

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF MISSOURI
MISSOURI GAMING COMMISSION MEETING

TRANSCRIPT OF PROCEEDINGS
Public Hearing
September 29, 2010
Mike Onka Memorial Building
11520 Putnam Street
Sugar Creek, Missouri

In The Matter of:
Consideration of Gaming License
for Sugar Creek, Missouri

A P P E A R A N C E S

- James L. Mathewson, Chairman
- Darryl Jones, Commissioner
- Jack L. Merritt, Commissioner
- Barrett Hatches, Commissioner
- Noel Shull, Commissioner
- Roger Stottlemire, Executive Director
- Angie Franks, Secretary

REPORTED BY:
James A. Leacock, CCR
Cross Reporting Service, Inc.

1 CHAIRMAN MATHEWSON: Good morning
2 everyone. First of all, thank you all very, very
3 much for being here. I will introduce the
4 commissioners to you in just a moment because
5 probably a lot of you don't know us. So I'll
6 introduce them to you. We certainly want to
7 welcome everyone.

8 This is our fourth stop, which started
9 Sunday afternoon and we've been to Cape, listened
10 to those folks and that went very, very well. And
11 then had two meetings in St. Louis yesterday, one
12 for the St. Louis County application and one for
13 the St. Louis City application. Those both went
14 very well. So we're pleased and excited to have
15 the opportunity to be in Sugar Creek and thank all
16 of you for -- I see a lot of old friends here that
17 I served with over the years and had the
18 opportunity to work with in many, many areas in
19 this part of the state.

20 I am Jim Mathewson. I live in Sedalia.
21 I have the opportunity to be Chair of the Gaming
22 Commission. I served in the legislature for six
23 years in the House and 24 years in the Senate.
24 Term limited out like lots of folks have. In
25 fact, my friend Victor Callahan is there. When

1 they start session this year, he and I have talked
2 about this, he will be the only one left in the
3 senate that I served with. And he will be the
4 most senior member of the senate. That just
5 doesn't seem like that's possible. Jack, you go
6 back to the days when you were there and so forth
7 that that can be, but that's the way it is. Term
8 limits is a wonderful thing. Not time for
9 commentary. But if you think I'm goofy about
10 that, go down and watch it and you'll see.

11 So let me introduce everybody, everyone
12 else on the Commission. Barrett Hatches. Barrett
13 a lot of you know. He lives in Platte County and
14 has been an executive in the utility industry for
15 many, many years. We're pleased to have him with
16 us on the Commission. Next to him is Noel Shull.
17 Noel a lot of you know, because he lives in north
18 county area and he was a bank executive with, I
19 guess Commerce more than the rest of them.

20 MR. SHULL: It was actually the board of
21 UMB.

22 CHAIRMAN MATHEWSON: UMB. Mr. Crosby.
23 So Noel is one of the senior members of this
24 Commission. He was Chair before I came on.

25 MR. SHULL: I am younger than the

1 Chairman.

2 CHAIRMAN MATHEWSON: Hell, everybody is
3 younger than me. Except Jack Camp. Down at the
4 end is one of our newer members. Came on with
5 Barrett. Jack Merritt. Jack is from Greene
6 County. Retired from the Missouri Highway Patrol
7 and then at his choice served two terms as sheriff
8 of Greene County and lives in the Springfield
9 area. Next to him is another senior member. He
10 has been here I guess the same time as Noel.

11 MR. JONES: Yes.

12 CHAIRMAN MATHEWSON: Darryl Jones. He
13 is from the St. Louis area. And he is a major
14 concessionaire at Lambert Airport in St. Louis.
15 So that's who we are. And all five of us are here
16 to listen to this, this process is one that we are
17 breaking new ground on.

18 If you remember, prior to November
19 election of '08, why, if you met the restrictions
20 of the law, then you don't need to put in an
21 application. You could put a casino anyplace you
22 wanted to. And then we decided in the State of
23 Missouri that we would limit that to 13 licenses.
24 And I have commented and I think with the support
25 of the Commission that one of our options is that

1 we not do anything. The law doesn't say that
2 there has to be 13 licenses. It says you can't
3 have more than 13. And we presently have 12. So
4 that's why we're out visiting with people,
5 listening to people, both sides of the issue on if
6 we decide to go forward with the 13th license, and
7 we are seeking information that would help us in
8 that direction.

9 There's a lot of steps that the
10 applicants and the communities have to go through,
11 as well as us. There are about 14 different
12 things that have to be accomplished before all
13 that could happen. So we're on a time frame that
14 hopefully we're going to have everything come
15 together probably sometime in middle to late
16 November and we will decide. Historically we have
17 not had a meeting in December. So we will make a
18 decision, hopefully, before the first of the year.
19 Hopefully by the end of November.

20 So the rules that we would like to go
21 by, and we have been going by in our three
22 previous hearings, is that we would like to
23 hold -- we'll take the proponents first. And we
24 would like for you to hold your comments down,
25 please, to around three minutes. And we'll

1 allow -- we have our normal business meeting
2 immediately following this public meeting. Which
3 you are welcome to stay for that, if you want to,
4 for the first part of that. We meet once a month.
5 We get paid very, very well. We get \$100 a month.
6 So if you want to get mad at someone, get mad at
7 me because for at least one meeting a month, and
8 we've had four of them here, we are going to have
9 five before the day is over, I get an extra \$100 a
10 month. So I'm really building an estate for my
11 grandchildren. So, you know, I'm really excited
12 as hell about it. We get paid very, very well.
13 But it's an exciting thing to be a part of. So we
14 appreciate your courtesy and we appreciate the
15 opportunity to use this building to have this for
16 what we see as a very important meeting.

17 If you would, hold your comments down,
18 please, to as quickly as possible. We'll try to
19 get as through as many of you as possible. We
20 would like to take 30 minutes, or about 30
21 minutes, hopefully about 30 minutes on each side
22 of the issue, and then because we've found over a
23 period of years that it becomes repetitious after
24 a little while. People are saying the same thing
25 over and over and over again. So we're going to

1 start out. Again, any commissioners have anything
2 to say or comments or anything? Okay. We will
3 start. I recognize that State Senator Victor
4 Callahan is here. Senator, do you want to go
5 first or do you want to go in the order in which
6 --

7 SENATOR CALLAHAN: Mr. Chairman, I will
8 follow the order of signature.

9 CHAIRMAN MATHEWSON: Okay, that's fine.
10 Ray Salva is also here. Ray is here somewhere. I
11 see him back here.

12 MR. SALVA: I'll go ahead and go over
13 there. The same side as the senator.

14 CHAIRMAN MATHEWSON: Okay. We'll take
15 you in order. That's our order of business. The
16 first thing we need to do to stay legal, is we
17 need to open this meeting. So at this point, the
18 Chair would accept the motion to have this meeting
19 opened.

20 MR. MERRITT: So moved.

21 MR. JONES: Second.

22 CHAIRMAN MATHEWSON: We have a motion
23 and a second. Any discussion? Call the roll,
24 Angie, please.

25 MS. FRANKS: Chairman Mathewson.

1 CHAIRMAN MATHEWSON: Approve.

2 MS. FRANKS: Commissioner Shull.

3 COMMISSIONER SHULL: Approve.

4 MS. FRANKS: Commissioner Jones.

5 COMMISSIONER JONES: Approve.

6 MS. FRANKS: Commissioner Hatches.

7 COMMISSIONER HATCHES: Approve.

8 MS. FRANKS: Commissioner Merritt.

9 COMMISSIONER MERRITT: Approve.

10 CHAIRMAN MATHEWSON: Okay. We are now
11 in public session. The first person's name on the
12 proponent side that I see here is John O'Renick.
13 Come forward, John, please, sir.

14 We're recording these somewhere. There
15 he is. Right over here. We are recording these.
16 Excuse me, just a second, John. Just to make sure
17 everyone understands that we are recording these.
18 We have recorded all of them. And if at any point
19 in the future, if you would like a copy of that,
20 if you would contact our office in Jeff City, they
21 would be glad to provide that to you. Okay. So
22 since we are recording it, John, if you would
23 start us out. If you would spell your last name,
24 sir?

25 MR. O'RENICK: Capital O, apostrophe,

1 capital R-e-n-i-c-k.

2 CHAIRMAN MATHEWSON: Proceed, sir,
3 please. Thank you.

4 MR. O'RENICK: Senator Mathewson and
5 members of the Commission, welcome to the City of
6 Sugar Creek. I was the mayor of Sugar Creek from
7 1981 to '93 through a very disastrous period of
8 time with the closing of the refinery. So I know
9 what it is to sit there and watch the blood just
10 leak out of your community with taxes and
11 everything. We had to turn off street lights. We
12 had to cut personnel. We had to cut back on some
13 of our services. Our quality of life has not been
14 the same since this happened. And we have worked
15 hard to go back to where we were, but it is almost
16 an impossibility in this day and age to attract a
17 business in a small community that would replace
18 the refinery that we had here. In addition to the
19 refinery closing, the Armco Steel plant just west
20 of here closed. A number of people that worked
21 here in town and had good paying jobs lost their
22 living. So the quality of life declined, the tax
23 valuation declined in the entire area, which meant
24 that all the taxes collected to go to the
25 communities and to the school districts declined.

1 And we have worked very hard to come back out of
2 this.

3 Recently the Independence School
4 District has taken over what was the Kansas City
5 School District here in town. And our schools are
6 starting to grow. The most obvious benefit to
7 having this casino, not only to us but to
8 everybody, would be the revenue that it could
9 bring to the community. And in particular in this
10 case to eastern Jackson County. We are the only
11 community in eastern Jackson County with a
12 proposal for a casino. The technical parts of the
13 site and everything I am going to leave to
14 somebody else. But we would like to see this
15 casino come to the City of Sugar Creek. It would
16 help us immensely to regain where we were. It
17 would bring back jobs, it would bring back
18 stability. And, in particular, it would bring to
19 the Fort Osage School District some extra revenue
20 they need for their school. It is in the Fort
21 Osage School District area. And we are concerned
22 about that. At one time we had three school
23 districts, Independence, Kansas City and Fort
24 Osage. Now we are just in two. But all schools
25 are struggling I think you know. Money has been

1 cut back for paying for teachers, for facilities
2 and all these kinds of things. All we want is an
3 opportunity, an even chance to show you what we
4 can do.

5 This refinery during World War II
6 produced all kinds of petroleum products for
7 tanks, planes and whatever. Through the Korean
8 War the tank cars rolled out of here day and night
9 going down to Whiteman and everywhere else with
10 jet fuel. So we know what it is to contribute to
11 people around us.

12 We have done a good job of working with
13 the State on the solid waste program, hazardous
14 waste programs. And we would love to have the
15 envy of the rest of the State as to how we worked
16 this situation with recycling pick-up, large
17 pick-up and yard waste, all for the cost of about
18 \$12 a month. We can't sub it out because nobody
19 else can do it.

20 So all I am saying is, we are asking you
21 to look at this situation very carefully. We want
22 to move ahead. We want to do things. We want to
23 build new homes. We want to take care of the
24 blight that is happening from some of the homes
25 that are empty in town. Those are our main

1 concerns. Right now the economic development
2 Commission here, we're trying to do some housing.
3 We built five new houses. We are doing others.
4 But with the casino in town and the revenue that
5 comes from it, I think this community can take its
6 place in eastern Jackson County along with the
7 others and make it a very, very good place to
8 live. Thank you.

9 CHAIRMAN MATHEWSON: Thank you, sir,
10 very much. Bill Haman.

11 MR. HAMAN: It is Haman.

12 CHAIRMAN MATHEWSON: Excuse me, sir.

13 MR. HAMAN: I didn't bring the dog, but
14 I brought the pony. I would like to reiterate
15 what Jack said. Thank you for the opportunity to
16 speak. I just wish you were here a couple weeks
17 later when our Sugar Maples explode with color and
18 you would really see what Sugar Creek is all
19 about. But thank you for the opportunity.

20 CHAIRMAN MATHEWSON: Spell your name.

21 MR. HAMAN: It is H-a-m-a-n.

22 CHAIRMAN MATHEWSON: Thank you.

23 MR. HAMAN: I am going to talk about
24 geography today. Jack touched on this a little
25 bit. It is my contention that the present site

1 locations for the casinos in the Kansas City area
2 are not well-sited to serve the eastern metro
3 area. There's about 200,000 people in
4 Independence and Sugar Creek and Blue Springs and
5 Grain Valley and Lee's Summit that have a very
6 long commute to get to the casinos that are
7 presently located here. And I believe that the
8 siting of one in Sugar Creek would bring more
9 people into the market. The casinos have been
10 doing quite well and have been showing increases
11 on a monthly basis. I think that there is a
12 market in the eastern metro area that is untouched
13 at this time and would help support a casino here
14 in Sugar Creek.

15 As Jack said, we are not blessed in
16 Sugar Creek with a big industrial tax base or a
17 sales tax base. So we understand that the siting
18 of the casino here would help us with that tax
19 base and help the local school district. Several
20 years ago I chaired a citizens committee to
21 develop a master plan for our riverfront. Because
22 one thing that Sugar Creek is blessed with is a
23 long riverfront that our master plan, in which
24 this is the master plan for LaBenite Park where
25 the casino would be sited.

1 We would hope to anchor the regional
2 recreation area along that riverfront, which would
3 extend from the downstream end at the casino and
4 LaBenite Park, which presently we are developing
5 on a yearly basis and adding more and more
6 amenities, and would also terminate on the
7 upstream end here on the old refinery site at the
8 Marina, which would be really the only commercial
9 marina between Washington, Missouri and Omaha,
10 Nebraska on the Missouri River. We feel like we
11 can develop a regional recreation destination that
12 would be supported by this casino and act as a
13 catalyst to do that.

14 So we urge you to help us bring these
15 dreams to come true for us, to help us develop not
16 only the casino, but also this regional recreation
17 facility with multiple uses along the river. Help
18 us support this city and actually increase the
19 opportunities in the community for people to work
20 and play. I guess that's it, guys. Oh, one thing
21 I did want to alert you to. I found out over the
22 years that if you are a commercial venture,
23 corporation, and you hire somebody to study
24 something and tell you yes, the likelihood of them
25 telling you no is pretty small. So don't always

1 trust the outcome of some studies, because it is
2 all about who pays for it. Thank you for the
3 opportunity.

4 CHAIRMAN MATHEWSON: Thank you, Bill.
5 Jack Gant.

6 MR. GANT: G-a-n-t. Mr. Chairman,
7 members of the Commission. I used to sit where
8 you did when I was on the Commission. And I know
9 what you are going through at the present time.
10 It is also cruel and unusual punishment to ask a
11 lawyer or a judge to only talk three minutes. But
12 --

13 CHAIRMAN MATHEWSON: That's why we don't
14 have any lawyers on here. A little humor, Jack.

15 MR. GANT: When I was a member of the
16 Commission, one of the most important things that
17 I thought was that you want the new boat to be
18 successful. And so you need to look at the
19 community that it is going to be placed in. And I
20 probably know this community as well as anybody.
21 I represented this area as a State senator for ten
22 years. I grew up in Sugar Creek. And so I
23 realized the problems that they've had. What I
24 would like to tell you briefly, though, is that on
25 the location, eastern Jackson County has a

1 tremendous -- has had a tremendous growth. To the
2 north of us is Liberty. Liberty -- or Clay County
3 is probably 100,000 people I would expect at the
4 present time.

5 And then you have Independence, Lee's
6 Summit. 291 is a main thoroughfare. You don't
7 even have to get on to an interstate in order to
8 get to the casino here in Sugar Creek, you just go
9 down 291. And it would serve hundreds of
10 thousands of people. And I think that would make
11 it a certain thing to be a success. I have
12 visited the ones in Booneville and Carruthersville
13 and St. Joe. They have struggled over the years.
14 What happened to the perview when things changed.
15 And I was on the Commission when Pinnacle and the
16 other one in St. Louis.

17 So you've got a tough decision, Mr.
18 Chairman and members of the Commission. I know
19 that you will weigh this very thoroughly. I know
20 you have investigations of the applicants and that
21 will be very thorough. I just would hope that you
22 would consider Sugar Creek, because it is a great
23 community and I know it would be a very successful
24 situation. If there are any questions, I would be
25 happy to answer them. I don't want to go past my

1 three minutes.

2 CHAIRMAN MATHEWSON: Thank you, Jack.

3 Any questions of the Judge?

4 MR. GANT: Again, I appreciate you
5 taking the time to be here. And I hope that you
6 will see fit to recommend Sugar Creek. I know you
7 can recommend anybody if you really want to, but I
8 think probably with the economy situation, you
9 probably need another vote.

10 CHAIRMAN MATHEWSON: Thank you, Jack.

11 Good to see you again, sir. Patrick?

12 MR. CASEY: Casey. C-a-s-e-y.

13 CHAIRMAN MATHEWSON: Good morning, sir.

14 MR. CASEY: Good morning. We would like
15 to thank you and welcome the Gaming Commission to
16 the City of Sugar Creek. My name is Patrick
17 Casey, the deputy chief of the Sugar Creek Fire
18 Department. I have worked for this City for 27
19 years and lived here most of my life. I have seen
20 our fire department grow from what it is today and
21 what it was. And some of our response times are
22 the best emergency response times in this area. I
23 have also seen how the City of Sugar Creek as a
24 whole has moved through these tough times. When
25 we lost one of our top revenue producers in the

1 city years ago, the city government tightened
2 their belt and was able to survive. But as times
3 get tougher, our infrastructure lacks the
4 necessary funds to keep up with all the repairs as
5 needed.

6 Our fire department this past year,
7 budget time, two days ago, asked for a life-saving
8 tool known as the Jaws of Life. But due to the
9 lack of funds, we could not purchase the Jaws of
10 Life. Our old set is in desperate need of repair.
11 Five years from now our fire department is going
12 to be asking for a pumper truck to replace a
13 pumper as needed. We don't know if we're going to
14 be able to get it. With this casino project, we
15 would be able to purchase these kinds of items and
16 repair the infrastructure as needed. And even
17 better, our response times in the area where this
18 casino project would be located. With this
19 casino, it would not only bring many jobs to our
20 area, but would add police officers, firefighters
21 and EMT's who would be in close proximity to this
22 casino 24 hours a day.

23 As I make my journeys throughout the
24 city, and for 27 years I have made my journeys
25 throughout the city and contacted a lot of

1 citizens and talked to many residents of Sugar
2 Creek, there is unanimous support of the town
3 folks of this town that support this project 100
4 percent. If you have any questions, I would be
5 more than happy to answer any questions. If not,
6 thank you and have a good day.

7 CHAIRMAN MATHEWSON: Any questions?
8 Thank you, sir, for what you do and what you have
9 been doing for a long time. God bless you. Mike
10 Sanders. Mike. Please, sir.

11 MR. SANDERS: Good morning. Thanks for
12 the opportunity. My name is Mike Sanders,
13 S-a-n-d-e-r-s, I am the Jackson County Executive
14 here in Jackson County. Thanks for allowing me
15 the brief opportunity to talk on behalf of what we
16 think is a very valuable project, not just for the
17 City of Sugar Creek, but, frankly, for all of
18 Jackson County and the entire greater Kansas City
19 area. As you sit and reflect upon where perhaps
20 this next project will go in the State of
21 Missouri, we ask that you remember and really
22 reiterate something that people have talked about
23 already, and that is the growth that is occurring
24 in the eastern portion of Jackson County.

25 As we look at the demographics of this

1 community, both north of the river and eastern
2 Jackson County, this community continues to grow.
3 Having a project located in Sugar Creek is very
4 critical. 291 and very close to the I-70 corridor
5 would service the needs and certainly service the
6 growth and population, both economically as well
7 as just in terms of raw numbers that is occurring
8 in the eastern portion of the county.

9 This casino, this project would put over
10 a thousand people to work. The estimated revenue
11 is 23 million annually, just in terms of salaries.
12 Benefits to local government, over \$27 million.
13 I don't have to sit here and tell you what that
14 would mean for local governments, what that would
15 mean for the local economy, specifically in
16 eastern Jackson County. But I emphasize, that is
17 only Phase One of this project.

18 Phase Two would include, whether it is
19 shopping, whether it is hotels, whether it's
20 rooms, this project will only grow with time.
21 This represents a collaborative effort. I'm not
22 sure what you're seeing in Cape Girardeau, but I
23 doubt it is the collaborative effort that you are
24 going to see here in Kansas City, here in Sugar
25 Creek, here in eastern Jackson County. This is

1 the work of city governments, the county
2 government, certainly working with our state
3 elected officials, our very good state elected
4 officials, and our schools. This is a
5 collaborative effort of everyone coming together
6 on behalf of one project.

7 I also want to make one additional
8 point. And that is, we are also asking for
9 equity. If you look at what is occurring in St.
10 Louis, five active licenses, six within the
11 market, we have three in the market right now in
12 the greater Kansas City area. I would argue that
13 we in eastern Jackson County and specifically
14 Kansas City are just as worthy as our friends on
15 the other side of the state in St. Louis. So we
16 ask for equity. If one additional project is
17 going to be let, we think it makes imminent sense
18 to bring that to Kansas City and make the projects
19 more equitable. There would only be four in
20 Kansas City, five in St. Louis. We think that
21 certainly represents the needs on behalf of the
22 State.

23 Also understanding that in front of you
24 you have a project perhaps in Cape Girardeau where
25 they don't enjoy the broad, universal support that

1 we have here in Jackson County. I will keep my
2 remarks short and certainly answer whatever
3 questions that you may have. I want to emphasize
4 that this project is certainly important to Sugar
5 Creek, as we are here today, but it is doubly
6 important to all of eastern Jackson County and
7 certainly to the greater Kansas City area. We can
8 service a very important and growing need that we
9 have in eastern Jackson County. Thank you,
10 Senator.

11 CHAIRMAN MATHEWSON: Thank you very
12 much. Any questions of the county executive?
13 Thank you, sir. Thank you for being here.

14 MR. SANDERS: You bet.

15 CHAIRMAN MATHEWSON: Have a good day.

16 MR. MERRITT: I believe he can say more
17 in three minutes than I can hear in about six
18 or eight minutes.

19 CHAIRMAN MATHEWSON: Mike has always had
20 the ability to get to the point quick.
21 Representative Ray Salva. Come forward, sir.

22 MR. SALVA: Thank you. I am
23 Representative Ray Salva, S-a-l-v-a.
24 Representative Stottlemire, Chairman Mathewson,
25 Members of the Committee, welcome to Sugar Creek.

1 I have represented this area for eight years. I
2 am born and raised here in Sugar Creek and,
3 believe me, I do know the shortcomings and the
4 successes of this community. You know, the
5 governor made a call several years ago for job
6 creation in the State of Missouri. In that call
7 for job creation in the State of Missouri, there
8 was a call for job creation, especially in
9 economic distressed areas. Believe me, this is an
10 economically distressed area. This meets the
11 governor's call.

12 I look back and our former mayor
13 mentioned the closing of the Amoco refinery here
14 in Sugar Creek, the loss of about 3,000 jobs.
15 Might I remind you that we also had a closing of a
16 manufacturing plant, Vendo, 1,200 jobs. Allis
17 Chalmers, contiguous with the City of Sugar Creek
18 and the City of Independence closed, about 800
19 jobs. And they manufactured farm implement
20 equipment. TWA overhaul base, another 2000 jobs.
21 This area has been hit very, very hard. Very hard
22 in loss of jobs.

23 You know, Sugar Creek is not new to
24 applying in the gaming industry. I know I
25 testified before and see familiar faces here on

1 the committee when we went through this before,
2 before Proposition A. was passed. Again, the City
3 of Sugar Creek, the area that I represent, again
4 is applying for this license. And I know that
5 most of you here on the committee are very well
6 schooled on the pros and cons of this issue. I
7 hope you will remember the pros and think again
8 about the cons. Not only the companies that left
9 here in this area, think about all the feeder
10 companies that were lost also. And that just
11 expands, expands the unemployment area. And by
12 the way, statistics will show you here in the
13 State of Missouri, this area here has the highest
14 unemployment rate of any area in the State of
15 Missouri. So again, I can't reiterate again the
16 importance of job creation that the governor has
17 called. And this meets that call.

18 I represent two school districts in my
19 legislative district, the Independence School
20 District and the Fort Osage District. Both
21 districts, of course, just like all school
22 districts across the State of Missouri, are in
23 dire need of funds. This would be a shot in the
24 arm for our school districts here. Especially
25 since we took on seven new schools in the

1 Independence School District from the Kansas City
2 School District.

3 There's one thing I think that puts this
4 project here in the City of Sugar Creek more
5 unique than any other area that we are talking
6 about, the St. Louis or the Cape Girardeau. That
7 is the expansion of residential. And of the
8 phases of this project, there is a tremendous
9 residential expansion phase in this of upscale
10 housing. Again, more job creation. Families
11 staying here, moving here. We have a tremendous
12 exodus of this area because there are no jobs.
13 This will stabilize the job market area. Again
14 meets the governor's call.

15 You are going to hear from opponents
16 coming up here after me, after awhile, and think
17 again who those opponents are, where they are
18 from. Do they live here? Are they from this
19 area? Are they more interested in knocking down
20 competition to put money in their pockets or are
21 they interested in a fair market? You know, this
22 country was built on competition. Let's keep that
23 in mind. With that, I do ask you to vote
24 favorably for the City of Sugar Creek. Not only
25 for the City of Sugar Creek, but all of eastern

1 Jackson County and all of Jackson County. I think
2 it is a good market area. We have an expansion of
3 a lot of people that moved to this area and to the
4 Liberty area, on the outlying in-market area. I
5 think that is an argument to be made. Thank you
6 very much for coming here. If there are any
7 questions, I would be glad to answer them.

8 CHAIRMAN MATHEWSON: Thank you. Any
9 questions for Representative? Thanks, Ray. Good
10 to see you, sir.

11 MR. SALVA: You bet.

12 CHAIRMAN MATHEWSON: Victor Callahan.
13 Senator Callahan. Please, sir.

14 MR. CALLAHAN: C-a-l-l-a-h-a-n. First,
15 Mr. Chairman, it is good to see you again and I
16 just want to thank the Commission for everything.
17 Their service to the State and giving this
18 community the opportunity to speak with you today.
19 I know how difficult your decisions are. Members
20 of the Commission, the Sugar Creek gaming proposal
21 provides this community and the State of Missouri
22 an extraordinary opportunity for job creation and
23 educational enhancements at a time when this
24 community and the State of Missouri needs it most.
25 It would be a substantial and long-term partner in

1 an area challenged by job creation and
2 development. Such a partnership could build a
3 foundation financially for the school districts
4 who serve this community. For decades, this city
5 and the State have attempted to address the issues
6 of blight and job creation with limited success.
7 This proposal, without any incentives from the
8 taxpayers, would be a catalyst for change and
9 development. As this Commission goes through the
10 deliberative process with the Missouri Department
11 of Economic Development, and reviews which
12 proposal would be best to meet the interests of
13 our State, I urge the Commission not to fear
14 competition from what the State of Kansas may or
15 may not do, but instead as the State of Missouri,
16 meet and match that challenge. At this time by
17 making an investment in the hundreds of skilled
18 quality construction jobs that this project will
19 produce, by making an investment in a community
20 who needs this opportunity to improve their city
21 and the school districts involved.

22 In 2008 the Missouri Gaming Commission
23 gave preliminary approval to this very site,
24 because they recognized at the time the successful
25 potential to our State and this community. In

1 2010, the potential and opportunity are still
2 here. I urge the Commission to remember what
3 Harry Truman once observed: The best way to
4 predict the future is to create it. Thank you,
5 members of the Commission.

6 CHAIRMAN MATHEWSON: Thank you, Senator.
7 Any questions of Senator Callahan? Thank you.
8 Good to see you, sir. Bill Dunn. Mr. Dunn?

9 MR. DUNN: Thank you, Chairman.
10 Commissioner and many of the folks at the
11 Commission table. Some of them I know in the
12 community are good businessmen themselves. I
13 represent an 85-year-young construction company,
14 J.E. Dunn Construction in Jackson County. We --

15 CHAIRMAN MATHEWSON: D-u-n-n?

16 MR. DUNN: D-u-n-n. All right. We have
17 been involved in casino projects in Missouri over
18 the years. Two of the remaining open casinos in
19 this region, we were involved in the construction
20 process. Over the years we have built hundreds of
21 millions of dollars worth of casino construction
22 all over the country. And over the last couple
23 months I've had a chance to work with the Paragon
24 people. And this project is well laid out. It is
25 going to be a very effective money generator for

1 the State and I think will reflect credit on
2 everyone that is involved in it. I don't have to
3 tell you, you've heard from everybody how tough
4 construction is in the State of Missouri. We have
5 many families that have worked for J.E. Dunn, some
6 are a third generation that have worked for us.
7 Families for 50, 60 years. We have a lot of
8 people unemployed, just to be honest.

9 As a family business, you know, we have
10 to write those checks to those people, those
11 layoff checks. It has not been much fun. This is
12 an opportunity for us to compete against Kansas.
13 Because I got to tell you, this project is one
14 that if you can turn this thing loose, we can
15 probably -- we could beat those folks at the race
16 track. We could get this thing open before them.
17 Because you always have to compete. And you know
18 about J.E. Dunn. We are all about competition.
19 We build all over the State of Missouri and all
20 over the country. But I think getting behind this
21 project, you've heard from this community how much
22 they love this project and want it to succeed. I
23 will tell you, if I am involved as a union
24 contractor in this, I will make sure the schedule
25 is super fast and that everybody will see the good

1 out of this project a lot quicker than what would
2 happen otherwise.

3 Thank you very much for letting me speak
4 this morning.

5 CHAIRMAN MATHEWSON: Thank you, sir.
6 Any questions for Mr. Dunn? Thank you, Bill.
7 Good to see you again, sir. Rick Hemmingsen. You
8 are going to have to help me out, Rick, I'm sorry.
9 I got one of those kind of names, too.

10 MR. HEMMINGSEN: The name is Hemmingsen.
11 It is H-e-m-m-i-n-g-s-e-n. I am a native from
12 Minnesota. Does that help? On half of the
13 Independence Chamber of Commerce, 700 members,
14 private sector, free enterprise system and our
15 board of directors, we unanimously support this
16 application for Sugar Creek. Yes, we are in
17 Independence, but they are our neighbors next
18 door. They live across the street. We have
19 worked on multiple projects. In Independence, we
20 feel this project is extremely critical to our job
21 growth. Right now we are seeing ten percent
22 unemployment. This will not only provide primary
23 jobs, eventually, but also secondary jobs.

24 I have a son who is a schoolteacher who
25 has had to pick up a secondary job because he has

1 lost his summer work. It can be extremely
2 advantageous to our community. Most importantly,
3 from our free enterprise system, Independence is
4 the home of Harry Truman. I think you guys
5 probably knew that. So does everybody in the
6 world know that Harry Truman came from
7 Independence, Missouri. And we pledge our
8 partnership with Sugar Creek and this project to
9 promote this casino and this project for our
10 efforts with the Truman museum and the Truman
11 heritage. With joint marketing, just having a
12 facility of this size available for Independence
13 and our tourism sites would be extremely helpful.
14 Last but not least, a reminder to all of you,
15 Harry Truman did play poker. Thank you.

16 CHAIRMAN MATHEWSON: Thank you, Rick. I
17 never played with Harry. I wish I had have. Be a
18 great story, wouldn't it? Okay. Patty Banks.
19 Patty? Please come forward.

20 MS. BANKS: Patty Banks. B-a-n-k-s.
21 And this has been a heady group of speakers to
22 follow. I am a small business and I am here to
23 support the City's application from the
24 perspective of disadvantaged business owners,
25 women-owned and minority-owned. The City of Sugar

1 Creek has shown exemplary performance in
2 affirmative action in their contracting through
3 past and current jobs and projects. Through their
4 efforts, they've helped keep small businesses like
5 mine and the 20 jobs that I provide productive.
6 And this application presents another opportunity
7 to do so. Having noticed we all need more work in
8 this area. So I just appreciate your time and
9 your attention. And thank you.

10 CHAIRMAN MATHEWSON: Thank you, Patty.
11 Any questions? Thank you very much. Okay. That
12 concludes the folks that signed in on the
13 proponent side. So we will move to the opponent
14 side. Excuse me, what do you want, Angie? Here
15 is the boss herself right here. We did still have
16 about three or four minutes left on the proponents
17 side. Angie tells me there is a Ms. Welch had not
18 signed up but wanted to make some comments. So if
19 you would like to come forward, ma'am, we would be
20 happy to hear your comments. Please state your
21 name and spell your last name, please.

22 MS. WELCH: My name is Jake Welch. And
23 the Welch is spelled just like the grape juice.
24 W-e-l-c-h. Good morning, gentlemen. One of the
25 aspects that I think has not been covered in all

1 the people who spoke today, is one of principal
2 importance. People go to a casino not to support
3 the community and not to build economic growth,
4 but to have fun. It is supposed to be a joyful
5 activity.

6 As it now stands, Sugar Creek doesn't
7 have a facility of that type. And it is easy to
8 forget, the reason for the casino is to give
9 people pleasure. And the people in the eastern
10 area of Jackson County, I know enjoy casinos
11 because we talk about the things we do at the
12 casino, the restaurants and the shows as well as
13 the gambling aspects of it. And I think that's
14 too often overlooked when you consider the
15 statistics and the geography and all the other --
16 there are specific things that administrations
17 have to consider. But, ultimately, the purpose of
18 the casino is to not just make money, but to give
19 the people in the community a good time. Thank
20 you.

21 CHAIRMAN MATHEWSON: Thank you, ma'am.
22 Thank you for being here. Okay. We will move on
23 now to the opponent side. And the first name we
24 have on the list is Troy Stremming. Mr.
25 Stremming, would you like to come forward, sir.

1 MR. STREMMING: Good morning Chairman
2 Mathewson, Commissioners. My name is Troy
3 Stremming, S-t-r-e-m-m-i-n-g. I am senior vice
4 president of government relations and public
5 affairs for Ameristar Casino. I am here this
6 morning not to speak in opposition to the State of
7 Missouri issuing an additional gaming license in
8 the State of Missouri, but in opposition of
9 issuance of that gaming license in a market that
10 is already saturated like Kansas City. I would
11 like to take just a moment to remind the
12 Commission that the analysis that we have for you,
13 and I will provide you with this morning, was
14 created at the request of Former Executive
15 Director Jane McNary, who asked our industry what
16 the impact would have if each of these casinos
17 were put in place in the State of Missouri. That
18 is the information that I have for you. And what
19 that study shows is that this market is saturated.

20 A common benchmark in the casino
21 industry when determining the appropriate level of
22 market supply, is the ratio of adults in that
23 population per gaming positions in the market.
24 Currently the ratio of adults per gaming position
25 in Kansas City is 130. That is 130 adults for

1 every gaming position. Subsequent to the Kansas
2 Speedway casino opening, the ratio will be reduced
3 to 102. If you decide to add the Sugar Creek
4 proposal to this market, that ratio will be
5 lowered even further to 93. This ratio would not
6 only be the lowest ratio in Missouri, it would be
7 one of the lowest in the country when it comes to
8 regional gaming markets.

9 By way of example, other regional gaming
10 markets, Chicago, the ratio is 298. Detroit, 222.
11 New Orleans, 165. Council Bluffs, Omaha, 112, and
12 St. Louis, 107. This is why Ameristar opposes the
13 reissuance of the 13th gaming license here in the
14 Kansas City market. If it were to be issued here,
15 the benefit to the State in some form of
16 additional tax revenue would be marginal. Our
17 analysis shows that because of the already
18 saturated gaming market here in Kansas City, 81
19 percent of the gaming revenues from the proposed
20 Sugar Creek casino would come from existing
21 casinos already in this market. Consequently, the
22 proposed Sugar Creek casino would only generate
23 approximately \$5.6 million in incremental tax
24 revenue to the State of Missouri in forms of tax
25 on AGR and admissions. Minimal when compared to

1 the \$24 million of incremental tax revenue the
2 analysis shows that would result from the casino
3 in Cape Girardeau. And I have copies of the
4 analysis here for you today. And I would be more
5 than happy to answer any questions that you have.

6 CHAIRMAN MATHEWSON: Any questions for
7 Mr. Stremming? Thank you. Deb Peerman. Hermann.
8 I'm sorry. Deb Hermann. Where are you, Deb?
9 Clyde McQueen. Clyde? Does anyone know if Deb
10 and Clyde left together?

11 MR. HATCHES: There are some folks out
12 on the porch.

13 CHAIRMAN MATHEWSON: Would you see if
14 either Deb Hermann or Clyde McQueen are out on the
15 porch?

16 UNIDENTIFIED SPEAKER: No.

17 CHAIRMAN MATHEWSON: No? Okay. Moving
18 along. Vincent?

19 MR. GAUTHIER: Gauthier.

20 CHAIRMAN MATHEWSON: Gauthier. Thank
21 you very much.

22 MR. GAUTHIER: I'm used to it.
23 G-a-u-t-h-i-e-r. I am the director of the Port
24 Authority of Kansas City and I am here in that
25 capacity today. Thank you for the opportunity to

1 testify, Mr. Chairman, members of the Commission.
2 The Port Authority is the landlord of the Isle of
3 Capri Casino. We have a contractual relationship
4 with Ameristar. Currently we also oversee the
5 Port Authority Ameristar Isle of Capri Fund for
6 the Advancement of Women and Minority-owned
7 Businesses. We care deeply about the gaming
8 market in Kansas City. About assuring its
9 long-term viability of all of its existing
10 casinos, protecting the gaming industry jobs. We
11 understand the important economic impact gaming
12 has on the Kansas City region.

13 The Port Authority stated its position
14 several times in the past few months, and that is
15 we strongly oppose the addition of another casino
16 license in the Kansas City area. 2006, the Isle
17 of Capri announced a \$75 million major
18 redevelopment for their current site with a hotel
19 and a host of other amenities. In 2007, however,
20 with the announcement of the new Kit Bond bridge
21 by the Missouri Department of Transportation,
22 these plans were put on hold. Numerous parties
23 have worked very, very hard to preserve and
24 improve the access to the Isle of Capri during the
25 construction of the Bond bridge, including the

1 City, Isle of Capri, the Port Authority and, very
2 importantly, MoDOT. They have all made funds
3 possible for this.

4 Securing the long-term commitment in
5 Kansas City and major investment from the Isle of
6 Capri is one of the Port Authority's primary
7 goals. A strong gaming market in Kansas City will
8 go a long way toward helping us achieve this goal.
9 Another casino in Sugar Creek will not. Several
10 different economic analyses have shown the 13th
11 license and what its impact would be in this
12 existing market. It is clear in each scenario
13 that the Sugar Creek casino would not add
14 significantly to the State's revenues. It is also
15 clear that at least 70 percent of the anticipated
16 revenue would be cannibalized from the existing
17 four other Missouri side casinos in the Kansas
18 City market. Compounding this issue is the
19 undeniable opening of a destination casino in
20 Kansas City, Kansas in 2012. The Kansas City,
21 Missouri casino market is already bracing for a
22 loss of market share due to Kansas's first major
23 casino offering. Any new casino license must be
24 granted to a location that represents the largest
25 fiscal opportunity to the State of Missouri

1 without presenting sizeable risk. In other words,
2 the new revenue potential has to exist and cannot
3 cannibalize existing gaming operations. It is up
4 to the Missouri Gaming Commission, you all, to
5 determine the best location for the 13th license,
6 if that opportunity exists at all. As such, the
7 Port Authority believes it is incumbent upon our
8 organization and others to work diligently to
9 protect the existing Kansas City casinos and the
10 significant investments that you have allowed them
11 to make. Thank you.

12 CHAIRMAN MATHEWSON: Any questions?
13 Thank you, sir. Michael Sturgeon. Good morning,
14 Mike.

15 MR. STURGEON: Good morning, Mr. Chair.
16 It is actually Sturgeon like the fish.
17 S-t-u-r-g-e-o-n.

18 CHAIRMAN MATHEWSON: It looked like two
19 o's to me, but I am from Benton County.

20 MR. STURGEON: My penmanship is not one
21 that has won awards.

22 CHAIRMAN MATHEWSON: Thank you, sir.
23 Proceed.

24 MR. STURGEON: Mr. Chair, Committee.
25 Thank you very much for this opportunity to appear

1 before you today and testify in regards to this
2 very important casino license. And I am here
3 today representing the Columbus Park Community
4 Council. Columbus Park is a neighborhood
5 immediately adjacent to the Isle of Capri Casino.
6 And I have been living in the Columbus Park
7 neighborhood for nearly 13 years and have seen
8 what casinos have done to benefit the local
9 neighborhoods.

10 Specifically, I would like to talk about
11 the importance of healthy casinos in Kansas City
12 to our neighborhood Columbus Park. As a little
13 bit of background, Columbus Park is the first
14 neighborhood in Kansas City and it is a working
15 class neighborhood that is frequently the first
16 place of residents for immigrants arriving in
17 Kansas City. The neighborhood has maintained its
18 multi-cultural identity and still today has many
19 active, cultural, ethnic organizations in the
20 neighborhood, including Italian, Vietnamese,
21 African-American and Hispanic cultures and
22 subcultures. The neighborhood has a distinct
23 small-town charm and is primarily a pedestrian
24 neighborhood. In fact, 25 percent of the
25 households have no access to automobiles. That

1 means they have to have public transportation,
2 walk or bike in order to get to the places that
3 they work. They have no other means of accessing
4 them.

5 As I said earlier, the Isle of Capri is
6 our neighbor on the ATA bus line. Our residents
7 have safe and affordable transportation to work
8 through the Isle of Capri. But in addition,
9 Columbus Park is the most ethnically diverse
10 neighborhood in Kansas City. With approximately
11 one-third white, one-third African-American,
12 one-third Asian and 15 percent Hispanic
13 population. Yes, I know the numbers don't add up,
14 but that's census bureau math. So we have a very
15 ethnically diverse neighborhood. Nearly 30
16 percent of the households in my neighborhood have
17 lived with incomes below poverty level. Median
18 household income is around \$23,000 per year. That
19 is about half the median income of residents
20 generally in Kansas City. One-third of the
21 neighborhood residents are foreign born and single
22 mother head of households represent nearly 50
23 percent greater than the rest of Kansas City. The
24 highest level of education attainment for 75
25 percent of neighborhood residents, high school

1 diploma or less. Both Kansas City, Missouri
2 casinos, Ameristar and the Isle of Capri have
3 minority and disadvantaged hiring practices. Many
4 of our neighborhood residents are among the
5 employees. In fact, the casinos represent a
6 significant employment opportunity for minorities
7 and females, those persons who have been
8 traditionally disadvantaged and under-represented
9 in the labor force.

10 At the Isle of Capri, nearly 46 percent
11 of the employees are females. For minorities,
12 nearly 28 percent of the officials and managers
13 are minorities, 38 percent of professionals, 43
14 percent of the technicians, 60 percent of office
15 and clerical, 51 percent of the semi-skilled jobs,
16 80 percent of the unskilled jobs, and 59 percent
17 of the service workers come from the minority
18 community.

19 At Ameristar, females represent 46
20 percent of the employment base and 39 percent of
21 minorities are in the employment base. So the two
22 Kansas City casinos are critical to the employment
23 of minorities and disadvantaged populations in the
24 Kansas City area. As we have already heard,
25 Kansas City -- the Kansas City market is saturated

1 for casinos. We know that what we are really
2 looking at is cannibalization or substitution of
3 dollars and jobs from Kansas City into the Sugar
4 Creek area. The proponents when they talk about
5 the jobs and the economic development that casinos
6 create, they are absolutely right on target. They
7 do all of those things.

8 The thing is, is that when you have a
9 market that is saturated, all you are doing is
10 taking from one area and putting it into another
11 area. As Mr. Stremming indicated, only about \$5
12 million more of tax revenue is generated for the
13 State of Missouri. So both Ameristar and the Isle
14 of Capri do represent significant employment
15 opportunities to disadvantaged populations. So
16 healthy and vital Kansas City casinos are critical
17 to maintaining a healthy employment base to those
18 disadvantaged populations.

19 But in addition to providing those
20 critical employment opportunities, lease revenues
21 from the Isle of Capri Casino are being used to
22 support the development of nine units of
23 affordable housing in a 360-unit mixed use
24 development project that will have approximately
25 \$100 million of total public and private

1 investment by the time the project is built out.
2 These units will provide home ownership
3 opportunities for residents of low income public
4 housing developments, thereby offering additional
5 long-term improvement to the economic status of
6 those purchasing the homes, while freeing up
7 additional units of low income public housing for
8 new residents in need.

9 Public sources are critical to making
10 this project happen. In fact, 25 percent of the
11 public portion of funds on this \$100 million
12 project will come from lease revenues from the
13 Isle of Capri Casino. If the Isle of Capri is not
14 healthy or worse yet, if the Isle of Capri does,
15 in fact, have to close its doors, then we know
16 that this \$100 million project goes away. We just
17 don't have the revenues in order to be able to
18 provide the funding for it.

19 So far, other sources of public project
20 funding have come from U.S. Senator Kit Bond,
21 Congressman Cleaver, U.S. Department of Housing
22 and Urban Development, the U.S. EPA. And
23 additionally, our project has received the support
24 approval of the last three mayors of Kansas City,
25 the last four city council representatives and the

1 U.S. District Court for Western Missouri, who is
2 the receiver of the Housing Authority of Kansas
3 City. So without these revenues that are coming
4 from the Isle of Capri, this project will go away.

5 In addition, the Isle of Capri is also a
6 strong and committed community partner and
7 regularly donates time and money to our
8 neighborhood. In fact, recently they helped plant
9 flowers and landscape at the senior center. They
10 supported the neighborhood in clean-up efforts.
11 So the linkage between the casinos and our
12 neighborhood is strong. Jobs, economic
13 development, community partnerships. An
14 additional casino in Kansas City would not
15 contribute significantly to the State's tax
16 revenue. It would simply take revenue from the
17 existing casinos in Kansas City and transfer them
18 over to Sugar Creek. And struggling casinos would
19 lead to less -- would lead to job loss,
20 unemployment, and further economic woes for our
21 small community and for our neighborhood.

22 So on behalf of the Columbus Park
23 Community Council, I strongly urge you to reject
24 the Kansas City market as the location of the 13th
25 casino license. And I strongly encourage you to

1 stay the course that has already been set with
2 licensure in the Kansas City market. That is,
3 with the existing licenses that we have. Thank
4 you for your time.

5 CHAIRMAN MATHEWSON: Thank you, sir.
6 Any questions? Thank you. Martha Allen. Martha?
7 Martha Allen? Nope. Ms. Spicer? Is it Speaser
8 or Spicer?

9 MS. SPICER: Spicer. S-p-i-c-e-r. As
10 president of the Cedar Crest Farview Swearingen
11 Concerned Citizens, I would like to thank you for
12 the opportunity to allow us to speak with you
13 today. Directly in the middle of our neighborhood
14 is property known as the Cedar Crest Dairy. The
15 homeowners of that property tried to gain
16 permission to mine that property twice when the
17 property was located in the county. And the
18 county would not allow it. The property owner
19 then requested the property be annexed into the
20 City of Sugar Creek. At that meeting the City of
21 Sugar Creek was asked if this annexation had to do
22 with the mining and they said no. Unfortunately,
23 we have been fighting ever since then to keep the
24 mining out of our neighborhood.

25 In 2005, after lengthy testimony, the

1 Planning and Zoning Board of Sugar Creek voted
2 against the rezoning and special use permit. And
3 the Sugar Creek aldermen voted against it as well,
4 stating that mining was not conducive to the
5 surrounding property. The mining company waited
6 the necessary time and then they reapplied. After
7 lengthy and sometimes emotional testimony by the
8 people who have been negatively affected by the
9 current mining project, the Sugar Creek Planning
10 and Zoning once again voted against it. During
11 this time, however, the aldermen board changed and
12 they voted against their own Planning Commission
13 and voted to allow the rezoning and special use
14 permit.

15 Let me remind you that this is in a high
16 density residential area and directly across the
17 street from our Fort Osage Elk Grove Elementary
18 School. Not far from the mental health facility
19 that is also opposed to this mining project as
20 well as several churches. The City of
21 Independence mayor and councilmen strongly opposed
22 this mining project, as well as the county
23 legislature spoke out against it, and the Fort
24 Osage School District spoke out against it. Over
25 1400 homes, two local governments and a school

1 district have spoke out against this project, but
2 Sugar Creek has ignored the pleas and the requests
3 of their neighbors. We have tried to work with
4 Sugar Creek for over five years. They have not
5 done a good job monitoring the mining company. If
6 the City can't handle an underground mining
7 operation, how can they possibly handle a huge
8 casino above-ground. They have allowed LaFarge,
9 the mining company, to destroy our quality of
10 life, the value of our homes and our health. The
11 ongoing dust, wet roads and vibrations are
12 unacceptable.

13 Let me remind you that none of the Sugar
14 Creek residents are affected by this mining, only
15 the Cedar Crest Dairy property was annexed.
16 Therefore, the people and the businesses that are
17 directly affected have no vote and no voice in
18 Sugar Creek.

19 In closing, let me say, that even though
20 the site for this casino is within a few miles of
21 our neighborhood, we are not against gambling or a
22 casino. While Sugar Creek has a legal right to
23 ask for the casino, we question the wisdom in
24 awarding them this opportunity. We feel they are
25 not worthy of this privilege, nor have they

1 displayed the corporate leadership that is
2 responsible -- that this responsibility would
3 require. They have failed to protect the
4 interests.

5 CHAIRMAN MATHEWSON: That was Channel 5,
6 I think. I'm sorry.

7 MS. SPICER: No problem.

8 CHAIRMAN MATHEWSON: Proceed, ma'am.

9 MS. SPICER: We question the wisdom in
10 awarding them this opportunity. We feel they are
11 not worthy of this privilege, nor have they
12 displayed the corporate leadership that this
13 responsibility would require, as they have failed
14 to protect the interests of its neighboring
15 citizens. And we urge you to deny their request.
16 Thank you.

17 CHAIRMAN MATHEWSON: Thank you, ma'am.
18 Any questions? Jim Stone. Come forward, Jim,
19 please, sir.

20 MR. STONE: Good morning. That is Stone
21 like a rock. S-t-o-n-e. My name is Jim Stone, I
22 am the former president of the Concerned Citizens
23 and vice president and current board member. I
24 will reiterate everything Lavonne said. But I
25 will also say that oh, recently the landfill,

1 which is again adjacent to our neighborhood, but
2 controlled by the City of Sugar Creek, was given
3 an extension. And also, some very, I don't know,
4 questionable materials are starting to be applied
5 at the landfill. There was no notification of any
6 of the residents. In fact, there were comments
7 made that while perhaps there was a moral
8 obligation to let people know what was going on,
9 there was no legal obligation. The materials that
10 are brought in have caused a lot of distress for
11 those neighbors around there. The odor problem
12 has increased tremendously. Like I say, it has
13 also caused an increased potential for groundwater
14 contamination.

15 I ask you, do you really want to entrust
16 an operation that at its very core involves moral
17 and legal issues to people that are willing to
18 split hairs regarding what are moral and ethical
19 obligations that they have to citizens. The
20 Concerned Citizens feel strongly that the leaders
21 of Sugar Creek, based on their actions, have not
22 displayed those moral and legal concerns that the
23 other citizens that are affected by their
24 operations have to endure. While I personally,
25 and again I will say the board, I have no

1 objections to gambling anywhere in the State of
2 Missouri, I am opposed to this project. We
3 represent over 1400 property owners that are in
4 the most adjacent to the area where this casino
5 would go in. And so, therefore, I would ask you
6 to deny Sugar Creek's application. Thank you.

7 CHAIRMAN MATHEWSON: Thank you, Jim.
8 Any questions? Thank you, sir. Jim Thompson.
9 Good morning, sir.

10 MR. THOMPSON: Good morning. Last name
11 Thompson. T-h-o-m-p-s-o-n. I was born and raised
12 in Independence in 1949. Except for military
13 service time, I have lived in this eastern Jackson
14 County the entire time. I would like to thank the
15 Commission for the opportunity to speak to you
16 today.

17 My purpose today is not to approve or
18 disapprove of the casino issue, but rather to
19 inform you the city administration that this
20 Commission would be dealing with, if Sugar Creek
21 is elected as a site for the casino. I would like
22 to give you an example. Forgive me, this will be
23 somewhat repetitive of the last guy, but I don't
24 have very much of an out.

25 On two separate occasions the corporate

1 owner of 160 acres of a former dairy that is
2 surrounded by high density residential, tried
3 unsuccessfully to have Jackson County change
4 zoning to allow mining of the property. This
5 property had been zoned residential for over 50
6 years. It had not been developed because the old
7 woman that owns the dairy would not sell it until
8 after her death.

9 After the unsuccessful attempt in
10 Jackson County, the owner requested voluntary
11 annexation to Sugar Creek. And with LaFarge, an
12 international mining corporation, a request for
13 zoning change and special use permit to allow
14 mining was submitted to the City of Sugar Creek.

15 During the next four years the City of
16 Sugar Creek Zoning and Planning Board on two
17 separate occasions held multiple hearings where
18 over 200 people in opposition were in attendance.
19 On both of these occasions they voted to recommend
20 denying the zoning and special use permit. During
21 this process the Jackson County legislature
22 unanimously voted a resolution asking Sugar Creek
23 to deny the rezoning and special use permit.

24 In addition, the mayor and all council
25 members of Independence, the administration and

1 all board members of the Fort Osage School
2 District, the state representative of this
3 district, the state senator of this district, have
4 sent letters or testified requesting the City of
5 Sugar Creek to deny the rezoning and special use.
6 All of these people felt that allowing mining
7 within a residential area would cause undue
8 hardship on the residents and reduce the values of
9 the surrounding property. Despite all of these
10 requests, the City of Sugar Creek Aldermen voted
11 to approve the rezoning and special use permits,
12 showing no concern for the people living in the
13 1400 homes that are located within a half mile of
14 this property. I would like to note that there
15 are no Sugar Creek residents living within one
16 mile of this property, except those that live in
17 the property in question that are trying to sell
18 it. I must note, and pleasantly so, with
19 gratitude to our many citizens of Sugar Creek and
20 at least one alderman who has stood honorably
21 against the rezoning and special use permit that
22 was granted to LaFarge.

23 I would like to also point out that I
24 had a meeting with the Fort Osage assistant
25 superintendent and a couple of board members

1 yesterday. And he intentionally told us that he
2 was not going to testify to this board. That he
3 thought that with the problems that we have been
4 having, he shouldn't. Now this is the school
5 district that will benefit greatest if this casino
6 goes in. This Commission must determine if this
7 is the type of city administration that they wish
8 to deal with on a continuing basis. And
9 gentlemen, I appreciate your time. Thank you. If
10 you have any questions, let me know.

11 CHAIRMAN MATHEWSON: Thank you, Jim.
12 Any questions of Mr. Thompson? Thank you, sir.
13 Susan Julian Davis. Good morning.

14 MS. DAVIS: Good morning. Davis.
15 Common spelling. I live at 2805 North Courtney
16 Road in the Courtney community of Sugar Creek. As
17 you probably are aware, this facility is proposed
18 for the Courtney area, what we call Courtney
19 bottoms. We were annexed, I might add,
20 involuntarily, around 40 years ago. This
21 facility, as I understand it, is proposed to be
22 partly on public property, partly on private
23 property. All of the Courtney bottoms is owned by
24 four private landowners and the City of
25 Independence owns a small piece other than

1 LaBenite Park. The Brantons are owners of the
2 property to be developed for this casino as I
3 understand it. Mrs. Branton's father and my
4 father were dear friends. So I have no animosity
5 about that.

6 I have to point out that the sign-up
7 sheets I think were inadequate. To say that you
8 have to be an opponent or proponent, sometimes
9 there is an "other" category. And I am an
10 "other." I live within less than a mile of where
11 this facility will be built. My farm abuts this
12 property. My cousin Robert Stewart's property
13 also abuts this property and my cousin Mrs. Lilly
14 Mann lives across 291 Highway from this property.

15 It is very hard, and I have to say that
16 part of my comments are concerning the lack of
17 rules of engagement that we are aware of about
18 this project. Since there were very few of us
19 involved, actually only three private property
20 owners, because, obviously, Brantons are privy to
21 the plan. None of us have seen any, any idea
22 about what this plan involves. I object to the
23 fact that as a matter of courtesy, that the
24 developers, the City, whatever, of this property,
25 of this enterprise, didn't see fit to share any of

1 Sugar Creek acquired developable land which they
2 did not have before. And property rights are a
3 very important issue of mine. I defend everyone's
4 property rights, mine and other people. And
5 everyone in this room knows that I do that on a
6 regular basis. And I defend the Brantons' right
7 to use their property as they see fit, as well as
8 the City, to use their property as they see fit.
9 But I want to remind everybody that the remaining
10 property owners, even though we are very few in
11 number, we have no fewer rights than those people.

12 I might add that my family has owned my
13 farm for over 140 years. Actually came to the
14 area in 1840. So we are not strangers and we are
15 not unfamiliar with this area. And Sugar Creek,
16 of course, is not bereft of other business. Our
17 Courtney community at the 291 Highway corridor is
18 host to several operating quarries, a very
19 prosperous landfill. All of which the Courtney
20 community, which is small in number, but strong
21 and independent group of people, which we have
22 borne with fairly good grace. And I consider
23 myself a very good citizen. Even though I don't
24 agree with everything the City does, I am a good
25 citizen and I will support whatever decision comes

1 from this. But I do want the process to be fair.
2 And I don't see it as having been very fair.

3 When I look around this room, the
4 majority of people in here certainly are not Sugar
5 Creek citizens. The majority of the people who
6 have spoken, if we get down to it, are probably
7 not Sugar Creek citizens. And no one from
8 Courtney, of course, is here, because there are
9 very few of us. But we are the hosts. We are the
10 place where this will be. And we do have, to use
11 the term, it is probably a good term, we do have a
12 dog in this fight.

13 And I am not opposing this project. But
14 I do oppose the fact that nowhere does there seem
15 to be, in your process of selection, allowance for
16 taking in a situation like ours, which would
17 apprise the neighborhood and say this is how this
18 will affect you. What do you think? Have you got
19 any ideas? Once this license is granted, then the
20 next step will be to go to planning and zoning.
21 And it becomes a different thing. That's not the
22 place to discuss the merits of the project.

23 And I might add, too, that we talk about
24 the jobs that will be created. And there will be
25 jobs created, of course. But there also was

1 mentioned that several hundred thousand people
2 might be potential customers. It is hard economic
3 times. A few people out of that huge number will
4 receive the jobs. But people who are losing homes
5 and don't have jobs, is this the right time to
6 encourage more gambling for anybody, whether it be
7 here or anywhere across the State. That's not my
8 decision to make. That's just a personal
9 observation. But I don't want to go on record as
10 opposing this project, but I would like to see the
11 process improved. Thank you for listening.

12 CHAIRMAN MATHEWSON: Thank you, ma'am.
13 Actually the time has expired. But we only have
14 one other person that signed up, and that's Kevin
15 Kobe. Kevin, could you be kind of hurried, sir,
16 because we are over time. And we appreciate you
17 being here. Proceed, sir, please.

18 MR. KOBE: Thank you for the opportunity
19 to speak. What I want to talk about is not a --
20 Kevin Kobe. K-o-b-e. What I want to talk about
21 is not the market share of the casinos, but the
22 fact that this competes with our community. If
23 this casino goes in, it reminds me of one of the
24 things that I was told when I got a job at a
25 casino, and that is a casino not only competes

1 with other casinos, but it competes with
2 everything in society that keeps you out of that
3 chair, at that slot machine, at that blackjack
4 table. We have several local businesses along the
5 24 Highway area within the Sugar Creek city. And
6 I just don't want to see those businesses harmed
7 by this project. I am not for or against it, just
8 like the last person said. I just would like the
9 merits of the impact on our local community
10 examined before we just hand over another license.
11 I think we should leave the 13th one vacant if we
12 can't really get a good grip on that. Thank you.

13 CHAIRMAN MATHEWSON: Thanks. Thanks for
14 being here. Okay, with that, that will conclude
15 the public testimony that we have. For the
16 record, Ms. Davis, I at least, I think all of us
17 posted you as neutral on the issue, okay, so that
18 you are not an opponent. I thought you made some
19 excellent points. Thank you for doing that.
20 Okay. With that, we will now take a vote to go
21 out of -- where is Angie. We don't need to do it
22 now because we are going into the public side of
23 the regular monthly meeting, right?

24 MS. FRANKS: Yes.

25 CHAIRMAN MATHEWSON: So we will just

1 take a short recess and give everyone an
2 opportunity. Again, thank you all very much for
3 being here. It has been very informative on the
4 issue. And thanks so much. Be safe.

5 (Whereupon, the hearing concluded)

6 - - -

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

I, JAMES A. LEACOCK, Certified Court Reporter,
do hereby certify that I appeared at the time and place
hereinbefore set forth; I took down in shorthand the
entire proceedings had at said time and place, and the
foregoing 61 pages constitute a true, correct and
complete transcript of my said shorthand notes.

Certified to this 14th day of October, 2010.

James A. Leacock, CCR.
Certified Court Reporter No. 662 (G)
Notary Public, State of Missouri

