

DONNA ADELSBERGER & ASSOCIATES, P.C.

By: Mary Elisa Reeves
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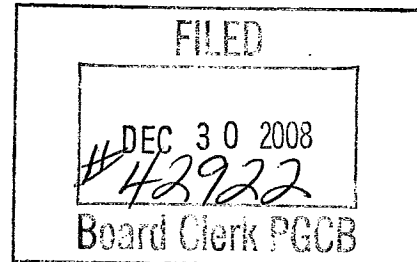
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Attorneys for Petitioners,
Senators Farnese and Stack
and Representatives Keller,
McGeehan, M. O'Brien and J. Taylor



IN RE:	:	COMMONWEALTH OF PENNSYLVANIA
THE APPLICATION OF	:	BEFORE THE PENNSYLVANIA GAMING
HSP GAMING, L.P. FOR AN	:	CONTROL BOARD
EXTENTION OF TIME	:	
	:	Docket No. 1356

HEARING REQUESTED

**OPPOSITION OF LEGISLATORS TO HSP GAMING, L.P.'s
APPLICATION FOR AN EXTENSION OF TIME**

The Legislators, Senator Lawrence M. Farnese, Jr., Representative Michael H. O'Brien, Senator Michael J. Stack, Representative William F. Keller, Representative Michael P. McGeehan and Representative John Taylor, hereby oppose Petitioner HSP Gaming, L.P.'s ("HSP") Application for additional time to make slot machines available to play, and respond to the allegations in the Application as follows:

1. Admitted.
2. Admitted.
3. Denied. It is denied that HSP has complied with the spirit and the letter of the Gaming Act, or that it is has worked diligently to ensure that the intent of the Act is carried out. Despite the anticipated challenges and considerable opposition to the proposed development at the current Sugarhouse site, HSP has made no effort to set

up a temporary facility for the operation of slot machines pursuant to §1207(17) of the Gaming Act, nor has it sought Board approval seeking to move its license to another location.

4. Denied as stated. Many of the referenced lawsuits or appeals occurred prior to the issuance of the license in question and therefore have not impacted HSP's development of the Sugarhouse site. Other litigation that has ensued since the issuance of the license was clearly anticipated by HSP Gaming, who should have sought to open temporary facilities and/or approval to relocate the facility in order to comply with the time constraints of the Gaming Act.

5. HSP's investment in development efforts at a single site, without consideration of the delays that would be encountered, should have no relevance in the Board's determination on the Application for Extension of Time. It is the Board's mandate from the General Assembly to administer the licensing of slot machine licenses in a manner which will fulfill the express legislative intent of the Act by providing a significant source of new revenue and tax relief to the Commonwealth in an efficient and timely manner.

6. Denied as stated. By failing and refusing to consider alternate and/or temporary locations, HSP has failed to exercise due diligence to make sure that 1,500 machines were made available for play within one year of the granting of the license.

7-12. Again, it was HSP's refusal to consider alternative locations and/or a temporary facility which led to the delays because of opposition to the current site which was not unanticipated.

13-14. HSP continues to require various licenses and/or permits from the City and/or the Commonwealth, including the Pennsylvania Department of Transportation.

15. The City of Philadelphia has voiced its opposition to the proposed development at the current location (see Exhibit "A"). HSP has not reached an agreement with several community groups including Fishtown Neighbor's Association, (FNA), the Old Richmond Civic Association (ORCA) and the Northern Liberties Neighbors Association (NLNA).

16. Denied as stated. The work performed on the site thus far is not substantial, and does not represent any significant progress when compared with the proposed development in its entirety. At the present rate, it is not believed that HSP will be able to make any slots available at the current location within the next twelve months.

17. Denied as stated. HSP's initial application to the Army Corps of Engineers (Corps) was submitted eighteen months ago. To date, the Corps has focused on the Section 106 Historic Preservation Review. That process is ongoing, and much remains to be done. Thereafter, the Corps must continue its public interest review and its analysis of alternative sites. Based upon review of the Corps' file with respect to this project, it is not anticipated that any permits will be issued for some time. Once the public interest review and alternatives analysis is complete, the Corps must then perform an environmental assessment and evaluate the nature of the impact which the project will have on the human environment. This process could take considerable time, and even if the permit is issued, it is expected that further legal challenges will be made.

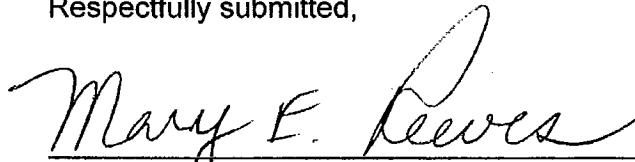
18. As previously noted, the City opposes this project at its current location.

19. It is denied that HSP's inability to make 1,500 slot machines available for play by January 10, 2009 is beyond its control. HSP had the ability and, in fact, at an earlier point in time considered the construction of temporary gaming facilities, but for some reason failed to do so. In addition, HSP has failed to consider alternate locations for its project, and/or to seek the portability of its license to an alternate location.

20. For the foregoing reasons, as well as those set forth in the Petition to Intervene, which is incorporated herein by reference, HSP's Application should be denied.

WHEREFORE, the Legislators respectfully submit that HSP has not shown good cause for an extension of time under §1210. It is respectfully requested that the extension request be denied. In the alternative, the Legislators request that the Board require that HSP provide evidence as to why an alternative location could not be found which would permit a more expeditious compliance with the mandates of the Gaming Act.

Respectfully submitted,



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Counsel for Petitioners

Dated: December 29, 2008

DONNA ADELSBERGER & ASSOCIATES, P.C.

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IN RE: : COMMONWEALTH OF PENNSYLVANIA
THE APPLICATION OF : BEFORE THE PENNSYLVANIA GAMING
HSP GAMING, L.P. FOR AN : CONTROL BOARD
EXTENTION OF TIME :
: Docket No. 1356

VERIFICATION

I, Michael H O'Brien hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

By: Michael H O'Brien

Date: 12/23/2008

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Senator Farnese and
Representative O'Brien

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HSP GAMING, L.P. FOR AN
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: COMMONWEALTH OF PENNSYLVANIA
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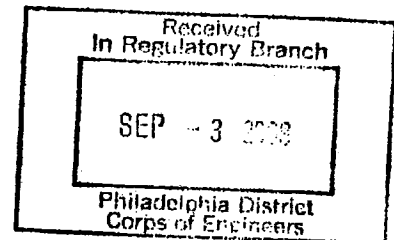
Date: 12/29/08

CITY OF PHILADELPHIA

Philadelphia City Planning Commission
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Philadelphia, PA 19102
(215) 683-4600
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August 27, 2008

Samuel L. Reynolds
Chief, Application Section
Regulatory Branch
Army Corps of Engineers, Philadelphia District
Wanamaker Building
100 Penn Square East
Philadelphia, PA 19107-3390



RE: Comments to Public Notice No. CENAP OP-R-2007-24 relating to SugarHouse Casino

Dear Mr. Reynolds:

On behalf of the City of Philadelphia, thank you for this opportunity to comment on HSP Gaming, L.P.'s (SugarHouse) application submitted to the Army Corps of Engineers (ACOE) to relocate the City's Laurel Street Combined Sewer Outfall (CSO) to the southwest edge of the property, and fill in the remaining two open pier slips, for the purpose of the redevelopment of the property located at 941-1025 North Delaware Avenue. The City is opposing the issuance of this ACOE permit for reasons that are outlined below.

The City believes that this unique waterfront property is not required for the establishment of a gaming facility.

The SugarHouse Casino is not water-dependent. There are several potential locations appropriate for a gaming facility in Philadelphia, not on the Delaware River. Some of these locations are well known. In 2005, as part of the City's effort to prepare for gaming, the Philadelphia Gaming Advisory Task Force produced a report that outlined and discussed numerous sites throughout the City, six of which are not located along the Delaware River, which would be suitable for gaming establishments. Further, in 2005 one of the applicants for a casino license from the Pennsylvania Gaming Control Board was for a site not located on the Delaware Riverfront. Although the applicant for this site was not awarded one of the two licenses in Philadelphia, the Gaming Control Board determined that the site was approvable. These factors demonstrate that it is not necessary for a gaming establishment to locate its operation on the Delaware Riverfront and that there are viable alternative sites for casinos.

Exhibit "A"

SugarHouse did not accurately represent the value of gaming facilities on the Delaware Riverfront to the City of Philadelphia.

The City of Philadelphia disagrees with SugarHouse's stated purpose of its project as quoted on page 4 of the ACOE Public Notice, and as described in Exhibit N of the application. SugarHouse claims that its project is: "to serve as an entertainment center and a catalyst for the positive redevelopment of former industrial facilities along the northern waterfront of the City of Philadelphia. This anchor facility will be interconnected to other city facilities and services to function as a core redevelopment centerpiece, and thereby promote the sustained economic and social development of the local community."

The City does not agree with this claim. For the past eight months, Mayor Nutter and his Administration, along with members of City Council and several community groups and coalitions, have testified that it is not necessary or desirable to locate gaming establishments on Philadelphia's riverfront. During 2006 and 2007, Penn Praxis (the clinical arm of the School of Design of the University of Pennsylvania) and hundreds of design professionals partnered to create an new image for the Central Delaware River waterfront, which resulted in a 2007 report, which the Mayor has said will be the basis of a waterfront plan by the City Planning Commission. Based on the findings in the report, Mayor Nutter tasked Penn Praxis to evaluate the two proposed gaming facility sites and determine whether they are compatible with the Civic Vision report. The SugarHouse plan was evaluated by casino development experts and Penn Praxis determined that, in its current design, SugarHouse could not contribute to the civic vision of the Delaware River waterfront.

For these reasons, although the City remains steadfast in its belief that gaming will add important revenues to the City's tax base, the City does not believe that the proposed facility as designed should be on the Delaware River, because such an establishment in this location would not be an "anchor" or "catalyst" for the positive redevelopment of the Delaware River.

Should you have any questions on this matter, please contact me at 215-683-4600.

Sincerely,



Gary J. Jastrzab
Acting Executive Director
Philadelphia City Planning Commission