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# The \_\_\_\_\_ MICHIGAN GAMING \_\_\_\_\_ Newsletter



## **MICHIGAN GAMING CONTROL BOARD HOLDS DECEMBER PUBLIC HEARING**

On Tuesday, December 7, 2010 the Michigan Gaming Control Board (MGCB) held its final public meeting for 2010. All five Board members (Barbara Rom, Michael Watza, Benjamin Friedman, Jim Plakas, and Kenneth Sanborn) were present. During the meeting the MGCB took the following action:

1. Considered and unanimously (5-0) voted to renew MotorCity Casino's casino operator's license issued under the Michigan Gaming Control and Revenue Act.
2. Considered and approved eight supplier license renewals;
3. Issued several level 1 and level 2 occupational licenses;
4. Approved a transfer of interested involving Voice Data Systems;
5. Considered and approved a key person application for Michael Bruce Yates with Ainsworth Game Technology; and
6. Approved and entered into a settlement and Acknowledgment of Violation by Greektown Casino.

The MGCB also announced that the next Board meeting will be held on February 22, 2011 at 9:30 a.m. The Board does not meet in January each year unless there are special matters to be taken up.

## **FIRST SLOT MACHINES ARRIVE AT GUN LAKE CASINO**

On Tuesday, December 7, 2010, the Gun Lake Band of Pottawatomi Indians ("Tribe") received its first shipment of slot machines at its Gun Lake Casino in Wayland Township. Tribal officials, casino workers, and members of the press were present at a brief ceremony marking the

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delivery of the machines.

Though the casino will not be complete until next year, the Tribe has received an overwhelming response to employment opportunities at the facility. As of November 29, 2010, the Tribe reported that it had received thousands of applications for the 750 available positions on-site. Although the tribe has ceased accepting applications for the majority of positions, experienced dealers and slot attendants are encouraged to apply online at the casino's website.

The Gun Lake Casino, located off of U.S. 131 between Kalamazoo and Grand Rapids, is expected to hold a soft opening on February 14, 2011. The casino will feature 1,450 slot machines, 28 table games, a 225 seat café, food court, and other entertainment amenities. The 82,000 square-foot facility will be owned by the Tribe and operated by MPM Enterprises, LLC, a Stations Casinos affiliate, and private investors from Michigan.

For more information regarding the Gun Lake Casino, please visit the casino's website at: [www.gunlakecasino.com](http://www.gunlakecasino.com).

## MICHIGAN GAMING CONTROL BOARD RELEASES DETROIT CASINO REVENUES FOR NOVEMBER, 2010

The Michigan Gaming Control Board ("MGCB" or "Board") released the November, 2010 total adjusted revenue figures for the three Detroit casinos – MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino. Overall, revenue for the Detroit Market was up by 4.8% in November, 2010 from the same reporting period last year. Specifically, revenue for MGM Grand Detroit Casino and MotorCity Casino was up by 11% and 6%, respectively, while revenue for Greektown Casino was down

Month in 2010	Total Adjusted Revenue 2010		
	MGM Grand Detroit	MotorCity Casino	Greektown Casino
	Total Adjusted Revenue	Total Adjusted Revenue	Total Adjusted Revenue
January	\$47,468,319.04	\$35,923,997.65	\$28,023,801.67
February	\$48,622,651.56	\$36,511,115.12	\$29,809,377.11
March	\$52,548,328.50	\$41,234,840.59	\$33,481,265.74
April	\$49,605,147.69	\$37,322,007.23	\$31,981,992.16
May	\$48,836,322.62	\$38,386,776.02	\$29,688,544.04
June	\$46,220,269.94	\$36,543,168.85	\$27,038,009.97
July	\$50,433,913.76	\$37,735,768.95	\$30,633,325.45
August	\$48,046,645.76	\$35,046,635.19	\$29,880,927.00
September	\$46,489,288.77	\$34,773,828,.64	\$28,108,806.75
October	\$46,787,049.23	\$37,317,981.25	\$29,542,351.88
November	\$47,749,511.54	\$37,135,412.99	\$26,536,782.71
<b>Total</b>	<b>\$532,807,448.41</b>	<b>\$407,931,262.48</b>	<b>\$324,725,184.46</b>

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by 6.7%, in comparison to the same month last year.

On March 9, 2010, Greektown Casino received a tax base reduction certification from the MGCB. For the months of January and February, 2010, the State of Michigan's share for the wagering tax reflected in the Greektown Casino numbers released by the MGCB was 12.1% and the City of Detroit's share was 11.9% for a total tax of 24%. This 24% tax historically applied to all three Detroit casinos. As a result of all three casino facilities being deemed "fully operational," they are subject to a wagering tax of 19%, with 10.9% of this levy to go to the City of Detroit, and 8.1% to be paid to the State of Michigan. Greektown Casino's tax rollback was retroactive to February, 2009, and the casino received ongoing tax

Month in 2010	Total Adjusted Revenue 2010		
	All Detroit Casinos		
	Total Adjusted Gross Receipts	Total State Wagering Tax	Total Detroit Wagering Tax
January	\$111,416,118.36	\$10,145,657.65	\$13,258,518.09
February	\$114,943,143.79	\$10,502,769.73	\$12,528,802.67
March	\$127,264,434.83	\$8,595,465.95	\$13,871,823.40
April	\$118,909,147.08	\$7,041,099.55	\$12,961,097.03
May	\$116,911,642.68	\$7,065,070.99	\$12,743,369.05
June	\$109,801,448.76	\$6,703,838.54	\$11,968,357.91
July	\$118,803,008.16	\$7,141,744.30	\$12,949,527.89
August	\$112,973,937.95	\$6,730,533.89	\$12,314,159.24
September	\$109,371,924.16	\$8,017,894.45	\$11,921,539.73
October	\$113,647,382.36	\$9,205,437.97	\$12,387,564.68
November	\$111,421,707.24	\$9,025,158.29	\$12,144,966.09
<b>Total</b>	<b>\$1,265,463,895.35</b>	<b>\$90,174,671.30</b>	<b>\$139,049,727.77</b>

credits to offset prior payments. According to a report presented at the September 14, 2010 MGCB Public Meeting, as of September 10, 2010, the tax rollback credit has been depleted.

Aggregate revenues for Detroit's commercial casinos for the three months ending November 30, 2010, were up 4.5%, compared to the same period last year. Gaming revenues for MGM Grand Detroit Casino, MotorCity Casino, and Greektown Casino were \$141 million, \$109 million, and \$84 million, respectively. The market shares for MGM Grand Detroit Casino, MotorCity Casino and Greektown Casino for the month of October, 2010 were 43%, 33% and 24%, respectively.

The figures above do not include: 1) wages and benefits paid to casino employees; and 2) payments to suppliers, service providers or vendors.

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## BAY MILLS BEGINS EXPANSION AT VANDERBILT FACILITY

On Monday, December 6, 2010, the Bay Mills Indian Community (“Tribe”) announced that contractors had begun work at its recently opened Vanderbilt casino to add 1,400 square feet to the facility. The facility currently occupies the former Project Nature Welcome Center, a 1,200 square-foot building off of Interstate 75.

Workers broke ground on the project on December 1, 2010, and expect to have the expansion completed by the end of January, 2011. The new space will be used to add more slot machines to meet the demand of patrons, as well as provide more space for restroom facilities.

On Wednesday, November 3, 2010, the Tribe opened the gaming facility that holds 36 slot machines without receiving state or federal approval. The Tribe acknowledged in an interview with *The Times Herald* last month that anticipated litigation involving the Vanderbilt casino will provide a test case for the possibility of opening a casino on land recently purchased in Port Huron.

Other Michigan tribes have voiced opposition to the Vanderbilt casino, stating that the Tribe violated provisions of its compact with the state when the casino opened. After the opening, the Little Traverse Band of Odawa Indians announced that it was withholding its 6% slot revenue payment to the state’s strategic fund because the new casino violates competitive market provisions in the Odawa Indian’s compact.

The state has yet to take any legal action against the Tribe regarding the Vanderbilt location but the *Gaylord Herald Times* has reported that the state Attorney General’s office is consulting with state and federal officials regarding its legal position on the issue. The Tribe has maintained that it has met all state and federal requirements for establishing a new gaming facility.