

## Coal jobs are almost gone. Could a casino help rescue southwest Virginia?

Written by Administrator

Monday, 03 October 2022 08:00 -

---

BRISTOL, Va. — Sonya Ratliff and about a dozen friends put on sparkly clothes and left early on a Tuesday morning to celebrate another mom’s birthday. In years past, that might have meant brunch.

Now, in this Bible Belt town on the edge of the Appalachian Mountains, it means slot machines, blackjack and other games of chance at the newly opened Bristol Casino.

How long would the women gamble? “Until we have to pick up our kids from school,” Ratliff, 42, said to roars of laughter from her friends gathered around a roulette table.

Since July 8, Virginia’s first casino has been doing big business in a former abandoned shopping mall near the Tennessee line. More than 25,000 people from 49 states visited in just the first three weeks of operation, raising visions of economic salvation in a city that’s been desperate for it.

“It’s going to be phenomenal — I’m beyond thrilled,” said Karen Hester, a local retailer who has been investing in downtown Bristol for years in hopes of a turnaround. She’s already adding employees to her food and gift shops as sales tick up, she said.

Virginia [resisted the lure](#) of casino gaming for decades before the General Assembly [voted in 2020](#) to authorize a handful of cities to roll the dice. Bristol launched first, though the shopping-mall version is a fraction of the \$400 million Hard Rock Casino and hotel that’s slated to debut on the site in 2024.

The state’s three other projects are in varying stages of completion: Rivers Casino in Portsmouth is slated to open in February 2023; HeadWaters Resort and Casino in Norfolk expects to open a temporary facility next year, with completion of the permanent one in mid-2024; and Caesars Danville is scheduled for late 2024.

## Coal jobs are almost gone. Could a casino help rescue southwest Virginia?

Written by Administrator

Monday, 03 October 2022 08:00 -

---

All of those places hope casinos will jump-start the local economy, but Bristol's situation is unique: The gambling tax revenue won't just stay in the host city but will be evenly divided among the 14 cities and counties of southwest Virginia.

It's a high-stakes bet on behalf of one of the poorest regions of the state. The coal jobs that built southwest Virginia are mostly gone, and the population is aging and declining. Could the flash of a slot machine be the light at the end of the tunnel?

"You're going to have a steady source of revenue coming in on an annual basis ... It's very much needed," said Fred L. Ramey Jr., city manager of the city of Norton, farther out in coal country. "I think it will be a big deal for many of our communities down here."

Compared with the high-profile perch of Maryland's MGM National Harbor casino just outside the nation's capitol, Bristol seems like a humble place for high-rollers. Some six hours from D.C., Bristol has a poverty rate of 22 percent — more than double that of Virginia as a whole, according to 2020 U.S. Census data. The city's median household income is about \$39,700, compared with \$76,400 statewide.

But Bristol has roots as an entertainment hub, ever since the Carter family came down from the mountains and made the first popular country music recordings there in 1927. And it is really two cities — one in Virginia, the other in Tennessee, facing each other downtown along State Street.

The southern side is more of an economic powerhouse. Tennessee's Bristol Motor Speedway is one of the biggest sports venues in the country, with a capacity of more than 150,000 spectators. A bustling commercial center called the Pinnacle lines Interstate 81 in, Bristol, Tenn., with shops, restaurants and hotels.

Virginia's Bristol, meanwhile, has struggled to get tenants in a publicly funded roadside retail development called the Falls. The city's landfill is a major environmental hazard, and the municipal budget is wheezing under about \$107 million in public debt.

## Coal jobs are almost gone. Could a casino help rescue southwest Virginia?

Written by Administrator

Monday, 03 October 2022 08:00 -

---

When the Bristol Mall closed in 2017, it was yet another indignity for local residents. For a time, the city put its hopes in a medical cannabis facility that was going to locate in the mall's shell and generate new jobs.

But then local entrepreneur Jim McGlothlin, who made a fortune in the coal industry, and developer Clyde Stacy came forward with the idea of turning the mall into a casino. In an [interview](#) with a local television station, McGlothlin acknowledged the unlikeliness of the proposal, which he said was Stacy's brainstorm.

"That's something we never, ever thought about, but instantly I saw the real opportunity to have a business that would make sense and to take Bristol from where it is today to a big-time success," McGlothlin said. "If this works, we're going to bring so many jobs to Bristol."

The developers proposed sharing tax revenue with the region to build political support, which "allowed us to work together as one cohesive unit in Richmond to pass the legislation," Bristol City Manager Randall Eads said.

Once the General Assembly gave the green light, the proposal had to be put to Bristol voters in a referendum in 2020. A handful of local churches opposed it, using billboards and a rally to make a biblical case against gambling as having "the same life-wrecking potential as cocaine," according to a flier mailed out to residents.

But 71 percent of voters approved the casino, the most support of any Virginia city considering gaming that year. Residents were "overwhelmingly" hungry for economic development, Eads said. "That quieted down any critics."

Two of the pastors who led the campaign against the casino did not respond to requests for comment for this article.

With the mall already in place, Hard Rock decided to renovate part of it and open a temporary, 30,000-square-foot facility right away as the full project takes shape around it.

## Coal jobs are almost gone. Could a casino help rescue southwest Virginia?

Written by Administrator

Monday, 03 October 2022 08:00 -

---

“It’s great to be first in Virginia,” said Allie Evangelista, president of the Bristol Casino. Getting the jump on others is good for competitive purposes, she said, and allows Hard Rock to do the hiring and training necessary to build a local workforce from scratch.

About 93 percent of the 600 workers at the temporary facility are local, said Marc DeLeo, vice president of marketing. The customer base is largely local as well, with about 60 percent from Tennessee, 24 percent from Virginia and maybe 6 percent from North Carolina, DeLeo said. He and Evangelista expect little impact once the rest of the state’s casinos open; the nearest will be Danville, some three and a half hours away.

The numbers so far from the small temporary casino have been eye-opening. In August, the Bristol Casino generated almost \$14.3 million in revenue. That produced more than \$2.5 million in taxes, of which more than \$850,000 goes to the Regional Improvement Commission formed to handle proceeds for the 14 jurisdictions in southwest Virginia.

Each county or city has a representative on the commission, which is in the process of setting up a bank account and other mechanisms to administer the funding. Payments will go out to the localities once a year, beginning next year.

At the current rate, that could mean roughly \$750,000 per locality — more when the full casino opens.

In Norton, which has an annual budget of around \$10 million, the payments will “allow our community to focus on some capital projects we really haven’t been able to do in the past,” said Ramey, the city manager. Those could include new firetrucks, road improvements or police equipment.

Bristol has similar plans — state law requires that the money be used for education, transportation and public safety — and Eads hopes it will give the city breathing space to pay down its debt. On top of the gambling tax revenue, Bristol expects to see increases in revenue from sales, meals and lodging taxes.

## Coal jobs are almost gone. Could a casino help rescue southwest Virginia?

Written by Administrator

Monday, 03 October 2022 08:00 -

---

So far, Eads said, city police have reported no incidents tied to the casino. He emphasized that he's taking a conservative approach, not building any miracles into the budget, unwilling to pin all the city's hopes on one development. After all, casinos have a spotty record as the anchor for a thriving community (Exhibit A: Atlantic City).

But Eads stressed that the region's plight makes it appropriate to take a bit of a gamble. "What's going to happen in southwest Virginia if you don't get the population to come back and get some kind of industry? It's bad, if you don't do something different," he said.

Eads is especially hopeful about the jobs the casino is bringing — some 1,200, once the full facility opens, with entry-level positions starting at \$18 an hour.

The casino has also made a priority of involving local merchants and suppliers for its restaurants and souvenir shop. Hester, the downtown business executive, owns a candy and ice cream store called Southern Churn that's now supplying fudge to four different Hard Rock casinos. She's hired staff and bought a new vat to handle the demand.

Hard Rock executives have stayed in some of the loft apartments she renovated in old buildings downtown, Hester said, and the casino sells items from her Cranberry Lane gift shop.

"It's like an anchor, an economic driver [that] ... adds a different layer of excitement for people," said Beth Rhinehart, president of the local Chamber of Commerce. Initially, she said, some in the community were worried that the casino might draw traffic away from downtown or drive up wages to a level at which others couldn't compete.

But the performance so far has put those fears to rest, she said. "It's been a good partner, a fit for the assets we already have." And when it comes down to it, Rhinehart added, "if we really want our young people to stay here, to choose to live here, there has to be a job here for them."

The positions can be transformative for someone like Sierra Hill, 29, a single mother raising an 8-year-old daughter. Hill worked a long list of jobs in construction, plumbing and residential and commercial cleaning around Bristol, never earning more than \$12 an hour, never getting health

## Coal jobs are almost gone. Could a casino help rescue southwest Virginia?

Written by Administrator

Monday, 03 October 2022 08:00 -

---

benefits, she said.

Earlier this year she landed a spot on the cleanup crew at the casino, with health coverage and a 401(k) plan. She had lost her subsidized apartment over the summer, but now she's staying with a friend and saving up to buy a home.

"I couldn't even tell you the excitement," she said. "It has literally been such a blessing." When the fair came to town last week, Hill took her daughter and splurged on face painting and tickets for rides.

Her grandparents, she said, initially opposed the casino. Now they've taken the sign out of their yard. "They're happy that I'm happy," she said.

Tabitha Whitesides, 43, grabbed a few minutes at lunchtime on a recent weekday to bring her daughter Kalyn for a quick look at the casino. Walking up to what had been the doors to the shopping mall was a surreal experience.

"This is where the Piccadilly cafeteria used to be, right?" Kalyn asked.

"No, that was that entrance right over there. This was Belk," Tabitha said.

Both had been sad to see the mall die. "When I was running around out here it was an exciting, fun place to be. It's where everybody was on Friday and Saturday night," the mother said.

Having it reborn as a casino is "pretty cool," Kalyn said. Like many other locals who visited, they were excited to go inside and see a sentimental landmark: several walls covered with colorful tiles that had been painted by local schoolchildren some 25 years ago, preserved by the casino next to its sports bar.

## Coal jobs are almost gone. Could a casino help rescue southwest Virginia?

Written by Administrator

Monday, 03 October 2022 08:00 -

---

That seemingly minor touch has endeared the project to many local residents. “The tiles were beautiful,” said David Hoelscher, 58, a retired chef from Bristol, Tenn.

Hoelscher’s father used to run the Piccadilly, and the son started washing dishes there at age 14. Now he was thrilled to see the mall get new life as a casino — which he has visited “once with my wife’s permission and about six, seven times without it.”

Until it opened, the nearest place he could play legal blackjack was the casino in Cherokee, N.C., about two and a half hours south. Tennessee does not allow casino gaming, and Hoelscher said he knew some people were against the idea in Virginia, as well.

“Everybody thought it would bring in a bad element,” he said. “And it still might, we don’t know. We’re still new to this.”

For now, he’s enjoying the diversion and looking forward to the day when heroes like Hank Williams Jr. can perform concerts there. With that, Hoelscher headed for the doors. He only had an hour for blackjack before he had to pick up his grandson.

**Read more** <https://www.washingtonpost.com/dc-md-va/2022/10/03/bristol-casino-hard-rock-virginia/>