# Statement to NYS Gaming Facility Location Board in Opposition to the Application for a Casino in Schenectady [with Attachments]

by Stop the Schenectady Casino September 22, 2014 [\*]

For the following reasons, the group Stop the Schenectady Casino [at times referred to in this Statement as the Stop Group] asks that this Board reject the Application for the Rivers Casino and Resort at Mohawk Harbor, Schenectady, New York. [Attachment 1 is a map of the casino vicinity.]

Point One. Unlike the other Capital Region locations proposed to the Board, the Schenectady Casino is the only Location Well on its Way to Being Fully Developed without a Casino, and Schenectady already has a Vibrant and Successful Development Process.

The Applicant calls Schenectady "distressed" and sees its casino as a vital part in the region's "Bring Cities Back to Life" strategy. But, Schenectady has been successfully planning and executing an impressive revival for quite some time *without* a casino, and Mohawk Harbor was already well on its way to being a spectacular development along the Mohawk long before Rush Street Gaming ever heard the phrase "Old Alco site." Thus, we are told at the website SchenectadyDemocrats.com, that we have had "\$830 million in new development and 6,200 jobs created or retained since 2004." A similar assessment is made at SchenectadyCountyDemocrats.com, which sizes up a shorter timeframe and exclaims:

"The new unified economic development team has delivered 3,500 new jobs, and \$400 million in new private sector investment in our economy. Through hard work and vision, decay and stagnation have given way to growth and renewal. Smarter, smaller more efficient government has saved taxpayers millions.

"A revitalized economic and cultural center in Schenectady, reinvigorated industrial parks, thousands of new jobs and millions of new private sector investment stand as accomplishments of a Democratic team dedicated to working together with anyone of good will to achieve results for the people of Schenectady County."

Even in the context of such vibrant development, the announcement that the Galesi Group would spend \$150 million dollars in the first phase of a massive redevelopment of the old American Locomotive Company site in Schenectady, made a very big splash along the Mohawk. Indeed, before an extra \$50 million for the second phase of Mohawk Harbor was added in, the numbers were surely higher than had ever been seen in Schenectady for a private, non-industrial project.

The *Gazette* called the original multi-use development plans for the sight "grand", and Galesi Group CEO David Buicko modestly said it would serve as "the poster child for upstate New York

<sup>[\*]</sup> Typos and editing errors in original version have been corrected.

development;" and, long before the word casino was being whispered about town, Buicko claimed the site could be developed into "the next major tourist attraction in upstate New York." 2

Laura Schweitzer, the President of Union Graduate College clearly agreed with all the praise for Mohawk Harbor, writing while nominating David Buicko for a Community Hero award:

"Nothing that has been done to date in Schenectady will be quite as transformational as the innovative and break-through project planned for the Alco site on the Mohawk River that Dave initiated in the last year. "[see "Union Graduate College Community Partner Dave Buicko Receives 'Hero Award'" (Union Graduate College News, May 27, 2014)

The Capital Region Economic Development Council clearly concurred with Ms. Schweitzer, as it gave the riverfront project a \$5,000,000 award in 2013 to assist development of the plans, which include retail, space, apartments, a hotel, a marina, and more.

Given the economic and civic boost expected from Mohawk Harbor without a casino, it is difficult to see why Schenectady should be saddled with the potential problems that come with an urban casino. Brownfield remediation surely should not be an excuse for taking the gamble with Schenectady's future, even though the Applicant is giving its casino facility a lot of credit for cleaning up the brownfield. As the *Gazette* reported,<sup>3</sup> DEC issued a proposed cleanup plan for the site last March and (with no casino license in the picture):

"Galesi will implement the final cleanup plan, for which the company has received a grant. . . . The entire cleanup should be complete by the end of 2015, but most of the site will be clean by the end of 2014, DEC said."

To date, the only thing the casino tangent has done to Mohawk Harbor is slow down its progress, and saddle it with additional environmental review. It has also turned a development plan nearly universally applauded, into a divisive struggle within the community.<sup>4</sup> The casino plans would also apparently mean more space used for parking lots, rather than lawns and trails, compared to other potential uses, and its projected 2.8 million visitors a year will surely bring far more traffic distress than other alternatives.

As community leader Gloria Kishton wrote in June to the Schenectady Gazette:

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<sup>&</sup>lt;sup>1</sup> "When opportunity knocks, Galesi Group answers," Schenectady *Sunday Gazette*, by Bethany Bump, Feb. 16, 2014.

<sup>&</sup>lt;sup>2</sup> "Galesi Group plans for ALCO site will be downsized without state aid," *Albany Business Review*, by Haley Viccaro, Nov. 6, 2013. Mr. Buicko was reassuring about the future, saying the company would not desert the site if funds for a film studio were pronounced dead. The same has been said many times about continuing with or without a casino. Having already spent over a \$100 million on the project, Galesi is not walking or rowing away.

<sup>&</sup>lt;sup>3</sup> "Substrate to help dissolve solvents," by Kathleen Moore, March 18, 2014.

<sup>&</sup>lt;sup>4</sup> One caveat that has been raised about Mohawk Harbor relates to the effects on flooding of creating a marina and building on a raised floodplain. That problem would exist, of course, if a casino were added to the plans for Mohawk Harbor. A report from the Army Corps of Engineers may help settle the dispute.

Schenectady should not entrust its future to a casino.... Schenectady would do well to build on its already impressive accomplishments: attracting diverse small businesses that create things and experiences with real value. The ALCO site has a good basis upon which to build. . . . [It] is better suited for a mixture of commercial uses, tourism and housing options. This would create diversified, sustainable development we could all be proud of, and is a better fit for Schenectady than a casino.

In sum, Schenectady is clearly not the applicant most in need of a giant development boost, especially not a boost with a shaky financial future and risky social impact. The Galesi Group plans to build its grand community along the Mohawk with or without a casino. Granting Rush Street Gaming the operating license would be gilding the lily (which wastes the gold and kills the lily), when other municipalities haven't even pulled up all their daisies yet.

## Point Two. The Schenectady Casino is the only proposal that directly threatens the welfare of a treasured Historic District - Schenectady's Stockade Historic District

Schenectady's Stockade Historic District is only a half-mile down Front Street, and a short stroll down the riverbank, from the location of the proposed casino. [See Attachment #1] The Stop Group submits that the risk of damage to the residential quality and future integrity of a neighborhood often called "Schenectady's Gem," is too great to permit the location of a casino so close by. That is especially true, when the Applicant has shown no appreciation of the importance and fragility of this "living museum" and its caretakers, and when no other proposed location interferes with a similarly valuable historic and cultural resource.

According to the "Schenectady 2020 Comprehensive Plan: Stockade Neighborhood Plan", the section of the City that is referred to as the Stockade neighborhood is the smallest and oldest in the City, encompassing 82 acres. It is located between the Mohawk River and the Central Business District. Erie Boulevard serves as the southern boundary of the neighborhood, and the CSX rail line as the eastern boundary. The Mohawk River is the Northwest Boundary. [See Attachment #1]

The Stockade neighborhood is home to the Stockade Historic District, which covers all but a few blocks of the Neighborhood. The Historic District is roughly bounded by the Mohawk River, the CSX railroad tracks and Union Street. The District includes about 380 buildings stretched over a fifteen-block area. The Stockade Association is the neighborhood association for the Historic District. (Find it online at <a href="https://historicstockade.com">historicstockade.com</a>) The Association's summary of Stockade History begins:

The Stockade Historic District is the oldest [continuous] residential neighborhood in the country. It is home to what the National Parks Service called "the highest concentration of historic period homes in the country," with over 40 homes over 200 years old. It is the first Historic District established in New York.

Attachment #2 is a one-page history of the Stockade District by longtime Stockade resident Jean Zegger, explaining its uniqueness. In 1962, the Stockade became the first historic district in the State, established by the City under a State enabling act as a specially-protected historic zone. §264-10 of the Schenectady Zoning Law gives the purpose of the designation:

§264-10. A. Purpose: The Stockade Historic Residential (RH-2) District is intended to promote, maintain and enhance the historic Stockade neighborhood where specialized standards and requirements are necessary to protect the area's distinctive residential quality and the architectural or historical significance of structures therein.

The architecture of the Stockade is its most obvious outward characteristic. Its special community spirit comes through in the neighborliness of its residents, and in its many special events and traditions. Attachment #3 is a collage made to celebrate Flag Day last year, but it is also a good sampler of the many styles of Stockade buildings and streetscapes. Attachment #4 is centered on Lawrence Circle, which is the hub around which much of the neighborhood's communal activities take place. Attachment #4 shows more lovely buildings, and special events, such as the annual Outdoor Art Show (over 60 years old), the Walkabout house tour, and the popular Stockade-athon 15K race.

Many Stockade District residents and owners consider themselves to be stewards of this historic treasure, responsible for preserving and protecting it physical and social characteristics, and especially for maintaining the quality of its residential character. It is the continuous status of the Stockade as a residential neighborhood for more than three centuries that sets it apart from other historic areas, making it a "living museum". The Stop Group believes that a casino operating only a few blocks from the border of this tiny neighborhood is a threat to its quality of life that will make living in the District less desirable, and reduce the likelihood of its properties being owner occupied and well maintained by their owners, starting a downward spiral. The high probability of an increase in traffic-related problems and in street crime is our chief concern. The risk is too high, we believe, to simply take the chance the problems will not arise.

The Application of Rush Street Gaming demonstrates either a lack of understanding of the fragile nature of the balance that keeps the Stockade thriving, or indifference to the issue. Indeed, its claim that "Elements of the architecture take into account the Stockade Historic District," is humorous and belied by a quick look at Attachments 3 & 4. Other than the flooding issue, Applicant's Supplemental EIS raises only one aspect of potential negative environmental effects on surrounding areas or people, "negative visual impact." Because the development can't be readily seen from the historic district, Applicant stops its environmental inquiries.

Rush Street simply denies there will be a worsening of traffic conditions in the neighborhood or an increase in crime. We disagree, for the following reasons.

a. The Increase in Traffic through the Stockade. The Applicant predicts its operating casino will attract 2.8 million visitors a year, which yields a daily average of 7,671 visits per day. (By comparison, the Stockade Association estimated [optimistically] a few years ago that the Stockade gets perhaps 15,000 visits *per year*, with about 5,000 of those visits on the dates of both the Outdoor Art Show and the Walkabout.) As the *Gazette* reported: "T.R. Johnson Engineer of Latham prepared a study in July that looked at traffic impacts from a full build-out of the site with a casino. Access to the site would differ from the original project, as casino patrons would generate 681 new vehicular trips during morning rush hour and 1,615 new trips during evening rush hour." ("Mohawk Harbor plan given new review", Aug., 14, 2014, by Bethany Bump) The traffic study only looked at the peak AM and PM hours for the "adjacent roadway"

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<sup>&</sup>lt;sup>5</sup> At p. 22 of the Mohawk Harbor Supplemental Draft Generic Environmental Impact Statement (2014)

network", not the peaks of the casino and banquet facility. Thus, we are not told the expected number of new vehicular trips at the casino's peak hours.

According to the Schenectady 2020 Comprehensive Plan for the Stockade,

"Erie Boulevard and State Street are the major roadways in the Stockade neighborhood, although residents will argue that all streets are used as major thoroughfares to bypass traffic on Erie and State."

Erie Boulevard and State Street take traffic around the outer edge of the Stockade neighborhood, but significant numbers of drivers use Stockade streets (Church St., Union Street, Front Street, especially) as a "shortcut" to shave time off their commute. Residents along Front Street and Church Street are particularly aware of vehicles coming off of Erie Boulevard onto Front Street when traffic is slow on Erie Blvd. In addition, drivers coming across the bridge from Scotia on RT. 5 or coming off of I-890 heading east or north, often get off State Street and take a shortcut on Church St., and then to Front St. or Union St., driving through rather than driving around the Stockade. (See Attachment 1)

The Applicant's Traffic Access Plan diagram is worrisome for the Stockade, therefore, because it shows -- with a red arrow pointing west on Front Street -- that vehicles exiting the casino facility will be directed, or are expected, to use Front Street rather than getting onto Erie Boulevard or Nott Street when exiting from the western end of the casino facility. See our Attachment #5, a detail from Applicant's Project Site Access Plan, which was presented as Applicant's Attachment T, Ex. VIII.C.5.a.12.

As illustrated with the series of photos, and explained with text, in Attachment #11, Front Street is quite narrow at Nott St. as it traverses the "East Front Street" neighborhood for about a half mile, and gets even narrower (about 20' wide) when it enters the Stockade beyond the CSX railway trestle, and becomes one-way until reaching Lawrence Circle. Moreover, on the sections of Front St. that are marked as two-way, there is often inadequate room to safely or comfortably allow for two-way traffic; drivers must cooperate at those points to allow one vehicle at a time to use the open lane.

The narrowness of Front St. (even without the complications of snow) means that a larger than usual number of vehicles taking Front St. instead of Erie Boulevard can readily start to back up at Lawrence Circle or at No. Church Street. (see Attachment 11) Such a back-up can escalate quickly into a crawling line of stop and go traffic or an actual gridlock, which blocks traffic at the Circle on Front St., No. Ferry St. and Green Street, or even blocking the busy intersection at Union and Church Streets, with vehicles backing up at the intersection of State and So. Church Street.

In that context, the Applicant claims there will be 325 additional vehicle exits generated for the peak AM rush hour and 790 for the PM peak (with even more at the Casino's peaks). Drivers who do not use the new Harbor Rd. to enter Erie Blvd., or who find traffic to be slow at that intersection and want an alternative, can be expected to exit up Front St. toward the Stockade.

	Overail				D (37.8)	U (33		
	Erie Blvd/Nott St	S						
	Erie Blvd NB L	l	D (45.4)	D (45.4)	1 1	B (11		
	T	l	B (18.9)	B (19.5)				
	Erie Blvd SB L	l	B (13.9)	B (14.1)		A (9.		
ED Johann Francischen SU.S.	Erie Bivd SB L	l	B (18.1) B (11.8)	B (18.9) B (11.9)		B (8.		
F.R. Johnson Engineering, PLLC Mohawk Harbor, Schenectady, NY	TR		B (11.8)	B (11.9)		A (6.		
lanuary 2014 (rev. July 2, 2014) Traffic Impact Study- Project Alternative Page 23	Nott St EB LT		C (23.5)	C (23.6)		B (14		
	R		C (21.9)	C (21.9)				
	Nott St WB L		C (31.2)	C (32.2)		C (15		
	LTR LT		F (112.9)	F (126.0)		B (13		
	R		I			B (13		
	Overall		C (31.1)	C (33.4)		B (10		
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	Nott St/Maxon Rd	S						
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N 11 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Maxon Rd SB LT R		D (43.9) C (25.2)	D (43.8) C (25.3)	D (43.6) C (25.2)	C (29 C (23		
<ul> <li>Nott Street/Front Street/Mohawk Harbor Site Drive — It is recommended that the</li> </ul>	Nott St EB L		B (16.3)	B (17.2)	C (26.2)	C (23		
Front Street approach be controlled with a Stop sign with the project. This	TR		A (3.2)	A (3.2)	A (3.9)	A (6,		
intersection will operate with LOS A for Nott Street left-turns and LOS B for the	Nott St WB LTR		B (19.0)	B (19.7)	C (27.6)	D (44		
	Overall		B (15.9)	B (16.3)	B (19.9)	C (31		
Front Street approach. No mitigation is recommended.	Front St/Site Dr	U						
	Front St WB L		l .		A (8.2)			
For the Character of the Control of	Front St NB LR	_			B (14.7)			
<ul> <li><u>Front Street/Green Street/N. Ferry Street</u> – This intersection currently operates at</li> </ul>	Front St/N Ferry St/Green St	AS						
an overall LOS A during the AM and PM peak hours and will continue to operate	N Ferry St NB LTR N Ferry St SB LR		A (7.2) A (7.4)	A (7.2) A (7.4)	A (7.3) A (7.6)			
at this level of service through the 2023 Build condition with no significant changes	Front St EB LT		A (7.6)	A (7.6)	A (7.8)			
	Front St WB LTR		A (7.8)	A (7.8)	A (8.1)			
in delays. No mitigation is recommended.	X (Y.Y) = Level of Service (Delay, seconds per vehicle).							
	S = Signalized intersection; U							
	NB, SB, WB, EB = Northbour LTR = Left-turn, thru, and/or r		, Southbound, Westbound, Eastbound intersection approaches.					

Nevertheless (see the image above from Applicant's Traffic Memorandum, by T. R. Johnson Engineering, June 2014, at 24), the Applicant predicts no worsening of operating conditions [LOS - levels of service] at the intersection of Front. St. and N. Ferry/Green St., which is where Front St. intersects with Lawrence Circle, a small traffic circle that holds a statue of Lawrence the Indian.<sup>6</sup> No mitigation is recommended in the Applicant's Report to lessen any problems that might be caused by the increased traffic.

See Attachment 4, which shows several scenes at or near Lawrence Circle, where traffic
can be easily tied up, but also where some of the Stockade's favorite events are held.
The Applicant's traffic experts do not seem to realize that several times a year Lawrence
Circle, as well as the blocks radiating from it, is closed to traffic. The resulting traffic
jams will not please out of town or local casino guests.

Whether they need to use their own vehicles, or are simply at home hearing the noise from vehicles speeding or crawling by, 24/7, and dealing with exhaust fumes, accidents, police sirens, or vibrations, Stockade residents will be negatively impacted by a significant increase in traffic on Front St. and other affected streets. The noise, fumes and vibrations are amplified along the streets of the Stockade, because homes do not have front lawns, but are instead built along the sidewalks.

Any significant increase in traffic up Front Street going west when exiting the casino, or north up Church St. to Front St., then to the Circle and Green St., is a threat to the quality of life, health and safety, and peace of mind, of Stockade residents. The Applicant offers no mitigation plan, and frankly none comes to mind, that could prevent undermining the residential nature of the "living museum" that is the Schenectady Stockade Historic District.

b. A highly probable increase in Crime in the Stockade. The Stop Group submits that the probability of a rise in certain types of street crime in the Stockade, due to operation of the

<sup>&</sup>lt;sup>6</sup> Lawrence, a Mohawk Indian, is much beloved in the Stockade. He is believed to have encouraged European colonists to return to the Stockade in the late 1690s, after it had been burned down by a French and Indian war party.

proposed casino, is too great to risk damaging the Historic District by granting the requested gaming license to Rush Street Gaming.

Crime statistics about casinos are admittedly tricky and it is difficult to make broad statements about casinos and crime, because casinos are located in such diverse places and there are relatively few casinos in cities. Nonetheless, it seems clear that urban casinos can expect an increase in certain kinds of crime, especially near the casino and along major arterial roads leading to it. For example, although the New York State Task Force on Casino Gambling – Report to the Governor (August 30, 1996), favored having upstate New York casinos, it distinguished between rural and urban locations, noting that the more rural a location, the less the probability of a significant increase in crime. The well-researched and balanced Task Force Report found (at 219) that "casinos in urban areas should be concerned with the potential for prostitution, panhandling, pick-pocketing and purse snatching."

The potential is too great, we believe, for *any* nearby neighborhood to merely accept the risk and "wait and see", much less a neighborhood specifically protected under local and State law as an historic district, with much to lose if crime does rise. Once a casino complex is built, any increase in crime or perception of increased jeopardy on its streets will mean a reduction in the quality of life (and property values) for those living in its immediate vicinity. (The general topic of crime near urban casinos is addressed in Point 4, below.)

The Applicant has disputed claims that the casino would negatively impact Schenectady with an increase in crime, and some supporters have pointed to a study of crime near Rush Street Gaming's SugarHouse casino in Philadelphia, <sup>7</sup> arguing that crime went down around SugarHouse and it got safer in the area. The study in question was, however, far from definitive in its conclusions, as they relate to a nearby neighborhood such as the Stockade. For one thing, it did register higher numbers in some categories (like violent street crimes), but found them not to be statistically significant. In addition, the study did not include DUI or prostitution, two crimes on the short list of worries for those in the vicinity of an urban casino.<sup>8</sup>

More telling, to achieve the results shown by the study, the Philadelphia Police Department set up a 14-man dedicated police patrol, which worked 24/7 in the area within a half mile of the casino. (Such a detail would cost about a million dollars a year, given Schenectady's pay levels and benefits.) The authors of the SugarHouse study also looked at crime data for a "displacement area" just outside the "casino patrol area" to see whether the casino or related security and policing had positive or negative effects on that nearby area. The Stockade District's southeastern border would fall at the line between the casino patrol area and the displacement area, placing virtually the entire Stockade neighborhood within that potential displacement zone.

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<sup>&</sup>lt;sup>7</sup> See "A Partial Test of the Impact of a Casino on Neighborhood Crime", by Lallen T. Johnson, PhD, and Jerry H. Ratcliffe, PhD, published online by Palgrave MacMillan's <u>Security</u> *Journal*.

<sup>&</sup>lt;sup>8</sup> We expect a major increase in vehicles cutting through the Stockade, with drivers who have been drinking for hours, or weary employees and interns, using its narrow, dark streets as a way to avoid scrutiny on the well-lit Erie Boulevard, or simply to take the shorter route to SCCC or the bridge to Scotia and destinations on NY Route 5 heading west. We also believe the Stockade's shadowy streets and available apartments are readymade for the expected increase in prostitution once the casino starts operation.

Of particular concern to Stockade residents, then, is the fact that the authors found a very large increase in vehicle break-ins and vehicle theft in the displacement area. The police patrolling close to the SugarHouse casino appear, therefore, to have pushed vehicle crime slightly farther away, into an area that corresponds to the location of the Stockade. (It would also correspond to Union College's "College Park" residential area, with its many expensive student vehicles.)

In sum, Rush Street Gaming's cavalier dismissal of the probability of negative results from increased traffic or increased crime near its proposed casino facility (beyond what we might expect from the opening of a new shopping mall), demonstrates its failure to appreciate the historical and cultural importance of the Stockade Historic District and its refusal to mitigate any negative effects on Schenectady's premiere, living and breathing cultural institution. This Board should not gamble with the future of the Stockade Historic District by granting the requested Schenectady gaming license to Rush Street Gaming.<sup>9</sup>

Point Three. The Schenectady Casino is the only proposed location and Applicant that directly threaten the welfare of a student body of potential young gamblers living no more than a few blocks away.

Schenectady's Stop Group believes that placing a casino facility at Mohawk Harbor, in such close proximity to the residence halls and other residential housing of Union College, and less than a mile from Schenectady County Community College, unnecessarily endangers the welfare of many young gamblers and potential gamblers. No other competing application poses a similar risk to young adults of gambling age by making access so easy and quick.

As can be seen in Attachment 1 and Attachment 6, Mohawk Harbor's casino facility, located at 450 Nott Street, is a short stroll from virtually all of Union College's student housing, and only one short block from its largest residence hall at 301 Nott Street.

There is a significant amount of literature and scholarship on college students and gambling, including the increased susceptibility of younger gamblers, alcohol's connection to problem gambling, and the connection between proximity and increased gambling. The <u>Handout on Problem Gambling</u> from Union College's Wicker Wellness Center, notes, "Gambling is in some ways a 'norm' among college students. The most popular games are casino activities such as cards and gambling machines."

The risk is heightened because Rush Street Gaming is experienced in marketing to the Young Gambler and appears to be most desirous of gaining their trade. For example, Rush Street Gaming's SugarHouse Casino in Philadelphia has introduced a "simplified craps game" called Props & Hops (purportedly alluding to craps terminology), which was developed because

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<sup>&</sup>lt;sup>9</sup> If not yet convinced that the Stockade Historic District is a unique, living historic treasure, we respectfully recommend that the Board look again at the beauty and community spirit seen in the images on Attachments 3 & 4, and read Jean Zegger's short history of the Stockade, Attachment 2. And, see <a href="http://historicstockade.com/">http://historicstockade.com/</a>.

<sup>&</sup>lt;sup>10</sup> For example, see "Festering Beneath the Surface: Gambling and College Students, by the Illinois Dept. of Health Services; "College Problem Gambling Literature Review", Jim Emshoff, Ph.D., Georgia State University (Jan. 2008).

"A lot of people, especially the younger kids, are intimidated about craps." They have also greatly increased the number of poker tables at SugarHouse, a game particularly popular with college students. Their Schenectady Application shows that the Schenectady casino will have a dozen poker tables in a 3000 sq. ft. hall.

Perhaps more worrisome is a recent Report stating that Rush Street Gaming is investing millions of dollars with the aim of becoming the industry leader in "building a bridge" between children playing casino-like games on social media and smartphones and their going to brick-n-mortar casinos to do real gaming once they are old enough. Knowing that the earlier you begin to gamble, the more likely you are to gamble often and obsessively, Schenectady's proposed casino operator is sowing the seeds digitally to grow the next generation of problem gamblers. In its study "Betting on Kids Online," the hospitality workers union Unite Here argues that Rush Street Gaming "has quietly pursued an Internet strategy that has sidestepped gambling regulators while also explicitly allowing players as young as 13" to play their virtual games. If they think it is worthwhile to groom adolescents into future casino customers, what will Rush Street Gaming do to prepare 18, 19 and 20 year olds down the block who already love poker and "keggers"?

Rush Street's denial in its Application that proximity and access increase the prevalence of problem gambling also suggests that they need a significant amount of sensitivity training before being allowed to operate near so many potential young gamblers. It is ludicrous for the Applicant to brush off worries about creating more problem gamblers, saying, "the addition of gaming at the Rivers Casino is not expected to lead to an increase in the prevalence rates in the local area", because people in this area have already been able to travel for slots in Saratoga and casinos in Atlantic City and Connecticut. Other things being equal, we hope this Board will choose to locate the Capital Region casino farther than a short stroll away from a couple thousand potential young gamblers.

## Point Four. Mohawk Harbor's Urban Location has More Disadvantages than Advantages.

Thankfully, Galesi Group's claim that Mohawk Harbor "is located in the center of downtown Schenectady" is incorrect. Nonetheless, the location of a casino at Mohawk Harbor brings with it added problems caused by urban casinos, making the location less desirable than less urban alternatives. Our Group agrees with many neighborhood and civic groups who have studied the available resource materials and fought downtown casinos, while endorsing others in more acceptable locations.

Urban casinos are risky endeavors, requiring far more analysis than was given to the question by political leaders in Schenectady and Schenectady County who instantly supported the notion after hearing the revenue and job promises. *The New York State Gaming Task Force Report to the Governor* (1996), which favored upstate casinos, nonetheless said:

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<sup>&</sup>lt;sup>11</sup> See SugarHouse <u>Press Release</u>, April 30, 2014; and "<u>Sugarhouse Develops a New, Simplified Craps Game For Younger Players</u>", CBS6 Philadelphia, May 1, 2014; SugarHouse Props & Hops Brochure.

<sup>&</sup>lt;sup>12</sup> See the Galesi Group Mohawk Harbor brochure at <a href="http://www.galesi.com/userfiles/file/property/MohawkHarbor.pdf">http://www.galesi.com/userfiles/file/property/MohawkHarbor.pdf</a>.

- 1) Stand-alone casinos draw far fewer people from outside the area than a resort-style casino, meaning relatively few overnight stays and a 150-mile market area impacted by nearby casinos;
- 2) Most regular casino customers come from within a 25-mile radius, making the casino simply part of the local leisure marketplace (draining dollars from others offering entertainment, dining, sports, and other leisure activities of all kind); and
- 3) Potential crime problems at and near urban casinos include "prostitution, panhandling, pick-pocketing and purse snatching"; economic crimes by pathological gamblers; and vehicle-related crimes like DUI and automobile break-ins.

The group No Downtown Casino did an extensive review of the available research and strongly opposed to building a casino in downtown Hamilton, Ontario, Canada. The Hamilton group said at their website<sup>13</sup>:

The research shows clearly that the closer you are to a casino, and the easier it is to get to, the greater the social costs to all citizens and the greater the negative financial impact on nearby businesses and property values.

They also concluded downtown casinos mean "Higher social costs for citizens – the bad numbers go up," stressing that:

"Studies show that proximity to a casino doubles the levels of problem gambling, which in turn results in increased spousal abuse, depression, child developmental issues, personal debt, addiction and cross-dependency, personal bankruptcies, attempted suicides, suicides, social service costs. We know that problem gambling has a profound impact on a gambler's friends and families, which substantially increases the number of people affected by problem gambling. Individuals living in disadvantaged neighborhoods, some of whom would be within walking distance of a casino in downtown Hamilton, have a 90% increase in the odds of becoming problem gamblers."

The Applicant for the Schenectady casino argues the advantages of having a good transit system and a compact City with its downtown close to the casino site. It has also hinted at having fare-free trolley buses that would pick up people from around the City to bring to their casino. We believe that easy access to Mohawk Harbor will mean people visiting the Schenectady casino multiple times a week, disposing of money that was not truly disposable income, but should have been earmarked for food, shelter, children's needs, medical care and other far more important items. Some say that such problem gambling is a personal decision and personal problem, but a rash of new problem gamblers quickly becomes their families' problem, and soon thereafter government's problem, as society provides a social safety net for the very young, very old, and most vulnerable.

In addition, despite the claim that the Schenectady casino would sit astride the best highway network of the four competing municipalities, it seems far more likely that a stretch of road already troublesome to traverse several times a day will get worse with the influx of new casino

<sup>13</sup> http://www.nodowntowncasino.ca/

traffic. The citizens of Glenville, Niskayuna and Schenectady will lose time and their tempers in snarled traffic, and deal with the longterm effects of more automobile pollution.

We urge this Board to seek to cause the least damage and negative externalities by choosing a casino situated in a location far less urban than Schenectady.

# Point Five. The Applicant's Local Support is Less Significant than It Claims and Weaker than in Competing Communities

The Applicant claims to have "overwhelming support from the local community." Nonetheless, by several measures, its support is thin, less than meets the eye, or weaker than that demonstrated in communities competing for the Capital Region gaming license.

## a. Support on or before the City Council.

Despite many weeks of intense pressure by the City's Mayor and the President of the City Council to produce a unanimous vote in support of the Applicant's proposal, two of the 7 members of Schenectady's City Council voted in opposition to the casino, Vincent Riggi (I) and Marion Porterfield (D). Ms. Porterfield had the courage to vote against the demands of her Party officials, because she had grave skepticism over the revenues promised by casino proponents (especially as the gaming market becomes more saturated), and she had significant fear of the social ills associated with casino gambling, especially in urban areas and among lowincome residents.

No other legislative body in the Capital Region had two members voting to oppose the local application. While the Schenectady vote was 5-2, the vote in Rensselaer was 6-1; in East Greenbush it was 5-0 and in Cobleskill, 4- 0. Given the pressure from "above" for unanimity, the two dissenters represent a considerable lack of faith in the casino and fear of its consequences.

Further weakening the significance of the City Council's vote in Schenectady is its failure to call for a public hearing on the resolution in support of the Application. After much pressure from the press and public, the Council at the last minute merely allowed people to exercise the privilege to speak for three minutes from the floor, immediately before it held its vote. A Statement (Attachment #9) was presented to the Council "supported and endorsed by a collection of various community and religious leaders reflecting diverse traditions," titled "Why No Public Hearing?" They confessed that "Frankly we are appalled as religious and community leaders by what is clearly a 'rush to judgment' with minimal community input". The Statement called for delaying the June 9 vote, calling instead that there be a public hearing and then a special session for Council action before the end of June. They further asked the Council to:

"give careful consideration of the economic, social and human impacts to the community as a whole and provide such a report to the community prior to action on any resolution."

There was, of course, no delay for a public hearing and subsequent consideration by the Council, and no report of any kind. In fact, the failure of the Council to offer any sort of report or statement of its own projections on negative effects and added costs to the City caused by operation of the casino was the major reason for Councilman Vincent Riggi to oppose the resolution. We do not think Schenectady is so desperate it needs to jump blindly on the casino bandwagon, no matter the negative results for its residents.

In addition, the apparent size of the Applicant's support by the local citizenry at the Council's Meeting of June 9th (when it voted to support the Application) was misleading. The press was full of photos showing the Council Chambers swamped with professionally made blue signs proclaiming "Yes!" and blue Yes Buttons handed out at the door by attractive young women. But, it is clear that Council Chambers was filled, and the seats crammed, with proponents who live outside the City. Thus, when Rev. Sara Baron, a Methodist pastor, addressed the Council, she asked for signs to be lowered, so she could ask the public a few questions. When she requested "raise your hand, if you are a resident of the City of Schenectady [and] you are here in support of the resolution for a casino," virtually all of the procasino hands went down. Attachment 7 is a collage showing still shots from the video of the Council Meeting taken by Open Source Media for open access tv. There is only one hand of a pro-casino Schenectady resident raised in the part of the room within view of the Open Source video camera.

On the other hand, in that same slice of the public audience within view of the camera, eight hands can be seen when Rev. Baron then asked "raise your hand, if . . . you are a resident of the City of Schenectady [and] you are against the resolution for a casino." As Mike Hendricks, Editor-in-Chief of the *Albany Business Review* wrote about the incident with Rev. Baron and the raised hands:

For all the people waving "yes" signs and speaking in favor of the casino, the sentiment in the room among those who actually live in the city was anti-casino.<sup>14</sup>

Like the impression created in Council Chambers by supporters of the casino Application, we believe much of the support claimed by the Applicant has been orchestrated to appear far greater than it truly is, and comes from outside of Schenectady.

## b. Results at the Ballot Box for Upstate Casinos.

This siting process exists under the Upstate Gaming Act due to the passage in November 2013 of Proposition One, a constitutional amendment to permit the granting of a limited number of gaming licenses in several Upstate Regions. The location process recognizes, however, that Proposition One was not equally popular throughout the State, and this Board has

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<sup>&</sup>lt;sup>14</sup> "Computer chips or poker chips," *Albany Business Review*, Viewpoint column by Mike Hendricks, June 13, 2104.

the task of measuring and comparing local support among the groups of competing applicants. We believe the results in each community in the November 2013 on Proposition One are an important measure of that support. Such results came, unlike the rush to garner support during this short process, after a significant period of public debate, and they measure the preferences of individual voters at the ballot box, for the most part free from their prospects of future casino employment or income, or the need to please one's employer or Party boss.

The results of the vote less than eleven months ago on Proposition One show more opposition than support for a casino at the grass-roots level in our community, and less support than in the three other Host communities.<sup>15</sup> That fact has not been reflected in the actions of our elected leaders, but we hope that this Board will take the results of the Proposition One balloting into account when assessing local support. Consider:

1. Opposition in Schenectady County. A majority of the voters in both Rensselaer County and Schoharie County voted "yes" on Proposition One, with Rensselaer being the only urban county in the Capital Region supporting the placement of casinos in Upstate New York. On the other hand, of the 30,083 people in Schenectady County who voiced a preference on Proposition One last November, 54.2% (16,316) said "No". When the 6.6% under-vote on Proposition One (ballots on which no choice was made) is included in the calculation of the voting results, about 7.5% more of Schenectady County voters said No to casinos than said yes: No: 50.2%; Yes: 42.7%; Unmarked: 6.6%.

Furthermore, 55.86% of the County votes *outside of the City* opposed the Casino Proposition, with only 44.1% supporting the Proposition. The results suggest that the two-thirds of registered voters who live outside the City may have felt more strongly about Proposition One than did their City cousins: The turnout outside the City was over 40% of registered voters, while the City had a turnout under 26% of registered voters. And, regarding Proposition One, unmarked ballots made up 5.5% of the out-of-City vote, but City voters failed to voice a preference on Proposition One at almost double that rate: 10.2% of their ballots were unmarked.

Given that a majority of County voters were opposed to casinos anywhere Upstate, it was surprising that County leaders insisted on having a resolution of support for the Schenectady casino, and even more surprising that they made the frivolous claim their vote could count as the Host Municipality support required in the Gaming Commission's RFA. It was surprising, that is, until one considers that (1) at the time of the County vote, it was not certain that the City Council would pass a resolution in support of the casino; (2) Ray Gillen is both the influential head of the County's Planning Office and Chairman of the Schenectady Metroplex Development Authority, which was championing the casino; and (3) Democratic Party leaders were in favor of the casino.

On the day of the County vote in June, a member of our Stop Group asked a County Legislator if the County results on November 2013 would influence his vote. The Legislator could not recall there having been a vote on casinos just seven months previously. When reminded, he replied that the November balloting on Proposition One *never came up* in any discussion among the Legislators of the Legislature's casino resolution.

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<sup>&</sup>lt;sup>15</sup> Attachment 8 has summaries of the vote in all of the County's municipalities. All results are taken from the official records of the Schenectady County Board of Elections, and more comprehensive data are compiled for the Board's convenience in a web posting found at <a href="http://tinyurl.com/Prop1Schdy">http://tinyurl.com/Prop1Schdy</a>.

Moreover, in addition to emphasizing the support of the County Legislature, the Applicant boasts of having letters of support from "all of the Supervisors of the neighboring suburban towns." Niskayuna and Glenville are two populous suburban towns that lie immediately southeast and southwest of the Mohawk Harbor site. We believe letters from the Supervisors of those Towns should be given little weight. Neither Supervisor had any form of public input when deciding to send a support letter. More important, both ignored significant majorities against Proposition One seven months prior. Thus:

- *Niskayuna*: Each of the Town's 20 election districts voted against the casino. The No vote overwhelmed the Yes by 25.7%: with 61.0% voting No to 35.4% voting Yes, and an undervote on Proposition One of 3.6%.
- Glenville: Twenty-five of the Town's twenty-seven election districts voted against the casino. The No vote was 55.3%, and the Yes vote 39.6%, a significant 15.7% margin for those opposed to casinos anywhere Upstate, much less just down the road.
- 2. Results in the City of Schenectady: The voters within each of the 4 competing Municipalities seeking to Host a Capital Region casino (the Cities of Schenectady and Rensselaer and the Towns of East Greenbush and Cobleskill) supported Proposition One in 2013 by small margins. In the City of Schenectady itself, however, neither the Yes nor the No alternative received a majority of the vote, due to an unusually large undervote of 10.3%. Those voting Yes won by the inconclusive margin of 2.3% of the vote, 46.0% to 42.7%.

As is discussed immediately below, the closest residential area of the City, the combined Stockade and East Front Street neighborhood, voted decisively against Proposition One, with over 54% of the Stockade voters who stated an opinion on Proposition One voting No. In addition, measured together, the three municipalities that are closest to the Mohawk Harbor location demonstrated a clear preference against Upstate casinos. Thus, only 40.7% of the total ballots from the City of Schenectady and the Towns of Glenville and Niskayuna favored Proposition One, while 52.8% voted against Upstate casinos, a margin of over 12% saying No.

Citizens of Schenectady County have for the most part felt ignored and unheard on the question of placing a casino at the site of the old ALCO plant in Schenectady. Instead, it is business and union leaders (many from outside of Schenectady), development professionals acting as casino cheerleaders, and Party bosses demanding loyalty, who have monopolized the conversation and public relations efforts. The most important and serious way for Americans to voice their preferences on any matter is, of course, through the ballot box, and the majority of 16,316 votes in Schenectady County against Proposition One's mandate for Upstate casinos deserves to be taken seriously when this Board measures community support. <sup>16</sup>

c. Neighborhood Support.

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<sup>&</sup>lt;sup>16</sup> It is safe to presume that voters who wanted no casinos anywhere in Upstate New York after hearing the pros and cons and considering a Proposition drafted with wording that favored casinos, even more strongly want no casino in their own community. It is logical, in addition, to presume -- as we are hearing from "Yes" voters in East Greenbush -- that a significant number of those who voted Yes on Upstate casinos in general last November, do not want one located in their own communities, and especially not near their homes.

The Applicant stresses that "the project is supported by the "abutting East Front [Street] Neighborhood Association." The Stop Group believes that the support of the East Front Street Neighborhood Association ["EFS"] has minimal merit, and is outweighed by the considerable opposition in the Stockade neighborhood as a whole.

The East Front Street area, which many Schenectady residents refer to as the East Stockade, is a small wedge neighborhood that is nestled between the Stockade Historic District proper and the site of the old ALCO plant, which is called now Mohawk Harbor by its owner and developer, the Galesi Group. The residential portion of this partly industrial "neighborhood" consists of a length of Front St. less than one-half mile long, with 5 one-block streets branching off Front Street (Monroe, Jefferson, Madison, John and River Streets). According to current Schenectady County tax records, there are buildings with 229 housing units on the blocks of the East Front Street area. In comparison, the Stockade Historic District proper, from which it is separated by a set of railroad tracks, has 380 buildings and 1195 housing units, five times that of the East Front area. There are also additional buildings and residents on several blocks contiguous to the Historic District that are included in the area called the Stockade neighborhood by the City.

Election Results on Proposition One in the Stockade: Election District 2 of the City of Schenectady is comprised solely of the Stockade and East Stockade neighborhoods. A clear majority of the 262 voters in District 2 voted against Proposition One on November 5, 2013. There were 138 "No" ballots, 109 "Yes" ballots, and 15 ballots with Proposition One left unmarked. The No votes amounted to 52.7% of the total votes, a conclusive 11.1% margin of victory over the Yes votes, which were 41.6% of the ballots cast.

The spokespersons for EFS have given the public no reason to believe their tiny neighborhood feels differently than District 2 did as a whole less than a year ago. We have found no explanation on how the Association's leadership -- two sisters whose household members have ruled the Association since their father founded it 40 years ago -- determined their neighborhood's support for the casino. "No one asked me" was the basic reply of every EFS resident Stop Group members have asked on the subject of being polled on the casino. One elderly woman replied, "they know I'm against it, so they wouldn't ask me." Furthermore, several have told us that a few casino opponents from the neighborhood spoke out strongly when EFS had David Buicko, CEO of the Galesi Group, speak at a monthly meeting.

Moreover, having searched online in the local press, we have located no statement as to the size of the EFS Neighborhood Association, which was founded in 1974, and as yet has no website. From our review, we can say that since its founding, <sup>18</sup> EFS has consistently opposed housing for low-income persons (even small set-asides for income qualified units), but otherwise

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<sup>&</sup>lt;sup>17</sup> The turnout in District 2 for the election of November 5, 2013 was 30.6%, as compared to a City-wide turnout rate of 25.8%.

<sup>&</sup>lt;sup>18</sup> According to an article in the *Schenectady Gazette* ("Neighbor joining neighbor", by Bill Buell, Jan. 28, 2001):

<sup>&</sup>quot;In 1974, a handful of members of the Stockade Association broke away to form their own group, the East Front Street Neighborhood Association.

<sup>&</sup>quot;Its first priority was stopping the city's plan to build low-income housing in the neighborhood, according to Carmella Ruscitto, the current president."

supported housing and mixed-use projects to gentrify the neighborhood, while complaining that industrial proposals would result in delivery trucks and employees taking a shortcut through Front Street.

Why is EFS "excited" about the casino? According to the *Albany Times Union*, when the Mohawk Harbor project was brought before the Schenectady Planning Commission in April, "several residents from the tiny East Front Street neighborhood," worried that the project would adversely affect their community (even without a casino yet being part of the proposal). <sup>19</sup> However, two weeks later, with no new details available about the casino except the name of the proposed operator, EFS spokesperson Mary Ann Ruscitto, told the *Gazette*, <sup>20</sup> "We're all very for this. It's very exciting. Our neighborhood is very, very excited."

Similarly, Mary Ann's sister, and EFS president Carmella Ruscitto, told a reporter from the *Albany Business Review* at the end of May that some neighbors are concerned about a casino, but "A lot of people are excited" and "It'll be better than what we have now". She added, "I think it will bring up the value of my house." A few days later, Mary Ann Ruscitto is quoted in the *Gazette* saying she is "absolutely in favor of this project", because of all the jobs it will bring, and because it will allow students at Schenectady County Community College to find jobs and stay in Schenectady. Mary Ann, who works for local cable access TV under the Proctor's umbrella, noted that she had been a student at SCCC at 57 years old, in the hotel and restaurant management program. Then, referring to one important issue often brought up by opponents, she quipped, "As for crime, we have that in Schenectady already." 22

In sum, the Ruscittos clearly have tried for decades to improve their neighborhood and deserve credit for their efforts. But, they assert neighborhood support for the casino without demonstrating it. Their reasons do not appear to be related to the concerns that have worried the East Front Street neighborhood for four decades (increased traffic, noise, crime). They appear to be rolling the dice with the casino, nurturing the vague hope that things will somehow be better than the current situation along the eastern end of Front Street, with more houses painted and property values rising.<sup>23</sup>

Opposition in the Stockade Historic District: In the Stockade Neighborhood itself, in contrast to the situation on the East side of the trestle, there is significant demonstrated

<sup>&</sup>lt;sup>19</sup> "Bold Vision for city waterfront", *Albany Times Union*, by Paul Nelson, April 16, 2014 <sup>20</sup> "Most neighborhood leaders say they're all in on casino plan," Schenectady *Gazette*, by Kathleen Moore (April 30, 2014).

<sup>&</sup>lt;sup>21</sup> "The other side of Mohawk Harbor: An old neighborhood and maybe a new life", by Mike Hendricks, *Albany Business Review*, May 30, 2014.

<sup>&</sup>lt;sup>22</sup> " Residents voice support, concerns for Sch'dy casino", by Haley Viccaro, Schenectady Gazette, June 3, 2014.

<sup>&</sup>lt;sup>23</sup> We believe it is more likely that living near a casino will reduce the value of homes. See the survey report of the 2014 National Association of Realtors Research, "Economic Impact of Casinos on Home Prices Literature Survey and Issue Analysis", which concludes (at p. 2) that "The impact on home values appears to be unambiguously negative." The paper analyzed information from across the nation, but was done with a focus on the proposed downtown casino in Springfield, Massachusetts.

opposition to a casino and demonstrated reasons (above) to believe the risk of harming the Stockade is too great to permit a casino to be located nearby.

As discussed earlier in this section, Election District 2 of the City of Schenectady consists entirely of the Stockade and East Stockade neighborhoods. In the November 2013 balloting on Proposition One, 138 votes were cast in District 2 against the Casino Proposition, while 109 of the votes were cast in favor of Proposition One. That vote, taken less than eleven months ago, shows a deep vein of opposition in the Stockade to casinos *in general*, much less to having one a few blocks away.

In addition, the Stop Group started a "Petition to the City Council of Schenectady & the NYS Gaming Facility Siting [Location] Board" asking that the Application for a Gaming License for the operation of a casino on the site of the old ALCO plant be disapproved by the City Council, and if necessary, rejected by the Board. [See Attachment 12 for a sample Petition] The Petition has a column allowing signers to show whether they are residents and/or owners in the Stockade Historic District. We are, therefore, presenting today to the Board, Petitions containing a total of 364 signatures, of which 126 signatures were made by adult residents or owners in the Stockade Historic District. That number is a significant portion of our Stockade community, which has a population of approximately 1200 persons (including minors), many of who are reluctant to publicly declare an opinion. Indeed, the number is about 20% higher than the current number of members in the Stockade Association, which is the Stockade Historic District's only neighborhood association, and has been in existence since 1958.

In contrast, only a handful of Stockade residents have publicly voiced their support of the casino (despite discussion of it within a neighborhood email list of over 300 persons), and there has been no group effort to gather or demonstrate that support in the Stockade. We believe, therefore, that opposition to the casino is the clear majority sentiment in the Stockade Historic District among adults indicating an opinion on the subject.

The Absent Stockade Association. The Stockade has had a neighborhood association for over 55 years. The Stockade Association was founded in 1958, chartered with the "purpose to preserve, protect and improve the Stockade Area while maintaining its residential nature." It is a great disappointment to both the members of the Association and other residents of the Stockade that the Association has taken no role concerning the casino proposal, with its president refusing to exercise her power to put the issue on the agenda or to call a special meeting for this crucial topic, despite calls for such a meeting. By not playing a role informing and measuring the sentiment of its members and the neighborhood, the Association failed both its "protect and preserve" function, and its chartered role to serve as the representative of the neighborhood to Government entities.

Stockade Association members and nonmembers alike waited for the expected casino Meeting, until there were only a few days before the City Council was to address its casino

<sup>&</sup>lt;sup>24</sup> The Stockade Neighborhood, as described by the City of Schenectady, includes the "old" YMCA building, which housed about 200 men in single-occupancy units. That housing program moved from the Old YMCA earlier this year, to a location outside the Stockade area, causing a corresponding reduction in the resident population of the Neighborhood. <sup>25</sup> According to the most recent list of Stockade Association members presented in the Association's newsletter, *The Spy* (February 2014), there were 97 members. The Association's website can be found at http://historicstockade.com/.

resolution. At that time, the Stop the Schenectady Casino group was hastily formed to try to do a job for which the Association was much better prepared.

It seems that every healthy neighborhood fights to keep a casino from being located nearby. We wish that our neighborhood, which holds a treasured historic district in trust for future generations, had done so officially, using the status and resources of its Association.<sup>26</sup>

## d. Support in the Business Community.

What does a support letter from a local business owner mean? What does it say about "community support" for the actual proposal? The promiscuous use of redaction by the Applicant has left us with mostly speculation, about things such as its target demographic, plans to attract travelers from long distances, or local companies that would partner with Rush Street. It seems, however, that those who proclaimed the earliest and most loudly that existing businesses would not be harmed by operation of the casino were businesses that already expected or fervently hoped that their own business would be major "partners" with the casino. *I.e.*, the Mallozzis and Proctor's. Others on the list of business supporters appear to be beneficiaries of, or supplicants for, Metroplex grants and loans. They need to keep Metroplex's leadership happy, if they hope to be chosen for funding. Are they supporting the casino plan because they believe it is best for the City, placating Metroplex or the Mayor, or trying to please the Region's biggest owner and developer of commercial offices?

We contend that such "business support" says little about how the Schenectady community truly feels about the casino proposal. It is quite difficult to locate on that list of supporters the "non-Metroplexed" little guys -- bar and restaurant and bowling alley owners, etc. -- who are in fact most likely to be losers if a casino becomes the Goliath in our local leisure and entertainment marketplace. Given the Applicant's stress on the quality and variety of its amenities, the amount of food and beverage sales it expects to make, and the large amount of sales taxes it says it will generate, it appears Rush Street Gaming is expecting the great bulk of its customers and revenues will come from people living close enough to be day-trippers, who will stay inside Mohawk Harbor until it is time to drive home. In addition, with two hotels planned for Mohawk Harbor to handle overnight guests at the casino, there seems to be little chance that No Vacancy signs at the casino will mean added prosperity for existing hotels.

The important question today should be "how much support will this very local casino have in the business community a few years from now, when we see who wins and who loses from Schenectady's casino gamble?"

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<sup>&</sup>lt;sup>26</sup> Many Stockade residents were surprised to read remarks in the April 25th Schenectady *Gazette* by Association president Mary D'Alessandro-Gilmore, two weeks prior to a detailed description of the plan was unveiled to the public. ("Differing views expressed over casino in Schenectady, by Kathleen Moore, April 25, 2014) According to the *Gazette*, the Association president stated this about the possibility of a casino:

<sup>&</sup>quot;I think it'll be good for the city"...."It will help its tax base, and I think it will help in other areas — it will bring in more people and jobs," she said. "I don't see how it would bring crime into the Stockade."

## e. Support among Religious and Civic Groups.

It is no surprise to its opponents that the Applicant has done a woeful job in attracting the support of Schenectady's religious groups and civic organizations. There are no civic groups on the supporters list, and there is but one minister, Rev. Bill Levering. Rev. Levering, who was recently appointed as Vice President on the Board of Trustees of Schenectady Community College, regularly gives the invocation at the start of Meetings of the Schenectady City Council. His letter of support talks about "context" and trusting Schenectady's "government folks" to make good decisions. The support letter was apparently a surprise to his First Reformed Church congregation, and his flippant attitude toward problem gambling is surely surprising to those familiar with the toll on individuals and families from problem gambling. Rev. Levering dismissively says:

"While we [American protestants] were bothered by compulsive gambling, the research shows less actual impact than compulsive shopping or other forms of greed in America."

Rev. Levering also speaks vaguely of "some economic gains to be posted especially for our schools" and concludes, "the greater good must prevail. I'm for it."

Opposition by Religious and Civic Leaders. There is one statement in Rev. Levering's tortured letter with which the Stop Group hardily agrees: "Needless to say, not all of my colleagues in ministry see this perspective." The same "collection of various community and religious leaders reflecting diverse traditions," that demanded a public hearing be held by the City Council in June, also submitted to the Council a forceful, well-researched and reasoned Statement in Opposition to the proposed casino. That Opposition Statement and page-long list of endorsers is included in this submission as Attachment 10.

The religious group's Opposition Statement makes many comments on the problems caused by casinos. They include a guote very different in tone from Rev. Levering:

"Casinos make the majority of their money from 'problem gamblers', which means that they make money by providing a way for people with a problem to continue to do harm to themselves and their families."

The Schenectady religious group also quotes from an article by Retired Bishop Howard Hubbard of the Roman Catholic Diocese of Albany, "Casinos Just Mean More Problems":<sup>28</sup>

[L]ooking at potential sources of new revenue, it is the responsibility of government to consider the consequences - to protect residents, not make it easier for them to lose money and create devastating problems for themselves and their families. New York deserves better."

It is clear that religious groups in our community strongly oppose a casino in Schenectady.

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<sup>&</sup>lt;sup>27</sup> The only minister who signed the Public Hearing Statement but not the Opposition Statement is an assistant pastor at Rev. Levering's church.

<sup>&</sup>lt;sup>28</sup> Bishop's Column, "More Casinos Just Mean More Problems", The Evangelist, 03/01/2012.

### CONCLUSION

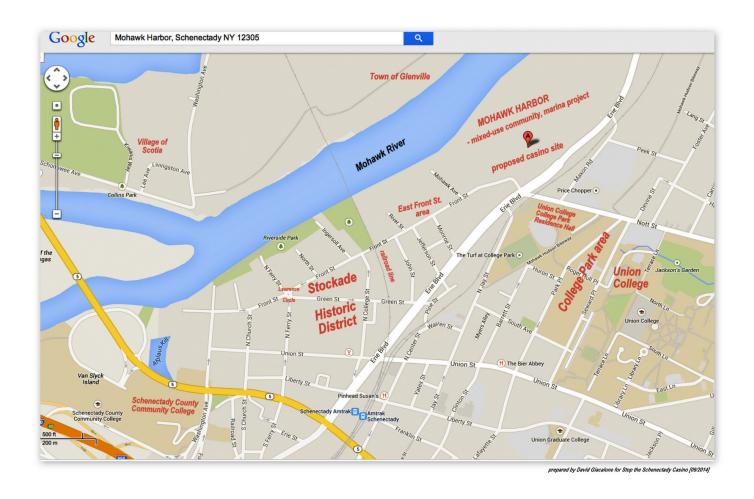
The active members of Stop the Schenectady Casino represent what we believe is a very large group of silent members of our community, who believe the proposed Schenectady casino will cause more damage to our community than any benefits it might bring. The Schenectady proposal would not bring the most revenue for the State and municipalities, provide the biggest development boost, or solve Schenectady's unemployment and low-income problems.<sup>29</sup> Each of the separate major points made in this Statement could alone disqualify the Schenectady applicant. Taken together, they demonstrate that Rush Street, with its Rivers Casino at Mohawk Harbor, is not the best choice for the Capital Region.

**Attachments** 

Send Correspondence to

Stop the Schenectady Casino c/o David Giacalone 16 Washington Ave. #3 Schenectady, NY 12305 info@stopthecasino.com

<sup>&</sup>lt;sup>29</sup> Questions include: Will jobs and training be available for the chronically unemployed? How many jobs did the applicant promise the Mayor of Amsterdam to win her support?



### SCHENECTADY'S HISTORIC STOCKADE DISTRICT -- A UNIQUE PLACE IN AMERICA

### History

Founded in 1661, Schenectady is one of the oldest cities in America. To protect the new settlement, a timber stockade wall was built by 1664 and embraced four blocks of the current boundaries of what is now called "The Stockade" neighborhood.

The Stockade played a significant part in the four wars of the Colonial Period and in the Revolutionary War. George Washington visited a house here.

In 1795 Union College became the first college chartered in Upstate New York and was first located in The Stockade.

Schenectady was incorporated as a city in 1798, and the first mayor was Joseph Yates, who in 1823 became governor of New York State. In 1823, the Marquis de Lafayette was a guest at his Stockade house, which is still a residence.

Wharves, warehouses, and boat building shops serviced traffic along the Mohawk River during three wars, but they were destroyed by a disastrous fire in 1819. When businesses relocated closer to the Erie Canal, The Stockade became mainly residential.

After a period of decline in the early 20<sup>th</sup> century, a group of homeowners began a process of restoration without government or outside help. Residents organized The Stockade Association in 1957 to help preserve the neighborhood, and four years later started to publish the newsletter "The Stockade Spy." Both the Association and the publication continue to this day.

In 1962 the Schenectady Stockade became the first Historic District in the State of New York. The City established it as a legally protected historic zone under a state enabling act.

The State Supreme Court approved a Certificate of Incorporation for The Stockade Association in 1973, empowering it to "encourage a concern for The Stockade area."

The Stockade Historic District was declared a landmark in 1973 when it was entered into the National Register of Historic Places maintained by the U.S. Department of the Interior.

## Architecture

A residential community for over 300 years, a portion of a Stockade house is believed to date before the massacre of 1690. A residence built in the early 1700's is the only Dutch urban-style house in the country that still has the original brick façade largely intact. There are more than 80 historic buildings in The Stockade, of which about 24 predate the Revolutionary War. There are several landmark churches, one designed by the "Master Builder" Samuel Fuller, who left his mark on early American architecture.

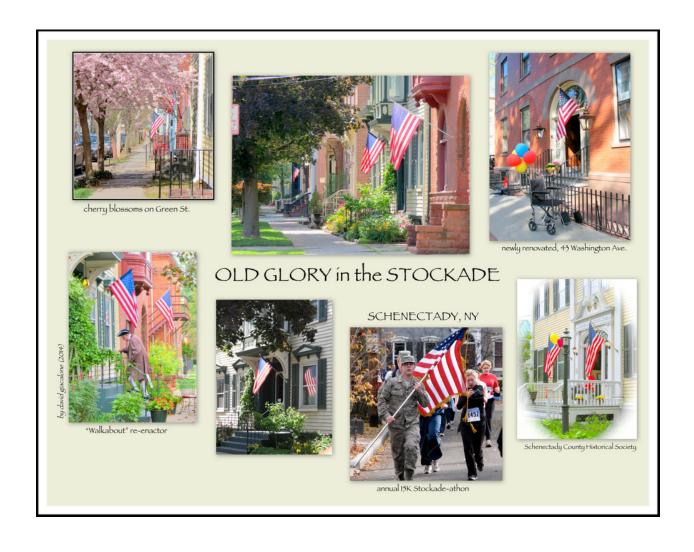
Architectural historians say that the several hundred buildings in the Historic Stockade District represent a unique collection of early and intermediate styles. Many historic areas are of a single architectural period, but houses here span three centuries, providing a total history of domestic architecture in America. The Stockade has been called "a living museum" for unlike other historic sites, houses continue to be lived in.

Maps are available at the Schenectady County Historical Society on Washington Avenue for self-guided audio walking tours.

Jean B. Zegger, 1996 Updated JBZ 2014

## **ATTACHMENT THREE**

http://stockadetrees.files.wordpress.com/2014/09/stockadeflagcollage.jpg



## **ATTACHMENT FOUR**

http://stockadetrees.files.wordpress.com/2014/09/casino-lawrencecollage.jpg - Stockade Life from Lawrence's Perspective -



## **ATTACHMENT FIVE**

http://stockadetrees.files.wordpress.com/2014/09/casino-accessdetail.jpg - detail of Mohawk Harbor Casino Traffic Access Plan -



## **ATTACHMENT SIX**

http://stockadetrees.files.wordpress.com/2014/09/casino-dormcollage.jpg-

Casino Proximity to Union College Residence Hall -

the Schenectady Casino and the Union College Dorm



there is

with the

further.

one short block between the proposed casino and the dormitory,

entire campus 4 blocks above: 301 Nott St. at Erie Blvd., site of proposed Schenectady Casino right: 450 Nott St., the dorm



view from casino corner to dorm



College Park Residence Hall - 257 undergrad students



view from dorm driveway to casino corner

### **ATTACHMENT SEVEN**

http://stockadetrees.files.wordpress.com/2014/09/casino-revbaronshowhands.jpg
- Rev. Baron asks for Show of Hands -

At a Meeting of the Schenectady City Council - June 9, 2014 - regarding Legislative Agenda Item #4: approval of proposed Casino/Gaming Facility in Schenectady



Privilege of the Floor - at the podium: Rev. Sara Baron, Pastor, First United Methodist Church Schenectady



Rev. Sara Baron, Pastor, FUMCS

Above: Rev. Baron requests that signs be lowered while she asks for a show of hands.



"raise your hand, if . . . you are a resident of the City of Schenectady [and] you are here in support of the resolution for a casino."

[Result: Left Photo] One hand raised within view of the camera.

"raise your hand, if . . . you are a resident of the City of Schenectady [and] you are against the resolution for a casino."

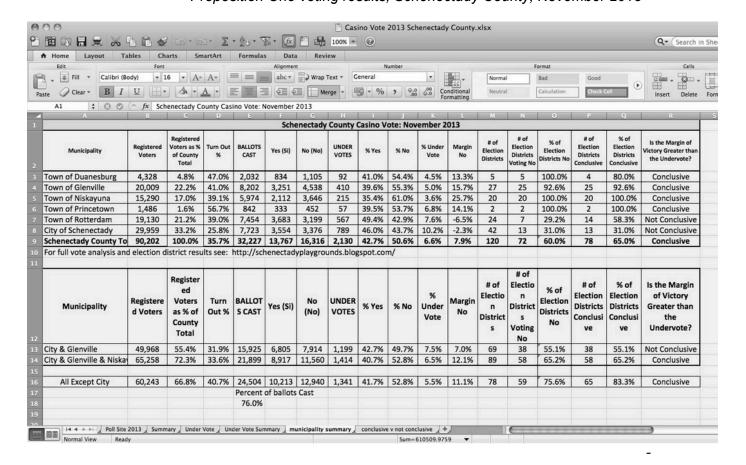
[Result: Right Photo] Eight hands raised within view of the camera.



Source: video provided by Open Source Media. Text: David A. Giacalone

### **ATTACHMENT EIGHT**

http://stockadetrees.files.wordpress.com/2014/09/casino-schdyco-votenov2013bw.jpg-Proposition One voting results, Schenectady County, November 2013 -



# A Statement on Casino Gambling in Schenectady Why No Public Hearing?

Background: The 4 new casinos that are being permitted in New York State has led to 22 companies paying \$1,000,000 a piece in application fees, in hopes of being chosen to operate one of the casinos. Clearly, each of those companies assumes that they can make money on running casinos. The former Alco plant site off of Erie Boulevard in the City of Schenectady is in consideration. Governing bodies of applicant communities need to provide a resolution or legislation either approving or disapproving of what is proposed. The Schenectady County Legislature held a public hearing on June 2, which was announced on May 30. Presumably, they will act at their next session if appropriate. However, the proposed site is fully in the City of Schenectady. The Schenectady City Council has indicated as of 6/2/2014 that they plan to act on a resolution at the 6/9/2014 regular Council meeting without a public hearing. The Daily Gazette in their editorial of 6/5/14 argued: "Let the people be heard on the casino plan."

The following is a statement supported and endorsed by various religious and community leaders reflecting diverse community and faith traditions

Our first concern is for the critical need for public and democratic input and conversation on what is critical and long term possibility for our community.

Therefore, we the undersigned, with concern for the well-being of Schenectady, respectfully ask that the City Council not act to change our current laws on gambling and casinos until they have taken the time for a public forum to receive public input at the city level.

Frankly we are appalled as religious and community leaders by what is clearly a "rush to judgment" with minimal community input. We believe fully in the democratic process. We call upon the City Council to table the resolution coming up on June 9 and instead call for a public hearing to be held at the following Council meeting (June 23) with action by the Council at a special session after June 23 (it could be June 30 since there are 5 Mondays in June).

We ask that the Council give careful consideration of the economic, social, and human impacts to the community as a whole and provide such a report to the community prior to action on any resolution.

An \* means that organizations are listed for affiliation purposes only List in formation, currently including:

Rev. Sara E Baron, Pastor, First United Methodist Church, Schenectady,

Roy Neville, First United Methodist Church, Schenectady

Rev. Valerie Ackerman, \*Co-director, Center for Empowering Communities

Ms. Shirley Readdean, Albany District, United Methodist Church and President \*Schenectady Inner City Ministry

Rev. Phillip N Grigsby, \*Schenectady Inner City Ministry, and Moderator, \*Emmanuel Friedens Church

Rev. Daniel Hahn, \*Grace Lutheran Church

Ms. Patricia Obrecht, \*Bellevue Reformed Church

Frank Thomas, M. D., Community Volunteer

Joe Doolittle, Community Volunteer

Rev James McDonald, \*Stephen's Episcopal Church

Rev. Kent Busman, \*Executive Director, Fowler Camp and Retreat Center

Rev. Peter J B Carman, Pastor, \*Emmanuel Friedens Church

Rev Horace Sanders, Jr., Senior Pastor, \*Mt. Olivet Missionary Baptist Church

Rev. Priscilla Richter, Pastor, \*Unitarian Universalist Society of Schenectady

Ms. Carolyn Micklas, First United Methodist Church, Schenectady

Rev David and Mrs. Barbara Heise, retired United Methodist Church

Rev Marian Shearer, Associate Conference Minister, \*NY Conference, United Church of Christ

Rev Kathleen Gorman-Coombs, \*Trinity Presbyterian Church

Rev. Jim Murphy, \*Capital Region Ecumenical Organizations

Rev. Victoria Brooks, \*Director, Office of Religious and Spiritual Life, and Campus Protestant Minister, Union College

Rev. Stacev Midge, \*First Reformed Church

Randolph McGough, \*St. Kateri Tekakwitha Parish

## A Statement on Casino Gambling in Schenectady Should the Proposal be Supported or Opposed?

Background: The 4 new casinos that are being permitted in New York State has led to 22 companies paying \$1,000,000 a piece in application fees, in hopes of being chosen to operate one of the casinos. Clearly, each of those companies assumes that they can make money on running casinos. The former Alco plant site off of Erie Boulevard in the City of Schenectady is in consideration. Governing bodies of applicant communities need to provide a resolution or legislation either approving or disapproving of what is proposed. The Schenectady County Legislature held a public hearing on June 2, which was announced on May 30. The Schenectady City Council has indicated as of 6/2/2014 that they plan to act on a resolution at the 6/9/2014 regular Council meeting without a public hearing.

The following is a statement supported and endorsed by a coalition of various community and religious leaders reflecting diverse traditions

As a community in consideration for hosting one of the casinos, the question for us is if we will benefit from the presence of a casino.

Many faith traditions object to gambling, naming it as a moral issue. As the General Board of Church and Society of the United Methodist Church says, for example, "Gambling is a terrible example of stewardship of the resources God gives us; it creates social costs that are hidden and often do not become apparent until long after lotteries, casinos, betting parlors and game rooms have become entrenched in communities." The National Research Council found that "many families of pathological gamblers suffer from a variety of financial hardships" and "children of compulsive gamblers are more likely to engage in delinquent behaviors such as smoking, drinking, and using drugs" as well as an increased risk of becoming pathological gamblers."

While many of us have individual opinions on the pros and cons of casinos, we believe it to be most important to look at the evidence of the wider effects in other communities. There seems to be significant evidence to support the idea that gambling succeeds in making money for the companies who run them, but does not benefit individuals or communities that host it. Studies have found that with legal casinos comes an increase in corruption prostitution and sex trafficking, and illegal

gambling. Casinos make the majority of their money from "problem gamblers," which means that they make money by providing a way for people with a problem to continue to do harm to themselves and their families.

As it is said, "No great nation or state has ever built prosperity on the foundations of personal debt, addiction, and the steady expansion of businesses that milk existing wealth instead of producing new wealth. Relying on gambling as an economic development strategy exemplifies the attitudes and practices—short-term is more important than sustainable, wealth can come from ever-growing debt; something can come from nothing—that led us to where we are now. ... Casinos are the ultimate example of phony prosperity. The appalling truth is casinos make far more gambling addicts than jobs." (cf Stop Predatory Gambling)

Retired Bishop Howard Hubbard of the Roman Catholic Diocese of Albany wrote extensively and passionately in <a href="The Evangelist">The Evangelist</a> against the statewide referendum to allow additional casinos in upstate NY. In a March 1, 2012 Bishop's Column "More Casinos Just Mean More Problems," he cited several studies and concluded that "looking at potential sources of new revenue, it is the responsibility of government to consider the consequences – to protect residents, not make it easier for them to lose money and create devastating problems for themselves and their families. New Yorkers deserve better."

The <u>Times Union</u> in their editorial of June 4, 2014 encouraged not only Schenectady but all communities in the Capital Region to reject casinos in any of the communities, stressing that the statewide referendum only allows a casino in this area but it is not mandated. We can choose to say no.

Thus, the presence of casinos benefits those with financial investments in the casinos, but neither the community nor the individuals within it experience benefits. Therefore we respectfully recommend that the Schenectady City Council not support the current casino proposal.

As previously indicated, our first concern is for the critical need for public and democratic input and conversation on what is critical and long term possibility for our community and respectfully ask that the City Council not act to change our current laws on gambling and casinos until they have taken the time for a public forum to receive public input at the city level.

Endorsements; \*indicates affiliation only

Rev. Sara E Baron, Pastor, First United Methodist Church, Schenectady,

Additional signatories from First United Methodist: Roy Neville, Carolyn Micklas, Jim and Elaine Troy, Jan and Pete Huston, Terry and Anne Phillips, Jean Gustafson, Nancy Walden, Lois Atkinson, Rev. Bob Long, Society& Missions, Council, Ruth Farrell, Harold and Ruth Wusterbarth

Rev. Valerie Ackerman, \*Co-director, Center for Empowering Communities

Ms. Shirley Readdean, Albany District, United Methodist Church and President \*Schenectady Inner City Ministry

Rev. Phillip N Grigsby, \*Schenectady Inner City Ministry, and Moderator, \*Emmanuel Friedens Church

Rev. Daniel Hahn, \*Grace Lutheran Church

Ms. Patricia Obrecht, \*Bellevue Reformed Church

Frank Thomas, M. D., Community Volunteer

Joe Doolittle, Community Volunteer

Rev. Kent Busman, Executive Director, \*Fowler Camp and Retreat Center

Rev. Peter J B Carman, Pastor, \*Emmanuel Friedens Church

Rev Horace Sanders, Jr., Senior Pastor, \*Mt. Olivet Missionary Baptist Church

Rev. Priscilla Richter, Pastor, \*Unitarian Universalist Society of Schenectady

Rev David and Mrs. Barbara Heise, retired United Methodist Church

Rev Marian Shearer, Associate Conf. Minister, \*NY Conf., United Church of Christ

Rev Kathleen Gorman-Coombs, \*Trinity Presbyterian Church

Rev. Jim Murphy, Coordinator, \*Capital Region Ecumenical Organizations

Rev. Victoria Brooks, Director, \*Office of Religious and Spiritual Life, and Campus Protestant Minister, Union College

Randolph McGough, \*St Kateri Tekakwitha Parish

John Detwyler and Sandra George, \*Emmanuel Friedens Church

Sharon Carter, \*Schenectady Inner City Ministry

Additional signatories from \*Emmanuel Friedens Church: Anna F Saville, Betty
Detwyler, Patricia McAllister, Joy C Hall, Malinda Myers, Patricia Bumbarger, Vern B
and June Scoville, Donald Brightman, Althea Nelson, Josephine Cristy, Kevin and
Danielle O'Brien, Bart and Marilyn Bisgrove, Jackie Scholten, James Shearer, Jeff
Fletcher, Frederica Anderson Rev. 6-10-2014

### ATTACHMENT ELEVEN

http://stockadetrees.files.wordpress.com/2014/09/frontstdrivecollage.jpg

- a drive up Front Street from the proposed Casino site -

## A drive up Front St. from the Casino

start here, clockwise:



The east end of Front St. has 2-way traffic and empties into Nott St.at an entrance of the proposed Casino. The Casino Parking Lot would exit onto this block, with traffic directed to travel west tow. ard the narrow, residential streets of the Stockade

Gridlock can happen quickly when excess traffic on Front St. starts to back up at or in the intersection of No. Church & Union Sts. When the back-up reaches Lawrence Circle, virtually every travel artery in the Stockade can be blocked, frustrating drivers and residents, whose homes line the sidewalks, with no noise or exhaust buffer.

Of course, it does not take gridlock for more traffic to lower the quality of life in the Stockade. More noise, accidents and DUIs will suffice.

Traffic attempting to avoid Erie Blvd. has always caused the Stockade the most trouble.

Thousands of vehicle trips a day generated by a casino a half mile away along Erie Blvd cannot have the zero effects predicted by the Applicant. Countless customers and employees will take the Stockade shortcut to I-890, the Community College, or the Bridge to Scotia and Rt. 5.

Casino traffic is too big a risk for the Stockade. We need to preserve its residential nature for at least 300 more years.



Although it's wider than Front St., double-parked delivery trucks and traffic delays at Union of State Sts.can readily stall Church St. traffic.



This "two-way" section of Front St. often allows only one vehicle through at a time. The half-mile stretch traverses the "East Front St. Neighborhood"

Front St. is an important but narrow road through tightly-packed blocks of historic housing, near the proposed ALCO-Mohawk Harbor Casino site in Schenectady -

The panel truck above is heading toward the railway trestle that divides East Front St. and the Stockade District, where Front St narrows even more.



Entering the Stockade Historic District, No. College Street on the left is one-way heading north. Therefore, all traffic must continue on Front St., which is now 1-way going west, and is too narrow to allow parking on each side of the street.



This block leads one-way from No. College St to a small traffic Circle with a 4-way stop at No. Ferry St., which is one-way north to the Circle and then a single lane until it dead-ends at the River. Green St. begins at the Circle, one-way going east, and has only one travel lane.



Known as "Lawrence Circle" for the statue at its center; this location is the heart of the Stockade, and is often the center of special events that close off all traffic through the Circle.

- above: map showing Front St. in the Schenectady Stockade inset: Lawrence Circle, 3 PM Feb. 14, 2014

What will additional holiday casino traffic and streets narrowed, iced and rutted by winter snows mean for Stockade safety?



Front & Church Streets: Gridlocked cars and trucks bumper to bumper have seen quite a bit of thislovely intersection over the past few years. A casino nearby will surely cause more time idling.

Front Street becomes two-way again on the west side of the Circle up to No. Church St. but its narrow lanes (about 20' wide) often require drivers to cooperate and pass one at a time to avoid accidents or a standstill



<sup>-</sup> images from Google Street View; text by David Giacalone for Stop the Schenectady Casino

PETITION: to the City Council of Schenectady & the NYS Gaming Facility Siting Board
Re: The Application by the Galesi Group & Rush Street Gaming to operate a casino in Schenectady

The undersigned ask that the Application for a Gaming License to operate a casino on the site of the former ALCO plant in Schenectady be disapproved by the City Council or be rejected by the Facility Siting Board. We believe many of the promised benefits are exaggerated or uncertain and are outweighed by negative factors that harm individuals, families and communities. For example:

- The transfer of wealth from the poor and vulnerable to casino operators and tax coffers
- · Loss of revenue by local businesses, leading to closings, and reduced staff and hours
- An increase in street crimes, especially near the casino (e.g., drug sales, prostitution, purse-snatching, DUI, car break-ins & theft,) and financial crime (embezzlement and fraud)
- · Stress and injury to families as problem gambling increases in our communities
- A serious threat to the quality of life, safety, and property values in "Schenectady's gem,"
   the nearby Stockade Historic District, which will experience more crime and traffic

Name (print)	Address	Signature	Date 2014	Stock- ade?*

<sup>\*</sup>In the far right column, please indicate with a Yes or No whether you are a resident or an owner (of property or a business) in the Stockade Historic District of Schenectady.