



Gambling has paid off in Black Hawk

By Gordon Kanofsky
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With dilapidated and largely deserted structures dotting the once-vibrant mining towns of Black Hawk, Central City and Cripple Creek, Colorado voters in 1990 considered the odds and overwhelmingly wagered that commercial gaming could save the historic municipalities, create much-needed jobs and provide a boost to the state's tax coffers.

It's a bet that's paid off.

Seventeen years after the first casino opened its doors on Oct. 1, 1991, the 40-odd commercial casinos now operating in Colorado have generated more than \$1.2 billion in state gaming tax revenues and created close to 8,000 jobs, according to the Colorado Department of Revenue and the American Gaming Association. In 2007 alone (the most recent year for which complete statistics have been compiled), Colorado's casinos paid \$191 million in salaries, wages, payroll taxes and employee benefits, and more than \$127 million in state gaming taxes and local taxes and fees.

Ameristar Casinos acquired the former Mountain High Casino in December 2004. With its proximity to Denver, we saw the potential to transform the casino into a regional resort destination that would help our company grow, while also creating jobs, tax revenues and economic development for the state. In the four years we've owned Ameristar Casino Black Hawk, the company has paid more than \$63 million in casino and other taxes to Black Hawk, Gilpin County and the state. In addition, we currently employ about 500 people, with a 2008 payroll of more than \$22 million. Those figures will increase substantially after our luxury hotel and spa, now under construction, open later this year and Colorado's gaming laws are modernized on July 2 under the recent statewide and municipal referenda overwhelmingly approved by the voters.

Although few disagree that Black Hawk, Central City and Cripple Creek desperately needed economic stimulus before Colorado voters said "yes" to limited casino gambling in 1991, some, including this newspaper, now think that turning to gaming to achieve this revival was ill-advised. A common complaint is that Ameristar and other casino operators are endangering or have already have obliterated the mining towns' historic character and charm. Many *Denver Post* readers, residents and observers, however, remember these communities' pre-casino days far less nostalgically.

“Prior to gaming, Black Hawk was little more than a couple of restaurants, a gas station, a mobile home park and a few dilapidated historic structures that stood primarily out of force of habit,” one reader wrote on *The Post’s* online “Neighbors” forum in response to a recent editorial lamenting legalized gaming in Colorado. “Before ... gaming, [Black Hawk] had little to merit preservation and was the most likely of the three [historic mining communities] to become a ghost town,” another reader wrote. Instead, casino gambling has done exactly what voters intended: It revitalized the communities and benefited the entire state. “Black Hawk has become a job-producing machine,” a *Post* reader commented on the online forum. “Billions of dollars in tax revenues have benefited literally every resident of the state.”

Ameristar believes in Black Hawk. In addition to the \$80 million we invested in a 2006 expansion of the casino and parking garage, we are spending \$245 million on our hotel and spa. We're confident that our new facilities, increased betting limits and longer operating hours will generate more economic development by attracting a broader range of guests, including those who now travel to Las Vegas to spend their leisure dollars.

It is indisputable that commercial gaming has become a major economic force in Colorado and the country. U.S. commercial casinos now generate revenues of more than \$34 billion annually and employ more people than the nation's computer software, automobile or cellphone industries, according to the AGA. We think the residents of Colorado, and Black Hawk, Central City and Cripple Creek, in particular, have been wise to place and reaffirm their confidence in us.

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