#### COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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IN RE: CATEGORY THREE SLOT MACHINE LICENSE FOR PENN HARRIS GAMING, L.P.

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PUBLIC INPUT HEARING

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BEFORE: LINDA LLOYD, Presiding Officer

Gregory C. Fajt, Chair

Gary Sojka, Member

HEARING: Monday, August 30, 2010

10:03 a.m.

LOCATION: Hampden Township Municipal Building

230 South Sporting Hill Road

Mechanicsburg, PA 17050

WITNESSES: John Donnelly, Bill Landman, Richard
Aljian, Michael Sklar, Commissioner Albert Bienstock,
Commissioner John Thomas, Stephen Drachler, Michael
Minnix, John Greenleaf, Henry Craven, Dennis
Barbagello, Roberta Smith, Daniel Hooven, Dolores
Kosenke, George Behr, Dana Leach, Johanna Brown,
Vanessa Sobotta

Reporter: Rhonda K. Thorpe

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### PROCEEDINGS

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### PRESIDING OFFICER:

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My name is Linda Lloyd and I'm the 4 Presiding Officer assigned today to conduct this Public Input Hearing. Before we begin, if we could all turn off our cell phones, or beepers so we don't disturb the speakers or those in the audience. Presiding Officer I call to order this Public Input Hearing for Category Three Slot Machine License 10 Applicant Penn Harris Gaming, LP, docketed at Number 11 1565-2010. The date is August 30th, 2010 and the time 12 13 is 10:03, and the location is the Hampden Township 14 Municipal Building, 230 South Sporting Hill Road, 15 Mechanicsburg, PA, 17050.

This Public Input Hearing is convened by the Pennsylvania Gaming Control Board, pursuant to the directive and authority found in section 1205(b) of the Gaming Act and the Board's regulations. This public hearing was advertised on the Board's website, announced at previous public board meetings and advertised in local newspapers.

Board members present for the hearing today are, to my right, Chairman Greg Fajt, and to my left, Board member Gary Sojka. The Board and its

staff would like to thank Hampden Township for making its township building available for us today for this hearing.

This is the first public input hearing in a series of four hearings conducted by the Board for the purpose to allow the applicants for the remaining Category Three Slot Machine License to present their plan before the Board and the public and to allow individual members of the public, community groups, elected officials and local government representatives to express their thoughts and share their concerns about the proposed project to the Board.

The order of speakers today is as follows. The Applicant for the Category Three Slot Machine License, Penn Harris Gaming, will make their presentation first. Then we will hear from any legislator, local government representative, community group leaders and individual members of the public who have registered to speak.

Penn Harris Gaming will have approximately 45 minutes to make their presentation. Each legislative official will have approximately five minutes. Representatives from local government bodies will get up to 30 minutes, community group leaders up to 10 minutes, and individuals 3 minutes.

Each speaker should begin their remarks by stating his or her name, municipality, and state where he or she resides, and if speaking on behalf of an entity, the name of that entity. All public speakers will be sworn in as a group before we start the public comment portion of the hearing. I will be timing your presentations and will ask you to wrap up your comments at the end of your allotted time. If your time runs out and you have comments remaining, please submit them as written comments to the Board for consideration.

choose, you may submit written comments that will be included as part of this evidentiary record of the Public Input Hearing. These comments may be as an alternative to live testimony or in addition to, and may be submitted at this hearing, any other of our Public Input Hearings, or mailed to the Board Secretary, Mickey Kane, or submitted via our website. We will be accepting written comments for 60 days after the close of the hearing today or until close of business October 29th, 2010, when the evidentiary record for this Public Input Hearing will be closed.

If you are a speaker today and have written notes of testimony which you will read from

during this hearing, when you are finished if you would please give a copy of your written testimony to the court stenographer, who is sitting over here in the white sweater, that would help her out immensely.

I expect that all in attendance today will adhere to the Board's code of conduct that was published on our website. Much will be said here that we are all interested in being able to hear. So I respectfully request your assistance in complying with the rules as a courtesy for all the speakers and the court stenographer.

Let's begin by having the witnesses from Penn Harris Gaming who will testify, stand and raise your right hand to be sworn. Would you like to swear them in? Thank you.

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17 WITNESSES SWORN EN MASSE:

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### PRESIDING OFFICER:

And you may begin.

### ATTORNEY SKLAR:

Good morning. We are extremely excited 23 to be here. This is our first opportunity to present the details of our project to the Board and to the members of the community who have come out this

1 morning. First, I would just like to recognize --there was a group of people who, unfortunately, missed the sign-up deadline to speak this morning. They're extremely excited about the project, and I would just like to recognize those people. If you could just stand up and raise your hand, please? Thank you.

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One of the aspects of our application that sets us apart from the other applicants is the experience of the principals and the team of professionals that we have assembled. And with that, I'm going to turn it over to my law partner, John Donnelly, and he's going to get into the details.

# ATTORNEY DONNELLY:

Good morning. My name is John Donnelly. Everyone on the Board is familiar with me, I know. OFF RECORD DISCUSSION

### ATTORNEY DONNELLY:

My name is John Donnelly. I want to thank you all for inviting us into this neighborhood, and thank you all for coming out. My law firm is 21 myself, Michael Sklar, and about 13 other lawyers in Atlantic City. We've been involved in casino gaming and development, I myself for over 30 years, throughout the country, sometimes in the Bahamas. Three or four, actually, attempting four casinos in

Pennsylvania.

Pennsylvania's been a great experiment, as was Atlantic City. I know everyone is out here interested to find out how this facility will affect your community, and that's what we're here for today. We're going to present, but of course, we have not heard from you, and we do want to hear from you. Once we have heard from you, we will try, to the extent that we can, to meet with you and alleviate any concerns that you may have about the project.

I want to stress that this is not a full-blown casino/hotel facility as in Atlantic City,

Nevada, or what's called Category Two, freestanding casinos in, for example, Pittsburgh or Philadelphia.

This is a rather modest effort. When casino gaming was introduced into the Commonwealth, one of the categories was the category we're seeking, which was to come into an existing resort facility and to renovate that, to invigorate it, and to create a facility that people would be proud of and people in the community could use and people in the region could use.

Our group, the group that is going to present to you today, has looked throughout the state and is convinced that this is the best site. You're

going to hear location, location, location, and why is that center of the state great access, great parking, the large site, and a site that will do no harm, do no 3 harm because it will not bring problems with parking. It will not bring problems with traffic that I'm sure people are always concerned with. We're always concerned with that when you have a casino. you'll hear some discussion today about --- and I think your own commonsense will apply to this. People 10 who come to this facility as a --- for nightlife, 11 casino aspect of it, are not coming in during the 12 business days when people are going to work and coming 13 They're coming at different times. You have to work. 14 the access here. You have the parking on site.

There's also been some discussion about the recreation vehicle aspect that we will address later on. But what I want to show this group is we have together here with us at this table a group that has been doing this for in excess of 30 years and has done it in communities where it's had to and realizes that the community is of utmost importance to the success of the facility. We will not turn our backs on you and walk away from this facility and ignore your needs. I know many of you will be skeptical on that because it's something new. It's something

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different. I assure you that if the Gaming Board
grants the license here, a year from now or two years
from now, you will be very proud of this facility. It
will be something that you'll go to, unless you're
constitutionally opposed to gambling. You'll go to,
you'll take your friends to, you'll be proud when
people come to visit the community. It will help the
community and aid to the development of this
community.

It will create jobs, of course, create revenue, which Michael will talk about later on. But I recognize among everything else that we're not your next-door neighbor. You don't know us. We're from a different part of the state, or in my case, a different state. So I expect some skepticism, and I don't expect you to believe me when I tell you this. So I said, we want to meet with you. We want to talk to you. We're happy that you came out. We're happy that we're going to hear from you. And believe me, if you have concerns, we will address them.

With that, I'd like to turn this over to our person in the entity that's going to be funding this project, which is Bill Landman, the Senior Managing Director of CMS Companies, and let Bill address everyone about the economics and how --- what

his company brings to this project. Bill?

# MR. LANDMAN:

Hi, my name is Bill Landman. I live in Lower Marion. What else did you want in the introduction? There were three things asked for. I can't remember, where I live and what my ---

## PRESIDING OFFICER:

If you could spell your name for the court reporter?

### MR. LANDMAN:

L-A-N-D-M-A-N. We founded our firm in 1969. To date, we've invested \$3 billion of equity, and that money has been invested in real estate, predominantly apartment buildings and hotels and buying businesses. Some you may be familiar with, and some that you would never have heard of.

Currently, we own 23 full-service hotels. We're an approved operator by such chains as Marriott, Hilton and Westin. We also own 16,000 apartment units, and we own medical office space and retail centers, both in this state and around the country.

Our investor base is not institutional.

Our investors are all high-net worth, very successful entrepreneurs who are also extremely involved in their communities. And we were named, and we're very proud

of the Institutional Philanthropist of the Year by the National Society of Fundraising Executives. So we're very involved in our local communities.

We have been very excited about gaming in Pennsylvania for some time, and we worked hard to identify a site that we thought would be good for our investors and us and the state, and we think we found an excellent site in this community.

We have already raised the money, and currently have approximately \$30 million of equity ready to fund this transaction. So the financing is not in question.

With regard to our hotels, as I said before, we've been approved by many of the most prominent national flags. We own 23 properties, and some of them more high-profile areas of the country, Santa Monica, downtown Chicago, Manhattan to name a few. In this case, we're partnering with GF Management and its president, Ken Kochenour, who has owned a hotel in this community for many, many years.

Ken not only owns local property, but is recognized as one of the most efficient and best operators of hotel properties in the country. And to that end, he operates more than 225 properties around the country. He currently operates and manages

properties in 27 states, and in fact, we were so impressed with Ken that he now manages two of the properties, two of the 23 properties that we own.

And John, I think it's a brief overview of CMS and all I wanted to say this morning.

# ATTORNEY DONNELLY:

Thank you, Bill. Ken can't be here. Не would be here. He's on his honeymoon. Otherwise, he would be able to be here.

The other part of the team I want to introduce to everybody, who is not here as well, is 12 Keating Building Corporation is the builder that we have engaged. Keating has built a number of casino hotels, including in Atlantic City has been involved in the Valley Project ---

## UNIDENTIFIED SPEAKER:

Could you speak up?

### ATTORNEY DONNELLY:

Yes.

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# UNIDENTIFIED SPEAKER:

I can't hear you back here.

#### ATTORNEY DONNELLY:

Keating Building Construction has been involved in a number of casino hotel projects, including the Valley Project of Wild West in Atlantic

City. It's been involved in the Rivers Casino in Pittsburgh, if any of you have seen that. involved right now in constructing Sugarhouse in 3 Philadelphia, Pennsylvania Convention Center, any number of projects in the Philadelphia area. He, and his father before him, have been long-term citizens and well thought of and well-respected citizens in the State of Pennsylvania and the City of Philadelphia. They've received any number of awards and have 10 demonstrated an important issue to everyone, a commitment to diversity in its projects and has lived 11 that through its projects. 12

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The other groups that we have with us, one is SOSH Gaming, which is --- SOSH Architecture, I'm sorry, and it's Tom Sykes and others that are located in the City of Atlantic City and in New York City, have done, I think it's got to be several hundred. I'm guessing at the example, but it's several hundred casino projects they've been involved in, including non-casino projects as well, the Disney 21 World, Black Rock Resort and Casino, Chesters, Harrah's, and many of you have been there. Trump Taj Mahal, Spice Road. Again, an entity that's been around, I think, since 1979. Tom Sykes and four other principals who have a wealth of experience.

We also have a traffic engineer that has been --- that is familiar to the State of New Jersey that has been involved and appeared before this Board on several occasions. Orth Rodgers, a Pennsylvania-located traffic engineer. As I mentioned, has been --- appeared before this Board, and has been, I believe, qualified as an expert before this Board.

We're working with Gaming Market

Advisors, a group out of Colorado. There's a spinoff of some of the folks from a company you may have heard of, a much larger company, called Innovations Group.

The reason I mention Innovations Group, again,
Innovations Group did work for the Pennsylvania Gaming Control Board early on. The entity we're dealing with is a number of persons from Innovation Group who have started up an entity and have been working for many years now and have provided marketing support for casino hotels.

We have a team that is highly experienced, but we also have a team, as I said before, that understands that we're coming in as strangers to you. We're coming into a new community. Everyone on this team has done that before, and everyone on this team that I just spoke of has stood before groups like this before, presented to them,

listened to them and worked out the problems that those communities raised.

Everyone in that group has been through this entire drill before, and I think you can take some solace in that. As I said before, we're interested in hearing from you today. That's the purpose of this hearing. And we're interested, after we hear those, we will try, to the extent that we can, to follow up with your concerns and hopefully have you in the position that you're looking for that is going forward.

With that, I'm going to turn the microphone over to Rich Aljian who's the Managing Director of Real Estate for CMS, and Rich is going to more fully introduce the property to you.

### MR. ALJIAN:

Thank you, John. My name is Richard Aljian, A-L-J-I-A-N. I live in Radnor Township, and I work with Bill Landman at CMS. I've been with CMS for over 15 years running the real estate group there, and what we look for are investment opportunities for our investors that we can take a hotel that may have, you know, not had very much, you know, capital reinvested in it over the years, and we will change the management. We'll do major renovations.

Some of the hotels that Bill had 1 mentioned were in excess of \$12 million to \$20 million 2 3 of renovation, where we take a Westin and completely renovate it. These are class hotels. Again, with this site, what attracted us to this site was the ample acreage. We have over 22 acres at this location, and I don't think many people realize how large that is. There are three parcels that are included in this, all owned under the same ownership 10 entity that we're now partners with. I think the one area, and I think you can probably bring up the site 11 12 plan. There's six-and-a-half acres in the top corner 13 there, and that's the area that abuts some of the 14 residential areas.

We're very sensitive to that. We fully intend to have plenty of buffer. We don't need to fully utilize all 22 acres, so this is a very early draft site plan that we came up with, and of course, this will evolve over time as we get additional feedback from everyone.

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The hotel currently consists of 239 hotel rooms. With the addition of the 36 RVs, we've gone to 275 rooms, which meets the Game Board's minimum number of hotels needed. The location of this hotel is five miles west of Harrisburg at the intersection of 581,

Route 581 and Carlisle Pike. Again, a major heavy commercial corridor on Carlisle Pike. It has much of the ingress and egress that will be needed for a facility such as this. It's right off the main exit there. We've done our traffic studies, and there's some issues that we need to deal with, and we fully intend to make sure that any traffic issues are dealt with over time as we further develop our traffic studies and work with the township.

Parking, always a big problem for a lot of casinos, and even retailers. With the acreage that we have, we can easily handle well over 1,000 parking spaces, and again, this will evolve over time as we work with the township and the gaming commission to figure out what the best ratio of parking that is needed for this location.

The size of the building, one thing that I want to point out is there's not been any other casino in the state such as this with 600 slots and 50 table games. There is no roadmap as to what this should look like. So when we compare this to some of the other larger facilities in the state, I want to stress that we're talking about a 30,000 to 40,000 square foot building. Many of the commercial buildings that you see up and down Carlisle Pike, in

that corridor, Lowe's, Home Depot, some of the other larger retailers, they're well in excess of 100,000.

Many of them are 40,000 or 60,000 square feet. So when you take a look at the site, take a look at the footprint of the new facility, I want to stress that it is not one of the large, large hotels or casinos that you see in this state.

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With respect to the amenities that the hotel has, Dan Richardson is here. He's the general manager of the hotel, and for years they've been marketing this as a resort. They talk about all the amenities that this hotel provides. And many of the amenities include two pools, the volleyball, the softball field, the fitness center, the picnic groves, and they have many events there. And we intend on improving those restaurant venues as well and the bars and impeding them so that they're working well with the casino, and as well, the entire hotel will be improved with a facelift to help deem that along with the casino itself.

# UNIDENTIFIED SPEAKER:

None of it is good. None of it is good.

#### HEARING OFFICER:

Excuse me. Could you please keep your comments to yourself, or you will be asked to leave

the hearing. Thank you.

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#### MR. ALJIAN:

As we mentioned earlier, the budget is approximately a \$75 million project in total. timeline, again, once we get through the township approvals, and just that will take many, many months I'm sure, we're looking at between a 9 to 12-month construction period before we're open for business. And with that, I'm going to turn it back over.

# ATTORNEY DONNELLY:

Thank you, Rich. One of the aspects that we've talked about is, I'm sure you've read in the paper, is about the RV rule. One of the things that we hope to do with this project is to utilize it for a position, the travel and tourism market who use RVs will visit.

Some interesting statistics from what I've seen, Pennsylvania is very big on RVs. According to the statistics I've seen, it's one --- it's the fourth largest state in the union with the manufacture of RVs. It also has the fourth largest number of campgrounds, both private and public, that service There are lots of RVs that go through this state, and it was quoted not too long ago in the paper, saying the RV is kind of like boat. Once you

have one, you have to go somewhere with it, and people do go with it.

People who have RVs, it's now according to the last major survey which I'm aware of, which was done in 2005 by the University of Michigan, and 1 in 12 households own one. The people tend to be older on the demographics. They tend to own their own house. They tend to have more discretionary income than average persons, and they tend to be family oriented. They like to take the RVs as part of their vacation.

We hope to tap into a completely different market from what the other casinos and hotels in the state have done, and part of that being their market. Now, that said, I'm not saying that we're going to overwhelm the community with RVs. We do not intend that at all. It's going to be a modest RV park. What we hope to do is attract people who want to come in, stop with their RVs, enjoy the casino, let the kids out, and all the amenities we have, which are going to be safe and secure. They could go into the casino while the kids are enjoying any of these amenities, croquet, badminton, the beach volleyball, swimming pools, horseshoes, and probably everybody from this community's been out there and seen the amenities that are going to be there, all of

which we intend to include.

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We also ultimately hope to have --- rent RVs out at that facility so that people can come, stay there and tour around the area, go to Gettysburg, go elsewhere in the area in an RV. There's a big market for that, a huge market for that. All those people who we hope to attract will spin off, we understand, and our economic experts understand, will spin off purchases to other people in the other businesses and other entities, in restaurants and others in the area. And that's a market that we think we can bring to the state, and we think we'll enhance our ability to pay local share taxes and other revenues to the community, which will abate other --- everyone in this room's property taxes and state taxes, but also bring a completely new amenity to the State of Pennsylvania that would draw people here.

Think, you know, in the fall when the car shows are in Carlisle, and in Hershey we'll get a big slug of people coming in, staying here. I know you already do get people staying here and going to the car shows. We've already got some people booked into some of the RV units for a car show coming in right now.

Interestingly, it's advertised as the

largest RV show in the country is held right here in 1 Hershey, and it's going to be this September, the annual show, which is run by a Pennsylvania 3 association. So this area is steep in that already, and it's a huge part of the economics of the Commonwealth. We hope to tap into that. I want to stress again it's not going to be overwhelming. don't have 1,000 acres for this. But this market has been very successful in other parts of the country 10 where there has been sufficient land. It's used at Circus Circus in Las Vegas. It's been at Sandstone in 11 Las Vegas. There's one down in Lake Charles, and it's 12 a very good segment of the market, we believe, and 13 14 it's a segment of the market that has spinoff for 15 other people in the community.

So that's what we're looking forward to, and we're hoping to develop as we go forward. that, I'm going to turn it over to Michael Sklar, my partner, to talk about some of the economic spinoff that we believe we will generate if we are selected by the Gaming Control Board. Michael?

#### ATTORNEY SKLAR:

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Thanks, John. I just want to take a 24 moment to discuss our commitment to diversity and responsible gaming. First on diversity, we're going to be an equal employment --- equal opportunity employer, and we're going to make sure we look to the local community to fill our positions.

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Everyone knows in this current economic time unemployment is high. People need high-paying jobs with benefits. So we're anticipating, and I'll get to it in a little bit, to create 300 full-time positions, and we're going to look first to the local community to fill those positions.

10 Next, in terms of offering opportunities to minority and women-owned businesses, we recognize 11 12 that that's one of the goals of the Gaming Act is to provide those opportunities. We understand, 13 14 certainly, John and I understand how to create 15 programs to ensure minority and women opportunities. And there's going to be a lot of business that's going 16 17 to be generated by the casino, not only during the 18 construction phase, but also during the ongoing operations, and we're going to ensure that minority 19 20 and women-owned firms have opportunities. And we're also going to ensure that the firms that we contract 21 22 with, that when they contract with other vendors, that 23 they're going to employ the same equal opportunity to minority and local firms. 24

Next, I just want to touch on responsible

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gaming. Underage gaming is, I know, critically 1 important to the Board. One of the benefits of the 2 3 Category Three licenses is the requirement that only patrons of the amenities can come into the facility. So, there's going to be a central access point. There's only going to be, you know, one or two entrances to the casino facility. So by channeling all of the patrons through that area, I think we're going to have a much better handle on underage gaming 10 and preventing the underage people from coming onto the gaming floor than other facilities where it's more 11 of a wide open gaming floor, and you can access the 12 floor from many different vantage points. 13 14

Next problem, gaming. Recognize that's a 15 significant problem in the Commonwealth, and we're going to ensure that part of our training of all 16 17 employees to recognize problem gamers and to extend 18 help to them to provide numbers for problem gaming, and so they can get help. And also for self-19 20 exclusion, we'll provide a program where they can sign up to sign up for self-exclusion, and we'll enforce 21 22 the self-exclusion list that the Gaming Board 23 maintains.

Next is the economic impacts. This is, obviously, critically important and was one of the

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primary purposes of the legalizing gaming in 2 Pennsylvania. As you can see from the chart on the board, based on our projections, first to the Hampden 3 Township, we project \$1.6 million annually to Hampden Township and \$1.6 million to Cumberland County. That's annually, \$1.6 million, and in these economic times, that is certainly a significant amount of money that will be generated by the project.

And to the Commonwealth, through the Commonwealth and the racetrack fund and the economic development fund, it's approximately \$36 million annually, once we attain --- stabilize operations. And these are annual numbers again.

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Next is jobs. As I said, 300 permanent jobs is what we project to generate from the operations. Average wage with benefits, \$40,000 per year. I cannot stress enough how important these kinds of jobs are, high-paying jobs, in this economic environment. So you can do the math. The annual payroll is going to be in excess of \$12 million per year.

Also, during the construction period, we 23 anticipate the creation of 250 to 300 construction jobs during the construction phase. And this doesn't take into account the spinoff jobs. So when we

contract with vendors, there's job creation that we anticipate, and it will just continue down the line because they're going to need to contract with other businesses. So if there's going to be a significant spinoff that we anticipate from this project.

Finally, why Penn Harris? And John alluded to it earlier. I think that the --- it's location, location, location. That is really the critical element here. This is in the dead central part of the state. It's literally at the crossroads of all the major highways. The access, as Rich alluded to, is fantastic. You can come right off I-81, and there's basically a driveway into the property. You don't have to go through the local neighborhoods. And so that is just a fantastic and one of the primary reasons why we selected this site in the first place.

Next is the site itself. With 22-and-a-half acres, it provides tremendous flexibility for whatever needs that we have. John alluded to traffic. We're going to have the ability to get people off the roadways to come onto the site. There's plenty of parking. We have the ability to expand parking if need be in the back six acres. So we don't think traffic or parking will be an issue at all because of

1 the site.

Tourism and travel. Again, this is the

central part of the state. You have the Capitol. You

have the Civil War Museum, Hershey, Carlisle. You

have all of the car shows. It's a fantastic location

that really is at the crossroads. So we think that

having --- adding a casino as an amenity to the

existing facility is just going to be the specific

thing to boost this existing property and make it a

destination, a regional destination.

Next is the experienced team. John and Bill went through the experience of our team, and I think it's unparalleled with the other applicants. We have a tremendous team that we assembled. We know how to do this and do it the right way. We do not think that we're going to cannibalize the existing operations of Penn National. We think that this market is plenty, plenty big to serve --- to continue to serve Penn National and to serve our facility.

Again, we're not talking about creating another 3,000 slot machines or 100 table games. We're talking about a limited operation, 600 slots and 50 tables, and we certainly think that the market can more than sufficiently handle the addition of our proposed facility.

Then finally, where I end it, the significant economic benefits, the tremendous tax 2 3 revenues that this is going to generate for the local community and the state and the 300 job --- highpaying jobs that this will create. So with that, we think that we are the best applicant for the Category Three License. Thank you.

## PRESIDING OFFICER:

Thank you. Would you like to move into the record your PowerPoint presentation?

### ATTORNEY SKLAR:

Yes, please.

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# PRESIDING OFFICER:

Okay. We'll mark that as Public Input Hearing Exhibit Number One.

> (Public Input Hearing Exhibit One marked for identification.)

### PRESIDING OFFICER:

With that, we will begin our public input portion of today's hearing. I'll allow them a minute 21 to set up. I have a list of speakers that have been provided to me by our Board Secretary, Mickey Kane. If you have registered to speak during today's public 24 portion of the hearing, if you could stand if you are sitting, and if you are already standing, please raise

your right hand to be sworn in, and I'll have the court reporter swear you in as a group. So all of you who have registered, please stand and raise your right hand to be sworn.

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WITNESSES SWORN EN MASSE: 6

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#### PRESIDING OFFICER:

I remind you all to begin your remarks by 10 stating and spelling your name for the court reporter, and state the municipality and state where you reside, 11 12 and if speaking on behalf of an entity, the name of 13 that entity. I will also apologize in advance if I 14 mispronounce your name because there are a few on here 15 that I'm not familiar with.

Today we have with us two township commissioners. The first on the list is Albert Bienstock. Bienstock (changes pronunciation). See, I'm out of the game. Mr. Bienstock, if you'd step up to the podium.

### COMMISSIONER BIENSTOCK:

Thank you very much. Good morning, Commissioners, and good morning to everybody here. I'm delighted to see so many residents come out for a very important issue in our township.

My name is Al Bienstock. That's

B-I-E-N-S-T-O-C-K. My address is 63 Old Pioneer Road,

Camp Hill, PA. I currently serve as President of

Hampden Township Board of Commissioners; however, my

testimony is strictly on behalf of myself. The Board

is not taking any official position concerning Penn

Harris Gaming license applications.

At this point, Penn Harris has shared with us an impact statement like the one on the Gaming Control Board's website and discussion of preliminary plans and sketches, but they're subject to revision.

It is understood that Pennsylvania's

Gaming Law may supersede Hampden Township's ordinances
in some respects. For example, allowing a casino even
if the site is not zoned for such use. Other issues
may be similarly affected.

In order to ensure a safe and aesthetically pleasing facility or to be harmonious with nearby commercial and residential areas, the Gaming Control Board has requested to impose certain conditions on any license that may be awarded to Penn Harris Gaming, if local ordinances are superseded. I have a written appendix that I will provide, along with a copy of this testimony, and that goes into significantly more detail than I intend to present

orally.

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Some ordinances are what I would call zone-specific, things like sign ordinances, that anywhere in a particular zone within a township are consistent. But other ordinances have to do with things like parking is generally use specific. A restaurant has certain calculations, a movie theater, other calculations. And quite frankly, we don't have anything for casinos built into our ordinances. So in things like that, we are going to ask the Gaming Control Board to provide some help for us in seeing that some conditions might be enforced if otherwise under state law, we don't have the opportunity to do that under our own ordinances.

The potential benefits of the casino in Hampden Township are essentially summed up by a dollar sign, the Gaming revenues, the development fees, employment and other such positives. On the negative side are potentials of traffic congestion and for increased crime.

The Carlisle Pike, on which the site is situated, is already problematic. Penn Harris recently provided us with a traffic study that would need to be evaluated by our experts. I had a look at data provided by Pennsylvania State Police, as well as

from police in municipalities where casinos already
exist. It is evident to me that low-level crimes,
auto crashes and EMS needs tend to increase. Some
residents have expressed concern about the morality of
gambling in general. But since the legislature opted
to allow gambling in the state, notwithstanding such
concerns, I will not address those here.

Another issue of concern is use of recreational vehicles, or RVs, in lieu of rooms. I acknowledge that you, the Gaming Control Board, and not our Board of Commissioners will decide whether RVs qualify as rooms. However, it is important to Hampden's residents that if an RV park is situated on the site, it will be aesthetically pleasing and not detrimental to surrounding property values.

Penn Harris Gaming made some verbal assurances to the township that they will keep any RVs surrounded by trees or otherwise camouflaged from the public. Hampden can address that with respect to the development of the property. We also request that your board make such a requirement part of any approval of a license for them.

Since the positives can be summed up by a dollar sign, it is important that there be some assurance the projected revenues may be relied upon.

Data from the Pittsburgh casino, for example, does not 2 inspire confidence. Revenues during their first year were about half of what they projected and two-thirds 3 of the number projected by the Gaming Control Board. Therefore, I suggest that Penn Harris Gaming guarantee a minimum level of annual compensation to Hampden Township. It would be reasonable for it to span a period of time, for example, five years, to mitigate the effect of annual fluctuations.

10 Commissioner Thomas and I, as a delegation from our board, met with Representatives of 11 12 Penn Harris Gaming to discuss their plans. During a 13 recent meeting, we asked about such quarantees, which 14 might also include funds for infrastructure 15 improvements. For example, are they willing to provide funds for upgrading the Carlisle Pike to 16 accommodate increased traffic and for emergency 17 services, vehicles and other apparatus that would help 18 with respect to the increased needs that will 19 20 accompany casino use? We do not yet have a formal 21 response.

It is my hope that you will take into 23 take such issues into consideration during your deliberations as to the efficacy of awarding the license to Penn Harris Gaming for a resort casino in

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1 Hampden Township. The attached appendix, or one that 2. was attached with these marks on it that I gave to the 3 reporter, outlines some of these issues and requests --- and requests help from the Gaming Control Board to impose various conditions if the license is awarded to Penn Harris Gaming.

As more detailed information is received, as was indicated earlier, this is an ongoing project that's subject to change. About the application, I hope the Gaming Control Board will accept and consider more focused request and directly address these issues.

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Hampden Township is officially designated a township of the first class, and we believe first class describes our municipality. We provide a large array of parks and recreation facilities, as well as a host of other amenities for our residents. We take great pride in our residents and in the businesses located here. If Penn Harris Gaming is a successful applicant, we would not want to see that change.

Thank you. I'd be happy to respond to any questions that you might have.

## PRESIDING OFFICER:

Thank you. I also have John Thomas 25 registered to speak. Mr. Thomas?

### COMMISSIONER THOMAS:

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Good morning, Commissioners. My name is John V. Thomas, T-H-O-M-A-S. My address is 407 Pawnee Drive in Hampden Township. I currently serve as Vice-president on this Board of Commissioners. We decided that Commissioner Bienstock and I should divide up the work. Mine is probably a little bit boring. I'm going to get into statistical stuff, but that's it.

I'd like to welcome you to Hampden 9 10 Township. We're the largest municipality in Cumberland County, with a population of approximately 11 30,000. Our land mass is 17.7 square miles. We also 12 13 have a large daytime population, which includes a 14 major military installation that utilizes 800 acres. 15 The township is a rural service community with a low tax rate. Our police force consists of 24 officers. 16 17 We own and operate a golf course and a community 18 swimming pool and own 100 acres of park land. township maintains over 125 miles of roads. Most of 19 20 the township is served by public water and sewer. 21 Trash collection is controlled by the township, and 22 recycling is required. The line budgets exceed \$30 23 million per year.

The Board has not received a formal submission of the proposed casino at the Holiday Inn

site, and therefore, has not spoken to the application
that is before the Gaming Commission. I have met with
President Commissioner Bienstock, his township staff,
and representatives of the applicant on two occasions.
In addition, I have had a series of discussions with
members of the township staff who would be actively
involved should the Commission select the Hampden
Township site. My testimony will focus on the issues
that were brought up during those discussions.

The project we are here to discuss is on land that is property zoned for hotel use. If you decide to select to use it as a casino, it would become the township's mission to fight for any and all concessions that would be of benefit to the community and that would make a casino within our township one that fits in with our community standard. To that end, we would need to have cooperation from all parties.

Our ordinances do not include provisions for casino use. The township will need to look closely at the number of items that are included in this submission to the Gaming Commission and be able to reach satisfactory resolutions to each. Some of them are as follows; number one, the traffic on the Carlisle Pike is a concern. The highway is owned by

the state. It is believed the majority of non-local traffic would arrive at the site via Route 581, which has an exit ramp immediately adjacent to the property.

The township will want to study the applicant's proposal and be in a position to recommend alternatives that will alleviate additional traffic problems. Perhaps a casino ramp from the existing ramp that would move Route 581 traffic directly into the site property without mixing with local traffic could be considered.

The township will also review potential impacts on other nearby Carlisle Pike intersections, such as Sporting Hill Road, Gateway Drive and Patton Drive and Jeffrey Road. Considerations would be reviewed, the battery pack --- battery backup in the event of power failures, video detection and emergency vehicle preemption at the involved intersections.

Our ordinances specifies the number of parking spaces required for a hotel based on the number of rooms, meeting areas, banquet areas and bar and restaurant areas. It contains no calculation for casino use. The applicant appears to recommend the addition of 300 spaces to the current 600, which may or may not be sufficient. The township will want to study the issue and be in a position to set the number

of needed spaces based on the norm for the industry.

The township would also want to study the proposed internal movement of auto and RV traffic and be in a position to address any safety concerns.

There is also a requirement in the existing ordinance that all parking spaces must be within 500 feet of the main entrance. The council will want to review this to determine if it should apply for the proposed application.

The applicant should be prepared to submit a parking plan that deals with issues such as insufficient parking on site, handling the vehicles that park improperly and parking for larger vehicles. The police department will need to determine the roles that the state police and casino security will play and what additional functions, if any, would be expected of our officers.

It is my understanding that the

Pennsylvania State Police will have a presence at the

proposed casino with a primary law enforcement

jurisdiction in the gaming area. The township will

want assurance that there will also be an adequate

number of well-trained, private security guards at the

site. There may be some need for communications

equipment between our police, state police and the

private security.

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The township has an ordinance that sets specifications for an RV park. The township will want to study the issue and be in a position to make such specifications based on norms of the industry for casinos, at hotels that offer RV services.

The property abuts a residential area on one side. Our understanding is that the proposed RV park would be in this area and includes natural terrain buffers. The township would like to be in a position to be able to negotiate satisfactory view and sound buffers, which remain proposed use and the residential use.

The township will want to review and be in a position to approve or request modifications to any plan on lighting in the parking areas. The township will want to discuss emergency service usage fees and perhaps develop a corporate membership to cover out-of-area visitors who have need of an ambulance. It is my recommendation that the security force be trained in first aid to reduce the number of ambulance requests for non-emergencies.

The township has existing regulations on outdoor advertising that we expect would apply to casino use. There is concern by some that a casino

use within our township would not be subject to the standards established by the community over the years. The township expects that all construction or renovation that would take place would conform with all of our building permits.

An overture was made by the applicant to the township to set up a fund over and above the statutory requirement that will be used at the discretion of the township. If such a proposal can be formalized, I would expect that funds could be directed to academic and athletic programs for our youth, fire and rescue services and programs for our senior citizens. This could be a welcome gesture to groups in our area that do much good and are always in search of a source of funds.

Thank you for visiting Hampden Township. We are blessed with a staff that's highly qualified to deal with the above concerns, but we would need the assistance of the Gaming Commission to empower us to do so. If the Commission decides, after reviewing all four applicants, to select the Hampden Township location, I'm sure the township staff and Board of Commissioners will work with the Gaming Commission and the applicants to ensure the facility would be one that meets the goals of both them and the township.

Thank you very much.

# 2 PRESIDING OFFICER:

Thank you. Now we'll move on to the community groups. Stephen Drachler? I'm sure I mispronounced that as well.

## MR. DRACHLER:

Good morning. My name is Stephen,

Stephen, S-T-E-P-H-E-N, Drachler, D as in David,

R-A-C-H-L-E-R. I'm the executive director of United

Methodist Advocacy in Pennsylvania. My office address
is 216 State Street, Harrisburg, 17101.

Good morning, and I'm appreciative of the opportunity to speak today. United Methodist Advocacy in Pennsylvania represents more than 2,400 United Methodist congregations across Pennsylvania, and we deal with the church's positions on hundreds of relevant social, governmental, environmental issues that are based on the church's theological foundation.

There are United Methodist congregations in virtually every community of the Commonwealth, including several within a short distance of this building and the location of the proposed casino.

Some will wonder why we are testifying today. After all, casinos are a legal fact of life in Pennsylvania.

The law authorizing them was voted upon by the House

and the Senate and signed by the governor. The debate is over. End of story.

Well, as far as we are concerned, the story is far from over. I am here today because our faith believes that we are called to love our neighbors as ourselves. Our preference would've been no casinos in Pennsylvania, period. But they are here. In short of repeal, which of course, the Board does not have the power to deal with, we are forced to deal with the situation at hand. That means that we see our role as standing as a voice for the voiceless, and when needed, questioning those in power and pushing for justice when we see injustice.

As you open hearings in the four proposals for one Category Three License, we implore you to stop this process. We believe that you should place a hold on issuing this or any license until the clouds hanging over Pennsylvania's regulatory process and questions about Pennsylvania's casinos are adequately resolved.

According to the media reports, the Grand Jury began investigating last year how casino licenses were awarded. In fact, every member of this Board was a part of that process then, but questions remain to be answered about the process and how it may be

politically influenced. Until these questions are answered clearly and publically, you should not be issuing one more license. You have the power to do this. Please use it.

We believe Pennsylvania's casinos and their regulators have not shown they have been able to keep tight reigns over their operations and their duty to protect the public from the dangers associated with gambling. Just yesterday, we learned of another case of a child being left in a car at the Parx Casino near Philadelphia, while a parent went inside to gamble. That is the sixth case involved --- involving the Parx, which the public is aware of. How many parents have gotten away with this form of child abuse in the parking lots of other Pennsylvania casinos? All we know about, all we've seen, is the Parx. No one knows, and that's a real problem.

We are very fortunate a child hasn't died from being left in a hot, locked car, or taken from a car by someone with evil intentions. How many children are being endangered by parents who have been caught up in gambling addictions because of the proximity of so many casinos in Pennsylvania?

You know, as well as we do, that

25 proximity is a major factor in gambling addiction.

1 More casinos would equal more addiction. addiction would hurt families, costing taxpayers the additional social service expenses. It's a vicious cycle. We believe that a few hours training and posting an 800 number on billboards and in commercials is far from enough to deal with this serious problem.

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Unlike other states, which try to lure gamblers from outside their borders, Pennsylvania's casinos were created mainly to keep gamblers and their money at home. No matter where you place another casino, the problem will not be solved.

Finally, we believe there is much you as regulars should do to tighten and toughen your control over casinos in Pennsylvania. I understand this is just one example, but I think it shows that there's a problem there.

Some enforcement actions, especially those involving underage gamblers in casinos, read like joint press releases from both parties. are consent orders where both parties agree to the fines paid by casino operators. We know what happens here. You want to avoid lengthy court appeals and the costs involved of going to court and dealing with this. But at a minimum, you create a perception that there are many of --- many cozy relationships involved here.

We believe that if you're going to have casinos in Pennsylvania, we need tough, zero-tolerance enforcement. In conclusion, Pennsylvania does not need any more casinos, at least until it is shown licenses are properly granted, until they will be fully and properly regulated and until the Commonwealth fully faces the problems created by gambling addictions. Thank you.

## PRESIDING OFFICER:

Thank you. Michael Minnix?

## MR. MINNIX:

Good morning. My name is Michael Minnix.

I am the Senior Pastor at First United Methodist

Church in Mechanicsburg. Our address is 135 West

Simpson Street.

I've been serving United Methodist congregations and the Central Pennsylvania Conference and the Susquehanna Conference of our church in this region for more than 33 years. But it has been 328 years since William Penn began what he considered and what he called a holy errand into the wilderness. He founded a community here in which government would try to be a force for the moral improvement of the people who lived here. Imagine what he would think of

1 Pennsylvania now from the grip of gambling fever, fermented by its own state government.

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3 The United Methodist Church has been a significant presence in this Commonwealth for over 200 years. In our social principals, we make the following uncompromising statement; gambling is a menace to society, deadly to the best interests of moral, social, economic and spiritual life, destructive of good government and of good 10 stewardship. As an act of faith and concern, Christians should abstain from gambling and should 11 strive to minister to those who are victimized by the 12 practice. Where gambling has become addictive, the 13 14 church will encourage such individuals to receive 15 therapeutic assistance, so that the individual's energies may be redirected into positive and 16 constructive ends. The church's prophetic call is to 17 promote standards of justice and advocacies that would 18 19 make it unnecessary and undesirable to resort to 20 commercial gambling, including public lotteries, casinos, raffles, internet gambling, gambling with any 21 22 merchant wireless technology and other games of chance, as a recreation, as a means of escape, or as 23 producing public revenue or public funds for support 24 25 of charities or government. That's the end of the

quotation.

The National Gaming Impact Study

Commission in 1999 reported these findings; number

one, Americans now gamble more money each year than

they spend on groceries. Number two, there is a

direct link between problem gambling and an increased

incidence of divorce, child abuse, domestic violence,

bankruptcy, crime and suicide. Those statistics done

at the Harvard Medical School.

The gambling industry, number three, is particularly vigorous in promoting gambling among the poor, less educated and senior populations. Gambling is touted as a ticket out of poverty, offering a last chance to riches. As such, it overly preys on the desperation of the poor by peddling false hope.

Nationwide, there are already more than five million problem gamblers. Half of them are young people. According to the National Opinion Resource Center at the University of Chicago, another 15 million Americans are at risk of becoming problem gamblers. It usually takes at least three years after new forms of gambling are in place before the social and economic effects begin to appear.

In a nationwide survey by the Gallop Organization it was determined that one in ten teens 1 report that gambling has caused problems in his or her family, and nearly three in ten teens know someone outside their family who has experienced such a problem.

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The Wall Street Journal reported that in a survey of casinos in Las Vegas, young children were frequently seen using slot machines. A number of children spend their allowances at casino arcades, and the young children are often left idly alone on the edges of the gambling floor.

Seventy-five (75) percent of problem gamblers admit that they had supported their habit by committing at least one felony. The conclusion of many studies and reports is that gambling is the most regressive of all forms of legalized revenue raising. Gambling has its most adverse effects on those in the lower income brackets and on many small businesses which lose out in competition with much more highlyleveraged gambling establishments.

After several years of work, the National Gaming Impact Study Commission recommended a moratorium on new casinos. The Commission also recommended additional resources to address an already epidemic increase in gambling addiction.

The degree to which casinos enrich the

general economy is more than offset by problems in increased crime, urban disruption, the pervasive affliction of compulsive gambling on young people and the poor in particular. For these, and for many more reasons I cannot state in this time, I hope that there will be no casino in Mechanicsburg, the community where I and my congregation have been called to encourage the highest aspirations, and lifestyles and values among the people who reside here. Thank you very much.

## PRESIDING OFFICER:

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Thank you. The next two speakers listed are both on the Cumberland Area Economic Development Corporation. I assume you'll be sharing your ten minutes. Our first speaker is John Durbin. Mr. Durbin? How about Kenn Tuckey? Yes? No? Okay.

Okay. We will then move onto the individuals. I remind you that you have three minutes each. The first individual, John Greenleaf. Mr. Greenleaf?

#### MR. GREENLEAF:

Good morning. My name is John Greenleaf.

That's G-R-E-E-N-L-E-A-F, and I'm a resident of

Hampden Township at 524 Brom Court. That's B-R-O-M.

I'm speaking this morning in opposition to the

application for the Category Three License for the Holiday Inn West by Penn Harris Gaming.

The basis of my opposition is that the casino is very simply unneeded, unwanted and unqualified. First of all, unneeded. There is a perfectly good casino facility 25 miles away from this location, which currently has much more complete services available to the public and is in the process of expansion into table games.

Second, the applicants have referred to, quote, a largely underserved gaming market, unquote, in Central Pennsylvania and a, quote, potentially lucrative gaming demographic, tourists and others who travel by RV, unquote. As part of their rationale for this location, each of these is highly questionable and unsupported by data, at least that we have seen to this point.

Third, the \$1.6 million in projected tax revenue to the township, assuming it is realistic and not inflated for purposes of the application, is very frankly disappointing when you consider the \$12-and-a-half million license fee and the projected \$35 million plus going to the Commonwealth, the \$1.6 million is a fairly paltry sum for the local community, which will need to deal with the traffic, additional police

presence and other possible impacts of such a facility.

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Which leads me to the next basis of my opposition, which is that the facility is unwanted. First, one only needs to stand in the parking lot of the Holiday Inn West at almost any time of day to see the traffic problems at the intersection of the Carlisle Pike and the Route 581 ramps. Local residents currently need to deal with heavy truck traffic and lengthy backups at the light at almost any time of day. It's hard to imagine that this situation would not be exacerbated by the addition of a casino operation, which is designed to attract tourists and RV traffic.

15 Second, while it's difficult to distill the existing police data on crime rates specific to 16 17 this location, there have been 610 records of 18 responses of all types to this address or the streets 19 immediately bordering it over the past five years. 2.0 The Chief of Police has cautioned me that these figures would include traffic stops and all types of 21 22 incidents that are not necessarily attributable to 23 activities on the premises, but we can pick out a call rate of approximately one per week over the past two 24 25 years, which are of the nature of assault, rape,

disturbance, public intoxication, domestic violence 1 2 and ambulance calls, which would be to the property in 3 question. While this is not an overwhelming number, it does point to the fact that this location is probably among the highest call rates in the township already. The question is just how the addition of a casino would impact that record.

Finally, as to unqualified. I would not presume to tell the Board how to do its job regarding qualification of this application, but I do have a few points to make.

## PRESIDING OFFICER:

I'm going to have to ask you to wrap up. Your three minutes are expired.

## MR. GREENLEAF:

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Okay. I'm just about done. Thank you. First, the qualifications call for a well-established resort hotel with substantial year-round, recreational quest amenities. I think it would be a stretch for anybody to classify it as a resort hotel, and one piece of anecdotal evidence is that as a business person, I frequently had out-of-town business visitors ask me to arrange hotels for them. And after having 24 put some people up at the Holiday Inn, they respectfully asked me not to do that again because the old nature, the older style of the rooms opening up to the parking lot, rather than to an interior hallway entrance was not desirable to business travelers.

## PRESIDING OFFICER:

I'm sorry, but now you're a minute past your three minutes.

### MR. GREENLEAF:

Okay.

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### PRESIDING OFFICER:

So if you could please give the woman sitting next to you your comments, we can enter the rest into our record.

## MR. GREENLEAF:

I've done that already. Thank you for your attention.

## PRESIDING OFFICER:

17 Thank you. Joseph Grier? Mr. Grier? Henry Craven? 18

#### MR. CRAVEN:

Good morning. My name is Henry Craven, C-R-A-V-E-N. I live in Hampden Township, 280 Reeser 22 Road in Camp Hill. I spoke before you in Harrisburg in opposition to slot machines at Penn National. that time, I noted a sad state of affairs in which the citizens of Pennsylvania are basically saying to the

youth we are not willing to pay for your education via taxation, but rather through gambling. This conveys to youth a value system whereby the potential, albeit statistically very limited, for quick easy income is equal to or even superior to skilled work.

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Recently, the progression from slots to table games has occurred. The introduction of slot machines was the camel's nose under the tent, and table games are the equivalent of the front haunches within the tent. Given Pennsylvania's ever-increasing need for revenue, how long will it be before the 12 entire camel is not only inside the tent, but is tramping down all our belongings? The latter part of this metaphor would occur when Pennsylvania, like Nevada, legalizes prostitution, or like California legalizes medical marijuana.

Regrettably, Pennsylvania has now legalized table games; although I am hoping that neither Hampden Township, nor any Cumberland County politician supports this application. I have heard rumors to the contrary.

Should the gaming license be granted to 23 the Holiday Inn, Cumberland County will be required to bear the financial and sociological burdens incurred with legalized gambling, thereby allowing the rest of

1 Pennsylvania to shirk their responsibilities via taxation to support education and other public 3 programs.

In conclusion, I ask for denial of the gaming license to the Holiday Inn in Mechanicsburg. Thank you for your attention and consideration.

## PRESIDING OFFICER:

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Thank you. John Vorchak? Mr. Vorchak? Stanley Smith? I know I'll mispronounce this. Dennis 10 Barbagello.

### MR. BARBAGELLO:

Good morning. It's Barbagello. I'll spell it for you, ma'am. It's B-A-R-B-A-G-E-L-L-O. Τ live at 9 Gale Circle, East Pennsboro Township. I come as a neutral testifier, witness, whatever you want to call it.

My concern is this, and it started on August 3rd, when I was getting what strands I have left cut at the barber shop. The guy in the chair next to me said you know what? I don't go to these casinos in Pennsylvania, none of them. I said why not. He said no Barbara Streisand, no Neil Diamond, no Jay Leno, no world-class boxing. None of that is in Pennsylvania, so I won't go near it.

> That's what made me think. You set the

bar too low as a Board. I think if you're going to do
this, then you ought to require the big, first-class,

Las Vegas style hotels or nothing. And all of the pit
bosses ought to belong to you. They ought to be
Gaming Board employees. They have no loyalty to these
people, only to you alone.

I think all the people that testified from Hampden Township are right. You have to consider the collateral damage. What happens in a few years if property values decline? Maybe the Wharton School of Business and Finance ought to be commissioned to do a study long term, 20, 30 years down the road. People that have mortgages invested, their lives invested, what happens then?

Pennsylvania Supreme Court has ended sovereign immunity. Who's responsible? You, as a board, the township commissioners for having allowed this to come in, the casino operators? Who picks up the lost equity if these property values should, in fact, go down? These are things I think you have to consider.

Also, these casinos should be open only during the hours of a liquor licensee opening, 7:00 a.m. to 2:00 a.m., shut down for five hours a night, that's it. Real strict controls. I drink alcohol,

but I wouldn't want to see Pennsylvania's Liquor
Control Board ended because I don't think liquor
control is tough enough in Pennsylvania. That might
shock you, but I really believe that.

I think what you're looking at ladies and gentlemen is trailer trash of casino level gambling.

That's what it comes down to. You know, kick it up to a wealthy billion dollar facility. Think about what the taxes would be on a \$5 to \$10 billion piece of property. I think you set it way too low. Raise the bar real high, really high. Minimum wage is \$25,000.

You know, people say well no one would go. That's the purpose. No one will go. Thank you for the few minutes. Thank you very much.

## PRESIDING OFFICER:

Thank you. Ellen Demaree, Demaree (changes pronunciation)? Ellen Demaree? Demaree? Roberta Smith?

#### MS. SMITH:

20 Roberta Smith. I live in Hampden 21 Township. My address is 437 Springhouse Road.

#### PRESIDING OFFICER:

23 If you could speak into the microphone?

24 Thank you.

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MS. SMITH:

I will. I cut this article out of the 1 2 newspaper Saturday about the competitor says the plan 3 doesn't meet the definition, and it goes on to say why this is not an appropriate size building. leave this as evidence of my papers. I want to tell you that I no longer need to go to the high school down the Carlisle Pike. And years ago when I did go, the traffic wasn't bad, but that was 20 years ago. Now, we don't go down there because the traffic is so 10 bad, that Carlisle Pike is two lanes coming from the high school, but then you get into this bottleneck, 11 and it's one lane down the Carlisle Pike past the 12 store. I don't go there at 7:30 and 8:00 in the 13 14 morning because of the traffic or at between 4:15 and 15 6:00. It's horrendous, and we have trucks shipping in You have all of these trucks. 16 this area.

All right. But maybe the primary reason to not have a casino in our town is for the moral aspect of it for our community. This is a wonderful place for our people to live, and they have chosen to live there. We don't need to have the temptation of the casino for the kids who know how to get in places. Thank you.

## PRESIDING OFFICER:

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Thank you. Daniel Hooven?

## MR. HOOVEN:

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My name is Daniel Hooven. That's

H-O-O-V-E-N. I live at 5800 Steven's Crossing in

Mechanicsburg. Good morning. My wife and I, with our
three children, are residents of the Village of

Westover, which is adjacent to the Holiday Inn
property.

I oppose the Penn Harris Gaming 8 application for the following reasons; number one, while there are three competitors, filed 725, 781 and 10 803 pages of reports detailing potential impact on 11 local economy, environment, traffic, infrastructure, 12 13 neighborhoods and more at their proposed gaming 14 locations, this applicant's report consists of only 19 15 pages available for public review at the PGCB website. This 19-page Penn Harris report offers little more 16 17 than a project description and some ambiguously 18 conclusive statements that for a local project of this magnitude lacks acceptable details and data to support 19 20 the developer's conclusions.

By profession, I understand business development, and I understand the essential role of due diligence and how it plays into a qualified development project. This applicant's local impact report offers no substantive evidence of due diligence

with qualification. To the contrary, it is a callus representation of the indifference Penn Harris Gaming has shown thus far for their potential impact on our community and its residents.

Penn Harris proposes to meet the 275-room resort hotel requirement with 218 Holiday Inn rooms, 21 guest rooms in a, quote, adjacent wing out under the Holiday Inn flag and 36 RVs. This agglomeration of rooms indeed may not conflict with the literal interpretation of the PGCB's definition of a red resort hotel, but it certainly deviates from a logical interpretation. The obscurity is even more apparent after a quick concurrent visit to all four proposed casino locations.

Harris has made no traffic study available to the public via their local impact report. Township residents can reasonably anticipate the addition of hundreds of casino-bound vehicles on local roads daily. With no diversionary options to the south due to the expansive naval support complex, nearby commuter roads will become hazardous, more heavily traveled routes for drivers looking to avoid what is already the most congested area of the Carlisle Pike.

Cumberland County has the lowest

unemployment rate in the state and the lowest among
all four applicants' locations. Creating 300 casino
jobs here would do so in an area needing it the least
among all applicants, and it would put a strain on the
pool of available employees for other businesses in
this area.

The applicant's local impact report offers a glimpse into the future of its casinos potentially cannibalizing effect on local businesses by stating that the developers intend to create, quote, a luxurious resort for patrons where, quote, upscale facilities will be available for all the services the market requires, including fuel and convenient shopping and entertainment needs.

The location of this casino and RV park here at the crossroads of Hampden Township does not make sense for our local economy, our environment, infrastructure, communities and residents.

A week ago, I asked just 12 people to seek 20 signatures each on a local petition opposing the Carlisle Pike Casino. A week later we have in hand over 250 signatures from local residents. This relatively small sample of local residents offers a strong indication that we do not want a casino at the Carlisle Pike Holiday Inn location.

I respectfully request the Gaming Control Board to recognize Penn Harris' absence of due diligence, indifference toward this locality and the opposition from its local residents by denying this gaming application. Thank you for your time.

## PRESIDING OFFICER:

Thank you. Luke Minnick? Mr. Minnick? Dolores Kosenske?

### MS. KOSENSKE:

My name is Delores Kosenske. That's K-O-S-E-N-S-K-E. I live at 6009 William Drive. I am in opposition of this casino being built in such close proximity to a residential area. It doesn't withstand like a plus for the people residing down the street from it. Market value on property would decrease, and safety issues, not only at the casino, but in the area where I live, would also increase. One of which I had already encountered when I was at the hotel.

As for the increase in traffic, everyone has already discussed this. 581 is not the only exit. I mean, it's an exit, but it also goes to the Carlisle Pike, people won't just be going down to the casino. It's a nightmare now, and adding to that the increased vehicles, campers, motor homes, will make it a disaster. I'm not against a casino, and I do visit

them on occasion. I just don't want one in my backyard. Thank you.

## PRESIDING OFFICER:

George Behr?

## MR. BEHR:

Thank you. George Behr, resident of Hampden Township, 1500 Marlton Road. The last name is spelled like the paint company, B-E-H-R.

I am here to speak opposed to this. I have been in the community now for 18 years. I'm involved. I was the youth basketball president for a number of years. I've been involved in Habitat for Humanity and a bunch of other events in the community designed to help the community.

I've also in my career had the opportunity to work at the federal level, the state level and the local level for the Department of Defense, a number of different companies. And today, I continue to work closely with the Pennsylvania Utility Commission in my career.

I guess one of the things that I'd like to point out is that Hampden Township is not a tourist destination. I mean, anybody that lives here knows that. We don't live here for tourists. We live here because of the community. It is a great community to

raise families, a great community to live and work.

2 The statement that people are going to 3 come here from Hershey to go to a casino is crazy. They've got one ten minutes away. People from Hershey are not going to come to Hampden Township for a casino. I've also had the opportunity to work at the Carlisle car shows. There's 18 events each year on a weekend, and only five of those events are really big. So the statement that we're going to get all this 10 revenue from Carlisle car shows is just completely overstated. The fact is we don't really see much of 11 that traffic. I mean, we know when the Corvettes are 12 They were in last weekend, and my kids love that. 13 14 So it's very difficult to see some of the revenue 15 projections as being anywhere near we're able to see. The township, you know, it's impossible 16

17 to get variances in this township, and we all like that. I mean, sometimes we hate it; sometimes we like 18 it. You know, I've been on both sides of that fence. 19 20 And then to see this going on, to drive by and see a 21 bunch of RVs. And we know what happens in the 22 boardroom. We don't have enough rooms. Let's slam in 23 some RVs so we make the number. I mean, that's just 24 lame.

And you know what, I walked around my

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neighborhood, and I heard --- just about everybody agreed to that sentiment. What a lame attempt to get into this thing. In an era where we want transparency and honesty and accountability in our government, we see this happen, and we just think here we go again.

There has been no time --- I mean, when our teachers ask for a raise, we spent years talking about that. We debated it. And you know, there are people on both sides of the fence. And some lost, and some won, but the fact is we spent years debating it. Everybody in this community knew where everybody stood on that school issue. We've spent a couple weeks debating this issue, and it is very frustrating to know that I'm not going to have a voice in this decision. I might not have a voice in this decision. So that's why I'm here.

Gettysburg, we've heard about Gettysburg talking about the casino for years. We get two weeks? We get a month? Come on. We want more transparency. We want more public dialogue on this whole issue.

21 That's all I have. Thanks. Have a great day.

### PRESIDING OFFICER:

Thank you. Louis Waddell?

## MR. WADDELL:

I'm Louis Waddell. I yield my three

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I have no comment. minutes.

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## PRESIDING OFFICER:

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Thank you. Mary Hartman? Okay.

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## MS. HARTMAN:

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I think it's all been said.

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## PRESIDING OFFICER:

William Coleman? Dana Leach?

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## MR. LEACH:

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Good morning. I'm Dana Leach.

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resident of Hampden Township, 1105 Devereux Lane,

 $11 \mid D-E-V-E-R-E-U-X$ . I was a resident of Hampden Township

12 from 1998 to 2006. I took a transfer to Pittsburgh.

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I was out there with my company for a couple years. Ι

14 had the opportunity to come back to Central

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Pennsylvania and chose to come back to Hampden

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Township. The reason I chose to come back with my

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wife and three children was because of the quality of

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life, which clearly this casino facility will

19 compromise.

People have mentioned the transportation

21 and the traffic issues. As straight as the crow

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township pool, and the township park in a half mile.

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You also have Good Hope Middle School, Hampden

flies, is Sporting Hill Elementary School, the

25 Elementary within a mile as well. And frankly, that's

1 unacceptable. There will be unwanted social issues.
2 There will be higher crime, and property values will
3 drop. Let's face it. It will. I strongly oppose it.
4 I don't want it in this community, and that's all I
5 have to say.

## PRESIDING OFFICER:

Thank you. Johanna Brown?

#### MS. BROWN:

I thought it was good just to show that
the impact report that the other three gave was about
750 to 803 pages. The impact to our community was
about 19 pages. This is my daughter's Finland Report,
3rd grade. That's the difference. Experienced
leaders come, say they're experienced, and here is the
impact report differences? Just that alone should say
that these are not a group that will come and care
about our community, just that alone.

When you look at the casino itself, where it is going to be, this is the Holiday Inn that brought us the Hardware Bar where young drinking women can mimic topless dancers. But we're not going to talk about the moral concerns. We're going to talk about the money factor.

We get the customers for the casinos in two ways, one from the local area. And we already

talked about we are splitting the local area with Penn National. So as for Pennsylvania together, and we're talking tax dollars for Pennsylvania, we've already --- we're splitting it. We're splitting it. So no new revenue for Pennsylvania if we put it here.

Then we're talking about bringing in people from other areas to this community. Well, the <a href="New York Times">New York Times</a> reported that, and I quote --- sorry. Hold on. I'm Johanna Brown, J-O-H-A-N-N-A, Brown. I got excited.

The New York Times, and I quote, the vast majority of customers will go to the closest casino unless you give them the experience that exceeds expectation. Pocono area, beautiful. I go there for family reunions. That would exceed my expectation.

Gettysburg area, we know that's worth. I go there.

Nemacolin, well, it's a 2,000 acre resort. It offers golf, mini-golf, fly fishing, walking trails, lines and levers and slots. I know there's groundhogs. I know there are groundhogs, and actually, there probably are some here in the back, but they'll be gone.

So no, we are not a destination resort. So that goes back to our local community. So it's the locals that are going to come, and we've already said

1 that's splitting revenue. That's splitting revenue.

2 So Pennsylvania isn't going to make any new revenue.

Mr. Bienstock said the dollar sign for this area.

Well, let's face it, the gaming problem that was

listed is addiction, and gambling is an addiction.

On this principle alone, I hope our community and

everybody in the corridor and everybody's friends and

e-mail lists will stand up for this because on that

9 moral issue alone, we should fight this.

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10 In the paper that the gentleman from the Methodist Church said about kids being locked in their 11 cars, the local casino said this isn't happening 12 there. But let's talk about it. Is it actual or 1.3 14 metaphorical, being locked --- we're locking our 15 children out of our lives when we go to casinos. Their time, the people who go to the casinos, their 16 17 time and their money spent there is time and money for 18 spending it with the children. You might not have the 19 addiction, but what about your neighbors? What about 20 your son, who now is raising children in your community? Addictions are real, so you should stand 21 22 up.

This week, I did not collect my 20 signatures, and I was supposed to because I coach soccer. My other daughter, I took her to a

tournament, and I was on PT, and I had to organize to
make sure we had the roller skating rink, and I had to
clean out the things that these RVs will be sucking
water out of --- of 20 tires because of the truck
traffic. But guess what? Maybe I will be addicted,
and I will not be your daughter's soccer coach, and I
will not get that roller skating rink organized, and I
will not clean up.

## PRESIDING OFFICER:

Ms. Brown, I know you're excited, but you're well past your three minutes. Thank you.

## MS. BROWN:

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I thank you. And I hope you realize we are no destination, except for us.

## PRESIDING OFFICER:

Vanessa Sobotta?

## MS. SOBOTTA:

Good morning. My name is Vanessa

19 Sobotta, S-O-B-O-T-T-A. I live at 504 Jacob Lane, and
20 I've been a resident of Hampden Township for nine
21 years now. I'm opposed to the resort casino at the
22 Holiday Inn on the Carlisle Pike.

Having discussed this proposal with many of my neighbors and friends in the community, most had assumed when they heard about this that it wasn't

viable, and rather, it was an effort of the hotel to drum up some much-needed publicity. They dismissed this proposal, and many of them didn't even know that 3 this meeting was occurring today and chose not to attend because they did not believe it was viable. Why? Because already, as has been stated many, many times, they simply don't even have the room count to start with.

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The addition of 36 RVs in order to boost that room count to meet the PGCB's rules appears to stretch the definition set in court by the Board to 12 the limit and beyond. Furthermore, by turning the Holiday Inn into an RV destination and resort facility, Penn Harris today has stated that this would become a family-centered facility with its new amenities. So who will watch the minor family members while the adults are gaming? Apparently, as we also heard today at Parx Casino, the answer is no one.

The RV park role raises almost as many objections to the --- as the proposed casino does itself. Adding to my objection is the lack of a traffic study in which an impact on the alreadycongested Carlisle Pike has not been made available. In addition, there are three schools in close proximity, two elementary and one middle school. This establishment, and by the very nature of the proposed use, will strictly exclude any of the residents who attend those schools.

When I moved to Hampden Township nine years ago, almost everybody I met was very eager to tell me what a great place this is to raise a family. So please, help keep that statement true, and do not allow a casino to be built. Thank you very much.

### PRESIDING OFFICER:

That is the end of the list that I've been given by our board secretary. The record created 12 here today, including the transcript of these proceedings and the exhibits and all written comments received through the deadline of Friday, October 29th, 2010, will be included in Penn Harris Gaming's application record and forwarded to the entire board for its consideration.

### UNIDENTIFIED SPEAKER:

Excuse me?

## PRESIDING OFFICER:

Yes?

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#### UNIDENTIFIED SPEAKER:

Being that several speakers didn't show up, I would like to ask the Board's permission to make 25 a short statement.

## PRESIDING OFFICER:

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No, sir. The rules were you had to sign up and be counted before today's hearing to be able to speak.

#### UNIDENTIFIED SPEAKER:

I registered online. I have number 1455, the number they gave me when I registered online.

#### UNIDENTIFIED SPEAKER:

I have an online registration also.

## UNIDENTIFIED SPEAKER:

As do I, 1690.

## PRESIDING OFFICER:

We will accept written comments, and I believe some of them were received as written comments, and they will be entered into the record.

## UNIDENTIFIED SPEAKER:

Are they being denied to speak?

### UNIDENTIFIED SPEAKER:

Let them speak. What the heck? Let them speak. We're here. We're staying. This is America. 21 Let them speak.

#### UNIDENTIFIED SPEAKER:

Yeah.

## UNIDENTIFIED SPEAKER:

Oh, my God.

## PRESIDING OFFICER:

Again, their comments will be entered into the record as written comments. The entire application and all comments and transcript from this public hearing will be forwarded to the entire Board for its consideration. At a date in the near future, the Board will schedule a public licensing hearing to be held in Harrisburg, if you would check our website and local newspapers for the date of the licensing hearing. While the Board's licensing hearing will be open to the public, no further public comment will be received by the Board at that hearing.

Again, if you would like to submit written comments, you have until Friday, October 29th, 2010, to do so. I want to, again, thank Hampden Township for providing the space for this hearing today, and I want to thank you all for coming and your cooperation. This public hearing is now adjourned and concluded. Thank you.

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MEETING CONCLUDED AT 12:05 P.M.

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## CERTIFICATE

I hereby certify that the foregoing proceedings, hearing held before Presiding Officer Lloyd, was reported by me on 08/30/2010 and that I Rhonda K. Thorpe read this transcript and that I attest that this transcript is a true and accurate record of the proceeding.

CK.

Court Bonorter