



OHIO FACILITIES CONSTRUCTION COMMISSION

April 24, 2018

Mr. Robert K. Schmitz
 Chairman
 Ohio State Racing Commission
 77 South High Street – 18th Floor
 Columbus, Ohio 43215-6108

Ohio Administrative Code 3769-2-43; Determination of allowable expenditures related to Belterra Park located at 6301 Kellogg Road, Cincinnati, Ohio

Dear Chairman Schmitz:

Costs related to development of Belterra Park per the approved master facilities plan, that was approved on April 17, 2014 have been submitted to and reviewed by the OFCC in consultation with the Ohio Lottery Commission. The claimed costs amount in total to \$318 million. The following is our determination of which costs are allowable per OAC 3769-2-43:

Claimed Capital Expenditures		OAC 3769-2-43 Determination			
Description	Total (\$)	Accepted (\$)	Not-accepted (\$)	Basis for Acceptance	Basis for Non-acceptance
Permits and Fees	1,033,879	1,033,879		Permits & receipts	
Architectural design and Consulting Fees	9,312,484	8,323,177	989,307	Contracts & Change Orders	Supporting documentation not presented or not acceptable
Construction Management	2,925,862	1,933,006	992,856	General Liability; Builders Risk & Encompass Contract	Supporting documentation not presented or not acceptable

Claimed Capital Expenditures	
Description	Total (\$)

OAC 3769-2-43 Determination			
Accepted (\$)	Not-accepted (\$)	Basis for Acceptance	Basis for Non-acceptance

Construction	136,142,013
Furniture, Fixtures and Equipment	10,631,197
Gaming Equipment	27,387,309
Information Technology	8,563,310
Base Stock and Inventory	1,269,512
Pre-Opening Expenses	9,009,900
Contingency	11,587
Other: Maintenance Capital Cost Post Opening	1,247,947
Maintenance Capital Cost Post Opening	591,514

131,000,000	5,142,013	Contract, Invoices & Change Orders	Supporting documentation not presented or not acceptable
10,631,197		Purchase Orders; Contracts; Invoices	
27,387,309		Purchase Orders; Contracts; Invoices	
8,135,031	428,279	Purchase Orders; Contracts; Invoices	Supporting documentation not presented or not acceptable
	1,269,512		Not capital
	9,009,900		Not capital
	11,587		Supporting documentation not presented or not acceptable
1,247,947		Purchase Orders; Contracts; Invoices	
591,514		Purchase Orders; Contracts; Invoices	

Claimed Capital Expenditures	
Description	Total (\$)

OAC 3769-2-43 Determination			
Accepted (\$)	Not-accepted (\$)	Basis for Acceptance	Basis for Non-acceptance

Commercial Activity Tax Paid Pre-Opening	40,000
States Sales/Use Tax Paid Pre-Opening	200,000
Opening Bank	5,100,000
Operating Loss Pre-Opening	6,000,000
Capitalized Interest (Base Project)	3,600,000
License Fee	50,000,000
Original Purchase Price of River Downs	45,000,000
	318,066,515

	40,000		Not capital or already accounted
	200,000		Not capital or already accounted
	5,100,000		Not capital
	6,000,000		Not capital
	3,600,000		Documentation interest was incurred, i.e. bank/loan statement(s) not provided
50,000,000		Required by law	
25,000,000	20,000,000	Allowable per OAC 3770:2-12-01 (1)	Exceeds maximum allowable per OAC 3770:2-12-01 (1)
265,283,060	Allowable expenditures		

The total allowable expenditure under approved master facilities plan inclusive of license fee is \$265,283,060.

Sincerely,



Joseph Macneil
Planning Manager