

# Some good budget news: Wind Creek shortfall significantly less

The Bethlehem Gadfly Budget, Wind Creek Casino April 16, 2020

 Latest in a series of posts on the City Budget 

*Sara K. Satullo, “Wind Creek Bethlehem goes all in and pays \$2.5M host fee to city.” lehighvalleylive.com, April 15, 2020.*

*Christina Tatu, “Wind Creek Bethlehem says it will pay \$10 million host fee to Allentown and Bethlehem.” Morning Call, April 15, 2020.*

Wind Creek Bethlehem says it intends to pay the \$10 million annual host fee that goes to Allentown and Bethlehem.

The fee is paid out each quarter, and the first \$2.5 million installment was paid as scheduled on Wednesday, Wind Creek said. Of that money, \$2 million will go to Bethlehem and \$500,000 will go to Allentown, said Eric Evans, Bethlehem’s business administrator.

The Pennsylvania Department of Revenue gave casinos the option of deferring the first payment, but Kathy McCracken, Wind Creek Bethlehem’s general manager, said the casino understands that “community need is as great as ever” and wanted to be sure the money was delivered as planned.

“When Wind Creek’s leadership team arrived last spring, they pledged a commitment to our community. This crisis has given them an early opportunity to fulfill that pledge, and for that, we are very thankful,” said Mayor Robert Donchez.

Earlier this month, Bethlehem officials anticipated a \$5 million to \$7 million deficit as it was unclear whether Wind Creek would pay all of the host fee, which is equal to about 10% of the city’s general fund budget.

The city still projects an overall shortfall for 2020, but it will be significantly less than the \$5 million to \$7 million initially projected.

In addition to the annual host fee, Bethlehem also receives about \$1.8 million, or \$150,000 per month, in money from gaming revenue. With the casino closed since March 15, that money is not coming in, Evans said.

Wind Creek has said the casino would be closed indefinitely after several employees tested positive for the coronavirus. Since then, the governor shut down all the state's casinos. Wind Creek committed to paying employees through the end of May.