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## Atlantic City Gaming Win & Total Casino Revenue

Source: N.J. Division of Gaming Enforcement

Monthly Revenue (Industry, \$ In Thousands)	May 2020	% Change from Prior Year	May 2019	YTD May 2020	% Change from Prior Year	YTD May 2019
<b>Total Gaming Win</b> (includes Internet & Sports Wagering)	91,160,148	-65.8	266,755,503	874,087,341	-29.7	1,244,125,645
<b>Sports Wagering Revenue</b>	5,220,206	-5.4	5,519,232	40,644,984	9.5	37,117,126
<b>Internet Gaming Win</b>	85,939,942	124.1	38,340,638	337,796,029	88.3	179,401,071
<b>Casino Gaming Win</b>	0	-100	222,895,633	495,646,328	-51.8	1,027,607,448

Quarterly Revenue (Industry, \$ In Thousands)	Q1 2020	% Change from Prior year	Q1 2019	YTD March 31, 2020	% Change from Prior Year	YTD March 31, 2019
Casino	\$355,278	-9.5	\$392,402	\$355,278	-9.5	\$392,402
Rooms	\$97,577	-20.6	\$122,961	\$97,577	-20.6	\$122,961
Food & Beverage	\$103,666	-20.3	\$130,033	\$103,666	-20.3	\$130,033
Entertainment & Other	\$39,129	-23.5	\$51,167	\$39,129	-23.5	\$51,167
<b>Casino Licensees Total Revenue</b>	<b>\$595,623</b>	<b>-14.5</b>	<b>\$696,563</b>	<b>\$595,623</b>	<b>-14.5</b>	<b>\$696,563</b>

## Atlantic City Casino Hotel Lodging

Source: N.J. Division of Gaming Enforcement

Casino Hotel Lodging Statistics For the Period Ended June 30, 2019	Q1 2020	Q1 2019	YTD 2020	YTD 2019
Occupancy percentage	68.13%	72.56%	68.13%	72.56%
Average Daily Room Rate (ADR)	\$128.03	\$125.78	\$128.03	\$125.78
Revenue Per Available Room (RevPAR)*	\$87.22	\$91.27	\$87.22	\$91.27

\* RevPAR= ADR X Occupancy Percentage

## Atlantic City Statistical Transportation Data

Source: South Jersey Transportation Authority

Travel Mode	April 2020	Change from Prior Year	April 2019	YTD April 2020	Change from Prior Year	YTD April 2019
<b>AC Expressway</b>						
Total Toll-Paying Traffic Pleasantville Toll Plaza	408,800	-73.4%	1,535,184	4,326,190	-26.4%	5,879,554
<b>AC Airport</b>						
Scheduled Service Passengers	1,533	-98.5%	101,103	254,169	-36.7%	401,183
Charter Passengers	0	-100.0%	7,909	16,237	-41.4%	27,723
<b>Total Air Passengers</b>	<b>1,533</b>	<b>-98.6%</b>	<b>109,012</b>	<b>270,406</b>	<b>-37.0</b>	<b>428,906</b>

**In LIGHT of the data above...** The 124% year-over-year increase in May Internet Gaming revenue is a lifeline for casinos but it doesn't address the loss of direct casino jobs, and indirect jobs from supporting businesses, that has resulted from the more than 90-day shutdown.

Atlantic City casino operators have announced solid plans for re-opening and casinos in other states including Las Vegas have shown that re-opening can be successful. This, along with a steady decline in the number of New Jersey COVID-19 coronavirus cases, suggests that it may soon be time to take the next step and reopen casinos in Atlantic City.

## Legislative Update

**NJ Senate Bill #2398 (Sweeney)/Assembly Bill #4031 (Greenwald) - Requires State Treasurer to make loans to casino gaming properties for making required payments in lieu of property taxes to Atlantic City during current public health emergency and state of emergency.** Introduced on May 7 and referred to Senate State Government, Wagering, Tourism & Historic Preservation Committee. *Senate Bill #2398 was transferred to the Senate Budget and Appropriations Committee on June 11. Assembly Bill #4031 was reported out of Assembly Committee, second reading on June 1.*

**NJ Senate Bill #2400 (Sweeney)/Assembly Bill #4032 (Greenwald) - Provides temporary modifications to payment and use of certain casino gaming taxes and fees due to COVID-19 Public Health Emergency and State of Emergency; allows full deduction of promotional gaming credits and certain coupons from gross revenues** – Introduced on May 7 and referred to Senate State Government, Wagering, Tourism & Historic Preservation Committee. *Senate Bill #2400 was reported from Senate Committee with Amendments, second reading on June 11, Assembly Bill #4032 was reported out of Assembly Committee, second reading on June 1.*

**NJ Senate Bill #2478 (Sweeney) - Requires DOH to establish sanitization standards and protocols for casinos operating in State** - Introduced on May 10 and referred to Senate Labor Committee. Committee voted 3-2 in favor on May 12. An identical Assembly Bill #4172 was introduced on May 28 and referred to the Assembly Health Committee.

**NJ Senate Bill #2479 (Sweeney)/ Assembly Bill #4131 (Karabinchak/McKnight/Vainieri) - Requires DOH to establish sanitization guidelines for hotels operating in State.** – Introduced on May 1, referred to Senate Labor Committee. Reported from Senate Committee with Amendments on May 11. Committee voted 3-2 in favor on May 12. The bill passed in both houses on May 14. *Was approved June 11.*

## Atlantic City Information

**Atlantic City votes against change in government** – As reported by [The Press of Atlantic City](#), Atlantic City voters, participating in the city’s first entirely vote-by-mail election, voted against a proposed change of government. The proposed change would have replaced the city’s current government (nine council members and a directly elected mayor), with a council-manager format. Using the council-manager format, five at-large council members would have been responsible for hiring a city manager to run the city government’s day-to-day operations.

**Atlantic City vulnerable to retail real estate downturn** – As reported by [The Philadelphia Inquirer](#), a **report** prepared by Millionacres LLC, a real estate focused division of personal-finance website Motley Fool, suggests Atlantic City may be more susceptible to a retail real estate downturn than any other metropolitan area in the nation. Using data from the federal Bureau of Economic Analysis and Moody’s Analytics, Millionacres found that the Atlantic City economy relies heavily on shop and restaurant workers. More than a third of non-farm workers in Atlantic City and its Atlantic County neighbors are employed in the retail and food-service industries, more than any other metropolitan area in the country. The report also identifies Myrtle Beach, Las Vegas, and the Crestview-Fort Walton Beach-Destin area in Florida as also being particularly vulnerable. “The share of the workforce employed by nonessential businesses is much higher in specific metro areas, exposing retail property landlords and investors with holdings in these markets to even greater risk.”

**Casino Reinvestment Development Authority (CRDA) approves \$15 million capital projects budget for 2020** – As reported by [The Press of Atlantic City](#), on May 19 the CRDA authorized a \$15.16 million capital improvement budget for projects inside the Atlantic City Convention Center and Jim Whelan Boardwalk Hall. This is less than the Convention Center Division’s 2019 capital improvement budget of \$18.55 million. The CRDA Board also approved a one-year extension of \$15 million in funds reserved for the AtlantiCare expansion project scheduled to break ground in August 2020. A project to being a grocery store to Atlantic City has been delayed due to “environmental challenges.”

**Casino Reinvestment Development Authority (CRDA) approves additional funding to support food services in Atlantic City** – As reported by the [CRDA](#) on May 13, the CRDA board approved an additional \$300,000 in funding to support local food services. “This is a first-of-its-kind partnership between state and local governments, the casino industry, and union representatives, which includes Local 54 providing boots-on-the-ground coordination with the Community Food Bank of New Jersey and the AFL-CIO providing both financial and volunteer support. While CRDA is allocating \$300,000 to the effort, private donors include Joe Jingoli from Hard Rock Hotel Casino Atlantic City: \$50,000; Jim Allen from Hard Rock International: \$25,000; Morris Bailey from Resorts Atlantic City: \$25,000; Charles Wowkanech from AFL-CIO: \$10,000, with additional private funding being pursued.” The goal of the food distribution initiative is to distribute 9,000 meal kits per month for the next two months (May and June). Each meal kit contains 12 servings of food, including fresh produce. As of May 13 the CRDA had funded \$523,052 for various community food initiatives.

**N.J.Turnpike Authority and South Jersey Transportation Authority approve toll increases** – As reported by [The Press of Atlantic City](#), on May 27, the New Jersey Turnpike Authority voted to increase tolls on the Garden State Parkway by 27%, and the New Jersey Turnpike by 37%. Later the same day, the South Jersey Transportation Authority voted to increase tolls on the Atlantic City Expressway by 37% (“average” trip). Toll increases on all three roads will go into effect Sept. 13, 2020. Funds raised by the increase will be used to finance capital improvement projects for both entities.

**Strategic Policy Group formed for reopening Atlantic City** – As reported by the [Greater Atlantic City Chamber of Commerce](#), Atlantic City Mayor Marty Small announced the formation of a Strategic Policy Group charged with coordinating the reopening of the city. The group is comprised of leaders and stakeholders from both the private and public sector including representatives from the City of Atlantic City, the Atlantic City Police Department, the Atlantic City Fire Department, the Atlantic City Office of Emergency Management, New Jersey Department of Community Affairs, New Jersey Casino Control Commission, New Jersey Division of Gaming Enforcement, Atlantic City Board of Education, New Jersey Casino Reinvestment Development Authority, Atlantic City Chamber of Commerce, Atlantic City Casino Association, and Atlantic City Boardwalk Merchants Association. The group began meeting the first week of April and will continue to meet for the foreseeable future.

## **New Jersey Gaming News**

**Atlantic City casinos plan for reopening - Borgata and Caesars** casinos have each released plans for implementing new health and safety standards to enable the reopening their properties. Plans for Tropicana’s reopening are also reported to be in the works ([PlayNJ](#)). According to [NJ.com](#) and [The Press of Atlantic City](#), Atlantic City’s casino hotels were positioning themselves to honor room reservations as early as May 28 (Hard Rock) with more properties hoping to honor reservations starting early to mid-June. With the continued uncertainty surrounding the reopening of the casinos themselves, many properties are now not taking reservations until July 1.

**Golden Nugget expands live dealer offerings** – As reported by [Play NJ](#), Golden Nugget has entered into a strategic partnership with Evolution Gaming to expand offerings on their online casino platform. As a result of the partnership, players will have access to new, unique Evolution games. Evolution is hoping to increase its footprint in the American market and may use the partnership with Golden Nugget as an opportunity to expand into new markets.

## **National Gaming News**

**Casinos celebrate two-year anniversary of the repeal of PASPA** – As reported by [Casino.org](#), the casino industry marked the second anniversary of the repeal of the Professional and Amateur Sports Protection Act (PASPA) on May 14. Since the repeal of PASPA 18 states have introduced legal sports betting, with four more states, including Washington D.C., passing legislation to legalize sports betting. Legal sports books have taken in \$21.8 billion since the repeal.

**Colorado launches legal online sports betting-** As reported by **Legal Sports Report**, Colorado launched legal online sports betting on May 1. BetMGM, BetRivers, DraftKings and FanDuel all launched on May 1, with 13 additional sportsbooks licensed, pending launch later in the month. Also as reported by **Legal Sports Report**, the world's largest online sports book, Bet365, is in the process of acquiring a Colorado sports betting license. The company has signed an agreement to offer sports betting through Century Casinos in Colorado. The agreement follows the company's 2018 launch in New Jersey and will increase the company's representation in the U.S. market.

**Eldorado Resorts Inc. and Penn National Gaming reopen casinos in Louisiana** – As reported by the **Las Vegas Review Journal**, Eldorado and Penn National reopened their casino properties in Louisiana on May 18. To comply with state regulations, Eldorado's three properties (Isle of Capri Lake Charles, Belle of Baton Rouge and Eldorado Shreveport) and Penn National's five properties (Margaritaville Resort Casino and Boomtown Casino in Bossier City; Boomtown Casino New Orleans; L'Auberge Baton Rouge and L'Auberge Lake Charles) opened with 50 percent of gaming positions and 25 percent of occupancy based on maximum allowable fire code levels. The properties had been closed since March 17.

**Louisiana Legislature votes on major gambling expansion** – As reported by **Legal Sports Report**, on May 28, members of the Louisiana House of Representatives voted 71-24 to pass a Louisiana sports betting referendum bill (**SB130**). As a result, each of Louisiana's 64 parishes will vote on Nov. 3 on whether to authorize sports betting in the state. If at least one parish votes in favor, sports betting could become legal in that parish. Additional bills will be needed to decide licensing, regulation, and taxation of sports wagering for the state.

**Nevada Casinos on track to reopen June 4** – As reported by **Calvin Ayre**, Nevada Gov. Steve Sisolak indicated on May 26 that the state's casinos were "on track" for a "phased-in reopening" on June 4. Tentative plans released by casino operators suggest up to 41% of hotel rooms on the Las Vegas Strip may be available in time for a June 4 opening.

**U.S. Casinos begin to reopen-** As reported by **Online Poker Report** and the **American Gaming Association**, casinos across the nation have begun to reopen. As of May 29, 225 of the nation's 989 commercial and tribal casinos had reopened. Florida, Louisiana, Michigan, Mississippi and New York were among the states that had permitted casinos to open. *As of June 12, 621 of the nation's casinos had reopened.*

**With most brick & mortar casinos closed, internet gaming booms nationwide-** According to **Online Poker Report**, states with internet gaming, including Delaware, Pennsylvania, and New Jersey, saw record internet gaming revenue and handle in April 2020. Delaware's comparatively small market reached \$856.2 thousand in revenue and \$28.5 million in digital handle in April 2020. Delaware's digital handle in April 2020 represented a 74.3% increase over March 2020, and 138.5% increase over April 2019. Pennsylvania's internet gaming handle reached \$1.4 billion, up 59.5% over March 2020, and realized a 73.1% increase month-to-month in revenue. New customers and sports bettors looking for gambling alternatives amid a shortage of mainstream sporting events are driving internet gaming increases. According to a **survey conducted by Synergy Blue**, one in five current online gamblers did not wager online prior to the lockdown, and 93% of these new online gamblers said they would continue to gamble online after the lockdown is lifted.

## Hospitality & Tourism News

**Atlantic City Developer Bart Blatstein acquires last parcel in three-block stretch inland of Showboat, announces plan to build indoor waterpark** – As reported by [The Press of Atlantic City](#), Bart Blatstein owner/developer of the Showboat hotel off the Atlantic City Boardwalk has acquired the last parcel in a assemblage of properties extending three blocks inland from the Showboat hotel and former casino. The purchase seems to be part of an overall plan to redevelop Showboat and the surrounding area as an entertainment retail district. As reported by [The Press of Atlantic City](#) on May 27 Blatstein announced his intent to break ground on a \$100 million year-round indoor water park in August 2020. Earlier speculation anticipated the construction of a casino tower built off of the original footprint of the Showboat to circumvent an existing deed restriction.

**Atlantic City lifts ban on short-term rentals** – As reported by [The Press of Atlantic City](#), Atlantic City Mayor Marty Small Sr. issued an executive order on May 22 allowing city hotels to reopen and online short-term rentals to resume operation effective May 29. City hotels and motels will be required to comply with health and safety protocols established by public health officials and industry-specific guidelines. City officials reserve the right to restrict operations again if “we see things going in the wrong direction.”

**Cape May County submits reopening proposal to New Jersey governor** – On May 5, the Cape May County-Wide Recovery Initiative submitted [A Proposal For The Safe, Thoughtful And Progressive Reopening Of The County Of Cape May In The Time Of Covid-19](#) to New Jersey Governor, Phil Murphy. The proposal contains plans to implement and enforce extensive mitigation protocols which aim “to emulate to the greatest extent possible the prophylactic effects of the stay-at-home order.” The plans articulated are specific to New Jersey’s southern and shore regions and provide specific guidance for various business sectors.