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*Editor in Chief*

**J.J. Burchman, Esq.**

Phone: 517.999.5414  
[burchman@rmclegal.com](mailto:burchman@rmclegal.com)

*Senior Gaming Analyst  
& Editor*

**Robert R. Russell, II**

Phone: 517.507.3858  
[russell@rmclegal.com](mailto:russell@rmclegal.com)

*Associate Editor*

**David D. Waddell, Esq.**

Phone: 517.507.3859  
[waddell@rmclegal.com](mailto:waddell@rmclegal.com)

*Associate Editor*

**Randy G. Gross, Esq.**

Phone: 517.999.5416  
[rgross@rmclegal.com](mailto:rgross@rmclegal.com)

*News Reporter & Digital Content  
Editor*

**Riston Escher**

[rescher@rmclegal.com](mailto:rescher@rmclegal.com)

*Production Coordinator*

**Christina M. Morris**

[cmorris@rmclegal.com](mailto:cmorris@rmclegal.com)

*Subscription information:*

[info@michigangaming.com](mailto:info@michigangaming.com)

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



## Global Gaming Business Magazine Interviews Gun Lake's Sal Semola

Sal Semola has almost 30 year experience in gaming management, with companies such as Greektown Casino in Detroit, Cannery Casinos and Warner Gaming in Las Vegas and several tribal and riverboat casinos. But it wasn't until Semola was hired at Gun Lake Casino in Wayland, Michigan that he really hit his stride. He was able to advise the owners of the casino, the Match-E-Be-Nash-She-Wish Band of Pottawatomi Indians, how to grow their casino while helping to diversify their economy. The tribe is about the complete phase 5, and most spectacular of its expansion project.

Global Gaming Business Magazine ("GGB") recently had the privilege to interview Sal Semola. The full interview can be found [here](#). GGB gave its permission to the reprinting portion of the interview.

**GGB: It's been a long time since you took over at Gun Lake, and you've been doing such a great job that I don't think they'll ever let you go.**

Semola: I appreciate that. I'm blessed with great support from leadership and also a good executive team. I've been here now approximately five and a half years. And it's been fun. We've done a lot of good things and more to come.

**Explain what region of Michigan you're in. You're just south of Grand Rapids, correct?**

Yes, sir. We are just outside of Grand Rapids located off of Highway 131, which is a major north-south artery for Western Michigan, so it's highly trafficked, and we're about equidistant between Grand Rapids, which is the second largest city

in the state, and Kalamazoo, Michigan as well.

**So I'm mistaken thinking that you're out in the woods somewhere?**

No—our area is somewhat rural. But in the time that I've been here, I've seen just a ton of growth and development in the area, whether it's residential or office buildings. Even the Grand Rapids International Airport is undergoing a major expansion. So there's a lot of things happening in this area.

**Currently you're completing a \$300 million expansion. What are some of the elements of that build-out?**

We are calling the expansion phase five. It comprises a 252-room, four-diamond hotel—we don't have a hotel currently—a spa, additional food and beverage venues, expanded casino space, albeit slightly, and what we refer to as the Aquadome, all designed by HBG Design.

**And what was the reason for this expansion? You've already had four phases prior to this one. Why did the triad think it was necessary for such a major project?**

That's a great question. And the short answer is we're playing catch-up. Back in the day when the tribe began this process and partnered with Station at that time, there were a couple of lawsuits that put a little bit of a hamper on what was going to be built. That lawsuit went on for years and ultimately went to the U.S. Supreme Court. The tribe ultimately did prevail, but you had that overhang, and also at the same time as the project was being developed, the financial crisis under way.

So those two things really impacted what was built initially. Like I said, we're playing catch-up here now. I came on midway through what was characterized as the phase-three expansion, which was rather modest in the sense it was maybe a 100-slot machine addition to the floor. But it was really about a connector building for a parking garage that was needed in anticipation of meeting the needs of future expansions due to

the increased traffic, and also the depletion of existing surface parking.

And then phase four, which we just completed in September 2021, comprised three new F&B outlets, and began to set the table for phase five. Once phase five, which is the current expansion, is complete, we will still be smaller than two other successful properties in the area despite Gun Lake Casino, and Grand Rapids in particular, having much more favorable MSAs.

**What I hear about the tribal leadership is very impressive—that they're thinking beyond gaming—and I believe they have a new mixed-use non-gaming development under way. Is this a path for the future for not only Gun Lake, but for progressive tribes?**

Yes. I believe you're spot on. The tribal leadership here is extremely forward-thinking. I think that when you take into account that they've only been on their own, so to speak—outside of the umbrella of employing a management company—they're much further along in that cycle of evolution, in terms of how they look at business and the future.

With that, I believe that tribal gaming enterprises in general as they become more mature over time and realize that there's economic opportunities that they can comfortably participate in outside of the sovereignty umbrella, they become more comfortable investing in that area. And you'll see more of that; we've already seen it in the commercial gaming front.

As you know, I was part of the Greektown Casino opening, which was the first commercial Native-owned casino in the country. And since then, we've had a few more. And I think it's just the beginning, as they get more comfortable and they meet their more immediate needs. And this is for every tribe.

And some tribes are larger than others, so that may take longer than others, and may be in a worse place to start off with than other tribes, and maybe in a better place. But I think ultimately

10, 15, 20 years from now, there won't be a tribe that has gaming for at least 10 years under the belt that isn't seriously considering other economic opportunities

## **Detroit Casinos Report \$119.2 Million March Aggregate Revenue**

According to the March revenues [released](#) by the Michigan Gaming Control Board ("MGCB"), the three Detroit casinos reported \$119.2 million in monthly aggregate revenue in March. Table games and slots generated \$117.8 million in revenue, and retail sports betting generated \$1.4 million in revenue.

The March market shares were:

- MGM, 46%
- MotorCity, 30%
- Hollywood Casino at Greektown, 24%

Monthly revenue for table games and slots fell 2.6% when compared to March 2022 results, however March revenue increased 12.2% compared to February 2023 results.

When compared with March 2022, monthly gaming revenue results were:

- MGM, \$55.4 million, decrease of 2.7%
- MotorCity, \$35.8 million, decrease of 9%
- Hollywood Casino at Greektown, \$27.6 million, increase of 7.6%

The three Detroit casinos paid \$9.5 million in gaming taxes to the State of Michigan, compared to \$9.8 million for the same month last year. The casinos also reported submitting \$14 million in wagering taxes and development agreement payments to the City of Detroit in March.

The casinos recorded \$326.2 million in the first quarter of 2023 for a 3.4% increase compared to \$315.5 million recorded in first quarter of 2022. The state received \$26.4 million in gaming taxes during the first quarter of 2023 compared to \$25.6 million paid the same period last year.

Retail sports betting qualified adjusted gross receipts (QAGR) reported for March decreased by 26.8% to \$1.4 million when compared to March 2022, but monthly QAGR rose by \$952,724 compared to February 2023 results of \$458,752. The Detroit casinos reported total retail sports betting handle of \$13,938,183, and total gross receipts were \$1,431,580.

March QAGR by property were:

- MGM, \$284,425
- MotorCity, \$424,382
- Hollywood Casino at Greektown, \$702,670

The three Detroit casinos reported submitting taxes on retail sports betting in the amounts of \$53,354 to the State of Michigan, and \$65,210 to the City of Detroit during for March 2023.

For the first quarter of 2023, aggregate retail sports betting qualified adjusted gross receipts by property were:

- MGM, \$228,163
- MotorCity, \$739,658
- Hollywood Casino at Greektown, \$1,013,431

Fantasy contest operators reported total adjusted revenues of \$1.8 million and paid taxes of \$150,424 during February 2023.

## **Four Winds Casinos Announce Dates For The 2023 Four Winds Invitational**

The Pokagon Band of Potawatomi Indians and its Four Winds Casinos have announced that the 2023 Four Winds Invitational will be held at South Bend Country Club from Thursday, August 10 through Saturday, August 12. "We are very excited to announce the dates for the 12th edition of the Four Winds Invitational," said Rebecca Richards, Tribal Chairwoman of the Pokagon Band of Potawatomi Indians. This year's Four Winds Invitational will offer a \$200,000 purse for the players and the proceeds from the

tournament will be donated to Beacon Children's Hospital.

The Four Winds Invitational was established in 2012 as part of the Road to the LPGA and is sponsored by the Pokagon Band of Potawatomi Indians and its Four Winds® Casinos. The tournament features a field of professional women golfers from around the world. The Invitational is part of the Epson Tour, which enters its 43rd year of structured competition in 2023 and is the most established women's qualifying tour in the world as the one "Road to the LPGA."

Over the last 11 years the Pokagon Band has donated nearly \$900,000 to Beacon Children's Hospital using proceeds from the tournament to help with the acquisition of life-saving equipment to better serve patients and families in the South Bend community.

A link to the announcement can be found [here](#).

## Casino Windsor Releases RFP For Operational Management

Ontario Lottery and Gaming Corporation (OLG) has released a Request for Pre-Qualification (RFPQ) for those corporations wishing to operate Windsor's casino. The Windsor casino has long been operated by Caesars and is under contract until 2025. It's anticipated that Caesars will bid for continued operation of the casino. OLG's announcement for the RFPQ is the first stage in a procurement process to select a service provider to handle the day-to-day gaming operations in Windsor.

The RFPQ enables OLG to prequalify potential proponents based on their previous experience operating a large gaming resort. Those that pre-qualify will proceed to the Request for Proposal (RFP) phase of the procurement. This process will close May 25th.

While the eventual winning proponent will handle the day-to-day gaming operations of the Windsor casino, OLG will continue to conduct and manage

gaming in Windsor, the agency said.

## MGCB Public Meeting Scheduled for Tuesday, April 18

The Michigan Gaming Control Board ("MGCB") will hold a regular public meeting on Tuesday, April 18, 2023, at the MGCB's Cadillac Place Office, 3062 W. Grand Boulevard, Suite L-700, Detroit, 48202-6062. The meeting will begin at 9:00 AM and will also be accessible via [Zoom](#).

The MGCB will consider approval of occupational licenses, supplier licenses, supplier license renewals, approval of new key persons, and the approval of some acknowledgements of violations among other issues. The full agenda for the April meeting may be found [here](#).

The meeting is open to the public, and comments from the public are welcomed and encouraged during the public comment portion of the meeting. The MGCB asks you to [submit this form](#) to MGCBweb@michigan.gov by 9:00 AM, Tuesday April 18, to notify them you plan to address the Board during public comment. Please include your telephone number on the form. You also may use the Q&A in the Zoom meeting to indicate you wish to speak during public comment. Please provide your name and telephone number, and you will receive a call placing you in the queue.

The [meeting](#) will also be accessible to the public via Zoom at this [link](#).