

OHIO CASINO CONTROL COMMISSION
MEETING MINUTES

10:00 A.M. – November 20, 2019
JO ANN DAVIDSON HEARING ROOM
100 E. BROAD STREET, 20TH FLOOR
COLUMBUS, OHIO 43215

The regular meeting of the Ohio Casino Control Commission (Commission) was called to order at 10:05 a.m. by Chair June Taylor. Vice-Chair Davidson and Commissioners McKinley Brown, Will Lucas, Ranjan Manoranjan, Lynn Slaby, and John Steinhauer were also in attendance. The minutes of the October 16, 2019 meeting were approved following a motion by Commissioner Slaby and seconded by Commissioner Lucas.

Executive Director Matthew Schuler began his report with a fantasy contest update. Mr. Schuler explained that the regulation for fantasy contests went live on September 3, 2019, with a deadline for operators already doing business in Ohio to submit their applications by October 3, 2019. Mr. Schuler reported that to date, a total of 12 license applications from fantasy contest operators had been received. Staff expects the first fantasy contest operator applications to be considered for approval in January 2020.

Next, Mr. Schuler reported that the Missouri Highway Patrol had learned of the Commission's October training on skill games, illegal slot machines, and illegal casinos to the Missouri Gaming Commission, and had contacted the Commission to request the same training for the Patrol's officers who are responsible for enforcing Missouri's gaming laws.

Next, Rick Anthony, Deputy Executive Director and Director of Operations, provided a budget report for the first month of the second quarter of FY20. Mr. Anthony reported that tax revenue estimates had been increased to reflect current trends. Other revenue categories were reported to remain on track. Operator fees were noted to be low due to receiving an operator fee the previous month. Mr. Anthony reported that the Commission's was well below its supply and maintenance cost estimates. This was noted to be due in large part to the Commission's paper reduction efforts. Mr. Anthony reported that the supply estimates from the Enforcement Fund were below estimates, due to lower uniform allowance requests. It is more than likely a timing issue and as time goes by the cost will be close to the estimate.

Mr. Schuler ended his report reiterating Mr. Anthony's comments on the Commission's efforts to reduce paper with its paperless project initiative. Mr. Schuler reported the Commission has made great strides over the last year, nearly eliminating the Licensing & Investigations Division's use of paper for investigations. Lastly, Mr. Schuler recognized Ms. Cynthia Hays for her service as Vice President of Compliance at JACK Entertainment, stating that, since her arrival, compliance at JACK has been impeccable. Mr. Schuler also recognized Ms. Joy Estose for her return to the Commission, to help the Skill Games Division review skill games applications.

Matthew Oyster, General Counsel and Director of Licensing & Investigations, presented to the Commission for consideration the gaming-related vendor license application for Cleveland Propco LLC (Cleveland Propco), a newly created subsidiary of VICI Properties, Inc. (VICI), which would serve as the primary landlord associated with the Cleveland casino facility. Samantha Gallagher, Executive Vice-President, General Counsel, and Secretary of VICI provided a brief presentation of VICI's management team and its role in the Cleveland casino property acquisition. Mr. Oyster reviewed the Division of Licensing & Investigation's "Investigative Report on the Application of Cleveland Propco LLC For A Gaming-Related Vendor License," which concluded that Cleveland Propco is suitable for licensure. Chair Taylor made a motion to adopt proposed Resolution 2019-39, granting an initial three-year gaming-related vendor License to Cleveland Propco. The motion was seconded by Vice-Chair Davidson and approved.

Next, Mr. Oyster presented for consideration the gaming-related vendor license renewal application for Incredible Technologies, Inc. (Incredible Technologies). The Division of Licensing & Investigations completed suitability investigations of Incredible Technologies and its three associated key-employees (Richard Ditton, James Doré, and Elaine Hodgson), none of which uncovered any material derogatory information. Mr. Oyster recommended approval of proposed Resolution 2019-40, renewing the gaming-related vendor and key employee licenses. A motion to approve the Resolution was made by Commissioner Manoranjan. The motion was seconded by Commissioner Steinhauer and approved.

Then, Mr. Oyster presented to the Commission for consideration seven key-employee license applications. The Licensing & Investigations Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of proposed Resolution 2019-41, granting or renewing, as applicable, key-employee licenses to: Peter Boldin, JACK Cincinnati Casino; James Kara, JACK Cleveland Casino; Matthew Spitnale, Penn National Gaming, Inc.; Mark Begrin, Hollywood Casino Toledo; Takatomo Imai, JCM American Corporation; Tsuyoshi Takagaki, Japan Cash Machine Co., Ltd.; and Yasuhiko Yoshimura, Japan Cash Machine Co., Ltd. A motion to approve the Resolution was made by Commissioner Lucas. The motion was seconded by Commissioner Slaby and approved.

Berena Seifert, Manager of Skill Games, presented to the Commission for consideration of 86 skill-based amusement machine-related license applications. The Skill Games Division completed background investigations of the applicants, which did not uncover any material derogatory information, and recommended approval of proposed Resolution 2019-42, granting skill-based amusement machine-related licenses upon receipt of the required licensing fees. A motion to approve the Resolution was made by Commissioner Steinhauer. The motion was seconded by Commissioner Brown and approved.

Craig Donahue, Manager of Compliance and Auditing, presented to the Commission for consideration Hollywood Casino Toledo's (HCT) request for approval of a transfer of an employee from the casino's surveillance department to its security department. Mr. Donahue explained that the Commission's approval of the transfer was necessary per Ohio Adm.Code 3772-19-06(D), since the employee would be

transferring from a surveillance department position to a gaming-related security position within a one-year period. The Division of Regulatory Compliance recommended approval of HCT's request. A motion to grant HCT's request for transfer was made by Chair Taylor. The motion was seconded by Vice-Chair Davidson and approved.

Next, Mr. Donahue presented for consideration the three-year approval of Deloitte & Touche, LLP (Deloitte) as Hard Rock Casino Cincinnati, LLC's (HRCC) independent registered certified public accounting firm for the purposes of auditing HRCC's annual financial statements and examining HRCC's forecasts. A motion to approve Deloitte was made by Chair Taylor. The motion was seconded by Vice-Chair Davidson and approved.

William Cox, Assistant General Counsel, presented to the Commission two rule amendments for final filing. Mr. Cox explained that the Commission initially approved the proposed rules to Ohio Adm.Code 3772-9-02 (and appendix) and 3772-10-18 at the July 17, 2019 public meeting. After receiving initial approval of the amendments, Commission staff filed them along with a Business Impact Analysis with the Common Sense Initiative Office (CSIO). The CSIO was noted to have reviewed and subsequently authorized the Commission to proceed with filing the amendments with the Joint Committee on Agency Rule Review. Commissioner Steinhauer made a motion to adopt proposed Resolution 2019-43, approving final filing of the amendments to Ohio Adm.Code 3772-9-02 (and appendix) and 3772-10-18. The motion was seconded by Vice-Chair Davidson and approved.

Michael Siba, Deputy General Counsel, presented to the Commission for consideration of 1 final order:

In re: Lisa Spears (case #2019-LIC-040). Chair Taylor made a motion to deny the Casino Gaming Employee License Application for Lisa Spears. The motion was seconded by Commissioner Slaby and approved.

Next, Ms. Siba presented to the Commission a Settlement Agreement between Central Ohio Gaming Ventures, LLC (Central Ohio) and the Commission. The agreement would settle a case that arose regarding Hollywood Casino Columbus's table games operations. The settlement agreement includes admissions, conditions, remedial measures, and a \$95,000 fine. Commissioner Manoranjan made a motion to approve the agreement and authorize Chair Taylor to sign it on behalf of the agency. The motion was seconded by Commissioner Slaby and approved.

There being no further business before the Commission, the meeting was adjourned.

Signed,



Lara B. Thomas
Commission Secretary

Approved: December 18, 2019