



Demolition has begun already on the property the Seneca Nation has acquired for the proposed Buffalo Creek Casino.

Bruce Jackson: *Tom, you've just come out in opposition to the Buffalo Creek casino. What prompted you to do this?*

Tom Golisano: There's a lot of reasons, Bruce. First of all I've been following this story of the State of New York encouraging gambling, the history of the New York State Lottery, and realizing that the average New York Stater, every man, woman and child, is spending almost \$300 a year on the New York State Lottery. I find that absolutely amazing. Obviously it's another form of taxation. I personally have never bought a lottery ticket, but it amazes me that so much money is being spent on this thing.

When these casinos started evolving, first Turning Stone and then Niagara Falls, I became very interested in the sovereign nation idea, and why a certain part of our population can have a monopoly on gambling that is closed out to everybody else. Of course, that's by state constitutional law. But the governor has decided to get around that law with these casino pacts.

And then I began to realize what a financial drain they are on our community. When I looked at the financial statements that were available at the Seneca Gaming Corporation for both Salamanca and Niagara Falls, I was absolutely amazed at the amount of money that they are pulling out of our communities and that people are spending at these casinos.

BJ: *You've said that it was the Senecas' 10-K that it made all this real to you.*

TG: The 10-K, first of all, is a financial report that must be filed with the Securities and Exchange Commission by either public corporations or corporations that go on the public market for borrowing, which the casino has. They borrowed \$500 million to pay off their initial funding debt and also to help finance the construction of the hotel.

A 10-K is available to anybody if you go to the Securities and Exchange Commission website and look under Seneca Gaming Corporation, which is the name

of this organization. It's available to anybody.

In there is financial information—there's overall information about the organization, its officers, its officers' compensation, its board of directors, its method of doing business, historical information, when it was founded and all that type of thing. It's a very comprehensive, approximately 140-page report. What I did was to take the time to go through it page by page and line by line and pick out information I thought would be interesting to the general public and certainly interesting to myself. Such as how much money they took in, how much money they made, how they distributed some of those profits, how much their officers get paid, et cetera. It's very enlightening. It's available to everybody like a public corporation, just like it's available for Paychex.

BJ: *I looked at it but I'm not a businessman. I'm sure a lot of things lit up for you that didn't for me. The one that lit up for me was about the focus of what their Buffalo operation would be.*

TG: There's no question that it was mentioned at least three times in the 10-K. They expect the marketplace for this casino in downtown Buffalo to be Buffalo and its suburbs. It didn't say anything about any other communities or any other parts of the state or states. It's definitely a downtown casino, definitely aimed at the downtown population within 20 miles from the center city.

BJ: *One thing I didn't understand while reading was about the lease payments.*

TG: You almost have to have a little bit of a trained eye to find that. When you look at their account of expenses, they have an area called "general and administrative expenses." It was a very large number. I believe it was around \$117 million. I became very suspicious of that number, thinking that sometimes in closely held organizations you can distribute profits to owners through an expense vehicle.

BYRON BROWN DISCOVERS THE SENECAS' 10-K

If you want an indicator of the impact and significance of Tom Golisano's Tuesday afternoon press conference in which he announced his strong opposition to a casino in downtown Buffalo, you need look no further than the press release issued that evening by the office of Buffalo Mayor Byron Brown. Brown has, for the past two years, done everything a human being in public life could do to keep from taking a position on the casino issue. He has adopted the posture of someone just going along with an engine put in place by his predecessor, Anthony Masiello. He has, so far as anyone knows, done no investigation of his own about whether a downtown casino would be good or bad for Buffalo. He's just gone along and made no waves.

All that ended Tuesday afternoon when the 800-pound gorilla, Tom Golisano, the billionaire owner of the Buffalo Sabres, hence someone with a clear and legitimate interest in the financial and social health of the city, called a press conference in which he said that as far as he was concerned the Senecas' downtown casino was a disaster: The Senecas might make a lot of money with it, but Buffalo and environs could only be crippled by it.

A few hours after Tom Golisano said that a Buffalo casino was absurd in all regards, Buffalo Mayor Byron Brown said he had some questions about the utility of a Buffalo casino. The heretofore waffling Byron Brown issued a "Public Statement," all of it in quotation marks. People, even politicians, do not usually put out their own comments in quotation marks. It is as if Brown sees himself as an actor uttering someone else's lines, which may indeed be the case.

Here is Brown's statement in its entirety, with the quotation marks preserved:

"My Administration had been under the impression that the proposed Buffalo Creek Casino would bring in significant tourist dollars to the City of Buffalo.

"This served as the primary economic justification for a casino in Buffalo—that more tourist dollars will come to and stay here than will leave the host community.

"The Form 10-K that was filed by the Seneca Erie Gaming Corporation on December 29, 2005 with the Securities and Exchange Commission states that '...the Seneca Buffalo Casino is expected to cater primarily to the local market in Buffalo and its suburbs.'

"This is a very troubling development and raises the strong possibility that the Buffalo Creek Casino will have negative impacts on our local economy.

"This development speaks strongly against the City providing any support for the infrastructure improvements requested by the Seneca Nation around the Buffalo Creek Casino site."

Tom Golisano found the 10-K months ago. So did *Artvoice* and so did Citizens for Better Buffalo, the organization that mounted the anti-casino lawsuits in state and federal court. It is available to anyone who visits the Seneca Gaming Corporation website (<http://www.senecagamingcorporation.com/secFilings.html>).

It's good that because of Tom Golisano's public stand, Buffalo Mayor Byron Brown is now asking some of the questions he should have been asking before he went along with the casino project. Buffalonians should perhaps ask what he is going to do when he doesn't have Tom Golisano's research to tell him what he should have been looking at all along. And where has the city's large legal and planning team been sleeping during all of this?

—bruce jackson

