neighborhood, while still incorporating the Richmond charm that locals and visitors come to love.



RICHMOND'S RESTAURANT ROYALTY



BEST OF RICHMOND RESTAURANTS



**Shane Roberts-Thomas** and her Richmond-based restaurant, Southern Kitchen, gained national attention when she appeared on celebrity chef Gordon Ramsay's show "24 Hours to Hell and Back." As the name suggests, the menu at Southern Kitchen Restaurant includes lots of good southern food, complete with lots of southern hospitality. Situated on a corner with two walls of glass, the restaurant exudes a welcoming warmth, both in decor and the friendly smiles that greet every new guest. Appropriately for a restaurant in the neighborhood once known as the Harlem of the South for the top-notch musicians who played there — among them Duke Ellington, Billie Holiday and Lena Horne — Southern Kitchen has a stage, with smooth jazz doing its part to set the mood.



RICHMOND'S RESTAURANT ROYALTY



## BEST OF RICHMOND RESTAURANTS



If you're at all familiar with the booming Richmond restaurant scene, you know about **Chris Tsui's** ever-growing portfolio of acclaimed dining spots. Starting with Osaka Sushi and Steak in 2005, Chris's group is now responsible for eight restaurants with more on the way. EAT Restaurant Partners is the largest independent restaurant group in Richmond. In 2012, together with VP Ren Mefford, Chris won an Elby for restaurateur of the year. He's making Richmond a more vibrant and delicious place to live.



## RICHMOND'S RESTAURANT ROYALTY



## Precedent Imagery – F&B







## Glory Park

As the city of Richmond remains focused on ensuring that Richmonders have access to more green space, ONE is committed to providing the City with a new beautiful 20-acre park. While much of this proposal has focused on the development that ONE will bring to Richmond, this project is equally focused on insuring the protection of invaluable green space. ONE is fully dedicated to developing the social, fiscal and environmental well-being of Richmond, and in doing so, realize the necessity of urban green space that will complement a thriving new economic engine.



Glory Park, with over 20 acres of green space, will include space for community gardens, two miles of bike trails, a one-acre festival lawn with a dedicated space for food trucks, a playground for all ages and abilities, large-breed and small-breed dog parks, six different fitness trails and a walk-through arboretum featuring Richmond's native plant and tree species. In addition to the park, a portion of the trails will wind through 30-acres of untouched, preserved wetlands; where lush greenery, brimming with wildlife, will provide a beautiful peek into Richmond's natural scenery.

This will be a place for families to relax, for people to gather, to exercise, to celebrate and to learn amid nature's splendors. It will be inclusive and open to all while remaining dedicated to the preservation of Richmond's precious natural landscape.



## Glory Park – Aerial



## Glory Park - Open Space, Recreation & Connectivity





**Glory Park – Entry**



**Glory Park – Event Field**





## Glory Park – Garden



## Glory Park – Bus Stop





## Glory Park – Playground



## Glory Park – Dog Park





## Glory Park – Pond



## Urban One Experience

For more than 40 years, Urban One has been the leading voice speaking to Black America. First, as the largest local urban radio network and syndicator of urban programming. Now, with the addition of its cable networks and digital platforms, the largest African American owned distributor of urban content. Urban One reaches 82% of the African American community across the United States, delivering content that informs, entertains, and inspires its audience through its radio, television, and digital platforms



We are committed to adding to the rich entertainment community of Richmond. The first sign of our commitment will be to bring the Urban One Studios to our project.

## Economic Development in Action

Urban One Studios will include a television and digital video production studio with a 15,000-sf sound stage, a radio broadcast studio, and a radio station hub. As experts in the production and distribution of star-studded events such as Urban One Honors and NAACP Image Awards, Urban One is confident that these facilities will bring significant production to Richmond. **We are making an initial commitment of \$50,000,000 (\$5,000,000 per year for 10 years) in original programming production by Urban One's broadcast, radio, and digital companies.** These studios and production capabilities will be instrumental in bringing additional production to Richmond, creating tax revenues, jobs, and significant economic impact.

## Reach Across Multiple Genres & Audiences

The radio station on property will feature live on-air broadcast of original programming. ONE's broadcast framework will span not only the leading **Radio One** stations in the market including iPower Richmond 92.1fm, 104.1fm, Kiss 99.3fm, 105.7fm, ESPN Richmond but also, through a partnership with **Summit Media**, New Country K95, Classic Rock 96.5 103.7 PLAY, 100.9 JACK FM, G104.3fm and Sports 106.1fm. Collectively, these stations span the radio dial, playing Country, Urban AC, Rock, Hip Hop, Adult Contemporary, Oldies, Alternative and Sports. We will also broadcast nationally syndicated shows such as D.L. Hughley, Rickey Smiley, Erica Campbell and more from this inhouse studio.

Urban One is prepared to put its cross-platform multi-media advertising machine to work promoting the great city of Richmond. **We are committing to provide the City with \$25,000,000 across all Urban One's media assets to promote any City initiative (e.g., public service announcements, tourism, education) as they deem acceptable.** The funds will be allocated as \$1,000,000 in paid radio advertising plus an



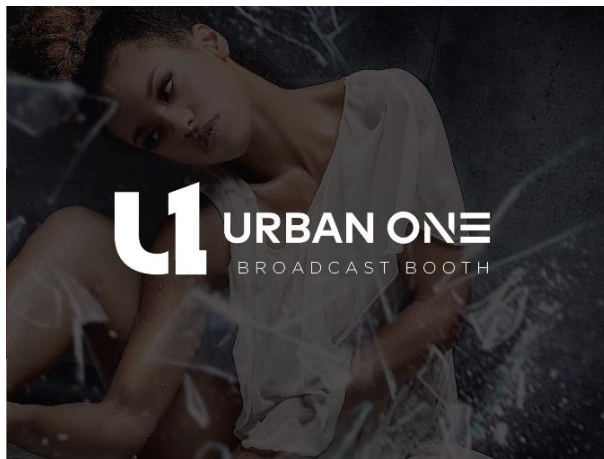
additional \$1,500,000 in added value in radio, TV and digital media assets, promotions and special events for a total value of \$2,500,000 per year for ten years – at absolutely no cost to the City.

The on-site radio broadcast booth will also feed our state-of-the-art property-wide sound systems. And visitors will be able to see the music being made in real time. Even when the DJs are not in the studio the broadcast center will come alive – picture bouncing equalizers and big screen visualizers filling the studio with representation of what music is playing over-head. This will not be your normal overhead 'elevator music', this will be an experience like no other. Resort guests will also be entertained by energizing music videos on the more than 100 screens located throughout the property.

The Urban One media reach is unparalleled: **24 million unique web visitors per month, 1 billion monthly video impressions, 12 million social media followers, 100+ million total reach! All in the heart of Richmond!**

The media value generated from this powerhouse group of media conglomerates is projected in the millions of dollars in additional exposure each year for the property and City at large. The entire City will benefit from this local, regional, and national spotlight.

### Renderings – Urban One Broadcast Booth





Media Reach

# ONE

## LOCAL MEDIA DOMINANCE

RICHMOND RADIO ONE AND RICHMOND SUMMIT MEDIA.  
*(Shared Service Agreement in Richmond)*

**MULTI-FORMAT AND MULTI-GENERATIONAL MARKET PENETRATION REACHING ALL DIFFERENT AGE-GROUPS AND LIFESTYLES.**

WCDX/WKJS/WPZZ/WXGI/WKHK/WKLR/  
WURV/WJSR/WKHK HD2/WURV HD2.

Hip Hop | Urban AC | Inspirational  
Classic Hip Hop | Country | Rock  
Adult Contemporary | Oldies  
ESPN Sports

**LARGE SCALE REACH IN RICHMOND AND SURROUNDING 12 COUNTIES.**

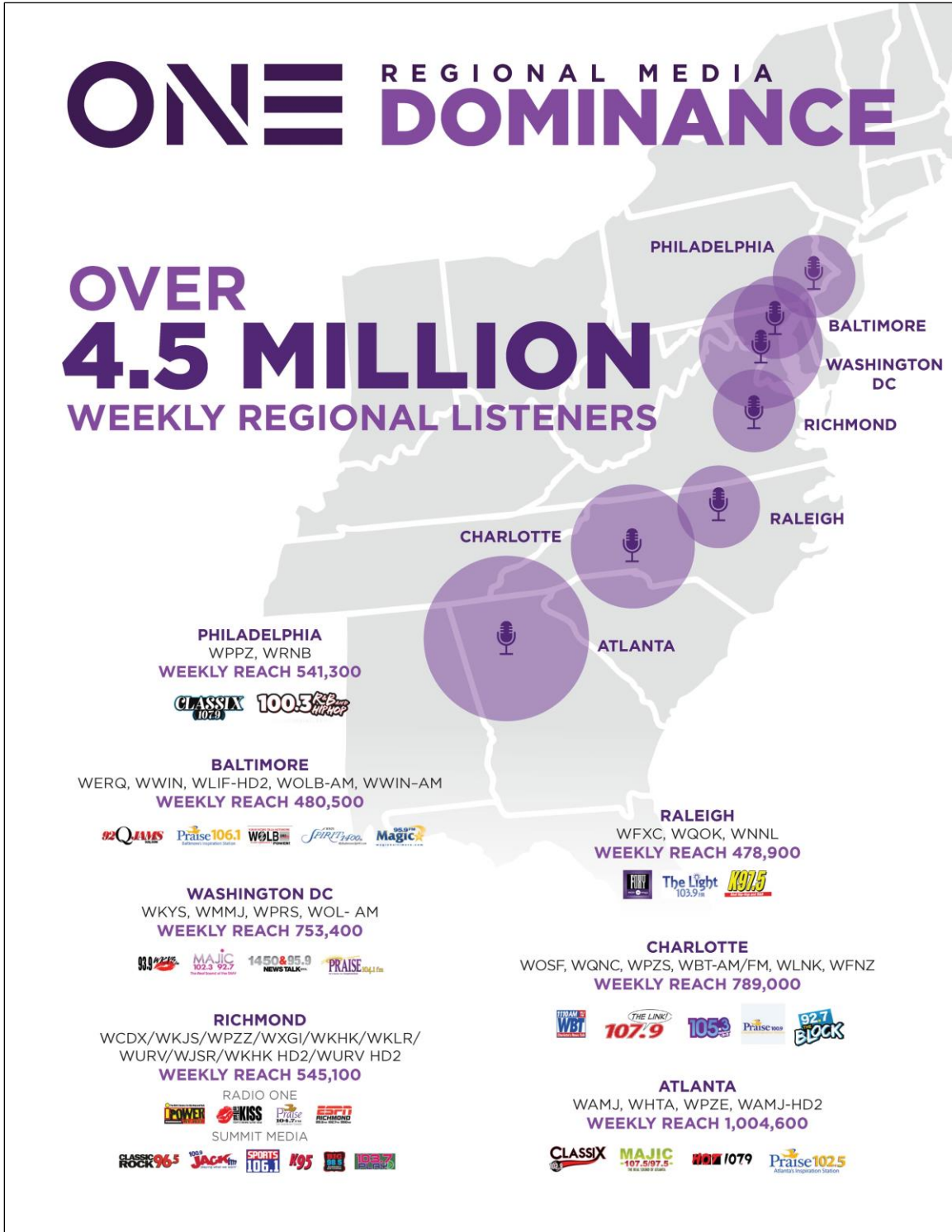
**545,100**

**LISTENERS EACH WEEK**

**58%**

**OF THE ENTIRE MARKET**





# ONE

## NATIONAL MEDIA DOMINANCE



**25 MILLION** LISTENERS  
**60 STATIONS** | **250+** EVENTS



**32 MILLION** LISTENERS  
THE LEADER IN SYNDICATED RADIO  
FOR AFRICAN AMERICANS.



**24 MILLION**  
MONTHLY UNIQUE VISITORS  
**50 MILLION**  
MONTHLY VIDEO VIEWS  
**25 MILLION**  
SOCIAL FANS AND FOLLOWERS



**52 MILLION HOMES**  
**#1 BLACK OWNED**  
**CABLE NETWORK**



**28 MILLION HOMES**  
NEW CABLE NETWORK  
FOR MILLENNIAL AND GEN X  
WOMEN OF COLOR



NATIONAL MEDIA  
**DOMINANCE**

TV ONE SUBSCRIBERS  
**50,574,000**

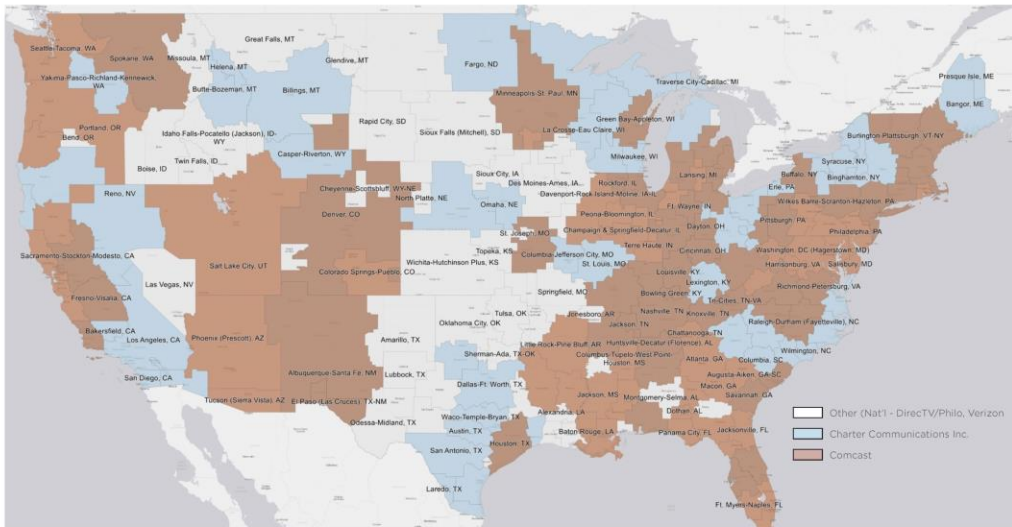


# CLEO<sup>TV</sup>

## NATIONAL MEDIA DOMINANCE

CLEO TV SUBSCRIBERS

# 35,500,000





n. Projected Non-Gaming Revenue

Projected total non-gaming revenues for the first five years of operation (and copies of market assessments, if completed).

**APPLICANT'S RESPONSE:**

While gaming will generate approximately 85% of total revenue, non-gaming revenue of \$49 million in year one of full operations is projected to grow to \$56 million in year five. The resort will generate significant food, beverage, entertainment, and hotel revenues. These non-gaming offerings help support gaming levels, attracting new customers to the project over time. While the non-gaming revenue is lower than projected gaming revenues, these forecasts are the typical share seen at most regional casinos.

**Temporary and Partial Operations**

Non-Gaming Revenue (\$000's)	Temporary/Partial Operations		
	Temporary Casino	Phase 1A	2 Year Total
High Case	\$ 12,380	\$ 40,642	\$ 53,022
Base Case	\$ 10,765	\$ 35,340	\$ 46,106
Low Case	\$ 9,151	\$ 30,039	\$ 39,190

**Full Operation**

Year 2025 is expected to be our first full year of operation with all amenities being active. The chart below provides the five-year non-gaming revenue projections:

Non-Gaming Revenue (\$000's)	Full Operations					5 Year Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
High Case	\$ 56,824	\$ 59,677	\$ 61,284	\$ 62,864	\$ 64,681	\$ 305,330
Base Case	\$ 49,412	\$ 51,893	\$ 53,291	\$ 54,664	\$ 56,244	\$ 265,504
Low Case	\$ 42,000	\$ 44,109	\$ 45,297	\$ 46,465	\$ 47,807	\$ 225,679

For the period commencing with opening of the temporary casino through the fifth year of full operations, non-gross gaming revenue projections are as follows:

Non-Gaming Revenue (\$000's)	Temp/Partial Operations		Full Operations					7 Year Total
	Temporary Casino	Phase 1A	Year 1	Year 2	Year 3	Year 4	Year 5	
High Case	\$ 12,380	\$ 40,642	\$ 56,824	\$ 59,677	\$ 61,284	\$ 62,864	\$ 64,681	\$ 358,352
Base Case	\$ 10,765	\$ 35,340	\$ 49,412	\$ 51,893	\$ 53,291	\$ 54,664	\$ 56,244	\$ 311,610
Low Case	\$ 9,151	\$ 30,039	\$ 42,000	\$ 44,109	\$ 45,297	\$ 46,465	\$ 47,807	\$ 264,868



*o. Community Connectivity*

*Description of how the development will be “outward looking” to engage pedestrians and provide linkages to transit and to connect the community and the City’s existing restaurants, bars, hotels, entertainment venues, and other attractions.*

**APPLICANT’S RESPONSE:**

The proposed location just off I-95 is highly visible and convenience is paramount. Over 50 acres of mix use green space included in the development will draw not only outdoor enthusiasts but also those in the City that are looking for a quiet respite to stroll among the gardens. Other plans for the open space call for over two miles of bike trails. For those not traveling with their own bikes, a rental station will allow visitors to experience the trails.

The site location and proximity to Commerce Road sits directly along a primary Greater Richmond Transit Company (“GRTC”) bus route. We would seek to coordinate with GRTC and support identifying a bus stop near the intersection of Commerce Road and Walmsley Boulevard, and work closely with Richmond Region Tourism to coordinate shuttle service for convention groups.

For guests staying at the hotel, the resort will offer shuttle service for those wishing to explore the city of Richmond with the possibility of establishing tours to historic and entertainment districts. We are confident that our more than 200 shows annually (from national touring acts through our partnership with Live Nation to regional and local artists) will generate more entertainment events throughout the community. We have spurred that transformation before; Richmond will become a live music, entertainment destination.

Our marketing plan for the resort includes the introduction of the exclusive ONE Card. When visitors play at our property, they will earn points that will be valid for complimentary within the resort, and may also be used to purchase goods and services at participating locations throughout Richmond.

This program will be part of the player rewards program and is designed to allow casino patrons to earn and accumulate points at the property that can be redeemed at local restaurants, local retail outlets, for stays at Richmond hotels, and to go to concerts in the Richmond neighborhoods and communities. Creating synergies with the Richmond community is of prime importance to our success. We would market this program under the branding, ONE Card. Endless Opportunities.



*p. Complementing Richmond*

*Description for how the project will complement and be compatible with Richmond's culture and how it will showcase, stimulate, and improve the use of existing and future attractions, including tourism and convention facilities.*

**APPLICANT'S RESPONSE:**

ONE's development is highly focused on entertainment, expecting to draw visitation from well outside the local market and becoming another tourist attraction for the City. The resort is expected to take its place among the many attractions offered in Richmond. The Community ONE program will encourage visitors to explore the City and all it has to offer. The resort and entertainment will add another "arrow in the quiver" of the GRCC to entice more convention groups to their facilities.

We are confident that we will draw over 3.6 million annually to the resort, and also to the greater Richmond area to dine, to shop and to stay.

In marketing ONE, we will showcase the rich assets offered in the community. The anticipated 200 shows in our theater each year are expected to attract more than 250,000 guests annually.

Urban One and P2E have produced thousands of special events and shows over the past 20 years including Urban One Honors, the nationally televised awards program. Past honorees hosts and performers have included Missy Elliot, Chance the Rapper, Brandy Norwood, Jamie Foxx, and many more.

Recent shows staged at P2E properties across the country include Kane Brown, Chris Stapleton, Elvis Costello, Jay Leno, Jewel, Willie Nelson and so many more.

Urban One owns more than 60 radio stations, TV ONE and CLEO TV networks, Reach Media syndication platform, and the iONE digital platform.

The media reach of Urban One includes more than 20 million unique visitors, 200 million app streams and 40 million video streams reaching 82% of Black America. Simply put, the exposure the city of Richmond will receive is unsurpassed.

Our status and influential position within the entertainment community will be instrumental in bringing new artists and special events to Richmond.

The city of Richmond will be a draw to the property – people will come not just for the entertainment and gaming options we provide but to partake in what the community has to offer. We only succeed when the community succeeds. We believe that a high tide raises all boats. We want to be the high tide to propel the City to greater prosperity.

*q. Economic Impact Assessment*



*Economic Impact Assessment, including estimates of direct and indirect job creation, impacts on local wages, taxes to be generated, and other revenues to be provided to the City.*

**APPLICANT'S RESPONSE:**

Chmura Economics & Analytics was commissioned to perform an economic and fiscal impact analysis of the proposed resort casino in the city of Richmond. The analysis is attached as Exhibit B.2.4. The executive summary as prepared by Chmura is presented in the paragraphs below.

This project will generate significant economic impact in the City economy, supporting thousands of new jobs. Chmura estimates that when operations of the resort casino ramp up to its stable stage in 2026, the total annual economic impact (direct, indirect, and induced) of the resort casino will reach \$526.4 million (in 2026 dollars) that will support 2,399 jobs in the city of Richmond. Of this total impact, the resort casino operations will generate an estimated total economic impact (direct, indirect, and induced) of \$478.6 million that will support 1,992 jobs in the City. In addition, the resort casino is expected to attract 3.8 million guests in 2026, whose spending outside the resort casino can produce \$47.8 million in economic impact (direct, indirect, and induced), supporting 407 jobs in the City.

The proposed resort casino can contribute significant tax revenues to the City and state governments. From casino operations and visitor spending, the resort casino will generate an estimated \$41.7 million in tax revenue to the City government, and \$64.2 million to the state government, for a total of \$105.9 million in 2026. Casino tax constitutes a significant part of the tax revenues, estimated at \$21.3 million for the City and \$45.2 million for the state in 2026. RVA Entertainment Holdings will also contribute another \$8.4 million to support the City government and other non-profit organizations based in the City. Those economic and fiscal impacts are sustainable and will recur each year.

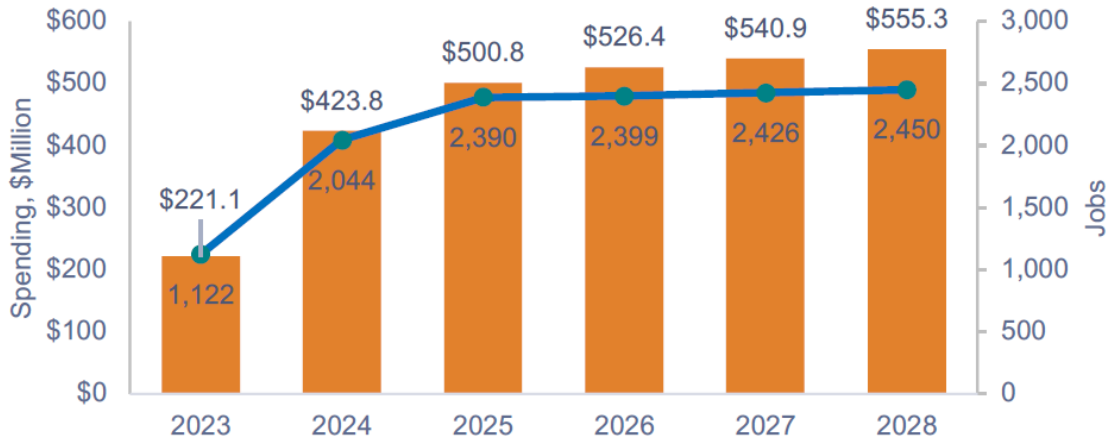
One distinguishing factor of the proposal by RVA Entertainment Holdings, LLC is the establishment of a temporary casino, so the City can reap the economic and fiscal benefits of a casino in 2023, while the permanent resort casino is under construction. Chmura estimates that in 2023, the total economic impact (direct, indirect, and induced) of the temporary casino operations and visitor spending will reach \$221.1 million, supporting 1,122 jobs in the City. In 2023, the temporary casino operations and visitor spending will contribute an estimated \$16.5 million in tax revenue for the City, and \$25.7 million for the state government, for a total of \$42.2 million.

Figure 3.1 below represents the recurring economic impact of the resort casino in the city of Richmond:





**Figure 3.1: Recurring Economic Impact of Resort Casino in the City of Richmond (Operations & Visitor Spending)**



Source: Chmura Economics & Analytics

**Construction Economic Impacts**

Chmura utilized the JobsEQ economic impact model to estimate the one-time economic impact of casino construction in the city of Richmond. From 2022 through 2024, the cumulative economic impact (direct, indirect, and induced) of construction is estimated to be \$187.4 million in the City, with an estimated \$141.2 million directly spent in the City. The construction activities of the Richmond resort casino are estimated by Chmura to support 375 jobs per year in the city of Richmond. The construction activities will also contribute an estimated \$5.8 million in annual state and local tax revenue during this period.

r. *Employment*

1. *Total estimated employment (FTEs), average annual salary, and the starting salary for the lowest wage occupation; Include a breakdown of the full-time and part-time employment that comprises the total estimated FTEs.*
  - a. *Description of any plans for hiring residents of the City and adjacent localities, veterans, women, and minorities, together with the legal basis for incorporating such plans into the development agreement or other applicable contracts that may arise from this RFQ/P.*

**APPLICANT'S RESPONSE:**

ONE expects to employ 425 FTE's for the temporary casino, increasing to over 1,263 once the permanent resort is fully operational. Total jobs forecasted are 495 at the temporary casino and 1,498 upon full operations. We are committed to a minimum living wage for our team members starting at \$15.00 an hour for non-tipped positions, 25% higher than Virginia's 2023 minimum wage of \$12.00. For tipped positions our minimum wage will be \$7.50 an hour for table games dealers and a minimum of \$9.00 per hour for all other tipped positions, over 3.5 times the Commonwealth's requirement of \$2.13 per hour. We believe that a living wage is the pathway out of poverty and creates stability as well as security for individuals and families.

**ONE Team – Profit Sharing Program**

In addition to well-paying jobs, we will be proud to offer a profit-sharing program with the goal of improving the health, well-being, and financial security of our team members. ONE has committed to distributing 3% of our profits annually to this program to be paid out during the traditional end of the year holiday season. Each team member can decide what they want to do with the distribution; **they can use it to pay for childcare, housing assistance, health emergencies or other unexpected expenses**, or they can deposit it in their company sponsored 401k plan to save for retirement. We believe we only win when the entire team wins. One Team. One Dream.

Employment statistics for the temporary casino and permanent resort are detailed in chart below:



Direct Employment Statistics	Total Direct Employment	
	Temporary Casino	Year 1 Full Operations
<b>FTE's</b>	<b>425</b>	<b>1,263</b>
Total Salaries and Wages	\$ 16,326,000	\$ 41,804,000
Projected Profit Share	\$ 1,607,000	\$ 3,159,000
<b>Average Salary</b>	<b>\$ 42,195</b>	<b>\$ 35,600</b>
Total Salaries, Benefits and Other	\$ 22,670,000	\$ 57,939,800
<b>Average Annual Salaries and Benefits</b>	<b>\$ 53,341</b>	<b>\$ 45,875</b>
Lowest Wage - Tipped Position	\$7.50/hour	\$7.50/hour
Lowest Wage - Non-Tipped Position	\$15.00/hour	\$15.00/hour
Full-Time Jobs	327	928
Part-Time Jobs	168	570
<b>Total Jobs</b>	<b>495</b>	<b>1,498</b>

**ONE's temporary casino will provide for job creation a full year earlier than the main casino's opening date.** During such time, approximately 495 jobs will be created earning an average salary with benefits of \$53,341 per FTE in 2023. During full operations with all amenities active, employment at ONE is projected to be 1,498 jobs averaging \$45,875 per FTE.

### Workforce Development

ONE is committed to employing a construction and operations workforce that is 50% minority and 50% local. Using the workforce portion of the comprehensive Supplier & Workforce Diversity Plan, ONE will place particular emphasis on minority communities within the City to cultivate and develop residents for employment opportunities and career pathways during and post construction of the proposed casino by way of hiring preferences (see Exhibit B.3.1).

As it builds a state-of-the-art gaming facility anticipated to stimulate the local economy, ONE is committed to supporting local residents and their families by creating 1,498 new jobs and building the regional capacity to sustain the new casino long into the future. ONE's complete workforce development plan is outlined within its Supplier & Workforce Diversity plan (see Exhibit B.3.1) starting on page 13, which outlines ONE's strategies, partnerships, key indicators, and tools for success.

### Legality of Diversity Initiatives

ONE will meet its diversity objectives with narrowly tailored goals, as outlined in the ONE Supplier & Workforce Diversity Plan, with respect to local residents, veterans, minorities and women, in accordance with all local, state and federal laws, and in consultation with the City Attorney's Office.



2. *Description of the Applicant's plan to provide benefits to and create opportunities for employees such as, but not limited to (please indicate which benefits apply to full-time employees and/or part-time employees):*
  - a. *Health insurance;*
  - b. *Retirement benefits;*
  - c. *Child care;*
  - d. *Housing Assistance;*
  - e. *Job/workforce training and advancement initiatives; and*
  - f. *Commitment to opportunities for upward mobility.*

**APPLICANT'S RESPONSE:**

**Health and Other Insurances**

ONE will offer a comprehensive benefits package to its full-time team members and their dependents. Multiple plans will be offered, allowing team members to select a medical, dental and vision option that best serves their individual needs. Other insurance benefits will include voluntary life for the team member and dependents, accidental death, critical illness/hospitalization, short and long-term disability, Health Savings Accounts, and even pet insurance.

**Retirement Benefits**

Retirement benefits will be offered to team members with a plan design enabling full and part-time participation. ONE will work with plan administrators to offer a wide range of investment opportunities for team members, as well as options such as 401k and Roth IRAs.

**Profit Sharing to Facilitate Childcare, Housing, etc.**

We are proud to offer a profit-sharing program with the goal of improving the health, well-being, and financial security of our team members. ONE has committed to distributing 3% of our profits annually to this program to be paid out during the traditional end of the year holiday season. Each eligible team member can decide what they want to do with the distribution; they can use it to pay for childcare, housing, health emergencies or other unexpected expenses, or they can deposit it in their company sponsored 401k plan to save for retirement. We believe we only win when the entire team wins. One Team. One Dream.

**Employee Assistance Program**

An Employee Assistance Program will also be provided at no cost to full- and part-time team members. Benefits of this program include legal, financial and crisis consultation and ID recovery. Other resources include providing information on childcare, adoption, summer camps, college placement, elder care and assisted living.

**Workforce Development, Training and Advancement Initiatives**

The project's workforce engagement program articulated in Section B3 of our RFP response will help propel ONE's mission of supporting the local community by actualizing the organization's commitment to economic sustainability through workforce





development. Through its workforce engagement efforts, the project will become a workforce catalyst that contributes to sustainable economic growth in the city of Richmond and the surrounding region.

**Commitments to Upward Mobility Opportunities**

The **ONE Management Trainee Program** will facilitate upward mobility on property. In addition to the standard training all employees receive through the New Hire Orientation process and annual required renewals, One's Management Trainee Program will build upon an observation that P2E personnel have seen throughout their time operating high-end destination resorts: some of our very best property leaders, including senior management and even General Managers, broke into the industry in front facing positions (dealers, slot tech, valet, etc.) that did not require any formalized education or prior work experience. Work ethic, drive and a passion to succeed will be determining factors for fulfilling careers at One with the Management Trainee Program acting as the vehicle to identify talent, nurture it and allow it to achieve its maximum potential.



### B.3. COMMUNITY ENGAGEMENT PLAN

*A forward-looking community engagement plan to address concerns and ensure engagement of the citizens of Richmond in the planning, development, and future employment opportunities of the proposed casino.*

#### APPLICANT'S RESPONSE:

##### Planning and Development Engagement

The development process is complex, involving and affecting stakeholders with different attributes, interests, needs, and concerns. We place great importance on being proactive, authentic, sensitive, and strategic in all community outreach initiatives. To enhance transparency and maximize stakeholder involvement we will host public meetings, to commence the planning process, with announcements made via web, media, and direct mail. The first meeting is meant to be educational and informational, and will inform the public of the planning process, share the vision, and outline public participation opportunities.

##### Workforce Development Plan

Community engagement with respect to workforce development is contained within the Supplier & Workforce Diversity Plan starting on page 13 (see Exhibit B.3.1).

## Community ONE<sup>3</sup>



We owe much of our success to those that have supported us along the way. As proud members of the Richmond business community, we know that now is the time to give back. We also recognize that support comes in many forms, and that, traditionally, support has been harder to come by for some than for others. For this reason, our philanthropic philosophy is guided by three core principles. First, we believe in channeling our charitable dollars to those communities and citizens who need it most. Next, we believe in diversifying our altruistic efforts across many platforms, in a multitude of ways. And finally, we believe in strong partnerships with proven Richmond-based organizations and leaders that have deep ties into the

communities in which they already serve. We believe that this approach is the best way to achieve sustainable, growth-driven platforms of service.

Within that context, and with an emphasis on traditionally overlooked and underserved segments of the broader community, we have organized Community ONE around four critical areas of need:

- Education
- Workforce Development
- Affordable Housing
- Community Sponsorships

### ***Our Pledge***

**ONE will infuse \$30 million in charitable contributions, programs and initiatives into the Richmond community.** We will deploy those critical funds in the following ways, with some dollars already allocated:

#### ***Education***

It is hard to identify something more important to the health and sustainability of a community than the education of its people and, especially, its children. For this reason, the primary beneficiaries of our proposed community host plan will be students. Our focus is on Richmond public schools so that we can help to bring high-quality education for all.

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<sup>3</sup>In addition to other aspects of the project, we feel this entire Community ONE program is responsive to the City's request for ways in which we plan to positively impact the community and neighborhood.



**TOTAL: \$9,000,000 Over 10 years**

This includes the following commitments:

- \$250,000 per year for 10 years to **Richmond Public Schools Foundation** to advance public education;
- \$100,000 per year for 10 years to **Communities in Schools** to assess students' needs and provide resources to help students succeed; and
- \$550,000 per year to support other initiatives for Richmond students including out of school programs, scholarships, and early childhood development to name a few.

**Workforce Development**

We understand that it is important to create jobs, but we also want to create sustainable careers -- long-lasting, satisfying, life-fulfilling work that helps people to achieve social and economic mobility and ultimately, more-fulfilling lives. Our emphasis in this space centers upon career development programs, and higher-education institutions. These programs will focus on job training, career advising, job readiness and the re-entry of past offenders to help them become productive members of society.

**TOTAL: \$5,000,000 Over 10 years**

This includes the following commitments:

- \$250,000 per year to **Virginia Union University** (VUU) for workforce development initiatives and one-time support payment to VUU in the amount of \$250,000. VUU has a mission to develop scholars, leaders, and lifelong learners of a global society. ONE is committed to excellence and diversity. To that end, we plan to fund workforce development initiatives, including scholarships, gaming and technical curriculum.
- \$150,000 per year for 10 years to **Reynolds Community College** (RCC) for employee workforce development programs to learn leaderships skills and complete training in culinary, hospitality and various other trades. We will also work hand in hand with RCC for job sourcing at the resort casino.
- \$100,000 per year for 3 years for Re-Entry Programs to help past offenders rebuild their lives. To do so, we are partnering with two re-entry programs, **Project Give Back to Community** and the **Help Me Help You Foundation**. Through our years in gaming and hospitality industries, we have known countless men and women who have bounced back from past setbacks to become true leaders in the industry. This is a particularly important initiative for former non-violent and youthful offenders. We want to be a part of that solution. This initiative fits squarely within our values system and the promise that a large transformational project like ONE can be a benefit to all members of our community, including those that need help getting back on their feet following brushes with the law.
- Our commitment continues with the provision of additional funding that will be made available to partner with the City's **Office of Community Wealth Building**.





This partnership will focus on job readiness skills and hospitality focused workforce training.

**Affordable Housing**

As members of the Richmond community, we know that housing security is a critical issue. As a community partner, we understand the necessity of affordable housing opportunities. Our commitment to this basic need is the following:

**TOTAL: \$10,000,000 Over 10 years**

This includes the following commitments:

- \$200,000 per year for five years to **Southside Community Development & Housing Corporation** to help qualifying area residents obtain affordable housing through down payment assistance, credit counseling, and homebuyer education.
- \$200,000 per year for five years to the **Better Housing Coalition** ("BHC"), the region's largest nonprofit community development corporation. BHC creates high-quality homes for residents of modest means and empowers them with programs and tools to help them reach their fullest potential, at all stages of life.
- \$200,000 per year for five years to **Richmond Metropolitan Habitat for Humanity** to build homes in the City's southside. With a focus on building communities our contribution will create secure homes for those most in need.

**Community Partnerships & Sponsorships**

We are especially invested in helping to create a vibrant and dynamic community, which will be even more critical as Richmond strives to recover from the effects of the coronavirus pandemic. We have chosen to partner with the following arts, culture, and economic organizations that celebrate and support the tremendous diversity that is so unique to Richmond:

**TOTAL: \$6,000,000 Over 10 years**

This includes the following commitments:

- \$100,000 per year for three years to **Metropolitan Business League** to promote economic prosperity through leadership, education, training and advocacy for small, women- and minority-owned businesses;
- \$150,000 per year for 10 years to the **Black History Museum & Cultural Center of Virginia**, which celebrates the rich culture and moving histories of African American people in Virginia and their contributions to our magnificent country;
- \$30,000 per year for 3 years to the **Elegba Folklore Society** ("EFS"). The EFS is a year-round, lively celebration of African and African American culture;
- With a goal of supporting community-based events, we plan to allocate funds for sponsorship and support of local events, such as **Richmond Black Restaurant Experience**, the **2<sup>nd</sup> Street Festival**, the **Richmond Folk Festival** and the **Latin Jazz Festival**, to name a few.



We are here and we are community members; the dollars allocated to community partnerships and sponsorships will allow opportunities to expand these events and build even stronger community ties.

### Revenue Share to the City of Richmond

In addition to the charitable contributions and initiatives into the Richmond community noted above, **ONE will pay to the City an amount equal to two percent (2%) of net gaming revenue** annually. Net gaming revenue is adjusted gross receipts (as defined in the Virginia Casino Act) less statutory gaming taxes, estimated at \$5.3 million upon full operation.



## B.4. POTENTIAL ADVERSE EFFECTS

*Identification of potential adverse effects that might be caused by the Proposed Casino Project or any casino located on or near the Applicant's Proposed Casino Site, including but not limited to, as applicable, the costs of meeting increased demand for public health care, childcare, public transportation, public safety, infrastructure, affordable housing, and social services. Include a plan to mitigate any potential adverse effects.*

### APPLICANT'S RESPONSE:

ONE engaged the services of Custom Gaming Consulting, LLC (CGC) to assess the potential social impacts of introducing a casino resort to the City of Richmond. The report, attached as Exhibit B.4.1 provides details on how increased demand caused by the project may impact the following:

- Public Health Care
- Childcare
- Public Transportation
- Public Safety
- Affordable Housing
- Social Services

A summary of CGC's findings is presented below:

#### Public Health

For public health, CGC contends the project would positively impact the regional public health care system due to the incremental funding the system would receive through health care benefits provided to resort employees. ONE would reduce the burden on the public health care system by generating jobs providing health care benefits, including major medical, dental, and vision. As a result, it is reasonable to expect new medical practices to migrate to the area and enhance the quality of care.

#### Childcare

CGC estimated incremental demand for daycare at about 200 children, specifically, children of employees of the resort residing in Richmond, which reflects a 0.6% increase to the Richmond childcare system. CGC's research shows that childcare infrastructure exists in the region to accommodate this incremental demand.

#### Public Transportation

CGC contends the impact of ONE on the regional public transportation system would be minimal in terms of causing capacity constraint issues and identified a positive impact in terms of increased ridership transit revenue. CGC estimated the incremental weekly ridership demand on Route 88 at about 3,290 rides, increasing the total average weekly ridership to about 3,866 rides. This figure is slightly above the systemwide average of 3,700 rides, but still well below the ridership figures on some of the top routes. Based on the full-fare price of \$1.50, the incremental ridership demand would contribute approximately \$300,000 in fare revenue to the transit system on an annual basis



The Greater Richmond Transit Company (GRTC) offers service along Commerce with a stop at Commerce and Walmsley Blvd. ONE will work with GRTC to incorporate a stop at the dedicated park as well as the entertainment facility. ONE will fund, at its sole cost and expense, the design and construction of such bus stop shelters in cooperation with the GRTC.

### Public Safety

The public safety departments examined in the social impact assessment include police, fire, and EMS.

### Police

CGC estimated the Richmond Police Department (RPD) would realize an additional 545 calls for service resulting from project, or about a 1.6% increase. At this level, CGC contends that the additional burden on the local police would be minimal, and thus can be managed by the existing facility and equipment resources. Nonetheless, with calls to the resort averaging about 1.5 per day, it is possible that additional manpower may be needed, but likely less than one FTE. The incremental cost would be minimal relative to the current budget of RPD.

Further, CGC believes the new jobs created by ONE, many of which would go to the residents of the city of Richmond, would have a positive impact on the crime rate in the City as an increase in prosperity generally results in lower crime. In addition to ONE's professional security and surveillance workforces, extra duty employment of Richmond Police Officers, especially during peak business volumes, is anticipated. ONE will encourage employment of former law enforcement officers in its workforce recruitment efforts.

### Fire

The Richmond Fire Department (RFD) is an exemplary organization with the manpower, equipment, and facilities necessary to respond to the most serious fire and rescue incidents. Since the resort will be an extensive development with a multi-story hotel that attracts large crowds, the potential, although rare, exists for a serious fire and/or rescue incident. Notwithstanding a serious event, incidents needing fire department involvement would be minimal. Thus, CGC contends the additional burden on the RFD could be managed by the existing manpower, equipment, and facility resources. In terms of mitigation, the project would strictly adhere to all fire and building codes.

### EMS

CGC estimates that the Richmond Ambulance Authority (RAA) would realize an additional 218 calls for service annually resulting from the project, equating to only a 0.3% increase. At this level, we contend the additional burden on the EMS would be minimal, and thus can be absorbed by the existing manpower and equipment resources of the RAA. The resort will maintain an on-site EMS presence, paid for internally. ONE will also train certain other employees in basic health emergency procedures.

### Affordable Housing





CGC's analysis shows the incremental demand for affordable housing resulting from the resort facility would be modest at 71 persons or families. The affordable apartment inventory alone (rent less than \$1,100 per month) near the facility would cover this demand by more than 16 times. As discussed in Section B.3 of the RFP response, ONE will dedicate \$10 million over 10 years to directly support affordable housing programs directly in the city of Richmond.

**Social Services and Gambling Addiction Services**

CGC contends the Richmond Department of Social Services (RDSS) and the Virginia Department of Health are currently well equipped to absorb the incremental demand for social services resulting from the development of the proposed resort, with solid history of delivering quality social services to the residents of Richmond.

In contrast, gambling addiction services in the region are inadequate and would need to be enhanced significantly to address problem gambling stemming from the advent of casino gaming in Richmond. According to a state-by-state study, Virginia ranked 40th out of the 50 states in terms of gambling addiction services. Dedicated funding for Problem Gambling Treatment will be made available from 0.8% of the gaming tax revenues collected by the state via the Problem Gambling Treatment and Support Fund. Independent organizations like the Virginia Council on Problem Gambling also stand ready to assist with problem gambling prevention, treatment, and recovery efforts.

The Virginia Gaming Act has included a requirement for casino operators to implement a voluntary exclusion program and to submit a responsible gaming plan for approval by the Virginia Lottery Board. The plan must address training employees, voluntary exclusion program, and dissemination of public information on problem gambling, among other requirements. ONE, through its management company parent, Peninsula Pacific Entertainment, has significant experience instituting effective responsible gaming programs. Further details on ONE's Responsible Gaming Plan is presented below and in Exhibit B.2.5.



## Infrastructure

### Transportation Network

As noted in Section B.1, under current conditions there is available capacity in the existing road network; however, there is anticipated growth in the area that may warrant future modifications to the existing interchange ramps and signalized Commerce Road/Walmsley Boulevard intersection. The short-term improvement concepts include interchange ramp and intersection modifications. The long-term improvement for the interchange/intersection includes ramp modifications and a proposed roundabout at the Commerce Road/Walmsley Boulevard intersection.

These improvements are not required to accommodate the anticipated traffic demands and under either of these improvement scenarios, access to the proposed entertainment venue would remain intact.

### Utility Infrastructure

The surrounding utilities for water, stormwater, and sanitary sewer are all present with large diameter pipe facilities serving the property. Infrastructure capacity compliance will be demonstrated during the permit review process for the project. The property is served by waterline infrastructure of 12" – 16" pipe. The Applicant anticipates that there is adequate flow and pressure in this area to meet domestic and fire needs. Stormwater and sanitary sewer connections are served by large diameter pipes in Walmsley Boulevard, and capacity issues are not anticipated at this time. If on-site attenuation or treatment of stormwater are required, those designs will be developed during the permitting stage of the project. There are also gas facilities available in Walmsley Boulevard, and based on their size these are anticipated have adequate capacity to serve the project.

In summary, we are pleased to report that our project and site do not require any infrastructure improvements, bolstering our stated goal to be operational quickly. Our project site and design were thoughtfully curated to enhance the surrounding neighborhood, especially with the addition of our Glory Park. Further, the social impacts, while minimal, are important to the ONE development team. We believe our proposal mitigates the social impacts of our project and welcome the opportunity to engage with City officials to address any further concerns.

## B.5. COMMITMENT TO PROBLEM GAMING INITIATIVES

*Demonstrated and expected commitments to problem gaming initiatives. As applicable, demonstrate how the entity currently deals with problem gaming issues, and how it intends to deal with such issues in the city. To include, but not limited to, the following concepts:*

*a. System for Self-Exclusion*

*Provide a system for customers to self-exclude from game play and direct marketing on a voluntary basis, own the "self-exclusion database," and provide vendors with information required to support Customer requests to be excluded.*

### APPLICANT'S RESPONSE:

P2E has demonstrated its commitment to responsible gaming by implementing a robust Responsible Gaming Policy at all its gaming venues. ONE will have an obligation to our team members, guests, and the community to make responsible gaming an integral part of our daily operations. Our Responsible Gaming Plan sets forth the responsibilities of ONE and its team members, which includes: the promotion of responsible gaming and the prevention of gaming by individuals that are underage, impaired and/or on the exclusion or self-exclusion lists.

Any individual that elects self-exclusion shall be prohibited from game play, a record is maintained in our marketing databases, and they are banned from receiving future marketing communications, including but not limited to direct mail. When a guest declares self-exclusion, they will be handled as an excluded person and therefore subject to trespass procedures. ONE will comply with the regulatory requirements regarding sharing of self-exclusion details with all required vendors and casino venues in Virginia. The training our employees receive will include procedures for customer self-exclusions. We will also utilize applicable technology resources to enforce the plan, such as HD digital cameras and recording for surveillance.

Additional efforts and initiatives are further described in the Responsible Gaming Plan attached as (Exhibit B.2.5).

*b. Technology Applications*

*Require the implementation of key technology systems, including, but not limited to, a facial recognition system, in support of self-exclusion, and self-directed voluntary player supports offered through the gaming management and customer management systems.*

### APPLICANT'S RESPONSE:



ONE will deploy the open architecture video management system (VMS), that will integrate with a third-party facial recognition software (FRS) solution. This FRS will integrate with the VMS which will allow the FRS direct and immediate access to both live and recorded video. The FRS will also be connected to an active directory containing images extracted from either recorded video or data uploads. This will allow for the rapid facial recognition of persons on included or excluded watchlists, including, but not limited to, self-excluded gamblers. Real-time alerts will be triggered when a face match occurs, and surveillance system operators can be immediately notified.

*c. Employee Training*

*Require all staff to be trained on responsible gambling principles and build supports into customer care as a basic element.*

**APPLICANT'S RESPONSE:**

ONE's Responsible Gaming Plan was developed to maximize awareness of problem gambling resources and promote awareness to all team members and guests. The plan outlines goals, procedures, and timetables for training. Training will be conducted with every member of our team prior to opening and will be followed by all team members at every level.

All team members will be trained on the Responsible Gaming Plan, which will be part of the company orientation process. This will promote full understanding and compliance with all responsible gaming protocols. Throughout the year, ONE will offer refreshers on the Plan through a variety of opportunities such as pre-shift briefings, advertisement of National Council on Problem Gaming (NCPG) Responsible Gaming Awareness Week, and full reviews with specific key team members. It is ONE's expectation that each team member will have a firm understanding of the Responsible Gaming Plan, covering at minimum the following:

- Educate all team members on what responsible gaming means;
- Educate all team members on how to recognize the signs, characteristics and symptoms of problem gambling behavior;
- Educate all team members on the relationship of problem gambling to other addictive behavior;
- Educate all team members on the location of problem gambling literature and explain how to assist or address guests seeking such information;
- Educate all team members on the process of assisting guests that are suspected of problem gambling and delivery of literature to them on the process of voluntary exclusion and other resources including both public and private treatment services;
- Make literature available in designated public locations that describes the characteristics of problem gambling and the best way to seek help;
- Prevent all underage guests from accessing the gaming floor and wagering
- Educate team members regarding responsible alcoholic beverage service to prevent any individual that is impaired due to the apparent use of drugs or alcohol from being served alcohol;





- Prevent any individual that is impaired due to the apparent use of drugs or alcohol from wagering;
- Visibly display signage with the telephone number for the problem gambling hotline;
- Ensure that all team members are educated on the self-exclusion process, including where to direct guests who request to be self-excluded;
- Establish policies to ensure that team members comply with all aspects of the Internal Control Policies and Procedures as they relate to self-exclusion;
- Mandate attendance at team member orientation and annual refresher trainings, such refresher training may be conducted via computer and/ or video, regarding responsible gaming; and
- Ensure that orientation and annual refresher training are conducted by an individual who is well versed in the ONE Responsible Gaming Program or may be administered via an online program. Departmental specific training will be conducted by a department "Responsible Gaming Champion" to be designated by the department director.

## B.6. PLEDGE BY THE APPLICANT

*A pledge by the Applicant that it will continue to support the right of the citizens of the city to vote on whether they want a casino in our community and will not actively campaign against any casino referendum or the introduction of casino gaming to Richmond in the event that the Applicant is not selected as the City's Preferred Casino Operator.*

### APPLICANT'S RESPONSE:

We have the utmost respect for the political process and possess a track record of consistently adhering to all legal and regulatory requirements necessary to operate our respective gaming facilities. Prior to opening most of our facilities, we proactively share details about the project with potentially impacted residents and solicit their feedback and input. We are cognizant of the potential impact that a new business will have on a community and we have no reservations about honoring the referendum election results. ONE has not and will not undermine the legislative process that provides localities with an opportunity to hold a local referendum to allow Class III gaming in the City of Richmond.

# Exhibit A.2.1

## PLANNING, DESIGN, ARCHITECTURE, CONSTRUCTION, DINING & ENTERTAINMENT

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Development Team and Operating Partners			
Role	Company/Individual	Richmond Based Companies	Minority Owned Business/ Owners
Lead Architect	Baskervill	√	
Design Architect	Friedmutter		
General Contractors	Penta Building Group		
	Hourigan	√	
	Team Henry	√	√
Engineering	Timmons Engineering	√	
Banking and Vault Services	Atlantic Union Bank	√	
Diversity and Workforce Development	JMI	√	√
Dining	Lester Johnson	√	
	Johnny Giavos	√	
	Mike Ledesma	√	
	Shane Roberts-Thomas	√	√
	Chris Tsui	√	√
Live Entertainment	Live Nation		
	Urban One		√
	Peninsula Pacific Entertainment	√	
Project Financing	Credit Suisse		

Many of development partners are Richmond based companies and a significant number are minority owned. and a significant number are minority owned business.

## 1. LEAD ARCHITECT - BASKERVILL



Richmond, Virginia based Baskervill designs spaces that empower ideas and connect people. Founded in 1897, the firm is one of the nation's oldest continually operating architectural firms, now offering solutions to a varied client base, from hospitality and workspace to manufacturing and cultural institutions. The team is a diverse group of planners, architects, interior designers, and engineers providing the following services:

- Architecture
- Interior Design
- Building Envelope + Forensics
- Masterplanning
- Architectural Graphics
- Sustainable Design
- Historic + Adaptive Reuse
- MEP Engineering
- Accessibility Evaluations
- Code Analysis

Baskervill shapes hospitality spaces that transform ordinary moments into lasting impressions. Decades of work with hoteliers, developers, and management teams means the firm understands how hotels function and where design can deliver. As a champions of guest experience, and advocates for branded, curated details that elevate the everyday, Baskervill is the ideal architecture firm to bring ONE to life.



## 2. DESIGN ARCHITECT – FRIEDMUTTER GROUP



Friedmutter Group is an award-winning, internationally-recognized architecture, interior design and master planning firm specializing exclusively in mixed-use hospitality, casino and entertainment projects of all sizes. The Company provides critical understanding of the required elements of the industry, from site selection and development to operating fundamentals, while successfully creating unique design and guiding completion of gaming and hospitality projects in existing and new markets. Among their more recognized projects are The Cosmopolitan of Las Vegas, MGM Springfield, Studio City Macau, Graton Resort & Casino, Red Rock Casino Resort & Spa, Green Valley Ranch, Horseshoe Casino Cincinnati, Horseshoe Cleveland Casino, Palms Casino Resort, Hard Rock Sioux City and del Lago Resort & Casino.

The volume and quality of work created by Friedmutter Group ranks them among the most experienced entertainment design entities in the world:

	More Than:
• Completed Volume	\$15B
• Overall Projects	30M SF
• Casinos	3M SF
• Gaming Devices	100,000 Devices
• Restaurants/Bars/Lounges	500 Venues
• Restaurant Seats	30,000 Seats
• Hotel Rooms	20,000 Rooms & Suites
• Tower Floors	500 Floors
• Parking Spaces	40,000 Spaces
• Convention Space	1M SF



## 3. GENERAL CONTRACTORS – PENTA | HOURIGAN



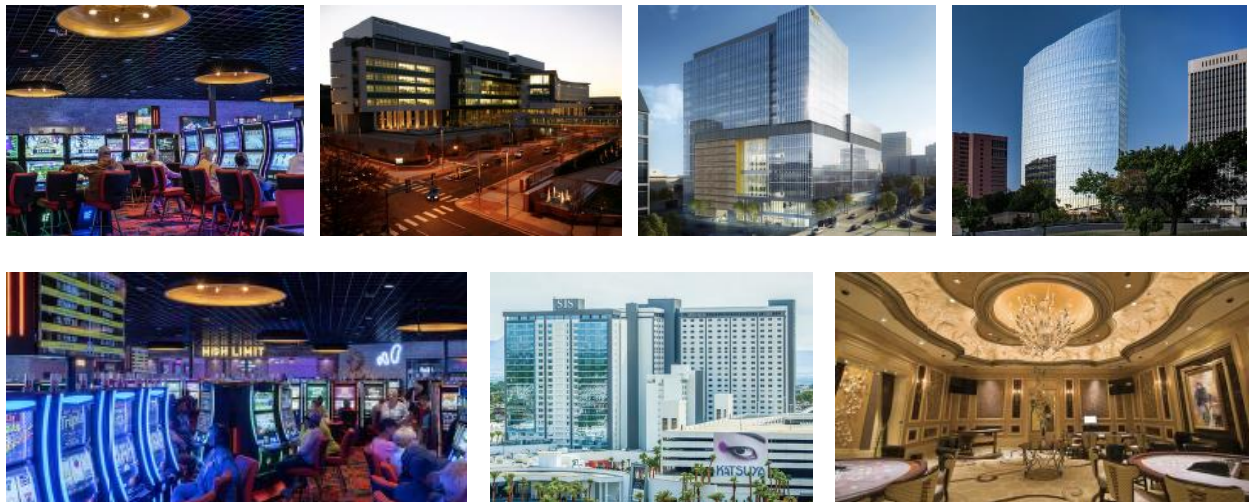
The PENTA Building Group (PENTA) and Hourigan joined forces to combine PENTA's national gaming expertise with Hourigan's extensive experience in Virginia to create a strong local gaming contractor. The team features locally-based company principals, field staff, and an extensive pool of subcontractor resources featuring strong and trustworthy relationships. Their combined focus is on developing relationships results in continually building trust, great projects, and an outstanding story.

### The PENTA Building Group

PENTA's founders set out to establish a people-focused general contracting firm in 2000. In the years that followed, the company has provided construction services on over \$7 Billion worth of projects. An ENR Top 100 company and AGC Nevada's 2020 Contractor of the Year, PENTA has thrived through two market downturns to become a strong, diverse organization.

### Hourigan

A registered small business with the Commonwealth of Virginia, Hourigan operates throughout the Mid-Atlantic, with offices in Richmond, Charlottesville, and Hampton Roads. They have consistently called upon to deliver projects with unique characteristics and timeline, including Virginia's largest commercial research and development facility in 24 months, delivering the Washington football teams' sports medicine/training facility in just 25 weeks, or meeting the needs of one of the nation's top craft brewers by delivering their production facility in 14 months.





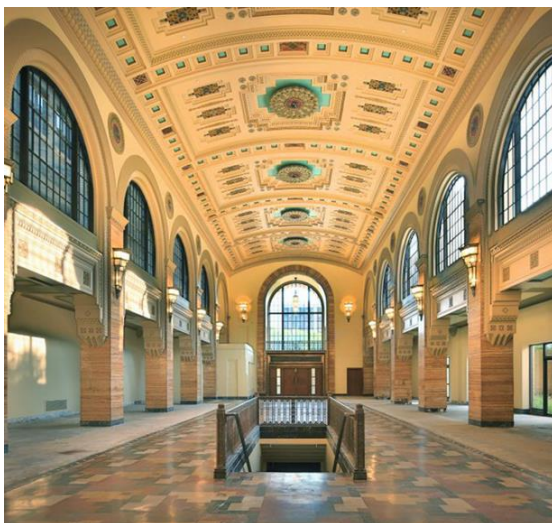
## 4. GENERAL CONTRACTOR - TEAM HENRY ENTERPRISES TEAM HENRY ENTERPRISES

Team Henry Enterprises was birthed from the acquisition of The Silty Lady, a 25 year old company that specialized in erosion and sediment control applications. Founded in 2006, Team Henry took over existing clients within the Virginia Department of Transportation and later expanded to clients within the federal government. Clients such as Department of the Army, NAVFAC, US Army Corps of Engineers, FEMA, US Coast Guard and The Department of Interior.

Team Henry's services expanded to outside of only performing horizontal projects to include vertical work. This expansion allowed for the company to become well versed in all aspects of construction, new buildings, renovations, road building and site work.

Team Henry is a graduate of the 8(a) Development Program and currently certified by the Small Business Administration (SBA) as HubZone business, a designation the company takes serious because in order to qualify, the business must be located in a Historically Under Utilized area AND 35% of its employee base must reside in a HubZone.

Today Team Henry partners with clients within the federal government, state government as well as private entities and developers. The company has been recognized for business success by the SBA, American Express, National Minority Supplier Development Council, Commonwealth of Virginia, State of North Carolina, INC magazine, Bloomberg and Fortune magazine.



## 5. ENGINEERING – TIMMONS ENGINEERING



Recognized for nearly 25 years as one of Engineering News Record's Top 500 Design Firms, Timmons Group provides civil engineering, environmental, geotechnical, GIS/geospatial technology, landscape architecture and surveying services to a diverse client base.

Headquartered in Richmond, Timmons has 16 offices throughout the United States, including 8 in Virginia. After nearly 70 years in business, they employ over 700 team members, all who have collectively earned such recognition as a Zweig Hot Firm, an ENR Top 500 Firm, and an Inc. 5000 Fastest Growing Private Firm.

Services include:

- Traffic & Transportation
- Site/Civil Engineering
- Stormwater Infrastructure
- Environmental Services
- Survey & Mapping
- Structures & Bridges
- Economic Development
- Landscape Architecture
- Right of Way Services
- Geotechnical Engineering & Testing
- Water & Wastewater Engineering
- Geographic Information Systems (GIS)
- LEED® & Envision™ Sustainable Design



## 6. BANKING & VAULT SERVICES – ATLANTIC UNION BANK

ONE has selected Atlantic Union Bank to serve as our exclusive preferred provider of banking services for the project. Atlantic Union Bank is the largest regional bank offering diverse products and services, financial strength and specific expertise in the local market. Their customer-centric approach to banking and commitment to better the communities in which we live and work aligns well with our corporate values.

Headquartered in Richmond, Virginia, Atlantic Union Bank has 134 branches and located throughout Virginia, and in portions of Maryland and North Carolina.

## 7. DIVERSITY & WORKFORCE DEVELOPMENT – JMI

JMI is a brand strategy and consulting firm focused on community engagement. The firm's mission is to connect brands, cultures and communities - serving as a bridge, building dialogue, and trust to forge meaningful, lasting relationships between clients and their communities.

Known for their "Share More Stories" (SMS) approach, JMI offers guidance that is more in-depth than focus groups and more scalable than ethnography, SMS gets right to the core of what motivates consumers and creates insights for brands and organizations. Through personal, experiential storytelling, SMS blends storytelling, qualitative research, and analytics to help better understand consumers' lives and experiences. A member of IBM's Global Entrepreneur Program, Watson's A.I. solution allows JMI to provide deeper and more meaningful insights and authenticity to work for brands at every scale.

Based in Richmond, Virginia, the firm has an established network of local and regional clients including:

- Virginia is for Lovers
- VDOT
- Chamber RVA
- Envera
- Robins Foundation
- VCU Health
- American Evolution
- AECOM
- WaterAid
- ClayCo



## 8. DINING – VELMA JOHNSON



The story of Mama J's begins during the childhood of Velma Johnson (affectionately known as Mama J), who was born one of fourteen children to Willard and Alease Roland. In their cozy home on the West End of Richmond, Velma and her siblings took part in all of the household chores, including helping their mother and grandmother in the kitchen as they prepared large family meals. This is where she learned the magic of the recipes that are now served at Mama J's.

Fast-forward 50 years later: Velma's eldest son, Lester Johnson along with his best friend, Jonathan Mayo, saw an opportunity to help facilitate the redevelopment of Historic Jackson Ward — Richmond's historically African-American neighborhood that once was the epicenter of black commerce, entertainment, and religion in the South. Together, they knew his family's recipes were just the way to help stir up revitalization in the district. In 2009, the family opened Mama J's (a name give to Velma by her daughter-in-laws), and its reputation has risen to one of the most notable soul food restaurants in America. Over the years, Mama J's has catered to thousands of soul food aficionados while earning rave reviews from local and international food critics alike.



Velma Johnson (a.k.a Mama J)

Food so good doesn't come without its accolades. Most recently Thrillist.com listed Mama J's as one of "50 Restaurants to Try Before You Die". Richmond Magazine praises it as one of "25 Best Restaurants in Richmond", and Style Weekly has ranked Mama J's as Richmond's "Best Soul Food Restaurant" three consecutive years in a row. Velma Johnson — a local celebrity in her own right — has been recognized as an award-winning chef and often makes appearances on WTVR's (Channel 6) cooking segments. Mama J's has been featured by ESPN, National Geographic, Southern Living and a host of local networks.

Today, Mama J's attracts a varied clientele, including its loyal regular patrons, renown food critics and tourists alike. The restaurant has also become "the" place for celebrity-spotting, from pro-athletes to grammy-award winning artists and elected officials. Patrons enjoy the restaurant's extensive menu of a la carte traditional dishes, like mouthwatering fried chicken, succulent fried catfish, savory blue crab cakes and a host of complementary sides dishes like macaroni & cheese, candied yams, and collard greens.

Whether you live in Richmond or just stopping through on your travels, you'll always find freshly prepared food at Mama J's and the warmest atmosphere to fellowship with friends and family. Come experience it for yourself and be sure to let Mama J know how her food tastes.



## 9. DINING – MIKE LEDESMA



From Baltimore to Oahu to Richmond, Mike Ledesma's culinary travels and Filipino heritage continue to inspire his cooking. Once a financial advisor, he made a career change in 2002 when he enrolled in culinary school in Hawaii. Since moving from desk to kitchen, he's worked under "Iron Chef" Roy Yamaguchi and has brought his passion for food back to the East Coast. Most recently he led operations, training, and menu development for six restaurants as corporate chef for Richmond Restaurant Group. He opened his first restaurant, Perch, in September 2018.

Mike aims to provide "next level" offerings by focusing on seasons and building relationships with local farmers. A recent feature on Perch in Richmond Magazine described his menu as, "Pacific-inspired dishes, making use of fermented foods and fire-based cooking, with a focus on smoky, sweet, salty and sour flavor profiles including everything from pizza to a whole-roasted fish — paying homage to Ledesma's background and featuring hyper-local products.



## 10. DINING – SHANE ROBERTS-THOMAS



Shane Roberts-Thomas and her Richmond-based restaurant, Southern Kitchen, gained national attention when she appeared on celebrity chef Gordon Ramsay's show "24 Hours to Hell and Back". As the name suggests, the menu at Southern Kitchen Restaurant includes good southern food, complete with lots of southern hospitality.

Situated on a corner with two walls of glass, the restaurant exudes a welcoming warmth, both in decor and the friendly smiles that greet every new guest. Appropriately for a restaurant in the neighborhood once known as the Harlem of the South for the top-notch musicians who played there — among them Duke Ellington, Billie Holiday and Lena Horne — Southern Kitchen has a stage, with smooth jazz doing its part to set the mood.



## 11. DINING – CHRIS TSUI



Anyone familiar with the booming Richmond restaurant scene, knows about Chris Tsui's ever-growing portfolio of acclaimed dining spots. Starting with Osaka Sushi and Steak in 2005, Chris's group is now responsible for eight restaurants with more on the way.

EAT Restaurant Partners is the largest independent restaurant group in Richmond. In 2012, together with VP Ren Mefford, Chris won an Elby for restaurateur of the year. He's making Richmond a more vibrant and delicious place to live.



## 12. LIVE ENTERTAINMENT – LIVE NATION



As the world's leading live entertainment company, Live Nation is privileged to work with artists to bring their creativity to life on stages around the world. Whether it's two hours at a packed club, or an entire weekend of sets at a festival, a live show does more than entertain. It can uplift, inspire and create a memory that lasts a lifetime.

Bringing 40,000 shows and 100+ festivals to life and selling 500 million tickets per year is a massive undertaking, made possible by Live Nation's 44,000 employees worldwide. But just because we are big doesn't mean we do things the same way as other companies of our size.

Artists are the heart of Live Nation's mission, and the organization has deep reverence and respect for their creativity. The company believes live music is vital to art and culture which is why in 2019, they paid artists more than \$6 billion, making Live Nation by far the largest financial supporter of musicians. Beyond global touring deals and festival performances, its Artist Nation group offers services such as management, business marketing and consulting to artists across all genres.

### 13. PROJECT FINANCING – CREDIT SUISSE



Founded in 1856, Credit Suisse is a leading global wealth manager with strong investment banking capabilities. The organization's strategy builds on Credit Suisse's core strengths: its position as a leading wealth manager with strong global investment banking capabilities and a strong presence in our home market of Switzerland. It seeks to follow a balanced approach to wealth management, aiming to capitalize on both the large pool of wealth within mature markets as well as the significant growth in wealth in Asia Pacific and other emerging markets.

Specific to the United States, Credit Suisse has dedicated investment-banking professionals on the ground in many regions of the country, with offices in Boston, Chicago, Houston, Los Angeles, New York and San Francisco and is a member of all major stock exchanges.



**THIS RESPONSE CONTAINS INFORMATION THAT IS EXEMPT FROM  
MANDATORY DISCLOSURE.**

**EXHIBIT A.2.3:  
DISCLOSURES  
(STRICTLY CONFIDENTIAL)**



**Redacted**

**Va. Code § .2-3**

# EXHIBIT B.1.1: RENDERINGS, MAPS & GRAPHICS

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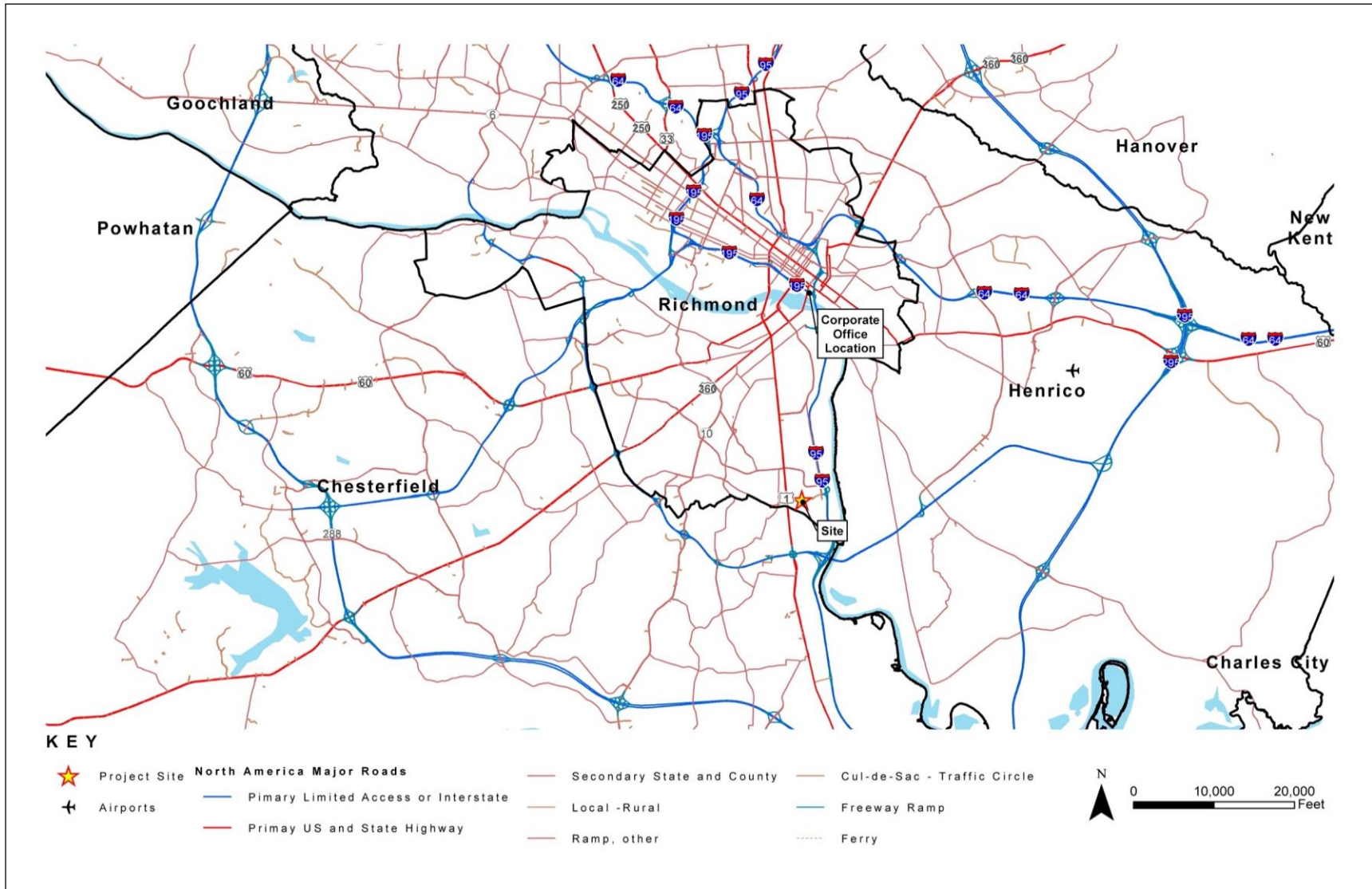
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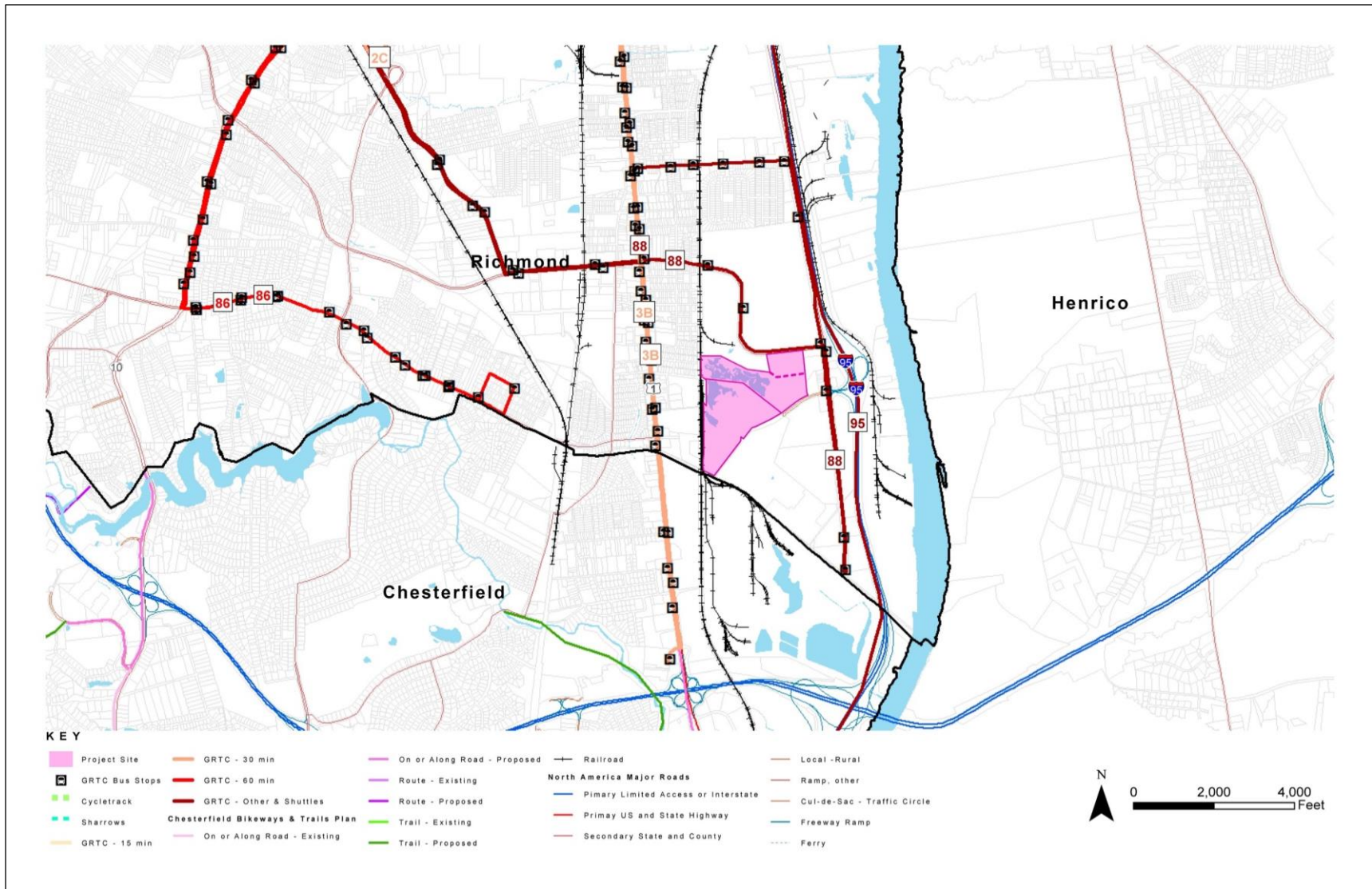
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# LOCATION






# BUS ROUTE ACCESSIBILITY



# TRAFFIC/ACCESS – LOCAL ROAD NETWORK EXPANSION

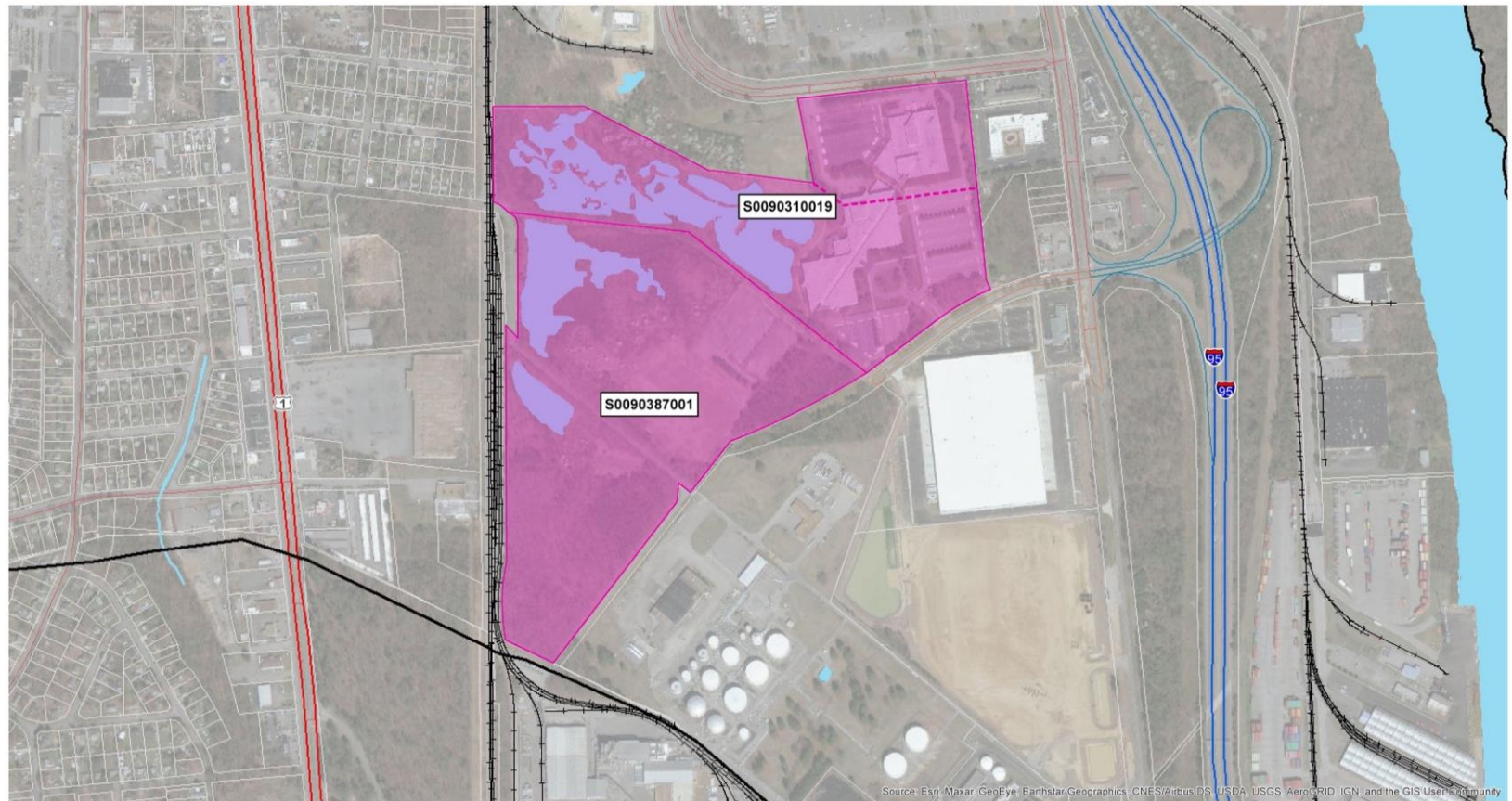


NOT TO SCALE

 <p>TIMMONS GROUP YOUR VISION ACHIEVED THROUGH OURS.</p>	<p>Traffic/Access Due Diligence Local Road Network Expansion City of Richmond, VA</p>	<p>Figure 5</p>
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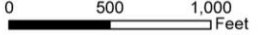









# PARCELS

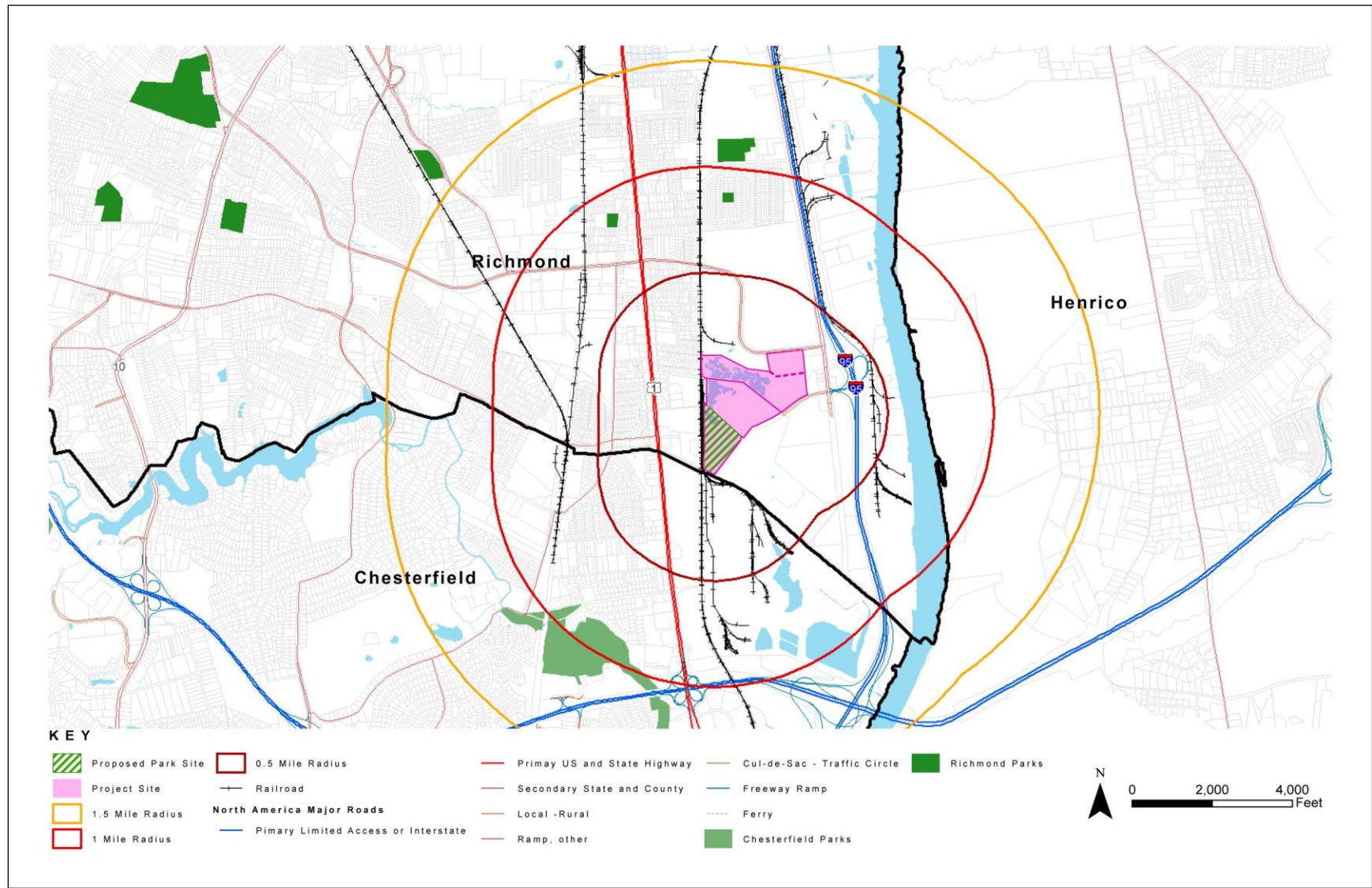


Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

## KEY

- |  |  |  |   |   |
|--|--|--|---|---|
|  Project Site | <b>North America Major Roads</b>   |  Secondary State and County |  Cul-de-Sac - Traffic Circle |  N<br> 0 500 1,000 Feet |
|  Railroad     |  Primary Limited Access or Interstate |  Local -Rural               |  Freeway Ramp                |   |
|  |  Primary US and State Highway         |  Ramp, other                |  Ferry                       |   |

# SURROUNDING PARK NETWORK





# MASTER PLAN (1)





# MASTER PLAN (2)



## FACING PERSPECTIVE AT ARRIVAL





## PERSPECTIVE AT ARRIVAL





PERSPECTIVE AT ARRIVAL – PORTE COCHERE



# RESORT AERIAL VIEW (1)





## RESORT AERIAL VIEW (2)



## EXTERIOR VIEW HOTEL TOWER

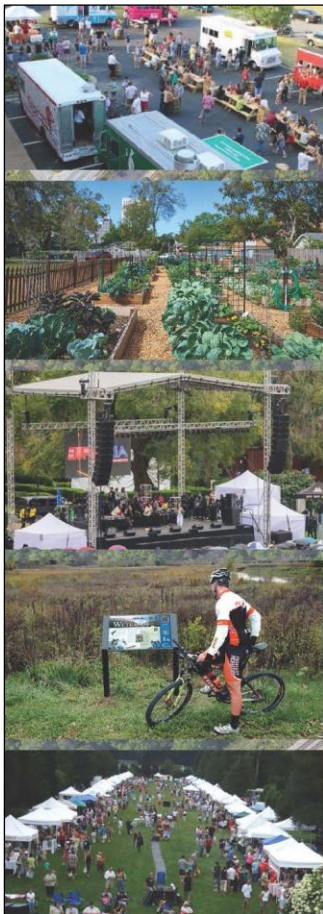




# GLORY PARK - AERIAL



# GLORY PARK – BY FUNCTION





# GLORY PARK – OPEN SPACE, RECREATION & CONNECTIVITY





**GLORY PARK - ENTRY**





## GLORY PARK – EVENT FIELD





## GLORY PARK - GARDEN





# GLORY PARK – BUS STOP





# GLORY PARK - PLAYGROUND





## GLORY PARK – DOG PARK





# GLORY PARK - POND



**Redacted Pursuant to Va. Code § 2.2-3705.6(3)**

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**February 2021**

**Richmond Casino Resort  
Revenue Study**

Presented to One Casino Resort

Presented by  
GI Enterprises LLC



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## Statement of Limiting Conditions

This report has been authored by GI Enterprises LLC (“GI”) and is solely for the use and information of One Casino Resort (the “Company”). The report may not be relied upon by any other person, including, but not limited to, any investor, employee, or client of the Company without obtaining GI’s written consent, with such consent not to be unreasonably withheld by GI. All analysis and information herein shall be deemed current as of February 2021.

Any questions regarding the contents of this report should be directed to Bill Allsup, President of GI Enterprises LLC, at 702-428-6637.

## Work Product

Market study of casino development in the southern part of Richmond, VA (the “Project”) based on a gaming offering of 1,800 slots and 100 table games. Market analysis to include gaming and non-gaming revenues for the first five years of operation, including an estimate of revenues from city of Richmond residents and residents of the Richmond MSA. A projection of visitation to the casino annually is also to be included, including estimates of peak day visitation. All revenues are to be compared to relative casino gaming spend in other comparable existing gaming markets.

## COVID-19 Impact

COVID-19 caused a pandemic that has significantly impacted the gaming industry in the United States during 2020 and will likely continue to impact the industry during 2021. Our models and projections have used data gathered from before the pandemic in an attempt to model out a marketplace that sees somewhat similar conditions to what existed prior to seeing casinos shut down, having reduced capacity limitations, having to shut some gaming positions to socially distance their customers and employees, and having to undertake other precautions. These measures have materially reduced the number of patrons they have attracted since the industry has reopened and led to reduced gaming revenues in most markets when compared to 2019 levels. Our projections assume most, or all of these operational changes will no longer be required once the Project is operating and that the community spread of COVID-19 will have effectively been ended. Should similar measures still be required, or COVID-19 is still seeing community spread, actual results will likely come in materially lower.

## Note About our Projections

All population and income data are 2020 estimates of US Census data. Except for the Project revenues chart on page 5 and the non-gaming projections beginning on page 24, our projections are effectively in 2020 dollars. Our five-year operating projections are inflated to match expected years of operation with Project opening assumed in late 2023 and for the first full year to begin on January 1, 2024. As a result, there are modest differences between some charts and the five-year forecast charts which are wholly caused by the impact of expected inflation.

## Executive Summary

We expect a casino in Richmond to see robust demand, mostly from those residing within a 60-minute drive of the Project. While there are existing gaming options at Rosie’s Gaming Emporiums in both Richmond and at Colonial Downs Racetrack in New Kent, we foresee significant new gaming demand to come from area residents who prefer full casino-style slot machines and live table games. By the second year of operation, which we assume to be 2025, we anticipate the total property revenue to be \$332 million and reach \$369 million by its fifth year of operation.

Gaming will generate approximately 85% of total revenue. Non-gaming revenues of \$52 million in year two are projected to grow to \$60 million in year five as the property generates significant food, beverage, entertainment, and hotel revenues. These non-gaming offerings help support gaming levels, attracting new customers to the Project over time. We project 82% to 84% of the gaming revenue to come from slot machines, which is to be expected in a market that currently does not allow full casino slot machines. While the non-gaming and table game revenues are much lower than projected slot revenues, these projections are above the typical share seen at most regional casinos. Non-gaming and live table revenues will serve as strong drivers of local economic activity as these facets of a casino resort are strong job creators and should comprise the majority of the employees on the Project site.

We believe that currently Richmond is underserved by gaming currently as the MSA area’s nearly 1.3 million residents are served by about 1,300 gaming machines at two locations. These machines, historic horse racing (“HHR”) machines help satisfy some of the local demand for gaming activity but are not as attractive to most patrons as full slot machines. Furthermore, at about 1 gaming machine per 1,000 residents, the Richmond MSA has less than a third of the number of gaming machines per resident as established regional casino markets such as Pittsburgh, Kansas City, and Omaha. Adding 1,800 slot machines and 100 gaming tables in the Project casino will take the Richmond market from being underserved to being more properly served with gaming supply, which gives us further confidence in the ability of the Project to meet our gaming revenue projections.

We project that 32% of the annual visits to the Project will come from city of Richmond residents, while 82% of total visits will come from Richmond MSA residents. The expected variety of non-gaming amenities and the inclusion of a 150-room resort hotel drives our expectation that the Project will not only satisfy demand from residents of the Richmond area but also leads us to expect some demand to originate from outside of the Richmond MSA.

Richmond Project Visitation Summary	
City of Richmond residents	32%
Outside City of Richmond	68%

Richmond Project Visitation Summary	
Richmond MSA residents	82%
Outside Richmond MSA	18%

Source: GI Enterprises LLC

### Total Revenue Projections for the Project

All amounts are inflated to match our assumptions that Year 1 is the first full year of operations in 2024 except for the hotel (opening mid-2024) and that Year 2 is fully ramped operation for the Project.

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Revenue</b>					
Gross Slot Revenues	232,425,544	262,393,663	272,256,902	279,063,325	286,039,908
Gross Table Revenues	44,133,526	54,485,834	60,282,200	62,392,077	64,263,839
Gaming Cash Promo (Free Play)	(17,658,465)	(15,281,310)	(13,679,842)	(13,911,521)	(14,266,172)
Net Gaming	258,900,605	301,598,187	318,859,261	327,543,881	336,037,575
Hotel	2,304,291	5,925,319	6,583,688	6,781,198	6,950,728
Food	16,366,772	20,731,244	22,695,257	23,546,329	24,370,451
Beverage	7,780,397	8,562,533	8,871,822	9,130,499	9,360,224
Entertainment	8,100,000	11,475,000	12,048,750	12,530,700	13,031,928
Meetings/Conventions	182,500	547,500	693,500	721,240	742,877
Retail	124,200	142,830	147,115	150,793	153,809
ATM/Financial	2,589,006	3,015,982	3,188,593	3,275,439	3,360,376
Valet Parking	253,655	291,703	303,371	313,989	323,409
Other Misc Revenue	1,294,503	1,507,991	1,594,296	1,637,719	1,680,188
<b>Total Revenue</b>	<b>297,895,928</b>	<b>353,798,289</b>	<b>374,985,652</b>	<b>385,631,787</b>	<b>396,011,563</b>
Promotional Allowances	15,793,005	21,956,937	25,199,730	26,124,478	27,146,879
<b>Net Revenue</b>	<b>282,102,923</b>	<b>331,841,352</b>	<b>349,785,922</b>	<b>359,507,309</b>	<b>368,864,685</b>
Non-gaming share of total revenue	13.1%	14.8%	15.0%	15.1%	15.1%
<i>Gross Gaming Revenue</i>	<i>276,559,070</i>	<i>316,879,497</i>	<i>332,539,102</i>	<i>341,455,402</i>	<i>350,303,747</i>
Promo Allowance as % of GGR	5.7%	6.9%	7.6%	7.7%	7.7%

**Source: GI Enterprises LLC**



## Gaming Market Projection

Our gaming market projections are driven by a gravity model that analyzes the population and income present within a 1-hour drive of the Project site in Richmond, which comprises hundreds of zip codes. For this study, we focused on a narrower drive-time scope than we normally undertake due to the expectation that most of the competition for the Project will come from existing Rosie's Gaming Emporium locations, with less impact coming from the large existing and expected casino competition located over 90 minutes from the Project. We expect a robust market to develop from the addition of casinos in Norfolk and Portsmouth, which will make it difficult to attract patrons from that region to Richmond. The existing large gaming market that currently patronizes MGM National Harbor, about two hours away to the north, will be an even greater challenge to pull from all but the DC metro area's furthest southern reaches. Due to competition, we project just 8% of gaming revenue will come from more than a 60-minute drive from the property.

### Gravity model

Our proprietary gravity model helps identify which casinos have the strongest competitive offerings in any distinct market, while providing insights into how the market might rebalance itself if competitive dynamics are changed. These changes could include new supply entering the market, existing supply expanding or upgrading its operations, and any regulatory changes allowing new games to be offered. All these types of changes tend to grow the total revenue of the gaming marketplace, but they usually lead to changes in the market share held by each gaming offering in the larger market going forward.

The foundation of our model, as it is for almost any gravity model, is the relationship between an individual's distance from a given business, a casino in this case, and their expected spend at that business. The closer the distance, the higher the expected spending becomes on average. This relationship is the basis for gravity modeling, which is the industry standard in regional casino analyses. Gravity models rely on the average behavior of a collective area as consumer decisions play out amongst thousands or even millions of residents. As a result, gravity models tend to become more accurate when looking at markets with a larger number of residents.

Over time in our work covering gaming market studies and forecasting revenue, we have gathered a significant amount of casino customer data. From this data, we can make informed estimates on the spending levels of patrons by zip code. This can include how much they spend during an average trip and how many days during a year they participate in some amount of gaming activity at a given casino. This data has helped us come to base-level expectations for casino behavior in a typical casino market. These expectations include approximately how many patrons participated in gaming and how much they spent over the course of a year from a particular zip code, which we then can group into drive time zones from the casino. We can then cross-reference this data with data from the US Census and other sources to calculate what percentage of adults participate in gaming and what share of income is spent on gaming, once again broken down by approximate drive times to the casino. Our data unmistakably shows that participation and spending are far higher for those within 15 minutes of a casino than within 30 minutes, and those who live within 30 minutes participate and spend much more on average than those living beyond 30 minutes and so forth.

We note these are averages that vary in each market and no two markets are alike. We therefore must use estimated averages based on the similarity of a market we are projecting to an existing market, or in

some cases, make a projection based on our experience on how local area residents will respond to gaming being added to their community. Such is the case in Richmond.

### Huff Model

The gravity model is the methodology used to estimate the gaming spending at the zip code level, based in part on the distance between that zip code and any casino in a region. In almost all markets, multiple casinos are competing for customers. A casino can have a distinct distance or quality advantage over a competitor, but we have found in our review of gaming databases that some modest amount of spending still goes to the disadvantaged casino. In other words, gaming customers tend to spread their money around to some degree in every market and we must account for these modest spending amounts in a model to properly project revenues. To do this, we split up contested zip codes between competitive casinos with a variation of the Huff model.

The Huff model is a probability model, which calculates an expected share of the market for each competing casino across all market zip codes within the analyzed zone (zip codes within one hour in this case). The Huff model calculates the probability that customers in any given zip code will choose to patronize each casino, with the total spending in that given zip code adding up to the amount projected for spending by the gravity model. The calculation of these probabilities considers the distance away from each casino in the market, as well as the relative casino quality, programmed into the Huff model as an “attractiveness” value. Attractiveness is a single number that attempts to measure variables such as a casino’s quality, variety of amenities, its marketing efforts, and any other factors that help draw patrons to a casino for a visit. Attractiveness is often best expressed in a relative level, such as the best-in-class casino in a market should have an attractiveness value that is much greater than that of an older and more limited casino in the same geographic market. Further, attractiveness is easier to estimate with actual results. If we know what the revenue was over a period of time for each competing casino and we set our proprietary weightings to certain factors, we can “balance” the market and calculate at what apparent attractiveness levels each casino has been operating at, while also taking into account the location advantages each casino might have.

In the Huff model, the further away the casino is from a zip code, the smaller the percentage will become until it becomes zero. Regional gaming is largely driven by proximity, with the target gaming customer typically patronizing his or her closest casino option. We do note however that in every casino there is some small percentage of patrons who reside outside of the analyzed region. To account for this spending, we add on an out of market spending estimate, with casinos that have a greater variety of amenities, especially a hotel, likely attracting more out of market visitors and greater out of market gaming revenue.

The gravity model is how we estimate the gaming revenue spend likely to originate from any zip code and the Huff model is our method of splitting up that projected gaming revenue among competitive casinos. What we believe gives the most precision is to use estimates formed from our experience to feed into both methods, allowing us to most accurately model revenue generation within the studied regional gaming market.

## Gravity Model Projections

We project the competitive marketplace for gaming machines in this section, along with the model's estimates for table gaming revenue at the Project. Gaming machine market share is largely a function of convenience with the quality of offering being a close second. Today's HHR machines generate less than optimal levels of play due to different game themes, slightly slower gameplay, and the perception amongst many in the public that they are betting on horse races instead of gaming machines. In virtually all markets which offer HHR machines, gaming capture from the facilities has been at lower levels than expected when taking into consideration the size of their target markets. However, steps towards closing the gap between actual and expected performance have begun in Kentucky with the addition of new HHR machines that utilize game cabinets and content from mainstream slot machine suppliers. By the time the Project opens in Richmond, we expect many of these newer generation HHR machines will be operating at Rosie's facilities across Virginia.

With the addition of a full resort casino in Richmond, we project spending on gaming machines to increase 210% in the Richmond market as it transitions from a market served by just two modest HHR machine parlors into a more dynamic gaming market with operating metrics like what might be seen in other existing gaming markets.

While we expect Rosie's locations to see declines in gaming revenue from the addition of a full casino in the market, our analysis indicates they will remain viable. We believe much of their current patron base will continue to visit Rosie's locations but will shift some of their spending to the more upscale casino which will offer better gaming variety and more amenities. The impact of the amenities cannot be understated in the modern casino environment.

Additionally, it is important to note we have assumed that Rosie's in Dumfries, about an 80-minute drive north, will remain at just 150 terminals in our model. Should this newly opened Rosie's location significantly expand to over 1,000 terminals as it is authorized, we would expect a negative impact on the Project's slot machine revenues of 5% or less.

Casino patrons who visit frequently and spend at above-average levels expect to be given some other consideration in return from the casinos, usually in the form of free meals, rooms, and entertainment, often collectively referred to as "comps". Rosie's locations are too limited to be able to provide meaningful consideration to their better clients as their food offerings are modest, their entertainment is limited, and they have no hotel rooms to offer. These factors are captured in the attractiveness factor we mentioned earlier, as we projected the casino to be more than three times as attractive than either Rosie's location. Still, with the big attractiveness advantage, we found Rosie's should be able to maintain a majority of their business because when evaluating gaming machine markets, convenience and proximity to customers matter greatly. If Rosie's were allowed to offer live table games, we would expect the business loss to cannibalization for Rosie's would be much greater because table game players generally expect more in the way of comps and tend to have longer gaming sessions, so convenience is less important of a factor.

## Our Market Sizing Analysis

Gravity market models are the industry standard and provide a fairly accurate gaming revenue projection due to the limited number of casino licenses in most states and the resulting restricted number of gaming facilities. In this section, we provide further detail into the competitive dynamics present in distinct drive times zones to better illustrate the potential for gaming revenue at the Project.

### Richmond Locals Market

Our first analysis takes into consideration the market share competition between the Project and Rosie's in Richmond. Due to its isolated location, we believe Rosie's at Colonial Downs is minimally impacted by competition for its closer drive times, and therefore we separately consider its potential revenue impact on the Project.

Rosie's Richmond has a geographic advantage in that it is closer to more population with higher household incomes than the Project site. This is most important in the closer-in areas under 20 minutes where we have found that participation rates and annual spending on gaming are highest. Once patrons are over 20 minutes from any casino option, they tend to be more focused on which facility they like best or which facility can give them a better overall offering including non-gaming amenities. At this distance, quick trips to a casino are reduced as each casino visit tends to see higher gaming spend driven by a longer stay on property.

Population by Drive Times			
Population	Rosie's Richmond	Richmond Casino	Rosie's Colonial
0-10	128,226	52,952	2,187
11-20	457,958	359,323	22,749
21-30	387,658	455,068	172,512
Total within 30	973,842	867,343	197,448

Total Income by Drive Times			
Income (\$m)	Rosie's Richmond	Richmond Casino	Rosie's Colonial
0-10	3,476	943	78
11-20	15,510	8,569	624
21-30	14,733	17,728	3,892
Total within 30	33,720	27,240	4,594

Source: US Census, GI Enterprises LLC

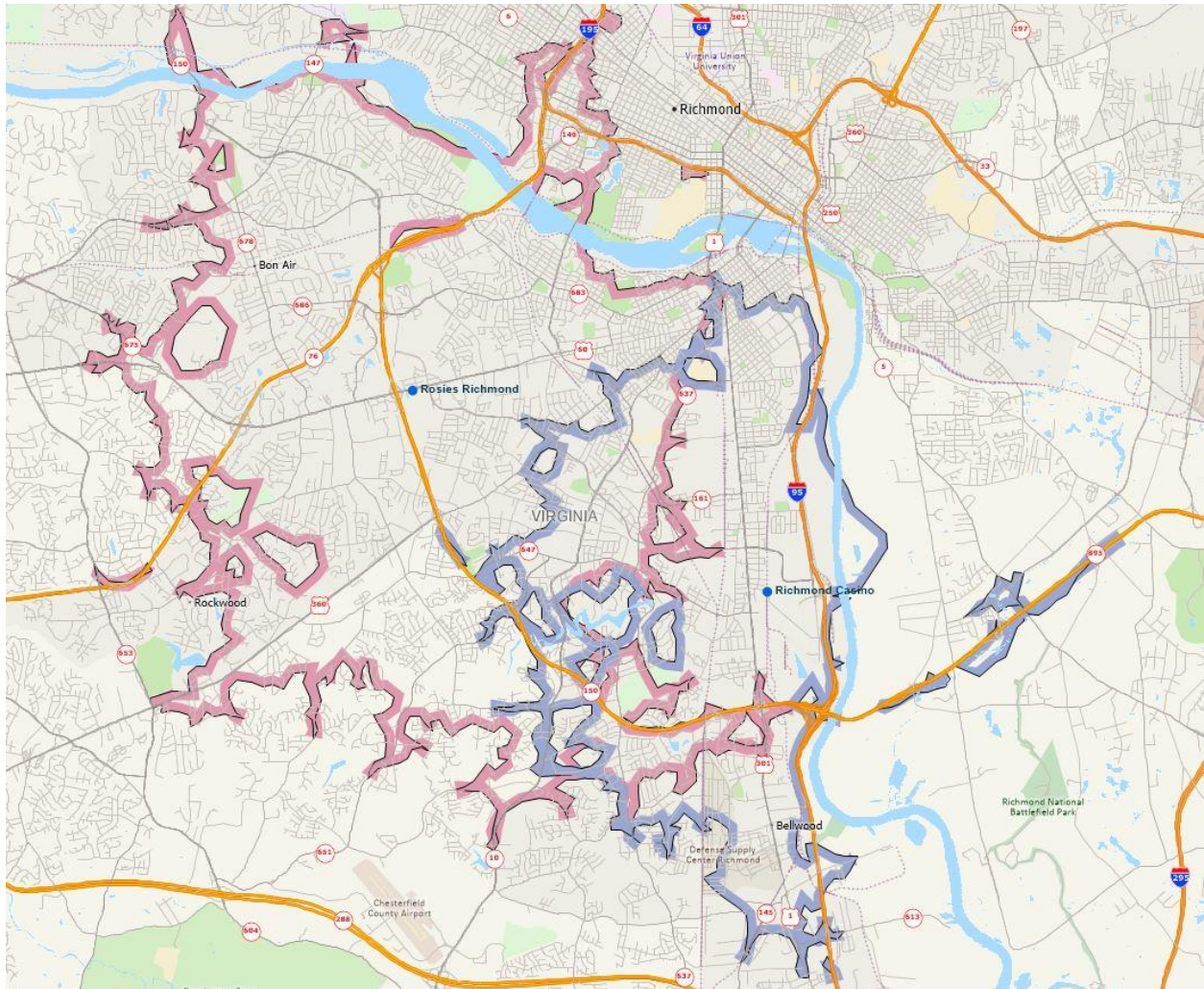
Using the above numbers, we estimated how much slot gaming revenue can be expected from each of the three drive times at Project by distinct drive time segments, with adjusted income allocation spent on gaming for each. **All projections in the coming sections are for slot machine revenue only as we consider slots the offerings that are competing for market share. Live table game revenue projections don't have any direct competition in the regional market and are covered in a later section.**



### 10 Minute Drive Time Projection

At 10 minutes or less, we would expect frequent visitation from area residents who do gamble. Over the course of a year, the patron spends more on gaming through a higher frequency of trips, albeit with a shorter time on the gaming floor as their average spend per trip is lower. This customer base is the most reliable source of patronage because they tend to visit during many non-peak periods, such as weekdays when total visitor counts can be just 30-40% of what is seen on Saturdays.

In the map below we have included the 10-minute drive times from both Rosie's and the Project site. A 10-minute drive from Rosie's is denoted by the pink line while a 10-minute drive from the Project site is in purple. We note that there are only small areas of overlap, for the most part, both operations have close to an exclusive zone of potential customers to capture.



Source: Maptitude, GI Enterprises LLC

In patron databases we have reviewed and in the many markets where we have attempted to model spending patterns by drive-time demographics, we have found those living within 15 minutes of a casino spend close to 1% of the total income on gaming. On average, close to half the adults in these very close-by areas will be customers at their nearby casino, well above the national rate of about 32% of adults

gambling in a given year. Some of these patrons will visit just once or twice a year, while others will make over 30 visits per year; we have found somewhere between 7 to 10 visits per customer to be the average. In our model we assume 8 visits.

The demographics for the 10-minute zone of the Project site and expected gaming revenues are shown below. We adjusted the income capture rate and spending expectations at each based on the likelihood of adults in the area being more willing to patronize the Project compared to a modest HHR facility.

<b>Richmond Casino - 10 minutes</b>	
Population	52,952
Total Income	\$ 942,776,465
% of income on gaming	1.10%
<i>Projected Slot Rev</i>	\$ 10,370,541
<i>% of Adults Gaming</i>	45%
<i>Annual Gamer Visits/Yr</i>	8.0
<i>Est Spend per Visit</i>	\$ 73

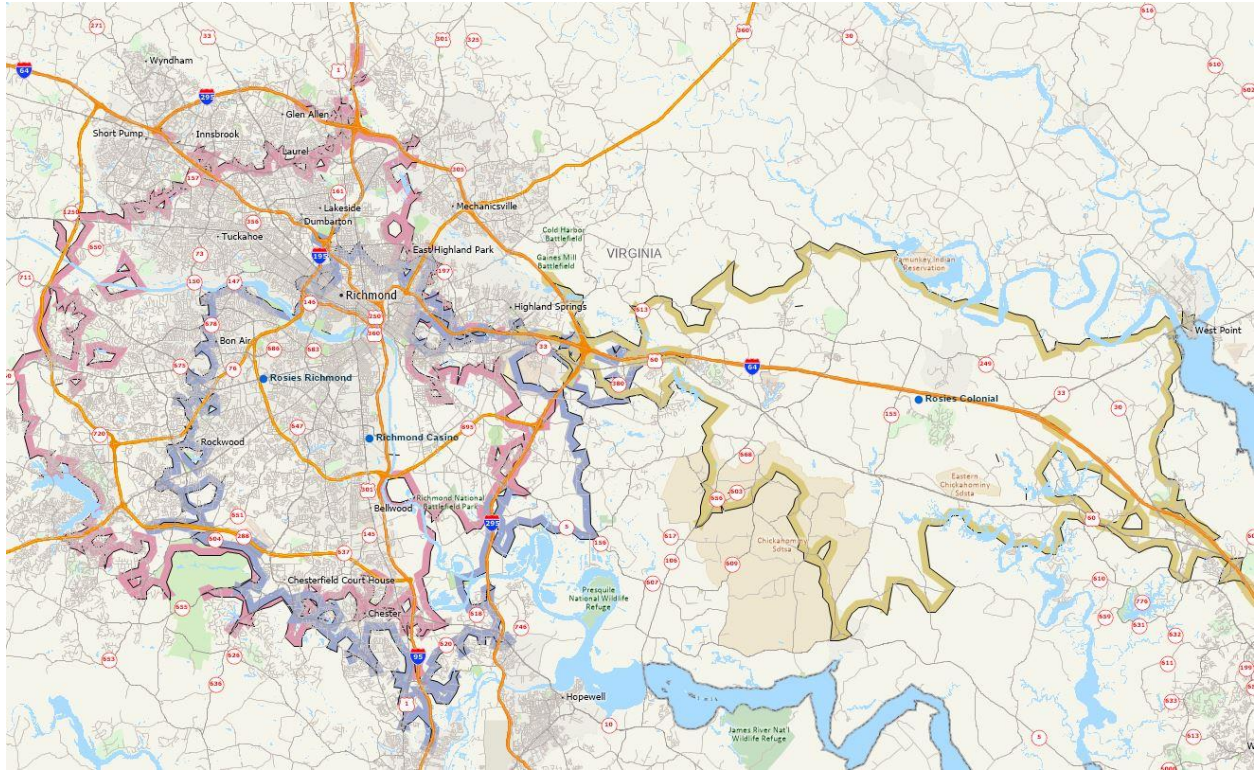
*Source: US Census, GI Enterprises LLC*

Our income allocation for the casino at 1.1% is in line with the 0.9% to 1.4% we have seen in other markets. We estimate that 45% of the adults (21+ years old) near the Project will gamble in the casino at least once during the year, but on average, gaming patrons in this zone will visit a projected 8 times a year spending \$73 during each visit.

### 20 Minute Drive Time Projection

Between 11 to 20 minutes from each property, there begins to be much more overlap between the two potential customer bases, as noted in the map. We also included a wider range on this map to show the exclusive zone for Rosie’s at Colonial Downs. At a 20-minute drive time, it almost perfectly matches its exclusive zone.





Source: Maptitude, GI Enterprises LLC

For Rosie’s Richmond, the map shows a much more competitive zone for Richmond customers as the two drive-time rings from both mostly overlap one another within city limits, with some areas on the northern and western fringes still benefitting Rosie’s. However, as mentioned earlier 20 minutes is about the edge of where convenience still matters most. A gamer may live 15 minutes from Rosie’s and 25 minutes from the Project. If the gamer perceives the most important factor to him or herself is just having a gaming machine that is available and they have less than an hour to play, that 10 minutes saved is going to have an impact on their decision. If that same gamer has 3 hours to gamble, they probably will be willing to drive the extra time to get to the Project, especially if they perceive more enjoyment from casino slot machines or the overall experience offered to them at a casino.

Richmond Casino - 11-20 minutes	
Population	359,323
Total Income	\$ 8,569,171,077
% of income on gaming	0.75%
Projected Slot Rev	\$ 64,268,783
% of Adults Gaming	42%
Annual Gamer Visits/Yr	7.0
Est Spend per Visit	\$ 81

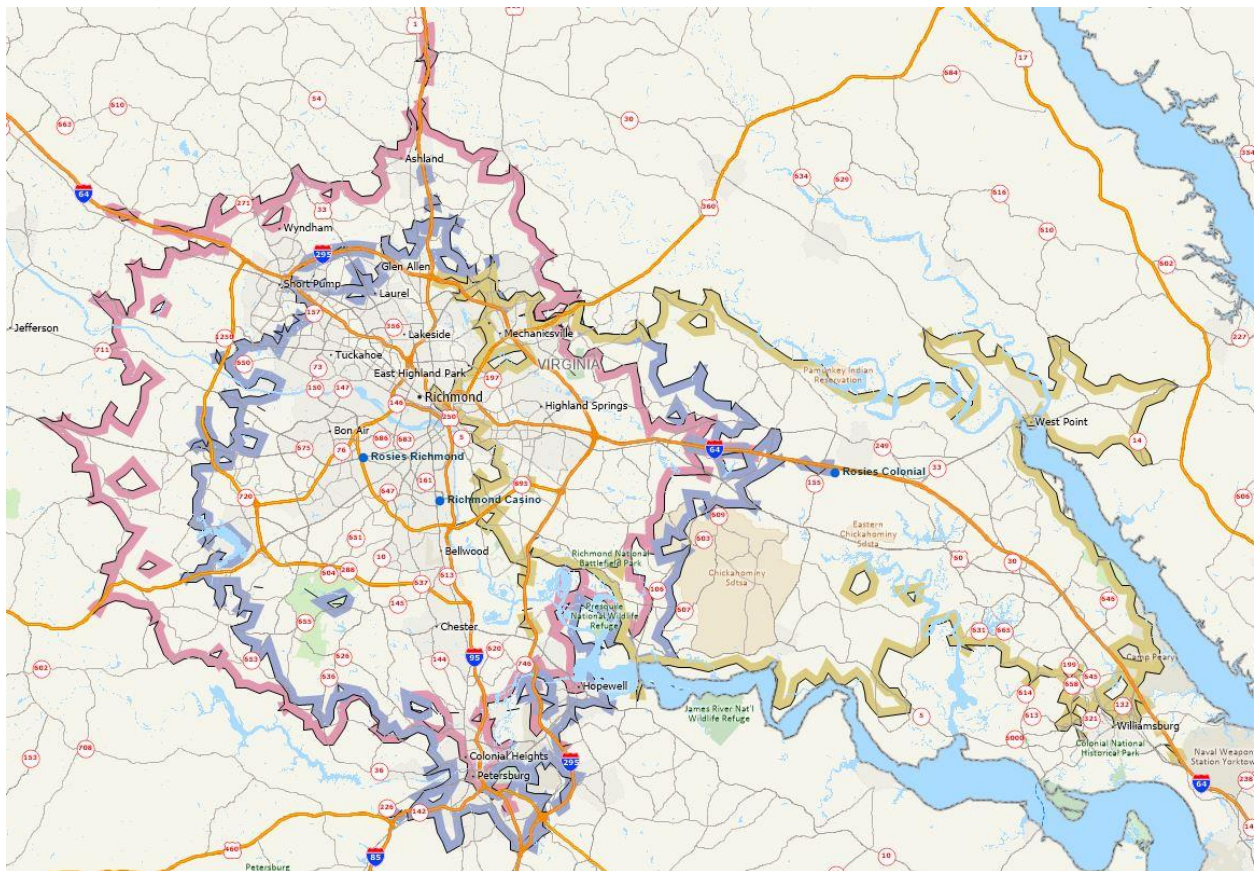
Source: US Census, GI Enterprises LLC

Income allocation and percentage of adults gaming comes down as we move further away. Spend per visit begins to increase for an attractive full casino. We believe this is likely to occur because in most situations,

as you move further away the gamer tends to save up their budget for fewer trips during a year. As you get further away from a casino, the higher value customers are likely to take most of their gaming budget to the better offering, especially since that location will give them more in offers such as free play, free meals, and other items.

### 30 Minute Drive Time Projection

Continuing out to 30 minutes we see a pattern of mostly convergence between the areas served by each gaming facility. While there remain some fringe portions where Rosie's Richmond has a slight edge, they are the less populated edges of the Richmond MSA. Within 30-minutes, almost all of the MSA's population is captured as areas such as Petersburg to the south and Ashland to the north are within a half-hour drive of a gaming machine. At 30 minutes, Colonial Downs is now within reach of a portion of the city of Richmond, but we would expect for them to capture little revenue from the city except for the occasional trips patrons might make to see the horse races or when they are heading out of town.



Source: Maptitude, GI Enterprises LLC

For Rosie's, convenience gaming is their main drawing card, but most of the residents at this range who want to gamble will go to the Project instead of an HHR facility. Our models indicate Rosie's Richmond should expect to generate about 80% of their revenue from inside of 20 minutes, while the Project should have drawing power out to 60 minutes. This 20 to 30-minute zone is expected to contribute the highest gaming revenue as it encompasses some of the wealthier suburban areas.



Richmond Casino - 21-30 minutes	
Population	455,068
Total Income	\$ 17,728,326,918
% of income on gaming	0.55%
<i>Projected Slot Rev</i>	\$ 97,505,798
<i>% of Adults Gaming</i>	35%
<i>Annual Gamer Visits/Yr</i>	6.5
<i>Est Spend per Visit</i>	\$ 126

Source: US Census, GI Enterprises LLC

For this drive-time zone, gaming participation rate of 35% for the Project is just slightly ahead of national average of 32% of adults visiting a casino annually, and a visit about every other month on average is a modest expectation. The spend per visit is increasing significantly over those who live in closer proximity, partially driven by the higher income levels of this drive-time range, but also due to being distant enough that they will come more often at peak times and spend more during those visits.

#### Richmond slots projection from locals market

From residents within 30 minutes, we project the Project to capture over half of its gaming revenue. Even with a resort casino atmosphere and significant non-gaming amenities, almost all casinos rely on spending from their closest patrons and a casino in Richmond will be no different. With approximately 867,000 residents spending about 0.63% of their income in the Project’s casino, our projections are achievable in the context of what casinos in other larger metropolitan areas capture as we will detail later in this report. Due to the convenient location, we project a blended average of 39% of area adults will patronize the Project casino and visit just over once every other month spending \$101 in 2020 dollars per visit. Spending is likely to be closer to \$115 in 2025 when we expect the Project to have fully ramped up its operations.

Richmond Casino - Locals Combined	
Population	867,343
Projected Local Slot Rev	172,145,122
Total Income	\$ 27,240,274,460
<i>% income allocation</i>	0.63%
<i>% of Adults Gaming</i>	39%
<i>Annual Gamer Visits/Yr</i>	6.8
<i>Est Spend per Visit</i>	\$ 101

Source: US Census, GI Enterprises LLC

#### Richmond slots projection from the regional market

The non-gaming amenities and the ability to offer a large, newly built full casino in Richmond will also lead to the Project capturing patronage from well beyond the local market (within a 30-minute drive). Regional casinos are quite successful in attracting patrons up to an hour away for day trips while having an integrated hotel increases its capacity to generate more visits from those who reside between 30 and 120 minutes away. The population just outside of the Richmond locals market is more modest in size, with just over half a million residents, but it is mostly lacking in population centers so we would expect many of these residents to already frequent Richmond for entertainment options. We project 30% of these adult

residents will visit the Project and for those visits to be about once a season. Because of the longer drive to get to the Project, we expect these patrons to spend more per visit than local patrons during an average casino trip.

<b>Richmond Casino - 31-60 minutes</b>	
Population	524,310
Total Income	\$ 19,896,928,504
% of income on gaming	0.35%
<i>Projected Slot Rev</i>	\$ 69,639,250
<i>% of Adults Gaming</i>	30%
<i>Annual Gamer Visits/Yr</i>	4.5
<i>Est Spend per Visit</i>	\$ 131

**Source: US Census, GI Enterprises LLC**

While the amenity set and the lack of other casinos in central Virginia allows a casino in Richmond to draw from more than an hour away, in this case, we believe the Project will face much stiffer competition. As a result, it likely will only capture a modest market share from those residing more than an hour away. At the edge of the 60-minute drive from the Project, the 60-minute drive time zones begin for both MGM National Harbor, just outside of Washington DC, and the Norfolk/Portsmouth area where two new resort casinos are also expected. These zones are illustrated in the map below with the gold line representing the 60-minute drive from MGM and the pink line representing a 60-minute drive from the expected casino site in Norfolk.



Source: Maptitude, GI Enterprises LLC

Due to the competition, we project just 8% of the gaming revenue at the Project is likely to come from beyond a 60-minute drive. In this case we believe most of the visits will likely come from other residents of other regions of Virginia with few coming from those who live in the state’s other two main population centers in northern Virginia and the Norfolk/Portsmouth/Virginia Beach metro area.

Richmond Casino - Beyond 60 minutes	
Projected Regional Slot Rev	241,784,372
Out of Area Projection	8.2%
Out of Area Revenue	19,837,139
<b>Total Expected Slot Rev</b>	<b>\$ 261,621,511</b>

Source: US Census, GI Enterprises LLC

Project table revenue projection

Table revenue projections are more straightforward in this competitive environment since there are no live table games at Rosie’s locations and to this point, the math model used for the HHR machines does not lend itself well to an electronic table game form factor. While a much smaller share of the gambling public, live table games players can provide a strong base of revenue. Most gamers tend to prefer either slots or tables, with only modest crossover play occurring should both be offered in the same casino. We have seen in the handful of markets where table games were not allowed initially and then were later added that table games generally have a neutral to slightly positive benefit to a market and do not lead to lower gaming machine revenues due to losing patrons to table games.

Richmond Casino - 10 minutes	
Population	52,952
Total Income	\$ 942,776,465
% of income on gaming	0.24%
<i>Projected Table Rev</i>	\$ 2,262,664
<i>% of Adults Gaming</i>	11%
<i>Annual Gamer Visits/Yr</i>	6.2
<i>Est Spend per Visit</i>	\$ 84

Richmond Casino - 11-20 minutes	
Population	359,323
Total Income	\$ 8,569,171,077
% of income on gaming	0.16%
<i>Projected Table Rev</i>	\$ 13,710,674
<i>% of Adults Gaming</i>	10%
<i>Annual Gamer Visits/Yr</i>	5.5
<i>Est Spend per Visit</i>	\$ 93

Richmond Casino - 21-30 minutes	
Population	455,068
Total Income	\$ 17,728,326,918
% of income on gaming	0.11%
<i>Projected Table Rev</i>	\$ 19,501,160
<i>% of Adults Gaming</i>	9%
<i>Annual Gamer Visits/Yr</i>	4.8
<i>Est Spend per Visit</i>	\$ 132

Source: US Census, GI Enterprises LLC

In the case of the Project, we believe they should be additive to the market as we would expect some residents of the Richmond area to already be table games patrons making the drive up to Maryland or traveling to a destination casino market like Atlantic City or Las Vegas to play the tables. These patrons are probably minimally active at HHR machines today so adding them into the marketplace should not be the cause of declining revenues at Rosie’s locations.



The locals' table market in Richmond reflects what we have seen in virtually all player card databases we have reviewed over time. Table game players tend to visit less frequently than slot players and spend more during each visit. Their time on the floor tends to be much longer on average due to the nature of table games where decisions are played out slowly and the house edge on wagers is lower on average than the house edge for each spin on a slot machine. Table game players tend to spend more than slot players, they just get to enjoy a longer gaming experience. Because of their longer visits and higher spend, table game patrons receive a greater than fair share of complimentary items from casinos.

<b>Richmond Casino - Locals Combined</b>	
Population	867,343
Projected Table Rev	35,474,497
Total Income	\$ 27,240,274,460
<i>% income allocation</i>	0.13%
<i>% of Adults Gaming</i>	10%
<i>Annual Gamer Visits/Yr</i>	5.2
<i>Est Spend per Visit</i>	\$ 110

Source: US Census, GI Enterprises LLC

Further out from the Project, the participation and share of income towards table games declines because of the beginning of influence zones for both MGM National Harbor and the Norfolk/Portsmouth casinos. This impact is partially offset by the ability to draw the higher spending patrons outside of the Richmond MSA through the offering of hotel rooms, but overall the model shows that the gap between relative spending in more distant zones begins to widen in favor of slots. The main upside from adding tables at the Project is that Richmond area residents will now have a place to play their game of choice instead of spending their gaming budgets in other states.

<b>Richmond Casino - 31-60 minutes</b>	
Population	524,310
Total Income	\$ 19,896,928,504
% of income on gaming	0.06%
<i>Projected Table Rev</i>	\$ 11,938,157
<i>% of Adults Gaming</i>	7%
<i>Annual Gamer Visits/Yr</i>	3.0
<i>Est Spend per Visit</i>	\$ 145

<b>Richmond Casino - Beyond 60 minutes</b>	
Projected Table Rev	47,412,654
Out of Area Projection	6.9%
Out of Area Revenue	3,276,858
<i>Total Expected Table Rev</i>	\$ 50,689,512

Source: US Census, GI Enterprises LLC

## Projected visitors to the Project

We have projected the number of visitors to the Project site in three distinct categories: City of Richmond residents, Richmond MSA residents (excluding city residents), and residents from outside the Richmond MSA. These projections are difficult to assess, especially distinguishing between city and MSA residents, due to their proximity to the Project and the blended nature of the data which can sometimes group residents into one zone, be it census or zip code, that may cross a city boundary.

Below we note the city of Richmond is a relatively small part of the Richmond MSA, comprising just 18% of the total residents. City residents are also slightly older and earn a slightly lower income than the average resident of the MSA.

Richmond City	
Population	230,464
Per Capita Income	\$ 36,434
Total Income	8,396,725,376
Est Adults (21+)	177,457

Richmond MSA	
Population	1,290,866
Per Capita Income	\$ 37,590
Total Income	48,523,652,940
Est Adults (21+)	968,150

Richmond MSA (ex-City of Richmond)	
Population	1,060,402
Per Capita Income	\$ 37,841
Total Income	40,126,927,564
Est Adults (21+)	790,692

Source: US Census, GI Enterprises LLC

## Gaming Visits

From these demographics and a review of the suggested revenues by zip code as determined by the gravity model, our estimates for gaming visitation, spend per visit, and share of total gaming revenue follow below. These amounts are not inflated from 2020 levels, so revenues differ from the inflation-adjusted amounts in the full resort revenue model.

Richmond City - Gaming	
Visits	875,451
Gaming Spend Per Visit	\$ 83
Total Gaming Rev	72,662,459
Unique Customers	143,517

Richmond MSA (ex-City of Richmond) - Gaming	
Visits	1,360,023
Gaming Spend Per Visit	\$ 114
Total Gaming Rev	155,355,903
Unique Customers	216,702

Richmond MSA - Gaming	
Visits	2,235,474
Gaming Spend Per Visit	\$ 102
Total Gaming Rev	228,018,362
Unique Customers	360,219

Source: GI Enterprises LLC

Just over a quarter of the gaming revenue will be generated from outside of the Richmond MSA by patrons expected to spend much more on gaming than the average visit from a City or MSA resident. These visits are difficult to project on a precise geographic basis, but it is fair to assume a majority will be Virginia residents from all parts of the state.

Outside Richmond MSA - Gaming	
Visits	575,993
Gaming Spend Per Visit	\$ 145
Total Gaming Rev	83,542,180
Unique Customers	164,569

Total Richmond Casino - Gaming	
Visits	2,811,467
Gaming Spend Per Visit	\$ 111
Total Gaming Rev	311,560,542
Unique Customers	524,788

Richmond Casino Visitors and Spend				
	Visits		Gaming Rev	
City of Richmond	875,451	29%	72,662,459	23%
Richmond MSA (ex-City)	1,360,023	48%	155,355,903	50%
Outside Richmond MSA	575,993	23%	83,542,180	27%
Total	2,811,467		311,560,542	

Source: GI Enterprises LLC

At 2.8 million annual visits, the Project’s casino can expect an average visit count of about 7,700 visits per day. However, casinos rarely have average days. We would expect the Project to see the typical demand surges that are seen at most regional casinos, although having a hotel should slightly moderate these peaks. A typical pattern for casinos is to see the lowest visit counts on Monday and Tuesday, with business picking up slightly on Wednesday and Thursday, then peak visitation on Friday evening and all day on Saturday. During typical weeks with no holidays or special events that might bring customers into the

area, Saturdays will see between 2.5 and 3.5 times as many visitors as a Tuesday. Some destination markets manage the peaks and valleys better because they can drastically lower or raise room rates and the offering of complimentary rooms, but we suspect the Project will only at best be able to slightly reduce this dynamic.

Below we project estimates for visits by day and the share of total weekly visits each represents. In a “normal” level of seasonal demand, we would expect about 50,000 gaming visits per week, ranging from a low of about 4,600 visits on a Tuesday to 12,200 visits on Saturday. We then estimate what a busy peak week could look like during a high seasonal time with a major event going on in Richmond, such as a NASCAR race week. Such a week could attract 74,000 total visitors with a peak day of 20,700 gaming visits.

Richmond Casino Daily Visitor Projections								
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total
Day's Share - Normal	15%	10%	9%	11%	12%	18%	24%	
Visits - Normal	7,622	4,878	4,573	5,488	6,098	9,146	12,195	50,000
Visits - Peak	10,671	6,341	5,945	7,409	8,232	14,634	20,732	73,963

Source: GI Enterprises LLC

At absolute peak conditions, such as a major holiday weekend that coincided with a Saturday, such as if New Year’s Eve fell on a Saturday, we could foresee demand for over 25,000 gaming visits, but such levels would be difficult to manage and lead to a less than ideal level of customer experience. We would expect casino management to draw up conceptual limits on visits to the facility by charging more for non-gaming amenities and limiting gaming promotions on such a day. With 2,400 gaming positions, having over 25,000 gaming visitors would test the limits of the property’s capacity, but we would expect those visits to be spread out a bit over the course of the day and for some visitors to cut short their visits due to crowding and lack of available gaming machines. Once again this is just a theoretical highest demand day we could conceptualize, but in most years the maximum number of gaming visits to the Project on its highest day would likely be between 21,000 and 23,000.

### Total Visitors to the Project

While we expect the majority of visits to the Project will be for gaming, the amenities offered will also draw non-gaming customers from the city and the MSA, as well as a smaller share of visitors from further out. As with most regional casinos, most non-gaming visits will be to the food outlets as the restaurants should serve the demand for quality dining options in the southern part of Richmond. The food court and casual dining outlets will likely capture the greatest share of non-gaming customers, with the bar options and the entertainment venue also drawing in visitors from around the MSA. Below is our projection of visits to each set of amenities that do not include a trip to the casino floor.



Non-Gaming Visitors		
	Vists	Spend/Visit
Food	393,105	\$22
Beverage	201,156	\$17
Entertainment	144,520	\$75
Hotel	43,687	
Banquet	36,500	
Total	818,967	

Source: GI Enterprises LLC

Recall our projection for 2.8 million casino visits, so at just over 800,000 non-gaming visits, non-gamers would generate about 29% of the visits that gamers do. We project close to an average spend per visit in the three largest sources of non-gaming visitors, with the higher price of entertainment tickets leading to it generating the greatest amount of revenue to the Project from non-gaming visitors. We then estimated the geographic origination of these non-gaming visitors, with the assumption that Richmond City residents will comprise a greater share than they do for the casino visitors. We would expect patrons coming just for a restaurant or bar would be willing to drive a shorter distance, while the entertainment venue and the hotel/banquet areas will likely be the source of most visitors from further away.

Richmond Non-Gaming Visitors		
	Visits	
City of Richmond	286,639	35%
Richmond MSA (ex-City)	450,432	55%
Outside Richmond MSA	81,897	10%
Total	818,967	

Source: GI Enterprises LLC

Adding the gaming and non-gaming visits we come to a total projection of 3.6 million visitors to the project in 2025. Just under a third of the visitors are projected to come from the City of Richmond and about half of the visitors are expected to come from the MSA area excluding city residents. In total, an estimated 82% of all visitors will come from the Richmond MSA.

Richmond Total Visitors		
	Visits	
City of Richmond	1,162,090	32%
Richmond MSA (ex-City)	1,810,455	51%
Outside Richmond MSA	657,890	18%
Total	3,630,435	

Source: GI Enterprises LLC

## Comparisons to Other Markets

The Richmond market has only recently begun being supplied with gaming options with the opening of two Rosie's locations in 2019. With just two modest facilities and about 1,300 gaming machines, a relatively low amount of gaming is being captured from the region's residents. The opening of a large casino with 2,400 gaming positions will lead to the market going from undersupplied to sufficiently supplied as we project its metrics will match comparable market averages in many metrics.

We put the Richmond MSA and its projected total gaming market in context with four other somewhat larger metropolitan areas, all between 2 to 3 million residents, close to double the size of the Richmond MSA. All of the compared markets have multiple gaming options for residents and are able to better serve their local markets from a position supply comparison. For example, St. Louis has six casinos located on all sides of the MSA area. As a result, it outperforms other markets on key metrics due to the convenient options for gamers and the high amount of competition that is trying to attract spending in that market. Cleveland is probably the most comparable market to the projected Richmond market as it has just one full casino which can offer slots and live table games. The area has two suburban racinos that cannot offer live table games, nor video poker or electronic table games, somewhat similar to the limits on gaming offered at Rosie's locations.

MSA	Population	Per Capita Income	Total Income	GGR
Richmond MSA	1,290,866	37,590	48,523,652,940	390,378,746
Cleveland MSA	2,048,449	34,200	70,056,955,800	608,221,793
Pittsburgh MSA	2,317,600	38,400	88,995,840,000	828,365,640
Kansas City MSA	2,155,068	36,358	78,353,962,344	753,844,781
St Louis MSA	2,801,423	37,365	104,675,170,395	1,007,700,838

MSA	Population	Inc Allocation	Per Adult GGR
Richmond MSA	1,290,866	0.80%	\$403
Cleveland MSA	2,048,449	0.87%	\$401
Pittsburgh MSA	2,317,600	0.93%	\$483
Kansas City MSA	2,155,068	0.96%	\$473
St Louis MSA	2,801,423	0.96%	\$486

MSA	Slots	Tables	Slots per 1,000	Tables per 1,000
Richmond MSA	3,100	100	2.40	0.08
Cleveland MSA	4,969	152	2.43	0.07
Pittsburgh MSA	8,052	332	3.47	0.14
Kansas City MSA	7,778	265	3.61	0.12
St Louis MSA	9,450	343	3.37	0.12

*Source: US Census, Casino City, various state gaming commissions*

Below is a more complete set of comparable regional gaming markets, all with unique conditions that have led to their current operating metrics. New York City is an outlier in that no live table games are allowed, so patrons must drive an hour or two to the nearest full casino to play the tables. What is notable

is that the largest population markets tend to have a lower income allocation to gaming, while the smaller markets, although larger than Richmond, have higher income allocation and spend per adult. This is somewhat a function of the smaller markets being easier to serve. Smaller metro areas have a smaller footprint which allows for shorter drive times for residents as just 3 or 4 casinos can sufficiently supply the market with residents no more than a 15-minute drive from a casino. The Chicago market, on the other hand, has 9 casinos, and it is still not well-supplied. Richmond with one casino and two HHR facilities should be relatively well-served but still below the levels of the best-served markets. We also believe larger markets have more diverse offerings of entertainment and dining options which capture a larger amount of discretionary income compared to the smaller markets. Lastly, discretionary income is lower as a percentage of income in the larger markets mostly due to the cost of housing. Higher disposable income is likely a small additional driver of gaming spend in the smaller markets.

MSA	Per Cap		Total Income	GGR	Income Allocation	Per Adult GGR	Per		Slots per 1000	Tables per 1000
	Population	Income					Adult	GGR		
Chicago	9,457,867	40,144	379,676,612,848	1,913,583,653	0.50%	\$ 273	12,482	607	1.32	0.06
Philadelphia	6,102,434	40,930	249,772,623,620	1,486,829,247	0.60%	\$ 329	10,577	696	1.73	0.11
DC-Balt	9,815,138	47,764	468,810,251,432	1,944,456,397	0.41%	\$ 268	12,437	648	1.27	0.07
Cleveland	2,048,449	34,200	70,056,955,800	608,221,793	0.87%	\$ 401	4,969	152	2.43	0.07
Detroit	4,319,629	35,315	152,547,698,135	1,272,490,357	0.83%	\$ 398	9,200	290	2.13	0.07
NYC	19,216,182	46,241	888,575,471,862	1,739,740,710	0.20%	\$ 122	12,770	0	0.66	-
Denver	2,967,239	44,806	132,950,110,634	697,672,655	0.52%	\$ 318	8,742	204	2.95	0.07
Pittsburgh	2,317,600	38,400	88,995,840,000	828,365,640	0.93%	\$ 483	8,052	332	3.47	0.14
Kansas City	2,155,068	36,358	78,353,962,344	753,844,781	0.96%	\$ 473	7,778	265	3.61	0.12
St. Louis	2,801,423	37,365	104,675,170,395	1,007,700,838	0.96%	\$ 486	9,450	343	3.37	0.12
<b>Richmond</b>	<b>1,290,866</b>	<b>37,590</b>	<b>48,523,652,940</b>	<b>390,378,746</b>	<b>0.80%</b>	<b>\$ 403</b>	<b>3,100</b>	<b>100</b>	<b>2.40</b>	<b>0.08</b>

Source: US Census, Casino City, various state gaming commissions

### Comparison to Omaha

The Omaha MSA market is probably the most comparable to Richmond in terms of size and income. It is useful to look at the projected Richmond market in the context of determining what is the potential of the market considering the Omaha area has been well-served by gaming for about 25 years and recent levels of gaming capture are the result of refined efforts to attract spending from area residents.

There are some unique factors about the Omaha market which makes it different than other markets. The most important factor is that casino gaming is not yet legal in Nebraska, which is where most Omaha MSA residents live. Three full casinos serve the market from Council Bluffs, Iowa, about a 15-minute drive from downtown Omaha. From the more affluent NW and SW suburbs of Omaha, the casinos are close to a 30-minute drive. The ample supply of casinos for a modest market of just under 1 million residents has led to higher levels of income allocation and spend per adult than what is seen in larger metropolitan areas. If Richmond had three full casinos similar to Council Bluffs, it is likely the market would see higher income allocation and spend per adult, especially if the supply of slots and tables per 1,000 residents was at the higher levels of Omaha.

MSA	Per Cap		Total Income	GGR	Income Allocation	Per Adult GGR	Per		Slots per 1000	Tables per 1000
	Population	Income					Adult	GGR		
Omaha	949,726	35,223	33,452,198,898	403,954,109	1.21%	\$ 567	3,452	134	3.63	0.14
Richmond	1,290,866	37,590	48,523,652,940	390,378,746	0.80%	\$ 403	3,100	100	2.40	0.08

Source: US Census, Casino City, GI Enterprises LLC

## Non-Gaming Revenue Analysis

### Hotel Revenue

We believe a 150-room hotel at the Project site will satisfy demand from two markets. The main market will be to host casino guests, with the majority coming from between a 30 and 120-minute drive of the property. We estimate the market can fill between 30 and all 150 rooms with higher-spending casino patrons over a year, with demand fluctuating between slow and peak periods. As with most casino hotels, casino guests are expected to have priority on available rooms, with many weekends and holiday periods likely to see almost all rooms dedicated to casino guests.

Leisure travelers are expected to fill the remainder of the rooms, with an emphasis on bookings in slower periods such as weekdays and slower travel seasons such as early fall. The central Richmond market had seen robust demand prior to the pandemic, with average room rates of \$125 a night and over 70% occupancy. We assumed those approximate room rates (inflation-adjusted) and occupancy would accrue to the hotel for all rooms beyond expected casino guest demand in forecasting hotel revenues as detailed below.

Overall, we forecast the hotel should be able to fill 80% of its rooms on an average night and generate average room rates of \$145-175 over the five-year period. We project promo revenue (comps) at over 60% of total hotel revenue in years three to five, with lower promo share in the first two years as the casino develops a patron database to determine which customers are worthy of receiving a complimentary room.

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Hotel Revenue</b>					
Cash Revenue	1,492,280	3,210,882	2,407,631	2,479,860	2,541,857
Promotional allowance	812,011	2,714,437	4,176,056	4,301,338	4,408,871
<i>Total Revenue</i>	2,304,291	5,925,319	6,583,688	6,781,198	6,950,728
Revenue as a % of Gaming	0.9%	2.0%	2.1%	2.1%	2.1%
Promo % of Revenue	35.2%	45.8%	63.4%	63.4%	63.4%

*Source: GI Enterprises LLC*



## Food Revenue

With approximately 900 seats of dining capacity, as well as potential dining options available in the meeting/convention areas, the potential for food revenues at the Project is significant. Food offerings are a key component of any resort casino as they are the best way to attract new patrons to the experience all the property offers, as well as the preferred way to award higher-value casino guests with complimentary items such as a fine dining experience or a quick dining option which encourages them to stay on the property longer.

Most of the dining revenue should come from three full-service restaurants and the large food hall offerings; combined we anticipate they will comprise 80-90% of the total dining revenues. Food revenues at the other locations are expected to be modest as they will have more limited offerings and hours of operation. Our projections call for approximately 25% of all gaming visitors to partake in at least one food offering during their visit. A large share of these food experiences for gamers will be complimentary as a reward for their gaming action.

We also project about 40% of all meals on the property will be from those not gaming during their visit. The food hall and full-service restaurants should be popular with south Richmond residents, and the sports bar should attract patrons from all around the MSA who want to enjoy sports betting in a bar/sportsbook setting. In total, we project about 7% of net gaming revenues will be spent on food across the property's outlets. Once the operations have fully ramped up in year 2, we expect over 60% of the food revenues to be complimentary meals provided to casino guests which is a bit lower than what is normally seen at regional casinos. We believe the larger scope of dining options and the full resort atmosphere should draw in a greater share of non-gamers to the dining outlets, which can serve as a good marketing tool to expose non-gaming guests to the full array of offerings at the Project.

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Food Revenue</b>					
Cash Revenue	6,567,496	8,172,586	8,668,215	8,972,606	9,141,067
Promotional allowance	9,799,276	12,558,659	14,027,042	14,573,723	15,229,384
<i>Total Revenue</i>	16,366,772	20,731,244	22,695,257	23,546,329	24,370,451
Revenue as a % of Gaming	5.6%	6.3%	6.6%	6.7%	6.7%
Promo % of Revenue	59.9%	60.6%	61.8%	61.9%	62.5%

Source: GI Enterprises LLC

## Beverage Revenue

At many casinos, nominal beverage revenues can exceed those of food revenues provided alcohol drinks can be provided on a complimentary basis. As Virginia bans the offering of free alcoholic beverages, we have accordingly modified our expectations for beverage revenues. We have assumed that most non-alcoholic drinks served on the gaming floors will be provided complimentary to guests, but that there will be significant cash sales of alcoholic beverages on the casino floor as well as at other outlets located throughout the property, especially in the hotel, the sports bar, and the entertainment venue.

We project beverage revenue to be just under 3% of net gaming revenue due to the lack of comps for alcohol. We anticipate there will be \$6-7 million in sales of alcoholic drinks property-wide, with just under half of the drinks sold on the gaming floor. The entertainment venue should drive significant alcohol sales as concerts and shows generate a high level of beverage sales at higher prices. Lastly, the sports bar should capture higher alcohol sales as patrons are expected to spend several hours during peak sporting event times and purchase multiple drinks.

	Year 1	Year 2	Year 3	Year 4	Year 5
<b><i>Beverage Revenue</i></b>					
Alcohol Sales	5,922,771	6,580,857	6,811,187	7,015,522	7,190,910
Cash Non-Alcoholic Sales	185,763	198,168	206,064	211,498	216,931
Promotional allowance (Non-Alcohol)	1,671,864	1,783,509	1,854,572	1,903,479	1,952,382
<b><i>Total Revenue</i></b>	<b>7,780,397</b>	<b>8,562,533</b>	<b>8,871,822</b>	<b>9,130,499</b>	<b>9,360,224</b>
Revenue as a % of Gaming	2.7%	2.6%	2.6%	2.6%	2.6%
Promo % of Revenue	21.5%	20.8%	20.9%	20.8%	20.9%

**Source: GI Enterprises LLC**

## Entertainment Revenue

We project the Project will generate a significant amount of entertainment revenue even with a modest assumption of just 60 events per year. A 3,000-seat facility can host many events, our focus in our forecast is on ticketed events that should mostly consist of concerts and headline comedians. These types of events are popular at casinos nationwide as they bring in additional traffic to the property that often fills restaurants, bars, and the casino floor for an entire evening. We estimate 40% of the attendees will be casino guests receiving complimentary tickets, with many of the ticket-buying guests not being regular casino patrons, which can attract additional casino spend that otherwise would not be captured.

Due to the modest size of the showroom, higher ticket prices can be justified, which we project at \$75 per ticket. At this price point, "name" acts can be signed to play the venue and the higher ticket price also implies an affluent ticket buying guest who may also spend liberally on food and beverages. We project just 75% occupancy at the events, which is intentionally conservative due to some of the acts being brought in to appeal to casino guests and perhaps not appealing as much to the non-gaming crowd. Overall, we would comment that our projections are conservative in the number of shows and occupancy rates but do note that entertainment venues are generally not money-making operations for most casinos. The costs to bring in the entertainment and to operate a facility that is dark much of the time tends to be greater than ticket sales revenue, especially when considering the complimentary tickets issued. Even with entertainment resulting in a net cost to the property after expenses, most casinos find the investment well worth it for the uplift they receive from incremental casino play, food and beverage sales, and increased occupancy in the hotel from non-casino guests.

	Year 1	Year 2	Year 3	Year 4	Year 5
<b><i>Entertainment Revenue</i></b>					
Cash Sales	4,860,000	6,885,000	7,229,250	7,518,420	7,819,157
Promotional allowance	3,240,000	4,590,000	4,819,500	5,012,280	5,212,771
<i>Total Revenue</i>	8,100,000	11,475,000	12,048,750	12,530,700	13,031,928

*Source: GI Enterprises LLC*

### Meeting/Convention Revenue

Meeting space and the ability to host conventions have comprised a growing share of casino resort revenues over the past two decades. As the stigma of hosting business events or formal parties such as weddings and company parties at a casino has largely worn off, these events have grown in importance to bring in foot traffic to casino resorts. The manner in which resort operators have profited from them has also evolved over time. While most meeting and convention attendees will not visit the casino floor during the time on the property, meeting space generates high-margin revenues in all non-gaming facets of the property’s offerings.

The space rent itself tends to be a relatively modest revenue stream and is the only stream noted below. Meeting space also generates significant food and beverage revenues, often from banquet and drink offerings that are sometimes required to rent the space, as well as from spending by participants heading to eat or drink across the property after the meetings or events end. We have accounted for expected spending in these other on-property venues in the other revenue categories. For the meeting space itself, we assumed the 20,000 square feet of space is utilized about 40% of the time and that lease rates per square foot are largely competitive with spaces at major convention areas or in larger hotels. We do expect these events to take some time to ramp up as such meetings are often booked a year or two in advance, so we expect this space to reach its optimal operation by year 4.

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Meeting/Convention Revenues</b>					
<i>Total Space Revenues</i>	182,500	547,500	693,500	721,240	742,877

**Source: GI Enterprises LLC**



## Retail Revenue

The retail offering expected at the Project is small in scope at just 450 square feet, so we expect very modest sales. A small gift shop is often an under-appreciated aspect of a casino resort because it can serve to keep patrons on the property longer. Often casino patrons just want to purchase a small item such as food, candy, or tobacco products, and having a convenient shop prevents them from leaving to acquire it whereby they may decide not to return to the property that day. The gift shop is also popular with some gaming patrons as they can be offered alternative ways to redeem their points for merchandise instead of the usual offerings of meals, entertainment, or room nights.

In our forecast, we project strong revenues for a smaller shop, with an assumption of a robust \$300 of annual sales per square foot. Most convenience stores generate just \$50-100 per square foot of sales excluding fuel, but in this case, we expect the captive audience and the level of comps utilized to lead to much greater sales than a standalone retail shop would.

	Year 1	Year 2	Year 3	Year 4	Year 5
<b><i>Retail Revenues</i></b>					
Cash Sales	108,000	124,200	127,926	131,124	133,747
Promotional allowance	16,200	18,630	19,189	19,669	20,062
<b><i>Total Revenue</i></b>	<b>124,200</b>	<b>142,830</b>	<b>147,115</b>	<b>150,793</b>	<b>153,809</b>

**Source: GI Enterprises LLC**

## Other Revenues

Modern casino resorts generate revenues from more sources aside from their traditional operations. Virtually all casinos hire services to place and service ATMs throughout the property and in return receive a lucrative share of financial services fees that are charged to patrons. Valet parking is commonplace at casinos to better serve patrons and offer a complimentary amenity to the casino's most valued guests. More casinos are charging non-VIP guests for the privilege to utilize the valet service, which often more than covers the costs the property incurs to provide valet parking. And lastly, there are various miscellaneous services casinos provide that come at a modest cost that add to the revenues of the property, which we have also reflected in this section.

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Other Revenues</b>					
Financial Revenues/ATM	2,589,006	3,015,982	3,188,593	3,275,439	3,360,376
Valet Parking - Cash	253,655	291,703	303,371	313,989	323,409
Miscellaneous Revenue	1,294,503	1,507,991	1,594,296	1,637,719	1,680,188
Promotional allowance (valet)	253,655	291,703	303,371	313,989	323,409
<b>Total Revenue</b>	<b>4,390,818</b>	<b>5,107,378</b>	<b>5,389,631</b>	<b>5,541,136</b>	<b>5,687,381</b>

**Source: GI Enterprises LLC**

## Promotional Allowances

Lastly, we review the promotional allowances we expect the property to offer to their higher-value guests. Promotional allowances are an expected cost of doing business when the main product you offer is an intangible service. The customer has many options to choose from when spending discretionary income that provides an experience, not a product. In return for their business, many patrons will expect some reward. Properly determining what the patron should be offered and at what level is a great deal of the expertise that a gaming operator guards carefully. Our projections on what the Project will offer its customers are based on our review of the operations of dozens of casinos across the country and a review of public reports which give some insights into the offerings made to attract casino revenue.

Most regional casinos such as the Project in total spend between 6 and 15% of their gross gaming revenues on promotional expenses. The higher end of the range tends to be resort casinos operating in extremely competitive markets, with a large share of the expense coming from offering free rooms to entice patrons to visit their property over a competitor. In the case of the Project, the amenity set is a bit more extensive than the average regional casino and we expect property management to liberally offer complimentary items to patrons once they have established a robust customer database and better understand the true expected value of these patrons over time. Despite the potential to offer a higher percentage of promotional items to customers, we project the property will expend around just 7% of gross gaming revenue because it has less robust competition than what is found in other regional markets. The HHR facilities it competes against don't have hotels, a variety of full-service dining options, or entertainment venues bringing in name acts. If the Project had to directly compete with MGM National Harbor or the Norfolk/Portsmouth casinos, we would likely project promotional expense to be above 10%.

Below we detail the total promotional allowance expense and calculate a percentage of the gross gaming revenue, which is the typical calculation most casinos use, instead of net gaming revenue. Gross gaming revenue better reflects the total revenue of the casino floor, especially in Virginia where free play is expected to be modestly offered since it is taxed the same as regular gaming revenues. We note the percentage of promo expense increases each year slightly, which we would expect as the casino increases the size of its patron database and can shift more of its marketing efforts over time to identified customers.

	Year 1	Year 2	Year 3	Year 4	Year 5
Hotel	812,011	2,714,437	4,176,056	4,301,338	4,408,871
Food	9,799,276	12,558,659	14,027,042	14,573,723	15,229,384
Beverage (non-alcoholic)	1,671,864	1,783,509	1,854,572	1,903,479	1,952,382
Entertainment	3,240,000	4,590,000	4,819,500	5,012,280	5,212,771
Retail	16,200	18,630	19,189	19,669	20,062
Valet Parking	253,655	291,703	303,371	313,989	323,409
Total Other Revenues	15,793,005	21,956,937	25,199,730	26,124,478	27,146,879
<i>Gross Gaming Revenue</i>	<i>276,559,070</i>	<i>316,879,497</i>	<i>332,539,102</i>	<i>341,455,402</i>	<i>350,303,747</i>
Promo Allowance as % of GGR	5.7%	6.9%	7.6%	7.7%	7.7%

**Source: GI Enterprises LLC**

**Redacted Pursuant to Va. Code § 2.2-3705.6(3)**



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PREPARED FOR  
**RVA Entertainment Holdings, LLC**



2/16/21

# Economic Impact

**Proposed Resort Casino in Richmond, Virginia**





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## 1. Executive Summary

The City of Richmond is seeking bids for a potential resort casino. RVA Entertainment Holdings, LLC (RVA Entertainment Holdings) is one of three organizations which has expressed interest in constructing the Richmond resort casino. Chmura Economics & Analytics (Chmura)<sup>1</sup> was commissioned to perform an economic and fiscal impact analysis of the proposed resort casino in the city of Richmond.

This project will generate significant economic impact in the city economy, supporting thousands of new jobs. Chmura estimates that when operations of the resort casino ramp up to its stable stage in 2026, the total annual economic impact (direct, indirect, and induced) of the resort casino will reach \$526.4 million (in 2026 dollars) that will support 2,399 jobs in the city of Richmond. Of this total impact, the resort casino operations will generate an estimated total economic impact (direct, indirect, and induced) of \$478.6 million that will support 1,992 jobs in the city. In addition, the resort casino is expected to attract 3.8 million guests in 2026, whose spending outside the resort casino can produce \$47.8 million in economic impact (direct, indirect, and induced), supporting 407 jobs in the city.

The proposed resort casino can contribute significant tax revenues to the city and state governments. From casino operations and visitor spending, the resort casino will generate an estimated \$41.7 million in tax revenue to the city government, and \$64.2 million to the state government, for a total of \$105.9 million in 2026. Casino tax constitutes a significant part of the tax revenues, estimated at \$21.3 million for the city and \$45.2 million for the state in 2026. RVA Entertainment Holdings will also contribute another \$8.4 million to support the city government and other non-profit organizations based in the city. Those economic and fiscal impacts are sustainable and will recur each year.

One distinguishing factor of the proposal by RVA Entertainment Holdings is the establishment of a temporary casino, so the city can reap the economic and fiscal benefits of a casino in 2023, while the permanent resort casino is under construction. Chmura estimates that in 2023, the total economic impact (direct, indirect, and induced) of the temporary casino operations and visitor spending will reach \$221.1 million, supporting 1,122 jobs in the city. In 2023, the temporary casino operations and visitor spending will contribute an estimated \$16.5 million in tax revenue for the city, and \$25.7 million for the state government, for a total of \$42.2 million.

In addition, from 2022 to 2024, the construction activities of the Richmond resort casino are estimated to generate an annual total one-time economic impact (direct, indirect, and induced) of \$62.5 million, supporting 375 jobs per year in the city of Richmond. The construction activities will also contribute an estimated \$5.8 million annual state and local tax revenue from 2022 to 2024.

<sup>1</sup> Chmura provides economic software, consulting, and data so our clients can make informed decisions that benefit their communities. Our PhD economists, data scientists, and strategic planners are your guide to your local labor market. Over the past 22 years, we have served hundreds of clients nationwide with our thoroughness, accuracy, and objectivity.

## 2. Background

The City of Richmond is seeking bids for a potential resort casino. For the city to move forward, a referendum needs to be approved by city voters, and the referendum will likely be on the ballot in November 2021. The city must first select a casino operator and location for the resort casino before requesting that the courts order a referendum. RVA Entertainment Holdings is one of three organizations which has expressed interest in constructing the Richmond resort casino, and commissioned Chmura to conduct an economic and fiscal impact analysis of the proposed Richmond resort casino.

Chmura analyzed the potential economic impact of the Richmond resort casino from the following three sources:

- **One-time impact of construction.** The preliminary estimate of the direct project cost is \$401.8 million.<sup>2</sup> This includes construction of the permanent facility, as well as outfitting it with furniture, fixtures, and equipment.<sup>3</sup> It also includes spending on a temporary casino facility as well. Adding soft costs such as finance charges, the total project cost is estimated to be \$516.9 million. The construction activities will benefit city businesses hired as contractors for the project.
- **Resort casino operations.** Once open, Richmond resort casino will generate revenue from gaming, food, and lodging. Operations will reach the maturity stage in 2026. It is estimated that the resort will employ over 1,455 workers and host 3.8 million guests per year.<sup>4</sup>
- **Visitor spending outside the resort casino.** The resort casino will draw visitors to the Richmond region. While many visitors will choose to dine and lodge within the resort casino,<sup>5</sup> some will patronize other businesses in the city, boosting the city's tourism-related industries.

The three components identified above constitute the direct economic impact of the Richmond resort casino in the city. The total economic impact also includes the economic ripple effects from the direct impact. The ripple impact, categorized as indirect and induced impacts, measures the benefits of the Richmond resort casino to city businesses other than those directly involved in its construction, operations and visitor spending. For example, the Richmond resort casino will utilize many city firms to maintain its operations in the areas of marketing, logistics, and security (indirect impact). In addition, Richmond resort casino workers will spend their income in places where they live, benefiting businesses such as retail stores, restaurants, and healthcare facilities (induced impact).

The direct impact of the project is estimated based on data provided by RVA Entertainment Holdings. Ripple effects are estimated with Chmura's JobsEQ<sup>®</sup> economic impact model.

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<sup>2</sup> Source: RVA Entertainment Holdings.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Please note that visitor spending within the resort is part of operational revenue.

## 3. Economic Impact of Richmond Resort Casino

### 3.1. One-Time Economic Impact of Construction

The preliminary estimate of capital expenditure for the Richmond resort casino is \$516.9 million, measured in nominal dollars. The money will be used to acquire land; construct the permanent and temporary casino, hotel, and event centers; as well as to install gaming equipment, furniture, and fixtures. In addition, capital expenditure also includes professional services such as design, legal, and interest fees. If the project is approved by the city, it is estimated that construction will take three years, from 2022 to 2024. However, a temporary casino can start operations in December of 2022, while the permanent casino will open in December 2023, and the hotel and events center will start operations in August 2024.<sup>6</sup>

Chmura utilized the JobsEQ economic impact model to estimate the one-time economic impact of casino construction in the city of Richmond. Table 3.1 shows that, from 2022 through 2024, the cumulative economic impact (direct, indirect, and induced) of construction is estimated to be \$187.4 million in the city, with an estimated \$141.2 million directly spent there.<sup>7</sup>

**Table 3.1: One-Time Economic Impact of Capital Expenditure in Richmond (2022-2024)**

		Direct	Indirect	Induced	Total Impact
Cumulative	Spending (\$Million)	\$141.2	\$23.5	\$22.8	\$187.4
	Employment	830	120	176	1,125
Annual Average	Spending (\$Million)	\$47.1	\$7.8	\$7.6	\$62.5
	Employment	277	40	59	375

*Note: Numbers may not sum due to rounding.*

*Source: RVA Entertainment Holdings and JobsEQ by Chmura*

On an annual average basis, the total one-time economic impact (direct, indirect, and induced) is estimated to be \$62.5 million, supporting 375 jobs per year in the city from 2022 to 2024. This includes an annual average of \$47.1 million directly spent in Richmond by RVA Entertainment Holdings, creating 277 direct jobs in the city.<sup>8</sup> The annual indirect impact is estimated to be \$7.8 million and 40 jobs in industries supporting renovation and construction, such as truck transportation and utilities. The induced impact is estimated to be \$7.6 million and 59 jobs in the city per year. The induced jobs will be concentrated in consumer service-related industries such as restaurants, healthcare, and retail.

### 3.2. Economic Impact of Operations

The resort casino will generate sustained and recurring economic benefit for the city. Operations of the resort casino will commence in difference phases, with 2025 being the first full year when all components are in operation:

- A temporary casino will start operations in December 2022
- Phase 1A of the resort casino, with gaming operations and some food and beverage services, will start operations in December 2023
- Phase 1B of the resort casino, with a hotel and event center, will start operations in August 2024

The rest of this section will focus on the impact for the year 2026, when all revenue generating components are fully operational and stabilize. The resort casino will generate income through both gaming revenue and non-gaming revenue (such as revenue from food service, hotel operations, and entertainment). The annual revenue of the resort casino in 2026, the first year when all components are in operation, can reach \$389.6 million (measured in 2026 dollars). Gaming revenue will be the largest component (\$333.4 million), followed by food and beverage sales (\$31.6 million), hotel revenue (\$6.7 million), and other earnings (\$9.0 million). In the first couple of years,

<sup>6</sup> Source: RVA Entertainment Holdings.

<sup>7</sup> This spending figure is smaller than the total project cost because not all construction spending will occur in the city of Richmond. For example, a large percentage of spending on gaming equipment will be spent outside the city. Chmura used the JobsEQ economic impact model to estimate the percentage of project spending that will occur in the city.

<sup>8</sup> The number of jobs estimated in this report includes both full-time and part-time jobs, and does not represent full-time equivalent jobs.

when the temporary casino, or selected phases of the permanent resort casino are in operation, annual revenue will be lower than these figures.<sup>9</sup>

Table 3.2 presents the estimated economic impact of the Richmond resort casino operations in the city of Richmond in 2026. The resort can generate an annual economic impact (direct, indirect, and induced) of \$478.6 million (in 2026 dollars) in Richmond, which can support 1,992 jobs in the city. Of the total impact, \$389.6 million is the estimated direct impact in Richmond, which is equivalent to total revenue from the resort casino operations. Direct employment is estimated to be 1,455 full-time and part-time jobs in 2026, which are individuals hired by the resort casino.<sup>10</sup> Average wage per employee is expected to be \$37,184 in 2026. In addition, RVA Entertainment Holdings plans to share 3% of its profits with employees, increasing their total compensation.

The indirect impact is estimated at \$59.1 million in 2026, supporting 332 jobs in the city. Beneficiaries include regional businesses in a wide range of industries that support resort casino operations such as legal services, marketing, banking, food suppliers, and landscaping services. The induced impact in the region is estimated to reach \$29.9 million in 2026, supporting 205 jobs in the city. Beneficiaries of the induced impact are mostly consumer service businesses such as retail shops, restaurants, and healthcare facilities.

Table 3.3 provides more details related to how the indirect and induced impact from resort casino operations benefit other businesses in the city. In terms of spending impact, the city's professional, scientific, and technical services industries will see an increase of \$22.8 million in revenue. That is because the resort casino will be able to take advantage of the strong presence of legal, marketing, advertising, and accounting services in the city. Real estate and finance industries will also benefit to the amount of \$12.0 million. In terms of jobs, industries benefitting the most are professional, scientific, and technical services; administrative and support and waste management and remediation services; and accommodation and food services.

**Table 3.2: Economic Impact of Resort Casino Operations in Richmond (2026)**

	Direct	Indirect	Induced	Total Impact
<b>Spending (\$Million)</b>	\$389.6	\$59.1	\$29.9	\$478.6
<b>Employment</b>	1,455	332	205	1,992

*Note: Numbers may not sum due to rounding.*

*Source: RVA Entertainment Holdings and JobsEQ by Chmura*

**Table 3.3: Industries Benefiting from Resort Casino Operations (2026)**

	Spending (\$Million)	Jobs
Accommodation and Food Services	\$3.1	60
Administrative and Support and Waste Management and Remediation Services	\$5.6	65
Agriculture, Forestry, Fishing and Hunting	\$0.1	1
Arts, Entertainment, and Recreation	\$1.9	13
Construction	\$0.5	3
Educational Services	\$0.9	12
Finance and Insurance	\$9.6	45
Health Care and Social Assistance	\$5.8	58
Information	\$6.0	9
Management of Companies and Enterprises	\$2.6	14
Manufacturing	\$5.4	21
Mining, Quarrying, and Oil and Gas Extraction	\$0.1	0
Other Services (except Public Administration)	\$2.8	28
Professional, Scientific, and Technical Services	\$22.8	120
Public Administration	\$0.2	1
Real Estate and Rental and Leasing	\$12.0	14
Retail Trade	\$3.3	41
Transportation and Warehousing	\$2.2	18
Utilities	\$1.4	3
Wholesale Trade	\$2.6	12

*Source: JobsEQ by Chmura*

<sup>9</sup> Section 3.4 presents the impact for the temporary casino in 2023.

<sup>10</sup> Source: RVA Entertainment Holdings . The estimated number of jobs includes both full-time and part-time positions. They are not full-time equivalent (FTE) jobs. The estimated number of jobs is based on the place of work.

### 3.3. Economic Impact of Visitor Spending

The proposed Richmond resort casino can attract visitors to the region. The Greater Richmond region is a population center with over one million residents. The city is located in Central Virginia at the crossroads of I-95 and I-64, providing convenient access for residents in other population centers such as the Northern Virginia and Hampton Roads regions. Data from RVA Entertainment Holdings show that after operations stabilize, the number of visitors will reach 3.7 million in 2025, when all components are in operation. The attendance will remain stable with moderate increases in future years, as the state and regional population expands.

While many visitors will dine and stay at the resort,<sup>11</sup> some will patronize other city businesses. Tourism industries outside the resort would benefit in this case.<sup>12</sup> To estimate visitor spending outside the proposed resort casino, Chmura first calculated the average per-person spending for leisure visitors in Virginia, based on data from the Virginia Tourism Corporation (VTC).<sup>13</sup> Chmura then removed estimated spending on gaming as well as spending on food, lodging, retail, and entertainment within the resort. This gave an estimate of visitor spending outside the resort. It is assumed that all out-of-resort spending will occur in the Richmond metropolitan statistical area (Greater Richmond), as visitors can stay in hotels in Henrico or Chesterfield counties. Chmura further allocated out-of-resort visitor spending as occurring in the city of Richmond, based on the employment in hospitality industries.

Based on VTC visitor spending data, Chmura assumes that day trippers will spend \$31 per person per day, and overnight visitors will spend \$77 per person per day in 2019. This excludes their spending on gaming. Data from RVA Entertainment Holdings indicate that 80% of visitors will come from the Greater Richmond region, and they will make a day trip to the casino. Excluding spending inside the resort, such as for food and lodging, it is estimated that spending outside the resort can reach \$145.3 million in 2026 in the Greater Richmond region. About 24% of this spending is assumed to occur within the city of Richmond.<sup>14</sup> As a result, Chmura estimates that in 2026, visitor spending in the city outside the resort can reach \$35.0 million (in 2026 dollars). Visitor spending is allocated to different sectors such as gasoline, food and drink, lodging, and shopping.

**Table 3.4: Economic Impact of Casino Visitor Spending in Richmond (2026)**

	Direct	Indirect	Induced	Total Impact
<b>Spending (\$Million)</b>	\$35.0	\$8.5	\$4.2	\$47.8
<b>Employment</b>	294	76	37	407

*Note: Numbers may not sum due to rounding.*

*Source: RVA Entertainment Holdings and JobsEQ by Chmura*

Direct visitor spending can generate additional economic impact in Richmond (Table 3.4). In 2026, the total annual economic impact (direct, indirect, and induced) of visitor spending is estimated to be \$47.8 million (in 2026 dollars) that can support 407 jobs in the city. Of this impact, direct visitor spending can reach \$35.0 million that can support 294 jobs in the city, mostly in tourism-related businesses such as hotels, gas stations, restaurants, and retail shops. The indirect impact is estimated to be \$8.5 million that can support 76 jobs in the city. The induced impact is estimated to be \$4.2 million that can support 37 jobs in the city.

### 3.4. Sustained Economic Impact Summary

Combining operations and visitor spending, Figure 3.1 summarizes the recurring economic impact of the Richmond resort casino in the city of Richmond. In 2026, the total annual economic impact (direct, indirect, and induced) is estimated to be \$526.4 million (in 2026 dollars) that can support 2,399 jobs in the city of Richmond. Afterwards, the economic impact increases marginally each year.

<sup>11</sup> Please note that visitor spending within the resort is part of operational revenue.

<sup>12</sup> In economic literature, there are debates on whether visitor spending should be included. One argument is that spending by city residents would occur in the city even if the Richmond resort casino did not exist. While that is true for some visitors, other Richmond residents will travel to gaming facilities in neighboring states such as North Carolina or Maryland if a casino is not available in Virginia. Chmura chose to include visitor spending in this study.

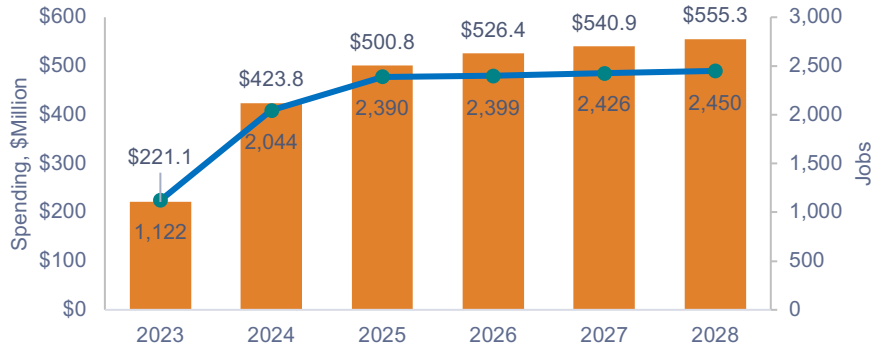
<sup>13</sup> Source: <https://www.vatc.org/research/travel-data-and-profiles>.

<sup>14</sup> It is assumed that overnight visitors will stay within a one-hour drive of the resort. Chmura estimated this percentage based on current tourism employment in the area.



From 2023 to 2024, when the temporary casino, or part of the permanent resort casino, are in operation, the total economic impact in the city will be smaller than the 2026 impact. Nevertheless, the economic impact can still be substantial. For example, in 2023, the resort casino can generate \$221.1 million economic impact in the city and support 1,122 jobs.

**Figure 3.1: Recurring Economic Impact of Resort Casino in the City of Richmond (Operations & Visitor Spending)**



Source: Chmura Economics & Analytics

## 4. State and City Tax Revenue

The proposed Richmond resort casino will also generate tax revenue for the state and city governments. To be conservative, only tax revenue from the direct impact is estimated.<sup>15</sup>

### 4.1. One-time Tax Revenue from Construction Activities

During the renovation and construction phase, the state government can benefit from individual and corporate taxes from construction spending. From 2022 to 2024, cumulative individual and corporate income taxes are estimated to be \$2.1 million and \$0.2 million, respectively. This is estimated based on the individual income tax rate of 5.2% and corporate tax rate of 6.0% on business profits.<sup>16</sup>

The purchase of construction materials is subject to state and local sales tax. The state sales tax rate is 5.0% and the city's rate is 1.0%, for a total of 6.0%.<sup>17</sup> From total capital expenditure, Chmura first estimated the percentage of total construction cost used to purchase goods subject to sales tax, before applying the state and local sales tax rates. As a result, cumulative sales tax is estimated to be \$7.4 million for the state government and \$1.5 million for city government from 2022 through 2024.

**Table 4.1: Annual Tax Revenue from Capital Expenditure (\$Million, 2022-2024 Total)**

Tax Category	State	City	Total
Sales	\$7.4	\$1.5	\$8.9
Individual Income	\$2.1		\$2.1
Corporate Income	\$0.2		\$0.2
BPOL		\$0.4	\$0.4
<b>Total</b>	<b>\$9.7</b>	<b>\$1.9</b>	<b>\$11.7</b>

*Note: Numbers may not sum due to rounding.*

*Source: Chmura*

Construction spending by contractors in the city is subject to the local business, professional, and occupational license (BPOL) tax, depending on spending categories such as construction or professional services. Chmura estimates that the cumulative BPOL tax revenue for the city government is \$0.4 million from 2022 to 2024.

### 4.2. Tax Revenue from Operations

Operations of the proposed Richmond resort casino can generate recurring tax revenue for the state and city governments. The state government will benefit from the following main tax streams: sales, individual income, and corporate income. The city government will benefit from local sales, meals, lodging, admissions, BPOL, and property taxes.<sup>18</sup> In the legislation that authorizes casino gaming in Virginia, a new gaming tax was created with revenue going to both state and city governments. This analysis focuses on the year 2026, when operations of the resort casino are expected to reach the maturity stage.

For resort casino operations, sales tax is applied to the sales of food and beverage, lodging, and other merchandise within the resort. For visitor spending, this tax is applied to food and beverage sales, lodging, retail purchases, and gasoline. From resort operations, sales tax is estimated to be \$1.9 million for the state government and \$0.4 million for the city of Richmond in 2026 (Table 4.2).

Virginia can collect individual income tax from wages and salaries paid to Richmond resort casino employees. In 2026, the business will employ 1,455 workers with an average wage of \$37,184, plus additional income from company profit sharing. The state individual income

<sup>15</sup> This approach is recommended by Burchell and Listokin in *The Fiscal Impact Handbook*. Source: Burchell, R.W. and Listokin, D. 1978. *The Fiscal Impact Handbook: Estimating Local Costs and Revenues of Land Development*. Center for Urban Policy Research, New Brunswick, NJ; Rutgers, The State University of New Jersey.

<sup>16</sup> The individual tax rate is based on the estimated average wage of workers at the resort casino. Source: Virginia Department of Taxation.

<sup>17</sup> The total sales tax rate for Central Virginia is 6.0%, with 1% going to local government, 4.3% to the state general fund, and 0.7% to the regional transportation fund.

<sup>18</sup> The tax estimated in this section is based on the current tax rates in Virginia and the city of Richmond.

tax is estimated to be \$3.0 million in 2026.<sup>19</sup> Corporate income tax will be collected on the operational profit of the Richmond resort casino. Based on the estimated profits, the state corporate income tax is estimated to be \$6.5 million in 2026.<sup>20</sup>

Food and beverage sales within the resort are subject to the city’s 7.5% meals tax.<sup>21</sup> Based on estimated food and beverage revenue, the total meals tax is estimated to be \$2.4 million in 2026.

Similarly, spending on lodging at the Richmond resort casino is subject to the city’s lodging tax, which is 8.0% of lodging revenue.<sup>22</sup> City lodging tax revenue is estimated to be \$0.5 million in 2026.

Finally, various business revenue streams from the Richmond resort and casino operations are subject to local BPOL tax in Richmond; BPOL tax revenue from resort operations is estimated to be \$1.3 million in 2026.

In the legislation that authorizes casino gaming in Virginia, a new gaming tax was created with revenue going to both state and city governments. This tax is based on total receipts from gaming operations. The combined state and local total tax rates are 18% for gaming revenue below \$200 million, 23% for gaming revenue between \$200 and \$400 million, and 30% for gaming revenue over \$400 million. For the city government, the gaming tax rate is 6% for gaming revenue below \$200 million, 7% for gaming revenue between \$200 and \$400 million, and 8% for gaming revenue over \$400 million.<sup>23</sup> Applying those rates to estimated gaming revenue of the proposed Richmond resort casino, the estimated total gaming tax will be \$66.5 million in 2026, with \$21.3 million going to the city government, and \$45.2 million going to the state.

RVA Entertainment Holdings will also voluntarily share an additional \$8.4 million with the city in 2026 from its earnings. Part of this revenue sharing will go to the city government, while part is intended to support non-profit organizations based in the city.

In addition, investment in the resort casino will expand the tax base of the city, generating real estate and personal property tax revenue. Richmond’s current real estate tax rate is 1.2% of assessed value, and the personal property tax rate is 3.7% of assessed value.<sup>24</sup> The total assessed value of the real property is estimated to be the assessed value of the resort casino buildings and land. The assessed value of business personal property is based on the original cost of business equipment in the resort, which will depreciate in future years.<sup>25</sup> In 2026, the real estate tax is estimated to be \$4.7 million and the business personal property tax is estimated to be \$1.5 million.

In summary, the operations of the Richmond resort casino can contribute \$56.6 million to the state government and \$40.5 million to the city government, for a total of \$97.1 million in 2026.

**Table 4.2: Annual Tax Revenue from Richmond Resort Casino Operations (\$Million, 2026)**

Tax Category/Fee	State	City	Total
Sales	\$1.9	\$0.4	\$2.3
Individual Income	\$3.0		\$3.0
Corporate Income	\$6.5		\$6.5
Meals		\$2.4	\$2.4
Lodging		\$0.5	\$0.5
BPOL		\$1.3	\$1.3
Gaming Tax	\$45.2	\$21.3	\$66.5
Other Fees/Contribution		\$8.4	\$8.4
Real Estate Tax		\$4.7	\$4.7
Business Personal Property		\$1.5	\$1.5
<b>Total</b>	<b>\$56.6</b>	<b>\$40.5</b>	<b>\$97.1</b>

*Note: Numbers may not sum due to rounding.*

*Source: Chmura*

<sup>19</sup> Virginia has a progressive individual income tax. Based on the estimated average income of employees at the proposed casino, the average income tax rate is 5.2%. Source: Virginia Department of Taxation.

<sup>20</sup> Average wage and operational income data were from RVA Entertainment Holdings.

<sup>21</sup> Source: Richmond City website at: <http://www.richmondgov.com/Finance/MealsTax.aspx>.

<sup>22</sup> Source: <http://www.richmondgov.com/Finance/LodgingTax.aspx>.

<sup>23</sup> Source: Virginia Casino Act, 2020.

<sup>24</sup> Source: <https://www.tax.virginia.gov/retail-sales-and-use-tax> and <http://www.richmondgov.com/Finance/TangiblePersonalPropertyTaxes.aspx>

<sup>25</sup> The city of Richmond has an assessment ratio for different business personal properties based on the years of service. For example, in the first year, the assessed value of business equipment is 60% of the original cost, and 50% for the second year, and so forth. Source: Weldon Cooper Center for Public Service, University of Virginia.

### 4.3. Tax Revenue from Visitor Spending

For visitor spending, individual income tax is collected from workers' wages and salaries at businesses serving Richmond resort casino visitors. Individual income tax is estimated to be \$2.2 million in 2022.<sup>26</sup> For visitor spending, corporate income tax is levied on profits from businesses serving visitors of the resort. The state corporate income tax is estimated to be \$0.3 million in 2026.

For visitor spending, this sales tax is applied to food and beverage sales, lodging, retail sales, and gasoline. From estimated visitor spending, sales tax is estimated to be \$5.1 million for the state government and \$0.3 million for the city of Richmond in 2026.

Similarly, visitor spending elsewhere in the city on food service will also generate meals tax. Total meals tax is estimated to be \$0.6 million in 2026. Visitor spending at other city hotels outside the resort is subject to lodging tax as well, which is estimated to be \$0.3 million in 2026. BPOL tax revenue from visitor spending is estimated to be \$0.1 million in 2026.

In summary, Richmond resort casino visitors who spend money elsewhere in the city can contribute \$7.6 million to the state government and \$1.2 million to the city government, for a total of \$8.8 million in 2026.

**Table 4.3: Annual Tax Revenue from Visitor Spending (\$Million, 2026)**

Tax Category	State	City	Total
Sales	\$5.1	\$0.3	\$5.4
Individual Income	\$2.2		\$2.2
Corporate Income	\$0.3		\$0.3
Meals		\$0.6	\$0.6
Lodging		\$0.3	\$0.3
BPOL		\$0.1	\$0.1
<b>Total</b>	<b>\$7.6</b>	<b>\$1.2</b>	<b>\$8.8</b>

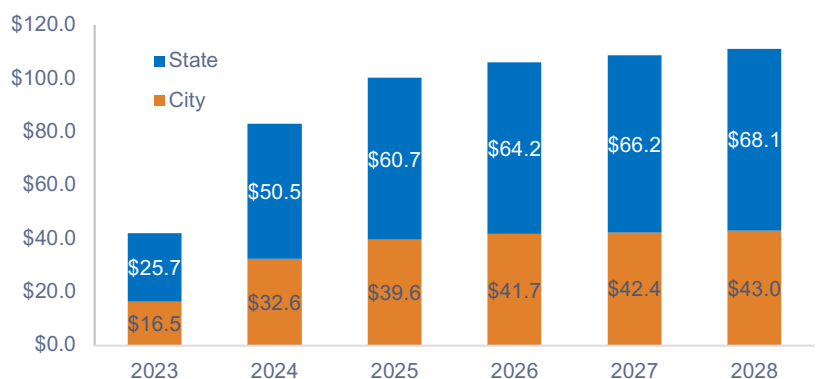
*Note: Numbers may not sum due to rounding.*

*Source: Chmura*

### 4.4. Sustained Tax Impact Summary

Combining operations and visitor spending, Figure 4.1 presents the recurring fiscal impact of Richmond resort casino from 2023 to 2028. When operations stabilize in 2026, total tax revenue from the resort is estimated to be \$105.9 million, with \$64.2 million for the state and \$41.7 million for the city government. After 2026, the fiscal impact of the resort casino is expected to increase moderately. During 2023 and 2024, the operations of the temporary casino and partial operations of the full casino will also generate significant tax revenue for the state and city governments as well. These amounts will reach \$42.2 million in 2023 and \$83.1 million in 2024.

**Figure 4.1: Estimated State and City Tax Revenues (\$Million)**



*Source: Chmura Economics & Analytics*

<sup>26</sup> Virginia has a progressive individual income tax. Based on the average income of Richmond resort casino employees, the average income tax rate is 5.1%. Source: Virginia Department of Taxation.

## Appendix 1: Impact Analysis Glossary

*IMPLAN Professional*—an economic impact assessment modeling system. It allows the user to build economic models to estimate the impacts of economic changes in states, counties, or communities. It was created in the 1970s by the Forestry Service and is widely used by economists to estimate the impact of specific events on the overall economy.

*Input-Output Analysis*—an examination of business-business and business-consumer economic relationships capturing all monetary transactions in a given period, allowing one to calculate the effects of a change in an economic activity on the entire economy (impact analysis).

*Direct Impact*—economic activity generated by a project or operation. For construction, this represents activity of the contractor; for operations, this represents activity by tenants of the property.

*Overhead*—construction inputs not provided by the contractor.

*Indirect Impact*—secondary economic activity that is generated by a project or operation. An example might be a new office building generating demand for parking garages.

*Induced (Household) Impact*—economic activity generated by household income resulting from direct and indirect impacts.

*Ripple Effect*—the sum of induced and indirect impacts. In some projects, it is more appropriate to report ripple effects than indirect and induced impacts separately.

*Multiplier*—the cumulative impacts of a unit change in economic activity on the entire economy.



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ONE

Responsible Gaming Plan

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## OVERVIEW OF THE RESPONSIBLE AND PROBLEM GAMING PLAN

It is the policy of ONE to comply with all applicable laws and regulations. The purpose of this Responsible Gaming Plan ("The Plan") is to set forth the responsibilities of ONE and their team members. ONE has a commitment to our team members, guests, and the community at-large to make responsible gaming an integral part of our daily operations. These responsibilities include the promotion of responsible gaming and the prevention of gaming by individuals that are underage, impaired and/or on the exclusion or self-exclusion lists. Every team member of ONE across all departments will be trained on the regulations, policies, and procedures during company orientation. There will be continued training thereafter.

ONE recognizes its social responsibility to our community and we are committed to continuing support for research initiatives and public awareness surrounding responsible gaming and underage gaming.

### What is Responsible Gaming?

Responsible gaming is the provision of a safe, socially responsible, and supportive gaming environment where the potential for harm associated with gaming is minimized or eliminated and people can make informed decisions about their participation in gaming.

### What is Problem Gambling?

Problem gambling is characterized by difficulties in limiting the money and time spent on gaming, which leads to adverse consequences for the gamers, others, or for the community. Problem Gambling is gaming behavior, which causes disruptions in any major area of life (i.e. psychological, physical, financial, legal, social, or vocational) as defined by the National Council on Problem Gambling. The term "Problem Gambling" includes the condition known as "Pathological" or "Compulsive" Gambling and a less severe condition, "At Risk" Gambling.

## THE OBJECTIVE OF THE RESPONSIBLE GAMING PLAN

The objective of this policy is to ensure that all organizational stakeholders understand the processes involved with promoting responsible gaming.

1. ONE has developed a Responsible Gaming Plan. The goal is to maximize the awareness of problem gambling resources and promote awareness to all team members and guests. This document outlines the goals, procedures, and timetables for the Plan. The Plan will be kept up to date and circulated as changes are made by ONE executives and Compliance. The Plan will be implemented prior to opening of and will be followed by all team members at every level.
2. All team members will be trained on this Plan, which will be part of the company orientation process. This will promote full understanding and compliance with all responsible gaming protocols. Throughout the year, ONE will offer refreshers on the Plan through a variety of opportunities such as pre-shift briefings, advertisement of National Council on Problem Gaming (NCPG) Responsible Gaming Awareness Week, and full reviews with specific key team members. It is ONE's expectation that each team member will have a firm understanding of the Responsible Gaming Plan.
3. ONE will:
  - a. Educate all team members on the definition of responsible gaming;
  - b. Educate all team members on how to recognize the signs, characteristics, and symptoms of problem gambling behavior;
  - c. Educate all team members on the relationship of problem gambling to other addictive behavior;
  - d. Educate all team members on the location of problem gambling literature and explain how to assist or address guests seeking such information;
  - e. Educate all team members on the process of assisting guests that are suspected of problem gambling. This includes the delivery of literature and information on the process of voluntary exclusion as well as other resources on public and private treatment services;
  - f. Make literature available in designated public locations that describes the characteristics of problem gambling and the best way to seek help;
  - g. Prevent all underage guests from accessing the gaming floor and wagering;
  - h. Educate team members regarding responsible alcoholic beverage service to prevent any individual that is impaired due to the apparent use of drugs or alcohol from being served alcohol;
  - i. Prevent any individual that is impaired, due to the apparent use of drugs or alcohol, from wagering;

- j. Visibly display signage with the telephone number for the problem gambling hotline;
- k. Ensure that all team members are educated on the self-exclusion process, including where to direct the guests who request to be self-excluded;
- l. Establish policies to ensure that team members comply with all aspects of the Internal Control Policies and Procedures as they relate to self-exclusion;
- m. Mandate attendance at team member orientation and annual refresher trainings. This orientation and annual refresher training(s) are conducted by an individual who is well versed in the ONE's Responsible Gaming Program. Such refresher training may be conducted via computer and/or video and departmental specific training will be conducted by a department "Responsible Gaming Champion" to be designated by the department director.

## COMMITMENT FOR TEAM MEMBER TRAINING

- 1. ONE will educate all team members regarding problem gambling, gaming by impaired guests, prevention of underage gaming, and the identification and removal of excluded and self-excluded guests. All team members will receive responsible gaming training, while certain departments will receive specific training. The training program includes the following:
  - a. Characteristics and symptoms of compulsive behavior;
  - b. The relationship of problem gambling to other addictive behavior;
  - c. Techniques to be used when problem gambling is suspected or identified;
  - d. Techniques to be used to discuss problem gambling with guests and the advice provided to guests in regard to community, public, and private treatment services;
  - e. Procedures designed to prevent serving alcohol to visibly intoxicated guests;
  - f. Procedures designed to prevent persons from gaming after having been determined to be visibly intoxicated;
  - g. Procedures for the dissemination of written materials to guests explaining the self-exclusion program;
  - h. Procedures for removing an excluded person, an underage individual, or a person on the self-exclusion list from the gaming facility. This includes, if necessary, procedures to obtain the assistance of appropriate law enforcement personnel;



- i. Procedures to prevent an excluded person, an individual under 18 years of age, or a person on the self-exclusion list from being mailed any advertisement, promotion, or other target mailing, including complimentary services, or similar benefits;
    - j. Procedures to prevent an excluded person, an individual under 18 years of age, or a person on the self-exclusion list from cashing checks or vouchers that require ID on gaming facility premises; and
  2. Training and associated materials will be updated as necessary to include current research and information on responsible gaming and problem gambling.
  3. As deemed appropriate ONE may contract with the Virginia Council on Problem Gambling (VACPG) and the NCPG to use their training materials and enlist their trainers to conduct trainings. Additional training for team members will be conducted by Compliance, Human Resources, or other individual(s) as assigned with training and experience in responsible gaming training programs.
  4. Team members are required to receive periodic reinforcement training no less than once every 12 months, starting with the first-year anniversary date of a team members' start date. The date of the reinforcement training will be recorded.
  5. Team members will report suspected or identified problem gamblers to management and/or property leadership.
  6. ONE will implement communication programs to help team members improve their understanding of Responsible Gaming and related policies and procedures. As they become available briefs or articles, which highlight responsible gaming education, will be included regularly in team member communication (i.e. ONE intranet).
  7. In addition to Responsible and Problem Gaming training, the following team members will be trained in Responsible Alcohol Service:
    - a. All front of house Food & Beverage team members that participate in the serving of alcoholic beverages including all servers and bartenders;
    - b. All Security staff;
    - c. All Gaming attendants;
    - d. All Surveillance staff;
    - e. All Supervisors and above; and
    - f. All Rewards Club staff.
  8. Team members, as noted above, that receive Responsible Alcohol Service training, are required to receive periodic reinforcement training at no less than once every 12 months. The date of the reinforcement training will be recorded.
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## IMPLEMENTATION, MAINTENANCE AND PLAN KNOWLEDGE

Compliance will be responsible for reviewing, communicating changes, and ensuring effective implementation of all responsible gaming policies and procedures; however, other ONE leadership will play an integral role in ensuring high standards for responsible gaming practices remain in place.

## IDENTIFYING PROBLEM GAMBLING BEHAVIOR

ONE educates all team members regarding the signs, symptoms, and procedures to be used to identify problem gambling behavior. Team members are trained to recognize some of the potential behavioral, verbal, social, legal, economic, and emotional characteristics that may indicate that a guest may have a gambling problem. All team members should follow the procedures set forth in the section of this Plan titled "*Reporting Compulsive or Problem Gamblers*".

## LIMITING ACCESS TO MONEY

ONE will:

- a. Use a third-party check guarantee service, which pre-qualifies guests for a specific cash checking limit. The cashing of any check payable to an individual including, but not limited to social security, payroll, unemployment insurance, disability, or public assistance will be prohibited.
- b. Provide a mechanism by which an account holder may establish the following controls on wagering activity through the wagering account:
  1. A limit on the amount of money deposited within a specified period of time and the length of time the account holder will be unable to participate in gaming if the holder reaches the established deposit limit; and
  2. A temporary suspension of gaming through the account for any number of hours or days.

## REPORTING COMPULSIVE OR PROBLEM GAMBLERS

1. ONE will educate all team members regarding the proper procedures for reporting possible problem gambling behavior to designated key

personnel. Reporting by team members will be verbal unless otherwise specified. All team members are required to keep the reporting of suspected problem gambling behavior confidential.

2. If any team member has identified a person on the self-exclusion list, they will contact a member of the Security department immediately. Security will proceed according to the procedures set forth in the section titled, *"Preventing Excluded Persons from Gaming"*.
3. If any non-supervisory team member suspects a guest has a gaming problem, they will verbally notify their departmental supervisor. Verbal statements will be provided with specific concerns regarding the guest's behavior. The notification of concern to the ONE leader should include the guest's name (if possible) and the specific reasons for concern. The concerns should not be entered into the player tracking system. No team member will approach any guest regarding problem gambling behavior on their own. These concerns must always be reported to a supervisor or security.
4. Before reporting, team members should verify:
  - a. Is there cause for concern?
  - b. Are there security or service issues involved?
  - c. Is there cause for concern based on the guest's statements and/or behavior?
5. The ONE leader, who took the verbal report, will evaluate the facts and circumstances presented and make a determination, as to whether or not the guest should be approached. If an approach is warranted, a designated supervisor or above will approach the guest in a friendly and calm manner to assess the situation. If the individual seems receptive, this leader will attempt to suggest a conversation in a private setting. Concerns will be expressed and alternatives for assistance will be offered. This includes, but not limited to, written materials explaining self-exclusion, problem gambling brochures, and problem gambling treatment and assistance resources. These are set forth in the next section.
6. No team member will approach any guest regarding problem gambling behavior on their own. These concerns must always be reported to a supervisor or security.
7. The privacy of the guest must always be protected.

## PROBLEM GAMING INFORMATION

1. The responsibility to create Responsible Gaming material will reside with ONE's Marketing Department. Marketing will design the collateral, with review and approval by Compliance and Senior Executives.
2. ONE will provide printed materials, on various related topics, to all members of the public and to all team members. Relevant topics

covered in these materials includes, but are not limited to responsible gaming, signs of problem gambling, and options for available help. All printed material will contain the helpline number for the Virginia Council on Problem Gambling.

3. All ONE team members will be shown the location of the responsible gaming information so they will be able to direct guests to the information.
4. On the reverse side of all Rewards Club Cards and on the reverse side of all ticket vouchers, ONE has printed the phrase: "Problem Gaming? Call Virginia's Help Line at 1-888-532-3500".
5. ONE will post signage as set forth in the section titled, "*Posting of Approved Signs and Materials*".
6. The following information will be available at the Reward Clubs and the Cage.
  - a. Responsible Gaming brochure and card
  - b. Problem Gambling Helpline number
  - c. Problem Gambling website
7. Security may provide the above referenced information pursuant to the section titled, "*Reporting Compulsive or Problem Gamblers*".

## VOLUNTARY SELF-EXCLUSION PROGRAM

1. Any person may approach any team member at any time requesting self-exclusion.
2. Security managers and their designees may in-take and process self-exclusion request.
3. When a guest declares self-exclusion, they will be handled as an excluded person and therefore subject to trespass procedures.

## KEEPING INDIVIDUAL PROBLEM GAMBLING CONFIDENTIAL

All ONE team members are required to keep the identity of an individual suspected of problem gambling confidential.

1. Except for the procedures set forth in the section titled, "*Reporting Compulsive or Problem Gamblers*" team members will not discuss or disclose the identity of an individual that he/she suspects has a gambling problem other than to the appropriate management personnel.
2. Team members may discuss the identity of such individuals with their supervisor or Security management; however, the guest's identity will never be discussed or disclosed unless directed to do so by management.

## TREATMENT SERVICES INFORMATION

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ONE will have printed materials, which inform guests about problem gambling, responsible gaming, the self-exclusion program, and treatment options. These materials will be reviewed and updated, as necessary.

1. ONE will post signage as set forth in the section titled, "*Posting of Approved Signs and Materials*".
2. Printed on the reverse side of all rewards club cards, will be the phrase "If you or someone you know has a gambling problem and wants help, call Virginia's Help Line at 1-888-532-3500". It will also be displayed prominently at log-on and log-off times to any person visiting or logged onto on-premises mobile casino gaming, as well as printed on the reverse side of all ticket vouchers, on our website, and on all marketing or advertising materials that are offered to the general public. This includes but is not limited to signs, billboards, print, radio, and television.

## PROCESS TO VERIFY COMPLETION OF TRAINING

1. ONE will educate all team members regarding problem gambling, the prohibition of underage gaming, prohibition of gaming by impaired guests, and the identification and ejection of excluded individuals. All team members will be trained in accordance with the training program. Certain team members, as designated in this policy, will be trained in the responsible service of alcohol. Team members of specific departments will be trained in department specific training regarding policies and procedures as set forth in this Plan. All attendance and forms listed below may either be kept in paper or electronic formats.
2. Verification of attendance at initial training and annual reinforcement training will be demonstrated on "sign-in" sheets or computer signage, which will be completed by the team member at each training session. This record of training attendance will be kept on file in the Human Resource office. All team members receiving annual reinforcement training regarding Responsible Gaming and Problem Gambling (the prohibition of underage gaming, alcohol awareness and the identification and removal of excluded and self-excluded persons) will complete a refresher training and have the ability to sign via ONE's intranet.
3. Verification of responsible service of alcohol training will be documented by an attendance/sign-in sheet or computer login for all persons attending training. This record of training attendance will be managed by the Human Resources department and may be filed electronically.
4. Training Acknowledgement forms, for the initial and annual reinforcement training for problem gambling, will include the team member's printed



name, signature, and the date of training. The signature may be physical or digital.

## PREVENTING UNDERAGE GAMING

1. Persons under the age of 21 years (“underage”) are prohibited from gaming or traversing the gaming floor; however, are permitted on property to attend non-gaming events and areas. Additional “one-offs” of underage persons on property may occur at the discretion of the general manager; however, this individual should NEVER engage in gaming.
2. Prominently posted signage will be placed within 50 feet of each entrance and exit of the gaming floor related to underage gaming as set forth in the section titled, “*Posting of Approved Signs and Materials*”.
3. Any team member who suspects that an individual on the gaming floor is underage will immediately notify Security who will follow the security procedures related to underage gaming as set forth in the Security Department duties and responsibilities below.
4. Specific ONE departments have duties and responsibilities as set forth below:
  - a. **Security Department** - Security is responsible for the enforcement and reporting of operational efforts, which relate to the prevention and identification of underage gaming.
    - i. Before entering the gaming floor, all guests who appear under the age of 30 will be asked by officers to produce valid photo identification, defined as any unexpired government-issued document with the individual's photograph and personal information.
    - ii. If a guest is suspect, officers will approach, engage, and verify the age of the guest by requesting verifiable government issued photo identification as outlined above.
    - iii. If the guest is underage, or cannot produce verifiable government issued photo identification, the individual will be escorted off the gaming floor by Security. If the underage individual was engaging in gaming activities, Security and/or Gaming will “cash out” any winnings before escorting the individual off the gaming floor. Security will confiscate all the gaming funds (tickets and/or jackpot winnings) and document the amount. The confiscated winnings will be submitted to the Cage for receipt and it will be treated as an unclaimed ticket.

- iv. The Security department will complete a formal eviction form for the individual, who will be advised that subsequent violations may result in an arrest for trespass. A Security department team member will document this event on an incident report and forward the report to Security management. The incident report will include as much detail as possible (i.e. names of all team members involved and location). The Security manager will forward to their superiors and Compliance for the Virginia Lottery Board (the "Board") notification. At the monthly Ban Committee meeting the report will be discussed in detail.
  - b. **Surveillance Department** - Surveillance is responsible for the electronic monitoring at ONE. The Surveillance personnel are responsible for monitoring these areas for guests appearing to be underage who are on the gaming floor and/or are engaged in gaming activities. If a "one-off" occurs, Surveillance will be notified to follow the escorted, underage patron and follow their path.
    - i. Upon identification, or notification of an individual suspected to be underage, the Surveillance personnel will notify Security, who will follow the Security procedures related to underage gaming detailed above.
    - ii. Surveillance personnel will immediately track the individual on the gaming floor to advise Security personnel if the individual had engaged in gaming activities. If a "one-off" occurs, Surveillance will also follow the escorted, underage patron.
    - iii. Surveillance personnel will document the incident and notification efforts on an incident report. This report will be forwarded to Surveillance management and Compliance for BOARD notification.
  - c. **Gaming Department** – Every member of the Gaming department is responsible for visually monitoring guest activity on the gaming floor. If a suspected underage patron comes to the attention of the Gaming department, they will immediately notify Security and Surveillance who will follow the security procedures related to underage gaming as set forth above.
  - d. **Cashier's Cage** - If the guest appears to be under the age of 30, cashiers will request a valid government issued photo ID as proof of age and will check the identification against the player tracking system before processing check cashing privileges, cashing of vouchers, cashing of gift certificates/cards, customer deposits and the preparation of jackpot payout slips, or any other transaction.
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- i. If a guest cannot, or will not, produce a valid government issued photo ID showing proof of age, the cashier will not proceed with the transaction. The cashier will immediately notify Security.
  - ii. Cage team members will assist Security as needed to document the incident for their report.
- e. **Marketing Department** - If the guest appears to be under the age of 30, the guest must provide a valid government issued photo ID.
  - i. Upon identification, or notification of an individual suspected to be under 21, Reward Club representatives will immediately notify their immediate supervisor or above. The leader will notify Security and Surveillance who will follow the Security procedures related to underage gaming set forth above. If the supervisor is not on duty, the attendant will go directly to Security who will follow the Security procedures related to underage gaming set forth above.
  - ii. No complimentary services or other like benefits will be provided to an individual under the age of 21.
  - iii. Marketing team members will assist Security as needed to document the incident for their report.
- f. **Food & Beverage Department** – Servers and bartenders have a unique responsibility, as guests are allowed to be in non-gaming areas at 18 years of age; however, guests must be 21 to purchase alcoholic drinks and cigarettes. Food & Beverage staff may question any guest, who is attempting to purchase alcohol or cigarettes, to see a valid id. In addition, Food & Beverage staff have a responsibility to notify Security if a guest appears to be under 30 years of age and is on the gaming floor or consuming (or attempting to consume) alcohol. Food & Beverage team members will assist Security as needed to document the incident for their report.

## PREVENTING EXCLUDED PERSONS FROM GAMING

1. ONE prohibits excluded (banned) persons from gaming and shall comply with all regulatory requirements as set forth by the Virginia Lottery Board.
2. All patrons who are ejected from ONE, will be discussed at a monthly Ban Committee meeting. After all details have been presented to the committee, a discussion and vote will ensue. Security and Compliance will work together to update an electronic version of the Excluded Persons List.

- a. Access to the list is given to Security managers and above, Property General Managers, General Counsel, Compliance, Surveillance; Cage management; Gaming management, Marketing, and Internal Audit. After the monthly Ban Committee meeting a Marketing designee will make any necessary updates to the player database. Compliance and Security will ensure that updates are made within two (2) business days from receipt of any additions, deletions, changes, or other updates.
3. All of the above departments will have access to this list and can view it at any time. However, the list should NOT be printed. They are responsible to familiarize themselves with the included information regularly.
4. Any team member who suspects that an individual is on the exclusion/banned list will immediately notify his/her supervisor, and the Surveillance and Security departments. Security will follow the procedures set forth below.
5. Specific departments have duties and responsibilities that are set forth below:
  - a. **Security Department** - Upon notification and/or visual identification of a person suspected to be on the exclusion list, officers will immediately contact their supervisor or above. Comparison and consultation of physical features/photographs consistent with those identified on the exclusion list will be considered. The player tracking system can also be referenced. If the comparison yields a match, Security will verify the identification of the individual and will notify Surveillance. The individual will be escorted off the gaming floor. If the individual was engaging in gaming activities, Security and/or Gaming will “cash out” any winnings before escorting the individual off the gaming floor. Security will confiscate all gaming funds (tickets and/or jackpot winning) and document the amount. The confiscated winnings will be submitted to the Cage for receipt and it will be treated as an unclaimed ticket.
    - i. Security will contact local law enforcement to have them removed from the property and/or possibly arrested for trespass.
    - ii. Security will complete the necessary reports, logbooks, and paperwork within twenty-four (24) hours of the incident. The incident report will include as much detail as possible (i.e. names of all team members involved and location). The Security manager will forward to their superiors and Compliance for BOARD notification. At the monthly Ban Committee meeting the report will be discussed in detail.

- b. **Surveillance Department** - Surveillance is responsible for the electronic monitoring at ONE. The Surveillance personnel are responsible for monitoring these areas for excluded/banned patrons who are on the gaming floor and/or are engaged in gaming activities. Surveillance will have access to the electronic version of the exclusion list. Surveillance personnel are responsible for becoming familiar with the photographs of the excluded persons and for monitoring these areas for excluded persons.
- i. Upon identification, or notification of, an individual suspected to be on the exclusion list, the Surveillance personnel will notify Security who will follow the Security procedures related to excluded persons as set forth above.
  - ii. Surveillance personnel will immediately track the individual on the gaming floor to advise if the individual had engaged in gaming activities.
  - iii. Surveillance will document the incident and notification efforts on an incident report and will provide a copy of the footage. The incident report will include as much detail as possible (i.e. names of all team members involved and location). This will be forwarded to Surveillance management and Compliance for BOARD notification.
- c. **Gaming Department** - Every member of the Gaming department is responsible for visually monitoring guest activity on the gaming floor. All team members of the Gaming department are responsible for visually monitoring guest activity on the gaming floor. If a suspected excluded patron comes to the attention of the Gaming department, they will immediately notify Security and Surveillance who will follow the security procedures related to underage gaming as set forth. Team members will assist Security as needed to document the incident for their report.
- d. **Cashier's Cage** - All Cage team members will request valid government issued photo identification and will check the identification against the player tracking system before processing check cashing privileges, customer deposits, the preparation of jackpot payout slips and/or other significant transactions.
- i. If the guest is flagged as an excluded person in the player tracking system, the cashier will not proceed with the transaction and will immediately notify their supervisor.
  - ii. Security will be notified who will follow the procedures related to excluded persons.
  - iii. The supervisor will issue a receipt for confiscated gaming funds (tickets and/or jackpot winnings), redeem any vouchers



that were confiscated. Copies will be made and kept of all documents. All forfeited amounts shall be treated as unclaimed tickets.

- iv. Cage team members will assist Security as needed to document the incident for their report.

e. **Marketing Department** – In the event the excluded person has a player's account, a compulsory note will be added to the player tracking system within two (2) business days after the monthly Ban Committee meeting. In addition, the account will be locked and any points and complimentaries that may be accumulated by the guest will be permanently deleted. Under no circumstances will the individual be permitted to redeem points or to participate in any bonuses, awards, or promotions.

- i. Marketing personnel will require a valid government issued photo identification before registering an individual in the player tracking system and issuing a Rewards Club Card.
- ii. A card will not be issued to an individual who is flagged in the player tracking system as being excluded or banned.
- iii. No complimentary services or other benefits will be provided to an individual on the exclusion list.
- iv. No advertising, mail promotions, emails relating to property gaming promotions or the like will be sent to an individual on the exclusion list.
- v. Upon identification or notification of an individual suspected to be on the exclusion list, Rewards Club representatives will immediately notify their supervisor or above. The leader will notify Security and Surveillance who will follow the procedures related to underage gaming set forth above. If the supervisor is not on duty, the attendant will go directly to Security who will follow the procedures related to excluded persons.
- vi. Marketing team members will assist Security as needed to document the incident for their report.
- vii. ONE shall not send gaming-related electronic mail to an account holder while gaming through his account is suspended, if the suspension is for at least 72 hours. ONE shall provide a mechanism by which an account holder may change these controls, except that, while gaming through the wagering account is suspended, the account holder may not change gaming controls until the suspension expires, but the account holder shall continue to have access to the account and shall be permitted to withdraw funds from the account upon proper application therefor.

## PREVENTING SELF-EXCLUDED PERSONS FROM GAMING

1. ONE prohibits self-excluded persons from gaming.
2. A person requesting placement on the self-exclusion list shall submit to the property a request for self-exclusion from gaming activities. Any team members who receives questions about self-exclusion will direct the inquiring individual to Security. Security will proceed with intake for the self-exclusion if the individual wants to request voluntary self-exclusion. All contact with team members will be kept confidential.
3. Persons who are unable to travel to a property due to any reason may request, in writing, a request for exclusion.
  - a. A request for self-exclusion shall include the following identifying information:
    - i. Name, including any aliases or nicknames;
    - ii. Date of birth;
    - iii. Address of current residence;
    - iv. Telephone number;
    - v. Social Security Number, when voluntarily provided;
    - vi. Physical characteristics (i.e. height, weight, gender, hair color, eye color); and
    - vii. A copy of a valid government issued photo identification.
  - b. Any person requesting self-exclusion shall have his or her photograph taken by the Security or Surveillance departments upon submission of the request.
  - c. The length of self-exclusion requested by a person shall be one of the following:
    - i. Two years;
    - ii. Five years; or
    - iii. Lifetime.

Except as provided by regulation of the Board, a person who participates in the voluntary exclusion program may not petition the Board for removal from the program for the duration of his/her exclusion period.

4. Each person requesting self-exclusion shall provide:

A waiver and release that shall "release and forever discharge the Commonwealth of Virginia, the Board, ONE and their respective directors, officers, employees and agents (collectively, the "Released Parties"), from any liability to me and my heirs, administrators, executors and assigns for any harm, monetary or otherwise, which may arise out of or by reason of any act or omission relating to this request for self-exclusion, including (1) its processing or enforcement, (2) the failure of anyone to withhold gaming privileges to me, or the failure of anyone to restore gaming privileges to me, (3) permitting me to engage in gaming activity in a

licensed gaming facility while on the list of self-excluded persons, or (4) disclosure of the information contained in the self-exclusion request or list, except for a willfully unlawful disclosure of such information. I further agree to indemnify and hold harmless the Released Parties to the fullest extent permitted by law for any and all liabilities, judgments, damages, and expenses of any kind, including reasonable attorneys' fees, resulting from or in connection with the performance or non-performance of the self-exclusion requested herein".

- a. The signature of the person submitting the request for self-exclusion.
  - b. ONE shall document the identification presented. The id should include a picture and a signature of the person requesting self-exclusion. A general physical description of the person should be recorded.
  - c. ONE shall document the signature of the team member accepting the self-exclusion request.
  - d. Each self-excluded person shall acknowledge that no gaming facility shall allow them to redeem any points or complimentaries earned. Points or complimentaries refer to credits earned by a person under the terms of ONE's marketing program and shall include, without limitation, food vouchers or coupons, or free play vouchers or coupons, complimentaries or any other such noncash benefit owing to such person. The terms and conditions of the Rewards Club shall remain in effect during the period of self-exclusion.
  - e. Each person requesting self-exclusion for either one (1) or five (5) years shall be advised that if they are found violating the terms and conditions of the exclusion period ONE shall revise the start date of such person's self-exclusion period to correspond with the date such violation occurred. This is in addition to any other penalty that may otherwise be imposed.
5. ONE will prominently post signage within 50 feet of all entrances and exits to the property indicating that a person, who is on the self-exclusion list, will be subject to arrest for trespassing (relating to criminal trespass) if the person is on the gaming floor or engaging in gaming activities.
6. The prohibition against allowing self-excluded persons on the gaming floor does not apply to an individual who is on the self-exclusion list if all of the following apply:
- a. The individual is carrying out the duties of employment or incidental activities related to employment.
  - b. ONE's Security department and the Board have received prior notice.
  - c. Access to the gaming floor is limited to the time necessary to complete the individual's assigned duties.

7. While the ONE Security department maintains responsibility of the official self-exclusion list, they will work with Compliance to update an electronic version of the list. Access to the list is given to Security managers and above, Property General Managers, General Counsel, Compliance, Surveillance; Cage management; Gaming management, Marketing, and Internal Audit. This list resides on SharePoint, so each stakeholder will have immediate access to all notifications, additions, deletions, changes, and other updates. The self-exclusion list will include:
    - a. Name, including any aliases or nicknames
    - b. Date of birth
    - c. Property where incident occurred
    - d. Physical description of the person (i.e. Gender, Race, Eye Color, and Hair Color)
    - e. Social Security number (when voluntarily provided)
    - f. A copy of the photograph taken by Surveillance or Security.
  8. The Compliance officer will communicate with Marketing to ensure all necessary updates are made to the player database. Compliance will ensure that updates are made within two (2) business days from receipt of any updates, deletions, changes, or other updates. Team members of the Security and Surveillance departments will review the information and photographs of the self-excluded persons frequently to become familiar with the appearance and physical description of each excluded person.
  9. Team members are required to keep the identity of an individual on the self-exclusion list confidential. ONE may disclose the name of, and information about a voluntarily excluded person, to gaming affiliates for purposes of excluding such persons from receiving information or being contacted by the affiliate.
  10. An electronic copy of the self-exclusion list is available to the following operational departments: Security, Surveillance, Gaming, and Cage. To the extent necessary team members should review the information and photographs of the self-excluded.
  11. The Marketing designee will disable the player tracking system account of a self-excluded individual within two (2) business days after the day notice is received. In addition, any points, complimentaries, and free play will be permanently deleted, and the individual will not be permitted to redeem them. In addition to locking the account, a compulsory note is added to the self-exclusion player's account. Once the account is locked, the patron can no longer access anything on their card. For additional due diligence, the pin number is changed.
  12. If no player tracking system account exists for an individual on the self-exclusion list, the Marketing designee will create an account and will simultaneously disable the new account. This action, with a compulsory note, will be completed within two (2) business days after the notice is received by ONE.
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13. Specific departments have duties and responsibilities for which they will be trained as set forth below:

- a. **Security Department** - Upon notification and/or visual identification of a person suspected to be on the self-exclusion list, officers will immediately contact their supervisor or above. Comparison and consultation of physical features/photographs consistent with those identified on the copy of the self-exclusion list will be considered. The player tracking system can also be referenced. If the comparison yields a match, Security will verify the identification of the individual and notify Surveillance. The individual will be escorted off the gaming floor. If the individual was engaging in gaming activities, Security and/or Gaming will “cash out” any winnings before escorting the individual off the gaming floor. Security will confiscate all the gaming funds (tickets and/or jackpot winnings) and document the amount. The confiscated winnings will be submitted to the Cage and it will be treated as an unclaimed ticket.
  - i. Security will document this event on an incident report and forward to the department's management team and Compliance.
  - ii. The Security department team member will document this event on an incident report and forward the report to Security management. The incident report will include as much detail as possible (i.e. names of all team members involved and location). The Security manager will forward to their superiors and Compliance for BOARD notification.
  
- b. **Surveillance Department** - Surveillance is responsible for the electronic monitoring of ONE. Surveillance personnel are responsible for monitoring these areas for self-excluded guests who are on the gaming floor and/or are engaged in gaming activities. Surveillance will have access to the electronic version of the self-exclusion list. Surveillance personnel are responsible for becoming familiar with the photographs of the excluded persons and for monitoring these areas for excluded persons.
  - i. Upon identification, or notification of, an individual suspected to be on the self-exclusion list, the Surveillance personnel will notify Security who will follow the procedures related to self-excluded persons as set forth above.
  - ii. Surveillance personnel will immediately track the individual on the gaming floor to advise if the individual had engaged in gaming activities.



- iii. Surveillance will document the incident and notification efforts on an incident report and will provide a copy of the footage. The incident report will include as much detail as possible (i.e. names of all team members involved and location). This will be forwarded to Surveillance management and Compliance for BOARD notification.
  
- c. **Gaming Department** – Every member of the Gaming department is responsible for visually monitoring guest activity on the gaming floor. All team members of the Gaming department are responsible for visually monitoring guest activity on the gaming floor. If a suspected self-excluded patron comes to the attention of the Gaming department, they will immediately notify Security and Surveillance who will follow the security procedures related to underage gaming as set forth. Team members will assist Security as needed to document the incident for their report.
  
- d. **Cashier's Cage** - All Cage team members will request valid government issued photo identification and will check the identification against the player tracking system before processing check cashing privileges, customer deposits, the preparation of jackpot payout slips and/or other significant transactions.
  - i. If the guest is flagged as a self-excluded person in the player tracking system, the cashier will not proceed with the transaction and will immediately notify their supervisor.
  - ii. Security and Surveillance will be notified who will follow the procedures related to excluded persons.
  - iii. The supervisor will issue a receipt for confiscated gaming funds (tickets and/or jackpot winnings), redeem any vouchers that were confiscated. Copies will be made and kept of all documents. All forfeited amounts shall be treated as unclaimed tickets.
  - iv. Cage team members will assist Security as needed to document the incident for their report.
  
- e. **Marketing Department** - In the event the self-excluded person has a player's account, a compulsory note will be added to the player tracking system within two (2) business days. In addition, the account will be locked and any points and complimentaries that may be accumulated by the guest will be permanently deleted. Under no circumstances will the individual be permitted to redeem points or to participate in any bonuses, awards, or promotions.

- i. Marketing personnel will require a valid government issued photo identification before registering an individual in the player tracking system and issuing a Rewards Club Card.
- ii. A card will not be issued to an individual who is flagged in the player tracking system as being self-excluded.
- iii. No complimentary services or other benefits will be provided to an individual on the self-exclusion list.
- iv. No advertising, mail promotions, emails relating to property gaming promotions or the like will be sent to an individual on the self-exclusion list.
- v. Upon identification or notification of an individual suspected to be on the self-exclusion list, Rewards Club representative will immediately notify their immediate supervisor or above. The leader will notify Security and Surveillance who will follow the procedures set forth above. If the supervisor is not on duty, the attendant will go directly to Security who will follow the procedures related to self-excluded persons.
- vi. Marketing team members will assist Security as needed to document the incident for their report.

## PREVENTING IMPAIRED GUESTS FROM GAMING

1. ONE will train all team members to identify and prevent impaired guests from gaming and will assist in ensuring a safe departure or accommodations for the guest.
2. ONE will train all team members, who have guest contact, in procedures designed to prevent serving alcohol to visibly impaired guests and will establish these procedures designed to prevent guests from gaming after having been determined to be visibly impaired.
3. Visibly impaired guests will be denied entry to the gaming floor by Security who are stationed at all entrances. The procedures outlined below will be followed to ensure that the impaired guest(s) are provided with safe transportation or accommodations.
4. Specific departments have duties and responsibilities as set forth below:
  - a. **Security Department** - Upon notification and/or visual identification of a person identified as, or suspected to be visibly impaired, Security will contact Surveillance for coverage, providing the location and a description of the guest.
    - Once Surveillance has confirmed that they have coverage, Security will approach the guest, perform a status check, and decide if the guest appears to be visibly impaired.

- The Surveillance personnel will document the incident and notification efforts in the Surveillance Daily Log. Timing appropriate, Security will also document the incident and interventions provided to the impaired guest on an incident report. When appropriate the report will be forwarded to Security management and Compliance for BOARD notification.
  - If Security determines the guest is visibly impaired, they will explain to the guest that they appear to be visibly impaired and advise the guest they are not permitted to enter the gaming floor. If located on the gaming floor, Security will escort the guest from the gaming floor to prevent the impaired guest from playing. Any unfinished alcoholic beverage will be removed.
  - Security will remain with the impaired guest until arrangements for their safe departure have been secured. If the guest refuses to give up their alcoholic beverage, refuses to leave the gaming floor, or becomes unduly disruptive, Security may notify local law enforcement for further handling of the guest. If the impaired guest is interested in leaving the property, Security department personnel will discuss driving arrangements, or overnight accommodations, if necessary, with the guest. If the guest attempts to leave the property by driving a motor vehicle visibly impaired, Security will immediately notify local law enforcement.
5. **Surveillance Department** - Upon visual observation of a guest, who appears to be visibly impaired, Surveillance personnel will immediately contact Security to engage the procedures set forth above. The Surveillance personnel will document the incident and notification efforts on an incident report. When appropriate Surveillance will submit the incident report to Compliance for BOARD communication.
6. **Gaming Department** - Every member of the Gaming department is responsible for visually monitoring guest activity on the gaming floor. Upon observation of a guest, who appears to be visibly impaired, the team member will immediately notify the supervisor. The supervisor will then observe the guest and may choose to contact Security. Security will follow the procedures set forth above. Gaming team members will assist Security as needed to document the incident for their report.
7. **Food & Beverage Department** - Although officers will be asking anyone who appears to be 30 years of age or under for identification, Food & Beverage staff have the right to request proof of age of any patron
-

attempting to purchase alcohol. In addition, a Food & Beverage team member will notify their supervisor if a guest appears to be visibly impaired. Once they have determined that a guest is showing signs of impairment, Food & Beverage personnel will notify their supervisor or Security for alcohol service suspension/refusal of service. Security will follow the procedures set forth above. The incident and notification efforts will be documented by Security on an incident report. Food & Beverage team members will assist Security as needed to document the incident for their report.

## OUTREACH PROGRAMS

ONE offers the following confidential outreach programs to its team members and other individuals available 24/7:

### **National Council on Problem Gambling**

Call: 1-800-522-4700

Text: 1-800-522-4700

Chat: [ncpgambling.org/chat](https://ncpgambling.org/chat)

730 11th St, NW, Ste 601 Washington, DC 20001

Phone: 202-547-9204

Fax: 202-547-9206

Website: [ncpg@ncpgambling.org](mailto:ncpg@ncpgambling.org)

### **Virginia Council on Problem Gambling**

Call: 1-888-532-3500

Helpline: 1-800-522-4700

730 E. Broad Street Room 3080; Richmond, VA 23298

Email: [cehawley@vcu.edu](mailto:cehawley@vcu.edu)

Website: [www.vacpg.org](http://www.vacpg.org)

## ADVERTISING/POSTING OF APPROVED SIGNS/ MATERIALS

1. ONE will post the required Responsible Gaming verbiage throughout the property and on information offered to the public. This signage conveys information in plain, clearly understandable language. The locations for the signs are set forth below. For purposes of this document, the term "advertisement" means marketing materials including signs, billboards, print, radio, and television advertisements, emails, and any notice or communication to the public through broadcasting, publication, mailing, or other means of dissemination. Marketing, in consultation with the executive team, is responsible for reviewing all signs and materials offered to the public. The ONE advertising/posting plan is as follows:
  - a. ONE will post signs bearing the gaming assistance message: "Problem Gaming? Call Virginia's Help Line at 1-888-532-3500".
  - b. The signs will be prominently posted at the following locations:
    - Within 50 feet of each entrance and exit.
    - At or near all automated teller machines, automated gaming voucher and coupon redemption machines, and other machines that dispense cash to guests.
    - In all gaming facility team member areas.



- In the player club location(s).
  - In or near cage area.
  - In any other location, as the BOARD may require.
- c. Gamblers Anonymous information will be prominently displayed in back of house.
  - d. ONE will post the gaming assistance message on placards at the gaming floor entrance(s).
  - e. ONE will print the gaming assistance message on all marketing or advertising materials that are offered to the general public.
  - f. ONE will post signs within 50 feet of all entrances indicating that:
    - “A person who is on the self-exclusion list will be subject to arrest for trespassing (relating to criminal trespass) if the person is on the gaming floor or engaging in gaming activities”.
    - “No person under the age of 18 is permitted on the gaming floor”.
  - g. ONE advertisements will not use or depict individuals who are or appear to be underage.
2. If the BOARD submits a written notice of an advertisement medium that adversely impacts the public or the integrity of gaming, the organization will discontinue the use of the particular advertisement. ONE advertisements will not:
    - a. Contain false or misleading information.
    - b. Use a font, type size, location, lighting, illustration, graphic depiction, or color obscuring any material fact or the gaming assistance message.
    - c. Fail to disclose any material conditions or limiting factors associated with the advertisement.
  3. Advertisements shall contain a problem gaming assistance message comparable to one of the following:
    - a. “If you or someone you know has a gambling problem, help is available. Call 1-888-532-3500”.
    - b. “Problem Gaming? Call Virginia's Help Line at 1-888-532-3500”.
    - c. Any other message approved in writing by the BOARD.

## SOP DRAFT HISTORY

Version	Date	Author(s)	Summary	Version Purpose
1.0	2021		Responsible Gaming Plan	SOP Effective Date

**o o n 26 Pa es**  
**Redacted Pursuant to Va. Code § 2.2-3705.6(3)**

# **Social Impact Assessment**

**One Casino Resort**

**City of Richmond, Virginia**

**February 2021**

**Prepared for:**

**RVA Entertainment Holding, LLC**

**Completed by:**

**Custom Gaming Consulting**

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## Executive Summary

Custom Gaming Consulting (“CGC”) was retained by RVA Entertainment Holdings, LLC (“Applicant”) to conduct a Social Impact Assessment (“Assessment”) related to a proposed Resort Facility development in Richmond, Virginia. The goal of the Assessment is to comply with “Section B.4.” of the RFP, which requires the applicant assess the expected adverse impacts related to an increase in demand for local public services due to the development of the Resort Facility. The local public services addressed in this report are as follows:

1. Public Health Care
2. Childcare
3. Public Transportation
4. Public Safety
  - a. Police
  - b. Fire
  - c. Emergency Medical Services (EMS)
5. Affordable Housing
6. Social Services (including Addictive Services)

### *Public Health*

For public health, we contend the Resort Facility would positively impact the regional public health care system due to the incremental funding the system would receive via health care benefits to resort employees. Thus, the Resort Facility would reduce the burden on the public health care system by generating jobs that come with full health care benefits, including major medical, dental, and vision. Access to care (as evidence by the high level of uninsured persons) was cited as a major concern in the Health Assessment (discussed later) for Richmond. The Resort is expected to employ approximately 1,500 workers, most of which would receive full health benefits.

Further, due to the new jobs with health care benefits, one can expect new medical practices to migrate to the area. This addresses another concern of the Health Assessment as the lack of health professionals in high-risk neighborhoods was cited as a major issue.

Finally, Richmond City Health District is a solid organization for the enhancement of health care in high-risk areas of Richmond.

### *Childcare*

We estimated incremental demand for daycare at about 200 children, specifically, children of employees of the Resort Facility residing in Richmond City, reflecting only a 0.6% increase to the Richmond childcare system. Our research shows the childcare infrastructure exists in the region to accommodate this incremental demand.

In terms of families needing assistance, the infrastructure is also in place to handle the demand. As discussed, and demonstrated, the Virginia Department of Social Services is an excellent

advocate for parents seeking affordable childcare. They work through the Richmond Department of Social Services to deliver funding to supplement childcare costs for Richmond citizens in need.

## ***Public Transportation***

We contend the impact of the Resort Facility on the regional public transportation system would be minimal in terms of causing capacity constraint issues and identified a positive impact in terms of increased ridership transit revenue. We estimated the incremental weekly ridership demand on Route 88 at about 3,290 rides, increasing the total average weekly ridership to about 3,866 rides. This figure is slightly above the systemwide average of 3,700 rides, but still well below the ridership figures on some of the top routes. Based on the full-fare price of \$1.50, the incremental ridership demand would contribute approximately \$300,000 in fare revenue to the transit system on an annual basis.

## ***Public Safety***

The public safety departments examined in this Assessment include police, fire, and EMS.

### ***Police***

We estimated the RPD would realize an addition 545 calls for service resulting from the Resort Facility, equating to only a 1.6% increase. At this level, we contend that the additional burden on the local police would be minimal, and thus can be managed by the existing facility and equipment resources. Nonetheless, with calls to the Resort averaging about 1.5 per day, it is possible that additional manpower may be needed, but less than one (1) FTE. The incremental cost would be minimal relative to the current budget of RPD.

Further, we believe the new jobs created by the Resort Facility, many of which would go to the residents of the City of Richmond, would have a positive impact on the crime rate in the city as an increase in prosperity generally results in lower crime.

### ***Mitigation***

The project anticipates extra duty employment of Richmond Police Officers in addition to their sizable security and surveillance workforce. Police departments often develop a police substation on the casino's premises, the cost of which would be borne by the Resort Facility. Resort Facility would maintain an excellent security department, often staffed with former law enforcement officers.

### ***Fire***

The RFD is a solid organization with the manpower, equipment, and facilities necessary to respond to the most serious fire and rescue incidents. Since the Resort Facility would be an extensive development with a multi-story hotel that attracts large crowds, although rare, the potential exists for a serious fire and/or rescue incident. Notwithstanding a serious event, incidents needing fire department involvement would be minimal. Thus, we contend the additional burden on the RFD could be managed by the existing manpower, equipment, and facility resources. In terms of mitigation, the Resort Facility would strictly adhere to all fire and building codes.

## ***EMS***

We estimated the Richmond Ambulance Authority (RAA) would realize an additional 218 calls for service resulting from the Resort Facility, equating to only a 0.3% increase. At this level, we contend the additional burden on the EMS would be minimal, and thus can be absorbed by the existing manpower and equipment resources of the RAA.

## **Mitigation**

The Resort Facility would maintain a 24/7 on-site EMS presence, paid for internally. The Resort Facility would train some employees in basic health emergency procedures.

## ***Affordable Housing***

Our analysis shows the incremental demand for affordable housing resulting for the Resort Facility would be modest at 71 persons or families. The affordable apartment inventory alone (rent less than \$1,100 per month) near the facility would cover this demand by more than 16-fold.

Nonetheless, a few of these persons or families may need financial assistance to live in a quality dwelling. A strong advocate exists in the area called the Richmond Redevelopment and Housing Authority (RRHA). This organization works diligently to accommodate all persons and families in need of affordable housing. They have an extensive network of housing developments for this purpose and would likely receive additional funding via Richmond's portion of the gaming tax. An even stronger RHAA would be another positive impact on the public housing system, benefiting persons in the community at large (not just Resort employees).

## ***Social Services***

For social services, we segregated our conclusion into two (2) components: 1. General Social Services; 2. Gambling Addiction Services.

### ***General Social Services***

We contend the Richmond Department of Social Services (RDSS) and the Virginia Department of Health are currently well equipped to absorb the incremental demand for social services resulting from the development of the proposed Resort Facility, with solid history of delivering quality social services to the residents of Richmond. As additional funding could be expected via Richmond's portion of the gaming tax, an even stronger RDSS would be positive impact on the social services system, benefiting the community at large.

### ***Gambling Addiction Services***

In contrast, gambling addiction services in the region are inadequate and would need to be enhanced significantly to address problem gambling stemming from the advent of casino gaming in Richmond. According to a state-by-state study, Virginia ranked 40<sup>th</sup> out of the 50 states in terms of gambling addiction services. On a bright note, the funding would be available for this purpose via the Problem Gambling Treatment and Support Fund. Also, independent organizations like the Virginia Council on Problem Gambling stand ready to assist with problem gambling prevention, treatment, and recovery efforts.

Some infrastructure is in place to quickly issue professional credentials to individuals meeting specific eligibility requirements and pass appropriate examinations to treat problem gamblers. For example, the Adult Drug Court could be one program the RDSS uses to enhance gambling addiction services. Initial research is demonstrating a link between problem gambling and other risk factors that drive other problem behaviors such as substance abuse, delinquency, teen pregnancy, school drop-out, and violence. Thus, a comprehensive program to address the total mental health picture may be the future of problem gambling addiction services.

### **Mitigation**

The Virginia Gaming Act has implemented two (2) problem gambling initiatives to help mitigate the occurrence and consequences of problem gaming, including the establishment of the Problem Gambling Treatment and Support Fund and the Voluntary Exclusion Program, as discussed in the Social Services section.

In addition, each Resort Facility operator must provide the gaming commission a problem gambling plan for approval. The plan must address the training employees, voluntary exclusion program, and dissemination of public information on problem gambling, among other requirements.



## Introduction

Custom Gaming Consulting (“CGC”) was retained by RVA Entertainment Holdings, LLC (“Applicant”) to conduct a Social Impact Assessment (“Assessment”) related to a proposed Resort Facility development in Richmond, Virginia. The goal of the Assessment is to comply with “Section B.4.” of the RFP, which requires the applicant assess the expected adverse impacts related to an increase in demand for local public services due to the development of the Resort Facility. The local public services addressed in this report are as follows:

1. Public Health Care
2. Childcare
3. Public Transportation
4. Public Safety
  - a. Police
  - b. Fire
  - c. Emergency Medical Services (EMS)
5. Affordable Housing
6. Social Services (including Addictive Services)

For each service category (outline above), the first objective was to assess the existing infrastructure and capabilities of the service provider. Next, historical evidence was analyzed to ascertain the impact of existing gaming facilities on local public service organizations. These impacts were extrapolated against the size and scope of the proposed Resort Facility to estimate its impact on Richmond public services. A quantitative and/or qualitative conclusion was developed to demonstrate the increase in cost resulting from the increase in demand for services. Lastly, potential mitigation (when applicable) was highlighted, with the goal of minimizing any potential negative impact.

*Unless otherwise indicated, Custom Gaming Consulting is the source for all graphs, tables, figures, and charts.*

## Public Health Care

This section estimates the impact of the Resort Facility on the public health care system in the City of Richmond. The goal is to estimate the incremental costs to the city associated with the increase in demand for services due to the Resort Facility. The first step in the process is to evaluate the current public health care infrastructure in Richmond. Next, we discussed the incremental demand for services associated persons relocating to the area. Lastly, we qualitatively assessed impact of these person, and the resort generally, on the public health care system as well as any potential mitigation strategies.

### *Richmond City Health District (“RCHD”)*

The Richmond City Health District (“RCHD”) is the agency tasked with monitoring, protecting, and promoting public health in the Richmond City. The RCHD employs various proactive programs to promote good health in the county, including:

1. COVID-19 Vaccination, Testing, and Resources
2. Clinical Services
3. Food Safety
4. Opioids Addiction Support
5. Health Programs
6. Women, Infants, and Children Supplemental Food Program

#### **COVID-19 Vaccination, Testing, and Resources**

Due to the COVID-19 pandemic, regional health care officials are extremely busy battling the pandemic, currently focused on the vaccination roll-out phase.

#### **Clinical Services**

Under a normal health care environment, the RCHD offers clinical services centered on preventive care using resource centers. The resource centers are often available in public housing communities, as services are based on a financial eligibility sliding scale. Clinical services include immunization programs, STI/HIV services, tuberculosis services, and primary care at free clinics.

#### **Food Safety**

The RCHD performs restaurant inspections, issues permits, and regulates mobile food units and vendors. They address foodborne illness and food complaints, while publishing a comprehensive guide on food safety for food establishments.

#### **Opioids**

The battle against opioids is centered overdose prevention, reducing harm, and providing education and prevention resources. Resources include a website and a media campaign to highlight the dangers of opioid use and to refer users to treatment resources.

#### **Health Programs**

RCHD offers numerous health programs to encourage good health in the region. These programs include adolescent health, healthy childbirth and infancy, smoking cessation, resources for mothers, and youth violence prevention, among other programs.

### **Women, Infants, and Children (WIC) Supplemental Food Program**

This program supports pregnant women, mothers, infants, and young children with services to stay healthy and eat right during important times of growth. The program services include:

- Quality nutrition education and counseling
- Breastfeeding support, services, and supplies
- A healthy food package including fruits, vegetables, whole grains, milk and more.
- Referrals to community partners and access to prenatal, maternal, and pediatric health care services.

### ***Public Health Infrastructure***

The public health care infrastructure in Richmond includes Resource Service Centers, a safety net of Primary Care Providers, and full-service hospitals for emergency and urgent care.

### ***Resource Service Centers***

These centers provide numerous preventive and primary care health functions, offering a clinical component and a community component. Some of the services under the clinical component include family planning, STI services, health screenings, wellness services, nutrition education, and health education. The community component includes educational events and workshops, support groups, and chronic disease management. The RCHD offers eight (8) resource centers in Richmond City, as displayed below.

<b>Center Name</b>	<b>Type</b>	<b>City</b>	<b>Zip Code</b>
Broad Rock	Community Center	Richmond	23234
Hillside	Resource Center	Richmond	23224
Creighton	Resource Center	Richmond	23223
Mosby	Resource Center	Richmond	23223
Fairfield	Resource Center	Richmond	23223
Southwood	Resource Center	Richmond	23224
Gilpin	Community Center	Richmond	23220
Whitcomb	Resource Center	Richmond	23223

Source: RCHD Website

### ***Safety Net of Primary Care Providers***

The RCHD also cites several free clinics and federally qualified health centers. The table below highlights these providers; a total of ten (10) locations in Richmond.

Facility Name	Services	Locations
Capital Area Health Network (CAHN)	Primary Care; Pediatrics; Dental; Mental Health; HIV/AIDS Care; Diabetes Care	Five (5) Richmond
Center for Healthy Hearts	Chronic Disease; Behavioral Health; Medication Assis.	Richmond
CrossOver Healthcare Ministry	Primary Care; Pediatrics; Dental; Vision, Pharmacy; Mental Health; HIV/AIDS Care; Women's Health	Two (2) Richmond
Daily Planet Health Services	Primary CaDental; Pharmacy; Behavioral Health	Richmond
Health Brigade	Primary Care; Mental Health; HIV/STI Care; Needle Exchange; LGBTQ & Trans Health	Richmond

Source: RCHD Website

## Hospitals

According to Vitals.com, there are seventeen (17) hospitals in Richmond. The following five (5) hospitals account for over 90% of the emergency transports in Richmond, per the local ambulance authority.

1. VCU Medical Center
2. Chippenham
3. St. Mary's
4. Retreat Doctors
5. Richmond Community

Relative to the proposed Resort Facility, VCU Medical Center is the closest full-service hospital; roughly 6 miles away.

## Health Statistics

The health care statistics contrast the health of the residents of Richmond to the State of Virginia as a whole. By almost every health metric, the City of Richmond shows an unfavorable health profile relative to the state. Some of the starker contrasts include the poverty rate, arthritis, asthma, and heroin use, as displayed in the table below. Note that the statistics are dated and may have changed materially over time.

Health Issue	Measure	Year	City of Richmond	State of Virginia
Poverty Rate	% of Pop	2014	24%	11%
Uninsured (Health)	% of Pop	2014	18%	12%
Arthritis	Per 10,000	2012	37.3	18.7
Diabetes	Per 10,000	2012	30.5	33.1
Asthma	Per 10,000	2012	30.5	10.2
Poor Mental Health	% of 18+ Pop	2014	34.2%	30.5%
Opioid Overdose Mortality	Per 100,000	2015	5.9	4.6
Heroin Overdose Mortality	Per 100,000	2015	19.0	5.5

Source: RCHD Website

## *Health Assessment*

In 2017, the RCHD worked with community partners to assess the health profile of Richmond's residents to develop a plan to effectively deal with health issues. The primary goals of the assessment (per the RCHD) were as follows:

1. To examine the current health status across Richmond as compared to state and national indicators.
2. To explore the current health concerns among Richmond residents within the social context of their communities.
3. To identify community strengths, assets, and resources to inform funding and programming priorities of Richmond.

Understanding the demographic makeup, economic profile, and physical environment of the city was a key part of the assessment as these factors can be useful indicators of health concerns. Based on the findings of the health assessment, Richmond's health care issues were summarized into the following five (5) categories, citing the belief that improvement in these areas would have a profound positive impact on overall regional health.

1. Physical Activity
2. Nutrition
3. Access to Care
4. Mental Health
5. Opioid Use

The health assessment's conclusion cited the need to develop more safe recreational areas, improve the access to healthy foods, and to increase the supply of health professionals as action items to address some these health issues.

## *Conclusion*

We contend the Resort Facility would positively impact the regional public health care system due to the incremental funding the system would receive via health care benefits to employees. This is especially true for residents living in high-risk areas currently relying on health care assistance. The Resort is expected to employ approximately 1,540 workers.

### **Resort Facility Jobs with Health Care Benefits**

The Resort Facility would reduce the burden on the public health care system by generating jobs that come with full health care benefits, including major medical, dental, and vision. So, to the extent persons hired by the Resort Facility do not currently have health care insurance, this will reduce the number of uninsured persons in the region. Recall, access to care (as evidenced by the high level of uninsured persons) was cited as a major concern in the Health Assessment discussed earlier. The new jobs from the Resort Facility would help mitigate this problem.



**Improve the Health Care Infrastructure**

With the health care system in the region receiving additional funding via health care benefits to Resort Facility employees, one can expect new medical practices to migrate to the area, which would likely entail the building of additional preventive care health facilities. This addresses another concern of the Health Assessment as the lack of health professionals in high-risk neighborhoods was cited as a major issue. The assessment found low levels of Medicaid reimbursement discourage existing private practices from accepting Medicaid patients.

**Richmond City Health Department**

As discussed, and demonstrated, the Richmond City Health District is a solid organization for the enhancement of health care in high-risk areas of Richmond.

## Childcare

This section estimates the impact of the Resort Facility on the childcare system in the City of Richmond. The goal is to determine if the system can handle the expected increase in demand for services due to the Resort Facility. The first step in the process is to evaluate the current childcare infrastructure in area. Next, we discussed the incremental demand for services associated with families relocating to the area. Lastly, we qualitatively assessed the positive and negative impacts on the childcare system.

### *Virginia Department of Social Services (VDSS)*

The Virginia Department of Social Services (VDSS) supports quality childcare in Virginia through ChildCareVA. The agency has developed many resources to help parents obtain safe, quality childcare. These resources include a comprehensive database of resources and information. ChildCareVA also provides resources for childcare providers by informing providers about the benefits of becoming a licensed childcare provider and updates them on the latest news and requirements.

VDSS's Childcare Subsidy offers a childcare program for children residing with parents with non-traditional hours or that chose to keep their children at home. Potential childcare providers can be friends, neighbors, or family members. Once the childcare provider is approved by the program, the parent can request the provider's services through the local department of social services.

VDSS has developed a Childcare Plan that details how Virginia currently meets or intends to meet federal requirements in eight (8) areas:

- CCDF Leadership & Coordination with Relevant Systems
- Family Engagement through Outreach & Consumer Education
- Stable Child Care Financial Assistance to Families
- Equal Access to High Quality Child Care for Low-Income Children
- Standards & Monitoring Processes to Ensure the Health & Safety of Care Settings
- Qualified & Effective Child Care Workforce
- Continuous Quality Improvement
- Grantee Accountability

### **Child Day Care Program**

Per the VDSS, a child day care program in Virginia refers to a service arrangement for children, during the absence of a parent or guardian, for the supervision, protection, and well-being of a child under the age of 13 for less than a 24-hour period. There are two types of child day care programs in Virginia: child day centers (center-based) and family day homes (family-based), and can be Licensed, Unlicensed (but regulated), Approved, or Unlicensed and unregistered.

### **Child Care Subsidy Program**

The Child Care Subsidy Program assists families in paying childcare costs for children under age 13 (not eligible to attend public schools) or children with special needs under age 18. The Subsidy Program pays a portion of childcare costs directly to the childcare provider. To be eligible, parents

must be resident of Virginia and either actively employed, participating in an education or training program, or receiving child protective services.

### *Childcare Supply*

The VDSS has an online tool for finding affordable childcare. A search, using the online tool, returned 103 childcare providers, including 59 licensed and 44 unlicensed providers, in Richmond.

Further, we contend in a city as large as Richmond, the childcare system has naturally evolved to meet demand. For example, based on information obtained from the Bureau of Labor Statistics (BLS), there are roughly 110,000 employed persons living in the city. A larger percentage of these persons would currently be utilizing childcare in various forms. Using a Rough Order of Magnitude model, we estimated current childcare demand (facility-based) at about 32,500 children, related to the residents of the City of Richmond, as displayed in the table below.

<b>Total Employment Richmond MSA</b>	<b>636,300</b>
Richmond City %	17%
<b>Richmond City Employment</b>	<b>109,800</b>
Household Conversion Factor	65%
<b>Relevant Households</b>	<b>71,370</b>
% Requiring Facility Childcare	35%
<b>Childcare Demand (Households)</b>	<b>24,980</b>
Children per Household	1.3
<b>Childcare Demand (Children)</b>	<b>32,473</b>
<i>* Typically children under 5 years.</i>	

### *Expected Incremental Demand*

Again, using a Rough Order of Magnitude model, we estimated incremental demand for childcare services related to employees of the Resort Facility at approximately 200 children (children of residents of Richmond City employed at the Resort Facility). Keep in mind, children requiring childcare are only the younger children, generally younger than 5-years of age, thus not yet in the school system. Relative to the supply (discussed earlier), the incremental demand for childcare would increase demand by only 0.6%. Note, this is a high-end forecast because many of these children may already be in the childcare system.

<b>Total Jobs</b>	<b>1,498</b>
Richmond City %	45.2%
<b>Richmond City Jobs</b>	<b>677</b>
Household Conversion Factor	65%
<b>Relevant Households</b>	<b>440</b>
% Requiring Facility Childcare	35%
<b>Childcare Demand (Households)</b>	<b>154</b>
Children per Household *	1.3
<b>Childcare Demand (Children)</b>	<b>200</b>
<i>* Typically children under 5 years.</i>	

## *Conclusion*

In terms of facilities and manpower resources, the childcare infrastructure exists in the region to accommodate incremental demand. Recall, we estimated incremental demand for daycare at about 200 children, reflecting only a 0.6% increase to the system. Again, these are children of employees of the Resort Facility that reside in Richmond City. Nonetheless, we realize a modest number of the families with these children may need childcare assistance.

In terms of families needing assistance, the infrastructure is also in place to handle the demand. As discussed, and demonstrated, the Virginia Department of Social Services (VDSS) through the ChildCareVA program is an excellent advocate for parents seeking affordable childcare, offering numerous resources to locate safe and affordable childcare. VDSS works through the Richmond Department of Social Services (RDSS) to deliver funding to supplement childcare costs for Richmond citizens in need via the Economic Support & Independence (ES&I) division. Thus, we contend the VDSS can handle the incremental demand, discussed earlier.

## Public Transportation

The goal of this section is to ascertain the impact of the proposed Resort Facility on the regional public transportation system. The first step in the process is to evaluate the current public transportation system in the Richmond area. Next, we estimated incremental demand for public transportation services associated with employees and patrons of the Resort Facility that might utilize the system. Lastly, we quantitatively and qualitatively assessed the transportation system's ability to handle the incremental demand.

### *GRTC Transit System*

The GRTC Transit System (GRTC) is the regional transit authority. Public transportation in the region is generally comprised of bus travel using a sophisticated system known as the GRTC Transit System. GRTC services the City of Richmond, Henrico County, parts of Chesterfield County, while providing extended express service to Petersburg and seasonal express service to Kings Dominion. The system includes the Pulse system (Pulse), providing fast and convenient bus travel in the key downtown corridor. Note, there is currently no light-rail in the Richmond region.

### *Technology*

The GRTC utilizes extensive technology to enhance the useability of the transit system for customers. The GRTC website offers easily downloadable route maps as well as a route planning tool. The route planning tool utilized Google Maps technology. The user simply inputs the starting point, destination, and departure time and the system returns the appropriate bus routes, stations, and the estimated time of arrival.

The GRTC offers two transit Apps. The "Transit On The Go" mobile App shows live routes with bus tracker information and trip planning technology. It allows customers to locate nearby bus stops and view fares. The second App allows customers to pay fares via smartphone technology.

### *Pulse System*

The Pulse system was launched in June 2018 via a partnership with the U.S. Department of Transportation, the Virginia Department of Rail and Public Transportation (DRPT), the Virginia Department of Transportation (VDOT), the City of Richmond and Henrico County, and GRTC. Pulse is a modern, high quality, high-capacity rapid transit system that serves a 7.6-mile route along Broad Street and Main Street, from Rocketts Landing in the City of Richmond to Willow Lawn in Henrico County. The Pulse earned a Bronze Standard BRT rating by the Institute for Transportation and Development Policy (ITDP). The Pulse links to many exciting destinations, businesses, services, and restaurants. The pulse system realizes above average ridership of 37,250 rides per week (2019).

### *Transit System*

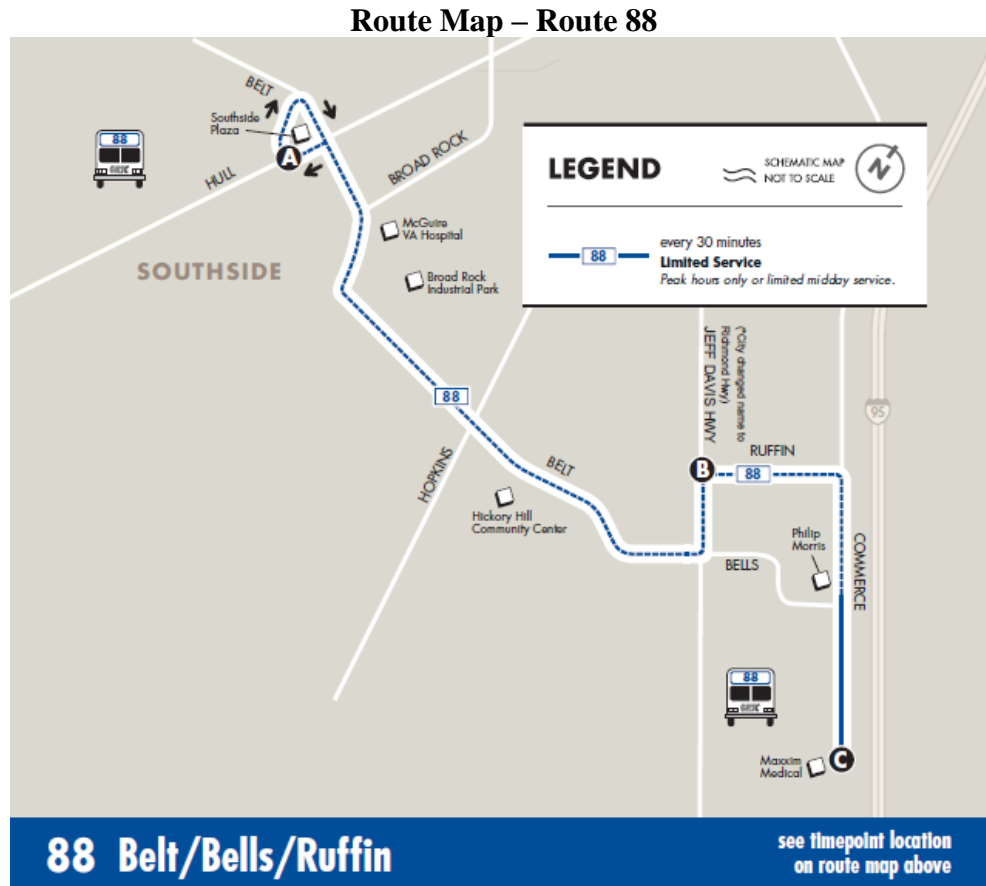
The bus transit system is very thorough in the Richmond region comprising roughly 44 routes. The following system map is presented to show the thoroughness of the transit system.





### Route 88 (Service to Resort Facility Area)

Currently, Route 88 services the area of the proposed Resort Facility. Route 88 originates at the Southside Plaza near the intersection of Belt Blvd and Hull Street, roughly 4 miles northwest of the Resort Facility. This origination point is a major bus terminus point, with 9 routes utilizing this station. Thus, patrons and employees looking to take public transportation to the casino would likely take another route to this point before enjoying direct access to the casino. Route 88 runs every 30 minutes with a travel time of less than 20 minutes. The full fare is \$1.50. The map for Route 88 is shown below. Note, the Resort Facility would be located just south of the Phillip Morris building, shown in the bottom right quadrant of the map.



Source: GRTC Transit System Website

## Statistics

This section analyzes ridership statistics for the GRTC transit system for the purpose of understating capacity issue.

### Systemwide

Ridership in FY20 was reported at approximately 8.4 million, reflecting a 2% decline from the prior year. The decline was mainly due to Covid-19 pandemic, which began to impact ridership in March 2020. For example, for the first half of FY20 (Jul-Dec), ridership was up 12% compared to a decline of 15% in the second half of the year (Jan-Jun). Ridership continues to show double-digit declines through the first quarter of FY21.

Ridership in FY19 (prior to the pandemic) was up sharply (16%) from FY18, reaching a near-term high of about 8.6 million. The gains were particularly strong in the Oct-May timeframe with growth in the 16% to 35% range. The gains were due in part to the popularity of the Pulse system, which launched in June 2018.

Ridership is consistent between months (using a 4-year average), ranging from a low of 7.7% of the total in April to a high of 9.2% in October, as the summer through fall period generally has higher ridership.

Based on a 44-route offering, ridership per route calculated to 190,900 rides in FY20 or 3,670 rides per week.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total FY
<b>Ridership:</b>													
FY 17	733,963	711,460	689,778	699,294	661,684	622,117	620,235	623,225	657,111	615,225	648,490	662,762	<b>7,945,344</b>
FY 18	641,316	675,734	642,455	647,438	591,439	562,301	559,548	556,125	591,696	574,313	624,430	717,415	<b>7,384,210</b>
FY 19	641,421	718,693	666,351	784,569	708,693	652,369	706,619	688,236	736,536	772,979	772,737	737,183	<b>8,586,386</b>
FY 20	761,439	808,405	813,867	852,523	720,258	703,223	740,996	721,958	655,558	525,962	525,383	568,265	<b>8,397,837</b>
FY 21	622,768	623,164	677,614	701,227									<b>2,624,773</b>
<b>% Change:</b>													
FY 18	-13%	-5%	-7%	-7%	-11%	-10%	-10%	-11%	-10%	-7%	-4%	8%	<b>-7%</b>
FY 19	0%	6%	4%	21%	20%	16%	26%	24%	24%	35%	24%	3%	<b>16%</b>
FY 20	19%	12%	22%	9%	2%	8%	5%	5%	-11%	-32%	-32%	-23%	<b>-2%</b>
FY 21	-18%	-23%	-17%	-18%									
<b>% of Total by Month:</b>													
FY 17	9.2%	9.0%	8.7%	8.8%	8.3%	7.8%	7.8%	7.8%	8.3%	7.7%	8.2%	8.3%	<b>100.0%</b>
FY 18	8.7%	9.2%	8.7%	8.8%	8.0%	7.6%	7.6%	7.5%	8.0%	7.8%	8.5%	9.7%	<b>100.0%</b>
FY 19	7.5%	8.4%	7.8%	9.1%	8.3%	7.6%	8.2%	8.0%	8.6%	9.0%	9.0%	8.6%	<b>100.0%</b>
FY 20	9.1%	9.6%	9.7%	10.2%	8.6%	8.4%	8.8%	8.6%	7.8%	6.3%	6.3%	6.8%	<b>100.0%</b>
4-yr Avg	8.6%	9.0%	8.7%	9.2%	8.3%	7.9%	8.1%	8.0%	8.2%	7.7%	8.0%	8.3%	<b>100.0%</b>

Source: Data Obtained from GRTC Transit System Website; Analysis by CGC

### Route 88

Route 88 is one of the least traveled (underutilized) routes in the system with weekly average ridership of 576 rides, compared to the systemwide average of approximately 3,700 rides. Thus, ridership on Route 88 is only 16% of the systemwide average. Further, the top routes realized ridership in the 8,000 to 13,000 range per week.

## Incremental Ridership Demand

We estimated the incremental demand (in terms of ridership) resulting from the opening of the Resort Facility. This demand would comprise two (2) components:

1. Employee Demand
2. Patron Demand

### Employee Demand

Based on information provided by the Applicant, the Resort Facility is expected to directly employ 1,498 persons, including 928 and 570 full-time and part-time persons, respectively. This reflects the stabilized year of operation (Year 3). Using of Rough Order of Magnitude model, we estimated that 10.7% (weighted average) would utilize public transportation on a regular basis to get to work, resulting in 160 additional riders. Note the utilization rate is higher for part-time workers relative to full-time. Assuming an average of 3.3 rides per week, total incremental ridership calculated to 528 rides per week, as displayed in the table below.

Employee Demand	Full-Time	Part-Time	Total
Employees	928	570	1,498
Public Transportation %	5.0%	20.0%	10.7%
<b>Riders</b>	<b>46</b>	<b>114</b>	<b>160</b>
Rides / Week	4.0	3.0	3.3
<b>Total Ridership</b>	<b>186</b>	<b>342</b>	<b>528</b>

### Patron Demand

Based on information provided by the Applicant, the Resort Facility is expected to realize approximately 3.60 million visits, of which, 1.16 million are expected to originate from the City of Richmond. This figure equates to a weekly average of about 22,350 visits. Assuming 5.0% of these visitors would utilize public transportation, incremental weekly ridership calculated to 1,117 rides for the patron segment, as detailed below.

Annual Patron Visits *	1,162,090
Patron Visits Weekly Avg	22,348
Public Transportation %	5.0%
<b>Riders</b>	<b>1,117</b>
* Originating from City of Richmond	

### Total Incremental Demand

Combining both segments of demand, total incremental weekly ridership summed to 1,645 rides. Assuming a round-trip scenario, total incremental ridership on Route 88 would increase by approximately 3,290 rides.

Employees	528
Patrons	1,117
<b>Total Riders</b>	<b>1,645</b>
<i>Round-Trip Ridership</i>	<i>3,290</i>

## *Conclusion*

We contend the impact of the Resort Facility on the regional public transportation system would be minimal in terms of causing capacity constraint issues and identified a positive impact in terms of increased ridership transit revenue.

As discussed, and demonstrated earlier, we estimated the incremental ridership demand on Route 88 at about 3,290 rides, increasing total average weekly ridership to about 3,866 rides. This figure is slightly above the systemwide average of 3,700 rides, but still well below the ridership figures on some of the top routes, which fall into the 8,000 to 13,000 ridership range.

Based on an average fare price of \$1.50, the incremental ridership demand would contribute approximately \$300,000 in fare revenue to the transit system on an annual basis.



## Public Safety

This section estimates the impact of the Resort Facility on the public safety departments in the City of Richmond, including Police, Fire, and Emergency Medical Services (EMS). The goal is to estimate the incremental costs to these departments associated with the increase in demand for services due to the public gathering at the Resort Facility. The first step in the process is to evaluate the current public safety infrastructure in Richmond. Next, we estimated the incremental demand for services associated with an increase in incidences that these organizations would need to respond to. Lastly, we quantified the increase in demand in terms of manpower, equipment, and facilities.

Historically, a concern has existed that bringing gaming to an area also brings crime and other burdens to the public safety departments. However, in almost all cases, the increase in demand for public safety services turns out to be very manageable.

### *Police*

This section evaluates the current capabilities of the police force in the City of Richmond. The analysis focused on the adequacy of manpower, facilities, and equipment, with the goal of determining if the current capabilities can handle the expected increase in incidents related to the proposed Resort Facility. Using case studies from various cities with gaming, we analyzed the real-world impact of gaming facilities on the relevant local police jurisdictions. Lastly, based on existing incident rates in these jurisdictions, an estimate was made as to the expected incident count at the proposed Resort Facility in the Richmond, for the purpose of gauging materiality.

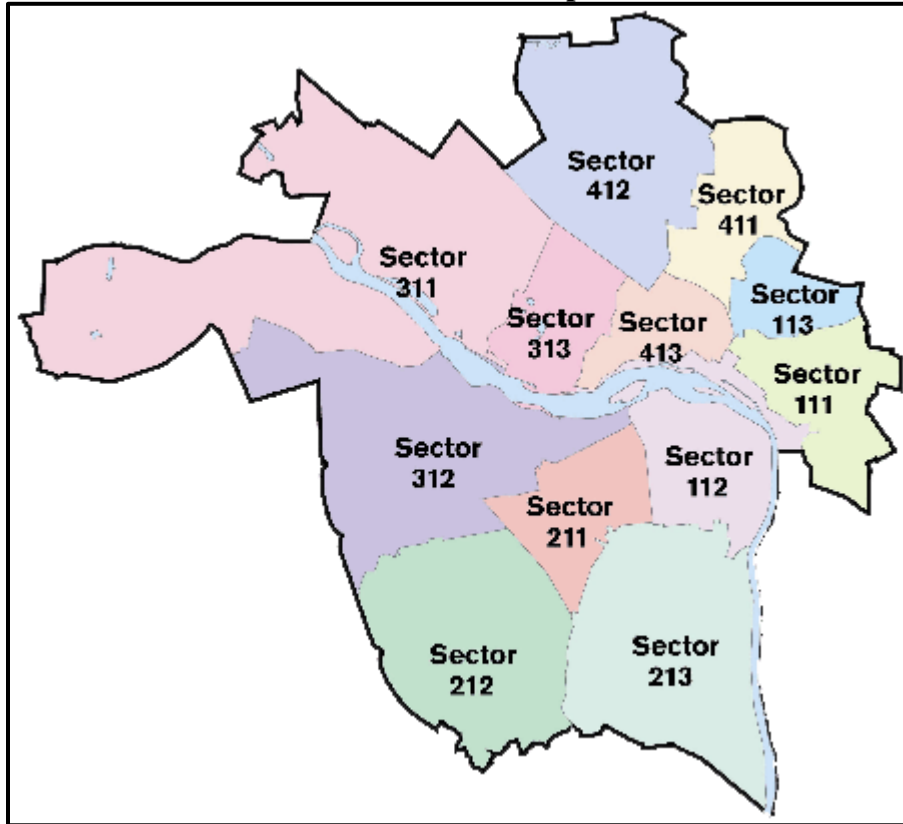
### ***Department Overview and Organizational Structure***

The Richmond Police Department (RPD), a division of Public Safety, has jurisdiction over approximately 65 square miles, containing over 233,800 citizens. The department contains roughly 750 sworn officers and 170 civilian employees.

While sworn officers patrol the streets, investigate crimes, and work with citizens to solve problems, civilians serve in numerous behind the scenes positions, such as forensics technicians, crime analysts, and administrative support.

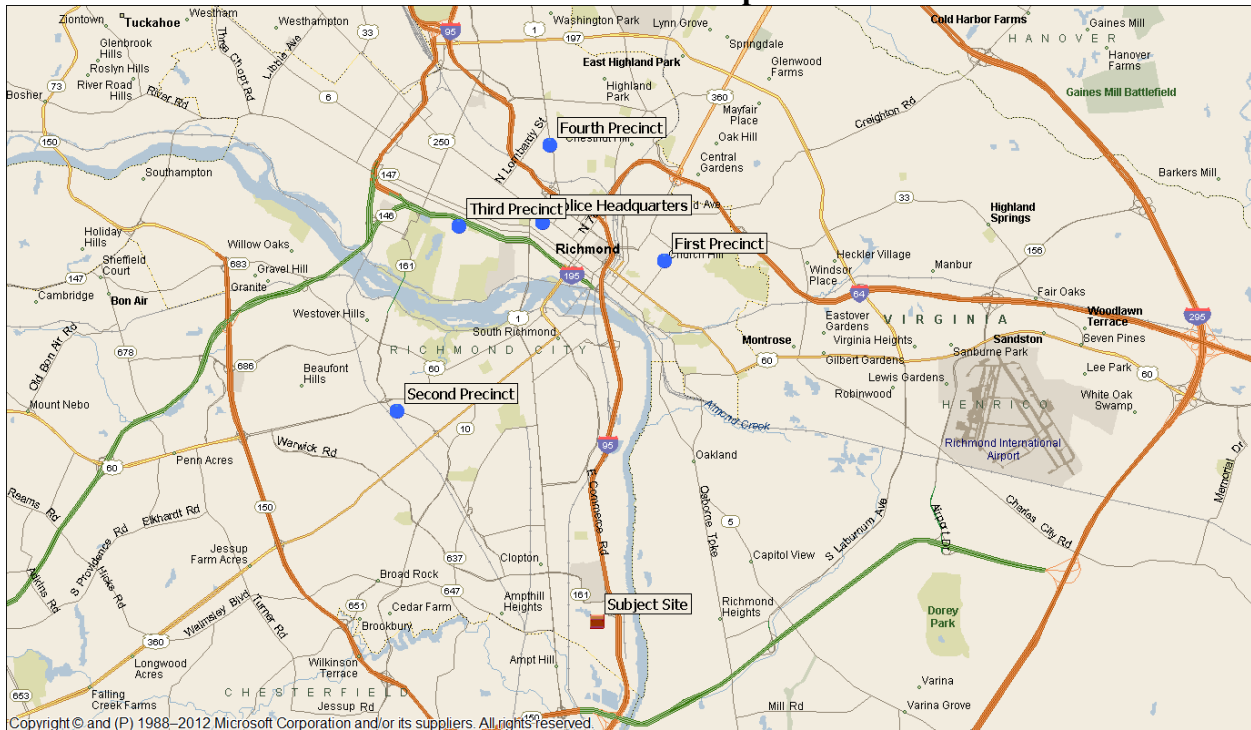
The department's jurisdiction is divided into two (2) Areas, four (4) Precincts, and twelve (12) Sectors. Each Area has a Commander that oversees two (2) Precincts and multiple sectors. The following image displays the sectors. Note the Resort Facility would be located in Sector 213.

### Police Sector Map



Source: Richmond Police Department Website

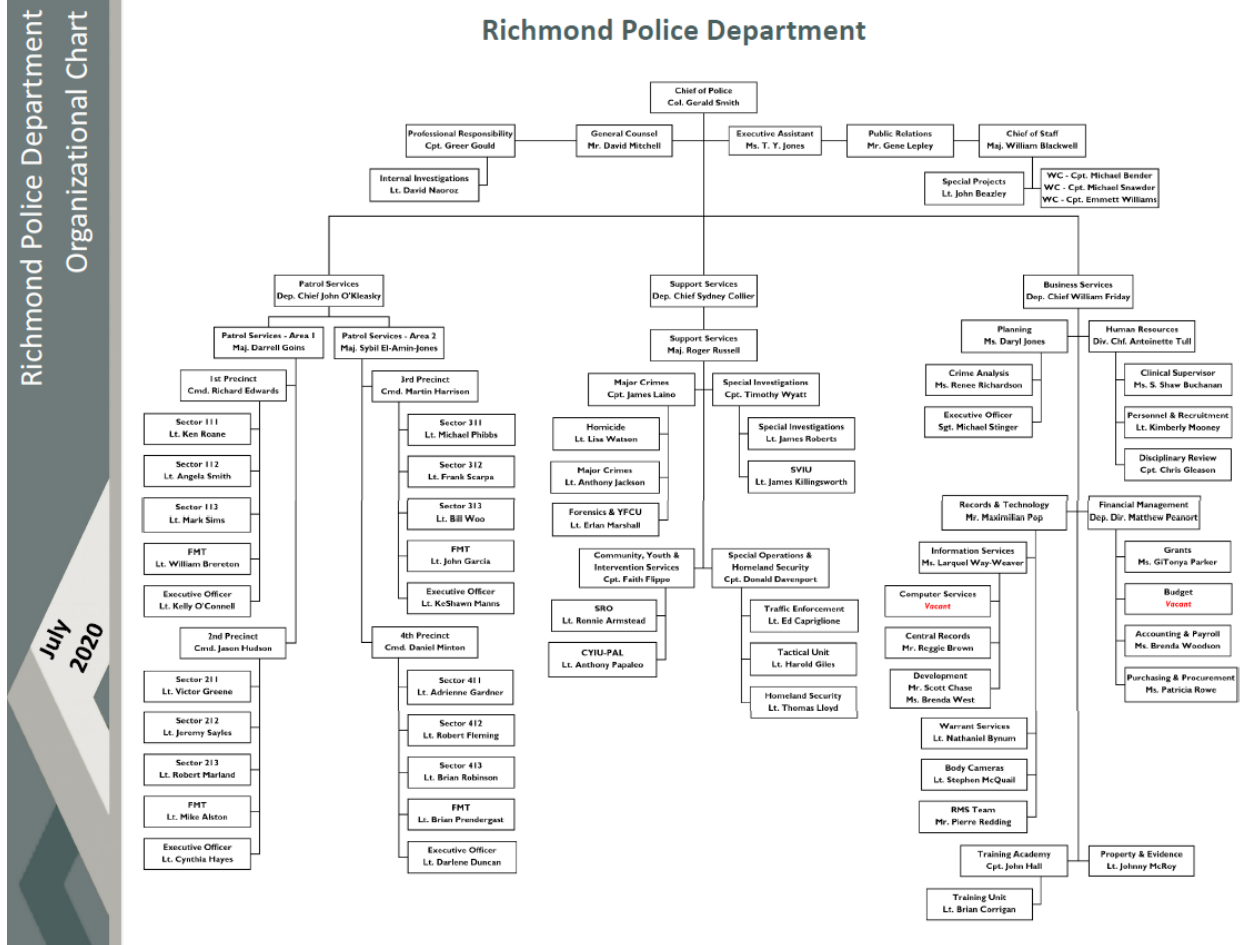
### Police Station Map



Source: Locations obtained from RPD website

# RPD Organizational Chart

## Richmond Police Department



Source: RPD Website

The Richmond Police Department is generally organized under five (5) operating components, including:

- Business Services
- Chief's Office
- Community, Youth, and Intervention Services
- Patrol Services
- Support Services

### Business Services

The Business Services organization is headed by Deputy Director Mr. William Friday. The services include accreditation, TASER program, finance, fleet management, human Resources, property and evidence, records and technology, and recruiting and training.

### **Chief's Office**

The Chief of Police is Gerald Smith. He is responsible for all aspects of the Richmond Police Department.

### **Community, Youth, and Intervention Services**

Community, Youth, and Intervention Services (CYIS) is designed to improve the quality of life in neighborhoods, along with placing a greater emphasis on young people. CYIS is comprised of the following units: Community Care, Hispanic Liaison Officer, Police Athletic League, Community Assisted Public Safety (CAPS), McGruff Safe Kids, Volunteers in Policing, Richmond Police Athletic League and Police Explorers and School Resource Officers.

### **Patrol Services**

Patrol Services is under the command of Deputy Chief.

### **Support Services**

Support Services include Major Crimes, Special Investigations, and Special Operations.

The Major Crimes Division is comprised of one captain, three lieutenants, 10 sergeants, 67 detectives, two forensic technicians and one photo lab technician. This division investigates crime related to Homicide, Aggravated Assault, Forensics, Arson and Youth and Family crimes.

Special Investigations investigates crimes involving gangs, narcotics trafficking, prostitution, illegal gambling, and the sales and distribution of illegal alcohol and pornography.

The Special Operations Division supports the department's goals through specialized unit utilization and the management of major events. Functional areas include the following:

- Traffic accident investigation and enforcement,
- Commercial motor vehicle inspection,
- Fatality crash investigations,
- Homeland security,
- Aerial patrol and transport,
- Hostage negotiations and SWAT operations,
- Crowd management via mounted patrols, permits, and K-9 operations

**Crime Stats**

The crime stats were compiled and analyzed using information obtained from Richmond Police Department.

**Crime Stats by Type**

The RPD reported a total of 29,552 crimes in 2020, comprising 4,069 violent crimes (13.8% of the total) and 25,483 property crimes (86.2% of the total). The overwhelming majority of the violent crimes were Assault, while the non-violent crimes were most often Theft.

The number of crimes fell 15% in 2020, with a 12% decline in violent crimes combined with a 16% drop in non-violent crimes. The significant drop in crimes was mostly likely due to the COVID-19 pandemic, which kept folks at home and thus out of bars and restaurants. Nonetheless, crimes fell by 2% from 2018 to 2019, suggesting the crime rate in Richmond was already on the decline.

**Crime Statistics**

	<b>Violent</b>	<b>Non-Violent</b>	<b>Total</b>
2018	4,754	30,647	35,401
2019	4,608	30,210	34,818
2020	4,069	25,483	29,552
<b>% Change:</b>			
2019	-3%	-1%	-2%
2020	-12%	-16%	-15%
<b>% of Total:</b>			
2018	13.4%	86.6%	100.0%
2019	13.2%	86.8%	100.0%
2020	13.8%	86.2%	100.0%

Source: Data obtained from RPD Website

**Crime Rate**

For the crime rate analysis, 2019 crime data was used, reflecting a more normal period. In 2019, there were 46 crimes per sworn office (750 sworn officers). Relative to the size of Richmond in terms of population, there were 149 crimes per 1,000 residents, comprising 20 violent crimes per 1,000 residents and 129 property crimes.

**Crimes by Sector**

The following table displays crimes by Police Sector. Recall, the RPD divides the City of Richmond into 12 Police Sectors (see map on Page 25). The average number of crimes per sector calculated to 2,902, comprising 384 violent crimes and 2,518 non-violent crimes. Regarding Sector 213 (would be home of the proposed Resort Facility), total crimes summed to 2,490 crimes, about 15% below the average. Violent crimes accounted for 14.3% of the total versus 85.7% for non-violent, giving Sector 213 a modestly higher weighting of violent crimes relative to the average.



### Crimes Statistics by Sector

Police Sector	Violent Crimes	Non-Violent Crimes	Total	Violent (% of Total)	Non-Violent (% of Total)	Total
111	337	2,188	2,525	13.3%	86.7%	100.0%
112	440	3,007	3,447	12.8%	87.2%	100.0%
113	632	2,945	3,577	17.7%	82.3%	100.0%
211	339	2,492	2,831	12.0%	88.0%	100.0%
212	470	2,317	2,787	16.9%	83.1%	100.0%
213	355	2,135	2,490	14.3%	85.7%	100.0%
311	135	1,672	1,807	7.5%	92.5%	100.0%
312	536	3,448	3,984	13.5%	86.5%	100.0%
313	245	1,848	2,093	11.7%	88.3%	100.0%
411	433	2,469	2,902	14.9%	85.1%	100.0%
412	434	3,358	3,792	11.4%	88.6%	100.0%
413	252	2,331	2,583	9.8%	90.2%	100.0%
<b>Total</b>	<b>4,608</b>	<b>30,210</b>	<b>34,818</b>	<b>13.2%</b>	<b>86.8%</b>	<b>100.0%</b>
<i>Average/Sector</i>	<i>384</i>	<i>2,518</i>	<i>2,902</i>	<i>13.2%</i>	<i>86.8%</i>	<i>100.0%</i>

Source: Data obtained from RPD Website

### ***Incident Rates at Existing Casinos***

This section analyzes incidents requiring police involvement at existing gaming facilities around the nation. We analyzed real-world data on these incidents for the purpose of estimating the number of incidents that would require police involvement at the proposed Resort Facility. We believe this real-world data is the best indicator of the potential impact of a Resort Facility on the local police department.

Incidents at casinos that require police involvement run the gamut in terms of type, but are most often related to non-violent crimes, such as property crimes and trespassing; often described as crimes and incidences that typically occur when large numbers of people gather in one place. They can be as simple (benign) as calls for found property or lost property.

For example, at a prominent casino in Illinois, it was reported that roughly 69% of the reported crimes were for criminal trespassing or attempting to enter the casinos as a minor or when on the self-exclusion list. The police representative in this jurisdiction stated that upon further investigation, many of the other reported crimes were found to be false reports. Thus, besides criminal trespassing, they have virtually no crime at the casino. We note despite many of these reported crimes being false reports, they still require time and effort by the police force.

During testimony in front of the Missouri Gaming Commission regarding a re-licensure hearing of Harrah’s Maryland Heights casino, Police Chief, Tom O’Connor cited that “there has been no significant increase in crime because of gaming in Maryland Heights.” He noted that the police department responds to about 2 incidents per day, He concluded by saying:

*“the number of calls to service was well within the range we would anticipate from this many people and the number of crimes reported compared to the number of visitors makes this one of the safest locations in the region.”*

### **Estimated Incidents Requiring Police Involvement**

Based on the historical analysis of incident rates at existing gaming facilities, we estimated the average police incident rate at 0.15 incidents per 1,000 patron visits (or 15 calls for every 100,000 visitors). Based on a Gaming Market Assessment (“GMA”) completed under a separate cover, the proposed Resort Facility is expected to generate roughly 3.63 million visits in Year 3 (stabilized year). After applying the average incident rate to visitor volume, the RPD can expect approximately 545 additional “calls for service” each year, as detailed in the table below.

Annual Patron Visits (000's)	3,630.0
Estimated Incident Rate *	0.15
<b>Annual Police Incidents</b>	<b>545</b>
* Incidents per 1,000 visits	

### **Conclusion**

At this level, we contend that the additional burden on the local police would be minimal, and thus can be managed by the existing facility and equipment resources. Based on the 34,800 crimes reported in 2019 in Richmond, the incremental incidents of 545 reflect only a 1.6% increase in the total.

Nonetheless, with calls to the Resort averaging about 1.5 per day, it is possible that additional manpower may be needed, but less than one (1) FTE. The incremental cost would be minimal relative to the current budget of RPD.

Further, we believe the new jobs created by the Resort Facility, many of which would go to the residents of the City of Richmond, would have a positive impact on crime rate in the city as an increase in prosperity generally results in lower crime.

### **Mitigation**

- The project anticipates extra duty employment of Richmond Police Officers in addition to their sizable security and surveillance workforce.
- Police departments often develop a police substation on the casino’s premises, the cost of which would be borne by the Resort Facility.
- Resort Facility would maintain an excellent security department, often staffed with former law enforcement officers.

## Fire

This section evaluates the current capabilities of the Richmond Fire Department (RFD). The analysis focused on the adequacy of manpower, facilities, and equipment, with the goal of determining if the current capabilities can handle the expected increase in incidents requiring fire department involvement. Using case studies from various cities with gaming, we analyzed the real-world impact of gaming facilities on fire departments. Lastly, based on existing incident rates in these jurisdictions, an estimate was made as to the expected incident count at the proposed Resort Facility, for the purpose of gauging materiality.

Fire Chief Melvin D. Carter provides the leadership for the RFD. The RFD has a total of 433 sworn and non-sworn staff. The Department is divided into four Battalions with six companies assigned to each. The Department has four (4) internal divisions, including Administration; Safety and Response Operations; Office of Emergency Management; and Support Services (to include Prevention, Investigations, Training; Budget; and Logistics).

The RFD operates out of 20 Fire Stations, serving the roughly 65 square miles of Richmond, providing fire and life safety response to over 230,000 residents. The RFD is equipped with 19 Engine Companies; 4-5 Truck Companies; 3 Tankers; 2 Brush Trucks; a HazMat Response Vehicle; various Technical and Water Rescue vehicles; and numerous staff vehicles. The RFD responds to over 30,000 calls for service each year.

The Resort Facility would be located only 2.7 miles from the nearest fire station (Station 21), as displayed on the map below. An addition station (Station 22) is located within 4.0 miles of the Resort Facility. Station 21 is an Engine company. Station 22 is an Engine and Truck company.



Source: Locations obtained from RFD website

## Organization Structure

The organizational structure of the RFD includes the following components:

### Operations

The Operation Section is headed by Deputy Fire Chief Bonnette. The mission of the Operations Section is to provide high quality emergency and non-emergency services to residents and visitors of the City of Richmond. The goal of the Operations Section is to protect the residents of Richmond against injury, loss of life, and/or property damage from all hazards to include fire, medical, and other emergencies. To achieve this goal, the Department provides fire suppression, emergency medical, water rescue, trench/excavation rescue, confined space rescue, structural collapse rescue, hazardous materials mitigation and a variety of other services.

The Operations Section includes the **Special Services Division**, which is responsible for all hazardous response including Water Rescue, Heavy Technical Rescue, and Hazardous Materials and Foam Response. The **Prevention Division** is focused on the protection of life and property.

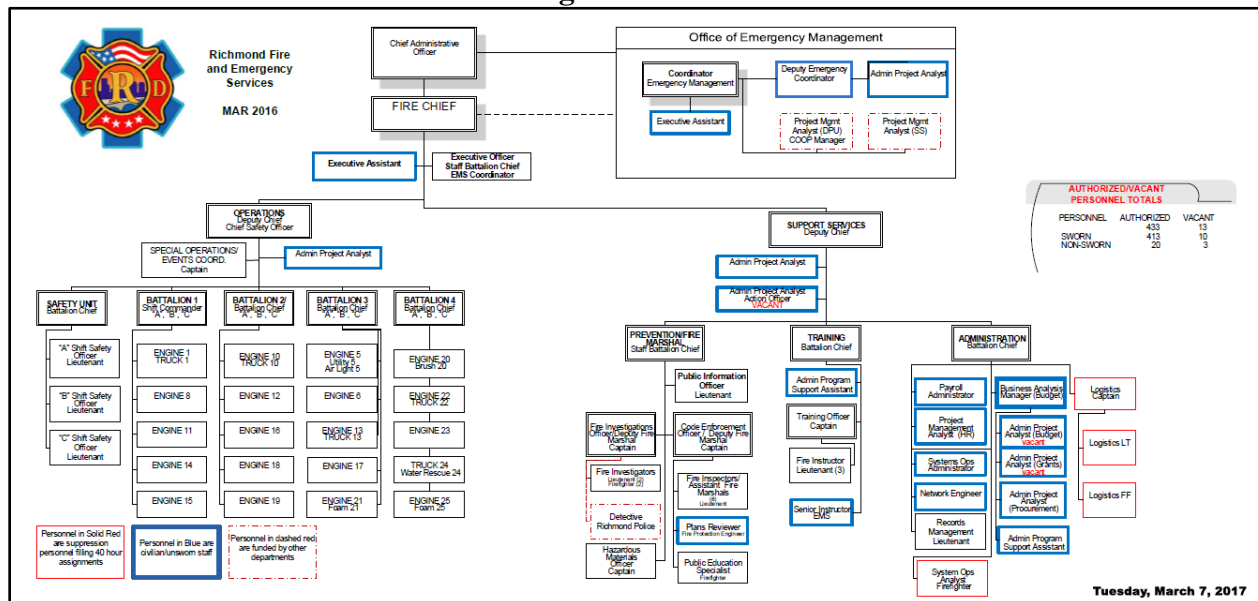
### Support Services

The Deputy Chief of Support Services (Deputy Chief Elmond D. Taylor) manages departmental budget for logistical support and purchasing functions, including the development of effective training programs and the health and safety program. Also responsible for researching, formulating, and recommending departmental budgets, policies, plans, and procedures.

### Administration

The Administration Division provides leadership, fiscal accountability, and administrative oversight for department personnel. It manages support activities, such as purchasing, budgetary control, information management, record keeping, fleet administration, human resources, payroll, and personnel support services. Administration also provides facility management, staff training and development.

**RFD Organizational Chart**



## ***Fire Incident Rates at Existing Casinos***

We believe real-world data is the best indicator of the potential impact of a Resort Facility on the local fire department. An important distinction is whether the local fire department responds alongside Emergency Medical Service (“EMS”) calls, as is the case in many jurisdictions.

Excluding EMS calls, incidents requiring fire department involvement at gaming facilities are rare, especially calls requiring fire extinguishment. The annual calls for fire department services usually run in the single digits, and often relate to vehicle fires. Nonetheless, the responding fire departments must have the manpower and equipment at-the-ready to address a serious fire events and rescue events at the Resort Facility.

## ***Conclusion***

As discussed, and demonstrated, the RFD is a solid organization with the manpower, equipment, and facilities necessary to respond to the most serious fire and rescue incidents. The Resort Facility would be an extensive development with a multi-story hotel that attracts large crowds. Thus, although rare, the potential exists for a serious fire and/or rescue incident. This organization would likely realize additional funding via Richmond’s portion of the gaming tax. An even stronger RFD would be another positive impact on the public safety system.

Notwithstanding a serious event, our research showed incidents involving fire department involvement would be minimal. Thus, we contend the additional burden on the RFD could likely be managed by the existing manpower, equipment, and facility resources.

## ***Mitigation***

- The Resort Facility would strictly adhere to all fire and building codes.
- An emergency evacuation plan would be implemented as a means of ensuring the safety of their customers, vendors and employees.



## ***Emergency Medical Services***

This section evaluates the current Emergency Medical Services (EMS) capabilities in Richmond. The analysis focused on the adequacy of infrastructure in terms manpower, facilities, and equipment, with the goal of determining if the current capabilities can handle the expected increase in incidents requiring EMS involvement. Using case studies from various cities with gaming, we analyzed the real-world impact of gaming facilities on EMS departments. Lastly, based on existing incident rates in these jurisdictions, an estimate was made as to the expected incident count at the proposed Resort Facility, for the purpose of gauging materiality.

## ***Richmond Ambulance Authority***

The EMS authority for Richmond is the Richmond Ambulance Authority. Their mission is to deliver patient-centered care through measurable clinical and operational excellence with efficiency, outstanding customer service, and employee engagement. RAA is accredited by both the National Commission on Accreditation of Ambulance Services and the International Academies of Emergency Dispatch.

Per the RAA website, the following is the history of the organization.

In 1990 the Richmond City Council and the City Manager recognized they needed to make drastic changes to the city's EMS system in order to ensure all City residents received the best and most effective care. On March 20, 1991, the Virginia General Assembly passed the Richmond Ambulance Authority Act and on September 23, 1991, the City of Richmond granted the franchise to Richmond Ambulance Authority (RAA) to provide EMS services to the City of Richmond. Since then, RAA has gained national and international recognition for its approach to EMS as a Mobile Integrated Healthcare provider. Unlike traditional EMS systems, RAA makes data-driven decisions. Using data, RAA can strategically deploy ambulances throughout the city and predict where a call is most likely to come from. This allows us to dispatch ambulances based on demand instead of having level staffing across an entire day. As a result, Richmond has one of the most advanced EMS systems in the United States. Despite being one of the busiest EMS systems, per capita, in the nation, RAA ambulances are on the scene of life-threatening emergency calls in 8 minutes, 59 seconds or less 90 percent of the time. Responding to over 50,000 calls annually, RAA response times are among the fastest in the country.

## ***Current Structure and Capabilities***

RAA provides 24/7 EMS coverage for the roughly 65 square miles of Richmond, for the benefit of its 232,000 residents. The operational fleet features thirty-seven (37) ambulances and two (2) critical care transport vehicles, as well as numerous other support vehicles. These vehicles traveled a total of 1.275 million miles in 2019.

## ***Statistics***

The following section analyzes the performance statistics of RAA, based on data obtained from the Authority's website.

## Response Time

RAA ambulances respond to life-threatening emergency calls in less than 9 minutes, 90% of the time, despite being one of the busiest EMS systems, per capita, in the country. The customer satisfaction rate was 98% for emergency response times based on an independent survey.

## Responses and Transports

RAA ambulances responded to 69,170 calls in 2019, of which, 50,789 or 73% required transport to medical facilities. This transport rate has been consistent over the last few years. Regarding responses, 78% were ‘911 Emergency’ calls versus 22% for non-emergency calls. Regarding transports, 73% were ‘911 Emergency’ transports versus 27% for non-emergency.

Responses increased about 2.9% in 2019, following a 1.7% decline in 2018. Emergency calls increased 3.4% in 2019, following a decline of 3.9% in 2018. Emergency transports followed a similar trend.

### EMS Incident Statistics

	Response			Transports		
	Emergency (911)	Non-Emergency	Total	Emergency (911)	Non-Emergency	Total
2017	54,104	14,256	68,360	36,140	13,579	49,719
2018	52,006	15,186	67,192	35,191	14,527	49,718
2019	53,787	15,383	69,170	37,034	13,755	50,789
<b>% Change:</b>						
2018	-3.9%	6.5%	-1.7%	-2.6%	7.0%	0.0%
2019	3.4%	1.3%	2.9%	5.2%	-5.3%	2.2%
<b>% of Total:</b>						
2017	79%	21%	100%	73%	27%	100%
2018	77%	23%	100%	71%	29%	100%
2019	78%	22%	100%	73%	27%	100%

Source: Data obtained from RAA Website

## Incident Rates at Existing Casinos

This section analyzes incidents requiring EMS at existing gaming facilities around the nation. We analyzed real-world data on these incidents for the purpose of estimating the number of incidents that would require EMS at the proposed Resort Facility. We believe this real-world data is the best indicator of the potential impact of the Resort Facility on the local EMS.

Based on the analysis of incident rates at existing gaming facilities, we estimated the average EMS response incident rate at 0.06 incidents per 1,000 patron visits (or 6 calls for every 100,000 visitors). Based on a Gaming Market Assessment (“GMA”) completed under a separate cover, the proposed Resort Facility is expected to generate roughly 3.63 million visits in Year 3 (stabilized year). After applying the average incident rate to visitor volume, the RAA can expect approximately 218 additional “calls for service” each year, as detailed in the table below.

Annual Gaming Visits (000's)	3,630.0
Estimated Incident Rate *	0.06
<b>Annual EMS Incidents</b>	<b>218</b>
* Incidents per 1,000 visits	

### **Conclusion**

At this level, we contend the additional burden on the EMS would be minimal, and thus can be absorbed by the existing manpower and equipment resources of the RAA. Based on the 69,000 responses by RAA in 2019, the incremental incidents of 218 reflects only a 0.3% increase in the total.

### **Mitigation**

- The Resort Facility would maintain a 24/7 on-site EMS presence, paid for by the Resort Facility.
- The Resort Facility would train certain employees in basic health emergency procedures.

# Affordable Housing

This section analyzes the impact of the Resort Facility on affordable housing. The impact on the affordable housing stock in Richmond would result from newly hired employees of the Resort Facility relocating to the area. For this purpose, we defined the relevant market area to include the Richmond MSA. To render a conclusion on the sufficiency of the housing stock, the demand and supply profile of this market was analyzed.

## Potential New Demand for Affordable Housing

We estimated affordable housing demand associated with the proposed Resort Facility. The demand would result from persons or families relocating to the area to take a position with the operation. Thus, the starting point is the estimated number of persons the Resort Facility is expected to hire. Based on the Economic Impact Study (presented under a separate cover), the Resort Facility is expected to employ a total of approximately 1,498 persons, comprising roughly 928 full-time workers and 570 part-time workers, for the stabilized year of operations.

The majority of these workers would be hired locally, for two (2) primary reasons:

1. Many of these jobs are typical of corporate administrative positions at other (non-gaming) businesses, such as accountants, bookkeepers, human resource personnel, clerical staff, food service workers, hotel workers, marketing personnel, security personnel, and administrative assistants.
2. Regarding the jobs unique to the gaming industry, they typically come with training, such as table dealers (including craps, roulette, blackjack, poker and various specialty games), slot attendants, and cash counting / handling personnel.

Thus, the first question to ask and answer is whether the Richmond MSA has a sufficient labor force to handle these job requirements; the positions that are typical of any other business or training is available. Note, it is the goal of the Applicant to hire 75% of workers locally. Nonetheless, some relocation to the area would likely be necessary.

## Labor Force Analysis

The labor force count in the Richmond MSA was estimated at approximately 679,600 in 2020, by the Bureau of Labor Statistics (“BLS”). This count is down modestly over the last year, likely due to the COVID-19 pandemic. Of the total workforce, roughly 43,300 or 6.4% are currently unemployed. The unemployment count has increased by about 23,000 over the last year, again mainly due to the COVID-19 pandemic.

<b>Employment Analysis - Richmond MSA</b>				
	<b>Unemployment</b>	<b>Employment</b>	<b>Labor Force</b>	<b>Unemployment Rate</b>
2018	21,834	656,676	678,510	3.2%
2019	20,245	668,525	688,770	2.9%
2020	43,345	636,259	679,604	6.4%

Source: Data obtained from BLS website

The expected employment count at the Resort Facility of 1,498 persons would account for only 0.2% of the workforce (1,498/679,600) and 3.5% of the unemployment count (1,498/43,300) in Richmond. Thus, we judged the Richmond MSA to be more than capable of the supplying the workers needed to staff the Resort Facility.

### **Relocation Analysis**

Nonetheless, the gaming operation may relocate some workers to fill unique positions. In addition, a modest percentage of prospective employees may relocate to the area to take advantage of the quality front-line jobs.

### **Unique Gaming Jobs**

We examined staffing needs by department and management level to estimate the number of positions requiring a special skill set not currently available in the market. The gaming industry is specialized enough that typically upper management positions require gaming industry experience, including the General Manager, Assistant GM, various departmental VPs, various departmental directors, and other senior management positions in departments such as table games, slots, cage / cash accounting, and surveillance. Other specialty positions requiring a unique skill set include slot technicians, player database technicians, surveillance technicians, and internal auditors. We estimated approximately 50 to 70 persons or households would relocate to the area for the purpose of taking these unique jobs at the Resort Facility. These positions would garner an above average salary relative to the front-line jobs. Thus, these households would likely target high-end housing, and thus not impact the affordable housing market.

### **Front-Line Jobs**

We also assumed a modest percentage of front-line jobs would be filled by persons relocating to the area. These jobs are attractive because they come with a solid benefits package and are often suited for upward mobility. These jobs would likely require affordable housing as the hourly pay scale is more in-line with typical entry level jobs. Using a Rough Order of Magnitude forecast, we estimated the affordable housing market would need to accommodate 73 persons or families relocating to the area.

Total Jobs	1,498
Front-Line Hourly %	65.0%
Front-Line Jobs	974
Relocation %	7.5%
<b>Front-Line Relocation</b>	<b>73</b>

### **Affordable Housing Inventory (Supply)**

To gauge the affordable housing inventory in the area, we compiled data obtained from Apartments.com on apartment unit availability within approximately 5 miles of the proposed Resort Facility. There were over 3,100 apartment units available at the time this report was published (early February 2021). Of the total, 1,180 units or about 38% were priced under \$1,100 per month, deemed an affordable rate considering Resort Facility employment. Of course,



affordability depends on many factors such as the size of the family, health care issues, among many others.

Rental Price	Unit Count	% of Total
< \$750	98	3.1%
\$750-\$900	359	11.5%
\$900-\$1,100	723	23.1%
\$1,100-\$1,300	566	18.1%
\$1,300-\$1,500	422	13.5%
\$1,500-\$1,700	199	6.4%
\$1,700-\$1,900	134	4.3%
\$1,900-\$2,100	36	1.1%
> \$2,100	596	19.0%
<b>Total</b>	<b>3,133</b>	<b>100.0%</b>
<i>S/T &lt; \$1,100</i>	<i>1,180</i>	<i>37.7%</i>

Source: Data obtained from Apartments.com website

### ***Richmond Redevelopment and Housing Authority***

In extreme financial circumstances, help is available in the City of Richmond for finding and paying for affordable housing. The Richmond Redevelopment and Housing Authority (RRHA) is the agency tasked with managing affordable housing in the Richmond region. Their goal is to transform the lives of families and communities by providing safe and affordable homes, which they believe increases opportunity.

The RRHA is the largest housing authority in Virginia, serving nearly 20,000 residents. They manage over 4,000 subsidized apartments in the city and serve, via a housing voucher program, nearly 3,000 very low-income families. Their work is supported by strategic partnerships with both public and private organizations who share the vision.

The RRHA is also working to create new housing opportunities for residents of public housing by adding new housing developments in Richmond and surrounding counties. The RRHA has received approximately 173 commitments from nonprofit and for-profit apartment developers to give priority to public housing residents.

### ***Conclusion***

Our analysis showed the incremental demand for affordable housing resulting for the Resort Facility would be modest at 71 persons or households. The affordable apartment inventory alone (rent less than \$1,100 per month) in close proximity to the facility would cover this demand by more than 16-fold.

Nonetheless, a few of these individuals or families may need assistance to live in a quality dwelling. For these persons or families, a strong advocate exists in the area: the RRHA. As

discussed, this organization is working diligently to accommodate all persons and families in need of affordable housing. They have an extensive network of housing developments for this purpose.

## Social Services (including Addictive Services)

This section estimates the impact of the Resort Facility on the social services infrastructure in the Richmond area, specifically, the incremental cost to social services organizations resulting from the increase in demand for services.

There is often a concern gambling will result in increased in poverty due to an increase in addicted gamblers, and the increase in poverty will overburden the social services infrastructure. Numerous studies into the propensity of problem gambling resulting from the advent of legalized gaming show the rate of problem gambling occurrence is low, and that the effects on the community are typically modest and manageable. Nonetheless, the State of Virginia via the Virginia Gaming Act has taken proactive steps to implement policy to mitigate the detrimental effects of problem gambling on individuals and the community.

### *Mitigation of Problem Gambling's Detrimental Effects*

The Virginia Gaming Act (VGA) implements two (2) problem gambling initiatives to help mitigate the occurrence and consequences of problem gaming, including the establishment of the Problem Gambling Treatment and Support Fund (Fund) and the Voluntary Exclusion Program.

#### **Problem Gaming Treatment and Support Fund**

Again, the goal of the Fund is to provide treatment and support to compulsive and problem gamblers to lessen the detrimental impact to those individual, their families and the community at large. The Fund would be funded by a tax on gaming revenue. Of the gaming tax collected, eight-tenths of one percent (0.8%) shall be appropriated to the Fund. Per the VGA,

*Moneys in the Fund shall be used solely for the purposes of (i) providing counseling and other support services for compulsive and problem gamblers, (ii) developing and implementing compulsive and problem gambling treatment and prevention programs, and (iii) providing grants to support organizations that provide assistance to compulsive and problem gamblers.*

The Resort Facility would contribute, via the Gaming Tax, approximately \$532,000 in 2026 to this Fund. This figure would likely grow each year as gaming revenue (the basis for the tax) grows.

#### **Voluntary Exclusion Program**

The Voluntary Exclusion Program allows individuals that feel they have a gambling problem or may be developing a gambling problem to voluntarily exclude themselves from entering the casinos in Virginia. The burden is both on the individual to refrain from entering the casino and the Resort Facility to identify and stop excluded persons from entering the casino, as well as stop all marketing materials from being sent to such individuals. Per the VGA,

*Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-4103 that allows individuals to voluntarily exclude themselves from engaging in the activities described in subdivision B 1 of § 58.1-4103 by placing their names on a voluntary exclusion list and following the procedures set forth by the Board.*

# Richmond Department of Social Services

The next step in the analysis was to assess the social services of capabilities of the region. The Richmond Department of Social Services (RDSS) is the agency assigned to managing social services in Richmond, with the mission of improving the quality of life of all Richmond citizens. The (RDSS) is comprised of several different branches with each branch offering programs to serve the citizens. RDSS is supported by federal, state, and local funding, as well as grants and donations. The branches are as follows:

- Children, Families, and Adults
- Children’s Services Act
- Economic Support and Independence
- Finance and Administration
- Fraud Unit

## Children, Families, and Adults

The Children, Families, & Adults (CF&A) division works to ensure families and children are safe and secure in their own homes, foster homes, and throughout the community. CF&A offers various services and programs to support children, families, and adults, as follows:

CF&A Programs
Adoption
Adult Protective Services
Adult Services
Child Protective Services
Early Childhood Development
Family Preservation
Foster Care
Healthy Families Richmond
Healthy Start Initiative
Homeless Services
Breastfeeding Initiative

Source: RDSS website

## Children Services Act

The Richmond Community and Policy Management Team (CPMT) is tasked with implementing the Children Services Act. The team manages the design and implementation of the collaborative effort for child-centered and family-focused care with the goal of maximizing community resources for the benefit of troubled at-risk youth and their families. The system is designed to empower youth and their families to enhance the well-being of the family. The CPMT realizes the well-being of our future citizens is of concern to parents, service providers, local governments, and the community at large. The CPMT identifies and provides the resources and services needed by the children and families to build on family strengths thus providing opportunities to participate in all decisions affecting the family. The Richmond CPMT has formulated the following values:

1. Every child deserves a stable and nurturing family.

2. Children and families are best served by a collaborative system of care focusing on prevention, family strengths, and providing an integrated continuum of care.
3. Children that cannot be protected in their home must be placed in the most family-like setting which meets their needs.
4. Children and families should be freely involved and share their needs, wants, and strengths in developing inclusive plans towards reaching permanency.
5. Children and families should have access to services tailored to meet their unique strengths and changing needs.
6. Strong communities help support families by widening the infrastructure of accessible services designed to assist children and families using a collaborative process with other groups.

**Economic Support and Independence Division**

The Economic Support & Independence (ES&I) division provides residents in need with tools and opportunities that promote economic stability. Residents in need include citizens requiring assistance to support their health and well-being. The ES&I equips these citizens with skills to encourage self-sufficiency and promotes economic stability and independence by providing short-term supplemental income. The division also provides financial assistance for childcare and health insurance for children under the age of 19 (for families that earn too much to qualify for Medicaid). The Division administers the following programs:

<b>ES&amp;I Programs</b>
Auxiliary Grants
Child Care
Children's Health Insurance
Emergency Assistance
Energy Assistance
General Relief
Medicaid
Refugee Assistance
Nutrition Assistance
Assistance to Needy Families
Initiative for Employment

Source: RDSS website

**Addictive Services**

The section highlights addictive services organizations in Virginia, including Virginia Council on Problem Gambling, Virginia Department of Health, and Richmond Adult Drug Court.

**Virginia Council on Problem Gambling**

The Virginia Council on Problem Gambling (VACPG) is a non-profit organization established to increase public awareness of problem gaming, while supporting the availability of treatment for gamblers and their families. The VACPG also supports research programs and other programs for prevention and education. The VACPG’s entire FY16 operating budget was only \$5,000 as it operates as an all-volunteer organization with a working five-member Board of Directors.



## ***Virginia Department of Health***

The Mission of the Virginia Department of Health (VDH) is to protect the health and promote the well-being of the citizens of Virginia. The agency's vision statement is to "Become the healthiest state in the nation." The VDH currently lacks programs directly address problem gambling.

### **Survey of Problem Gambling Services in the US**

A report called the 2016 Survey of Problem Gambling Services in the US, a joint project of the Association of Problem Gambling Service Administrators, Inc. (APGSA) and the National Council on Problem Gambling, Inc. (NCPG) discusses the status of problem gambling services in each state. The report noted the State of Virginia did not have any legislative language in place for public funding for problem gambling services. While this has changed via the VGA, the funds will not be available until gaming commences. The report highlights some minimal efforts to help problem gamblers in Virginia. For example, the Virginia Lottery used \$24,000 to contract for problem gambling helpline services and provided sponsorship to the Virginia Council on Problem Gambling and the National Council on Problem Gambling. These are very insignificant expenditures relative to other states. Virginia ranked 40th out of the 50 US states in terms of per capita public funds invested in problem gambling services.

### ***Adult Drug Court***

The Adult Drug Court (ADC) is a program within the Virginia Department of Social Services. The program is designed to reduce recidivism and drug-related crime by providing a comprehensive program of substance abuse treatment services, probation supervision, intensive court supervision and judicial monitoring for non-violent defendants. As an alternative to incarceration, the ADC is a supervised substance abuse intervention and voluntary treatment program with regular court appearances. Treatment includes drug testing, counseling, regular attendance at recovery group meetings and 12-step meetings (Narcotics or Alcoholics Anonymous).

A team approach is utilized with on-site Clinicians providing substance abuse treatment while probation officers and case managers provide supervision services. The primary goal is for individuals to lead a drug-free, productive, and law-abiding lifestyle. The program also enhances the individual's employment skills through vocational training and/or job placement services and increases their involvement in the recovery community.

## ***Conclusion***

We segregated our conclusion into two (2) components: 1. General Social Services; 2. Gambling Addiction Services.

### ***General Social Services***

We contend the State of Virginia and City of Richmond are currently well equipped from a social services perspective to absorb the incremental demand resulting from the development of the proposed Resort Facility. As discussed, and demonstrated, the Richmond Department of Social

Services and the Virginia Department of Health are solid organizations with a history of delivering quality social services to the residents of Richmond.

## ***Gambling Addiction Services***

In contrast, gambling addiction services in the region are inadequate and would need to be enhanced significantly to address problem gambling stemming from the advent of casino gaming in Richmond. The number of problem gamblers would increase as the convenience associated with full-service gaming is enhanced in Richmond. Recall, Virginia ranked 40<sup>th</sup> out of the 50 states in terms of gambling addiction services. Since casino gambling would be new to the City of Richmond and the State of Virginia, addiction services organizations under the Virginia Department of Health would need to implement specialized services tailored to gambling addiction. As discussed, the funding would be available for this purpose via the Problem Gambling Treatment and Support Fund. Also, independent organizations like the Virginia Council on Problem Gambling stand ready to assist with problem gambling prevention, treatment, and recovery effort.

### **Prevention**

The goal of prevention is to create and promote safe and healthy environments. Services should include evidence-based education programs, skills development workshops, training sessions for parents, teachers, and other professionals, positive alternative activities for youth and policy change and enforcement efforts to reduce underage drinking.

### **Treatment**

A network of treatment centers would be needed with certified providers to deliver treatment to the individuals seeking help. The government agency in charge of gambling addiction services would provide clinical practice guidance to providers and identify practical clinical models for implementation.

### **Recovery**

A comprehensive approach to recovery that embraces a lifelong process of improved health, wellness, and quality-of-life. The reintegration with family and community should be the goal of addiction services organizations.

Further, we contend the infrastructure is in place to quickly issue professional credentials to individuals meeting specific eligibility requirements and pass appropriate examinations to treat problem gamblers. For example, The Adult Drug Court could be one program the City of Richmond uses to enhance gambling addiction services. Initial research is demonstrating a link between problem gambling and other risk factors that drive other problem behaviors such as substance abuse, delinquency, teen pregnancy, school drop-out, and violence. While the link is not yet definitive, employing these same protective factors would reduce the risk for problem gambling. Structuring prevention strategies and programs to reduce certain risk factors for substance abuse would also impact other problem behaviors. Thus, a comprehensive program to address the total mental health picture may be the future of problem gambling addiction services.

## *Mitigation*

As discussed, the VGA has implemented two (2) problem gambling initiatives to help mitigate the occurrence and consequences of problem gaming, including the establishment of the Problem Gambling Treatment and Support Fund and the Voluntary Exclusion Program. These initiatives were discussed earlier in the Social Services section.

In addition, each Resort Facility operator must provide the gaming commission a problem gambling plan for approval. The plan must address the training employees, voluntary exclusion program, and dissemination of public information on problem gambling, among other requirements. RVA Entertainment Holdings, LLC has created a problem gaming plan based on industry best practices addressing all that is required.

## About the Author

Custom Consulting, LLC (DBA Custom Gaming Consulting) was founded on May 1, 2013 under the state laws of Colorado by Mr. James Oberkirsch, the sole proprietor and a 20-year veteran of the gaming industry. As President of Custom Consulting, LLC, Mr. Oberkirsch desires to offer exceptional, customized gaming market analysis at a significantly discounted price.

In addition to preparing and evaluating gaming market assessments, Mr. Oberkirsch has proven himself in the areas of highest and best use studies, hotel market assessments, financial feasibility studies, and economic impact studies for clients throughout the United States. He has successfully completed over 320 career assessments to date, in over 100 different markets: comprising 30 different states and providences.

### Education

- BSBA - Finance (University of Missouri - Columbia)
- MBA (St. Louis University)
- CPA Designation (non-practicing)

### Industry Experience

#### The Innovation Group

Prior to launching Custom Gaming Consulting, Mr. Oberkirsch was employed with The Innovation Group for eight years, arguably one of the top gaming consulting companies in the nation. He was quickly elevated to Vice President of Consulting Services, and thus was the leader for projects assigned to him. Mr. Oberkirsch not only worked in the area of gaming market analysis but also performed numerous hotel, meeting space, entertainment center and golf course market assessments.

#### Missouri Gaming Commission

As the former Chief Financial Analyst for the Missouri Gaming Commission (MGC) for seven years, Mr. Oberkirsch acted as a senior manager and member of the executive management team, where his responsibilities included tax collection and auditing, casino profitability and cash flow analysis, market feasibility studies, forecasting tax revenue and the financial reporting of gaming statistics.

## Disclaimer

Certain information included in this report contains forward-looking estimates, projections and/or statements. Custom Gaming Consulting has based these projections, estimates and/or statements on our current expectations about future events. These forward-looking items include statements that reflect our existing beliefs and knowledge regarding the operating environment, existing trends, existing plans, objectives, goals, expectations, anticipations, results of operations, future performance and business plans.

Further, statements that include the words "may," "could," "should," "would," "believe," "expect," "anticipate," "estimate," "intend," "plan," "project," or other words or expressions of similar meaning have been utilized. These statements reflect our judgment on the date they are made and we undertake no duty to update such statements in the future.

Although we believe that the expectations in these reports are reasonable, any or all of the estimates or projections in this report may prove to be incorrect. To the extent possible, we have attempted to verify and confirm estimates and assumptions used in this analysis. However, some assumptions inevitably will not materialize as a result of inaccurate assumptions or as a consequence of known or unknown risks and uncertainties and unanticipated events and circumstances, which may occur. Consequently, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material. As such, Maxim Strategy Group accepts no liability in relation to the estimates provided herein.



**Final 25 Pages - Redacted Pursuant to Va. Code § 2.2-3705.6(3)**



April 6, 2021

Leonard Sledge  
Director of Economic Development  
City of Richmond  
1500 East Main Street, Suite 400  
Richmond, Virginia 23219

Re: Respondent Response to April 1, 2021 Richmond Resort Casino RFQ/P Evaluation Panel Request

Dear Mr. Sledge,

Thank you for the opportunity to provide additional information about our project. We are pleased to share the following updates and clarify a few items as well.

Temporary Casino Advantage. As noted in our proposal, we are the only bidder that will operate a temporary casino (Phase 1) while the main casino and resort (Phase 2) is being constructed. This approach will allow us to open at least one year before our competitors with the construction of the temporary casino and the permanent facility commencing simultaneously.

\$50 Million Upfront Payment to the City. We are keen to provide funding to the City once selected to develop the ONE Casino and Resort. The first \$25 million payment will be made upon passage of the referendum to permit Class III Gaming in the City and the remaining \$25 million is a guarantee of City revenues from the operation of the temporary casino. We are so confident in the success of our temporary casino, that we are prepared to make this guarantee.

Gateway to Richmond and Hotel Upgrades.

- The ONE hotel will be positioned as a gateway to Richmond. Visitors will be welcomed by bright lights and a beautiful property with the best in entertainment awaiting them.
- In order to serve as many guests as possible the hotel will be 12 – 14 stories, which adds 100 rooms and brings the total number of rooms to 250, while still allowing for expansion opportunities. **We have added an additional 100 rooms pursuant to feedback received on our project from the community.** In addition, the hotel will now have a resort-level pool with a full-service food and beverage outlet and the ability to host live entertainment, a spa and a state-of-the-art workout facility.

Gaming Increase. We want to keep the fun going and therefore, we are increasing the number of slot machines on the gaming floor to 2,000 from 1,800 and table games will increase to 110 from 100, which now includes a 15-table poker room.





Workforce Improvements With an Average Annual Salary of \$55,000. Due to the increase in the size of the property, the number of FTEs will increase by 200. We have also set 40% participation goal with union construction and are committed to paying the prevailing wage on all construction.

Increased Revenue Share to the City. Upon additional evaluation, we will increase the Net Gaming Revenue share to the City to 3% from 2%.

Adjusted Community One Payments: We have decreased the Community One Payments to \$16 million from \$30 million, which is more in line with current commitment.

Please let us know if you require additional information and we look forward to continuing in the RFQ/P process.

Best Regards,

Alfred Liggins  
Chief Executive Officer  
Urban One





**NEW INFORMATION**

SECTION NAME WHERE THE NEW INFORMATION SHOULD BE INSERTED	NEW INFORMATION CONTENT (Note 1: Attach new images, charts, graphs, and etc. as separate pages) (Note 2: New or alternative sites will not be considered)
<p><i>Section B.3, Community Engagement Plan, Revenue Share to the City of Richmond, Page 66</i></p>	<p>RVA Entertainment Holdings, LLC (“ONE”) shall include an <b><u>upfront payment to the city of Richmond of \$50 million</u></b>. The upfront payment shall be structured as (1) \$25 million upon passage of the referendum and (2) a guarantee that the City shall receive gaming tax payments of at least \$25 million during the first year of temporary casino operations. The \$25 million guarantee shall be in lieu of the additional revenue share proposed by ONE, but only in the first year of operation. The City shall receive an additional revenue share of 3% of Net Gaming Revenue in subsequent years.</p>
<p><i>Section B.2.J, Applicant’s Proposed Casino Project, Development Timeline, page 27</i></p>	<p>As a point of clarification, <b><u>our development plan would simultaneously construct our temporary casino and the permanent resort casino</u></b>. ONE’s casino development site presents no material issues with respect to infrastructure improvements nor does it require rezoning. The <b><u>shovel-ready site</u></b> enables construction to commence within three months of passing the referendum.</p> <p>The temporary casino is expected to open twelve months following the referendum to be operational in December 2022, and <b><u>at least a full year earlier than Bally’s or Cordish</u></b>. The permanent casino would open a year later (December 2023) with the hotel/events center opening in August 2024. Our 2 phase approach, enables the earliest possible opening date and corresponding economic impacts.</p>
<p><i>March 9, 2021 Response to Evaluation Panel Questions, #17, Page 10 and Section B.2.R Applicant’s Proposed Casino Project, Employment, Page 58-59</i></p>	<p>As a result of the increase in hotel rooms by 100, 200 additional slot machines, 10 additional table games, and a resort level pool, spa and fitness center, our employee count will <b><u>increase by about 200 FTE’s</u></b> to 1,463 upon full operations.</p>



<b>SECTION NAME WHERE THE NEW INFORMATION SHOULD BE INSERTED (continued)</b>	<b>NEW INFORMATION CONTENT</b> <b>(Note 1: Attach new images, charts, graphs, and etc. as separate pages)</b> <b>(Note 2: New or alternative sites will not be considered)</b>
<i>March 9, 2021 Response to Evaluation Panel Questions, #17, Page 10 and Section B.2.R Applicant's Proposed Casino Project, Employment, Page 58-59</i>	As a point of clarification, our <b>average wage with benefits is \$55,283</b> annually. Our original submission did not factor in tipped income on the average wage rate calculation.
<i>Section B.3, Community Engagement Plan, Workforce Development Plan, Page 62</i>	ONE will <b><u>commit to a goal of using union labor for 40% of the construction project, including payment of prevailing wages.</u></b>

**(Continued on the Following Page)**





**SUBSTANTIVE CHANGES**

SECTION NAME/PAGE NUMBER OF THE ORIGINAL CONTENT	AMENDED INFORMATION CONTENT (Note 1: Attach amended images, charts, graphs, and etc. as separate pages) (Note 2: If appropriate, indicate if the information should be deleted and no longer considered) <b>(Note 3: New or alternative sites will not be considered)</b>
<i>Section B.2.A, Applicant's Proposed Casino Project, Page 10</i>	<p>ONE is modifying its development project to <b><u>increase its room count for the hotel by 100 rooms, to 250 in total.</u></b> The hotel will feature a <b><u>resort level pool, spa and fitness center.</u></b> At 12-14 stories, the hotel will provide a signature entrance to the city of Richmond, including an <b><u>electronic marquee reader board visible from the highway.</u></b></p> <p>Additionally, <b><u>we are increasing our slot machine count by 200,</u></b> or 2,000 in total. We are also <b><u>increasing our table game count to total of 110, which includes 15 poker tables.</u></b> The cost of enhancing our project is <b><u>estimated at \$20 million.</u></b></p>
<i>Section B.3, Community Engagement Plan, Revenue Share to the City of Richmond, Page 66</i>	<p>ONE is <b><u>increasing its additional proposed revenue share</u></b> with the city of Richmond <b><u>from 2% to 3%</u></b> of Net Gaming Revenue.</p>
<i>Section B.3, Community Engagement Plan, Community ONE, Pages 63-66</i>	<p>ONE is modifying its Community ONE charitable giving program from \$30 million to \$16 million over 10 years, <b><u>focusing on honoring present commitments.</u></b></p>
<i>Section B.2.H, Applicant's Proposed Casino Project, Development Cost, Page 25</i>	<p>The addition of a \$50 million upfront payment and \$20 million of project enhancements, including soft costs increases <b><u>our total project expense to over \$600 million.</u></b> The additional project expense shall be funded through a combination of debt and equity from our sponsors.</p>