

Opinion: Betting on North Jersey

JULY 21, 2014, 11:35 AM L A cautious support expressed by Governor Christie

nt Steve Sweeney for expanding casino gaming is an unmistakable
that doubts have crept in about the plan's chances for success.

open serious discussions about permitting casinos in North Jersey comes
d of a series of devastating economic blows to Atlantic City — the closing of
e second bankruptcy and potential closing of the Revel Casino Hotel, and
Showboat and Trump Plaza in September if buyers can't be found.

d the Senate president, any overt move toward casino development outside
been unthinkable three years ago. Both insisted that Atlantic City deserved
e opahs its recovery. The commission's mission included dealing with quality-of-life
environment to attract capital investment and economic

nily vacation resort that happened to have casino

ues fell year after year, a downward slide suddenly

t of 48,000 employees, a level now shrunk to

Internet gambling has fallen far short of initial estimates and the outlook for the courts or Congress to legalize sports betting — touted frequently as the savior of the industry — remains dim.

It is a city and an industry in deep distress.

Painful impact

The mayor, Don Guardian, has taken a realistic approach, accepting the painful impact of casino closings and the loss of some 7000 jobs as a necessary transition period during which the city and the industry can, hopefully, find the appropriate balance and thrive once again.

It's an admission that those who warned the city had become "over-casinoed" were, indeed, correct that the number of operating casinos could not be profitably sustained in the long term and the weak performers would wither.

While the economic downturn that gripped the nation five years ago contributed mightily to the industry's decline, the competition from the neighboring states of Pennsylvania and New York was overwhelming.

In the span of a few years, Pennsylvania had supplanted Atlantic City as the second-most visited gambling destination in the country, behind Las Vegas. Pennsylvania, with its two distinct east and west casino regions, is not a market in the same sense as Atlantic City, but Philadelphia's proximity has siphoned off a part of Atlantic City's customer base.

Gamblers in New York and the North Jersey counties can head west on Route 80 for an hour and arrive at Pocono Mountains casino resorts while others headed in the same direction on Route 78 to the Bethlehem, Pa., casino.

A two- or three-hour drive south on the Garden State Parkway was no longer required.

For Philadelphia gamblers, slots and table games were a mere subway ride away or a quick hop north over the city line into lower Bucks County.

Atlantic City lost its monopoly and its patrons now had other, more convenient options. And, they took them.

Committed to Atlantic City

Christie and Sweeney made it clear that they do not intend to abandon the five-year plan; they remain committed to restoring to Atlantic City some of the magic it once enjoyed and regaining its place as an economic and employment power.

At the same time, they are all too aware of the competitive market winds that have reduced Atlantic City's once bright candle flame to a flicker. The prospect of once glittering hotels and crowded gaming halls standing shuttered and abandoned on the boardwalk is something neither wants to contemplate.

Finding a path to satisfy the differing interests involved will be a test for them both.