



RIVERWALK CASINO



Harrisburg, Pennsylvania

Presentation to:
Pennsylvania Gaming Control Board



THE HOME TEAM

Willie Johnson

Chairman, PRWT Services

Chairman, Pennsylvania Partnership Group

Chairman, Riverwalk Casino



INTRODUCTION

Robert Earl

Chairman / CEO, Planet Hollywood International

Partner, BHM Gaming Opportunities

Partner, FIFTY London

THE PARTNERS: WHO WE ARE

Pennsylvania
Partnership
Group, LP

BHM Gaming
Opportunities, Ltd.
Affiliates and
Investors

Riverwalk
Casino, LP






THE PENNSYLVANIA PARTNERSHIP GROUP

William R. Miller, IV
Chairman, Ross & Associates
Former Tax Reform Commissioner
Chairman of Philadelphia Forward



THE PENNSYLVANIA PARTNERSHIP GROUP

- 51% ownership of Riverwalk Casino
 - Diverse group of Philadelphians demonstrating through community service, public service and business achievements, a dedication to promote and contribute to the City's growth and vitality
 - Only gaming applicant owned by a majority-minority from Philadelphia, a city populated by 52% minorities
- 



THE PENNSYLVANIA PARTNERSHIP GROUP

Our Mission

- Invest significant resources into our communities, educate our children and create capital and opportunities for local businesses
 - Provide financial support to those institutions and organizations serving our communities
 - Empower those who have historically been disadvantaged economically
 - To secure a Philadelphia casino in the hands of Philadelphians
- 



THE PENNSYLVANIA PARTNERSHIP GROUP

Business leaders, public servants and community advocates with a unique sensitivity as to the needs of all Philadelphians. Collectively, PPG members and their businesses have:

- Over 500 years of combined local business experience
- Contributed millions of dollars to the Philadelphia tax base
- Employ over 5,000 people in the Commonwealth
- Negotiated millions of dollars of union contracts
- Represent the only applicant where the majority of its members are minority Philadelphians with a proven commitment to their community
- Received numerous awards and appointed to many of the most influential boards in their City and communities



THE PENNSYLVANIA PARTNERSHIP GROUP

Some of the successful Philadelphian business and civic leaders affiliated with the Pennsylvania Partnership Group:

- Willie F. Johnson
 - Renee J. Amoore
 - William E. Anderson
 - Joseph T. Ashdale
 - Frank G. Canty
 - Dennis Cook
 - Whytni Kernodle-Frederick
 - Mary V. Lawton
 - Thomas A. Leonard
 - Charles Lomax
 - William R. Miller IV
 - Bernard W. Smalley
 - Samuel Staten
 - John Tipton
 - Kenneth Trujillo
 - Herman M. Wooden
- 



SELECTION OF OPERATOR

John Tipton
Former Gaming Regulator
Former Colorado State Cabinet Member
Attorney



THE PENNSYLVANIA PARTNERSHIP GROUP

John Tipton

- Experienced Gaming Regulator, Attorney, Business Executive and Educator
- Created and Directed the Colorado Division of Gaming
- Adjunct Law Professor, University of Denver College of Law
- A practicing attorney for over 30 years and a member of the Colorado and Pennsylvania Bars
- Member of the International Association of Gaming Attorneys
- Served as Chief Executive Officer, President and General Counsel to several international gaming companies



THE PENNSYLVANIA PARTNERSHIP GROUP


John Tipton

- Instrumental member of Colorado Governor Ray Romer's cabinet in drafting the Colorado Limited Gaming Control Act
 - Created and directed Colorado Division of Gaming which includes gaming licensing, regulation and enforcement
 - Helped select and facilitate the appointment of the initial members of the Colorado Limited Gaming Control Commission
 - Personally conducted background investigations for determination of suitability and licensing of many initial gaming licensees in Colorado
- 



THE PENNSYLVANIA PARTNERSHIP GROUP


Selecting an Operator

- Experienced in licensing, regulatory and operating aspects of the gaming industry
 - Engaged by PPG to find first-rate gaming operator
 - Researched, assessed and interviewed countless gaming operators
 - Chose BHM Gaming Opportunities
- 



THE PENNSYLVANIA PARTNERSHIP GROUP

Reasons PPG chose BHM Gaming Opportunities

- Willing to keep control in hands of Philadelphians
 - Great chemistry among the partners
 - Robert Earl's success in developing large tourism projects
 - Doug Teitelbaum's proven ability to finance large projects
 - Las Vegas sister property to generate buzz for Riverwalk
 - Ability to attract first class gaming management like Pat McKoy and Mike Mecca
- 

THE PENNSYLVANIA PARTNERSHIP GROUP

Questions





THE OPERATING GROUP

Doug Teitelbaum

Managing Partner, Bay Harbour Management, LC

Co-Chairman, Planet Hollywood Resort & Casino, Las Vegas

Partner, BHM Gaming Opportunities



THE OPERATING GROUP

BHM Gaming Opportunities, Ltd:

- Junior Partner of Riverwalk Casino, LP
- Operator of Riverwalk Casino
- Controlled by Doug Teitelbaum and Robert Earl





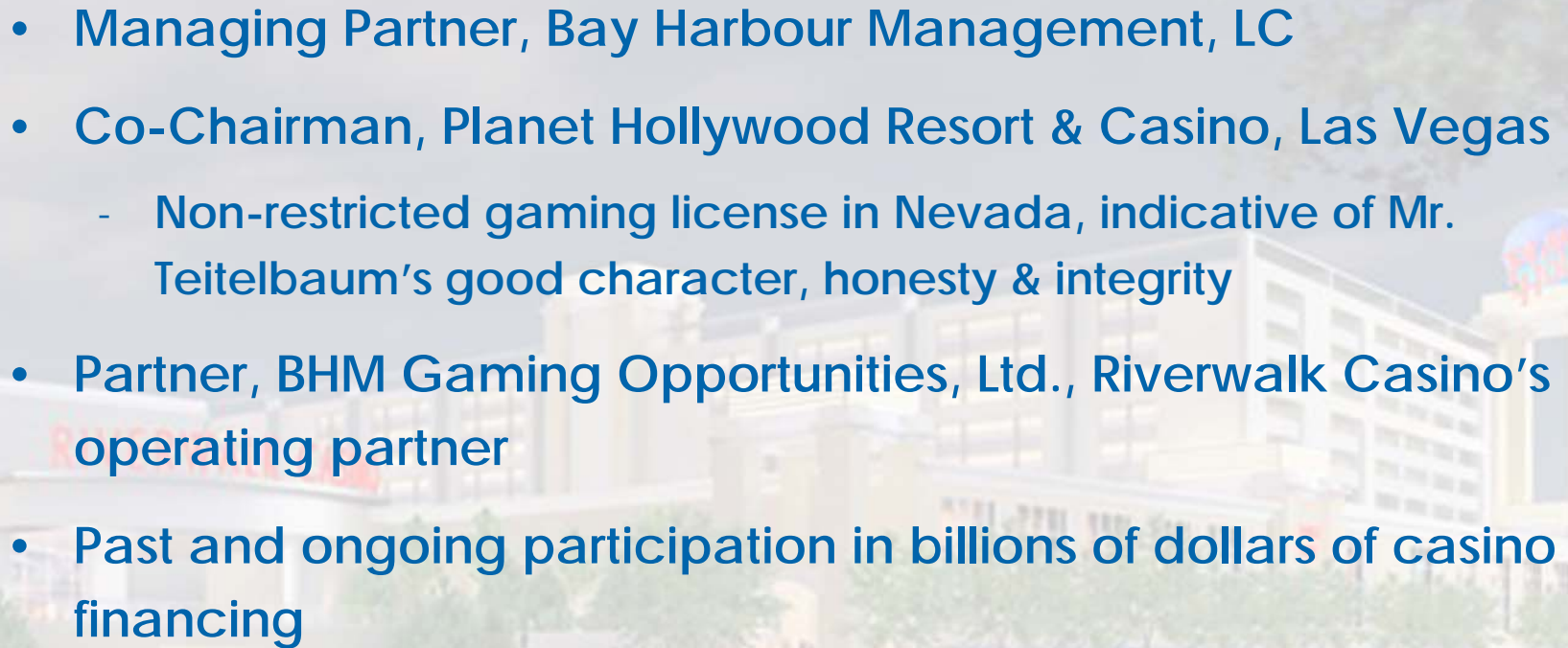
GAMING EXPERIENCE

- The partnership has over 100 years experience in the gaming and tourism industry in Las Vegas, London, Detroit, Atlantic City, Colorado, Australia and The Bahamas
 - Doug Teitelbaum
 - Robert Earl
 - John Tipton
 - Patrick McKoy
 - Peter Ruchser





DOUG TEITELBAUM

- Managing Partner, Bay Harbour Management, LC
 - Co-Chairman, Planet Hollywood Resort & Casino, Las Vegas
 - Non-restricted gaming license in Nevada, indicative of Mr. Teitelbaum's good character, honesty & integrity
 - Partner, BHM Gaming Opportunities, Ltd., Riverwalk Casino's operating partner
 - Past and ongoing participation in billions of dollars of casino financing
- 




ROBERT EARL



- Chairman / CEO, Planet Hollywood International
- Co-Chairman, Planet Hollywood Resort & Casino, Las Vegas
 - Non-restricted gaming license in Nevada, indicative of Mr. Earl's good character, honesty & integrity
- Partner, BHM Gaming Opportunities, Ltd., Riverwalk Casino's operating partner
- Partner, FIFTY London
- Significant, long-term Hollywood and celebrity relationship base
- Long standing relationships in tourism industry
- Expertise in marketing and public relations

Mr. Mecca is illustrative of the type of management that the Operating Group is able to attract

- CEO, Planet Hollywood Resort & Casino, Las Vegas
 - 30 years experience in gaming and lodging industry, including:
 - SVP of Caesars World, Caesars Entertainment, Inc.
 - Chief Operating Officer, Crown Casino, Ltd.
 - VP Operations, Mandalay Bay Resort & Casino
 - Chief Operating Officer, Greektown Casino, Detroit
 - General Manager, Green Valley Ranch
- 



PATRICK MCKOY



- President / CEO, Riverwalk Casino, LP
- Full-time CEO hired in October 2005, first of any Applicant & one year before any other Applicant
- 26 years experience in gaming industry
- Former EVP Operations, Bally's, Caesars and Hilton casinos in Atlantic City
- Gaming license in New Jersey
- Experienced in operations, marketing, finance, administration and regulatory affairs



PETER RUCHSER

- Gaming Consultant
 - Proposed Vice President of Slot Operations
 - 26 years experience in gaming industry
 - Former VP Slot Operations for Caesars, Hilton and Harrah's casinos in Atlantic City
 - Gaming license in New Jersey
 - Experienced in all aspects of slot operations, internal controls, and administration
- 



MANAGEMENT TEAM

Building the Best Management Team in Philadelphia

- Riverwalk Casino has dedicated management team
 - Other Applicant management teams may be strained by high number of new and expansionary projects
 - Operating Group focused on developing a superior management team, as it has demonstrated in the past and has already begun to assemble in Philadelphia
 - Began appointing senior executives 13 months ago, one year before any other Applicant
 - Patrick McKoy, President / CEO
 - Peter Ruchser, Proposed VP Slot Operations
- 



EXPERIENCE

Robert Earl

Chairman / CEO, Planet Hollywood International

Co-Chairman, Planet Hollywood Resort & Casino, Las Vegas

Partner, BHM Gaming Opportunities

Partner, FIFTY London



HISTORY & SUCCESS IN DEVELOPING TOURISM FACILITIES

For over 30 years, Mr. Earl has focused on developing tourism facilities and attractions

- President Entertainment
 - Specialized in restaurants, dinner shows and other entertainment venues in the United Kingdom and United States
- Pleasurama PLC
 - Developed several dinner shows and entertainment complexes
 - Acquired Hard Rock Café and expanded the brand worldwide
 - Water Country USA, theme park in Virginia
- Planet Hollywood
 - Restaurants in cities around the world including New York's Times Square, London's Piccadilly Circus, Paris and Tokyo

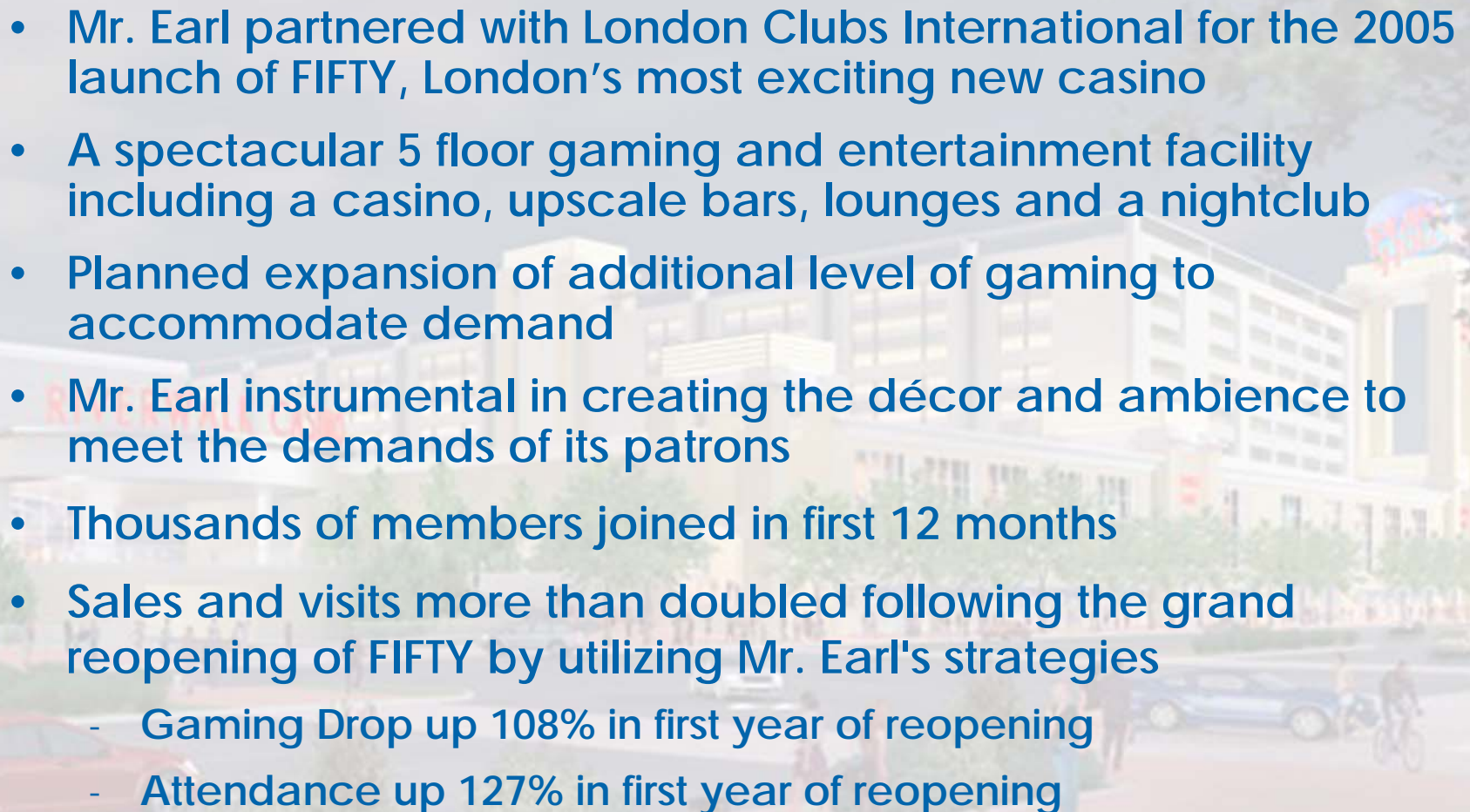


HISTORY & SUCCESS IN DEVELOPING TOURISM FACILITIES

- Hard Rock Café – Universal Studios Florida
- Developments at Disney Locations
 - Planet Hollywood – 3 Disney locations & 2 stand-alone retail shops
 - All Star Café at Disney's Wide World of Sports
 - Earl of Sandwich fast-casual restaurant
 - Combined cost of these developments in excess of \$45 million
- Grupo ECE, a Mexican Company specializing in themed restaurants
 - Exclusive licensee of Hard Rock Café, Rainforest Café and Planet Hollywood brands in Mexico
 - Restaurants and retail shops in destinations such as Cancun, Cozumel and Cabo San Lucas



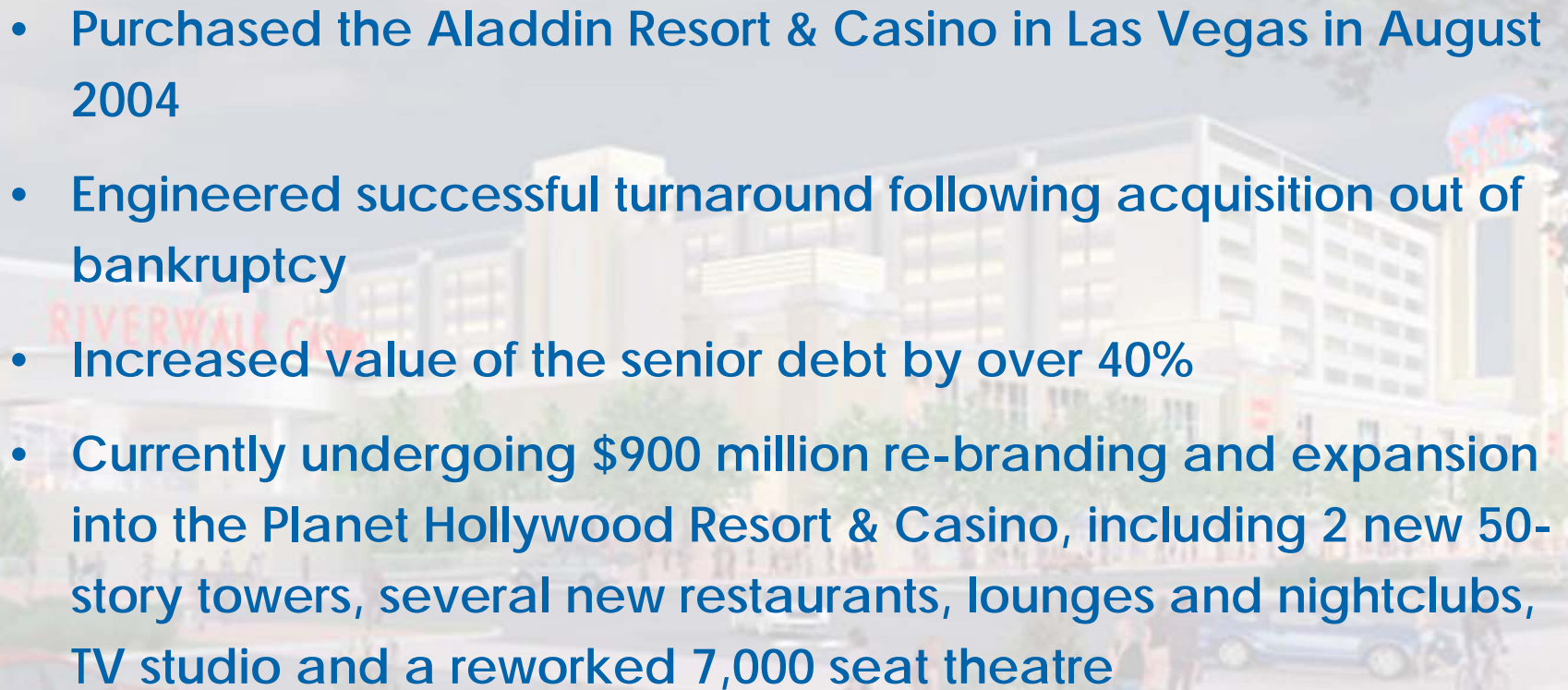
FIFTY LONDON

- Mr. Earl partnered with London Clubs International for the 2005 launch of FIFTY, London's most exciting new casino
 - A spectacular 5 floor gaming and entertainment facility including a casino, upscale bars, lounges and a nightclub
 - Planned expansion of additional level of gaming to accommodate demand
 - Mr. Earl instrumental in creating the décor and ambience to meet the demands of its patrons
 - Thousands of members joined in first 12 months
 - Sales and visits more than doubled following the grand reopening of FIFTY by utilizing Mr. Earl's strategies
 - Gaming Drop up 108% in first year of reopening
 - Attendance up 127% in first year of reopening
- 



PLANET HOLLYWOOD RESORT & CASINO

The Operating Group:

- Purchased the Aladdin Resort & Casino in Las Vegas in August 2004
 - Engineered successful turnaround following acquisition out of bankruptcy
 - Increased value of the senior debt by over 40%
 - Currently undergoing \$900 million re-branding and expansion into the Planet Hollywood Resort & Casino, including 2 new 50-story towers, several new restaurants, lounges and nightclubs, TV studio and a reworked 7,000 seat theatre
- 

PLANET HOLLYWOOD RESORT & CASINO

Success in Las Vegas

- Achieved 98% occupancy and increased room rates during renovation
- In the first 12 months of ownership:
 - 8% increase in gaming revenue
 - 7% increase in room rates
 - 2% percentage point increase in operating margin
- Purchased for \$645 million, the Aladdin was recently appraised at over \$1 billion, a significant increase in the approximately 2 years since it was acquired



BHM Gaming Opportunities

“They are a good operator. If you look at the numbers they’ve posted... it speaks to the strength of their abilities.”

-Andrew Zarnett
Gaming-industry Analyst
Deutsche Bank AG



THE OPERATING GROUP & GAMING EXPERIENCE

Questions





MARKETING & BUSINESS PHILOSOPHY

Robert Earl

Chairman / CEO, Planet Hollywood International

Co-Chairman, Planet Hollywood Resort & Casino, Las Vegas

Partner, BHM Gaming Opportunities

Partner, FIFTY London



SUCCESS IN THE CASINO INDUSTRY

- Planet Hollywood Resort & Casino, Las Vegas
 - Entertainment-centric. Recent events include:
 - Radio Music Awards
 - 2006 Miss America Pageant
 - TV Shows such as NBC's The Biggest Loser, MTV's Summer of Fun and WB's Beauty & The Geek
 - Performances such as Bob Dylan, Blondie, Lionel Richie, Stevie Wonder, Kelly Clarkson, INXS, Gwen Stefani and Maroon 5
- FIFTY, London
 - Wide media acclaim as London's most talked about new casino
 - Over 4,500 members



MARKETING & BUSINESS PHILOSOPHY

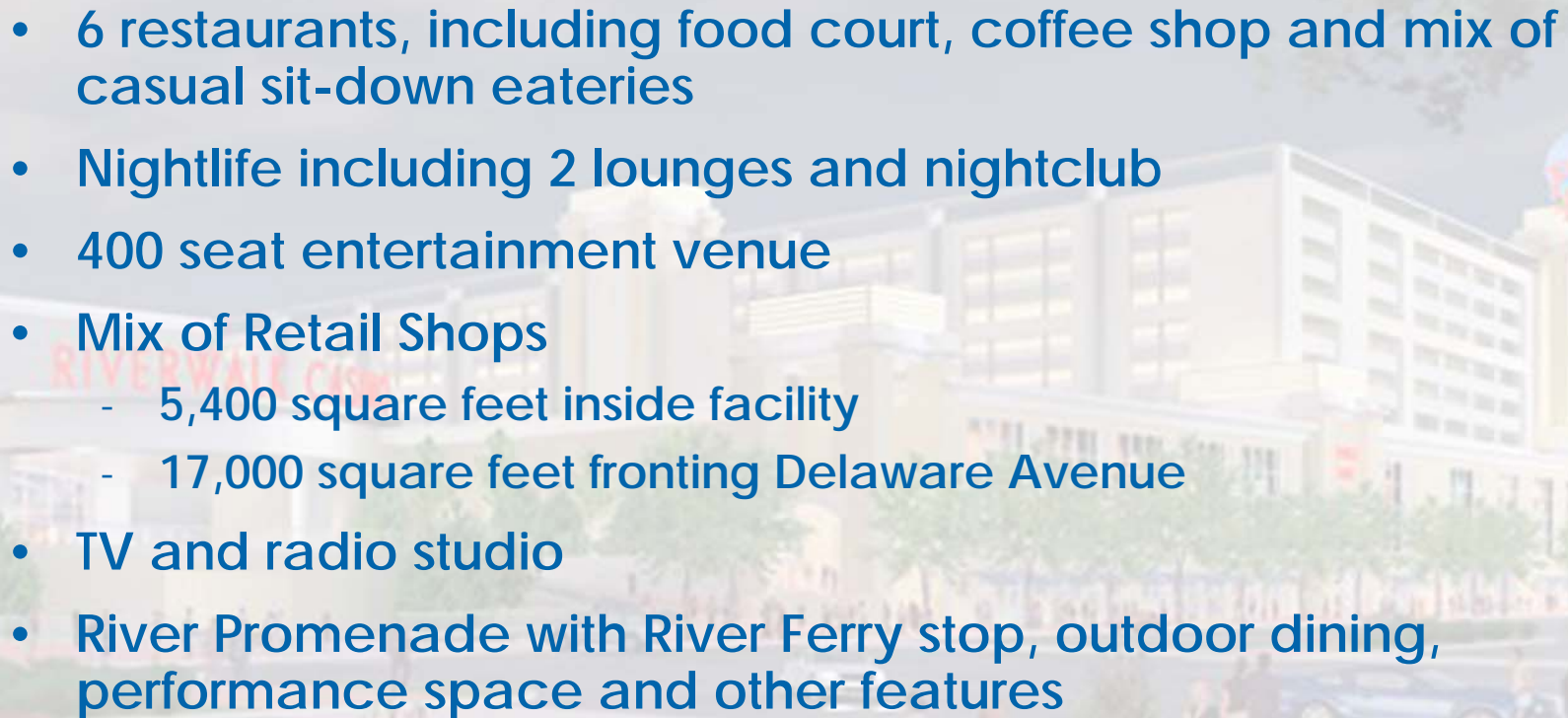
Entertainment is Key to Success

- Operating Group experienced in developing successful companies and brands
 - Experience shows customers are drawn by a project's entertainment options
 - In Las Vegas and London, the Operating Group assembled world-class concepts and managers to provide the best customer experience in those markets
- 



MARKETING & BUSINESS PHILOSOPHY

Wide Range of Dining & Entertainment Options

- 6 restaurants, including food court, coffee shop and mix of casual sit-down eateries
 - Nightlife including 2 lounges and nightclub
 - 400 seat entertainment venue
 - Mix of Retail Shops
 - 5,400 square feet inside facility
 - 17,000 square feet fronting Delaware Avenue
 - TV and radio studio
 - River Promenade with River Ferry stop, outdoor dining, performance space and other features
- 



MARKETING & BUSINESS PHILOSOPHY

Designed for the Market

- Local customer
- Philadelphia Tourists
- Not a gaming destination, but an entertainment destination
- Same gaming floor as everyone else, so it is essential to compete on entertainment and excitement
 - Includes ancillary attractions conducive to gaming, including restaurants, lounges and a nightclub

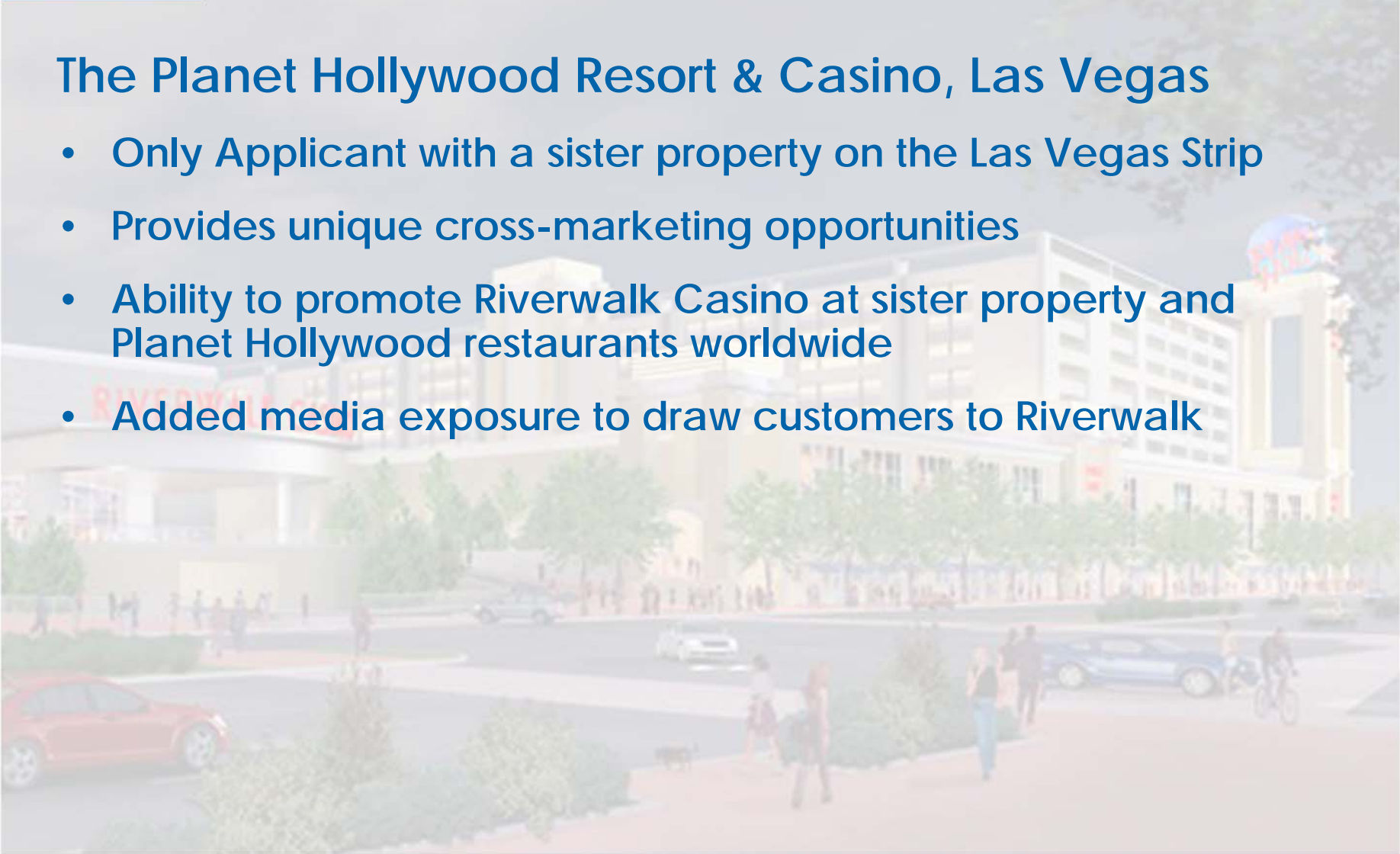




SISTER PROPERTY IN LAS VEGAS

The Planet Hollywood Resort & Casino, Las Vegas

- Only Applicant with a sister property on the Las Vegas Strip
- Provides unique cross-marketing opportunities
- Ability to promote Riverwalk Casino at sister property and Planet Hollywood restaurants worldwide
- Added media exposure to draw customers to Riverwalk





MARKETING & BUSINESS PHILOSOPHY

The high mix of entertainment options combined with the Operating Group's successful marketing and positioning will enable Riverwalk Casino to generate and sustain an optimal level and growth of revenue





MARKETING & BUSINESS PHILOSOPHY

Riverwalk is prepared to compete with Atlantic City

**Save The
Hour**



RIVERWALK CASINO





SAVE THE HOUR

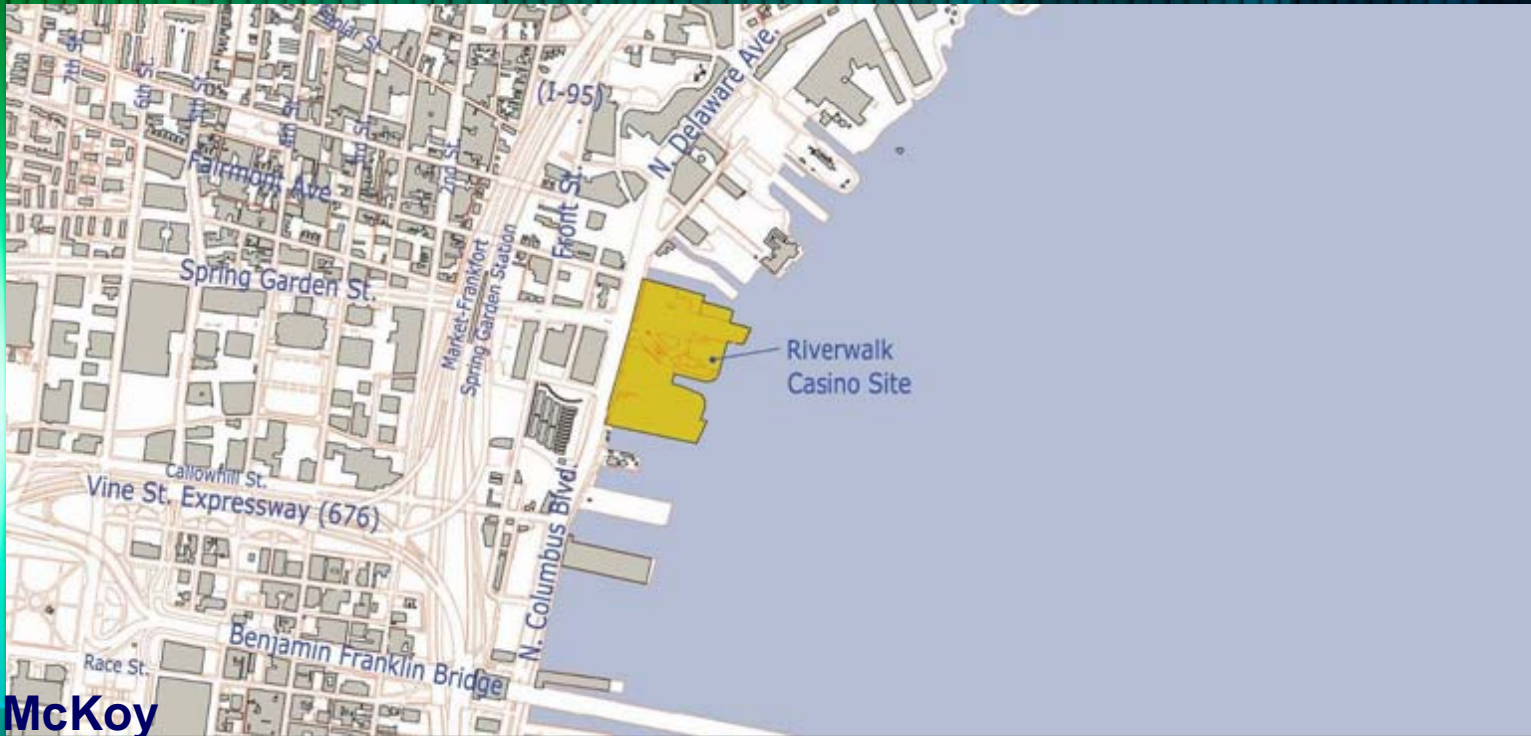


Questions

**SAVE THE
HOUR**

↓ RIVERWALK CASINO ↓


"BEST URBAN LOCATION"



Pat McKoy
President / CEO, Riverwalk Casino



"BEST URBAN LOCATION"

- 11.5 acre site located at Columbus Boulevard and Spring Garden Street
 - Riverfront location, engaged by facility design
 - 3 acres of riverfront space open to the public
 - Visibility from Ben Franklin Bridge, I-95
 - Accessible by auto, train, bus and waterway
 - Urbane setting engaging both city streets and the river
- 



“BEST URBAN LOCATION”

Riverwalk Casino

“If... there were an awards category called ‘Best Urban Location,’ Planet Hollywood's Riverwalk Casino would take the prize.”

-Inga Saffron

Inquirer Architecture Critic





"BEST URBAN LOCATION"

Riverwalk Casino

"The Old Incinerator site would likely offer greater spin-off benefits, be a stronger anchor for riverfront development, and be more closely integrated into the local economy"

-Philadelphia Gaming Advisory Task Force
Final Report

An architectural rendering of the Riverwalk Casino. The main building is a multi-story structure with a prominent sign that reads "RIVERWALK CASINO". To the right, there is a taller, more ornate tower with a sign that says "RIVERWALK". The scene includes a street with cars, a person on a bicycle, and pedestrians on a sidewalk. The background shows trees and a clear sky.



“BEST URBAN LOCATION”

Riverwalk Casino

“Visibility from interstate is good”

“Only a block from I-95”

“Good access to the Benjamin Franklin Bridge”

“A short cab ride away from Old City and the
Historic District.”

-Philadelphia Gaming Advisory Task Force
Final Report





PUBLIC TRANSPORTATION FRIENDLY

- 46% of Philadelphia County residents do not own a car*
 - Delaware River Port Authority projects this statistic to remain unchanged through at least 2025*
 - Excellent public transit access essential for a gaming and entertainment destination
 - No other Applicant can match Riverwalk Casino's public transit access
 - Bus and Rail Stops within 2 blocks
 - "The [Riverwalk Casino] site is an easy, 10-minute train ride to the city's high-rise heart."
 - Inga Saffron, Inquirer Architecture Critic
- 



PUBLIC TRANSPORTATION FRIENDLY

- The Delaware River Port Authority is proposing additional public transit giving further access to Riverwalk Casino
 - Subway, Streetcar or Trolley
 - From Franklin Square to Spring Garden Station
 - 2 stops within 2 blocks of Riverwalk Casino
 - Connects with other major transit lines
 - Water Taxi
- 

LEAST IMPACT ON RESIDENTIAL LIFE

- Riverwalk Casino has the fewest number of residents within 1 mile
- All other Applicants have 18% - 123% more residents within 1 mile than Riverwalk Casino

Population within 1 Mile of Proposed Casino Facility

	<u>2005</u>	<u>Variance from Riverwalk Casino</u>
Riverwalk	20,049	
SugarHouse	23,657	18%
Pinnacle	24,226	21%
Trump Street	29,664	48%
Foxwoods	44,776	123%

- Based on demographic data from Claritas, Inc., a widely recognized demographics company

"BEST URBAN LOCATION"

Questions





SUPERIOR ARCHITECTURE & DESIGN



Michael Prifti

Principal, BLT Architects



SUPERIOR ARCHITECTURE & DESIGN

Michael Prifti

- BLT Architects, Principal
- Education
 - University of Pennsylvania, Master of Architecture, 1979; Bachelor of Arts, 1976
- Professional Registrations
 - DC, DE, FL, NJ, NV, NY, MA, MD, PA and NCARB-Certificate
- Recent Awards
 - Fellow of the American Institute of Architects - 2005
 - Architect of the Year - Coalition of Commercial Real Estate Association - 2004 & 1999
 - Richard Upjohn Fellow of the AIA - 2002
 - AIA Presidential Citation - 2000

- BLT Architects is an award-winning Architectural/Interiors firm with a diverse portfolio of prominent commissions for both public and private sector clients
- Founded in 1961, the company has grown into a 100-person firm recognized for design excellence & technical proficiency
- Recent Philadelphia area projects include:
 - Renovation of Suburban Station and City Hall Station for SEPTA
 - New parking facilities at 30th Street Station and Philadelphia International Airport
 - Classroom/Retail/Parking Facility for Camden County Community College

- Borgata Hotel Casino & Spa and Borgata expansion project
- Harrah's Atlantic City casino/hotel
- The Market East Transportation Center, a five square-block area of downtown Philadelphia functioning as a unique mini-city complete with retail, office, entertainment and hospitality
- Over 5,000 hotel units including Loews Philadelphia Hotel and the Philadelphia Marriott
- Princeton Forrestal Village, a 67-acre parcel owned by Princeton University, which includes retail, office, entertainment and hospitality uses in a town-like environment
- DC USA, an 880,000 SF retail and entertainment complex in Washington DC serving as a neighborhood anchor

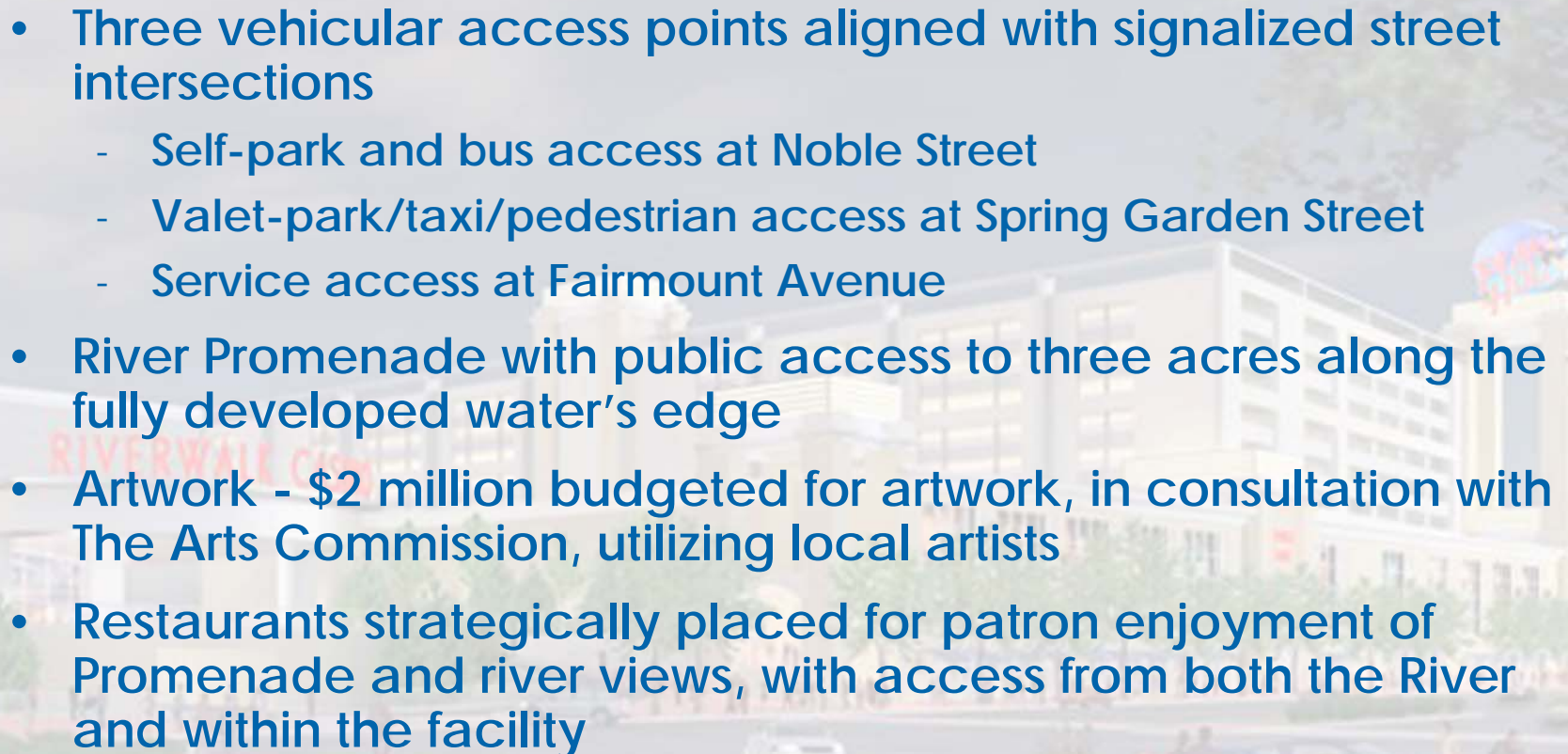


SUPERIOR ARCHITECTURE & DESIGN

- Facility complies with all applicable statutory, regulatory and technical standards
- Project timeline set to commence construction immediately upon licensure for completion within 24 months
- Destination arrival at the Porte Cochere, directly aligned with Spring Garden Street
- 7 story Transportation Center, with provision for four additional floors
- Design complies with current C.E.D. ordinance
- Dedicated service drive with all vehicle turning movements within a fully enclosed service area, minimizing traffic interruption



SUPERIOR ARCHITECTURE & DESIGN

- Three vehicular access points aligned with signalized street intersections
 - Self-park and bus access at Noble Street
 - Valet-park/taxi/pedestrian access at Spring Garden Street
 - Service access at Fairmount Avenue
 - River Promenade with public access to three acres along the fully developed water's edge
 - Artwork - \$2 million budgeted for artwork, in consultation with The Arts Commission, utilizing local artists
 - Restaurants strategically placed for patron enjoyment of Promenade and river views, with access from both the River and within the facility
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SUPERIOR ARCHITECTURE & DESIGN





SUPERIOR ARCHITECTURE & DESIGN





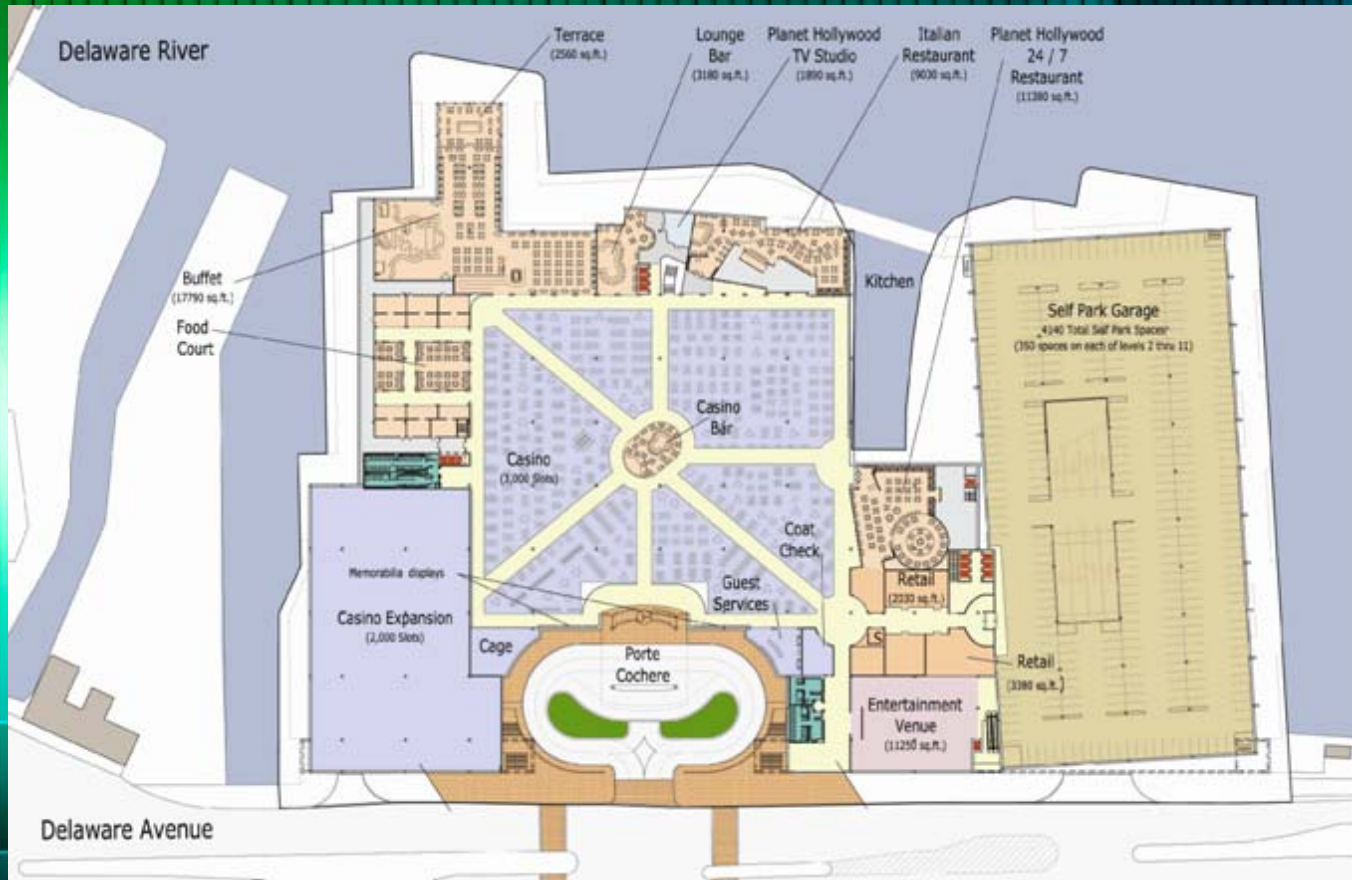
SUPERIOR ARCHITECTURE & DESIGN



LEVEL ONE



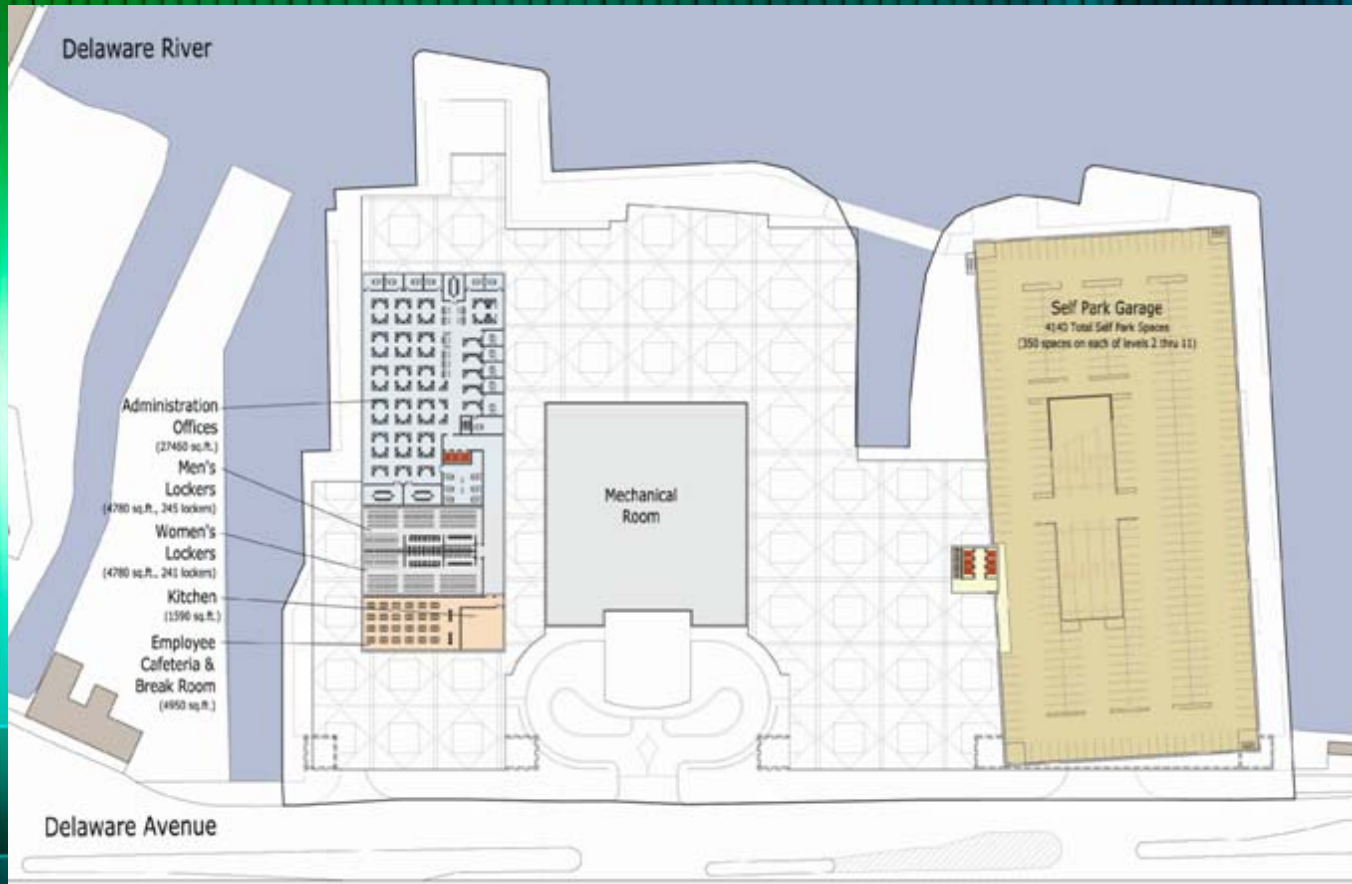
SUPERIOR ARCHITECTURE & DESIGN



LEVEL
TWO



SUPERIOR ARCHITECTURE & DESIGN



LEVEL
THREE

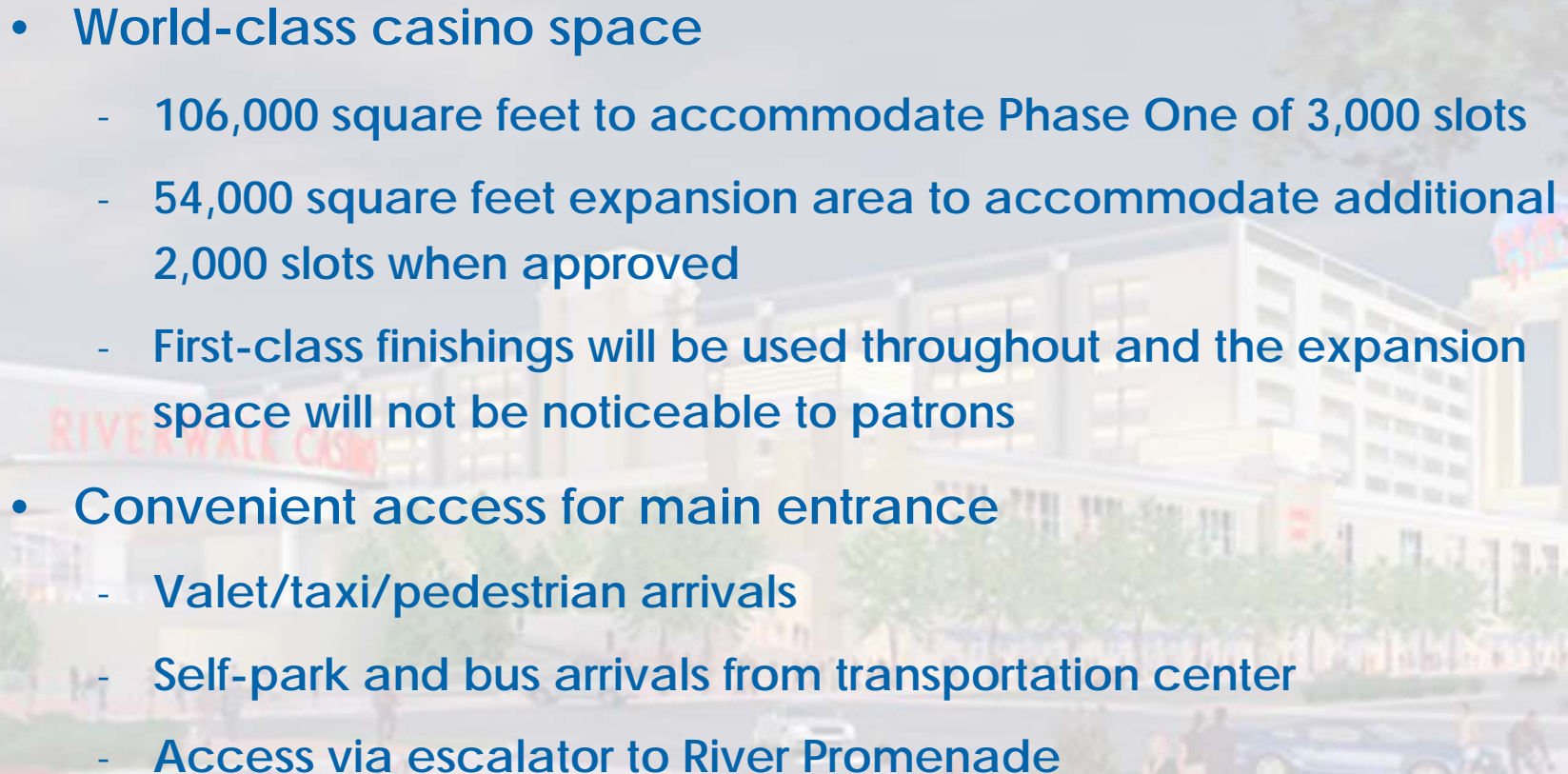


SUPERIOR ARCHITECTURE & DESIGN





SUPERIOR ARCHITECTURE & DESIGN

- World-class casino space
 - 106,000 square feet to accommodate Phase One of 3,000 slots
 - 54,000 square feet expansion area to accommodate additional 2,000 slots when approved
 - First-class finishings will be used throughout and the expansion space will not be noticeable to patrons
 - Convenient access for main entrance
 - Valet/taxi/pedestrian arrivals
 - Self-park and bus arrivals from transportation center
 - Access via escalator to River Promenade
- 



SUPERIOR ARCHITECTURE & DESIGN

- Casino floor layout easily navigable by patrons
 - Restaurants located riverside with glass walls and terrace dining
 - Main casino floor area enlivened by central bar/lounge with entertainment
 - 400 seat entertainment venue
 - Retail shops conveniently located along major patron access route and fronting the building
 - TV Studio
- 



SUPERIOR ARCHITECTURE & DESIGN





SUPERIOR ARCHITECTURE & DESIGN





TEMPORARY CASINO

- Riverwalk believes its energy and resources should be wholly focused on timely construction and opening of its permanent facility
 - In the event the GCB determines inclusion of a temporary facility is significant, Riverwalk has secured a temporary site and will comply with all GCB requirements prior to constructing and operating, including appropriate traffic and local impact mitigation efforts
- 



SUPERIOR ARCHITECTURE & DESIGN

Questions





FINANCING & ECONOMIC BENEFITS

Doug Teitelbaum

Managing Partner, Bay Harbour Management, LC

Co-Chairman, Planet Hollywood Resort & Casino, Las Vegas

Partner, BHM Gaming Opportunities

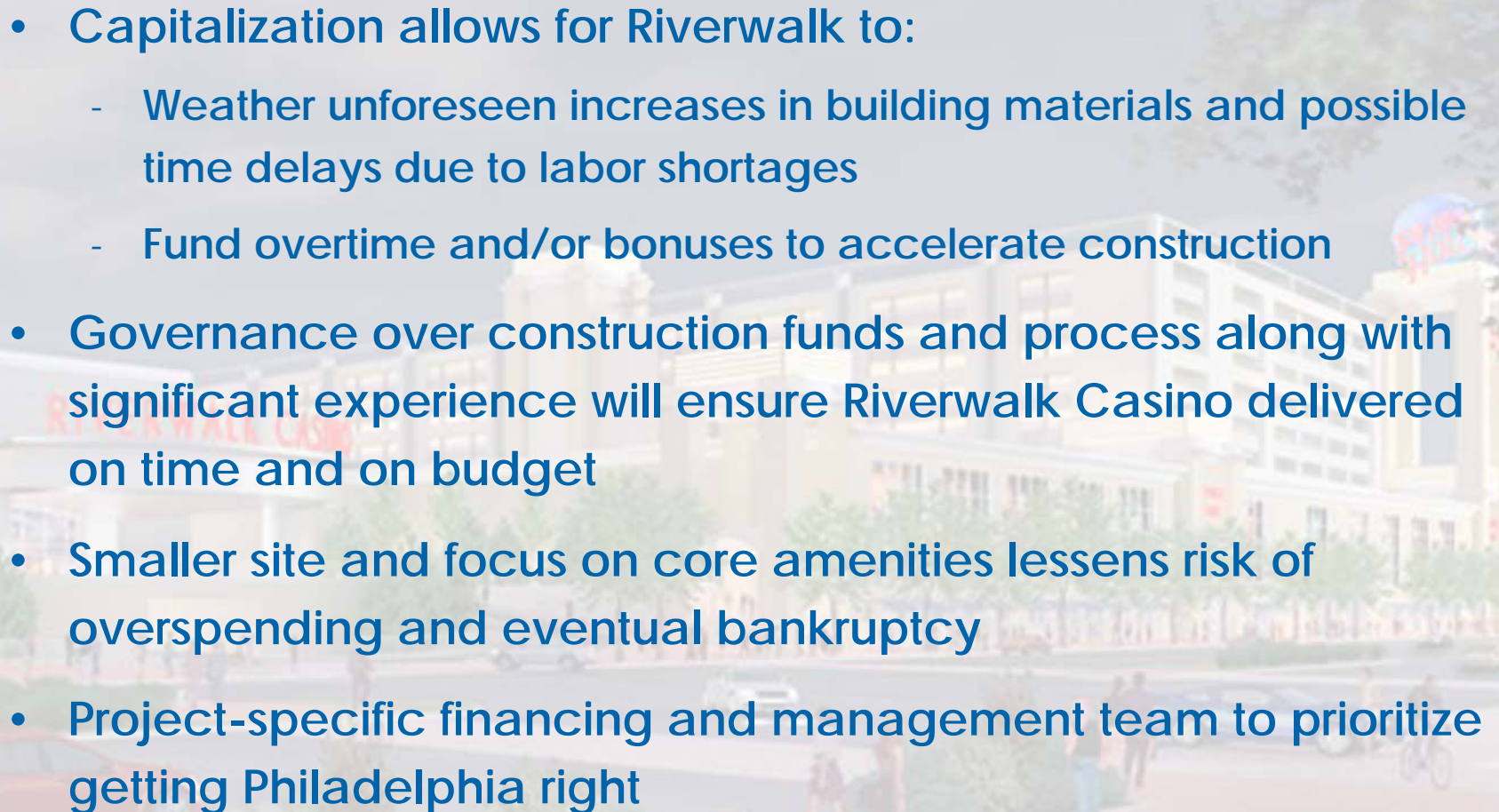


FINANCING

- \$94 million of committed equity financing and \$400 million of committed bank financing
 - Equity sponsors collectively have over \$12 billion of assets under management
 - \$500 million total funding exceeds estimated project cost, providing substantial cushion above and beyond imbedded construction contingency reserves and working capital
 - \$50 million License Fee is secured
 - Riverwalk Casino is in compliance with all financial fitness standards set forth in §441.5
- 



WE ARE THE LOW RISK OPERATOR

- Capitalization allows for Riverwalk to:
 - Weather unforeseen increases in building materials and possible time delays due to labor shortages
 - Fund overtime and/or bonuses to accelerate construction
 - Governance over construction funds and process along with significant experience will ensure Riverwalk Casino delivered on time and on budget
 - Smaller site and focus on core amenities lessens risk of overspending and eventual bankruptcy
 - Project-specific financing and management team to prioritize getting Philadelphia right
- 



COMMITTED TO BUILDING REVENUE IN PHILADELPHIA

- Riverwalk Casino does not have a sister property in a competing market. Its focus is to increase gaming revenue in the Commonwealth and Philadelphia
- A Bear Stearns Analyst report purports an operator may “develop customers and ship them to Atlantic City, where the gaming tax rates are lower.”
- Applicants with casinos in neighboring & competing markets
 - Trump Entertainment & Pinnacle – Atlantic City
 - Foxwoods - Connecticut
- The Result: Riverwalk Casino is committed to increase gaming revenue in Philadelphia and thus taxes to the City and Commonwealth, unlike other Applicants



ADDITIONAL REVENUE FOR THE CITY

- Only Applicant to lease land from Government entity
- Penn's Landing Corporation – Non-profit organization operating for the betterment of the City of Philadelphia
- The Result: Riverwalk Casino will provide over \$1.6 billion in additional revenue to the City and Commonwealth, unlike any other Applicants.





EMPLOYMENT

- The Operating Group is union friendly
 - 7 years experience with UNITE HERE, who will represent some of Riverwalk Casino's employees
 - During Bay Harbour's ownership of Barneys retail chain, twice renewed the union contract smoothly and successfully for each side
 - Following the negative effects of 9/11, Mr. Teitelbaum and other board members eliminated board fees and withheld management bonuses to prevent job losses
 - The Aladdin was one of 3 non-union properties on Las Vegas Strip and upon acquisition the Operating Group signed a 3-year collective bargaining agreement



EMPLOYMENT

- Riverwalk is in discussions with local universities and other educational institutions to promote the training and hiring of local Philadelphians
- Entered into an agreement with UNITE HERE, IUOE and IBT
 - Riverwalk Casino supports union labor
 - The operating group maintains strong relationships with UNITE HERE and other union labor groups in its other operations
- Patrons recognize and appreciate happy, well-trained employees and may frequent more often as a result.
- The Result: Riverwalk Casino is dedicated to employing and training happy workers to increase revenue to the City and Commonwealth




SUPPORT FOR LOCAL BUSINESSES

Beyond local ownership, Riverwalk has sought Philadelphian vendors with excellent credentials

- PNC Bank
 - BLT Architects
 - Pennoni Associates Inc., Consulting Engineers
 - Giovanetti-Shulman Associates, Consulting Engineers and Designers
 - Other community involvement
 - Local consultants
 - Local restaurants and entrepreneurs
 - The Result: By working with vendors in Philadelphia and Pennsylvania, The Commonwealth will receive more tax revenue and other economic benefits.
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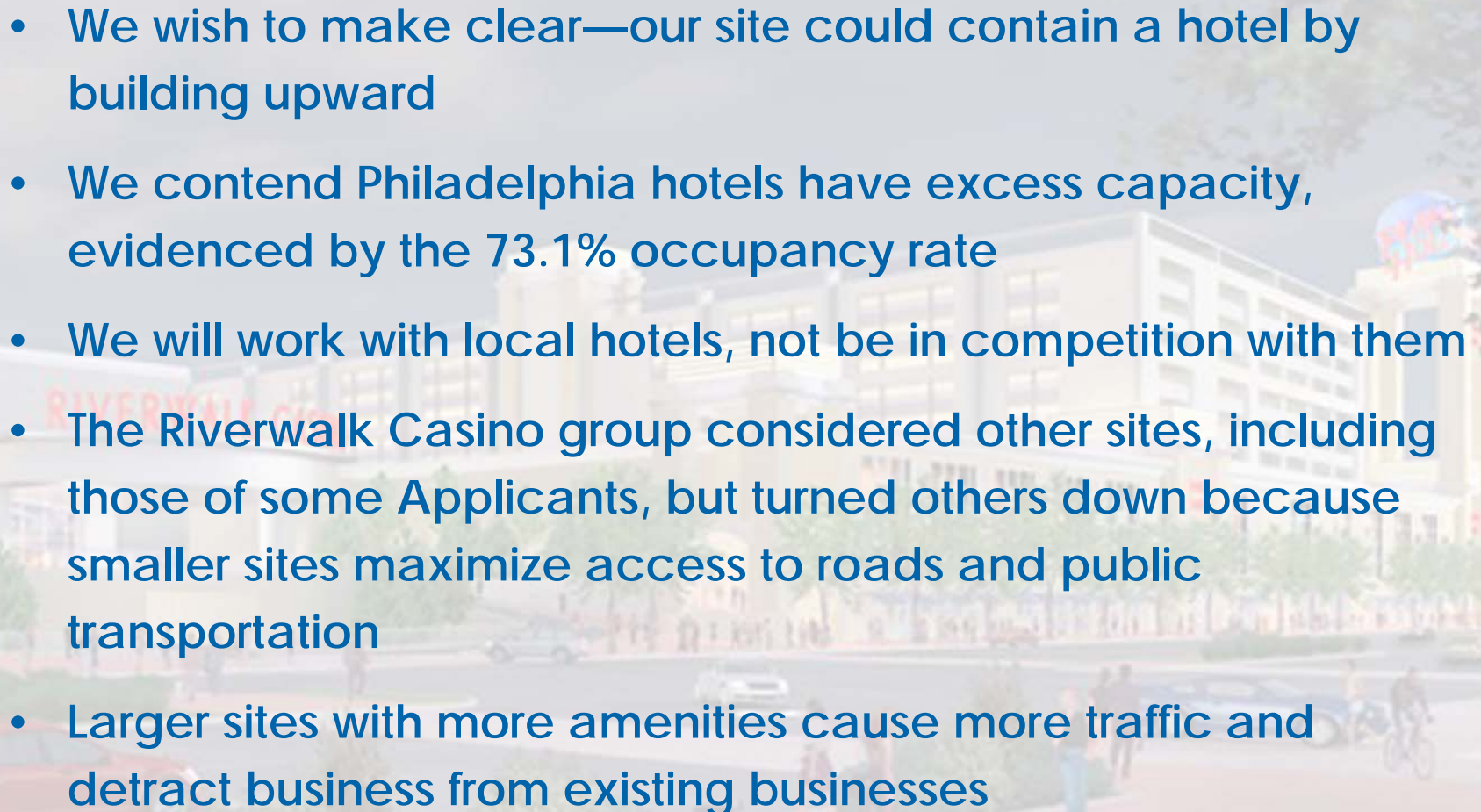


BENEFIT TO LOCAL HOTELS

- Riverwalk Casino specifically chose not to include a hotel connected to the casino facility
 - Riverwalk Casino will benefit existing hotels by boosting their occupancy, rather than increasing the City's room supply like all other Applicants
 - Adding to the room supply could cause downward pressure on room revenue throughout the City
 - The 54% tax rate does not allow casinos to comp players like in other lower-gaming-tax markets
 - The Result: Riverwalk Casino will enhance tourism by working with hoteliers and the Greater Philadelphia Hotel Association. Riverwalk Casino will improve the City's occupancy and room rates
- 



OPTIMAL SIZE

- We wish to make clear—our site could contain a hotel by building upward
 - We contend Philadelphia hotels have excess capacity, evidenced by the 73.1% occupancy rate
 - We will work with local hotels, not be in competition with them
 - The Riverwalk Casino group considered other sites, including those of some Applicants, but turned others down because smaller sites maximize access to roads and public transportation
 - Larger sites with more amenities cause more traffic and detract business from existing businesses
- 



ECONOMIC IMPACT

Steven Gallaway
Principal, Gaming Market Advisors



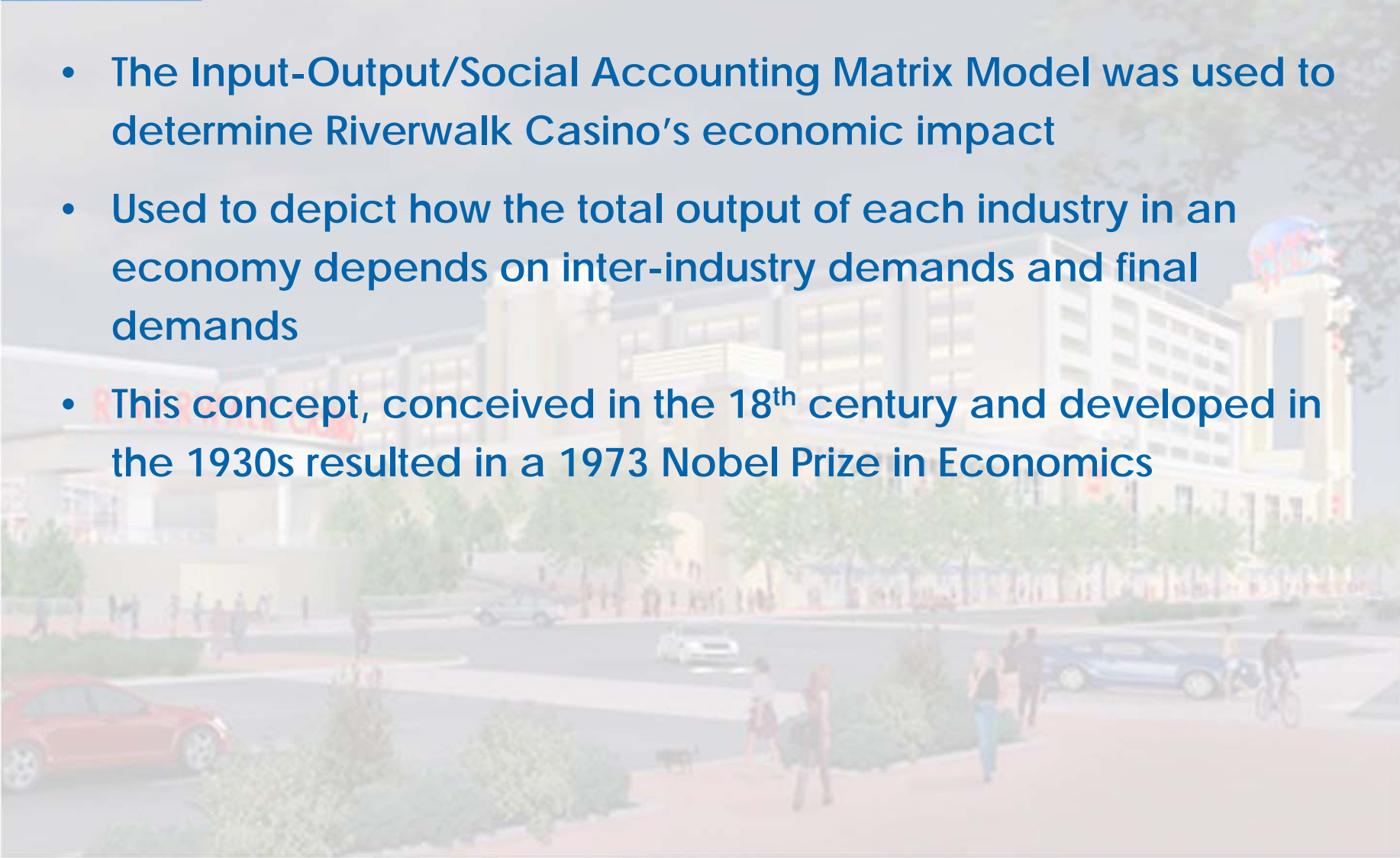
ECONOMIC IMPACT

Steven M. Gallaway

- Principal, Gaming Market Advisors
 - Former Senior Vice President, The Innovation Group
 - Completed over 100 feasibility studies
 - Assisted over 35 Indian tribes nationwide, including help obtaining necessary project funding
 - Over 40 international projects in Europe, the Bahamas, the Caribbean, Canada and Mexico
 - Participant in several G2E Expos (Global Gaming Expo), including as guest speaker and panel member
- 



ECONOMIC IMPACT

- The Input-Output/Social Accounting Matrix Model was used to determine Riverwalk Casino's economic impact
 - Used to depict how the total output of each industry in an economy depends on inter-industry demands and final demands
 - This concept, conceived in the 18th century and developed in the 1930s resulted in a 1973 Nobel Prize in Economics
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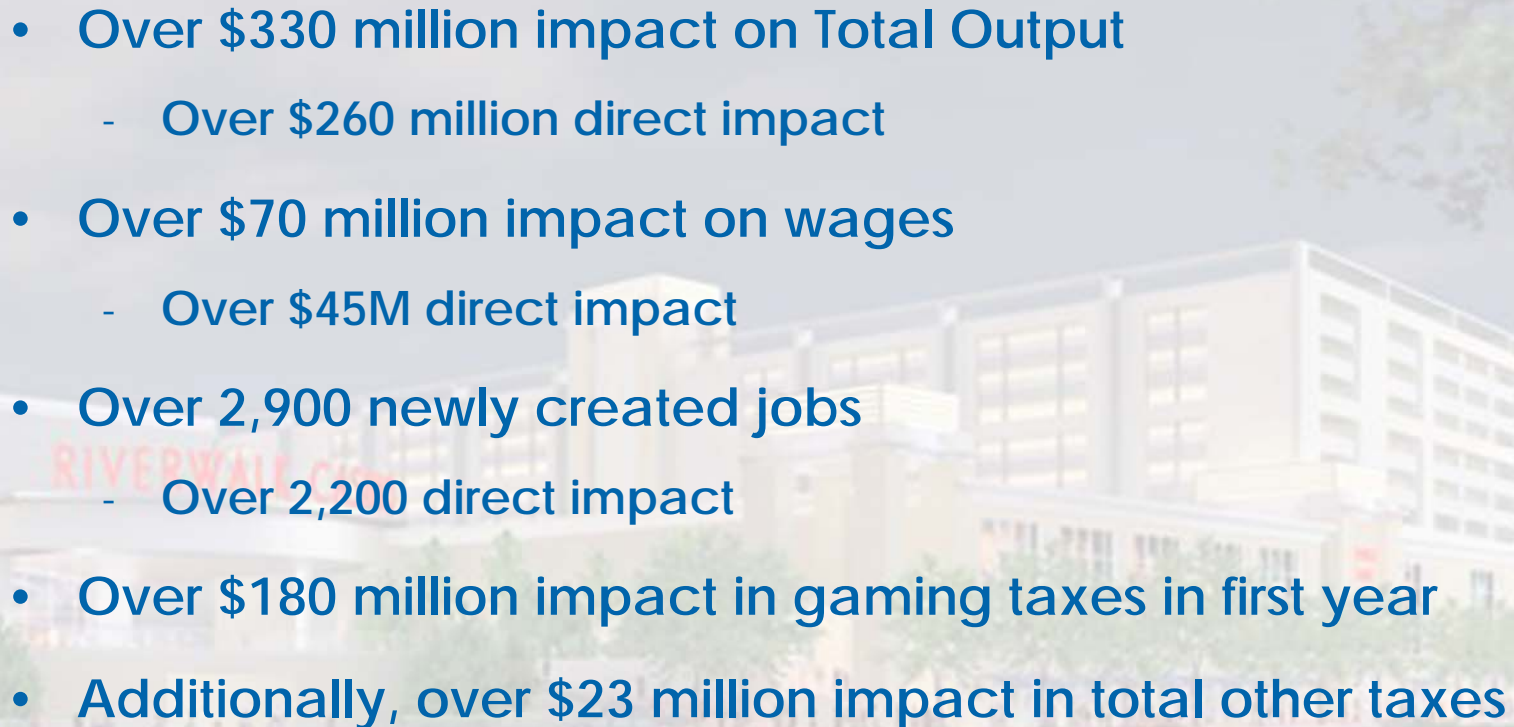


DURING CONSTRUCTION

- Direct Investment: \$500 million
 - Over \$320 million impact on Total Output
 - Over \$110 million impact on wages
 - Over \$75 million direct impact on wages
 - Over 2,600 newly created jobs
 - Over 1,700 jobs in construction sector
 - Over \$24 million impact on overall tax revenue
- 

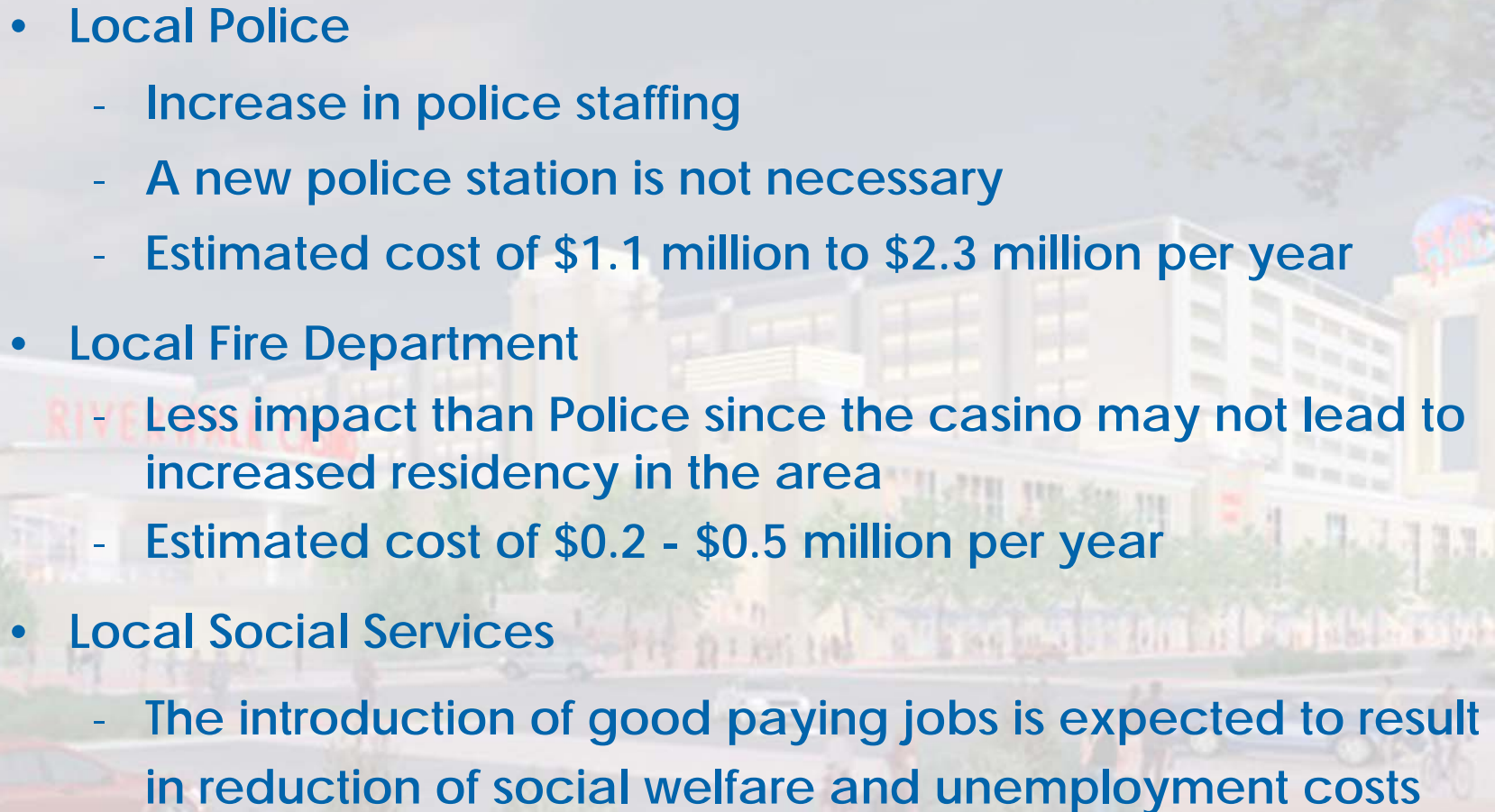


DURING OPERATION

- Over \$330 million impact on Total Output
 - Over \$260 million direct impact
 - Over \$70 million impact on wages
 - Over \$45M direct impact
 - Over 2,900 newly created jobs
 - Over 2,200 direct impact
 - Over \$180 million impact in gaming taxes in first year
 - Additionally, over \$23 million impact in total other taxes
- 




LOCAL SERVICES

- Local Police
 - Increase in police staffing
 - A new police station is not necessary
 - Estimated cost of \$1.1 million to \$2.3 million per year
 - Local Fire Department
 - Less impact than Police since the casino may not lead to increased residency in the area
 - Estimated cost of \$0.2 - \$0.5 million per year
 - Local Social Services
 - The introduction of good paying jobs is expected to result in reduction of social welfare and unemployment costs
- 



ECONOMIC IMPACT

- Conducted review of Riverwalk's financial projections
 - Relied on gaming data for facilities in comparable markets and the Philadelphia Gaming Advisory Task Force Final Report ("PGATF Final Report")
 - Financial projections, including Win/Unit/Day and total revenue are achievable and can exceed those listed in the PGATF Final Report given Riverwalk Casino's
 - Potential cross marketing with Las Vegas sister property
 - Gaming experience
 - Marketing expertise
 - Focus on core amenities
- 

FINANCING, ECONOMIC BENEFITS & IMPACTS

Questions





PENN'S LANDING CORPORATION

Joseph Brooks
Acting President, Penn's Landing Corporation



PENN'S LANDING CORPORATION

Penn's Landing Corporation ("PLC"), Riverwalk Casino's landlord, acts for the City's betterment

- Charter formed 35 years ago
- Quasi-governmental, non-profit corporation
- Charged with developing, improving, stewarding, promoting and programming the Central Delaware River Waterfront
- PLC goals
 - To provide a quality program of year-round events, festivals and activities at Penn's Landing for the enjoyment of the citizens and visitors of Greater Philadelphia
 - To encourage and facilitate the development of the central waterfront district consistent with public policy and development plans supported by the Corporation



PENN'S LANDING CORPORATION

To achieve its goals, PLC undertakes various activities, including:

- Production and promotion of over 70 events, festivals, and other recreational activities annually
 - Enhance the Penn's Landing experience
 - Advocacy for growth of the waterfront, including strengthening links to the Historic District and South Street District
- 

PENN'S LANDING CORPORATION

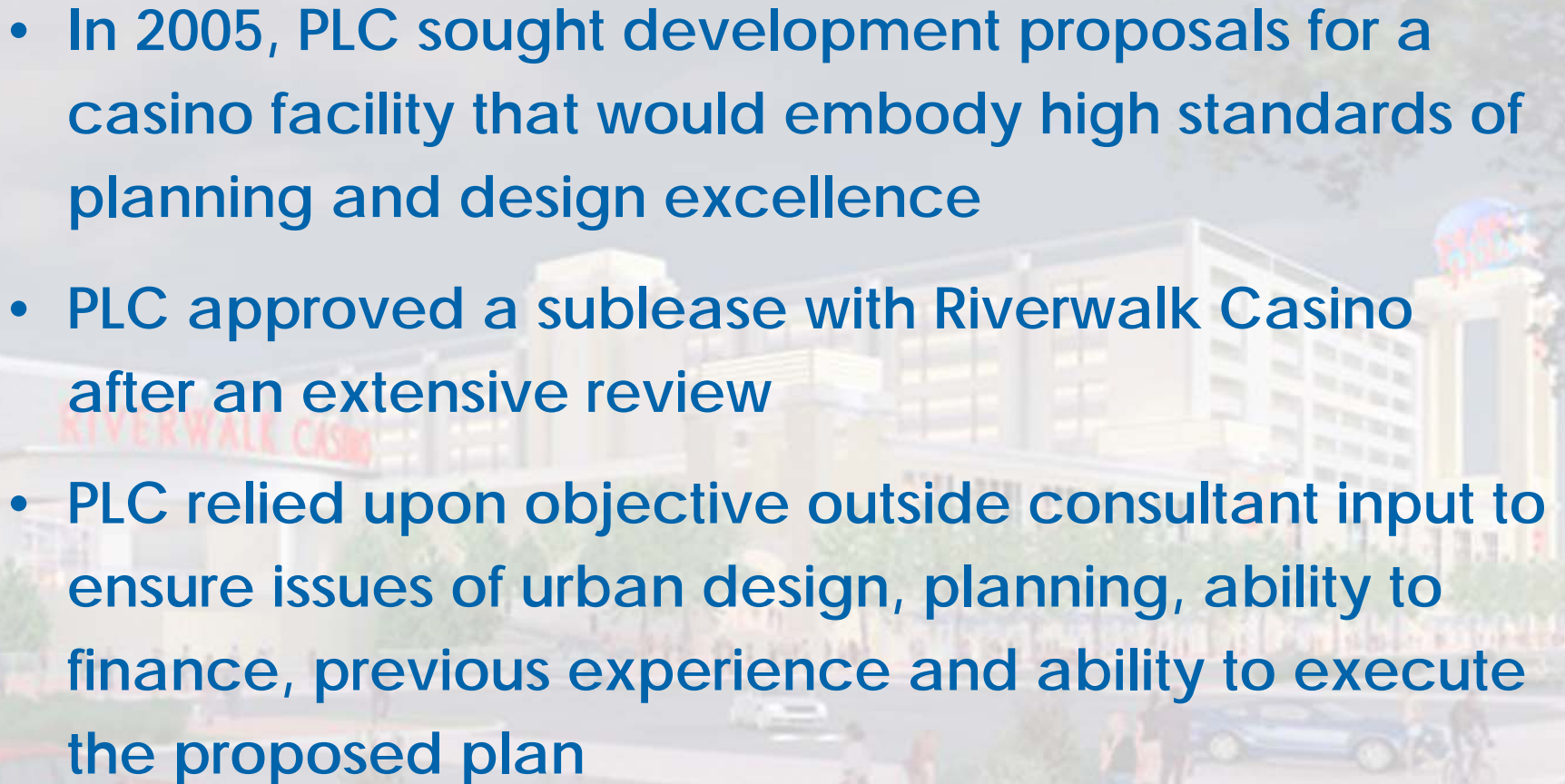
Programs for the Community

- Nearby Riverwalk, PLC operates Blue Cross River Rink to the benefit of the community
- This facility and others have the capacity to handle additional demand
- Other Applicants plan to include amenities that will directly compete and detract from existing nearby attractions, including those operated by PLC



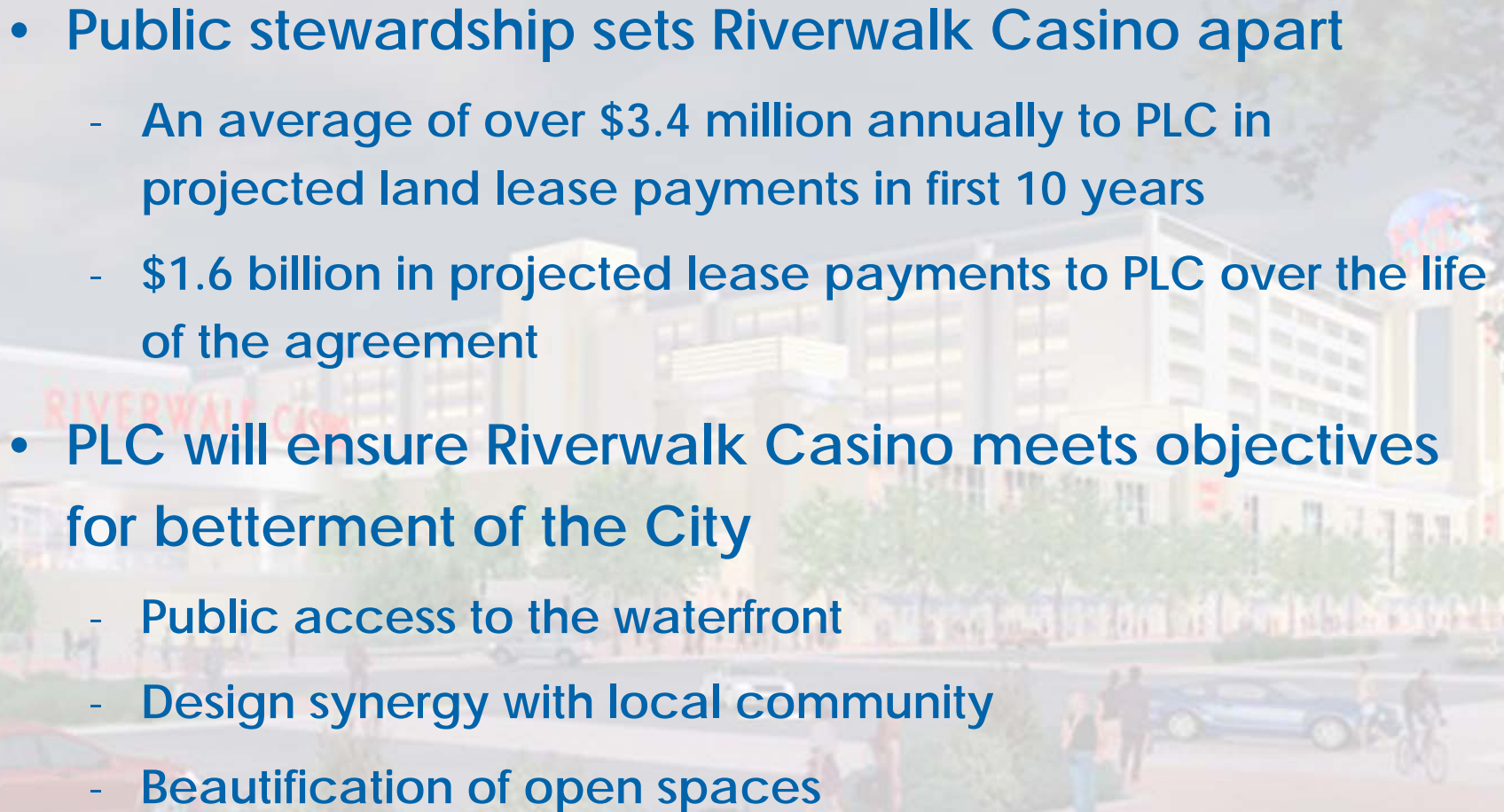


PENN'S LANDING CORPORATION

- In 2005, PLC sought development proposals for a casino facility that would embody high standards of planning and design excellence
 - PLC approved a sublease with Riverwalk Casino after an extensive review
 - PLC relied upon objective outside consultant input to ensure issues of urban design, planning, ability to finance, previous experience and ability to execute the proposed plan
- 



PENN'S LANDING CORPORATION

- Public stewardship sets Riverwalk Casino apart
 - An average of over \$3.4 million annually to PLC in projected land lease payments in first 10 years
 - \$1.6 billion in projected lease payments to PLC over the life of the agreement
 - PLC will ensure Riverwalk Casino meets objectives for betterment of the City
 - Public access to the waterfront
 - Design synergy with local community
 - Beautification of open spaces
- 



PENN'S LANDING CORPORATION

Questions





DIVERSITY PLANNING & RESPONSIBLE GAMING


Pat McKoy

President / CEO, Riverwalk Casino

Diversity at All Levels

The Gaming Act States:

“...enhance the representation of diverse groups in the ownership, participation and operation of licensed entities and licensed facilities ...”





DIVERSITY PLAN

- Ownership, management team and Riverwalk Casino staff reflective of Philadelphia's diverse culture
- Riverwalk Casino assures all persons are accorded equality of opportunity in employment and contracting by it, directly and indirectly
- Will comply with all diversity requirements in Chapter 481 and Section 1325 of the Gaming Act
- Goals established for contracting with women and minority local suppliers, with ongoing monitoring of successes
- Women/minority participation in construction phases, for local contractors, suppliers and trade unions
- Job training affiliations



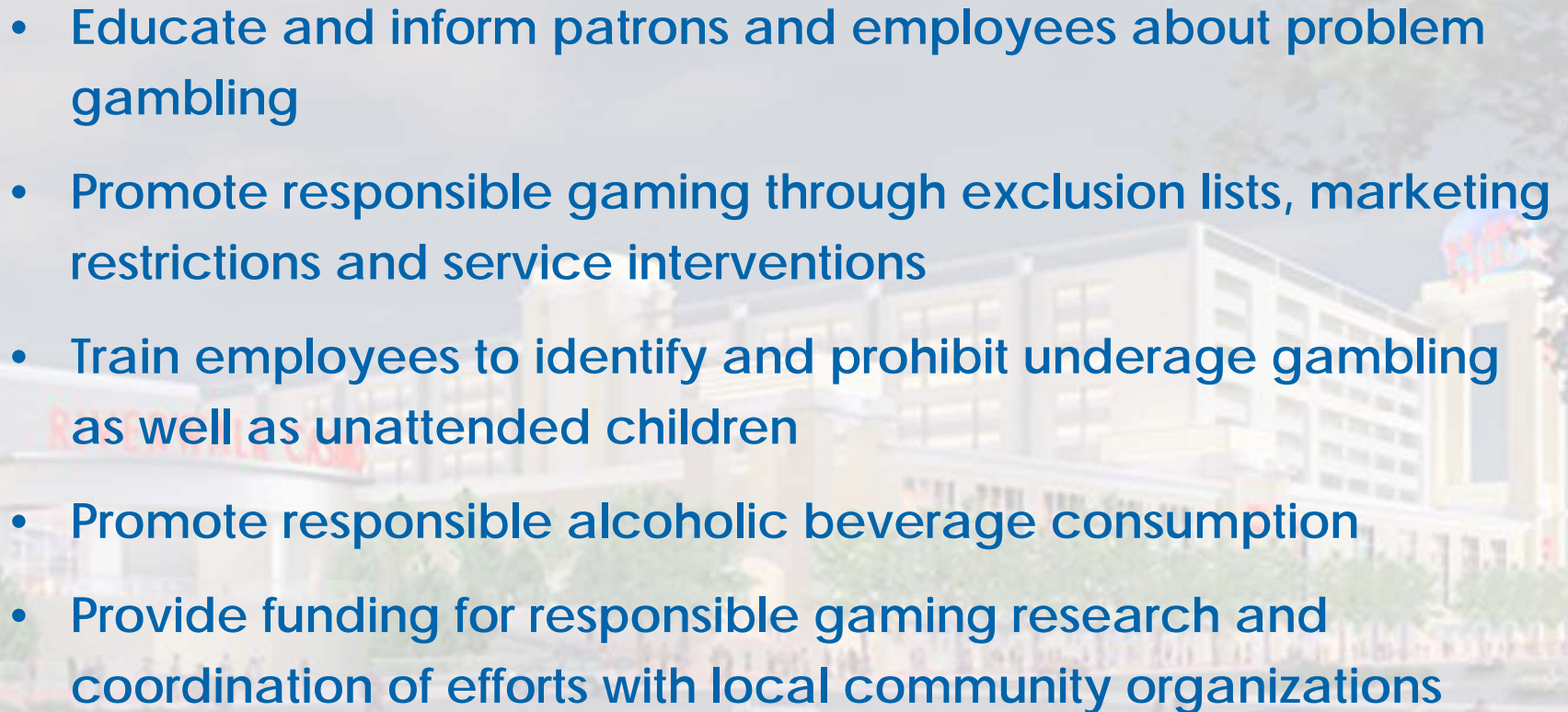
STRONG TRACK RECORD IN DIVERSITY

- The Operating Group has a long history of compliance with Federal, state and local labor laws
- The Planet Hollywood Resort & Casino strives for diversity, evidenced by its current employment levels of 62% minorities and 47% women





RESPONSIBLE GAMING

- Educate and inform patrons and employees about problem gambling
 - Promote responsible gaming through exclusion lists, marketing restrictions and service interventions
 - Train employees to identify and prohibit underage gambling as well as unattended children
 - Promote responsible alcoholic beverage consumption
 - Provide funding for responsible gaming research and coordination of efforts with local community organizations
- 

DIVERSITY PLAN & RESPONSIBLE GAMING

Questions





TRAFFIC IMPACT STUDY

Stewart R. Gordon, P.E.
Project Manager, Pennoni Associates



STEWART R. GORDON, P.E.

- Pennoni Associates, Senior Engineer and Transportation Division Manager
- Over 18 years of transportation engineering experience
- Master's Degree Civil Engineering, University of North Carolina
- Professional Registrations & Professional Societies
 - New Jersey Professional Engineer
 - Pennsylvania Professional Engineer (Pending Reciprocity)
 - Institute of Transportation Engineers, Member
 - American Society of Civil Engineers, Member
 - American Society of Highway Engineers, Member
- Awards
 - President, New Jersey Section, American Society of Civil Engineers
 - President, North Jersey Branch, American Society of Civil Engineers

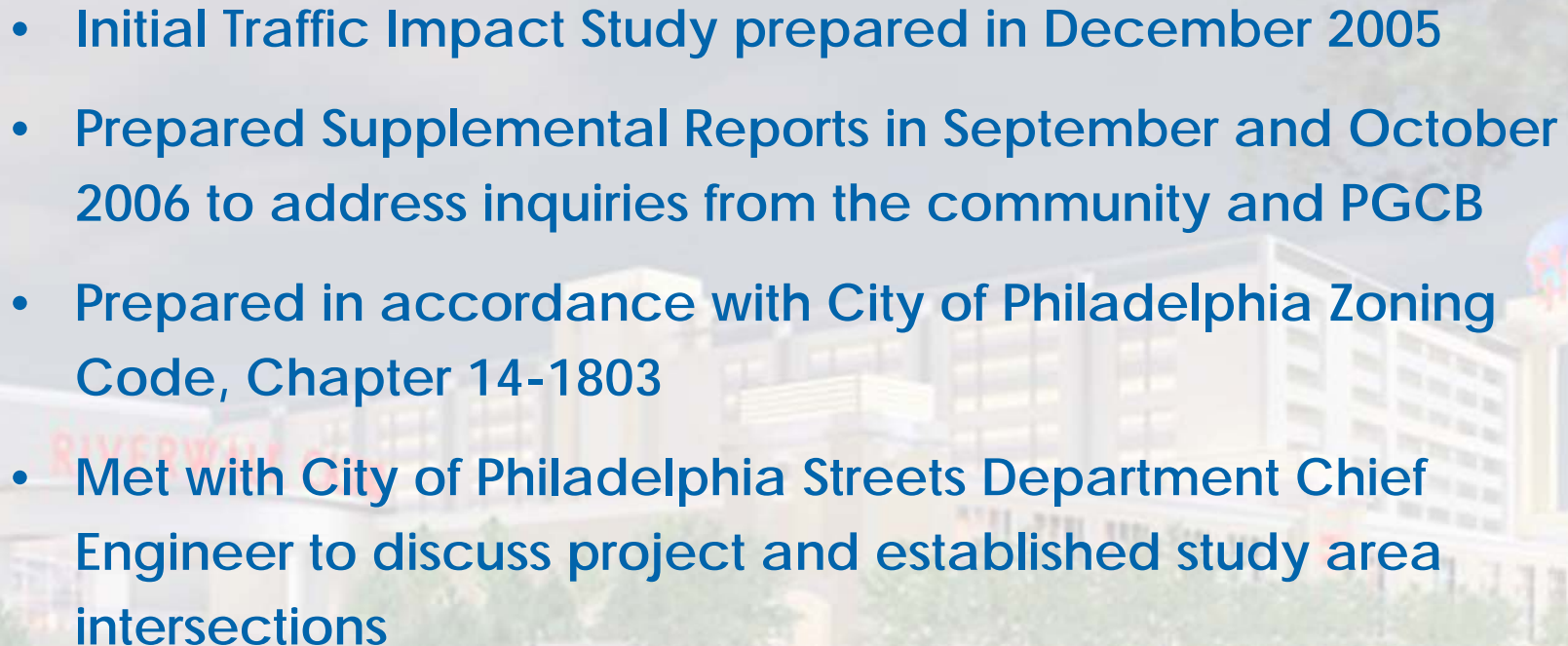


PENNONI ASSOCIATES

- Established in 1966; Celebrating its 40th Year Anniversary
 - Multi-disciplined Consulting Engineering Firm
 - Headquarters in Philadelphia
 - Over 150 Registered Engineers and Planners
 - Over 700 employees
 - A Leader in Transportation Engineering
- 



TRAFFIC IMPACT STUDY

- Initial Traffic Impact Study prepared in December 2005
 - Prepared Supplemental Reports in September and October 2006 to address inquiries from the community and PGCB
 - Prepared in accordance with City of Philadelphia Zoning Code, Chapter 14-1803
 - Met with City of Philadelphia Streets Department Chief Engineer to discuss project and established study area intersections
- 



TRAFFIC IMPACT STUDY



The Study included:

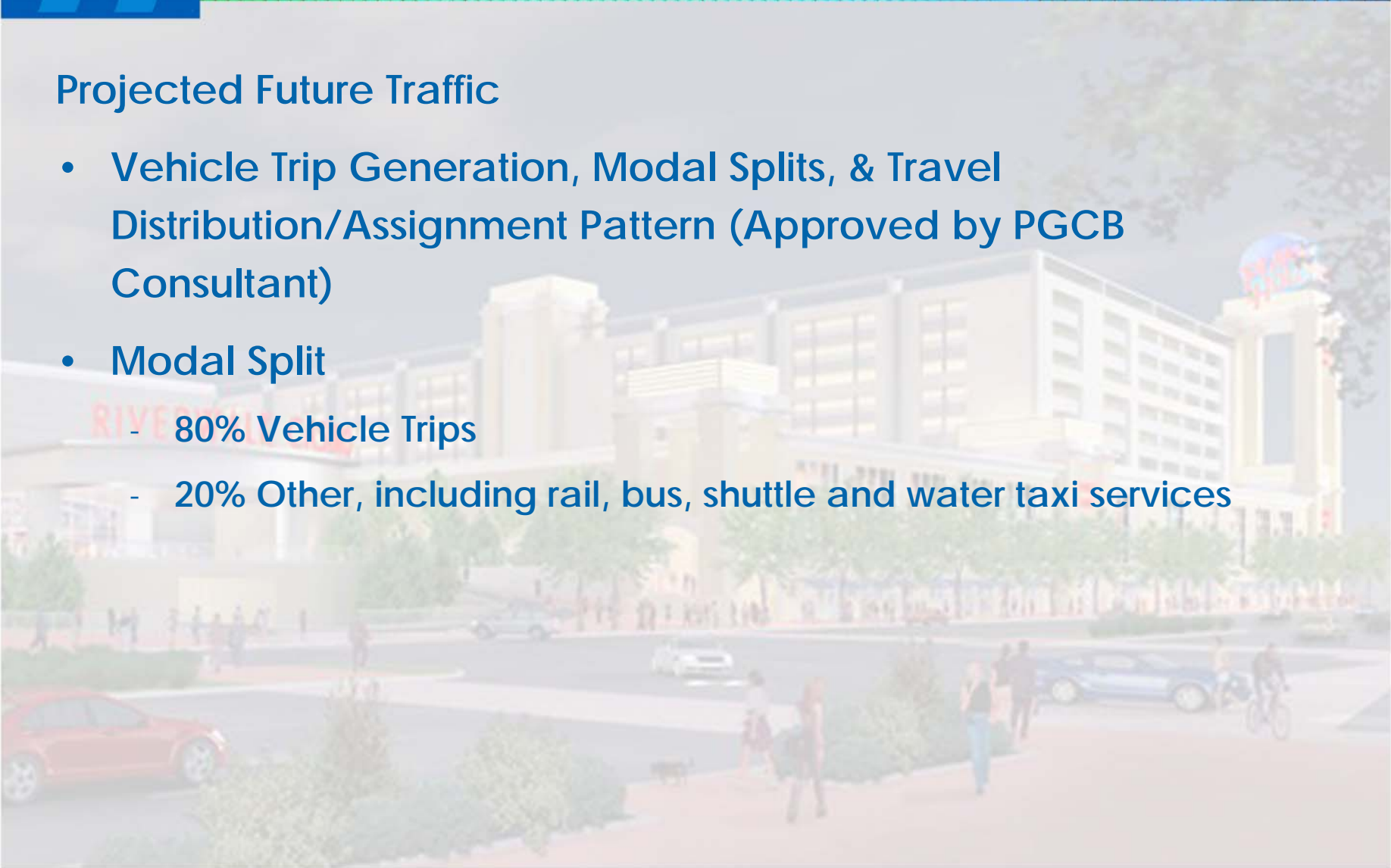
- Inventoried access roadways and collected traffic count data
 - Interstate 95
 - Delaware Avenue
 - Spring Garden Street
 - Callowhill Street
- Analyzed existing conditions
 - Current intersection conditions at acceptable Level of Service with exception at Delaware Avenue and Spring Garden Street
- Projected future traffic demands
- Analyzed future operations
- Developed roadway improvements
- Reviewed site access, parking and circulation, including traffic counts at various times and days



TRAFFIC IMPACT STUDY

Projected Future Traffic

- Vehicle Trip Generation, Modal Splits, & Travel Distribution/Assignment Pattern (Approved by PGCB Consultant)
- Modal Split
 - 80% Vehicle Trips
 - 20% Other, including rail, bus, shuttle and water taxi services



PUBLIC TRANSPORTATION

- Riverwalk Casino has the best access to public transit with Bus and Rail Stops within 2 blocks
 - Bus Routes 25 and 43
 - Market-Frankford Line at Spring Garden Station



- These routes access Philadelphia's main transit centers

*Map edited from <http://www.SEPTA.org>



TRAFFIC IMPACT STUDY

Future Operations

- Three access points
 - Valet & taxi access opposite Spring Garden Street
 - Self-park & charter bus access opposite Noble Street
 - Service vehicle access opposite Fairmont Avenue
- Parking Facility
 - Over 3,500 parking spaces
 - Free flow operation for entry & exit





TRAFFIC IMPACT STUDY

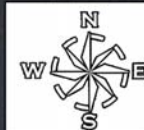
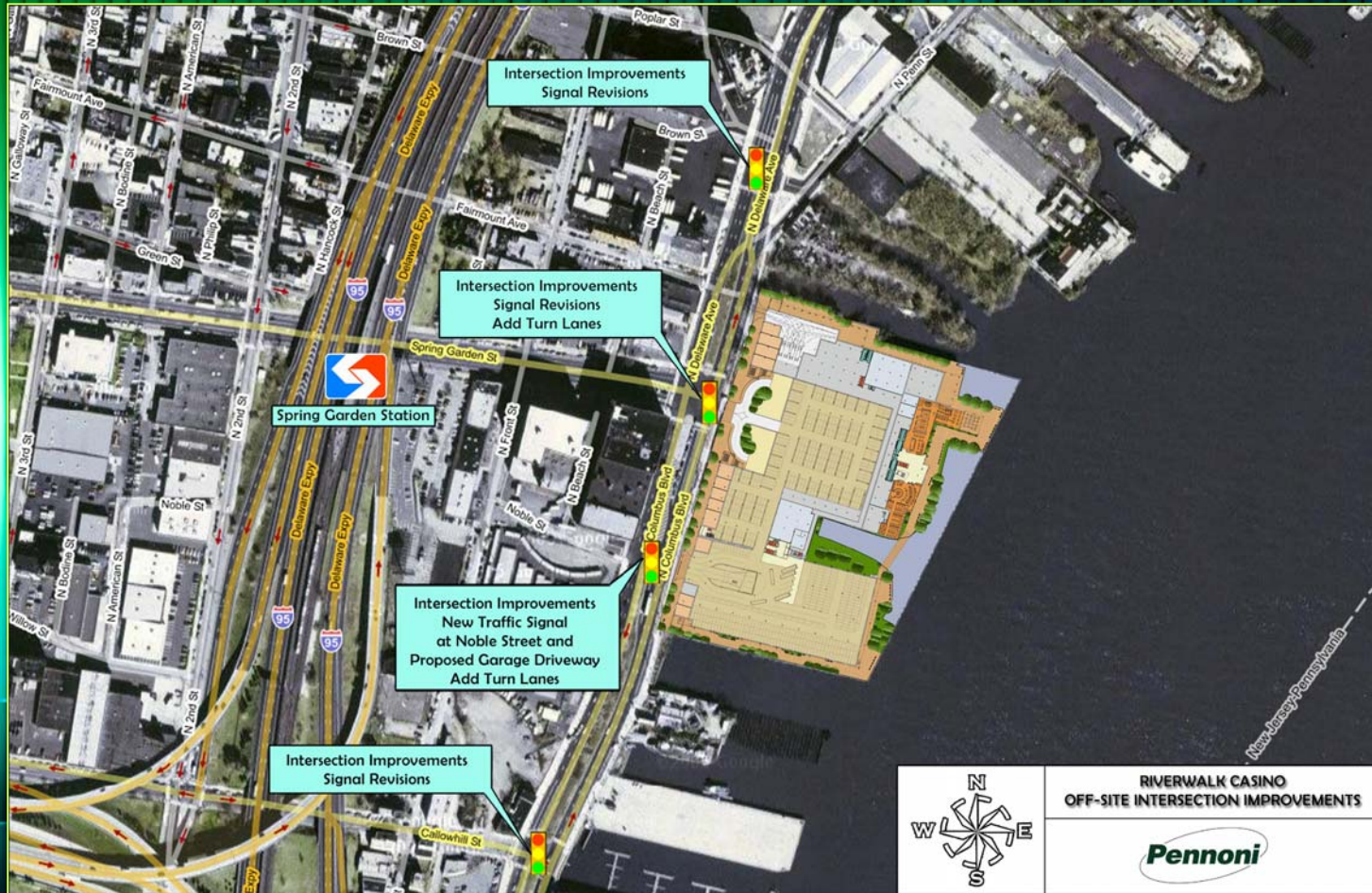


Impact from Future Operations

- Delaware Ave & Spring Garden require capacity improvement mitigations to improve Level of Service
- Minor impacts at all other study area intersections
- Develop time of day, day of week signal timing plans for all study area intersections
- Roadway improvements to increase capacity at Delaware Avenue and Spring Garden Street
- New traffic signal at garage access



TRAFFIC IMPROVEMENTS




RIVERWALK CASINO
OFF-SITE INTERSECTION IMPROVEMENTS





TRANSPORTATION COORDINATOR

- Upon award of a gaming license, Riverwalk Casino will hire a Transportation Coordinator (“TC”)
 - Initially, TC will oversee preparation of a site-specific Transportation Management Plan
 - Ultimately, TC will be responsible for planning, implementation and evaluation of all traffic management strategies to efficiently and effectively achieve established objectives
- 



TRANSPORTATION COORDINATOR

- Transportation Coordinator responsibilities include:
 - Develop a site-specific plan, including for special events
 - Manage traffic operations both internally and externally
 - Coordinate data collection, evaluate conditions and implement strategies as part of the TMP
 - Evaluate employee and patron behavior, establish goals and objectives to reduce traffic congestion and define overall measures of effectiveness
 - Monitor transportation modes, travel characteristics and measures of effectiveness of the implemented strategies
 - Work closely with PennDOT, City Streets Dept., Penn's Landing Corp. and other involved agencies along the Delaware River waterfront

The slide features a decorative header with a blue and green wavy pattern on the left and a green-to-blue gradient background on the right. The title 'TRAFFIC IMPACT STUDY' is centered in white, bold, sans-serif font. The main content area is a light gray with a faint background image of a city street scene with buildings, cars, and pedestrians.

TRAFFIC IMPACT STUDY

- Conclusions
- Added delay time imposed by the additional traffic
- Roadway improvements outlined in Traffic Impact Study ensure increase in traffic volumes will not significantly affect operations of study area intersections
- The project is compliant with the City of Philadelphia Zoning Code, Chapter 14-1803.

Questions





RECORD IN DEALING WITH COMMUNITY-BASED ORGANIZATIONS

Ken Trujillo

Manager, Trujillo & Richards, LLC

Former Philadelphia City Solicitor

DOUG TEITELBAUM & BAY HARBOUR MGMT

- Doug Teitelbaum has made charitable and civic activities a cornerstone of his life by donating time and money both personally and through Bay Harbour, to the following charitable organizations:
 - American Jewish Organization (“AJO”)
 - As former Treasurer, Mr. Teitelbaum applied his restructuring skills to fix AJO’s liquidity issues
 - Vice Chairman, Governing Council of the American Jewish Congress
 - Southampton Fresh Air Home, a wonderful camp for underprivileged physically handicapped children
 - The Agassi Academy, a public charter school in a poor area of Las Vegas
 - Recently arranged the seed capital to launch an after school speech and debate program
 - Provides significant support through annual personal grants and his time as a guest teacher
 - These contributions amount to roughly \$300,000

DOUG TEITELBAUM & BAY HARBOUR MGMT

- Doug Teitelbaum has made charitable and civic activities a cornerstone of his life by donating time and money both personally and through Bay Harbour, to the following charitable organizations:
 - Supports and Actively involved in the Ovarian Cancer Research Fund
 - Mr. Teitelbaum conducted one of their largest fundraisers, personally creating an event that raised almost \$1.5 million
 - Other Involvement
 - Alzheimer's Research Center in Las Vegas
 - Michael J. Fox Parkinson's Research Foundation
 - HOPE, which pays for underprivileged obese teens to undergo a bariatric surgery

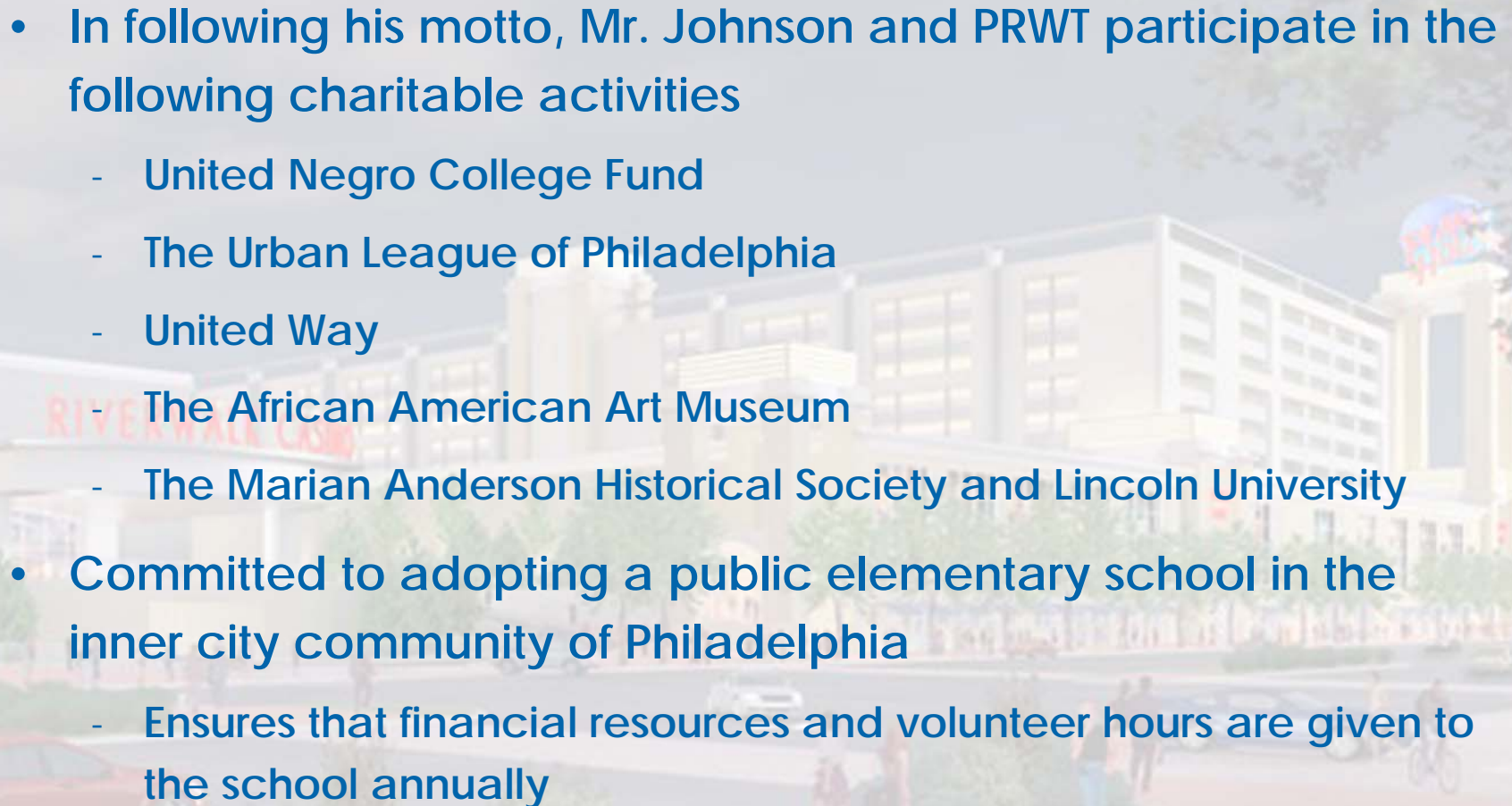


WILLIE JOHNSON

- Mr. Willie F. Johnson lives his life by the words, “To Whom Much Is Given Much is Required.” In following his motto, Mr. Johnson and his company, PRWT participate in the following charitable activities
 - Girard College, Board Member
 - Cheyney University Foundation, Board Member
 - The Philadelphia Tribune, Board Member
 - The Philadelphia Transition to Work Program, former Chairman
 - The American Heart Association, former Board Member
 - Red Cross, former Board Member
 - Perkiomen School, former Board Member
 - Philadelphia Chamber of Commerce, former Board Member
 - African American Chamber of Commerce, former Board Member



WILLIE JOHNSON

- In following his motto, Mr. Johnson and PRWT participate in the following charitable activities
 - United Negro College Fund
 - The Urban League of Philadelphia
 - United Way
 - The African American Art Museum
 - The Marian Anderson Historical Society and Lincoln University
 - Committed to adopting a public elementary school in the inner city community of Philadelphia
 - Ensures that financial resources and volunteer hours are given to the school annually
- 



ROBERT EARL

- Throughout the years, Robert Earl and his wife Tricia have been dedicated to helping communities in their cultural and artistic endeavors and assisting charitable organizations to fulfill their charitable missions
 - Founder and former board member of National Inner City Games (renamed After School All Stars)
 - Founder and former Chairman of the Orlando division of After School All Stars
 - Director of Travel Industry Association of America
 - In February, 2005, Mr. Earl created and underwrote Walk for the Arts to fund performing arts organizations in Orlando, Florida
 - Former Dinner Chairman for the Florida division of the Special Olympics
 - Mrs. Earl served six years as President of the Orlando Ballet, current Executive Board Member responsible for Fundraising and Special Events

- Other charitable involvement includes:
 - Give Kids the World, Board Member
 - Elton John AIDS Foundation, Board Member
 - College of Arts and Humanities, University of Central Florida, Dean's Executive Counsel
 - Orlando Performing Arts Center, Planning Board Member
 - Andre Agassi Charitable Foundation, former Board Member
 - United Arts of Orlando, former Board Member
- Planet Hollywood recently formed the Planet Hollywood Foundation, Inc., organized exclusively for charitable and educational purposes as specified in Section 501(c)(3) of the Internal Revenue Code. Moreover, each of the Planet Hollywood locations regularly participates in local charitable events in their respective cities with donations totaling millions of dollars



COMMITMENT TO THE COMMUNITY

Whytni Kernodle-Frederick
Partner, Pennsylvania Partnership Group



COMMITMENT TO THE COMMUNITY

Whytni Kernodle-Frederick

- Daughter of the late Obra S. Kernodle, III
- 3rd generation Philadelphian
- B.A. magna cum laude from Temple University
- Juris Doctor from the University of Pennsylvania Law School
- First Star (improves lives of child abuse and neglect victims),
Director of Legal Projects
- Fox Chase Cancer Center, Former Women's Health Counselor
- Philadelphia Chapter of Women Organized Against Rape,
Former Crisis Counselor
- International Multicultural and Education Services, Former
Domestic Violence Project Director



COMMITMENT TO THE COMMUNITY

Riverwalk Casino affirms its Commitment to improving the Community

- Our goal is to create wealth and opportunities for the communities in Philadelphia and the Commonwealth
 - Riverwalk Casino is committed to providing 2.5% of net profits up to \$3 million per year focused on community development
 - The Pennsylvania Partnership Group irrevocably pledges 20% of its equity to charities and causes focused on economic development and empowerment initiatives in Philadelphia
- 



OBRA S. KERNODLE III FOUNDATION

- Enhance and increase access to capital, job opportunities and procurement opportunities for the underserved, disadvantaged and distressed communities
 - Promote and support:
 - Community revitalization programs
 - Wholesome community recreational and educational programs for families
 - Exposure of the cultural arts to Philadelphia's youth
- 




THE EQUITY FUND MISSION

To create and support wealth building businesses and programs in the minority community by providing the necessary capital and technical support. The Riverwalk partners are committed to the economic growth and development of Philadelphia and enhancing the quality of life of its residents.





THE EQUITY FUND

- Designed to invest and lend to small and medium size businesses for the purpose of economically strengthening underserved communities in Philadelphia and neighboring areas
 - Focused on those businesses and proposals creating or maintaining jobs in the underserved communities
 - Participate in micro-lending programs
- 



THE EQUITY FUND

- The Equity Fund will provide credit to those who are typically rejected by institutional banks
- Will provide credit to the disenfranchised and underserved
- In providing access to credit on reasonable terms, the Fund will enable minorities to build upon their existing skills to earn more, to live better, and to create a pool of wealth that will improve not only their lives but the quality of citizenry in Philadelphia

COMMITMENT TO THE COMMUNITY

Questions





RIVERWALK CASINO

- Strong management team
- Knowledgeable in operation and construction
- Record of community involvement
- Deep financial pockets
- Celebrity appeal
- Marketing expertise



**SAVE THE
HOUR**

↓ RIVERWALK CASINO ↓



RIVERWALK CASINO



Harrisburg, Pennsylvania

Presentation to:
Pennsylvania Gaming Control Board