

TRAFFIC PLANNING AND DESIGN, INC.

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November 22, 2006

Mr. Frank T. Donaghue
Chief Legal Counsel
Pennsylvania Gaming Control Board
P.O. Box 69060
Harrisburg, PA 17106

Re: Allentown Tropicana
City of Allentown, Lehigh County, PA
Response to McCormick Taylor
Detailed Traffic Impact Study Review Letter
TPD# TROP.A.00001

Dear Mr. Donaghue:

Traffic Planning & Design, Inc. (TPD) has reviewed the November 15, 2006 McCormick Taylor review letter regarding the Traffic Impact Study (TIS) (dated April 25, 2006, last revised September 7, 2006) for the Tropicana Allentown development in the City of Allentown, Lehigh County, PA. TPD's responses to the comments are provided on a point-by-point basis, as described below. The McCormick Taylor Review Letter is attached for reference.

PennDOT and Municipal Coordination

Tropicana Allentown has recently made a formal Traffic Signal plan modification submission to PennDOT regarding the outlined improvements as they pertain to the proposed Casino access on American Parkway (City owned roadway). Because American Parkway is owned and maintained by the City of Allentown, an HOP permit is not required from PennDOT District 5-0 for the proposed access improvements and roadway improvements outlined in the Traffic Impact Study.

Additionally, the project has received final land development approval from the City of Allentown, after providing revised traffic impact studies (3) based on review letters received from the City of Allentown throughout the land development process.

Site Visit

No response necessary.

Technical Review of the Traffic Study

Approach

1. An evaluation of the Saturday peak period was not completed as part of the traffic study revisions due to the nature of the surrounding roadway network.

PA Society of Professional Engineers
Professional Development Award Winner

Bentley Awards of Excellence
Civil Road Design Nominee

Civil Engineering News Magazine
Best Civil Engineering Firms
To Work For In The U.S.
Ranked Top 25

Best Companies Group
Best Places To Work In PA
Ranked Number 6

Across American Parkway from the proposed Casino facility exists the Corporate Headquarters of Agere Systems, Inc. Agere Systems, according to their VP of Law, currently employs approximately 1,375 employees at their Corporate Headquarters. Furthermore, it is estimated that less than 10% of the total workforce may work on a Saturday at their Headquarters. Based on the existing traffic counts during the weekday P.M. peak hour, approximately 371 vehicles enter and exit the existing Agere Systems Corporate Headquarters driveway on American Parkway. The Agere Systems Corporate Headquarters experiences their peak hour of traffic between 4:00pm and 5:00pm on a weekday evening.

In addition, traffic due to the proposed Minor League Baseball stadium was added into the traffic study during the P.M. peak hours to account for a worst case, highest volume, scenario. The peak hour of traffic associated with the proposed Minor League Baseball team would occur between 6:30pm and 7:30pm on a Friday weekday evening, and based on the number of minor league baseball games that occur during the season (142), it would be expected that approximately 10-12 would occur on a Friday evening, with a total of approximately 40-45 occurring on a weekday evening.

As a worst case, highest volume scenario, the P.M. peak hour traffic volumes depicted within the traffic study prepared for the proposed Casino development, comprised of the P.M. peak hour traffic associated with the Agere Systems Corporate Headquarters, the P.M. peak hour traffic associated with Minor League Baseball and the P.M. peak hour traffic associated with the proposed Casino facility even though the peak hours of Agere Systems and Minor League Baseball do not overlap, as discussed above.

Therefore, the Saturday Midday peak hour was not analyzed as the major traffic contributor on American Parkway (Agere Systems) operates at less than 10% of the P.M. peak hour volumes on a typical Saturday. It should be noted that Agere Systems traffic accounts for approximately 45% of the total traffic on American Parkway during the P.M. peak hour. Based on the above, it is our opinion that the P.M. peak hour of traffic, as analyzed in the revised traffic impact study, represents a higher volume of traffic than would be associated with the Saturday Midday peak hour.

2. The Route 22/Airport Road interchange was analyzed as part of the traffic study prepared for the Airport Centers Retail Development. The Retail development proposes significant roadway improvements to the Airport Road corridor from the Route 22 Interchange, south to American Parkway. These improvements include the traffic associated with the Retail development as well as other developments in the area in order to mitigate the development's traffic impacts. As discussed with PennDOT regarding the Retail development, as well as other developments in the area, the maximum amount of improvements are being provided in the Airport Road corridor from the Route 22 interchange, south to American Parkway in order to mitigate the proposed surrounding major developments.
3. No response necessary.

Trip Generation

4. No response necessary.
5. No response necessary.

6. The trip generation analysis was conducted based on actual field traffic counts at a similar facility operated by the applicant in Evansville, Indiana. According to the ITE publication, *Trip Generation*, when a limited amount of data exists for a particular land use, it is suggested that traffic counts be conducted at a similar facility in order to obtain trip generation rates compatible with the proposed development.

Furthermore, PennDOT noted that ***“Due to the limited trip generation data available for casino resort developments in Pennsylvania, there is a concern relative to the uncertainty of the estimates. As a result, the Department will require an after study be performed once the development becomes fully operational and regular traffic patterns have been established.”*** The applicant has agreed to comply with this comment and will perform the necessary after study based on testimony given at final land development approval.

It is our opinion that the trip generation assumptions are reasonable for the reasons outlined in this letter and the Traffic Impact Study.

Analytical Approach

7. The three (3) major background “other” developments were assumed in the traffic impact study in addition to a 4.9 percent background growth factor. Based on discussions with PennDOT District 5-0, a major retail development “Airport Centers Retail Development” consisting of approximately 477,000 square feet of retail space, will be providing significant improvements to the Airport Road corridor from the Route 22 on/off ramps to American Parkway. The improvements consist of widening Airport Road to include a additional lane in the northbound and southbound direction, an additional northbound through lane north of Route 22, dual turn lanes at the major intersections adjacent to Route 22 and turn lanes at Lloyd Street and the associated traffic signal modifications. Based on these improvements, it is PennDOT’s opinion that the developer of the Retail development is providing the maximum amount of improvements that can be provided in the Airport Road corridor. Furthermore, the developer of the Retail center has recently submitted Highway Occupancy plans for a seventh (7th) time based on six (6) previous PennDOT reviews. In all, the Retail project has gone through twelve (12) total reviews by PennDOT since the onset of the project. Furthermore, it is our understanding that the Retail project is in the final stages of approval with PennDOT and should be under construction during the Spring of 2007.
8. No response necessary.
9. As outlined in response #7, it is PennDOT’s opinion that the proposed improvements, some of which have changed for the better since included in the Tropicana traffic study, are the maximum amount of improvements which can be accommodated along the Airport Road corridor. Furthermore, based on the P.M. peak hour traffic volumes utilized in the Tropicana study, it is our opinion that the traffic study over estimates the actual amount of traffic (see response #1) which will be traveling on the surrounding roadway network upon completion of proposed Casino facility, Baseball Stadium and Retail development. It is also important to note that all of the intersections outlined in the McCormick Taylor review letter will be improved as part of the Retail development PennDOT approval.
10. As outlined in the response to comment #6 under Trip Generation, the applicant has agreed to provide a post-construction study once Phase I of the proposed Casino facility, the Baseball

Stadium and American Parkway bridge are completed.

Evaluation of Recommended Improvements

11. All necessary roadway improvements in order to mitigate the impact of the proposed Casino development are being constructed and funded by the applicant.
12. See response #9.
13. As discussed in response #7, significant improvements are being proposed by the developer of the Airport Centers Retail development. These improvements have been submitted to PennDOT District 5-0 on twelve (12) separate occasions and approval of these improvements is anticipated to allow a construction start in Spring 2007. Please note that the developer of the Retail Center has recently submitted revision seven (7) to the highway occupancy permit plans based on six (6) previous PennDOT review letters.

Highway Occupancy Permit Issues

-Based the fact that no roadway improvements are necessary within the PennDOT legal right-of-way, as all access and roadway improvements proposed are located on City owned and maintained streets, we concur that a Highway Occupancy Permit is not required.

- Formal Signal Design plans have recently been submitted to PennDOT District 5-0 for review and approval due to the fact that all traffic signals are reviewed and permitted by PennDOT even though they are owned by municipalities. These plans encompass all traffic signal improvements as outlined in the revised traffic study.

Conclusions

-Please see the responses above outlining the reasoning for the methodology utilized within the revised traffic impact study.

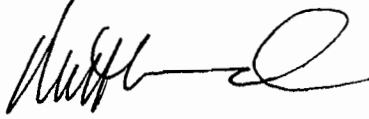
-As discussed above, the applicant is proposing all the necessary improvements in order to mitigate the impact of the proposed Casino development and has analyzed the future traffic volumes as a worst case, highest volume scenario which lends itself to an over-estimation of future traffic volumes within the surrounding roadway network.

-Please see response #7 based on discussions with PennDOT District 5-0.

Mr. Frank T. Donaghue
November 22, 2006
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Thank you for your continuing review, and please call if there is any further information you require with regards to these responses.

Sincerely,
TRAFFIC PLANNING AND DESIGN, INC.

A handwritten signature in black ink, appearing to read 'Matthew I. Hammond', with a stylized flourish at the end.

Matthew I. Hammond, P.E.
Executive Vice President

Attachments: McCormick Taylor Review Letter (November 15, 2006)

cc: Rich Ruden, Aztar-Tropicana
Joseph Fitzpatrick, Esq.
Jennifer Fox, Esq.



November 15, 2006

Mr. Glenn Rowe, P.E.
Pennsylvania Department of Transportation
Bureau of Highway Safety and Traffic Engineering
Commonwealth Keystone Building
400 North Street, 6th Floor
Harrisburg, PA 17105

RE: Allentown Tropicana Traffic Impact Study
Detailed Traffic Impact Study Review

Dear Mr. Rowe:

McCormick Taylor, Inc. has completed its detailed review of the traffic study submitted for the proposed Allentown Tropicana, located in the City of Allentown. The material reviewed consisted of the following:

- o Allentown Tropicana Traffic Impact Study, prepared by Traffic Planning and Design, Inc., revised September 7, 2006.

This detailed review builds upon our initial review, dated July 31, 2006. Consistent with our approved scope of work McCormick Taylor conducted a project site visit; evaluated the technical elements of the traffic analysis; assessed the feasibility of constructing the various transportation improvements proposed in the study; and contacted the PennDOT District office and municipal representatives.

Project Summary

The project site is located on a parcel south of American Parkway, on the existing Agere campus in the City of Allentown, Lehigh County. Aztar-Tropicana is to be developed as a Class II casino, within the urban boundaries of PennDOT District 5-0. Primary access to the gaming facility will be via an existing access to American Parkway opposite the existing Agere Drive and a proposed right-in/right-out access to American Parkway east of the existing access.

The traffic impact study assumed a proposed gaming facility that will include the following specific uses:

- o 5,000 slot machine parlor
- o 500-room hotel
- o Executive conference center and associated facilities

PennDOT and Municipal Coordination

McCormick Taylor contacted Brian Boyer, PennDOT District 5-0 Permits Manager. Mr. Boyer indicated that while PennDOT was very interested in the gaming projects no formal submissions had been made to the District.

McCormick Taylor contacted Michael Hefele with the City of Allentown Planning Department. Mr. Hefele indicated that the applicant had changed traffic consultants and that a revised study was being prepared. He anticipated that the revised study would provide the basis for the City to assess the appropriate transportation improvements associated with the proposed gaming facility.

Site Visit

McCormick Taylor visited the location of the proposed gaming facility and the study area addressed within the applicant's impact study. The following observations were made as part of the site visit:

- Most of the traffic signal installations in the study area appeared to be in good condition.
- Some of the study area intersections appear to have recently been improved.
- Existing cemeteries may constrain improvements at several locations, including the intersection of Airport Road and Lloyd Road; and the intersection of Airport Road and American Parkway.
- Insufficient information was available to adequately assess the potential impacts of proposed improvements to existing utilities; however transportation improvements within urban locations such as the proposed site typically require extensive utility coordination and relocation.

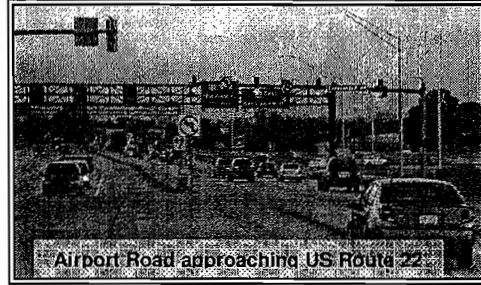


Technical Review of the Traffic Study

Unless specifically identified below, the most current submission by the applicant (Allentown Tropicana Traffic Impact Study, prepared by Traffic Planning and Design, Inc., revised September 7, 2006) has addressed the comments presented in the initial July 31, 2006 review. The following comments have not been addressed:

Approach

1. The study included an evaluation of two peak periods; weekday morning and evening. An evaluation of the Saturday peak period should also be completed.
2. The study did not adequately address impacts to the US Route 22/Airport Road interchange. Evaluations of the interchange merge and weave options, queuing along the ramps and the capacity of the US Route 22 mainline is considered appropriate.
3. The study does include the traffic generated by the minor league baseball stadium proposed adjacent to the proposed gaming facility.



Trip Generation

4. Due to the lack of available data in ITE Trip Generation regarding gaming facilities, the trip generation estimates for the gaming facility were based on data collected at a facility operated by the applicant in Evansville, Indiana.
5. The trip generation associated with the non-gaming uses were assumed to be included as part of the volumes based on the Indiana data.
6. When comparing the trip generation estimates for the five At-large facilities the overall (gaming and non-gaming uses), the peak period trip generation assumed in the study for the Allentown Tropicana project is considerably lower than the gaming components of the other At-large facilities.

Analytical Approach

7. The analyses of intersection operations at several locations are predicated upon the completion of improvements to be made in association with other developments.
8. During the peak period evaluated (weekday evening) the majority of traffic entering the site is assumed to be generated by the proposed baseball facility.
9. The study identifies unacceptable future operations at the following locations without presenting sufficient mitigation measures:
 - Airport Road & Route 22 Eastbound Off Ramps/Catasauqua Road
 - Airport Road & BJ's Warehouse/Off Track Betting
 - Airport Road & Lloyd Street
 - Airport Road & American Parkway



- American Parkway & Agere Way/Site Access
- 10. The study recommends completing a revised traffic analysis following the completion of the Phase I gaming facility (3,000 slot machines), Baseball Stadium and new American Parkway Bridge. A post construction study is strongly encouraged.

Evaluation of the Recommended Improvements

McCormick Taylor evaluated the recommended roadway improvements identified in the Allentown Tropicana Traffic Impact Study. The mitigations measures proposed were reviewed for completeness and adequacy in serving the anticipated additional traffic volumes.

- 11. The study does not propose any physical improvements funded by the applicant beyond those directly related to the site access.
- 12. As previously noted, the study identifies unacceptable future operations at several intersections without presenting sufficient mitigation.
- 13. The study relies on several improvements proposed by other developments. Plans should be in place for the necessary improvements to be completed if these developments and resulting improvements do not move forward.

Highway Occupancy Permit Issues

McCormick Taylor evaluated issues that may impede the issuance of a PennDOT Highway Occupancy Permit (HOP). This investigation included preliminary assessments of apparent issues associated with right-of-way, existing structures, utility conflicts, and the constructability of the roadway improvements suggested in the study. It should be noted that PennDOT District 5-0, without having been provided any materials submitted by the applicant, was unable to provide comments regarding potential permitting issues.

- o The project does not access a state highway and no improvements are proposed to mitigate project impacts; therefore an HOP is not required. PennDOT approval is typically required for the installation and/or modification of traffic signals.

Conclusion

Airport Road approaching Lloyd Street

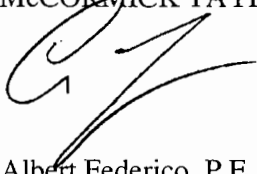
Based on our review there are still issues that have not been addressed by the information submitted by the applicant. Further consideration of the project impacts would benefit from the applicant:

- o Revising the traffic analysis to address previously noted technical deficiencies including expanding the study area and utilizing trip generation assumptions consistent with other At-large applications.
- o Developing improvements to provide acceptable operations at locations impacted by project traffic.
- o Verification that the improvements by others are proceeding as planned.

I trust that this review will assist PennDOT and the Pennsylvania Gaming Control Board in their evaluation of this application. I am available if you have any questions regarding this review.

Very truly yours,

McCORMICK TAYLOR, INC.



Albert Federico, P.E., PTOE
Senior Traffic Engineer

cc: Paul Resch, PA Gaming Control Board
Paul Archibald, McCormick Taylor