

Casino marks milestone with gaming expansion

By Margarita Bauza
Detroit Free Press

DETROIT — Greektown Casino officials say the casino’s expanded gaming area, which opens today with 600 new slot machines, is a significant step in getting it on the road to recovery.

“It’s an important milestone in completing the permanent hotel and casino,” said CEO Craig Ghelfi.

Next week, Greektown will get more relief, as construction crews pull off of Lafayette Avenue, opening the street to traffic. The road has been closed most of the year to allow crews to complete the casino expansion.

Crews are also to remodel the Pantheon Club, a VIP lounge with high-limit slot machines, before November, bringing the number of slot machines to 3,000. The new gaming area opening today brings the floor space to 100,000 square feet, up from 75,000.

“I like the space,” said Iris Sanchez of Southgate, who played slots in a part of the expanded area that opened early, on Wednesday.

Still to open to the public is a valet entrance in November, a buffet sometime this fall and two lounges later this year. A 400-room hotel is to open in February.

Greektown, the perennial poorest performer of Detroit’s three casinos, filed for bankruptcy May 29 as it struggled to pay bills to finish construction on its permanent hotel and casino, which is to cost \$550 million. The casino expects to emerge from bankruptcy protection on Sept. 1, 2009.

As part of its reorganization, Greektown Casino officials said Wednesday that they are reducing the board of directors from nine to five and adding more outsiders.

The nine-member board has been comprised mostly of members of the Sault Ste. Marie Tribe of Chippewa Indians, the casino’s majority owners. The new board will have two tribe members and three outsiders. The board should be in place by September.

“We applaud that,” said state Gaming Control Board Executive Director Rick Kalm. “We think it’s good to engage people from the outside that are familiar with not only the business environment in Detroit, but who can bring some real casino experience.”

The tribe elected a new tribal chair in July. Joe McCoy replaces Aaron Payment, who served from 2004-08.

Greektown Casino owes \$499.5 million to lenders and bondholders and \$60 million to former partners Ted and Maria Gatzaros. After filing Chapter 11, it obtained a \$150-million loan to finish construction.

Greektown has been paying senior notes and utility bills while in Chapter 11 but has kept most creditors at bay. The casino is renegotiating contracts with the existing general contractor, Jenkins Skanska.

The casino has also been making cuts. In June, it laid off 89 workers as part of \$7.8 million in cuts. It is expected to lose \$15.6 million in 2008, most of it related to bankruptcy costs.

Kalm also said Wednesday that the Gaming Control Board has issued letters to participants of a program that awards Greektown Casino customers meal coupons to restaurants in the Greektown district. The board is investigating irregularities in the program and has asked participating restaurants to turn over state tax information and other documents to check against the casino’s records.

“We’re trying to reconcile information,” Kalm said.

Mohegans ‘Redefine’ market with new casino

By Erica Jacobson
Norwich Bulletin

NORWICH, Conn. — Snacking on a corned beef and pastrami sandwich Thursday afternoon, Bruce “Two Dogs” Bozsum said he had the best view at Mohegan Sun.

The tribal chairman of the Mohegans sat with other tribal leaders at Chief’s Deli, an eatery opening today in the new Casino of the Wind expansion, and watched as construction workers put the finishing touches on the gambling floor.

Despite a stumbling economy and credit downgrades threatening Mohegan Sun and Foxwoods Resort Casino, Bozsum said their plans never changed.

“We didn’t see a reason to stop what we’re doing here on the casino side,” he said.

When Casino of the Wind opens this morning, visitors will see the wow.

Water flowing down a 35-foot-tall wall of cosmos granite imported from Brazil with morphing colors projected onto it. Streams of leaves, birds and clouds flowing across the ceiling. And, after a five-year hiatus from Mohegan Sun, they will see poker being dealt once again in a room lined with undulating pillars of wood, twisted and turned like

taffy.

It’s less likely they will stop to consider the work put into making the casino’s second gambling expansion and the economy into which it will open.

In the 14 months since Bozsum actually dug up a small landscaping water line during the casino’s ground-breaking, discretionary spending by patrons has taken a hit and cut into casinos’ bottom lines. As many as 400 construction workers have toiled around the clock for the last month to finish an expansion casino executives hope will bring players to game tables and slot machines if only for curiosity’s sake. And then there were the late-night tours given by casino executives to bondholders and bankers.

“We show them what we’re doing with their money,” Leo Chupaska, the chief financial officer of the Mohegan Tribal Gaming Authority, said about a month ago during a tour of the casino still under construction. “We set sort of a standard or a bar.

“And the expectation is that we’ll meet or exceed that.”

Ultimately, as it was when the Mohegans opened the Casino of the Earth nearly 13 years ago, it will be the customers who decide whether the expansion pays off.

“The tribe always looks to the long term,” said Jeffrey Hartmann, the Mohegan Tribal Gaming Authority’s chief operating officer. “We’re prepared to weather through.”

Barry Cregan, Foxwoods’ interim president, said his facility is confident in its product, service and the ability for the two casinos to coexist in Connecticut.

“I’m sure there are going to be people going over to see the new kid on the block, just the same when we put up MGM Grand,” he said, adding the market should sustain additional poker tables. “No one likes to lose a monopoly, but we do live in a capitalist society and we can build our businesses.

“We watch them carefully and they watch us carefully.”

In the early days of Connecticut’s casinos, New Englanders’ appetite for more slots and table games seemed insatiable. Keith Foley, a senior vice president with Moody’s Investors Service in New York, said both Foxwoods Resort Casino and Mohegan Sun went through a “pretty strong honeymoon period.”

More than a decade into operation, expansion at the state’s two tribally owned casinos comes in a different form. When Foxwoods unveiled its \$700 million MGM Grand

addition in mid-May, very little of the facility was actually dedicated to slot machines and table games. Instead, the focus was on upscale eateries, a nightclub, shopping and a 4,000-seat theater. Foley said strategic planning comes into play as the market and the casinos mature and face competition from slot facilities in such states as New York and Rhode Island.

“This is not just fill up a slot box and you’ll make money,” he said. “Home runs are harder to come by now in gaming. Typically, you have to invest more. The expectation of what a casino is now is different than from 10 years ago.”

And expansion, he said, becomes a bit of a vicious cycle. By the time Project Horizon is finished in October 2010, the tribe’s gaming authority will have spent \$925 million in about three years to reconfigure and expand its existing Mohegan Sun property. The changes will range from adding a bus lobby, gaming and dining area catering specifically to its Asian customers to a complete range of House of Blues offerings from a music hall to themed hotel rooms to a foundation room for members atop the new hotel tower, which — at 34 stories — will be the tallest building in Connecticut. The

authority also will have spent millions of dollars to improve ramps on Route 2A and Interstate 395 to improve access to Mohegan Sun.

The gains will have a price beyond original estimates. In December, casino executives announced bad estimates and increased construction costs pumped the project’s price tag up \$185 million from \$740 million originally. It also is a project that likely wouldn’t happen in the same way, if at all, if the authority was first proposing it today, according to Jeff Hartmann, the authority’s chief operating officer.

“The credit markets are basically shut down,” he said.

But not before the Mohegans got their financing and a chance to check off one of the items on their wish list for additional space at Mohegan Sun. Long before anyone else knew about the construction project, Hartmann said, the authority knew exactly what Mohegan Sun needed — hotel rooms. Project Horizon will bring 922 additional rooms to the casino.

“We can’t meet the demand for the hotel rooms on the weekend,” he said of the current situation, “and even mid-week.”

It is part of a plan some analysts say is part of taking the tribe’s name nationwide.

Singing the anthem



Associated Press

Robert Moore, a singer from South Dakota and elected council member of the Rosebud Sioux Tribe, sings the national anthem at the Democratic National Convention in Denver, Wednesday.

Tribe leader steps down immediately

By Jessica Muscar
Coos Bay World

COOS BAY, Minn. — The spiritual and political leader of the Confederated Tribes of the Coos, Lower Umpqua and Siuslaw Indians has resigned, and his ceremonial and leadership roles will go unfilled until November.

Chief David Brainard, 64, turned in his resignation this month, vacating his seat the same day. Tribal members elected him as chief of tribes in July 2005 to complete a term held by James Lott. A chief’s term lasts 10 years.

Brainard, who lives near Florence in Dunes City, said he chose to step down because he wants to spend more time with his grandkids and hobbies, including woodworking, fishing and bow hunting. He also said he no longer has the energy to fulfill the job’s needs.

In addition to ceremonial

duties, which included presiding over tribal weddings and funerals, the chief is a voting member of the Tribal Council. Brainard also sat on the Gamin Facility Operational Review Board, a board of directors for the Three Rivers Casino and Hotel.

“I realized that my wife was right when she complained that I haven’t been spending enough time with them,” Brainard said in a message to The World. “My heart definitely is not in this job anymore. I want to do other things. I wish the tribe well.

“I just don’t have the enthusiasm nor the energy to ... do the job as well as it should be done.”

This month, Brainard oversaw his fourth sacred Salmon Ceremony for the tribes. He said he stayed on the job until after the ceremony so that the new chief wouldn’t be overwhelmed.

Bob Garcia, the chairman of the tribal council, posted a letter about the chief’s resignation last week to explain the situation.

“I’m still slightly confused, too,” Garcia admitted. “Being a volunteer politician is something that takes a lot of time.”

However, he said Brainard’s decision did not come as a complete surprise, as Brainard considered resigning last year.

The Confederated Tribes will hold a special election on Nov. 9 — the second Sunday in the month — to fill out the term, which sunsets in 2010.

The new chief would take the seat immediately upon election. Garcia described the unpaid job as a combination of political and governmental duties, as well as being the tribe’s spiritual leader.

At this point, no candidates have come forward, but they have until 30 days before the election to turn in

the forms announcing their candidacies. Garcia said about 30 days before the election, candidate forums will be held “so tribal members can have discourse with candidates.”

Garcia said there are approximately 550 eligible voting members, and he expects 200 to 300 to take part in the election.

According to a notice on the Confederated Tribes’ Web site, eligible candidates must be members of the tribe and 21 years old or older. They also must never have been previously removed from an elected office for good cause.

While the Tribes must move forward, Garcia expressed some sadness over Brainard’s departure. He thanked Brainard for his hard work and diligence.

“I hope we can find a candidate that meets the high standards of office that he has shown,” Garcia said.

States miss opportunity for roll call vote

By Lynn Debruin
Denver Rocky Mountain News

DENVER — Television viewers in states from Pennsylvania to Wyoming may have been disappointed that they didn’t get to hear their delegation’s roll call vote on Wednesday.

But the spokesmen for two other delegations that came after New York in the alphabet were glad to give up those 15 minutes, or 15 seconds, of fame.

“I love everything about Tennessee and am proud to be the chairman, but it was an awesome and electric moment when Sen. Clinton came out and moved it by acclamation,” said Tennessee Democratic Party Chairman Gray Fasser, who would have cast 51 delegates for Obama and 32 for Clinton. “It was another strong gesture by the Clintons and everyone to bring the party together. I can give up my 15 seconds on national TV to put Tennessee in the blue column this fall.

“I personally was happy that the Clinton and Obama camps were able to work out an agreement to help get the White House back, but as far as the process, yes, I am disappointed.”

Wyoming delegate John Millin said state Rep. Patrick Goggles, an American Indian from the Arapahoe Tribe, was scheduled to deliver its roll call votes dressed in his native attire and in his native language. “We were very proud to have Wyoming mentioned. To have that taken away at the last minute clearly was disappointing.

“It isn’t the first time states low on the alphabet have been shortchanged.”

Millin said in past years, when the roll call vote goes late into the night, there are often few people left in the room.

“By the time they get to Wyoming it’s a little embarrassing to be a small delegation clustered around a microphone when it’s obvious to the world (watching on TV) that there’s no one else around,” Millin said.

For the record, Wyoming had 12 delegates vote for Obama and six for Clinton.