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

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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
when you're finished.

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

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

This public input hearing is being held by the Board pursuant to a mandate found in section 1205B1 of the Act that required public hearing to be held in the municipality where the licensed facility is proposed to be located prior to the Board's consideration of the slot machine application. The purpose of the hearing is to
provide an applicant the opportunity to present its plan for a Category 4 casino to the Board and the public, and to provide the public the opportunity to express their thoughts and share concerns about the proposed project with the Board. This public hearing was advertised on the Board's website, announced by the Board at public Board meetings, and advertised in local newspapers. We have all Board members present here today either in person or via Zoom. Six of our members are here and Commissioner Kernoble is on with us via Zoom.

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

COURT REPORTER: All right.
Can you please raise your right hand?
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Attorney King: Good afternoon, Madame Chairman, Chairwoman and Members of the Board. Adrian King here from the Ballard Spahr law firm and representing today Mr. Ira Lubert as the winning bidder on September 2nd of last year and his wholly owned business entity SC Gaming Op Co, which he created to submit the application. Mr. Lubert is to my left. Also joining us to my right is Eric Pearson and Eric is the executive Mr. Lubert has engaged to run the project, both in the development stage and also once it becomes licensed and operational. And you'll hear more about Eric's background as well. We're going to keep today's presentation to be short and to the point.

As you know procedure-wise, we'll be much more extensive presentation and hearing down the road after we get through the process and the Bureau of Investigations and Enforcement and Office of Enforcement Counsel has a chance to thoroughly review our application. And at that point, as part...
of that licensing hearing, which I suspect will be in Harrisburg, we'll have a much more detailed presentation on the project, which as you can imagine, we're working on very diligently and it continues to develop. And so at this point, I'm going to turn things over to Mr. Lubert and we'll go from there. Thank you.

---

IRA LUBERT, called as a witness in the following proceeding, and having first been duly sworn, testified and said as follows:

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

I'm extremely pleased to have this opportunity to appear before you today and give you an initial overview of the Category 4 casino that I
seek to construct at the Nittany Mall in College Township. As you may know, I am a long-time member of the State College Community. I graduated from Penn State in 1973 and since then, State College has always been a place I've called home. In the years following my graduation, I have returned to the University in the State College area frequently.

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

As you may also be aware, I was a lead partner in group that developed the Valley Forge Casino Resort. I started that project in the face of the 2008, 2009 financial crisis and I put my personal capital squarely behind it to get it done. In fact, I submit that I won that license because I was the only willing applicant to put personal financial resources on the line during a period of significant economic uncertainty. Some might say
it's a risky move, but I truly believe that adding the category three casino amenity into a declining regional dimension center resort hotel could turn things around and create a new economic driver and job creator in the King of Prussia area. I was right about that and the Valley Forge Casino property has been one of the most successful in the Commonwealth. As you may know, that property was acquired by Boyd Gaming Corporation in 2018.

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

I intend to use the same formula I used in Valley Forge. I believe that the Category 4 casino I intend to construct at the Nittany Mall will reinvigorate the property and draw many new businesses to mall and the surrounding area. This
in turn will create jobs and help drive the region's economy field and the Penn State's immense alumni base and other visitors flooding into the area throughout the year, not just football season. We will provide a new entertainment venue that everyone can enjoy.

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

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

MR. PEARSON: Thank you, Ira.

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

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

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

We are engaging in adaptive use of the basic ability. We're using the existing structure and that infrastructure with it, which is about
94,000 square feet in size. And the Nittany Mall sits in a larger College Township commercial district with excellent infrastructure and complimentary businesses with shopping, retail, and dining outlets.

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

Also as part of our application process, we commissioned a firm called e-consult to perform a local and economic impact study on the project. E-consult has been used by numerous
casinos for the same purposes of licensing as we've gone through the process. So one of the elements that e-consult worked with department heads of several different organizations and municipalities within the municipalities that serve this area, including street maintenance, sanitation, water and sewer, the police department, fire, emergency medical services, the local ambulance company. And in every single aspect here, the impact on these services and infrastructure is negligible at best. There's no material issue that adding a casino back into where the Macy's used to occupy is going to create any kind of strain on the existing infrastructure that we have locally here.

In addition to the valley way, the different departments and infrastructure, E-Consult also evaluated the potential possible positive impacts on tourism and in visitation to the area. And some key points from that report are in regional draw of the casino into the market, you know, it would really help both in increasing traffic from local folks that come within range, but also to tap into that larger, the drivers that Penn State is bringing in, visitors from outside of the area. And we see the casino as definitely having an aspect of
being - creating a much more stickier draw so that
when folks do come in and visit, whether that be for
events or for other things associated with Penn
State, that we can - the local area can retain those
tourism and that visitation - those visitation
dollars.

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

In addition to evaluating our market
impact, E-consult also put efforts into
understanding what our - what the casino project's
impact would be in the short term during our
development and construction phase. We're looking
at a roughly 350 direct FTE's, full-time - FTE
stands for full-time equivalencies, so positions.
And in addition, about 170 indirect FTE's just for
the construction phase of the project alone. With
total positive impacts of the economy, adding up
direct, indirect, and induced measures of being over
$73,000,000 to the Commonwealth supporting over 500
jobs.
And from an income sales and business tax perspective just for the construction period, we're looking at estimates of over $1,000,000 in tax revenues just for the construction, so before we even open.

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

Next, I have a few renderings that I'd like to share. You know, only disclaimer caveat I'll give is, you know, we are very much actively in the design and development process now and anything that I do show, you know, we may tweak or change as
we go along and become a little more refined and get feedback from PBCB staff as well.

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

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

Moving on to the next slide here. So this is the rendering of the interior of the sports bar restaurant. From this angle, it's a little bit hard to see, but we do have a set-up to have live
entertainment and DJs. We can do stand-up. You know, smaller acts. It's not a massive facility. We're a little over 5,000 square feet. So it's not a major concert hall, but we want to do what we can to be able to provide live entertainment.

Which leads me to the rough summary of our employment opportunities we're looking forward to offering. We'll have between 350, probably closer to 400 FTE's once the project gets up and running and stabilized. We're, you know, definitely looking to be an employer of choice in the area. We want to offer a very competitive compensation and benefits package, paid time off, 401K, medical, dental, vision. This next point, dynamic career growth opportunities. I know it's a point and you see a lot of this. For me personally, this is a huge area for me. I started in this business. I'm a second generation casino employee. My mother was a cocktail waitress for about 25 years and my dad was a hospitality manager. I grew up in this business. I started bussing tables in a casino restaurant when I was 16 and have been in this industry ever since. And one of the things I really love about this business and am excited, we did a lot of this at Valley Forge and I'm very excited to
- to do and engage with this casino opportunity here is the casino entertainment business offers so many great opportunities that you can come in at an entry-level, line level position and you can work your way up. And I think it's one of those industries which may become more and more rare these days, but there's real opportunity and I'm not a rare exception to this. There are many other executives like myself that came in and started working line level positions.

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

We can go to the next. Diversity inclusion, this also is something that is very near and dear to me and have seen a lot of success through really focusing on these areas. These are
our statements which, you know, were very indicative of how we operate in Valley Forge and definitely is the way that we approach this project. Embracing and establishing a diverse work force. And that's both with the teams that we build at the property and also who we work with in the community. And we really work hard to reflect the surrounding community to make sure that we have a very good diverse mix, not just of backgrounds, but outlets and point of views.

I found that it's far more successful having many different voices, offering those counterpoints than having something very homogenous. I've seen both in action and diverse approach is by far - not only is it the right thing to do as a member of the community, from a business standpoint by far is the most effective way to run an operation like this. And definitely diversity inclusion is at the core of what we do.

Responsible gaming. I can speak for myself personally. I've worked in many different jurisdictions all across the country. I've worked in tribal jurisdictions in Arizona, Idaho, Washington State and Connecticut. I've worked commercially on the Las Vegas Strip in Nevada, in
Pennsylvania, and in Illinois. And I can tell you from personal experience, there is - of all the jurisdictions that I've named and others, no one does it better than Pennsylvania. I think the confluence of our regulators, the Council on Compulsive Gambling of Pennsylvania and the operators in this state take this extraordinarily seriously above and beyond any other - not to say - I don't want to disparage any other state where I've operated, but we definitely, how we view and how we operate in the normal course as it relates to responsible gaming in Pennsylvania I think is - is a standout. I think that's a credit to everyone that's here today.

But of course, all of our employees are required to receive training on every single piece of collateral that goes externally. There is the 1-800-GAMBLER message. We have - will have extensive literature available and support for folks that do identify that they may have a problem. The teams have always been very reactive at Valley Forge and will definitely be here in handling any sort of responsible gaming issues that do come up. But training is first and foremost and that is definitely - training in a culture of compliance is
something is definitely at the core of what we do. And that is, that's my field.

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

ATTORNEY KING: Thank you, Eric.

As I said, we wanted to be efficient and keep it short and sweet and we're at about 25 minutes. I assure you that we're working very hard on the project. The schematics that you see are preliminary. We are monitoring the market very closely not only in Pennsylvania, but in other jurisdictions. We've already now have two Category 4 facilities that are open in mall properties, and certainly we're going to take lessons from those and match what they're doing in terms of look and feel. And I know that those properties have been very successful to date and we believe we are going to
have the same level of success more so here in this
what I would describe is a very dynamic place in the
Commonwealth. And as Ira has taught me, on certain
Saturdays in the fall is the third largest city in
the Commonwealth. So there's a lot of excitement
that we have around that as well.

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

PRESIDING OFFICER: Okay.

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

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

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PRESIDING OFFICER: And it will be - a
copy will also be posted to the Board's website
along with today's video presentation.
So we'll turn to Board members, if they have any questions for our presenters. I'll start to my left with our chairwoman.

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

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

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

ATTORNEY KING: I think I speak for both Ira and Eric. Obviously having had experience
with developing and running very successfully Valley Forge Casino, they're very familiar with underage gaming issues and we will be tackling that issue as we always have in the past and will in the future with obviously great enthusiasm and everything we need to do because the last thing we want to do is appear in front of you and be in a bad place.

MS. SMYLER: Thank you.

PRESIDING OFFICER: Commissioner Dermody?

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

PRESIDING OFFICER: Commissioner Logan?

MR. LOGAN: Thank you.

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

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

MR. LOGAN: Okay.

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

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

MR. LOGAN: Okay.

And I've been on the Board for five years and Mr. Lubert and Mr. Pearson, you're going to inherit the problem that for the life of me, I can't understand how we as a Board can't solve. I think this past year, we had seen all the interested parties starting to row in the same direction. Meaning the Board or Enforcement, the casinos, the Pennsylvania State Police, the local police. But we have a problem of individuals leaving kids in cars
at casinos. It's a huge problem. And by the grace of God, a kid hasn't died yet. Every day I think we're going to get a call to tell us something happened to a child and it's a problem that I just for the life of me can't understand.

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

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

I'm not asking for an answer, but you need to think about how you're going to combat that. And if you don't have an answer, again, I'm not asking for it. You need to think about it. Kevin
is here. Kevin, he's an expert on it. We have all been dedicated to try and resolve this problem. Like I said, I think we seem to be rowing in the same direction. I can't tell from, you know, third and fourth slide where you show the parking. It looks like it could have a very concentrated parking lot. So that may be easier to look for the kids in cars when they come in. But it's a difficult problem to solve because sometimes it's 2:000 in the morning and the three-year-old's laying on the back seat sleeping. Or the parents bring them into the hotel and the kids sleep in the room and the kid gets out.

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

MR. PEARSON: Yeah. I mean, it's definitely something that we share those exact same concerns. I know for us and for this development specifically, you know, we have a flat lot, a flat level we patrol constantly 24 hours a day. We will always have external security presence. We'll have surveillance presence on that lot. Because of that,
the nature of it, we should be able to keep a very
good eye on what's happening out there. But we
share those exact same concerns. I mean, trust me,
as an operator and as a father myself, I'm right
there with you making sure that everyone is safe.
It's a very important course of how we operate.

MR. LOGAN: That's it.

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

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

PRESIDING OFFICER: Commissioner
Regan?

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

PRESIDING OFFICER: And our newest
commissioner, Commissioner Ralston?

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

MR. PEARSON: I can't hear.

MS. RALSTON: Can you hear me now?
MR. PEARSON: Yes.

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

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

And I've worked in situations where that wasn't so great and you can feel it. Like you know walking through, talking to employees, talking to the line staff in situations where it's not so great, you get a lot of people look at the ground, afraid to engage and ask questions. And so for me, the easiest way to tell is just how do those
everyday interactions go. Are people comfortable? Are they comfortable telling you not only was it going well, but where are our issues? And that's for the whole team.

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

MS. RALSTON: Thank you.

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

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

PRESIDING OFFICER: Okay.

Well, then that ends the formal presentation part and we will move on to the public comment portion of the hearing. I would like to remind all the speakers that they have five minutes to make their comment. And to assist you all and to assure you you all have your five minute timeframe, we have a stoplight with us today that I will start
after you introduce yourself. The light will show green when I start it, yellow when you have 45 seconds left, and it will turn red and start to screech loudly when your time is up.

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

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

We're going to swear in by group. So my first group is government representatives. I have Senator Jake Corman, Mark Long is a district
manager for Representative Benninghoff; and I have Eric Bernier from College Township. If the three of you are here, can you stand to be sworn?

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WITNESSES SWORN EN MASSE

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COURT REPORTER: Thank you very much.

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

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SENATOR JAKE CORMAN,

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

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

My own views have changed over the years and my feelings towards gaming. In 2003, I
was a member of the general assembly when we passed the Gaming Law and I was a no vote. In those days, it was probably - and I know some of the Board members were in the general assembly at that time. There were more divisive issues that we tackled in Harrisburg. And the Commonwealth as a whole was mobilized and there was a lot of rallies and so forth on both sides of the issue. We eventually did pass. That was a no vote. But as this as gone on, it's hard to imagine we can call it anything but a success story. You know, in 2008, I guess the best comparison, when we extended the gaming for the first time from slots to table games, there was not a peep. There was really hardly any action compared to what we lived in 2003 and that's because it was a success story.

And a lot of the success is because of you and your predecessors. The fact that we have a highly regulated, highly intact gaming industry in Pennsylvania, a lot of things that I was stickler on in 2003 whether it be increase in crime, whether it be increase in people losing their homes, divorces, things of that nature, all the things that we were concerned about socially in 2003 didn't materialize. And again, a lot of that is thanks to you for the
great work you've done and your predecessors have
been highly regulated in investigating all the
applicants that will be involved in this industry.
And so this has been a success.

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

But another component obviously of the
Cat 4s was that we wanted to build on the success of
the Category 1 and Category two by using the same
individuals, by using the people who were licensed already because they already had something at stake in the Commonwealth and therefore, they can move out into other areas. They would bring the same energy to the industry, knowledge to the area, but also would have their own casinos at stake as well. And so therefore, they would be good corporate citizens for these communities. And we started out by just having qualified bidders from people who own, owners of Category 1 and Category two.

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

So it's been a strange evolving over the years, but it's been a successful one and that's why I'm here to lend my support to College Township and their wish to have this casino located here to support Mr. Lubert and his team. I think this team, the fact that they're locals is important because you want – when you're local, you live here. You're
raising your families here. You want something nice here. You're not going want this to be sort of a corporate citizen who's just going to build something, leave, and not take care of how it operates. They'll have a tremendous amount of care in how this operates and that's good for our community to have that local team as part of it. So we're very excited for the team that he's put together. Again, I'm here to support College Township with their endeavor. And I thank you all for your time.

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

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MARK LONG,

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

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MR. LONG: Good evening. My name is Mark Long. I am the district manager for Representative Kerry Benninghoff who does apologize for not being able to be here to deliver these remarks in person. Representative Benninghoff does
represent the 171st legislative district, which is part of Centre County and Mifflin County and represents College Township.

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

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

As it pertains to the most recent updates to the Gaming Act, including the purpose for which we are gathered this evening, there was never any intent by lawmakers to hinder existing or prospective licensees from utilizing all appropriate business tools develop a great community project. That includes things like debt equity financing, corporate structuring, community partnerships and
any other existing tools. As you are well aware, the Nittany Mall just down the road from our present location has become more and more vacant as businesses there have made a mass exit. This facility, once a community asset, is no longer drawing people from outside the area.

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

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

These facilities provide good family-sustaining jobs that benefits the opportunity for advancement and job training which then can be
utilized in other potential future enterprises. On top of that, there is investment that comes from additional hospitality businesses and other downstream service economy sector jobs which only help grow our local economy and ensure that jobs remain and continue to grow in number. A thriving community needs a diverse economy with multiple types of opportunities.

In closing, this major investment by the developer will create a strong anchor tenant for this facility, which would in turn, serve as a significant catalyst for economic growth as this mall transforms its purpose. Instead of having this space be vacant and turning into an unused blight, the route that so many such shopping centers have taken in Pennsylvania and even across the country, Representative Benninghoff is glad to see that this community is looking to change that narrative by rallying around this project. Our local officials are continuing making the effort to seek opportunities which create new jobs and promote growth, not just one business at a time, but by investing in an industry that can be an asset for many of our local businesses, business owners, and bringing more people back to Centre County to stay
in our hotels, eat in our restaurants, and shop in our stores. For all these reasons, Representative Benninghoff supports this effort. And we thank you for having us and allowing us to offer these remarks.

PRESIDING OFFICER: L. Eric Bernier.
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ERIC BERNIER,
CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS FOLLOWS:
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MR. BERNIER: Yes. Good afternoon, Ms. Lloyd. I am borough manager of the College Township Council. I'm here today to offer four points for consideration you should evaluate this application. But before I do that, I want to welcome you and the Board to College Township and offer a little personal background. I grew up here in State College and I've lived in College Township for the last 35 years where I raised my family and I'm currently retired here living three-quarters of a mile from the proposed casino location.

First point of background, a Category 4 license application now being considered by the
Gaming Commission Board has a deep history in this community, one which I have been personally involved in first as a member of the College Township Planning Commission for 15 years and then as an elected township councilmember of the past ten years. In 2006, in response to the passage of Act 71, College Township needed to identify an appropriate location within our zoning districts in preparation for a potential gaming establishment. Therefore, we modified our existing commercial zoning ordinances to include several uses, one of which was gaming establishments.

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

Second point, why didn't the Township not opt out in 2017. Since we already had gaming establishments as an allowance use in the Township and since the portion of the Township's commercial
zoning district where it will be allowed was restricted to the area of the Nittany Mall, the factors affecting our decision on the opt-out opportunity were different than those playing into the decisions by many of the other municipalities around the state, including almost all of them in this area.

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

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

Accordingly then in 2017, the College Township Council voted unanimously to not opt out. If the Township did not have gaming as an allowed use and they could go anywhere in the township, like
most of the other local municipalities, we may have
had a different discussion. We may have had, made a
different decision.

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

Lastly, in closing, I'd like everyone
here to know that College Township has not hitched
its wagon to this casino application. The Township is in excellent financial shape and will be just fine with or without a casino. We've taken a multi-faceted approach to redevelopment of the Nittany Mall corridor over the last 12 years. We've hired a professional consultant to develop a comprehensive area plan to help guide us while we updated current zoning regulations and allowed uses and setback requirements in that area to encourage healthy, sustainable redevelopment through the entire quarter.

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

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

Thank you for your time.

PRESIDING OFFICER: That is all of the

government representatives I have registered today.

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

Raise your hands. Seeing none, we'll move on to our

community groups, Wade Baumgardner, Holly Welch,
Vern Squire, and David Curtis. If you are here,
can you stand and be sworn by the Court Reporter?

COURT REPORTER: All right.

Could you all raise your right hands?

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WITNESSES SWORN EN MASSE

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COURT REPORTER: All right. Thank you

very much.

PRESIDING OFFICER: And first up is

Wade Baumgardner followed by Holly Welch.

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WADE BAUMGARDNER,

CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND

HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS

FOLLOWS:

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

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

I will say with the boom that's been going on in the State College area or in Centre County as a whole, consistently tremendous obviously with downtown, with the borough, with everything that Penn State does with their construction of things. There's been some acts put into place such
as Act 72 and Act 75, which states, you know, to ensure that the workers are legitimately not misclassified workers. And there's been a lot of that going on in Center County. So contractors, they're facing some hard times trying to catch up with those regulations and by utilizing our contractors, that's not an issue. Like I said, we have a lot of certified contractors for this type of work that is expected here.

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

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

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HOLLY WELCH,
CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND HAVING FIRST BEEN Dully SWORN, TESTIFIED AND SAID AS FOLLOWS:

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MS. WELCH: Good afternoon. As noted,
I'm the general manager at the Nittany Mall. Everything I'm going to talk about is basically just the potential impact that the possibility of a casino would have in just regards to the Nittany Mall. All of them are positive. As discussed by numerous people, we've endured shifts in the paradigm to an extreme.

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

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

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

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

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

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MR. SQUIRE: Good afternoon. Thank
you for allowing some comments. I'm Vern Squire,
president and CEO of the CBICC, the Chamber of Business and Industry of Centre County. Just make some comments here. In short, many of the comments that have been made are on point, so I don't want to repeat too many of them. First of all, I'd like to thank the Applicant for picking energy and having the vision of a project like this. So thank you for what you're doing. And a comment to the panel, to the Board, the Gaming Commission, we hope you support the authorization in this case.

Property has been mentioned here today and I think really it should be viewed not necessarily as a recovery of the property or a higher and better use that can be said necessarily. It's an evolutionary use of the property, even a revolutionary use of the property, because these facilities don't just appear anywhere. So we appreciate again the energy behind that.

From a jobs perspective, these jobs would be high in number and in quality. That's one thing in our conversations that we've had to be able to stand here today and fairly say this. We've talked with Eric and with members of the group as to what those job components would look like. So I think that's an immeasurable thing, especially in
the face of COVID. Still, unfortunately it's not
recovery on back side of COVID, but we still have to
be thoughtful about how we manipulate and positively
manage our economy here. So these jobs are
contributory to that.

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

The government of College Township is
sound. I do a lot of work with them, our group does
and they with us. And so in a collaborative way, we
can again stand here and firmly say this would be
the College Township structure is a good recipient
of this type of energy and authorization. This will
join other new investments in the area, in the
immediate area, Dale Summit area other new projects
occurring and new investment. And again from just
several years ago, this is quite the welcome change
and is implimatic (sic) for what can happen when a
government unit units their put to making a way
happen for change.

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

PRESIDING OFFICER: And Dave Curtis.
And if I mispronounce names, I apologize.
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DAVID CURTIS,
called as a witness in the following proceeding, and
having first been duly sworn, testified and said as
follows:
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MR. CURTIS: That's okay. Dave
Curtis. Okay. I am a resident and an employee here
in State College. I am the vice-president of sales
and marketing for the Happy Valley Venture Bureau,
which is the official tourism promotion agency for Centre County. And on behalf of our president CEO Fred Smith and the HVAB Board of Directors, I'm here to express support for the proposed Category 4 casino in the former Macy's site in College Township, Centre County.

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

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

    We also are particularly happy to see the introduction of the casino into our community
because of the employment opportunities as already described it will provide. The 350 full-time jobs that will be created, as well as the many jobs it will stimulate with suppliers in the spending, with the spending these employees will do in the community will be a tremendous economic stimulus for Centre County.

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

The HVAB is a 350 member organization of partner members in the hospitality community, the hotels, the restaurants, tourism attractions, performing arts venues, marketing firms, etcetera are enthusiastic about the opportunity to have another exciting partner that they can work with to combine special offers. Providing another reason for visitors to come to Happy Valley means their stay will be longer and they will spend more money.
The result will be a more consistent level of business of our existing hotels, restaurants, and retail shops and more. The proposed casino could also be a catalyst for continued redevelopment of the mall property as we've already heard in the surrounding area.

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

The Happy Valley Adventure Bureau recognizes and appreciates that a casino will not appeal to every resident. To that end, it will not
be a draw for every visitor to Happy Valley. However, we do believe that a professionally and responsibly managed mini casino will provide greater job opportunities to our regional work force, strengthen the local tax base, help revitalize the Nittany Mall, potentially attract new entertainment options to the area and enhance efforts to grow visitation and visitor spending generating positive impacts for the entire community. From the HVAB to the casino partners we say welcome to Happy Valley.

Thank you very much.

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

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

COURT REPORTER: All right. Could you all raise your right hand, please?

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WITNESSES SWORN EN MASSE
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COURT REPORTER: All right. Thank you very much.

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

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JOHN DELOZIER,

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

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

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

This proposed casino will certainly be a major contributor to our recovery in the hospitality industry and as a community. As the
Commission considers the comments that are offered by the public, I'd like to offer three points that I think are very important in these discussions.

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

Number two, the ongoing operations on the casino creating numerous job opportunities for the area. One question that I get sometimes is am I not concerned that we may all be competing for the same employees and no, I'm not concerned. I learned a long time ago in the hospitality industry that a rising tide truly floats all the boats. And as we see our entire industry do better, as we see good employers move into the area, it only strengthens our employment base in the community and in our industry.
Number three, the ongoing operations of the casino will provide those of us who promote the area nationally one more attraction to promote. I'll explain that quickly. My company goes throughout the country. We don't encourage people to come stay at our hotel because no one comes to Centre County just to stay in a hotel. There's something here for them to do. There's something here for them to see. This casino gives us one more place to promote. Thank you, Madame Chair. Thank you, Board, for your time. And thank you to the developer for bringing this exciting project our way.

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

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

PRESIDING OFFICER: We have a question.

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

MR. DELOZIER: Yes. We are on Shiloh Road directly across from the Sheetz. We can see the Nittany Mall from our location. So if you leave
Nittany Mall and travel towards Interstate 99, the mall is always a great place for us to send out guests. It's walkable. There was a restaurant in the mall. So we certainly look forward to that type of destination being there again.

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

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

PRESIDING OFFICER: Carl Miller with Robert Vernon on deck.

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

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MR. MILLER: Salutations. I am long-time citizen of Centre County. I live in Bellefonte believing in a caring creator and just God. I'm an advocate for maintaining a healthy Nittany Valley.
My friends and colleagues are not able to practice, environmentally - practice daily environmentally justice and support their housing for working families that habitat the remaining of Centre County and it's restore as well as needing local food pantries and the YMCA's food program and its food bus for needy families and individuals. There are more poor people in Centre County than most citizens recognize.

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

Casinos promote gambling addiction and unhealthy morality. Casinos operate as a reverse Robin Hood mafia stealing from the poor to feed the hungry - money hungry casino operators. Casinos
masquerade for job producers but with negative results. The well-documented experiences of the legalized gambling industry in Atlantic City is enlightening. The number of unemployed people and the number of people in public assistance remain steady. Our government, the cost of that escalated. Corporate corruption became a major problem and government provide funding for the poor was deleted as they were needed for treatment for compulsive gambling. So who gains? Obviously casinos do not contribute to our values and quality of life. Therefore, I earnestly urge the Gambling – Pennsylvania Gambling Control Board to deny this application. Thank you.

PRESIDING OFFICER: Robert Vernon with Michael Lee on deck.

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ROBERT VERNON,

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

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MR. VERNON: Hello. My name is Pat Vernon and I've lived here since 1966. Came here to go to college. I've been married 49 years. We've
raised two sons and built several homes in the area. I've traveled widely and seen many casinos. I'm a fan of architecture. In 1977, my partners and my wife and I opened a restaurant in Lamont, which is part of College Township, called the Victorian Manor. And history of architecture helped to design it.

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

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

So that brings me to another thing. I grew up with a friend of mine whose family owned a
dinner restaurant in Pittsburgh called Holiday House. And having traveled around and seen other casinos, I think we could use a facility like that. I'm asking you guys to consider expanding your restaurant idea and having entertainment there because really there is nothing between Monroeville and Harrisburg that's of any consequence as far as a dinner club is concerned. So that's one idea. The idea of passing this, I think is pretty obvious. It looks to me like it would pass.

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

Another item that I noticed in your discussions today was parking. Macy's was always busy, you know, during the holiday seasons and the
parking lot was filled. I anticipate that you will
not have enough parking unless you're walking to the
other end of the mall. But the managers of Macy's
who I knew often complained about the lack of
parking and how they were shut down by our local
government in adding a second story deck. I would
promote second story deck to you folks so that you
do have enough parking. Thank you. Good luck.

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

MR. VERNON: Wow.

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

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

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

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

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

MR. HILL: Yes.

PRESIDING OFFICER: Will you come forward, sir?

MR. HILL: Yes.

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

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

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COURT REPORTER: Thank you very much.
PRESIDING OFFICER: And would you tell us your name and spell it?

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

I wanted to share two perspectives, first of all, some of the personal things that I have. I do not represent those congregations and anything that they say, but I do want to share some personal questions and thoughts, plus I would like to share the statement of the United Methodist Church from the denominational standpoint. Our general conference, which meets every four years and is over 1,000 delegates is the only group that can speak officially for the denomination. And this is a statement from 2016. We did not meet in 2020 because of the COVID. And I share this with you.
Gambling is a menace to society generally to the best interests of moral, socioeconomic and spiritual life. Destructive of good government and good stewardship as an active thing of concern. Christians should abstain from gambling and should strive to minister to those victimized by the practice. Where gambling has become a victim, the church will encourage such individuals to receive therapeutic assistance so that the individual's energies may be redirected into a positive and constructive events.

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

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

I have a concern and it was addressed partially about the feasibility, the financial feasibility. I have not seen, have not heard specifics, but what are the positive and negative financial impacts upon College Township, Centre County, and the state of Pennsylvania in relationship to this project. I realize that it's projected venture that will take place at Macy's. I realize that the Nittany Mall is not really a large complex. It's a small area. We have three flagship stores there now. Advocacy want to get more, other stores to come in. There are going to be people of all ages within a very, very close proximity to the
casino. Other casinos that I'm aware of are not - well, I don't know about the one in Valley Forge, I've heard. But other casinos that I've seen, heard of, they are not in close proximity to children, to the youth, and to adults altogether. So that's a concern that I have.

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

You've answered some of my questions. I appreciate the time. I don't want to be a hypocrite and pretend I've never been in a casino. I have been. I won a couple dollars. I appreciate what I've heard from both sides. Thank you for being here. Thank you to the developers and the Chairman. Thank you.

PRESIDING OFFICER: Thank you. So now I have to add to my list. Is there anyone else here who though they registered to speak? Raise your hand. And any speakers, if you have comments that
you didn't get to share with us, if you'd like to
send them to the Board clerk email, which is
boardclerk, all one word, B-O-A-R-D-C-L-E-R-K,
@pa.gov. And you can find us on the website, the
Gaming Control Board's website. You can certainly
email comments to us. And speaking of written
comments, I'm provided, I think it was about, we
received about 49 written comments through our
website and through the board clerk's email prior to
the hearing. They provided to Gaming Counsel and
they will be added to the record as Hearing Exhibit
Number 1.

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

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

So the matter, the record in this
matter will remain open. A transcript from today's
hearing, as well as all the written comments
received by the deadline which we provided to all
Board members for their consideration, and the Board
at its convenience will schedule this matter to be
heard at a future Board meeting in Harrisburg for a
presentation and votes on SC Gaming's application.
I want to thank the Staff here at The Penn Stater
for their help arranging the room and holding this
hearing today. Thank you all for coming and
attending and for your cooperation and the hearing's
now adjourned. Thank you.

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HEARING CONCLUDED AT 5:33 P.M.

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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