

Press Release

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GAMING COMMISSION EXPLAINS CASINO SELECTION PROCESS

JEFFERSON CITY, Missouri -- The Missouri Gaming Commission has noticed an increasing amount of media coverage regarding the St. Louis City and St. Louis County due diligence procedures for selecting gaming companies to recommend to the Missouri Gaming Commission to operate riverboat gambling facilities in their respective jurisdictions. The following information should help in understanding Missouri's lengthy and complex process for selecting and licensing a casino.

Missouri statutes provide the Missouri Gaming Commission with "the ultimate responsibility of deciding the number, location, and type of excursion gambling boats licensed in a city or county..." The statute goes on to require cities and counties that have adopted gaming referendums to submit plans to the Commission outlining among other things, their recommended applicant and location.

The Gaming Commission staff has been closely observing the activities in St. Louis City and St. Louis County. To date it appears that both bodies have been exceptionally prudent in designing a fair process that contains ample protections against undue influence or corruption. The Commission will fully investigate every detail of the process, so they were wise to include such protections.

The first step in deciding whether to issue an additional casino license is to determine if the market can support another casino. The Commission staff's market analysis shows that the President Casino does not adequately serve the downtown market and the suburban south of the St. Louis metropolitan market could support a new casino. The Commission's first priority is to address the needs of downtown.

The next step in the process is to examine the proposed casino developments to determine the best candidate for licensure. The Commission's evaluation includes but is not limited to an assessment of (1) support of opposition of the location's governing body; (2) the suitability of the location; (3) the financial resources of the applicant; (4) the applicant's experience in managing a gaming operation; (5) the economic impact to the state; (6) the economic impact on the home dock jurisdiction and the surrounding region, including competing casinos, local businesses and local governments; (7) the quality and scope of the proposed development and (8) the status of governmental actions required for the facility.

The selection of an applicant for investigation based on the aforementioned criteria does not guarantee licensure. A full investigation may reveal problems with the project, the location or the applicant. The Commission withdrew its priority selection of Isle of Capri for its project in Jefferson County near Kimmswick in 2000 for problems associated with its application. Prior to consideration for licensure, the applicant must successfully complete a thorough background investigation. The Commission will not issue a license until it is able to determine, based on all the evidence obtained during the background investigation, that the casino project is in the best interest of Missouri.

There is currently one vacancy on the Commission. When the vacancy is filled, the Commission will begin its deliberations regarding the addition of new casino developments in the St. Louis metropolitan area. The Commission looks forward to the city and county's recommendations regarding these matters, as well as input from citizens, developers and other interested parties.

The Gaming Commission hopes this information will help all interested parties understand the complex and lengthy process for casino site selection and licensure.

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