

## **X. WORKFORCE ENHANCEMENT FACTORS**

### **B. WORKFORCE DEVELOPMENT**

#### **2. AFFIRMATIVE ACTION PLAN**

*The Gaming Facility Location Board recognizes the importance placed upon minority and women-owned business enterprises (MWBE) business participation by the State and adopts a policy to encourage contract opportunities for all small businesses including State certified MWBEs. A successful RFA proposal will include a meaningful opportunity for state certified MWBE businesses to participate in the development, construction and operation of the gaming industry.*

*Meaningful participation includes significant opportunity by certified MWBE small businesses through inclusion of specific, measurable commitments for vendor and supplier participation and development of a MWBE small business-monitoring program.*

*Submit as Exhibit X.B.2. how the Applicant and, as applicable, the Manager proposes to establish and implement an affirmative action program that identifies specific goals for the engagement of minorities, women, persons with disabilities and veterans on construction jobs and service and professional jobs during operation, in order to increase the diversity of the gaming industry workforce.*

The Applicant is committed to recruiting, employing, training, and developing talented and personable individuals of all ages, genders, cultural and racial backgrounds, physical ability and religious beliefs. We embrace a culture where the diversity of our Team Members and guests is respected. Our philosophy is to make everyone feel comfortable and welcome; part of our family. We are dedicated to creating a work environment that is committed to excellence, charged with creativity, fun, and strives to instill a sense of pride in being a part of the organization and what can be accomplish together.

Both Cordish Company (Cordish) and Penn National Gaming, Inc., (Penn) the Applicant's ultimate parents, have extensive experience in developing casinos. In addition to its casino projects, Cordish also has extensive experience in building non-casino projects many of which were public/private partnerships. Both companies have a significant record of success in working with the local and regional contracting/supplier markets to identify construction and fit-out opportunities for minority, women, disabled and veteran business organizations.

#### **CONTRACTORS AND SUPPLIERS**

The Applicant, as its parents have demonstrated in the past, will be deeply committed to providing opportunity to a diverse set of contractors and suppliers for both the construction and operation of

the casino resort facility. As more fully illustrated below, both companies have a history of meeting and exceeding diversity outreach goals, and have been recognized as leaders in providing opportunities to minority and woman owned businesses.

### **The Cordish Company**

The Company has a Diversity and Inclusion Policy; a Commitment to Equal Opportunity and has included priority for MBE and WBE contractors both through its MBE/WBE Business Development Plan and its General Conditions for Contracting both goods and service. The Company was recognized by the Maryland DC Minority Contractors Association as "the most inclusive corporation of the year for minority contractors" for 2012 for the construction and opening of Maryland Live! Casino. Cordish used a minority-owned general contractor to construct Maryland Live!, the first minority-owned contractor to build a major casino in the United States. Moreover, Maryland Live! achieved in excess of 37% participation by minority and woman owned sub-contractors. Cordish was also recognized in 2011, for its leadership in minority partnerships in non-governmental projects that did not require MBE or WBE participation.

### **Penn National Gaming, Inc.**

Penn has been a significant developer of casino and pari-mutuel racing properties for the last 10 years. Their track record for diversity and local hiring on major projects across the country has been unrivaled in our industry. For example on their most recent projects:

#### **Hollywood Casino at Kansas Speedway, Kansas City, Kansas (Opened February 2012)**

Construction Goal: Construction 15% Local Business Enterprises (LBE), 15% MBE, and 7% WBE

Results: LBE 47.8%, \$46.7 Million; MBE 16.2%, \$15.8 Million; and WBE 29.6%, \$28.9 Million

Design Goals: Design LBE 10%, MBE 10%, WBE 5%

Results: LBE 86.0%, 2.0 Million; MBE 17.0% \$403k; and WBE 6.0%, \$141k

Total MBE/WBE/LBE Spend: \$94.0 Million

#### **Hollywood Casino Toledo, Ohio (Opened May 2012)**

Goal: 15% MBE/WBE Project Participation

Results: 19.3%, \$39.5 Million MBE/WBE

Local Firms: 90% of Project Hard Costs went to Ohio based firms

#### **Hollywood Casino Columbus, Ohio (Opened October 8, 2012)**

Goal: 20% MBE/WBE Project Participation

Results: 60%, \$164 Million MBE/WBE, including Smoot Construction the project's general contractor, an Ohio MBE company

Local Firms: 64%, \$155.3 Million of total Construction went to Ohio based firms

In each of these projects, Penn studied the composition and resources for the local markets, established aggressive goals engaged in early and frequent outreach and meetings to achieve

these goals. In each case, Penn substantially exceeded its goals and, in some cases, set new records for these markets.

Penn has received the following samples of recognition for its efforts in diversity:

- Named 2009 Corporate Partner of the Year by the National Black Chamber of Commerce
- Received honors by Columbus NAACP in 2011 for our Minority and Women-owned businesses procurement program.
- 2012 Community Partner of the Year – United Way of Central Ohio
- 2012 Corporate Champion of Diversity – Columbus, Ohio NAACP

What others say about Penn:

*“Penn National Gaming has been a phenomenal community partner. Hollywood Casino has become an iconic part of our tourism district. Penn has sat as partners with us from the very beginning of the process.”*

- Joe Reardon, Mayor, Kansas City, KS

*“Hollywood Casino has been an anchor on our waterfront and has led to economic development in our city.”*

- Michael Bell, Mayor, Toledo, OH

*“There is corporate integrity. This is an organization that has met their commitment to the community. They not only did what they said they would do; they have exceeded it and that matters so much to our city.”*

- Noel Williams, President, Columbus NAACP

The Applicant and its’ construction manager has developed a draft comprehensive and results oriented Diversity Plan for the construction and fit-out of the Live! Hotel & Casino New York which is included as an attachment.

Additionally, the applicant has prepared a draft Diversity Plan for the ongoing purchase of goods and services by the casino facility after it opens. This Plan includes concrete measures that will be undertaken to ensure that a diverse vendor base is given the opportunity to supply the facility on an ongoing basis.

If the applicant is fortunate enough to be selected as the operator of a resort casino in New York, the Applicant will work with the New York Gaming Commission to develop final affirmative action plans for construction and ongoing purchases that will contain measurable goals and that will meet the expectations of the Commission, area residents and the business community.

## EMPLOYMENT

The Applicant, consistent with its philosophy of equal employment opportunity, affirms a policy of non-discrimination against qualified individuals in its employment practices, including job application procedures, recruiting, advertising, hiring, termination, advancement, compensation, training and other terms, conditions and privileges of employment, in accordance with federal, state and local laws and its own inclusive philosophy.

Local Hiring - Live! Hotel & Casino New York will enact a Hiring Preferences Policy in which hiring priority will be given to residents of the host and nearby communities, veterans and referrals from local community organizations.

Community Partnerships - Training will be undertaken internally and/or through outside public partners in order to maximize local participation and potential advancement. Job fairs will be conducted at locations near the facility prior to opening which will include the participation of various community organizations.

Training – As more fully described in the Training for the unemployed and as evidenced in our history of programs, the Applicant is committed to facilitating training opportunities and providing training resources to potential applicants and hired team members.

Both the Cordish Company and Penn National Gaming and their affiliated companies have a strong record in implementing affirmative action plans and achieving their stated local hiring and diversity goals. Some specific recent examples of that record:

### The Cordish Company

Cordish's most recently opened casino property, Maryland Live! Casino, has achieved strong diversity employment numbers:

<b>Ethnicity</b>	<b>Count of Employees:</b>	<b>Percent of Workforce</b>
American Indian/Alaskan Native	10	<b>0.4%</b>
Asian	362	<b>13.8%</b>
Black or African American	913	<b>34.8%</b>
Hispanic or Latino	162	<b>6.2%</b>
Native Hawaiian/Other Pacific Islander	9	<b>0.3%</b>
None	50	<b>1.9%</b>
Two or more races	105	<b>4.0%</b>
White	1013	<b>39%</b>
<b>Grand Total</b>	<b>2624</b>	<b>100%</b>

Additionally, Maryland Live! received an award from the Anne Arundel Community College Center for Social Change for employment of the disabled. Further, Maryland Live! has

entered into a partnership to offer employment opportunities to the underemployed. The Company has also worked with the Anne Arundel Workforce Development Corporation to develop a transit solution to facilitate the use of public transportation for its workforce and applicants, thereby enabling a broader recruitment opportunity to the unemployed and underemployed.

**Penn National Gaming, Inc.**

Penn has achieved strong minority employment figures at its two most recent new casino openings:

**Hollywood Casino Toledo**

<b>Ethnicity</b>	<b>Population (Toledo MSA)</b>	<b>Applicants</b>	<b>Hired</b>
White	83.3%	63.8%	68.8%
Black or African American	12.0%	17.1%	18.4%
American Indian or Alaska Native	0.3%	0.7%	0.6%
Asian	1.1%	1.3%	2.6%
Hispanic or Latino	1.8%	2.6%	3.1%
Two or More Races	4.4%	5.0%	6.6%
Unknown/opt out		9.6%	0.0%

**Hollywood Casino Columbus:**

<b>Ethnicity</b>	<b>Central Ohio Population</b>	<b>Applicants</b>	<b>Hired</b>
White	75.0%	62.8%	67.9%
Black or African American	14.0%	16.0%	22.3%
American Indian or Alaska Native	3.0%	0.5%	0.3%
Asian	4.0%	2.4%	3.1%
Hispanic or Latino	2.0%	2.1%	2.5%
Two or More Races	2.0%	2.8%	3.9%
Unknown/opt out		13.5%	0.1%

**Live! Hotel & Casino New York**

The Applicant has prepared a draft engagement and recruitment plan that outlines specific strategies that we will use to ensure a diverse local workforce and to provide employment opportunities for the unemployed and underemployed in the area in which we will operate , see attachment.

If the applicant is fortunate enough to be selected as the operator of a resort casino in New York, the Applicant will work with the New York Gaming Commission to develop final affirmative action plans for employment and employee development. These plans will contain measurable goals that

will reflect the diversity of the area in which we will operate and that will promote employment of the unemployed and underemployed.

As illustrated above and in the attachments, both joint venture partners for the proposed Live! Hotel & Casino New York have extensive experience in meeting or exceeding diversity and local hiring and contracting goals. This experience and the diversity commitments outlined herein, should give the State of New York confidence that no doors will be closed for persons and businesses seeking to build, supply, or work at our spectacular Orange County, New York casino resort development.

**Attachments included:**

Construction Diversity Plan

Ongoing Purchasing Diversity Plan

Addendum 1 AGA Minority Purchasing Guidelines

Diversity Strategic Plan

Minority Outreach Fair