

Written by Administrator
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One of the owners of land in Everett where Steve Wynn wants to build a casino is refusing to sign a promise that no secret owners would profit from the sale, raising questions about whether a convicted felon is still involved and potentially imperiling the entire \$1.3 billion project.

Anthony Gattineri, co-owner of the former industrial land where Wynn proposed to build the Boston-area's only casino, has declined to sign the pledge, even though Massachusetts Gaming Commission officials say they will not approve an Everett casino without assurances that criminals won't profit from it.

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"He's not signing under the advice of his criminal counsel," said Daniel W. Doherty, who represents Gattineri in business matters. The criminal attorney declined to comment further. Gattineri has also declined to testify under oath to Gaming Commission investigators. Gattineri and his partners in FBT Everett Realty have already come under heavy criticism for misleading commission investigators about the role of Charles A. Lightbody, who has a four-page Massachusetts rap sheet, in the Everett land deal. One partner in FBT, Dustin DeNunzio, has admitted backdating documents to make it appear that Lightbody left the partnership before Wynn offered to buy the land in late 2012. The ownership of the casino site is under state and federal investigation. Gattineri's refusal to sign the pledge is fueling suspicion among the project's critics that Lightbody could still be secretly involved in the deal, at least indirectly, despite efforts to squeeze him out. DeNunzio and another Lightbody business partner signed a deal last year to buy a notorious strip club near the proposed casino, King Arthur's Lounge, possibly giving Lightbody a way to profit from a casino in the neighborhood. Lightbody boasted that he had the club "locked up tight as a drum" in a taped conversation with a prison inmate in June 2013, according to a transcript provided by the Gaming Commission. Federal prosecutors have subpoenaed records from King Arthur's owners related to the proposed sale, according to three lawyers familiar with the probe. [Continue reading below](#) Lightbody has other close financial ties to the proposed casino site: Gattineri has told commission investigators that he owes Lightbody about \$1 million, leading investigators to tell gaming commissioners that Lightbody could become part owner of the land again if Gattineri does not pay off the debt. Lightbody's lawyer, Timothy Flaherty, said he does not know why Gattineri is refusing to sign the statement. "It has nothing to do with any hidden interest that anybody believes Mr. Lightbody has because he doesn't have one," Flaherty said. Attorneys for Wynn Resorts stress that they have nothing to do with the inner workings of FBT Everett Realty and that they have taken steps to eliminate secret partners, slashing the proposed purchase price for the land from \$75 million to \$35 million to reduce the windfall that could be funneled to criminals. In an e-mailed statement, Wynn spokesman Michael Weaver said the company does not see Gattineri's refusal to sign the statement as an obstacle to Wynn's winning a license. "We are confident that we will resolve the matter to the satisfaction of the commission prior to them

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making a decision and that it will not jeopardize our license approval," he said. Doherty, Gattineri's attorney, said he, too, believes that Wynn can still buy the land without Gattineri's signature, saying "there are a ton of ways the deal can go through." He did not provide specifics. Attorneys for the other land owners declined to comment. Both DeNunzio and Paul Lohnes of FBT have signed the no-secret-partners pledge. But one gambling expert said the controversy threatens the credibility of the Gaming Commission's effort to choose between competing casino proposals in Everett and Revere. Another disappointed bidder, Caesars Entertainment, has accused the commission of bias in Wynn's favor because Gaming Commission chairman Stephen Crosby was Lohnes's business partner in the 1980s. If the commission selects Wynn's proposal despite Gattineri's refusal to sign, "it would be one more chink in the armor; it gives more ammunition" to the other remaining casino bidder, Mohegan Sun, to cry foul, said Clyde Barrow of the University of Massachusetts Dartmouth, especially "given the emphasis the commission has made on transparency and integrity." Gaming Commission spokeswoman Elaine Driscoll said there is no time limit for Gattineri to sign but "obviously [the statements] need to be completed prior to the final stages of the Region A licensing process," referring to the license scheduled to be awarded for Greater Boston later this year. Lightbody, who has served prison time for assault with a dangerous weapon and has pleaded guilty in a massive identity theft ring in New York, did not respond to a subpoena last summer from Gaming Commission investigators to answer questions about his role in the deal. Gaming Commission investigators determined that Lightbody provided more than \$1 million of the \$8 million that FBT Everett Realty paid to acquire the Everett site in 2009. That investment would entitle Lightbody to reap 12.5 percent of the profit from the \$75 million Wynn offered to pay FBT if his casino is approved. Lightbody knew that, as a convicted felon, his name could not be connected to a casino project; commissioners have made it clear they will not accept criminal involvement with casinos. When a potential casino developer, Hard Rock, expressed interest in the Everett site in August 2012, Lightbody told a friend in prison that he agreed to take his name off all official documents. "I'll take my name off. I have no problem. . . . These casinos, they see my name in there, they ain't gonna like it," Lightbody told imprisoned friend Darin Bufalino, according to the tape's transcript. Bufalino is serving seven years for robbery, conspiracy, and attempted extortion. "So, I will never show up on it, which is a good thing." DeNunzio, a Harvard- and MIT-educated real estate developer who has worked closely with Lightbody, produced documentation for investigators that showed Lightbody pulled out of the deal on Aug. 15, 2012, selling his shares to Gattineri for \$1.7 million. However, DeNunzio later admitted to investigators that in July 2013 he backdated several documents related to the real estate deal to show that Lightbody had given up his interest in the project before Wynn negotiated an option to buy the land in December 2012. DeNunzio suggested the backdating was a technicality since Lightbody had expressed his intention to drop out of the deal in summer 2012, according to a transcript of his interview with commission investigators. But Lightbody continued to act very much as if he was part of the potentially lucrative deal for nearly another year. Mayor Carlo DeMaria of Everett, a Lightbody friend who has been one of the leading boosters of the casino, told investigators that he believed Lightbody was still in the deal when the men spoke after city voters overwhelmingly approved the casino proposal on June 22, 2013. DeMaria said Lightbody was excited, and he agreed with the investigator's suggestion that it appeared Lightbody "was still involved and was gonna make some money off FBT." Investigators described Lightbody's effort to hide his role as "questionable, at best, or intentionally deceitful at worst" and concluded that there is a "substantial basis" to believe

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Lightbody's former partners at FBT withheld crucial information while providing documents that were "false and misleading." But the investigators concluded that Wynn and his consultants were deceived, too, and that they did not know a criminal was involved in the project until July 2013. After that, Wynn renegotiated the land sale, cutting the purchase price in half so that there would be less money to pay any secret partners involved in the project. The Gaming Commission then decided on Dec. 13, 2013, to let the land sale go forward despite the suspicious behavior of the sellers. However, as a precaution, they voted unanimously to have "all three of the principals" in FBT sign a pledge that "nobody else is getting a share of the proceeds," in the words of Commissioner James McHugh. Four months later, Gattineri still has not signed. Critics of the Everett proposal suspect that Gattineri has reason not to sign because Lightbody still has intimate ties to FBT. Documents released by the commission show for the first time that Lightbody's longtime business partner, James Russo, is a consultant to FBT who will be paid only if the casino is approved. Meanwhile, some critics are watching developments at King Arthur's Lounge warily. The strip club, the site of an infamous 1982 police homicide, is less than a mile from the casino site, located over the Chelsea line. Lightbody told Bufalino last June that he is behind the King Arthur's plan, turning to the strip club after he had to pull out of the land deal. "You know, I, I, I bought out of the casino, you know that," Lightbody told Bufalino in the June 27, 2013, taped conversation. "The other thing around the corner that goes with a casino I own. It's the best thing you can have with a casino. There's only two things, women and booze, right around the corner." People close to FBT Realty and who know Lightbody say that his comments cannot be taken literally because he exaggerates, but Chelsea officials say they take seriously the possibility that a criminal might take over King Arthur's. "I don't want to see any bad element, any disreputable characters, come into Chelsea," said James Dwyer, chairman of the city licensing board. "Chelsea has come too far for that. I live in the city, and it's not going to happen on my watch. We're going to protect the city."

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