

Despite denials and assurances, a Calverton casino remains a real possibility

Written by Administrator

Sunday, 08 September 2019 08:13 -

So what's the latest on a gambling casino for Long Island, maybe on the East End? Will the EPCAL site be off-limits if the state jumps in? Are those repeated assurances of no-casino-can-happen-here any real comfort? Could the State of New York override the Town of Riverhead's poorly drafted agreements on EPCAL's future use? Are we blissfully disengaged while NYS and private parties, slowly build upon Albany's casino agenda?

Let's remember that, in 2013, NY passed a voter-approved plan for casino gambling in our state. That vote opened the way for no less than seven gaming casinos, four upstate and three downstate. The upstate four have long been in licensed operation. The three casino licenses for downstate, however, remain to be issued, shadowed in a state ordered "moratorium," with a big dose of mystery and intrigue. This moratorium for any downstate casinos endures till 2023, or so we are led to believe.

It has been reported that several well-heeled casino developers have been pushing the state to end this moratorium on downstate casinos for quite a while, and have hired a cadre of influence peddlers (aka lobbyists) to throw their weight around. But so far, the moratorium has stymied the elites of the casino gambling establishment, such as MGM, Sands, Genting, etc.,

Our governor has resisted — and with Albany now a one-party town, when he likes a moratorium, everyone likes a moratorium. He was a driving force behind the upstate casinos, while trying to appear uninvolved. He's careful, however, to remark how he dislikes the idea of casino gambling downstate, but he speaks in terms of any "casino deal" that "casino operators" put together. He scoffs at how they are always "promising billions."

When questioned, however, about casino deals put together by American Indian tribes who have become partners, as he was asked just the other day, the governor says not a word — publicly, that is.

This brings us to the quietly passed, and little noticed, vote taken by the South Fork's Shinnecock Indian Nation tribal council two weeks ago. Among other things, their resolutions called for exploring a partnership with the Seminole Tribe of Florida to develop a gaming casino on LI. The Seminoles are awash in huge profits from their Hard Rock brand casinos, doing big gambling business in many parts of the U.S. and internationally.

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The Seminoles well know how to game the system, shrewdly avoiding the “Indian gaming” license, with its arduous process for state approvals, including a special compact with the state, opting instead for the far less complicated, “commercial gaming” licenses.

Would an Indian tribe partnership, such as between the Shinnecocks and the Seminoles, have the horsepower to break through New York’s moratorium for downstate licenses?

As this column has cautioned in the past, the Shinnecock Indian Nation is not to be underestimated. They have already invested in studying gaming sites all over L.I., including the Nassau Coliseum and Belmont Park. If, indeed, they do combine with the clever and immensely successful Seminole casino empire, there are signs that they might tie in with one of the Seminoles’ eager, financial backers for their casinos, billionaire developer Jack Morris of Tri-State Partners.

And there’s an interesting footnote to the Shinnecocks’ recent vote: it specifically authorizes their tribal officials to start talks with Tri-State Partners. Oh, to be a fly on the wall for those chats...

What an irony it would be if two American Indian tribes could manipulate all the rules and regulations, contracts and land sales that Riverhead has so self-assuredly arranged, and land a gambling casino right here at EPCAL! One would think they would keep us posted on where they are going with all this, somewhat like a good neighbor. But on further thought, one realizes that, from an historical perspective, they don’t really owe us very much. After all, what kind of neighbors were we when we moved into their neck of the woods a few hundred years ago?

No way it could happen, right? Well, first consider that the EPCAL contract of sale utterly fails to define what recourse the town would have if the buyer’s “approved uses” of the 1,164 acres were violated.

Consider next the contract’s absurdly vague and largely undefined development plan, to be found all on just one miserable page of the document.

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Then consider the recent revelation (reported by the [Minnesota Star-Tribune](#) and the [Wall Street Journal](#) last month) that Triple Five, the conglomerate controlling the EPCAL deal, had to put up a 49% stake in both of its biggest assets — the megamalls, Mall of America and West Edmonton Mall — as collateral for \$1.67 billion in construction financing for the long-delayed American Dream megamall in East Rutherford, New Jersey.

This raised serious concerns in town hall, prompting Riverhead's town board to ask EPCAL's buyer for "updated financials" from Triple Five. To date, the buyer has not complied — as far as the public knows. Amazingly, the contract also doesn't require the buyer to provide updated financials in any event. So if the buyer is seriously overextended, we may never know.

And with all those things considered, we can safely conclude that Riverhead would find itself in quite a lonely place if EPCAL's buyer took the profitable way out of their EPCAL asset that they bought on the cheap. Riverhead could end up at the mercy of the likes of Jack Morris, along with tribal shortcuts to a commercial casino, and the heavyweight, overriding authority of the sovereign State of New York.

The Riverhead Town Board GOP majority offers clumsy reasons to keep under wraps a politically risky review of the EPCAL contract. Their supervisor candidate sings along with this tune. This column has explained before [what a startling mess this contract is](#) . And a host of concerns has arisen since it was executed.

This central document gives incredible, if not shocking advantage to the other side.

Moreover, this poorly drafted contract of sale serves as a backdrop to everyone's intensifying worries about where the EPCAL deal is going. Notice how we hear next to nothing about those lofty plans for aviation manufacturing.

And there's still aftershock from how the buyers shared only with the state what they thought would be their secret, elaborate, written plans for what appeared to be some sort of jetport, using both of EPCAL's runways. When exposed, the buyers, at first cranky when briefly caught off guard, quickly replied with a "don't worry, be happy" song and dance. This episode alone begs the question: Are they really committed at all to Riverhead's vision for the EPCAL site?

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The fact is that, if the Shinnecock/Seminole partnership, with billionaire casino developers behind them, and the secretive power brokers in Albany, all set their sights on a town that has trouble getting out of its own way with all that's related to EPCAL, then our embarrassing EPCAL sale contract will be even more meaningless. Would it be a sure bet that any "moratorium" on casino licenses for downstate N.Y. will fly out the window like a pair of cold dice?

The only remaining question is whether Riverhead Town will suffer the same irreversible fate as many dismayed communities where gambling casinos have pushed their way in. Though our role as mere spectators may already be sealed, let's keep a weather eye on our neighboring tribal nation, as they partner with some heavy-hitters, buy piles of chips, and play one helluva high stakes game.

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