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Unions, parents to protest SRC plan

The \$2.5 billion budget shortchanges students, they say, and SRC should fight for more funding.

By Kristen A. Graham
INQUIRER STAFF WRITER

With the School Reform Commission poised to adopt a \$2.5 billion budget Thursday, hundreds are organizing to protest what they say is a spending plan that shortchanges students.

Philadelphia School District leaders say the SRC's hands are tied, that a bad economy and poor fiscal policy by prior administrations have left the school system on the verge of financial insolvency. They say the 2012-13 budget is the best they can do for now, that it's a painful but necessary step on the way to setting things right.

Activists — unions, students, parents, and community supporters coalesced into a group that calls itself the Philly Coalition Advocating for Public Schools — don't buy it.

"We're opposed to the budget," said retired teacher Ronald Whitehorne, an organizer of P-CAPS. "We see the SRC doesn't have the power to raise money. But instead of slashing and burning, they should be talking about a plan to mobilize people to fight for adequate funding at all levels."

The budget would require the district to finance a \$218 million shortfall through borrowing, and still leaves many schools without full-time nurses or police officers. Even the district's chief academic officer calls it "not the kind of budget to give kids the education they deserve."

Even so, it banks on \$94 million in new city money that See **BUDGET** on A8

Signing bill for student safety



Gov. Corbett shakes hands with Jaden Sudman, 5, after he signed into law House Bill 1610, which sets guidelines for protecting Pennsylvania's student athletes from sudden cardiac arrest. Sitting next to Corbett at Visitation of the Blessed Virgin Mary Elementary School in Norristown was State Rep. Mike Vereb (R., Montgomery). At left is Darren Sudman, who lost an infant son to an undetected heart defect. Story, B1. CLEM MURRAY / Staff Photographer

The grandson of a doorman, he sees room for casino, hotel.

Developer is eager to roll the dice here

By Suzette Parmley
INQUIRER STAFF WRITER

As owner and chief executive of one of the nation's largest African American real estate development companies, R. Donahue "Don" Peebles has an impressive resumé.

The multibillion-dollar portfolio of the Peebles Corp. includes luxury hotels, high-rise apartment buildings, and Class A office space in Washington, New York, Las Vegas, and Miami. Missing from that list: a casino, though he has made close-but-no-cigar efforts in Atlantic City and in Yonkers, N.Y.

Which is why Peebles now has

his sights firmly set on landing Philadelphia's second casino license, should it be allowed to stay in the city.

"If you look at Philadelphia, and if you say, 'There's no room for another casino,' that's like saying, 'There's no room for another hotel,'" said Peebles, dressed in a dark designer pinstripe suit and blue silk tie during a recent visit to The Inquirer building.

"Sure, there is."

Peebles, 52, the grandson of a hotel doorman, said he's been interested in building a hotel here See **CASINO** on A4



R. Donahue "Don" Peebles, a leading African American developer: "We need to give Philly a higher profile." AKIRA SUWA / Staff

50 years for war crimes in Africa

In a landmark case, former Liberian leader Charles G. Taylor was sentenced for atrocities in Sierra Leone.

By Marlise Simons
and J. David Goodman
NEW YORK TIMES NEWS SERVICE

LEIDSCHEMENDAM, Netherlands — Charles G. Taylor, the former president of Liberia and a once powerful warlord, was sentenced Wednesday to 50 years in prison for his role in atrocities committed in Sierra Leone during its civil war in the 1990s.

In a watershed case for modern human-rights law, Taylor is the first former head of state convicted by an international tribunal since the Nuremberg trials in Germany after World War II.

Taylor was found guilty of "aiding and abetting, as well as planning, some of the most heinous and brutal crimes recorded in human history," said Richard Lussick, the judge who presided over the sentencing here in an international criminal court near the Hague. He said the lengthy prison term underscored Taylor's position as a government's leader during the time the crimes were committed.

"Leadership must be carried out, by example, by the prosecution of crimes, not the commission of crimes," the judge said in a statement read before the court.

If carried out, the sentence is likely to mean that Taylor, 64, will spend the rest of his life in prison. He looked at the floor after he was asked to stand as the sentence was read.

His legal team said it would file an appeal.

"The sentence is clearly excessive, clearly disproportionate to his circumstances, his age and his health, and does not take into account the fact that he stepped down from office voluntarily," said Mo

See **TAYLOR** on A5

Casino

Continued from A1

since 1997, and now he sees a casino as a means to that end. A beachhead in this city also will strengthen his company's growing presence on the East Coast, "the Amtrak corridor," as he put it.

"Philly gets lost between New York and D.C.," he said. "We need to give Philly a higher profile — a destination and a promoter of Philadelphia that says: 'This is Philadelphia. ... It's culturally rich and every American should visit' ... by giving them one more reason to come and have something to do."

In April, Forbes magazine ranked Peebles No. 10 among the wealthiest black Americans. (His estimated net worth was \$350 million in 2009, the latest Forbes data available.) He said he envisions a facility here with a performing-arts component that would attract year-round tourists and bring in world-class performers, such as Lionel Richie or Alicia Keys, that would fill local hotels and attract people from this region as well as farther out.

As his team conducts due diligence on sites for a casino, Peebles said he has a few loca-



R. Donahue Peebles, at the old New Market, has several sites in mind, from Center City to the Delaware River. AKIRA SUWA / Staff

tions in mind in Center City, Northern Liberties and Old City, and along the Delaware River waterfront. Earlier this month, he met with Mayor Nutter, who wants the second casino license to remain in the city, despite efforts in Harrisburg to auction it off.

On May 2, House Bill 65, which would award the license to the highest bidder statewide, sailed through. But the measure, which starts bidding at \$65 million, has yet to be heard in the State Senate.

"Nothing has changed," Doug Harbach, spokesman for the Pennsylvania Gaming Control Board, said this week. "We continue to monitor this action but have not set a timetable to accept any applications."

The investor group behind a Foxwoods casino proposed for South Philadelphia was stripped of the license by the gaming board in December 2010 after repeated delays in

getting the project built.

"Our point of view is the state granted a second license in Philadelphia, and there have been people here who have expressed possible interest in pursuing that," said Alan Greenberger, deputy mayor for economic development. "Our expectation is the state will initiate a process to take proposals and make this happen."

In expressing his interest in the second casino license, Peebles joins high-profile local developers Bart Blatstein and Robert Zuritsky. (Sugar House on Penn's Landing, which opened in September 2010, is the only casino within the city limits.)

Zuritsky is president of Parkway Corp., which owns mostly parking garages and is behind a new hotel rising at 12th and Arch Streets, across from the Convention Center.

"We are not ready to talk about it," Zuritsky said of his casino project and its location. "There is some interest from some parties, and we are just starting to talk. I think I have the best site, which is in a Center City location. We could do a hotel."

Blatstein, who has been on a redevelopment spree of North Broad Street, said he was forging ahead with plans for a \$500 million casino hotel and entertainment complex with retail space at 400 N. Broad, the current home of The Inquirer, Philadelphia Daily News, and Philly.com.

Blatstein said that he has been finalizing his plans with an architect and engineering firms, and that he hopes to have economic and traffic-impact studies completed by next week. He also has met with neighborhood groups and city lawmakers to sell them on his plan.

"It's coming together very quickly," he said last week.

Not to be outdone, Peebles said he brings vision, a track record of development success, and the ability to raise capital. He said that he was talking to potential equity partners and that he plans to launch a private-equity fund out of New York and Washington.

"A good project is going to get financed," he said. "Where does it come from? Most likely New York."

"An all-gaming facility is probably not the way to go, but more mixed-use," he said. "I am confident capital is not going to be an issue."

In 2007, Peebles made his first Las Vegas investment, purchasing Las Palmas, a 13-acre apartment complex that he sold earlier this year.

His Manhattan-based real estate empire plans to expand into gaming there by redeveloping the Mardi Gras Hotel & Casino.

Peebles went under contract in 2002 to acquire the site where the new Revel Casino now sits on the Atlantic City Boardwalk, but he ultimately did not buy it. In 2008, he was part of a team that won the right to develop what is now Aqueduct Racetrack & Casino in Yonkers; the license was re-bid and won by another firm.

"We're in the gaming business," he said. "But I'm in the development and hospitality business. I develop to own," including the Royal Palm Hotel in South Beach and a Marriott hotel in Washington.

Developer Peebles has also been an author, writing two books: *The Peebles Principles*, detailing his most memorable deals, and *The Peebles Path to Real Estate Wealth*, which outlines fundamentals to real estate investing.

Raised in Washington by a real estate agent single mother, Peebles said an internship on Capitol Hill as a page while in high school inspired a lifelong interest in politics. He serves on the National Finance Committee for President Obama and is on the board of the Congressional Black Caucus Foundation.

He left Rutgers University in 1979 as a premed student to become a real estate agent in D.C. He is the father of an 18-year-old son and a 9-year-old daughter and travels frequently to colleges to urge students, with an emphasis on minorities and women, to pursue careers in business and entrepreneurship.

"I try to teach my daughter that, in business, you get another chance," Peebles said.

He views competition as a good thing. And should he win the casino license he seeks, his operation would face off not only against SugarHouse, but also Parx in Bensalem, the recently rebranded Harrah's Philadelphia in Chester, and the Valley Forge Casino Resort (the state's 11th) — which has prompted some to question the need for another casino here at all.

New York-based gaming analyst Greg Roselli, of UBS Securities L.L.C., said at this month's East Coast Gaming Congress in Atlantic City: "Although the demographics are strong, judging from the recent share loss at Harrah's Philadelphia over the past year, it doesn't imply the need for a fifth property in the market."

But Peebles, former board chair of the Greater Miami Convention and Visitors Bureau, believes that a world-class, big-ticket casino hotel like the Cosmopolitan in Las Vegas, the Sporting Club & Casino in Monte Carlo, and the Borgata in Atlantic City — which the state lacks — will attract tourists and conventioners.

"We're in the beginning stages of a real estate market that is now on the rise," he said. "Philadelphia is an amazing place for tourism."

"Build the absolute best casino in Philadelphia, and have everyone step up."

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Clearing the Record

A story Wednesday on new recipients of the Medal of Freedom misidentified author Toni Morrison's 1993 honor. She was awarded the Nobel Prize in Literature.

The Inquirer wants its news report to be fair and correct in every respect, and regrets when it is not. If you have a question or comment about news coverage, contact assistant managing editor David Sullivan (215-854-2357) at The Inquirer, Box 8263, Philadelphia 19101, or e-mail dsullivan@phillynews.com.

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