

Past Wayne County land deal haunts Greektown Casino

Written by Administrator

Tuesday, 08 September 2015 21:52 -

By JC Reindl, Detroit Free Press 10:48 p.m. EDT September 8, 2015



Greektown Casino Hotel(Photo: Kimberly P. Mitchell, Detroit Free Press)

State gaming regulators on Tuesday ordered Greektown Casino-Hotel in Detroit to pay nearly \$530,000 for past violations, including a fine for not disclosing a broker fee paid for selling land that was to be part of a parking lot for the new county jail that has since stalled and might never be built.

The casino was fined \$150,000 for failing to report a \$420,000 broker fee to Charlie J. Williams, a former Wayne County deputy executive. Williams also lacked the required license from the Michigan Gaming Control Board to be involved in the transaction, according to a gaming board news release issued Tuesday.

At the time of the 25 violations, the casino was owned by a consortium of investors called Greektown Superholdings. The violations occurred under the previous ownership, prior to the 2013 purchase of the property by Dan Gilbert's Rock Gaming.

Most of the other violations are considered minor offenses, such as allowing under-aged patrons into the casino.

But the gaming board singled out the brokerage fee as problematic because its investigation revealed that Wayne County required the casino to make this payment to the "county's broker" -- Charlie J. Williams Realty -- even though Greektown had already paid a separate broker fee to its own real estate broker for the jail parking lot deal.

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"Greektown Superholding's payment to the county's broker not only violates gaming licensing requirements but seems like an unnecessary expense," Richard Kalm, executive director of the gaming board, said in a statement.

Williams did not immediately return a voicemail message seeking comment late Tuesday afternoon. A Wayne County spokesman said he could not comment on the circumstances of the transaction as it occurred under a previous administration.

The extra \$420,000 broker fee was revealed in late 2011 by the Detroit News, which noted that Williams at the time was a board member of the Detroit Metropolitan Airport authority. Weeks earlier, he voted to appoint Turkia Mullin -- then Wayne County's chief development officer -- as the airport's new CEO.

Mullin signed off on the \$14-million casino land deal, which paid Williams a 3% commission and also involved the casino buying a former county sheriff administrative building for \$2.5 million for a new parking garage, the News reported.

Williams at the time denied any conflict of interest or quid pro quo arrangement.

Mullin was later fired amid a scandal surrounding her \$200,000 severance payment when she left the county to take the airport job.

The other fines levied against Greektown Casino include:

- \$220,000 for board order violations.
- \$180,000 for licensing requirement violations.
- \$50,000 for customer disputes and disassociated persons list violations
- \$48,000 for promotional violations
- \$31,500 for minor in the casino and liquor violations.

The gaming board said that because Greektown officials admitted to the violations, the board

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will not require formal administrative hearings and will not pursue five other cases that happened under previous casino management.

“While none of the violations occurred under our ownership and management, we have taken responsibility as the casino licensee,” Matt Cullen, CEO of Rock Gaming, said in a statement.

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