

**TESTIMONY OF  
CURTIS JONES, JR., PRESIDENT & CEO  
PHILADELPHIA COMMERCIAL DEVELOPMENT  
CORPORATION (PCDC)**

**Before the**

**PENNSYLVANIA GAMING CONTROL BOARD  
PUBLIC INPUT HEARING**

**APRIL 12, 2006**

**OUTLINE TESTIMONY**

**CURTIS JONES, JR**

**DISTINGUISHED PANEL, RESIDENTS OF PHILADELPHIA, AND GUESTS. I SPEAK HERE TODAY, NOT JUST AS THE PRESIDENT AND CEO OF THE PHILADELPHIA COMMERCIAL DEVELOPMENT CORPORATION, OR AS AN EXPERT IN PROVIDING BUSINESSES WITH CAPITAL AND GUIDANCE THAT IMPACTS THIS CITY AND ITS NEIGHBORHOODS— I SPEAK HERE TODAY AS A NEIGHBORHOOD ADVOCATE. A WEST PHILADELPHIAN, INTRODUCED EARLY TO COMMUNITY CONCERNS, NURTURED IN AN ENVIRONMENT OF COMMUNITY EMPOWERMENT, AND MATURED IN PROGRESSIVE ACTION—PROMOTING AND DEFENDING COMMUNITY EMPOWERMENT.**

**THERE IS A DIFFERENCE BETWEEN DEVELOPMENT AND EMPOWERMENT. THE TWO ARE NOT SYNONYMOUS. BECAUSE THERE'S GOING TO BE PROGRESS, ALL PROGRESS ISN'T FORWARD FOR ALL PEOPLE. MY CONCERN TODAY IS FOR THE LONG-TERM EMPOWERMENT OF A COMMUNITY THAT MAY OR MAY NOT BE A PART OF THE LONG-TERM DEVELOPMENT STRATEGY OF PROPOSED CASINO GAMING IN THIS AREA.**

DURING THE PAST THIRTY-TWO (32) YEARS, PCDC HAS ARRANGED FINANCING IN EXCESS OF \$267.7 MILLION FOR MORE THAN 2,500 BUSINESSES ON FORTY-FOUR (44) COMMERCIAL CORRIDORS. MANY OF THE FIRMS THAT RECEIVED ASSISTANCE WERE SMALL AND/OR DISADVANTAGED NEIGHBORHOOD-BASED BUSINESSES THAT HAVE CREATED AND/OR RETAINED JOBS FOR LOW TO MODERATE-INCOME INDIVIDUALS.

IN THE FINAL REPORT ISSUED BY THE PHILADELPHIA GAMING ADVISORY TASK FORCE IN 2005, APPROXIMATELY \$150-\$200 MILLION WILL BE SPENT ON CASINO CONSTRUCTION. WHEN USING A MODEST ECONOMIC MULTIPLIER OF 3.5 ON THE CONSTRUCTION SPENDING, THERE IS A PROJECTED ECONOMIC IMPACT OF BETWEEN \$525 MILLION AND \$700 MILLION. WE ARE TALKING ABOUT PRIME AND SUBCONTRACTS IN ARCHITECTURAL AND ENGINEERING, DEMOLITION, EXCAVATION, ELECTRICAL, PLUMBING, DRYWALL, MASONRY AND CARPENTRY, TO NAME A FEW. THERE ARE CONTRACTORS THAT ARE WELL REPRESENTED AMONG THE SMALL, MINORITY AND FEMALE COMPANIES THAT ARE FINANCED BY PCDC THAT CAN PROVIDE THESE SERVICES.

REVENUE PROJECTIONS RANGE FROM \$369 MILLION AND \$420 MILLION. MANY SMALL COMPANIES WILL BE EAGER TO PROVIDE VARIOUS SERVICES THAT WILL FUEL THESE REVENUES. THESE INCLUDE ENTERTAINMENT, SECURITY, LINEN, FOOD SERVICE, LEGAL, ACCOUNTING, TRANSPORTATION, CLEANING AND MAINTENANCE.

IT IS IMPERATIVE THAT THE PENNSYLVANIA GAMING CONTROL BOARD INSURE THAT SMALL AND MINORITY BUSINESSES RECEIVE EQUAL OPPORTUNITY TO THE ECONOMIC WINDFALL THAT PHILADELPHIA WILL EXPERIENCE FOR THE NEXT FEW DECADES. THE RECURRING EXPERIENCE OF SMALL MINORITY AND FEMALE BUSINESS IS MANY PROMISES MADE, VERY FEW KEPT.

AS THE HEARING PROCESS CONTINUES, I WOULD URGE THE COMMITTEE TO ALSO CONSIDER THAT THIS IS NOT JUST A CASINO SITE ISSUE. WHAT ULTIMATLEY IS AT STAKE HERE ARE THE LONG-TERM DIRECTION, FABRIC, AND CHARACTER OF A NEIGHBORHOOD PROUD IN ITS TRADITION TO DETERMINE ITS OWN DESTINY.

COMMUNITY CONCERNS AND CORPORATE CAPITAL CLASH FREQUENTLY. BUT, THIS PANEL IS IN A UNIQUE POSITION AS A PANEL ANSWERING TO PENNSYLVANIANS, TO INSURE THAT COMMUNITY

**SAFE GAURDS ARE FAIRLY WEIGHED AGAINST THE FREEDOMS OF  
CAPTIAL EXPRESSION.**

**TO THAT END, I PROPOSE: A LINKED DEVELOPMENT APROACH TO  
BRINGING THE COMMUNITY AND BUSINESSES TOGETHER.**

**LINKED DEVELOPMENT INSURES THAT THE SOCIAL PROGRAMS AND  
THE DEVELOPMENT OF A LOAN FUND TO FUND LOCAL BUSINESSES  
THAT CAN DIRECTLY BENEFIT FROM THE GAMING INDUSTRY. MY  
OBJECTIVE AS THE GAMING INDUSTRY PROSPERS, IS THAT THE  
DEVELOPMENT OF ACTIVITIES COMBINED WITH SUBSIDIZED HOUSING  
AND SOCIAL SERVICES ARE SECURED. THE GOVERNING ADVISORY  
BOARD WOULD BE A MIRROR TO REFLECT THE FULL CONCERNS OF  
THE COMMUNITY.**

**THE CREATION OF A PENNSYLVANIA GAMING LOAN FUND WILL  
PROVIDE A DEDICATED FUNDING SOURCE FOR COMPANIES THAT  
NEED TO HAVE FINANCING OF CONTRACTS WITH SMALL AND  
MINORITY COMPANIES. THIS FUND CAN BE INITIALLY CREATED BY  
ASSESSING EACH CASINO WITH A SELECTED \$250,000 ECONOMIC  
DEVELOPMENT FEE. THIS WOULD CREATE A \$3.5 MILLION REVOLVING  
LOAN POOL THAT CAN BE ADMINISTERED BY THE AREA LOAN  
ORGANIZATIONS IN PENNSYLVANIA ALREADY UNDER CONTRACT**

**WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT.**

**THE CREATION OF LOCAL SMALL BUSINESS GAMING ADVISORY BOARDS WOULD INSURE THE GAMING OPERATOR'S COMPLIANCE WITH THEIR COMMITMENT TO SMALL AND MINORITY BUSINESS OPPORTUNITIES. THE LOCAL BOARDS CAN MEET THREE TIMES A YEAR AND ALL OF THE LOCAL BOARDS CAN MEET ONCE A YEAR. CONSISTENT WITH A RECOMMENDATION BY PHILADELPHIA GAMING ADVISORY TASK FORCE, THE MEMBERS OF THE PHILADELPHIA REVIEW BOARD SHOULD INCLUDE REPRESENTATIVES FROM THE FOLLOWING ORGANIZATIONS:**

**PHILADELPHIA CITY COUNCIL**

**PHILADELPHIA MINORITY BUSINESS ENTERPRISE COUNCIL**

**PHILADELPHIA COMMERCIAL DEVELOPMENT CORPORATION**

**REPRESENTATIVE OF LABOR**

**WHAT I LEARNED IN 20YEARS OF COMMUNITY DEVELOPMENT IS A TRULY SUCCESSFUL COMMUNITY CAN NOT HAVE WINNERS & LOSERS. THERE MUST BE AN EQUITABLE BALANCE BETWEEN RESIDENTS, BUSINESSES AND GOVERNMENT THAT PROVIDES A WIN/WIN SENARIO.**

**AS A LOW-INCOME INNER-CITY BOY TRAVELING SUMMERS TO ATLANTIC CITY, NJ TO CHICKEN BONE BEACH, WE WOULD TRAVEL THROUGH AN AFRICAN-AMERICAN COMMUNITY TO GET THERE. SINCE THEN A LOT OF PROGRESS WAS MADE, BUT THE MINORITY COMMUNITY IS NOW LONGER THERE AND PROSPERING.**

**IN THAT SPIRIT, I HAVE INTRODUCED TODAY, FOR YOUR CONSIDERATION, THE LINKED DEVELOPMENT PROPOSAL. WHICH IS A MUTUALLY BENEFICIAL TO THE CASINO, RESIDENTS AND PROPOSED SITES.**

