



Maryland Lottery Slots Expansion Efforts & Minority Business Participation

January 12th, 2009 Pre-Proposal Meeting

The long awaited, long debated effort to bring slot machine gaming to Maryland is now here, and the Maryland State Lottery Agency has issued a Request for Proposals (RFP) to issue licenses to develop and operate five (5) Video Lottery Terminals (VLTs) throughout Maryland. The Governor's Office of Minority Affairs, as an advocate and regulator of the State's MBE program, is notifying the minority business community about the opportunities for minority and women-owned firms to be included in this important and historic business and economic development expansion for the State of Maryland.

Background Information on the Maryland Lottery's Slot (VLT) Expansion

As a result of the recently passed referendum approved in November 2008 by Maryland residents, the State's General Assembly has authorized the Maryland State Lottery Agency to move forward with plans to allow slot machines statewide. The plan calls for up to 15,000 slot machines at five locations: Anne Arundel County where Laurel Park is located, Worcester County home to Ocean Downs, Baltimore City, Cecil County, and Rocky Gap State Park in Western Maryland.

The Slots Referendum also calls for the creation of a seven (7) member Location Commission who will select five (5) operators who will be issued licenses through a competitive process. The Location Commission is also responsible for matching each of the five licensees with the most appropriate facility and will work closely with the members of the Maryland Lottery Commission who will oversee the licensing of the facilities, manufacturers and vendors doing business with the facilities.

What Does this Mean for MBEs and Minority/Women-Owned Firms?

In keeping with the O'Malley/Brown Administration's commitment to meaningful minority inclusion, significant provisions were included in the slots legislation to ensure minority participation at every possible level. Among the criteria and factors used in evaluating proposals for VLT Licenses and facilities include:

- A plan to achieve minority business participation in the development, construction and operation of each of the five designated locations is required of all prospective offerors and **must be submitted by the April 15, 2009 deadline**; and
- Inclusion of minority equity ownership will earn extra points in the overall scoring and evaluation of proposals submitted by prospective offerors.

The following MBE Goals and sub-goals have been placed on each of the (5) VLT Facility Projects:

VLT Facilities MBE Participation

Sites	Number of Video Terminals	Minimum Development Cost	Minority Business Goal	Sub-goal African American	Sub-goal Women
Anne Arundel	4750	\$ 2,375,000,000	35%	10%	10%
Baltimore City	3750	\$ 1,875,000,000	35%	-	-
Cecil	2500	\$ 1,250,000,000	25%	10%	10%
Worcester	2500	\$ 1,250,000,000	25%	10%	10%
Allegany	1500	\$ 75,000,000	25%	10%	10%

How Does the Process Work and What Is Involved?

- **Pre-Proposal Conference: January 12, 2009 at 10:00 am**
Location: Lottery Headquarters, Montgomery Park Business Center, 1800 Washington Boulevard, Suite 330, Baltimore
- **Pre-Proposal Conference RSVP Deadline: January 7, 2009**
RSVP at 410-230-8789
- **VLT MBE Information Session – Lottery & Governor’s Office of Minority Affairs: (Date – To Be Determined).**
- **Deadline for Initial Proposals received by Location Commission: February 2, 2009 at 2:00 pm**
- **MSLA screens applicants and notifies Location Commission regarding which offerors are eligible to receive a license.**
- **Final VLT Proposals Due: April 15, 2009 at 2:00 pm**
(Potential licensees must submit MBE Packages at that time).

For more information, or questions regarding the RFP, contact the procurement officer, Bob Howells at rhowells@msla.state.md.us. ALL inquiries must be in writing. Phone inquiries will not be answered. To download a copy of the RFP, visit http://www.mdlottery.com/resources/VLT-RFP_rev.pdf.