

## Investigation could imperil new casino projects

Written by Administrator  
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**By TOM DAVIES**

*The Associated Press*

INDIANAPOLIS — An investigation stemming from allegations of [illegal political contributions by a longtime Indiana casino executive](#) could snarl the future of multimillion-dollar projects for new casinos in Gary and Terre Haute.

The Indiana Gaming Commission has more than 10 people under investigation for possible financial misconduct that would violate state casino laws or regulations, said Sara Gonso Tait, the commission's executive director.

The companies that currently own the Gary casino along Lake Michigan and are working on a replacement \$300 million inland casino in Gary and a \$125 million casino in Terre Haute have been under state scrutiny since [top company executives were linked to allegations that corporate money was illegally funneled](#) to a former state lawmaker's unsuccessful 2016 congressional campaign.

Gaming Commission board member Susan Williams said during a Monday meeting that regulators needed to be decisive about a situation she called "unprecedented for this commission."

"We've got one project marching along up in Gary and one to be started in Terre Haute," Williams said, adding that a deadline was needed for "a plan in order to convince us that we don't need to suspend this license."

Commission members said they wanted a report within the next month for them to decide what action to take, with Chairman Michael McMains saying they needed to have a "zero tolerance policy of illegal gaming activities."

Tait did not identify those under investigation but said "their suitability and ability to continue to

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hold gaming licenses is in serious doubt.”

State officials suspended the casino license of former Spectacle Entertainment vice president John Keeler in September after an [indictment charged him](#) with taking part in the political contributions scheme. Indiana casino officials this spring forced [Keeler and fellow Spectacle executive Rod Ratcliff](#) to give up their ownership stake in the Terre Haute casino but allowed a business partner to go ahead with the project.

Ratcliff and Keeler, a lawyer who was a Republican legislator for 16 years during the 1980s and 90s, have been active lobbyists in the Indiana Legislature for many years on casino matters and were among the owners of the two central Indiana horse track casinos until they were sold to Las Vegas-based Caesars Entertainment Corp. in 2018 for \$1.7 billion.

They pushed lawmakers last year to allow the Gary casino’s move from along Lake Michigan to a [more lucrative location](#) along Interstate 80/94 in Gary and permit Terre Haute to become Indiana’s first new casino city since 2008. [Republican Gov. Eric Holcomb faced a state ethics review](#) last year of his dealings with Ratcliff.

Ratcliff, who is not named in the federal indictment and does not face any criminal charges, resigned in June as Spectacle’s chairman and CEO but has been allowed to keep his ownership stake.

Indianapolis-based Spectacle, which owns the Gary casino, said in a statement that it has been fully cooperating with the Gaming Commission and restricting its organization.

“From the beginning, we have taken this matter very seriously, as we share the Commission’s objective of protecting the integrity of gaming in the state,” said Jahnae Erpenbach, Spectacle’s CEO and board chairwoman.

The Terre Haute casino is being planned by a company called Spectacle Jack led by Greg

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Gibson, a Terre Haute businessman who is also vice chairman of Spectacle Entertainment.

Spectacle Jack said in a statement Tuesday that Gibson was cooperating with the gaming commission and wasn't a subject of its investigation

"Gibson is committed to ensuring the integrity of the Indiana gaming industry and will continue to work ensure both projects move forward," the statement said.

Jennifer Reske, the gaming commission's deputy director, said the agency did not want to derail casino projects that are important to the state and those cities.

"Ensuring these projects are successful is a top priority," Reske said. "It's a goal to make sure that they continue and there are no delays, but at the same time we have to ensure that these facilities are conducted in compliance with statute."

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