



Submit as Exhibit IX.A.3. a description of Applicant’s commitments to mitigate impacts of the proposed Gaming Facility (during construction and operation) on each Host Municipality and the nearby municipalities including for traffic mitigation, infrastructure costs, costs of increased emergency services and the other impacts identified in the studies included in Item IX.A.2.b. of this RFA. Provide copies of any contracts, agreements or other understandings evidencing such mitigation commitments.

EXECUTIVE SUMMARY

Adelaar is the subject of a SEQRA Statement of Findings adopted by the Town of Thompson on January 15, 2013, which is separately bound and included with Exhibit VIII.C.1.f. That SEQRA Statement of Findings outlines the specific impacts anticipated as a result of full build-out of Adelaar and the required mitigation that would be implemented. The SEQRA Statement of Findings also identifies specific program elements that were designed into Adelaar to avoid potential environmental impacts. Those program elements are considered part of the Adelaar project and not required mitigation for identified environmental impacts. This exhibit presents a summary of the mitigation measures detailed in the Statement of Findings.

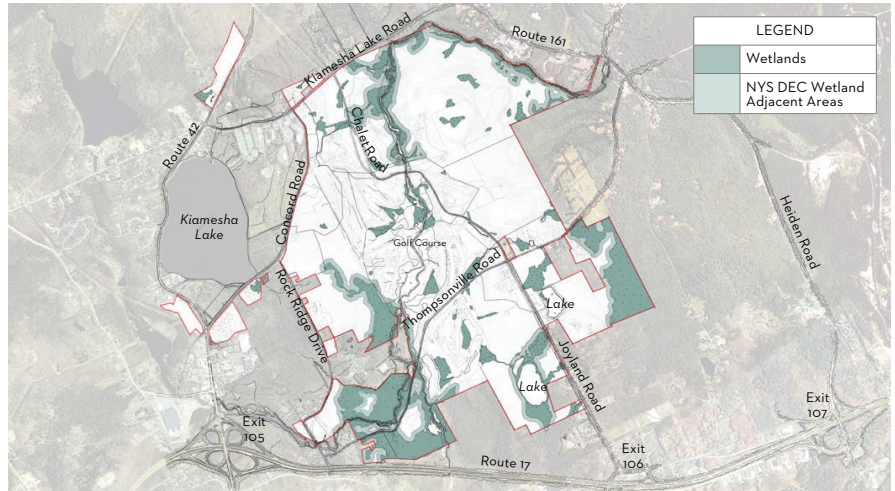
Infrastructure improvements for roads, water and sewer systems, storm water facilities and drainage systems in each phase of the Proposed Project will require financial security from the sponsor of the specific development component in the form of bonds and/or letters of credit and/or cash deposits. Financial securities shall be made in accordance with the terms specified in each site plan resolution. For Montreign Resort Casino, the resolution of site plan approval (See Attachment VIII.C.3.a.-2 to Exhibit VIII.C.3.a.) specifies that a Site Plan Infrastructure Security agreement be in place prior to site clearing, grading or construction and that a performance bond be posted prior to the issuance of a building permit.

APPROVED MITIGATION

As described in the 2013 adopted Statement of Findings and the 2013 adopted Comprehensive Development Plan, the following mitigation measures have been agreed to and will be the responsibility of the Empire and the property owner, EPR.

WETLANDS

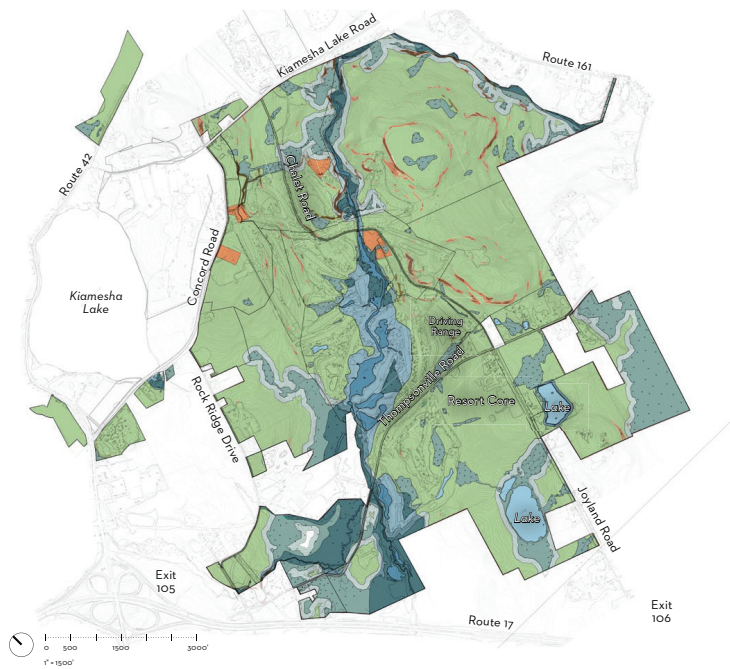
In total, 7.247 acres of regulated wetlands and waters are expected to be disturbed by the Proposed Project. The total includes 3.719 acres of direct disturbance (fill) and 3.528 acres of disturbance by overstory tree clearing in vegetated wetlands to facilitate golf course play and harness racetrack viewing. In addition to permanent wetland impacts, 1.350 acres of temporary impacts to onsite wetlands will be required principally for



installation of the force main to connect the Proposed Project with the existing Town Sewage Treatment Plant, and also for temporary clearing of vegetation to facilitate road and building construction. All areas of temporary wetland impact will be replanted by wetland adapted plants post-construction.

To mitigate for the permanent wetland disturbance required to implement the Proposed Project, a comprehensive wetland mitigation plan has been prepared and was submitted to the United States Army Corps of Engineers and New York State Department of Environmental Conservation as part of the Joint Application for a wetland permit. (This Permit Application is included as Attachment IX.A.3.-1. The large scale drawings are provided in electronic format only. The current status of this permit application is presented in Exhibit VIII.C.3.c.). Three areas of the Project Site currently occupied by golf course fairway were identified as potential mitigation areas due to their topographic position, proximity to existing wetlands and available hydrology. These potential mitigation areas were studied in detail to determine their viability as locations for wetland creation. Sub-surface geology and groundwater conditions have been studied via test pits and piezometers. In total, the wetland mitigation plan will propose to create approximately 11.080 acres of new vegetated wetland in formerly upland areas currently occupied by golf course fairway and 0.758 acres of open water in expanded water features within the golf course.

By creating wetland in portions of the existing Monster Golf Course that suffer from saturated soil and periodic flooding, the mitigation plan will reclaim and recreate floodplain forest. These wetland creation areas are all located immediately adjacent to formerly connected wetland patches now isolated and of lower value. By expanding and spanning the non-wetland spaces between remnant areas of existing wetland habitat now isolated within the Monster Golf Course's lower elevations, the wetland mitigation plan will not only exceed the vegetated wetland acreage permanently disturbed by a ratio of greater than 2:1, it will also create contiguous wetland habitat that currently does not exist. The net benefit to wetland



functions and values, including wetland flora and fauna functions, will be substantially increased. The proposed mitigation areas are physically separate from other project components, and can therefore be constructed independently of the development construction schedule.

Implementation and adjustment to the wetland mitigation plan during its construction and grow-in period will employ an Adaptive Management approach. This is a science-based approach for managing ecological systems and communities that are continuously evolving. A multi-disciplinary Adaptive Management Team will track the mitigation project against expected progress to ensure that the project stays on the appropriate trajectory to success. As necessary and appropriate, the Adaptive Management Team

will address any identified problems on an ongoing basis and will implement appropriate monitoring programs and/or alternatives to guide the mitigation.

INFRASTRUCTURE

To serve the Proposed Project with potable water, Empire and property owner, EPR, will construct the necessary infrastructure to meet the required potable water demands. The cost and allocation of financial responsibility of these improvements is detailed in Exhibit VIII.C.17.c. In addition, Empire and property owner entered into a water supply agreement with the Village of Monticello in October 2013 (See Attachment VIII.B.10.-1 to Exhibit VIII.B.10.). Pursuant to this agreement, the Gaming Facility will be served by up to 375,000 gallons per day of the Village’s existing surplus water supply.

Empire and property owner will also construct on-site sanitary sewer network, including gravity and force mains and sanitary pump stations connected to emergency backup power to flow to the Wastewater Treatment Plant for the Kiamesha Lake Sewer District which the Project Site is located within. The cost and allocation of financial responsibility of these improvements is detailed in Exhibit VIII.C.17.c.

To meet the storm water infrastructure needs of the Gaming Facility, the property owner and Applicant will construct a series of improvements. These improvements are detailed in Exhibits VIII.C.17.a. and VIII.C.17.e. and the approved Storm Water Pollution Prevention Plans attached to those exhibits.

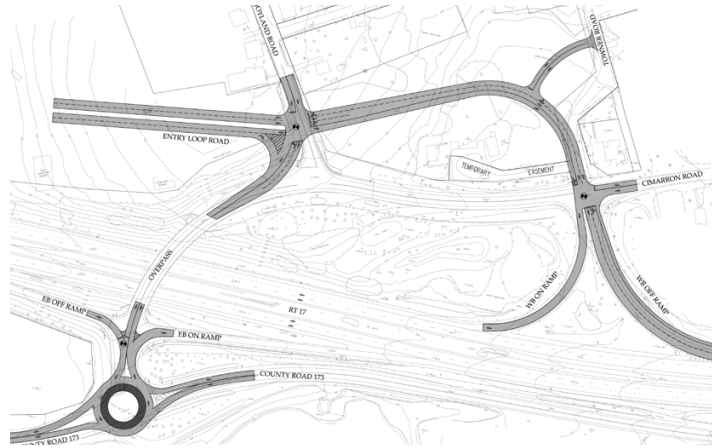
TRAFFIC AND ROADWAY IMPROVEMENTS

The following traffic improvements, as described in the 2013 Statement of Findings and the 2013 site plan resolution for Montreign Resort Casino, would be required and would be implemented by the property owner in coordination with the New York State Department of Transportation, Sullivan County Department of Public Works, and/or the Town of Thompson. The cost and allocation of financial responsibility for these improvements is detailed in Exhibit VIII.C.17.d.

Interchange 106

To make the most efficient use of the new Resort Entry Road, Interchange 106 off of NYS Route 17 will be redesigned and reconstructed (See Attachment VIII.C.17.d.-1 to Exhibit VIII.C.17.d). The interchange redesign will also allow continued use of the overpass recently constructed by the NYSDOT. This redesign will include the following elements:

- Realign Cimarron Road.
- Install signal at NYS Route 17 WB ramps/Cimarron Road intersection.
- Install signal at Joyland Road/Cimarron Road/New Entry Road intersection.
- Install signal at NYS Route 17 EB ramps/Cimarron Road intersection.
- Prohibit westbound left-turns and southbound left-turns at NYS Route 17 EB ramps/Cimarron Road intersection.
- Install roundabout at County Road 173/Cimarron Road intersection.



Signal Retimings and Installation

The following traffic signals will require retiming in order to optimize the overall intersection operating level of service ("LOS") and/or improve the function of the intersection: NYS Route 42 at Concord Road; NYS Route 42 at Pleasant Street and Broadway; and NYS Route 42 at Anawana Lake Road. Construction of the Entertainment Village, Indoor Waterpark Lodge, and Monster Golf Course may also require roadway improvements at the intersection of Thompsonville Road and Joyland Road/Chalet Road. The improvements could include installation of a new signal as well as additional turn-lanes on the northbound and southbound approaches. The precise improvements necessary will be determined after consultation with the Town of Thompson during site plan review for those elements of the Gaming Facility.

Roadway Improvements

Empire and property owner, EPR, have agreed to fund the cost of local roadway resurfacing, which will be initiated by the Town of Thompson, upon completion of construction related activities, as noted in the resolution approving the final site plan of Montreign Resort Casino. The Town, Empire and property owner, EPR, have agreed that the following roads will be improved, including milling, binding and placement of a new topcoat within the existing roadbed up to the amount of \$1,100,000:

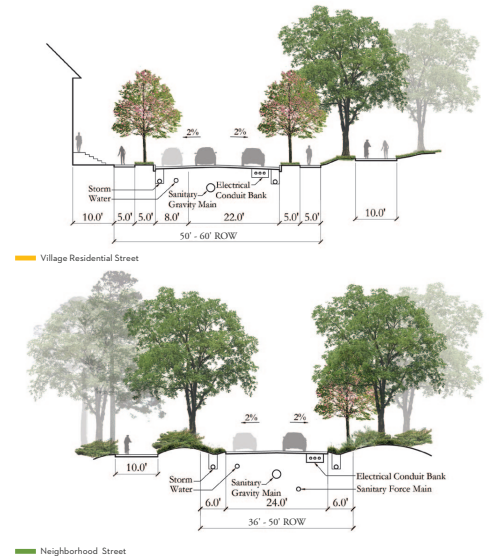
- Thompsonville Road from Heiden Road to Rock Ridge Road;
- Chalet Road from Thompsonville Road to Kiamesha Lake Road; and
- Joyland Road from Resort Entry Road to the Crossover Road intersection.

Intelligent Transportation Systems

In addition, in consultation with and approval from NYSDOT and other involved agencies, an innovative approach towards addressing proposed mitigation, Intelligent Transportation Systems ("ITS"), will also be considered. ITS measures could include installation of adaptive traffic control systems to improve vehicle detection/operations such as the addition of wireless system detectors and traffic count stations (pucks) and video monitoring for data collection and monitoring as well as back of queue detectors on NYS Route 17 to ensure queues on the exit ramps do not extend to the highway.

Future Development Traffic Improvements

Based on the qualitative traffic assessment performed as part of the 2012/2013 Generic Environmental Impact Statement, which resulted in the approval of the Comprehensive Development Plan for Adelaar by the Town of Thompson, several improvements to the local traffic network were identified that may be required to mitigate the impacts associated with the Future Development of Adelaar. Those improvements are listed below. The timing and extent of the improvements will be determined in consultation with the Town of Thompson, the NYSDOT and Sullivan County DPW during the site plan approval process for future phases.



Potential Improvements to Signalized Intersections

- Liberty Street and Broadway – potential signal timing adjustments.
- Pleasant Street and Broadway – potential signal timing adjustments and improvements to the eastbound and westbound approaches such as additional travel lanes.
- NYS Route 42 and Anawana Lake Road – potential signal timing adjustments and construction of additional travel lanes on the northbound and southbound approaches.
- NYS Route 42 and Depot Drive – potential signal timing adjustments and construction of additional lanes on the northbound and southbound approaches.
- NYS Route 42 and Concord Road – potential signal timing adjustments and additional turn lanes on all approaches.
- NYS Route 42 and Kiamesha Lake Road – potential signal timing adjustments and construction of additional lanes on the northbound and southbound approaches as well as providing turn lanes on all approaches.

Potential Improvements to Unsignalized Intersections

- Rock Ridge Drive and Concord Road – potential installation of a traffic signal and construction of turn lanes along Concord Road.
- Concord Road and Kiamesha Lake Drive – potential installation of a traffic signal.
- Joyland Road and Thompsonville Road – in addition to the installation of a traffic signal and turn lanes on the northbound and southbound approaches, potentially construct turn lanes on the eastbound and westbound approaches.

In addition to the above improvements, there may be a need to widen the NYS Route 17 Interchange 106 overpass to increase capacity. However, alternative options, such as directing a portion of the traffic to use Interchange 107 off of NYS Route 17 and associated mitigations with that diversion, would be investigated before widening the overpass.

COMMUNITY SERVICES

Montreign Resort Casino will retain its own trained security staff to assist with the operations of these facilities, as described in Exhibit VIII.D.1.a. and b. The level of security that will be employed will be based on research conducted at similar facilities that have shown that because of the level of security and surveillance presence, a casino can be a deterrent to crime. Nonetheless, as necessary, security staff from Montreign will interface and coordinate with law enforcement and other emergency services providers as necessary. As found by the Thompson Town Board in the 2013 adopted Statement of Findings, “It is anticipated that [the tax and fee revenue generated by Montreign] would offset additional demand for emergency services resulting from [the development of Montreign].” This finding is confirmed by the analysis included in Exhibit IX.A.2.a. and VIII.B.3.

HISTORIC RESOURCES

Demolition of the Breezy Corners Bungalow Colony constitutes an adverse effect on an historic resource and requires, in consultation with SHPO, that measures to mitigate such adverse effects be implemented. Appropriate mitigation measures have been developed in consultation with SHPO. As shown in Appendix 2 of the 2014 Technical Memorandum (which is included within the Site Environmental Reports, which are separately bound and referenced in Exhibit VIII.C.1.f.), SHPO has indicated their agreement with Empire’s approach to mitigate the adverse impacts to the Breezy Corners Bungalow Colony. A Memorandum of Agreement between SHPO, USACE and Empire is being developed to document this mitigation effort.

ELECTRICITY

While there is some existing electrical service to the Montreign site, NYSEG has indicated that the primary electrical services along Thompsonville Road will be upgraded to serve Adelaar. New distribution lines will be installed from the primary electrical service to Montreign. In addition to the upgrade of primary electric lines, the distribution system will include a new switchgear and transformer station. Finally, street lighting, including bases and fixtures, will be installed along the improved roadways. Empire and property owner will be financially responsible for these costs, as described in Exhibit VIII.C.17.c.

PROTECTED HABITAT AND SPECIES AND LIGHT POLLUTION

As described in Exhibit IX.A.2.b., as well as in the 2013 adopted Statement of Findings, there are not expected to be any significant adverse impacts on protected habitat and species or on visual resources or light pollution. Empire has incorporated measures into the site design to minimize any potential adverse impacts and the Town of Thompson Town Board, acting as Lead Agency under SEQRA, found that these measures would be effective in minimizing potentially adverse impacts. In addition, the 2013 adopted Comprehensive Development Plan for Adelaar includes standards for lighting at the various components of the Gaming Facility that the Town Board has already found to be adequate to minimize the impacts of light pollution.

