

Letter requests pause on Arkansas casino; lawmaker wants all issues cleared

Written by Administrator

Saturday, 05 October 2019 04:07 -

A state representative asked the Arkansas Racing Commission to hold off on awarding a casino license in Pope County until all lawsuits and investigations are completed, saying any license would be "tainted by corrupt activities."

Rep. Joe Cloud, R-Russellville, in the letter dated Thursday, asked the Racing Commission for its "patience and forbearance in dealing with the conundrum in which Pope County finds itself."

"I wanted them to know there are issues going on in Pope County," Cloud said Friday in an interview explaining why he felt compelled to write the letter. "I just asked them to please wait until the courts have had a chance to rule on the issues. There's a lot of division right now between the county and the city. It's terrible."

Scott Hardin, a spokesman for the Racing Commission, said that Cloud's letter had not been received at the commission's office as of late Friday.

"The passage of Amendment 100 to the Arkansas State Constitution has allowed a degree of division in my county that heretofore I would have thought impossible," Cloud said in the letter.

Pope County voters solidly rejected Amendment 100, passed statewide in November 2018 to allow casinos in Pope and Jefferson counties, and allow the expansion of gambling at the racetracks in Hot Springs and West Memphis. Pope County voters also approved an initiated county ordinance that would require officials to seek voter approval before backing a casino proposal.

[\[RELATED: See complete Democrat-Gazette coverage of casinos in Arkansas at arkansasonline.com/casinos\]](https://arkansasonline.com/casinos)

No special election was called before the Pope County Quorum Court, in a surprise move on Aug. 13, passed a resolution supporting Cherokee Nation Businesses for a state license to operate a casino there.

Letter requests pause on Arkansas casino; lawmaker wants all issues cleared

Written by Administrator

Saturday, 05 October 2019 04:07 -

"My request to you is that you simply not make any decisions regarding Pope County at this time," Cloud said in the letter. "The people have not had another opportunity to vote on the casino issue as was the clearly expressed desire at the last election and is current law in our county."

There are three lawsuits in state courts concerning the casino issue, as well as complaints filed with a state prosecutor and the Arkansas Ethics Commission that allege wrongdoing by county officials.

"Until the active investigations conclude and the courts issue their final rulings, the current Cherokee application and/or any other application you may receive, is potentially tainted by corrupt activities," Cloud told the commissioners in the letter. "There is no urgency for the Racing Commission to act at this time. I ask that you allow the courts, and other authoritative entities, to do their job and render their rulings."

Amanda Clinton, spokesman for Cherokee Nation Businesses, was contacted Friday, but did not comment on Cloud's request.

Amendment 100 requires the Pope and Jefferson county casinos to have the backing of local officials. The Racing Commission ruled earlier this year that the endorsements can come only from officials in office at the time the application is submitted. The Legislature also passed Act 371, which became effective in March, that requires the same thing.

But Amendment 100 does not state when those documents have to be dated or submitted.

The Racing Commission, in June, rejected all five applicants for the Pope County casino license -- Gulfside Casino Partnership of Mississippi, Cherokee Nation Businesses of Oklahoma, Kehl Management of Iowa, Warner Gaming of Nevada and Choctaw Nation Division of Commerce of Oklahoma -- because none contained endorsements by current local officials.

The Racing Commission opened a second 90-day window to accept applications for Pope County casino licenses. That window closes on Nov. 18. The Cherokees have submitted a new

Letter requests pause on Arkansas casino; lawmaker wants all issues cleared

Written by Administrator

Saturday, 05 October 2019 04:07 -

proposal with the county's endorsement.

The lawsuits and investigations include:

- Gulfside immediately filed suit in Pulaski County Circuit Court against the commission, saying its application met all the requirements of Amendment 100 because it contained endorsements from previous local officials who issued their support in December right before leaving office.

Gulfside did not return messages left for comment.

- In addition to Gulfside, James Knight, on behalf of Citizens for a Better Pope County, is suing the Racing Commission, claiming that the Pope County Quorum Court's endorsement of the Cherokees is in direct contradiction to the county's ordinance.

- Knight also sued County Judge Ben Cross and members of the Pope County Quorum Court and asked that no casino be endorsed without first holding an election as required by the initiated ordinance.

- Hans Stiritz, on behalf of Citizens for a Better Pope County, also filed a complaint -- which contained affidavits from Pope County Justice of the Peace Joseph Pearson and six other residents -- with Pope County prosecutor Jeff Phillips alleging that county officials held meetings that violated the Freedom of Information Act to discuss casinos.

The case is being reviewed by special prosecutor Jason Barrett of the Office of the Prosecutor Coordinator in Little Rock to determine if charges will be filed.

Messages left for Barrett to ask the status of the complaint were not returned as of late Friday.

Letter requests pause on Arkansas casino; lawmaker wants all issues cleared

Written by Administrator

Saturday, 05 October 2019 04:07 -

- Jacksonville lawyer William Ogles also filed three complaints last month with the state Ethics Commission against Pope County Justices of the Peace Caleb Moore, Doug Skelton and Ernie Enchelmayer.

The county and the city have been at odds since the Aug. 13 endorsement of the Cherokee Nation proposal.

Before the resolution was passed by the Pope County Quorum Court, Cross presented an 11-page Economic Development Agreement that he negotiated with the Cherokees that included a \$38.8 million "economic development fee" that would be disbursed among the county, some cities and some nonprofit organizations.

Russellville was excluded from the agreement.

The Russellville City Council immediately began discussions of annexing the land outside the city limits that Cherokee Nation Businesses has earmarked for its casino resort.

In early September, the City Council established the Community Gaming Evaluation Committee to offer residents an "open and transparent process" to learn more about the casino proposals.

By the noon Wednesday deadline, three casino operators -- Kehl, Warner and Choctaw -- had submitted full proposals to the committee for review.

The casino operators will present their bids publicly at 6 p.m. Monday at the Russellville High School auditorium. Each operator is allotted a 30-minute presentation followed by 15 minutes of questioning from committee members.

After all three presentations are completed, the floor will be opened for comments from the public.

Letter requests pause on Arkansas casino; lawmaker wants all issues cleared

Written by Administrator

Saturday, 05 October 2019 04:07 -

The final applicant will be selected by the committee by Oct. 14, and the recommendation will be placed on the City Council's Oct. 17 agenda.

But the city's endorsement alone does not meet the stipulations of Amendment 100, which states that if the casino is to be placed inside a city limits, the county judge or Quorum Court also must issue an endorsement.

Janie Dillard, senior executive officer with Choctaw Nation, said she is aware of Cloud's letter and the ongoing investigations.

"The Choctaw Nation will continue to follow the application process that is put in place, as we have all along," Dillard said. "We are committed to bringing a world class casino and resort to the citizens of Pope County, however long the process takes to play out."

Warner Gaming CEO Bill Warner said the Racing Commission "has the authority and discretion to decide how long the application period should stay open.

"We defer to their judgment on what is appropriate," Warner said. "Our focus is on presenting the Hard Rock Arkansas project to the city evaluation committee next week."

Attempts were unsuccessful to obtain a comment from Kehl Management.

On Thursday, Colby Roe, Pope County attorney, updated the Quorum Court on the status of litigation and options for a swifter resolution to the legal challenges.

Cross, the county judge, said one of Roe's suggested solutions, which in his opinion "is the simplest and quickest mode to remove the county from litigation," was to repeal the initiated ordinance passed in November to require an election before an endorsement is issued for a casino license.

Letter requests pause on Arkansas casino; lawmaker wants all issues cleared

Written by Administrator

Saturday, 05 October 2019 04:07 -

"With similar litigation against the state Racing Commission, and the quest for a trial court judge to decide the constitutionality of [the ordinance], which is at the crux of both cases, our attorney feels it is in the best interest of Pope County, to let the Pulaski County court case decide the overall issue," Cross said.

Larry Walker, a Russellville attorney and a "concerned citizen of Pope County," said it is a shame that the Quorum Court and Cross "would even consider repealing the local ordinance that the people of Pope County worked so hard to pass."

"The Quorum Court and the county judge were elected to represent the will of the voters of Pope County, not the state or the casino interests," Walker said. "It seems that their efforts should be pointed at fighting for the local ordinance and the wishes of the Pope County voters."

The tide of local opinion began to shift in June when the grass-roots group Pope County Majority was created on Facebook by Kelly Jett and quickly collected nearly 7,000 members.

"It is Pope County's right to have a gaming facility here as per this amendment and [Cloud] using his position to ask the Arkansas Racing Commission to act outside of the law is a travesty," Jett said. "He is trying to deny Pope County the economic growth and development we desire and deserve per the licensing of Legends Resort and Casino, who is the only casino resort to put forth a completed application with a letter of support to this day. I pray the Racing Commission totally disregards that disgraceful letter and those who voted for him in the past think twice in November."

Cloud said Friday that he does not believe a casino would be good for Pope County, but the purpose of his letter was to slow down the process until all challenges are resolved.

"I know, by virtue of your position, that you want what is best, not only for Pope County, but also for our great State," Cloud said in the letter. "Please take your measured time before making any decisions that will be permanent for Pope County and the State of Arkansas."

A Section on 10/05/2019

Letter requests pause on Arkansas casino; lawmaker wants all issues cleared

Written by Administrator

Saturday, 05 October 2019 04:07 -

Read more <https://www.arkansasonline.com/news/2019/oct/05/letter-requests-pause-on-casino-2019100/>