

May 4, 2006

The Honorable Edward G. Rendell:
 Governor
 Commonwealth of Pennsylvania
 225 Main Capitol
 Harrisburg, PA 17120

Dear Governor Rendell:

For over a decade Common Cause/PA has periodically engaged in monitoring state grant programs. Our key criteria are:

- State grant funds must be awarded via a system that is fair, competitive, and genuinely open to all qualified applicants;
- Programs receiving grants must clearly meet established and justifiable merit and need criteria;
- Grant recipients must be subjected to rigorous and regular oversight for program performance and accountability of funds' utilization;
- Selection and administration of grants be void of cronyism and corruption; and,
- All records pertaining to the expenditure and use of public funds must be readily accessible to the public.

One project deserving review to determine compliance with these criteria is the Lancaster County Convention Center Project. This project is troubling on several levels. There have been strong suggestions that the awarding of state grant funds for this project may have been determined more by political influence than demonstrated merit, need or viability of the project. The contention that this project will serve a justifiable and actual public purpose has been seriously challenged. There has been a very disturbing lack of transparency with regard to how this project is being conducted, even to the point of possible violations of the state Open Records laws. Finally, there have been allegations that false information has been presented in documents filed necessary for securing the grants for this Project.

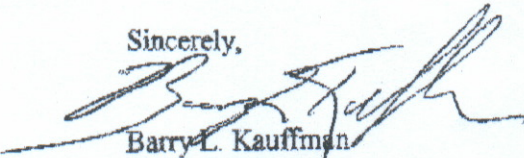
We have watched as the Project has ballooned from a \$70 million private-public initiative, to one for which the public is now primarily financially responsible, and which has an estimated cost of over \$140 million dollars. We have noted with interest the many questions raised by Lancaster County taxpayers about the project. The questions that most deeply concern us are those that speak to the lack of accountability and transparency in the administration of this project.

We have been informed that the Lancaster County Convention Center Authority (LCCCA) has paid more than \$6 million to a single law firm for "professional services," despite receiving invoices that are devoid of any itemization whatever. When Board members or the public ask to review itemized time sheets which might explain or justify such large expenditures of public monies, they are ignored.

The apparent lack of transparency and accountability regarding this Project have prompted Common Cause/PA to express these concerns to you, and we ask that you instruct the Secretary of Community and Economic Development to (1) conduct a complete review audit of state funding pertaining to this Project; (2) ensure that this Project is in full compliance with all state laws regarding grants, contracting, public input and oversight; and (3) ensure that all applicable public records about this Project be made available in full compliance with state law.

We thank you for your timely attention to this request, and ask that we receive a copy of any report forthcoming from the requested examination.

Sincerely,



Barry L. Kauffman
Executive Director

cc: Dennis Yablonsky, Secretary
PA Dept. of Community & Economic Development
Elder David M. Scriven
Rev. Roland P. Forbes
Rev. Dr. Robert P. Shine