

# SugarHouse wins latest round as state's high court upholds land license

It was one step forward, one step back for the city this week as it battles with developers for two local casinos about their controversial riverfront locations.

The state Supreme Court yesterday ruled that then-Mayor Street's administration properly issued a license last year for SugarHouse to build its casino on state-owned „riparian lands“ along the Delaware River. Half of SugarHouse's 22 acres in Fishtown are riparian lands.

That came one day after the city – with the help of Gov. Rendell, state Sen. Vince Fumo and state Rep. Dwight Evans – held a successful meeting with Foxwoods to get the proposed riverfront casino in South Philly to consider moving to a different site.

The riparian license, issued in November by Commerce Director Stephanie Naidoff, was based on a 1907 state law that granted power to Philadelphia to allow construction of wharves, docks and other riverfront structures.

A group of local state legislators challenged that decision in the Supreme Court in December, saying a state law passed in 1978 took away the city power.

Mayor Nutter, after taking office in January, revoked the license, saying the city had the power but had used it improperly in this case. The city later changed that theory, saying it didn't have the power in 2007 to grant a license for riparian lands.

Four of the justices disagreed, saying the state law had

„clear and unambiguous language“ giving the city that power.

Justices Thomas Saylor and Seamus McCaffery dissented, saying the 1978 state law removed Philadelphia’s role in granting riparian licenses.

Justice Jane Cutler Greenspan did not participate in the case.

SugarHouse yesterday hailed the ruling as a step forward for its project. The developers in May paid USD 70 million to exercise an option to buy the 11 acres at its location that are not riparian lands.

The city’s lease for the riparian lands set a fee of USD 282,270, which SugarHouse paid to the city in November.

„We are very pleased with the Supreme Court’s decision and we are looking forward to working with the city and our neighbors to build a world-class facility of which everyone can be proud,“ said Greg Carlin, CEO of the company building SugarHouse.

Terry Gillen, a senior adviser for Nutter on casino issues, yesterday said the city Law Department would have to study the ruling to determine what, if any, action comes next. „We’re disappointed but we have to study the ruling,“ she said.

SugarHouse this week declined to comment on the Foxwoods meeting Thursday that led to talk about a new location. SugarHouse officials, who are expected to meet with Rendell, Nutter and other officials after Labor Day, have repeatedly said they have no intention of moving their casino.