

PENNSYLVANIA GAMING CONTROL BOARD

PUBLIC INPUT HEARING

SPLIT ROCK RESORT
SPLIT ROCK, PENNSYLVANIA

THURSDAY, APRIL 27, 2006, 8:38 A.M.

BEFORE:

THOMAS DECKER, CHAIRMAN
WILLIAM JACK SIMMONS, PRESIDING OFFICER
MARY DIGIACOMO COLINS
KENNETH MCCABE

SHANNON L. MANDERBACH
REPORTER-NOTARY PUBLIC

I N D E X

WITNESS	PAGE
BRUCE BOZSUM	10
BILL VELARDO	12
ROBERT SOPER	16, 204
LOUIS DeNAPLES	33, 61
JOHN DONNELLY	36, 59, 204
PAUL HENDERSON	41, 46
BERNIENA FIORE	43
DAVID HEMMLER	48
AL MAGNOTTA	54
GREG MATZEL	62, 208
MARY GOLOWICH	75
RONALD FILIPPINI	78
REDA CORLE-BRIGLIA	83
DENNIS KEESLER	87
EMANUEL KAPELSOHN	89, 153
ANDREW REILLY	93
THOMAS RICHARDS, JR.	96
THERESA MERLI	104
ROBERT UGUCCIONI	111
WAYNE KING	114
DONNA FLEMING	123
GREGORY PENCE	131
KEVIN POPLAWSKI	141
MICHAEL MAZZA	143
FRANK OLENICK	145
DAVID LEE	148
STEPHEN BARROUK	150
W. JACK KALINS	157
MARY BONAVENTA	161
BOB BOLUS, SR.	163
RANDELL KIZER	166
GREGG ARTZT	168
KENNETH SCHUCHMAN	170
MATTHEW CONNELL	173
LEWIS SEBIA	174
ROBERT PHILLIPS	177
JOSEPH SNYDER	179
GEORGE PODOLAK	182
JOSEPH FARDA	184
THOMAS WILKINS	186
RONALD BATTONI	187
ETHEL HUFF	190
ARTHUR BERRY, III	192
KRIS ALEXANDER	194

I N D E X

WITNESS (CONT'D)	PAGE
BARBARA SMITH	196
HARRY LEE	198
SALVATORE CHECHO	200
WILLIAM PETER AHNERT, SR.	201

PRESIDING OFFICER SIMMONS: Good morning. I'm William T. Simmons, Hearing and Appeals Officer with the Pennsylvania Gaming Control Board and the Presiding Officer for today's public input hearing.

Before we begin, let me make some housekeeping remarks. Please turn off all cell phones, beepers and Blackberries immediately so as to not disturb the speakers or others in the audience.

I want to remind everyone that, if you choose, you may make written comments at the table out front and it will become a part of the evidentiary record of the public input hearings. These written comments are an alternative to live testimony and may be submitted at any time up to and including June 2nd of 2006.

As you may have observed, there are a number of media representatives present here for the hearing today. The media has been furnished with protocols for today's hearing and we ask that they follow those protocols as best they can. No signs on sticks, poles or anything else which might affect the safety of others is permitted inside the hearing room.

At this time, would everyone please rise and join me in the pledge of allegiance?

(Pledge of Allegiance.)

PRESIDING OFFICER SIMMONS: Once again, I'm William T. Simmons, your Presiding Officer for the Pennsylvania Gaming Control Board for this morning's public input hearing. The April 27th, 2006 public input hearing of the Pennsylvania Gaming Control Board shall now come to order.

This hearing is convened by the Pennsylvania Gaming Control Board pursuant to the regulatory authority of Act 71 of 2004 and PGCB Regulation Section 441.2. The Board is present as a panel composed of the following members. To my immediate left is Chairman Tad Decker. To his left is Commission member Kenneth McCabe.

Ex officio member Robert Casey is represented at this hearing by Mr. Edwin Refice who is the eastern regional director of quality assurance. Our stenographer today is Shannon Manderbach. Our clerk for the Board is Mickey Kane. We wish to thank Split Rock Resort for making this facility available for the hearing today. Their cooperation and hard work have been

essential in the bringing of this public input hearing and also the public input hearings planned for later in the year at other times.

This is one of the statewide series of Pennsylvania Gaming Control Board input hearings designed to allow applicants for operator gaming licenses to cxs HREUsimultaneously present their plans before the Gaming Control Board and the public. We have now been joined by Mary Collins, a commission member. Welcome.

These hearings will allow individual members of the public, community groups, elected officials and local government representatives to express their thoughts and share their concerns with the Board. The hearing will continue until the conclusion of the last scheduled speaker registered for today is heard but in no event later than 6:00 p.m., whichever comes first.

The rules of conduct for this public input hearing are posted inside and outside of the hearing room and on the PGCB web site and will be strictly enforced and adhered to by all participants. The Board expects and it is my responsibility to insist that courtesy prevail

among the audience, presenters and speakers.

Therefore, audience outbursts are not permitted and I respectfully ask your assistance in complying with this courtesy with each speaker. Vocal expressions from the audience complicate the task of assuring each speaker the use of the time for which he or she has prepared and will make the stenographer's task much more difficult. Let's do our best to let the registered speakers be heard.

Much will be said here today and each of us should expect that we are all interested in being able to hear. Speakers will not be interrupted and will be permitted to speak no longer than their allotted time.

If I determine that any behavior is disruptive to this hearing, I will call a recess and resume the hearing upon restoration of order. Persons who refuse to acknowledge and obey the authority of the Presiding Officer may be asked to leave the room and the area.

The order of presenters today will be the applicants which first will be Mohegan Sun. Second will be Mount Airy. Third will be Pocono Manor. After them, our legislators will be presenting, the local government entities,

community groups and individual members of the public will then follow.

The operator license applicants are permitted to speak for up to 40 minutes. Legislative officials including council persons or local township commissions will each have not more than five minutes to speak. The local government official may speak up to 30 minutes. Spokespersons from community groups may speak for up to ten minutes and members of the general public may speak for up to three minutes.

As a matter of fact, if you have any materials to submit or a copy of your testimony, please see that the clerk get it or our monitor sitting in the front row get a copy of your presentation.

Each speaker will begin his or her remarks by stating his or her name, the municipality and state within which he or she resides and the name of the entity in whose behalf he or she will speak. All speakers will be sworn in at one time at the conclusion of my remarks.

To assist all of us in adhering to the time limits for each speaker and to assist us in having as many speakers heard in the time we have

available today, an electronic stoplight which is before me is located on the stage directly in front of where I'm sitting.

The green light indicates the speaker's time has started. When the light turns yellow for all other speakers other than the applicants, 30 seconds will remain when the yellow comes on. For the applicants, we have adjusted it so that you will have three minutes to conclude your presentation when the yellow light comes on. When the light turns red, a beeping sound will begin and the speaker must stop speaking and leave the microphone.

If anyone has any questions about the hearing today or any further hearings, please see a member of our staff who is located outside in the hallway at the sign-in stations. We welcome and need your full attention and cooperation throughout this hearing.

Finally, should it be necessary for you to converse with someone who is also attending this hearing, please have your conversation outside. Thank you for your attention and cooperation.

I now ask those of you who have

registered and signed in to speak today please stand and raise your right hand to be sworn.

Do you all swear or affirm that the testimony you're about to give shall be the truth, the whole truth and nothing but the truth so help you God?

SPEAKERS EN MASSE: I do.

PRESIDING OFFICER SIMMONS: You may be seated. Will the presenter for Mohegan Sun please step forward to the microphone and you may begin your presentation.

MR. BOZSUM: Aquai, greetings, welcome, good morning. I am Bruce Bozsum. As chairman of the Mohegan Tribal Council and the chairman of the board for the Mohegan Tribal Gaming Authority, I would like to thank you, Mr. Chairman and Board members, for allowing our team to share with you our history and our vision.

It is our desire to bring the Mohegan commitment to being a good neighbor and our unwavering promise to operate a clean, safe and first-class operation in Northeast Pennsylvania. Our tribal history has been one of working together for the common good.

From the time of the European settlers

and serving as scouts for General Washington to the present day, we have successfully maintained a positive relationship with our neighbors. We have been steadfast in our commitment to communication and mutual cooperation back in Connecticut for 450 years.

This philosophy has guided our people into successful mutual aid agreements, regional planning and cooperative relationships which have allowed us to be one of the largest employers in the state. It has also made our region a better place in which to live, work and raise a family.

This is part of the tribal culture that has served Mohegan for 13 generations. That culture is the foundation and core of our corporate culture. It's a corporate culture which honors our employees and which will ensure that we are respected members of a larger community in Northeastern Pennsylvania through communication.

I think that you will find as the owners and operators of Mohegan Sun at Pocono Downs, we are already proving just that. We operate a clean, safe and first-class operation with our corporate office doors open and our senior employees accessible.

I thank you again for this opportunity and would like to now introduce our president and CEO and the head of our team, Mr. Bill Velardo.

MR. VELARDO: Thank you, Bruce. Presiding Officer, Chairman, members of the Board, thank you very much. Thank you, Bruce, for that introduction. As Bruce mentioned, I currently serve as president and chief executive officer of the Mohegan Tribal Gaming Authority. I have been employed by our company for ten and a half years. I was hired a year prior to our opening of our first phase of development at Mohegan Sun in Connecticut.

Mohegan Sun is one of the most successful and most distinctive gaming, entertainment, shopping and meeting destinations in the United States. It is situated on 240 acres along the Thames River in scenic Southeastern Connecticut.

Our first phase of development, the Casino of the Earth, was a large casino by standards including eight restaurants. But now, nine years later, we have evolved and Mohegan Sun is now 300,000 square feet of gaming, 40 retail shops, 17 restaurants, a 10,000 seat arena and a

1,200 room luxury hotel with 100,000 square feet of meeting space. We operate in a fantastic market and we serve over 32,000 guests a day.

At Mohegan, we focus on four primary values. The first we refer to as blowing away the customer, which means exceeding customers' expectations. Two, we focus on the value of developing dedicated and passionate employees, a key to every successful operation. Three, we focus on bottom line performance. Without making a profit, of course, we could not reinvest in the property. Four, we strive for perfection. Our motto is that no detail is too small.

Not only does Mohegan Sun pride itself in its high-quality product, unmatched customer service and strong conviction to these core values, but it also takes very serious its relationship with the community, government bodies and its employees.

Notwithstanding our significant economic development in the rural area of Connecticut, we have an extremely positive and open relationship with the local towns and state government. We have been very proactive in addressing social concerns including the

implementation of a very comprehensive, responsible gambling program. I personally have served on the board of directors of the National Council on Problem Gambling for over five years including serving as its treasurer for two.

In addition, we have been recognized for our efforts in diversity within the State of Connecticut due to the significant efforts and results we have achieved in our diversity efforts along the way.

Also, the organization has always put an emphasis on having strong employee culture and being the employer of choice which was recognized by Fortune Magazine which named Mohegan Sun as one of America's most admired companies in the hotels, casinos and resorts category just last year.

Also, a few years ago our company decided to execute a long-term strategic plan to grow the company. We want to master the complexities of operating in more than one location.

We decided to invest in Northeast Pennsylvania, not only because of the attractive demographics and the comfort level we had with the size of the investment and synergies gained due to

the proximity of our Connecticut property, but also we felt that it was important we invest in an area where we know we could establish a long-term positive relationship.

We felt from the beginning and continue to believe the residents, business leaders and political leaders of Northeast Pennsylvania have an understanding of how a project such as the one we are planning can benefit the local economy.

This enables us to focus on building, operating and managing a first-class facility rather than focusing our energies in a less productive way by trying to convince the host community of these benefits.

Again, we are hopeful that the development and the construction that you see going on over at Mohegan Sun and Pocono Downs now is just the beginning.

Joining Bruce and I this morning are three individuals I would like to introduce to you. Mitchell Etes is chief executive officer of Mohegan Sun. Harry Coldreck is Mohegan Tribal Gaming Authority's vice president of construction management. Michael Ciaccio is Mohegan Tribal

Gaming Authority's vice president and general counsel. Mitch, Harry and Mike will play an integral role in this project at Mohegan Sun and Pocono Downs.

Again, I would like to close that we're looking forward to bringing our success that we have achieved in Connecticut to this Commonwealth by opening and operating a top-notch entertainment and gaming operation in Northeast Pennsylvania.

I would like to now introduce to you our president and chief executive officer here in Pennsylvania at Mohegan Sun at Pocono Downs, Robert Soper, who will tell you about our current plans. Thank you.

MR. SOPER: Thank you, Bill. I appreciate that. Mr. Chairman, members of the Board, it's my honor and I very much appreciate the opportunity to tell you about our project and our property in Plains, Pennsylvania. I have a little slide presentation to navigate through the presentation.

Today I'm going to talk about a few items. I will talk a little bit about our existing property, what we plan as far as

improvements, economic benefits of the project, our commitment to not only address the potential concerns, but also our commitment to racing as well as the local community.

Existing property information.

Mohegan Sun at Pocono Downs is comprised of approximately 410 acres located in the northwest quadrant of State Route 315 located approximately one and a half miles due north of State Route 309, Interstate Route 81 and State Route 115 in Plains. The site's neighborhood is at the northeast fringe of the City of Wilkes-Barre which includes a wide variety of commercial, light industrial and residential uses.

Most of the land in the immediate neighborhood is zoned for commercial use. There are intense commercial uses located along State Route 315 which include convenience stores, taverns, restaurants, fast food restaurants, banks, medical offices, retail stores, motels and hotels and car dealerships.

Currently, the facility is primarily used for harness racing and off-track wagering. The site includes 48 buildings and 7 miscellaneous structures, having a total gross building area of

605,000 square feet built in stages from 1965 to 1999. The building and other improvements include a clubhouse, grandstand, administrative and horsemen's buildings, paddock stables, chalet, cafeteria, blacksmith shops as well as a brand new state-of-the-art simulcast facility which we opened last month.

All utilities including water, sewer, electric, gas and telephone are procured through public providers and all of such providers have confirmed that they have sufficient capacity to support our planned development.

Now, what are the planned improvements? We will proceed with the development and construction of the project in two phases. Construction of the first phase commenced in September of 2005 with anticipated completion by early summer of this year. All permits and approvals by the local regulatory bodies have been procured which are necessary for construction of this project.

Phase I includes a major transformation of the current racetrack facilities with additional building space to accommodate gaming space and food and beverage amenities.

This phase will include a total of 1,081 slot machines, a 10,000 square foot food court, several bars, an outdoor patio to accommodate group events and new parking to accommodate 1,700 vehicles.

As previously alluded, its scheduled completion is set to occur within the next 10 to 12 weeks and opening is planned as soon as reasonably practical upon receipt of a conditional category one license. The improvements will be integrated into the Phase II complex upon its completion, though the manner in which it will ultimately be utilized is yet to be determined.

Planned improvements for Phase II. Construction of Phase II will commence sometime after we obtain our conditional category one license. Construction is anticipated to take 14 months to complete after construction begins.

Phase II will be comprised of approximately 400,000 square feet which will include 3 full service restaurants, a 300-seat buffet and high-end food court, gaming space to accommodate 2,000 slot machines including a high-limit gaming area to accommodate approximately 100 slot machines, an 18,000 square foot nightclub along with several bars and lounges, approximately

20,000 square feet of retail space, a kids quest center where parents have a secure location to bring their children, over 4,000 parking spaces as well as an enhanced employee services area along with amenities to accommodate buses.

The total estimated cost of construction for both phases of the project is approximately \$205 million. I have an illustration here showing you the exact location of the site. Around the circle is Phase I which is the clubhouse and grandstand which has been transformed.

I do have some illustrations later to reflect that transformation. Here is the Phase II casino located right behind the facility. Both of those phases, again, will be integrated.

what I would like to do now is just take you through some illustrations about what the property looked like before we began improvements and some of the progress we have made over the last several months and then ultimately a layout of what the future holds at Mohegan Sun at Pocono Downs.

Here is a picture of the track as we inherited early last year in 2005. The property

is over 40 years old and was fairly weathered with little capital investment when we purchased it. Clearly, the property will take on a completely new look with first-class finishes when Phase I is completed.

Here is a back shot of the grandstand as well as a front view of the grandstand before any improvement. As you can see here, late last year we began the dismantling process of the facility. At this point, you can see the complete deconstruction of the grandstand.

This is what is starting to shape up now. We have completely gutted the building, added substantial building space to it. As you can see from the illustration, all electrical and mechanical systems have been installed and we're at the point now where we are installing sheetrock and beginning finish work. We are, again, on schedule to open in 10 to 12 weeks.

You can see some of the exterior facade being installed. Here is a layout of the current facilities. As you walk in the lobby, which is in the middle of the picture here, we will have racetrack operations on one side as well as gaming on the other. To the end is the 10,000

square foot food court.

I will note on the racetrack operations side, on the bottom floor, as you can see in the left corner, that's our brand new simulcast which we opened several weeks ago which, I think, is a commitment to improving horse racing and the facilities for our horse racing patrons and it has been very well received.

Here are some interior shots of the Phase I facility. This is the gaming space on the upper floor of the Phase I casino as well as that food court that I just mentioned. Moving on, you can see the site plan for Phase II of the project. This is the layout of the Phase II facility. You can see how it's integrated to the right with the track and the track facilities.

Just to take you through some of the major entry points, there will be two major entry points, a signature entry with valet. We will have substantial valet parking as well as a substantial entry, both for buses and self-parking patrons.

There is a schematic floor plan. As you can see, it takes on a circular design which will make it easy to navigate and help make it

easier for minors to avoid the gaming floor when visiting non-gaming amenities. It also contemplates a high ceiling for a feeling of openness and high-quality air circulation.

As you can see from the layout, as I mentioned earlier when I described the amenities that are going to be included in this project, we have about 1,900 machines through the circular casino and north of that we have a 100 machine high limit gaming area with its own VIP lounge.

In addition, we have a number of nightlife amenities, a nightclub in the southeastern corner as well as two large perimeter bars both on the 1:00 and 7:00 depictions. As far as food and beverage amenities, there are three full service restaurants as well as a 300-seat buffet and a nice high-end food court on the west part of the property. Then on the south part of the property, we have approximately 20,000 to 25,000 square feet of retail space.

Here is an ariel view of the property. I think it provides a good shot of how we are integrating both phases of the project. Total square footage of both phases is approximately 500,000 square feet.

Here is a closer look of how we are, in fact, integrating these two phases. In fact, just recently we poured the foundation and have the bases for the connector you see here so that once we are ready to commence construction on the Phase II part of the project, we will have minimal disruption to our operations on Phase I.

Here is a front shot of the main entry, valet entry of the Phase II facility. This is just some interior conceptual shots as you walk through the main entry of the Phase II facility. You can see the casino ahead. As you navigate around the circular casino, here's a shot with the high-limit area on the left side of the illustration.

I will move on to what we think are some of the economic benefits of the project. As Bill alluded to earlier, it is clear from the substantial feedback we have received from the local communities that there is excitement about the potential economic benefits this project will provide to the area.

Some of the benefits to the local community and economy include the following: Creation of over 1,500 construction jobs over the

next 2 years and the creation of over 800 new permanent jobs upon opening; generation of significant businesses to local suppliers and vendors who will provide goods and services to the facility; infusion of cash into the local economy from people outside the region who are visiting the site who would not otherwise visit this area including areas outside of the state such as Binghamton, New York and parts of New Jersey.

Also, perhaps more importantly, it will recapture a lot of those dollars that leave the area for Atlantic City. The project should be a catalyst for future capital investment in the local area similar to that of the Wachovia Arena.

In light of the magnitude of this project, its development should help to instill confidence that the area has strong potential for commercial growth which will help attract other companies outside the area to invest here.

In addition, this project is located in an area present with a great deal of old infrastructure that needs significant improvement including, frankly, the track itself. We believe this project will spur interest and investment in revitalizing and improving this old

infrastructure.

This project will provide a venue with many retail, restaurant and entertainment choices that will make this area more attractive for people to live and move here. Generating a greater residential base in a time of stagnant and declining population in some parts of the area is a significant step for revitalizing this area.

Economic studies indicate that generally incremental revenue generated from a casino project similar to this has a multiplier effect of approximately 1.5, meaning that the revenue generated by the facility will be regenerated by 150 percent of the initial revenue that was created.

For example, much of those wages earned by employees and much of those dollars paid to vendors and suppliers will be circulated within the local economy benefiting other local businesses and organizations.

Finally, this project will create significant tax benefits to provide property tax relief for residents and will help fund a good portion of the Plains Township budget.

Commitment to addressing social

concerns related to the project. Compulsive gambling. Like Mohegan Sun, Mohegan Sun at Pocono Downs has adopted a very comprehensive compulsive and problem gambling plan. Our organization strives to understand problem gambling and to guide those individuals who do have a problem so that they may obtain the help they need.

It is our goal to heighten awareness in the community, support research and educate employees about problem gambling and gambling disorders. We have developed strong relationships with various organizations committed to addressing this disorder including the National Council on Problem Gambling and the Connecticut Council on Problem Gambling.

Locally, we have also made a commitment to work with the Council on Compulsive Gambling of Pennsylvania and reached out to the United Way of Wyoming Valley to seek their efforts in jointly creating a United Way sanctioned compulsive gambling program for the region.

Public safety and emergency services. We have developed a strong relationship with the local police and fire departments which includes an open line of communication to ensure we can

effectively address any issues. Fortunately, the local police, fire and EMS services are located a stone's throw away from the project. We are not aware of any issues thus far with capacity for these services.

Infrastructure and utilities. We feel confident, as reflected in our local impact report, that the additional traffic created due to the project will not create any noticeable issues relating to traffic congestion. We estimate that at the peak hours during the peak days of the week, for both phases, the greatest volume of cars entering the site is approximately 805 cars with 600 cars exiting.

Of course, this pales in comparison with the number of vehicles entering the site during the time period the track accommodated over 12,000 guests for live horse racing at one time. Since then, improvements have been made on Route 315 including the addition of another lane. Currently and after we open, we will continue to work with transportation authorities to reassess and re-evaluate the necessity of any improvements.

Employer of choice. As Bill mentioned, we take great pride in considering our

organization as an employer of choice. We strive to accomplish this not only through competitive wages and benefits, but to develop a culture of respect and open communication. Our employee back of the house areas are immaculately maintained and typically have many finishes similar to the front of the house not normally found in most casinos or other businesses.

Our commitment to employees is not only recognized locally, but, as Bill mentioned, is affirmed by our designation by Fortune as one of America's most admired companies, one of the very few gaming companies given this designation.

Commitment to harness racing. While new to the horse racing industry, we are very proud with the relationship we have established with the racing commission and horsemen. We have shown a strong commitment to improve harness racing in this state.

This is reflected by the significant improvements we have already made in the backside, the renovations to patron facilities including a first-class simulcast and renovated grandstand and some joint marketing efforts we have initiated with the horsemen.

In addition, we have voluntarily advanced higher purses to the horsemen prior to opening any slots, at which point they will begin to participate from revenue generated from slot machines.

In addition, while there are some topographical challenges, we have designed the facility, as you saw from the previous illustrations, to integrate the racing operations with other operations.

In Phase I, slots and racing operations will be adjacent to each other. In Phase II, they both will continue to be under one roof and we will have significant non-gaming amenities adjacent to the track to drive patrons to experience the racing product.

We also intend on utilizing various marketing initiatives to introduce racing to slot patrons and other guests who may not have yet experienced it.

Finally, commitment to community. As we have done in Connecticut, we have taken a very active role in participating in community organizations. We have sponsored a significant number of fundraisers for various nonprofit

organizations including the United Way of Wyoming valley, the Wilkes-Barre and Scranton Chambers of Commerce, the Philharmonic as well as various events for schools, hospitals, theaters, arts and many other institutions.

In addition, while only being in the region for a year, we have made significant donations to over 40 fundraising initiatives. Mohegan Sun at Pocono Downs has made a strong commitment to hiring employees locally and to engage local vendors and suppliers when feasible.

Our goal is to hire over 95 percent of all employees from the local community. We have already engaged many local vendors since assuming operations last year. In addition, we have developed a progressive diversity plan to ensure the diversity in our employee base reflects the diversity in the population within our region.

We are working closely with the local chapter of the NAACP and have representation on the chamber of commerce diversity committee to promote diversity in our operations as well as the local community. We are very fortunate that the Wilkes-Barre/Scranton area is blessed with a significant number of colleges and universities.

We have already developed a relationship with most of these institutions.

Our relationship will be mutually beneficial as we will be jointly developing various opportunities in training, workforce development, course development and internship programs.

I think it important to mention our fundamental commitment to participate in efforts with local elected officials and businesses to grow Northeast Pennsylvania. Our goal is not to simply bring people from outside to the racetrack and casino on Highway 315 in Plains, but it is to bring people both to visit and live in Northeast Pennsylvania as a region.

Those officials, businesses and residents who have any knowledge about our involvement in the area thus far I believe would attest that we have stayed true to this goal. As a final comment, I would note that public support for our project has been overwhelming. We have heard little, if any, negative feedback about our plans.

In fact, a local newspaper performed a very comprehensive survey which included a

question about support of our particular project, which received an 85 percent approval rating. Anyone familiar with gaming jurisdictions, especially new gaming jurisdictions, knows that such a level of support is, frankly, unheard of.

We appreciate this opportunity to present information about our project and look forward to the opportunity in opening a truly first-class gaming complex in Plains, Pennsylvania. That will wrap up our presentation. Thank you very much.

*SKOETD/-Z/TPOR/SKWREP/WARB/WARB/WE/-F/SUBG

*PHAOEPB/-Z/EFPL/SAOEDZ/-

G/KUFT/AES/SKPEBGT/TAEUGSZ

CXS -T/SAOEUZ/-FR/-T/SREFTD/AEPB/SEUPB/TKPWE/-Z

CXS AEU/SEURBG/HRAR/KAS/TPHO/HAEPB/TPHORPBLG/-

FR/THA

*TPHRAOEDZ/-Z/-L/TPRAFRPBG/HREU/-TDZ/TRABG/T/SEFRL

*AEPB/KOPB/KOPB/PROEUGSZ/AEPB/AEPB/-

PLTSDZ/HROELG/HREU

*HRAEUPB/-FR/SKPHRAOUPBGS/TO/EPB/SHUR/WE/K/AOE

*TKPWRES/SEUF/TKAOEU/SRERS/TEU/PWHRAPB/RAOE/TPHREB

GTS/-Z PRESIDING OFFICER SIMMONS: Thank

you. Our next presenter will be Mount Airy.

Louis DeNaples.

MR. DENAPLES: Good morning and welcome to the Poconos. My name is Louis DeNaples. I am the principal of the Mount Airy project. I was born about 30 miles from here in Dunmore, Pennsylvania and I have lived here my whole life. This is my home.

I think that gaming will be the biggest boost to Pennsylvania's economy in 50 years. I also think that there is no better place for gaming anywhere in Pennsylvania than the Poconos. When I learned that gaming was coming to Pennsylvania, I looked at every potential site in the state. I had offers from several of the other applicants to be partners in their projects.

I said no and I will tell you why. No matter where I looked, no site was as good as Mount Airy. Why? First, location. It is the best location in the Poconos. Next, it was home of the Mount Airy Lodge which was the leading resort in the Poconos for 40 years and a name that everyone remembered.

Finally, it had the infrastructure including a critical wastewater treatment plant already on-site. The day after I bought the

property, I drove to Paradise Township to introduce myself and tell them of my plans. I wanted to meet them personally so that we could talk about the project and begin the permitting process.

That was 16 months ago. Today we're ready to go, eager to break ground on a world-class resort and casino that will be completed by the fall of 2007. We have nearly all of our permits in place including the sewage permits to actually operate the new Mount Airy.

We have a great team in place led by Paul Henderson and our design and engineering professionals. We have our financing in place with a firm commitment in hand. Our project aims to do just what the law requires, restore a major tourism center, generate tax revenues for the people of Pennsylvania with complete integrity and do so with a diverse group. We will do it right.

We want the new Mount Airy to compliment the existing attractions in the Poconos, not compete with them. Done right, Mount Airy will once again be the economic engine for the entire mountain. There are plenty of great reasons to visit the Poconos right now, skiing,

fishing, boating and many other attractions. We have lots of hotels within 15 minutes of the site, great restaurants and a strong business community.

I want Mount Airy to be another great reason to visit the Poconos so that everyone will benefit from gaming. I want to bring the whole community along with our project. If the community didn't support it, I would not do it. As I said, this is my home.

Mount Airy will be a signature resort for the Poconos and Pennsylvania, one that means jobs and great new opportunities for the entire region. It will be done on time. It will operate with complete honesty and integrity. It will be a project that we will be proud of.

Like I said, this region is my home. It's where almost all of my businesses are located, where I've lived and worked and raised a family all of these years. So I intend to make sure that gaming is a winner for all of us. At this time, I would like to introduce John Donnelly, our gaming attorney. Thank you very much.

MR. DONNELLY: Thank you, Louis. Good morning. My name is John Donnelly. I am an

attorney serving as gaming attorney to Mount Airy Resort and Casino.

I have been representing casinos for nearly 30 years, since the early days of Resorts International which I helped open and operate for years. I was chief counsel to two publicly-traded gaming companies and I have served as the casino representative on the Bank Secrecy Act, United States Treasury's Currency Transaction Reporting Advisory Group.

I'm going to try to provide today a brief overview and introduce some of the Mount Airy team. Before I do that, I would like to say a few words about Louis DeNaples that he is too modest to say.

Louis is one of Pennsylvania's most successful business entrepreneurs. He started with absolutely nothing in 1958. Today he operates nearly 100 companies and employ hundreds of Pennsylvania citizens.

Several of his businesses are highly regulated. His two huge landfill operations are strictly controlled by the Pennsylvania DEP and the federal EPA. Both of those operations have a history of compliance. Both have been certified

to the highest possible environmental sensitivity standard from the Swiss-based international standardization organization, truly a mark of international excellence.

Louis is also the chairman of a federal bank, one of the largest regional banks in the state, the First National Community Bank. He started out as a junior member of a \$12 million bank. He is currently the chairman of the board overseeing a billion dollar federal bank.

As part of his banking responsibilities, he has been found suitable over a half dozen times by federal authorities such as the Office of the Comptroller of Currency and the Federal Deposit Insurance Company.

More important than all these business activities, Louis is recognized in the Poconos as a model corporate citizen and a personal philanthropist, a man who quietly and without fanfare takes care of his neighbors and serves his community.

In conjunction with this project, Mount Airy is creating a foundation to further that tradition. He honors his commitments. He does what he says he will do and he does it on a

handshake. There is no equivocating or dissembling with Louis DeNaples. Our commitments to diversity and problem gambling set out in our application will be met.

Now let me turn to the casino resort. The mission we were given was to design and build a casino hotel complex that would compliment the existing Poconos attractions, not compete with them. The plan is to build a premier resort on a superior site that will expand the tradition of tourism in the Poconos, a resort that will provide another reason for people to come to the Poconos and attract new visitors.

To achieve this, Louis located a great site, put together a world-class team of planning professionals and development professionals and recruited a team of seasoned casino executives.

The goal is to create the most successful casino resort in Pennsylvania but also one that would provide local economic opportunity for all, that will generate further development and the region, that will promote diversity among employees and vendors, that will further develop the market for tourism and that will add to the year-round recreational opportunities in the

Poconos.

In short, Mount Airy Resort and Casino will be a world-class destination resort specifically designed to integrate into the existing Pocono Mountains recreation, tourism, hospitality, convention and vacation economy, not to mention the great shopping here.

We recognize the first question for this Board is whether the Poconos is an appropriate site for a casino. The region has served as a tourism and recreation site to visitors since the 1830s. Clearly, this 200-year tradition of Poconos visitation makes the region tourism enhanced.

It already has vacation, tourism and recreational assets second to none. It has thousands of existing hotel rooms and a strong tradition of visitation and the region is within a 90-minute drive for about 22 million people.

The 890-acre site that Louis chose is in Monroe County, which is recognized as the heart of the Poconos. The site, as he mentioned, is the former home of the Mount Airy Lodge which was the premier resort in the Poconos for over 40 years and a name that is still fondly remembered by

thousands.

A fully financed \$360 million project is currently in progress. Louis has put together a team which currently includes 13 experienced casino executives. This team has a depth of experience in casino opening and operations. All have been licensed and have operated in highly regulated casino environments.

Let me start with Paul Henderson. Paul was the president and operator of Caesars in Atlantic City, for years the most successful casino in Atlantic City. He also was chief operating officer of the Atlantic City Hilton and Trump Marina Casino Hotel.

In each case, he vastly improved on the operations and earnings of those entities. He has worked both in Las Vegas and Atlantic City. Importantly, he created and presided over Caesars World, Inc. which was for years renowned as the casino industry's most aggressive and successful marketing entity. On top of that, he is known as the type of guy people like to work for. With that, I will turn it over to Paul.

MR. HENDERSON: Thank you, John. I am very fortunate to be here today, being part of

this exciting project and working for a man with such vision. As John stated, Louis has planned a \$360 million resort and spa casino in the heart of the Poconos.

It will be built in two phases. If you look at your monitors, you will see the first phase. There will be a 200-room hotel, 3,000 slot machines, 4 restaurants, 2 live entertainment lounges, indoor pool, spa, retail shops and a garage. An 18-hole championship golf course is currently open and a great golf course to play, if you ever have the chance.

The second phase will start as soon as we open. It will be a \$60 million investment. We will add 3,000 slot machines for a total of 5,000. We will add 200 more rooms for a total of 400.

Once you build it, you must be able to run it. We have the team to do just that and do it with style and excitement. Our management team will be a credit to its owner, the Commonwealth of Pennsylvania and the people of the Poconos.

The first gentleman I would like to introduce this morning is Victor Weclaw, our vice president of casino operations. Vic has 28 years of experience in the casino industry. He has been

involved in the start-up of nearly 20 casino operations. He was formally head of the Norwegian Cruise Line Casino Department and vice president of casino operations of Players International.

The next person I would like to introduce is Mary Burruss who is a 25-year veteran in the casino industry. She has worked with me and other casino operators in Atlantic City including the Hilton, Bally's, Caesars and the Claridge.

It is my belief that benefits and human relations are two of the most important aspects in the casino industry. Good benefits, good work environment can make employees happy. Happy employees make happy guests. Happy guests we make money off of.

The next young lady I would like to introduce is the president of Casino Training Enterprises, Berniena Fiore. Berniena has joined our team to provide outreach to women and minorities and to implement an employee training and retention program. I'd like to ask Berniena to say a few words.

MS. FIORE: Thank you, Paul. Good morning. My name is Berniena Fiore. I am

currently the co-owner of Casino Gaming Institute in Pleasantville, New Jersey. Casino Gaming Institute has been in existence since 1997 and we are the largest school servicing the Atlantic City casinos.

We have graduated well over 10,000 students, many of whom hold supervisory positions today. CGI is a training provider for the State of New Jersey and we work daily with workforce development, the unemployment office and various other state agencies to provide training for qualified applicants.

With me today is Beryl Tweedle. Beryl is the operations manager for Casino Gaming Institute and was one of the original dealers in the first casino to open in Atlantic City. Beryl has been managing casino gaming schools since 1981.

Beryl and I have gladly joined the Mount Airy team at the request of Louis DeNaples. We have been asked to engage in a three-prong program to help create and train a group of employees and to introduce them to this completely new industry. This is an exercise that we both went through ourselves.

After forming our Pennsylvania company, Casino Training Enterprises, LLC, we began working with Lisa DeNaples and Mary Burruss on the creation of an outreach program that seek out persons in the region to serve as employees for the Mount Airy Resort and Casino with an emphasis on women and minorities.

We already have begun the process of meeting with various agencies including the Latino Alliance of Northeastern Pennsylvania, Woman in Business, the Unity Coalition of the Poconos, the Mount Airy County Chapter of the NAACP and CareerLink. We will also be implementing a training and life skills program.

Our experience in Atlantic City has taught us that oftentimes a barrier to employment of the unemployed or the underemployed is a lack of understanding of basic skills that will make and keep one employable.

We are meeting local educational institutions such as East Stroudsburg University and Northampton Community College, among others, and we have been asked by Louis to work with them to help implement a curriculum to train potential employees and specifically slot machine

technicians. Through our Pennsylvania company, we will provide resources to those academic institutions.

Finally, we have been asked to work with Mary and Paul to put together a training program that will help retain employees that have been recruited and trained. With proper training, turnover of employees can be reduced to the benefit of all.

Beryl and I have been throughout the region and we have found that there is a great deal of underemployment and we are looking forward to working with Louis DeNaples, Paul, Mary and the entire Mount Airy team. We thank you for this opportunity to present ourselves to you today.

MR. HENDERSON: The next member of the team I would like to introduce is Dr. Lisa DeNaples. Lisa has two dental clinics in this region. Lisa was also involved in getting her law degree in California until a few months ago when her dad asked her to return to help with this project. She has been absolutely essential in the coordination and the basic management of this ongoing project which is quite extensive, as you can imagine.

The next member of the team is Butch Witcher. I will introduce Butch and say he's the only person older than I am that is on this team. Butch Witcher designed casino floors for Harrah's New Orleans, Isle Capri, Foxwoods and many others. He cut his teeth in Resorts International where he designed the floors for that operation.

He has worked with and been an executive of the Flamingo, Frontier, Tropicana, Dunes, Resorts International and Bally's Park Place. Butch has a reputation throughout the country as being the best designer of slot floors, probably one of the better slot men in the United States.

The next two gentlemen I would like to introduce are Bill Callnin and George Carmona of Cayuga Gaming. They have taken the lead for general planning of the proposed casino operations. Bill helped open Bally's Park Place. His group opened the first casino in a Weston Hotel, the first Fairmont Hotel Casino and Four Seasons Hotel Casino.

George is well known in Atlantic City. He served as casino controller, financial manager, audit director for several casino hotels. He was

casino administrator and casino director for the El San Juan Hotel and Casino. He has been part of a resort development team for several casinos including the Western Rio, MarlBeach Resort, Windham, El San Juan, Four Seasons.

The team will continue to grow. We have put together a premier team of seasoned casino executives who know how to open and operate a casino with complete integrity and this casino will be an instant success.

It is now my pleasure to introduce David Hemmler, president of Hemmler and Camayde Architects, the group that designed this magnificent resort. Thank you.

MR. HEMMLER: Thank you, Paul. Good morning. My name is Dave Hemmler. Together with my partners, Alejandro Camayde and David Leung, we are the principal architects for the Mount Airy Resort and Casino. For 30 years, our firm has fit a high quality of architecture into the community in which we live in Northeastern Pennsylvania.

Our buildings have been recognized in many national architectural periodicals and received awards for design excellence from the American Institute of Architects. We have worked

on tourism destination centers such as the Steamtown National Park, Lackawanna Trolley Museum, the Hershey Museum, Elk Mountain Ski Resort and a number of four star hotels.

We have also designed numerous government facilities including the Scranton Federal Courthouse, major projects at ten Pennsylvania universities and major corporate centers.

For the Mount Airy Casino Resort, we have partnered with nationally recognized consultants to the gaming industry such as Ricca Newmark Design, Floss Barber Interiors, IEP Security and Surveillance and GSA Engineers of Philadelphia.

The combined experience of these firms includes multiple projects for more than 25 casinos such as the Borgata, Trump, Bally's Ameristar Casinos, Caesars, Harrah's, Luxor, Mandalay Bay, Sands, Turning Stone, Showboat, the Mirage and on and on.

The team also includes Traffic Planning and Research of Pottstown to do traffic studies and design and Gannett Fleming of Harrisburg to assist with the critical wastewater

engineering. The team was asked to design a resort and casino that would fit the mission of Mount Airy, to compliment, not compete with the attractions and aesthetics of the region.

The design had to be compatible with the sensibilities of the Poconos while simultaneously generating the excitement and pop of a contemporary destination casino resort. We were given a perfect site to work with. The site is an easy three mile drive from Route I-80 and I-380 along two major feeder roads.

Traffic studies, which have all been conducted in accordance with PennDOT, county and township engineers, resulted in plans for \$6 million in road improvements to woodland Road and three intersections.

We were given the perfect location and site to work with. The old Mount Airy Lodge was the center of it all, in the heart of the Poconos as they used to say. The Mount Airy Lodge founded by the Martens family nearly 60 years ago was recognized as the region's premier resort and entertainment center for more than four decades.

The combination of the site's beauty, wonderful views and its central location helped

make the Poconos a tourism mecca and the honeymoon capital of the world. Mount Airy was the largest private employer in the region and its closure in 2001 had a ripple effect on the economy which is still felt today.

We were given an assignment to design a resort that would capture and reflect the architectural heritage of the Poconos. Our initial task was to research at the Monroe County Historical Society the great Pocono resorts of the late 19th and early 20th century, a time that established the grand resorts and the Poconos tradition for tourism in Pennsylvania.

Our client's goal was to construct a facility that would be compatible with this rich architectural heritage and that had all the glamour, electricity and excitement of a modern casino hotel. We think we have achieved that blend and balance.

The mountain views and the rolling hills coursed with 35 streams were a perfect backdrop. A 27-acre lake provides a tranquil reflecting pool for the casino.

Infrastructures such as irrigation system spillways and significantly a sewage

treatment plant were in place and fully operational. Access was convenient and could be easily upgraded.

In Phase I, we will build a 70,000 square foot permanent casino surrounded by exciting and inviting amenities. Phase I will be operational by the fall of 2007 with no need for a temporary facility. Parking will be both indoor and on surface parking lots.

The casino is designed in concentric gaming areas that will generate the gaming space into a total festive entertainment atmosphere which it surrounds. The casino will be fresh and airy. The design incorporates a unique and casual elegance.

As you can see in this slide of Phase II, additional space will be added to accommodate up to 5,000 slot machines. We will also expand the hotel for a total of 400 rooms. This will add to the convenience of our facility but still not harm the 2,200 existing hotel rooms within 15 minutes of the facility which will continue to accommodate our guests and help boost the current Pocono occupancy rate.

Additional restaurants and expanded

parking structures will be built. A modern business and conference center will also be added. A unique year-round pool space to invoke a natural Pocono swimming spot is combined with a full service destination spa with wet and dry treatment areas, exercise and health food restaurants which will all complete the experience of the grand resort.

Now let me take you on a tour of the new Mount Airy Resort and Casino. Welcome to the new Mount Airy. From the vantage point of an 18-hole championship golf course, just on the far shore of a pristine 27-acre gold water lake, the majestic Mount Airy rises six stories to a picturesque roof line that recalls the grand resorts of the Poconos gilded age.

Our focal point is a stone and timber five lanes that marks the entrance to the hotel and gaming area beyond. Upon entry, we are greeted by a stone and wood walled double volume space of the grand lobby. The space features two lounges focused on massive stone fireplaces, a beautiful glass railed balcony and a striking Pocono waterfall cascading through tiered pools of water along the stair to the upper level.

The waterfall is central to a five-story atrium that links the grand lobby to the casino area above, the casino envisioned as a Pocono woodland through the four seasons. We are guided by a Pocono stream that leads us through the four quadrants of the gaming floor, each depicted in the colors and patterns of spring, summer, fall and winter.

Artful representations of trees appropriate to the seasons envelope the slot machine clusters. Central to the casino is a bonfire bar, a natural gathering place with its massive abstract flames and colored glass and fluttering fabric. The guest accommodations are warm, luxurious, casually elegant and very comfortable, again, enhancing the experience of the grand resort.

In conclusion, we present to you a world-class resort that will be perfectly suited to the unique character of the Pocono countryside. The Mount Airy Resort and Casino fulfills Louis DeNaples' mission and the wishes of the community. It will not jar the senses, but it will deliver the drive, excitement, fun and fantasy of a world-class entertainment destination resort. It's a

spectacular site and it's a very exciting project.

Now let me introduce to you my friend and colleague, Al Magnotta. Al's work over the last 16 months in environmental issues and zoning is making this project a reality.

MR. MAGNOTTA: Good afternoon. My name is Al Magnotta. I have been a licensed professional engineer since 1967. I am the chief engineer on the Mount Airy project. My responsibility is to make sure that the Mount Airy project meets the critically important environmental standards that set the Poconos apart from the rest of Pennsylvania.

From the beginning, Mount Airy has been a plan with a purpose and our goals have been clear. One, it must be a project of highest quality. Two, it must honor the unique environment of the Poconos by protecting the water supply and water quality. Three, it must be the first permanent and free-standing gaming facility in the Commonwealth of Pennsylvania.

We started the approval process in January of 2005, nearly 16 months ago. We knew we had to start early. A project of the magnitude of the Mount Airy Resort and Casino and the

associated master plan development in an environmentally sensitive location like the Poconos is very different from building a gaming facility in, for example, places like Philadelphia and Pittsburgh.

There, the infrastructure, the transportation network, the water supply, wastewater collection and treatment, gas and electric service are already in place. In the Poconos, the issues are quite different. Infrastructure considerations, especially water supply and wastewater treatment, that is, water in and water out, are critically important.

Unless the environment is protected, a proposed project simply cannot happen. These considerations then became the key element in any development process in the northeast. Until they are met, there is no project. We have addressed all these concerns.

First, conservation. Mount Airy has committed to dedicate 550 acres of the total of 890 acres, over 60 percent of our property, as a permanent conservation easement greenway areas. The greenway areas contain 187 acres of prime conservation land including 73 wetlands, 35

separate water courses and a 27-acre lake. The only land uses on this property will be recreation. These recreational areas will be available to the general public.

Secondly, permits. Today we are very, very close to completion of the regulatory permit process. We plan to break ground for construction later this spring. Frankly, if Louis had his way, I would be doing it this afternoon. All of this has been achieved in strict compliance with all government requirements and without any major variances.

We have made tremendous progress on obtaining our permits and making the site ready for construction. Much of the work is already completed. I would cite all the details but some examples include completion of all site demolition of the old Mount Airy Lodge, conditional zoning approval, submission to the Commonwealth of Pennsylvania for all necessary DEP and NPDES permits, submission of final design documents and traffic impact studies to the State of Pennsylvania and Paradise Township and preliminary land development approval from the Paradise Township Planning Commission.

All of these approvals and permits include a sign-off by all Commonwealth agencies having jurisdiction over the environmental cultural, archeological and natural resources of the area.

Finally, my most important responsibility is to ensure the protection of the ground and surface water quality and quantity. First of all, it's the law, Act 220, the Water Resource Planning Act. No matter the scope of the project, nor the potential benefits, you must first deal with water supply and wastewater treatment.

Wastewater treatment is a long lead item for any project. It requires a minimum of three to five years to plan, permit and build an authorized treatment facility. Without the ability to properly process the wastewater demand, it would be impossible to build our project on time and in accordance with the requirements of Act 71.

That is why, starting last year, we completely rebuilt the wastewater treatment plant that was already on-site at Mount Airy. The plant is now approved and certified by DEP. It has a

rated capacity of 220,000 gallons per day which is more than enough to meet the demands of the new Mount Airy, both Phase I and Phase II.

All the treated wastewater will be discharged into the same watershed from which it is withdrawn. This will maintain and protect the groundwater, surface water quality and quantity along with the fish, biological and plant life of the Forest Hill Run Watershed.

In short, we have the water and wastewater capacity. We are very close to obtaining all final permits for the project which will allow us to break ground in the spring. This ground breaking schedule will allow us to complete the permitted facility by the fall of 2007.

Without these permits, a project in the Poconos is only a dream. But with them, to paraphrase the words of Doug Brady, the Paradise Township zoning officer, Mount Airy is way ahead. Thank you very much.

Now I would like to ask Mr. Donnelly to come back and address the financial aspects of the project.

MR. DONNELLY: Mount Airy economic consultants have generated estimates of the

economic impact of this project. I want to stress, consistent with Louis's philosophy, these are realistic, not financing numbers. The company believes that these numbers are extremely conservative.

Mount Airy will create at least 300 construction jobs and, at a minimum, 650 full-time equivalent jobs at the resort casino. An overwhelming majority of those employees will come from the local region, as do the employees in Louis's other businesses. It will be a diverse group driven in part by the work that Berniena and Beryl are going to do with the help of the local educational institutions.

We expect revenue at a minimum of \$250 million in the first year. Spending on operations will inject at least \$57 million in the region's economy in the first year. Again, with a conservative multiplier, that will generate an increase of about 69 million in total economic activity for the region.

As to taxes and assessments, we anticipate 83 million in state and local taxes, 2.8 million in real estate taxes to Pocono Mountain Schools, 6.8 million to Monroe County and

over a half a million dollars to Paradise Township, our home township.

All of that related activity should create another 320 spin-off jobs in the region. By year five of operations, Mount Airy estimates it will generate over \$104 million of direct spending, \$134 million of total economic impact, \$427 of gross revenues and \$161 million of local and state taxes.

Again, these figures are real. They are conservative. If this project is embraced anywhere near what we believe it will be, these numbers will be vastly exceeded. I would like to now turn it back over to Louis DeNaples for some concluding remarks. Thank you for your attention.

MR. DENAPLES:

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Z/PHOUPBTSDZ/AEUR/-L/SKWR-RTThank you, John.

Again, thank you for giving us the opportunity to present our project to you. I would like to make a few final points. We have a 45-year track record of meeting commitments. Our financing is in place. We have a great operation team and a great design team.

Our construction team is on board and we already have some of the long lead items such as mechanicals out to bid. There will be no temporary facility. We will open new Mount Airy in the fall of 2007. We are ready to go.

In conclusion, we will be the first category two casino in Pennsylvania. We will be successful. Mount Airy will operate with integrity. Mount Airy will be good for the Poconos and Mount Airy will be a project we all

can be proud of. Thank you for your attention and enjoy your stay in the Poconos. Thank you.

PRESIDING OFFICER SIMMONS: Thank you very much. Let me remind the group here that the panel will be taking a 15-minute break immediately at the conclusion of the next applicant presenter, Pocono Manor, Greg Matzel.

MR. MATZEL: Mr. Chairman, commission members, members of the public, thank you for the opportunity to be here today and address you. I would like to start this morning with a video presentation that we prepared that demonstrates our commitment to the Pocono region and the Commonwealth and future of gaming in the Poconos.

This video will demonstrate to you that we have assembled a top-notch team whose integrity and experience is second to none. In addition, we will be focusing on bringing a world-class destination resort to the Poconos, not just a gaming slots parlor.

That's important because when you see the facts and you see the benefits that our proposal brings, they go far beyond the aspects of gaming. We look forward to working with the commission, with Monroe County, with Tobyhanna

Township, all the state and local agencies throughout this process in what we hope to be a mutually beneficial proposition and accomplishing the goals of Act 71. With that, I would like to ask to start the video.

(video played.)

MR. MATZEL: What I would like to do now is a run through a brief -- actually, it's not that brief but you will excuse the brevity of it. I have a PowerPoint presentation that we would like to run through and kind of fill in some additional information. Unfortunately, I have to get it down in 13 minutes. So I'm going to start running.

At the core of our proposal, obviously, is a hallmark team. I mean, I'm not going to run through the background of all of the people on our team. It's available online at our web site at www.poconomanorcasino.com. There isn't a person or firm on our team that doesn't have multiple years of experience and hasn't been recognized in the industry as being one of the best.

Every time we do a project, we look to develop the best team possible to make those

dreams come true. At the core of the team, with all of them, is obviously top experience in the industry, high integrity, proven track records, people like Dennis Gomes. You don't get any better in the casino industry in terms of proven track records.

Obviously, the project itself also between my partners and I are optimally capitalized to ensure that the project gets built. My partner just completed a \$1.1 billion new power plant that you saw in the presentation. Every one of those buildings in New York City his family owns.

We are deeply committed to the Poconos and having a positive impact, not just for ourselves, but for the entire region. At the core of that, all of the applicants you have heard -- and I think we are all on the same bases in terms of community outreach, focused recruitment, hiring Pennsylvania residents as a priority. We, too, have turned to the local institutions to help us train those individuals to provide the skills necessary to the workforce that is out there.

Community caring, obviously, all of us as well, different aspects to each proposal.

There are two unique aspects to ours. We are donating 15 acres of property to the transportation authority for a new intermobile bus and rail station

*THAT that will benefit the entire county at large.

In addition, we have set aside 32 acres of property for recreational ball fields for public use. It was one of the items that the Tobyhanna supervisors identified for us early on that they had a need for and we have helped address that. In addition, over 800 acres, possibly as much as 1,000, will remain as open space with our uses to be determined with the township for open both passive and active recreation
cxs ALA1 uses, hiking and biking trails and so on and so forth.

We have set aside funds internally to help assist in training. One of the unique things about our proposal is the temporary facility gets us up and running very quickly, in nine months, for operation. It also gives us the ability to train a core group of employees for when the full casino opens.

We also have the existing 257-room

manor, a core group of employees there that we will begin training and help transition through the facility so that when we open, we will have a very smooth opening. We have committed to the local fire department to meet their needs in terms of purchasing new fire trucks, high ladder capacity and training. Whatever it is that they need, we are going to provide it.

Interestingly enough, I heard sewer and water mentioned over and over again. We, too, like our competitor, have the existing permits in place for sewer and water. We will not be exceeding our existing permits. I can tell you that we have two on-site wells that are currently permitted with some minor modifications. They will service the needs of the entire community.

We have already performed hydrological tests. There are no draw-down effects at full build on the water resources in the area. In fact, in sewer, we will have less sewage going into the stream than our competitor. We have about 160,000 gallons a day permit currently.

We will be utilizing spray irrigation on-site as well as we have reached a conceptual agreement with Camelback Mountain to do snow

making in the winter with the treated water at that facility so that we will have four seasons, 365 days a year of a very environmentally-friendly approach to handling sewage from the project.

Obviously, all the renderings and so forth are on-line. You have seen them in the video. They are clearly designed in the same grand manner-type situation. We went with a blend of old and new, bringing in the architectural styles of stone, the woodwork but yet incorporating the modern amenities that today's travelers look for in terms of glass and open atriums. We have a waterfront pavilion. All of our restaurants sit on the water with the exception of our buffet.

At the core of the project, the hotel, obviously, gaming. A crucial differentiator is the convention center. 120,000 square feet of convention space will create more for the regional economy than any of the proposals without it. There is just no comparison. The retail dining and entertainment village, as you will see in a minute, more people will come to visit our facility to shop than to gamble.

Leisure residential. We have time-

shares included in our proposal which ultimately will add to the residential basin and consumer spending. No spending dollars are taken into account in our numbers from those areas, obviously, the recreational amenities, the golf as well.

This is just another view of the atrium. We have a grand fireplace. We are going for the Guinness Book of World Records for the world's largest fireplace at the front entry as you drive up the boulevard. This is a quick rendering of the retail village, again, combining the architectural elements of the Pocono Mountain architectural style that you see so prevalent in the area.

This is a rendering of our time-shares. We will be providing in our first phase 750 rooms. This doesn't even remotely compare to the 2,200 at the four or five properties that we have listed there that have closed in the last 22 years. The Pocono region has lost 2,200 rooms in the region.

We will help reestablish the hospitality industry as the leading industry within the region. Again, the benefits of the

intermobile bus station to the region and the current residents are huge in their ability to get to and from their jobs throughout the county without the need for car transportation.

We have designed our project way beyond just a gaming destination. It's a total entertainment and leisure experience. It's a four star resort destination. One of the things that we have seen and from our research is that a destination like that will draw a broader guest demographic with more discretionary income which will spend more money and stay longer.

In fact, we will increase the current average length of stay in the Poconos at the other area lodges by 40 percent. You can see here from this graph that gaming actually ranks lowest on what leisure travelers are looking for today in an experience for vacation travelers.

Shopping comes in higher. Learning new skills or activities are higher. Spas are higher. Cuisine is very high. Sixty percent of them determine their vacation destination by cuisine offerings and, of course, obviously, places they have never been before.

You can see that gaming is just a

small component in the vacation travelers mind-set. Again, we didn't look to design a gaming facility. We looked to design a world-class four star destination resort that includes gaming. The result is attracting new visitors to the area that aren't coming to the area, particularly the meeting and convention aspect of it.

Clearly, our location is the best. We are directly on the interstate right at the Interstate 380 interchange with 940. We have direct access proposed in and out of the facility. There is almost no impact on local roadways. There are no schools adjoining us. You don't have the mixing of that type of traffic. That's a huge, huge differentiator.

The location and traffic studies on our facility clearly in the materials we provided to the Board show the true benefits of that highway infrastructure system. Obviously, if down the road the commuter rail service comes through as well, there's just another benefit down the road.

Through our investment, we are going to offer a superior competitive value. We are going to be able to better withstand the

aggressive marketing campaigns of areas like Atlantic City. Some of the feeder markets that are starting to develop gaming in other states now needs to be taken into account.

The higher the economic investment, the more likely a facility is to succeed on a long-term basis and that's real important because the beneficiary here are the taxpayers in the Commonwealth.

Over 600,000 square feet of retail space was purposely designed to bring a new regional demographic crowd, designed to compliment the existing Crossings and the other shopping facilities in the area.

We have also reached an agreement in concept and have been speaking with the Crossings as well as Camelback about the opportunity to do a combined tour bus operation where we will bring tour buses in from New York City and New Jersey, stop at the Crossings, stop at the manor, stop at Camelback so that we can aggregate and get families and current markets that aren't coming.

So instead of just a person of the family who wants to come gamble coming on a tour bus, you now have the whole family coming with a

coordinating tour bus effort. Again, we will have an on-site and off-site shuttle bus system internally to our property reaching out to the other area attractions to provide the ability to cross-utilize traffic and help spread the wealth of all the visitors that are coming to the property.

Our 1,800 seat theater as well as the 5,000 seat arena which the temporary casino converts to a 5,000 seat arena were designed specifically to be able to host nationally televised events, to be able to attract national known talent, bringing in, again, new markets, new people who will come from outside the state because all of a sudden they want to see a performer that is here in a local marketplace and only an hour drive.

The slots gaming, obviously, everybody has it. We believe that a facility of our design and characteristic

*-Zs can really be an economic engine for the entire region. For gaming to work, as you can see from some of the information, it needs to be one attraction among many. We are building on the existing tourism industry that's here. We are

helping to cooperatively work and market with a lot of the other facilities that are here.

As we have said, the existing inn -- and you have seen the stats in there about the revenue comparison. The differentiation there is just huge to the State of Pennsylvania.

I only have two minutes left. So I'm going to be quick here. Our convention attendees will spend over \$200 million a year on lodging at other area existing lodges. So the 15 lodges that were mentioned before, based upon our numbers, convention attendees will occupy almost 100 percent of those hotels Monday to Thursday when we have conventions in-house. That's a huge economic catalyst. Clearly, we can't house 3,000 to 5,000 attendees in our property.

We are going to give the Pocono Mountain Visitors Bureau the opportunity to add the "C" to their name and become the convention and visitors bureau. There are huge revenue gains for them. Their marketing dollars are used to promote the region at large. In addition, we will work with them on cooperative marketing plans for the whole region's benefit.

As I mentioned before, 456,000 room

nights at other area lodging facilities. In addition to the lodging, people will be eating in the restaurants at those resorts. They will be buying goods and services at those resorts. None of those numbers were taken into account in that \$200 million that's lodging only.

As we said, there is about 753 to 3,000 room nights throughout the region weeknights of business that is not currently there, something that every single business owner that we spoke to in the region said is in dire need. They have plenty of weekend business.

Those attendees that are staying at other hotels will spend \$1.7 million in taxes that go to the benefit of the visitors bureau and will be used for the benefit of the entire region. I won't run through the economic numbers. I know the Board has it. We have seen some of these taxes.

I am going to close now and just basically like to say thank you very much for your consideration. We appreciate the opportunity to be here. We welcome the opportunity to work with the commission, with the various agencies on bringing the Pocono Manor to the Poconos and

making the region, once again, a viable hospitality industry for many, many years to come. Thank you.

PRESIDING OFFICER SIMMONS: Thank you very much. Just as a reminder, at the end of the day, the applicants will each be given 15 minutes to make closing remarks. So be aware of that. The panel will now stand in recess for 15 minutes. Thank you.

(Recess.)

PRESIDING OFFICER SIMMONS: The April 27th input hearing will now reconvene. Please be quiet. We will move into our elected officials portion. Our first speaker will be Mayor Nancy Golowich. After Mayor Golowich will be Ronald Filippini.

MS. GOLOWICH: Members of the Pennsylvania Gaming Control Board, thank you for the opportunity to express my concerns and opinions. You know my name. You know that I am the mayor of the Borough of Mount Pocono.

I am not going to argue for or against the arrival of gaming in our area. It is here and must be dealt with as fact. I will only touch upon those items that will be expounded more

thoroughly by others and I will only discuss the applicants seeking to operate in Monroe County. I will also try to be brief.

The arrival of gambling casinos in an area already burdened with runaway growth and inadequate infrastructure can be overwhelming. The problems with traffic, road maintenance, police protection, stormwater containment, wastewater discharge which is very, very important and very pertinent at this time, stream protection as well as environmental and economic impacts are of great concern to us who live in this area.

The integrity of this beautiful and unique area and its aesthetic quality raises many questions. Some of these issues have been voiced in discussions between the gaming applicants and local municipalities. These preliminary discussions must become continuous and ongoing. They mustn't stop here.

The decisions and solutions must be made with local input. Our state legislators have a responsibility to include local officials in determining what is best for our environment, our safety and our well-being, not just at the beginning of this new venture, but all during its

tenure.

The question of which applicant should be awarded the first license for gaming in Monroe County brings up another question. Is this the first round in licensing and will there be future licensing opportunities? In my opinion, the answer is yes. I think we will see more than one casino resort.

Both applicants have presented plans that include possible housing, retail and other amenities, both who will face the same problems with local opposition. However, in my opinion, I think the creation or re-creation of Mount Airy resort has compelling logic.

Consider the history of the property. It was once the most prestigious resort in the Pocono Mountains. It was called and, rightfully so, world class and epitomized the beauty, tranquility and recreation possibilities available. Mount Airy lured vacationers to this area, vacationers who fit into the local economy and afforded employment to many local residents.

Unfortunately, this once glorious and proud lady fell upon hard times. The building deteriorated. The grounds fell into disuse. The

stream and lake were in need of new technological management. What was once beautiful and productive and an asset to the area became useless and ugly. To rebuild upon this property, to restore it to its former elegance, to let it become productive again will see a renaissance in the making.

We can expect order and beauty, cleanliness, new buildings and landscaping that will overcome the ugliness that was once there. We will see environmental issues identified and corrected. We will see the reclamation of a Pocono icon. Thank you.

PRESIDING OFFICER SIMMONS: Thank you very much, mayor. Our next speaker will be Ronald Filippini.

MR. FILIPPINI: Chairperson Decker, Control Board members, members of the State Legislature, state officials and all others in attendance, I'm Ronald Filipinni. I represent the Township of Plains as chairperson of the Plains Township Board of Commissioners.

We are the host municipality for Mohegan Sun at Pocono Downs, the location of one of the applicants for a gaming license. First of

all, on behalf of the township, I thank you for giving the local governments a chance to comment at this public hearing.

Plains Township is a first-class township centrally located in the Wyoming Valley of Luzerne County with our western border on the Susquehanna River. We have a population of approximately 12,000 and an area of 16-plus square miles.

With convenient access to Interstate 81, the Pennsylvania Turnpike and State Routes 115, 309 and 315, all of which run through our township, we have excellent access and range to the Eastern United States and Canadian markets.

The township is a residential and commercial community. Major employers within the township are the Wilkes-Barre Veterans Administration Hospital, the Social Security Office Complex and Geisinger Medical Center and, hopefully in the future, Mohegan Sun and Pocono Downs.

I will provide copies of the township's fiscal 2004 budget as an exhibit, a budget of approximately \$4.4 million. The township provides all services including police,

fire, public works, building, zoning and administrative services to our taxpayers.

I just want to note that we have the distinction of being one of the few first-class townships in the Commonwealth that has a full-time paid fire department. But Plains Township, like many other communities in the Commonwealth, struggles to maintain our basic services.

The economics of maintaining the level of services in our township has become increasingly difficult. We are faced with increasing costs, primarily in payroll, payroll expenses, energy and employee benefits.

The upgrading and maintaining of our infrastructure such as streets, sewers and buildings has suffered because we have to make tough choices and put the protection of persons and property first when it comes to budgetary consideration.

Our property tax is currently at the maximum allowed by state law. And although we do have development in our township, the economics of our area is hurt by the elimination of many good-paying jobs in the manufacturing sector. These job losses offset any increase in property tax

collections with a decrease in earned income tax. Also, we are hurt by the decrease in federal and state funding for projects.

With this in mind, the community of Plains Township is supportive of the potential casino location in our township. We look forward to the economic impact such a facility will have on our township.

Looking forward, Plains Township does anticipate several items which we will face with the advent of casino operations such as increased demands for emergency services, significant increase in traffic volume, which we have already began to address in cooperation with Mohegan Sun and PennDOT, and more demands on our infrastructure with increased activity throughout the township.

We feel with the provisions of the gaming law and the possibility of a casino located within our township, that Plains Township stands ready to meet these demands and provide the proper services, whether it takes increases in manpower, improvement in traffic signaling and patterns or action on other unforeseen problems.

As previously stated with traffic

concerns and also with the opening of the new simulcast facility at Mohegan Sun, the township and Mohegan Sun have begun an era of cooperation between us, a cooperative effort which we're sure will find solutions for future demands.

I just want to note that when the Pocono Downs Racetrack opened in 1965, many saw it as a turning point in the growth of Plains Township. But the optimism of 1965 soon turned into pessimism in the 1970s when back taxes were owed to the township and eventually the track filed for bankruptcy. Relations between Pocono Downs at that time and local government were strained.

But, now, with the opportunity of gaming at Mohegan Sun at Pocono Downs and the provisions of the gaming laws, Plains Township and the surrounding areas look forward to a brighter economic future.

We contemplate the addition of hundreds of jobs at Mohegan Sun at Pocono Downs. We see additional job opportunities with new and existing businesses in the area, some of whom will be suppliers of the casino. We are optimistic about the economic future which is possible with

the approval of casino operations at Mohegan Sun at Pocono Downs.

In closing, as I have said in the past, I feel that Plains Township is fortunate to have the premier casino management organization with the Mohegan Tribal Gaming Authority at Mohegan Sun at Pocono Downs.

On behalf of the Plains Township Board of Commissioners, I urge the members of the Pennsylvania Gaming Board to give their approval to the application for licensing of casino gaming at Mohegan Sun at Pocono Downs. Once again, thank you for the opportunity to appear before you.

PRESIDING OFFICER SIMMONS:

CXS AEPB/STAEUT/RAOUL/-Z/1/5/-RBGS/3/0

*TPH/1-9D/-7/0/WH/PWABG/TAFRPL/-Z/WURThank you very much. Our next speaker is Reda Corle-Briglia.

MS. CORLE-BRIGLIA: Good morning. I am Reda Corle-Briglia, a supervisor at Paradise Township and also the administrative secretary for the last ten years. I just wanted to go over a few financial and preparation issues from Paradise Township.

Mount Airy, LLC, purchased two

neglected, falling down resorts sprawled over 890 acres. Mount Airy Lodge was once the most recognizable resort in the Pocono Mountains. At one time, Stricklands, Mount Airy and Pocono Gardens together represented over 9 percent of the township's total taxable acreage and provided almost 8 percent of our total tax revenue.

Over 900 rooms were available. Conventions were frequent and nobody complained about the traffic or the visitors because other local businesses were doing well and everyone knew someone who worked at one of the resorts.

When Mount Airy Lodge, Stricklands and Pocono Gardens closed, we lost numerous members of our community who could no longer afford to live here or had to move on to find gainful employment. Repeatedly, the former owner submitted applications to the Monroe County Tax Appeal Board and we sat by helplessly watching the assessed value of the properties decrease and decrease.

Demolition of at least 88 structures has already been accomplished on the Mount Airy property. The improvements planned for the property will increase the tax ratables for Paradise Township. Paradise Township has already

seen an increase of 13 percent in the real estate transfer tax for January to March of this year compared to January to March of last year.

Mount Airy's impact study report states that over 650 full-time jobs will be necessary for the operation of Mount Airy Resort and Casino. Paradise Township's earned income tax revenue for 2001 was \$462,000. In 2002, the earned income tax fell to \$412,000. The only major change in the township was the closing of the Mount Airy Resort.

This is very vital to Paradise Township due to the fact that the Pocono Mountain School District, for the first time, is receiving their fair share of half a percent of the 1 percent of the earned income tax. The improvements and reopening of Mount Airy Resort will, once again, bring these tax benefits back to the township.

According to Mount Airy's local impact report, Mount Airy will be utilizing local businesses for their needs. Some of the local businesses that would benefit during the construction phase include building materials and equipment suppliers, contractors, trucking

companies and engineering consultants.

Their current proposal is for a 200-room resort. Mount Airy is also considering running shuttle services from other hotel resorts to their casino. Mount Airy is concerned with their neighboring existing businesses and is willing to make every effort possible to ensure their continued and future success.

Mount Airy is also planning on developing their property over the next five to ten years in accordance with the township's regulations. As part of the master site plan, it is envisioned that 200 acres will be developed as resort non-residential land use and 164 acres developed as residential land use. The residential land use will house a maximum of 523 housing units.

It should be noted that under the township's current zoning ordinance, the potential exists for approximately 1,500 housing units. By focusing the housing units on condos, time-shares, adult communities including assisted living units and estate lot single family residences, the impact on the school district will be minimal.

Finally, smart growth. What does that

mean? Pennsylvania has been talking about smart growth for years. In February 2001, the strategic plan for Paradise Township was completed by an outside consultant hired by the township. The strategic plan recommended the addition of a resort overlay district to the township that would allow additional uses not otherwise allowed in the underlying zoning district.

Also in February of 2001, the Monroe County Planning Commission was forwarded Paradise Township's request for a community and Growing Greener audit. In October of 2002, an outside consultant was hired to complete the township's Growing Greener ordinance.

The township's Growing Greener ordinance is what is going to require that Mount Airy permanently conserve and protect 500 acres of their property. This protected property will include important environmental areas.

Paradise Township looks forward to working with Mount Airy in a redevelopment of Mount Airy and Stricklands resort in strict accordance with the ordinance the township has worked hard to revise. To us, this is not just about gaming.

*TPH-R/HRAEU/-G/STKOEPA/-G/STKREUBGT/-Z/-

FPLTS/WHR-S PRESIDING OFFICER SIMMONS: Thank you very much. Your time is up. You may submit your testimony to the clerk. Dennis Keesler.

MR. KEESLER: My fellow supervisor, Ms. Briglia, just gave quite a bit of information. I'm here to commend the 16 months -- or it actually feels like a couple of years that we have been working with CECO on having meetings with the fire company, the emergency management coordinator for Monroe County to plan a well-constructed building.

Parking under the building would be protected so that in the event of a terrorist -- whatever type equipment needed to sniff out bombs that might be in there. The parking that you will not see as you drive down Woodland Road is so well landscaped that the cars are actually going to disappear behind the landscaping.

They have been very cooperative through all the various hearings and meetings we have had. I continue to hope that over the next few months as the plans progress, things work very well as they have in the past. They have been a

pleasure to work with.

Reda touched on the fact that there might be shuttle buses or shuttles running to the area like Caesars Paradise Streams and other places in the vicinity which is one of the reasons it's a benefit to community, allowing not a monolith of rooms, but just rooms to facilitate some guests and at the same time allowing all the other motels and hotels and resorts in the area to have greater occupancy and allow for a lot of the dining facilities in the area to have better use of their facilities by having more people that are not inside a self-contained facility, but one that is going to have conference areas, going to have dining but there will be so much more available in the Pocono Mountains for the guests that come up to Mount Airy, LLC. I thank you for your time.

PRESIDING OFFICER SIMMONS: Thank you, sir. Emanuel Kapelsohn.

MR. KAPELSOHN: Good morning. I am Emanuel Kapelsohn. I am the township solicitor for Tobyhanna Township. I would like to start by thanking the Board for this opportunity to address this hearing. I'm here to present the views of the Tobyhanna Township Board of Solicitors to the

proposal of Pocono Manor Investors to construct a gaming resort largely in Tobyhanna Township.

Last September, Pocono Manor Investors approached officials of Tobyhanna Township regarding its proposed plan to locate a 370-acre casino resort in the township right near the intersection of Interstate Routes 80 and 380.

The proposed development, as you have heard, would include a 750-room hotel, a 120,000 square foot meeting and convention center, a new 18-hole golf course in addition to an existing 18-hole golf course, some 616,000 square feet of retail space, a theater complex, golf villas and a gambling casino.

Although the gambling casino may be in the forefront of your minds and the minds of many of the other concerned parties here, we feel that it does not by any means overshadow the other features of this proposed development which are of economic and other importance to our township and to Monroe County and to the state in general.

Tobyhanna Township officials, together with officials of two other townships, attended an informational session with the developer where the proposed development was discussed. Shortly after

that, the developer proposed a set of amendments to our zoning ordinance that would allow the development to proceed as the developer envisioned.

These proposed zoning amendments then became the subject of consideration and review during several months of public meetings and hearings with the zoning commission and the board of supervisors. There was review and input by our township engineer, by me as township solicitor, by the Monroe County Airport Authority and many others.

Many members of the public provided their input at these hearings and public meetings also by telephone, by letters, by e-mails to the township solicitors and by a petition signed by about a thousand people. In addition, the Monroe County Planning Commission provided informal written comments on a preliminary basis.

As a result of all these hearings and comments and discussions, we worked with the developer to modify the proposed amendments to our zoning ordinance to address various concerns of the township's residents and taxpayers.

Among other things, the proposed

zoning amendment in its final form, a copy of which is attached to our written comments, defines gaming hotels and gaming resorts, limits the areas of the township where such development could be located, increases the maximum height to which the principal hotel structure could be constructed, increases the signage permitted for this kind of a development, requires development to be on a considerable tract of land far removed from schools and libraries and day-care centers and churches and other similar community facilities.

It also allows the township at the time of proposed land development to require the developer to provide us with impact studies that would address such potential impacts as traffic, water, wetlands, environmental, stormwater, fire protection, police and security, emergency services, sewage and waste treatment and solid waste management, socioeconomic impact, historical and archeological and flood and air quality, airport, air space, public transportation, landscaping and buffering, architectural and general aesthetics and other potential impacts.

The proposed zoning amendment, in its final form, was delivered to the Monroe County

Planning Commission last November. They provided their comments to the township. Thereafter, on December 27th of '05, we held a public hearing. Those attending were too numerous to be accommodated in the township building. It was held at the local elementary center. Many comments were received.

Ultimately, after the close of the public hearing, the township board of supervisors held a meeting and adopted the proposed zoning amendment by a vote of three to one with one supervisor absent. A copy of the zoning ordinance as passed is attached to our written comments.

Finally, I would say by adopting this ordinance, the majority of the supervisors indicate --

PRESIDING OFFICER SIMMONS:

CXS KERP/-Z/-FR/-FT/STW-PTSDZ/AES/RES/TKEPBTS/-Z

CXS POEZ/-DZ/STKOEKPBG/AEPLT/TPH/-

T/TPAOEUPBLG/TPORPL/PHOPB

*STKOEKPB/-

G/STKAEPLDZ/W/KWUPBG/SAOUP/SOR/AB/SEPBTSDZ Thank you, sir. Your time is up.

MR. KAPELSOHN: It's included in the written comments.

PRESIDING OFFICER SIMMONS: You may give it to the clerk. We have representing Luzerne County Commissioner Gregory Skrepenak Mr. Andrew Reilly. Mr. Reilly, you will need to raise your right hand to be sworn.

Do you solemnly swear or affirm that the testimony you're about to give today is the truth, the whole truth and nothing but the truth so help you God?

MR. REILLY: I do. Good morning, ladies and gentlemen. My name is Andrew Reilly. I'm the executive director of the Luzerne County Office of Community Development. Thank you for the opportunity to testify here today in place of the Chairman of the Luzerne County Board of Commissioners, Greg Skrepenak.

Chairman Skrepenak sends his apologies for not being able to attend today's hearing but asked that I convey to the Board that Luzerne County looks favorably upon the application of the Downs Racing, LP, also known as Mohegan Sun at Pocono Downs in Plains Township, Luzerne County.

It is clear that the officials from Mohegan Sun at Pocono Downs are committed to creating a first-class facility that Luzerne

County would be proud to host. This project will deliver a much needed economic boost to the county by creating 800 to 1,000 jobs with an average wage of \$14 per hour and an estimated 1,500 temporary construction jobs.

As the executive director of a housing and urban development-funded agency, much of our focus is on economic opportunities for low to moderate income individuals. While some of the jobs will certainly go to highly skilled individuals, many of these jobs will be made available to our low to moderate income population, giving them the opportunity to improve the quality of their lives.

In addition, the estimated \$200 million capital investment will help increase the tax base of Plains Township, the Wilkes-Barre Area School District and Luzerne County. Luzerne County has been experiencing a significant decline in its population, especially the younger population.

In order for the county to attract and retain younger people, the county will need facilities like the one being constructed by the Mohegan Sun. In addition to the expanded gambling

opportunities, the additional restaurants and nightclubs will only compliment the significant outdoor recreational opportunities that the county already offers.

Another important component of this project involves the additional revenue that will be funneled to both Plains Township and the County of Luzerne through Act 71. It is estimated that \$2.2 million annually will flow into the township coffers for additional police and fire protection and much needed infrastructure improvements.

An additional 2 percent of the revenue generated from slots will greatly benefit the surrounding municipalities in the form of additional grant opportunities for health, safety and economic development projects.

In summary, on behalf of Luzerne County Commissioner Greg Skrepenak, please let the record show strong support for the application of Downs Racing and we all look forward to the Mohegan Sun at Pocono Downs being a strong partner in our community. Thank you.

PRESIDING OFFICER SIMMONS: Thank you very much. That concludes our elected official portion. We will move now into our community

groups.

Let me remind you that as a representative of a community group, you will be given 10 minutes to speak. Your time will be noted at 30 seconds that you are to conclude your remarks. At the red light, you are to leave the microphone.

MR. RICHARDS: I would just hope that my parishioners never find out about your light system. I would hate to see one of those on my pulpit.

First of all, my name is Reverend Thomas Richards. I'm the pastor of St. Paul's Lutheran Church in *TAPB/TPHER/-Z/SREULTannersville and also a charter member of the Pennsylvanians Against Gambling Expansion. I would like to thank the members of the Board very much for this opportunity to testify at this public hearing.

For the last 25 years, I have been a very vocal opponent of the expansion of legalized gambling in the State of Pennsylvania in general and the Poconos in particular.

For many years, the citizens of Monroe County and the Poconos have studied the effects

that casino-style gambling will have on the surrounding area. After being educated on the social, environmental and financial impact the introduction of additional forms of gambling would have on our community, we have spoken out time and time again in opposition.

Unfortunately, the present legislative system did not allow for a great deal of input. And we remember how late at night on a July 4th weekend, the legislation was passed and now we are given the opportunity to speak. We thank you for that.

During the past 25 years that I have been the pastor up here in Tannersville, I have seen a tremendous amount of change in Monroe County. The growth in population and the demands that the growth has placed on the infrastructure, the school systems, the social agencies, the criminal justice system, the environment and, yes, even the churches in our community has been staggering. It's been difficult, if not almost impossible, to keep up.

Why are our elected officials turning to the expansion of gambling at this present time? Well, Dieter Henzel once said, there's always a

gap between what the people want and what government offers. Government officials are placed in a very difficult situation. They are under tremendous pressure to provide more and more services and programs that their constituents demand but are very reluctant to pay for out of their own pockets.

They are sort of like the fellow who travels up and down Main Street in Stroudsburg looking for a parking space but he wants a parking space that has time left on the meter. And many of these constituents want to park on somebody's dime or quarter these days.

The results of the voters in their limited time of entitlement, they say to their elected officials, I need it. I deserve it. I want it. You better give it to me or I will find somebody else who will at least promise it to me.

I am deeply concerned about the impact that a slots parlor and the resorts, Mount Airy or Pocono Manor, would have on our community. Take, for example, the already crowded road conditions in our community. The proposed slot-oriented resorts at Mount Airy talks about an additional 1,020 new vehicles that would take place in the

afternoons, Friday afternoons and evening time, also another 1,100 vehicle trips that would take place on a similar time during Saturday.

I wonder what's going to happen to those who are trying to attend a Friday night home football game at Pocono Mountain East or a basketball game. The same kind of people are trying to get to those resorts. We also know that Pocono Mountain East will be sharing the same access roads. What kind of wear and tear is this going to have on those roads?

I also need to add, what's going to happen when we have one of the NASCAR race weekends here? Most of us look for a place to hide during those weekends when those folks are on the road.

Speaking of our schools, according to a Gallup poll, 5 to 8 percent of adolescents in America today are already addicted to gambling. Placing a gambling establishment this close to a number of schools will certainly put more students at risk. Really, is it worth the risk or, should I say, worth the gamble?

The adolescent age group is the fastest growing group that's being addicted these

days. It's said that slot machines are described as the crack cocaine of gambling.

Speaking of those suffering from addictions to gambling, John Kindt who is an expert on gambling reports that there are presently more than 10 million addicted gamblers in the United States.

He also reports that any community that introduces a new form of gambling into that community can expect to see an increase in the number of people who are going to be addicted to gambling. The number of increase is about 100 to 500 percent.

What will that mean to the local community? Well, one of the things that experts tell us is that the crime rate in gambling communities is nearly double the national average. Seventy-five percent of those addicted to gambling admit to committing at least one felony to support their addiction.

The Center for Compulsive Gambling reports that two-thirds of the compulsive gamblers turn to crime such as embezzlement, insurance fraud, tax evasion, credit card fraud and check kiting to finance their gambling habit.

This will mean that those of us who live here will have to pay higher taxes for more police protection, more prosecutors, more public defenders, more judges and a bigger jail.

To, once again, refer to the studies done by some of the experts, for every one dollar that the state receives in gambling revenue, it costs the state at least three dollars in increased expenses in the areas of criminal justice and social welfare.

No wonder, as one person recently told me, that in the Bahamas local citizens are not allowed to gamble. They are not allowed to gamble in the casinos but foreigners and tourists are.

The people proposing gambling centers at Pocono Manor and Mount Airy claim that thanks to them, there will be an increase in jobs. But I wonder what kind of jobs they will really be. US News and World Report tells us that these areas that have added casinos in the early 1990s have not experienced additional growth in new business.

Are they familiar with the business location model that tells us that traditional businesses -- they look for nationwide statics and they have found that those areas where legalized

gambling is introduced will eventually suffer from economic dysfunction, the exploitation of minorities and low income groups, a high crime rate and an eventual increase in taxes that need to address the social problems generated by legalized gambling.

This is something that our community simply cannot afford. Businesses look for stable communities. They look for strong economies and a potential for future growth. And what about the already existing businesses?

I know that in recent weeks, some of the local businesses and politicians and community leaders have been wined and dined by the people who are looking to set up shop in our area. But just remember that those lobster tails, long after they are gone, the jumbo shrimp and prime rib -- think about those things when they start using their gambling revenue to subsidize their room rates and food services and you wonder where your customers went.

And what about your merchants? Just remember when your sales are down, that the slot machines are designed to allow people to bet very, very quickly. Do you realize that you can bet

\$4.50 every five seconds on a five cent machine or \$54 for each minutes of play? That's \$54 that won't be spent on the goods and services that you have to offer. Don't forget that the longer that people are in the gambling establishments, the more money they are going to be spending.

Now, what about those jobs? Again, nationally, records indicate that in Las Vegas, for example, the employee turnover rate in gambling institutions is about 48 percent due to low wages. In Biloxi, Mississippi, the turnover rate is 35 percent. In 1998, the unemployment rate in Atlantic City was 15 percent or two and a half times the unemployment rate for New Jersey. Also, in Atlantic City, the turnover rate was 30 percent.

And what about the future? Again, experts tell us that the first five years of legalized gambling constitutes the major revenue producing times for a gambling institution. They will need new marketing. They will need new games and new ways of bilking the public. The gambling industry has proven over time and time again that it is really predatory in nature and has an insatiable appetite for power and for money.

As I listened to the presentations this morning by the folks who were touting their new business, new business proposals here, I heard that many of them said they came from Atlantic City. I'm even more fearful now. I wonder, is the same thing going to happen to the Poconos that happened in Atlantic City? Please don't place the quality of life of our people at peril so a few people can profit. Thank you very much.

*EDZ/KAEUT/-D/OPB/-T/SOERBLG/EFL/AEPB/-TSZ

CXS TPH/TPHU/PWEUZ/R/THE/TPAPL/W/-T/PWEUZ

CXS PWEUZ/-

Z/THE/HRAOBG/TPOR/TPHAEUGSZ/WAOEUD/STATD/TEUBG

CXS KWRUR/SAEL/R-Z/TKOUPB/THA/-T/SHROT/PH-RB/R-Z

*HRAPB/TEUBG/STEU/EUPL/PHOR/TPAOER/TPULG/TPHOU/EU

CXS K/PROFT/THAUFP/SREFP/-FPLTD PRESIDING

OFFICER SIMMONS: Thank you very much. Theresa Merli.

MS. MERLI: Good morning. My name is Theresa Merli. I represent the Brodhead watershed Association. This is a grass roots organization of volunteers dedicated to educating the community about protecting their valuable Commonwealth resource of water.

I had sent in some exhibits. I don't know if that's something you were going to use during this. I was using them as visual aides. But perhaps that's not something you have with you today.

PRESIDING OFFICER SIMMONS: Just go ahead.

MS. MERLI: Understood. That will change the way I approach this. Thank you. Quite a few years ago I started my working career as a fifth grade science teacher, intermediate school science teacher, and one of the segments that I taught was the water cycle which almost everybody in this room I'm sure remembers.

Very briefly, it's a cycle where water evaporates. It goes up into the sky. It returns to the earth through rain or some form of precipitation, whether it's water or even fog. Most of us are familiar with this. What we are not familiar with is the concept of groundwater. Many of us are not conscious of groundwater and how human activity affects the groundwater that we all depend on.

Pennsylvania's groundwater supplies are at risk from a variety of human activities,

many of which negatively affect the groundwater quantity and the quality.

Although the state has experienced only minimal population growth during the past few decades, there has been a steady migration of people and industry from the cities to the more rural settings.

This has resulted in the development or use of groundwater resources at a rate that is three times that of surface water. The development or use of groundwater resources has also accelerated due to concern about the quality of surface water and to the expense that the new federal regulations require increasing filtration for surface water discharge.

Although the public has become used to seeing the federal and state government take a lead in environmental protection, in many areas when it comes to groundwater protection, the initiative and the responsibility in Pennsylvania lies with the local community and their leaders.

Therefore, as the threat to groundwater grows along with our dependence on it, protecting this valuable groundwater resource must become a priority for our local governments.

The Brodhead Watershed's major concern with these two proposed developments are their location in our watershed. I had brought maps with me. I had thought that you might have these maps to reference that show you the location of these proposed developments in the watershed which are in the head water areas and the recharge areas.

This is important because it is those areas that supply the water source for everyone downstream. It is the groundwater that supplies all the private wells up here. When you stick a well into a groundwater resource, it's like putting a straw into the ground.

I was very glad to hear that Pocono Manor has done hydrologic studies concerning what their effect is going to be up there. At this time, Pocono Manor withdraws 60,000 gallons a day. The proposal in Phase I is 600,000 gallons per day with a potential in Phase II of 1.2 million gallons per day of withdrawal.

What we found gratifying about the proposed development regarding water resources and sewage disposal was that in Phase I, the proposal is to return the water to the watershed through

the use of spray irrigation. They will not be discharging.

The concept is to not discharge at all into the streams which is in accordance with our understanding of the best management practices as well as indicative of every study that has been done up here for the past ten years. They all recommend this type of discharge for wastewater and groundwater recharge.

So we are very happy with that. What we are concerned about is later on in the study, it talks about discharging into a pipeline that will travel from our watershed -- I'm not sure of the exact miles but it's somewhere between 15 and 18 miles -- to another watershed and deposit the water that we're taking out of the ground at the top of the watershed and send it into another watershed. It is going to have an impact on the water supplies of everyone in the community one way or another.

I applaud the mindfulness of much of what I read in here conceptually but there are concerns about the reality and the viability of what they are proposing in terms of sucking it out of the ground and piping it away. That's our

major concern.

One thing I have to say off the cuff is I was so happy to hear about the conceptual agreement for snow making. That is something we have been trying to promote in the area for years. These are the first people I have heard actually take it serious. I really do appreciate that.

This is a concept that is not new. It is used in many areas of the country but we keep hearing, well, we don't do that in Pennsylvania. But, obviously, somebody is listening. We do appreciate that.

Basically, the BWA has been in existence for 16 years. We have promoted basically education of community, municipal leaders as well with the concept of keeping the water in the watershed.

Watershed-based thinking is not new. It is promoted on every level including the federal level and why we are moving forward developing something that is 50-year-old technology when every study on every level tells us to use decentralized systems which Phase I does emphasize.

Mount Airy's system -- they talked

about theirs and we really do appreciate that the water is being returned to the watershed. It has been emphasized in studies done for the township and the state and the county for ten years.

Protecting natural resources in an area that is experiencing growth is a difficult task. Achieving a balance between the desire for jobs, land for houses and businesses and the protection of this environment is our challenge in the watershed. It is not inevitable that economic development and environmental protection must or will pull in opposite directions.

Environmental protection of the Brodhead watershed is essential to a viable economic base because it is the natural beauty of this environment that is the heart of our tourist industry and the community in which we live.

I thank you very much for the opportunity of giving all of us to express our concerns, whether they are plus or minus. I hope that when you have a chance, you will look at some of the literature I provided you with so you can have a better understanding of how this affects us and the location of the watershed.

There is one exhibit that I did

provide you with. It referenced a discharge into the Swiftwater Creek as being 188,000 gallons per day. That literature was published in the year 2000. Currently, that is approaching 550,000 gallons a day instead of 188. Again, thank you very much for your time.

PRESIDING OFFICER SIMMONS: Thank you. You may want to submit those exhibits to the clerk. Robert Uguccioni.

MR. UGUCCIONI: You weren't very close with that one. Welcome to the Pocono Mountains. My name is Bob Uguccioni and I'm the executive director of the Pocono Mountain Vacation Bureau. We are the official designated Commonwealth of Pennsylvania tourist promotion agency for the counties of Carbon, Monroe, Pike and Wayne here in Northeastern Pennsylvania. Those counties we consider the Pocono Mountain area.

The Pocono Mountain resort area is the largest resort area in Pennsylvania and 80 percent of the resort facilities in the Commonwealth are located here. Sixty percent of the visitors to the Pocono Mountain region are from the combined states of New York and New Jersey. Twenty-six percent of our visitors come from

Pennsylvania. The other states that visit here are Maryland, Ohio, Connecticut, Virginia, Delaware and many others.

According to DK Shifflet and Associates, an expert in travel impact for states and regions that was commissioned to look at tourism impact for the Commonwealth, in 2004 the four Pocono counties had direct travel expenditures of \$1.2 billion.

The employment figures were over 400,000 and taxes collected at all levels were over \$323 million. Statistics and other information concerning tourism impact for our region will be submitted to the Pennsylvania Gaming Control Board for their information.

What I am here today to do, however, is to encourage the Pennsylvania Gaming Control Board to locate a class two gaming license here in our area. There are two applicants for a license in the Pocono Mountain region and we would strongly encourage the Gaming Control Board to select one of these applicants for approval.

The legislative intent of the Gaming Act clearly states that the authorization of limited gaming in Pennsylvania is intended to

enhance the further development of the tourism market throughout this Commonwealth, including, but not limited to, year-round recreation and tourism locations in this Commonwealth. We most certainly feel we qualify in that category.

Since the majority of our visitors come from the combined states of New York and New Jersey and other states, the revenue generated by visitors here, not only through gaming, but also through the 6 percent sales tax that is collected on the rental of rooms, meals, etc., is a net-net for the Commonwealth and, in all cases, is the most desirable form of revenue from visitors that all states agree upon.

We have not taken a position on either the Pocono Manor or Mount Airy applications. We are here only to strongly request that one of these applicants be successful.

The intent of the gaming debate and the conclusion with passing of legislation and enactment into law included, at many times, the importance this would be to areas like the Pocono Mountains. We feel that there was a clear legislative intent to locate a license here.

We have had a long history of being in

the resort industry. Our resort industry started in the 1800s and has gone through numerous changes. We have had some difficulty in keeping the level of business that is required for success here in our area.

Since gambling is coming to Pennsylvania and that debate is over, we feel that the most logical location for a gaming license of this type would be here in the Pocono Mountain area.

We would hope also that in the future, there would be some expansion of the category three resort license category from the legislature and with the support of the Pennsylvania Gaming Control Board. Thank you very much.

PRESIDING OFFICER SIMMONS:

*SOUR/SPHEUTDZ/-DZ/TO/TOUR/REUFRPL/PEUPL/*R/EUPL
 *START/-D/TPH/-TS/1-8/HUPBDZ/A/WE/-FThank you, sir. Let me remind you that at 12:00 the Board will be breaking for lunch for an hour. Mr. Wayne King.

MR. KING: Mr. Chairman, commissioners, my name is Wayne King. I reside at Pocono Pines in Tobyhanna Township and I represent the community group Concerned Citizens of

Tobyhanna Township.

Three community groups, Concerned Citizens of Tobyhanna Township, Pocono Pines Improvement Association and No Casino Tobyhanna Township, have banded together to form a coalition against the proposal by Pocono Manor Investors. We, the opposition, have collectively chosen to speak as community groups rather than as individuals so as not to be redundant or repetitive in our comments.

On December 27th, 2005, the Tobyhanna Township Board of Supervisors passed an amendment to the zoning ordinance despite overwhelming public opposition. Many township citizens wrote letters to the editors of our local newspapers, the Pocono Record, the Journal of the Pocono Plateau, a sampling of which I will introduce as Exhibit A which you already have.

Many residents were not necessarily opposed to the casino because they knew if a gaming license was granted by the state, they felt there was no way to prevent it. What the residents objected to was the enormous height of the proposed hotel.

I would like to give the Board a

sampling of comments in Exhibit A prior to the December 27th hearing. And I quote, why a 25-story building? why the huge roadway signs? The Great Wolf Resort has been done tastefully. why not the Pocono Manor project?

Again, on December 27th, the Tobyhanna Township supervisors will make possibly the most profound decision in the history of our township. The decision will also have important consequences on our adjacent communities. This determination should not be made in haste to accommodate the objective of an out-of-state developer. A massive structure of this height definitely does not fit in with the atmosphere and quality of life that residents and vacationers have come to expect in the Pocono Mountains.

Following are a sampling of comments after the December 27th meeting. And I quote, after listening to the impassioned pleas from many long-time residents and ignoring the presentation of petitions signed by 1,000 residents, the supervisors voted to forever change the character of the Pocono Plateau.

The elaborate pie in the sky promises of the men in black suits will never outweigh the

impact of the hotel casino. The very plan does not enhance in any way the local businesses, shops and restaurants. The proposed tax revenue will quickly be eaten up by increasing the number of police and firemen that will be needed. They are bringing the city into the mountains.

I will now introduce Exhibit B, an editorial from the Pocono Record Newspaper dated December 21st, 2005 titled "If you want Vegas, Build it in Nevada." This is an excellent editorial concerning the ramifications of the amendments to the Tobyhanna Township zoning ordinance.

I would like to read two paragraphs of the editorial. Amending the ordinance to allow the switch from 238 to 300 feet will dramatically alter the character of the still scenic Pocono Summit and everywhere in its view.

It would represent a drastic departure from development that has gone forward for many years in keeping with the essentially rural nature of our township and allowing high profile 300 foot tall buildings could foreshadow a whole wave of urban style construction. Are Pocono residents ready for such a change?

Tobyhanna Township and the Poconos generally do not need high-rise development that would forever detract from the green and rolling landscape and the scenic views the residents and visitors alike take for granted.

Next is Exhibit C, the economic and fiscal study prepared by Urban Research and Development Corporation. This local impact report has inconsistencies, errors, omissions, gross overestimations and underestimations too numerous to fully discuss in this presentation.

For example, the report repeatedly states the annual gaming revenue to the township is up to 10 million a year but not more than one half of the 2005 annual budget. However, Act 71 clearly states that the local share assessment shall not exceed 50 percent of the budget for fiscal year 2003-2004. In this report, 2005 is not a typographical error, folks. All the figures and estimates for Tobyhanna Township are incorrect.

Furthermore, this report conveniently omits the fact that future local share assessment increases are indexed to the rate of inflation. If infrastructure demands increase dramatically,

the so-called surplus revenue for Tobyhanna Township will quickly evaporate.

A similar omission also exists in the report in relation to Monroe County. Nowhere in the report does it state that the gaming tax revenue for Monroe County as a fifth-class county has to be shared with contiguous counties.

The report implies that all Monroe County revenue will go into the general fund, whereas Act 71 states that the funds go into the economic development or redevelopment authority for distribution as grants. Monroe County has to compete for grants with Wayne, Pike, Lackawanna, Luzerne, Carbon and Northampton Counties.

The next issue I will discuss in the report is the effect on the Pocono Mountain School District. This report predicts revenue of 16 million and costs just under 1 million, resulting in a 15 million surplus for the district.

This surplus is based on the prediction that there will be an increase of only 77 students in the district. Yet, the report later states the proposed casino project is estimated to attract 3,786 new households to Monroe County.

Using the same statistics derived from the 2000 census in other sections of the report concerning 0.6 school-aged children per household in the Pocono Mountain School District and the fact that 36.7 percent of the county population resides in the district, one arrives at the following: 3,786 new households times 0.6 school children equals 2,272 students for Monroe County; 2,272 students times 36.7 percent in Pocono Mountain School District equals 834 students, not 77; 834 students times \$12,203 per student equals \$10,177,302.

Therefore, we have demonstrated using their own statistics the cost of educating these new students is actually increased by a factor of ten. This does not even include the additional cost of a new school at approximately \$45 million or more to house these students.

The stated benefit to Pocono Mountain School District taxpayers is false and will not result in surplus revenue to the district, but instead will actually be a liability for taxpayers.

Furthermore, the 1,438 new students in the other school districts of Monroe County at

\$12,203 per student would result in a tax increase annually to those respective taxpayers of 17.5 million. Again, that does not include the cost of a new school.

Monroe County taxpayers will be subsidizing the cost of educating the children of the families the casino project will attract to the tune of 128 million or more. Our schools are already busting at the seams and our taxes are skyrocketing. We cannot afford a sudden influx of students in the county.

I am withdrawing Exhibit D as it adds nothing relevant to my testimony today. The final issue I would like to bring to the Board's attention is the issue of fire safety. We don't have the equipment or the training to fight a high-rise fire. The developer has stated he will pay to purchase a new ladder truck. But where will it be housed and who will pay for that?

All the area fire companies are volunteer. What is the liability to the township if we don't get enough volunteers to respond to a fire where people are seriously injured or even perish? Why can't Pocono Manor conform to a safer height like the newer grand resorts are doing?

The economic fiscal study predicts in Appendix Table 5 an estimated increase of only \$34,557 for fire equipment and apparatus. They can't be serious. In the future, we will have to go to paid fire fighters which are another cost to township taxpayers when you consider salaries, 24-hour coverage, vacation and benefits.

In conclusion, three township supervisors voted to forever change our beautiful landscape by allowing a monstrosity but only if Pocono Manor Investors is granted a gaming license. Pocono Manor Investors has demonstrated its insensitivity to residents' concerns with its uncompromising and arrogant attitude.

The supervisors have not acted in the best interests of the majority of citizens for which they serve. This has sealed our resolve and commitment to completely oppose the granting of a gaming license to Pocono Manor Investors.

The Tobyhanna Township Board of Supervisors have not listened. Pocono Manor Investors have not listened. We do not want nor can we afford a casino in Tobyhanna Township, period. Thank you.

PRESIDING OFFICER SIMMONS: Thank you,

sir. Ms. Donna Fleming.

MS. FLEMING: Hello and thank you for this opportunity to speak today. I'm Donna Fleming from Tobyhanna Township. I represent the Pocono Pines Improvement Association. It's an organization that's been representing the community for 96 years, fighting for the quality of life for our members and our neighbors.

I am speaking to you today with regard to the applicant, Pocono Manor Investors. In the next ten minutes, I will provide to you the reasons why Tobyhanna Township is not the right location for a casino.

Exhibit A is a collaborative effort by surrounding townships that results in the regional comprehensive plan referred herein as the RCP. They sent a questionnaire to 10 percent of the households in the region. When asked, what do you like about living in your township, the top eight reasons from the Tobyhanna Township residents were as follows in order: rural atmosphere, quiet, open space, wildlife, lakes, recreational opportunities, landscape and small town atmosphere.

When asked, what do you like least,

the No. 4 answer was traffic. None of these responses can be reconciled with the sheer size of the proposed gaming resort. From this point forward, any reference I make to Matzel Associates, Pocono Manor Investors and any of their associates will be referred to as applicant.

If you reference Exhibit C, the economic study and feasibility report prepared for the applicant, the gaming resort is providing parking for 5,650 cars. So on the low side, you can estimate an average of at least that many cars daily on our roads.

That number is on the low side because it only represents the number of parking spots. It does not take into account the multiple cars in the rotation of the parking spaces or cars associated with the daily check in and check out of the hotel rooms.

Even with the phenomenal rate of growth experienced by our region, we've still been able to achieve a rural, small town atmosphere because our growth was protected by long established ordinances. Face it. People are flocking to our area because of the atmosphere that was protected by these ordinances.

Exhibit D shows that the location of the casino also conflicts with the guidelines of the RCP as it relates to gateways. It says a gateway is an entrance corridor that defines the arrival point as a destination.

It goes on to say that a gateway should be considered at the entrances to Borough of Mount Pocono, Village of Blakeslee and Tobyhanna Township. The RCP locates the entrance to the Poconos at Route 940, which is the proposed casino location.

The image of the destination as proposed by the applicant is more in line with Vegas than the image that currently draws the Pocono tourists. Not only does this proposal not comply with the RCP guidelines, it contradicts them in every manner possible.

The Poconos is ranked second in the number of leisure travelers in Pennsylvania. In Exhibit E, the Pocono Mountains Vacation Bureau touts the Poconos as being famous for its natural scenic beauty and goes on to say that the region is a natural retreat, a location for stressed out consumers with increasingly hectic lives.

The Poconos has a product. And as

with any great product, brand recognition is a key component in that product's success. A brand is the symbolic embodiment of all the information and images connected with a product and it encompasses a set of expectations which typically arise in the minds of people.

The Poconos product is our tourism. Its brand is our natural scenic beauty and relaxing rural atmosphere. The Poconos has achieved its brand recognition and the Vegas brand is in direct conflict with the expectation of the Pocono brand.

Established tourism will disappear because guests will now be spending their discretionary income only in the casino. We propose that much of the current tourism will migrate elsewhere as tourists' expectations of the past will no longer be met in the future.

If you approve the proposed casino, changing our scenic beauty and adding 5,600 cars daily to our roads, you will not be adding to our brand and established tourism. You will be throwing it away. Is our established tourism for sale and are we willing to trade it in for the proposed casino?

The answer is emphatically no. Tobyhanna Township is the wrong location. The applicant has repeatedly stated that their building compliments the surrounding community. Well, saying something does not necessarily make it true.

Exhibit F provides photos of local Pocono Manor homes to compare to the artist rendering of the casino resort. How do the two compare? Their claim could not be farther from the truth. Concrete, glass, acres of blacktop and innumerable fluorescent lights could never compliment the architectural style of the homes of the Poconos.

This is not the right location. The citizens of Tobyhanna Township could not agree more. Exhibit H provides copies of a petition that we circulated when we first heard of the proposed zoning changes. It contains roughly 1,000 signatures.

The township supervisors were presented with a myriad of reasons for our objections. They were exposed to the opposition through testimony, letters to the papers which is Exhibit I, township meetings and by these

petitions. Obviously, since we're here today, the community's objections fell on deaf ears.

The supervisors have yet, even to today, to speak on their own behalf and to explain to us why they ignored the majority opinion and tailored a new zoning ordinance for the proposed casino resort.

Our community is a summer community. That means most of our residents leave at the close of summer and they don't start to return until the end of spring. The RCP statistics in Exhibit K show that only 39 percent of the township homes are occupied and only a fraction of those homes are occupied year round.

A more specific example of the exodus that we experience at the end of the summer is represented in Exhibit L with the occupancy numbers of a community in Pocono Pines. They have a total of 1,900 units of which 181 or 9.5 percent are occupied year round.

In those few short weeks, we were allowed to gather signatures before the December 27th hearing. We were able to collect responses from 1,000 residents of the 2,420 households of the winter population.

Now, some of the casino proponents tried to downplay the response saying it was a low number. We say be impressed. This is a great number. We're a summer community that mobilizes in the fall and winter and over the holiday months. Now we say summer is coming and our residents are returning and our numbers are growing. There will be many more prepared to join our fight.

A project of this size is too much of a strain on our infrastructure. The current demand on our EMS personnel is already taxing. We've had to go to full-time paid EMS. Again, we argue the sheer size of the proposed casino resort will put an overwhelming and possibly dangerous burden on our infrastructure, putting at risk the resort guests and the township residents.

We also have grave infrastructure concerns about the effect on our groundwater reserves and the proposed wastewater discharge by the project. If the applicant begins the process necessary to obtain permits for all these plans, they need to remember that the permitting process is a public process and there are many of us who are prepared to fight them every step of the way.

Even if they manage to obtain the necessary permits, it may be many years from now.

Originally, we were working for a good faith relationship. We did not try to stop the casino. We asked for the size to be scaled down. We tried to negotiate. I know of two occasions when we asked an applicant representative, Mr. Jim Cahill, to have Mr. Matzel meet with us in a public forum and address the community, hear our concerns and try to work with us. Mr. Matzel never took us up on that the offer.

Well, the December 27th hearing had a great turnout. Casino proponents were represented as were the opponents, although the opponents cited legal objections and detailed lists of concerns. Since the opposition's formation, this was our first opportunity to speak personally with Mr. Matzel and we asked if he would compromise on the height of the building.

In Exhibit N, Mr. Matzel stated that lowering the guest portion of the hotel was -- and I quote -- really not an option that's on the table. Well, none of these actions by the applicant represent the characteristics of a future good neighbor.

In light of our efforts to work with the developer and their unwillingness to compromise, in light of their plans being contrary to the longstanding township ordinances and regional comprehensive planning and in light of their affront to the Pocono brand recognition, in light of the impact on our infrastructure, we say this is not the right location for a casino.

We have protected this community for 96 years and we are not about to stop now. We are prepared to fight this every step of the way. Thank you.

PRESIDING OFFICER SIMMONS: Thank you very much. Would you please submit those exhibits to the clerk? Gregory Pence.

MR. PENCE: Hello. My name is Dr. Gregory Pence. I am a resident of Pocono Manor. I speak today in opposition to the Pocono Manor Resort and Casino category two license applicant. I am the spokesman for No Casino Tobyhanna Township.

There are several important issues we would like to bring to the attention of the Pennsylvania Gaming Control Board. I will first introduce Exhibit 1, the 2005 and 2006 schedule of

meetings for the Tobyhanna Township supervisors and the Tobyhanna Township Planning Commission.

Also included in Exhibit 1 are a portion of approved minutes of the planning commission dated 1/5/06 and the supervisors dated 1/9/06. Exhibits 2 through 8 are portions of or full meeting minutes all concerning the applicant of the supervisors and the planning commission dated between 10/11/05 and 12/12/05.

Exhibit 9 is a draft of the minutes of the public hearing held on 12/27/05 and Exhibit 10 is a draft of the minutes of the 12/27/05 special meeting of the supervisors to consider an amendment to the township zoning ordinance.

The purpose of submitting all this documentation is to show the Board that passage of the zoning amendment was made despite the unavailability of minutes. Examination of Exhibit 1 will reveal that final minutes of the planning commission meetings on 11/3/05 and 12/1/05 were not approved until 1/5/06.

Exhibit 1 also reveals that final supervisor minutes for 11/7/05, 11/16/05 and 11/28/05 were not approved until 1/9/06, well after the hearing of 12/27/05. Only drafts of the

meeting held on 12/27/05 were available on the date of this registration and supporting documentation were assembled on 3/15/06.

Many references are made in the minutes about the unavailability of information. A democracy can only function properly if we have information. The public has a right to know and a right to timely information on which government agencies are basing their decisions. This was not the case in Tobyhanna Township.

The second issue we are concerned about is the approval of a sweeping zoning amendment to the Tobyhanna Township zoning ordinance. I submit as Exhibit 11 the amended petition of Pocono Manor Investors to amend the Tobyhanna Township zoning ordinance. This amendment was approved despite intense public opposition. For comparison, please accept as Exhibit 12 relevant portions of the Tobyhanna Township zoning ordinance.

The Monroe County Planning Commission in a mandatory review letter not previously disclosed to the public dated 12/12/05 which is submitted as Exhibit 13 expresses many concerns about the amendment.

There are numerous flaws in the zoning amendment, the foremost of which is the height of the proposed structure. A maximum height of 300 feet was approved, yet only a height of 234 feet can be permitted due to FAA air space regulations.

Comment No. 9 of the planning commission letter states, this amendment proposes numerous changes to Article XVI, the planned residential development, many of which would considerably change the purpose of this chapter. The proposed minimum setbacks and densities, if adopted, would not be in character to the existing neighborhood and would not be consistent with the regional comprehensive plan.

For reference purposes, I introduce Exhibit 14, relevant portions of the regional comprehensive plan which was adopted by the supervisors on 6/6/05.

In approving this amendment, the township may be in violation of the Pennsylvania Municipalities Planning Code, section 10603(j) stating that zoning ordinances should be generally consistent with the multimunicipal comprehensive plan. If a municipality amends its zoning ordinances in a manner not generally consistent

with its comprehensive plan, it shall concurrently amend its comprehensive plan in accordance with Article III of the Municipalities Planning Code.

The Monroe County Planning Commission letter also recommended in comment five of the letter that the proposed gaming hotel and resort remain as conditional uses as written within the current zoning ordinances. Since the original ordinance allowed gambling establishments as a conditional use, there was no need to consider an amendment to the zoning ordinance.

By approving an amendment, the supervisors have relinquished much of their control over the development of the property. Many people are perplexed by the township's approval. As a conditional use, the township could have imposed reasonable conditions on the project, maintaining control of the project with the best interests of the citizens in mind.

In addition, the supervisors violated their own zoning ordinance, section 155-136(d) on page 150 concerning the enactment of zoning amendments. Section D states, in part, that the township shall submit the proposed change in ordinance to the Monroe County Planning Commission

not less than 45 days prior to any such hearing for recommendation. Only 32 days elapsed. Pages 7 through 10 of Exhibit 10 will provide the Board with needed detail on this matter.

At the 12/27/05 special meeting, Exhibit 10, the township solicitor refused to read the Monroe County Planning Commission letter to the public when requested stating that it was many pages long. Comment 15 of the Monroe County Planning Commission letter advises that the amendment not be adopted until the comments have been satisfactorily addressed. Yet, the amendment was passed without debate or discussion by the supervisors.

The supervisors could have taken more time to consider these issues. In their haste to approve this amendment, the supervisors have bypassed normal established procedures and time lines and have given preferential treatment to the casino developers that other developers and citizens do not receive. The actions of the supervisors have eroded public confidence in the system of representative government.

The third issue we will address concerns conflict of interest issues that have

been raised about the township solicitor's law firm which, coincidentally, is the same law firm that represented Pocono Manor Investors in the purchase of the Pocono Manor property and will represent them in Pocono Township and Mount Pocono Borough.

We are curious why the applicant chose a law firm to represent them in the real estate transaction of Pocono Manor and in the neighboring municipalities knowing that another member of the same law firm is the solicitor for Tobyhanna Township.

Exhibit 15 is an informed consent letter from the solicitor to the supervisors dated 9/12/05. This letter discusses the conflict of interest issue and was signed by the chair of the board of supervisors.

While the representation of the township by the solicitor in these matters may not be a violation of the rules of professional conduct, it, nonetheless, raises an ethical question about the appropriateness of that representation considering the magnitude and controversial nature of the decisions to be made. The solicitor should have insisted that he recuse

himself from any matter concerning the Pocono Manor applicant.

Furthermore, the most important party involved, the public, was not informed of the conflict of interest until the 12/27/05 hearing. The fact that this information was not disclosed right from the beginning severely undermines the public's confidence in the actions of the supervisors and its solicitor.

We have just discovered that approval of the informed consent letter by the supervisors was an official action of the board that was not made at a public meeting as it should have been and, therefore, appears to be a violation of the Pennsylvania Sunshine Act.

The last issue we would like to bring to the Board's attention is the fact that Pocono Manor since 1997 has been listed in the National Register of Historic Places as a national historic district. Exhibit 16 will verify Pocono Manor as a national historic district.

Please accept as Exhibit 17 the National Register of Historic Places registration form and inventory which was submitted to the Pennsylvania Historical and Museum Commission.

section 10, pages 29 through 31 of Exhibit 17 clearly delineate the borders of the historic district.

Please also accept as Exhibit 18 a copy of a 1931 survey map of Pocono Manor. The upper left-hand corner where you can see an outline for Pocono Manor Airport is the site of the proposed casino. The proposed casino site lies entirely within the borders of the Pocono Manor National Historic District and is, therefore, protected from development by the National Historic Preservation Act of 1966.

The applicant has submitted to the Board a local impact report written by Cultural Resources Consulting Group concerning historic and cultural resources which I submit as Exhibit 19. This report states the proposed casino will have a minimal impact on the Pocono Manor Historic District.

I submit as Exhibit 20 a letter from Jean Wolf of Wolf Historic Preservation who completed the research and submitted the registration form to the Pennsylvania Historical and Museum Commission.

The second page of this letter refutes

the Cultural Resources Consulting Group impact analysis and states, in part, to take 370 acres and turn it into a casino clearly diminishes and impacts a historic district significant for recreation and mountain architecture of the turn of the century.

Pocono Manor was created in 1902 by Quakers, the Society of Friends. The Quakers valued nature and created this magnificent resort. Placing a casino in the Pocono Manor Historic District would be a desecration of this historic property. If our cultural and historical resources are not protected, then we begin to lose our identity as a nation. Pocono Manor is not the right location for a casino. Thank you.

PRESIDING OFFICER SIMMONS:

CXS -Z/T/STK/TPHOFTDZ/TAEU/TPHAO/-BGTS/PH-T/PHULTDZ

*STKPWRAEPB/R/WE/-LGS/TO/STRAEUDZ/T/TPH/TPOR

*HROE/TPHUB/WE/SAEU/-B/EUPL/PRESZ/-DZ/TH

*OEBGS/-Z/WH/WE/SK-DZ/APB/PHREUBGT/REP/TEUF

*EUPL/TAOEUPL/HREU/TPH-

FRBGS/OFRPB/KPH/TKPWoft/AGS/R-Z

*TPHAEUB/AEPB/WO/TPHAOTSDZ/-B/SKEUBTSZ/W/-

TSZ/RAOEPBLG Thank you very much. You may submit

those exhibits to the clerk. The Board will now take a one-hour recess. We will reconvene at 1:00.

(Lunch recess.)

PRESIDING OFFICER SIMMONS: Good afternoon. The April 27th, 2006 public input hearing is now reconvened. We will begin the afternoon with Mr. Kevin Poplawski.

Just a second, Mr. Poplawski. I need you, Michael Mazza, David Lee, Stephen Barrouk to please stand and raise your right hands to be sworn.

Do you solemnly swear or affirm that the testimony you are about to give in the hearing this afternoon is going to be the truth, the whole truth and nothing but the truth so help you God?

SPEAKERS EN MASSE: I do.

PRESIDING OFFICER SIMMONS: You may be seated and you may go ahead, sir.

MR. POPLAWSKI: Ladies and gentlemen of the Board and members of the audience, thank you for having me today.

My name is Kevin Poplawski. I have been a lifelong resident of Luzerne County for 31 years. For the past seven years, I've been

employed as a staff physical therapist at the John Heinz Institute Spine and Sports Medicine Center. I have also served for the past year and a half as the president of the Woodcrest Community Homeowners Association. We are adjacent to the property of the Mohegan Sun at Pocono Downs which is why I'm here today.

State Representative Kevin Blaum came to me a few years ago and assured me that he had a buyer for Pocono Downs who was both reputable and had a high standard for community service. From what I've seen so far, I could not agree more.

Over the past two years, I've had the pleasure of dealing with Mr. Robert Soper and his cordial and professional staff at the Mohegan Sun at Pocono Downs. They've been great neighbors from the start.

Many of the executives of the Mohegan Sun came to our homes for town hall like meetings to discuss any concerns we may have had. They attended our community meetings to define their plans for development and how they would impact our community. They have even been patient in dealing with some more difficult members of our community and I truly thank them for that.

When construction started, they sent certificates for car washes to our community members and offered to power wash each house. I see their influence on the ice at each Wilkes-Barre/Scranton Penguins game or down the left field line at each Red Barons game I do attend.

Bob Soper and I have had monthly discussions on the developments at Mohegan Sun at Pocono Downs. It was not uncommon for me to send him an e-mail at 9:00 p.m. one night and have a response in my inbox early the next morning. They've done everything possible to make this experience a pleasant one.

In dealing with the community, the members of the Mohegan Sun have had a positive influence in many aspects of the development and funding. Any friends and family of mine who have had dealings with the Mohegan Sun name, either here in Luzerne County or in Connecticut, have had nothing but the kindest and most positive words to say.

In conclusion, I'm looking forward to a very positive relationship with the members of the Mohegan Sun at Pocono Downs in the near future, both at Woodcrest Development and

throughout the community in Luzerne County. Thank you.

PRESIDING OFFICER SIMMONS: Thank you, sir. Michael Mazza.

MR. MAZZA: Good afternoon, members of Board, elected officials, casino representatives and the public. I would like to share this ten minutes with the Roofers Local 130, Frank Olenick, resident of Monroe County.

I am president of the Scranton Building and Construction Trades Council and I am also president of the Northeastern Pennsylvania Building and Construction Trades Council. The councils represent over 13,000 building and construction trades workers in Northeastern Pennsylvania.

We presently are working on the Mohegan Sun and Pocono Downs casino and have a project labor agreement on that site. Keating Building Corporation is the construction manager and we recommend a license for that casino.

The building trades in Pennsylvania and the AFL-CIO have supported casinos in our state because they will create construction jobs, permanent jobs, tourism and tax base revenues for

communities. Casinos will be paying taxes, unlike some of the buildings going up under KOZ in the state with no tax base.

I know Mr. DeNaples personally. He is a man of good character and has expressed his desire to work with the building trades on his resort casino. Mr. DeNaples recently has been criticized the newspapers for campaign contributions. This is an unjust accusation because businesses and private citizens contribute to campaigns, whether it be on the local, state or national level.

Also Mr. DeNaples is a religious man and very generous to many organizations, schools, churches, nonprofit groups and friends in our community. Mr. DeNaples' plan for his investment in Mount Airy is to help restore the area which will benefit the residents and the local business community as well.

The presentation by Matzel Development is enormous. I would hope that if they get a license, they would include the building trades like Mr. DeNaples has done. I would like to take this time to turn it over to Frank Olenick, Roofers Local 30.

MR. OLENICK: Thank you, Michael. Good afternoon. Welcome to the Poconos. My name is Frank Olenick and I'm a 20-year resident of Monroe County residing in the village of Effort in Chestnut Hill Township.

I am a business agent for the United Union of Roofers, Waterproofers and Allied Workers Local Union 30. Local 30 covers the eastern half of Pennsylvania and part of four neighboring states. Our local represents approximately 1,500 members in the roofing and waterproofing trade.

I am speaking here today in favor of the Mount Airy Resort and Casino project unique community reliance concept. This project will be built with union labor, thus providing Pennsylvania residents with approximately 300 good paying construction jobs with benefits over a 12 to 15 month construction period.

Many area businesses will benefit from both the construction and operational phases of this project. For example, during the construction phase alone, you might be surprised how much food can be consumed by 300 hungry construction workers during a half-hour lunch period.

Someone has to provide that food, be it the local mobile catering company, nearby delis, restaurants or fast food operations. Area gas stations and convenience stores should also see a marked increase in business during the construction phase, as most union tradesmen drive themselves to the job site each day.

Also benefiting from the construction phase will be area businesses that supply building materials such as quarries, concrete suppliers, lumberyards, roofing supply companies, masonry supply companies, trucking companies and equipment suppliers.

The fact that Mount Airy will not be a huge self-contained mega resort will bode well for many other area businesses. Local area hotels and motels will benefit due to the fact that there will only be 200 guest rooms built on-site initially, 200 more later. Local area restaurants, delis, coffee shops and retail businesses will also benefit from spillover business.

Mount Airy's community reliance approach towards their casino resort project will create opportunities of all sorts for area

businesses in the supply and service sector creating additional income for area businesses and more job opportunities for area workers.

All in all, this community reliance concept is a win-win situation, not only for the casino operators, but also for the entire community in general. Thank you for the opportunity to speak at today's hearing.

PRESIDING OFFICER SIMMONS:

CXS TPHAOE/REZ/TKEPBTS/-

FR/PHOPB/ROE/KOUPB/TEU/AOEUPL

*PWHR/TKAOE/TPHAEUP/REPBTSSZ/HREU/HAZ/PW-

PB/KREUTD/SAOEUSZThank you, sir. David Lee.

MR. LEE: Good afternoon. I'm the president of the United way of Wyoming Valley and appreciate this opportunity to speak before you. I come before you to support the application of Mohegan Sun at Pocono Downs.

That may be a bit of a surprise to you. But you have heard from our county commissioners already and you will soon hear from our chamber of commerce the real importance of this organization in business moving to town in job creation. And that is one of the most crucial parts of the success of the United Way.

You may not realize that 65 percent of the money we raise in Wyoming valley to provide critical human services comes from employees of major businesses in our community.

I was very, very pleasantly surprised and pleased that Mohegan Sun specifically invited myself and several other major not-for-profits to the announcement when they bought the Pocono Downs. They wanted to have private meetings with us to ensure us that they were an organization and a business that gave back to the community.

They have truly, in the two years they been there, lived up to that, maybe even more so than we expected. With the job creation coming to the area because of Pocono Downs, we see nothing but really, really good partnership with the organization.

The other factor that is so important for the United Way is we look to try to provide critical human services as volunteerism. Mr. Soper and his key staff have gone out of their way to volunteer, to roll up their sleeves and become involved in a number of major not-for-profits and libraries in the area.

Their support and his particularly in

volunteering to join the United Way board and want to roll up his sleeves and make sure that the dollars are there to help people in need has been tremendous. I might add that their financial support has been very, very helpful to us in being able to provide more dollars to human services this year.

So I just want to assure you that we're behind them and we are very pleased to have this new employer come to town and the partnership that we're going to have. Thank you.

PRESIDING OFFICER SIMMONS: Thank you, Mr. Stephen Barrouk.

MR. BARROUK: Good afternoon, Mr. Chairman, members of the Board. My name is Steve Barrouk and I serve as the president and CEO of the Greater Wilkes-Barre Chamber of Business and Industry. We are a community, economic development and membership organization.

Our organization has two basic goals. One is to create and retain quality jobs and the other is to improve the quality of life of our service area. Our chamber of commerce affiliate has over 1,300 members and our development corporation manages five suburban business parks

and over 400,000 square feet of commercial office and entertainment space in downtown Wilkes-Barre.

While most of our efforts over the last 30 years have been dedicated to diversifying the industrial base of our economy and creating a range of employment opportunities for our youth, we have also paid special attention to tourism and entertainment attractions.

Our community overcame great obstacles to build a regional 8,600 seat arena. As a result, we brought in the American Hockey League to Northeastern Pennsylvania and our arena is rated one of the top five facilities of its size in the world.

Ski facilities and golf courses have all been built. The Susquehanna riverfront in downtown Wilkes-Barre is about to undergo a \$30 million facelift with modern amenities and multiple access points. Truly, our community is in the midst of an amazing transformation.

Between Wilkes-Barre and Scranton lies another entertainment amenity that has seen better times, Pocono Downs. That's our harness racing track. While off-track betting has grown, the facility has been deteriorating and was losing its

luster.

A reinvestment strategy for this facility was badly needed. To the rescue came Governor Ed Rendell and the Pennsylvania Legislature who introduced and passed legislation that first identified existing racetracks as the site of slot machine casinos and, secondly, identified other locations in the Commonwealth.

The broadening of our business base of our racetracks with slot machines preserves hundreds of existing jobs and creates new employment opportunities for many others.

The new investment currently underway in Plains Township is unparalleled in Luzerne County history. It is estimated that almost a half billion dollars will be spent here by the Mohegan Tribal Authority over the next decade and at least 500 new jobs will be created in addition to those in the harness racing business.

This does not include complimentary development that's anticipated that will locate near and around the facility. Cumulatively, the economic impact on taxes, jobs and incomes will be extreme.

Since their relocation to Wilkes-

Barre, the Mohegan Tribal Authority staff under the direction of Bobby Soper, president and chief executive officer of Mohegan Sun at Pocono Downs, have proven to be model corporate citizens. Mr. Soper and his staff have engaged the community at every level.

They are not taking this market and people for granted. In fact, they have aggressively reached out to almost every civic organization and charity and shared their resources very generously.

The Mohegan Sun at Pocono Downs, like our other entertainment venues and attractions, is immediately served by Interstate 81 and its highway connections to everywhere.

I strongly believe our region's existing entertainment and visitor draw is complimented by the project and the gambling dollars that are currently being exported to New Jersey and elsewhere will be spent in Northeastern Pennsylvania.

Simply put, we believe that Mohegan Sun at Pocono Downs is a worthy project for Pennsylvania and we wholeheartedly support it. In closing I would just like to say I appreciate the

time the commission has allotted me to affirm our support for the Mohegan Tribal Authority's project at Pocono Downs. We appreciate your diligence and look forward to the opening of this facility upon receipt of their license. Thank you very much.

PRESIDING OFFICER SIMMONS: Thank you. Emanuel Kapelsohn.

MR. KAPELSOHN: Good afternoon and thank you for this chance to finish my comments. I understand that the electronic system cut me off way too early this morning.

I'm here as the representative of the Tobyhanna Township Board of Supervisors. I would like to state that at the public hearing that was held in Tobyhanna Township on December 27th, 2005, somewhere in the vicinity of 350 people attended that hearing and they gave their comments.

The comments were approximately 50/50 for and against the zoning amendments that were proposed that would permit Pocono Manor Investors to locate their gaming resort in the township. So any idea you might have that the public in Tobyhanna Township is overwhelmingly against this casino development is incorrect. The public opinion expressed at that hearing was nearly 50/50

for and against.

As you might expect, the comments that were made in favor of the development cited such things as increased employment opportunities, benefits to other area businesses, the high quality of the proposed development, the invigoration of the Pocono area resort industry and the benefits to township and its residents that the increased tax revenues would bring.

The comments against the proposed development cited such factors as the negative view of gambling and its potential impact on individuals, possible increases in the crime rate, the impact of increased traffic in the area, the impact to the rural lifestyle and the quality of life in the area and the need for increased fire and police and emergency medical services.

There were also many comments objecting to the proposed height of the hotel main structure but you should not believe that the board of supervisors mistakenly adopted their amendments permitting a hotel up to 300 feet tall.

They full well understood at the time that the hotel would be about 235 feet high. They had testimony at that hearing from the Monroe

County Airport Authority about the air regulations and their limitations on hotel size.

Also at that hearing the issue was brought up about the fact that local zoning regs said that you must give the proposed amendment to the Monroe County Planning Commission and give them 45 days to give their comments but the hearing was being held only 32 days later. That was stated and it was heard at the hearing and considered. We legally researched it.

The fact is that the county planning commission had come back with their comments something like ten days prior to the hearing. So there was no need to wait longer for their comments. They had been received and they were considered.

Also considered were the comments of various public groups, the same comments that you have heard here today this morning. Donna Fleming, Dr. Pence spoke not only at the December 27th hearing, but they had spoken at previous township meetings and hearings on this subject.

In short, what I'm saying to you is that the job of the township supervisors in our township is not just a difficult job, but it is a

daunting job. The supervisors all live in the township themselves. They raise their families in the township. Their children go to schools in the township. Their friends and neighbors are there in the township.

Any decision they make not only affects the township -- and they take that responsibility very seriously -- but it affects themselves, their families, their children and their lives in the township.

The supervisors have to do their best to balance the interests of all of the township residents and all of its concerns and needs, not only its future needs, but its present needs. And those things sometimes have to take precedence over the past progress. The supervisors made a difficult decision.

In closing, I would say that by voting to allow this development of Pocono Manor Investors, the supervisors indicated their view that the proposed development with the reasonable restrictions and limitations imposed by the zoning amendments we adopted will be in the overall best interests of all of the residents of Tobyhanna Township and Monroe County and the State of

Pennsylvania. Thank you.

PRESIDING OFFICER SIMMONS: Thank you, sir. At this time, we will be moving into the individual testimony. As individuals, you will have three minutes to speak. The yellow light will go on at 30 seconds. You will have then, of course, 30 seconds to wrap up your comments.

MR. KALINS: Good afternoon. My name is Jack Kalins, president of Vacation Charters, the company which owns and operates the Resort at Split Rock and Mountain Laurel Resort and I would like to extend a belated welcome to the resort.

Some background information on my involvement in the Poconos is as follows: I am currently chairman of the executive board of the Pocono Mountain Vacation Bureau and past president, also past president of the Poconos Builders Association and a former resident and past supervisor of Paradise Township, such being the township where the proposed Mount Airy Resort and Casino would be constructed.

The nature of my comments before you today cover three general areas. One, personal evolution in the Pocono hospitality business. In the fall of 1959 after four years of service in

the United States Air Force and enrolling at the University of Scranton, I accepted a job as a waiter at the former Mount Airy Lodge where I worked throughout college, graduating in 1963.

Returning to the Poconos in 1964, I continued my involvement in the hospitality business and was one of the early promoters and employees of Racing Incorporated, predecessor of Pocono International Raceway. I remained with the raceway until 1973 when I left to form my own equipment rental company which later evolved into land development and residential and commercial construction.

Never losing the desire to return to the hospitality field, we purchased the Carriage House at Pocono Manor in 1979, Split Rock Resort in 1981 and Mountain Laurel in 1999. And according to our company's balance sheet, we have been very successful along the way.

As I recall my past, my career challenges and success correlates with that of Louis DeNaples. We were both raised in the Scranton area. I being from Dixon City and Louis from Dunmore, both of us started our business careers in the '60s with the help of no one.

We have been very hands on in our business, involved in our communities and churches and have always worked long 12 to 14 hour days. We were both in the equipment rental business and eventually entering the hospitality industry. I believe he has the same drive and desire to be successful in this field as he has been in the past.

I remember meeting Louis and his father at their junkyard in the late '60s when he was a slender, good-looking kid with black hair. We may both have become successful businessmen but looking at us today, father time has taken its toll on both of us.

But the things that father time cannot change are the qualities that must be taken into consideration by the commission when making their determination, qualities and traits that I know Louis DeNaples upholds, also the intangibles that are not measured by the size of the bankroll, but by the morals and standards by which an individual lives his life, ideals that you are born with that you learn from your parents that grow within you and become part of your soul and your being, honesty, integrity in all aspects of life, family

values, commitment to excellence and commitment to your community and, in this regard, commitment to your employees, your customers and your associates.

These are the values that Louis DeNaples brings to the table. With his values, traits, dedication and perseverance, I am confident that Louis DeNaples will return Mount Airy to its past glory and bring high regard to the Pennsylvania gaming industry.

PRESIDING OFFICER SIMMONS: Thank you, sir. Sister Mary Bonaventia.

MS. BONAVENTA: Good afternoon, ladies and gentlemen. My name is Sister Bonaventia and I am the administrator of the Villa of Our Lady Retreat House in Mount Pocono which is owned and administered by the Bernardine Sisters of St. Francis and is adjacent to Mount Airy's property.

Our retreat house has conducted retreats since 1953. Our ministry is totally spiritual, servicing people of all faiths. The annual average attendance for weekends and weekday retreats is over 3,100 people from as far away as Massachusetts to Washington DC, Michigan to New York, New Jersey and the local communities of

Tobyhanna and Tannersville.

We are delighted to have as our new neighbor Mr. Louis DeNaples and his proposed future plans for the Mount Airy property. We feel that this will be a great boost not only for the economy of Paradise Township, but also for the long respected resort area of the Poconos.

Additionally, the employment possibilities of a new Mount Airy will more than make up the jobs lost in the past for the township bringing a boon and a revival to the resort industry.

We don't fear any lack of respect for the environment in the present planning and future workings for the Mount Airy property because we know that Mr. DeNaples has a high regard for the environment and the precious water basin and mountain air that we all treasure.

Although we are directly adjacent to the Mount Airy property, we do not have any safety and security fears for our retreat house or the guests that we serve in our hospitality ministry since we know that there will be more than adequate security within the new buildings and on the grounds surrounding the property.

Mr. DeNaples is well known for his great respect for the elderly and the poor as can be seen in his intended plans for some of the property. His generosity has no limits as is known by so many from the Scranton and Dunmore areas who can retell experiences of his many unannounced and hidden acts of charity.

Being a very private person, Mr. DeNaples comes from humble beginnings and is self-made, rising from poverty blessed with a keen mind and initiative. His faith and family are the priorities of his life. He is a trustworthy individual who lives out the gospel in his everyday life.

Mr. DeNaples and his plans for Mount Airy will be a bonus to our community long into the future. We support his efforts and plans.

PRESIDING OFFICER SIMMONS:

*PWOPB/SREP/TA/AEPB/EUPL/-LTS/AD/PH-RT/TOR

*KWEUT/SKAOURT/W-PB/-TSZ/PWEULDZ/-BG/-

Z/AEPB/OPB Thank you very much, sister.

MS. BONAVENTA: The best part I missed.

PRESIDING OFFICER SIMMONS: Bob Bolus.

MR. BOLUS: Thank you, Mr. Chairman,

members of the Board for allowing us to speak today. I'm a businessman from Scranton, a resident there. I have been involved in the Poconos for almost 40 years. I have properties close to the resort.

One of the issues I have here is that we have been in Bartonsville as a developer, the Poconos. I've been in the heavy-duty towing business up here for almost 40 years.

The best place we could be putting a casino is the Pocono Manor, traffic-wise, location-wise and we have heard location, location. It has the best area accessibility, less problems getting in and out. People complain about height, this, that and the other. We built the big flour plant that is over there. So growth is coming and a casino will come here.

One of the issues I have is with Mr. Ray Angeli, president of Lackawanna College, his association with Mr. DeNaples. He made a statement in the paper that he didn't know who he was doing a -- getting a casino or whatever he was doing. He reads the paper. He knows what's going on. Mr. DeNaples' brother is on the board.

My issue here today is to challenge

the credibility of Mr. DeNaples. I can't read this all. It's been submitted to the Board. It goes back to his credibility under oath where he has not told the truth regarding an issue where I was arrested, charged, received a felony. Mr. DeNaples is felon. I have been taken off the State Police felon list. He's been left on.

His credibility as far as his landfill, we abut it. There's a stench on it. Just in the last troop council meeting, both the president and vice president of the council said that we have been dealing with the smell there. So I have heard all this other nonsense about it. It's not the truth.

He has an eyesore along the interstate, a junkyard that he wasn't supposed to have there. He wanted to build on Mill Street. He built this facility on Mill Street and then went back onto the mountain. The records are not available anymore.

Mr. DeNaples is far reaching, to the Attorney General, other people at DEP. He has never told the truth under oath in our cases -- it's well documented -- and his relationships with organized crime. You can paint a leopard. You

can get rid of his spots. In this case, the spots don't go away. The spots are there no matter what color we paint them.

I have listened to a lot of issues about Mr. DeNaples. I know him firsthand for almost 40 years. I have had my dealings with him. His family is here. He destroyed my family with his mistruths under oath and his political influence.

I would like them to know how it feels today to finally hear the truth about Mr. DeNaples. The Board has that. I will make this available to anyone in the press that wants it. These are sworn statements. I'm under oath more than Mr. DeNaples has told the truth in the past. Thank you.

PRESIDING OFFICER SIMMONS: Thank you, sir. Pastor Kizer.

MR. KIZER: Pennsylv-vegas, hello. My name is Randal Kizer. I'm pastor of the South Clinton Baptist Church in Wayne County, Pennsylvania. The Poconos is at our doorstep.

During the 1980s, I pastored a church in New Jersey about 20 minutes from Atlantic City. I traveled into Atlantic City often to meet with

people who were in substance abuse rehabilitation in that city. I also held monthly meetings in the Atlantic City Rescue Mission on Bacharach Boulevard while Mr. Rex Whiteman was the director of that facility.

Mr. Whiteman and I had lengthy discussions about the problems he faced because of the casino industry and its by-product. Just because something is legal doesn't make it right.

In Hitler's Germany, many things that we abhor were legal. It's a shame to the great Godly heritage of our state that gambling has become so paramount. I want to go on public record opposing the further incursion of gambling, especially slot machines into the Pocono community.

Economic objections. There are two Atlantic Cities, the one the tourist sees and the real one. Anyone who travels just a few blocks back from the boardwalk sees a different town. It would put you in mind of a derelict city, almost a war zone, of run down buildings and structures and decay. Was this in the plan?

The casino designers like to keep the tourists inside. Mom and pop businesses suffer

and are squeezed out. Empty storefronts tell the story. Traffic of heavy tour buses destroys the roadways. Expect to pay for it.

Fires, mysterious in origin, place EMTs and fire fighters at risk. Jobs? No security. When the casinos higher echelon's sons, daughters, nieces and nephews come home looking for jobs after college is out during the summer, it's good-bye Mr. Family man. Even Ms. America left Atlantic City.

Moral objections. Gambling contradicts the biblical work ethic. God's word the bible teaches that wealth should be gained by work and wise investments. Gambling offers a false hope. It's common knowledge that the odds of winning are stacked in favor of the house. In the Garden of Eden, Eve took the first chance of Satan's suggestion and lost.

Ruined lives. I was called by a hopeless man who took his life in a phone booth. Vagrants, not willing, not ready for real help. Just one more chance at the wheel or slot machine. They will be knocking on your door. Increased crime. A love of money is the root of all evil. Expect to be threatened.

Attending decay, prostitution, massage parlors, adult bookstores, exotic dancing clubs. Expect to be offended. Expect your children to be solicited. Increased slaughter on the highways from DUI and drug abuse. Expect to lose a loved one. Legalized gambling is first cousin to organized crime and I don't want it in the Poconos. Thank you.

PRESIDING OFFICER SIMMONS: Thank you very much. Mr. Gregg Artzt.

MR. ARTZT: well, I won't make any references to Hitler or Germany. It wouldn't be appropriate in this forum. My name is Gregg Artzt and my family and I have been residents in the Poconos for over 70 years. We are the owners and founders of the Pocmont Resort and Conference Center in Bushkill, Pennsylvania.

We are personally and professionally invested in the Poconos. The issue at order today primarily is for the Poconos to continue to be vital and competitive with our neighbors within the Commonwealth and outside the state. The Pocono region should be at least granted at least one license.

The Poconos are a very large area. It

encompasses more than 2,600 square miles. It's my opinion that the Mount Airy Casino project should be the licensee for this situation. The Mount Airy Casino is more centrally located within the Pocono region than the other applicant in this case.

The next issue is the Mount Airy Casino is conceived initially with only 200 rooms and later an additional 200 rooms, thereby affording the existing lodging industry the opportunity to gain an immediate demonstrative, positive economic impact from its existence in the Pocono region.

Mount Airy Casino has clearly been conceived in providing the region with an amenity that it lacks. It does not look to dominate the region, but it looks to enhance it nor brand us by default which is a critical issue here.

We have a Pocono brand. We have an image. We have an image of nature. We have an image of scenic beauty. This is a residence where people live, work, play and we have a certain draw. To bring in a large mega casino could turn that upside down. It's a very large concern for those of us who live here and those of us who do

business here. I think that is something the Board should take under consideration. Thank you.

PRESIDING OFFICER SIMMONS:

*PWURB/KEUL/PEPBS/-FPLT/WE/R/PERPB/HREU/AEPB

*OER/-Z/-FPLTS/-TSZ/EURB/AOU/ATDZ/ORDZ/TODZ

*AEUR/KAS/TPHO/AEUR/PROPBLG/SHU/-B/-TS/HRAOEU Thank you, sir. Kenneth Schuchman.

MR. SCHUCHMAN: Thank you, ladies and gentlemen. My name is Ken Schuchman. I have been a resident of Monroe County since 1978. My family and I reside in Stroudsburg. I am also a businessman. I'm the owner of the Odd-Lot Outlet which is a 25,000 square foot discount store in Marshall's Creek.

We have been in business for 24 years and are active members of the Pocono Mountains Chamber of Commerce and the Pocono Mountains Vacation Bureau, where my father, Paul Schuchman, still serves as a board member of both organizations. We employ about 50 local residents and we contribute to many philanthropic organizations in our community.

While our retail business serves the local population, our primary customers are the many visitors that day trip or overnight stay in

the Pocono Mountains. The visitor or tourist traffic has been flat for many years and we firmly believe that gaming will give the industry the boost it needs.

Our feedback from speaking with our many customers is they want additional activities to go along with the natural and recreational activities that our beautiful area offers for their vacation experience. Gaming accomplishes this and I hope that the Poconos does receive at least one license.

I support the Mount Airy Resort and Casino as the answer to this need for gaming as part of the vacation experience in the Poconos. When Mount Airy closed, we felt the impact in our retail business in the eastern end of the Poconos.

This did not happen with any other resort or attraction that closed and I believe this demonstrates the major contribution that the Mount Airy brand and the Mount Airy Resort had contributed to the Poconos.

Mount Airy Resort and Casino offers an opportunity for the region to benefit from this increase in regional traffic as its primary effort is gaming. The plans I have seen provide for a

modest amount of hotel rooms, restaurants and shopping.

This allows for the existing Pocono Mountain accommodations, restaurants and, of course, retail stores to benefit as a whole from the increase in traffic and will have a much larger regional economic impact than the other proposed mega resort.

Mount Airy Resort and Casino's central location in the Poconos is another major factor in my preference of this property over the proposed Pocono Manor project. It will have a larger benefit to the many resorts and lodging properties that stretch from Stroudsburg to Bushkill as their guests will be in a more commutable distance to a gaming facility more centrally located as was mentioned previously.

This will have an immediate positive impact on those lodging facilities which will increase their occupancy which will increase our traffic. Primary focus on gaming, better central location for a broader regional economic impact, especially for our eastern region, these are the reasons I support the Mount Airy Resort and Casino and we eagerly await their return. Thank you.

PRESIDING OFFICER SIMMONS:

CXS PHOUPBTSZ/AEUR/RAOE/SORT/AEPB/KAZ/TPHO/AZ/-
TSZThank you, sir. Mr. Matthew Connell.

MR. CONNELL: Thank you, Mr. Chairman, members of the Gaming Commission. I am employed by Northampton Community College as the dean of the Monroe campus which is located in Tannersville just down the road.

Institutionally, we support the creation of jobs. If you choose to put a gaming license in Monroe County, we will do our best to provide the trained employees to operate those operations.

I stand before you, though, as the past chair of the United Way of Monroe County's annual campaign and I want to let you know that both applicants were very supportive of our annual campaign last year.

If you recall when Hurricane Katrina hit New Orleans, that's when our annual campaign started. So right away we were operating in a deficit. And rightly so, many of the residents of Monroe County contributed funds to help those in need down in New Orleans and in the Gulf Coast area.

So we started out at a deficit and thanks to the support of a number of Monroe County residents and businesses, we were able to reach our \$1.1 million goal. As I said, both applicants supported our efforts. But the one that really helped us get to our goal was the contribution from the Mount Airy Resort.

I just wanted to let you know that both applicants helped us. But the way we reached our goal was from the Mount Airy contribution to our campaign to help us reach our goal. Thank you.

PRESIDING OFFICER SIMMONS: Thank you, sir. Lewis Sebia.

MR. SEBIA: Good afternoon. My name is Lewis Sebia and I'm the COO of Mericle Commercial Real Estate Services in Wilkes-Barre, Pennsylvania. Mericle is the largest commercial real estate developer in Northeastern Pennsylvania. We have about eight and a half million square feet of commercial, industrial and office space in our own portfolio.

We are a spec developer, meaning we build commercial buildings before we have users for them so that they are available when companies

and prospects come looking for space in our market. As such, we are a preferred tool of the economic development professionals, giving them available space to market to companies looking to relocate to our area and, therefore, create economic opportunity and jobs for our area residents.

We currently own and control approximately 1,800 acres of developable land in Pittston Township and Jenkins Township, a project known as Center Point Commerce and Trade Parks. Center Point is a large scale commercial industrial retail development.

Phase I alone, known as Center Point East, contains about 377 acres that will be built out with over 5 million square feet of commercial and industrial space in approximately 13 buildings expected to create about 4,000 jobs.

Center Point is located at the intersection of Route 315 and I-81 at the Pittston exit and the Pittston exit of the Northeast Extension to the Pennsylvania Turnpike.

Mohegan Sun's facility will primarily use two exits off of Route 81, the Wilkes-Barre exit and the Pittston exit which is exactly where

Center Point is located. As a result, Center Point is located approximately four miles north of the Mohegan Sun facility on Route 315. We currently have about 800,000 square feet of commercial space under construction and at least about 400,000 square feet of that.

Let me say we support the cxs POBG/TPHOE development of Mohegan Sun at Pocono Downs. We believe that the Mohegan Sun project will encourage continued economic development and much needed employment opportunities for our area and its residents.

Having said that, however, we want to be sure that the traffic to be generated by the Mohegan Sun facility is fully considered and addressed as part of their plans.

PennDOT has recently issued to us a highway occupancy permit for our development. Our traffic impact study addressed the additional traffic expected to be generated by the Center Point development. At the time that Mohegan Sun did their preliminary traffic study for their Phase I, they didn't consider our Center Point project because at that time, we didn't have a HOP and, therefore, no consideration was required.

Now that we do have our HOP, they do have to consider our traffic. We met with Bob Soper and others from Mohegan Sun and they have indicated a willingness to work with us cooperatively, both financially and otherwise, with respect to the development of their project and our project as it relates to the traffic impact upon both.

So we do support their project and just want to be sure that the traffic considerations are properly addressed. Thank you for your time.

PRESIDING OFFICER SIMMONS: Thank you.
Robert Phillips.

MR. PHILLIPS: Mr. Chairman, distinguished members of the Pennsylvania Gaming Control Board, my name is Robert Phillips and I reside in Stroudsburg, Pennsylvania. I would like to thank you for allowing me to address this Board at this historic hearing.

I represent only myself as a concerned citizen of Monroe County. I have lived my entire life in Northeastern Pennsylvania. My personal opinion is that gaming in the Pocono Mountains region will provide a significant, positive

economic impact by creating new investments, new jobs and will help stabilize the escalating school property taxes.

This industry will also leverage the much needed infrastructure that is badly needed in this high-growth county. The natural beauty of Monroe County and its national reputation of being a first-class tourist destination further supports this area to be an ideal spot for a gaming license.

For over 35 years, I have personally known Mr. Louis DeNaples and his family. I did business with him for many years when I was self-employed in Scranton, Pennsylvania. I consider him a diligent man who loves his family and his community.

His business practice is that of being fair, logical and of high ethical standards. His entrepreneur skills are admired regionally as well as his personal humility and modesty. He is a man of faith who truly cares for the community. His support for people who are underprivileged, stricken with illness and impoverished epitomizes his humanitarian and christian nature.

Through his generosity of giving back

to the community, Mr. DeNaples has changed the lives of many, many people by improving their quality of life. My final comment is that I respect and admire Mr. DeNaples as a local businessman who has always been committed to doing the right thing. Thank you.

PRESIDING OFFICER SIMMONS: Thank you, sir. Joseph Snyder.

MR. SNYDER: Good afternoon. My name is Joseph Snyder. I am a lifelong resident of Northeastern Pennsylvania and a 30-year resident of Monroe County. I reside at Pocono Manor and have lived there for 20 years.

I have worked in the resort industry in the Poconos for over 30 years. I have served as a director of the Philadelphia Area Chapter of Meeting Professionals International, as a board member of a local bank. I presently serve on the board of the Pocono Mountain Vacation Bureau and the advisory board of Marywood University Business School. I am a licensed Pennsylvania Realtor and if it's any help, I used to be an alter boy.

During the past 20 years, the Pocono Mountains have seen the closing of more than a dozen resorts, Tamimnet, Stricklands, Mountain

Manor, Pocono Gardens, Birchwood, Mount Laurel, Buck Hill, the Summit, just to name a few.

In addition to the loss of these once grand properties, we have suffered the loss of thousands of jobs that staffed these resorts. The failure of the region to combat the new and impressive offerings of our neighboring states who are offering world-class entertainment and rooms, the best in dining and amenities all made possible by gaming has taken a terrible toll on the Poconos.

Despite the tireless efforts and investment of the Pocono Mountain Vacation Bureau and the resort properties, we continue to suffer dwindling market share. The Poconos needs a gaming license. If the Poconos were to be overlooked in this process, it would not only be a travesty, but could very easily send this area into a spiral much like that of our neighboring Catskill Mountains.

Gaming in the Poconos is sorely needed. It is also essential to make the offering one that results in the return visits of the customers. We need a world-class attraction. We should copy what has been successful in other

areas.

If building modest properties offering limited size and sizzle worked, the major players who have been so successful would not be building the likes of the Bellagio, the Venetian, the Foxwood. All experience great success and a great rate of return. All have sizzle and size. The Pocono Manor's offering meets this expectation. It has the sizzle, the wow factor to bring the customers back time and time again.

One of the largest employers in the region, Sanofi Pasteur, must take its large meetings out of the area. There is not a property in the Poconos that can handle a general session for a thousand-plus attendees. The Pocono Manor offering will be able to accommodate this and the needs of others. The State of Pennsylvania takes some of its meetings out of state to Atlantic City, to the Inner Harbor in Baltimore. The Pocono Manor offering we could satisfy those needs.

The Pocono Manor will serve as the economic engine for the entire region. I sincerely hope you will give it your best consideration and bring the Poconos the sizzle

that it needs. Thank you.

CXS -DZ/AZ/-TS/TKREUBGT/TOR/-F/KPA/KPAP/TER

*TPH/-T/POEBG/TPHOE/-Z/TPOR/AEU/THOUZ/PHRUS

PRESIDING OFFICER SIMMONS: Thank you, sir.
George Podolak.

MR. PODOLAK: George Podolak, Pocono Summit. Mr. Chairman, members of Board, thank you for giving me the opportunity to speak today. As normally happens when the wishes and opinions of different groups clash, various boards and commissions have to straighten things out and make a decision which will benefit all concerned.

Economy plays a major part of a vote. This includes the local, county, state governments, local school districts and the local and county business communities. This is not an easy spot to be part of.

As you all are aware, in its heyday, this area of the Pocono Mountains was an extremely successful economic employment and visitor entity. The Erie Lackawanna railroad and Greyhound Bus Lines brought scores of people to enjoy vacations or weekends. Over the decades, some hotels and resorts ceased to exist or were purchased by other

owners. This area dove into an economic decline with removal of high-paying jobs.

In my opinion, based on facts in the Pocono Record, the Pocono Manor Resort and Casino could be the shot in the arm that could bring this area back to the glory of its heyday bringing economic growth and high-paying employment.

I would like to highlight some topics. One, the Commonwealth of Pennsylvania would receive 115 million extra in for the general fund. The budget is approximately 25 billion. The Pocono Mountain School District would receive 16 million; current budget of approximately 146 million.

Monroe County would receive 8 million; current budget approximately 44 million. The Township of Tobyhanna would receive 5.6 million; current budget approximately of 6.4 million. The Pocono Mountain Vacation Bureau would receive 800,000. This could be used to advertise in the neighboring states to bring people into the area.

169 million would be shared by the local and county business community with 5,000 additional area jobs. Presently, Tobyhanna Signal Depot in Tobyhanna, Coolbaugh Township is one of

the biggest employers in the area. This is threatened every so often due to federal base closings. This would be an economic disaster for the area should it close, approximately 5,000 employees.

Ultimately, this decision by the Board ought to weigh heavily on the greater community good of all concerned. This should include growth, economy and employment. Thank you.

PRESIDING OFFICER SIMMONS: Thank you, sir. Joseph Farda.

MR. FARDA: My name is Joseph Farda. I have lived in Monroe County since 1953. Originally, I owned and operated a small motel and a seasonal resort. In 1968, I realized my dream of building a year-round resort located in Tannersville. It was then that I first experienced what I call the Mount Airy way.

The owners of Mount Airy, the Martens brothers, Herman, Frank and Emil Wagner, were eager to see me become successful. For the first few months I was open, Mount Airy recommended my resort when they were full. This was unsolicited on my part but was greatly appreciated.

I later found out that many resorts,

motels, restaurants and attractions could tell the same story as mine. Many of us could trace our initial success and continued success to the popularity of Mount Airy. They were always there for other people.

The economic and social impact of Mount Airy was never and could never be measured. The generosity and community awareness of its owners was legendary. This was the Mount Airy way. It is the Pocono way. It is and will be the Louis DeNaples way.

There is a void in our industry. There is a void in our community. I know that the DeNaples project will return this valuable asset and name to the hospitality industry. Their ownership will create an economic rebirth in the area.

You have the right property. You have the right location. You have the right people at the right time. I feel this committee should grant the DeNaples project a gaming license. Thank you for giving me this time to comment on this important matter.

PRESIDING OFFICER SIMMONS: Thank you, sir. Tom Wilkins.

MR. WILKINS: My name is Tom Wilkins. I am a native of the Pocono Mountains. I am the broker and president of Wilkins and Associates Real Estate, the largest independent real estate company in Northeast Pennsylvania. I am a licensed real estate broker in Pennsylvania and New Jersey with applications pending in New York.

I am a Pennsylvania general certified appraiser and have appraised, performed and testified hundreds of times throughout Northeast Pennsylvania. I have never represented Matzel Development. I have never represented Mr. Louis DeNaples. I am here on my own accord.

I have been attracting tourists to the Poconos for the past 30 years as a store owner at the age of 19, a member of the executive committee for Caesars Pocono Resorts and a Realtor since 1985. Today I represent the managers, staff and 100 Realtors that make their living in the Pocono Mountains.

First, we ask the committee to award a class two license to the Pocono Mountains. We think the benefits of a casino would be vital for our expanding market, that being a bedroom and resort destination within driving distance from

New York and New Jersey.

Secondly, we pledge our support to the Mount Airy project and think that that project stands heads and shoulders over the Pocono Manor project. We think the Pocono Manor project is not in line nor in tune with the Pocono Mountains.

We feel that the Mount Airy project and the people involved in that know Northeast Pennsylvania, have done business in Northeast Pennsylvania before and have geared that project towards our marketplace. I ask you to award the class two casino license to the Mount Airy project. Thank you.

PRESIDING OFFICER SIMMONS:

*PHEU/TEPB/-Z/PWROEPBLG/-

Z/HER/PHAPB/TPRAPBLG/AEPBThank you, sir. Ron Battoni.

MR. BATTONI: Good afternoon, members of the Pennsylvania Gaming Control Board. My name is Ron Battoni. I serve as executive director of the Pennsylvania Harness Horsemen's Association or PHHA. The PHHA was founded in 1967 to promote the development and welfare of harness racing in Pennsylvania.

Our mission is to provide a stable

foundation for our membership by encouraging competitive racing that will increase fan participation and raise the profile of Pennsylvania harness racing to a national level.

When Pocono Downs was recently purchased by the Mohegan Tribal Gaming Authority in January of 2005, PHHA greeted this development with concern and optimism, optimism because the MTGA is an organization comprised of many talented individuals, all of whom have a great track record in casino gaming, and concern because despite their successes in casino gaming, they lacked experience in the racing industry.

But our concerns quickly evaporated as we formed a relationship with management. Since then, we have enjoyed a partnership that has far exceeded our expectation. Mohegan Sun and their management personnel have worked closely with the PHHA to form a bond of trust and cooperation that has already produced positive results.

For example, in 2005, Mohegan Sun already agreed to advance \$1.3 million in purse monies. This year with slot machine revenues still an uncertainty, an additional \$1.5 million will be paid in purses. They have, by all

accounts, demonstrated their financial commitment to harness racing in Northeastern Pennsylvania.

This is important because it represents more than just a simple show of good faith. By advancing these increased purses, Mohegan Sun has effectively given the horsemen an opportunity to begin upgrading their stock in anticipation of a more competitive program. Some horsemen have already even purchased farmland near the track. Of course, this level of commitment cannot be sustained unless Pocono Downs is granted a gaming license.

In addition to their extensive cooperation with the PHHA, Mohegan Sun management has demonstrated a commitment to the community. We must also remember that the positive economic effects of slot machine gaming will go far beyond the track itself and even the community. That is because we will be creating new opportunities for those in the agriculture sector including growing area farms and encouraging investment.

PRESIDING OFFICER SIMMONS: Thank you, Mr. Battoni. Ethel Huff.

MS. HUFF: Good afternoon. I'm Ethel Huff, a retired business executive living in

Monroe County for seven years now. Thank you for the opportunity to comment today about Mount Airy and casino locations in general.

Since it's a given that the Gaming Board wants to ensure gambling successful and a win-win situation for the state and residents, it seems key to select casino locations that balance revenue generation with minimal cost and disruption to local communities.

Since most successful gambling operations are in urban areas with well developed highways and infrastructure, it seems common sense to locate large 5,000 slot casinos in such areas rather than in residential communities.

With regard to Mount Airy, the first concern is it's a category two casino a quarter of a mile from a new elementary school and half a mile from a major school campus with thousands of students.

Given the large number of daily commuting visitors to a category two casino with estimates of up to 1,200 vehicle trips daily, the risk increases for traffic accidents and crimes against students and a major casino so close by and in such a predominant position can be a

distraction to students and undermine their work and community values.

I have collected petitions signed by over 150 residents including many teachers at the Pocono Mountain School System who definitely do not want a casino so close to our children. Given this, it makes sense to compromise and grant Mount Airy, at most, a resort only 500 slots license. This would reduce the volume of daily commuting gamblers, requiring guests to stay at the resort to gamble and decreasing potential problems.

Secondly, stage three adds a major number of homes which will add significantly to school taxes. If the developers built a retirement community instead, which is need there, this could increase their revenues without increasing school taxes.

Third, impact fees should be assessed on casinos and, fourthly, residents should be assured licenses are not granted based on political connections and or affiliations with organized crime.

In making this crucial decision, it might be helpful to ask, would you want your child, your neighbor's child or anyone's child in

an elementary school a quarter of a mile away from a major casino? Or worse, in the event of tragedy, would you want to have to tell a family, I'm really sorry but we never thought this would ever happen here.

To summarize, I think it makes good sense to locate a 500 slots casino near a major highway, possibly near an entertainment area or a racetrack. Thank you for the chance to present these concerns and recommendations.

PRESIDING OFFICER SIMMONS: Thank you very much. Arthur Berry, III. The Board will be taking a ten-minute recess at the conclusion of the individual testimony.

MR. BERRY: Good afternoon. My name is Arthur Berry, III. I am president of Camelback Ski Area and Camelbeach Water Park located in Tannersville, Pennsylvania. A casino in Monroe County will obviously have a positive economic impact on all of the attractions that are located in the Pocono Mountains as well as Camelback and Camelbeach.

Thousands and thousands of local jobs currently depend on the tourist industry. Camelback and Camelbeach employ over 1,100 local

residents and we are just one of the many great attractions in the Pocono Mountains.

The strength of this region relies greatly on tourism. What this means for local residents is great quality attractions right here in their back yards. Without tourists, these attractions would not survive.

There are great restaurants, golf courses, theaters, streams and rivers for fishing and canoeing and, of course, ski areas and water parks. The list goes on and on right here in the Pocono Mountains. These attractions are what make the Pocono Mountains a great place to live and have encouraged so many to move here.

With the addition of a slots casino and a resurgence of quality resorts, we can all be assured that the attractions of the Pocono Mountains will continue to offer quality experiences and have the proper resources to improve their properties for years to come.

The concept of a slots casino at a resort is truly just another amenity or attraction that will bring more visitors to the Pocono Mountains and will most certainly have a positive impact on our local economy and ensure more local

jobs.

We have been a vacation destination for over 100 years and the addition of a slots casino would be more reason to make the Pocono Mountains a first choice for a family vacation as well as a business convention.

Both resort properties applying for the slots license in Monroe County offer so much to the Pocono Mountains of Pennsylvania that I would propose they both be granted a slot license. Since that is not likely at this time, Camelback and Camelbeach support and urge the granting of a slots license to one of the applicants in Monroe County. Thank you.

PRESIDING OFFICER SIMMONS:

CXS -T/POEBG/TPHOE/PHOUPB/TEUPB/-

Z/AEU/TKPWRAETS/PHRAEUS

*TEUPB/-Z/-

FR/PEPBS/THA/WOEU/PROE/POEZ/PWOEPBLGThank you,
sir. Kris Alexander.

MR. ALEXANDER: Good afternoon, council. My name is Kris Alexander. I own and operate Big Daddy's Restaurant in Mount Pocono. I would first like to state I am in favor of casino gaming in Monroe County as an added form of

entertainment. I see great benefits to the communities and surrounding businesses. It would not become Atlantic City. Gaming just adds to the entertainment value of the area.

I feel first impressions mean everything. This is very important in the PA gaming issue. I don't feel as though slapping up a temporary shell building as is planned by Pocono Manor to accommodate slot machines while four to seven years of construction and site development takes place -- that would not achieve that goal of a good first impression of the gaming industry.

The scale of the project is too large and self-contained for the region and will have a negative impact on the region if it would ever be built. On the other hand, Mount Airy Lodge proposes a brand new, first-class resort hotel and casino which would be up and running in 2007 which would have immediate benefits to the community.

I feel the Mount Airy team has proven their commitment to their investment and their hotel and casino project. They have proven their commitment to the township. They have proven their commitment to the surrounding neighbors.

The razing of the old hotel and

surrounding homes was completed with sheer professionalism. I believe the construction will be completed with the same professionalism. Thank you very much.

PRESIDING OFFICER SIMMONS: Thank you, sir. Barbara Smith.

MS. SMITH: Good afternoon, members of the Gaming Control Board, members of the audience. I am Barbara Smith. I am speaking as an individual and not as a representative of any group. I have lived in the Poconos for 20 years. I have a background in land use planning and environmental law and speak from those perspectives.

I would like to talk about the positive environmental aspects of the Mount Airy Resort and Casino proposal. The following are noteworthy. First, Mount Airy is located along a developed corridor in Paradise Township which is a designated growth area in the Poconos.

Development at this location and at this proposed scale is appropriate. To state it another way, development at this location does not threaten the pristine lands and waters in less developed areas of the Poconos which we value so

highly.

Second, it is located on a site that is zoned for resort and ancillary development and it reuses a former resort site. Therefore, much of the infrastructure is there and can be reused. This is the Pocono equivalent of reusing a brown field or a grey field site.

Third, there will be conservation easements recorded and running with the land on 550 of the 890 acres. This easement will permanently protect the land as a greenway. The acreage has been planned to include wetlands, vernal pools and other environmentally sensitive areas.

Fourth, wastewater, always an issue. The Mount Airy resort and casino will use the existing wastewater treatment plant, newly refurbished and upgraded. The benefit of this is that, after treatment, the water will be reused on-site thereby recharging the very groundwater from which it is drawn.

The treated wastewater will be applied to the golf course, landscape areas and other non-contact water uses. This is very important. It protects the groundwater supply. It preserves

Forest Hill Run. It does not add to our current water supply problem in Pennsylvania. It is part of the solution. Thank you for giving me the opportunity to speak to today.

PRESIDING OFFICER SIMMONS:

CXS S/SRE/PORPB/T/PROE/TEBGT/-Z/-

T/TKPWROUPBDZ Thank you very much. I need Harry Lee, Salvatore Checho, William Peter Ahnert, Sr., to stand and be sworn.

Do you solemnly swear or affirm that the testimony you are about to give in the hearing today shall be the truth, the whole truth and nothing but the truth so help you God?

SPEAKERS EN MASSE: I do.

PRESIDING OFFICER SIMMONS: Mr. Lee, would you please approach the podium?

MR. LEE: Good afternoon, members of the council, members of the group. My name is Harry Lee. I am an attorney by profession which means that it normally takes me three minutes to say hello. But today we will speed it up.

Much more so than an attorney, I spent the last 25 years here in the Poconos. I have actually lived here, practiced here, worked here for 46 years. In the last 25 years, I have

developed more than a dozen businesses that have all been devoted to the tourism aspects of this great facility. I have owned and operated restaurants, hotels, resort land communities, attractions and anything that's been involved and a member of the executive committee of the vacation bureau and so forth.

Just a word quickly on the Poconos. I would suggest to you that this is not the time to pick a new destination area within this great Commonwealth. This is the time to take what we have, what I call the crown jewel of tourism, in the Commonwealth of Pennsylvania and enhance it and make it into one of the great, great tourist areas of the United States without question.

I am here to support the Mount Airy application. In addition to operating here in the Poconos, I have had facilities in the resort and tourism business, hotels literally from Maine to Florida.

What I have found is if there is a facility of 700, 800 rooms, one of the things that one must do in operating a facility of that nature is to capture that guest's body. Otherwise, you will not be economically viable. You've got to

keep them there and hold them into that community.

I feel that the Mount Airy proposal is obviously much more modest and I suspect that it will greatly enhance the opportunities that are available to the smaller businesses, the restaurants, the motels, the other types of facilities that exist here in the Pocono Mountains. For that reason, I would urge the commission to think in terms of favoring the Mount Airy facility.

Bigger I have found really is not necessarily always better. Really quickly, from my home, I can see the Pocono Manor facility. I do not see how that facility 25 feet in the air can enhance my view or anyone else's and, again, bigger is not necessarily better. Thank you very much.

PRESIDING OFFICER SIMMONS: Thank you, sir. Mr. Salvatore Checho.

MR. CHECHO: Thank you. My name is Salvatore Checho. I have been a resident of the Pocono area all my life. I am president and CEO of the First National Bank of Palmerton. We are a \$500 million-plus community bank which serves the Pocono area as one of our primary trade areas.

My points here today are basically that I think it's obvious the Pocono area economically does need something such as a license of this nature for economic reasons. I believe that in comparing the various proposals, that the Mount Airy proposal does make more sense for the whole economy of the area.

I believe that with my knowledge of Mr. DeNaples over the last 20 years and his businesses, that he is the type of person who will do a first-class development. I know that he has the ability to complete it. I believe that he will be cognizant of the surrounding area, the needs of the area and the economic needs of the businesses in that area. Thank you.

PRESIDING OFFICER SIMMONS: Thank you very much. Mr. William Peter Ahnert, Sr.

MR. AHNERT: Thank you and good afternoon. Thank you for the opportunity to speak with you today. I would like to take a moment to introduce myself to you. My name is William Peter Ahnert, Sr., and my family and I have been residents and in business in the Pocono Mountains for over 90 years.

We owned and operated the Fernwood

Resort in Bushkill, Pennsylvania for 70 years. Currently, my family and I successfully own and operate ten restaurants, a Jack Nicklaus country club called Great Bear Gold and Country Club. Among other enterprises, we are also involved in real estate development, business partnering with New York Stock Exchange companies, Toll Brothers and Ryan Homes. We employ 600 people in the tri-state area of Pennsylvania, New Jersey and New York.

I have been fortunate to know Louis DeNaples for over 40 years. Mr. DeNaples is not only a successful businessman and a great leader in the community, but also a proud family man and a wonderful philanthropist continually giving back to the community and has plans to continue his goodness in Monroe County.

In its heyday, Mount Airy Lodge was the Pocono's resort leader. With Mr. DeNaples at its helm, it will no doubt be brought back to being a main attraction in the Pocono Mountain region. Add gaming to the Mount Airy equation, considering its superior location and close proximity to Route 611 and Interstate 80, the resort and the community will just thrive.

Mr. DeNaples brings a dedication to making the Poconos a better place. Not only has he committed himself to Mount Airy Lodge and the Poconos by already investing in the resort, but he also is proposing a world-class destination resort second to none and meets the requirements of local zoning ordinances.

With my experience as a resort owner and operator, I strongly believe that Louis has what is needed to not only build, but run a great destination for our community and Pennsylvania. I recommend Louis DeNaples and Mount Airy be granted a casino license. Thank you.

PRESIDING OFFICER SIMMONS:

*EUPBTSZ/TKAOUSZ/PHEU/SEFL/TO/U/PHEU/TPHAEUPL/S
CXS HEUZ/TKPW/TPHR-

S/TPH/PHOPB/ROE/KOUPB/TOEU/TPHThank you, sir.

That concludes our individual testimony for today. The Board will be taking a ten-minute recess. I will ask all the applicants to be ready to give their closing statements when we return in ten minutes. You will present in the order that you presented this morning. We stand in recess.

(Recess.)

PRESIDING OFFICER SIMMONS: Ladies and

gentlemen, the final portion of the public input hearings will commence with the final comments being made by the applicants. As I suggested earlier, you will be going in the same order that you presented this morning, that being Mohegan Sun will be first, Mount Airy will follow and Pocono Manor will close. You will have up to 15 minutes to make your final presentation. However, don't feel compelled to do so. The yellow will go on at one minute. You may begin.

MR. SOPER: Thank you, Gaming Control Board. I appreciate and I got the clue there. So I'm not going to take any more of your time other than just to say thank you for your time and we appreciate the opportunity to present our project. We appreciate all the good work that the Gaming Control Board and their staff has been doing. I know they have been working very diligently throughout this process and we very much appreciate it. Thank you.

PRESIDING OFFICER SIMMONS: Thank you very much. Mount Airy.

MR. DONNELLY: Once while I was in court I was droning on and I asked the judge a question and he said, I'm sorry, Mr. Donnelly, I

wasn't listening. So I, too, have gotten the message. I'll be brief.

I don't envy your position. As in Philadelphia and I assume elsewhere, all of the presenters put on fabulous presentations. You all now have the difficult statutory burden of shifting fact from fiction, to choose a product that will benefit the most citizens and be consistent with the multiple goals of Act 71.

We pointed out those goals that seek revenues as soon as possible, encourage diversity and responsible gaming, protection of the environment and revitalization of the economy and tourism, among other things. We are confident that you will carefully fulfill your duty and you will consider all that was said today and we ask you to do that.

We were most gratified to see the overwhelming community support for Mount Airy expressed today and the recognition of Mr. DeNaples' character reputation. We think that shows that we hit the mark with the plan that we emphasized, a project with a purpose and one that will benefit everyone in the region, one that will, as the doctors say, do no harm and one that

will bring the Poconos along for a very exciting ride.

Many of our executives began their careers in Atlantic City. Atlantic City had the first statute, as you know, that opened up gaming outside of Las Vegas. The statute did a lot of really good things. One, it imbued into everyone who had worked there the notion that there must be strict compliance and integrity. That notion found its way throughout the country as gaming expanded and it's woven into your statute as well.

But there was one huge mistake made which is acknowledged in Atlantic City. That was that because of a fear of how the old hotels had run down in Atlantic City, the statute mandated that you must have a 500-room hotel. You must have certain recreation space. You must have certain large convention space in your hotel. You must have a certain number of restaurants. You must have a certain number of public space and on and on and on.

It was well intended but it had an unintended and unimaginable result. It created what we in Atlantic City got very, very tired of reading in the newspaper articles and seeing on

TV, a tail of two cities, islands of prosperity, casinos that had all encompassing venues while the outlying area declined. And it's only now, almost 25 years later, that that mistake that none of us wanted at the time is being undone with the revitalization of the city.

I think you have heard today and seen that we stress that we have taken a different approach. We believe Mount Airy will be wildly successful and the entire Poconos region will benefit from that. As Louis said, if the community didn't want it, I wouldn't want to do it.

It's interesting. As we walked out on our first break, one of the reporters stopped Louis as he was giving a little press conference there and said, Mr. DeNaples, what's your age? He said 65. Why are you doing this now in your station of life? And his instant response was, it's great for the Poconos.

If we have done our job, you have heard our other theme which is we're ready to go. We can build, operate the first permanent category two facility in the Commonwealth.

We forced poor Al Magnotta, our

engineer, to take you through a detailed discussion of our current ability to meet the critical wastewater and environmental problems now with no need for any contingencies, any side agreements or any variances. We did this to emphasize what Al said. Without those considerations being met and completed, there is no project. Those are done for us.

You have heard from our owner. You have seen our project. You have heard from our team and you have heard our philosophy. From this, I think you know that the project is real, is based on realistic numbers and it will be done on time, on budget and in strict compliance with the rules and regulations of the Commonwealth as well as concerns of our neighbors.

With your approval, Mount Airy will be the first resort to operate in Pennsylvania, first free standing and you will look back at this resort with pride and confidence knowing what you did was the right thing. Thank you very much.

PRESIDING OFFICER SIMMONS: Thank you, sir. Pocono Manor.

MR. MATZEL: I would like to start by mirroring a lot of the comments of my predecessor

in that we also see the opportunity of what gaming can bring to the Poconos. We look forward to the commission's job and task at hand. You're in an unenviable position of trying to decipher what is truly best for the region. You've got two different proposals, clearly two different projects.

Let's start with what we all have. We all have community outreach programs. We all have diversity programs. We all have training programs set up and plans for training local residents. We have all committed to hire local residents.

We all have compulsive gambling initiatives and plans that will be put in place to deal with those. Of course, we've all got slot machines. We both have and all have the financial capacity and the management teams surrounding ourselves to give us the ability to ultimately bring these plans to fruition.

But we have approached the project a little bit differently. What differentiates us clearly is our capital investment. Our financial commitment to the region is almost on the magnitude of four times. That's a tremendously bold statement as to how we feel about the future

potential for the entire region, our willingness and our commitment to sink a tremendous amount of personal capital, time and involvement into the future of far more than just ourselves.

Clearly, the number of jobs created is a differentiating factor along with the tax revenue generated. The highway location and the infrastructure, we heard eight people tonight speak out from the public and talk about infrastructure and traffic impact, the impact on local roadways and school systems. Clearly, the two projects have two unique and differing impacts there. Some, more significant and others less significant.

But, really, the clear differentiator, when you get past some of those other items, is the convention center, the establishment of a theater, a 5,000 seat arena and the shopping village and what that does for the region to draw new business to the Poconos and new overnight stays. That's the defining difference of what defines us compared to our competitor.

The ability to draw new tourists and overnight stays to the marketplace is not driven by gambling. Gambling visits are measured in

hours, not in days. Day trippers are the majority of the visitors to the gambling establishments.

The mistakes that were referred to about Atlantic City are being corrected today by adding things like retail, entertainment venues, things that we took into account from day one to meet the current needs of the traveler.

What wasn't mentioned is the average overnight stay of a gambler in Atlantic City is 1.2 days, weekends primarily. There's already plenty of weekend business here. It's not what the market needs. The average convention attendee, on the other hand, stays Monday to Thursday, 3.56 days. Hundreds of millions of dollars will be spent by those attendees at the other local resorts, lodging facilities, restaurants, shopping services, golf courses. The list just goes on and on and on.

I would like to put out some corrective information from some of the testimony that we heard from some of the public. First and foremost, Pitney Hardin as well as Newman Wolf provided legal services for our acquisition, not the township solicitor's firm. I don't know where they got that concept but it's just not true.

We have an agreement in place with Camelback now that we are just finalizing -- I want to say we have an agreement in concept -- to take our treated water in the winter and provide snow making not only on our facilities for groundwater recharge, but also at Camelback Mountain which will reduce their fresh water that they are pumping out of the streams and so forth.

So it's a tremendously environmentally friendly approach. That gives us the ability to eliminate the discharge pipe that the woman earlier today referred to with the Brodhead Creek. We approach everything with environmental sensitivity. We do listen. We can't always accomplish and satisfy every single individual.

Interestingly enough, another point, the west golf course which is where the casino is located on 375 acres there, when the historical register was added to the existing inn which, by the way, is over a mile from the casino location all on our property of over 3,000 acres, it was found to be of no historical significance. So we clearly don't think that that is in any way, shape or form an issue.

Lastly, our resort was designed to be

an economic facilitator. That was the goal of the legislation. That's the vein from which we came at this to try and accomplish the goals of that legislation for the needs of the many, not the needs of the few.

You have to look at a long-term significance of the economic impact, not just short term in terms of years one, two and three. You've got to talk about years 15, 20, 30, 50. We have got ample room for expansion. We have allowed for expansion for the future depending upon where it goes. It was all taken into account by our planners up front and early on. We are just not a gaming hotel. We are a resort destination that happens to have gaming as one of its amenities.

We are committed to green engineering and sound environmental practice. I think we have demonstrated that. Our facilities will use recharged, recycled water within the toilets in the grey water system.

As we have talked about with our spray irrigation, 100 percent of our effluent will be used for groundwater recharge. We have heard the environmental groups in the area screaming for

that since the day we got here. We listened. We are working to accomplish that for them.

Lastly, in terms of impact, the hotel sits and the casino sits on 375 acres. It is set back. One of the truths that came out at the Tobyhanna Planning Commission hearing or one of the myths that were dispelled was that this hotel was designed and put right on the interchange and was 50 feet.

Many of the people the night of the hearing that had signed the petitions that you heard about previously, when they heard the facts -- in fact, two on the record said they were misled and asked to have their name removed. They were led to believe that that hotel was right on the interchange. In fact, it's over a quarter mile back buffered by a brand new 18-hole golf course, a 12-acre lake and a host of other amenities, clearly not directly on the highway.

Lastly, to close, we have widespread support. We've got the support of our host community. We've got the support of many local businesses. Some might not be as vocal or felt the need to come out tonight to express their opinions. We all know that the opposition tend to

show up far more than those who are in favor of something.

The local residents and the public have really outpoured in the last ten days. When we heard that they were going to put the petition forward tonight, it rang back to the previous township council meeting.

So ten days ago we started a petition. I will present to the Board tonight within 10 days, over 1,500 people have signed the petition in support of our project. I couldn't get them all here to speak. They couldn't register. But I think it speaks to the fact that there is far more widespread support for our project than was heard here tonight.

I appreciate your time and we look forward to working with you. Thank you very much.

PRESIDING OFFICER SIMMONS: You may want to deliver that to the clerk. On behalf of the Board, we thank you for your time, your effort, your input and your testimony. This hearing now stands adjourned.

(Hearing concluded at 2:58 p.m.)

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me on the within proceedings and that this is a correct transcript of the same.

Shannon L. Manderbach
Notary Public