

Michigan Indian tribe seeks land in Lansing, Huron Township for gambling

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Gamblers feed slot machines at one of the Sault Tribe's Upper Peninsula Kewadin Casinos in Sault Ste. Marie.

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Sault Ste. Marie —A Michigan Indian tribe announced Wednesday it is seeking land in Lansing and Huron Township near Detroit Metropolitan Airport to build gaming facilities

.The Sault Ste. Marie Tribe of Chippewa Indians said it filed applications Tuesday with the U.S. Department of the Interior to take the land into trust.



A \$245 million gambling resort would go up on 3 acres near downtown Lansing, the tribe said. It said the casino would be 125,000 square feet.

The scope of a gambling project anticipated for 71 acres in Wayne County's Huron Township will be determined by an economic impact study, the tribe said.

The plans come as the \$38 billion U.S. casino industry faces slowing revenue, leading to layoffs and casino closures; revenue in the now-fragmented local gaming market is on pace to fall for the third consecutive year.

While it's still early to tell how much of the regional pie the gambling sites could take, analysts say more competition could affect the market.

"There will definitely be an impact — the significance of which is unknown at this time," said Alex Calderone, a casino turnaround specialist with Birmingham-based Calderone Advisory Group, LLC.

James Nye, spokesman for the Nottawaseppi Huron Band of Potawatomi and Saginaw Chippewa Indian Tribe, said in a statement that the Sault Tribe's announced off-reservation casinos near Romulus and Lansing will impact the state and Detroit.

"Not only does this proposal violate the tribal-state gaming compacts, but also would blow a hole in Detroit's bankruptcy plan," said Nye. "It is ironic that the Sault Tribe once built a casino in Detroit to help the city. After losing that casino in bankruptcy it wants to build a new one that will cripple the city."

The interior secretary could act on applications for the sites within a matter of a few weeks, the tribe said.

"Our tribe is within federal law and our legal rights to pursue these opportunities to create thousands of new jobs and generate millions of dollars in new revenues that will benefit our members, the people of Lansing, public school students

Lansing, public school [students](#)

in Lansing, the people of Huron Township and the entire state,” said Sault Tribe chairman Aaron [Payment](#).

About 1,500 permanent jobs and 700 construction jobs would be created by the casino in Lansing, the tribe said. A Huron Township casino would generate [money](#)

to provide services for tribal members in Metro Detroit.

[Darlene Sochocki](#) of New Boston, a village that lies within Huron Township, isn't happy about the possibility of a casino in her backyard.

“I don't think we need it,” said Sochocki. “If the casinos go in there will be no tax base. Where they are talking about putting the casino is just east of I-275 and Sibley Road. Traffic is going to be outrageous.”

Residents like Sochocki also fear that the small-town feel of New Boston would be destroyed.

“Right now it is a real quiet community and everybody knows everybody,” she said.

A federal appeals court ruled in December that the Upper Peninsula tribe can move ahead with plans to build the Lansing casino. The state has opposed the project, but Michigan Attorney General Bill Schuette last week withdrew his petition to the U.S. Supreme Court to hear the lawsuit.

“State and federal laws do not permit tribes to open casinos in every corner of the state, and the Sault Tribe has now violated its gaming compact with the state twice,” said Joy Yearout, spokeswoman for Schuette. “We will use every tool at our disposal to stop illegal off-reservation gambling.”

Nye added: “The gaming compacts clearly require a written agreement between all of the tribes before this action can occur. It's regrettable that the Sault Tribe has ignored agreements it signed. Furthermore, the state would lose over \$30 million per year as nearby tribes' compacts would be violated, thus ceasing state payments.”

The Supreme Court ruled in another Michigan casino case that Indian tribes have sovereign immunity that prevents them from being sued.

Meanwhile, local gaming revenue is on pace to fall for the third consecutive year, a trend prompted in part by a smoke-free gaming hall just an hour away in Toledo.

Revenue totaled \$114.6 million at Greektown, MGM Grand and MotorCity casinos last month, a decline of 1.7 percent compared to May 2013.

Revenue at MGM Grand Detroit fell 2 percent to \$47.4 million; at MotorCity Casino, it dipped 1.4 percent to \$39.1 million; and at Greektown Casino, it dropped 1.9 percent to \$28.1 million.

Revenue has now fallen 5.2 percent through the first five months of the year compared to the same time period a year ago.

The city of Detroit stands to lose about \$10 million a year in gaming taxes as revenue at Detroit's three casinos continues to head south, according to tax revenue analysis conducted by The Detroit News.

In 2012, Detroit took in \$171 million in taxes from gaming operations, representing about 14 percent of

money taken in by the city.

The Detroit casino market, when including a gaming hall in Windsor, has declined about 16 percent since 2001 when accounting for inflation, which has fueled speculation that one casino could go under.

Associated Press contributed.