

Downtown not easy for casino construction

Written by Administrator

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In 1980, when the Sundance was about to open in downtown Las Vegas, hopes were high for the newly developed hotel-casino.

It was a “plush and clean” sort of place in an area known for “noisy, dirty, nickel slot-lined hangouts,” a news report said, noting officials viewed the project and another hotel’s recent overhaul as a “new era for downtown.”

Now home of the D Las Vegas, the former Sundance property also has a history of owners with Michigan roots, including its original developer — former Mob-linked-bootlegger Moe Dalitz — and its current boss, [Derek Stevens](#) , who opened downtown’s first newly built resort since Sundance this week.

[His project, Circa](#), opened its casino, restaurants and year-round pool complex Wednesday. Its 777-room hotel tower is scheduled to debut at year’s end.

Stevens’ 35-story resort is a flashy, Strip-style project in a tourist corridor known for budget travelers and older hotels with limited amenities. Despite regularly drawing big crowds — at least before the coronavirus pandemic devastated Las Vegas’ tourism industry — downtown went decades without any new resorts coming out of the ground amid a series of hurdles.

Fremont Street’s tightly packed casino district is already lined with buildings. Many of them sit on small parcels, and property ownership is chopped up, county records indicate, making it harder to assemble a sizable site for a new hotel.

Downtown also has a lot of ground leases, Stevens recently pointed out, further complicating potential property buyouts.

Meanwhile, developers have spent decades luring tourists to Las Vegas Boulevard with bigger, glitzier resorts, posing ever-increasing competition to the older haunts downtown.

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“It just became a lot easier to build on the Strip,” Stevens told the Review-Journal.

Stevens, owner of the D and the Golden Gate, assembled the site for Circa after he bought a cluster of existing buildings, including the old Las Vegas Club casino, and tore them down.

Michigan links

Properties throughout Las Vegas, whether vacant or occupied by buildings, often have volatile or colorful backstories, and Stevens’ downtown casinos are no different.

The Golden Gate, in which Stevens and his brother, Greg Stevens, initially acquired an ownership stake in 2008, is the site of the former Hotel Nevada. The hotel opened in 1906, and Las Vegas’ first telephone was installed there in 1907, with the phone number of 1, according to a [timeline](#) on the Golden Gate’s website.

The D, meanwhile, was built 40 years ago by Dalitz, by then an established casino investor and [real estate developer](#) in Las Vegas. He brought in operators to run the resort when he realized Nevada regulators wouldn’t license him because of his links to organized crime, according to [The Mob Museum](#).

Dalitz, whose family moved to [Michigan](#) when he was a child, was a bootlegger during Prohibition and sought out Detroit’s notoriously violent Purple Gang to provide protection, says the museum.

The Sundance was later renamed Fitzgeralds, and Detroit businessman Don Barden acquired it in 2001, becoming the first black person to wholly own a Las Vegas casino.

[Barden](#) died in 2011 of lung cancer, and Stevens, who was born in Detroit and grew up in the

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suburbs, [bought Fitzgeralds](#) from the late owner's estate that year. The Stevens brothers renovated it and renamed it the D Las Vegas.

Will someone build another resort downtown anytime soon? It seems unlikely, given the development hurdles, the ongoing economic turmoil sparked by the still-raging pandemic, and the formidable new competitor.

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