

# DailyTribune

## Casinos at race tracks?

### Hazel Park Raceway official seeks constitutional amendment

**By John Michalak**  
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HAZEL PARK -- The force behind the Michigan racing industry's unsuccessful attempt in 2004 to get slot machines at race tracks is now pushing for a state constitutional amendment to allow private casinos at the tracks.

"The (state) legislature has failed numerous times to help the (racing) industry," said Dan Adkins, vice president of track operations for Hazel Park Harness Raceway owners Herbert Tyner and Bernard Hartman. "We've had three race tracks close (in Michigan). We do employ people and we've been in the gambling business for a long time. I'd like to pass a constitutional amendment because going to the people looks easier than going to the legislature."

Adkins proposes a constitutional amendment for the November ballot to undo Proposal 1, passed overwhelmingly by state voters to reject expanded gaming at state horse racing tracks.

The proposed amendment, Adkins said, would allow 10 privately owned casinos -- seven for race tracks and three more for venues yet to be determined.

Adkins said a statewide poll he commissioned in January suggested "80 percent" approval rating for the proposed amendment.

He suggests voters will favor the amendment because the track casinos "conservatively" will provide the cash-strapped state \$1 billion annually through a 30 percent tax on net gaming revenues.

The return rate to the state would be much higher than existing casinos provide, Adkins said.

To keep their annual licenses, each new casino also would have to guarantee 500 full-time jobs, Adkins added.

Proposal 1 passed by nearly 2 million votes after the Detroit and Indian casinos spent millions of dollars to block the race track entry into the state's casino business.

Adkins admits he is in a "time bind" to collect signatures to place the question on the November ballot.

However, Adkins, with considerable experience in public votes to get casino gaming at race tracks, believes it can be done.

He also oversees Tyner and Hartman's dog tracks in Florida and West Virginia. Those venues successfully won expanded gaming approval.

Bill Ballenger, editor of Inside Michigan Politics and former state racing commissioner from 1982-1986, doesn't believe Adkins can pull off a constitutional amendment victory.

"It will lose," said Ballenger, though adding he might support such a question. The same "unholy alliance" as he termed it -- Detroit casinos, Indian casinos and the Christian right -- would again spend millions of

dollars to counter the proposed Constitutional amendment, he said.

"The same forces allied to pass the proposal to break the back of (race track) gambling in 2004 will be back again," Ballenger said. "You can bet that gambling (interests) being as selfish as it is will band together and try to defeat it."

He also questions whether voters will embrace any ballot question to provide more gaming in the state.

"The general thought in the state is we have enough (gambling)," Ballenger said. "We have more gambling venues in Michigan than any other state."

Ballenger also wonders where money will come from to campaign for passage of the proposed Constitutional amendment.

Adkins said he may have "to go it alone."

"I've done it before in Florida," Adkins said. "The same thing could happen here as happened in Florida. Once it becomes real, people start showing up to help."

Horse racing interests have long argued Michigan's racing tracks need expanded gaming to compete with casinos and the state lottery. Pari-mutuel wagering at the tracks has steadily declined since 1996-97 when simulcast betting of races at other tracks was allowed at state tracks. Wagering topped at \$474.6 million in 1997 but dropped to \$281.1 million in 2006.

Hazel Park officials maintain they are particularly vulnerable because of the track's proximity to Detroit casinos.

"I don't mind competition if we're on a level playing field," Adkins said.

Wagering at the Hazel Park track has declined from \$183 million in 2000 to \$112.6 million in 2007. Annual attendance during the same years has dropped from 763,109 to 546,495.

The city of Hazel Park also has been impacted by the drop-offs at the 123-acre track. The city gets "breakage" or the odd pennies in bet payoffs. Breakage in 1999 paid the city \$928,000. In 2006 it dropped to \$508,000. Cumulatively over those years the loss has been in the millions.

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