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Casino project raises concerns

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By Matt O'Brien Associated Press

PROVIDENCE — A plan to build New England's newest casino near the Massachusetts-Rhode Island border is moving forward after narrowly winning approval from town voters in Tiverton.

But some remain wary of the project, noting declining casino revenues in Connecticut and Massachusetts.

"The town is deeply divided over this," said Tiverton Town Administrator Matthew Wojcik. "It makes all of us who are appointed officials for the town traverse the roadway here with some caution. We want to make sure we're accommodating the views of everyone."

Voters on Nov. 8 approved statewide and town ballot questions to allow Lincoln, Rhode Island-based casino operator Twin River Management Group to transfer its license for the aging Newport Grand slots parlor to a new Tiverton casino that will be built about 400 feet from the border with Fall River, Mass. About \$3 million was spent to persuade voters to support the measure. Church leaders who warned of a rise in gambling addiction never formed a formal opposition group.

The measure easily won statewide approval, but it passed by just 368 votes in Tiverton, which has a population of about 16,000.

The project for a new casino and adjacent hotel must still get approval from town planning authorities before it can be built on marshy land off Route 24. And a new Tiverton Town Council scheduled to be sworn in this week includes some casino skeptics.

Twin River Chairman John Taylor said after Election Day that he plans to move quickly, while being mindful of local concerns about the environment, public safety and the need for traffic improvements. The town is promised \$3 million a year from casino proceeds, and if there is a shortfall, the state will make up the difference. The state also is counting on its share of proceeds from table games and video machines far exceeding what it took in from the Newport casino. Gambling is Rhode Island's third-largest revenue source.

But a former congressman from Connecticut who went to Tiverton before the election to speak out against the casino proposal said Rhode Island should look to its neighbors before it becomes too dependent on an industry with a business model of "preying on addictive gamblers."

“The fact is there is no evidence that casino expansion in any way, on a longer-term basis, helps a local economy,” said former Republican U.S. Rep. Bob Steele. “On the way up everybody cheers, ‘Look at all this money!’ And then on the way down the economics begin to fall apart. It’s a bad recipe for building a state’s economy and society.”

In Connecticut, the state revenue contributions of the Foxwoods and Mohegan Sun casinos have declined over the years. They pay the state 25 percent of their gross slot machine revenues in return for having exclusive rights to casino gambling. Those payments used to average about \$305 million a year since 1993, but in recent years there has been a steady decline.

A new state revenue forecast released Nov. 10 predicted that Connecticut will receive \$267 million in gaming payments in fiscal year 2017; \$267.3 million in fiscal year 2018; \$199 million in fiscal year 2019; and \$196.6 million in fiscal year 2020.

Revenues at the first and so far only casino in Massachusetts also are on a downswing.

The Massachusetts Gaming Commission reported this month that Plainridge Park Casino, which is not far from the Rhode Island border, pulled in nearly \$12.6 million in gross revenues from its slot machines in October. That’s down from over \$12.8 million in September.