

Fact Finding & View Points from You

A Combined Neighbor meeting of DeSaix, Fairgrounds Triangle and Faubourg St John Neighborhood Associations
September 10, 2009 - 6:30 PM to 8:00 PM - Location: Langston Hughes School, 3519 Trafalgar Street

Agenda

Resident input on the proposed changes and proposed event at the New Orleans Fairgrounds which include expansion of hours for the slots operations.

Should, after the opinions voiced in the meeting are presented, the New Orleans Fair Grounds request a change in their conditional use permit the city will be asking our neighborhood associations for input. This meeting is the initial step to getting input from residents of the neighborhoods to help our associations form a position (if necessary).

Thank You for your cooperation and participation

1. Introductions: Neighborhood representatives

Wayne Benjamin, President, DeSaix Area Neighborhood Association

James S. Carey, Jr., President, Fairgrounds Triangle Neighborhood Association

Michael Pearce, President, Faubourg St. John Neighborhood Association

2. Presentation: Fairgrounds Proposals

3. Discussion: Rules of engagement

1. Please respect the floor.
2. If you wish to comment, please follow the instructions.
3. Please limit your comments and/or questions to two minutes

PROPOSED CHANGES:

1. FORTH OF JULY celebration: the Fairgrounds proposes hosting a family oriented, carnival type celebration, with fireworks of some sort, on or around the 4th of July to provide an alternative to the French Quarter fireworks. A one day event, approximately 11 a.m. to 9 p.m., is suggested. There are no definite plans; it is just an idea so far. Here are some of the related ideas:

- a. The Fairgrounds would allow the neighborhood associations to man the concession stands for the event as a money making project (like the drink booths for the Jazz Fest)
- b. While it would be marketed as a family, neighborhood event, it may draw people from all over the New Orleans area. parking and security would be issues;
- c. Because the Essence festival already has NOPD stretched thin on the 4th, the exact date may have to be adjusted or other security sources, like the sheriff's office, may have to be considered. NOPD would not be able to extend additional coverage for an event on this date.
- d. One neighbor reports that several years ago, the Fairgrounds had some family events in the parking lot with face painting and pony rides.
- e. Some neighbors have proposed that, if this idea is approved and moves into planning stages, that each of the three adjoining neighborhood associations have two members on a steering committee to assist and oversee the planning for this event in 2010, and, if it is successful, for future years.

2. Proposal for EXPANDED HOURS OF CASINO OPERATION:

Currently the Fairgrounds Casino operates from 9 am to midnight, Monday to Saturday and 10 am to midnight on Sundays, under strict statues and provisos. The Fairgrounds wants to expand the hours of operation, staying open past midnight, until 1, 2, 3, or 4 a.m. They would consider a later starting time.

Here are some of the factors proposed by the Fairgrounds, committee members, and neighbors at some preliminary meetings along with other comments and concerns:

- a. The Fairgrounds says that crime statistics have not shown a rise in crime in the area since the casino opened, so the fears about having a casino in a neighborhood, should be eased.
- b. It is difficult for the Fairgrounds to get their customers to leave at midnight. It causes a lot of traffic through the area at midnight (as opposed to everyone leaving at different times and spreading out the traffic.)
- c. A test period of a few months or up to a year with some expanded could be considered.
- d. The current provisos require the Fairgrounds to provide 2 patrol cars for the enhanced neighborhood patrols, every 4 years. NOPD and the Fairgrounds state that the current cars that were purchased will not last for the 4 years, due to mileage and wear and tear. If the expanded hours were allowed, the Fairgrounds would agree to replace the cars every 2 or 3 years, purchasing one car now and replacing on a rotation.
- e. If the expanded hours were allowed, the Fairgrounds would establish a fund to be used by the 3 adjoining neighborhood groups for neighborhood projects, like parks, beautification, etc.
- f. The expanded hours would provide or create more jobs at the Fairgrounds. Many believe and have voiced concern that this is just a step in the ultimate plan for a 24 hour casino.
- g. The current clientele at the Fairgrounds is mainly local and neighborhood people. That demographic could change if hours were expanded. But, as others pointed out, the Fairgrounds casino is not a "high roller" place and is less likely to attract a threatening element. The Fairgrounds is limited by statute as to the number of machines they can operate. They are not at capacity at the present time. If hours expand, the number of machines (and # of customers) might expand as well.
- h. If the provisos were opened to allow the hours to be expanded, it potentially could open all of the provisos to amendment, including whether there are any enhanced patrols at all.
- i. The DeSaix board feels that the Fairgrounds has not been responsible or kept promises made to the DeSaix neighborhood about complaints that arise during racing season with traffic, noise, the dormitory, the back gate, semi trucks, etc. Fulfillment of those promises should come first to re-establish trust.

We are sending questions to the Fairgrounds as they are being posed by members of the 3 associations. Here are some questions and answers that have been provided so far (Fairgrounds response in italics):

Does the Fairgrounds have a "Casino" license? Fairgrounds ads for their off-track betting parlors, says "Fairgrounds Race Course and Casinos" and someone wondered "Since there are a finite number of Casino licenses in the state, I wonder how they came to be able to advertise their OTB parlors as casinos?"

Fairgrounds' answer: The logo / signage mentioned actually what we use at our OTB's which contain video poker machines. It has nothing to do with the slot facility.

What is the tax revenue the City has been receiving (\$ figure) from the Fairgrounds monthly/quarterly and how much more - at the possible 10% increase in revenue - will it produce?

Fairgrounds' answer: The fairgrounds pay an 18% horseman's tax on gross gaming revenue, then apply an 18.5% State tax and 4% local tax (the maximum allowable under State law). Based on actual payments Jan - August and projections Sept - Dec we will pay \$1,850,000 in local taxes on gaming revenue (pari-mutuel and slot). These amounts do not include any taxes on supplies, F&B, or labor.

Staffing, # of f/t, p/t employees at the slots now, # of f/t, p/t you would add and # you employ during racing season.

Fairgrounds' answer: Our slot staffing averages about 130 FT employees and 15 PT/Seasonal employees with a total payroll and benefits cost of nearly \$8,000,000. Projections of additional staff and or/payroll costs will be completely dependent on any change/increase in hours. It is also worth nothing that our pari-mutuel payroll and benefits exceed \$12,000,000 for a total local impact of \$20,000,000.

An official breakdown of the Patrol costs:

Fairgrounds' answer: Based on actual payments Jan - August and projections Sept - Dec we will pay \$696,019 in the Neighborhood Patrol payroll and expenses. In addition to the payroll expense we paid \$111,404 for the two patrol cars used exclusively for the neighborhood patrol. We also employ NOPD officers to work a detail in support of our OTB and live racing operations. These costs are in addition to the Neighborhood Patrol costs and will total approximately \$350,000 in 2009.