

## Philadelphia Casino Project Adds to Frenzy in Northeast Gambling Market

Written by Administrator  
Wednesday, 19 November 2014 01:39 -

---

Photo



A rendering of the Live! Hotel & Casino Philadelphia, which received a license from the Pennsylvania Gaming Control Board on Tuesday. Despite flat or falling gambling revenues in the region, officials in New York State are considering their own proposals.

Credi

t  
Cordish Companies

A \$425 million project with a casino and a boutique hotel rising in the stadium district of Philadelphia is the latest entrant into the tumultuous world of East Coast gambling.

The Pennsylvania Gaming Control Board awarded a license on Tuesday to a joint venture of Cordish Companies and Greenwood Gaming and Entertainment to build the Philadelphia area's fourth gambling hall and the 13th casino in the state.

The decision came as New York is edging closer [to approving](#) up to four Las Vegas-style casinos at locations outside of New York City. Massachusetts recently approved two billion-dollar casinos, one at either end of the state. And in Connecticut, some lawmakers are talking about expanding the state's casino industry to protect its market share.

The frenzy of casino building is taking place in what is widely regarded as the most competitive market in the country despite flat or falling gambling revenues in Connecticut, Delaware, New Jersey and Pennsylvania.

Last week, the Trump Taj Mahal [announced that it would close on Dec. 12](#) , which would make it the fifth Atlantic City casino to shut down this year.

Still, the Pennsylvania Gaming Control Board and the developers believe the newest one, known as Live! Hotel & Casino Philadelphia, will prove a success.

## Philadelphia Casino Project Adds to Frenzy in Northeast Gambling Market

Written by Administrator

Wednesday, 19 November 2014 01:39 -

---

“We’re very confident we’re going to grow the market,” said David Cordish, chairman of Cordish Companies. “We’re right off I-95 and I-76, so you can expand your reach and pull from two neighboring states and the region.”

Mr. Cordish, who owns the Maryland Live! casino resort near Baltimore, is also competing to build a \$750 million gambling resort in South Blooming Grove, N.Y., about 50 miles north of Manhattan.

The developer’s partner owns Parx Casino, in Bensalem, a Philadelphia suburb, the highest grossing gambling hall in the state.

The SugarHouse casino, which is on the waterfront in Philadelphia, opposed the state’s plan to issue a license for a second casino inside the city. SugarHouse competes for gamblers with Parx and with Harrah’s Philadelphia Casino, which is in Chester, south of the city.

Mayor Michael Nutter of Philadelphia, however, favored the expansion if only for the promised jobs and tax revenues.

But gambling analysts are more downbeat about the future of gambling in the Northeast, where there are 59 slot parlors and tribal and commercial casinos from West Virginia to Maine.

“Another casino folding in Atlantic City doesn’t necessarily make room for another casino in Pennsylvania,” said Keith Foley, a senior vice president at the debt rating agency Moody’s Investor Service. “This region is already in an oversupply situation. There’s a risk that the existing casinos will suffer or the new casinos will suffer.”

Atlantic City once had a monopoly on casino gambling east of the Mississippi River. In recent years, the city’s gambling halls have had to contend with increasing numbers of casinos that are closer to the region’s main population centers. As a result, gambling revenues in Atlantic City have fallen by half since their peak of \$5.2 billion in 2006.

## Philadelphia Casino Project Adds to Frenzy in Northeast Gambling Market

Written by Administrator

Wednesday, 19 November 2014 01:39 -

---

The once booming tribal casinos in Connecticut — Mohegan Sun and Foxwoods — have also fallen on hard times. State revenues from slot machines have dropped by 31 percent. Foxwoods, which is once again in default on its debt, faces another round of layoffs.

Yet, New York State is looking to add full-scale casinos to its roster of nine racetrack slot parlors and five Indian casinos. State officials are hoping to capture the gambling dollars New Yorkers spend in other states. The state also believes casinos can help revive troubled upstate regions by providing jobs and millions of dollars in tax revenue.

In a defensive response, New Jersey is now considering allowing casinos to operate in the Meadowlands and in Jersey City.

“The states are going to make some extra money, but the casinos are going to be working on incredibly small profit margins,” said Richard McGowan, an economics professor at Boston College and a gambling expert. “There’s going to have to be some consolidation in this industry.”

Pennsylvania, whose gambling industry started in 2006, had always planned for 13 casinos. It had issued a license to the Foxwoods group for a casino on the Philadelphia waterfront. But the project never got off the ground, and the state revoked the license four years ago.

Mr. Cordish and his partner were granted that license on Tuesday. Their site is on the city’s south side in an area where an arena and two stadiums draw more than eight million spectators to professional football, baseball, basketball and hockey games. Within a stone’s throw is another Cordish project, Xfinity Live!, a restaurant and entertainment complex.

The Live! Philadelphia Casino may not open quickly. The losing bidders have 30 days to appeal the selection, and potential lawsuits from neighborhood opponents could hobble construction.

The Live Hotel & Casino would include 2,000 slot machines and electronic tables; 125 tables for blackjack, baccarat and other games; as well as a 240-room hotel, a parking garage and several restaurants.

## Philadelphia Casino Project Adds to Frenzy in Northeast Gambling Market

Written by Administrator

Wednesday, 19 November 2014 01:39 -

---

“I think the secret to casinos is what you do besides the gaming, because everybody games the same way,” Mr. Cordish said. “The best thing you can do with gaming is surround it with other amenities.”

**Read more** <http://news.google.com/news/url?sa=t&fd=R&ct2=us&usg=AFQjCNFQA2P3wIBDz32znJSf3O4dL1J8HA&clid=c3a7d30bb8a4878e06b80cf16b898331&cid=52778658154768&ei=ksxsVlqvJ4TE8AG1pIC4Ag&url=http://www.nytimes.com/2014/11/19/nyregion/new-casino-license-in-pennsylvania-adds-to-northeast-gambling-market-frenzy.html>