



R. DONAHUE PEEBLES MAKES GRAND ENTRANCE INTO NEW YORK AS A PARTNER IN THE CREATION OF A WORLD-CLASS GAMING AND ENTERTAINMENT DESTINATION AT AQUEDUCT RACETRACK IN QUEENS

Governor Paterson sites Peebles' track record as vital to generating critical revenue and resources to New York State.

New York, October 23-Governor David Paterson announced the selection Aqueduct Gaming, LLC, a team including The Peebles Corporation, to create and operate a world-class gaming and entertainment destination at Aqueduct Racetrack in Queens, New York.

Aqueduct Gaming LLC, led by Delaware North Companies and prominently featuring R. Donahue Peebles, Chairman and CEO of The Peebles Corporation, will spearhead the project consisting of 328,000 square feet of world class gaming and entertainment with subsequent components such as a hotel, conference center, retail, restaurants and spa. The revitalized Aqueduct complex will generate an estimated total of \$10.3 billion for education over the next 30 years.

“We are excited and appreciative of the opportunity to bring to the New York market the same world-class vision and creative talent used in amassing our \$4 billion development portfolio,” Peebles said. “We applaud Governor Paterson’s visionary leadership along with the community-minded focus of Assembly Speaker Shelly Silver and Senate Majority Leader Dean Skelos and look forward to working with the leadership of New York State and the Queens community to establish an exemplary model for public-private partnership generating economic development while ensuring diverse participation at all levels.”

This major public-private partnership arrives at an opportune time for New York State which is facing significant budget challenges. In addition to the \$370 million upfront payment to the State, the team will spend a minimum of \$250 million on a world-class gaming and entertainment destination along with \$170 million over the term of the agreement to ensure consistent high-quality. An additional \$200 million investment is anticipated for the hotel and other components that will be incorporated into the Aqueduct complex.

“I am delighted that Delaware North has pledged to immediately undertake a process to address the community’s important development needs,” stated Governor Paterson. “As we continue to look for ways to close a multi-billion dollar budget gap and address a worsening financial crisis, a successful gaming and entertainment facility will provide our State with new economic resources.”

In addition, the project will generate over 2,000 jobs during the construction and operation of the project. Consistent with the team's history of community engagement, a small business development center and a job center will be established in Queens to provide job training, host job fairs and provide easy access to opportunities for small, local service providers. An entrepreneurial academy will be established to expose high school students to the principles of entrepreneurship and successful role models. This academy is an initiative born from Peebles' dual passion for empowering youth and expanding appreciation for entrepreneurship and its positive impacts.