

Wind Creek is winding up

The Bethlehem Gadfly Wind Creek Casino December 5, 2019

🌀 *Latest post in a series about Wind Creek Casino* 🌀

Cranky ol' Gadfly must admit that turning the property into the "No. 1 resort destination in the Northeast" still freezes his bowels.

The financial ramifications for the City in general are always a mystery to a guy like the Gadfly. Does anyone want to comment on that? Can anyone explain in layman terms what the TIF is and what significance it is that it is ending?



Nicole Radzievich and Jon Harris, "Wind Creek Bethlehem promises spa, bar and ballroom in future hotel." Morning Call, December 5, 2019.

Following through on its promise, Wind Creek Hospitality is pitching a 12-story hotel that would include a spa, bar, ballroom and more meeting space at the south Bethlehem casino it bought this year, under plans filed with the city.

The \$90 million hotel would be built near the existing 282-room one and wrap around the Wind Creek Event Center. It would include 270 guest rooms on the upper floors. The ground floor would include the ballroom, meeting space, business center, banquet kitchen and bar. Renderings of the second floor show a pool and patio tables that spill out onto a deck.

“We will work closely with Wind Creek to move this project forward,” Mayor Robert Donchez said. Donchez lauded the investment in the property and people it will bring to the city. He said the amount of meeting space — an additional 36,000 square feet — will provide flexibility for the city to land larger conferences. And the additional real estate taxes the new construction will generate will immediately help the city’s bottom line. In past years, county, city and school district tax revenue generated from improvements there went into a special taxing fund — the Tax Increment Financing — to pay for infrastructure improvements at the former Bethlehem Steel land. The TIF expires next year.

The hotel is part of Wind Creek’s plan to turn the property — in the words of Wind Creek President and CEO Jay Dorris — into the “No. 1 resort destination in the Northeast.”

Wind Creek immediately undertook a \$15 million facility rebrand and held a grand opening in October. The hotel and meeting space expansion was to be the next part of the plan. The expansion of the hotel has been described as a no-brainer, because the existing 282-room hotel boasts a 93% occupancy rate that forces Wind Creek Bethlehem to turn away visitors up to four nights a week. Demand for meeting space exceeds the facility’s current capacity.

More fluid, and more of a head-scratcher regarding how it will be pulled off, is a \$250 million plan to turn the crumbling No. 2 Machine Shop into a 300,000-square-foot adventure and water park that also would include a roughly 400-room hotel. At the grand opening, Arthur Mothershed, Wind Creek's vice president of business development, said the company was at least eight months away from getting the design of that project to the point where a groundbreaking could be scheduled.

The hotel expansion, and especially the Machine Shop project, is meant to strengthen the Bethlehem resort, which already gets 9 million visits a year as the closest casino to New York City with table games. But more competition looms on the horizon, most notably if New York officials in the years ahead move forward with Las Vegas-style casino gambling in its population-rich downstate. That could take a significant chunk of Wind Creek Bethlehem's robust busing program from New York City and northern New Jersey, meaning Wind Creek must diversify its offerings to stick out in the crowd.

Along those lines, the hotel expansion is expected to unlock revenue and earnings potential by growing lodging, meeting space and food-and-beverage offerings. The Machine Shop redevelopment, meanwhile, could boost the resort's offerings, with rock climbing, rope courses and ziplines, and bring an estimated 1.4 million new site visits a year.