



Onondaga County Legislature

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Clerk

JAMES M. RHINEHART
Chairman

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PUBLIC HEARING TO CONSIDER SUPPORT FOR VIDEO LOTTERY TERMINALS WITHIN ONONDAGA COUNTY November 17, 2011

PRESENT: Mr. Lesniak, Mr. Dougherty, Mr. Meyer, Mr. Tassone, Mrs. Rapp, Mr. Stanczyk, Mr. Holmquist, Mr. Warner, Mr. Jordan, Mr. Kinne, Mr. Laguzza, Mr. Masterpole, Ms. Williams, Mrs. Ervin, Chairman Rhinehart

Chairman Rhinehart called the meeting to order at 7:00 p.m.

he asked everyone to stand; Mr. Stanczyk led the Pledge of Allegiance. He pointed out the fire exits and announced that all speakers must sign in. The Clerk read the notice of public hearing.

Gary Robb, Iron Works Local 60, Clay – urged support for jobs in our community. Gambling issue is moot; already have it in our county. He is asking for support for 1600 construction jobs and 1800 permanent jobs after the racino and hotel are built. As we know, our community is not the most economically robust. He has 30 members working in NYC, Albany, out of the area, because the work has been somewhat scarce. This project will afford us the opportunity to bring those people home so they can enjoy their families and work in our community. Urges support for this project.

Elizabeth Doherty, Stop Wilmot – testimony on file

Scott Chatfield, Conservative, Marcellus – is against proposed resolution. The hearing is to obtain public input regarding the proposed resolution as proposed by Mr. Rhinehart on Nov. 1st. The resolution is based on a fundamentally faulty premise. He referred to the language of the resolution “in times of fiscal constraint, it is imperative to explore additional sources of revenue”. He has serious doubts as to whether or not there will be additional revenue generated by this proposal; the real problem is that the premise is the exact antithesis of prudent government. In times of fiscal constraint, prudent government ought to find a way to cut costs, not raise revenues. If the economic climate of Onondaga County was sufficient to sustain a hotel and convention center, then private capital should be utilized to accomplish it. No interaction between governments in what is essentially backdoor crony capitalism. The contemplation is that in exchange for the developer building a hotel to help support the convention center, without any substantially analysis of its economic viability, the county legislature is being asked to support a resolution to support off track betting everywhere within the county, as a step in furtherance of the developer’s desire to build a casino or racino in other parts of the county. That is the quintessential definition of crony capitalism. Whether it involves the expenditure of taxpayers’ money or the abrogation of elected officials’ responsibilities to their citizenry, either way, it simply is not right from a philosophical point of view. Another issue, he finds appalling, has to do with the timing. This matter has been considered at least twice by this legislature recently. Everyone is aware that there is one racino license left available in the State of New York at present. Eventually the legislature will make a determination as to whom that license shall be issued to. However, that determination is not going to occur until at least late 2012 and perhaps not until 2013. Why is there a rush to adopt this resolution. Especially given the fact that the voters have just expressed their will by electing a new legislature, which is going to take office in less than a month and a half. As a lame duck government, you are being asked to set your feet on a course that is substantially and dramatically different than the history that this county has had, and doing it as a lame duck legislature. He finds it appalling at every level. If there is no urgency, and can wait until after the new legislature is seated and then have thorough discourse on the questions, it would be consistent with the notion of good governance, not pushing through a resolution by a lame duck legislature, being introduced by a member who simply isn’t going

to be around after January as an elected official. The function of a governing body, like the co. legislature, is to do those things that the electorate desires. He hasn't heard a human cry from the people; hasn't seen a ground swell of public opinions saying "I really want the opportunity to gamble in Onondaga County". In the absence of something like that, he fails to see the governmental rationale for the entire proposal. If the County Executive wants to see a hotel built to help support the failing convention center, then it seems that issue should be dealt with directly. Either by finding a way to have private capital do it, because as all know, there have been, and are still being built, hotels in Onondaga County by private capital because they make economic sense. If a hotel downtown to support the convention center does not make economic sense, how does authorizing OTB make it make sense. Either it will or will not be successful on its own merits. If it is not going to be successful, then ought to take on the issue of are we planning to subsidize the function of that hotel with taxpayers revenue in the future. This deal is wrong – it is wrong politically, socially and ethically. It should be killed before opening Pandora's Box and then wishing it never had been opened.

Paul J. Wilmot, Wilmorite – testimony on file

Hal Travis, Tah Enterprises – Is here as a small businessman; has been in business for 25 years; lives in Onondaga County, and supports this project. Does not have a lot of bullet points; speaks from the heart. He has been in real estate for over 20 years, and now in other businesses; has seen hundreds and hundreds of jobs leave Onondaga County. Can't tell how many friends have had to leave our county to go to other counties and states to try to get a job. Now their children are leaving to get jobs. Believes this project will bring jobs; it will bring more stability and will actually help our county. Believes, as a small businessman, that this project will help us. He knows that a lot of people feel very uncomfortable with gambling; but he looks at the project from a practical standpoint – wants to keep his children in Syracuse; wants to keep friends in Syracuse, wants to keep businesses in Syracuse. Please support this project.

Austin Olmstead, Town of Fabius, Onondaga County Conservative Party – Three things come to mind as he addresses this issue. This morning, heard on news that there were 24 tornadoes in 24 hrs in the Midwest. Folks were interviewed at a restaurant and they were shocked at the punch that they got from the tornadoes. It reminds him of the racino: an element of surprise, which the tornadoes came with, and what a punch that they got with them. This issue of racino has been before us several times in two years in various committees. There seems to be a common thread, which is the blindsided information flow, and legislators alike are digging and searching for what is going on and what is on the agenda – what is going to happen and how to prepare for that issue. The fact that the issue isn't upfront, convoluted, left behind the scenes, tells him it is a suspicious situation. The element of surprise and the big punch – be up front with it. He is gracious that this hearing has occurred. On Nov. 1st the vote was 9 to 9: 9 in favor of racino, 8 were legislators who weren't running for office re-election. There are lame ducks. Eight of the 9 who supported the racino were lame ducks. The 9 who opposed it were all running for reelection in their districts. It is a viable point that those who are connected with the voters in their districts may think differently than those who have a free ride and may do as they wish, who maybe have an attraction for special interest. As he sees legislators, he knows those who feel the pain of taxpayers, were pretty unanimous; they didn't like the idea. Those visionaries who want to engage in such elements as gambling, he thinks need to come back into an even flow, and consider the other elements. He was impressed with Mr. Wilmot, he questioned if he has considered the social costs. Since half of the body is lame ducks, what is the point of rushing the issue – it should be tabled until January or February when all 17 members of the legislature will be directly accountable to their voters.

Scott Freeman, Vice President/General Manager of Vernon Downs – Obviously they are opposed to this proposition. Approximately 30%-35% of their revenues go right to the State Education Fund; have contributed over \$60 million over 5 years and come from the Syracuse area; 350 employees are full time at Vernon Downs – many from Onondaga County. Lastly, the pie isn't that big... they know that Turning Stone, a tremendous competitor, has the ability to put forth significant capital every year. As a state run casino, 60% of Vernon Downs' monies go to the Dept. of Education, which is a terrific thing. What they would be doing is competing against themselves. In which case, Vernon Downs doesn't believe that it would be profitable for any of the entities. It would be short-term jobs for the construction; however, long term they don't believe it is good for the industry or good for New York State.

Clarence Jordan, Mercy Works – testimony on file

Linda Wilcox, Citizen, Marcellus - retired from 911 after more than 20 years. She spoke on Nov. 1st. Feels privileged to follow Mr. Jordan, because she feels exactly the way he does. This is not something to be taken lightly, not something to be taken at face value. Feels this whole issue has come so quickly and being forced into a vote – does not understand what the hurry is. As Mr. Chatfield said, Ms. Doherty said, as Mr. Olmstead said; let's just move back and wait – there is no real hurry for this. When working at 911, they used to get calls from Turning Stone from security there – telling of things that might affect our county from residents that live here and went there. She doesn't know if Mr. Wilmot or the legislature would have any idea of what to do for security, police, if it is something that would automatically come up if the racino were built. In that part of the county, the police, sheriff, troopers, ambulance, fire departments, are pushed to the limit now. If there is a private security force, that would be wonderful as long as something is happening there at the racino, on the property. What happens when the subjects move off of the property and onto public property. She is thinking DWIs, fights, domestic problems, just for the immediate problems that would come up. The long term, economic things that would happen to a person, family, can't be counted for anything except something that she believes would be against God's will. She implored the legislature to think about what would happen to families, individuals. She urged all to step back; there is plenty of time; what is the rush for hotel. There are plenty of hotels being built in the suburbs with private money. She doesn't understand what one has to do with the other. She asked legislators to think very carefully about what they are doing; do what is right in the sake of the Almighty.

Pastor Thomas Hertwerk, Vice President of Greater Syracuse Assoc. of Evangelicals - He noted President, Bruce Jones, also present. They represent a number of churches in Onondaga County. They are opposed to the racino. **He submitted a fact sheet and read from it (see attached).** He said that he doesn't believe that we should gamble with the wellbeing of this county. If the county legislature and the people of this county would truly believe and act on *In God We Trust*, we wouldn't need gambling to provide the necessary revenue and bring prosperity to this great county.

Arleen Fordock, Syracuse, lives near Shop City – The problem she has with this is that it should be a referendum; should not be on the back of the legislators to fully, 100% decide this issue. The referendum gives everybody that lives in Onondaga County, of a legal voting age, the right to vote whether they want this casino or whether they don't want this casino. The facts are not totally presented on the tourism business for downtown Syracuse. This town has a history of not being able to get the conventions because the hotels are lacking downtown. What has been happening for years is that the religious conventions, for years, which have been coming here have been using the hotels outside of Syracuse and paying extra fees to get shuttle buses to come to the events downtown. She does not know the names of them, at least Jehovah's Witness, and one other, which continually are using the Oncenter complex. The other facts have to be dug up as to what benefit has occurred because of Turning Stone. It cannot possibly be all negative. On the backs of the citizens is the personal choice factor. It is her personal choice not to gamble if she does not have the money that particular month or week. The psychological system of welfare is not supposed to change your personal choice. Once you get stuck in a personal choice and suffer the consequences, and get to a low point, then the rest of us have to pick you up and get you back into society. It is not our fault of the legislature's fault when you fall on your face from gambling. The problem with the lottery is not a big one. That is taken care of by Albany, and all of the legislators in Albany have screwed the lottery. They have made it so the percentages don't go to education. We have lived with this for years and years. What is going to happen in Onondaga County is not anything similar to that whatsoever. She has heard the comments that manure is going to stink on Taft Road. That manure will go to a compost business on a daily or weekly transport out of the racinos. She said that your stink will be very minimal – will be less than the dog poop or the kitty litter boxes that you have in your own houses. She is getting down to the grass roots of this. Churches in this area have continually had bingo for years and years and years. You people have gone willingly to your churches to gamble, but at the same time, we are told it is illegal according to God to gamble. Please be realistic. God has not punished you for gambling; you have made the personal choice and brought yourself to bankruptcy or divorce actions or whatever. Personal choice is a hard thing to wrap around their brains, but it is not a hard thing to understand that this economy in Onondaga County needs help. If there is not a referendum and the racino doesn't pass racino and don't get the convention hotel done, you will be in this same boat for the next 10 years – she guarantees it. It has been at least 10 years that legislators have suffered with this problem. Many developers

have tried to straighten out downtown and it has not happened. Therefore, the torch is passed on to Onondaga County to straighten out the tourism business, to get the sales taxes that we need to reduce our property taxes. Does anybody see the chain of events here – to be happy that your property taxes do not get raised. Turning Stone is regulated by NYS laws for gambling purposes. She does not believe that anyone younger than 18 can be on the premises and gamble. Therefore, the population that would not be going to Taft Rd., would not be teenagers. Eighteen year olds usually graduate high school unless they have problems and have to stay and redo courses. The ones that are low income don't even have bus fare to get up to Taft Rd. Please let's be realistic – referendum – get everybody in the county to have a voice.

Dr. Bruce W. Jones, President, Greater Syracuse Assoc of Evangelicals - represents a number of churches in the area; do not believe in gambling or bingo. If he were to argue on the word of God, you may not accept it because it may not be your persuasion, which is certainly your right. It seems to him that there are several things to consider with this – one is business. He appreciates that concern of businessmen to do something about the economy, but wishes that Washington, DC would do something about a \$15 billion debt that would help the whole economy, in a way that would say that we have some solutions to the problems. He is not a businessman, so he can't speak to those issues, but does appreciate the fact that businessmen are looking to do something about the community. The second thing he finds most interesting is that the legislators that are going to stay on board, and have to bear the responsibility for this decision, are against it. He questions the motives of those who don't agree and believe we ought to go ahead with his idea. They are going to leave, but he would ask them to reconsider their decision based on the fact that they will not have to live with the decision that is made – whatever it is – and those that are not for it, will. His friend, Tom Hertwerk, made an elaborate case for the social damage. He would ask that if you are considering the welfare of this community, that you need to think more than economics. The bible says that the love of money is the root of many evils; we certainly could extrapolate on that. When you think about the cost and what it does to the community, ask yourself if the cost outweighs the gain. He would say "No, it doesn't." Research will prove it; statistics will prove it; stories will prove it, and if a legislature is responsible for the welfare of the citizens, it seems they ought to weigh both sides of the issue. He appeals to the legislature to do the same.

Donald Herb – Let's talking about what is really going on here – nobody tonight has said one thing that is really going on. About 20 years ago, the Wilmot family decided to get out of the shopping center business. They decided to stop developing property and they sold out to people that were willing to get into that business. They took that money and Thomas Wilmot stated publicly that he was going to go into the gambling business. One way or another he would make it fly in NYS. He tried to make an alliance with the various Native American tribes in the Western part of the state to put in casinos, and it didn't work. Now he has come to Syracuse. Mike Falcone sold him the development rights for the hotel over here; \$60,000 Wilmot paid for it. He must have wanted it awfully bad. Why did he want it – he wanted it because the scheme all along was to get a racino, a casino in Onondaga County -- either out at the Fairgrounds or out in Cicero. That is what is really going on. He doesn't care whether he ever builds that hotel. If you give him the racino, you have no guarantee that he is ever going to build the hotel. He'll throw \$60,000 down the drain like nothing. This is all about getting a racino – a gambling enterprise for the Wilmot family. If they want it, let them put it up in Monroe County. If you give him the racino, there will be no guarantee that you will ever get the convention center hotel. By the way, they should have never have built a convention center if it can't support itself, and they shouldn't build a hotel that can't support itself on the rooms. There is talk about unemployment; unemployment in CNY was 5.5% even in the best of times - 2008, 2007, 2006. Now it is 10.5% and 11%; it is too bad, but what about the 90% that are living good. They are getting by alright. OCCUPY Wall Street is a bunch of nonsense. There is a guy in Syracuse, here on a Visa from Russia - he is here for one year and he is out there making speeches about how bad the economy is here. Why didn't he go back to Russia and make the speeches; that is where he belongs. Somebody asked him – why are you doing all of this talking here, you don't live here, you don't have anything to do with this. He said "I've got a loud voice; that it what they need". I make no judgment about moral issue of the gambling that will be connected with a casino. Let the places that have the casinos, and have them now, deal with the moral issues. He is adamantly opposed to this racino, because you are not being told the real story until I told it tonight. It has not been in the paper, as to how this was really coming in the back door.

Charlie Pierctell, homeowner – sympathizes with a lot of things that have been said today; understands why a lot of things were said today. He appeals to legislators to make sure that the citizenry of this city and county

understand that you are here to protect us. We entrust our lives of our children and grandchildren with your decisions that you will employ around this casino issue. He was born and raised in Syracuse; can remember a time when there were jobs – could get hired on one street for a job; get fired and go across the street and work on another part. He retired from Chrysler. We talk about poverty and things in the community; his race has tripled the unemployment rate in this country for whatever reason. We entrust so many people that we put in office to do the right thing and they have failed us continuously. This is a democracy that we have to trust someone; someone has to be governed. That is the rule of our land; the law of our land. That we have to be governed by man's law, as well as our spiritual, and hereafter by God's Law. He supersedes everything about man's law. The things he has heard here today on the gambling issue...gambling has been since the beginning of time and will continue to be. We, voting persons of the legislature, have to look at the benefits – if any benefits – to gambling for our future and our children. Congress has failed us. Sometimes this legislature has failed us -- the Republicans and the Democrats. The Republicans outnumber the Democrats. We have to put our differences aside. If the Democrats come with a good agenda and good idea that will benefit all the people whether Republican or not, you are supposed to reach over the table and work with them. As a bipartisan person, and vice versa as well as Democrats, as few as they have here. He has not seen that in his city and it hurts. He has not seen it in his county and it hurts. He represents a neighborhood of diverse decisions on the south side of the city of Syracuse -- \$123 million leaves the south side of the City on a year basis because city government and county government is one of the most devastating areas in the county. Money goes out but doesn't come in for building and employment. He implores the legislature on this gambling issue to make sure that every citizen has the right to at least have this explained to them, educate them. He is only one person; he cannot go out to his community and talk to 38,000 African Americans and Latinos in the community. Let's take our time and look at this decision whether it be right or wrong.

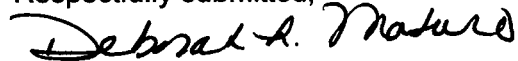
Richard Brickweede – opposed to the racino, opposed to a referendum. There is a time for political leaders to be political leaders and make a decision without passing the buck. He is not representing the Oneida Nation. For those of you who think you might be in favor of gambling, suggest they go over to the floor of the casino and walk through it and take a look at the people who are gambling. They should not be there. Be a leader; no referendum; vote it down.

Christina Fitch – has spoken before the legislature before. Respects all members and the decisions that they have to make. Thanked the citizens for coming out this evening; glad we are having this opportunity to be heard on this issue, but it didn't come easy. Had to fight for this moment. She doesn't relish coming up and speaking every time a gambling proposal starts floating in the air behind the scenes and finally hits an agenda and there it is. Finally, it is being done more openly this time. She is concerned about fairness and balance; which is why she is back over and over again to urge you to not partner with gambling as a way to bring in revenue for our county. It is a scheme, if you would just step back, to say that we need to have a gambling parlor, a casino in order to build a hotel, in order to help a convention center. Both of which are having problems on their own. We need to step back and say "is that the way to go"; she doesn't think that it is. You have heard about Stop Wilmot; it has been written in the paper. They are new to the scene, this round, with the latest gambling effort that is coming around again in our county. Don't let that be an excuse to dismiss all of the citizens that are here to oppose this effort. They come from a variety of backgrounds, an organic effort, not coordinated. We don't have the funds that Stop Wilmot has; nonetheless, they did serve to alert people of this issue, that might not have otherwise known. There have been a variety of groups, people that who could not be here this evening – New York Family Research Foundation, Rev. Kevin Agie, New Yorkers for Constitutional Freedoms – so many people from a variety of perspectives that are opposed to this. They are opposed to gambling; let's stop calling it gaming. Gaming is the gambling industry's concerted effort to try to make this sound like it's just like Monopoly, and people are going in with their Monopoly money and playing a game. That is not what gambling is. Now that we have this hearing, she implores the legislature to consider something that she hasn't heard a lot of talk about, and heard no discussion of this morning at the Planning and Economic Dev. Committee – that is the long-term costs. She thanks the pastors who are here, who have talked about this from a moral perspective and also an economic perspective. The Prevention Network, in consideration of building an OTB parlor here, has come before the legislature multiple times and presented data that applies to casinos, racinos, on expansion of gambling and how expansion of gambling access does lead to more gambling and more addictions. There is a social cost associated with it. That is shown; it needs to be part of the equation. It was mentioned tonight that churches have bingo. Her American Legion has bingo every Friday night, and a lot of churches have raffles, and whatever. There is a completely separate part of

NYS Law that deals with that – a very special licensing that goes to charitable organizations when people walk in the door. She is not defending it, but is saying that it is completely different from what our state constitution enshrines, which is protection of the citizens against commercialized gambling. If we pass a resolution saying we want this racino, then we are saying we want commercialized gambling. That is not what we want in this county; that it something that is distinctively different. Let's not say that it is already happening with bingo and whatever; this is something completely different. The racino idea, in fact, is a way to get around the fact that we won't have casinos authorized by our state constitution. In closing, she asked that the argument not be used that "it is happening anyway". That is an excuse for looking at the real long-term costs involved. She would ask that when both parties caucus, that when she hears that Wilmot can go in and present, why not bring Prevention Network in behind the closed doors as well. Please remember, once this decision is made, we cannot turn back. She appreciates legislators work and diligence on this subject and asked that it be opposed to when it is voted in December.

Chairman Rhinehart called for additional speakers; hearing none, he closed the hearing at 8:15 p.m.

Respectfully submitted,



DEBORAH L. MATURO, Clerk
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