

# Mass Gaming & Entertainment: Brockton Casino & Resort



DRAFT

March 2, 2015

# MASS GAMING & ENTERTAINMENT TEAM

## George Carney

- Lifelong resident of Brockton
- General manager and operator of the Brockton Fairgrounds since 1956
- Owner of Raynham Park since 1966

## Rush Street Gaming

- Built and operates casinos in Des Plaines (Chicago), Philadelphia and Pittsburgh
- Award-winning workforce of approximately 4,300 team members
- U.S. casinos exceed \$1 billion in annual gaming revenue

## Clairvest

- Successful publicly traded Toronto based investment firm since 1987
- Invested \$225 million in the gaming industry across 22 gaming properties in 3 different countries
- Partnership with Rush Street Gaming at Rivers Casino in Des Plaines, IL

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*Note: References to Rush Street Gaming include certain affiliated entities*

# NEIL BLUHM BACKGROUND



Copley Place, Boston



Chicago Mercantile Exchange Center, Chicago

# NEIL BLUHM BACKGROUND



MGM Tower, LA



900 N. Michigan Ave, Chicago



Faneuil Hall, Boston



Four Seasons, Philadelphia

# GAMING & ENTERTAINMENT DESTINATIONS

- All gaming facilities have been ground-up developments
- Approximately \$2.8 billion in total capital invested
- All completed projects were on time and on-budget



# RUSH STREET GAMING RESULTS

		Gaming Revenue	Slots/Tables	Jobs	Opened
	<b>Rivers Casino</b> Des Plaines, Illinois (Chicago)	\$426M (CY 2014)	1,027/51	~ 1,400	Jul 2011
	<b>SugarHouse Casino</b> Philadelphia, Pennsylvania	\$265M (CY 2014)	1,613/83	~ 1,200	Sep 2010
	<b>Rivers Casino</b> Pittsburgh, Pennsylvania	\$346M (CY 2014)	2,981/113	~ 1,700	Aug 2009
	<b>Rivers Casino &amp; Resort</b> Schenectady, New York	\$223M (Estimate)	1,150/66	~ 1,200	TBD
	<b>Fallsview Casino Resort*</b> Niagara Falls, Ontario	C\$566M (OLG FY 2014)	4,562/172	~ 4,100	Jun 2004

\*Fallsview Casino Resort was developed and is managed by Falls Management Company (FMC), of which Neil Bluhm and Greg Carlin are co-founders and board members. Neil Bluhm is Chairman of FMC. Fallsview Casino Resort's revenue and job figures are reported on a consolidated bases with Casino Niagara, which FMC also manages.

Note: Numbers of gaming positions and jobs are subject to change.

# RIVERS CASINO IN DES PLAINES, IL



# SUGARHOUSE CASINO IN PHILADELPHIA, PA



# RIVERS CASINO IN PITTSBURGH, PA



# NEW CASINO RESORT IN SCHENECTADY, NY

- Selected in highly competitive process in December 2014 to build and operate the only casino resort in the New York Capital Region



# FALLSVIEW CASINO RESORT IN ONTARIO, CANADA



# AWARD-WINNING DESTINATIONS

READER | 2014



- **Rivers Casino – Des Plaines, IL**
  - Best Casino for three years running (*Chicago Reader*)
  - One of Chicago's Top 20 Workplaces for three years running (*Chicago Tribune*)

- **SugarHouse Casino – Philadelphia, PA**
  - Top Three for Best Places to Work for four years running (*Philadelphia Business Journal*)
  - One of Philadelphia's Top 20 Workplaces for three years running (*Philadelphia Inquirer* and *Daily News*)



- **Rivers Casino – Pittsburgh, PA**
  - Best Overall Gaming Resort in Pennsylvania for five years running (*Casino Player Magazine*)
  - Best Overall Casino in Pennsylvania for three out of four years (*Strictly Slots*)
  - One of Pittsburgh's Best Places to Work in 2014 (*Pittsburgh Business Times*)



- **Fallsview Casino Resort – Ontario, Canada**
  - Ontario's Favorite Casino for six consecutive years (*Toronto Sun*)
  - CAA Four-Diamond Award — Fallsview Hotel, Ponte Vecchio & 21 Club (AAA/CAA Diamond Awards)
  - Environmental Leadership Award (Niagara Business Achievement Awards)

# A GREAT PLACE TO WORK

- All Rush Street Gaming casinos were voted 2014 “Best Places to Work” by their team members
- Competitive wages and benefits, including comprehensive medical, immediate 401K vesting, and tuition reimbursement
- Ongoing career development, training, education and wellness programs
- Approximately 1,900 team members promoted since opening; 425 team members promoted in the past year

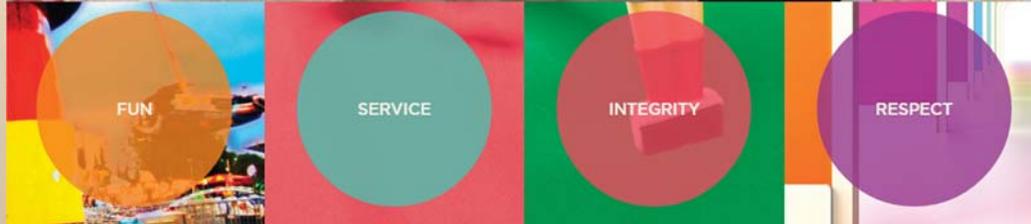


# COMMITMENT TO DIVERSITY

	<u>Female</u>	<u>Minority</u>
Des Plaines	43%	54%
Philadelphia	41%	52%
Pittsburgh	40%	28%
VP and up	48%	36%

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# A GREAT PLACE TO WORK

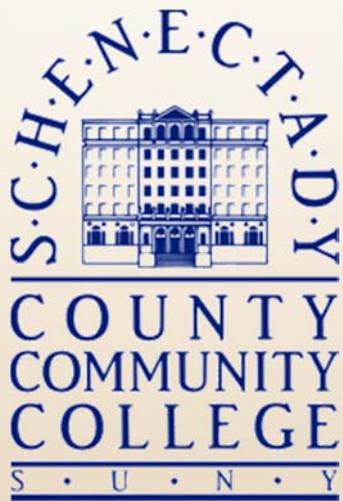


# COMMITTED TO QUALITY JOBS FOR THE UNEMPLOYED



- Strong ties to community job training organizations

- refugeeOne
- The Cara Program
- CareerLink
- Life's Work of Western PA
- Urban League of Philadelphia



- Partnerships with local community colleges



Urban League of Philadelphia

*Empowering Communities.  
Changing Lives.*

# COMMITTED TO GREEN DESIGN & SUSTAINABILITY



## RIVERS CASINO

DES PLAINES, IL

**First casino in the world  
certified LEED Gold**



# SPURRING ECONOMIC DEVELOPMENT

- **SugarHouse Casino, Philadelphia**
  - Since opening, average housing rents have increased 41%<sup>1</sup> (5<sup>th</sup> highest increase in Philadelphia) in the Fishtown Neighborhood
- **Rivers Casino, Pittsburgh**
  - Since opening, the North Shore neighborhood has experienced significant new development
    - Three new hotels
    - Three corporate headquarters
    - Light rail
    - Stage AE
- **Rivers Casino, Des Plaines**
  - Since opening, the Des Plaines area has experienced substantial new development
    - Mixed-use development a block south of Rivers Casino in Des Plaines<sup>2</sup>
      - 155 room hotel
      - 150,000 sq. ft. office space
    - New entertainment park featuring a bowling alley and restaurants opened in 2012
    - New fashion outlet mall opened in 2013

<sup>1</sup>Source: State of the Philadelphia Housing Market, September 17, 2014 Fels Institute of Government

<sup>2</sup>Source: Rosemont to build new hotel, offices – Daily Herald

# A GOOD NEIGHBOR

- **Pittsburgh**

- “There have been ‘no adverse effects’ from its proximity, not to lighting, to traffic, or to anything else”
  - Ann Metzger, Carnegie Science Center’s Co-Director

- **Des Plaines**

- “We have virtually no crime at the casino”
  - Nick Treantafeles, Deputy Chief of Police, Des Plaines, IL

- **Philadelphia**

- “In actual fact, there was a reduction in burglary offenses and a reduction in drug crime as well in the surrounding area”
  - Jerry Ratcliffe, Chairman of Temple University's Criminal Justice Department

*Source: After 5 years, Rivers Casino seen as good neighbor – Pittsburgh Post-Gazette*  
*Source: No increase in crime in SugarHouse casino area, Philly study finds — NewsWorks*

# MASSACHUSETTS GAMING COMMISSION REGIONS



# BROCKTON SITE



# PRELIMINARY PROJECT PROGRAM

- Approximately \$650 million Project Investment
- Estimated 240,000 sq. ft. gaming facility featuring the following:
  - ~ 2,000 slots
  - ~ 100 table games
  - Poker room
  - Exclusive VIP areas
  - Expansive restaurant offerings
- Approximately 25,000 sq. ft. multifunction event and entertainment space
- Estimated 250 room hotel including suites
  - Spa
  - Health club
  - Pool
- Estimated 3,000 parking spaces including parking garage

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# PROJECT EMPLOYMENT

- **Brockton Jobs**
  - Hiring preference for construction and permanent jobs
  - Hold career / job fair in Brockton to highlight construction job opportunities
  - Train properly qualified individuals through MGE's training programs
- **Construction Jobs (Direct)** : Estimate more than 1,400 construction jobs from various trades
- **Permanent Jobs (Direct)**: Estimate more than 1,500 permanent jobs at the Project

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*This is a fair, concise summary of the Agreement, a complete copy of which is available on the City's website at: [www.brockton.ma.us](http://www.brockton.ma.us).*



RUSHSTREET  
GAMING

# BROCKTON LOCAL BUSINESS

- Utilize properly-qualified, price-competitive local contractors and suppliers
- Assist local vendors in satisfying any applicable Gaming Commission requirements
- Spend at least \$50,000 annually to purchase gift cards/vouchers to be redeemed at Brockton businesses as part of the rewards/marketing/loyalty program
- Hold vendor fair in Brockton to educate local vendors about Project opportunities
- Rush Rewards Plus: Players will access promotions at local businesses



# BROCKTON FINANCIAL BENEFITS

- \$3 million Community Enhancement Fee in three installments
- Annual Payments<sup>1</sup> equal to the greater of \$10 million or 2.25% of gaming revenues annually
  - 80% as a PILOT for all Real and Personal Property Taxes
  - 15% as a Community Impact Fee
  - 5% as a contribution to the Brockton Community Foundation
- Hotel and meals taxes generated by the Project
- Impact Studies to assess Project impacts on the City's traffic, utilities, public safety and on the City generally, including schools and housing

<sup>1</sup> Assumes no tribal casino

# BROCKTON WINS

- Approximately \$650 million Project Investment
- Meaningful and ongoing economic boost
- Creating jobs for Brockton
- Significant revenue generation for local community
- Expansion of tourism

A great partnership