

MEETING MINUTES OF THE
PALMER CITIZEN CASINO IMPACT STUDY COMMITTEE
GENERAL GROUP MEETING
PALMER TOWN BUILDING, MEETING ROOM 1
MARCH 11, 2009 – 6:30 PM

Meeting opened at 6:30 PM by Gerald Chudy, Chair

ATTENDANCE

PRESENT Gerald Chudy, Anthony Dimitropolis, Stephen Sears, Rocqueline Blazejowski, CathyAnn Gehlhausen, Charlotte Burns, Carol Sugrue, George Roy, Joseph Mastalerz, Paul Wisnewski

ABSENT Michael Swiatlowski, Rajan Ghosh, George Roy

MINUTES:

G. Chudy said that because Secretary M. Swiatlowski was not present there were no minutes to review. Group appointed C. Burns to take minutes in his place.

AGENDA: READING OF SCHOOL AND HOUSING REPORT

Prepared by S. Sears and C. Gehlhausen

S. Sears explained the report's format: Interviews on the first 11 pages; from page 12 on, a listing of assumptions based on interviews, printed materials and reports to the public.

S. Sears explained that the Spectrum Report the governor commissioned was an important reference because it studied a lot of the same issues his subcommittee did. This commissioned report looked at casinos all over the country. He stated that the Spectrum Report critiqued the Middleborough report and gave guidelines in future state legislation on casinos. Sears explained the different regions the report designated for casinos (i.e. #1 towards Boston).

Other Spectrum recommendations were that region #1 should host a flagship casino. It suggested that after an initial proposal, the contenders have a chance to regroup and come back with better proposals. The report is strong on mitigation with a two pronged approach: through the state and with the host community.

S. Sears also used the report, "Casino Gamble in Massachusetts" as a reference and for validation of what he and C. Gehlhausen found themselves. He said he interviewed the same public school officials in Connecticut.

S. Sears said that at the end of the report is a chart with various scenarios based on information stated by experts.

S. Sears stated that the governor will have several different suitors vying for the casino site, and that if the casino was too small that it would not likely be the governor's choice.

S. Sears stated that the Spectrum Report's estimate of jobs was 3357. On his chart, S. Sears averaged Spectrum's estimate with the casino's and came up with 3670 jobs.

S. Sears explained that the number of jobs was important to his report because there is a strong correlation between where workers live and where they go to school. He also stated that these would not be high paying jobs, based on CT, and that they would be filled by immigrants or 2nd generation immigrants. He stated that these workers would likely live near where they worked based on statements made by committee guest, a Norwich, CT reporter. He also stated statistics that indicated that 25% of Atlantic City casino workers live in Atlantic City and 80% live in the county.

S. Sears emphasized that his report his information is based on reports by professionals. On his chart he indicated the number of employees by household: 1.2 because several households would have 2 adults working there.

S. Sears said that he updated 4 different scenarios, based on media releases and other reports. He estimated that there would be .96 students/household in Palmer.

C. Gehlhausen cited 2007 costs per student in Palmer as \$10,804. She said more recent statistics have not come in yet.

S. Sear's described several scenarios: All employees will live in Palmer; _ of Palmer residents will work in the casino; _ of casino jobs will be filled by people in Palmer; 100% of unemployed will work in the casino. He stated that unemployment rates in New London County were not affected by the casino. There were not a lot of local residents working at the casinos, and that most came from outside Uncasville and Ledyard. He said that 86% of people employed at the casino live in New London County, and that there are 1.2 casino employees per household and .96 students per household.

S. Sears stated that the greatest estimate of the cost would be a new school. He said school officials were taking grant aid funding into consideration and that they did not expect much funding from Obama's stimulus.

R. Blazejowski asked if his figures were based on a time when the economy was in better shape. She stated that with the economy today a lot more local people would be looking for jobs at the casino.

S. Sears stated that the casino would not necessarily hire local people, that they might not fit their criteria, and that they were actually looking for dealers in South America. He stated that the typical pay was \$27,000/year.

There was a discussion of how much minimum wage is now. A. Dimitropolis explained that dealers start at \$3.75 an hour and were paid less because much of their income was expected to come from tips.

A discussion ensued about the cost of the schools built in 1992. S. Sears explained that it cost \$21,000,000 with 77% paid by the state. (C. Sugrue said \$29,000,000)

C. Gehlhausen pointed out that the existing schools were experiencing many structural problems such as leaking.

P. Wisnewski voiced concerns about the report. He stated that the Palmer schools are operating at 70% capacity now. He asked how high the population had to increase before they would have to build a new school or expand Pathfinder (which is not under capacity).

S. Sears asked P. Wisnewski to envision 750 empty desks. "That's what we have."

P. Wisnewski said that 3 new people coming to town would equal one desk. He asked S. Sears if that meant that once the population of Palmer exceeded 16,000 it would need a new school.

S. Sears stated that people working at the casino would tend to be young people of child bearing age.

P. Wisnewski disagreed, saying that people working in the casino would be single and transient and that we would not need a new school until the population of Palmer reached 18,000. He didn't think we needed a new school, and that it was an assumption that all employees would live in Palmer. He stated that Palmer has 40 surrounding communities and that only 25% of employees will live in this town. He said that only 25% of Atlantic City's casino employees live in that community. He estimated only 800 employees would live in Palmer, the difference being that Atlantic City has nothing around it.

S. Sears told him to read the reports by the experts.

G. Chudy and S. Sears disagreed on the amount of taxes that are being paid on the Northeast Realty property. G. Chudy said that S. Sear's figures of \$10,000,000-13,000,000 could not be right.

G. Chudy asked S. Sears if he had written in his report that Palmer needed a new school and if he had written in the costs of \$40,000,000. S. Sears said he had. G. Chudy asked S. Sears if a regional school was a consideration... S. Sears stated that this controversy has come up many times and has been rejected. He also stated that Dr. Pace, principal of Pathfinder said that participating towns would have to agree on new students at Pathfinder and that a lot of the surrounding towns were not happy about the casino.

R. Blazejowski cited an error on S. Sear's map. Thorndike St. was labeled as N. Main St.

J. Mastalerz asked if 80% of the CT casino workers lived in New London County.

S. Sears responded by pointing out that Norwich, CT is the only town that resembles Palmer socio economically, with about the same population density and multi-family housing situation. The towns that surround Norwich most closely resemble Wilbraham and are not suitable for blue collar workers in need of rental properties.

J. Mastalerz said there are rental properties in Ware and Monson

S. Sears said that Palmer has a lot of rental properties and property that could be developed.

P. Wisnewski argued that S. Sear's assumption that most of the casino workers would be living in Palmer was based on a weak foundation. He pointed out that there is Holyoke, Chicopee and Ludlow, and that they could commute from other towns. He said that he thought only 10% of the workers would live in Palmer. C. Gehlhausen and C. Sugrue both said they thought 50% would. R. Blazejowski disagreed.

C. Burns said that we should present the worse case scenario in order to maximize benefit from mitigation.

S. Sears voiced disappointment that school superintendants were not respected.

R. Blazejowski asked what Mohegan Sun said the percentage of workers would be Palmer residents.

S. Sears said that he felt their numbers would be prejudiced in their favor.

A. Dimitropolis asked S. Sears what the population would have to be in order to warrant new schools. S. Sears told the committee that page 3 of his report gives the current capacities of the schools, that there were 750 empty

desks now, that one had to do the math. He asked what would happen if there was a huge influx in the junior high and high school. He said that the numbers in his report are what Fournier told C. Gehlhausen and himself.

S. Sears said that landlords were “chomping at the bit” to rent to casino workers, and that it would be unrealistic to expect that Palmer would ever have a housing moratorium.

J. Mastalerz asked how much the town would have to grow before it has to build a new school. A. Dimitropolis said he did not think anyone could give an accurate figure.

S. Sears said that when the 750 desks filled, the town would have to build another school, and that it also depended on the student to teacher ratio.

C. Gehlhausen pointed out that this number could be changed.

S. Sears said that Palmer could get by with portable trailers as they did at Converse, but if say 2400 new students enrolled, then we would need a new school.

It was decided costs of new schools should be left in the report so it could be brought up in negotiation discussions.

A. Dimitropolis: I vote to accept it.

G. Chudy: What if you bring this up to the town council? Do you have specific recommendations? This will have to be put in writing.

A, Dimitropolis: We will need an escrow account for future needs.

S. Sears said that he wasn't making assumptions about what was going to be negotiated, but that the town council could “glean” from his report.

A. Dimitropolis: I have a motion we accept the report as is. All accept. It was accepted

G. Chudy: moving on the housing subcommittee report.

HOUSING SUB COMMITTEE REPORT

Prepared by Gerald Chudy, Roqueline Blazejowski, and George Roy

_S. Sears voiced dismay that the meeting with Senator Brewer and Representative Smola was not part of the public record considering that they were voting on this.

G. Chudy explained that M. Swiatlowski intended to write the minutes from the video recording.

G. Chudy said that on page 4 of his report that the zoning board would monitor new multifamily housing.

J. Mastalerz pointed out an error on page 3.

S. Sears said that the housing report did not get into demographics studying population shifts. J. Mastalerz responded by saying demographics is not tangible. P. Wisnewski and A. Dimitropolis agreed. S. Sears asked if the census was not tangible. He said that he thought demographics were important.

A. Dimitropolis wanted to know the source of the medium income figure in the report came from. R. Blazejowski explained that it came from "Citydata.com" G. Chudy said that it was derived from the census. R. Blazejowski said that it should perhaps be dropped. Members of the committee questioned accuracy of information.

S. Sears said that if the data on page 189 wasn't correct that that would skew the data on page 21. G. Chudy disagreed. R. Blazejowski said that she had a realtor look the information up for her.

P. Wisnewski said that he thought every rental was available, that he was going to charge \$800-\$900 a month, and that this would be big boom for a landlord with a 6 family rental.

S. Sears pointed out that the number of rental correlates with the number of new students entering the schools

S. Sears then pointed out the figures in the housing report were the number of houses for sale, not units for rent. He felt that it was important to know how many rentals existed, how many were occupied, that this figure was more important than how many houses were for sale.

R. Blazejowski pointed out that there were 102 condos and 102 mobile homes on page 9.

S. Sears again stressed the importance of knowing how many apartments were available.

P. Wisnewski said that the last page had the number of renter occupied units.

G. Chudy asked if there were any other additions or deletions.

S. Sears referred to p 23 and said, "Renter occupied, owner occupied, single family homes, owner occupied homes."

P. Wisnewski said that one could deduce that a 2 family duplex would be owner occupied and that single family homes could be rentals. He said that the numbers can be very fluid, but that Palmer has a significantly higher number of rentals those other towns in the state.

G. Chudy: That's why we recommend a moratorium on more multifamily rentals. He also felt they should restrict landlords from renting to no more than 2-5 unrelated people in an apartment or dwelling in order to avoid the hot bedding issue.

P. Wisnewski asked if any other town had a law against hot bedding.

G. Chudy said there was no law yet, but that we should address that issue.

P. Wisnewski asked why this was an issue. He asked, "If someone is making a good income, why would they share a bed with 4 other people?"

G. Chudy asked if there were any other deletions or discussion. P. Wisnewski accepted the report.

G. Chudy, "Motion, Read with changes." All those in favor say, 'I.'" The committee voted to accept the report.

NEXT MEETING

P. Wisnewski stated that the next meeting would be the final report He said that we've talked to 40 or 50 people and that we should have a list of these people in a reference section for the whole report. He said that we need a team photo and that the date would be announced. M. Swiatlowski will consolidate the report in to a 3 ring binder. S. Sears mentioned that M. Swiatlowski wanted CD's of each report because he doesn't want anyone altering the report.

G. Chudy said that he had his cover letter.

A motion was made by G. Chudy to hold the next meeting on Wednesday, March 25 at 6:30 PM at the Palmer Town Hall, Meeting Room 1. The vote passed.

ADJOURNMENT

G. Chudy motioned to adjourn. The meeting adjourned.