



**LEGENDS™**  
RESORT & CASINO | ARKANSAS

## PROJECT OVERVIEW

116 S. Commerce Ave. | Russellville, AR 72801



October 2, 2019

**On behalf of the team at Cherokee Nation Businesses (CNB),** we are pleased to provide public officials and the community at-large with detailed information about our background, along with information on our plans for a world-class economic development project in Pope County, anchored by Legends Resort & Casino Arkansas. Our proposed \$225 million investment will provide a positive economic impact to Pope County and Russellville – attracting tourism and recurring tax revenue.

As a result of the comprehensive vetting process put in place at the county level in which we and all other potential operators participated, we are honored to have received the resolution of support of the Pope County Quorum Court. Copies of the Economic Development Agreement and Resolution No. 2019-R-014 – both executed on August 13, 2019 – are provided at the end of this booklet.

In early September, we further solidified our long-term commitment to Pope County by establishing our own roots in the community with our office in downtown Russellville located at 116 S. Commerce Avenue. This is a place where people can visit and get to know us personally as a business and as an operating partner. It's also a place where members of the community have visited day in and day out since opening to learn exciting details of our project, including future employment opportunities.

We continue moving forward with our plans to develop Legends Resort & Casino Arkansas, and look forward to receiving the license after the November 18 application deadline put in place by the Arkansas State Racing Commission.

Sincerely,

**Chuck Garrett**

Chief Executive Officer

Cherokee Nation Businesses

# TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY.....</b>	<b>5</b>
<b>LEGENDS RESORT &amp; CASINO .....</b>	<b>8</b>
<b>PROJECT OVERVIEW .....</b>	<b>11</b>
<b>PROJECT HIGHLIGHTS.....</b>	<b>12</b>
<b>PROPOSED LOCATION.....</b>	<b>24</b>
<b>ECONOMIC IMPACT .....</b>	<b>25</b>
<b>ANNUAL INCENTIVES.....</b>	<b>26</b>
<b>CONCLUSION .....</b>	<b>28</b>
<b>ECONOMIC DEVELOPMENT AGREEMENT .....</b>	<b>30</b>
<b>COUNTY LETTER OF SUPPORT .....</b>	<b>42</b>

# EXECUTIVE SUMMARY

Cherokee Nation Businesses (CNB) is pleased to provide its plans for a world-class economic development project in Pope County, Arkansas, valued at \$225 million. Legends Resort & Casino is a stunning entertainment destination that will attract visitors from across the region and bring legendary entertainment to Pope County.

Throughout CNB's 30-year history in gaming operations, it has achieved success through doing business the right way — by honoring partnerships, thoughtful planning and following through with its commitments.

CNB is deeply rooted in Arkansas and shares a communal connection to its people and heritage.

In the past 10 years, CNB has purchased more than \$83 million in goods and services from local Arkansas vendors. It also employs 200 Arkansas residents and already provides entertainment options for more than 275,000 individuals across the state.

In order to bring the best entertainment options to Arkansas, CNB entered into a consulting agreement with Legends – a global leader in designing, planning and realizing exceptional experiences in sports, entertainment and leisure – founded by the Dallas Cowboys and the New York Yankees.

This strategic advantage, along with our commitment to the community, positions CNB as the operator of choice for Pope County.

From luxury resort-style entertainment, to family fun at the water park and the excitement of year-round concerts, this \$225 million investment will offer “Something for Everyone,” through the following amenities:

- Casino & Sportsbook
- Dining Venues
- Hotel & Spa
- Meeting & Conference Center
- Resort Pool
- Outdoor Music Venue
- Outdoor Water Park
- RV & Dog Park

In addition, CNB embodies the key characteristics needed to operate a gaming facility in Pope County, outlined as follows:



## **A RESPECTED GAMING & ENTERTAINMENT OPERATOR**

30-year History, 10 Facilities

Never Closed a Facility or Performed Layoffs

Never Defaulted on a Loan or Project Debt

Seasoned Construction Management Team

Experienced Hospitality Amenities Developer

Successful Gaming Consulting Company Owner

Experienced Leadership Team with More than 100 Years of Combined Gaming Experience

Committed to Key Operational Priorities:

- Safety & Security
- Responsible Operations
- Buying, Hiring & Sourcing Locally
- Employer of Choice
- Community Improvement

## **AN ICONIC SPORTS & ENTERTAINMENT, EVENTS & HOSPITALITY EXPERIENTIAL CONSULTANT – LEGENDS**

An Industry-leading Sports, Entertainment & Hospitality Agency

Operates the Two Most Successful Venues in the United States

## **A FINANCIAL POWERHOUSE**

More than \$1 B in Assets

2018 Annual Revenues: \$1.1 B

Operating Debt-free

Cash-on-Hand in Excess of Amount Needed for the Entire Project

Immediate Access to \$150 MM in Credit, with the Ability to Upsize to \$500 MM

## **COMMITTED TO LONG-TERM SUCCESS IN POPE COUNTY**

Offering a Legendary Economic Development Plan Valued at \$225 MM

10-year Economic Impact Statewide: \$5 B+

## **IMMEDIATE DRIVER OF TOURISM & TAX REVENUE**

Resort & Casino Anticipates Being Operational in 18 Months After a License is Issued & All Permits are Received

Resort & Casino Projects More than 1.1 MM Annual Guest Visits

Projected Tax Revenues over the Course of the 10-year License:

- \$21-\$31 MM for the Arkansas State Racing Commission
- \$49-\$67 MM for Pope County & the City of Russellville
- \$131-\$246 MM for the State of Arkansas

Cherokee Nation Businesses is more than just a gaming operator — it's a dedicated and trustworthy community partner with the experience needed to make this economic development plan a success.

We invite you to find out how our experience makes us “The Operator of Choice for Pope County.”





Cherokee Nation Businesses is pleased to provide its plans for a world-class economic development project in Pope County, Arkansas, valued at \$225 million.

Legends Resort & Casino is a stunning entertainment destination that will attract visitors from across the region.

Developed with the needs of the community in mind, it offers something for everyone with its own brand of relaxed luxury. Visitors will experience refined surroundings with a casual weekend vibe that's part pure energy, part relaxed escape. Its thoughtfully planned venues and diverse entertainment choices create the perfect setting for guests to feel and be legendary.

The architecture and design of Legends Resort & Casino is influenced by the distinctive natural landscape of the Arkansas River Valley. Throughout the resort and casino property, guests will enjoy a celebration of Arkansas' legendary figures in sports, music and entertainment; its cuisine; and landscape of The Natural State.











# PROJECT OVERVIEW

CNB's development plan includes the following:

- Approximately 50,000 square feet of gaming space, accommodating 1,200 slot machines and 32 table games.
- A 200-room luxury hotel with resort pool and spa.
- Dining establishments with a total of 600 seats.
- Approximately 15,000 square feet of multipurpose space for meetings, conferences, concerts and special events. This space will have its own separate entrance from the casino in an effort to attract family-style events to the area.
- A water, dog and RV park
- An outdoor music venue with the ability to accommodate 5,000 people

## SPORTS BETTING

Legends Resort & Casino will feature an upscale sports-betting area offering the latest in wagering and display technology, featuring ultra-HD televisions and LED video walls. Guests will have access to multiple betting windows, as well as self-service betting kiosks. CNB also is evaluating the desirability of a mobile sports betting offering that would allow guests to continue to enjoy safe and secure access to CNB's sports betting capabilities throughout the state of Arkansas.

## PROJECT DETAILS



### GAMING

- 50,000 square-foot casino
- 1,200 slot machines
- 32 table games



### SPORTS BETTING

- Sportsbook located within a high-end sports bar
- CNB will partner with an experienced sportsbook operator & platform provider



### HOTEL

- 200 rooms
- Pool
- Spa



### FOOD & BEVERAGE

- Grab & go concept
- Sports bar
- Center bar
- Food hall
- Steakhouse



### CONFERENCE CENTER

- 15,000 square feet of multi-purpose space for:
  - Weddings
  - Conferences & banquets
  - Concerts

# PROJECT HIGHLIGHTS



## CASINO

Immerse yourself in the sights and sounds of 50,000 square feet of exciting gaming, including 1,200 slot machines and 32 table games. With its elegant atmosphere amid lively bars and culinary choices, this is where legends are made and fun is always on tap.





## SPORTSBOOK

Experience the thrill of live sports betting at our sportsbook, perfectly situated in our luxurious sports bar complete with LED video walls. It's the perfect escape to meet up with friends, catch the big game and make it a night to remember.





## DINING VENUES

Something different. Something bold. Something grab-and-go. Whatever you're in the mood for, you'll find it at our exciting mix of dining venues, each with its own flavor of relaxed elegance. Savor prime cuts in our luxurious steakhouse. Enjoy the social scene at our upscale sports bar. Find an irresistible new favorite at our food hall. Or just kick back and unwind at our center bar, in the heart of it all.



## HOTEL & SPA

From the moment you're greeted, you'll know you're in for an incredible stay. Each of our 200 luxurious rooms is a retreat of its own. Plush comforts and lush views surround you, with everything you need — including fun and refined dining — right on property. While you're here, take in the moment and renew your spirit in our beautiful and welcoming spa.







## MEETING & CONFERENCE CENTER

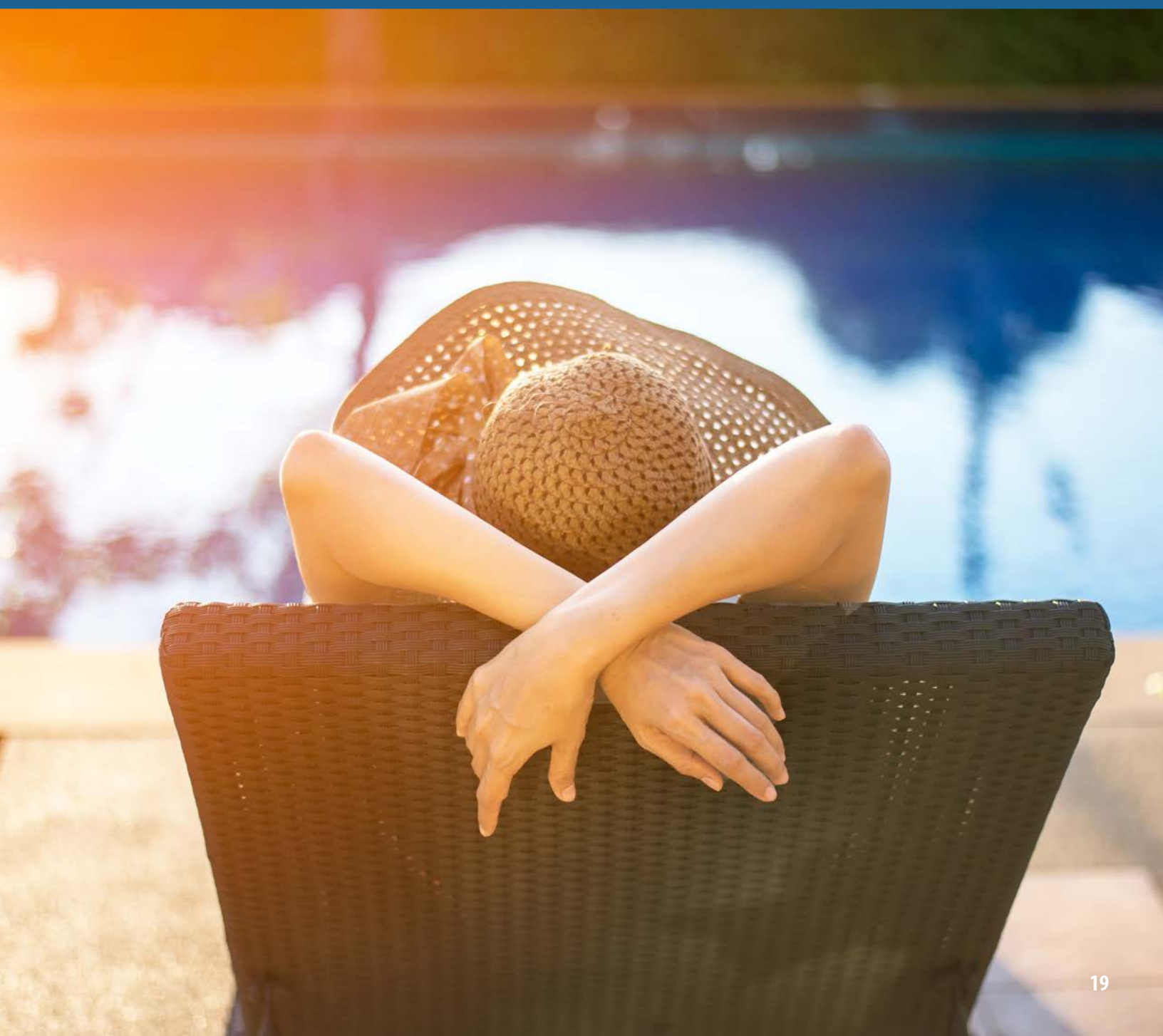
Soaring ceilings. Rich, modern comforts. Every refined detail of our 15,000 square feet of event space lets you know you're in for something special. With its own dedicated entrance, this grand venue lends an extraordinary atmosphere to conferences, banquets, weddings, family entertainment and concerts.





## RESORT POOL

Our gorgeous resort pool is a destination of its own, with its meandering blue coves, swim-up bar and private cabanas. Situated next to relaxed restaurants with patio dining and an outdoor stage, the fun continues even after the sun sets.



## OUTDOOR MUSIC VENUE

Catch the music festival vibe at our outdoor concerts, where the songs are served up with sunshine and starlight. With beautiful spots for gathering and fun concessions, you'll be the star of the show, no matter who takes the stage.





## OUTDOOR WATER PARK

You won't want the day to end at this crystal-blue water park unlike any other. From beautiful areas to play and lounge, to beachy dining and poolside drinks, we poured laid-back luxury into every feature. Enjoy memory-making entertainment for all ages.



## RV & DOG PARK

The outdoor beauty of The Natural State sets the stage for our scenic and inviting RV & dog park. Enjoy modern amenities, including a fun area for playing fetch, all thoughtfully designed to serve our 100 large RV sites. And if you're ready for a little excitement or pampering, it's a short walk to our world-class gaming and dining.









# PROPOSED LOCATION

Legends Resort & Casino will be situated northeast of Russellville on land located just north of Interstate 40 between the Weir Road exit to the west and Bradley Cove Road exit to the east.

The primary road frontage for Legends Resort & Casino will be along Hob Nob Road, which runs along the eastern boundary of the site and turns west directly through the site, connecting Bradley Cove Road and Weir Road.



# ECONOMIC IMPACT

The total economic impact of Legends Resort & Casino is projected to exceed \$5 billion statewide in the first 10 years. The project is expected to generate more than 1,000 direct jobs in the Russellville area.

## TOTAL ECONOMIC IMPACT: \$5 B+ OVER A 10-YEAR PERIOD STATEWIDE

### JOBS

PERMANENT JOBS	Direct	1,000
	Indirect	1,100
	<b>Total Permanent Jobs</b>	<b>2,100</b>
TEMPORARY JOBS	Construction	1,575
	Indirect/Induced	900
	<b>Total Temporary Jobs</b>	<b>2,475</b>

Assumptions: Based on Amendment 100. Approximately seven jobs created per \$1 MM invested with an average wage of \$28 K. Output is estimated to be \$116 MM. Job multiplier is assumed to be four jobs per \$1 MM invested with an average wage of \$38 K.

Annual Operations Impact: Direct jobs based on phase 1 jobs count with an average salary of \$42 K. Multiplier jobs are assumed to be 110 indirect jobs per 100 direct jobs based on Little Rock Metro Chamber report with an average wage of \$38 K.

Total economic impact does not include economic development agreement with Pope County.

Output is a factor from the Oklahoma City University (OCU) Economic Impact report created for Cherokee Nation.

# ANNUAL INCENTIVES

Legends Resort & Casino will generate significant tax benefits.

Over the course of the license, Legends Resort & Casino is projected to generate between \$201 and \$344 million for the Arkansas State Racing Commission, Pope County and Russellville and for the state of Arkansas.

## 10-YEAR TAX REVENUE RANGES



**\$21 – \$31 MM**

Arkansas State  
Racing Commission



**\$49 – \$67 MM**

Pope County  
& Russellville



**\$131 – \$246 MM**

State of  
Arkansas

Taxes inclusive of gaming, sales, property and income.

## ECONOMIC DEVELOPMENT AGREEMENT

In addition to the \$225 million project investment, CNB has entered into an economic development agreement with Pope County that will provide more than \$38 million to various municipalities, fire protection districts and agencies once the license is awarded. An annual payment of more than \$2 million will be provided to beneficiaries as specified in the economic development agreement. A copy of this agreement is available on page 30.





  
**Russellville**  
 **ARKANSAS**

# CONCLUSION

Legends Resort & Casino is a world-class economic development project that offers “Something for Everyone.”

Several advantages set CNB apart as “The Operator of Choice for Pope County.”

**Respected Gaming Owner & Operator**

**The Strength of an Iconic Sports & Entertainment Consultant**

**Financial Powerhouse with No Debt**

**Committed to Long-term Success in Pope County**

**Immediate Driver of Tourism & Recurring Tax Revenue**

Our \$225 million investment will provide a positive economic impact in Pope County, creating jobs, tourism and tax revenue. Our experience in gaming and in project and construction management, along with our financial strength and history with the state of Arkansas, is why we’ve already earned the support of local and county officials.

As proven and trustworthy community partners, CNB has the experience to make this economic development plan a success. We are dedicated to making a legendary impact for Pope County.

That’s what makes CNB “The Operator of Choice for Pope County.”





# ECONOMIC DEVELOPMENT AGREEMENT



FILED

2019 AUG 13 PM 7:45

FAM ENNIS  
POPE COUNTY CLERK

**ECONOMIC DEVELOPMENT  
AGREEMENT**

BY This Economic Development Agreement (the "Agreement") is entered into as of August 13<sup>th</sup>, 2019 by and between the citizens of Pope County, Arkansas acting by and through the Pope County Judge Ben Cross (the "County") and Cherokee Nation Businesses, LLC, (the "Operator"). Capitalized terms used and defined elsewhere in this Agreement are defined in Section 1.

RECITALS

- A. Operator seeks to make application to the Arkansas Racing Commission (the "Commission") for the casino license established in Arkansas Constitutional Amendment 100 in Pope County, Arkansas (the "License").
- B. As a condition precedent to submission of such application, Operator is required by Amendment 100, the Rules of the Commission, and Arkansas Act 371 of 2019, to provide written evidence of the County's support of said application;
- C. The Pope County Judge has the authority, pursuant to Ark. Const. Amend 55 Sec 1(a) and Ark. Code Ann. Sections 14-14-801(a), 14-14-801(2), 14-14-1102(b)(7)(A), 14-164-201, *et seq.*, 14-170-205, and 14-176-103, to negotiate in good faith with the Operator, to enter into this Agreement, to perform all of the terms and conditions imposed upon the County hereunder, and to require performance by Operator of the terms and conditions upon it hereunder;
- D. Operator's development plans contemplate not only a Casino, but also ancillary facilities including recreational and entertainment components;
- E. The Project will result in hundreds of millions of dollars of capital investment by Operator, thousands of jobs, significant direct and indirect revenues and other economic benefits to the County and surrounding area; and
- F. This Agreement shall become effectuated, fully executed and enforceable upon endorsement signatures of representatives of both the County and Operator and the passage of a Resolution of Support by the Pope County Quorum Court for the Operator's casino license application to be submitted to the Commission.

**NOW, THEREFORE**, in consideration of their execution and delivery of this Agreement, the passage of a Resolution of Support for the Operator and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Operator and the County hereby agree to the following:

**1. Definitions**

The terms defined in this Section 1 shall have the meanings indicated for purposes of this

Agreement. Capitalized terms which are used primarily in a single Section of this Agreement are defined in that Section.

- (a) "Amendment 100" refers to Amendment 100 to the Arkansas Constitution, known as the Arkansas Casino Gaming Amendment of 2018.
- (b) "Casino" shall have the meaning given such term in Rule 1.065 of the Rules.
- (c) "Commission" means the Arkansas Racing Commission.
- (d) "Rules" means the Arkansas Casino Gaming Rules in effect from time to time as promulgated by the Commission pursuant to Amendment 100.

## **2. General Provisions**

### **2.1 Purpose**

The County has determined that the development, construction and operation of the Project will (i) be in the best interests of the citizens of Pope County and its municipalities; (ii) support and contribute to the economic growth within the County and the entire State of Arkansas; (iii) contribute to the provision and preservation of gainful employment opportunities for residents of the County; and (iv) support and promote tourism in Central Arkansas and the County. Accordingly, the County Judge has evaluated each potential operator for Pope County and the terms of a potential agreement prior to agreeing to the terms of this Agreement.

### **2.2 Application for License**

Operator shall comply with the applicable rules and regulations adopted and/or prescribed by the Commission, presently or in the future, which govern the operation of Casino gaming at the Project, including the Rules. The parties agree that (i) the Rules are incorporated into this agreement, as and when adopted or prescribed, the same as if set forth fully herein, and (ii) in the event of a conflict between the provisions of this Agreement and the Rules, the Parties agree to take all reasonably necessary steps to amend or modify this Agreement to accommodate or reflect the Rules in a manner that preserves to the extent possible the economic benefits of the transactions contemplated hereby to each of the Parties.

### **2.3 Term**

The term of this Agreement shall commence upon (i) execution of this Agreement by the County Judge, and the authorized representative of the Operator, and (ii) the passage of a Resolution of Support for the Operator's Casino License Application to be submitted to the Commission, and shall continue until the expiration of the term of the License, including any and all renewals or extensions thereof (the "Term").



### 3. Project

(a) Operator will pursue development of the Project, which will meet the following minimum commitments:

i. a minimum construction cost of Two Hundred Twenty Five Million DOLLARS (\$225,000,000), in addition to the Economic Development Fee referenced in 4.1(b) below;

ii. casino/gaming facilities constructed in compliance with the License and any rules or regulations imposed by the Commission;

iii. a hotel with a minimum of 200 rooms which shall, meet the construction and operational standards necessary to achieve the American Automobile Association's "Four Diamond" hotel rating, or substantial equivalent thereof;

iv. a mixed-use indoor conference and music venue capable of accommodating a minimum of one thousand (1,000) guests;

v. multiple price-point dining facilities, sports bar/communal areas;

vi. a sports book/simulcast parlor, subject to the Commission's Rules;

vii. a waterpark;

viii. a recreational vehicle park;

ix. an outdoor music venue capable of accommodating a minimum of five thousand (5,000) guests;

x. a medical air ambulance landing zone for use by medevac patients; and

xi. a separate, secure office space to be utilized as a sub-station by local law enforcement agencies.

(b) Operator shall use commercially reasonable efforts to promptly apply for, pursue and obtain the License, in the name of its wholly owned subsidiary, Legends Resort and Casino, LLC, an Arkansas LLC, and all other approvals necessary for the design, development, construction and operation of the Project (the "Approvals").

(c) Operator agrees to keep the County reasonably informed with respect to the progress of design and construction of the Project. The County acknowledges and agrees that the Operator may alter the Project and its components from time to time provided that said alterations shall remain in compliance with this Agreement.

### 3.1 Duty to Complete; Commencement of Operations

The Operator will use commercially reasonable efforts to commence and complete construction of the Project, and to commence operations of the Project, at the earliest dates reasonably practicable, taking into account, among other factors, (i) the process for obtaining the License and the Approvals, and the potential of regulatory delays and/or legal challenges, (ii) the typical time frames for design, development and construction of projects of this nature and magnitude, (iii) the process of recruiting and training the necessary skilled workforce and obtaining all necessary permits/licenses for operating the Project, and (iv) events or factors that are unforeseeable or outside the Operator's control, including any Force Majeure event.

### 3.2 Project Operations

Operator agrees to diligently operate and maintain the Project in accordance with the Rules and in compliance with this Agreement.

### 3.3 Maintenance; Transfer

(a) Operator agrees at all times during the term of this Agreement to use reasonable business judgment and diligence to maintain and/or upgrade the improvements comprising the Project, and to refrain from making transfers of any interest in the Project except as may be expressly authorized by the Commission and in consultation with the County Judge and Quorum Court of Pope County.

(b) The terms of this Agreement shall be binding and enforceable by the County against any successor in interest to the Operator.

## 4. Obligations of Operator

### 4.1 Economic Development Fee

(a) The Operator recognizes and acknowledges that the construction and operation of the Project will cause direct and indirect impacts and benefits within Pope County. The Operator also recognizes and acknowledges that the ultimate responsibility to mitigate the community impacts of the Project rests upon local governmental units.

(b) The Operator shall be obligated to pay Economic Development Fees in the total amount of Thirty-Eight Million Eight Hundred Thousand DOLLARS (\$38,800,000.00) (the "EDF"), to be distributed among certain municipalities and fire protection districts or associations within Pope County. Operator shall deliver to the Recipients within thirty (30) days of the successful resolution of all litigation or administrative challenges relating to the issuance of the License (the "Final Conditions") cashier's checks, as follows, to-wit:



- i. \$27,599,373 to Pope County, Arkansas;
- ii. \$3,361,608 to the City of Pottsville, Arkansas;
- iii. \$3,532,236 to the City of Atkins, Arkansas;
- iv. \$1,444,000 to the City of London, Arkansas;
- v. \$1,505,356 to the City of Dover, Arkansas;
- vi. \$242,427 to the City of Hector, Arkansas;
- vii. \$800,000 to the Crow Mountain Fire Protection District;
- viii. \$130,000 to the Pope County Fire Association;
- ix. \$30,000 to the Arkansas Tech University Foundation;
- x. \$25,000 to the Russellville Center For the Arts;
- xi. \$25,000 to the Dover Public Education Foundation;
- xii. \$25,000 to the Hector Public Education Foundation;
- xiii. \$25,000 to the Atkins Red Devil Foundation;
- xiv. \$25,000 to the Pottsville Community Scholarship Fund;
- xv. \$10,000 to the Dover Chamber of Commerce;
- xvi. \$10,000 to the Atkins People For a Better Atkins; and
- xvii. \$10,000 to the River Valley Arts Center.

(c) The EDF hereinabove provided is agreed to be appropriate and adequate and fairly and lawfully established. Any share of the EDF that is refused by a Recipient will be paid to Pope County.

#### 4.2 Community Development Grants

(a) It is in the best interests of the County and the Operator to provide resources for continuing charitable contributions to the people of Pope County, Arkansas. Accordingly, beginning on the second anniversary date of the commencement of Casino gaming operations, and on each subsequent anniversary date during the term of this Agreement, Operator shall contribute the sum of Two Million DOLLARS (\$2,000,000) to a charitable foundation which is properly established and operating pursuant to state and federal law to be designated by the County prior to commencement of the payments described in this sub-section.

(b) The amount of the contributions provided in (a) above shall be adjusted every five (5) years during the term hereof to reflect the percentage increase in the Consumer Price Index for All Urban Consumers, U.S. City Average published by the Bureau of Labor Statistics of the United States Department of Labor ("CPI") over the previous five (5) years, calculated by using the most recently published CPI at the date of the adjustment, and the CPI on the same date five (5) years prior to the date of the adjustment.

#### 4.3 Ongoing Research and Economic Development Support

(a) Operator shall contribute the sum of Twenty Five Thousand DOLLARS (\$25,000), every two (2) years during the term of this Agreement, to the Arkansas Tech University Foundation for purposes of study/research relating to the economic impact of the Project.

(b) Operator shall contribute the sum of One Hundred Thousand DOLLARS (\$100,000) annually to the Russellville Economic Development Alliance, or its successor or assigns.

(c) The amount of the contributions provided in (a) and (b) above shall be adjusted every five (5) years during the term hereof to reflect the percentage increase in the Consumer Price Index for All Urban Consumers, U.S. City Average published by the Bureau of Labor Statistics of the United States Department of Labor ("CPI") over the previous five (5) years, calculated by using the most recently published CPI at the date of the adjustment, and the CPI on the same date five (5) years prior to the date of the adjustment.

(d) The contributions provided in (a) and (b) above shall begin on the first anniversary date of the commencement of Casino gaming operations.

#### 4.4 Certain Hiring Practices

(a) Operator agrees to use commercially reasonable efforts to create positions for and set a targeted goal of filling three percent (3%) of its workforce at the Project with individuals who have one or more "disabilities" (as that term is defined under the Americans with Disabilities Act).

(b) Operator agrees to hire a full time employee certified as an addiction counselor or contract with an appropriate Pope County non-profit organization to provide addiction counseling services.

(c) Operator agrees that upon commencement of operations, all employees who do not receive gratuities as part of their regular compensation will be subject to a \$13 per hour minimum wage.

#### 4.5 Utility Services; Infrastructure

County agrees to fully cooperate with, utilize its best efforts, and actively assist Operator in the timely procurement of necessary utility and other public services, including, without limitation, electric, gas, water, sewer and sanitation services, as well as necessary infrastructure improvements, including, without limitation, street and highway improvements, access thoroughfares, curb cuts and signalized intersections, all at costs, assessments or rates generally available to other commercial users within Pope County, Arkansas. Operator agrees that it will



assume and pay all costs associated with the street and drainage infrastructure improvements and modifications upon county roadways and rights-of-way necessary for the development of the Project.

## **5. Covenants of Operator**

The Operator covenants that throughout the Term, the Operator shall:

(a) Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence, and refrain from making any organic changes to its legal form (including changing the legal status of its wholly owned subsidiary as an Arkansas LLC), or any changes in the status of the Project site that would have the effect of eliminating or changing any of its responsibilities regarding the payment of taxes, assessments, levies, permit fees, or the like, to the State of Arkansas or any subdivision or agency thereof, or to Pope County or any of its subdivisions, municipalities or agencies thereof

(b) Do or cause to be done all things necessary to preserve, renew and keep in full force and effect the rights, licenses, registrations, permits, certifications, approvals, consents, franchises, patents, copyrights, trade secrets, trademarks and trade names that are used in the conduct of its businesses and other activities, and comply with all governmental requirements applicable to the operation of its business and other activities, in all material respects, whether now in effect or hereafter enacted.

(c) Violation or breach of this Section shall result in liquidated damages equal to the then present value of the subsequent 15 years of tax losses to the state of Arkansas, Pope County and all municipalities within, as a direct result of such a breach or violation.

## **6. Default**

### **6.1 Events of Default**

The occurrence of any of the following shall constitute an "Event of Default" under this Agreement:

(a) If any material representation or warranty made by Operator hereunder shall prove to have been false or misleading in any material respect as of the time made or furnished.

(b) Subject to Force Majeure, if Operator shall materially default in the performance of any (i) governmental requirement; or (ii) commitment, agreement, covenant, term or condition (other than those specifically described in any other subparagraph of this Section 6.1) of this Agreement, and in such event if Operator shall fail to remedy any such default within one hundred eighty (180) days after receipt of written notice of default with respect thereto.

(c) If Operator fails to make any payments required to be made by Operator hereunder as and when due, and further fails to make any such payment within ninety (90) days after receiving written notice of default from the County; provided that if any such payment be the subject of a good faith dispute as to the amount thereof and Operator is proceeding with diligence to resolve such dispute, the time for making such payment shall be extended pending such resolution.

(d) If the County, either through letter from the County Judge's Office or Resolution of the Quorum Court, endorses or expresses support for any other casino license applicant during the term of this Agreement.

## 6.2 Remedies

(a) Upon an Event of Default, the County shall have the right if it so elects to: (i) institute and prosecute proceedings to enforce in whole or in part the specific performance of this Agreement by Operator, and/or to enjoin or restrain Operator from commencing or continuing said breach, and/or to cause by injunction Operator to correct and cure said breach or threatened breach; and/or (ii) exercise any and all other remedies available at law or in equity.

(b) Except as expressly stated otherwise, the rights and remedies of the County whether provided by law or by this Agreement, shall be cumulative, and the exercise by the County of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach, to the extent permitted by law. No waiver made by the County shall apply to obligations beyond those expressly waived in writing.

(c) In the event that the County, either through letter from the County Judge's Office or Resolution of the Quorum Court endorses or expresses support for any other casino license applicant during the term of this Agreement, this Agreement shall become voidable, at the election of the Operator, after which Operator shall no longer be bound hereunder and may continue to pursue its casino license application utilizing the Resolution of Support before the Commission.

## 6.3 Termination

Except for the provisions that by their terms survive, this Agreement shall terminate upon the occurrence of any of the following, and upon notification of such occurrence by Operator to County:

(a) The Commission fails to issue the License or issues the same to someone other than Operator;

(b) Operator's License (i) is revoked by a final, non-appealable order; (ii) expires and is not renewed by the Commission and Operator has exhausted any rights it may have to appeal such



expiration or non-renewal; or (iii) subsequently terminates due to conditions the Commission imposes which are not satisfied within the time periods specified therein, subject to any cure periods or extension rights.

## **7. Miscellaneous**

### **7.1 Applicable Law and Construction**

The laws of the State of Arkansas shall govern the validity, performance and interpretation of this Agreement. This Agreement has been negotiated by the County and Operator, and the Agreement, shall not be deemed to have been drafted by the County or by the Operator, but by each of them.

### **7.2 Venue**

The parties expressly agree that any actions or legal proceedings relating to this Agreement may be brought in the State of Arkansas and that any legal action or procedure of any nature which may be brought by any party relating to this Agreement may only be brought in the following venues, to wit: the Circuit Court sitting in Pope County, Arkansas, or the United States District Court sitting in Little Rock, Arkansas.

### **7.3 Complete Agreement**

This Agreement constitutes the full and complete agreement between the parties with respect to the subject matter hereof, and supersedes and controls in its entirety over any and all prior agreements, understandings, representations and statements whether written or oral by each of the parties.

### **7.4 No Joint Venture**

The County and the Operator agree that nothing contained in this Agreement or any other documents executed in connection herewith is intended or shall be construed to establish the County and Operator as joint venturers or partners.

### **7.5 Time of the Essence**

All times, wherever specified herein for the performance by Operator of its obligations hereunder, are of the essence of this Agreement.

### **7.6 Captions**

The captions of this Agreement are for convenience of reference only and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

#### 7.7 Force Majeure

(a) An event of "Force Majeure" shall mean the following events or circumstances, to the extent that they delay or otherwise adversely affect the performance beyond the reasonable control of Operator, or its agents and contractors, of their duties and obligations under this Agreement: (i) Strikes, lockouts, labor disputes, disputes arising from a failure to enter into a union or collective bargaining agreement, inability to procure materials on favorable terms due to market-wide shortages, failure of utilities, labor shortages or explosions; (ii) Acts of God, tornadoes, floods, sinkholes, fires and other casualties; (iii) Acts of a public enemy, acts of war, terrorism, effects of nuclear radiation, or national or international calamities; (iv) Concealed and unknown conditions of an unusual nature that are encountered below ground or in an existing structure; (v) Any litigation or administrative delay which impedes the ability of Operator to complete the Project, unless based in whole or in part on the actions or failure to act of Operator; (vi) The failure by, or unreasonable delay of, the County, the State of Arkansas or any other governmental authority or subdivision to issue any licenses, permits or approvals on terms Operator reasonably deems necessary to develop, construct, open or operate the Project, unless such failure or delay is based materially on the actions or failure to act of Operator, or its agents and contractors; or (vii) Any impacts to major modes of transportation to the Project Site, whether private or public, which adversely and materially impact access to the Project Site.

(b) Notwithstanding any other provision of this Agreement to the contrary, Operator shall be entitled to an adjustment in the time for, or excuse of the performance of, any duty or obligation of Operator under this Agreement for Force Majeure events, but only for the number of days due to and/or resulting as a consequence of such causes and only to the extent that such occurrences actually prevent or delay the performance of such duty or obligation or cause such performance to be commercially unreasonable.

#### 7.8 Amendments

This Agreement may not be modified or amended except by a written instrument signed by the Parties; provided, however, that the parties acknowledge that the Commission may, subsequent to the date of this Agreement, promulgate additional rules or regulations, issue interpretations or adopt policies or evaluation criteria which rules, regulations, interpretations, policies or criteria may conflict with, or may not have been contemplated by, the express terms of this Agreement. In such event, the Parties agree to take all reasonably necessary steps to amend or modify this Agreement to accommodate or reflect the provisions of all such regulations, interpretations, policies or criteria, in a manner that preserves to the fullest extent possible the economic benefits of the transactions contemplated hereby to each of the Parties.



7.9 Further Assurances and Assistance

The County and Operator will cooperate and work together in good faith to the extent reasonably necessary and commercially reasonable to accomplish the mutual intent of the parties that the Project be successfully completed as expeditiously as is reasonably possible. The County also agrees to utilize its best efforts to assist Operator in its dealings with the City of Russellville, whether in obtaining required approvals, services, permits or permissions or addressing matters of concern or importance to its officials or citizens.

7.10 Severability

In the event one or more provisions of the Agreement shall be deemed unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.

7.11 Exclusivity

County agrees that it shall not negotiate or enter into another economic development agreement, or any similar agreement to this Agreement, with any other party so long as this Agreement has not been terminated.

IN WITNESS WHEREOF, the Parties have set their hands and had their seals affixed on the dates set forth after their respective signatures below on this 13<sup>th</sup> day of August, 2019.

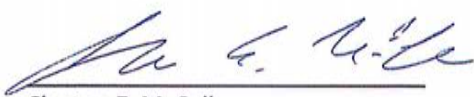
"COUNTY"

Counsel for Pope County, Arkansas

By: 

Ben D. Cross  
Pope County Judge

8/13/2019  
@ 7:18 P.M.



Clayton E. McCall  
McCall Law Firm  
1020 West Main St.  
Russellville, AR 72801

"OPERATOR"

Counsel for Cherokee Nation Businesses,  
LLC

By: 

Charles Garrett  
Executive Vice President  
Cherokee Nation Businesses, LLC



Dustin McDaniel  
McDaniel, Richardson and Calhoun, PLLC  
1020 West 4<sup>th</sup> St.  
Suite 410  
Little Rock, AR 72201

# RESOLUTION OF SUPPORT



RESOLUTION NO. 2019-R- 014

**"BE IT RESOLVED BY THE QUORUM COURT OF THE COUNTY OF POPE, STATE OF ARKANSAS THAT: A RESOLUTION IN SUPPORT OF CHEROKEE NATION BUSINESSES, LLC/LEGENDS RESORT AND CASINO, LLC (COLLECTIVELY "CNB") CASINO LICENSE APPLICATION"**


**WHEREAS**, we the Pope County Quorum Court have considered the qualifications and suitability of five potential casino operators to establish a facility in Pope County, giving specific attention to public safety, public benefit, business integrity, entertainment amenities and long-term commitment to community partnership; and

**WHEREAS**, The County Judge has executed an Economic Development Agreement with CNB that establishes significant commitments to the benefit of Pope County; We thank the County Judge for the leadership and judgment he has demonstrated in selecting the proposal and operator best suited for Pope County and negotiating the most favorable terms possible in the Agreement,

**NOW THEREFORE BE IT RESOLVED** that the Pope County Quorum Court grants and expresses its support for a casino license application to be submitted by the Cherokee Nation Businesses, LLC/Legends Resort and Casino, LLC to build and operate the Legends Resort and Casino in Pope County, Arkansas.

DATE: 8-13-19

APPROVED:

  
BEN D. CROSS, COUNTY JUDGE  
DATE SIGNED: 8/13/2019  
@ 7:25 P.M.

ATTEST:

  
PAM ENNIS, COUNTY CLERK

VOTES FOR: 8 VOTES AGAINST: 4  
ABSTAIN: 1 PRESENT: 13 ABSENT: 0

A-335



**LEGENDS™**  
RESORT & CASINO | ARKANSAS

---

[LegendsArkansas.com](https://LegendsArkansas.com)