

## Fact Finding Trip – Hempfield Township, Westmoreland County

On March 31, 2021, College Township Council and several Township staff members participated in a fact-finding trip to Hempfield Township, Westmoreland County. The intent of this trip was to learn more about the experiences of a Category 4 “Mini-Casino” host municipality and to see first-hand the casino and its affiliated operations within the context of a mall environment. Council announced that the trip had occurred at its April 1, 2021 regular meeting.

The following officials from College Township participated in this fact-finding trip:

Council	Staff
Eric Bernier, Chair	Adam Brumbaugh, Manager
Rich Francke, Vice Chair	Lindsay Schoch, Principal Planner
Anthony Fragola	Mark Gabrovsek, Zoning Officer
Carla Stilson	Mike Bloom, Management Analyst
Paul Takac	

The trip was arranged in conjunction with the staff at Hempfield Township and consisted of the following three components:

- Meeting with Hempfield Township Officials
- Meeting with Westmoreland Mall Management
- Meeting with Live! Casino – Pittsburgh General Manager and site visit

This summary report will focus on these components individually.

### ***Meeting with Hempfield Township Officials***

The Hempfield Township Officials participating in this meeting were:

- Vice Chair of the Board of Supervisors
- Township Manager
- Director of Planning & Zoning
- Fire Chief & Director of Emergency Services
- Director of Code and Safety

Hempfield Township has a population of 44,000, well established commercial corridors and is served by the State Police. There are currently 3 other casinos located within a 30 mile radius of the Westmoreland Mall.

The Hempfield Township Officials provided an overview of the circumstances surrounding the Westmoreland Mall prior to the Casino development. Following the national trend in retail and mall facilities, Westmoreland Mall was experiencing a noticeable decline and had lost two anchor tenants (Bon-Ton and Sears). Gaming was not an allowed use in the Zoning District encompassing the Mall location. Hempfield Township chose not to “opt-out” as a Casino location because they viewed it as an opportunity to benefit/maintain their existing commercial areas.

When the Cordish Companies won the auction for one of the Category 4 Casino licenses auctioned by Pennsylvania, they announced intentions to develop somewhere in a large footprint that included Hempfield Township. Recognizing that the Westmoreland Mall may be a potential location, the Hempfield Township Supervisors undertook 5-6 contextual changes to their regulations, including allowing gaming as a use within the zoning district. They also passed a resolution acknowledging their interest to serve as a potential location for this Casino.

One of the Public Hearings on the Casino license application was held at the Hempfield Township Municipal Building. They noted that there were not many local residents in attendance; most attendees came from outside of the township. Some key advocacy groups attended and there may have been some influence from other local casinos. One supervisor

spoke from his point of view and was in favor of the project. The biggest concern was the potential increase of criminal activity. They noted that the opposition to the development overall was limited and they were not aware of any official challenges to application filed by the Cordish Companies.

With gaming as an allowed use and because the Casino development consisted of retrofit of an existing facility, there was no need for any additional zoning changes, code changes or submission of a site plan. The developer did provide a Traffic Impact Study (TIS) that supplemented the existing Mall TIS. The developer restriped the parking lot, implemented a new lighting plan, installed an entrance awning and their signage was incorporated into existing signage locations. Their Solicitor advised them on what they had to do and what they did not need to act upon as part of the development proposal. They did not go beyond those regulations.

The developer has worked well with emergency services, including participating in dry runs prior to opening. Each use in the mall has its own separate alarm and there is a firebreak between the Casino and the rest of the Mall. If an issue arises at the Casino, the responders are met at the door and escorted into the facility. No noticeable increase in calls for the fire or police services. No noticeable increase in criminal activity. The Traffic impacts have been marginal, since the location does not seem to have any real defined peak hours, more of a trickle effect. The parking lots are much fuller though. They noted that the projection in the Impact Report seem fairly accurate. The Casino is currently a no-smoking establishment.

The Live! Casino opened in November 2020 and employees approximately 500. These are all Cordish employees making decent wages, currently advertising for Security personnel starting at \$14-15/hour. To date, Live! Casino and Cordish Companies have been a good community partner. They require that their management serve on local organization boards within the community and donate to causes.

By virtue of the Casino being open, the Township is seeing more interest in permits to re-use vacant retail/commercial spaces. The uses being proposed are favorable, some have a family entertainment focus and they anticipate more food establishments. Hempfield Township has received one partial payment for their revenue share. This payment was \$80,000 for 3 weeks of operation in the final quarter of 2020. First full quarter payment expected in May. Westmoreland County receives an equal revenue share; however, that is distributed to the state and managed as grants through the Commonwealth Financing Authority.

### ***Meeting with Westmoreland Mall Management***

The Mall Management personnel participating in this meeting were:

- General Manger
- Operations Manager
- Director of Leasing

Mall Management noted that the Casino is a tenant of the Mall (former Bon-Ton location) and has leased additional space to operate a Dealer School that is run by a local community college. In addition, they have also leased additional space in the Mall for media, promotions and storage. There has been slow interest for other spaces in the mall, but that seems to be growing now with the influx of a bank, small entertainment venue (ax throwing) and call center. Management acknowledged that occupancy was actually higher prior to the Casino opening, but that decrease was a result of pandemic and national chain bankruptcies that would have occurred regardless.

The Casino operates on a 24/7 schedule, while the Mall operates on typical hours (9:00 closing). When the Mall is closed, the internal Casino and Entertainment Floor entrances also are closed, so it becomes a self-contained operation. The working relationship has been very positive and professional. They share security responsibilities and their agreement with the Mall requires class-A maintenance. The Casino has its own security vehicle for patrols, the lighting is now on all evening (all LED, which has lowered expenses) and the external cameras are a security benefit to the larger facility. They have not experienced an increase of vagrancy or littering as a result of the facility being opened. Traffic impacts have been minimal.

The Casino brings a uniqueness that helps attract customers from a larger catchment area. They are seeing an increase of foot traffic in the Mall and a shift in the demographic to a younger customer base that has coincided with the opening of the second floor entertainment venues. It is also noteworthy that demographic of the crowd shifts during the hours of operation of the Casino.

### ***Meeting with Live! Casino – Pittsburgh General Manager and Site Visit***

This meeting consisted of a discussion with the Live! Casino – Pittsburgh General Manager and was followed by self-guided tour of the Casino and Entertainment Venue.

The General Manager noted that he is a veteran on the Casino industry and has seen it transform significantly over the years. Today it is a highly structured and regulated industry that focuses on entertainment over gambling. He stressed that Live! is an entertainment venue for the entire family that happens to include a Casino as part of its operation. Live! Demands high standards for all of its operations and does not tolerate any “shenanigans.”

He noted that the total investment in the site was \$150,000,000. They essentially gutted the former Bon Ton site and did the fit out to their own specifications. The fit out process for this site lasted 1.5 years, with a 6-week pause due to COVID. “Essentially, we had our own little city of construction.” It was noted that they did not do any work on the site until they had their gaming license secured. He noted that Hempfield Township and the Westmoreland Mall have been great partners for this development. They expedited the processes to help the development occur in a timely manner.

The development consists of an approximately 100,000 sq. feet spread over two levels. The first floor is enforced as 21 years old and up, and houses the gaming floor, a restaurant and sports book. The second floor is open to all ages and includes two restaurants, arcade type games, bowling alley and video screens. The PA Gaming Control Board has an onsite location and the State Police have an unmanned office within the Casino.

Live! has made a significant investment to protect its patrons and employees during the COVID pandemic, with permanent Plexiglas barriers, frequent sanitizing and the use of PPE. Externally, the signage was noteworthy in its number and scale.