

PENNSYLVANIA GAMING CONTROL BOARD

PUBLIC INPUT HEARING

VALLEY FORGE CONVENTION CENTER PARTNERS

MAY 20, 2008, 9:14 A.M.

DOLCE VALLEY FORGE HOTEL

301 WEST DEKALB PIKE

KING OF PRUSSIA, PENNSYLVANIA

BEFORE:

KENNETH ZIELONIS, PRESIDING OFFICER
MARY DiGIACOMO COLINS, CHAIRMAN
RAYMOND ANGELI
JAMES GINTY
SANFORD RIVERS

HILLARY M. HAZLETT, REPORTER

NOTARY PUBLIC

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1 HEARING OFFICER ZIELONIS: Good morning. I am
2 Kenneth Zielonis, and I am the Presiding Officer for the
3 Public Input Hearing conducted by the Pennsylvania
4 Gaming Control Board.

5 Before we begin, please turn off your cell
6 phones, beepers, and BlackBerries.

7 At this time, I would ask that everyone rise
8 for the Pledge of Allegiance.

9 (Pledge of Allegiance.)

10 HEARING OFFICER ZIELONIS: Thank you. As the
11 Presiding Officer, I call to order this Public Input
12 Hearing for the Category 3 Applicant. The date is May
13 20, 2008. The time is 9:15 a.m. and the location is
14 the Dolce Hotel, King of Prussia, PA.

15 This Public Input Hearing is convened by the
16 Pennsylvania Gaming Control Board pursuant to the
17 authority found in Section 1205b of the Pennsylvania
18 Gaming Act in the Board's Regulation at 58 PA Code
19 Section 441a.6.

20 The Board members present for this hearing
21 today to my immediate right is Chairman Mary DiGiacomo
22 Colins. To my far right is Commissioner Sanford Rivers.
23 To my immediate left is James P. Ginty and to my far
24 left will be Commissioner Angeli. He is delayed in
25 traffic and will be here later.

1 The Court stenographer is Hillary Hazlett and
2 our Clerk to the Board is Mickey Kane. The Board and
3 staff would like to thank this hotel for making its
4 facilities available today.

5 This is the last Public Input Hearing in a
6 series of four hearings of the Board designed to allow
7 the Applicant for the remaining Category 1 and the two
8 available Category 3 Slot Machine Licenses to present
9 their plan before the Board and you, the public.

10 These hearings will allow individual members of
11 the public, community groups, elected officials, local
12 government representatives to express their thoughts and
13 share their concerns about the proposed project.

14 The hearing will continue until the last
15 preregistered speaker has had the opportunity to speak.
16 Those of you who have not preregistered will not be able
17 to speak today and can file written comments to the
18 Board.

19 The order of speakers is as follows, the
20 Applicant Valley Forge Convention Center Partners, LLP
21 will make their presentation first.

22 Then we will hear from the local government
23 representatives, community representatives, and
24 individual members of the public, who have registered to
25 speak in that order.

1 If necessary, we will take a short break at an
2 appropriate time. Valley Forge will have 40 minutes to
3 make their presentation.

4 The local government groups will be permitted
5 30 minutes as a whole to speak. Community
6 representatives may speak up to ten minutes. If there
7 are several speakers for a community group, that is a
8 shared ten minutes.

9 Individual members of the public will have
10 three minutes. Valley Forge will be provided 15 minutes
11 at the end should they need that to address any
12 questions raised by the speakers.

13 Each speaker should begin your comments by
14 stating his or her name, municipality in which you
15 reside, and if speaking on behalf of an entity, identify
16 that entity. All speakers will be sworn in as a group
17 in a few minutes.

18 To assist the speakers we have an electronic
19 stopwatch in front of me. The light will show green,
20 yellow, and red. When the light turns green, start your
21 presentation.

22 When the light turns yellow for Valley Forge
23 that will mean they have five minutes remaining. For
24 all other speakers it means you have 30 seconds
25 remaining.

1 When the yellow light comes on, wrap up your
2 comments. When the red light comes on, a beeping sound
3 will begin up here next to me and the speaker is
4 expected to stop and leave the podium.

5 If the time runs out and you have remaining
6 comments, you may submit them in writing to the Board.
7 If you choose to submit written comments to be included
8 as part of the evidentiary record of this Public Input
9 Hearing, those may be an alternative to live testimony
10 today and may be submitted either at the end of this
11 hearing or may be submitted via the Board's website,
12 which can be found at www.pgcb.state.pa.us, or you may
13 mail written comments to the Clerk to the Board.

14 We will be accepting written comments for 60
15 days after the close of this Public Input Hearing today
16 or until July 21st, 2008 when the evidentiary record for
17 this Public Input Hearing will be closed.

18 If you are a speaker today and you have written
19 notes or testimony which you will read from, please
20 provide a copy, if you can, to the court reporter and
21 that will assist her.

22 We also have a copy of our Code of Conduct for
23 this Public Input Hearing and that was made available
24 upon entering this room and also on our website.

25 I expect all in attendance to adhere to that

1 code of conduct. Much will be said today that everyone
2 wants to hear and your cooperation and following that
3 Code of Conduct will allow us to hear everything.

4 More than one person speaking at a time will
5 make it very difficult for the court reporter to write
6 down your testimony.

7 The media is present today. We ask you conduct
8 yourself as if you are attending a formal court hearing;
9 and if you have any questions, Doug Harbach, who is
10 standing here to my immediate right, far right, you may
11 see him with any questions.

12 Let's begin by having each of you who has
13 preregistered to speak during the hearing to please
14 stand, raise your right hand to be sworn by the court
15 reporter.

16 (Witnesses sworn en masse.)

17 HEARING OFFICER ZIELONIS: Thank you. You may
18 be seated.

19 Valley Forge, you may start your presentation.

20 MR. KING: Good morning, Madam Chairman,
21 members of the Commission. My name is Adrian King, Jr.
22 I'm here on behalf of the Applicant, Valley Forge
23 Convention Center Partners, LLP.

24 We are extremely pleased to be here today and
25 we welcome you to Upper Merion Township. We have a very

1 interesting and formative and exciting presentation to
2 present.

3 Without further ado, I want to introduce our
4 Chairman, Mr. Ira Lubert. Some of you may recall from
5 our eligibility hearing, Mr. Lubert has 35 years of
6 real-estate and hotel experience. He's the co-founder
7 of Independence Capital Partners which is an \$8 billion
8 family of private equity and real estate funds.

9 He's a general partner of both Valley Forge
10 Colonial, LLP, and Valley Forge Convention Center
11 Partners, LP.

12 He's a graduate of the Penn State Food,
13 Service, and Hotel Management School in 1973 and also
14 past and present member of the Penn State Board of
15 Trustees.

16 Mr. Lubert.

17 MR. LUBERT: Thank you very much for this
18 opportunity to present to you this morning. I thought I
19 would start by giving you a brief history of the
20 property, we're talking about here.

21 This property was built and developed over
22 several years by Leon Altemose. Unfortunately,
23 Mr. Altemose passed away about 30 days ago and that
24 property found itself in bankruptcy in 1991 in several
25 parts.

1 In August of 1994, I purchased the first
2 property of the four properties on the site, which was
3 now called the Scanticon Hotel. Then in December of
4 '94, I purchased the convention center from a different
5 lender.

6 Then finally in June of '96 from a third
7 lender, I purchased what today is the Radisson Hotel and
8 the office building.

9 We have a lot of excitement about this project
10 but most importantly, it's the project that we are
11 pursuing to stay competitive in the marketplace.

12 There are proposals for two other convention
13 centers, one off of Route 422 in Oaks and one in
14 Reading. For us to stay competitive, we feel this is a
15 tremendous amenity for the property.

16 We also plan to take the property to the next
17 level. We're going to be adding a lot of amenities such
18 as a spa.

19 We're going to be increasing the tours to the
20 Valley Forge National Park and the proposed museum. I
21 wanted to reiterate I've been the owner of this property
22 through a partnership since 1994 for 14 continuous
23 years.

24 I want to take you to a little overview of the
25 project itself. The facility itself is at the

1 crossroads of Southeastern Pennsylvania. Major nearby
2 roads include the Turnpike, Schuylkill Expressway, Route
3 422 and 202, and the Valley Forge, King of Prussia area
4 is really a major commercial and residential area.

5 I want to orient the Board, if I can, to the
6 location of the facility. It's really at the heart of
7 Valley Forge. You can see this on the slide.

8 I'm not sure if you are aware, but the Valley
9 Forge area receives 30 million visitors annually. The
10 Valley Forge National Historical Park has a lot of
11 historical significance as the site of the camp of the
12 American Continental Army during the American
13 Revolutionary War.

14 The park draws an estimated 1.2 million
15 visitors per year and includes historical and recreated
16 buildings and structures, memorials, walking and bike
17 tours. As you can see, we are directly across the
18 street from the park.

19 As you might be aware, there are also plans for
20 an American Revolution Center. It is a museum that is
21 going to be close to the park as well.

22 We're within a five-minute drive to the King of
23 Prussia Mall. The King of Prussia Mall is the largest
24 mall on the East Coast and a prominent tourist
25 destination. It attracts 26 million visitors a year.

1 We are also conveniently located in close proximity to
2 the Audubon Wildlife Sanctuary.

3 Now, onto the facilities. The facilities
4 starts by being an 850,000 square foot facility made up
5 of three different distinct buildings.

6 Let me just start by sharing with you each
7 section of the property itself. So our facility
8 consists of a convention center, which is connected to
9 two hotels, the Radisson Valley Forge hotel and the
10 Scanticon Convention Center.

11 Both hotels appeal to both leisure and business
12 visitors. The hotel offers convenient amenities such as
13 same-day laundry, 24-hour business center, shuttles to
14 and from the King of Prussia Mall.

15 We have restaurants. The first restaurant is
16 Chumley's, which was established in 1972. It's an Old
17 English-style restaurant. It's modeled after the
18 Queen's Pub in Copenhagen, Denmark.

19 In 2006, we completely underwent a major
20 renovation at Chumley's. It now includes a sports bar
21 and has ten high-definition televisions. It offers a
22 great steakhouse dining experience and a great place for
23 happy hour.

24 We have a Cafe Soleil. It offers a breakfast
25 buffet and is conveniently located within the lobby of

1 the Radisson and offers both breakfast and lunch.

2 In the Scanticon, we have the Blue Grotto.
3 It's an Italian bistro offering classic Italian dining
4 in a Mediterranean atmosphere. Blue Grotto also offers
5 private parties and wine and cheese happy hours.

6 And then the convention itself, which is where
7 we are going to have the proposed gaming is 108,000
8 square feet of prime exhibit space.

9 There is room for up to 500 exhibits. The
10 convention center can offer exhibitors electricity,
11 telephone, compressed air, Internet access, T-1
12 high-speed lines, and CAT-6 cabling. There are newly
13 finished renovations, elaborate banquet facilities, and
14 meeting rooms as well.

15 As you can see here, the facility is the site
16 of numerous conventions and trade shows. Here is a
17 typical trade show setup in the slide before you.

18 We now have also the Waterford Ballroom, which
19 is a multi-level ballroom featuring extraordinary style
20 and first-class sophistication. It is the site of
21 numerous weddings, anniversary parties, Sweet 16
22 parties, and corporate functions.

23 The Waterford Ballroom retained a stage from
24 its days as Lilly Langry's, which some of you may
25 remember, which is a Las Vegas style show room, which we

1 converted into the Waterford Ballroom.

2 In addition, we have a nightclub called Ice.
3 It's a high energy nightclub opened on Friday and
4 Saturday evenings only. In addition to a dance floor
5 and a lounge, Ice also offers a cigar and martini bar.
6 This amenity allows us to host entertainers and
7 performers.

8 Also located in the Radisson is a health and
9 fitness club. The health and fitness center is equipped
10 with the latest fitness equipment. The equipment
11 provided includes free weights, Nautilus equipment,
12 Stairmasters, treadmills, and exercise bikes.

13 We also have several themed fantasy suites at
14 the Radisson. All of the suites include a Jacuzzi
15 bathtub. This is the New England Cottage as you see in
16 the picture.

17 As it relates to visitors, we get at our
18 facilities a total of 650,000 visitors a year. I have
19 just highlighted the six or seven major shows that make
20 up most of that.

21 Our top events by attendance, as you can see
22 above, but I can't emphasize enough that the convention
23 center today plays a very integral part in tourism and
24 dollars spent in the area with the 650,000 visitors that
25 come to see us. Of that 650,000, 450,000 attend various

1 conventions we hold at the convention center.

2 MR. KING: Thank you, Mr. Lubert.

3 Our next speaker will be Mr. Jeff Wynkoop.

4 Jeff is with SOSH Architects. Jeff has 22 years of
5 experience in his field.

6 He is licensed in the State of New Jersey.
7 He's a member of the American Institute of Architects,
8 senior associate at SOSH. He has worked on numerous
9 gaming projects throughout the world, including Harrah's
10 Chester Downs, the Borgata, and Trump Entertainment
11 Resorts.

12 MR. WYNKOOP: Thank you, Adrian.

13 Good morning, everyone. I would like to speak
14 to you about the facility renovations and where we're
15 going to plan the proposed gaming area.

16 On the first slide that we're going to look at
17 is the aspect of this 18,000 square feet that we're
18 talking about in this building to be planned for the
19 renovation.

20 We're also going to talk about where future
21 growth and future stimulus from the gaming will spur
22 into the spa, future restaurants, and other amenities
23 for the hotel.

24 One key component is that we are not adding any
25 floor area to the building at all and the facility will

1 be placed in the existing footprint of the current
2 building.

3 This is a picture of the mezzanine level as it
4 exists today. It is the entry level on both the
5 Radisson and Scanticon towers. To the right is the base
6 floor plan of the hotel tower.

7 As you move to the left, you go through the
8 Radisson Hotel which is the core and central lobby, the
9 first floor of the convention space, and the hotel lobby
10 of the Scanticon tower.

11 This is the next floor directly below, which is
12 the main level. This has roughly 158,000 square feet.
13 It is the primary floor of the convention center on the
14 left side and generally backhouse space for the Radisson
15 Hotel on the right side.

16 This brings us to the concourse level, which is
17 one more floor below, down in the subterranean section
18 of the floor.

19 To the right of the Radisson is the basement
20 level of the Radisson and to the left is the actual
21 convention center where we're looking to place the
22 gaming hall.

23 What we're planning to do is put in roughly
24 18,000 square feet of the proposed gaming layout within
25 a section of one-third of the floor on that concourse

1 level.

2 This is a blow up of what that 18,000 square
3 feet looks like. It's a radial floor plan consisting of
4 500 slot machines where you would enter through the
5 lobby where the yellow zone is right now. There, we are
6 anticipating putting in new escalators and upgrading
7 elevators that currently exist.

8 The next one is the actual gaming footprint,
9 which is based on 11 square feet per slot machine and it
10 handles the 500 slot machine in that zone at that point.

11 One of the central features that we're looking
12 to do is a central bar as an entertainment element as a
13 focal element for the gaming floor itself. We'll show
14 you what that may look like.

15 These areas here are support restrooms for not
16 only the patrons but also employees. This area is
17 highlighted as being the office space, which is not only
18 for the operations but also for the Pennsylvania State
19 Police and all other gaming activities.

20 This is more IT area and surveillance for that
21 whole zone that is highlighted. The next piece is all
22 relative to the main cage and the main bank where the
23 count down rooms and transfer occurs.

24 This last area is really the electric and low
25 voltage areas to support not only the closed circuit

1 television but also the slot machines themselves.

2 This is the visual perspective of what we are
3 looking to do for the main bar. It is the central focus
4 element of the gaming floor. We want to bring an upbeat
5 and vibrant activity to the space.

6 As one of the ongoing operational goals is to
7 upgrade the entire facility, this is a picture on the
8 right-hand side showing the existing pool that is in the
9 back of the complex.

10 As Ira mentioned, we currently have a
11 compliment of a weight room and nautilus; but what we
12 would like to do is develop that program to a full,
13 proposed spa and develop a full resort as indicated by
14 this plan.

15 We have looked at different opportunities as to
16 how the spa might look. This is a proposed renovation
17 of what the reception area would look like and following
18 that is a parlor area for enhanced elements. That's
19 what we have for today.

20 MR. KING: Thank you, Jeff. We're going to
21 turn it back to Mr. Lubert, who is going to speak to
22 some project benefits issues.

23 MR. LUBERT: I thought I would start by talking
24 about the revenue generation. As it relates to that, we
25 have retained PKF Consulting to prepare a study for a

1 potential market demand for a Category 3 Slot Facility
2 at Valley Forge Convention Center.

3 Based on that study, PKF projects that nearly
4 \$60 million in gross gaming revenue in the first full
5 year of operation will be received.

6 The projected gross gaming revenue result in
7 annual taxes and fees of approximately \$33 million
8 distributed as follows:

9 State property tax relief fund would be \$20
10 million approximately.

11 The racehorse development fund is \$7.2 million.

12 State economic development and tourism fund is
13 \$2.9 million.

14 The county fund of \$1.4 million and a local
15 fund of \$1.4. The local fund is just for the local.
16 The local municipality will have access to some of the
17 county funds.

18 The difference between our \$1.4 and our \$1.2 in
19 our proposed gaming application is that we project
20 \$200,000 of taxes in each category from non-gaming
21 revenues, like increased real-estate taxes and things of
22 that nature.

23 On the job creation side, we additionally think
24 there will be greater than \$13 million in wages and
25 employee earnings as a result of this application.

1 We also estimate that the total ongoing
2 employment effect, direct plus indirect induced jobs, to
3 be in excess of 500 jobs in the State of Pennsylvania.

4 Then back to the job creation, if I could, I'm
5 sorry. In creating this facility, we believe there will
6 be 150 permanent full-time jobs with higher than average
7 wage and salary levels.

8 There will be 850 construction jobs during the
9 renovation period, we estimate; and then according to an
10 eco-consult study, the project will create over 300
11 indirect jobs through increased tourism, conventions,
12 and business meetings.

13 On road improvements, we have agreed with the
14 local municipality to fund \$415,000 towards local
15 traffic improvements.

16 As it relates to tourism and economic
17 development, we believe the economic impact on the
18 project will be generated in four key areas.

19 One is construction, ongoing operational
20 spending at the facility, ongoing increased operations
21 of the hotel, ongoing ancillary spending by patrons, and
22 outside the facilities, overnights and day-trippers.

23 In addition to 50 percent of the expenditures
24 made within Montgomery County, we also approximate that
25 95 percent of expenditures will be made in Pennsylvania.

1 As it relates to community impact, you know, we
2 believe there is limited impact on neighboring
3 communities primarily because it is not a significant
4 change of use at the facility.

5 The facility is not adjacent to any residential
6 neighborhoods. It has sufficient infrastructure all
7 ready in place. In fact, just over 2.1 percent of the
8 existing facility of 800,000 feet will be used for
9 gaming, so that 97.9 percent of the facility will stay
10 as is.

11 I would like to also add that no adverse impact
12 on utilities, no impact on residential areas, churches,
13 schools, or anything like that. So it's just we think
14 it's a really key site that lends itself to these
15 important areas.

16 I know you'll be hearing from the local police
17 and fire chiefs, but I would just like to state that we
18 have had conversations with them.

19 The Upper Merion Township Police have stated
20 that while impossible to forecast exact impact based on
21 research, this operation will not pose a substantial
22 burden on police resources.

23 As it relates to fire services, similarly, the
24 fire department has stated the Upper Merion Township
25 Fire Rescue Service agencies have no significant impact

1 as a result of a 500 slot machine slot parlor/resort
2 casino being integrated into a portion of the existing
3 Valley Forge Convention Complex.

4 At this time, just talking about the facility's
5 square footage, I said it before, the total square
6 footage of the facility will remain the same. We are
7 not proposing to build any new structures on the site.

8 The convention center space will be converted
9 into gaming floor space. Some of the convention center
10 space will be converted into the gaming floor space.

11 The gaming floor will only be 18,000 feet over
12 the 100,000 feet of convention space, which equates to
13 2.1 percent of the total square footage of the facility.
14 Again, I want to emphasize, it will only be 500 slots.

15 MR. KING: Thank you, Mr. Lubert.

16 We're next turning to Mr. Ken O'Brien. Mr.
17 O'Brien is with McMahon Associates, a traffic
18 engineering firm.

19 Mr. O'Brien has 15 years of experience in his
20 field and he is licensed in both Pennsylvania and New
21 Jersey, member of the Institute of Transportation
22 Engineers.

23 He's a treasurer of the Partnership
24 Transportation Management Association. He has conducted
25 numerous traffic impact studies, area quarter wide

1 studies, and parking studies.

2 Mr. O'Brien.

3 MR. O'BRIEN: Thank you.

4 The Valley Forge Convention Center is easily
5 accessible from throughout Southeastern Pennsylvania and
6 beyond. Some of the major roadways in the immediate
7 vicinity of the convention center are Route 422, 202,
8 the Pennsylvania Turnpike and the Schuylkill Expressway.

9 Route 422 links the site to much of
10 Northwestern Montgomery County all the way up to
11 Reading. Route 202, which is just south of the site,
12 connects the site to much of suburban Philadelphia from
13 Delaware to New Jersey.

14 There is an interchange with the Pennsylvania
15 Turnpike, which extends across the state, just south of
16 the site. The site is close to the Schuylkill
17 Expressway, which connects the site all the way down to
18 Downtown Philadelphia and beyond.

19 You can see in this next slide an aerial photo
20 of the complex immediately adjacent to Route 422. With
21 the multiple regional roadways merging in this area,
22 there are heavy traffic volumes in the area particularly
23 in the morning and afternoon commuter rush hours.

24 The area has been targeted by PennDOT,
25 Montgomery County, and the local municipalities to

1 provide improvements to the roadway system. Specific
2 roadway improvements have been identified and included
3 on Delaware Valley Regional Planning Commission's
4 transportation improvement program. These improvements
5 are currently in the design phase.

6 Specifically, these improvements include a
7 widening of Route 422 in the immediate vicinity of the
8 complex from Trooper Road to Route 202.

9 Additionally, Gulph Road and Valley Forge Road
10 will also be widened right in the immediate vicinity.
11 Furthermore, improvements are proposed to several
12 interchanges with 422, including the interchange, which
13 is immediately adjacent to the site at First Avenue and
14 the two interchanges further to the west at Valley Forge
15 Road and Trooper Road.

16 Furthermore, the project includes the
17 replacement of the Betzwood Bridge, which runs parallel
18 to the Route 422 bridge, improving access across the
19 Schuylkill River for local traffic.

20 The site also has excellent access. Currently,
21 there is full movement access to both Gulph Road and
22 First Avenue, which you can see in this aerial photo.

23 Furthermore, as part of the Route 422
24 improvements, Gulph Road will be widened and improved.
25 The existing raised median along that roadway will be

1 extended across both Valley Forge Convention Center
2 accesses, limiting both of those accesses to right-in
3 right-out movements but the full movement access to
4 First Avenue will be maintained.

5 Traffic counts were also conducted at the
6 Valley Forge Convention Center during one of the peak
7 convention shows, the Market Square Show to determine
8 how much traffic is currently generated by the complex.

9 Based on these traffic counts, the site
10 currently generates about 460 trips during the morning
11 peak hour, approximately 500 trips during the afternoon
12 peak hour, and approximately 300 trips during the
13 Saturday mid-day peak hour.

14 Based on information from the Institute of
15 Transportation Engineers and based on traffic counts
16 from other gaming facilities, it is expected that the
17 addition of the gaming facility will generate a maximum
18 of 200 new trips during any commuter peak hour.

19 The number of new trips may be even less
20 considering many gaming patrons will already be visiting
21 the complex and that some of the existing convention
22 center space will be eliminated by this facility
23 resulting in smaller conventions to the site.

24 Based on the traffic projections, the gaming
25 facility addition is expected to increase traffic

1 volumes by no more than 5 percent at the adjacent
2 intersection of Gulph Road and First Avenue.

3 The percentage impact will be even less at
4 intersections further from the site as traffic disperses
5 through the roadway network.

6 A parking evaluation was also conducted during
7 one of the peak convention shows at the Valley Forge
8 Convention Center, again the Market Square Show in
9 February of 2007.

10 The total number of occupied parking spaces was
11 counted every hour at the complex during the peak Friday
12 and Saturday hours of the convention. That peak
13 accumulation is noted on the black line on the chart
14 above.

15 The additional parking expected to be caused by
16 the gaming facility was also added. That's reflected on
17 the purple line on the graph above.

18 Both the existing parking demand shown in black
19 and the expected future demand with the gaming facility
20 shown in purple are less than the total parking supply
21 on the site, which is shown in red, of 2,267 spaces.

22 The township has raised the configuration of
23 the complex's parking as an issue. The Applicant team
24 will work with the township to address this issue during
25 the land development process.

1 The proposed gaming facility will have only a
2 minimal change on the operating conditions of the
3 roadways and intersections in the vicinity of the
4 complex.

5 The Applicant will work with the township to
6 address parking and circulation issues during the land
7 development process.

8 In summary, the proposed gaming facility will
9 not add significant traffic volumes to the area roadway
10 network.

11 The additional traffic generated by the gaming
12 facility will have only a minimal impact on traffic
13 operations in the area. There are more than enough
14 parking spaces to accommodate the expected demand. We
15 will work with the township to address their concerns of
16 the parking configuration. Thank you.

17 MR. KING: Thank you, Mr. O'Brien.

18 Our next speaker is Mr. C. Patrick McKoy.
19 Mr. McKoy is president of Real McKoy Gaming, LLC. He is
20 the proposed vice president of gaming operations for the
21 Valley Forge Convention Center and Resort.

22 Mr. McKoy has more than 25 years of gaming
23 experience. He has held senior management posts in
24 major Atlantic City casinos, including Caesars, Bally's,
25 and Atlantic City Hilton.

1 He is the former CEO and president of Riverwalk
2 Casino Project, which was an Applicant in Philadelphia.
3 He has been in the past found suitable for licensure in
4 the Commonwealth of Pennsylvania.

5 Mr. McKoy?

6 MR. MCKOY: Thank you. Good morning. Ensuring
7 that the economic benefits of gaming are enjoyed by the
8 full spectrum of the business workforce and community is
9 central to implementation of gaming in the Commonwealth.

10 To that end, Valley Forge Convention Center
11 Partners has submitted its diversity plan as part of its
12 gaming application detailing its policies and procedures
13 to continue its longstanding record of equal
14 opportunity.

15 Promoting a workplace environment that respects
16 each individual's equal opportunity to contribute to the
17 organization and to achieve their personal goals has
18 been key to Valley Forge Convention Center's past
19 success and will continue as gaming is added to its
20 customer amenities.

21 Our current workforce compliment; particularly
22 with regard to management positions compares favorably
23 to local county statistics as a result of that fair
24 environment. We fully expect to continue in that
25 respect as we expand.

1 Likewise, Valley Forge Convention Center
2 Partners seeks to engage a diverse group of business
3 partners in its supplier activities and will work
4 closely with government and community organizations to
5 ensure it continues to maintain a procurement process
6 that is accessible, fair, and rewarding to all
7 appropriate business entities.

8 Valley Forge Convention Center Partners has
9 also submitted its responsible gaming program designed
10 to educate and alert patrons and employees about problem
11 gaming.

12 It provides methods for patrons experiencing
13 problems controlling themselves to enlist our help in
14 reducing their gaming exposure and also provides methods
15 and procedures for our employees to intervene in
16 situations that appear to indicate inappropriate
17 behavior.

18 We are also very aware of the allure of gaming
19 to those who are underage and will train our employees
20 to be vigilant in identifying and in minimizing
21 instances of underage gaming.

22 Responsible alcoholic beverage service will be
23 an integral part of the training of our service
24 personnel. The responsible Gaming Committee established
25 under this plan will assure that our policies and

1 procedures are monitored and issues addressed as they
2 arise.

3 We look forward to providing a safe, enjoyable,
4 and exciting gaming hospitality experience and one that
5 our patrons will enjoy for years to come. Thank you.

6 MR. KING: Thank you, Mr. McKoy.

7 Well, this being the fourth Public Input
8 Hearing, I'm pleased to see that we used our time
9 judiciously. We are going to finish with a few words
10 from the Chairman of the Applicant, Mr. Lubert.

11 MR. LUBERT: Thank you.

12 In 1994, I bought this facility out of
13 bankruptcy. There was a threatened closing of the
14 property, which would have costed hundreds of people
15 their jobs.

16 Subsequently, we have invested millions of
17 dollars on improvements to the facility and it's stayed
18 a mainstay leading product in the Valley Forge/King of
19 Prussia marketplace for 14 years.

20 This project is good for the community. It
21 enhances tourism. It will create jobs. It will have
22 property tax relief and economic development.

23 If slots are permitted as a new amenity to the
24 property, it will enhance the existing facility and make
25 it more competitive but only use 2 percent of the

1 existing facility and not change any of the square
2 footage of the facility itself.

3 Probably as important, we project \$1.4 million
4 to Upper Merion Township, as well as \$1.4 million to the
5 local county communities as a result of this amenity.

6 I want to thank you very much for allowing us
7 to speak this morning.

8 MR. KING: Thank you.

9 HEARING OFFICER ZIELONIS: Upper Merion
10 Township, you have 30 minutes to speak. Gentlemen,
11 would you please be prepared to walk up to the podium,
12 identify yourself, and also your position with the
13 township.

14 MR. FONOCK: Good morning. Chief Ron Fonock,
15 Upper Merion Township Police. Although other levels of
16 the gaming have been underway throughout Pennsylvania,
17 the establishment of a Category 3 -- a Level 3 slot
18 machine parlor and entertainment center has no clear
19 comparison.

20 In order to derive the best possible indication
21 of this center's impact on police services, we completed
22 the following five action steps.

23 Number 1, an examination of the current
24 operations at the Valley Forge Convention Center to
25 determine the demand for police calls for service, both

1 the nature and frequency of the calls.

2 This inquiry revealed that there are shows
3 throughout the year, usually every week ranging from
4 less than 1,000 to 15,000 patrons.

5 We analyzed our calls for service during all
6 the shows that had at least 10,000 in attendance of
7 which there were seven.

8 During the days of these larger shows, calls
9 for service at the convention center averaged 1 percent
10 of our total calls for service.

11 Types of calls were generally of the sort that
12 we respond to throughout the township during the course
13 of a normal day.

14 Our police staff reports an excellent working
15 relationship with the current staff at the convention
16 center.

17 However, in addition to parking issues, which
18 will be addressed later, our officers report problems
19 with radio and cell phone communications within the
20 bowels of the complex. There are certain dead zones.

21 Action Step No. 2, we had detailed discussions
22 with the Pennsylvania State Police officials regarding
23 their experiences and being the primary law enforcement
24 agency on the gaming floors.

25 PSP as mandated by law have primary law

1 enforcement jurisdiction within the casinos. This is
2 defined as enforcing the criminal laws of the
3 Commonwealth within the carpeted area of the casinos.

4 Any real or perceived violations of the
5 criminal law outside the gaming floor would be a
6 responsibility of the Upper Merion Township Police.

7 Agency Step 3, we had interviews with the
8 Superintendent of Police of Bensalem Township wherein
9 the Philadelphia Park Racetrack and Casino lies.

10 It should be noted that they have 3,500 slot
11 machines on-site. As far as the impact on police
12 services in his department, the Superintendent Chief
13 Harran said they're commensurate with the increase in
14 patronage at the park there as an increase in certain
15 calls for service.

16 Overall Chief Harran said that the impact of
17 the first year of slots parlor gaming in Bensalem
18 Township had been manageable and not a drain on police
19 resources.

20 Also, it has not caused any rippling effect of
21 crime into the adjacent neighborhoods or the community
22 as a whole.

23 We also conducted a site visit to the
24 Philadelphia Park to review all private security and law
25 enforcement operations.

1 During our visit, we determined that in
2 addition to the Pennsylvania State Police presence, they
3 have a private security staff of 45, who are on site 24
4 hours a day, 7 days a week, and are usually very
5 effective in solving security or crime issues, thus
6 reducing the impact on the State Police contingent.

7 The State Police on-site supervisor has not
8 experienced any problems in his interoperability with
9 either the private security staff or Bensalem Police.

10 The next step was we surveyed slot parlor
11 operations along the eastern seaboard; specifically,
12 this survey included five parlors located from Maine
13 through Florida.

14 All police departments having jurisdiction over
15 the parlors reported findings consistent with that of
16 Bensalem and Pennsylvania State Police that any increase
17 in calls for service on their operations was manageable.

18 Our conclusions, since there are no exact
19 comparisons within the Commonwealth, it is impossible to
20 forecast the exact impact of a Category 3 Slot Machine
21 operation at the Valley Forge Convention Center and its
22 impact on police services in Upper Merion Township.

23 However, based on the aforementioned research,
24 it is the opinion of my staff and me that this operation
25 will not cause a substantial burden on the police

1 department.

2 Our recommendations are four; ensure that the
3 Pennsylvania State Police will have a presence at the
4 Valley Forge Convention Center with primary law
5 enforcement jurisdiction over the gaming floor.

6 Ensure that the Valley Forge Convention Center
7 provides an adequate number of trained, private security
8 guards for the gaming floor, which will be in addition
9 to their current overall staffing.

10 That the Valley Forge Convention Center agree
11 to enhance the radio or cell phone communications
12 connectivity within the complex to such a level that
13 conforms with public safety standards.

14 Finally, a change in the parking lot
15 configuration to allow full emergency vehicle access.
16 It is my understanding that the Valley Forge Convention
17 Center Partners have agreed to work with us in
18 addressing these recommendations. Thank you.

19 MR. WATERS: Good morning. My name is John
20 Waters. I'm the Chief Fire Marshall and Director of
21 Safety and Codes Enforcement for Upper Merion Township.

22 We were asked to take a look at what the
23 impacts could be from a gaming standpoint here in Upper
24 Merion. We looked at the Building Codes, the Fire
25 Codes, and the Mechanical Codes, and more importantly,

1 emergency response.

2 Any renovations that will be done to the
3 building will conform with all of the 2006 series of
4 codes. So, we feel this would have no negative impact.

5 From an emergency response standpoint, given
6 that the entire site with the exception of the abandoned
7 movie theater area is protected with an automatic
8 sprinkler system, we find that little impact on fire
9 service is to be anticipated.

10 So, what we really focused our efforts on was
11 emergency medical services response. In doing so, we
12 took a look at a number of gaming parlors that have been
13 built across the country, including one in Yellow County
14 California, the Harrah's in Chester, and the proposed
15 Foxwoods down in Philadelphia.

16 Really, what we found is that this would
17 probably generate about 2 to 2.5 patient presentations a
18 day; but only real emergencies in terms of one every
19 five days.

20 So, one of the things that we will be
21 recommending to the group is that they provide for
22 on-site trained personnel to handle the routine issues
23 and calling us for support for real emergencies.

24 Our biggest issue right now with the facility
25 is on the northern parking lot. The northern parking

1 lot because of its configuration is very difficult for
2 fire apparatus to maneuver through.

3 It is a saw-tooth configuration that allows for
4 one-way traffic up and down the aisles. In doing so, if
5 any person doesn't park absolutely correctly, their
6 vehicle hangs out into those parking lanes and that
7 becomes a maneuverability issue if we have an emergency
8 up in there.

9 As such, in looking at the facility, our
10 recommendations from fire and rescue services include
11 that security personnel be trained in first aid so as to
12 preclude a dispatch for ambulance for non-emergencies.

13 Upper Merion Township stands ready, willing,
14 and able to respond to any and all emergencies that
15 might occur on site.

16 The above-listed emergency medical service
17 statistics show a transport rate of about 10 percent to
18 patient presentations; our biggest concern is that 90
19 percent that are really more routine issues.

20 The other thing that we do ask is that a
21 complete study of the parking needs for the site be
22 conducted and recommendations solicited to improve
23 existing conditions and then address any additional
24 needs caused by the proposed slot parlor.

25 We have been in communications with the owner

1 of the site. They have agreed to those recommendations.

2 Questions? Thank you.

3 MR. LOEPER: Thank you, members of the
4 Commission. My name is Robert Loeper. I am the
5 Township Planner of Upper Merion.

6 My comments are going to be very brief. I'm
7 going to focus primarily on site related issues and
8 particularly parking.

9 We have heard from the Applicant and heard from
10 Mr. Waters about various parking issues and parking
11 demand. However, it has been our experience during
12 major exhibitions there has been a deficient amount of
13 parking located on the site.

14 In addition, the design and construction of the
15 northern lot is such that improperly parked vehicles
16 result in the blockage of travel aisles and reduce the
17 amount of parking space.

18 They are currently no provisions for larger
19 vehicles at the site; including, buses, trailers, and
20 trucks. These are particularly important when there is
21 an exhibition.

22 I would like to point out that approximately
23 117 of the parking places along North Gulph Road are
24 partially or wholly located within the PennDOT
25 right-of-way.

1 While there are no immediate plans for use of
2 this property by PennDOT, we are concerned that the loss
3 of those spaces could be a problematic.

4 At this time, it is not clear to us that there
5 are any provisions for parking management; including
6 overflow parking, remote lot shuttles, or even on-site
7 enforcement.

8 We would recommend that the Applicant provide a
9 detailed parking study that examines the parking demand
10 by the individual users on the site, the distribution of
11 the parking and relation to the uses, a parking
12 management plan that addresses parking enforcement,
13 off-site peak parking and shuttles and parking for
14 larger vehicles. Thank you.

15 MR. McBRIDE: Good morning, members of the
16 Commission. I am Edward McBride, a resident and elected
17 official of Upper Merion township.

18 Today, I am here to offer testimony on behalf
19 of the township regarding the Category 3 Gaming License
20 application presented to you by Valley Forge Convention
21 Center.

22 Several months ago when the idea of building a
23 slot parlor in King of Prussia was announced, there
24 admittedly was significant concerns for what this would
25 mean to Upper Merion Township and its residents. Call

1 it a fear of the unknown. Concerns specific to
2 construction, traffic, strain on our volunteer services,
3 and degradation of our quality of life were just to name
4 a few.

5 Township officials met early with the attorney
6 and some principals of the project to listen to what
7 they had planned for our town.

8 There have since been news articles about slot
9 parlors in general and this specific project that has
10 kept the conversation of a slot parlor in King of
11 Prussia in the ongoing conversations with neighbors and
12 residents.

13 On May 3rd, the Township Supervisors hosted a
14 public meeting at the township building from 10:00 a.m.
15 to 1:00 p.m. The Applicant, Valley Forge Convention
16 Center, gave a presentation of their application and
17 communicated what they had planned for the property.

18 Also testifying at the request of the
19 supervisors was Christopher Craig, from the Pennsylvania
20 Senate. Mr. Craig, one of the authors of the gaming
21 legislation, gave the attendees an overview of the
22 background leading up to the drafting of the gaming
23 legislation.

24 He also provided a firsthand account of the
25 intention of the state officials as they drafted the

1 documents along with a detailed explanation of the
2 difference between the Category 1, 2, and 3 Licenses.

3 You heard from our Chief of Police, Township
4 Planner, and our Fire Marshall. They as well testified
5 in front of the public at this May 3rd meeting.

6 The public -- at this public meeting, the
7 Applicant responded to many questions offered by
8 township officials and residents.

9 The Applicants collectively were forthright in
10 their testimony and responses and seemed to be aware of
11 our concerns about the impact of their project on our
12 township.

13 After hearing all of the testimony, residents
14 of the township were offered the opportunity to testify
15 and to ask questions.

16 Approximately 20 township residents attended, 5
17 of our residents with an average length of residence in
18 the township of 42 years offered thoughtful testimony.

19 Their testimony was consistent with the
20 concerns of other residents and township officials.
21 Parking and traffic congestion was at the core of the
22 residents' testimony.

23 Folks who have attended events at the
24 convention center in the past expressed concern about
25 what this addition will do to an already crowded parking

1 lot. The Township Codes Director and Chairman of the
2 Fire and Rescue Services Board also raised this matter.

3 Our township has many areas of traffic
4 congestion. The convention center site is one such
5 location.

6 The Applicant expressed a desire to resolve the
7 parking concerns. This is in their best interest as
8 well as a concern of the township officials.

9 They also agreed, as was mentioned earlier by
10 the Applicant, to contribute \$415,000 to be allocated to
11 roadway improvements.

12 Valley Forge Convention Center Partners agreed
13 to support the township in our efforts to get the state
14 and PennDOT to make improvements to 422 and the
15 surrounding area, which has been an ongoing problem.

16 One of the residents questioned the \$10 fee
17 charged for access to the slot area as not being enough
18 to dissuade people who are not using the convention
19 center or the attached hotels and restaurants.

20 This matter was also raised as a concern of the
21 supervisors. This factor seems to go against the
22 proposed reason for slots to be added to the site. This
23 will contribute to daily trips from outside the area to
24 the site.

25 The Applicant has agreed they would train their

1 staff for response to the medical emergencies and that
2 they would expand their security staff to an appropriate
3 level.

4 They also agreed, as you heard earlier, that
5 they will add a booster to their radio system to improve
6 communications.

7 The Applicant agreed to our request to
8 establish a quality of life fund that would be
9 administered jointly by the Applicant and
10 representatives from the township.

11 The fund would be used for senior events, to
12 assist residents on fixed incomes with special needs.
13 The funds would be awarded to sports teams and also the
14 fire and rescue services and other special projects
15 within the township. The funds would also be used for
16 other nonprofits that are based in the township.

17 The dollar amount and the governing structure
18 have not been agreed to thus far but the concept is. As
19 you are aware, this is a huge property in our township.

20 Since opening it, it has seen good times and
21 bad and then it's also seen some really bad times. We
22 are optimistic that the owners have a very well thought
23 out plan that will make this location a vibrant,
24 successful business and add to the prosperity of the
25 owner while minimizing the impact to our residents.

1 On May 15th, the Township Supervisors voted
2 cautiously to agree that your Commission should approve
3 this application.

4 I say we did cautiously because we have covered
5 a lot of ground with the Applicant thus far, but we have
6 much to finish.

7 I believe the Applicant is genuinely making the
8 representations that I have outlined in good faith. I
9 trust that I will be at your hearing in November to
10 report to you that we have completed everything before
11 the Applicant and the township to our mutual
12 satisfaction and most of all to the folks we represent,
13 the township residents. Thank you.

14 HEARING OFFICER ZIELONIS: Next, we will have
15 the community groups.

16 Paul R. Decker.

17 MR. DECKER: Good morning. My name is Paul
18 Decker. I reside at 922 West Montgomery Avenue, Bryn
19 Mawr, Lower Merion Township. Thank you for the
20 opportunity to speak today concerning the application
21 before you from Valley Forge Convention Center Partners
22 for a Category 3 Gaming License.

23 I'm the President of the Valley Forge
24 Convention and Visitors Bureau. That is the private,
25 nonprofit corporation chartered by Montgomery County

1 Commissioners to market our county as a meetings and
2 visitor destination.

3 Speaking for that organization's board of
4 directors, we strongly support the Valley Forge
5 Convention Center Partner's application to bring this
6 form of entertainment to Montgomery County.

7 Visitation to the county generates some \$1.7
8 billion in business receipts annually and supports more
9 than 25,500 hospitality industry jobs.

10 We believe the infusion of gaming in the format
11 dictated by this category license and in the
12 responsible, unobtrusive manner planned by the Applicant
13 will enhance and further diversify the hospitality
14 product the county offers meeting attendees and leisure
15 visitors.

16 We believe it will attract more of them,
17 encourage longer stays, and therefore create greater
18 state and local economic impact.

19 In addition in meeting with one of the
20 partners, the Board very successfully addressed such
21 issues as workforce development and workforce diversity
22 and is, in fact, and has, in fact, voted on May 15th to
23 eagerly and enthusiastically support this Applicant.

24 Thank you.

25 HEARING OFFICER ZIELONIS: Richard Odorsio.

1 MR. ODORSIO: Good morning. Thank you for the
2 time today to testify on behalf of the Valley Forge
3 Convention Partners. I'm Richard Odorsio, Chief
4 Operating Officer at Valley Forge Hotel and Management
5 Company and the Chairman of the Board of the Valley
6 Forge Convention and Visitors Bureau. I'm representing
7 both organizations today.

8 My company owns and operates six hotels, three
9 in the immediate area. We're totally supportive, as is
10 the Bureau, you heard from Paul Decker, of the casino
11 coming into our area as we feel that it will increase
12 the visitors to the area, increase the length of stay,
13 enhance the product that we have to sell, as we are all
14 trying to attract more business to this area for
15 overnight accommodations and tourism and meetings.

16 So on behalf of Valley Forge Convention and
17 Visitors Bureau and the Valley Forge Hotel and
18 Management Company, we totally support the addition of
19 this casino in our area. Thank you.

20 HEARING OFFICER ZIELONIS: We will now have the
21 individuals. I remind you to please state your name and
22 address where you reside and that you have three
23 minutes.

24 Robert Green.

25 MR. GREEN: Madam Chairman, good morning. My

1 name is Robert Green, Chairman of Greenwood Racing. As
2 the Board is aware, there are a number of opinions,
3 briefs, recommendations, and appeals out there in
4 respect to this application and as such as intervenors.

5 Holding these remarks, supplement thereto and
6 no substitute for the evidentiary hearing that we
7 understand will take place later this year.

8 In view of the time, I'll get straight to the
9 two issues that I want to deal with; namely, eligibility
10 and suitability.

11 As you have seen from our submitted briefs, our
12 clear view is that the Applicant does not pass the
13 eligibility process.

14 The legislative intent supported by debates
15 that occurred at the time leave no doubt as to what was
16 intended.

17 To be a Class 3 Applicant, you had to own an
18 established resort hotel that already met specifically
19 detailed criteria.

20 MR. KING: Excuse me, Mr. Hearing Officer. I
21 object to this testimony at this time and also move to
22 strike it.

23 I respect Mr. Green on his position but this is
24 a Public Input Hearing. We know that briefs have been
25 filed. We know that these issues will be addressed.

1 We know there will be an eligibility hearing
2 and suitability hearing. I don't believe this is
3 appropriate testimony for this hearing.

4 HEARING OFFICER ZIELONIS: Your request is
5 overruled.

6 Proceed, Mr. Green.

7 MR. GREEN: I don't know if the green light
8 went out too soon. The point I'm making is it can't be
9 the other way around. In other words, you cannot say
10 I'll find a location. I'll put some passages together
11 and make an application for a Class 3 License and if it
12 is successful, then I'll buy the place and put it all
13 back together then. That was not the intent.

14 I'll move on quickly to the question of
15 suitability. In all of the discussions and subsequent
16 methodology of how licenses would be awarded and how
17 they would be distributed geographically, it was never
18 envisioned that the Class 3 licenses would be awarded in
19 the city -- in the suburbs of the city of the first
20 class.

21 As you know, in the Greater Philadelphia area,
22 it was envisioned that there would be four casino
23 facilities, two Class 1, Philadelphia Park and Harrah's
24 Chester, and two downtown facilities, four in all.

25 As you know, from our perspective, if you look

1 at where we are on the map --

2 HEARING OFFICER ZIELONIS: Thank you,
3 Mr. Green.

4 Carl Rudnick, please.

5 MR. RUDNICK: Good morning. Thank you. My
6 name is Carl Rudnick, President and Chief Financial
7 Officer of Lorel, 590 Gulf road here in King of Prussia.
8 Lorel is an advertising and marketing agency. We have
9 been based in the King of Prussia and Valley Forge area
10 for the past 20 years. We employ over 70 people in the
11 area.

12 We are neighbor to the Valley Forge Convention
13 Center located directly across First Avenue. I'm
14 familiar with the management of the facility. I know
15 them to be of the highest level of integrity and
16 professionalism.

17 A component of our agency's efforts has been to
18 assist clients to promote the King of Prussia and Valley
19 Forge area as a destination for consumers in the
20 Philadelphia metropolitan market, as well as driving
21 tourism traffic to the area.

22 We concur with the Valley Forge Convention
23 Center's view that the addition of the slot parlor at
24 the Valley Forge Convention Center will have a positive
25 impact on local revenue and enhance the image in Valley

1 Forge and King of Prussia as a consumer destination.

2 Thank you.

3 HEARING OFFICER ZIELONIS: Sunny Goel.

4 MR. GOEL: Good morning. My name is Sunny
5 Goel. I'm an executive partner of a business local in
6 King of Prussia, Alan Goel Marketing Company. I'm also
7 a resident of Upper Merion Township.

8 I approve and believe that the Valley Forge
9 Convention Partners will actually have a positive impact
10 on the area. It would cause King of Prussia, the Upper
11 Merion area to become more of a destination place, keep
12 of a lot of business into the area.

13 Being that I have a marketing company, it would
14 -- I feel that with our marketing company a lot of our
15 clients are the hospitality industry, restaurants.

16 I feel that the businesses in King of Prussia
17 would benefit from the proposal that the Valley Forge
18 Convention Partners has.

19 Also, as a resident, I feel that it would not
20 have any impact on the area as it is. Thank you.

21 HEARING OFFICER ZIELONIS: Frank Freudberg.

22 MR. FREUDBERG: Good morning. My name is Frank
23 Freudberg. I'm an Upper Merion resident. I'm here to
24 object to the development.

25 First of all, God bless the developers. It's a

1 free country, and they are entitled to pursue their
2 for-profit operation.

3 But in America, for-profit enterprises need to
4 be constrained by government agencies such as the Board.
5 The Board is charged with protecting the public interest
6 through regulation, licensing, and appropriate
7 enforcement action.

8 The Board is negligent. I ask you, how is it
9 going up in the Poconos? I don't think it's going that
10 well.

11 Furthermore, the Board is supposed to be a
12 watchdog for the people in a sense. In the Board's own
13 2007 annual report, it brags about being selected as,
14 Gaming Control Board is recognized as People of the Year
15 by the Casino Journal Magazine, which is a pro-industry
16 magazine. I don't think that is the fact that the Board
17 would want to brag about that suggests to me that it has
18 an agenda.

19 Okay. The three-minute rule seems to be
20 unfair. The developers had a dog and pony show for a
21 long time. The people who want to speak seem to be
22 constrained to 180 seconds.

23 That said, a couple of problems I have with the
24 project are, the project, if approved, will have an
25 undeniable degradation for the quality of life for Upper

1 Merion residents. It's just not right.

2 Gambling is a problem for many people. The
3 township could do better. The property is a fantastic
4 property. These guys took it out of bankruptcy, which
5 will only help the township; but to use gambling as a
6 draw seems to me preposterous, ludicrous, and a real
7 waste of the opportunity.

8 I suggest that the revenue upstream for the
9 developers would be greatly enhanced by thinking of a
10 better way to maximize the value of the property.

11 The promise or the speculation or suggestion of
12 \$1.4 million to the town and the county seems wholly
13 inadequate. It seems more like a tip rather than a fee.
14 So I reiterate my objection to the project. Thanks.

15 HEARING OFFICER ZIELONIS: Michael Kirschner.

16 MR. KIRSCHNER: Good morning. My name is
17 Michael Kirschner. I was raised in the county. I live
18 in the county, raised my family in the county, and
19 operate my business in the county.

20 As I look back in time, my opinion that the
21 purpose of approving gambling for the Commonwealth of
22 Pennsylvania was to raise revenues for the benefit of
23 the citizens and to, in fact, retain some of the gaming
24 activity that was conducted by residents of the
25 Commonwealth that went to other communities.

1 So, I'm here to speak as to why I believe that
2 this site and this Applicant is worthy of a Category 3
3 License.

4 We have heard comments about tourism. Let me
5 just say that you have all heard the term build it and
6 they will come. Build it and even more will come. It
7 will have a greater effect on all aspects of the county
8 and the area in addition to the convention center.

9 In addition, as I think about the Applicants
10 for Category 3 applications and the transportation
11 required to get to those facilities and the population
12 base, clearly, I believe this is a superior area.

13 Third, I would like to point out that the
14 Allentown Airport has expanded the number of flights and
15 its services.

16 It will provide more opportunity to
17 out-of-state residents to come and make a much easier
18 trip than through the Philadelphia Airport.

19 From the revenue goals and the desire to create
20 income for the state, I think there are a number of
21 people who would not find going to a racetrack to be
22 something they care to do. So I believe that this site
23 has great revenue potential in that respect.

24 Others are of a mindset not to travel into
25 Philadelphia for its traffic issues and other issues.

1 So I think that they might take advantage of the
2 convenience of this site and the cost of gas and tolls
3 to go to Atlantic City clearly is in favor of this site
4 versus there, all of that in addition to what is the
5 apparent value to the convention center and the general
6 area of the enhancement.

7 As to quality of life, I think that the
8 additional entertainment choices that this Applicant
9 offers and compared to other Applicants in the
10 surrounding area is very important.

11 I would like to also point out that the
12 Governor has said on a number of occasions, we need to
13 keep our educated young in the state. There is great
14 employment opportunity in this area.

15 The quality of life that gaming gives these
16 young people for a chance to get out at night is a
17 benefit. There is readily available employment.

18 HEARING OFFICER ZIELONIS: Thank you,
19 Mr. Kirschner

20 Daniel J. Reavy?

21 Okay. Mr. King, would you like your additional
22 15 minutes?

23 MR. KING: I would like a portion of it. I
24 will keep it brief.

25 HEARING OFFICER ZIELONIS: Let me set this up

1 first.

2 MR. KING: Sure.

3 HEARING OFFICER ZIELONIS: Go ahead.

4 MR. KING: Thank you. Madam Chairwoman,
5 members of the Board, thank you for having us here today
6 and allowing us to be present. We are gratified by the
7 almost universal support that you heard today.

8 We recognize that there are concerns,
9 legitimate concerns on various aspects of having a
10 gaming operation at the Valley Forge Convention Center.

11 I want to reiterate and assure the Board that
12 the Applicant recognizes these issues, that we consider
13 the township a partner to address these issues in a
14 fashion that is satisfactory to them.

15 Let me just briefly touch on a few things. The
16 police emergency services, we will work very closely
17 with the police, with the fire department.

18 You heard the Chief go over some things he
19 would like to see to be supportive of the project and
20 let me just briefly go through those.

21 One was State Police. We know that State
22 Police will be at this site according to the law and how
23 casinos are operated. They will be there stationed
24 literally at the facility.

25 Two, in accordance with our complying with

1 requirements and regulations with respect to on-site
2 security and surveillance, we will certainly have an
3 enhanced security presence on the site. We obviously
4 will comply with the regs as they apply to that
5 function.

6 Three, we heard both the Chief of Police and
7 the fire department talk about having enhanced training
8 for our security personnel.

9 We were pleased with the complimentary remarks
10 about the security personnel that we all ready have
11 on-site, but we will indeed engage in the additional
12 training that has been requested with respect to, in
13 particular, first aid and emergency medical so that we
14 will only utilize township services for serious issues
15 and incidents.

16 Finally, an issue we try to have some
17 background on, which is our inoperability of radio
18 systems.

19 The issue arises because of the location of the
20 casino in the concourse level, which is basically at
21 ground level or slightly underground. That is an issue.
22 We will address that. We will put the proper equipment
23 on site to ensure that there is proper police
24 communication.

25 My understanding is this is an issue that

1 exists in other casinos. In fact, it apparently also
2 exists in Philadelphia Park. I think the Chief
3 commented on his May 3rd testimony that when he visited
4 there, that was something they had to do in Philadelphia
5 Park as well, would be to put a repeater within the
6 facility to ensure adequate police communication.

7 The parking issue, which you have heard about,
8 parking issue is both a good thing and a bad thing for
9 this Applicant.

10 The good news is that it confirms that we have
11 a very successful business, that we draw the numbers of
12 people that you have heard about, over 650,000 people a
13 year to this facility. We will address that issue.

14 We will work in partnership with the township
15 to make sure that their concerns are addressed. We are
16 looking at numerous solutions in terms of reconfiguring
17 the parking and making sure that this there is proper
18 access at all times for emergency vehicles.

19 We will be exploring off-site parking and other
20 solutions. I can assure you that we will be getting
21 back to you on that issue.

22 Also, you have heard from Supervisor McBride.
23 We have had many discussions with the township both at
24 the May 3rd meeting and through their counsel.

25 We are committed to being a good neighbor, a

1 good corporate citizen. I believe that in the near
2 future, we'll be providing you additional information
3 about the things that we agree that we will commit to
4 provide to the township so that it can enjoy full
5 benefits from this project in addition to the ones that
6 you have heard.

7 In terms of Mr. Green's comments, we will
8 address those at the appropriate time.

9 Finally, I think you heard Mr. Lubert, he is
10 very committed to this property. He has stayed with it
11 for over 14 years since he originally purchased the
12 property out of bankruptcy.

13 He is pleased to be a part of this, and he will
14 commit to having a first rate facility that you and the
15 Commonwealth can be very proud of and we look forward to
16 proceeding through the process. Thank you.

17 HEARING OFFICER ZIELONIS: I want to thank all
18 of you for coming today and for your respectful
19 cooperation.

20 This Public Input Hearing is now concluded and
21 adjourned. Thank you.

22 (The hearing concluded at 10:31 a.m.)

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1 I hereby certify that the proceedings and
2 evidence are contained fully and accurately in the notes
3 taken by me on the within proceedings and that this is a
4 correct transcript of the same.

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Hillary M. Hazlett, Reporter
Notary Public

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