

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

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IN RE: PETITION FOR THE EXPANSION OF SUGARHOUSE CASINO

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PUBLIC HEARING

* * * * *

BEFORE: Linda Lloyd, Presiding Officer
William Ryan, Chairman
John McNally, Commissioner
James Ginty, Commissioner
Gregory Fajt, Commissioner
Keith McCall, Commissioner
Annmarie Kaiser, Commissioner

HEARING: Tuesday, May 7, 2013
2:00 p.m.

LOCATION: National Constitution Center
Kirby Auditorium
525 Arch Street
Philadelphia, PA 19106

Reporter: Jazmin Arce

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P R O C E E D I N G S

PRESIDING OFFICER:

1
2 -----
3
4 My name is Linda Lloyd, and I'm the
5 Presiding Officer today at this public input hearing,
6 conducted by the Gaming Control Board, addressing a
7 petition filed by SugarHouse --- HSP Gaming, LP, doing
8 business as SugarHouse Casino, seeking the Board's
9 approval to modify its Phase 1A Expansion Plan.
10 Before I begin, I would ask that everyone please turn
11 off or vibrate your cell phones, et cetera, so that we
12 don't disturb the speakers and those in the audience
13 today.

14 As the Presiding Officer, I call to
15 order this public input hearing addressing SugarHouse
16 Casino's petition to modify its expansion plan. The
17 date is Tuesday, May 7th, 2013, the time is two
18 o'clock, and the location is the National Constitution
19 Center, Kirby Auditorium, 525 Arch Street,
20 Philadelphia, PA, 19106.

21 This public input hearing is convened by
22 the Board pursuant to and as required by Section
23 1205(b)(1)(ii) of the Gaming Act, which directs the
24 Board to conduct a public input hearing before
25 approving a structural redesign of a licensed facility

1 located in a city of first class.

2 The Board members present for the
3 hearing today are, to my immediate right, Chairman
4 Bill Ryan; going down the table, Commissioner John
5 McNally and Commissioner Jim Ginty; to my immediate
6 left, Commissioner Greg Fajt, Commissioner Keith
7 McCall. And we will be joined by Commissioner
8 Annmarie Kaiser, when she arrives, on the end.

9 As a result of an accident late last
10 year that required corrective surgery last week,
11 Commissioner Tony Moscato is not physically here, but
12 will be viewing the hearing via our live video stream.
13 So, nice of you to join us, Commissioner Moscato.

14 On May 6th, 2009, the Gaming Board
15 approved the petition filed by SugarHouse Casino to
16 amend its development plan, including a modification
17 of the Phase 1A expansion. On April 5th, 2013,
18 SugarHouse Casino filed a petition now before the
19 Board at Docket Number 3103-2013, seeking to modify
20 the Phase 1 Expansion Plan that had been approved by
21 the Board on May 6th, 2009.

22 Today, SugarHouse will present to the
23 public a short presentation outlining the changes it
24 is seeking permission to make to its Phase 1 Expansion
25 Plan that was previously approved by the Board. After

1 the presentation, we will hear from those individuals
2 that have registered to speak. Public officials will
3 have ten minutes to speak, community representatives
4 will have five minutes, and individual members of the
5 public will have three minutes.

6 Each speaker should begin their remarks
7 by stating your name, the municipality where you
8 reside and, if you're speaking on behalf of an entity,
9 the name of that entity. We do have a time clock down
10 front that will remind you of your time. When the
11 light turns green, your time has started. When the
12 light turns yellow, you have 30 seconds to wrap up
13 your comments. And when the light turns red, I ask
14 that you please sit down and --- for the next person
15 to be able to speak.

16 If you have written notes or testimony
17 from which you will read, when you're finished if you
18 could give a copy to the court reporter, that will be
19 helpful. The court reporter is sitting down here, off
20 to my left.

21 Please note it is the intent of the
22 Board that it will hear again from SugarHouse Casino
23 at the Board's public meeting on May 15th concerning
24 the proposed changes to the 2009 building plan. And
25 it may or may not be in a position at that time to

1 make a decision to grant, deny or condition the
2 requested changes.

3 Before we begin with SugarHouse's
4 presentation, I understand that Councilman Mark
5 Squilla is here and would like to make some comments
6 to the Board. And before you begin, if you would have
7 the court reporter swear you in, that would be
8 helpful.

9 -----
10 MARK SQUILLA, HAVING FIRST BEEN DULY SWORN, TESTIFIED
11 AS FOLLOWS:

12 -----
13 MR. SQUILLA:

14 Good afternoon. Thank you for having me
15 here today. I just wanted to say a few things about
16 the expansion of the SugarHouse Casino. Chairman Ryan
17 and members of the Gaming Control Board, my name is
18 Mark Squilla. I'm the Philadelphia District
19 Councilman that represents the SugarHouse Casino area.

20 I'm here today to express my support for
21 the SugarHouse Casino's Petition for Approval to
22 Modify its Phase 1A expansion. I've been very
23 impressed with how SugarHouse has conducted itself as
24 a corporate citizen since I was sworn into office
25 January 2012. Their community benefits agreement with

1 the surrounding neighborhood has resulted in the total
2 payment of \$1.68 million to date, with at least a
3 million dollars annually in future phases.

4 The funding has provided critical
5 support for neighborhoods that badly need such
6 improvements. This allows them to decide and to work
7 with the Penn Treaty Special Services District on how
8 it should be spent. Further, SugarHouse is involved
9 in many events, institutions of great importance in
10 our city and especially my district, including the
11 Mummers Parade, New Year's Eve fireworks, Welcome
12 Festival, Susan G. Komen For the Cure, Philadelphia
13 NAACP, Philadelphia OIC, Welcome Center for New
14 Pennsylvanians, William Grady (phonetic) High School,
15 Police Athletic League, and the Citizens Crime
16 Commission for the Delaware Valley.

17 SugarHouse has also helped the bottom
18 line of our city and the school district as well.
19 Through March 31st, 2013, SugarHouse has produced
20 total revenues of nearly \$300 million generated to the
21 City of Philadelphia and the Commonwealth of
22 Pennsylvania. \$34.8 million went directly to the City
23 of Philadelphia, with \$15 million of that going to the
24 Philadelphia School District. Of course, the tax
25 revenue that was sent to the state has helped to

1 reduce the city wage tax as well.

2 As part of their deal with the city to
3 build and now expand, SugarHouse has signed an
4 Agreement to Negotiate by Mayor Nutter's team that
5 will have the casino pay \$32.8 million to the city
6 over the next ten years, while also insuring public
7 access to the Riverfront walkway, critical
8 infrastructure improvements in the neighborhood.

9 The casino looks like Philadelphia.
10 SugarHouse's 1,063 employees are 58 percent from
11 Philadelphia, 49 percent minority, 41 percent women,
12 and 69 percent Pennsylvania residents. It spends
13 within the region, as well as with 41 percent of
14 Philadelphia businesses and 64 percent within the five
15 surrounding counties.

16 The concerns expressed by naysayers
17 about crime have not really materialized. As Captain
18 Mike Crane from the 26th Police District recently
19 testified, crime has gone down in the area surrounding
20 SugarHouse since the casino has opened, yet SugarHouse
21 is not yet what everyone hoped for either.

22 My constituents would like to see more
23 jobs available. They want a garage for parking. Like
24 to see more amenities and casino-like restaurants and
25 banquet space. They want to see more waterfront space

1 and a continuation of the Riverwalk trail. They also
2 would like to see additional tax revenue for the city
3 and for the school district. For these reasons, the
4 City of Philadelphia needs SugarHouse to expand as
5 soon as possible.

6 This particular expansion proposal is an
7 effort to balance the needs to the city, the local
8 neighborhoods and SugarHouse. SugarHouse consulted
9 and met with the community and the city on their
10 original expansion plan and have developed a plan that
11 addresses their concerns and is best for all parties.
12 I am confident that the expansion will finally allow
13 SugarHouse to realize its potential and further
14 deliver on its promises. For all these reasons I
15 respectfully ask you to approve SugarHouse Casino's
16 plan for expansion. And I thank you for your
17 consideration on this matter. Thank you very much.

18 PRESIDING OFFICER:

19 Thank you. Would the court reporter
20 please swear any witnesses from SugarHouse before they
21 begin their presentation. Please stand up if you're
22 going to provide testimony.

23 -----
24 WITNESSES SWORN EN MASSE
25 -----

1 MR. KEATING:

2 Good afternoon, Director Lloyd, Mr.
3 Chairman, and members of the Board. Today we're going
4 to give you an overview of the proposed modifications
5 to the approved 2009 expansion plan, explain the
6 rationale for why we're making the proposed
7 modifications, and why it is a better plan and design
8 than what the Board approved back in 2009. With me
9 today to my immediate right are Terry McKenna, the
10 Executive Vice President of Keating Consulting; Greg
11 Carlin, the CEO of SugarHouse Casino; Ian Cope,
12 principal with Cope Linder Architects; and Wendy
13 Hamilton, the general manager of SugarHouse Casino.
14 And with that, I'm going to turn it over to Greg to
15 begin the presentation.

16 MR. CARLIN:

17 Thanks, Michael, Director Lloyd,
18 Chairman Ryan, members of the Board. We are very
19 happy to finally be here, seeking approval of our
20 expansion plans.

21 As most of you probably remember, our
22 original plan was delayed significantly by local
23 opposition. And when we got started on our
24 construction, we were actually the first casino in the
25 country to get financing after the great recession.

1 So, after two-and-a-half years of operating, we feel
2 that our expansion plan before you today is actually a
3 much better plan than the original plan that was
4 approved in 2009.

5 Post approval in 2009, we purchased
6 additional land north of our site, a five-acre parcel,
7 and we've incorporated that additional land into this
8 new plan. We worked closely with the city. After the
9 previous approval, they were concerned about our
10 garage height. In the original plan it was a
11 ten-story garage. They really wanted us to be lower,
12 a seven-story garage. They also wanted us to work on
13 access to the river and we've improved the access,
14 extended the river path that's open to the public, and
15 we've also incorporated a bike path on our new plan.

16 We've also incorporated over two years
17 of operating experience and lots of customer feedback
18 that we received during the design process. The
19 result is a better plan than the one that was
20 originally approved. The parking garage is better
21 designed and it's --- the mix of surface parking and
22 cover parking we think is better. We also believe
23 that the gaming mix is better. The original plan did
24 not include any poker tables, and this plan has poker
25 tables.

1 We've also designed a larger gaming
2 floor than what was in the original plan. You know,
3 one of the --- lots of feedback we get from our
4 customers is that it's very tight in the current
5 SugarHouse Casino. If you look at square footage per
6 gaming position, today it's roughly 22 square feet for
7 gaming position, which is on the low end for most
8 casinos. In the new plan I think we're going to be
9 about 29 square feet per gaming position. So, we're
10 actually increasing the amount of space for our
11 patrons which meets support.

12 We also have a better design in the
13 gaming experience. We've got a dedicated gaming area
14 which was not in the original plan. We've got more
15 food and beverage options. And we've added a meeting
16 and function space, similar to what we've done in
17 Pittsburgh, which has been a big success in
18 Pittsburgh, at the Rivers Casino there, and so we ---
19 this was something that was not in the original plan
20 in the SugarHouse expansion.

21 We also believe that the plan allows for
22 better future expansion. We can expand the garage, we
23 can expand the casino. We've got a pad to add a hotel
24 if demand warrants down the road. So all in all, we
25 believe that this is a better plan than the one

1 previously approved in 2009.

2 Just to go over some numbers. We
3 planned our current budget for this expansion plan.
4 It's \$155 million. If you add that to what was
5 previously spent, the total project, we will have
6 invested about \$550 million in the plan, once the
7 expansion's complete.

8 We're currently working to secure
9 financing. We expect to close on our financing by the
10 end of this month. And we also expect that we're
11 going to put 1,600 construction workers to work on
12 this project and create 450 new permanent casino jobs.
13 Those are primarily table game dealers and also food
14 and beverage workers.

15 I'm going to now pass over to Ian Cope,
16 who's our architect based here in Philadelphia. He
17 was the original architect when we built SugarHouse.
18 And he's designed the expansion as well. Thank you.

19 MR. COPE:

20 Thank you. Thank you and good
21 afternoon. We're very happy to be here needless to
22 say. What I'd like to do first is kind of refresh you
23 on where we are now, which is consistent with the plan
24 you approved, this body approved, in 2009 and provide
25 an update on the expansion plan on what we currently

1 refer to as Phase 1A. I'll try to concisely provide
2 both a qualitative and a quantitative comparison and
3 what was previously approved and revisions and what we
4 consider to be substantial improvements that we are
5 now proposing.

6 As Greg mentioned, in 2009 sometime
7 after the Board's approval of the plan, we acquired an
8 abutting lot of about five acres. The advent of this
9 additional land provided tremendous opportunities to
10 more thoughtfully rethink the expansion plan, as well
11 as meet the city's objectives for an enhanced and
12 extended waterfront experience.

13 The slide here is something of a
14 side-by-side comparison of the May 2009 scheme on the
15 left, and the image on the right represents the
16 current approved plan by the City of Philadelphia.
17 This was approved in 2011 by the city as we were going
18 through their process.

19 On the left you can see a very large
20 ten-story garage that Greg referred to that really
21 gets very close and approaches Delaware Avenue. The
22 fly in the ointment with that garage design was based
23 on site limitations and size of our parcel, was that
24 you had to construct the entire garage at one time.
25 It couldn't be phased to meet market demands. Sort of

1 a one-shot deal.

2 The image on the right depicts a
3 different garage. Because, with the advent of the
4 additional land to the left and the north, we were
5 able to lower the garage, as Greg said, to about seven
6 stories. So, we've knocked off about three stories, a
7 considerable amount of height, and keep the footprint,
8 at least for now, far back off Delaware Avenue and
9 accomplish a much better, safer garage for customers.

10 Now, I would like to address a more
11 quantitative comparison. The figures on the left
12 represent the figures from the 2009 expansion plan,
13 and on the right, the modified plan that we're
14 proposing today and then one that was already approved
15 by the city.

16 The gaming floor area proposed in 2009
17 are now comparable at 80,000 square feet. In fact, we
18 think we'll have a little more square footage on the
19 actual gaming floor proper. And subject to approval,
20 future approval by this Board, we may even be able to
21 expand within the confines of that with added gaming
22 machines as market conditions warrant.

23 I should also point out, as Greg said,
24 the gaming floor has been right sized to permit a more
25 spacious and a less dense layout of all the gaming

1 positions throughout both the existing building and
2 the future building. We think our customers will
3 appreciate this.

4 With respect to the number of proposed
5 gaming positions, you may recall that table games had
6 not been approved back in 2009, when we had proposed
7 only 3,000 slot machines. Since the presentation of
8 that plan, and shortly before SugarHouse opened in the
9 fall of 2010, the enabling legislation for table games
10 came through, and we quickly revamped our casino plan
11 to accommodate same.

12 As you're aware, there's been very
13 significant and robust demand for table gaming among
14 our customers. So, the proposed mix of gaming has
15 changed somewhat. We're presently proposing a total
16 of 1,900 to 2,200 slots and between 80 and 90 total
17 table games, plus an additional 25 to 35 poker tables
18 in the dedicated poker room.

19 The number of food and beverage venues,
20 which would include restaurants, food courts, and
21 lounges has actually been increased from a total of
22 seven to eight such venues in the new facility to
23 serve roughly a comparable number of patrons that we
24 envisioned back in 2009.

25 Suffice it to say, SugarHouse customers

1 will be afforded many choices in the type and price
2 point of their dining options. You may also note that
3 back in 2009 we proposed a total of 3,645 parking
4 spaces, which included that mammoth ten-story garage,
5 with a little over 3,200 spaces. And surface parking,
6 which by the then current city ordinances which has
7 since been revised, was limited to ten percent of the
8 total parking to be provided.

9 As I mentioned, for logistic and site
10 constraints, it wasn't feasible to design and then
11 build the garage in phases. So, we would have to
12 build the whole thing far exceeding any rational
13 market demand and far exceeding the required parking
14 by the current ordinances, which has proven to be more
15 than adequate. By contrast, the current city-approved
16 plan calls for the construction of a 1,500-car garage,
17 seven stories in height, and approximately 940 surface
18 parking spaces, which some customers actually prefer,
19 arrayed around the site and properly landscaped lots.
20 The city whole-heartedly endorses a smaller garage and
21 this new approach to the site plan.

22 Equally important, as Greg also noted,
23 the new garage is much safer and much more customer
24 friendly, with fewer ramps and at each level provides
25 patrons with broad flat floors and parking aisles that

1 take them right to the elevator, which descends to the
2 casino level. This is a vastly-improved garage.

3 Space allocation for gaming support,
4 such as the cage, the Gaming Control Board and State
5 Police offices will remain unchanged in the new plan.
6 One major change between the 2009 plan and the
7 proposed iteration now, is the addition of the new
8 multi-purpose event space above the casino level on
9 the second floor. Our 2009 plan had no such large
10 floor and assembly space. We simply didn't have space
11 for it on the north side. This new event center will
12 essentially be a flat-floor ballroom, very flexible,
13 of about 12,000 square feet, with a capacity to handle
14 live performances and modest concert events, sit-down
15 social and large banquets, tournaments and large-scale
16 promotions, and will have more than ample breakout of
17 pre-function spaces, not to mention a large outdoor
18 deck overlooking the river.

19 Here's some schematic views of the
20 proposed project. The uppermost image is what you
21 might see if you were sort of hovering over the
22 Delaware, sort of looking west. That's the Waterfront
23 trail in the foreground. You can see the existing
24 casino is on the far left. That's the one-story
25 piece. You can see where it pops up to the proposed

1 two-story podium, and then the seven-story garage in
2 the background.

3 On the lower right, a little hard to see
4 at that scale, but you can see what will be seen from
5 Delaware Avenue, from the west side, sort of
6 approaching the casino with the new garage in the
7 foreground on the left, the two-story podium in the
8 middle. We're also applying living green walls, much
9 larger in scale than the ones that at the current
10 entrance that you may have see, but they tend to
11 soften up the mass of the garage, make it a more
12 appealing and attractive entrance.

13 The highlights of the salient parts of
14 the new plan, we will be relocating a combined sewer
15 outfall, drainage pipe if you will, on Shackamaxon
16 Street to permit a more seamless horizontal expansion
17 all to the north and across the new lot. The new
18 seven-story parking structure will be erected north of
19 the existing casino, as originally contemplated in the
20 2009 plan.

21 A new centralized loading dock will be
22 under the garage and entirely away from customer view.
23 We're also incorporating the Delaware River Waterfront
24 Corporation's Riverfront Bicycle Trail into and across
25 the property. And this is already well underway.

1 We'll be further extending the public promenade right
2 along the river to get it all that much closer to
3 nearby Penn Treaty Park. For any of you that may not
4 be familiar with the promenade, it really is very
5 nice, well maintained and relaxing civic space used by
6 customers and neighbors alike. Extending this path
7 was very important to the city in their vision for a
8 publicly-accessible waterfront.

9 I should have also noted that we're
10 proposing to relocate the northernmost, or Shackamaxon
11 Street, entrance to our site by shifting the
12 signalized intersection to the northern edge of our
13 Ninth and Delaware Avenue footage. This will permit
14 easier traffic flow in and out of the site and guide
15 our customers right into the new garage.

16 Once the new garage and its central
17 loading dock is operational, we can finally demolish
18 the current loading dock, which we always viewed as
19 temporary, as it's a bit close to the main front door.
20 And this will be replaced with high-demand surface
21 parking near the new entrance and the new poker room.

22 The orange on the slide represents the
23 continuous gaming floor. The yellow represents food
24 and beverage outlets. And the gray indicates back of
25 house spaces and employee areas, which extend well

1 underneath of the garage, at the ground level. While
2 it may be hard to get overly excited about back of
3 house spaces, if you're operating a facility it sure
4 is important to management and employees alike. We
5 know this will further improve casino operations and
6 customer service. The new facility will provide ample
7 space for a new employee dining room, lockers, lounges
8 and other amenities, storage and warehousing
9 facilities, and a secured cash route to a new armored
10 car bay. In addition to the main porte-cochere
11 entrance and a smaller valet entrance that we already
12 have within the existing building, we're also
13 proposing to add one more additional public entrance
14 facing west. I think that's highlighted up there.
15 And this will coincide with where the new elevators
16 from the garage land. So, it will become a primary
17 access point. So that, obviously, will be a secured
18 and manned entrance.

19 As always been our goal, we'll be adding
20 a number of new venues to the riverfront proper, each
21 with splendid and dramatic views, including space for
22 two new restaurants, a steakhouse and an Italian
23 restaurant. A new high limits area and lounge as Greg
24 suggested, a new featured bar or lounge, which will
25 serve as the focal point in the middle of the expanded

1 gaming floor, and below the garage, a new floor outlet
2 food court, and again, the 25 to 35-table poker room.
3 The cage and all the other gaming support spaces will
4 also be relocated within the new expansion, but will
5 be of comparable, if not somewhat larger, size than
6 what we proposed previously.

7 I'll step lively through these next two
8 images because I know you're time pressed.
9 Fortunately, though, based on precedent and the way
10 the city's zoning and master plan approval process
11 works, we were given considerable latitude to make
12 interior program changes and plan adjustments within a
13 broad range of permitted uses, so long as the basic
14 footprint, the site access, the public amenities and
15 the exterior aesthetic conditions remain consistent.
16 Towards that end, we haven't been idle since the
17 city's approval in 2011, but, in fact, have made many
18 refinements to the interior gaming floor and
19 amenities, with more detail and careful consideration
20 given to what we've since learned about our specific
21 customer preferences in terms of gaming choices,
22 dining and other amenities. And this is simply a view
23 of the upper level event space and ballroom, which
24 we're confident will attract additional patrons and
25 new bookings, permitting SugarHouse to continue to be

1 the preeminent entertainment venue in Philadelphia.

2 I hope that we have demonstrates the
3 proposed expansion plan represents a substantially
4 similar program and layout to what was initially
5 presented in 2009 with some appropriate, noteworthy
6 and market savvy physical and aesthetic enhancements,
7 to make this an even better facility for our
8 customers. With that, I would like to turn it over to
9 Terry McKenna of Keating Consulting to address basic
10 timelines.

11 MR. MCKENNA:

12 Good afternoon, Chairman Ryan, members
13 of the Board. As Michael and Ian indicated, my name
14 is Terry McKenna. I'm with Keating Consulting. My
15 charge on the project is the overall development
16 manager. Today I just want to give you a very, very
17 brief overview of where we're at relative to permits
18 and approvals and the planned overall construction
19 schedule for the project.

20 As this Board is aware, we provide
21 monthly updates to the Gaming Control Board staff on
22 where we're at on the permits and approvals process
23 for the project. And within those updates, we
24 summarize back to what initially was our first
25 approval on this back in 2011 working with the City

1 Planning Commission to get approval of the plan that's
2 in front of you today. So, we have City Planning
3 Commission's approval of this plan so from the city
4 side we can initiate the permitting process, obviously
5 only if this Board approves it in the coming weeks.
6 But we're set from the city side.

7 In addition, relative to the Ogotten
8 (phonetic) parcel that was purchased to the north of
9 the property, we have secured this submerged land
10 license that covers that property. So, now all the
11 property owned by SugarHouse Casino has a submerged
12 land --- approved submerged lands license to ---
13 whatever impacts to the state-owned riverbed are
14 covered under those licenses.

15 We've obtained miscellaneous City
16 council ordinances to cover some minor variations in
17 our plan relative to how it ultimately works within
18 the Zoning Code. So, we're covered from the Zoning
19 Code currently. As the end of April of this --- last
20 week, actually, we submitted our traffic impact study,
21 updated traffic impact study to Pennsylvania
22 Department of Transportation and Philadelphia Street.
23 That report essentially reaffirms that SugarHouse
24 Casino has had virtually no impact on traffic within
25 the Delaware Avenue corridor and that there's plenty

1 of access capacity for that project.

2 We continue to work with the Department
3 of Environmental Protection on our earth disturbance
4 permit, which remains active from the first phase of
5 the project. So, we're covered in that regard. And
6 we continue also to work with the other city
7 departments on any of the other approvals that will be
8 required for the project. In fact, our next meeting
9 in that regard is scheduled for Tuesday, May 14th.

10 Regarding construction schedule, just
11 very briefly, we anticipate that we have approximately
12 a 24-month period from when this Board approves the
13 amended plan to when the new facility will be open.
14 Working in there is a roughly 20 --- I'm sorry, a
15 16-month actual construction schedule for the new
16 expanded facility. And as both --- as Greg indicated,
17 there will be a total of 1,600 construction jobs that
18 were created. That's about approximately a thousand
19 direct positions and 600 indirect positions. So, with
20 that, I'll turn it over to Wendy Hamilton, the general
21 manager for SugarHouse.

22 MS. HAMILTON:

23 Good afternoon, Director Lloyd, Chairman
24 Ryan, members of the Board. I think it's safe to say
25 that nobody is happier to be here today than I am, so

1 thank you for your time.

2 I want to just take a minute and talk to
3 you a little bit about what SugarHouse has become in
4 the two-and-a-half years that we've been open. Our
5 workforce, and Councilman Squilla alluded to this,
6 looks very much like Philadelphia. We employ just
7 over a thousand fabulous hospitality employees, 41
8 percent women, 49 percent minority, 58 percent
9 Philadelphia residents, and 69 percent Pennsylvania
10 residents. Our management team is 39 percent women
11 and 36 percent minority. Ninety-two (92) percent of
12 our workforce are full-time team members, the balance
13 tend to be dealers that also, you know, still work at
14 some of the houses in Atlantic City. Half of our
15 employees are day-one employees, they've been with us
16 since the day we opened. And 191 of our team members
17 have been promoted internally since we opened.

18 On this next slide it looks like we have
19 a little spacing problem. As you can see, what this
20 is meant to say, the 2009 --- the plan approved in May
21 of 2009 showed a total of 1,100 job positions after
22 Phase 1A was complete. As this plan stands, we're at
23 just under 1,100 today. And after this plan would be
24 complete, we'd be at approximately 1,500 full-time
25 employees.

1 We have a really great employment
2 package because we have really great employees. We
3 worked very hard to find great people. We auditioned
4 them for their enthusiasm and their energy. And the
5 best thing that we can do from a business standpoint
6 is make sure that they want to stay with us and that
7 they're happy and motivated. And so competitive
8 wages, every year we go out and proactively do a wage
9 survey in the area among all other similar hospitality
10 organizations and make sure that our wages are at or
11 better than the local going rate for any particular
12 job. In addition, we offer Blue Cross and Blue Shield
13 medical benefits. Seventy-five (75) percent of our
14 eligible team members are participating in the company
15 medical plan. That's a high number when you consider
16 that many employees also have the option of a spouse's
17 plan.

18 Seventy-eight (78) percent of our
19 eligible team members are participating in the company
20 dental plan and we do fund the majority of healthcare
21 premium costs. It depends on which plan you choose,
22 but it's 80 percent plus that SugarHouse covers.

23 The 401(k) is really a terrific plan.
24 The company matches 100 percent of your first three
25 percent contributed and 50 percent of the next two

1 percent contributed, with a hundred-percent immediate
2 vesting. So, when a person joins the 401(k) upon
3 being hired, that's a hundred-percent immediate
4 vesting. And 93 percent of our eligible team members
5 are participating in that company-sponsored plan.

6 In addition, because we value our great
7 employees so much, we make sure that we make them
8 comfortable in every possible way. As you know,
9 Federal Medical Leave kicks in after one year of
10 employment. We offer our employees SugarHouse leave,
11 which is a similar program. They are eligible for it
12 day one of their employment with us. In addition to
13 that, they have four SugarHouse days, which are kind
14 of like freebies, and 16 paid time-of days. We offer
15 tuition reimbursement up to \$5,000 a year for any
16 related coursework to any eligible employee, domestic
17 partner benefits. We have no-cost employee vision
18 coverage, no-cost long-term disability, a service
19 bonus program, which allows any frontline employee to
20 earn up to \$150 per quarter for customer survey
21 results. Everybody gets an annual merit review and an
22 increase based on their performance in the previous
23 year. We have Sweet Rewards Recognition, where if we
24 catch you doing the right thing, we give you money for
25 it. And again, promotions from within a large part of

1 our culture. And that's just part of our page full of
2 benefits that we offer to our employees.

3 We are happy to say that this strategy
4 has been very successful and our employees are happy.

5 Four times in the two-and-a-half years that we've
6 been open we've been voted twice in the Philadelphia
7 Business Journal Best Places to Work, 2011 and 2012,
8 which just came out, was just announced. In 2011, we
9 were a bronze winner. In 2012, I'm happy to report we
10 were a gold medal winner. I told you they were the
11 best. And also, 2012 and 2013, twice again with the
12 Philadelphia Inquirer, the first year, 2012, was 16th
13 place, and this past year we just earned fifth place.
14 You guys rock.

15 It's also been very important to us to
16 be a good neighbor. As Greg mentioned and Councilman
17 Squilla as well, we did form with the neighbors before
18 we opened in the Penn Treaty Special Services
19 District, which we give \$500,000 to each fall. That
20 goes to a million dollars annually after this
21 expansion. And that money goes to the board of the
22 SSD to do with as they see fit in the neighborhood.
23 So, the projects, to date, have been, you know, things
24 like new uniforms for a kid's team, new roof on a
25 civic building, new sod on an athletic field, this

1 kind of thing. And I also heard lots of conversation,
2 you know, potentially, this is all still future, but
3 about street cleaning and surveillance cameras in the
4 area. So it's a nice chunk of change for the
5 neighborhood, to make improvements in the
6 neighborhood. We also offer internships to students
7 that live within the ZIP Codes adjacent to us that are
8 part of the special services district. We currently
9 have five interns on our team.

10 We love being a good corporate citizen.
11 Many of these were mentioned by a couple of us
12 already. I'll make it quick, but we are the title
13 sponsor of the SugarHouse Casino Mummings Parade. We
14 are the title sponsor of the New Year's Eve fireworks.
15 We also participate as well as give checks to the
16 Susan G. Komen For the Cure effort, Race Street Pier,
17 26th Police District, ACHIEVEability, Police Athletic
18 League. The list goes on and on. And there's an even
19 longer one in the appendix, if you're so inclined.
20 But it's very important to us to be part of the fabric
21 of Philadelphia, and so we've picked out organizations
22 that are important to our customers and important to
23 our employees and we make sure that we support them
24 with our hours as well as our dollars.

25 We were very proud just about ten days

1 ago to be named number 22 on the list of
2 Philadelphia's most charitable givers. Now, these
3 numbers are for 2011. And while usually we like to be
4 number one, with companies the likes of Wells Fargo,
5 Comcast, Deloitte and U.S. Airways ahead of us, we are
6 happy to be number 22 on this list. I think that
7 speaks to our commitment to this community.

8 Our economic impact I know you are
9 somewhat familiar with, but you know, just under \$300
10 million in tax revenue generated for the Commonwealth
11 and the city since we opened, \$264 million to the
12 Commonwealth, \$35 million to the City of Philadelphia.
13 That's \$22 million local share assessment and \$13
14 million in various other taxes and fees that we pay.
15 \$146 million was spent with local vendors in
16 Philadelphia and the surrounding counties since we
17 opened. And in the most previous 12-month period, 30
18 percent of our spend is with minority and women-owned
19 vendors.

20 We are ripe for expansion. You know,
21 like I said, I don't think anybody is happier to be
22 here today than I am. And I know that the folks that
23 have joined me from the operation in the back of the
24 room feel the same way. Our customers have spoken.
25 The city has spoken. We are ready for more amenities.

1 Our customers have told us they need additional food
2 and beverage options. We knew this. The day we
3 opened in September of 2010, September 23rd, 57 people
4 asked me on the way in the door how do I get into the
5 poker room. I said, give us a few years. So, it's
6 time for us to add a poker room to this facility. The
7 demand is there. Also, additional table games. Ian
8 went through with you the gaming position calculation
9 that was earlier in the presentation. The table games
10 at this location really have just taken off, and so,
11 while our slots also boast the highest win per unit in
12 the State of Pennsylvania, our table games have had
13 twice the win per table of any Pennsylvania operation,
14 by comparison. So, we definitely need the additional
15 table games.

16 The event center, we can fill it
17 tomorrow. We already get enough requests for anything
18 from weddings to corporate events. The views are
19 wonderful, and I think folks know that. And they like
20 the additional entertainment option that's in our
21 building, i.e. the gaming. And so we turn a lot of
22 events today just because we don't have the space to
23 entertain it and also more elbow room. Any of you,
24 you've all been there, it's tight. It's very tight.
25 It's tight on a Tuesday morning, and it's tight on a

1 Saturday night. So, we just need some more space in
2 addition to additional gaming units and the amenities.

3 In conclusion, this is a better plan,
4 this is a smarter plan, because we've got
5 two-and-a-half years of operation now to have learned
6 exactly what it is that our customers want and exactly
7 what it is that our neighbors are comfortable with.
8 And with your approval, we cannot wait to get started.
9 Thank you.

10 PRESIDING OFFICER:

11 Mr. Squilla, you wanted to move the
12 PowerPoint into the record?

13 MR. SQUILLA:

14 Yes, please.

15 PRESIDING OFFICER:

16 We'll mark that as SugarHouse Exhibit
17 One for today's hearing.

18 (SugarHouse Exhibit One marked for
19 identification.)

20 PRESIDING OFFICER:

21 Okay. We will now move on to the public
22 testimony. I believe Senator Farnese has given us
23 some comments that he would like to be read into the
24 record. And when I do call your name later for the
25 public input, come to the microphone where they're

1 standing right now. We'll hear you from there.

2 ATTORNEY SHERMAN:

3 For the record, we have two statements
4 that were provided today, one by Senator Lawrence
5 Farnese, the other by City Council President Darrell
6 Clarke. Neither individual, although they wanted
7 their statements placed into the record, could be
8 present due to other obligations, and they asked that
9 I --- each be read into the record.

10 The first statement by Senator Lawrence
11 M. Farnese, Jr. Senator of the 1st Senatorial District
12 here in Philadelphia. Dear Chairman Ryan and Board
13 members, I am pleased to have the opportunity today to
14 address the Board in support of SugarHouse Casino's
15 proposed expansion. Since it opened in 2010,
16 SugarHouse has grown to employ nearly 1,500 workers,
17 the majority hailing from Philadelphia.

18 Management has worked closely with local
19 neighborhoods, city officials and law enforcement to
20 ensure that it is a good neighbor, and they have
21 succeeded. Activity has been added to a waterfront
22 area which was dormant for too long. Concerns about
23 parking and traffic congestion have been addressed.
24 Through partnerships with the Philadelphia Police
25 Department and the creation of the Penn Treaty Special

1 Services District, SugarHouse annually contributes
2 \$500,000 or more to local needs.

3 As I mentioned in my testimony regarding
4 Philadelphia's next casino, the Gaming Act has many
5 goals, revenue, job creation, support for tourism and
6 economic development. SugarHouse's proposed expansion
7 will further each of these goals. The expansion will
8 increase gaming facilities, bringing the gaming floor
9 from 51,000 square feet to approximately 90,000 square
10 feet, increased gaming space will increase revenue to
11 the Commonwealth, as well as the city and the school
12 district through local share assessment.

13 The expansion will include meeting
14 space, new restaurants, a parking garage and increased
15 access to the Delaware waterfront. I applaud and
16 encourage SugarHouse's effort to work with
17 Philadelphia's planning community to ensure that they
18 are good stewards of waterfront development.

19 Most importantly, the expansion will
20 bring more than 700 construction jobs and 500 new
21 permanent jobs to my district, many of which will be
22 locally sourced from the surrounding neighborhoods.

23 SugarHouse was named to the Best Places
24 to Work List in 2011, and I'm glad that they will
25 continue to provide even more family-sustaining jobs.

1 I would especially like to express my appreciation to
2 Wendy Hamilton and her staff at SugarHouse, who have
3 been extremely responsive and bring a sense of
4 vitality and energy to this project. I
5 enthusiastically support the proposed expansion and
6 encourage the Board to grant SugarHouse's petition.
7 Thank you for your consideration and the opportunity
8 to testify today. Again, that statement was submitted
9 by Senator Lawrence M. Farnese, Jr.

10 The next statement is on the letterhead
11 of the City of Philadelphia, City Council, Office of
12 the President, Darrell L. Clarke. Dear Chairman Ryan,
13 I'm writing this in support of SugarHouse Casino's
14 Petition for Approval to Modify Phase 1A Expansion.

15 Since opening in 2010, SugarHouse has
16 kept its promise to be a good neighbor and good
17 corporate citizen. To date, SugarHouse has generated
18 more than \$285 million in revenue to the City of
19 Philadelphia and the Commonwealth of Pennsylvania. Of
20 the more than \$285 million in revenue, more than \$30
21 million went directly to the City of Philadelphia and
22 the School District of Philadelphia.

23 In addition, SugarHouse has kept its
24 commitment to the Penn Treaty Special Services
25 District, making annual contributions of \$1.8 million

1 to date, and more recently, implemented the Social
2 Services District Internship and College Training
3 Programs, which are open only to residents of the
4 neighboring community.

5 SugarHouse committed to hiring a
6 significant number of Philadelphia residents, women
7 and minorities, to staff the casino. Of SugarHouse's
8 nearly 1,100 employees, more than half are
9 Philadelphia residents. And women and minorities each
10 make up more than 40 percent of the workforce, another
11 promise made and kept.

12 SugarHouse is also committed to
13 aggressively seeking out and utilizing qualified MBE,
14 WBE and LBE firms throughout all phases of the
15 project, and they continue to make progress towards
16 meeting the goals, as outlined in the economic
17 opportunity plan.

18 Given SugarHouse's performance to date,
19 I am confident that with this next phase of expansion,
20 SugarHouse will continue to be good for Philadelphia
21 through increased job opportunities for Philadelphia
22 residents, continued charitable giving, increased
23 utilization of minority and women business
24 enterprises, and Philadelphia vendors and continued
25 and increased financial and in kind support of the

1 immediate neighboring community. For all these
2 reasons, I am respectfully requesting that you approve
3 SugarHouse's Casino plan for expansion. Sincerely,
4 Darrell L. Clarke, President of Philadelphia City
5 Council.

6 PRESIDING OFFICER:

7 Again, I'll remind everyone as we move
8 forward with the community group representatives, you
9 will each have five minutes to speak. The timer will
10 be running, and the stop clock is down here, in front
11 of the table.

12 I have about 24 names of people who
13 registered. If you registered to speak today, will
14 you please stand and we'll have you sworn by the court
15 reporter.

16 -----
17 WITNESSES SWORN EN MASSE
18 -----

19 PRESIDING OFFICER:

20 Our first speaker is Timothy Breslin
21 from the PTSSD. And I will apologize ahead of time.
22 There are some names on here that I know I will
23 mispronounce. So, I'm sorry when your name is
24 incorrectly called.

25 MR. BRESLIN:

1 Good afternoon, ladies and gentlemen.
2 My name's Tim Breslin, and I live within 500 feet of
3 SugarHouse Casino. And I couldn't be happier to have
4 SugarHouse as my neighbor.

5 A couple of years ago, before SugarHouse
6 broke ground, it was a lot. It sat empty for 25
7 years. It didn't generate one dollar of revenue. Now,
8 SugarHouse has over a thousand employees, all paying
9 taxes to the City of Philadelphia. SugarHouse has
10 been committed to hiring local. SugarHouse has been
11 working with the local vendors and businesses to help
12 them. And I believe SugarHouse is the only casino in
13 the State of Pennsylvania that gives funding back to
14 the neighborhood.

15 I sit on the Board of the Penn Treaty
16 Special Services District, I co-chair that board.
17 Every year SugarHouse gives 4500,000 to that board.
18 After the expansion, they'll be giving a million
19 dollars every year to that board. That board consists
20 of the several neighbors around SugarHouse Casino.
21 And that money gets disbursed to local groups and
22 organizations through a grant request process. People
23 come here and some of the people and organizations who
24 have benefited from that are our own veterans. They
25 needed air conditioning in their building. They

1 needed a roof on their building, on their post and was
2 happy to do that. The elderly, the senior centers,
3 the nursing homes came to us for flooring, for
4 handicap ramps. And it's a great job that we have to
5 give out the funding provided to us by SugarHouse.
6 It's terrific. I love doing it. Every month we meet.
7 The art groups, we actually put funding up so our
8 children in the neighborhood can learn how to play a
9 musical instrument. The sport's organizations. Up to
10 2,000 children in that area surrounding SugarHouse
11 benefit from SugarHouse. They might not know it, but
12 they do. We're supportive of buying uniforms, soccer
13 balls, footballs, basketballs, equipment. We keep the
14 fields in shape. We help with play equipment. If you
15 were to leave with me today and walked around
16 SugarHouse and walked around the neighborhood, you
17 would see a T-Ball game that goes on this evening.
18 Three years old, they're hitting the baseball, proud
19 as could be. Life is good, a new T-shirt, hat, new
20 field, new equipment. They don't realize it's all
21 coming from SugarHouse, it's benefit. Tonight I'll
22 take that walk and I'll walk back to my house. On the
23 way back, I may wave to a couple veterans. And as I
24 walk past their post, I'll look up, I'll see the
25 corner and I'll know that they have a new roof on

1 there. I also know when it gets a little warm,
2 they'll hit that air conditioning and it's going to
3 work.

4 The only thing that gets better is this
5 expansion. To get a million dollars a year would be
6 terrific. You can't have a better neighbor than
7 SugarHouse. Like I said, I'm there 500 feet away. I
8 don't see any parking issues, crime issues. I have
9 three children. My wife and I have been there for 20
10 years. I don't see any issues, and I'm proud to have
11 them as a neighbor. So, I proudly stand here to ask
12 you to really try and give, hopefully, approval to the
13 expansion. It only gets better with SugarHouse being
14 in my neighborhood. Thank you very much.

15 PRESIDING OFFICER:

16 Thank you. Jim Foy? Mr. Foy? Vincent
17 Giannini?

18 MR. GIANNINI:

19 Thank you. My name is Vince Giannini.
20 I am the vice president and general manager of PHL17,
21 a local television station here in Philadelphia. I am
22 very proud to have met Wendy and Linda Powers from the
23 marketing team a couple years back, and they have come
24 in and what I will --- the term to use is rescue the
25 Mummers Parade, keep it on television, allow us to

1 give significant funding to all of the Mummers groups,
2 which you know are 10,000 strong in the City of
3 Philadelphia and has been vital to the community in
4 keeping a 115-year-old tradition alive in this city.
5 And this expansion that we hope gets approved today or
6 somewhere in the near future will allow them to do
7 even more to help not only the Mummers but other
8 groups that you've heard about, but there are other
9 events that can come back to this city if they get
10 this event space. It's sorely needed. It is going to
11 be one of the most beautiful venues in the city, right
12 on the waterfront. You know, we go down there ---
13 besides them being our partner with the Mummers
14 parade, it is the home of the Phillies Post-Game Show,
15 live from SugarHouse Casino. And through that show
16 and with the camera angles that we're able to get in
17 there, although it's quite cramped today, we need a
18 little more space, so I'm looking forward to that.

19 We showcase for the entire population of
20 the Delaware Valley what a beautiful venue exists
21 right here at SugarHouse Casino and what this
22 waterfront can become once we, once again, expose it
23 to the population of the area. So, I can't say enough
24 about what professional partners they've been. Their
25 staff --- we come into their casino and they find a

1 way to coexist with a television show while other
2 things are going on live. So, I want to thank the
3 staff that's here for making us feel welcome each and
4 every week we're there.

5 And please know I also sit on a few
6 other boards in the city. Wendy happens to be a board
7 member along with me on the Police Athletic League.
8 And you know, the things they do for the community,
9 what they give back to all the charitable
10 organizations, it's truly remarkable. For a company
11 that's only been around a few years to get the
12 rankings that they've received and the honors and
13 accolades, my hat goes off to you guys. And I only
14 look forward to bigger and better things from them.
15 That's all I came to say. Thank you very much.

16 PRESIDING OFFICER:

17 Thank you. Maggie O'Brien from Fishtown
18 Action.

19 MS. O'BRIEN:

20 Good afternoon. My name is Maggie
21 O'Brien, and I am the president of Fishtown Action,
22 FACT. We are a community organization with a
23 registration of over 600 members. I first came before
24 this Board in 2006 and explained to you that my
25 community, Fishtown, was one that had long been

1 forgotten by local and state government. The things
2 that we had in our community were a result of us, the
3 community, fundraising, bake sales, flea markets,
4 candy sales, and the generosity of the few small
5 businesses that we had at that time. Our community
6 struggled to provide residents with things that other
7 communities take for granted, things like Little
8 League fields for our children, computer labs for our
9 schools.

10 The members of FACT believe that
11 SugarHouse Casino would be an asset to the
12 neighborhood. We believe that a Community Benefits
13 Agreement with SugarHouse would create jobs, create
14 funding for community organizations and turn a
15 blighted spot on our waterfront into a bright and
16 attractive attraction. We believe that SugarHouse
17 would remain committed to our neighborhood and that
18 they would keep lines of communication open,
19 addressing concerns and becoming a piece of the fabric
20 of our neighborhood. I am happy to say that we were
21 right. Our relationship with SugarHouse remains
22 strong. They have hired many community residents.
23 Delaware Avenue is now well lit. Many new businesses
24 have opened in the community. Realtors advertise walk
25 to SugarHouse Casino in their ads. And our Community

1 Benefits Agreement has provided neighborhood
2 organizations with funding for everything from
3 veterans groups, new school computers, improvements to
4 our library, art programs, a community town watch
5 website and two new ball fields for the children, just
6 to name a few.

7 In addition, SugarHouse has built strong
8 ties to the community. Their employees take part in
9 neighborhood activities. They can be seen lending a
10 helping hand at community events and parties and are
11 always willing to attend community meetings.

12 I am happy to say that, once again,
13 Fishtown Action supports SugarHouse Casino. We look
14 forward to the creation of more jobs for our residents
15 and more funding to our neighborhood. We believe that
16 as SugarHouse continues to grow, our relationship with
17 them and their ties to our community will grow even
18 stronger. We have built a solid foundation with this
19 organization, and we look forward to many more years
20 of continued success for SugarHouse and growth and
21 development for Fishtown.

22 PRESIDING OFFICER:

23 Thank you. James Schneller, from the
24 Eastern PA Citizens Against Gambling.

25 MR. SCHNELLER:

1 Hello. Thank you, Mr. Chairman and the
2 Board, all who attend. The Board may be well aware
3 that we --- may I ask a preliminary question? We
4 signed up also at 4227 as an association, and I had
5 requested in an e-mail yesterday that we be allowed to
6 present as an organization, even if only as an
7 organization, we appreciate the time.

8 PRESIDING OFFICER:

9 You are allotted five minutes as
10 community group at this time.

11 MR. SCHNELLER:

12 Thank you. Of course, we have been here
13 for the duration of the approval process and the
14 ongoing renewal process. I might remind the Board
15 that we maintain a well-founded position that a stay
16 certainly is in place, at least figuratively, because
17 appeals continue of the initial approval stemming from
18 the appeal we have in progress of the approval of CED
19 District, municipal --- section of the municipal
20 ordinance and all the relating issues that we've
21 raised regarding this application tolled by that last
22 in line appeal.

23 We were instructed in this appeal by way
24 of various agencies refusing to issue or reveal dates
25 of postage of the final order. So, our appeals have

1 been designated untimely. I'm pointing this out
2 because this ultimately --- or should result in some
3 kind of a stay or at least some measure of
4 understanding on your part. This appeal now continues
5 in Commonwealth Court once again at 595CD-2013.

6 We have a claim, standing alone, because
7 members that live within 1,000 to 2,500 feet. God
8 bless Fishtown. We would object to any implication
9 that Fishtown wasn't always a great place. But of
10 course, we've raised a lot of issues. We believe
11 we've stood for a majority of people in Philadelphia
12 who stand by these issues. There may be a dearth of
13 attendance here, but this is because of apathy and a
14 lot of feeling about the inevitable, which we do not
15 believe in. Our theme today, and it will be prompt,
16 in no way does this procedure you're going through and
17 this process not bear under the weight of the Category
18 II applications that are ongoing in Philadelphia for
19 the new casino. And we certainly hope and pray that
20 those considerations won't bear this in mind, you're
21 going from I to II, if the applicants all had their
22 way. An expansion here should be carefully considered
23 because of the implications. The implications on the
24 human side are growing at such a tremendous rate that
25 they can't be ignored. Recent evaluations, for

1 instance, have shown that less than five percent
2 typically are undertreatment of the thousands of
3 people who are habituated and suffering, never mind
4 people who feel habituated. Less than five percent
5 will seek treatment or undergo treatment. Is there a
6 solution to this? Probably not. So, we more than
7 lament for people. Out of 1,500 jobs, if you take
8 that figure, 15,000 people suffered in the
9 Philadelphia area to the point of losing a job. We
10 heard a mention of five internships. How many college
11 educations have been prevented by people who have
12 squandered the money? We can't look the other way
13 from this type of activity. We hope that you'll take
14 a balanced look at the whole situation.

15 We've been denied intervention, which we
16 are unhappy about. We note the OEC and the BIE really
17 haven't taken it upon themselves to provide a ---
18 look at the ethical core of the population, whereas
19 the law does provide for an appearance of impropriety
20 that the population certainly would enjoy. And if
21 gambling in all of our minds have implications, why
22 shouldn't someone with our standing keep a good look
23 at ethics and morality in the picture be continually
24 deprived of any participation whatsoever --- nearly
25 whatsoever.

1 In addiction is especially
2 unconstitutional, we believe. We see a process now
3 where the gambling infused into Pennsylvania has
4 directly affronted to the religious rights. We don't
5 believe that a state-created infusion of gambling was
6 ever intended. If gambling had existed all along, we
7 don't think it would be like this. People have smarts
8 and a continual infusion is derogating to our rights
9 as Pennsylvanians. We think that the decline of
10 goodness and ethics is a serious symptom. We note now
11 we have a hand-in-hand partner of pornography. There
12 are immense similarities between the addictions. And
13 studies are now showing the physiological reasons for
14 these kind of addictions. So, please, when you're
15 taking a look at these applications, consider the
16 people of Philadelphia. I thank the Board very much.

17 I make a final plea. Not only do we ask
18 you for statute intended balance between the two
19 casinos and the outer circumference of the suburban
20 casinos, we ask for a rotation of the organizations
21 receiving direct funding. We don't believe an
22 organization, Penn Treaty, pardon me, should be a
23 continual recipient. Rather, there should be a new
24 organization selected every two or four years.

25 BRIEF INTERRUPTION

1 PRESIDING OFFICER:

2 Let's keep our comments to ourselves.
3 This is Mr. Schneller's time and sir, your time is up,
4 so will you please have a seat.

5 MR. SCHNELLER:

6 God bless America.

7 PRESIDING OFFICER:

8 We will begin with the individuals that
9 have registered. You will each have three minutes to
10 speak. The first name I have is Paul Boni. Mr. Boni?

11 MR. BONI:

12 Good afternoon. My name is Paul Boni.
13 I live and work in the City of Philadelphia. I'm a
14 board member of the national advocacy group Stop
15 Predatory Gambling. I'm opposed to the expansion of
16 the SugarHouse Casino. Indeed, I believe its license
17 should be revoked.

18 I have three points to make regarding my
19 opposition to this expansion, gambling addiction,
20 crime and third, potential violation of environmental
21 laws. These all fall into the larger context of what
22 I believe to be lacking, which is a cost/benefit
23 analysis. We've heard a lot about the benefits. I
24 don't think we've heard anything about --- enough
25 about the costs. And I urge you to look at both sides.

1 Number one, gambling addiction. At
2 SugarHouse --- here's the question. At SugarHouse,
3 what percentage of the revenue comes from problem
4 gamblers. SugarHouse has stated publicly that 75
5 percent of its business comes from within 10 --- I'm
6 sorry, 12 to 15 miles, and that a large percentage of
7 its database comes three, four, five times a week.
8 SugarHouse knows who's gambling, how often and how
9 much they lose. So, what is the data about frequency
10 here at SugarHouse? In what ZIP Codes do the frequent
11 players live? All casinos have this data it's part of
12 their database.

13 The PGCB has an obligation to protect
14 the public interest. This means protecting citizens
15 from any and all predatory practices of casinos that
16 result in cultivating gambling addiction and making
17 sure that we minimize the amount of revenue coming
18 from problem gamblers.

19 So again, here's the question. What
20 percentage of SugarHouse's revenues come from problem
21 gamblers? And if you, the regulators, who have the
22 responsibility to the citizens, do not know the answer
23 to that question, then you should not approve an
24 expansion.

25 Crime, in the packet of information that

1 I'm submitting, I submit for the record statistics
2 compiled by local and State Police for the year 2012.
3 Specifically, as these records reflect, the
4 Philadelphia Police Department was called to
5 SugarHouse and to the area within 500 feet of
6 SugarHouse a total of 994 times in 2012. The
7 Pennsylvania State Police do not report the number of
8 calls, but they do report arrests. And in 2012, the
9 State Police made 161 arrests. These are costs that I
10 urge you to look into.

11 Finally, three weeks ago SugarHouse, to
12 the tune of \$650,000, settled federal government
13 allegations that the casino dumped pollutants into the
14 Delaware River during construction of the casino. The
15 United States asserts that from 2009 to 2010
16 SugarHouse and/or persons acting on its behalf,
17 discharged dredged and fill material into the waters
18 of the United States. Despite three cease and desist
19 letters by the Army Corps, SugarHouse performed
20 unauthorized work.

21 I'll wrap up because I see my time has
22 ended. I believe that this is a statutory criteria in
23 compliance with laws, including environmental laws,
24 and I ask you to look into this to determine if
25 violations have, in fact, occurred. And if so, to put

1 that into your decision of cost/benefit analysis. I
2 want to thank you for your time, and good afternoon.

3 PRESIDING OFFICER:

4 Thank you. And you have given the court
5 reporter a packet of information. We'll include that
6 in the written comments.

7 MR. BONI:

8 Thank you very much.

9 PRESIDING OFFICER:

10 William Burke?

11 MR. BURKE:

12 Good afternoon, and thank you for
13 allowing me to speak. My name is Bill Burke, Jr. I
14 am currently the vice president of the Philadelphia
15 Fancy Brigade Association. I've been a Mummer for 55
16 years, and I'm here to speak on behalf of my
17 organization and tell you what a wonderful job that
18 SugarHouse has done for the Mummies.

19 I am fourth generation, my father, my
20 son, and now they've given me the opportunity to bring
21 my three grandchildren, who are five, three and one.
22 I've been in this parade since 1950. I've seen a lot
23 of changes. Used to be 30,000 of us. Now there's
24 ten. But we're holding on strong because of
25 organizations like SugarHouse, who came to us in a bad

1 time and when we needed help. We came to them, we
2 spoke to them, their management and ---.

3 This organization has been around, they
4 say, since 1901. It's one of the oldest parades, folk
5 parades in Philadelphia. But in reality, this parade
6 has been going on since the 1600s down in south
7 Philadelphia. And it's part of Philadelphia. And we
8 needed help, and when we put our hands out, they
9 helped us.

10 Like I said, I don't have any big
11 speeches to read. I think that --- I'd like to thank
12 the Board for bringing them here. I've seen the plan
13 that they proposed. I think they lived up to their
14 end in the first part of their program. I think that
15 they are capable of living up to the second part of
16 their program. But as a Philadelphian, been a
17 Philadelphian for 64 years, a Mummer for 55 years, I'd
18 like to thank the Board for doing their job and ask
19 you, please, to support their plans. And thank you
20 for allowing me to keep this great tradition going on.
21 My three grandsons, Billy, Finnegan and Seamus would
22 be here dancing for your and would clap for you and
23 tell you, let's go, Pop. Let's keep this parade
24 going. Okay. Thank you.

25 PRESIDING OFFICER:

1 To keep this moving along, since we're
2 only at three-minute intervals, I'm going to call the
3 next speaker and then the on-deck person. So, if the
4 on-deck person just wants to kind of stand behind the
5 person who's speaking, so you'll be ready to step up
6 when they're finished. Our next speaker is Bill
7 Francisco. And our on-deck person is Chris Gubeno.

8 MR. FRANCISCO:

9 My name is Bill Francisco. I'm the
10 owner of a company called Fishtown Fleet Wash. And
11 I'm also president of one of the largest and most
12 active neighborhood groups in Fishtown.

13 My company started working at SugarHouse
14 almost six years ago in June, which is pretty good
15 since I've been open two-and-a-half. There hasn't
16 been on day since SugarHouse has opened that me and my
17 guys have been doing some sort of service for them.
18 Most of my guys walk to work, too. I may not look
19 like I do a lot of walking.

20 We do things for SugarHouse like
21 pressure wash the outside, pick up deliveries, ground
22 maintenance, et cetera. A few years back, when the
23 economy wasn't so good, I was afraid to think what
24 might have happened if our company wasn't a vendor for
25 SugarHouse. Today we're a thriving company and I'm

1 deeply indebted to SugarHouse.

2 Like I said, I'm president of a
3 neighborhood group. It's called Ancient Order of
4 Hibernians, which is an Irish Catholic organization.
5 We represent approximately 300 families in Fishtown.
6 And I can sincerely say there isn't one of my members
7 that have not been touched in a positive way by
8 SugarHouse, by way of a job or through the Community
9 Benefits Agreement.

10 I was there in the beginning, when
11 SugarHouse first came in our neighborhood and they
12 promised many things. I'm here to tell you they
13 delivered on everything they promised. I can't walk
14 20 feet in the casino without seeing one of my
15 neighbors working.

16 Our neighborhood is the birthplace of
17 our state. It's where William Penn made a treaty with
18 the Native Americans. This happened one block north
19 of SugarHouse. And in my humble opinion, SugarHouse
20 is the best thing that's happened in my neighborhood
21 since Mr. Penn signed that treaty. Thank you.

22 PRESIDING OFFICER:

23 We have Sarah Hensley on deck.

24 MR. GUBENO:

25 Good afternoon, Chairman Ryan, members

1 of the Board. My name is Chris Gubeno, and I'm vice
2 president of Urban Engineers, headquartered here in
3 Philadelphia. For over 50 years Urban has been
4 providing civil engineering and other design and
5 construction services to clients in the City of
6 Philadelphia.

7 Today I'm not only here to testify on
8 behalf of SugarHouse, but I'm also speaking on behalf
9 of the owners and senior management of Urban. Being
10 one of the larger engineering firms in the city, Urban
11 has the honor of being approached from time to time by
12 developers from other cities that are contemplating
13 starting a project in Philadelphia.

14 Over the past five years, there have not
15 been that many outside developers looking to start
16 projects in the city. As the economy continues to
17 pick up steam, hopefully this will change and those
18 opportunities will start to grow.

19 One of those opportunities is this type
20 of project which is in front of you today, the
21 proposal for the SugarHouse expansion, of
22 approximately \$150 million for the next phase. I've
23 provided engineering and land development services in
24 Philadelphia for the past 23 years, and this
25 investment presents an outstanding opportunity for the

1 continued development of the Delaware riverfront, a
2 goal made a priority by Mayor Nutter.

3 In the short two-and-a-half years since
4 SugarHouse Casino's opening, you began seeing initial
5 changes of what Delaware Avenue and the waterfront
6 could become. As the market begins to turn around,
7 developers are beginning to purchase and improve
8 properties along the corridor. The corridor will
9 continue to improve through SugarHouse's investment,
10 PennDOT's billion-dollar investment further north of
11 Girard Avenue and the investments currently made by
12 the local developers. These investments provide the
13 North Delaware Avenue corridor with the potential to
14 be the next great redevelopment area in the city.

15 To make this move, specific steps need
16 to be taken, one of those being by this Board,
17 approving SugarHouse's expansion plans. And then
18 SugarHouse subsequently moving forward to build what
19 is approved.

20 The City of Philadelphia has strived to
21 plan and develop an active waterfront for the past
22 30-plus years. SugarHouse Casino can be an anchor to
23 that waterfront plan, spurring subsequent substantial
24 development as it is and providing even more jobs and
25 tax revenue than the casino itself. This Board's

1 favorable vote will make a significant step in that
2 direction, and I encourage the Board to vote in favor
3 of the SugarHouse Casino's expansion plans later this
4 month. Thank you.

5 PRESIDING OFFICER:

6 And on deck, Joseph Rafter.

7 MS. HENSLEY:

8 Good afternoon. Thank you for allowing
9 me to speak today. My name is Sarah Hensley. I'm a
10 retired Philadelphia Police Officer, who left the job
11 after ten years experience, out on disability.

12 In September of 2011, I started working
13 at SugarHouse Casino as just a temporary employee.
14 SugarHouse Casino needed a temporary employee to cover
15 for a team member who was going out on medical leave.
16 That temporary employment assignment turned into a
17 full-time position as a wardrobe attendant. I love it
18 here at SugarHouse Casino. As I work as a wardrobe
19 attendant, I get to be entirely --- I'm sorry, I get
20 to interact with all the team members at SugarHouse
21 Casino. SugarHouse Casino employs a large, diverse
22 group of the most pleasant and friendly people they
23 have there. Everyone from the highest staff members
24 to the team member who parks my car are friendly and
25 are family to me. Outside of the job, we have

1 attended community functions like dragon boat racing,
2 Susan G. Komen's Race for the Cure and packing food
3 for needy families as of Philabundance.

4 When I first started at SugarHouse
5 Casino, I had no computer skills. I could barely
6 check an e-mail. Now, through the encouragement of my
7 supervisors, I can manage and maintain all computer
8 work that is needed to run the uniform room.

9 My supervisors are always inspiring and
10 encouraging me to better myself, elevate myself to a
11 higher position in the casino. As part of my duties I
12 get to walk through the casino and I observe friendly,
13 helpful team members that take care of all the
14 patrons' needs. There is always a joyful feeling
15 coming from the patrons and the staff. Everyone
16 always says hello.

17 I think a SugarHouse expansion would
18 help the casino provide a better environment,
19 entertainment experience for the community and the ---
20 and the community. And I am confident that it will
21 provide more job opportunity development for the
22 staff, who I know are up to the task. Thank you very
23 much, and have a great afternoon.

24 PRESIDING OFFICER:

25 We have James Julia on deck.

1 MR. RAFTER:

2 Good afternoon. My name is Joe Rafter.
3 I'm a paid consultant for SugarHouse Casino. Until
4 this past July, I was the Chairman of the Special ---
5 Penn Treaty Special Services District. The SSD, as we
6 called it, has dedicated funding from SugarHouse
7 Casino and to date has received \$1,675,000.

8 As you heard from Tim Breslin, Maggie
9 O'Brien, among others, the money has been put to good
10 use in our community. The SSD has helped senior
11 citizens, veterans, parks and ball fields among
12 others.

13 I'm also a neighbor. I live two blocks
14 away from SugarHouse Casino. Many of my neighbors and
15 friends are excited about the expansion of SugarHouse
16 Casino. The additional employment opportunities at
17 the casino, especially many construction jobs, that is
18 union construction jobs, that the expansion will
19 create.

20 When SugarHouse opened in September of
21 2010, over 20 percent of the thousand-plus jobs went
22 to the people who live in our community. SugarHouse
23 has a proven track record among the neighborhood.
24 Their staff regularly and generously supports local
25 events and important neighborhood association

1 meetings.

2 They have delivered on all of their
3 obligations of the Community Benefits Agreement and
4 then some. SugarHouse has been a true community
5 partner and has been the economic engine to create
6 much needed jobs.

7 We're very much looking forward to the
8 expansion of SugarHouse, not only for the past and
9 current contributions, but especially for the
10 potential of what is still to come for the benefit of
11 our city. Thank you for your time.

12 PRESIDING OFFICER:

13 Second call for James Julia. How about
14 Robert Kifer? And up on deck behind him, Chip --- I
15 want to say Laux, L-A-U-X.

16 MR. KIFER:

17 Good afternoon, Chairman Ryan and
18 members of the Board. My name is Bob Kifer. I'm a
19 project manager for Wyatt, Incorporated. Wyatt,
20 Incorporated is a family-owned company that's been in
21 business for over 40 years providing interior
22 construction and mill work services on some of the
23 largest projects in this region.

24 This afternoon I would just like to say
25 a few words relative to why I believe this Board

1 should approve SugarHouse Casino's expansion plans
2 later this month. As this Board is aware, back in
3 2009 SugarHouse started construction on the current
4 building, and all construction in the private sector
5 virtually came to a halt. Through the efforts of
6 SugarHouse ownership, when nobody else was able to
7 finance any sort of projects, the casino was able to
8 fund and construct the initial portion of the project,
9 providing over 500 --- providing over 50,000 man hours
10 to members of District Council 21 in the Carpenters
11 Union. These jobs were sorely needed, as was the
12 overall revenue to the Philadelphia marketplace.

13 Fast forward to present day. And while
14 the economy seems to be slowly improving from the
15 Great Recession, the construction marketplace in the
16 Philadelphia metropolitan area has lacked
17 considerably.

18 The proposed \$155 million expansion of
19 the SugarHouse Casino will go a long way aiding to the
20 recovery of the Philadelphia construction marketplace.
21 It will provide much-needed revenue to construction
22 firms, much of which have been getting by on slim to
23 no margins of the past five years.

24 The expansion plans presently by the
25 SugarHouse Casino here today represent an opportunity

1 to have a first-class casino in the City of
2 Philadelphia, with great dining options, entertainment,
3 customer convenience and riverfront access. It
4 represents an opportunity for SugarHouse to go further
5 to stimulate local economy, not only with additional
6 jobs and revenue for the city and state but also by
7 providing a further catalyst to the redevelopment of
8 the surrounding area and the city's waterfront plan.
9 That, in turn, will create another opportunity for the
10 city, state and the local contractors and labor to
11 capitalize upon the coming years, hopefully providing
12 a pipeline of work, the likes of which have not been
13 seen in the city for a long time.

14 Now more than ever, the city and state
15 need the SugarHouse Casino to continue to be a
16 successful venture and provide them with an
17 opportunity to expand and create further economic
18 opportunities. As such, I urge the members of this
19 Board to vote in favor of the expansion when they come
20 up for consideration later this month. Thank you for
21 your attention.

22 PRESIDING OFFICER:

23 Guy Pigliacelli's on deck.

24 MR. LAUX:

25 Good afternoon, members of the Board.

1 My name is Chip Laux. I'm the project
2 manager/estimator for Gordon Group Electric in
3 Feasterville, Pennsylvania. Gordon Group is one of
4 the larger electrical contractors in the Philadelphia
5 metropolitan area. And we regularly work on high-
6 profile, large, complex projects, including the first
7 phase of SugarHouse Casino.

8 As I'm sure the Board's aware, such
9 projects in the Philadelphia marketplace are a rarity
10 these days, as we continue to climb out of this
11 economic recession. The recession that particularly
12 is brutal on the Philadelphia contractors and the
13 labor forces.

14 This afternoon I'm here to provide
15 testimony on behalf of SugarHouse and their plans for
16 expanding the existing facility. In short, my
17 comments are focused on jobs and revenue.

18 In September 2009, a time that virtually
19 no construction was being started or, for that matter,
20 being contemplated by the private entity. SugarHouse
21 broke ground on an interim phase of the SugarHouse
22 Casino. In my humble view, this achievement alone
23 should be sufficient for the Board to grant permission
24 to expand the facility, given the obvious problems the
25 other casino license holder in Philadelphia could not

1 overcome at that time.

2 Over the course of the ensuing 12
3 months, through the worse winter on record in the city
4 relative to snowfall, SugarHouse pushed forward with
5 the construction in order to --- for the facility to
6 open and begin generating much-needed revenue for the
7 Commonwealth of Pennsylvania and the City of
8 Philadelphia, including local communities like
9 Fishtown.

10 Over that period, in excess of 83,000
11 man hours of work were created for local electricians
12 employed on that project. At a time when construction
13 projects within the City were quickly drying up and no
14 opportunities on the horizon, SugarHouse Casino's
15 project was a key component to the Philadelphia
16 construction marketplace and employed electricians,
17 who would otherwise be laid off due to lack of work.

18 Furthermore, it's my understanding that
19 approximately 1,100 direct, permanent and many
20 thousands of indirect jobs have been created by the
21 operation of the casino since its opening
22 two-and-a-half years ago. Again, these jobs would
23 have otherwise never been created without the Board's
24 approval of the SugarHouse Casino's license. Clearly
25 SugarHouse is a success relative to the promise of the

1 creation of jobs and revenue of the state and city.

2 Looking forward, SugarHouse's proposed
3 expansion plan will no doubt be equally successful if
4 not exceed the results to date, since further
5 amenities to the property will be added, including
6 multiple dining options, entertainment venue, parking
7 structure and exterior open space.

8 As a result of this very large
9 additional investment in the short-term the
10 construction marketplace will greatly benefit and in
11 the long-term citizens of Philadelphia, the
12 Commonwealth of Pennsylvania can look forward to many
13 more permanent jobs as well as significantly more
14 gaming revenue to aid reduction taxes, increasing
15 economic development. Gordon Group Electrical looks
16 forward to working with SugarHouse Casino with their
17 success in the city and urges the Board members vote
18 in favor of this expansion. Thank you for your time.

19 PRESIDING OFFICER:

20 We have Jay Rebock on deck.

21 MR. PIGLIACELLI:

22 Good afternoon, Chairman Ryan and
23 members of the Board. My name is Guy Pigliacelli, and
24 I am the Philadelphia County Business Agent for the
25 United Brotherhood of Carpenters Metropolitan Regional

1 Council of Philadelphia. Edward Coyrell is the
2 Executive Secretary/Treasurer of our Council.

3 This afternoon I come to this Board to
4 speak on behalf of unionized construction labor in the
5 City of Philadelphia and provide testimony on behalf
6 of SugarHouse, HSP Gaming, LP, as to why I believe
7 this Board should approve their Phase 1 expansion
8 plans.

9 The focus of my comments is on jobs,
10 specifically construction jobs, as well as the
11 integrity of a licensee that has provided the
12 opportunity for hundreds of city and state residents
13 to earn a living wage during a time that very few
14 private corporations are coming into the City of
15 Philadelphia or Commonwealth of Pennsylvania and even
16 fewer large construction projects that are moving
17 forward.

18 As this Board is aware, unemployment
19 over the last few years within the City of
20 Philadelphia and the Commonwealth of Pennsylvania has
21 been at levels not seen since the early 1980s. And
22 the construction trades in this city have been
23 especially hard hit. In fact, for the vast majority
24 of people in this room today, the economic environment
25 over the last five years has probably been the worst

1 that they have experienced during their entire working
2 career.

3 Now more than ever, it is important for
4 the Commonwealth of Pennsylvania and the City of
5 Philadelphia to attract quality corporations that can
6 provide citizens the working opportunities that they
7 deserve.

8 In 2006 this Board initially selected
9 SugarHouse, HSP Gaming, LP, for a gaming license in
10 the City of Philadelphia. And given the results, to
11 date, over the short 30 months that they have been in
12 operation, and it's clear that this Board made the
13 proper decision at the outset. SugarHouse, HSP
14 Gaming, LP, is the leading example of the type of
15 corporation that this state and city needs to attract,
16 to remain competitive with neighboring states and the
17 remainder of our country.

18 To that end, it's important that this
19 Board permit SugarHouse to expand their facility so
20 that they can remain competitive with the other gaming
21 operations, both in state and out of state. But more
22 importantly, at least to this Board, it is that
23 expansion will allow SugarHouse to be in a better
24 position to actually grow the gaming marketplace in
25 Philadelphia, which will ultimately create more

1 revenue for the state and city and more jobs for its
2 citizens.

3 To date, SugarHouse Casino has created
4 over 500 construction jobs, 500 jobs and over 1,100
5 permanent jobs. Nowhere else in the city or state,
6 with the exception of the other casino projects, have
7 that many jobs, been tremendous success. And moving
8 forward we need to ensure that it remains competitive
9 with other programs around the country. There are
10 proposed 140 ---.

11 PRESIDING OFFICER:

12 I'm going to have to ask you to wrap up
13 your comments. Your time is up.

14 MR. PIGLIACELLI:

15 Thank you so much for your attention
16 this afternoon.

17 PRESIDING OFFICER:

18 Thank you. Katherine Rhoads is on deck.

19 MR. REBOCK:

20 Good afternoon, Chairman Ryan and
21 members of the Board. My name is Jay Rebock. I'm a
22 project manager for Schnoll Painting, a commercial,
23 industrial and institutional painting contractor that
24 has worked on some of the more significant and
25 prestigious building projects in Philadelphia over the

1 past 60 years of being in business.

2 This afternoon I'm here to simply
3 testify on the quality of the licensee that is before
4 you today and to encourage the board to vote in favor
5 of their proposed expansion plans.

6 At Schnoll, we had the pleasure of
7 working for SugarHouse Casino through its initial
8 construction to present day, most recently completing
9 an assignment last week, which hopefully will enable
10 SugarHouse to proceed with their expansion plans.

11 I hear today that SugarHouse's expansion
12 proposal will have a price tag of over \$150 million.
13 Speaking as a contractor, that size of project is a
14 huge opportunity for the City of Philadelphia and the
15 Commonwealth of Pennsylvania to capitalize upon.
16 While the painting portion of a construction project
17 is fairly limited, all construction projects have a
18 painting component. As a result, we have the honor of
19 participating in lots of construction projects, some
20 small and some large, but no recent in the
21 neighborhood of that proposed sum. I can say for
22 certain that a \$150 million project in this recovering
23 economy is a rarity. I applaud the SugarHouse
24 ownership for moving forward to create a first-class
25 casino destination that the city and state can be

1 proud of.

2 Furthermore, the expansion project will
3 provide much needed jobs and tax revenue for the city
4 and state. I urge the members of this Board to vote
5 in favor of the expansion plans later this month.
6 Thanks for your time.

7 PRESIDING OFFICER:

8 Michael Samschick is on deck.

9 MS. RHOADS:

10 Good afternoon, my name is Katherine
11 Rhoads. I'm writing to you as a lifetime resident of
12 Fishtown and also a board member to several entities
13 that were mentioned today. I'm a working mother and
14 grandmother.

15 I'm asking your support in granting
16 permission to SugarHouse Casino to expand. SugarHouse
17 has been the neighbor it promised to be. They have
18 taken community seriously. They've committed to all
19 of our concerns each time they were presented. Most
20 of all, they have kept their word.

21 I believe a person or business is only
22 as good as their word. SugarHouse has given their
23 word and stuck by it. I look forward with utter
24 excitement to see the new and improved additions.
25 I've been a promoter of this project from the

1 beginning. It's my opinion SugarHouse continues to
2 take all possible steps to be all they can be, and
3 that is what we expected, nothing less.

4 The future of SugarHouse is based on
5 their ability to grow, give them the approval they
6 need to be more than just a casino. I am here today
7 asking you to please show favor to SugarHouse and this
8 expansion and approve so we can see what SugarHouse
9 can be. I am in this for the long haul with
10 SugarHouse. I can count the events they host. They
11 are conscious of our neighborhood like no other
12 builder or business is or was.

13 It is with great pleasure I come to you
14 today and request your consideration in support of
15 this plan. When I came in front of you in April of
16 2009, the word I used was priceless. This remains
17 still today. Let it be heard today and always,
18 SugarHouse is the great neighbor they promised to be.
19 Please support them in this endeavor.

20 PRESIDING OFFICER:

21 Michael Samschick? Jon Scolnik? How
22 about Sophean Siv or Siv (different pronunciation)?
23 And on deck we would have Kenneth Spencer.

24 MS. SIV:

25 Good afternoon. My name is Sophean Siv.

1 I am a single parent who moved to Philadelphia 15
2 years ago with my three children. I started working
3 in the Montgomery County area trying to pursue a
4 career but didn't have a set profession in mind. I
5 went from working at a patent company, to banking, and
6 health insurance, but still wasn't content. One day I
7 saw an ad in the Metro for employment at SugarHouse
8 Casino, the first casino to be built in Philadelphia.
9 I never worked in the casino industry and thought this
10 would be a great opportunity. I went to dealer
11 school, which they provided me with and started. I
12 started day one, September 23rd, 2010. Who would have
13 thought two years later I would be Dual Rate
14 Supervisor.

15 My management team is great. They are
16 very supportive and sympathetic. They don't show
17 favoritism but are very helpful. Everyone has an
18 opportunity and is given a chance for advancement
19 within the company.

20 I am proof in itself. I lost my brother
21 last year and needed time off. Management was very
22 supportive and accommodated my time to grieve. If I
23 had the chance to do it all over again, I definitely
24 would.

25 Expanding the casino will definitely

1 provide many job opportunities for the community,
2 Philadelphia and surrounding areas. Life is a
3 challenge in itself. But being provided with
4 opportunities to alleviate some of these many
5 challenges will be great itself. Thank you.

6 PRESIDING OFFICER:

7 I have Jan Talamo on deck.

8 MR. SPENCER:

9 Good afternoon, Pennsylvania Gaming
10 Control Board Commissioners. My name is Kenneth
11 Spencer. I'm 49 years old. I'm the father of six
12 children, three natural, three adopted. I've been
13 with the same girl since I was 14 years old, so
14 consistency is what I like.

15 I've been around --- I've been in
16 business for 31 years. I've been an executive chef,
17 an executive sous chef. I've been all this stuff. I
18 actually took a step back to work at SugarHouse Casino
19 only because my sister worked there.

20 My sister is a major part of my life.
21 We spent most of our life, me and my other three
22 brothers, protecting her, and she's been protecting us
23 for the last 20 years. My sister is a retired
24 Philadelphia Police Officer. And she's very
25 organized, and she's very professional. We love her.

1 My brother also works at SugarHouse as a security
2 person. He's one of the reasons --- he's the main
3 reason I got there because he kept telling me, come
4 work here, come work here, they need you here, because
5 I love to cook, and I love to talk and write. So,
6 they needed a cook, someone that can talk and write.

7 I worked under two master chefs, and
8 they allowed me to do the same thing. Some things I
9 can talk about, because I'm not much of a speech guy,
10 is a lot of experiences and relationships I've
11 developed over the years in the business without the
12 benefit of a culinary degree.

13 Speaking of my family, I have two
14 grandchildren who basically allow me to lay on the
15 couch every Sunday when they're visiting. My special
16 relationships are years old. Most of them were
17 developed working at another property, the prestigious
18 Society Hill Hotel, where I developed a lot of long-
19 term relationships. I left there in 1997. I'm still
20 probably best friends with everybody that still works
21 there.

22 I like SugarHouse because I get the same
23 feeling every day I work there. I get the fist bump,
24 high-five and whoo-hoo from everybody in there.
25 SugarHouse Casino, unlike all these places I worked in

1 the last 31 years, they have all the regular benefits.
2 The normal benefits every other job can give you. But
3 at SugarHouse Casino you get the other benefits, the
4 ones that the other places can't give you. You get
5 excitement, energy, community, family and growth, are
6 all major benefits that most jobs would never be able
7 to offer you. The atmosphere at SugarHouse Casino, if
8 expanded, will do wonders, to build more of a
9 community atmosphere where we are connected in life at
10 SugarHouse.

11 I want to piggyback on the gentleman's
12 comment earlier who said God Bless America. He was
13 opposed to the expansion, but I'm going to say God
14 bless America. And what the other guy said in
15 reference to George Washington, pursuit of happiness.
16 I'm a Christian, so God Bless America. I thank God
17 for this job I have and the opportunity to see my
18 younger sister every day, my younger brother every
19 day. And we have people to reflect --- people who
20 know your feelings and they know how to take you.
21 Thank you for your time.

22 PRESIDING OFFICER:

23 I have Andrew Thomson on deck.

24 MR. TALAMO:

25 Good afternoon. My name's Jan Talamo.

1 I'm co-founder of the Media Marketing Group. And
2 we're one of the largest gaming and entertainment
3 practices in the country in marketing communications.
4 And we had the good fortune of helping launch
5 SugarHouse. And I just thought it would be
6 appropriate to add a couple additional thoughts based
7 on some of the commentary that we heard this
8 afternoon.

9 SugarHouse has been a great addition to
10 the Philadelphia community on a whole host of levels.
11 Not only as a much needed entertainment venue, but as
12 a solid corporate citizen. Now, this is a tribute to
13 Wendy and Greg and the rest of the team. What they've
14 been able to accomplish in their limited footprint is
15 nothing short of amazing.

16 This expansion that was presented today
17 is great for the city and especially the waterfront.
18 The current limited physical plan of SugarHouse works
19 for local patrons who enjoy recreational gaming and
20 entertainment. But the most important reason to
21 improve this expansion is to grow the base of patrons
22 who don't want to leave our state for more robust
23 offerings in neighboring states. And that's truly a
24 win/win. Hence, the best part of the design, and I do
25 love the design, is it keeps the revenues at home here

1 in Pennsylvania. So, this is why we support and
2 respectfully ask you to approve the SugarHouse
3 expansion. Thank you.

4 PRESIDING OFFICER:

5 Andrew Thomson, again? No? How about
6 Rasheada Wallace?

7 MS. WALLACE:

8 Hi, everyone. My name is Rasheada
9 Wallace, and I currently work for SugarHouse Casino
10 and AVS. And first off, can I start by getting a
11 whoo-hoo? I love SugarHouse Casino. I've been
12 working there for almost a year next month. However,
13 I'm going to get to this paper that I wrote, little
14 something about my experiences and life events. We
15 all have them. They can get pretty hectic at times;
16 right? You really never know what's going to come
17 next. Well, can everyone raise your hand if you've
18 ever had a baby? Okay. Left a spouse? Or moved far
19 away? Well, these are just a few of the experiences
20 that I've had over the past year and a little part of
21 my sugar sweet journey.

22 I started working for SugarHouse Casino
23 on June 6th, 2012. I had just moved back from Tacoma,
24 Washington to Philadelphia, where I had been living
25 for a few months with my only child and his father as

1 a family. I did not like living in Washington State,
2 so I decided to move back to Philadelphia. As a
3 student, a full-time mother, who was now looking for a
4 new job at home, things were not easy. I have a
5 friend who works at SugarHouse Casino in their
6 Cashiering Department. She would always tell me about
7 her experiences at SugarHouse Casino, how much she
8 loved working there and just how everyone was like a
9 family to her, and that I should apply. So, I did.
10 And then within a week of me moving back home, I got
11 an e-mail for an interview. And then within the next
12 week, I had done my interview. And by that weekend,
13 actually, I had gotten a call back saying that I had
14 been chosen to work for SugarHouse Casino.

15 And I was so eager to start working
16 there, I did not mention that I was four months
17 pregnant. Yeah, it was pretty tough. Now, the
18 SugarHouse employees were also happy, fun and caring.
19 This was the first job I ever had where I felt
20 comfortable to be myself and accepted for who I was.
21 Everyone was like a family. Everyone was there for
22 me, including my managers, human resources, head
23 management. Everyone helped me to get through the
24 day. Even when I was pregnant and it was really hard.
25 It meant a lot to me though. I don't think everyone

1 really understands just how much it meant to me, but
2 it was nice. And now I was actually able to take
3 maternity leave within the first six months of working
4 there. And I actually was there --- and SugarHouse
5 leave, I was able to take three months off to enjoy
6 with my baby. And that meant a lot to me. Now, with
7 two young children, I am still a full-time student,
8 full-time employee with benefits, great pay and a
9 truly beautiful work environment.

10 I would like to take a minute to thank
11 my head management and give you guys a little
12 information about them. Jay, he's the inspiration.
13 He's always happy. Randy, she's the backbone of this
14 big family. And Wendy, she's the heart of it all. I
15 was very nervous about speaking today. I kept
16 rehearsing over and over again what I would say. And
17 now with you guys all here, supporting me, I don't
18 feel so nervous.

19 PRESIDING OFFICER:

20 That concludes the list of names that I
21 have been given. Is there anyone here that believes
22 they registered to speak, but I haven't called your
23 name? Did you register? And your name is?

24 MR. MARRERO:

25 Christopher Ryan Marrero.

1 PRESIDING OFFICER:

2 Do you want to come up? Can we have
3 your name?

4 MR. MARRERO:

5 My name is Christopher Ryan Marrero.
6 First and foremost I would like to say it's an honor
7 and a privilege to work at SugarHouse Casino. And
8 despite the highs and lows and the benefits of many
9 jobs, I have an overall positive view on my time here
10 at the casino. Now that that's out of the way, in the
11 words of one of my hip-hop idols, Jay-Z, allow me to
12 introduce myself. My name is Christopher Ryan
13 Marrero. You're probably wondering now, well, he's
14 got his name. Who is he, really? Who am I? I'm an
15 athlete, an aspiring writer once upon a time and now a
16 proud SugarHouse employee. And by proud I don't mean
17 I'm just happy to have a job, collect a paycheck. By
18 proud I mean if I were asked where I work, I would
19 proudly tell you I work for the SugarHouse Casino.

20 Now, I got to be honest, I collected my
21 very first paycheck ever from SugarHouse Casino. This
22 is my first place of employment. And people may
23 misconstrue that and think, well, that's probably why
24 he's so proud. Not at all. Not at all. I'm proud
25 because the outcome of my overall progression has been

1 phenomenal and I've been within a year allowed to
2 express myself in ways that I doubt other
3 establishments really would not have allowed me to
4 express myself. I'm sure we all have stories. Our
5 parents, their elders, have stories about how many
6 jobs they worked in their lifetime, stories about how
7 many businesses they've employed by before even
8 finding that one job that worked for them. Well, it
9 may be a little cliché, but I can honestly say I found
10 that one, you know. Almost like love at first sight
11 kind of thing. I'm not quite ready to say we were
12 meant for each other, but I'd be lying if I said we
13 look pretty damn good together.

14 Honestly, it's been an absolute blast
15 and pleasure working at here at SugarHouse Casino and
16 being a part of the team. It's been --- the phrase
17 around Philly for quite some time now, and I can
18 attest, I do have the best job in Philly, whoo-hoo.
19 If you'd allow me to speak freely for just a second, I
20 always wanted to do this, SugarHouse, SugarHouse,
21 SugarHouse.

22 PRESIDING OFFICER:

23 Christopher, could you spell your last
24 name for us?

25 MR. MARRERO:

1 M-A, two Rs, E-R-O.

2 PRESIDING OFFICER:

3 Okay. Thank you. Okay. So, now ever
4 if you thought you had registered to speak I bet you
5 don't want to follow Christopher. So, again, that's
6 the last name I have to speak. I want to thank you
7 all for coming today, for your cooperation. All the
8 testimony and evidence gathered during the hearing
9 today will become part of the record for the Board's
10 consideration, again, when it hears at its most likely
11 May 15th Public Board Meeting, the petition filed by
12 SugarHouse Casino. The hearing is now adjourned.
13 Thank you.

14 * * * * *

15 HEARING CONCLUDED AT 4:00 P.M.

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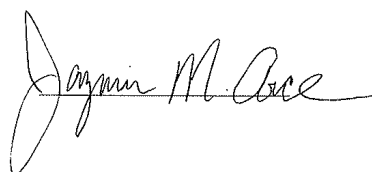
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CERTIFICATE

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I hereby certify that the foregoing proceedings,
hearing held before Officer Lloyd was reported by me
on 5/7/2013 and that I Jazmin Arce read this
transcript and that I attest that this transcript is a
true and accurate record of the proceeding.

A handwritten signature in cursive script that reads "Jazmin M. Arce". The signature is written in black ink and is positioned to the right of the main text block.