

A publication of the Lloyd D. Levenson Institute of Gaming, Hospitality & Tourism at Stockton University
By Felicia Grondin, MPA, Associate Director

LIGHT Advisory Board

Farewell, Andy Dolce - Andy Dolce concluded his role as LIGHT Advisory Board Chairman in May 2016, due to his recent appointment to the Stockton Board of Trustees. President Harvey Kesselman thanked Mr. Dolce for his service as LIGHT Chairman (since 2014) at the May 17th Advisory Board meeting and looks forward to working with him on the Board of Trustees.

Welcome New LIGHT Chairman and Advisory Board Members - President Kesselman welcomed Tom Ballance, CEO of theLd(lan)13.1 (c)-1.9 (e)644os Cisine

1) Technical changes to correct calculation errors in the last bill that are associated with annual tax payments made by casinos;

2) Language to address casinos located outside of Atlantic City, should the November 2016 ballot question (allowing casinos in North Jersey) be approved, including the ability for casino properties (which signed an agreement to participate in the PILOT) to withdraw from the agreement upon commencement of the operation of a casino gaming facility outside of Atlantic City.

3) The establishment of the "Atlantic City Review Commission" in 2024 to determine the economic vitality and viability of Atlantic City casinos and government, the effect of the PILOT program on the economic viability of casinos, Atlantic City's ability to fund its own government/provide services and the feasibility of continuing the PILOT program for an additional period of time.

S-1715 passed the Senate and the Assembly and was signed into law on May 27, 2016.

Real Estate Update

Bader Field - According to the Associated Press, Bader Field closed in September 2006 after 96 years of aviation use and gave the world the term "airport" when a local reporter used the word in a 1919 article. Now, Atlantic City is putting it back on the market. When Bader Field was first put up for sale, the city expected it to sell for at least \$1 billion. Pennsylvania-based casino company Penn National offered \$800 million in 2008, but the city held out, envisioning selling it for \$1.5 billion. According to the Associated Press Mayor Don Guardian indicated Atlantic City will set a minimum bid of \$150 million — 90 percent less than the city thought it could get in 2008. His one caveat is that any money brought in by the sale be applied directly to Atlantic City's \$437 million debt — a liability that is a prime reason the state is trying to take over the resort's finances and assets.

Stockton University - Atlantic City Campus – Stockton University purchased 3430 Atlantic Avenue, an office building near the future site of its planned Atlantic City campus. Construction of the campus is expected to begin soon, and include an academic building and a residence facility designed to accommodate over 500 students. The university anticipates the Atlantic City campus to open in 2018 with about 1,000 students, with room for future growth.

Atlantic Club Casino Hotel – TJM properties, a Florida development firm, purchased the Atlantic Club in May 2014 for \$13.5M and an adjacent property for \$715K. While, TJM indicated that it would reopen the Atlantic Club as a non-gambling property, with a multimillion-dollar water park developed by Endeavor AC, it was put back on the market after Endeavor AC failed to make an additional deposit against the purchase price of the property. At this point in time, the fate of Atlantic Club is undetermined.

Revel Atlantic City – According to Casino.org, Revel Atlantic City has encountered one financial obstacle after another since the \$2.4 billion facility opened in 2012. The facility has encountered several financial obstacles since its opening, including a major fire in 2013 that caused significant damage to the property. The facility has also faced challenges with its financing, including a default on a loan in 2014. The facility has been in a state of financial distress since its opening, and its future is uncertain.

