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Mayor Bernero, Sault Tribe Chairman Announce \$245 Million Downtown Lansing Casino

Project Would Create 2,200 Jobs, Support Sault Tribe Member Programs and Services, Fund the Lansing Promise Scholarships

LANSING, Mich. — Mayor Virg Bernero and Michigan's largest federally recognized Indian tribe today announced plans for a \$245 million downtown Lansing casino to be built in the heart of the city's entertainment district.

The 125,000-square-foot Kewadin Lansing Casino, to be owned and operated by the Sault Ste. Marie Tribe of Chippewa Indians, would create an estimated 1,500 permanent jobs at the property and more than 700 construction jobs. A temporary casino would open in advance of the opening of the permanent facility.

The Tribe will use the casino revenues to improve programs and services to members, including health care, education, housing, elder care, social services, and more. In addition, 10 percent of the revenues will be deposited into the Tribe's Self Sufficiency Fund that benefits elders and future investments.

The City of Lansing will use its annual revenue payments from the facility to create the Lansing Promise, a program to fund four-year college scholarships for Lansing School District graduates.

"This exciting project is a game-changer for downtown Lansing and will provide another major boost to our efforts to revitalize Michigan's capital city," Bernero said. "It will create thousands of good jobs, attract tens of thousands of tourists to the region, and generate enough revenue to allow our city to send all of our school district graduates to college."

"Kewadin Lansing Casino will generate significant economic benefits for Sault Tribe members in addition to creating thousands of good jobs," said Sault Tribe Chairman Joe Eitrem. "We are deeply grateful for the opportunity to join with the city and people of Lansing as we seek to exercise our sovereign government's legal right to develop Kewadin Lansing Casino."

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Construction on the casino, to be located at Michigan Avenue and Cedar Street on property adjacent to the Lansing Center, will begin as soon as a development agreement and land transfers are approved. A development agreement between the City of Lansing, Lansing Economic Development Corp., and the Sault Tribe's Kewadin Gaming Authority was to be filed today for consideration by the Lansing City Council. The Sault Tribe's Board of Directors is expected to formally consider the agreement tomorrow.

The project will be built on City of Lansing-owned land to be purchased by the Sault Tribe. The Tribe will file an application with the U.S. Department of the Interior to take the land into trust as tribal lands under a specific provision of the federal Land Claims Act that gives only the Sault Tribe the legal right to the process. The Tribe's intent is to open the casino after receiving federal approval.

Bernero said the casino would generate about \$6 million or more a year in revenue sharing payments to the city, enough to create the Lansing Promise to guarantee four-year college scholarships for every graduate of the Lansing School District who resides in the district. The Lansing Promise will be modeled after the highly successful Kalamazoo Promise. Bernero said former Lansing Mayor David Hollister will chair a steering committee of community leaders, which will report back in six months on a recommended structure and process for the scholarship program.

"I can't think of a better way to put casino revenues to good use than to offer our graduates from the Lansing School District scholarships to attend college," Hollister said. "And I'm delighted to chair this extraordinary effort."

Plans for the Kewadin Lansing Casino include up to 3,000 slot machines and 48 table games, and assorted bars and restaurants in an urban modern-themed property. Bernero and the Sault Tribe said the casino would be built by union trade labor and the casino staffed by union employees who are paid competitive wages and benefits. The project will include two parking decks with about 2,900 total spaces. It is estimated the casino will generate about \$250 million a year in gross revenues.

The Sault Tribe has successfully operated Indian casinos in the state since 1984 and currently owns five Kewadin Casino properties in the eastern Upper Peninsula. With more than 40,000 members, the Sault Tribe is the largest federally-recognized tribe east of the Mississippi and one of the largest job providers in Northern Michigan with 1,900 employees at its casinos, other businesses, and tribal government agencies. Chairman Eitrem said he and the tribal Board of Directors are "thrilled by the enthusiasm for the project from Mayor Bernero and his team and the cooperative spirit we have found throughout the City of Lansing."

"We have a true partnership in Lansing," Eitrem said. "We have found in Mayor Bernero and his team people who are committed to developing a first-class gaming facility in a spirit of mutual respect and cooperation. They sincerely want jobs and opportunities for their citizens and students just as we seek to provide jobs, services and a better future to our tribal members through gaming."

As the Sault Tribe seeks approval for the project from the federal government, Bernero and Eitrem said they expect challenges to the application.

"We know this will be a difficult process, but anything worth fighting for is seldom easy," Bernero said. "Many Michigan cities and their casinos have enjoyed the economic benefits of gaming for years, even decades. We believe Lansing has the same right to those benefits. We believe thousands of good jobs for Lansing and college degrees for thousands of Lansing students are worth fighting for."

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Kewadin Lansing Casino

At a Glance ...

- Temporary casino: about 15,000 square feet of gaming space (350 to 500 slot machines)
- Permanent casino: about 125,000 square feet of gaming space (up to 3,000 slot machines and 48 table games)
- Total project footprint: about 279,000 square feet (to be built adjacent to the Lansing Center at Cedar Street and Michigan Avenue, downtown Lansing)
- Total project budget: about \$245 million (\$135 million for the casino, \$65 million for parking decks, \$45 million for slot machines/tables/related equipment and technology)
- Estimated annual revenues: \$250 million
- Estimated 1,500 full-time jobs at the casino
- Estimated 700 construction jobs
- Construction timeline: 14-18 months to build the casino and the parking decks after groundbreaking
- About 2,900 parking spots in two decks (400-space garage to be built along the east side of the Lansing Center at Michigan and Cedar; 2,500-space garage to be built north of Cooley Law School Stadium)
- Design theme: urban modern
- Assorted bars and restaurants
- "Comp" program to support existing local restaurants, bars and other possible partners