



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY

PHILADELPHIA DISTRICT CORPS OF ENGINEERS
WANAMAKER BUILDING, 100 PENN SQUARE EAST
PHILADELPHIA, PENNSYLVANIA 19107-3390

AUG 01 2008

Regulatory Branch
Applications Section II

SUBJECT: CENAP-OP-R-2007-120-24
PHMC ER #: 07-0722-101
Sugar House Casino

Mr. Terrence J. McKenna
Keating Consultants, LLC
The Phoenix, Suite 300
1600 Arch Street
Philadelphia, PA 19103

Dear Mr. McKenna:

This letter is in regard to your application on behalf of HSP Gaming, L.P. for a Department of the Army permit to construct a casino and entertainment complex known as "Sugar House." The project site is located at 941 – 1025 North Delaware Avenue in Philadelphia, Pennsylvania. This permit application has been the subject of an ongoing consultation pursuant to Section 106 of the National Historic Preservation Act of 1966 (NHPA).

This letter specifically responds to your letter dated June 17, 2008, which was received via electronic mail the same date. The submittal included a description of proposed activities within uplands, two drawings, and a letter from A.D. Marble and Company dated June 18, 2008. The proposed activities are related to the design process for the overall project, and they include installation of test and indicator piles along with removal of certain underground obstructions.

We have reviewed your proposal along with all the reports describing your archaeological investigations of the property. Based on our review and additional discussions with your archaeologists and the Pennsylvania Historical and Museum Commission ("PHMC"), at a meeting on July 21, 2008, we have determined that the proposed activities may be carried out without having an impact on our ongoing Section 106 process. This determination is based on our findings that additional archaeological investigations are not required in the areas to be impacted by the proposed activities. The PHMC has concurred with our determination. The proposed work may proceed, subject to the following conditions:

1. This determination applies solely to the activities and locations as described in the enclosed submittal from the applicant dated June 17, 2008.

2. The applicant's archaeologist shall be present and observe all initial excavation activity in each area of the site to confirm that previously identified conditions are consistent within the areas of disturbance. Once conditions are confirmed to be consistent with the archaeological findings to date, no further monitoring of that specific area will be required.
3. In the event a suspect potential archaeological resource is observed, excavation for the limited disturbance tasks in that particular area shall cease and further investigation by the applicant's archaeologist shall take place. The results of this investigation shall be shared with the Corps and the Pennsylvania Historical and Museum Commission ("PHMC"), and work shall not continue at that specific location until the applicant is notified in writing by the Corps in writing (regular mail, electronic mail or facsimile).
4. The initial excavation of area A-1 on Figure 1 shall be completed by systematically removing soil layers under the direction of the applicant's archaeologist. Bulk excavation of this area shall not take place until the Applicant's archaeologist has confirmed that no additional potential archaeological resources are present within the area of disturbance.
5. The areas of disturbance shall be documented and recorded by the Applicant's archaeologist.
6. No disturbance of any area below the high tide line shall take place without separate specific authorization from the Corps.

This determination does not affect or prejudice our ongoing review of your permit application. Any work that you conduct within uplands would be done at your own risk, with the understanding that it does not affect any future permit decision. If you should have any questions regarding this matter, please contact James N. Boyer of this office at the above address, or by electronic mail at James.N.Boyer@usace.army.mil or by calling (215) 656-5826.

Sincerely,



Frank J. Cianfrani
Chief, Regulatory Branch

Enclosure