



Gaming Facility Location Board

To: Gaming Facility License Applicants
From: Gaming Facility Location Board
Date: October 1, 2025
Re: Supplement Return Date Materials (Supplement #2)

Pursuant to Racing, Pari-Mutuel Wagering and Breeding Law Section 1321-j, the Board shall conduct an analysis of the revenue impact of each Applicant's proposed gaming facility on existing facilities and potential facilities. To this end, as summarized in the Board's Request For Materials (RFA) on pages 57 and 58, each Applicant is required to submit five documents and files ("Materials") labeled "Supplement #2" no later than 4 p.m. Eastern Daylight Savings Time on October 14, 2025 (Supplement Return Date). The Submit (.ZoningCompliance) component shall be submitted separately from this Supplement #2 submission.

The Applicant must ensure the Board's receipt of the completed Materials no later than the Supplement Return Date by providing the following:

- Completed Materials digitally provided via the Commission's high-speed file transfer system. The Commission will send (via email from Kristen Buckley and/or Lee Park) upload invitations for Aspera MySend at least one week in advance of the Supplement Return Date to Applicant representatives.
- Two USB flash drives (or other similar hard drive), each with Materials physically delivered to the Commission's Office.
- One hard copy of the Materials physically delivered to the Commission's Office.

The Board shall have no obligation to accept or review any Materials received after the established deadline.

Submit (.ExecutiveSummary.Supplement)

An Amended Executive Summary, not to exceed four pages in length, must be provided. This document must detail the proposed tax rate(s) and changes to revenue/financial information from the original Executive Summary. The revenue information shall be based on:

- Low — Three commercial casino licenses awarded.
- Average — Two commercial casino licenses awarded.
- High — The Applicant is the only commercial casino licensee awarded a license.

A clean version of this document, and a marked version of this document that tracks changes from the .Executive Summary document previously submitted. No changes to any other metrics or redactions from the original Executive Summary will be accepted.

Submit (.StateLocalRevenue.Supplement)

There are three key deliverables for this component: State and Local Revenue Worksheet Matrix (attached); Updated Summary Narrative of Total Gaming Revenue; and Dynamic Financial Model.

The State and Local Revenue Worksheet Matrix

The purpose of this worksheet is to gather input from each Applicant on various competitive scenarios, in particular the Applicant's estimate of total gaming revenue and gaming tax within each competitive scenario, as well as the estimated impacts on existing facilities. This will allow the Board to analyze, for each scenario, the estimated incremental tax revenue that would be directed to education, MTA and localities. The worksheet has two tabs, each with three sub-components, specifically:

- Tab 1: Gross Gaming Revenue and Tax Rate. The Applicant shall provide the GGR for their facility, and any other commercial casino licensees, where applicable, and tax rate, total gaming tax revenue, total net revenue, EBITDARM, EBITDARM Margin Percentage and total annual patronage figures for their facility under each potential competitive scenario categorized as follows:
 - 1A (Low) — Three commercial casino licenses awarded.
 - 1B (Average) — Two commercial casino licenses awarded.
 - 1C (High) — The Applicant is the only commercial casino licensee awarded a license.

In addition, the Applicant must provide the Net Win for RWNYC and MGM, if they remain as VLTs for each scenario.

Note: The Applicant must complete all scenarios that include the Applicant and:

- All figures shall be based on Year 3 of operations. Indicate the actual year on the Excel sheet.
 - Tax rate(s) may be the same tax rate as in the Return Date submission (25 percent slot tax rate and 10 percent tax rate on all other sources) or a higher tax rate. The tax rate for the other commercial casino licensees shall be the same as the Applicant's tax rate in each scenario. The Applicant shall take into consideration all applicable costs, including the gaming regulatory fees, background costs, hold harmless amounts, and the license fee when selecting a tax rate.
 - Revenues cannot be less than what was provided in the Return Date submission for the low-case basis.
 - Definitions for the various terms on the sheet are provided in this memo.
- Tab 2: Revenue Impact on Existing Facilities. The Applicant shall provide the potential negative impact on current VLT facilities and commercial casinos. **Note: For existing facilities, the Applicant's forecast model shall assume the net win/GGR for FY 2025 (as shown on Row 5) with no growth.** Resorts World New York City (RWNYC) net win includes the net win from Nassau OTB machines housed at their facility. This will provide a consistent baseline to analyze all Applicants' impacts on current facilities.
 - Applicants will enter their estimates of net win/GGR impacts for each gaming venue included in each competitive scenario. The scenarios are identical to Tab 1 (i.e., A = Low, B = Average, and C = High); certain cells are pre-populated when an existing VLT is converted to a commercial casino.
 - Applicants have been provided the most recent fiscal year's net win/GGR for VLT facilities (RWNYC, MGM Empire City and Jake's 58) and Resorts World Catskills to use as the baseline to estimate the revenue impacts. If impacts are expected on other New York State gaming venues, these shall be identified by the Applicant.

Updated Summary Narrative of Total Gaming Revenue

The Applicant shall provide an updated summary narrative of:

- Total gaming revenue under each of the scenarios as outlined in Tab 1.
- The gaming revenue impact on existing facilities for each of the scenarios, where applicable in Tab 2.

Note: None of the proposal parameters submitted in the first submission (including but not limited to: jobs, capital investment, gaming facility of the highest caliber) shall be amended based on the tax rate(s) selected by the Applicant.

Dynamic Financial Model

The Applicant shall submit one dynamic financial model for three of the competitive scenarios in the downstate market as follows:

- Three fully licensed facilities and one VLT facility (assumes either RWNYC or MGM Empire City receives a full casino license and the other continues to operate as a VLT facility).
- Three fully licensed facilities without VLT facilities (assumes RWNYC and MGM Empire City each receive a casino license).
- Two fully licensed facilities and one VLT facility (assumes either RWNYC or MGM Empire City receives a full casino license and the other continues to operate as a VLT facility).

Such financial model shall be similar to the format required and provided as part of the .Financial file(s) submitted with the Applicant's RFA, which shall include an income statement, balance sheet, statement of cash flow and key assumptions as discussed in the RFA.

Such financial model shall be dynamic so that the Board may change key revenue and expense assumptions to run sensitivity analyses within the three model scenarios listed above and be able to analyze and tie the calculations and formulas used in the model. To the extent supporting tabs, worksheets or data are required to make the supplied model functional in the supplied file format, those supporting tabs, worksheets and data must also be included.

Submit (.MarketStudy.Supplement)

An Applicant must submit a full independent market study that explains the model or methodology used to derive the projections, identify the sources and robustness of input data, report the results of projections and include a comparison of those results to actual observed visitation and revenue performance against the most comparable gaming facilities in other jurisdictions for which data are available. The revenue information shall be based on:

- Low — Three commercial casino licenses awarded.
- Average — Two commercial casino licenses awarded.
- High — The Applicant is the only commercial casino licensee awarded a license.

Please include the name and background information of the independent expert.

Submit (.RevenueStudy.Supplement)

An Applicant must submit a study completed by an independent expert providing projections for all estimated State, county and local tax revenue (e.g., gaming, sales, income, real estate, hotel, entertainment and other taxes) for the first 10 years for the highest GGR revenue-producing scenario identified in the Tab 1A (Low) – GGR and Tax Rate in State and Local Revenue Supplement worksheet. This shall be only for one scenario.

The study shall include a description of the background conditions in the comparable year (i.e., assuming economic conditions and demographics continue to develop as to trend without the Applicant's proposed Gaming Facility) and build scenario with express enumeration of assumptions. Please include the name and background information of the independent expert.

Submit (.Competitive10Years.Supplement)

An Applicant must submit a description of the competitive environment in which the Applicant anticipates the proposed Gaming Facility will operate over the 10 years after opening and how the Applicant plans to succeed in such environment while limiting the impact on revenues at other New York gaming establishments (e.g., commercial casinos, video lottery gaming facilities, tribal casinos, racetracks) or other New York businesses. The Applicant shall also describe how it intends to expand the relevant market by bringing in new visitors, as opposed to merely shifting visitors from existing gaming venues in the region.

TERMS USED FOR SUPPLEMENT WORKSHEET

Terms used in Tab 1

Other Sources Applicant Tax Rate	The tax rate selected for all forms of gaming other than slot machines. The tax rate shall be shown as a percentage of all other gaming revenue.
EBITDARM	Earnings before interest, taxes, depreciation and amortization, rent, and management fee expenses.
EBITDARM Margin %	EBITDARM as a percentage of Net Revenue.
Gaming Tax Revenue	Multiply the GGR by the applicable tax rate.
Gross Gaming Revenue (GGR)	The net revenues remaining after payout to players. Used on the commercial casino reports.
MGM	Empire City Casino by MGM Resorts
MTA	Metropolitan Transportation Authority
Net Revenue	Gross revenues from all activities of the applicant's proposed facilities (including but not limited to gaming, hotel, food and beverage, entertainment, and other activities), less adjustments for promotional allowances and free play expenses.
Net Win	The net revenues remaining after payout of prizes to players. Used on the VLT reports. Also referred to as Net Machine Income (NMI).
RWNYC	Resort World New York City Casino (Nassau OTB machines are housed at this facility)
Total Annual Patronage	The total visitors to the gaming floor of the casino annually.

Terms used in Tab 2

Commercial Casino	Del Lago Resort & Casino, Resorts World Catskills, Rivers Casino & Resort at Mohawk Harbor and Tioga Downs Casino, Racing & Entertainment
Existing Facilities	VLTs and commercial casinos
VLTs	Resorts World New York City Casino (includes Nassau OTB machines), Empire City Casino by MGM Resorts, Saratoga Casino Hotel, Finger Lakes Gaming & Racetrack. Resorts World Hudson Valley, Hamburg Gaming at the Fairgrounds, Vernon Downs Casino Hotel, Batavia Downs Gaming and Jake's 58 Hotel & Casino