

Tribal Council set to OK land purchase near airport **Senecas pick Cheektowaga**

By TOM PRECIOUS
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ALBANY - The ruling Tribal Council of the Seneca Nation is expected today to approve buying 57 acres in Cheektowaga for a 185,000-square-foot casino that officials say could be open as early as New Year's Eve.

The purchase should end speculation that the Senecas may still have an eye on Buffalo as a site for a third casino, tribal leaders said late Friday evening.

"Cheektowaga has welcomed us," Seneca President Rickey L. Armstrong Sr. said in a telephone interview Friday.

Armstrong would not disclose terms of the land purchase, saying he first wants to brief the Tribal Council at a meeting this morning on the Cattaraugus Reservation. The council vote is expected to be completed by noon.

The new casino, which would be adjacent to Buffalo Niagara International Airport, will be far less ambitious than the destination-resort casino operation the Senecas have in the works for their flagship gambling venture, Seneca Niagara Casino on Third Street in Niagara Falls. The Cheektowaga casino will, at first, feature about 1,800 slot machines, a couple of restaurants and entertainment space, Armstrong said.

Armstrong stressed that the property will not include smoke shops, gas stations or hotels. Some non-Native American business leaders worried they would have competition from tax-free outlets for both gas and tobacco products.

"Why would we want a smoke shop or gas station when we'd have a casino generating millions?" he said.

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August purchase date

Like the Niagara Falls casino, the Cheektowaga venture would need approval by the U.S. Department of the Interior. Seneca officials hope to complete the purchase by August. The Interior review process takes 60 days, and Seneca officials are confident the federal agency will back the plan.

The Senecas would purchase most of the Airborne Business Park, owned by Uniland Development Corp. of Buffalo, which is directly across Holtz Drive from the airport on Genesee Street.

Cheektowaga Supervisor Dennis T. Gabryszak said Friday night that he had not heard of the impending land deal. "But if that indeed is what's happening (Saturday), I'm very excited about it," he said.

With threats of lawsuits and some powerful political interests still pressing for a Buffalo casino, Gabryszak said he isn't celebrating just yet. "Until it's a done deal, we're not taking anything for granted," he said.

Seneca officials dismissed threats of a lawsuit by Buffalo developer Carl Paladino, who says the Senecas, under an original agreement with the state, promised to locate a casino in Buffalo. Paladino, a major downtown landowner, would possibly benefit financially from a Buffalo casino.

Buffalo out as casino site

But Armstrong and other Seneca sources said the tribe's action should make clear, once and for all, that a Buffalo casino is not going to happen. Though a number of politicians, such as Erie County Executive Joel A. Giambra, sought to block some of the Seneca development efforts downtown, others, from Buffalo Mayor Anthony M. Masiello to U.S. Rep. Thomas Reynolds, R-Clarence, had become major players behind the scenes, pressing for the Senecas to go downtown.

Masiello could not be reached to comment late Friday.

But Seneca leaders have said they couldn't get clear signals from various sides about a Buffalo location.

Armstrong said the tribe is "disappointed that after all the talks and discussions and dialogue between the parties, nothing seemed to come to fruition, and some still insisted that we come" to Buffalo.

"But we're making the best economic choice for our members," he said Friday night of the Cheektowaga location. He said much of the site is already prepared for development, and its location near the Thruway and airport will boost patronage.

Town's welcome aided decision

Seneca leaders have said the reception from Cheektowaga town officials helped push the airport site.

"Our welcome was of the same type as Niagara Falls. They have been cooperative in everything and receptive to our ideas. I think they see the overall benefits of a casino in their area," Armstrong said.

The town, though, would lose property tax revenues with the Senecas taking over the site that is now owned by Uniland, a company controlled by developer Carl Montante. Gabryszak said Friday he did not know precisely how much in property taxes Uniland pays. But he said it would be nowhere near what the town could stand to gain from its share of the casino's revenues.

The state deal with the Senecas calls for 25 percent of slot machine proceeds to be shared with the state. The state then gives 25 percent to the host community, which would likely mean Cheektowaga and Erie County.

Niagara Falls recently got about \$10 million for its 2003 share of the casino revenues from that city's casino. Anywhere near that amount for Cheektowaga would be

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a major boon to the town's budget, which is now about \$60 million.

The State Legislature and Gov. George E. Pataki would have final say over how the local revenues are shared and what they could be spent on. Sources say Pataki has talked about trying to steer some of the money from a Cheektowaga casino to Buffalo. Pataki, when he cut the casino deal several years ago with the Senecas, had vowed that the Erie County casino would be located in Buffalo.

Gabryszak said the casino will eventually boost development all around the airport site. "I think the spin-off development could be significant," he said. "It's not something that will happen overnight, but the potential is truly there for a lot of development opportunities."

Plans for casino already under way

Armstrong said it would be an ambitious schedule to get the casino opened by New Year's Day, but plans are already well under way. The initial 1,800 slot machines are about half of the 3,000 machines at Seneca Niagara Casino. But Armstrong said the Cheektowaga site would grow as its business expanded. A source close to the Senecas' negotiations for the Cheektowaga acreage said Friday that the land is being transferred first from Uniland to the Seneca Erie Gaming Corp., which is owned by the tribe, and then to the tribe itself.

The Cheektowaga site would be the third and final casino owned by the Senecas in Western New York. The tribe is getting ready to open a casino on reservation land in Salamanca.

The tribe is also looking at casino development opportunities in the Catskills. The casinos were permitted under a 2001 law allowing up to six Indian casinos in the state, slot-like devices at racetracks and expansion of the state lottery. A lawsuit against the gambling expansion, brought by legislative, religious and

business interests, is still pending in a state appellate court in Albany.

"I'm very excited. I'm looking forward to our third casino being operational very soon," Armstrong said.

e-mail: tprecious@buffnews.com

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