

The Pt. Molate Casino is Wrong for Richmond

The casino will do much more harm than good.



Urban casinos with slot machines do not benefit the community. They shift money from other local businesses to the casino, and lead to further urban decay. They take money from lower income people and lead to compulsive gambling, bankruptcy, crime and domestic abuse. The casino jobs are low paying, without security or legal protection, and the taxes do not materialize.

Casinos do not help local communities

Slot machines target people at the bottom of the economic ladder, and lead to compulsive gambling, bankruptcy, crime and domestic abuse. National Gambling Impact Study, Commissioned by Congress, Final Report, §7:4, 14, 23 (1999).

The evidence available to us, so far, indicates there are no measurable societal benefits to be derived from the introduction or continuation of convenience gambling facilities; ...They carry with them all of the negative costs associated with gambling, while offering none of the economic benefits that may be contributed to destination-style casinos. (Impact Study, 7:10-11) Nineteen percent of Chapter 13 bankruptcies in the State of Iowa involved gambling-related debt. Bankruptcies in Iowa increased at a rate significantly above the national average in the years following the introduction of casinos. Nine of the 12 Iowa counties with the highest bankruptcy rates in the state had gambling facilities in or directly adjacent to them. (7:10-16)

Casinos hurt existing local businesses

With or without compulsive gambling, casino patrons will divert spending on local entertainment, rent, food and retail purchases to the Casino, whose profits will go to outside investors. This has been proven in Detroit, Illinois and elsewhere. Why would it be different here?

In Atlantic City and elsewhere, small business owners testified to the loss of their businesses when casinos came to town. As evidence of this impact, few businesses can be found more than a few blocks from the Atlantic City boardwalk. Many of the "local" businesses remaining are pawnshops, cash-for-gold stores and discount outlets. One witness noted that, "in 1978 [the year the first casino opened], there were 311 taverns and restaurants in Atlantic City. Nineteen years later, only 66 remained, despite the promise that gaming would be good for the city's own." **NORC found "no change in overall per capita income" after the introduction of casinos...** (Impact Study, 7:5)

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This will not be a “destination” casino for wealthy gamblers from Asia. That is ridiculous and misleading.

A casino will not create good jobs. It will cause Richmond businesses to lay off workers.

The developers recognize that Casinos drain local economies. So they incredibly claim that this casino will not hurt the community because the gamblers will be wealthy Asian tourists who earn more than \$100,000 a year. But:

Jobs in local casinos are usually minimum wage jobs without job security or worker’s rights. Dealer jobs pay on average just \$14,734 a year. (Salary.Com Jan. 2009). Many of the jobs will go to people outside Richmond, while other local businesses close, leading to job losses in Richmond.

- The developers are planning 4,000 slot machines. They are not expecting 4,000 people to fly from Asia every day to play the slot machines. These slot machines are for people in Richmond to put their quarters in every few seconds. Studies of similar casinos show that 90% of casino revenues will come from local residents, and more than 80% from slot machines.
- Asian gamblers are staying home due to the opening of new Asian casinos and the global recession. They are not going even to Las Vegas. Global Travel Industry News, Nov. 2008; Market Watch, March 8, 2008
- Pt Molate will not be a “destination” resort for international tourists. Las Vegas has far more variety: night time shows with international stars, 30 themed 4 and 5 star hotels, more than 100 restaurants, cheap flights, and an international airport less than 3 miles and 10 minutes from the hotels.
- “The biggest victims of placing casinos conveniently around the state would be the poor who would be enticed by the illusion of instant riches. Of course that is the nature of the gaming and poor folks are usually the mark. Walk into a casino and you don’t see flocks of upper-middle class suburbanites, you see working class folks.” Marin I.J., Jan. 27, 2008.

Those who do get jobs will have no worker protections. State labor laws will not apply. No-smoking laws do not apply, meaning that all the workers will be exposed to cancerous second hand smoke.

Other citizens testified to the lack of job security they had encountered in tribal casinos, the absence of federal and state anti-discrimination laws, and the lack of workers’ compensation benefits. (Impact Study, 7:5, 7:8)

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A Casino with a Solar Roof is not Green Development.

There will be 20,000 visitors a day, plus employees. That means 40,000 or more car trips, pollution and traffic. There are already significant back-ups during the weekday commute at the Richmond Bridge.

The Developers proclaim that the gamblers will use ferries, BART and busses, but there is no ferry plan in the Draft EIS/EIR. Also, do wealthy Asian tourists ride the bus? The Draft EIR/EIS is full of misstatement, incredible claims and faulty assumptions. The long-term cumulative impact analysis stops in 2010, before construction even begins.

No legal protection for workers or guests.

There is no job security, anti-discrimination laws, or workers' compensation. If you are injured or cheated, you cannot protect your rights in court. There is no regulation of slot machine payouts, and no real oversight of tribal gaming operations.

Voters never intended urban casinos for rural tribes, "reservation shopping."

The campaign for Proposition 1A explicitly promised voters that casinos would be located only on remote tribal lands.

But the non-Indian developers who stand to profit handsomely want an urban casino. Yet, there is nothing that prevents the Guideville tribe from opening a casino where its rancheria was located, in Mendocino County, instead of "reservation shopping" in an urban area. The tribe can easily be self-sufficient with a smaller casino. This is not about tribal self-sufficiency, it is about greed.

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The promised Taxes will not materialize.

Casinos always promise tax revenues, but do not deliver. “Indian Casinos Don't Pay Up, Survey of California Counties Shows.” Sacramento Bee, June 28, 2003; “Tribal slots deal no jackpot for California.” Sacramento Bee, January 19, 2009.

Indian tribes also are not subject to corporate, property or sales tax.

- In a survey of 900 Minnesota restaurant owners, 38 percent said they had lost business due to gambling; only 10 percent reported an increase in business due to the existence of casinos.
- In Atlantic City, within just four years of the casinos' arrival, one-third of the city's retail businesses had closed.
- The number of retail businesses in Gilpin County, Colorado, dropped from 31 before gambling to 11 within a couple of years after casinos arrived.
- More than 70 percent of businesses in Natchez, Mississippi, reported declining sales within a few months of the opening of that city's first riverboat.
- Retail and service businesses in South Dakota suffered a net loss of approximately \$60 million in anticipated sales in the year following the introduction of gambling.