



Studies conflict on job creation claims at proposed Gettysburg casino

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Eisenhower Hotel and Resort is the possible site for a casino in Gettysburg.

Once upon a time, the key to any battle was your cavalry. Then it became your cannons and their range.

Today, in **the battle over a casino in Gettysburg**, it's the quality of your economist.

On the side of the developers of the proposed resort Mason-Dixon Resort & Casino is Econsult, a Philadelphia firm specializing in tax policy analysis and the evaluation of gambling markets. They estimate a casino would create nearly 900 direct and indirect jobs and contribute \$66 million to the Adams County economy.

On the side of the Civil War Preservation Trust and other national preservation groups is Michael Siegel, a Washington, D.C., economist.

Siegel said Econsult's numbers have been "juiced up" to make the project appear more attractive than it really is and that a casino would destroy more jobs than it creates.

A former director of commercial revitalization for the state of Maryland, Siegel has done financial-impact studies of military bases and developments near Civil War sites.

Siegel's report will be presented as testimony to the Gaming Control Board during a public hearing in Gettysburg on Tuesday.

The Gaming Control Board does its own analysis of economic projections for each of the four projects competing for the last remaining resort casino license in Pennsylvania.

Nevertheless, Siegel's argument calls into question the economic viability of the project.

Competing economic projections could make the Gaming Control Board look that much harder at a project before

approving it.

“Due to the controversy surrounding this project, it behooves Mason-Dixon to be 100 percent accurate in its projections to the Gaming Control Board,” said David LaTorre, a spokesman for the developers. “We certainly know they will do their due diligence, as they should. To somehow suggest our projections are inaccurate defies common sense in the licensing process.”

Siegel contends that Econsult made no attempt to fulfill the Gaming Control Board’s requirement to assess any adverse impacts of a casino on the local community.

“What they have put forward is not credible,” Siegel said. “There’s not a single piece of live, real-world data in their report. Anybody can produce a report sitting at their desk assuming things.”

Siegel said it is striking to drive through Gettysburg and see all the pro-casino signs saying it’s about the jobs, when the Econsult study “dodges the number of jobs” using “full-time equivalents” instead of the actual number of full- and part-time positions. “Why would they do that?”

Siegel deconstructs the Econsult report, compares alleged staffing ratios to casinos in other states and reaches the conclusion that the proposed casino would never operate at that level of staffing.

Siegel’s analysis indicates the Gettysburg developers are projecting a staffing level higher than the posh Borgata casino in Atlantic City.

“It’s never going to happen,” he said. The jobs projection is “a completely unrealistic, fantastical number.”

What’s more, he said, the pro-casino study “didn’t consider a dime’s worth of the cannibalization effect” a casino would have on other businesses in Adams County.

Because the casino would draw a majority of its business from people within an hour’s drive, it would divert money that would otherwise be spent at downtown businesses, he said.

According to Siegel’s calculations, the casino would destroy 1,132 jobs — more than it would create.

Michael Mariano, a director at Econsult and the principal author of the pro-casino analysis, stands by the work.

All estimates are based on “industry-accepted multipliers” from the federal Bureau of Economic Analysis, Mariano said.

“We didn’t exaggerate the multipliers at all. ... We believe the spending at Mason-Dixon will support the total jobs number” in the report, Mariano said.

Siegel compares Gettysburg to Vicksburg, where casinos have been in operation since the 1990s and where he found “a smoking gun with fingerprints on it,” he said.

Analyzing traffic count statistics for various streets in Vicksburg from the Mississippi Department of Transportation, Siegel documents an increase in traffic to the casinos and a decrease in traffic to the downtown area.

That's "incontrovertible, contemporary, third-party evidence," he said. "It's bullet-proof."

In Vicksburg, Siegel said, he found 40 percent of the Main Street buildings vacant, and many are "long-term vacancies because the chains on the gates are rusty."

"All the data we have show these casinos had a very powerful effect to divert visitors from the main downtown business district," Siegel said. "And there's every reason to think any negative impacts we find in Vicksburg could be greater in Gettysburg. ... The adverse impacts will be consequential, substantial, noticeable and enduring."

LaTorre responded, "Not a shred of evidence exists that Pennsylvania casinos cost their communities jobs."

"With unemployment at its highest in a generation, the argument makes no sense," LaTorre said. "It's hard for any reasonable person to conclude that there aren't enough people out there who need work. It also conveniently ignores that gaming pays millions of dollars a year to local businesses. Businesses in these areas add jobs — period."

LaTorre also said Siegel has been hired by the Civil War Preservation Trust in the past and that his studies always support its position.

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