

# Tender process for Hotel Casino Carrasco opened last week

Last week, Montevideo council started receiving offers from private businessmen interested in the tender of Hotel Casino Carrasco, according to the Director of Supplying of the Council, Néstor Fernández.

Last Wednesday 26th, the government passed the law which authorizes the council to put to tender the operation of Casino Carrasco to casino or hotel companies.

The rule establishes that, beyond the controls performed by the Ministry of Economy and the Central Bank of Uruguay (BCU), the Council will be in charge of the supervision of the games of chance developed in that place according to the documents related to the tender process.

According to Fernández, businessmen interested in the tender process will have four months to present the proposals and then it will start the stage of the opening of the documents. Montevideo council will hand in a CD with the obligations of the consortium which is the winner of the operation of the casino hotel for 30 years, he expressed.

“After seven years of failures to comply with the contract by Carmitel company, the council will establish the payment of a fee and a percentage of utilities, the presentation of special guarantees and proved references of hotel and casino management”, said pro-secretary of the council, Jorge Rodríguez. “The Council aims that the refurbishment of the hotel starts on the current year and that it is inaugurated in 2009”, he added.

This way, the Council considers that it will put an end to a

ten-year process which generated political consequences in the Board, discussions with Adeom, which is opposed to what it calls a "privatization" and the criticism of Carrasco neighbours, who say that the demolished building makes the neighbourhood ugly.

In July 1999, the Council granted the hotel and casino license to Carmitel for 30 years. Due to the continuous failures to comply with the schedule of the construction by the firm, the administration Ehrlich cancelled the contract with the firm in April 2006.

The company affirmed that it had invested USD 4 million and that it had done a 30% of the refurbishment of the old hotel. Directors of the company blamed the economic crisis of 2002 for the delays in the improvements of the building.

The council will create a special account where it will put the revenues from the license of Hotel Casino Carrasco. According to Jorge Rodríguez, these funds will be allocated to the regularization of Montevideo settlements. Mayor Ricardo Ehrlich aims that the Hotel Casino Carrasco tender will change the financial situation of local casinos and that the building will be transformed in a symbol both of the city as well as of Carrasco neighbourhood, he concluded.