



June 23, 2020

Workforce Development Agency, State of Michigan
WIOU Title I Section
Krista Johnson, Manager
201 N. Washington Square, 5th Floor
Lansing, MI 48913

Re: WARN Notice – Detroit Entertainment, L.L.C. d/b/a MotorCity Casino Hotel

Dear Ms. Johnson,

MotorCity Casino Hotel (“MotorCity”) is providing the following information pursuant to the Federal Worker Adjustment and Retraining Notification Act of 1988 (“WARN Act”) which requires employers to give notice to certain persons and government officials of a pending mass layoff or plant closing.

As you know, Michigan Governor Gretchen Whitmer has issued a number of Executive Orders directing that all casinos licensed by the Michigan Gaming Control Board (“MGCB”), including MotorCity’s casino, and various related amenities, be closed to the public. These include:

- Executive Order 2020-09 (ordering casinos closed through March 30, 2020)
- Executive Order 2020-20 (ordering casinos closed through April 13, 2020)
- Executive Order 2020-43 (ordering casinos closed through April 30, 2020)
- Executive Order 2020-69 (ordering casinos closed through May 28, 2020)
- Executive Order 2020-100 (ordering casinos closed through June 12, 2020)
- Executive Order 2020-110 (ordering casinos closed indefinitely)

Based on the initial order, MotorCity’s casino and various related amenities, located at 2901 Grand River Blvd, Detroit, MI 48201, were closed, and we temporarily furloughed most of our workforce on March 16, 2020. Employees on temporary furlough status continued to be paid through March 30, 2020.

At the time of those initial furloughs, we had no advance notice and were thus unable to provide employees or others with advance notice, and, in any event, we were optimistic that we would be able to reopen our casino and related amenities relatively quickly. We did not then (or thereafter) reasonably foresee any likelihood of the temporary furloughs extending beyond six (6) months; thus, we did not foresee any permanent layoffs.

Following issuance of the initial Executive Order, we began discussions with City and State officials regarding re-opening of our facilities. Those discussions continued, with the expectation on our part that reopening would soon be permitted. Nonetheless, because of serial extensions of the Executive Orders (and issuance of various Executive Orders requiring individuals to stay at home), along with the unanticipated duration and severity in Michigan of the COVID-19 pandemic, we have not yet been permitted to reopen our casino, and we do not yet know when we will be permitted to do so. The MGCB recently approved reopening guidelines for casino licensees. Under those guidelines, we would be required to limit patron occupancy of our casino initially to 15% of our permitted occupancy levels. Those guidelines also would require social distancing at our slot machines that would preclude us from operating more than 50% of our slot machines. They would also severely restrict occupancy levels at table games.

Based on the limitations under those guidelines, and the corresponding reductions in our operational levels, we do not anticipate being able to return more than 1,331 employees to work at the time of our initial re-opening. We also do not know how long we will be required to operate with those limitations or other limitations. Three months have elapsed since the initial closure, and, despite our expectations to the contrary, we still have no assurance as to when an Executive Order will be issued permitting us to reopen our casino, and we have no clarity as to when we will be permitted to return to normal operational levels. In light of those unanticipated circumstances, although we continue to hope that those furloughs are just temporary, we are no longer able to say with confidence that the furloughs will not last more than six months for the employees who will not be returned to work at the time of our initial reopening.

Accordingly, although we remain hopeful that all of our employees will be returned to work in the very near future, for the reasons set forth above, as well as other reasons, it is now reasonably foreseeable that the temporary furloughs that occurred on or about March 16, 2020 may continue beyond six (6) months and/or could become permanent for certain employees. Because of that, this may constitute a covered event under the WARN Act. Thus, we are providing you with this notice. Please note that we are not conceding that the WARN Act applies or that notice is required.

A list of the job titles of positions affected and the number of affected associates in each job classification is attached. Consistent with the forgoing explanation, the permanent layoffs are currently scheduled to be effective on or about September 15, 2020 (which date may be changed, if circumstances warrant). Employees who are represented by unions may have recall and/or bumping rights under the collective bargaining agreement that covers them, and we will, of course, honor those rights. Those employees who are not represented by unions do not have bumping rights.

There are seven (6) separate unions representing various employees at MotorCity. UNITE HERE Local 24, International Union of Operating Engineers Local 324, United Auto Workers Local 7777, and International Brotherhood of Teamsters Local 1038 represent employees as part of the Detroit Casino Council. Surveillance Hardware Technicians and Surveillance Operators are represented by the United Government Security Officers of America (UGSOA). On call employees who perform services for MotorCity within its theatre and Convention Center are represented by I.A.T.S.E. Local 38.

Contact information for the unions is as follows:

UNITE HERE Local 24
Nia Winston, President
300 River Place Drive, Suite 2700
Detroit, MI 48207-4265

International Union of Operating Engineers Local 324
Douglas W. Stockwell, Business Manager
500 Hulet Drive, Suite 100
Bloomfield Township, MI 48302

United Auto Workers Local 7777
Bradley Willett, President
1924 Rosa Parks Blvd
Detroit, MI 48216

International Brotherhood of Teamsters Local 1038
Greg Nowak, President
2741 Trumbull Avenue
Detroit, MI 48216

I.A.T.S.E. Local 38
E. Joseph Miller, Business Representative
900 Pallister Avenue
Detroit, MI 48202

United Government Security Officers of America
Desiree Sullivan, International President
2879 Cranberry Hwy
East Wareham, MA 02538

If you have any questions, feel free to contact me at (313) 237-5279.

Very truly yours,

A handwritten signature in black ink that reads "David Turner". The signature is written in a cursive, flowing style.

David Turner
Vice President Human Resources
MotorCity Casino Hotel

Enclosure

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