

OHIO CASINO CONTROL COMMISSION  
MEETING MINUTES

10:00 A.M. – September 18, 2019  
JO ANN DAVIDSON HEARING ROOM  
100 E. BROAD STREET, 20<sup>TH</sup> 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, Ranjan Manoranjan, Lynn Slaby, and John Steinhauer were also in attendance. Commissioner Will Lucas had an excused absence. The minutes of the August 21, 2019 meeting were approved following a motion by Commissioner Steinhauer and seconded by Commissioner Slaby.

Executive Director Matthew Schuler began his report announcing that the Commission had recently submitted its annual report to the Governor's Office and General Assembly, which contains a summation of the 2019 fiscal year. Mr. Schuler recognized the Licensing and Investigations (L&I), Compliance, and Operations Divisions in reviewing and preparing for JACK Cincinnati Casino's (JACK Cincinnati) proposed purchase and ownership transition. In addition to the new casino-operator license work, since January the L&I Division has processed 92 key-employee, 9 gaming-related vendor, and 1,163 casino gaming employee license applications and investigations.

Next, Mr. Schuler had Rick Anthony, Deputy Executive Director and Director of Operations, provide a budget update. Mr. Anthony reported that the Commission was on track for both revenue and expenses. He noted that because of the new casino-operator and key-employee license applications, there will be an increase in application and licensing fees that was not originally anticipated for the quarter. Salaries and benefits were on track and all other expense categories were trending to be below estimates. The enforcement fund expenses were noted to be below estimates, however, additional surveillance equipment is anticipated for the next quarter that will bring the expenses more in line with the estimate.

Mr. Schuler ended his report announcing that the fantasy contest regulations went into effect on September 3<sup>rd</sup>. Only one application has currently been received, but about sixteen applications in total are anticipated. Mr. Schuler explained that fantasy contest businesses that were previously in operation prior to the regulations going into effect will have until October 3<sup>rd</sup> to submit their applications.

Anna Marin Russell, Manager of Investigations and Senior Legal Counsel, presented for consideration, JACK Cincinnati's new application for licensure as a casino operator and the approval of existing debt financing through the adoption of proposed Resolution 2019-30. JACK Cincinnati entered into definitive agreements to sell the Cincinnati casino facility to Seminole HR Holdings, LLC (Hard Rock) and VICI Properties, Inc. (VICI). Per the terms of the agreements, Hard Rock will acquire the casino's operating assets, while VICI will acquire the land and real-estate assets associated with the property. To complete the transaction, Hard Rock, through a wholly owned subsidiary, will acquire 100% of the equity interest in JACK Cincinnati at closing, thus making Hard Rock the new majority owner of the Cincinnati casino-

operator licensee. At the same time, VICI, through Cincinnati Propco LLC, a newly created subsidiary, which has been conditionally approved for licensure as a gaming-related vendor (through Resolution 2019-26), will acquire the spun-off land and real-estate assets associated with the facility. Under R.C. 3772.091, licenses are not transferable, and due to a change in majority ownership, JACK Cincinnati was required to apply for and obtain a new casino-operator license to continue operating the Cincinnati facility. Ms. Russell reviewed the Division of Licensing & Investigation's "Investigative Report on the Application of JACK Cincinnati Casino LLC for a New Casino-Operator License," which concluded that JACK Cincinnati is suitable for a new license, and that Hard Rock's existing debt financing does not negatively impact JACK Cincinnati's suitability. As to the latter conclusion, Ms. Russell noted that all parties to the existing debt financing recognize and acknowledge that: no Commission-issued license is transferable; new majority ownership interest or control of a licensee requires a new Commission-issued license; and a significant change in or transfer of control, as determined by the Commission, requires a new license application be submitted and the license fee be paid to the Commission before any change or transfer of control is approved, as required by R.C. 3772.091(A). Chair Taylor made a motion to adopt Commission Resolution 2019-30, granting a new three-year Casino-Operator License to JACK Cincinnati and approval of Hard Rock's existing debt financing. The motion was seconded by Vice-Chair Davidson and adopted by a roll call vote 6-0.

Then, Ms. Russell presented to the Commission for consideration, six 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 Resolution 2019-31, granting three-year initial key-employee licenses to Crystal Fite of JACK Cincinnati Casino and Wendi McGee of Hollywood Casino Columbus, a new key-employee license to Scott Lokke of JACK Cleveland Casino, and renewing three-year key-employee licenses for: Linster Fox, Everi Holdings, Inc.; Colin Henson, Ainsworth Game Technology Limited; and Shamira Mavany, Penn National Gaming, Inc. A motion to approve the Resolution was made by Commissioner Slaby. The motion was seconded by Commissioner Steinhauer and approved.

Andromeda Morrison, Director of Skill Games, presented to the Commission for consideration of 57 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 2019-32, granting three-year skill-based amusement machine-related licenses upon receipt of the required licensing fees. A motion to approve the Resolution was made by Commissioner Manoranjan. The motion was seconded by Commissioner Brown and approved.

Amanda Blackford, Director of Problem Gambling Services, presented to the Commission a proposed variance and Executive Director Delegation. Ms. Blackford explained that a Voluntary Exclusion Program participant seeking removal from a lifetime exclusion must undergo a problem gambling self-assessment with a medical or clinical professional qualified to treat gambling disorder. This provision, however, is

not feasible for certain lifetime exclusion participants who cannot access free, state-funded problem-gambling clinical services. To address this, the Commission may grant a variance, pursuant to Ohio Adm.Code 3772-1-04(A), from the gambling-assessment requirement for these participants. The proposed variance would afford impacted participants the opportunity to complete a publicly accessible, state-funded webinar on gambling behaviors and awareness, which will ensure the purpose of Ohio Adm.Code 3772-12-05(D)(3) is met. Further, Ohio Adm.Code 3772-2-05 allows the Commission, in its discretion and where permitted by law, to delegate to the Executive Director the authority to perform functions under R.C. Chapter 3772. Ms. Blackford recommended approval of Commission Resolution 2019-33, which would delegate to the Executive Director the authority to administer this variance, and the Executive Director will notify the Commission of all variances granted pursuant to the delegation. A motion to approve the Resolution was made by Vice-Chair Davidson. The motion was seconded by Commissioner Brown and approved.

Craig Donahue, Manager of Compliance and Audit, presented to the Commission for their consideration, the approval of an amended casino gaming area designation for Hollywood Casino Columbus (Hollywood), to adjust its designated gaming area. Hollywood sought to expand its outdoor gaming space by 8,000 square feet to accommodate 228 slot machines, an entertainment stage, and an 18-seat bar, which it plans to be ready for use in early 2020. Commissioner Slaby made a motion to approve the amended casino gaming area designation for Hollywood. The motion was seconded by Commissioner Steinhauer and approved.

Next, Mr. Donahue, presented to the Commission proposed amendments to existing rules 3772-19-01 through 3772-19-10, pursuant to the required R.C. 119.04 statutory five-year review. A motion to approve the initial filing of the amendments was made by Commissioner Slaby. The motion was seconded by Vice-Chair Davidson and approved.

Rachel Kasper, Assistant General Counsel, presented to the Commission for consideration of 10 final orders:

In re: Joshua Adams (case #2019-LIC-010). Chair Taylor made a motion to approve and adopt the Report and Recommendation without modifications to deny the Casino Gaming Employee License Application for Joshua Adams. The motion was seconded by Vice-Chair Davidson and approved.

In re: Brittany Carlton (case #2019-LIC-036). Chair Taylor made a motion to deny the Casino Gaming Employee License Application for Brittany Carlton. The motion was seconded by Commissioner Brown and approved.

In re: Angela Giehl (case #2019-LIC-015). Chair Taylor made a motion to approve and adopt the Report and Recommendation without modifications to deny the Casino Gaming Employee License Application for Angela Giehl. The motion was seconded by Commissioner Slaby and approved.

In re: Tori Hall (case #2019-LIC-025). Chair Taylor made a motion to approve and adopt the Report and Recommendation without modifications to revoke the Casino Gaming Employee License for Tori Hall. The motion was seconded by Commissioner Steinhauer and approved.

In re: Jevan Hooks (case #2019-LIC-033). Chair Taylor made a motion to deny the Casino Gaming Employee License Application for Jevan Hooks. The motion was seconded by Commissioner Manoranjan and approved.

In re: Matthew Kaiser (case #2019-LIC-032). Chair Taylor made a motion to deny the Casino Gaming Employee License Application for Matthew Kaiser. The motion was seconded by Vice-Chair Davidson and approved.

In re: Jorge Navedo Becerra (case #2019-LIC-031). Chair Taylor made a motion to deny the Casino Gaming Employee License Application for Jorge Navedo Becerra. The motion was seconded by Commissioner Steinhauer and approved.

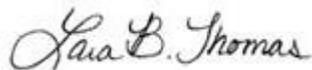
In re: Godwin Obot (case #2019-LIC-001). Chair Taylor made a motion to approve and adopt the Report and Recommendation without modifications to deny the Casino Gaming Employee License Application for Godwin Obot. The motion was seconded by Commissioner Slaby and approved.

In re: Derrick Soulliere (case #2019-LIC-027). Chair Taylor made a motion to revoke the Casino Gaming Employee License for Derrick Soulliere. The motion was seconded by Vice-Chair Davidson and approved.

In re: Janet Sprecher (case #2019-LIC-021). Chair Taylor made a motion to deny the Casino Gaming Employee License Application for Janet Sprecher. The motion was seconded by Commissioner Manoranjan and approved.

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

Signed,

A handwritten signature in cursive script that reads "Lara B. Thomas".

Lara B. Thomas

Commission Secretary

Approved: October 16, 2019