



CEDAR CROSSING

CASINO AND ENTERTAINMENT CENTER



**Cedar Rapids Development
Group, LLC**

**Application to Establish a
Gambling Structure**

Public Binder

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Iowa Racing & Gaming Commission
Application to Establish a Gambling Structure

Iowa Racing & Gaming Commission
6200 Park Ave., Ste. 100
Des Moines, IA 50321-1270

Section 1(a): License to Conduct Gambling Games

The undersigned hereby makes application for a license from the Iowa Racing & Gaming Commission to conduct gambling games at a gambling structure pursuant to Iowa Code 99F and the Rules and Regulations of the Commission.

Applicant Name (Qualified Sponsoring Organization): <i>Linn County Gaming Association, Inc.</i>			
Applicant Address: <i>108 Cedar Court</i>	City: <i>Macon</i>	State: <i>IA</i>	Zip Code: <i>52302</i>
Phone Number: <i>(319) 400-2472</i>	Email Address: <i>anneparmley@me.com</i>	Federal Tax ID: <i>45-5214573</i>	


Section 1(b): License to Operate Gambling Games

If the qualified sponsoring organization is entering into an operating agreement with an entity to operate the gambling structure, complete the following:

Applicant Name (Operator): Cedar Rapids Development Group, LLC			
Applicant Address: 29271 Centerville Road	City: LaMotte	State: IA	Zip Code: 52054
Phone Number: (563) 258-7100	Email Address: <i>bstevens@peninsulapacific.com</i>	Federal Tax ID: 45-5591958	

Section 1(c): Statement of Application

An application for a license with the Iowa Racing & Gaming Commission is the seeking of the granting of a privilege. Every license is granted upon the condition that the license holder shall accept, observe, and enforce the rules and regulations of the Commission. It is the affirmative responsibility and continuing duty of each officer, director and employee of the applicant to comply with the requirements of the application and conditions of the license and to observe and enforce the rules. The burden of proving qualifications for the privilege to receive any license is on the applicant at all times. An applicant must accept all risks of adverse public notice, public opinion, embarrassment, criticism, or financial loss, which may result from action with respect to an application. An applicant, its officers, directors, shareholders, partners and personnel members, expressly waives any claim for loss, expense or damage, against the Iowa Racing and Gaming Commission, its members, staff and personnel, resulting from the application process. Applicants further covenant and agree to hold harmless and indemnify the Iowa Racing and Gaming Commission from any claim arising from an action of the Commission in connection with said application. Iowa Code Sections 99F.6 and 99F.7 have been read and are understood.

Qualified Sponsoring Organization	Operator 
Agent Signature: <i>Anne B. Parmley</i>	Agent Signature:
Agent Name Printed: <i>Anne B. Parmley</i>	Agent Name Printed: M. Brent Stevens
Agent Title: <i>President</i>	Agent Title: CEO
Date: <i>7/24/24</i>	Date: July 15, 2024



Section 1(d): Certification of Truthfulness – Qualified Sponsoring Organization Applicant

State of	Iowa
County of	Linn

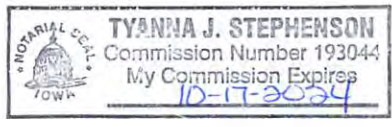
I am an authorized agent of the applicant for a license to conduct gambling games from the Commission. My signature verifies that I have read the foregoing Application and the included Attachments and Exhibits and understand that failure to provide true and complete information or failure to comply with the rules and regulations may result in denial of this license. I certify under penalty of law, based on information and belief formed after reasonable inquiry, the statements and information contained in this application and attachments are true, accurate and complete.

Qualified Sponsoring Organization (QSO) Linn County Gaming Association, Inc.	
QSO Representative Signature Anne B. Parmley	QSO Representative Name – Printed Anne B. Parmley

NOTARY PUBLIC

Subscribed and sworn to before me this 24th day of July, 2024.

Notary Name: Tyanna J. Stephenson
Notary Signature: <i>Tyanna J. Stephenson</i>
My commission expires: 10-17-2024





Section 1(e): Certification of Truthfulness – Operator Applicant

State of	Idaho
County of	Blaine

I am an authorized agent of the applicant for a license to operate gambling games from the Commission. My signature verifies that I have read the foregoing Application and the included Attachments and Exhibits and understand that failure to provide true and complete information or failure to comply with the rules and regulations may result in denial of this license. I certify under penalty of law, based on information and belief formed after reasonable inquiry, the statements and information contained in this application and attachments are true, accurate and complete.

Operator Name Cedar Rapids Development Group, LLC	
Operator Representative Signature 	Operator Representative Name - Printed M. Brent Stevens

NOTARY PUBLIC

Subscribed and sworn to before me this 15th day of July, 2024.



Notary Name:	Libby Johnson
Notary Signature:	
My commission expires:	September 22, 2028

SECTION 2: EXECUTIVE SUMMARY

Please prepare a summary for each subsection (I-V) listed below. Each subsection from below shall have a summary of approximately 350 words, but not to exceed 1,750 words. The purpose of this section is to summarize how your application addresses the following specific Commission review criteria. Each subsection listed below may not have the same importance for every application process, and other factors may present themselves in the consideration of an application for a license.

Item I. Compliance with applicable state and local laws

Item I (a):

Explain how the proposed facility complies with applicable state and local laws regarding fire, health, construction, zoning, and other similar matters.

Applicant Response:

As of the date of this application, Cedar Rapids Development Group, LLC (“CRDG”), has been working with Anderson Bogert, RYAN Companies US, Inc. and OPN Architects as integral members of the design/build team. This team of duly licensed and qualified professionals will be entrusted with the oversight and execution of all code requirements for the project. Contracts with these professionals will mandate full compliance with all state and local fire, health, construction, and life safety ordinances pertaining to the project. This project site falls within the local jurisdiction of the City of Cedar Rapids and the prevailing local codes applicable to this project are detailed below.

The project shall comply with the following codes:

- 2018 International Building Code
- 2018 International Mechanical Code
- 2018 International Fire Code
- 2018 National Electrical Code
- 2015 Uniform Plumbing Code and the Iowa State Plumbing Code
- Iowa State Energy Code, 2012 International Energy Conservation Code
- Accessibility - Division 7 of Iowa State Building Code, Iowa State Accessibility Code, 2015 IBC and ANSI A117.1 - 2009 Edition

Cedar Rapids Construction Code Amendments:

- 2018 Building Code amendment (Chapter 33)
- 2018 Electrical Code amendment (Chapter 34)
- 2015 Plumbing Code amendment (Chapter 35)
- 2018 Mechanical Code amendment (Chapter 36)
- 2018 Fire Code amendment (Chapter 37)
- Cedar Rapids Zoning Ordinance (Chapter 32)

Item II. Gaming integrity

Item II (a):

Explain how the applicant will ensure that gaming is conducted with a high degree of integrity.

Applicant Response:

At CRDG, we believe that integrity is the foundation of our operations and essential to maintaining public trust. Ensuring that gaming is conducted with a high degree of integrity is not just a regulatory requirement, but a core principle of our business philosophy, as we have done for more than 25 years. If approved for the privilege to hold a casino gambling license, CRDG will observe and enforce the Iowa Code and the rules and regulations of the Iowa Racing and Gaming Commission. CRDG will conduct its operation to the highest possible standard of integrity and will protect the public health, safety, and welfare of the State in the following manner:

- **Responsible Gaming Practices:** CRDG will promote responsible gaming practices and make responsible gaming treatment and education resources available to customers and team members pursuant to IAC 491-14.13(99E) Problem Gambling.
- **Responsible Alcohol Service Commitment:** As part of our commitment to the responsible service of alcoholic beverages, all relevant employees will participate in the Iowa program for Alcohol Compliance Training (I-PACT). This ensures they are well-versed in state laws and best practices for preventing underage sales and responsibly managing alcohol service.
- **Security Training and Resources:** Security team members will be trained and provided with the resources necessary to conduct their work in accordance with the Safety Manual, Team Member Handbook, and Emergency Plan.
- **Continuous Surveillance:** The Surveillance Department will conduct continuous monitoring and digitally record all gambling activities in accordance with Iowa Administrative Rules 661, Chapter 141 from the Iowa Department of Public Safety. The Surveillance Department will operate autonomously and apart from other departments.
- **Cheating Prevention Training:** Team members will be trained to identify cheating and will protect CRDG and the State from losses due to cheating.
- **Comprehensive Internal Controls:** CRDG will submit comprehensive Internal Controls at least 90 days before gaming operations begin. These Internal Control Procedures will include accounting standards to safeguard assets and ensure the reliability of financial records, and detailed policies that instruct team members across departments on the

secure handling of cash and cash equivalents, as well as rules for protecting gaming equipment.

By adhering to these stringent measures, CRDG commits to upholding the highest standards of integrity in all aspects of its operations, ensuring a safe and fair gaming environment for all stakeholders.

Item II (b):

Explain how the applicant and officers, directors, partners, or shareholders of the applicant are of good repute and moral character. The Commission shall decide what weight and effect evidence about an officer, director, partner, or shareholder should have in the determination of whether there is substantial evidence that the individual is not of good reputation and character.

Applicant Response:

Mr. M. Brent Stevens, Mr. Jonathan Swain, Ms. Natalie Schramm, and Ms. Mary Ellen Kanoff are of the highest repute and moral character. Each has undergone comprehensive background investigations and has been found suitable in multiple gaming jurisdictions, including Iowa. Collectively, they have established a distinguished track record of integrity and the ability to complete developments ahead of schedule. Their extensive experience in the highly regulated gaming industry, including their considerable experience in the State of Iowa, underscores their capabilities and reliability. Beyond their professional accomplishments, they are deeply committed to charitable efforts, community involvement, and board service for not-for-profit organizations.

CRDG consists of three board members, M. Brent Stevens, Jonathan Swain, and Natalie Schramm. CRDG's officers include M. Brent Stevens as Chief Executive Officer, Jonathan Swain as President, Natalie Schramm as Chief Financial Officer and Mary Ellen Kanoff as Secretary. Certain local investors have been granted the option to participate in the ownership of CRDG, contingent upon the receipt of a license. All are committed to building and operating a casino development of which Linn County residents will be proud. This leadership group has strong ties to organizations that help improve the quality of life throughout the region.

Mr. M. Brent Stevens is the founder and Chief Executive Officer of PGP Investors, LLC (d/b/a Peninsula Pacific), a private investment holding company focused on control investments in the gaming, consumer, and industrial sectors, and is one of three founders of JNB Gaming, LLC, a strategic planning, and casino operations management company. As Chief Executive Officer, Mr. Stevens' emphasis is to revitalize and improve the local economy of the communities in which his company's facilities operate through outstanding service and exceptional quality. Current gaming operations include Kansas Crossing Casino + Hotel in Pittsburg, Kansas ("Kansas Crossing") and four New Hampshire casinos including Filotimo Casino in Manchester and Dover, Wonder Casino in Keene, and Lebanon Poker Room & Casino in Lebanon (collectively, the "NH

Operations”). Prior to November 2022, gaming operations included Hard Rock Hotel & Casino in Sioux City, Iowa (“Hard Rock Sioux City”), del Lago Resort & Casino in Waterloo, New York (“del Lago”), and Colonial Downs Racetrack and five Rosie’s Gaming Emporiums in the Commonwealth of Virginia (“Colonial Downs”). While he advised casino clients, he recognized the opportunity for growth in regional gaming. In 1999, he entered the gaming industry with a \$77 million purchase of Diamond Jo Riverboat Casino in Dubuque and Peninsula Gaming, LLC was born. From July 1999 to November 2012, Mr. Stevens was the CEO of Peninsula Gaming, LLC which owned and operated five gaming facilities in three states, including two locations in Iowa. He also served as the Executive Vice President of the Capital Markets Department of Jefferies & Company, Inc. Mr. Stevens received his Master of Business Administration in 1989 from the Wharton School of the University of Pennsylvania and a bachelor’s degree in accounting in 1983 from the University of Southern California.

Mr. Jonathan Swain is one of three founders of JNB Gaming, LLC. JNB Gaming, LLC, is the Gaming Facilities Manager of Kansas Crossing and NH Operations, where he serves as President. Mr. Swain previously served on the boards and as President of Hard Rock Sioux City, Colonial Downs, and del Lago. JNB Gaming, LLC, was previously the Gaming Facilities Manager of del Lago and Colonial Downs. From July 2004 to November 2012, Mr. Swain was Chief Operating Officer of Peninsula Gaming, LLC. During his long tenure with Peninsula Gaming, Mr. Swain also developed and completed construction on four casinos in three states, including Diamond Jo Casino & Hotel in Northwood, Iowa; Diamond Jo Casino in Dubuque, Iowa; Kansas Star Casino in Mulvane, Kansas; and Evangeline Downs Racetrack & Casino in Opelousas, Louisiana. During his time as COO of Peninsula Gaming, he was responsible for casino operations, marketing, establishing standards of service and brand continuity. Mr. Swain has been in the gaming industry for more than 30 years. Mr. Swain lives in Bellevue, Iowa, where he and his wife raised their two daughters. Mr. Swain received his Master of Business Administration from the University of Nevada, Las Vegas, in 1997 and a bachelor’s degree in hotel administration in 1988 from the University of Wisconsin-Stout.

Ms. Natalie A. Schramm is one of three founders of JNB Gaming, LLC. Ms. Schramm currently serves as Chief Financial Officer of Kansas Crossing and NH Operations. Ms. Schramm previously served on the board of Hard Rock Sioux City and was Chief Financial Officer of Hard Rock Sioux City, Colonial Downs, and del Lago. JNB Gaming, LLC, was previously the Gaming Facilities Manager of del Lago and Colonial Downs. From July 1999 to November 2012, Ms. Schramm was Chief Financial Officer and Principal Accounting Officer of Peninsula Gaming, LLC. She helped finance and build Peninsula Gaming casinos in three states, including Diamond Jo Casino & Hotel in Northwood, Iowa; Diamond Jo Casino in Dubuque, Iowa; Kansas Star Casino in Mulvane, Kansas; and Evangeline Downs Racetrack & Casino in Opelousas, Louisiana. During her time as CFO of Peninsula Gaming, she was responsible for the financial operations of the company, including the operational finance teams, internal audit, corporate accounting, and SEC reporting. Ms. Schramm has been in the gaming industry for more than 30 years. Ms. Schramm grew up and continues to reside in Dubuque, Iowa, with her family. Ms. Schramm graduated from the University of Iowa in 1992 with a Bachelor of Business Administration in accounting.

Ms. Mary Ellen Kanoff complements the board as the Secretary of CRDG. Since joining Peninsula Pacific in July 2013, Ms. Kanoff has served as General Counsel and Chief Compliance Officer for Peninsula Pacific and substantially all its portfolio companies, managing – along with the financial and operating teams at the portfolio companies – litigation, M&A, IP, structuring and negotiating key strategic contracts, and structuring and negotiating financing arrangements for portfolio entities. Ms. Kanoff is a standout lawyer, meticulous in ethical guidelines and regulations, ensuring actions are above reproach. Ms. Kanoff serves as an operating officer of Peninsula Pacific Entertainment Holdings, LLC (“P2EH”), and as an officer of each of its subsidiaries. Ms. Kanoff also serves as Chief Compliance Officer of PGP Advisors, LLC (“PGPA”), the registered investment advisor to PGP Investors, LLC (“PGPI”), and handles the securities compliance work of PGPA. Prior to joining Peninsula Pacific, she served as a partner at Latham & Watkins for over 25 years in the corporate department, specializing in M&A and capital markets. She served as a leader in the Hospitality, Gaming and Leisure, and Retail and Consumer Products industry groups. Ms. Kanoff received a Juris Doctor from the University of California, Berkeley School of Law (Boalt Hall) in 1984 and a bachelor’s degree in economics in 1978 from the University of California, Berkeley.

Item III. Economic impact and development

Item III (a):

Project the annual amount of revenue that will be provided by the proposed facility to the state and local communities through direct taxation on its operation and indirect revenues from tourism, ancillary businesses, creation of new industry, and taxes on employees and patrons.

Applicant Response:

To assess the potential impacts that will be created by this project, Convergence Strategy Group (“CSG”) prepared a Casino Gaming Market Assessment and Economic Impact Study.

The Cedar Crossing Casino and Entertainment Center is expected to generate substantial revenue for the state and local communities through multiple revenue streams, including direct taxation, indirect economic impacts, and ancillary business growth.

- **License Fee:** Upon granting of a license, the State of Iowa will receive a \$20 million license fee, paid over five annual installments.
- **Land Sale Proceeds:** The City of Cedar Rapids will benefit significantly from the sale of city-owned land to Cedar Crossing Casino and Entertainment Center, resulting in millions of dollars in proceeds.
- **Property Taxes:** Cedar Crossing Casino and Entertainment Center has agreed to a minimum assessment of \$50 million for the project, thereby guaranteeing Linn County and the City of Cedar Rapids millions of dollars in additional property taxes.

Construction Phase Impact

- Economic Benefit: The CSG report (Exhibit 2.1) indicates that during the construction phase, the State of Iowa will benefit from over **\$303 million** in direct and indirect spending, with nearly **\$102 million in wage earnings**.
- Job Creation: The development **will create over 1,000 jobs** during the construction phase, generating almost \$4 million in income tax for the state.

Ongoing Operations Impact

Annual Economic Contribution: The CSG Gaming Market Assessment and Economic Impact Study (see Exhibit 2.1 Table 23) indicates that the ongoing operations will contribute **over \$65 million in direct and indirect spending in Iowa communities every year**. Additionally, earnings will contribute \$29 million and create more than five hundred jobs annually, providing substantial employment opportunities for area residents and contributing to overall economic growth and stability.

- **Gaming Taxes:**
 - The State, Linn County and City will benefit as Cedar Crossings will generate over \$22 million in gaming taxes annually (Exhibit 2.1 Table 24).
- **Five-Year Direct Impacts**
 - Taxes and Revenue Sharing: Over the next five years, Cedar Crossing Casino and Entertainment Center will contribute more than **\$115 million through taxes and revenue sharing agreements** to the City of Cedar Rapids, Linn County, and the State of Iowa.
 - Additionally, **\$31 million will be contributed to the Linn County Gaming Association**, supporting community partnerships and funding needs in education, human services, arts and culture, recreation, and emergency response.

Fiscal Benefits: In addition to gaming-related taxes and distributions, the State and County will benefit from a variety of sources on direct and indirect spending, ranging from sales and use taxes to incremental income tax and property taxes.

Sales Tax Revenues

- **State Sales Tax Revenues:**

Annual incremental sales taxes generated by the Cedar Crossing Casino and Entertainment Center development are projected to be \$2.0 million for the State of Iowa and an additional \$300,000 for Linn County (Exhibit 2.1 Tables 25-26).

- Net F&B Patron Spending: **\$5,236,191 resulting in \$314,171 in NEW state sales tax revenues**.
- Cedar Crossing Purchase of Goods and Services: **\$18,026,404 resulting in \$1,081,584 in NEW state sales tax revenues**.

- Indirect Spending: **\$26,018,107** resulting in **\$520,362** in **NEW** state sales tax revenues.
- **Total NEW state sales tax: \$1,916,118.**
- **County Sales Tax Revenues:**
 - Net F&B Patron Spending: **\$7,053,000** resulting in **\$70,530** in **NEW** county sales tax revenues.
 - Cedar Crossing Purchase of Goods and Services: **\$18,135,698** resulting in **\$181,357** in **NEW** county sales tax revenues.
 - Indirect Spending: **\$20,965,760** resulting in **\$69,886** in **NEW** county sales tax revenues.
 - **Total NEW County sales tax: \$321,773.**

Income Tax Revenues

Income Tax: Based on projections by CSG (Exhibit 2.1), income tax revenues to the State of Iowa attributable to Cedar Crossing Casino and Entertainment Center will total approximately **\$1.1 million annually.**

Additional Capital Investments

Visitor Attraction: Bringing 1.1 million visitors annually to downtown Cedar Rapids will spur additional capital investments, revitalizing the area with new businesses, retail shops, restaurants, and entertainment venues. This influx of visitors will not only enhance the local economy but also create a vibrant community hub, attracting further investments and development projects.

Commitment to "Buy Iowa First"

We are fully committed to the "Buy Iowa First" program. By prioritizing the procurement of goods and services from Iowa-based companies, we ensure that a sizable portion of our operational spending directly benefits the state's economy. This initiative not only bolsters local businesses but also amplifies the economic impact of our proposed facility.

Conclusion

By strongly embracing the "Buy Iowa First" program, Cedar Crossing Casino and Entertainment Center will prioritize local sourcing, further supporting Iowa businesses. This comprehensive economic impact will include direct taxation on the casino's operations, indirect revenues from increased tourism, the creation of ancillary businesses, the development of new industries, and taxes on employees and patrons. The Cedar Crossing Casino and Entertainment Center is poised to be a powerful catalyst for economic growth and community enhancement in Cedar Rapids and the state of Iowa.

Item III (b):

Project the level of financial and other support the proposed operation will provide to the community in order to improve the quality of life of the residents of the community.

Applicant Response:

Cedar Crossing Casino and Entertainment Center is dedicated to significantly enhancing the quality of life for the residents of Cedar Rapids and the surrounding areas through various avenues of support. Our contributions will encompass economic stimulation, job creation, and direct financial investments into community development projects.

Economic Impact and Job Creation

The Convergence Strategy Group Gaming Market Assessment and Economic Impact Study (see Exhibit 2.1 Table 23) projects substantial economic benefits from Cedar Crossing Casino and Entertainment Center’s operations. Statewide, the casino is forecasted to generate a net annual spending impact of approximately \$65.6 million, supporting earnings growth of \$29.6 million and creating 524 full-time equivalent jobs for Iowa workers.

In Linn County alone, annual spending attributable to Cedar Crossing is projected at \$57.1 million, supporting earnings growth of \$21.7 million and creating 446 full-time equivalent jobs.

Summary Projections:

	DIRECT	INDIRECT	TOTAL
State of Iowa			
Spendings	\$39,540,836	\$26,018,107	\$65,558,943
Earnings	\$15,063,530	\$14,579,920	\$29,643,450
Employment	300	224	524
Linn County			
Spendings	\$36,101,624	\$20,965,760	\$57,067,384
Earnings	\$12,680,905	\$8,988,994	\$21,669,900
Employment	247	200	446

Source: Convergence Strategy Group calculations, using RIMS II multipliers from U.S. Bureau of Economic Analysis

Community Contributions

Beyond economic impacts, Cedar Crossing Casino and Entertainment Center will directly invest in community development through substantial financial contributions:

Linn County Gaming Association:

Cedar Crossing Casino and Entertainment Center will allocate 8% of its Net Adjusted Gaming Revenue (AGR) to the Linn County Gaming Association, the non-profit co-licensee. This allocation is projected to exceed \$6 million annually. This significant funding will empower the Linn County

Gaming Association to support a wide array of local initiatives and non-profit organizations. This money can be used to fund new charitable projects and amplify existing projects by supporting many worthwhile causes in the community. These causes may include educational programs, healthcare services, arts and culture initiatives, youth education, and other community enrichment activities. The flexibility of these funds will allow the Linn County Gaming Association to address immediate needs and invest in long-term projects that enhance the quality of life for all residents.

City of Cedar Rapids:

The City of Cedar Rapids will receive 2.25% of Net AGR, in addition to the statutory gaming tax share of 0.5% of AGR. This contribution, projected to be approximately \$1.8 million annually, will be deposited into a “Community Betterment Fund.” The fund will finance economic development activities, affordable housing, trails and recreational amenities, infrastructure, public amenities, and other essential services aimed at population growth, job creation, and general development of the city.

Quality of Life Enhancements

The comprehensive support from Cedar Crossing Casino and Entertainment Center will significantly enhance the quality of life in Cedar Rapids by:

- **Creating Jobs:** Hundreds of direct and indirect employment opportunities will boost household incomes and economic stability.
- **Stimulating Spending:** Increased spending in the local and state economy will drive business growth and economic resilience.
- **Funding Community Projects:** Investments in infrastructure, affordable housing and recreational amenities will create a more vibrant and sustainable community.

In conclusion, Cedar Crossing Casino is committed to delivering substantial economic and social benefits to Cedar Rapids, Linn County, and the State of Iowa. Our operations will not only create jobs and stimulate the economy but also provide significant financial support to enhance the overall quality of life for the community.

Item III (c):

Explain how the proposed operation is economically viable and properly financed.

Applicant Response:

Based on our assessment, Cedar Rapids is currently the most underserved gaming market in the State of Iowa. CRDG engaged Convergence Strategy Group (“CSG”) to provide a gaming market assessment for the possible development which indicated stabilized gaming revenues of \$108 million annually. See Exhibit 2.1 for the CSG report and Exhibit 6.6 in the Confidential Binder for the Company’s financial projections showing economic viability.

A financing commitment has been obtained from Banco Santander, S.A. See Section 4 for financing details.

Item III (d):

Explain how the proposed operation is beneficial to Iowa tourism.

Applicant Response:

The Cedar Crossing Casino and Entertainment Center, strategically located in downtown Cedar Rapids along the scenic Cedar River, is set to become a cornerstone of Iowa tourism, attracting over 1.1 million visitors annually. This project will significantly enhance the tourism appeal of Cedar Rapids and provide an array of first-class amenities for both locals and tourists.

Boosting Visitor Numbers and Economic Impact

The influx of over 1.1 million visitors each year to Cedar Crossing Casino and Entertainment Center will have a substantial economic impact on Cedar Rapids, the Eastern Iowa corridor, and the state of Iowa. The project will generate increased revenue for local businesses, from retail shops to service providers, stimulating economic growth and job creation.

Culinary and Entertainment Excellence

Cedar Crossing Casino and Entertainment Center will feature award-winning restaurants led by renowned chefs, offering menus that highlight locally sourced ingredients. These dining establishments, paired with crafted cocktail menus, will provide an exceptional culinary experience, attracting food enthusiasts and contributing to the local food and beverage industry.

Entertainment Excellence

The 1,500-capacity entertainment venue will host over 125 events annually, including performances by national touring comedians, chart-topping bands, and influential artists. This venue will draw visitors from across the region and beyond, fostering Cedar Rapids' reputation as a premier destination for high-quality entertainment. For example, during our ownership of the Hard Rock Hotel & Casino in Sioux City, Iowa, box office reports showed that we sold tickets to guests from every state in the country and eight foreign countries. With a comparable venue and by using our proven playbook, we will execute a similar entertainment programming strategy at Cedar Crossing Casino and Entertainment Center.

Cultural Enrichment Through Exhibitions

Our dedicated exhibition space will host world-class exhibitions, such as "Beyond King Tut" and "Greatest Wildlife Photographs," in collaboration with the National Geographic Society. Renowned displays like "Da Vinci: The Exhibition" and "Dinosaur Explorer" will further enrich the cultural experiences available to visitors. These exhibits not only attract new tourists but also offer

invaluable educational opportunities for local school children, enhancing Cedar Rapids' status as a cultural hub.

STEM Lab

The Arts & Cultural Center will periodically transform into a STEM Lab, bringing in specific exhibits focused on science, technology, engineering, and mathematics. These hands-on, problem-based learning exhibits will target school groups in addition to tourists and locals, offering invaluable educational opportunities that help students succeed in college and their future careers. This initiative will support the educational growth of the community.

Sports Tourism and Community Engagement

Cedar Crossing Casino and Entertainment Center will serve as a venue for regional and national sporting events, capitalizing on Cedar Rapids' growing sports tourism market. We are planning events such as Mixed Martial Arts (MMA) and boxing matches, 3-on-3 basketball tournaments, American Cornhole League Championships, American Darts Organization Tournaments, billiards competitions, and World Chase Tag events. These events will attract sports enthusiasts, foster community engagement, and boost local tourism.

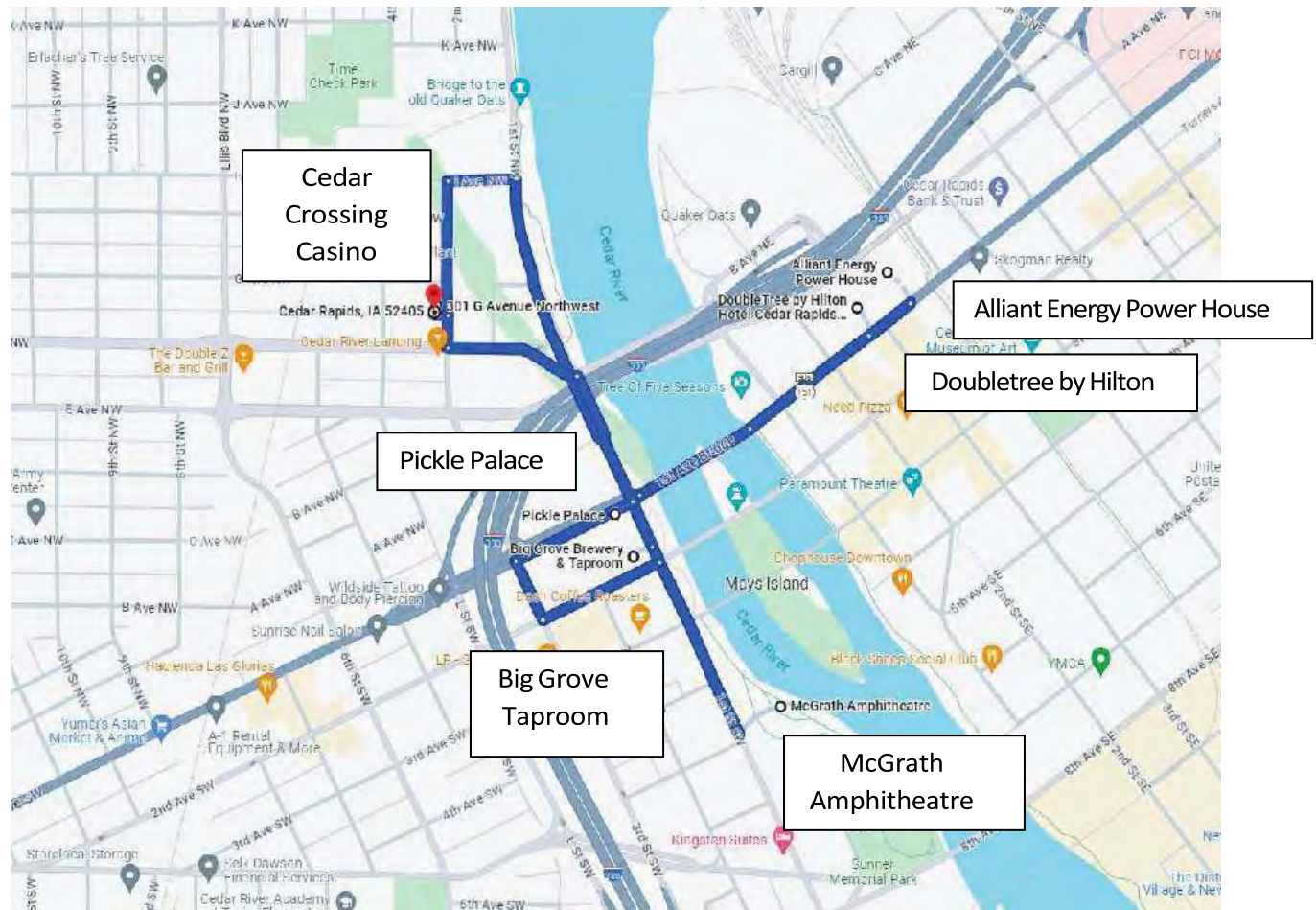
Complementing Existing Venues and Enhancing Local Culture

In synergy with other prominent venues in the area, such as the 8,600-capacity Alliant Energy PowerHouse and the 5,000-capacity McGrath Amphitheatre, Cedar Crossing Casino and Entertainment Center will offer a diverse range of entertainment options. This collaboration will complement the vibrant local music scene found at establishments like Bo Mac's, Cedar River Landing, Big Grove Brewery & Taproom, and Pickle Palace, adding another dimension to Cedar Rapids' rich cultural landscape.

Shuttle Service: Connecting Cedar Rapids

Cedar Crossing Casino and Entertainment Center will feature a conveniently located shuttle station just steps from our front door. Our shuttle service will provide seamless connectivity to area hotels, downtown, the Kingston Yard Development, and other key locations around Cedar Rapids. Working in tandem with the City of Cedar Rapids, we are exploring ways to connect the shuttle to The DISTRICT: Czech Village & New Bohemia—a thriving arts and cultural district with award-winning restaurants and specialty shops. This service will foster synergies with area tourist destinations, making it easier for visitors to explore and enjoy the city's attractions.

Sample Shuttle Route



Shuttle Route

Cedar Crossing Casino and Entertainment Center to McGrath Amphitheater	3 Minutes
McGrath Amphitheater to Alliant Energy Power House	2 Minutes
Alliant Energy Power House to DoubleTree by Hilton	1 Minute
DoubleTree by Hilton to Big Grove Taproom	2 Minutes
Big Grove Taproom to Pickle Palace	2 Minutes
Pickle Palace to Cedar Crossing Casino and Entertainment Center	2 Minutes

Conclusion

The Cedar Crossing Casino and Entertainment Center is poised to become a major tourism asset for Iowa, significantly boosting visitor numbers, enriching the local cultural scene, and stimulating economic growth. By providing a blend of entertainment, culinary excellence, cultural exhibits, sports tourism, and convenient shuttle services, Cedar Crossing Casino and Entertainment Center will transform Cedar Rapids into a must-visit destination, benefiting both the local community and the state of Iowa as a whole.

Item III (e):

Explain how the proposed operation will create and promote quality employment opportunities for lowans.

Applicant Response:

At Cedar Crossing Casino and Entertainment Center, we are committed to creating and promoting quality employment opportunities for lowans that go beyond mere jobs to foster long-term careers. Our operation will offer a diverse range of positions across various fields, including accounting and finance, marketing and advertising, entertainment and stage production, security and surveillance, information technology, maintenance, culinary and food service, as well as traditional casino roles like dealers and floor attendants.

Commitment to a Living Wage

We are proud to commit to a minimum pay of at least \$15 per hour for all non-tipped positions. This ensures that our employees receive a fair wage that supports their quality of life and reflects the value we place on their contributions.

Career Development and Promotion from Within

Identifying and developing talent has always been a hallmark of our company and a key to our success. We are dedicated to investing in our team members through comprehensive training programs that cover both technical skills and exceptional service standards. Our structured training initiatives ensure that employees are well-prepared to excel in their roles and advance within the company. We place a strong emphasis on internal promotion, providing clear pathways for career progression and professional growth.

Flexible Employment Options

Understanding the diverse needs of our workforce, we offer flexible hours to accommodate those seeking part-time employment, enabling us to attract a broad range of applicants, including students, parents, and individuals seeking supplementary income.

Commitment to Training and Development

Training at Cedar Crossing Casino and Entertainment Center encompasses both the technical and service aspects of our operations. Our technical training ensures that team members are proficient in the latest technologies and methodologies relevant to their roles, while our service training emphasizes the importance of delivering exceptional guest experiences. By equipping our employees with the necessary skills and knowledge, we foster a culture of excellence and continuous improvement.

Comprehensive Benefits Package

We understand that competitive benefits are crucial to attracting and retaining top talent. Our employees will enjoy a comprehensive benefits package that includes:

- Health Care: Competitive health care plans that provide comprehensive medical coverage.
- Vision and Dental: Vision and dental plans to ensure overall well-being.
- 401(k) Plan: A robust 401(k) retirement savings plan with company matching contributions to help employees plan for their future.
- Paid Time Off (PTO): Generous paid time off to promote work-life balance and personal well-being.
- Employee Assistance Programs (EAPs): Access to confidential counseling and support services for personal or work-related challenges.
- Free Uniforms: Complimentary uniforms for all team members to maintain a professional appearance.

Work-Life Balance

We recognize the importance of work-life balance and are committed to providing a supportive and flexible work environment. Our policies and programs are designed to help employees manage their professional and personal lives effectively, contributing to their overall well-being and job satisfaction.

By offering a wide variety of career opportunities, comprehensive training, competitive benefits, and a commitment to employee well-being, Cedar Crossing Casino and Entertainment Center will not only create jobs but also promote meaningful and rewarding careers for Iowans. Our commitment to a minimum payrate of at least \$15 per hour for all non-tipped positions ensures that our employees receive a fair wage that supports their quality of life. We believe that our investment in our team members is an investment in the future success of our operation and the community we serve.

Item III (f):

Explain how the proposed operation will promote the development and sale of Iowa products.

Applicant Response:

At Cedar Crossing Casino and Entertainment Center, we are committed to supporting the local economy and promoting Iowa products. We will fully embrace the state-wide “Buy Iowa First” program, as we have successfully done in the past, to collaborate extensively with local businesses in Cedar Rapids, Linn County, and across Iowa to source products and services.

Buy Iowa First Initiative

Local and Regional Products: Cedar Crossing Casino and Entertainment Center will prominently feature a wide range of local and regional products. This includes not only Iowa-grown produce and ingredients but also manufactured goods, equipment, and services. Our commitment to sourcing locally extends to various aspects of our operations, from construction materials and furnishings to office supplies and marketing services. By prioritizing these local products, we aim to enhance the quality of our offerings while supporting Iowa's diverse economy.

Proven Track Record

Company Leadership's Commitment: Our company leadership has long demonstrated a commitment to the "Buy Iowa First" initiatives, with a proven track record of success at three properties we have owned previously in Iowa: Diamond Jo Casino Dubuque, Diamond Jo Worth, and Hard Rock Hotel & Casino Sioux City. In these operations, we were leaders in the state, with a substantial portion of all goods and services sourced from Iowa vendors. This track record underscores our proven ability and strong commitment to promoting Iowa products.

Strategic Partnerships

Collaboration with Local Businesses: Cedar Crossing Casino and Entertainment Center will actively seek partnerships with local vendors and suppliers. By collaborating with Iowa-based businesses, we will ensure a steady supply of high-quality products and services that meet our operational needs while boosting the local economy.

Supporting Local Agriculture and Craftsmanship: Our commitment extends to promoting local agriculture and craftsmanship. We will source fresh, seasonal produce directly from Iowa farms and incorporate Iowa-made artisanal products into our offerings. Additionally, we will work with local manufacturers to source equipment and furnishings, thereby supporting a broad range of Iowa industries.

Curated Iowa-Made Items: To further support local businesses, we will offer a curated selection of Iowa-made items for sale to our over one million visitors annually. This will include unique crafts, gourmet foods and specialty products that showcase the talent and creativity of Iowa's artisans and producers, providing our guests with an opportunity to take a piece of Iowa home with them.

Point Partners Program

Our Point Partners program allows customers to redeem points earned while playing at our casino with local retailers. This initiative focuses on partnering locally to support small businesses within our community. By doing so, we aim to foster a thriving local economy, operating on the principle that a rising tide lifts all boats. Through this program, our guests enjoy a diverse range of rewards while contributing to the success and sustainability of local enterprises.

Conclusion

By fully embracing the statewide “Buy Iowa First” program and leveraging our leadership’s extensive experience, Cedar Crossing Casino and Entertainment Center will play a pivotal role in promoting the development and sale of Iowa products. Our strategic focus on local sourcing and partnerships will contribute to the economic vitality of Cedar Rapids and the broader Iowa community, ensuring a positive and lasting impact.

Item III (g):

Explain the amount and type of other development and amenities associated with the proposed operation.

Applicant Response:

Cedar Crossing Casino and Entertainment Center Overview

The \$275 million Cedar Crossing Casino and Entertainment Center, located downtown along the picturesque Cedar River, is set to be an exciting and transformative addition to Cedar Rapids. This state-of-the-art facility will offer a variety of amenities and attractions designed to enhance both the local community and the visitor experience.

Attributes and Amenities:

- **Destination Restaurants and Bars**
 - **Clubhouse by Zach Johnson:** Developed in collaboration with Zach Johnson, Masters champion and US Open champion, who was raised in Cedar Rapids. This relaxed, chef-run steakhouse features locally sourced steaks and chops, local brews, and crafted cocktails. The menu also includes Zach's selected Master's Dinner, an honor reserved for the previous year's champion, featuring the same Iowa Beef he selected after winning the Masters Tournament in 2007. Enjoy a dynamic dining atmosphere that reflects Zach's passion for great food and community.
 - Additionally, the Clubhouse supports the **Zach Johnson Foundation's Kids on Course** program, a nonprofit initiative in partnership with the Cedar Rapids Community School District. This program provides critical support in education, enrichment activities, parent engagement strategies, and health support to help students succeed academically and personally, guiding them toward college graduation.
 - **\$500,000 Annual Contribution:** Inspired by Zach's work with area children, along with our partners, we pledge to support his local Kids on Course efforts with an annual contribution of \$500,000. This substantial support underscores our dedication to fostering educational opportunities,

reducing barriers for students, and enhancing the quality of life for current and future generations in Cedar Rapids.

- **World's Fare:** Captures the essence of street food from various cultures, featuring dishes like Indian street food tacos, Korean-inspired crispy fried chicken, Mediterranean wraps, Tokyo tempura, French crêpes, Spanish churros and more. The menu is crafted by celebrity chefs and changes seasonally.
- **River's Edge Smokehouse and Tap:** Offers farm-fresh meals and locally sourced ingredients, featuring the Iowa Titan Tenderloin, pub burgers, pulled pork, beef brisket and signature BBQ ribs. Live music takes center stage, featuring the best of rock, country, and blues.
 - With a welcoming atmosphere and family-friendly options, it is the perfect spot for guests of all ages to enjoy a delicious meal together.
- **Strings Guitar Bar:** Enjoy live guitar music and singer-songwriter performances with craft beers, artisanal cocktails, and premium spirits in a welcoming, music-filled atmosphere.
- **Leader in Live Entertainment**
 - **Cedar Crossing Event Center:** This versatile 1,500-capacity venue is designed to host a wide range of events, including concerts, sporting events, comedy shows, special events, festivals, and trade shows. It is a key attraction for visitors and locals alike, providing a dynamic space for entertainment and community gatherings.
 - **Comedy Club:** Our new comedy club will host top-tier comedians, from up-and-coming comics to major headliners. This vibrant venue ensures regular high-quality comedy performances, adding to the diverse entertainment offerings.
- **Arts, Culture and STEM Discovery Zones**
 - **Arts and Cultural Center:** Dedicated to providing diverse and enriching experiences that inspire curiosity, creativity, and a deeper understanding of our world. Our selection of exhibits will be carefully curated to offer engaging, educational, and immersive experiences for visitors of all ages. Below are some of the top exhibit options that we believe would be a perfect fit for our Arts and Cultural Center, bringing excitement and learning to our community.
 - **Astronaut:** This exhibit explores the incredible journey of astronauts, featuring immersive experiences and interactive displays that highlight the challenges and triumphs of space exploration.

- **Beyond King Tut:** This immersive experience celebrates the 100th anniversary of the legendary discovery of Tutankhamun’s tomb in Egypt’s Valley of the Kings. Visitors will experience cinematic storytelling and soaring projection imagery as they venture into the boy king’s world like never before.
 - **Cats & Dogs:** This multilingual exhibit (English, French and Spanish) dives into the world of our furry friends, showcasing their behaviors, biology, and the bond they share with humans.
 - **Discover Steampunk:** An exhibition that blends history, art, and technology through the imaginative world of steampunk, featuring interactive elements and elaborate designs.
 - **Earth Matters:** An engaging exhibit that addresses the critical issues facing our planet, emphasizing the importance of conservation and sustainable practices.
 - **The Greatest Wildlife Photographs:** This National Geographic exhibit showcases some of the most stunning wildlife photographs ever taken, celebrating the beauty and diversity of the animal kingdom through the lens of world-class photographers.
 - **Ice Dinosaurs:** An exhibit that combines the fascination of dinosaurs with the intrigue of the Ice Age, featuring life-sized models and interactive elements.
 - **Planet Pioneers:** This bilingual exhibit (English and Arabic) takes visitors on a journey to explore the challenges and possibilities of living on other planets.
- **STEM Lab:** The STEM Lab focuses on STEM education, offering hands-on, problem-based learning exhibits that provide invaluable educational opportunities for area children and enhance their future career prospects. These interactive and engaging exhibits are designed to inspire curiosity, critical thinking and a passion for science, technology, engineering, and mathematics.
 - **Animal Super Powers:** This exhibit showcases the incredible abilities of various animals, explaining the science behind their unique adaptations and how they inspire technological innovations.
 - **Dinosaur Explorer:** An interactive journey into the world of dinosaurs, this exhibit combines paleontology with modern technology to offer a captivating learning experience about these prehistoric creatures.

- **Explore Your World:** This exhibit offers an interactive exploration of the natural world, encouraging visitors to discover and learn about different ecosystems and the creatures that inhabit them.
- **Science Fiction, Science Future:** An engaging exhibit that explores the concepts of science fiction and how they inspire real-world scientific advancements, with interactive displays and futuristic technology.
- **Award-Winning Nightlife**
 - **Center Court Sports Bar:** Located in the middle of the casino floor, it is the heart of social activity, featuring a live music center stage that will drive the pulse of the property. The sportsbook is ideal for catching games, betting on favorite teams, and celebrating wins with friends.

Cedar Crossing Casino and Entertainment Center is not just about gaming; it is about creating a vibrant, community-centered destination. With the largest percentage charitable contribution in Iowa, providing more than \$6 million annually to the Linn County Gaming Association to fund local nonprofits, the casino demonstrates its commitment to giving back to the community.

Item III (h):

Project the percentage and amount of adjusted gross revenue from out-of-state markets and the stability and reliability of those markets.

Applicant Response:

Cedar Rapids has a vibrant tourism market, attracting 2.5 million visitors per year, according to the Cedar Rapids Tourism Office.

The CSG report Exhibit 2.1 Table 6 shows that approximately 18.5 percent of tourists visits to Cedar Rapids come from visitors that currently live outside the regionally defined market based on visitor sources and trends to existing Cedar Rapids attractions (as extracted from cellphone tracking data). Using the same data, it is further estimated that 82.9 percent of these visits would come from out of state. CSG projects a capture of 10% (38,314) of these tourists will visit the casino during their stay in Cedar Rapids. This is consistent with what is experienced in other markets nationwide and should be viewed as conservative when considering the synergy of being located adjacent to Kingston Yard. There are no other casinos in Iowa that should be able to draw from this market segment. It is estimated these visits will generate approximately \$3.3 million in AGR.

In addition, the CSG gaming model of the regional market estimates an additional 10,660 gaming visits come from out-of-state non-tourist visitors that live within the 2.5-hour drive time market. These visitors are almost exclusively from Illinois residents living closer to the state border. These visits equate to \$1.0 million in AGR.

Total out-of-state play for the first year of operation from the two components result in almost \$4.3 million in AGR as defined in 2024, as shown in the following table.

(\$Millions)	Year 1	
	Potential Visitors	Potential AGR
Estimated Cedar Rapids Tourist Visitation	2,500,000	
Visits from Outside Regionally Defined Market	18.5%	461,923
Visits Generated from Out of State	82.9%	383,137
Casino Capture	10.0%	38,314
AGR Attributed to Out of State Tourist Visitors		38,314
AGR Attributed to Out of State Regional Gamers		10,660
Total Incremental AGR Attributed to Out of State		48,974

Source: Convergence Strategy Group calculations

By 2029, Adjusted Gaming Revenue from out of state is projected to be \$4.4 million.

Item IV. Efficient and safe operation

Item IV (a):

Explain how the proposed facility is planned in a manner that promotes efficient and safe operation of all aspects of the facility.

Applicant Response:

CRDG is committed to ensuring that this facility is efficient, safe, and enjoyable for every guest. Our design and construction teams, comprised of licensed and qualified professionals, will oversee, and implement all code requirements for the project. This includes compliance with all applicable building, local fire, health, construction and safety codes and ordinances. Our experienced operating team, led by highly seasoned and experienced leaders with a proven track record, will ensure smooth and secure operations, drawing on extensive expertise in managing premier facilities.

Design Elements:

- The layout of the building and surrounding property will be designed to ensure secure operation with controlled ingress and egress for both guests and employees.
- Pedestrian circulation pathways will be compliant with the Americans with Disabilities Act (ADA) and generously sized to enhance the guest experience and accommodate future growth.
- All vehicular circulation on and around the site will be carefully evaluated to minimize crossover traffic patterns, ensuring safe flow between cars and pedestrians.

- Distances from the building to all parking stalls will be assessed to ensure safe travel for guests to and from their vehicles.
- All property critical and life safety systems will be connected to an Uninterruptible Power Supply (UPS) and emergency generator backup to ensure uninterrupted and sustained power.

Operating Functions:

- The head of Security will be in contact with local law enforcement and will coordinate with the confidential operational security planning.
- The facility will feature 24/7 digital surveillance installed throughout the property, including parking lots, entrances, and high-traffic areas.
- Security officer(s) will be located throughout the property 24/7.
- The Security team will have an Emergency Response Plan (ERP) and train all security team members as it relates to their specific role(s) during an emergency or crisis to protect the health and safety of guests and team members.
- The parking lot will be well lit, with lighting installed to enhance visibility and deter potential criminal activity.
- Trained security personnel will be employed to monitor the premises, assist guests, and respond promptly to incidents.
- Advanced access control systems will be implemented to restrict entry to sensitive areas of the facility.
- Regular security patrols will be conducted both inside and outside the facility to maintain a visible security presence.
- Guest screening procedures will be implemented at entrances to identify potential threats before they enter the property.
- An incident response plan will be developed and regularly updated to manage emergencies effectively and efficiently.
- Clear and visible safety signage will be installed throughout the property to guide guests and employees during emergencies.
- Regular safety training and emergency drills will be conducted for all staff to ensure preparedness in case of an emergency.
- All team members will receive Responsible Gaming training with the goal of maximizing the knowledge and awareness of problem gambling resources.
- All relevant employees will participate in the Iowa Program for Alcohol Compliance Training (I-PACT) to ensure they are knowledgeable about state laws and best practices for preventing underage sales and responsibly managing alcohol service.
- Off-duty law enforcement will be contracted, as necessary, during peak and/or late-night periods.

Item IV (b):

Explain how the proposed facility, including, but not limited to, parking facilities, concessions, gaming floor, sportsbook, access to cashier windows, restrooms and amenities is planned in a manner that promotes efficient, safe, and enjoyable use by patrons.

Applicant Response:

The proposed facility has been meticulously planned by our design architect and team, who bring decades of experience to the project. Leveraging their extensive expertise, we have ensured that every aspect of the facility promotes efficient, safe, and enjoyable use by patrons. Wayfinding signage will be highly visible and strategically placed to guide patrons throughout the facility.

Parking Facilities: The parking lot design focus is to provide ample options to accommodate guests' needs, including designated ADA spaces, as well as parking for veterans and high-frequency guests. To promote sustainability and environmentally friendly design, electric vehicle (EV) charging stations will be installed. Additionally, landscaping islands with tree canopies will enhance aesthetics, assist with site drainage, and help mitigate the urban heat island effect from large, paved areas.

Safety and convenience are prioritized, ensuring smooth vehicle movement and ample pedestrian pathways. Clearly marked pedestrian crossings and well-lit walkways will enhance the pedestrian experience. Efficient entry and exit points are designed to minimize congestion.

Continuous monitoring by surveillance and security personnel will ensure a safe and enjoyable environment. The design will adhere to the City of Cedar Rapids' engineering standards, reflecting a commitment to quality and local regulations.

Concessions: Concession areas are strategically placed in the facility to ensure patrons have easy access to food and beverages. The layout minimizes wait times and crowding, with multiple service points and a variety of options to cater to different tastes and preferences.

Gaming Floor: The gaming floor is designed with spacious aisles and a logical layout that guides patrons seamlessly from one area to another. Slot machines, table games and other gaming options are organized to prevent overcrowding and enhance the overall gaming experience. Security personnel and surveillance systems are in place to ensure a safe environment.

Sportsbook: The sportsbook area is equipped with comfortable seating, large screens for clear viewing of events and easy access to betting kiosks. The design allows for efficient movement and minimizes lines, ensuring patrons can place bets and enjoy the games without hassle.

Access to Cashier Windows: Cashier windows are conveniently located near the gaming floor, with clear signage directing patrons. Multiple windows are available to reduce wait times, and the area is designed to facilitate smooth and secure transactions.

Restrooms: Restrooms are strategically positioned throughout the facility, ensuring they are easily accessible from all key areas. They are regularly maintained to ensure cleanliness and are designed to efficiently accommodate a high volume of patrons. All restrooms will be ADA-equipped.

Overall, the proposed facility combines strategic layout, efficient design, and comprehensive safety measures to create an environment that is not only enjoyable but also ensures the well-being and satisfaction of all patrons.

Item IV (c):

Explain the ideal staffing levels for the proposed facility, including departmental information, and provide details on how the proposed operation will retain the necessary staff for the operation.

Applicant Response:

Cedar Crossing Casino and Entertainment Center is committed to offering competitive compensation packages to attract and retain top talent in the gaming and entertainment industry. We are proud to commit to paying all non-tipped team members a minimum wage of at least \$15 per hour, which is more than double the federal minimum wage in effect on December 31, 2020. This commitment underscores our dedication to valuing and supporting our workforce.

The following chart shows the number of anticipated Team Members by department.

Department	Team Members
Slot Operations	25
Table Game Operations	72
Cage/ Count room	30
Security	37
Surveillance	13
Marketing/ Entertainment	14
Food and Beverage	110
Arts and Cultural Center	2
General and Administrative	14
Human Resources	5
IT	5
Facilities	36
Legal/Compliance	1
Internal Audit	1
Total	365

Compensation Philosophy

As a world-class entertainment company, Cedar Crossing Casino and Entertainment Center will serve as a community center and provide highly sought-after careers based in customer service. Our team members drive our success, and we create a culture that emphasizes exceptional performance, strong employee engagement and workplace satisfaction. Recognizing the value of our team members, we offer a comprehensive compensation package that includes competitive wages and benefits, company-sponsored team events, team member discounts and various incentives.

Wage Scale and Compliance

Included as Exhibit 7.4 is a detailed illustration of the anticipated wage scales for both hourly and salaried employees. Each position will offer a starting wage that is, at a minimum, 25% greater than the federal minimum wage as of December 31, 2020. Specifically:

Hourly Tipped Employees: The starting wage will be at least \$6.60 per hour, and we guarantee that with tips, employees will make at least 25% more than the federal minimum wage. However, we are confident their earnings will be significantly higher.

Hourly Non-Tipped Employees: The starting wage will be at least \$15.00 per hour, which is more than double the federal minimum wage for non-tipped employees.

Employee Benefits and Recognition

In addition to competitive wages, Cedar Crossing Casino and Entertainment Center offers a comprehensive benefits package that includes medical, dental and vision health care coverage, paid time off, a 401(k) plan and other benefits designed to enhance the well-being and satisfaction of our team members. We are committed to creating a positive and supportive work environment that fosters engagement and productivity.

Commitment to Quality Employment

By implementing these wage scales and comprehensive benefits, Cedar Crossing Casino and Entertainment Center reaffirms our commitment to not just meeting but exceeding requirements and providing quality employment opportunities for all team members. Our approach not only attracts top talent but also promotes a culture of excellence and fosters a supportive work environment.

Item V. Community support

Item V (a)

Demonstrate support within the community in which the proposed facility is to be located.

Applicant Response:

Cedar Crossing Casino and Entertainment Center's deep commitment to the City of Cedar Rapids, Linn County and the surrounding area is evident through our collaborative efforts with local organizations, government officials and residents. This project is not just about bringing a premier entertainment destination to Cedar Rapids but also about fostering community growth, support, and resilience throughout the region.

Strong Community Backing and Local Referenda

The support for Cedar Crossing Casino and Entertainment Center is firmly rooted in the community, as demonstrated by the overwhelming approval of two gaming referenda by Linn County residents in 2013 and 2021. The 2021 vote, Public Measure G, permanently authorizes gaming in the county, reflecting the community's trust and eagerness for this development. This solid backing from the residents underscores the alignment of our project with the community's aspirations and needs.

Significant Contributions to Local Nonprofits

Cedar Crossing Casino and Entertainment Center is dedicated to making a substantial impact on the local community through generous contributions to nonprofit organizations. CRDG will distribute 8% of net AGR to Linn County Gaming Association (LCGA), our Qualified Service Organization (QSO), which equates to 6.2% of adjusted gross receipts as defined by the Iowa Racing and Gaming Commission. This is the highest QSO contribution in the state and more than double the statutory requirement of 3%.

This commitment translates to an estimated more than \$6 million annually, providing a crucial financial boost to various community organizations. These funds will support a wide range of initiatives, enhancing the quality of life for residents and ensuring sustained community development.

Government and Trade Union Support

Our project has garnered robust support from local government officials and trade unions. Cedar Rapids Mayor Tiffany O'Donnell and Linn County Board of Supervisors Chair Kirsten Running-Marquardt have publicly endorsed Cedar Crossing Casino and Entertainment Center, highlighting its potential to bring significant economic and social benefits to the area. Their support, along with the support of the Cedar Rapids Iowa City Building Trades Council and other local leaders, reflects a unified vision for a vibrant, economically thriving Cedar Rapids.

Economic and Social Benefits

Cedar Crossing Casino and Entertainment Center is poised to provide substantial economic benefits, including job creation and increased tourism. The development is expected to create more than 350 employment opportunities for local residents, boosting the local economy.

Additionally, by attracting over 1.1 million visitors annually, Cedar Crossing will drive increased tourism, benefiting local businesses and further stimulating economic growth.

Commitment to Excellence and Resilience

Our dedication to building a world-class destination is unwavering. Cedar Crossing Casino and Entertainment Center aims to set a new standard for gaming and entertainment in Iowa, reflecting Cedar Rapids' resilience and potential. By providing unmatched opportunities for residents and visitors, Cedar Crossing will help the community advance and thrive, ensuring that Cedar Rapids remains a vibrant and dynamic place to live, work and visit.

Community Support

We are proud to present numerous letters of support from various community members, including non-profit organizations, local government officials, economic development groups, business leaders, and residents. These letters, attached as **Letters of Support Binder**, demonstrate the broad and enthusiastic backing for Cedar Crossing Casino and Entertainment Center, further emphasizing our commitment to the community and its continued development.

SECTION 3: APPLICANT STRUCTURE AND OWNERSHIP

Item I.

Qualified Sponsoring Organization Applicant – State the name of the applicant.

LCGA is organized as a nonprofit corporation under Chapter 504 of the Iowa Code. The ownership section contains personal identifiable information. To safeguard from detrimental public exposure, LCGA requests that the IRGC treat such information as a confidential record pursuant to Iowa Code §22.7. See Confidential Binder for relevant information.

Item II.

Operator Applicant – State the name of the applicant, and indicate whether it is an individual, firm, association, partnership, LLC, corporation, or other legal entity.

CRDG considers its ownership structure a trade secret as defined by Iowa Code § 550.2(4) and a report to a governmental agency which, if released, would give advantage to competitors, and serve no public purpose. For these reasons, CRDG requests that the IRGC treat such information as a confidential record pursuant to Iowa Admin Code r. 491—3.13(2)(c) and Iowa Code §22. See Confidential Binder for relevant information.

Item III.

If any applicant for a license will lease the building or land for a gambling structure from another entity, the lessor shall be required to provide the same information required by subsection II (Operator Applicant) from above, including copies of all leases, agreements and contracts of any nature between the lessor entity and the applicant or any parent company of the applicant.

Applicant Response:

CRDG will not lease any building or land for the purpose of establishing a gaming structure.

SECTION 4: SITE AND FACILITY

Item I.

Describe the qualified sponsoring organization applicant arrangement with the operator applicant. Attach any agreements or assignments. The operating agreement shall detail the distribution percentage to the qualified sponsoring organization for educational, civic, public, charitable, patriotic, or religious uses that averages at least three percent of adjusted gross receipts.

Applicant Response:

CRDG will distribute 8% of net AGR to Linn County Gaming Association (LCGA), our Qualified Service Organization (QSO), which equates to 6.2% of adjusted gross receipts as defined by the Iowa Racing and Gaming Commission. This is the highest QSO contribution in the state and more than double the statutory requirement of 3%.

The mission of the LCGA is to improve the quality of life for current and future generations. By partnering with CRDG, LCGA will be able to strengthen communities through collaboration with local nonprofit organizations to address the region's greatest needs. The LCGA supports community partnerships and funds philanthropic initiatives in areas such as education, human needs, arts and culture, recreation, community development and beautification, and emergency response support throughout our region.

This partnership underscores the critical importance of charitable efforts in fostering community well-being. Our expected contribution to LCGA will exceed \$6 million annually, ensuring that a sizable portion of the casino's proceeds are reinvested in the community. By supporting essential services and funding local initiatives, we are committed to creating a lasting positive impact. This substantial investment will help build a stronger, more vibrant community, enhancing the overall quality of life for all residents in Linn County. See Exhibit 4.1.

Item II.

State the municipality and/or the county where the gambling structure will be located.

Applicant Response:

Cedar Crossing Casino and Entertainment will be in the city limits of Cedar Rapids located in Linn County, Iowa.

Item III.

Provide the legal description of the site and local address of the site. Attach a site plan. If the property is not currently owned by the applicant or will be held by anyone other than the applicant, give the names and addresses of the title holder to the real property as well as the

names and addresses of all persons holding mortgages, other security interests, or options in the property.

Applicant Response:

The site is bounded by the area north of F Avenue NW, east of 4th Street NW, north of G Avenue NW, UP RR along the northwest side and the planned flood protection along the east side west of the Cedar River.

EXHIBIT 4.3 Site Location Perspective Views

EXHIBIT 4.3 Site Location Aerial

Item IV.

State whether the gambling structure and related facilities above have been determined to have adequate sewage treatment, water, electrical services, and the basis for the determination.

Applicant Response:

The location of the proposed facility is in an area that was previously developed to accommodate a hotel, bar and a range of homes and businesses before the 2008 flood. As a result, the essential water, sewer, electrical and other utility infrastructures are already established, providing a robust foundation for the site's redevelopment.

The redevelopment plan not only leverages the existing infrastructure but also includes comprehensive utility upgrades. These upgrades are designed to ensure seamless integration with the city's infrastructure and existing private franchise utilities. By enhancing the site's connectivity and reliability, the redevelopment aims to meet contemporary standards. This will ensure that the site can efficiently support future developments, fostering a more resilient and modern community space. The planned improvements will enhance overall operational efficiency, minimize potential service disruptions, and promote the anticipated increase in demand as new developments arise.

Item V.

State the number of miles from the nearest population center and describe briefly the transportation facilities serving that population center.

Applicant Response:

The proposed site is centrally located in Cedar Rapids, bounded by 4th Street NW, F/G Avenues NW, and United Pacific Railroad ("UPRR"). Situated between the Kingston Square area and Time Check Park, the site has seen meaningful change since most structures were demolished after the

2008 flood. The proposed casino is part of the broader plan to revitalize downtown Cedar Rapids. The current population living within twenty-five miles of the property is approximately 328,000.

Located on the west side of downtown Cedar Rapids, the site is close to 3,000 hotel rooms, the Alliant Energy PowerHouse, the McGrath Amphitheatre, and various restaurants and bars. To date, over \$1 billion has been reinvested into downtown Cedar Rapids, with the proposed casino being a key component of the city's offerings to visitors.

Roadway System

Interstate 380 is the primary regional highway serving downtown Cedar Rapids, including the proposed casino site. I-380 runs directly north and south, within a few hundred feet of the casino property. It provides regional connections to Interstate 80, U.S. Highway 30, and U.S. Highway 20 (near Waterloo/Cedar Falls).

U.S. Highway 30 traverses the mid-section of Iowa, bypassing the southern Cedar Rapids metro area. First Avenue (IA 922/US Bus. 151), a five-lane arterial, runs through the entire Cedar Rapids metro area, providing direct access to the proposed casino and the rest of downtown. This arterial route also connects to I-380 at multiple downtown interchanges and to U.S. Highway 30 (south of Williams Blvd SW), approximately four miles from the site.

I-380 carries approximately 65,400 vehicles per day near the casino site (IA DOT Source). First Avenue (IA 922/US Bus. 151) serves approximately 13,000 to 21,000 vehicles per day adjacent to the casino site, with this volume expected to increase as the downtown area continues to recover and grow following the 2008 flood. U.S. Highway 30 carries approximately 15,000 to 30,000 vehicles per day near the Cedar Rapids area and the I-380 corridor.

Public Transportation

The Cedar Rapids metro area is served by both fixed-route and specialized door-to-door public transit services operating six days per week (excluding Sundays). The fixed-route system has service routes adjacent to the casino site, connected to the rest of the system via a downtown transfer center. The door-to-door (paratransit) service is available for qualified individuals unable to use the fixed-route service.

Private Transportation

At least three privately-owned taxi services operate in the Cedar Rapids area. Additionally, an airport shuttle service connects Eastern Iowa Airport to the metro area. Furthermore, ride-sharing options such as Uber and Lyft are available, providing convenient and flexible transportation alternatives for residents and visitors alike.

Air Transportation

The Cedar Rapids metro area is served by the Eastern Iowa Airport, a commercial air center and regional hub for east-central Iowa. Located approximately seven miles from the casino site, it is conveniently accessible from I-380. The airport is serviced by six major air carriers: Allegiant, American Airlines (AA), Delta (DL), United Airlines, Aer Lingus, and Frontier Airlines.

Cedar Crossing Casino and Entertainment Center Shuttle Services

Our dedicated shuttle services, in cooperation with local businesses, will provide convenient transportation to and from the casino and event center. This ensures easy access for guests staying at nearby hotels and those visiting local attractions. The complimentary service operates on a regular schedule, offering a hassle-free and comfortable travel option for our patrons.

In addition to casino transportation, our shuttles will also take guests to downtown areas and Kingston Yard, making it easy to explore popular destinations in Cedar Rapids. Collaborating closely with the City of Cedar Rapids, we are examining opportunities to link the shuttle service to The DISTRICT: Czech Village & New Bohemia. This vibrant arts and cultural district boasts award-winning restaurants and unique specialty shops. By establishing this connection, we aim to create synergies with local tourist destinations, enhancing accessibility and allowing visitors to fully experience and enjoy the city's attractions.

Item VI.

Describe proposed site facilities, indicating maximum occupancies. Include exhibits, architect's plans or renderings showing details, including floor plans, of any proposed construction.

Applicant Response:

The Cedar Crossing Casino and Entertainment Center facility encapsulates the very essence of the area, celebrating its unique "fifth season" — a time devoted to savoring the vibrant transitions of spring, summer, winter, and fall. This design harmoniously blends the natural splendor and urban fabric of its surroundings. It is both organic and dramatic, rich in texture and depth. Drawing inspiration from the iconic local bridges and the mesmerizing reflections of city lights dancing on the Cedar River, the design pays homage to the local landscape.

Adjacent to the historic Kingston Village and Cooper Mill sites, the casino stands as a testament to Iowa's rich history. Kingston Village, undergoing a vibrant transformation into an entertainment district, is becoming a beacon of excitement with new attractions like Pickle Palace and Big Grove Brewery. The Cedar Crossing facility only amplifies this burgeoning energy, solidifying the area as a premier entertainment destination.

The logo, an emblematic representation of the confluence of area rivers, introduces visitors to the casino through striking blue portals. These entrances beckon guests into a space where the building's structure mirrors the architectural elegance of the bridges connecting this district to

the downtown corridor. Hundreds of logos are intricately cut into the blue panels, and at night, they reflect like stars shimmering on the river's surface. This thoughtful design mimics the river's reflective surface — a central, unifying element of the downtown area. This integration of historical reverence and modern vibrancy makes Cedar Crossing not just a casino, but a pivotal part of Iowa's cultural and social renaissance.

We have also master-planned the site, ensuring opportunities for future expansion, including additional gaming areas, and structured parking. Our foresight and optimistic outlook have prepared Cedar Crossing for growth and success, allowing it to adapt to future needs and continue thriving. Below are renderings that help us imagine the possibilities.

EXHIBIT 4.6 Overall Floor Plan Blocking

EXHIBIT 4.6 Exterior Rendering Aerial View Phase 1

EXHIBIT 4.6 Exterior Rendering Phase 1

EXHIBIT 4.6 Color Study City Reflections

Item VII.

Describe the types of public access to the site and parking facilities; provide details on access from perimeter local, state, or federal roadways. Attach a street map of the area to include roads and railroad crossings.

Applicant Response:

The site is in downtown Cedar Rapids and is directly served by three minor arterial streets: E Avenue NW, F Avenue NW, and 6th Street NW. Approximately four blocks from the site, the major arterial roadway 1st Avenue W (IA 922/US Bus. 151) provides additional access. The area is also conveniently connected to I-380 via an interchange at 1st Avenue W, located about five to six blocks from the site. The north and west sides of the site are bordered by the Union Pacific Railroad, but street and pedestrian crossings are available at E, F and G Avenues NW. The attached drawing illustrates the concept parking layout, and the Location Map details the street and interstate system serving the site.

EXHIBIT 4.7 Site Plan Parking Counts by Section

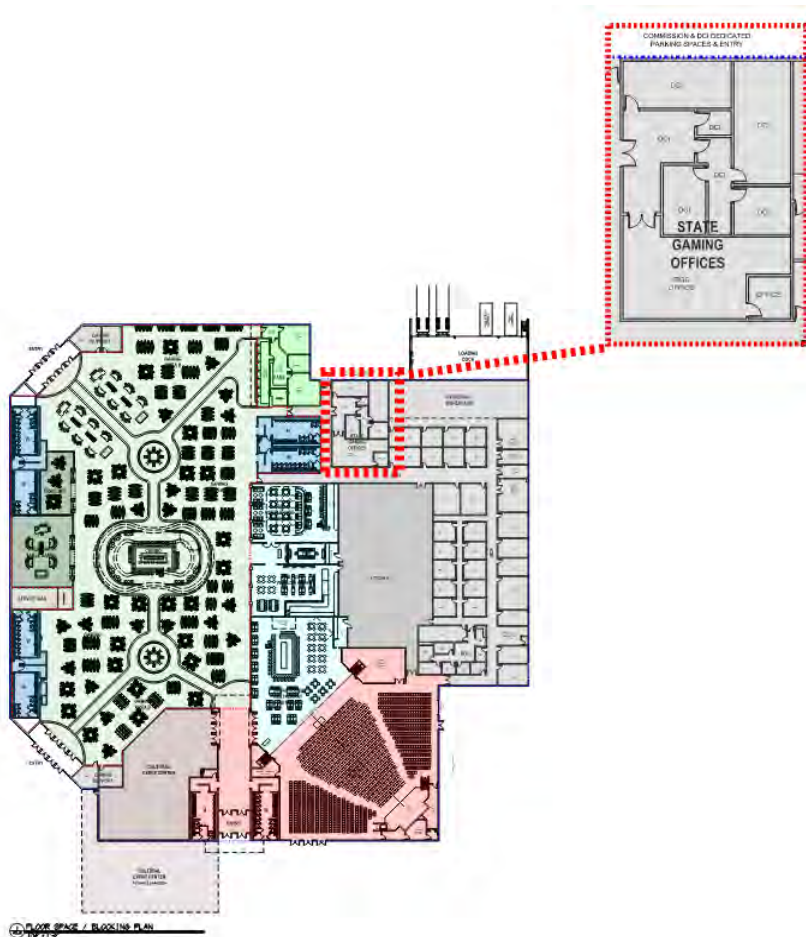
Item VIII.

Describe office space and parking for use by the Commission and the DCI. Provide a detailed floor plan of the office space.

Applicant Response:

In accordance with Title 491, Section 5.4(2) of the Iowa Administrative Code, CRDG will provide furnished office space exclusively for Commission and DCI employees and officials. This space will include utilities, direct long-distance access for voice and data lines, custodial services, necessary office equipment and workspace. Additionally, CRDG will designate parking spaces for Commission staff and DCI on the property.

The office space for the Commission and DCI will be located adjacent to each other in the back-of-house area on the main floor. Positioned near the main cage, this location ensures convenient access from the designated parking stalls to the office area. The offices will also feature dedicated and private entry for Commission and DCI staff, enhancing security and convenience. This placement allows for quick access to the gaming floor and other non-gaming amenities. Refer to the floor plans below for the exact location of the office area.



Item IX.

Describe arrangements for contracting food and drink, entertainment, or other concessions, indicating the names and addresses of concessionaires and terms of the concession contracts.

Applicant Response:

There will be no contractual arrangements for food, beverage, entertainment, or other concessions. All venues will be owned and operated exclusively by CRDG, ensuring consistent quality and service standards across the entire facility.

Item X.

Describe the gambling structure, gaming floor and wagering areas, indicating the maximum occupancy of each. Attach architect's plans or renderings showing details, including floor plans showing the location of slot machines, table games, retail sports wagering activities and all other amenities. Also show the location of the cashier cages within the gaming floor.

Applicant Response:

In accordance with Table 1004.5 of the 2018 International Building Code, the gaming floor of the wagering area has an occupancy load of 2,760 occupants, based on an allotment of eleven square feet per occupant for Assembly Gaming Floors.

The floor plan layout and other details can be found in section 4.6 above as well as associated Exhibits.

EXHIBIT 4.8 Overall Floor Plan Gaming Devices and Cashiering with the Casino Cashiering area highlighted.

Item XI.

Describe the physical location, size and floor plan of the section reserved for the promotion and sale of arts, crafts, and gifts native to Iowa or how applicant will comply with Iowa Code 99F.7(6) b".

Applicant Response:

We will have dedicated sections reserved for the promotion and sale of Iowa-based arts, crafts, and gifts, which will be strategically located within or near Cedar Crossing restaurants to ensure high visibility and accessibility for patrons. The dedicated display areas will be prominently situated, providing convenient access for guests as they enter and exit the casino amenities.

In addition to these dedicated areas, Iowa products will be integrated into our menus. Menus will prominently feature local and regional products, with an emphasis on Iowa-grown produce and ingredients. By focusing on local and regional products, Cedar Crossing Casino and Entertainment

Center aims to enhance the quality of our offerings while supporting Iowa’s diverse economy. This not only ensures fresh, high-quality products for our guests but also strengthens our connection to the community and contributes to the local economy's growth.

Item XII.

State the total estimated cost of construction of the gambling structure and related facilities proposed by this application. Distinguish between known fixed costs and projections, and separately identify the following costs:

- a. Facility design expense.
- b. Land acquisition costs.
- c. Site preparation costs.
- d. Facility construction costs.
- e. Equipment acquisition costs (specifically detailing cost of gaming equipment).
- f. Organization, administrative and legal expenses.

Applicant Response:

Presented below is the estimated project budget:

Facility design		\$ 7,105,000
Land acquisition		11,350,000
Site preparation		21,165,000
Facility construction		112,824,000
Equipment costs:		
Gaming	22,223,000	
Other	22,915,000	45,138,000
Organization, administrative & legal		75,359,000
Total Project Costs		\$ 272,941,000

Item XIII.

Describe the proposed construction schedule for completion of the gambling structure and related facilities. Include an estimated date of project completion and estimated date of opening for the gambling structure if separate from the overall completion.

Applicant Response:

The proposed construction schedule outlined below represents the anticipated timeline for completing our gaming structure. While the actual start date may vary depending on required approvals and work by the City of Cedar Rapids and local utility companies, the provided timeline offers an accurate estimation of start dates and project durations.

Task	Start Date	Duration (days)	End Date
Pre-Construction Phase	Month 1		Month 6
Due Diligence	Month 1	30	Month 1
Existing Condition Survey	Month 1	30	Month 1
Soil Reports	Month 1	30	Month 1
Wetland Delineation Plan	Month 1	30	Month 1
Civil Design/Site Plan Preparation	Month 2	100	Month 5
Preliminary Plat and Boundary Survey	Month 2	30	Month 3
Boundary Line Adjustment	Month 2	90	Month 5
ALTA Boundary and Topographic Survey	Month 2	120	Month 5
Grading and Drainage Design	Month 2	120	Month 5
Stormwater Management Design [SWPPP]	Month 2	120	Month 5
Storm Water Analysis Report	Month 2	120	Month 5
Site Lighting Design	Month 2	120	Month 5
Design Plans	Month 2	120	Month 5
Design Activities	Month 1	180	Month 6
Massing & Conceptual Design	Month 1	180	Month 6
Schematic Design	Month 1	60	Month 2
Geotechnical Analysis	Month 1	30	Month 6
Structural Design Package	Month 2	90	Month 4
Core & Shell Design Package including MEP	Month 2	120	Month 5
Prepare Project/Construction Budget	Month 1	180	Month 6
Interior Design Package	Month 1	180	Month 6
Additional Pre-Construction Activities	Month 2	120	Month 5
Landscape Architecture and Hardscape	Month 2	120	Month 5
Vacations & Utility Relocation Documents/Approval	Month 3	100	Month 5
Traffic Study	Month 2	45	Month 5
Vacations & Utility Relocation	Month 2	120	Month 5
PUD Process	Month 2	120	Month 5
Flood Mitigation District Overlay Zoning	Month 2	120	Month 5
Future Land Use Plan Approval	Month 2	120	Month 5
Utility Removal & Relocation	Month 2	120	Month 5
Project Initiation and Mobilization	Month 3	30	Month 3
Finalize Design and Construction	Month 3	30	Month 3
Secure Necessary Permits and Approvals	Month 3	30	Month 3
Conduct Site Surveys and Geotechnical	Month 3	30	Month 3
Set Up Construction Site Offices	Month 3	30	Month 3
Install Temporary Utilities and Security	Month 3	30	Month 3
Clear Site of Any Existing Structures	Month 3	30	Month 3
Construction Phase	Month 4	540	Month 21
Sitework and Utilities	Month 4	120	Month 7
Excavate and Infill Site to Raise	Month 4	120	Month 7
Remove and Replace Utilities	Month 4	120	Month 7
Prepare Subgrade for Building	Month 4	120	Month 7
Building Foundation and Structural Work	Month 8	120	Month 11
Install Foundations, Footings, and Slab	Month 8	120	Month 11
Erect Structural Steel Framework	Month 8	120	Month 11
Construct Floor Slabs and Decking	Month 8	120	Month 11
Building Envelope and Roofing	Month 11	90	Month 14
Install Exterior Walls, Windows, and	Month 11	90	Month 14
Apply Weatherproofing and Insulation	Month 11	90	Month 14
Complete Roofing System Installation	Month 11	90	Month 14
Interior Build-Out	Month 14	150	Month 19
Construct Interior Walls and Partitions	Month 14	150	Month 19
Install Mechanical, Electrical, and	Month 14	150	Month 19
Complete Drywall, Flooring, and Ceiling	Month 14	150	Month 19
Interior Fit-Out	Month 19	150	Month 23
Install interior finishes, fixtures, and fittings	Month 19	150	Month 23
Install furniture, equipment, and appliances	Month 19	150	Month 23
Perform final touch-ups and inspections	Month 19	150	Month 23
Parking Field Construction	Month 19	150	Month 23
Grade and Pave Parking Areas	Month 19	150	Month 23
Install Lighting, Signage, and	Month 19	150	Month 23
Stripe Parking Spaces and Install	Month 19	150	Month 23
Post-Construction Phase	Month 23	30	Month 24
Finishing and Inspections	Month 23	15	Month 24
Finalize Interior Finishes and Fixtures	Month 23	15	Month 24
Conduct System Testing and Commissioning	Month 23	15	Month 24
Finalize Interior Finishes and Fixtures	Month 23	15	Month 24
Conduct System Testing and Commissioning	Month 23	15	Month 24
Perform Final Inspections and Obtain Occupancy Permit	Month 23	15	Month 24
Operations Readiness	Month 23	30	Month 24
Move-In & Operations	Month 24	20	Month 24
OSE Installation/Move-In	Month 24	20	Month 24
Staff Training	Month 24	20	Month 24
Operations Trial Run	Month 24	5	Month 25
Grand Opening	Month 25	0	Month 25

Item XIV.

Identify and attach copies of contracts between applicant and the following construction personnel:

- a. Architect or other design professional.**
- b. Project engineer.**
- c. Construction engineer.**
- d. Contractor(s), subcontractor(s) and builder(s), if available at the date of application.**
- e. Equipment procurement personnel, if available at the date of application.**
- f. Contractor for surveillance equipment.**

Applicant Response:

Design and Architecture

It is currently anticipated that the project design effort will be led through a partnership between OPN Architects, Inc., based in Cedar Rapids, and R2 Architects (R2A), located in New Jersey. R2A will spearhead the design effort, leveraging their expertise in casino design. Meanwhile, OPN Architects will serve as the Architect of Record, taking responsibility for all construction documents.

R2A and its nationally MBE Certified affiliate, R2 Interiors (R2I), are published, award-winning and internationally known architectural, interior design and master planning firms that specialize in casino, hospitality, hotel, entertainment, and horse racing facilities. For over 30 years they have maintained long-lasting relationships, successfully completing casino, hospitality, hotel, entertainment, and horse racing facility projects with many of the premier names in those industries and with the stakeholders in every jurisdiction of these projects. R2A and R2I began as casino, hotel, and hospitality design firms and for over three decades these project types continue to be the primary work of their firms. They earned and gained considerable experience in designing and developing these projects, from site selection and phasing to project opening. They create one-of-a-kind signature design solutions that are inspiring and high quality. Their firms have been responsible for over 15 million square feet of casino hotel space, over five hundred hospitality projects and over 1 million square feet of event, ballroom, and meeting space. In just the last five years, R2A and R2I have been responsible for the master planning and design of over \$2.5 billion in casino hotel hospitality project development costs and over 4 million square feet of space. These site locations are new markets or existing markets, and they include new ground-up developments or expansion/renovation projects. The principals have 80 years of combined experience in the casino resort hotel industry with active projects in sixteen states. R2A and R2I are established and recognized leaders in designing casino, hotel, hospitality and equine racing facilities across our nation and abroad. Peninsula Pacific Entertainment and its subsidiaries have worked with R2A and R2I together on the Revo Casino and Social House in Dover, New Hampshire,

and are currently collaborating on the new construction of Revo Casino and Social House in Manchester, New Hampshire.

OPN is an award-winning, nationally recognized firm specializing in architecture, interior design, and landscape design. Founded in 1979, OPN offers design services for a wide range of clients, including adaptive reuse, arts and culture, civic, corporate/commercial, higher education/K-12 education, historic restoration, library, and medical sectors. OPN practices a holistic approach that integrates architecture, planning and design. The firm has intentionally cultivated a diverse client base, delivering exemplary service and innovative design solutions to each. Their collaborative, research-driven methodology focuses on understanding clients' identities, current positions, and future aspirations. Notable projects include the architectural and interior designs for the DoubleTree by Hilton Hotel, Cedar Rapids Convention Complex and U.S. Cellular Center complex.

R2A, working collaboratively with OPN, has provided the preliminary design and programming for the Cedar Crossing Casino and Entertainment Center proposal.

Construction Engineer

We are currently working with Anderson Bogert on the project. Anderson Bogert is a renowned civil engineering and surveying firm with over 60 years of experience, based in Cedar Rapids and Marion, Iowa. Their expertise spans a wide range of services, including transportation engineering, land development, water and wetlands management, and airport planning. The firm is well-versed in site design, utility coordination, stormwater management and environmental compliance. Anderson Bogert's ability to provide comprehensive engineering solutions, combined with their commitment to community engagement and precision, makes them exceptionally qualified to work on a multi-use casino gaming facility.

We will be engaging a diverse team of engineers, including structural, mechanical, electrical, and plumbing experts. Additionally, we will collaborate with various specialists such as theater light and sound engineers and food service equipment consultants. This comprehensive approach ensures that all aspects of the project are expertly managed, resulting in a well-rounded and high-quality facility.

Contractor

We are currently evaluating Ryan Companies as the construction manager. Ryan Companies is a highly respected construction firm known for transforming raw materials into enduring spaces where people can thrive. With over 75 years of experience, they offer a comprehensive range of services including design, operations, and ownership insights, ensuring superior value that balances aesthetics, function, schedule, quality, and cost. Their meticulous preconstruction process, commitment to safety and dedication to environmental initiatives highlight their capability to manage complex projects, making them exceptionally qualified to construct a multi-use casino gaming facility.

We are also evaluating Rinderknecht Associates. Rinderknecht Associates is a trusted commercial general contractor based in Cedar Rapids with over 140 years of experience. Known for their commitment to excellence and community involvement, they deliver a variety of projects on time and within budget. Their services encompass a wide range of industries, ensuring robust performance and customer satisfaction. Rinderknecht's dedication to building and strengthening local communities, along with their employee-owned structure, makes them exceptionally qualified to manage the construction of a multi-use casino gaming facility.

Item XV.

Attach copies of performance bonds obtained in connection with any construction personnel. Indicate any "no strike, no lockout" clauses included in these contracts.

Applicant Response:

Contracts have not yet been finalized, and the decision on whether performance bonds will be required at the general contractor level is still pending. It is anticipated that bonding may be necessary for subcontractors managing critical elements of the project. This requirement will be determined based on several factors: the size of the contract, the nature of the work, the impact on the critical path schedule and the specific firm chosen for the job. As a result, we currently do not have copies of performance bonds to provide.

Additionally, any "no-strike, no-lockout" clauses would be contingent on the finalization of these contracts and the terms agreed upon with the selected firms. Once contracts are finalized and if performance bonds are issued, we will include any relevant clauses.

SECTION 5: FINANCING

Item I.

Attach balance sheets and profit loss statements for each of the three fiscal years immediately preceding the application for the operator applicant or any parent company of the applicant, or for the period of organization if less than three years. If the operator applicant or any parent company of the applicant has not completed a full fiscal year since its organization or if it acquires or is to acquire the majority of its assets from a predecessor within the current fiscal year, attach the financial information for the current fiscal year. Balance sheets, profit and loss statements, and all other financial statements attached shall be prepared, audited, and certified by independent, certified public accountants registered in the State of Iowa in accordance with generally accepted accounting principles. Any report containing exceptions of a material nature will not be considered to be certified.

Applicant Response:

Audited and unaudited financial statements are provided as Exhibit 5.1 in the Confidential binder. The financial statements are confidential under Iowa Code §22.7. Specifically, and without waiving other statutory bases for maintaining confidentiality, the financial statements are confidential under Iowa Code §22.7(3) as protected trade secrets, and under Iowa Code §22.7(6) as reports to government agencies which, if released, would give advantage to competitors and serve no public purpose.

Item II.

State all current loans by applicant and describe fully the name of the borrower, amount of the loan, collateral, and terms. State the nature, amount and circumstances of any loan defaults or loan covenant violations by the application or any of its parent companies or subsidiaries during the past three years.

Applicant Response:

There is no debt outstanding at either CRDG or LGCA.

Item III.

List any pending administrative or legal proceedings to which the applicant or any parent entities or subsidiaries of the applicant is a party or of which any of their property is the subject. Include the name of the agency or court in which the proceedings are pending, the date instituted and the principal parties thereto, and a brief description of the facts of the legal proceedings.

Applicant Response:

There are no pending legal proceedings to which the applicant or any of its parent entities are a party.

Item IV.

State the source or sources of funds for the construction of the gambling structure and related facilities proposed by this application.

Item IV, Section a:

Each source of equity contribution and the amount of such contribution.

Applicant Response:

CRDG's Members have previously contributed over \$14.7 million in capital to the development of Cedar Crossing Casino and Entertainment Center and any additional pre-development costs will continue to be funded as needed by PPCR, LLC, direct parent company of CRDG, ("PPCR") or one of its affiliates.

Item IV, Section b:

The present commitment, if any, received for each funding source.

Applicant Response:

If Cedar Crossing Casino and Entertainment Center is approved, PPCR (or one of its licensed affiliates) will be funding a total of \$121 million of equity capital. These amounts are inclusive of the amounts funded by PPCR in Section 5 IV(a).

Item IV, Section c:

Each source of debt contribution and the amount of such contribution anticipated or actual terms and conditions of such loans. Include any short-term construction or start up financing that will be replaced by longer term financing.

Applicant Response:

Proposed financing for the projects is as follows:

\$165 million senior secured credit facility provided by Banco Santander, S.A.

\$121 million of equity from PPCR, inclusive of amounts already contributed.

For terms and conditions related to the above debt contributions, see the commitment letter provided by Banco Santander, S.A., included as Exhibit 5.4 in the Confidential Binder.

Item IV, Section d:

The present commitment, if any, received for such financing.

Applicant Response:

The Commitment Letter provided by Banco Santander, S.A., is included as Exhibit 5.4 in the Confidential Binder.

Item IV, Section e:

Attach a concise and audited financial statement reflecting applicant's current assets, including investments in affiliated companies, loans, and advances payables, long-term debt, and owner/shareholder/member equity.

Applicant Response:

Audited financial statements for CRDG are not available as CRDG's financial results are included in the audit of its parent company, which is included as Exhibit 5.1.2 in the Confidential Binder. Unaudited stand-alone financial statements for CRDG can be found in Exhibit 5.1.1 in the Confidential Binder.

**SECTION 6: GAMBLING GAME, SPORTS WAGERING AND
SIMULCAST OPERATIONS**

NOTE: Gambling games, internal controls and rules of the games must be filed with and approved by the administrator or administrator’s designee prior to the initiation of gaming operations.

Item I.

Provide your proposed schedule for days and hours of operation.

Applicant Response:

The casino will be open 365 days a year, 24 hours a day, seven days a week to maximize revenue-share for stakeholders, including the City of Cedar Rapids, Linn County, Linn County Gaming Association, and the State of Iowa.

Item II.

Indicate the types of gambling games and wagering to be operated.

Applicant Response:

The facility will offer a diverse range of gambling games and wagering options to cater to various interests and preferences of our guests. Our gaming floor will feature:

Slot Machines:

A wide variety of slot machines, including classic reels, video slots, progressive jackpot slots, exciting themes, and game mechanics to engage and entertain players.

Table Games:

- Blackjack
- Roulette
- Craps
- A selection of specialty games such as 3-Card Poker, Let It Ride Poker, and similar games.

By providing a comprehensive selection of gambling games, Cedar Crossing Casino and Entertainment Center aims to deliver an exciting and varied gaming experience for all visitors.

Item III.

Indicate the plan for any retail or online sports wagering operation.

Applicant Response:

The facility will offer a comprehensive sport wagering operation, including both on-site retail and online sports betting options.

Item IV.

Indicate the plan for any simulcast or off-track betting (OTB).

Applicant Response:

The facility does not have any immediate plans to offer simulcast or off-track betting (OTB) options.

Item V.

List the proposed officers and management personnel responsible for operation of the facility and submit brief resume(s) on person(s) not currently licensed by the Commission.

Applicant Response:

The proposed officers and management personnel responsible for the operation of the facility will be JNB Gaming, LLC, which is led by Jonathan Swain, Natalie Schramm, and M. Brent Stevens. Please refer to Section 2, Item IIb.

Additional personnel responsible for operations of the facility who have submitted personal multijurisdictional applications for suitability include Aaron Gomes and Dustin Manternach.

Mr. Aaron Gomes is the President of Peninsula Pacific Entertainment Development, LLC (“P2ED”), and has been the Chief Operating Officer of its affiliated gaming operations since 2016. Mr. Gomes oversees all aspects of operations in P2ED’s casino gaming and entertainment facilities, including implementing strategic plans, compliance matters, employee leadership, monitoring and tracking financial and regulatory requirements, and overall day-to-day operations. Mr. Gomes began his career in gaming operations at MGM International as a Management Associate at the Mirage Casino in Las Vegas. At the Mirage, Mr. Gomes climbed the ranks, honing his skills in slot operations and marketing. From there, he managed gaming properties in multiple locations, including Indiana, Atlantic City, Kansas, New York, Virginia, and Australia. Mr. Gomes served as CEO of Resorts Atlantic City in New Jersey, Managing Director of Jupiters Casino Gold Coast in Australia and CEO of Aquis Entertainment Group, an Australian publicly traded company specialized in the development and operations of resorts, gaming, and entertainment. Beyond his roles in gaming, Mr. Gomes has extensive experience serving on tourism boards, contributing to the growth and development of various destinations, such as the Atlantic City Tourism Advisory Board, Casino Association of New Jersey Board, Atlantic City Alliance Board, Gold Coast Tourism

Corporation, and Casino Resorts Australia. Mr. Gomes is a leader with a passion for the gaming industry and a commitment to driving progress and innovation. Mr. Gomes received his Master of Business Administration in 2011 from Drexel University and a bachelor's degree in economics and history in 2005 from the University of Pennsylvania.

Mr. Dustin Manternach is the Chief Financial Officer of P2ED. In this role, Mr. Manternach oversees the day-to-day operations of the finance departments of Kansas Crossing and the NH Operations as well as corporate financial reporting. Prior to his role as P2ED's CFO, Mr. Manternach served as the Chief Accounting Officer of Peninsula Pacific Entertainment, LLC, from 2021 through 2022, Chief Accounting Officer for JNB Gaming from 2016 to 2021, Chief Financial Officer of Dubuque Racing Association / Mystique Casino from 2013 through 2016 and as Director / Vice President of Finance for Peninsula Gaming, LLC, from 2001 through 2013. Mr. Manternach also worked for the public accounting firm Deloitte & Touche from 1998 through 2001. Mr. Manternach has served on several nonprofit boards such as the Dubuque Regional Humane Society and Dubuque Main Street, and currently serves on the board of directors for Hills & Dales, whose mission is to build meaningful lives for individuals with disabilities. Mr. Manternach graduated from the University of Northern Iowa in 1998 with a bachelor's degree in accounting.

Item VI.

Provide financial projections reflecting the first five years of operation, including projected gaming, and wagering revenue, gaming taxes paid, wage and benefit payments to the license holder and community organizations, the amount of capital expenditures and debt service.

Applicant Response:

Financial projections are provided as Exhibit 6.6 in the Confidential Binder. The projections are confidential under Iowa Code §22.7. Specifically, and without waiving other statutory bases for maintaining confidentiality, the projections are confidential under Iowa Code §22.7(3) as protected trade secrets, and under Iowa Code §22.7(6) as reports to government agencies which, if released, would give advantage to competitors, and serve no public purpose.

Item VII.

Provide proof that the applicant is able to obtain a bond as required by Iowa Code 99F.8.

Applicant Response:

See letter from Marsh attached as Exhibit 6.7.

**SECTION 7: ECONOMIC, DEMOGRAPHIC, AND
MISCELLANEOUS INFORMATION**

Item I.

Indicate the opposition or support from area residents and the effect on the economic outlook for the area for the proposed project.

Applicant Response:

Cedar Crossing Casino and Entertainment Center has received significant support from area residents, reflecting a shared confidence in the project's positive impact. This support is evidenced by the overwhelming approval of two gaming referenda by Linn County residents, including the permanent authorization of gaming in 2021.

Economic Impact Overview and Social Benefits

The Cedar Crossing Casino and Entertainment Center, situated in downtown Cedar Rapids along the Cedar River, promises significant economic benefits for the area through both its construction and operational phases. This \$273 million development project is expected to create jobs, increase spending, and generate substantial tax revenues for the local and state economies.

The impact from this project will be felt almost immediately after the license is awarded. During the construction phase of the project, the CSG report (Exhibit 2.1) indicates that the state of Iowa will benefit from over \$303 million in direct and indirect spending, with almost \$102 million in earnings. The development will create over 1,000 jobs during the construction phase.

Construction Economic Impact (Direct & Indirect)

	Linn County	State of Iowa
Spending	\$204,067,841	\$303,023,922
Earnings	\$57,068,829	\$101,943,781
Employment (Man Years)	992	1,736
Sales Taxes	\$842,383	\$5,849,611
State Income Tax		\$3,900,000

Source: Convergence Strategy Group calculations

By fully embracing the "Buy Iowa First" program, we will prioritize local sourcing, further supporting Iowa businesses. The ongoing operations will contribute over \$65 million in direct and indirect spending in Iowa communities every year. Additionally, earnings will contribute \$29 million and create more than five hundred jobs annually, providing substantial employment opportunities for area residents and contributing to overall economic growth and stability.

The State of Iowa and Linn County will benefit as Cedar Crossing will generate over \$16.7 million in net new gaming taxes annually.

**Annual Ongoing Operations Economic Impact
(Direct & Indirect)**

	Linn County & Cedar Rapids	State of Iowa
License Fee*		\$20,000,000
Spending	\$57,067,384	\$65,558,943
Earnings	\$21,669,900	\$29,643,450
Employment	446	524
Distribution to Cedar Rapids (2.25% net AGR)	\$1,762,885	
Distribution to Non-Profit Co-Licensee	\$6,261,730	

Gaming Taxes generated by Cedar Crossings - Statutory Distribution:		
Cedar Rapids/Linn County	\$1,004,494	
State of Iowa: Net Incremental Tax		\$15,664,353
New Sales Tax paid	\$321,773	\$1,916,118

Source: Convergence Strategy Group calculations
* Represents \$20 million license fee paid over five years

Community Commitment

Local Investment

The Cedar Crossing Casino and Entertainment Center proudly boasts the backing of sixty-six local investors, showcasing the strong community support and commitment to the project's success. These investors include small business owners, community leaders and everyday residents, highlighting the widespread belief in the positive impact the casino will have on Cedar Rapids.

Highest QSO Contribution in Iowa

Our deep commitment to the Cedar Rapids community is evident through our collaborative efforts with local organizations, government officials and residents. CRDG will distribute 8% of net AGR to Linn County Gaming Association (LCGA), our Qualified Service Organization (QSO), which equates to 6.2% of adjusted gross receipts as defined by the Iowa Racing and Gaming Commission. This is the highest QSO percentage contribution in the state and more than double the statutory requirement of 3%.

Volunteerism

We do not just donate financially; we show up. Our team will actively participate in community events and programs to help Cedar Rapids flourish. Volunteerism has long been a hallmark of our company. In our 25-year history, our team members have volunteered more than 100,000 hours, demonstrating our commitment to making a tangible difference in the communities we serve.

By integrating these economic and community-focused strategies, Cedar Crossing Casino and Entertainment Center aims to enhance the quality of life for residents, stimulate economic growth and support the ongoing development of Cedar Rapids and the surrounding area.

Item II.

Indicate the potential number of people who will be employed and indicate how many are projected to be Iowa residents.

Applicant Response:

Cedar Crossing Casino and Entertainment Center is expected to create over 350 direct jobs once open and approximately 220 additional indirect jobs in Iowa.

We expect that all team members will reside in Iowa.

Item III.

State in detail what effect the competition from other casinos will have on the availability of casino personnel. Describe training programs for new employees.

Applicant Response:

Impact of Competition on Casino Personnel Availability

While competition from other casinos in the region does present some challenges in terms of personnel availability, we are confident in our ability to attract quality team members from the Cedar Rapids area and beyond. Many casino jobs share similarities with roles in other industries, such as hospitality, customer service and management. This overlap allows us to draw from a broad pool of talent with transferable skills.

Our competitive compensation packages, comprehensive benefits and commitment to employee well-being make Cedar Crossing Casino and Entertainment Center an attractive employer. Additionally, our formidable reputation for fostering career growth and providing robust training programs further enhances our appeal to potential employees.

Proven Training Programs

For positions that are unique to the casino industry, such as dealers and surveillance personnel, we have developed proven training and development methods. Our training programs are designed to ensure that all team members are well-equipped to excel in their roles, regardless of prior experience.

Dealer Training Programs

We have successfully operated dealer training programs in Iowa, demonstrating our capability to train individuals in the specific skills required for casino operations. These programs focus on:

- **Game Knowledge:** Training dealers in the rules, procedures, and nuances of various table games such as blackjack, poker, roulette, and craps.
- **Customer Service:** Emphasizing the importance of delivering exceptional service to enhance the guest experience.
- **Compliance and Security:** Educating dealers on regulatory requirements and security protocols to ensure the integrity of gaming operations.

General Employee Training

In addition to dealer-specific training, we offer comprehensive onboarding programs for all new employees, covering:

- **Company Culture and Values:** Introducing new hires to our mission, vision, and commitment to the Cedar Rapids community.
- **Technical Skills:** Providing hands-on training for job-specific tasks and responsibilities.
- **Service Excellence:** Instilling a strong focus on customer service and guest satisfaction.
- **Ongoing Development:** Offering continuous learning opportunities and career advancement programs to help employees grow within the company.

By leveraging our established training programs and focusing on transferable skills, Cedar Crossing Casino and Entertainment Center is well-positioned to attract and develop a high-quality workforce, ensuring our operation's success despite the competition from other casinos in the region.

Item IV.

Indicate the wage scale for each job class of employee on the gambling structure and related facilities. Describe how this pay scale will comply with the requirement that pay shall be 25% above the federal minimum wage in effect on December 31, 2020.

Applicant Response:

Cedar Crossing Casino and Entertainment Center is committed to offering competitive compensation packages to attract and retain top talent in the gaming and entertainment industry. We are proud to commit to paying all non-tipped positions a minimum wage of at least \$15 per hour, which is more than double the federal minimum wage in effect on December 31, 2020. This represents a fourfold increase over the required 25% above the federal minimum wage, demonstrating our commitment to providing fair and competitive wages.

Compensation Philosophy

As a world-class entertainment company, Cedar Crossing Casino and Entertainment Center will serve as a community center and provide highly sought-after careers based in customer service. Our team members drive our success, and we create a culture that emphasizes exceptional performance, strong employee engagement and workplace satisfaction. Recognizing the value of our team members, we offer a comprehensive compensation package that includes competitive wages and benefits, company-sponsored team events, team member discounts and various incentives.

Wage Scale and Compliance

Included as Exhibit 7.4 is a detailed illustration of the anticipated wage scales for both hourly and salaried employees. Each position will offer a starting wage that is, at a minimum, 25% greater than the federal minimum wage as of December 31, 2020. Specifically:

- **Hourly Tipped Employees:** The starting wage will be at least \$6.60 per hour, and we guarantee that with tips, employees will make at least 25% more than the federal minimum wage. However, we are confident their earnings will be significantly higher.
- **Hourly Non-Tipped Employees:** The starting wage will be at least \$15.00 per hour, which is more than 100% above the federal minimum wage for non-tipped employees.

Employee Benefits and Recognition

In addition to competitive wages, Cedar Crossing Casino and Entertainment Center offers a comprehensive benefits package that includes medical, dental and vision health care coverage, paid time off, a 401(k) plan and other benefits designed to enhance the well-being and satisfaction of our team members. We are committed to creating a positive and supportive work environment that fosters engagement and productivity.

Commitment to Quality Employment

By implementing these wage scales and comprehensive benefits, Cedar Crossing Casino and Entertainment Center reaffirms our commitment to not just meeting but exceeding requirements and providing quality employment opportunities for all team members. Our approach not only

attracts top talent but also promotes a culture of excellence and fosters a supportive work environment.

Item V.

Describe procurement policies that emphasize the utilization of Iowa resources, goods, and services in the operation of the gambling structure.

Applicant Response:

At Cedar Crossing Casino and Entertainment Center, our procurement policies are designed to prioritize the utilization of Iowa resources, goods, and services, reflecting our commitment to supporting the local economy. Our approach is guided by the principles of the "Buy Iowa First" initiative, which we have successfully implemented in our previous operations across the state.

Commitment to Iowa Resources

Our strong track record of sourcing a substantial portion of goods and services from Iowa in previous operations at Diamond Jo Casino Dubuque, Diamond Jo Casino Worth, and Hard Rock Hotel & Casino Sioux City demonstrates our unwavering dedication to the local community. This history underscores our ability to support Iowa businesses and contribute to the state's economic growth.

Specific Procurement Policy

Our procurement policy is structured to ensure that Iowa companies are always given the first opportunity to supply our needs. The key elements of our policy include:

- **Bidding Preference for Iowa Companies:** We will always prioritize seeking bids from Iowa companies first, ensuring that local businesses can compete for contracts and supply our operations.
- **Sourcing Iowa Goods and Services:** We actively seek out Iowa companies for all our procurement needs. This includes not only agricultural products and artisanal goods but also manufactured items, equipment, and professional services.
- **Competitive Pricing and Specialty Products:** While our priority is to source from Iowa, we recognize that there may be instances where prices are not competitive or certain specialty products are not available locally. In such cases, we will consider out-of-state suppliers, but only after thoroughly exploring all Iowa options.

Implementation and Impact

By adhering to this procurement policy, Cedar Crossing Casino and Entertainment Center will continue to robustly support Iowa's economy. This policy ensures that the majority of our operational expenditures benefit local businesses, fostering economic development and job creation within the state. Our strategic focus on local sourcing not only enhances our community

ties but also ensures that our guests experience the highest quality products and services that Iowa has to offer.

In summary, our commitment to the "Buy Iowa First" initiative, combined with our specific procurement policies, will enable Cedar Crossing Casino and Entertainment Center to play a pivotal role in promoting and utilizing Iowa resources, thereby contributing to the economic vitality of Cedar Rapids and the broader Iowa community.

Item VI.

Describe applicant's efforts to cooperate with the Iowa Department of Economic Development to promote tourism throughout Iowa. Describe specific plans and resources devoted to such promotion and provide evidence of the efforts for promotion.

Applicant Response:

Cedar Crossing Casino and Entertainment Center is committed to collaborating with the Iowa Economic Development Authority and local tourism bodies to promote tourism throughout Iowa. Our efforts are designed to enhance Cedar Rapids' and the state's visibility as premier destinations for travelers.

Collaboration with Travel Iowa and Local Tourism Offices

We will work closely with Travel Iowa, the tourism arm of the State of Iowa, leveraging their extensive resources and platforms to promote Cedar Crossing Casino and Entertainment Center as a must-visit destination. Travel Iowa's website provides a wealth of information on attractions, events and travel guides that will help us reach a broader audience and integrate our offerings into statewide tourism campaigns.

Partnership with Cedar Rapids Tourism Office

Our team has met with Julie Stow, Associate Executive Director for the Cedar Rapids Tourism Office, to discuss the substantial benefits that a casino can bring to the area. Julie emphasized the importance of "guided tourism" and her belief that the presence of a casino could become a key factor in attracting group tours and organized events to Cedar Rapids. This partnership will allow us to align our promotional efforts with the City's tourism strategies, ensuring that Cedar Crossing Casino and Entertainment Center is a highlight in the city's tourism itineraries.

Specific Plans and Resources

1. **Joint Marketing Campaigns:** We will participate in joint marketing campaigns with Travel Iowa and the Cedar Rapids Tourism Office, showcasing Cedar Crossing in various travel guides, online platforms and social media channels.
2. **Events and Festivals:** Cedar Crossing will sponsor and host events and festivals that draw visitors from across the state and beyond, contributing to the vibrant cultural scene in Cedar Rapids.

3. **Tour Packages:** We will develop special tour packages in collaboration with local travel agencies, incorporating the casino as a key attraction along with other local highlights.
4. **Community Engagement:** By engaging with local businesses and cultural institutions, we will create a network of partnerships that promote the overall tourism experience in Cedar Rapids and enhance the appeal of visiting the area.

Integrated Cultural and Entertainment Offerings

Cedar Crossing Casino and Entertainment Center will feature award-winning restaurants led by renowned chefs, offering menus that highlight locally sourced ingredients. These dining establishments, paired with crafted cocktail menus, will provide an exceptional culinary experience, attracting food enthusiasts and contributing to the local food and beverage industry.

Our 1,500-capacity entertainment venue will host over 125 events annually, including performances by national touring comedians, chart-topping bands, and influential artists. This venue will draw visitors from across the region and beyond, fostering Cedar Rapids' reputation as a premier destination for high-quality entertainment.

Additionally, our dedicated exhibition space will host world-class exhibits in collaboration with the National Geographic Society and other prestigious organizations. By hosting these exhibitions and high-profile sporting events, Cedar Crossing will elevate Cedar Rapids' profile as a leading cultural and tourism center, attracting visitors from across the country.

Evidence of Efforts for Promotion

Our strategic initiatives will be documented and reported through regular updates and collaborations with the Iowa Economic Development Authority and Travel Iowa. We will provide evidence of our contributions to tourism promotion through detailed reports, marketing materials and testimonials from local partners and tourists.

By implementing these strategies and leveraging our partnerships with key tourism organizations, Cedar Crossing Casino and Entertainment Center aims to play a pivotal role in boosting tourism in Cedar Rapids and across Iowa, thereby supporting the local economy and enhancing the quality of life for residents and visitors alike.

Item VII.

Describe resources that will be devoted to the recognition of problem gambling and efforts to coordinate these activities with the Iowa Department of Health and Human Services, Division of Behavioral Health.

Applicant Response:

Cedar Crossing Casino and Entertainment Center is deeply committed to promoting responsible gaming and recognizing problem gambling. To achieve this, we will coordinate closely with the Iowa Department of Health and Human Services, Division of Mental & Behavioral Health.

Internal Standards and Team Member Education

CRDG will set exacting standards for responsible gaming education for all team members. We will enlist leadership from human resources, security, marketing, and casino operations departments to establish these standards and ensure ongoing compliance.

Training and Education Initiatives:

- **Introduction to Problem Gambling:** All new hires will receive an introduction to problem gambling during orientation. This training will also be integrated into company-wide and departmental meetings.
- **Annual Refresher Training:** Every team member will undergo annual refresher training to stay updated on responsible gaming practices and problem gambling recognition.
- **1-800-BETS-OFF Collateral:** Posters and collateral promoting the 1-800-BETS-OFF hotline will be prominently displayed in team member break rooms and the human resources office.
- **Regular Communication:** Responsible gaming education will be featured in team member newsletters and updates through briefs or articles.
- **On-Site Visits:** Representatives from the Iowa Department of Health and Human Services will visit the casino throughout the year, including during Responsible Gaming Education Week, to provide additional support and education.
- **Continuous Collaboration:** The Responsible Gaming Team will actively seek new opportunities to collaborate with the Division of Mental & Behavioral Health to enhance our responsible gaming initiatives.

Consumer-Focused Efforts:

CRDG recognizes the importance of promoting responsible gaming to our consumers and will take extensive measures to ensure that help is easily accessible. We will promote the Iowa Department of Health and Human Services' gambler treatment line (1-800-BETS-OFF) through various channels:

- **Advertising:** The 1-800-BETS-OFF hotline will be included in all paid, electronic, and print advertising.
- **Casino Property:** Information will be displayed on the back side of TITO tickets, Player's Club cards, at ATM locations, the Casino Cage and the Players' Club.
- **Marketing Materials:** All in-house marketing point-of-sale materials will feature responsible gaming messages.
- **Self-Exclusion Program Training:** We will train our team thoroughly on the Iowa Racing and Gaming Commission's Self-Exclusion program, ensuring they are equipped to assist and enroll individuals who request self-exclusion. This training will empower our team members to manage such requests with the utmost professionalism, sensitivity, and confidentiality.

Commitment to Responsible Gaming

We understand the critical importance of addressing problem gambling and take this issue very seriously. Cedar Crossing Casino and Entertainment Center is dedicated to creating a safe and supportive environment for both our team members and guests. By implementing these comprehensive measures and actively collaborating with the Iowa Department of Health and Human Services, Division of Mental & Behavioral Health, we are committed to mitigating the impact of problem gambling. Our robust and proactive approach ensures that we are well-equipped to support individuals struggling with gambling issues, demonstrating our unwavering commitment to responsible gaming and the well-being of our community.

Section 8

See Confidential Binder



CONVERGENCE
STRATEGY GROUP

PENINSULA PACIFIC ENTERTAINMENT
CEDAR CROSSING
CEDAR RAPIDS, IOWA

CASINO GAMING MARKET ASSESSMENT &
ECONOMIC IMPACT ASSESSMENT

JULY 2024

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INTRODUCTION

Convergence Strategy Group (“CSG”) was retained by Peninsula Pacific Entertainment (“P2E”) to project the gaming demand and assess the associated economic impact of the proposed Cedar Crossing Casino and Event Center (“Cedar Crossing”) in Cedar Rapids, Iowa. The proposed \$273 million development is to be located at the former Cooper’s Mill site (roughly F Avenue NW at 1st Street NW), easily visible from I-380, and accessible from the exit at 1st Avenue. In addition to providing 45,000 square feet of gaming space, the venue will have multiple food and beverage outlets, a 12,000-square foot event space, and expansive surface parking. The casino property will be adjacent to the First and First West/Kingston Yard mixed-use development, providing a variety of F&B and entertainment options, as well as residences and a 105-room hotel. The Kingston Yard project is expected to be completed in 2025.

From a market assessment perspective, CSG takes into consideration the various sources of potential demand, as well as the established gaming supply in the region. The casino would face its most direct competition from Riverside Casino (38 miles south of Cedar Rapids in Riverside), Meskwaki Bingo Casino (54 miles west of Cedar Rapids in Tama), and Isle Casino Waterloo (62 miles northwest of Cedar Rapids in Waterloo), as well as competition from the larger regional market (particularly along the Iowa/Illinois border). As Cedar Rapids is the second biggest city in Iowa, the fact that there currently are no casinos in the city (or within 30 minutes), CSG believes there should be sizable latent demand for gaming, which a new casino in Cedar Rapids should be able to capture.

This analysis commences with an overview of the regional economy and demography, followed by a review of the historical performance of the gaming industry in the state from a supply, demand and fiscal impact perspective. The gaming market assessment follows, with the forecast of future demand, by property, based on the aforementioned data, estimates of the sources of demand for each property in the market, and our analysis of the potential regional gaming participation rate growth, as attributable to providing the additional gaming venue option. The report concludes with an economic impact analysis, providing projections of changes in employment, spending, household incomes and the various related taxes (gaming, income, sales, etc.), during both the construction and operational phases. The economic impact analysis takes competition into consideration to arrive at net impacts with respect to the operations phase, to the effect that the introduction of P2E’s casino impacts gaming tax revenue generation, jobs, spending, earnings, etc., for one or more of the regional competitors (thereby necessitating calculations of net impacts, rather than simply what the P2E facility would generate).

ECONOMIC AND DEMOGRAPHIC OVERVIEW

REGIONAL DEMOGRAPHICS

Cedar Rapids is the second largest city in Iowa, with a population of 139,942 according to the latest estimates from ESRI.¹ This population is projected to grow at a rate of approximately 0.21% per year (CAGR) through 2028, to reach 141,418 people. This growth rate, while lower than the national average of 0.30%, is higher than the Iowa statewide average of 0.19%. The strongest growth rates are expected in the areas closest to the Cedar Crossing development, as the population living within a 30-minute drive is currently estimated at 327,816, and is projected to climb to 334,128 by 2028, a CAGR of 0.38%.

TABLE 1: TOTAL POPULATION

	2023	2028 PROJ.	CAGR
0-30 minutes	327,816	334,128	0.38%
0-60 minutes	638,573	646,646	0.25%
0-120 minutes	2,233,203	2,245,767	0.11%
Cedar Rapids City, IA	139,942	141,418	0.21%
Iowa	3,226,869	3,258,203	0.19%
USA	337,470,185	342,640,129	0.30%

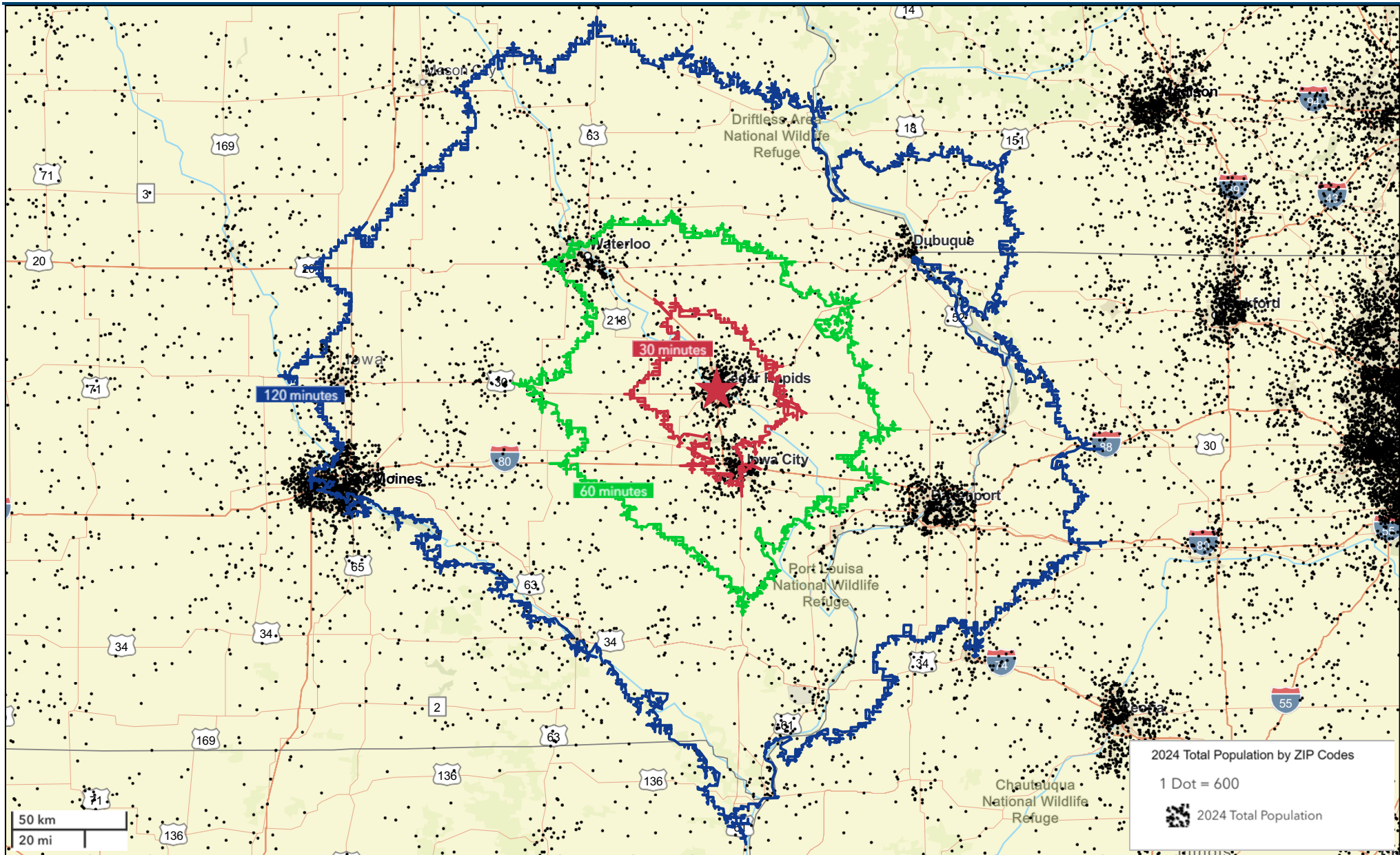
Source: ESRI

¹ ESRI is the worldwide leader in geographical information systems and data aggregation, and is relied upon by both government agencies and private industry. CSG's subscriptions provide access to market data and demographic estimates for projections for 2023 and projections for 2028 at the country, state, county, census tract, block group, block, and ZIP Code levels. Select data sets were updated to 2024 and 2029 during the production of this report, reflected in demographic maps shown herein.



Map 1: Total Population Density

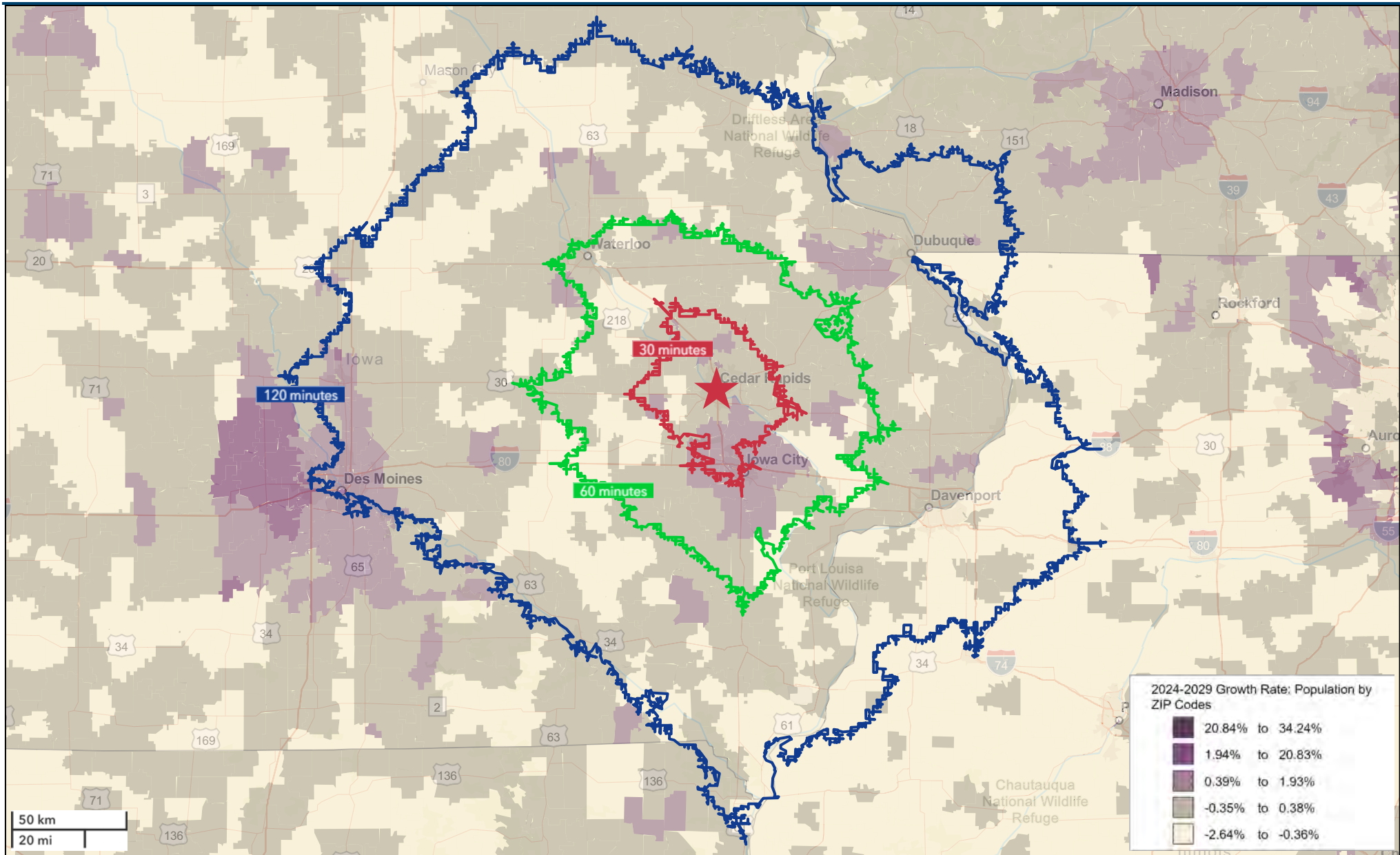
Cedar Crossing with 30, 60, 120 minute drive time rings





Map 2: Population Growth Rate

Cedar Crossing with 30, 60, 120 minute drive time rings



Particularly encouraging for casino development in Cedar Rapids is the size of the adult (over 21 years) population and its projected growth. In 2023, the 0-30-minute area had 240,198 adults over the age of 21 years, and that population is projected to grow at a CAGR of 0.54%, a rate significantly higher than both the state (0.21%) and national averages (0.43%).

TABLE 2: POPULATION 21+

	2023	2028 PROJ.	CAGR
0-30 minutes	240,198	246,757	0.54%
0-60 minutes	470,189	477,804	0.32%
0-120 minutes	1,651,624	1,662,809	0.14%
Cedar Rapids City, IA	102,829	104,700	0.36%
Iowa	2,379,346	2,404,080	0.21%
USA	250,698,091	256,185,380	0.43%

Source: ESRI

The Cedar Rapids region is gaining Generation Z and Millennial populations at rates substantially higher than both the national and state averages. The 30-minute drive time area is forecast to increase its Generation Z population by 1.1% annually through 2028 versus a statewide decline of -0.2%, and slow growth nationally of 0.1%. The Millennial population is likewise growing in the 0-30-minute area, growing approximately 0.9% over each of the coming years, versus a decline nationally of -0.1% and no growth statewide. Such growth is encouraging for the economic prospects of the Cedar Rapids region, as its number of younger working age adults is increasing. The Generation X population is projected to decline at a slightly faster rate than the national average, while the change in its Baby Boomer population is projected to be consistent with national averages, and the Silent Generation is declining slower than nationally or statewide.

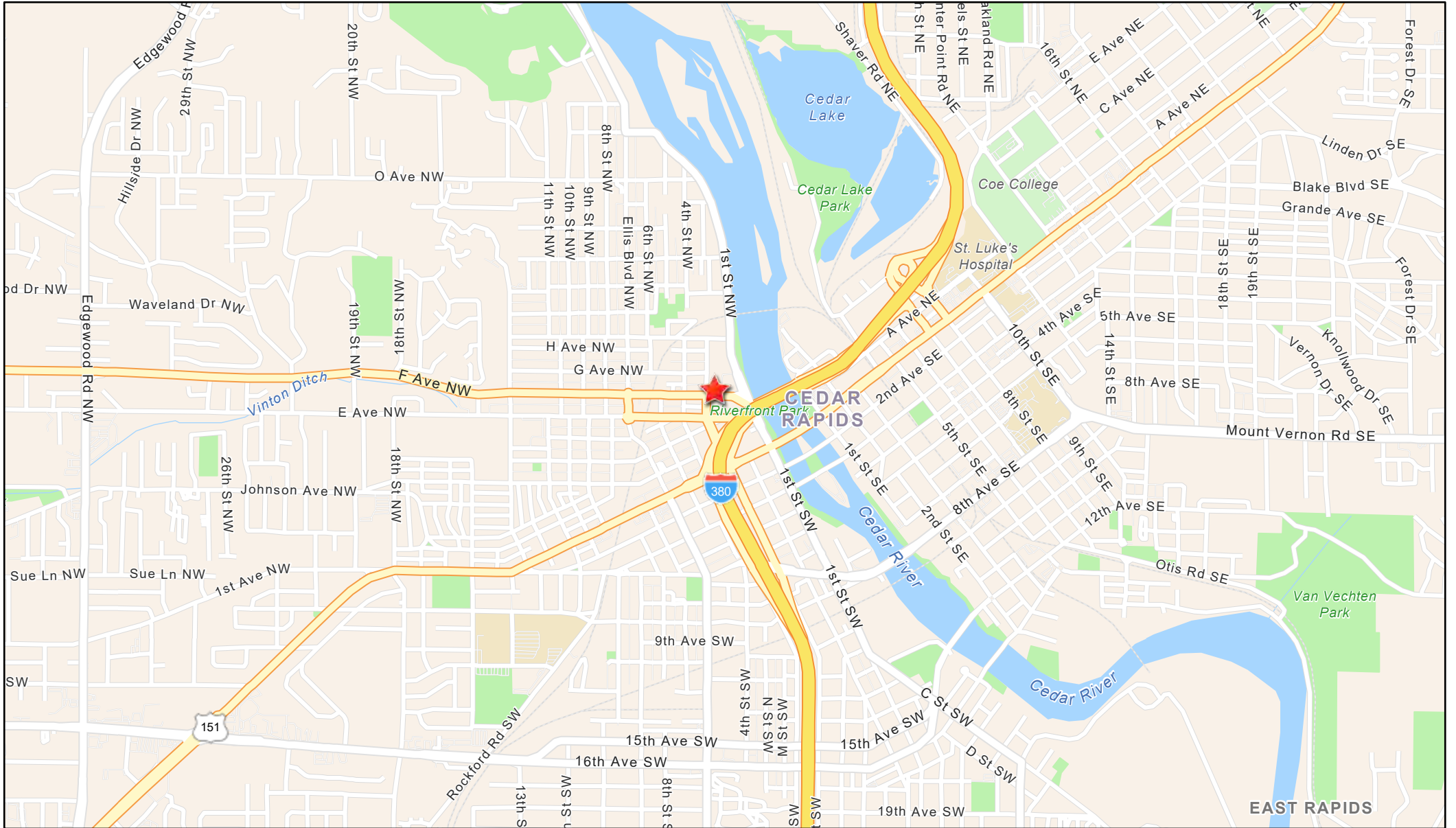
TABLE 3: AVERAGE ANNUAL POPULATION GROWTH, BY GENERATION

	GENERATION ALPHA (BORN 2017 OR LATER)	GENERATION Z (BORN 1999 TO 2016)	MILLENNIAL (BORN 1981 TO 1998)	GENERATION X (BORN 1965 TO 1980)	BABY BOOMER (BORN 1946 TO 1964)	SILENT & GREATEST GENERATIONS POPULATION (BORN 1945/EARLIER)
Cedar Crossing (30 minutes)	11.8%	1.1%	0.9%	-0.9%	-2.4%	-8.2%
Cedar Crossing (60 minutes)	11.8%	0.6%	0.7%	-0.7%	-2.4%	-8.6%
Cedar Crossing (120 minutes)	11.9%	0.0%	0.3%	-0.6%	-2.3%	-8.9%
Cedar Rapids City, IA	11.5%	0.8%	0.8%	-0.9%	-2.2%	-8.2%
Iowa	12.0%	-0.2%	0.0%	-0.6%	-2.2%	-8.9%
USA	12.0%	0.1%	-0.1%	-0.7%	-2.4%	-8.8%

Source: ESRI

The income levels of the regional population are strong; the median household income of those living within a 30-minute drive of the proposed development exceed the national average of \$72,603. Some of the most proximate populations to the Cedar Crossing project have even higher incomes, as shown in the following map. As described in later sections of this report, CSG's models are constructed at the ZIP Code level, and therefore the relative affluence of areas within the 30-minute drive time region is considered.

Map 4: Cedar Crossing Site



May 14, 2024

 Proposed Cedar Crossing Casino

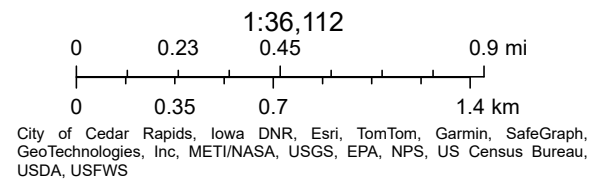


TABLE 4: MEDIAN HOUSEHOLD INCOME

	2023	2028 PROJ.	CAGR
0-30 minutes	\$72,660	\$80,449	2.06%
0-60 minutes	\$67,679	\$75,990	2.34%
0-120 minutes	\$66,062	\$74,561	2.45%
Cedar Rapids City, IA	\$62,096	\$67,890	1.80%
Iowa	\$67,730	\$76,227	2.39%
USA	\$72,603	\$82,410	2.57%

Source: ESRI

Aggregate household income represents the total income of a population, incorporating not only the size of a population but also its relative wealth or lack thereof. The aggregate household income of the state of Iowa, currently at \$123 billion annually, is projected to grow by 2.78% annually, a rate slightly lower than that national average growth rate of 3.16% annually. We note that the aggregate household incomes for those living within a 60-minute drive time of the proposed casino location are projected to grow at a faster rate than the state average, with the highest growth projected for the most proximate area, the 0–30-minute drive time region.

TABLE 5: AGGREGATE HOUSEHOLD INCOME

	2023	2028	CAGR
0-30 minutes	\$13,687,147,562	\$15,854,256,146	2.98%
0-60 minutes	\$24,795,119,212	\$28,576,965,287	2.88%
0-120 minutes	\$83,619,794,689	\$95,687,727,651	2.73%
Cedar Rapids City, IA	\$5,138,661,484	\$5,846,843,105	2.62%
Iowa	\$123,092,913,303	\$141,193,525,937	2.78%
USA	\$13,901,764,084,934	\$16,244,082,679,905	3.16%

Source: ESRI

REGIONAL TOURISM

According to Tourism Cedar Rapids, the city attracts approximately 2.5 million tourists per year, and creates more than 4,500 jobs in the local economy.² There are several attractions for tourists that would be synergistic with the casino development, particularly with respect to the varied F&B and entertainment offerings at Kingston Yards, but also in a somewhat broader radius from the casino site. These are discussed in the following section regarding the city and site characteristics.

OUT-OF-MARKET TOURISTS

As detailed visitor counts are not available from official sources, CSG drew from proprietary visitation data to understand the patterns of visitation to Cedar Rapids and its attractions. The ZIP Code of

² Tourism Cedar Rapids website.

<https://www.tourismcedarrapids.com/partners/#:~:text=In%20Cedar%20Rapids%2C%20we%20welcome,4%2C500%20jobs%20in%20our%20county,> accessed May 9, 2024.

residence for all visitors³ within the last twelve months (May 2023-April 2024) to Cedar Rapids’ Alliant Energy Powerhouse, the New Bohemia arts and culture district, the National Czech and Slovak Museum, the Cedar Rapids Museum of Art, and the African American Museum of Iowa were derived from this source. Those living outside of the regional market area (as defined in elsewhere in this report) make up approximately 28% of all visits to the Alliant Energy Powerhouse, while just over 2% of the visits to the African American Museum of Iowa accrue from those living outside of this area. Comparing the data for each of these sites, CSG estimates that approximately 18.5% of all visitors to Cedar Rapids, or approximately 461,923 visitors annually, live outside of the defined regional market. The ZIP Code data also suggests that approximately 15.3% of the visitors are from outside of Iowa.

TABLE 6: CEDAR RAPIDS TOURISM STATISTICS AND LOCATION DATA

DATA	MEASURE	MEASURE (#/%)	NON-MARKET AREA RESIDENTS	NON-IOWANS
Cedar Rapids Tourism Statistics				
	Cedar Rapids Tourists, Annual	2,500,000		
Third-Party Data				
	Visitors to Alliant Energy Powerhouse (LTM April 2024)	459,302	128,326	109,747
	% of Total		27.9%	23.9%
	Visitors to New Bohemia	419,170	35,645	
	% of Total		8.5%	
	Visitors to National Czech & Slovak Museum	23,050	17,682	5,333
	% of Total		23.3%	23.1%
	Cedar Rapids Museum of Art	104,268	5,711	5,403
	% of Total		5.5%	5.2%
	African American Museum of Iowa	9,368	206	513
	% of Total		2.2%	5.5%
	Est. Visitors to Cedar Rapids (%)		18.5%	15.3%
	Est. Non-Market Area/Out of State Resident Visitors to Cedar Rapids (#)		461,923	383,137

Source: Cedar Rapids Tourism; proprietary data source; CSG estimates

CEDAR RAPIDS CITY AND SITE CHARACTERISTICS

The proposed development site is bounded by F and I Avenues NW and 1st and 5th Streets NW, proximate to the scenic waterfront of the Cedar River and easily visible from and accessible from I-380, the major highway through Cedar Rapids, connecting to the Cedar Falls/Waterloo area to the

³ Convergence Strategy Group is a licensed partner of a large-scale aggregator and provider of mobile-phone tracking data. This license affords CSG the ability to access extremely detailed tracking data for every square foot of the United States, on a daily, weekly, monthly, and annual basis going back to 2017. This data is derived from over 500 smart phone apps, including weather, social media, and shopping applications. These anonymized and highly confidential data sets are fed into AI models to estimate total behavior nationwide (to include behavior from individuals not included in their data). The data is continually back-tested through a partnership program with more than 200 companies, including large retailers, grocery stores, fast food, and public buildings, to assure accuracy, even in remote areas. Due to confidentiality, data sources can be provided upon request.

north and Iowa City to the south. The proposed project is a redevelopment of the former Cooper Mill, and as such reflects urban redevelopment rather than elimination of greenspace. Additionally, the property is expected to be synergistic with the Kingston Yard mixed-use development, located at 1st Avenue and 1st Street.

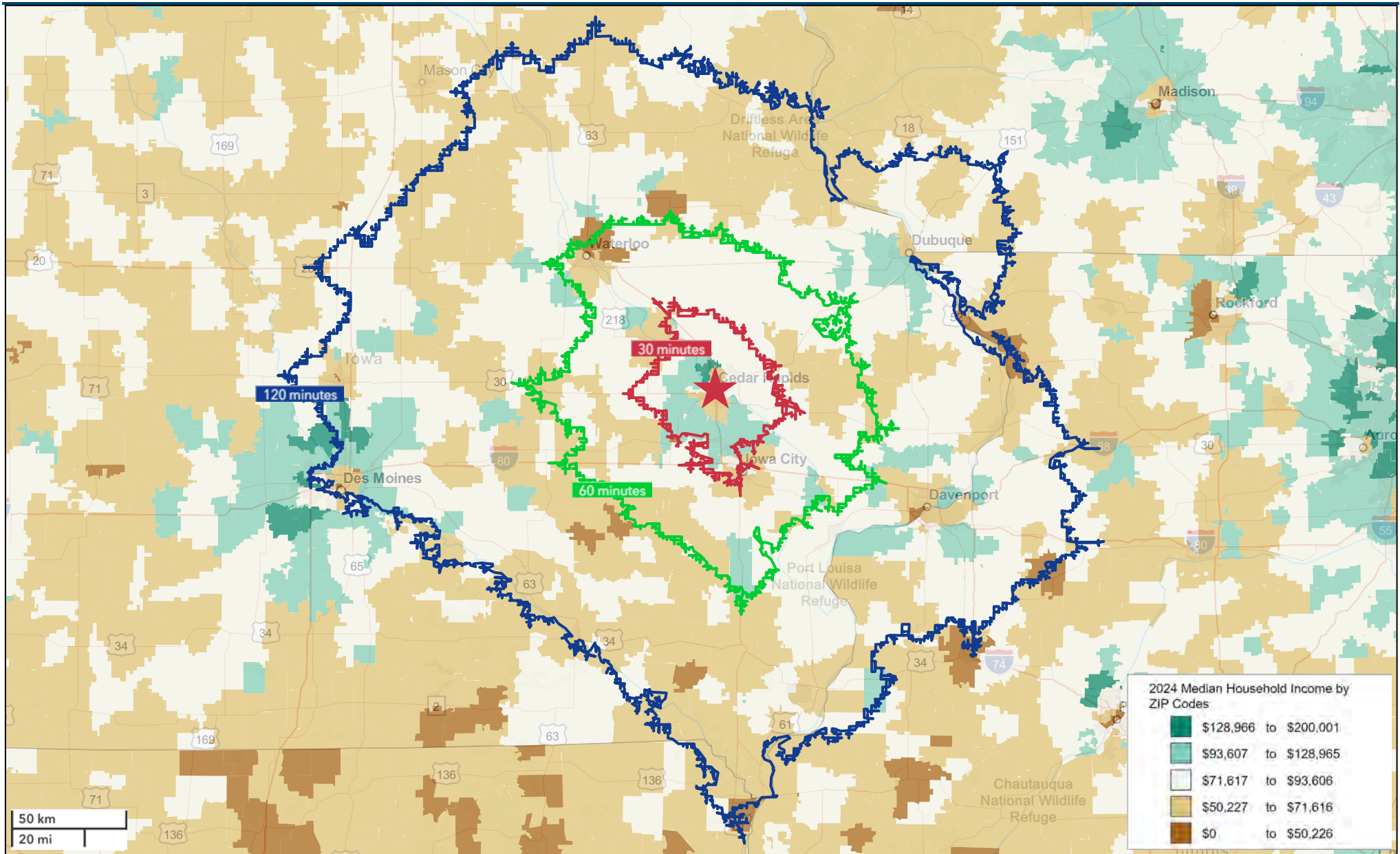
The site's proximity to the riverfront provides access to scenic overlooks and public spaces, and is already a popular destination for leisurely walks and rides. The area around the river is home to notable architectural landmarks, including the Paramount Theatre, which hosts a variety of performances and events.

The city is undergoing a renaissance, and has a well-developed restaurant scene, numerous live music and entertainment venues of varied scale, as well as the PowerHouse Arena, seating 6,900+ for concerts and sporting events (directly across the Cedar River from the P2E site). The P2E site is also proximate to scenic Mays Island (located in the middle of the Cedar River, intersected by the 2nd and 3rd Avenue Bridges), home to City Hall, and serving as a gathering place for community events and festivals throughout the year.



Map 3: Median Household Incomes

Cedar Crossing with 30, 60, 120 minute drive time rings



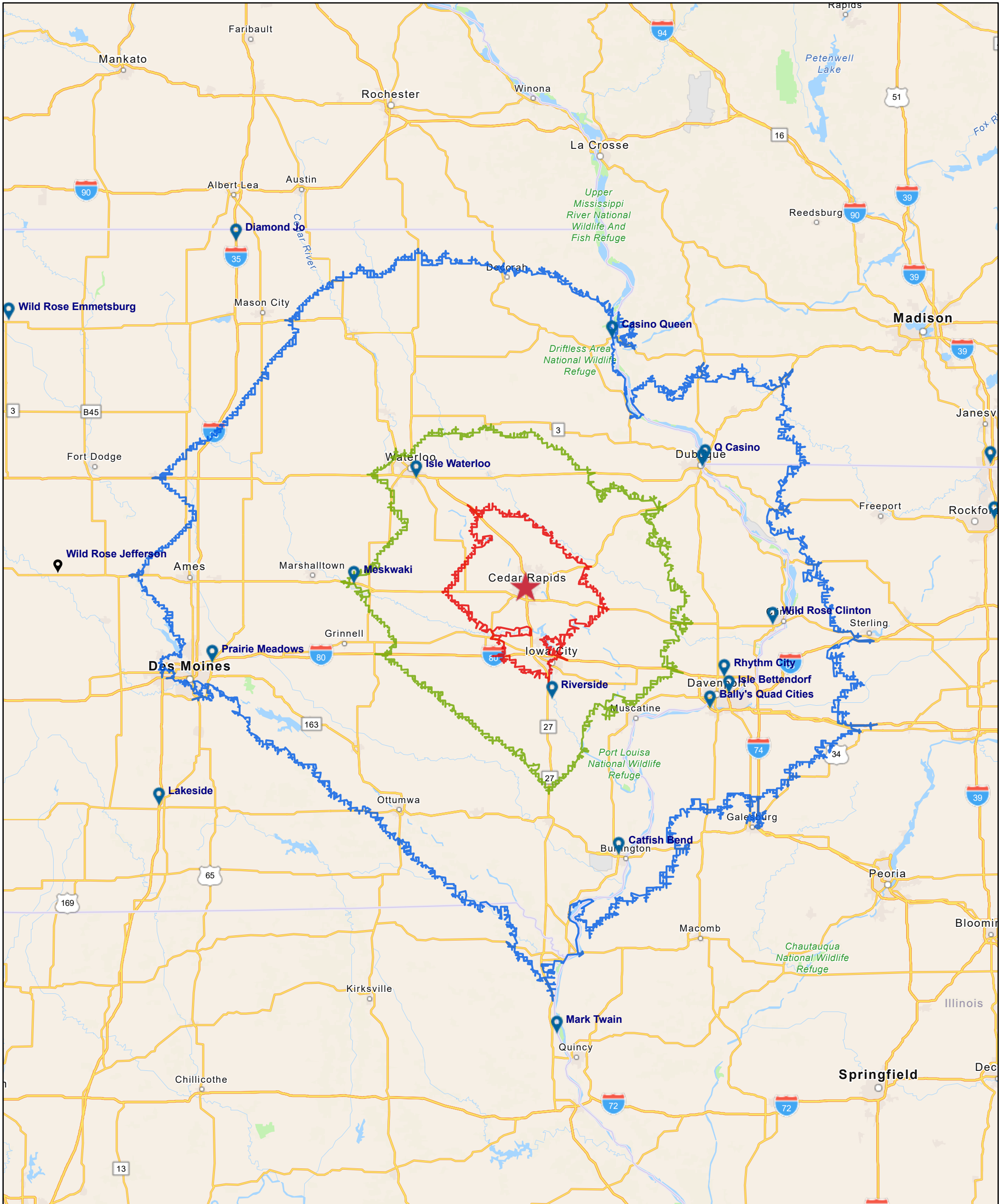
REGIONAL GAMING SUPPLY

EXISTING PROPERTIES IN THE MARKET






There are currently 19 commercial gaming facilities in Iowa and four Native American gaming facilities. As demonstrated in *Map 5*, within approximately a one-hour drive time of Cedar Rapids are three casinos (two commercial and one Native American), with an additional eight Iowa casinos slightly further afield (within two hours from Cedar Rapids, both along the Mississippi River and to the west of Cedar Rapids in the Des Moines area). Inclusive of a casino on the Illinois side of the Mississippi River in the Quad Cities area, these 13 facilities effectively reflect the competitive supply that the P2E casino would compete against. The balance of the supply in the Iowa market is more proximate to Nebraska (or elsewhere in Iowa, beyond a two-hour drive from Cedar Rapids), likely with negligible Cedar Crossing demand overlap.

The following map demonstrates the location of regional competitive facilities, followed by brief descriptions of each in terms of scale, relative location, operator, amenity mix and when they entered the market.

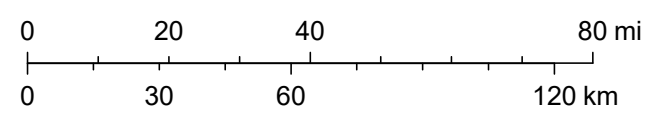
Map 5: Cedar Crossing with Existing Competition and Drive Time Rings



July 2, 2024

-  Existing Casinos
-  Proposed Casino
-  120 minutes
-  60 minutes
-  30 minutes

1:2,311,162



County of Johnson, IA, Iowa DNR, Esri, TomTom, Garmin, FAO, NOAA, USGS, EPA, NPS, USFWS

RIVERSIDE CASINO, RIVERSIDE

The Riverside Casino and Golf Resort, located in Riverside, is the most proximate casino to the proposed P2E site, approximately 38 miles south of Cedar Rapids. The casino, operated by Elite Casino Resorts, currently operates with 892 slots and 39 table games.⁴ As with other properties in the state, performance of the property has changed (and already stabilized) pre-pandemic to more recently, reflecting significant revenue growth and increase in win per admission. Annualized gaming revenues are stabilizing at approximately \$130 million from 1.5 million gamer admissions, or approximately \$85 per admission, as compared to \$90 million from 1.6 million admissions in FY2019 (\$56 per admission).⁵ For the last 12 months of reported data (June 2023-May 2024), the casino attained an average daily win per position of \$314, well above the statewide average of \$276. This is driven by the facility having the second highest average win per slot average in the state (after Prairie Meadows), at \$357.⁶

In addition to gaming, the facility offers four F&B venues, a spa, a 201-room hotel and golf (18-hole, as well as TopGolf suites) and retail venues.

MESKWAKI CASINO, TAMA

The Meskwaki Casino is located 54 miles west of Cedar Rapids in Tama, and is the only significant Native American-owned casino in Iowa. As a Native American casino, there are no commercial reporting requirements for the property, and therefore we do not have official data on revenue, admission and position counts. According to the casino website, the facility has 67,553 square feet of gaming space, including slots, 'over 1,300 slots', 25 table games and bingo. From a comparative perspective, that square footage would make it larger than any casino in the state other than Prairie Meadows (79,381 sf), but still considerably larger than the state's second largest casino (Riverside, at 51,598 sf). This also reflects the largest slot count of any casino in the state, but a comparatively small table game allotment, given the overall scale.

In addition to gaming, the facility offers a buffet, lounge, grill and taproom, as well as a food arcade, along with a 404-room hotel and an outdoor arena.

ISLE OF CAPRI, WATERLOO

The Isle of Capri Casino Hotel in Waterloo is located approximately 62 miles northwest of Cedar Rapids. The casino currently operates with 831 slots and 24 table games.⁷ As with Riverside, performance data for the property has changed significantly from pre-pandemic to more recently, though gaming revenues have trended downward during the past two years. Nevertheless, the win and win per admission totals well exceed pre-pandemic level. Fiscal Year gaming revenues peaked in FY2022 at \$101 million from 823 thousand admissions, or \$123 per admission (as compared to \$66 million from 825 thousand admissions in FY2019, or \$80 per admission). For the last 12 months of reported data (June 2023-May 2024), the casino generated AGR of \$94 million from 709 thousand

⁴ Iowa Racing and Gaming Commission May 2024 gaming revenue report. <https://irgc.iowa.gov/media/313/download?inline=>. Position counts are counted as 1 per slot and 6 per table game.

⁵ Iowa Racing and Gaming Commission May 2024 gaming revenue report and annual revenue reports for FY2019-FY2023. <https://irgc.iowa.gov/publications-reports/gaming-revenue>

⁶ Ibid.

⁷ Ibid.

gamer admissions, reflecting an average win per admission of \$132, and an average daily win per position of \$263, slightly lower than the statewide win per position average of \$276.⁸

In addition to slots and tables, the facility offers a sports book, three F&B venues, an arcade and a 194-room hotel.

MISSISSIPPI RIVER REGION

Beyond the more immediate market are eight casinos along the Mississippi River, almost exclusively on the western (Iowa) side of the river. There is not a true geographical concentration of casinos in this region, rather they are located northeast, east and southeast of Cedar Rapids, ranging from 80 to 110 minutes' drive time from Cedar Rapids. The broad geographic area in which these facilities are located may significantly limit the potential draw of gamers residing more than an hour east of Cedar Rapids from coming to the proposed P2E Cedar Rapids facility (as would casinos even further to the east, such as the Hard Rock in Rockford, Illinois and the planned Ho Chunk casino in Beloit, Wisconsin). The facilities in this region are presented below in order of proximity (drive time) to Cedar Rapids.

There are three casinos in the Quad Cities market area, though all in different towns (Davenport, Rock Island and Bettendorf), not in a cluster. Nevertheless, there is negligible difference in drive time to/from Cedar Rapids from these three alternatives, at approximately 80 minutes to the southeast of Cedar Rapids.

RHYTHM CITY, DAVENPORT

Rhythm City, located in Davenport and operated by Elite Casino Resorts, is the largest and highest revenue-generating of the three Quad Cities area casinos. The land-based property is located at the intersection of I-80 and I-74 in Davenport, having moved in 2016 from its previous riverboat operation. For the 12-month period ending May 2024, the casino generated gaming revenues of \$112 million from 1.30 million admissions, or approximately \$86 per admission. The casino has 820 slots and 22 table games and is attaining significantly higher than state averages in terms of daily win per slot and win per table (\$339 and \$1,254, respectively). The win per table trails only Prairie Meadows and two of the Council Bluffs properties.⁹

From a non-gaming perspective, the property has a 106-room hotel, spa, two restaurants, a sports lounge and an arena with a seating capacity of 1,600.¹⁰

BALLY'S QUAD CITIES (ROCK ISLAND, ILLINOIS)

Bally's Quad Cities Casino & Hotel is the only casino on the Illinois side of the Mississippi River in the broader Cedar Rapids market. The property was acquired by Bally's from Jumer's (Jumer's Rock Island Casino) in 2021. At the end of FY2023 the casino has a gaming supply of 775 slots and 17 table games (including a 4-table poker room), down from 886 slots and 25 table games when operated by Jumer's in 2019.¹¹ As the smallest of the three casinos in the Quad Cities market, and in the smallest of the three towns, the casino attained the lowest gaming revenues of the three during FY2023, at \$58 million

⁸ Iowa Racing and Gaming Commission historical gaming revenue reports. <https://irgc.iowa.gov/publications-reports/gaming-revenue>

⁹ Ibid.

¹⁰ Rhythm City Casino website, <https://www.rhythmcitycasino.com/index.html>, accessed May 14, 2024.

¹¹ Illinois Gaming Board monthly casino reports. <https://www.igb.illinois.gov/CasinoReports.aspx>, accessed May 1, 2024.

Current supply for Bally's Quad Cities has remained relatively flat from June 2023 to February 2024, with the February 2024 mix being 784 slots and 16 table games (eliminating one table from poker relative to June 2023).

from approximately 712 thousand gamer admissions (\$82 win per admission). From a non-gaming perspective, the property has a 205-room hotel, two restaurants and two casino bars.

ISLE CASINO & HOTEL, BETTENDORF

Isle Casino & Hotel, located in Bettendorf and operated by Caesars Entertainment, has a gaming supply of 856 slots and 18 table games. While the gaming supply is very similar to that of Rhythm City, it attains considerably less than its fair share of the market, with revenues of \$67 million for the 12-month period ending May 2024, from approximately 670 thousand admissions (\$100 per admission).¹²

The property has a 514-room hotel, one restaurant, a bar, a marina and 40,000 square feet of meeting space (combining the Isle Center with the Quad Cities Waterfront Convention Center).¹³

DUBUQUE DIAMOND JO

Dubuque Diamond Jo is one of two casinos in Dubuque, approximately 80 minutes' drive to the northeast of Cedar Rapids (and approximately 75 minutes north of the Quad Cities casinos). Dubuque Diamond Jo, operated by Boyd Gaming, has a gaming supply of 720 slots and 27 table games. For the 12-month period ending May 2024, the casino generated gaming win of \$79 million from approximately 703 thousand admissions (\$112 per admission).¹⁴ The win per slot for the facility during the last 12 months was slightly below the state average but win per table game was amongst the lowest in the state. The casino is part of an entertainment center, with a bowling alley and two restaurants, a sports bar and a fast-food outlet, along with the Mississippi Moon Bar entertainment venue.

Q CASINO DUBUQUE

The Q Casino, formerly Dubuque Greyhound, is owned by the City of Dubuque and operated by/licensed to the Dubuque Racing Association non-profit. The Q is considerably smaller than the Diamond Jo from a gaming supply standpoint, with 531 slots and 19 table games. The casino generated gaming win of \$44 million for the 12-month period ending May 2024 from approximately 550 thousand admissions (\$79 per admission).¹⁵ The casino has a restaurant, sports bar and showroom, and is attached to a 112-room Hilton Garden Inn. The property is currently undergoing an expansion, to add a 90-room hotel and restaurant, as well as a family entertainment zone.

CATFISH BEND, BURLINGTON

Catfish Bend Casino is owned by Great River Entertainment as part of the Fun City Resort entertainment complex. The casino is the southeastern-most casino in the region, approximately a 100-minute drive time south-southeast of Cedar Rapids. The casino generated gaming win of \$44 million for the 12-month period ending May 2024 from approximately 680 thousand admissions.¹⁶ This equates to a \$65 per admission, the lowest of any casino in the state, likely attributable to many non-gamers at Fun City walking through the casino. Catfish Bend has a gaming supply of 643 slots and 31 table games, such that table games account for a higher percentage of gaming positions than any other Iowa casino, but averaged the second lowest average daily win per table game of any casino in the state during the last 12 months. The property has three hotels, numerous family entertainment

¹² Iowa Racing and Gaming Commission historical gaming revenue reports. <https://irgc.iowa.gov/publications-reports/gaming-revenue>

¹³ Isle casino website. <https://www.caesars.com/isle-bettendorf/things-to-do/meetings-and-events>

¹⁴ Iowa Racing and Gaming Commission historical gaming revenue reports. <https://irgc.iowa.gov/publications-reports/gaming-revenue>

¹⁵ Ibid.

¹⁶ Ibid.

venues (water park, laser tag, ball courts), a convention and events center and a broad variety of food and beverage options throughout the Fun City complex, as well as access to golf and a spa.

WILD ROSE CLINTON

The Wild Rose Casino in Clinton is one of three casinos in the state (or anywhere) operated by Wild Rose Casino & Resort. The casino is located approximately 90 minutes' drive time east of Cedar Rapids in Clinton, the easternmost town in the state. The casino is one of the smallest in Iowa, with 511 slots and 9 table games, on a gaming floor of just under 20,000 square feet. Revenues for the property for the 12-month period ending May 2024 were \$33 million, of which slots accounted for more than 95 percent, from approximately 417 thousand annual admissions (\$79/admission).¹⁷

The property has a 60-room hotel and a sports bar restaurant.

MARQUETTE CASINO QUEEN

The Casino Queen, operated by CQ Holdings, is located in Marquette, approximately 110 minutes' drive to the northeast of Cedar Rapids. The casino is the smallest in Iowa, at 434 slots and 14 tables and a gaming floor less than 16,300 square feet, but is slated for expansion. Revenues for the property for the 12-month period ending May 2024 were the lowest of any casino in the state at \$21 million, driven largely by the fact that the casino historically gets negligible table game demand (less than \$400,000 annually in table game revenues), but also having the lowest average daily win per slot in the state, at \$130.¹⁸

The property is slated to move dockside, but press releases suggest that the move will focus on non-gaming amenities from an expansion standpoint, rather than a change in the number of gaming positions.¹⁹

ADDITIONAL SECONDARY COMPETITION

PRAIRIE MEADOWS, ALTOONA

Prairie Meadows is currently the only venue operating in the state that combines live racing with casino gaming. The facility is located in Altoona (suburban Des Moines), nearly a two-hour drive time west of Cedar Rapids. From most every gaming metric standpoint, the casino is currently performing better than every other casino in Iowa. The facility is owned by Polk County and operated by a local board of directors. The current gaming supply at Prairie Meadows is 1,204 slots and 41 tables, in a facility of nearly 80,000 square feet. The casino generated gaming win of \$241 million for the 12-month period ending May 2024 from approximately 2.1 million admissions (\$115 per admission). The average daily win per slot was by far the highest in the state, at \$501, and the average daily win per table game the highest outside of Council Bluffs, at \$1,376.²⁰

In addition to the racetrack, which has 80 live race days in the 2024 racing season (May to September), the property has a 168-room hotel, an events center for conferences and entertainment, and multiple food and beverage venues.

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Philip Joens, "Northeast Iowa Riverboat Casino Going Dry with Move to Land Location", Des Moines Register, January 26, 2023. <https://www.desmoinesregister.com/story/news/2023/01/26/casino-queen-marquette-riverboat-land-approval-iowa-racing-gaming-commission/69845171007/>

²⁰ Ibid.

GAMING DEMAND HISTORY

PUBLICLY REPORTED CASINO PERFORMANCE

Iowa is one of the most mature gaming states in the United States, being the first state in the modern era to offer riverboat gaming (Iowa’s first casinos opened in 1991, though most states along the Mississippi River followed within the subsequent two years). From a gaming revenue perspective, Iowa’s commercial casinos topped \$1.0 billion in annual AGR in FY2004 and generated between \$1.36 billion and \$1.46 billion annually in AGR from FY2010 through FY2019. The AGR attained from FY2015 to FY2019 were derived from between 20 million and 23 million annual casino admissions (on a slight annual decline), or an average gaming expenditure per admission steadily increasing from \$62 to \$73.

Gaming participation rates for casinos throughout the country changed noticeably during and following the pandemic years (2020-2022), as well as average gaming expenditures per casino admission, and casinos in Iowa mirrored that national trend. Even as regional casinos have emerged from the pandemic, some of these trends appear to be sustained; statewide win per admission in Iowa now exceeds \$100 as an average (up 40% from 2019, to \$102), driving record annual revenues (exceeding \$1.7 billion annually since FY2022), but participation is down 15%, with approximately 17 million annual admissions now seeming to be the norm. Based on data through May 2024, it appears that the market has now stabilized at these new participation rate and spending levels, relative to the pre-pandemic norms.²¹

TABLE 7: IOWA COMMERCIAL CASINO AGR AND ADMISSIONS

	AGR	YoY % CHANGE	ADMISSIONS	YoY % CHANGE	WIN/ADM	YoY % CHANGE
FY2019	\$1,457,011,629		19,863,057		\$73.35	
FY2020	\$1,163,416,237	-20.2%	15,530,221	-21.8%	\$74.91	2.1%
FY2021	\$1,575,410,919	35.4%	16,394,655	5.6%	\$96.09	28.3%
FY2022	\$1,766,238,893	12.1%	17,456,602	6.5%	\$101.18	5.3%
FY2023	\$1,754,520,656	-0.7%	17,078,925	-2.2%	\$102.73	1.5%
LTM (June '23-May '24)	\$1,724,566,771	-1.7%	16,838,157	-1.4%	\$102.42	-0.3%
LTM/FY2019		18.4%		-15.2%		39.6%

Source: Iowa Racing and Gaming Commission.

The 10 Iowa commercial casinos in the more immediate market (as described above) accounted for 50% of the statewide AGR and 52% of the statewide admissions during the LTM period. These shares have changed minimally over the past five years. The weighted average win per admission for the 10 properties during the LTM period was \$98, as compared to the statewide average of \$102, but notably had a wide variance between the 10 properties, from a low of \$65 (Catfish Bend) to a high of \$135 (Casino Queen). This variance can be explained by a variety of factors, i.e., the presence of a hotel (likely resulting in higher than average win/admission), the breadth of non-gaming amenities (meaning possibly more non-gamers being counted in the admission counts, yielding artificially low win per admission tallies), differences in the average household income levels of feeder markets, or other demographic characteristics of patron bases.

²¹ Ibid.

TABLE 8: CENTRAL/EASTERN IOWA COMMERCIAL CASINO AGR AND ADMISSIONS

	AGR	YoY % CHANGE	ADMISSIONS	YoY % CHANGE	WIN/ADM	YoY % CHANGE
FY2019	\$727,666,804		10,634,686		\$68.42	
FY2020	\$583,612,778	-19.8%	8,281,686	-22.1%	\$70.47	3.0%
FY2021	\$802,828,624	37.6%	8,468,173	2.3%	\$94.81	34.5%
FY2022	\$877,423,345	9.3%	9,058,168	7.0%	\$96.87	2.2%
FY2023	\$882,213,104	0.5%	8,984,537	-0.8%	\$98.19	1.4%
LTM (June '23-May '24)	\$863,161,475	-2.2%	8,787,423	-2.2%	\$98.23	0.0%
LTM/FY2019		18.6%		-17.4%		43.6%

Source: Iowa Racing and Gaming Commission.

The following table provides a further breakdown of relative supply and performance, by property, for the region for the past 12 months.

TABLE 9: REGIONAL IOWA COMMERCIAL CASINO GAMING SUPPLY AND INDIVIDUAL PERFORMANCE, JUNE 2023-MAY 2024 (LTM)

	SLOTS	TABLES	AGR	ADMISSIONS	WIN/ POSITION/DAY	WIN/ADMISSION
Prairie Meadows	1,204	41	\$240,900,052	2,097,902	\$455	\$115
Riverside	892	39	\$128,872,597	1,505,465	\$314	\$86
Rhythm City	820	22	\$111,625,210	1,298,109	\$321	\$86
Isle Waterloo	831	24	\$93,735,514	709,328	\$263	\$132
Dubuque Diamond Jo	720	27	\$79,073,138	703,480	\$246	\$112
Isle Bettendorf	856	18	\$67,241,090	670,033	\$191	\$100
Catfish Bend	643	31	\$43,897,153	680,179	\$145	\$65
Q Casino	531	19	\$43,724,678	550,282	\$186	\$79
Wild Rose Clinton	511	9	\$33,135,592	417,304	\$161	\$79
Casino Queen	434	14	\$20,956,451	155,341	\$111	\$135

Source: Iowa Racing and Gaming Commission. Positions calculated as 1 per slot and 6 per table game.

SPORTS BETTING

Sports betting was legalized in Iowa in May 2019 and first launched in August 2019. Sports betting is available both in retail and online format, operated by all 19 commercial casinos in the state. Initially, there was a requirement to sign up for online sports wagering at a retail venue, but that requirement was stripped in early 2021. Statewide, sports books generated \$186 million in net sports betting receipts in FY2023, of which the online share was \$165 million (nearly 90%); for FY2024 through May, the share remains nearly 90%, and aggregate sports betting net receipts could exceed \$210 million by the end of FY2024, inclusive of the retail share. The \$21 million in net retail receipts in FY2023 reflected a 1.2% increment to AGR from casino gaming (slots and table games).²²

²² Iowa Racing and Gaming Commission sports wagering revenue reports. <https://irgc.iowa.gov/publications-reports/sports-wagering-revenue>

While the split between online and retail revenues is substantial at the statewide level, for individual properties the ratios cross the full spectrum. For example, Grand Falls (on the South Dakota border) generated retail net receipts of \$1.77 million in FY2023, but had a net loss of \$4.24 million from internet play. In stark contrast, Casino Queen generated \$1.92 million in net receipts from internet sports wagering in FY2023, but less than \$6,000 in net receipts from retail. From a retail perspective (within the broader Cedar Rapids market), the only casino with FY2023 net retail sports betting receipts greater than 1% of AGR from casino gaming was Dubuque Diamond Jo (1.05%, or \$783,810). Prairie Meadows had the largest volume, at \$835,201, but equated to only 0.3% of gaming revenues.²³

PROPRIETARY VISITATION DATA

To supplement the State-reported performance data for existing commercial gaming operators, Convergence Strategy Group utilized proprietary data²⁴ which reveals the number of visits to each of the competitive gaming properties in the market, the demographics of those visitors, as well as the sources (ZIP code of residence) of those visits. With these data points, CSG was able to calibrate our gravity and out-of-market models to a degree of accuracy that has before been unseen in the gaming industry.

²³ Ibid.

²⁴ Convergence Strategy Group is a licensed partner of a large-scale aggregator and provider of mobile-phone tracking data. This license affords CSG the ability to access extremely detailed visitor tracking data for every square foot of the United States, on a daily, weekly, monthly, and annual basis going back to 2017. This data is derived from over 500 smart phone apps, including weather, social media, and shopping applications. These anonymized and highly confidential data sets are fed into AI models to estimate total behavior nationwide (to include behavior from individuals not included in their data). The data is continually back-tested through a partnership program with more than 200 companies, including large retailers, grocery stores, fast food, and public buildings, to assure accuracy, even in remote areas. Due to confidentiality, data sources can be provided upon request.

PROJECTIONS OF MARKET DEMAND FOR CEDAR CROSSING

While there are numerous casinos in central and eastern Iowa, as noted in the market supply analysis above, there are currently no casinos in Cedar Rapids or within a 30-minute drive time of the proposed development site, such that the addition of a casino in the city should result in an increase to regional gaming participation rates. We also note that historical revenues and admission counts for regional properties suggest that the participation rate for the broad central/eastern Iowa market are already relatively high (when compared to other competitive gaming markets in the country), such that some of the demand that the Cedar Crossing casino generates will be as a result of regional market dilution. The following analysis demonstrates our projections of the degree to which the market may expand as a result of the addition of a new venue, the market share that Cedar Crossing is projected to capture, and the implications on incumbent properties. Finally, we address the potential capture of tourism in the Cedar Rapids area, which we do not anticipate will have any casino substitution aspects.

REGIONAL MARKET DRIVE-TIME GRAVITY MODELS

In order to assess the current market dynamics and to project the potential future visitation and revenue generation for the proposed developments from the local area market, Convergence Strategy Group designed and built a drive-time gravity model for the competitive regions within a roughly 150-minute drive of Cedar Rapids. The 150-minute boundary was considered based on the relative proximity of casinos (existing and proposed) that may overlap potential visitation from outside of the immediate market area, as well as a review of the proprietary, cellphone-tracking data that illustrates what radius the market incumbents attract their clientele. Nevertheless, while a 150-minute drive-time sufficiently reflects the draw for a regional casino in this market, we note that for most properties, the vast majority of the clientele comes from within a 30-minute drive time of the respective properties (with the exception of properties not within 30 minutes of any sizable population mass).

METHODOLOGY

In competitive gaming markets, gravity models are the most widely used tool to determine local and regional market demand and the distribution of that demand between different properties. The general format of gravity models is that size and attractiveness of properties are factors that pull patrons towards a specific property, whereas distance (drive-time) from a property exponentially detracts a patron from visiting a specific property. Rather than constructing a standard “crow-flies” gravity model, wherein the straight-line distance between each ZIP Code in the market to each competitive property is calculated based upon geographic coordinates (X, Y), Convergence constructed drive-time gravity models. For this model, the real-world drive times from each ZIP Code (at the centroid) in the market to each competitive property²⁵ were derived from our in-house geographic information system, ArcGIS Online from Redlands, California-based ESRI²⁶. The result is a model that more accurately assesses the relationships between the people and places in a market. This model is further calibrated based on our access to AI mobile phone tracking tools, which allows us to map the ZIP Codes of visitors to

²⁵ Per ESRI specifications for drive times, “measurements are made along roads or walkways, and they honor applicable rules, such as one-way streets, illegal turns, and so on.” Due to the complex nature of the area traffic environment, no one day or time was selected for drive time comparison, rather drive times were calculated at the average travel time from one point to another.

²⁶ ESRI is the global market leader in GIS, with its ArcGIS product as the standard platform for government agencies across the United States, most national governments worldwide, as well as the private sector.

each of the properties in the market during a given year, enabling us to ensure that the model estimate distribution of gamer admissions by market area is consistent with what the tracking data shows.

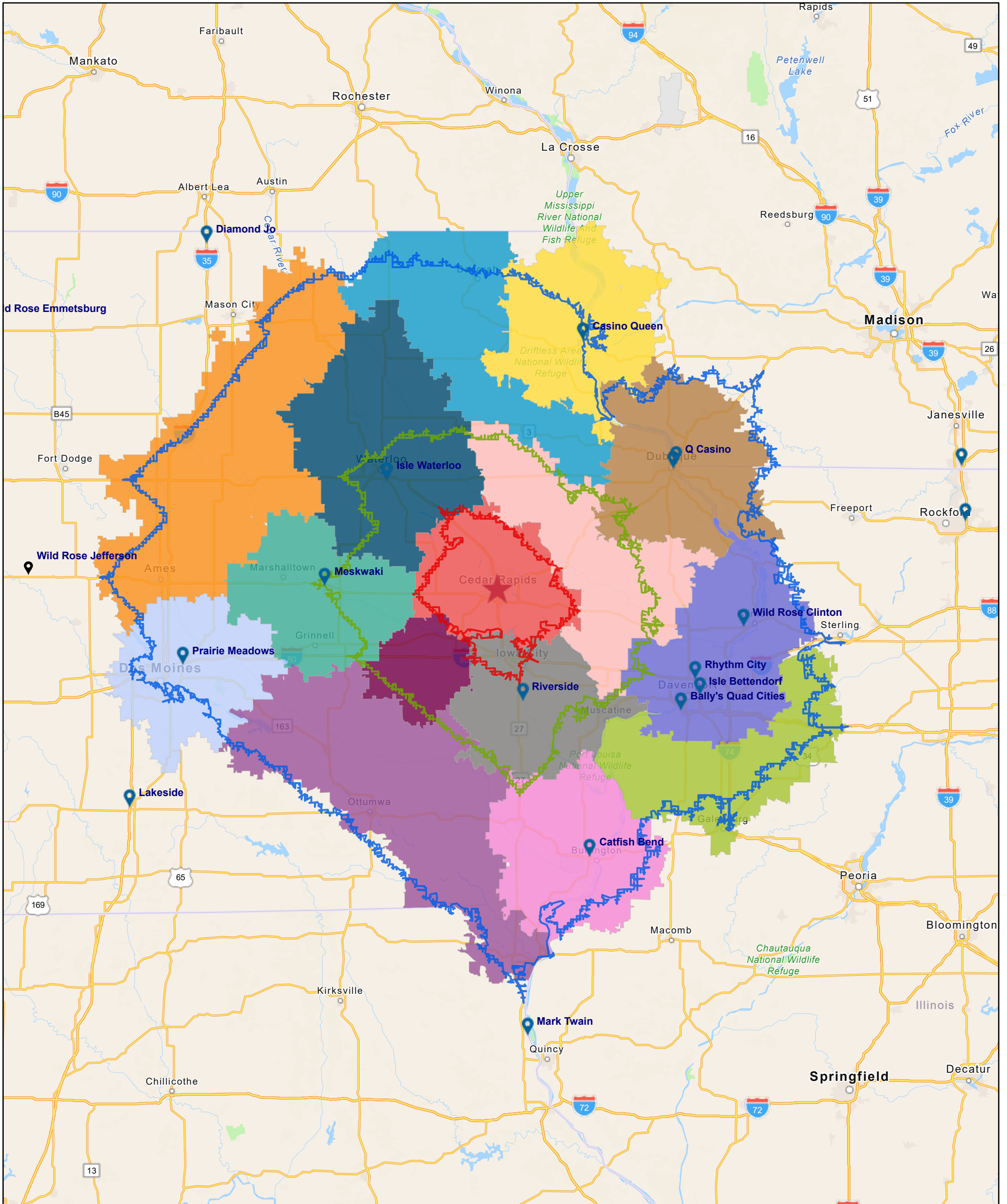
CSG's baseline gravity model was calibrated to FY 2024 (FY2024 estimate, based on last 12-month data) based on not only publicly reported casino performance, but also proprietary visitation data as described in previous sections of this report. This calibration takes into consideration the average win per admission as reported for the commercial casinos, and arriving at the percentage of total gaming visits and revenues at each property that we estimate comes from the regional population.

Two subsequent models were then built – the first to 2027 to establish a future baseline, which accounts for modest growth in win per admission, population change, and the addition of two casinos to the east of Iowa (a permanent Hard Rock casino in Rockford, Illinois and a new casino in Beloit, Wisconsin). The third model expands on this 2027 baseline by adding the Subject property. For both the 2027 baseline model and the 2027 expansion model, necessary adjustments were made to gaming participation rates, as demand growth in some areas may be expected as a result of adding new alternatives to the market.








SUB-MARKET REGIONS

Map 6 demonstrates the 15 distinct sub-market regions as designated by Convergence Strategy Group for modeling purposes, and *Table 4* details the size of the gaming age (21+) population in the market, a region that is with an approximate two-hour drive time of the proposed Cedar Crossing casino. The sub-market areas were delineated in consideration of distance from Cedar Rapids, proximity to alternative gaming options, as well state borders. This entire region holds 2.00 million adults of legal gaming age, with the largest being our defined “Prairie Meadows” market area, effectively the broader Des Moines area. The adult population is projected to have negligible growth through 2027 (to 2.02 million), though the primary market area (Cedar Rapids Primary) is expected to have one of the fastest growth rates in the region (trailing only the Prairie Meadows and Riverside Primary markets).

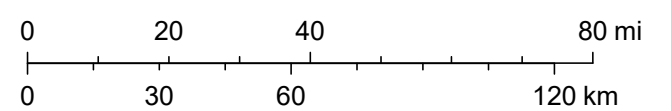
Map 6: Cedar Crossing Market Areas



July 2, 2024

-  Existing Casinos
-  Proposed Casino
- Market Areas**
-  2 hour NW
-  Casino Queen Primary
-  Catfish Bend
-  Cedar Rapids Primary
-  Dubuque Primary
- Meskwaki Primary
- Waterloo
- Prairie Meadows
- Quad Cities Clinton Primary
- Riverside Primary
- Secondary East
- Secondary SW

1:2,311,162



City of Cedar Rapids, Iowa DNR, Esri, TomTom, Garmin, FAO, NOAA, USGS, EPA, NPS, USFWS

TABLE 10: CEDAR CROSSING MARKET AREA GAMING AGE (21+) POPULATION

SUBMARKET	2023	2028	CAGR 2023-2028	2027 EST.
Cedar Rapids Primary	197,074	201,293	0.42%	200,442
Riverside Primary	157,428	162,081	0.58%	161,140
Secondary SW	12,270	12,160	-0.18%	12,182
Secondary East	50,255	49,801	-0.18%	49,891
Meskwaki Primary	55,020	54,329	-0.25%	54,467
Waterloo	157,107	155,994	-0.14%	156,216
2 Hour NE	40,398	40,024	-0.19%	40,099
Casino Queen Primary	34,315	33,551	-0.45%	33,702
Dubuque Primary	117,311	117,611	0.05%	117,551
Quad Cities Clinton Primary	308,076	306,694	-0.09%	306,970
2 Hour SE	66,860	65,462	-0.42%	65,739
Catfish Bend	72,352	71,188	-0.32%	71,419
2 Hour SW	107,265	105,614	-0.31%	105,942
Prairie Meadows	490,485	513,149	0.91%	508,534
2 Hour NW	135,073	135,426	0.05%	135,355
Total	2,001,289	2,024,377	0.23%	2,019,649

Source: ESRI

The average household incomes of the market’s residents are considered in the forecast models when estimating the average “win per admission” for patronage to each facility. We further note that the Cedar Rapids Primary market has the second highest average household income of the 15 market areas (\$99,606 in 2023), trailing only the Prairie Meadows market area (\$107,165). These averages well exceed the regional weighted average across the 15 market areas of \$94,217 for 2023. There are no market areas in the broader area that have exceptionally low average household income levels, with the lowest being our defined 2-hour Southeast area, with an average of \$71,999 in 2023, followed by its neighboring Catfish Bend market area, at \$81,274. Most of the balance are more on par with the regional average, as evident from Table 11 below.²⁷

TABLE 11: CEDAR RAPIDS MARKET AREA AVERAGE HOUSEHOLD INCOMES

SUBMARKET	2023	2028	CAGR 2023-2028	2027 EST.
Cedar Rapids Primary	\$99,606	\$112,744	2.51%	\$109,984
Riverside Primary	\$98,760	\$111,842	2.52%	\$109,094
Secondary SW	\$87,381	\$97,269	2.17%	\$95,206
Secondary East	\$91,147	\$102,686	2.41%	\$100,267
Meskwaki Primary	\$87,583	\$98,098	2.29%	\$95,898
Waterloo	\$86,946	\$97,760	2.37%	\$95,494
2 Hour NE	\$88,656	\$99,202	2.27%	\$96,997
Casino Queen Primary	\$81,626	\$91,932	2.41%	\$89,771
Dubuque Primary	\$95,324	\$107,280	2.39%	\$104,774
Quad Cities Clinton Primary	\$91,416	\$103,617	2.54%	\$101,053
2 Hour SE	\$71,999	\$80,894	2.36%	\$79,031
Catfish Bend	\$81,274	\$91,127	2.32%	\$89,065
2 Hour SW	\$80,677	\$90,511	2.33%	\$88,453
Prairie Meadows	\$107,165	\$121,008	2.46%	\$118,103
2 Hour NW	\$85,940	\$96,848	2.42%	\$94,561
Total	\$94,217	\$106,552	2.49%	\$103,961

Source: ESRI

²⁷ Population and income data from ESRI, based on CSG market area carve boundaries.

MODEL CALIBRATIONS

The first step in forecasting the potential visitation (“admissions”) and revenue generation of the proposed facilities is the construction and calibration of base models which re-create existing conditions. The 2023 base models were calibrated to re-create FY2023 admission and revenue generation of the existing gaming facilities in the marketplace. We note that there is no official data for Meskwaki Bingo Casino as it is a Native American property that is not required to adhere to performance submission requirements like the commercial casinos. However, however our AI-based tracking data allows us to capture visitation data for all properties in the region. This allows us to calibrate the performance of Meskwaki Bingo Casino together with that of the commercial casinos, including an understanding of the distribution of admissions by feeder market for each of the properties in the region (and the degree to which each property may be attracting visitation from non-regional residents).

In calibrating the model, CSG also drew also from proprietary data sets on the prevalence of casino gaming participation segmented by ZIP Code of residence. Such data further enabled CSG to refine our models so that they most accurately reflect the current marketplace and consumer behaviors. As seen across the world, the addition of casino gaming options to an area typically results in an increase in gaming behavior – as adults have increased access to casinos, the propensity of those adults to be gamers increases as does the frequency of their play.

Once these model factors were built in, the real-world drive times from each ZIP Code centroid to each competitive facility were input, as were the size (in terms of gaming positions), and relative attractiveness of each competitor. This “attraction” factor is a measure of the quality and draw of a facility, and accounts for the differences between hotel resorts or entertainment complexes with large amenity packages that draw from a larger regional market, properties that benefit from synergy with surrounding attractions, and stand-alone casino properties that draw from a more local market.

Gaming participation in the gravity model was estimated through assumptions regarding propensity and frequency of casino admissions, adjusted in part by these market index and visitor-tracking data factors, as well as the overall and distribution of gaming expenditures in the region.

The baseline calibration model therefore is used to best replicate existing conditions, from which expanded models can then forecast levels of capture for the Subject facility and potential latent demand.

The 2023 model calibration resulted in participation rate estimates by market area, as presented in *Table 12*.

TABLE 12: BASE MODEL CALIBRATION FACTORS

SUBMARKET	PROPENSITY	FREQUENCY
Cedar Rapids Primary	34.6%	10.4
Riverside Primary	42.5%	13.3
Secondary SW	37.5%	11.4
Secondary East	40.0%	11.7
Meskwaki Primary	48.8%	16.3
Waterloo	39.6%	12.4
2 Hour NE	31.0%	11.6
Casino Queen Primary	30.0%	12.0
Dubuque Primary	42.5%	16.8
Quad Cities Clinton Primary	44.2%	13.0
2 Hour SE	35.0%	9.4
Catfish Bend	42.1%	12.4
2 Hour SW	34.4%	10.4
Prairie Meadows	43.2%	10.4
2 Hour NW	35.1%	8.7

Source: CSG estimates.

Gaming expenditure per admission was calibrated initially for each market area as an average, based on relative household income levels. Calibration adjustments were then made on a property-by-property basis to most clearly mirror the average win per admission as reported for each and every property. These adjustments were necessary given that win per admission varies relatively widely by property in the market (see Table 9), due to a wide range of factors, including amenity mix and location on property of each of those amenities. As such, we estimate a weighted average win per admission of approximately \$100 for the 15-market area region as a whole, but there was variance in the win per admission by property and by region from this average in order to arrive at a model reasonably calibrated to actual performance.

The gravity model reflects spending attributable to gamers residing within the carve-out market area, but not that of gamers staying in property hotels, tourists, or those that are a result of longer-distance traffic intercept. Most all of the casinos in the central and eastern Iowa market have one or more hotels attached to them, with varying levels of tourism driving facility demand. As noted, many of the casinos in the regional market are approximately a two-hour drive from Cedar Rapids, beyond which we did not include as potential feeder markets for the Cedar Crossing casino. We know, however, that for casinos that are in these outer reaches of the Cedar Crossing market, these competitive facilities are positioned to draw from a further radius from Cedar Rapids, i.e., a casino located two hours east of Cedar Rapids would fairly easily draw from three hours east of Cedar Rapids. We have used the proprietary visitation data to calibrate this baseline model for each of the properties, determining the share of demand for each of the properties in the market that comes from within the carved-out region.

DEMAND FORECASTS

2027 BASELINE

A 2027 Baseline model was created by CSG, based on the 2023 calibration, which accounted for several adjustments:

- Demographic changes from 2023 to 2027, including changes in the size of adult populations in each ZIP Code and household income levels;

- Growth assumptions in average win per admission, at a rate of \$1.50 per year;
- An increased attraction factor for Marquette Casino Queen due to its move landside;
- New competition to the east of Iowa, including the opening of the permanent Hard Rock Rockford Casino and the opening of a new casino in Beloit, Wisconsin.

These issues did not impact any of our estimates regarding gaming participation rates by market area but did impact the volume and share of gaming revenues and visitation that each of the properties in the market would have. Moreover, it is this 2027 baseline result that we use later in our report to calculate the net impacts of the introduction of Cedar Crossing to the statewide gaming market, rather than the 2023 results.

2027 EXPANSION-ADJUSTED GRAVITY MODEL FACTORS

As casino gaming participation is associated with access to casino gaming options, the propensity of populations to visit a casino and the frequency of visitation increase with increases in supply. In the projection model, both the propensity to participate in casino gaming and the frequency of play for those residing in areas with easy access to the new casino are expected to increase by varying amounts. In our model, the only supply change that we envision will change participation rates will be the Subject facility, Cedar Crossing. From a modeling perspective, we understand it to be sized at 700 slots and 22 table games.

With the addition of the Cedar Crossing casino in Cedar Rapids, we envision growth in demand in the Cedar Rapids Primary market area, and to a lesser degree in three neighboring market areas: Riverside Primary, Secondary Southwest and Secondary East. The following table demonstrates the adjusted model factors.

TABLE 13: PROJECTION MODEL FACTORS, 2027

SUBMARKET	PROPENSITY	FREQUENCY
Cedar Rapids Primary	43.3%	14.2
Riverside Primary	43.6%	13.8
Secondary SW	39.4%	12.0
Secondary East	42.0%	12.3
Meskwaki Primary	48.8%	16.6
Waterloo	39.6%	12.6
2 Hour NE	31.0%	12.3
Casino Queen Primary	32.3%	12.5
Dubuque Primary	42.5%	16.8
Quad Cities Clinton Primary	44.2%	13.0
2 Hour SE	35.0%	9.6
Catfish Bend	42.1%	12.4
2 Hour SW	34.4%	10.6
Prairie Meadows	43.2%	10.8
2 Hour NW	35.1%	8.9

Source: CSG analysis

2027 GRAVITY MODEL OUTPUTS

Considering the competitive landscape, size and geographic dispersal of the population (drive-time from the site), CSG projects that the Cedar Crossing casino has the *potential* to generate \$100.6 million in gaming win from 1.04 million regional gamer admissions in 2027, the assumed first full year of operations. It should be noted that new casinos generally have a ramp-up in demand during the first five years of operations, such that “actual” usually falls short of ‘potential’, with ‘actual’ usually reflecting between 88% and 92% of “potential” for the first year, ramping up to being able to meet full potential by year 3 (including any growth attributable to population and income growth by that year).

TABLE 14: POTENTIAL CEDAR CROSSING LOCAL MARKET ADMISSIONS & GAMING REVENUES, 2027

SUBMARKET	GAMER ADMISSIONS	GAMING REVENUE (\$M)
Cedar Rapids Primary	862,814	\$83.9
Riverside Primary	55,188	\$5.3
Secondary SW	6,084	\$0.6
Secondary East	22,186	\$2.1
Meskwaki Primary	6,121	\$0.6
Waterloo	29,718	\$2.8
2 Hour NE	4,453	\$0.4
Casino Queen Primary	646	\$0.1
Dubuque Primary	3,570	\$0.3
Quad Cities Clinton Primary	14,737	\$1.4
2 Hour SE	825	\$0.1
Catfish Bend	4,333	\$0.4
2 Hour SW	10,090	\$0.9
Prairie Meadows	16,641	\$1.6
2 Hour NW	3,555	\$0.3
Total	1,040,959	\$100.6

Source: CSG analysis

TOURISM DEMAND

Cedar Rapids Tourism reports that the city receives approximately 2.5 million visitors per year.²⁸ As of the writing of this report, no detailed tourism data were available from this or other local official sources, and therefore CSG employed proprietary location tracking data²⁹ to understand visitation to the city (see *Regional Tourism* section of this report).

While gaming participation data for tourist populations is not often tallied or published by official government sources, and not on a regular basis, CSG has experience in numerous jurisdictions for which tourism can be a significant contributor to casino gaming visits and revenues. In select cities,

²⁸ Cedar Rapids Tourism website, accessed May 2024.

<https://www.tourismcedarrrapids.com/partners/#:::text=In%20Cedar%20Rapids%2C%20we%20welcome,4%2C500%20jobs%20in%20our%20county.>

²⁹ CSG utilizes visitation intelligence from a large-scale data provider which gathers location data from smartphones and mobile apps, with opt-in consent from users (all of which is privacy-compliant), then analyzed and contextualized for purposes of providing accurate location intelligence.

up to 35% of all visitors visit the casino, while in others that figure falls significantly lower, in the range of 10%. The purpose of visits (leisure, business, visit family, etc.) impacts gaming participation as do the location of gaming facilities in relation to other tourism facilities and overnight lodging. CSG expects that approximately 10% of Cedar Rapids' visitors could choose to visit the casino during their stay, yielding 46,192 casino admissions, and spending an average of \$85 per admission, for just under \$4 million in gaming revenues, as detailed in the following table.

TABLE 15: TOURISM DEMAND PROJECTION

Est. Non-Market Area Resident Visitors to Cedar Rapids (#)	461,923
Est. Capture	10%
Admissions	46,192
Win per Admission	\$85
Win	\$3,926,347

Source: CSG analysis

PROJECTED TOTAL DEMAND AND GROSS GAMING REVENUES

Taking into consideration ramp-up of demand (at 90% of regional potential and 98% of tourist potential), we project gaming revenue potential for the first year of operation of \$94.4 million from 982 thousand gamer admissions. These projections assume a gaming supply of 700 slots and 22 tables, and the gaming win totals are inclusive of free play (consistent with how the Iowa Racing and Gaming Commission currently reports monthly performance). This would reflect an average win per position per day of \$311. Stabilized operations are projected by Year 3, at which time gaming revenues are projected to total \$108 million from 1.10 million gamer admissions, or \$356 per position per day. Thereafter, revenue and admission growth are assumed to be organic, with revenues reaching \$112 million by Year 5.

SPORTS BETTING

The gaming revenue projections above are exclusive of retail sports betting, which in FY2023 contributed approximately 1.2% as incremental AGR statewide. Notably, border casinos tend to have much higher retail sports revenue shares than those more centrally located. For the central Iowa-located properties, the increment to slot and table games for FY2023 was considerably lower:

- Prairie Meadows: \$835,201, or 0.3%
- Riverside: \$301,391, or 0.2%
- Isle Waterloo: \$452,301, or 0.5%
- Lakeside: \$30,222, or 0.1%.

Assuming Cedar Crossing sports betting performance would be near the average of this range (0.3%), it would reflect a retail sports betting win of approximately \$324,000 per year by Year 3, incremental to the casino AGR.

FIVE-YEAR AGR AND SPORTS BETTING CONCLUSION

The following table summarizes the five-year growth forecast for casino gaming and sports betting patronage and win, taking into consideration ramp-up of regional demand during the first three years of operation, and a more stabilized growth expectation thereafter.

TABLE 16: FIVE YEAR DEMAND AND GAMING REVENUE FORECAST

	2027	2028	2029	2030	2031
Casino Win (\$M)	\$94.4	\$102.1	\$108.0	\$110.7	\$112.3
Admissions (M)	0.98	1.05	1.10	1.11	1.12
Win per Admission	\$96	\$97	\$99	\$100	\$100
Number of Units	832	832	832	832	832
Win/Unit/Day	\$311	\$336	\$356	\$365	\$370
Turns/Day	3.2	3.5	3.6	3.7	3.7
Retail Sports Betting Win (\$M)	\$0.28	\$0.31	\$0.32	\$0.33	\$0.34

Source: CSG analysis

PROJECTED AGR IMPACT ON INCUMBENT IOWA OPERATORS

The preceding sections of this report provide the projections of admissions and revenues for the proposed Cedar Crossing casino. As referenced above, the calculations are derived through gravity models of demand from the regional population, and capture rate estimates for the regional tourism market. While the tourism capture likely would almost exclusively reflect new gaming revenues in Iowa, given that there are no casinos in Cedar Rapids, the value of gravity modeling is that it yields outputs that reflect market growth, as well as any diversion of demand from one property to another when a property is added to the model.³⁰ As discussed above, our modeling assumptions for the expansion scenario included increases in gaming participation rates for the Primary Cedar Rapids and the Riverside Primary market areas, with no changes in gaming participation rates for our other 13 defined market areas.

Solely with the addition of a Cedar Rapids casino to the model, the impact for any of the regional operators would be a decline in demand, with the magnitude of that impact depending largely on proximity to Cedar Rapids. As could be expected, incumbent properties most proximate to Cedar Rapids would be the most significantly impacted, as their existing customer base residing in Cedar Rapids may be more likely to shift to the new property. Those properties further afield, i.e., on the Mississippi River, would feel a comparatively negligible impact.

From an impact perspective, there are four commercial casinos and one Native American gaming facility for which we project the negative impact on AGR would be greater than 3% (relative to our stabilized 2029 projections):

³⁰ As noted in the regional market analysis, our models were calibrated in part using the data from our proprietary visitation data source, showing where each property was getting their customers from. This is a more precise methodology for creating a baseline model than simply assuming, all else being equal, that relative proximity is the determinant of which casino someone would patronize.

- Riverside: -11.6%, or \$16.6 million
- Meskwaki Bingo Casino: -7.7%, or approximately \$9.4 million³¹
- Isle Waterloo: -5.8%, or \$6.2 million
- Dubuque casinos (combined): -3.6%, or \$5.0 million

Collectively, we therefore project diversion of \$27.8 million in projected 2029 AGR from other commercial casinos in Iowa to Cedar Crossing. Therefore, we project that \$80.2 million of the \$108.0 million in potential 2029 AGR for Cedar Crossing would be new to Iowa as taxable revenue. It is this net new AGR that we use to determine the fiscal impact of adding the Cedar Crossing casino to the state.

³¹ Our model is not based on a definitive revenue figure for Meskwaki Bingo Casino, given that their revenues are not publicly reported.

ECONOMIC IMPACT ANALYSIS

The construction and operation of Cedar Crossing will provide a variety of benefits to Linn County and to the state of Iowa. The impacts would commence with a temporary (approximately 18 month) construction phase, during which time the developer project will require the sourcing of local materials and labor, generating taxes from sales and earnings. Once operations commence (assumed to have 2027 as a first full year of operations), Linn County and the State will benefit from the net new spending, household earnings, jobs and tax revenues.

In the analysis below we highlight the employment and industrial base of the state of Iowa and that of Linn County, in order to demonstrate the impacts that the facility will have on the supply and demand of labor in the region, as well as the way that the casino will provide some diversification to the region in terms of job opportunity. Based on projections of development costs, facility revenues and facility operating costs, models are created to forecast net total spending, job creation and household earnings growth that can be attributable to facility construction and operations, along with projections of fiscal impacts. Multipliers are considered at the statewide and county levels to account for indirect benefits that would result from increased regional spending and incomes.

REGIONAL LABOR MARKET

The state of Iowa has sustained monthly unemployment rates in the range of 2.5% to 3.1% since November 2021 (through April 2024). These rates are slightly higher than pre-pandemic (2019), when rates held steady at approximately 2.7%, but the current level is one that could still be considered as “full-employment”. The unemployment rate in Linn County has generally trended at approximately a half-percent higher than the statewide average since November 2021.³²

The statewide labor force currently stands at approximately 1.70 million persons, of which 48,724 are declared unemployed. This reflects a slight downsizing in the labor force relative to 2019, when the size of the labor force was 1.74 million. The labor force in Linn County currently stands at 140,209, of which 4,640 are declared unemployed. The size of the labor force in Linn County was 149,223 in 2019 (as an annual average), meaning that it has contracted at a considerably greater rate than that of the state since 2019 (6.0% contraction for Linn County, as compared to a 2.6% contraction for the state as a whole).³³ As such, while rates may nominally reflect “full employment”, there would appear to be a sizable segment that has left the labor force, but may still potentially re-enter, if opportunities arise.

The Cedar Crossing casino, with its related amenities, would draw predominantly from the Linn County labor force, along with some labor from Johnson County (with a small share from other surrounding counties, but likely no employees that reside out-of-state, given its location relative to other counties and state lines). The casino is projected to employ slightly greater than 300 FTE employees, such that it should not create stress on the labor market; conversely, it could provide some opportunities for some of the labor market dropouts to re-enter, given that there would be job opportunities available at all hours of the day and night. As demonstrated in Table 18, labor in the county is predominantly focused on jobs in service industries, for which casino-related jobs would be either a good transition, or a would benefit from being a vendor to the casino.

³² U.S. Bureau of Labor Statistics data, www.bls.gov. Accessed June 28, 2024. Rates spiked in April 2020 for both the county and the state to over 10% due to the pandemic, but steadily fell through 2021.

³³ Ibid.

TABLE 17: HISTORICAL LABOR FORCE DATA

	2019	2020	2021	2022	2023	2024-APR
Labor Force						
Linn County	149,223	142,358	142,731	144,273	142,797	140,209
State of Iowa	1,742,104	1,668,309	1,680,360	1,706,277	1,710,268	1,696,909
Unemployment Level						
Linn County	4,264	8,654	6,371	4,560	4,938	4,640
State of Iowa	46,502	86,448	64,550	47,954	50,709	48,724
Unemployment Rate						
Linn County	2.9%	6.1%	4.5%	3.2%	3.5%	3.3%
State of Iowa	2.7%	5.2%	3.8%	2.8%	3.0%	2.9%
USA	3.7%	8.1%	5.4%	3.6%	3.6%	3.9%

Source: U.S. Bureau of Labor Statistics

TABLE 18: LINN COUNTY LABOR MARKET SEGMENTATION

	MAY-24P	24-APR	23-MAY	APR-24 TO MAY-24P	MAY-23 TO MAY-24P
Total Nonfarm	143,500	143,500	142,900	0.00%	0.42%
Total Private	126,600	126,600	126,000	0.00%	0.48%
Goods Producing	29,200	29,000	28,900	0.69%	1.04%
Service-Providing	114,300	114,500	114,000	-0.17%	0.26%
Private Service Providing	97,400	97,600	97,100	-0.20%	0.31%
Nat. Res & Construction	9,100	8,900	8,900	2.25%	2.25%
Manufacturing	20,100	20,100	20,000	0.00%	0.50%
Durable Goods	13,100	13,100	13,200	0.00%	-0.76%
Trade, Transportation	28,000	27,800	28,600	0.72%	-2.10%
Wholesale Trade	6,100	6,100	5,900	0.00%	3.39%
Retail Trade	13,900	13,800	13,900	0.72%	0.00%
Transportation, Warehouse, Utilities	8,000	7,900	8,800	1.27%	-9.09%
Information	2,700	2,800	3,000	-3.57%	-10.00%
Financial Activities	10,000	10,000	9,900	0.00%	1.01%
Finance and Insurance	8,800	8,800	8,700	0.00%	1.15%
Professional and Business Services	15,800	16,200	15,600	-2.47%	1.28%
Administrative and Support and Waste Management and Remediation Services	7,700	7,700	7,500	0.00%	2.67%
Educational and Health Services	23,300	23,500	22,500	-0.85%	3.56%
Leisure and Hospitality	12,900	12,500	12,600	3.20%	2.38%
Accommodation and Food Services	10,800	10,500	10,400	2.86%	3.85%
Other Services	4,700	4,800	4,900	-2.08%	-4.08%
Government	16,900	16,900	16,900	0.00%	0.00%
Federal Government	1,100	1,100	1,200	0.00%	-8.33%
State Government	900	900	900	0.00%	0.00%
Local Government	14,900	14,900	14,800	0.00%	0.68%

Source: State of Iowa Website. <https://workforce.iowa.gov/labor-market-information/indicators/ces/data>

STATE AND LOCAL BUDGETS

The rationale for a government supporting casino development within its community is generally tied to the fiscal impacts that it will create, as well as the potential for job creation and the spinoff benefits that it may provide for existing regional businesses. The fiscal impacts will result from a mix of taxes related to gaming, retail sales, income and other agreed-upon distributions. Once operational, Cedar Crossing is projected to support direct (Full-Time Equivalent, or “FTE”) employment of approximately 300 FTE’s, with jobs ranging from casino management and floor staff to security, maintenance, marketing and food and beverage staff.

STATE OF IOWA

The State of Iowa has an operating budget for FY2024 of \$8.55 billion and the legislature passed a 2025 Fiscal Year budget of \$8.92 billion.³⁴ The State’s share of gaming taxes predominantly go to the General Fund, but there have been earmarks towards other purposes, including a County Endowment Fund (for counties without casinos) and a Miscellaneous Special Fund, allocated to the formation of community grants to support cultural and tourism initiatives. The State gaming tax receipts from Iowa casinos in FY2023 were \$342 million, and are on pace to be slightly lower in FY2024, at approximately \$330 million (due in part to changes in taxability of casino free play, as well as to a projected slight decline in year-over-year aggregate casino win, as evident from *Table 1*).³⁵ Revenues to the County Endowment Fund are projected to total approximately \$13.1 million for FY2024, and the Miscellaneous Special Fund approximately \$3.3 million.³⁶ Collectively, these tax revenues equate to approximately 20.5% of AGR (there is a marginal tax structure in place that would make effective rates approximately 21.5%, if not for a partial discount on free play expenditures). While in aggregate these revenues have a notable impact on the state budget, the performance of any individual casino is not nearly as significant at the statewide level, given that there are 19 casinos whose taxes are aggregated to arrive at these totals.

LINN COUNTY

The Annual Budget for Linn County in FY2025 is \$157.1 million, an increase of \$6.4 million from FY2024. The County receives the majority of its revenues from property taxes (51%) and made several significant changes to the residential and commercial tax structure to allow for this budget increase, including a county-wide property tax levy increase from \$5.96 in FY2024 to \$6.07 in FY2025.³⁷

The addition of the Cedar Crossing casino would fiscally benefit the County from several different sources, most notably with respect to the share of gaming taxes and distributions. The statutory share of the gaming tax that would accrue to the County would be 0.5% of AGR. Calculations of these impacts are provided later in this analysis.

³⁴ Official State of Iowa website, Governor’s FY2025 State budget recommendations, January 9, 2024. <https://drive.google.com/file/d/180156fR0fgv0ZxTKOaDUU5gP5uYcqGwZ/view>

³⁵ The ~\$30M year-over-year statewide AGR decline is effectively equivalent to the decline in the Council Bluffs market (down 30.5% year-over-year), likely due to new competition in Nebraska, such that the balance of the state has had relatively flat performance (similarly, statewide admission counts year-over-year are down ~240,000, while Council Bluff’s three casinos have experienced a decline in patronage of ~225,000).

³⁶ FY 2023 actuals from Iowa Racing and Gaming Commission historical gaming revenue reports. FY2024 projections based on IRGC monthly data through April 2024. <https://irgc.iowa.gov/publications-reports/gaming-revenue>.

³⁷ Linn County, Iowa press release, April 17, 2024. <https://www.linncountyiowa.gov/CivicAlerts.aspx?AID=3547#:~:text=The Linn County Board of C through June 30 C 2025.>

CITY OF CEDAR RAPIDS

The City of Cedar Rapids has an Annual Budget for FY2025 of \$163.1 million, with a goal of a balanced budget.³⁸ These totals reflect increases from FY2024, when the annual budget stood at \$156.6 million.³⁹ As with the County, the addition of the casino to the city will provide fiscal benefits that will have a tangible impact on the City budget, along with various other tax benefits driven by patron non-gaming spending. The statutory gaming tax rate that goes to the City would be 0.5% of AGR. Additionally, P2E intends to agree to have an annual payment to the City of Cedar Rapids in the amount of 2.25% of Net AGR. Calculations of these aggregate impacts are provided later in this analysis.

PROJECT ECONOMICS

In order to determine the potential economic impacts of the proposed Cedar Crossing development and operations, Convergence Strategy Group:

- Reviewed the intended development budget by major line item (materials, finance, design, etc.)
- Was provided with a projected timeline for development
- Utilized a financial pro forma and staffing model for the casino operations, which were based on the results of our gaming market projection, in order to project ongoing economic impacts from operations
- Collected county and statewide multipliers from the U.S. Bureau of Economic Analysis to estimate what construction and spending would mean in terms of total economic impact from a spending, earnings, jobs and fiscal impact perspective
- Reviewed all taxes and fees that Cedar Crossing would be paying to state and local governments, as well as that of the gaming industry as a whole in Iowa, in order to demonstrate the *net* impacts in our model conclusions
 - Net impacts were also considered for spending, earnings and job impacts, to the extent that other Iowa properties may see a decline in demand as a result of the entry of Cedar Crossing)

ECONOMIC IMPACTS OF CONSTRUCTION AND OPERATIONS

As noted, economic impacts are generally evaluated in two phases when considering entrants to a market: the construction phase and the operating phase. The development phase is considered as a one-time benefit to the market, in that the impacts occur for a brief period (during construction) and disappear once construction is complete (aside from the ripple effect in the economy resulting from the initial expenditures). The proposed timeframe for development of Cedar Crossing is projected at approximately 18 months. From an employment perspective, projections for the construction phase are provided in terms of man-years of employment. Thus, if everyone is employed for the full term of construction, and the full term is 18 months, the job forecast would reflect 1.5 times the number of

³⁸ City of Cedar Rapids FY2025 Annual Budget. <https://cms8.revize.com/revize/cedarrapids/Finance/FY 2025 Adopted Book 1.pdf>, page 37.

³⁹ City of Cedar Rapids FY2024 Annual Budget. https://cms8.revize.com/revize/cedarrapids/document_center/Finance/Budget/FY24 Budget/FY 2024 GFOA Book - Book 1.pdf, page 35.

people that would actually be employed. However, the opposite is generally the case, which makes construction labor estimates difficult to reasonably equate to labor availability. Construction workers that deal with site work generally are involved early in the process, but would have less involvement once construction starts and becomes limited to interiors work. Similarly, painters, carpet-layers and electricians may likely have minimal involvement during the initial months of construction. As a result, during the construction phase the actual number of people that will be employed in some fashion to help develop Cedar Crossing will likely well exceed the forecast of quantity of man-years of employment, but most may only work for a small fraction of the construction timeline.

The operating phase for the economic impacts reflects ongoing, annual impacts from operations. For the purpose of this analysis we use projections for the year 2029 (Year 3 of operations), which should closely reflect stabilized operation. Direct labor estimates for our modeling have been provided by Peninsula Pacific Entertainment, based on the results of CSG's gaming market forecast and their experience in operating similarly-sized gaming facilities elsewhere in the United States.

CONSTRUCTION COSTS

The projected development cost for Cedar Crossing is approximately \$272 million, including the cost of land acquisition, financing costs, license fees and other pre-opening expenses. This total also includes approximately \$22 million for the purchase of gaming industry-specific Operating Systems and Equipment (slots, as well as chairs, software equipment, signage and kiosks), expected to come from out of state but subject to Iowa sales taxes.

For the site work and construction work hard cost total (approximately \$113 million of the \$272 million total), we assume both the labor and materials will almost exclusively be procured in Iowa, 75% of which would be in Linn County. The soft costs largely reflect General Conditions, Contingencies and Contractor markups. While contingencies may have a materials component, these costs are presumed to largely equate to contractor earnings, and thus these costs are presumed to be similarly in-state and locally incurred.

Approximately \$18 million is budgeted for FF&E, which may predominantly be procured from within Iowa, though to a lesser degree from Linn County. As noted, gaming-related OS&E (slot equipment and signage and table gaming equipment, inclusive of chairs, as well as casino count room equipment) are assumed to be purchased from national dealers. Approximately \$5 million in non-gaming OS&E can be expected to be procured locally. The professional services expense of approximately \$6.4 million induces design fees, architect fees and engineering consulting, as well as miscellaneous other experts, procured both regionally and nationally. The casino will incur \$3.8 million in pre-development and pre-opening expenses, predominantly reflecting staffing/training expenses. The casino license fee is budgeted at \$20 million, which would accrue to the State, at a rate of \$5 million per year for four years. Finally, \$51.5 million is budgeted for finance costs, permits and fees, and \$11.3 million is budgeted for the purchase of land; these are assumed to have no local/state component.

The projected development cost, and where expenditures are likely to be made, is broken down as follows:

TABLE 19: PROJECTED DEVELOPMENT COST BREAKDOWN

	TOTAL	IN IOWA	IN IOWA	IN LINN COUNTY	IN LINN COUNTY
Construction Hard Costs	\$91,719,403	100%	\$91,719,403	75%	\$68,789,552
Site Work, Landscaping, Parking	\$21,165,061	100%	\$21,165,061	75%	\$15,873,796
Professional Fees	\$7,105,050	35%	\$2,486,768	25%	\$1,776,263
Soft Costs	\$21,104,422	100%	\$21,104,422	75%	\$15,828,317
FF&E	\$17,862,521	75%	\$13,396,891	50%	\$8,931,261
Gaming OS&E	\$22,223,451	0%	\$0	0%	\$0
Non-Gaming OS&E	\$5,052,198	90%	\$4,546,978	75%	\$3,789,148
Pre-opening Expenses	\$3,820,421	100%	\$3,820,421	82%	\$3,144,206
License Fees	\$20,000,000	100%	\$20,000,000	100%	\$20,000,000
Land	\$11,349,375	0%	\$0	0%	\$0
Finance and related	\$51,538,945	0%	\$0	0%	\$0
Total	\$272,940,847	65%	\$178,239,943	51%	\$138,132,542

Source: Peninsula Pacific Entertainment. CSG estimates for in-state and in-county shares

ECONOMIC IMPACT OF CONSTRUCTION

Construction impacts are temporal in that they only are experienced during the construction phase of the project, with some ripple effects in the regional and statewide economies for a short period after construction is completed. Ripple effects are viewed as multipliers on the initial expenditures, meaning that money earned by construction employees and materials suppliers will then be re-spent statewide, further benefiting other businesses in the state; this spending then allows for more incremental spending, and so on (with some money leaking out of the local and statewide economies or saved, such that the multipliers are not infinite).

CSG created economic impact models using RIMS II multipliers, created by the U.S. Bureau of Economic Analysis, based on cross-industry purchasing patterns in Linn County and statewide. These multipliers (separate sets were created for the county level and for the state level) are applied to the direct spending totals in order to calculate the overall economic impacts in terms of Output, Earnings, and Employment. These are not annual totals, rather they are the overall impact generated in the statewide economy as a result of the construction process, with the Employment estimate being calculated in terms of man-years of employment.

Total Output is an aggregation of the value of goods and services that go into the construction of the casino project, together with the ripple effect in the economy (calculated using the multipliers applicable to the construction industry and to wholesale goods, as applied to the dollars projected to be spent in-county and in-state). We estimate the development will produce during the construction phase Total Spending of \$303 million within the Iowa economy, including \$204 million within Linn County. These totals do not include the fiscal impact of the license fees to be paid to the State during the construction period, or resulting economic spinoff benefits.

Based on the multiplier calculations, we project direct earnings to equate to approximately 39 percent of the direct spending at the statewide level, and 31 percent at the County level. This equates to \$61 million in direct earnings statewide, including \$36 million in Linn County. Inclusive of earnings generated indirectly, statewide earnings attributable to the construction of Cedar Crossing will total \$102 million, including \$57 million in Linn County. Finally, based on the development budget, the project

is estimated to require 931 man-years of labor from workers statewide, including 546 man-years of labor from Linn County workers. Inclusive of indirect impacts, the employment totals would be 1,736 man-years at the state level and 992 at the county level.

Note that the jobs total is defined as man-years rather than FTE's, as the jobs are temporal in that they only exist during the construction phase. As such, it is more a result of mathematical calculations than an estimate of the number of people that will work on the site; some workers will only be needed for initial site work, or come in late as painters or landscapers, and there may be only a small segment that will be involved throughout the project, i.e. those involved in construction management. Additionally, given that the expectation is that it will be an 18-month development timeline, 931 man-years of direct labor is the equivalent of 621 people working full-time for 18 months.

The following table summarizes these construction-related, one-time impacts.

TABLE 20: ECONOMIC IMPACT CONSTRUCTION MODEL RESULTS

	DIRECT	INDIRECT	TOTAL
State of Iowa			
Spending	\$157,066,045	\$145,957,876	\$303,023,922
Earnings	\$61,309,265	\$40,634,517	\$101,943,781
Employment (Man Years)	931	805	1,736
Linn County			
Spending	\$117,300,366	\$86,767,475	\$204,067,841
Earnings	\$35,870,733	\$21,198,096	\$57,068,829
Employment (Man Years)	546	447	992

Source: Convergence Strategy Group calculations

FISCAL IMPACTS OF CONSTRUCTION

Construction spending for a new gaming facility will generate fiscal benefits in the form of sales taxes and state income taxes. State sales taxes on construction activity are assumed to accrue a rate of 6 percent on direct FF&E and OS&E construction expenditure (including purchases from out-of-state and out-of-county suppliers), with an assumed rate of 2 percent on all indirect spending (discounted to account for some non-taxable household consumption spending and housing costs). An additional 1% accrues to Linn County on the direct purchases (similarly discounted to .33% of indirect spending that accrues within the county). Note that these totals are aggregate impacts from facility development, and do not reflect annual fiscal impacts.

TABLE 21: CONSTRUCTION RELATED SALES TAX PROJECTIONS

	SALES TAXES
State of Iowa	
Direct	\$2,708,290
Indirect	\$3,141,321
Total	\$5,849,611
Linn County	
Direct	\$451,382
Indirect	\$391,001
Total	\$842,383

Source: Convergence Strategy Group calculations

Governor Reynolds signed into law in 2024 a flat income tax for Iowa, to go into effect in 2025, establishing a 3.8% income tax. Based on the projected \$102 million in household earnings that will be attributable statewide to the casino development, the projected total state income tax impact from construction is projected at \$3.9 million.

OPERATING IMPACTS

The impact from casino operations differs from the construction impacts in that they are ongoing, annual impacts that will continue to be felt in the Iowa economy once the facility becomes operational. For the purpose of this assessment, we consider 2029 to be the first year of stabilized operation (Year 3, assuming 2027 as Year 1), basing our impact assessments on the demand forecasts made in a separate chapter of this report. We note that gaming revenues were projected in the market assessment, the facility will generate ancillary amenity revenues as well, particularly emanating from food and beverage operations. These amenities will be key contributors to facility success given the broad mix at existing properties in the market and are important complements to sports betting and gaming operations. As such, we include our understanding of the overall business model in our estimate of the total jobs, spending and earnings impacts from the proposed development.

The projections below provide the net new spending, earnings, full-time equivalency of jobs created and fiscal impacts to be generated as a result of annual operations of the gaming facility. The inputs for the gaming and ancillary amenities are considered somewhat differently. For casino operations, we consider the spending by the gaming facility as the initial, direct expenditure on final goods and services in the market. For non-gaming amenities, we consider the spending by customers as the initial, direct impacts, as food and beverage demand will reflect the purchases of final goods and services (however, no multipliers are applied to this non-gaming expenditure; rather, they are applied to the spending by Cedar Crossing for related goods and services, with the direct spending being incremental).

DIRECT IMPACT OF CASINO AND ANCILLARY OPERATIONS

CSG provides a casino revenue and annual patronage forecast in a separate chapter of this report. Based on these projections, P2E provided CSG with non-gaming revenue projections, as well as staffing and labor cost projections and projections of casino operating expenses. The projections that follow are as annual impacts from stabilized operations, to be expected by year 3 of property operations. As noted in the market demand forecast, a ramp-up during the first two years is to be expected, during which time demand may be closer to 90-95% of stabilized demand, though from a staffing perspective there is no reason to presume a ramp-up.

For the F&B operations, P2E estimates revenues will equate to approximately \$6.50 per casino patron or \$7.05 million annually, which equates to approximately 6.5% of projected AGR. Entertainment revenues are projected to total \$1.6 million annually, or approximately 1.5% incremental to AGR.

From a casino operating impact perspective, we do not consider gaming revenues as the driver of what we define as “Spending”, rather the direct benefits from gaming operations are measured as a result of spending by the operator. We note that this is something for which there is significant inconsistency amongst economists as to what to use as inputs for economic impact modeling. In some cases, economists use gaming revenues as the Direct Spending; in some cases, it is aggregate expenditures, inclusive of taxes, fees and distributions. In our modeling, it is aggregate expenditures, less taxes, fees, and distributions, though we recognize that there are clearly some economic benefits

that should accrue as a result of governments having additional revenues (or being able to offer tax breaks to citizens as a result of the new revenues). There can also be an argument that there is a substitution effect of gaming entertainment for other forms of entertainment – we do not consider a substitution effect in our modeling.

Cedar Crossing will have annual expenses for the procurement of goods, services and supplies, as well as for labor, utilities, marketing and promotions, gaming taxes and other distributions that will be beneficial to the Iowa economy. P2E projects the cost of goods sold for F&B and Entertainment will total \$4.2 million annually, or approximately 48% of the projected revenues from these venues. Based on the projected gaming supply and necessary scale of F&B amenities, the labor count for the entire property is projected at approximately 300 FTE employees. Salaries, wages and tips are projected to annualize at \$15.4 million (approximately \$51,425/FTE, including gratuity income). Additionally, labor costs of \$1.35 million for payroll and related taxes will be incurred by the facility, as well as \$1.2 million in payroll benefits. Cedar Crossing is projected to have annual expenditures for supplies, services and utilities (incurred in Iowa) of approximately \$14.5 million. These totals do not include gaming taxes and distributions (projected at \$30.7 million in Year 3), property taxes (yet to be finalized, but estimated herein at approximately \$2 million per year), slot lease expenses, promotional allowances or free play.

In total, we forecast total direct spending by patrons on non-gaming (F&B, entertainment, etc.), as well as by the property for supplies and services will amount to \$44.7 million in the first year of stabilized operations, as summarized in the following table. This collectively reflects the total spending attributable to casino operations, annually. Note that this excludes government spending that would be induced by incremental gaming taxes and the approximately \$6.3 million annually to be distributed to non-profits through the Linn County Gaming Association (8% of Net AGR).

TABLE 22: 2027 PROJECTED OPERATIONS AND PATRON EXPENDITURES

	TOTAL SPENDING
F&B revenues	\$7,053,000
Entertainment and Other revenues	\$3,527,000
Cedar Crossing wages, salaries, tips and benefits (gaming and non-gaming)	\$15,426,892
Cedar Crossing operations expenses (non-labor), n.i. taxes, distributions and promotions	\$14,523,598
F&B cost of goods sold	\$2,685,600
Entertainment and Other cost of goods sold	\$1,497,760
Total Spending	\$44,713,850

Source: P2E, based on Convergence Strategy Group casino demand calculations. Cedar Crossing Spending total is exclusive of gaming and property taxes, distributions to governments or non-profit organizations, promotional allowances, comps or other types of promotions.

The preceding aggregate spending total does not reflect any impacts of substitution effects away from other Iowa gaming facilities. Our gaming market assessment conclusions do not point to a likely need to have staffing changes at other gaming properties due to the shift in demand (the facility most impacted showing a potential 11% decline in demand, with most others being far less), and it is unlikely that it would have any impact on other facilities’ purchasing decisions, utilities usage, insurance expenses, etc. As such, the likely impact on the purchase of non-F&B goods and services by these other properties would likely be negligibly impacted. However, revenues, wages/tips and other expenses attributable to F&B sales can be expected to decline at other properties proportionally to the gaming revenues as a result of the Cedar Crossing entry in the market. As such, these adjustments need to be made to arrive at Net Direct Spending, Earnings and Employment to calculate economic impacts at the statewide level. We do not expect a similar substitution effect at the county level – while some businesses in Linn County may see business shift to the casino, the casino will also draw visitors

to surrounding businesses, specifically due to synergy with Kingston Yard, such that at the county level there may be incremental impacts, not a dilution.

The gaming demand model suggests approximately 26% of the potential AGR would be diverted from other Iowa commercial gaming venues. As such, while it is still unlikely to impact staffing levels for even the F&B facilities, it is reasonable to assume that 26% of the F&B and Other spending by patrons (and related tips and costs of goods sold) projected at Cedar Crossing would be diverted from these facilities as well.

TOTAL ECONOMIC IMPACT OF CASINO AND RELATED OPERATIONS

In order to determine the total impact of operations on the Iowa and Linn County economies, industry multipliers are applied to these net direct expenditures and labor projections to derive forecasts of Total Spending, Earnings and Employment as attributable to operation. We applied spending, earnings and employment multipliers as calculated by RIMS II for professional services, business services, wholesale, utilities and households to the expected expenses related to each of these line items to arrive at the resulting economic impacts.

In this sense, direct spending reflects the spending by gamers on non-gaming activities, plus spending by the property on goods, services and labor. Indirect spending reflects the spinoff spending by vendors to the casino as a result of its sales, spending by casino employees as a result of their incomes, and the ripple effect of this spending in the statewide or regional economy. Direct earnings reflect the incomes of the casino employees, while indirect earnings reflect the earnings of residents outside of the casino that can be directly tied to the facility spending, and ripple effects in the economy. Direct employment reflects the projected FTE count at Cedar Crossing, while indirect employment reflects job growth that may occur outside of Cedar Crossing as a result of its stimulus to the Iowa economy. These indirect calculations are all done via the use of RIMS II multipliers, as specifically calculated by the Bureau of Economic Analysis for the state and the county for the business service industries, professional service industries, wholesale trade, utilities and households.

For the impact of casino operations, the assumption is that 95% of the non-labor operating expenses will be consummated in-state, and 75% from within Linn County, with multipliers applied to these expenses to determine the total impacts (all employees at Cedar Crossing are expected to be Iowans, including 82% from Linn County).⁴⁰ For the F&B operations we apply multipliers to the revenues from operations, including gratuities (net of substitution effect at the statewide level, as discussed above). As evident from the following table, the property is forecast to generate a net annual spending impact of approximately \$65.6 million statewide, supporting earnings growth of \$29.6 million statewide and the full-time equivalent employment of 524 Iowa workers. At the County level, annual spending attributable to Cedar Crossing is projected at \$57.1 million, supporting earnings growth of \$21.7 million for Linn County residents, supporting the full-time equivalent of 446 jobs.

Again, we note that these impacts are exclusive of economic benefits that will result from spending attributable to gaming taxes and distributions.

⁴⁰ According to the U.S. Census' American Community Survey 2015-2020, 82.2% (105,750 out of 128,706) of the Linn County workforce were Linn County residents. <https://www.census.gov/data/tables/2020/demo/metro-micro/commuting-flows-2020.html>

TABLE 23: 2029 TOTAL ECONOMIC IMPACTS

	DIRECT	INDIRECT	TOTAL
State of Iowa			
Spending	\$39,540,836	\$26,018,107	\$65,558,943
Earnings	\$15,063,530	\$14,579,920	\$29,643,450
Employment	300	224	524
Linn County			
Spending	\$36,101,624	\$20,965,760	\$57,067,384
Earnings	\$12,680,905	\$8,988,994	\$21,669,900
Employment	247	200	446

Source: Convergence Strategy Group calculations, using RIMS II multipliers from U.S. Bureau of Economic Analysis

FISCAL IMPACTS

LICENSING AND ONGOING PAYMENTS

P2E will pay the State a license fee in the amount of \$20 million. This fee will be paid in 5 installments, with the first \$4 million payment due upon the granting of the license and another \$4 million due on each anniversary thereafter, for the subsequent four years. These amounts would be incremental to any gaming taxes that are paid as a result of gaming operations, as calculated in the following section.

FISCAL IMPACT OF OPERATIONS

The fiscal impact at the State level will result from a mix of gaming taxes, sales taxes and income taxes, net of impacts related to impacts to existing Iowa casino operations. State gaming taxes are calculated at a rate of 21% of AGR⁴¹ for Cedar Crossing as well as all other Iowa gaming facilities. As footnoted, while the State share roughly equates to a marginal rate of 21% of AGR, CSG estimates the effective rate for commercial casinos to be 19.5% of gross revenues, after consideration of free play (aside from Prairie Meadows at 21.5% and Meskwaki, untaxed). This is inclusive of the County Endowment Fund, allocated to counties that are not casino hosts. Additionally, the host city and the host county are each allotted 0.5% of AGR (for a total gaming tax of ~20.5% of AGR). Furthermore, P2E will be paying the City of Cedar Rapids an amount equal to 2.25% of Net AGR, with the net being AGR (as currently defined in 2024), less state and local gaming taxes.

We note that the addition of Cedar Crossing to the statewide gaming market will have an impact on incumbent operators. We estimate that approximately 25.8% of the AGR for Cedar Crossing will be diverted from other Iowa commercial casinos. As such, the Gross AGR tax that will accrue to the State is estimated at \$21.1 million, but the Net annual AGR tax impact is estimated at \$15.7 million.

The effective gaming tax and distributions in Year 3 of operations are calculated as follows:

⁴¹ AGR here (and throughout this report) is as defined in 2024, which is fully inclusive of free play. We recognize that effective 2026, AGR will be defined and calculated by the State as exclusive of free play, but for demand modeling purposes, it was necessary to have the figures calculated as being inclusive.

TABLE 24: FISCAL IMPACT (2029)

	AGR	% OF AGR	FISCAL IMPACT
Year 3 Projected AGR	\$108,010,000		
Year 3 Projected AGR Net of 7% Free Play	\$100,449,300		
Statutory Gaming Tax Share to State of Iowa		19.5%	\$21,094,353
Fiscal Impact from AGR Δ at existing properties		-25.8%	-\$5,430,000
Net Incremental to State of Iowa			\$15,664,353
Statutory Distribution to Cedar Rapids		0.47%	\$502,247
Incremental Distribution to Cedar Rapids		2.25% (of Net)	\$1,762,885
Fiscal Impact to Cedar Rapids			\$2,265,132
Statutory Distribution to Linn County		0.47%	\$502,247

Source: Convergence Strategy Group calculations. Note: AGR is as defined in 2024, which is inclusive of free play (noting that in 2029, by definition, the State will be reporting as exclusive of free play).

Sales taxes on F&B will accrue at a rate of 6% at the State level. Based on net projected taxable F&B revenues of \$5.2 million for Year 3, the sales tax revenue for the State would be approximately \$314,171. Sales taxes will also accrue from net direct spending on goods and services by Cedar Crossing (with the assumption that non-labor casino spending will be taxable), as well as on indirect expenditures. In total, the spending is projected to amount to \$18.0 million (including purchases from out of state that will still be subject to Iowa sales tax), and indirect spending projected to total \$26.0 million. As with the construction impact, we assume that the effective statewide sales tax rate on indirect spending will be approximately 2% (discounted from 6% to account for some non-taxable household consumption spending).

In total, we project incremental annual sales taxes for the State to total \$1.9 million.

TABLE 25: INCREMENTAL STATE SALES TAX PROJECTIONS (2029)

	TAX BASE	STATE SALES TAX REVENUES
Net F&B Patron Spending	\$5,236,191	\$314,171
Net Cedar Crossing purchase of goods and services	\$18,026,404	\$1,081,584
Indirect Spending	\$26,018,107	\$520,362
Total Sales Tax		\$1,916,118

Source: Convergence Strategy Group calculations

At the County level, sales taxes will accrue at a rate of 1% on gross taxable spending. Based on gross projected F&B revenues of \$7.05 million for Year 3, the sales tax revenue for Linn County would be approximately \$70,530. County sales taxes will also accrue from direct spending on goods and services by Cedar Crossing (with the assumption that non-labor casino spending will be taxable), as well as on indirect expenditures. In total, the spending is projected to amount to \$18.1 million (slightly higher than the State total, as there is no substitution as assumed at the State level), and indirect spending projected to total \$21.0 million. As with the construction impact, we assume that the effective

statewide sales tax rate on indirect spending will be approximately 0.33% (discounted from 1% to account for some non-taxable household consumption spending).

In total, we project incremental annual sales taxes for the County to total \$321,773.

TABLE 26: INCREMENTAL COUNTY SALES TAX PROJECTIONS (2029)

	TAX BASE	COUNTY SALES TAX REVENUES
Net F&B Patron Spending	\$7,053,000	\$70,530
Cedar Crossing purchase of goods and services	\$18,135,698	\$181,357
Indirect Spending	\$20,965,760	\$69,886
Total Sales Tax		\$321,773

Source: Convergence Strategy Group calculations

Finally, there will be impacts for the State in terms of income tax revenues. Based on the projected net total earnings impact of \$29.6 million, and assuming an effective average tax rate of 3.8% on earnings, income tax revenues attributable to the property will total approximately \$1.1 million.

Additionally, community benefits will be generated through an allocation of 8% of Net AGR to local non-profit organizations. This is projected to equate to approximately \$6.3 million annually.

DISCLAIMER

Certain information included in this report contains projections, estimates and/or forward-looking statements which Convergence Strategy Group has based on our current expectations about future events. These items include statements that reflect our existing beliefs and knowledge regarding the operating environment, existing trends, existing plans, public announcements, objectives, goals, expectations, anticipations, results of operations, future performance and business plans.

Further, statements that include the words “project,” “estimate,” “intend,” “plan,” “may,” “could,” “should,” “would,” “believe,” “expect,” “anticipate,” or other words or expressions of similar meaning have been utilized. These statements reflect our current judgment based on information available to us when producing this report and we undertake no duty to update such statements in the future.

Although we believe that assumptions and methodologies used in this report 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, and/or unanticipated events and circumstances 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, Convergence Strategy Group accepts no liability in relation to the estimates provided herein.

AMENDMENT NO. 1 TO LICENSE AND OPERATIONS AGREEMENT

This Amendment No. 1 to License and Operations Agreement (the "Amendment") amends the License and Operations Agreement, by and between Linn County Gaming Association (the "Qualified Sponsoring Organization"), an Iowa nonprofit corporation, with its principal address being 483 Wanatee Creek Circle, Marion, Iowa 52302 and Cedar Rapids Development Group, LLC ("CRDG"), an Iowa limited liability company with its principal place of business located at 29271 Centerville Road, La Motte, IA 52054 (the "Agreement").

WHEREAS, the voters of Linn County, Iowa will vote on November 2, 2021 on a referendum to approve gambling in Linn County, subject to the provisions of Chapter 99F of the Iowa Code, the rules and regulations promulgated thereunder, and the administrative authority of the Iowa Racing and Gaming Commission;

WHEREAS, upon an approval of such referendum by the voters of Linn County, the Qualified Sponsoring Organization will seek a license from the Iowa Racing and Gaming Commission to conduct gambling games as a "qualified sponsoring organization";

WHEREAS, CRDG intends to apply to the Iowa Racing and Gaming Commission for a license to operate a casino gaming facility in Linn County; and

WHEREAS, the parties to the Agreement mutually desire to amend the Agreement to facilitate such activities, as set forth below;

IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HERE, IT IS AGREED AS FOLLOWS:

1. **Amendment to Section 1.b of the Agreement.** Section 1.b of the Agreement shall be deleted in its entirety and amended and restated as follows:
 - b. The Qualified Sponsoring Organization will use its best efforts to obtain a license to conduct gambling games in Linn County, Iowa and will exclusively endorse and assist CRDG in obtaining a license to operate a casino gaming facility in Linn County, Iowa (a "Gambling Facility") and to have the executory terms of this Agreement approved by the Iowa Racing and Gaming Commission at the time of licensing. If each of these conditions, a grant of a gaming license to the Qualified Sponsoring Organization, a grant of a gaming license to CRDG and the approval of this Agreement by the Iowa Racing and Gaming Commission, is not obtained by October 9, 2029, either party, in its sole discretion, may terminate this Agreement.

2. **Amendment to Section 4.c of the Agreement.** Section 4.c of the Agreement shall be deleted in its entirety and amended and restated as follows:
 - c. **Payments to Qualified Sponsoring Organization.**

1. CRDG shall pay to the Qualified Sponsoring Organization a percentage of its "Adjusted Net Gaming Win", which shall mean the total taxable gaming revenue as shown on CRDG's gaming tax return filed with the Iowa Racing and Gaming Commission ("Net Gaming Win"), less the amount of state and local gaming taxes paid (as reflected on the gaming tax return) on the Net Gaming Win. During the Term of the Agreement, CRDG shall pay each year to the Qualified Sponsoring Organization 8% of CRDG's Adjusted Net Gaming Win.

2. The payments due to the Qualified Sponsoring Organization hereunder shall be paid monthly by the fifteenth (15th) day following the end of the month.

3. The Parties agree that the payment set forth in subsection 4.c.1 above is the only amount to which the Qualified Sponsoring Organization is entitled under this Agreement.

3. **Amendment to Section 8 of the Agreement.** Section 8 of the Agreement shall be deleted in its entirety and amended and restated as follows:

8. **Effectiveness of Agreement.** Notwithstanding any provision to the contrary, the provisions of this agreement set forth in Section 4.c.1 shall not be effective until and unless the license obtained by the Qualified Sponsoring Organization from the Iowa Racing and Gaming Commission to conduct casino gaming in Linn County, Iowa (as contemplated by Section 4) covers a Gambling Facility developed and owned by CRDG.

4. **Notices.** The addresses for delivery of notices, as set forth in Section 16 of the Agreement, shall be amended and updated as follows:

To the Qualified Sponsoring Organization:

Linn County Gaming Association, Inc.
Attn: Anne Parmley
483 Wanatee Creek Circle
Marion, Iowa 52302

To Cedar Rapids Development Group, LLC:

Cedar Rapids Development Group, LLC
Attn: Natalie Schramm
29271 Centerville Road
La Motte, IA 52054

5. **Acknowledgement of Continuing Effectiveness of the Agreement.** The parties hereto mutually acknowledge that the Agreement shall remain in full force and effect, including all terms and conditions set forth therein, subject to the amendments specifically set forth herein. In furtherance of the foregoing, in the event of any conflict between the provisions of the Agreement and the provisions of this Amendment, the provisions of this Amendment shall

control. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed in the Agreement; Capitalized terms defined herein shall have the meanings ascribed herein and shall amend and replace any prior definition for such capitalized term set forth in the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of this 8th day of September, 2021.

LIN COUNTY GAMING ASSOCIATION, INC.

CEDAR RAPIDS DEVELOPMENT GROUP, LLC

By: Anne Parmley
Name: Anne Parmley
Title: Resident, LCGA

By: Natalie Schramm
Name: Natalie Schramm
Title: CFO

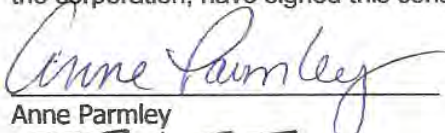
**ACTION BY CONSENT
OF THE BOARD OF DIRECTORS OF
LINN COUNTY GAMING ASSOCIATION**

Pursuant to Section 504.822 of the Iowa Code, the Board of Directors of the above-named non-profit corporation hereby adopt the following actions:

A. The Cedar Rapids Development Group, LLC ("CRDG") and the corporation are parties to that certain License and Operations Agreement dated February 9, 2017. CRDG proposes to make amendments to the Agreement and the President of the corporation recommends that the Amendment be approved and wishes for the Board of Directors to approve the Amendment and authorize the President to execute the Amendment to the License and Operation Agreement.

RESOLVED, that Amendment No. 1 to the License and Operations Agreement a copy of which is attached hereto is approved and the President is authorized to further negotiate, if necessary, finalize and execute and deliver the Amendment to CRDG

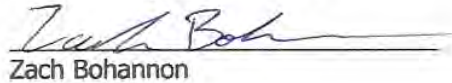
IN WITNESS WHEREOF, the undersigned, constituting the entire board of directors of the corporation, have signed this consent as of the 8th day of September, 2021.



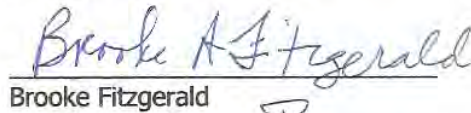
Anne Parmley



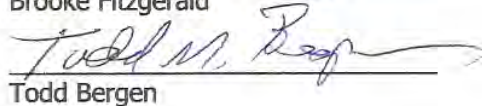
Monica Slaughter



Zach Bohannon



Brooke Fitzgerald



Todd Bergen

LICENSE AND OPERATIONS AGREEMENT

THIS AGREEMENT is entered into this 9th day of February 2017, by and between Linn County Gaming Association, Inc. (hereinafter referred to as "Qualified Sponsoring Organization"), an Iowa nonprofit corporation, with its principal address being 2390 Acacia Ct., Marion, Iowa, 52302 and Cedar Rapids Development Group, LLC (hereinafter referred to as "CRDG"), an Iowa limited liability company with its principal place of business located at Cedar Rapids, Linn County, Iowa. The foregoing parties may be referred to individually herein as "Party" and collectively herein as "Parties."

WHEREAS, Chapter 99F of the Iowa Code, together with rules and regulations of the Iowa Racing and Gaming Commission, authorize gambling in the State of Iowa. Chapter 99F provides that the Iowa Racing and Gaming Commission may grant a license to conduct gambling games to a non-profit entity that is a "qualified sponsoring organization," and

WHEREAS, the voters of Linn County, Iowa have passed a gaming referendum for Linn County, Iowa, and the Qualified Sponsoring Organization is seeking to apply for a license to conduct gambling games in Linn County, Iowa under Chapter 99F and other Iowa statutes referred to therein; and

WHEREAS, CRDG intends to apply for a license to operate a Gambling Facility in Linn County under Chapter 99F and other Iowa statutes referred to therein; and

WHEREAS, the Parties, through their joint efforts and subject to the terms and conditions of this Agreement, wish to conduct gambling games in the Linn County, Iowa area.

IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, IT IS AGREED AS FOLLOWS:

1. **Obligations Prior to Issuance of Gaming Licenses.** From the date hereof the Parties shall have the following obligations:

a. Qualified Sponsoring Organization hereby appoints CRDG as its exclusive agent for development services for the Gambling Facility. CRDG makes best efforts to perform such development services, which may include, but are not limited to, conducting and/or obtaining feasibility and marketing studies, providing financial assistance and other support to assist in obtaining a license for Qualified Sponsoring Organization to conduct gambling games in Linn County, Iowa.

b. Qualified Sponsoring Organization will use its best efforts to obtain a license to conduct gambling games in Linn County, Iowa and will exclusively endorse and assist CRDG in obtaining a license to operate a Gambling Facility in Linn County, Iowa and to have the executory terms of this Agreement approved by the Iowa Racing and Gaming Commission at the time of licensing. If each of these conditions, a grant of a gaming license to Qualified Sponsoring Organization, a grant of a gaming license to CRDG and the approval of this Agreement by the Iowa Racing and Gaming Commission, is not obtained by December 31, 2020, either Party, in

their sole discretion, may terminate this Agreement.

2. **Exclusivity and Non-Assignability of License.** The Qualified Sponsoring Organization covenants and agrees that from the date hereof until the termination of this Agreement that it will not conduct gaming operations, including Gambling Facility operations with any gaming licensed operator other than CRDG nor sponsor any other gaming operation, including a Gambling Facility offering casino gambling within Linn County, Iowa, without CRDG's prior written consent. In furtherance of the foregoing Qualified Sponsoring Organization also agrees that it will not authorize or permit any of its officers, directors, or agents (collectively "Agents") to, directly or indirectly, (i) solicit, initiate or encourage or take any other action to facilitate any inquiries or the making of any proposals or offers, and shall not take any action which may be reasonably expected to lead to any proposals or offers from any person, other than CRDG, relating to an application to own a gambling operation and/or relating to an application to operate a Gambling Facility in Linn County, Iowa; (ii) accept, or make or enter into an agreement with respect to any application to own a gambling game operation and/or relating to an application to operate a Gambling Facility and/or management services related to the operation of a Gambling Facility; or (iii) otherwise cooperate in any way or assist or participate in, facilitate or encourage, any effort or attempt by any person other than CRDG to make or enter into an agreement with respect to any application to own a gambling game operation and/or relating to an application to operate a Gambling Facility and/or management services related to the operation of a Gambling Facility. Qualified Sponsoring Organization shall immediately notify CRDG, in writing, of any of the foregoing, including, without limitation, any violation of the foregoing covenants.

Neither Party may assign any of its rights, duties or obligations under any license issued by the Commission.

3. **Advancements by CRDG.** CRDG will advance to Qualified Sponsoring Organization the costs that Qualified Sponsoring Organization incurs for its license application fee and for the Iowa Department of Criminal Investigation investigative fees related to the license of Qualified Sponsoring Organization and its employees. If gaming licenses are obtained by Qualified Sponsoring Organization and CRDG and a Gambling Facility is operated by the Parties in Linn County, Iowa, payments which CRDG will owe Qualified Sponsoring Organization under Section 4 hereof shall be reduced by the advancements made under this section 3 until all amounts have been reimbursed to CRDG. CRDG shall be solely responsible for the license application, including DCI investigation fees, related to its gaming license and the licenses of its employees.

4. **Obligations After Issuance of Gaming Licenses.**

a. **Operator.** If and when Qualified Sponsoring Organization successfully obtains a license to conduct gambling games in Linn County, Iowa, Qualified Sponsoring Organization shall retain CRDG as its exclusive operator of gambling games at the Gambling Facility contemplated herein for the term of this Agreement. As the exclusive operator, CRDG shall perform activities which may include, but are not limited to, coordinating the design and construction of the Gambling Facility, providing all property and equipment for use in

conducting gambling games, performing all management functions of the Gambling Facility and activities related thereto, and obtaining any and all necessary permits related to the Gambling Facility.

b. Proceeds. All proceeds received by CRDG from the operation of the Gambling Facility (gambling or non-gambling) shall be the sole and exclusive property of CRDG, subject to the terms of this Agreement and Iowa law. Such proceeds include, but are not limited to, gambling income, food and beverage sales, entertainment, souvenir and gift sales, and beauty and other professional services.

c. Payments to Qualified Sponsoring Organization.

1. CRDG shall pay to the Qualified Sponsoring Organization a percentage of its Adjusted Gross Receipts as that term is defined in Chapter 99F of the Iowa Code. During the Initial Term of the Agreement, as defined in subsection 7(a) herein, CRDG shall pay each year to Qualified Sponsoring Organization 3.5% of CRDG's Adjusted Gross Receipts ("QSO Minimum"). During all subsequent terms of the Agreement, as contemplated in subsection 7(b) herein, CRDG shall pay each year to Qualified Sponsoring Organization 3.5% of its Adjusted Gross Receipts or the following increased percentages on the amounts described below, if applicable:

(i). If Adjusted Gross Receipts exceed \$65,000,000, then CRDG shall pay to Qualified Sponsoring Organization 4.0% of Adjusted Gross Receipts above \$65,000,000 up to \$80,000,000;

(ii). If Adjusted Gross Receipts exceed \$80,000,000, then CRDG shall pay to Qualified Sponsoring Organization 5% of Adjusted Gross Receipts above \$80,000,000;

Provided, however, if in any year of the first twenty years that QSO Minimum payments are due hereunder, and CRDG has substantial debt obligations to a third party for land or parking for its proposed Gambling Structure (as defined in Iowa Code Section 99F.1(12)), then CRDG shall not be obliged to pay more than the QSO Minimum to Qualifying Sponsoring Organization for that year notwithstanding the foregoing paragraphs (i) and (ii).

2. The payments due to Qualified Sponsoring Organization hereunder shall be paid monthly by the fifteenth (15th) day following the end of the month.

3. The Parties agree that the payment set forth in subsection 4(c)(1) above is the only amount to which the Qualified Sponsoring Organization is entitled under this Agreement.

d. Wagering Tax. CRDG shall pay to the Iowa Racing and Gaming Commission the wagering taxes imposed by Section 99F.11 of the Iowa Code. This payment shall be made to the Commission weekly and within the time period required for remission of the wagering taxes taxed to the State of Iowa under Section 99F.11. CRDG shall indemnify and hold the Qualified Sponsoring Organization harmless from any and all claims relating to wagering taxes owing to

the State of Iowa under Section 99F.11 of the Iowa Code.

5. **Ownership of Property.** All real property, personal property, equipment, and supplies of the Gambling Facility shall be the property of CRDG. Nothing in this Agreement shall be construed to grant Qualified Sponsoring Organization any interest in the personal or real property owned by CRDG or its subsidiaries including, but not limited to, all gambling games equipment and supplies, all Gambling Facility fixtures and personal property attached or located on or in the Gambling Facility, and all real property.

6. **Gaming License Suitability.** Qualified Sponsoring Organization shall incorporate in its Articles of Incorporation and/or Bylaws a mechanism by which any individual who is found to be unsuitable for a gaming license by the Iowa Racing and Gaming Commission shall be immediately removed as an officer, director and/or employee of Qualified Sponsoring Organization.

CRDG, or its assignee, shall incorporate into its governing documents a mechanism by which any individual who is found to be unsuitable for a gaming license by the Iowa Racing and Gaming Commission shall be immediately removed as an officer, director, employee and/or owner of CRDG or its assignee.

7. **Term of Agreement:**

a. **Initial Term.** This Agreement is effective the date it is signed by all Parties hereto, but the Initial Term for purposes of determining the length the Initial Term and the Renewal Term, shall begin at 12:01 a.m. CDT on the day following the day that CRDG and Qualified Sponsoring Organization are granted the licenses referred to in Section 1(b) and (c) and shall terminate ten (10) years thereafter.

b. **Extension.** CRDG shall have eight (8) exclusive options to extend this agreement for additional five (5) year terms. Each option will be exercised automatically from the expiration of the then-current term unless CRDG sends to Qualified Sponsoring Organization written notice of CRDG's intent not to renew this Agreement at least 30 days before the expiration of the then-current term.

c. **Option to Terminate - Mutual.** Either Party shall have the option to terminate this Agreement at any time upon written notice delivered to the other Party if any one or more of the following occurs:

(i) Either Party's license to operate a Gambling Facility under Chapter 99F, Code of Iowa is suspended or revoked;

(ii) Either Party is adjudicated as bankrupt or as insolvent, or the appointment of a receiver or an assignment for the benefit of the creditors is made by or on behalf of either Party.

8. **Effectiveness of Agreement.** Notwithstanding the foregoing, the provisions of this agreement set forth in Section 4.c.1 shall not be effective until and unless the license

obtained by the Qualified Sponsoring Organization contemplated by Section 4 from the Iowa Racing and Gaming Commission to conduct gambling games in Linn County, Iowa covers the "Cedar Crossing Casino 2.0 proposal" which outlines the development of a gambling establishment adjacent to the Double Tree Hilton in Cedar Rapids, Iowa.

9. **Hold Harmless and Insurance Requirements.** During the term of this Agreement, CRDG shall indemnify, defend and hold harmless the Qualified Sponsoring Organization, its officers, directors, employees, and agents, from and against any and all liabilities, obligations, claims, damages, causes of action, cost and expenses imposed upon, incurred by, or asserted against them by reason of any accident, injury to or death of persons, or loss of or damage to property occurring to or in the Gambling Facility. CRDG further covenants and agrees that it will at its own expense procure comprehensive public liability insurance insuring both CRDG and the Qualified Sponsoring Organization in an amount not less than \$5,000,000.00 single limit. Said liability insurance policy shall apply with respect to the Gambling Facility. A copy of such policy or policies shall be provided to the Qualified Sponsoring Organization.

10. **Remedies.** The Parties acknowledge that the rights granted hereunder are unique and that irreparable damage would result if this Agreement is not specifically enforced and that, therefore, the rights and obligations of the Parties under this Agreement may be enforced by a decree of specific enforcement issued by a court of competent jurisdiction and appropriate equitable relief may be applied for and granted in connection therewith.

11. **Assignability.** Qualified Sponsoring Organization acknowledges that CRDG may elect to assign its rights and delegate its duties under this Agreement to an Iowa entity which is controlled by CRDG, so long as the successor to CRDG meets the applicable gaming license requirements, and provided that any such assignment is approved by the Iowa Racing and Gaming Commission.

12. **Amendment.** This Agreement may be amended or modified at any time, but only by a writing signed by both Parties and, if required by law, approved by the Iowa Racing and Gaming Commission.

13. **Governing Law.** This Agreement shall be governed by the laws of the State of Iowa and the rules and regulations of the Iowa Racing and Gaming Commission, and each Party shall be responsible for its own compliance with all laws of the State of Iowa and the rules of the Commission.

14. **Reports, Accounting and Auditing.** The Qualified Sponsoring Organization and CRDG shall prepare and file all reports, including financial reports, as required of them, respectively by Iowa law and rules and regulations of the Iowa Racing and Gaming Commission. In addition, each Party shall keep such books and records and have audits performed as required of them, respectively, by Iowa law and the Iowa Racing and Gaming Commission. Each Party shall be responsible for providing at its own expense all audit and accounting services for any reports and audits required by the Commission.

15. **Access to Gambling Facility and Associated Facilities.** During the term of this Agreement, one or more designated representatives of the Qualified Sponsoring Organization, upon one day's advance notification to CRDG, shall have the right at any time during business hours to inspect the Gambling Facility and any other premises utilized by CRDG in Linn County, Iowa, for the conduct of its business and to review CRDG's audited financial statements.

16. **Miscellaneous Provisions.**

a. **Notices.** All notices, requests, demands and other communications hereunder shall be deemed to have been given if delivered in person or if sent by certified mail, postage prepaid, to the other Party at the following addresses:

To Qualified Sponsoring Organization:

Linn County Gaming Association, Inc.
c/o Leah Rodenberg, Secretary
2390 Acacia Ct.
Marion, IA 52302

To Cedar Rapids Development Group, LLC:

Cedar Rapids Development Group, LLC
Attn: Stephen C. Gray, Chairman
625 First Street SE
Suite 420
Cedar Rapids, Iowa 52401

b. **Relationship of Parties.** Nothing in this Agreement shall be construed to create a partnership between the Parties, a relationship of employer and employee between the Parties, or a relationship of principal and agent between the Parties.

c. **Successors and Assigns.** This Agreement and all of the obligations, duties and rights of the Parties hereunder shall inure to and be binding upon the heirs, successors and assigns of the Parties to the extent that assignment is permitted under Paragraph 8 above.

d. **Integration, Waivers.** This Agreement embodies all of the representations, warranties and agreements of the Parties and supersedes all prior oral and written proposals and communications. Any supplement, modification or waiver of this Agreement shall be in writing and agreed to by the Parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

e. **Construction.** This Agreement shall be construed to comply with all applicable Iowa laws, Iowa Racing and Gaming Commission rules and regulations relating to gambling, and may be amended from time to time in order to comply with such laws and Commission rules

and regulations.

f. Headings. Paragraph headings herein are for reference purposes only.

g. Definitions. "Gambling Facility" as used in this Agreement shall mean:

(i) any man-made stationary structure; or

(ii) any other gaming facility, including but not limited to an excursion gambling boat,

licensed pursuant to the "Cedar Crossing Casino 2.0 proposal" which outlines the development of a gambling establishment adjacent to the Double Tree Hilton in Cedar Rapids, Iowa..

h. Force Majeure. Neither Party shall be liable under this Agreement or deemed in default of this Agreement for any loss, damage, delay or failure of performance of any part of this Agreement resulting, directly or indirectly, from any force majeure event, including, without limitation, lightning, power surges, fluctuations or failures, strikes or labor disputes, floods, acts of God, the elements, war, civil disturbances, acts of civil or military authorities, or the public enemy, fuel or energy shortages, condemnation or taking by eminent domain, damage or destruction of a Party's Gambling Facility or other property or of the property it contains, in whole or in part, except to the extent of any responsibility a Party may have under this Agreement for negligence or willful misconduct.

i. Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein shall, for any reason, be held invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

j. No Third-Party Beneficiary. This Agreement is being entered into solely for the benefit of the Parties hereto, and the Parties do not intend that any other person shall be a third-party beneficiary of the representations, warranties, agreements or covenants made by any Party hereto.

k. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.


[SIGNATURE PAGE FOLLOWS]

LINN COUNTY GAMING
ASSOCIATION, INC.

By: 
_____, President

By: Leah Prodenberg
_____, Secretary


CEDAR RAPIDS DEVELOPMENT
GROUP LLC


_____, President

By: _____
_____, Secretary

LINN COUNTY GAMING ASSOCIATION, INC.

The undersigned agrees to the adoption of the License and Operations Agreement, dated February 9, 2017, for the above corporation, on the 9th day of February, 2017.

 William President

Alan Rodenberg Sec/Treasurer

 Scott

 Lisa

Justin K. Shields

ACTION BY CONSENT
OF BOARD OF DIRECTORS
OF
LINN COUNTY GAMING ASSOCIATION, INC.


Pursuant to Article III, Section 15 of the Bylaws of Linn County Gaming Association, Inc. (the "Nonprofit"), which authorizes the Board of Directors (the "Directors") of the Nonprofit to take action without a meeting if the action could be taken by the Directors at a meeting, the following resolutions and actions are hereby adopted by the Board of Directors:

WHEREAS, the Nonprofit and Cedar Rapids Development Group, LLC have filed a license application (the "License Application") for a gaming license with the Iowa Racing and Gaming Commission (the "Commission");


NOW THEREFORE, BE IT RESOLVED, that the Directors approve and ratify all acts taken in connection with the License Application, including but not limited to execution of the License Application by Keith Rippy as President and Leah Rodenberg as Secretary.

RESOLVED FURTHER, that the Directors ratify, authorize, approve and confirm all documents heretofore executed and all acts, conduct and transactions heretofore undertaken on the Nonprofit's behalf in connection with the transactions referred to herein or otherwise intended to carry out these resolutions.

The undersigned, constituting all of the Directors of the Nonprofit, hereby waive notice of the actions described in the foregoing resolutions and further consent to, ratify and confirm such actions, such waiver, consent, ratification and confirmation to be effective as of February 9, 2017.



Keith Rippy



Justin Shields



Leah Rodenberg



Brent Oleson



Linda Seger

ACTION BY CONSENT
OF BOARD OF DIRECTORS
OF
LINN COUNTY GAMING ASSOCIATION, INC.

Pursuant to Article III, Section 15 of the Bylaws of Linn County Gaming Association, Inc. (the "Nonprofit"), which authorizes the Board of Directors (the "Directors") of the Nonprofit to take action without a meeting if the action could be taken by the Directors at a meeting, the following resolutions and actions are hereby adopted by the Board of Directors:

WHEREAS, the Nonprofit is applying with Cedar Rapids Development Group, LLC for a gaming license from the Iowa Racing and Gaming Commission (the "Commission");

WHEREAS, the Nonprofit must submit certain application documents to the Commission in connection with the application, including a License Application to Establish a Gaming Structure ("License Application"), and a Class D Business License Application form for review by the Iowa Department of Public Safety ("Class D Form");


NOW THEREFORE, BE IT RESOLVED, that the Directors have reviewed drafts of the completed License Application and Class D Form, and the Directors authorize Keith Rippy as President and Leah Rodenberg as Secretary in their sole discretion to complete and execute the License Application and the Class D Form on behalf of the Nonprofit, and other such documents as necessary to make a complete application submission with the Commission;

RESOLVED FURTHER, that the Directors authorize Keith Rippy as President and Leah Rodenberg as Secretary to take all further actions, execute and deliver all further documents, and pay all costs and expenses that she deems necessary or appropriate to facilitate the transactions proposed by these resolutions, with all such actions conclusively deemed to have been taken with the Directors' full authorization and approval; and

RESOLVED FURTHER, that the Directors ratify, authorize, approve and confirm all documents heretofore executed and all acts, conduct and transactions heretofore undertaken on the Nonprofit's behalf in connection with the transactions referred to herein or otherwise intended to carry out these resolutions.

[SIGNATURES NEXT PAGE]

The undersigned, constituting all of the Directors of the Nonprofit, hereby waive notice of the actions described in the foregoing resolutions and further consent to, ratify and confirm such actions, such waiver, consent, ratification and confirmation to be effective as of February 9, 2017.



Keith Rippy



Justin Shields



Leah Rodenberg



Brent Oleson



Linda Seger

LICENSE AND OPERATIONS AGREEMENT

THIS AGREEMENT is entered into this 2nd day of October, 2012, by and between Linn County Gaming Association, Inc. (hereinafter referred to as "Qualified Sponsoring Organization"), an Iowa nonprofit corporation, with its principal address being 2390 Acacia Ct. Marion, Iowa 52302 and Cedar Rapids Development Group, LLC (hereinafter referred to as "CRDG"), an Iowa limited liability company with its principal place of business located at Cedar Rapids, Linn County, Iowa. The foregoing parties may be referred to individually herein as "Party" and collectively herein as "Parties."

WHEREAS, Chapter 99F of the Iowa Code, together with rules and regulations of the Iowa Racing and Gaming Commission, authorize gambling in the State of Iowa. Chapter 99F provides that the Iowa Racing and Gaming Commission may grant a license to conduct gambling games to a non-profit entity that is a "qualified sponsoring organization," and

WHEREAS, the Qualified Sponsoring Organization, intends to seek a gaming referendum for Linn County, Iowa, and if same is successful to apply for a license to conduct gambling games in Linn County, Iowa under Chapter 99F and other Iowa statutes referred to therein; and

WHEREAS, CRDG intends to apply for a license to operate a Gambling Facility in Linn County under Chapter 99F and other Iowa statutes referred to therein; and

WHEREAS, the Parties, through their joint efforts and subject to the terms and conditions of this Agreement, wish to conduct gambling games in the Linn County, Iowa area.

IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, IT IS AGREED AS FOLLOWS:

1. **Obligations Prior to Issuance of Gaming Licenses.** From the date hereof the Parties shall have the following obligations:
 - a. Qualified Sponsoring Organization hereby appoints CRDG as its exclusive agent for development services for the Gambling Facility. CRDG will make best efforts to perform such development services, which may include, but are not limited to, conducting and/or obtaining feasibility and marketing studies, providing funds and in-kind services for a campaign to promote a gaming referendum in Linn County, Iowa, and providing financial and other support to assist in obtaining a license for Qualified Sponsoring Organization to conduct gambling games in Linn County, Iowa.
 - b. Qualified Sponsoring Organization will file, or cause to be filed, a petition for a referendum in Linn County, Iowa to submit to the registered voters of the County a proposition to approve or disapprove the conduct of gambling games in the County under Iowa law. If such referendum is not held and successfully passed by the voters of Linn County, Iowa on or before December 31, 2015, either Party, in its sole discretion, may terminate this Agreement.

c. If the referendum referred to in subparagraph (a) passes, Qualified Sponsoring Organization will use its best efforts to obtain a license to conduct gambling games in Linn County, Iowa and will exclusively endorse and assist CRDG in obtaining a license to operate a Gambling Facility in Linn County, Iowa and to have the executory terms of this Agreement approved by the Iowa Racing and Gaming Commission at the time of licensing. If each of these conditions, a grant of a gaming license to Qualified Sponsoring Organization, a grant of a gaming license to CRDG and the approval of this Agreement by the Iowa Racing and Gaming Commission, is not obtained by December 31, 2017, either Party, in their sole discretion, may terminate this Agreement.

2. **Exclusivity and Non-Assignability of License.** The Qualified Sponsoring Organization covenants and agrees that from the date hereof until the termination of this Agreement that it will not conduct gaming operations, including Gambling Facility operations with any gaming licensed operator other than CRDG nor sponsor any other gaming operation, including a Gambling Facility offering casino gambling within Linn County, Iowa, without CRDG's prior written consent. In furtherance of the foregoing Qualified Sponsoring Organization also agrees that it will not authorize or permit any of its officers, directors, attorneys or agents (collectively "Agents") to, directly or indirectly, (i) solicit, initiate or encourage or take any other action to facilitate any inquiries or the making of any proposals or offers, and shall not take any action which may be reasonably expected to lead to any proposals or offers from any person, other than CRDG, relating to an application to own a gambling operation and/or relating to an application to operate a Gambling Facility in Linn County, Iowa; (ii) accept, or make or enter into an agreement with respect to any application to own a gambling game operation and/or relating to an application to operate a Gambling Facility and/or management services related to the operation of a Gambling Facility; or (iii) otherwise cooperate in any way or assist or participate in, facilitate or encourage, any effort or attempt by any person other than CRDG to make or enter into an agreement with respect to any application to own a gambling game operation and/or relating to an application to operate a Gambling Facility and/or management services related to the operation of a Gambling Facility. Qualified Sponsoring Organization shall immediately notify CRDG, in writing, of any of the foregoing, including, without limitation, any violation of the foregoing covenants.

Neither Party may assign any of its rights, duties or obligations under any license issued by the Commission.

3. **Advancements by CRDG.** If the referendum successfully passes, CRDG will advance to Qualified Sponsoring Organization the costs that Qualified Sponsoring Organization incurs for its license application fee, for the Iowa Department of Criminal Investigation investigative fees related to the license of Qualified Sponsoring Organization and its employees and any other fees due from Qualified Sponsoring Organization to the State of Iowa or any local government. If gaming licenses are obtained by Qualified Sponsoring Organization and CRDG and a Gambling Facility is operated by the Parties in Linn County, Iowa, payments which CRDG will owe Qualified Sponsoring Organization under Section 4 hereof shall be reduced by the advancements made under this section 3 until all amounts have been reimbursed to CRDG. CRDG shall be solely responsible for the license application, including DCI investigation fees,

related to its gaming license and the licenses of its employees.

4. Obligations After Issuance of Gaming Licenses.

a. Operator. If and when Qualified Sponsoring Organization successfully obtains a license to conduct gambling games in Linn County, Iowa, Qualified Sponsoring Organization shall retain CRDG as its exclusive operator of gambling games at the Gambling Facility contemplated herein for the term of this Agreement. As the exclusive operator, CRDG shall perform activities which may include, but are not limited to, coordinating the design and construction of the Gambling Facility, providing all property and equipment for use in conducting gambling games, performing all management functions of the Gambling Facility and activities related thereto, and obtaining any and all necessary permits related to the Gambling Facility.

b. Proceeds. All proceeds received by CRDG from the operation of the Gambling Facility (gambling or non-gambling) shall be the sole and exclusive property of CRDG, subject to the terms of this Agreement and Iowa law. Such proceeds include, but are not limited to, gambling income, food and beverage sales, entertainment, souvenir and gift sales, and beauty and other professional services.

c. Payments to Qualified Sponsoring Organization.

1. CRDG shall pay to the Qualified Sponsoring Organization a percentage of its Adjusted Gross Receipts as that term is defined in Chapter 99F of the Iowa Code. During the Initial Term of the Agreement, as defined in subsection 7(a) herein, CRDG shall pay each year to Qualified Sponsoring Organization 3% of CRDG's Adjusted Gross Receipts, the minimum amount presently required by Iowa law and if such 3% is later increased by statute or regulation, then such increased percentage ("QSO Minimum"). During all subsequent terms of the Agreement, as contemplated in subsection 7(b) herein, CRDG shall pay each year to Qualified Sponsoring Organization 3% of CRDG's Adjusted Gross Receipts or the following increased percentages, if applicable:

(a). If Adjusted Gross Receipts exceed \$80,000,000, then CRDG shall pay to Qualified Sponsoring Organization 3.5% of Adjusted Gross Receipts;

(b). If Adjusted Gross Receipts exceed \$85,000,000, then CRDG shall pay to Qualified Sponsoring Organization 4% of Adjusted Gross Receipts;

(c). If Adjusted Gross Receipts exceed \$90,000,000, then CRDG shall pay to Qualified Sponsoring Organization 4.5% of Adjusted Gross Receipts;

(d). If Adjusted Gross Receipts exceed \$95,000,000, then CRDG shall pay to Qualified Sponsoring Organization 5% of Adjusted Gross Receipts.

Provided, however, if in any year of the first twenty years that QSO Minimum payments are due hereunder, CRDG has substantial debt obligations to a third party for land or parking for

its proposed Gambling Structure (as defined in Iowa Code Section 99F.1(12)), then CRDG shall not be obligated to pay more than the QSO Minimum to Qualifying Sponsoring Organization for that year notwithstanding the foregoing paragraphs (a) through (d).

2. The payments due to Qualified Sponsoring Organization hereunder shall be paid monthly by the fifteenth (15th) day following the end of the month.

3. The Parties agree that the payment set forth in subsection 4(c)(1) above is the only amount to which the Qualified Sponsoring Organization is entitled under this Agreement.

d. Wagering Tax. CRDG shall pay to the Iowa Racing and Gaming Commission the wagering taxes imposed by Section 99F.11 of the Iowa Code. This payment shall be made to the Commission weekly and within the time period required for remission of the wagering taxes taxed to the State of Iowa under Section 99F.11. CRDG shall indemnify and hold the Qualified Sponsoring Organization harmless from any and all claims relating to wagering taxes owing to the State of Iowa under Section 99F.11 of the Iowa Code.

5. Ownership of Property. All real property, personal property, equipment, and supplies of the Gambling Facility shall be the property of CRDG. Nothing in this Agreement shall be construed to grant Qualified Sponsoring Organization any interest in the personal or real property owned by CRDG or its subsidiaries including, but not limited to, all gambling games equipment and supplies, all Gambling Facility fixtures and personal property attached or located on or in the Gambling Facility, and all real property.

6. Gaming License Suitability. Qualified Sponsoring Organization shall incorporate in its Articles of Incorporation and/or Bylaws a mechanism by which any individual who is found to be unsuitable for a gaming license by the Iowa Racing and Gaming Commission shall be immediately removed as an officer, director and/or employee of Qualified Sponsoring Organization.

CRDG, or its assignee, shall incorporate into its governing documents a mechanism by which any individual who is found to be unsuitable for a gaming license by the Iowa Racing and Gaming Commission shall be immediately removed as an officer, director, employee and/or owner of CRDG or its assignee.

7. Term of Agreement:

a. Initial Term. This Agreement is effective the date it is signed by all Parties hereto, but the Initial Term for purposes of determining the length the Initial Term and the Renewal Term, shall begin at 12:01 a.m. CDT on the day following the day that CRDG and Qualified Sponsoring Organization are granted the licenses referred to in Section 1(b) and (c) and shall terminate ten (10) years thereafter.

b. Extension. CRDG shall have eight (8) exclusive options to extend this agreement for additional five (5) year terms. Each option will be exercised automatically from the

expiration of the then-current term unless CRDG sends to Qualified Sponsoring Organization written notice of CRDG's intent not to renew this Agreement at least 30 days before the expiration of the then-current term.

c. Option to Terminate - Mutual. Either Party shall have the option to terminate this Agreement at any time upon written notice delivered to the other Party if any one or more of the following occurs:

(i) Either Party's license to operate a Gambling Facility under Chapter 99F, Code of Iowa is suspended or revoked;

(ii) Either Party is adjudicated as bankrupt or as insolvent, or the appointment of a receiver or an assignment for the benefit of the creditors is made by or on behalf of either Party.

8. Hold Harmless and Insurance Requirements. During the term of this Agreement, CRDG shall indemnify, defend and hold harmless the Qualified Sponsoring Organization, its officers, directors, employees, and agents, from and against any and all liabilities, obligations, claims, damages, causes of action, cost and expenses imposed upon, incurred by, or asserted against them by reason of any accident, injury to or death of persons, or loss of or damage to property occurring to or in the Gambling Facility. CRDG further covenants and agrees that it will at its own expense procure comprehensive public liability insurance insuring both CRDG and the Qualified Sponsoring Organization in an amount not less than \$5,000,000.00 single limit. Said liability insurance policy shall apply with respect to the Gambling Facility. A copy of such policy or policies shall be provided to the Qualified Sponsoring Organization.

9. Remedies. The Parties acknowledge that the rights granted hereunder are unique and that irreparable damage would result if this Agreement is not specifically enforced and that, therefore, the rights and obligations of the Parties under this Agreement may be enforced by a decree of specific enforcement issued by a court of competent jurisdiction and appropriate equitable relief may be applied for and granted in connection therewith.

10. Assignability. Qualified Sponsoring Organization acknowledges that CRDG may elect to assign its rights and delegate its duties under this Agreement to an Iowa entity which is controlled by CRDG, so long as the successor to CRDG meets the applicable gaming license requirements, and provided that any such assignment is approved by the Iowa Racing and Gaming Commission.

11. Amendment. This Agreement may be amended or modified at any time, but only by a writing signed by both Parties and, if required by law, approved by the Iowa Racing and Gaming Commission.

12. Governing Law. This Agreement shall be governed by the laws of the State of Iowa and the rules and regulations of the Iowa Racing and Gaming Commission, and each Party shall be responsible for its own compliance with all laws of the State of Iowa and the rules of the Commission.

13. Reports, Accounting and Auditing. The Qualified Sponsoring Organization and CRDG shall prepare and file all reports, including financial reports, as required of them, respectively by Iowa law and rules and regulations of the Iowa Racing and Gaming Commission. In addition, each Party shall keep such books and records and have audits performed as required of them, respectively, by Iowa law and the Iowa Racing and Gaming Commission. Each Party shall be responsible for providing at its own expense all audit and accounting services for any reports and audits required by the Commission.

14. Access to Gambling Facility and Associated Facilities. During the term of this Agreement, one or more designated representatives of the Qualified Sponsoring Organization, upon one day's advance notification to CRDG, shall have the right at any time during business hours to inspect the Gambling Facility and any other premises utilized by CRDG in Linn County, Iowa, for the conduct of its business and to review CRDG's audited financial statements.

15. Miscellaneous Provisions.

a. Notices. All notices, requests, demands and other communications hereunder shall be deemed to have been given if delivered in person or if sent by certified mail, postage prepaid, to the other Party at the following addresses:

To Qualified Sponsoring Organization:

Linn County Gaming Association, Inc.
c/o Leah Rodenberg, Secretary
2390 Acacia Ct.
Marion, IA 52302

To Cedar Rapids Development Group, LLC:

Cedar Rapids Development Group, LLC
Attn: Stephen C. Gray, Chairman
625 First Street SE
Suite 420
Cedar Rapids, Iowa 52401

b. Relationship of Parties. Nothing in this Agreement shall be construed to create a partnership between the Parties, a relationship of employer and employee between the Parties, or a relationship of principal and agent between the Parties.

c. Successors and Assigns. This Agreement and all of the obligations, duties and rights of the Parties hereunder shall inure to and be binding upon the heirs, successors and assigns of the Parties to the extent that assignment is permitted under Paragraph 8 above.

d. Integration, Waivers. This Agreement embodies all of the representations, warranties and agreements of the Parties and supersedes all prior oral and written proposals and

communications. Any supplement, modification or waiver of this Agreement shall be in writing and agreed to by the Parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

e. Construction. This Agreement shall be construed to comply with all applicable Iowa laws, Iowa Racing and Gaming Commission rules and regulations relating to gambling, and may be amended from time to time in order to comply with such laws and Commission rules and regulations.

f. Headings. Paragraph headings herein are for reference purposes only.

g. Definitions. "Gambling Facility" as used in this Agreement shall mean:

(i) any man-made stationary structure; or

(ii) any other gaming facility, including but not limited to an excursion gambling boat,

located in Linn County, Iowa and presently permitted or as hereafter may be permitted by the Iowa Racing and Gaming Commission.

h. Force Majeure. Neither Party shall be liable under this Agreement or deemed in default of this Agreement for any loss, damage, delay or failure of performance of any part of this Agreement resulting, directly or indirectly, from any force majeure event, including, without limitation, lightning, power surges, fluctuations or failures, strikes or labor disputes, floods, acts of God, the elements, war, civil disturbances, acts of civil or military authorities, or the public enemy, fuel or energy shortages, condemnation or taking by eminent domain, damage or destruction of a Party's Gambling Facility or other property or of the property it contains, in whole or in part, except to the extent of any responsibility a Party may have under this Agreement for negligence or willful misconduct.

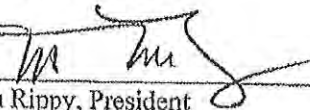
i. Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein shall, for any reason, be held invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

j. No Third-Party Beneficiary. This Agreement is being entered into solely for the benefit of the Parties hereto, and the Parties do not intend that any other person shall be a third-party beneficiary of the representations, warranties, agreements or covenants made by any Party hereto.

k. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

LINN COUNTY GAMING
ASSOCIATION, INC.

By: 
Keith Rippy, President

By: _____
Leah Rodenberg, Secretary

CEDAR RAPIDS DEVELOPMENT
GROUP, LLC


Stephen C. Gray, President

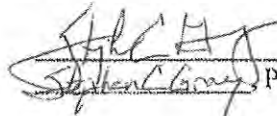
By: 
Drew Stouman, Secretary

[SIGNATURE PAGE FOLLOWS]

LINN COUNTY GAMING
ASSOCIATION, INC.

CEDAR RAPIDS DEVELOPMENT
GROUP, LLC

By: _____
Keith Rippy, President

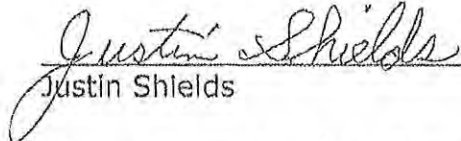
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Stephen Gray, President

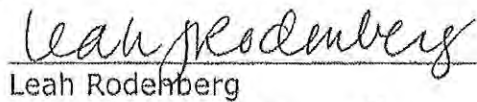
By: Leah Rodenberg
Leah Rodenberg, Secretary

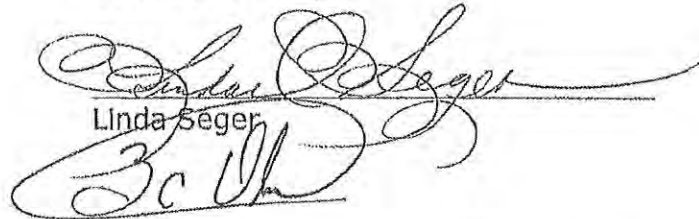
By: Drew Skoeman
Drew Skoeman, Secretary

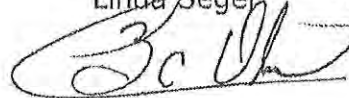
LINN COUNTY GAMING ASSOCIATION, INC.

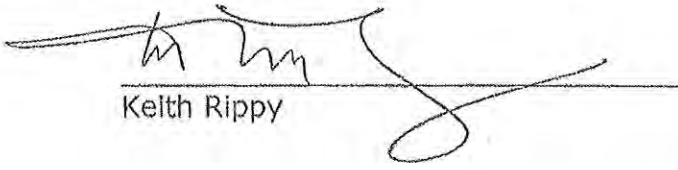
The undersigned agree to the adoption of the License and Operations Agreement dated October 1, 2012, for the above corporation, on the 13th day of October, 2012.


Justin Shields


Leah Rodenberg


Linda Seger


Brent Oleson


Keith Rippy

LOCATION - SITE



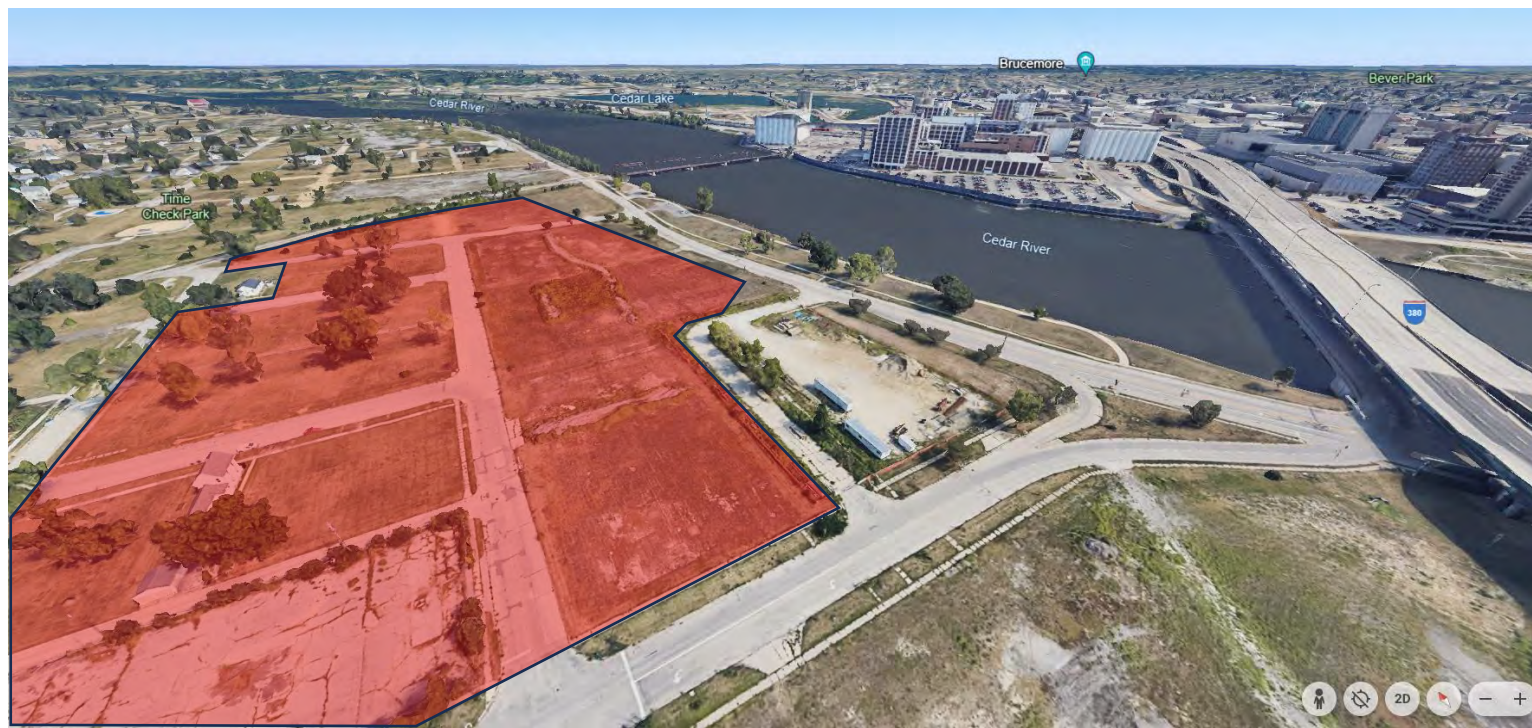
LOCATION - SITE



VIEW A

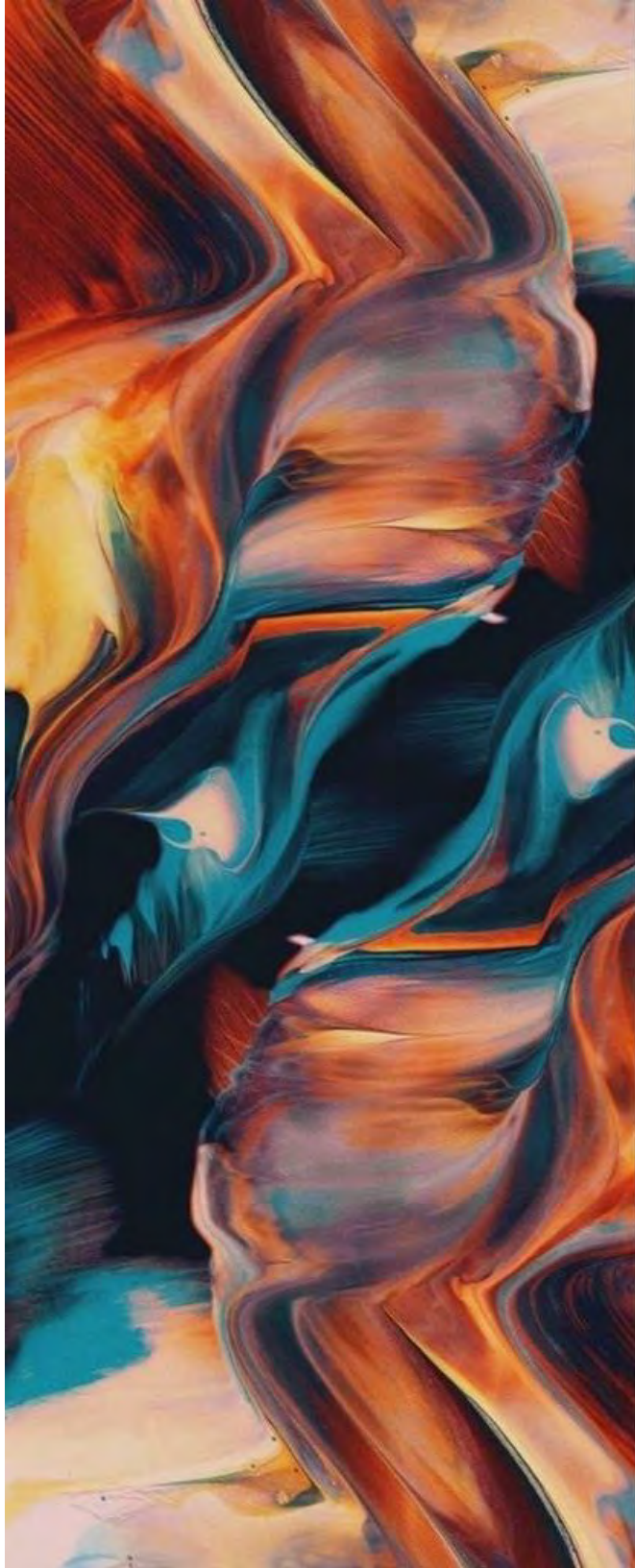
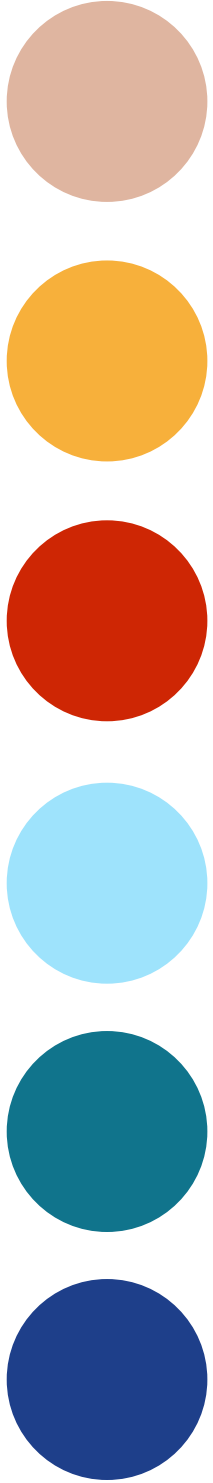


VIEW B



VIEW C

COLOR STUDY: CITY REFLECTIONS



EXTERIOR RENDERING – AERIAL VIEW PHASE 1



EXTERIOR RENDERING – AERIAL VIEW PHASE 2



EXTERIOR RENDERING – F AVENUE STREETVIEW PHASE 1



EXTERIOR RENDERING – F AVENUE STREETVIEW PHASE 2



LEGEND

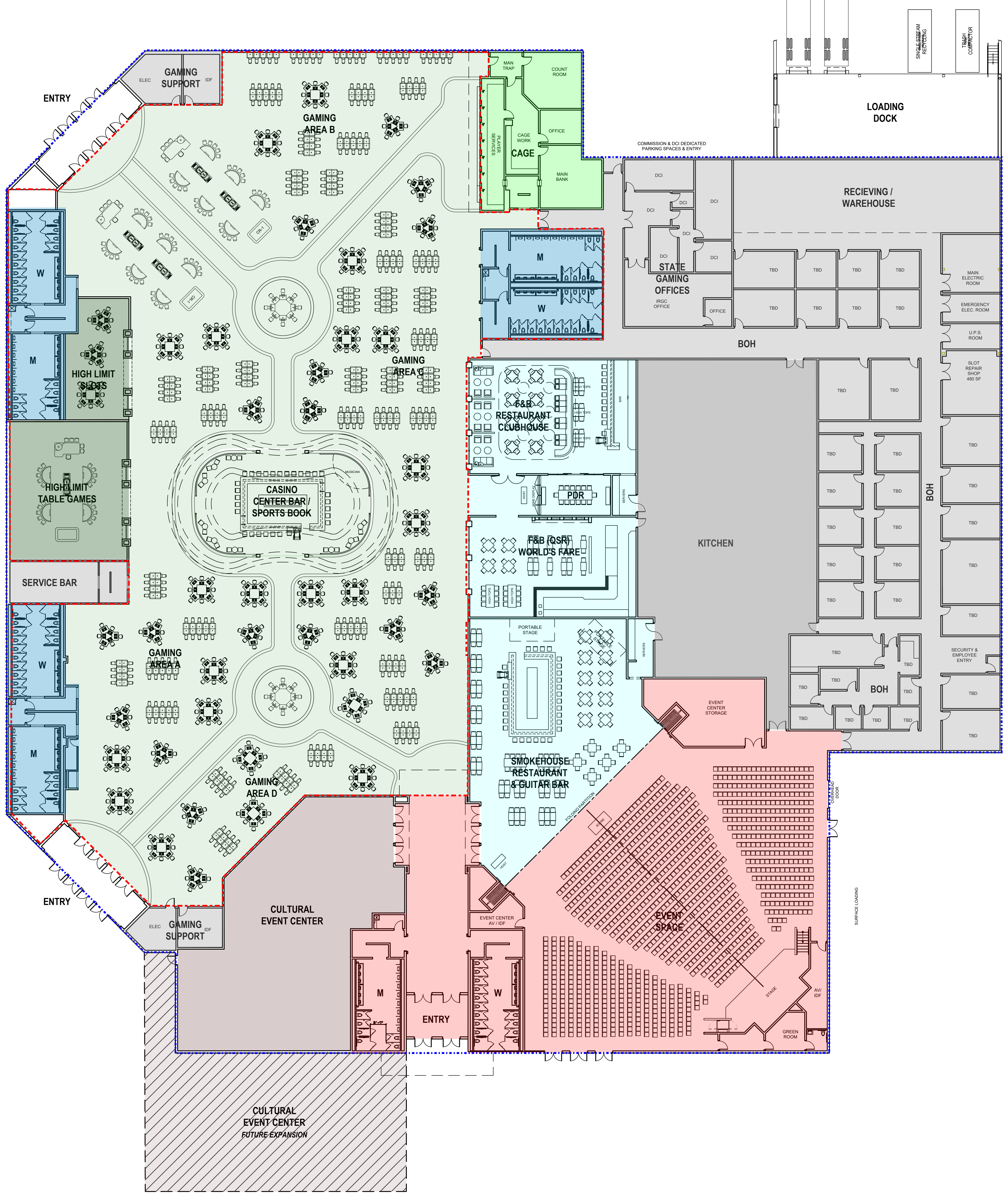
- FOOTPRINT: +/- 110,000 SF**
- MAIN GAMING FLOOR**
+/- 45,050 SF
- MAIN CASINO GAMING AREAS**
(INCLUDING PATHWAYS & CASINO CTR. BAR)
+/- 36,875 SF
- CAGE**
+/- 2,200 SF
- HIGH LIMIT SLOT GAMING AREA**
+/- 860 SF
- HIGH LIMIT TABLE GAMES AREA**
+/-2,000 SF
- F&B (RESTAURANTS & QSR)**
+/- 10,130 SF
- KITCHEN**
+/- 7,100 SF
- CASINO RESTROOMS**
+/- 4,400 SF
- BOH**
+/- 20,075 SF
- FOH GAMING SUPPORT**
+/-1,600 SF
- EVENT SPACE (incl. ENTRY & RESTROOMS)**
+/- 16,100 SF
- CULTURAL EVENT CENTER**
+/-5,000 SF
- CULTURAL EVENT CTR. EXPANSION**
+/- 5,000 SF

GAMING COUNTS:

MAIN CASINO GAMING - 680 SLOTS	16 TABLE GAMES
	- 2 ROULETTE
	- 2 CRAPS
	- 12 CARD TABLES
HIGH LIMIT GAMING -	20 SLOTS
	6 TABLE GAMES
	- 1 ROULETTE
	- 1 CRAPS
	- 4 CARD TABLES
TOTALS:	700 SLOTS
	22 TABLE GAMES

SEATING COUNTS:

CENTER BAR:	30 BAR SEATS
	18 HIGH TOP SEATS
	48 TOTAL SEATS
CLUBHOUSE REST.:	14 PDR SEATS
	11 BAR SEATS
	12 HIGH TOP SEATS
	50 DINING SEATS
	18 LOUNGE SEATS
	105 TOTAL SEATS
QUICK SERVE REST.:	40 DINING SEATS
	16 HIGH TOP SEATS
	56 TOTAL SEATS
SMOKEHOUSE REST.:	60 DINING SEATS
	68 HIGH TOP SEATS
	30 BAR SEATS
	160 TOTAL SEATS
EVENT CENTER:	1,200 UNFIXED CHAIRS
	(AS SHOWN)



1 FLOOR SPACE / BLOCKING PLAN
1/16" = 1'-0"



CEDAR RAPIDS DEVELOPMENT GROUP, LLC

JNB GAMING, LLC
29271 Centerville Road
LaMotte, IA 52054
P2E.com

PROJ.#: 24910.01
THESE DRAWINGS ARE BASED ON AVAILABLE DOCUMENTS AND GENERAL FIELD SURVEY OF THE BUILDING.
RELIANCE ON THESE DOCUMENTS IS LIMITED TO THE GENERAL LAYOUT, DESIGN CONCEPT AND SCOPE OF WORK.
CONTRACTOR(S) SUBMITTING BIDS MUST CERTIFY, THROUGH PRIOR FIELD INVESTIGATION AND SURVEY OF EXISTING CONDITIONS AND DIMENSIONS, THAT HIS BID INCLUDES ALL WORK REQUIRED AND REFLECTS ACTUAL CONDITIONS OF THE BUILDING.
ALL DIMENSIONS MUST BE VERIFIED BY CON-TRACTOR AND THE ARCHITECT. NOTIFIED OF ANY DISCREPANCIES BEFORE PROCEEDING WITH THE CONSTRUCTION. DO NOT SCALE DRAWINGS.
© R2ARCHITECTS, LLC

PROJECT TITLE

CEDAR CROSSING CASINO • DINING
300 F AVENUE NW
CEDAR RAPIDS, IA 52405

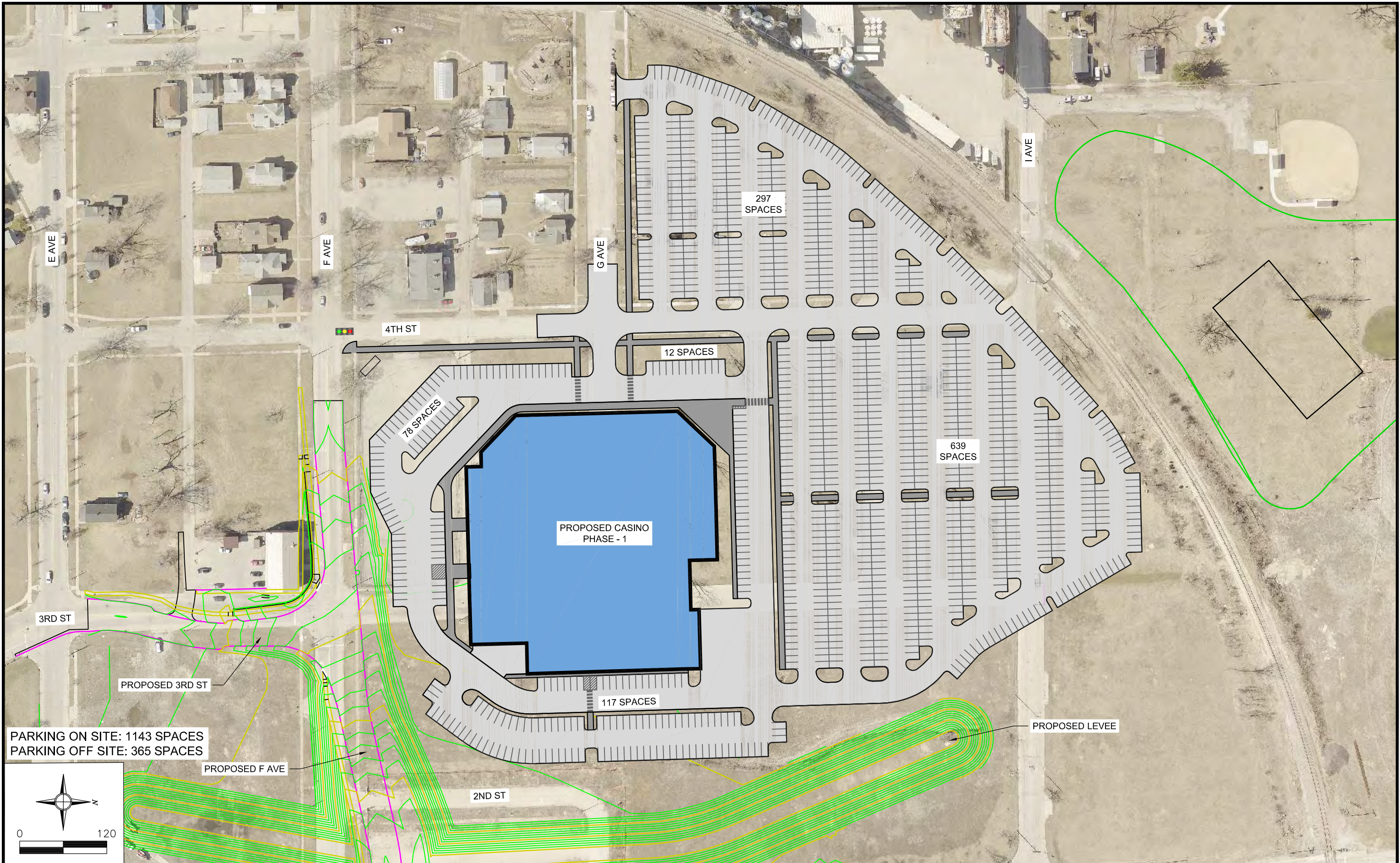
DRAWING TITLE
OVERALL FLOOR SPACE / BLOCKING PLAN

SCALE	AS NOTED
DRAWN	SC / LH / MP
CHECKED	JFR
APPROVED	JR
SUBMISSIONS / REVISIONS	
SYM.	DATE DESCRIPTION
	XX/XX/2024 ISSUED FOR PROGRESS

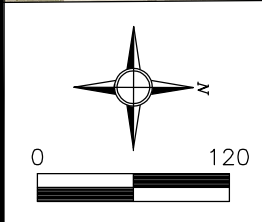
A11.01

07/25/24 - ISSUED FOR PROGRESS - NOT FOR CONSTRUCTION

\\ACAD\224037\Sheets\Exhibits - 1.dwg 7-12-24 08:28:02 AM



PARKING ON SITE: 1143 SPACES
 PARKING OFF SITE: 365 SPACES



NO.	REVISION DESCRIPTION	APPROVED	DATE

CLIENT: NAME:
 ADDRESS:
 CITY, STATE, ZIP:
 PHONE:



DRAWN BY: LTR
 DATE: 7/12/24
 PROJECT NO. 224037

APPROVED BY: TJH
 SCALE: PLAN

CEDAR CROSSING CASINO
 CEDAR RAPIDS, IA

PHASE - 1

SHEET NO.
 1
 OF
 1

LEGEND

- FOOTPRINT: +/- 110,000 SF**
- MAIN GAMING FLOOR**
+/- 45,050 SF
- MAIN CASINO GAMING AREAS**
(INCLUDING PATHWAYS & CASINO CTR. BAR)
+/- 36,875 SF
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- CULTURAL EVENT CENTER**
+/-5,000 SF
- CULTURAL EVENT CTR. EXPANSION**
+/- 5,000 SF

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 - 4 CARD TABLES

**TOTALS: 700 SLOTS
 22 TABLE GAMES**

SEATING COUNTS:

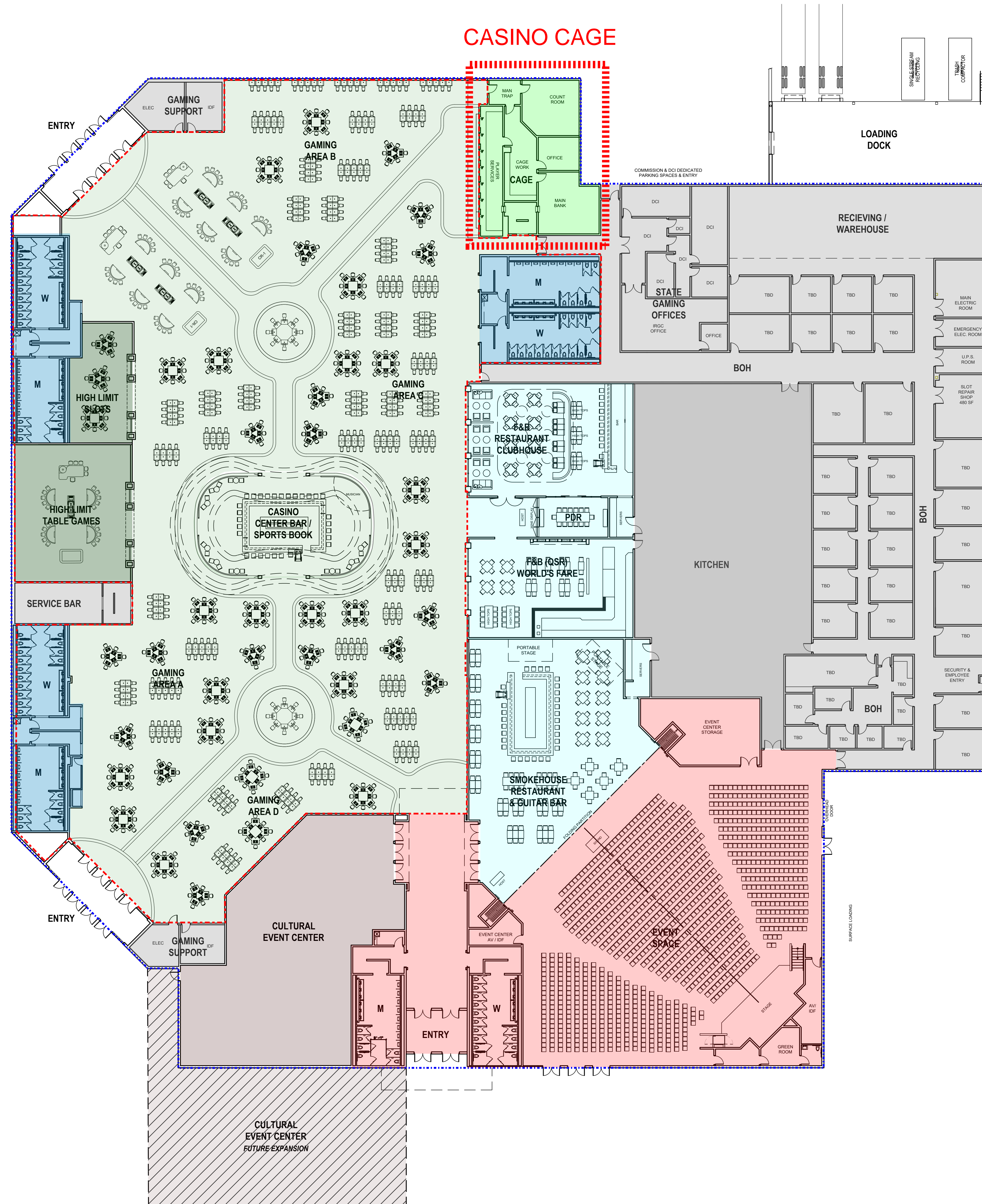
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EVENT CENTER: 1,200 UNFIXED CHAIRS
 (AS SHOWN)



1 FLOOR SPACE / BLOCKING PLAN
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CEDAR CROSSING CASINO • DINING
 300 F AVENUE NW
 CEDAR RAPIDS, IA 52405

DRAWING TITLE
OVERALL FLOOR SPACE / BLOCKING PLAN

SCALE	AS NOTED	
DRAWN	SC / LH / MP	
CHECKED	JFR	
APPROVED	JR	
SUBMISSIONS / REVISIONS		
SYM.	DATE	DESCRIPTION
	XX/XX/2024	ISSUED FOR PROGRESS

A11.01

07/25/24 - ISSUED FOR PROGRESS - NOT FOR CONSTRUCTION



June 20, 2024

Iowa Racing and Gaming Commission ("IRGC")

Re: Cedar Rapids Development Group, LLC

To Whom It May Concern,

Marsh USA, Inc. ("Marsh") is actively working with various markets for placing surety bonds for our client Cedar Rapids Development Group, LLC. Currently, our surety group is specifically reviewing the request for a gaming license bond in the amount of Eight Hundred Thousand and No/100 (\$800,000) in favor of the Iowa Racing and Gaming Commission ("IRGC"). The surety markets being approached typically maintain ratings, by A.M. Best, from "A" (Excellent) to "A+" (Superior) as well as financial sizes from VII (\$50 Million to \$100 Million) to XIV (\$1.5 Billion to \$2 Billion). Marsh feels confident in the ability to provide any requested bonds for Cedar Rapids Development Group, LLC. Please note that the decision to issue any bond is a matter between Cedar Rapids Development Group, LLC and their surety, and will be subject to standard underwriting at the time of the request. Should you have any questions or concerns, please feel free to contact our offices.

Sincerely,

Brian Taliaferro
Managing Director

This document and any recommendations, analysis, or advice provided by Marsh (collectively, the "Marsh Analysis") are not intended to be taken as advice regarding any individual situation and should not be relied upon as such. The information contained herein is based on sources we believe reliable, but we make no representation or warranty as to its accuracy. Marsh shall have no obligation to update the Marsh Analysis and shall have no liability to you or any other party arising out of this publication or any matter contained herein. Any statements concerning actuarial, tax, accounting, or legal matters are based solely on our experience as insurance brokers and risk consultants and are not to be relied upon as actuarial, tax, accounting, or legal advice, for which you should consult your own professional advisors. Any modeling, analytics, or projections are subject to inherent uncertainty, and the Marsh Analysis could be materially affected if any underlying assumptions, conditions, information, or factors are inaccurate or incomplete or should change. Marsh makes no representation or warranty concerning the application of policy wording or the financial condition or solvency of insurers or reinsurers. Marsh makes no assurances regarding the availability, cost, or terms of insurance coverage. Although Marsh may provide advice and recommendations, all decisions regarding the amount, type or terms of coverage are the ultimate responsibility of the insurance purchaser, who must decide on the specific coverage that is appropriate to its particular circumstances and financial position.

Exhibit 7.4

Estimated wage scales for each job class are listed in the chart below:

	<u>Minimum</u>	<u>Maximum</u>
Hourly Team Members		
Accounting	\$ 15.00	\$ 25.00
Count Room	15.00	22.00
Facilities	15.00	25.00
Food & Beverage *	6.60	25.00
Human Resources	15.00	22.00
Information Technology	18.00	25.00
Player Services / Cage *	14.00	20.00
Security	15.00	25.00
Slots *	10.00	30.00
Surveillance	15.00	25.00
Table Games *	6.60	30.00

* Plus tips for non-supervisory hourly positions

Salared Team Members

Accounting Manager / Controller	60,000	100,000
Chef	55,000	85,000
Count Room Manager	50,000	70,000
Director of F&B	75,000	150,000
Director of Facilities	70,000	100,000
Director of Finance	125,000	175,000
Director of Gaming Operations	125,000	175,000
Director of HR	75,000	100,000
Director of IT	75,000	125,000
Director of Marketing	100,000	150,000
Director of Security	75,000	110,000
F&B Manager	55,000	75,000
Facilities Manager	55,000	80,000
General Manager	200,000	275,000
HR Manager	55,000	75,000
IT Manager	60,000	80,000
Marketing Manager	60,000	75,000
Player Services / Cage Manager	60,000	100,000
Security Manager	50,000	75,000
Slot Manager	55,000	80,000
Surveillance Manager	65,000	90,000
Table Games Manager	60,000	85,000