

Philly.com

Casino applicants come a-courtin'

Jennifer Lin and Suzette Parmley, Inquirer Staff Writers Posted: Sunday, August 11, 2013, 1:09 AM

The Inquirer

Like politicians on the campaign trail, applicants for the city's second casino license are pushing hard to win friends and influence neighbors. In Center City, Market8 has pledged to spend \$1 million a year to fix up dreary Market Street East. It already has spent \$18,000 for planters and flowers, and donated \$2,000 to a neighborhood effort to remove graffiti and clean streets. In Port Richmond, Wynn Resorts held a summer picnic for 1,000 in Campbell Square Park, with free food and live music. It handed out donations to Portside Arts Center (\$3,000); Friends of Campbell Square (\$1,000); and the Port Richmond on Patrol Action Committee (\$1,000). Developer Bart Blatstein, meanwhile, has attended more than 35 community meetings in the North Broad Street area around his project, the Provence.

Produce wholesaler Joseph Procacci, the lead partner in PHL Local Gaming, also is reaching out to neighbors. On Tuesday, he led a bus tour for reporters of the Whitman section of South Philadelphia, where his group has paid for new trees in a park and a scoreboard at an athletic field. From the rowhouse blocks of South Philadelphia to the river wards of Fishtown and Port Richmond, the reaction to casino projects is a far cry from the first time around. "It's a complete 180," said Terry McKenna, an executive vice president of Keating Consulting, who was part of the SugarHouse development team in 2006 and is working with Wynn Resorts.

In 2006, the awarding of two gaming licenses in Philadelphia ignited fierce opposition. Protesters took to the streets, disrupted hearings, and blocked bulldozers. SugarHouse Casino eventually opened the city's first casino in 2010, while the Foxwoods Casino investors lost their license because of repeated delays. Even though opponents did not prevail in stopping casinos, they had a significant influence on the process, said State Rep. Michael O'Brien, a Democrat whose district includes the proposed Wynn and Market8 projects. "The message that has resounded with the current applicants is, make peace with the community," O'Brien said.

Gambling opponents, however, are disturbed by the handouts and promises of more to come. "The casinos aren't donating to places in Philly that need money the most; they are donating to communities who might otherwise speak out against them," said Paul Boni, a board member of the national advocacy group Stop Predatory Gambling.

Many casino contenders are taking a page from the SugarHouse playbook in their community outreach. Before it opened, SugarHouse entered into a "community benefits agreement" with neighborhood organizations. To date, it has contributed more than \$1.6 million to a neighborhood nonprofit to fund everything from the Friends of Penn Treaty Park (\$65,000) to St.

Laurentius School (\$55,000). The casino has been donating \$500,000 a year to the nonprofit and will increase that annual sum to \$1 million once it completes an expansion, said Jack Horner, a SugarHouse spokesman.

Casinos are not required to contribute money to charities, but all do. The Pennsylvania Gaming Control Board reported charitable giving for the fiscal year that ended June 30, 2012 ranging from \$9,000 (Mount Airy Casino Resort) to \$14.5 million (Parx Casino). When the state awarded the first casino licenses for Philadelphia, Patty-Pat Kozlowski, a longtime resident of Port Richmond, opposed SugarHouse. Like many, she thought the waterfront already was too crowded with clubs and bars. "I was a detractor," she said. "I thought the city should redevelop the waterfront and give it back to the people." She said other communities have seen the positive impact SugarHouse has had in the neighborhoods of Fishtown and Northern Liberties. Kozlowski is executive director of the Port Richmond on Patrol Action Committee (PROPAC). The Wynn organization reached out to it more than a year ago, she said. It held four meetings with company representatives and eventually endorsed the project. As a "thank you," the company offered to sponsor a picnic in Campbell Square, Kozlowski said. "They had our support even before they gave us a dime." Wynn Resorts endorses the creation of a community benefits agreement, as do the partners behind the proposed Live! Hotel and Casino in the stadium district of South Philadelphia. "We have had extensive outreach to the communities around the Stadium District," including an existing special services district, said Joe Weinberg, managing partner in Cordish Cos., which is working with Greenwood Gaming & Entertainment Inc. on the Live! Casino.

PHL Gaming, meanwhile, said it would help the Whitman community in South Philadelphia develop a special services district - a model used throughout the city to fund additional services via special fees - whether or not it wins a license. For the Market8 project in Center City, the pledge to spend \$1 million a year for Market Street improvements would cover such things as street cleanings, security cameras, better lighting, streetscape improvements, and promotions for tourism.

"As important as it is to reach out to civic and business associations, it's equally important for us to build relationships with tourism and hospitality leaders," said Market8 spokeswoman Maureen Garrity.

Not everyone is taking money from casino sponsors. The North Broad Community Coalition, an umbrella group for neighborhood organizations near the Provenance site, declined Blatstein's offer to fund a traffic study. Instead, it is independently raising \$60,000. "I offered to pay them to hire an independent engineer and get their own study, irrespective of mine," Blatstein said.

The veteran developer who helped to revive Northern Liberties said he is approaching this project like any other. Other than offering to underwrite another traffic study, he said, he is not giving money to local groups. "I don't know if that would be appropriate - if someone who has owned a property for many years to all of a sudden start spending money," Blatstein said.

Some groups are holding their plans for community outreach close to the vest. "We don't make it a practice to outline our outreach plans, particularly in a competitive environment like

Philadelphia," said Karen Bailey, a spokeswoman for the Wyomissing, Pa.-based Penn National. When the company unveiled its plans last fall, officials said the proposed Hollywood Casino Philadelphia would direct two-thirds of its cash flow to a nonprofit to benefit public schools and the city's pension fund. "Our pledge to the community organizations," Bailey said, "is by way of our two-thirds cash-sharing with the schools and pensions."

Contact Jennifer Lin at 215-854-5659 or jlin@phillynews.com, or on Twitter @j_linq.
Read more at http://www.philly.com/philly/news/local/20130811_Casino_applicants_come_a-courtin_.html#FZXMi4o3BYV00YJ3.99