

After years of infighting, gov rolls dice on 600M casino to spur Catskills revival

Reversing decades of dashed dreams, Gov. Spitzer has brought the troubled Catskills tantalizingly close to its first full-fledged casino – approving a USD 600 million gambling palace for the St. Regis Mohawk tribe.

The casino still needs federal approval, but Spitzer vowed to lead those efforts so construction can begin as soon as possible.

„By working together,“ Spitzer said in a statement, „we can establish a premier gaming facility that will produce significant revenues for the tribe and the state, and help spark a resurgence of the Catskills region.“

The proposed 600,000-square-foot gambling mecca would create the closest casino to the city while restoring a little glitz to the proud but faded Catskills, supporters hope.

It would be built next to the Monticello Raceway in Sullivan County, and is expected to provide 3,000 permanent jobs and spark what many hope will be a major building boom in the area.

At the same time, the project would place blackjack, roulette and slot machines just a long dice throw from the city – providing some real competition to the casinos of Atlantic City and Connecticut, and the so-called racinos at New York’s harness tracks, including Yonkers.

„It’s a big day up here,“ said local real estate broker George Barbanti, 80, who like other locals has waited decades for any sign of a Catskills revival. „This finally seems to be bearing

fruit right now.“

Officials of Empire Resorts Inc., the Mohawks' development partner, said yesterday that, assuming federal approval is granted, the casino could be built in 18 to 24 months.

Under the pact, the state would get 20% of all slot machine revenues for the first two years, 23% for the next two years and 25% after that – creating a pot expected to reach hundreds of millions of dollars.

In what had been a major sticking point, the Mohawks also agreed to comply with all state tax, labor and health laws, meaning consumers should not expect a sales tax break on gasoline, cigarettes or other goods that are often tax-free at Indian reservations.

„Now, thanks to Gov. Spitzer, New York can finally get its chance to put a shovel into the ground and build its own destination casino in the Catskills,“ said Charles Degliomini, a spokesman for Empire Resorts Inc.

Gov. George Pataki labored for years to bring gambling back to the region, and at one point had his sights on five different Catskill locations. But his plans always got bogged down in legislative infighting, in part because he sought to resolve complicated land claims at the same time.

But even with the backing of Spitzer and the Legislature, it is not yet a done deal.

The U.S. Interior Department must still agree to put the 30-acre parcel in trust before any building can begin.

But the agency last December found that the project posed no „significant“ environmental impact – ruling that the existing highways and local roads could handle the extra traffic. And with Spitzer's backing, the casino's odds are considered better than good.

The project is also facing a federal lawsuit, however, filed last week by area environmentalists who argue that the estimated 6million car trips per year that the project is projected to generate will forever destroy the Catskills' bucolic feel.

The plaintiffs are demanding that the feds require a fuller environmental review of the proposed project.

„Without that,“ said Richard Schraeder of the Natural Resources Defense Council, „we can't know the full impact of traffic congestion, deteriorating air quality and dangerous sprawl to the Catskills.“

But to those who recall the Catskills' glory days from the 1950s – when movie stars, comedians and the biggest names in showbiz filled the area's storied hotels – it may be a hard deal to pass up.

The gaming will be focused around a central atrium, which will be surrounded by balconies full of specialty restaurants and shops. A nightclub, a five-story parking facility and a 30,000-square-foot event center for concerts and sporting events will round out the plan.

„This is a new day for the Mohawk people of Akwesasne,“ said tribal chief Barbara Lazore, referring to the tribe's ancestral homeland along the state's northern border. „It has taken us many years to get this far and without skipping a beat, Eliot Spitzer's imperative on economic development has helped move the project ever closer.“