

October 3, 2008

Volume 14, Issue 31

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



## OHIO CASINO VOTE TO APPEAR ON NOVEMBER BALLOT

Last Thursday, September 25, Ohio Secretary of State Jennifer Brunner announced the approval of collected signatures from across the state, furthering efforts to get a voter initiative placed on the November 4, 2008 Ohio ballot which, if passed, would amend the state constitution to permit a casino to be built in Clinton County, Ohio. The state of Ohio does not currently allow for casino gaming within its borders.

Advocates of the vote had collected 480,003 valid signatures, thus exceeding the 402,275 signatures required to be included on the statewide ballot.

Developers describe the proposed single casino site as centrally located between the cities of Columbus, Cincinnati and Dayton. The casino would require a \$600 million capital investment.

Although the voter initiative will be included on the November, 2008 state-wide ballot, it is unclear whether the proposal has enough support to pass. Prior attempts to amend Ohio's constitution to permit state regulated, taxed and policed casino gaming have failed to obtain the necessary support during state-wide votes held in 1990, 1996 and more recently in 2006.

Proponents of the casino plan believe that the current proposal has some defining characteristics which set this initiative apart from unsuccessful prior attempts. These include the implementation of a "single-site casino," as well as equal sharing of tax revenues across all of Ohio's 88 counties.

According to a press release from Lakes Entertainment Inc., a recent study performed by Michigan Consultants, indicates that the proposed casino could potentially generate \$850 million in yearly gaming revenue, 30% of which, or \$225 million, would constitute tax revenue for Ohio's 88 counties. The study also states that the proposed casino resort could also create more than 8,700 jobs

*(Continued on page 2)*

for Ohio residents.

Phase one of the proposed \$600 million casino resort project calls for a 2,000,000 square foot development, including 180,000-220,000 square feet of gaming space. Plans also call for a 1,500 room suite-style luxury hotel and additional conference facilities. The proposed gaming facility would contain 4,000 to 5,000 slot machines, a poker room with an estimated 20 poker tables, and 100 table games including craps and roulette.

## **SAGINAW CHIPPEWA TRIBE REPEALS TRIBAL LABOR ORDINANCE**

The Tribal Council of the Saginaw Chippewa Indian Tribe recently voted to repeal its Tribal Labor Ordinance, a law that essentially prohibited labor unions among Tribal employees. The Tribe's Labor Ordinance had recently been challenged before the National Labor Relations Board (NLRB) by Teamsters Local 486, which has attempted to organize certain employees at the Soaring Eagle Casino & Resort. An NLRB hearing on the Tribal Labor Ordinance was set for earlier last month, however, the Tribe and Teamsters Local 486 were able to settle their dispute prior to a decision being reached.

In announcing its decision to repeal the Tribal Labor Ordinance, the Tribal Council issued a statement, providing that it "...took this step because it found that it was in the best interest of the Tribe to withdraw its ordinance to accommodate other important interests and relationships. It also makes no sense to engage in expensive litigation over the Ordinance when our employees have shown no interest in a union." The Teamsters lost a union representation vote among Soaring Eagle hotel housekeepers last year. Nonetheless, Teamsters representatives have said that they are not giving up in their efforts to unionize certain Soaring Eagle Casino & Resort employees.

Though the Tribe did agree to repeal its Labor Ordinance, it continues to dispute the position that Tribal casinos fall within the jurisdiction of the NLRB, citing Tribal sovereignty. The Tribal Council has stated that, "[i]t is the Tribe's continued position that as sovereign governments, Indian tribes are not covered by the National Labor Relations Act."

## **PURE MICHIGAN SHOWING POSITIVE RESULTS**

Last month, Travel Michigan and a number of local convention and visitors bureaus began hosting dozens of travel journalists from across the United States for a tour of the state. "This is an amazing opportunity to showcase Michigan to qualified travel writers from around the country," commented George Zimmerman, Vice President of Travel Michigan. "We will send these writers home with great Michigan experiences to write about."

Earlier this year, MSU researchers predicted declines in revenue for the state tourism industry of two percent, and further predicted that travel spending would remain flat with no growth or decline. Economist and assistant professor at Michigan State University, Robert Richardson believes it "... is possibly the most pessimistic outlook since the late 1970s."

To combat this forecast, the Michigan Legislature approved a set of bills which made more money available to promote business and tourism in the state. The set of bills provides \$60 million for business and tourism over the next two years, and helped strengthen Michigan-related advertisements in other states.

Although final figures for Summer '08 are not yet available, there are many positive indicators suggesting that the new campaign is helping Michigan's tourism industry to continue to grow. The Michigan.org website has experienced a dramatic increase in its number of web visits, e.g. 44% increase in July, 2008 compared to the same month last year). Michigan.org is now the top state tourism website in market share, with a July market share of 10.66 %, well ahead of second place Virginia (7.17%) according to WebTrends.