

BEFORE THE PENNSYLVANIA GAMING CONTROL BOARD

In re: Philadelphia Entertainment And Development Partners, LP

Docket No. 1367

PUBLIC MEETING
April 8, 2009
State Museum Auditorium
Harrisburg, Pennsylvania

EXHIBITS

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Exhibit

- A. Letter from Mayor Michael A. Nutter, City of Philadelphia
- B. Letter from Pennsylvania Real Estate Investment Trust
- C. Letter from Philadelphia Convention & Visitors Bureau

EXHIBIT A



CITY OF PHILADELPHIA

OFFICE OF THE MAYOR
ROOM 215 CITY HALL
PHILADELPHIA, PENNSYLVANIA 19107-3295
(215) 686-2181
FAX (215) 686-2180

MICHAEL A. NUTTER
MAYOR

April 6, 2009

Honorable Mary DiGiacomo Colins, Chairman
Pennsylvania Gaming Control Board
PO Box 69060
Harrisburg, PA 17106-9060

RE: Philadelphia Entertainment and Development Partners, L.P. (Foxwoods)

To the Honorable Chairman and Members of the Pennsylvania Gaming Control Board:

I would like to thank the Chairman and Members of the Pennsylvania Gaming Control Board for this opportunity to provide information on the City of Philadelphia's efforts to facilitate the prompt construction and early opening of the two licensed gaming casinos in Philadelphia. In conjunction with your invitation to representatives of the two gaming licensees to your meeting of April 8, 2009, to provide a full and complete update on the status of their projects, I am hopeful that my submission will assist in delivering a more complete update concerning these projects. The City has a significant interest and a role to play in these developments, which I believe will generate numerous construction and permanent jobs and important tax revenues, all of which will benefit the Commonwealth as well as the City.

Certainly, you are well aware that the road to gaming has been challenging in Philadelphia. As is often the case with such major development projects in urban neighborhoods -- particularly where coupled with the introduction of a controversial activity -- citizens and community groups have voiced concerns about the various potential implications, ranging from gambling addiction to neighborhood traffic to security threats and corruption. The City recognizes that the Gaming Board has been empowered by the Legislature to confront and resolve many of these concerns and that progress is continuing in this direction. On a parallel track, Philadelphia has encouraged the licensees to design their facilities in a way that will enhance the City's physical plan and produce the optimum economic development impact for our taxpayers. As we in Philadelphia struggle with the effects of the global financial crisis, I have endorsed the conclusions of Governor Rendell and leaders in the General Assembly that a vibrant gaming industry can be an important tool in the creation of jobs and tax revenues. In the town meetings leading to my recent budget presentation, I have received the same message from many voters: move ahead with casino development in Philadelphia as quickly as possible.

Honorable Mary DiGiacomo Colins, Chairman
April 6, 2009
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In a March 13th press conference, I reiterated in unequivocal terms my support for the Foxwoods and SugarHouse projects and outlined the City's recent work to help these ventures move ahead. I acknowledged that projects of this magnitude and complexity create myriad business, technical, design and community issues, some of which lie beyond the authority of the City. But at the same time I pledged to join with the representatives of both casinos to overcome obstacles to opening these facilities. I have emphasized that while the City will responsibly exercise its regulatory duties and comply with the requirements of the law, I do not expect nor do I intend these traditional municipal functions to delay development.

In that same press conference, I also recapped important background information regarding each of the casinos that is particularly relevant to the Board's current inquiry. City officials have been working closely with Foxwoods since last summer when, at the urging of legislative leaders, the Governor convened a meeting and Foxwoods announced its interest in relocating to Market Street East. My Administration as well as City Council promptly and very publicly expressed our support for the new location, and launched a collaborative effort with the licensee to provide the Commercial Entertainment District zoning designation necessary to proceed at the Market East site. Within a month of introduction, the zoning legislation was passed and I signed it into law. Since that time, City representatives have continued to work with Foxwoods to assure the completion of the necessary plans related to the casino that would satisfy the needs of the operators and address areas of public concern. More recently, when Foxwoods advised the City that it is exploring the former Strawbridge & Clothier department store on Market Street East as a casino site, I again expressed my support, stressing the benefits of locating the gaming facility at a critical transportation hub in a way that will stimulate overdue redevelopment in this significant commercial corridor. The City continues to be in direct contact with Foxwoods as it pursues the business prerequisites for this transaction. The City remains ready and willing to support and facilitate the permits and approvals for this development as quickly as possible.

We hope that this report provides sufficient information to allow the Board a complete understanding of the City's policy position and perspective in connection with Foxwood's development status. We stand ready to answer any specific inquiries or supply further updates as they may be requested.

Sincerely,


Michael A. Nutter
Mayor

EXHIBIT B



April 6, 2009

Philadelphia Entertainment and Development Partners, L.P.
Two Penn Center Plaza, Suite 200
1500 John F. Kennedy Boulevard
Philadelphia PA 19102
Attention: Brian R. Ford

Re: The Condominium Unit comprising the Sixth Floor and below within the building located at 801 Market Street, Philadelphia, Pa (the "Strawbridge Property")

Dear Brian:

In confirmation of our recent discussions, PREIT-RUBIN, Inc., fee owner of the Strawbridge Property ("Owner"), has available for lease over 200,000 square feet of space on the Concourse and Street levels and on the second and third floors of the Strawbridge Property. Further, the Owner is prepared, subject to the negotiation of and agreement upon definitive terms, to enter into a lease for all or any of that space to Philadelphia Entertainment and Development Partners, L.P. (or an appropriate affiliate thereof) ("Foxwoods") for purposes of operating a casino gaming facility. Such lease would be for an extended term to be agreed upon by the parties, but in any event not less than the period that will reasonably satisfy the Pennsylvania Gaming Control Board for gaming facility licensing purposes. Finally, it is our view that the range of financial terms that have been discussed will provide reasonable parameters for negotiations that will lead to an agreement on a business deal.

We believe that the gaming facility will be a harmonious fit with the existing uses in neighborhood, and, moreover, are hopeful that it will be a catalyst for redevelopment of Market Street as a shopping, dining, entertainment and hospitality destination.

While this letter is not an offer to lease, nor is it intended to be, nor may it be construed as, legally binding upon either of us in any way, we share your vision of a gaming facility in the Strawbridge Property. In order to see this vision come to fruition, the Owner will work on a confidential basis exclusively with Foxwoods for the next 90 days in an attempt to reach mutually satisfactory terms and conditions for a legally binding lease agreement for the appropriate portions of the Strawbridge Property. We look forward to working with you to make our mutual vision a reality.

Sincerely,

Tim Rubin
Executive Vice President

EXHIBIT C

PHILADELPHIASM

CONVENTION & VISITORS BUREAU



www.PhiladelphiaUSA.travel

April 7, 2009

Brian Ford
Philadelphia Entertainment & Development Partners, LP
2 Penn Center
1500 John F. Kennedy Boulevard
Philadelphia, PA 19103

Dear Mr. Ford,

The Executive Committee of the Philadelphia Convention & Visitors Bureau strongly urges Philadelphia Entertainment & Development Partners to move ahead with its casino project on Market Street East. The location in the former Strawbridge's Department Store on the east end of the Gallery is a perfect site to marry the convention customer and the leisure tourist on a street which currently separates both visitor types.

Philadelphia needs both the construction jobs and the permanent positions which will come from the casino. The City needs the tax revenue which will flow from the gaming project. The hospitality industry, during this difficult financial time, needs another venue product to separate us from Washington DC, New York City and Boston. Market Street needs a major new project to spur development in the Gallery, as well as revitalization on the south side of Market Street.

The time for waiting is over. Philadelphia needs—must have—quick action. Please move ahead immediately.

Sincerely,

Nick DeBenedictis
Chairman

Tom Muldoon
President

cc PCVB Executive Committee