

State Supreme Court upholds casino licenses in Philadelphia

The state's highest court upheld the decision of state regulators to allow groups led by a Connecticut Indian tribe and by a Chicago billionaire developer to build slot-machine casinos on Philadelphia's riverfront.

The Supreme Court rejected the challenge by a rival applicant that lost out on a license, and sped Philadelphia toward becoming the nation's largest city with downtown casinos.

Both slots casinos – SugarHouse Casino and Foxwoods Casino Philadelphia – could open as early as next year, although neither will break ground until they receive city approvals, which may prove difficult given the active anti-casino groups there.

The two casinos are expected to cost a combined USD 1.1 billion and open up with restaurants, bars and 3,000 slot machines at each site. The court's 5-1 decision dismissed a number of claims by the Riverwalk Casino group, which was led by investors in the Planet Hollywood hotel and restaurant chain.

One of those claims accused the Pennsylvania Gaming Control Board of giving too little weight to Riverwalk's location, charitable commitments and financial advantages to the city.

The opinion, written by Chief Justice Ralph J. Cappy, said the court agreed with the gaming board's argument that Riverwalk simply did not like the decision, but could not show that the decision-making process violated the law or the gaming board's discretion.

On December 20, the gaming board chose the two casinos,

Foxwoods Casino Philadelphia and SugarHouse Casino. The winning projects were backed by the Mashantucket Pequot Tribal Nation, which runs the huge Foxwoods Resort Casino on its Connecticut reservation, and Neil G. Bluhm, a billionaire developer from Chicago.

The Supreme Court has not ruled on two challenges to the license awarded to Detroit-based casino developer Don Barden, who wants to build the Majestic Star Casino on Pittsburgh's North Shore. The court last week rejected a challenge to a slots license awarded to Mount Airy Resort and Casino in the Pocono Mountains.