

# New Red Lake casino, hotel to open next year

Red Lake – Blackjack, poker and slot machines, a hotel, restaurant, gift shop, banquet hall and entertainment center are designed to give the new casino on the Red Lake Reservation the competitive edge in northern Minnesota.

Red Lake Tribal Council members and representatives from DSGW Architects, designers of the project, and Woodstone Builders, general contractors, broke ground Monday for the new casino. The complex will be located just east of State Highway 89 on the southern border of the reservation. The project is scheduled for completion in November 2009.

Red Lake Chairman Floyd “Buck” Jourdain Jr. said the new casino’s location and attractive amenities will draw patrons from the Bemidji area.

It will employ 50 people and allow the Red Lake Humanities Center, where the casino is currently located, to revert to a true school and community center suitable for children’s activities, he said.

Ray Brenny, COO of Red Lake Gaming Enterprises, said the restaurant will be accessible both from the casino and by a separate entrance. The convention center will seat 300 for banquets and 700 for entertainment. The 40 hotel rooms will be designed as suites, each with a fireplace. The hotel also will have a pool.

Red Lake owns Seven Clans casinos in Thief River Falls and Warroad.

“We wanted to make sure our rooms were as nice, or nicer, than Thief River Falls,” Brenny said.

The casino will begin business with 270 slot machines, with capacity to increase the number to 300.

“Future designs – we actually wrapped a golf course around it,” Brenny said. “We’ve sketched in a future powwow grounds.”

Jourdain said the main part of the building reflects the shape of a traditional long house, as was recommended by the culture committee.

“We came up with a concept unique to Red Lake,” Brenny said.

The flanking fades will be finished with sparkling blue tile that mimic the effect of sunlight on the water of Red Lake.

“At night, we’re going to have some lights shining on it,” he said. “It will look like the moon shining on water.”

Rick Rothausen, Red Lake Gaming CFO, said the total package of the loan Red Lake will take from the Shakopee Mdewakanton Sioux will be USD 31 million – USD 21,767,300 for the casino project and the remaining USD 9,232,700 to repay the lawn enforcement center and greenhouse construction loans, future purchase and development of property on Lake of the Woods and a Twin Cities Center and renovate the Humanities Center.

Rothausen said the loan will be amortized over 15 years, and Jourdain said the monthly payments will be about USD 125,000. He said that is half the amount of the payments for USD 27 million casino expansion at Thief River Falls and Warroad. Red Lake retired that debt in January.

“We’re having a record year,” Rothausen said of Red Lake Gaming. “Our revenues are higher than they’ve ever been.”

Net income for 2007 was USD 5.9 million from the three casinos, according to the Red Lake Gaming Enterprises Annual Report. Red Lake Gaming employed 879 people in 2007 with a total payroll of more than USD 20 million.