

Scientific Games Corporation
Catalyst Fund
Application (TTC)
to
Governor's Office Of Economic
Development



Governor's Office of Economic Development

Las Vegas 702-486-2700
Reno 775-687-9900
Toll Free 800-336-1600

Applicant Information

BUSINESS SUBMITTING: **Scientific Games Corporation**

Authorized Representative

Name: Todd Clark

Title: Vice President, Global Facility Services

Organization: Scientific Games Corporation

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Email Address: todd.clark@scientificgames.com

To the best of my knowledge and belief, the information contained in this Catalyst Fund Application is true and correct, as evidenced by my signature below.

Signature



(Company Representative)

Date

3/7/18

BUSINESS SUMMARY

Describe the proposed new business or expansion in a brief summary including the applicant's business structure:

The proposed expansion would centralize many of the corporate functions from across the US, as well as the company's game development teams into Nevada. Scientific Games Corporation is a publicly traded company that was recently incorporated into Nevada.

Attach a copy of a company presentation

Total real property investment - \$5,000,000

Total personal property investment - \$2,000,000

Projected start date – TBD Completion date - TBD

Attach a schedule of jobs created with skills identified

Number of primary jobs that will be new to Nevada - 195 Average wage of new jobs – \$30.55

Cost of employee healthcare benefits (annual premiums paid by employer) - \$6,509

Percentage paid by employer – 80%

Healthcare Summary (check all that apply):

Medical Dental Vision Disability Life Insurance Dependent Coverage

Attach a schedule of employee benefits used in recruiting

Overtime, PTO/Sick/Vacation, Merit Increases, Tuition Assistance, Retirement Plan/ Profit Sharing 401(k)

PROJECT CHARACTERISTICS (Check all that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> Construct New Facility | <input type="checkbox"/> New Business / Start-up |
| <input checked="" type="checkbox"/> Expand/Renovate Existing Facility | <input checked="" type="checkbox"/> Relocation from Out-of-State |
| <input type="checkbox"/> Purchase Machinery & Equipment | <input type="checkbox"/> Relocation within Nevada |

INDUSTRY CLUSTER

- | | | |
|---|--|---|
| <input type="checkbox"/> Aerospace and Defense | <input type="checkbox"/> Health & Medical Services | <input type="checkbox"/> Mining & Materials |
| <input type="checkbox"/> Agriculture | <input type="checkbox"/> Logistics & Operations | <input type="checkbox"/> Renewable Energy |
| <input type="checkbox"/> Business IT Ecosystems | <input checked="" type="checkbox"/> Manufacturing/HQ | <input checked="" type="checkbox"/> Tourism, Gaming & Entertainment |
| <input type="checkbox"/> Other | | |

A Statement of project relevance to supply chains, sectors and clusters targeted by the State Plan for Economic Development:

Scientific Games Corporation is a leading developer of technology-based products and services and associated content for worldwide gaming and lottery markets. The Company's portfolio includes instant and draw-based lottery games; electronic gaming machines and game content; server-based lottery and gaming systems; sports betting technology; loyalty and rewards programs; and social, mobile and interactive content and services.

GRANT SUMMARY

Amount Requested:

Award Per FTE: Period 1 - \$9,500, Period 2 and 3 - \$9,000

Disbursement Terms:

Period 1 award: \$9,500 per new job created up to 50 jobs at an average wage of at least \$34 per hour. The period would start from the approval of the award and end no later than June 15, 2018.

Period 2 award: \$9,000 per new job created up to 100 jobs at an average wage of at least \$34 per hour. The period would start from June 1, 2018 and end no later than June 15, 2019.

Period 3 award: \$9,000 per new job created up to 50 jobs at an average wage of at least \$34 per hour. The period would start from June 1, 2019 and end no later than June 15, 2020.

*Any additional jobs created in each period can roll into the next period if they are still in place at the end of the period. No award will be given unless 50% of the maximum jobs created is met.

Maximum Payment per Year:

Period 1: \$475,000

Period 2: \$900,000

Period 3: \$450,000

*The maximum aggregate amount paid under this program shall not exceed \$1,825,000

The Proposed plans, projects, or programs to which the grant will apply:

The grant will be used to relocate and train new employees to the region.

The expected benefits of the grant expressed as jobs, investments, and wage levels:

Scientific games Corporation plans to hire 50 full-time employees in the next year paying a wage over \$30 per hour, along with above average health insurance and other employee benefits.

A statement on the significance of this grant to the company's described plans:

The task of potentially planning for a new facility, while training a new workforce and remaining operational is significant. Given the task to find a cost-effective location, and the significant risk it entails, the granting of financial assistance is a material factor in the overall decision making process to move forward with the project in Nevada or remain in place and expand at our current location.

A statement on the estimated return-on-investment to the state in job creation, wage levels and capital investment for the term of the proposed grant:

ECONOMIC IMPACT ESTIMATES** (10-Year Cumulative)

Total Jobs Supported** 789
 Total Payroll Supported \$350,811,580
 Total Output Estimate \$1,537,223,650

** Estimate includes jobs, payroll & output by the company assisted as well as the secondary impacts to other local businesses. These impacts only reflect first year jobs required under the company's abatement application.

NEW TAX REVENUE ESTIMATES (10-Year Cumulative)

Local Taxes	Direct	Indirect	Total
Property	\$517,436	\$11,900,361	\$12,417,797
Sales	\$203,125	\$6,384,635	\$6,587,760
Lodging	\$0	\$593,997	\$593,997
State Taxes			
Property	\$28,301	\$565,696	\$593,997
Sales	\$105,000	\$2,175,032	\$2,280,032
Modified Business	\$1,898,372	\$2,420,664	\$4,319,036
Lodging	\$0	\$200,474	\$200,474
Total	\$2,752,234	\$24,240,859	\$26,993,093

** Does not include impacts related to the Catalyst Fund grant.

A statement of the fiscal character of the company:

See attached financial statements

- Schedule of jobs to be created during Catalyst Fund grant period (Exhibit "A")**
- Schedule of proposed employee health insurance benefits (Exhibit "B")**
- 3-year financial statements for the business, audited preferred (Exhibit "C")**