

Written by Administrator
Friday, 18 February 2011 05:00 -

ATLANTIC CITY - A \$1.15 billion infusion into the Revel casino project will get people back to work next week and construction activity to full strength within a month, union officials said Thursday.

"It's a happy day," electrical foreman Joe D'Amico said. "Nothing will happen overnight because of logistics and the size of this place.

But it will happen soon."

D'Amico spoke Thursday a couple of hours after Revel Entertainment Group closed the financing deal needed to revive its stalled project: two private loans from unidentified sources of \$850 million and \$305 million. He was on site to supervise electrical installation that must be completed along with heating and air conditioning work so that interior construction can be done. More workers came on last week in preparation for Thursday's deal, Revel CEO Kevin DeSanctis said.

"It's going to be very satisfying to see all these people come back to work," DeSanctis said.

The 2,000-person work force needed to finish the casino and nearby roadwork is part of an anticipated surge in construction that could cure an unemployment rate of 20 percent to 30 percent among local trade unions, said William Pauls, president of the South Jersey Building Trades Council. The council consists of 40,000 electricians, ironworkers, carpenters and other area union workers.

Other nearby projects expected to create jobs include the Next Generation Aviation Research and Technology Park in Egg Harbor Township and a science wing on the main campus of The Richard Stockton College of New Jersey in Galloway Township. Pauls also pointed to major renovations pledged earlier this week by Landry's Inc., which is purchasing Trump Marina Hotel Casino.

"We've been waiting for that for two years," Pauls said of Thursday's news. "I think there's been a lot of hard work by everybody."

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Pauls credited Assemblymen John Amodeo and Vince Polistina, both R-Atlantic, state Sen. Jim Whelan, D-Atlantic, and state Senate President Steve Sweeney, D-Salem, Gloucester, Cumberland. "It was a joint effort," he said.

Thursday's announcement is the latest in a series of promising developments for Atlantic City this month. Gov. Chris Christie signed legislation Feb. 1 that relaxed gaming regulations and put the Casino Reinvestment Development Authority in charge of the beach, Boardwalk and casino zones. The changes are intended to help the resort attract additional tourists and revenue.

Christie also announced that Revel had qualified for the state Economic Redevelopment and Growth program. That means the state will rebate an estimated \$261.4 million in taxes to Revel during the casino's first 20 years in business. Some of that money will be used to fund infrastructure improvements near the casino.

Although D'Amico and others on the ground figured the state's support would reassure investors, they knew the deal was not final. "We were still skeptical because this project literally has been a roller coaster. And we heard so many times that they had the money and we'd get geared up. But his visit showed that this thing was gaining ground," D'Amico said.

D'Amico, 51, of Margate, has worked on Revel for Calvi Electric since site preparation began in April 2007. Revel laid off 400 workers in January 2009 and began a two-year struggle to secure financing.

Some workers have remained at the site, beginning reconstruction of Garden Pier and the Boardwalk in front of the glass-plated tower and improving curbs and paving on the streets in the surrounding South Inlet neighborhood. Workers swapped rumors with nearby residents and business owners, all of them following media reports and observing visits by possible investors - identifiable by their business attire - with varying degrees of hope, skepticism and uncertainty.

Angel Feliciano, 29, has watched closely from his apartment at Metropolitan Plaza on Rhode Island Avenue, steps from the casino that is expected to employ 5,500 people once it opens in summer 2012 - nearly two years later than originally projected.

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"I've been waiting for that thing to open. I definitely want to work there," he said.

Currently a parking valet at The Chelsea hotel, Feliciano was laid off from his supervisory position at Showboat Casino Hotel. He spoke as he walked through his neighborhood Thursday afternoon with his wife and son.

"The neighborhood isn't that good. It's not too bad, either. Not unsafe, but it's just kinda crappy," he said. "A new casino opening in a crappy area? You gotta do something here."

Revel has pledged to spend \$125 million of the tax rebate on improvements to the surrounding neighborhood, its application states. If Revel does not spend the money as planned, the state Economic Development Authority could stop rebating its taxes. Reimbursements are expected to total about \$2 million in 2013 and increase annually, DeSanctis said.

Tony Boloney's manager Mario Dorazio said he intends to hire seven or eight people right away to help handle the quadrupling in business expected once work fully resumes on Revel a few blocks from the pizzeria.

"We were getting by, but this definitely is a big confidence booster for us," he said. "Mike (Hauke), the owner, he's a great PR guy and comes up with great ideas and we would've managed one way or another. This just makes it a lot easier."

Contact Emily Previti:

609-272-7221

EPreviti@pressofac.com

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Revel timeline Morgan Stanley acquires the South Inlet property adjacent to the Showboat Casino Hotel for \$74 million.

April 2006:

Oct. 6, 2006: Morgan Stanley selects Revel Entertainment Group to develop and operate a casino on the 20-acre site.

April 2007: Revel Entertainment's builders begin clearing land bounded by the Boardwalk and Oriental, New Jersey and Metropolitan avenues.

August 2007: Revel Entertainment announces plans to develop a \$2 billion casino hotel featuring two 700-foot towers, the tallest buildings in the state. The project is to include 4,000 rooms and 7,000 parking spaces.

July 31, 2008: Three Revel executives are killed in a plane crash while flying to a business meeting to discuss the casino with a Minnesota-based glass manufacturer.

Aug. 6, 2008: Atlantic City approves a \$56 million bond ordinance to help fund \$90 million in road improvements around the Revel resort.

Aug. 27, 2008: Revel says it may hold off building the second 1,800-room tower until after its gaming resort opens in 2010.

Jan. 28, 2009: Revel lays off 400 workers and slows construction on the \$2 billion casino while it searches for additional financing.

April 21, 2009: The Casino Reinvestment Development Authority approves \$20 million in

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funding to rebuild roads serving the casino. Revel officials say \$900 million has been spent to date, or about \$30 million per month.

Sept. 10, 2009: China State Construction Engineering Corp. partners with Tishman New Jersey to build the megaresort.

Oct. 6, 2009: Local 54 of UNITE-HERE President Bob McDevitt files a lawsuit that questions the \$56 million bond issue to widen roads around Revel.

Dec. 3, 2009: Atlantic City Council votes to use \$50 million of Revel's future tax payments for improvements, including removal of the Boardwalk at the northeast end of the city.

Dec. 22, 2009: A \$50.6 million plan to clean up the area of the city surrounding the Revel casino is delayed until 2010.

Jan 18, 2010: State officials consider giving Revel \$300 million in tax breaks over two decades, a plan made possible through New Jersey's Economic Stimulus Act of 2009. McDevitt calls the request "corporate welfare."

Jan. 22, 2010: Atlantic City officials reject Local 54's petition to hold a citywide vote on the proposed tax break to help Revel casino.

March 10, 2010: Local 54 files a lawsuit to force the city to give voters a say in whether the city should support the \$300 million in tax breaks.

March 16, 2010: Revel contributes \$500,000 to the CRDA, which approved a demolition program to help clear out blighted buildings that surround the casino.

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March 23, 2010: Lawmakers act to stop opponents from getting a public vote on a proposed \$300 million state tax break for Revel.

March 25, 2010: Construction workers interrupt a Local 54 rally against Revel, which develops into individual fights between the two labor groups.

March 31, 2010: New Jersey Division of Gaming Enforcement documents indicate Revel is close to reaching a loan agreement with the Export-Import Bank of China for "well in excess of \$1 billion." The loan never materializes.

April 1, 2010: Morgan Stanley announces it is pulling out of the project and will put its ownership stake up for sale. Morgan Stanley books a nearly \$1.2 billion loss from its investment in Revel.

Nov. 6, 2010: Revel discloses funding plans that include two high-yield bond offerings of \$800 million and \$472 million. The plan fails.

Jan. 25: Revel and financial adviser JPMorgan & Chase Co. propose three loans totaling about \$1.15 billion to finally complete the financing.

Feb. 1: Gov. Chris Christie announces state tax rebates to Revel expected to total an estimated \$261.4 million over 20 years. He also signs legislation that relaxes gaming laws, puts the CRDA in charge of the beach, Boardwalk and casino strip and otherwise changes the local regulatory structure.

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