



CONVERGENCE
STRATEGY GROUP

COLLEGE TOWNSHIP, PENNSYLVANIA

NITTANY MALL CATEGORY 4 CASINO IMPACT ANALYSIS

SUBMITTED:

September 15, 2025

EXECUTIVE SUMMARY

Convergence Strategy Group (“CSG”) was retained by the government of College Township to conduct a community impact study regarding the future operation of Happy Valley Casino, a Category 4 casino at the Nittany Mall, (a venue formerly occupied by a Macy’s department store). It is CSG’s understanding that the property is currently under construction, with an expected opening in Spring 2026. According to the owner, SC Gaming LLC,¹ and operator, Saratoga Casino Holdings LLC, the proposed casino will offer 750 slots and 30 table games, along with a sports bar and food court/take-away food options. Sports betting remains an option for the property, but is currently not in the plans.

College Township government’s purpose in commissioning this analysis was to get an understanding of the impacts of the casino on the Township and region, both positive and negative. CSG has evaluated the potential fiscal, social, and sociodemographic impacts of the operation, as well as prepared baseline data for future evaluations. CSG has also independently modeled the potential performance of the property in terms of gaming demand (gaming and non-gaming revenues, visitation by market segment, employment and casino spending) in order to gauge these impacts, as the level of demand would be directly correlated to the scale of some of the impacts that the facility generates. Further, we note that many similar impact projections were prepared for the developer by eConsult Solutions Inc (“ESI”) in 2021 (casino performance and socioeconomic impacts), however we note that there have been many changes to the gaming industry and to the macroeconomy in Pennsylvania since the ESI report was drafted. As a result, we compare our findings with that of the ESI report within the body of this report, to the extent that there is subject matter overlap.

GAMING MARKET POTENTIAL AND CASINO VISITATION PROJECTIONS

CSG modeled the potential demand for the casino based on statewide casino demand metrics, using a combination of reported casino sizes and revenues, as well as mobile phone tracking data, which allowed us to analyze the source and radius of draw for competitive facility demand. Additionally, we modeled the potential capture of regional tourism to the casino.

In total, we projected gaming revenue potential of \$66.1 million in the first full year of operations, 2027, from approximately 605,000 gamer visits. Regional income, population and tourism growth could collectively support annual revenue growth of approximately 2% per year (approximately \$1.35 million to \$1.5 million per year). As such, by Year 5 we project gaming revenue potential of \$71.8 million from approximately 625,500 gamer visits, or \$115 per visit.

HAPPY VALLEY CASINO DEMAND PROJECTION SUMMARY

	2027	2028	2029	2030	2031
Gaming Win	\$66,111,395	\$67,461,269	\$68,854,556	\$70,294,179	\$71,783,261
Patronage	605,135	609,841	614,791	619,998	625,478

Source: CSG analysis

CSG has limited information regarding the scale and scope of the food and beverage venues at the property, or the scale and scope of retail and entertainment. Based on comparable non-destination casinos in other markets (i.e., with no hotel), with multiple F&B options, it is reasonable to expect non-

¹ SC Gaming LLC has several sub-entities, including SC Gaming HoldCo LLC, SC Gaming OpCo, LLC and 2901 ECA Associates, LLC.

gaming revenues to be in the range of 6% to 8% of gaming revenues (or approximately \$6.60 to \$8.80 per gaming patron, given our estimate of approximately \$110 win per visit). This would yield a non-gaming revenue range (using the 6%-8% casino revenue increment) of \$4.0 million to \$5.7 million per year annually during the first five years of operation.

HAPPY VALLEY CASINO NON-GAMING DEMAND PROJECTION SUMMARY

NON-GAMING	2027	2028	2029	2030	2031
If 6% of AGR	\$3,966,684	\$4,047,676	\$4,131,273	\$4,217,651	\$4,306,996
If 8% of AGR	\$5,288,912	\$5,396,901	\$5,508,364	\$5,623,534	\$5,742,661

Source: CSG analysis

Calculations as made for the gaming market projections and the economic impacts are based in part on the performance of existing Category 4 casinos in Pennsylvania, including comparative revenue generation and the impacts that each have had on their respective communities. Category 4 casinos are a relatively new entry to the Pennsylvania gaming market, with four currently operating (Nittany Mall being the fifth of five permitted licenses), with the other four opening between 2020 and 2023. Category 4 casinos are limited in permitted scale, with the ability to offer between 300 and 750 slots, up to 40 table games, and sports wagering.

PENNSYLVANIA CATEGORY 4 CASINOS

	OPENING MONTH	LOCATION	TABLES	SLOTS	FY2025 REVENUES
Live! Pittsburgh	Nov. 2020	Greensburg	40	749	\$114,489,956
Hollywood York	Aug. 2021	York	27	690	\$98,880,865
Hollywood Morgantown	Dec. 2021	Morgantown	31	679	\$71,616,247
Parx Shippensburg	Jan. 2023	Shippensburg	10	498	\$37,640,432
Cat 4 Subtotal			108	2,616	\$322,627,500

Source: Pennsylvania Gaming Control Board monthly reports

ECONOMIC IMPACTS

Impacts from casino operations will be felt in the local and regional economy as a result of increased regional visitation, spending (on and off-site, by the casino as well as patrons), increased employment and household earnings, and fiscally via gaming and other taxes. Based on the projected gaming win as calculated in this report, multipliers as obtained from the U.S. Bureau of Economic Analysis, and staffing levels as announced by the operator, CSG calculated these various economic impacts.

Methodologically, economists have frequently differed in terms of what the appropriate base is to calculate spending impacts from gaming operations, which can yield widely varying results in high-tax jurisdictions like Pennsylvania. In the table below we provide total spending impact projections using both gross revenues and net (after gaming tax) revenues as the multiplier base (CSG believes the net is a more valid approach, since gaming taxes at the state level do not have local impacts, but provides both sets of calculations here for comparison with operator's 2021 analysis which uses gross).

ECONOMIC IMPACT TOTAL SPENDING PROJECTIONS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Gross Revenues	\$70.7M	\$72.2M	\$73.7M	\$75.2M	\$76.8M	\$78.4M	\$80.1M	\$81.8M	\$83.5M	\$85.3M
Gaming Tax	\$32.7M	\$33.4M	\$34.0M	\$34.8M	\$35.5M	\$36.2M	\$37.0M	\$37.8M	\$38.6M	\$39.4M
Net Revenues	\$38.1M	\$38.8M	\$39.6M	\$40.5M	\$41.3M	\$42.2M	\$43.1M	\$44.0M	\$44.9M	\$45.9M
Multiplier on Net	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26
County Indirect/Induced	\$10.0M	\$10.2M	\$10.4M	\$10.6M	\$10.9M	\$11.1M	\$11.3M	\$11.6M	\$11.8M	\$12.1M
Township Indirect/Induced	\$1.1M	\$1.2M	\$1.2M	\$1.2M	\$1.2M	\$1.3M	\$1.3M	\$1.3M	\$1.4M	\$1.4M
County Total Output ^a	\$80.7M	\$82.4M	\$84.1M	\$85.8M	\$87.7M	\$89.5M	\$91.4M	\$93.4M	\$95.3M	\$97.4M
Township Total Output ^a	\$71.9M	\$73.4M	\$74.9M	\$76.4M	\$78.1M	\$79.7M	\$81.4M	\$83.1M	\$84.9M	\$86.7M
County Total Output ^b	\$48.1M	\$49.0M	\$50.0M	\$51.1M	\$52.2M	\$53.3M	\$54.4M	\$55.6M	\$56.7M	\$57.9M
Township Total Output ^b	\$39.2M	\$40.0M	\$40.8M	\$41.7M	\$42.6M	\$43.5M	\$44.4M	\$45.3M	\$46.3M	\$47.3M

Source: CSG calculations using RIMS II spending multipliers from the Bureau of Economic Analysis.

^a Calculates total impact as Total Revenues plus indirect/induced impacts.

^b Calculates total impact as Net Revenues plus indirect/induced impacts.

According to the SC Gaming presentation to the State on June 25, 2025, there will be 350 FTEs once the casino reaches a level of stabilized operations (slide 15 of presentation deck). While there is nothing in the 2025 SC Gaming presentation regarding the average employee compensation, an average of \$47,000 per year is reasonable and relatively standard in the industry currently (for a regional property in a comparable geography, i.e., not a high cost of living urban location). As a result, direct earnings at 350 FTEs equate to earnings of \$16.5 million.

CSG used the Bureau of Economic Analysis' RIMS II multipliers to derive total employment impacts, using multipliers from the category of "Amusement, Gambling and Entertainment Industries", for which the jobs multiplier is only 1.135, but the total jobs per \$1 million in spending multiplier is 10.7. Applying the 10.7 multiplier to the net spending yields total jobs of 407, or 57 indirect and induced jobs (350 direct FTEs expected). Applying the 1.135 jobs multiplier to the 350 FTE's results in an estimate of 397 total jobs, or 47 indirect and induced. There is no preferred calculation methodology, such that an average of the two is a fair approximation, approximately 402 total jobs created County-wide, or 52 indirect and induced jobs.

COMPARATIVE ECONOMIC IMPACT TOTAL JOBS PROJECTIONS

	CSG TOWNSHIP JOBS	CSG COUNTY JOBS
Direct	350	350
Induced/Indirect	4	52
Total	354	402

Sources: CSG calculations using RIMS II spending multipliers from the Bureau of Economic Analysis

Finally, we looked at the impact of operations on household earnings, for which we believe an average of \$47,000 per FTE as reasonable. Direct labor would therefore equate to \$16.5 million annually based on 350 FTEs. We apply a County earnings multiplier of 1.207 to these earnings to arrive at total regional earnings of \$19.9 million, or approximately \$3.4 million for indirect and induced labor. At the Township level the total household earnings would equate to approximately \$16.7 million per year.

COMPARATIVE ECONOMIC IMPACT TOTAL EARNINGS PROJECTIONS

	CSG TOWNSHIP EARNINGS	CSG COUNTY EARNINGS
Direct	\$16.5M	\$16.5M
Induced/Indirect	\$0.3M	\$3.4M
Total	\$16.7M	\$19.9M

Sources: CSG calculations using RIMS II spending multipliers from the Bureau of Economic Analysis

College Township historically has been a labor shed for surrounding counties, such that while we are attributing the direct jobs and earnings to College Township, there may be a significant share of these jobs that are filled by those residing elsewhere in the County or region. As such, the direct local impacts may be less than the \$16.5 million calculated here.

FISCAL IMPACTS

The applicable gaming tax rates at the local level would be 2% of slot revenues and 1% of table gaming revenues for College Township. The same total would go to Centre County. As a result, **we project gaming taxes to College Township will range from \$1.24 million to \$1.35 million annually during the first five years of operations; Centre County would receive the same amount (with stabilized annual growth of approximately 2.1% annually thereafter).**

TOWNSHIP GAMING TAX PROJECTIONS

	CSG
2027	\$1,242,894
2028	\$1,268,272
2029	\$1,294,466
2030	\$1,321,531
2031	\$1,349,525
2032	\$1,378,113
2033	\$1,407,306
2034	\$1,437,118
2035	\$1,467,562
2036	\$1,498,650
10 Yr Total	\$13,665,437

Source: CSG projections

Several other fiscal impacts should result from casino operations, based on the scale of the property, employment and spending. In total, College Township can expect a **fiscal impact as a result of casino operations of approximately \$1.4 million in the first full year of operations, increasing to \$1.66 million annually by Year 10.**

The impacts at the County level would predominantly be limited to the gaming taxes, which as noted above, are collected at the same rate as the Township (i.e., \$1.24M to \$1.50M/year), along with the increased property taxes.

SUMMARY FISCAL IMPACTS

Tax Revenue Increase	CSG PROJECTIONS	
	Within the First Year	At Stabilization
Host Municipality Slot Revenue	\$1,163,561	\$1,402,991
Host Municipality Table Revenue	\$79,334	\$95,658
Host Municipality Sportsbook Revenue	\$0	\$0
Real Estate Taxes	\$50,000	\$50,000
EIT	\$83,552	\$95,533
LST	\$16,638	\$16,638
Total	\$1,393,085	\$1,660,821
School District		
Property Tax	\$380,000	\$380,000
EIT	\$158,750	\$181,513
LST	\$1,770	\$1,770
Total	\$540,520	\$563,283

Sources: CSG projections

REAL ESTATE IMPACTS

CSG reviewed data on residential real estate values and interviewed Pennsylvania mall operators where casinos are situated in order to understand potential casino impacts on values and mall performance metrics. For the residential component, CSG obtained monthly median home sales prices and listing price per square foot data for Centre County, for Pennsylvania statewide, and for existing Category 4 host counties from May 2020 through May 2025 in order to demonstrate the degree to which there may be a correlation between the casino opening and real estate trends, as well as to do establish a baseline for Centre County for future comparisons. The results of this were inconclusive (i.e., showing no obvious correlation), as Berks and York Counties outpaced statewide growth rates, while Westmoreland and Cumberland growth rates were outpaced by the state.

Additionally, we examined median listing prices per square foot, as the stock of residential housing on the market each year may be skewed by the types of homes put on sale, especially if there are new subdivisions developed and put on the market. For that metric, three of the four host communities had growth rates higher than the state rates since opening, with only Cumberland County being outpaced by the state.²

Collectively the data suggests that assuming there are no significant macroeconomic events (unrelated to the casino), **Centre County should not experience adverse effects in residential real estate values as a result of the casino opening, and could potentially grow at a faster pace than recently experienced.**

With respect to commercial real estate, Category 4 casinos have been a popular replacement of shuttered big-box retailers (Hollywood York replaced a Sears at the York Galleria, Live! Pittsburgh replaced a Bon-Ton department store at the Westmoreland Mall, Parx Shippensburg replaced a Lowe's, and Happy Valley Casino is replacing a Macy's at the Nittany Mall). CSG reached out to

² <https://fred.stlouisfed.org/categories/27320>. CSG took the average of the monthly data for each twelve month period to derive the twelve month median figures, and therefore does not reflect weighted averages of the number of listings or sales per month.

operators and leasing agents at the locations with existing Category 4 casinos, as well as Nittany Mall, with a modest response rate. **In some of these communities, the casino has stabilized or increased commercial real estate activity, while in others there has been no discernable impact.**

ECONOMIC IMPACT RECOMMENDATIONS

A key to attaining the economic impacts as described above is that the casino performs as projected in our analysis, and the operator develops/operates the facility as planned. From the Township's perspective, there is only one (relatively minor) point of intervention – public safety in the mall/casino parking area (State Police has sole jurisdiction inside the casino). As discussed in the Social Impacts section of this report, the casino is not expected to create any burden on the local police department, but there will need to be some reliance on the mall operator to keep the parking lot safe and well lit, and casino customers will need a sense of security when coming and going from the casino in order to make repeat visits.

SOCIAL IMPACTS

As a host community to a casino, there are potential social costs that may result from the facility's operation, such as those that can result from compulsive gambling behavior and the degree to which the casino can require public safety attention (police/fire/EMS calls and needs). We reviewed third party research and obtained data from state and national agencies to determine the degree to which the presence of a casino impacts crime rates, gambling addiction, domestic violence, bankruptcy and suicide rates. We conducted primary research to determine the number of calls for service that the casino should expect per week for police, fire and EMS, and the degree to which this may cause a hardship for public safety agencies. Further, we investigated the level of casino-generated funding that may be available to support local issues that may be available to mitigate any public health impacts, and what can/has been done in Pennsylvania to mitigate problem gambling and support related public health issues, in order to provide recommendations for College Township.

RESPONSIBLE GAMBLING AND PROBLEM GAMING METRICS

The most significant social costs that could result from a casino coming into College Township will be addiction-related issues, as there is a small segment of the population for which gambling stops being entertainment and becomes an addiction. The Council of Compulsive Gambling in Pennsylvania (<https://www.pacouncil.com/seeking-help/>) is the best resource available in Pennsylvania for finding options for addiction treatment, including links to private counselors, local and online support meetings, and free access to financial counselors specifically addressing gambling addiction-related financial problems. **There are a variety of treatment avenues, ranging from Cognitive Behavioral Therapy to various pharmaceutical solutions, along with support meetings, that can collectively mitigate problems to the extent they arise.** As such, there should be collaboration between the Council of Compulsive Gambling in Pennsylvania, healthcare providers such as Mount Nittany Health and College Township, through which those with problems (or family members) can easily be connected to help.

For College Township, CSG projects that the entrance of the casino will be largely muted, however, as the casino will not be an introduction of gambling to the area – there is a broad variety of gaming options already available to the regional population, from online gaming to video gaming at Centre County truck stops, online sports betting, the state lottery, skill games at bars and restaurants, and casinos in the broader market area. As such, the addition of the casino will not really be an “introduction” of gambling to the market.

Moreover, findings across the surveys and research evaluated in this report indicate that online gambling and sports betting tend to be the most problematic forms of gambling. For example, a 2024 Fairleigh Dickinson University survey looked at relative problem gambling rates across demographic cohorts and found 3% of those polled scored at least eight on their PGSI index (indicative of a significant level of addiction), but this varied by age and game preference (but not notably by gender, rounded to 3% for men and 2% for women); among younger individuals, 10% of men ages 18-30 and 7% of women 18-30 scored at least an 8 on the PGSI, with older individuals reportedly far more rarely having PGSI scores worthy of concern (1% of men and 3% of women age 45-64 and less than 1% of men and women over the age of 65). Unsurprisingly, online gamblers, who were more likely to report problem gambling behaviors, were also more likely to score an 8 or above on the PGSI, with 17% doing so compared to only 6% among respondents who play in-person casino games.³

The typical demography of Pennsylvania casino patrons is largely skewed as over 50 and female, with comparatively low addiction rates likely as per the Fairleigh Dickinson poll (as well as the fact that nearly twice as many males in Pennsylvania have self-excluded from casino visitation than females). As such, gambling addiction prevention and treatment should be targeted even more at the high-risk individuals, though with high visibility in the casino (and marketing efforts) of problem gambling treatment options/self-exclusion lists for casino patrons.

Additionally, as a proxy for College Township and Centre County, we looked at patient intakes and help line calls in Massachusetts during the decade of the 2010's (as studied by the SEIGMA gambling research team at the University of Massachusetts), during which time the state licensed and opened its three casinos. Prior to that time, gamblers in the state had access to a variety of convenience gambling alternatives (lottery and keno in bars and restaurants), as well as casinos in Rhode Island and Connecticut. Data from Massachusetts showed a steady decline in patient intakes during the decade, an increase in help line calls after the first (smallest of three) casino opened, but a steady decline in help line calls after the second and third casinos opened. Help line calls spiked in 2022, potentially due to the introduction of sports betting in the state.

ANNUAL PROBLEM GAMBLING TREATMENT DATA, MASSACHUSETTS

YEAR	PATIENT INTAKES	HELP LINE CALLS
2010	59	917
2011	45	780
2012	48	631
2013	48	743
2014	33	NA
2015 (Plainridge opens)	49	952
2016	9	994
2017	24	1,126
2018 (MGM opens)	13	742
2019 (Encore Boston opens)	NA	473
2020	NA	366
2021	NA	565
2022	NA	1,378

Source: SEIGMA 2024 Report⁴; Note: Intake data no longer reported after 2017. Help line calls' data not comparable pre and post 2014

³ Ibid.

⁴ SEIGMA Research Team (2024). *Social and Economic Impacts of Casino Introduction to Massachusetts*. Amherst, MA: School of Public Health and Health Sciences, University of Massachusetts Amherst. October 2024, Pages 72-73 Figures 10-11

POTENTIAL DOMESTIC VIOLENCE IMPACTS

If problem gambling leads to financial problems, it is reasonable to assume that it would lead to marital problems, and potentially domestic violence and divorce. CSG examined trends and rates in Pennsylvania to see whether there appeared to be a correlation between Class 4 casino proximity/accessibility and domestic violence reports, with comparisons of rates in host counties versus that of neighboring counties. CSG obtained case reports, by county, from the Unified Judicial System of Pennsylvania to determine the relative domestic abuse (Family Court Protection from Abuse, or "PFA") new filings per capita in casino host counties versus neighboring counties, as well as before/after trends for the host counties. The results of these comparisons were mixed.

In aggregate, the rate of PFA filings in the three central/eastern Pennsylvania Category 4 casino host counties (Berks, Cumberland and York) historically (2018-2020) was 15% to 20% higher per capita than the nine counties they abut, but that differential widened to 46% higher in 2023. This is largely attributable to the trend in Berks County, which was 31% higher than its neighbors in 2020, increasing to 58% greater in 2023. However, it should be noted that the rate in Berks County has been volatile independent of the presence of a casino there, as the rate was 50% higher than its neighbors in 2018, before there was any casino in the immediate region.

In contrast to the trends in eastern/central Pennsylvania, the relative rate of PFA filings in Westmoreland County trended lower than its neighboring counties. Westmoreland County historically had a lower incidence of domestic abuse cases per capita relative to its neighbor counties prior to the casino opening in November 2020, but has seen that variance widen (for the better) since the casino opened.⁵

PENNSYLVANIA DOMESTIC ABUSE CASES/1,000 RESIDENTS, 2018-2023

COUNTY	2020 POPULATION	2018	2019	2020	2021	2022	2023
Central/East Host Counties	1,144,756	2.71	2.72	2.84	3.04	3.23	3.61
Central/East Neighboring Counties	2,336,532	2.26	2.37	2.33	2.59	2.62	2.51
Central/East Host as % of Neighbor		120.0%	114.9%	121.8%	117.1%	123.5%	143.6%
West Host County	354,663	2.41	2.34	2.40	2.57	2.63	2.43
West Neighboring Counties	694,558	2.71	2.71	2.46	2.83	2.87	3.14
West Host as % of Neighbor		88.7%	86.6%	97.2%	90.6%	91.6%	77.3%
Statewide	13,002,700	3.00	3.01	2.77	2.98	3.12	3.21

Source: Unified Judicial System of Pennsylvania annual protection from abuse new case filings. Data for host counties in bold reflect first year of operation of the casinos.

Centre County historically has had a lower weighted average rate of domestic abuse than its neighboring counties (slightly higher than Clearfield, Mifflin and Union, but substantially lower than Blair, Clinton and Huntingdon) and the state. None of these neighboring counties currently have easy access to a casino, but most all have shown significant annual volatility from 2018-2023. As such, any one-year movement to the Centre County rate should not immediately be directly attributed to the casino. Nevertheless, based on the historical trends from the existing 4 casino host counties, it is likely that the trend will show a narrowing of the host/neighbor rate difference.

⁵ Ibid.

CENTRE COUNTY AND NEIGHBORING COUNTY DOMESTIC ABUSE CASES, 2018-2023

COUNTY	POPULATION	2018	2019	2020	2021	2022	2023
Centre	158,172	1.79	1.91	1.69	1.40	1.55	1.71
Neighboring Counties	373,750	2.62	2.96	2.48	2.77	3.08	2.82
Centre as % of Neighbor		58.1%	53.9%	64.2%	51.5%	50.9%	58.2%
Statewide	13,002,700	3.00	3.01	2.77	2.98	3.12	3.21

Source: Unified Judicial System of Pennsylvania annual protection from abuse new case filings.

POTENTIAL DIVORCE IMPACTS

CSG reviewed data from Pennsylvania and Massachusetts regarding the volumes and prevalence of divorces in casino and non-casino counties in order to determine how strong a correlation existed due to ease of casino access. Data was obtained from the respective state court systems for this analysis. The data for Massachusetts was obtained, as it is an input for the 2024 SEIGMA impact study, for which they analyzed and opined on impacts. CSG used similar methodologies to look at the impacts for Pennsylvania.

The number of divorces in Massachusetts decreased overall from 2010 to 2020, and the SEIGMA report concludes there is no association at either the county or state level between casinos and “divorce and other domestic relation filings” as defined by the court.

Using a similar methodology to SEIGMA, CSG obtained case reports, by county, from the United Judicial System of Pennsylvania to determine the relative volumes of divorce filings in casino host counties versus neighboring counties from 2018-2023, in order to try to identify any before/after trends for Category 4 host counties. As an aggregated average, the per capita rate (per 1,000 residents) of divorce filings in Pennsylvania courts in central/eastern Pennsylvania Category 4 casino counties ranged from 2.79 to 2.90 from 2018 to 2019, before any of the Category 4 casinos opened, whereas the weighted average rate for neighboring counties trended considerably less, at 2.65 cases per 1,000 residents. In 2023, after all of the Category 4 casinos opened, the host counties had a weighted average of 2.55 cases per 1,000 residents, while the neighboring counties had a weighted average of 2.20 cases per 1,000 residents. In both cases (host and neighbor), the rate of divorce filings has been steadily declining since 2019 (with the exception of a dip statewide in 2020, possibly attributable to COVID court closures/limited operations). Meanwhile, the per capita rate of divorce filings in Westmoreland County has remained at approximately 90% of the rate of neighboring counties from 2018-2023 (n.i. the statewide low case volume 2020), with a brief comparative spike in 2022 (despite a Westmoreland per capita decline).⁶ **Collectively, the data from existing Category 4 casinos host counties in Pennsylvania does not suggest that the opening of the casino will translate to growth in Centre County divorce rates.**

⁶ Unified Judicial System of Pennsylvania annual caseload statistics reports. <https://www.pacourts.us/news-and-statistics/research-and-statistics/caseload-statistics>

PENNSYLVANIA DIVORCE FILINGS/1,000 RESIDENTS, 2018-2023

COUNTY	2020 POPULATION	2018	2019	2020	2021	2022	2023
Central/East Host Counties	1,144,756	2.79	2.90	2.39	2.70	2.65	2.55
Central/East Neighboring Counties	2,336,532	2.65	2.65	2.29	2.33	2.21	2.20
Central/East Host as % of Neighbor		105.1%	109.7%	104.4%	115.6%	119.8%	115.8%
West Host County	354,663	2.62	2.53	2.04	2.39	2.33	2.15
West Neighboring Counties	694,558	2.88	2.69	2.57	2.62	2.37	2.39
West Host as % of Neighbor		90.9%	94.1%	79.4%	91.2%	98.3%	89.7%
Statewide	13,002,700	2.93	2.93	2.71	2.79	2.57	2.53
Centre	158,172	2.04	2.00	1.78	1.62	1.69	1.95

Source: Unified Judicial System of Pennsylvania annual protection from abuse new case filings. Data for host counties in bold reflect first year of operation of the casinos.

POTENTIAL BANKRUPTCY IMPACTS

As problem gambling entails excessive gambling either in bet number or bet amount, the most direct potential costs of problem gambling are financial issues such as increased debt, loan delinquency, and bankruptcy. CSG reviewed academic research and conducted our own analysis of data on nonbusiness bankruptcies to determine the association between the presence of casinos and worsened financial well-being in the surrounding area.

The 2024 SEIGMA report⁷ found a decline in personal bankruptcies from 2013 to 2022 both for all of Massachusetts and in the specific counties where casinos opened. There was no obvious change in each county immediately after the casino opened, but the data is suggestive of more general county trend declines in personal bankruptcies.

CSG examined the nonbusiness bankruptcy filings in Pennsylvania around the openings of the Category 4 casinos to compare with the findings of the 2024 SEIGMA report. Similar to Massachusetts, the annual filings are much lower for all areas relative to 2019, but with increases from 2022 to 2023 (and continued increases for three of the four casino counties from 2023 to 2024). Westmoreland County, home to LIVE! Casino Pittsburgh, which opened in 2020, has more fluctuating filings data since the casino opened, showing no clear association between bankruptcy and the presence of the casino. It is also the only area to report a decrease in nonbusiness bankruptcy filings from 2023 to 2024. Nonbusiness bankruptcy filings have increased every year in York County and Cumberland County since each of their respective Category 4 casinos opened in 2021 and 2023, respectively. Similarly, filings have risen in 2023 and 2024 in Berks County, where Hollywood Casino Morgantown opened in 2021. Although these areas show growth in bankruptcy filings, it is unclear how much this is correlated with the Category 4 casinos as this matches statewide trends, and all 2024 levels are much lower than pre-2020 levels. More years and granular data are needed to separate any effects of the casinos from general macroeconomic shifts like high inflation post-pandemic.

⁷ SEIGMA Research Team (2024). Social and Economic Impacts of Casino Introduction to Massachusetts. Amherst, MA: School of Public Health and Health Sciences, University of Massachusetts Amherst. October 2024. Pages 74-75

ANNUAL NONBUSINESS BANKRUPTCY FILINGS, PENNSYLVANIA, 2015-2024

YEAR	CENTRE COUNTY	BERKS COUNTY (HOLLYWOOD MORGANTOWN)	CUMBERLAND COUNTY (PARX SHIPPENSBURG)	WESTMORELAND COUNTY (LIVE! PITT.)	YORK COUNTY (HOLLYWOOD YORK)	STATEWIDE
2015	85	820	370	718	887	21,584
2016	83	799	361	761	879	20,871
2017	69	804	374	921	786	21,722
2018	79	743	398	807	888	20,732
2019	90	757	345	866	913	20,518
2020	57	511	232	660*	568	13,604
2021	47	361*	189	452	438*	9,997
2022	39	349	169	434	460	9,439
2023	46	416	184*	496	506	10,652
2024	39	501	220	465	541	12,049

Source: U.S. Courts' Bankruptcy Statistics⁸; Note: Data reports nonbusiness bankruptcy filings from all chapters (Chapters 7, 11, 13).
 * Indicates the year a Category 4 casino opened

POTENTIAL SUICIDE & MENTAL HEALTH IMPACTS

While marital, family, and/or financial problems are generally the first risks associated with problem gambling behavior, this can snowball into more serious mental health issues and suicidal contemplation or attempts. CSG reviewed surveys and research from a 2023 Rutgers University study (Rutgers Center for Gambling Studies) and a 2024 study from the University of Massachusetts (SEIGMA) to view trends in those states, and evaluated similar metrics in Pennsylvania counties in order to determine whether (or how strong) a Pennsylvania correlation could be found.

The Rutgers study found higher rates of addictive substance use, worse mental health, and a **higher risk of suicidality in gamblers than non-gamblers. However, they found statistically significant differences also existed among different types of gamblers.** Online only gamblers reported greater rates of binge drinking and moderate mental health problems than land-based gamblers. Mixed-venue gamblers (those who play both online and land-based casinos) had higher rates of mental health problems, anxiety, depression, suicide attempts and non-suicidal self-injury compared to both online only and land-based gamblers. **Land-based-only gamblers on average had no worse mental health issues than non-gamblers,** but if someone developed a moderate to serious problem gambling disorder, the mental health issues and suicidality was exponentially greater than that of non-problem gamblers.

The SEIGMA study looked directly at suicide rates and trends in casino host counties as compared to the statewide rate, noting that rates in the host counties of the Wynn and MGM properties have both trended downward since their respective casinos opened, which the host county for Plainridge Park has seen a relatively flat volume. These rates are consistent with trends at the state level, prompting SEIGMA to conclude there was no association between suicides and casinos at either the state or county level.

⁸ ibid

We also reviewed journal studies relating to the addiction/suicidality correlation, specifically the findings of van der Maas, DiMeglio and Nower (2024).⁹ Their analysis used data from the U.S. National Violent Death Reporting System from 2003-2020, finding that 0.44% of all suicide cases across the country were gambling related.¹⁰

Finally, CSG analyzed data by county as reported by the Pennsylvania Department of Health, which obtains data from coroners and police departments. Data was available for 2018-2022, the most recent year available. Department staff noted that while the total volume of suicides is a relatively easy figure to track, there is not always a motivating circumstance that is known or defined, and as such there may be limitations to the data. Gambling addiction is also commonly a comorbidity, meaning that most gambling addicts are also addicted to drugs and/or alcohol due to an appetite for euphoria. While alcohol and drug addiction may be easily recognizable to a coroner or police investigator, comorbidity with gambling addiction may often be overlooked. Nevertheless, there are various metrics we can observe regarding suicide prevalence in different Pennsylvania counties and comparisons between casino host counties and non-host counties.

CSG looked at per capita data for the 14 counties in Pennsylvania with casinos as compared to the statewide per capita suicide rates and the rate for non-host counties. For the 14 counties with casinos, there was an aggregated average of 13.4 suicides per year per 100,000 residents from 2018-2022, as compared to 15.4 per 100,000 residents in counties without casinos. The range for casino counties was relatively narrow, from 10.7/100,000 (Philadelphia) to 19.6/100,000 (Fayette). In contrast, the rate for non-casino counties was comparatively wide, from 10.8/100,000 (Lancaster) to 31.6/100,000 in sparsely-populated Forest County.

Data was also provided regarding addiction-motivated suicides and financial problems-motivated suicide. Neither showed statistically significant correlations (host counties had slightly lower per capita rates of addiction motivated suicides than non-host counties, and slightly higher financial-problems-related suicides than non-hosts, but the variances were insignificant). **In conclusion, for all three metrics (Total, Other Addiction-motivated and Financial Problems-motivated), there is no strong correlation in Pennsylvania that can be drawn between being a casino host county and the suicide rates.**

Finally, we note that Centre County currently/historically has low suicide rates (90 during the five year period, or 11.4/100,000 residents per year). As such, any nominal increase could reflect a significant increase in the per capita rate, but the data does not support the assertion that being a host would increase the volume, or make Centre County's average suddenly mirror that of the existing casino host counties.

POTENTIAL CRIME AND PUBLIC SAFETY IMPACTS

Finally, we looked at crime rate trends in casino communities and the impact that a mall casino may have on the providers of public safety to the community – police, fire and EMS. Data from communities across the state, as well as the commonwealth, shows that there should not be an expectation of an increase in violent crime as a result of the casino, but due to the large influx of visitors to the area,

⁹ van der Maas, M., R. DiMeglio, and L. Nower. 2024. "Gambling as a Precipitating Factor in Deaths by Suicide in the National Violent Death Reporting System." *Public Health* 235 (October):180-86. <https://doi.org/10.1016/j.puhe.2024.07.005>.

¹⁰ Note: Gambling-related cases were defined if "the decedent was identified as having a gambling problem by diagnosis or informally, decedent was identified as having substantial debt related to gambling, decedent was found on the premises of a gambling venue or observed on such premises shortly before the event, gambling was mentioned in the summary of a suicide note or it was communicated as a motivating factor to someone else, and/or artifacts of gambling were found on the person of the decedent.", van der Maas, DiMeglio, and Nower (2024), p.3

there may be a slight increase in property crime. Nevertheless, the volume would likely be comparable to that of any big box store, much like the Macy's the casino is replacing at the mall.

Based on our research and analyses of other casino communities, **CSG expects the Subject casino could result in approximately 1 additional call for service to the police each week, and an additional 2 calls per month for fire protection, and 1 call per month for EMS.** While we do not anticipate an increased need for police, fire and EMS services to any degree worthy of planning (i.e., an increase of maybe 1% in terms of calls for service relative to current levels), police should be cognizant of needs for parking lot patrols to ensure the safety of patrons and the contents of their vehicles, and work with the mall operator to ensure security and a well-lit property, 24/7. Nevertheless, having interviewed public safety officials in all of the existing Category 4 host communities, none reported and concerns, reservations or issues with having a casino in their community. We note that security inside the casino is the responsibility of the casino operator and under the jurisdiction of State Police, not local law enforcement. However, Category 4 casinos are not required to have 24/7 State Police presence on site. Given the level of security and surveillance within casinos, however, it is rare that crime occurs within the casino.

SOCIAL IMPACTS CONCLUSIONS AND RECOMMENDATIONS

CSG has reviewed data and information from comparable jurisdictions, and assessed the volume of patronage and revenues for the planned Category 4 casino, and our reviews of College Township's budgets and public safety operations leads to a conclusion that the Category 4 casino should not be expected to be a strain on public resources. However, there are a number of potential issues that College Township should monitor, and grant programs available through the Commonwealth, which could help to defray any unforeseen costs and support law enforcement and public health agencies.

Responsible Gambling and Problem Gambling: Problem gaming is an important issue that College Township and the surrounding area should monitor and be proactive about. While residents, students, and visitors already have access to online gaming and truck stop gaming, the addition of a casino to the area could increase the prevalence of problem gaming in the area. Data and research reviewed for this analysis does not suggest that there will be a spike in problem gambling behavior or problem-gambling related harms to the community, such as bankruptcies, domestic violence, divorce, suicide, etc. However, to the extent that these issues do occur, awareness of treatment options should be highly visible. Problem gambling hotline signage is mandatory in casinos, but local healthcare providers, such as Mount Nittany Health, should ally with the Council of Compulsive Gambling in Pennsylvania to ensure that those who reach out for help are easily connected to providers in the local area. Mount Nittany Health, and similar local providers, should track the level of demand for such services, what treatments are being offered, and their measures of effectiveness.

While a new casino has the potential to impact the rate of problem gambling, we note that gambling addiction from casino gaming is far less common than addiction from other forms of gambling, such as sports betting and online gaming. This is due to comparative accessibility and the fact that the demography of sports betters/online gamers is much younger than that of casino gamers, such that if there is an increase in problem gambling in the area, it is possibly more attributable to the fast growing sports betting and online gaming market segments. As such, in addition to casino signage, providing/ensuring education at the university of the risks of any form of gambling would be beneficial. Additional research into problem gaming is underway at various universities and agencies across the United States, and College Township should avail itself of best practices as they evolve.

Domestic Violence: Data on incidents of domestic violence in casino communities versus non-casino communities are mixed and no firm conclusions can be made. Nevertheless, based on the historical trends from the existing 4 casino host counties, College Township's relatively low rate of domestic violence could slightly increase to meet the levels of its nearest neighboring jurisdictions which post slightly higher domestic violence rates.

Divorce: Data from elsewhere in Pennsylvania with existing Category 4 casinos does not suggest that the casino opening will have an impact on the Centre County rate or volume. In Centre County, the divorce rate has been rising since 2021, approaching the 2018-2019 level of approximately 2.0/1,000 residents, but still is approximately 25% below the rate of surrounding counties.

Bankruptcy: The data show no clear correlation between rates of bankruptcy filings and the presence of a casino. While non-business bankruptcy filings have increased in some Pennsylvania casino communities, it is unclear how much this is correlated with the Category 4 casinos as this matches statewide trends. More years and granular data are needed to separate any effects of the casinos from general macroeconomic shifts like high inflation post-pandemic.

Suicide & Mental Health: While marital, family, and/or financial problems are generally associated with the risks of problem gambling behavior, in dire cases these issues can snowball into suicidal contemplation or attempts. However, data on suicides in jurisdictions with casinos do not support the assertion that casinos increase suicide rates. Data from Massachusetts shows no correlation with gambling legalization or casino openings with suicides. Data for Pennsylvania shows no strong correlation between being a casino host county and suicide rates. The research indicates that Mixed-venue gamblers (those who play both online and land-based casinos) had higher rates of mental health problems, anxiety, depression, suicide attempts and non-suicidal self-injury compared to both online only and land-based gamblers.

Crime and Public Safety: With the opening of the Category 4 casino, approximately 1 additional call per week for police should be anticipated. We expect approximately 2 additional calls per month for Fire, and less than 1 additional call per month should be anticipated for EMS. At the levels of service currently provided to the community, these additional calls would not constitute a significant impact on public safety resources.

The most significant public safety needs will be to ensure parking lot safety for customers (sense of security as well as responding to fender-benders and falls) and to discourage car theft/vandalism/break-ins. Ensuring that the mall has adequate lighting in the parking lot at all hours will complement this effort.

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INTRODUCTION

In May 2024, Convergence Strategy Group (“CSG”) was retained by College Township to conduct a community impact study regarding the future operation of a Category 4 casino to be located at the Nittany Mall, (former site of a Macy’s department store). The property, to be named Happy Valley Casino, is currently under construction, with an expected opening in Spring 2026. According to the owner, SC Gaming LLC¹¹, and operator, Saratoga Casino Holdings LLC, the Happy Valley Casino will offer 750 slots and 30 table games, along with a sports bar and food court/take-away food options. Sports betting remains an option for the property, but is currently not part of the operator’s plans.

The owner and operator of the planned Happy Valley Casino both have experience in the gaming industry - SC Gaming LLC is owned by Ira Lupert, former Chairman of the Category 3 casino at Valley Forge (sold to Boyd Gaming in 2018); and Saratoga Casino Holdings operates a harness racetrack with a casino (“racino”) in Saratoga Springs, New York, the Magnolia Bluffs Casino in Natchez, Mississippi, and Saratoga Casino Black Hawk in Black Hawk, Colorado.

The addition of the casino to College Township, and the broader Centre County area, may be impactful in a broad variety of ways, positive and negative. As requested in the Township’s RFP, CSG has evaluated the potential fiscal, social, and sociodemographic impacts of the operation, as well as prepared baseline data for future evaluations. CSG has also independently modeled the potential performance of the property in terms of gaming demand (gaming and non-gaming revenues, visitation by market segment, employment and casino spending) in order to gauge these potential impacts, as the level of demand for the casino would be directly correlated to the level of impacts from the facility. This document also compares our projections to those made for the developer by eConsult Solutions Inc (“ESI”) in 2021 (casino performance and socioeconomic impacts), noting that there have been many changes to the gaming industry and to the macroeconomy in Pennsylvania since the eConsult Solutions Inc (“ESI”) report was drafted.

Throughout this report, the following terms are used interchangeably: proposed casino, Nittany Mall casino, Happy Valley Casino, Subject facility, proposed facility, casino facility, et al.

PENNSYLVANIA GAMING BACKGROUND

In 2004, casinos were legalized in Pennsylvania with the passage of the Racehorse Development and Gaming Act, and the Pennsylvania Gaming Control Board was subsequently established. The Act establishes four categories of casinos in Pennsylvania:

- Category 1: A gaming facility at a licensed horse racetrack, permitting the operation of slots, table games and sports wagering. Also referred to as a ‘racino’. There are six racinos in Pennsylvania.
- Category 2: Stand-alone casino, permitting the operation of slots, table games and sports wagering. There are five Category 2 casinos in Pennsylvania.
 - Category 1 and 2 casinos historically have been required to operate at least 1,500 slots apiece¹², with a maximum of 5,000 slots. Casinos may have up to 250 table games.

¹¹ SC Gaming LLC has several sub-entities, including SC Gaming HoldCo LLC, SC Gaming OpCo, LLC and 2901 ECA Associates, LLC.

¹² Senator Dan Laughlin has submitted a bill to the Pennsylvania Senate (Senate Bill 666) to eliminate the minimum required slot count at Category 1 and 2 casinos. Operators would be required to petition the Gaming Control Board to allow for any decrease in position count of more than 2%, but the minimum threshold would be eliminated. Pennsylvania State Republicans website, May 7, 2025. <https://www.pasenategop.com/news/laughlin-bill-modernizing-slot-machine-requirements-approved-by-senate-committee/>, accessed May 12, 2025.

- Category 3: Resort casino (minimum 275 rooms), permitting the operation of slots, table games and sports wagering, but limited to the patrons of the resort and its amenities. Only two currently exist, at Valley Forge in King of Prussia and at Nemaquin in Farmington.
- Category 4: A ‘mini-casino’ or ‘satellite casino’, permitting the operation of between 300 and 750 slots, up to 40 table games, and sports wagering. Five licenses exist, including the one for Nittany Mall (the other four are currently operational).

There are currently 17 casinos in operation in Pennsylvania, with only the Subject facility in the development/planning stages.

The first casino in Pennsylvania opened in Wilkes-Barre at Pocono Downs in November 2006. At that time, slot machines and electronic table games were the only legal forms of gaming in the casinos, with competition from horse racing, the lottery, and non-regulated video gaming in locations such as bars and restaurants. In 2010, casinos were permitted to add live table gaming to their offerings.

In October 2017, the Pennsylvania General Assembly broadly expanded legal gaming options through the Video Gaming Act legalizing online gaming, fantasy sports wagering and the provision of video gaming devices at airports and truck stops. The first online gaming website became operational in 2019.

Less than a week later (also October 2017) Governor Tom Wolf signed into law Act 42 of 2017, which amended the 2004 Pennsylvania Racehorse Development and Gaming Act and allowed for up to ten Category 4 casinos within the state. Act 42 also provided municipalities with the opportunity to opt-out of being a host municipality for a Category 4 casino by December 31, 2017.

Pennsylvania was also one of the first states in the country to legalize online sports betting, with wagering first permissible in 2020.

COLLEGE TOWNSHIP CASINO GAMING TIMELINE

The following is the pertinent timeline of events (as provided on the Township’s website, except for final bullet point), that have led to the imminent opening of the casino in College Township¹³:

- February 16, 2016: College Township established the zoning provisions ((§ 200-11.S as amended per Ord. No. O-06-05) that currently exist in the area encompassing the Nittany Mall. These zoning provisions allow for “gaming establishment” uses in the C-1 Commercial Zoning Districts in the Township, including the area of the Nittany Mall previously occupied by the Macy’s Department Store.
- December 7, 2017: College Township Council agreed not to approve an “Opt-Out” resolution and to, instead, rely on the Township’s Adult Business Ordinance that impacts and informs the gaming establishments use in the C-1 Commercial District. Within Centre County, 14 municipalities chose not to “opt-out” by the December 31, 2017 deadline.
- January – April 2018: The initial three rounds of auctions for the ten (10) Category 4 casino licenses available in Pennsylvania were held, netting five (5) bids for licenses. No bids were submitted to license a casino location in College Township.
- August 30, 2019: Act 63 of 2019 amended Title 53 of the Pennsylvania Consolidated Statutes, specific to the Option to Prohibit the Location of an Establishment Licenses. At the time, there were no Category 4 casino licenses available for auction. As noted in the Solicitor’s opinion,

¹³ College Township website, April 7, 2025. <https://www.collegetownship.org/DocumentCenter/View/2380/Casino-Timeline-of-Significant-Events-04-07-25-PDF?bidId=>, accessed May 12, 2025.

within Title 53, Chapter 5, Section 502(a) (1) it is very clear that the township's right to opt out expired 60 days after the effective date of the act which was July 2, 2019.

- November 2019: Mount Airy Casino Resort's application for a proposed Category 4 casino in Big Beaver in Beaver County was rejected by the Pennsylvania Gaming Control Board due to an inability to secure financing.
- March-April 2020: Macy's Department Store Closes
- May 29, 2020: Act 23 of 2020 is signed enabling the Pennsylvania Gaming Control Board to auction the one (1) Category 4 license that was previously associated with the Mount Airy Casino Resort bid.
- September 2, 2020: The Pennsylvania Gaming Control Board conducts the auction for the Category 4 casino license with two (2) bids being submitted. Philadelphia based investor Mr. Ira Lubert, whose company operates as SC Gaming OpCo LLC, was deemed the successful bidder. Mr. Lubert's bid identified the location of this new casino as anywhere within a 15-mile radius of Unionville Borough, Centre County. This initial location zone included significant area within 13 of the 14 municipalities in Centre County that did not "opt-out".
- January 2021: Bally's Corporation announced that it has signed an agreement with SC Gaming OpCo LLC to develop the planned \$120 million Category 4 casino in Centre County. While the specific location was not named, the Bally's press release stated it would be located 'near the Nittany Mall.'
- Late January 2021: College Township received a request to evaluate its zoning regulations to determine if a gaming establishment would be permissible at 2901 East College Avenue (formerly Macy's). Staff acknowledged that a gaming establishment was permissible under the Township's current zoning ordinance.
- March 2, 2021: College Township received via certified mail a statement from the Ballard Spahr Law Firm in Philadelphia formally transmitting the Local Impact Report and identifying the location of the proposed casino at the former Macy's at 2901 East College Avenue, State College, PA.
- The project was delayed for more than three years as a result of a lawsuit filed by Cordish Companies, however in July 2024, the PA Supreme Court affirmed the Pennsylvania Gaming Control Board's decision to award the Category 4 License to SC Gaming OpCo LLC.
- September 13, 2024: Bally's and SC Gaming issued a joint release announcing that they had terminated their framework agreement to partner on the casino. SC Gaming indicated in the release that the end of the partnership does not affect their plans for the casino or the timeline for its development.
- March 5, 2025: Saratoga Casino Holdings LLC and SC Gaming LLC issued a press release announcing that they had signed a framework agreement to develop and manage the Category 4 casino at the Nittany Mall pending all regulatory approvals.
- SC Gaming announces the casino will be named "Happy Valley Casino" and is expected to open in Spring 2026.¹⁴

¹⁴ Geoff Rushton, "Name, Logo Revealed for Casino at Nittany Mall, State College.com, May 29, 2025. <https://www.statecollege.com/articles/business/name-logo-revealed-for-casino-at-nittany-mall/>

ECONOMIC AND DEMOGRAPHIC OVERVIEW

In order to determine the fiscal and socioeconomic impacts of casino operations at Nittany Mall, it is first necessary to determine the potential demand for the facility, and to investigate the historical impacts that have been experienced at similarly-sized/demanded casinos in Pennsylvania and in other states. CSG starts this analysis with an economic and demographic overview of the Township, County and the region, followed by an independent projection of facility demand, taking into account the proposed scale of the property, as announced by the developer/operator. These demand projections are then used to project the facility's impacts.

In evaluating any market, it is critical to understand the demography and economic profile of its residents and visitors. The following section details and assesses the size of the population, income levels, employment levels and tourism levels in College Township, Centre County and the surrounding region. Various reports and statistics prepared by federal, state and local agencies were reviewed, including the U.S. Census, Bureau of Labor Statistics, Bureau of Economic Analysis, township and county agencies and regional tourism bureaus. Additionally, data was derived from proprietary sources such as Convergence Strategy Group's in-house geographic information systems (GIS) provider, ESRI. ESRI is the worldwide leader in geographic information systems and data aggregation, utilizing data from the U.S. Census, local, state and federal government agencies, and its own proprietary research.¹⁵

Regional casinos in the United States typically draw primarily from the population within an approximate 2-hour drive time, which can be shortened due to competitive factors, as well as the scale of the Subject casino. The following analyses consider this regional population and inform our analysis. This data also helps to form the baselines from which we analyze the impacts of the casino on the community.

POPULATION

College Township itself is relatively small with a total population of 11,019 in 2024;¹⁶ however, it is near five other municipalities in the Centre region (the main region surrounding Pennsylvania State University in Centre County) for the casino to easily draw from. College Township is a mostly urban area containing Mount Nittany Medical Center and portions of Pennsylvania State University's main campus at University Park. Immediately to the West of the Township, the Borough of State College is the urban center of the Centre Region and contains most of Pennsylvania State University's campus. The four other municipalities in the region (Halfmoon Township, Harris Township, Feguson Township, Patton Township) are primarily rural.¹⁷

¹⁵ ESRI's full Methodology Statement:

http://downloads.esri.com/esri_content_doc/dbl/us/J10268_Methodology_Statement_2020-2025_Esri_US_Demographic_Updates.pdf

¹⁶ ESRI demographics

¹⁷ The Centre Region Guide (2013), Boeckel and Arnold, Centre Regional Planning Agency, pp. 6-8

https://www.crcoq.net/vertical/sites/%7B6AD7E2DC-ECE4-41CD-B8E1-BAC6A6336348%7D/uploads/Centre_Region_Guide_-_2013.pdf

RESIDENT POPULATION

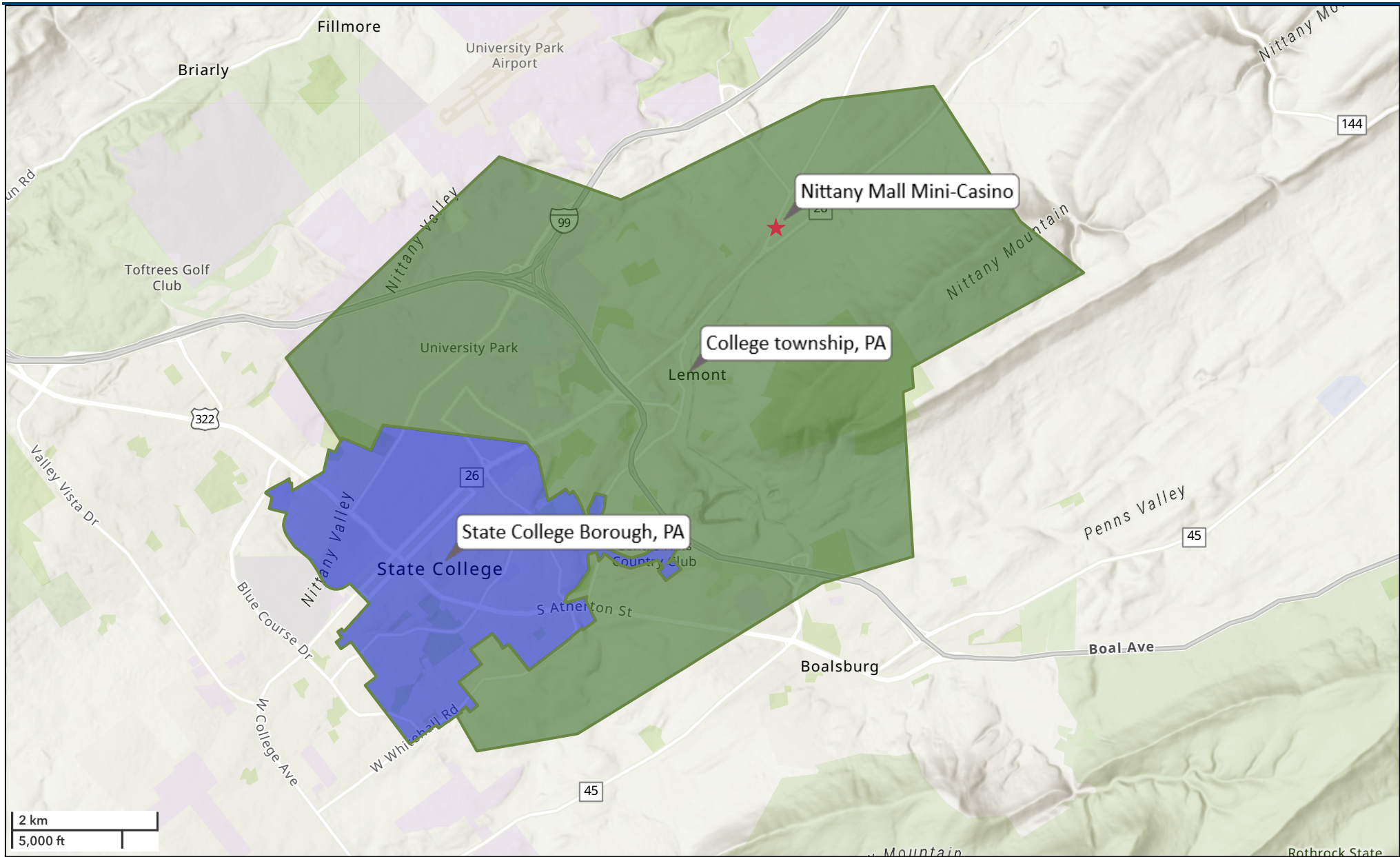
College Township has a resident population of approximately 11,019, while the region within a 90-minute drive contains over 1 million residents. Map 1 shows the location of the Subject casino at Nittany Mall within College Township, and the adjacent State College Borough. Map 2 shows the geographic dispersal of the population within 30-minute, 60-minute, and 90-minute drive times of Nittany Mall, as well as the areas of College Township, Centre County, the Johnstown-Altoona-State College designated market area (DMA), which are geographic areas defined by Nielsen research based on local television viewing markets, and the entire state of Pennsylvania. Table 1 details current population statistics and projected future population for these areas.



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Map 1: Subject Site, College Township, and State College

OB-1.a.



August 13, 2025

TABLE 1: POPULATION STATISTICS RELATIVE TO NITTANY MALL SITE

	0-30 MINUTES	0-60 MINUTES	0-90 MINUTES	COLLEGE TOWNSHIP	CENTRE COUNTY	JOHNSTOWN -ALTOONA- STATE COLLEGE DMA	STATE OF PENN.
2024 Total Population	142,986	444,610	1,016,944	11,019	158,243	726,943	13,056,584
2029 Projected Total Population	142,420	439,659	1,004,818	11,143	157,458	715,027	13,057,072
2024-2029 Total Pop CAGR	-0.08%	-0.22%	-0.24%	0.22%	-0.10%	-0.33%	0.00%
2022 Total Population Age 21+	107,643	338,790	773,664	8,368	119,230	-	-
2027 Proj. Population Age 21+	108,131	339,588	775,019	8,563	119,654	-	-
2022-2027 21+ Pop CAGR	0.09%	0.05%	0.04%	0.46%	0.07%	-	-

Source: ESRI

Despite the prevalence of rural areas around College Township, there are 142,986 people residing within a 30-minute drive time of Nittany Mall. Expanding up to 60-minute and 90-minute drive times, the resident populations increase to 444,610 and 1,016,944, respectively. The populations in the area are projected to remain relatively stable from 2024 to 2029, with compound annual growth rates ranging between -0.33% and 0.22%. College Township is the only sub-state area projected to gain population between 2024 and 2029, albeit with a compound annual growth rate of 0.22%.¹⁸

The anticipated first full year of operation of the casino at Nittany Mall is 2027 (expected opening in Spring 2026). In 2027, a projected 108,131 adults age 21+ (legal gaming age) will reside within a 30-minute drive time of the casino. Extending out to a 60-minute drive time the total increases to 339,588, and to 775,019 extending to 90 minutes.¹⁹

¹⁸ ESRI demographics.¹⁹ Ibid.

UNIVERSITY POPULATION

Pennsylvania State University had 42,619 undergraduate students and 6,281 graduate students, for a total of 48,900 enrolled students at its University Park campus in the Fall of 2024. Enrollment at the campus has been relatively steady historically, typically around 48,000 in total, and 2024 enrollment marked a less than 1% increase over the prior year.²⁰

TABLE 2: PENNSYLVANIA STATE UNIVERSITY, UNIVERSITY PARK CAMPUS ENROLLMENT, FALL 2024

ENROLLED FALL 2024	
Undergraduate	42,619
Graduate	6,281
Total	48,900

Source: Office of Planning, Assessment and Institutional Research, The Pennsylvania State University

It is important to note that US Census ACS population estimates as well as ESRI population data include this student population.²¹ For the purpose of modeling (see later sections of this report), the student population is separated and assessed independently from the permanent resident population. CSG estimates that roughly 45% of undergraduates are over the age of 21, while we apply the assumption that all graduate students are 21+.

INTERNATIONAL STUDENTS

While Penn State draws significantly from within the State of Pennsylvania and the rest of the United States, it also has a large international student population. In 2024, there were a total of 7,214 international students enrolled at the University Park campus, of which 3,989 were undergraduates. The largest source of international students is Asia, contributing nearly 5,000 total students in 2024, of which just over half were undergraduates. The following tables detail the regions from which international students originate, as well as the top 10 feeder countries.

²⁰ Student Enrollment. Office of Planning Assessment, and Institutional Research, The Pennsylvania State University. <https://datadigest.psu.edu/student-enrollment/>, accessed May 27, 2025.

²¹ ACS counts individuals based on their usual residence, which also includes international students who live in the US for educational purposes; some international students some international students may be underrepresented in the data due to the sampling frame and other coverage issues. <https://www.census.gov/newsroom/blogs/random-samplings/2024/12/international-migration-population-estimates.html#:~:text=We%20use%20data%20from%20the,are%20underrepresented%20in%20the%20ACS>, accessed May 27, 2025.

TABLE 3: PENN STATE UNIVERSITY PARK CAMPUS ENROLLMENTS BY REGION, FALL 2024

	ALL	UNDERGRADUATES
Asia	4,926	2,574
Middle East	1,125	836
Latin America	339	222
Europe	313	148
Africa	274	76
North America	89	60
Oceania	39	35
Latin America/Caribbean	33	23
N/A	2	1
Unknown	14	14
TOTAL	7,214	3,989

Source: Office of Planning, Assessment and Institutional Research, The Pennsylvania State University. Note: all data from Penn State, and some do not total. All students with a U.S. Citizen Status of "international" are represented here. International students may have a race/ethnicity value that is not "international" (race/ethnicity is self-reported). Country of origin may differ from students' permanent address country.

TABLE 4: PENN STATE UNIVERSITY PARK CAMPUS ENROLLMENTS BY COUNTRY, FALL 2024

	TOTAL	UNDERGRADUATES
China	1,955	974
India	1,595	902
Saudi Arabia	520	460
Korea, Republic of	403	216
Malaysia	212	203
Taiwan	183	82
Iran	173	2
Kuwait	169	155
Bangladesh	168	18
United Arab Emirates	122	116
All Other	1,714	861
TOTAL	7,214	3,989

Source: Office of Planning, Assessment and Institutional Research, The Pennsylvania State University

INCOMES

College Township, where the proposed casino will reside, is much wealthier than the surrounding areas, the county, and the state based on 2024 median household incomes (\$102,096) and per capita incomes (\$52,675). The area within a 30-minute drive-time has a median household income of \$71,036, with a similar income for Centre County of \$70,862. Both are a little more than \$30,000 lower than College Township. All geographic areas studied are projected to grow in median household income from 2024-2029, with College Township projected for the lowest compound annual growth rate of all the areas at 2.84%. Centre County is projected to grow the fastest at a rate of 3.52%. Even with the

lowest projected growth rate, College Township is projected to remain the wealthiest area in 2029 by median household income (\$117,461) and per capita income (\$62,237).²²

Table 5 details and *Map 3* displays the Median Household Incomes within drive times of the casino site as compared to Centre County as a whole, the DMA, and Pennsylvania. *Map 4* displays the Aggregate Household Incomes for the area, a measure that accounts for both the size of the population as well as its income levels.

²² ESRI demographic data.

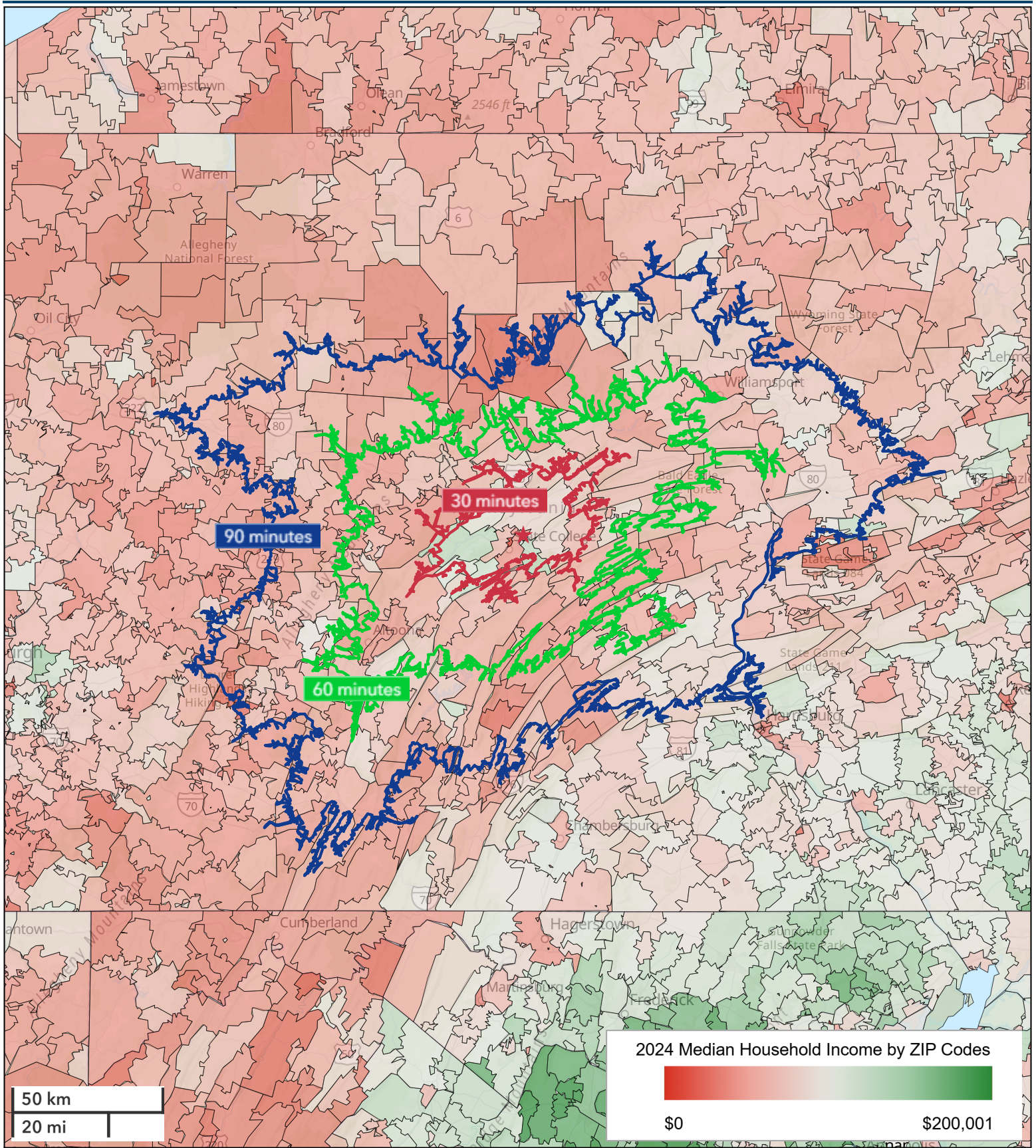


CONVERGENCE
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Map 3: Median Household Incomes

OB-1.a.

with 30, 60, and 90-minute drive time rings



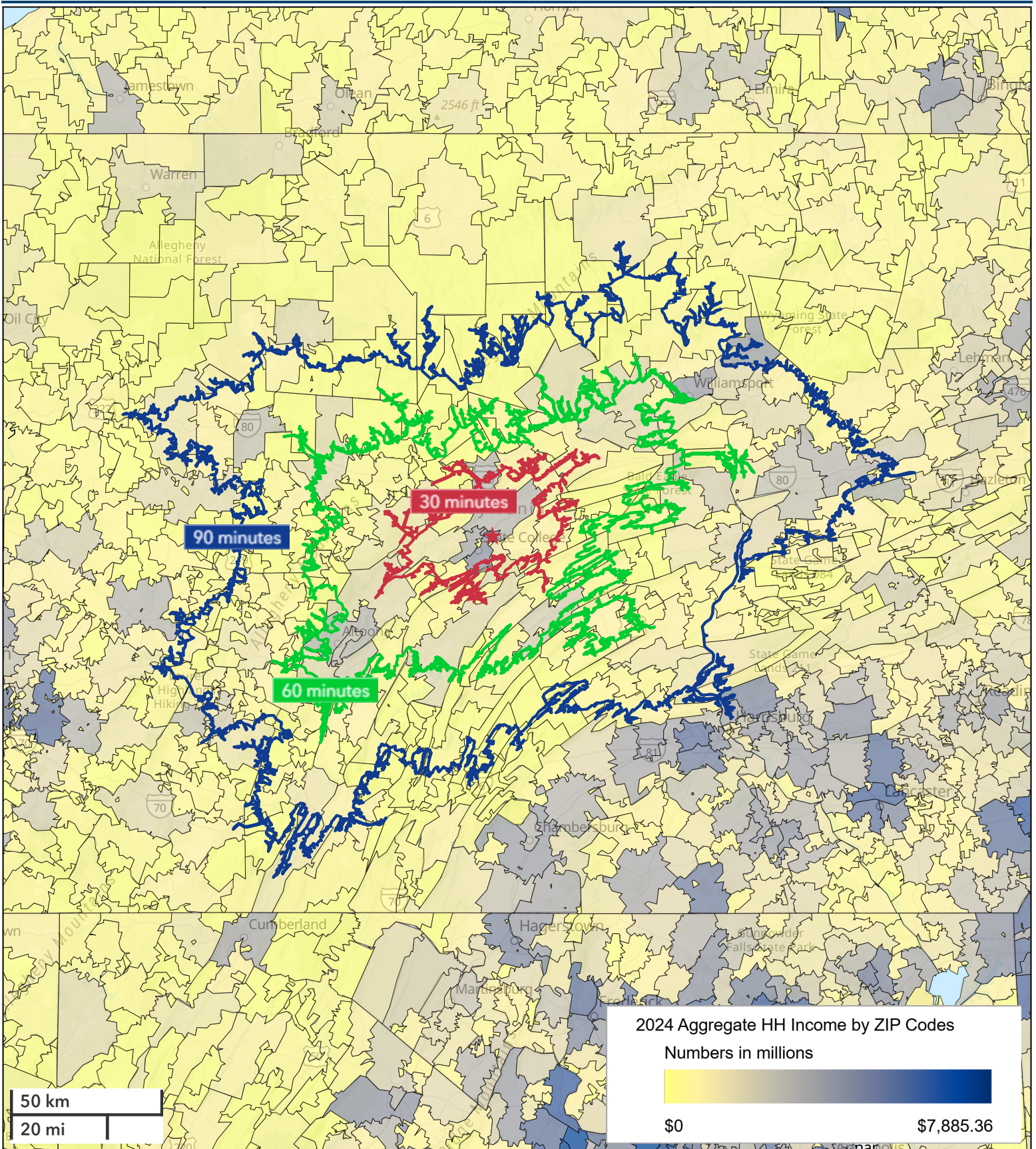


CONVERGENCE
STRATEGY GROUP

Map 4: Aggregate Household Income

OB-1.a.

with 30, 60, and 90-minute drive time rings



June 06, 2025

TABLE 5: HOUSEHOLD INCOME STATISTICS

	0-30 MINUTES	0-60 MINUTES	0-90 MINUTES	COLLEGE TOWNSHIP	CENTRE COUNTY	JOHNSTOWN- ALTOONA- STATE COLLEGE DMA	PENN.
2024 Median Household Income	\$71,036	\$62,791	\$63,442	\$102,096	\$70,862	\$60,712	\$75,926
2029 Proj. Median Household Income	\$84,054	\$73,168	\$73,802	\$117,461	\$84,237	\$69,987	\$87,635
2024-2029 Median HH Income CAGR	3.42%	3.11%	3.07%	2.84%	3.52%	2.88%	2.91%
2024 Average Household Income	\$102,471	\$88,148	\$87,585	\$138,334	\$102,194	\$84,670	\$108,499
2029 Proj. Avg. Household Income	\$119,606	\$102,711	\$101,778	\$160,537	\$119,992	\$98,589	\$125,761
2024 Per Capita Income	\$39,162	\$35,418	\$35,570	\$52,675	\$39,230	\$35,111	\$43,931
2029 Proj. Per Capita Income	\$46,442	\$41,885	\$41,908	\$62,237	\$46,800	\$41,535	\$51,626

Source: ESRI

EMPLOYMENT

Data from the U.S. Bureau of Labor Statistics show that the State College metropolitan statistical area (effectively, Centre County) has mostly recovered in terms of employment since the pandemic. Overall employment numbers are lower for the county relative to pre-pandemic years, with about 1,200 less employees in 2024 (74,314) than 2019 (75,556), but the unemployment rate dropped from 3.3% in 2019 to 2.9% in 2024 partly due to the decrease in overall labor force.²³

TABLE 6: ANNUAL EMPLOYMENT DATA, CENTRE COUNTY

YEAR	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	UNEMPLOYMENT RATE
2019	78,140	75,556	2,584	3.3%
2020	75,093	70,770	4,323	5.8%
2021	73,750	70,552	3,198	4.3%
2022	75,436	72,879	2,557	3.4%
2023	77,144	74,904	2,240	2.9%
2024	76,504	74,314	2,190	2.9%

Source: U.S. Bureau of Labor Statistics (accessed 5/13/25).

²³ U.S. Bureau of Labor Statistics data. <https://www.bls.gov/regions/mid-atlantic/pennsylvania.htm#eqa>

TABLE 7: ANNUAL EMPLOYMENT DATA, PENNSYLVANIA

YEAR	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	UNEMPLOYMENT RATE
2019	6,572,795	6,292,099	280,696	4.3%
2020	6,498,158	5,925,536	572,621	8.8%
2021	6,428,812	6,049,349	379,463	5.9%
2022	6,471,542	6,204,409	267,134	4.1%
2023	6,560,305	6,320,414	239,892	3.7%
2024	6,578,768	6,339,613	239,155	3.6%

Source: U.S. Bureau of Labor Statistics (accessed 5/13/25)

In 2024, College Township had a labor force population of 5,358 with an unemployment rate of 3.1%. The unemployment rate was below the Pennsylvania statewide level, but slightly higher than surrounding areas like the 30-minute drive time area and Centre County, which both had an unemployment rate of 2.9%. College Township draws in a significant amount of labor from outside the municipality with the number of employees in the Township totaling 37,565 in 2024, significantly larger than its own labor force (5,385) or overall population (11,019). That represents an employee/population ratio per 100 residents of 341. Most of these employees work in “educational services” (69.7%) and “health care and social assistance” (8.6%) as the Township contains portions of Pennsylvania State University and the Mount Nittany Medical Center. “Educational Services” is the largest industry by employees for areas within a 60-minute drive time (19.9%) and Centre County (36.7%) as well.²⁴

TABLE 8: 2024 EMPLOYMENT DATA

	0-30 MINUTES	0-60 MINUTES	0-90 MINUTES	COLLEGE TOWNSHIP	JOHNSTOWN-ALTOONA-STATE COLLEGE DMA
2024 Civilian Population 16+ in Labor Force	69,566	212,143	485,112	5,358	340,093
2024 Employment Rate	97.1%	97.3%	97.5%	96.9%	97.1%
2024 Unemployment Rate	2.9%	2.7%	2.5%	3.1%	2.9%

Source: ESRI

²⁴ ESRI demographic data.

TABLE 9: NUMBER OF EMPLOYEES BY INDUSTRY (NAICS CODES), 2024

	0-30 MINUTES	0-60 MINUTES	0-90 MINUTES	COLLEGE TOWNSHIP	CENTRE COUNTY	JOHNSTOWN- ALTOONA-STATE COLLEGE DMA	PENN.
Agriculture, Forestry, Fishing & Hunting	303	1,249	2,934	21	317	1,753	21,619
Mining	80	627	1,703	50	86	1,483	10,820
Utilities	137	501	2,354	44	142	2,120	18,090
Construction	3,353	8,538	19,551	460	3,432	13,357	270,324
Manufacturing	4,064	15,444	40,799	645	4,069	30,743	549,781
Wholesale Trade	1,536	7,537	19,535	486	1,492	11,839	235,143
Retail Trade	7,758	26,998	63,181	1,941	8,004	41,240	722,026
Transportation & Warehousing	1,450	6,267	13,678	98	1,497	10,432	168,867
Information	2,425	4,097	7,804	492	2,429	6,233	164,633
Finance & Insurance	1,905	5,949	12,106	377	1,922	8,755	230,884
Real Estate, Rental & Leasing	1,608	3,587	7,811	179	1,620	5,493	142,650
Professional, Scientific & Tech Services	4,553	8,850	23,526	968	4,671	15,328	451,550
Management of Companies & Enterprises	329	741	1,436	203	329	1,052	16,820
Administrative, Support & Waste Management Services	1,032	4,015	7,713	302	1,010	5,339	151,276
Educational Services	35,330	45,324	67,371	26,191	35,645	56,115	489,825
Health Care & Social Assistance	7,620	31,269	70,786	3,240	8,006	54,388	1,324,419
Arts, Entertainment & Recreation	2,041	4,305	9,318	152	2,342	6,588	124,758
Accommodation & Food Services	8,255	18,555	38,848	990	8,242	29,722	481,233
Other Services (except Public Administration)	6,137	15,354	32,593	437	6,568	25,451	414,891
Public Administration	4,909	18,752	38,543	279	5,264	28,809	359,987
Unclassified Establishments	67	173	544	10	62	390	7,293
Total	94,892	228,132	482,132	37,565	97,149	356,630	6,356,889

Source: ESRI

RESIDENTIAL VALUATION

Similarly to the income statistics, College Township owner-occupied housing units are higher in median and average value than Centre County and Pennsylvania. The 2024 median housing unit value for College Township was \$450,926, and Centre County's value was \$361,273, which is still \$70,000 higher than the state median even with a higher percentage of rural housing in Centre County than the state. Centre County has 64.5% urbanized housing while College Township has 91.6%, illustrating the major demographic shift when moving outside of the College Township-State College area.²⁵

²⁵ESRI forecasts for 2024 and 2029 based on 2020 Census data.

TABLE 10: HOUSING PROFILE STATISTICS

	COLLEGE TOWNSHIP	CENTRE COUNTY	JOHNSTOWN-ALTOONA-STATE COLLEGE DMA	PENN.
2024 Median Housing Unit Value	\$450,926	\$361,273	\$192,286	\$291,889
2029 Proj. Median Housing Unit Value	\$495,226	\$409,881	\$230,610	\$347,891
2024-2029 Median Housing Unit Value CAGR	1.89%	2.56%	3.70%	3.57%
2024 Average Housing Unit Value	\$490,876	\$401,012	\$246,416	\$349,135
2029 Proj. Average Housing Unit Value	\$537,135	\$457,039	\$282,754	\$400,850
2024-2029 Average Housing Unit Value CAGR	1.82%	2.65%	2.79%	2.80%
2020 Housing Units in Urbanized Areas	91.6%	64.5%	46.9%	75.9%
2020 Rural Housing Units	8.4%	35.5%	53.1%	24.1%

Source: ESRI

SPENDING PATTERNS

Of note when assessing potential casino markets are the behaviors and spending patterns of the regional population. College Township residents spent a total of almost \$21 million on entertainment/recreation in 2024, representing an average of \$5,015 per household, over \$1,000 more on average than every other geographic level studied. This spending level once again reflects the wealth in College Township. However, areas within a 30-minute drive time (\$3,713) and Centre County as a whole (\$3,728) both had lower averages spent per household than Pennsylvania as a whole (\$3,983).²⁶

TABLE 11: ENTERTAINMENT/RECREATION SPENDING, 2024

	TOTAL SPENDING	AVERAGE SPENT PER HOUSEHOLD
0-30 minutes	\$200,445,517	\$3,713
0-60 minutes	\$587,946,632	\$3,330
0-90 minutes	\$1,365,004,740	\$3,327
College Township	\$20,974,386	\$5,015
Centre County	\$223,681,647	\$3,728
Johnstown-Altoona-State College DMA	\$968,752,560	\$3,236
Pennsylvania	\$20,983,222,649	\$3,983

Source: ESRI

²⁶ *ibid.*

TOURISM

STATEWIDE

Pennsylvania tourism has not recovered to pre-pandemic numbers in terms of total visitors (211.4 million in 2019 vs 196.6 million in 2023, the most recent year available). Nevertheless, per visitor (\$243) and total spending (\$47.9 billion) were higher in 2023 than in 2019 (\$218 and \$46 billion, respectively). Similar comparisons unfold when overnight and day trips are broken down as per visitor spending for both types was highest in 2023. Total visitor spending was higher for day trips in 2023 than in 2019, while total visitor spending for overnight trips was slightly less than in 2019. Recreation spending has also surged past pre-pandemic levels with total recreation spending reaching \$9.1 billion in 2023, much higher than the \$8.1 billion accrued in 2019.²⁷

TABLE 12: ANNUAL TOURISM STATISTICS FOR PENNSYLVANIA, 2019-2023

	YEAR	NUMBER OF VISITORS (MILLIONS)	VISITOR SPENDING (MILLIONS)	PER VISITOR SPENDING
TOTAL	2019	211.4	\$46,041	\$218
	2020	151.6	\$28,909	\$191
	2021	180.2	\$38,017	\$211
	2022	192.4	\$45,351	\$236
	2023	196.6	\$47,860	\$243
OVERNIGHT	2019	74.9	\$29,319	\$391
	2020	44.1	\$15,746	\$357
	2021	60.1	\$23,205	\$386
	2022	67.9	\$28,008	\$413
	2023	69.5	\$29,280	\$421
DAY	2019	136.5	\$16,722	\$123
	2020	107.5	\$13,163	\$123
	2021	120	\$14,812	\$123
	2022	124.5	\$17,343	\$139
	2023	127.1	\$18,580	\$146

Source: Economic Impact of Visitors in Pennsylvania Report (2023), *Tourism Economics*, Pennsylvania Office of Tourism

²⁷ Economic Impact of Visitors in Pennsylvania Report (2023), *Tourism Economics*, Pennsylvania Office of Tourism, pp. 7-8

TABLE 13: ANNUAL VISITORS RECREATIONAL SPENDING IN PENNSYLVANIA (\$ BILLION), 2019-2023

YEAR	RECREATION SPENDING
2019	\$8.1
2020	\$4.9
2021	\$6.5
2022	\$8.3
2023	\$9.1

Source: Economic Impact of Visitors in Pennsylvania Report (2023), *Tourism Economics*, Pennsylvania Office of Tourism

CENTRE COUNTY

ANNUAL TOURISM

The number of adult visitors to Centre County increased every year from 2021-2024 both for day trips and overnight trips, reaching 3.9 million adult person-trips in 2024 (5.1 million total visitors, including non-adults), including 1.4 million as overnight trips. In 2021²⁸ and 2022²⁹, the largest share of trips (overnight or day trips) occurred in the second half of the year, largely due to the popularity of Pennsylvania State University football. However, there are many regional and national sporting, entertainment and university events held in the early months of the year that have stimulated year-round tourism (and sustained, year-over-year tourism growth), such that the largest share of both day and overnight trips in 2023 took place in the first half of the year (dominated by the 1st quarter between January and March), outside of the college football season.³⁰ Data for 2024 showed day-trip and overnight demand quarterly percentages shifting back towards the 2022 rates, but still demonstrating that the region has year-round attractiveness.³¹

TABLE 14: ADULT VISITORS TO CENTRE COUNTY (MILLIONS OF PERSON-TRIPS), 2021-2024

YEAR	TOTAL	OVERNIGHT	DAY
2021	3.2	1.1	2.1
2022	3.5	1.3	2.2
2023	3.7	1.4	2.3
2024	3.9	1.4	2.5

Source: Travel USA Visitor Profiles (2021-2024), Compass Longwoods International, The Happy Valley Adventure Bureau

²⁸ Travel USA Visitor Profile (2021), Compass Longwoods International, The Happy Valley Adventure Bureau, p.4.

²⁹ Travel USA Visitor Profile (2022), Compass Longwoods International, The Happy Valley Adventure Bureau, pp. 9, 27

³⁰ Travel USA Visitor Profile (2023), Compass Longwoods International, The Happy Valley Adventure Bureau, p. 4

³¹ Travel USA Visitor Profile (2024), Compass Longwoods International, The Happy Valley Adventure Bureau, Powerpoint slides 9 and 34.

TABLE 15: SHARE OF PERSON-TRIPS TO CENTRE COUNTY BY SEASON, 2021-2024

	JAN-MAR	APR-JUN	JUL-SEP	OCT-DEC
2021- Overnight	15%	26%	29%	30%
2021- Day	22%	25%	26%	26%
2022- Overnight	22%	25%	32%	20%
2022- Day	27%	20%	29%	24%
2023- Overnight	30%	21%	29%	20%
2023- Day	30%	25%	27%	18%
2024- Overnight	22%	26%	30%	22%
2024- Day	26%	28%	24%	22%

Source: Travel USA Visitor Profiles (2021-2024), Compass Longwoods International, The Happy Valley Adventure Bureau

In 2024, the highest spending sector for overnight travelers was lodging, with recreation/entertainment ranking last (of defined categories). While lodging accounts for the most spending, 50% of overnight visitors only stay one night, yet the average length of stay was 2.1 nights. For day trippers, recreation/entertainment was on par with the averages for retail spend and F&B spend (all well behind transportation at destination).³²

TABLE 16: VISITOR SPENDING IN CENTRE COUNTY BY SECTOR, 2024

SECTOR	OVERNIGHT TOTAL SPENDING (\$M)	AVG. SPENDING PER PERSON PER OVERNIGHT TRIP	DAY-TRIPPER TOTAL SPENDING (\$M)	AVG. SPENDING PER PERSON PER DAY-TRIP	TOTAL SPENDING (\$M)
Lodging	\$171	\$96	\$0	\$0	\$171
Transportation at Destination	\$120	\$68	\$174	\$53	\$294
Food & Beverage	\$127	\$71	\$96	\$29	\$223
Retail Purchase	\$79	\$44	\$92	\$28	\$171
Recreation & Entertainment	\$45	\$25	\$93	\$28	\$138
Total	\$542	\$304	\$455	\$138	\$997

Source: Travel USA Visitor Profile (2024), Compass Longwoods International, The Happy Valley Adventure Bureau

According to a report prepared for the Pennsylvania Office of Tourism, Centre County reported growth in annual visitor spending every year from 2020 to 2023. In 2023, visitors spent \$881 million in Centre County, beating the pre-pandemic level of \$813 million in 2019.³³ Assuming the Longwoods study for 2024 is accurate (the Longwoods study for 2022 estimated the total for the year at \$869 million, such that 2024 would reflect a 15% increment on 2022; applying that growth to the PA Office of Tourism estimate, 2024 spending total would be \$916 million).

³² Ibid, slides 6 and 31.

³³ Economic Impact of Visitors in Pennsylvania Report (2023), *Tourism Economics*, Pennsylvania Office of Tourism, p. 41

TABLE 17: ANNUAL VISITOR DIRECT SPENDING IN CENTRE COUNTY, 2019-2023

Year	TOTAL SPENDING (\$ MILLIONS)
2019	\$813
2020	\$460
2021	\$660
2022	\$798
2023	\$881

Source: Economic Impact of Visitors in Pennsylvania Report (2023), *Tourism Economics*, Pennsylvania Office of Tourism.

TABLE 18: SHARE OF OVERNIGHT TRIPS BY NIGHTS, 2024

NUMBER OF NIGHTS	SHARE
1	50%
2	25%
3-4	17%
5-6	5%
7+	3%
Avg. Number of Nights	2.1

Source: Travel USA Visitor Profile (2024), Compass Longwoods International, The Happy Valley Adventure Bureau

Over half of both overnight and day visitors to Centre County have household incomes of less than \$75,000; 42% of day visitors and 40% of overnight visitors have household incomes of less than \$50,000. There is negligible difference between the income cohort percentages of day-trippers as compared to overnight visitors.³⁴

TABLE 19: SHARE OF PERSON-TRIPS TO CENTRE COUNTY BY HOUSEHOLD INCOME, 2024

TYPE OF TRIP	<\$50,000	\$50,000-\$74,999	\$75,000-\$99,999	\$100,000-\$149,999	\$150,000+
Overnight	40%	16%	18%	19%	8%
Day	42%	14%	15%	20%	9%

Source: Travel USA Visitor Profile (2024), Compass Longwoods International, The Happy Valley Adventure Bureau

Approximately half of overnight visitors are above (or below) the age of 45, whereas day-trippers trend younger (58% under the age of 45).³⁵

³⁴ Travel USA Visitor Profile (2024), Compass Longwoods International, The Happy Valley Adventure Bureau, Powerpoint slides 25 and 45

³⁵ Travel USA Visitor Profile (2024), Compass Longwoods International, The Happy Valley Adventure Bureau, Powerpoint slides 25 and 45.

TABLE 20: SHARE OF PERSON-TRIPS TO CENTRE COUNTY BY AGE, 2024

TYPE OF TRIP	18-24	25-34	35-44	45-54	55-64	65+
Overnight	16%	20%	16%	23%	11%	14%
Day	14%	23%	21%	19%	11%	12%

Source: Travel USA Visitor Profile (2024), Compass Longwoods International, The Happy Valley Adventure Bureau

SPORTING EVENTS

As seen in the most popular seasons of tourism, sporting events, specifically Pennsylvania State University Athletics, are a major draw and bring in significant economic impact for Centre County. Overall, in a 2022 impact report for Happy Valley Adventure Bureau, ESI estimated sporting events accrued a total economic impact of \$417 million for Centre County, with Penn State Athletics accounting for \$400 million. Visitor spending on football alone was responsible for \$87 million.³⁶

TABLE 21: AGGREGATE ANNUAL ECONOMIC IMPACT OF SPORTING EVENTS IN CENTRE COUNTY

TYPE	TOTAL ECONOMIC IMPACT (MILLIONS)
Penn State Athletics Operations	\$268
Visitor Spending Penn State Football	\$87
Visitor Spending Penn State Non-Football	\$45
Penn State Athletics Total	\$400
Visitor Spending Countywide Events	\$17
Grand Total	\$417

Source: Economic Impact of Sports Events in Centre County (2022), ECONCONSULT SOLUTIONS INC. (ESI), Happy Valley Adventure Bureau

ARTS, CULTURAL, AND ENTERTAINMENT EVENTS

In a similar impact report to sporting events, ESI estimated the economic impact of arts, cultural, and entertainment events in Centre County. The total economic impact from these events was \$282 million. \$120 million of this impact comes from visitor spending, with the majority occurring at venues (\$88 million) rather than festivals (\$32 million).³⁷ Although the total economic impact of these activities was smaller than sporting events overall, visitor spending at venues is slightly more than visitor spending attributable to Penn State football game/weekend attendance (\$87 million).³⁸

³⁶ Economic Impact of Sports Events in Centre County (2022), ECONCONSULT SOLUTIONS INC. (ESI), Happy Valley Adventure Bureau p. 27 Figure 5.1

³⁷ Economic Impact of Arts, Cultural, and Entertainment Activities in Centre County (2024), ECONCONSULT SOLUTIONS INC., Happy Valley Adventure Bureau pp. 20, 26

³⁸ Economic Impact of Sports Events in Centre County (2022), ECONCONSULT SOLUTIONS INC. (ESI), Happy Valley Adventure Bureau p. 27 Figure 5.1

TABLE 22: ECONOMIC IMPACT FROM VENUE AND FESTIVAL VISITOR SPENDING IN CENTRE COUNTY (2023)

TYPE	TOTAL ECONOMIC IMPACT (MILLIONS)
Venues	\$88
Festivals	\$32
Total	\$120

Source: Economic Impact of Arts, Cultural, and Entertainment Activities in Centre County (2024), ECONSULT SOLUTIONS INC., Happy Valley Adventure Bureau

TABLE 23: ECONOMIC IMPACT FROM ARTS, CULTURAL, AND ENTERTAINMENT ACTIVITIES IN CENTRE COUNTY (2023)

TYPE	TOTAL ECONOMIC IMPACT (MILLIONS)
Ancillary Visitor Spending	\$120
Organizational Activity	\$162
Total	\$282

Source: Economic Impact of Arts, Cultural, and Entertainment Activities in Centre County (2024), ECONSULT SOLUTIONS INC., Happy Valley Adventure Bureau

GAMING MARKET POTENTIAL

As discussed in previous sections of this report, in order to determine the magnitude of the socioeconomic and fiscal impacts of casino operations, it is first necessary to start with an accurate projection of demand for the facility. We note that the casino owner/developer commissioned a market assessment for the property in 2021, but given that a) it was commissioned by the owner/developer and not the Township and b) it is now four years old, it is imperative that an updated projection be made in order to size the market. There have been many changes to the gaming behaviors nationally since 2021, as well as to the supply of gaming statewide in Pennsylvania, and therefore there are many assumptions that were made for the 2021 report that are no longer valid (which could skew their results positively or negatively).

Our modeling assumes that the casino will become operational in Spring 2026, as announced by the casino operator, with 2027 being the first full year of operation.

The casino will be located at the southwest end of the Nittany Mall, at the former site of a Macy's department store (closed since March 2020). The mall is currently anchored by Rural King and Dunham Sports, but much of the rest of the mall currently suffers from low commercial occupancy rates. However, across Benner Pike (Highway 150), there is vibrant commercial activity, anchored by a Wal-Mart Supercenter and a Sam's Club, along with several other merchants and restaurant options (Barnes & Noble, Ross Dress for Less, etc.). Benner Pike provides direct connection to the Nittany Mall site from I-99, approximately 3 miles to the northeast of what will be the casino entrance (and approximately 10 miles from the intersection of I-99 and I-80). The casino site is approximately 1.75 miles northeast of the junction of East College Avenue and US-322. As such, roadway accessibility and visibility to the site is very good.

COMPETITIVE ENVIRONMENT

In order to evaluate the market potential for the Subject casino, the existing competitive environment for gaming was considered, and custom forecast models were constructed. We note that casino gaming is not the only form of gaming that regional residents participate in, and several forms of gaming have been newly introduced in the state over the past decade.

In addition to a state lottery, for which we have found no correlation with casino gaming participation in other markets, the existing gaming environment in Central Pennsylvania is largely limited to four legal forms of gaming:

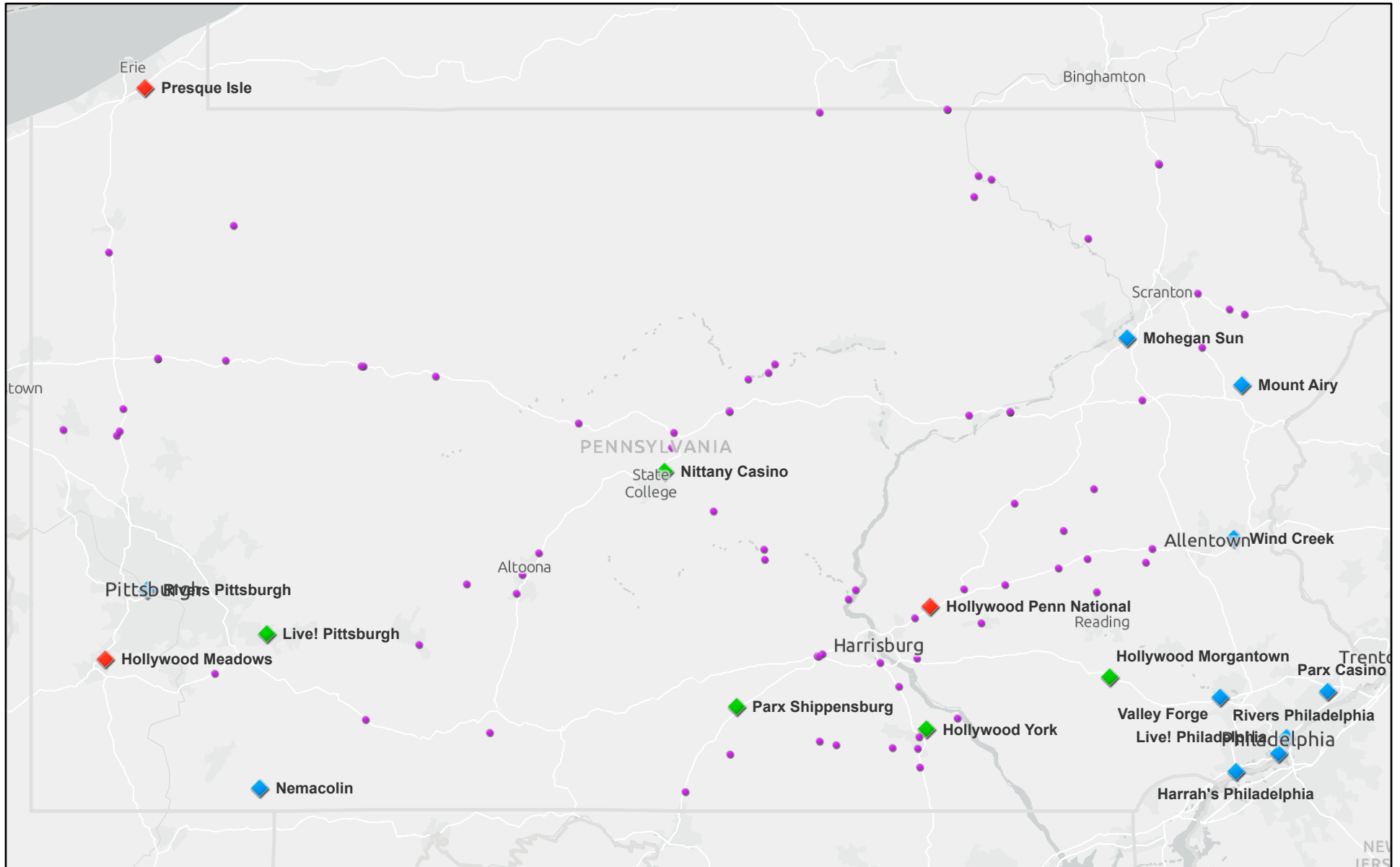
- Class 4 casinos, though none of which are within a two-hour drive of College Township (Parx Shippensburg is the closest, at approximately 2 hours)
- Truck-stop electronic gaming facilities (two in Centre County, approximately 77 in total statewide, each with 5 gaming devices)
- Online casino gaming and sports betting
- Commercial establishments with skill games

PENNSYLVANIA CASINOS

As provided in the *Introduction*, there are currently 17 casinos in Pennsylvania, of which four are designated as "Category 4 casinos", limited in scale to 750 slots (with a minimum of 300) and 40 table games. Live! Pittsburgh is the only one of the four to currently operate at the maximum supply permissible. The Nittany Mall casino will be the fifth Category 4 casino in Pennsylvania, and final casino

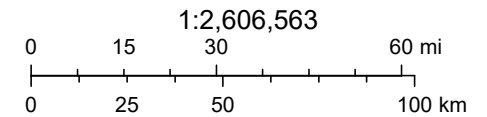
gaming license allocated under current law. The following map provides the location of the 17 casinos in the state, relative to College Township. As noted herein, none are within a two-hour drive, though both Parx Shippensburg and Live! Pittsburgh are near the two-hour drive time boundary.

Map 5: Pennsylvania Gaming Locations Relative to College Township ^{OB-1.a.}



8/15/2025

- PA Casinos
- Category 4
- VGT locations
- Casino
- Racino



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, Sources: Esri, TomTom, Garmin,

TABLE 24: PENNSYLVANIA CASINO LOCATIONS, SCALE AND GAMING REVENUES, 2024

	LOCATION	TABLES	SLOTS	CY2024 REVENUES
Category 1 Casinos				
Harrah's Philadelphia	Chester	63	1,545	\$130,053,302
Hollywood @ Penn National	Grantville	58	1,651	\$159,862,049
Hollywood @ The Meadows	Washington	96	1,961	\$192,241,439
Mohegan Pennsylvania	Wilkes-Barre	67	1,586	\$205,233,777
Parx Casino	Bensalem	181	2,988	\$569,795,391
Presque Isle	Erie	34	1,525	\$100,434,151
Cat 1 Subtotal		498	11,256	\$1,357,620,109
Category 2 Casinos				
Live! Philadelphia	Philadelphia	141	1,965	\$259,139,140
Mount Airy	Mt. Pocono	69	1,600	\$188,317,906
Rivers Philadelphia	Philadelphia	137	1,521	\$222,751,603
Rivers Pittsburgh	Pittsburgh	136	2,134	\$336,562,470
Wind Creek	Bethlehem	218	2,321	\$535,054,984
Cat 2 Subtotal		701	9,541	\$1,541,826,103
Category 3 Casinos				
Nemacolin	Farmington	23	488	\$25,974,354
Valley Forge	King of Prussia	50	850	\$139,096,247
Cat 3 Subtotal		73	1,338	\$165,070,601
Category 4 Casinos				
Hollywood Morgantown	Morgantown	31	682	\$70,619,129
Hollywood York	York	29	648	\$95,886,997
Live! Pittsburgh	Greensburg	40	749	\$116,222,586
Parx Shippensburg	Shippensburg	10	496	\$37,262,764
Cat 4 Subtotal		110	2,575	\$319,991,475
STATE TOTAL		1,383	24,710	\$3,384,508,288

Source: Pennsylvania Gaming Control Board monthly reports, not including sports betting revenues

HISTORICAL CASINO PERFORMANCE

Casino gaming revenues in Pennsylvania in aggregate have been relatively flat since 2016, aside from impacts during the pandemic years. However, it should be noted that the statewide casino supply changed with the addition of four Category 4 casinos between 2020 and 2023, now accounting for nearly 10% of the casino gaming revenues in the state (meanwhile, the annual revenues for the incumbent properties have fallen by approximately \$200 million since 2019).

TABLE 25: PENNSYLVANIA CASINO ANNUAL SLOT AND TABLE GAMING REVENUE

YEAR	CATEGORY 4 CASINO REVENUES	NON-CAT. 4 CASINO REVENUES	STATE TOTAL CASINO REVENUES	STATEWIDE REVENUE GROWTH	CAT. 4 CASINO SHARE OF STATE REVENUES
2016		\$3,213,471,466	\$3,213,471,466		0.0%
2017		\$3,226,914,377	\$3,226,914,377	0.4%	0.0%
2018		\$3,249,595,995	\$3,249,595,995	0.7%	0.0%
2019		\$3,266,116,271	\$3,266,116,271	0.5%	0.0%
2020	\$4,257,771	\$1,874,582,285	\$1,878,840,056	-42.5%	0.2%
2021	\$134,896,547	\$3,077,535,883	\$3,212,432,430	71.0%	4.2%
2022	\$262,122,596	\$3,119,203,172	\$3,381,325,768	5.3%	7.8%
2023	\$309,397,387	\$3,126,043,629	\$3,435,441,017	1.6%	9.0%
2024	\$319,991,475	\$3,064,516,813	\$3,384,508,288	-1.5%	9.5%
FY2025	\$322,627,500	\$3,046,763,220	\$3,369,390,720		9.6%

Source: Pennsylvania Gaming Control Board Revenue Reports

LIVE! Casino Pittsburgh was the first Category 4 casino to open in Pennsylvania; however, they opened in November 2020 during the COVID-19 pandemic, which hampered initial revenues, recovering as the pandemic waned. Hollywood Casino York opened in August 2021, with Hollywood Casino Morgantown following in December 2021, and the final Category 4 casino, Parx Casino Shippensburg, opened in January 2023.

In 2024, LIVE! Casino Pittsburgh was the leader amongst Category 4 casinos with total slot and table gaming revenue of \$116 million, followed by Hollywood Casino York at almost \$96 million, Hollywood Casino Morgantown at about \$71 million, and lastly Parx Casino Shippensburg with \$37 million. Collectively, Category 4 casinos reported nearly \$320 million in slot and table gaming revenue in 2024, a record annual total for the market segment. Hollywood York was the only one of the four properties to not show year-over-year revenue growth from 2023 to 2024.³⁹ Data for FY2025 suggests overall Category 4 casino revenue growth of approximately 2% is likely for the calendar year over 2024, with Hollywood York likely exceeding this rate, and Live! Pittsburgh potentially experiencing a slight decline.

TABLE 26: CATEGORY 4 CASINOS' ANNUAL SLOT AND TABLE GAMING REVENUE

YEAR	ALL CAT. 4 CASINOS	LIVE! PITTSBURGH	HOLLYWOOD YORK	HOLLYWOOD MORGANTOWN	PARX SHIPPENSBURG
2020	\$4,257,771	\$4,257,771	\$0	\$0	\$0
2021	\$134,896,547	\$99,874,945	\$32,175,422	\$2,846,180	\$0
2022	\$262,122,596	\$110,884,114	\$90,959,623	\$60,278,859	\$0
2023	\$309,397,387	\$114,695,266	\$96,960,768	\$66,782,076	\$30,959,278
2024	\$319,991,475	\$116,222,586	\$95,886,997	\$70,619,129	\$37,262,764
FY2025	\$322,627,500	\$114,489,956	\$98,880,865	\$71,616,247	\$37,640,432

Source: Pennsylvania Gaming Control Board Revenue Reports

³⁹ Pennsylvania Gaming Control Board monthly revenue reports, aggregated by CSG.
<https://gamingcontrolboard.pa.gov/news-and-transparency/revenue>

LIVE! Pittsburgh is currently the only Category 4 casino in the state to offer the full complement of permissible gaming positions, at 750 slots and 40 table games. With the exception of Parx Shippensburg, the other casinos have a similar ratio of slots to table games (slots accounting for 76% to 78% of gaming positions in 2024). While Hollywood York has been gradually adding positions each year (and increasing the share allocated to slots), Hollywood Morgantown has gradually been decreasing the number of games on their floor (taking out both slots and table games). In contrast, Parx Shippensburg relies minimally on table games generating close to 97% of its revenue from slots and having slots as nearly 90% of its gaming positions.

TABLE 27: CATEGORY 4 CASINOS' AVERAGE ANNUAL TABLE AND SLOT POSITIONS

	YEAR	ALL CAT. 4 CASINOS	LIVE! PITTSBURGH	HOLLYWOOD YORK	HOLLYWOOD MORGANTOWN	PARX SHIPPENSBURG
Slots	2020	749	749 (open Nov)	N/A	N/A	N/A
	2021	1,022	749	504 (open Aug)	750 (open Dec)	N/A
	2022	2,016	749	519	748	N/A
	2023	2,556	750	585	722	500 (open Jan)
	2024	2,575	749	648	682	496
	FY2025	2,615	749	690	679	498
Tables	2020	30	30	N/A	N/A	N/A
	2021	45	30	27	47	N/A
	2022	105	40	28	37	N/A
	2023	110	40	29	31	10
	2024	110	40	29	31	10
	FY2025	108	40	27	31	10
Total Positions	2020	929	929	N/A	N/A	N/A
	2021	1,293	929	667	1,032	N/A
	2022	2,646	989	689	968	N/A
	2023	3,215	990	760	905	560
	2024	3,238	990	823	870	556
	FY2025	3,264	989	852	866	558

Source: Pennsylvania Gaming Control Board Revenue Reports. Positions = 1 per slot machine plus 6 per table game.

As Category 4 casinos and other new gaming options (truck stop gaming and online gaming) have added to the statewide gaming supply, non-category 4 casinos have reduced positions over the past decade, from over 33,600 in 2016 to less than 30,000 in 2024, with those reductions coming from both table and slot gaming. The drop-off in the supply of gaming positions is even more notable when considering that Live! Philly, a large Category 2 casino, opened in January 2021 (the last of the permissible Category 2 licenses), accounting for approximately 2,800 of the total positions in 2024. FY2025 data shows a slight drop in total positions (-305). We note that this decline in gaming positions is not inconsistent with many other markets in the United States, whereby casino operators have developed more efficient operations post-pandemic, reducing position counts while still increasing gaming revenues. As of August 2025, the Pennsylvania General Assembly is considering legislation to

reduce the required number of gaming positions the state's casinos, with passage secured in the Senate⁴⁰ and the bill to be considered next by the House.

TABLE 28: AGGREGATE AVERAGE ANNUAL GAMING POSITIONS

YEAR	CAT. 4 CASINOS	NON-CAT. 4 CASINOS	PA STATE	CAT 4 CASINOS' SHARE OF STATE
2016		33,683	33,683	
2017		33,425	33,425	
2018		33,284	33,284	
2019		32,263	32,263	
2020	929	26,805	27,734	
2021	1,293	30,387	31,680	4.1%
2022	2,646	31,603	34,249	7.7%
2023	3,215	30,547	33,762	9.5%
2024	3,238	29,769	33,007	9.8%
FY2025	3,264	29,464	32,729	10.0%

Source: Pennsylvania Gaming Control Board Revenue Reports. Positions = 1 per slot machine plus 6 per table game.

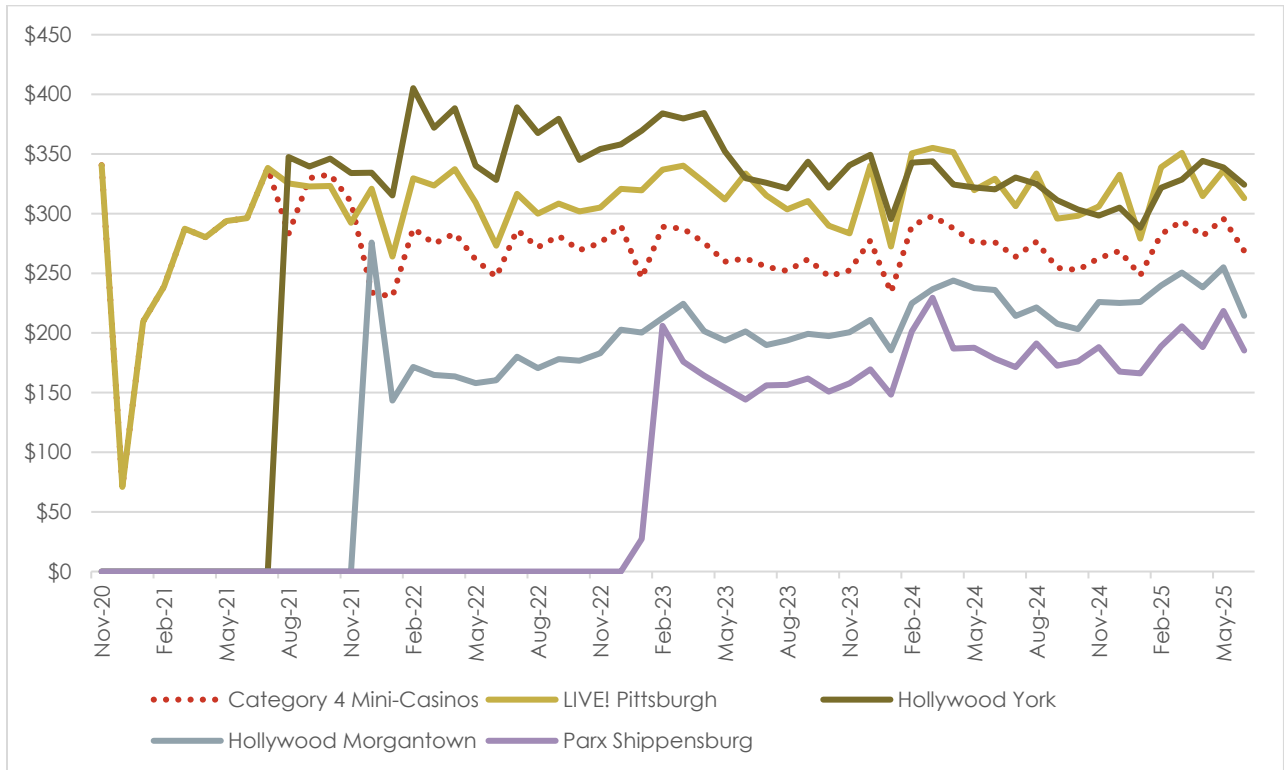
Although Table 28 shows an increase in total positions from 2020 to 2021 for non-category 4 casinos, this is somewhat misleading as the casinos cut back nearly 8,000 positions over the course of 2020 due to the pandemic due to social distancing requirements, but replaced some after the restrictions went away.⁴¹

Despite the changing supply, average annual gaming win/position/day has increased for every Category 4 casino from its first full year of operation to 2024 except Hollywood Casino York, which experienced declines in average annual win/position/day for both table and slot gaming. Even with the recent decline in win/position/day, Hollywood Casino York recorded the second highest win/position/day of the Category 4 casinos in 2024 at \$319, greatly outproducing Hollywood Casino Morgantown (\$222) and Parx Shippensburg (\$183) and barely behind LIVE! Casino Pittsburgh (\$321).

⁴⁰ Pennsylvania Senate Bill 840.

⁴¹ Pennsylvania Gaming Control Board monthly revenue reports, aggregated by CSG. <https://gamingcontrolboard.pa.gov/news-and-transparency/revenue>

CHART 1: CATEGORY 4 CASINOS' MONTHLY AVERAGE WIN/POSITION/DAY



Source: Pennsylvania Gaming Control Board Revenue Reports

TABLE 29: PENNSYLVANIA CASINOS' AVERAGE ANNUAL WIN/POSITION/DAY

YEAR	ALL CAT. 4 CASINOS	LIVE! PITTSBURGH	HOLLYWOOD YORK	HOLLYWOOD MORGANTOWN	PARX SHIPPENSBURG
Slots					
2020	\$131	\$131	N/A	N/A	N/A
2021	\$303	\$311	\$354	\$328	N/A
2022	\$296	\$351	\$382	\$181	N/A
2023	\$285	\$360	\$377	\$217	\$164
2024	\$298	\$371	\$348	\$243	\$201
FY2025	\$297	\$365	\$339	\$248	\$203
Table Positions					
2020	\$77	\$77	N/A	N/A	N/A
2021	\$222	\$225	\$296	\$138	N/A
2022	\$194	\$173	\$299	\$142	N/A
2023	\$181	\$186	\$260	\$143	\$52
2024	\$160	\$164	\$210	\$146	\$40
FY2025	\$166	\$169	\$230	\$150	\$35
All Positions					
2020	\$121	\$121	N/A	N/A	N/A
2021	\$286	\$294	\$340	\$276	N/A
2022	\$272	\$307	\$362	\$171	N/A
2023	\$264	\$318	\$350	\$202	\$152
2024	\$270	\$321	\$319	\$222	\$183
FY2025	\$271	\$317	\$318	\$227	\$185

Source: Pennsylvania Gaming Control Board Revenue Reports. Note: the Hollywood Morgantown 2021 figure is inflated relative to other years due to the fact that it was only operational for the last 10 days of 2021.

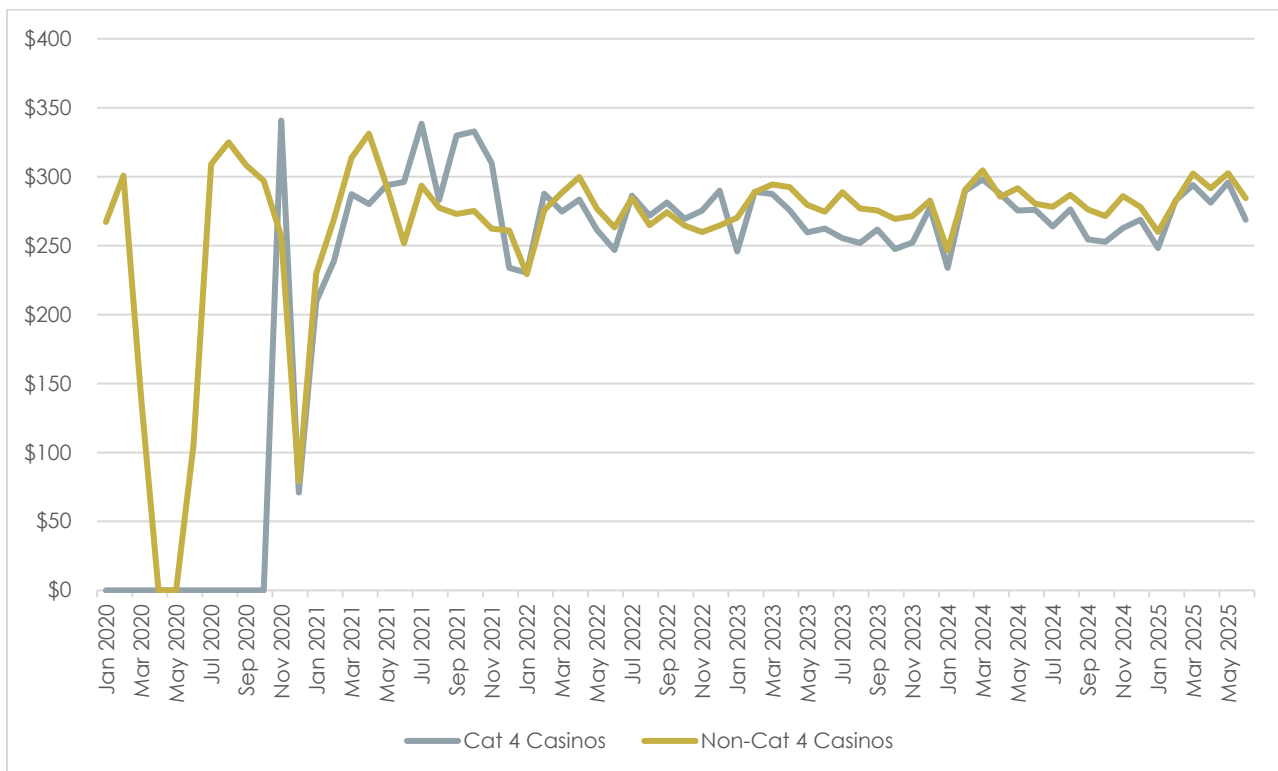
As evident from the following table, Category 4 casinos are very competitive with their larger counterparts on the basis of average annual win/position/day, with a value of \$270 versus \$281 for non-category 4 casinos in 2024, and even outproducing them in 2021 and 2022. Non-category 4 casinos have seen win/position/day increase since 2022 from \$270 to \$281. FY2025 data shows very slight increases in annual total win/position/day for both categories of casinos highlighting further potential growth for 2025.

TABLE 30: AGGREGATE AVERAGE ANNUAL TOTAL WIN/POSITION/DAY

YEAR	CAT. 4 CASINOS	NON-CAT. 4 CASINOS	PA STATE
2016		\$261	\$261
2017		\$264	\$264
2018		\$267	\$267
2019		\$277	\$277
2020	\$121	\$239	\$238
2021	\$286	\$278	\$278
2022	\$272	\$270	\$271
2023	\$264	\$280	\$279
2024	\$270	\$281	\$280
FY2025	\$271	\$283	\$282

Source: Pennsylvania Gaming Control Board Revenue Reports. 2020 data may be skewed by pandemic closures.

CHART 2: AGGREGATE MONTHLY AVERAGE WIN/POSITION/DAY



Source: Pennsylvania Gaming Control Board Revenue Reports.
 Note: State average generally overlaps Non-Cat 4 and is therefore not shown graphically here.

SPORTS BETTING

Sports betting in Pennsylvania has become a significant outlet for gaming activity since its inception in 2019, available both in retail (wagering in casinos) and online formats. From a taxation perspective, there is no differentiation between those two sources. In FY2024, total sports betting revenues amounted to \$695 million, a sizable share (\$246 million), of which were promotional credits, meaning that taxable gaming revenues were actually \$449 million. This reflected modest revenue growth from

FY2023, when gross revenues were \$632 million and net taxable revenues were \$441 million. Gross revenues for the full 2024 calendar year totaled \$742 million and net taxable revenues totaled \$474 million, suggesting an increased rate of demand growth. Online wagering, by far the most popular format for sports betting, accounted for 93% of this taxable revenue total.⁴²

Since opening, all four Category 4 casinos have offered sports wagering. Among these four casinos, Hollywood Casino Morgantown dominates, accounting for 64.8% of all sports wagering revenue for Category 4 casinos, as it offers both retail and online sports wagering. In fact, it offered online sports wagering before it even offered table or slot gaming. Hollywood Casino York has seen its total sports wagering revenue increase since it began offering online wagering as well in February 2022. In 2024, Hollywood Casino Morgantown reported the highest sports wagering gross revenue at \$21.3 million, followed by Hollywood Casino York at \$10.2 million, LIVE! Casino Pittsburgh at \$1.3 million, and PARX Shippensburg at only \$87,000; both Live! and Parx only offer sports wagering in the retail format.⁴³ In contrast, the Hollywood casinos' sports books are operated by ESPNBet, allowing for significant statewide visibility for their online product.

As of summer 2025, the owner of the planned Happy Valley Casino remained noncommittal as to whether there would be sports betting at the casino. We would note that for most casinos in the state the increment of sports betting revenues over slot and table gaming revenues is minimal, unless there is an online affiliation with a major online brand. Given that most of the major brands already are affiliated with incumbent operators, it is unlikely that the Happy Valley Casino would garner a sizable share of the sports betting market, and in turn have a notable incremental, taxable revenue source from sports betting.

VIDEO GAMING

As of March 2025, there were 77 truck stops in Pennsylvania operating video gaming devices, including two locations in Centre County. Truck stops are permitted a maximum of 5 devices per facility. In aggregate, the truck stop video gaming devices generated \$41 million in gaming revenues in FY2024 (during which time 74 of the truck stops operated devices, including 5 for only a partial year), equating to a daily win per device of approximately \$314, which is 16% higher than the average daily win per slot machine at casinos in Pennsylvania for CY2024.

However, the daily win per device ranges widely between the 69 locations operational for the full FY2024, with 13 generating average wins/devices/day of less than \$100 and 17 generating average wins/devices/day of more than \$500. The two truck stops in Centre County are indicative of this wide variance, as the Rutter's in Bellefonte had the highest average of the 69 truck stops, at \$794/machine/day⁴⁴, while the Travel Centers of America in Milesburg averaged just \$80.⁴⁵ The disparity is largely attributable to the fact that the Rutter's locations (approximately one-third of the truck stops with video gaming) function equally as a town convenience store/lunch counter and a

⁴² Pennsylvania Gaming Control Board annual sports wagering reports. <https://gamingcontrolboard.pa.gov/news-and-transparency/revenue>.

⁴³ Ibid.

⁴⁴ While the Bellefonte facility is one of the top-performing video gaming facilities in the state, it is important to note that it still is limited to only 5 devices, such that its revenues were less than \$1.5 million in FY2024.

⁴⁵ Pennsylvania Gaming Control Board annual video gaming reports. <https://gamingcontrolboard.pa.gov/news-and-transparency/revenue>. For calendar year 2024, the Bellefonte facility ranked 3rd in the state in terms of video gaming revenues. In addition to the two facilities in Centre County, there are five in neighboring Clinton County, though none are at a Rutter's, and therefore collectively generated only slightly more video gaming revenues in FY2024 than the Bellefonte Rutter's.

fueling location, rather than focusing primarily on truck stop operations (and thus the gravitational pull of area residents is much different). Moreover, Rutter’s has partnered with casino gaming operator Penn National Gaming to operate its video gaming, and has built out many of their video gaming areas into small entertainment venues. As such, Rutter’s accounted for 16 of the 17 locations that averaged over \$500/machine/day in FY2024.⁴⁶

Despite being one of the relatively new formats of gambling in Pennsylvania, revenues from truck stop video gaming have plateaued, staying in the narrow range of \$41 million to \$42 million from FY2022 through FY2024. The total for Calendar Year 2024 and the trend for FY 2025 also falls within this range.

TABLE 31: ANNUAL VIDEO GAMING REVENUES IN PENNSYLVANIA

FISCAL YEAR	GROSS TERMINAL REVENUE
2020	\$6,798,123
2021	\$31,334,744
2022	\$41,584,158
2023	\$42,114,593
2024	\$41,105,387

Source: Pennsylvania Gaming Control Board monthly revenue reports.

ONLINE CASINO GAMING

Online casino gaming has rapidly become one of the most significant components of gaming activities in Pennsylvania since its inception in 2019, accounting for \$2.18 billion in gaming revenues for CY 2024 and \$2.48 billion for FY2025, largely dominated by online slots (accounting for nearly 75% of the statewide FY2025 online total, as demonstrated in Table 32). For the first time ever, online gaming revenues outpaced casino slot revenue in FY2025, primarily due to the growth of interactive slots (online slot revenues steadily increasing by over 20% per year since 2022). As with sports betting, online gaming sites are largely operated by incumbent Pennsylvania casino operators, but there are several sites operated by national casino operators without a Pennsylvania casino presence, including Bally’s and Golden Nugget. As yet, there has been no announcement by SC Gaming that they would be offering an online platform to complement Happy Valley Casino. Unlike the truck stops, there is no data that shows from what counties or regions these revenues come from, aside from the fact that wagers have to come from within the state boundaries.

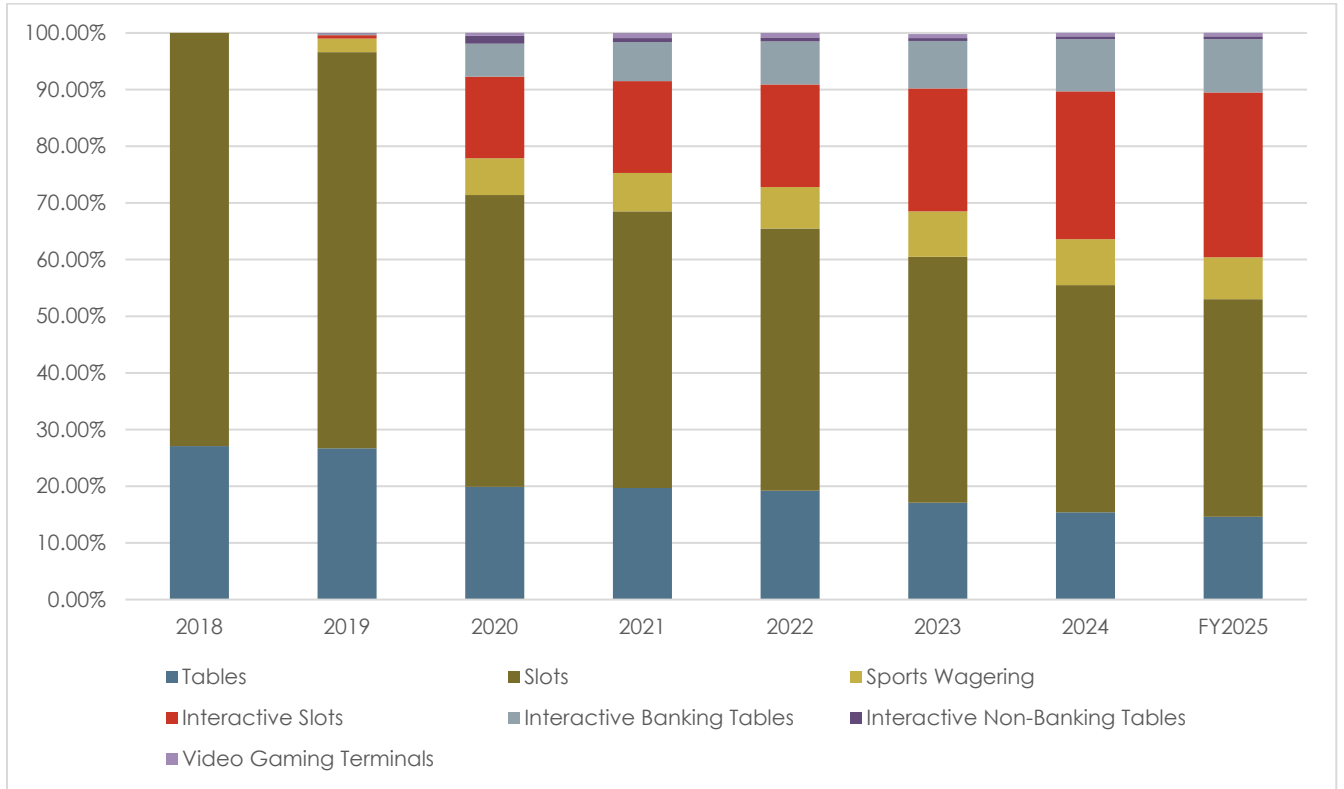
TAXABLE GAMING SUMMARY

State-wide, casino slot gaming remained the top revenue producer at \$2.45 billion in 2024, while interactive/online slot gaming was the fastest growing (0.6% share of total revenue in 2019, growing to 26.1% in 2024) and the second highest gaming revenue total, at \$1.6 billion. With the advent of online gaming, revenue shares from casino slot and table gaming have fallen since 2018 (72.9% to 40.1% for slot gaming and 27.1% to 15.4% for table gaming), but revenue levels for both were higher in 2024 (\$2.45 billion and \$937 million, respectively) than 2018 (\$2.37 billion and \$880 million, respectively) due to strong slot gaming by the new Category 4 casinos and the addition of the large Live! casino in Philadelphia. Online table gaming (house-banked and player-pooled, such as online poker) remain a comparatively small share of the total market, though the house banked segment continues to grow

⁴⁶ Pennsylvania Gaming Control Board annual video gaming reports. <https://gamingcontrolboard.pa.gov/news-and-transparency/revenue>.

at a strong pace. Finally, the video gaming segment at truck stops remains a very small segment due to the limited scale and availability.

CHART 3: STATE-WIDE GAMING REVENUE BY SOURCE (%)



Source: Pennsylvania Gaming Control Board Revenue Reports

TABLE 32: STATE-WIDE ANNUAL GAMING REVENUE BY SOURCE

	YEAR	TABLES	SLOTS	SPORTS WAGERING	INTERACTIVE SLOTS	INTERACTIVE BANKING TABLES	INTERACTIVE NON-BANKING TABLES	VIDEO GAMING TERMINALS
Totals	2018	\$879,710,772	\$2,369,885,223	\$1,708,370	\$0	\$0	\$0	\$0
	2019	\$903,556,182	\$2,362,560,089	\$79,844,606	\$20,920,133	\$8,240,986	\$4,438,631	\$2,329,540
	2020	\$522,915,271	\$1,355,924,785	\$170,560,541	\$377,720,963	\$152,191,454	\$35,864,491	\$16,647,898
	2021	\$924,902,965	\$2,287,529,465	\$319,787,070	\$759,442,426	\$320,983,621	\$32,429,890	\$39,852,039
	2022	\$990,568,468	\$2,390,757,300	\$379,622,233	\$936,396,474	\$394,330,499	\$33,665,496	\$42,079,447
	2023	\$971,742,564	\$2,463,698,452	\$454,323,535	\$1,233,188,287	\$478,069,415	\$30,574,377	\$41,237,349
	2024	\$937,153,868	\$2,447,354,419	\$493,260,339	\$1,593,352,256	\$560,177,971	\$28,139,224	\$41,525,888
	FY2025	\$928,915,953	\$2,440,474,767	\$470,644,479	\$1,850,930,923	\$597,064,905	\$29,087,996	\$41,392,844
As % of Total	2018	27.1%	72.9%	0.1%	0.0%	0.0%	0.0%	0.0%
	2019	26.7%	69.9%	2.4%	0.6%	0.2%	0.1%	0.1%
	2020	19.9%	51.5%	6.5%	14.4%	5.8%	1.4%	0.6%
	2021	19.7%	48.8%	6.8%	16.2%	6.9%	0.7%	0.9%
	2022	19.2%	46.3%	7.3%	18.1%	7.6%	0.7%	0.8%
	2023	17.1%	43.4%	8.0%	21.7%	8.4%	0.5%	0.7%
	2024	15.4%	40.1%	8.1%	26.1%	9.2%	0.5%	0.7%
	FY2025	14.6%	38.4%	7.4%	29.1%	9.4%	0.5%	0.7%

Source: Pennsylvania Gaming Control Board Revenue Reports

SKILL GAMING

The Pennsylvania Gaming Control Board tracks the performance and locations of gaming activities, with the exception of skill games. While each skill games facility is permitted (and likely can only accommodate) a small number of devices per property, statewide it has been reported that there are nearly 70,000 devices, more than any other state.⁴⁷ As such, their omnipresence is a limiting factor in casino gaming demand.

In addition to these skill gaming devices, which the courts have since declared as legal, there are still many commercial establishments offering games that do not have a skill component (i.e., more similar to a traditional slot machine), which are not legal. The state is attempting to shut these bad actors down. For example, as reported by CBS News,

“The Pennsylvania Office of Attorney General said over 400 illegal gambling devices were taken from bars, gas stations and convenience stores across the western part of the state, effectively shutting down a criminal gaming network.

The state filed felony corrupt organizations charges against Buffalo Skill Games, Inc. and J.J. Amusement, Inc. Both companies are owned and operated by John F. Conley, who already has prior federal convictions for illegal gambling, prosecutors said.

⁴⁷ Mark Scolforo, Mark Levy, “Pennsylvania Court Will Decide Whether Skill Game Terminals are Gambling Machines”, WHYY (via Associated Press), June 21, 2024. <https://whyy.org/articles/pennsylvania-gambling-skill-games-machines/>, accessed May 26, 2025.

"These devices were essentially slot machines dressed up as skill games," Attorney General Dave Sunday said in a press release. "I commend our partners at the Pennsylvania State Police for helping disband a large-scale operation that netted a tremendous amount of illegal gambling profits."

Pennsylvania State Police helped the Office of Attorney General Gaming Enforcement agents carry out a series of seizures in March, targeting establishments like bars and gas stations in Allegheny, Beaver, Butler, Cambria, Crawford, Indiana, Somerset, Venango, Erie, Washington, Armstrong and Westmoreland counties."⁴⁸

The online casino news aggregator Casino.org also picked up the story, with a somewhat confusingly-worded statement, noting that "In Westmoreland, home to Live! Casino Pittsburgh in Greensburg, a Category 4 casino with almost 750 slot machines and 40 live dealer table games, Woodpeckers Pub & Grub was found to have illegal slots."⁴⁹ However, it should be made clear that the casino was not doing something illegal, rather it was Woodpeckers Pub, which just happens to be located in the same town as Live!.

CASINO GAMING DEMAND MODEL

From a potential patronage standpoint, the market for the Nittany Mall casino will be comprised of regional residents and tourists. The tourist population is defined as those that would come to the casino from outside of our defined regional market, for a variety of reasons, i.e., going to a Penn State sporting event or university event (Parent's Weekend/Homecoming/Graduation, etc.), hiking/camping in the area, or other business/tourism purposes.

The demand that may come from the local market is a function of three factors. The first factor is the composition of the region's **adult population**, reflected by its size and income levels. The geographic area for regional demand will be defined to include adults living within a reasonable travel distance from the Subject gaming facility, as well as reflecting the impact of other gaming facilities that would provide attractive alternatives for potential patrons. The second factor in modeling is an estimation of the **propensity** of regional residents to participate in casino gambling, or the percentage of adults in each region that will visit a Pennsylvania casino during the course of a given year (participation out-of-state is not included in this estimate, as those casinos are not included in our distribution models). The final factor is **frequency**, or the average number of times per year that a person with a propensity to participate in casino gambling (in Pennsylvania) will actually do so. Collectively, the product of propensity x frequency is commonly referred to as a "**participation rate**".

We note that the Pennsylvania Gaming Control Board does not track casino admissions (though some other states do), and therefore we need to use our industry knowledge from other markets, as well as mobile phone tracking data, in order to arrive at estimates of gaming participation rates for each market area. This also allows us to examine current spending per capita as a percentage of aggregate regional household incomes, which is beneficial in order to ultimately demonstrate the scale of supply that may be reasonable for the Happy Valley Casino and the degree to which there may be latent gaming demand in the region, given the many existing formats of gambling already available, as previously discussed.

⁴⁸ Madeline Bartos, "Illegal Gaming Network Shut Down After Over 400 Devices Seized from Western Pennsylvania Establishments", CBS News Pittsburgh (KDKA News), May 13, 2025. <https://www.cbsnews.com/pittsburgh/news/illegal-gaming-network-shut-down-western-pennsylvania/>

⁴⁹ Devin O'Connor, "Illegal Gambling Raids Carried Out in Pennsylvania by State Attorney General", Casino.org, May 14, 2025. <https://www.casino.org/news/illegal-gambling-raids-carried-out-in-pennsylvania/>

REGIONAL GRAVITY MODEL

As a baseline calibration of the market demand, existing casinos in the marketplace were mapped using our in-house GIS, and real-world drive times from each competitive location to every ZIP Code in the market were calculated using *ESRI's ArcGIS*. The revenue and scale of each existing casino in the region (total CY2024 revenues and average number of gaming positions for the year) were used as inputs for the model. This form of gravity model, which is significantly more accurate than simple market carve-out models or traditional distance (“as the crow flies”) gravity models, then are calibrated to recreate the current visitation and spending patterns of regional visitors, and the relative performance of its market competitors. As we note above, there is limited casino competition in the regional market, with two Category 4 casinos being approximately two hours’ drive-time away, and all other casinos being considerably further, however we accounted for the presence of every Pennsylvania casino in creating the models.

Historically, gaming consultants have all used some sort of gravity models to make projections for markets such as this, where there are multiple existing operators and the total revenues (and for some jurisdictions, total visitation) are public knowledge. What was always something of an educated guess, sometimes refined through analysis of a player database for one of the properties, was where each property was getting its players from. Gaming participation rates were always estimated for each market area based on proximity to regional casinos, and the quantity, attractiveness and accessibility to each property from each individual region. The calibration needed to make sense in terms of total visitation to each property and total revenues that each attained, but historically it was not possible to truly determine whether the models were accurately calculating where visitors came from. This distinction is important as the models may have assumed saturated demand for a region that had plenty of latent demand, with other areas showing latent demand that actually had very high levels.

Modern technology has changed all that.

CSG now purchases anonymized mobile phone tracking data, incorporated into AI, to understand the movement of people and their behaviors. We are able to aggregate the ZIP Code of residence (where the phone typically rests at night) for every visitor to each and every property in order to determine the breakdown of visitors by market area to each property, as well as to get a reasonable approximation of the volume of gaming visitation at Pennsylvania casinos (Category 4 properties in particular) and typical radius of draw, for which there are no public disclosures of admission counts.⁵⁰

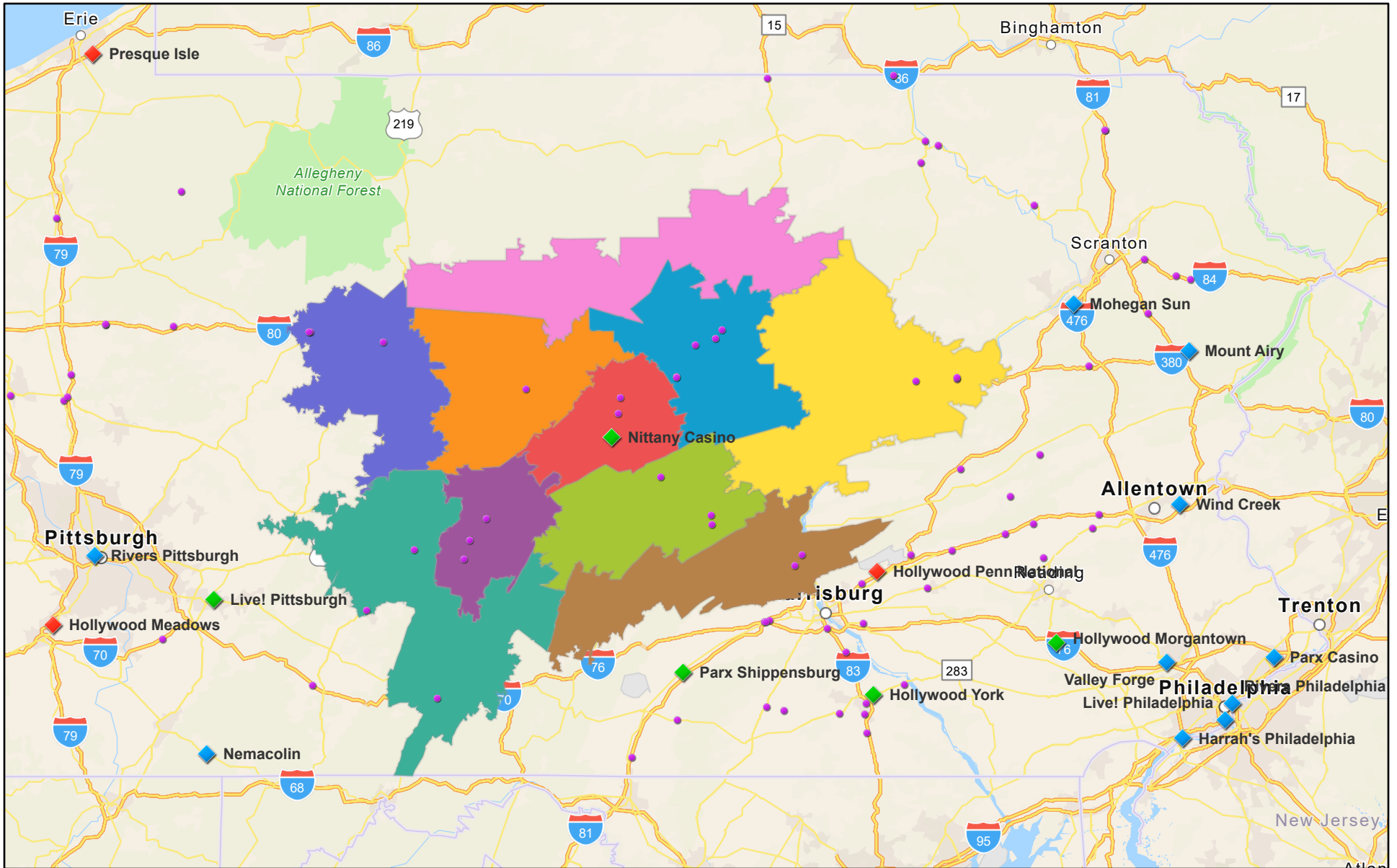
As will be discussed herein, for a Category 4 casino, particularly one that does not have a hotel component, a 90-minute drive time is a reasonable catchment area to assume not only for a new Category 4 casino, but also for the incumbent operators. As such, casino gaming participation rates can be assumed to currently be comparatively low in the College Township/Centre County area, given the lack of proximity to an existing facility. That said, gaming participation rates for various geographies in the model can therefore be expected to increase significantly, particularly within a one-hour drive time radius, when the additional gaming venue option is made available. The expanded

⁵⁰ The proprietary data utilized by CSG is obtained through a licensing agreement with Placer.ai. Through this agreement, we are able to access mobile phone tracking data which covers nearly every square foot of the United States, on an hourly, daily, weekly, monthly, and annual basis going back to 2017. This data, from smartphones and over 500 mobile apps with opt-in consent from users, is anonymized and privacy compliant. These anonymized and highly confidential data sets are fed into AI models to estimate total behavior nationwide (to include behavior from individuals not included in their data). The resulting data are continually back-tested and the models refined through a partnership program with more than 200 companies, including large retailers, grocery stores, fast food, and public buildings, to assure accuracy, even in remote areas.

gravity model will provide projections of annual patronage and gaming win for the Subject property for a stabilized year.

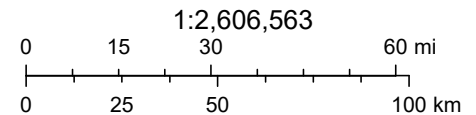
Map 6: Nittany Mall Casino Market Areas with Existing Pennsylvania Gaming Competition

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- | | | | |
|------------|---|-----------|-------------|
| PA Casinos | Racino | 60 min NE | 90 min N |
| Casino | VGT locations | 60 min SE | 90 min SE |
| Category 4 | Market Carve Out: Nittany Mall Mini Casino - My geographies | 60 min SW | 90 min SW 3 |
| | 30 min Primary | 60 min W | 90 min W |
| | | 90 min E | |



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community

MODEL INPUTS - POPULATION

For the regional market, CSG carved 10 distinct market areas, roughly extending out to a 90-minute drive time radius of the Happy Valley Casino site. An 11th market area has also been created that segments out the Penn State University student population (students aged 21+ only),⁵¹ which is included in regional population counts, but merits its own market segment due to both the non-permanency of residence and the presumption of age and income characteristics. Student behavior patterns also are presumed to differ significantly from the permanent populations in the other defined market areas.

Within the regional market area currently reside approximately 850,959 adult residents age 21 and above (the minimum legal age for casino gaming participation). Adult population growth in the region is negligible (with growth rates varying minimally by market area), at a projected rate of 0.03% annually through 2029. The largest of the defined markets, by adult population, is the 90-minute East market, accounting for more than $\frac{1}{4}$ of the regional total, and includes the towns of Williamsport and Bloomsburg. The population of this market area is nearly as great as the four market areas defined within 30-60 minute drive-time rings, reflecting the fact that Centre County is surrounded by relatively sparsely populated counties.

TABLE 33: ADULT POPULATION BY MARKET AREA

SUBMARKET	2024	2025	2026	2027	2028	2029	CAGR 2024-2029
30 min Primary	92,361	92,459	92,557	92,655	92,753	92,851	0.11%
60 min SE	64,850	64,927	65,003	65,080	65,157	65,234	0.12%
60 min SW	90,943	90,862	90,781	90,700	90,620	90,539	-0.09%
60 min W	42,854	42,840	42,825	42,811	42,796	42,782	-0.03%
60 min NE	48,393	48,475	48,558	48,640	48,723	48,806	0.17%
90 min SE	56,675	56,759	56,842	56,926	57,010	57,094	0.15%
90 min SW	133,221	133,058	132,895	132,732	132,569	132,407	-0.12%
90 min W	57,781	57,773	57,764	57,756	57,747	57,739	-0.01%
90 min N	14,948	14,930	14,911	14,893	14,874	14,856	-0.12%
90 min E	223,473	223,714	223,955	224,197	224,439	224,681	0.11%
PSU Students	25,460	25,460	25,460	25,460	25,460	25,460	0.00%
Total	850,959	851,255	851,552	851,850	852,149	852,449	0.03%

Source: ESRI. Market area definitions by CSG.

The average household incomes of the market's residents are considered in the forecast models when estimating the average "win per admission" for casino patrons to each facility. The market area with the highest income level is the 30 Minute Primary Market, at \$104,842 in 2024, consistent with the discussion of comparative income levels in the Economic and Demographic Overview. The other areas within a 90-minute drive time radius had relatively comparable average income levels in 2024, in the range of \$77,784 (90-Minute Southwest market area) to \$94,221 (90-Minute Southeast market area), with all markets projected to have average annual income growth of approximately 3% per year. The data for the university population showed income levels approximately half that of the 30-Minute Primary market. As noted, we consider this population separately from the overall regional population.⁵²

⁵¹ For the purpose of modeling, CSG has estimated 45% of the undergraduate population to be over the age of 21, while all graduate students are assumed to be over 21 years old.

⁵² ESRI demographic data.

TABLE 34: AVERAGE HOUSEHOLD INCOMES BY MARKET AREA

SUBMARKET	2024	2025	2026	2027	2028	2029	CAGR 2024-2029
30 min Primary	\$104,842	\$108,193	\$111,651	\$115,219	\$118,902	\$122,702	3.20%
60 min SE	\$81,362	\$83,730	\$86,167	\$88,675	\$91,256	\$93,912	2.91%
60 min SW	\$82,614	\$85,065	\$87,588	\$90,186	\$92,861	\$95,615	2.97%
60 min W	\$81,090	\$83,842	\$86,687	\$89,628	\$92,670	\$95,814	3.39%
60 min NE	\$83,664	\$86,332	\$89,085	\$91,926	\$94,857	\$97,882	3.19%
90 min SE	\$94,221	\$96,963	\$99,785	\$102,690	\$105,679	\$108,755	2.91%
90 min SW	\$77,784	\$80,198	\$82,687	\$85,254	\$87,900	\$90,628	3.10%
90 min W	\$85,083	\$87,624	\$90,241	\$92,936	\$95,711	\$98,570	2.99%
90 min N	\$87,826	\$90,671	\$93,609	\$96,641	\$99,772	\$103,004	3.24%
90 min E	\$89,774	\$92,457	\$95,221	\$98,067	\$100,998	\$104,016	2.99%
PSU Students	\$49,869	\$51,242	\$52,653	\$54,103	\$55,592	\$57,123	2.75%

Source: ESRI. Market area definitions by CSG.

BASELINE 2024 MODEL CALIBRATION

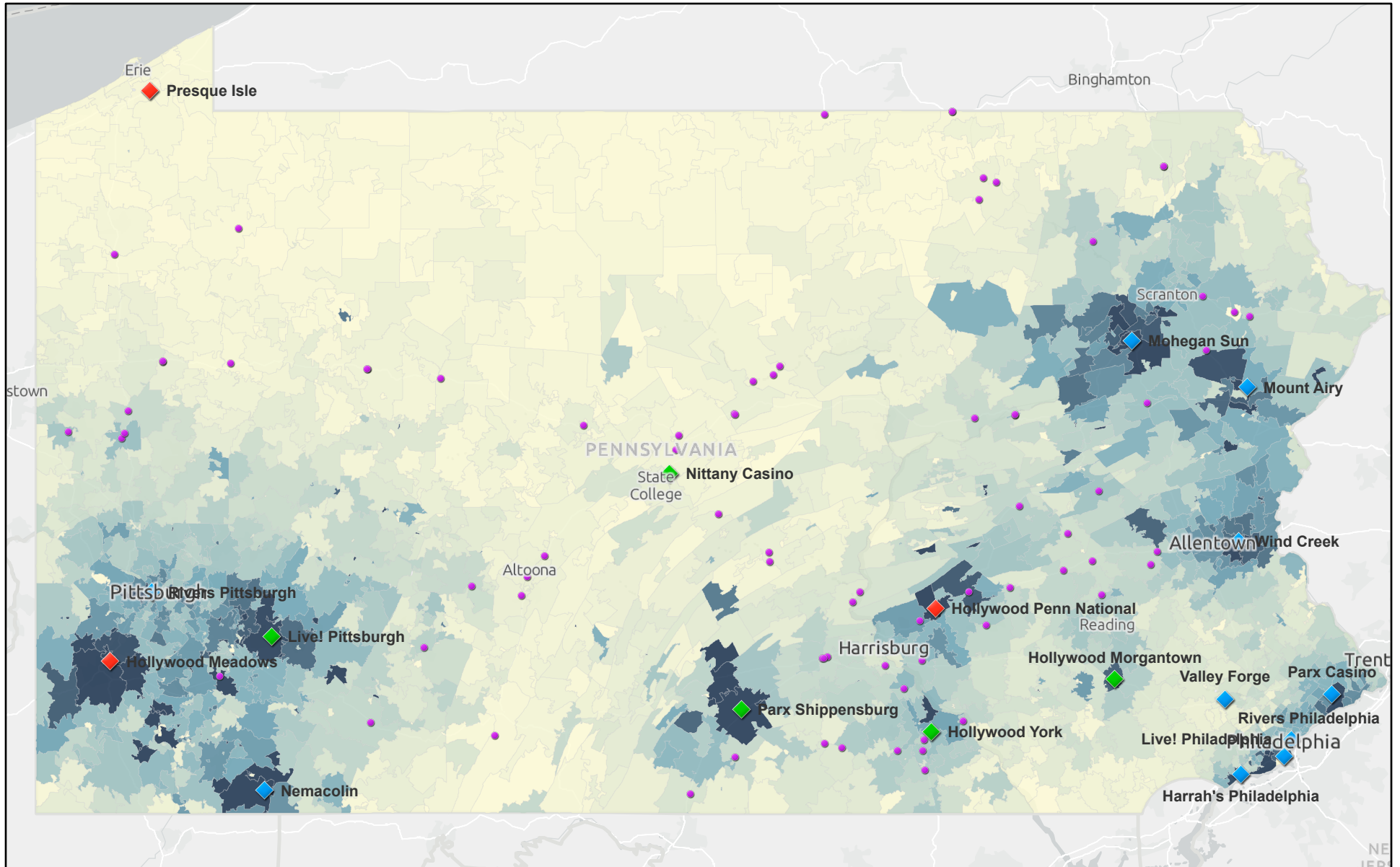
In calibrating the 2024 Baseline model, CSG drew from published revenue reports as well as proprietary mobile phone tracking data from Placer.ai. The total number of visits (annual) to each of Pennsylvania's casino properties, and the ZIP Codes of residence for each of those visitors were compiled from this mobile phone tracking data. These visits were then divided by the population of legal gaming age (21+) within each ZIP Code to arrive at an estimate of the casino visits per capita. The annual per capita (21+) gaming visits varied across the state of Pennsylvania, largely related to proximity to gaming facilities. For instance, ZIP Code 15623, 10 miles away from Live! Pittsburgh and 27 miles from Rivers Casino Pittsburgh, generated 6.58 visits per capita to a casino over the 12-month period; ZIP Code 15535 in Clearville, with no nearby casino options (nearest casino is Parx Shippensburg, 76 miles away) generated only 0.01 casino visits per capita (21+).

The following map displays the mobile phone tracking data at the ZIP Code level, visits per capita (adults 21+) for the last 12 months to the four Category 4 casinos, as well as Hollywood Penn National, Wind Creek, Mount Airy, Mohegan Sun, Rivers Pittsburgh, Hollywood Meadows, and Nemacolin. Not included in this map are visits to the Philadelphia casinos, Valley Forge, and Presque Isle. The result is the total number of visits to these facilities per adult 21+ for every ZIP Code in Pennsylvania. The darker blue shows the highest # of gaming visits/adult 21+, with this lightest colors indicating the least.

The data show that Live! Pittsburgh gets 95% of its visits from PA residents, 92% for Morgantown, 85% for Shippensburg, and 90% for York. By comparison, Penn National gets 81% from in-state, Mount Airy gets 48% from in-state, Mohegan gets 85%, Nemacolin 72%, Wind Creek 62%, Rivers Pittsburgh 87%, Hollywood Meadows 83%.

Map 7: Casino Visits per Capita

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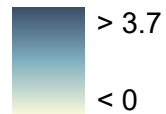
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PA Casinos

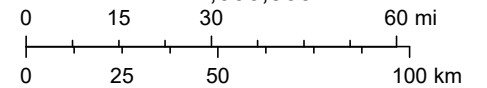
- ◆ Casino
- ◆ Category 4

- ◆ Racino
- VGT locations

Visits Per Capita (21+) by ZIP Areas



1:2,606,563



Sources: Placer.ai, Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, Sources: Esri, TomTom, Garmin,

Particularly useful were data for those ZIP Codes within a reasonable drive-time of the existing Category 4 Casinos. The entirety of the population living within a 45-minute drive of Live! Pittsburgh (shown on Map 8 to follow) visited Pennsylvania casinos at a rate of 1.8 visits per adult of legal gaming age (21+). We note that the population in this area also has good access to three other casinos - Rivers Casino Pittsburgh, Hollywood Casino Meadows, and The Casino at Nemacolin.

Parx Shippensburg's 45-minute area generated 1.02 visits to casinos per capita (21+). This 45-minute area does not contain any other casinos, however a small portion overlaps with the Hollywood York 45-min area, which generated 0.92 visits per capita. The available data for the Hollywood Morgantown 45-minute area⁵³ is incomplete, however it is still displayed in the following table, and it was nonetheless useful in the calibration of our models. Excluding visits to the Valley Forge casino, this area generates only 0.68 visits per capita (adult 21+).

The 45-min area around Nittany Mall is currently generating 0.23 visits per capita (adult 21+) to Pennsylvania casinos, and the entire Nittany Mall Market Area is currently generating 0.37 visits per capita.

The following table details these data, and the accompanying map displays the regions included for analysis.

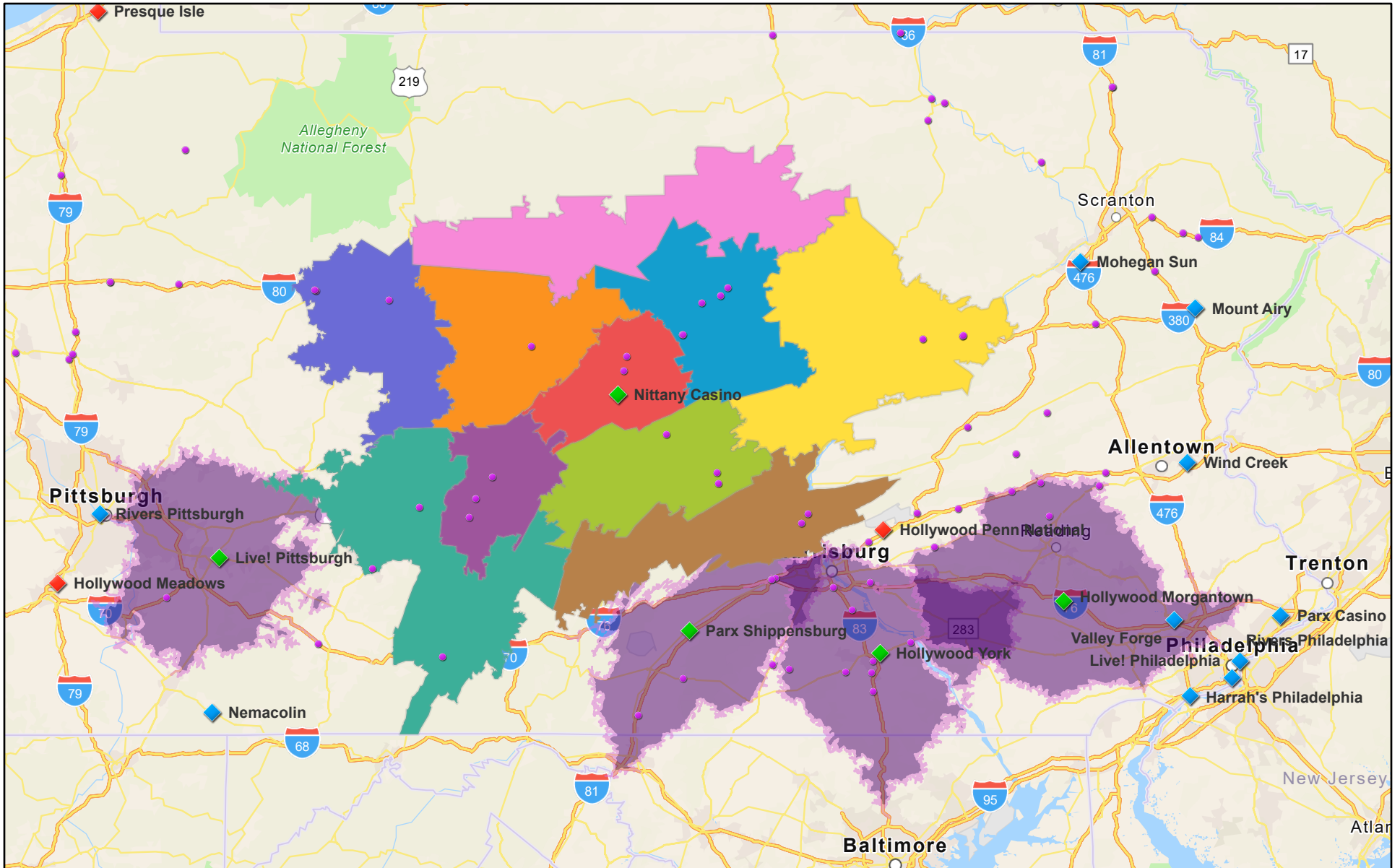
TABLE 35: ESTIMATE OF VISITS TO CASINOS PER CAPITA

	PLACER VISITS/ADULT POP (21+)
Live! Pittsburgh (0-45 min)	1.80
Parx Shippensburg (0-45 min)	1.02
Hollywood York (0-45 min)	0.92
Hollywood Morgantown (0-45 min)	0.68
Nittany Mall (0-45 min)	0.23
Nittany Mall Market Area	0.37

Source: Placer.ai; ESRI; CSG analysis

⁵³ Due to property boundaries, isolating visits to the Valley Forge casino was not possible. Therefore, the data presented excludes visits to this property.

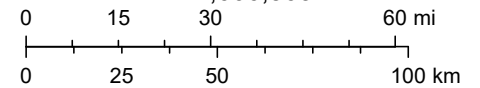
Map 8: Nittany Mall Market Areas and Category 4 Mini Casino 45-minute Drive Time Areas



6/6/2025

- | | | | |
|--------------|---|-------------|--------------|
| PA Casinos | ● VGT locations | 60 min W | 90 min W |
| ◆ Casino | Market Carve Out: Nittany Mall Mini Casino - My geographies | 90 min E | 45.0 Minutes |
| ◆ Category 4 | 30 min Primary | 90 min N | 45.0 Minutes |
| ◆ Racino | 60 min NE | 90 min SE | 45.0 Minutes |
| | 60 min SE | 90 min SW 3 | 45.0 Minutes |
| | 60 min SW | | |

1:2,606,563



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community

BASELINE 2024 GRAVITY MODEL FACTORS

The following table demonstrates the gaming participation rates (propensity to visit a casino and the annual frequency of doing so), for the regional market, along with estimates of the average gaming expenditure per admission. We note that mobile phone tracking data for incumbent operators shows that no property generates more than 12% of its annual casino visitation from within the 10 market areas defined below, such that gaming participation is considerably lower than in areas proximate to established markets. For our modeling purposes, accounting for the distance to the nearest casino currently, we assume PSU students are not currently patronizing land-based casinos in Pennsylvania (our defined 11th market area).

For the approximately 825,500 non-university adults residing in the region, we estimate a participation rate of just over 0.5 times per year, yielding approximately 429,500 trips to casinos around Pennsylvania. This does not include patronage of gaming venues at truck stops, or other forms of non-casino gaming, or online wagering. The average win per casino admission for these gamers is estimated at \$119, yielding overall gaming expenditures in 2024 of \$51 million.

TABLE 36: BASELINE REGIONAL GAMING DEMAND FACTORS, 2024

SUBMARKET	ADULT POPULATION	PARTICIPATION RATE	CASINO VISITS	AVG. WIN PER ADMISSION	GAMING REVS. (\$M)
30 min Primary	92,361	0.26	24,432	\$132.65	\$3.2M
60 min SE	64,850	0.49	31,841	\$130.25	\$4.1M
60 min SW	90,943	0.46	41,779	\$112.07	\$4.7M
60 min W	42,854	0.19	8,041	\$118.62	\$1.0M
60 min NE	48,393	0.36	17,612	\$126.60	\$2.2M
90 min SE	56,675	0.99	56,097	\$129.52	\$7.3M
90 min SW	133,221	0.83	110,219	\$103.06	\$11.4M
90 min W	57,781	0.49	28,170	\$111.27	\$3.1M
90 min N	14,948	0.17	2,498	\$120.86	\$0.3M
90 min E	223,473	0.49	108,808	\$126.10	\$13.7M
Avg/Total	825,499	0.52	429,497	\$118.83	\$51.0M

Source: CSG analysis

EXPANDED 2027 (YEAR 1) GRAVITY MODEL FACTORS

The projection model adds the Happy Valley Casino to the competitive mix in 2027 (Year 1) in order to determine both the regional gaming demand potential and the total for the property. In this expansion model, it should be reasonable to assume that gaming participation rates will increase for all 11 defined market areas as gaming accessibility is considerably improved, with the rate of increase greatest as proximity to College Township improves.

Adjustments for this model take into account the radius that existing Category 4 casinos in Pennsylvania currently are drawing from, and the penetration rates that each attains from their respective markets at various drive-time distances. We also consider the relative proximity of competitors in different directions, as the ease (and option) of visitation of multiple properties should result in comparatively high gaming participation rates (as compared to market areas for which options are limited and/or not easily accessible). The following table provides a projection model for the regional market, of collective visits for all casinos in the region, inclusive of the new Happy Valley property. In total, we project the regional market potential could grow to \$97.4 million from nearly 846,000 annual gamer visits, or approximately 1.0 annual casino visits regionally per adult (this still reflects an under-penetrated region, but the participation rate range now varies more widely between

market areas). While the average win per visit in the region is likely to increase as an overall average, we note that market areas most proximate to College Township can expect a slight decline in average win per visit. This is due to the general direct relationships between distance traveled and time spent within the casino, and subsequently the average gaming expenditures per casino visit; for those that reside proximate to casinos, visits may be more frequent, but shorter and at comparatively lower spend per visit (in 2024 there were no casinos proximate to the Primary market, and therefore the participation rate was low, but spend per visit comparatively high).

TABLE 37: EXPANSION MODEL FACTORS AND MARKET SIZE, YEAR 1 OF CASINO OPERATIONS

SUBMARKET	ADULT POPULATION	PARTICIPATION RATE	CASINO VISITS	AVG. WIN PER ADMISSION	GAMING REVS. (\$M)
30 min Primary	92,654	2.38	220,633	\$113.17	\$25.M
60 min SE	65,079	1.10	71,899	\$118.63	\$8.5M
60 min SW	90,700	1.21	109,380	\$108.92	\$11.9M
60 min W	42,810	0.49	21,086	\$109.70	\$2.3M
60 min NE	48,640	0.70	34,267	\$116.19	\$4.M
90 min SE	56,925	1.04	59,049	\$131.92	\$7.8M
90 min SW	132,730	1.10	145,474	\$107.66	\$15.7M
90 min W	57,755	0.59	33,971	\$111.77	\$3.8M
90 min N	14,893	0.18	2,744	\$119.90	\$.3M
90 min E	224,195	0.54	121,169	\$127.86	\$15.5M
30 min Primary - Students	25,460	1.03	26,287	\$99.05	\$2.6M
Avg/Total	851,841	0.99	845,959	\$115.11	\$97.4M

Source: CSG analysis

YEAR 1 REGIONAL EXPANSION MODEL OUTPUTS

The demand models assume the scale of the gaming facility will include 750 slots and 30 table games, as announced by SC Gaming. While the overall size of the market in 2027 (residents of the 11 defined market areas, playing at Pennsylvania casinos) is projected at \$97.4 million, as demonstrated in Table 38, CSG projects that the Happy Valley Casino has the potential to generate more than half of this total, or **\$56.2 million in gaming win from approximately 516,500 regional gamer admissions in Year 1** of operations. The 30 Minute Primary market area and PSU students can be expected to account for nearly half of these totals (\$25.0 million and \$2.6 million, respectively). Market areas to the southwest (30-60 minute and 60-90 minute) would also be major contributors to facility demand, collectively accounting for approximately \$15 million in gaming win from 148,000 gamer visits (approximately 28% of visits and win). In contrast, the facility can expect negligible demand to come from the 90-minute Southeast market due to the competitive draw of Hollywood at Penn National and Parx Shippensburg, as well as from the 90-minute North market, for which the population is too sparse to result in any significant regional gaming demand.

This effectively suggests that regional demand is currently under-penetrated, as \$47.4 million of the projected \$56.2 million in Happy Valley Casino regional gaming win would reflect new casino gaming expenditures in Pennsylvania (though some of this demand could be diverted from other forms of gaming).

TABLE 38: POTENTIAL HAPPY VALLEY CASINO REGIONAL MARKET ADMISSIONS AND GAMING REVENUES, YEAR 1

SUBMARKET	GAMER ADMISSIONS	WIN/VISIT	GAMING REVENUE
30 min Primary	215,009	\$112.50	\$24.2M
60 min SE	44,556	\$106.75	\$4.8M
60 min SW	89,418	\$107.06	\$9.6M
60 min W	17,502	\$106.69	\$1.9M
60 min NE	21,728	\$107.32	\$2.3M
90 min SE	11,868	\$109.90	\$1.3M
90 min SW	58,599	\$105.88	\$6.2M
90 min W	17,804	\$107.66	\$1.9M
90 min N	805	\$108.34	\$0.1M
90 min E	12,937	\$108.81	\$1.4M
PSU Students	26,287	\$99.05	\$2.6M
Total	516,513	\$108.89	\$56.2M

Source: CSG analysis

TOURISM DEMAND

As discussed in the Tourism Overview section of this report, the Centre County region attracted 3.7 million adult tourists per year, of which 1.4 million stayed overnight. These figures steadily increased from 2021 to 2023 and should be expected to continue to follow a growth trend (preliminary reports showed 2024/2023 hotel revenue growth per available room of over 8%.⁵⁴ Based on these growth rates, we conservatively estimate the 2027 total adult visitation will be approximately 4.4 million, of which 1.75 million would be overnight tourists and 2.65 million as day-trippers.

The casino will have excellent ease of access from the major thoroughfares crossing through the College Township area (I-99, I-80, US-322 and Benner Pike), and is on a major roadway with a large volume of commercial establishments. As such the presence of a casino in College Township should be obvious to visitors to the area.

There are two main segments of demand for tourism in the Happy Valley region – recreation and university. The following subsections provide casino demand projections from each of these segments.

RECREATIONAL TOURISTS

There is a broad array of attractions that bring visitors to the College Township area, with sporting events being a primary draw. This is not limited to Penn State sporting events, as there are multiple, large scale recreation facilities in the area (i.e., Nittany Valley Sports Center and C3 Sports Complex) that attract tournaments on a nearly weekly basis, particularly in the winter and springtime. The area also has attracted, and continues to attract, sporting events at the national level, including Olympic Wrestling trials and the Women's Hockey Final 4. The region also is marketed as an outstanding hiking destination.

While a sizable share of the projected 4.4 million adult tourists may be coming to the College Township area for Penn State football games, as demonstrated in Table 15, football season does not skew the

⁵⁴ Hunter Smith, "Happy Valley Sees Fastest Tourism Growth in PA", The Express, February 1, 2025.
<https://www.lockhaven.com/news/local-news/2025/02/happy-valley-sees-fastest-tourism-growth-in-pa/>

tourism calendar; actually, it is these tournaments and other university events scheduled each Winter/Spring (and Happy Valley Comicon) that are more significant tourism drivers.

From a tourism modeling perspective, it should be expected that overnight visitors would have a higher propensity to visit the casino than day-trippers, as they clearly stay longer in town and therefore would have a greater opportunity. Based on capture rates that we have seen in other markets, and the location of the casino relative to other tourism drivers, we estimate a casino capture rate of 4% of overnight tourists and 0.5% of day-trip tourists. As a result, **we estimate a tourist market potential of 83,250 annual gamer visits. We further assume a win per visit comparable to that of the regional gamer (\$109), resulting in potential gaming win of \$9.1 million from this segment.**

PSU FOOTBALL VISITORS

The Nittany Lions football team typically plays 7 home games per year on campus at Beaver Stadium, and potentially 8 when hosting a post-season game. The current capacity of the stadium is 106,574 (second only to the University of Michigan), however attendance has exceeded 110,000 a total of 15 times.⁵⁵ The stadium is currently undergoing renovations (through the 2025 and 2026 seasons) that will temporarily, albeit slightly, limit that capacity of the facility (yet still accommodate over 100,000 per game), however when completed, the capacity is expected to be comparable to its pre-renovation scale.⁵⁶ As a result, football officially attracts approximately 800,000 to 900,000 fans per year to games; there are also many fans that simply come for the tailgate atmosphere but not the actual game, and many students and local residents that are part of those totals, already addressed above as components of the local market population.

Comparable Stadiums in Casino Markets

There are several universities with large football stadiums proximate to casinos that we can look at to see the correlation between football attendance and casino demand.

Louisiana State University's Tiger Stadium in Baton Rouge is perhaps the best parallel, as the stadium can accommodate approximately 102,000 fans and is close to two casinos – the Queen of Baton Rouge (4 miles), and L'Auberge Baton Rouge (6 miles).⁵⁷ As with the Nittany Lions, The LSU Tigers generally play 7 home games per year, approaching capacity for every game.

Proximate to the **University of Nebraska's Memorial Stadium** in Lincoln is the new Warhorse Casino Lincoln. The stadium has a listed capacity of just over 85,000 (13th largest college stadium), but has accommodated over 90,000 for games. The casino is 8 miles south of the stadium. As with Penn State and LSU, the Cornhuskers generally play 7 home games and 5 road games per year.

⁵⁵ Josh Moyer, "Beaver Stadium Sets Attendance Record for Penn State vs. Ohio State Game. How Many Showed Up?", Centre Daily Times, November 2, 2024.

<https://sports.yahoo.com/beaver-stadium-sets-attendance-record-213050797.html>. The article says that the Ohio State game was the 14th time that attendance exceeded 110,000, however the following week vs Washington attendance was also in excess of 110,000.

⁵⁶ Mark Wogenrich, "How Will Penn State's \$700 Million Renovation Impact Beaver Stadium's Capacity?", Penn State Nittany Lions website, February 13, 2025.

<https://www.si.com/college/pennstate/football/how-will-penn-state-s-700-million-renovation-impact-beaver-stadium-s-capacity-01jm0tzzm1sc#:~:text=However%2C%20Penn%20State%20also%20enjoys,seasons%2C%20according%20to%20Penn%20State.>

⁵⁷ A third casino, Belle of Baton Rouge, has been undergoing a lengthy renovation and has not been a notable participant in the Baton Rouge gaming market for the past several years as a result.

Ohio Stadium in Columbus has a seating capacity of 102,780, making it the third largest stadium in the U.S. There are several casino gaming options in Columbus, albeit slightly further than the options in Baton Rouge and Lincoln. The two casinos in the area are Hollywood Casino Columbus (12.4 miles) and Eldorado Scioto Downs (15 miles from the stadium, a slots-only operation at a racetrack). The Buckeyes typically play between 6 and 8 home games per year.

Camp Randall Stadium in Madison, Wisconsin, home stadium to the University of Wisconsin Badgers football team, has a seating capacity of approximately 76,000, generally playing 6 to 7 Saturday home games per season. A casino operated by the Ho Chunk Nation is located approximately 10 miles from the stadium in Madison.

Acrisure Stadium in Pittsburgh (home stadium for the University of Pittsburgh) is comparatively small (68,000 seats), but very close to Rivers Casino (less than 2 miles).

In order to gauge the impact of football games on the casinos, we first examined mobile phone tracking data for each of the casinos on Fridays and Saturdays during the past two football seasons (13 weekends each in 2023 and 2024, from August 30 to November 25), comparing averages for home games versus road games/off-weekends to see if there was any statistical significance of the games being played at home. Moreover, we specifically looked at Homecoming weekends, which presumably attract many additional visitors to the universities, in addition to the football fans.

The Placer.ai mobile phone tracking data shows mixed results for the above universities/casinos, with Homecoming weekends actually showing notably poorer casino performance than typical home game weekends. With the exceptions of Ho Chunk Madison, all of the casinos fared slightly better on home weekend Fridays than non-home game Fridays during the football season, while Rivers Pittsburgh, Ho Chunk Madison and the Ohio casinos did better on home game days than non-home game days. Homecoming weekends at all casinos were slower than typical home football games, by a relatively wide margin. This is likely attributable to the large variety of events taking place at the universities and reunions that a casino would have to compete against, even though most have on-site hotels, likely fully booked for Homecoming weekends (this obviously would not be a relevant factor for the casino in College Township).

The following data demonstrates these results, with L'Auberge Baton Rouge and the Ohio casinos showing the most discernable differences between home and away weekend casino demand; two of the casinos actually showed demand declines during home football weekends, but the variances were minimal:

TABLE 39: IMPACT OF FOOTBALL GAMES ON CASINO VISITATION

	FRIDAY HOME	FRIDAY AWAY	SATURDAY HOME	SATURDAY AWAY	WEEKEND HOME	WEEKEND AWAY	HOMECOMING WEEKEND
L'Auberge Baton Rouge	4,542	3,238	4,225	4,377	8,767	7,615	8,550
Queen Baton Rouge	2,050	2,046	2,067	2,200	4,117	4,246	3,900
BR Total	6,592	5,285	6,292	6,577	12,883	11,862	12,450
Hollywood Columbus	5,869	5,715	7,346	6,977	13,215	12,692	12,750
Eldorado Scioto	3,877	3,777	4,685	4,523	8,562	8,300	7,550
Columbus Total	9,746	9,492	12,031	11,500	21,777	20,992	20,300
Rivers Pittsburgh	7,491	7,485	10,645	10,346	18,136	17,831	15,900
WarHorse Lincoln	1,536	1,460	1,609	1,760	3,145	3,220	2,850
Ho-Chunk Madison	2,633	2,731	3,408	3,262	6,042	5,992	5,600

Source: Placer.ai for Fridays and Saturdays from September 2-November 25, 2023 and August 30-November 23, 2024. Home/Away schedules and Homecoming weekends dates per university websites.

To best tie potential demand to historical impacts, we look at the home weekend increments and the size of the stadiums, and at what the capture rate is the stadium. As an upside potential, the incremental visitation on home game weekends at Baton Rouge casinos equates to approximately 1.0% of the stadium capacity. Of the five stadiums/markets discussed above, the average participation rate was 0.44% of stadium capacity.

Given the large capacity of Beaver Stadium and the limited entertainment alternatives in the State College/College Township area (relative to some of these more urban comparables), we assume the capture rate will be between the mean and the maximum (i.e., approximately 0.72% of seating capacity per home game weekend, or 5,372 gamer visits in aggregate over 7 home game weekends. This equates to approximately 384 incremental casino visits per home game Friday and Saturday, which would likely put the casino near capacity.

The win per visit for this segment can be expected to be slightly higher than the general tourist visitor and regional gamer, at approximately \$150 per visit. **As a result, we estimate the market potential from this segment to be approximately \$0.8 million.** We note that the difference between this average case (and the low case) is only \$0.3 million, which when compared to the overall gaming revenue projection of nearly \$67 million is effectively a rounding issue. As such, if we are conservative or aggressive in this estimate, it is likely irrelevant.

TABLE 40: INCREMENTAL GAMING VISITATION AND REVENUES, FOOTBALL WEEKENDS

	HIGH	LOW	AVERAGE
incremental visits	7,473	3,270	5,372
incremental GGR	\$1,120,996	\$490,537	\$805,767

Source: CSG analysis

CASINO DEMAND SUMMARY

GAMING REVENUE PROJECTIONS

In total, **we project gaming revenue potential of \$66.1 million in the first full year of operations, 2027, from approximately 605,000 gamer visits.** Regional income, population and tourism growth could collectively support annual revenue growth of approximately 2% per year (approximately \$1.35 million to \$1.5 million per year). As such, **by Year 5 we project gaming revenue potential of \$71.8 million from approximately 625,500 gamer visits, or \$115 per visit.**

We further assume the revenue split will be 88% slots/12% table games, based on comparably-sized Category 4 casinos in Pennsylvania. At 750 slots and 30 table games, this would yield an average daily win per slot range of \$213 to \$231 during the first five years of operation, and an average win per table gaming position range of \$121 to \$131 (maintaining the mathematical assumption of 6 positions per table game). Overall, the win per position range would be \$195 to \$211 per year.

When compared to the current performance of Category 4 casinos in Pennsylvania, the win per gaming position would be better than Parx Shippensburg, but less than Hollywood Morgantown (and considerably less than Live! Pittsburgh and Hollywood York. From a revenue standpoint, it would be comparable to Hollywood Morgantown (less than Morgantown, but still comparable).

While the facility may experience some capacity constraints during peak weekends, this level of demand may suggest some overcapacity of gaming supply at the property. A commonly used metric for casino sizing is “turns per day”, reflecting the ratio of daily patronage to the number of gaming positions in the casino. For this facility, our projections are in the range of 1.78 to 1.84 during the first five years of operation. This range is indicative of a facility where supply would well exceed demand, even if there is significant seasonality and/or excessive weekend peaks (a regional casino should aim for a minimum of 2.5 turns per day). This is directly correlated with our conclusion that the average daily win per gaming position will be lower than the vast majority of other Pennsylvania casinos.

It should also be expected that there would be a ramp-up of demand at the property for initial operations, however given that we have started our calculations for Calendar Year 2027, and operations are expected to commence in Spring 2026, much of this ramp-up (marketing effectiveness, staff training, construction completion) should be ending. As such, **we have not incorporated a ramp-up adjustment to our demand models.**

TABLE 41: HAPPY VALLEY CASINO DEMAND PROJECTION SUMMARY

	2027	2028	2029	2030	2031
AGR	\$66,111,395	\$67,461,269	\$68,854,556	\$70,294,179	\$71,783,261
Patronage	605,135	609,841	614,791	619,998	625,478
Slot Win	\$58,178,028	\$59,365,916	\$60,592,009	\$61,858,878	\$63,169,270
Table Win	\$7,933,367	\$8,095,352	\$8,262,547	\$8,435,301	\$8,613,991
Win/Slot/Day	\$213	\$217	\$221	\$226	\$231
Win/Table Pos/Day	\$121	\$123	\$126	\$128	\$131
Win/Position/Day	\$195	\$199	\$203	\$207	\$211
Turns/Day	1.78	1.80	1.81	1.83	1.84

Source: CSG analysis

NON-GAMING REVENUE PROJECTIONS

CSG has limited information regarding the scale and scope of the food and beverage venues at the property, or the scale and scope of retail and entertainment. Based on comparable non-destination casinos in other markets (i.e., with no hotel), with multiple F&B options, it is reasonable to expect non-gaming revenues to be in the range of 6% to 8% of gaming revenues (or approximately \$6.60 to \$8.80 per gaming patron, given our estimate of approximately \$110 win per visit). This would yield a non-gaming revenue range (using the 6%-8% casino revenue increment) of \$4.0 million to \$5.7 million per year annually during the first five years of operation.

TABLE 42: HAPPY VALLEY CASINO NON-GAMING DEMAND PROJECTION SUMMARY

NON-GAMING	2027	2028	2029	2030	2031
If 6% of AGR	\$3,966,684	\$4,047,676	\$4,131,273	\$4,217,651	\$4,306,996
If 8% of AGR	\$5,288,912	\$5,396,901	\$5,508,364	\$5,623,534	\$5,742,661

Source: CSG analysis

COMPARATIVE DEMAND FORECAST

We are aware that there was a memorandum prepared in February 2021 by eConsult Solutions Inc. (“ESI”) for the developer that included projections of demand for the casino. A comparative analysis is relevant to point out the differences in expected fiscal, economic and socioeconomic impacts of casino operations, and how differences in visitation and revenues can translate to different outcome ranges.

ESI stated in their memorandum (“ESI report”) that the revenue projections and financial pro forma were provided to them by the developer for the purpose of their analysis. As such, the projections were made before there was any historical data for Category 4 casinos were available (there may have been one or two months of operating history data for Live! Pittsburgh), while internet gaming was still in its infancy, and amidst the pandemic. Unlike ESI (and the developer) in February 2021, we now have the benefit of history to see what each of these has done to change gaming behavior in Pennsylvania (as well as mobile phone tracking data, also not something that consultants had access to in 2021). Note that none of this is a criticism of ESI – it is generally necessary to update any gaming market forecast that is four years old, even when it is our own, however CSG has been told that there is no update of the market assessment for us to review.

The planned scale of the casino is unchanged from the 2021 ESI report assumptions, at 750 slots and 30 gaming tables. Operating revenues in the ESI report are projected at \$91 million in the first year of operation, reaching \$116 million per year by Year 10 of operation.⁵⁸ However, this total is inclusive of sports betting, as well as non-gaming revenues. There is no discussion of the volume of patronage projected in the ESI report, and therefore it is not possible to draw a direct comparison between our gaming patronage forecast and what is assumed in ESI’s models.

⁵⁸ ESI memo prepared for SC Gaming OpCo LLC re: Local Impact Report & Economic and Fiscal Impact in Support of PGCB Application, dated February 19, 2021. Page 15.

TABLE 43: REVENUE PROJECTION IN 2021 ESI REPORT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Revenue	\$91.0M	\$93.4M	\$96.3M	\$98.7M	\$101.4M	\$104.2M	\$107.0M	\$110.2M	\$112.9M	\$116.0M
% change		2.6%	3.1%	2.5%	2.7%	2.8%	2.7%	3.0%	2.5%	2.7%

Source: ESI memorandum to SC Gaming OpCo, LLC, dated February 11, 2021, page 15.

ESI does not include the pro forma to show how these revenues are generated, but a subsequent chart shows their projected fiscal impacts from the different sources of casino gaming – slots, tables and online sports betting. Collectively, these equate to \$85.2 million for Year 1 and \$109.5 million for Year 10, suggesting that 5.5% to 6% of the projected revenues are attributable to non-gaming sources, i.e., the food and beverage and entertainment operations⁵⁹; CSG projects non-gaming revenues as a share of total revenues could be slightly higher than ESI projects (we provide a range, in which the ESI increment, 5.5% to 6%, is at or below the low end of CSG’s 6%-8% range, however if the online sports book revenues are netted out of ESI’s projections, the non-gaming revenues equate to 6.1% to 7.0% of gaming revenues, more consistent with our projected range).

We further note that the contribution from online sports betting was assumed by ESI to be relatively significant, at \$9.3 million in Year 1, increasing to \$11.0 million in Year 10.⁶⁰ However, it is our understanding that there currently is no plan for an online sports book, which would lower ESI’s annual casino gaming revenue projection range to \$76.5 million to \$99.0 million (netting out the sports betting), of which 80% to 81% would be from slots and 19% to 20% from table games.

The CSG analysis above arrives at a more conservative estimate than ESI with respect to the casino gaming revenues, but at a higher ratio of slot/table revenues than ESI assumes (ESI effectively projects table gaming revenues nearly twice as great as CSG). In 2024, with the exception of Parx Shippensburg, the Category 4 casinos generated between 86% and 88% of their gaming revenues from slots (not including sports book revenues), however all had a higher ratio of table gaming positions to slot positions than is proposed for the casino at Nittany Mall (Parx Shippensburg revenues are close to 98% slots, but they have a comparatively small table gaming operation). These scalar issues are notable because slots and table games are taxed at different rates at both the State and Local levels, as will be discussed further below in the Fiscal Impacts section of the Economic Impact Analysis.

⁵⁹ Ibid, Figure 13 on Page 19.

⁶⁰ Ibid.

TABLE 44: CSG AND ESI COMPARATIVE REVENUE PROJECTIONS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
CSG										
Slots	\$58.2M	\$59.4M	\$60.6M	\$61.9M	\$63.2M	\$64.5M	\$65.9M	\$67.3M	\$68.7M	\$70.1M
Tables	\$7.9M	\$8.1M	\$8.3M	\$8.4M	\$8.6M	\$8.8M	\$9.0M	\$9.2M	\$9.4M	\$9.6M
AGR	\$66.1M	\$67.5M	\$68.9M	\$70.3M	\$71.8M	\$73.3M	\$74.9M	\$76.4M	\$78.1M	\$79.7M
F&B/Other (@7% of AGR)	\$4.6M	\$4.7M	\$4.8M	\$4.9M	\$5.0M	\$5.1M	\$5.2M	\$5.4M	\$5.5M	\$5.6M
Revenues	\$70.7M	\$72.2M	\$73.7M	\$75.2M	\$76.8M	\$78.4M	\$80.1M	\$81.8M	\$83.5M	\$85.3M
ESI										
Slots	\$61.5M	\$63.3M	\$65.2M	\$67.1M	\$69.1M	\$71.2M	\$73.3M	\$75.5M	\$77.7M	\$80.0M
Tables	\$15.0M	\$15.4M	\$15.8M	\$16.2M	\$16.7M	\$17.1M	\$17.6M	\$18.0M	\$18.5M	\$19.0M
Sports Betting	\$9.3M	\$9.5M	\$9.6M	\$9.8M	\$10.0M	\$10.2M	\$10.4M	\$10.6M	\$10.8M	\$11.0M
AGR	\$85.8M	\$88.2M	\$90.7M	\$93.2M	\$95.8M	\$98.5M	\$101.2M	\$104.0M	\$107.0M	\$110.0M
F&B/Other	\$5.2M	\$5.2M	\$5.6M	\$5.5M	\$5.6M	\$5.7M	\$5.8M	\$6.2M	\$5.9M	\$6.1M
Revenues	\$91.0M	\$93.4M	\$96.3M	\$98.7M	\$101.4M	\$104.2M	\$107.0M	\$110.2M	\$112.9M	\$116.0M

Sources: CSG projections and ESI projections, with ESI total revenues as per Figure 9 of their memo and Year 1 and Year 1 allocations of revenues by revenue source

ECONOMIC IMPACT ANALYSIS

The casino will stimulate direct spending, household earnings and job creation in the region, as well as a variety of fiscal impacts. The economic impact of casino operations will stem from patron expenditures on gaming and non-gaming activities. In addition to the spending, earnings and jobs directly attributable to the gaming patrons, indirect spending, earnings and employment will result from a ripple effect of casino expenditures in the regional market on goods and services. Additionally, there will be impacts induced by the incremental household spending power of casino employees.

Economists use multipliers to determine what these indirect and induced amounts are (direct, induced + indirect = total amounts), derived from a variety of sources. CSG uses data purchased from the U.S. Bureau of Economic Analysis, referred to as RIMS II (Regional Input-Output Modeling System), whereas ESI uses IMPLAN, a popular economic impact software platform. A challenge in economic impact studies of casino operations, independent of what data provider is used, is determining what an appropriate input (or set of inputs) is to calculate the total impacts. There is no standardized way of looking at it, and subsequently the results hinge significantly on the input assumptions. Some economists use revenues as the Direct Impact inputs, while others extract inputs from the facility's operating expenses, asserting that those expenditures are the appropriate inputs – there is rationale for either methodology, as long as it is clear what methodology is being used (especially when comparing results side-by-side that use different methodologies).

In the case of ESI, they use casino revenues as the input to define Direct Spending (to which they apply multipliers). This includes the gaming and non-gaming revenues, inclusive of revenues from online sports wagering. It also appears that their modeling uses IMPLAN multipliers in the sector “Arts and Entertainment”. There are several issues with the inputs and assumptions used by ESI in their 2021 report:

- There is considerable leakage with respect to casino operations due to substantial gaming taxes, which would not be the case for non-gaming Arts and Entertainment businesses; as a result, the multiplier would more aptly be applied to the gaming revenues *after* taxes, particularly at the local level (i.e., maintain total revenues as the Direct Impact, but apply multipliers to the revenues net of gaming taxes);
- Online sports betting would likely have no impact at the local level, but accounts for over \$10 million of ESI's Year 1 casino revenue projection (SC Gaming now says there will be no online or retail sports book); and
- As a minor criticism (not one we adjust for, but sometimes applicable), no adjustment was made by ESI for substitution effects, such as diversion of spending from local entertainment, restaurants and/or video gaming facilities.

The RIMS II data set used by CSG has multipliers in “Amusement, Gambling and Recreation Industries”, which may be more appropriate than “Arts and Entertainment” in the allocation of facility expenditures to different businesses, and calculation of employee earnings. Methodologically, we can be consistent with the ESI approach, but would net out the gaming taxes from our demand calculations when we apply multipliers (our modeling does not include any sports betting, based on the current operator plans).

We further note that according to the June 25 SC Gaming presentation to the State, there will be 350 FTEs once stabilized (slide 15 of presentation deck). This contrasts with the projections made by ESI in their 2021 memo, in which they asserted that there will be approximately 390 permanent direct FTE jobs associated with the casino's operations when it opens, increasing to 440 FTE jobs upon stabilization. ESI further states that these positions will have average employee compensation of approximately \$47,000 per year.⁶¹

While there is nothing in the presentation regarding the average employee compensation, an average of \$47,000 per year is reasonable and relatively standard in the industry currently (for a regional property in a comparable geography, i.e., not a high cost of living urban location). As a result, direct earnings at 350 FTEs equate to earnings of \$16.5 million.

SPENDING/OUTPUT COMPARATIVE IMPACTS

ESI's calculations of indirect and induced spending at the County level on \$91 million in spending equated to \$38.3 million, for a total of \$129.3 million⁶², an effective multiplier of 1.421. The RIMS II spending multiplier for the Amusement, Gambling and Recreation Industries sector is currently 1.263, and as noted above, may more appropriately be applied to the revenues net of gaming taxes (and to the revenue projection as per our gaming market assessment). BEA does not provide multipliers at the Township level, but if the scale of the Township multiplier relative to the County multiplier is correct (the Township increment being approximately 11.5% of the County increment (\$4.4 million as compared to \$38.3 million)⁶³, then the local induced/indirect spending would be approximately \$2.75 million instead of \$4.4 million, if spending is \$91 million (again, we project Direct Spending lower than \$91 million).

In CSG's market assessment, we project a range in slot revenues during the first ten years of operations of \$58.2 million to \$70.1 million, table gaming revenues ranging from \$7.9 million to \$9.6 million, and F&B revenues an incremental 6% to 8% of the gaming total (for our math that follows, we assume the average of a 7% increment, or an annual range of \$4.6 million to \$5.6 million), for an annual total revenue range of \$70.7 million to \$85.3 million. After gaming taxes, the net revenues from operations would be in the range of \$38.1 million to \$45.9 million per year. Applying the RIMS II spending multiplier of 1.263 to these net revenues implies annual indirect and induced spending in the range of \$10.0 million to \$12.1 million at the County level (as compared to \$38.3 million projected by ESI). Assuming the 11.5% Township/County impact ratio in the ESI model is accurate, induced/indirect spending in the Township would be approximately \$1.1 million to \$1.4 million per year (as compared to ESI's \$4.4 million annual forecast).

Methodologically, these indirect and induced impacts should be added to the direct impacts in order to arrive at Total Spending or Total Output results. Whether the Direct amount is the Revenues line or the Net Revenues line is irrelevant for the Township's purposes – there is no fiscal implication one way or the other, and there is no hard-fast rule as to how this should be done (the earnings and employment impacts are of much greater importance). We therefore provide the summary calculations using both methodologies in the following table.

⁶¹ Ibid, Page 9

⁶² Ibid, Page 16

⁶³ Ibid.

TABLE 45: ECONOMIC IMPACT TOTAL SPENDING PROJECTIONS DIRECTLY ATTRIBUTABLE TO CASINO

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Revenues	\$70.7M	\$72.2M	\$73.7M	\$75.2M	\$76.8M	\$78.4M	\$80.1M	\$81.8M	\$83.5M	\$85.3M
Gaming Tax	\$32.7M	\$33.4M	\$34.0M	\$34.8M	\$35.5M	\$36.2M	\$37.0M	\$37.8M	\$38.6M	\$39.4M
Net Revenues	\$38.1M	\$38.8M	\$39.6M	\$40.5M	\$41.3M	\$42.2M	\$43.1M	\$44.M	\$44.9M	\$45.9M
Multiplier on Net	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26
County Indirect/Induced	\$10.0M	\$10.2M	\$10.4M	\$10.6M	\$10.9M	\$11.1M	\$11.3M	\$11.6M	\$11.8M	\$12.1M
Township Indirect/Induced	\$1.1M	\$1.2M	\$1.2M	\$1.2M	\$1.2M	\$1.3M	\$1.3M	\$1.3M	\$1.4M	\$1.4M
County Total Output ^a	\$80.7M	\$82.4M	\$84.1M	\$85.8M	\$87.7M	\$89.5M	\$91.4M	\$93.4M	\$95.3M	\$97.4M
Township Total Output ^a	\$71.9M	\$73.4M	\$74.9M	\$76.4M	\$78.1M	\$79.7M	\$81.4M	\$83.1M	\$84.9M	\$86.7M
County Total Output ^b	\$48.1M	\$49.M	\$50.0M	\$51.1M	\$52.2M	\$53.3M	\$54.4M	\$55.6M	\$56.7M	\$57.9M
Township Total Output ^b	\$39.2M	\$40.M	\$40.8M	\$41.7M	\$42.6M	\$43.5M	\$44.4M	\$45.3M	\$46.3M	\$47.3M

Source: CSG calculations using RIMS II spending multipliers from the Bureau of Economic Analysis.

^a Calculates total impact as Total Revenues plus indirect/induced impacts. ^b Calculates total impact as Net Revenues plus indirect/induced impacts.

In addition to the spending impacts that would be attributable to the operations of the casino, the casino is projected to attract over 600,000 patrons per year, of which over 275,000 annually would be from the regional market, but residing more than 30 minutes from College Township (and not inclusive of the base tourism; i.e., from our defined 8 regional market areas non-inclusive of the 30 Min Primary and PSU Student markets). These are gamers for which there is a high likelihood of spending outside of the casino, such as in Nittany Mall stores and restaurants, stores and restaurants across the highway, and area hotels (for those that reside within 30 minutes from the Nittany Mall there is also a high probability of spending outside of the casino, but they would likely be spending in the local community anyway, so we discount them – we note that this results in a conservative estimate to the extent that a 30-minute drive time buffer extends well beyond Centre County borders).

These are impacts that were not calculated in the ESI report. Based on discussions with Township leaders of other Pennsylvania Category 4 casinos, this has been one of the most positive benefits of the addition of casinos to their communities, though we recognize that these types of impacts are not uniform across different geographies, and may be on a case-by-case basis. For example, Atlantic City has been widely cited for decades as an example of casinos entering a market and not creating any spin-off benefits for nearby retailers; Atlantic City has evolved considerably since those early years, and newer gaming jurisdictions have learned from their late 1970's/early 1980's errors, but it remains a historical stain touted by casino-naysayers. Nittany Mall and the surrounding retail in College Township bears no resemblance to the urban core of Atlantic City, and therefore it is likely that surrounding businesses will benefit from the new neighbor.

For off-site, non-gaming expenditures we estimate 10% will patronize area retail establishments, spending an average of \$100. Additionally, we estimate 15% will patronize area restaurants, spending an average of \$40 per person. Finally, we estimate 0.5% will patronize area hotels (the % would be slightly greater than that, but with multiple gamers on average per room), spending an average of \$150 for accommodations. As a result, off-site expenditures by non-local, non-tourist gamers would amount to approximately \$4.6 million per year, supporting area businesses and potentially adding business demand to the Nittany Mall, and reducing the rate and probability of business bankruptcies.

TABLE 46: ESTIMATED INDUCED ANNUAL SPENDING AT AREA BUSINESSES

	BASE NON-LOCAL VISITATION	CAPTURE RATE	SPEND/PATRON	SPENDING
	275,218			
Non-local spending on retail		10%	\$100	\$2,752,177
Non-local spending on F&B		15%	\$40	\$1,651,306
Non-local spending on accommodations		0.50%	\$150	\$206,413
Total				\$4,609,897

Source: CG estimates

EMPLOYMENT COMPARATIVE IMPACTS

ESI report calculates that the indirect and induced job totals related to operations will range from 240 to 300, incremental to the 390-440 (effectively, a jobs multiplier of 1.62 to 1.68), citing the use of “Arts and Entertainment” multipliers. The calculation of induced and indirect jobs can also be done by applying an alternative multiplier to the spending total, which calculates how many total jobs could be created in the regional economy based on the total volume of initial spending. Calculated that way, there would be 6.9 total jobs created per \$1 million in total spending in Year 1, declining to 6.3 jobs per \$1 million in total spending in Year 10 (fewer jobs per \$1 million in spending should be expected year-over-year, due to inflation in labor costs, though ESI projected strong year-over-year revenue growth, supporting annual employment growth).

The Bureau of Economic Analysis’ RIMS II multipliers have a category of “Amusement, Gambling and Entertainment Industries”, for which the jobs multiplier is only 1.135, but the total jobs per \$1 million in spending multiplier is 10.7. Applying the 10.7 multiplier to the net spending yields total jobs of 407, or 57 indirect and induced jobs (350 direct FTEs expected). Applying the 1.135 jobs multiplier to the 350 FTE’s results in an estimate of 397 total jobs, or 47 indirect and induced. There is no preferred calculation methodology, such that an average of the two is a fair approximation, approximately 402 total jobs created County-wide, or 52 indirect and induced jobs - this is significantly less than the 240 to 300 indirect and induced jobs as projected by ESI. The Township jobs creation calculated by ESI in Year 1 was only 20 indirect and induced, which would scale down to 4 jobs using CSG’s County calculations.

TABLE 47: COMPARATIVE ECONOMIC IMPACT TOTAL JOBS PROJECTIONS

	CSG TOWNSHIP JOBS	CSG COUNTY JOBS	ESI TOWNSHIP JOBS	ESI COUNTY JOBS
Direct	350	350	390	390
Induced/Indirect	4	52	20	240
Total	354	402	410	630

Sources: CSG calculations using RIMS II spending multipliers from the Bureau of Economic Analysis; ESI report page 16

In discussions with Shippensburg Township officials, one of the benefits of the casino has been employment of university students. While Penn State has a far greater enrollment than Shippensburg University (less than 5,000 students, or less than 10% Penn State’s size), university students may fill many of these jobs, which would limit strain on the regional labor force.

In addition to the jobs directly attributable to casino operations, the potential for increased business and new business development proximate to the casino should support incremental regional

employment. The degree to which this will reflect new jobs will depend heavily on whether the spending is at new businesses (i.e., the occupancy rate at the mall increasing as a result of the opening of the casino) or at existing area businesses (at existing mall stores or at existing proximate businesses).

HOUSEHOLD EARNINGS COMPARATIVE IMPACTS

Finally, we looked at the impact of operations on household earnings, for which we believe an average of \$47,000 per FTE, as asserted by ESI, was reasonable. Direct labor would therefore equate to \$16.5 million annually based on 350 FTEs. We apply a County earnings multiplier of 1.207 to these earnings to arrive at total regional earnings of \$19.9 million, or approximately \$3.4 million for indirect and induced labor. At the Township level the total household earnings would equate to approximately \$16.7 million per year.

TABLE 48: COMPARATIVE ECONOMIC IMPACT TOTAL EARNINGS PROJECTIONS

	CSG TOWNSHIP EARNINGS	CSG COUNTY EARNINGS	ESI TOWNSHIP EARNINGS	ESI COUNTY EARNINGS
Direct	\$16.5M	\$16.5M	\$18.3M	\$18.3M
Induced/Indirect	\$0.3M	\$3.4M	\$.8M	\$10.M
Total	\$16.7M	\$19.9M	\$19.1M	\$28.3M

Sources: CSG calculations using RIMS II spending multipliers from the Bureau of Economic Analysis; ESI report page 16

In addition to the earnings directly attributable to casino operations, household earnings will increase as a result of any spending off-site from non-local gamers. The incremental household earnings will be dependent in part on what retailers benefit from the increased spending (i.e., Wal-Mart across the highway or a small, locally-owned mall retailer), it should be reasonable to expect that incremental earnings will equate to approximately 40% of the F&B spend, 30% of accommodations spending and approximately 10% of retail spend, or approximately \$1.0 million in aggregate.

College Township historically has been a labor shed for surrounding counties, such that while we are attributing the direct jobs and earnings to College Township, there may be a significant share of these jobs that are filled by those residing elsewhere in the County or region. As such, the direct local impacts may be less than the \$16.5 million calculated here.

FISCAL IMPLICATIONS

GAMING TAXES

Pennsylvania has one of the highest gaming tax rates in the United States, with revenues predominantly retained by the State and earmarked for property tax relief. The State collects approximately 50% of casino slot revenues, net of promotional credits. This includes money for Property Tax Relief, a Horse Race Development Fund, an Economic Development and Tourism Fund, and money for county grants. Additionally, a Local Share Assessment is imposed for each gaming facility, at rates ranging from 2% to 4% of net slot revenues; in the case of the Category 4 casinos, the rate is 4%, divided equally between the Host Municipality and Host County.

Casinos also pay the State a 14% tax on table win (not including fully-automated tables, which are taxed at 48%), and 34% on sports betting win. An incremental tax of 2% of table win and sports betting win (retail and online) is assessed as a Local Share Assessment, split evenly between the Host County and Host Municipality. It is these Local Share Assessments for slots, tables and sports betting that would be most pertinent to College Township and Centre County.

TABLE 49: PENNSYLVANIA GAMING TAX RATES, BY LICENSE CATEGORY

	CATEGORY 1	CATEGORY 2	CATEGORY 3	CATEGORY 4
Slots				
State Tax	50.0%	50.0%	50.0%	50.0%
Local Share Assessment	2.0%	2.0%	4.0%	4.0%
Table Games				
State Tax	14.0%	14.0%	14.0%	14.0%
Local Share Assessment	2.0%	2.0%	2.0%	2.0%
Sports Betting				
State Tax	34.0%	34.0%	34.0%	34.0%
Local Share Assessment	2.0%	2.0%	2.0%	2.0%

Source: Pennsylvania Gaming Control Board

As there will be no sports betting affiliated with the Happy Valley Casino, the applicable gaming tax rates at the local level would be 2% of slot revenues and 1% of table gaming revenues for College Township. The same total would go to Centre County. As a result, **we project gaming taxes to College Township will range from \$1.24 million to \$1.35 million annually during the first five years of operations; Centre County would receive the same amount (with stabilized annual growth of approximately 2.1% annually thereafter).**

TABLE 50: LOCAL GAMING TAX REVENUE PROJECTION, MUNICIPALITY AND COUNTY SHARES

	2027	2028	2029	2030	2031
Slot LSA	\$1,163,561	\$1,187,318	\$1,211,840	\$1,237,178	\$1,263,385
Table LSA	\$79,334	\$80,954	\$82,625	\$84,353	\$86,140
Total	\$1,242,894	\$1,268,272	\$1,294,466	\$1,321,531	\$1,349,525

Source: CSG analysis

Ultimately, when comparing the Local taxes just on slots and tables, the CSG projection for the first five years of operation is a range of \$1.24 million to \$1.35 million, which if extended out to 10 years at a constant growth rate, would stabilize at \$1.50 million by Year 10. In contrast, ESI arrives at a 10-year range of \$1.38 million to \$1.79 million from slots and tables, but has also forecast annual tax revenues of approximately \$0.2 million per year emanating from sports betting. Based on our understanding of the current plans as provided to the Gaming Commission, these sports betting-related dollars would not materialize. In short, our projection of tax revenues from slots and table games are approximately 10% below ESI's (net of sports) in Year 1, but due to CSG's more conservative growth assumptions, CSG's year 10 projection is approximately 16% below ESI's. As a 10-year total comparison, we project gaming taxes to College Township (as well as an equal amount to Centre County) in the amount of \$13.7 million, as compared to ESI's projection (net of the sports betting taxes projected) of \$15.8 million.

TABLE 51: COMPARATIVE TOWNSHIP GAMING TAX PROJECTIONS

	CSG	ESI	DIFFERENCE	DIFFERENCE
2027	\$1,242,894	\$1,380,000	(\$137,106)	-9.9%
2028	\$1,268,272	\$1,420,464	(\$152,192)	-10.7%
2029	\$1,294,466	\$1,462,116	(\$167,650)	-11.5%
2030	\$1,321,531	\$1,504,991	(\$183,460)	-12.2%
2031	\$1,349,525	\$1,549,124	(\$199,598)	-12.9%
2032	\$1,378,113	\$1,594,552	(\$216,439)	-13.6%
2033	\$1,407,306	\$1,641,314	(\$234,008)	-14.3%
2034	\$1,437,118	\$1,689,449	(\$252,331)	-14.9%
2035	\$1,467,562	\$1,738,997	(\$271,436)	-15.6%
2036	\$1,498,650	\$1,790,000	(\$291,350)	-16.3%
10 Yr Total	\$13,665,437	\$15,771,008	(\$2,105,571)	-13.4%

Sources: CSG projections and ESI 2021 memo to SC Gaming Page 19, reflecting Year 1 and Year 10 projections (CSG calculated years 2-9 based on steady annual growth, though we note that ESI's Gross Revenues (rounded to the nearest \$0.1 million) did not increase at a steady annual pace, but did not reflect a steep ramp followed flat stabilization).

As discussed in the gaming overview Sports Betting sub-section, Pennsylvania casinos and online affiliates generate nearly \$500 million per year, but this demand is dominated by less than half of the casino operations; for approximately half of the casinos, the sports betting increment is relatively negligible (i.e., approximately \$1 million in gaming revenues). In the ESI model, based on their projection of tax revenues, it would appear ESI projects a range of \$9.3 million to \$11.0 million per year during the first 10 years of operation (based on local tax projections in the range of \$186,000 to \$219,000)⁶⁴, effectively increasing ESI's 10-year total in the preceding table from approximately \$15.8 million to \$18.0 million.

This increment is therefore unlikely to be recognized by the Happy Valley Casino due to a) the current plan that it will not be a component of the overall operation, and b) unless it is tied to a major online brand, it would likely be in the tier of casinos with sports books generating ~\$1 million per year (and therefore a much smaller fiscal impact than ESI projects).

INCOME TAXES

Household incomes as attributable to the casino operations will have a fiscal impact via a Local Services Tax (LST) and the Earned Income Tax (EIT). We project the casino operations will generate \$16.7 million in earnings to College Township residents (including those working at the casino that reside outside of College Township). The EIT rate would therefore be a blended rate, as incremental earnings for College Township residents would incur an EIT of 0.5% to the Township and 0.95% to the School District, whereas those residing elsewhere may incur an EIT of 1.0% (but no School District tax), assuming they are not similarly taxed elsewhere.

Local services taxes equate to \$52 per employee, of which \$47 goes to the Township and \$5 to the School District. Based on the earnings and employment impacts as projected above, **the Township would receive approximately \$100,000 annually in LST and EIT revenues, while the School**

⁶⁴ ESI memo prepared for SC Gaming OpCo LLC re: Local Impact Report & Economic and Fiscal Impact in Support of PGCB Application, dated February 19, 2021. Page 19.

District would receive approximately \$160,000.⁶⁵ These totals may vary slightly depending on what share of employees reside in the Township, with the Township total effectively being the minimum possible (based on the total earnings projections) and the School District total being the maximum possible (based on the total earnings projections), with the EIT totals inflating annually with income growth (likely 1 to 2% annually).

TABLE 52: EIT AND LST PROJECTIONS

	RATE	TAX
Township LST	\$47/employee/yr	\$16,638
School LST	\$5/employee/yr	\$1,770
Township EIT	0.50% of earnings	\$83,552
School EIT	0.95% of earnings	\$158,750

Source: CSG projections

PROPERTY TAXES

In addition to the fiscal impacts from casino gaming taxes and income taxes, the Township and County expect an increase in property taxes as a result of enhancements at Nittany Mall. As provided in the ESI report (Figure 15)⁶⁶, the property is projected to have an incremental \$7.5 million assessment. CSG has no information to suggest a revision to this estimate, however some millages have changed since the 2021 report was released. The following table provides an update to these projections.

TABLE 53: FISCAL IMPACT OF PROPERTY ASSESSMENT INCREASE

	ESI 2021 CALCULATION	CSG 2025 UPDATED CALCULATIONS
Assessment Δ	\$7,489,350	\$7,489,350
Municipal Millage Rate	5.8	6.1
Increase in Revenue to College Township	\$40,000	\$50,000
School District Millage Rate	46.0875	50.9228
Increase in Revenue to School District	\$350,000	\$380,000
County Millage Rate	7.84	7.84
Increase in Revenue to Centre County	\$60,000	\$60,000

Sources: ESI report page 20; Revised millages from College Township.

FISCAL IMPACT SUMMARY

In total, College Township can expect a **fiscal impact as a result of casino operations of approximately \$1.4 million in the first full year of operations, increasing to \$1.66 million annually by Year 10.** These totals are approximately \$240,000 to \$420,000 per year less than as projected by ESI, largely (but not entirely) due to the elimination of sports betting from the operating assumptions (CSG is also more conservative regarding the casino gaming projections, particularly with respect to the potential annual growth rate). In addition to the fiscal impact to the Township budget, the School

⁶⁵ We note that ESI's 2021 memo for SC Gaming only had EIT and LST projections in its summary fiscal impact table, and only for the Township. ESI's projections of the EIT are considerably lower than the \$83,552 we have calculated, but we are unable to determine what ESI used as inputs to make their calculation.

⁶⁶ Ibid, page 20

District can expect a fiscal impact of approximately \$540,000 to \$564,000 per year from property and LST/EIT taxes. The ESI report does not fully identify the projections for the School District.

The impacts at the County level would predominantly be limited to the gaming taxes, which as noted above, are collected at the same rate as the Township (i.e., \$1.24M to \$1.50M/year), along with the increased property taxes

TABLE 54: SUMMARY FISCAL IMPACT COMPARISONS

Tax Revenue Increase	CSG PROJECTIONS		ESI PROJECTIONS	
	Within the First Year	At Stabilization	Within the First Year	At Stabilization
Host Municipality Slot Revenue	\$1,163,561	\$1,402,991	\$1,230,000	\$1,600,000
Host Municipality Table Revenue	\$79,334	\$95,658	\$150,000	\$190,000
Host Municipality Sportsbook Revenue	\$0	\$0	\$186,000	\$219,000
Real Estate Taxes	\$50,000	\$50,000	\$40,000	\$40,000
EIT	\$83,552	\$95,533	\$6,000	\$7,000
LST	\$16,638	\$16,638	\$21,000	\$25,000
Total	\$1,393,085	\$1,660,821	\$1,633,000	\$2,081,000
School District				
Property Tax	\$380,000	\$380,000	\$350,000	\$350,000
EIT	\$158,750	\$181,513	n.a.	n.a.
LST	\$1,770	\$1,770	n.a.	n.a.
Total	\$540,520	\$563,283	n.a.	n.a.

Sources: CSG projections and ESI 2021 memo to SC Gaming, page 21.

REAL ESTATE IMPACTS

RESIDENTIAL REAL ESTATE

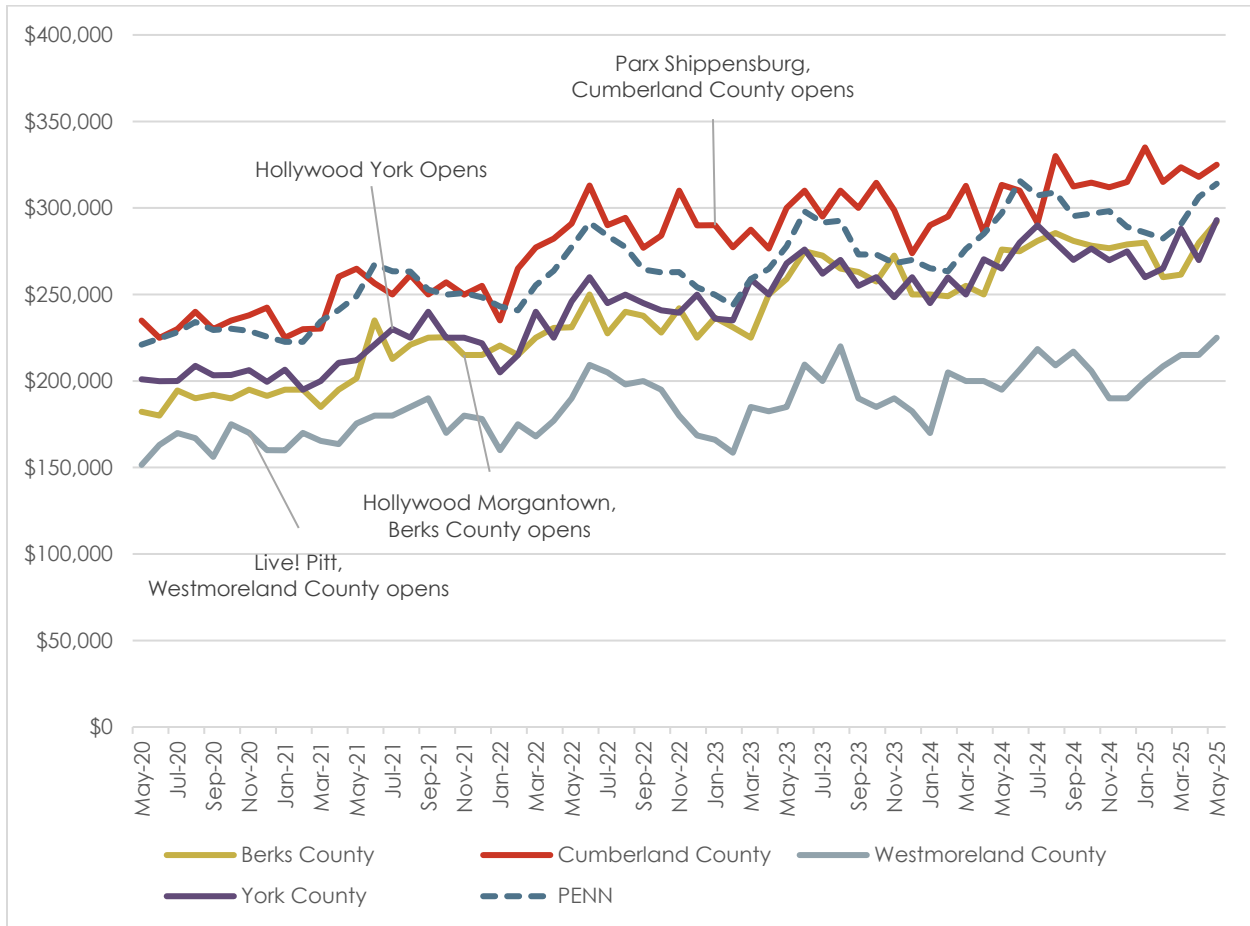
CSG obtained monthly median home sales prices and listing price per square foot data for Centre County, for Pennsylvania statewide, and for existing Category 4 host counties from May 2020 through May 2025 in order to demonstrate the degree to which there may be a correlation between the casino opening and real estate trends, as well as to do establish a baseline for Centre County for future comparisons. For each of the counties in which Category 4 casinos have been opened since 2020, the median sales prices and listing prices per square foot have increased since the casino openings. When comparing growth in average annual sales prices in host communities to the respective growth rate statewide (i.e., comparing average annual growth for a casino that opened in 2022 for a county vs. the state's growth since 2022), two of the counties (Berks and York) outpaced the state, and two of the counties (Cumberland and Westmoreland) were outpaced by the state.⁶⁷

An additional real estate metric we examined was median listing prices per square foot, as the stock of residential housing on the market each year may be skewed by the types of homes put on sale, especially if there are new subdivisions developed and put on the market. For that metric, three of the

⁶⁷ <https://www.redfin.com/state/Pennsylvania/housing-market>, and links followed to county monthly figures, accessed July 14, 2025.

four host communities had growth rates higher than the state rates since opening, with only Cumberland County being outpaced by the state.⁶⁸

CHART 4: MONTHLY MEDIAN RESIDENTIAL SALES PRICES RELATIVE TO CASINO OPENING DATES



Source: Redfin

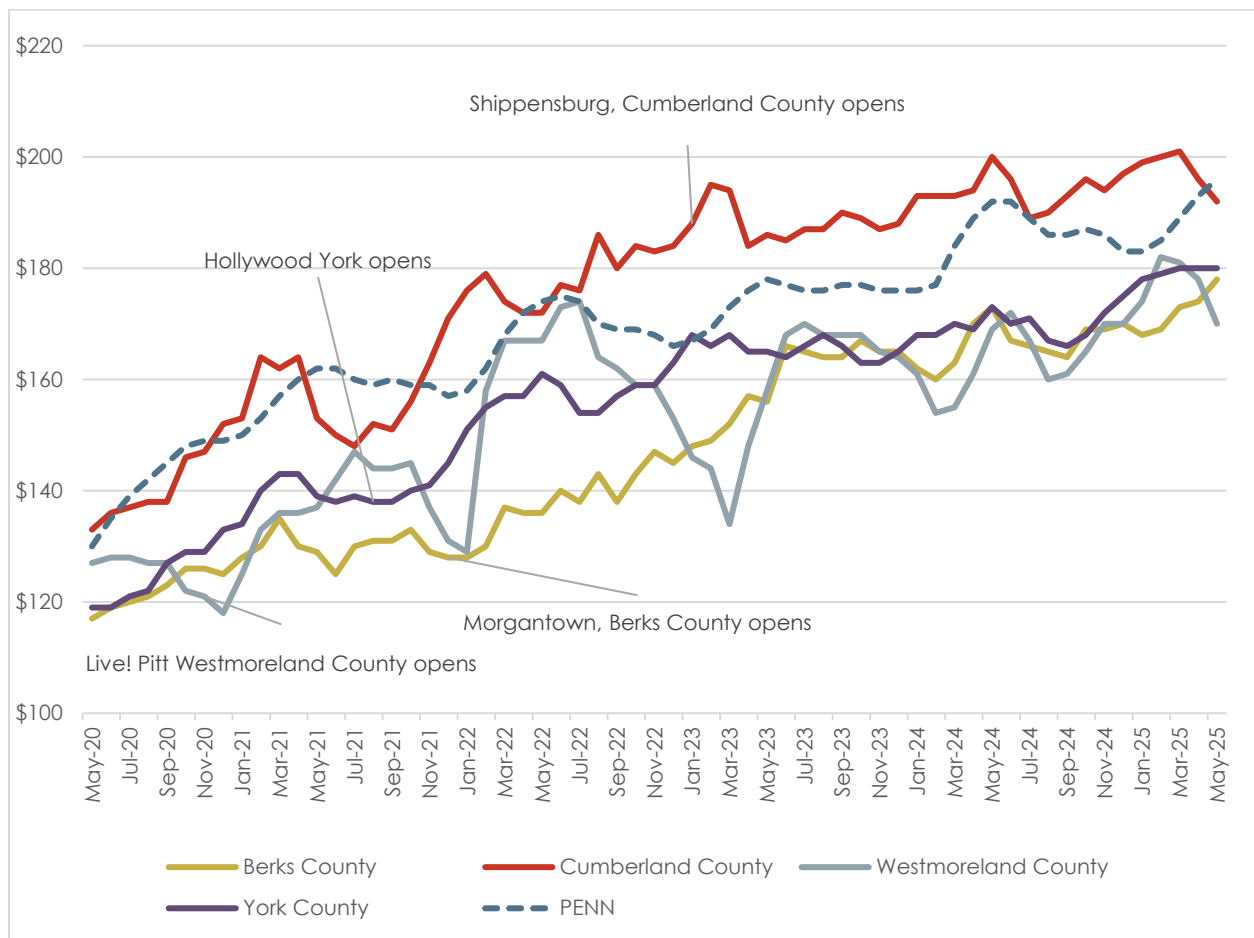
⁶⁸ <https://fred.stlouisfed.org/categories/27320>. CSG took the average of the monthly data for each twelve month period to derive the twelve month median figures, and therefore does not reflect weighted averages of the number of listings or sales per month.

TABLE 55: MEDIAN SALES PRICE IN CENTRE, CATEGORY 4 CASINO COUNTIES AND STATE

	CENTRE COUNTY	BERKS COUNTY	CUMBERLAND COUNTY	WESTMORELAND COUNTY	YORK COUNTY	PENN
June '20-May '21 avg	\$286,092	\$192,024	\$237,556	\$166,275	\$203,754	\$230,908
June '21-May '22 avg	\$302,165	\$222,600	\$260,839	\$177,753	\$226,554	\$256,358
June '22-May '23 avg	\$333,970	\$237,650	\$290,779	\$186,069	\$248,150	\$266,017
June '23-May '24 avg	\$346,363	\$260,040	\$298,974	\$194,309	\$258,698	\$277,745
June '24-May '25 avg	\$362,709	\$277,483	\$316,820	\$208,338	\$276,404	\$299,183
4-yr Avg. Annual Growth (AAG)	6.1%	9.6%	7.5%	5.8%	7.9%	6.7%
AAG since yr casino opened	N/A	7.6%	4.4%	5.8%	6.9%	N/A
PA AAG since yr casino opened		5.3%	6.1%	6.7%	5.3%	

Source: Redfin

CHART 5: MONTHLY MEDIAN RESIDENTIAL LISTING PRICES PER SQUARE FOOT RELATIVE TO OPENING DATES



Source: Federal Reserve of St. Louis data from Realtor.com

TABLE 56: MEDIAN LISTING PRICE/SF IN CENTRE, CATEGORY 4 CASINO COUNTIES AND STATE

	CENTRE COUNTY	BERKS COUNTY	CUMBERLAND COUNTY	WESTMORELAND COUNTY	YORK COUNTY	PENN
June '20-May '21 avg	\$159	\$126	\$149	\$128	\$132	\$149
June '21-May '22 avg	\$169	\$131	\$164	\$148	\$147	\$163
June '22-May '23 avg	\$184	\$146	\$185	\$156	\$161	\$171
June '23-May '24 avg	\$195	\$165	\$191	\$164	\$167	\$180
June '24-May '25 avg	\$192	\$169	\$195	\$171	\$174	\$188
4-yr Avg. Annual Growth (AAG)	4.7%	7.7%	7.0%	7.4%	7.2%	6.0%
AAG since yr casino opened	N/A	8.9%	2.8%	7.4%	5.8%	N/A
PA AAG since yr casino opened		5.0%	4.8%	6.0%	5.0%	N/A

Source: Federal Reserve of St. Louis data from Realtor.com

The median sales price in Centre County increased from \$286,092 for the period June 2020-May 2021 to \$362,709 for the period June 2024-May 2025, reflecting an average annual growth rate of 6.1%. The annual growth rate of median home sales prices from the 12-month period ending May 2021 through the 12-month period ending May 2025 for Centre County was slower than three of the four existing Category 4 host counties (slightly exceeding Westmoreland County), as well as the statewide rate (6.7%). However, the median price in Centre County well exceeds that of the other four host counties, as well as the state average.⁶⁹

The trends in median list price per square foot are comparable to that of the median list prices, with the notable exception of the fact that Centre County has grown at a slower pace than all four Category 4 hosts, and the state, since the 2020/2021 period, by a fairly significant margin (host communities averaging between 7.0% and 7.7% per year, as compared to Centre at 4.7% per year and the statewide average at 6.0%).⁷⁰

There are obvious macroeconomic issues that can affect statewide home prices, such as fluctuating interest rates, and therefore it is important to look at statewide trends when evaluating the trends in Centre County real estate. Further, it is important to consider whether there has been a significant change in new residential supply each year (i.e., a new upscale subdivision or new affordable housing development) that could skew median prices. Assuming there are no significant events, **the data suggests that the County should not experience adverse affects in residential real estate values as a result of the casino opening, and could potentially grow at a faster pace than recently experienced.**

COMMERCIAL REAL ESTATE

Through the course of our study, CSG principals toured the commercial areas of both College Township and the other Category 4 casino communities, as well as interviewed property managers of commercial properties which host casinos, and government officials and community leaders in host

⁶⁹ <https://www.redfin.com/state/Pennsylvania/housing-market>, and links followed to county monthly figures, accessed July 14, 2025.

⁷⁰ <https://fred.stlouisfed.org/categories/27320>. CSG took the average of the monthly data for each twelve month period to derive the twelve month median figures, and therefore does not reflect weighted averages of the number of listings or sales per month.

communities to understand the impacts the casinos have had on commercial real estate. By and large, the casinos appear to have had slightly positive to no impact on commercial real estate in their communities. One mall owner lamented the increased electricity and light bulb costs associated with the casino's 24/7 operations.

Westmoreland Mall (Live! Pittsburgh)

Live! Pittsburgh is located within Westmoreland Mall in Hempfield Township, and therefore CSG interviewed officials there. According to these officials, the casino has stabilized the mall, and supported existing and new restaurants, shops, and hotels in the community. Officials expressed excitement about the pending opening of a Dick's World of Sports near the casino, which is expected to be a significant draw for visitors and shopping to the area. This new store will replace the existing Dick's Sporting Goods behind the casino, marking a significant upgrade and new investment in the community.

CSG sought to interview Westmoreland Mall management on multiple occasions, yet no management or staff were made available for an interview, nor did we receive written responses to questions submitted.

York Galleria (Hollywood York)

Hollywood York is located within York Galleria in Springettsbury Township. In addition to occupying the former Sears building, the casino reportedly rents multiple additional spaces in the mall for storage and a training facility. CSG interviewed the former general manager of the mall who oversaw its opening and first years of operations, and reported that the opening of the casino did not impact either occupancy or sales at the mall. The mall, which operated at approximately 60% occupancy before and after the casino, affected no change in lease rates since the opening of the casino. The former mall manager lamented a lack of signage for the casino, and that there were no cross-promotions between the casino and surrounding businesses. The manager noted that security at the casino is "top-notch" and they very rarely have issues. She also noted that the mall is responsible for landscape, lighting, and snow removal, and that the casino has made no accommodation for buses or tractor trailers, which have subsequently destroyed 3 poles by running into them. The casino has resulted in increased light bulb costs in the parking lot since it is open 24/7; the mall operator reported a 25% increase in electricity costs and costs to replace light bulbs, costs which the mall is responsible for yet did not budget for.⁷¹

Shippensburg Shopping Center (Parx Casino Shippensburg)

Shippensburg officials report that the area is thriving due to the addition of the casino to the town, with many thousands of new visitors to the area, supporting local businesses and spurring the development of fast food restaurants, and potentially new hotels. The officials reported that the mall has opened new businesses, although they believed the momentum was building before the casino was developed. These officials opined the Nittany Mall may see an uptick in small boutique shops, coffee shops, etc. as a result of the casino development.

⁷¹ Interview with Lauri Altman, former General Manager of York Galleria. August 2025.

Shippensburg Shopping Center management did not respond to calls and email requests for interviews or comments.

Nittany Mall (future home to Happy Valley Casino)

CSG sought to interview Nittany Mall management with regard to current occupancy, lease rates, and any increased or decreased interest in rentals. While we reached out over phone and email on multiple occasions, no management or staff were made available for an interview, nor did we receive written responses to questions submitted.

ZONING ISSUES

CSG interviewed officials in each of the Category 4 casino communities, who reported very little if any impact on zoning or permits since the casino opening. The Zoning Director of Caernarvon Township (Berks County, Morgantown Casino), Jeffrey Kerlin stated through a July 25, 2025 email, "Aside from the initial ordinance amendments to accommodate the Casino as a permitted principal use there has been no additional ordinances or regulations adopted as a result of the day to day operation of the Casino. I believe this can be partially attributed to the remote location of the facility and its close proximity to the PA Turnpike and several other arterial roads that are accessible to that area of the Township."

SOCIAL IMPACT ANALYSIS

A negative externality related to the presence of casinos is addiction, or problem gambling, which can manifest in a variety of ways, from criminal offenses to domestic problems, bankruptcy and suicide. This is true for access to all formats of gambling, from casinos to skill games to sports betting. Given that Pennsylvania already has at least as many formats of gambling as any state in the United States, even without a casino at Nittany Mall, regional residents already have access to a broad variety of gambling options.

As gambling opportunities rise, gambling industry firms and other organizations have implemented and researched new techniques to promote responsible gaming (i.e. reduce problem gambling) and avoid gambling harm. This section of the report identifies ways that the industry is trying to tackle and identify problem gaming, and analyzes data regarding social harms to see the degree to which they are correlated with casino gaming currently in Pennsylvania (and as analyzed elsewhere). We note that while we use comparative data from existing Category 4 casino markets in Pennsylvania in order to look at impacts and trends, there are only four, and are still a relatively new concept in the state (entering between 2020 and 2023), such that the data sample size is small. Nevertheless, where possible, we supplement the figures with data from casino and non-casino counties in other states to further analyze potential trends.

RESPONSIBLE GAMING

In a white paper for the International Center for Responsible Gaming (ICRG), Reilly (2017)⁷² summarized the findings of a literature review by Ladouceur et al. (2016)⁷³ of the published research on effective responsible gaming techniques. Unfortunately, there they found no single approach in the literature that seems to produce long-term effective solutions to problem gaming. **The most promising technique was voluntary self-exclusion**, which allows individuals to remove themselves from marketing from gaming industry firms. Some of these policies even allow staff to exclude individuals from casino grounds if they are on the self-exclusion list. Four of the nine reviewed studies on self-exclusion techniques found positive outcomes; however, these seem to only be short-term solutions as participants tend to find the program less effective over time (after about 6 months) with some even breaching the agreement and returning to the casinos. Other studies reviewed tracking behavioral characteristics using an algorithm, allowing gamblers to set time or money gambling limits, modifying gaming features, and training employees to recognize problem gamblers; **unfortunately, none of the reviewed research on these other four techniques showed conclusive evidence of reducing problem gambling and gambling-related harm even in the short-run.**

As of the writing of Ladouceur et al. (2016)⁷⁴, predictive algorithms for problem gambling showed promise but lacked substantial evidence. Since then, more research (Auer and Griffiths 2022⁷⁵,

⁷² Reilly, Christine. 2017. "Responsible Gaming: A Review of the Research."

⁷³ Ladouceur, Robert, Shaffer, Paige, Blaszczynski, Alex, and Howard J. and Shaffer. 2017. "Responsible Gambling: A Synthesis of the Empirical Evidence." *Addiction Research & Theory* 25 (3): 225–35.
<https://doi.org/10.1080/16066359.2016.1245294>.

⁷⁴ *ibid*

⁷⁵ Auer, Michael, and Mark D. Griffiths. 2023. "Using Artificial Intelligence Algorithms to Predict Self-Reported Problem Gambling with Account-Based Player Data in an Online Casino Setting." *Journal of Gambling Studies* 39 (3): 1273–94.
<https://doi.org/10.1007/s10899-022-10139-1>.

Andersson et al. 2025⁷⁶) has predicted problem gambling using real-world player data from gambling industry firms providing suggestive evidence that, in the future, organizations may be able to intervene sooner when individuals display behavior highly predictive of problem gambling.

Findings across all the above surveys and research indicate that online gambling and sports betting, which Pennsylvania residents already have access to, tend to be the most problematic forms of gambling. Furthermore, men and younger adults are usually the largest group of problem gamblers. Together, this indicates that information regarding help for gambling addiction and responsible gaming should be targeted even more at these individuals. Following the conclusions of the research, promoting self-exclusion lists would plausibly boost responsible gaming despite its likely time-limited effects.

PROBLEM GAMBLING RELATED ISSUES

As a host community to a casino, there are potential social costs that may result from the facility's operation, specifically with respect to potential crime impacts, public health impacts and related negative externalities that can result from compulsive gambling behavior. For the purpose of this analysis, CSG conducted primary research to determine the number of calls for service that the casino should expect per week for police, fire and EMS, and the degree to which this may cause a hardship for public safety agencies. Additionally, we reviewed third party research and obtained data from state and national agencies to determine the degree to which the presence of a casino impacts crime rates, gambling addiction, domestic violence, bankruptcy and suicide rates. Further, we investigated the level of casino-generated funding that may be available to support local issues that may be available to mitigate any public health impacts, and what can/has been done in Pennsylvania to mitigate problem gambling and support related public health issues, in order to provide recommendations for College Township.

Several universities and state agencies have completed studies that address the prevalence of problem gambling and various demographic characteristics of those them demonstrate problematic behavior. The findings of these studies are addressed below.

NATIONWIDE PROBLEM GAMBLING PREVALENCE

Before analyzing potential effects from problem gambling and casino locations, it first needs to be established how prevalent problem gambling is in the United States especially among similar demographics to those in Centre County. Below are surveys and research reports by universities and academic researchers estimating problem gambling prevalence among different groups and gambling types.

FAIRLEIGH DICKINSON UNIVERSITY ONLINE BETTING POLL

In 2024, Fairleigh Dickinson University surveyed registered voters (ages 18+) across the US to study the prevalence of problem gambling behaviors or "gambling harm" comparing rates between different forms of gambling, age groups, and sexes. Overall, they found that 57% of respondents have participated in some form of gambling or betting behavior in the previous year including lottery tickets (~43%), scratch-offs (~36%), in-person casino games or slot machines (~18%), and/or betting online on

⁷⁶ Andersson, Sam, Per Carlbring, Keenan Lyon, Måns Bermell, and Philip Lindner. 2025. "Insights into the Temporal Dynamics of Identifying Problem Gambling on an Online Casino: A Machine Learning Study on Routinely Collected Individual Account Data." *Journal of Behavioral Addictions* 14 (1): 490–500. <https://doi.org/10.1556/2006.2025.00013>.

sports or races (~10%). Men (15%) are more likely to bet online than women (6%), with individuals younger than 45, regardless of sex, being the most likely age demographic.

Respondents answered a nine-question poll, or Problem Gambling Severity Index (PGSI), to determine any problem gambling behaviors. Scoring an eight or above on the nine question PGSI is considered problem gambling. The questions included⁷⁷:

- Have you bet more than you can really afford to lose?
- Have you needed to gamble with larger amounts of money to get the same feeling of excitement?
- Have you gone back to try to win back the money you'd lost?
- Have you borrowed money or sold anything to get money to gamble?
- Have you felt that you might have a problem with gambling?
- Have you felt that gambling has caused you any health problems, including stress or anxiety?
- Have people criticized your betting, or told you that you have a gambling problem, whether or not you thought it is true?
- Have you felt your gambling has caused financial problems for you or your household?
- Have you felt guilty about the way you gamble or what happens when you gamble?

The majority (65%) polled that participated in gambling did not report any of the above signs of problem gambling. However, 21% of those polled (equal to the 35% that participated in some form of gambling) reported one or more problem behavior. Online gamblers were significantly more likely to report problem behavior than those that participate in most other forms of gambling, with 68% demonstrating at least one problem gambling behavior and 53% having two or more. Meanwhile, unsurprisingly, 45% of men under thirty, the most likely group to bet online, reported at least one problem behavior.

Only 3% of those polled scored at least eight on the PGSI index, but this varied by age and game preference (but not notably by gender, rounded to 3% for men and 2% for women); among younger individuals, 10% of men ages 18-30 and 7% of women 18-30 scored at least an 8 on the PGSI, with older individuals reportedly far more rarely having PGSI scores worthy of concern (1% of men and 3% of women age 45-64 and less than 1% of men and women over the age of 65). Unsurprisingly, online gamblers, who were more likely to report problem gambling behaviors, were also more likely to score an 8 or above on the PGSI, with 17% doing so compared to only 6% among respondents who play in-person casino games.⁷⁸

ST. BONAVENTURE AND SIENA COLLEGE RESEARCH INSTITUTE POLL

In 2025, St. Bonaventure University and Siena College Research Institute conducted a poll among US residents ages 18 and older on sport betting behavior and opinions. They found 48% of men 18-40 have at least one online sportsbook account. Most were active with their accounts as 54% placed bets at least once a week. Their betting prevalence has also led to negative behaviors with 52% admitting “chasing” a bet, which is the behavior of increasing wagers after a loss to recoup money, and 20%

⁷⁷ Cassino, Dan, “FDU Poll: Online Betting Leads to Problems for Young Men”, Fairleigh Dickinson University, September 19, 2024. <https://www.fdu.edu/news/fdu-poll-finds-online-betting-leads-to-problems-for-young-men/>,

⁷⁸ Ibid.

losing an amount that resulted in difficulty satisfying financial obligations. 33% of online sports gamblers also reported knowing someone who has or had a problem gambling.⁷⁹

UNIVERSITY OF MASSACHUSETTS SOCIAL AND ECONOMIC IMPACTS OF GAMBLING IN MASSACHUSETTS (SEIGMA) REPORT

The Social and Economic Impacts of Gambling in Massachusetts (SEIGMA) 2024 report was commissioned after the legalization of casino gambling in the state in 2011 and measured a variety of effects from the three casinos which opened since legalization: Plainridge Park Casino (PPC), a racetrack casino in the outer Boston suburban area opened in 2015, MGM Springfield, a casino in the downtown area of a sizable city in Western Massachusetts opened in 2018, and Encore Boston Harbor (EBH), a destination-scale property located in the Greater Boston area opened in 2019. The researchers performed a baseline survey in 2013-2014 before any casinos opened and a follow-up survey in 2021-2022 to determine any effects on perceptions and behaviors after the opening of the casinos.

The authors used the Problem and Pathological Gambling Measure (PPGM) (Williams & Volberg 2014⁸⁰) to classify individuals into four categories: non-gamblers, recreational gamblers, at-risk gamblers, and problem gamblers.⁸¹ They found no statistically significant change state-wide in at-risk or problem gamblers from their baseline survey in 2013/14 (2% of respondents were categorized as problem gamblers) to their follow-up survey in 2021/22 (1.4% of respondents were categorized as problem gamblers). They also reported no statistically significant changes in the share of problem gamblers in the specific host and surrounding communities of the three casinos. Similar to the findings of other studies, most problem gamblers were male, representing 72.3% of problem gamblers in 2013/14 and 69.1% in 2021/22 (the difference between the surveys is not statistically significant). The average age of problem gamblers statistically significantly decreased from 49.3 in baseline to 43.8 in the follow-up surveys indicating more young people becoming problem gamblers.

Further investigating potential changes in problem gambling prevalence, the authors analyzed the annual number of intakes for problem gambling treatment from the MA Department of Public Health, annual calls to the state problem gambling help line, and qualitative reporting on gambler anonymous meetings. The number of problem gambling intakes decreased sharply from 2000 (343) to 2018 (13) with large decreases around the casino openings (48 in 2013 to 13 in 2018). 2018 is the last year of data as it seems the department stopped tracking this data. The number of calls to the state-wide gambling help line drastically fluctuated from 2015 to 2022, increasing from 2015 to 2017, then dropping in 2020, and spiking again through 2022. The data is not directly comparable to the years before the first casino opened in 2015 due to collection and tabulation approach changes; although, the number of annual calls had decreased from 2006 (1,640) to 2013 (743). The prevalence of online access to help with problem gambling may also have contributed to decreases. Regarding Gamblers Anonymous meetings, the total number of locations with weekly meetings held in Massachusetts has

⁷⁹ The American Sports Fanship Survey, St. Bonaventure University's Jandoli School of Communication and Siena College Research Institute. <https://www.sbu.edu/news/news-items/2025/02/18/survey-almost-half-of-american-men-have-online-betting-accounts>

⁸⁰ Williams, Robert J., and Rachel A. Volberg. 2014. "The Classification Accuracy of Four Problem Gambling Assessment Instruments in Population Research." *International Gambling Studies* 14 (1): 15–28. <https://doi.org/10.1080/14459795.2013.839731>.

⁸¹ These categories are defined as "Non-gamblers have not engaged in any gambling in the past year. Recreational Gamblers show no signs of excessive gambling or problem gambling symptomatology. At-Risk Gamblers report some signs of problem gambling symptomatology and/or are gambling at levels equivalent to that seen in problem gamblers. Problem Gamblers have impaired control over their gambling that is also associated with significant negative consequences for themselves or others."; SEIGMA 2024 Report, Page 64

declined from 40 in February 2018 to 31 in February 2024, with narrative data from the hosts indicating no noticeable change in meeting attendance after the PPC or MGM casinos opened.⁸²

TABLE 57: ANNUAL PROBLEM GAMBLING TREATMENT DATA, MASSACHUSETTS

YEAR	PATIENT INTAKES	HELP LINE CALLS
2010	59	917
2011	45	780
2012	48	631
2013	48	743
2014	33	NA
2015*	49	952
2016	9	994
2017	24	1126
2018*	13	742
2019*	NA	473
2020	NA	366
2021	NA	565
2022	NA	1378

Source: SEIGMA 2024 Report⁸³; Note: Intake data no longer reported after 2017. Help line calls' data not comparable pre and post 2014; * indicates casino opening years.

YEOLA ET AL. (2025) "GROWING HEALTH CONCERN REGARDING GAMBLING ADDICTION IN THE AGE OF SPORTSBOOKS."

With the increased prevalence of online casinos and sportsbooks in recent years, opportunities for problem gambling have risen. Yeola et al. (2025) investigated any effects of the expansion of sports betting after *Murphy v NCAA* in 2018 on gambling addiction by analyzing Google Trends data. The authors found a 23% rise in online searches relating to gambling addiction help-seeking across the United States. This translates to a conservative estimate of 6.5 million searches for gambling addiction help-seeking nationally in the roughly six years since *Murphy v NCAA*. Monthly searches peaked at 180,000 in June 2023. In their individual state analysis, the authors found Pennsylvania had 50% more searches for problem gambling treatment than expected after the opening of any sportsbook (brick-and-mortar or online). Furthermore, Pennsylvania had 61% more searches than expected after the opening of online sportsbooks, which was significantly higher than during the retail-only sportsbook period. The monthly total of searches was higher in each of the 61 months after online sportsbooks opened than in any one month during the year when it was retail only sportsbooks. This research

⁸² SEIGMA Research Team (2024). *Social and Economic Impacts of Casino Introduction to Massachusetts*. Amherst, MA: School of Public Health and Health Sciences, University of Massachusetts Amherst. October 2024

⁸³ SEIGMA Research Team (2024). *Social and Economic Impacts of Casino Introduction to Massachusetts*. Amherst, MA: School of Public Health and Health Sciences, University of Massachusetts Amherst. October 2024, Pages 72-73 Figures 10-11

highlights a seeming rise in problem gambling behavior after the expansion of legal sports betting and further indicates that online gambling may be more problematic than retail/in-person gambling.⁸⁴

PENNSYLVANIA PROBLEM GAMBLING

Problem gamblers in many states, including Pennsylvania, have the opportunity to self-exclude from casino gaming. The Pennsylvania Gaming Control Board “offers self-exclusion programs to help individuals affected by problem gambling distance themselves from the temptation of gambling. Self-exclusion allows these individuals to voluntarily ban themselves from casinos, internet-based gambling, video gaming terminals and fantasy sports wagering.”⁸⁵ Data from this program indicate that there are 22,790 male and 11,147 female enrollees in the program (33,937 total) statewide. Casino-specific enrollment includes 15,032 males and 8,193 females (23,225 total, or 68% of enrollment), while Fantasy Contest self-exclusion is enrolled in by 1,137 males and 343 females (1,480 total); iGaming posts 5,117 males and 2,151 females (7,268 total, or 21% of enrollment); VGTs post 1,504 males and 460 females (1,964 total).⁸⁶

Since the legalization of online gaming in Pennsylvania, enrollment in self-exclusion programs for iGaming have increased significantly. According to reporting on the State data “last year, about 7,500 Pennsylvanians enrolled in the commonwealth’s voluntary exclusion program, nearly half of them specifying that they wanted to lock themselves out of online platforms.”⁸⁷ It is noteworthy that while the 19-year old (created in 2006) self-exclusion program is 68% comprised of those seeking refuge from casino gaming problems, the enrollment of online problem gamers (PA legalized online gaming in 2017) has continued to make up a larger and larger share of the total enrollment.

In addition to self-exclusion programs, there are a variety of counseling services and support meetings options available, both in-person and online. **The Council of Compulsive Gambling in Pennsylvania has links to options and opportunities that are currently available in Pennsylvania, as well as their 24-hour 1-800-GAMBLER helpline on their <https://www.pacouncil.com/seeking-help/> website.** CSG has reached out to the director of the Council of Compulsive Gambling in Pennsylvania, but we have not been provided with strategy recommendations as to best prepare for or deal with potential issues that may arise, other than there are these links available on their website to access support. As such, public awareness of the existence of the agency is the most obvious approach to addressing problem gambling. An alliance between the Council of Compulsive Gambling in Pennsylvania and regional health agencies, such as Mount Nittany Health, will be paramount to ensure that those seeking help are easily connected to providers, and the volume of demand at the local level is trackable, and

⁸⁴ Yeola, Atharva, Matthew R. Allen, Nimit Desai, Adam Poliak, Kevin H. Yang, Davey M. Smith, and John W. Ayers. 2025. “Growing Health Concern Regarding Gambling Addiction in the Age of Sportsbooks.” *JAMA Internal Medicine* 185 (4): 382. <https://doi.org/10.1001/jamainternmed.2024.8193>.

⁸⁵ Self Exclusion.Pennsylvania Gaming Control Board website. <https://responsibleplay.pa.gov/self-exclusion/> . Accessed August 7, 2025.

⁸⁶ Pennsylvania Gaming Control Board data portal. <https://app.powerbigov.us/view?r=eyJrjoiYWRmYmlzZDQ0NjAwYS00MTFhLThlNmQtMGU5MGJhM2FmMjY4IiwidCI6IjQxOGUyODQxLTAxMjAtNGRkNS05YiZlLTQ3ZmM1YTlhMWJkZS99> . Accessed August 7, 2025.

⁸⁷ Rodgers, Bethany. How Pa. gambling helpline calls, number of self-imposed bans have changed in recent years. USA Today Network. <https://www.goerie.com/story/news/state/2025/08/07/gambling-addiction-pa/85542470007/> Accessed August 8, 2025.

shareable (anonymized) with the Township to ensure that if additional funding is needed, becomes available.⁸⁸

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In addition to the links to available meetings and private counseling services on the Council's website, and potential help as discussed above through providers such as Mount Nittany Health, the Council also provides information on access to GamFin. For problem gamblers that develop financial issues, GamFin is an agency that provides virtual financial counseling to counselors/clients to help provide solutions and pathways. GamFin is a free service in Pennsylvania, as a partnership with the Council of Compulsive Gambling in Pennsylvania.

COLLEGE STUDENT PROBLEM GAMBLING

The first national survey of gambling among college students was published in 2003 with data from 2001, indicating that 42% of students had gambled in the last school year, while 2.6% had gambled

⁸⁸ CSG has reviewed Community Health Needs Assessments as prepared periodically by Mount Nittany Health (most recently in June 2025), in which there is no mention of problem gambling treatment of any kind, however based on other services they provide, would seem an appropriate avenue through which help could be found.

weekly or more frequently. The study also found that “availability of gambling, measured by the number of types of gambling venues located in the schools’ states influenced their decisions to gamble.”⁸⁹

Subsequent to this 2003 study, limited additional research has been conducted to understand the prevalence of gambling and problem gambling among the college student population. The following section details recent relevant studies of the subject.

CALIFORNIA STATE UNIVERSITY SAN MARCOS STUDY

In late 2021, California State University San Marcos researchers published a study entitled “Does Easy Access to Casinos Influence Addictive Gambling Behavior by College Students? The Potential Role of Tribal Gaming in America.” This study of students at eight California colleges in the San Diego market, each with easy access to multiple large-scale casinos found that “roughly half (48.6%) of all students in the sample have gambled in a casino within the past twelve months. This is significant, since California state law allows players as young as 18 years old to engage in casino gambling, in contrast to the law in many other states.” In this study, the researchers found that among students over the age of 21, 55.6% gambled in the last year.⁹⁰ Among all students, 13.1% presented as probable problem gamblers, and 4.4% presented as probable pathological gamblers, while 82.6% were deemed non-problem gamblers. **Problem gambling among students was found to be heavily influenced by gender, with 19.8% of males classified as probable problem gamblers, and 6.3% probable pathological gamblers, versus 7.5% and 2.7% for females, respectively.**⁹¹

INDIANA PROBLEM GAMBLING AWARENESS PROGRAM RESEARCH

According to the Indiana Problem Gambling Awareness Program, “**an estimated 4-8 percent of college students are classified as problem gamblers and about another 10-14 percent are at risk of developing a gambling problem; about 85 percent of college students have been involved in some form of gambling**, and 23 percent report being involved on a weekly basis; and about 29 percent of college students will bet on sports this year.”⁹²

The Adult Gambling Behaviors in Indiana 2022 report indicates that **49.8% of all adults aged 18-34 gambled in a casino within the last 12 months**, while 18.3% participated in sports betting, while 49.1% gambled online.⁹³

By comparison, the 2022 report indicates that 89.3% of Indiana adults participated in at least one gambling activity in the past year, 55.3% of Indiana adults reported visiting casinos to gamble in the past year, and 18.6% participated in sports gambling in the past year. The report notes that “males were more likely to participate in any sports gaming than females,” and “**younger adults reported more participation in any sports gaming and online/video gambling activities than older adults.**” In terms of problem gambling, 2.3% of the adult population had gambling disorders based on the DSM-

⁸⁹ LaBrie, R. A., Shaffer, H. J., LaPlante, D. A., & Wechsler, H. (2003). Correlates of College Student Gambling in the United States. *Journal of American College Health*, 52(2), 53–62. <https://doi.org/10.1080/07448480309595725> Accessed May 27, 2025.

⁹⁰ Scigliompaglia D, Tarr EK, Brodowsky GH (2021) Does Easy Access to Casinos Influence Addictive Gambling Behavior by College Students? The Potential Role of Tribal Gaming in America. *J Addict Addictv Disord* 8: 065. Department of marketing, California State University San Marcos. August 17, 2021. Table 1: Casino gambling participation by age. <https://www.heraldopenaccess.us/openaccess/does-easy-access-to-casinos-influence-addictive-gambling-behavior-by-college-students-the-potential-role-of-tribal-gaming-in-america> Accessed May 27, 2025.

⁹¹ Ibid.

⁹² Gambling & College Students, Indiana Problem Gambling Awareness Program. Indiana University Bloomington. <https://ipgap.indiana.edu/resources-data/special-populations/college-students.html> Accessed May 27, 2025.

⁹³ Adult Gambling Behaviors in Indiana 2022. Indiana Council on Problem Gambling and Prevention Insights at the Indiana University School of Public Health. Table 2, page 5.

V classification method, and that “there were **no statistically significant differences in problem gambling associated with demographic characteristics such as gender, age, race, and household income.**”⁹⁴

RUTGERS CENTER FOR GAMBLING STUDIES

According to a study published by the Rutgers Center for Gambling Studies in 2023, by employment status “**students were the least likely to have gambled in the past year (52.9%) but were overrepresented among online-only gamblers (32.8%).**” **Just over 30% of students reported having gambled at a land-based casino,** versus 44.3% of employed full-time.⁹⁵

TABLE 58: PAST YEAR GAMBLING BY EMPLOYMENT STATUS AND VENUE TYPE, NEW JERSEY

Employment Status	GAMBLED IN PAST YEAR N=2,149		ONLINE N=318 (14.8%)		VENUE TYPE LAND-BASED N= 1,053 (49.0%)		MIXED N= 778 (36.2%)	
	%Yes	n	%Yes	n	%Yes	n	%Yes	n
Full-Time	66.3*	1035	16.2	168	39.5	408	44.3*	459
Part-Time	62.6	205	15.8	32	54.7	112	29.5	61
Self-Employed	57.8	125	22.7	28	37.4	47	39.9	50
Out of work > 1 year	55.4	70	14.1	10	51.2	36	34.7	24
Out of work < 1 year	65.5	106	12.4	13	56.9	60	30.7	33
Homemaker	53.6	71	15.4	12	56.7	39	27.9	20
Student	52.9	86	32.8*	28	30.1	26	37.1	32
Retired	54.3	385	5.2	20	75.2*	289	19.6	76
Disabled	61.1	54	12.0	7	56.8	30	31.2	17
Otherwise not working	43.6	12	0	0	51.5	6	48.5	6

Source: Rutgers Center for Gambling Studies 2023

IMPACTS OF PROBLEM GAMBLING

The social cost of problem gambling generally materializes as financial problems, which can lead to problems with the family and/or job, theft, bankruptcy, and depression. As discussed within this report, there is already a broad array of gambling options in Pennsylvania. As such, the addition of another casino in Pennsylvania may or may not have an impact on the volume of problem gambling, and potentially could result in more problem gambling treatment awareness.

In addition to our review of university-based studies and journal articles on specific problem gambling-related issues, CSG conducted primary research and interviews in Pennsylvania in order to determine to what degree communities are experiencing problem gambling-related social impacts. Specifically, we looked at impacts in terms of domestic violence, divorce rates and suicide.

DOMESTIC VIOLENCE REPORTS

Pennsylvania Domestic Violence Cases

If problem gambling leads to financial problems, it is reasonable to assume that it would lead to marital problems, and potentially domestic violence and divorce. CSG examined trends and rates in

⁹⁴ Ibid.

⁹⁵ Nower, L., Stanmyre, J.F. & Anthony, V. (2023). Rutgers Center for Gambling Studies. *The Prevalence of Online and Land-Based Gambling in New Jersey*. Report to the New Jersey Division of Gaming Enforcement. New Brunswick, NJ: Authors. Page 24.

Pennsylvania to see whether there appeared to be a correlation between Class 4 casino proximity/accessibility and domestic violence reports, with comparisons of rates in host counties versus that of neighboring counties. CSG obtained case reports, by county, from the United Judicial System of Pennsylvania to determine the relative domestic abuse (Family Court Protection from Abuse, or “PFA”) new filings per capita in casino host counties versus neighboring counties, as well as before/after trends for the host counties. The results of these comparisons are as follows:

The Westmoreland County Category 4 casino (Live! Pittsburgh) became operational in late 2020. The York and Berks County Category 4 casinos (Hollywood York and Hollywood Morgantown, respectively) became operational in late 2021, while the Cumberland County Category 4 casino (Parx Shippensburg) became operational in January 2023.

The Category 4 casinos in York, Cumberland and Berks Counties collectively are surrounded by nine counties, with multiple overlaps, given that York County borders Cumberland County and is separated from Berks County by two counties. Collectively, these three eastern/central Pennsylvania counties border the non-casino counties of Adams, Chester, Dauphin, Franklin, Lancaster, Lebanon, Lehigh, Perry and Schuylkill (as well as Montgomery, host to the Valley Forge casino). Westmoreland County in western Pennsylvania abuts seven other counties – Allegheny, Armstrong, Cambria, Fayette, Indiana, Somerset and Washington. Allegheny County is a host county of a Category 2 casino, and therefore is omitted from the casino/non-casino county comparisons (it also has a comparatively sizable population base at 1.25 million, which would skew the results on a weighted average basis).

As demonstrated in Table 59, as an aggregated average, the per capita rate (per 1,000 residents) of domestic abuse cases opened in Pennsylvania courts in central/eastern Pennsylvania Category 4 casino counties ranged from 2.71 to 2.84 from 2018 to 2020, before any of the Category 4 casinos opened, whereas the rate for neighboring counties trended considerably less, at 2.26 to 2.33 cases per 1,000 residents (0.35 to 0.51 per 1,000 residents lower). In 2023, after all of the Category 4 casinos opened, the host counties had a weighted average of 3.61 cases per 1,000 residents, while the neighboring counties had a weighted average of 2.51 cases per 1,000 residents, showing a widening differential.⁹⁶ It should be noted that the Cumberland County casino (Shippensburg) did not open until 2023, and experienced significant growth in its domestic violence rate from 2020 to 2022, thus the growth for that county largely pre-dated the casino opening.

In aggregate, the rate of PFA filings in central/eastern Pennsylvania Category 4 casino host counties historically (2018-2020) was 15% to 20% higher per capita than their neighboring counties, but that differential widened to 46% higher in 2023. This is largely attributable to the trend in Berks County, which was 31% higher than its neighbors in 2020, increasing to 58% greater in 2023. However, it should be noted that the rate in Berks County has been volatile independent of the presence of a casino there, as the rate was 50% higher than its neighbors in 2018, before there was any casino in the immediate region.

⁹⁶ Unified Judicial System of Pennsylvania annual caseload statistics reports. <https://www.pacourts.us/news-and-statistics/research-and-statistics/caseload-statistics>

TABLE 59: CENTRAL/EASTERN PENNSYLVANIA DOMESTIC ABUSE CASES/1,000 RESIDENTS, 2018-2023

COUNTY	2020 POPULATION	2018	2019	2020	2021	2022	2023
Berks	428,849	3.88	3.74	3.11	3.30	3.92	4.41
Cumberland	259,469	1.36	1.51	1.53	1.87	1.96	2.12
York	456,438	2.37	2.44	3.33	3.45	3.30	3.71
Adams	103,852	1.06	1.29	1.37	1.25	1.87	2.01
Chester	534,413	1.03	1.11	0.98	1.29	1.32	1.18
Dauphin	286,401	3.55	3.88	4.17	5.03	4.06	4.11
Franklin	155,932	0.76	0.92	0.95	1.24	1.38	1.48
Lancaster	552,984	2.09	2.00	2.01	2.12	2.10	1.86
Lebanon	143,257	3.03	3.27	2.51	2.36	3.06	3.48
Lehigh	370,802	3.65	4.02	3.93	4.34	4.65	4.23
Perry	45,842	2.31	2.23	2.84	2.77	3.01	2.18
Schuylkill	143,049	2.95	2.66	2.68	2.48	2.58	3.03
Host Counties	1,144,756	2.71	2.72	2.84	3.04	3.23	3.61
Neighboring Counties	2,336,532	2.26	2.37	2.33	2.59	2.62	2.51
Host as % of Neighbor		120.0%	114.9%	121.8%	117.1%	123.5%	143.6%
Statewide	13,002,700	3.00	3.01	2.77	2.98	3.12	3.21

Source: Unified Judicial System of Pennsylvania annual protection from abuse new case filings. Data for host counties in bold reflect first year of operation of the casinos.

In contrast to the trends in eastern/central Pennsylvania, the relative rate of PFA filings in Westmoreland County has trended lower than its neighbors (Table 60). Westmoreland County historically had a lower incidence of domestic abuse cases per capita relative to its neighbor counties prior to the casino opening in November 2020, but has seen that variance widen (for the better) since the casino opened; the incidence in Westmoreland County per 1,000 residents in 2020 was 2.40, and increased to 2.43 in 2023, however the incidence in the neighboring counties increased from 2.46 to 3.14 per 1,000 residents over the same time period.⁹⁷

⁹⁷ Ibid.

TABLE 60: WESTERN PENNSYLVANIA DOMESTIC ABUSE CASES/1,000 RESIDENTS, 2018-2023

COUNTY	2020 POPULATION	2018	2019	2020	2021	2022	2023
Westmoreland	354,663	2.41	2.34	2.40	2.57	2.63	2.43
Armstrong	65,558	2.96	2.90	2.47	2.29	2.61	2.43
Cambria	133,472	1.68	1.69	1.54	1.59	2.53	2.55
Fayette	128,804	4.25	4.74	4.01	4.45	4.08	5.14
Indiana	83,246	1.71	2.16	1.77	2.09	2.17	2.83
Somerset	74,129	1.08	0.96	1.44	1.79	2.10	2.01
Washington	209,349	3.32	2.88	2.74	3.46	2.96	3.03
Host County	354,663	2.41	2.34	2.40	2.57	2.63	2.43
Neighboring Counties	694,558	2.71	2.71	2.46	2.83	2.87	3.14
Host as % of Neighbor		88.7%	86.6%	97.2%	90.6%	91.6%	77.3%
Statewide	13,002,700	3.00	3.01	2.77	2.98	3.12	3.21

Source: Unified Judicial System of Pennsylvania annual protection from abuse new case filings. The bold figure for Westmoreland County in 2021 reflects the opening of the casino there in January of that year.

In aggregate, prior to the opening of any of the Category 4 casinos (2018-2019), the soon-to-be host counties had domestic abuse cases per capita approximately 4 to 6% greater than their neighboring counties. From 2021 to 2023 this steadily increased to a per capita rate differential of 9% to 22.5%, though as evident from the preceding tables, the impacts varied considerably between the host counties.

Baseline Metrics – Centre County

As points of reference for future comparisons, the following table shows annual cases opened in Centre County relative to its neighboring counties. In Centre County, the PFA filings rate was 51%-64% of its neighboring counties from 2018-2023, with negligible change from 2018 to 2023 (though there was some volatility during these years). Centre County has a higher incidence than Clearfield, Mifflin and Union Counties, but a much lower incidence than Blair, Clinton and Huntingdon.⁹⁸ The volatility in some of these neighboring counties has been substantial over this period, i.e., Clearfield ranging from 1.23-2.15 per 1,000 residents and Blair ranging from 3.13 to 4.79, despite having no easy access to casinos, such that any one-year movement in Centre County rates should not be immediately, directly attributed to the casino opening. Nevertheless, based on the historical trends from the existing 4 casino host counties, it is likely that the trend will show a narrowing of the host/neighbor rate difference.

⁹⁸ Ibid.

TABLE 61: CENTRE COUNTY AND NEIGHBORING COUNTY DOMESTIC ABUSE CASES, 2018-2023

COUNTY	POPULATION	2018	2019	2020	2021	2022	2023
Centre	158,172	1.79	1.91	1.69	1.40	1.55	1.71
Blair	122,822	3.57	4.79	3.13	4.62	4.60	4.20
Clearfield	80,562	2.15	1.90	1.96	1.40	1.92	1.23
Clinton	37,450	3.04	2.40	2.70	3.20	3.63	3.58
Huntington	44,092	2.93	2.72	3.20	2.83	3.56	3.63
Mifflin	46,143	1.30	1.86	1.60	1.11	1.56	1.60
Union	42,681	1.52	1.59	1.59	1.43	1.57	1.64
Neighboring Counties	373,750	2.62	2.96	2.48	2.77	3.08	2.82
Centre as % of Neighbor		58.1%	53.9%	64.2%	51.5%	50.9%	58.2%
Statewide	13,002,700	3.00	3.01	2.77	2.98	3.12	3.21

Source: Unified Judicial System of Pennsylvania annual protection from abuse new case filings.

DIVORCE

CSG reviewed data from Pennsylvania and Massachusetts regarding the volumes and prevalence of divorces in casino and non-casino counties in order to determine how strong a correlation existed due to ease of casino access. Data was obtained from the respective state court systems for this analysis. The data for Massachusetts was obtained, as it is an input for the 2024 SEIGMA impact study, for which they analyzed and opined on impacts. CSG used similar methodologies to look at the impacts for Pennsylvania.

SEIGMA (U. of Massachusetts) Divorce Impact Research

The 2024 SEIGMA research also looked at the correlation between the presence of casinos (at the county level) and cases of divorce documented by the Massachusetts Court System. The number of divorces in Massachusetts decreased overall from 2010 to 2020, and the report concludes there is no association at either the county or state level between casinos and “divorce and other domestic relation filings” as defined by the court. The table below represents a subset of the data focusing on only divorce case filings as defined by the Trial Court case types.⁹⁹ Divorces have increased statewide since 2021 with fluctuations in each casino county; however, all levels are lower than 2019.

⁹⁹ The court filings data can be defined by department case types and trial court case types. It is unclear what creates the distinction between the two, but they do report different levels with the department case type filings being much higher. Although when analyzing the data from either course filing definition, there is no clear association between the casinos and divorce filings.

TABLE 62: ANNUAL DIVORCE TRIAL COURT CASES MASSACHUSETTS, FY2019-FY2023

FISCAL YEAR	HAMPDEN COUNTY (MGM)	MIDDLESEX COUNTY (EBH)	NORFOLK COUNTY (PPC)	STATEWIDE
FY2019	1,582	4,338	1,712	21,660
FY2020	1,352	3,523	1,461	17,722
FY2021	1,219	3,970	1,692	19,087
FY2022	1,499	4,049	1,685	19,342
FY2023	1,467	4,070	1,655	19,968

Source: Massachusetts Trial Court, Department of Research and Planning¹⁰⁰; Note: These are only divorce case filings as defined by the trial court case type.

Pennsylvania Divorce Rates

CSG examined trends and rates of divorce in Pennsylvania to see whether there appeared to be a correlation between Class 4 casino proximity/accessibility and the per capita rate of divorce filings, with comparisons of rates in host counties versus that of neighboring counties. Consistent with the Domestic Abuse research, CSG obtained case reports, by county, from the Unified Judicial System of Pennsylvania to determine the relative volumes of divorce filings in casino host counties versus neighboring counties from 2018-2023, in order to try to identify any before/after trends for the host counties. The results of these comparisons are as follows:

As demonstrated in Table 63, as an aggregated average, the per capita rate (per 1,000 residents) of divorce filings in Pennsylvania courts in central/eastern Pennsylvania Category 4 casino counties ranged from 2.79 to 2.90 from 2018 to 2019, before any of the Category 4 casinos opened, whereas the rate for neighboring counties trended considerably less, at 2.65 cases per 1,000 residents. In 2023, after all of the Category 4 casinos opened, the host counties had a weighted average of 2.55 cases per 1,000 residents, while the neighboring counties had a weighted average of 2.20 cases per 1,000 residents.¹⁰¹ In both cases (host and neighbor), the rate of divorce filings has been steadily declining since 2019 (with the exception of a dip statewide in 2020, possibly attributable to COVID court closures/limited operations).

¹⁰⁰ <https://www.mass.gov/lists/annual-trial-court-statistics> <https://www.mass.gov/lists/trial-court-statistics-for-fiscal-year-2023#probate-&-family-court-department->

¹⁰¹ Unified Judicial System of Pennsylvania annual caseload statistics reports. <https://www.pacourts.us/news-and-statistics/research-and-statistics/caseload-statistics>

TABLE 63: CENTRAL/EASTERN PENNSYLVANIA DIVORCE FILINGS/1,000 RESIDENTS, 2018-2023

COUNTY	2020 POPULATION	2018	2019	2020	2021	2022	2023
Berks	428,849	2.39	2.53	2.24	2.28	2.22	2.32
Cumberland	259,469	2.61	2.81	1.97	2.65	2.39	2.39
York	456,438	3.27	3.31	2.78	3.12	3.20	2.85
Adams	103,852	3.24	3.14	2.90	2.85	2.63	2.83
Chester	534,413	2.04	2.25	1.92	1.94	2.03	1.77
Dauphin	286,401	2.27	2.42	2.28	2.51	2.27	2.33
Franklin	155,932	3.16	2.95	3.09	2.96	2.97	2.93
Lancaster	552,984	2.42	2.49	2.05	2.10	1.79	1.93
Lebanon	143,257	5.77	4.74	2.56	2.92	2.78	2.69
Lehigh	370,802	2.57	2.52	2.39	2.32	2.39	2.32
Perry	45,842	2.62	3.18	2.49	2.81	2.44	2.53
Schuylkill	143,049	2.78	2.54	2.75	2.61	2.21	2.39
Host Counties	1,144,756	2.79	2.90	2.39	2.70	2.65	2.55
Neighboring Counties	2,336,532	2.65	2.65	2.29	2.33	2.21	2.20
Host as % of Neighbor		105.1%	109.7%	104.4%	115.6%	119.8%	115.8%
Statewide	13,002,700	2.93	2.93	2.71	2.79	2.57	2.53

Source: Unified Judicial System of Pennsylvania annual new divorce case filings. Data for host counties in bold reflect first year of operation of the casinos.

The per capita rate of divorce filings in Westmoreland County has remained at approximately 90% of the rate of neighboring counties from 2018-2023 (n.i. the statewide low case volume 2020), with a brief comparative spike in 2022 (despite a Westmoreland per capita decline).¹⁰²

¹⁰² Ibid.

TABLE 64: WESTERN PENNSYLVANIA DIVORCE FILINGS/1,000 RESIDENTS, 2018-2023

COUNTY	2020 POPULATION	2018	2019	2020	2021	2022	2023
Westmoreland	354,663	2.62	2.53	2.04	2.39	2.33	2.15
Armstrong	65,558	2.91	2.59	2.50	2.76	2.72	2.15
Cambria	133,472	2.57	2.49	2.22	2.38	2.11	1.95
Fayette	128,804	3.84	3.42	3.12	2.78	2.76	2.69
Indiana	83,246	1.96	2.37	2.37	2.62	2.07	2.26
Somerset	74,129	3.09	2.29	2.35	2.67	2.77	2.55
Washington	209,349	2.76	2.67	2.64	2.63	2.18	2.57
Host County	354,663	2.62	2.53	2.04	2.39	2.33	2.15
Neighboring Counties	694,558	2.88	2.69	2.57	2.62	2.37	2.39
Host as % of Neighbor		90.9%	94.1%	79.4%	91.2%	98.3%	89.7%
Statewide	13,002,700	2.93	2.93	2.71	2.79	2.57	2.53

Source: Unified Judicial System of Pennsylvania annual new divorce case filings. The bold figure for Westmoreland County in 2021 reflects the opening of the casino there in January of that year.

Collectively, the data from existing Category 4 casinos host counties in Pennsylvania does not suggest that the opening of the casino will translate to growth in Centre County divorce rates.

As points of reference for future comparisons, the following table shows annual divorce filings in Centre County relative to its neighboring counties. In Centre County, the divorce rate has been rising since 2021, approaching the 2018-2019 level of approximately 2.0/1,000 residents, but still is approximately 25% below the rate of surrounding counties.¹⁰³ Historically, Centre County had the lowest divorce rate in the region, but Union County had a significant dropoff in 2023. As noted, the data from elsewhere in Pennsylvania does not suggest that the casino opening will have an impact on the Centre County rate or volume.

TABLE 65: CENTRE COUNTY AND NEIGHBORING COUNTY DIVORCE FILINGS, 2018-2023

COUNTY	POPULATION	2018	2019	2020	2021	2022	2023
Centre	158,172	2.04	2.00	1.78	1.62	1.69	1.95
Blair	122,822	2.73	2.72	2.85	2.92	2.70	2.54
Clearfield	80,562	2.79	2.69	2.73	2.69	2.87	2.67
Clinton	37,450	2.72	3.58	2.99	3.26	3.04	3.52
Huntington	44,092	3.29	3.52	3.06	2.93	2.54	2.95
Mifflin	46,143	3.55	3.58	3.45	2.88	3.32	2.84
Union	42,681	2.60	2.16	2.62	1.97	2.04	1.15
Neighboring Counties	373,750	2.89	2.94	2.91	2.79	2.75	2.59
Centre as % of Neighbor		70.3%	68.1%	61.2%	57.9%	61.5%	75.4%
Statewide	13,002,700	2.93	2.93	2.71	2.79	2.57	2.53

Source: Unified Judicial System of Pennsylvania annual new divorce case filings.

¹⁰³ Ibid.

WELL-BEING

The following academic studies and research journal articles discuss the mental and financial health impacts of problem gambling, which in the direst situations can lead to suicide.

FINANCIAL WELL-BEING

As problem gambling entails excessive gambling either in bet number or bet amount, the most direct potential costs of problem gambling are financial issues such as increased debt, loan delinquency, and bankruptcy. This section reviews recent university and academic research as well as CSG's own analysis of data on nonbusiness bankruptcies to determine the association between the presence of casinos and worsened financial well-being in the surrounding area.

The 2024 SEIGMA report¹⁰⁴ found a decline in personal bankruptcies from 2013 to 2022 both for all of Massachusetts and in the specific counties where casinos opened. There was no obvious change in each county immediately after the casino opened, but the data is suggestive of more general county trend declines in personal bankruptcies. Examining the data since the SEIGMA report's publication, nonbusiness bankruptcies have increased in each county and statewide in 2023 and 2024; however, the levels still remain much lower than in the 2010s.

TABLE 66: ANNUAL NONBUSINESS BANKRUPTCY FILINGS, MASSACHUSETTS, 2013-2024

YEAR	HAMPDEN COUNTY (MGM)	MIDDLESEX COUNTY (EBH)	NORFOLK COUNTY (PPC)	STATEWIDE
2013	891	2,073	1,026	12,127
2014	764	1,585	777	9,951
2015	734	1,324	698*	8,765
2016	704	1,185	715	8,166
2017	718	1,247	661	8,180
2018	759*	1,179	685	8,260
2019	667	1,024*	632	7,284
2020	415	562	332	4,128
2021	283	465	260	3,267
2022	311	439	284	3,186
2023	370	536	316	3,575
2024	460	692	347	4,409

Source: U.S. Courts' Bankruptcy Statistics¹⁰⁵; Note: Data reports nonbusiness bankruptcy filings from all chapters (Chapters 7, 11, 13). * Indicates year a casino opened

CSG examined the nonbusiness bankruptcy filings in Pennsylvania around the openings of the Category 4 casinos to compare with the findings of the 2024 SEIGMA report. Similar to Massachusetts, the annual filings are much lower for all areas post 2019 with an increasing trend starting in 2023. Westmoreland County, home to LIVE! Casino Pittsburgh, which opened in 2020, has more fluctuating filings data since the casino opened, showing no clear association between

¹⁰⁴ SEIGMA Research Team (2024). Social and Economic Impacts of Casino Introduction to Massachusetts. Amherst, MA: School of Public Health and Health Sciences, University of Massachusetts Amherst. October 2024. Pages 74-75

¹⁰⁵ <https://www.uscourts.gov/statistics-reports/caseload-statistics-data-tables>

bankruptcy and the presence of the casino. It is also the only area to report a decrease in nonbusiness bankruptcy filings from 2023 to 2024. Nonbusiness bankruptcy filings have increased every year in York County and Cumberland County since each of their respective Category 4 casinos opened in 2021 and 2023, respectively. Similarly, filings have risen in 2023 and 2024 in Berks County, where Hollywood Casino Morgantown opened in 2021. Although these areas show growth in bankruptcy filings, it is unclear how much this is correlated with the Category 4 casinos as this matches statewide trends, and all 2024 levels are much lower than pre-2020 levels. More years and granular data are needed to separate any effects of the casinos from general macroeconomic shifts like high inflation post-pandemic.

TABLE 67: ANNUAL NONBUSINESS BANKRUPTCY FILINGS, PENNSYLVANIA, 2015-2024

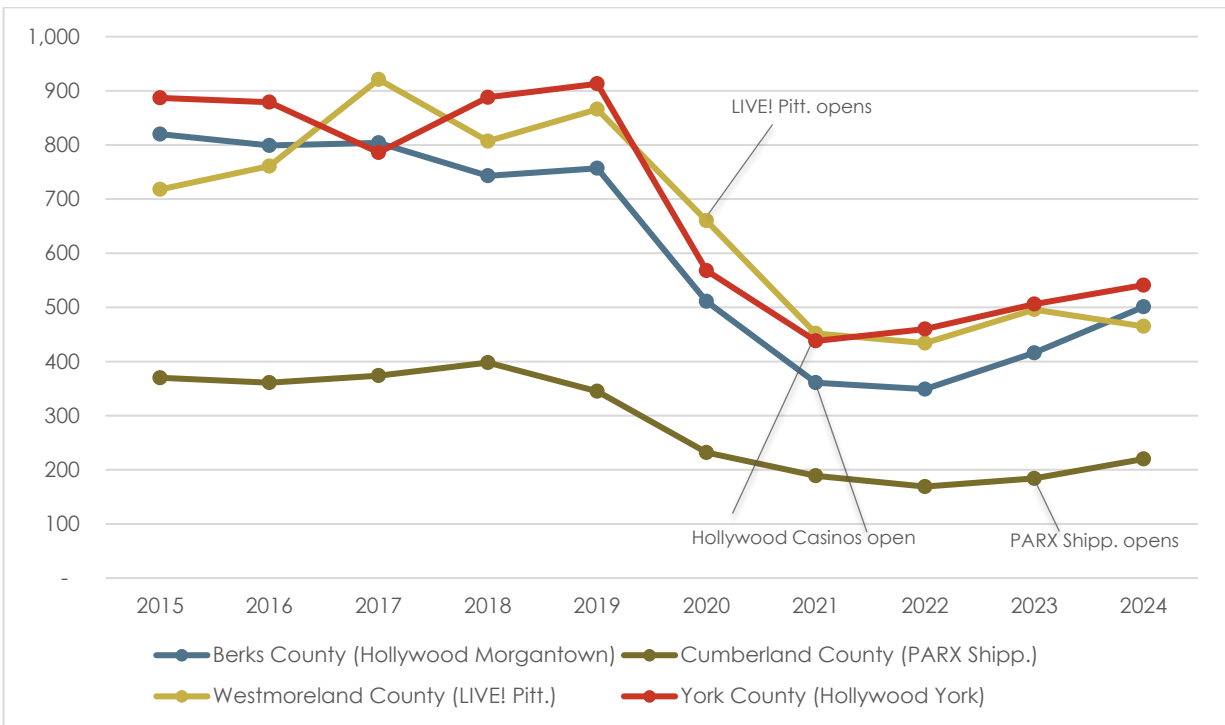
YEAR	CENTRE COUNTY	BERKS COUNTY (HOLLYWOOD MORGANTOWN)	CUMBERLAND COUNTY (PARX SHIPPENSBURG)	WESTMORELAND COUNTY (LIVE! PITT.)	YORK COUNTY (HOLLYWOOD YORK)	STATEWIDE
2015	85	820	370	718	887	21,584
2016	83	799	361	761	879	20,871
2017	69	804	374	921	786	21,722
2018	79	743	398	807	888	20,732
2019	90	757	345	866	913	20,518
2020	57	511	232	660*	568	13,604
2021	47	361*	189	452	438*	9,997
2022	39	349	169	434	460	9,439
2023	46	416	184*	496	506	10,652
2024	39	501	220	465	541	12,049

Source: U.S. Courts' Bankruptcy Statistics¹⁰⁶; Note: Data reports nonbusiness bankruptcy filings from all chapters (Chapters 7, 11, 13).

* Indicates the year a Category 4 casino opened

¹⁰⁶ *ibid*

CHART 6: ANNUAL NONBUSINESS BANKRUPTCY FILINGS, BY PA COUNTY, 2015-2024



Source: U.S. Courts' Bankruptcy Statistics¹⁰⁷; Note: Data reports nonbusiness bankruptcy filings from all chapters (Chapters 7, 11, 13).

Meanwhile, two working papers (Baker et al. 2024¹⁰⁸ (NBER); Hollenbeck et al. 2025¹⁰⁹ (UCLA Anderson School of Management)) found increases in credit card debt, overdraft frequency, bankruptcy rates, debt sent to collections, use of debt consolidation loans, and auto loan delinquencies since the expansion of the legalization of sports betting in 2018. In a literature review of research on the social and economic impacts of casino gambling, Walker and Sobel (2016)¹¹⁰ reported that there is a lack of consensus in the literature on the effects of casino gambling on bankruptcy.

The significant results from online sports betting (and lack thereof for casino gambling) corroborate well with the findings of the Fairleigh Dickinson University poll, which found online gamblers to be much more likely to have problem gambling.

SUICIDE & MENTAL HEALTH

While marital, family, and/or financial problems are generally associated with the risks of problem gambling behavior, in dire cases these issues can snowball into suicidal contemplation or attempts.

¹⁰⁷ ibid

¹⁰⁸ R. Baker, Scott, Justin Balthrop, Mark J. Johnson, Jason D. Kotter, and Kevin Pisciotta. 2024. "Gambling Away Stability: Sports Betting's Impact on Vulnerable Households." National Bureau of Economic Research Working Paper. <https://doi.org/10.2139/ssrn.4881086>.

¹⁰⁹ Hollenbeck, Brett, Poet Larsen, and Davide Proserpio. 2024. "The Financial Consequences of Legalized Sports Gambling." SSRN. <https://doi.org/10.2139/ssrn.4903302>.

¹¹⁰ Walker, Douglas M., and Russell S. Sobel. 2016. "Social and Economic Impacts of Gambling." *Current Addiction Reports* 3 (3): 293-98. <https://doi.org/10.1007/s40429-016-0109-8>.

This section details the findings from university studies and researchers about the prevalence of gambling related suicide, as well as analyses of data to determine effects from recent casino openings on suicide rates in the studied area. Additionally, CSG analyzed suicide data from the Pennsylvania Department of Health to determine if there was a correlation between casino openings and suicides specifically in Pennsylvania.

New Jersey (Rutgers) 2023 Prevalence Survey

The Rutgers Center for Gambling Studies surveyed New Jersey residents in 2021 on gambling and related behaviors, finding higher rates of addictive substance use, worse mental health, and a higher risk of suicidality in gamblers than non-gamblers. Statistically significant differences also existed among different types of gamblers. Online only gamblers reported greater rates of binge drinking and moderate mental health problems than land-based gamblers. Mixed-venue gamblers (those who play both online and land-based casinos) had higher rates of mental health problems, anxiety, depression, suicide attempts and non-suicidal self-injury compared to both online only and land-based gamblers.¹¹¹

TABLE 68: SUICIDALITY AND SELF-HARM BY TYPE OF GAMBLER, NEW JERSEY

	GAMBLER STATUS				GAMBLER TYPE BY VENUE			
	NON-GAMBLER (N = 1,363)	GAMBLER (N = 2,149)	ONLINE ONLY (N = 318)	N	LAND-BASED ONLY (N = 1,053)	N	MIXED (N = 778)	N
Morbid Thinking	6.5%	10.8%*	11.6%*	37	7.4%	78	15%*	117
Suicidal Ideation	2.3%	5.2%*	6.5%*	21	2.1%	22	8.8%*	68
Suicide Attempt	0.7%	2.5%*	1.4%	4	0.5%	5	5.8%*	45
Non-Suicidal Self Injury	1.6%	4.4%*	3.4%	11	1.5%	16	8.8%*	68

Source: Rutgers Center for Gambling Studies 2023¹¹²; Note: Non-Suicidal Self-Injury is defined as "Engaging in self-mutilation (e.g., cutting, burning) without suicidal intent." Page v, * p < 0.5

The survey also categorized responses according to the severity of respondents' problem gambling. Unsurprisingly, high-risk problem gamblers had the highest rates of severe mental health problems, anxiety, depression, suicidality, and self-harm (all of which are statistically significantly different from the other groups). The sheer number of high-risk problem gamblers with these issues is still staggering as 62% had anxiety, 62% had depression, 20% have attempted suicide, and 26% have committed non-suicidal self-injury.¹¹³

¹¹¹ Nower, L., Stanmyre, J.F. & Anthony, V. (2023). Rutgers Center for Gambling Studies. *The Prevalence of Online and Land-Based Gambling in New Jersey*. Report to the New Jersey Division of Gaming Enforcement. New Brunswick, NJ: Authors. Page 40

¹¹² Ibid.

¹¹³ Ibid, Pages 41-42

TABLE 69: SUICIDALITY AND SELF-HARM BY PROBLEM GAMBLING SEVERITY, NEW JERSEY

	NON-PROBLEM GAMBLER (N = 1,485)	<u>N</u>	LOW RISK PROBLEM (N = 295)	<u>N</u>	MODERATE RISK PROBLEM (N = 157)	<u>N</u>	HIGH RISK PROBLEM (N = 195)	<u>N</u>
Morbid Thinking	6.7%	99	9.3%	27	13.4%	21	42.4%*	86
Suicidal Ideation	2.3%	34	5.5%	16	3.1%	5	27.9%*	54
Suicide Attempt	0.4%	6	1.6%	5	2.2%	3	20.1%*	39
Non-Suicidal Self Injury	1.7%	25	3.8%	11	4.5%	7	26%*	51

Source: Rutgers Center for Gambling Studies 2023¹¹⁴; Note: Non-Suicidal Self-Injury is defined as "Engaging in self-mutilation (e.g., cutting, burning) without suicidal intent." Page v, * p < 0.5

Massachusetts (SEIGMA) 2024 Socioeconomic Impact Analysis

The SEIGMA study investigated common concerns regarding social impacts of gambling and casinos including suicide after the three casinos (Plainridge Park Casino (PPC), MGM Springfield, and Encore Boston Harbor (EBH)) opened in Massachusetts. The researchers studied both statewide and county specific data to determine if the new casinos had any impact. Annual statewide suicides increased from 2013 (585) to 2018 (725), but they have declined since then, showing no signs of correlation with gambling legalization or casino openings at the state level. The authors examined annual suicides in the counties where the casinos opened, again, showing no correlation between casino introduction and suicides. Norfolk County, where PPC is located, saw an increase in suicides from 2015 (47), the year PPC opened, to 2016, but the 2016 count (61) was much closer to the 2014 level (57). After 2016, suicides fell and continued to vary through 2021. Hampden County, where MGM Springfield is located, saw a decrease in annual suicides in 2019, the year after the casino opened, and annual suicides remained steady afterwards and like levels prior to 2018. Middlesex County, where EBH is located, also showed no association between suicides and casino introduction as annual suicides dropped in 2019 (-31 from the year before), the year EBH opened, and rose slightly in 2020 (+6), but dropped again in 2021 (-15). Overall, the study concluded there was no association between suicides and casinos at either the state or county level.¹¹⁵

¹¹⁴ Ibid, Pages 43-44

¹¹⁵ SEIGMA Research Team (2024). Social and Economic Impacts of Casino Introduction to Massachusetts. Amherst, MA: School of Public Health and Health Sciences, University of Massachusetts Amherst. October 2024.

TABLE 70: ANNUAL SUICIDES STATEWIDE AND BY CASINO-HOST COUNTY, MASSACHUSETTS

YEAR	HAMPDEN COUNTY (MGM)	MIDDLESEX COUNTY (EBH)	NORFOLK COUNTY (PPC)	MASS.
2012	47	119	63	624
2013	47	112	48	585
2014	48	115	57	608
2015	40	125	47*	631
2016	36	147	61	638
2017	57	157	48	688
2018	62*	151	64	725
2019	47	120*	49	642
2020	39	126	53	615
2021	42	111	49	596
% Change Since Casino Opened	-32.3%	-7.5%	4.3%	-5.5%

Source: SEIGMA Impact Analysis 2024¹¹⁶; * year the casino opened

Nationwide Analysis

van der Maas, DiMeglio and Nower (2024)¹¹⁷ analyzed the narrative data for suicides in the U.S. National Violent Death Reporting System from 2003-2020 finding that 0.44% of all suicide cases across the country were gambling related.¹¹⁸ Gambling-related cases were overrepresented where alcohol use was suspected (28% of gambling-related cases vs 21.2% of all cases), there were significant financial problems (50.3% vs 8.6%), and there were intimate partner problems (31.5% vs 25.6%). Gambling-related deaths by suicide increased from 2003 (0.28%) to 2019 (0.52%), peaking in 2008 (0.59%) potentially indicating a rise in severe gambling harm as gambling options grew.

Pennsylvania Data

The Pennsylvania Department of Health obtains data from coroners and police departments across the Commonwealth to determine trends and volumes in annual suicides, and motivating circumstances. Data was provided to CSG for the years 2018-2022 for all counties in Pennsylvania¹¹⁹, the most recent data available. Department staff noted that while the total volume of suicides is a relatively easy figure to track, there is not always a motivating circumstance that is known or defined, and as such there may be limitations to the data. Gambling addiction is also commonly a comorbidity, meaning that most gambling addicts are also addicted to drugs and/or alcohol due to an appetite for euphoria. While alcohol and drug addiction may be easily recognizable to a coroner or police investigator, comorbidity

¹¹⁶ SEIGMA Research Team (2024). Social and Economic Impacts of Casino Introduction to Massachusetts. Amherst, MA: School of Public Health and Health Sciences, University of Massachusetts Amherst. October 2024. Pages 78-79

¹¹⁷ van der Maas, M., R. DiMeglio, and L. Nower. 2024. "Gambling as a Precipitating Factor in Deaths by Suicide in the National Violent Death Reporting System." *Public Health* 235 (October):180-86. <https://doi.org/10.1016/j.puhe.2024.07.005>.

¹¹⁸ Note: Gambling-related cases were defined if "the decedent was identified as having a gambling problem by diagnosis or informally, decedent was identified as having substantial debt related to gambling, decedent was found on the premises of a gambling venue or observed on such premises shortly before the event, gambling was mentioned in the summary of a suicide note or it was communicated as a motivating factor to someone else, and/or artifacts of gambling were found on the person of the decedent.", van der Maas, DiMeglio, and Nower (2024), p.3

¹¹⁹ Data files provided via email from the Pennsylvania Department of Health Public Health Program Administrator, June 23, 2025.

with gambling addiction may often be overlooked. Nevertheless, there are various metrics we can observe regarding suicide prevalence in different Pennsylvania counties and comparisons between casino host counties and non-host counties.

For the five year period from 2018-2022, there were a total of 9,269 suicides in Pennsylvania, including 90 in Centre County (an annual high of 22 in 2019 and a low of 11 in 2018). These totals reflect an average of 14.3 per 100,000 Pennsylvania residents per year and 11.4 per 100,000 Centre County residents per year. The Centre County rate was among the lowest of all Pennsylvania counties.

CSG divided the counties into those with casinos and those without casinos for the purpose of examining potential correlation for all suicide reasons. Counties with casinos were defined as: Allegheny, Berks, Bucks, Dauphin, Delaware, Erie, Fayette, Luzerne, Monroe, Montgomery, Northampton, Philadelphia, Washington and Westmoreland (recognizing that York and Cumberland now have casinos as well, but did not during the time of this data set – neither county is a data outlier).

For the 14 counties with casinos, there was an aggregated average of 13.4 suicides per year per 100,000 residents, as compared to 15.4 per 100,000 residents in counties without casinos. The range for casino counties was relatively narrow, from 10.7/100,000 (Philadelphia) to 19.6/100,000 (Fayette). In contrast, the rate for non-casino counties was comparatively wide, from 10.8/100,000 (Lancaster) to 31.6/100,000 in sparsely-populated Forest County.

Coroner and police reports also generally report motivating factors for suicide, to the extent that they are known. CSG examined the relative prevalence of two motivating factors that may be correlated with gambling addiction, notably “Other Addictions” (i.e., not drugs or alcohol, but issues such as gambling and sex addiction) and Financial Problems. Again, we looked at statewide averages, as well as the relative averages of casino counties and non-casino counties.

The reporting of “Other Addictions” as the motivating factor for suicide in Pennsylvania from 2018-2022 reflected only a small percentage of total suicides, with 32 such events over the five-year period (ranging from 4 to 9 per year), or 0.049/100,000 residents. Of the 67 counties in Pennsylvania, 52 reported no such correlation during the five-year period (Centre County reported one, in 2020, resulting in one of the highest reported prevalence rates of any Pennsylvania county despite just one occurrence, at 0.13/100,000 residents/year). Lehigh County was the major outlier in the data, accounting for 6 of the 32 events during the five-year period (0.32/100,000 residents/year). When comparing the casino host counties to non-casino counties, the casino host counties reported 0.043 “Other Addictions”-motivated suicides per 100,000 residents, whereas the non-casino counties reported 0.057/100,000 residents. We note that there is likely to be considerable under-counting of this as a motivating factor, at less than 10 per year statewide, and realize it is not reasonable to conclude that hosting a casino would motivate fewer residents to commit suicide.

The reporting of “Financial Problems” as the motivating factor for suicide in Pennsylvania from 2018-2022 reflected larger share of the total suicides from 2018-2022 (albeit still a small percentage), with 308 events over the five-year period (ranging from 48 to 72 per year), or 0.47/100,000 residents per year. Of the 67 counties in Pennsylvania, 29 reported no such correlation during the five-year period (Centre County reported one, in 2020, reflecting an incidence of 0.13/100,000 residents per year). Again, Lehigh County was the major outlier in the data, accounting for 27 of the 308 events during the five-year period, or 1.44/100,000 residents per year (3x the state average). Again, this may not imply Lehigh has a serious problem, rather it could be that they are more specific and investigative when writing up police and coroner reports.

When comparing the casino counties to non-casino counties, the casino counties reported 0.49 Financial Problems-motivated suicides per 100,000 residents, whereas the non-casino counties reported 0.45/100,000 residents. As such, for this metric the casino counties showed a slightly higher prevalence than non-casino counties.

In conclusion, for all three metrics (Total, Other Addiction-motivated and Financial Problems-motivated), there is no strong correlation that can be drawn between being a casino host county and the suicide rates (counter-intuitively, suicide rates appear higher in non-host counties for two of the three metrics). It is notable that Centre County has low suicide rates, such that any nominal increase could reflect a significant increase in the per capita rate, but the data does not support the assertion that being a host would increase the volume, or make Centre County’s average suddenly mirror that of the existing casino host counties.

TABLE 71: PENNSYLVANIA SUICIDE REPORTS, 2018-2022

	SUICIDES 2018-2022	SUICIDES/YR 2018-2022	SUICIDES PER 100,000 RESIDENTS PER YEAR	ANNUAL “OTHER ADDICTION” SUICIDES/100,000 RESIDENTS	ANNUAL “FINANCIAL PROBLEMS” SUICIDES PER 100,000 RESIDENTS PER YEAR
Statewide	9,269	1,854	14.3	0.05	0.47
Centre County	90	18	11.4	0.13	0.13
Casino Host Counties	4,973	995	13.4	0.04	0.49
Non-Casino Host Counties	4,296	859	15.4	0.06	0.45

Source: Pennsylvania Department of Health, citing the Center of Disease Control and Prevention’s National Violent Death Reporting System data

CRIME

Another concern is that casinos will increase crime in the area, creating negative externalities for all who live in the surrounding communities, not just for clients of the venue, unlike most issues stemming from problematic gambling. Casinos can be large centers of activity that simply draw in more people, which could lead to increased crime. Additionally, casinos tend to attract risk-seeking, potentially wealthier individuals, who can be more likely targets for crime. Since smaller casinos draw in less people, they would be less probable to significantly affect crime rates.

Early research on casinos and crime (most notably Grinols and Mustard 2006¹²⁰) found strong associations between casinos and higher crime; however, many of these studies have been criticized for how they classify crime, label casino areas, and the empirical methods they used. In general, statistical and econometric analysis techniques have improved tremendously since the early 2000s tempering older findings, but, specific to this literature, crime data has become better with respect to classification and accuracy since the FBI’s transition to National Incident-Based Reporting System (NIBRS) in 2021.¹²¹

The 2024 SEIGMA report extracted data prepared by Justice Research Associates, LLC for the Massachusetts Gaming Commission and found no evidence of changes in statewide crimes after the introduction of casinos. For each community with a casino, the casino accounted for 11% or less of the

¹²⁰ Grinols, Earl L. and David B. Mustard. 2006. "Casinos, Crime, and Community Costs," *The Review of Economics and Statistics*, vol. 88(1), pages 28-45, February.

¹²¹ <https://www.fbi.gov/how-we-can-help-you/more-fbi-services-and-information/ucr/nibrs>

total crime in the community (PPC 11%, MGM 1.5%, EBH 6%) with levels of property crime decreasing and violent crime unchanged. At a higher regional level, which the report refers to as the “Host & Surrounding Communities (H&SC)”¹²², the authors calculated the percent change in annual property and violent crimes pre and post each casino opening. They found decreases in property crime surrounding all three casinos and decreases in violent crime for the MGM and EBH H&SCs. However, there were increases in several categories of crime in the H&SC’s that may be viewed as gambling-related: theft, fraud/con games, and domestic violence in the PPC H&SC, purse-snatching, shoplifting, fraud, and extortion in the MGM H&SC, and burglary, theft from vehicles, and prostitution in the EBH H&SC.¹²³

TABLE 72: PERCENT CHANGE IN ANNUAL NUMBER OF CRIMES PRE- AND POST-CASINO OPENING, MASSACHUSETTS

HOST AND SURROUNDING COMMUNITIES	PROPERTY CRIME	VIOLENT CRIME
Plainridge Park Casino (PPC)	-17.6%	8.4%
MGM Springfield (MGM)	-26.7%	-9.3%
Encore Boston Harbor (EBH)	-14.1%	-18.4%

Source: SEIGMA Impact Analysis 2024; Note: The post casino opening period is defined differently for each casino. PPC reflects an average from 2016-2019, MGM Springfield from 9/1/2018-8/31/2019, and EBH from 7/2019-12/2019.

While the source for the SEIGMA crime data did not suggest a strong correlation between the presence of the casinos and statewide crime rates, and found some evidence of crimes to be correlated to be correlated with casinos, in the conclusions to reports prepared in 2023 to the Massachusetts Gaming Commission they provide sound proactive recommendations for local law enforcement that could be true in any (i.e., College Township) casino market¹²⁴:

Developing mitigation strategies and collaborative initiatives appears to be feasible, given the shared similarities in crime types and temporal patterns. It makes sense to collaborate and focus on specific crimes since evidence-based policing tells us the same prolific offenders tend to be responsible for the majority of crime and that crime clusters in distinct areas. Sharing timely intelligence and responding with effective and unified solutions represents a sound practice for the future. Putting officers in the right place at the right time is feasible when utilizing sound crime analysis. Future research calls for critical thinking about certain crimes that are associated with casinos. Certainly as patrons visit the casino, cash related crimes like street jump robbery and theft from autos are more likely. Identity theft from thieves stealing documents from parked cars in structures and street parking have clear correlates. Large venues like sporting events and conference championships draw wealthy clientele, and with-it certain types of crime and scams. Prostitution and human trafficking, as difficult as they are to discern and investigate,

¹²² SEIGMA Report 2024 Page 31 displays maps detailing which areas are included in the host and surrounding communities for each casino.

¹²³ SEIGMA Research Team (2024). Social and Economic Impacts of Casino Introduction to Massachusetts. Amherst, MA: School of Public Health and Health Sciences, University of Massachusetts Amherst. October 2024. Pages 82-87

¹²⁴ “Assessing the Influence of Gambling on Public Safety in Massachusetts Cities and Towns During the COVID-19 Pandemic”, Justice Research Associates, LLC, March 2023, <https://massgaming.com/wp-content/uploads/Assessing-the-Influence-of-Gambling-on-Public-Report.pdf> and “Assessing the Influence of Gambling on Public Safety in Massachusetts Cities and Towns – Crime Comparison Analysis of Changes in the MGM Springfield Region 2013-2022”, Justice Research Associates, LLC, December 2023. <https://massgaming.com/wp-content/uploads/Assessing-the-Influence-of-Gambling-on-Public-Safety-in-Massachusetts-Cities-and-Towns-1.18.24-Report.pdf>.

remain high priorities.¹²⁵ Drunk driving merits ongoing attention given the strong relationship between adult entertainment and alcohol consumption. But as the data suggested, all the jurisdictions within the region, share common crime and disorder problems, and a collaborative and problem-solving approach merits strong consideration. It is very likely that each city is dealing with a similar pattern of a small number of prolific offenders, and hotspots with common contributing attributes.

Lan et al. (2021)¹²⁶ studied the effect of the JACK Casino opening in downtown Cincinnati in March 2013 on crime. Using spatial analytical models and data from the Cincinnati Police Department, the authors found that property crimes occurring within 400 meters of the casino decreased during construction and the year the casino opened, but they increased in the three years afterwards (2014-2016). Meanwhile, Cincinnati, overall, experienced a decline in property crime during those years. The spatial analysis showed that property crimes began to cluster around the casino. They found no statistically significant changes in violent crime after the casino opened, similar to many other studies in the literature.

Nichols and Tosun (2017)¹²⁷ analyzed the impact of casino legalization (primarily in-person casinos) on county crime rates across the United States between 1994-2012. They found that commercial casinos were associated with increases in larcenies and burglaries in the host county and overall crime in neighboring counties driven by a rise in larcenies. Their results also showed commercial casinos were associated with decreases in robberies and auto thefts in the host counties.¹²⁸ Decomposing results by year, the authors reported increased crime rates in the host county for 6 years after a commercial casino opens, but reductions in crime after 15 years. It is unclear what causes the change in crime rates over time; however, if the size and sign of the effects is contingent on the length of the period studied due to the year-by-year differences, then this could explain why the literature finds mixed results.

ALCOHOL-RELATED TRAFFIC ACCIDENTS

As casinos are large alcohol-serving establishments, a common concern is the potential prevalence of drinking and driving leading to increases in severe car crashes. Early research (Cotti and Walker 2010)¹²⁹ found strong correlations between casino presence and alcohol-related fatal traffic accidents, but analysis of recent data regarding casinos finds no significant link between casino openings and an increase in these accidents. This lack of correlation in recent years is likely due to overall decreases

¹²⁵ CSG notes that the reports for the Massachusetts Gaming Commission were for two cities that are much more urban than College Township; the issues of prostitution and human trafficking may be more applicable to cities of that nature, as interviews with Category 4 township public safety officials consider such instances nonexistent; we do not envision the casino at Nittany Mall will induce such issues either.

¹²⁶ Lan, Minxuan, Lin Liu, and John E. Eck. 2021. "A Spatial Analytical Approach to Assess the Impact of a Casino on Crime: An Example of JACK Casino in Downtown Cincinnati." *Cities* 111 (April):103003. <https://doi.org/10.1016/j.cities.2020.103003>.

¹²⁷ Nichols, Mark W., and Mehmet Serkan Tosun. 2017. "The Impact of Legalized Casino Gambling on Crime." *Regional Science and Urban Economics* 66 (September):1–15. <https://doi.org/10.1016/j.regsciurbeco.2017.05.005>.

¹²⁸ For clarity, "Larceny-theft (or simply "theft") is defined as the unlawful removal of property. Burglary is defined as the unlawful entry into almost any structure with the intent to commit a crime inside. Robbery is the violent theft of property or money", 2018 National Crime Victims' Rights Week Resource Guide: Crime and Victimization Fact Sheets, Office for Victims of Crime, https://ovc.ojp.gov/sites/g/files/xyckuh226/files/ncvrw2018/info_flyers/fact_sheets/2018NCVRW_Burglary_508_QC.pdf

¹²⁹ Cotti, Chad D., and Douglas M. Walker. 2010. "The Impact of Casinos on Fatal Alcohol-Related Traffic Accidents in the United States." *Journal of Health Economics* 29 (6): 788–96. <https://doi.org/10.1016/j.jhealeco.2010.08.002>.

nationwide in annual alcohol-related driving fatalities, as the rate of alcohol-impaired driving fatalities per 100,000 population has fallen 55% from 1982 to 2022¹³⁰.

The SEIGMA 2024 report analyzed the percentage of fatal traffic accidents involving a driver with a blood alcohol content (BAC) of 0.08+ (i.e. above the legal limit) in each county with a casino and statewide in Massachusetts. They found no clear long-term effect from the casinos. The data below shows an uptick immediately in the number and share of fatal accidents involving a BAC of 0.08+ in the year after MGM Springfield and Encore Boston Harbor opened; however, these annual levels and shares are in line with the pre-casino data.¹³¹

TABLE 73: ALCOHOL RELATED FATAL ACCIDENTS, MASS. 2012-2023

YEAR	HAMPDEN COUNTY (MGM)		MIDDLESEX COUNTY (EBH)		NORFOLK COUNTY (PPC)	
	# of accidents with BAC of 0.08+	% of accidents with BAC of 0.08+	# of accidents with BAC of 0.08+	% of accidents with BAC of 0.08+	# of accidents with BAC of 0.08+	% of accidents with BAC of 0.08+
2012	12	34	13	25	13	29
2013	12	36	12	28	12	44
2014	20	59	14	32	20	48
2015	7	24	15	31	12*	32*
2016	18	46	16	25	12	40
2017	14	41	13	39	10	30
2018	11*	31*	18	37	13	35
2019	19	45	7*	17*	9	30
2020	12	28	14	31	12	27
2021	18	31	22	38	16	43
2022	19	34	15	21	11	25
2023	15	35	17	40	7	20

Source: National Highway Traffic Safety Administration (NHTSA) Fatality Analysis Reporting System (FARS) data¹³²;

* indicates year the casino opened

Furthermore, CSG analyzed alcohol-related fatal accidents data in Pennsylvania around the openings of the other Category 4 casinos. Similar to Massachusetts, there is an increase in the number and share in the year after two of the casinos (Hollywood Morgantown Casino and Hollywood York Casino) opened, but, again, these counts and shares are relatively consistent with the data from previous years. Of the years studied, the two highest levels and shares of alcohol-related fatal accidents in Westmoreland County (LIVE! Casino Pittsburgh) occurred in 2022 and 2023 after the opening of the casino in November 2020. It is unclear how the COVID-19 pandemic impacted the accident data during this time, so more data is needed before drawing any stronger conclusion regarding the increases in accidents after LIVE! Casino Pittsburgh opened.

¹³⁰2022 State of Drunk Driving Fatalities in America Report, *responsibility.org*, <https://www.responsibility.org/wp-content/uploads/2024/10/2022-State-of-Drunk-Driving-Report.pdf> Page 9

¹³¹ SEIGMA Research Team (2024). Social and Economic Impacts of Casino Introduction to Massachusetts. Amherst, MA: School of Public Health and Health Sciences, University of Massachusetts Amherst. October 2024. Page 98

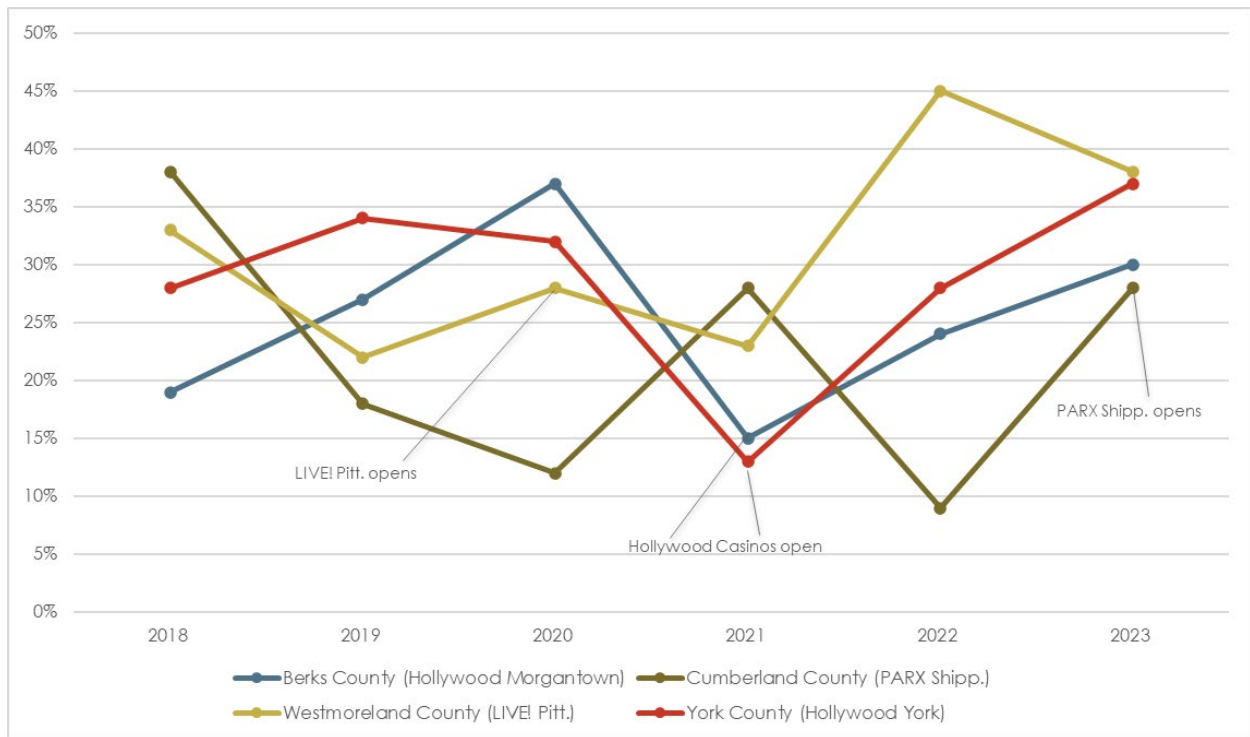
¹³² <https://www.nhtsa.gov/research-data/fatality-analysis-reporting-system-fars>

TABLE 74: ALCOHOL-RELATED FATAL ACCIDENTS. PENNSYLVANIA 2018-2023

YEAR	Centre County		BERKS COUNTY (HOLLYWOOD MORGANTOWN)		CUMBERLAND COUNTY (PARX SHIPPENSBURG)		WESTMORELAND COUNTY (LIVE! PITT.)		YORK COUNTY (HOLLYWOOD YORK)	
	# of accidents with BAC of 0.08+	% of accidents with BAC of 0.08+	# of accidents with BAC of 0.08+	% of accidents with BAC of 0.08+	# of accidents with BAC of 0.08+	% of accidents with BAC of 0.08+	# of accidents with BAC of 0.08+	% of accidents with BAC of 0.08+	# of accidents with BAC of 0.08+	% of accidents with BAC of 0.08+
2018	8	59	8	19	8	38	11	33	14	28
2019	NA	10	13	27	3	18	8	22	9	34
2020	6	41	14	37	2	12	11*	28*	9	32
2021	2	22	7*	15*	7	28	8	23	6*	13*
2022	3	19	11	24	1	9	15	45	10	28
2023	2	10	16	30	6*	28*	12	38	13	37

Source: National Highway Traffic Safety Administration (NHTSA) Fatality Analysis Reporting System (FARS) data¹³³; * indicates the year the casino opened

CHART 7: ANNUAL % OF FATAL TRAFFIC ACCIDENTS WITH A BAC OF 0.08+, BY PA COUNTY, 2018-2023



Source: National Highway Traffic Safety Administration (NHTSA) Fatality Analysis Reporting System (FARS) data¹³⁴; Vertical line indicates the year when each casino opened (Hollywood Casino York and Hollywood Casino Morgantown both opened in 2021)

¹³³ ibid

¹³⁴ ibid

CATEGORY 4 HOST COMMUNITY POLICE/FIRE/EMS IMPACTS

CSG interviewed Police/Fire/EMS officials in the existing Category 4 host communities in order to evaluate the casino impacts on public safety needs in those areas, and determine what the implications would be for College Township, based on the relative scale of facility and visitation. The following data and commentary from host community officials drove our analysis of College Township impacts.

Springettsbury Township

Springettsbury Township is home to Hollywood Casino York in what formerly was a Sears department store in the York Galleria mall. The Chief of Police aggregated data for the six-month period from November 2024-May-2025 to demonstrate the volume of calls and arrests at the casino. During the 6-month period, the department responded to 45 calls, of which 1 resulted in a felony arrest (aggravated assault) and 5 misdemeanor arrests (2 DUI, 2 drug violations and 1 purse theft), as well as 1 hit and run and 1 case of public drunkenness (neither resulting in an arrest). This equates to an average of 1.88 calls per week, or approximately 0.27 calls per day. The significant balance of the 45 calls reflected reports of erratic driving, suspicious activity and disturbance, as well as a “incident record” catch-all.¹³⁵

The Springettsbury Township Police Department currently responds to an average daily call volume of approximately 27 calls per day, which would mean that Hollywood accounts for 0.9% of these calls. No additional staff or equipment was required for the casino’s calls for service.¹³⁶

The Chief provided comparative 6-month data for the previous use of the space as a Sears, for the period from February 2015-July 2015. During that period, there were 16 calls for service, including 3 felony retail theft arrests, 4 misdemeanor retail theft arrests and 4 summary arrests for retail theft. The remaining calls reflected issues such as lost property, suspicious activity and alarm activation. As noted by the Chief, “This comparison shows while there were less calls for service at the Sears, the calls more often resulted in an arrest. This obviously took more time per call and was more procedural in nature. Comparing Uniform Crime Reporting statistics, Hollywood Casino had 2 Part I crimes and 6 Part II crimes. Sears had 13 Part I crimes and no Part II crimes.”¹³⁷

Fire Chief Daniel Hoff collected data on calls to the casino from January through May of 2025 and determined that there were 15 calls for service out of approximately 1,800 total calls year-to-date, or less than 1%, noting that this is typical of other years. As such, he opined that no significant impact has been realized. EMS responded to 5 calls through mid-May 2025 (approximately 1 call per month), following 12 calls in 2024 (i.e., 1 per month) and 20 calls in 2023 (i.e., approximately 1.67 calls per month). The vast majority of calls were for sickness/seizures/diabetic problems and falls.¹³⁸

Caernarvon Township

Caernarvon Township is home to Hollywood Casino Morgantown, opened in December 2021. Since the opening of the casino, the Caernarvon Police Department has responded to 85 calls (over approximately 180 weeks, or less than 0.5/week), dominated by narcotics-related issues (24 calls), disorderly conduct (20 calls) and DUI issues (14 calls). In total during this period the department responded to 2,582 calls (a substantial number, 966, reflecting business checks), such that the casino

¹³⁵ Memorandum prepared by Chief Todd King to Township Manager Mark Hodgkinson, May 12, 2025.

¹³⁶ Ibid.

¹³⁷ Ibid.

¹³⁸ Email correspondence from Chief Daniel J. Hoff to Township Manager Mark Hodgkinson, May 12, 2025.

calls equated to approximately 3.3% of the total calls. Predominantly, these calls were for parking lot-related issues, as the township's police department do not have authority to go on the gaming floor – that is exclusively the responsibility of the State Police (and casino security), though at Category 4 casinos no trooper is required to be on site. To date (over 3+ years) there have been 2 incidents of kids being left in cars.¹³⁹

Historical Data for State College Police Department

The State College Police Department has responded to a steadily increasing volume of calls for service from 2020 to 2024, increasing from 17,741 per year to 23,882. The number of calls per service to the Nittany Mall during that period has been relatively flat, ranging from 104 to 136 per year, and totaling 116 in 2024. As a former Macy's, there were 5 calls for service in 2020, with zero or 1 call annually for the site since.

As with the State College Police Department, the Alpha Fire Department has responded to an increasing volume of calls from 2020 to 2024, increasing from 1,068 to 1,429. The Nittany Mall steadily accounted for between 4 and 7 calls per year from 2020 through 2023, but increased to 12 in 2024. As such, while the total volume at the mall equated to approximately 0.5% of the total calls from 2020-2023, it equated to 0.83% in 2024. The vast majority of all calls were due to various alarm malfunctions, or were calls that were cancelled en route (7 exterior fires, 1 interior fire). The nearest fire station to Nittany Mall is 2.7 miles away, with the headquarters being 4.7 miles away (mutual aid is available 3.4 miles away in Pleasant Gap).

ESI CALCULATIONS AND COMPARATIVE CONCLUSIONS FOR COLLEGE TOWNSHIP

In 2021, ESI's analysis did not discuss the source of their projections, but asserted that in other Pennsylvania gaming markets with similarly sized casinos (750 slots and 30 table games), it could be expected that there would be 6.2 calls per month for the Police, 2.2 calls per month for Fire and 2.0 calls per month for EMS. These call volumes were compared to an annual aggregate call volume of 6,617 for these services, and thus an increase of approximately 125 calls. They further noted that police services are contracted out to the State College Police Department, who respond to an average of 358 calls per month, such that an increase of 6.2 calls would reflect less than a 2% increment, raising no concern to the department's Chief at that time. Similarly, the Centre Region Fire Department provides fire and rescue services to College Township, State College, and much of the surrounding area, reportedly averaging approximately 100 calls per month, based on ESI interviews. As with the police demand, the increment would be approximately 2% according to ESI calculations, for which the Fire Chief had no concerns on impact or related expenses. EMS was also projected to have approximately a 2% impact on monthly calls as a result of the casino, though the baseline was not stable due to the pandemic.¹⁴⁰

The ESI estimates were based on facility size rather than facility demand, though it should be reasonable to assume that visitor volumes would be directly correlated to the number of police calls to the casino and number of EMS calls. However, we further note that the ESI study only provided projections of gaming revenues, without projections of gaming patronage. As such, we cannot make proportional comparisons with their projections using our patron count estimates.

¹³⁹ CSG meeting with Caernarvon Township Police Chief Paul R. Stolz, Jr., May 14, 2025.

¹⁴⁰ ESI memorandum to SC Gaming OpCo LLC dated February 11, 2025, pages 4-5.

Looking at the weekly demand as reported in Spriggettsbury and Caernarvon Townships, ESI is likely slightly high for the Police demand (0.47 to 1.88 calls per week, both with facilities we estimate have greater demand than will be generated at Nittany Mall). Rather, an expectation of **approximately 1 call per week for police should be anticipated**. The **Fire** projection seems reasonable at approximately **2 calls per month** (Springgettsbury at 0.67 per week), with **EMS** slightly lower than ESI projects (Springgettsbury at 0.25 per week, suggesting **less than 1 call per month should be anticipated**). **In short, however, we make similar conclusions to ESI (and to comments by leaders in other Category 4 casino townships) in that the casino will not strain local public safety.**

EMPLOYMENT AND INCOME

While there are potential social costs to casinos via problem gambling, as illustrated above, there also exist potential benefits in the form of economic development via increased income and employment. The Fiscal Impact section of this report provides the projections of employment and earnings as will be attributable to this facility's operation. This section expands on that analysis by reviewing the findings from academic research and journal articles on changes in employment and income and the economic characteristics of the areas where casinos open and operate.

The 2024 SEIGMA Socioeconomic Impact report found an increase in net statewide employment attributable to the opening of each casino, with MGM Springfield creating the biggest growth in its first year with an estimated 6,287 jobs in 2018. Plainridge Park Casino added approximately 2,417 jobs in 2015, and Encore Boston Harbor Casino accounted for an estimated 5,823 jobs in 2019. The authors estimated that Encore Boston Harbor was responsible for 9,917 jobs across the state by 2022. In each case, the main driver of jobs was the casino itself, thus the region where the casino is located saw the biggest effect. In addition to estimating the impact of the casinos in their areas, the authors matched the three cities/towns where the casinos opened to socioeconomically and demographically similar cities/towns¹⁴¹, which did not have a casino within 25 miles, located in the Northeastern United States.

They chose five matched cities/towns for each of the three casino communities and compared employment, income, and population outcomes using 5-year averages from 2008-2012 as a baseline, as compared to 5-year averages from 2017-2021. Relative to the average change of its five matched cities/towns, Plainville had slower growth in median household income, annual job growth and growth in poverty rate (as compared to a decline in the poverty rate of comparable communities), but a greater decline in unemployment rate and growth in total population. Springfield had a slightly slower household income growth rate than matched communities, a greater decline in its poverty rate, a slightly lower pace of decline in unemployment rate, and average annual job growth relative to the average change in its matched communities. Everett, where Encore Boston Harbor is located, had greater changes in median household income, but slightly slower paced of decline for poverty and unemployment rates (though both rates declined in Everett). Everett had comparably strong average annual job growth and total population growth relative to its matched communities' average change. These results imply that the effects of casino openings are highly conditional on the location itself for an unclear reason, as there are no major metrics for which the three Massachusetts casinos have a stronger or weaker impact on their economies, when compared to similar non-casino towns.

¹⁴¹ The covariates for matching are total population, % of population that is Black, % of population that is Hispanic, % of population with college degree, household income, % of population in poverty, unemployment rate, labor force participation rate, job growth, and % of workforce employed in manufacturing., SEIGMA 2024, Page 166, Table 73

TABLE 75: CHANGE IN HOST COMMUNITY RELATIVE TO AVG. CHANGE IN MATCHED COMMUNITIES (MASSACHUSETTS)

VARIABLES	PLAINVILLE (PPC)	SPRINGFIELD (MGM)	EVERETT (EBH)
Median Household Income	-13.5%	-2.3%	21.3%
Poverty Rate	4.8%	-0.4%	1.0%
Unemployment Rate	-1.7%	2.3%	0.8%
Average Annual Job Growth	-1.0%	0.3%	5.7%
Labor Force Participation Rate	-4.1%	-3.6%	10.9%
Percent Employed in Manufacturing	-2.1%	1.2%	-0.4%
Population	15.1%	-2.2%	12.2%
Percent Black	1.2%	-0.7%	-2.8%
Percent Hispanic	4.5%	4.2%	5.2%
Percent with College Degree	5.2%	-0.2%	2.8%

Source: 2024 SEIGMA Report¹⁴² □

SOCIAL IMPACTS CONCLUSIONS AND RECOMMENDATIONS

CSG's review of data and information from comparable jurisdictions, as well as our assessment of the volume of patronage and revenues for the planned Category 4 casino, and our reviews of College Township's budgets and public safety operations leads to a conclusion that the allocation of significant local resources should not be necessary to mitigate the social impacts of the Category 4 casino. However, there are a number of potential issues that College Township should monitor, and grant programs through the Commonwealth which could help to defray any unforeseen costs and support law enforcement and public health agencies.

Responsible Gambling and Problem Gambling: Problem gaming is an important issue that College Township and the surrounding area should monitor and be proactive about. While residents, students, and visitors already have access to online gaming and truck stop gaming, the addition of a casino to the area could increase the prevalence of problem gaming in the area. Data and research reviewed for this analysis does not suggest that there will be a spike in problem gambling behavior or problem-gambling related harms to the community, such as bankruptcies, domestic violence, divorce, suicide, etc. However, to the extent that these issues do occur, awareness of treatment options should be highly visible. While problem gambling hotline signage is mandatory in casinos (1-800-GAMBLER), local healthcare providers, such as Mount Nittany Health, should ally with the Council of Compulsive Gambling in Pennsylvania to ensure that those who reach out for help are easily connected to providers in the local area. Mount Nittany Health, and similar local providers, should track the level of demand for such services, what treatments are being offered, and their measures of effectiveness.

We further note that gambling addiction from casino gaming is far less common than addiction from other forms of gambling, such as sports betting and online gaming due to comparative accessibility and the fact that the demography of sports betters/online gamers is much younger than that of casino gamers, such that if there is an increase in problem gambling in the area, it is possibly more attributable to the fast growing sports betting and online gaming

¹⁴² SEIGMA Research Team (2024). Social and Economic Impacts of Casino Introduction to Massachusetts. Amherst, MA: School of Public Health and Health Sciences, University of Massachusetts Amherst. October 2024. Page 172, Table 76

market segments. As such, in addition to awareness programs provided by the casino, providing/ensuring education and signage at the university of the risks of any form of gambling would be beneficial. Additional research into problem gaming is underway at various universities and agencies across the United States, and College Township should avail itself of best practices as they evolve.

Domestic Violence: Data on incidents of domestic violence in casino communities versus non-casino communities are mixed and no firm conclusions can be made. Nevertheless, based on the historical trends from the existing 4 casino host counties, College Township's relatively low rate of domestic violence could slightly increase to meet the levels of its nearest neighboring jurisdictions which post slightly higher domestic violence rates.

Divorce: Data from elsewhere in Pennsylvania with existing Category 4 casinos does not suggest that the casino opening will have an impact on the Centre County rate or volume. In Centre County, the divorce rate has been rising since 2021, approaching the 2018-2019 level of approximately 2.0/1,000 residents, but still is approximately 25% below the rate of surrounding counties.

Bankruptcy: The data show no clear correlation between rates of bankruptcy filings and the presence of a casino. While non-business bankruptcy filings have increased in some Pennsylvania casino communities, it is unclear how much this is correlated with the Category 4 casinos as this matches statewide trends. More years and granular data are needed to separate any effects of the casinos from general macroeconomic shifts like high inflation post-pandemic.

Suicide & Mental Health: While marital, family, and/or financial problems are generally associated with the risks of problem gambling behavior, in dire cases these issues can snowball into suicidal contemplation or attempts. However, data on suicides in jurisdictions with casinos do not support the assertion that casinos increase suicide rates. Data from Massachusetts shows no correlation with gambling legalization or casino openings with suicides. Data for Pennsylvania shows no strong correlation between being a casino host county and suicide rates. The research indicates that Mixed-venue gamblers (those who play both online and land-based casinos) had higher rates of mental health problems, anxiety, depression, suicide attempts and non-suicidal self-injury compared to both online only and land-based gamblers.

Crime and Public Safety: With the opening of the Category 4 casino, approximately 1 additional call per week for police should be anticipated. We expect approximately 2 additional calls per month for Fire, and less than 1 additional call per month should be anticipated for EMS. At the levels of service currently provided to the community, these additional calls would not constitute a significant impact on public safety resources.

The most significant public safety needs will be to ensure parking lot safety for customers (sense of security as well as responding to fender-benders and falls) and to discourage car theft/vandalism/break-ins. Ensuring that the mall has adequate lighting in the parking lot at all hours will complement this effort.

GRANT PROGRAMS

There currently exist multiple grant programs which College Township, surrounding (non-host) communities, and non-profits may be eligible, and which may fund treatment or prevention programs for problem gaming. One such notable program is the Pennsylvania Local Share Account (LSA), which provides for the distribution of tax revenues from sports betting and online gaming through the Commonwealth Financing Authority for “projects in the public interest within the Commonwealth of Pennsylvania.”¹⁴³ As uncovered in CSG’s interviews with host communities, such funds have been used to pay for public safety and public health improvements such as radios and ambulances. Such funds may be available for acquisition costs or construction of problem gaming treatment centers.¹⁴⁴

Grants are also awarded through the Pennsylvania Gaming Control Board which may be applicable for problem gaming related issues in College Township and the surrounding area. These monies are earmarked for the identification, prevention, deterrence, enforcement, investigation or prosecution of activities involving any form of unlawful gaming in the Commonwealth.

While annual grant amounts are set at \$250,000 per year, local law enforcement and district attorney offices can use the grants for:

- “Attending education and training events sponsored by authoritative agencies for the purpose of training officers, investigators or attorneys in techniques appropriate to the enforcement and prevention of unlawful gambling in the Commonwealth;
- Conducting programs that utilize proven methods to deter or prevent unlawful gambling;
- Defraying costs related to assigning officers or investigators to prevent, deter, enforce or investigate unlawful gambling, and the costs of prosecuting crimes involving unlawful gambling;
- Funding other prevention and enforcement programs that address prevention and enforcement of unlawful gambling within the Commonwealth.”¹⁴⁵

PROBLEM GAMBLING TREATMENT OPTIONS

As mentioned above, some statewide funding may be applied for from the Commonwealth Financing Authority for the acquisition or construction of public health/problem gambling centers in the Centre County area, for which it does not appear there is a well-developed network, though these funds are not permitted to be used for ongoing operations. While our interviews with township officials in other Category 4 host communities has not revealed any allocations of gaming tax dollars towards problem gambling treatment, such an allocation would help ensure there are resources locally.

As such, there needs to be coordination between local healthcare providers such as Mount Nittany Health and the Council of Compulsive Gambling in Pennsylvania to ensure that those seeking various

¹⁴³ Local Share Account (LSA) – Statewide. Pennsylvania Department of Community & Economic Development website. <https://dced.pa.gov/programs/local-share-account-lsa-statewide/> Accessed August 13, 2025.

¹⁴⁴ Local Share Account Statewide, Program Guidelines July 2025. Pennsylvania Department of Community & Economic Development. <https://dced.pa.gov/download/pa-gaming-statewide-local-share-account-guidelines-2022/?wpdmdl=113332>

¹⁴⁵ PGCB to Accept New Applications Beginning March 15 for Grant Program to Assist Law Enforcement Agencies in Preventing Unlawful Gaming Activities in Commonwealth. Pennsylvania Gaming Control Board website. <https://gamingcontrolboard.pa.gov/news-and-transparency/press-release/pgcb-accept-new-applications-beginning-march-15-grant-program> Accessed August 14, 2025.

types of health can find it – not just for casino gaming, but for all types of gambling. There are various types of treatments that have been found effective:¹⁴⁶

COGNITIVE BEHAVIORAL THERAPY (CBT)

CBT treatments are attempts to change the thoughts and behaviors that are fundamental to maintaining a pattern of behavior (e.g., gambling disorder). The goal of CBT for intemperate gambling is to identify and change “cognitive distortions and errors” that are associated with excessive gambling. For gambling, CBT can include at least four components: (a) correcting cognitive distortions about gambling; (b) developing problem solving skills; (c) teaching social skills; and (d) teaching relapse prevention.¹⁴⁷

MEDICATIONS

According to the Massachusetts Department of Public Health, there is no specific FDA-approved pharmacotherapy for the treatment of gambling disorder, but they note that to date, there are randomized clinical trials that show favorable outcomes for escitalopram, lithium, nalmefene, valproate, topiramate, paroxetine, and naltrexone, but that no single drug has sufficient support for them to classify it as a treatment with “High Quality Empirical Evidence.” They further note that some randomized clinical trials meet the technical definition of a trial, but include as few as four individuals.¹⁴⁸

INTERVENTIONS AND OTHER THERAPIES

There are a variety of behavioral and cognitive therapies that are being used to help gambling addicts recognize their triggers or misperceptions, and to help motivate change. This, combined with programs such as Gamblers Anonymous can be necessary to ensure long-run abstinence for those at risk.

ONGOING RECOMMENDATIONS

Provided above are our projections of socioeconomic impacts of the casino, as well as recommendations on ways to source funding for problem gaming treatment in the area. The appendix to this report provides baseline statistics and some forward projections to assist in future reviews of impacts to the county. We recommend future assessments occur every three years, with the Township engaged and fully informed in the process, generally identified the following:

- Determine whether there are locations or segments underserved in terms of behavioral health treatment options.

¹⁴⁶ Recommendations as provided by the Massachusetts Department of Public Health, <https://www.mass.gov/info-details/treatment-recommendations-for-gambling-disorders>

¹⁴⁷ Ibid

¹⁴⁸ As noted by the Massachusetts Department of Public Health, “Escitalopram is a medication typically used to treat mood disorders. It is a selective serotonin reuptake inhibitor (SSRI). Lithium is a drug frequently used to treat bipolar disorder and major depressive disorder. It is considered a mood stabilizer. Nalmefene is an opioid antagonist. Most often providers use it to treat alcohol-related disorder. Valproate is an anticonvulsant that typically is used to treat seizures, bipolar disorder, and migraines. Topiramate is a nerve pain medication and anticonvulsant that acts on dopamine pathways and typically is used to treat seizures and migraines. Paroxetine is an SSRI; this medication often is used to treat mood disorders. Finally, naltrexone is an opioid antagonist usually used to treat alcohol and opioid use disorders. Additional research is necessary to study the effects of all these drugs before they are used routinely in a clinical setting for gambling-related problems; however, these early studies are promising, and suggest that some drugs might eventually be useful to treat gambling-related problems.” <https://www.mass.gov/info-details/treatment-recommendations-for-gambling-disorders>

- Prioritize the following to address that deficit:
 - Community partnerships and collaboration
 - Addressing social drivers of health (SDoH) and the rising cost of living
 - Supporting marginalized and vulnerable communities

DISCLAIMER

Certain information included in this report contains projections, estimates and/or forward-looking statements which Convergence Strategy Group has based on our current expectations about future events. These items include statements that reflect our existing beliefs and knowledge regarding the operating environment, existing trends, existing plans, public announcements, objectives, goals, expectations, anticipations, results of operations, future performance and business plans.

Further, statements that include the words "project," "estimate," "intend," "plan," "may," "could," "should," "would," "believe," "expect," "anticipate," or other words or expressions of similar meaning have been utilized. These statements reflect our current judgment based on information available to us when producing this report and we undertake no duty to update such statements in the future.

Although we believe that assumptions and methodologies used in this report are reasonable, any or all of the estimates or projections in this report may prove to be incorrect. To the extent possible, we have attempted to verify and confirm estimates and assumptions used in this analysis. However, some assumptions inevitably will not materialize as a result of inaccurate assumptions, and/or unanticipated events and circumstances may occur. Consequently, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material. As such, Convergence Strategy Group accepts no liability in relation to the estimates provided herein.

APPENDIX I: BASELINE METRICS FOR FUTURE EVALUATION

POPULATION GROWTH AND MIGRATION TRENDS

College Township and Centre County have seen relatively small population growth since 2015 with each growing about 8% and 2%, respectively, over that period to 2024 levels of 11,019 in the Township and 158,243 in the County. ESRI projects annual population growth in College Township to slow to approximately 0.2% annually through 2029; meanwhile, Centre County is expected to slightly lose population at a rate of approximately -0.1% annually through 2029.

The casino is not expected to be a labor-intensive operation or require a significant number of staff with experience in the gaming (or ancillary amenity) experience. As such, it should not have an impact on township or county population trends.

TABLE 76: COLLEGE TOWNSHIP POPULATION TREND

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Population										
Total	10,178	10,378	10,526	10,660	10,737	10,753	10,719	10,683	10,774	11,019
Change	169	200	148	134	77	16	-34	-36	91	245
% Change	1.7%	2.0%	1.4%	1.3%	0.7%	0.1%	-0.3%	-0.3%	0.0%	2.3%
CAGR from 2015		2.0%	1.7%	1.6%	1.3%	1.1%	0.9%	0.7%	0.7%	0.9%

Source: ESRI

TABLE 77: CENTRE COUNTY POPULATION TREND

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Population										
Total	155,270	156,333	157,253	157,723	157,960	158,107	157,793	157,624	157,625	158,243
Change	843	1,063	920	470	237	147	-314	-169	1	618
% Change	0.5%	0.7%	0.6%	0.3%	0.2%	0.1%	-0.2%	-0.1%	0.0%	0.4%
CAGR from 2015		0.7%	0.6%	0.5%	0.4%	0.4%	0.3%	0.2%	0.2%	0.2%

Source: ESRI

TABLE 78: TOWNSHIP AND COUNTY POPULATION PROJECTIONS TO 2029

	TOTAL POPULATION 2024	TOTAL POPULATION 2029 (PROJECTED)	CAGR (2024-2029)
College Township	11,019	11,143	0.22%
Centre County	158,243	157,458	-0.1%

Source: ESRI

HOUSEHOLD INCOME & EMPLOYMENT

According to 2024 statistics, College Township is a relatively wealthy area with a median household income of \$102,096 and a poverty rate of 7.8%. Meanwhile, Centre County is less affluent, with median

household income of \$70,862 and a poverty rate of 17.1%. CSG projects a total annual economic impact of \$16.7 million in earnings for College Township and \$19.9 million for Centre County, which could slightly elevate the median incomes, but likely a small impact on poverty given the relatively small employment impact.

Despite the lower median income, Centre County has almost the exact same employment rate as College Township in 2024 at 97.1% and 96.9%, respectively. CSG projects the casino to create 354 total jobs for the Township and 402 total jobs for Centre County.

According to the U.S. Census, during the past decade, annual poverty rates in the county have fluctuated between 16.3% and 19.1%, with no clear trajectory. We do not expect that the casino will change the trajectory of poverty rates in the county or the township.

TABLE 79: TOWNSHIP AND COUNTY EMPLOYMENT AND POVERTY RATES, 2024

	MEDIAN HOUSEHOLD INCOME 2024	AVERAGE HOUSEHOLD INCOME 2024	EMPLOYMENT RATE 2024	POVERTY RATE
College Township	\$102,096	\$138,334	96.9%	7.8%
Centre County	\$70,862	\$102,194	97.1%	17.1%

Source: ESRI; US Census Bureau Poverty Rate Estimates¹⁴⁹

EDUCATION INSTITUTIONS AND STUDENTS

In Fall 2024, Pennsylvania State University had a total student enrollment of 48,900 with 42,618 undergraduate students. The casino should not affect student populations especially as they have access to other gambling options in the state. In our review of research on gambling activity among college students, about 50% of college students participated in gambling within the previous year. Similarly, CSG projects 26,287 visits from students, accounting for a total gaming revenue of \$2.6 million.

¹⁴⁹ U.S. Census Bureau. College Township:

<https://www.census.gov/quickfacts/fact/table/collegetownshipcentrecountypennsylvania/HSG010223>; and Centre County <https://www.census.gov/quickfacts/fact/table/centrecountypennsylvania/PST045224>. Accessed June 7, 2025.

TABLE 80: PENN STATE ENROLLMENT, 2024

	GRADUATE	GRADUATE	TOTAL
Enrolled Fall 2024	42,619	6,281	48,900

	ALL	UNDERGRADUATES
Asia	4,926	2,574
Middle East	1,125	836
Latin America	339	222
Europe	313	148
Africa	274	76
North America	89	60
Oceania	39	35
Latin America/Caribbean	33	23
N/A	2	1
Unknown	14	14
TOTAL	7,214	3,989

Source: Office of Planning, Assessment and Institutional Research, The Pennsylvania State University.

Note: all data from Penn State, and some do not total. All students with a U.S. Citizen Status of "international" are represented here. International students may have a race/ethnicity value that is not "international" (race/ethnicity is self-reported). Country of origin may differ from students' permanent address country.

AGE DISTRIBUTION

In 2024, 83.9% of the College Township population was at least 18 years of age with Centre County having 85.4%. The two largest age cohorts were ages 15-24 and 25-34 for both the Township (19.6% and 14.5%, respectively) and the County (27.9% and 13.8%), likely due to the presence of Penn State University. ESRI projects Centre County to drop slightly in population by 2029, but both College Township and Centre County will increase very slightly in the share of the population 18+, at 84.5% and 85.9%, respectively, while maintaining a similar percentage of individuals ages 15-34 (the most notable changes being a regional decline in the 55-64 age cohort, but an increase in the 75-84 age cohort at both the township and county levels). At the township level, the adult population and retiree-aged populations both are projected to increase, supporting a trend in casino demand growth. The pace at the county level is at a slower rate than the township, but still suggests organic growth to gaming demand.

TABLE 81: TOTAL POPULATION BY AGE COHORT PERCENTAGES, 2024 AND 2029

AGE COHORT	COLLEGE TOWNSHIP 2024	COLLEGE TOWNSHIP 2029	CENTRE COUNTY 2024	CENTRE COUNTY 2029
0 - 4	4.3%	4.3%	3.8%	3.8%
5 - 9	4.5%	4.2%	4.1%	3.8%
9 - 14	4.6%	4.3%	4.1%	4.1%
15 - 24	19.6%	18.1%	27.9%	26.9%
25 - 34	14.5%	14.9%	13.8%	13.8%
35 - 44	10.8%	11.3%	10.5%	10.8%
45 - 54	10.3%	9.9%	9.5%	9.5%
55 - 64	11.1%	10.3%	10.1%	9.4%
65 - 74	10.4%	10.4%	8.9%	9.3%
75 - 84	6.5%	8.2%	5.2%	6.3%
85 +	3.5%	3.8%	2.1%	2.3%
18 +	83.9%	84.5%	85.4%	85.9%
Total	11,019	11,143	158,243	157,458

Source: ESRI

HOUSING & LIVING CONDITIONS

Once again reflecting the wealth of the areas, the average home values in 2024 were \$490,876 in College Township and \$401,012 in Centre County. Further highlighting the discrepancy between the areas, 61.8% of homes in College Township were worth at least \$400,000 while only 40.1% of homes in the County had such values. The casino should not lessen housing values as CSG projects an increase in real estate taxes of \$50,000 within the first year of the casino’s opening. Again, as the casino will not require high staff nor affect population growth, it should not create a demand shock for housing in the area.

TABLE 82: TOTAL POPULATION BY AGE COHORT PERCENTAGES, 2024 AND 2029

	COLLEGE TOWNSHIP	CENTRE COUNTY
2024 Housing Units	4,524	66,200
Owner Occupied Housing Units	66.9%	54.0%
Renter Occupied Housing Units	25.6%	36.7%
Vacant Housing Units	7.6%	9.4%
2029 Housing Units	4,639	66,871
Owner Occupied Housing Units	67.9%	54.8%
Renter Occupied Housing Units	25.0%	36.1%
Vacant Housing Units	7.1%	9.1%

Source: ESRI

TABLE 83: OWNER OCCUPIED HOUSING UNITS BY VALUE, 2024

OWNER OCCUPIED HOUSING UNITS BY VALUE	COLLEGE TOWNSHIP	CENTRE COUNTY
<\$50,000	0.2%	3.6%
\$50,000 - \$99,999	0.0%	2.6%
\$100,000 - \$149,999	0.2%	2.0%
\$150,000 - \$199,999	3.1%	10.0%
\$200,000 - \$249,999	7.6%	7.0%
\$250,000 - \$299,999	7.6%	9.0%
\$300,000 - \$399,999	19.3%	25.7%
\$400,000 - \$499,999	23.2%	16.5%
\$500,000 - \$749,999	28.0%	17.3%
\$750,000 - \$999,999	9.6%	4.7%
\$1,000,000 - \$1,499,999	0.7%	1.0%
\$1,500,000 - \$1,999,999	0.0%	0.1%
\$2,000,000 +	0.3%	0.5%
Average Home Value	\$490,876	\$401,012

Source: ESRI

TOURISM

Centre County has seen an increase in annual adult visitors since 2021 with 3.9 million person-trips spending a total of \$997 million in 2024. CSG projects annual adult tourists to increase to about 4.4 million visitors in 2027 with a potential tourist market of 83,250 gamer visits accruing \$9.1 million in gaming win. The presence of the casino should slightly boost tourism spending as CSG projects induced annual spending of \$4.61 million at businesses in the area from non-local visitors.

TABLE 84: ADULT VISITORS TO CENTRE COUNTY (MILLIONS OF PERSON-TRIPS), 2021-2024

YEAR	TOTAL	OVERNIGHT	DAY
2021	3.2	1.1	2.1
2022	3.5	1.3	2.2
2023	3.7	1.4	2.3
2024	3.9	1.4	2.5

Source: Travel USA Visitor Profiles (2021-2024), Compass Longwoods International, The Happy Valley Adventure Bureau

TABLE 85: VISITOR SPENDING IN CENTRE COUNTY BY SECTOR, 2024

SECTOR	OVERNIGHT TOTAL SPENDING (\$M)	AVG. SPENDING PER PERSON PER OVERNIGHT TRIP	DAY-TRIPPER TOTAL SPENDING (\$M)	AVG. SPENDING PER PERSON PER DAY-TRIP	TOTAL SPENDING (\$M)
Lodging	\$171	\$96	\$0	\$0	\$171
Transportation at Destination	\$120	\$68	\$174	\$53	\$294
Food & Beverage	\$127	\$71	\$96	\$29	\$223
Retail Purchase	\$79	\$44	\$92	\$28	\$171
Recreation & Entertainment	\$45	\$25	\$93	\$28	\$138
Total	\$542	\$304	\$455	\$138	\$997

Source: Travel USA Visitor Profile (2024), Compass Longwoods International, The Happy Valley Adventure Bureau

POTENTIAL SOCIAL COSTS

DOMESTIC VIOLENCE

In Centre County, the Family Court Protection from Abuse (PFA) filings rate was 51%-64% of its neighboring counties from 2018-2023, with negligible change from 2018 to 2023 (though there was some volatility during these years). When examining the other counties with Category 4 casinos to forecast for Centre County, the soon-to-be host counties had domestic abuse cases per capita approximately 4 to 6% greater than their neighboring counties prior to the opening of any of the Category 4 casinos (2018-2019). From 2021 to 2023, this steadily increased to a per capita rate differential of 9% to 22.5%, though as evident from the preceding tables, the impacts varied considerably between the host counties. Based on the historical trends from the existing 4 casino host counties, it is likely that the trend will show a narrowing of the host/neighbor rate difference for Centre County after the casino opens.

TABLE 86: CENTRE COUNTY AND NEIGHBORING COUNTY DOMESTIC ABUSE CASES, 2018-2023

COUNTY	POPULATION	2018	2019	2020	2021	2022	2023
Centre	158,172	1.79	1.91	1.69	1.40	1.55	1.71
Blair	122,822	3.57	4.79	3.13	4.62	4.60	4.20
Clearfield	80,562	2.15	1.90	1.96	1.40	1.92	1.23
Clinton	37,450	3.04	2.40	2.70	3.20	3.63	3.58
Huntington	44,092	2.93	2.72	3.20	2.83	3.56	3.63
Mifflin	46,143	1.30	1.86	1.60	1.11	1.56	1.60
Union	42,681	1.52	1.59	1.59	1.43	1.57	1.64
Neighboring Counties	373,750	2.62	2.96	2.48	2.77	3.08	2.82
Centre as % of Neighbor		58.1%	53.9%	64.2%	51.5%	50.9%	58.2%
Statewide	13,002,700	3.00	3.01	2.77	2.98	3.12	3.21

Source: Unified Judicial System of Pennsylvania annual protection from abuse new case filings. Note: Units are cases are per 1,000 residents

DIVORCE

In Centre County, the divorce rate has been rising since 2021, approaching the 2018-2019 level of approximately 2.0/1,000 residents, but still is approximately 25% below the rate of surrounding counties. Data from elsewhere in Pennsylvania with existing Category 4 casinos does not suggest that the casino opening will have an impact on the Centre County rate or volume.

TABLE 87: CENTRE COUNTY AND NEIGHBORING COUNTY DIVORCE FILINGS, 2018-2023

COUNTY	POPULATION	2018	2019	2020	2021	2022	2023
Centre	158,172	2.04	2.00	1.78	1.62	1.69	1.95
Blair	122,822	2.73	2.72	2.85	2.92	2.70	2.54
Clearfield	80,562	2.79	2.69	2.73	2.69	2.87	2.67
Clinton	37,450	2.72	3.58	2.99	3.26	3.04	3.52
Huntington	44,092	3.29	3.52	3.06	2.93	2.54	2.95
Mifflin	46,143	3.55	3.58	3.45	2.88	3.32	2.84
Union	42,681	2.60	2.16	2.62	1.97	2.04	1.15
Neighboring Counties	373,750	2.89	2.94	2.91	2.79	2.75	2.59
Centre as % of Neighbor		70.3%	68.1%	61.2%	57.9%	61.5%	75.4%
Statewide	13,002,700	2.93	2.93	2.71	2.79	2.57	2.53

Source: Unified Judicial System of Pennsylvania annual new divorce case filings. Note: Filing rates are cases per 1,000 residents

BANKRUPTCY

Centre County has significantly less nonbusiness bankruptcy filings than the other Category 4 casino host counties with only 39 in 2024 (the next closest host county had 220); nevertheless, the data tells a similar story with strong variance and much lower annual numbers post-2020 than pre-2020. Although the other Category 4 casino host counties show growth in bankruptcy filings, it is not clearly correlated with the opening of the Category 4 casinos as this matches statewide trends, and all 2024 levels are much lower than pre-2020 levels. The data show significant volatility year to year and seem more closely correlated with macroeconomic trends.

TABLE 88: ANNUAL NONBUSINESS BANKRUPTCY FILINGS, PENNSYLVANIA, 2015-2024

YEAR	CENTRE COUNTY	BERKS COUNTY (HOLLYWOOD MORGANTOWN)	CUMBERLAND COUNTY (PARX SHIPPENSBURG)	WESTMORELAND COUNTY (LIVE! PITT.)	YORK COUNTY (HOLLYWOOD YORK)	STATEWIDE
2015	85	820	370	718	887	21,584
2016	83	799	361	761	879	20,871
2017	69	804	374	921	786	21,722
2018	79	743	398	807	888	20,732
2019	90	757	345	866	913	20,518
2020	57	511	232	660*	568	13,604
2021	47	361*	189	452	438*	9,997
2022	39	349	169	434	460	9,439
2023	46	416	184*	496	506	10,652
2024	39	501	220	465	541	12,049

Source: U.S. Courts' Bankruptcy Statistics; Note: Data reports nonbusiness bankruptcy filings from all chapters (Chapters 7, 11, 13).

* Indicates the year a Category 4 casino opened

SUICIDE

It is notable that Centre County has low suicide rates, such that any nominal increase could reflect a significant increase in the per capita rate, but the data does not support the assertion that being a host would increase the volume, or make Centre County's average suddenly mirror that of the existing casino host counties.

TABLE 89: PENNSYLVANIA SUICIDE REPORTS, 2018-2022

	SUICIDES 2018-2022	SUICIDES/YR 2018-2022	SUICIDES PER 100,000 RESIDENTS PER YEAR	ANNUAL "OTHER ADDICTION" SUICIDES/100,000 RESIDENTS	ANNUAL "FINANCIAL PROBLEMS" SUICIDES PER 100,000 RESIDENTS PER YEAR
Statewide	9,269	1,854	14.3	0.05	0.47
Centre County	90	18	11.4	0.13	0.13
Casino Host Counties	4,973	995	13.4	0.04	0.49
Non-Casino Host Counties	4,296	859	15.4	0.06	0.45

Source: Pennsylvania Department of Health, citing the Center of Disease Control and Prevention's National Violent Death Reporting System data

PUBLIC SAFETY REQUESTS

In 2024, the State College Police Department responded to 23,882 calls with .48% of calls pertaining to the Nittany Mall. Similarly, the Fire Department responded to 1,429 calls with .83% concerning Nittany Mall. After interviewing departments in two other category 4 host communities, those casinos accounted for between 1%-3.3% of police calls and less than 1% of fire department responses. In 2021, ESI projected that the Happy Valley Casino would increase calls per month by 6.2 for the State College Police, 2.2 for the Alpha Fire Department, and 2 for the EMS. All of these increases would correspond to, at most, a 2% increase with neither the Police Chief nor Fire Chief expressing concern at that time.

Based on other Category 4 casino townships in Pennsylvania, the Police and EMS projected call volumes are slightly greater than may occur (Fire roughly in line with our calculations), further suggesting no need for concern.

COLLEGE TOWNSHIP BUDGET

The College Township budget will be impacted by the gaming tax revenues from table gaming and slots, property tax increases, and rises in the Local Services Tax (LST) and the Earned Income Tax (EIT) via higher household incomes. School district revenues will also increase from the money raised through the property taxes, EIT, and LST. CSG projects a fiscal impact as a result of casino operations of approximately \$1.4 million in the first full year of operations, increasing to \$1.66 million annually by Year 10 for College Township. Additionally, we estimate a fiscal impact of \$540,520 for the School District.

Table 90: Summary Fiscal Impact Comparisons

Tax Revenue Increase	CSG PROJECTIONS		ESI PROJECTIONS	
	Within the First Year	At Stabilization	Within the First Year	At Stabilization
Host Municipality Slot Revenue	\$1,163,561	\$1,402,991	\$1,230,000	\$1,600,000
Host Municipality Table Revenue	\$79,334	\$95,658	\$150,000	\$190,000
Host Municipality Sportsbook Revenue	\$0	\$0	\$186,000	\$219,000
Real Estate Taxes	\$50,000	\$50,000	\$40,000	\$40,000
EIT	\$83,552	\$95,533	\$6,000	\$7,000
LST	\$16,638	\$16,638	\$21,000	\$25,000
Total	\$1,393,085	\$1,660,821	\$1,633,000	\$2,081,000
School District				
Property Tax	\$380,000	\$380,000	\$350,000	\$350,000
EIT	\$158,750	\$181,513	n.a.	n.a.
LST	\$1,770	\$1,770	n.a.	n.a.
Total	\$540,520	\$563,283	n.a.	n.a.

Sources: CSG projections and ESI 2021 memo to SC Gaming, page 21.

APPENDIX II: INTERVIEWS WITH PUBLIC OFFICIALS

During the course of this study, Convergence Strategy Group principals personally interviewed public officials in the other Category 4 Casino host communities. While the data and information provided by these officials are integrated throughout this report, below are brief summaries of those interviews.

SPRINGGETTSBURY TOWNSHIP

Springettsbury is home to **Hollywood York**, which opened in August 2021. CSG interviewed Mark Hodgkinson, Township Manager on May 13, 2025 at the Township offices.

- Q: How has the casino impacted Springettsbury?
- A: From my seat, it's all been positive. We don't even know they're here day to day. No calls about traffic, loitering, or anything. The casino is very engaging with us. They support recreation programming, concerts 2x per week in June and July, and one time per week in August at the amphitheater. They sponsor fireworks for holidays. The casino will not sponsor youth-focused events.
- Q: How has the police department been affected? Has it been strained?
- A: There have been no strains on police.
- Q: What types of calls for service come in for the casino?
- A: Mostly alcohol-related calls for service – the casino calls the police on people who have been drinking and won't get into an Uber. But, we have other bars in the township and alcohol is a bigger issue with those than at the casino.
- Q: How many calls for service do you get for EMS?
- A: about 600 calls per month township wide
- Q: what taxes do you get from the casino? How are those used?
- A: We get a quarterly payment from the Pennsylvania Gaming Control Board, of about \$1.5-\$1.8 million per year. We've restricted that to our capital reserve account. Only the Board can authorize spending, and they haven't funded any one particular project. Capital projects usually spends about \$2 million per year. Prior to the casino, we were allocating general fund dollars to the capital reserve. Now we move less from general fund to the capital reserve.
- Q: How are EMS, Fire, and Police handled for the casino?
- A: We subcontract EMS for Springettsbury. Fire is the York Area United Fire & Rescue. The Police is Springettsbury PD.

CAERNARVON TOWNSHIP

Morgantown is home to **Hollywood Morgantown**, which opened in December 2021. The facility is in Caernarvon Township, Berks County, and therefore CSG interviewed officials of Caernarvon Township, Chief of Police Stolz and Heather Brendle, Caernarvon Township Administrator on May 14, 2025.

- Q: How is fire service handled for the casino? EMS? Police?
- A: We have the Town Valley Fire Department – volunteers, but the Chief is a public employee, and they cover 7 municipalities over 3 counties; EMS – Elberson Honeybrook Area EMS, which covers multiple municipalities; Pennsylvania State Police – they are first responders too.
- Q: The State Police cover the casino, not your office?
- A: We have a great rapport with all staff at the PA gaming commission. For casinos, there has to be a police officer on the casino floor. For the Category 4s, no trooper has to be on site.

This is a problem on late shifts (around midnight, etc.), as we've had to wait 45 minutes to an hour to get police response. We don't have authority to walk on the casino floor, only state police do. We'd like control of non-gaming violations.

- Q: what types of calls come in for the casino?
- A: We get lots of calls for parking lot incidents. We have two-way radio with their security staff. We did have an issue with over-serving at the casino a while back, but it has gotten better. We get calls for public urination, drinking in the parking lot, drug use in the parking lot, potential DUIs. We've only had 2 incidents of kids being left in a car – that was something people were worried about initially.
- Q: where do the casino's customers come from?
- A: They come from all over – Philadelphia, Lancaster, Allentown. The locals go over there on Friday and Saturday nights because they have live music, and a couple of bands that locals follow.
- Q: what has been the biggest impact of the casino?
- A: The taxes. The taxes from the casino cover the needs and then some. They have been a drastic help. We're updating our fleet and equipment with that money. The casino keeps us afloat. The township raised local taxes last year for the first time in 25 years. We're trying to climb out of a hole. The casino taxes all go into the General Fund. We budget for casino taxes of \$1.3 million. In addition, other (non-host) communities can apply for LSA funds – this is casino money allocated to the County. Communities can apply for grants to pay for radios, ambulances, etc.
- Q: how has the casino impacted calls for service?
- A: We're not called to the casino everyday. The top 2 sources for calls to service are the high school and the middle school – mostly instances of vaping, sometimes a kid has a knife.
- Q: how does the casino's calls for service compare to other big stores or places with lots of people?
- A: The Walmart doesn't call us for petty thefts. Lowes – hardly ever. We're called to the casino about 1 time per weekend.
- Q: you mentioned getting called to the casino for things in the parking lot. What is it like?
- A: the parking lot is kept clean. I have no beefs with the casino.
- Q: how has the casino impacted addiction services? Have you seen increased need due to increased addictions?
- A: We don't know anything about that. There aren't any services for that here. Perhaps that is something Berks County handles.

SHIPPENSBURG TOWNSHIP

Shippensburg Township is home to **Parx Casino**. On May 16, 2025, CSG interviewed John J. Knutelsky, Supervisor of Shippensburg Township and Steven Oldt online via video call.

- Q: Please tell me about the impact of the casino on Shippensburg
- A: Steve spearheaded the initial attraction of the casino to Shippensburg. It has benefited the community – more money and community investments. The casino has had minimal negative impacts – no significant increases in crime or traffic. Our budget has increased from about \$1 million to \$1.5 million because of casino revenue. The casino's restaurant has been successful, and it is used for community gatherings. We get casino revenue on top of what the state gives us. Our last quarterly casino payment was \$170,000. With the money, we bought a pickup truck and lawnmowers – that's it. No raises for folks, no tax breaks.

- Q: How is the money allocated?
- A: We don't have a particular process. It goes into the general fund.
- Q: How have businesses been affected? Anything close down due to the new competition? Or has anything new opened up?
- A: We're seeing more business activity. A couple of hotels are showing interest in coming here. A Chipotle and a Popeyes have opened. No places have closed because of the casino.
- Q: How was the mall impacted? Was it failing before the casino came?
- A: The mall was always doing OK. It wasn't on a downturn. It's gotten additional foot traffic though. There's some new life there. Now there's a Five Below, Marshalls, Planet Fitness, Starbucks. But there was some momentum there before the casino came in.
- Q: In college Township, the casino will go into Nittany Mall, a mall that has seen better days. From your experience, do you think a casino might help or hurt the mall?
- A: Based on our experience, it seems Nittany Mall will see an uptick in small boutique shops, coffee shops, etc.
- Q: Who handles Police, Fire, EMS?
- A: We don't have a police force. The casino is patrolled by the State Police. EMS – that is a paid service.
- Q: What is it like around the casino?
- A: it's safe, clean, and there's a minimal amount of crime and traffic. The restaurant is excellent. The Borough was concerned before the casino opened, but nothing they were worried about came to fruition. Parx donates a lot to the community.
- Q: what is security like at the casino
- A: it's tight.
- Q: How have addiction services been impacted?
- A: we can't answer that. You'll have to talk to EMS.
- John Knutelsky – phone conversation May 30, 2025
- Follow up conversation, sending over balance sheet which has increased substantially because of the casino
- “The casino has cost us nothing. We're saving most of the money for capital improvements.”

HEMPFIELD TOWNSHIP

Hempfield Township is home to **Live! Pittsburgh**, although the property address lists Greensburg. On July 8, 2025, CSG interviewed Douglas Weimer, Township Supervisor.

- Q: What has been the casino's impact on Hempfield Township? Has it affected it in any negative way?
- A: Absolutely not.
- Q: What about the mall? What impacts has it had on the mall?
- A: the mall has a high occupancy rate, partially because it changed its operating model, allowing businesses to set their own hours
- Q: Please tell me more about the mall
- A: the mall is a major commercial site. We've had 4 anchors there, and Live! took one of those spots. We still have Macys, Sears, Dicks House of Sports. There's been lots of interest for the property; the casino brought life back to the mall.
- Q: has the casino affected any business closures?
- A: some restaurants or stores have closed since it opened, but for different reasons, not apparently related to the casino

- Q: how is policing handled for the casino? Have there been problems?
- A: we don't have a police force; they use the State Police, and they're housed at the casino; I believe they've added another officer
- Q: what types of calls come in related to the casino?
- A: the types of calls that come in related to the bars; there's no real crime at the casino, just petty crime, no assaults or anything like that; calls are trending down now; we don't have people afraid of going into the parking lot or anything like that.
- Q: what initial concerns did you have about the casino, and were they well-founded?
- A: our initial concerns did not come true. This is more of a gaming amenity than anything – it's an entertainment option. We aren't having desperate gamblers hanging around, not like Atlantic City. There has been no increase in police service there.
- Q: what costs were incurred?
- A: we didn't have to build any infrastructure, and its been a win/win for us
- Q: how has the casino impacted your budget?
- A: in the first year, we didn't budget for the casino revenue. Our advice is to budget low, and not include casino money the first year at all – be cautious. We've trended up since the casino opened, even though that was during COVID. The casino money helps to improve our commitment to fire service – to fill gaps, buy hoses, etc. We aren't replacing what we use property taxes for – this is all supplemental, things we didn't take care of before. We're building a new park complex now with this money. We used the casino money to match grants. We're now able to pay off a loan on our fire truck early and save on the interest. We haven't raised property taxes in 35 years – the casino helped extend the life of that. We're bringing in the fire departments, nine of them under Hempfield Fire. We can do this because we know we have the casino money coming in.
- Q: tell me about commercial activity?
- A: people are eating, shopping, sleeping nearby, and supporting other businesses. Everybody has benefited from the casino, and its brought out of towners to our benefit.
- Q: what about donations or philanthropy?
- A: the casino has been a great community partner and philanthropist
- Q: what have been the negative effects of the casino?
- A: This isn't Atlantic City. I have nothing negative to tell you – I really don't.