

ORDER 2020-02
AN ORDER OF THE INDIANA GAMING COMMISSION CONCERNING THE
APPLICATION OF SPECTACLE JACK, LLC FOR A CASINO OWNER'S LICENSE
PURSUANT TO INDIANA CODE § 4-33-6.7-1

The Indiana General Assembly, via House Enrolled Act 1015 (2019) created, subject to certain conditions being met, a new casino owner's license for inland casino gaming in Vigo County, Indiana. On July 16, 2019, the Indiana Gaming Commission ("Commission") received Majestic Star Casino LLC's request to relocate gaming operations pursuant to Indiana Code § 4-33-6-4.5. Pursuant to Ind. Code § 4-33-6.7-1, the Commission was required to begin accepting applications and proposals for awarding a casino owner's license to operate an inland facility in Vigo County. The Commission established an application deadline of December 2, 2019, which was posted to the Commission website. The Commission also prescribed the form of the application and proposal for permission to operate an inland casino in Vigo County. On November 5, 2019, the voters of Vigo County approved inland casino gaming in the county as required by Indiana Code § 4-33-6-19.3(h).

On or about December 2, 2019, Spectacle Jack, LLC ("Spectacle Jack") submitted a Casino License Application to operate an inland casino in Vigo County (the "Application") to the Commission with certain amendments thereto submitted on April 13, 2020. The Spectacle Jack Application was the only application received by the Commission. Pursuant to Order 2019-255, entered on December 17, 2019, Majestic Star Casino II, LLC's license was relinquished. The statutory conditions necessary for awarding a casino owner's license in Vigo County have been met.

Spectacle Jack, an Indiana limited liability company, was founded in September 2019 in Indianapolis, Indiana as a wholly owned subsidiary of Spectacle Entertainment Group, LLC, which is the parent company of the Majestic Star Casino. On March 18, 2020, One-Eyed Jack Ventures, LLC based in Terre Haute, Indiana became the majority owner of Spectacle Jack and consequently moved its headquarters from Indianapolis to Terre Haute. The Spectacle Jack board of managers consists of Gregory L. Gibson and James Brown.

The Commission has reviewed Spectacle Jack's Application to determine Spectacle Jack's suitability to become a casino owner's license holder. This review included a determination of Spectacle Jack's financial integrity and its ability to operate an inland casino. Further, the Commission considered the factors set forth in Ind. Code § 4-33-6-4.

In addition, as required by Ind. Code § 4-33-6.7-4, the Commission considered the following:

1. Economic benefits.
2. Tax revenue.
3. The number of new jobs.
4. Whether the applicant plans an investment of at least one hundred million dollars (\$100,000,000), with sixty-five percent (65%) of the owner's proposed investment for the

development of a casino, and thirty-five percent (35%) of the owner's proposed investment for the development of nongaming amenities.

5. Whether the applicant has a resolution of support from the legislative body of the unit in Vigo County where it seeks to relocate.
6. The financial stability of the applicant.
7. The applicant's history of community involvement.
8. Any other factor that the Commission considers appropriate.

In considering the above referenced factors and the Application, the Commission notes that:

1. Spectacle Jack has submitted to the Commission the appropriate Application, including the fifty thousand dollar (\$50,000) fee, and personal disclosure forms for all Substantial Owners and Key Persons deemed necessary by Commission staff.
2. The Commission has received a Terre Haute Analysis and Estimated Impacts from the Commission's outside expert, Indiana University Senior Policy Analyst, Drew Klacik.
3. The Commission's Background and Financial Investigations Divisions have completed a comprehensive background investigation of Spectacle Jack, as well as all Substantial Owners and Key Persons deemed necessary by Commission staff to award the license to operate an inland casino in Vigo County and the confidential final investigative reports have been presented to the Commission for consideration.
4. On January 29, 2019, the Board of Commissioners of Vigo County executed Resolution 2019-2 In Support of a Casino/Gaming Destination in Terre Haute/Vigo County.
5. On November 5, 2019, Vigo County voters voted to permit inland casino gaming with approximately 63% voting in support of the referendum.
6. On December 2, 2019, Spectacle Jack and Vigo County executed a proposed Local Development Agreement for consideration and approval by the Commission.
7. Spectacle Jack has addressed the Commission at a public meeting to present information and respond to questions relevant to the Application.

COMMISSION ACTION

The Commission hereby:

GRANTS Spectacle Jack a casino owner's license to operate an inland casino in Vigo County, Indiana in accordance with Ind. Code § 4-33-6.7 *et seq.*, subject to Spectacle Jack maintaining its casino gambling operation in substantial compliance with all state and local laws including, but not limited to, Commission regulations, resolutions, orders, or other directives relating to the casino owner's license, or to lawful operation or conduct of gaming in Indiana. The issuance of the casino owner's license is valid for a period of one year from May 15, 2020 through May 14, 2021.

The Commission's approval is conditioned upon the following:

1. Pursuant to Ind. Code § 4-33-6.7-5, Spectacle Jack must pay a fee of five million dollars (\$5,000,000) to the Commission. The \$5,000,000 fee is due by the effective date of this Order.
2. Spectacle Jack must submit to the Commission a plan for complying with Ind. Code § 4-33-14, regarding minority and women's business participation in the construction and conduct of the gaming operations at an inland casino.
3. Spectacle Jack must make an investment of at least one hundred million dollars (\$100,000,000), with sixty-five percent (65%) of the proposed investment for the development of a casino, and thirty-five percent (35%) of the proposed investment for the development of nongaming amenities.
4. Pursuant to Ind. Code § 4-33-6-22, Spectacle Jack shall submit a proposed power of attorney within ninety (90) days from the effective date of this Order. The power of attorney must be renewed annually concurrent with the annual casino owner's license renewal. The Commission hereby delegates approval of the power of attorney to the Executive Director.

Additionally, the Commission's approval of Spectacle Jack's Application is conditioned upon Spectacle Jack meeting all conditions contained in Ind. Code § 4-33-6.7-1 *et seq.* As an additional requirement imposed pursuant to Ind. Code § 4-33-6.7-5(3), Spectacle Jack must receive plan approval. The details of what the plan must include and approval authority of the plan are hereby delegated to the Executive Director.

EFFECTIVE DATE

This Order shall be effective once it becomes a final Order upon the occurrence of the passage of fifteen (15) days following the receipt of the Order from the Indiana Gaming Commission as set forth in Ind. Code § 4-21.5-3-5.

IT IS SO ORDERED THIS 15th DAY OF MAY, 2020.

THE INDIANA GAMING COMMISSION:

ATTEST:

Michael McMains, Chair

Joseph Svetanoff, Secretary