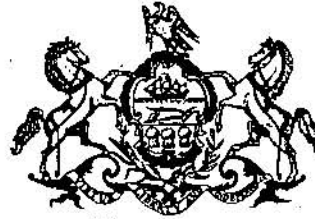


KATHY M. MANDERINO, MEMBER



House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

REPRESENTATIVE OF THE
194TH DISTRICT

COMMITTEES

APPROPRIATIONS
HEALTH AND HUMAN SERVICES
INSURANCE
JUDICIARY
DEMOCRATIC CHAIR, SUBCOMMITTEE
ON FAMILY LAW
POLICY

April 17, 2006

FILED

MAY 24 2006

Board Clerk PGCB

Pennsylvania Gaming Control Board
ATTN: Board Members
P.O. Box 69060
Harrisburg, PA - 17106

Re: **Keystone Redevelopment Partners, LLC (Trump Street)
Gaming Application, Philadelphia, PA**

Dear Members of the Gaming Board:

I am writing to express my opposition to locating one of the Philadelphia gaming venues at the former Budd Company site in the Hunting Park section of Philadelphia.

I supported the establishment of two free standing gaming licenses in the City of Philadelphia because I was persuaded by the very strong arguments made by the hotel, convention, and tourism interests; namely, that gaming venues located within close proximity to the Pennsylvania Convention Center will greatly enhance the convention and tourism business, extend visitors' stays, and help to fill hotel rooms in the City, creating great synergy with the existing tourism infrastructure. I still believe that.

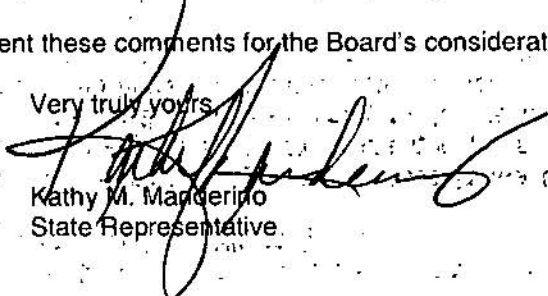
The Trump Street proposal for the Hunting Park section of Philadelphia will not create that synergy. It will become an "in and out" venue. It will make money on its own, but I seriously doubt it will add enhanced value (i.e., enhanced spending) to the larger tourism industry.

In addition, the plan proposes to use the land on which Randolph Skills Center is currently located as its main entrance. This is unacceptable for two reasons. First, we should not be dislocating an active and vital city high school for a gaming site. Second, using this land, which fronts onto Henry Avenue, will facilitate traffic traveling through predominantly residential areas to arrive at the gaming site.

An entrance on Henry Avenue will make Henry Avenue a major artery feeding the site from the Western suburbs. Henry Avenue runs from the Montgomery County border straight through the Andorra, Roxborough, Wissahickon, and East Falls residential neighborhoods of Philadelphia. Traffic will not limit itself to I-76 and Route 1 as the proponents contend. If this site is seriously considered for one of the two gaming licenses, the applicants should be required to build the highway infrastructure that will funnel traffic off of Route 1 directly into the Trump Street site without using any current residential streets.

Thank you for allowing me to present these comments for the Board's consideration.

Very truly yours,


Kathy M. Manderino
State Representative

THE SCHOOL DISTRICT OF PHILADELPHIA
SCHOOL REFORM COMMISSION

OFFICE OF GENERAL COUNSEL

April 11, 2006

Mr. Michael Edmiston
Director of Hearings and Appeals
Pennsylvania Gaming Control Board
Harrisburg, PA 17106-9060

RE: Public Hearings

Dear Mr. Edmiston:

This is to confirm my advice to you on Monday, April 10, 2006 that Paul G. Vallas, Chief Executive Officer of the School District of Philadelphia is not available to testify in person, but that the School District will be submitting written remarks to be included in the record before the deadline of June 2, 2006.

Thank you very much for your cooperation.

Very truly yours,

Miles H. Shore

Miles H. Shore
Interim General Counsel

MHS/jmc

cc: Sandra Dungee Glenn, Commissioner
Paul G. Vallas, Chief Executive Officer

THE SCHOOL DISTRICT OF PHILADELPHIA
SCHOOL REFORM COMMISSION

OFFICE OF GENERAL COUNSEL

April 19, 2006

Mr. Michael Edmiston
Director of Hearings and Appeals
Pennsylvania Gaming Control Board
Harrisburg, PA 17106-9060

RE: Public Hearings

Dear Mr. Edmiston:

Enclosed please find the written comments of Paul G. Vallas, Chief Executive Officer of the School District of Philadelphia to be included in the record of the Public Input Hearings held in Philadelphia on April 10, 2006.

Thank you very much.

Very truly yours,

Miles H. Shore

Miles H. Shore
Interim General Counsel

MHS/jmc
Enclosure

cc: Paul G. Vallas, Chief Executive Officer
Claudia Averette, Chief of Staff

**Comments of Paul G. Vallas
Chief Executive Officer
School District of Philadelphia**

**Pennsylvania Gaming Control Board
April 10, 2006**

Good Morning Chairman Decker and Members of the Gaming Control Board. I appreciate the opportunity to speak before you this morning. In my brief comments today, I will discuss the proposed Trump Casino which abuts the Randolph School, a District facility, and the commitments we believe Trump must make prior to approval by the Commission. In addition, I will discuss what the District believes are necessary contributions to be made by gaming facilities in Philadelphia to mitigate their impact on local schools and to improve the city as a whole.

As you are aware, Trump Entertainment Resorts Inc. ("Trump Resorts") has proposed the development of a new casino and entertainment facility on the former Budd Company site in North Philadelphia. In order to accommodate the redevelopment of the Budd site, Trump has offered informally to purchase the District run Randolph Skills Center located at the corner of Henry and Roberts Avenue for \$17.5 million. It is worth noting that if the District does not sell the property to Trump, the casino will be in close proximity to the Randolph Skills Center a situation that will benefit neither Trump nor our students.

As a brief reminder to the Board, if the Trump facility is approved, the students at Randolph will attend school next to a gaming facility that is 90,000 square feet, with close to 1,000 employees, and associated traffic and congestion issues. We believe this is a significant consideration.

While the Trump proposal has the potential to create significant tax revenue as well as improvement to the surrounding community, I am concerned that the proposal does not include a plan to construct a new Randolph Skills Center as discussed previously

with Trump. In fact, the plan only includes a \$17.5 million investment in a new facility for the Randolph Skills Center, an amount which falls far short of the cost to either construct a new high school or to renovate the existing one.

Because of the impact of the Trump proposal on the Randolph Skills Center, the District asks that the Commission reject the Trump application unless Trump meets the terms laid out in our October 31, 2005 letter to Trump (See Attached Letter). Specifically, in exchange for conveying the Randolph site to Trump, we would request that Trump construct a replacement vocational high school on a site and according to the design specifications of the District. We believe that such a commitment by Trump will maximize the benefit of their proposed facility to Philadelphia by creating a state of the art casino and by eliminating the potentially dangerous mix of students and gaming in close proximity to one another.

In addition to the Trump proposal, I would like to briefly outline for the Commission and the general public what I believe any Philadelphia applicant approved by the Commission can do to benefit both the children of the City of Philadelphia and the city as a whole.

Recently, the *Pittsburgh Post Gazette* published an article in which the Isle of Capri Casinos, Inc. pledged to spend \$290 million to construct a new arena for the Pittsburgh Penguins if their application is approved by the Gaming Commission. The pledge by Isle of Capri is a clear indication of what many have known for some time – legalized slot machines in Pennsylvania will be extremely profitable.

The Isle of Capri application, heralded in Pittsburgh by the *Post Gazette* as the best of the potential applicants, could pale in comparison if Philadelphia applicants were willing to follow the course I will lay out for them this morning. Specifically, if the applicants approved for Philadelphia were willing to commit \$10 million apiece annually to a classroom modernization fund for public, private, and parochial schools in Philadelphia, we could revolutionize education in Philadelphia and provide the

applicants, the city, and the state with the greatest potential long-term benefit conceivable; a highly skilled workforce for the future.

Specifically, by allocating \$10 million annually into a classroom modernization fund, the applicants could create and maintain a learning environment where every classroom includes:

- Wireless internet access
- Laptop computers for each of the students
- Wall mounted interactive smart boards
- Printer and workstation areas tied to the Local Area Network
- Modular furniture for flexible instruction
- Electrical upgrades

A modernized classroom environment can provide all of the city's students with a teaching and learning environment that will allow for web based educational programs supported by digital tools and resources including on-line textbooks, electronic portfolios, advanced search engines, individualized tutorial programs offering enrichment and remediation, and virtual learning programs.

We would request that the licensees in Philadelphia adopt the precedent set by the Children's Fund established by the Phillies and the Eagles as part of the city's stadium agreement. Under the stadium agreement, each team places \$1.0 million into the fund for thirty years. The fund will finance programs that benefit children, and the teams conduct business in more profitable venues.

A recommended classroom modernization fund could be structured to allow each licensee to place \$10 million into the fund annually for thirty years. Two-thirds of the funds would be distributed to public and charter school classroom modernization projects and one-third would be distributed to parochial and private school classroom modernization projects.

There can be no doubt that providing all of the city's students with a fully modernized classroom will create highly individualized learning experiences for all of our children, aggressively support the concept of life long learning, and will position all of the city's students to be successful in the 21st Century.

Thank you again for allowing me to testify.

THE SCHOOL DISTRICT OF PHILADELPHIA

PAUL G. VALLAS
CHIEF EXECUTIVE OFFICER

October 31, 2005

Robert M. Pickus
Executive VP, Secretary and General Counsel
Trump Entertainment Resorts, Inc.
1000 Boardwalk at Virginia Avenue
Atlantic City, NJ 08401

Re: Randolph School - Potential Gaming facility (Budd Site)

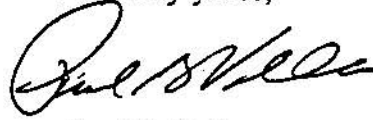
Dear Mr. Pickus:

Thank you very much for your letter dated October 6, 2005 in which Trump Entertainment Resorts Inc. ("Trump") offers to construct a new Randolph Skills Center for the School District on the site of the proposed gaming facility if the District agrees to convey the current Randolph Skills Center property, located at Henry and Hunting Park Avenues, to Preferred Real Estate Investments, Inc., the owners of the former Budd site on which the gaming facility would be built. You asked for a "non-binding" letter of intent from the District agreeing to your proposal to submit to the Pennsylvania Gaming Control Board along with your application for a gaming license by a December 28, 2005 deadline. The letter was not intended to be binding on the District unless and until Trump received a gaming license from the Commonwealth of Pennsylvania.

The School District of Philadelphia is very interested in conveying the Randolph High School property to Trump in exchange for the construction of a new high school on a site and according to design and construction specifications determined by the School District. However, no proposal could be binding on the District until the details of the project are better understood and unless and until a definitive agreement is negotiated, executed and approved by the School Reform Commission at a public meeting. In addition, the sale of the Randolph property to PREI must be approved by the Court of Common Pleas, as may be required by the Public School Code. The points for future discussion include location and size of the school site and building, title, reimbursement for the District's expenses, community opposition, environmental inspections and possible remediation. The School District does not have any legally binding obligation to PREI or Trump including, but not limited to, a legal duty to negotiate or to reach an agreement.

If you have any questions or concerns, please don't hesitate to contact me. I look forward to discussing this project further.

Very truly yours,



Paul G. Vallas

cc: Natalye Paquin, Esq., Chief Operating Officer
Claudia Averette, Chief of Staff
Miles H. Shore, Interim General Counsel



PA Gaming Control Board Members
P.O. Box 69060
Harrisburg PA 17106-9060

May 30th, 2006

Dear Board Members:

When I spoke at the PA Gaming Control Board hearings on April 12th, 2006, I represented the Multi-Community Alliance. As the Chairman of this 27 organization coalition, I spoke on behalf of many residents living near the 82 acre Budd site, residents who came together to unite the communities of Abbottsford, West Allegheny, East Falls, Nicetown, Tioga, and South West Germantown. Members of each of the area's were meeting regularly with Trump representative Robert Pickus and their consultant Harry Ceisler to improve, enhance, and safe guard a Community Benefit Agreement proposal, offered to us on November 14th, 2005. (Letter enclosed)

The 6 organizations talking with Trump representatives where chosen to represent the remaining 21 organizations that comprised the M.C.A., based on their geographic closeness to the Henry and Roberts Avenue site. These groups spoke for, and were accountable to other groups and communities such as Strawberry Mansion, Greater Germantown and Mannyunk. Residents represented lived within a mile in circumference around the proposed site.

As I stated at the hearings, the M.C.A. met with, and listened to the Trump proposal for many months. Organizing large Towne Meetings in each area and inviting Trump representatives to make their presentations at length. Our residents turned out for these meetings in unprecedented numbers with many audiences totaling between 200 to 400 attendees. With unbiased and impartial chairmanship we hosted these meetings, and listened to Trump speakers with respect and patience before allowing our neighbors to question, comment, and fill out surveys on whether they favored or opposed a Slots Parlor in their community. The people answered this question loud and clear. Ninety percent of the verbal expressions were of concern and opposition, while 70% of the surveys were opposed. In fact only 15% of the surveys were in favor since the other 15% indicated undecided or only with significant conditions of safety and compensations.

After a series of 6 meetings, the M.C.A. wrote to the Philadelphia Gaming Task Force and indicated our communities' sentiment of oppositions. Yet, we agreed to continue to meet with Trump representatives and residents to expand the dialogue and increase the survey process.

On February 8th, 2006 we began discussion on the C.B.A. proposed to us by Trump and a series of five (5) C.B.A. discussions took place in the Abbottsford Homes. During these discussions significant changes were made to the original CBA offer, but the M.C.A. made it clear that we would only sign such an agreement if the communities

we represented changed their sentiments of opposition and ratified the language and spirit of the agreement We met weekly or bi-weekly from February to March 24th, 2006, in a respected spirit of trust and good faith, until Trump representatives became anxious about needing a signed agreement by the April 10-11-12 Pa Gaming Control Board Hearings.

When it became apparent this could not be accomplished and after an April 4th, 2006, public dispute at a Trump sponsored meeting at Mercy Vocational High School in West Allegheny, Trump representatives decided to cancel the last scheduled meeting before the hearings. That meeting was originally scheduled for April 5th, 2006.

During the hearings the M.C.A and many of its member groups spoke of our communities opposition while two M.C.A. groups Allegheny West Foundation, (who recently dropped out of the MCA) and Tioga United, who remain a MCA group, spoke in favor of the Slots Parlor.

During the hearings, Mr. Pickus stated he would be calling me the following week to, (I assume), renew our talks on the C.B.A. Instead, I received a call from Mr. Pickus, inviting me to attend a meeting to discuss a phone survey Trump had commissioned, and he told me that Trump would no longer be discussing a C.B.A. with the M.C.A. He stated that he was not sure who they'd be discussing a C.B.A. with, but since he had promised the Gaming Control Board a signed C.B.A. during his summation on April 12th, We knew where he was heading and what groups he would choose to talk to. On two occasions I asked Mr. Pickus to put into writing Trumps decision to break off talks with the M.C.A., and although he first indicated that he would think about it, he later said he would not do it. A short time later the M.C.A. learned officially what we already knew, Trump Entertainment had chosen the two organizations, which openly supported them at the hearing to construct their C.B.A. with, namely, the Allegheny West Foundation, and the Tioga United Organization. This move to craft an agreement with only 2 of the original groups within the 27 group M.C.A was viewed by the M.C.A as a violation of the trust and good faith previously demonstrated at the meetings and C.B.A. talks. It was, in our eyes, a naked attempt to cause division and strife within a previously united alliance. For Trump Entertainment to think that they can pick and choose a smaller element within the community to speak on behalf of the broader, more representative community is a sign of disrespect and arrogance toward the people who the M.C.A. represent. We have appealed to our area elected officials to either correct or denounce this action, and await the efforts of Councilman Michael Nutter, State Senator Shirley Kitchen, State Rep. Jewell Williams, and Councilwoman Donna Miller to correct this brazen attempt to use two organizations to speak on behalf of those they do not represent. The Trump site is in the 38th Ward and the 4th Councilmatic district, and the 197 State representative districts. As 38th Ward Leader, I represent the people around this Henry and Roberts site, as does Councilman Michael Nutter, State Rep. Jewell Williams, State Senator Vincent Hughes and Congressman Chaka Fattah as well as U.S. Senator Arlen Specter. How can Trump Entertainment choose community groups who cannot even vote for these representatives who speak for this area? The M.C.A. respects and welcomes the interest and input of State Rep. Rosita Youngblood, State Senator Shirley Kitchen, and Councilwoman Donna Miller, since this project is so large it will definitely affect their constituents, but to a

lesser degree than those who live closer and will be most impacted by it, as well to a lesser degree than those who vote and represent the actual site.

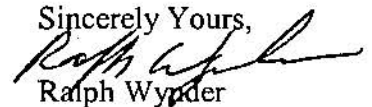
The truth is that this proposed site is not Nicetown or Tioga. It is in Upper North Philly or lower East Falls. The closest affected community is the Abbottsford Homes Development and the Upper West Allegheny Community and the East Falls community, all of which resides in the 38th Ward, the 4th Councilmatic District and the 197th Legislative District.

The mistruths and deception regarding the actual sites location were not by accident, they were deliberate attempts to confuse and mislead the media and the public, not to mention the members of the Pa Gaming Control Board to think that the area was more desperate and in need of being saved by a casino.

It is also an attempt to deceive your board members into thinking that the C.B.A. is being signed by the closest community groups, which is not true.

We within the M.C.A. will continue to represent our community with principle and integrity. We seek no individual gain or advantage, only the well being and respect deserved of those we represent. The final decision on where slots are located lies with your board, but the ultimate verdict on gambling parlors in community's rest with a higher force, God Almighty. I am comfortable and confident that whatever decision is rendered by your board, Justice will inevitably be done.

Sincerely Yours,



Ralph Wynder

Chairman- Multi-Community Alliance

BEFORE THE PENNSYLVANIA GAMING CONTROL BOARD

In re: Application of Keystone Redevelopment Partners, LLC,
d/b/a TrumpStreet Casino & Entertainment Complex, for
a Category 2 Slot Machine Operator License in Philadelphia County

Supplemental Comments by the Multi-Community Alliance

Irv Ackelsberg, Esquire

Dated: June 1, 2006

The Multi-Community Alliance (MCA), the coalition of community-based organizations from the neighborhoods surrounding the proposed site for the TrumpStreet slots parlor, submitted a Written Comment on March 2, 2006. Representatives from the MCA organizations also spoke at the Philadelphia public hearings on April 10, 11 and 12, 2006. MCA is submitting this Supplemental Written Comment for the purpose of providing the Board with additional facts and information that have materialized since the April hearings.

I. Trump's Interactions with the MCA since the Public Hearings Demonstrate a Weakness of Character and Integrity

Section 444.4(a)(3) of the Board's regulations requires each applicant to provide information concerning "the record of the applicant and its developer in meeting commitments to local agencies, community-based organizations and employers in other locations." The passage of time has provided the Board with even better evidence of the corporate character and integrity of the particular applicants for Category #2 licenses, namely, their record here in the Pennsylvania communities in which they wish to be licensed. What Trump has demonstrated in its recent activities within various communities surrounding the proposed TrumpStreet site is that its much trumpeted "willingness" to enter into a community benefits agreement with the MCA was falsely represented to the Board; that its real intent was to use the prospect of such an agreement to eliminate or reduce public opposition to the project; that when it could not achieve that result, it embarked on a "divide and conquer" strategy to isolate communities it regarded as friendly to its interests, and, most significantly, to use racial stereotyping and provocation as a tool in this campaign, representing those opposing a casino in their community as being selfish white homeowners who are insensitive to African American unemployment.

A. Trump Has Misrepresented to the Board Its Motives and Intentions regarding Its Stated Desire to Enter into a Community Benefits Agreement with the MCA

In its initial Written Comments, MCA noted the statement in Trump's Community Impact Report that referenced the company's "willingness to enter into a Community Benefits Agreement ("CBA") with MCA members." It also advised the Board that, contrary to the apparent suggestion that such a negotiation was already taking place, the negotiations did not begin until over a month following the submission of Trump's application, but that, as of the time the Comments were filed with the Board, three negotiating sessions had, indeed, been held between Trump and MCA. *See* Written Comments on Applicant's Impact Report, at 18-20.

MCA summarized the state of the negotiations and concluded its submission with the following comment:

It should be understood, however, that these discussions do not signify a decision by MCA to drop its fundamental opposition to the casino development. In its effort to represent the interest of the various communities, MCA is committed to advocating forcefully if, despite overwhelming community opposition, the Board decides to grant the Trump license. Similarly, MCA expects Trump to stick by its commitments to MCA—not only the specific offered components of a CBA, but also its commitment to recognize and work with MCA as the appropriate representative of the impacted community.

As it turns out, this concern regarding Trump's genuine willingness to conclude a CBA with the MCA proved to be well-founded. Following the fifth negotiating session between Trump and MCA, held on March 27, 2006, Trump terminated the discussions. Despite what seemed to MCA to be steady progress in the negotiations,¹ the stumbling block seemed to be Trump's insistence that any version of a CBA include an agreement by MCA to cease all activity

¹For a discussion regarding the substantive commitments that were made by Trump during the negotiations, see Part II, *supra*.

opposing the project and to announce the end of this opposition to the Board at the April public hearing. See Paragraph 13 of the draft CBA between Trump and MCA, attached hereto as Exhibit A.² Following the public hearings, where MCA appeared and, contrary to Trump's demands, expressed opposition, MCA learned that Trump had initiated separate discussions with two of the 27 constituent organizations of the MCA, the Allegheny West Foundation³ and the Tioga United community organization. Attached hereto as Exhibit B is a draft CBA that MCA obtained, a draft that Trump has proposed to those two organizations alone. As discussed below, that new draft deletes many of the commitments already made to MCA, and excludes several MCA communities from enjoying any benefits from the proposed CBA.

MCA entered into discussions with Trump in good faith. The coalition made clear from the beginning that its member organizations opposed having a casino built at the Henry Avenue site,⁴ but, nonetheless, were interested in trying to safeguard community interests through a CBA

²This provision, included in Trump's last draft, stated as follows: "The Community, including each Party hereto, shall at any public hearing or meeting relating to the Project, in response to media inquiries or in public comments generally, comment only that the Community had expressed its concerns regarding the development and operation of the Project to Developer and that those concerns have been addressed by the CBA and that, as a result, the Community does not oppose the project."

³Allegheny West Foundation was originally mentioned by Trump in the same passage of its Community Impact Report that expressed its intent to enter into a CBA with MCA. In the Impact Report, Trump identified Allegheny West Foundation as being the entity (along with "other community organizations") with which Trump was holding separate discussions "to identify and help organize businesses and distributorships that could supply certain goods and services to the property." Community Impact Report at 14.

⁴The most recent data on which MCA relies in making this judgment come from Election Day polling that MCA conducted at election sites throughout the 38th Ward, the district that includes the East Falls and North Philadelphia neighborhoods closest to the site and in the Southwest Germantown division (13th Ward, 4th Div.) closest to the site. In the 38th Ward, 521 cast "votes" either for or against the TrumpStreet project. The vote was 174 (33%) in favor, 342 (66%) opposed and 5 undecided. The results at the 13th Ward, 4th Div. were even more lopsided: 7 in favor, 43 opposed, and 3 undecided.

in the event a license was granted. MCA has understood the tension inherent in both opposing the project and negotiating with Trump, but this tension, in MCA's judgment, was consistent with its representative responsibilities. It explained this tension to Trump representatives on countless occasions and expected that, even if not accepted, this stance would at least be respected by Trump. However, for Trump to continue to insist that MCA publicly abandon its opposition, and then to punish MCA when it refused to do so, is indicative of a fundamental lack of respect by Trump for the community it claims to be trying to "transform."

As a result of this experience, MCA can only conclude that Trump's initial recognition of MCA as the legitimate representative of the community and its "willingness" to negotiate a CBA with MCA were reflective of a calculated public relations strategy, rather than a genuine, engagement with the community it is seeking to enter. We now see that the real motive for engaging MCA was to leverage supportive public testimony or, at least, to reduce the possibility of the Board hearing voices opposing the project. Having failed in its efforts to use the CBA negotiation as a vehicle for producing a public hearing record that actually supported Donald Trump's assertion that the community "embraced" the TrumpStreet proposal, the company changed course. Now, apparently, it has decided to seek new, more malleable, negotiating partners. This cynical and manipulative expression of community relations is, MCA fears, reflective of a fundamental weakness of character and integrity in this applicant for a license.

B. Trump Has Engaged in a "Divide and Conquer" Campaign to Undermine the MCA and to Portray Opposition to the Project as Affluent White Homeowners Versus Job-Hungry African-Americans

Trump's selection of Tioga United and Allegheny West Foundation, the former still a member of MCA and the latter a former member, as its new negotiating partners was not a

surprise to MCA. From the inception of Trump's application and its accompanying public relations campaign, the company has been representing the relevant community as being the predominantly African American neighborhoods of Tioga and Nicetown that branch out from the Hunting Park Avenue side of the expansive Budd Commerce Center site. As pointed out in MCA's original Written Comments, Trump skewed the description of the impacted community in its Impact Report towards that end of the Budd site, and has repeatedly listed the location of the TrumpStreet proposal as being in Nicetown or Tioga, despite the fact that it is situated on the Henry Avenue/East Falls side of the site. The racial overtones underlying this misrepresentation has been apparent from the beginning, with the economic distress and unemployment numbers on the Hunting Avenue side being contrasted to the greater affluence on the Henry Avenue side.⁵

The best evidence of this racial strategy comes directly from Larry Ceisler, Trump's public relations consultant who is, presumably, the architect of the strategy. On April 23, 2006 Ceisler said this on a local blog, www.youngphillypolitics.com, in response to a posting that had been critical of the Trump presentation at the public hearing:

The community united against the site? hardly, your Dad's group [Southwest Germantown Neighbors Association] and the East Falls Groups, both White and from the other side of the Blvd. Why don't you tell your readers that the two major community organizations that border the site and are African-American testified in favor? Why don't you inform your readership that the Trump site was supported by Councilpersons Nutter, Miller and Rep. Williams - All who represent the area? And by several small business owners in Germantown.

And the site is in Nicetown. East Falls has never claimed the Budd Site until this occurred.

I could go on, but I want you to catch your breathe and not choke.

⁵One obvious piece of evidence of this strategy is the video that accompanied the Trump presentation at the April 10 hearing. Framed by the abandoned factory buildings at Hunting Park and Wissahickon Avenues, a good mile from the actual site of the TrumpStreet proposal, Pat Croce spoke to an enthusiastic all-black audience on an abandoned lot about the revitalization TrumpStreet was going to bring to that neighborhood.

A copy of the blog to which Ceisler was responding and of his complete posting is attached hereto as Exhibit C.

This outburst provides a revealing picture of the misinformation that has been at the core of the Trump community strategy. Opponents are identified as living in East Falls and Southwest Germantown and being “White and from the other side of the Blvd,” despite the fact that Southwest Germantown is, according to the Census Bureau, 90% African American, and despite the fact that many East Falls and Germantown blocks are closer to Henry and Roberts Avenue than are blocks in Nicetown and Tioga. The “two major community organizations that border the site,” i.e., Allegheny West Foundation and Tioga United, “are African American” and they “testified in favor,” despite the fact that these two organizations are no closer nor more legitimate representatives than the other 25 community groups in the MCA and despite the fact that numerous African American witnesses from MCA member groups testified against the proposal.⁶ And, of course, we are all supposed to acknowledge that “the site is in Nicetown” despite the johnny-come-lately assertions by misguided East Falls residents that Henry Avenue has somehow been conveniently annexed to East Falls.⁷

⁶See, e.g., community group testimonies from Rev. Jesse Brown, Ralph Wynder, Greg Brinkley and Bonita Cummings, all leaders of the MCA.

⁷Ceisler’s statement also misrepresents the position of two of the three public officials he mentions. While Councilwoman Miller, who represents Germantown, Nicetown and Tioga, did testify in favor of the project (she testified that she was in favor because “my constituents in Tioga” supposedly favor the project), neither Councilman Nutter nor State Rep. Williams, who represents East Falls and the North Philadelphia end of the sector covering the Residents Coalition and Allegheny West Foundation territories, took that position. Councilman Nutter’s testimony spoke primarily about the need for the Board to empower all of the relevant community groups. Rep. Williams did not testify but has appeared at “No Casino” meetings and rallies in his district.

Once they had cemented relationships with the Allegheny West Foundation and Tioga United, the Trump operatives in Philadelphia worked with these organizations to stage at least three meetings that were designed to present a picture that would depart from the previous mass meetings organized by MCA. In early March, Tioga United and Allegheny West Foundation organized a meeting of about 100 people at 23rd and Allegheny Avenue at which a vote was conducted following presentations from Preferred Real Estate and Trump about the various development plans at the site. Media, but not the other groups from the MCA were invited, to witness the vote in favor of all the various development plans for the Budd site. A week or two later, they attempted to recreate that meeting, but after representatives of the MCA appeared and were allowed to present an opposing viewpoint, no vote was taken. Finally, on April 4, 2006, the Trump organization staged its own "community meeting" at the Mercy Vocational school, the location of the first MCA mass meeting in September 2005, without inviting MCA or MCA member groups from that neighborhood. This event was to be attended by the Trump board of directors, by the media and by participants selected by Trump, Tioga United and Allegheny West Foundation, who arrived with pro-Trump signs. Again, however, the planned media message was thwarted when, after learning about the event, MCA was able to produce a comparable number of anti-casino participants.⁸

In short, Trump has been sowing the seeds of community resentment and division, using race as a tool, hardly an indicator of responsible corporate character and integrity. There is no

⁸Rumors of cash payments and promises of future financial support as additional incentives to support TrumpStreet have also been widespread. One confirmation of this spending by Trump came in an April report in the *Philadelphia Daily News* of payments of \$100 to Democratic committee people in the Tioga neighborhood comprising the 11th Ward for them to circulate pro-Trump petitions in Tioga.

dynamic more destructive of communities than racial polarization. In contrast, MCA has been successful in building unity across racial and economic lines. For Trump to treat that unity as an obstacle rather than an asset, for it to try to pit one MCA community group against another, speaks poorly to the kind of relationship the MCA communities are likely to have with Trump if it receives a license.

II. The Board Should Not Accept as Legitimate a So-Called Agreement that Trump Has Made with Groups of Its Own Choosing, and, Instead, Should Require Trump to Return to the Bargaining Table with the MCA

A comparison of the two proposed CBA's, the last one offered to MCA (Exhibit A) and the more recent one being offered to the Allegheny West Foundation and Tioga United (Exhibit B) reveals significant differences in what can be achieved by a truly representative and adversarial negotiating partner, as opposed to a hand-picked, "friendly" partner. What follows is a list of the issues discussed during the Trump-MCA negotiations, the extent to which any agreements were reached on specific issues, and key differences in what Trump is apparently proposing to do under the alternative, Allegheny West/Tioga United proposal.

A. Creation of and funding for a "community foundation"

The principal monetary component of the discussed CBA involves the creation of a Trump-funded community "foundation" that had been discussed as being something similar to the special services district funded by the sports teams in South Philadelphia. From the beginning, the assumption has been that Trump would make an initial upfront payment to the foundation and then would make annual, ongoing payments that would be tied to the amount of revenue generated from gaming. The initial offer was \$2 million upfront, plus annual payments of 0.15% of Daily Gross Terminal Revenue up to \$400,000,000, 0.25% of revenue up to

\$450,000,000, and 0.5% of revenue higher than that, but with a minimum annual guarantee of \$500,000. MCA thought these numbers were low, particularly the annual payments. That judgment has since been proven correct given the numbers mentioned by at least two of Trump's competitors at the public hearings.⁹

In subsequent versions of the CBA, Trump increased the initial payment to \$2.25 million but would not agree to increase the annual payments. In the Allegheny West-Tioga United version, however, Trump increased the upfront payment to \$2.5 million and increased the annual percentage figures to 0.25% (up to \$400,000,000 in annual revenue), 0.5% (over \$450,000,000) and 1% (for revenue over \$500,000,000. See paragraph 3(a).

One item of agreement, from the beginning, was that Trump would fund, but not control the decisions of the foundation board. That board would consist of representatives of the six signatory organizations,¹⁰ with elected officials having *ex officio*, nonvoting status. See paragraph 3(a), 3/24/06 version. The foundation board itself would develop guidelines for use of the money provided by Trump, with the only limitations being that the expenditures would be used "primarily . . . for improvements relating generally to protecting and enhancing the quality of life of the neighborhood areas of the Project" but could not displace existing City obligations or be used "in any matter adverse . . . to the interests of the Developer or the Project." ¶ 3(c).

In the Allegheny West/Tioga United version of the agreement, Trump made some significant changes in these areas. First of all, the guidelines for use of the funds would be

⁹Both Riverwalk and SugarHouse have stated that they will donate 2.5% of pre-tax earnings to their respective communities.

¹⁰Those organizations are the Residents Coalition, East Falls Community Council, Abbotsford Homes Tenant Council, Nicetown-Tioga NAC/CDC, Tioga United and Southwest Germantown Neighbors Association.

established jointly by “the Community and the Developer.” ¶3(b). Second, the funds would also have to be spent pursuant to a “Neighborhood Revitalization Plan,” ¶ 3(b), that would be developed by a professional team hired by Trump. ¶ 3(c) The Plan would cover Tioga, Allegheny West, Abbotsford Homes and East Falls, but not Southwest Germantown or Nicetown. ¶ 3(c) Expenditures would also be limited to four possible purposes: scholarships, home ownership and improvement programs, senior citizens and “safety, security and traffic.” ¶ 3(b). In addition, the voting members of the board would consist only of Allegheny West and Tioga United representatives, with East Falls and Abbotsford (but not Germantown or Nicetown) given *ex officio* status.

B. Employment at the project

This is the one area where there was substantial agreement. Trump would “endeavor to create” 905 full-time jobs and would commit to 75% of those jobs going to community members. See MCA version, ¶ 4; Allegheny West-Tioga United version, ¶ 5. (The one difference, however, is that, again, residents from Southwest Germantown and Nicetown would be excluded from this preference under the Allegheny West-Tioga United version.)¹¹

C. Limits on Billboards and Signage

MCA has been trying to get agreement on both of these issues relating to visual pollution in the neighborhood. Under par. 5(a) of the MCA version, Trump “agrees not to construct or to

¹¹One area of continuing concern, however, is the \$350 fee/50-page application requirements that attach to any of the 905 jobs that pertain to the gaming activity itself (including cashiers, machine repair people and some security jobs), as established by the Board. MCA wants Trump to fund community organizations to help residents fill out the applications, and wants to explore the possibility of \$350 grants to qualified applicants. Otherwise, MCA is concerned, the promise of job preferences to local residents will be largely illusory.

seek the approval for any new billboards in the Community and to only utilize existing billboards that are properly licensed.” As for signage at the site, Trump will only erect signs “generally consistent with the Application.” This latter language could obviously be clearer, but the point is to limit them to the signs contained in the design drawings already presented to the Board.

Both of these issues disappeared in the AlleghenyWest-Tioga United version of the CBA.

D. Quarterly gambling statements to customers in our neighborhoods

MCA has been trying to come up with some means to provide some degree of protection to community households that are providing Trump with its gaming revenue. One idea proposed by MCA was to get Trump to provide periodic statements to customers advising them of their losses. Under par. 5(b) of the MCA version, Trump agreed “to develop methods to allow patrons of the Project to view electronically at the Project their gaming wins and losses to the extent recorded on Developer’s electronic tracking system and will mail a written statement of such activity to all [patrons from zip codes 19129, 19132, 19140 and 19144].” The only item not yet agreed on was the extent to which customers could opt out of this right. MCA wants to make sure that Trump would not encourage patrons to waive this notice.

This issue, too, disappeared completely in the AlleghenyWest-Tioga United version.

III. The Failure of Trump to Acquire the Randolph School Property Means that the Application Has Failed to Provide Relevant Plans and Designs for the Proposed Site

The regulations of the Board require that each application include “architectural drawings, artist renderings, plans and other depictions of the facility to be licensed.” Section 444.4(a)(18). Every plan, rendering or drawing that MCA has seen for the TrumpStreet project assumes Trump possession of the property on which currently stands the Randolph Career

Academy high school at Henry and Roberts Avenues. In fact, that acquisition has not happened, and statements from School District CEO Vallas suggest that the acquisition is unlikely. Effectively, therefore, Trump lacks control over a key portion of its proposed site. The Board must consider the application in light of the facts that exist, not as Trump wishes them to be. More specifically, the Board must evaluate this application in the context of developing a proposed slots parlor behind an existing Randolph School and away from the high-visibility Henry Avenue frontage that Trump does not currently control.

The absence of a TrumpStreet plan for the actual site was made embarrassingly clear at the May 24, 32006 design forum sponsored by the Philadelphia Daily News, the Design Advisory Group and Penn Praxis. The five Category #2 applicants for Philadelphia licenses displayed their drawings and made a PowerPoint presentation to the assembled public. The Keystone Group's presentation was distinguished because it did not show a current site plan or drawings. The four other developers all showed designs with overall site plans, floor by floor layouts and renderings of the proposed buildings. The Keystone Group, on the other hand, said that the design was being modified. Their boards showed an aerial view of the site location, two boards of images from the history of the site, and a board of rough sketches. There was no site plan, no floor plans and no renderings. Their powerpoint presentation echoed this lack of detail, stating that the designs were being revised.

IV. The Applicant's Primary Financial Interest in Atlantic City Will Present a Conflict that Has Not Been Adequately Addressed

Several of the other applicants mentioned in their public hearing presentations that they have no gambling properties in Atlantic City and will, therefore, have no incentive to encourage

their customers to gamble under the lower tax rates of New Jersey. These comments were obviously targeted at Trump, the only applicant with interests in Atlantic City. MCA believes that this concern is legitimate, not simply because of the statements made by Trump's competitors, but also because of some research into this issue conducted by MCA.

First, MCA calls the Board's attention to events in Indiana, surrounding Trump's commitments to communities in both the northern and southern ends of that state. Trump's Lake Michigan casino in Gary, Indiana was evaluated by the Center for Urban Policy and the Environment (Center) of Indiana University's School of Public and Environmental Affairs, which was hired to assist the Indiana Gaming Commission in performing economic impact, fiscal impact, financial, management, and other analyses to assist the Commission in renewing the riverboat casino licenses. The Center prepared annual evaluation reports for Trump's operations as well as a report after 8 years. (These reports are available on the Indiana Gaming Commission's website (www.in.gov/gaming/reports/)).

In its last report in 2004, the Center reported that:

The owner of this license is experiencing financial difficulties and, unless the proposed restructuring is completed, is likely to continue facing a serious threat to its economic viability in the coming years. In the immediate future, all the Trump facilities face severe competitive challenges and may suffer from associated cash flow problems, especially if a restructuring of its high cost debt is not successful. The vulnerability of the parent is substantial in the near term. The parent company was extraordinarily leveraged at the end of 2003 and had the lowest level of revenues relative to assets. Relative to the peer companies, TCHR (Trump Casino, Hotels and Resorts) had an especially low level of cash flow profitability given the amount of debt it had to service, with a fixed charge coverage ratio of only 1:1. The success of the recapitalization is critical to the continued viability of the business. While the financial viability of THCR is at significant risk until the recapitalization of the parent is completed, the successful recapitalization should put the whole THCR operation on much stronger footing. *Tight cash flows and a larger exposure to property deterioration in Atlantic City could cause available cash flow to be diverted to those properties or even to the development of new properties such as that in*

French Lick, Indiana, rather than to the maintenance and upgrading of the Gary facility,” (emphasis added).

Ultimately, Trump sold the Gary facility and, more recently, abandoned plans to build a land-based casino in French Lick, Indiana.

The problem is that, because of Trump’s greater commitment to Atlantic City—both in terms of its substantial investments there and its substantially more beneficial tax rate in New Jersey)—promises and commitments being made regarding the TrumpStreet proposal could go the same route as the promises and commitments made in Indiana. A review of business page coverage of Trump in the Press of Atlantic City during the last two years provides substantial evidence supporting such concerns. These articles, attached as Exhibit D, reveal the following:

- On April 6, 2005, the Press reported on the bankruptcy court approval for the chapter 11 plan that would produce the financing needed to renovate and expand the Trump properties in Atlantic City. According to the story, Donald Trump said “that the company intends to pursue opportunities in Pennsylvania and possibly other gaming markets, but stressed that Atlantic City remains the hub of its casino operations. ‘I have a great loyalty to Atlantic City, so Atlantic City is the main priority—always has been, always will,’ he said.”
- On May 5, 2005, the Press reported on the N.J. Gaming Commission’s approval of a new license but the Commission Chair “stressed that gaming regulators intend to hold Trump officials to their promise to make hundreds of millions of dollars to improvements to their Boardwalk and Marina District casinos.” The same story quoted then Trump President Scott Butera as acknowledging possible interest in applying for a license in Philadelphia but qualifying that interest with the statement that “Atlantic City remains the company’s main focus.”
- On September 11, 2005, during the same week that Robert Pickus was making his first presentation to the MCA at a mass meeting at the Mercy Vocational School on Hunting Park Avenue, the Press published an interview with new Trump CEO and President, James Perry. The Press reported as follows: “While Atlantic City remains Trump’s hub, the company’s growth plan includes searching for opportunities in other gaming jurisdictions. Trump Entertainment seems to have cooled to the idea of jumping into Pennsylvania when new slot parlors debut there next year, but Perry has his sights on Las Vegas for expansion.

Perry estimated that ownership of a Pennsylvania slot parlor would require an immediate capital investment of about \$350 million—money he is unwilling to spend right now for a project outside Atlantic City. However, he didn't rule out the possibility of Trump Entertainment managing a Pennsylvania slot parlor for another company that would put up the cash to build it."

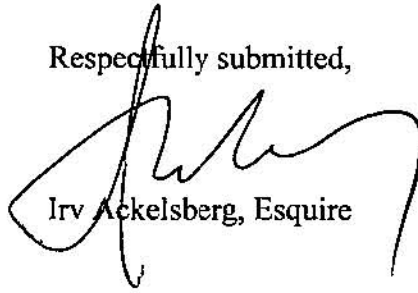
- Finally, on November 5, 2005, about the time Trump sent its initial letter to the MCA, expressing its offer of a community benefits agreement, the Press covered Trump's sale of its Indiana property on Lake Michigan and its decision to abandon plans to build a land-based casino in southern Indiana. The Press reported that "Trump Entertainment is exploring the possibility of operating a new slots parlor in Philadelphia when Pennsylvania begins legalized gambling next year. But for the moment, the sale of the Indiana riverboat means that the company will focus entirely on the Atlantic City market."

MCA submits that these news articles make it difficult to trust the motives and intentions of the Trump organization. Are they genuinely serious about the TrumpStreet proposal? Do they have the capital to build and maintain what they are proposing? And if it is true that Atlantic City is the company's "hub" and "main focus," then, in the event the Board were to grant Trump one of the two Philadelphia licenses, isn't it possible that TrumpStreet could suffer the same fate as the company's Indiana's properties and isn't it likely that there would, indeed, be a conflict between the interests of the Commonwealth and the interests of Trump?

In summary, there are many unanswered questions about the TrumpStreet proposal. MCA believes that these questions need to be answered before the Board undertakes the substantial risk of authorizing a Category #2 license for a residential community without any existing tourism assets. If the Board does decide that the TrumpStreet proposal is still a viable option, then it requests that Trump be required to subject its actual design plans to community evaluation and feedback and that it be required to enter into a community benefits agreement

with all of the communities that would be affected by TrumpStreet, not just the communities
Trump chooses to talk to.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Irv Ackelsberg', written in a cursive style.

Irv Ackelsberg, Esquire

Exhibit A

3/24/06

**Community Benefits Agreement
Among Keystone Redevelopment Partners, LLC
And the
Residents Coalition, East Falls Community Council,
Abbotsford Homes Tenant Council, Nicetown-Tioga CDC/NAC,
Tioga United and Southwest Germantown Neighbors**

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This Community Benefits Agreement ("CBA") is made and entered into as of this ___ day of April, 2006 by and among Keystone Redevelopment Partners, LLC ("Developer") and the following members of the Multi-Community Alliance ("MCA"); Residents Coalition ("RC"), East Falls Community Council ("East Falls"), Abbotsford Homes Tenant Council ("Abbotsford"), Nicetown-Tioga CDC/NAC ("Nicetown"), Tioga United ("Tioga") and Southwest Germantown Neighbors ("Germantown") (RC, East Falls, Abbotsford, Nicetown, Tioga and Germantown hereinafter collectively referred to as the "Community"). The MCA is a coalition of twenty-seven (27) community-based organizations from the various neighborhoods that surround the Site, as defined below.

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Whereas, the Developer has submitted an application (the "Application") to the Pennsylvania Gaming Control Board (the "Board") for a Category 2 slot machine license to develop and operate a casino and entertainment facility (the "Project") to be located at Roberts and Fox Avenues in Philadelphia, Pennsylvania (the "Site").

Whereas, the MCA has made certain initial comments in opposition to the Project,

Whereas, the MCA's opposition was based upon certain concerns about the Project, which concerns the MCA has expressed to the Developer,

Whereas, the Developer and the MCA have engaged in a dialogue over many months to discuss MCA's concerns.

Whereas, the Community and the Developer have agreed that entering into this CBA is the best way to address such concerns and to thereby provide and maximize the economic development, urban development and employment opportunities occasioned by the Project and to minimize detrimental effects,

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Deleted: of the residents of the Community through the Project Site.

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Whereas, the Developer has made certain representations and commitments in the Application to the Board in furtherance of the Application regarding its desire and willingness to enter into the CBA with the Community.

Now, therefore, in consideration of the mutual promises contained herein, the parties to the CBA (collectively, the "Parties" and, individually, a "Party") agree as follows:

1. **Term.** The obligation of the Parties shall commence upon the execution of the CBA by all Parties and shall continue until the cessation of the operation of slot machines at the Project by the Developer or any assignee or successor.

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2. **Project Commitment.** The Developer has described in its Application to the Board the nature of the Project. The Developer will construct the Project substantially consistent with all plans therefore submitted to and approved by the Board and consistent with all commitments made herein.

3. **Community Improvements.**

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(a) The Community will establish and administer through a board (the "Board of CDF") and the Developer will contribute funding and other input to the Community Development Foundation (the "CDF"). Within six (6) months from the award of a Category 2 license to Developer by the Board, Developer shall contribute to the CDF the amount of Two Million Two Hundred and Fifty Thousand Dollars (\$2,250,000) (the "Initial Funding"). Thereafter, the Developer shall contribute to the CDF within ninety (90) days following the end of each fiscal year of Developer's operation of the Project an amount equal to .15% of its Daily Gross Terminal Revenue ("Gross Revenue") as that term is defined in the Pennsylvania Race Horse Development and Gaming Act (the "Act") up to an amount of Gross Revenue of \$400,000,000, .25% of Gross Revenue over \$400,000,000 and up to \$450,000,000 and .5 % of Gross Revenue over \$450,000,000, provided however that Developer shall guarantee and provide to the CDF no less than Five Hundred Thousand Dollars (\$500,000) for each of the first five (5) fiscal years of its operation of the Project and for each year thereafter in an amount adjusted by the Consumer Price Index not to exceed five percent (5%) in any one year. (the "Annual Funding"). (b) The Board of the CDF will be comprised of designees of each of the members of the Community which are signatories hereto. Those elected officials, or their designees, listed in Paragraph 15(b) hereof shall serve as non-voting ex-officio member of the Board of the CDF.

Deleted: The CDF, with input and advice from each of the Parties, shall determine how to utilize and expend such funds to best address the economic and development needs of the Community.¶

(c) The Board of the CDF shall establish guidelines for the expenditure of its funds, provided however that such funds shall primarily be utilized for improvements relating generally to protecting and enhancing the quality of life of the neighborhood areas of the Project, but in no event shall these funds be used

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to relieve any entity of the obligations of government or in any matter adverse, directly or indirectly, to the interest of the Developer or the Project.

(d) During the Term of this Agreement, Developer will not make any payments to, or enter into any other agreements with, any other community development corporations, neighborhood action committees or any other community organizations to the extent that such payments or agreements will, in the reasonable judgment of the CDF, have the effect of interfering with, diminishing or undermining any of the commitments made by Developer in this Agreement, provided, however, that nothing herein shall prevent Developer from making payments to or entering into agreements with educational institutions, community foundations or other groups which interests may not be served by the CDF and, further provided, that nothing herein shall prevent Developer from making payments of any kind that do not exceed, in the aggregate twenty percent (20%) of each of the (i) Initial Funding prior to the opening of the Project and the (ii) Annual Funding during each fiscal year of operation of the Project, or from making payments of any kind in any amount to an educational or training institution.

4. Employment.

(a) The Developer shall endeavor to create 905 new full time (35 or more hours per week) equivalent jobs in connection with the Project. Such jobs and their salaries and benefits shall be generally consistent with those detailed in Exhibit "A" hereto. The Developer shall have as a goal and endeavor to fill seventy-five percent (75%) of such jobs with impacted community residents and ninety percent (90%) of such jobs with residents from the City of Philadelphia. The Developer shall cooperate with the Community's Employment Advisory Committee, which may be established by the Community to assist the Developer in achieving and maintaining the employment goals set forth herein, as well as providing Developer with input on recruitment, training, retention and upward mobility programs. For purposes of complying with its obligations under this paragraph, the term "impacted community" is defined as residents living within a one mile radius of the Site, but will, subject to that preference, in order to meet this obligation include residents within a radius of one and one-half miles of the Site.

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Deleted: For purposes of this paragraph only, the term "impacted community" is defined as that area within a one and one-half (1 1/2) miles radius of the Site.

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(b) Subject to paragraph 17 hereof, the Developer shall not unreasonably deny employment to individuals with criminal records. In furtherance of this commitment, Developer shall utilize practices and policies similar to those utilized in Developer's current operations in Atlantic City with respect to employing ex-offenders. The commitment contained in this subparagraph shall be monitored by the Community's Employment Advisory Committee.

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(c) Consistent with the privacy rights of the Developer's employees and the employee's voluntary disclosure of such information, the Developer will provide information to the Community sufficient to enable the Employment Advisory Committee to perform its duties under this paragraph 4.

Deleted: Subject to paragraph hereof, Developer shall utilize practices and policies similar to those utilized in Developer's current operations in Atlantic City with respect to the hiring and employment of individuals who are rehabilitated criminals.

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5. Project Operations.

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a) Developer agrees not to construct or to seek the approval for any new billboards in the Community and to only utilize only existing billboards that are properly licensed and such signage on the Project generally consistent with the Application.

b) Developer shall develop methods to allow patrons of the Project to view electronically at the Project their gaming wins and losses to the extent recorded on Developer's electronic tracking system and will mail a written statement of such activity to all residents of the community who are partners of the Project on no less than a quarterly basis. For purposes of this paragraph only, the term "residents of the community" is defined as those patrons of the Project living in the following postal zip codes: 19129, 19132, 19140 and 19144, unless such patron has provided written notice of their election not to receive such statements.

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c) The Developer acknowledges that it will be operating in a residential community that contains homes, schools, places of worship, and small businesses and it warrants that it will make all reasonable efforts to operate in such a way so as not to be unreasonably disruptive of normal community activities and quality of life. Developer shall designate a community liaison within its top management located at the Site, which individual shall be responsible for addressing concerns regarding any operational issues affecting the Community. This liaison shall make him or herself available on reasonable advance notice to the Community and shall make all reasonable efforts to address any such concerns.

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Unionized Labor. The Developer will endeavor to maximize the use of

unionized labor, paid at prevailing rates, consistent with the appropriate trade in connection with the construction of the Project, to the extent that such unionized labor can provide quality labor at competitive prices. The Community and Developer agree to use their best efforts to encourage building trade unions to enter into project agreements with local contractors and to maximize the employment of minority, female and Community workers. Developer shall also utilize union labor for the operation of the Project in those job classifications traditionally represented by unions in the gaming industry. **Vendors.**

The Developer shall endeavor to use local suppliers and vendors in the development, construction, and equipping of the Project, with particular emphasis upon the inclusion of minority-owned, women-owned, and disabled owned business enterprises as those terms are defined in the Act. The Community encourages and the Developer agrees they will use best efforts to create the formation of joint ventures to utilize the same as contractors and vendors in the Project. For the purposes of this paragraph, "local vendors" shall be deemed to be vendors located in the Community or the City of Philadelphia, Pennsylvania. The Developer shall cooperate with the Community's Business Advisory Committee, which may be established by the Community to assist the Developer in achieving the supplier and vendor goals set forth herein. The Developer will utilize target ranges for expenditures, in all aspects of its contracting, including construction, professional services and operations and maintenance for minority business enterprises of 25-30%, woman business enterprises of 10-12%, disabled business enterprises of 2-4% and local vendors of 5-10%.

8. Project Design. Developer will design and construct the Project in a manner aesthetically coherent with the historical context of the surrounding environment. Developer will work to minimize any impact of increased traffic resulting from the Project, and shall meet and cooperate with the Community and traffic engineers or other professionals that it may engage to best meet this objective. Developer shall also meet with SEPTA and take such other reasonable efforts to establish stops in the Community for SEPTA's R8 and R6 commuter rail lines.

9. The Site. The Developer has sufficient land at the Site to for the development of all phases of the Project and does not need and will not make any efforts, direct or indirect, to acquire any residential property, including that at Abbotsford, for the Project or any purposes relating to or supporting same.

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Developer will oppose the use of eminent domain for the acquisition of any residential property in the Community.

10. Charitable Endeavors. During the operation of the premises, the Developer will, consistent with its similar practice in Atlantic City, donate food and goods to community centers and such other facilities as determined by the Community. Developer shall also make contributions from time to time to charitable, education and similar organizations in or benefiting the Community.

11. Educational Institutions. Developer shall continue its current or engage in discussions with the various educational institutions near the Site, including the Randolph Skills Center, Mercy Vocational High School, Simon Gratz High School, Dobbins Technical High School and, as appropriate, the Wissahickon Charter School. These discussions shall address matters such as curriculum revisions to provide training and education for jobs available at the Project, including apprenticeships and internships. Developer shall also take all reasonable steps to ensure that students at these schools, particularly the Randolph Skills Center are not provided with access to the Project and Developer shall cooperate with each school to develop and implement a responsible gaming educational program.

12. Meetings with Community. The Developer agrees to meet jointly with the Community on no less than (a) a monthly basis during the development and construction of the Project, (b) a quarterly basis for the first five years of this CBA and (c) thereafter on an annual basis to discuss and explain the plans of the Developer and the Project. At such meetings, the Developer shall also discuss its efforts in connection with the matters set forth in Paragraphs 4 through 8, as well as the programs established by the Developer in connection therewith.

13. Public Comment. The Community, including each Party hereto, shall, at any public hearing or meeting relating to the Project, in response to media inquiries or in public comments generally, comment only that the Community had expressed its concerns regarding the development and operation of the Project to Developer and that those concerns have been addressed by the CBA and that, as a result, the Community does not oppose the Project.

14. Prior Agreements, Amendments, and Captions. This CBA sets forth the entire agreement between the Parties and supercedes all prior and contemporaneous agreements, understandings, warranties or representations

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and may be cancelled, modified or amended only by a written instrument executed by the Parties to be bound thereby. The captions are used only as a matter of convenience and are not to be considered a part of this CBA nor to be used in determining the intent of the Parties to it.

15. **Notices; Addresses.** (a) All notices under this CBA shall be in writing and shall be delivered by personal service, or by certified or registered mail, postage prepaid, return receipt requested, to the Parties at the addresses herein set forth.

The addresses for notices are as follows:

Developer: Robert M. Pickus, Esq.
Executive Vice President and General Counsel
Trump Entertainment Resorts, Inc.
1000 Boardwalk
Atlantic City, NJ 08401

RC: Ralph Wynder & Thomas Morgan
Residents Coalition
3331 W. Allegheny Avenue
Philadelphia, PA 19132

East Falls: Sharon Jaffe
East Falls Community Council
PO Box 12672
Philadelphia, PA 19129

Abbottsford: Georjean Brinkley, President
Gregory Brinkley, Consultant
Abbottsford Homes Tenant Council
3233 A. McMichael Street
Philadelphia, PA 19129

Nicetown: Richard Mathis, President
Majeedah Rashid, Executive Director
Nicetown CDC / NAC
4300 Germantown Ave
Philadelphia, PA 19140

Tioga: Verna Tyner
Tioga United
1926 W Venango St
Philadelphia, PA 19140

Germantown: Irv Ackelsberg
SouthWest Germantown Neighbors
5027 Schuyler Street

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(b) Copies of all notices under this CBA shall also be provided to the following (or their elected successors).

Mayor John F. Street
City Hall
Philadelphia, PA 19107

Councilman Michael A. Nutter
City of Philadelphia
City Council
City Hall – Room 404
Philadelphia, PA 19107

Councilwoman Donna Reed Miller
City of Philadelphia
City Council
City Hall, Room 312
Philadelphia, PA 19107-3290

State Senator Vincent J. Hughes
Senate Box 203007
Harrisburg, PA 17120-3007

State Senator Shirley M. Kitchen
Senate Box 203003
Harrisburg, PA 17120-3003

State Representative Jewell Williams
104 Irvis Office Building
Harrisburg, PA 17120-2020

State Representative Rosita C. Youngblood
121 East Wing
House Box 202020
Harrisburg, PA 17120-2020

16. Arbitration.

(a) In the event that any provision of this CBA shall be held to be invalid or unenforceable, the same shall not affect in any respect whatsoever the validity or enforceability of the remainder of this CBA.

(b) In the event of any disagreement or dispute between the Parties regarding the interpretation of this CBA or any rights, remedies or obligations arising hereunder, the matter shall be resolved by binding arbitration to be conducted in Philadelphia, Pennsylvania, pursuant to the Rules of the American Arbitration Association. The Parties agree that the arbitrators shall have the

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power to fashion equitable remedies and to grant preliminary and permanent injunctive relief. Judgment upon the award or decree of the arbitrators may be entered in any court having jurisdiction thereof.

17. Governing Law. This CBA has been entered into in the State of Pennsylvania and all questions with respect to this CBA and the rights and liabilities of the Parties shall be governed by the Laws of Pennsylvania. This CBA and all of the provisions herein are subject to the Pennsylvania Race Horse Development and Gaming Act, the rules and regulations of the Pennsylvania Gaming Control Board and all other applicable federal, state and local laws, regulations and ordinances.

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18. No Third Party Beneficiaries. None of the provisions of this CBA shall be for the benefit of or enforceable by any third parties.

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19. Authority. Each of the Parties represents that it has the full right and authority to enter into this CBA and to fully perform its obligations hereunder. The persons executing this CBA represent and warrant that each has the authority to execute in the capacity stated and to bind the Party such person purports to bind.

20. Confidentiality. The Community agrees that all information furnished to the Community by or on behalf of the Developer may contain confidential information and trade secrets. If and to the extent that Developer designates any such information as containing confidential information or trade secrets, the Community agrees that such confidential information and trade secrets shall not be disclosed to any other party.

The Parties have duly executed this CBA as of the date first set forth above.

Signatures on following page.

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KEYSTONE REDEVELOPMENT PARTNERS, LLC.

By:

Robert M. Pickus
Executive Vice President & General Counsel

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RESIDENTS COALITION

By:

Ralph Wynder

EAST FALLS COMMUNITY COUNCIL

By:

Sharon Jaffe

ABBOTTSFORD HOMES TENANT COUNCIL

By:

Gregory Brinkley, Consultant

NICETOWN-TIOGA CDC

By:

Richard Mathis

TIOGA UNITED

By:

Verna Tyner

SOUTHWEST GERMANTOWN NEIGHBORS

By:

Irv Acklesberg

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MULTI COMMUNITY ALLIANCE

By:

Ralph Wynder
Chairman

Exhibit B



2801 Hunting
Park Avenue

Philadelphia
Pennsylvania
19129

p: 215.225.1019
f: 215.221.5933

TO: THE BOARD OF DIRECTORS

FROM: RONALD E. HINTON, JR., PRESIDENT

A handwritten signature in black ink, appearing to be 'RH', is written over the 'FROM' line.

DATE: APRIL 28, 2006

RE: TRUMP CASINO – COMMUNITY BENEFIT AGREEMENT

Let me begin by expressing my sincere appreciation to all board members who responded to me regarding the testimony that was given before the Casino Gaming Commission.

As a follow-up to that conversation I am enclosing a copy of the proposed Community Benefits Agreement (“CBA”) that has been provided by Robert Pickus on behalf of Keystone Redevelopment Partners, LLC.

The CBA outlines the proposed financial and community benefits that will be provided to the impacted communities of Allegheny West and Tioga.

Our current plan is to review the agreement and make revisions by Friday May 12, 2006.

Hold a board meeting or conference call of the review the proposed changes by May 19, 2006.

Complete changes and compose a final agreement no later than Friday May 26, 2006.

Final comments or revisions to the application that was submitted to the Casino Gaming Commission are due on June 2, 2006, so it is our intention to have the executed CBA completed by that date.

If you have questions, or require additional information on the contents of the proposal contact me at (267) 249-5214 or by email at rhinton@awest.org.

**Community Benefits Agreement
Among Keystone Redevelopment Partners, LLC,
Tioga United and Allegheny West Foundation**

This Community Benefits Agreement ("CBA") is made and entered into as of this ___ day of May, 2006 by and among Keystone Redevelopment Partners, LLC ("Developer"), Tioga United ("Tioga") and Allegheny West Foundation ("AWF") (Tioga and AWF hereinafter collectively referred to as the "Community").

Whereas, the Developer has submitted an application (the "Application") to the Pennsylvania Gaming Control Board (the "Board") for a Category 2 slot machine license to develop and operate a casino and entertainment facility (the "Project") to be located at Roberts and Fox Avenues in Philadelphia, Pennsylvania (the "Site").

Whereas, the Developer and the Community have engaged in a dialogue over many months to discuss the Project.

Whereas, the Community and the Developer have agreed that entering into this CBA is the best way to provide and maximize the economic development, urban revitalization and employment opportunities occasioned by the Project and to minimize its detrimental effects.

Whereas, the Developer has made certain representations and commitments in the Application to the Board regarding its desire and willingness to enter into this CBA with the community.

Now, therefore, in consideration of the mutual promises contained herein, the parties to this CBA (collectively, the "Parties" and, individually, a "Party") agree as follows:

1. **Term.** The obligation of the Parties shall commence upon the execution of the CBA by all Parties and shall continue until the cessation of the operation of slot machines at the Project by the Developer or any assignee or successor.
2. **Project Commitment.** The Developer has described in its Application to the Board the nature of the Project. The Developer will construct the Project substantially consistent with all plans therefore submitted to and approved by the Board and consistent with all commitments made herein.
3. **Community Revitalization.**
 - (a) Within six (6) months from the award of a Category 2 license to Developer by the Board, Developer shall make available Two Million Five Hundred Thousand Dollars (\$2,500,000) to such groups and for such purposes as set forth herein (the "Initial Funds"). Thereafter, the Developer shall make available within ninety (90) days following the end of each fiscal year of Developer's operation of the

Project, an amount equal to .15% of its Daily Gross Terminal Revenue ("Gross Revenue") as that term is defined in the Pennsylvania Race Horse Development and Gaming Act (the "Act") up to an amount of Gross Revenue of \$400,000,000, .25% of Gross Revenue over \$400,000,000 and up to \$450,000,000, .5 % of Gross Revenue over \$450,000,000 and up to \$500,000,000 and 1% of Gross Revenue over \$500,000,000, provided, however, that Developer shall guarantee and provide no less than Five Hundred Thousand Dollars (\$500,000) to the Community for each of the first five (5) fiscal years of its operation of the Project and for each year thereafter in an amount adjusted by the Consumer Price Index not to exceed five percent (5%) in any one year (the "Annual Funds" and, together with the Initial Funds, the "Revitalization Funds").

(b) The Community and the Developer shall establish guidelines for the expenditure of the Revitalization Funds, provided however that such funds shall primarily be utilized for these purposes and consistent with the Neighborhood Revitalization Plan (the "Plan") described below and generally relating to revitalizing, protecting and enhancing the quality of life of the neighborhood areas of the Project: (i) Scholarships, (ii) Home ownership and improvements, (iii) Senior citizens, and (iv) Safety, security and traffic (collectively the "Community Improvements"). In no event shall the Revitalization Funds be used to relieve any entity of the obligations of government or in any matter adverse, directly or indirectly, to the interest of the Developer or the Project

(c) The Developer shall fund and coordinate with the Community the development of the Plan. Upon the execution hereof, the Developer will retain such professionals and consultants as it and the Community feel appropriate for the development the Plan. The Plan shall generally identify and prioritize the Community Improvements to be implemented consistent with the provisions hereof in the Tioga, Allegheny West, Abbottsford Homes and East Falls areas of the City of Philadelphia.

(d) Immediately following the award of a Class 2 license to Developer by the Board, the Community and the Developer shall cause to be founded the "Community Revitalization Board" (the "CRB"), which shall be responsible for implementing the guidelines and expenditures of the Revitalization Funds as set forth in the Plan pursuant to paragraphs 3(a) through (c) hereof. The CRB shall consist of representatives from Tioga and AWF, who shall be voting members,

and representatives of Developer, Abbotsford Homes, East Falls and those elected officials identified in paragraph 16(b) hereof, as non-voting, ex officio members.

4. **Additional Funds.**

In the event Developer does not acquire any additional real property for the Project within the block generally bordered by Henry Avenue, Fox and Robert Streets and the rail line, Developer shall make available prior to the commencement of operations at the Project:

a) Five Million Dollars (\$5,000,000) to be utilized solely for renovations and upgrades to the existing schools, public and private, within the general proximity of the Site as shall be deemed appropriate by the CRB, after appropriate consultation with the appropriate school administrators and elected officials.

b) One Million Dollars (\$1,000,000) to be utilized for a grant or no interest loan as necessary to subsidize the development of a grocery store within the general proximity of the Site and as determined appropriate by the CRB or, if prior to the CRB's formation, by Developer, together with representatives of AWF and Tioga.

5. **Employment.**

(a) The Developer shall endeavor to create 905 new full time (35 or more hours per week) equivalent jobs in connection with the Project. Such jobs and their salaries and benefits shall be generally consistent with those detailed in the Application. The Developer shall have as a goal and endeavor to fill seventy-five percent (75%) of such jobs with impacted community residents and ninety percent (90%) of such jobs with residents from the City of Philadelphia. The Developer shall cooperate with the Community's Employment Advisory Committee, which may be established by the Community to assist the Developer in achieving and maintaining the employment goals set forth herein, as well as providing Developer with input on recruitment, training, retention and upward mobility programs. For purposes of complying with its obligations under this paragraph, the term "impacted community" is defined as residents living first within the areas represented by Tioga and AWF, together with Abbotsford Homes and East Falls, then those living within a one mile radius of the Site, and then, subject to that preference, in order to meet this obligation residents within a radius of one and one-half miles of the Site.

(b) Subject to paragraph 18 hereof, the Developer shall not unreasonably deny employment to individuals with criminal records. In furtherance of this commitment, Developer shall utilize practices and policies similar to those utilized in Developer's current operations in Atlantic City with respect to employing ex-offenders. The commitment contained in this subparagraph shall be monitored by the Community's Employment Advisory Committee.

(c) Consistent with the privacy rights of the Developer's employees and the employee's voluntary disclosure of such information, the Developer will provide information to the Community sufficient to enable the Employment Advisory Committee to perform its duties under this paragraph 5.

6. **Project Operations.**

a) Developer agrees not to construct or to seek the approval for any new billboards in the Community and to only utilize only existing billboards that are properly licensed.

b) The Developer acknowledges that it will be operating in a residential community that contains homes, schools, places of worship, and small businesses and it warrants that it will make all reasonable efforts to operate in such a way so as not to be unreasonably disruptive of normal community activities and quality of life. Developer shall designate a community liaison within its top management for the Project, which individual shall be responsible for addressing concerns regarding any operational issues affecting the Community. This liaison shall make him or herself available on reasonable advance notice to the Community and shall make all reasonable efforts to address any such concerns.

7. **Unionized Labor.** The Developer will endeavor to maximize the use of unionized labor, paid at prevailing rates, consistent with the appropriate trade in connection with the construction of the Project, to the extent that such unionized labor can provide quality labor at competitive prices. The Community and Developer agree to use their best efforts to encourage building trade unions to enter into project agreements with local contractors and to maximize the employment of minority, female and Community workers. Developer shall also utilize union labor for the operation of the Project in those job classifications traditionally represented by unions in the gaming industry.

8. **Vendors.** The Developer shall endeavor to use local suppliers and vendors in the development, construction, and equipping of the Project, with particular emphasis upon the inclusion of minority-owned, women-owned, and disabled owned business enterprises as those terms are defined in the Act. The Community encourages and the Developer agrees they will use best efforts to create the formation of joint ventures to utilize the same as contractors and vendors in the Project. For the purposes of this paragraph, "local vendors" shall be deemed to be vendors located in the Community or the City of Philadelphia, Pennsylvania. The Developer shall cooperate with the Community's Business Advisory Committee, which may be established by the Community to assist the Developer in achieving the supplier and vendor goals set forth herein. The Developer will utilize target ranges for expenditures, in all aspects of its contracting, including construction, professional services and operations and maintenance for minority business enterprises of 25-30%, woman business enterprises of 10-12%, disabled business enterprises of 2-4% and local vendors of 5-10%.
9. **Project Design.** Developer will design and construct the Project in a manner aesthetically coherent with the historical context of the surrounding environment. Developer will work to minimize any impact of increased traffic resulting from the Project, and shall meet and cooperate with the Community and traffic engineers or other professionals that it may engage to best meet this objective. Developer shall also meet with SEPTA and take such other reasonable efforts to establish stops in the Community for SEPTA's R8 and R6 commuter rail lines.
10. **The Site.** The Developer has sufficient land at the Site to for the development of all phases of the Project and does not need and will not make any efforts, direct or indirect, to acquire any residential property, including that at Abbotsford, for the Project or any purposes relating to or supporting same. Developer will oppose the use of eminent domain for the acquisition of any residential property in the Community.
11. **Charitable Endeavors.** During the operation of the Project, the Developer will, consistent with its similar practice in Atlantic City, donate food and goods to community centers and such other facilities as determined by the Community. Developer may also make contributions from time to time to charitable, education and similar organizations in or benefiting the Community.

12. **Educational Institutions.** Developer shall continue its current or engage in discussions with the various educational institutions near the Site, including the Randolph Skills Center, Mercy Vocational High School, Simon Gratz High School, Dobbins Technical High School (more to come) and, as appropriate, the Wissahickon Charter School. These discussions shall address matters such as curriculum revisions to provide training and education for jobs available at the Project, including apprenticeships and internships. Developer shall also take all reasonable steps to ensure that students at these schools, particularly the Randolph Skills Center are not provided with access to the Project and Developer shall cooperate with each school to develop and implement a responsible gaming educational program.
13. **Meetings with Community.** The Developer agrees to meet with the Community on no less than (a) a monthly basis during the development and construction of the Project, (b) a quarterly basis for the first five years of this CBA and (c) thereafter on an annual basis to discuss and explain the plans of the Developer and the Project. At such meetings, the Developer shall also discuss its efforts in connection with the matters set forth in Paragraphs 5 through 9, as well as the programs established by the Developer in connection therewith.
14. **Public Comment.** The Community, including, each Party hereto, shall, at any public hearing or meeting relating to the Project, in response to media inquiries or in public comments generally, comment that the Community supports the Project.
15. **Prior Agreements, Amendments, and Captions.** This CBA sets forth the entire agreement between the Parties and supercedes all prior and contemporaneous agreements, understandings, warranties or representations and may be cancelled, modified or amended only by a written instrument executed by the Parties to be bound thereby. The captions are used only as a matter of convenience and are not to be considered a part of this CBA nor to be used in determining the intent of the Parties to it.
16. **Notices; Addresses.** (a) All notices under this CBA shall be in writing and shall be delivered by personal service, or by certified or registered mail, postage prepaid, return receipt requested, to the Parties at the addresses herein set forth.

The addresses for notices are as follows:

Developer: Robert M. Pickus, Esq.
Executive Vice President and General Counsel
Trump Entertainment Resorts, Inc.
1000 Boardwalk
Atlantic City, NJ 08401

Tioga: Irene Stewart, President
Tioga United
1926 W Venango St
Philadelphia, PA 19140

AWF: Ronald E. Hinton, President
Allegheny West Foundation
2801 Hunting Park Avenue
Philadelphia, PA 19129

(b) Copies of all notices under this CBA shall also be provided to the following (or their elected successors).

Mayor John F. Street
City Hall
Philadelphia, PA 19107

Councilman Michael A. Nutter
City of Philadelphia
City Council
City Hall -- Room 404
Philadelphia, PA 19107

Councilwoman Donna Reed Miller
City of Philadelphia
City Council
City Hall, Room 312
Philadelphia, PA 19107-3290

State Senator Vincent J. Hughes
Senate Box 203007
Harrisburg, PA 17120-3007

State Senator Shirley M. Kitchen
Senate Box 203003
Harrisburg, PA 17120-3003

State Representative Jewell Williams
104 Irvis Office Building
Harrisburg, PA 17120-2020

State Representative Rosita C. Youngblood
121 East Wing
House Box 202020
Harrisburg, PA 17120-2020

17. **Validity / Arbitration.**
- (a) In the event that any provision of this CBA shall be held to be invalid or unenforceable, the same shall not affect in any respect whatsoever the validity or enforceability of the remainder of this CBA.
- (b) In the event of any disagreement or dispute between the Parties regarding the interpretation of this CBA or any rights, remedies or obligations arising hereunder, the matter shall be resolved by binding arbitration to be conducted in Philadelphia, Pennsylvania, pursuant to the Rules of the American Arbitration Association. The Parties agree that the arbitrators shall have the power to fashion equitable remedies and to grant preliminary and permanent injunctive relief. Judgment upon the award or decree of the arbitrators may be entered in any court having jurisdiction thereof.
18. **Governing Law.** This CBA has been entered into in the State of Pennsylvania and all questions with respect to this CBA and the rights and liabilities of the Parties shall be governed by the Laws of Pennsylvania. This CBA and all of the provisions herein are subject to the Pennsylvania Race Horse Development and Gaming Act, the rules and regulations of the Board and all other applicable federal, state and local laws, regulations and ordinances.
19. **No Third Party Beneficiaries.** None of the provisions of this CBA shall be for the benefit of or enforceable by any third parties.
20. **Authority.** Each of the Parties represents that it has the full right and authority to enter into this CBA and to fully perform its obligations hereunder. The persons executing this CBA represent and warrant that each has the authority to execute in the capacity stated and to bind the Party such person purports to bind.
21. **Confidentiality.** The Community agrees that all information furnished to the Community by or on behalf of the Developer may contain confidential information and trade secrets. If and to the extent that Developer designates any such information as containing confidential information or trade secrets, the Community agrees that such confidential information and trade secrets shall not be disclosed to any other party.

The Parties have duly executed this CBA as of the date first set forth above.

KEYSTONE REDEVELOPMENT PARTNERS, LLC.

By:

**James B. Perry
President & CEO**

TIOGA UNITED

By:

Irene Stewart

ALLEGHENY WEST FOUNDATION

By:

Ronald Hinton

Exhibit C



Young Philly Politics

Progressive, Young, Philadelphia Politics, from small to big.

Home » blogs » DanielUA's blog

I may be paranoid, but... Rendell, Casinos, and the Delaware Development Ban.

Submitted by DanielUA on Wed, 04/19/2006 - 8:50am.

I don't have a ton of time, but, I just wanted to throw this out there...

First, of the five proposed Casino's in Philly, the one that always seemed to really have the Governor's backing was the Trump Casino in East Falls. (And, no, the Casino, which would be located on Henry Avenue, is not in Nicetown. It is in East Falls. Trump Co. says Nicetown because they are trying to evoke a certain frame in your mind.)

Second, Trump's plan for his Casino has been met with an organized, and fairly unified opposition from what has been called the Multi-Community Alliance. (Disclosure: A family member of mine is in the group.) The group presented a slamming rebuttal to the TrumpStreet plans. (Trump did pay local committeepeople \$100 a piece to bring around pro-casino petitions, in a show of their true devotion to the community.)

Third, Trump's plan was, according to multiple people, one of the weakest plans of the five.

Fourth, given that a Trump Casino pays over 50 percent in taxes in PA, but only 9 percent in Atlantic City, there is a huge conflict of interest, where Trump may simply use the Philly casino as a way to lure business to New Jersey.

So, you have a poorly conceived casino plan, with widespread, organized community opposition, and inherent conflicts of interest. Basically, it did not look like it was going to happen...

But now, out of the blue, in a somewhat bizarre move, Governor Rendell has put a halt to development along the river, and it is having an effect on **where the Casinos will be located:**

Gov. Rendell's move to temporarily halt all development on portions of the Delaware River in Philadelphia could affect the plans of at least two casino groups seeking to build slots parlors on the waterfront.

Foxwoods Casino Philadelphia and SugarHouse Casino, two of five applicants vying for a slots license in the city, said they might have to alter their development plans for slots parlors, which have already been submitted to the state's Gaming Control Board for approval.

So, I know I am paranoid, but, is it possible that the development was stopped in a way to kill the the stronger, riverfront Casinos, and instead force the gaming commission's hand? Has Governor Rendell done this just to change the calculus of the gaming board, and bring the terrible Trump Casino plan back to life?

As I stated above, I freely admit I might be totally off-base. But, you know what? Given

Write!

Are you a progressive, you (or young at heart) person something to say about the City, the Region, or the State? Writing stories for Young Philly Politics is easy. Sign up for a username, click create content and tell us what is on your mind.

Let your voice be heard!

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- [Join us to Launch Casino Free Philadelphia Thursday, June 1st](#)

from Larry? Oh wait, it is total BS, I forgot. You tried to divide and conquer in the neighborhoods, and for the most part, you failed. Miserably. I see why you are upset.

Second, you want to paint this as a race issue, really? There is this thing called the Census, according to the census, the neighborhood I grew up in, which you seem to be talking about is... 91 Percent minority (91.88 percent minority, to be specific.) So, Larry, maybe you should take your race baiting bullshit, and peddle it to someone who will listen. The fact that you are so quickly trying to turn this into a race issue (nevermind that the MCA is led by an African-American) shows how sad and shallow your arguments are, and how quickly you are willing to stoop to the lowest common denominator that has plagued Philly. Congrats.

Third, tell me Larry, what community has better organized than the various groups of the MCA? See, because other than the 100 dollars that Donald Trump is paying people to take petitions around, the community support for your casino DOES NOT EXIST.

And yeah, buddy, my father is one of the leaders of the group that is fighting the Trump Casino. I suppose because my dad has spent his life representing his neighbors, representing the poor, etc, that I should close my eyes and close my ears. Sorry, but if I end up doing one-half of the good he has done in his life, then I will die a happy man.

I understand you are upset, because the payday lenders have been kicked out of PA (except the ones that are flouting the law) and Donald Trump will not be welcomed in Philly, either. But please, relax, go watch Thanks for Smoking, and get some advice on how to pick up the pieces when your clients are exposed.

» [login](#) or [register](#) to post comments

oh, and paranoia

Submitted by [DanielUA](#) on Sun, 04/23/2006 - 8:30pm.

Read the paper. Seems like I am not the only one so "paranoid."

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Very Entertaining

Submitted by [Philly Phantom](#) on Sun, 04/23/2006 - 10:48pm.

I loved the back and forth; very good and entertaining debate. I think your both wrong and right about some things. Firstly, it's East Falls. Secondly, the opposition isn't quite as strong as some might think, but neither is the support. Aside from a few rabble rousers who love to fight development projects for sport, self-righteous types, and the nimbyists, most people are downright equivocal about this thing. It's definitely not about race, so Larry - that was an unfortunate comment. It is a bit about class, with the wealthier residents in the area not very appreciative of the \$31,000 per year jobs that will be created, but the less fortunate residents quite intrigued by such a possibility. By the way, the casinos have been wonderful for the Atlantic County region in New Jersey...it's true.

Who's online

There are currently 1 user and 32 guests online.

Online users:

- [Hannah Miller](#)

The YPP Blogroll

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- [A Smoke Filled Room](#)
- [Above Avg Jane](#)
- [Afro-Netizen](#)
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- [Fables of the Reconstruction](#)
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- [Santorum Exposed](#)

Exhibit D

Date: Wednesday, April 6, 2005 Section: Business Edition: All Page: A1 Byline: By **DONALD WITTKOWSKI** Staff Writer, (609) 272-7258 **Illustration:** The exterior of the Trump Plaza Hotel and Casino is shown Tuesday. Staff photo(s) by Ben Fogletto CAMDEN No one has ever accused **Donald Trump** of lacking in braggadocio. Now the celebrity CEO and casino mogul can put his company's money where his mouth is. Wrapping up a six-month, real-life melodrama that at times resembled episodes of "The Apprentice," **Trump's** casino empire won court approval Tuesday to emerge from **bankruptcy**. The refinancing plan eases the company's onerous \$1.8 billion debt and frees up new cash for renovation and expansion projects at the three aging Atlantic City gaming halls owned by **Trump Hotels & Casino Resorts Inc.**

"Now we have access to vast amounts of capital and we'll be able to do things that we weren't able to do in the past," a jubilant **Trump** said in a telephone interview after the plan was approved by U.S. **Bankruptcy** Court Judge Judith H. Wizmur. With court approval in hand, the company plans to formally emerge from **bankruptcy** in 30 days. It will be renamed **Trump Entertainment Resorts Inc.** and have a new nine-member board of directors. Former Gov. James J. Florio will be one of the new directors. **Trump** said the company intends to pursue opportunities in Pennsylvania and possibly other gaming markets, but stressed that Atlantic City remains the hub of its casino operations. "I have a great loyalty to Atlantic City, so Atlantic City is the main priority - always has been, always will," he said. Backed by new financing, the company is expected to build a new tower at **Trump Taj Mahal** Casino Resort and refurbish **Trump Plaza Hotel and Casino** and **Trump Marina Hotel Casino**. All three properties have lagged behind competitors because the company's huge debt load left no money for major upgrades. "The company had so much debt, they had no resources to remain competitive. No name, no matter how spectacular, can get you out of that kind of hole," said Michael F. Walsh, an attorney representing a group of **Trump** bondholders. Scott C. Butera, president of **Trump Hotels**, said designs are in the works for a new 1,300-room hotel tower at the **Taj Mahal** costing an estimated \$275 million to \$300 million. "This is an outstanding day in the history of the company," Butera said. "This is going to turn the corner for us. The excuses of yesteryear are behind us." The **bankruptcy** plans will enable the company to slash its debt by \$400 million, reduce its interest payments by nearly \$100 million annually and secure a \$500 million line of credit. **Trump**, the star of the hit TV reality show "The Apprentice," will relinquish majority control of the restructured company to bondholders. However, he will continue as chairman and chief executive officer and remain the largest individual shareholder, owning a 30 percent stake. **Trump** will invest \$74.1 million of his own money in the company as part of the **bankruptcy** plan, but will receive a series of lucrative personal perks. Among them, he will have exclusive rights to build the company's major casino projects and retains veto power over the sale of the **Trump** gaming properties. If he waives his veto power, the company will indemnify him for as much as \$100 million for any personal tax liabilities incurred from a casino sale. A new licensing agreement ensures that the **Trump** moniker and likeness will remain on the casinos. Walsh said bondholders will take advantage of Trump's high-profile name and contacts. "The bondholders are really looking forward to being partners with him and seeing if they can take this company to the next level," Walsh explained. In a surprising settlement last week, Trump's dissident shareholders agreed to join bondholders in supporting the **bankruptcy** plan to avert what had been shaping up as a final, contentious showdown in Wizmur's courtroom. Shareholders had fought Trump every step of the way

since the company filed for Chapter 11 bankruptcy protection Nov. 21. They argued that the value of their holdings would shrink dramatically while Trump would walk away with millions of dollars in personal benefits. A breakthrough occurred when Trump agreed to pay shareholders \$17.5 million in cash and give them the proceeds from the sale of oceanfront property in Atlantic City where the now-defunct Trump World's Fair Casino once stood. Shareholders then pledged their support for the bankruptcy plan. "We're turning the page. It's a new chapter," said Michael Yacyk, a Brigantine real estate agent who sits on an equity committee representing Trump's 20,000 shareholders. Despite the settlement, shareholders took a parting shot at Trump, blaming the company's financial plight on what they said was his poor management. "We don't want it to be run-down again," said equity committee member Phillip Sternberg, a retired beauty salon owner who lives in Brigantine. Trump characterized the criticism as mere rhetoric. He contended that shareholders continue to have faith in the company and have placed premium value on the Trump brand. "I think they were very complimentary, because they valued the name very highly," he said. With no opposition from shareholders to block the bankruptcy plan, Wizmur gave her final approval during a hearing that lasted only 45 minutes. Trump was not in attendance, but spoke later from his New York office. The Internal Revenue Service and the New Jersey Division of Taxation agreed to withdraw their objections to the bankruptcy plan pending negotiations with Trump on a final settlement. IRS and New Jersey officials want Trump Hotels to change the way it has proposed paying off its taxes. The IRS claims Trump Hotels owes \$41.7 million in federal taxes on the company's riverboat casino in Gary, Ind., and another \$120,000 stemming from the Atlantic City gaming halls. The New Jersey Division of Taxation is seeking \$11.6 million in state taxes. The New Jersey Casino Control Commission and Indiana gaming regulators still must sign off on the bankruptcy plan. To e-mail Donald Wittkowski at The Press: DWittkowski@pressofac.com

Date: Thursday, May 5, 2005 Section: Business Edition: All Page: C6 Byline: By **DONALD WITTKOWSKI** Staff Writer, (609) 272-7258 **Illustration:** 1. Scott C. Butera, president of Trump Hotels & Casino Resorts, is sworn in Wednesday during a Casino Control Commission hearing in Atlantic City. Butera told the commission the company plans to build a new hotel tower at Trump Taj Mahal and give both Trump Plaza and Trump Marina facelifts. 2. The Casino Control Commission hears testimony on Trump Hotels' plan to emerge from bankruptcy and upgrade its aging casinos in Atlantic City on Wednesday. Staff color photo(s) by Scott E. Stetzer ATLANTIC CITY State gaming regulators Wednesday approved a sweeping corporate and financial restructuring plan that will allow **Donald Trump's** casino empire to emerge from **bankruptcy** as a stronger competitor in the Atlantic City marketplace. The 5-0 vote by the Casino Control Commission represented the last regulatory approval needed by the newly created **Trump** Entertainment Resorts Inc. to move out of Chapter 11 **bankruptcy** protection by May 12. The plan also allows **Trump** Entertainment to secure new financing for upgrades to its three aging gaming halls here. Although the **Trump** name will remain on the casinos, bondholders will take majority control of the company from **Trump** as part of the **bankruptcy** restructuring. **Trump** will continue as company chairman and the largest individual shareholder, but his ownership stake is being reduced from 56 percent to 30 percent.

Key to the company's survival is a recapitalization plan that will chop \$400 million from its suffocating \$1.8 billion debt load. Moreover, the company will reduce its interest payments by about \$100 million annually and tap into a new \$500 million line of credit, providing fresh capital for expansion and renovation projects. Linda M. Kassekert, chair of the Casino Control Commission, stressed that gaming regulators intend to hold **Trump** officials to their promise to make hundreds of millions of dollars in improvements to their Boardwalk and Marina District casinos. "My willingness to approve this transaction is predicated, in part, on those very representations," Kassekert said. "I am hopeful that once the company makes the kind of capital improvements that have been discussed, it will be in a much stronger position to help expand the market here, draw new visitors and create new attractions. "I am hopeful the proposed improvements will not only allow the **Trump** properties to compete and thrive in Atlantic City, they will also allow Atlantic City to compete and thrive as gaming expands in neighboring states," she continued. **Trump** Hotels & Casino Resorts Inc., the company being replaced by **Trump** Entertainment Resorts after **bankruptcy** proceedings conclude, filed for Chapter 11 last November. The debt-ridden company was forced to use much of its cash to keep up with its interest payments and had little money left over to build new attractions. "Some would say that the **Trump** properties have a lot of catching up to do," Casino Control Commissioner Michael A. Fedorko said bluntly. In testimony before the commission, **Trump** Hotels President Scott C. Butera described plans to build a new hotel tower at **Trump Taj Mahal** Casino Resort and give a facelift to **Trump** Plaza Hotel and Casino and **Trump** Marina Hotel Casino. "Obviously, we want to invest significantly in the assets we have here in Atlantic City," said Butera, a former Wall Street investment banker who will head the management team of the post-**bankruptcy** Trump Entertainment Resorts. Construction is expected to begin late this year on a new Taj Mahal tower consisting of 1,200 to 1,500 rooms, with completion by summer 2008. Room renovations will be done at Trump Plaza and Trump Marina. In addition, new restaurants, nightclubs and retail attractions will be added to all three casinos, Butera said. "This market has shown that bigger is better," he testified. Butera, however, downplayed any notions that the Trump casinos would try to

"out-Borgata the Borgata," a reference to the industry-leading Borgata Hotel Casino & Spa megaresort. Instead, the strategy is to refurbish the existing properties, capitalize on Trump's high-profile name and recapture business that was lost to competitors, he explained. "I think the Trump brand right now has never been greater," Butera said. "We're going to take advantage of it in every way we can." Celebrity CEO Trump's personal success - through such ventures as his best-selling books and hit reality TV show "The Apprentice" - has not followed him in the casino industry. His gaming company has not turned a profit since it went public in 1995. In taking majority control of the restructured company, bondholders are gambling that Trump's name still has enough cachet to attract business. A new licensing agreement with Trump ensures that his moniker and likeness will remain on the casinos. "I think we're well-positioned to be one of the premier operators," Butera said of the company's changing fortunes. While Atlantic City remains the company's main focus, the restructuring plan also allows Trump to explore opportunities in emerging gaming markets. Among other possibilities, Trump may bid on one of the slot parlor franchises in Philadelphia when Pennsylvania introduces casino-style gambling in 2006 or 2007. "Right now, the only place where we have immediate plans is Atlantic City," Butera said. "The Philadelphia market is one we are looking at." To e-mail Donald Wittkowski at The Press: DWittkowski@pressofac.com

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Date: Sunday, September 11, 2005 Section: Business Edition: All Page: F1 Byline: By **DONALD WITTKOWSKI** Staff Writer, (609) 272-7258 **Illustration:** New Trump Entertainment President and CEO Jim Perry, right, and chief operating officer Mark Juliano are veterans of Atlantic City gaming whose mission is to freshen, update and make more competitive the three casinos bearing the Trump name. Staff color photo by Ben Fogletto ATLANTIC CITY In all their gaudy, neon glory, the lights on the casinos still boldly spell out the name "**Trump**." But make no mistake about it, there are new bosses running the show at **Donald Trump's** gaming halls. With **Trump** relinquishing the CEO title in the company's recently completed **bankruptcy** reorganization, his casinos are now under the control of two veteran gaming executives who have come back to the city where they first made their mark. Unlike **Trump's** legendary boastful way of doing business, Jim Perry and Mark Juliano are promising a more reserved and methodical approach as they rebuild three aging casinos that have struggled to compete with the Borgatas of the world.

Perry stressed that there will be no radical rebranding of the casinos - the **Trump** marque will stay on the buildings - but he does plan an overhaul of what he characterized as their "dated" look. "I came here to be an agent of change," said Perry, 55, who was lured out of retirement at his Santa Barbara, Calif., home to become president and chief executive officer of **Trump Entertainment Resorts Inc.** "I want to make it better. That's what I do. That's what I enjoy." Most of Perry's 26-year gaming career has been spent in Atlantic City. He was named president of Tropicana Casino and Resort in 1992, then headed to the Midwest to orchestrate a turnaround of riverboat casino operator Argosy Gaming. Comfortably retired since 2003, Perry joined the **Trump** board of directors when the company went through Chapter 11 **bankruptcy** earlier this year. To his surprise, the directors turned to him to replace **Trump** as CEO. **Trump**, the company's chairman and largest single shareholder, no longer has executive responsibilities and will leave the day-to-day operations to Perry and Juliano. Perry insisted **Trump** will be no mere figurehead. He will still be closely involved in marketing plans and the development of casino projects - all while using the power of the **Trump** name to generate publicity and business. "He understands he adds value through his image," Perry said of **Trump**, whose celebrity status includes starring in the NBC reality show "The Apprentice." One of Perry's first moves as CEO was to hire Juliano as chief operating officer, the company's No. 2 position. Juliano, 50, spent the past two years as president of Caesars Palace in Las Vegas, but his gaming career started - and apparently will end - in Atlantic City. From humble beginnings as a seating captain at a Resorts International casino showroom in 1978, Juliano rose through the executive ranks to become president of Caesars Atlantic City in 1994. Juliano will call on his experience managing the flashy, upscale Caesars casinos to reinvigorate the **Trump** properties and bring a little bit of Las Vegas to Atlantic City. At Caesars Palace, he helped the nearly 40-year-old Strip property stay fresh by adding new retail attractions, restaurants, nightspots and top entertainers. "We now have a great opportunity to bring some cutting-edge restaurant concepts and big-name entertainers to Atlantic City," Juliano said. For years, Atlantic City has tried to reinvent itself as a Las Vegas clone by weaning itself off the daytripper market in favor of a more lucrative overnight customer base. The phenomenally successful Borgata Hotel Casino & Spa, the city's first Las Vegas-style megaresort, has inspired the **Trump** casinos to remake themselves more like their rollicking neighbor. "I think there's an opportunity to extend the six-hour experience in Atlantic City - although probably not to the extent of the typical seven-day experience in Las Vegas - to maybe a three-night experience," Juliano said. "I

4/14/2006

think that Borgata has proved that people will come and play as long as you're offering value and price." Competitive pressures from surrounding states that already have or will soon get casino-style gambling are another factor in *Trump's* evolving corporate strategy. The *Trump* casinos plan to reconfigure their gaming space for overnight guests rather than concentrate on low-rolling daytrippers. "It's not going to be real difficult to freshen it up," Juliano said. "We have an opportunity to take some stuff and add some excitement to the casino floor." *Trump* Entertainment was able to unload hundreds of millions of dollars of debt and dramatically reduce its interest payments through its *bankruptcy* reorganization. Finally, the company has the cash needed to expand and refurbish its casinos. Expansion of the flagship *Trump Taj Mahal* Casino Resort is a top priority. How large an expansion is anyone's guess at this point, although at least one new hotel tower is planned within the next three years. "The company is committed to a new tower," Perry said. "It could be one tower or four towers." Instead of rushing into a building boom, the company plans to conduct market research to find out what customers like and don't like about the Trump casinos and how they should be upgraded. Perry and Juliano described this approach as "measured growth" that could take up to seven years to complete. "To have a vision and a plan ... does take time," Juliano said. "There will be mistakes made along the way. We'll just have to hope they're not big ones." While Atlantic City remains Trump's hub, the company's growth plan includes searching for opportunities in other gaming jurisdictions. Trump Entertainment seems to have cooled to the idea of jumping into Pennsylvania when new slot parlors debut there next year, but Perry has his sights on Las Vegas for expansion. Perry estimated that ownership of a Pennsylvania slot parlor would require an immediate capital investment of about \$350 million - money that he is unwilling to spend right now for a project outside Atlantic City. However, he didn't rule out the possibility of Trump Entertainment managing a Pennsylvania slot parlor for another company that would put up the cash to build it. A long-term project might be a Trump casino in Las Vegas, the major leagues of gambling. Perry vaguely outlined a 10-year expansion plan for Las Vegas, but noted the company could plunge into that market sooner than that through a casino-management contract or perhaps a deal to share the Trump name. Wherever the Trump casinos may be, Perry pledged they will be run by a rejuvenated company anxious to capitalize on one of the biggest names in the gaming industry. "Donald Trump has committed to me, since the first time that I met him as a board member, that he wants us to make the Trump facilities the best they can be," he said. To e-mail Donald Wittkowski at The Press: DWittkowski@pressofac.com

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Date: Saturday, November 5, 2005 Section: Business Edition: All Page: B4 Byline: By **DONALD WITTKOWSKI** Staff Writer, (609) 272-7258 ATLANTIC CITY **Donald Trump** is no longer one of the captains of the casino industry. Now he's just a rich landlubber. **Trump's** gaming company has agreed to sell its Gary, Ind., riverboat casino in a \$253 million deal that will generate extra cash to expand and refurbish its three aging Atlantic City properties. "We certainly have wonderful plans for Atlantic City," **Trump**, the billionaire casino mogul, said in an interview after the deal was announced Friday. "Now we'll decide what we want to do."

Majestic Star Casino LLC is buying the 280-foot riverboat from **Trump** Entertainment Resorts Inc. following months of on-again, off-again negotiations over the final price of the floating casino and hotel on Lake Michigan. The sale will boost **Trump** Entertainment's bottom line as the company continues to restructure its operations following its exit from Chapter 11 *bankruptcy* protection last May. **Trump** Entertainment will reap \$227 million from the riverboat deal after accounting for taxes, fees, closing costs and other expenses, the company said. The money will be combined with \$500 million in post-*bankruptcy* financing to give the company a sizable bankroll for upgrades to the Atlantic City casinos. "This makes us an extremely liquid company. It's a wonderful number," **Trump** said. Now that the company is no longer cash poor, **Trump Taj Mahal** Casino Resort, **Trump Plaza** Hotel and Casino and **Trump Marina** Hotel Casino are receiving their first significant makeover in years. However, even more improvements are in the planning stages, including a new hotel tower at the flagship **Taj Mahal**. **Trump** Entertainment is exploring the possibility of operating a new slots parlor in Philadelphia when Pennsylvania begins legalized gambling next year. But for the moment, the sale of the Indiana riverboat means that the company will focus entirely on the Atlantic City market. "They're already in Atlantic City, so this allows them to be stronger and to deal with whatever comes their way. I look at it as an ability to fortify what they already have," Jane Pedreira, a Wall Street gaming analyst for Lehman Brothers, said of the benefits to **Trump** from the deal. **Trump** opened the riverboat in 1996, spending about \$130 million to develop the casino, its 300-room hotel and infrastructure improvements to the dock area. The \$253 million sale price represents about eight times the riverboat's annual gross operating profit of approximately \$31 million. "We got the price we wanted," **Trump** said. **Trump** Entertainment and Majestic Star Casino have neighboring riverboats on Lake Michigan. They share dock space, an entrance pavilion and restaurants in an area known as Buffington Harbor, so the **Trump** deal allows Majestic to consolidate its operations. The sale is expected to close by year's end, pending regulatory approval and consent from the lenders of **Trump's** \$500 million post-*bankruptcy* financing. Trump's departure from Gary comes just months after he dropped plans to build a land-based casino in the southern Indiana town of French Lick. Although Trump's company won the rights to develop the casino, it pulled out in March, citing heavy tax burdens and the possibility that casino gambling would spread to other parts of Indiana. In the interview Friday, **Trump** said the riverboat sale and aborted casino project were unrelated. He characterized Indiana as a good fit for his company, but said the riverboat deal was too good to turn down. "We had great respect for the people of Indiana and had loyal customers. I think it was a very nice place," he said.

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Testimony of Ralph Wynder
At Gaming Control Board Hearing on April 12, 2006

Good Morning,

My name is Ralph Wynder, and I am the Chairman of the Multi-Community Alliance (MCA), and the 38th Democratic Ward Leader, the area of the proposed Trump site.

You have heard from some of my neighbors and alliance members over the past two days, expressing their concerns and opposition to a slots parlor at Henry and Roberts Avenue. They have voiced concerns regarding increased gambling addiction, crime, traffic, taxes, eminent domain and other legitimate issues. As the ward leader of this area, and chairman of the 27-organization alliance, that represents groups and people from West Allegheny, East Falls, Abbotsford Homes, South West Germantown, Nicetown, and Tioga; I am here to amplify their voices. I ask you to support our communities right to say "NO CASINO HERE" at the old Budd site, which sits in the heart of these communities.

If I might briefly share this story, I remind you that as we approach this Holy time, known by some as Nisan 14, or the Memorial and to others as Easter Sunday, I am reminded how the Roman Soldiers cast lots beneath the impaled body of Jesus Christ, to see who would win his garments, (Matthew 27:35). In other words they gambled at that historically powerful moment in time.

Previously in his life, Jesus who was "mild" in manner, displayed a rare emotion of anger, when he overturned the tables of greedy business merchants who attempted to exploit the people within the Temple by over charging them for goods (John 2:15)

Now don't worry. I did not come here to preach, but I do think we would be dangerously remiss if we didn't acknowledge history and the presence of Jehovah God in this critical issue.

As Chairman of the MCA and 38th Ward Leader, I committed myself to representing the will of the community and its constituents. We began meeting with Trump representatives nearly one year ago, and I had no idea how people would feel.

We assembled legitimate and credible community organizations from around the site. These leaders listened to the Trump presentations, asked questions, and made comments. There were some who liked the idea, but most who didn't think it wise to place a potential casino, in the midst of many neighborhoods.

Finally, we took the Trump representatives and their proposal to the people. We held mass town meetings throughout the many communities, starting with a meeting on September 15, 2005 at the Mercy Vocational School, at 30th and Allegheny

Avenue/Hunting Park, which is only two and one half blocks from the proposed site. This meeting overflowed the building capacity with nearly 400 residents. These concerned residents listened respectfully to the presentations by the Budd site owner, Mr. Mike O'Neil, and by the Mayors Task Force representative Mr. Shawn Fordham, and finally by the Trump Vice Executive Mr. Robert Pickus. Afterwards the residents lined up at the microphone and asked questions and made comments. The clear sentiment of the people was of concern and opposition. Nearly 40 people spoke at the microphone, and only one expressed favor for the Trump Proposal. During the meeting we collected nearly 300 confidential surveys from those who attended. The surveys indicated 70% opposition to the Trump Proposal. Meetings like this were repeated throughout North Philadelphia, East Falls, Germantown, Nicetown, and Tioga, with the same results. Only once at a meeting sponsored by the Tioga United Organization located at 23rd and Allegheny Avenue, did the Trump Proposal receive a favorable vote. Only once out of dozens of meetings.

Even still, while the MCA wrote an October 3rd 2005 letter to the Philadelphia Gaming Task Force, expressing community opposition, we agreed to continue to meet with Trump representatives and residents, so as to expand the dialogue, and continue the education and surveying.

We also did some research. Research of course, can tell you, anything the person who funds it wants it to tell you, and the Casino industry has funded much of the research written about itself. We looked for independent, unbiased research or self-disclosure. Allow me to mention two references: In one case, the book entitled the "Luck Business" by Robert Goodman, shed much light on casino's and their impact on nearby urban communities. We learned that as opposed to leading to job creation, which is the Casino's biggest boast, they often lead to long-term massive job loss. This is because they initially offer jobs that will eventually be eliminated by automated machines, and because instead of attracting new business, the Casino often drains dollars from the local residents away from small neighborhood stores and businesses, often causing them to go out of business with their employees losing jobs. Additionally, after many of these businesses close, the Casino itself sometimes closes, Thus leaving the community and its residents, worse than they were before it came.

Another instance of self-disclosure, comes from Trumps own eight-year license renewal: Regarding their appraisal of their Gary Indiana Casino, they state on page 23 that, "small businesses have not seen the positive spin-offs they thought they would" and that "Bankruptcies and home foreclosures have increased, as have the number of pawnshops and payday loan businesses" in the community.

So I ask you, are our communities not already preyed on enough by financial predators? In this very area, on this very street, first a state created non-profit closes a 155-year-old hospital known as Woman's Medical, or MCP, and now they attempt to open a Slots Parlor, just one block away, on the same street, Henry Avenue. Enough is Enough!

I ask this board to consider all things, but please, above and beyond all things, even above the perceived economics, consider the adverse, irreparable harm this product will have on the neighbors who live here. Please remember your duty to protect these residents from harm.

Consider that Gambling is an addictive product, and that people with pre-existing addictive behaviors are prone to become its new victims. Remember our residents, including our youth, are too vulnerable, for gambling to be so accessible.

Consider also that research indicates that poor people gamble at a higher rate than wealthy people, and while wealthy people gamble as a social and recreational event, poor people see gambling as an investment, an opportunity to immediately change their lives and to escape their poverty. The reality is, it usually changes it for the worse. Casino's can't make money, unless a lot of people lose money.

"NO CASINO HERE" is not just a slogan, not just a sign, it is a battle cry for respect; a plea for justice. May God direct your decision, and help you make the right one.

E F C C

East Falls Community Council

May 30, 2006

Mr. Tad Decker, Chairman
Pennsylvania Gaming Control Board
PO Box 69060
Harrisburg PA 17106-906

RE: OPPOSITION TO GAMING AT THE BUDD SITE & TRUMP/KEYSTONE TEAM

Dear Mr. Chairman:

The East Falls Community opposes the granting of a gaming license to the slots casino facility proposed for the former Budd Plant property ("Budd Site"). It is our belief that the Trump/Keystone team does not fulfill the criteria to be granted a Pennsylvania Gaming License for a slots casino. The East Falls Community believes that the proposed Slots Casino will indeed fulfill the promise of the Trump/Keystone team to transform the community, to its detriment.

1. Revenues promised by the proposed Slots Casino at the Budd site are not the highest of the proposals for Philadelphia. In its own impact study, Trump lists \$196.3 million in annual tax revenue for 3,000 slot machines, compared with \$200 million at Pinnacle and \$218.5 million at SugarHouse.
2. The Trump/Keystone team is less financially fit with questionable integrity, as compared to other teams proposing slots casinos in Philadelphia. The Board needs to consider the financial capacity, stability, integrity (including personal bankruptcies), responsibility, and, most importantly, operational viability, of each casino applicant.

Trump/Keystone team's application misrepresents site - Trump has misrepresented the impact area in two ways: in their application that the

- First, by selecting census data that do not represent the immediate neighborhoods;
- Second, by presenting incorrect data.

3. Trump presents socio-economic data for the combined Zip Codes of 19129 and 19132. This area does not accurately represent the impact zone and includes ten of thousands of additional residents to the east. There are—however—eight census tracts that taken together closely represent a

5. Bankruptcy should raise questions when considering granting a gaming license. In 1992 Trump filed for Chapter 11. Again, in November 2005, Trump Hotels & Casino Resorts, Inc. filed for bankruptcy citing aging Trump facilities, intense competition in the casino market and with \$1.8 billion in debt as primary factors.

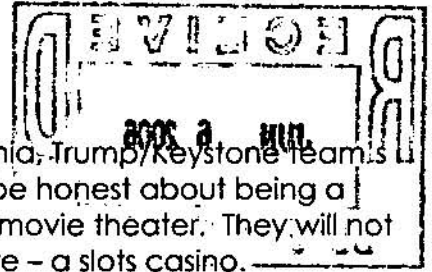
The former Trump Hotels & Casino Resorts has a new name, Trump Entertainment Resorts, Inc. The restructuring included a 1,000 for 1 reverse stock split, so holders of common stock saw their existing shareholder interest plummet. It has been estimated that when Trump filed for bankruptcy, and was freed from \$400 million in debt, 137 purveyors were put out of business.

6. The promise of jobs is one of the positive elements that will impact the city of Philadelphia. Trump falls short on job creation. Each of the other four applicants in Philadelphia exceeds the Trump organization in its proposal to the Gaming Control Board. Trump projects only 905 full-time-equivalent jobs, while other developments project between 1,000 and 1,700 jobs.

It is important to consider that promised jobs do not necessarily translate into actual jobs. In Chester the number of actual jobs is less than predicted for construction. Many in Chester say early promises that 60 percent of the development's workforce would be chosen from among Chester residents were never realistic. 1,500 new jobs were projected, with the majority of those filled by Chester residents. When Harrah's later became a partner - changing the name from Chester Downs & Marina - and agreed to finance the track, total job estimates dropped to 900. Only 4 percent of the construction payroll, as of Feb. 28, has gone to Chester residents, according to Harrah's most recent report. Chester's experience should allow the jobs promised to the community by Trump to be seen with a more discerning eye. According to figures compiled by Harrah's during the construction phase, the direct benefits to Chester have been limited.

7. Facility and Design will not provide benefit to the community to offset the negative impact of additional 24/7 activity and traffic volume.

It is clear that the addition of a casino at the Budd Commerce Center with an entrance on Henry and Roberts or Fox and Roberts Avenues will adversely impact the existing communities surrounding the site. 24/7 activity will be disruptive; studies have indicated increases in traffic of 215-233%. Traffic will pass residences, schools, parks and churches, endangering and inconveniencing neighbors. Traffic studies are woefully inadequate and do not take the true nature of local traffic into account.



At the Design Forum held May 24th in Philadelphia, Trump/Keystone team's representative stated that they were going to be honest about being a casino. TrumpStreet will not be an ice rink or a movie theater. They will not be looking to create anything but what they are - a slots casino.

Trump/Keystone team proposes the only casino not on the riverfront. They stated that they are the only Casino that will change a community. Citing design changes resulting from numerous meetings with the community the Trump/Keystone team did not present any design information but rather background images of Budd plant products and 1930's music. As a result the design could not be critiqued. There was a comment from the panel that Trump should not get a pass just because they said they were redesigning and had nothing to present - in effect that is exactly what is happening. One week from the deadline for public comment on the casino proposal no one in the community knows what is being proposed for the TrumpStreet Slots Casino.

8. For further information regarding Trumps' tactics, I suggest you contact the state of Indiana regarding Trump's application, acceptance and withdrawal of a casino proposal for French Lick, a community just outside Bloomfield. Perhaps the governor of Indiana can tell you whether or not Trump has paid the \$18 million, the state says it is owed in back tax revenue.

For the reasons outlined above, I urge the Pennsylvania Gaming Control Board to reject the Trump/Keystone team's application for a gaming license. Given that the State has determined that Gaming is coming to Pennsylvania and the City of Philadelphia, licenses should be granted to the entities that will most reliably provide the greatest revenues with the least detriment with the greatest mitigating benefits to the communities surrounding the casino site. After careful consideration of the facts it is clear that Trump/Keystone team does not fit the criteria.

Sincerely,

Sharon B. Jaffe
President, East Falls Community Council



**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: Alan M. Schindler, MD

Address:

Telephone:

Organization, if any:

Employer: Albert Einstein Medical Center, Philadelphia, PA 19141

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

My name is Alan Schindler. I am a pediatrician who has lived in East Falls for almost 40 years. I have been caring for children in the area for more than 25 years. I am opposed to having the Keystone/Trump casino in my neighborhood for many reasons, but my purpose in addressing this panel is to be sure that you are aware of the effect that a casino would have on the children of the East Falls neighborhood.

Children and adolescents see adults as role models and they imitate the behavior of adults. For example, it is well known that children whose parents smoke or use alcohol are much more likely to do that as they grow up, and *vice versa*.

In the same way, children who see gambling as an approved adult activity are more likely to become gamblers. We already see this in the widespread "gaming" activities of adolescents, whether on free Internet "casino" or "poker" sites, or with informal betting on various sports.

Anyone who has been in a casino knows that casinos encourage adolescent "gaming" activities with game arcades for kids. In these arcades kids can spend their money, play games that involve some element of chance, and maybe win a prize. Actually, that already sounds a lot like gambling, doesn't it? Casinos are happy to provide these training places for the gamblers of the future, and they let in any kid over 18 - or over 14 if they're with an old enough person.

Comments: Page 2 (continued)

For parents who travel with their children to a casino and let them play in these arcades, that is their choice and their responsibility.

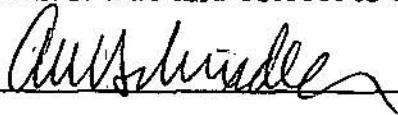
But parents cannot be expected to control their older children's access to a casino that is right in their own neighborhood. And, for the Trump group, no matter how many lines they draw on the map or how much they pretend that the location is only in a run-down industrial area, the fact is that thousands of families and children live within a short walk of their proposed casino, and some live literally just across the street.

If the Trump people suggested putting "game arcades" in schools for kids to use in their spare time, they would be laughed out of town. But that concept is really no different than putting a casino right in the kids' neighborhood.

I think we would all agree that, except for casino operators, it is not in anyone's interest, and certainly should not be in the interest of the State of Pennsylvania, to provide an easy way for children to start on the road to gambling. The way to prevent that from happening to the children of East Falls is to deny a casino in their neighborhood.

Thank you for your attention.

I, Alan M. Schindler, MD, verify that the information contained in this written comment is true and correct to the best of my knowledge and belief.



TOM SAUERMAN TESTIMONY 4/12/06:

Good afternoon ladies and gentleman. My name is Thomas Sauerman and I live at

I am here to testify about the Trumpstreet Casino and its location in the East Falls section of Philadelphia. Of the five proposed Philadelphia casino sites, only the Trumpstreet would be placed in the heart of a residential neighborhood. Among the selection criteria guiding your ultimate decision, you have been charged with a duty to protect the public. This location and its proximity to the surrounding residential communities will create a disproportionate negative impact on the community and public.

It is estimated that more than 15,000 homes exist within 1 mile of the proposed site.

Within a 1.5 mile radius of that location, there are no less than 21 schools, including 13 elementary schools, 8 middle and high schools, and 1 university. There are, conservatively, no less than 20 houses of worship within this same radius. Many of the houses of worship located nearby host Saturday evening and Sunday worship

services during the same hours when weekend casino traffic is expected to be at its peak. Attached with my written testimony is the full list of all 21 schools and 20 places of worship.

The Trump team has yet to come to agreement with the Philadelphia School District to purchase the Randolph Career Academy where they seek to locate the casino entrance.

If there is an agreement, Trumpstreet property will be adjacent to this high school. Additionally, three other schools remain just a stone's throw away---with their school buses driving on the same streets as exiting casino patrons, who will have had access to alcohol 24/7 at the slots operations. In the immediate other direction, Penn Charter private school and Philadelphia University have open campuses, from which students can come and go during free time. Fox Street, which intersects with the proposed casino entry road Roberts Ave, leads directly onto the Penn Charter campus. College and high school students are within close and easy walking proximity to the slots parlors directly down Fox Street.

In assessing the local impact of the casinos and the board's duty to protect the public, I ask the board to

recognize the unsuitability of locating a casino within walking distance of these 21 schools.

Casino patrons will undoubtedly use the avenues of Henry, Wissahickon, Midvale, Hunting Park, and Allegheny, among others, as "shortcut" routes to the slots parlor, seeking to avoid the congestion of I-76 and Rt. 1. The vastly increased traffic has no place in a residential community.

As Bill Thompson was quoted in the Inquirer: "When you put . . . casinos in the community, the community suffers because compulsive gamblers will cost the community money in the form of bad debts not being paid, goods being stolen, work being missed, and social services stretched thin." Given Trumpstreet's proposed location directly in the community, these costs will far exceed the benefits.

Trumpstreet is wrong for its proposed location in the midst of 15,000 families, 21 schools, and over 20 places of worship. Thank you.

ELEMENTARY SCHOOLS:

- >Thomas Mifflin Elementary School
- >Saint Bridget's Parochial School
- >Allen Elementary School
- >Whittier Elementary School