

Terre Haute casino license approved after ownership change

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The Indiana Gaming Commission approved the license for a new casino Friday despite ties between its ownership and longtime state casino executives entangled in a federal criminal investigation.

The commission's vote to grant a license for the planned Terre Haute casino came nearly four months after the process was put on hold after a political consultant pleaded guilty in Virginia to illegally funneling campaign contributions for an Indianapolis-based casino company.

Approval for the project was possible because Spectacle Entertainment executives Rod Ratcliff and John Keeler gave up their ownership stake in what had been a Spectacle subsidiary formed for the Terre Haute casino, said Jennifer Reske, the Gaming Commission's deputy director.

Ratcliff and Keeler were leaders of the former Centaur Gaming and among those who formed Spectacle after selling Centaur's horse track casinos in Anderson and Shelbyville to Las Vegas-based Caesars Entertainment Corp. in 2018 for \$1.7 billion.

Centaur was identified by officials as being involved in a scheme directing more than \$15,000 in illegal corporate contributions to an unsuccessful Indiana congressional candidate, but no charges have been filed against the company or its executives.

Reske said the commission wanted to see the planned \$125 million casino in Terre Haute advance but could not do so without the ownership changes.

"We still were uncomfortable with all the uncertainty regarding potential actions," Reske said.

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“We’re pleased they were able to propose a remedy that allows the project to move forward.”

Keeler, who is Spectacle’s general counsel, didn’t immediately return a message from The Associated Press seeking comment.

The new casino will be owned by a company called Spectacle Jack controlled by Greg Gibson, a Terre Haute businessman who has been vice chairman of Spectacle Entertainment, and Jim Brown, who has been Spectacle Entertainment’s executive vice president.

Gibson didn’t discuss the reasons for the ownership change during his presentation to the commission, which met online because of the coronavirus outbreak.

Gibson and other Spectacle Jack representatives outlined plans for building the new casino on the east side of Terre Haute, with construction starting this fall and the casino opening in September 2021. The new casino, which the company will operate with Hard Rock International, will be Indiana’s 13th casino location. Terre Haute is the state’s first new community to get a casino since 2008.

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Gaming commission Chairman Michael McMains told Gibson the ownership overhaul was needed for the license approval.

“Had you not made the changes and brought the new application forward, we wouldn’t have considered it,” McMains said.

Spectacle Entertainment continues to own the two Gary casinos along Lake Michigan and won state legislative approval last year to close them in favor of building a new \$400 million casino at what’s expected to be a more lucrative site along Interstate 80/94 in Gary.

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Reske said Ratcliff and Keeler have cooperated with the state commission, but it doesn't have the authority to investigate their involvement in the political contributions case.

"We really have to rely on watching for information to come from the entities that are," she said. "At this point, we're just not in a position to reach conclusions and continue to await additional information from the federal authorities."

A spokesman for the U.S. attorney's office in Alexandria, Virginia, didn't immediately reply to a message seeking comment.

Spectacle Entertainment's executives have been active lobbyists in the Indiana Legislature for many years, and Republican Gov. Eric Holcomb faced a state ethics review last year of his dealings with Ratcliff.

IndyStar reported last year that Ratcliff treated Holcomb to private jet flights in 2018 as they traveled together for meetings hosted by the Republican Governors Association in Colorado and Arizona. But the state's inspector general concluded the governor committed no wrongdoing as it determined the flights were provided to the governor's group rather than Holcomb's office.

The flights were among \$500,000 Ratcliff and his companies contributed in 2018 to the Republican Governors Association, which gave Holcomb \$7.6 million of the \$14.5 million he spent on his 2016 election campaign.

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