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SUFFOLK COUNTY GAMING TASK FORCE

William Rogers Legislative Building  
725 Veterans Memorial Highway  
Smithtown, New York

April 29, 2010  
10:00 a.m.

BEFORE:

LEGISLATOR WAYNE HORSLEY,  
14th Legislative District  
Presiding Officer

REPORTED BY:

THERESA PAPE, Court Reporter/Notary Public

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A P P E A R A N C E S :

BILL SHILLING, Police Officer

THOMAS A. ISLES, Director  
Suffolk County Planning Department

NICHOLAS ZUBA, representing  
Supervisor Steve Bellone, Town of Babylon  
Suffolk County Supervisor's Association

LANCE A. GUMBS, Vice Chairman  
Shinnecock Indian Nation

PHILLIP D. BROWN, Secretary  
Shinnecock Indian Nation

DARCIE HOUCK, Shinnecock Indian Nation

ROBERT FONTI, SCGC Member

LORI ANN TAGGART, Suffolk County  
Community College

ROBERT LIPP, BRO, SC Legislature

ROBERT ANRIG, Suffolk County Economic  
Development

BRYAN GALGANO

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2 (WHEREUPON, this proceeding convened at  
3 10:00 a.m. Off-the-record discussions ensued,  
4 after which the following transpired:)

5 (Time noted: 10:17 a.m.)

6 LEGISLATOR HORSLEY: Good morning,  
7 everybody. And first let me just express that  
8 this, apparently, was a bad day for a lot  
9 people; they had other obligations.

10 First let me start with Ray Donnelly, who  
11 is -- of course, he is one of the managers of  
12 LIFT, which is the -- the technology  
13 organization in Nassau County, who chairs  
14 this. He was unable to make it today because  
15 he had other commitments, and so I was -- I am  
16 -- I'm sitting in for him; and I think we'll  
17 be able to handle that.

18 As well as, Mia Napa, I understand, is  
19 not able to come. I got a call on the way  
20 here that the -- the unions expressed their  
21 regrets to the Shinnecock Nation that their  
22 e-mails are screwed up. And I said, "What are  
23 you talking about, we've been talking about  
24 this for weeks"; but they were unable to make  
25 it, and they -- they apologize. But they

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1 Suffolk County Gaming Task Force 4/29/10 4  
2 absolutely will be here for our presentation  
3 meeting, which will -- we're hopefully going  
4 to -- we're going to talk about that in a  
5 minute.

6 Who else was unable to make it?

7 Okay. Whatever.

8 Let's move on, because this is a planning  
9 meeting of how we're going to approach this  
10 from Suffolk County to the -- the Shinnecock  
11 Nation in consideration for the -- the future  
12 Shinnecock Casino in Suffolk County.

13 First, let me state that -- and even this  
14 I -- I debated in my head, should we do this.  
15 Because of all the news of late, we also, in  
16 Suffolk County, have been meeting with the  
17 Shinnecock Nation, as -- as -- as has Nassau  
18 County.

19 (Laughter)

20 LEGISLATOR HORSLEY: So we'll put that on  
21 the record. Though we will -- and -- and a  
22 commitment that we will not be as outspoken in  
23 the press, because that's the way we want to  
24 handle this -- this business.

25 So, what I wanted to do first, we're

1 Suffolk County Gaming Task Force 4/29/10 5  
2 going to be talking about the future, but I --  
3 I know that Bob's -- Robert Lipp, who is the  
4 economist for the legislature, has put  
5 together a brief report for us -- not too  
6 brief if you don't have to be -- but a report  
7 to us on -- on the impact of casinos in other  
8 places, in other locations, and how they may  
9 impact Suffolk County.

10 Robert.

11 MR. LIPP: Thank you, Wayne.

12 Okay. First, what I'm not going to talk  
13 about is really an economic impact. This is  
14 just like talking about for now what revenues  
15 are brought in by other casinos in the state.  
16 In terms of an actual economic impact, it  
17 would be really premature right now. It  
18 would -- it -- it does take some effort. I'm  
19 unfamiliar with the modeling to do that kind  
20 of stuff, but, you know, we would need, for  
21 instance, the site, and we would have to do a  
22 whole analysis, it would take some time. So  
23 that's something that's doable, but it's  
24 premature at this point to go that far.

25 LEGISLATOR HORSLEY: So, Robert, what

1 Suffolk County Gaming Task Force 4/29/10 6  
2 you're saying is you -- what you want to do is  
3 you're -- this is like the first run through  
4 of what a deal could look like, or what a --

5 MR. LIPP: Exactly.

6 LEGISLATOR HORSLEY: -- what a -- an  
7 arrangement that could be, or a negotiated  
8 arrangement could start --

9 MR. LIPP: Right. And --

10 LEGISLATOR HORSLEY: -- between parties.

11 MR. LIPP: And depending upon, you know,  
12 what everybody's comfort level is, perhaps, at  
13 some later date, if there was a site, for  
14 instance, determine -- and we we're getting  
15 closer, then we could take a look at the --  
16 the actual economic impact.

17 So really what you have here, on -- on  
18 this sheet that I'm going to go over, is what  
19 is the -- the tax revenue impact to  
20 localities, which is -- and -- which is  
21 separate and aside -- this being like a fiscal  
22 impact to -- to municipal budgets, which is  
23 separate and aside from an economic impact.

24 LEGISLATOR HORSLEY: Okay.

25 MR. LIPP: Okay. That being said,

1 Suffolk County Gaming Task Force 4/29/10 7  
2 probably the most important thing on the table  
3 that you have in -- and, certainly, anyone who  
4 doesn't have a copy, I can give you -- pause.

5 I guess we all have a copy of it.

6 LEGISLATOR HORSLEY: Good.

7 MR. LIPP: Is the footnote on the bottom.  
8 And if you look at the footnote, basically,  
9 the revenue sharing agreements of the state  
10 are the -- with -- with two of the three  
11 tribes here -- listed here. In the first four  
12 years is 18 percent of the -- the revenue  
13 would be -- would be remitted to the state; 22  
14 percent nears five to seven; and 25 percent  
15 after year seven. So it's like a -- an  
16 increasing amount that goes up in a --  
17 lockstep in that way. That's not to say that  
18 any agreement -- if -- if a casino is built in  
19 Suffolk County, or Nassau County for that  
20 matter, would be the same at all.

21 So, for instance, for whatever reason,  
22 the Turning Stone Casino in Oneida, there is  
23 currently no revenue sharing agreement. I'm  
24 not sure what the whys and wherefores are  
25 there, the other casinos all have agreements

2 with the state.

3 Of the amounts remitted by the casinos to  
4 the state, and the percentages, once again,  
5 are in the footnote, a minimum of 25 percent  
6 of those revenues go to the municipalities.  
7 So the numbers you're looking at here, the  
8 revenue numbers, are 25 percent of whatever  
9 the amounts that are remitted to -- by the  
10 casinos to the state.

11 So the state is a collection agency, and  
12 they -- they provide 25 percent of whatever  
13 they're getting from the casinos back to the  
14 local municipalities. And the range is, with  
15 the Niagara casino, 18-19 million at -- at the  
16 high end, and you can see there a sub- --  
17 subcategories of distribution between the --  
18 the local municipalities, how it's  
19 distributed.

20 I imagine, from the -- the Nation's point  
21 of view, they wouldn't really care about how  
22 it's split up, but whether or not there's an  
23 agreement with the state and for what portion  
24 of the revenues; that would be up to the  
25 municipalities, how they'd want to split it

2 up.

3 And you can see that they -- on the low  
4 end, it's -- well, 5 million, currently, for  
5 St. Regis Mohawk Tribe. It appears that, with  
6 the -- with the St. Regis Mohawk Tribe, that  
7 the significant increase may be a step up from  
8 years -- year four to year five, that is 18  
9 percent to 22 percent, may account for the  
10 large increase there.

11 So really what we're talking about is,  
12 okay, how is -- how would Suffolk County or  
13 Long Island fit in if there was a casino out  
14 here? Right now it's a little premature to  
15 say. If you look at overall sales tax,  
16 Suffolk County, Nassau County as well,  
17 generates so much more than the rest of the  
18 state, New York City aside, of course, that  
19 you would think on the surface that we would  
20 generate significantly more dollars.

21 We'd need to do an analysis to determine  
22 that. There are a couple of factors that --  
23 it's a little premature to speculate as to  
24 what extent we would receive more revenues,  
25 among other things.

2 Some of the areas that -- or probably all  
3 of the areas that -- well, maybe not Buffalo,  
4 but the other areas where casinos are located,  
5 there's probably not a lot going on in terms  
6 of entertainment dollar compared to on Long  
7 Island. So, therefore, you probably get more  
8 local people to actually go out there.

9 Whereas, on Long Island, there's a lot of  
10 demand -- or a lot of alternatives, I should  
11 say, for -- for the entertainment dollar, so  
12 people will -- if they don't like something,  
13 they'll just go elsewhere.

14 I know a good case and point, a personal  
15 observation with the New York Mets is when  
16 they're doing lousy, they'll -- you don't see  
17 anybody go to the stadium because there's so  
18 many other things they can do; and when they  
19 are doing well, then they fill up the seats  
20 really fast. So, at least for the while, we  
21 should be doing well. And, of course, there  
22 is -- there's always the issue of, okay, how  
23 much tourism are you going to attract, and is  
24 people off the island as well as local  
25 dollars.

2 So that's what we've done with the  
3 impact, is you'd have to make an adjustment to  
4 the fact that the -- the residents in the area  
5 may be spending here as opposed to elsewhere,  
6 and, therefore, there may not be positive  
7 economic impact if it's just your -- if you're  
8 just -- it's an alternative use for local  
9 dollars to the extent that we're -- that  
10 people are going out and spending additional  
11 dollars would be; and, of course, to the  
12 extent that you're getting people form out of  
13 the area that are coming in and spending  
14 clearly with the other dollars as well.

15 So I would speculate that the dollars  
16 being brought in by these -- to these casinos  
17 are probably less than we would wind up  
18 getting out here, but we would have to do an  
19 analysis and there are --

20 LEGISLATOR HORSLEY: Right.

21 MR. LIPP: -- a lot of factors. So this  
22 is a good starting point. Here's -- and this  
23 is good for the Shinnecock's, too, to  
24 understand -- I'm sure they probably already  
25 know that here are these -- the different

1 Suffolk County Gaming Task Force 4/29/10 12  
2 casinos in the state (indicating), and these  
3 are the agreements that they have with the  
4 state (indicating), that is in the footnote.  
5 And then, a minimum of 25 percent  
6 (indicating), that which I think -- that's all  
7 the localities get, is literally 25 percent of  
8 whatever is being remitted.

9 That's it. Any questions?

10 MR. FONTI: (Indicating)

11 LEGISLATOR HORSLEY: Bob.

12 MR. FONTI: Yes. A question for you.

13 Obviously, that's just a pass-through of  
14 the revenue that is passed through the --  
15 passed through the state, and we just -- down  
16 to the locality; is that correct?

17 MR. LIPP: Correct. The -- the state  
18 collects the money. So the casino -- the  
19 tribe interacts directly with the state. They  
20 just send -- they send the state the money,  
21 and then it's -- it's -- as far as the -- the  
22 tribe is concerned, it's just the relationship  
23 between the state and the localities; to what  
24 extent, localities gets anything.

25 MR. FONTI: Would revenue be able to be

1 Suffolk County Gaming Task Force 4/29/10 13  
2 derived if there was a special consideration  
3 on a land use arrangement, like a  
4 public/private trust between a local developer  
5 and -- and -- and the -- and the Shinnecock  
6 Nation and -- and the county?

7 MR. LIPP: I'm not sure what -- what  
8 you're -- where you're going with that.

9 MR. FONTI: There's been land trusts set  
10 up for specific needs, obviously, you know,  
11 whether it's --

12 MR. LIPP: Yes.

13 MR. FONTI: -- for housing needs and so  
14 on. Would there be revenue -- can there be  
15 revenue designed for a special land trust? So  
16 if a developer wants to participate, if the  
17 county had said, Listen, we wanted to work  
18 and -- and -- and address the needs of -- of  
19 the -- of -- of -- of the -- the tribe, and we  
20 wanted to look at it from two different  
21 levels, one from the social side and one from  
22 the business side, and those -- it would be an  
23 impact -- financial impact on the county for  
24 that, would that -- can the county somehow get  
25 either a pass-through or some type of revenue

2 source for those additional services?

3 MR. LIPP: Yeah. I think the short  
4 answer is that what -- what -- what's --  
5 what -- what will actually happen down the  
6 pike should -- on the casino be established,  
7 is the -- the Shinnecock's will -- will have  
8 to make arrangements with the state. And  
9 let's say it's in Suffolk County, I'm sure  
10 they will interface with county government.  
11 And that's -- that's going --

12 In other words, you could have almost any  
13 sort of a deal that the tribe and the state  
14 and the locals are comfortable with. And, you  
15 know, depending upon the strength of  
16 preferences, you know, maybe there's something  
17 in there that's a make or break for the deal,  
18 that will be implemented separate and apart  
19 from this. This is -- you know, here is  
20 the -- you know, the existing agreements,  
21 doesn't mean that it has to continue that way  
22 locally.

23 MR. FONTI: Thank you.

24 MR. LIPP: So you can think out of the  
25 box, effectively, with respect to that.

1 Suffolk County Gaming Task Force 4/29/10 15

2 MR. FONTI: Thank you.

3 MR. GUMBS: (Indicating)

4 LEGISLATOR HORSLEY: Lance.

5 MR. GUMBS: A couple of points.

6 These numbers, these casinos, this  
7 revenue is based on just slot machines --

8 MR. LIPP: That's correct.

9 MR. GUMBS: -- and that's -- that's a  
10 little bit different.

11 Secondly, when we're talking about these  
12 areas, including the -- the Niagara casino, it  
13 really depends on what kind of facility you  
14 establish; and that -- that's a big issue.  
15 You know, I hear you talking about the numbers  
16 out here in Suffolk County, but depending on  
17 the type of establishment -- you know, whether  
18 you're making an entertainment destination or  
19 just a gaming facility. So there -- there are  
20 a lot of nuances that are involved in -- in  
21 the whole process, which, as a tribe, we  
22 haven't, you know, yet determined if -- you  
23 know, which direction we're going to be going  
24 in.

25 Thirdly, there are agreements between the

1 Suffolk County Gaming Task Force 4/29/10 16  
2 tribes and local areas up there, their local  
3 areas, especially for things like, you know,  
4 police, fire. So all of those things, even  
5 though I'm -- I'm looking at this here, I  
6 don't see too many of those included in this.  
7 And I know Seneca for a -- in -- in fact, does  
8 have that with local -- with the local areas.  
9 So there are a number of local agreements that  
10 could be established also.

11 MR. LIPP: Yeah, and those are all  
12 excellent points. I mean, that is one of the  
13 reasons why it would be frivolous at this  
14 point to go ahead and try to do an economic  
15 impact analysis, because, like you said,  
16 there -- it's just way too early in the  
17 process to speculate on that. But these --  
18 these are just some of the arrangements just  
19 to start the thought process, basically.

20 LEGISLATOR HORSLEY: Right.

21 MR. LIPP: It's premature to go further  
22 than that right now.

23 LEGISLATOR HORSLEY: Which was your  
24 assignment.

25 MR. LIPP: Correct.

2 LEGISLATOR HORSLEY: Right.

3 MR. GUMBS: The last thing is just to  
4 sort of follow up on the land arrangements.  
5 It has to be made clear that, any Indian  
6 gaming facility, the tribe would actually have  
7 the land outright. It has to be considered  
8 Indian land, and it has to be taken into  
9 trust, you know, by the tribe in order to  
10 establish Indian gaming on it. So, at that  
11 point, there really wouldn't be any kind of  
12 land sharing or anything.

13 MR. LIPP: Right. And, presumably, all  
14 this would be is a -- part of the overall  
15 package of agreements.

16 MR. GUMBS: Uh-huh.

17 LEGISLATOR HORSLEY: Right.

18 MR. LIPP: No doubt.

19 LEGISLATOR HORSLEY: With due sarcasm, I  
20 can't wait to see that arrangement with  
21 the -- the Nassau Coliseum --

22 (Laughter)

23 LEGISLATOR HORSLEY: -- but I'll move on.

24 (Laughter)

25 MR. LIPP: Well, I -- I think what -- I

1 Suffolk County Gaming Task Force 4/29/10 18  
2 think what we're saying at the end of the day  
3 is everything, including Nassau, is so  
4 premature that -- you know, if you read the  
5 headlines, for instance, in the paper, it  
6 almost sounds like, you know, you're moving  
7 out tomorrow. And, obviously, there's just so  
8 much to do still; you're at the -- the  
9 beginning of the process.

10 MR. GUMBS: And I agree with you on that.  
11 I think that everything is negotiable, you  
12 know, and it depends on really what we're  
13 getting also. You know, this is not going to  
14 be a one-sided deal, and Indian gaming is not  
15 meant to balance the state's budget, nor is it  
16 meant to balance the county's budget, it is  
17 meant to clearly be beneficial to the Indian  
18 tribe and to help whatever, you know,  
19 surrounding community that we're, you know,  
20 going to be going into. But, you know, let's  
21 not make any mistake, this is for the benefit  
22 of the Shinnecock Indian Nation, first and  
23 foremost.

24 MR. LIPP: Yeah, and -- and I -- and I  
25 think -- just one more point to add to that.

2 You could take a very short-term  
3 perspective or a long-term perspective; both  
4 government and -- and the Shinnecock's are  
5 here to stay for a long time. Clearly, there  
6 are budget problems currently. So, for  
7 instance, you know -- take Nassau County or  
8 Suffolk County. You know, we have some  
9 significant budget problems coming up to the  
10 next budget, which is 2011. It is not likely,  
11 even if you have a strong conviction where you  
12 want to be, that the deal will get done by the  
13 end of 2011 even. So one needs to say, Look,  
14 forget about whatever budget issues, as  
15 problematic as they are, this is a long-term  
16 deal; don't rush me.

17 MR. GUMBS: I like that.

18 MR. LIPP: God bless all of us.

19 MR. FONTI: (Indicating)

20 LEGISLATOR HORSLEY: Yeah, Bob.

21 MR. FONTI: Yeah.

22 I guess as more of a procedural, I --  
23 when we first discussed what the radius  
24 restrictions were for the recognition, someone  
25 had mentioned it was 25 miles.

1 Suffolk County Gaming Task Force 4/29/10 20

2 Is that still the same, or is -- is there  
3 a -- has that changed to 50, is --

4 MR. GUMBS: There's a 75 -- right now,  
5 it's currently 75 mile limit on where you can  
6 go, but that's a -- a good -- Senator Schumer  
7 is actively trying to get that looked at and  
8 repealed so that it's -- can be any distance.

9 MR. FONTI: And can you have more than  
10 one area that you're -- you have a casino in?  
11 I mean, is it limited to the number --

12 THE REPORTER: I can't hear you, sir.

13 MR. FONTI: I'm sorry.

14 Is the number limited in scope for a  
15 number of casino locations in the state?

16 MR. GUMBS: At this point, no. I mean,  
17 if you look at the Senecas, the Senecas  
18 actually have a -- a -- the ability to do  
19 three separate casinos, and that's one of the  
20 areas that we're looking at also. But, you  
21 know, it's all -- again, it's a -- it's a  
22 question of negotiations.

23 MR. FONTI: Thank you.

24 LEGISLATOR HORSLEY: Anyone else?

25 MS. TAGGART: I've got a question, Wayne.

2 LEGISLATOR HORSLEY: Yeah, sure, Lori.

3 MS. TAGGART: Bob, it looks to me like  
4 the breakdown equals the total. Which leads  
5 me to ask the question, is the state retaining  
6 any of the funding that's coming to them from  
7 the casino operation?

8 MR. LIPP: No, they -- these are just the  
9 dollars that go to the -- the local  
10 municipalities. And what that is is basically  
11 what -- whatever the percentage is is listed  
12 on the bottom. I -- I believe it's -- 22  
13 percent is coming from the Senecas. And -- so  
14 I think -- perpetually, also the St. Regis  
15 Mohawk Tribe, too, at this point; I think that  
16 they're all at the stage, the five to seven  
17 year stage, where they're remitting 22  
18 percent. Of that 22 percent, 25 percent is  
19 going to the localities. And these dollars  
20 represent the 22 percent of 25 per- -- of --  
21 rather the --

22 MR. GUMBS: Of --

23 MR. LIPP: -- 25 percent of 22 percent  
24 take given by the tribe to the state.

25 MS. TAGGART: Okay.

1 Suffolk County Gaming Task Force 4/29/10 22

2 MR. LIPP: So we don't -- we're not --

3 MS. TAGGART: So the total figure is --

4 MR. LIPP: The total figure is

5 basically -- you can divide this --

6 LEGISLATOR HORSLEY: So it would be times

7 four?

8 MR. LIPP: -- these numbers by 20 -- by

9 22 percent and you'll get the total.

10 MS. TAGGART: And do you have any

11 background information on why the County of

12 Niagara went to --

13 LEGISLATOR HORSLEY: There's a lot of

14 money there.

15 MR. GUMBS: That would be up to the

16 county to negotiate with the state.

17 MR. LIPP: There's no revenue showing an

18 agreement at all with the Oneidas. It wasn't

19 just (inaudible).

20 MS. TAGGART: I'm talking about the

21 County of Niagara --

22 MR. LIPP: Oh.

23 MS. TAGGART: -- first.

24 MR. LIPP: Oh, I'm sorry.

25 No, I don't -- I don't know. I would

1 Suffolk County Gaming Task Force 4/29/10 23  
2 speculate that they internally, you know,  
3 rearranged the dollars, but I'm not sure.  
4 And -- and here, too, you know, whatever  
5 hypothetical agreement is -- is maybe reached,  
6 then it's up to the local municipalities as to  
7 what extent the county would get, or the town,  
8 whichever town it may be, or the schools,  
9 or -- or -- or -- as you can see here, there's  
10 some, you know, economic development stuff  
11 going on in Niagara where the Industrial  
12 Development Agency, the IDA, the Tourism  
13 Convention Center gets some, and then, of  
14 course, you know, there's also some for  
15 medical center. It could be sliced up in lots  
16 of different ways. This is a long process to  
17 go, and -- and -- and how people want to slice  
18 up the money remains to be seen. There's  
19 going to be a lot of -- you know, everybody  
20 will be on line with their hand out.

21 (Laughter)

22 MR. GUMBS: And that's one of the  
23 reasons --

24 LEGISLATOR HORSLEY: I'm shocked.

25 MR. GUMBS: -- we just -- you know, we

1 Suffolk County Gaming Task Force 4/29/10 24  
2 don't want, you know, Suffolk County bickering  
3 over the -- the money when it comes in; we  
4 would appreciate that.

5 LEGISLATOR HORSLEY: Does Suffolk ever  
6 bicker?

7 (Laughter)

8 MR. LIPP: That's for you to answer.

9 (Laughter)

10 LEGISLATOR HORSLEY: That was a  
11 rhetorical question.

12 MR. LIPP: I know.

13 LEGISLATOR HORSLEY: Anything else you'd  
14 like to add, Robert; or anything else --

15 MR. LIPP: I think that's it. I would --  
16 I would caution, you know, to remember the  
17 difference between the short run and the long  
18 run perspective. At some point, although it  
19 would take some effort on our part, it's  
20 possible we -- we could do an economic impact  
21 analysis, but it would take some time and  
22 resources.

23 LEGISLATOR HORSLEY: Right. Yeah, and  
24 we're going to be moving our processes --  
25 we're going to be speeding them up, I think,

1 Suffolk County Gaming Task Force 4/29/10 25  
2 over the next couple weeks, to at least put on  
3 the table certain locations so that the  
4 Shinnecock Nation can make decisions of  
5 what's -- what's available in Suffolk County.  
6 So, yeah, I appreciate that, Robert, and I do  
7 appreciate you going through the numbers for  
8 us.

9 You know, just -- just as an aside, I'm  
10 looking at the -- it surprises me that the  
11 school district was such a small player in  
12 that, because it would seem to me in  
13 Suffolk County, schools are going to be -- if  
14 there's going to be a location, schools will  
15 be a prime issue as far as, you know, revenues  
16 and et cetera.

17 MR. BROWN: I'd like to --

18 LEGISLATOR HORSLEY: Yeah, sure.

19 MR. BROWN: What is the time period via  
20 economic impact studies?

21 MR. LIPP: That's a good question. Part  
22 of my problem is I -- I work for the  
23 legislature, I -- you know, I do so many  
24 different things on a daily basis that  
25 divvying up my time would not be easy.

2 (WHEREUPON, Mr. Robert Anrig joined the  
3 proceeding in progress.)

4 (Time noted: 10:39 a.m.)

5 MR. LIPP: If I was to do it, I imagine  
6 I'd have to do a solid month with- -- without  
7 doing other stuff, which is -- which would be  
8 very difficult. I mean, there's always a  
9 possibility of, you know, hiring a consultant,  
10 too. So -- and -- and also, of course, there  
11 is a matter of -- on the parities of the  
12 legislature and the director of my office; she  
13 might not particularly care for me to be doing  
14 this, but that would be between her and Wayne.

15 LEGISLATOR HORSLEY: Well, we'll work  
16 that out.

17 MR. BROWN: So as -- as soon as you've  
18 identified some sites, you could get on it  
19 right away? If we just identified some sites  
20 tomorrow, you could possibly look at it?

21 MR. LIPP: Not -- not tomorrow.

22 (Laughter)

23 MR. LIPP: I'm going to be working late  
24 tonight on -- on some projects so --

25 MR. BROWN: I want to know how fast he

1 Suffolk County Gaming Task Force 4/29/10 27

2 can get to it.

3 LEGISLATOR HORSLEY: Yeah, I know.

4 MR. LIPP: -- it's -- it's -- it's a  
5 little hard to say; I hear what you're saying,  
6 though. You know, in terms -- then in terms  
7 of the long-term thing here, there is a matter  
8 of whether or not my time can be freed up,  
9 and/or whether or not we can get some money  
10 for a consultant.

11 MR. FONTI: Wait -- if I may?

12 LEGISLATOR HORSLEY: Yeah. Sure, Bob.

13 MR. FONTI: Yeah.

14 MR. BROWN: Thank you.

15 MR. FONTI: I'm sorry.

16 I guess as part of --

17 LEGISLATOR HORSLEY: Were you done, Phil,  
18 or --

19 MR. BROWN: Yeah. Yeah, for the most  
20 part. I just --

21 LEGISLATOR HORSLEY: Oh, I didn't mean to  
22 cut you off.

23 MR. BROWN: I just -- I just really  
24 wanted --

25 MR. LIPP: I think there are some

2 interesting issues in terms of -- you know, on  
3 the one hand, there's a clear economic  
4 benefit; on the other hand, there are, you  
5 know, some -- some social costs and stuff.  
6 There's a whole body of literature that, you  
7 know, I -- in this particular area -- I'm very  
8 familiar with the economic development  
9 literature and how to model it and stuff, but  
10 specifically with casinos, you know, I -- I --  
11 I'm not that well versed, so I would have to  
12 do some reading on that, too.

13 But I -- and I think, you know, in terms  
14 of, you know, opening it up, I'm always a -- a  
15 big proponent of -- of -- you know, of  
16 speaking to all of the pros and cons, and then  
17 trying to get a -- a feel for what the overall  
18 weight is in terms of the benefits versus the  
19 costs. If for no other reason, there are  
20 going to be people on both sides of the issue  
21 saying, this is a -- this is a great idea,  
22 this is a horrible idea. So to try to be as  
23 objective as possible and say, okay, I  
24 understand you're saying this is a horrible  
25 idea, but here is the objective analysis, and

2 it says that you're, perhaps -- you know, that  
3 the -- the negatives are outweighed by the  
4 positives, you know, we're not trying to stuff  
5 this down your throat.

6 MR. BROWN: Okay.

7 LEGISLATOR HORSLEY: I understand that  
8 the -- Robert worked for the -- the Budget  
9 Review Office, and the Budget Review Office,  
10 by its nature and by design -- it to be  
11 independent. You know, though they work for  
12 the legislature, they are to give us an  
13 independent voice on -- on the fiscal matters.  
14 So that is -- you know, that's -- that's where  
15 he comes from.

16 MR. FONTI: (Indicating)

17 LEGISLATOR HORSLEY: Robert.

18 MR. FONTI: If I may, just a follow-up  
19 question with regard to -- we -- we recognize  
20 that there's -- there's a business model here,  
21 as well as a social model in terms of a needs  
22 assessment; we've always been cognizant of the  
23 fact that it's not just the business proponent  
24 for this. As a model, we we're looking at  
25 also what the social issues are in terms of

1 Suffolk County Gaming Task Force 4/29/10 30

2 the schoolings, school education, jobs, and so  
3 on and so forth.

4 Is there any type of needs -- you know,  
5 we're trying to figure out a needs assessment  
6 from the tribal side so we can plug in that  
7 information into the properties as well,  
8 and -- and then try to do an analysis.

9 Is there anything that you could provide  
10 us, which would help us more fine tune the  
11 site selection and the result for the Nation?

12 MS. HOUCK: We can talk about it and get  
13 back to him.

14 MR. BROWN: Okay, yeah, that sounds good.

15 LEGISLATOR HORSLEY: That's a good  
16 answer.

17 MR. BROWN: Uh-huh.

18 MR. LIPP: I think some of that would --  
19 would relate to the planning department. You  
20 know, you're recognizing what sites, and the  
21 planning department would have a -- a very  
22 good idea of what the school district is and,  
23 you know -- you know, how -- how large it is,  
24 and, you know, whether or not there would be,  
25 you know, any sort of burden or not on the

2 school district.

3 I know that one fallacy typically is --  
4 and I'm -- I'm not sure what the -- the  
5 correct number is, but I'll just speculate.

6 Let's say it's \$15,000 per homeowner,  
7 let's say, to support property taxes in the  
8 school district. So the fallacy would be  
9 that, you know, if you're bringing in one more  
10 kid to the school district, and that's a extra  
11 15,000 in a typical home, let's say, the --

12 Well, it's about 9,000 probably out here  
13 on average, county-wide, the average tax bill,  
14 and only two-thirds of that, say it's 6,000,  
15 would be for schools. So -- so the argument  
16 is, okay, you're costing the school district  
17 15,000, and -- and, you know, they -- the --  
18 the average home, you know, if another family  
19 moves in, is only 6,000; that's a fallacy.  
20 And it's a fallacy because it -- it confuses  
21 averages and marginal or additional. If you  
22 add one student to a school district, unless  
23 they're already maxed out, the additional cost  
24 is minimal. You know, maybe I'm overstating  
25 it.

2 So -- so one needs to look at the  
3 critical mass. If you're bringing in a lot of  
4 people, perhaps, from a housing development,  
5 then you're looking at, let's say, for  
6 argument sake, talking purposes, let's say,  
7 100 additional students, then that might be  
8 more than just the minimal cost per student,  
9 because it may or may not require building  
10 more school buildings and hiring more  
11 teachers.

12 So you need to look at what the marginal  
13 analysis is. Whenever somebody talks about  
14 the actual (inaudible) and tries to apply  
15 that, it's -- it drives me crazy, it just  
16 shows a lack of understanding in terms of how  
17 economics works.

18 LEGISLATOR HORSLEY: And we certainly  
19 don't want to drive you crazy.

20 MR. LIPP: Yeah, that's okay. I don't  
21 mind.

22 LEGISLATOR HORSLEY: Some would say  
23 economists are crazy anyway, but --

24 Are there any further questions of  
25 Robert?

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2 (WHEREUPON, there was no response.)

3 LEGISLATOR HORSLEY: Okay. Very good.

4 Then we'll move along.

5 And thank you very much, Robert, I  
6 appreciate it and --

7 MR. LIPP: I'm available, Wayne. Contact  
8 me if anybody wants to talk about these  
9 issues.

10 Thank you very much.

11 LEGISLATOR HORSLEY: Good. Yes, and --  
12 and that is -- that's an invitation, and I --  
13 and I -- I applaud that and appreciate it.

14 And Robert's kind of going to be our  
15 point person for -- for our economic model and  
16 stuff like that, at least coming from the  
17 legislature into the future.

18 Okay. Thank you, Robert.

19 Tom, did you have anything you would like  
20 to add? Tom Isles from the planning -- and  
21 then I'm going to -- we've got a section for  
22 you that I'm going to be talking about, but --  
23 in the future, but --

24 DIRECTOR ISLES: Okay. Do we have an  
25 agenda, by the way?

2 LEGISLATOR HORSLEY: Ah --

3 DIRECTOR ISLES: Okay. But you have me  
4 on the agenda. Okay.

5 I don't have anything specifically to  
6 add. Certainly, I appreciate the presentation  
7 by the Office of Budget Review.

8 LEGISLATOR HORSLEY: Right.

9 DIRECTOR ISLES: We'll be happy to review  
10 that as well, and it was enlightening. We  
11 stand prepared to assist with information,  
12 both to this commission, as well as to the  
13 Nation in general, so we can provide service  
14 if you need it.

15 That's all I have to say at this point.  
16 Certainly, if there's specific areas you want  
17 to discuss from a planning standpoint, we're  
18 most pleased to do so.

19 LEGISLATOR HORSLEY: Good. Thank you  
20 very much, Tom. I appreciate that.

21 And, again, Tom is from our planning  
22 department for -- for the county.

23 The -- the next -- the next issue, and  
24 this is the -- the nuts and bolts meeting that  
25 I wanted to have before we asked the -- the

2 development community to come address --  
3 address this -- this task force, as well as  
4 the Nation. And we -- the -- the thinking  
5 was, and -- and I want approval from the --  
6 the task force itself, that we would set up a  
7 day in very short order, and the date we're  
8 looking for -- looking at -- and if -- if  
9 it's -- if it makes sense, and we will  
10 actually -- we've talked to the Nation at this  
11 point, of May 25th, here -- and that's a  
12 preference of the Nation as well that we meet  
13 here -- to invite the numerous developers who  
14 have said that, We've got the best piece of  
15 property for a casino since sliced bread. You  
16 know, there's nothing else better. But -- and  
17 there's quite a number of them. I --

18 We did a quick count, and I think there  
19 was six or seven; am I right about that,  
20 Bryan?

21 MR. GALGANO: (Head gesture)

22 LEGISLATOR HORSLEY: That have expressed  
23 interest. And what I was thinking, if --  
24 if all right with the task force, that on  
25 May 25th, we send them a letter out, very --

1 Suffolk County Gaming Task Force 4/29/10 36  
2 in very short order, to give them a certain  
3 amount of time to advise us of their -- which  
4 properties are available, their properties,  
5 the -- the details involving the properties,  
6 where their located, the -- the pros, cons,  
7 all -- whatever they want to express to this  
8 committee. And so that was -- that was kind  
9 of what we're thinking as one of our next  
10 steps.

11 Does that -- does anyone have any thought  
12 about what -- what --

13 How long should we give -- if we do this,  
14 how long should we allow them to -- what time  
15 do you think they'll need for a presentation?

16 MR. FONTI: I -- I --

17 LEGISLATOR HORSLEY: As a realtor, you  
18 know --

19 MR. FONTI: As a -- you know, you  
20 would -- depends on the size of the property  
21 and the complexity of it, but I think what we  
22 should do is, before they come to the table,  
23 we should have them provide us with specific  
24 information; in terms of is their property  
25 sewerred, do they have any traffic studies in

2 place --

3 LEGISLATOR HORSLEY: Okay.

4 MR. FONTI: -- anything that they can  
5 provide to us ahead of time, so we -- we can  
6 review it and drill it down. Any  
7 environmental concerns as well, that would be  
8 very helpful. So if we can have that  
9 information prior to them coming --

10 LEGISLATOR HORSLEY: Right.

11 MR. FONTI: -- so we can review it, and  
12 disseminate it out to the Nation as well, and  
13 then define -- then discuss those issues as  
14 they come forward. Obviously, you know, it's  
15 something that they're considering, that  
16 they're asking us to consider.

17 LEGISLATOR HORSLEY: Okay. Bob, would  
18 you -- do you feel that May 25th is -- is  
19 doable?

20 MR. FONTI: Yeah, I -- I do think that  
21 May 25th is doable. I think it more depends  
22 on the -- the developers and how quickly they  
23 can turnaround the information. If anyone is  
24 considering doing this, they either are  
25 considering on doing something else with their

1 Suffolk County Gaming Task Force 4/29/10 38  
2 property, where they have a lot of this  
3 information handy that they could -- they  
4 could -- they could put it into a packet and  
5 provide it. So I would think if you have nine  
6 developers or seven developers coming forward,  
7 if you give each person 10 to 15 minutes to --  
8 to -- to do a whole -- you know, a whole  
9 analysis of why, and if we -- if we could give  
10 them something to fill in ahead of time, so  
11 we -- we know that information, that would --  
12 that would certainly speed up the process. So  
13 two hours, I think, would be more than enough  
14 to -- for that meeting.

15 LEGISLATOR HORSLEY: For that process?

16 MR. FONTI: Yeah, for that.

17 LEGISLATOR HORSLEY: Do you guys -- what  
18 do you think; is that a -- a good idea for our  
19 next step?

20 DIRECTOR ISLES: I'd like to hear from  
21 the Nation.

22 LEGISLATOR HORSLEY: Okay. I think  
23 we've --

24 MR. GUMBS: Just give us a minute.

25 LEGISLATOR HORSLEY: They want a -- they

2 want a minute.

3 MR. FONTI: I -- I -- I guess, Wayne,  
4 what I -- in terms of the -- from the real  
5 estate perspective, I think we -- we're very  
6 site specific in terms of what the needs are  
7 for the Indian Nation, it would help them fine  
8 tune it when they come forward. It doesn't  
9 have to be a very elaborate -- but I think you  
10 have to ask the question; sewerred, nonsewerred,  
11 traffic studies, environmental concerns,  
12 outside, that you know of, is there a lot of  
13 opposition to residential, is there a lot of  
14 opposition to commercial, is it an industrial  
15 area. I mean, and then we could --

16 LEGISLATOR HORSLEY: Proximity to  
17 residents --

18 MR. FONTI: Exactly.

19 LEGISLATOR HORSLEY: -- that type of  
20 thing.

21 MR. FONTI: Exactly.

22 I think they could -- they could do a  
23 radius -- you know, Tom would know much better  
24 than I would in terms of what would affect  
25 and -- and what would come into play.

1 Suffolk County Gaming Task Force 4/29/10 40

2 LEGISLATOR HORSLEY: Okay.

3 MR. GUMBS: We're going to need to go off  
4 the record for a minute --

5 LEGISLATOR HORSLEY: Sure.

6 We're going to go off the record, if  
7 that's -- if we may; okay?

8 (Discussion held off the record)

9 LEGISLATOR HORSLEY: All right. We're  
10 back. And thank you very much, young lady,  
11 for taking a moment.

12 Okay. What -- we're -- the -- the -- the  
13 question in front of the -- of the task force  
14 is that we're going to have a meeting on the  
15 25th for developers, to give them 15 minutes,  
16 approximately, to discuss the individual  
17 properties. Both the Nation and the task  
18 force will be here; in fact, a better  
19 representation of the task force will be here  
20 that day, and -- and we'll move forward on --  
21 on that end.

22 Now, what -- what is -- what we'd also  
23 like to have included in that invitation to  
24 the developers, and there may be less -- at  
25 the end of the day, there may be less than

1 Suffolk County Gaming Task Force 4/29/10 41  
2 what they're saying. You know, there may only  
3 be two, three; who knows. I -- I -- we  
4 can't -- we don't know. But what we're going  
5 to do is, they're going to have to respond  
6 before the -- before the 14th of May that  
7 they're going to be under -- they want to be  
8 in -- in consideration, and they have to  
9 provide this task force with the size of the  
10 property, the location of the property, and  
11 any -- and any other particulars that -- that  
12 we request in the letter, but they have to  
13 respond before the 14th as to whether or not  
14 they're going to be at the meeting on the  
15 25th. Apparently, the -- there is -- there's  
16 interest of putting together a complete list  
17 prior to the 14th. And I think that's --  
18 that's accurate. And that would be all  
19 spelled out in the letter.

20 And what we're going to do is, Bryan is  
21 going to be working with counsel -- with  
22 counsel for the Shinnecock in putting that  
23 letter together. If anyone would like to see  
24 the letter, it would certainly -- it will be  
25 an open process, and that'll -- that'll -- and

1 Suffolk County Gaming Task Force 4/29/10 42  
2 then the actual date of the meeting will be on  
3 the 25th.

4 DIRECTOR ISLES: To whom will the letters  
5 be going to?

6 LEGISLATOR HORSLEY: They will be going  
7 to developers that have contacted either my  
8 office, the Shinnecoaks, and/or out there.  
9 We're just going to blanket letter this to --  
10 you know, to -- and my -- and right off the  
11 top of my head I can think of six or seven  
12 that have contacted this -- and I hope that my  
13 memory's good, because oftentimes there's  
14 people that, you know -- you know, say, I've  
15 got a great piece of the property for you, and  
16 I've got -- you know, that kind of stuff. So  
17 I -- I don't -- we don't know if they're real,  
18 until they respond to the letter.

19 DIRECTOR ISLES: And the purpose of this  
20 is to provide an opportunity to hear ideas,  
21 but it's not a formal process; it's not a  
22 request for proposals --

23 LEGISLATOR HORSLEY: Nope.

24 DIRECTOR ISLES: -- there's not formal  
25 role of Suffolk County, at this point --

2 LEGISLATOR HORSLEY: No.

3 DIRECTOR ISLES: -- in the selection of  
4 sites --

5 LEGISLATOR HORSLEY: No.

6 DIRECTOR ISLES: -- at this point?

7 LEGISLATOR HORSLEY: Right. That is --  
8 that is correct, and I'm glad you pointed that  
9 out.

10 This will just strictly be a -- for lack  
11 of better naming, will -- asking the  
12 developers if they're serious to be -- if they  
13 want to be under consideration, to come down  
14 to give a pitch for their property and why it  
15 is -- why it is a -- a location that should be  
16 considered, and then we'll -- we'll -- we'll  
17 know what's real and what's not real as far as  
18 the development community.

19 DIRECTOR ISLES: I would suggest that  
20 there be consultation with legislative  
21 counsel, since this is a legislative  
22 committee, just to ask the question as to the  
23 form of notice. Here again, it's informal, as  
24 you've said, it's not a informal RFP and so  
25 forth. There have been expressions of

1 Suffolk County Gaming Task Force 4/29/10 44

2 interested extended to the Nation, perhaps --

3 LEGISLATOR HORSLEY: Right.

4 DIRECTOR ISLES: -- and, certainly, to  
5 yourself, Mr. Horsley. Is there a need then  
6 for any other broadcast of this idea -- of  
7 bringing us your ideas; you know, someone who  
8 may feel, Wait a second, I had an idea, but  
9 nobody asked me. So I think there may be --  
10 you know, whether there's a need to put a  
11 notice out or something like that, but you may  
12 want to consider that, at least talk to  
13 counsel about that.

14 LEGISLATOR HORSLEY: True.

15 DIRECTOR ISLES: I have other questions,  
16 just give me a second here.

17 LEGISLATOR HORSLEY: No, no, no, take  
18 your time.

19 DIRECTOR ISLES: In terms of the --

20 LEGISLATOR HORSLEY: This is a good  
21 discussion, because, you know, we -- we want  
22 to make sure that -- the reason why we're  
23 doing this is to open up this process --

24 DIRECTOR ISLES: Right.

25 LEGISLATOR HORSLEY: -- you know, not

1 Suffolk County Gaming Task Force 4/29/10 45  
2 to -- to steer it, we -- we -- because we  
3 don't know really what's out there as far as  
4 the development community.

5 DIRECTOR ISLES: I think it also should  
6 be made clear to -- in -- in the letter --  
7 here again, as you've said, this is an  
8 informal process -- and I'm not arguing with  
9 the process, don't misunderstand --

10 LEGISLATOR HORSLEY: Okay.

11 DIRECTOR ISLES: -- my comments and so  
12 forth, but that, here again, it's to gain  
13 ideas -- it's not a representation that, here  
14 again, there's going to be a commitment to  
15 anything; it's just to open up doors, it's  
16 exploratory, and there's nothing binding, here  
17 again, on the -- on the county part or, I  
18 assume, the Nation's part as well.

19 LEGISLATOR HORSLEY: Absolutely.

20 DIRECTOR ISLES: Will the responses be  
21 limited in any way in terms of geo- -  
22 geography; is it just Suffolk County, or is it  
23 all --

24 LEGISLATOR HORSLEY: Just -- just Suffolk  
25 County.

2 DIRECTOR ISLES: Okay.

3 And then, you know, perhaps, I can talk  
4 to Bryan offline about -- we've done this  
5 several times with different projects that  
6 I've been involved in, in terms of  
7 presentations. And, let me just talk about  
8 some of the logistics in terms of timing and  
9 things like that.

10 Depending on the response you get --

11 LEGISLATOR HORSLEY: And I really have no  
12 idea, you know, what's real and what's not  
13 real at this point.

14 DIRECTOR ISLES: Okay. I'll be happy  
15 just to share some of the experience we've  
16 had --

17 LEGISLATOR HORSLEY: Thank you, Tom.

18 DIRECTOR ISLES: -- with that.

19 Okay. Thank you.

20 MR. FONTI: (Indicating)

21 LEGISLATOR HORSLEY: Yeah.

22 MR. FONTI: Also, if -- Tom, within that  
23 understanding of what's going out, if -- if  
24 you could assist with those pertinent  
25 questions that you would normally know about;

2 is it sewerred, the size, you know, is it  
3 limited, is there steep slopes, is there any  
4 restrictions from environmental --

5 DIRECTOR ISLES: Right.

6 MR. FONTI: -- if we can fine tune that  
7 before it's turned over, that would be  
8 helpful.

9 DIRECTOR ISLES: We could do that,  
10 certainly. Sure.

11 LEGISLATOR HORSLEY: All right. I could  
12 see this is going to require further  
13 conversation beyond the task force. So we  
14 will start that --

15 Bryan, your -- your work is cut out for  
16 you, because you are the man.

17 The other issue, and this is equally as  
18 delicate a conversation, are that there are  
19 several properties that are publicly owned,  
20 and we are -- at least to my -- to my  
21 knowledge, you know, that -- of -- of  
22 either -- you know, public entities that have  
23 expressed that they -- that they may -- would  
24 like to be included in this process. And what  
25 we'll be doing is -- we'll be making

2 arrangements with -- with -- whether it's the  
3 town or the county or whatever, to discuss  
4 those -- those issues further with -- with  
5 those entities, and bring that information to  
6 the Nation so that that could be added to this  
7 list that will be provided on the 14th. So it  
8 may very well be that -- that even though some  
9 of those public properties that have been  
10 mentioned may not like to be included in this  
11 list, but we'll found that out. And that's --  
12 and we'll do that all by the 14th.

13 MS. HOUCK: And --

14 LEGISLATOR HORSLEY: Yes.

15 MS. HOUCK: And just -- just as -- as the  
16 county official just made their caveat, we  
17 just wanted to make it clear that we are here  
18 to talk with the county, we're interested in  
19 being good neighbors and working with you to  
20 find locations, but we're not soliciting sites  
21 or making any kind of representations that  
22 we're committing to anything that comes out of  
23 these presentations; we want to hear what the  
24 people have to say. But the tribe's going to  
25 be working with the state in their

1 Suffolk County Gaming Task Force 4/29/10 49

2 government-to-government negotiations, and  
3 when they reach a proposal, they'll come back  
4 and they obviously want local support; that's  
5 very important. But this is not --

6 LEGISLATOR HORSLEY: Binding.

7 MS. HOUCK: -- binding, or that the tribe  
8 is basically coming out saying this is going  
9 to result in -- with anything.

10 LEGISLATOR HORSLEY: Any questions on  
11 that statement?

12 (WHEREUPON, there was no response.)

13 LEGISLATOR HORSLEY: Everyone understand  
14 it?

15 (WHEREUPON, there was no response.)

16 LEGISLATOR HORSLEY: I think we're all in  
17 the same boat, it sounds like.

18 But yet, I'm hopeful that it's going to  
19 be right here in Suffolk. But let's -- let's  
20 move on.

21 I wanted -- I wanted to mention that  
22 there are -- there are several other  
23 properties under consideration, and -- and we  
24 will be coming forth with them prior to  
25 May 14th, at which point -- who do want to be

1 Suffolk County Gaming Task Force 4/29/10 50  
2 considered for active consideration, and which  
3 ones are not interested.

4 Okay. Fair enough at this point in time?  
5 (WHEREUPON, there was no response.)

6 LEGISLATOR HORSLEY: What else do we have  
7 to cover?

8 You know, oh, there is something else  
9 that we've got to do. The legislation that we  
10 passed talked of a -- a final -- a report from  
11 the task force.

12 And maybe, Tom, this might be -- this  
13 is -- this is where I -- I -- I wanted to  
14 chime in. I -- I know what -- what will be  
15 included in that final report that -- that  
16 this -- there is a list that we've met, and  
17 there's so many -- so there's so many --  
18 developers were interested in it, and so many  
19 were not. You know, basically an update. And  
20 that would be included in the -- in the -- in  
21 the report to the Shinnecock Nation, to the  
22 legislature.

23 But is -- is there a level of where we  
24 should be putting -- you know, it may not --  
25 when I talk about putting our best foot

1 Suffolk County Gaming Task Force 4/29/10 51  
2 forward, you know, why -- why we should -- why  
3 the Shinnecock Nation should consider Suffolk,  
4 should that be included in this report? And  
5 I -- I know we originally discussed this back  
6 a meeting or two ago; is that something that  
7 you feel would be important so that they --  
8 the Shinnecoeks get a final product from us?

9 DIRECTOR ISLES: It would seem to me that  
10 providing at least a general description of  
11 Suffolk County, which obviously -- that's not  
12 news to the Nation, certainly, but I think  
13 putting it in a context of the geography, the  
14 economy, the demographics, the opportunities  
15 as well as the constraints of Suffolk County  
16 in terms of siting a facility.

17 So I think in a descriptive nature in  
18 terms of framing this that we, you know, for  
19 example, have the largest economy, outside of  
20 New York City and New York State, with Nassau  
21 County we've got an economy that's roughly  
22 equal to the size of the country of Kuwait and  
23 so forth. Things like that where we have more  
24 disposable income than most other counties in  
25 the country, we're in the top five of that.

2 So there are a lot of attributes of the county  
3 in terms of its economics; its demographics,  
4 we're one of the largest second-home counties  
5 in the country, we're ranked number six in the  
6 county out of over 3,000 counties. So in  
7 terms of inputting disposable income.

8 It generally does not put a great demand  
9 on many types of municipal services and so  
10 forth. So I think in terms of your question,  
11 Mr. Legislator, in terms of should the report  
12 have some sort of that background information;  
13 I think so.

14 LEGISLATOR HORSLEY: Okay.

15 DIRECTOR ISLES: I'm not here to take the  
16 position one way or another, and I'm not going  
17 to as to whether a casino should come to  
18 Suffolk County or not, you know, I don't think  
19 that's my role --

20 LEGISLATOR HORSLEY: No.

21 DIRECTOR ISLES: -- but in terms of  
22 providing information that I think is helpful  
23 to the -- to the Nation --

24 LEGISLATOR HORSLEY: To making that  
25 decision.

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2 DIRECTOR ISLES: -- to the public in  
3 terms of understanding the --

4 LEGISLATOR HORSLEY: And maybe it  
5 might --

6 DIRECTOR ISLES: -- situation.

7 LEGISLATOR HORSLEY: -- it might inform  
8 the State of New York what Suffolk's about.

9 DIRECTOR ISLES: Okay.

10 LEGISLATOR HORSLEY: That sounds good.  
11 Thank you, Tom. And you'll -- you'll assist  
12 us with that -- putting that piece together?

13 DIRECTOR ISLES: When? Okay, what's the  
14 timing of that? Is that -- that's post  
15 May 25th?

16 LEGISLATOR HORSLEY: Yeah, I think  
17 that'll be post May 25th. Yeah. Let's get --  
18 let's get that processed, out of the way,  
19 and -- and -- so we -- we could have the field  
20 narrowed so we know what we're dealing with as  
21 far as the list of the properties and the  
22 like, because that should be in the report as  
23 well. Because I -- I don't think at the end  
24 of the day it's this task force job to say,  
25 This is the property that you should consider.

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2 What we want to do in the -- in the  
3 course -- and I think this is where the  
4 discussion's gone right from the beginning, is  
5 that what we want to do is to have an array  
6 of -- of opportunities. And at the end of the  
7 day, when the Nation comes back to us and  
8 says, Boy, we would really like you to -- we  
9 would like to consider this property or that  
10 property, or even more than one, that this --  
11 this group, as well as Suffolk County, will be  
12 energized to go out and start to help you make  
13 that a reality.

14 Does that --

15 MR. GUMBS: That's what we're looking  
16 for; we're looking for that support.

17 LEGISLATOR HORSLEY: Right. And I think  
18 that's the gist of this -- what we're -- what  
19 we're about.

20 DIRECTOR ISLES: Well, I can  
21 definitely -- you know, speaking on behalf of  
22 the department, we can definitely provide  
23 overview materials, at least in the generic  
24 way for the county as a whole and so forth.  
25 How far we can drill down would be the

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2 question, but certainly we could provide, I  
3 think, very good and update and important  
4 economic demographic information; you know,  
5 certainly in June we could do that.

6 LEGISLATOR HORSLEY: Yeah. I mean, a lot  
7 of this stuff is, you know, in our bond  
8 offerings and stuff --

9 DIRECTOR ISLES: Exactly, which we do a  
10 lot of that.

11 LEGISLATOR HORSLEY: I know we do.

12 DIRECTOR ISLES: And we update that -- we  
13 just updated it two weeks ago. But, here  
14 again, I'd want to take that, with other  
15 information we have, to then make a narrative  
16 that would be, I think, suitable for a  
17 document like this.

18 LEGISLATOR HORSLEY: Okay. So maybe you  
19 could start as -- you know, as we're moving  
20 along, starting to frame that at least in your  
21 mind or -- you know, or have one staff member,  
22 you know, start to -- to help us here to put  
23 this together.

24 DIRECTOR ISLES: Right. Here again, I --

25 LEGISLATOR HORSLEY: Without a deadline

2 at this point.

3 DIRECTOR ISLES: We can -- we can do it,  
4 and -- so, here again, if we're not looking at  
5 it by May 25th, I can get somebody scheduled  
6 to work on it in June for at least a couple of  
7 days anyway.

8 LEGISLATOR HORSLEY: Good.

9 DIRECTOR ISLES: Okay?

10 LEGISLATOR HORSLEY: Okay. The future of  
11 Suffolk is riding on this decision, but --

12 (Laughter)

13 LEGISLATOR HORSLEY: Anyway, is there  
14 anything else that needs to be discussed at  
15 this point and time?

16 MR. FONTI: Just the time frame of the  
17 submission of the letter to the developers. I  
18 want to make sure we -- we reverse engineer  
19 that. We know when it's going out and when  
20 it's coming back, and what it has to say is  
21 site specific and need specific.

22 LEGISLATOR HORSLEY: Right.

23 Bryan, you got any thoughts on this?

24 You're going to have to talk to, of course,  
25 the attorneys, both for Suffolk County -- both

1 Suffolk County Gaming Task Force 4/29/10 57

2 for the legislature as well as a Nation, what  
3 will be included. And then we've got to put  
4 together a list --

5 And we're going to need your list as  
6 well, who you want us to solicit; and it may  
7 be the same list.

8 MR. GUMBS: Yeah.

9 LEGISLATOR HORSLEY: And my suspicion is,  
10 at least, most of them will be. And I think  
11 we're going to boil down to probably -- maybe  
12 seven, eight, nine, ten letters, something  
13 around that level. And -- and we'll put them  
14 out and see what comes back.

15 MR. GUMBS: Okay.

16 LEGISLATOR HORSLEY: All right?

17 MR. GUMBS: Sounds good.

18 LEGISLATOR HORSLEY: Okay.

19 Gentlemen, anything else you'd like to  
20 add, or anything you'd like to hear?

21 (WHEREUPON, there was no response.)

22 LEGISLATOR HORSLEY: It's Kumbaya time --

23 (Laughter)

24 LEGISLATOR HORSLEY: In a month or two  
25 we'll be saying, Ah, ah, ah --

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2 (Laughter)

3 LEGISLATOR HORSLEY: I'm only kidding.

4 All righty. So we'll be back on the  
5 25th; the letters will be out. We'll have a  
6 list by the 14th of those properties that are  
7 under consideration, that wants to be in  
8 consideration, and -- and will be forwarded to  
9 those parties that are interested in that  
10 list.

11 We're good. Thank you.

12 (WHEREUPON, this meeting of the Suffolk  
13 County Gaming Task Force was adjourned at  
14 11:15 a.m.)

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C E R T I F I C A T E

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I, THERESA PAPE, a Shorthand Reporter and  
Notary Public of the State of New York, do hereby  
certify:

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That the foregoing is a true and accurate  
transcription of the stenographic notes taken  
herein.

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I further certify that I am not related to  
any of the parties to this action by blood or  
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outcome of this matter.

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