

COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

* * * * *

IN RE: CATEGORY 4 CASINO PROPOSED BY

SC GAMING OPCO, LLC

* * * * *

PUBLIC INPUT HEARING

* * * * *

BEFORE: LINDA S. LLOYD, Presiding Officer

HEARING: Monday, August 16, 2021

3:59 p.m.

LOCATION: Penn Stater Conference Center

215 Innovation Boulevard

State College, PA 16803

WITNESSES: Ira Lubert, Eric Pearson, Jake Corman

Reporter: Matthew Ford

Any reproduction of this transcript is prohibited
without authorization by the certifying agency.

A P P E A R A N C E S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

ADRIAN R. KING, JR., ESQUIRE
Ballard Spahr, LLP
1735 Market Street
51st Floor
Philadelphia, PA 19103-7599
Counsel for SC Gaming Co Op

I N D E X

1		
2		
3	DISCUSSION AMONG PARTIES	6 - 9
4	<u>WITNESS</u> : Ira Lubert	
5	TESTIMONY	
6	By Mr. Lubert	10 - 13
7	<u>WITNESS</u> : Eric Pearson	
8	TESTIMONY	
9	By Mr. Pearson	13 - 24
10	DISCUSSION AMONG PARTIES	24 - 25
11	QUESTIONING	
12	By the Board	25 - 33
13	DISCUSSION AMONG PARTIES	33 - 34
14	TESTIMONY	
15	By Senator Jake Corman	34 - 39
16	TESTIMONY	
17	By Mark Long	39 - 43
18	TESTIMONY	
19	By Eric Bernier	43 - 48
20	TESTIMONY	
21	By Wade Baumgardner	48 - 50
22	TESTIMONY	
23	By Holly Welch	50 - 52
24	TESTIMONY	
25	By Vern Squire	52 - 55

I N D E X (Cont.)

1		
2		
3	TESTIMONY	
4	By David Curtis	55 - 59
5	TESTIMONY	
6	By John Delozier	59 - 63
7	TESTIMONY	
8	By Mr. Miller	64 - 66
9	TESTIMONY	
10	By Mr. Vernon	66 - 69
11	DISCUSSION AMONG PARTIES	69 - 71
12	TESTIMONY	
13	By Mr. Hill	71 - 74
14	DISCUSSION AMONG PARTIES	74 - 77
15	CERTIFICATE	78
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

E X H I B I T S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

<u>Number</u>	<u>Description</u>	<u>Page Offered</u>	<u>Page Admitted</u>
<u>For SC Gaming:</u>			
1	PowerPoint	25	25
<u>Hearing Exhibit:</u>			
1	Written Comments	75	75

P R O C E E D I N G S

PRESIDING OFFICER: Good afternoon, everyone. My name is Linda Lloyd and I'm the presiding officer and the Director of Hearings and Appeals for the Gaming Control Board. I'm conducting the public input hearing today addressing the Category 4 casino proposed by SC Gaming Op Co, LLC to be located at College Township.

Before we could begin, if everyone would turn off or to vibrate their cellphones or other electronic devices so we aren't interrupted. The proceeding is being recorded today by a Court Reporter sitting here at the table in the front, as well as it is also being recorded by audio and video, and being simultaneously streamed live on the Board's website. The video will also remain on the Board's website for your viewing pleasure if you'd like to go back and rewatch today's proceedings.

I'd like to remind everyone here today that while the Penn Stater is not requiring people to wear masks, they are requesting that we all do so. However, if you're going to speak and if you're more comfortable taking it off when you speak, that's fine. I'd just ask that you put it back on

1 when you're finished.

2 As the Presiding Officer, I call this
3 hearing to order. The date is Monday, August 16th,
4 2012 and the time is 4:00. The location is the Penn
5 Stater Hotel and Conference Center located at 1215
6 Innovation Boulevard in State College, Pennsylvania
7 in College Township.

8 The Pennsylvania Resource Development
9 and Gaming Act as amended at Section 1305.1 created
10 a new category of slot machine licenses referred to
11 as Category 4 licenses. On September 2nd of 2020,
12 SC Gaming Op Co won the Category 4 licensed auction
13 with a winning bid of \$10,000,000 - \$10,000,101
14 giving it the opportunity to propose and build a
15 facility within a 15 mile radius of the longitude
16 and latitude coordinates provided with the winning
17 bid. College Township falls within this proposed
18 radius.

19 This public input hearing is being
20 held by the Board pursuant to a mandate found in
21 section 1205B1 of the Act that required public
22 hearing to be held in the municipality where the
23 licensed facility is proposed to be located prior to
24 the Board's consideration of the slot machine
25 application. The purpose of the hearing is to

1 provide an applicant the opportunity to present its
2 plan for a Category 4 casino to the Board and the
3 public, and to provide the public the opportunity to
4 express their thoughts and share concerns about the
5 proposed project with the Board. This public
6 hearing was advertised on the Board's website,
7 announced by the Board at public Board meetings, and
8 advertised in local newspapers. We have all Board
9 members present here today either in person or via
10 Zoom. Six of our members are here and Commissioner
11 Kernoble is on with us via Zoom.

12 The order of today's events will be as
13 follows. SC Gaming will have approximately 45
14 minutes to make a presentation of their proposed
15 project and then we will hear from those that were
16 registered to speak today. And all registered
17 speakers will be permitted five minutes to speak. I
18 will call witnesses after the presentation in order
19 and we will swear you in at that time. However,
20 right now, I would like all witnesses for SC Gaming,
21 if they could stand to be sworn by the Court
22 Reporter.

23 COURT REPORTER: All right.

24 Can you please raise your right hand?

25

1 WITNESSES SWORN EN MASSE

2 ---

3 COURT REPORTER: Thank you very much.

4 PRESIDING OFFICER: And I'll let the
5 Gaming begin.

6 ATTORNEY KING: Good afternoon, Madame
7 Chairman, Chairwoman and Members of the Board.

8 Adrian King here from the Ballard Spahr law firm and
9 representing today Mr. Ira Lubert as the winning
10 bidder on September 2nd of last year and his wholly
11 owned business entity SC Gaming Op Co, which he
12 created to submit the application. Mr. Lubert is to
13 my left. Also joining us to my right is Eric
14 Pearson and Eric is the executive Mr. Lubert has
15 engaged to run the project, both in the development
16 stage and also once it becomes licensed and
17 operational. And you'll hear more about Eric's
18 background as well. We're going to keep today's
19 presentation to be short and to the point.

20 As you know procedure-wise, we'll be
21 much more extensive presentation and hearing down
22 the road after we get through the process and the
23 Bureau of Investigations and Enforcement and Office
24 of Enforcement Counsel has a chance to thoroughly
25 review our application. And at that point, as part

1 of that licensing hearing, which I suspect will be
2 in Harrisburg, we'll have a much more detailed
3 presentation on the project, which as you can
4 imagine, we're working on very diligently and it
5 continues to develop. And so at this point, I'm
6 going to turn things over to Mr. Lubert and we'll go
7 from there. Thank you.

8

9

IRA LUBERT,

10 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
11 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
12 FOLLOWS:

13

14

MR. LUBERT: Thank you, Mr. King.

15

16 Madame Chair and Members of the Board, good
17 afternoon. My name is Ira Lubert and I'm pleased to
18 appear before you today. As you know, I was the
19 winning bidder in the Gaming Control Board's
20 September 20th, September 2nd, 2020 Category 4
21 license auction and I'm the sole owner of SC Gaming,
22 the entity that I created to submit my licensing
23 application in this procedure.

23

24 I'm extremely pleased to have this
25 opportunity to appear before you today and give you
an initial overview of the Category 4 casino that I

1 seek to construct at the Nittany Mall in College
2 Township. As you may know, I am a long-time member
3 of the State College Community. I graduated from
4 Penn State in 1973 and since then, State College has
5 always been a place I've called home. In the years
6 following my graduation, I have returned to the
7 University in the State College area frequently.

8 Ten years ago, I purchased a residence
9 in State College. I am also a State College
10 business and property owner. In addition, I have
11 been an enthusiastic and engaged supporter of the
12 University. I served on the University Board of
13 Trustees for 17 years. Ultimately I retired from
14 the Board on December 31st, 2020 following my
15 service as Board chairman. Because of all this, I
16 feel that I know this area pretty well.

17 As you may also be aware, I was a lead
18 partner in group that developed the Valley Forge
19 Casino Resort. I started that project in the face
20 of the 2008, 2009 financial crisis and I put my
21 personal capital squarely behind it to get it done.

22 In fact, I submit that I won that license because I
23 was the only willing applicant to put personal
24 financial resources on the line during a period of
25 significant economic uncertainty. Some might say

1 it's a risky move, but I truly believe that adding
2 the category three casino amenity into a declining
3 regional dimension center resort hotel could turn
4 things around and create a new economic driver and
5 job creator in the King of Prussia area. I was
6 right about that and the Valley Forge Casino
7 property has been one of the most successful in the
8 Commonwealth. As you may know, that property was
9 acquired by Boyd Gaming Corporation in 2018.

10 In some ways, the financial crisis
11 then reminds me of the environment we're in now with
12 the pandemic and concerns about when the pandemic
13 will truly end. For once again, I see an
14 opportunity for the Commonwealth and a local
15 community in need of additional economic agents. As
16 we've all seen, brick and mortar retail shopping has
17 taken its lumps in recent years as internet-driven
18 retail commerce has grown and skyrocketed in the age
19 of COVID. Shopping malls in particular have been
20 hit hard and this includes the Nittany Mall.

21 I intend to use the same formula I
22 used in Valley Forge. I believe that the Category 4
23 casino I intend to construct at the Nittany Mall
24 will reinvigorate the property and draw many new
25 businesses to mall and the surrounding area. This

1 in turn will create jobs and help drive the region's
2 economy field and the Penn State's immense alumni
3 base and other visitors flooding into the area
4 throughout the year, not just football season. We
5 will provide a new entertainment venue that everyone
6 can enjoy.

7 Thank you for the opportunity to be
8 with you today. At this point, I'm going to ask
9 Eric Pearson give you a formal presentation about
10 the project. Eric formerly worked with me at the
11 Valley Forge Casino where he served as my CEO and
12 general manager. I'm very happy to have him on our
13 team again because he knows how to operate casino
14 properties in a successful and responsible fashion.

15 He also knows how casino properties
16 can be an assistance in the communities in which
17 they operate. And that's why I asked Eric to serve
18 as CEO and general manager of the State College
19 casino, both in its development phase and once it's
20 open. Eric, please proceed.

21 MR. PEARSON: Thank you, Ira.

22 Bring the PowerPoint back. I don't
23 know if you can bring up the PowerPoint. Oh, there
24 we go. Okay. There we go.

25 Good afternoon. Real quick, I'm going

1 to run through the timeline of our - of our
2 application. Although Ira hit the broader points,
3 I'll try and briefly run through that. So as Ira
4 said, on September 2nd, Mr. Lubert won the Cat 4
5 license auction for \$10,000,101 with a center point
6 radius identified in the Unionville Borough in
7 Centre County. Ira then formed three different
8 LLC's entities to hold and hone that structure for
9 the proposed casino. And then we identified the
10 former Macy's department store within the Nittany
11 Mall as our location in College Township, which
12 brings us to today.

13 Show you real quick. So this is a
14 quick overview of our proposed location at the
15 Nittany Mall. So the Nittany Mall is an existing
16 550,000 square foot mall facility here in College
17 Township. It has excellent visibility, parking, and
18 access with really easy access to I-99, I-80, and
19 U.S. State 22. You know, we really envision the
20 casino being able to serve as a catalyst for
21 revitalization within the Nittany Mall, which is
22 currently at about 50 percent occupied.

23 We are engaging in adaptive use of the
24 basic ability. We're using the existing structure
25 and that infrastructure with it, which is about

1 94,000 square feet in size. And the Nittany Mall
2 sits in a larger College Township commercial
3 district with excellent infrastructure and
4 complimentary businesses with shopping, retail, and
5 dining outlets.

6 As part of our application process, we
7 did commission a traffic impact study to weigh the
8 impact of the casino development on the existing
9 road infrastructure. As you can see on the slide
10 here, there are six points of access into the casino
11 sight, into the Nittany Mall development. Three of
12 those points are stabilized, so they're traffic
13 lights. And then three are by a stop sign. We
14 require no point of entry access changes or road
15 infrastructure changes for the project. And even if
16 the, with the traffic the casino is proposed to
17 bring in, and even if the mall were to regain 100
18 percent occupancy, we are still below any kind of
19 threshold that would cause any kind of concerns on
20 the infrastructure because of - as it's been
21 designed and used for - for many decades.

22 Also as part of our application
23 process, we commissioned a firm called e-consult to
24 perform a local and economic impact study on the
25 project. E-consult has been used by numerous

1 casinos for the same purposes of licensing as we've
2 gone through the process. So one of the elements
3 that e-consult worked with department heads of
4 several different organizations and municipalities
5 within the municipalities that serve this area,
6 including street maintenance, sanitation, water and
7 sewer, the police department, fire, emergency
8 medical services, the local ambulance company. And
9 in every single aspect here, the impact on these
10 services and infrastructure is negligible at best.
11 There's no material issue that adding a casino back
12 into where the Macy's used to occupy is going to
13 create any kind of strain on the existing
14 infrastructure that we have locally here.

15 In addition to the valley way, the
16 different departments and infrastructure, E-Consult
17 also evaluated the potential possible positive
18 impacts on tourism and in visitation to the area.
19 And some key points from that report are in regional
20 draw of the casino into the market, you know, it
21 would really help both in increasing traffic from
22 local folks that come within range, but also to tap
23 into that larger, the drivers that Penn State is
24 bringing in, visitors from outside of the area. And
25 we see the casino as definitely having an aspect of

1 being - creating a much more stickier draw so that
2 when folks do come in and visit, whether that be for
3 events or for other things associated with Penn
4 State, that we can - the local area can retain those
5 tourism and that visitation - those visitation
6 dollars.

7 In addition to that, casino
8 development is expected to have negligible impact on
9 capital improvements needed for College Township.
10 However, the tax revenues that would be generated
11 from our local share for College Township and for
12 the County will be very significant.

13 In addition to evaluating our market
14 impact, E-consult also put efforts into
15 understanding what our - what the casino project's
16 impact would be in the short term during our
17 development and construction phase. We're looking
18 at a roughly 350 direct FTE's, full-time - FTE
19 stands for full-time equivalencies, so positions.
20 And in addition, about 170 indirect FTE's just for
21 the construction phase of the project alone. With
22 total positive impacts of the economy, adding up
23 direct, indirect, and induced measures of being over
24 \$73,000,000 to the Commonwealth supporting over 500
25 jobs.

1 And from an income sales and business
2 tax perspective just for the construction period,
3 we're looking at estimates of over \$1,000,000 in tax
4 revenues just for the construction, so before we
5 even open.

6 Next, I have just a quick overview of
7 the project. We have \$123,000,000 budget for the
8 project. \$40,000,000 of that is directly for
9 Pennsylvania Gaming Licensees and the associated
10 auction. The project itself will be 70 or 90,
11 excuse me, 94,000 square feet, which will be
12 completed all within a single phase. We're
13 currently looking to use our full complement of 750
14 slot machines and 30 table games, live tables.
15 We're including a Sportsbook and sports restaurant
16 and bar, which will have a live entertainment
17 element to it, and separate quick serve F&B multi-
18 outlet area as well. Construction is anticipated to
19 take no longer than 12 months once we are able to
20 begin building.

21 Next, I have a few renderings that I'd
22 like to share. You know, only disclaimer caveat
23 I'll give is, you know, we are very much actively in
24 the design and development process now and anything
25 that I do show, you know, we may tweak or change as

1 we go along and become a little more refined and get
2 feedback from PBCB staff as well.

3 But this is our, the front entrance of
4 cover drive looking into the casino. Next is a
5 diagram layout of sort of the top ground view of the
6 entire casino facility. The areas shaded in red and
7 pink are gaming focused areas. Green are restrooms
8 in blue is our F&B focused areas. And the grey
9 areas are back of house support, administrative
10 spaces.

11 This rendering here is of our main
12 casino pit. It's also not a trick of eye. There's
13 not a lot of color, yet on these. Our finishes are
14 yet to be refined so some of it is still black and
15 white. We do know that the tabletops will be green,
16 so we've colorized those. But this is our main
17 table game pit. Next slide. This is our slot area.
18 This is the casino bar. So this is the bar that
19 will kind of come out a little bit into our general
20 casino space, but it also is adjacent to our sports
21 bar restaurant and entertainment facility.

22 Moving on to the next slide here. So
23 this is the rendering of the interior of the sports
24 bar restaurant. From this angle, it's a little bit
25 hard to see, but we do have a set-up to have live

1 entertainment and DJs. We can do stand-up. You
2 know, smaller acts. It's not a massive facility.
3 We're a little over 5,000 square feet. So it's not
4 a major concert hall, but we want to do what we can
5 to be able to provide live entertainment.

6 Which leads me to the rough summary of
7 our employment opportunities we're looking forward
8 to offering. We'll have between 350, probably
9 closer to 400 FTE's once the project gets up and
10 running and stabilized. We're, you know, definitely
11 looking to be an employer of choice in the area. We
12 want to offer a very competitive compensation and
13 benefits package, paid time off, 401K, medical,
14 dental, vision. This next point, dynamic career
15 growth opportunities. I know it's a point and you
16 see a lot of this. For me personally, this is a
17 huge area for me. I started in this business. I'm
18 a second generation casino employee. My mother was
19 a cocktail waitress for about 25 years and my dad
20 was a hospitality manager. I grew up in this
21 business. I started bussing tables in a casino
22 restaurant when I was 16 and have been in this
23 industry ever since. And one of the things I really
24 love about this business and am excited, we did a
25 lot of this at Valley Forge and I'm very excited to

1 - to do and engage with this casino opportunity here
2 is the casino entertainment business offers so many
3 great opportunities that you can come in at an
4 entry-level, line level position and you can work
5 your way up. And I think it's one of those
6 industries which may become more and more rare these
7 days, but there's real opportunity and I'm not a
8 rare exception to this. There are many other
9 executives like myself that came in and started
10 working line level positions.

11 Because I took that path personally,
12 it definitely has a very - it's very strongly
13 influenced how I manage and how I lead, and how I
14 run casino properties. You know, I've always been a
15 strong believer that our greatest resource is the
16 staff we have on hand and growing and developing
17 that, and giving them the opportunity to succeed is
18 a major thing to talk about in every new hire
19 organization that we do. So it's a line on here,
20 but it's a line that I really wanted to emphasize
21 about how we approach running this business.

22 We can go to the next. Diversity
23 inclusion, this also is something that is very near
24 and dear to me and have seen a lot of success
25 through really focusing on these areas. These are

1 our statements which, you know, were very indicative
2 of how we operate in Valley Forge and definitely is
3 the way that we approach this project. Embracing
4 and establishing a diverse work force. And that's
5 both with the teams that we build at the property
6 and also who we work with in the community. And we
7 really work hard to reflect the surrounding
8 community to make sure that we have a very good
9 diverse mix, not just of backgrounds, but outlets
10 and point of views.

11 I found that it's far more successful
12 having many different voices, offering those
13 counterpoints than having something very homogenous.

14 I've seen both in action and diverse approach is by
15 far - not only is it the right thing to do as a
16 member of the community, from a business standpoint
17 by far is the most effective way to run an operation
18 like this. And definitely diversity inclusion is at
19 the core of what we do.

20 Responsible gaming. I can speak for
21 myself personally. I've worked in many different
22 jurisdictions all across the country. I've worked
23 in tribal jurisdictions in Arizona, Idaho,
24 Washington State and Connecticut. I've worked
25 commercially on the Las Vegas Strip in Nevada, in

1 Pennsylvania, and in Illinois. And I can tell you
2 from personal experience, there is - of all the
3 jurisdictions that I've named and others, no one
4 does it better than Pennsylvania. I think the
5 confluence of our regulators, the Council on
6 Compulsive Gambling of Pennsylvania and the
7 operators in this state take this extraordinarily
8 seriously above and beyond any other - not to say -
9 I don't want to disparage any other state where I've
10 operated, but we definitely, how we view and how we
11 operate in the normal course as it relates to
12 responsible gaming in Pennsylvania I think is - is a
13 standout. I think that's a credit to everyone
14 that's here today.

15 But of course, all of our employees
16 are required to receive training on every single
17 piece of collateral that goes externally. There is
18 the 1-800-GAMBLER message. We have - will have
19 extensive literature available and support for folks
20 that do identify that they may have a problem. The
21 teams have always been very reactive at Valley Forge
22 and will definitely be here in handling any sort of
23 responsible gaming issues that do come up. But
24 training is first and foremost and that is
25 definitely - training in a culture of compliance is

1 something is definitely at the core of what we do.

2 And that is, that's my field.

3 Personally, I am extraordinarily excited to be here
4 working in bringing this project to life. I've
5 moved here myself. I bought a house in Bellefonte
6 just down the road. So I know I'm a transplant, but
7 I definitely - you know, I consider State College my
8 home and I think the potential of what we can bring
9 to the area, to the Nittany Mall, and to the
10 community is just fantastic. And I get very excited
11 talking about it, so I'll stop now. But thank you
12 very much.

13 ATTORNEY KING: Thank you, Eric.

14 As I said, we wanted to be efficient
15 and keep it short and sweet and we're at about 25
16 minutes. I assure you that we're working very hard
17 on the project. The schematics that you see are
18 preliminary. We are monitoring the market very
19 closely not only in Pennsylvania, but in other
20 jurisdictions. We've already now have two Category
21 4 facilities that are open in mall properties, and
22 certainly we're going to take lessons from those and
23 match what they're doing in terms of look and feel.

24 And I know that those properties have been very
25 successful to date and we believe we are going to

1 have the same level of success more so here in this
2 what I would describe is a very dynamic place in the
3 Commonwealth. And as Ira has taught me, on certain
4 Saturdays in the fall is the third largest city in
5 the Commonwealth. So there's a lot of excitement
6 that we have around that as well.

7 So with that, I'm going to close our
8 presentation, Madame Chair and we - thanks for the
9 opportunity. I look forward to hearing from the
10 community, the elected officials. We will listen
11 carefully to what they have to say. I'd like to
12 move our PowerPoint into evidence. If you have any
13 questions for us, naturally we're here to answer
14 those as well.

15 PRESIDING OFFICER: Okay.

16 We'll mark your PowerPoint as SC
17 Gaming Exhibit 1 and enter that into the record.

18 ---

19 (Whereupon, SC Gaming Exhibit 1, PowerPoint
20 Presentation, was marked for identification and
21 admitted.)

22 ---

23 PRESIDING OFFICER: And it will be - a
24 copy will also be posted to the Board's website
25 along with today's video presentation.

1 So we'll turn to Board members, if
2 they have any questions for our presenters. I'll
3 start to my left with our chairwoman.

4 MS. SMYLER: Thank you. Just one
5 clarification. The traffic impact study and local
6 impact studies, have they been completed or are they
7 one color or -?

8 ATTORNEY KING: Those have been
9 completed as part of the application process. There
10 are full reports that have been prepared. They've
11 been submitted with our application materials.
12 They've also been provided to - I know the traffic
13 study had, I believe the - the impact study has also
14 to College Township. So all that is complete and
15 submitted.

16 MS. SMYLER: And I just - as a
17 cautionary note, when Penn State becomes the third
18 largest populated city, I just hope you realize a
19 lot of those people in attendance will be underage
20 and will not be permitted into your casino, and
21 hopefully you'll have the proper security in place
22 to make sure that some of those tailgaters are not
23 getting in who should not be there.

24 ATTORNEY KING: I think I speak for
25 both Ira and Eric. Obviously having had experience

1 with developing and running very successfully Valley
2 Forge Casino, they're very familiar with underage
3 gaming issues and we will be tackling that issue as
4 we always have in the past and will in the future
5 with obviously great enthusiasm and everything we
6 need to do because the last thing we want to do is
7 appear in front of you and be in a bad place.

8 MS. SMYLER: Thank you.

9 PRESIDING OFFICER: Commissioner
10 Dermody?

11 MR. DERMODY: I don't have any
12 questions.

13 PRESIDING OFFICER: Commissioner
14 Logan?

15 MR. LOGAN: Thank you.

16 Welcome. Thanks for the presentation.
17 As you're not new to the area, Mr. Lubert, we
18 certainly will be in your casino right here and part
19 of what I've tried to do on the Board in the last
20 five years is make sure that you - make sure that
21 the community benefits from it. So I appreciate the
22 slide that you have with the construction
23 expenditures. Any plan to reach out to local
24 vendors, suppliers, Chambers of Commerce to make
25 sure they participate in not only the construction

1 portion but ongoing services for the facility?

2 MR. LUBERT: Thank you. That's a very
3 good question. Not only will the casino be built
4 locally by a local contracting firm, but we will
5 give emphasis to local vendors both in hiring and
6 ongoing services and supply. We did that at Valley
7 Forge. We plan to do it here as well.

8 MR. LOGAN: Okay.

9 And in the same vein, your
10 construction of your full-time jobs, any job fairs
11 to make sure that locals can participate, again,
12 working with COGS or Chambers or -?

13 MR. LUBERT: We plan on having job
14 fairs, both for the construction phase as well as
15 the permanent employment of the people.

16 MR. LOGAN: Okay.

17 And I've been on the Board for five
18 years and Mr. Lubert and Mr. Pearson, you're going
19 to inherit the problem that for the life of me, I
20 can't understand how we as a Board can't solve. I
21 think this past year, we had seen all the interested
22 parties starting to row in the same direction.
23 Meaning the Board or Enforcement, the casinos, the
24 Pennsylvania State Police, the local police. But we
25 have a problem of individuals leaving kids in cars

1 at casinos. It's a huge problem. And by the grace
2 of God, a kid hasn't died yet. Every day I think
3 we're going to get a call to tell us something
4 happened to a child and it's a problem that I just
5 for the life of me can't understand.

6 A couple years ago, I blamed it on the
7 casinos saying that, you know, they must not have
8 enough enforcement or when somebody walks into one
9 of the facilities or even before they walk into a
10 facility, they get a text here's \$20 free gaming.
11 Make sure you use it by 4:00 tomorrow night. I was
12 thinking that was the problem and it wasn't the
13 problem. They weren't doing that.

14 But we seem to have this problem
15 that's - in the last week, I think we've had 12 or
16 so kids left in cars. We had somebody come before
17 us in the last meeting that left the child in the
18 hotel. It was a four-year-old. At 3:00 a.m., the
19 child wandered off, started trying to open up doors
20 in the hotel room. I mean, just the problems that
21 could occur with that.

22 I'm not asking for an answer, but you
23 need to think about how you're going to combat that.

24 And if you don't have an answer, again, I'm not
25 asking for it. You need to think about it. Kevin

1 is here. Kevin, he's an expert on it. We have all
2 been dedicated to try and resolve this problem.
3 Like I said, I think we seem to be rowing in the
4 same direction. I can't tell from, you know, third
5 and fourth slide where you show the parking. It
6 looks like it could have a very concentrated parking
7 lot. So that may be easier to look for the kids in
8 cars when they come in. But it's a difficult
9 problem to solve because sometimes it's 2:000 in the
10 morning and the three-year-old's laying on the back
11 seat sleeping. Or the parents bring them into the
12 hotel and the kids sleep in the room and the kid
13 gets out.

14 So I just implore you just to think
15 about that. Adrian has seen us and we're getting at
16 again the end of the line here. Our patience has
17 kind of run out on this issue. So please think
18 about it.

19 MR. PEARSON: Yeah. I mean, it's
20 definitely something that we share those exact same
21 concerns. I know for us and for this development
22 specifically, you know, we have a flat lot, a flat
23 level we patrol constantly 24 hours a day. We will
24 always have external security presence. We'll have
25 surveillance presence on that lot. Because of that,

1 the nature of it, we should be able to keep a very
2 good eye on what's happening out there. But we
3 share those exact same concerns. I mean, trust me,
4 as an operator and as a father myself, I'm right
5 there with you making sure that everyone is safe.
6 It's a very important course of how we operate.

7 MR. LOGAN: That's it.

8 PRESIDING OFFICER: I will turn to my
9 right. Commissioner Mustio?

10 MR. MUSTIO: I have no questions at
11 this time, but I will have some follow-up questions
12 some you have a more thorough presentation regarding
13 the issues that Commissioner Logan has presented to
14 you today. Thank you.

15 PRESIDING OFFICER: Commissioner
16 Regan?

17 MS. REGAN: I have no questions.
18 Thank you.

19 PRESIDING OFFICER: And our newest
20 commissioner, Commissioner Ralston?

21 MS. RALSTON: Just one question.
22 Commissioner Logan actually touched on my initial
23 question about the -.

24 MR. PEARSON: I can't hear.

25 MS. RALSTON: Can you hear me now?

1 MR. PEARSON: Yes.

2 MS. RALSTON: I was saying just one
3 question. Commission Logan spoke on my initial
4 question about community outreach. So thank you for
5 addressing that. But Eric, you spoke on some of the
6 other casinos that you had managed. And as it
7 pertains to diversity and inclusion, what is
8 successful for you or what has it looked like for
9 you in those spaces and how are you looking to
10 address that at this one when it's open?

11 MR. PEARSON: That's a great question.
12 So success for me, a lot of it when - I think we've
13 been doing a good job at that. A lot of it - I view
14 it through engagement. So you know, the way in how
15 we - you know, what our recruiting processes are and
16 onboarding and things like that, but really in how
17 our team engages with me and the other members of
18 the management team.

19 And I've worked in situations where
20 that wasn't so great and you can feel it. Like you
21 know walking through, talking to employees, talking
22 to the line staff in situations where it's not so
23 great, you get a lot of people look at the ground,
24 afraid to engage and ask questions. And so for me,
25 the easiest way to tell is just how do those

1 everyday interactions go. Are people comfortable?
2 Are they comfortable telling you not only was it
3 going well, but where are our issues? And that's
4 for the whole team.

5 That is, for me, the easiest way to
6 engage in a live, tangible manner. We do a lot of
7 things behind the scenes, you know, checking
8 ourselves on, you know, what are our diversity stats
9 versus the community that we're in and things like
10 that to make sure that we are in line. But for me
11 personally, the engagement is that biggest tangible
12 measure that I've found.

13 MS. RALSTON: Thank you.

14 PRESIDING OFFICER: And Commissioner
15 Kernoble via Zoom, do you have any questions?

16 MS. KERNOBLE: No, I'm okay right now.
17 Thank you.

18 PRESIDING OFFICER: Okay.

19 Well, then that ends the formal
20 presentation part and we will move on to the public
21 comment portion of the hearing. I would like to
22 remind all the speakers that they have five minutes
23 to make their comment. And to assist you all and to
24 assure you you all have your five minute timeframe,
25 we have a stoplight with us today that I will start

1 after you introduce yourself. The light will show
2 green when I start it, yellow when you have 45
3 seconds left, and it will turn red and start to
4 screech loudly when your time is up.

5 So I will ask you if you get to the
6 end of your five minutes and the light turns red,
7 that you wrap up your comments so we can move to the
8 next person. And if for some reason you don't
9 finish your comments before the end of your five
10 minutes, you certainly can submit any remaining
11 comments you might have through the Board clerk
12 email, which I'll give you at the end of the
13 hearing.

14 So I'd like each speaker to begin
15 their remarks by stating their name, their township,
16 the municipality where they live, if they're here on
17 behalf of a community group, who that is. I will
18 call two names. I'll call the person who is going
19 to speak and the next person on the list so that
20 they're ready to come up to the podium here in the
21 middle after the person before them has - when
22 they're finished.

23 We're going to swear in by group. So
24 my first group is government representatives. I
25 have Senator Jake Corman, Mark Long is a district

1 manager for Representative Benninghoff; and I have
2 Eric Bernier from College Township. If the three of
3 you are here, can you stand to be sworn?

4 ---

5 WITNESSES SWORN EN MASSE

6 ---

7 COURT REPORTER: Thank you very much.

8 PRESIDING OFFICER: And we'll first
9 hear from Senator Jake Corman and on deck will be
10 Mark Long.

11 ---

12 SENATOR JAKE CORMAN,
13 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
14 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
15 FOLLOWS:

16 ---

17 SENATOR CORMAN: As the former Senate
18 Appropriations Chairman, I have the same timer set
19 up, too. So I understand the need for brevity. I
20 am Senator Jake Corman. I represent the 34th Senate
21 District, which includes all of Centre County, in
22 particular College Township. I reside in Benner
23 Township, a neighboring municipality.

24 My own views have changed over the
25 years and my feelings towards gaming. In 2003, I

1 was a member of the general assembly when we passed
2 the Gaming Law and I was a no vote. In those days,
3 it was probably - and I know some of the Board
4 members were in the general assembly at that time.
5 There were more divisive issues that we tackled in
6 Harrisburg. And the Commonwealth as a whole was
7 mobilized and there was a lot of rallies and so
8 forth on both sides of the issue. We eventually did
9 pass. That was a no vote. But as this as gone on,
10 it's hard to imagine we can call it anything but a
11 success story. You know, in 2008, I guess the best
12 comparison, when we extended the gaming for the
13 first time from slots to table games, there was not
14 a peep. There was really hardly any action compared
15 to what we lived in 2003 and that's because it was a
16 success story.

17 And a lot of the success is because of
18 you and your predecessors. The fact that we have a
19 highly regulated, highly intact gaming industry in
20 Pennsylvania, a lot of things that I was stickler on
21 in 2003 whether it be increase in crime, whether it
22 be increase in people losing their homes, divorces,
23 things of that nature, all the things that we were
24 concerned about socially in 2003 didn't materialize.
25 And again, a lot of that is thanks to you for the

1 great work you've done and your predecessors have
2 been highly regulated in investigating all the
3 applicants that will be involved in this industry.
4 And so this has been a success.

5 And the broader success is that it's
6 spread out throughout the Commonwealth. It's not
7 just located in Atlantic City or Las Vegas. It's
8 all over the Commonwealth and there are little
9 pockets. And so now when we - I was now majority
10 leader negotiating the Category 4 legislation was
11 how can we move these out to other places in
12 Pennsylvania who might be interested. And one of
13 the caveats that I put in that legislature that I
14 insisted upon was that a municipality could opt out.
15 If they didn't want a casino in their area, they had
16 the ability to opt out and not be considered.
17 College Township did not. College Township, the
18 Nittany Mall have seen its better days and decided
19 that they wanted to entertain this industry. And
20 so, you know, they decided to opt in and then
21 ultimately, Mr. Lubert and his team have chosen
22 College Township.

23 But another component obviously of the
24 Cat 4s was that we wanted to build on the success of
25 the Category 1 and Category two by using the same

1 individuals, by using the people who were licensed
2 already because they already had something at stake
3 in the Commonwealth and therefore, they can move out
4 into other areas. They would bring the same energy
5 to the industry, knowledge to the area, but also
6 would have their own casinos at stake as well. And
7 so therefore, they would be good corporate citizens
8 for these communities. And we started out by just
9 having qualified bidders from people who own, owners
10 of Category 1 and Category two.

11 And at the time, we thought we would
12 make as many as ten licenses to bid out, but we've
13 only received five at this point. But then we
14 expanded it to minority owners, not just minority -
15 not minority in ethnicity, but minority in shares,
16 ownership shares to allow them to bid in this
17 process as well. And that's where obviously Mr.
18 Lubert is the winning bidder of this gaming.

19 So it's been a strange evolving over
20 the years, but it's been a successful one and that's
21 why I'm here to lend my support to College Township
22 and their wish to have this casino located here to
23 support Mr. Lubert and his team. I think this team,
24 the fact that they're locals is important because
25 you want - when you're local, you live here. You're

1 raising your families here. You want something nice
2 here. You're not going want this to be sort of a
3 corporate citizen who's just going to build
4 something, leave, and not take care of how it
5 operates. They'll have a tremendous amount of care
6 in how this operates and that's good for our
7 community to have that local team as part of it. So
8 we're very excited for the team that he's put
9 together. Again, I'm here to support College
10 Township with their endeavor. And I thank you all
11 for your time.

12 PRESIDING OFFICER: Next, we have Mark
13 Long, the district manager for Representative
14 Benninghoff, and coming up is Eric Bernier.

15

16

MARK LONG,

17 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
18 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
19 FOLLOWS:

20

21 MR. LONG: Good evening. My name is
22 Mark Long. I am the district manager for
23 Representative Kerry Benninghoff who does apologize
24 for not being able to be here to deliver these
25 remarks in person. Representative Benninghoff does

1 represent the 171st legislative district, which is
2 part of Centre County and Mifflin County and
3 represents College Township.

4 That said, he is fully supportive of
5 this initiative. I also want to, on behalf of the
6 of the Representative, echo the comments offered
7 from Senator Corman on the history and the intent of
8 the Gaming Act and subsequent provisions.
9 Representative Benninghoff is on a number of general
10 assemblies in the inception of gaming in
11 Pennsylvania and subsequent updates and expansions.

12 It's always believed that the Gaming
13 Act was meant to provide the community investment
14 and free enterprise as part of a regulated industry
15 that was meant to help Pennsylvania on a state level
16 down to the very neighborhoods in which these
17 entities operate.

18 As it pertains to the most recent
19 updates to the Gaming Act, including the purpose for
20 which we are gathered this evening, there was never
21 any intent by lawmakers to hinder existing or
22 prospective licensees from utilizing all appropriate
23 business tools develop a great community project.
24 That includes things like debt equity financing,
25 corporate structuring, community partnerships and

1 any other existing tools. As you are well aware,
2 the Nittany Mall just down the road from our present
3 location has become more and more vacant as
4 businesses there have made a mass exit. This
5 facility, once a community asset, is no longer
6 drawing people from outside the area.

7 With that end, Representative
8 Benninghoff applauds the effort to repurpose this
9 space and make it more vibrant while finding ways to
10 keep local people employed and our economy moving
11 ahead. The developers of this project have also
12 been very conscientious of designing this new
13 facility and how it will be incorporated into the
14 existing structure.

15 Ultimately, the gaming industry for
16 facilities like this invest in local projects and
17 initiatives and they're supportive of economic
18 growth and development as they themselves make every
19 effort to be good community partners.
20 Representative Benninghoff believes they can have
21 that same positive effect right here in Centre
22 County.

23 These facilities provide good family-
24 sustaining jobs that benefits the opportunity for
25 advancement and job training which then can be

1 utilized in other potential future enterprises. On
2 top of that, there is investment that comes from
3 additional hospitality businesses and other
4 downstream service economy sector jobs which only
5 help grow our local economy and ensure that jobs
6 remain and continue to grow in number. A thriving
7 community needs a diverse economy with multiple
8 types of opportunities.

9 In closing, this major investment by
10 the developer will create a strong anchor tenant for
11 this facility, which would in turn, serve as a
12 significant catalyst for economic growth as this
13 mall transforms its purpose. Instead of having this
14 space be vacant and turning into an unused blight,
15 the route that so many such shopping centers have
16 taken in Pennsylvania and even across the country,
17 Representative Benninghoff is glad to see that this
18 community is looking to change that narrative by
19 rallying around this project. Our local officials
20 are continuing making the effort to seek
21 opportunities which create new jobs and promote
22 growth, not just one business at a time, but by
23 investing in an industry that can be an asset for
24 many of our local businesses, business owners, and
25 bringing more people back to Centre County to stay

1 in our hotels, eat in our restaurants, and shop in
2 our stores. For all these reasons, Representative
3 Benninghoff supports this effort. And we thank you
4 for having us and allowing us to offer these
5 remarks.

6 PRESIDING OFFICER: L. Eric Bernier.

7 ---

8 ERIC BERNIER,
9 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
10 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
11 FOLLOWS:

12 ---

13 MR. BERNIER: Yes. Good afternoon,
14 Ms. Lloyd. I am borough manager of the College
15 Township Council. I'm here today to offer four
16 points for consideration you should evaluate this
17 application. But before I do that, I want to
18 welcome you and the Board to College Township and
19 offer a little personal background. I grew up here
20 in State College and I've lived in College Township
21 for the last 35 years where I raised my family and
22 I'm currently retired here living three-quarters of
23 a mile from the proposed casino location.

24 First point of background, a Category
25 4 license application now being considered by the

1 Gaming Commission Board has a deep history in this
2 community, one which I have been personally involved
3 in first as a member of the College Township
4 Planning Commission for 15 years and then as an
5 elected township councilmember of the past ten
6 years. In 2006, in response to the passage of Act
7 71, College Township needed to identify an
8 appropriate location within our zoning districts in
9 preparation for a potential gaming establishment.
10 Therefore, we modified our existing commercial
11 zoning ordinances to include several uses, one of
12 which was gaming establishments.

13 The result was this theoretically viable
14 use as a use by right to a small portion of the
15 township's commercial zoning district, the area
16 around the Nittany Mall. Fast-forward to 2017. Act
17 42 is passed in December of 2017. College Township
18 Council was tasked with determining if the Township
19 will remain an eligible location for the Category 4
20 license or opt out, as Senator Corman referred to,
21 as a location willing to accept a license.

22 Second point, why didn't the Township
23 not opt out in 2017. Since we already had gaming
24 establishments as an allowance use in the Township
25 and since the portion of the Township's commercial

1 zoning district where it will be allowed was
2 restricted to the area of the Nittany Mall, the
3 factors affecting our decision on the opt-out
4 opportunity were different than those playing into
5 the decisions by many of the other municipalities
6 around the state, including almost all of them in
7 this area.

8 Without gaming as an allowed use in
9 those municipalities with zoning, they couldn't have
10 allowed a casino anywhere within the municipality,
11 anywhere within their municipal boundaries. So the
12 opt out provisions carry a much different impact
13 than they do in College Township.

14 So looking at the 2006 action and the
15 context in 2017, what was saw was marry the Township
16 that was built to support dense retail commercial
17 development that was currently in decline. So since
18 the only place a casino could go was in that area,
19 Nittany Mall, Council saw this as a property
20 specific opportunity for property specific
21 challenge.

22 Accordingly then in 2017, the College
23 Township Council voted unanimously to not opt out.
24 If the Township did not have gaming as an allowed
25 use and they could go anywhere in the township, like

1 most of the other local municipalities, we may have
2 had a different discussion. We may have had, made a
3 different decision.

4 The third point is this what the
5 Council learned recently, referenced impact reports
6 clearly support the rationale that the 2017 council
7 used to not opt out. To better prepare for this
8 hearing and potentially a land development plan for
9 a gaming establishment at the mall, the five current
10 council members and key township staff visited
11 Hempfield Township in March to gauge first-hand the
12 impact of a Category 4 casino recently opened in the
13 former BonTon Store in Greensburg Mall. There, we
14 talked to Hempfield Township staff, elected
15 officials, the Greensburg Mall manager and facility
16 staff, along with casino general manager while we
17 toured the mall and the - the casino facility.
18 Their shared experiences to date along with the
19 current vigorous regulations and state oversight
20 that's been referred to here for these casinos they
21 must operate under helped to serve as an example of
22 the state of and local impact for a modern Category
23 4 casino.

24 Lastly, in closing, I'd like everyone
25 here to know that College Township has not hitched

1 its wagon to this casino application. The Township
2 is in excellent financial shape and will be just
3 fine with or without a casino. We've taken a multi-
4 faceted approach to redevelopment of the Nittany
5 Mall corridor over the last 12 years. We've hired a
6 professional consultant to develop a comprehensive
7 area plan to help guide us while we updated current
8 zoning regulations and allowed uses and setback
9 requirements in that area to encourage healthy,
10 sustainable redevelopment through the entire
11 quarter.

12 As the mall anchor - as you can see,
13 much of that effort is beginning to pay off as the
14 mall - as we have new tenants in some mall anchor
15 stores and in some of the empty store fronts in the
16 immediate area. Additionally, Aldi has broken
17 ground for a new supermarket next to the mall and we
18 just approved conditional use and land development
19 plan for the former Centre Daily Times building.

20 In closing, just as we - having said
21 all that, just as the economic impact study has
22 documented, this gaming use is easily accommodated
23 into the Township's existing infrastructure in that
24 area and based on what we learned in Greensburg,
25 could serve us well as a complimentary piece to the

1 efforts that are already underway in the area.

2 Thank you for your time.

3 PRESIDING OFFICER: That is all of the
4 government representatives I have registered today.

5 Is there any government representative here that he
6 or she registered and I did not call your name?

7 Raise your hands. Seeing none, we'll move on to our
8 community groups, Wade Baumgardner, Holly Welch,
9 Vern Squire, and David Curtis. If you are here,
10 can you stand and be sworn by the Court Reporter?

11 COURT REPORTER: All right.

12 Could you all raise your right hands?

13 ---

14 WITNESSES SWORN EN MASSE

15 ---

16 COURT REPORTER: All right. Thank you
17 very much.

18 PRESIDING OFFICER: And first up is
19 Wade Baumgardner followed by Holly Welch.

20 ---

21 WADE BAUMGARDNER,
22 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
23 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
24 FOLLOWS:

25 ---

1 MR. BAUMGARDNER: Good afternoon. But
2 I'd first like to say congratulations on the award
3 for the bid for this area. I think it's a
4 tremendous opportunity for the area of State
5 College. Centre County is a busy area. We're here
6 - I stand here in front of you today to represent
7 well over 1,300 union carpenters that we represent
8 in this area. We do a ton of work in the Centre
9 County area.

10 So you know, going back I heard, I
11 think it was 170 part-time FTE's and that's what I'm
12 here to represent. You know, with all the casino
13 growth across the state of Pennsylvania, we have
14 partake in literally every one of them. And I stand
15 here today and hope that that holds true with this
16 casino here locally. I know we have multiple
17 contractors that are certified and state regulated
18 to actually do the work at the casinos. Not only
19 that.

20 I will say with the boom that's been
21 going on in the State College area or in Centre
22 County as a whole, consistently tremendous obviously
23 with downtown, with the borough, with everything
24 that Penn State does with their construction of
25 things. There's been some acts put into place such

1 as Act 72 and Act 75, which states, you know, to
2 ensure that the workers are legitimately not
3 misclassified workers. And there's been a lot of
4 that going on in Center County. So contractors,
5 they're facing some hard times trying to catch up
6 with those regulations and by utilizing our
7 contractors, that's not an issue. Like I said, we
8 have a lot of certified contractors for this type of
9 work that is expected here.

10 So, you know, and with saying that,
11 you know, if there's anything you would need from
12 the carpenter's support, we gladly stand behind you
13 on this construction and gladly, you know, throw our
14 hand out for any - any future opportunities that you
15 may be looking for as far as construction-related.
16 Thank you.

17 PRESIDING OFFICER: Holly Welch is
18 next with Vern Squire on deck.

19

20

HOLLY WELCH,

21 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
22 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
23 FOLLOWS:

24

25

MS. WELCH: Good afternoon. As noted,

1 I'm a the general manager at the Nittany Mall.
2 Everything I'm going to talk about is basically just
3 the potential impact that the possibility of a
4 casino would have in just regards to the Nittany
5 Mall. All of them are positive. As discussed by
6 numerous people, we've endured shifts in the
7 paradigm to an extreme.

8 Ten years ago, we were 100 percent
9 occupied. We couldn't have dreamed that something
10 like this would be possible. Now, you factor in
11 online shopping and then you have a pandemic, we've
12 lost a great deal of retailers. With all these
13 challenges, you have to think in other ways and
14 fortunately, the casino gives us an opportunity to
15 think in a different way.

16 One of the positives - there's
17 multiple positives, but one of them being retail
18 opportunity, leasing opportunities. It would just
19 be hope that something like this comes to play.
20 I've had numerous phone calls from people who are
21 interested in listing, albeit retail, restaurants, a
22 multitude of different things. And this is just
23 with an idea or a hope. So I can only imagine that
24 once it's up and running and everything is good that
25 that will help revitalize the Nittany Mall. It also

1 could potentially help the demographic.

2 Right now those that typically shop at
3 brick and mortar, they're ages are a little older.
4 We'll say 35 and older. The potential of something
5 like this occurring in close proximity would help
6 that demographic lower to hopefully bring some more
7 of the students who are in their early to late 20's
8 to start shopping at a brick and mortar again. It
9 would increase foot traffic. It will increase
10 vehicular traffic, all of which the Nittany Mall
11 would definitely benefit from. The entire Dale
12 Summit area could benefit from something like this
13 being in place. Basically, I'm in 100 percent
14 support as is the owner of the Nittany Mall and we
15 look forward to the future. Thank you.

16 PRESIDING OFFICER: Vern Squire with
17 David or Dave Curtis on deck.

18 ---

19 VERN SQUIRE,
20 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
21 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
22 FOLLOWS:

23 ---

24 MR. SQUIRE: Good afternoon. Thank
25 you for allowing some comments. I'm Vern Squire,

1 president and CEO of the CBICC, the Chamber of
2 Business and Industry of Centre County. Just make
3 some comments here. In short, many of the comments
4 that have been made are on point, so I don't want to
5 repeat too many of them. First of all, I'd like to
6 thank the Applicant for picking energy and having
7 the vision of a project like this. So thank you for
8 what you're doing. And a comment to the panel, to
9 the Board, the Gaming Commission, we hope you
10 support the authorization in this case.

11 Property has been mentioned here today
12 and I think really it should be viewed not
13 necessarily as a recovery of the property or a
14 higher and better use that can be said necessarily.

15 It's an evolutionary use of the property, even a
16 revolutionary use of the property, because these
17 facilities don't just appear anywhere. So we
18 appreciate again the energy behind that.

19 From a jobs perspective, these jobs
20 would be high in number and in quality. That's one
21 thing in our conversations that we've had to be able
22 to stand here today and fairly say this. We've
23 talked with Eric and with members of the group as to
24 what those job components would look like. So I
25 think that's an immeasurable thing, especially in

1 the face of COVID. Still, unfortunately it's not
2 recovery on back side of COVID, but we still have to
3 be thoughtful about how we manipulate and positively
4 manage our economy here. So these jobs are
5 contributory to that.

6 We hear people say something needs to
7 be done to the property sometime. They also say
8 somebody needs to do something about it. Both of
9 those things were happening before this record
10 today. The area supporting, we talk about
11 supporting here, I do, in this context of food, and
12 gasoline, and retail options, and so forth, that
13 there is a positive economic energy around this
14 location. So it's not isolated enough that it can't
15 work on its own. But in this case, we do have that
16 kind of energy to support this facility. So I think
17 this has to be evaluated as well.

18 The government of College Township is
19 sound. I do a lot of work with them, our group does
20 and they with us. And so in a collaborative way, we
21 can again stand here and firmly say this would be
22 the College Township structure is a good recipient
23 of this type of energy and authorization. This will
24 join other new investments in the area, in the
25 immediate area, Dale Summit area other new projects

1 occurring and new investment. And again from just
2 several years ago, this is quite the welcome change
3 and is implimatic (sic) for what can happen when a
4 government unit units their put to making a way
5 happen for change.

6 We want thank you to the group, the
7 community, to the chamber, the commissioner --- I'm
8 sorry, about the chamber involvement for obvious
9 reason. But we really do think we can bring
10 something to the table in discussions. So again,
11 thank you. And again, we want to thank you all with
12 the Gaming Commission for your positive
13 consideration in this matter.

14 PRESIDING OFFICER: And Dave Curtis.
15 And if I mispronounce names, I apologize.

16

17

DAVID CURTIS,

18 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
19 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
20 FOLLOWS:

21

22

23 MR. CURTIS: That's okay. Dave
24 Curtis. Okay. I am a resident and an employee here
25 in State College. I am the vice-president of sales
and marketing for the Happy Valley Venture Bureau,

1 which is the official tourism promotion agency for
2 Centre County. And on behalf of our president CEO
3 Fred Smith and the HVAB Board of Directors, I'm here
4 to express support for the proposed Category 4
5 casino in the former Macy's site in College
6 Township, Centre County.

7 Speaking from a visitor perspective,
8 our travelers want options. A destination that
9 offers a variety of activities to engage in is
10 attractive to both leisure and business travelers,
11 as well as local residents. The addition of a mini
12 casino to our offerings will assist the HVAB in its
13 efforts to grow leisure traveler visitation, but it
14 also will help with our efforts to attract several
15 other segments, the group tour market, meeting
16 signal, and the image or sports markets.

17 For the meeting segment, which usually
18 occurs mid-week, it gives the attendees an
19 additional activity to engage in when the meeting is
20 over during break. When sports tournaments are
21 here, there's often downtime between games and
22 spending a few hours in the casino. There's a great
23 way to fill some of those hours.

24 We also are particularly happy to see
25 the introduction of the casino into our community

1 because of the employment opportunities as already
2 described it will provide. The 350 full-time jobs
3 that will be created, as well as the many jobs it
4 will stimulate with suppliers in the spending, with
5 the spending these employees will do in the
6 community will be a tremendous economic stimulus for
7 Centre County.

8 Hospitality industry is one of the few
9 where someone can start an entry-level position and
10 work their way into well-paying supervisory and
11 managerial positions without a college degree.
12 Other casinos in the state are filled with stories
13 of employees who started in supporting positions and
14 climbed the management ladder and now have good
15 family-sustaining jobs. This will happen here as
16 well.

17 The HVAB is a 350 member organization
18 of partner members in the hospitality community, the
19 hotels, the restaurants, tourism attractions,
20 performing arts venues, marketing firms, etcetera
21 are enthusiastic about the opportunity to have
22 another exciting partner that they can work with to
23 combine special offers. Providing another reason
24 for visitors to come to Happy Valley means their
25 stay will be longer and they will spend more money.

1 The result will be a more consistent level of
2 business of our existing hotels, restaurants, and
3 retail shops and more. The proposed casino could
4 also be a catalyst for continued redevelopment of
5 the mall property as we've already heard in the
6 surrounding area.

7 Earlier this year, the HVAB team had
8 the opportunity to meet with casino president and
9 CEO, Eric Pearson who has considerable experience
10 and expertise in the gaming industry. The
11 discussion provided a better understanding of the
12 overall operation of and customer for the level of
13 casino staff training requirements, including
14 protocols for identifying and helping problem
15 gamblers in an overall community to create a
16 positive inner-gaming experience with patrons and
17 employees. Those behind the casino project have
18 expressed desire to be a valuable part of this
19 community for years to come. The pledge reinforces
20 expectations of a well-operated establishment and is
21 essential to the HVAB board support for this project
22 now and moving forward.

23 The Happy Valley Adventure Bureau
24 recognizes and appreciates that a casino will not
25 appeal to every resident. To that end, it will not

1 be a draw for every visitor to Happy Valley.
2 However, we do believe that a professionally and
3 responsibly managed mini casino will provide greater
4 job opportunities to our regional work force,
5 strengthen the local tax base, help revitalize the
6 Nittany Mall, potentially attract new entertainment
7 options to the area and enhance efforts to grow
8 visitation and visitor spending generating positive
9 impacts for the entire community. From the HVAB to
10 the casino partners we say welcome to Happy Valley.
11 Thank you very much.

12 PRESIDING OFFICER: So that is the end
13 of my list of community group speakers. Is there
14 anyone here from a community group that thought they
15 registered and I did not call your name? Raise your
16 hand.

17 Seeing no hands, we'll move on to our
18 individuals, John Delozier, Carl Miller, Robert
19 Vernon, and Michael Lee. If you could stand, be
20 sworn by the Court Reporter.

21 COURT REPORTER: All right.

22 Could you all raise your right hand,
23 please?

24 ---

25 WITNESSES SWORN EN MASSE

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COURT REPORTER: All right. Thank you very much.

PRESIDING OFFICER: So first we have John Delozier with Carl Miller on deck.

JOHN DELOZIER,
CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
FOLLOWS:

MR. DELOZIER: Good evening. My name is John Delozier. I am a managing partner for Nittany Hotel Management here in State College. We own and operate the Best Western Plus just steps away from the Nittany Mall. Like many who call Happy Valley their home, my business partner, Mr. Bill Nuddle came to State College as a young college student from a nearby town and now over 50 years later, he still visits State College at every single home football game and several times throughout the year. I know that I had the opportunity to commute here from my home in York County just about every week to manage our hotel and oversee our daily operations here.

1 I should note that when I say we own
2 and operate the Best Western Plus here in Centre
3 County, we don't operate it alone. We developed
4 that particular hotel by partnering with a number of
5 local investors right here in the State College,
6 right here in the Centre County area about 20
7 individuals that we partnered with to make our
8 development happen about ten years ago.

9 And I also need to add that we don't
10 operate that property alone, but we do it with our
11 hardworking staff, all of whom are local residents
12 here in College Township and in the surrounding
13 townships that come to work each and every day to
14 make sure that our guests experience Happy Valley
15 Hospitality at its finest. The dedication of our
16 ownership and our staff like that of many of my
17 peers was truly tested the last 18 months,
18 especially at the height of the COVID-19 pandemic.
19 And rest assured, very soon we will join our voices
20 with our competitors and colleagues alike and we
21 will state very proudly that Happy Valley will
22 indeed come back stronger than ever.

23 This proposed casino will certainly be
24 a major contributor to our recovery in the
25 hospitality industry and as a community. As the

1 Commission considers the comments that are offered
2 by the public, I'd like to offer three points that I
3 think are very important in these discussions.

4 Number one, the construction and
5 ongoing operations of the casino will bring a much
6 needed economic boost to our community. When we
7 built our hotel over ten years ago, we believed we
8 were building in the growth area of College
9 Township. And what we've seen in recent years,
10 especially with the Nittany Mall, is that growth has
11 been somewhat stagnant. We're very encouraged to
12 see the new anchors. We're very encouraged to see
13 the new construction in the area and certainly the
14 addition of the casino will be very welcome.

15 Number two, the ongoing operations on
16 the casino creating numerous job opportunities for
17 the area. One question that I get sometimes is am I
18 not concerned that we may all be competing for the
19 same employees and no, I'm not concerned. I learned
20 a long time ago in the hospitality industry that a
21 rising tide truly floats all the boats. And as we
22 see our entire industry do better, as we see good
23 employers move into the area, it only strengthens
24 our employment base in the community and in our
25 industry.

1 Number three, the ongoing operations
2 of the casino will provide those of us who promote
3 the area nationally one more attraction to promote.
4 I'll explain that quickly. My company goes
5 throughout the country. We don't encourage people
6 to come stay at our hotel because no one comes to
7 Centre County just to stay in a hotel. There's
8 something here for them to do. There's something
9 here for them to see. This casino gives us one more
10 place to promote. Thank you, Madame Chair. Thank
11 you, Board, for your time. And thank you to the
12 developer for bringing this exciting project our
13 way.

14 PRESIDING OFFICER: And Mr. Delozier,
15 if you could just wait a moment.

16 MR. LOGAN: If you could just hang for
17 a second.

18 PRESIDING OFFICER: We have a
19 question.

20 MR. LOGAN: Yes. So tell me you said
21 you were steps away from the proposed casino. I
22 don't know what page. Can we go back to that slide?

23 MR. DELOZIER: Yes. We are on Shiloh
24 Road directly across from the Sheetz. We can see
25 the Nittany Mall from our location. So if you leave

1 Nittany Mall and travel towards Interstate 99, the
2 mall is always a great place for us to send out
3 guests. It's walkable. There was a restaurant in
4 the mall. So we certainly look forward to that type
5 of destination being there again.

6 MR. LOGAN: Okay. We're going to need
7 to be your partner and you're going to need to be
8 our partner. I don't know if you were here when
9 they said we had a problem with casino patrons
10 leaving kids in cars and hotels. So you'll need to
11 be our partner.

12 MR. DELOZIER: Yes, sir. I did hear
13 that. I will gladly partner with you.

14 PRESIDING OFFICER: Carl Miller with
15 Robert Vernon on deck.

16 ---

17 CARL MILLER,
18 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
19 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
20 FOLLOWS:

21 ---

22 MR. MILLER: Salutations. I am long-
23 time citizen of Centre County. I live in Bellefonte
24 believing in a caring creator and just God. I'm an
25 advocate for maintaining a healthy Nittany Valley.

1 My friends and colleagues are not able to practice,
2 environmentally - practice daily environmentally
3 justice and support their housing for working
4 families that inhabit the remaining of Centre County
5 and it's restore as well as needing local food
6 pantries and the YMCA's food program and its food
7 bus for needy families and individuals. There are
8 more poor people in Centre County than most citizens
9 recognize.

10 A casino will not provide substance
11 for the poor, underemployed, and desperate. On the
12 contrary, casino gambling entices the poor to risk
13 and already inadequate means of support on an
14 exceedingly slim chance of financial gain and
15 denying people the dignity of progress for a slight
16 equity of an honest day's wage for an honest day's
17 work. Obviously the interests of the casino
18 industry is to make a profit for the executives and
19 investors. So who loses? The community loses its
20 quality of life and the poor experience greater
21 loss.

22 Casinos promote gambling addiction and
23 unhealthy morality. Casinos operate as a reverse
24 Robin Hood mafia stealing from the poor to feed the
25 hungry - money hungry casino operators. Casinos

1 masquerade for job producers but with negative
2 results. The well-documented experiences of the
3 legalized gambling industry in Atlantic City is
4 enlightening. The number of unemployed people and
5 the number of people in public assistance remain
6 steady. Our government, the cost of that escalated.
7 Corporate corruption became a major problem and
8 government provide funding for the poor was deleted
9 as they were needed for treatment for compulsive
10 gambling. So who gains? Obviously casinos do not
11 contribute to our values and quality of life.
12 Therefore, I earnestly urge the Gambling -
13 Pennsylvania Gambling Control Board to deny this
14 application. Thank you.

15 PRESIDING OFFICER: Robert Vernon with
16 Michael Lee on deck.

17

18

ROBERT VERNON,

19 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
20 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
21 FOLLOWS:

22

23

24 MR. VERNON: Hello. My name is Pat
25 Vernon and I've lived here since 1966. Came here to
go to college. I've been married 49 years. We've

1 raised two sons and built several homes in the area.
2 I've traveled widely and seen many casinos. I'm a
3 fan of architecture. In 1977, my partners and my
4 wife and I opened a restaurant in Lamont, which is
5 part of College Township, called the Victorian
6 Manor. And history of architecture helped to design
7 it.

8 One of the obstacles we had was this
9 was a dry township. So no alcohol was allowed to be
10 sold, not even state stores were permitted. Not
11 even a club was permitted to have alcohol. So we
12 circulated a petition to get that issue on the
13 ballot. We find out that you can only do that on an
14 odd number of years and you had to have the number
15 of people who voted in the last presidential
16 election as your goal for signing up on the
17 petition.

18 We were not successful the first time
19 we had got close to the idea and we were successful
20 four years later. And I really hope that that helps
21 this endeavor of Mr. Lubert because I think you
22 probably wouldn't be looking for this site if it
23 were dry.

24 So that brings me to another thing. I
25 grew up with a friend of mine whose family owned a

1 dinner restaurant in Pittsburgh called Holiday
2 House. And having traveled around and seen other
3 casinos, I think we could use a facility like that.
4 I'm asking you guys to consider expanding your
5 restaurant idea and having entertainment there
6 because really there is nothing between Monroeville
7 and Harrisburg that's of any consequence as far as a
8 dinner club is concerned. So that's one idea. The
9 idea of passing this, I think is pretty obvious. It
10 looks to me like it would pass.

11 I would add one thing into this.
12 Right now we have a severe problem with students who
13 owe or people who were students and they owe
14 tremendous money of student debt. I talked to a
15 young fellow the other day who is having a hard time
16 getting a job as a draftsman and he's got \$60,000 in
17 private loans. And the idea of being able to make
18 that money up and profit on it as well is hard. But
19 with some of the profits that you generate, I can
20 see that you could direct some of your profits
21 towards such things considering that that would be
22 for the community good.

23 Another item that I noticed in your
24 discussions today was parking. Macy's was always
25 busy, you know, during the holiday seasons and the

1 parking lot was filled. I anticipate that you will
2 not have enough parking unless you're walking to the
3 other end of the mall. But the managers of Macy's
4 who I knew often complained about the lack of
5 parking and how they were shut down by our local
6 government in adding a second story deck. I would
7 promote second story deck to you folks so that you
8 do have enough parking. Thank you. Good luck.

9 MR. LOGAN: Mr. Vernon, thank you for
10 mentioning Monroeville. I know I don't look that
11 old, but about 25 years ago, I was the mayor of
12 Monroeville.

13 MR. VERNON: Wow.

14 MR. LOGAN: I remember the Holiday
15 House fondly and you don't know how many times we
16 get calls to try to bring back something like the
17 Holiday House. So Mr. Lubert, we have great
18 pictures and great memories of the Holiday House in
19 Monroeville. So any time you want to try to
20 replicate it, we're happy. Thank you for the shout
21 out to Monroeville.

22 MR. VERNON: I always loved
23 Monroeville and I traveled to that restaurants many
24 times on a Friday night. Kept us ten-year-old boys
25 out of trouble. I saw the Three Stooges there.

1 MR. LOGAN: Yes.

2 PRESIDING OFFICER: Michael Lee. I'm
3 not sure I saw Michael Lee, but ----.

4 UNIDENTIFIED SPEAKER: I'll speak for
5 him. He's not able to be here but he has sent in a
6 written statement.

7 PRESIDING OFFICER: Okay. Thank you.
8 That is the end of the list of individuals I had
9 registered. Is anyone here thought the registered
10 or tried to register, raise your hand? I see, I
11 think, one hand.

12 MR. HILL: Yes.

13 PRESIDING OFFICER: Will you come
14 forward, sir?

15 MR. HILL: Yes.

16 PRESIDING OFFICER: Okay. I
17 apologize. Come on up. And if you could raise your
18 right hand to be sworn by the Court Reporter.

19 ---

20 CARL HILL,
21 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
22 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
23 FOLLOWS:

24 ---

25 COURT REPORTER: Thank you very much.

1 PRESIDING OFFICER: And would you tell
2 us your name and spell it?

3 MR. HILL: Thank you, persons of the
4 Board for arranging this and the developers for
5 sharing their information. I'm Carl Hill of Benner
6 Township. I'm a retired United Methodist pastor
7 having served in the Centre region three different
8 congregations over the years, two of which are
9 within easy geographical proximity to the proposed
10 venue for the casino. One is the Pleasant Gap
11 United Methodist Church and the other is the Mount
12 Nittany United Methodist Church in Lamont, which is
13 just down the road.

14 I wanted to share two perspectives,
15 first of all, some of the personal things that I
16 have. I do not represent those congregations and
17 anything that they say, but I do want to share some
18 personal questions and thoughts, plus I would like
19 to share the statement of the United Methodist
20 Church from the denominational standpoint. Our
21 general conference, which meets every four years and
22 is over 1,000 delegates is the only group that can
23 speak officially for the denomination. And this is
24 a statement from 2016. We did not meet in 2020
25 because of the COVID. And I share this with you.

1 Gambling is a menace to society
2 generally to the best interests of moral,
3 socioeconomic and spiritual life. Destructive of
4 good government and good stewardship as an active
5 thing of concern. Christians should abstain from
6 gambling and should strive to minister to those
7 victimized by the practice. Where gambling has
8 become a victim, the church will encourage such
9 individuals to receive therapeutic assistance so
10 that the individual's energies may be redirected
11 into a positive and constructive events.

12 The Supporting American Indian Tribes
13 seems to be dichotomy sometimes with the church's
14 position. Therefore, the church's role is to create
15 sacred space to allow for dialogue and education
16 that will promote a holistic understanding of
17 American Indians historic quest for survival. It
18 would make it unnecessary and undesirable to resort
19 to promotional gambling, including public lotteries,
20 casinos, raffles, internet gambling, gambling with
21 emerging wireless technology, and other games of
22 chance as a recreation, as an escape or as a means
23 of reducing public revenue of funds for support of
24 charities or government.

25 My comments and questions, and some of

1 them have been answered. Thank you to the
2 developers for sharing that brief presentation. I
3 have a question that was alluded to by the parking I
4 have experienced over the years as I lived here in
5 this area. Holidays, give us Black Friday, give us
6 the Christmas season and you could never find a
7 place to park at the Nittany Mall. We already have
8 three flagship stores that have come into the mall
9 and that this project will attract other stores that
10 fill the vacancies that are there and then we have
11 the casino. I'm not sure that the answer adequately
12 as to the parking situation.

13 I have a concern and it was addressed
14 partially about the feasibility, the financial
15 feasibility. I have not seen, have not heard
16 specifics, but what are the positive and negative
17 financial impacts upon College Township, Centre
18 County, and the state of Pennsylvania in
19 relationship to this project. I realize that it's
20 projected venture that will take place at Macy's. I
21 realize that the Nittany Mall is not really a large
22 complex. It's a small area. We have three flagship
23 stores there now. Advocacy want to get more, other
24 stores to come in. There are going to be people of
25 all ages within a very, very close proximity to the

1 casino. Other casinos that I'm aware of are not -
2 well, I don't know about the one in Valley Forge,
3 I've heard. But other casinos that I've seen, heard
4 of, they are not in close proximity to children, to
5 the youth, and to adults altogether. So that's a
6 concern that I have.

7 I realize that since the state of
8 Pennsylvania got involved in - the red light's
9 coming on. I'm moving. That Pennsylvania become
10 involved in certified gambling they've, we've
11 literally the number of children and youth that are
12 involved in lotteries to support youth
13 organizations, sports organizations, and I find this
14 to be very, very difficult.

15 You've answered some of my questions.

16 I appreciate the time. I don't want to be a
17 hypocrite and pretend I've never been in a casino.
18 I have been. I won a couple dollars. I appreciate
19 what I've heard from both sides. Thank you for
20 being here. Thank you to the developers and the
21 Chairman. Thank you.

22 PRESIDING OFFICER: Thank you. So now
23 I have to add to my list. Is there anyone else here
24 who though they registered to speak? Raise your
25 hand. And any speakers, if you have comments that

1 you didn't get to share with us, if you'd like to
2 send them to the Board clerk email, which is
3 boardclerk, all one word, B-O-A-R-D-C-L-E-R-K,
4 @pa.gov. And you can find us on the website, the
5 Gaming Control Board's website. You can certainly
6 email comments to us. And speaking of written
7 comments, I'm provided, I think it was about, we
8 received about 49 written comments through our
9 website and through the board clerk's email prior to
10 the hearing. They provided to Gaming Counsel and
11 they will be added to the record as Hearing Exhibit
12 Number 1.

13

14 (Whereupon, Hearing Exhibit 1, Written Comments,
15 was marked for identification and admitted.)

16

17 PRESIDING OFFICER: They will also be
18 posted to the Board's website with all the other
19 information concerning this project for the public
20 to also see and read.

21

22 So the matter, the record in this
23 matter will remain open. A transcript from today's
24 hearing, as well as all the written comments
25 received by the deadline which we provided to all
Board members for their consideration, and the Board

1 at its convenience will schedule this matter to be
2 heard at a future Board meeting in Harrisburg for a
3 presentation and votes on SC Gaming's application.
4 I want to thank the Staff here at The Penn Stater
5 for their help arranging the room and holding this
6 hearing today. Thank you all for coming and
7 attending and for your cooperation and the hearing's
8 now adjourned. Thank you.

9 * * * * *

10 HEARING CONCLUDED AT 5:33 P.M.

11 * * * * *

12

13

14

15

16

17

18

19

20

21

22

23

24

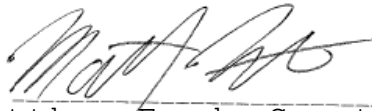
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE

I hereby certify that the foregoing proceedings,
hearing held before Presiding Officer Lloyd was
reported by me on 8/16/2021 and that I, Matthew Ford,
read this transcript, and that I attest that this
transcript is a true and accurate record of the
proceeding.

Dated the 9 day of September, 2021


Matthew Ford, Court Reporter