

PENNSYLVANIA GAMING CONTROL BOARD

PUBLIC INPUT HEARING
BUSHKILL GROUP/FERNWOOD RESORT

APRIL 30, 2008, 9:00 A.M.

MIDDLE SMITHFIELD TOWNSHIP MUNICIPAL BUILDING
25 MUNICIPAL DRIVE
EAST STROUDSBURG, PENNSYLVANIA

BEFORE:

LINDA LLOYD, PRESIDING OFFICER
MARY DiGIACOMO COLINS, CHAIRMAN
RAYMOND ANGELI
JEFFREY COY
JAMES GINTY
KENNETH McCABE
GARY SOJKA

HILLARY M. HAZLETT, REPORTER
NOTARY PUBLIC

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1 HEARING OFFICER LLOYD: Good morning, everyone.
2 If you could please take your seats, if there are still
3 seats available.

4 I am Linda Lloyd. I am the Presiding Officer
5 for this Public Input Hearing today conducted by the
6 Gaming Control Board.

7 Before we begin, if we could all please turn
8 off cell phones, beepers, BlackBerries, etc.

9 AUDIENCE MEMBER: We can't hear.

10 HEARING OFFICER LLOYD: At this time, I would
11 like to ask everyone to rise for the Pledge of
12 Allegiance.

13 (Pledge of Allegiance.)

14 HEARING OFFICER LLOYD: As the Presiding
15 Officer, I call to order this Public Input Hearing for
16 the Category 3 Applicant, Bushkill Group Fernwood
17 Resort.

18 The date is April 30th, 2008. The time is 9:00
19 a.m. The location is the Middle Smithfield Township
20 Municipal Building.

21 This Public Input Hearing is convened by the
22 Pennsylvania Gaming Control Board pursuant to the
23 authority found in Section 1205(b) of the Gaming Act and
24 the Board's regulations at 58 PA Code Section 441a.6.

25 The Board members present here for today's

1 hearing are to my left, Chairman Colins, Commissioner
2 Coy, and Commissioner Angeli.

3 To my right are Commissioner McCabe,
4 Commissioner Sojka, and Commissioner Ginty. Our Clerk
5 to the Board is Mickey Kane. Our court stenographer
6 today is Hillary Hazlett.

7 The Board and its staff would like to thank
8 Middle Smithfield Township for making its Township
9 Municipal Building available to us today for the
10 hearing.

11 The Township staff, specifically Sherry
12 Predmore's cooperation and hard work have been essential
13 in organizing and holding of the public hearing today.
14 We would like to thank the staff.

15 This is the first Public Input Hearing in a
16 series of four hearings that the Board will hold
17 designed to allow the Applicants for the remaining
18 Category 1 and the two available Category 3 Slot Machine
19 Licenses to present their plans before the Board and the
20 public.

21 These hearings will also allow individual
22 members of the public, community groups, elected
23 officials, and local government representatives to
24 express their thoughts and share their concerns about
25 the proposed projects with the Board.

1 The hearing today will continue until the last
2 scheduled speaker registered has had the opportunity to
3 speak.

4 The order of speakers today is as follows: The
5 Applicant for the Category 3 Slot Machine License
6 Bushkill Group, Fernwood Resorts will make their
7 presentation first.

8 Then we will hear from any Legislators, local
9 Government representatives, community representatives,
10 and individual members of the public who have registered
11 to speak, in that order. If necessary, we'll take a
12 short break at an appropriate time during the comment
13 period.

14 Bushkill Group will have 40 minutes to make
15 their presentation. Each legislative official will have
16 five minutes to speak. Representatives from the local
17 municipality will be given up to 30 minutes to speak.
18 Community group representatives may have ten minutes and
19 individual members of the public will each have three
20 minutes to speak.

21 Each speaker should begin their remarks by
22 stating his or her name, municipality, and state where
23 he or she resides and if speaking on behalf of an
24 entity, the name of the entity. All speakers will be
25 sworn in as a group in a few minutes.

1 To assist all speakers in adhering to the time
2 limit permitted, we have an electronic stoplight located
3 in front of me here and on the podium.

4 The light will show green, red, and yellow.
5 When the light turns green, the speaker's allotted time
6 has started. When the light turns yellow, the Bushkill
7 Group will have five minutes remaining in their
8 presentation, for all other speakers, it will be 30
9 seconds.

10 When the light is yellow, please wrap up your
11 comments. When the light turns red, a beeping sound
12 will sound and you will be expected to stop speaking and
13 sit down.

14 If anyone has any questions about this hearing
15 or future Public Input Hearings, please see our staff in
16 the sign-in area outside of the Hearing Room.

17 If you choose, you may submit written comments
18 that will be included as part of the evidentiary record
19 of this Public Input Hearing.

20 These comments may be made in the alternative
21 to live testimony today or in addition and may be
22 submitted at this hearing or at any other hearing or you
23 may submit them to our Board Clerk via mail or via our
24 website at www.pgcb.state.pa.us.

25 We will accept written comments for 60 days

1 after the close of the hearing today or until June 30th
2 when the evidentiary record for this Public Input
3 Hearing will be closed.

4 If you are a speaker today and you have written
5 notes or testimony which you will read from during the
6 hearing, when you're finished, if you would please give
7 a copy of that written testimony to our court reporter,
8 that will be very helpful for her.

9 In addition, a copy of the Code of Conduct for
10 this public hearing was available as you entered the
11 room. I expect that all in attendance today will adhere
12 to this Code of Conduct, as it will be strictly
13 enforced.

14 Speaking over one another makes it difficult
15 for the Board members to hear what is being said and
16 makes it very difficult for our court stenographer.

17 In addition, we have some media present here
18 today. We ask that you conduct yourselves as if you are
19 attending a formal court proceeding and not interfere
20 with the speakers. If you wish to do any interviews,
21 please do those outside of the Hearing Room.

22 If the red light goes on and you are not
23 finished speaking, you may submit the rest of your
24 comments in written form either after this hearing or by
25 mail or via e-mail at our website.

1 So, if we are all ready. Let's begin with the
2 Bushkill Group and their presentation.

3 MS. JONES: Do you want to do the swearing in
4 first?

5 HEARING OFFICER LLOYD: That's a good idea.
6 If everyone who will be speaking today will
7 please rise and raise your right hand.

8 (Witnesses sworn en masse.)

9 HEARING OFFICER LLOYD: Thank you, Marie.
10 You're on.

11 MS. JONES: Good morning, Chairman Colins,
12 Board members. I'm Marie Jones from Fox Rothschild here
13 on behalf of the Bushkill Group, Fernwood Hotel.

14 I'm going to ask Mr. Andy Worthington, CEO of
15 Bushkill to begin the presentation for the Board and
16 public.

17 MR. WORTHINGTON: Good morning, Chairman
18 Colins, Commissioners, Township representatives, and
19 members of the community.

20 As Marie said, my name is Andy Worthington,
21 President of the Applicant, Bushkill Group and the
22 Fernwood Hotel and Resort.

23 Some people with me today representing our
24 company are Mark Turner, our Chief Operating Officer,
25 Gina Bertucci, our Vice President of Marketing, Kevin

1 Lavelle, our Chief Financial Officer, Thomas Cassale,
2 our general counsel.

3 I would like to begin our presentation by
4 thanking the Middle Smithfield Township Supervisors for
5 their support of our project and for agreeing to host
6 this meeting today.

7 To begin, we would like to play a brief video
8 giving the history of the resort.

9 (Video played.)

10 MR. WORTHINGTON: Fernwood applied for one of
11 the two Category 3 Licenses created by legislation to be
12 awarded to a well-established resort property with a
13 minimum of 275 rooms and year-round amenities. Under
14 that criteria, Fernwood is an ideal candidate.

15 If awarded a license, Fernwood's slot facility
16 would be an additional amenity to the overnight guests
17 of the resort or to amenity patrons who spend a \$10
18 minimum.

19 It will be developed in an existing building,
20 using existing infrastructure, and will support the
21 local economy through jobs, taxes, and philanthropy
22 while maintaining its diverse employee and vendor base.

23 For those of you in the community who are
24 familiar with the property, the red arrow indicates the
25 location of the proposed slot facility. It is in what

1 we call our Events Center. Many of you are familiar
2 with it. It is the building adjacent to the main hotel
3 building attached to the hotel rooms.

4 We hired recognized professionals to analyze
5 the impacts on occupancy, traffic, utilities, and resort
6 operations and only then made the decision to move
7 forward with converting that Event Center into a slots
8 facility. Here is a little more detail on that.

9 Rededication of the building within the already
10 built footprint of the Events Center requires no changes
11 to current zoning, no additional planning at the resort,
12 and the conversion is projected to include both interior
13 renovations and a redesign of the outside of the
14 facility.

15 Here is a rendering of the promenade to the
16 slot facility that will include retail outlets and a
17 small food outlet.

18 This is just a brief profile of the company.
19 We offer many employee benefits such as company
20 sponsored 401K, paid vacation, holiday and sick time,
21 company paid health insurance and life insurance. We
22 offer tuition reimbursement to our employees, assistance
23 with smoking cessation and weight management, and
24 discount on all property amenities.

25 We also believe we're a good community citizen,

1 and I offer the following examples to demonstrate a
2 sampling of the personal and corporate commitment of
3 Fernwood Hotel and Resort to the community, a commitment
4 we believe would increase with the addition of a slot
5 facility.

6 The resort and its employees have donated food,
7 toys, furniture, and have raised money on behalf of many
8 local organizations to benefit deserving families in the
9 community. This is a sampling of some of those.

10 We donate free room nights for family vacations
11 to returning military personnel. We work closely with
12 both Northampton County Community College and East
13 Stroudsburg University on developing student internship
14 programs and on-the-job training. In addition, we make
15 annual contributions to their capitol campaigns and
16 scholarship programs.

17 We also work hard to promote diversity within
18 the community and amongst our own employees and our
19 vendors. These are some of the organizations and events
20 that we donate to.

21 The following slides highlight other worthy
22 organizations that the company supports, such as local
23 law enforcement agencies and associations, environmental
24 and historical associations, arts and cultural
25 organizations and business and professional services.

1 With respect to infrastructure, the resort is a
2 strong supporter of Middle Smithfield Township's Planned
3 Growth. We work closely with the Township officials in
4 several public/private partnerships on road repair, snow
5 removal, and maintenance.

6 The companies provide personnel materials and
7 equipment to make this possible at no cost to the
8 township.

9 We have adopted the roads along the
10 intersection of Route 209 and River Road to maintain
11 trash removal. We also do snow removal in front of and
12 around our resort on the township roads.

13 With respect to the rest of the infrastructure,
14 we have undertaken thorough planning by industry leading
15 companies on both local and national levels to ensure
16 that our infrastructure is sufficient.

17 We have no plans to increase our existing room
18 stock as a result of gaming. It's anticipated that the
19 conversion to the access-restricted slot facility will
20 add to occupying in times of less demand during shoulder
21 seasons, specifically in the spring and the fall.

22 Currently, in the summer, we are operating at
23 full capacity already. We have maximum occupancy, and
24 we anticipate that slot facility usage will come from
25 existing visitation.

1 The development of our slot facility in an
2 existing building will not have any detrimental effects
3 on the surrounding roadway network. In fact, it could
4 positively impact that with increased local public
5 transit.

6 We will make -- we have proposed and will make
7 improvements to existing parking areas as necessary.

8 Given that the slot facility will be developed
9 within a building footprint, no additional zoning,
10 planning, amendments, or approvals are required outside
11 the building permit.

12 Social impacts: Current services are provided
13 to the property by the Pennsylvania State Police,
14 Bushkill Ambulance Corp., Bushkill Fire Company, and our
15 in-house public safety department. Those services
16 already exceed required service levels and will continue
17 to be more than sufficient even with the addition of the
18 slot facility.

19 Onto economic impact. Construction of the slot
20 facility we estimate will generate approximately \$25
21 million for the Pocono region and will support 180
22 on-site construction jobs during the time that the
23 building is being converted.

24 The slot facility will positively impact the
25 region by attracting increased business, creating new

1 job opportunities, and will generate additional tax
2 revenues.

3 Tax cuts of approximately \$170 per homeowner
4 are projected starting in the 2008-2009 school year.

5 With respect to employment at the resort, we
6 anticipate that the new slot facility will generate 83
7 new jobs.

8 Of those 83 new jobs, we expect that 18 of them
9 will be new jobs, people moving in out of the area, you
10 know, senior slot operation management and that the
11 remaining jobs will be filled by people within the
12 community.

13 This chart may be a little hard to read; but if
14 we look at 2010, that is the projected first full year
15 of operation and the breakdown is as follows:

16 Property tax relief is approximately \$9 million
17 paid out from our revenue -- from the slot facilities
18 revenues. State tax and local tax of over \$1 million
19 and two and a half -- \$2.5 million to the Horsemen's
20 Association.

21 With respect to the local tax, half of that or
22 2 percent goes to Middle Smithfield Township on an
23 annual basis. The other 2 percent going through the
24 system DCED goes back to projects in the county.

25 School enrollment: We are projecting of those

1 18 new employees that will be moving into the county to
2 work in the slot facility that they will have a total of
3 13 children that will be entered into one of the various
4 Pocono area public schools.

5 One of the things we're proud of is our
6 diversity plan. We're committed to maintaining a
7 talented staff of employees with an ethnic mix, which
8 reflects cultural diversity.

9 We employ approved vendors and suppliers to
10 ensure a fair representation of minority and women-owned
11 businesses.

12 We are always looking for new ways to enhance
13 our diversity program. We believe the addition of the
14 slot facility will actually aid us with that.
15 Certainly, we want to express that we will continue our
16 commitment to diversity in our employee vendor base.

17 We will also utilize the Gaming Board's list of
18 minority and women-owned businesses to enhance our
19 current business practices. We are committed to working
20 with the Board staff to comply with the Board's
21 guidelines.

22 With respect to responsible gaming, we are
23 committed to working proactively to address the issue of
24 problem gaming. We have developed a comprehensive plan
25 addressing both issues of problem and underage gaming.

1 All of our employees will be trained in the
2 necessary aspects of responsible gaming and
3 identification of underage gamblers to reduce any
4 adverse impacts.

5 We will treat persons who request help with
6 confidentiality, professionalism, and respect. Again,
7 we are committed to working with the Board staff to
8 develop necessary policies and programs.

9 One of the differences for a Category 3
10 licensee from 1 or 2 is that the access to the slot
11 floor is already a restricted access. So that actually
12 helps us with that problem.

13 We have spent a lot of time understanding what
14 systems need to be put in place to only allow those who
15 are authorized to enter the slot floor from getting on
16 there.

17 So somebody must be a registered, overnight
18 guest or a patron of our resort amenities with the
19 understanding of the Board's \$10 minimum. They must be
20 21 years of age. They must not be self-excluded or a
21 known problem gamer. Obviously, employee access must be
22 limited.

23 This might be a little hard to read. This is a
24 diagram or layout of the slot facility. The darker area
25 is the proposed slot floor. As you can see, it's

1 outlined in red.

2 At the top of that, there is only one entryway
3 into the slot facility. Here is more detail of the
4 entryway.

5 The slot floor will be contained having a
6 single controlled point of entry. That single point of
7 entry is staffed during all hours.

8 In addition to obtaining whatever card they're
9 going to need to get on the floor, they're going to need
10 to prove again to whomever is manning the entryway that
11 they are entitled to be in the slot facility.

12 In conclusion, as you can see from our
13 presentation, Fernwood meets all of the requirements for
14 a Category 3 License. We're certainly well equipped to
15 handle this responsibility.

16 We believe that the addition of the slot
17 facility will enhance our commitment to the community
18 and increase our philanthropic efforts, provide an
19 additional amenity for resort guests, and add additional
20 jobs, which will help strengthen the local, regional,
21 and state economies.

22 That's all I have, but I would like to reserve
23 time for rebuttal. Thank you.

24 MS. JONES: That is our initial presentation.
25 Thank you.

1 HEARING OFFICER LLOYD: Okay. Thank you. We
2 then have our first government speaker, Jennifer Wise,
3 the Township Solicitor.

4 MS. WISE: Good morning, Chairman Colins and
5 members of the Commission. My name is Jennifer Wise.
6 As you have stated, I am a Solicitor to Middle
7 Smithfield Township. My address for the record, P.O.
8 Box 218, Scott Run, Pocono Township, Monroe County,
9 Pennsylvania.

10 On behalf of the Board of Supervisors, I would
11 like to introduce them this morning. They are present
12 at this proceeding; Scott Schaller, Ronald Clewell, and
13 Robert F. Spano, Sr. They are in the back of the
14 building, if they would like to raise their hands.

15 I do wish to make it very clear to the Board at
16 the outset that this host municipality and its elected
17 officials unanimously support this Category 3 Gaming
18 License Application.

19 Middle Smithfield Township is a second class
20 township. It's located in Monroe County, Pennsylvania.
21 The Township Code, the Second Class Township Code, it
22 charges the three elected officials with several
23 responsibilities.

24 One is to govern the township. One is to
25 ensure sound fiscal management. The third

1 responsibility is to secure the health, safety, and
2 welfare of its residents.

3 With these responsibilities in mind, the
4 elected officials of Middle Smithfield Township did not
5 take a cavalier approach to recommending this approval.

6 They thoughtfully considered the impact of this
7 gaming license on the community. I would like to go
8 through their analysis with you.

9 In determining that they wished to unanimously
10 support this application, they looked at what governs
11 development in Middle Smithfield Township.

12 They asked two simple question. In fact, what
13 is it that governs the development; namely, the Township
14 Zoning Ordinance and the Subdivision Land Development
15 Ordinance, the acronym SALDO.

16 The second question they said was, you know,
17 does this project satisfy or will it satisfy the zoning
18 ordinance requirements and the SALDO requirements.

19 The Board analyzed their zoning ordinance
20 first. This project lies in a Resort Commercial
21 District here in Middle Smithfield Township. By
22 definition, a Resort Commercial District is designed to
23 provide a mix of commercial, resort, residential, and
24 other compatible uses to promote a unified and
25 coordinated development with interior traffic access.

1 The zoning ordinance then allows what I'm going
2 to call an overlay district, a resort complex district,
3 which is defined by a definition that says it's a
4 coordinated development that includes overnight lodging,
5 time-share dwellings, a ski area or similar large
6 outdoor recreation facility as a principal use, as well
7 as other outdoor recreation and dining facilities.

8 The overlay area also allows a resort complex
9 to have different uses that may not otherwise be
10 permitted in the Resort Commercial District and one of
11 those uses is what is defined as a betting use.

12 The Township Zoning Ordinance defines a betting
13 use and says that its a use that must be compliant with
14 state law and that as long as there's a maximum of one
15 betting device or table for each hotel, motel, inn guest
16 unit that is being offered on a property for rent to
17 transient visitors.

18 After determining that the subject property was
19 zoned commercial, lies within a Resort Commercial
20 District, is, in fact, a resort complex, a previous
21 Board in October of 2005 approved a plan designating
22 Fernwood Hotel and Resort as an approved resort complex.
23 With that would carry the right to have a betting use in
24 Middle Smithfield Township.

25 Looking at the terms of the application, the

1 Board then considered the number of slot machines that
2 it would be permitted to have.

3 With their 885 units for transient visitors,
4 certainly, the 500 slot machines falls within the
5 parameter of their ordinance.

6 Since it is a resort complex that has been
7 approved with betting use, this application and this
8 Applicant will not require from this township any
9 requirements that would require amendments to the Zoning
10 Ordinance, changing to the Zoning Ordinance or any
11 extraordinary municipal approvals.

12 Therefore, the Board determined that, yes, this
13 project does satisfy the requirements of the Zoning
14 Ordinance.

15 The Board anticipates that the project will
16 also satisfy the requirements of the SALDO particularly
17 because this project is intended to occur completely
18 within the boundaries of the facilities that are
19 existing today.

20 The arena facility or the Event Center, as
21 Mr. Worthington has described it, those outside
22 boundaries are still going to be the same when it is
23 converted into a slot parlor or gaming facility.

24 Because of that, it's anticipated that there
25 will not be any extraordinary municipal requirements

1 regarding the SALDO as well.

2 After analyzing the zoning ordinance and the
3 SALDO, the Board shifted its analysis to maintaining
4 sound fiscal management for the township and its
5 residents.

6 The anticipated revenue that this project is
7 expected to generate is significant not only in Middle
8 Smithfield but to the State of Pennsylvania.

9 The resort is already the township's largest
10 employer with over 500 employees. Based upon
11 discussions with the Applicant, it is anticipated that
12 the construction of the slot machine facility will bring
13 an estimated \$25 million in revenue to this region. It
14 will support over 180 local construction jobs.

15 It is also anticipated that this project will
16 bring an estimated 83 full-time jobs to Middle
17 Smithfield Township upon its completion.

18 The addition of the slot machine facility will
19 also generate significantly higher tax revenues. The
20 Applicant projects that will result in an additional \$9
21 million per year toward statewide property tax relief
22 and an excess of \$1 million per year in additional local
23 taxes to Middle Smithfield Township that will certainly
24 help to offset local property taxes.

25 The Fernwood expansion is also expected to

1 bring an additional 151,000 visitors per year, an
2 increase from the now 460,000 annual guests.

3 The host municipality, Middle Smithfield
4 Township, is very optimistic that this increase in
5 visitors will certainly improve and benefit local
6 businesses in the area.

7 The host municipality is excited that the
8 proposed expansion is projected to create both temporary
9 and permanent jobs, and additional tax revenues will
10 allow the township to continue making municipal
11 infrastructure improvements and allow the township to
12 continue to maintain sound fiscal management.

13 At the same time, bringing in additional
14 revenue will allow the local businesses to increase
15 their revenues on that tax base also.

16 Township officials then focused on how the tax
17 revenues from the project will allow the host
18 municipality to continue status quo or even improve the
19 level of security for the health, safety, and welfare of
20 the township residents.

21 And particularly, the Board supervisors are
22 concerned that not only will the services of the fire
23 companies, the ambulance crews, and the police
24 departments, not only will they maintain status quo but
25 that they will not be overburdened and that they will,

1 in fact, be improved by this application.

2 The host municipality is served by four
3 emergency medical service providers and contributes both
4 financially and with in-kind contributions to support
5 these EMS services.

6 Revenue from the gaming facility will allow the
7 township to be more generous with its annual
8 contributions to these EMS providers.

9 The same is true for the fire companies that
10 are entirely volunteer as well as the Pennsylvania State
11 Police.

12 The existing service levels of emergency
13 services at the Fernwood location presently exceed
14 current level needs. It is the position of this
15 municipality that future level needs will surely be met.

16 Once the municipal officials determined that
17 the governing ordinance has permitted the proposed
18 project and that there is no reason the municipality
19 cannot continue to maintain sound fiscal management
20 while at the same time ensuring the health, safety, and
21 welfare of its residents, the Board looked to Fernwood's
22 community and corporate spirit to make sure that this
23 was a project that they wanted to commit to and support.

24 The host municipality is proud of its community
25 and its civic-minded residents and businesses. The

1 Bushkill Group is no exception.

2 Corporate contributions to organizations like
3 the United Way of Monroe County and Pocono Health and
4 Community Alliance help to support programs that benefit
5 children throughout the entire county.

6 Their efforts to raise over \$10,000 in 2007 for
7 Meals on Wheels to feed shut-ins within the municipality
8 is greatly appreciated by all.

9 As Andrew Worthington previously stated,
10 Fernwood has worked with this municipality in several
11 public and private partnerships both on road repair,
12 snow removal, and maintenance, providing personnel
13 materials and equipment at no cost to this township.

14 The resort has also adopted the roads along the
15 intersection of 209 and River Road to maintain trash and
16 snow removal.

17 The resort plows Route 209, River Road, and
18 Falls Road approximately three miles in length on behalf
19 of the municipality.

20 Fernwood Hotel and Resort has been locally
21 owned and operated for most of its 80 years of
22 operation. Today, the company is, once again, locally
23 owned and operated by individuals who actively work day
24 to day in the operations of the resort and the hotel.

25 This host municipality recognizes that it is at

1 a critical juncture. Development in Middle Smithfield
2 Township is necessary to provide services and jobs close
3 to home and to help offset a rising residential tax
4 burden while new models for development are needed to
5 create and maintain a functional and attractive
6 community.

7 Middle Smithfield Township is committed to
8 charting a new path towards sensible development and
9 approach the balance of economic, environmental, and
10 social vitality and at the same time, it enhances the
11 quality of life for the residents and visitors and
12 business people in this community.

13 Based upon the discussions with the Applicant,
14 this project will do all of these things. By
15 retrofitting a pre-existing structure into a casino
16 gaming facility, the project is designed to balance
17 economic impact with environmental impacts, and social
18 vitality.

19 Later this week, the Governor's Conference on
20 Tourism, where municipalities will learn to preserve the
21 distinctive character of their community while creating
22 economic opportunities through tourism, will be taking
23 place.

24 To quote my friend, Governor Rendell, the
25 future of Pennsylvania's great places in part depends on

1 our ability to transform local economies and create jobs
2 through tourism revenue.

3 It is up to key stakeholders on the front lines
4 of economic development in their communities to work
5 together to promote tourism in a way that preserves
6 heritage and embraces progress.

7 Mickey Rowley, the Deputy Secretary on Tourism
8 for the State Department for Community and Economic
9 Developments has explained that the challenge at hand is
10 to find a balance between preserving what we love about
11 our communities and promoting those same attributes in
12 ways that attract growing numbers of visitors and
13 revenues for local businesses.

14 To many that are here in this room today,
15 Middle Smithfield Township is the gateway to the
16 Delaware National Park and Recreation Area.

17 This community is and has always been a resort
18 destination. By supporting Fernwood's application, the
19 host municipality is embracing an economic opportunity
20 that will help transform its local economy, as well as
21 the state's economy by bringing new temporary and
22 permanent jobs and not only increasing tax revenue but
23 also increasing tourism revenue particularly in light of
24 the close proximity of this municipality to the New
25 Jersey and New York metropolitan areas.

1 Its location alone uniquely qualifies and
2 distinguishes this location from any other Applicant.
3 It will surely be of the best benefit to the
4 Commonwealth of Pennsylvania.

5 On behalf of Middle Smithfield Township and
6 myself personally, thank you for your time. I hope you
7 will seriously consider awarding this license to the
8 Fernwood Resort. Thank you.

9 HEARING OFFICER LLOYD: Thank you. We will
10 hear from the community groups. Our first community
11 group speaker is Anthony Kohn. If mispronounce your
12 name, I apologize in advance.

13 MR. KOHN: Thank you. You did very, very well.
14 My name is Tony Kohn. That's what people call me. I'm
15 here as the immediate past president of the YMCA to
16 highlight the Fernwood Group's involvement and
17 unconditional assistance in helping community groups.

18 The Fernwood Group is by far on top of the list
19 as far as providing assistance. You have heard some of
20 that information previously. You will hear that again
21 after my talk.

22 During a severe financial crisis that the YMCA
23 had, Andy Worthington was on the Board of the YMCA,
24 personally got involved in forming the Finance
25 Committee, got local community leaders like the key

1 financial officer of the hospital, the public affairs
2 director at the hospital, a local accountant who is
3 very, very influential and knowledgeable about nonprofit
4 operations, as well as a former banker to form this
5 Committee.

6 The Y was in serious financial challenges.
7 With that Committee's decisions today, the Y is in
8 excellent shape. Without that committee, the YMCA would
9 be challenged today to deliver the services that the
10 community truly, truly needs for child services and now
11 expanding the services to the East Stroudsburg School
12 District.

13 Time and time again, Fernwood has done things
14 for the community that they were not asked. They were
15 not asked to help the YMCA. They decided and looked at
16 the opportunity that the Y represented in the community
17 and found ways to allow its own employees to help the
18 YMCA, contributing employee time to help with the
19 computer problems that the Y had, as well as purchasing
20 challenges that they had, as well as marketing plans for
21 the Y. Without that, the Y would be in a different
22 situation than it is today.

23 I also have some personal involvement in a
24 little known fact that the help that the Fernwood Group
25 provides to the community. One of my family members is

1 involved with the Colonial Intermediate Unit 20.

2 Fernwood over the last three years has provided
3 assistance for ten challenged children who don't
4 normally get into the normal school districts to allow
5 them to work side by side with the people that are
6 involved in the employees at Fernwood teaching these
7 folks who would not have any opportunity other than
8 through the IU in learning life skills.

9 These folks are physically challenged. Some of
10 them are visually impaired. Fernwood has allowed time
11 and efforts to employees without any costs
12 unconditionally to help these children learn valuable,
13 valuable life service skills that can help them become
14 independent outside of their own families to become a
15 productive citizen in the community. That in and of
16 itself is innumerable itself. To put a dollar amount on
17 that, it's impossible to do that.

18 Without the support of that, the YMCA, as well
19 as these children, would not have the abilities as well
20 as the opportunities that were provided to them.

21 The successful operation of Fernwood is very,
22 very important to the group efforts of them delivering
23 their services as a community, and their successful
24 continuing operation will provide additional
25 opportunities for the community to deliver more social

1 service benefits for all of us, for the hotel and
2 tourism industry is the Poconos. Thank you.

3 HEARING OFFICER LLOYD: Thank you. Our next
4 speaker -- I don't think I have a system and my voice
5 isn't that loud. I'll try to speak up. Our next
6 speaker is Barbara Samet.

7 MS. SAMET: Good morning. My name is Barbara
8 Samet. I want to thank you for you allowing me to
9 speak. I will be speaking on behalf of Fernwood's
10 management team and their wonderful help to the United
11 Way.

12 I live at 137 Maple Avenue in East Stroudsburg.
13 I am the past president of United Way. I was the 2007
14 Chairperson of the campaign, which was very successful
15 with a lot of help from the Fernwood Group.

16 For many, many years, the management group of
17 the Fernwood Bushkill Group has helped us with our golf
18 tournament every fall.

19 Since the year 2001, they have helped us raise
20 \$155,000 just on the golf tournament. I am not a
21 golfer, but I will tell you it is a wonderful event
22 very, very beautiful and wonderfully done.

23 Two years ago, we were able to have a very
24 successful community awards affair at the Fernwood
25 Hotel. They have allowed us to have campaigns where

1 their employees have raised money for the organization.

2 On a very personal note and I'm not always sure
3 that we appreciate the people who contribute their time,
4 the Fernwood Group has allowed their employees to help
5 serve on the various committees of United Way.

6 They have been indispensable to us. I
7 personally support the hope that they will receive the
8 gaming license; and as they know me well, they know I
9 will keep pestering them all along for their continued
10 help.

11 They have been a wonderful asset to our
12 community and a wonderful asset to United Way. Thank
13 you.

14 HEARING OFFICER LLOYD: Before we get to the
15 next speaker, I would like to recognize that we have
16 Representative Siptroth in the audience today. While he
17 chooses not to speak, he is here observing the
18 proceedings. Thank you.

19 Our next speaker will be Carl Wilgus.

20 MR. WILGUS: Good morning. My name is Carl
21 Wilgus. I am the new executive director of the Pocono
22 Mountains Convention Visitors Bureau.

23 I would like to welcome the Pennsylvania Gaming
24 Control Board and staff to the Pocono Mountains of
25 Northeastern Pennsylvania.

1 We are the official tourism promotion agency
2 for the four counties of Carbon, Monroe, Pike, and
3 Wayne. We represent the tourism, visitor, and
4 hospitality industry in the region.

5 As you may know, but it bears repeating,
6 tourism is the second largest industry in the state and
7 in the Pocono Mountains it is the No. 1 industry.

8 The economic impact of tourism based upon 2007
9 estimates tell us that \$1.2 billion in visitor spending
10 took place last year resulting in \$302 million in
11 federal, state, and local taxes, creating more than
12 27,000 jobs in the four-county area, and generating an
13 \$811 million payroll.

14 While these are impressive numbers, we know
15 that the travel and tourism industry is a very
16 competitive business.

17 Just because our past has been successful, it
18 does not automatically mean that our future will be.

19 We must always be striving to pay attention to
20 our customers' needs and expectations, sometimes even
21 before they know what they are.

22 The Pocono Mountains is going through a
23 renaissance of some significance these days.
24 Historically well known as the destination of choice for
25 honeymooners, our survival as a destination requires

1 that we be highly regarded in other areas as well.

2 Sizable investments of private industry in the
3 millions of dollars over the next few years in new
4 lodging facilities and attractions are laying the
5 foundation for a new and improved tourism experience for
6 visitors to the Pocono Mountains.

7 But even with all of this, the visitor
8 experience is not complete without an equally robust
9 supply of amenities such as shopping, dining, and
10 various entertainment options.

11 With more than eight million person trips by
12 non-residents to the Pocono Mountains on an annual
13 basis, we desperately need to make available a plethora
14 of options for these millions of visitors to gleefully
15 part with their hard-earned cash.

16 In a 2006 report done by the Travel Industry
17 Association of America on Domestic Travel, it clearly
18 indicated that 6 percent of the nation's 234 million
19 leisure trips take part in some form of gaming. That is
20 a market opportunity of more than 62 million household
21 trips.

22 For this group of travelers gaming can be seen
23 as a recreation and/or entertainment expense that is
24 integral to their overall travel experience.

25 Let me be very clear. It is not our intent for

1 the Pocono Mountains to be known as a gaming destination
2 but rather as a diverse year-round destination that
3 offers gaming as one of many amenities.

4 I know that the good folks at the Bushkill
5 Group, Fernwood Resort feel the same way. With the
6 Category 3 License they are requesting, the Pocono
7 Mountains Convention Visitors Bureau enthusiastically
8 supports this request. Thank you very much.

9 HEARING OFFICER LLOYD: Thank you. We have one
10 more community group speaker, Elizabeth Koster. Is
11 Elizabeth present?

12 MS. KOSTER: Good morning and thank you. My
13 name is Elizabeth Koster. I live at RR 5 Box 5556 East
14 Stroudsburg. I'm here representing Fitzmaurice
15 Community Services.

16 Fitzmaurice Community Services is an area
17 organization that was founded in 1966 by my family. I
18 took over the leadership role in the '70s.

19 We provide community support for individuals
20 with developmental disabilities and mental illness and
21 some individuals who have both developmental
22 disabilities and mental illness.

23 Our services include community housing,
24 personal care homes, independent living supports,
25 clinical services, and recreational services.

1 Most of our work is conducted through contracts
2 with Carbon, Monroe, Pike, mental health, mental
3 retardation program, the State of Pennsylvania and
4 Medicaid and Medicare billings.

5 These funded services provide for the basic
6 needs of individuals. So, if a need arises that is
7 beyond basic needs, we depend upon the generosity of the
8 community.

9 As an example, we had a recent case where an
10 individual who lived and worked independently in the
11 community -- well not really independently, we provide
12 supports for this individual but he maintains his own
13 place and has a job.

14 He got ill, and he was hospitalized. He was
15 very ill. He came to our Special Accounts Committee and
16 asked could we pay his rent for a couple of months until
17 he got better because he was going to lose his
18 apartment.

19 Yes, our Fund-raising Committee, our Special
20 Accounts Committee could fund that. So we paid his rent
21 for two months and now he is back at work and being a
22 productive member of the community.

23 There are many unfunded needs that our
24 consumers have. For example, did you know that hearing
25 aids are not funded by anything? So if you need a

1 hearing aid, and they're very expensive, we depend on
2 our Community Fund-raising for that and maybe special
3 shoes for somebody that is not funded. These kinds of
4 things, it's direct money that directly goes to our
5 consumers.

6 Over the past seven years, we have been the
7 recipient of the generosity of Fernwood with a snow
8 tubing fund-raiser that they conducted during the months
9 of January and February.

10 Over the years that fund-raiser has raised over
11 \$10,000 for our special needs account. But I think more
12 than the -- the fund-raising is vital to being able to
13 provide our consumers throughout the year with their
14 special requests, which really are important requests.

15 But the other thing that is of note is that on
16 those snow tubing nights, our consumers are given free
17 tickets. They can snow tube on the mountain all night;
18 but on top of that, our people are different. They look
19 different. They act different. Maybe they're a little
20 hard to understand.

21 The Fernwood staff is incredible. They are
22 wonderful. They welcome our consumers. They attempt to
23 understand what the consumer is trying to say and our
24 folks feel welcome.

25 They look forward to this every January and

1 February. Oh, boy. We're going to Fernwood snow
2 tubing.

3 So, it's the fund-raising and the community
4 spirit and being a corporate citizen that I love about
5 Fernwood; but it's doing it with a real heart.

6 It is part of the whole culture of Fernwood
7 that they really understand the vital role that
8 nonprofits play in our community.

9 So I support them in their endeavor, and I
10 thank you very much. Thank you.

11 HEARING OFFICER LLOYD: Thank you.

12 MS. JONES: Miss Lloyd, I believe there's Jim
13 Reinhart. He's also a community group member that is
14 here to speak.

15 HEARING OFFICER LLOYD: Miss Kane?

16 MS. KANE: We don't have Mr. Reinhart.

17 MS. JONES: It is on my list, if you would
18 like.

19 MS. KANE: That's fine. That's fine.

20 HEARING OFFICER LLOYD: Thank you.

21 Mr. Reinhart, I apologize for not having you on my list.

22 MR. REINHART: No need for apology. Madam
23 Chair and members of your Board, we welcome you here to
24 the Poconos. Thank you for taking your time for
25 allowing us to be able to provide some input to your

1 very vital significant process.

2 The Pocono Environmental Education Center is
3 located within the Delaware Watergap National
4 Recreational area, just about ten miles north of
5 Fernwood.

6 Before I provide you with my formal remarks, I
7 would like just to echo and reiterate some very
8 significant aspects that some of the speakers, you know,
9 have already touched on in terms of community, in terms
10 of partnership, in terms of from the heart.

11 We have to say that the partnership that we put
12 together, back in 2002, there was a need for us to work
13 collectively, regionally in continuing to preserve and
14 provide opportunities for environmental stewardship in
15 land preservation and education of that very important
16 thing to our future generations and especially our
17 youth.

18 We found that Fernwood and through Andrew
19 Worthington and the leadership of his particular group,
20 there was a wholehearted endeavor there that, you know,
21 they, in fact, wanted to provide that and allow that to
22 happen. And in such a way that we actually brought them
23 into our Board.

24 And if I may take the liberty now to read my
25 formal remarks. On behalf of the Pocono Environmental

1 Education Center, we are in full support of the Bushkill
2 Group, Fernwood Resort's application to obtain a
3 Category 3 Slots License for an additional resort casino
4 amenity operation.

5 The Pocono Environmental Education Center
6 better known to us here in the Greater Pocono Area as
7 PEEC is a 35-year-old 501(c)(3) nonprofit organization.

8 Our mission advances environmental awareness,
9 knowledge, and appreciation through hands-on experiences
10 in our 38-acre, natural, outdoor classroom.

11 Our center is located, as I said, 10 miles
12 north of Fernwood Resort within the Delaware Watergap
13 National Recreation Park.

14 One of the largest, seventh most largest
15 national parks in the entire national park system in our
16 country right here in our backyard with Fernwood sitting
17 right at the gateway.

18 We are recognized as having the largest
19 overnight occupancy, as well as the highest quality of
20 environmental education programs of any residential,
21 environmental education center east of the Mississippi
22 River. We're very proud of that.

23 The reason we're able to accomplish that and be
24 recognized is through partnerships such as what the
25 leadership at Fernwood has helped us to achieve.

1 Our annual guests come from 17 counties just
2 within the Commonwealth of Pennsylvania, as well as 33
3 states, as well as also a few foreign countries.

4 Let me just speak briefly about the Bushkill
5 Group and how our Board and PEEC sees this. The
6 Bushkill Group has been an active partner with the
7 Pocono Environmental Education Center since 2002.

8 They have had a senior manager represent the
9 resort on our Board of Trustees from 2002 to the
10 present.

11 They have single-handedly within the resources
12 that they have gone out and brought resources to our
13 delivery system to our particular facilities at no cost,
14 keeping in mind we're a nonprofit 501(c)(3).

15 We are always working in collaboration in
16 enhancing and increasing the Greater Pocono region's
17 tourism base of venue offerings, which you heard from
18 earlier speakers.

19 The Bushkill Group's longstanding resort
20 reputation includes but is not limited to superior guest
21 services, high caliber resort amenities, community
22 charitable contributions, and I'm going to underscore
23 this, because as you go back and have to consider your
24 decision, impeccable, quality, and internal control
25 systems, very significant.

1 In closing, we respectfully ask that the
2 Pennsylvania Control Board approve the Bushkill Group,
3 Fernwood Resort Category 3 License Application.

4 The addition of the resort casino will add
5 another valuable amenity to their already high caliber
6 guest services.

7 If approved, it will also enhance this region's
8 total tourism and eco-tourism delivery system.

9 We thank you for your time and interest in
10 obtaining input from the general public as part of this
11 vital decision making process. Thank you.

12 HEARING OFFICER LLOYD: Thank you. Did we miss
13 any other community group speakers?

14 Then we'll move onto the individuals who have
15 come here today to speak. The first individual is
16 Nelson Montalvo.

17 MR. MONTALVO: Good morning.

18 HEARING OFFICER LLOYD: Good morning.

19 MR. MONTALVO: My name is Nelson Montalvo. I
20 have been a resident of Bushkill, Pennsylvania and
21 employed in Middle Smithfield Township for 13 years at
22 the Fernwood Hotel and Resort.

23 Throughout my years I have experienced growth
24 both on the job and in the area. I am proud to be a
25 resident and part of the area workforce.

1 Thirteen years ago, I began my tenure at
2 Fernwood as a painter/carpenter. As the years have
3 passed, both management and corporate entities of the
4 resort have supported employment growth, recognized
5 employee strength resulting in awards and promotion for
6 both my fellow members and myself, currently as the
7 Senior Operations Manager.

8 I have witnessed firsthand the resort support,
9 maintaining relationships with present and past
10 employees, charitable organizations, as well as fellow
11 resorts.

12 Thus, my pride and loyalty have grown for this
13 resort as do many relationships that I personally have
14 forged.

15 I am confident that the Fernwood Hotel Resort
16 is and always will be the premiere vacation destination
17 for the Poconos.

18 I support the Bushkill Group's ongoing efforts
19 in expanding the resort amenities and moving forward for
20 the resort slot permit.

21 Future guests, time-share owners, community
22 residents, and area businesses would all benefit if this
23 license was granted.

24 In closing, I would like to thank you for your
25 time. I would like to thank the Bushkill Group. I'm a

1 proud member of their team and a proud member of this
2 community. Thank you.

3 HEARING OFFICER LLOYD: Thank you. Our next
4 individual is Holly Freeman-Belau.

5 MS. FREEMAN-BELAU: Good morning, Chairman
6 Colins, members of the Board, the township and the
7 community.

8 My name is Holly Freeman-Belau. I'm a Special
9 Projects Director at Bushkill and Fernwood Hotel and
10 Resort.

11 I started with the company as a lifeguard 17
12 years ago. To be honest, I never expected to stay in
13 this area or work in the hospitality business for as
14 long as I have. My plans were actually quite different.

15 The company's management, their employees, and
16 the company culture are the reasons I stayed and will
17 continue to stay.

18 When I first started with the resort, it was
19 London owned and the owners were not intimately familiar
20 with the local community or the day-to-day business
21 operations.

22 Fortunately, since then, the management team
23 that has been in place for most of my history with the
24 company was able to purchase the resort from its former
25 owners.

1 It is now locally owned. The owners have
2 offices on the property. They are the ones who run the
3 daily business operations.

4 They have all worked their way up in their
5 respective areas of expertise and therefore have
6 firsthand knowledge and understanding on how to
7 effectively run their respective areas of the business.

8 Additionally, most of the owners live in the
9 county and are raising families here. They all work
10 hard to facilitate changes that they firmly believe
11 would positively impact the local community.

12 Since their ownership, I have seen many
13 positive changes, including improvements to their
14 already extensive list of employee benefits, the
15 formation of the Diversity Committee to create cultural
16 variety amongst our employees and vendors, the formation
17 of Employee Communications Committee to find new and
18 better ways of maintaining open lines of communication
19 between management and their employees and many, many
20 improvements to the quality of the property to benefit
21 their guests.

22 I could not think of a more professional and
23 responsible company to be awarded a gaming license and
24 oversee the project's implementation and management.

25 There is no doubt in my mind that they will run

1 the project legally, efficiently, and with integrity.

2 Given the current state of the economy, the
3 slot facility would generate a welcome tax revenue boost
4 for both the local and state economies.

5 It would also create more jobs, benefit local
6 businesses, and open the door for many other
7 opportunities.

8 Bushkill Group and Fernwood already give back
9 to the community in many ways. They provide a great
10 place to work and a wonderful, leisurely experience for
11 their guests.

12 The addition of the slot facility would only
13 allow them to do much more. Thank you for your time.

14 HEARING OFFICER LLOYD: Next speaker is
15 Patricia Litts-Young. Patricia?

16 MS. LITTS-YOUNG: Thank you. My name is
17 Patricia Litts-Young. I reside at 14 Eaglesmere in East
18 Stroudsburg. I am here in support of the Bushkill Group
19 at the Fernwood Hotel and Resort.

20 I was born in East Stroudsburg. Over the
21 years, I have become very familiar with the resort and
22 have enjoyed the many amenities they have to offer.

23 I have also come to know some of the owners and
24 employees. They are a locally owned company that has
25 operated with expertise. The owners are also

1 professional, ethical, and a hands-on management team.

2 As one of the largest employers in our area,
3 they provide jobs for many local citizens and their
4 employees receive excellent company benefits.

5 The resort also produces much needed revenue
6 for the local area and the company gives back to the
7 community by supporting numerous charities both local
8 and national.

9 One example being that they donate the golf
10 course each year for a tournament in memory of my
11 deceased nephew Girsham H. Litts, II. This raises money
12 for a trust fund to benefit his young daughter.

13 Their gaming license would allow them to
14 further their philanthropic efforts, would provide much
15 needed local property tax relief, and would give a
16 significant boost to the overall economy in Northeast
17 Pennsylvania. Thank you.

18 HEARING OFFICER LLOYD: Thank you. Next, we
19 have David Penney.

20 MR. PENNEY: Good morning. My name is David
21 Penney. I'm an employee at the Fernwood Hotel and
22 Resort. I want to take a moment of your time to give
23 you some of the positive benefits of gaming coming to us
24 here in the Poconos.

25 As a young man, I grew up in this area having

1 seen a change from a quiet, rural community with several
2 small resorts, watch them slowly grow into large
3 resorts.

4 Over time, we have seen a diminished shift from
5 the resort in hospitality to industry and retail.

6 I then watched the factories dwindle and
7 disappear from this area leaving many of its former
8 employees without work, not to mention hundreds of
9 families that have relocated from large metropolitan
10 areas to our Pocono region searching for a better way of
11 life.

12 With the current economy and job opportunities
13 in this area dwindling, the potential for revitalization
14 and rebirth of a vigorous and strong hospitality and
15 resort industry in the Poconos is a very welcome idea
16 for many of us. Gaming gives us that potential.

17 The people in this area have always excelled at
18 hospitality and customer service. So why shouldn't we
19 work with our strengths and use what nature has provided
20 us with this glorious area?

21 As we look around, we see beautiful scenery,
22 hundreds of amenities, a fantastic location with easy
23 access from major cities to visitors. It's a great
24 formula for success, not to mention a potential growth
25 and stability that gaming would provide would be felt

1 across many lives in the area.

2 The stability would not only be for those
3 working in the newly created positions at the resort but
4 also for anyone who works in or owns a business in the
5 local area.

6 The increase of visitors to our area for gaming
7 and vacationing will have a positive side effect in that
8 it will also increase the sales potential for their
9 goods as well.

10 Gaming is a proverbial shot in the arm, for
11 lack of a better term, that will help us rejuvenate the
12 area and bring life back to its former glory, the
13 honeymoon capital, Pennsylvania's playground and on to
14 becoming -- who knows what can become but with gaming at
15 Fernwood, the potential is endless.

16 HEARING OFFICER LLOYD: Our next speaker is
17 Robert Phillips. I'm sorry. I skipped a name. Daniel
18 Lynch is next on the list. Then we'll hear from
19 Mr. Phillips.

20 MR. LYNCH: Good morning and thank you. I
21 didn't want to write a speech but let please allow me to
22 tell a personal story briefly.

23 My name is Daniel G. Lynch. Everyone around
24 here knows me as Danny. I'm 30 years old. I reside in
25 East Stroudsburg here in Monroe County. I'm here by way

1 of New York City.

2 I'm currently employed at the Fernwood Hotel
3 and Resort. I serve there as a Director of
4 Entertainment.

5 I've been a resident of this area for roughly
6 14 years or so. It's a funny thing, as I think about it
7 because this wasn't something that was part of my plan.

8 I say this because as a senior in high school,
9 my mother drug me out of school and brought me to this
10 area to finish school and to provide better
11 opportunities for me. It's just something that I didn't
12 want any part of being a city kid.

13 My point is that growing up a city kid and
14 relocating to Bushkill, Pennsylvania just wasn't an idea
15 of mine. I wanted to go back to New York as soon as I
16 graduated high school.

17 So, nevertheless, about a month or so after
18 high school, I wanted to make money to try to go back to
19 the city. I took a job as a food counter attendant at
20 Fernwood.

21 I worked hard and over the years was able to
22 move up. I've been here ever since without leaving.
23 That's something I'm very proud of.

24 So what I want to say if it were not for
25 Fernwood, I don't know where I would be today in my

1 life.

2 I want to say thank you and to say that I fully
3 support and believe that the addition of a gaming
4 facility to the resort will further develop the growth
5 of this economy -- excuse me, this area and its economy
6 and create jobs, as well as better opportunities to
7 others just like the opportunity it presented to me
8 about 13 years ago when I came to this area. Thank you.

9 HEARING OFFICER LLOYD: Thank you. And now
10 Mr. Phillips.

11 MR. PHILLIPS: Chairman Colins, distinguished
12 members of the Pennsylvania Gaming Control Board. My
13 name is Robert Phillips. I reside at 108 Broad Street
14 in Stroudsburg, Pennsylvania.

15 I would like to thank you for allowing me to
16 address this Board at this public hearing. Even though
17 I am the President and CEO of the Greater Pocono Chamber
18 of Commerce, which represents over 1600 members, these
19 views and opinions are personally my own as a concerned
20 citizen of Monroe County.

21 Incidentally, I have been a resident of
22 Northeastern Pennsylvania for the past 57 years. My
23 opinion is that gaming in Monroe County, which is the
24 second fastest growing county in the Commonwealth, will
25 provide a significant, positive economic impact by

1 creating new investments, new jobs, and will help
2 stabilize the escalating school property taxes.

3 This industry will also leverage the much
4 needed infrastructure that is badly needed in this
5 high-growth county.

6 The natural beauty of Monroe County in its
7 national reputation as being a world class tourist
8 destination further supports this area to be an ideal
9 location for a slot license.

10 With that being said, I want to express my
11 support for the Bushkill Group's application for a
12 Category 3 Slot Machine License.

13 My professional experience with the locally
14 owned Bushkill Group, Fernwood Resort has continually
15 demonstrated their high level of standards and business
16 practices for outstanding customer service, superior
17 employee relationships, and exceptional community
18 support.

19 Additionally, the community impact for having a
20 license on the eastern part of Monroe County because of
21 its location through larger markets will be vital to the
22 local region, as well for the Commonwealth of
23 Pennsylvania.

24 The Bushkill Group, Fernwood Resort owners have
25 taken the initiative with the overall planning to ensure

1 a prosperous tourist facility that will generate
2 positive results.

3 This is a company of impeccable integrity and
4 in my opinion will be a tremendous asset to
5 Pennsylvania's gaming industry.

6 They have demonstrated to be a considerate and
7 responsible corporate neighbor with local communities,
8 as well as a proven leader for tourism in Monroe County.

9 With all due respect, I highly recommend to
10 you, the members of the Pennsylvania Gaming Control
11 Board, that the Bushkill Group, Fernwood Resort be
12 granted a Category 3 Slot Machine License. Thank you
13 for your consideration.

14 HEARING OFFICER LLOYD: Thank you. Our next
15 speaker is Greg Huffman.

16 MR. HUFFMAN: Good morning. My name is Greg
17 Huffman. I reside in Middle Smithfield Township. I am
18 32 years of age and have been a local resident for all
19 of my life.

20 I have been influenced by the Pocono Mountain
21 region's resort business since I was a child. My
22 grandparents owned and operated one of the first family
23 resort businesses to the area, Mountain Lake House
24 Resort.

25 I spent five plus years with another prominent

1 family-owned resort, Mountain Manor Inn and Golf Club.

2 I attended college in North Carolina. The
3 conversation started to all the new people that you
4 would meet would be where are you from to which the
5 answer would be Pennsylvania.

6 The follow-up question would be what part of
7 Pennsylvania. The response would be Marshalls Creek.

8 As a blank stare ensues, I say the Poconos,
9 which immediately prompts a response of, I have heard of
10 the Poconos. We vacation there.

11 This widespread recognition is a true testament
12 to all of the local people, businesses, resorts, and
13 natural beauty of our area.

14 I have been privileged to spend the past 11
15 years employed at Fernwood Hotel and Resort with a very
16 professional group of coworkers and under the management
17 that is currently in place today.

18 Because of the interest they took in me
19 professionally, I have grown from a golf cart attendant
20 to my current role as Assistant General Manager.

21 I am truly proud to be part of an organization
22 that takes so much of an interest in a local town that
23 wishes to grow professionally within the Pocono
24 Mountains that have been known for for generations and
25 that is a spectacular vacation getaway destination.

1 The addition of gaming to the area will most
2 certainly expand what our region has to offer, further
3 promote that widespread recognition, and continue to
4 allow the area to stay a competitive vacation
5 destination amid the very picturesque region that we
6 have all grown to love.

7 Had it not been for the opportunities that
8 Fernwood and its management team have given me, I would
9 have probably sought employment at another popular
10 resort destination outside of the region.

11 I believe we would all agree how important it
12 is to continue to offer better employment opportunities
13 to the local population and one of the Poconos
14 Mountain's premiere revenue generators is tourism.

15 To allow a resort that has been in operation
16 since the early 1920s with a local management team who
17 has a proven track record with a promoting local
18 organizations and hiring and developing local talent,
19 the opportunity to hire more individuals, expand their
20 business, and contribute more to what the Poconos have
21 been known for would be invaluable. Thank you.

22 HEARING OFFICER LLOYD: Thank you.

23 Next, Donald Ernst.

24 MR. ERNST: Good morning. My name is Don
25 Ernst. I reside in Monroe County, Pennsylvania. I'm

1 employed as the Chief of Public Safety for the Bushkill
2 Group, Fernwood Resort. I'm also a taxpayer and a
3 property owner in the county.

4 I would think that two things are important in
5 selecting a gaming licensee. The licensee's ability to
6 maximize gaming revenue obviously being one but also
7 more importantly the licensee should be a good member of
8 the community.

9 Having been employed as Chief of the Public
10 Safety Department for the past 30 years, I have
11 witnessed three decades of sustained support for the
12 community by Fernwood Resort.

13 Time and time again, Fernwood has stepped up to
14 the plate in times of community need. I think it would
15 be hard to find a local charity volunteer group or
16 social assistance effort that has not been benefited at
17 one time or another from Fernwood's community spirit.

18 The fact is that Fernwood is a bedrock
19 cornerstone in the community in Bushkill and generations
20 of certain families in that area have and continue to
21 work at Fernwood.

22 On another issue, I'm sure the Board is
23 concerned that whoever the licensee is that that
24 licensee provide a safe and secure environment for its
25 patrons.

1 Over time, our Public Safety Department has
2 established an excellent working relationship with the
3 public safety law enforcement at the local, state, and
4 federal levels and an especially good relationship
5 exists with the Pennsylvania State Police in Swiftwater.
6 On a personal note, I've made some lifelong good friends
7 with that agency.

8 These critically important, well-established
9 relationships will serve to effectively address any
10 potential problems that might arise, and creating that
11 public sector/private sector protection team that is
12 required to operate a casino is going to be much less of
13 a learning process, that it will be a comfortable,
14 almost transparent situation given those preexisting
15 relationships.

16 I want to thank the Board and the Commissioners
17 for your time.

18 HEARING OFFICER LLOYD: Thank you. Next
19 Russell Scott, III.

20 MR. SCOTT: Good morning, Chairman and Board
21 members. I am Russell Scott, III, PO Box 1067 Marshalls
22 Creek, Pennsylvania. I am a third generation resort
23 owner here to support the Applicant.

24 My family sold Mountain Manor Inn and Golf Club
25 in 2007. Prior to the 2007 sale, Mount Manor Inn and

1 Golf Club was a 450 acre property with 54 holes of golf.

2 We expanded the rounds of annual level to the
3 second highest rounds in the State of Pennsylvania.

4 The dynamics of a resort are exactly the same
5 as a city. A destination resort activity has issues
6 24/7 from security to sewage.

7 All resorts have a common issue and that is
8 stagnation. When a resort is not growing towards the
9 future, it is going backward. There is no middle
10 ground. Your support on that logic is very, very
11 important.

12 Fernwood has impacts to this community, to the
13 school district, I say none, Andy says a few, I don't
14 agree with him related to taxes. They are excessively
15 taxed.

16 Imagine a business that has a resort permit to
17 build all of the amenities and structures that they have
18 and are taxed commercially, which is four times ratable
19 for that zoning permit.

20 On top of that, you take a golf hole acre with
21 a tee, green, and a fairway that is four times and then
22 that improvement is four times on that through the
23 county taxing body.

24 So you can see they've got to work pretty darn
25 hard and grow with that cash flow issue in front of

1 them.

2 This group contributes to this school district
3 over \$3 million annually. Without their support or
4 their loss to growth is a tremendous loss in this
5 community.

6 I also want to mention just so you understand
7 what is going on here that we have had a 350 percent tax
8 -- property tax increase since 1990 on the millage.

9 With those multipliers that they are faced, you
10 can see why it's so necessary that they grow. I want to
11 let you know that the park service, the national park
12 that you have heard about had projected 10 million
13 visitors a year to this site. They need a destination.

14 We have other amenities that also need
15 destinations such as the famous Bushkill Falls, the
16 Shawnee ski area, all of this area.

17 So, I'm here to ask you to support this
18 Applicant. It's necessary for this community. I think
19 they would be a good steward. Thank you.

20 HEARING OFFICER LLOYD: Thank you. Next
21 speaker is Rose Capitelli.

22 MS. CAPITELLI: Good morning. My name is Rose
23 Capitelli. I live up here. I have been living here for
24 14 years.

25 I oppose the gambling. I look to my left. I

1 look to my right. I don't have any fancy paperwork, so
2 I'm just going to have to speak from my heart.

3 Of course, these people are supported, they're
4 all business people and they all work for the Fernwood.

5 I oppose the fact that there are other ways
6 that we can make money and not by gambling. I oppose
7 the traffic that we're going to get, the people that are
8 coming up here.

9 We're going to need more police protection.
10 Who is going to pay for that? We're going to pay for
11 that.

12 I have family and friends that live in Mount
13 Airy, not too far. They can't sell their house because
14 people don't want to buy a house that close.

15 If I want to go to gambling, I can go to Mount
16 Airy. I can go to Atlantic City and then I can come
17 back, but I don't have to have it in my backyard.

18 I also have the article where it was -- the
19 meeting was on a Wednesday 9:00 a.m., which I said to my
20 husband, who is going to go at 9:00 a.m.? All the
21 people are working.

22 I took it upon myself, which I already have
23 sent in a petition of 200 names. These are the people
24 that I stood in front of them to ask them about the
25 gambling coming in where a lot of other people didn't

1 know what was going on.

2 These here 200 people have signed this here
3 petition against it. These people cannot be here today
4 because they are volunteering in hospitals, volunteering
5 in food banks such as I.

6 I just -- that is my opinion. I feel that if
7 you're going to have another vote for the people that
8 live here, give them a time that they can appear, not
9 9:00 a.m. in the morning. Thank you.

10 HEARING OFFICER LLOYD: Thank you.

11 Next is Theresa Treglia.

12 MS. TREGLIA: Good morning. My name is Theresa
13 Treglia. I live at Pocono Mountain Lake Estate,
14 Bushkill, 587 Main Trail.

15 My family and I started vacationing in the area
16 in 1972. We built a house in Pocono Mountain Lake
17 Estates in 1986 and moved here full-time in 2003 hoping
18 to enjoy the beautiful area of -- the beautifulness of
19 our area.

20 I would like to say what I have heard today. I
21 think Fernwood has done a great job in bringing
22 resources to the area and the businesses that exist here
23 and what they have done for us, but I think what we are
24 failing to see is the bigger picture and the picture
25 that always gets pushed aside.

1 I remember way back when Tox Island, this, that
2 and the other thing and it all never materializes.

3 Our roads right now can't handle the traffic.
4 If anybody tried to go down 209 South during the day,
5 you've got a back up. Weekends are absolutely
6 impossible.

7 I realize we can't stop what we call progress;
8 but let's prepare the area, fix the roads. They are in
9 horrible shape, finish Marshalls Creek bypass.

10 We're doing all of this, and we don't have the
11 capacity to bring in what we have got and the residents
12 here are suffering.

13 You know, you promise us we're going to get tax
14 revenues from all of this. The revenues go down to
15 Harrisburg and all of the inner city areas.

16 Yes, they need it; but we need our roads fixed.
17 We need the bypass fixed so we can get up and down the
18 roads.

19 The ones who live here all year round, we can't
20 get down the road. You don't dare go down into
21 Stroudsburg on a weekend and do any shopping or
22 anything. You do it during the week and stay up in the
23 mountain. That's not what it used to be years ago.

24 Our crime in the area has increased. All we
25 have is private security forces. I think what we should

1 be looking into -- which I know it was talked about --
2 is having, you know, a force that would take care of the
3 community not just private security.

4 Also, the most important thing that I have to
5 say is that we have to finish the bypass. We have to
6 look at crimes. We have to take care of our roads.
7 Thank you.

8 HEARING OFFICER LLOYD: Thank you.
9 Malcolm Law.

10 MR. LAW: Good morning, Madam Chairman and the
11 Commission. My name is Malcolm Law. I live at 650
12 Lower Lakeview Drive in Middle Smithfield Township.

13 I am the owner of a small, family-owned and
14 operated tourist attraction called Pocono Indian Museum.
15 We're located one mile south of the Fernwood Resort.

16 In 1970 when we came here, there were
17 approximately 12 resorts within a 10-mile radius of this
18 area. Today, there are four, Fernwood being one of
19 them.

20 We depend on tourists coming from Fernwood and
21 the other resorts to keep us in business. We have seen
22 a decline over the years in tourism because people want
23 more and more amenities.

24 We employ four people. Three of these four
25 employees, their spouses board buses at 4:30 in the

1 morning and join 15 people in the Poconos who commute to
2 New York City to make a living.

3 I think that if you will allow Fernwood, the
4 Bushkill Group a license that employs 83 is only the
5 beginning because we will all see that trickle-down
6 effect of having more people in the area and maybe some
7 of these people that have to commute everyday, five days
8 a week will be able to move back home and stay home.

9 There are many, many issues involved with this
10 commuting such as latchkey children in our schools that
11 are left home alone during the day and sometimes all
12 week while their parents commute.

13 I think Fernwood, if you allow them a license,
14 I think it's going to help the community a great deal.
15 Thank you.

16 HEARING OFFICER LLOYD: Thank you.

17 Next, Wayne Bolt.

18 MR. BOLT: Good morning. My name is Wayne
19 Bolt. I live in East Stroudsburg, Pennsylvania 18302.
20 I came to this community 21 years ago as a retired New
21 York City detective.

22 I joined Judge Murray and his family in
23 reopening the Hillside Inn, which has been here since
24 1955.

25 As a young man, I came to the Poconos out of

1 the inner city by being pulled by my mother and father.
2 I enjoyed what I saw up here.

3 Since living up here, I have been a Supervisor
4 in this township, also a Chairperson of the Planning
5 Commission in this Township. I have also volunteered
6 for Board of Director of the Y, Board of Director of the
7 United Way, and Board of Trustees for PEEC.

8 I have worked in Monroe County courts. I have
9 worked for ESU. I am presently employed by Fernwood for
10 maybe two more weeks. My body is telling me to retire.

11 I've seen great changes in this community. I
12 would like to call those changes progress. Fernwood is
13 changing with the times or should I say progressing with
14 the times.

15 The Fernwood Resort employs quite a few of the
16 local people, about 500 or more. These kids stay here.
17 They don't go away. They don't leave and that will
18 leave 500 less people commuting. For those of you who
19 don't know, there are 500 employees.

20 I strongly feel that bringing gaming to
21 Fernwood would increase employment and bring more
22 revenue to the township and help this community be a
23 better community.

24 I would also on a personal note like to thank
25 Fernwood for contributing to my wife of 40 years a

1 scholarship at ESU. Not many people contribute to
2 scholarships as Fernwood does.

3 On that note, I would like to thank the Board
4 and hope they would give Fernwood a chance to get this
5 license. Thank you.

6 HEARING OFFICER LLOYD: Thank you.

7 Next, James Tust.

8 MR. TUST: Good morning. My name is James
9 Tust. I am the administrative manager and a corporate
10 officer of Ski Shawnee, Inc., which is the owner and
11 operator of nearby Shawnee Mountain Ski Area. I am also
12 a long-time resident and homeowner here in Middle
13 Smithfield Township.

14 I would like to welcome the members of the
15 Pennsylvania Gaming Control Board to our eastern Pocono
16 region.

17 I am pleased to be here today to speak in
18 support of the Bushkill Group in their quest for a
19 resort gaming license.

20 Over the years, I have had the privilege of
21 working with several of the owners of the Bushkill Group
22 on various Shawnee Mountain and Fernwood Resort joint
23 marketing efforts and tourism generating efforts
24 including ski and stay packages, special events and
25 major festivals, and many successful marketing

1 initiatives generating overnight guests from the
2 lucrative markets of metro New York area, Long Island,
3 and Northern New Jersey.

4 Here in the Eastern Pocono region, we are only
5 90 miles from Manhattan and the majority of our resort
6 business comes from out of state.

7 I have always found the Bushkill Group to be
8 very knowledgeable, cooperative, capable, and above all
9 professional resort business people of high character.

10 A good corporate citizen, I have witnessed the
11 Bushkill Group giving generously to many local charities
12 and many of its owners are affiliated with nonprofit
13 community serving organizations.

14 The Bushkill Group and its owners hold high
15 standards for serving their guests, their employees, and
16 the local community.

17 In short, the Bushkill Group is a leader in our
18 Pennsylvania resort industry. I am proud to highly
19 recommend the Bushkill Group for a Pennsylvania Resort
20 Gaming License. Thank you.

21 HEARING OFFICER LLOYD: Thank you.

22 Adella Houck.

23 MS. HOUCK: Good morning. My name is a Adella
24 Houck. I currently reside at 362 Prime Rose Lane in
25 Mountville, Pennsylvania, Lancaster County.

1 I'm speaking here today in favor of the
2 Bushkill Groups Gaming License. I'm speaking from a
3 personal perspective for four specific reasons.

4 Andy Worthington spoke earlier today about
5 internship opportunities with East Stroudsburg
6 University.

7 I happen to be one of those students back in
8 1984 that the Fernwood Resort had given me the
9 opportunity to develop my recreation field.

10 They did not only just take me on as an intern,
11 they truly grew me as an individual in this field, one
12 of which I have continued in 25 more years of my life.

13 The second thing, obviously, as being an
14 individual in the recreation field, I have since
15 graduated from East Stroudsburg University in 1985 with
16 a degree in recreation.

17 My concentration at that time was commercial
18 recreation. Obviously, Fernwood Resort is in that exact
19 venue.

20 I am a strong supporter of enhancing
21 recreational opportunities with amenities and facilities
22 for guests.

23 Obviously, this gaming license will just
24 enhance their current venues that they have at the
25 Fernwood Resort for their guests.

1 The third thing I would like to speak about is
2 after graduation, I was employed with Outdoor World,
3 which was a subsidiary of the Fernwood Resort and many
4 of the current owners of this Bushkill Group were people
5 that I was involved with for many years.

6 I am since not employed with that group but
7 have nothing but the utmost professional respect for
8 those individuals especially for the Chief Operating
9 Officer Mark Turner, who I believe as an individual had
10 given me the opportunity of continued growth in the
11 field of recreation, as well as campground management.

12 Like I said earlier, I have been given the
13 opportunity as an individual. I know with the strong
14 leadership that this group provides, the fiscal
15 responsibility, the sensitivity to employee growth and
16 development, I would like to see the Gaming Board give
17 Fernwood the opportunity of this gaming license. Thank
18 you very much.

19 HEARING OFFICER LLOYD: Thank you. Next is
20 Josephine Ferro.

21 MS. FERRO: Good morning. My name is Josephine
22 Ferro. I live on Robin Lane in Marshalls Creek, Middle
23 Smithfield Township.

24 I have not always been a supporter of gaming.
25 I was not sure it was the right thing for our state or

1 our county.

2 Having said that, I can't think of a better
3 group to have a gaming license than the Bushkill Group.

4 The Bushkill Group is outstanding in community
5 service. I am the President Elect of Rotary of the
6 Smithfields.

7 Rotary, as many of you know, was founded in
8 Chicago in 1905 by a businessman named Paul Harris.
9 Paul Harris was a businessman in Chicago, very
10 successful, felt very strongly about giving back.
11 Fernwood does exactly that. They give back to the
12 community. They never say no.

13 I am a volunteer on many boards and committees.
14 I can always count on Fernwood to be there whether it be
15 a gift certificate for a silent auction or most recently
16 as sharing the American Cancer Society's Daffodil Days
17 here in Monroe County, a large platinum sponsorship
18 donation.

19 More than money, Fernwood fosters and sponsors
20 community service attitude among their members and their
21 employees.

22 When the truck came for Daffodil Days with
23 hundreds and hundreds of boxes of daffodils, I pick up
24 the phone. I call Fernwood and they come.

25 They help unload the truck. Everyone from

1 maintenance to management chips in, pitches in, and
2 helps. I cannot say enough about the integrity.

3 Personally, I have worked with many of the men
4 and women, not just through the Bushkill Group but
5 through other venues in the community. These are men
6 and woman who live here, work here, play here, and
7 believe in community service.

8 I strongly support a gaming license for the
9 Bushkill Group. Thank you.

10 HEARING OFFICER LLOYD: Thank you. Steven
11 Billeck.

12 Mr. Billeck, were you sworn in?

13 MR. BILLECK: I was standing back there. My
14 name is Steven Billeck. I live at 3 Buckhorn Drive,
15 East Stroudsburg, PA 18301. I have been in the
16 community for the past, I would say, 11 years now.

17 Currently, I have worked in law enforcement
18 both at the federal and the local level for nine years.
19 I worked EMS for seven and a half years in the local
20 community.

21 I feel that the Fernwood Resort should get the
22 slot license for the revenue to go back towards the
23 community. They can give back towards the township to
24 help with police in the area.

25 It can go towards programs. It can go towards

1 -- they always chip in for the EMS on different aspects.
2 I'm sorry.

3 The community is all worried about, you know,
4 its negative effects on the community, which I don't
5 feel personally that there will be some due to the 500
6 slot machines.

7 Most of your crime is based off of card tables,
8 so you probably won't see that in this area. The
9 revenue going into the community can help with the
10 crime.

11 You can get the police coverage that you need,
12 the EMS coverage. Also, the Fernwood Resort has helped
13 out the community in the past.

14 I know for a fact that they give to burned out
15 families when their homes burn down. They give them a
16 place to stay until they can get back on their feet
17 through the Red Cross. They give to the Bushkill
18 Outreach. There's the food banks. So I am for the slot
19 license. Thank you.

20 HEARING OFFICER LLOYD: Thank you. Marty
21 Davey.

22 MR. DAVEY: Good morning. My name is Marty
23 Davey. I live at 254 Braeside Avenue, East Stroudsburg,
24 Pennsylvania. I'm a taxpayer and a home owner. I'm
25 going to make my points as quickly as possible.

1 I just want to give you a little bit of my
2 background that says I can actually talk about this. I
3 worked in the resort or leisure business since 1978.

4 I have worked in diverse resorts such as
5 Glyfada, Greece and Jackson, Wyoming, and I have also
6 had to take my business to Paris, France and resorts in
7 these places; Paris, Czech Republic, Bangkok, Hong Kong,
8 Katmandu, Nepal, Roatan, El Salvador, Mexico City, Playa
9 del Carmen and Cozumel, Mexico.

10 Since 2002, locally, I worked as a massage
11 therapist at Pocono Manor, Skytop, and Split Rock. I'm
12 currently a consulting dietician for the Lodge at
13 Woodlock. I have also driven on Route 209 since 1984.

14 I appreciate the community interest that
15 Fernwood has given but the community is more than just
16 the Fernwood property.

17 The first thing I see, the problem with this is
18 that, again, we're going to have some low-paying service
19 jobs. I've been in the service industry for a long
20 time. That's what happens.

21 Mr. Worthington said that the 18 jobs, which
22 will probably be very high paying jobs will be for
23 people who don't even live here. We don't have the
24 social service structures or money to support the
25 additional needs that come from a gaming industry.

1 I'm a dietician with a master's in food and
2 nutrition sciences. Part of what I had to do to get
3 this degree was to understand our local social services.

4 I have known dealers and people who work in the
5 gaming industry from Las Vegas and Reno. We have very
6 hard working people in our social services network, but
7 they do not have enough support or monies for what you
8 need in this kind of operation.

9 People have spoken about our natural beauty;
10 but when this project, if it should come, we're going to
11 be one step away from the urban sprawls of California
12 and New Jersey.

13 If you drive down 209, you'll see that things
14 are going to be cropping up all over the place. I
15 should say the initial problem is where are we going to
16 drive.

17 I like Foxmoor Cinema. That's right down the
18 road over here. I think it's the nicest cinema in the
19 area. I don't go there on weekends. No one who lives
20 here goes anywhere on summer weekends because you get
21 stuck in traffic.

22 I never considered working as a massage
23 therapist at Fernwood simply because it would take me 20
24 minutes to get there in the morning and would take me
25 between one to two hours to get home in the evening. I

1 could not pay for the babysitting costs just to sit in
2 traffic.

3 Construction for the bypass on 209 has halted.
4 This bypass would only alleviate the current traffic
5 issues, not future traffic issues.

6 I urge you as a citizen of Monroe County to
7 turn down this proposal. It's not what our community
8 needs or really wants in the long-term growth. Thank
9 you.

10 HEARING OFFICER LLOYD: Thank you. Robert
11 Brown. Mr. Brown, were you sworn?

12 MR. BROWN: Yes, I was.

13 As you said, my name is Robert Brown. I live
14 in the adjoining Smithfield Township. I have lived
15 locally for the last 32 years and in fact, growing up
16 about five minutes from here.

17 One of my first jobs was as a cashier at the
18 Fernwood. I would like to think I have come a long way
19 since then.

20 The last 23 years, I have been a builder and
21 developer concentrating on upper and custom homes.

22 I'm also the immediate past president of the
23 Pocono Builders Association. My company has built
24 approximately 350 homes throughout the Poconos. We like
25 to think we always do the right thing with our

1 customers. We maintain a great relationship with our
2 customers in always doing the right thing.

3 I have to apologize. I'm a little nervous.
4 I'm not one for crowds.

5 My parents always taught me that if you do the
6 right thing, the road you travel will always be a
7 smoother one. I believe that the Bushkill Group's motto
8 must be very similar to this.

9 I would like to talk to you very briefly about
10 the Bushkill Group's owners. Throughout the last 23
11 years, I have had the pleasure of dealing and having
12 business dealings with many of the group's owners.

13 As you know, and as you heard today, they are a
14 local group with strong roots in the community. My
15 dealings with them have always been pleasant and
16 certainly professional.

17 The owners of this group that I have dealt with
18 have always looked at the situation in front of us in a
19 fair and balanced manner.

20 Even though their decision was going to wind up
21 costing them money, they have always done the right
22 thing.

23 They have always approached each decision as to
24 what was the fair thing to do and not simply to cover
25 their own interests.

1 I do not believe that you can assemble a more
2 fair and honest and trustworthy group if you tried.

3 As you know, one of the largest problems the
4 Pocono areas faces is that our property taxes are
5 escalating because we do not have adequate
6 non-residential growth.

7 I believe that the Bushkill Group's casino is a
8 perfect part of the solution to alleviate this imbalance
9 in commercial development and with further efforts to
10 bring our property taxes under control.

11 I also believe that the additional revenue will
12 be brought into the local economy, not only through the
13 casino itself but also from the surrounding businesses
14 that will bring money into the surrounding local area,
15 money that is so really needed.

16 In closing, based on the fact that this group
17 is committed to doing the right thing for our community,
18 the additional relief it will bring to our local
19 property taxes, the jobs it will produce, and the lack
20 of additional stress it will place on our
21 infrastructure, I strongly recommend the Bushkill
22 Group's plan for a casino here at Fernwood and it is the
23 one that will bring the most benefit to the largest
24 number of Pennsylvania citizens. Thank you for your
25 time.

1 HEARING OFFICER LLOYD: Thank you.

2 Robert Uguccioni?

3 Have you been sworn?

4 MR. UGUCCIONI: Yes, I was in the back.

5 Good morning. My name is Bob Uguccioni. I am
6 retired as a consultant for tourism. I served 40 years
7 as executive director of the Pocono Mountain Vacation
8 Visitors Bureau. I lived here all of my life in the
9 Pocono Mountain area.

10 I want to talk about economic impact a little
11 bit and the fact that here in the Pocono area, the
12 majority of our guests and our visitors are from out of
13 state.

14 I want to emphasize that with the 6 percent
15 hotel occupancy tax and 6 percent restaurant tax and a
16 tax that is going to be generated from gambling
17 facilities is net/net to the Commonwealth.

18 Those of us who live in Pennsylvania get
19 benefits from the 6 percent Department of Revenue tax.

20 In the future, we're going to get benefit from
21 the tax -- generation for property tax responses; but
22 people from New York and New Jersey and other states
23 that come here really don't get that benefit.

24 There is no corresponding cost to the revenue
25 generated from here. I think that's an important fact

1 because if we can locate a gambling facility and a
2 gaming facility in an area that the primary revenue is
3 being derived from out-of-state residents, it's net/net
4 to the Commonwealth. It's much better revenue
5 theoretically and even positively in people coming from
6 Pennsylvania.

7 Now, we have a lot of people from Pennsylvania
8 that come to the Pocono Mountain area, too.

9 I believe the majority of people at Fernwood,
10 perhaps over 80 percent come from out of state. They
11 spend their money here. We collect their taxes and they
12 go home. That's not bad business for the Commonwealth
13 of Pennsylvania. I want to emphasize that.

14 I strongly support the license for Fernwood and
15 other licenses for the Pocono Mount Airy also. I think
16 this area is probably one of the best locations for the
17 Commonwealth to generate more revenue for their needs,
18 in particular in property tax reform.

19 I thank all of you for coming and I appreciate
20 the opportunity to talk today. Thank you very much.

21 HEARING OFFICER LLOYD: Thank you.

22 Bruce Brandli? Brandli? No?

23 Okay. That is the end of my list. Did we miss
24 any individuals? Okay. Then if we haven't missed
25 anybody to speak, would Fernwood like to make any

1 closing remarks?

2 MS. JONES: We would just like to thank the
3 Board and the public for attending today. We appreciate
4 the support and nice things said about Fernwood.

5 I would like to move into evidence the three
6 renderings, as well as the PowerPoint presentation.

7 HEARING OFFICER LLOYD: They are accepted.

8 MS. JONES: Thank you.

9 HEARING OFFICER LLOYD: This hearing is
10 Adjourned. Thank you very much.

11 (The hearing concluded at 10:52 a.m.)

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

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Hillary M. Hazlett, Reporter
Notary Public

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