

THE PLAIN DEALER

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Casino deal works for all concerned: editorial

The compromise between Gov. John Kasich and local casino developers Rock Ohio Caesars LLC appears to be a true win-win for Ohioans and the governor. It ramps up revenue for the state and local governments while resolving, for the casinos, a nagging gray area about how the state would structure taxing and licensing fees that had caused construction to halt in both Cleveland and Cincinnati.

Neither side tried to paper over the fact that negotiations were difficult. Rock Ohio's Dan Gilbert said his voter-approved projects had been moving full speed ahead until they hit "a speed bump known as Gov. Kasich."

Kasich said he had nothing against Gilbert or his partners -- or against Penn National Gaming Inc., which is building casinos in Columbus and Toledo and isn't party to the deal announced Wednesday -- but was determined to get a "fair deal for the taxpayers" by extracting more cash than 2009's Issue 3 had.

Kasich got it: Rock Ohio will pay an extra \$110 million in fees -- some might say tribute -- over the next 10 years, money that the governor will earmark for food banks and job training. But in return, Gilbert and his partners got the certainty they (and their financiers) wanted: The state will agree to apply the commercial activity tax to the casinos' net income, not to every wager made. Fees to transfer or renew casino licenses will be capped -- the constitutional amendment the developers themselves wrote had been silent on that point. The Phase I and Phase II casinos here will be treated as a single entity.

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http://www.cleveland.com/opinion/index.ssf/2011/06/casino_deal_works_for_all_conc.html

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