

Written by Administrator
Wednesday, 19 January 2011 06:13 -

Jan. 19, 2011 6:48 a.m.

[By Dan O'Brien](#)

YOUNGSTOWN, Ohio -- The development group seeking to develop a \$300 million racetrack and casino in the Mahoning Valley is not the only horse in this race, state lawmakers say.

State Rep. Bob Hagan says he's met with representatives of two other companies looking to do similar

projects, but hasn't had any contact with principals of Mahoning Valley Development Group LLC, who Tuesday unveiled more details about their plans to construct a multi-faceted resort and racetrack in the area.

Hagan said he's not at liberty to divulge the names of the companies he's met with, but emphasized he's had no contact with Mahoning Valley Development and posited that their announcement came only when word leaked out that other developers were exploring sites in the Valley.

"I think this company got wind that others were interested and were trying to steal their thunder," Hagan said. "Although, if they're a viable company, I'll work with them."

Penn National Gaming is said to be considering relocating its racetrack in Toledo to possibly the Austintown area, which many think prompted the urgency for Mahoning Valley Development's announcement Tuesday during a press event ([WATCH DAILY BUZZ](#)) where the promoters declined to identify where they have secured options on 200 acres of land.

According to sources, a large number of land options recently were secured in the North Jackson/Lordstown area, and there appears to be additional interest in land abutting the Youngstown-Warren Regional Airport.

Rick Lertzman and Brad Pressman, principals of Mahoning Valley Development and residents of the Cleveland area, met reporters Tuesday at Mr. Anthony's Banquet Center in Boardman, where they answered questions regarding the scope and details of the project.

"We've heard rumors that Penn National would like to relocate the Toledo racetrack," Lertzman acknowledged. "We think that would be unfortunate because Toledo Raceway Park employs a lot of people."

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Mahoning Valley Development wants to build a \$300 million racetrack and casino equipped with video lottery terminals -- or VLTs -- the state's terminology for video slot machines. Future phases of the plan include a hotel, a championship golf course, restaurants, live entertainment venues, an indoor water park, and retail shops, they say.

"We think the Mahoning Valley is one of the sleeping giants of Ohio," Lertzman said. "We think this project is one of the most exciting projects to come along in a long time."

Lertzman said the group has optioned 200 acres in the Valley, but added he couldn't disclose the location since the pair are negotiating to acquire another 500 or so acres to expand the site. Once those negotiations are completed, the location would be announced, he promised.

Also unknown is the group's financial partners, three of which are public companies, according to Lertzman. Those companies would have to disclose their interest themselves under rules established under the U.S. Securities and Exchange Commission, he explained.

Lertzman said that the names of the partners would be divulged in two or three months.

The biggest hurdle facing the project is obtaining a racetrack license, Pressman said. The group expects to meet with members of the Ohio Racing Commission this week or next week, he said, but acknowledged that the application process could be cumbersome since there's been no license granted in the state for more than 50 years.

"They don't have an application or exact protocol for us to gain a license in the state of Ohio," Pressman said. "Our company is poised to begin the application process."

The Mahoning Valley Downs and Resort would be the eighth racetrack in Ohio.

Pressman said the project would create 1,000 construction jobs and another 1,200 to 1,500 permanent jobs once the resort is open.

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In 2008, the group was behind an effort to place a racing and casino issue on the ballot so they could develop a similar project in Wilmington, in southwest Ohio between Columbus and Cincinnati. The measure was defeated even though, Pressman said, the building trades and the AFL-CIO supported the project. "We think we have ability to make an improvement in the economy of the Mahoning Valley," he said.

"We thought that would be the first step," Pressmen said, with potential expansion into the Youngstown region. "We think the time has come that the Mahoning Valley has a first-class facility they can call their own."

Pressman said Ohio's seven racetracks -- and the state's four proposed casinos -- don't serve the Mahoning Valley market, which he estimates at about one million people.

But a major component of the plan is still tied up in court. Former Gov. Ted Strickland agreed to allow video slots in the state's racetracks. However, the measure is now before the Ohio Supreme Court as to whether the governor has the power to issue an executive order to legalize the slots.

Strickland was defeated in November by Gov. John Kasich, who has yet to take a stand on the issue. "This state's going to have an \$8 billion to \$10 billion deficit and I'm sure Governor Kasich is going to look at all revenue streams," Pressman said.

Lertzman believes it's not a matter of if, but when, video slots will be allowed at Ohio's racetracks.

"We're surrounded by states that have that," Lertzman said. "Hopefully, we're not going to end up in a political fight to keep us out of the racing industry."

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