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SUGARHOUSE CASINO PETITIONS PA SUPREME COURT FOR APPOINTMENT OF SPECIAL MASTER

Philadelphia, PA – Today, HSP Gaming, LP, the developer of the SugarHouse Casino, filed a petition asking the Supreme Court of Pennsylvania to enforce its December 3, 2007 Order that declared that the requirements for building the SugarHouse Casino have been met and ordered the City of Philadelphia to timely process permit applications and issue the permits necessary to build SugarHouse Casino. HSP also asked the Court to appoint a Special Master to resolve any current and future disputes between the City and HSP related to the construction of SugarHouse Casino on its site on North Delaware Avenue.

“We do not take this action lightly,” said Stephen A. Cozen, Counsel for HSP Gaming. “Since being selected by the Gaming Board, we have worked in good faith to receive all of the approvals needed to begin construction of our project. It is clear that the City has failed to comply with the Supreme Court’s December 2007 Order.”

More than two years after SugarHouse Casino was selected to receive a gaming license by the Pennsylvania Gaming Control Board and more than a year after the Supreme Court ordered the City to process permit applications and issue necessary permits and approvals, SugarHouse has not received its foundation permit from the City, notwithstanding that it was applied for over thirteen months ago and all requirements for the issuance of the permit have been met. The failure to issue the foundation permit is one example of a pattern of behavior by the City intended to interfere with and stall the development of the SugarHouse Casino.

According to the Gaming Act, the Pennsylvania Gaming Control Board was given sole regulatory authority over the location of casinos in the City of Philadelphia. In an August 3, 2007 ruling, the Supreme Court reiterated the sole authority of the Gaming Board, writing, “We conclude that the words of these statutory provisions are clear and explicit and reveal that the General Assembly intended for the Board to have the sole authority to locate Category 2 licensed facilities in cities of the first class. That is to say, only the Board makes the decision to locate a licensed facility.”

In addition, in December 2007, the Supreme Court directed the City “to take all actions necessary to implement the relief granted, including making all necessary changes to City records, maps and plans, and receiving, reviewing and acting upon all applications from HSP Gaming in the ordinary course and in compliance with this Court’s order.”

By refusing to process SugarHouse's permit applications and issue the permits, the City has effectively sought to nullify the Gaming Board's decision and defy the Supreme Court's December 2007 ruling.

"We are ready to move forward with our project – a project that will generate 1,000 construction jobs and 1,100 permanent casino jobs and provide hundreds of millions of dollars in annual revenue to the City and Commonwealth," said Bob Sheldon, President of SugarHouse Casino.

About HSP Gaming, LP

HSP Gaming, LP is a limited partnership created to bring gaming to Philadelphia. Collectively, the partners bring more than 100 years of development and community experience to the project, having developed, constructed, and operated casinos, luxury hotels, and other hospitality businesses around the world, including Niagara Fallsview Casino Resort, the Pennsylvania Convention Center, Water Tower Place in Chicago, Hyatt Regency Philadelphia at Penn's Landing, the recently opened Riverwalk Casino in Vicksburg, Mississippi and many Four Seasons Hotels, including Philadelphia, Chicago, and Sydney, Australia. For more information, please visit www.sugarhousecasino.com.

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