

poolrx  
casino®

# Parx Casino – PGCB Renewal Hearing

---

Parx Casino • February 28, 2019

# Introduction & Opening Statement

---



**Robert Green**

Chairman of the Board  
Greenwood Racing, Inc.



**Tony Ricci**

Chief Executive Officer  
Greenwood Racing, Inc.



**Ron Davis**

Chief Diversity  
& Inclusion Officer  
Greenwood Racing, Inc.

# Key Highlights

---

- Number one casino in Pennsylvania since our opening in December 2006
- Invested more than \$700 Million in the casino since 2006
- Created a beautiful destination, when combined with our first-class service, delivers a great experience that produces customer satisfaction and loyalty
- Developed the best team in the business that creates an exciting atmosphere for guests on a daily basis
- We are proud of our record of commitment to diversity, community outreach and social responsibility – This wonderful community has shared in the benefits from our success story



# Key Highlights (Continued)

---

- We prioritize local residents for hiring and vendor selection to ensure we can grow together
- Maintain a strong working relationship with community to ensure that there are no adverse impacts on traffic and crime
- Strong commitment to responsible gaming and compliance evidenced by our outstanding record in these areas



# Industry Leader – Continuing to Move Forward

---

- **Parx was one of only two casinos to open in 2006**
  - Slot machines were located on 1st & 3rd floors of the former racing grandstand (now known as Parx East)
  - Amenities included a buffet, steak house restaurant, Grab-N-Go casual dining outlet and cocktail lounge
  - Live and simulcast thoroughbred horse racing operations continued also on the first and third floors of the building
- **The Parx permanent casino opened in December 2009 creating Pennsylvania's premier gaming facility**
  - 125,000 square foot gaming floor offering 3,287 slot machines
  - 57 table games were added in the summer of 2010
  - Amenities included the 360 Bar (entertainment venue), Jax Bar (casino center bar), Parx Grill (steakhouse), Chickie's and Pete's sport bar and the food court with multiple dining options

# Industry Leader – Continuing to Move Forward

---

- **Since the July 2014 renewal hearing, we have expended an additional \$146 Million in investments to the casino including:**
  - New 1,500-seat multipurpose room (“Xcite Center”) - \$40.3 Million
  - New slot machine purchases - \$27.1 Million
  - Gaming floor expansion (expanded gaming floor, restrooms, gift shop and Lounge) - \$23.4 Million
  - Three new F&B outlets (Oliveto restaurant, Liberty Bell Pub, Beer Garden) - \$16.1 Million
  - New 48-table Poker room - \$5.4 Million
  - Surveillance system enhancements - \$4.4 Million
  - Casino Carpet Upgrades - \$2.6 Million
  - Mechanical/Electrical upgrades - \$2.0 Million
  - Reconstruction of Mechanicsville / Byberry Roads intersection
- **Parx Casino now has a gaming floor of 174,864 square feet with 3,202 slot machines, 140 table games, 10 hybrid table games (with 48 electronic wagering terminals), 40 poker tables and 29 self-service sports wagering kiosks**
- **More entertainment and dining options for our guests lead to more visits to our casino property, which lead to more revenue for the Commonwealth**



Xcite  
center

Xcite  
center

Xcite  
center

**Xcite Center – Facing Stage**



**Xcite Center – Facing Audience**





**Liberty Bell Gastropub - Entrance**



**Liberty Bell Gastropub - Rotisserie**



**Oliveto - Entrance**



**Oliveto - Facing Entrance**



**Beer Garden – Facing Bar**



**Beer Garden - Entrance**



**Poker Room**

# Benefits to the Commonwealth

---

Parx Casino generates the highest revenues and gaming taxes among the Pennsylvania casinos. Since opening in December 2006, Parx Casino has paid the following gaming taxes to the Commonwealth:

- **Total gaming taxes paid are \$2.6 Billion**
  - Taxes from slots are \$2.4 Billion
  - Taxes from table games are \$187 Million
  - Taxes from sports betting (commenced January 2019) are \$0.8 Million

# Commitment to Racing

---

- In 2019, Parx is in its 30th year as owner and operator of Parx Racing. Since 1990, the Parx team has worked with its horsemen to establish one of the premier thoroughbred racing operations in the country
- Since the opening of the permanent casino in 2009, we have expended \$43 Million in investments and repairs to the backstretch
  - Built 29 new barns, renovated 4 barns and refurbished 12 dormitories
  - Built a manure storage facility to promote best management practices and environmental compliance
  - Implemented an industry-leading access control system for the restricted racing areas to maximize the safety and security of personnel working and horses housed there
  - Made various improvements and repairs to the backstretch
    - Inside rider protection rail on racing oval
    - Paving work, roof repairs, site drainage
    - Eco-friendly rubber pavers installed in paddock, walking ring and winner's circle

## Commitment to Racing (Continued)

---

- Paid Purses totaling \$48.5 Million in 2018
  - Average purses per day were \$309,000
- Elevated the annual PA Derby to a Grade 1 stakes race joining the Grade 1 Cotillion stakes run on the same day, each with a \$1 Million purse, attracting the best thoroughbreds in the world
- Make annual donation of \$50,000 to Turning for Home for the humane care of retired thoroughbred race horses - \$550,000 contributed to date

# The Future Remains Bright

---

- **Parx has taken a leading position in sports wagering, with operations now underway at Parx Casino and at the South Philadelphia Turf Club**
  - Temporary sports book operating in the Parx Casino 360 Bar
  - Sports book operating at the South Philadelphia Turf Club
  - Permanent 10,000 square foot sports book now under construction and will open in the summer of 2019
  - Sports book scheduled to open in March 2019 at the Valley Forge Turf Club (subject to PGCB approval)
- **Parx will bring its first class casino experience to a new market in 2020**
  - Shippensburg Township in Cumberland County will be the site of Parx's Category 4 mini-casino
  - Approximately 500 slot machines and 40 electronic gaming tables and a Chickie's and Pete's sports bar
  - Also will include a race and sports book for pari-mutuel and sports wagering
- **Parx interactive (internet) gaming is now under development and is expected to be ready for operations in the first half of 2019 (subject to PGCB approval)**
  - Casino games
  - Sports wagering

## Workforce Summary (As of December 2018)

---

- 2,199 employees in the gaming operation
- 402 employees in the racing operation
- 2,217 employees (82%) are Pennsylvania residents
- 42% of our employees are representatives of various historically underrepresented groups
- 41% of our employees are women

# Workforce Highlights

---

- Creation of 287 Full Time Permanent Executive, Managerial and Professional Positions
- 74% of All Advancement Opportunities Are Filled Internally
- Development of New Casino professions including:
  - Finance, Info. Technology, Food/Beverage, Warehouse, Wardrobe, Slot Operations, Human Resources, Transportation, Environmental Services, Marketing, Security, Surveillance, Retail, Facilities, Racing, Sports Wagering, Business Analytics, Internal Audit
- 83% of our executive and managerial workforce reside in Pennsylvania

# Success in Diversity Initiatives

---

- Employment
- Contracting
- Diversity Highlights
- Awards and Recognition

# Diversity in Employment

---

- Minority (Historically Under Represented Groups)
  - 42% of Total Employee Workforce
    - Local MSA is 10%
- Female
  - 41% of Total Employee Workforce

# Diversity in Construction / Vendor Purchasing

---

- 27% of Total Expenditures for the initial Parx Casino construction were allocated to MBE/WBEs
- Local Business Enterprise /state expenditures for 2006 - 2018 were \$810 Million out of \$1.7 Billion spent (48%)
- Total MBE/WBE expenditures were \$60.5 Million for period 2009 - 2018
- 30 “How to do Business with Parx” meetings with MBE/WBE/LBE suppliers and vendors were conducted during 2006 - 2018
  - Over 1,100 outreach meetings with MBE/WBE/ LBE individual suppliers
- Maintain Active Membership with Eastern Minority Supplier Development Council of PA-DE-NJ
- Maintain an active membership with the Women’s Business Enterprise Council

# Diversity & Community Highlights

---

- **We are an active member of various local business development groups:**
  - Hispanic Chamber of Greater Philadelphia
  - Bensalem Business Directory
  - African American Chamber of Commerce
  - Asian American Chamber of Commerce
  - Greater Philadelphia Chamber of Commerce
  - Bensalem Business Association
  - Lower Bucks, Upper Bucks and Central Bucks Chambers of Commerce
  - Visit Bucks – Bucks County Convention and Visitors Bureau
- **From 2014 through 2018, we have contributed more than \$2.0 Million through Pennsylvania's Educational Improvement Tax Credit (EITC) and Opportunity Scholarship Tax Credit (OSTC) programs. In addition, we have made contributions of \$460,000 benefiting ten different grade schools, high schools and educational organizations in our area.**

# Diversity & Community Highlights (Continued)

---

- Since 2006, Parx has awarded \$100,000 in scholarships to 150 college bound students of:
  - Bucks County Technical High School
  - Bensalem High School
  - Conwell-Egan and Archbishop Wood Catholic High Schools
  - Children of Parx Casino and Racing employees
- Meet regularly with Bensalem Gaming Advisory Board to ensure that the advisory committee is informed about current operations and future plans
- Service on area Boards of Directors (e.g., American Red Cross, Network of Victim Assistance, Citizens Crime Commission, United Way of Bucks County, Lower Bucks Chamber, Livengrin, YMCA of Bucks County, Habitat for Humanity of Bucks County)
- Partnerships with Livengrin Gambling Addiction Treatment Program, Community College of Philadelphia Parx Diversity and Inclusion Program, Bucks County Community College Student Empowerment Program

# Compulsive & Problem Gambling Highlights

---

- Worked with representatives of the Council on Compulsive Gambling of Pennsylvania (CCGP) to establish comprehensive compulsive and problem gambling training
- Incorporated compulsive gambling training into new employee orientation to ensure that all team members are trained and aware
- Yearly \$25,000 contribution to CCGP (Total of \$300,000 since opening in 2006)
- Annual sponsor of CCPG education and training in eastern Pennsylvania.
- Livengrin Gambling Addiction Treatment Program - \$75,000 commitment over three years

# Community Involvement

---

- Since 2006, we have made donations and established sponsorships totaling \$95 Million to over 800 organizations

- Donations were made to international, national, and local groups that support many varied causes, including:

- YWCA Bucks County
- Building a Better Bensalem Together
- UNCF (United Negro College Fund)
- Habitat for Humanity
- Bensalem Health Fair for Seniors
- American Red Cross
- Council on Compulsive Gambling
- Special Olympics
- Bensalem Summer Concert Series
- Bensalem Pride Day
- NAACP Bucks County Annual Dinner
- Livengrin Ride for Recovery
- Bucks County Health Improvement
- Libertae Halfway House Family House of Bensalem
- Latino Leadership Alliance
- Historic Philadelphia, Inc.
- Bucks County Jewish Outreach Center
- Bensalem Township EMS
- Scholarship awards to Area High School graduates
- EITC/OSTC contributions to education
- Fallen Firefighters
- Veterans outreach programs
- Delaware Valley Crime Commission
- Network of Victim Assistance
- Child Advocacy Center
- Bensalem Police Ride for Heroes
- Bensalem Senior Citizens Community Center
- First Responders Suicide Prevention Hotline

# Community Involvement – Awards & Recognition

---

- Recognized by US Department of State - Diversity and inclusion in the top 100 businesses in the US
- Women's Business Enterprise Center Award of Excellence
- Bucks County NAACP Award for Community Service
- Tourism Impact Award from Visit Bucks
- Bensalem Jewish Outreach Center community service award
- Philadelphia Chapter NAACP Corporate Citizen Award
- American Red Cross Chairman's Award
- Community College of Philadelphia Community Leadership Award
- UNCF Corporate Leaders Award
- United Way Service Award
- Central Bucks Chamber of Commerce Service Award

# Delivered on a Promise – Commitments Accomplished

---

- Job Creation
- Generation of New Business for Local Suppliers and Vendors
- Recapture Dollars Leaving State
- Catalyst for Future Capital Investment in Pennsylvania
- Significant Tax Benefits to the State
- Physical Improvement to the Track Amenities and Backside
- Diversity and Inclusion impact
- Involvement with Community Organizations
- Charitable Donations
- Hiring Locally and Utilization of Local Businesses
- Partnership with Educational Institutions
- Commitment to Participate in Efforts to Grow Area
- Open Communication with Local Authorities, Businesses and Residents of Area
- Compulsive Gambling Program and Training

# Thank You



poolrx  
casino®