

June 12, 2008

Volume 14, Issue 18

For more information on Michigan's gaming industry, please visit [www.michigangaming.com](http://www.michigangaming.com)

*Editor in Chief:*

**David D. Waddell, Esq.**  
Phone: 517.507.3859  
[waddell@rmclegal.com](mailto:waddell@rmclegal.com)

*Senior Gaming Analyst  
& Editor:*

**Robert R. Russell, II**  
Phone: 517.507.3858  
[russell@rmclegal.com](mailto:russell@rmclegal.com)

*Reporter*

**Douglas L. Minke**  
Phone: 313.221.9380  
[minke@rmclegal.com](mailto:minke@rmclegal.com)

*Reporter*

**Blaine R. DeGracia**  
Phone: 517.507.3857  
[degracia@rmclegal.com](mailto:degracia@rmclegal.com)

*Subscription information:*  
[info@michigangaming.com](mailto:info@michigangaming.com)

A publication of  
**RMC Ventures, LLC**

University Place Center  
333 Albert Ave, Suite 450  
East Lansing, MI 48823  
Phone: 517.507.3860  
Fax: 517.908.0235  
[www.rmclegal.com](http://www.rmclegal.com)

# The MICHIGAN GAMING Newsletter



## MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR MAY 2008

The Michigan Gaming Control Board (MGCB) has recently released the May, 2008 total adjusted revenue figures for the three Detroit casinos – MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino. At Tuesday's MGCB public hearing, Executive Director Richard Kalm reported to the MGCB that "aggregate revenue and taxes for all three Detroit casinos for the month of May 2008 were up by 16.53% compared to the same month last year. Revenue for MGM Grand, MotorCity and Greektown Casinos were up by 27.9%, 14.03% and 2.69%, respectively, in May 2008 compared to the same month last year."

Month in 2008	Total Adjusted Revenue 2008		
	MGM Grand Detroit	MotorCity Casino	Greektown Casino
January	\$46,637,248.81	\$39,366,692.84	\$27,534,937.58
February	\$47,021,788.41	\$38,326,971.88	\$26,999,351.20
March	\$50,217,833.17	\$41,307,354.29	\$32,230,050.35
April	\$46,864,254.06	\$40,703,507.79	\$28,572,470.64
May	\$52,973,612.49	\$41,948,166.18	\$28,131,129.20
<b>Total</b>	<b>\$243,714,736.94</b>	<b>\$201,652,692.98</b>	<b>\$143,467,938.97</b>

The figures released by the MGCB are the gross receipts less winnings paid to wagerers. The figures do not include: 1) the State of Michigan share of the wagering tax; 2) the City of Detroit portion of the wagering tax; 3) any fees or other relevant city, state or federal taxes; 4) wages and benefits paid

*(Continued on page 2)*

to casino employees; and 5) payments to suppliers, service providers or vendors.

For Greektown Casino, the State of Michigan's share of the wagering tax is 12.1% and the City of Detroit's share is 11.9%, for a total tax of 24%. This 24% tax has historically applied to all three Detroit casinos.

MGM Grand Detroit and MotorCity Casino have received a tax base reduction certification as a result of their facilities being declared "fully operational" by the MGCB. These properties are now subject to a wagering tax of 19%, with a 10.9% of this levy to go to the City of Detroit and 8.1% to be paid to the State of Michigan.

## **MGCB HONORS NELSON WESTRIN**

On Tuesday of this week, the Michigan Gaming Control Board paid tribute to the first Executive Director of the Board, Nelson Westrin. Mr. Westrin recently passed away at the age of 61. Mr. Westrin was a dedicated public servant, having served citizens at the county, state and national levels. Mr. Westrin began his public service in the county prosecutor's office. Thereafter, he worked for the Michigan Attorney General's office, was appointed Racing Commissioner for the state of Michigan by the Governor, was then appointed Executive Director of the MGCB, and then was appointed by the President of the United States to be the Vice Chairman of the National Indian Gaming Commission. In recent years he was in private practice.

MGCB Chairperson Damian Kassab began Tuesday's MGCB meeting by paying special tribute to Nelson Westrin and noting the valuable contributions he made to the establishment of the MGCB as a new agency. The state of Michigan approved casino gaming by way of a statewide referendum in 1996. Nelson Westrin was faced with the daunting task of developing a regulatory system and assisting with legislative changes, hiring a large staff, and licensing three commercial casinos.

Kassab stated, "I believe it's important to recognize his significant contributions to this

Board and the state of Michigan. Nelson was the architect, builder and caretaker of the MGCB from 1996 to 2002. His guiding hand provided the direction that enabled this agency to become one of the most respected gaming control boards in America. Nelson Westrin imprinted his integrity, honesty, and his ethics on every aspect of this organization and the Michigan casino gaming industry."

## **MGCB ADOPTS RESOLUTION HONORING ASSISTANT ATTORNEY GENERAL JACK CAHILL**

Assistant Attorney General Jack Cahill, who is in charge of the Alcohol and Gambling Enforcement Division, recently announced his retirement.

On Tuesday, the MGCB adopted Board Resolution 2008-01 "Acknowledging the Contributions and Accomplishments of Assistant Attorney General in Charge John "Jack" Cahill of the Michigan Office of the Attorney General, Alcohol and Gambling Enforcement Division, And Commending Him For Distinguished and Honorable Service to the Michigan Gaming Control Board and the People of the State of Michigan". Mr. Cahill has worked for the MGCB since its inception, having started to work two days after the voter referendum in 1996. He noted that in the early days, the agency had no telephones, no computers, and his initial office was literally in a closet. Over the years, he worked for three different Executive Directors, and noted that he enjoyed working for all of them. Mr. Cahill said that working on gaming matters has been a great experience, and he really appreciated the opportunity to work on such important issues.

## **GUN LAKE TRIBAL COMPACT UPDATE**

Last week, Allegan County community leaders traveled to Lansing to meet with state Senators to rally support for the approval of the

*(Continued on page 3)*

Match-e-be-nash-she-wish Band of Pottawatomi (the Gun Lake Band) class III tribal gaming compact with the State of Michigan. If approved, this compact would allow for a tribal casino project in Wayland Township, near Grand Rapids, Michigan..

The Gun Lake Band plans to build a \$200 million casino that will hold an estimated 2,500 slots and 80 table games.. In addition, it is estimated that the casino would employ over 1,800 people and create more than 3,100 construction jobs. The casino would be obligated to pay between 8%-12% in slot revenue to the state, depending on gross revenues, and 2% of slot revenue to local governments.

The Michigan Senate could vote on the compact before the June 26<sup>th</sup> summer recess, according to Matt Marsden, spokesman for Michigan Senate Majority leader Mike Bishop. A resolution has already been passed by the state House of Representatives. Notably, on March 9, 2007, Governor Jennifer Granholm signed the negotiated tribal compact as approved by the House.

## **TURTLE CREEK CASINO AND HOTEL GRAND OPENING**

The new Turtle Creek Casino & Hotel, located in Williamsburg, Michigan, is tentatively scheduled to open to the public on Saturday, June 17, 2008, with the official Grand Opening Celebration being held on Tuesday, June 24, 2008.

Grand Traverse Resort & Casinos is the Economic Development Corporation of the Grand Traverse Band of Ottawa and Chippewa Indians (Grand Traverse Band), which owns and will soon operate the new Turtle Creek Casino & Hotel, which originally began construction in October 2006.

In addition, the Grand Traverse Band currently owns and operates Leelanau Sands Casino & Lodge in Peshawbestown, Michigan as well as the existing Turtle Creek Casino.

When complete, the new 347,000 square foot Turtle Creek Casino & Hotel will contain a six-story, 137-room hotel, a casino with approximately 54,000 square feet of gaming space, 1,300 slot machines, 40 table games two restaurants and a night club.

Much of the construction effort was contracted to local companies and, according to a press release from the Tribe issued on May 8, 2008, "... approximately 80 percent of the sub contractors are from Michigan with 55 percent from Northern Michigan, plus most of the manufactured construction materials were made in Michigan."

The existing Turtle Creek Casino is open during construction.

Notably, the Bureau of Indian Affairs recently issued a notice indicating their approval of over 145 acres of tribal land into "trust status" in Acme and Whitewater townships near Turtle Creek Casino on M-72. The newly acquired land is exempt from local taxes and zoning regulations as dictated by the state and local governments. The newly acquired land may serve as possible development space for the Grand Traverse Band, although according to tribal Chairman Robert Kewaygoshkum, "[a]t this time, the tribe has no plans of any type on the table."

More information about the Turtle Creek Casino & Hotel may be found at: [www.turtlecreekcasino.com](http://www.turtlecreekcasino.com). More information regarding the Grand Traverse Band of Ottawa and Chippewa Indians may be found at: <http://www.gtb.nsn.us/>.