

LONG ISLANDSUFFOLK

## Suffolk OTB reconsiders Medford casino plan after failing to sell site

The original Medford casino plan announced in 2014 had faced opposition from area civic leaders and Brookhaven Town officials.

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Suffolk OTB is dusting off plans to build a video lottery casino or sports betting facility at the Medford site where a previous casino plan was scuttled two years ago, OTB president Phil Nolan said.

Plans for a second casino or sports betting would require state legislation. Nolan said those options are under consideration because OTB has struggled to sell the vacant, 32-acre site on the South Service Road of the Long Island Expressway.

Suffolk County Regional Off-Track Betting Corp. put the site up for sale in 2016 after striking a deal to open a 1,000-terminal video lottery parlor at Jake's 58 Hotel & Casino in Islandia. Several deals to sell the Medford site have fallen through, Nolan said.

"The only thing we can do with the property, other than to build on it, is to sell it to someone, and that opportunity has never come our way," Nolan said in a telephone interview Monday. "We discussed it and we decided to keep our eyes and ears open."

State law restricts Suffolk to 1,000 VLT machines, all of which are at Jake's 58. Nolan said OTB would consider building a casino in Medford with up to 1,000 machines if the state allows Suffolk to expand to 2,000 terminals.

No bills for either VLT expansion or sports betting are pending in the State Legislature, Nolan said. A bill to legalize sports betting failed earlier this year.

Brookhaven Town officials had raised questions about zoning issues at the Medford site that remain unresolved and would have to be addressed before OTB could build there.

The original Medford casino plan announced in 2014 had faced opposition from Medford civic leaders and town officials.

Brett Houdek, president of the Medford Taxpayers and Civic Association, said the group remains opposed to any OTB facility on the Medford site.



Loretta Nastasi of Medford protests during an anti-casino rally in Medford on Sept. 26, 2015. Photo Credit: Barry Sloan

"It's not the right location," Houdek said, noting nearby homes and a children's amusement park. "While it might be sufficient land, it would not be sufficient land for [a casino]. There would be no buffers. There would be no separation."

Brookhaven Councilman Neil Foley said a proposal to build an auto dealership on the property is "dead." He said another developer is seeking financial backing for a minor league hockey arena on the property.

"It does amaze me that there aren't more potential builders looking at the site," Foley said.

Nolan said the Islandia casino's success proves the need for a second facility. Each Islandia machine last month earned OTB about \$534 a day, almost twice the statewide average of \$285 per day, according to state Gaming Commission records.

"We certainly have the demand for it, and with demand comes sales and revenues, and that means more money for the state," Nolan said.

The casino helps Suffolk OTB pay off roughly \$15 million in debt. A portion of OTB proceeds also goes to a state fund for public schools.

Islandia residents in 2016 sued the village and Buffalo-based casino operator Delaware North, arguing that the village board erred that year when it granted permits for the casino. Residents sued again last year after the board amended village code to allow betting parlors in hotels. Islandia officials are fighting both lawsuits in federal Bankruptcy Court in Brooklyn.

Nolan said the Medford site "would become an option" if the lawsuit forces OTB to leave Islandia.

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### **How the casino plans played out**

December 2014: Suffolk OTB buys Medford property, announces plans for 1,000-machine video lottery gambling hall.

April 2016: Suffolk OTB lawyer says Medford plan would be dropped as officials eyed an unidentified hotel for the casino.

August 2016: Islandia Village Board approves permits for VLT casino to open at Islandia Marriott Long Island hotel, later renamed Jake's 58 Hotel & Casino.

February 2017: Suffolk OTB casino opens at Jake's 58.