

Springfield bets on new casino - Metro

Written by Administrator

Tuesday, 20 May 2014 15:24 -

SPRINGFIELD — On a clear Thursday evening on Falcons Way, in what should have been the beating heart of downtown, nothing moved.

At 8:45 p.m., there was no traffic. No people or voices, either. Not a sound at all, a block from City Hall, near the hulking MassMutual Center arena.

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As if on cue, a strip of plastic bubble wrap rolled down the empty street in the breeze, an urban tumbleweed. Office windows in the stately buildings along Main Street were dark, block upon block. A single sedan hogged the entire first level of the enormous Civic Center garage. “Like a vacant Hollywood movie set,” said Chuck Irving, a manager of Davenport Cos., a development partner with MGM Resorts, which has proposed an \$800 million gambling and entertainment resort near this spot. It is difficult to overstate how much Springfield’s political leaders are counting on MGM to be the “economic engine” that will drive the rebirth of a city tormented by an annual unemployment rate above 10 percent for the past five years. But what the city is trying to do with MGM, analysts say, has never been done before: using a gambling-based business to bring back an economically distressed urban downtown. “There are just not a lot of examples out there of this working,” said Paul DeBole, assistant professor of political science at Lasell College and a specialist on gambling regulation. “I couldn’t find one to save my life.” [Continue reading below](#) Part of the problem is that most urban casinos are stuck on the outskirts of cities, away from walkable downtowns, or are designed as fortresses to keep customers inside. The three casinos in Detroit, for instance, make an impressive \$1.3 billion a year in gambling revenue, but have not revitalized the areas around them, said Alan Silver, an Ohio University casino specialist. “People who go there don’t want to stay downtown,” Silver said. “They go to a casino, they gamble, and they leave. I don’t think it’s been an adrenaline shot to that area.” MGM says the Springfield resort — the presumed winner of the Western Massachusetts casino license, the last competitor standing — will be different. “We think it’s the first of its kind — a truly inside-out integrated casino resort in a downtown environment,” said Michael Mathis, president of MGM Springfield, in a Globe interview. Taking a page from the design of modern retail malls, such as Providence Place in downtown Providence, MGM plans to build amenities, such as restaurants and shops, on the outside of the resort, facing the streets, to encourage foot traffic downtown. “From Main Street you can go in and out of the facility without ever going into the casino,” Mathis said. “We believe as a company this is the way the industry is moving, to make gaming a component of the experience but not necessarily the principal component.” Not everyone, however, is buying MGM’s pitch. Archbishop Timothy Paul Baymon, president of the Council of Churches of Western Massachusetts and a casino opponent, is skeptical that any gambling proposal can bring back a struggling area. “History proves many of the restaurants and other businesses suffer as a result of a casino coming into a city,” Baymon said. “I do, however, believe [MGM] is

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spending an enormous amount of time and money trying to convince the city of Springfield and those in power that this is the best revitalization plan for the city." Downtown used to be the hub of activity, commerce, and excitement, said Mayor Domenic Sarno. With the MGM plan, "it's back to the future." MGM is seeking to build across about 15 acres in downtown Springfield, remaking a swath of the South End neighborhood. When Sarno, 51, was a child, the proposed MGM site was part of an Italian enclave filled with the scent of bakeries — "a mini-version of the North End in Boston," he said. Now, the project site is largely parking lots. The site includes the old Howard Street School site, an early 20th-century building damaged in a 2011 tornado. It is shuttered and weather-sealed with tarps. MGM will knock it down. The city's castle-like armory building, also damaged by the twister, will be renovated and preserved as an architectural centerpiece of the project. A brick church building will be moved. The company will build a hotel, cinema, skating rink, bowling alley, spa, parking garage, and 54 market-rate downtown apartments — in addition to installing thousands of slot machines and Las Vegas-style table games. "With 8 million new people coming here, what does this look like?" said Irving, referring to MGM's forecast of annual visits to its proposed resort. "It's all waiting to happen — or not." Irving is forced to hedge — "or not" — because the MGM project still faces the threat of a repeal of the casino law. The state Supreme Judicial Court on May 5 heard an appeal by gambling opponents who say Massachusetts voters should have their say; Attorney General Martha Coakley had ruled last year that the repeal question was unconstitutional. The court is expected to decide by July if the question may appear on the November ballot. MGM has asked state gambling regulators to hold off on issuing the company a casino license until the repeal is settled, in court or at the ballot box. Sarno, who wagered a good chunk of his political capital on bringing a casino project to his city, said Springfield is already seeing benefits from the MGM proposal: the sense that Springfield's darkest days are over. "The psyche of this city — you can't put a price on it," said Sarno. Springfield political strategist Anthony Cignoli agreed there is a hopeful buzz about the MGM investment among the business and social-service communities. "It has gone from the hum of 'this might be a possibility,' to a louder, 'hey, this is really happening,'" Cignoli said. Sarno was in an ebullient mood during a recent interview in his office, moments after he greeted representatives of Changchun Railway Vehicles Co. The Chinese rail car maker is looking at property in Springfield for a possible manufacturing facility. The city is aggressively courting the company. At one time, at least four casino developers were interested in building in Springfield, and the mayor said the attention from gambling companies helped raised the city's profile. "What has happened is there has been an increase in the interest in investing in Springfield," Sarno said. He mentioned he had recently attended a gathering of top-level business executives in Boston, where "people knew who we were." Evan Plotkin, president of NAI Samuel D. Plotkin and Associates, a Springfield real estate company, said investors of late are showing a "tremendous amount of interest in buying apartment buildings in Springfield," which he attributes to the planned casino as well as upgrades to train service and renovation of the city's Union Station, on the other side of downtown. "If you have 3,000 people working at the casino — and that's not including construction workers — there's a huge market right there," Plotkin said. And Benjamin Coggins, an owner of the Northampton-based candy and ice cream chain Ben & Bill's Chocolate Emporium, said "people in the know" are beginning to foresee money-making opportunities in Springfield. "There's still some skepticism because it has been a long haul for that city," Coggins said. "They went from great to down on their knees, and now they're trying to get back up." Coggins said his company plans to open a location in the MGM Springfield complex in early 2017. The decision to expand

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to downtown Springfield “is one of those intuition-type things,” he said. “I feel like we’re betting on the right horse.”

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