Appendix C

# ECONOMIC AND FISCAL IMPACTS OF OSAGE DEVELOPMENT ALTERNATIVES A AND B ON THE REGION AND STATE

MEISTER
Economic Consulting

HOSPITALITY AND GAMING SOLUTIONS

# Lake Ozark Land-in-Trust Acquisition


## Economic and Fiscal Impacts of Osage Development Alternatives A and B on the Region and State

**Submitted to:**
**Osage Nation**

**October 2023**

# Executive Summary

Meister Economic Consulting, LLC was commissioned by the Osage Nation to analyze the economic and fiscal impacts of the construction and operation of two potential alternatives for land the Tribe is seeking to take into trust in Lake Ozark, Missouri.[1] We were asked to quantify these impacts on Camden and Miller Counties, as well as on the State of Missouri as a whole.

**PROPOSED LAKE OZARK DEVELOPMENT**

The Osage Nation has proposed a development for the City of Lake Ozark, which is located in central Missouri within both Camden and Miller Counties. We analyzed two potential alternatives for the site: (1) a proposed Class II casino ("Proposed Osage Casino" or "Alternative A"); and (2) a standalone hotel ("Proposed Osage Hotel" or "Alternative B").

**Alternative A – Proposed Osage Casino**

According to a previously conducted feasibility study, the Proposed Osage Casino is recommended to have the following specifications:[2]

- 750 Class II gaming devices;
- A 150-room, 3-star hotel with a pool, fitness center, and business center;
- 6,000 square feet of meeting space;
- 2 food and beverage outlets; and
- A gift shop.

Alternative A is assumed to be built in 2024 and 2025,[3] at a cost of $167.4 million.[4] Thus, it would become operational in 2026. In its first stabilized year of operations, which is assumed to be the third year of operations (2028), the Proposed Osage Casino is estimated to generate the following revenues:[5]

- $64.2 million in gaming revenue;
- $6.5 million in hotel revenue;
- $7.0 million in food and beverage revenue; and
- $2.1 million in other revenue.

[1] Economic impact refers to the general economic effects on the economy (output, jobs, and wages), while fiscal impact specifically refers to financial effects on governmental bodies (taxes and intergovernmental payments).
[2] Source: Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.
[3] The construction of Alternative A is estimated to take 16 to 18 months. Source: Marnell Architecture. We have conservatively assumed an 18-month construction period.
[4] Source: Marnell Architecture, Osage Casinos, and Meister Economic Consulting/Hospitality and Gaming Solutions. Includes land, site improvements, hard and soft building costs, furniture, fixtures, and equipment (FFE), pre-opening costs, and contingencies.
[5] Source: Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.

**Alternative B – Proposed Osage Hotel**

According to a previously conducted feasibility study, the Proposed Osage Hotel is recommended to have the following specifications:[6]

- 100 rooms;
- 1,200 to 1,500 square feet of meeting space;
- A market pantry;
- An indoor swimming pool; and
- A fitness center.

Alternative B is assumed to be built in 2024 and 2025,[7] at a cost of $78.1 million.[8] Thus, it would become operational in 2026. In its first stabilized year of operations, which is assumed to be the third year of operations (2028), the Proposed Osage Hotel is estimated to generate the following revenues:[9]

- $2.6 million in hotel revenue; and
- $116,000 in other revenue.

**ECONOMIC AND FISCAL IMPACTS OF PROPOSED LAKE OZARK DEVELOPMENT**

In order to quantify the economic and fiscal impacts of the Osage Nation's proposed Lake Ozark development on Camden and Miller Counties and the State of Missouri, including both the direct and secondary effects, we utilized an input-output analysis. The secondary effects are often referred to as the multiplier effect or ripple effect.

Overall, Meister Economic Consulting found that the Lake Ozark development would have positive economic and fiscal impacts. While Alternative A would have significantly larger positive impacts than Alternative B, both alternatives would be beneficial to the Osage Nation and the site's surrounding communities. The construction and operations would directly and indirectly generate economic activity, including:

- Construction expenditures, jobs, and wages;
- Expenditures by patrons on gaming and non-gaming amenities;
- Expenditures by the proposed development, the Osage Nation, and businesses down the supply chain;

[6] Source: Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.

[7] The construction of Alternative A is estimated to take 14 to 16 months. Source: Marnell Architecture. We have conservatively assumed a 16-month construction period.

[8] Source: Marnell Architecture, Osage Casinos, and Meister Economic Consulting/Hospitality and Gaming Solutions. Includes land, site improvements, hard and soft building costs, furniture, fixtures, and equipment (FFE), pre-opening costs, and contingencies.

[9] Source: Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.

- Jobs at the proposed development, the Osage Nation, and businesses down the supply chain;
- Wages paid to all employees;
- Household expenditures by all employees; and
- Taxes on all taxable economic activity.

**ECONOMIC AND FISCAL IMPACTS OF PROPOSED OSAGE CASINO (ALTERNATIVE A)**

**Construction Impact of Proposed Osage Casino on Camden and Miller Counties**

Construction of the Proposed Osage Casino is estimated to generate the following one-time economic and fiscal impacts in Camden and Miller Counties in 2024 and 2025:

- $249.0 million in output;
- 1,968 jobs (full-time equivalents or FTEs);
- $53.7 million in wages; and
- $23.2 million in total taxes and intergovernmental payments, including:
  - $15.7 million to the federal government;
  - $3.8 million to the State of Missouri; and
  - $3.7 million to local governments, including $60,000 in intergovernmental payments during construction of Alternative A ($30,000 per year).

**Alternative A - Proposed Osage Casino**
**Economic Impact of Construction, 2024-2025**
**Study Area: Camden and Miller Counties, Missouri**

| Type of Effect | Output | Jobs | Wages |
|---|---|---|---|
| Direct | $160,457,171 | 1,431 | $35,537,110 |
| Indirect | $51,133,989 | 297 | $9,105,013 |
| Induced | $37,488,080 | 240 | $9,008,780 |
| Total | $249,079,240 | 1,968 | $53,650,904 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

**Alternative A - Proposed Osage Casino**
**Fiscal Impact of Construction, 2024-2025**
**Study Area: Camden and Miller Counties, Missouri**

| | Taxes and Intergovernmental Payments | | | |
|---|---|---|---|---|
| Type of Effect | Federal | State | Local | Total |
| Direct | $10,840,509 | $1,855,245 | $1,121,064 | $13,816,817 |
| Indirect | $2,513,898 | $941,852 | $1,249,510 | $4,705,260 |
| Induced | $2,389,544 | $984,604 | $1,299,771 | $4,673,919 |
| Total | $15,743,951 | $3,781,701 | $3,670,344 | $23,195,997 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

**Construction Impact of Proposed Osage Casino on State of Missouri**

Construction of the Proposed Osage Casino is estimated to generate the following one-time economic and fiscal impacts in the State of Missouri in 2024 and 2025:

- $303.7 million in output;
- 2,176 jobs (FTEs);
- $74.4 million in wages; and
- $29.7 million in total taxes and intergovernmental payments, including:
  - $20.0 million to the federal government;
  - $4.8 million to the State of Missouri; and
  - $4.8 million to local governments, including $60,000 in intergovernmental payments during construction of Alternative A ($30,000 per year).

**Alternative A - Proposed Osage Casino**
**Economic Impact of Construction, 2024-2025**
**Study Area: State of Missouri**

| Type of Effect | Output | Jobs | Wages |
|---|---|---|---|
| Direct | $160,457,171 | 1,431 | $35,537,110 |
| Indirect | $68,191,440 | 318 | $17,697,857 |
| Induced | $75,086,749 | 427 | $21,196,977 |
| Total | $303,735,360 | 2,176 | $74,431,945 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

**Alternative A - Proposed Osage Casino**
**Fiscal Impact of Construction, 2024-2025**
**Study Area: State of Missouri**

| | Taxes and Intergovernmental Payments | | | |
|---|---|---|---|---|
| Type of Effect | Federal | State | Local | Total |
| Direct | $10,840,509 | $1,855,245 | $1,121,064 | $13,816,817 |
| Indirect | $4,159,193 | $1,246,533 | $1,540,752 | $6,946,478 |
| Induced | $5,031,805 | $1,710,394 | $2,184,982 | $8,927,181 |
| Total | $20,031,507 | $4,812,172 | $4,846,798 | $29,690,476 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

**Operations Impact of Proposed Osage Casino on Camden and Miller Counties**

Operation of the Proposed Osage Casino is estimated to generate the following recurring annual net economic and fiscal impacts in Camden and Miller Counties starting in 2028, the first stabilized year of operations (i.e., third year of operations):

- $100.6 million in output;
- 455 jobs (FTEs);
- $18.0 million in wages; and
- $6.4 million in total taxes and intergovernmental payments, including:
  - $4.4 million to the federal government;
  - $782,000 to the State of Missouri; and
  - $1.2 million to local governments, including $535,000 in intergovernmental payments per year of operations of Alternative A.

| Alternative A - Proposed Osage Casino<br>Annual Economic Impact of Operation, 2028<br>Study Area: Camden & Miller Counties, Missouri | | | |
|---|---|---|---|
| Type of Effect | Output | Jobs | Wages |
| Direct | $78,148,699 | 297 | $13,012,488 |
| Indirect | $15,506,326 | 113 | $3,268,404 |
| Induced | $6,973,237 | 45 | $1,678,537 |
| Total | $100,628,262 | 455 | $17,959,430 |
| Detail may not equate to total due to rounding.<br>Output and Wages in 2023 Dollars.<br>Jobs are measured as full-time equivalents (FTEs). | | | |

| Alternative A - Proposed Osage Casino<br>Annual Fiscal Impact of Operation, 2028<br>Study Area: Camden & Miller Counties, Missouri | | | | |
|---|---|---|---|---|
| | Taxes and Intergovernmental Payments | | | |
| Type of Effect | Federal | State | Local | Total |
| Direct | $3,051,498 | $330,390 | $138,339 | $3,520,228 |
| Indirect | $894,369 | $268,226 | $843,591 | $2,006,187 |
| Induced | $444,895 | $183,290 | $241,979 | $870,164 |
| Total | $4,390,763 | $781,906 | $1,223,909 | $6,396,578 |
| Detail may not equate to total due to rounding.<br>Taxes and Intergovernmental Payments in 2023 Dollars. | | | | |

It is highlighted that the 297 Direct Jobs represent the total number of FTEs at the Proposed Osage Casino in 2028. This equates to a total of 354 full time and part time jobs.

**Operations Impact of Proposed Osage Casino on State of Missouri**

Operation of the Proposed Osage Casino is estimated to generate the following recurring <u>annual</u> net economic and fiscal impacts in the State of Missouri starting in 2028:

- $117.1 million in output;
- 510 jobs (FTEs);

- $24.6 million in wages; and
- $8.4 million in total taxes and intergovernmental payments, including:
    - $5.8 million to the federal government;
    - $1.1 million to the State of Missouri; and
    - $1.6 million to local governments, including $535,000 in intergovernmental payments per year of operations of Alternative A.

**Alternative A - Proposed Osage Casino**
**Annual Economic Impact of Operation, 2028**
**Study Area: State of Missouri**

| Type of Effect | Output | Jobs | Wages |
|---|---|---|---|
| Direct | $78,148,699 | 297 | $13,012,488 |
| Indirect | $23,765,361 | 127 | $7,287,079 |
| Induced | $15,221,034 | 86 | $4,293,537 |
| Total | $117,135,095 | 510 | $24,593,103 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

**Alternative A - Proposed Osage Casino**
**Annual Fiscal Impact of Operation, 2028**
**Study Area: State of Missouri**

| | Taxes and Intergovernmental Payments | | | |
|---|---|---|---|---|
| Type of Effect | Federal | State | Local | Total |
| Direct | $3,051,498 | $330,390 | $138,339 | $3,520,228 |
| Indirect | $1,690,389 | $421,381 | $975,475 | $3,087,244 |
| Induced | $1,019,301 | $346,874 | $443,389 | $1,809,564 |
| Total | $5,761,188 | $1,098,645 | $1,557,203 | $8,417,036 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

As previously noted, it is highlighted that the 297 Direct Jobs represent the total number of FTEs at the Proposed Osage Casino in 2028. This equates to a total of 354 full time and part time jobs.

## ECONOMIC AND FISCAL IMPACTS OF PROPOSED OSAGE HOTEL (ALTERNATIVE B)

### Construction Impact of Proposed Osage Hotel on Camden and Miller Counties

Construction of the Proposed Osage Hotel is estimated to generate the following <u>one-time</u> economic and fiscal impacts in Camden and Miller Counties in 2024 and 2025:

- $115.9 million in output;
- 921 jobs (FTEs);

- $25.3 million in wages; and
- $10.9 million in total taxes and intergovernmental payments, including:
  - $7.4 million to the federal government;
  - $1.8 million to the State of Missouri; and
  - $1.7 million to local governments, including $60,000 in intergovernmental payments during construction of Alternative B ($30,000 per year).

| **Alternative B - Proposed Osage Hotel**<br>**Economic Impact of Construction, 2024-2025**<br>**Study Area: Camden and Miller Counties, Missouri** | | | |
|---|---|---|---|
| Type of Effect | Output | Jobs | Wages |
| Direct | $74,891,934 | 673 | $16,870,377 |
| Indirect | $23,279,699 | 135 | $4,170,504 |
| Induced | $17,700,913 | 113 | $4,253,692 |
| Total | $115,872,546 | 921 | $25,294,573 |
| Detail may not equate to total due to rounding.<br>Output and Wages in 2023 Dollars.<br>Jobs are measured as full-time equivalents (FTEs). | | | |

| **Alternative B - Proposed Osage Hotel**<br>**Fiscal Impact of Construction, 2024-2025**<br>**Study Area: Camden and Miller Counties, Missouri** | | | | |
|---|---|---|---|---|
| | Taxes and Intergovernmental Payments | | | |
| Type of Effect | Federal | State | Local | Total |
| Direct | $5,138,862 | $872,451 | $519,440 | $6,530,754 |
| Indirect | $1,150,664 | $431,944 | $605,964 | $2,188,572 |
| Induced | $1,128,278 | $464,904 | $613,717 | $2,206,899 |
| Total | $7,417,804 | $1,769,299 | $1,739,121 | $10,926,224 |
| Detail may not equate to total due to rounding.<br>Taxes and Intergovernmental Payments in 2023 Dollars. | | | | |

**Construction Impact of Proposed Osage Hotel on State of Missouri**

Construction of the Proposed Osage Hotel is estimated to generate the following one-time economic and fiscal impacts in the State of Missouri in 2024 and 2025:

- $141.5 million in output;
- 1,020 jobs (FTEs);
- $35.0 million in wages; and
- $14.0 million in total taxes and intergovernmental payments, including:
  - $9.4 million to the federal government;
  - $2.3 million to the State of Missouri; and

- o $2.3 million to local governments, including $60,000 in intergovernmental payments during construction of Alternative B ($30,000 per year).

| **Alternative B - Proposed Osage Hotel<br>Economic Impact of Construction, 2024-2025<br>Study Area: State of Missouri** | | | |
|---|---|---|---|
| Type of Effect | Output | Jobs | Wages |
| Direct | $74,891,934 | 673 | $16,870,377 |
| Indirect | $31,237,879 | 145 | $8,140,039 |
| Induced | $35,388,649 | 201 | $9,990,250 |
| Total | $141,518,462 | 1,020 | $35,000,665 |
| Detail may not equate to total due to rounding.<br>Output and Wages in 2023 Dollars.<br>Jobs are measured as full-time equivalents (FTEs). | | | |

| **Alternative B - Proposed Osage Hotel<br>Fiscal Impact of Construction, 2024-2025<br>Study Area: State of Missouri** | | | | |
|---|---|---|---|---|
| | Taxes and Intergovernmental Payments | | | |
| Type of Effect | Federal | State | Local | Total |
| Direct | $5,138,862 | $872,451 | $519,440 | $6,530,754 |
| Indirect | $1,911,339 | $573,319 | $741,442 | $3,226,100 |
| Induced | $2,371,516 | $806,113 | $1,029,784 | $4,207,413 |
| Total | $9,421,717 | $2,251,883 | $2,290,666 | $13,964,267 |
| Detail may not equate to total due to rounding.<br>Taxes and Intergovernmental Payments in 2023 Dollars. | | | | |

**Operations Impact of Proposed Osage Hotel on Camden and Miller Counties**

Operation of the Proposed Osage Hotel is estimated to generate the following recurring annual net economic and fiscal impacts in Camden and Miller Counties starting in 2028, the first stabilized year of operations (i.e., third year of operations):

- $11.3 million in output;
- 41 jobs (FTEs);
- $1.6 million in wages; and
- $1.0 million in total taxes and intergovernmental payments, including:
  - o $413,000 to the federal government;
  - o $79,000 to the State of Missouri; and
  - o $515,000 to local governments, including $443,000 in intergovernmental payments per year of operations of Alternative B.

| Alternative B - Proposed Osage Hotel<br>Annual Economic Impact of Operation, 2028<br>Study Area: Camden & Miller Counties, Missouri | | | |
|---|---|---|---|
| Type of Effect | Output | Jobs | Wages |
| Direct | $8,558,991 | 22 | $1,027,703 |
| Indirect | $2,207,100 | 16 | $451,862 |
| Induced | $541,199 | 3 | $130,202 |
| Total | $11,307,289 | 41 | $1,609,767 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

| Alternative B - Proposed Osage Hotel<br>Annual Fiscal Impact of Operation, 2028<br>Study Area: Camden & Miller Counties, Missouri | | | | |
|---|---|---|---|---|
| | Taxes and Intergovernmental Payments | | | |
| Type of Effect | Federal | State | Local | Total |
| Direct | $258,297 | $29,227 | $11,891 | $299,416 |
| Indirect | $119,698 | $35,926 | $484,459 | $640,084 |
| Induced | $34,518 | $14,222 | $18,775 | $67,515 |
| Total | $412,514 | $79,376 | $515,126 | $1,007,015 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

It is highlighted that the 22 Direct Jobs represent the total number of FTEs at the Proposed Osage Hotel in 2028. This equates to a total of 24 full time and part time jobs.

**Operations Impact of Proposed Osage Hotel on State of Missouri**

Operation of the Proposed Osage Hotel is estimated to generate the following recurring annual net economic and fiscal impacts in the State of Missouri starting in 2028:

- $13.2 million in output;
- 47 jobs (FTEs);
- $2.4 million in wages; and
- $1.2 million in total taxes and intergovernmental payments, including:
  - $568,000 to the federal government;
  - $116,000 to the State of Missouri; and
  - $554,000 to local governments, including $443,000 in intergovernmental payments per year of operations of Alternative B.

| Alternative B - Proposed Osage Hotel<br>Annual Economic Impact of Operation, 2028<br>Study Area: State of Missouri | | | |
|---|---|---|---|
| Type of Effect | Output | Jobs | Wages |
| Direct | $8,558,991 | 22 | $1,027,703 |
| Indirect | $3,332,672 | 18 | $977,470 |
| Induced | $1,328,922 | 7 | $374,929 |
| Total | $13,220,585 | 47 | $2,380,103 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

| Alternative B - Proposed Osage Hotel<br>Annual Fiscal Impact of Operation, 2028<br>Study Area: State of Missouri | | | | |
|---|---|---|---|---|
| | Taxes and Intergovernmental Payments | | | |
| Type of Effect | Federal | State | Local | Total |
| Direct | $258,297 | $29,227 | $11,891 | $299,416 |
| Indirect | $220,204 | $56,518 | $503,757 | $780,480 |
| Induced | $89,008 | $30,282 | $38,702 | $157,992 |
| Total | $567,509 | $116,028 | $554,350 | $1,237,887 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

As previously noted, it is highlighted that the 22 Direct Jobs represent the total number of FTEs at the Proposed Osage Hotel in 2028. This equates to a total of 24 full time and part time jobs.

# Table of Contents

# 1. Assignment

Meister Economic Consulting, LLC was commissioned by the Osage Nation to analyze the economic and fiscal impacts of the construction and operation of two potential alternatives for land the Tribe is seeking to take into trust in Lake Ozark, Missouri.[10] We were asked to quantify these impacts on Camden and Miller Counties, as well as on the State of Missouri as a whole. In order to quantify these impacts, we utilized an input-output analysis.

This report is organized as follows. Section 2 of this report provides background on the Osage Nation, the two potential development alternatives, the geographic areas of interest in this report, and the competitive environment for each of the alternatives. Section 3 explains the methodology used to compute the estimated economic and fiscal impacts of the potential development alternatives. Section 4 describes the data relied upon in conducting the analysis. The results of our analysis are set forth in Section 5. Background on Meister Economic Consulting and the primary author of this report is set forth in Appendices A and B, respectively.

[10] Economic impact refers to the general economic effects on the economy (output, jobs, and wages), while fiscal impact specifically refers to financial effects on governmental bodies (taxes and intergovernmental payments).

# 2. Background

This section of the report provides background on the Osage Nation, the two potential development alternatives, the geographic areas of interest in this report, and the competitive environment for each of the alternatives.

### 2.1 OSAGE NATION[11]

The Osage Nation is a federally recognized Native American tribe in Oklahoma. Historically, the Tribe dominated much of present-day Missouri, Arkansas, Kansas, and Oklahoma. However, as a result of treaties in 1808, 1818, and 1825, the Osage Nation ceded to the U.S. government their traditional lands in Missouri, Arkansas, and Oklahoma in exchange for protection, reservation lands, and supplies. Unfortunately, the U.S. government did not carry through on some of these commitments. In subsequent treaties and laws, the Osage Nation was further forced to give up its land in Kansas as well, eventually pushing the Tribe onto Indian Territory in what is now Oklahoma. Today, the Osage Nation occupies a 1.5 million acre reservation encompassing present-day Osage County, Oklahoma in the north-central portion of the state between Tulsa and Ponca City. The tribal headquarters is located in Pawhuska, Oklahoma and has jurisdiction in Osage County, Oklahoma.

As of 2023, the Osage Nation had 25,415 enrolled members.[12] While approximately one-half of enrolled members reside in Oklahoma, a significant portion live on the Tribe's traditional lands, including Missouri.

In addition to operating its government, the tribe manages several natural resources. It also operates several business entities, including: seven casinos (located in Bartlesville, Hominy, Pawhuska, Ponca City, Sand Springs, Skiatook, and Tulsa), five hotels (located at the casinos in Bartlesville, Pawhuska, Ponca City, Skiatook, and Tulsa), two convenience stores (also located at the casinos in Ponca City and Skiatook), an aerospace technology innovation zone and droneport (Skyway36), an environmental planning, consulting, and engineering services company (Osage Nation Environmental Solutions), a design-build construction company (Osage Pinnacle Design Group), a government services provider (Osage Government Services), a telecommunications provider (Osage Innovative Solutions), and two ranching operations (Osage Nation Ranch and Lost Creek Ranch).[13]

The Osage Nation began casino gaming in Spring 2002 under the name Osage Nation Gaming in Hominy, Oklahoma. Today, its tribal business entity, Osage Casino, operates all seven of its gaming facilities, as well as its hotels and convenience stores located at the gaming facilities.

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[11] Unless otherwise noted, the source for this section of the report is Wikipedia (https://en.wikipedia.org/wiki/Osage_Nation), accessed October 2023.
[12] Osage Nation.
[13] Osage Casino website (https://www.osagecasinos.com/); and Osage LLC website (https://osagellc.com/companies/).

In accordance with the Indian Gaming Regulatory Act (IGRA),[14] the Osage Nation uses profits from its gaming operations to:

1) Fund tribal government operations and programs, including social and economic programs and services, such as health care, housing, education, public safety, career development, youth programs, elderly care, cultural, legal/court, transportation, and natural resource services;
2) Provide for the general welfare of its members;
3) Promote tribal economic development;
4) Support charitable organizations; and
5) Help fund operations of local government agencies.

## 2.2 OSAGE NATION'S PROPOSED DEVELOPMENT FOR LAKE OZARK

In furtherance of its economic development efforts and in order to take care of its tribal members, the Osage Nation is proposing a development on tribal trust land that would be acquired in Lake Ozark, Missouri,[15] which is located in south central Missouri within Camden and Miller Counties. We analyzed two potential alternatives for the development site: (1) a proposed Class II casino ("Proposed Osage Casino" or "Alternative A"); and (2) a standalone hotel ("Proposed Osage Hotel" or "Alternative B").

### 2.2.1 Alternative A – Proposed Osage Casino

According to a previously conducted feasibility study, the Proposed Osage Casino is recommended to have the following specifications:[16]

- 750 Class II gaming devices;
- A 150-room, 3-star hotel with a pool, fitness center, and business center;
- 6,000 square feet of meeting space;
- 2 food and beverage outlets; and
- A gift shop.

Alternative A is assumed to be built in 2024 and 2025,[17] at a cost of $167.4 million.[18] Thus, it would become operational in 2026. In its first stabilized year of operations, which is assumed to be the

[14] Indian Gaming Regulatory Act, 25 U.S.C. § 2710(b)(2)(B).
[15] We understand that the land must still be approved by the U.S. Secretary of the Interior for gaming purposes, and if acquired as part of the two-part determination exception, it must also receive the concurrence from the Governor of the State of Missouri.
[16] Source: Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.
[17] The construction of Alternative A is estimated to take 16 to 18 months. Source: Marnell Architecture. We have conservatively assumed an 18-month construction period.

third year of operations (2028), the Proposed Osage Casino is estimated to generate the following revenues:[19]

- $64.2 million in gaming revenue;
- $6.5 million in hotel revenue;
- $7.0 million in food and beverage revenue; and
- $2.1 million in other revenue.

The Osage Nation is in the process of establishing agreements with various local public entities in order to compensate for services as a result of the construction and operations of the Proposed Osage Casino. Based on assumptions provided by the Osage Nation, Table 1 shows the estimated annual payments associated with these intergovernmental agreements. However, these payments are subject to negotiations. Some of the agreements that are ultimately entered into may be for different amounts and durations.

**Table 1**

**Anticipated Intergovernmental Agreements for Proposed Osage Hotel Alternative A**

| Entity | Services | Annual Amount | Payment Begins Upon Start of |
|---|---|---|---|
| Miller County Sheriff's Dept | Law Enforcement | $50,000 | Operations |
| Lake Ozark Fire Protection District | Fire Protection | $30,000 | Construction |
| Lake Ozark Utilities Sewer/Water | Utilities* | $280,286 | Operations |
| Lake Ozark Police Dept | Law Enforcement | $100,000 | Operations |
| Miller County | Other | $75,000 | Operations |
| Total for Construction Period** | | $60,000 | |
| Total per Year of Operations*** | | $535,286 | |

* Payments for utilities is the incremental amount above the normal commercial rate.
** Total for Construction Period equals two times payments commencing upon the start of construction.
*** Total per Year of Operations equals sum of all payments.

*Source: Osage Nation.*

### 2.2.2 Alternative B – Proposed Osage Hotel

According to a previously conducted feasibility study, the Proposed Osage Hotel is recommended to have the following specifications:[20]

[18] Source: Marnell Architecture, Osage Casinos, and Meister Economic Consulting/Hospitality and Gaming Solutions. Includes land, site improvements, hard and soft building costs, furniture, fixtures, and equipment (FFE), pre-opening costs, and contingencies.

[19] Source: Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.

- 100 rooms;
- 1,200 to 1,500 square feet of meeting space;
- A market pantry;
- An indoor swimming pool; and
- A fitness center.

Alternative B is assumed to be built in 2024 and 2025,[21] at a cost of $78.1 million.[22] Thus, it would become operational in 2026. In its first stabilized year of operations, which is assumed to be the third year of operations (2028), the Proposed Osage Hotel is estimated to generate the following revenues:[23]

- $2.6 million in hotel revenue; and
- $116,000 in other revenue.

Based on assumptions provided by the Osage Nation, Table 2 shows the estimated annual payments associated with intergovernmental agreements for services that would be provided to the Proposed Osage Hotel. These payments are subject to negotiations. Some of the agreements that are ultimately entered into may be for different amounts and durations.

**Table 2**

**Anticipated Intergovernmental Agreements for Proposed Osage Hotel**
**Alternative B**

| Entity | Services | Annual Amount | Payment Begins Upon Start of |
|---|---|---|---|
| Miller County Sheriff's Dept | Law Enforcement | $50,000 | Operations |
| Lake Ozark Fire Protection District | Fire Protection | $30,000 | Construction |
| Lake Ozark Utilities Sewer/Water | Utilities* | $187,742 | Operations |
| Lake Ozark Police Dept | Law Enforcement | $100,000 | Operations |
| Miller County | Other | $75,000 | Operations |
| Total for Construction Period** | | $60,000 | |
| Total per Year of Operations*** | | $442,742 | |

* Payments for utilities is the incremental amount above the normal commercial rate.
** Total for Construction Period equals two times payments commencing upon the start of construction.
*** Total per Year of Operations equals sum of all payments.

*Source: Osage Nation.*

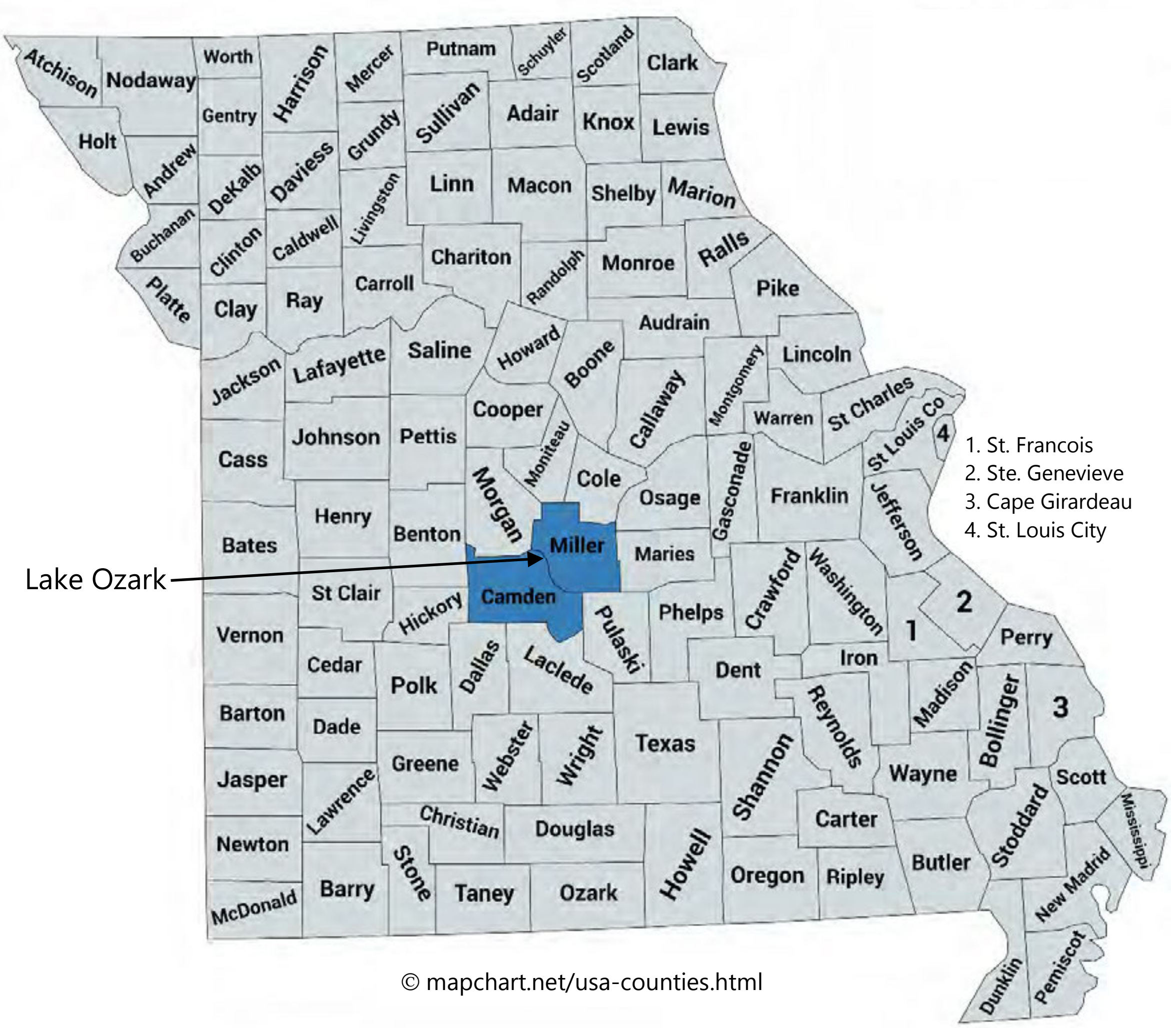
[20] Source: Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.
[21] The construction of Alternative A is estimated to take 14 to 16 months. Source: Marnell Architecture. We have conservatively assumed a 16-month construction period.
[22] Source: Marnell Architecture, Osage Casinos, and Meister Economic Consulting/Hospitality and Gaming Solutions. Includes land, site improvements, hard and soft building costs, furniture, fixtures, and equipment (FFE), pre-opening costs, and contingencies.
[23] Source: Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.

## 2.3 REGIONAL AND STATE ECONOMIES

The proposed Lake Ozark development Alternatives A and B would be located within two particular economies of interest: (1) the 2-county region of Camden and Miller Counties, Missouri, in which the City of Lake Ozark is located; and (2) the State of Missouri.

As shown in Figure 1 below, Lake Ozark is located in south central Missouri within Camden and Miller Counties.

**Figure 1**
**Map of Camden and Miller Counties, Missouri**




Lake Ozark is approximately 134 miles southwest of St. Louis and 128 miles southeast of Kansas City. Located on the eastern edge of the 93-mile-long Lake of the Ozarks, Lake Ozark and the nearby cities of Osage Beach (located in Camden and Miller Counties) and Camdenton (located in Camden County) serve as hubs for commercial and tourist activity in the region.

Together, Camden and Miller Counties encompass approximately 1,249 square miles of land, approximately 1.8% of the land area in the State of Missouri.[24] The counties combined for a total population of 69,171 in 2022, about 1% of the population of the entire State of Missouri, which has a total estimated population of 6.2 million.[25] Median household income for Camden and Miller Counties was $55,517 and $47,288, respectively, while per capita income was $32,400 and $26,592, respectively.[26]

**Figure 2**
**Map of Missouri**


24 U.S. Census Bureau, "QuickFacts" (https://www.census.gov/quickfacts/fact/table/camdencountymissouri,millercountymissouri,MO/PST045222), accessed October 2023.
25 U.S. Census Bureau, "QuickFacts" (https://www.census.gov/quickfacts/fact/table/camdencountymissouri,millercountymissouri,MO/PST045222), accessed October 2023.
26 U.S. Census Bureau, "QuickFacts" (https://www.census.gov/quickfacts/fact/table/camdencountymissouri,millercountymissouri,MO/PST045222), accessed October 2023.

## 2.4 COMPETITIVE EFFECTS OF ALTERNATIVES A AND B

In order to properly determine the net impact of Alternatives A and B later in this report, we considered whether there were any competitive effects (i.e., substitution away from existing businesses in the study areas by the proposed Alternatives A and B), which would not count as *new* economic activity in the study areas. Any competitive effects need to be excluded from the input-output analysis we used in this report to quantify net economic and fiscal impacts.

### 2.4.1 Alternative A – Proposed Osage Casino

In our previously conducted feasibility study,[27] we used a gravity model analysis, as well as a fair share/capture rate analysis, to determine that the only casino in the State of Missouri that will potentially be impacted by the introduction of the Proposed Osage Casino would be Isle of Capri Casino Boonville.

#### Isle of Capri Casino Boonville

As shown in Table 3, the only Missouri casino within 150 miles of the Proposed Osage Casino is Isle of Capri Casino Boonville.

**Table 3**

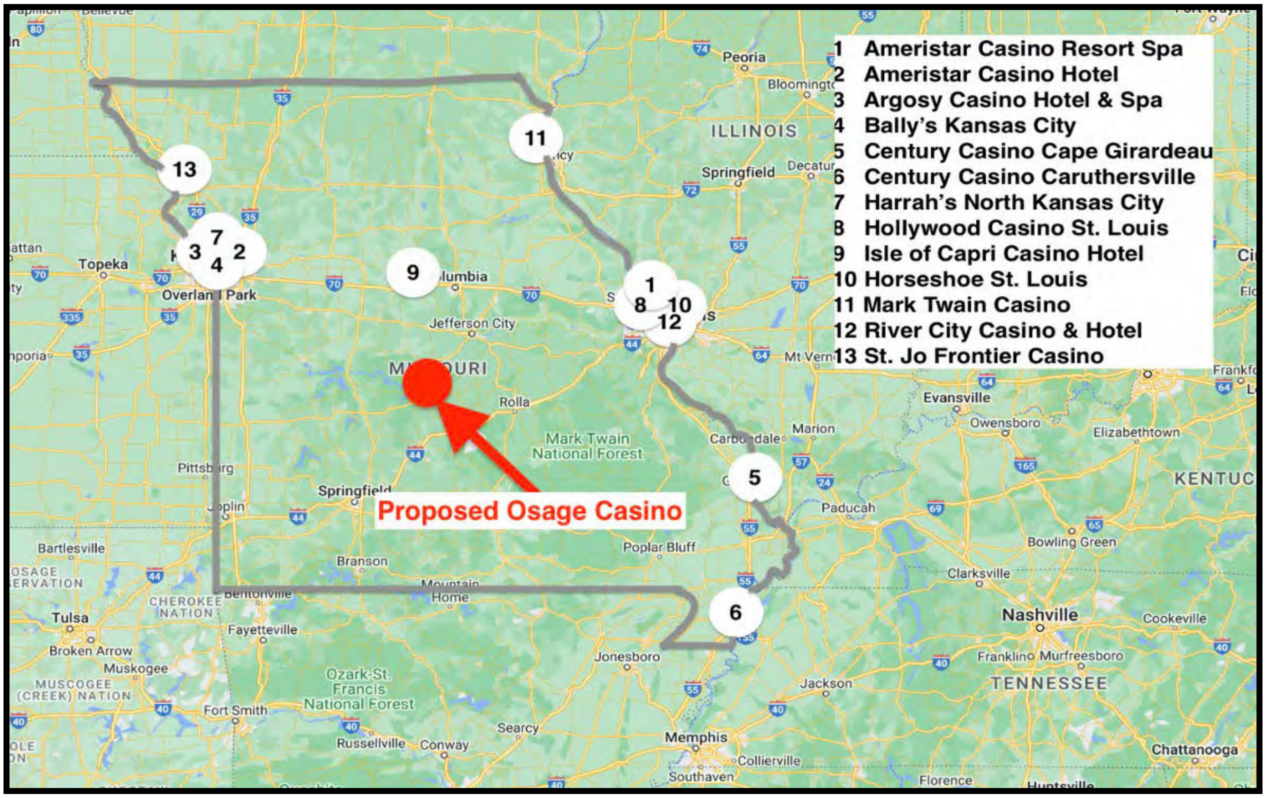
| Missouri Casino Environment<br>Distance to Proposed Osage Casino | |
|---|---|
| **Gaming Venue** | **Distance** |
| Isle of Capri Casino Boonville | 72 Miles |
| Ameristar Casino Resort & Spa | 155 miles |
| Ameristar Casino Hotel | 157 miles |
| Harrah's Kansas City | 158 miles |
| Hollywood Casino St. Louis | 159 miles |
| Bally's Kansas City | 159 miles |
| Argosy Casino Hotel & Spa | 164 miles |
| River City Casino | 165 miles |
| Mark Twain Casino | 169 miles |
| Horseshoe St. Louis | 176 miles |
| St. Jo Frontier Casino | 224 miles |
| Century Casino Caruthersville | 280 miles |
| Century Casino Cape Girardeau | 290 miles |

*Sources: Google Maps; Meister Economics Consulting/Hospitality and Gaming Solutions.*

Figure 3 illustrates the proximity of the Proposed Osage Casino to the existing commercial casinos in Missouri.

[27] Source: Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.

**Figure 3**
**Casinos in the State of Missouri**




*Source: Google Maps.*

Isle of Capri Casino Boonville is located approximately 72 miles from the Proposed Osage Casino. The casino features 830 gaming devices and 16 table games. Amenities at Isle of Capri Casino Boonville includes a 140-room hotel, two restaurants, fitness and business centers, and over 12,000 square feet of meeting space.

Isle of Capri Casino Boonville, which opened in 2001, has garnered a strong local patron base. The property's position in the market has been substantially enhanced in recent years. Eldorado Resorts purchased the property in 2017, and acquired Caesars Entertainment's enhanced market position after merging with it in 2020.

Caesars Entertainment's rewards program took home top honors in the "Best Players Club" category in USA Today's 2022 iteration of the 10 Best awards. Editors at 10Best.com, USA Today's dedicated travel and leisure unit, ranked Caesars Rewards as the best casino loyalty program for the fifth straight year.

With over 50 destinations, Caesars is the largest casino operator in the United States. Caesars Rewards has over 65 million members, making it the largest gaming industry loyalty program. Caesar's presence in Missouri includes not only Boonville, but casino properties in both Kansas City and St. Louis as well.

**Competitive Effects Analysis**

To determine the potential impact of the Proposed Osage Casino on Isle of Capri Casino Boonville, we used a customized gravity model analysis, as well as a fair share/capture rate analysis. The factors considered in these analyses included:

- Existing highway and interstate infrastructure;
- Patron proximity to major thoroughfares and the transportation network (not only distance but travel time);
- The concept, level of investment, and quality of both properties compared to the existing casinos in the market;
- Distance and travel time between the two casino locations (72 miles; 78-minute drive time via Missouri Route 5, which traverses the entire state);
- Programming of the existing Isle of Capri Casino Boonville and the recommended programming of the Proposed Osage Casino;
- The quality level of the facilities; and
- Isle of Capri Casino Boonville's well-established Players Club database.

Comparison of recent and future population and household income, primary demand drivers for the Proposed Osage Casino and Isle of Capri Boonville, are illustrated in Tables 4 and 5, respectively.

**Table 4**

| 2022 Adult Population<br>Radii of 25, 50, 75 and 100 miles<br>Proposed Osage Casino | | | |
|---|---|---|---|
| Radius (Miles) | Population 21+ | Median Household Income | Average Household Income |
| 25 | 74,798 | $76,198 | $55,693 |
| 50 | 309,953 | $74,141 | $57,452 |
| 75 | 716,012 | $74,442 | $56,193 |
| 100 | 1,287,617 | $74,218 | $55,956 |

| 2027 Estimate<br>Radii of 25,50, 75 and 100 miles<br>Proposed Osage Casino | | | |
|---|---|---|---|
| Radius (Miles) | Population 21+ | Median Household Income | Average Household Income |
| 25 | 76,219 | $81,303 | $59,424 |
| 50 | 312,711 | $78,627 | $60,928 |
| 75 | 725,105 | $79,251 | $59,660 |
| 100 | 1.306,931 | $78,656 | $59,168 |

*Source: Tetrad Demographics.*

**Table 5**

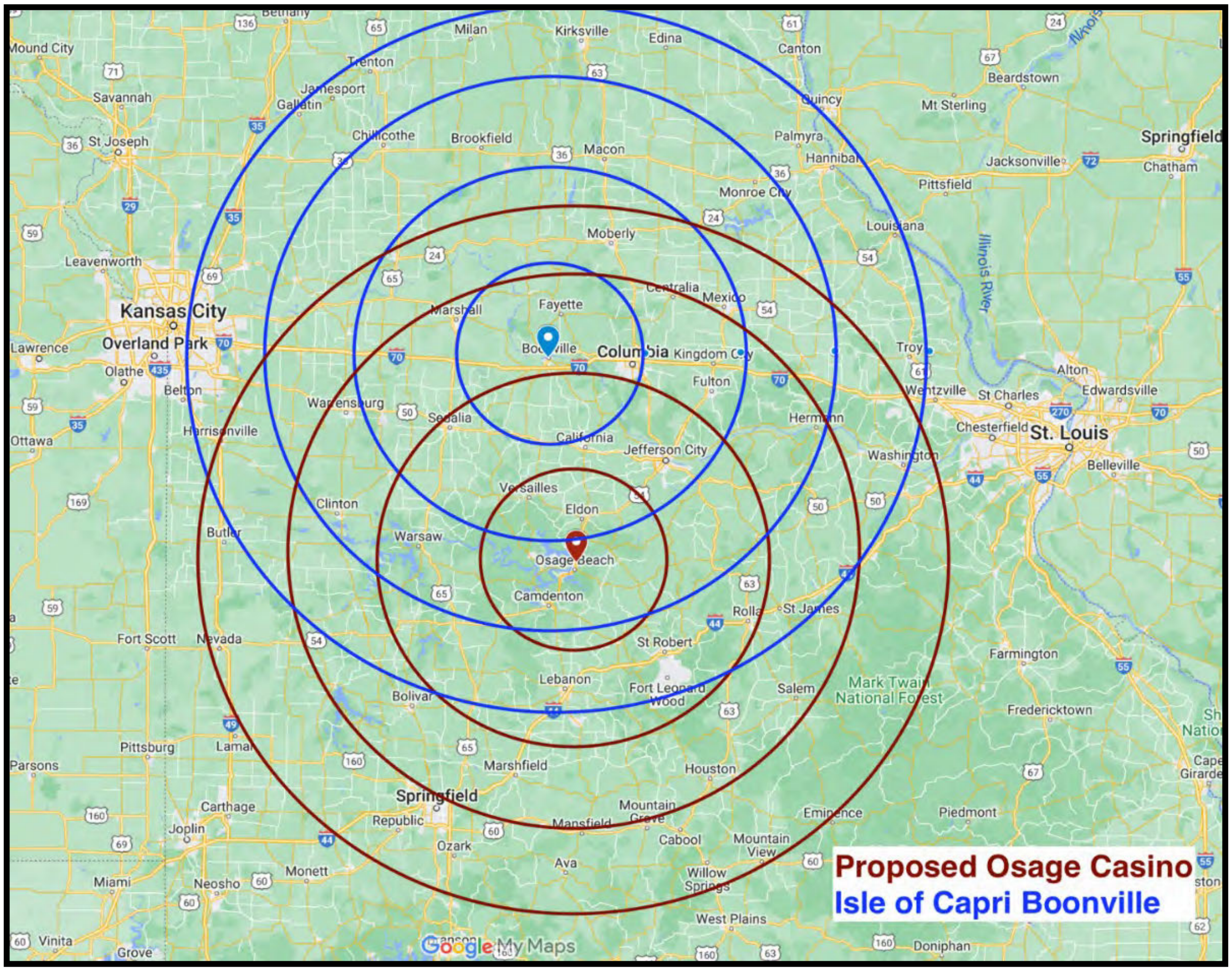
| 2022 Adult Population<br>Radii of 25, 50, 75 and 100 miles<br>Isle of Capri Casino Boonville | | | |
|---|---|---|---|
| Radius (Miles) | Population 21+ | Median Household Income | Average Household Income |
| 25 | 125,176 | $85,011 | $59,791 |
| 50 | 370,452 | $78,318 | $59,486 |
| 75 | 600,686 | $76,786 | $58,634 |
| 100 | 1,740,761 | $81,699 | $62,499 |

| 2027 Estimate<br>Radii of 25,50, 75 and 100 miles<br>Isle of Capri Casino Boonville | | | |
|---|---|---|---|
| Radius (Miles) | Population 21+ | Median Household Income | Average Household Income |
| 25 | 128,209 | $89,432 | $62,782 |
| 50 | 374,749 | $83,879 | $63,115 |
| 75 | 606,393 | $80,088 | $60,979 |
| 100 | 1,767,569 | $88,480 | $67,061 |

*Source: Tetrad Demographics.*

Demographically, Isle of Capri Casino Boonville retains a competitive advantage over the Proposed Osage Casino in every facet except the current and future population of potential gaming adults within their secondary market ring of 75 miles. Figure 4 illustrates Isle of Capri Casino Boonville and the Proposed Osage Casino in concentric radii of 25, 50, 75 and 100 miles.

**Figure 4**




*Source: Tetrad Mapping.*

The amenities of a casino also weigh on customer choices in patronizing a casino. Table 6 depicts facility programming at Isle of Capri Casino Boonville and the recommended programming for the Proposed Osage Casino.

**Table 6**

| Facility Programming Comparison<br>Isle of Capri Casino Boonville vs. Proposed Osage Casino | | |
|---|---|---|
| **Component** | **Isle of Capri Casino** | **Proposed Osage Casino** |
| Casino Square Footage | 28,000 | 40,000 |
| Number of Devices | 830 | 750 |
| Number of Table Games | 16 | 0 |
| Number of Food and Beverage Options | 2 | 3 |
| Number of Hotel Rooms | 140 | 150 |
| Meeting Space Square Footage | 12,000 | 6,000 |
| Initial Level of Investment | $79.7 million (1) | $167.4 million (2) |

*(1) Total original development cost of casino, which opened in 2001, and the hotel and entertainment center, which opened in 2006. Source: Isle of Capri SEC filings, 2001-2006.*
*(2) Source: Marnell Architecture, Osage Casinos, and Meister Economic Consulting/*Hospitality and Gaming Solutions.
Source: *Meister Economic Consulting/*Hospitality and Gaming Solutions.

### Quantified Impact on Isle of Capri Casino Boonville

Given the aforementioned analyses, and amid modest growth of casino gaming in Missouri in recent years, it was determined that development of a casino in Lake of the Ozarks would establish a new gaming market, much like the non-metro casinos have done elsewhere in the State of Missouri in Boonville, Caruthersville, and Cape Girardeau. The introduction of the Proposed Osage Casino would induce demand in the market, primarily within 50 miles of the Proposed Osage Casino, by increasing the propensity to gamble and the number of casino trips. In addition, the Proposed Osage Casino will benefit from the influx from tourists to Lake of the Ozarks.

The analyses also determined that the Proposed Osage Casino would have a minimal and temporary impact on Isle of Capri Casino Boonville. Isle of Capri Casino Boonville is far enough away (72 miles) to limit the potential impact of the Proposed Osage Casino. In addition, it will be well postured to compete in the Proposed Osage Casino's primary and secondary markets given its well-established, loyal customer base, and Class III gaming, including table games. Meanwhile, the Proposed Osage Casino will not have table games, only Class II gaming.

As shown in Table 7, it is expected that Isle of Capri Casino Boonville will experience a temporary, one-year reduction in gross gaming revenue of $1.8 million. The vast majority of this impact will emanate from casino patrons in the 50-75-mile radius who want to try out the new casino. However, Isle of Capri Casino Boonville is expected to recover in its second year and not experience any reductions thereafter.

**Table 7**

| Estimated Impact of Proposed Osage Casino on Gaming Revenue at Isle of Capri Casino Boonville | |
|---|---|
| **Year** | **Gaming Device Revenue** |
| 2026 | $1,810,000 |
| 2027 and thereafter | $0 |

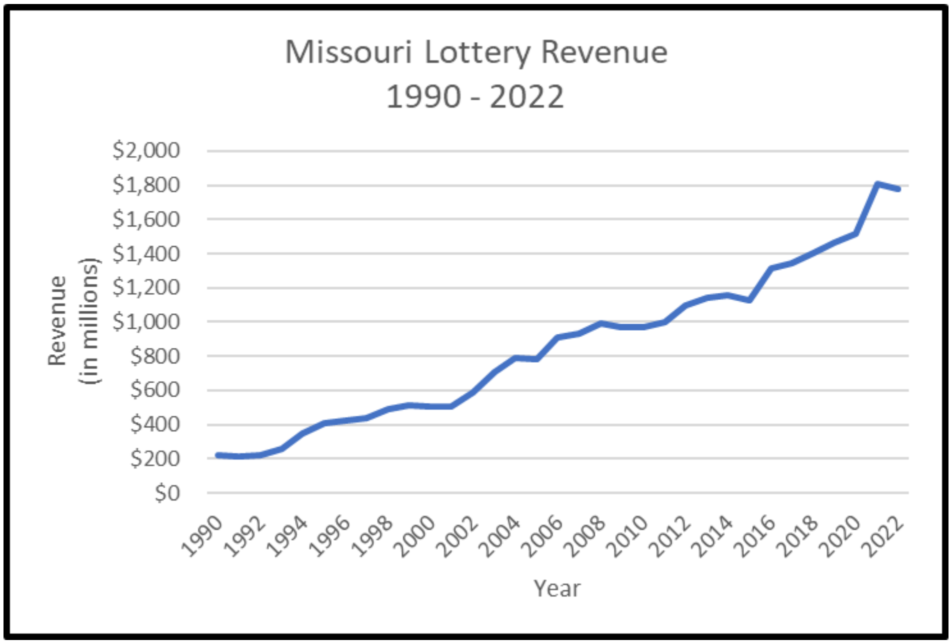
*Source: Meister Economic Consulting/Hospitality and Gaming Solutions.*

Given the finding that there would be no estimated revenue loss at Isle of Capri Casino Boonville starting in the first stabilized year of operations (third year of overall operations, 2028), there is no substitution effect to deduct from Alternative A revenues run through the input-output analysis conducted for this report.

**Impact on Missouri Lottery**

The Missouri Lottery is the only other form of legalized gaming in Missouri, which was established in 1990. Figure 5 presents lottery revenue from 1990 to 2022.

**Figure 5**




*Source: Missouri Lottery Commission.*

The first casino opened in 1994 in Missouri. Since 1994, lottery revenues have increased over 800% and have been unaffected by the proliferation of casino gaming in the State of Missouri. Thus, it is not anticipated that the Proposed Osage Casino would have any negative impact on the Missouri Lottery.

### 2.4.2 Alternative B – Proposed Osage Hotel

In our previously conducted feasibility study,[28] based on our market analysis in conjunction with our fair share/penetration analysis, it was determined that five primary competitive hotels, two secondary competitive hotels, and a segment of the area's short-term rentals market, consisting largely of studio and one-bedroom offerings, would be impacted by the introduction of the Proposed Osage Hotel. These properties are listed in Table 8.

[28] Source: Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.

**Table 8**

| Competitive Lodging Market Impacted by the Proposed Osage Hotel | |
|---|---|
| **Property** | **Current # of Rooms/Rentals** |
| Baymont Inn & Suites Osage Beach | 70 |
| Days Inn Osage Beach | 69 |
| Sleep Inn & Suites Lake of the Ozarks | 61 |
| Holiday Inn Express Osage Beach | 60 |
| Red Roof Inn Osage Beach | 51 |
| Inn at Grand Glaize | 153 |
| The Resort at Lake of the Ozarks | 142 |
| Segment of Short-Term Rentals Market | 600 |
| Total | 1,206 |

*Sources: Property Websites, AirDNA, Meister Economic Consulting/Hospitality and Gaming Solutions.*

### Competitive Effects Analysis

To determine the potential impact of the Proposed Osage Casino on these properties, we utilized a customized growth and penetration model to determine the estimated room night demand for the Proposed Osage Hotel. The model incorporates future growth in competitive supply and room night demand. Factors considered in this penetration analysis include the location, property concept, quality of facilities, and rate structure.

There is currently not any, or very limited, unaccommodated room night demand in the market. Additionally, the Proposed Osage Hotel is not expected to generate any induced demand in the market. Typically, this would correlate to a one-to-one impact in the reduction of room nights generated at the competitive area properties. However, 6 of the 7 competitive hotel properties would be 30 years or older at the time the Proposed Osage Hotel would commence operations and potentially facing functional obsolescence, the only exception being the Sleep Inn & Suites Lake of the Ozarks.

The economic lifecycle of a limited-service hotel is typically 30 to 40 years. A variety of factors impact this, including a hotel's level of investment and program for furniture, fixtures, and equipment replacement and design enhancements.

There can be no certainty as to the specific management philosophies and future investment decisions that may be made by the competitive hotels in the market. Often times owners of aging hotels limit investment to the bare minimum that is necessary to maintain brand standards or in some cases, "de-flag" to a lower chain-scale, become independent, or even cease operations.

Due to the age of the properties in the Proposed Osage Hotel's competitive hotel market, many may see performance decline in the coming years as deferred maintenance and potential functional obsolescence make them increasingly less competitive in the market. Therefore, for purposes of this analysis, it is conservatively estimated that approximately 50% of the demand at the Proposed Osage Hotel would replace such performance declines.

It is also important to note that other supply additions, which would be increasingly more likely absent the development of the Proposed Osage Hotel, would also negatively impact the performance of the competitive lodging properties. This could include a new competitive hotel(s) and/or further additions to supply in the short-term rentals market, beyond those additions already assumed in the growth and penetration model. Such supply additions follow the natural course of growth in lodging supply to capture expected increases in future demand for room nights in any given market and replace declining demand from aging properties.

### Quantified Impact on Competitive Lodging Properties

Based on our analysis and the foregoing considerations, the Proposed Osage Hotel will result in a moderate reduction in demand at competitive lodging properties of approximately 9,900 room nights in a stabilized year of operations. This correlates to a market-wide reduction in occupancy levels at the competitive lodging properties of 1.5 percentage points and a revenue decrease of roughly 3%, equating to an estimated $1.1 million annually, as shown in Table 9. Although not quantified, it is expected that a significant portion of this impact would be to the short-term rentals market, which has benefited recently from the lack of new/modern hotel supply in the market.

**Table 9**

**Estimated Impact of Proposed Osage Hotel on Competitive Lodging Properties**

| Stabilized Year (3rd year of operations) | Decrease |
|---|---|
| Room Nights | 9,900 |
| Occupancy | 1.5% |
| Revenue | 3% ($1.1M) |

*Source: Meister Economic Consulting/Hospitality and Gaming Solutions.*

Given this finding, 3% is deducted from Alternative B revenues run through the input-output analysis conducted for this report.

# 3. Methodology

To quantify the economic and fiscal impacts of the construction and operation of the Lake Ozark development Alternatives A and B on the region and state, we utilized an input-output analysis. Set forth in this section of the report are details on the economic impact analysis methodology.

### 3.1 INPUT-OUTPUT ANALYSIS

An input-output analysis can be used to estimate the total economic and fiscal impacts of an initial change in an economy, including secondary effects that result from the initial change. Wassily Leontief received a Nobel Prize in Economics in 1973 for developing this methodology. Input-output analyses model these effects by accounting for the economic interdependence between industries, households, and government institutions in the economy.

The initial change in economic activity is typically referred to as the direct effect. The direct effect is the "input" into the input-output analysis. In this report, the direct effect is measured as total patron expenditures while visiting the Proposed Osage Casino (Alternative A)/Proposed Osage Hotel (Alternative B). While patron expenditures outside of the developments while visiting them (i.e., while on the way there, during a stay, and when departing home) would also be part of the direct effect, they are conservatively excluded in this report as there are no available data on these expenditures.

Secondary effects come about as patron expenditures are subsequently spent and re-spent by businesses, employees, and households throughout the economy. The successive rounds of spending are often referred to as the "multiplier effect" or "ripple effect." The secondary effects continue until leakages (e.g., imports from outside the study area, profit, and savings) stop the cycle.

There are two types of secondary effects: indirect and induced. The indirect effect relates to the iteration of business and government purchases as a result of the direct effect. In this report, the indirect effect is purchases of goods and services by the Proposed Osage Casino (Alternative A)/Proposed Osage Hotel (Alternative B) and the Osage Nation, as well as suppliers to the Proposed Osage Casino/Proposed Osage Hotel and other businesses down the supply chain. The induced effect relates to household spending resulting from wages directly or indirectly earned as a result of the direct effect. In this report, the induced effect is household purchases by employees of the Proposed Osage Casino/Proposed Osage Hotel and the Osage Nation, as well as their suppliers, and other businesses down the supply chain (i.e., entities captured in the indirect effect).

Given that other segments of the economy are supported, at least in part, by the initial economic activity, the total economic impact equals the sum of the direct, indirect, and induced effects.

For a graphical depiction of the complex flow of economic and fiscal impacts for the Proposed Osage Casino, see the chart set forth in Appendix C .

### 3.2 STUDY AREA

In conducting an input-output analysis, a study area must be defined. The study area is the geographic region in which the economic and fiscal impacts are to be measured. A wide range of geographic regions can be analyzed in the United States with input-output analyses. A study area can be defined as small as a zip code, as large as the entire country, and everywhere in between. In the analyses for this report, there are two study areas: (1) the 2-county region consisting of Camden and Miller Counties; and (2) the State of Missouri.

### 3.3 MEASURES OF ECONOMIC IMPACT

Employing a widely accepted and frequently used economic modeling system (described in the next subsection below), an input-output analysis can measure economic impact in four ways: output, employment, wages, and taxes.

- Output equals the value of production or sales.
- Employment is the total number of full-time equivalents (FTEs). An FTE is a unit of measurement that represents the number of full-time hours worked by all employees, both full time and part time.
- Wages consist of the current value of income earned by households, including self-employed individuals. It includes tips, as well as benefits, such as health insurance and retirement payments.
- Taxes equal the amounts received by federal, state, and local governments from businesses, employees, and households. Taxes may also be supplemented with direct payments that Native American tribes make to state and local governments in the course of operating tribal businesses.

There exists a common misperception that tribal casinos do not generate any fiscal impacts. However, this is incorrect. While there are a few situations where taxes are not paid due to the sovereign government status of Native American tribes,[29] taxes are paid in all other circumstances, including all taxable secondary economic activity (i.e., the indirect and induced effects) generated as a result of the proposed development alternatives, and there is often direct intergovernmental

[29] First, as sovereign governments, tribes do not pay corporate income taxes on tribal revenue. Second, tribes and tribal citizens do not pay property taxes on reservation/trust land. Third, tribal citizens who both live and work on an Indian reservation do not pay state income taxes (they must still pay federal income taxes). Fourth, no state or local sales/excise taxes are levied on purchases by the tribe or tribal citizens on tribal trust land or reservations.

payments by tribes to other governments as well. Taxes on secondary economic activity include: corporate profit taxes; income taxes; sales and excise taxes; property taxes; and personal non-tax payments, such as motor vehicle licensing fees, fishing/hunting license fees, other fees, and fines.

### 3.4 ECONOMIC MODELING SYSTEM

In this report, the input-output analysis was conducted using the IMPLAN economic modeling system.[30] IMPLAN was originally developed by the USDA Forest Service in cooperation with the Federal Emergency Management Agency and the USDI Bureau of Land Management.[31] The IMPLAN system has been in use since 1979 and continues to be widely used by universities, government agencies, corporations, and private consultants to conduct economic impact analyses involving a wide range of issues and industries. IMPLAN's data and accounts closely follow the accounting conventions used in the "Input-Output Study of the U.S. Economy" by the U.S. Bureau of Economic Analysis and the format recommended by the United Nations. IMPLAN is largely based upon data from the U.S. Bureau of Economic Analysis and U.S. Bureau of Labor Statistics.

The region data used in IMPLAN for this report was for 2019, the last pre-COVID data available. However, IMPLAN results are reported in this report in current dollars (i.e., 2023).

Our IMPLAN models use Type SAM multipliers with households internalized, which are "standard practice."[32] However, these multipliers yield conservative results as they do not allow tax revenue to federal, state, and local governments to generate multiplier effects (i.e., indirect and induced effects).[33] Our models also use IMPLAN National Trade Flows Models, which are used to estimate Regional Purchase Coefficients and other trade data for the Study Areas.[34]

Note that IMPLAN separates tax revenue impacts into multiple categories: federal, state, county, and city/special district governments. In this report, we aggregate county and city/special district governments to yield local tax revenue impacts.

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[30] IMPLAN Group, LLC., IMPLAN System version 7 (data and software).
[31] Minnesota IMPLAN Group, Inc., *IMPLAN Professional Version 2.0 User's Guide, Analysis Guide, Data Guide*, 1999.
[32] Type SAM multipliers allow the estimation of indirect and induced impacts. IMPLAN Group LLC, "Explaining the Type SAM Multiplier" (https://support.implan.com/hc/en-us/articles/115009674768-Explaining-the-Type-SAM-Multiplier), April 15, 2015, accessed October 2023.
[33] Using Type SAM multipliers with federal government and/or state and local government internalized would increase economic and fiscal impact results, all other things equal. Also, we would normally include the use of an institutional spending pattern model to analyze the impacts of expenditures by the Osage Nation in the study areas. However, given that the Tribe's headquarters and effectively all of its existing government and business operations are on its lands in Oklahoma, we have conservatively assumed that all profits from the Proposed Osage Casino/Proposed Osage Hotel will go back to Oklahoma and be spent there, and thus, not have any impact in the study areas analyzed in this report.
[34] IMPLAN Group LLC, "IMPLAN Supply/Demand Pooling and Econometric RPCs" (https://support.implan.com/hc/en-us/articles/115009505967-IMPLAN-Supply-Demand-Pooling-and-Econometric-RPCs), February 19, 2020, accessed October 2023.

## 3.5 CUSTOMIZED INPUT-OUTPUT MODELS

We utilized customized IMPLAN models and region data in our analyses given the unique circumstances surrounding tribal government and business operations (i.e., tribal governments are sovereign nations; tribal businesses are operated on tribal lands, which may be within the study areas; tribes are often located in rural and sometimes remote areas; and profits from Indian gaming are spent on tribal government operations, programs and services, and economic development).

We also deducted the estimated competitive effect discussed in Section 2.4 from the values we ran through the input-output models.

# 4. Data

To conduct the analyses in this report, Meister Economic Consulting collected, reviewed, and analyzed a variety of data, including:

- Background on the Proposed Osage Casino (Alternative A) and the Proposed Osage Hotel (Alternative B);[35]
- Background on Camden and Miller Counties and the State of Missouri;[36]
- Projected financial information for the Proposed Osage Casino and the Proposed Osage Hotel;[37]
- Projected competitive effects by the Proposed Osage Casino and the Proposed Osage Hotel;[38]
- Projected employment for the Proposed Osage Casino and the Proposed Osage Hotel;[39]
- Estimated construction costs for the Proposed Osage Casino and the Proposed Osage Hotel.[40]

For the input-output analysis, we used IMPLAN's 2019 region data for two study areas: (1) the two-county region consisting of Camden and Miller Counties; and (2) the State of Missouri.

[35] Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.
[36] Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023; U.S. Census Bureau, "QuickFacts" (https://www.census.gov/quickfacts/fact/table/ camdencountymissouri,millercountymissouri,MO/PST045222), accessed October 2023.
[37] Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.
[38] Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition," August 2023.
[39] Meister Economic Consulting and Hospitality and Gaming Solutions, "Market Feasibility and Competitive Impact Analyses, Lake Ozark Land-in-Trust Acquisition" (data underlying the study), August 2023.
[40] Marnell Architecture, Osage Casinos, and Meister Economic Consulting/Hospitality and Gaming Solutions.

# 5. Results

Set forth in this section of the report are the results of the input-output analysis used to quantify the potential economic and fiscal impacts of construction and operation of the Lake Ozark development Alternatives A and B on the region and state. The construction impacts were measured as *one-time impacts* in 2024 and 2025, when the alternatives would be built. The operations impacts were measured as *annual impacts* in 2028, the first stabilized year of operations (i.e., third year of operations). All impacts were computed for two geographic area, the two-county region of Camden and Miller Counties, Missouri, and the State of Missouri as a whole. All monetary impacts are converted to current dollars (2023), the year the analysis was completed.

### 5.1 ECONOMIC AND FISCAL IMPACTS OF PROPOSED LAKE OZARK DEVELOPMENT

In order to quantify the economic and fiscal impacts of the Osage Nation's proposed Lake Ozark development on Camden and Miller Counties and the State of Missouri, we utilized an input-output analysis.

Overall, Meister Economic Consulting found that the Lake Ozark development would have positive economic and fiscal impacts. While Alternative A would have significantly larger positive impacts than Alternative B, both alternatives would be beneficial to the Osage Nation and the site's surrounding communities. The construction and operations would directly and indirectly generate economic activity, including:

- Construction expenditures, jobs, and wages;
- Expenditures by patrons on gaming and non-gaming amenities;
- Expenditures by the proposed development, the Osage Nation, and businesses down the supply chain;
- Jobs at the proposed development, the Osage Nation, and businesses down the supply chain;
- Wages paid to all employees;
- Household expenditures by all employees; and
- Taxes on all taxable economic activity.

## 5.2 ECONOMIC & FISCAL IMPACTS OF PROPOSED OSAGE CASINO (ALTERNATIVE A)

### 5.2.1 Construction Impact of Proposed Osage Casino on Camden and Miller Counties

As shown in Tables 10 and 11, construction of the Proposed Osage Casino is estimated to generate the following one-time economic and fiscal impacts in Camden and Miller Counties in 2024 and 2025:

- $249.0 million in output;
- 1,968 jobs (full-time equivalents or FTEs);
- $53.7 million in wages; and
- $23.2 million in total taxes and intergovernmental payments, including:
  - $15.7 million to the federal government;
  - $3.8 million to the State of Missouri; and
  - $3.7 million to local governments, including $60,000 in intergovernmental payments during construction of Alternative A ($30,000 per year).

**Table 10**

**Alternative A - Proposed Osage Casino**
**Economic Impact of Construction, 2024-2025**
**Study Area: Camden and Miller Counties, Missouri**

| Type of Effect | Output | Jobs | Wages |
|---|---|---|---|
| Direct | $160,457,171 | 1,431 | $35,537,110 |
| Indirect | $51,133,989 | 297 | $9,105,013 |
| Induced | $37,488,080 | 240 | $9,008,780 |
| Total | $249,079,240 | 1,968 | $53,650,904 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

**Table 11**

**Alternative A - Proposed Osage Casino**
**Fiscal Impact of Construction, 2024-2025**
**Study Area: Camden and Miller Counties, Missouri**

| | Taxes and Intergovernmental Payments | | | |
|---|---|---|---|---|
| Type of Effect | Federal | State | Local | Total |
| Direct | $10,840,509 | $1,855,245 | $1,121,064 | $13,816,817 |
| Indirect | $2,513,898 | $941,852 | $1,249,510 | $4,705,260 |
| Induced | $2,389,544 | $984,604 | $1,299,771 | $4,673,919 |
| Total | $15,743,951 | $3,781,701 | $3,670,344 | $23,195,997 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

### 5.2.2 Construction Impact of Proposed Osage Casino on State of Missouri

As shown in Tables 12 and 13, construction of the Proposed Osage Casino is estimated to generate the following one-time economic and fiscal impacts in the State of Missouri in 2024 and 2025:

- $303.7 million in output;
- 2,176 jobs (FTEs);
- $74.4 million in wages; and
- $29.7 million in total taxes and intergovernmental payments, including:
  - $20.0 million to the federal government;
  - $4.8 million to the State of Missouri; and
  - $4.8 million to local governments, including $60,000 in intergovernmental payments during construction of Alternative A ($30,000 per year).

**Table 12**

**Alternative A - Proposed Osage Casino**
**Economic Impact of Construction, 2024-2025**
**Study Area: State of Missouri**

| Type of Effect | Output | Jobs | Wages |
|---|---|---|---|
| Direct | $160,457,171 | 1,431 | $35,537,110 |
| Indirect | $68,191,440 | 318 | $17,697,857 |
| Induced | $75,086,749 | 427 | $21,196,977 |
| Total | $303,735,360 | 2,176 | $74,431,945 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

**Table 13**

**Alternative A - Proposed Osage Casino**
**Fiscal Impact of Construction, 2024-2025**
**Study Area: State of Missouri**

| | Taxes and Intergovernmental Payments | | | |
|---|---|---|---|---|
| Type of Effect | Federal | State | Local | Total |
| Direct | $10,840,509 | $1,855,245 | $1,121,064 | $13,816,817 |
| Indirect | $4,159,193 | $1,246,533 | $1,540,752 | $6,946,478 |
| Induced | $5,031,805 | $1,710,394 | $2,184,982 | $8,927,181 |
| Total | $20,031,507 | $4,812,172 | $4,846,798 | $29,690,476 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

### 5.2.3 Operations Impact of Proposed Osage Casino on Camden and Miller Counties

As shown in Tables 14 and 15, operation of the Proposed Osage Casino is estimated to generate the following recurring annual net economic and fiscal impacts in Camden and Miller Counties starting in 2028, the first stabilized year of operations (i.e., third year of operations):

- $100.6 million in output;
- 455 jobs (FTEs);
- $18.0 million in wages; and
- $6.4 million in total taxes and intergovernmental payments, including:
  - $4.4 million to the federal government;
  - $782,000 to the State of Missouri; and
  - $1.2 million to local governments, including $535,000 in intergovernmental payments per year of operations of Alternative A.

**Table 14**

**Alternative A - Proposed Osage Casino**
**Annual Economic Impact of Operation, 2028**
**Study Area: Camden & Miller Counties, Missouri**

| Type of Effect | Output | Jobs | Wages |
|---|---|---|---|
| Direct | $78,148,699 | 297 | $13,012,488 |
| Indirect | $15,506,326 | 113 | $3,268,404 |
| Induced | $6,973,237 | 45 | $1,678,537 |
| Total | $100,628,262 | 455 | $17,959,430 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

**Table 15**

**Alternative A - Proposed Osage Casino**
**Annual Fiscal Impact of Operation, 2028**
**Study Area: Camden & Miller Counties, Missouri**

| | Taxes and Intergovernmental Payments | | | |
|---|---|---|---|---|
| Type of Effect | Federal | State | Local | Total |
| Direct | $3,051,498 | $330,390 | $138,339 | $3,520,228 |
| Indirect | $894,369 | $268,226 | $843,591 | $2,006,187 |
| Induced | $444,895 | $183,290 | $241,979 | $870,164 |
| Total | $4,390,763 | $781,906 | $1,223,909 | $6,396,578 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

It is highlighted that the 297 Direct Jobs represent the total number of FTEs at the Proposed Osage Casino in 2028. This equates to a total of 354 full time and part time jobs.

### 5.2.4 Operations Impact of Proposed Osage Casino on State of Missouri

As shown in Tables 16 and 17, operation of the Proposed Osage Casino is estimated to generate the following recurring annual net economic and fiscal impacts in the State of Missouri starting in 2028:

- $117.1 million in output;
- 510 jobs (FTEs);
- $24.6 million in wages; and
- $8.4 million in total taxes and intergovernmental payments, including:
  - $5.8 million to the federal government;
  - $1.1 million to the State of Missouri; and
  - $1.6 million to local governments, including $535,000 in intergovernmental payments per year of operations of Alternative A.

**Table 16**

**Alternative A - Proposed Osage Casino**
**Annual Economic Impact of Operation, 2028**
**Study Area: State of Missouri**

| Type of Effect | Output | Jobs | Wages |
|---|---|---|---|
| Direct | $78,148,699 | 297 | $13,012,488 |
| Indirect | $23,765,361 | 127 | $7,287,079 |
| Induced | $15,221,034 | 86 | $4,293,537 |
| Total | $117,135,095 | 510 | $24,593,103 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

**Table 17**

**Alternative A - Proposed Osage Casino**
**Annual Fiscal Impact of Operation, 2028**
**Study Area: State of Missouri**

| | Taxes and Intergovernmental Payments | | | |
|---|---|---|---|---|
| Type of Effect | Federal | State | Local | Total |
| Direct | $3,051,498 | $330,390 | $138,339 | $3,520,228 |
| Indirect | $1,690,389 | $421,381 | $975,475 | $3,087,244 |
| Induced | $1,019,301 | $346,874 | $443,389 | $1,809,564 |
| Total | $5,761,188 | $1,098,645 | $1,557,203 | $8,417,036 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

As previously noted, it is highlighted that the 297 Direct Jobs represent the total number of FTEs at the Proposed Osage Casino in 2028. This equates to a total of 354 full time and part time jobs.

## 5.3 ECONOMIC & FISCAL IMPACTS OF PROPOSED OSAGE HOTEL (ALTERNATIVE B)

### 5.3.1 Construction Impact of Proposed Osage Hotel on Camden and Miller Counties

As shown in Tables 18 and 19, construction of the Proposed Osage Hotel is estimated to generate the following one-time economic and fiscal impacts in Camden and Miller Counties in 2024 and 2025:

- $115.9 million in output;
- 921 jobs (FTEs);
- $25.3 million in wages; and
- $10.9 million in total taxes and intergovernmental payments, including:
  - $7.4 million to the federal government;
  - $1.8 million to the State of Missouri; and
  - $1.7 million to local governments, including $60,000 in intergovernmental payments during construction of Alternative B ($30,000 per year).

**Table 18**

**Alternative B - Proposed Osage Hotel**
**Economic Impact of Construction, 2024-2025**
**Study Area: Camden and Miller Counties, Missouri**

| Type of Effect | Output | Jobs | Wages |
|---|---|---|---|
| Direct | $74,891,934 | 673 | $16,870,377 |
| Indirect | $23,279,699 | 135 | $4,170,504 |
| Induced | $17,700,913 | 113 | $4,253,692 |
| Total | $115,872,546 | 921 | $25,294,573 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

**Table 19**

**Alternative B - Proposed Osage Hotel**
**Fiscal Impact of Construction, 2024-2025**
**Study Area: Camden and Miller Counties, Missouri**

| | Taxes and Intergovernmental Payments | | | |
|---|---|---|---|---|
| Type of Effect | Federal | State | Local | Total |
| Direct | $5,138,862 | $872,451 | $519,440 | $6,530,754 |
| Indirect | $1,150,664 | $431,944 | $605,964 | $2,188,572 |
| Induced | $1,128,278 | $464,904 | $613,717 | $2,206,899 |
| Total | $7,417,804 | $1,769,299 | $1,739,121 | $10,926,224 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

### 5.3.2 Construction Impact of Proposed Osage Hotel on State of Missouri

As shown in Tables 20 and 21, construction of the Proposed Osage Hotel is estimated to generate the following one-time economic and fiscal impacts in the State of Missouri in 2024 and 2025:

- $141.5 million in output;
- 1,020 jobs (FTEs);
- $35.0 million in wages; and
- $14.0 million in total taxes and intergovernmental payments, including;
  - $9.4 million to the federal government;
  - $2.3 million to the State of Missouri; and
  - $2.3 million to local governments, including $60,000 in intergovernmental payments during construction of Alternative B ($30,000 per year).

**Table 20**

**Alternative B - Proposed Osage Hotel**
**Economic Impact of Construction, 2024-2025**
**Study Area: State of Missouri**

| Type of Effect | Output | Jobs | Wages |
|---|---|---|---|
| Direct | $74,891,934 | 673 | $16,870,377 |
| Indirect | $31,237,879 | 145 | $8,140,039 |
| Induced | $35,388,649 | 201 | $9,990,250 |
| Total | $141,518,462 | 1,020 | $35,000,665 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

**Table 21**

**Alternative B - Proposed Osage Hotel**
**Fiscal Impact of Construction, 2024-2025**
**Study Area: State of Missouri**

| | Taxes and Intergovernmental Payments | | | |
|---|---|---|---|---|
| Type of Effect | Federal | State | Local | Total |
| Direct | $5,138,862 | $872,451 | $519,440 | $6,530,754 |
| Indirect | $1,911,339 | $573,319 | $741,442 | $3,226,100 |
| Induced | $2,371,516 | $806,113 | $1,029,784 | $4,207,413 |
| Total | $9,421,717 | $2,251,883 | $2,290,666 | $13,964,267 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

### 5.3.3 Operations Impact of Proposed Osage Hotel on Camden and Miller Counties

As shown in Tables 22 and 23, operation of the Proposed Osage Hotel is estimated to generate the following recurring annual net economic and fiscal impacts in Camden and Miller Counties starting in 2028, the first stabilized year of operations (i.e., third year of operations):

- $11.3 million in output;
- 41 jobs (FTEs);
- $1.6 million in wages; and
- $1.0 million in total taxes and intergovernmental payments, including:
  - $413,000 to the federal government;
  - $79,000 to the State of Missouri; and
  - $515,000 to local governments, including $443,000 in intergovernmental payments per year of operations of Alternative B.

**Table 22**

**Alternative B - Proposed Osage Hotel**
**Annual Economic Impact of Operation, 2028**
**Study Area: Camden & Miller Counties, Missouri**

| Type of Effect | Output | Jobs | Wages |
|---|---|---|---|
| Direct | $8,558,991 | 22 | $1,027,703 |
| Indirect | $2,207,100 | 16 | $451,862 |
| Induced | $541,199 | 3 | $130,202 |
| Total | $11,307,289 | 41 | $1,609,767 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

**Table 23**

**Alternative B - Proposed Osage Hotel**
**Annual Fiscal Impact of Operation, 2028**
**Study Area: Camden & Miller Counties, Missouri**

| | Taxes and Intergovernmental Payments | | | |
|---|---|---|---|---|
| Type of Effect | Federal | State | Local | Total |
| Direct | $258,297 | $29,227 | $11,891 | $299,416 |
| Indirect | $119,698 | $35,926 | $484,459 | $640,084 |
| Induced | $34,518 | $14,222 | $18,775 | $67,515 |
| Total | $412,514 | $79,376 | $515,126 | $1,007,015 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

It is highlighted that the 22 Direct Jobs represent the total number of FTEs at the Proposed Osage Hotel in 2028. This equates to a total of 24 full time and part time jobs.

### 5.3.4 Operations Impact of Proposed Osage Hotel on State of Missouri

As shown in Tables 24 and 25, operation of the Proposed Osage Hotel is estimated to generate the following recurring annual net economic and fiscal impacts in the State of Missouri starting in 2028:

- $13.2 million in output;
- 47 jobs (FTEs);
- $2.4 million in wages; and
- $1.2 million in total taxes and intergovernmental payments, including:
  - $568,000 to the federal government;
  - $116,000 to the State of Missouri; and
  - $554,000 to local governments, including $443,000 in intergovernmental payments per year of operations of Alternative B.

**Table 24**

**Alternative B - Proposed Osage Hotel**
**Annual Economic Impact of Operation, 2028**
**Study Area: State of Missouri**

| Type of Effect | Output | Jobs | Wages |
|---|---|---|---|
| Direct | $8,558,991 | 22 | $1,027,703 |
| Indirect | $3,332,672 | 18 | $977,470 |
| Induced | $1,328,922 | 7 | $374,929 |
| Total | $13,220,585 | 47 | $2,380,103 |

Detail may not equate to total due to rounding.
Output and Wages in 2023 Dollars.
Jobs are measured as full-time equivalents (FTEs).

**Table 25**

**Alternative B - Proposed Osage Hotel**
**Annual Fiscal Impact of Operation, 2028**
**Study Area: State of Missouri**

| | Taxes and Intergovernmental Payments | | | |
|---|---|---|---|---|
| Type of Effect | Federal | State | Local | Total |
| Direct | $258,297 | $29,227 | $11,891 | $299,416 |
| Indirect | $220,204 | $56,518 | $503,757 | $780,480 |
| Induced | $89,008 | $30,282 | $38,702 | $157,992 |
| Total | $567,509 | $116,028 | $554,350 | $1,237,887 |

Detail may not equate to total due to rounding.
Taxes and Intergovernmental Payments in 2023 Dollars.

As previously noted, it is highlighted that the 22 Direct Jobs represent the total number of FTEs at the Proposed Osage Hotel in 2028. This equates to a total of 24 full time and part time jobs.

# Appendix A: About Meister Economic Consulting, LLC

Meister Economic Consulting is an economic consulting firm that specializes in the application of economic research and analysis to public policy, regulatory, litigation, business development and operations, and economic development matters. We have a reputation for objective, insightful, comprehensive, high-quality research and analysis. Our work is grounded in sound economic and financial theory, guided by extensive industry knowledge, supported by relevant data and market research, and customized to the circumstances of each matter. Despite the complexity of our work, we convey data, analyses, and results in straightforward, simplified terms so that they can be easily understood. For these reasons, we are routinely called upon to analyze complex issues and assist clients in high-stakes and controversial matters, and our work is widely accepted and well respected by governments, regulators, courts, the media, and the public.

We have conducted research and analysis in a variety of contexts, including:

- Business planning and operations
- Economic development
- Public and government relations
- Public policy matters
- Regulatory proceedings
- Litigation, arbitration, and mediation

We provide a wide range of consulting services, including:

- Economic impact analysis
- Public policy analysis
- Market research
- Industry and market studies
- Statistical analysis
- Survey research, design, and analysis
- Strategic advisory services
- Damage analysis
- Expert testimony in litigation and regulatory matters
- Assistance with public relations and government relations efforts

Meister Economic Consulting also brings significant industry experience and expertise to cases, projects, and studies. We also have particular expertise with the gaming industry, especially Indian gaming.

### Economic Impact Analysis

Household, business, and government spending and investment can have significant impacts on the economy. These impacts include not only the direct effect of spending and investment, but also secondary effects—frequently referred to as ripple or multiplier effects. It is important for decision makers in the public and private sectors to understand the scope and magnitude of these effects when formulating policies, proposing projects, or preparing economic development plans. Meister Economic Consulting has extensive experience identifying and measuring such effects through economic impact analysis.

Meister Economic Consulting uses economic impact analysis to estimate the effects of projects, businesses, institutions, industries, events, and public policies on economies at all levels—national, state, regional, and local. We identify and measure the net impact of changes in economic activity, as well as the overall contribution of economic activity to an economy. We analyze the impact of one-time capital investments or construction projects, as well as the annual, ongoing operational impacts of projects.

Our experts assist clients with communicating the findings of our economic impact analyses—we produce reports that our clients can disseminate to stakeholders, policymakers, the media, and the general public; and we provide testimony before governing bodies and regulators.

Meister Economic Consulting draws on extensive training and experience to develop economic impact analyses. We customize our economic impact models to meet the needs of each project and to take into account the unique characteristics of the geographic area and economic activity being studied. Our economic impact studies are rooted in economic theory and use state-of-the-art software. In conducting studies, we start by modeling the relevant economy and economic activity. We then use economic impact analysis to capture the secondary effects that result from the initial economic activity. Because our studies capture the economic dependencies between households, industries, and governments, we can identify segments of an economy that stand to be most affected by the initial economic activity. In our analyses, we assess the economic value of a particular activity to a community, businesses, and the government through several key measures of impact:

- Output (i.e., value of sales)
- Jobs
- Wages
- Taxes

## Native American Advisory Services

Leaders of Native American tribes bear great responsibility when establishing and enacting tribal law and policy. These precepts, which are the embodiment of tribal sovereignty, self-determination, and self-governance, affect all facets of tribal government operations, programs, and services. Given this, tribal leaders must understand a wide array of complex issues, including education, health care, housing, social services, public safety, natural resources, business, and economic development. Meister Economic Consulting provides economic research and analysis to help tribal leaders make informed decisions about these and other issues facing Native American tribes. Over the past two plus decades, our experts have worked on behalf of more than 150 Native American tribes.

We offer a variety of services to tribal governments, businesses, and associations, including:

- Economic development consulting
- Health and socioeconomic needs assessments
- Public policy analysis
- Economic impact analysis
- Analysis of gaming issues
- Surveys and statistical analysis
- Litigation consulting

## Gaming Industry

Meister Economic Consulting has extensive experience analyzing the gaming industry. We have conducted economic and financial research and analysis to help gaming operators, suppliers, developers, investors, associations, governments, and regulatory agencies assess business and market opportunities and navigate economic, regulatory, legal, and legislative challenges.

Meister Economic Consulting provides a variety of services to the gaming industry, including:

- Economic and fiscal impact studies to quantify the effects of existing and planned gaming facilities on competitors, surrounding communities, and the economy
- Market assessments
- Feasibility studies
- Gaming facility performance assessments
- Analysis of market entry and competition
- Public policy analysis
- Evaluations of game performance
- Skill vs. chance game assessments
- Survey design, implementation, and data analysis
- Expert research and analysis in litigation matters, including cases involving claims of alleged breach of contract, breach of fiduciary duty, breach of good faith and fair dealing, anticompetitive conduct, unfair competition, and tortious interference with current and prospective business
- Analysis of competition, market power, and harm to competition in antitrust litigation matters

We have conducted research and analysis of all segments of the gaming industry:

- Indian gaming
- Commercial casinos
- Racetrack casinos
- Lotteries
- Pari-mutuel wagering
- Charitable gaming
- Card rooms
- Convenience gambling
- Sports betting
- Internet gaming

We have studied the gaming industry at national, state, regional, and local levels and in all 48 states in which it exists. We have analyzed the introduction of planned gaming facilities, as well as the development and operation of existing gaming facilities. This includes the integration and development of non-gaming amenities at gaming facilities. Our experience and expertise transcend the U.S. gaming market, as we also research and analyze international gaming.

In addition to consulting, we regularly conduct independent scholarly research and analysis of the gaming industry, publishing articles and studies, and presenting at academic, professional, and industry conferences. Our consulting and scholarly research and analyses have been relied on by the gaming industry, tribal and non-tribal governments, the investment community, academics, and even our competitors.

## Indian Gaming

Meister Economic Consulting conducts research and analysis to assess the economic and fiscal impacts of Indian gaming on tribes, competitors, surrounding communities, and the economy. We also evaluate the impacts of outside forces — such as the economic climate, competition, public policy, and alleged unlawful conduct — on Indian gaming facilities and tribes.

We have researched and analyzed many facets of Indian gaming:

- All 29 states in which Indian gaming exists
- Existing and proposed gaming facilities
- Introduction, development, and operation of gaming facilities
- National, state, regional, and local markets
- Class II and III gaming
- Non-gaming amenities at gaming facilities, including hotels, restaurants, retail, entertainment, spas, meeting space, and convention centers
- Impacts on tribal governments and tribal citizens, competitors, other businesses, non-tribal governments, gaming markets, and the economy

We have examined a wide array of issues related to Indian gaming:

- Impacts of planned and existing gaming facilities on tribes and surrounding communities
- Gaming facility performance
- Public policies, including legislation, regulations, and ballot propositions
- Land-in-trust gaming applications, including for off-reservation casinos
- Gaming-related agreements, such as compacts, amendments to compacts, and agreements with local governments
- Revenue sharing
- Game performance
- Impacts of and to other segments of the gaming industry and associated industries
- Damages resulting from alleged unlawful conduct, including breach of contract, breach of fiduciary duty, breach of good faith and fair dealing, anticompetitive conduct, unfair competition, and tortious interference with current and prospective business

Of particular note is our consultants' previous experience conducting independent economic analysis of proposed regulatory changes on behalf of the National Indian Gaming Commission.

In addition to consulting, we regularly conduct independent scholarly research and analysis of Indian gaming, publishing articles and studies, and presenting at academic, professional, and industry conferences. Most notable is the annual *Indian Gaming Industry Report*, a nationally recognized report that provides nationwide and state-by-state Indian gaming data and analyses. The report is widely cited, including by the U.S. Supreme Court.

Our consulting and scholarly gaming research and analyses have been used in matters before the

- U.S. Supreme Court
- National Indian Gaming Commission
- U.S. Department of the Interior, Bureau of Indian Affairs
- World Trade Organization

## Public Policy Analysis

Meister Economic Consulting assists businesses, industry associations, and governments in understanding the economic impacts of proposed public policies and policy reforms. Our analyses help government clients formulate sound policy and help businesses and associations influence policy, respond to changes in policy, and propose new policies.

Our public policy work includes:

- Policy studies
- Economic assessment of regulations
- Economic impact analysis
- Assistance with economic policy formulation
- Cost-benefit analysis
- Market and industry research
- Survey research, design, and analysis
- Evaluation of other experts' public policy studies and analysis
- Public testimony before legislative bodies and government agencies
- Expert witness testimony in regulatory proceedings

Meister Economic Consulting researches and analyzes the introduction of and changes in various types of public policies, including:

- Legislation
- Regulations
- Taxes
- Ballot propositions
- Government programs and services
- Budget management
- Investment
- Subsidies
- Infrastructure development
- Trade
- Policing practices

Meister Economic Consulting's clients employ our research, analysis, and testimony in a variety of contexts, including legislative hearings, regulatory proceedings, public hearings, public relations, government relations, and political and media campaigns. Our experts have provided public policy research, analysis, and testimony to various government bodies and agencies.

# Appendix B: About the Author

## Alan P. Meister, Ph.D.

**CEO & Principal Economist, Meister Economic Consulting, LLC**

Dr. Meister is an economist specializing in the application of economic analysis to public policy, business planning and operations, economic development, litigation, and regulatory matters. He has extensive experience analyzing economic issues related to the gaming industry, including Indian gaming, commercial casinos, racinos, card rooms, and online gaming. His consulting work has included economic and fiscal impact studies, industry and market analyses, feasibility studies, competitive impact assessments, public policy analysis, evaluations of regulations, analyses of land-in-trust gaming applications, economic assessments of tribal-state gaming compacts and revenue sharing, surveys, damage analysis, and economic research, analysis, and expert testimony in litigation and regulatory matters. His clients have included gaming facility operators, industry suppliers, investors, governments, and gaming associations. Of particular note, he was previously commissioned by the National Indian Gaming Commission to independently analyze the economic effects of proposed regulatory changes. Dr. Meister has also conducted years of independent, scholarly research on the gaming industry and authored a number of publications, most notably the annual *Indian Gaming Industry Report*, which has been cited by the United States Supreme Court. He has presented his work at various academic, professional, and industry conferences and testified before the California State Senate on gaming issues. Furthermore, his consulting and scholarly work have been used in matters before the U.S. Department of the Interior, U.S. Supreme Court, and World Trade Organization.

In his public policy work, Dr. Meister has conducted economic analysis to identify and measure the effects of: construction, expansion, and operation of various types of businesses; regulations; legislation; taxation; the passage of ballot initiatives; government programs and services; publicly funded projects; sporting and entertainment events; commercial and mixed-use developments in low-income areas; and medical research. His work has included economic and fiscal impact analyses, assessments of the contribution of businesses and industries to the economy, cost-benefit analyses, and surveys.

Dr. Meister holds a Ph.D., M.A., and B.A. in Economics from the University of California, Irvine.

# Appendix C: Flow of Economic and Fiscal Impacts