



CITY OF PHILADELPHIA CITY COUNCIL

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October 19, 2007

The Honorable John F. Street
215 City Hall
Philadelphia, PA 19107

Dear Mayor Street:

I am in receipt of your October 18th letter concerning gaming in Philadelphia. Unfortunately, your letter fails to address several fundamental concerns about the gaming industry or answer several questions that I continue to raise.

- There has been no economic impact study to determine the costs associated with casinos (primarily infrastructure and public safety) or the impact that gaming may have on nearby businesses. For example, there has been speculation that restaurants and liquor establishments in Old City and South Street will be negatively impacted by the entertainment options offered at the gaming facilities. In addition, the traffic issues generated by the facilities may negatively impact the retail commercial corridor south of the Foxwoods facility. It is unclear what impact the casinos will have on port operations. Because the City, the State and the Pennsylvania Gaming Control Board has failed to study these impacts, claims of economic benefits, job creation and revenue generation remain unproven.
- The Pennsylvania Convention Center expansion depends not only on the two Philadelphia casinos but on all gaming entities state-wide. In addition, the cost of the Center's expansion rests at \$700 million. When expansion was initially proposed, the cost was under \$400 million. Because the Governor attempted to control the Center's operations and partake in political machinations, the cost of the project has cost the taxpayers of the City and the Commonwealth in excess of \$300 million. In my opinion, to link the two issues is unfair.

- Likewise, wage-tax reductions depend not only on the two Philadelphia casinos but on all gaming entities state-wide.
- The Philadelphia Police Department has pledged to increase the number of officers in proximity to the casinos. In my October 8, 2007 letter to Commissioner Johnson, I asked several specific questions on the deployment of these officers. To date, I have not received a response.
- The independent traffic review that City Council is conducting has pointed to several concerns that have yet to be addressed by the operators, the Streets Department or the Pennsylvania Department of Transportation. Specifically, PennDOT has failed to provide necessary data to any party involved. Additionally, it has become clear that the Girard Avenue interchange project will not be completed until 2016 and that the interchange will be closed completely during specific periods. No study has taken these facts into account and therefore an adequate traffic mitigation plan has not been created.
- The SugarHouse Casino must obtain riparian rights from the State prior to construction. I do not understand how you can ask us to approve a project that can not be built under current conditions.
- Unfortunately, this issue will straddle two separate mayoral administrations. While I know that you are doing your best to protect the City's long-term interests, I do believe that the next Mayor should have some input in this matter.

These are just some of the concerns that have been raised in the past few months. Until this body receives adequate answers from the City, the State and the operators I can not and will not support legislation that permits construction of these projects. I would note that this is my district and it is my constituents that will be most impacted. Like you, I have been elected to serve and protect them to the best of my ability. I will continue to do that.

I understand the risk the Supreme Court poses and the potential for the Court to mandate zoning. My job is to balance that risk with the needs of my constituents and the City of Philadelphia and I have developed a plan of action should the Court rule against the City and our Home Rule.

Further, I continue to believe that it is in the best interest of the City, the State and the operators to consider new locations. If they had agreed to relocate six months ago, imagine the millions of dollars the operators would have saved and the likelihood that the State would have received its tax dollars more quickly.

In conclusion, I continue to argue that the State gave us this industry and the problems that it will cause. The Governor specifically should address those problems and provide the City the tools we need to address them. To date he hasn't done that.

If I had been invited to your meeting with him today or if he would even return my calls,
I would relay the same information.

Sincerely,

A handwritten signature in cursive script that reads "Frank DiCicco".

Frank DiCicco
1st District Councilman

cc: All Members of Council