

Bally's Tribune Casino Complex Development Improvement Recommendations

During the Chicago casino evaluation process, River North Residents Association joined 42nd Ward Alderman Brendan Reilly and 2nd Ward Alderman Brian Hopkins in vigorously opposing Bally's Tribune casino proposal. Since the May 25, 2022, Chicago City Council vote in favor of the project, RNRA turned its attention to identifying and advocating for adjustments to the plan with the goal of reducing harmful impacts to the River North neighborhood, the citizens of Chicago, and the natural environment.

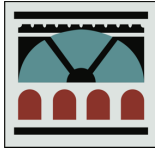
During the introduction to each casino community meeting, City officials stated that "community engagement is at the center of this process". RNRA is eager to participate in a robust community engagement process and to work with the many other individuals and organizations who hope to improve the design, construction, and operation of this development for the good of all local stakeholders. To this end, RNRA has publicly stated its intention to participate in the Casino Community Advisory Council, which was announced on June 16. On June 23, RNRA announced its designated representative to the CCAC.

On July 7, 2022, RNRA leaders met with Bally's representatives to review our initial 42 project improvement recommendations set forth below, which were published on June 14, based on input from many association members and partners. While RNRA believes that they address essential issues involving this project, the organization remains open to other suggestions as well.

Bally's was represented by Ameet Patel, SVP Regional Operations; Christopher Jewett, VP Corporate Development; Jaimie Bulla, DMA Associates (D&C Consultant); and Meg George, Land Use Advisor. RNRA was represented by Brian Israel, President; Mike Riordan, immediate Past President; Mary Lassila, Board Secretary; and Mickie Gordon, Executive Director. *Meeting notes are included below each item in italics.*

At the start of the meeting, Bally's provided an update on the status of the development finalization and approval process.

- *Bally's plans to hold similar meetings with 8-10 groups or organizations with the goal of aggregating common asks and identifying unique asks.*
- *Bally's has executed the Host Community Agreement and made the initial \$40M payment to the city.*
- *The Illinois Gaming Board (IGB) application is in process and submission is expected during July or August.*
- *Bally's is in the process of filling key positions in management and finance.*
- *Planned development (PD), zoning, and CCAC preparations are underway, including weekly meetings with city officials.*
- *Bally's has met with Alderman Reilly to coordinate a virtual community meeting on the temporary facility, which will be conducted on July 19. A virtual community meeting on the permanent facility will be scheduled at a later date.*
- *The temporary facility has been deemed a "minor change" to the Medinah Temple Planned Development.*
- *The initial application has been submitted for Permit Review Committee review on August 4.*
- *Bally's has signed a lease with Friedman Properties for a maximum term of 3-years.*
- *For the permanent facility, the goal is to file in September for Plan Commission review in November.*
- *Bally's plans to acquire the entire 30-acre Tribune site using 10 acres for the permanent facility.*

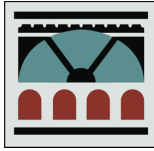


1. Development and Financing

- a. Reduce the overall square footage in the amendment to PD 1426, with no transferring of unused FAR to other sub-areas.
 - *The casino complex will be constructed in sub-area C of PD 1426, which had a 3.4mm sq ft FAR. The complex will occupy 1mm sq ft, and Bally's anticipates a permanent reduction of approximately 2mm to 2.4mm sq ft of FAR. A new bulk table is being developed with no intention of transferring FAR to other sub-areas.*
- b. Build out all 500 hotel rooms from the start with no time or performance thresholds.
 - *This is a capital allocation decision. 100 suites will be built out initially, with all required infrastructure for the entire hotel. The remaining 400 rooms will be built out within nine months, after 5 years of operation, or achieving \$170mm in revenue, whichever comes first. There is no scenario in which all 500 rooms will not be built out.*
- c. Engage surrounding community organizations in advance regarding the nature and quantity of development on the rest of the site, north and south of the casino facility.
 - *Agreed.*
- d. Eliminate the proposed pedestrian bridge to Ward Park.
 - *Bally's understands community concerns about the potential for secondary crime, high volumes of pedestrian traffic, disruption of a popular peaceful green space at all hours, and conflict with the Park District's 11:00 p.m. park closing time. Will consider elimination of the bridge, pending input from other groups.*
- e. Publish complete details of the minority crowdfunding plan, including leverage options, loan repayment terms, investment return formula and statutory limitations.
 - *When it became clear that SEC rules would cap individual investors at 499, the original crowdfunding plan was replaced with a plan to register Bally's Chicago as a public company, but without publicly traded stock. The goal of 25% remains in place for qualified minority and female investors. There will be an IPO with a standard advertising campaign and road show. Details, including investment thresholds, valuation formulas, and leverage options, will be released upon SEC approval, before the opening of the temporary facility if possible.*
- f. Publish detailed information regarding who controls the \$2 million direct and \$2 million indirect Host Community Impact Fees, for both the main and temporary facilities, and how these funds will be spent.
 - *Bally's understanding is that \$2mm will be earmarked for public safety at the temporary facility and \$1mm at the permanent facility. The balance will be general revenue. Bally's will not determine how these funds are allocated and recommended that this be addressed with city finance leaders through the CCCAC.*

2. Environment

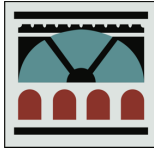
- a. Seek LEED Platinum certification and take all reasonable measures to lower energy usage, reduce the carbon footprint, improve sustainability, and lessen the environmental impact of the development.
 - *Bally's will commit to seeking Gold certification and will purchase sustainable energy credits. Bally's indicated that, due to more stringent USGBC standards, seeking Platinum certification would require nearly \$100mm in capital expense.*



- b. The North Branch Framework Plan, adopted in 2017, and PD 1426, adopted in 2018, included extensive riverfront development parameters designed to improve public access, create open green spaces, and reduce negative impacts on the Chicago River. Revise the site plan to incorporate these elements and involve Friends of the Chicago River (FOTCR) in this process.
 - *Bally's has participated in a tour of various river edge and river walk installations, has met with FOTCR separately, and plans to meet with the City River Ecology Committee, on which FOTCR is a member. The company intends to incorporate as many of the pertinent provisions of the PD and Framework Plan as possible in the final design, most of which were not referenced in the proposal renderings or description.*
- c. Replace the outdoor music venue with a well-appointed and accessible public park, including an onsite Dog Friendly Area and river walk connection. Involve Friends of the Parks in this process.
 - *Bally's originally assumed that the outdoor performance venue would be a welcome amenity for the neighborhood, but now understands the significant concerns of nearby residents about associated noise, light, and traffic disruption near their homes. Will consider this request, pending input from other groups.*
- d. Ensure that all vehicles operated by Bally's in connection with the site (maintenance, shuttles, security, hospitality, etc.) are 100% green and use renewable fuels.
 - *The facility will have few onsite vehicles, other than security patrols, but will not have control over the vehicles used by contractors. Bally's will purchase renewable energy, install EV charging stations, and build approximately 2 acres of green space in sub-area C. Roof material choices, and possible rooftop greening options, have yet to be determined.*

3. Infrastructure

- a. Produce and publish a new Chicago Department of Transportation (CDOT) traffic study that ignores the outdated PD 1426 estimates and projects volume changes from present levels, considering the casino complex plus all planned, approved, and under-construction projects within a ½ mile radius of the site. Proposed traffic controls at all entry points should be detailed and volume estimates should reflect the capacity of the improved adjacent arterials and other planned infrastructure changes.
 - *Bally's commented that the current study only indicated significant increases in traffic on Saturday and Sunday and only during peak hours, but acknowledged the desire of residents for accurate estimates of the cumulative impact of all planned and in process developments (including the casino complex) on current traffic volumes. Bally's stopped short of agreeing to commission a new study.*
- b. Explore the feasibility of constructing an eastbound exit ramp and a westbound entrance ramp connecting the casino site directly to the Ohio-Ontario feeder to minimize use of surface streets, if this could be done without adversely impacting existing residents.
 - *Bally's stated that this concept was thoroughly evaluated and rejected due to the high cost, extended construction timeframe, amount of land required, and low probability of Illinois Department of Transportation (IDOT) approval.*
- c. Continue Jefferson Street all the way to Grand Avenue to relieve Halsted congestion.
 - *This is already part of the current plan, with new signal-controlled intersections at Chicago and Grand, and new connections to Superior and Erie within the hotel/casino footprint.*

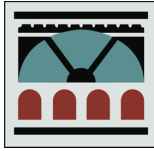


Whether the Jefferson Street will have two or four lanes has yet to be determined, but the current onsite railroad easement owned by Union Pacific will remain for now.

- d. Ensure that the Grand Avenue and Chicago Avenue bridge improvement projects increase traffic capacity without compromising the safety of cyclists and pedestrians. Both projects should be completed before the main facility opens.
 - *The Chicago Avenue bridge will include two lanes in each direction, but is unlikely to include dedicated bike lanes. The bridge houses cannot be altered. The improvements are scheduled to be completed by Q4/25, prior to opening. Grand Avenue bridge improvements are not within Bally's purview and are not expected to increase capacity. Construction is now scheduled to begin in August 2022.*
- e. Complete the Chicago/Halsted intersection improvements prior to opening.
 - *IDOT issue, not within Bally's purview.*
- f. Include improvements to address the existing Halsted/Erie Metra underpass bottleneck.
 - *IDOT issue, not within Bally's purview.*
- g. Include support structure reinforcements to the Metra trestles on Grand Avenue and Halsted.
 - *IDOT issue, not within Bally's purview.*
- h. Use parking and drop-off access points, bike-share and ride-share accommodations, wayfinding, and customer information materials to encourage multi-modal transportation and balanced use of all entrances to the site.
 - *Agreed.*
- i. Publish a detailed description of the public infrastructure improvements that will be funded by Bally's, and those that will be funded by taxpayers through TIF allocations or other city, county, or state incentive.
 - *Pending PD process. All PD requirements will be underwritten by Bally's. All project related infrastructure improvements will be detailed in forthcoming PD statements.*

4. Security

- a. Conduct regular external security patrols for four blocks in every direction from both the permanent and temporary casino sites to reduce deleterious impacts in the surrounding neighborhoods. Maintain ongoing communication with local CPD Officers.
 - *Bally's acknowledges the concerns and objectives of this request, including the protection of its patrons. It considers the request reasonable and will work with Chicago Police Department (CPD) officials to determine the optimal area, frequency, and parameters of external patrols.*
- b. Install and connect license plate readers and exterior surveillance cameras, at the main and temporary facilities, to the CPD/Office of Emergency Management and Communications (OEMC) monitoring platforms.
 - *Bally's intends to pursue execution, in coordination with OEMC and CPD officials. Bally's will invite OEMC representatives to participate in PD meetings.*
- c. Work with the CPD to support the implementation of security enhancements for the area around the intersection of Chicago Avenue and Cambridge Avenue, which is only two blocks from the development

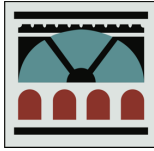


and has been the site of significant incidents of violent crime in recent years. This would help to manage any increased risk associated with the presence of customers coming to and from the casino.

- *Bally's acknowledges the concerns and objectives of this request, including the protection of its patrons. It will work with CPD officials to explore options.*
- d. To prevent patrons of local taverns from moving to the casino at closing time in order to continue drinking, onsite liquor service at both the temporary and permanent facilities should not exceed the latest hours of existing licensed hospitality establishments in the surrounding area.
 - *Onsite restaurants and bars will impose service hours that mirror those of licensed hospitality establishments in the area. Alcohol service on the gaming floors will continue at all times, with strict monitoring of consumption and inebriation by highly trained personnel. Bally's stated that, compared to regular hospitality venues, casinos have extra responsibility for preventing overserving because of the increased potential for intoxicated gamblers to lose money.*
 - *"No weapons allowed" signage will be posted, and consideration will be given to the installation of detection devices if needed. Smoking and vaping rules will be the same as in any public facility.*
- e. Offer shuttle services to customers traveling to and from nearby public transit stations.
 - *This would be considered if experience demonstrates that the need exists, though concerns were expressed about potential liability, and the desire to avoid providing free rides for non-customers.*

5. Temporary Facility

- a. Conduct and publish comprehensive traffic, parking, security, and infrastructure studies of the Medinah Temple site before proceeding with the temporary casino plan.
 - *Bally's will commission a new study, in coordination with Alderman Reilly, that will address traffic, ride-share, valet services, parking, surveillance, License Plate Readers (LPR), and security.*
- b. Install appropriate external signage, wayfinding, lighting, and soundproofing.
 - *Agreed.*
- c. Prohibit street parking around the perimeter, limit bus staging and idling, designate specific ride-share, taxi, and delivery zones, and assign airport-style traffic management personnel.
 - *Current parking policies will remain in effect. No bus service will be allowed upon opening, but may be added later. Bally's is open to these recommendations and will base specific transportation management policies on the finding of the new study, and real-world experience after opening.*
- d. Assign Bally's security personnel for escorting patrons and staff, and patrolling area parking garages. Coordinate efforts with 18th District CPD Officers.
 - *This would be considered if experience demonstrates that the need exists. Bally's has conferred with area garage management and understands that security will be reinforced with the addition of additional armed guards. All security related decisions will be coordinated with the 18th District Commander.*



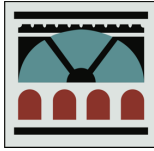
- e. Leave LPR and surveillance cameras in place and connected after the facility ceases operation.
 - *The Friedman lease requires Bally's to remove all improvements after termination.*

6. Quality-of-Life

- a. Prohibit private, recreational, and commercial for-hire boat docking, except for water taxis.
 - *Bally's expressed general agreement with this proposal. Details to be confirmed.*
- b. Conclude outdoor programming at 9 p.m. on weekdays and 11:00 p.m. on Saturday and Sunday.
 - *Bally's indicated general alignment with the proposed hours.*
- c. Conduct all concerts and performances indoors and limit the schedule to 15 days per month.
 - *Bally's indicated that large-scale theater performances would likely take place 3-4 days per week, mostly on Friday, Saturday, and Sunday evenings. Smaller-scale live entertainment (music, comedy, magic, etc.), will occasionally be conducted at various locations throughout the facility to supplement the visitor experience.*
 - *A commercial goal of the company is to make the facility as "sticky" as possible, with single-purpose visitors encouraged to remain onsite to partake in other activities (gaming, dining, etc.). The suggestion is that this will reduce the impact of large numbers of performance attendees leaving the facility at the same time.*
- d. Take all reasonable measures to limit external noise and light pollution. Ensure strict conformance to all existing city codes regarding noise and light.
 - *Agreed.*

7. Gambling Addiction Prevention and Treatment

- a. Establish a Chicago Department of Public Health program to oversee neighborhood-based problem gaming outreach and treatment, funded by 2% of annual revenue received by the city from casino operations.
 - *This would be a city decision and not within Bally's purview.*
- b. Establish city-wide guidelines to restrict casino marketing, advertising and promotional activities that target or impact youth, or vulnerable neighborhoods, particularly communities of color.
 - *This would be a city decision and not within Bally's purview. Bally's states that it designs and conducts advertising, marketing, and promotional campaigns pursuant to industry standards and in compliance with all applicable laws and regulations.*
- c. Work with the Illinois Council on Problem Gambling and an experienced and accredited academic institution to design, fund and conduct research on the social and economic impact of gaming, particularly on low-income neighborhoods and communities of color.
 - *Bally's states that it interfaces with both the national and state Councils on Problem Gambling and works to identify unhealthy gambling behaviors and offer assistance such as removing individuals from mailing lists, encouraging breaks, and providing contact information for addiction treatment resources. No commitment was made to execute this recommendation.*



- d. Establish a Community Advisory Council comprised of local residents and professionals who understand the gaming industry to advise the operator and the city and provide oversight of relevant provisions of the host agreement and any community benefit agreements.
 - *Bally's understands community concerns about the potential for creating and exacerbating gambling dependence problems and points out that its commercial interests are not served by turning patrons into addicts. Bally's states that it adheres to all IGB guidelines regarding practices to monitor, identify and prevent gambling dependence. It will consider this recommendation, pending input from other groups.*

8. Community

- a. Establish and execute an aggressive diversity, inclusion, and social equity hiring and advancement plan during construction and once the facility begins operating. Publish periodic performance reports.
 - *Agreed as to the goals and policy, which are detailed in the Host Community Agreement and Labor Peace Agreement. Performance reports will be provided to the city as part of the PD, and to the Illinois Gaming Board on a quarterly basis.*
- b. Establish a fund to provide financial support for non-profit organizations in the 27th and 42nd Wards.
 - *Bally's confirmed its intention to support area non-profits, with the highest priority going to local, followed by city, and then state organizations*
- c. Establish a fund to underwrite capital improvements for A. Montgomery Ward Park and Ohio Place Park.
 - *Bally's expressed a willingness to consider this recommendation.*
- d. Make suitable interior space in the facility available for non-profit fundraising events, community meetings, CPD beat meetings, family events, etc.
 - *Agreed.*
- e. Designate a community liaison who will attend local Beat and Chicago Alternative Policing Strategy (CAPS) Hospitality meetings, interface regularly with local community organizations, and be accessible 24/7 via phone/email to address issues.
 - *Agreed.*

Respectfully submitted on behalf of the RNRA Board