

By WILLIAM McCALL

PORTLAND, Ore.

A ballot measure seeking approval for the first private nontribal casino in Oregon is getting plenty of attention from newspaper editorial boards around the state - mostly in opposition - as the election approaches.

Two of the largest

newspapers in Oregon, The Register-Guard in Eugene and The Oregonian in Portland, have urged voters to reject Measure 75, calling it "economic desperation" and "time to stop a proliferation of commercial gambling in Oregon."

Supporters, meanwhile, remain firm in their optimism that Measure 75 would create jobs, boost tourism and support state programs while putting the burden for operating costs on owners instead of taxpayers.

Lake Oswego businessman Bruce Studer and attorney Matt Rossman have spent years on the proposal for a \$250 million private casino at the former Multnomah Kennel Club dog track in Wood Village, just east of Portland.

They claim the 25 percent of casino revenues that Measure 75 earmarks for Oregon schools, counties, some cities and state programs could bring in as much as \$150 million a year.

Studer and Rossman also say the proposed casino will create 2,500 permanent jobs and 5,000 construction jobs, boost economic activity by \$650 million a year and eventually build a yearly payroll of about \$87 million.

"This is really an economic development project," Rossman said Wednesday, noting many

other states already allow private gaming or are considering it.

The chief opponents are a coalition of Oregon tribes that operate nine tribal casinos in rural areas around the state.

Justin Martin, spokesman for the Oregon Tribal Gaming Alliance, said one of the main arguments for rejecting Measure 75 is that it opens the state to gambling mostly for profit, rather than raising revenue for education and public programs through the lottery or tribal casinos.

"They say 25 percent of the profits go to the state, but where does the other 75 percent go?" Martin said.

Rossman said much of what doesn't go to the state would pay operating costs. But a state economic analysis by the nonpartisan Legislative Revenue Office suggests that between \$128 million and \$230 million a year could flow out of Oregon to the casino's private owners and bankers, actually shrinking the state economy by \$29 million to nearly \$88 million.

"We gave them the best-case scenario," said Mazen Malik, the economist who led the study.

Malik said Measure 75 supporters emphasize the benefits that might be generated and the number of jobs they expect to be created, but they have minimized some of the potential costs, including the impact on lottery revenues.

"One of the main things they probably did not pay close attention to was where these new expenditures on entertainment or gambling are going to come from," Malik said.

A state economy still struggling to emerge from the effects of the Great Recession with the jobless rate stuck above 10 percent is unlikely to see much growth in personal expenditures needed to fuel a new casino without putting a dent in the Oregon Lottery, Malik said.

Rossman argues the study is misleading, and that lottery retailers near the proposed casino likely would feel some impact at first but it would fade as the casino draws on tourism and a different customer base.

"The lottery is mostly convenience gamblers - and resort casinos attract destination gamblers," Rossman said. "It's an apples-and-oranges comparison."

Malik said, however, the revenue office allowed for a potential increase in gamblers from outside the state along with a reduction in Oregonians traveling to other states, and "the numbers just did not come out to support the general ideas that they maintain."

Martin said another important question voters must consider is whether outside investors would be as involved in state economic development as the tribes and the Oregon Lottery.

He said the tribal casinos have become a trusted partner in supporting rural Oregon communities while the Oregon Lottery devotes about 65 percent of its gaming revenue directly to schools and other state programs.

"What we have now is gaming for the public good," Martin said. "What they have is gaming for private profit. It's all about the money. It's pretty clear cut."

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