

December 10, 2021

Kristen Buckley
Secretary to the Commission
N.Y.S. Gaming Commission
Office of the Secretary, 5th Floor
One Broadway Center
Schenectady, New York 12305

Byron Yip
President, Okada Manila International, Inc.
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Submitted by Matthew Landry, Strategic Market Advisors

Dear Ms. Buckley:

UE Resorts International, Inc. (UERI) is pleased to submit the attached Response to the New York State Gaming Commission's Request for Information dated October 20, 2021. In addition to this cover letter, our response includes three files, an executive summary, a presentation, and a response to your questions.

UERI proposes to construct and operate Mirai, the future of integrated casino resorts (indeed, Mirai means future in Japanese), in Manhattan. This will be our only integrated resort in the United States, which will align our interests with the State of New York. Other, multi-asset operators, have inherent conflicts of interest because they offer other casinos in nearby jurisdictions with more favorable tax structures. For this reason, an operator of a casino resort in New York may recruit local players and provide incentives for them to play in markets such as New Jersey or Nevada, where they will pay less gaming taxes compared to New York. Since Mirai will be UERI's only integrated resort in the United States, we will be committed to success in New York.

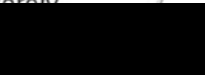
We envision an integrated resort in New York City, similar to resorts in Singapore and those being planned in Japan. Mirai will offer a comprehensive experience to its guests, leveraging casino gaming as an economic engine to help support a broader leisure and entertainment experience that will readily compete against options in nearby states and induce new visitation to New York. Aside from casino gaming, we plan to offer an eSports arena, cryptocurrency trading floor, and space to support quintessential New York events such as Fashion Week, Fleet Week, and the U.S. Open.

Okada Manila International, Inc. is in the process of changing its name to UERI. UERI is a subsidiary of Universal Entertainment Corporation, a leading firm at the intersection of technology and gaming. Universal Entertainment is based in Japan and has partnered with gaming industry visionary Jason Ader to build on Okada Manila, our integrated resort located in Manila, Philippines. UERI plans to become a

NASDAQ listed company in connection with its previously announced transaction with 26 Capital Acquisition Corp, which is sponsored by Mr. Ader.

Please review the executive summary and presentation for more details on our vision, experience, and background. My team and I are happy to discuss our submission and your feedback further, if you wish. We hope you'll agree that a modernized and dynamic integrated resort will further cement New York's reputation as a leader in commerce and culture, attract visitation, and drive growth across the New York economy.

Sincerely,


Byron Hip
President
Okada Manila International, Inc.

Attachments: Executive Summary, Presentation, and Response to Request for Information



EXECUTIVE SUMMARY

Mirai by UE Resorts International

Universal Entertainment Resorts International, Inc.

Introduction

UE Resorts International, Inc. ("UERI") proposes to build and operate Mirai, a revolutionary resort, in Manhattan. Offering a transformative experience, the futuristic design will be complemented by cutting-edge games and technology all to support a world-class resort environment. Mirai's strategy outperforms traditional casino resort models by broadening appeal and inducing visitation to the benefit of the entire community.

UERI is expected to become a Nasdaq-listed firm and will be majority-owned by Universal Entertainment Corporation, a leading provider of gaming technology based in Japan. If developed, Mirai will be the firm's only resort in the United States, eliminating the conflicts that characterize large US operators, retaining New York's gaming tax revenue, and aligning itself with the interests of the State of New York.

Mission Statement

UE Resorts International, with guidance from industry visionary Jason Ader, is reimagining the casino experience and gaming overall. We're seeking to create new universe of gaming built for now and for the future – Mirai.

We are building an integrated resort experience for the year 2040 and beyond. For the current generation and those to come. Meeting them where they are and how they live.

The customer of tomorrow doesn't want to pull a slot machine lever, they want to trade crypto on a world-class trading floor in a 24/7 market in a 24/7 city; they want eGaming and e-sportsbooks; they want to go from the airport to the resort not by Uber, but in a flying car.

We will create the first metaverse casino, artfully blending the physical and virtual worlds in a way that people have never seen. They will visit a world in which they *are* the experience.

Every detail will speak to our mission, from the location and the architecture to the clientele and the experiences it will host – a premier global destination for the global gateway city.

We will create a center for the new era of gaming, finance, sports, fashion, art, and entertainment.

This will be universal entertainment.

Mirai

UERI believes that a global city deserves a world-class experience. We believe that New York City should have a large, iconic resort like those in Singapore and under development for Tokyo. We believe that Mirai will be recognized globally and become a must-see

attraction that increases tourism and related expenditures, benefiting the broader community and increasing tax revenue.

Cryptocurrency trading, eSports, and virtual reality experiences will supplement casino gaming, providing more entertainment options and attracting the next generation of gamers. Modernizing traditional casinos by surrounding them with these complementary entertainment alternatives also enables integration into the casino gaming floor, as new and emerging technologies are approved by the New York Gaming Commission for wagering. Combined, offering other forms of gaming at the forefront of technology and incorporating wagering will put New York at the forefront of the broader gaming industry.

Mirai is not limited to gaming. World-class facilities will support Fashion Week, Fleet Week, the US Open, and the UN General Assembly. UERI envisions ultra-modern fashion runways to showcase the newest styles from around the world, outdoor space along the Hudson to celebrate the armed services during Fleet Week, and the most advanced meeting space worthy of hosting the United Nations. Quintessential elements of New York will be served by an active member of the community.

Environmental, Social, and Governance

Environmental and social considerations will be front and center in the development and operation of Mirai. The design will integrate sustainable materials and methods constructed by qualified engineers and talented tradespeople. This will all be done with an eye towards an energy-efficiency throughout the operations. We will go beyond carbon neutral and strive to showcase the latest in environmentally conscious development and operation.

Team members at Mirai will be integral to success, and accordingly UERI will invest in the wellbeing of its staff. Healthcare programs designed to protect and promote physical and mental wellbeing will be available to all team members. UERI sees wellness initiatives such as fitness and nutritional advice, work-life balancing programs, assistance with childcare, and healthy and wholesome employee dining as key to our success. These commitments will help us recruit a team that represents a true cross-section of the melting pot that is New York City, with race, sex, sexuality, and other traits represented at every level of our organization. We know that when our team is representative of the community, happy, and healthy, our customers' experiences improve and we all benefit.

Our operations will support the career advancement of our team members. According to the Office of the New York State Comptroller (OSC), the tourism industry supports a higher share of workers who are self-employed (14.4 percent), low-wage (\$32,000 annually), minority (66 percent), and immigrants (44.7 percent). The gaming industry traditionally supports higher wages than the tourism sector overall and includes more opportunities for advancement and increased earnings. These opportunities include technicians, supervisors, and managers for gaming operations, accountants and marketing professionals, and several other areas of expertise. Mirai's dynamic technology attractions

and commitment to the highest levels of customer service require even more professionals and opportunities for advancement.

Universal's appreciation extends into the community. Therefore, support for the city's firefighters, police, medical responders, and teachers will be extended through several initiatives. While UERI has yet to identify specific needs, we envision dedicated financial support, the use of our facilities and services for annual fundraisers, and special opportunities for firefighters, police, medical responders, and teachers and their families to enjoy our facilities. While our services are humble relative to theirs, in our experience saying thank you with a weekend getaway, dining experience, or spa day can provide a much-needed respite.

Mirai will be UERI's only resort in the United States. Unlike many other operators, our team will not have the incentive to bring players from New York to lower tax jurisdictions such as New Jersey or Nevada. This will align our interests with the public and prevent the loss of gaming revenue for the State of New York.

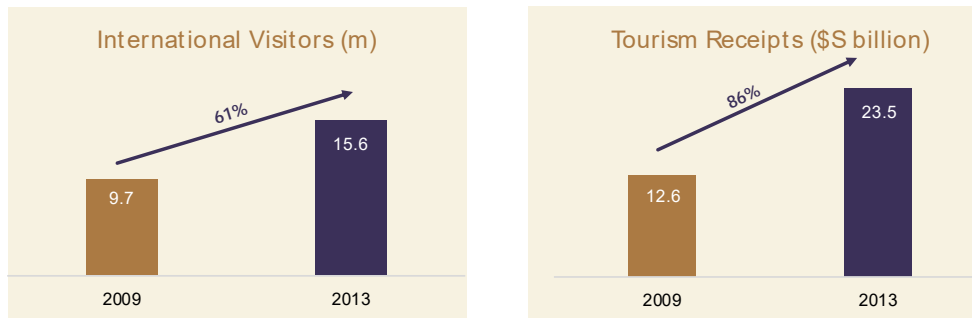
Economic Highlights

Beyond bringing New York a world-class resort commensurate with its standing, UERI can protect New York unlike most other resort operators. UERI has no conflicts arising from operating casino resorts in other United States jurisdictions with more favorable tax structures, and if selected will refrain from developing in any other domestic jurisdiction. Operators with resorts in other US jurisdictions, such as New Jersey and Nevada, are strongly incentivized to encourage and even pay for players to go to those other destinations, where the economics favor their stakeholders. With no other domestic operations, UERI's incentive will be to build its New York business rather than use it as a recruiting platform for other operations.

UERI's vision is inspired by global developments. While the United States has long been a leading casino gaming market, new resorts being built in other destinations prove that a comprehensive array of amenities attract a disproportionate share of casino gamers while broadening reach into the leisure and meetings and conventions segments.

Singapore's introduction of two integrated resorts in 2010 provides an excellent example. At a combined cost of \$10 billion, the government's directives positioned one resort toward leisure tourists and the second towards meetings and conventions. Each resort incorporated a wide array of amenities, such that a guest could spend a vacation in either place without leaving and without having seen everything, providing them with a reason to return. As can be seen in the following graph, three years after opening, international tourism increased 61% and tourism receipts increased 86%.

Singapore Visitation Statistics, 2009 v. 2013



One may assume that these benefits accrued to the resort operators. However, over this time frame the number of hotel rooms increased while performance improved. The introduction of these resorts clearly enabled positive economic impacts for the broader tourism sector.

The Singapore government took an active role in planning for the emergence of its casino sector, including selecting the two locations, outlining their positioning, designating the lease terms based on professional real estate valuations, and instituting gaming taxes of between 5% and 15% of gross gaming revenue. This enabled the government to exert influence over salient issues while resolving some major issues for the applicants. Competition for Singapore's Request for Proposals therefore focused on the industry's strengths, design and operations.

In 2019, the last full year not impacted by the Covid-19 pandemic, New York hosted 66.6 million visitors, including 13.5 million international tourists, that generated \$47.4 billion in spending. In 2020 visitation dropped 67% and spending declined by 73%.¹ The OSC stated that, "in its effort to reignite the tourism industry, the City cannot simply rely on vaccinations and reopening-which are necessary steps-for the industry to return, but must also develop a proactive strategy that cultivates and attracts international and business travelers to restore the industry to robust health and return to a path of continuous and shared growth."

Tourism Economics, the OSC's consultants, forecasted that visitor spending will recover in 2025, whereas it took three years for spending to recover following the Great Recession in 2008. We believe an intelligent, goal-oriented, and coordinated effort led by the City of New York and the New York Gaming Commission can result in the introduction of a new, world-class resort in Manhattan just as the forecasted recovery occurs, following the OSC's insights and once again demonstrating what makes New York great.

¹ The Tourism Industry in New York City: Reigniting the Return. Office of the New York State Comptroller. April 2021.

UERI encourages the City of New York and the New York Gaming Commission to adopt a similar approach as Singapore when it comes to developing a Manhattan resort. Having the City select a Manhattan location supports city planning efforts while controlling costs. As a result, lower costs will enable the substantial investment required to build a resort that is commensurate with New York’s reputation and drives growth throughout the tourism sector and broader economy.

Beyond tourism, New York City’s potential to drive gross gaming revenue from its local population also has immense, untapped potential. The following table compares the performance of New York City’s gaming industry to that of the Chicago and Detroit metropolitan statistical areas (MSA), two urban areas with more thoroughly developed casino gaming offerings. Gaming taxes, which are assessed on gross gaming revenue, can have a large impact on a casino’s performance. Graduated gaming tax structures in Illinois and Indiana result in an effective tax rate between 18% and 44% with a concentration around 30%. Michigan has a flat gaming tax of 19%. The comparison of the win per person and the gaming positions per person shows that the New York City MSA has substantial room to grow.

2019 Market Comparison					
MSA	Gross Gaming Revenue	Gaming Positions	Total Population	Win/Person	People/Position
New York	\$1,493,090,346	11,287	19,216,182	\$78	1,703
Detroit	\$1,454,274,694	9,974	4,319,629	\$337	433
Chicago	\$1,803,196,606	14,633	9,458,539	\$193	646

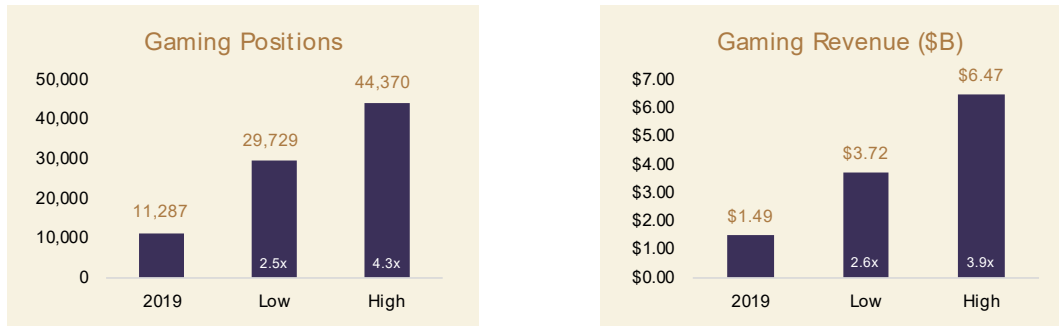
Source: State Gaming Commissions, Operator Websites, US Census Bureau

Note: Gaming positions is the number of slot machines plus the number of seats at table games

The table shows that the number of gaming positions² in the New York City area could increase from 2.5 to 4.3 times more than the current supply of 11,287. This could generate gaming revenue of 2.6 to 3.9 times the \$1.5 billion generated in 2019, or gross gaming revenue between \$3.7 and \$6.5 billion.

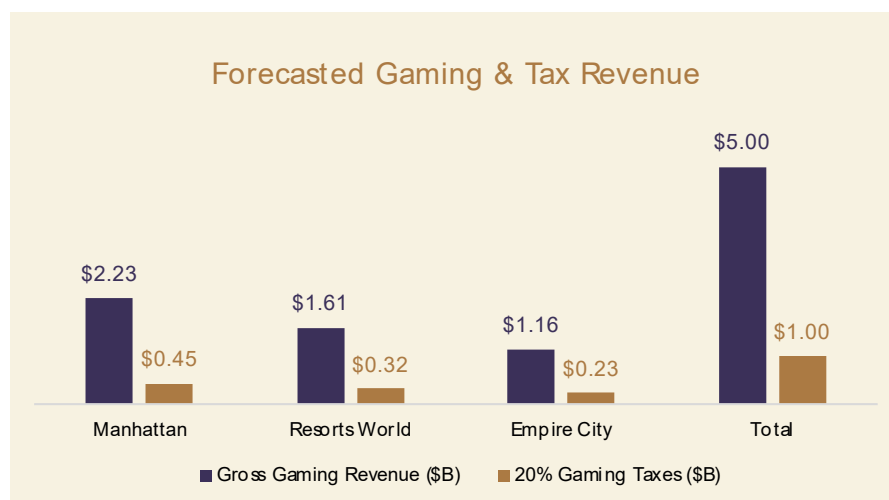
² A gaming position is the number of players that can be accommodated at once and is calculated as the number of slot machines plus the number of seats at table games (tables assumed to average six seats each)

New York City Local Market Gaming Revenue Potential



This greater performance is in part due to the lower gaming taxes in those jurisdictions. The New York MSA includes parts of Connecticut and New Jersey, where casinos could be developed to also capitalize on this opportunity. So, while a lower tax rate can be revenue neutral for the government, due to higher gaming revenue, it also can be critical to the ongoing competitiveness of the industry. New Jersey's effective tax rate is between 9.25% and 10.5%, enabling a much greater level of competition than historical rates in New York. Therefore, if casinos were enabled in northern New Jersey they could represent a substantial competitive threat to resorts in New York. UERI believes that the State of New York should seize the opportunity to build a healthy gaming industry downstate while it still exists. This will favor the long-term benefits of economic growth, job creation, and a reliable tax revenue stream.

The following table shows our forecasted gross gaming revenue assuming that Resorts World New York and Empire City become casinos in addition to the newly proposed Mirai in New York City. We estimate that in a low-tax environment the industry can retain more gross gaming revenue in-state, attract players to New York, and induce new visitation from casino gamers as well as convention and meeting delegates and leisure tourists.



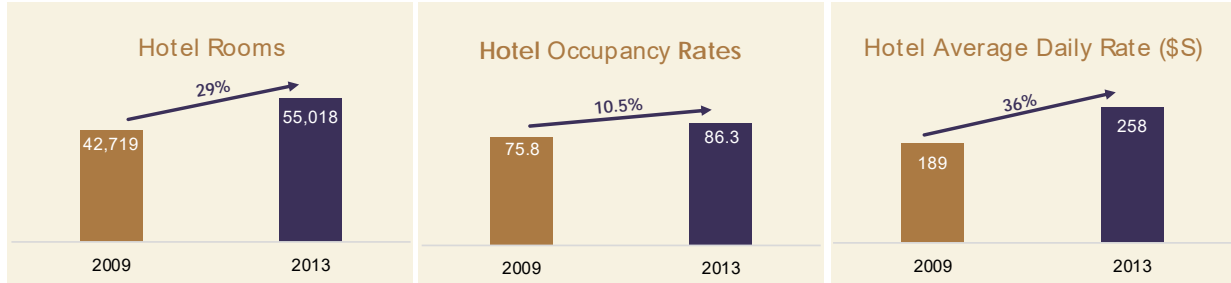
Gross gaming tax is forecasted to reach \$1.0 billion, a substantial benefit to the public. However, the economic diversification and growth that results from the development of an integrated resort is focused in the private sector and is likely more beneficial. One of the primary benefits is job creation. The two integrated resorts in Singapore employ about 20,000 people, or roughly 10,000 people at each location. Employment goes well beyond gaming, with around half of the positions attributable to complementary amenities. There is a wealth of opportunities for advancement in technological, management and professional roles. The benefits of creating an additional 5,000 jobs, beyond casino gaming jobs, will create opportunities for New Yorkers, lower the reliance on public aid and benefits programs, and increase tax revenue.

The introduction of a world-class resort will also drive growth in visitation and tourism expenditures that benefits the broader community. As mentioned, visitation to Singapore increased 61%, from around 10 million tourists to over 15 million, three years after the integrated resorts opened. Visitor expenditures increased 86%, from \$12.6 billion to \$23.5 billion. New York, with 13.5 million visitors in 2019, has a similar level of tourism, urban-oriented attractions, and air service. These factors all support similar growth in New York.

One may suspect that these benefits accrued solely to the owners/operators of the integrated resorts. However, as the following graphs show, the benefits were spread throughout the tourism sector. The two integrated resorts added about 4,000 hotel rooms, while the total increase was over 12,000. The 29% increase in hotel room supply would generally be expected to dilute performance, leading to lower occupancy levels and room rates. However, increased tourism more than offset any impact. Hotel occupancy rates increased from 75.8% in 2019, the year before the integrated resorts opened, to 86.3% three years after their opening. An increase of more than 10%. This was accompanied by a 36%

increase in the average daily room rate.

Singapore Visitation Statistics, 2009 v. 2013



These statistics point to substantial economic growth, where tax revenue would increase from travel-related spending at airports, hotels, food and beverage establishments, theaters, and other establishments. Additional employment and opportunities for self-employed individuals would also be created, further replacing public support expenditures with additional payroll tax revenue.

In summary, by taking a forward-looking, pro-growth approach to casino development in New York City, the State and City can create a world-class, must-see resort that will induce visitation and increase economic activity to the benefit of all New Yorkers. UERI's proposed development plan builds on successful models being employed in other global destinations and will be the firm's only development in the United States. This will eliminate the conflicts that plague other operators and align the new integrated resort's interests with that of the City and State. Furthermore, New York's downstate gaming operations would be better positioned for competition that would likely arise from New Jersey, where a competitive response would likely include gaming operations at the Meadowlands and/or other locations within the New York MSA. Mirai: the future of entertainment created in partnership with New York.

MIRAI by UE Resorts International

DECEMBER 2021



Iconic integrated resorts disrupt traditional casino gaming hotels by incorporating a wide-range of complementary amenities that broaden appeal, induce visitation and outperform historical models



- ▶ UE Resorts International, Inc. (UERI) proposes to bring Mirai, the future of integrated resorts, to New York City
- ▶ As a truly global city, New York deserves more than a typical casino resort
- ▶ Integrated resorts combine a casino with other demand-generating elements which appeal to multiple customer segments including casino gamers, convention delegates and leisure tourists
- ▶ These properties offer a diverse range of attractions and experiences that captivate and energize guests and incentivize them to return
- ▶ With substantial investment in these facilities, an integrated resort would attract additional visitation to New York City and lead to higher expenditures per visitor
- ▶ Mirai will be UERI's only U.S. development, eliminating the conflicts that characterize multi-jurisdictional operators

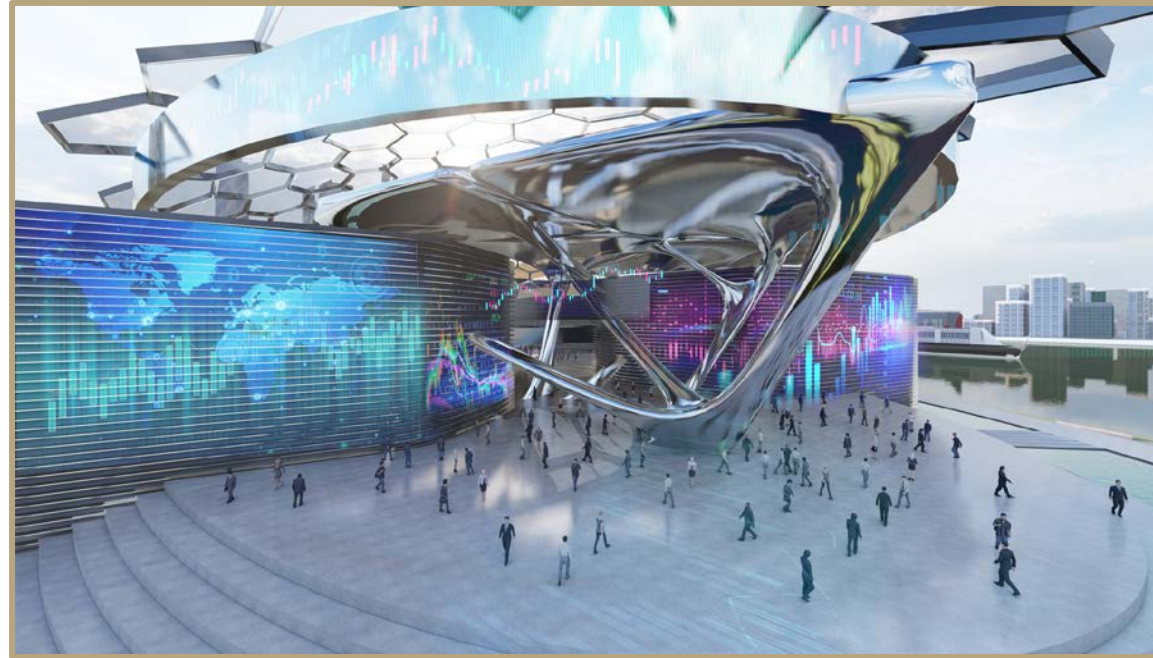
Mirai's comprehensive approach to entertainment goes beyond casino gaming with dynamic and captivating elements

- ▶ Ultra-modern eSports arena
- ▶ Cryptocurrency trading floor
- ▶ Facilities to support events such as Fashion Week, the US Open, and Fleet Week
- ▶ Mirai will support the NYPD, NYFD, EMS and NYC's teachers
- ▶ A dynamic, must-see attraction for tourists and the local population
- ▶ In Japanese, Mirai means *future*, reflecting our commitment to constantly evolve

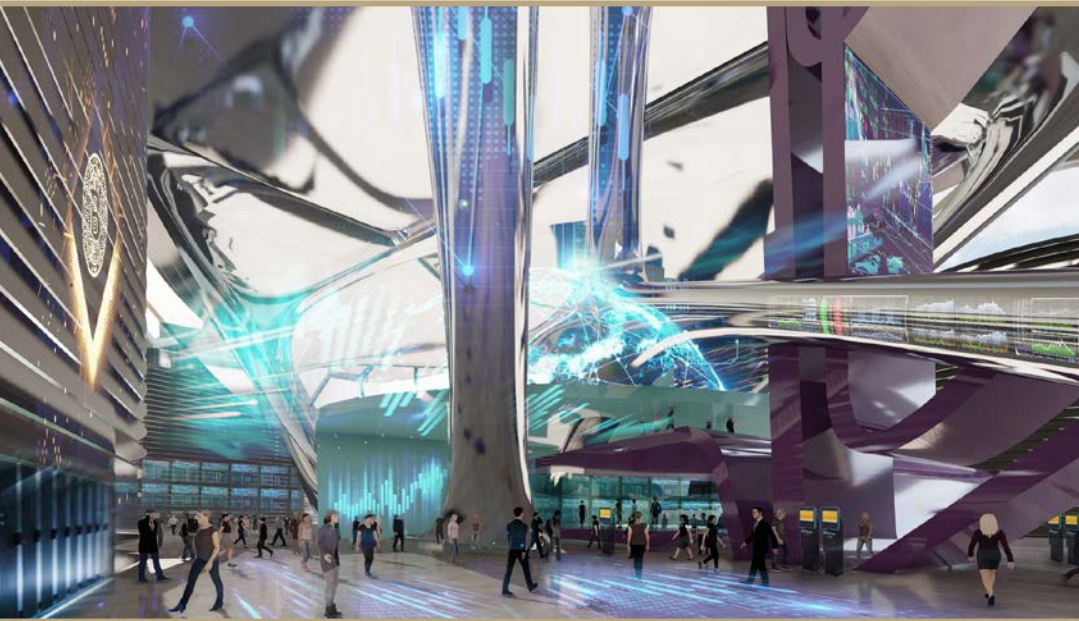


Embracing the convergence of eSports and traditional sports wagering

- ▶ eSports has emerged as a highly viable and in-demand mainstream aspect of gaming, producing teams and leagues which now directly compete with other traditional leagues with respect to both participants as well as spectators
- ▶ While traditional casinos struggle to attract younger patrons, Mirai's state-of-the-art eSports arena spans this gap and embraces the future of gaming
- ▶ Wagering on eSports will be offered through a sports book



Cryptocurrency trading attracts a younger demographic that is critical to the future success of integrated resorts and casino gaming



- ▶ Mirai will bridge New York City's traditional leadership role in finance with emerging cryptocurrency markets
- ▶ The intersection of trading and casino gaming will broaden the appeal of Mirai and New York City as a destination
- ▶ Modern trading facilities will make markets in cryptocurrencies and related options markets

ENHANCING NEW YORK'S UNIQUE CULTURE AND EVENTS

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Mirai will enhance and promote New York City's existing culture and events

- ▶ Examples include Fashion Week, Fleet Week, the US Open, and the United Nations General Assembly
- ▶ Host charitable events, including benefits for the NYPD, NYFD, medical responders, and NYC's teachers
- ▶ Spaces will be designed throughout Mirai to host these events
- ▶ Attractions and events throughout New York will be promoted within the property to encourage broader tourism visitation and spending



Emerging forms of gaming and entertainment, some that incorporate wagering, will make Mirai a dynamic destination that inspires guests to return

- ▶ Skill-based games have been gaining traction, particularly with a new generation of players
 - Pacman outperforms the average slot machine on the Las Vegas Strip by nearly 2-to-1
- ▶ Virtual sports wagering is gaining interest in other jurisdictions and could drive growth in New York as well
- ▶ The popularity of augmented and virtual reality games is growing and has immense potential, thus likely to attract even more visitors to NYC
 - A showcase could provide cutting-edge experiences
 - Possibility for future wagering
- ▶ UEC's expertise in skill-based games will put Mirai on the leading edge, introducing promising new technology as it is developed
 - UEC's proprietary technology is already in use at Okada Manila

IMPROVING ACCESS AND BROADENING APPEAL

Electric vertical take-off and landing (eVTOL) vehicles will supplement traditional transportation with exciting views and an improved guest experience



- ▶ Mirai will offer landing areas for emerging eVTOL technology
- ▶ Green alternative transportation will alleviate congestion and embody a futuristic sense of arrival
- ▶ Efficient, predictable transportation from airports will make Mirai more attractive to VIP customers

Mirai will be free of conflicts and dedicated to the community

- ▶ If selected, UERI will not operate other gaming operations in the United States
 - Unlike other operators, Mirai will not have the incentive to use its New York operations to direct players to lower tax jurisdictions such as New Jersey and Nevada
- ▶ Environmental harmony and sustainability will permeate Mirai's design, construction, and operation
- ▶ Mirai understands that its success is intertwined with its team members
 - Our goal is that our team represents a cross-section of New York's entire population
 - Mirai's team members will benefit from a generous health and wellness program
 - Mirai's training program will build success from within and aim to promote team members
- ▶ Our team will support New York City's emergency responders and teachers
 - Financial support, fund raisers, and special opportunities to extend our hospitality to these vital members of our community

Revolutionizing the guest experience for New Yorkers and their guests

- ▶ Combining Japan's world-renowned customer service with the latest technology to ensure outstanding guest experiences
- ▶ Embrace emerging gaming and entertainment concepts with dynamic, technology-driven offerings
- ▶ Empower and attract the next generation of gamers
- ▶ Support emerging, green transportation alternatives including eVTOL vehicles
- ▶ Visitors will know that environmental and social concerns were incorporated since inception
 - Mirai plans to recruit a team that is representative of the community and retain them with a package that includes opportunities for advancement and generous benefits
- ▶ As UERI's only integrated resort in the United States, there will be no tax-rate shopping
 - Operators with facilities in New Jersey and Nevada are incentivized to move players and pay lower taxes

UERI is majority-owned by Universal Entertainment Corporation (UEC), a publicly listed company in Japan, and owns and operates Okada Manila, the fourth largest casino in the world serving guests throughout East Asia

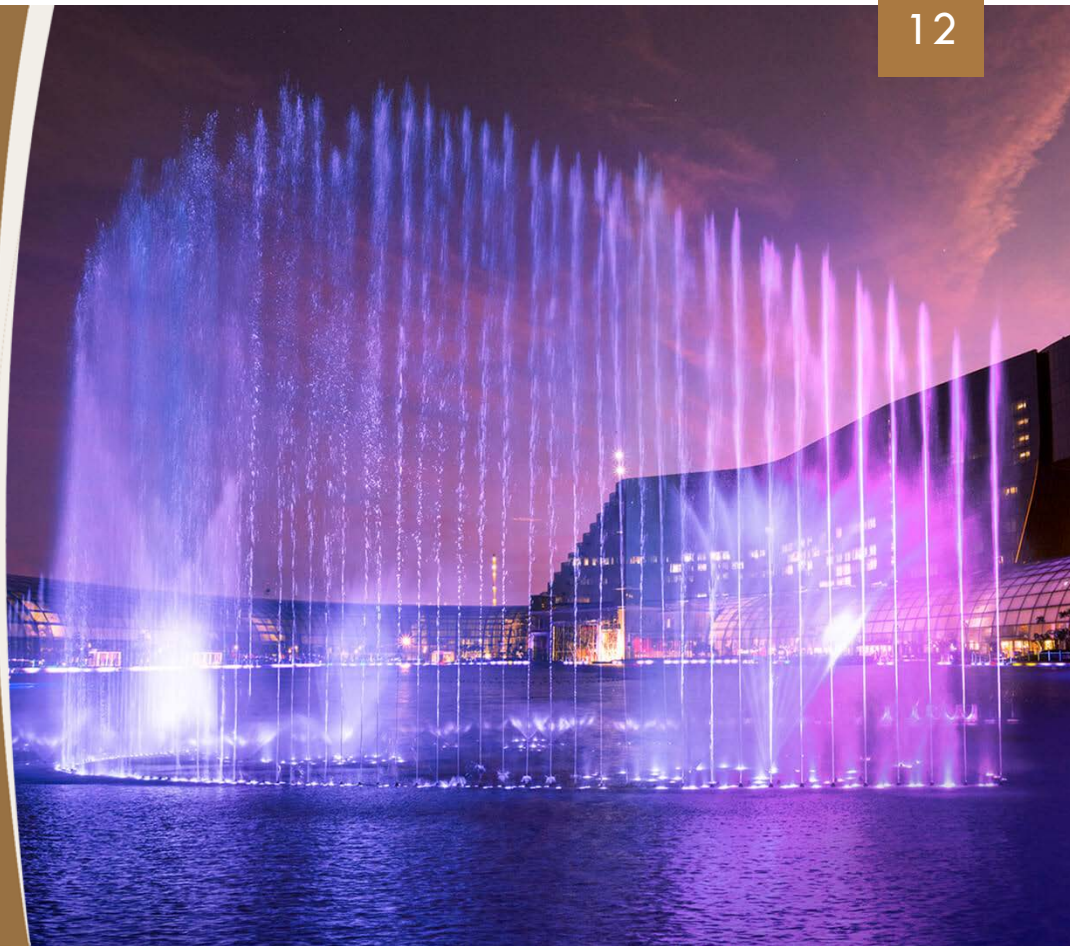


- ▶ UEC, the only Japanese company with experience owning and operating an integrated casino resort, is led by renowned systems engineer Mr. Jun Fujimoto; and as a result of his efforts it currently possesses multiple patents that allow its integrated casino resorts to use proprietary gaming systems and automation technology for the purpose of enhancing its operational efficiency. This technology also contributed to the development of Okada Manila's strong position
- ▶ UEC exemplifies the Japanese reputation of providing the finest luxury and guest experience in the leisure, entertainment, and hospitality sector
- ▶ UERI was formed by UEC and Jason Ader of 26 Capital and plans to become a publicly listed firm on Nasdaq
- ▶ Mirai will be UERI's only facility in the United States, eliminating any conflicts



One of the **premier destination casino resorts in Asia**, serving a high-caliber clientele from across the region and around the globe, Okada Manila possesses one of **the world's largest gaming floors** (the largest in The Philippines). As an integrated resort, it will also include **more than 900 exceptional accommodations** (upon full completion) – ranging from 590 sq. ft. deluxe rooms to 15,000 sq. ft. villas – complimented by extraordinary amenities, including the **Retail Boulevard**, consisting of approximately 107,000 leasable square feet capable of featuring more than 50 shops, the one-of-a-kind **Cove Manila** nightclub and indoor beach club, **The Garden**, more than 25 **dining** options, a 32,000 sq. ft. **spa**, and the **world's largest multicolor dancing and musical fountain**.

Located just **10 minutes away from the Ninoy Aquino International Airport**, Okada Manila is only a few hours by air from neighboring South Korea, Japan, Singapore and Hong Kong. **It is the only Japanese owned and operated integrated resort in the world.**



NEW YORK: THE NEXT GLOBAL GAMING DESTINATION

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- ▶ UERI envisions a modern, must-see destination resort in New York City
- ▶ Trends in resort design feature iconic composition and an array of amenities that induce domestic and international visitation
- ▶ As a global city, New York should compete on a similar basis
- ▶ Much more than retaining casino revenue in-state, Mirai will attract casino gamers, leisure tourists, and convention delegates to New York, benefiting the broader tourism industry



In 2010, two iconic integrated resorts opened in Singapore

- ▶ One was positioned for meetings and conventions, the second targeted leisure travelers
- ▶ Total investment was \$10 billion
- ▶ Gaming tax rates of between 5% and 15%

The government's goal was to drive increased tourism and spending

- ▶ Prior to opening, Singapore averaged approximately 10 million visitors per year. This increased by 61% to nearly 16 million annual visitors three years after opening, and tourism receipts increased by 86%

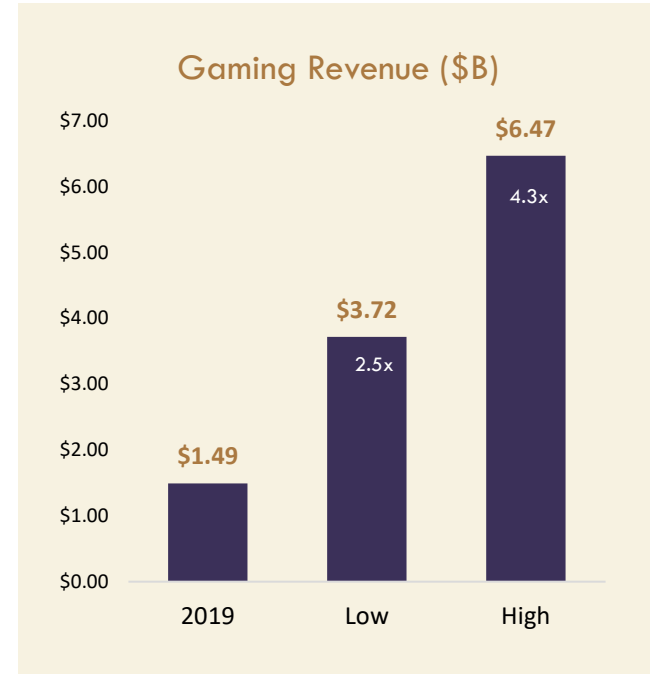


NEW YORK HAS MASSIVE LOCAL MARKET POTENTIAL

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UERI will not have other operations in the United States, and will partner with New York to create a highly competitive and compelling integrated resort demonstrating New York's entrepreneurial and innovative spirit

- ▶ Comparing the New York MSA to Chicago and Detroit shows that lower taxes and more casino locations would lead to significantly more gross gaming revenue
 - Gross Gaming Revenue could be 2.5 to 4.3 times higher
- ▶ These jurisdictions have lower gaming tax rates than New York
 - Lower taxes enable the investment necessary to build a truly world-class facility
 - More attractive facilities, along with more competitive rewards programs, are critical to retaining local casino players that prefer New Jersey, Connecticut, and Pennsylvania
- ▶ Investments in world-class facilities, improved service enabled through job creation, and more attractive marketing programs all support growth in tourism as well.





Okada Manila: The Market Leader

- ▶ Extremely strong brand recognition and guest loyalty: Asia's largest Forbes five-star resort and the No.1 resort brand in the Philippines
- ▶ Represents the new gold standard for luxury resorts with distinct innovations and exemplary services that personify the unique blend of Japanese hospitality and Filipino warmth
- ▶ The crown jewel of the Entertainment City market with a wide base of guests and referrals from returning guests; a level of luxury and size that offers unmatched appeal to all customer segments and is perceived as superior to any competitor in the region
- ▶ Just as Okada Manila's design caters to the East Asian gamer, Mirai will reflect the tastes and preferences of its customer base

UERI's vision generates \$1 billion in gaming tax revenue, makes NYC a global gaming and resort destination, and drives growth in tourism and the economy

- ▶ The presence of a diversified, modern integrated resort in New York City will enhance its appeal as a destination for casino gamers, leisure tourists, and conventions and meetings
- ▶ Mirai will not move players out-of-state in order to pay lower casino gaming taxes
- ▶ Other businesses dependent on tourism will benefit from the overall growth in visitation and spending
- ▶ Mirai will support NYC first responders and teachers



New York City should host an integrated resort that is a globally recognized, iconic destination

- ▶ Universal Entertainment proposes to build and operate a resort that is truly representative of New York City
 - As UERI's only resort in the United States, there will be no incentive to move players from New York to other jurisdictions with more favorable tax structures
- ▶ Mirai will revolutionize the integrated resort concept and make New York City a global destination for casino gamers and other tourists
 - Broaden gaming options and leisure entertainment beyond the traditional casino model
 - Showcase New York City's culture and events
 - Support New York's first responders and teachers
- ▶ The lower tax rates necessary to finance and operate the resort will be offset by increased taxable gaming revenue, job creation, and growth in tourism to the benefit of all New Yorkers

MIRAI by UE Resorts International



THANK YOU



REQUEST FOR INFORMATION

Responses for the State of New York

Universal Entertainment Resorts International

Request for Information Response

UE Resorts International, Inc. (UERI) proposes to revolutionize the traditional casino gaming industry offering and make New York City a global destination for casino gamers. As a huge stakeholder in any gaming operation, we encourage the State of New York to embrace the fundamental principles that made New York an economic and cultural leader. The creation of a healthy gaming industry will result in greater employment and fuel growth in tourism and the broader economy.

A key differentiating factor for UERI is that Mirai will be our only resort in the United States. Many applicants have casino gaming operations in other jurisdictions with more favorable gaming tax structures. This presents a conflict, where operators will market to players in New York and bring them to markets with lower gaming taxes such as New Jersey or Las Vegas. UERI commits to not operating other resorts in the United States, eliminating these conflicts and aligning itself with the State of New York.

Our responses to the Request for Information (RFI) are structured as follows:

- RFI questions are presented with solid bullets
 - Responses are presented with outlined/hollow bullets

3.2.1 Interest

- Are any parties interested in developing a gaming facility pursuant to the grant of an award? What factors would be limiting to this interest?
 - UE Resorts International, Inc. (UERI), an operator of an integrated resort in Manila, is interested in developing Mirai in Manhattan. Our strategy is to develop visually stunning, world-class resorts that revolutionize the historical casino gaming offering, broaden interest, and induce visitation. This requires a substantial investment, particularly due to the land costs in Manhattan. Therefore, Universal notes that it will take public and private coordination to build and market a global destination.
- Should all three unawarded licenses be awarded?
 - Not necessarily. The State of New York should seek to issue all three licenses if the three locations limit competition against one-another, are able to drive substantial visitation and revenue, and do so as responsible members of the community.

3.2.2 Locations

- Should the State limit the potential award of licenses to existing development zones and regions defined at N.Y. Racing, Pari-Mutuel Wagering and Breeding Law § 1310?
 - UERI suggests redefining the three regions as shown in the following table. By grouping the counties on Long Island together, UERI seeks to mitigate transportation bottlenecks between Long Island and the rest of the region and permit more

development closer to New York City, where the population density and transportation infrastructure, including La Guardia and JFK, favor development.

Suggested Changes to Regional Definitions		
	Existing	Suggested
Region 1	Putnam, Rockland, and Westchester	Putnam, Rockland, and Westchester
Region 2	Bronx, Kings, New York, Queens, and Richmond	Bronx, New York, and Richmond
Region 3	Nassau and Suffolk	Nassau, Suffolk, Kings, and Queens

- Should differing criteria and consideration be given to proposals in rural, suburban, and urban areas?
 - Yes. Building in urban areas is more expensive and should be considered differently than suburban areas. Costs are particularly high in Manhattan, where most of the 66 million (2019) international and domestic tourists’ trips are focused. Capitalizing on tourism is the factor that will ultimately differentiate the performance among applicants and help New York achieve its true potential. Urban developments of large scale are unique, given the limited amount of land available for development and the higher costs, and it would not be fair to compare those opportunities to instances where more land may be available at lower cost.
- Should locations be preferred in underutilized parcels?
 - While the idea of developing underutilized parcels is attractive, making this a preference in the selection process presents challenges. Primary considerations for suitability should include the geotechnical suitability of the parcel(s), neighboring and surrounding uses, and accessibility. Underutilized parcels may or may not satisfy these primary considerations, and should therefore be considered as a secondary factor.
- How should proposals on public lands be compared to those on privately held lands?
 - We believe that a Manhattan location should be designated by the City of New York. Whether public or private, the rights to develop should be secured by the City with clear terms for all applicants. This will enable the City to incorporate its planning functions into the process, control what could become a chaotic and competitive search for land that will favor land owners, and encourage bidders to focus on development and operating plans, where they should excel. Specifically, UERI supports the idea of a development on reclaimed land in the Hudson River and near the Javits Center. This location will complement and better serve the conventions and meetings segment, be located near attractions popular with leisure tourists, and incorporate nearby rail and water access in addition to its plan to incorporate emerging technology for electric vertical take-off and landing (eVTOL) vehicles.

3.2.3 Scale

- Should the State consider varying types of proposals? For instance, allowing a facility with fully-integrated amenities and allowing a facility with just gaming, if located in an area with substantial surrounding commerce? If yes, how should the differing proposal be compared?
 - The State and City should, through retained consultation with economists and industry experts familiar with the development and operation of similar facilities, develop criteria for a facility in Manhattan. This should be a fully-integrated resort offering a comprehensive array of amenities based on the goal of developing a globally recognized iconic resort. The criteria should be limited to meet specific goals and general enough to allow creativity and competition among the applicants. For example, if a facility was built near the Javits Center then the goal may be to build complementary rather than competing meeting space. This would be superior to laying out specific limits on the amount or type of space available, since it gives some flexibility to the applicant.

3.2.4 Transportation

- Should the proposed development have convenient access to public transportation?
 - Yes. Public transit will likely be important to some patrons, but we consider it integral for our team members. According to the Office of the New York State Comptroller (OSC), the tourism industry supports a higher share of workers who are self-employed (14.4 percent), low-wage (\$32,000 annually), minority (66 percent), and immigrants (44.7 percent). While Mirai will offer substantial opportunities for career advancement, these dynamics will challenge our entry-level team members. Therefore, ease of convenient and affordable access on public transit is necessary to meet our goal of recruiting a workforce that is representative of our community.
- Should proposed development be required to have an associated parking structure?
 - Each development should be required to have a parking solution, not necessarily limited to a parking structure. Solutions may include surface parking in some areas or the utilization of neighboring facilities through agreements.

3.2.5 Local Factors

- How should the State gauge local support of a development project?
 - Local support is probably best gauged through a combination of local governments and mechanisms to solicit public feedback, both electronically and (if possible) through community meetings. Open public comments, such as blogs, caused extensive problems for city task forces recently in Richmond, Virginia and other areas historically, with inappropriate language and unrelated issues causing distractions. However, soliciting feedback through elections or other quantitative methods are more viable and reliable ways of categorizing feedback.

- How should the State consider the potential impacts of any proposed development on infrastructure such as roads, water and sewer? How should any necessary improvements be funded?
 - The State should consider the impacts on roads, water, and sewer by the proposed development(s). This should be done based on the incremental impact the operations will have on these public services. While it can be tempting to ask the developer and/or operator to fund public development, at this time the tax structure and costs downstate development and operations limit the profitability of the proposed operations. The State's initially high tax rates and subsequent easing of tax structures demonstrates this point. The State, through taxes, is a huge stakeholder in the operations and should seek to develop a healthy and sustainable gaming industry. Therefore, we suggest that the State and local government(s) should request any necessary fees for upgrades and improvements that it would seek from any other development, and not target the industry for additional economic support.
- Should the State consider the potential impact on a host's public services (such as police, fire, EMS, public health)? If so, should proffered private sector funding be considered?
 - The State should consider the impact on a host's public services to the extent that the host voices concern. In other words, if the government responsible for a public service is not concerned then the State should follow suit. If an applicant proffers funding for those services then the funding should clearly be considered. Mirai plans to demonstrate its support for the firefighters, police, medical responders, and teachers in New York City.

3.2.6 Taxation and License Fees

- What taxation rates should be imposed for table games, slot machines, and other activities?
 - New York deserves a world-class integrated resort in New York City, and high quality, economically stable gaming options throughout the State. It is clear through the Spectrum report that the State is working through these issues, as previous tax structures have not enabled a healthy industry able to compete with out-of-state options. UERI encourages the State to recognize the long-term benefits of a tax rate that enables substantial investment and associated growth in reliable, predictable taxable revenue, increased employment, and broader economic growth. Singapore achieved similar goals, benefiting its entire tourism sector, with gaming tax rates between 5% and 15%. We suggest tax rates in New York City of 15% to 20% for slot and table games.

3.2.7 Evaluation

- In evaluating proposals, which of the following factors should the State deem important?
 - The State should set out clear goals and criteria and include them in a Request for Proposals. From the list provided in the RFI, important factors should include construction investment, permanent employment, and induced employment.

Additionally, the State should include the ability of the property to compete with out-of-state developments, induce visitation to New York, and benefit the broader tourism industry.