



**Pennsylvania  
Gaming Control Board**



**WRITTEN COMMENT TO BE INCLUDED IN THE  
EVIDENTIARY RECORD OF THE PUBLIC INPUT HEARINGS**

I request that the following comments be made part of the public input hearing record and considered by the Pennsylvania Gaming Control Board prior to awarding licenses for slot operators:

Name: Tonya D. Payne

Address: [REDACTED]

Telephone: [REDACTED]

Organization, if any: Pittsburgh City Council

Employer: City of Pittsburgh

COMMENTS: (Please use second page if more space is required)

Please enter the attached documents into the evidentiary record.

Comments: Page 2 (continued)

I, Tonya D. Payne verify that the information contained in this written comment is true and correct to the best of my knowledge and belief.

Tonya D. Payne



# TONYA D. PAYNE

*Councilwoman, City of Pittsburgh - District 6*

*Chair, Committee on Housing, Economic Development and Promotion*



June 2, 2006

The Pennsylvania Gaming Control Board  
P.O. Box 69060  
Harrisburg, PA 17106

Dear Members of the Gaming Control Board:

I am writing to you today in my capacity as the Pittsburgh City Council Representative for Council District 6, an area that includes the Hill District and Uptown neighborhoods, as well as Downtown, Pittsburgh. I am writing in order to express my disappointment and disagreement with the City of Pittsburgh Planning Department's report, An Analysis of Proposed Casino Developments and Their Impacts on the City of Pittsburgh, dated April 25, 2006.

As a member of Pittsburgh's City Council, I do not support the findings contained in this report, nor do I believe that the information used to support these findings was independently obtained by the Planning Department, despite claims made by the Department. It was my understanding that the Planning Department relied heavily upon the information provided to them by the applicants. Pat Ford, the City's Planning Director, stated, however, that the report is independent and objective. For me, the question remains, how can a report be independent and objective, when the information and methodology relied upon are not?

It is consequent to these facts, that I am kindly requesting that the Pennsylvania Gaming Control Board accept into the evidentiary record, the following rebuttal statement, as prepared by Isle of Capri Casinos, Inc. I believe that this statement from Isle of Capri succeeds in accurately identifying the misrepresentations and misstatements contained in the Planning Department's report.

Sincerely,

Tonya D. Payne

Pittsburgh City Councilwoman, Council District 6

**Response to City of Pittsburgh Department of City Planning's  
Report – *An Analysis of Proposed Casino Developments and their  
Impacts on the City of Pittsburgh*  
(April 25, 2006)**

**Prepared by Isle of Capri Casinos, Inc.**

## **Executive Summary**

On May 22, 2006, the City of Pittsburgh Department of City Planning, Strategic Planning Division (the "Planning Department") presented its report, *An Analysis of Proposed Casino Developments and their Impacts on the City of Pittsburgh (April 25, 2006)* (the "Report"), to the City Council. The Planning Department had been enlisted by Mayor O'Connor to evaluate the three casino proposals for the single gaming license for the City of Pittsburgh.

From the start, the Report is riddled with inaccurate statements, inconsistencies, and mistakes. Scoring inconsistencies and randomness of weighting are rampant. Wrong numbers appear to have been taken from the back-up tables, which affect the scoring totals. The information referenced in the Report varies widely from the detailed Isle traffic study to almost impressionistic sources. The descriptive language ranged from analytical to lyrical. These factors call into question the objectivity and intent of this Report.

The categories and criteria for review, and the average score system and weighting system utilized in the Report are all susceptible to manipulation and misinterpretation. Although on the surface the process may appear to be rational and scientific, in practice such procedures are often subjective, rather than objective. It was not made known how and by whom the categories and criteria were chosen and how the weighting factors were decided. Furthermore, it was not stated how votes were counted in the average score for each category and criteria. Were the vote based on the views of the seven people listed at the front of the Report? If not, who was involved and how did it work? Was the analysis done incrementally and judged incrementally by a specialist in each category, or were the materials all reviewed and judged by the group as a whole? Were outside consultants used? If so, who? Was the study reviewed and revised by others inside or outside City government before it was released?

The Report is essentially an opinion, based on loose anecdotes and self-reporting data that has already been proven to be inaccurate and exaggerated in some instances (i.e., Station Square's traffic and revenue projections). Information used to evaluate the proposals came from the casino operators themselves, as well as from industry publications, internet research and phone conversations. They considered property comparisons based on photos and websites without actually touring any facilities or doing any objective analysis, calling into question the credibility of the analysis underlying Report.

It is also clear that Report was engineered to achieve a particular outcome -- for the proposed Station Square casino to come out on top. The tone of the descriptions and adjectives used favor the Station Square casino to a highly exaggerated degree. The weighting and repetition of certain criteria advance the strengths of the Station Square casino. And in the first paragraph under Introduction, they address the proponents of the three proposals based on the operators, rather than the actual gaming license applicants (Harrah's is only an operator and not an applicant). The Report specifically states:

"Three casino operators, in concert with local developers and land owners, have applied for the Pittsburgh license - PITG Gaming, LLC (Majestic Star Casino), Harrah's Entertainment, Inc. (Harrah's Casino) teamed with Forest City Enterprises, and Isle of Capri Casino teamed with the Pittsburgh Penguins."

In reality, the applicant for the Station Square casino is Station Square Gaming, comprised of Forest City Enterprises and a number of individuals ("FCE"); Harrah's Entertainment ("Harrah's") is not an owner of that entity, but rather just the manager of the proposed casino. Although the operating history of the manager is relevant to the analysis, the financial strength of the applicant (not the manager) is what is germane, as the owner is the party with the financial responsibility for funding the project. With respect to Isle of Capri's ("Isle") application, the Pittsburgh Penguins are not a party to the application, nor are they a "local developer" or "land owner" with respect to the casino (although they do own the hospital property upon which the new arena would be built).

Further, in most categories, the Planning Department only considered the casino aspect of the proposals, and therefore did not take into consideration the impact of a new multi-purpose arena (of which Isle is committed to contribute \$290 million for the construction within 90 days of being awarded the license) and a major mixed-use redevelopment project in the Hill District adjacent to Isle's casino. However, they do address the interplay between Station Square and the proposed FCE casino often. If the Planning Department is not looking at the corollary development benefits to the community, who is?

### Analysis

The Report's outcome is manipulated from the outset. In the first paragraph under Introduction, the Report addresses the proponents of the three proposals based on the operators, rather than the actual gaming license applicants (Harrah's is only an operator and not an applicant). The Report specifically states:

"Three casino operators, in concert with local developers and land owners, have applied for the Pittsburgh license - PITG Gaming, LLC (Majestic Star Casino), Harrah's Entertainment, Inc. (Harrah's Casino) teamed with Forest City Enterprises, and Isle of Capri Casino teamed with the Pittsburgh Penguins."

In reality, the applicant for the Station Square casino is Station Square Gaming, LP, owned by Forest City Enterprises and a number of individuals. Harrah's is not an owner of that entity, but rather just the manager of the proposed casino. Although the operating history of the manager is relevant to the analysis, the financial strength of the applicant (not the manager) is what is germane, as the owner is the party with the financial responsibility for funding the casino. Regarding Isle, the Pittsburgh Penguins are not a party to the application, nor are they a "local developer" or "land owner" with respect to the casino (although they do own the hospital property upon which the new arena would be built).

The Planning Department evaluated the proposals based on six categories: location; operator; site plan; design; socioeconomic; and traffic and parking; with different evaluation criteria in

each category and weighting assigned to each criteria. The categories for review, the weighting system, and the average score system utilized in the Report are all susceptible to manipulation and misinterpretation. Although on the surface the process may appear to be rational and scientific, in practice such procedures are often subjective, rather than objective, as we believe was the case here.

It was not made known how and by whom the categories and criteria were chosen and how the weighting factors were decided. Furthermore, it was not stated how votes were counted to obtain the average score for each category. Were the votes based upon the views of all seven people listed at the front of the Report? If not, who was involved and how did it work? Was the analysis done incrementally and judged incrementally by a specialist in each category, or were the materials all reviewed and judged by the group as a whole? Were outside consultants used? If so, who? Was the study reviewed and revised by others inside or outside City government before it was released? These are questions that are critical to an understanding of the Report and the conclusions stated therein.

The information referenced in the Report varies widely from the detailed Isle traffic study to impressionistic sources. The descriptive language ranges from analytical to lyrical. Throughout the Report, the tone of the descriptions and adjectives used favor FCE to a highly exaggerated degree, as does the benefit of a doubt regarding assumptions and estimates.

In the descriptions of the three proposals starting on page 3 of the Report, the Planning Board accepts FCE's estimate of \$550 million annual revenues (although they do not address the number of machines the estimate is associated with), which revenue figure has been called into question by many industry experts, without any independent analysis. In addition, they reference the \$25 million donation to the Pittsburgh History and Landmarks Foundation, which is actually not a new promise but rather a contractual obligation of FCE based on its original acquisition of the site over 10 years before.

Regarding Isle's proposal, although the Planning Board is aware that Isle and the Penguins have entered into an agreement with Nationwide Realty Investors, Ltd. to develop the adjoining 28 acres and have conceptual plans for the redevelopment, the Report states on page 3 that the parties are just "in talks." Note that not only were they advised about the agreement, but both Nationwide and Isle representatives spoke at the Pennsylvania Gaming Control Board ("PGCB") public input hearings in Pittsburgh (the "Public Hearings") from which the Planning Board claims to have obtained information upon which they have relied (page 1)) about the detailed plans for the redevelopment. Further, a model of the conceptual plans was on display at the Public Hearings. The Report also fails to mention the proposed size of the investment (estimated to be at least \$350 million) and simply refer to it as a "proposed mixed-use development." We can only assume that this was intended to downplay the level of commitment of Nationwide and Isle to the redevelopment and to support the Planning Board's future unfounded assertions that the proposed development is neither guaranteed nor committed. Isle has committed to the PGCB in its application to follow through with the redevelopment, in addition to the \$290 million it has agreed to contribute for the construction of the new arena within 90 days of receiving the license.

The Report also downplays the significance of Pittsburgh First which is referred to simply as a partnership created by the Isle "team". The Report unfairly categorizes the purpose of Pittsburgh First: "The partnership has been publicizing the benefits of the proposal to the community. It is unclear what their role will be should the casino be awarded the license." However, multiple times throughout the materials provided to the Planning Department in connection with their analysis, and during the Public Hearings, it was explained that Pittsburgh First is a coalition of Isle, the Pittsburgh Penguins, Nationwide Realty and the community, who's role it is to work with the community "to make certain that the proposed project has an overall positive effect on its host community." As such, that clearly is not a role that would end upon the award of the license.

Note that with regard to the description of the proposed Majestic Star/PITG Casino ("Barden"), the Report includes the proposal to contribute \$7.5 million per year for 30 years (which actually totals \$225 million, but the Reports erroneously totals it to \$300 million) to fund the construction of a new arena and to invest \$350 million "towards a mixed-use development, on the exiting Mellon Arena site, *to revitalize the Lower Hill district.*" [emphasis added] This proposal was not even offered by Barden until the day before the Public Hearings and was a direct response to Isle's plans. Further, to our knowledge, Barden does not have a developer on board, financing in place, a signed commitment for the arena funding, nor any development plans.

The following are illustrations of the types of misstatements, inaccuracies and inconsistencies in the Report. Note that this is not intended as a comprehensive list.

EVALUATION CATEGORY	CRITERIA	PAGE	INACCURACY/INCONSISTENCY
Location	Visibility	9 & 56	It is not clear whether visibility is good or bad. It appears they split the apple here, which does not make much sense. They awarded Isle 4/5 for being "not visible from most view corridors" and penalized FCE and Barden for negatively impacting views, but then awarded Isle 2/5 for not being prominently visible from freeways and highways. This criteria is weighted 4.
Location	Physical Access and Impacts	10 & 56	Although viewed by most industry experts as a critical issue, the Planning Department only assigned this a weight of 3. Given the great disparity between the access to the proposed casinos in Station Square and Uptown, the point totals should have been much further apart. The Report also states that Isle's development may impact future plans to connect light rail between Downtown and Oakland. First of all, the light rail system to Oakland may never happened, and if it does, it could just as easily go under Fifth Avenue.



EVALUATION CATEGORY	CRITERIA	PAGE	INACCURACY/INCONSISTENCY
Location	Impact on Immediate Surroundings	10 & 57	<p>This criteria as it was applied and the weighting of 5 was designed to give FCE points and guarantee that it comes out on top:</p> <ul style="list-style-type: none"> <li>• What should be a positive for Isle (proximity to the Cultural District, Central Business District and Fifth Avenue commercial corridor) has been turned into a negative.</li> <li>• The fact that the proposed site is considered blighted would generally be a positive feature.</li> <li>• Duquesne University and area schools are mentioned as if they are located next door.</li> <li>• Isle's project is specifically designed to reconnect the Hill District to downtown by redeveloping the Mellon arena site, building a new arena where there now exists an empty hospital and parking lot, and creating a park/walkway over the highways to literally reconnect to the Downtown. However, the Report states "A casino use could further disconnect the lower Hill District from the downtown."</li> <li>• Regarding the claim that existing restaurants will be impacted, this instead is an area in dire need of redevelopment, restaurants, etc.</li> </ul>
Location	Ability to Use /Enhance Existing Amenities and Services	11 & 58	<p>Again, a criteria as applied and with weighting of 5 was designed to give FCE points:</p> <ul style="list-style-type: none"> <li>• FCE was given a 4/5 for easy access to downtown and area hotels and amenities, when it has been made clear that access from downtown to Station Square will be extremely difficult.</li> <li>• Isle was only given 2.5/5 for access to downtown hotels when it is a less than 10 minute walk from the Marriott, Doubletree and William Penn, with the Westin and Courtyard not much further. And its access to the Convention Center, Cultural District and Fifth/Smithfield shopping is unmatched by Station Square or Barden.</li> </ul>

EVALUATION CATEGORY	CRITERIA	PAGE	INACCURACY/INCONSISTENCY
			<ul style="list-style-type: none"> <li>• With respect to potential opportunities the location can spur, Isle should have been the hands down winner, by developing in a blighted arena, adjacent to a new arena and a 28 acre mixed use redevelopment, and its proximity to downtown spurring development there as well. Whereas Station Square is already developed and would simply be adding some more hotel rooms and condominiums and Barden is fairly isolated on the North Shore. Nevertheless, FCE was given 4/5, Isle 2/5 and Barden 2.5/5.</li> <li>• There is also mention that the Isle casino could enhance the regional tourist destination of Mellon Arena, ignoring the fact that the proposal calls for the construction of a new state-of-art arena and a redevelopment where the Mellon arena currently sits.</li> </ul>
Location	Current Use	11	<p>Although elsewhere they only focus on Isle's casino plans, in addressing current use, they imply that the site is currently occupied by "surface parking lots, an abandoned hospital building, few private properties, and the Mellon Arena". Actually, the casino site is occupied by private properties and land owed by the Urban Redevelopment Authority ("URA"), which is controlled by the City. Isle has options for the remaining land needed to construct the casino which is not owned by the URA. The Mellon Arena site and surface parking lots are where the proposed redevelopment will occur and the abandoned hospital is owned by the Pittsburgh Penguins and is part of the site where the new arena will be constructed. As a result, Isle was given only 1.5/5 in this category, with a weight of 2.</p>
Operator	Experience operating other Casino facilities	13	<p>Again, another criteria is designed to benefit FCE with a weighting of 6.</p> <ul style="list-style-type: none"> <li>• The description of Harrah's implies that they developed 26 casinos themselves, when in reality, they have acquired most</li> </ul>

EVALUATION CATEGORY	CRITERIA	PAGE	INACCURACY/INCONSISTENCY
			<p>of their casinos and have only developed a handful themselves; whereas the Report clearly notes that Isle only constructed 6 of its 18 facilities.</p> <ul style="list-style-type: none"> <li>The greatest number of slot machines in a facility operated by Isle is incorrectly stated as 1,598. The number actually is almost 2,000 for Lake Charles, LA.</li> </ul>
Operator	Financial Performance	14-15	<ul style="list-style-type: none"> <li>This criteria, with a weighting of 6, is inappropriately applied. The financial performance that is relevant is the owner of a facility, not the manager. Thus, the financial performance of FCE should have been what was considered. FCE's bond rating is no better than that of Isle, but instead, FCE is given a 5/5 based on the credit rating and financial performance of Harrah's as a company.</li> <li>With respect to Isle, the Report states that "a review of Isle of Capri's finances and performance raises questions concerning their ability to deliver on their proposal." That's clearly not what Wall Street is thinking as three significant financial institutions have guaranteed Isle financing for the casino and arena - Credit Suisse, Duetsche Bank and Canadian Imperial Bank of Commerce.</li> <li>The fact that the Planning Department quoted from a reporter's article in which a third party financial report put the odds on Harrah's to win the license rather than either hiring their own financial expert or actually getting a copy of the report shows their inexperience in the financial area.</li> <li>The Report erroneously states that Isle will need to sell other facilities in order to build the proposed casino.</li> </ul>
Operator	Labor Relations History	15	<p>Isle was penalized for not employing unionized workers at its existing facilities despite the fact that Isle coincidentally happens to operate in cities which are not unionized, has signed neutrality agreements in its new locations where</p>

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			<p>there is union activities (including with Unite Here in Pittsburgh) and Unite Here spoke equally in favor of Isle and Harrah's at the Public Hearing. Note that Harrah's also is nonunion in the cities which are not unionized.</p>
Operator	Quality of Exiting Facilities	16	<p>Without having actually visited any of the applicants' facilities, the Planning Department seems to come to conclusions about the quality of the applicants' other facilities. They have made this determination relying on photos on the applicants' websites, on the internet, in news articles and obtained by private individuals, and telephone conversations with reporters. This lack of a thorough review is apparent from their comments that Isle's facilities "lack in design and attention to the non-gaming experience" and "focus on attracting visitors for the sole purposes of gaming." Isle's tropical theme and it's signature restaurants clearly demonstrate otherwise. Nevertheless, Isle was given 2/5 and Harrah's was awarded 4/5 with a weighting of 5, which seems to be based on one conversation with a reporter in one city, Kansas City, who stated that the Isle casino was "a 'blue collar' gaming casino" whereas "The Harrah's facility was described as a higher quality designed facility." Note also that some of the photos included on the following pages are inaccurate - the picture of Harrah's Shreveport, LA facility actually a picture of Bossier City, LA and is a picture of the hotel, not the riverboat casino which is a similar casino to Isle's. This was also a facility that Harrah's acquired, rather than developed.</p>
Operator	Track Record in Other Cities	20	<p>The Report states that "Harrah's has not had a great deal of negative press regarding operations in other cities." Our own research (which they could have easily done themselves) shows that in addition to the problems in New Orleans (which although very significant, have been downplayed in the Report), Harrah's has actually had many problems in other cities. With respect to Isle, on the other hand, the Report specifically lists details of two events, with no follow up as with</p>

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			<p>Harrah's and the impression that there are more. Note that they did not follow up to obtain any further details beyond what they read in the newspapers. For some reason, they have determined that press clippings alone are a sufficient basis for this analysis, and therefore specifically state that they did not consider a video on Isle's website from mayors and officials as far away as England "proclaiming the casinos as assets for the community." Again, another opportunity to set the parameters justify the result they are seeking.</p>
Site Plan and Design	Site Control	22	<p>Although the text at the beginning of the category clearly states that "This Analysis is performed only on Phase One of the casino development proposals. The analysis does not include any additional phases (if any) or other planned uses and activities", in describing Isle's site and assessing it only a 1/5 in a weighting of 4, they address that some of the parcels are owned by the URA and the SEA, and other parcels by various owners. They also state that a contract is pending that permits the URA parcels to be used by the casino, "but in order for the plans to be implemented Isle of Capri needs to have site control." There are a few significant errors in their analysis.</p> <ul style="list-style-type: none"> <li>• Isle has options for all of the private land under the casino and the URA has publicly committed that regarding the parcels owned by the URA in the casino footprint they will sell the land to Isle if they are awarded the license.</li> <li>• The other URA parcels and SEA parcels relate to the arena and the redevelopment which they stated are not being considered in this section.</li> <li>• Isle does have site control and the rest is in the City's control, The same Planning Department has been formally requested to process Isle's Master Development Plan which has been delayed by the Planning Department for months.</li> <li>• Although they mention Isle's temporary</li> </ul>

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			<p>facility as a problem (query if that should be considered an additional phase and not addressed), nothing is mentioned about Barden's proposed temporary facility on the river, for which he has no approvals and may not be legal under the Gaming Law or zoning ordinances. That being said, Barden received a 5/5.</p>
Site Plan	Visual Access	23	<p>This seems to have been addressed earlier under Location. Same question as above, is visibility good or bad. Apparently here it is good, with a weighting of 3. Note also the different tone of descriptions. FCE is "nestled between the Mt. Washington hillside and the Monongahela River", whereas Isle is "part of the downtown fringe". In addition, it is stated that the Isle casino would "be distinct from the neighboring buildings in terms of scale, materials and visual appeal." This, of course, does not take into consideration the new arena, redevelopment, the Washington Plaza Apartments, etc. In addition, are they saying they prefer the look of what they earlier described as a "blighted area"?</p>
Site Plan	Accessibility	23	<p>Another repeated criteria, and as stated earlier, essential to the success of a casino. Nonetheless, they assigned it a weighting of 2 and not only scored the three applicants lower than last time (1.8, 2.0 and 1.5 here, v. 2.8, 3.6 and 3.4 earlier), they also have the three very close together when there is clearly a significant difference between the access to Station Square vs. Uptown. How many people arrive on bikes to a casino??</p>
Site Plan	Integration with Amenities	24	<p>Again, a repeat. This one with a weighting of 3. They again mention that Harrah's will not have as many restaurants that will allow Station Square restaurants to capture some business. There are two fallacies here: first, FCE, like any casino or destination venue (i.e., stadiums), wants to keep the customers and their money inside the building; second, FCE also controls all of the leases of the Station Square restaurants and will participate in percentage rents in those</p>

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			<p>business. So, in effect, the FCE casino and Station Square will operate as one business capturing all of the buying power of the casino visitors the detriment of downtown Pittsburgh. The synergy of Isle's casino with the new arena and with Downtown completely escapes the analysis in this section. They also don't seem to understand Isle's plans which make it clear that one can enter the casino and shops directly from Fifth Avenue. For Isle to have received a 2.2/5 in this criteria and FCE a 4/5 defies understanding.</p>
Site Plan	Phased Expansion of Gaming and Non-gaming Uses	24	<p>If the new arena and redevelopment were considered, Isle would have won this criteria hands down.</p>
Site Plan	Existing Structures	25	<p>Isle is being criticized for demolishing a vacant hospital structure, a church and other surface parking lots. First of all, the hospital is under the proposed arena and shouldn't be considered here, but nevertheless, the hospital went bankrupt and no alternative use has ever surfaced. The church is next to the proposed arena and will be preserved. It has nothing to do with the casino. Actually, it is clearly visible in the plans submitted to the Planning Department. The surface parking would be utilized for the temporary facility and then the redevelopment, but parking structures will be built. Note that no points were given to Isle for demolishing and replacing the obsolete Mellon arena.</p>
Site Plan	New Public Amenities and Infrastructure	26	<p>This is a criteria where the full project is and should be included. Although the arena is addressed for the Isle, there is no mention of the proposed redevelopment (although it is mentioned for Barden, with the \$350 million price tag). As a result, there's no mention of the new parks, plazas and the walkway/park over the Crosstown Expressway. And this criteria is only weighted 3.</p>

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Site Plan	Landscaping	26	Again, Isle is not given credit for the plans for its proposed redevelopment, which would include new parks, plazas and the "lid" over the Crosstown Expressway.
Building Design	Compliance with Zoning Code	27	Apparently being located along the river is an important criterion for a land based casino as half of the points in this category were tied to the connectivity to the riverfront.
Building Design	Site Context	28	This criteria is weighted 4, with FCE getting a score of 4/5 and Isle a 1/5. Isle was penalized for the scale of its building. However, both the casino and arena have four story facades on Fifth Avenue, with the larger bulk of the buildings set back from the street. They stated that a 12 to 14 story building is inconsistent with the neighborhood, and yet Washington Plaza Apartments are right next door to the east and starting one block away to the south are parking garages and buildings of Mercy Hospital and Duquesne University. Also, the towers of Chatham Center are one block to the west.
Building Design	Non-Gaming Uses and Public Spaces	28	Another repeat criteria, with a weighting of 3, whereby they penalize Isle for having restaurants and bars in the facility. They also again do not give Isle credit for all of the parks, discount the retail outlets on Fifth Avenue by stating that they "are proposed but would be market driven in terms of leasing", or erroneously claim that there will not be public access to the atrium. FCE again seems to benefit from not taking business away from the Station Square businesses.
Building Design	Design Team	31 & 69	First of all, the averages and weighted scores are wrong. Based upon the sub-criteria on page 69, the average scores should be 2.2, 2.6 and 1.6 for FCE, Isle and Barden, respectively, with weighted scores of 4.4, 5.2 and 3.2. Also, UDA, which has a broad national and international reputation, preeminent in urban design and the firm picked by the City for its Fifth and Forbes development, was simply described in the Report as "very active in the planning of this area and the



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			<p>neighboring residential community,” while FCE’s urban planner was described as “pioneers in mixed-use design and development. They are highly reputed firm worldwide.” Also, for some reason, FCE and Isle were only given a 1/5 for design of the building by an architect, when they both used premier architects.</p>
Socioeconomic	Maximizes job creation and ensures jobs are quality jobs	34	<p>It is hard to understand why FCE got a .5 more than Isle when the introduction to this criteria states that the Planning Department “is of the opinion that total employment and wages would not vary greatly between the three casinos” and then further states that FCE’s “employment figures are most likely inflated and higher than employment at two existing Harrah’s Atlantic City casinos that are of comparable size”, and it should be noted, have table games which are more job intensive.</p>
Socioeconomic	Potential to leverage additional development in the City of Pittsburgh	35	<p>This is a situation where the category favors Isle, which attained a top score of 5/5, but the weighting was unnecessarily low at 3/5 for an important economic development criteria. This category should have been a windfall for Isle, with the new multi-purpose arena next door and the at least \$350 million development with Nationwide Realty planned for the Mellon Arena site. Isle’s plan involves the redevelopment of underused land, to say nothing about putting the land back on the tax roles.</p>
Socioeconomic	Maximizes ability to market to suburban and overnight visitor gamers	37	<p>Despite various experts criticizing the access to Station Square and parking availability, the Report give FCE a 5/5 in this criteria and states that it is “accessible by foot from existing downtown hotels” and “is accessible from regional highways leading to the suburbs and has ample parking”. The Report also naively relies on Harrah’s claims to market the FCE casino as a destination casino, using its Total Rewards loyalty program to bring visitors from all over the world to Pittsburgh. This theory has been discredited by many experts who claim that Harrah’s will actually use the casino to send gamers to Las Vegas and Atlantic City which have lower tax rates and which also have</p>

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			<p>table games. With regard to Isle, in order to discount the benefit of the new arena, the Report incorrectly states that Isle's proposal "does not guarantee that the new arena will be constructed." Isle has contractually committed to pay \$290 million within 90 days of obtaining the license so that the City can build the arena. Are they now requiring that Isle build it itself?</p>
Socioeconomic	Promotes visitor spending off casino floor and outside casino walls	38	<p>The third time this criteria is used, with a weighting of 3 this time and a score of 5/5 for FCE. With regard to Isle, again they misstate the access to the casino from Fifth Avenue and the retail establishments which will be located on such street. They also again attempt to downplay the proposed redevelopment and treat it as being dependent on market conditions, which has never been claimed.</p>
Socioeconomic	Complements convention, tourism, hotel, retail and restaurant activity	38	<p>This is the fourth time FCE is rewarded for proposing a casino in the existing Station Square complex and Isle is penalized for the so called, "closed design." Also, the statement that "because Isle of Capri is more of a local than national draw, its contribution to hotel activity in the City would be limited" is simply a gratuitous statement intended to again emphasize Harrah's absurd claims that they will bring in tourists from around the world to Pittsburgh to play slot machines (they used Spain as their example at the Public Hearings). Isle's proximity to Downtown, together with the arena next door and the convention center two blocks away, should have made it a shoe-in for this section.</p>
Socioeconomic	Has received positive feedback from community	39	<p>Even though Isle public sentiment is overwhelmingly in favor of Isle's proposal, as evidenced by polls run by the local papers and TV stations, and significantly more supporters having spoken in favor of its plan at the Public Hearing, Isle was given a 3/5, the same as FCE, in the criteria based on two parties who have two groups - the Uptown Action Coalition which has not taken a formal stance on the issue and</p>

EVALUATION CATEGORY	CRITERIA	PAGE	INACCURACY/INCONSISTENCY
			Duquesne University which has stated that it would prefer to not have a casino close to its students (note that Station Square is not much further away). Note also that 80 elected officials have come out in favor of Isle's proposal (including State Senators and Representatives, City Council members and others); none have come out in favor of the other two applicants.
Socioeconomic	Proposal is integrated into existing neighborhood plans	40	The same Planning Board that has refused to process Isle's Master Development Plan for months has now given it 0 points for not having a plan for the site. Go figure! Isle has prepared a detailed master plan with diagrams, analysis and designs that are compatible with Crawford Square, the Hill District and Uptown. FCE, on the other hand, got 3 points simply because something already exists for Station Square, although one would assume it does not address the casino.
Socioeconomic	Plan to fund programs and/or a special service district to aid nearby communities	40	FCE is give credit for donating \$25 million to the Pittsburgh History & Landmarks Foundation, but actually that is not voluntary, but rather a contractual commitment from when they acquired the Station Square property over 10 years earlier. Also, FCE's \$1 million annual contribution is for projects city-wide, whereas Isle is proposing its funds go to the Hill District. The Report again throws in the gratuitous statement about the Isle/Nationwide redevelopment "should the development be constructed."
Socioeconomic	Community relations liaison and plan, with adequate resources to interface with neighbors	41	FCE got a 5/5 because it " <i>plans</i> on employing a community relations liaison" [emphasis added], whereas Isle received a 4/5, even though it has an established Pittsburgh First team, with a staff, a Board of Advisors, and an office in the Hill. Isle is apparently being held to a higher standard, as it is being expected to have "released a plan for interactions with the surrounding community once the casino has received a license", but it is satisfactory for FCE to simply plan on employing a liaison.

EVALUATION CATEGORY	CRITERIA	PAGE	INACCURACY/INCONSISTENCY
Traffic and Parking	Convenient Local Access by Car	46	<p>FCE scored a 2.4/5 here, to Isle's 3.2/5, when various traffic experts have stated that access to Station Square by car will be a mess. Even the Report states that "direct access to the site would be limited to a single arterial street" and "There are limited opportunities to further mitigate congestion", whereas regarding Isle they state that the site "has many local road with sufficient or excess capacity".</p>
Traffic and Parking	Access by Public Transit	47	<p>Isle is penalized for the Planning Department's lack of understanding of traffic reports and only assessed 1.8/5:</p> <ul style="list-style-type: none"> <li>• The Report states that there is no public access between Fifth and Forbes/Bedford Avenue. Currently there is no demand for such a connection, but some of the existing bus routes can be modified to include that connection if desirable and demand exists.</li> <li>• The Report claims that there are too many bus routes on Fifth Avenue. Isle's traffic report does not propose any additional routes, so the congestion impact change due to buses should not be significant.</li> <li>• The Report states that the additional buses would result in unsafe conditions for pedestrians. However, Isle has proposed traffic signal upgrades with enhanced and/or new pedestrian signal equipment, including appropriate signage and paint marking upgrades. As a result, pedestrian safety conditions will be BETTER than existing conditions, not worse.</li> <li>• The Report says that truck access on Fifth Avenue will add to congestion and increase conflicts and accident potential. This is incorrect. The proposed plans have the operations accessed via a controlled, signalized intersection, with all loading/unloading off street on the property. This will decrease, not increase, accident potential.</li> </ul>

EVALUATION CATEGORY	CRITERIA	PAGE	INACCURACY/INCONSISTENCY
Traffic and Parking	Casino must be accessible to pedestrians	47	The Report claims that there will be more conflicts between pedestrians and vehicles at the Isle site. Actually, Isle will provide new and/or enhanced traffic signals, pedestrian signal equipment, signs and paint markings that will coordinate with pedestrian access points into the proposed development. This should improve upon the existing situation.
Traffic and Parking	Casino must provide adequate parking on or adjacent to the site	48	The introduction to this category states that each of the applicants' traffic and parking is to be assessed based on 5,000 slots. However, with respect to Barden the Report states that his estimate of parking demand of 4,186 spaces is comparable to industry standards. But regarding Isle, the Report states that its 4,301 space garage is not sufficient since "industry estimates put parking demand for a 5,000 space casino at 5,000 to 7,000 spaces." The real question should be what is the industry standard and then all three applicants should be held to it equally since they are all being assessed based on 5,000 slots. Of the three, Isle will have the most spots in its parking lot. FCE is only planning for 3,100 new parking spots. The Report also states that Isle patrons will infiltrate free parking in Crawford Square an the Hill District during Friday and Saturday night peaks. This can be dealt with by using the City's well-established Residential Permit Parking Program and increasing the hours/days it is enforce or decreasing the grace period.
Traffic and Parking	Minimize the potential for traffic congestion	50	A similar criteria as covered above, and again, Isle should have run away with this criteria, but was only assessed 3/5, where the weighting is 4.
Traffic and Parking	Appendix C		Almost as an aside Isle is given credit for submitting the only comprehensive study. FCE and Barden are given a pass and permitted to submit theirs later, if they win the license. How then did the Planning department believe that they could give any credence to the claims of FCE and Barden with no back up? Both of these

EVALUATION CATEGORY	CRITERIA	PAGE	INACCURACY/INCONSISTENCY
			applicants should have been given average scores of 0/5 for accessibility. Practically all of the analysis of FCE and Barden's traffic and parking was the opinion of the Planning Board staff themselves.

As stated earlier, the selection of criteria in each category, and the system for assessing points and weighting for each criteria was done subjectively, as was evidenced in the examples above. However, when looking at the criteria categories alone, Isle actually tied FCE in terms of the number of categories it had the highest score. It should be noted that in the criteria in which Isle came out ahead, the average scores were very close, whereas regarding the criteria in which the Planning Board deemed FCE to be stronger, the differences in points were much greater. All of this emphasizes that the subjective scoring and weighting and repetition of the criteria which favored FCE which helped them come out with the higher score.

	<u>Criteria Total</u>	<u>FCE</u>	<u>Isle</u>	<u>Barden</u>
Location	6	2	3	1
Operators	4	4	0	0
Site Plan*	10	4	6	2
Building Design**	12	6	8	1
Socioeconomic*	14	11	4	1
Traffic and Parking	7	0	6	1
<b>TOTAL</b>	53	27	27	6

- \* Two ties
- \*\* Three ties
- \*\*\*One tie

### Conclusion

As is clearly evident in the examples highlighted above, the Report is filled with inconsistencies, misstatements, inaccuracies, self-serving statements and manipulations of the facts, criteria and weighting to achieve a desired outcome. The Report is nothing more than a subjective analysis of self-reported material and Planning Board impressions (who clearly are not experts in this type of analysis), rather than an objective analysis based on research and balanced criteria.



# JIM MOTZNIK

*Councilman, City of Pittsburgh*

*President Pro Tem*



Office of the Clerk  
Pennsylvania Gaming Control Board  
P.O. Box 69060  
Harrisburg, PA 17106

To Whom It May Concern:

My name is Jim Motznik and as the elected representative of the 4<sup>th</sup> Council District of the City of Pittsburgh I am writing to express my dissatisfaction with the recent gaming impact report prepared by the City of Pittsburgh Planning Department.

On May 22, 2006, the City of Pittsburgh Planning Department Director, Pat Ford, presented to City Council the Department's evaluation of the three proposed casinos entitled *An Analysis of Proposed Casino Developments and their Impacts on the City of Pittsburgh*. As I stated during council, "this report is not worth the paper it's printed on." The Planning Department utilized data prepared by the three companies competing for the gaming license. Much of this self promotional data has already been called into question by various independent reporting agencies. In my opinion, using this information as the basis for the City's report renders it valueless.

Particularly troubling is that the Planning Department report gives the Forrest City location its highest rating; yet it questions the site's ability to handle the traffic impact. How can you have the best location, if patrons can't get to it?

I have attached an independent study, *Traffic Impact Analysis Critique*, by David Wooster E. & Associates, Inc. prepared for the Pittsburgh Gaming Task Force which raises serious questions regarding Forrest City's transportation analysis. I would ask that the Pennsylvania Gaming Control Board accept this report as part of the evidentiary record.

Sincerely,

James Motznik, Councilmember  
City of Pittsburgh District 4





**Pennsylvania  
Gaming Control Board**



**WRITTEN COMMENT TO BE INCLUDED IN THE  
EVIDENTIARY RECORD OF THE PUBLIC INPUT HEARINGS**

I request that the following comments be made part of the public input hearing record and considered by the Pennsylvania Gaming Control Board prior to awarding licenses for slot operators:

Name: James Motznik

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Organization, if any: Pittsburgh City Council

Employer: Residents of City Council District 4

COMMENTS: (Please use second page if more space is required)

See attached letter and study.

# **Pittsburgh Gaming Task**

## **Traffic Impact Analysis Critique**

**Prepared by  
David E. Wooster and Associates, Inc.**

# Reports Reviewed

**The Majestic Star Casino, Pittsburgh – Traffic and Parking Assessment Final Report, December 2005 prepared by IBI Group**

**Harrah's Station Square Casino – Transportation Analysis, December 2005 prepared by D & GAI Consultants**

**Pittsburgh First Master Plan – Traffic and Transportation Study, December 2005 prepared by Trans**

# **Basic Traffic Study Outline**

**Collect base traffic data**

**Forecast to horizon year without development  
establish base condition**

**Analyze base condition**

**Forecast trip generation**

**Estimate trip distribution**

**Superimpose generated traffic on base condition**

**Analyze forecasted "build" condition**

**Mitigate identified impacts**

# **Basis of Review**

**Trip generation and trip distribution are the critical component of traffic studies**

**Comparison of all assumptions relative to anticipated trip generation**

**Results of trip generation and trip distribution and their impact on study area**

**Applicability of captured trips & modal**

**Practicality of improvements**

# Trip Generation Compo

## Trip Modes

- Automobile trips
  - o Vehicle Occupancy Rates
- Transit trips
- Other tripmaking

## Trip types

- Primary trips
- Pass-by trip
- Captured trip

# **Analysis Time Period**

**Weekday AM peak hour (a.m. rush)**

**Weekday PM peak hour (p.m. rush)**

## **Peak Event Periods**

**Peak hour of site generation on a F**

**Peak hour of site generation on a S**

# Majestic Star Casino

**Proposed 5000 slot casino**

**Daily trip generation estimated using an  
daily person visits derived from similar  
in Indiana (20k weekday, 30k Friday, 30  
30k on Sun.)**

**Hourly trip generation determined by ap  
arrival/departure rates obtained from Ca  
Niagara**

**Modal split – 90% auto – 10% other**

**Vehicle occupancy – 1.5 persons/veh. w  
and 2.0 on weekends**



# Harrah's Station Square Casino

**Proposed 4000 slot casino**

**Daily trip generation assumed to be 24k  
weekday and 40k on Sat.**

**Hourly trip generation determined by ap  
arrival/departure rates obtained from rep  
published by ITE**

**Modal split – 70% auto – 30% other for  
and 50% auto and 50% others for emplo**

**Vehicle occupancy – 2.5 persons/veh. fo  
and 1.1 persons/veh. for employees**

# Pittsburgh First Casino

**Proposed 5000 slot casino**

**Daily trip generation estimated using an  
daily person visits derived from similar  
Kansas City (24.3k weekday, 29.9k Friday  
30k on Saturday)**

**Hourly trip generation determined by ap  
arrival/departure rates obtained from IIT**

**Modal split – No adjustment**

**Vehicle occupancy – 1.18 persons/veh.**

# Trip Generation Comparison

	<b>Total Hourly Trip Generation</b>		
	<b>Majestic Casino</b>	<b>Harrah's Casino</b>	<b>P</b>
<b>AM Peak Weekday</b>	<b>390</b>	<b>Not reported</b>	
<b>PM Peak Weekday</b>	<b>2400</b>	<b>1030</b>	
<b>Friday PM Peak</b>	<b>Not reported</b>	<b>Not reported</b>	
<b>Saturday Peak</b>	<b>3470</b>	<b>1536</b>	
<b>Event Peak</b>	<b>1300</b>	<b>Not reported</b>	

# Findings – Majestic

analyze Friday Peak

Study limited. Impacts outside

area may be significant.

and mitigation measures are vague

# Findings – Harrah's

**Harrah's Casino Report trip generation underestimated**

**Application of captured trip percentage appropriate**

**Application of current Station Square vehicle occupancy not applicable**

**Did not analyze AM Peak, Friday Peak or PM Peak as requested**

**Scope of Study limited. Impacts outside study area may be significant.**

# Findings – Pittsburgh

**Pittsburgh First anticipated trip generation conservative**

**All peak hours analyzed**

**Study Scope appear proportional to project development plans.**

**Study includes impact of additional project development**

**Proposed mitigation strategies are fully detailed and cost estimates provided**



# WILLIAM PEDUTO



COUNCILMAN, CITY OF PITTSBURGH  
COMMITTEE ON GENERAL SERVICES, TECHNOLOGY AND THE ARTS, CHAIR  
June 1, 2006



Pennsylvania Gaming Control Board  
PO Box 69060  
Harrisburg, PA 17106

Dear Gaming Control Board Members:

I am writing to you regarding the study prepared by the City of Pittsburgh Department of City Planning on the impact of each of the three Pittsburgh-casino applicants. It was with great disappointment that I reviewed this study and learned of its submission to the Board as a representation of the input from the "local political subdivision."

As an elected official who represents almost 40,000 residents of the City of Pittsburgh, it is inconceivable that this study was sent to the Board without any consultation or vote of Pittsburgh City Council or even the Pittsburgh City Planning Commission. Instead, this study was prepared by staff at the Planning Department and received no legislative endorsement or oversight. In the City of Pittsburgh, issues involving land use require the vote of the Planning Commission and/or City Council; this report was voted on by neither body. I do not believe that this study accurately reflects the impact each of the applicant's proposals will have on the City of Pittsburgh, and I do not believe that this study represents the input of the "local political subdivision" that was the legislative intent of the General Assembly when it passed legislation legalizing gaming in Pennsylvania.

There are four areas in which I believe this study fell short of providing an accurate assessment of the impact of gaming on our neighborhoods.

- First, the information assessed by the Planning Department was not standardized. The staff relied entirely on figures provided by the applicants and ignored whether or not these figures were consistent with industry standards. This study lost any attempt at impartiality, when industry standards were not used to create a level playing field.
- Second, net revenue projections and the subsequent financial windfall to the City were not considered for any of the proposed plans. Immediate revenues generated from a temporary casino, future revenue from supplemental development, and the loss of tax dollars associated with having to fund a new arena or provide TIF and/or tax abatements to certain proposed plans are all significant factors that should have been considered.
- Third, report went so far as to not even include commitments contained in the applications, including Isle of Capri's legal obligation to provide \$290 million towards a new arena.



- Fourth, supplemental development proposed by the applicants was not given any weight in the study. Each of the applicants has outlined development around the proposed casino that would have a tremendous impact on the neighborhood, City, and region. It is inconceivable that a study could be prepared that ranked the applicant's impact on the City of Pittsburgh, but does not take into consideration revenue, promised financial support and development, or supplemental development.

As an elected official, I hope that the Board will not consider this study to be input from the "local political subdivision." This report is simply a staff report of one department of the City; without any legislative support or action, it would be unjust to characterize this report as anything more.

Sincerely,

  
William Peduto



Pennsylvania  
Gaming Control Board



WRITTEN COMMENT TO BE INCLUDED IN THE  
EVIDENTIARY RECORD OF THE PUBLIC INPUT HEARINGS

I request that the following comments be made part of the public input hearing record and considered by the Pennsylvania Gaming Control Board prior to awarding licenses for slot operators:

Name: William Peduto

Address:

Telephone:

Organization, if any: Pittsburgh City Council

Employer: City of Pittsburgh

COMMENTS: (Please use second page if more space is required)

Comments: Page 2 (continued)

I, William Peduto verify that the information contained in this written comment is true and correct to the best of my knowledge and belief.



**CITY OF  
PITTSBURGH**

Department of City Planning

Bob O'Connor  
Mayor  
Patrick B. Ford  
Director

May 26, 2006

Office of the Clerk  
Pennsylvania Gaming Control Board  
PO Box 69060  
Harrisburg, PA 17106

Dear Pennsylvania Gaming Control Board:

On behalf of the City of Pittsburgh's Department of City Planning, I am pleased to present you with "An Analysis of Proposed Casino Developments and their Impacts on the City of Pittsburgh," the Department's assessment of the three casino proposals for the City of Pittsburgh. This assessment is in response to 4 Pa. C.S.A. § 1506 from the Pennsylvania Race Horse Development and Gaming Act. This section provides political subdivisions with "a 60-day comment period prior to the board's final approval, condition or denial of approval". I would like you to include our report as a part of the evidentiary record of public hearings.

I have enclosed our report, which includes assessments of the locations, sites, designs, operators, socioeconomic impacts, and transportation impacts of the three plans. I have also enclosed powerpoint slides from a public presentation of this report made by myself to City Council on May 22, 2006 at 10 AM. Please feel free to contact me if you have any questions. My number is [REDACTED]

Sincerely,

THE CITY OF PITTSBURGH

Patrick B. Ford, Director  
Department of City Planning

cc: Mayor Bob O'Connor  
Lena Andrews, Policy Analyst, Department of City Planning

PF/la



**Pennsylvania  
Gaming Control Board**



**WRITTEN COMMENT TO BE INCLUDED IN THE  
EVIDENTIARY RECORD OF THE PUBLIC INPUT HEARINGS**

I request that the following comments be made part of the public input hearing record and considered by the Pennsylvania Gaming Control Board prior to awarding licenses for slot operators:

Name: Patrick B. Ford

Address:

Telephone:

Organization, if any: City of Pittsburgh, Department of City Planning

Employer: City of Pittsburgh, Department of City Planning

COMMENTS: (Please use second page if more space is required)

SEE ATTACHMENTS

I hereby certify that the information contained in this document is true and correct to the best of my knowledge and belief.

*Patrick B. Ford*

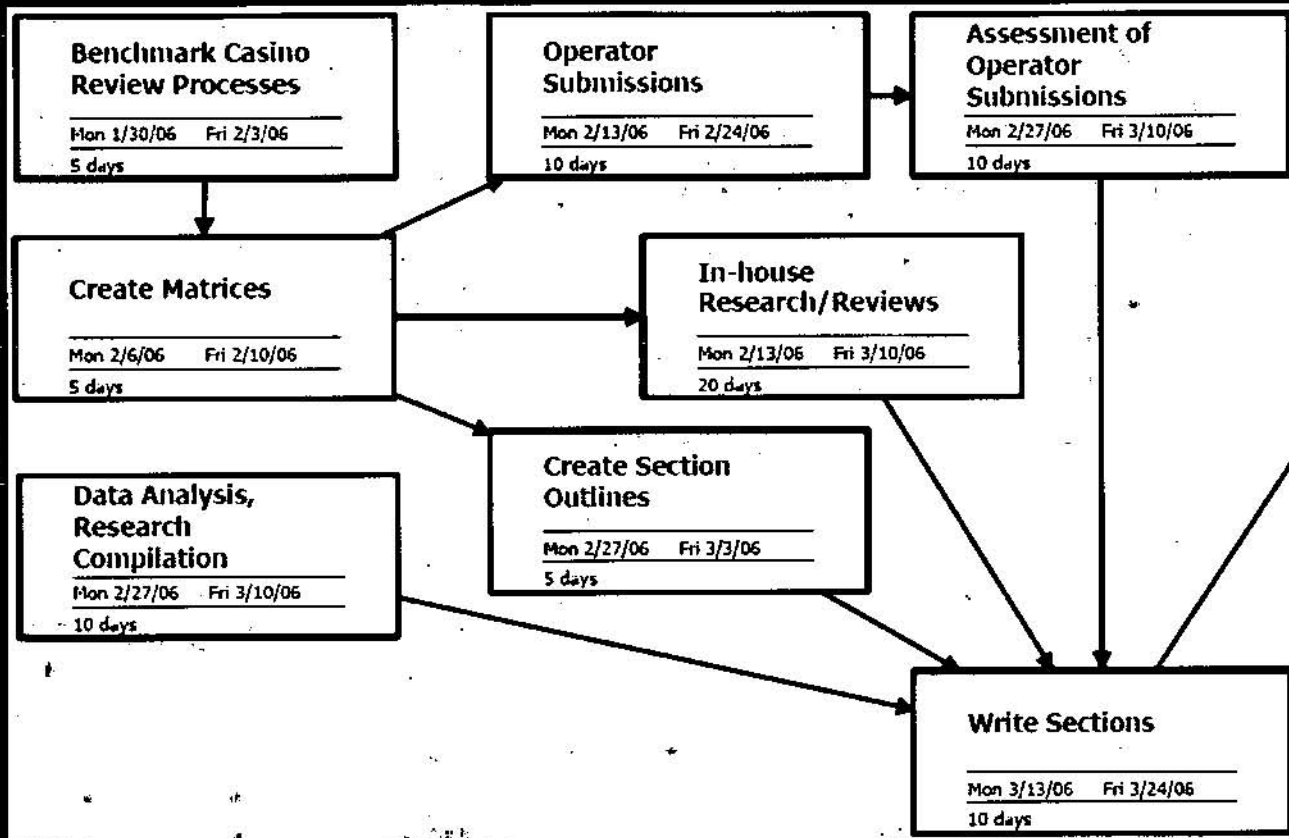
# An Analysis of Proposed Commercial Developments and their Impact City of Pittsburgh

Patrick B. Ford, Director  
City of Pittsburgh, Department of City Planning  
Strategic Planning Division

# Presentation Outline

- Study Process and Schedule
- Methodology
- Analysis and Findings
  - Transportation
  - Site and Design
  - Location
  - Socioeconomic
  - Operator
- Summary of Findings

# Study Process and Schedule





# Sources

- Harrah's Entertainment: "City of Pittsburgh Department of Planning: Casino Proposal Data Request, Transportation and Engineering Analysis" (December 2005-February 2006)
- Isle of Capri Casino: "Local Impact Report, Pittsburgh Plan Traffic and Parking Study (with three technical appendices) and Response to Data Request" (December 2005-February 2006)
- PITG Gaming, LLC (Majestic Star Casinos): "Local Impact Report Executive Summary" (December 2005)
- Philadelphia Gaming Advisory Task Force: "Final Report of the Philadelphia Gaming Advisory Task Force" (October 2005)
- Traffic and parking impact reports from casino applications
- Operator presentations at the April 18, 2006 public hearing before the Pennsylvania Gaming Control Board
- Meetings with the casino development teams
- Literature review (internet research, newspaper articles, magazine publications, etc.)
- Phone interviews with municipal staff from other cities with comparable casino operations

# Evaluation Methodology: Categ

Criteria 1: **Criteria Score (0-5)** X **Weight** =

Criteria 2: **Criteria Score (0-5)** X **Weight** =

+

+

**20**

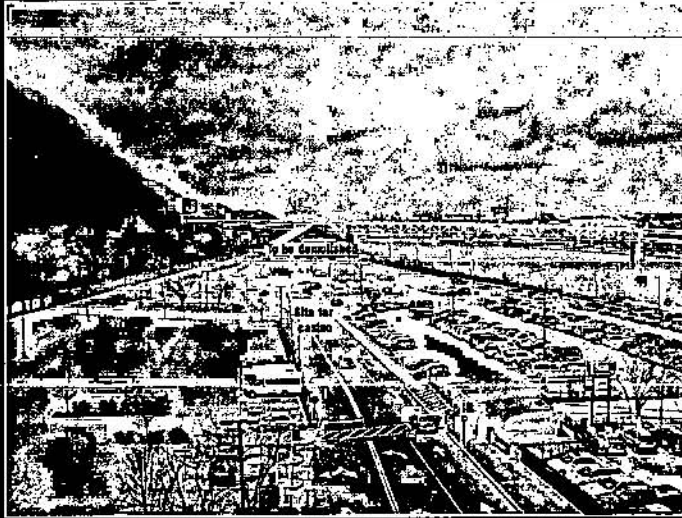
# Study Outline

- Introduction
- Proposal Summaries
- Transportation Analysis
- Site and Design Analysis
- Location Analysis
- Socioeconomic Analysis
- Operator Analysis
- Findings

# Proposed Casino Locations for Pittsburgh



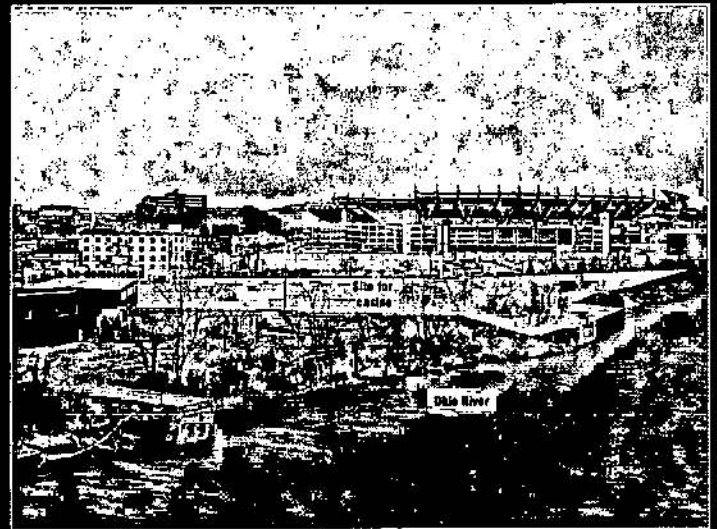
# Existing Site Conditions



Harrah's Site in Station Square



Isle of Capri Site in



Majestic  
the N

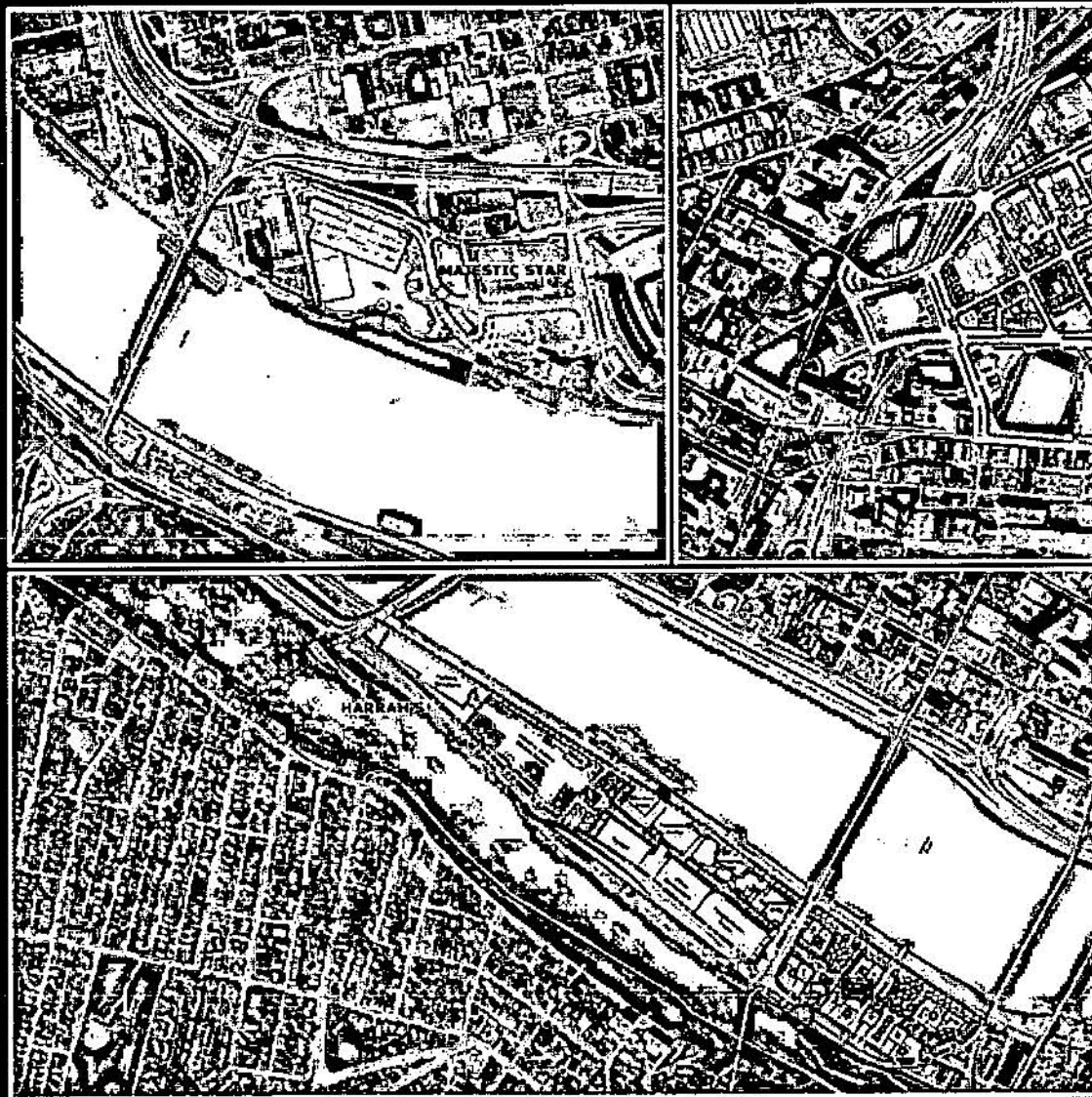
# Transportation Analysis

## Traffic and Parking Criteria

- Regional Highway Access
- Automobile Accessibility
- Transit Accessibility
- Pedestrians Accessibility
- Adequacy of Parking Facilities
- Adequacy of Loading and Unloading Facilities
- Minimizes Potential for Traffic Congestion

Applicants	Harrah's (Station Square)	Is C (U
Categories	<b>Overall Score</b>	
Traffic	48.0	

# Site Plan Analysis: Proposed Site P



# Site Plan Analysis

## Site Suitability Criteria

- Site Control
- Visual Access
- Accessibility
- Integration with Adjacent Amenities and Services
- Phased Expansion of Gaming and Non-Gaming Uses
- Existing Structures
- Site Category for Development
- Sustainable Measures
- New Public Amenities and Infrastructure
- Landscaping

Applicants	Harrah's (Station Square)	Is C (U
Categories	Overall S	
Traffic	48.0	
Site Plan	55.9	



# Building Design Analysis

## Design Impact Criteria

- Compliance with Zoning-Code
- Site Context
- Non-Gaming Uses / Public Spaces
- Design Approach
- Building Facades
- Building Materials
- Public Art
- Spatial Organization
- Design Team
- Environmentally-friendly Building Design
- Utilities
- Lighting and Signage

Applicants	Harrah's (Station Square)	Is C (U
Categories	<b>Overall S</b>	
Traffic	48.0	
Site Plan	<b>55.9</b>	
Building Design	<b>45.5</b>	

# Location Analysis

## Location Suitability Criteria

- Visibility
- Physical Access and Impacts
- Impact on Immediate Surroundings
- Ability to Use/ Enhance Existing Amenities and Services
- Current Use
- Environmental Impacts

Applicants	Harrah's (Station Square)	Is C (U
Categories	<b>Overall S</b>	
Traffic	48.0	
Site Plan	<b>55.9</b>	
Building Design	<b>45.5</b>	
Location	<b>67.5</b>	

# Socioeconomic Analysis

## Socioeconomic Impact Criteria

- Job Creation
- Leverages Additional Investment
- Recruits Pittsburgh Residents/Vendors
- Job Training for Pittsburgh Residents
- Enforceable Diversity Plan
- Ability to Attract Overnight Visitors
- Promotes Non-casino Visitor Spending
- Complements Tourism and Amenities
- Utilizes Local Vendors
- Community Feedback
- Consistent with Existing Plans
- Funding for Community Development
- Community Relations Liaison
- History of Community Involvement

Applicants	Harrah's (Station Square)	Is C (U
Categories	Overall Score	
Traffic	48.0	
Site Plan	55.9	
Building Design	45.5	
Location	67.5	
Socio-economic	76.5	

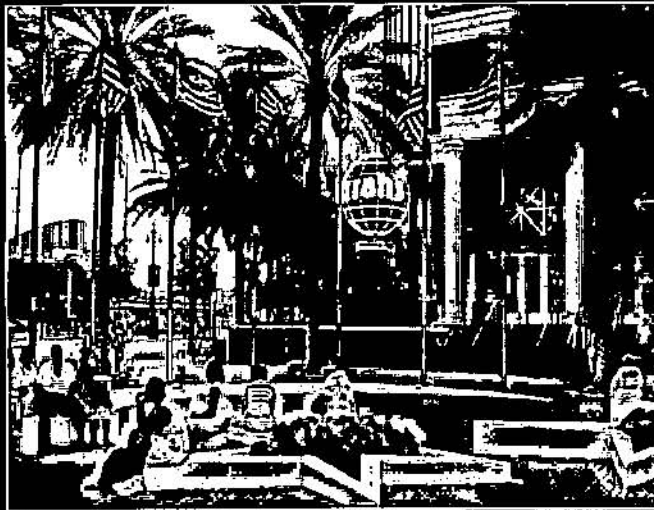
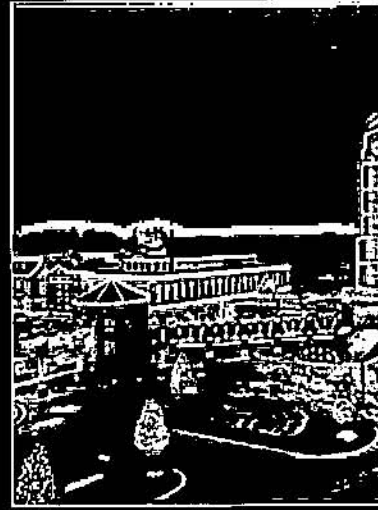
# Operator Analysis

## Operator Criteria

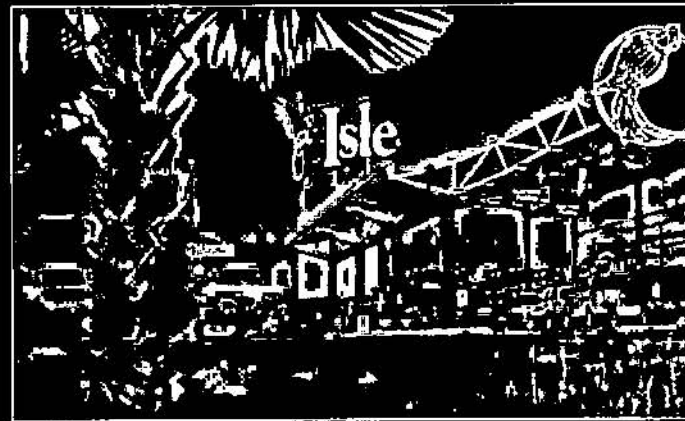
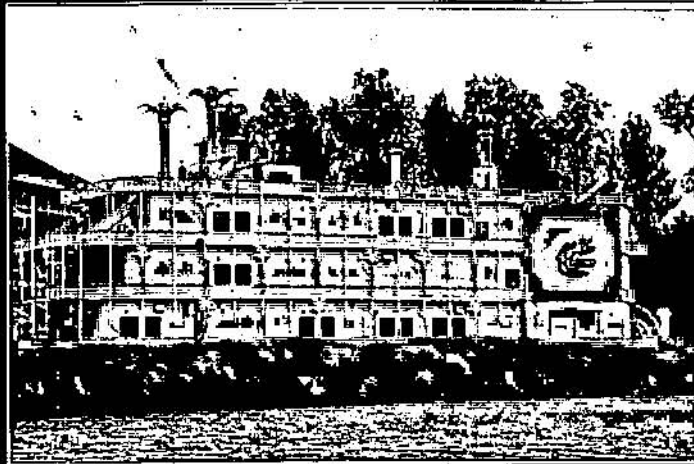
- Experience Operating Other Casino Facilities
- Financial Performance
- Labor relations History
- Quality of Existing Facilities
- Track Record in Other Cities

Applicants	Harrah's (Station Square)	Is C (U
Categories	<b>Overall Score</b>	
Traffic	48.0	
Site Plan	<b>55.9</b>	
Building Design	<b>45.5</b>	
Location	<b>67.5</b>	
Socio-economic	<b>76.5</b>	
Operator	<b>94.5</b>	

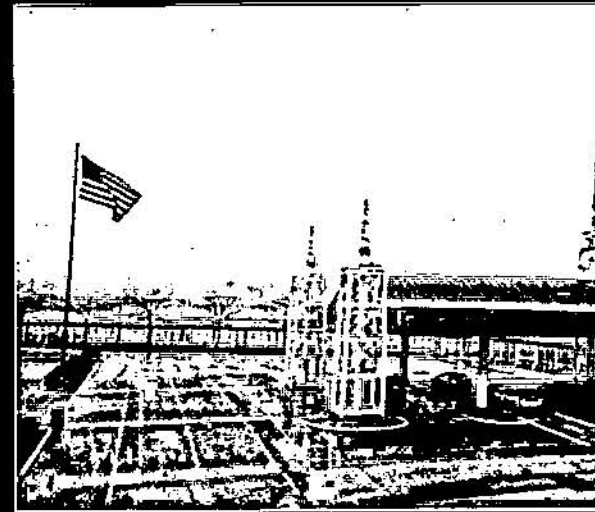
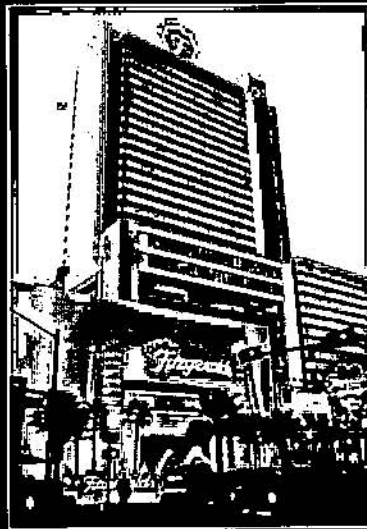
# Operator Analysis: Harrah's Casino Fac



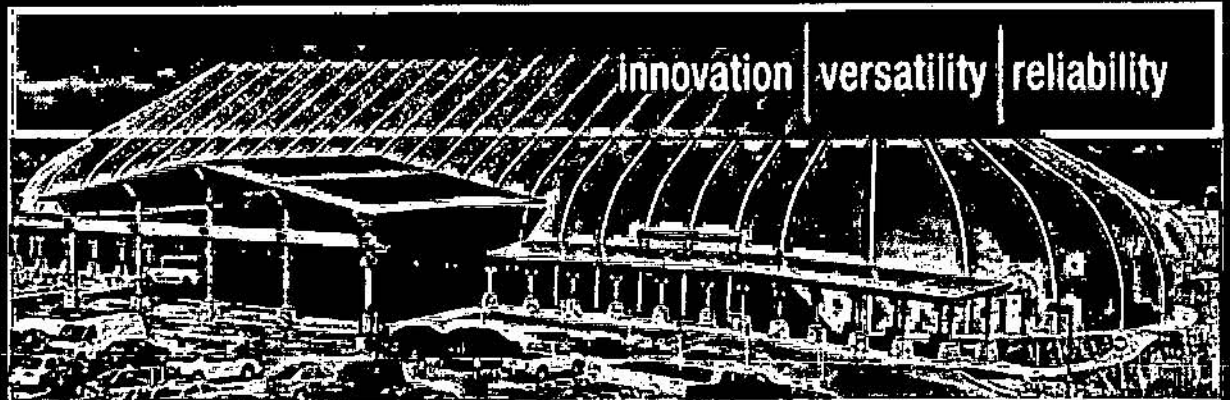
# Operator Analysis: Isle of Capri's Casino



# Operator Analysis: Majestic Star's Casino

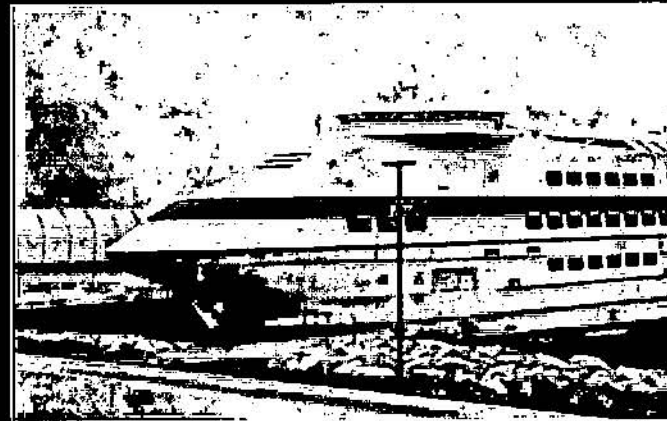


# Temporary Casinos



innovation | versatility | reliability

Riverboat Casino Facility





# Summary of Findings

Applicants ⇒	Harrah's (Station Square)	Isle of Capri (Uptown)
Categories ↓	Overall Scores (out of 100)	
Transportation	48.0	<b>56.5</b>
Site Plan	<b>55.9</b>	39.5
Building Design	<b>45.5</b>	<b>44.6</b>
Location	<b>67.5</b>	50.1
Socioeconomic	<b>76.5</b>	65.0
Operator	<b>94.5</b>	61.0

# Comments and Questions





**An Analysis of Proposed Casino Developments  
and their Impacts on the City of Pittsburgh**

25 April 2006



**An Analysis of Proposed Casino Developments  
and their Impacts on the City of Pittsburgh**

**25 April 2006**



**CITY OF PITTSBURGH**  
***Department of City Planning***  
**Strategic Planning Division**

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# CITY OF PITTSBURGH

Mayor Bob O'Connor

Report prepared by the  
Department of City Planning

Strategic Planning Division

Director, Department of City Planning

Chief, Strategic Planning Division

Principal Planner, Transportation

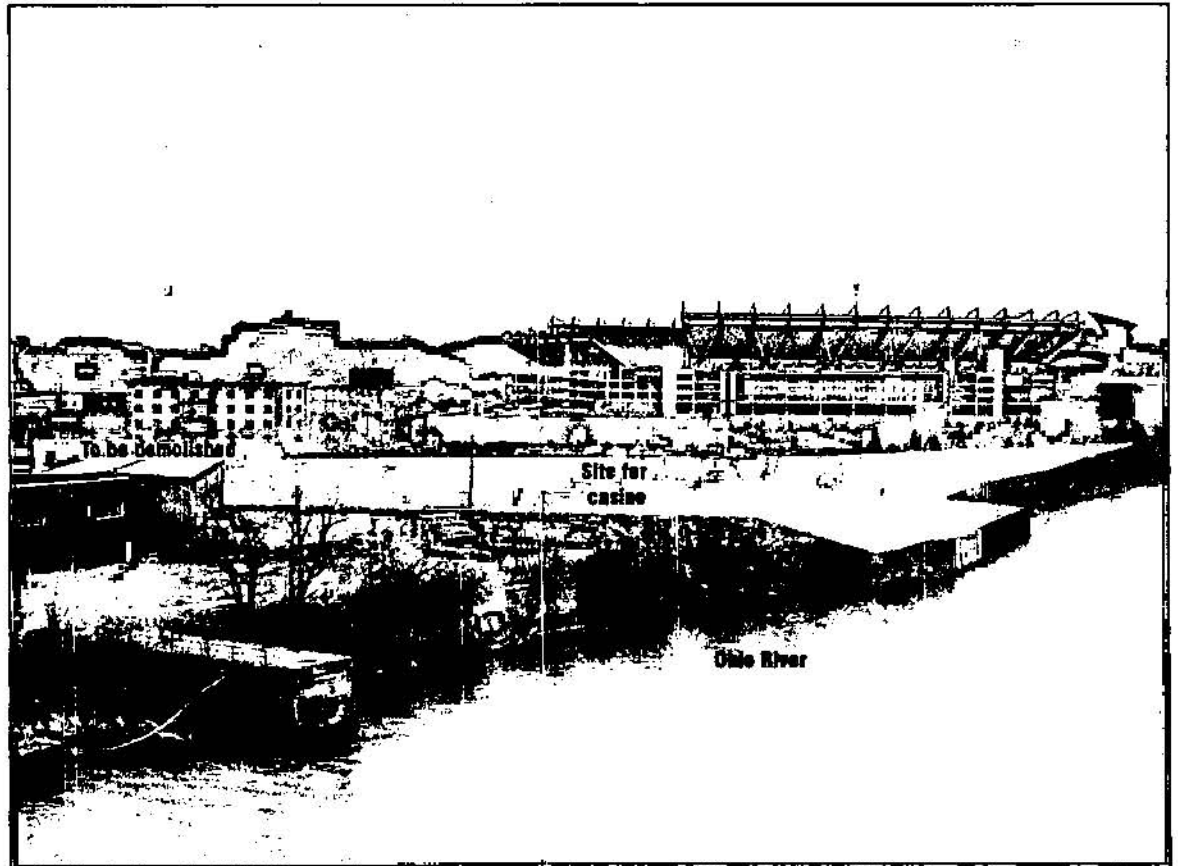
Neighborhood Planner, Policy Analysis

Neighborhood Planner, Urban Design

GIS Specialist

Quality Assurance and Control

Figure 6. Majestic Star Casino Development Site



Typical / ... Weight: 1

## Location Analysis

Source: ... W ...

This section assesses the suitability of each proposed location to accommodate a casino development using six criteria as measures of suitability. This section serves as a precedent to the Site Plan and Building Design section, which assesses the impact of a particular proposal on the respective site. Table 1, at the end of this section, summarizes the evaluations and scores for each casino proposal regarding the suitability of their location.

### Methodology

Supporting questions address the various elements of each location suitability criteria. Each question is rated on a scale of one (1) through five (5). One is least desirable and five is most desirable. The ratings were assigned based on an assessment of information provided by the applicants. An average score is obtained for each criterion and applicant by averaging the scores assigned to each support question. Each criterion is further given a relative weight depending upon the significance of the criterion. The final score for a particular criterion and applicant is the product of the average score and the assigned weight. The sum of the scores of all the criteria confers the final score to the applicant. Table 1 summarizes the weights given to each criterion and the total scores for each applicant. A detailed evaluation of the criteria and supporting questions can be found in Table A1 in the Appendix. The following describes the criteria and the reasoning behind the scoring.

#### 1. Visibility - Weight: 4

**Station Square:** Average: 2.5/5; Weighted score: 10.0

The proposed site is located on the riverfront along the Monongahela River and is highly visible from downtown, North shore and Mt. Washington. It is also prominently visible along the view corridor from Fort Pitt Tunnel. A large big-box development may impact view corridors towards downtown-Pittsburgh. The location is visible from eastbound and southbound freeways, but not from other travel corridors.

**Uptown:** Average: 3/5; Weighted score: 12.0

The proposed site is located adjacent to the existing Mellon Arena site, between Centre Avenue and Fifth Avenue, and is not visible from most view corridors in the city. It does not impact city view corridors. The location is not prominently visible from most freeways and highways.

**North Shore:** Average: 2.8/5; Weighted score: 11.2

The proposed site is located on the riverfront along the Ohio River and highly visible from downtown, Point State Park and Mt. Washington. A large big-box development may impact view corridors from downtown-Pittsburgh and Point State Park. The location however is visible from most freeways and travel corridors.

#### 4. Ability to Use/ Enhance Existing Amenities and Services – Weight: 5

*Station Square:* Average: 3.8/5; Weighted score: 19.0

The proposed location has easy access to downtown and area hotels and amenities. It also has great access to the riverfront trail, marinas and other facilities. The existing railroad, however, limits the potential for integration of riverfront. The location can enhance the regional destination of Station Square and the riverfront.

*Uptown:* Average: 2.2/5; Weighted score: 11.0

The proposed location has convenient access to downtown hotels and is adjacent to the Mellon Arena. The development of the proposed location can enhance the regional tourist destination of Mellon Arena.

*North Shore:* Average: 2.2/5; Weighted score: 11.0

The proposed location is not easily accessible to downtown and area hotels. It has access to the North Shore Park and can enhance the riverfront trail. It is also adjacent to a regional tourist destination, the North Shore, and could expand development of the North Shore.

#### 5. Current Use – Weight: 2

*Station Square:* Average: 3.3/5; Weighted score: 6.6

The proposed site is occupied by a surface parking lot and a temporary amphitheater. The development of this site to accommodate a casino would require the potential relocation of the parking and the events housed by the Chevrolet Amphitheater.

*Uptown:* Average: 1.5/5; Weighted score: 3.0

Surface parking lots, an abandoned hospital building, few private properties, and the Mellon Arena currently occupy the proposed site. The development of this site to accommodate a casino would require demolition of existing buildings, relocation of surface parking, and commercial uses.

*North Shore:* Average: 3.5/5; Weighted score: 7.0

The proposed site is occupied by a surface parking lot with a vacant warehouse building. The development of this site to accommodate a casino would require demolition of an existing building and the relocation of surface parking.

#### 6. Environmental Impacts – Weight: 1

*Station Square:* Average: 3/5; Weighted score: 3.0

Development on this site would have negligible impacts on the City storm water and sewer system. The proposed site is partly located within the 100-year flood plain.

*Uptown:* Average: 3.3/5; Weighted score: 3.3

Development would require new sewer lines and a system to convey storm water. The site is not located within the 100-year floodplain.

*North Shore:* Average: 2/5; Weighted score: 2.0

Development would have negligible impacts on the City storm water and sewer system. The site is located within the 100-year flood plain.



Louisiana in 1995. This casino has 1,598 slot machines (less than half the number of slots proposed for the Pittsburgh facility).

*Majestic Star: 2/5; Weighted Score: 12*

Majestic Star, LLC, was incorporated in 1993 in Indiana and commenced gaming operations in 1996. The company is a subsidiary of Barden Development (a series of enterprises owned by Detroit businessman Don Barden). Majestic Star LLC operates three Fitzgerald's casinos as well as two Majestic Star riverboats in Gary, Indiana. The company also operates Buffington Harbor, a gaming complex in Gary where the riverboats are docked. The total number of Barden casinos is five. His operations are headquartered in Detroit. Majestic Star's largest and first facility is a riverboat in Gary Indiana, which has 1,602 slot machines, less than half the size of what has been proposed in Pittsburgh. In fact, all of Majestic Star's properties combined have less than the total number of slot machines proposed for the Pittsburgh site.

**2. Financial Performance – Weight: 6**

*Harrah's: 5/5; Weighted Score: 30*

Of the three casino operators, Harrah's has the largest operating revenue. For the most recent year with available data, 2004, Harrah's had operating revenues of \$4.5 billion. The company's net income has been steadily increasing in recent years. Net income increased by 12% between 2001 and 2002, 24% the following year, and 26% between 2003 and 2004.<sup>1</sup> The most recent annual report available dates from before the merger with Caesar's. However, figures from the third quarter of 2005 show a net income of \$379 million for the first three quarters of 2005. This is higher than their net income for all of 2004.<sup>2</sup>

Harrah's has the highest Standard and Poor's credit rating of the three applicants, a BBB-/Stable, three categories below the highest possible rating. One area of concern is Harrah's long-term debt, which rose to \$5.1 billion in 2004. Harrah's 2004 annual report notes this debt: "Servicing our indebtedness will require a significant amount of cash, and our ability to generate cash depends on many factors beyond its control."<sup>3</sup>

An analyst with Susquehanna Financial Group, a financial research firm with a focus on the gaming industry, writes that based on Harrah's experience and financial position, the company has the best odds of winning the license and that it's "Harrah's to lose".<sup>4</sup>

*Isle of Capri: 3/5; Weighted Score: 18*

A review of Isle of Capri's finances and performance raises questions concerning their ability to deliver on their proposal. For the most recent fiscal year, 2005, Isle of Capri had operating revenues of \$1.1 billion. Net income for the company decreased by 39% between 2003 and 2004 and by 35% between 2004 and 2005. These declines were prior to the impacts of Hurricane Katrina.<sup>5</sup> Standard and Poor's gives the company

<sup>1</sup> Harrah's 2004 Annual Report, page 43.

<sup>2</sup> Harrah's 10-Q, Q32005, page 6.

<sup>3</sup> Harrah's Annual Report 2004, page 37.

<sup>4</sup> Andrew Conte, "Oddsmaker likes Harrah's in race for slots parlor," *Pittsburgh Tribune-Review*, March 21, 2006.

<sup>5</sup> Isle of Capri Annual Report 2005, page 50.

a credit rating of BB-/Negative, which is four levels below the top rating of AAA. The company currently has \$1.2 billion of total debt and writes in their annual report that their "substantial indebtedness could adversely affect our financial health and restrict our operations".<sup>6</sup> Although it is typical for casino companies to carry high amounts of debt, the Isle of Capri will need to sell other facilities in order to be able to build the proposed Pittsburgh facility.<sup>7</sup>

*Majestic Star: 2.5/5; Weighted Score: 15*

A review of Majestic Star's finances and performance reveals concern about the ability of a company of their size and assets to operate a facility of the scale proposed for the North Shore site. The company's net revenues in 2005 were \$262 million<sup>8</sup>, substantially lower than the other two applicants. Net income was \$5 million in 2004. However, net income was negative in 2003, 2001, and 2000, and only \$1.3 million in 2002. The company had a net loss of \$97,000 in the first three quarters of 2005.<sup>9</sup> Long-term debt for 2004 was \$316 million.<sup>10</sup> The company does have publicly-traded debt. Standard and Poor's gives Majestic Star, LLC a credit rating of B+/Negative, the lowest of the three applicants, and five categories below the highest possible rating. Majestic Star does have financial backing for their casino from Jefferies, a securities firm located in New York.<sup>11</sup> The details of this arrangement were not submitted to the Department of City Planning for review.

**3. Labor Relations History – Weight: 2**

*Harrah's: 5/5; Weighted Score: 10*

Before the merger with Caesar's, Harrah's employed 46,600 people; 6,850 of these employees are covered by a collective bargaining agreement.<sup>12</sup> Harrah's has won awards related to treatment of employees, including the 2003 "Winning Workforce" award from the National Restaurant Association Educational Foundation<sup>13</sup> and a number 15 place of the 2005 "100 Best Places to Work in IT" award from Computerworld<sup>14</sup>. The company also won 869 awards in the Casino Player's Best of Gaming Awards, many of which are related to employment.<sup>15</sup>

*Isle of Capri: 3/5; Weighted Score: 6*

Isle of Capri employs 10,500 people, none of whom are members of a union. However, While Isle of Capri has said in public hearings that it will be open to union employment at its facility in Pittsburgh, this rating is not higher due the company's history of not employing unionized workers.

<sup>6</sup> Isle of Capri Annual Report 2005, page 15.

<sup>7</sup> Dan Reynolds, "Isle of Capri upbeat despite net income slide," *Pittsburgh Business Times*, February 27, 2006.

<sup>8</sup> Majestic Star 10-K 2005, page 35, filed April 17, 2006.

<sup>9</sup> Majestic Star LLC, 10Q, 2005Q3.

<sup>10</sup> Financial data for Majestic Star, LLC, does not include a Las Vegas property, which is operated by a subsidiary of Barden Enterprises.

<sup>11</sup> Majestic Star Presentation, Pennsylvania Gaming Task Force Pittsburgh Public Hearing, April 18, 2006.

<sup>12</sup> Harrah's 2004 Annual Report, page 24.

<sup>13</sup> "Harrah's Entertainment, Inc.," [http://www.nraef.org/solutions/eoc\\_2003\\_kit\\_w4.asp](http://www.nraef.org/solutions/eoc_2003_kit_w4.asp).

<sup>14</sup> "100 Best Place to Work in IT in 2005",

<http://www.computerworld.com/careertopics/careers/story/0,10801,102737,00.html>.

<sup>15</sup> <http://www.casinoplayer.com>

*Majestic Star: 4/5; Weighted Score: 8*

Because Majestic Star is a private company with multiple components, employment estimates for the company vary. As of 2005, Majestic Star employed 3,200 people, 10% of whom were union members.<sup>16</sup> This does not include employment at the Las Vegas property. In public gaming hearings, Majestic Star claimed total employment of 4,000.

#### **4. Quality of Existing Facilities – Weight: 5**

NOTE: Photographs of operator facilities are located on the pages following the ratings for this criterion.

*Harrah's: 4/5; Weighted Score: 20*

The quality of Harrah's facilities in other cities is superior to the other proposed operators. Quality was measured in terms of spatial quality, building finishes, interior space layout, and other non-gaming amenities. The buildings portray high quality materials and finishes, appealing ambiances, and offer opportunities for gaming and non-gaming activities alike. The facilities present a quality experience and are an indicator of the type of clientele it seeks to attract.

*Isle of Capri: 2/5; Weighted Score: 10*

There is an inconsistency between what Isle of Capri has proposed in Pittsburgh and the quality of their operations in other cities. The proposal for the Isle of Capri casino promises high quality design and experience. The Pittsburgh facility is being planned as their flagship casino. This proposal has no comparable in terms of the quality of their existing facilities relative to building design, building materials used, interior spaces, and finishes. The facilities lack in design and attention to the non-gaming experience (i.e. cafes, buffets, and restaurants). The facilities focus on attracting visitors for the sole purpose of gaming. Isle of Capri's facility in Kansas City was described by a local authority as a "blue-collar" gaming casino. The Harrah's facility was described as a higher quality designed casino.<sup>17</sup>

*Majestic Star: 1/5; Weighted Score: 5*

Majestic Star, LLC does not offer many pictures of its facilities on its website. However, based on photographs submitted by a local resident, the casino in Gary, IN, is connected to a Sprung structure (a tent-like facility) and is very automobile oriented. It does not offer a desirable pedestrian experience and is disconnected from the adjacent built environment. The facility focuses on attracting visitors for the sole purpose of gaming.

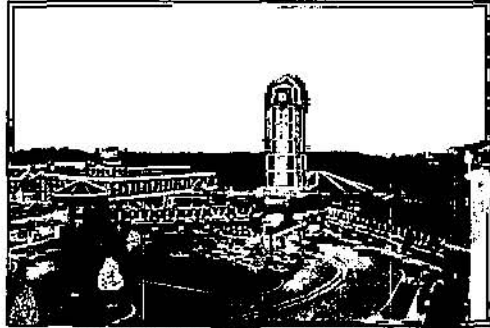
<sup>16</sup> Majestic Star 10-K 2005, page 7.

<sup>17</sup> Kansas City Missouri Economist, February 14, 2006 phone conversation.

Figure 7. Harrah's Casino Existing Facilities



(www.hotelfus.com)



(www.traveljet.com)



(http://www.101weddings.com/images/Harrahs.jpg)

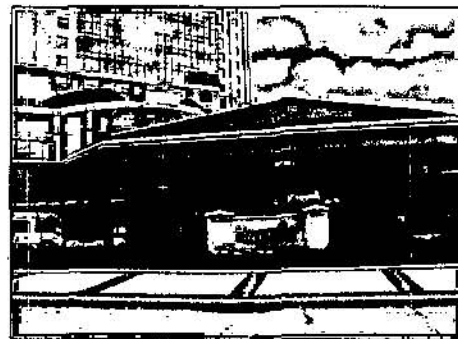
Kansas City, MO



(www.statescasinos.com)

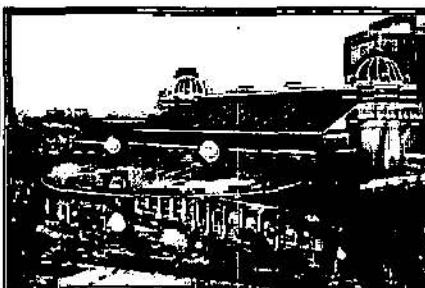


Shreveport, LA (www.jonesez.com)



(www.winningways.net)

New Orleans, LA

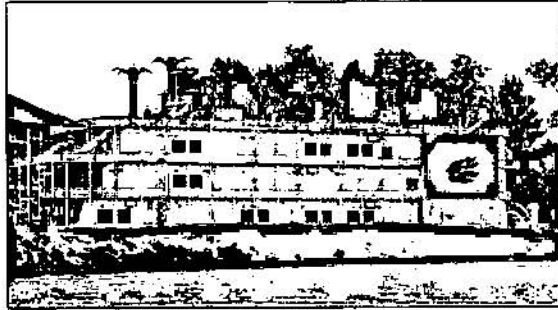


(profiles.hospitalityonline.com)

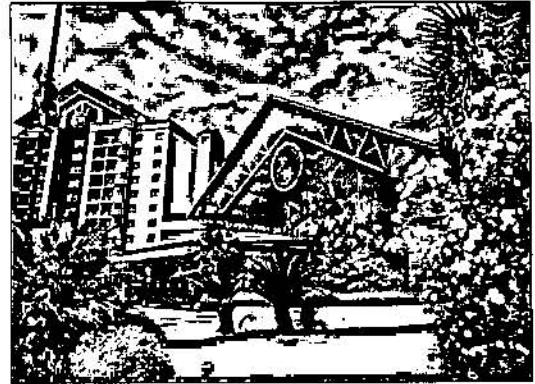


(www.soulofamerica.com)

Figure 8. Isle of Capri Casino Existing Facilities



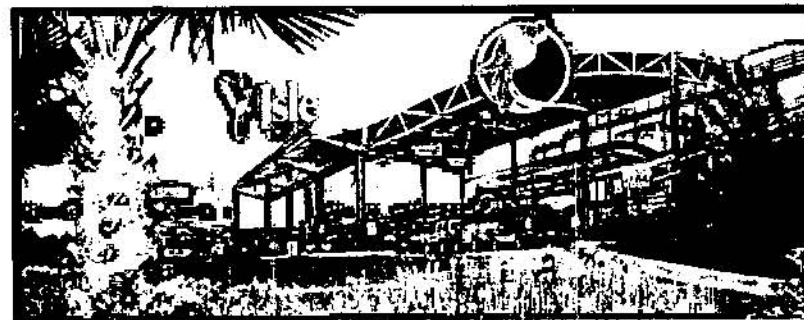
Shreveport, LA ([www.soulofamerica.com](http://www.soulofamerica.com))



Lake Charles, LA ([www.proseandphotos.com](http://www.proseandphotos.com))



Blackhawk, CO ([http://isleofcapricasino.com/Black\\_Hawk/](http://isleofcapricasino.com/Black_Hawk/))



Kansas City, MO ([http://isleofcapricasino.com/Kansas\\_City/](http://isleofcapricasino.com/Kansas_City/))

Figure 9. Majestic Star Casino Existing Facilities



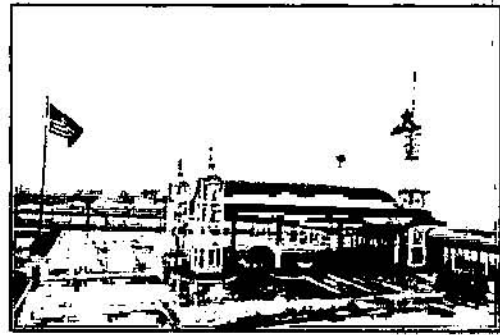
Blackhawk, CO ([www.cityofblackhawk.org](http://www.cityofblackhawk.org))



Las Vegas, NV (has been acquired)  
([www.reviewjournal.com](http://www.reviewjournal.com))



Gary, IN (Site visit)



Tunica, MS ([www.greenbaycasino.com](http://www.greenbaycasino.com))



## 5. Track Record in Other Cities ~ Weight: 1

*Harrah's: 4.5/5; Weighted Score: 4.5*

Harrah's has not had a great deal of negative press regarding operations in other cities, with the exception of its multiple bankruptcies at the New Orleans facility. Harrah's has had significant problems with its facility in New Orleans. Harrah's, working with a local investment group as a combined entity called Harrah's Jazz, opened a temporary casino which filed for bankruptcy in 1995. The entity regrouped and renamed itself JCC Holding, which opened a permanent facility that filed for bankruptcy in 2001.<sup>18</sup> Both cases resulted in major layoffs. The casino has since been acquired by Harrah's Entertainment, and had been more successful in the years leading up to Hurricane Katrina.

*Isle of Capri: 3/5; Weighted Score: 3*

Isle of Capri has had some problems with operations in other cities. A review of available literature revealed that:

- Isle of Capri pledged to open a casino in Kimmswick, MO, but backed out. Isle of Capri was fined \$4.5M in damages. Isle of Capri cited "pending and potential litigation, possible condemnation and/or annexation of the site by a neighboring community, engineering and construction obstacles and lack of community support" as reasons for backing out.<sup>19</sup>
- Isle of Capri was awarded a license to operate a casino in Rosemont, IL, in 2003. The license was revoked in 2004 because of questions relating to the integrity of the deal that were posed by the Illinois state gaming control board.<sup>20</sup>

(NOTE: Isle of Capri has released a promotional video on the Pittsburgh First website including mayors from Iowa and officials in England proclaiming the casinos as assets for the community.<sup>21</sup> Because the literature review is focused on the independent press, this video was not included under this criterion.

*Majestic Star: 4/5; Weighted Score: 4*

A review of available literature uncovered little press about Don Barden's casino operations. Barden operates the lowest number of casinos of the three applicants and is the only private company. However, no incidents were found where Majestic Star backed out of an agreement. The only related article regarding Majestic Star discussed recent lay-offs of 500 people in Gary Indiana – the company owned one riverboat in Gary, Indiana, and bought another one from Donald Trump. The jobs were the cost of consolidation.<sup>22</sup>

<sup>18</sup> Bill Toland, "Harrah's woes in New Orleans become fodder for casino battle here," *Pittsburgh Post-Gazette*, February 27, 2006.

<sup>19</sup> "Isle of Capri fined \$4.5 M for Kimmswick casino it didn't build," *St. Louis Business Journal*, December 10, 2002.

<sup>20</sup> John Chase, "New gambling panel targets casino license," *Chicago Tribune*, April 15, 2005.

<sup>21</sup> "Isle of Capri Mayoral Advocates Video", <http://boss.streamos.com/wmedia/penguins/video/politicians-1.asx>.

<sup>22</sup> Susan Erler, "Majestic Star Casino reports 500 layoffs likely," *The Times (Munster, IN)*, January 18, 2006.

## Finding – Operator Performance

The following table lists the average and weighted average scores for the Operator Analysis criteria. The total score for each applicant is out of 100 points.

Table 2: Summary of Operator Analysis Scores

Operator Criteria	Weight	Harrah's		Isle of Capri		Majestic Star	
		Score	Weighted Score	Score	Weighted Score	Score	Weighted Score
<b>Experience operating other Casino facilities</b>	6	5.0	30.0	4.0	24.0	2.0	12.0
Total number of facilities currently operated			26		17		
Number of slot machines in largest existing facility in terms of slot machines			4,023		1,598		1,600
<b>Financial Performance</b>	6	5.0	30.0	3.0	18.0	2.5	15.0
Total Operating Revenue			\$4.5 billion		\$1.1 billion.		\$262 million
Net income trend			Increasing		Decreasing		Decreasing
Standard and Poor debt rating			BBB-/Stable		BB-/Negative		B+/Negative
<b>Labor Relations History</b>	2	5.0	10.0	3.0	6.0	4.0	8.0
Total people employed by operator			46,600		10,500		3,200-4,000
Total unionized employment			6,850		0		32
<b>Quality of Existing Facilities</b>	5	4.0	20.0	2.0	10.0	1.0	5.0
<b>Track Record in Other Cities</b>	1	4.5	4.5	3.0	3.0	4.0	4.0
<b>Total Weighted Score</b>			<b>94.5</b>		<b>61.0</b>		<b>44.0</b>

Based on the above evaluation pertaining to the track record and performance of the three proposed casino operators, **Harrah's Casino** was found to be the most qualified operator receiving the highest score of 94.5 points out of 100. Isle of Capri was second with 61 points and Majestic Star third with 44.



## Site Plan and Design Analysis

This section addresses the impacts of site planning and design of the gaming facility on the surrounding urban fabric, in particular, and the City of Pittsburgh in general. The analysis consists of two distinct subsections: **Site Plan** and **Building Design**. Each subsection evaluates the three proposals using predetermined criteria. This analysis is performed only on Phase One of the casino development proposals. The analysis does not include any additional phases (if any) or other planned uses and activities since they are market driven and may not be implemented. This analysis builds upon the findings from the Location Analysis presented in prior sections of the report.

### Methodology

Supporting questions address the various elements of the criteria. Each supporting question is rated on a scale of one (1) through five (5). One is undesirable and five is most desirable. The ratings were assigned based on an assessment of information provided by the applicants. An average score is obtained for each criterion and applicant. Each criterion is further given a weight depending upon the significance of the criterion. The final score for a particular criterion and applicant is the product of the average score and the assigned weight. The sum of the scores of all the criteria confers the final score to the applicant. A detailed evaluation of the criteria and supporting questions can be found in Tables A2 and A3 in the Appendix. The tables summarize the weights given to each criterion and the total scores for each applicant. The following subsections describe the criteria and the reasoning behind the scoring.

### Site Plan Analysis

This subsection addresses the potential nature and impact of the three casino site plans proposed for the City of Pittsburgh. Ten Site Planning criteria were identified to quantify and compare each proposal. The following are the specific findings concerning the evaluation and rating of each site planning criteria and proposal. Table 3 at the end of this subsection summarizes and weighs the scores given for each criterion and provides an overall score for each casino proposals.

#### 1. Site Control – Weight: 4

*Harrah's*: Average: 5/5; Weighted score: 20

The site proposed for the Harrah's casino is part of the Station Square complex and is owned by Forest City. Site control would allow for the immediate implementation of the proposal.

*Isle of Capri*: Average: 1/5; Weighted score: 4

The site for the proposed Isle of Capri casino comprises numerous parcels. Some of the parcels are owned by the Urban Redevelopment Authority of Pittsburgh (URA), some parcels are owned by the Sports and Exhibition Authority (SEA), and other parcels by various owners. A contract is pending that permits the URA controlled parcels to be used by the casino for their temporary and permanent facilities; but in order for the plans to be implemented Isle of Capri needs to have site control.

*Majestic Star:* Average: 5/5; Weighted score: 20

The site proposed for the Majestic Star casino is owned by a single entity. Site control would allow for the immediate implementation of the plans.

## **2. Visual Access – Weight: 3**

*Harrah's:* Average: 2.5/5; Weighted score: 7.5

The proposed Harrah's facility is part of the Station Square complex and is nestled between the Mt. Washington hillsides and the Monongahela River and is visually prominent from the downtown and the North Shore. The site is also visible when traveling outbound on I-376 along the Mon Wharf and entering /exiting the Fort Pitt Tunnel, Pittsburgh's gateway.

*Isle of Capri:* Average: 1/5; Weighted score: 3

By virtue of its location, the site is part of the downtown fringe. It is located in the Uptown and Lower Hill District neighborhoods of Pittsburgh and is not noticeably visible from major freeways and highways. The casino would be dependent on City destination markers to guide visitors to the facility. The proposed casino would be distinct from the neighboring buildings in terms of scale, materials, and visual appeal.

*Majestic Star:* Average: 2.5/5; Weighted score: 7.5

The proposed site and facility are located on the bank of the Ohio River in the North Shore area of Pittsburgh. The site is visible from most freeways, highways, Mt. Washington, and the downtown. The main entrance to the facility is from North Shore Drive, which is visible from the downtown and westbound highways. The proposed facility is similar in scale and materials to the other structures on the North Shore along the river.

## **3. Accessibility – Weight: 2**

*Harrah's:* Average: 1.8/5; Weighted score: 3.6

The site is accessible by auto from the interstates and state highways. The site is particularly accessible by bike, water taxis, and pedestrians due to its proximity to the riverfront trail and the marina. Pedestrian traffic is segregated from vehicular traffic by orienting pedestrians and bikers toward the trail and Station Square Drive. Vehicular traffic is oriented towards Carson Street. Visitors can leave and return to the facility via automobile. They can also walk and use transit. There is mention of utilizing existing hotel facilities within the complex as well as downtown.

*Isle of Capri:* Average: 2.0/5; Weighted score: 4.0

The site is accessible by transit and from the interstates by auto. The location is also pedestrian friendly. The plan and location do not greatly reduce dependability on auto and it would be fairly easy for visitors to leave and return. The site layout segregates pedestrians and automobiles from truck traffic on Center Avenue; but not on Fifth Avenue. This may lead to pedestrian-vehicular conflicts.

*Majestic Star:* Average: 1.5/5; Weighted score: 3.0

The site is easily accessible by auto from the interstates and state highways. It has minimal access by transit although this would improve with the extension of the LRT system to the North Shore. The site would be bike and pedestrian accessible via the

riverfront trail. However, due to its isolated location, access would be auto focused and very easy for visitors to arrive and depart. Utility trucks and self-park auto traffic would be able access the facility from Reedsdale Street and North Shore Drive.

#### **4. Integration with Adjacent Amenities and Services – Weight: 3**

*Harrah's*: Average: 4/5; Weighted score: 12

There is a hotel adjacent to the proposed casino and a number of restaurants, bars, retail, and entertainment facilities in the immediate vicinity of the casino that are complementary to the casino. The casino proposes limited dining and retail facilities within its structure. This would encourage visitors to patronize the other amenities. There is limited potential for expansion and development in the vicinity that would cater to casino traffic.

*Isle of Capri*: Average: 2.2/5; Weighted score: 6.6

There are two hotels and limited dining and retail in the vicinity of the proposed casino facility that may benefit from the casino traffic. The casino patrons and visitors can take advantage of the nearby hotels and, to a lesser extent, downtown amenities. Since the casino proposes to have a variety of dining areas and bars within its facility, it is unlikely that this proposal will generate customers for nearby dining venues. It may generate guests for the nearby Marriott and Downtown hotels. The absence of amenities on Centre Avenue and the distance visitors would have to walk in order to get to Fifth Avenue would make it difficult for patrons to walk easily to access amenities at these locations. There is a great potential for development on the adjacent sites that would cater to, and benefit from, casino traffic.

*Majestic Star*: Average: 1/5; Weighted score: 3

There are a few fast food restaurants in the vicinity of the proposed casino that may benefit from casino traffic. The auto-oriented nature of the site would dissuade patrons and visitors from walking to the fast food restaurants. Also, the proposed in-house dining facilities and bars could tempt the patrons to dine within the casino and therefore would not generate as many customers to the nearby venues.

#### **5. Phased Expansion of Gaming and Non-gaming Uses – Weight: 1**

*Harrah's*: Average: 2/5; Weighted score: 2

The proposed site has adequate room for lateral expansion of the casino facility and additional space for other development elsewhere within the Station Square complex.

*Isle of Capri*: Average: 2.5/5; Weighted score: 2.5

The proposed site for the casino has limited room for lateral expansion of the gaming facility but has potential space for expansion of other facilities in close proximity to the site.

*Majestic Star*: Average: 1/5; Weighted score: 1

While there are no plans for additional development, on or near the proposed site, there is potential to redevelop or adapt adjoining industrial buildings and sites.

## **6. Existing Structures – Weight: 1**

*Harrah's*: Average: 2.5/5; Weighted score: 2.5

There exists a temporary tent structure (that acts as a seasonal amphitheater) and surface parking lots that the casino proposes to replace with a new facility. The removal of the tent will have minimal impact on the built environment.

*Isle of Capri*: Average: 1.5/5; Weighted score: 1.5

There is a viable vacant hospital structure, a church, and other surface parking lots on the proposed casino site that the casino proposes to demolish in order for the new facility to be built. Demolition could create a negative, undesirable impact on the community and the built environment.

*Majestic Star*: Average: 3/5; Weighted score: 3

The site currently is a surface parking lot and would not require demolition of any significant structure except for a small single story structure on its northeast corner. The removal of this structure will have minimal impact to the built environment.

## **7. Site Category – Weight: 1**

*Harrah's*: Average: 2/5; Weighted score: 2

The proposed site is a brownfield, but there was insufficient information to assess potential site contamination. However, potential contamination is likely to be more than on the Uptown Site.

*Isle of Capri*: Average: 3.5/5; Weighted score: 3.5

There was insufficient information to assess potential site contamination, although potential contamination is likely to be less than on the Station Square site.

*Majestic Star*: Average: 1/5; Weighted score: 1

The proposed site may require considerable remediation. The site was once a coal gas plant and most likely has cyanide contamination. It has never been cleaned up and thus will probably require considerable remediation.

## **8. Sustainable Measures – Weight: 1**

*Harrah's*: Average: 1.4/5; Weighted score: 1.4

The proposal recommends the disposal of storm water into the river by means of an interceptor that will filter the pollutants. Heat island effect would be mitigated by means of landscaping and paving materials and the applicant is open to the consideration of a green roof. There is no mention of mitigating power consumption although there is a willingness to consider a reduction in water usage. There are no plans to reuse construction waste.

*Isle of Capri*: Average: 1.6/5; Weighted score: 1.6

The proposal addresses storm water issues but is dependent on adjacent future development for sustainable development. There are plans for a green roof, which would mitigate some impact. The green roof, in addition to landscaping, would reduce

the heat island effect<sup>23</sup>. The plan calls for use of efficient fixtures, to reduce the consumption of water, and use of efficient lighting and HVAC systems to reduce power consumption. The waste generated from demolition and construction processes would be reused wherever possible.

*Majestic Star:* Average: 0.2/5; Weighted score: 0.2

There is no mention of implementing sustainable measures to mitigate the consumption of power and water. There are also no plans to mitigate heat island effect or to reduce construction waste. The applicant is willing to address storm water issues by proposing to dispose storm water directly into the river.

### **9. New Public Amenities and Infrastructure – Weight: 3**

*Harrah's:* Average: 1.5/5; Weighted score: 4.5

The applicant proposes to construct a winter garden that would be accessible to the general public, a multi-event center, and landscaped public space. The applicant also proposes to add landscaping, street furniture, and lighting along the riverfront trail.

*Isle of Capri:* Average: 4/5; Weighted score: 12

The applicant proposes to fund the construction of a new arena by promising \$290 million. The casino would have a multi-event center. The applicant proposes to repave the streets surrounding the casino, install street furniture, signals, lighting and landscape on the streets, and build a new sewer line that would service the temporary casino (permanent facility). Total estimated cost is in excess of \$8.1 million:

*Majestic Star:* Average: 3/5; Weighted score: 9

The applicant proposes to enhance the riverfront trail and construct a 1,000 seat amphitheater on the trail. Additionally, there are plans to invest \$350 million for a mixed-use development in the Lower Hill and \$7.5 million annually for 30 years towards the funding of the new arena.

### **10. Landscaping – Weight: 1**

*Harrah's:* Average: 0.4/5; Weighted score: 0.4

There is adequate landscaping proposed. However, there is neither any mention of materials and plant types nor maintenance plans. There is a willingness to consider using storm water for irrigation.

*Isle of Capri:* Average: 0.8/5; Weighted score: 0.8

The plan includes adequate landscaping on the roof as well as on the area of entry. The applicant proposes using a mix of plants and paving materials. Irrigation and maintenance of the plants would be through spray and drip irrigation.

*Majestic Star:* Average: 0.2/5; Weighted score: 0.2

There is limited area for landscaping. The amphitheater and trail will likely include some hardscapes. There is no discussion on the materials, irrigation, and maintenance plans and no plans for reusing storm water for irrigation.

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<sup>23</sup> Increase in urban temperatures due to the replacement of natural land cover with pavement, buildings, and other infrastructure.

## Finding - Site Advantages and Disadvantages

The following table lists the average and weighted average scores for the Site Plan criteria. The total score for each applicant is out of 100 points.

Table 3: Summary of Site Planning Analysis Scores

Site Suitability Criteria	Weight	Harrah's		Isle of Capri		Majestic Star	
		Avg.	Weighted Avg.	Avg.	Weighted Avg.	Avg.	Weighted Avg.
Site control	4	5	20.0	1.0	4.0	5	20.0
Visual Access	3	2.5	7.5	1.0	3.0	2.5	7.5
Accessibility	2	1.8	3.6	2.0	4.0	1.5	3.0
Integration with Adjacent Amenities and Services	3	4.0	12.0	2.2	6.6	1.0	3.0
Phased Expansion of Gaming and Non-gaming Uses	1	2.0	2.0	2.5	2.5	1.0	1.0
Existing Structures	1	2.5	2.5	1.5	1.5	3	3.0
Site category for development	1	2.0	2.0	3.5	3.5	1.0	1.0
Sustainable Measures	1	1.4	1.4	1.6	1.6	0.2	0.2
New Public Amenities and Infrastructure	3	1.5	4.5	4.0	12.0	3.0	9.0
Landscaping	1	0.4	0.4	0.8	0.8	0.2	0.2
<b>Total Weighted Score</b>			<b>55.9</b>		<b>39.5</b>		<b>47.9</b>

\* Addressed in detail in the Transportation and Parking Analysis

Based on the above evaluation, pertaining to the advantages and disadvantages of the three proposed casino site plans, the **Harrah's Casino site plan** received the highest score of 55.9 points out of 100. The **Majestic Star** site plan was second with 47.9 points and **Isle of Capri's** site plan was third with 39.5.

## Building Design Analysis

This subsection addresses the potential nature and quality of the facility designs proposed by the casino operators. Twelve design criteria were identified to quantify and compare each proposal. The following are the specific findings concerning the evaluation and rating of each design criteria and proposal. Table 4 at the end of this subsection summarizes and weighs the scores given for each criterion and provides an overall score for each casino proposal.

### 1. Compliance with Zoning Code – Weight: 1

*Harrah's*: Average: 2/5; Weighted score: 2

The building proposal, as presented, partially complies with relevant zoning code regulations applicable to development in Station Square's SP-4 district. The façade along the riverfront trail is somewhat transparent but there is no subletting to other retail

*Isle of Capri: Average: 1.5/5; Weighted score: 3*

The proposed facility would house as many as five restaurants, one buffet, three bars, and fast food venues along with a multi-event center and three retail units. These internal venues would discourage visitors from using existing dining and entertainment facilities around the site. A variety of retail and galleries on Fifth Avenue are also proposed but would be market driven in terms of leasing. There are no plans, in Phase 1, for exterior public spaces. No access is provided to other recreational uses. There would also be a two storied atrium with a water feature that would be visible from Centre Avenue. This feature would not be accessible to the general public. The inclusion of restaurants and bars within the facility, and the lack of public spaces, would dissuade patrons from accessing surrounding amenities. This would thwart adjacent businesses and negatively impact the surrounding area.

*Majestic Star: Average: 2.8/5; Weighted score: 5.6*

The building proposes to house four restaurants, one buffet, one bar, one coffee shop, and a beer garden within the casino facility. Additionally, there are plans to construct an outdoor amphitheater and two nightclubs. The amphitheater would be incorporated into the riverfront trail with the possible addition of a marina.

#### **4. Design Approach – Weight: 1**

*Harrah's: Average: 3/5; Weighted score: 3*

The design of the casino facility would be bold, contemporary, and somewhat innovative. It would be oriented toward the Station Square Drive.

*Isle of Capri: Average: 4/5; Weighted score: 4*

The design of the casino would be bold, contemporary, and innovative and is oriented towards Centre Avenue.

*Majestic Star: Average: 1.5/5; Weighted score: 1.5*

The design of the casino facility would be bold, contemporary, and innovative. It represents a typical box-type structure with orientation to the riverfront.

#### **5. Building Facades – Weight: 4**

*Harrah's: Average: 1/5; Weighted score: 4*

As proposed, the riverfront trail and Station Square Drive are the facility's main pedestrian approach and access corridors. However, with respect to the façade along the trail, there is some variation to the building facades in terms of projections and offsets. There is inadequate transparency of facades and a lack of visual and physical integration with the street. The façade facing West Carson Drive lacks visual and physical integration. The applicant is willing to consider increasing transparency and physical connection with the exterior on the riverfront façade. The majority of the parking is provided in an 8-storied parking garage adjacent to, and internally linked to, the casino. This garage stands tall against the lush green backdrop of the hillsides and will impact the panoramic views from the Fort Pitt Tunnel, Monongahela River and downtown. There is mention of treating the facades appropriately; but there are no detail plans in place.

*Isle of Capri: Average: 3.5/5; Weighted score: 14*

As proposed, the façade on Centre Avenue is approximately 45% transparent. It is not interactive with the street. There is only one access point on this street to the building. The water feature in the atrium is proposed behind a 2-3 storied transparent glass wall that allows for visual interaction with the street. The façade on Fifth Avenue, on the street level, is approximately 50% transparent with individual retail outlets that allow for visual and physical interaction with the street and pedestrians. The parking garage for this proposal is incorporated within the building. Construction would take advantage of the elevation drop between Center Avenue and Fifth Avenue. The parking structure, though it is setback on the upper floors, would be highly visible from the Forbes- Fifth corridor. The facades of the garage have metal-framed openings and brick paneling.

*Majestic Star:* Average: 2.3/5; Weighted score: 9.2

As proposed, the riverfront trail is the facility's main façade. It has some transparency and visual connection with the exterior. This façade would have physical interaction with the trail and outdoor uses. There are no plans detailing the other facades. The 8-storied parking garage is on top of the casino on Reedsdale Street and would be highly visible from the freeways and City streets. It would not be as visible from the riverfront trail. There is no explanation on the treatment of the facades or mitigation of the visibility of structure on Reedsdale Street.

#### **6. Building Materials – Weight: 2**

*Harrah's:* Average: 2.3/5; Weighted score: 4.6

As proposed, this building would use high quality materials including brick, glass, aluminum curtain wall, and metal panels. There are no plans for using materials like stucco, EIFS, or simulated wood products. The dead facades would have brick patterns accented by lighting. There is inadequate data on the interior finishes.

*Isle of Capri:* Average: 3/5; Weighted score: 6

As proposed, the building would use high quality materials like stones, brick, glass curtain wall, and metal panels. There is no mention of using materials like stucco, Exterior Insulation and Finish Systems (EIFS) or simulated wood products. The dead façade that faces downtown is not visually integrated with the streetscape. It is punctured with metal framed openings and brick infill panels. Interior plans suggest use of high quality materials. There are no detailed elevations for the façade facing Oakland.

*Majestic Star:* Average: 1.3/5; Weighted score: 2.6

The building is proposed as a steel and glass building with stone cladding. There is inadequate data on the treatment of blank facades and interior finishes.

#### **7. Public Art – Weight: 0.5**

*Harrah's:* Average: 1/5; Weighted score: 0.5

There is mention<sup>24</sup> of incorporating public art in the winter garden area and along Station Square Drive.

*Isle of Capri:* Average: 1/5; Weighted score: 0.5

<sup>24</sup> This was mentioned during a telephone conference on 3-6-06, with the applicant team and Strategic Planning Division staff.



There is mention<sup>25</sup> of incorporating public art in the atrium space in the form of colored glass artwork.

*Majestic Star*: Average: 0/5; Weighted score: 0

There is no mention of incorporating public art.

## **8. Spatial Organization – Weight: 1**

*Harrah's*: Average: 2/5; Weighted score: 2

There is clear internal spatial organization of the casino and subsidiary functions along a central axis. Main access to the casino is from Station Square Drive with legible and well laid paths accessing ancillary spaces. However, there is no access to the facility from the trail at the casino level. Access from the trail to the mezzanine level retail and dining is unclear.

*Isle of Capri*: Average: 3/5; Weighted score: 3

There is clear spatial organization of the casino and subsidiary functions as well as internal circulation within the casino. Main access to the casino is from Centre Avenue with legible and well laid paths accessing the ancillary spaces.

*Majestic Star*: Average: 3/5; Weighted score: 3

There is clear spatial organization and internal circulation. The site plan shows access from North Shore Drive. Internal circulation is along a peripheral ring path centered around the gaming activities with the glass tower as a central focus point.

## **9. Design Team – Weight: 2**

*Harrah's*: Average: 2.4/5; Weighted score: 4.8

California-based Calthorpe Associates are the urban designers for this proposal and are considered pioneers in mixed-use design and development. They are a highly reputed firm worldwide. SOSH Architects, from Atlantic City, are the architects for the casino. They have been responsible for the design of various gaming and hospitality facilities in Atlantic City and other parts of the country. Both firms have achieved design awards in their respective fields.

*Isle of Capri*: Average: 2.4/5; Weighted score: 4.8

The design team consists of Pittsburgh-based Urban Design Associates (UDA) as the urban designers. UDA is a firm that has been very active in the planning of this area and the neighboring residential community. Cope- Linder Architects are the architects for the casino. Cope- Linder is based in Philadelphia and they have been responsible for the design of various gaming and hospitality facilities in Atlantic City and other parts of the country. Both firms have achieved numerous awards in various categories.

*Majestic Star*: Average: 2.4/5; Weighted score: 4.8

Las Vegas based Bergman Walls and Associates are the leading architects for this proposal in collaboration with Pittsburgh-based Strada LLC. While Bergman Walls and Associates are highly experienced with designing casino facilities, Strada LLC have

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<sup>25</sup> This was mentioned during a February 23, 2006 meeting with the applicant team and Strategic Planning Division staff.

*Majestic Star*: Average: 0.3/5; Weighted score: 0.3

No plans for lighting and signage were presented, except for a rendering that displayed bold and flashy entrance signs.

**Finding – Quality of Design**

The following table lists the average and weighted average scores for the Quality of Design criteria. The total score for each applicant is out of 100 points.

Table 4: Summary of Building Design Analysis Scores

Design Impact Criteria	Weight	Harrah's		Isle of Capri		Majestic Star	
		Avg.	Weighted Avg.	Avg.	Weighted Avg.	Avg.	Weighted Avg.
Compliance with zoning code	1	2.0	2.0	2.5	2.5	2.0	2.0
Site Context	4	4	16.0	1.0	4.0	3.5	14.0
Non-gaming Uses and Public Spaces	2	3.0	6.0	1.5	3.0	2.8	5.6
Design approach	1	3.0	3.0	4	4.0	1.5	1.5
Building Facades	4	1.0	4.0	3.5	14.0	2.3	9.2
Building materials	2	2.3	4.6	3	6.0	1.3	2.6
Public Art	0.5	1.0	0.5	1.0	0.5	0.0	0.0
Spatial organization	1	2.0	2.0	3.0	3.0	3.0	3.0
Design Team	2	2.4	4.8	2.4	4.8	2.4	4.8
Environmentally friendly building design	0.5	0.6	0.3	1.6	0.8	0.0	0.0
Utilities	1	1.5	1.5	1.3	1.3	0.8	0.8
Lighting and signage	1	0.8	0.8	0.7	0.7	0.3	0.3
<b>Total Weighted Score</b>			<b>45.5</b>		<b>44.6</b>		<b>43.8</b>

Based on the above evaluation pertaining to the quality of design proposed by the casino operators, the **Harrah's Casino proposal, Isle of Capri proposal and the Majestic Star proposals** were tied receiving comparable total scores.

... are most likely initiated in f  
**Socioeconomic Analysis** ... of  
... of ...

This section addresses the potential socioeconomic benefits and impacts of the casino proposals in regards to jobs and impacts on existing businesses and adjacent communities. Fourteen criteria were developed to quantify and compare the socioeconomic implications of each proposal. The following are the specific findings concerning the evaluation and rating of each socioeconomic criteria and proposal. Table 5 at the end of this section summarizes and weighs the scores given for each criterion and provides an overall score for each casino proposal.

**Methodology** ... at the casino and 3,133 jobs ...  
... of 4,112 jobs ... and 783 of ...  
... The socioeconomic analysis is comprised of 14 categorical measures. For each category, casino operators were given numerical scores ranging from zero to five. The numerical scores denote how well the operator addresses or meets the criterion, with five being the highest (or best) possible score and one being the lowest. If the operator did not provide sufficient information to assess the criterion a score of zero was assigned.

In the analysis that follows, casino proposals are listed within each criterion in order of their numerical score. The first listed proposal gave the most satisfactory answer to the criterion, the second proposal listed gave the second most satisfactory answer, and the third proposal listed gave the least satisfactory answer or did not provide information. Two proposals with the same numerical score denote a tie. Numerical scores are then summed together and weighted by category at the end of the analysis and summarized in Table 5. However, the overall development plan includes a 1,200 unit condominium project on the eastern portion of the site. This analysis focuses on the impacts of the casino itself rather than impacts of the entire development plan submitted by the operators. It is an analysis of the qualitative impacts of the different aspects of applicant's plans related to community and social impact.

... proposal includes \$200 million for a new arena, which is a substantial addition to the City that may encourage additional investment. **1. Maximizes job creation and ensures jobs are quality jobs - Weight: 1**  
... There is also potential to spur mixed-use development on the existing arena.  
NOTE: Employment numbers submitted by the three applicants are defined and briefly evaluated below, but the numerical score is based on the proposed size and scale of the casino, which is similar for all three operators, and the quality of jobs that the operator has created at other facilities. The Department of City Planning is of the opinion that total employment and wages would not vary greatly between the three casinos. Because of this, all candidates were awarded a base numerical score of 4, with slight increases or decreases based on the operator's history as an employer. ...  
... Harrah's: 4.5/5; Weighted Score: 4.5 ...

Harrah's expects to create 2,232 jobs related to the casino operations and 1,358 jobs related to food, beverage, and other. This is a total of 3,590 jobs projected within the casino in the first year. Harrah's also projects an average annual wage of \$24,317. Harrah's expects that this impact will create 2,986 indirect jobs (jobs created by off-site economic activity attributable to the casino) and 1,543 induced jobs (jobs created by the multiplier effect of the direct and indirect impacts) also in year one. These numbers

**13. Community relations liaison and plan, with adequate resources to interface with neighbors – Weight: 1**

*Harrah's: 5/5; Weighted Score: 5*

Harrah's plans on employing a community relations liaison.

*Isle of Capri: 4/5; Weighted Score: 4*

Isle of Capri has not released a plan for interactions with the surrounding community once the casino has received a license. However, during the proposal stage, they have hired multiple liaisons to interact with the neighboring Hill District and Uptown neighborhoods through the Pittsburgh First team, and it is probable that they will continue to employ these people, should their proposal be selected.

*Majestic Star: 0/5; Weighted Score: 0*

The Department of City Planning was not able to gauge this criterion based on available information.

**14. Demonstrated history of community involvement and consideration of community concerns at other facilities – Weight: 1**

*Harrah's: 0/5; Weighted Score: 0*

The Department of City Planning was not able to gauge this criterion based on available information.

*Isle of Capri: 3/5; Weighted Score: 3*

The Department of City Planning was not able to locate independent sources able to comment on community interactions with the applicant. However, Isle of Capri has released a video on the Pittsburgh First website which features interviews with elected officials in municipalities in which they operate.<sup>43</sup> Two mayors in Iowa, along with elected officials in Great Britain, spoke very favorably of Isle of Capri's interactions with the community within their jurisdictions.

*Majestic Star: 0/5; Weighted Score: 0*

The Department of City Planning was not able to gauge this criterion based on available information.

**Finding – Potential Socioeconomic Benefits and Impacts**

Table 5, on the following page, lists the scores and total weighted scores for the Socioeconomic criteria. The total score for each applicant is out of 100 points.

<sup>43</sup> "Isle of Capri Mayoral Advocates Video", <http://boss.streamos.com/wmedia/penguins/video/politicians-1.asx>.

Table 5: Summary of Socioeconomic Analysis Scores

Socioeconomic Impact Criteria	Weight	Harrah's Casino		the Regent's Isle of Capri		Majestic Star	
		Score	Weighted Score	Score	Weighted Score	Score	Weighted Score
Maximizes job creation and ensures jobs are quality jobs	1.0	4.5	4.5	4.0	4.0	3.5	3.5
Potential to leverage additional investment in the City	3.0	3.0	9.0	5.0	15.0	3.5	10.5
Provides meaningful service sector job training for Pittsburgh residents	0.5	5.0	2.5	4.0	2.0	3.0	1.5
Aggressively recruits Pittsburgh residents as employees and vendors	1.0	4.0	4.0	4.0	4.0	4.0	4.0
Implements enforceable diversity plan with meaningful goals and oversight	1.0	4.0	4.0	4.0	4.0	5.0	5.0
Maximizes ability to market to suburban and overnight visitor gamers	3.0	5.0	15.0	3.0	9.0	2.0	6.0
Promotes visitor spending off of casino floor and outside casino walls	3.0	5.0	15.0	2.0	6.0	1.0	3.0
Complements convention, tourism, hotel, retail, and restaurant activity	1.0	4.0	4.0	3.0	3.0	2.0	2.0
Utilizes existing Pittsburgh restaurant/bar/retail vendors in the casino complex	1.0	1.0	1.0	2.0	2.0	0.0	0.0
Has received positive feedback from community	1.0	3.0	3.0	3.0	3.0	2.0	2.0
Proposal is integrated into existing neighborhood plans	0.5	3.0	1.5	0.0	0.0	0.0	0.0
Plan to fund programs and/or a special service district to aid nearby communities	2.0	4.0	8.0	3.0	6.0	3.0	6.0
Community relations liaison and plan, with adequate resources to interface with neighbors	1.0	5.0	5.0	4.0	4.0	0.0	0.0
Demonstrated history of community involvement and consideration of community concerns	1.0	0.0	0.0	3.0	3.0	0.0	0.0
<b>Total Weighted Score</b>			<b>76.5</b>		<b>65.0</b>		<b>43.5</b>

## Transportation and Parking Analysis

This section evaluates the transportation accommodations and potential impacts of the three casino development proposals. Seven criteria were developed to quantify and compare the transportation implications of each proposal. The following are the specific findings concerning the evaluation and rating of each transportation criteria and proposal. Table 6 at the end of this section summarizes and weighs the scores given for each criterion and provides an overall score for each casino proposal.

### Methodology

This evaluation is a summary of a more detailed review of the traffic and parking reports submitted by transportation planning and engineering consultants hired by each casino developer to address the impacts of each of the proposals on the City's transportation infrastructure. The comprehensive report is titled, "Transportation and Parking Analysis, A Comparative Evaluation of Three Casino Gaming Sites in Pittsburgh." It is included in the Appendix of this report. The traffic and parking impact reports reviewed by the Department were prepared by Trans Associates Engineering Consultants of Pittsburgh for the Isle of Capri (IOC), GAI Consultants of Pittsburgh for Harrah's Station Square Casino (HSSC), and the IBI Group of Toronto, Ontario, Canada for Majestic Star Casino (MSC).<sup>44</sup> This section has also drawn from work performed for the Philadelphia Gaming Advisory Task Force and published in a report to Mayor John F. Street titled, "Final Report, Philadelphia Gaming Advisory Task Force" dated October 27, 2005.

This section evaluates the traffic and parking impacts of a 5,000 slot casino operation including the impact of the Isle of Capri casino operation on the Lower Hill District and the Uptown area, the Forrest City and Harrah's proposal on the Station Square area along the Monongahela River, and the Majestic Star development on the North Shore area. Included in these evaluations are comparative assessments of existing and projected traffic, parking, and pedestrian conditions on streets that would be used to access each site; including existing and future capacity opportunities or constraints associated with each site.

A technical analysis of the advantages and disadvantages associated with each casino gaming proposal and site location was conducted with respect to the seven criteria. The criteria are listed below. Supporting questions or statements were developed to address various elements of each criterion. Each supporting question or statement was rated on a scale of one (1) to five (5). One is undesirable and five is most desirable. A zero was assigned if available information was insufficient to rate the proposal. These ratings were assigned based on the evaluation of information provided in each consultant's report. An average score was determined for each criterion and

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<sup>44</sup> Isle of Capri was the only applicant to conduct a comprehensive traffic and parking study of their master development plan as required by the City. Isle of Capri's study included a very expansive study area, data collection, and data analysis effort. Harrah's and Majestic completed a limited traffic study due to the lack of time and the application deadline established by the State's Gaming Control Board. It was understood that if either of them were to be awarded the Pittsburgh license, a more comprehensive traffic analysis would be completed.

proposal. Each criterion was also weighted depending on the relative significance of the criterion. The final score for a particular criterion and proposal was the product of the average score and the assigned weight. The sum of the scores of all the criteria determined the final score for each proposal. A detailed evaluation of the criteria and supporting questions are included in Table A4 in the Appendix. Table 6 provides a summary of the criteria and proposal scores. Below are descriptions of the seven criteria and related scores.

**1. Convenient regional highway access – Weight: 4**

*Harrah's* : Average: 1.7/ 5; Weighted score: 6.8

Phase one of Harrah's proposal includes construction of a 3,100 space parking garage. All regional access to the facility relies on Carson Street for varying distances. The casino's site drive off Carson Street will be located in close proximity to Fort Pitt Bridge ramps providing direct access from I-279N, I-376 and Route 65. Access via the bridge to and from I-376 requires negotiation of a substandard weave. There is also an exit ramp from I-376W onto Grant Street and Fort Pitt Boulevard to the site via the Smithfield Street Bridge and Carson Street. Route 51 is accessible through the Liberty Tubes, the Wabash HOV Tunnel, and the West End Circle via Carson Street. I-279S is accessible through the Wabash HOV Tunnel or West End Circle. Carson Street will remain a bottleneck for casino access although pending improvements to the West End Circle may help. Harrah's is proposing \$4.9 million in local traffic improvements for both Phase one and two.

*Isle of Capri*: Average: 2.2/ 5; Weighted score: 8.8

Isle of Capri's phase one proposal calls for a 4,301 space parking garage to be located off Centre Avenue. The Cross Town Expressway (I-579) is the major transportation artery accessing the site. Extending from the Veterans Bridge to the Liberty Bridge, it provides connections to I-279 to the north and Route 28 to the Allegheny Valley and access from the Liberty Bridge and I-376 via the Boulevard of the Allies. Access to and from I-279S and Route 65 requires use of Grant Street and 7<sup>th</sup> Avenue in downtown.

Design year 2008 peak hour congestion is anticipated at several nearby intersections. Isle of Capri is offering to design and implement the necessary signal modifications and roadway improvements at a cost of \$8.1 million.<sup>45</sup> However, access through downtown streets will remain congested during peak periods.

*Majestic Star*: Average: 1.3/ 5; Weighted score: 5.2

The Majestic Star Casino development includes construction of a 4,186 stall parking garage in Phase one. The site is located in close proximity to I-279, including the I-279N HOV facility. Other routes near the site include State Route 28, State Route 65, State Routes 51 and 19 via the West End Bridge, and I-376 via the Fort Duquesne Bridge. Reedsdale Street and North Shore Drive provide immediate access to the site from these regional facilities. Egress to I-279N and Route 28N are provided by General Robinson Street. Majestic Star is proposing \$10.79 million in local traffic improvements for both Phase one and two to North Shore Drive and Reedsdale Street.

<sup>45</sup> A list of the improvements and associated costs can be found in "Transportation and Parking Analysis, A Comparative Evaluation of Three Casino Gaming Sites in Pittsburgh." Department of City Planning. March 17, 2006.

Various merge movements and one-way restrictions present physical and operational challenges to motorists accessing the site. Consequently, the use of the existing street network to accommodate the casino traffic will be problematic

## **2. Convenient local access by car – Weight: 3**

*Harrah's*: Average: 2.4/ 5; Weighted score: 7.2

The Harrah's site is directly served by Carson Street from the West End Circle, Fort Pitt Bridge, and Smithfield Street Bridge. From Carson Street access would be provided via an internal private two-lane access road serving the casino site and Station Square. Harrah's is proposing improvements to the Station Square driveways, widening the approaches to the Carson and Smith intersection, and a pedestrian bridge over Carson at the intersection, near the Monongahela Incline.

The site has some physical challenges and liabilities, however; direct access to the site would be limited to a single arterial street, Carson Street, a state highway currently experiencing peak period and event congestion. There are limited opportunities to further mitigate congestion. Consequently, this congestion is expected to continue during casino peak periods.

*Isle of Capri*: Average: 3.2/ 5; Weighted score: 9.6

The Isle of Capri site has many local roads with sufficient or excess capacity to access the site including Centre Avenue, Fifth Avenue, Forbes Avenue, Crawford Street, Pride Street, Washington Place, and Bedford Avenue. The primary access route includes Centre Avenue, Washington Boulevard, Fifth Avenue and Grant Street.

Isle of Capri is proposing complete reconstruction of Washington Place and Centre Avenue, including signal modifications and pedestrian enhancements.

The same roadways that access the site have potential challenges and liabilities. Fifth Avenue, Forbes Avenue, and Grant Street in downtown have heavy pedestrian volumes, intersection congestion, and on-street parking on Fifth and Forbes in the Uptown District. Chatham Square operates as an extension of Washington Place. It connects Fifth Avenue to Forbes Avenue and is narrow and congested during peak travel times. Crawford Street, between Bedford and Centre, is one lane in each direction with parking on both sides providing a north and south connection at the eastern edge of the site. Because of its residential character, it is not well suited for site access. Fifth Avenue, adjacent to the site, operates as two lanes westbound into the downtown area. There is parking on both sides of the street with numerous bus stops. Intense truck loading and unloading activities, commingled with through traffic, parking and un-parking of cars, and high pedestrian volumes, are common place on Fifth Avenue.

*Majestic Star*: Average: 2.3/ 5; Weighted score: 6.9

The site is located in close proximity to I-279, including the HOV facility, State Route 28, State Route 65, State Routes 51 and 19 via the West End Bridge, and I-376 via the Fort Duquesne Bridge. Direct site access is provided via North Shore Drive, Reedsdale Street, Fontella Street, and portions of Ridge Avenue and Western Avenue. I-279 North is accessed via a ramp on East General Robinson Street approximately a half mile east from the site.

The challenges and liabilities of local access to the site via private automobile are the same as those encountered with regional highway access. The various merges and one way roadway configurations would limit local site accessibility. Consequently, local access to the existing street network would be problematic. Majestic Star is proposing signal and roadway improvements for North Shore Drive and Reedsdale Street.



### 3. Access by public transit —Weight: 3

*Harrah's*: Average: 2.1/ 5; Weighted score: 6.3

The Harrah's site is the best situated for maximum use of public transportation with numerous bus routes on Carson Street, an LRT Station to the east of the site, an HOV tunnel, two inclines, and river taxi service. Bus service in the area consists of fourteen bus routes that serve neighborhoods and suburbs in the southern part of the City and County. The LRT Station serves South Hills neighborhoods with connections to downtown. Harrah's traffic impact analysis estimates that fifteen percent (15%) of the casino patrons and twenty five percent (25%) of the employees would arrive at the site via public transportation. DCP believes that these estimates are too high.

*Isle of Capri*: Average: 1.8/ 5; Weighted score: 5.4

The proposed Isle of Capri site is well served by public transit. Directly serving the site on Centre Avenue, between the central business district and neighborhoods in the east, are three bus routes. Extensive transit service is also available on Forbes Avenue and Fifth Avenue. The site is also within short walking distance of the LRT Steel Plaza Station. The traffic impact analysis has determined that twelve percent (12%) of casino patrons and employees will arrive at the site via public transportation.

The challenges and liabilities of public transit include a lack of service between the southern edge of the site on Forbes / Fifth Avenues and the northern edge of the site on Bedford Avenue. Too many bus routes on Fifth Avenue would contribute to peak hour congestion and unsafe conditions for pedestrians. The proposed casino truck access on Fifth Avenue would add to this congestion and create conflict in the future (increasing the potential for accidents).

*Majestic Star*: Average: 1.2/ 5; Weighted score: 3.6

The Majestic Star site is not well served by public transit. Current services include only three routes operated by the Port Authority of Allegheny County (PAAC) and one route operated by the Beaver County Transit Authority (BCTA). Only one PAAC route provides direct service to the site. The site will have improved transit service in the future with the planned construction of the North Shore Connector project. The project will extend the LRT system from downtown to the North Shore with a station at the intersection of Reedsdale Street and Allegheny Avenue (1,200 feet from the site). The riverfront will provide opportunities to provide a mooring area for a water taxi facility, ferry services and personal boat docking facilities. It is estimated that ten percent (10%) of Majestic Star's casino patrons and four percent (4%) of the employees will arrive at the site via public transportation.

### 4. Casino must be accessible to pedestrians — Weight: 1

*Harrah's*: Average: 3.1/5; Weighted score: 3.1

The Harrah's site is the second most suitably located for convenient and safe pedestrian access and circulation. Harrah's has assumed that pedestrians coming to their casino would typically come from the downtown, Southside, Mt. Washington, and Duquesne Heights. Harrah's estimates that five percent (5%) of their patrons and fifteen percent (15%) of their employees would walk to the casino site. However, the DCP believes that this estimate is relatively high. The site is approximately a 20 minute walk from the center of downtown Pittsburgh. The Southside is at least a mile away from the site and that makes walking to the site improbable. The site is isolated; with the

5,000 to 7,500 spaces. Based on information provided, the Isle of Capri intends on meeting all of their parking needs for casino patrons on the site with the 4,301 space garage. Casino employee parking would be provided at off site locations (to be identified later) and transported to the site via shuttle buses. In addition the casino development will displace a total of 1,300 spaces. The Isle of Capri has identified 9,837 off-site alternate parking spaces in facilities within a fifteen minute walk for use by patrons, employees, and displaced parkers. However, there is no certainty that they would use these spaces en mass during peak casino and other event hours.

Given the location of the Isle of Capri's site, there is a possibility that some of these parkers may infiltrate the Crawford Square and Hill District neighborhoods for free parking spaces on the street during peak casino hours on Friday and Saturday.

*Majestic Star:* Average: 3.4/5; Weighted score: 6.8

Majestic Star estimates its parking demand to be 4,186 spaces for patrons and 600 for employees. (These parking demand estimates are comparable to industry standards.) Majestic Star would build a 4,186 space parking garage on site for casino patrons and park most of its employees in remote parking areas (to be identified) with shuttle buses to and from the site. The development would displace 1,100 parkers. These parkers could be accommodated elsewhere on the North Shore.

**6. Adequate space for bus, taxi, and other common carrier transportation, including staging, loading and un-loading — Weight: 3**

*Harrah's:* Average: 3.2/5; Weighted score: 9.6

All truck operations are presumed to take place within the site. However, no definitive information is provided in the report regarding truck arrivals and circulation and docking operations at the casino. Harrah's site plan shows porte-cochere operations at the casino entrance on the Carson Street side of the structure. Insufficient information is provided to evaluate porte-cochere operations. The staging of buses is presumed to take place on site since Forest City has site control.

*Isle of Capri:* Average: 3.4/5; Weighted score: 10.2

Isle of Capri is proposing a 700 foot loading dock area that will be integrated into the basement of the casino building. This would provide enough dock space to maneuver and stage all trucks internally instead of on the public street. The casino would be designed to have a porte-cochere with entrance and exit on Centre Avenue for drop offs. Trucks and tour/charter buses would access the site via Fifth Avenue. This could exacerbate peak hour congestion on Fifth Avenue as well as potential conflicts between PAT buses, truck loading/unloading, casino trucks, charter buses, and pedestrians. A location for off-site bus staging will to be identified at a letter date.

*Majestic Star:* Average: 3.2/5; Weighted score: 9.6

Majestic would provide separate loading areas for the casino and restaurant uses on the site. The proposed site plan shows casino truck loading docks for two semi-trailer trucks and three large single unit trucks. All truck loading would be accessed via Reedsdale Street. However, the report does not show analysis documenting how the number of dock spaces was determined and no truck loading management plan was included. The staging of buses is presumed to take place on site since Majestic Star has site control.

## **7. Minimize the potential for traffic congestion – Weight: 4**

Private automobile travel would be the predominant mode of travel to and from all three casino locations. The following is a summary assessment of each of the development proposals and their impact on existing and design year traffic conditions on the City's transportation infrastructure and nearby residential neighborhoods.

*Harrah's*: Average: 2.1/5; Weighted score: 8.4

Access to the Harrah's site is constrained due to only one arterial (Carson Street) providing direct access to the site. Harrah's has proposed improvements at the Smithfield and Carson intersection and the intersection of Carson and Arlington. The DCP has concerns regarding future traffic operations on Carson Street, particularly at the above intersections.

There are also some issues with the scope and breadth of the Harrah's analysis of the traffic. Data collection was limited to the immediate Carson Street/Smithfield Street corridors adjacent to Station Square. It did not include the wider casino influence area, such as East Carson Street beyond Arlington Avenue, the South Side neighborhood, West End Circle, the West End neighborhood, and arterials and intersections in the central business district. All of these areas would be impacted by casino traffic.

*Isle of Capri*: Average: 3.0/5; Weighted score: 12.0

The Isle of Capri location has the most roadway infrastructure with sufficient reserve capacity to accommodate future traffic that will be generated by the casino. However, there would be some capacity problems in the future at a few key intersections. To address these problems, Isle of Capri has recommended several roadway improvements and traffic signal modifications. The cost of those improvements, to be borne by Isle of Capri, is estimated at \$8.1 million for phase one.

*Majestic Star*: Average: 2.0/5; Weighted score: 8.0

Traffic flow to and from the Majestic Star site would be confusing and unsafe due to the one-way street system and weaves that currently exists. However, in the 2008 design year during the weekday peak period, Majestic Star projects that casino traffic can be accommodated without any significant problems. The Division believes that future congestion on Reedsdale Street, Allegheny Avenue, Ridge Avenue, North Shore Drive, General Robinson Street, and Sixth Street would be much worse than depicted in the report. In particular, Reedsdale Street would fare worse since there does not appear to be any opportunities to physically widen the road in the future. Majestic proposed to widen Reedsdale Street to four lanes, install new signals at key intersections, and modify existing signals to accommodate future casino demand.

### **Finding – Transportation Accommodations and Impacts**

The following table lists the average and weighted average scores for the transportation criteria. The total score for each applicant is out of 100 points.

Table 6: Summary of Transportation Analysis Scores

Traffic and Parking Criteria	Weight	Harrah's		Isle of Capri		Majestic Star	
		Avg.	Weighted Avg.	Avg.	Weighted Avg.	Avg.	Weighted Avg.
Convenient regional highway access	4	1.7	6.8	2.2	8.8	1.3	5.2
Convenient local access by car	3	2.4	7.2	3.2	9.6	2.3	6.9
Accessible by public transit	3	2.1	6.3	1.8	5.4	1.2	3.6
Accessible to pedestrians	1	3.1	3.1	3.3	3.3	1.9	1.9
Provides adequate parking on or adjacent to the site	2	3.3	6.6	3.6	7.2	3.4	6.8
Adequate space for staging, loading, and unloading	3	3.2	9.6	3.4	10.2	3.2	9.6
Minimizes potential for traffic congestion	4	2.1	8.4	3.0	12.0	2.0	8.0
<b>Total Weighted Score</b>			<b>48.0</b>		<b>56.5</b>		<b>42.0</b>

Based on the above evaluation and criteria ratings concerning the potential transportation accommodations and impacts of the casino proposals, the **Isle of Capri** proposal scored the highest with 56.5 out of 100 points. Harrah's was second with 48 points and Majestic Star third with 42.