

# A step closer to the windfall from Wind Creek (3)

The Bethlehem Gadfly Serious Issues, Wind Creek Casino May 29, 2019

*(3rd in a series of posts on Wind Creek Casino)*

Today is a BIG day. Approval of the Sands sale is expected. The Mayor announced last Council meeting that he, Alicia Karner, and Eric Evans are traveling to Harrisburg for the BIG meeting. Probably entering the turnpike as I write. Wind Creek has already announced BIG plans for a Water Park and etcetera and etcetera (see below). And the City coffers are lusting for a BIG windfall.

Here's how that last part goes, as reported here on Gadfly March 15: "See the [City 2019 budget](#) p. 278. See the column for "Casino Transfer Tax." The City estimated revenue from the CTT at \$5,995,000. But that was just an estimate for budgeting purposes. It may have little relation to reality. The actual amount is not known at this time. And could be significantly less. What would you do with the extra money, however much it is? In that column, you will find a list of specific proposed expenditures agreed upon by the City and Council based on the budgeted figure. If the actual CTT income is less than \$5,995,000, the City and Council will negotiate again, using that list as a basis, on how to allocate the actual amount. Everybody will have different favorites on that list, but Gadfly knows that many followers will be pulling for the \$50,000 that would be earmarked for the Rose Garden and the \$40,000 for the pedestrian bridge study. Of course, these projects would be competing against such items as a fire truck!"



*Jon Harris, “Sands Bethlehem casino sale up for state approval today.” Morning Call, May 29, 2019.*

- The \$1.3 billion sale of Sands Casino Resort Bethlehem could get the Pennsylvania Gaming Control Board’s blessing at a special meeting scheduled for 1 p.m. in Harrisburg. If the board votes to approve the change of control from Sands Bethworks Gaming to PCI (Poarch Creek Indians) Gaming Authority, the deal is expected to close within a month.
- [Wind Creek] is planning to transform the No. 2 Machine Shop at the former Bethlehem Steel site into a 300,000-square-foot adventure and water park that also will include a hotel.
- That investment is separate from the planned \$90 million, 300-room hotel Wind Creek is proposing to complement the existing hotel tower near the casino.
- Wind Creek said it believes the best way to combat competition is to invest in the site by adding a hotel tower to boost the casino business via longer stays and by diversifying “the facility’s appeal through the creation of additional non-gaming attractions.”

*Jon Harris and Nicole Radzievich, “Wind Creek has \$250 million plan to turn storied Bethlehem Steel machine shop into massive adventure and water park.” Morning Call, May 16, 2019.*

- Wind Creek Hospitality’s top executives came to Sands Casino Resort Bethlehem in January and announced plans to invest \$190 million in the gambling complex once the transaction closed.

- The deal isn't yet done, but Wind Creek now plans to make an even bigger splash, beefing up that estimate to approximately \$340 million.
- While Wind Creek initially said it had \$100 million earmarked for the No. 2 Machine Shop at the former Bethlehem Steel site, the company on Thursday said it now plans to spend about \$250 million turning the storied — but crumbling — structure into a 300,000-square-foot adventure and water park.
- The park would include several food, beverage and retail outlets along with about 105,000 square feet of water attractions. It also would offer outdoor activities such as rock climbing, rope courses and zip lines.
- Oh, and Wind Creek plans to build a 400-to-450-room hotel for the adventure park, a lodge that will be in addition to the \$90-million, 300-room hotel the company plans to construct to complement the near-capacity existing hotel near the casino.
- Sands' change of control could get approved [today, May 29], paving the way for the deal to close within a month.
- Wind Creek . . . plans to preserve much of the architecture and spirit of the No. 2 Machine Shop.
- The renderings show a rehabilitated No. 2 Machine Shop with glass covering the sides, leaving the interior steel beams visible and the iconic Bethlehem Steel blast furnaces looming in the distance.
- "Water parks draw a large number of people with families — and that's what we want to do in Bethlehem," [Mayor Donchez] said.
- Wind Creek's proposed adventure park would compete in an area with several amusement or water parks , namely Dorney Park & Wildwater Kingdom in South Whitehall Township along with Great Wolf Lodge and Kalahari Resort in the Poconos.

- the 300-room hotel expansion would mean another 400 jobs, and a project at the No. 2 Machine Shop could mean a couple hundred more.