

# 10 Reasons a casino is good for New Bedford

On Tuesday, June 23, New Bedford residents will head to the polls and decide if they want a casino in the city. As the title indicates, I feel a \$650-million casino is not only a good thing for New Bedford, it is a must. This is the largest fork in the road New Bedford has ever seen and a casino will never present itself again. Vote "no" or have a low-approval like Brockton (barely over 50%) and you will either push the casino to Brockton or convince the Massachusetts Gaming Commission that no casino is needed in the South Coast, MA area.

The first statement made during the **public forum at the Zeiterion Theatre** on 10 June hit home. "Who else is going to come to New Bedford and spend \$650 million? If not now, when? If not here, where?"

To answer the first question, no one else will come to New Bedford and spend nearly \$1 billion. This \$1 billion price tag includes the \$650-million mandated by law resort casino, \$30 million to buy the land, \$50 million to clean up the site and millions more to move Eversource, and of course, the tens of millions in taxes New Bedford will get each year. Throw in all the job/vendor fairs, operation costs, marketing and other expenses and you have a \$1 billion dollar casino.

New Bedford lit the world and was a financial powerhouse in the 18th, 19th and early part of the 20th century because the city's leadership had the foresight to become a leader in whaling, banking, textiles and now fishing. Every one of those industries strengthened New Bedford, but eventually ran its course to become either non-existent (whaling) or become a small part of New Bedford's economy (manufacturing/banking.) Yes, New Bedford has been the #1 fishing port in the world for

over a decade, but that industry is shrinking. New Bedford fishing revenue neared \$400 million last year, or about \$100 million more than the entire City of New Bedford budget. How much of that nearly \$400 million stays in New Bedford? A small amount. How can you be for the finishing industry, but be against a casino in the city, if your only rational is that money will flow out of the city? It's already happening in our fishing industry.

Here are 10 reasons why a casino makes sense for New Bedford:

**1. Mayor Jon Mitchell orchestrated one of the best host city agreements you'll ever see.** The casino developers wanted a 23-story, 1,100 room hotel and the mayor got them to reduce it to 11 stories and 300 rooms. This ensures the casino can only handle about 1/3 of the estimated demand. This is a huge win for every hotel in the Greater New Bedford area and will include landlords who rent seasonal rentals. The City of New Bedford will also get \$20-\$30 million a year from annual payments (\$12.5 million) and tax revenue (property, vehicle excise tax and food tax). To put that into perspective the **2015 City of New Bedford budget** is \$286 million. The casino will bring a whopping 10-15% extra money to the city. I get that much of this is to mitigate the extra police force and other city services needed, but it's still a win.

The mayor also introduced a 2,000 person, 25,000 sq. ft. conference center and gave strict protection to the Zeiterion Theatre. Want to bring Jerry Seinfeld to New Bedford? You'll have to see him at the Z because the casino won't be allowed to host him.

**2. A casino brings jobs, lots of them** – According to Mayor Mitchell, the largest single provider of jobs in the area is the Acushnet Company. They provide 1,000 jobs. The casino is expected to provide 2,164 construction jobs (all union) and 3,831 permanent jobs. The casino would quickly become the largest provider of jobs in the area. It's like adding 3-4

Acushnet Companies. The host city agreement also requires that 20% of the jobs go to New Bedford residents. You can argue about the quality of jobs, pay, benefits and other factors, but it's tough to argue against 6,000 jobs in an area that consistently has twice the unemployment as the rest of the state. Video about the casino jobs [here](#).

**3. Massachusetts residents are already gambling.** Have you been in a bar in New Bedford? Convenience store? The Massachusetts State Lottery is already a billion dollar industry. Also, millions of dollars are flowing outside of Massachusetts into the casinos in Rhode Island and Connecticut. Head over to Twin Rivers and you'll likely find that many of the patrons are from Massachusetts. Local businesses are sending bus loads of people to Connecticut and RI daily. Let's not pretend that hundreds of thousands of people in MA are not already buying scratch tickets, playing the lottery or visiting the casinos in Rhode Island and Connecticut. Let's keep the money in our state.

**4. \$100+ million clean up.** The former NStar (now Eversource) power plant sits on a beautiful part of the New Bedford waterfront. Several businesses have considered moving into the location. Why haven't they? Because it is currently being used by Eversource, it's toxic and comes with a huge price tag. Initially, prospective businesses thought it would cost a few million dollars to clean up the facility. A funded study revealed the clean up cost to be \$50 million. The value of the land is \$30 million. That's an \$80 million price tag to buy and clean the land. Then factor in the cost of moving out large industrial items, tearing down some of the buildings and moving Eversource to a new location and you are talking \$100-\$120 million just to have a clean slate to start to build a business. Over the past decade only a casino developer has stepped up to spend the money.

**5. The art community will benefit significantly.** – Per capita, New Bedford is one of the most artistic cities in America. It

has an amazing art community. The issue is, most art sits on walls unsold, or sold at a deep discount. While New Bedford has a high ratio of artists, it really doesn't have a large community of art collectors. That's because the medium household income in New Bedford is \$35,555 compared to \$65,339 statewide. People simply don't have money for art. The New Bedford art community needs outsiders to come into the city from Boston, New York and other places with disposable income. Also, you can expect that a casino with a large hotel and dining area will not only buy art, they would buy art consistently.

**6. Massachusetts is spending more money on preventing/treating gambling addiction than all other states combined.** This is per the city of New Bedford. You can see and hear from the City's lawyer these facts [here](#). The Commonwealth of Massachusetts gets 25% of the casino's money. Much of that money will be used to pay for addiction prevention/treatment, oversight, and security of casinos. I've also heard "The casinos will bring crime!" Really? **New Bedford is considered the 3rd most dangerous city in Massachusetts.** Can it really get much worse? Doesn't putting people to work reduce crime? 6,000 jobs.

**7. The Zeiterion Theatre is protected.** – Protecting the Zeiterion Theatre was one of my biggest concerns with a casino. What would New Bedford be without the Z? A lesser place! Per the Host City Agreement, the casino can't build a theater larger than 200 seats and is required to work with the Z. The Z is roughly 1,400 seats. Want to bring a major act to New Bedford? It will have to be at the Z.

**8. New Bedford businesses will get an economic boost.** – Yes, there will be a hotel, retail space and restaurant space at the casino. The Host City Agreement cut the proposed casino hotel from 1,000 rooms to 300 rooms to ensure that area hotels benefit. The agreement also shrunk the retail and restaurant space. Finally, and most importantly, the agreement requires the casino to spend \$10 million annually on city businesses.

Remember how I talked about the art community benefiting? The casino is also required to spend \$50,000 annually on local gift cards to reward casino visitors. This will help send people out of the casino and into the city, especially downtown.

**9. The City of New Bedford will get a significant amount of tax revenue.** Initially, the City will get \$1.5 million each year for the first three years for “Economic development, port development and community preservation.” Additionally, the City gets \$12.5 million each year (increases 2.5% a year for 6 years or reduces to \$7.5 million if a tribal community enters the region). The City also gets meals tax, property tax and excise tax revenues. I’m no accountant, but the property tax on a \$700 million casino must be significant. The City taking in \$20-\$30 million annually is not out of the question. That’s roughly a 15% increase in the current city budget. Money for schools? Fire department? Arts?

**10. A New Bedford casino increases the chances of South Coast Rail.** South Coast, MA residents have heard the South Coast Rail promise for decades. (Did anyone ever sue Bill Weld?) The reality is we are the closest we’ve ever been to getting South Coast Rail, but that still doesn’t mean much. The talk of Boston Olympics in 2024 and bringing the sailing part of the Olympics increases the chances considerably. Park a \$650-million casino on the waterfront and the chances of South Coast Rail being built significantly increases. If the perfect storm happens, Boston gets the 2024 Olympics and New Bedford builds a casino you can be sure the rail will come to New Bedford.

Agree? Disagree? Leave a comment and of course VOTE on Tuesday, June 23, 2015.

A good source of information on the casino is in **Host City Agreement between the City of New Bedford and KG Urban Enterprises**. Highlights [here](#).

As a counter argument you can read **Rev. David Lima's article in the Standard Times** or this **satire piece** written by **Joshua Botvin**.

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