

Why You Should...

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Vote
NO

on Issue #3

**SIX Things That
THEY Don't Want YOU To Know
About #3**

1: It's A Terrible Rip-Off of Ohio Taxpayers

2: It's Promised Benefits Are Grossly Exaggerated

3: No Guarantee of Jobs for Ohioans

4: Certain To KILL THE ENTIRE HORSE-RACING INDUSTRY,
Cost The State 12,000+ Jobs Directly,
Destroy At Least Another 25,000 Indirectly,
Damage Center-of-State Agriculture

5: It Enriches A Handful Of People At Everyone Else's Expense

6: The New Casino Locations Will
Change The Nature Of The Communities,
Put Established Area Businesses At Risk,
And Require Substantial New Costs To Be Borne By Taxpayers

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SIX Things That THEY Don't Want YOU To Know About #3

1: It's A Terrible Rip-Off of Ohio Taxpayers

Issue #3 will allow four casinos – to be placed in Cleveland, Columbus, Cincinnati and Toledo. The casino operators will pay only \$50-million licensing fees (**\$15-million LESS** than each of the racetracks agreed to pay per Gov. Strickland's plan). Further, they'll pay a fixed tax of 33% on casino revenue, the lowest tax rate on casinos of any state. And, the bill guarantees these operators *automatic* product expansion (egs. slots to full table games) as neighboring states approve such games for their casinos, with *no* control over that expansion or its timing by Ohio government or Ohioans. This is a VERY bad deal for Ohio, a ridiculously generous deal for the four casino owners. Incidentally, Illinois recently sold one new casino license for \$400-million. Industry experts value Ohio full casino licenses at \$250-million or higher, so Issue #3 hands these four operators not only A MONOPOLY, but an instant profit windfall of \$200-million each. IT SELLS YOU & OHIO OUT! It's a RIP-OFF.

2: Promised Benefits Are Grossly Exaggerated

Dan Gilbert (Cavs' owner) has laughably forecast 8-million visitors per year to the proposed downtown Cleveland casino alone; a daily average of 22,000! This, with neighboring states already having casinos, racetrack-casinos and casino resorts in operation. We are last in the region to 'the game', thus with major disadvantage. The idea that a Cleveland casino can draw 22,000 people every day is ridiculous. Overall, the promised revenues, tax revenues and jobs are all fantastic fantasy. Unfortunately, there are no 'truth in advertising laws' imposed on political ads, so anybody can simply make up any numbers they like.

3: No Guarantee of Jobs for Ohioans

The promised 34,000 jobs number is the most outrageous of all. Issue#3 imposes no requirements on the casino owners getting these bargain-priced licenses to hire Ohioans. The casinos are either owned by or likely to be operated by out-of-state companies, certain to bring in their own executives, and trained and experienced personnel for the higher-paying jobs. The 34,000 number includes an unknown number of temporary and short-term jobs related to construction. It also does not specify full-time jobs with benefits vs. part-time jobs with no benefits. But even if you bought this "fool's gold" number, **it's a bad trade for the jobs killed by Issue #3** (see Number 4 below). Why has the police union endorsed Issue #3, and organized other union support? Quite simply, they've been bought with promise of overtime for police officers (at taxpayer expense), security jobs for off-duty officers, and other job opportunities. Why has The Plain Dealer endorsed this? Dan Gilbert is a major advertiser. No supporter of Issue #3 is free of personal agenda and beneficial self-interest. Do NOT be bullied by the need for these jobs. **It's a scam.**

4: Certain To KILL THE ENTIRE HORSE-RACING INDUSTRY, Cost The State 12,000+ Jobs Directly, Destroy At Least Another 25,000 Indirectly, Damage Center-of-State Agriculture

Ohio's racing industry ALREADY, DIRECTLY PAYS HUNDREDS OF MILLIONS OF DOLLARS IN TAXES...directly employs over 12,000 Ohioans, controls another 25,000+ in agriculture, particularly throughout the middle of the state, vendors and suppliers, and small businesses in *seven* communities. In total, the impact on the Ohio economy of thoroughbred racing, harness racing, breeding and related farming, the racetracks themselves, the racing stables operated as small businesses, veterinary practices, purchases of cars, trucks, equipment, etc. is **over \$900-million. MUCH IF NOT ALL OF THIS WILL BE WIPED OUT SHOULD ISSUE #3 PASS**, and in very short order. Our state's racing industry has already

been hard-hit and struggling, put at severe competitive disadvantage to neighboring states' racing industries, as our tracks have been denied slot machines and conversion to multi-gaming-product facilities while the neighboring states' have implemented this progressive improvement of their already established racetracks and seen them flourish. Ohio horsemen have seen the purses (money pools) they race for DECREASE multiple times each year for the past several. Issue #3 will be a fatal death blow to Ohio racetracks. **As an insider who owns and races horses here and elsewhere, grew up here, and is an internationally celebrated and sought after business expert, I can assure you: pass Issue #3 and slaughter and kill Ohio racing and with it, \$900-million of the state's economy.** Not only do Ohio's tracks and the horsemen racing here desperately need relief....NOT a bail-out; just fair, level playing field competitive with surrounding states.... they definitely can NOT bear further damage done by placing new casino competitors at their doorsteps. With Issue#3, four will get rich; all connected to racing will be done in and most will leave the state in mass exodus. **These losses in toto will almost certainly leave Ohio and cities with HUGE BUDGET SHORTFALLS even after the casinos are operating – so your taxes will go up, up, up.**

Racing is a proud Ohio tradition, one of few things we have actually led the nation in, that should be protected and strengthened – not sacrificed for an experiment. **Racing is a long-established, proven, well-regulated Ohio industry providing permanent jobs, business opportunities and support for seven communities as well as agriculture throughout the state. Replacing it with only four casinos that contribute nothing to agriculture, and will almost certainly provide less total tax revenue to the state is STUPID.**

5: It Enriches Only A Handful Of People At Everyone Else's Expense

The horse-racing industry TO BE PUT TO DEATH BY ISSUE#3 is NOT all about the owners of seven racetracks. It is about **thousands of 2nd, 3rd, 4th and 5th generation family businesses**, professional trainers and drivers engaged in harness racing, family farms, independent training facilities, Ohio State's College of Veterinary Medicine....it is about **a huge industry made up almost entirely of SMALL BUSINESSES, the backbone of our society.** In contrast, the four casino monopoly created by **passing Issue #3 is ENTIRELY ABOUT ENRICHING JUST FOUR CASINO OWNERS.** One is Penn National Gaming, an out-of-state corporation. Another, Dan Gilbert, owner of the Cleveland Cavaliers. While I have no objection to anyone making all the money they can – in fact, I philosophically champion it - the promoters of Issue #3, Mr. Gilbert, Penn, and the others in this very close-knit cabal are just not being honest and truthful about their purposes, the sweetheart deal they're cutting for themselves at Ohioans' expense, and the extent to which Issue #3 enriches only this small, elite "club" at *everyone else's* expense.

This is a fight between Main Street and Wall Street.....between a very elite few with enormous wealth and power vs. Ohio taxpayers, Ohio small business owners and their families and employees.....between Big Corporations vs. small businesses, family businesses and family farms. When you vote on Issue #3, you choose one side or the other. *Vote NO on Issue #3.*

It is also about two very different kinds of industries. Horse-racing has strong ties to Ohio's small towns, family farms 4-H clubs, county fairs, and hard-working men and women who've learned trades and professions, roll up their sleeves and do manual labor everyday, while at the same time supporting a unique type of gambling entertainment. Casinos have *no* such ties, *no* inter-weaving with the fabric of our state, with its agricultural center, with its small towns, with its heritage. The casino industry is about white-collar executives in tall towers, separating people from their money, and counting it. If that seems painted in exaggerated, harsh tones, I invite you to visit a county fair with harness racing and walk the barns, meet the people, watch the racing....and visit a Las Vegas casino....and you tell me what you sense and observe.

Further, the overwhelming majority of all the dollars generated by Ohio racing stay put here in Ohio. Ohio racing is all about people who live here, own homes and farms here, send their kids to school here, grew

up here, have deep roots here. Ohio racing is home-grown. The new casino monopoly created by Issue #3 is anything but. It is imported to Ohio, to extract money *from* Ohio.

Racetrack operators, incidentally, agreed to *higher* license fees AND a *higher* tax rate on the VLT's (slot machines) than Issue #3 requires from the new casino operators! The racing industry is willing to properly invest in the needed expansion of its gaming/entertainment products, and willing to pay tax rates comparable to those assessed in other states. The new casino barons to be created by Issue #3 are not.

6: The New Casino Locations Will Change The Nature Of The Communities, Put Established Area Businesses At Risk, And Require Substantial New Costs To Be Borne By Taxpayers

Gilbert proposes wedging his new casino+hotel into downtown Cleveland as close to the Cavs' arena as possible (not, for example, using as centerpiece to finally re-develop the waterfront, the best chance for renaissance in Cleveland). The other three locations, I'm not familiar with. **All four, though, insert casinos into areas of their cities where there are no gambling facilities now....thus changing the very nature of those areas and near-by communities.** Traffic, traffic patterns, crime, type of workforce – it all changes. It creates a great many new costs for those areas, all laid in the laps of the taxpayers. And there is substantial data from other cities to indicate that new casinos kill off numerous near-by small restaurants, taverns and shops, replacing independently owned small business with one giant corporation's conglomeration, under one big roof. The overall NEGATIVE economic impact of this is unknown and impossible to predict.

The far saner solution to Ohio's desperate need for revenue is to help the well-established, gaming related businesses already installed, accepted into their communities, with excess space and capacity: the seven racetracks....and by doing so, boost an already established Ohio industry incorporating small businesses and agriculture spread all throughout the state. Nothing makes more sense then placing slot machine casinos or even full casinos at the racetracks we already have. Passing Issue#3 will make this a non-issue, as it will destroy Ohio's tracks and with them the entire Ohio racing industry. In its place will be but four – *four!* – "titans" owning a monopoly on gambling, and altering four cities to suit their purposes.

We already have racetrack facilities in operation, operated well, in communities that have grown with them and already accommodate them, with excellent highway access, proximity to major cities, literally waiting for installation of the additional gaming productsready then to expand, add hotels, golf courses, resorts, shopping centers....and to revitalize areas that can benefit from new investment. Nothing need be destroyed or discarded to do *this*. No jobs need be lost, no businesses shuttered to do *this*. And it *won't* be to the chief benefit of a private club of four. This is the plan the public should DEMAND.

VOTE NO on Issue #3.

Contact your elected representatives and demand that – *instead of Issue #3* – they get behind a plan along the lines of Gov. Strickland's, that *leverages the assets we already have in Ohio....our racetracks, racing industry, horsemen, breeders, family farms....to create more jobs and beneficial business and real estate development and more tax revenue for the state....without destruction.*



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