

New York Board Bides Time On Casino Licenses

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New York casino license decisions are unlikely to be made until December as regulators carefully assess the financial viability of applications.

When the New York Gaming Facility Location Board announced a meeting this upcoming Friday, many thought that the siting board was planning to unveil its selections for up to four casino licenses.

Instead, the siting board said Tuesday it will again meet with its legal and financial consultants to further assess bids.

The siting board now expects to make its decisions at the next meeting after Friday's, its chairman, Kevin Law, said in a letter Tuesday to New York State Gaming Commission chairman [Mark Gearan](#).

Under New York's bidding rules, economic activity and business development factors will count for 70 percent of the siting board's evaluation.

That criteria covers a large range of topics including maximum capital investments, maximizing revenues to the state, the ability to fully finance new gaming facilities and offering the fastest time to completion.

"As noticed in the [public presentations in September](#), the Gaming Facility Location Board has indicated they are paying particular attention to the financial viability of the applicants," said Lee Park, spokesman for the state gaming commission.

In his letter Tuesday, Law said the siting board members have already met twice to discuss each applicant's financial history and that they have also traveled to the proposed locations to better understand the "potential positioning" of each proposed facility.

"The whole point of commercial casinos is to create revenues for the state, so they want to make sure that they get this right," said Robert McLaughlin, the head of the gaming practice at law firm Hodgson Ross in Albany and currently legal counsel for the Grand Hudson Resort and Casino project in Newburgh.

Regulators may also be mindful of regional competition, said Mark Hichar, head of the gaming practice at law firm Hinckley, Allen & Snyder.

Massachusetts, for example, has recently licensed two major casino-resorts and a slots parlor.

A 2013 law calls for casino licenses to be issued in each of three areas of New York, and the board can also recommend a second license in one of them.

"The commission has to be concerned that there are multiple facilities being developed in the region," Hichar told GamblingCompliance. "They may be concerned that the market is already saturated."

Meanwhile, some of New York's casino applicants also are still going through the required State Environmental Quality Review (SEQR) process for their project sites.

The gaming commission is prohibited from issuing a license to a casino applicant without a completed SEQR, according to the state's request for applications (RFA) for casinos.

But Genting has just started the public review and comment period for its proposed \$1.5bn Sterling Forest Resort and Casino in

Tuxedo, the **largest project** by any applicant.

“Since speed to market is a graded factor in the RFA evaluation, the commission assumes that applicants will timely commence the SEQRA process,” commission staff wrote in **guidance distributed to potential applicants** in May.

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