



July 1, 2004

Rocheste



80°F
Mostly Sunny
Forecast »

Advanced Search

 Custo
Subsc
Place

[Classifieds](#) | [Cars](#) | [Jobs](#) | [Homes](#) | [Apartments](#) | [Local News](#) | [Sports](#) | [Opinion](#) | [Business](#) | [Entertainment](#)
[Home](#) > [News](#)

News

Local News

[Past Week's News](#)
[Multimedia](#)
[e.thePeople](#)
[Special Projects](#)
[Sports](#)
[Business News](#)
[Health](#)
[Entertainment](#)
[Weather](#)
[Obits](#)
[Opinion](#)
[Beyond Rochester](#)

 Marketplace

[Jobs](#)
[Cars](#)
[Homes](#)
[Apartments](#)
[Commercial Prop.](#)
[Classifieds](#)
[City Guide](#)
[Coupons](#)
[Personals](#)
[Weddings](#)

 Contact Us

[Customer Service](#)
[Subscribe to Paper](#)
[Place an Ad](#)
[Online Info](#)
[NIE Program](#)

 Also Online

[Local Webcam](#)
[USA Today](#)

Mall mogul reveals vision for city casino

By Joseph Spector
Staff Writer

(July 1, 2004) — Welcome to your new downtown, Rochester: 35 acres of a glitzy casino and hotel along East Main Street with more than 1,300 workers inside making an average of \$18 an hour.

That's the vision Rochester-area mall magnate Thomas C. Wilmot is pitching to politicians and the one he released publicly Wednesday to build support for the \$500 million casino plan.

The grandiose proposal has already caused a divide in the community over whether it should join other upstate New York cities trying to revitalize themselves through gambling. Gambling operations surrounding Rochester are lining up to oppose it, as are Rochester's mayor and other city officials.

But Wilmot is tempting local leaders with this: What's a better solution for the partly vacant Sibley Building that his company, Wilmorite, owns and for beleaguered Midtown Plaza? And who else is offering a half-billion dollars of private investment downtown?

"What's the alternative?" Wilmot stressed in an interview Wednesday with the *Democrat and Chronicle*. "Because no one has come up with a scheme for Midtown that's economically feasible. Something like this would bring in 10,000 to 18,000 people a day into downtown."

Wilmot has bankrolled Native Americans' casino efforts around the country but has yet to score one. He estimates he's spent \$3 million to \$4 million to help the Seneca-Cayuga Tribe of Oklahoma settle a 20-year-old land claim with the state of New York. Part of the tribe's settlement offer is to get sovereignty over land in downtown Rochester to build and own a casino.

To sweeten the deal, the tribe is also offering to construct a \$100 million, 2,800-seat performing arts center that would be used for traveling





Broadway-style shows and other events.

In a separate proposal, community leaders are planning to use mostly taxpayer dollars to build a performing arts center as part of the Renaissance Square development project, which would be next to the proposed casino.

Yet no land settlement has been reached between Gov. George Pataki and the tribe, and any agreement would need the approval of the state Legislature and Congress. Pataki and other leaders have reiterated that if Rochester residents didn't want a casino, it wouldn't be approved.

Wilmot said the casino plan would be presented to community groups to get public input. And he said the tribe, although it considers downtown the best location, wouldn't object to looking at another site in Monroe County if a majority of people were opposed to the downtown site. No other sites, however, have been discussed, he said.

"This community has a decision to make," Wilmot said.

What's inside?

For months, Wilmot and the tribe have been developing the casino proposal: with floor plans, two economic development studies and a flashy video showing computer drawings. Estimates show a Rochester casino would bring in about \$350 million a year in revenue, Wilmot said.

When fully built, the casino would have 2,800 video lottery terminals and 150 table games — similar in size to the Seneca Niagara Casino in Niagara Falls, Niagara County. It would also have a 1,000-seat bingo/keno room.

At the former Sibley's department store, the five-story building would have gaming space on the first two floors and the rest would be turned into restaurants and casino offices. An adjacent tower would be turned into a roughly 400-room hotel.

Across East Main Street, the tribe and Wilmot propose spending \$20 million to knock down the historic Midtown Plaza, which opened in 1962 as the nation's first downtown indoor shopping-office complex.

The buildings on either side of East Main would be connected by an overhead walkway.

Over the last decade, the plaza, owned by a private development firm, has slowly lost stores and is now half empty.

The casino would also solve another problem. The city is suing a Wilmorite subsidiary for about \$12 million in back taxes and fees on the Sibley Building. Wilmot denies that he owes the money; the city disagrees. Either way, the city would get the money if the casino were built, he said.

Wilmot estimates video lottery terminals could be up and running within four months after government approvals are received.

Seneca-Cayuga Chief Leroy Howard could not be reached for comment



Wednesday. Last week, he said the tribe supports the Rochester casino plan.

Economic impact

A Center for Governmental Research study, commissioned by Wilmorite, found "the economic impact of the casino, net of the estimated social costs, would be positive."

The study, completed in June, estimates that in addition to new jobs, a casino would bring life to a struggling downtown. Wilmot said the number of jobs could grow to about 2,400 full-time equivalent positions — almost all locally filled — if the casino reaches its full potential.

Although a casino could help with the city's convention business, "day trippers" — the approximately 1 million people within a one-hour ride of Rochester — would be its main customers. The casino would also retain spending from residents who now travel to Native American casinos in Syracuse and Niagara Falls and other gambling venues, states the study from the Rochester-based nonprofit, public policy institute.

As with other recent casino deals in New York, state and the local governments would get a piece of the revenue.

The state would likely get an 18 percent cut from the video lottery terminals, growing to 25 percent over time, according to the discussions between the Seneca-Cayuga tribe and state negotiators. The city would get a piece of the state's cut.

Under those guidelines, the CGR report estimates the state would net about \$23 million a year; the city about \$11 million.

But the study finds that it could cost governments and other groups about \$10 million a year to deal with problem gambling issues and a casino could hurt neighboring stores and restaurants.

Other experts agreed that a casino ultimately could be a wash for Rochester.

"Gaming comes with some costs and you have to weigh those with the long-term benefits," said William Eadington, director of the Institute for the Study of Gambling and Commercial Gaming at the University of Nevada.

Pros vs. cons

The deal is enticing to the Pataki administration for several reasons. It wants gambling revenue for its depleted coffers and needs to comply with a court order requiring more money for New York City schools.

The state also wants to settle outstanding Native American land claims, including a joint claim by the Seneca-Cayuga and the Cayuga Indian Nation.

"We believe that progress is being made," said Pataki spokesman Todd Alhart.

The Seneca-Cayuga and the Cayuga Indian Nation of New York have been

battling the state since 1982 over rights to 64,000 acres around the northern tip of Cayuga Lake.

The Cayuga Indian Nation reached a tentative settlement with the state in mid-June to build a casino at Monticello Raceway in the Catskills and exercise sovereignty on up to 10,000 acres in the claim area.

Although a subsequent deal seemed imminent with the Seneca-Cayuga, the Republican governor has yet to reach a deal with them. That could be due partly to concerns about whether the community supports a Rochester casino and because of other Indian land-claim disputes across the state, Wilmot said.

Rochester Mayor William A. Johnson Jr. is the main opponent, and neighborhood groups are joining him.

Casinos "don't bring in new industry. They don't create anything. It's a mass diversion," said Sanford Shapiro, who heads the Grove Street Neighborhood Association, a group a few blocks from the proposed casino.

Rochester's delegation in the state Legislature — which could be instrumental in guiding Pataki's decision — hasn't officially leaned one way or another. Johnson, a Democrat, said he wants to have public meetings to gauge community sentiment.

Monroe County Executive Maggie Brooks hasn't taken a position, even though a casino with a performing arts center would significantly affect Renaissance Square, her top economic development initiative.

"There is no proposal that I feel I can react to," Brooks, a Republican, said last week. "I'm open-minded about anything that can bring new jobs and boost the economy here. But I think that we are learning with all our projects, the devil is in the details."

It's unclear what would happen to Renaissance Square if a performing arts center were no longer part of that project. The \$230 million public project calls for an arts center and Monroe Community College campus to be built on top of an underground bus terminal at the corner of East Main Street and North Clinton Avenue.

Wilmot said the casino plan includes one roadhouse-style theater, unlike the Renaissance plan, which would include up to three theaters.

Pataki is certain to feel pressure to reject the deal from in-state tribes and area racetracks with video lottery terminals. Tribes — including ones that run Turning Stone Casino and Resort near Syracuse and the Seneca Niagara Casino — are threatening to sue if casino deals and land rights are given to out-of-state tribes, such as the Seneca-Cayuga, which has questionable claims to New York land.

But others said that the bevy of obstacles could be overcome for one reason: money.

"One thing that can be learned from this is that everyone has a price," said

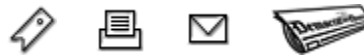
Robert Porter, who founded Syracuse University's Center for Indigenous Law Governance and Citizenship.

"The tenacity of those deeply committed to developing these is limitless."

JSPECTOR@DemocratandChronicle.com

Inside

- A graphic illustrates a bird's-eye view of what the first and second floors of the casino would look like. 6A
- The Seneca-Cayuga Tribe of Oklahoma also wants to build a casino in Auburn, Cayuga County. 6A
- Learn more about Thomas Wilmot, background of the land claim case and how the casino plan compares with Renaissance Square. 6A



[MORE NEWS STORIES](#) ▶



[Weather](#) | [News](#) | [Business News](#) | [Entertainment](#) | [Sports](#) | [Forums](#) | [Community](#) | [Classifieds](#) | [Jobs](#) | [Cars](#) | [Real Estate](#) | [Apartments](#) | [New Homes](#) | [Personals](#) | [Weddings](#) | [Advertising Info](#) | [Newspaper info](#) | [Online info](#) | [Search](#) | [Feedback](#)

Copyright 2004 Rochester Democrat and Chronicle.

Use of this site signifies your agreement to the [Terms of Service](#) (updated 12/18/2002).