

At Cuomo's Request, Panel May Again Weigh Casino Bids for Southern Tier of New York

Written by Administrator

Saturday, 10 January 2015 00:51 -

Photo



In Binghamton, N.Y., the front page of The Press & Sun-Bulletin announced the Dec. 17 decision to reject casino proposals in the Southern Tier. The board may now reconsider casino proposals for the region. Credit Nathaniel Brooks for The New York Times

What a difference a governor's letter makes.

After deliberating for eight months, a New York State gambling board recommended licenses for three casino projects on Dec. 17, but none were in the Southern Tier, a sparsely populated region that stretches along the border with Pennsylvania.

Gov. [Andrew M. Cuomo](#) initially backed the decision. But after criticism from elected officials and residents of the region, he asked the board to reconsider.

The State Gaming Facility Location Board, along with the State Gaming Commission, announced on Friday that they were considering opening a new round of bidding for a fourth license in the Southern Tier.

Mark D. Gearan, chairman of the Gaming Commission, said a new bidding process could "generate new proposals focused on the Southern Tier" that would bring jobs and economic development to the region.

Proponents of a casino, who had hoped that a resort would be an antidote to one of the highest unemployment rates in the state, were "cautiously optimistic," State Senator Thomas W. Libous, a Republican from Binghamton, said.

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"I think the governor is doing the right thing," added Mr. Libous, who has a good working relationship with Mr. Cuomo, a Democrat. "He's responding to me; he's responding to my colleagues in the Southern Tier."

That may be. But it did not come without a bit of backtracking on the part of the governor and the Gaming Facility Location Board.

The board reviewed 16 proposals for up to four casino resorts in three broad upstate regions. In the end, the board approved plans for only three: a \$750 million casino resort in the Catskills; a \$300 million gambling resort in Schenectady, near Albany; and a \$425 million proposal between Rochester and Syracuse in the Finger Lakes area.

The board said it rejected two proposals in the Southern Tier because the projects did not have sufficient size and heft.

The board also said it would approve only three gambling halls in light of competition across the Northeast.

On the day of the casino announcement, Mr. Cuomo also announced a ban on hydrofracking, which had been proposed in the Southern Tier. After a cabinet meeting, the governor said, "A casino can stimulate a region, but I don't think that is an economic development answer there."

One possible beneficiary of the announcement on Friday was Jeff Gural, a developer who owns Tioga Downs, a racetrack in Nichols with electronic slot machines, who was dealt a blow when the board decided not to grant him a license to expand his operation into a \$170 million resort casino with a hotel and spa. Now, it seems, he may get a second chance.

Mr. Gural's rival in the Southern Tier, Traditions at the Glen near Binghamton, has thrown its support behind Tioga Downs for the fourth license.

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But it remains unclear whether other casino developers will enter the contest, or even whether the Gaming Facility Location Board will ultimately decide to solicit bids for a casino license at its meeting on Tuesday, when it is scheduled to discuss the matter.

There are an estimated 600,000 people living within 50 miles of Tioga Downs, far less than what national and regional casino operators generally look for when deciding where to build.

In saying the commission would consider new proposals in the Southern Tier, Mr. Gearan, chairman of the Gaming Commission, called for "an appropriately structured and capitalized gaming facility that could bring the region important economic development and employment."

The recent turnaround also raised questions about Mr. Cuomo's insistence that the gambling boards are independent and solely responsible for licensing.

State Senator John J. Bonacic, a Republican whose district includes the Catskills and who is chairman of the Committee on Racing, Gaming and Wagering, said he supported the commission's decision to reconsider, and did not seem surprised by the governor's advocacy.

"The governor appointed the executive director and five of the seven members of the Gaming Commission," he said. "I always knew, the way the governor does his business, he would have a strong influence over the commission."

Correction: January 9, 2015

An earlier version of this article misstated the name of an agency Gov. Andrew M. Cuomo asked to consider soliciting new bids for a casino. It is the Gaming Commission, not the Gambling Commission.

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