

## Iowa gaming company wins casino bid - KansasReporter

Written by Administrator  
Wednesday, 15 December 2010 19:42 -

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By [Rachel Whitten](#)  
December 15, 2010

( [KansasReporter](#) ) TOPEKA, Kan. – Kansas regulators voted 6-1 to allow Iowa-based Peninsula Gaming LLC to develop

[a new state-owned casino south of Wichita.](#)

Members of the state Kansas Lottery Gaming Facility Review Board picked Peninsula's bid – which includes a world class show horse arena, more than 1,300 slot machines, a 150-room hotel and multiple dining options near Mulvane – over a competing offer from Global Gaming Solutions of Ada, Okla., which proposed an automotive-themed casino and recreational complex near Wellington.

The state of Kansas will receive 22 percent of the profits from the casino. Commissioners said a major factor in choosing Peninsula was the potential to make more money because of its location off I-35, about 18 miles south of Wichita. Global Gaming's casino would have been about 32 miles south of Wichita.

The next step for the Dubuque, Iowa based Peninsula is to undergo an extremely detailed background check by the Racing and Gaming Commission. The investigation will delve into financial, criminal and personal histories of the business and key employees like the CEO and presidents.

"It's a very thorough and intrusive process," said Mike Deines, with the Kansas Racing and Gaming Commission.

Two executive employees of Peninsula were charged with misdemeanors in October for making illegal campaign contributions to the failed gubernatorial bid of former Iowa governor Chet Culver.

But the employees, Brent Stevens, Peninsula's chief executive, and Jonathan Swain, its chief

operating officer, have said they would remove themselves from the process of building the casino if Peninsula's bid was chosen.

The Kansas Expanded Lottery Act stipulates three automatic grounds for disqualification, which include felony convictions, gambling crimes, or crimes of moral turpitude by any key employees. In addition, commissioners are given broad discretion to reject the bid after the background check if there are other questionable or detrimental circumstances that arise.

The investigation is expected to be complete by the Racing and Gaming Commission's next meeting on Jan. 14. That means the vote to give final approval or rejection of the bid will come then, and if approved, Peninsula will be in a binding contract with the state and not able to have its \$25 million privilege fee refunded should it pull out.

Two previous casino bids have stepped back from building in the south-central gaming zone because of the economic recession.

If the Gaming Commission gives final approval, developers say they would begin construction early next year. Their plan is to open an interim facility in 2011 and complete the \$160 million project within five years.

Revenue projections state that in 2014, the Kansas Star will earn generate \$192 million.

The first state owned casino that opened last December, Boot Hill Casino and Resort, has stayed on track with its revenue projections, bringing in almost \$35 million so far this year.

A second casino currently being built by the Kansas Speedway outside Kansas City, Kan., is expected to open sometime in 2012.

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**Source:** <http://news.google.com/news/url?sa=t&fd=R&usg=AFQjCNHs7Dr6H2MT9jg3eqiig91y29BxTg&url=http://www.kansasreporter.org/69602.aspx>