

September 8, 2021, LGCB Special Meeting, (Pages 1:1 to 74:25)

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4 LOUISIANA GAMING CONTROL BOARD SPECIAL MEETING

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8 THURSDAY, SEPTEMBER 8, 2021

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12 LOUISIANA STATE CAPITOL

13 HOUSE COMMITTEE ROOM 5

14 900 NORTH 3RD STREET

15 BATON ROUGE, LOUISIANA

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19 TIME: 10:00 A.M.

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1 APPEARANCES

2 CHAIRMAN RONNIE S. JOHNS

Chairman

3 (At-Large)

June 30, 2025

4

VICE-CHAIRMAN JULIE BERRY

5 (CPA)

Third Congressional District

6 June 30, 2024

7 ASHLEY A. TRAYLOR

(At-Large)

8 First Congressional District

June 30, 2027

9

FRANCESCA HAMILTON-ACKER

10 (Attorney)

Third Congressional District

11 June 30, 2026

12 CLAUDE D. JACKSON

(At-Large)

13 Fourth Congressional District

June 30, 2027

14

O. LAMAR POOLE, JR.

15 (Economic/Community Planner)

Sixth Congressional District

16 June 30, 2025

17 NATALIE THURMAN

Principal Assistant

18

KIMBERLY LEWIS

19 Secretary

Department of Revenue

20

MAJOR CHUCK McNEIL

21 Louisiana State Police

22

REPORTED BY:

23

KARLA H. MAYERS, CCR

24 Baton Rouge Court Reporters, LLC

25

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1 CHAIRMAN JOHNS:

2 Okay. Good morning, everyone. We're

3 going to have to stand at ease for just a moment.

4 One of our members is coming in from Lafayette and

5 got some traffic problems, and she should be here

6 shortly, but we do have to have her for a quorum

7 this morning. So I just appreciate your patience
8 with us, and we'll just stand at ease.

9 (OFF THE RECORD)

10 I. CALL TO ORDER

11 CHAIRMAN JOHNS:

12 Okay. Good morning, everyone. We --
13 we've got a quorum, and we thank -- thank all of
14 our members for making an effort to -- to be here
15 today. I know this was a hastily called meeting.
16 It got set back a week by Hurricane Ida, but we
17 appreciate your efforts, Board Members, for -- for
18 being here today. So I'd like to call the special
19 meeting of Louisiana Gaming Control Board to
20 order, September 8, 2021. Ms. Thurman, would you
21 call the role, please?

22 MS. THURMAN:

23 Chairman Johns?

24 CHAIRMAN JOHNS:

25 Here.

5

1 MS. THURMAN:

2 Mr. Avant?

3 (NO RESPONSE)

4 MS. THURMAN:

5 Ms. Berry?

6 MS. BERRY:

7 Here.

8 MS. THURMAN:

9 Mr. Jackson?

10 MR. JACKSON:

11 Here.

12 MS. THURMAN:

13 Ms. Lewis?

14 (NO RESPONSE)

15 MS. THURMAN:

16 Mr. Poole?

17 MR. POOLE:

18 Here.

19 MS. THURMAN:

20 Ms. Hamilton-Acker?

21 MS. HAMILTON-ACKER:

22 Here.

23 MS. THURMAN:

24 Mr. Sholes?

25 (NO RESPONSE)

6

1 MS. THURMAN:

2 Ms. Traylor?

3 MS. TRAYLOR:

4 Here.

5 MS. THURMAN:

6 Colonel Davis?

7 MAJOR McNEIL:

8 Major McNeil for Colonel Davis.

9 MS. THURMAN:

10 And Secretary Lewis?

11 SECRETARY LEWIS:

12 Here.

13 MS. THURMAN:

14 We have a quorum.

15 CHAIRMAN JOHNS:

16 Good. Thank you, Ms. Thurman. We do
17 have a quorum. Members of the Board and to all
18 the interested parties here today, I'm going to
19 announce that I, as chairman, am going to recuse
20 myself from the discussion and the voting today on
21 the issues at hand. Some of the items on the
22 agenda today are related to legislative action
23 that occurred while I was still in the Louisiana
24 senate, and so I'm going to recuse myself. I'm
25 going to ask our Vice-chairwoman, Julie Berry, to

7

1 take the chair at this time.

2 MS. BERRY:

3 Thank you, Mr. Chairman. I

4 appreciate it.

5 (CHAIRMAN JOHNS EXITING MEETING)

6 II. PUBLIC COMMENTS

7 MS. BERRY:

8 As the chairman mentioned, I'm
9 Vice-chairman Julie Berry, and I would like to get
10 rolling with the agenda. And the first thing we
11 want to know, if there's any public comments on
12 anything that is being brought before the Board
13 this morning. Only anything that's on the agenda
14 today could have public comments.

15 (NO RESPONSE)

16 MS. BERRY:

17 Okay. Hearing no comments, before I
18 call the rest of the agenda to work on, I would
19 like to ask for a motion to authorize me as the
20 vice-chair to sign any and all orders that are
21 brought before the board today, resolutions, any
22 other documents necessary related to today's
23 agenda.

24 MR. JACKSON:

25 Motion to approve.

8

1 MS. BERRY:

2 A motion by Mr. Jackson.

3 MR. POOLE:

4 I'll second that.

5 MS. BERRY:

6 Second by Mr. Poole. All in favor of
7 the motion?

8 (COLLECTIVE "AYE")

9 MS. BERRY:

10 All opposed?

11 (NO RESPONSE)

12 MS. BERRY:

13 Motion carries. Thank you.

14 III. CASINO GAMING ISSUES

15 MS. BERRY:

16 Okay. We're going to move on to --
17 the next is casino gaming issues. The first
18 issue -- a little redundant here -- but is

19 consideration of a motion to recuse
20 Chairman Johns, which was filed by Chandler and
21 Jason Goltz. I hope I'm pronouncing that
22 correctly. As the chairman has already recused
23 himself from today's meeting due to his
24 extenuating circumstances, this motion is moot.
25 So do I have a motion to dismiss this motion?

9

1 MS. HAMILTON-ACKER:

2 So moved.

3 MS. BERRY:

4 A motion by Ms. Hamilton-Acker.

5 MR. JACKSON:

6 Second.

7 MS. BERRY:

8 Second by Mr. Jackson. All in favor?

9 (COLLECTIVE "AYE")

10 MS. BERRY:

11 All opposed?

12 (NO RESPONSE)

13 MS. BERRY:

14 Motion carries. Thank you. Okay.

15 Next on the agenda, I'm going to read the two
16 issues together since they are definitely related.
17 We have, "Consideration of Original Petition for
18 Intervention and Declaratory Judgment filed by
19 Chandler and Jason Goltz," and, "Consideration for
20 request for hearing filed by Chandler and
21 Jason Goltz."

22 Since these individuals have filed a
23 petition, I'm going to allow their attorney to
24 come to the table, and you'll be granted ten
25 minutes for comment on these petitions. If you

10

1 would, please, introduce yourself to the Board and
2 the audience.

3 MR. JONES:

4 Good morning, Board Members. This
5 Scott Jones.

6 MS. BERRY:

7 Just one second. You might need
8 to -- might need to pull it down a little bit
9 or -- is your red button -- green button on?

10 MR. JONES:

11 I see a green light there.

12 MS. BERRY:

13 That's it.

14 MR. JONES:

15 So that looks like we're good.

16 MS. BERRY:

17 Thank you, sir.

18 MR. JONES:

19 Once again, good morning. I'm
20 Scott Jones on behalf of Chandler and Jason Goltz.
21 To the Board Members as to the first item that was
22 referred to, the request for hearing, this was a
23 matter that was discussed yesterday at some length
24 with the court -- court personnel regarding a

25 writ of mandamus that we had filed, but we agreed

11

1 that what we're doing this morning satisfies the
2 request for hearing.

3 So we understand that the -- the type
4 of hearing outlined in Revised Statute 27:25 is
5 typically regarding actions as to permittees and
6 licensees, and so we're satisfied with what we're
7 doing this morning having this hearing before the
8 Board.

9 MS. BERRY:

10 All right. Thank you. Anything
11 else?

12 MR. JONES:

13 Not as to that item, no.

14 MS. BERRY:

15 Okay.

16 MR. JONES:

17 Did you want me to go on to the -- to
18 the petition matter, or are we handling those
19 separately?

20 MS. BERRY:

21 Yes, you can. You have ten minutes,
22 yes, sir. You can talk --

23 MR. JONES:

24 Okay. Ten minutes total. Okay. All
25 right. All right. So the -- let me clarify one

12

1 thing in advance before I get started on anything

2 else regarding the petition that we filed. We are
3 not asking the Board, nor did we request one time
4 in the original petition, that the Board declare
5 Act 362 unconstitutional.

6 So that is not the relief that we are
7 asking for this morning. I believe that was
8 addressed in an opposition memorandum, but a
9 careful reading of the petition indicates that we
10 did not ask the Board to do that. And -- and
11 frankly, I agree that the -- the board cannot
12 address the constitutionality of a legislatively
13 passed statute.

14 So let me go on, then, to what I
15 believe we are here for and what we're having the
16 Board address. I do think that an understanding
17 is necessary by the board members as to why we
18 feel that Act 362 is unconstitutional, but that's
19 not asking the Board to rule on it as a matter of
20 board decision.

21 So it's our position on behalf of
22 Jason and Chandler Goltz that in order for there
23 to be gambling activity, gaming activity,
24 relocation of a -- of a gambling boat, or a gaming
25 vessel, to St. Tammany Parish, then gambling, or

13

1 gaming, has to be legal in St. Tammany Parish, and
2 that those items cannot be done until gaming is
3 legal in St. Tammany Parish.

4 The Legislature, in 1996, established

5 a process by which the Louisiana legislature was
6 required to approve gaming operations. They had
7 to authorize a referendum election, a yes-or-no
8 vote on gaming, in the parish. The election has
9 to be held. And then, and only then, this Board
10 addresses the issue of whether a license can be
11 issued or transferred from another location, or
12 relocated from another location, to St. Tammany
13 Parish. So that's why what I'm discussing this
14 morning involves a little bit of understanding as
15 to Act 362.

16 After all of the parishes in
17 Louisiana, in 1996, voted yes or no to have
18 gambling or gaming in their parish, St. Tammany is
19 a "no" parish and remains a "no" parish. As of
20 right now, gaming is illegal in St. Tammany
21 Parish. And in order for that to be changed,
22 there has to be a yes-or-no referendum election.

23 We believe that the Act 362 bypasses
24 that multi-step process, that is, Legislature
25 passing an act, a referendum election being

14

1 held -- the election actually being held, and then
2 a decision made by the Board as to whether to add
3 a license, or allow a license, in St. Tammany
4 Parish.

5 So if we look at the Louisiana
6 Constitution, and I address this in Articles 11
7 through 14 of the petition that we filed,

8 Louisiana Constitution, Article 12,
9 Section 6(C)(1)(b) states in relevant part,
10 ". . . no license or permit regardless of when
11 issued shall be reissued, amended, or replaced to
12 authorize the holder to conduct riverboat gaming,
13 gambling, or wagering operations or activities at
14 a berth or docking facility different from that
15 authorized in the license or permit," which at
16 this point is in Bossier City, "unless a refer" --
17 "unless a referendum election on a proposition to
18 allow such gaming, gambling, or wagering
19 operations or activities has been held . . ."
20 That's past tense. That means it can't be done
21 until the election has been held.

22 In this instance, even if we presume
23 the constitutionality of Act 362, that election is
24 not set until November 13; therefore, it's our
25 position that for the Board to take any action in

15

1 terms of relocating those operations from
2 Bossier City to St. Tammany Parish at this point
3 is premature, because at this point gaming is
4 illegal in St. Tammany Parish.

5 So the rest of that -- that statute
6 reads, ". . . unless a referendum election on a
7 proposition to allow such gaming, gambling, or
8 wagering operations or activities has been held in
9 the parish in which the proposed berth or docking
10 facility is located and the proposition has been

11 approved by a majority of those voting thereon,"
12 past tense.

13 So that, we feel, renders the Gaming
14 Board unable to address the issue of relocating
15 operations, activities, or a license to
16 St. Tammany Parish unless and until a majority of
17 the voters have voted. And if we presume that
18 takes place on November 13, then it would be after
19 November 13.

20 For these reasons, the petitioners
21 have requested a declaratory judgment establishing
22 that any consideration to move the boat, to move
23 operations, to move activities, or to move a
24 license from Bossier Parish, Louisiana, to
25 St. Tammany Parish, Louisiana, is premature at

16

1 this time.

2 We would also point out that the
3 provisions of Louisiana Revised Statute 22 -- I'm
4 sorry -- 27:68A state that, "The transfer of a
5 license or an interest in the license issued
6 pursuant to this Chapter is prohibited." Now,
7 that -- the way that that's worded is -- is
8 somewhat interesting, because it doesn't indicate,
9 in terms of the wording of the statute, whether
10 that means physical transfer or interest transfer.
11 It does say interest. It says the transfer of a
12 license or the interest in a license. So that
13 seems to me to be two things: A physical transfer

14 of a license from Bossier Parish to St. Tammany
15 Parish or the interest in the license, say, from
16 one company to another company. It's our
17 position, on behalf of the Goltzes, that that
18 statute includes the physical transfer of a
19 license is prohibited.

20 Well, what would the answer be, then?

21 Well, the answer to that issue would be to address
22 whether the license should be removed from the
23 current license holder and be placed up for bid.

24 In this instance, the --

25 MS. BERRY:

17

1 (Indicating)

2 MR. JONES:

3 I'm sorry?

4 MS. BERRY:

5 Two minutes.

6 MR. JONES:

7 Two minutes. In this instance, the
8 operators in Bossier City failed to resume
9 operations as per this Board's COVID order in June
10 of, I believe, last year. And, if they did resume
11 it, it wasn't on a continuing basis, which, I
12 believe, the spirit of the order indicated.

13 It's our position that the citizens
14 of Louisiana would benefit from that license being
15 pulled from the current license holder in
16 Bossier City and placed up for bid. Let the

17 citizens of Louisiana make the millions of dollars
18 that a person -- or a company interested in
19 obtaining a rare riverboat gaming license, let's
20 let the citizens benefit from the money that that
21 would generate all across the state of Louisiana.

22 There's no reason -- there's no
23 particular reason to leave that with a single
24 company when there are other companies that might
25 be interested in that. That company that

18

1 currently holds the license hasn't been doing
2 business with that rare license in Louisiana for
3 the last year, year and a half, two years. So why
4 would we let it stay with them? Let's put it up
5 for bid, and let's make some money for all of the
6 citizens of Louisiana.

7 But I think aside from that issue as
8 to what's to be done with the license, the one
9 thing that we are trying to get the Board to
10 understand and agree with is that, at this point,
11 nothing can be done. And I noticed in the
12 petition to relocate, they're specifically asking
13 the Board to take certain actions before any
14 election is held, and that includes the relocation
15 of a berth and -- and to approve the relocation of
16 gaming operations to St. Tammany Parish. We --
17 and it's our argument and suggestion to the Board
18 that that's premature at this time.

19 MS. BERRY:

20 Thank you for your comments.

21 MR. JONES:

22 Yes, ma'am.

23 MS. BERRY:

24 Appreciate it. Now, I would like to
25 ask the Attorney General's Office to please give

19

1 their comments to us, and you also have ten
2 minutes. Thank you.

3 MR. GATHE:

4 Good morning, Vice-chair Berry, Board
5 Members. I'm Assistant Attorney General
6 Jeremy Gathe, and I'll address both of the agenda
7 items.

8 So our office has reviewed the
9 Original Petition for Intervention and Declaratory
10 Judgment filed by Attorney Jones on behalf of
11 Chandler and Jason Goltz. And in their petition
12 the Goltzes have petitioned the Board pursuant to
13 Louisiana Administrative Code, Title 42,
14 Part III-116, requesting a declaratory order or
15 ruling and injunctive relief on the illegality and
16 unconstitutionality of the relocation of a
17 riverboat gaming license to St. Tammany Parish as
18 provided for in Act 362 of the 2021 Regular
19 Legislative Session.

20 The petitioners intend to invoke
21 Louisiana Administrative Code, Title 42, Part
22 III-116(A) in this matter. Now, that rule allows

23 the Board to issue a declaratory order or ruling
24 as to the applicability of any statutory
25 provisions or as to the applicability or validity

20

1 of any rule or order of the Board as it relates to
2 interested persons. Here, the petitioners are
3 actually requesting that the Board issue a
4 declaratory ruling on the constitutionality and
5 not the applicability of the statutes contained in
6 Act 362.

7 This petition is not properly before
8 the Board, because this Board, as an
9 administrative agency, lacks the authority to
10 render a declaratory ruling on the
11 constitutionality or legality of a legislative
12 act, and the petitioners are not considered
13 interested persons for gaming law purposes.

14 Although the Board is vested with a
15 wide variety and authority and discretion over all
16 aspects of gaming operations in Louisiana, the
17 Board does not have the authority to determine the
18 constitutionality of gaming statutes. Petitioners
19 are not challenging the applicability of the
20 Board's rules against the permit or license that
21 they are issued but are challenging the
22 constitutionality of Legislative statutes and as
23 they affect someone else's license. Determination
24 of whether a statute is unconstitutional is
25 strictly a function of the judicial branch of

1 government.

2 Additionally, the Members of the
3 Board are not authorized to exercise judicial
4 power under the Louisiana Constitution. Such
5 power has been explicitly removed from the -- I'm
6 sorry. Such power has not been explicitly removed
7 from the jurisdiction of the judicial branch,
8 which is your Supreme Courts, Court of Appeals,
9 and District Courts by the Legislature and then
10 given to the Board.

11 The judicial branch retains its
12 jurisdiction to determine constitutional
13 challenges to gaming statutes, and the
14 petitioner's request for a declaratory ruling
15 should be rendered by the judicial branch of
16 government. In fact, the Goltzes have filed a
17 Petition for Declaratory Ruling and Injunctive
18 Relief related to the constitutionality of the
19 provisions of Act 362 in the 19th JDC, which makes
20 the request for a declaration by the Board on the
21 constitutionality and legality of any provision of
22 Act 362 even more improper.

23 Also, in order for the Board to even
24 issue a declaratory order or ruling under
25 Louisiana Administrative Code, Title 42, Part

1 III-116(A), the party bringing the action, they
2 have to be an interested person for gaming law

3 purposes. And in order to have standing, a party
4 must present a legally protectable and tangible
5 stake in the matter.

6 The petitioners are implying, without
7 any supporting documentation, that they have
8 standing to bring this action for a declaratory ruling as
9 an interested person under Louisiana
10 Administrative -- Administrative Code 42,
11 Part III-116. Petitioners only allege that they
12 are uniquely interested because they're a married
13 couple currently residing in St. Tammany Parish
14 near the city of Slidell; however, an action can
15 only be brought by a person having a real and
16 actual interest in which he asserts.

17 The petitioners are not applicants,
18 they're not licensees, they're not permittees with
19 a true legal interest under gaming law but,
20 rather, a third party questioning the
21 constitutionality of an act of the Legislature and
22 the legality of an upcoming referendum election in
23 St. Tammany Parish. To be a married couple
24 currently residing near the city of Slidell does
25 not make the Petitioners uniquely interested, nor

23

1 does it present a legally protectable and tangible
2 stake in this matter for gaming law purposes.

3 Case law supports that they are not
4 considered interested parties eligible to file a
5 petition for a declaratory ruling with the Gaming

6 Control Board. The only right that the
7 petitioners have that the law provides is their
8 right to vote in the election in St. Tammany
9 Parish, as called for by Act 362.

10 In their petition, they also
11 suggested that they were entitled to an
12 adjudicatory hearing in the matter, and, again,
13 for an adjudicatory hearing, only -- it provides
14 that for only applicants, licensees, and
15 permittees the right to request an adjudicatory
16 hearing. There's no pending administrative action
17 or adjudication that has been taken against the
18 petitioners that would grant them the right to
19 request a hearing pursuant to Louisiana Revised
20 Statute 27:25.

21 So petitions are considered by the
22 Board at open meetings and not during adjudicatory
23 hearings. The Board's action to approve or
24 conditionally approve or deny a request by a
25 licensee is solely between the Board and the

24

1 licensee and is based upon the findings of the
2 investigation conducted by the Division. There is
3 no procedural mechanism for a person to contest
4 the Board's approval of a licensee's relocation of
5 berth site, because this is purely an
6 administrative function.

7 In addition, no person is entitled to
8 an administrative hearing or any other judicial or

9 administrative relief regarding another person's
10 riverboat gaming license. The petitioner's only
11 rights related to the relocation are to speak
12 during the public comments section period of the
13 Board meeting for which the relocation will be
14 considered, which was earlier today, and at the
15 election.

16 Pursuant to the law and supported by
17 case law, petitioners are not entitled to
18 intervene, and the request for a hearing under the
19 provisions of Louisiana Revised Statute 27:25 is
20 improper and should be dismissed.

21 Act 362 became effective on June 15,
22 2021, and on that date, the Board became bound by
23 the new provisions of law. In addition, the
24 petitioners are requesting that the Board enjoin
25 itself from performing its required duties

25

1 pursuant in Act 362. The performance of the Board
2 in Act 362 is required by law, and the Board has
3 no right to refuse compliance with laws enacted by
4 the Louisiana Legislature. Additionally, the
5 petitioners do not have a standing or a right to
6 intervene in the licensee's petition for
7 relocation of its berth site.

8 Legally, the Board cannot grant the
9 relief sought by the petitioners due to its lack
10 of authority to issue declaratory rulings on the
11 constitutionality of statutes and to refuse to

12 follow acts of the Legislature. Only the District
13 Courts can make that type of determination.

14 Furthermore, this matter is already
15 before the proper body, as petitioners have filed
16 a petition in District Court seeking a declaratory
17 judgment regarding Act 362. As this matter is
18 being litigated in District Court and this matter
19 relates to a licensee's petition, which the Board
20 will have to consider, this Board should not issue
21 a declaratory ruling. Thank you.

22 The law does not afford the remedy
23 sought in a petition by the -- in the petition by
24 the Board; therefore, the Board has no choice but
25 to dismiss the request for intervention and

26

1 declaratory judgment and to dismiss the request
2 for a hearing.

3 MS. BERRY:

4 Thank you, Mr. Gathe. Appreciate it.
5 Okay. As Mr. Gathe said, this Board is an
6 administrative agency, and based on his and the
7 Attorney General's advice, I do not believe that
8 this Board can issue a declaratory ruling in this
9 matter or allow an intervention. And I don't
10 believe that they're entitled -- the petitioners
11 are entitled to a hearing at this time.

12 This Board cannot rule on
13 constitutionality of a statute that bears with the
14 Legislature. They're not asking for a ruling on

15 the applicability of a statute or an
16 administrative action against them; so I don't
17 think they're entitled to a declaratory judgment
18 or ruling or hearing before the hearing officer.
19 Whether we approve or deny a petition by a
20 licensee is an administrative function of this
21 Board; so petitioners can't intervene.

22 For these reasons and the reasons
23 that the Attorney General's Office has advised us,
24 I believe that I would like to ask for a motion
25 from the Board to dismiss this Petition for

27

1 Intervention and Declaratory Judgment and to
2 dismiss the request for a hearing. And I would
3 like these two to be made in the same motion if so
4 be it.

5 MR. JACKSON:

6 So moved.

7 MS. BERRY:

8 Motion by Mr. Jackson.

9 MS. HAMILTON-ACKER:

10 Second.

11 MS. BERRY:

12 And a second by Ms. Hamilton-Acker.

13 All in favor to dismiss the motion?

14 (COLLECTIVE "AYE")

15 MS. BERRY:

16 Motion is dismissed. Thank you.

17 MR. GATHE:

18 Thank you.

19 MS. BERRY:

20 Thank you, sir, very much. Okay.

21 Next on our agenda, gaming issues, will be the
22 consideration of an Amended and Restated Petition
23 to Relocate Berth and Gaming Operations and to
24 Modify the License Conditions regarding Louisiana
25 Riverboat Gaming Partnership d/b/a DiamondJacks

28

1 Casino & Resort, No. R010800195. First of all, I
2 would like to allow the AG's Office to present
3 their information.

4 MR. GATHE:

5 Vice-Chair Berry, members of the
6 Board, Assistant Attorney General Jeremy Gathe and
7 auditor Donna Jackson with the Office of State
8 Police, Audit Division, now appearing in the
9 matter of the Petition of Louisiana Riverboat
10 Gaming Partnership doing business as DiamondJacks
11 Casino for approval to relocate its berth and
12 gaming operations and to modify its license
13 conditions.

14 PGP Investors, LLC, through its
15 subsidiaries, Peninsula Pacific Entertainment and
16 Legends Holding owns the licensee. The licensee's
17 current riverboat gaming license expires in
18 December of 2024. The licensee's requests up for
19 consideration today are based on its desire to
20 relocate its berth site in accordance with Act 362

21 of the 2021 Regular Legislative Session.
22 Act 362 calls for a referendum
23 election on riverboat gaming in St. Tammany Parish
24 and the relocation of an existing riverboat
25 licensee's berth to a certain portion of

29

1 Lake Pontchartrain, specifically the water of the
2 Lakeshore Marina, located south and east of
3 Interstate 10, Exit 261, in St. Tammany Parish.
4 The Legislature also declared the waters of
5 Lakeshore Marina as a designated waterway for
6 riverboat gaming activities.

7 On June 30, 2021, the St. Tammany
8 Parish Council signed a resolution authorizing the
9 proposition regarding riverboat gaming and the
10 relocation of a riverboat to St. Tammany Parish to
11 be considered on the November 13, 2021, general
12 election ballot. The voters of St. Tammany Parish
13 will vote on whether to authorize the operation of
14 riverboat gaming in their parish and the
15 relocation of an existing riverboat licensee's
16 berth site to a specific location in their parish
17 pursuant to a parish-wide referendum.

18 Act 362 calls for the Board to
19 approve a licensee's request to change its berth
20 site prior to conducting the election so that the
21 approved licensee's name can be inserted in the
22 ballot language to be voted on during the
23 election. Louisiana Administrative Code,

24 Title 42, Part III, Section 2120, provides for
25 prior Board approval for a proposed modification

30

1 of the berth, which includes relocation of an
2 approved berth site.

3 The licensee is requesting to move
4 from its current authorized berth site on the
5 Red River in Downtown Bossier City, Louisiana, in
6 Bossier Parish, to the Lakeshore Marina in
7 St. Tammany Parish. Subject to the requirements
8 of Article 12, Section 6(C) of the Louisiana
9 Constitution, the Board may approve the relocation
10 of a licensee to the specific berth site location
11 in St. Tammany Parish contained in Act 362.

12 NSLA Properties and Slidell Ventures,
13 LLC, which are subsidiaries of PGP Investors, LLC,
14 will own the land and improvements of the proposed
15 berth site in St. Tammany Parish. The licensee
16 will be required to execute a lease agreement on
17 the property as required by gaming law.

18 As the licensee is desirous of
19 operating in a landside facility as opposed to a
20 vessel, the licensee is also requesting to
21 relocate its gaming operations to a facility
22 within 1,200 feet of the new berth site in
23 accordance with Act 469 of the 2018 Regular
24 Legislative Session. The law and rules require a
25 licensee seeking a relocation to submit a site

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1 plan, a capital improvement and reinvestment plan,
2 a financing plan, a construction schedule, and
3 property descriptions. Gaming law does not
4 dictate a minimum monetary investment for
5 relocation. The Board has the discretion to
6 approve each of these requests on a case-by-case
7 basis.

8 In conjunction with the licensee's
9 request to relocate its berth to St. Tammany
10 Parish and gaming operations to a landside
11 facility, the licensee is also requesting to amend
12 its statement of conditions to reflect a new
13 approved project, the change in its berth site, to
14 increase the number of its required employees from
15 650 persons to 750 persons, and to change its
16 d/b/a from DiamondJacks Casino & Resort to
17 Camellia Bay Resort Casino Marina. Additionally,
18 the licensee is requesting to be allowed to sell
19 the riverboat upon which they are licensed to
20 operate.

21 Louisiana gaming law allows a
22 riverboat to operate a vessel or at a facility
23 within 1,200 feet of the licensed berth or both.
24 Their intent is to not commence gaming operations
25 until the completion of the facility in

1 St. Tammany Parish subject to the outcome of the
2 November 13, 2021, election. The licensee seeks
3 to remain closed until the new facility is

4 substantially complete. This request has been
5 asked by other licensees and is akin to a new
6 build of a landside facility; however, if the
7 election results are not in favor of the licensee
8 relocating its berth site to St. Tammany Parish,
9 then the licensee's berth will remain in Bossier
10 Parish, and the licensee will need to recommence
11 gaming operations at that berth upon its vessel.

12 As the Board is aware, the licensee
13 is a party in lawsuits seeking a declaratory and
14 injunctive relief by the Court regarding the
15 constitutionality of Act 362. Two lawsuits which
16 have been consolidated are pending in the
17 22nd Judicial District Court in St. Tammany
18 Parish. One lawsuit has been filed by Chandler
19 and Jason Goltz in the 19th JDC in East
20 Baton Rouge.

21 At this time, there's been no action
22 taken by a Court that prevents the Board from
23 considering or voting on the licensee's request to
24 relocate its berth site to St. Tammany Parish.
25 Any approval by the Board regarding the licensee's

33

1 requests in its petition is conditional and
2 contingent upon a majority of the voters in
3 St. Tammany Parish approving the proposition on
4 riverboat gaming and the relocation of berth site
5 to St. Tammany Parish. If the Courts prevent the
6 referendum election authorized under Act 362 from

7 being conducted, then any Board approvals
8 requested by the licensee in accordance with
9 Act 362 will be null and have no effect.

10 If it is the Board's pleasure to
11 approve Louisiana Riverboat Gaming Partnership's
12 request, a Resolution and an Amended Statement of
13 Conditions have been prepared should the Board
14 vote to approve such requests. It should be noted
15 that any approval of relocation/modification of
16 these conditions will only be effective if the
17 proposition allowing riverboat gaming and a
18 relocation of a riverboat to the specified
19 location obtains an affirmative result in the
20 St. Tammany Parish referendum.

21 In addition, the licensee will only
22 be allowed to commence gaming operations at the
23 landside facility only after the Division has
24 determined that all necessary staffing, training,
25 security and surveillance, technical, accounting,

34

1 and internal control procedures are acceptable.

2 The Audit Division has reviewed the
3 licensee's finances, and Ms. Jackson will now
4 provide Audit's findings to the Board, and
5 following Ms. Jackson, representatives from the
6 licensee will provide a presentation on its
7 relocation request proposal and capital investment
8 project.

9 MS. JACKSON:

10 Good morning, Vice-chair Berry and
11 Board members. My name is Donna Jackson. I'm
12 with Louisiana State Police, Gaming Enforcement
13 Division. The proposed new project includes a
14 capital investment of \$329.2 million. Peninsula
15 Pacific Entertainment, or P2E intends to finance
16 the project with a \$75 million equity infusion
17 from its available cash and by issuing an
18 additional \$245 million in tack-on notes under its
19 current indenture. P2E provided the Division with
20 a letter from a lead bank stating the bank is
21 confident they can place and sell the additional
22 notes based on the proposed property.

23 P2E provided revenue projections for
24 the proposed property, shown on page 5 of Audit's
25 report. P2E projects Year 1 gaming revenues to be

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1 \$153.2 million, with the State receiving
2 \$32.9 million in gaming fees.

3 Based on the projected cost to build
4 the new \$329.2 million facility and the
5 availability of funds under the Notes issuance,
6 the Division determined P2E should have access to
7 the necessary funding to make the capital
8 investment in the project. The Division does not
9 have the ability to confirm the accuracy of P2E's
10 projections, and P2E is not able to make any
11 guarantees regarding the projections. The
12 additional notes increase P2E's notes to a total

13 of \$1.1 billion.

14 While P2E has not finalized the
15 details of the tack-on to the current notes, they
16 provided information that makes them confident
17 they will be able to sell those notes. Based on
18 the information provided regarding this project,
19 as well as information previous -- previously
20 reviewed by the Division, the Corporate Securities
21 Audit Section discovered no financial information
22 that would preclude the Board from approving the
23 proposed project.

24 MS. BERRY:

25 Thank you, Ms. Jackson. I now

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1 believe we can call the petitioners to the table
2 to present us with their information. And I would
3 ask the court reporter to please swear them in as
4 they present.

5 THE COURT REPORTER:

6 (Complying with request)

7 MS. BERRY:

8 Thank you.

9 MR. CONNICK:

10 Good morning, Members of the Gaming
11 Control Board. My name is Peter Connick with
12 Butler Snow. First, I want to thank the Board and
13 Louisiana State Police and the AG's Office for all
14 your time and consideration in connection with
15 this petition.

16 Here with me today is
17 Mr. Brent Stevens, who is the CEO and Chairman of
18 Peninsula Pacific Entertainment, as well as
19 Jonathan Swain, who is the President of Peninsula
20 Pacific Entertainment. Additionally, with us is
21 Adam Parker from Butler Snow, Mr. Joshua McDiarmid
22 from Butler Snow, and Mr. Jeff Schoen from
23 Jones Fussell.

24 We have prepared a presentation for
25 the benefit of the Board this morning, and I'll

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1 hand it over to Mr. Brent Stevens and
2 Mr. Jonathan Swain, who are going to facilitate
3 the presentation.

4 MR. STEVENS:

5 Thank you, Peter. Good morning,
6 everybody, acting Chairman Berry. Thank you very
7 much, Members of the Board and Staff. An unusual
8 day. Thank you very much for your -- your efforts
9 to hear our petition. And, hopefully, we can take
10 action and continue to move forward. My name is
11 Brent Stevens. I am the founder and the Chairman
12 of Peninsula Pacific Entertainment. With me today
13 is Jonathan Swain, my partner and the President of
14 P2E.

15 Thank you for the opportunity to be
16 with you today to present our company, our
17 history, our values, and our thoughts about the
18 license we hold, and our plans and our hopes to

19 move that license to the eastern side of
20 St. Tammany Parish. We have been looking forward
21 to this moment for literally years and are honored
22 to find ourselves here before you today.

23 But before we continue, I would like
24 to just say that on behalf of Jonathan and Natalie
25 and the entire P2E team, we would like to extend

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1 our heartfelt sympathies to everyone here and to
2 the citizens of the great state of Louisiana who
3 have suffered mightily at the hand of
4 Hurricane Ida. Your strength, your resiliency are
5 inspiring to us all, and we are honored to stand
6 here with you. So thank you very much.

7 Back to our presentation. Our
8 company. We were founded in 1999. What's before
9 you is the same team that has been through and
10 together through much of our history. Our
11 operations today are in five states and our
12 mission is underpinned by three words: Service,
13 quality, and community.

14 Next page, please. So a little bit
15 about our company's history. We've enjoyed a
16 22-year history of success investing in the gaming
17 industry. What makes us unique in the gaming
18 industry is that we're private. What you're
19 looking at today are the people that actually
20 control and own the stock of our company. We're
21 not a public company. We're not governed by the

22 need to create quarterly earnings or to acquire
23 other assets.

24 We, in fact, have got a 22-year-long
25 history of just being patient, not trying to be

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1 fancy, trying to invest capital into greenfield
2 projects that makes sense for the communities that
3 we work in and we invest in, and to create value
4 for ourselves over a long period of time. So
5 we're patient, and we've created a development
6 expertise that, frankly, has worked for all the
7 stakeholders that we're associated with, including
8 our shareholders.

9 We got started in 1991 in
10 Dubuque, Iowa, with the Diamond Jo Riverboat. And
11 from there, we have deployed \$1.4 billion in
12 capital, having developed 1 million square feet of
13 casino and hospitality development square feet,
14 and 11 award-winning greenfield construction
15 projects.

16 Our first entree into the great state
17 of Louisiana was in 2003, where we invested in a
18 thoroughbred racetrack in Lafayette, Louisiana,
19 and we moved that track over to Opelousas, and we
20 did what was never done before. We created a
21 greenfield development site, redeveloping and
22 reimagining thoroughbred racing, with the
23 underpinning and the help of gaming, and that is
24 Evangeline Downs today, and it has proven out to

25 be a great source of economic development for that

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1 local community and for the state of Louisiana.

2 So I mentioned that we are patient.

3 And, in fact, we are, and I would ask you to

4 endure a little bit of history with us as we walk

5 you through the trials and tribulations since

6 2015, when we came to invest in what we think of

7 as the DiamondJacks facility in Bossier City.

8 P2E has invested six years and over

9 \$42 million to support the Louisiana River --

10 Riverboat Gaming Partnership license and to seek

11 its relocation for the benefit of the state and

12 all of the other stakeholders. In 2015, our

13 affiliate acquired all of the Legend's debt and

14 the options from the post-bankruptcy

15 reorganization lenders.

16 In 2016, we began an initial round of

17 discussions in St. Tammany Parish, way back in

18 2016, with no obvious desire by them to pursue a

19 development. In that same year in June, we

20 converted our ownership of the debt into the

21 equity upon the approval from Louisiana Gaming

22 Control Board. And in that year, we began and

23 continued right on through 2020 to invest millions

24 of dollars in the DiamondJacks property into

25 improvements and to keep our full staff employed

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1 at money-losing rates in the property in Bossier.

2 In 2017, we approached leadership in
3 Tangipahoa Parish and found interest in pursuing
4 the development in the eastern part of that
5 parish. We assembled land to allow for a large
6 landside development at a new Tangipahoa berth
7 site. We advanced a bill in 2018 through the
8 Legislative Session which ultimately failed in the
9 senate.

10 Interestingly, though, in that year,
11 a seminal moment happened for what we believe will
12 be, as we look back, on the state of gaming in
13 Louisiana, and that was Senate Bill 316, which
14 allowed for and, in fact, encouraged redevelopment
15 in landside gaming. Very big moment for the state
16 of Louisiana. We'll see that in the future.

17 In 2019, the LED, plus Louisiana
18 Gaming Control Board, conducted a joint study
19 through Spectrum Group to study the state of the
20 gaming industry, and it found, interestingly, that
21 there was 7 -- \$370 million of gaming dollars
22 coming out of Louisiana and going to the
23 Mississippi Gulf -- Gulf Coast. That study
24 further found that relocating one boat from
25 Bossier to the Northshore would be appropriate.

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1 In 2020, discussions began between
2 our executive team and the leadership of
3 St. Tammany Parish concerning the possibility of
4 moving a development of the resort -- of a resort

5 and casino into the eastern side of St. Tammany
6 Parish. We assembled land along Lake
7 Pontchartrain to cite a new development
8 in St. Tammany Parish.

9 And in 2021, much to our joy,
10 frankly, bills were introduced and passed, and it
11 identified the site of Lake Pontchartrain for
12 gaming and to call for a referendum. The bill
13 passed the Session. It was signed by the governor
14 in June. And on June 30, the St. Tammany Parish
15 Council passed a resolution to put that referendum
16 before the voters of the parish.

17 So here we are. Quick six years.
18 And we're before you today in this presentation,
19 in this moment, which would then lead to
20 September 16, the State Bond Commission placing
21 the -- the issue on the ballot. And on
22 November 13, referendum would hopefully take
23 place. And if we are voted by the citizens of
24 St. Tammany Parish and that referendum passes, we
25 would break ground in February '22 and open in

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1 2023, in November, eight years after our original
2 investment, a testament to patience and faith and
3 belief in the success that we can have together in
4 the state of Louisiana, and we're eager to do so.

5 And this -- and if the citizens of
6 St. Tammany Parish vote in November, what you can
7 expect is quality such as the following: We

8 opened this property, Del Lago Resort & Casino in
9 Rochester, New York, 200 rooms, multiple
10 opportunities for dining, from fine dining to
11 fast, casual, and, of course, our buffet,
12 world-class entertainment. Del Lago features and
13 celebrates the agriculture industry in the Upstate
14 New York region.

15 Next, in 2008, we opened in Iowa
16 after Iowa passed similar law to encourage
17 redevelopment on land -- on a landside basis. We
18 offer fine dining. Private and public financing
19 was created to redevelop what was called the
20 Ice Harbor. Prior to our investment in 2008, the
21 Ice Harbor was really a relic of a bygone era, the
22 Rustbelt era.

23 After our investment and after the
24 private-public partnership and the recreation of
25 the America's Riverboat, the America's River

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1 Project, the Ice Harbor, as it was once then
2 known, became the Port of Dubuque, where now,
3 today, is a water park, a hotel, convention
4 center, multiple dining opportunities, and an
5 aquarium that -- that focuses on the
6 Mississippi River for both children and adults and
7 tourists alike.

8 The Kansas Star in Wichita, Kansas,
9 another one of our projects. Integrating resort
10 with an event center, this hotel and casino has

11 been a wild success in Kansas and, in fact, is the
12 highest generator of gaming revenue, I believe,
13 even to this day.

14 And, finally, the Hard Rock
15 Sioux City. Sioux City, Iowa, an ag-based
16 economy, really didn't have much in the way of
17 entertainment. It had a three-story, old
18 riverboat. We came in and reimagined that by
19 bringing in the Hard Rock franchise and invested
20 our capital in a landbased, broad-based economic
21 redevelopment of the downtown entertainment
22 district. And today, the Hard Rock Hotel & Casino
23 thrives.

24 Members of the Commission, in the
25 last five years, we have won over 220 awards for

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1 excellence in quality and service within our
2 industry. We're the three-time winner of
3 USA Today's Ten Best Casinos in the Country Award
4 from the Hard Rock and Del Lago Casino and AAA
5 Four Diamond Awards for multiple -- multiple
6 properties.

7 If we have the privilege of coming to
8 your state with our capital and our dream and our
9 vision, you will be, in fact, very, very proud of
10 what we would develop at Camellia Bay. And I
11 would like to turn this part of the presentation
12 over to Jonathan Swain, my partner. Jonathan?

13 MR. SWAIN:

14 Good morning, Vice-chair and Board
15 Members. Brent, thanks for the introduction.
16 Brent and I have had the privilege of being
17 partners for now 18 years. And I first moved to
18 Louisiana just before Katrina in 2004 and had an
19 opportunity to experience what happened there.

20 I'm very, very proud of what our
21 company has done in St. Tammany Parish in the last
22 week. We have distributed over 36,000 pounds of
23 ice. We've served 102,000 meals to the residents
24 of the parish. We've distributed 225,000 bottles
25 of water. We provide air conditioning and

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1 charging stations throughout locations in the
2 parish. I think it's a testament to our -- our
3 commitment to the community. It's just the
4 beginning of what we can do. But we saw a
5 community in need, and we reacted immediately.

6 Camellia Bay, our project. We chose
7 the name through a contest. We actually solicited
8 members of the public and said, "What do you think
9 it should be called?" And we had over 1,000
10 entrants enter the competition. And Pelican Bay
11 was a tight front runner with Camellia Bay, but it
12 seemed it was a little bit overused.

13 So why Camellia? Why the flower of
14 Slidell, the city of the camellia? We felt it was
15 appropriate. It's fresh. You see the colors that
16 we use in the design. It's a very fresh,

17 different approach to gaming.

18 One of my favorite properties here in
19 Baton Rouge is L'Auberge, and it's a little
20 dark -- that time when -- when things were dark in
21 casinos. This is a very bright product, a very
22 light product. And Camellia, to us, felt right.
23 Of course, the bay -- we're on the bay and to take
24 advantage of the water, right, build outside.
25 You'll see when I show you the renderings how much

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1 of the money we're spending is outside,
2 \$10 million into a new marina, amazing pools and
3 lazy rivers, outdoor entertainment centers,
4 amphitheaters. It's -- it's an appropriate name,
5 and we love it.

6 So let's take a look at the location
7 of where we are. Right off of the base of the
8 Twin Span Bridge, ideal location for traffic.
9 Obviously, we have 10 and we have 12, two major
10 interstates that are -- that are passing us, and
11 many of those going to Mississippi to game, and
12 bring back some of that \$370 million that we know
13 is going to Mississippi casinos.

14 The next one, this is our site. We
15 own this property. We didn't option it; we bought
16 it. We made a commitment to this site long ago.
17 And I, many times, have been quoted as saying,
18 "This is the best site in gaming in my 25 years of
19 building properties." Why? 84,000 cars a day on

20 10. That's more than Lake Charles -- pass
21 Lake Charles' entrance. There's 82,000 in
22 Lake Charles. Look at the access for people that
23 are getting off of 10. All you do is you get
24 off -- off of the off-ramp, you take a right and a
25 right, and you're in the front door. The

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1 neighborhood is down to the right. So very
2 limited interaction with residential traffic to be
3 able to get people on and off very, very quickly
4 and not disrupt the community that lives next
5 door.

6 Simple staging. This site is -- go
7 back one second. Simple staging in this site
8 makes construction simple. We've developed in
9 some very, very difficult areas, downtowns and
10 much more rural than this, but the opportunity to
11 build on a site like this for someone like myself
12 is a -- is a gem, because a lot of opportunity to
13 stage and get done quickly.

14 And unlimited design potential.
15 Without having to have a structured parking deck,
16 without having to go up vertically, very -- it's
17 something that's very unique. And something that
18 we heard from the community is, "Keep it
19 residential. Keep it like it looks like it
20 belongs in our neighborhood." And I think we've
21 accomplished that through the multiple sessions of
22 feedback we got with literally thousands of people

23 throughout the parish in the last couple of years.

24 So what is the project? Casino,

25 30,000 square feet, over 1,000 machines, table

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1 games, poker rooms, and Sportsbook. That's the

2 engine, but it's a resort. So why do we call it a

3 resort? First of all, you have to have a great

4 hotel. Next slide.

5 We originally thought maybe a larger

6 hotel with a -- maybe a three-star,

7 three-and-a-half-star rating, but we decided to

8 go -- we're going to go up. We're going to go up.

9 We're going to do two pads of 100 rooms, start

10 with 100 first, but we're going to go four-star, a

11 luxury hotel that's not available on the market

12 today; so we differentiate ourselves from a lot of

13 the casino product up there and do an upscale

14 hotel product. It has a state-of-the-art fitness

15 and spa that's available to not only the residents

16 of the hotel but also residents in the community.

17 Next slide.

18 And you can't have a resort without a

19 pool, and you can't have a resort without a great

20 pool; so we designed a multifunction area for

21 adults and a children's pool, a lazy river,

22 terrace dining, cabanas and daybeds, and a

23 \$10 million investment in a brand new marina that

24 is much needed.

25 The marina at Lakeshore has been

1 neglected for many years, and it is time for them
2 to -- to have a greater marina. We as
3 outdoorsmen -- I really appreciate the value that
4 a marina can bring with fishing tournaments and
5 ecotourism and the things that happen outside, and
6 as you see -- you'll see, we really address the
7 lake, I think, in a different way than has been
8 done in the past in Louisiana. Next slide.

9 Restaurants. When I think, in five
10 years, if I look back, if we have the privilege to
11 do this project, I'm going to say food and music
12 were the differentiating pieces of the project.
13 So we have decided to put in ten restaurants.
14 All right. That's more than any other casino, I
15 believe, in Louisiana.

16 Seven of those will be local
17 entrepreneurs that we're going to partner with to
18 bring their restaurants inside. We also, within a
19 week or two, are going to be announcing a major
20 partnership with one of the best known
21 restaurateurs in the state. We're very, very
22 excited about him and our product for our
23 celebrity chef restaurant. We have a poolside
24 grill.

25 And the Songwriter's Lounge is just

1 one of three live entertainment venues we're going
2 to be building, the other part of that food and

3 music. And the Songwriter's Lounge will also
4 serve appetizers and food inside that 100-seat
5 lounge inside the property. Next slide, please.

6 And music. Our sister company,
7 Buzz Entertainment, is one of the largest
8 producers of live entertainment in the Midwest,
9 and we are very excited to bring that aspect of
10 our country here -- of our company here. We are
11 building three entertainment venues. I said the
12 Songwriter's lounge, a 1,500-person capacity
13 indoor venue, and an 8,000-person outdoor
14 amphitheater to bring both local- and
15 national-level acts to St. Tammany Parish.

16 And, finally, the next slide, we have
17 a space for business. One of the things that we
18 heard loud and clear from leadership within the
19 parish is, "We want conferences. We want a place
20 for graduations. We want a place for trade shows
21 and weddings and award shows." 20,000 square feet
22 of meeting space, state of the art audiovisual,
23 and a complement to what is -- right across the
24 street from us is the Harbor Center, which is the
25 Parish's event center. We think that's going to

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1 work very nicely together to help them increase
2 their business as well.

3 So a little bit late -- the next
4 slide. A little bit later in the presentation, we
5 have a great video of this. This is a little clip

6 just to tease you, a little bit of a video. That
7 gives you an idea of what I talked about, the
8 outdoor space. Never before have I seen in
9 Louisiana so much outdoor space developed,
10 created, because we believe there are two front
11 doors to this project, one facing the lake and the
12 community that's behind us and one facing the
13 entrance.

14 But you can see it's a three-level
15 hotel. And we started with five. We heard
16 feedback, "Don't do it so tall." We had a
17 completely different design. We showed the -- all
18 the neighbors what we thought, and they voted on
19 it. They changed our -- completely changed our
20 program on us. More entertainment, more
21 restaurants, much more residential feel.

22 So this is the project, and I look
23 forward to showing you the video after Brent's
24 comments. I'll turn it back to him.

25 MR. STEVENS:

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1 Okay. Thank you. One of the things
2 you might note over this -- over the 22 years, 18
3 of which Jonathan and I have been together, if you
4 go back in time and you look at all our
5 presentations, he always gets to do the fun part.

6 Okay. So let's go to the investment.
7 Our total investment in this project, in addition
8 to the 42 million that's already been spent, will

9 be \$329.2 million, and you can see it here, 12.7
10 in land acquisition, 238.8 million in
11 construction, 54.8 in FF&E, and the balance of the
12 other development costs.

13 Tourism. This is a big part of
14 the -- the Spectrum study. Think about how we can
15 bring back dollars into the state of Louisiana
16 that are going past I-10 and I-12. Well, it
17 happens a lot of different ways. But our resort
18 will drive tourism and keep revenue from going
19 outside of the state and benefit everybody.

20 We're also investing in a regional
21 sports park that we'll talk about in a moment.
22 We're enrolling local restaurants, as Jonathan
23 mentioned, dedicated marketing of our conference
24 center to recruit midweek traffic into the area,
25 which will be great, and the sponsorship of and

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1 participation in efforts to -- to promote local
2 and regional tourism of all kinds.

3 Our estimate of revenue to the State,
4 state tax gaming dollars on an annual basis,
5 \$33.3 million based on the casino generating
6 \$155 million annually, state hotel taxes of
7 436,000, and state sales and use tax,
8 \$1.2 million, so a total of \$175 million of state
9 tax impact in the first five years.

10 In terms of the new projects and
11 revenue streams to St. Tammany Parish, we are

12 providing a \$35 million investment towards the
13 development of a regional sports park, and that
14 happens up-front before any construction. We're
15 also providing an ongoing 5 percent share of
16 gaming revenue, resulting in 7 1/2 to \$9 million
17 in annual payments to the Parish and the cities
18 therein, a \$6 million additional annual revenue to
19 the Parish inclusive of sales tax, property, and
20 hotel occupancy taxes, 1,700 one-time jobs created
21 during the development and construction, and
22 thousands of ongoing jobs, with employment
23 averaging \$45,000 a year fully loaded.

24 We have been asked, "What happens if
25 the referendum fails," or, "What happens if you

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1 can't move forward?" And I'm sure that's a
2 question that is on the Gaming Board's mind.
3 So if the referendum passes, we will make the
4 property in Bossier City available for sale.
5 We've actually had a couple of inbounds on that so
6 far. We'll take the next year, we'll list it.
7 We'll recruit different hotel operators and
8 different ideas from the business community and
9 see if there is, in fact, a market for that
10 existing structure today in Bossier. If we're
11 unsuccessful, then we'll work with the City of
12 Bossier to convey that property to the City as a
13 park or green space and, more than likely, bring
14 down the building itself.

15 If the referendum actually doesn't go
16 forward, well, we have explored and we would have
17 to continue to explore the opportunity to
18 redevelop what exists there in the DiamondJacks
19 into a landbased facility, and that is something
20 we would move forward with.

21 Happy to take further questions after
22 the prepared remarks or at any moment.

23 MS. BERRY:

24 Board members, do you have any
25 further questions for the gentlemen?

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1 (NO RESPONSE)

2 MR. STEVENS:

3 Okay.

4 MS. BERRY:

5 An all-encompassing presentation.

6 Thank you very much.

7 MR. STEVENS:

8 Well, we have just a little bit more.

9 MS. BERRY:

10 Sure. Go ahead.

11 MR. STEVENS:

12 Okay. So I mentioned it before, but
13 I'll just -- I'll say it again. We committed
14 \$35 million for the -- for the sports park
15 immediately. That is one of the things that, when
16 we were in the community, we heard over and over
17 and over again. "We don't have a place for the

18 kids to play sports. We don't have," you know,
19 "Wednesday softball league places where" -- "where
20 the" -- "where," you know, "adults can play. We
21 need a sports complex. We need to be able to host
22 bigger events than what we are able to in East
23 St. Tammany." So we -- we have committed to
24 provide \$35 million to the park immediately upon
25 groundbreaking. It will be the first of its kind.

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1 Okay. More detail on construction.
2 There's 1,700 new jobs. A thousand will be direct
3 jobs, seven hundred induced jobs within the
4 community. We have a target of five percent
5 minority and women-owned subcontractors and
6 prioritization clearly goes to St. Tammany Parish
7 vendors.
8 Ongoing, 1,900 new jobs, 1,000 direct
9 and 900 indirect. Average full-time annual salary
10 is \$45,000 per year. As you can see 1,000 is
11 \$45 million in new payroll, new economic
12 development. And that's, frankly, what gets us
13 excited. That's what creates real-live economic
14 development and sustainability through landbased
15 multiuse, multivenue casino development. That's
16 what we do, and we're excited to do it here.
17 Management opportunities, great job training, and
18 we're targeting 50 percent from St. Tammany
19 Parish. Supporting locals first is something
20 that's just within our culture, first St. Tammany,

21 second the State of Louisiana, third regional and
22 national.

23 And that would summarize our -- our
24 economic impact portion of our presentation. And
25 now we would love for you to enjoy this video. It

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1 shows you a little bit about Camellia Bay. Thank
2 you.

3 (VIDEO PLAYED)

4 MR. STEVENS:

5 Thank you very much for your time.

6 MS. BERRY:

7 I just have one quick question.

8 MR. STEVENS:

9 Please. Uh-huh.

10 MS. BERRY:

11 What's the approximate population of
12 St. Tammany Parish?

13 MR. STEVENS:

14 I'm going to be corrected.

15 MS. BERRY:

16 I'm curious what the election --

17 MR. STEVENS:

18 Two hundred -- I'm going to say
19 two fifty.

20 MS. BERRY:

21 Okay. Just curious. Thank you. Any
22 further questions from the Board?

23 (NO RESPONSE)

24 MS. BERRY:

25 Well, if the Board doesn't have any

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1 questions, I would ask for a motion to adopt the
2 resolution to Amend and Restate -- and Restated
3 Petition to Relocate the Berth and Gaming
4 Operations and to Modify the License in regard to
5 Louisiana Riverboat Gaming Partnership d/b/a
6 DiamondJacks Casino.

7 MR. POOLE:

8 So moved.

9 MS. BERRY:

10 A motion by Mr. Lamar. Sorry. Went
11 blank there.

12 MR. JACKSON:

13 Second.

14 MS. BERRY:

15 Second by Mr. Jackson. All in favor?

16 (COLLECTIVE "AYE")

17 MS. BERRY:

18 All opposed?

19 (NO RESPONSE)

20 MS. BERRY:

21 Okay. I'm sorry. I was supposed to
22 have -- Ms. Natalie Thurman, please, read the
23 resolution into the minutes -- into the record.

24 MS. THURMAN:

25 On the 8th day of September 2021, the

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1 Louisiana Gaming Control Board did, in a duly
2 noticed public meeting, consider the issue of
3 Louisiana Riverboat Gaming Partnership's Petition
4 to Relocate Berth and Gaming Operations and to
5 Modify Licensee Conditions, and upon motion duly
6 made and seconded, the Board adopted this
7 Resolution:

8 Be it resolved that Louisiana
9 Riverboat Gaming Partnership's request to change
10 its current berth site on the Red River in
11 Bossier Parish to a berth site on
12 Lake Pontchartrain in St. Tammany Parish in
13 accordance with all applicable law, including
14 without limitation, -- excuse me -- the Louisiana
15 Gaming Control Act, Article XII, Section 6(C) of
16 the Louisiana Constitution, and Act 362 from the
17 2021 Regular Legislative Session, is hereby
18 approved, subject to and conditioned upon the
19 affirmative vote of a majority of the voters in
20 St. Tammany Parish in favor of allowing riverboat
21 gaming operation to be conducted in St. Tammany
22 Parish and the relocation of Louisiana Riverboat
23 Gaming Partnership's berth site to
24 Lake Pontchartrain at the Lakeshore Marina located
25 to the south and east of Interstate 10 off

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1 Exit 260 in St. Tammany Parish, provided, however,
2 that this approval does not and shall not extend
3 to any successors or assigns;

4 Be it further resolved that Louisiana
5 Riverboat Gaming Partnership's request to relocate
6 its gaming operations to a facility to be
7 constructed within 1,200 feet of the foregoing
8 conditionally approved berth site in St. Tammany
9 Parish, all in accordance with the plan and
10 supporting documentation submitted by Louisiana
11 Riverboat Gaming Partnership and all applicable
12 law, and to commence gaming operations upon
13 completion, subject to the final inspection and
14 approval of the Gaming Enforcement Division of
15 Louisiana State Police and the determination of
16 "Substantial Completion" by the Board, is hereby
17 approved;

18 Be it further resolved that
19 Condition #5 of the Current Statement of
20 Conditions imposed on the license of Louisiana
21 Riverboat Gaming Partnership, dated November 20,
22 2014, is hereby amended to read in its entirety as
23 follows:

24 To operate the riverboat on a
25 designated waterway, Lake Pontchartrain, at the

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1 Lakeshore Marina located to the south and east of
2 Interstate 10, off Exit 261, in St. Tammany
3 Parish, on the property identified and the legal
4 description provided to the Louisiana Gaming
5 Control Board by Licensee, attached hereto as
6 Attachment "A";

7 Be it further resolved that
8 Condition #6 of the Current Conditions is hereby
9 amended to revise the required non-gaming
10 amenities as provided for in the plan and
11 supporting documentation submitted by Louisiana
12 Riverboat Gaming Partnership for the relocation of
13 its gaming operations to a facility to be
14 constructed within 1,200 feet of the herein
15 conditionally approved berth site in St. Tammany
16 Parish, and as set forth in the amended Statement
17 of Conditions, a copy of which is attached hereto
18 and made a part hereof;

19 Be it further resolved that
20 Condition #8 of the current conditions is hereby
21 amended to read in its entirety as follows:

22 To obtain and maintain all
23 certificates of compliance including, but not
24 limited to, that required by Louisiana Revised
25 Statute 27:44.1, and to submit these

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1 certifications to the LGCB for review;

2 Be it further resolved that
3 Condition #22 of the Current Conditions is hereby
4 amended to increase the number of required
5 employees from 650 persons to 750 persons;

6 Be it further resolved that the
7 Current -- that the Current Conditions are hereby
8 amended to substitute PGP Investors, LLC as
9 "Parent" in the place and stead of Legends Gaming,

10 LLC and to change the d/b/a of Louisiana Riverboat
11 Gaming Partnership from DiamondJacks Casino &
12 Resort to Camellia Bay Resort Casino Marina;

13 Be it further resolved that Louisiana
14 Riverboat Gaming Partnership's request to change
15 its d/b/a from DiamondJacks Casino & Resort to
16 Camellia Bay Resort Casino Marina and to conduct
17 business under the name "Camellia Bay" is hereby
18 approved, subject to any required approvals by the
19 Gaming Enforcement Division of the Louisiana
20 Office of State Police;

21 Be it further resolved that Louisiana
22 Riverboat Gaming Partnership will take, make, and
23 comply with the following actions, submissions,
24 and deadlines in regard to the construction of the
25 proposed facility to be located on

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1 Lake Pontchartrain in St. Tammany, in accordance
2 with this resolution and all state and local laws,
3 including without limitation, all provisions of
4 gaming law.

5 1. No gaming operations shall
6 commence until the entire APPROVED project, as set
7 forth in Condition #6 of the Amended Conditions,
8 is substantially complete and ready for occupancy
9 and use in the opinion of the Board and until the
10 Division has determined that all necessary
11 staffing, training, security and surveillance,
12 technical, accounting, and internal control

13 procedures are acceptable. "Substantially
14 complete" or "substantial completion" shall mean
15 the state and progress of the work when the
16 approved project is sufficiently complete in
17 accordance with the contract documents such that
18 it can be occupied and utilized for its intended
19 use as determined by the Board.

20 2. Louisiana Riverboat Gaming
21 Partnership shall meet and comply with the
22 following deadlines and requirements for
23 construction, completion, and opening of the
24 approved project:

25 a. No later than 90 days from this

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1 Resolution's date to submit architectural
2 blueprints and a detailed plan of design and
3 construction of the Approved Project to the Board
4 for review and acceptance. The plans and
5 specifications shall comply with all applicable
6 laws and regulations, including, but not limited
7 to, environmental, fire, and safety codes.

8 b. To enter into all necessary
9 contracts for construction of the Approved Project
10 and to submit copies of the contracts to the Board
11 no later than 90 days after the passage of a Board
12 resolution accepting the plans and specifications.
13 All contracts related to the Approved Project
14 shall be let only by Louisiana Riverboat Gaming
15 Partnership, Peninsula Pacific Entertainment, LLC,

16 or PGP Investors, LLC.

17 c. In the event of the affirmative
18 vote of a majority of the voters of
19 St. Tammany Parish in the local option election to
20 be conducted on November 13, 2021, to complete
21 construction of the Approved Project and commence
22 gaming operations in the facility within 24 months
23 from this Resolution's date, or in the event of a
24 negative vote of the majority of the voters in
25 St. Tammany Parish in the local option election to

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1 be conducted on November 13, 2021, to recommence
2 gaming operations upon the vessel Mary Margaret
3 within 60 days of the election.

4 d. To submit a work-in-progress
5 report on the construction of the Approved Project
6 to the Board on the 20th day of every month
7 beginning on the 20th day of the month following
8 the month in which construction commences. Said
9 report shall include a detailed narrative of the
10 status of all work completed up to the date of the
11 report and a progress payment report listing all
12 payments made up to the date of the report.

13 e. Failure to meet any deadline
14 provided in the foregoing items (a) through (d) or
15 to timely receive an extension from the Board may
16 result in forfeiture of all privileges to the
17 license.

18 Be it further resolved that all

19 approvals granted herein and amendments to the
20 Current Conditions made herein are conditional and
21 will have no force or effect unless and until the
22 certificate -- the certification of the
23 affirmative vote of a majority of the voters in
24 St. Tammany Parish in the local option election to
25 be conducted on November 13, 2021, in favor of

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1 allowing riverboat gaming operations to be
2 conducted in St. Tammany Parish and a relocation
3 of Louisiana Riverboat Gaming Partnership's berth
4 site to Lake Pontchartrain at the Lakeshore Marina
5 located to the south and east of Interstate 10 off
6 Exit 261 in St. Tammany Parish;

7 Be it further resolved that the
8 Amended Conditions, i.e., the Current Conditions
9 as modified and amended by the resolutions made
10 herein and attached hereto as Exhibit "A," and
11 which is attached hereto -- I'm sorry -- and the
12 indemnification agreement required in
13 Condition #2 of the Amended Conditions, a copy of
14 which is attached hereto and made a part hereof,
15 shall be executed by the Louisiana Riverboat
16 Gaming Partnership and PGP Investors, LLC on the
17 first day and date following the certification of
18 the affirmative vote of a majority of the voters
19 in St. Tammany Parish in the local option election
20 to be conducted on November 13, 2021, in favor of
21 allowing riverboat gaming operations to be

22 conducted in St. Tammany Parish and the relocation
23 of Louisiana Riverboat Gaming Partnership's berth
24 site to Lake Pontchartrain at the Lakeshore Marina
25 located to the south and east of Interstate 10 off

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1 east -- I'm sorry -- off of Exit 261 in

2 St. Tammany Parish;

3 Be it further resolved that the
4 original of the executed Amended Conditions, as
5 provided for in the immediately preceding
6 resolution shall be sent by overnight express mail
7 within 24 hours of its execution to the Louisiana
8 Gaming Control Board, attention: Natalie Thurman,
9 with copies of said executed Statement of
10 Conditions e-mailed on the date of execution to
11 the Louisiana Gaming Control Board and to the
12 Gaming Division of the Louisiana Attorney
13 General's Office;

14 Be it further resolved that Louisiana
15 Riverboat Gaming Partnership's request to sell the
16 Mary Margaret vessel is hereby denied;

17 Be it further resolved that in the
18 event of the negative vote of the majority of the
19 voters in St. Tammany on the question of whether
20 to allow riverboat gaming in St. Tammany Parish
21 and the relocation of Louisiana Riverboat Gaming
22 Partnership's berth site to Lake Pontchartrain at
23 the Lakeshore Marina located to the south and east
24 of Interstate 10, off Exit 261, in St. Tammany

25 Parish at the local option election to be

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1 conducted on November 13, 2021, then the berth
2 site for the Louisiana Riverboat Gaming
3 Partnership shall be and remain on the Red River
4 in downtown Bossier City, Louisiana, in Bossier
5 Parish, and Louisiana Riverboat Gaming Partnership
6 shall commence gaming operations on the vessel
7 Mary Margaret at the Bossier Parish berth site
8 within 60 days of the November 13, 2021, local
9 option election, in complete compliance with all
10 gaming laws, this resolution and all Covid-19
11 Emergency Orders issued by the Board, including
12 without limitation, Covid-19 Emergency Order
13 No. 16 issued by the Board on June 16, 2020.

14 Thus done and signed in Baton Rouge,
15 Louisiana, this 8th day of September 2021.

16 MS. BERRY:

17 Thank you, Ms. Thurman, very much.
18 And I would like to backtrack a little bit and get
19 a role call vote on this resolution just to make
20 sure for the record, --

21 MS. THURMAN:

22 Uh-huh.

23 MS. BERRY:

24 -- please.

25 MS. THURMAN:

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1 Mr. Jackson?

2 MR. JACKSON:

3 Yes.

4 MS. THURMAN:

5 Mr. Poole?

6 MR. POOLE:

7 Yes.

8 MS. THURMAN:

9 Ms. Hamilton-Acker?

10 MS. HAMILTON-ACKER:

11 Yes.

12 MS. THURMAN:

13 Ms. Traylor?

14 MS. TRAYLOR:

15 Yes.

16 MS. THURMAN:

17 Ms. Berry?

18 MS. BERRY:

19 Yes.

20 MS. THURMAN:

21 It's unanimous.

22 MS. BERRY:

23 Thank you very much. Appreciate it.

24 Let's see. Before I ask for a motion to adjourn,

25 thank you, gentlemen, very much for your

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1 presentation.

2 MR. STEVENS:

3 Thank you very much.

4 MR. SWAIN:

5 Thank you. Thank you for y'all's
6 time.

7 MS. BERRY:

8 Good luck in the future.

9 MR. STEVENS:

10 Thank you.

11 MS. BERRY:

12 I would like to recall the real
13 chairman back for a few announcements.

14 (CHAIRMAN JOHNS REENTERING MEETING)

15 CHAIRMAN JOHNS:

16 Thank you, Vice-chairman Berry, for
17 conducting the meeting today. A couple of
18 announcements. The regular meeting -- monthly
19 meeting of the Gaming Control Board will be next
20 Thursday, the 16th. So we'll be in this same
21 room, I presume, next Thursday, and we'll conduct
22 our monthly business there.

23 To -- to all that were impacted by
24 Hurricane Ida, our thoughts and our prayers are
25 with you. I lived your nightmare a year ago back

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1 with Hurricane Laura back in Lake Charles; so I
2 can assure you it hits -- it hits home. I want to
3 commend the entire industry for really coming
4 forward and helping the victims. Thank you,
5 Brent, and your group, for what you mentioned that
6 y'all did. And I know Boyd Gaming yesterday
7 announced a \$250,000 donation to Second Harvest

8 Food Bank, and -- and other properties throughout
9 the state are doing similar things.

10 So very proud of the industry for
11 coming forward to helping those in need throughout
12 their communities and to recognizing what the
13 needs of their employees are, also. So that's a
14 very important component of this is not just
15 helping the community but helping actually the
16 employees of those -- of those properties.

17 So I just want to commend and thank
18 the entire industry publicly for what they're
19 doing and, lastly, thank the Board for taking time
20 to conduct this special meeting today.

21 IV. ADJOURNMENT

22 So with that said, I'll -- Chair --
23 or Vice-chairman Berry has a motion that we
24 adjourn. Any objection to that?

25 (NO RESPONSE)

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1 CHAIRMAN JOHNS:

2 Hearing none, we are adjourned.

3 Thank you very much, ladies and gentlemen.

4 (PROCEEDINGS CONCLUDING AT 11:41 A.M.)

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1 REPORTER'S CERTIFICATE

2 I, Karla H. Mayers, a Certified Court
Reporter in and for the State of Louisiana, do
3 hereby certify that the foregoing is a true and
correct transcript of the proceedings held at this
4 Louisiana Gaming Control Board meeting on the 8th
day of September, 2021, as set forth in the
5 forgoing 73 pages.

I further certify that said testimony was
6 reported by me in the Stenotype reporting method,
was prepared and transcribed by me or under my
7 direction to the best of my ability and
understanding.

8 I further certify that the transcript has
been prepared in compliance with transcript format
9 guidelines required by statute or by rules of the
board and that I have been informed about the
10 complete arrangement, financial or otherwise, with
the person or entity making arrangements for
11 deposition services.

I further certify that I have acted in
12 compliance with the prohibition on contractual
relationships, as defined by Louisiana Code of
13 Civil Procedure Article 1434 and in rules and
advisory opinions of the board.

14 I further certify that I am not an
attorney or counsel for any of the parties, that I
15 am neither related to nor employed by any attorney
or counsel connected with this action, and that I
16 have no financial interest in the outcome of this
matter.

17 This certification is valid only for this
transcript accompanied by my original signature
18 and original raised seal on this page.

19

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Karla H. Mayers, CCR

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Certificate No. 94023