

# Just one company applies to build a casino in Sugar Creek, Kansas

Wild Rose Entertainment LLC operates two small casinos in Iowa and last year became the Kansas City suburb's preferred developer for a gambling complex on nearly 300 city-owned acres next to La Benite Park.

After signing a development agreement with the city, Wild Rose last fall submitted a formal request for a license to the Missouri Gaming Commission, which voted 5-0 last month to seek other interested applicants for the area a few miles east of Harrah's and Ameristar. The state's application deadline was 5 p.m. Tuesday. Nobody else applied.

Gaming Commission Director Gene McNary said he wasn't concerned over the industry's dearth of interest in the crowded Kansas City gaming market. "That's not for us to address," said McNary. "We're going to act on the application that came in."

Missouri's casino industry executives have unanimously opposed plans for a fifth casino in the Kansas City market. The last time this market had five casinos, Sam's Town closed after 17 months in the competitive fray. Wild Rose also was the lone qualified bidder to respond to Sugar Creek's request for proposals more than a year ago.

The company has proposed a USD 135 million facility offering 1,200 slots, a 200-room hotel, restaurants, a spa and meeting facilities. If built, it would be the smallest riverboat casino gaming floor in the market.

Wachovia Capital Markets analyst Brian McGill said tight credit markets and the looming threat of two new casinos in

Wyandotte County likely scared off other potential developers in Sugar Creek. "One of the big things right now is the credit markets," he said. "Going out to raise a couple of hundred million dollars is much easier said than done right now."

With the prospect of gambling in Kansas, "the return on investment for any Missouri casino is questionable," he said. But Republican Ray Salva, a Sugar Creek Democrat and casino advocate, said predictions of gloom and doom from competition are nothing more than "a consultant's theory." "That is competition trying to limit competition," he said.

The Gaming Commission is to discuss its next steps March 19. McNary said he intends to propose some minimum guidelines for a Sugar Creek casino and then give the sole applicant, Wild Rose, time to amend its proposal. "They submitted an application and we're going to tell them what we looking for," he said. "They're going to be in a position to upgrade or not."