

ATLANTIC CITY - A new casino-run organization will represent the private sector in Gov. Chris Christie's proposed overhaul of Atlantic City's tourism industry, with four casino companies committing at least \$30 million annually to the revitalization plan.

The casinos announced Thursday the creation of a nonprofit organization

known as the Atlantic City Alliance, which will dedicate \$30 million to fund a new marketing initiative for Atlantic City and create and implement a master plan for the governor's proposed tourism district. The proposed funding is money that had gone to the state's horse racing industry through annual racing-purse subsidies.

The group, which features representatives from Harrah's Entertainment, Trump Entertainment Resorts, Borgata Hotel Casino & Spa and Tropicana Atlantic City Corp., also said it expects to donate even more money from any savings that may result from potential casino regulatory reforms. However, officials did not discuss those reforms or the amount of money that may be generated from those potential changes.

Christie, a Republican, announced his plan to revitalize Atlantic City's tourism industry in July. The plan included efforts to improve the city's cleanliness, safety, marketing and development outlook. The governor intended those efforts to be led by a public-private partnership.

"This is the private part of that public-private relationship," said Mark Juliano, outgoing CEO at Trump and one of six members of the new alliance.

Juliano told The Press of Atlantic that the Governor's Office worked with executives of the four casino companies to determine who would be represented on the board. The board members include Juliano; Harrah's CEO Gary Loveman and President Don Marrandino; Keith Smith, president and CEO of Boyd Gaming, which owns Borgata; Bob Boughner, Borgata's president and COO; and Tropicana President and CEO Mark Giannantonio.

Christie referred to the commitment as a "vote of confidence" from the city's private sector.

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"Atlantic City is at a crossroads, and the stakes could not be higher. I'm pleased that members of the casino industry recognize the importance of this effort, support the recommendations my administration has put forward for Atlantic City and have stepped up with a meaningful commitment to turning around Atlantic City," the governor said in a statement. "Through continued cooperation with the Legislature, local officials, business and industry, and partnerships like this, my administration is moving forward to secure Atlantic City's place as a premier vacation destination that is safe, welcoming and prosperous."

Christie's plans to retool the city's tourism industry came after he commissioned an advisory panel to examine New Jersey's gaming, sports and entertainment industries. Christie soon unveiled a plan to refocus efforts on Atlantic City through the cooperation of government and private business. The state is expected to draft legislation addressing the public aspect of Christie's plan soon, and is expected to fold the Casino Reinvestment Development Authority, the Atlantic City Convention & Visitors Authority and the city's Special Improvement District into a new entity.

But during the three months following his announcement, the Governor's Office has remained quiet on details of his plans, and partisan politics soon took the main stage. And a debate developed between the casinos and the horse racing industry.

Racing proponents vehemently argued against losing their \$30 million annual casino subsidy, funding that will expire in 2011 and will not be renewed.

Barbara DeMarco, spokeswoman for the New Jersey Thoroughbred Horsemen's Association, seemed as though she was already resigned to the fact that retaining the funding was a lost cause.

"Every industry has to make commitments and changes that will enhance their overall well-being," she said. "We don't have any control over it anymore. They can use it how they want to. ... I don't know that there's anything else to say. I don't think anyone can tell what the future of horse racing is going to look like in New Jersey."

Thursday's announcement also detailed the alliance's main objectives, which include coordinating improvements in safety and cleanliness, improving marketing activities and

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preparing and implementing a master plan for the governor's tourism district. Christie previously set a July 2011 deadline for that plan, which the alliance intends to meet.

The group also will work to attract more conventions and diversify Atlantic City's tourism industry to include family-oriented and nongaming attractions. Asked if he expects success in luring noncasino business to Atlantic City from a group comprised solely of gaming executives, Juliano said there will be more room for inclusion of alternative business representatives in the future.

"All of us over the last couple of years have realized that the nongaming attractions are what we need to grow here," Juliano said.

State Sen. Jim Whelan, D-Atlantic, who also applauded the casinos' commitment, said he had confidence in the casino executives' vision outside gaming-related initiatives.

"I don't know that you're going to see any other representation in a casino alliance," he said. "But I don't think there's any reason that can't be done successfully. These guys are employed by casinos, but they all know the industry of tourism."

One change to the makeup of the group's membership is already planned: the replacement of Juliano.

The Trump executive, who has led discussions between the casino industry and the Governor's Office since July, will hold his position on the alliance until November, when he is formally removed from his job as Trump's chief executive officer. The announcement of that change came last month along with the naming of Juliano's replacement, Robert Griffin, president and CEO of MTR Gaming Group Inc., a casino operator in West Virginia, Pennsylvania and Ohio. Juliano said Griffin also will replace him in the alliance.

Two casino companies not included in the group are Resorts Atlantic City and the Atlantic City Hilton Casino Resort. The gaming halls are two of the city's oldest and worst-performing casinos. Juliano said their exclusion is only because "both of them are in flux right now."

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Resorts is in the process of being sold to former Atlantic City gaming executive Dennis Gomes. The Hilton has been tied down in court hearings to determine whether it would be forced to surrender control over its property because of substantial debt. A judge ruled last month that the company would not be thrown into receivership for now, but at least one company, Landry's Restaurants, has been hoping to purchase the property through the bank.

Officials from Hilton did not respond to requests for interviews. Resorts spokesman Brian Cahill declined comment. Gomes also did not return calls.

Other state officials hailed the casinos' commitment Thursday.

"This is what the administration was aiming for, and now the casinos are stepping up to the plate," said Assemblyman John Amodeo, R-Atlantic.

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