



**FOXWOODS<sup>®</sup>**  
CASINO ♦ PHILADELPHIA



**An Overview of Foxwoods'  
Plans, Contributions and Commitments**

## **Foxwoods Casino Philadelphia**

### ***Gaming in Pennsylvania and Philadelphia***

On July 5, 2004, Governor Edward G. Rendell signed the Pennsylvania Horse Race Development and Gaming Act (Gaming Act) with a goal of generating \$1 billion for tax reduction annually once gaming was fully operational throughout the Commonwealth. When the Gaming Control Board awarded Foxwoods Casino Philadelphia, formally known as Philadelphia Entertainment and Development Partners (PEDP), and HSP Gaming licenses to operate in the City of Philadelphia, the stage was also set to dramatically improve the City's economy.

According to economic experts, including the Philadelphia Gaming Advisory Task Force, the two local casinos will serve as economic catalysts to jump start Philadelphia's economy and spur continued growth. Even before they open, the casinos will generate millions of dollars during construction in wages and capital expenditures. When in operation, they will produce immediate tangible economic benefits for both the City of Philadelphia and the City's public schools, driving millions of dollars in new tax receipts while reducing the wage tax and improving the City's competitiveness.

Beyond consumer spending at the casinos, their economic impact will include construction spending, spending on ongoing operations, an increase in spending by visitors to Philadelphia's hotels, restaurants and tourist attractions, and indirect and induced spending spurred by the casinos. Revenues from the casinos will fund the expansion of the Pennsylvania Convention Center, providing yet another boost to the Philadelphia hospitality and tourism industries.

When given the green light to begin construction, the casinos will generate thousands of jobs, fund long awaited traffic improvements and much-needed storm water/sewer infrastructure upgrades in South Philadelphia. Both casinos have committed to supporting Special Services Districts that will directly support the communities in which they operate.

### ***Project Overview***

Foxwoods Casino Philadelphia plans to develop a first-class casino and entertainment complex on a 16.5-acre vacant parcel of commercial land east of Christopher Columbus Boulevard between Tasker and Reed streets. The project is separated from the closest residential neighborhood by Interstate 95 and will rehabilitate a blighted section along the Delaware River waterfront in South Philadelphia with a 3.7 million-square-foot facility that will include shops, restaurants, entertainment venues, a casino, and parking and public riverfront walkway. The project will progress in three significant phases, representing a total investment of over \$1 billion.

PEDP, a joint venture between Foxwoods Development Company, LLC and a group of local investors operating as Washington Philadelphia Investors, LP, was awarded a Category 2 Gaming License in December 2006 by the Pennsylvania Gaming Control Board. Foxwoods Development Company LLC was formed in December 2003 by the Mashantucket Pequot Tribal Nation (MPTN), a Native American tribe which gained federal recognition through an act of Congress signed by President Reagan in 1983. Foxwoods Development Company, LLC serves to assist the MPTN by diversifying their assets both economically and geographically through investment in, development or acquisition of hospitality-related enterprises.

Currently operating the world's largest casino, Foxwoods Resort Casino in Connecticut, Foxwoods brings a track record of success, diversity and financial stability to the project. Foxwoods Development Company, which is responsible for the management of all aspects of the operation, including gaming, entertainment, and food and beverage outlets, will implement the operating expertise, policies, procedures, systems and philosophies to ensure that same success for Foxwoods Casino Philadelphia.

The Foxwoods Casino Philadelphia project supports the city's long-term goal of economically reinvigorating the remainder of the riverfront, and will provide public access to the river. The site is easily accessible from I-95 from the northeast, southwest, and over both bridges into New Jersey, and is in close proximity to the Convention Center and Philadelphia's sports complex, as well as the City's entertainment, restaurants, hotels and other attractions.

Foxwoods Casino Philadelphia is scheduled for development in three phases. **Phase I**, a \$670 million investment approved by the City's Planning Commission, will provide 3,000 slot machines, new restaurant and lounge venues featuring fine dining, a sports bar, a marketplace buffet and food court. The facility will also include a 1,800-seat showroom, an entertainment cabaret and lounge, a parking garage with 4,500 spaces and back of house support facilities.

The **Phase I** development will provide public waterfront access from Columbus Boulevard via a landscaped pathway system within the property boundary along Reed Street in addition to a waterfront pathway and park environment along the property's entire waterfront edge. This pathway will feature social gathering spaces and an outdoor promenade with vistas of the Delaware River. In addition, it will connect the property's private and public bus depot located at the south end of the property, with connections to an elevator lobby up to the various indoor facilities in the development.

Foxwoods will pursue certification as a LEED-certified development, including retaining a professional expert to provide guidance during construction. Foxwoods will also support green-friendly construction by including a green roof and cool roof technology at an additional cost of \$1,000,000.

When market conditions permit, Foxwoods Casino Philadelphia will apply for further approvals to build and invest an additional \$223 million in **Phase II** of the project, which will provide a new Riverfront Entertainment District featuring additional nightlife, expanded dining options, boutique shopping, space for another 2,000 slot machines and 1,500 more parking spaces.

**Phase III** will represent a \$203 million investment, providing a first-class 500-room hotel, a 21,000-square-foot full-service spa, a 120,000-square-foot meeting and conference room space and may also include condominiums.

No riparian rights are needed for any phase of the project, and Foxwoods Casino already owns the land on which the project will be fully developed.

### ***Traffic Mitigation***

As Foxwoods Casino Philadelphia progresses with its planning, traffic mitigation is a top priority. While new projects are only required legally to mitigate additional traffic they will add to the traffic infrastructure, Foxwoods Casino Philadelphia is committed to making traffic flow better along South Columbus Boulevard than it does today and will fund the full cost of the traffic mitigation measures for Phase I of the project, as well as its fair share of any traffic improvements for future phases.

Foxwoods' Phase I plan to re-engineer South Columbus Boulevard focuses on a 16-intersection area from Walnut Street Plaza to the IKEA Driveway and is anticipated to cost \$7 million. The plan calls for:

- Improvements at 16 intersections including one mile of new full width paving and two miles of new curb,
- Roadway construction improvements at six intersections to include new and larger left turn lanes, widened cross streets
- Installing new traffic signal controllers at 15 signalized intersections
- Increasing the walk time to give pedestrians more time to safely walk across Columbus Boulevard along with “count-down” walk-don’t walk signals that are gaining favor with pedestrians around the world.
- Six (6) totally modernized traffic signal installations to accommodate new intersection traffic patterns,
- Video detection of vehicles at all side streets and at all left turn lanes to make the traffic signals responsive to changing traffic volumes and traffic patterns throughout the week,
- Almost 3 miles of Fiber Optic Cable connecting each of the 15 signalized intersections to both the City’s and to PennDOT’s Traffic Control Centers for traffic monitoring and incident management,
- Nine separate signal system timing plans, the most of any signal system in the city, to keep traffic flowing smoothly along Columbus Boulevard at all times of the day and night and under all traffic conditions,
- New pedestrian refuge islands in the median area so that pedestrians do not have to run across Columbus Boulevard ahead of oncoming traffic, and
- A new bus station for SEPTA at Foxwoods to encourage casino-bound folks to ride the bus and increase the ability of SEPTA to serve the corridor.

Foxwoods' studies and mitigation plans have been carefully reviewed by both City and Commonwealth officials and designed consistent with their input. Foxwoods continues to work cooperatively with agencies at both levels.

## ***Diversity***

Foxwoods Casino Philadelphia is partly owned by the Mashantucket Pequot Tribal Nation which is incorporated as a commercial entity, subject to applicable state and federal laws. Given the tribe's commitment to preserve, restore and enhance the cultural identity of their tribal nation, there is a unique understanding and appreciation for cultural differences and natural surroundings.

In 1637, the tribe suffered an invasion that killed 400 to 700 tribal members, scattering many of the remaining members throughout the region and the country. Since then, many diverse tribal members from around the country have repatriated to Mashantucket, where they have worked together to form a government and several business entities. Their unique differences have enabled them to appreciate and understand how important it is to be inclusive of all people as they govern their community and operate their businesses. The tribe's own diversity has resulted in its recognition to diversity as an essential business goal.

Mashantucket Pequot Tribal Nation Chairman Michael Thomas relayed the tribe's philosophy and approach to diversity in his remarks to the Pennsylvania Gaming Control Board during Foxwoods' suitability hearings held November 14, 2006:

*"The Mashantucket Pequot Tribal Nation's commitment to diversity is a piece of our core. We understand that diversity is truly about inclusion. We are people who have historically come from frontline positions to the ownership roles that we're fortunate enough to occupy today, and so we've been on the short end of the stick, historically speaking, as Mashantucket Pequot people when it comes to the opportunities that major development provide, or should provide, for underserved communities..."*

*"We will, both through construction and operating phases of this project, show a true commitment to diversity not just in terms of meeting requirements, but in terms of presenting to people opportunities they have been denied for altogether too long from the uniquely Mashantucket Pequot perspective."*

Foxwoods will comply with the terms of the Diversity Plan it submitted to the Pennsylvania Gaming Control Board, committing to diverse local employee and construction workforces, as well as to the commitments it has made in the Development Agreement entered into with the City. For example:

- Foxwoods has agreed to exert good faith efforts to purchase at least 30 percent of its non-gaming-related goods, supplies and services from qualified entities located in, or having significant operations in, the City of Philadelphia; at least 20 percent of such purchases from qualified minority business enterprises; and at least 5 percent of such purchases from qualified women business enterprises in connections with its operations.
- Foxwoods has agreed to exert good faith efforts to ensure that not less than 65 percent of its permanent and temporary workforce reside within the City of

Philadelphia, and that at least 30 percent of its workforce is composed of racial/ethnic minorities and 15 percent are women.

- Foxwoods has agreed to exercise good faith efforts to achieve participation of at least 40% City residents, 25 percent racial/ethnic minorities and 10 percent women in the composition of its construction workforce.

Foxwoods will also reimburse Philadelphia-based job training organization for the costs of training Foxwoods' employees and provide hiring preferences for the organizations' graduates. In addition, Foxwoods will, within 120 days of the start of construction, meet with its training partners and the city's workforce development community to educate them on the qualifications it seeks for its permanent employees.

Foxwoods will provide the City with copies of diversity reports filed with the Gaming Board as well as other reports set forth in an Economic Opportunity Plan (EOP) which will be adopted on or before March 31, 2008. Within 30 days of the adoption of the EOP, Foxwoods will designate a senior executive who will report directly to the General Manager on diversity issues.

### ***Economic Impact***

On the local level, Foxwoods Casino Philadelphia is expected to generate **\$1 billion** to **\$1.2 billion** in gaming revenues in the first five years of operation, funding wage tax reductions for all who live and work in the City of Philadelphia. The city will reap **\$15 million** annually in host fees, including **\$5 million** that will directly benefit Philadelphia's public schools. The City's schools will also receive another **\$5 million** in additional revenue through a variety of taxes (*See Attachment A*). The city will also benefit from approximately **\$4 million** annually in additional local taxes.

Through all three phases of the project – including construction, operations and indirect outside spending associated with the casino's operations – the total amount of economic activity from Foxwoods Casino Philadelphia is estimated to be at **\$2.35 billion** in Philadelphia and **\$3.44 billion** statewide. The entire project, both directly and indirectly, is expected to create more than **15,000 jobs** in the city and more than **35,000 jobs** statewide, with a boost in employee earnings of \$414 million in Philadelphia and **\$1.05 billion** across the state.

Foxwoods Casino Philadelphia is expected to generate more than **\$40 million** in tax revenues to the City of Philadelphia and more than **\$300 million** in tax revenues to the Commonwealth of Pennsylvania annually, once all three phases of the project are complete. The tax revenues provided to the Commonwealth will be used to reduce the wage tax and fund the Convention Center expansion in Philadelphia, providing additional economic benefit to the region.

### ***Employment***

Foxwoods Casino Philadelphia will generate thousands of direct and indirect jobs. Construction experts forecast this project would generate about **1,000 new construction jobs**. Foxwoods has committed to using union labor to build the casino, creating hundreds of jobs.

A detailed analysis of specific positions shows Foxwoods Casino Philadelphia will generate more than **950 jobs in Phase I**, and at least 65 percent of the positions will be filled by city residents. Direct employment is expected to ramp up with the expansions for Phases II and III, growing first to **1,254** and then to **1,780** for Phase III.

Foxwoods will pay wages and provide benefits for all employees that are fair and competitive in the gaming industry. All full-time employees will be eligible for Foxwoods' competitive benefits package, including vision and dental. Foxwoods will also work with local job training agencies to attract and train its employees.

Foxwoods has made substantial efforts to educate the community about employment and vendor opportunities that will be available at the casino. Foxwoods hosted a job fair in the fall of 2006 that drew more than 400 people – the vast majority of whom reside in Philadelphia. Foxwoods also hosted a construction vendor fair with our construction manager, TN Ward, in the spring of 2007, drawing more than 200 local vendors.

In addition to the direct jobs outlined above, thousands of indirect jobs will be created by the economic activity that is generated by Foxwoods Casino Philadelphia's operations,

from vendor opportunities to increased tourism. Foxwoods is committed to working with local vendors to support the community in which the casino will be built.

### ***Sewer/Storm water Infrastructure Improvements***

While Foxwoods has specifically engineered its plans to ensure it does not itself burden the City's sewer/storm water systems, Foxwoods voluntarily agreed to contribute to solving the flooding problems experienced by nearby communities. Foxwoods will pay up to \$5 million during Phase I of the project to fund a new, enlarged sewer/rainwater pipe to provide additional capacity for Tasker Street and Reed Street sewer/storm water system, which ties into the City's system to handle storm water and will help speed the efforts to improve the sewer system throughout South Philadelphia. Foxwoods' contractors will construct the sewer/storm water improvements with plans approved by the City Water Department.

### ***Charitable Contributions***

The lead local partners in Foxwoods Casino Philadelphia (The Rubin Family Charitable Trust, The Silver Family Charitable Trust and Ed Snider) have irrevocably committed 100 percent of their profits from the casino project (this includes the profits from the casino, hotel, restaurants, retail, etc.) to charitable causes in perpetuity.

This commitment by the lead local partners means that all profits attributed to 42 percent of the casino's present ownership will go to charitable causes. The primary focus of the trusts will be to support underprivileged children in the Philadelphia area and South Jersey.

### ***Special Services District***

Foxwoods Casino Philadelphia will contribute \$1 million annually to a Special Services District, as well as \$50,000 to fund organizational and start-up expenses. The Special Services District will be funded by Foxwoods, but the community will identify the initiatives and administer the funding.

### ***Community Outreach***

Since February 2006, Foxwoods Casino Philadelphia has conducted a grassroots community outreach campaign with residents, civic organizations, churches, non-profit agencies and businesses in the Philadelphia area. Foxwoods employees and representatives have either hosted or attended more than 100 meetings.

In addition, Foxwoods has established a community telephone number and an e-mail address for residents to direct questions, make comments or schedule a meeting. A Foxwoods representative responds to each an every call and e-mail.

Through Foxwoods' efforts, substantial support has been identified throughout South Philadelphia for the casino.

## **Appendix A**

**FOXWOODS CASINO PHILADELPHIA  
ESTIMATED SCHOOL FUNDING CONTRIBUTION**

	Prior to Opening	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
<b>County &amp; Host City Fee (4% of Net GGR) ( 5 million Max)</b>	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	
<b>Realestate Tax</b>												
Existing Tax Settlement	875,000	875,000										
Unimproved Real Estate Tax		1,323,000	1,389,150	1,458,608	1,531,538	1,608,115	1,688,521	1,772,947	1,861,594	1,954,674	2,052,407	
Tax and Claim settlement Payment		3,200,000	3,200,000	3,305,374	3,408,008	3,513,209	3,621,039	3,709,460	3,799,649	3,891,642	3,985,475	
<b>Total</b>	<b>875,000</b>	<b>5,398,000</b>	<b>4,589,150</b>	<b>4,763,982</b>	<b>4,939,546</b>	<b>5,121,324</b>	<b>5,309,560</b>	<b>5,482,407</b>	<b>5,661,243</b>	<b>5,846,316</b>	<b>6,037,882</b>	
60% of Realestate tax	525,000	3,238,800	2,753,490	2,858,389	2,963,728	3,072,794	3,185,736	3,289,444	3,396,746	3,507,789	3,622,729	
<b>Use &amp; Occupancy Tax (100%)</b>	-	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	
<b>Tenant Use &amp; Occupancy Tax (100%) \$4.62 per \$100 assessed value</b>												
<b>Liquor Tax (100%)</b>												
Beverage Revenue (Estimate)	\$ -	\$ 14,700,000	\$ 15,595,230	\$ 16,544,980	\$ 17,552,569	\$ 18,440,729	\$ 19,373,830	\$ 20,354,145	\$ 21,384,065	\$ 22,466,099	\$ 23,602,883	
50% Liquor (estimate)		\$ 7,350,000	\$ 7,797,615	\$ 8,272,490	\$ 8,776,284	\$ 9,220,364	\$ 9,686,915	\$ 10,177,073	\$ 10,692,033	\$ 11,233,049	\$ 11,801,442	
tax rate 10%		\$ 735,000	\$ 779,762	\$ 827,249	\$ 877,628	\$ 922,036	\$ 968,691	\$ 1,017,707	\$ 1,069,203	\$ 1,123,305	\$ 1,180,144	
<b>Total Annual School Benefit</b>	<b>\$ 525,000</b>	<b>\$ 10,073,800</b>	<b>\$ 9,633,252</b>	<b>\$ 9,785,638</b>	<b>\$ 9,941,356</b>	<b>\$ 10,094,831</b>	<b>\$ 10,254,427</b>	<b>\$ 10,407,151</b>	<b>\$ 10,565,949</b>	<b>\$ 10,731,094</b>	<b>\$ 10,902,874</b>	<b>\$ 102,915,371</b>
Daily		\$ 27,599	\$ 26,392	\$ 26,810	\$ 27,237	\$ 27,657	\$ 28,094	\$ 28,513	\$ 28,948	\$ 29,400	\$ 29,871	
Weekly		\$ 193,727	\$ 185,255	\$ 188,185	\$ 191,180	\$ 194,131	\$ 197,201	\$ 200,138	\$ 203,191	\$ 206,367	\$ 209,671	
Monthly		\$ 839,483	\$ 802,771	\$ 815,470	\$ 828,446	\$ 841,236	\$ 854,536	\$ 867,263	\$ 880,496	\$ 894,258	\$ 908,573	