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FOR INFORMATION CALL

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Kenosha Casino Would Cost Milwaukee Thousands of Jobs: New Economic Study

Milwaukee will lose more than 2,000 existing jobs and the potential to create 10,000 more if the proposed off-reservation casino is built in Kenosha, a new economic study has found.

The study revealed that the economic loss to the Milwaukee area could climb to as high as \$1 billion. Minority employment would be especially hard-hit. Local government revenues, tourism, and charitable contributions also would suffer.

Those findings were presented publicly for the first time today to the Common Council's Community and Economic Development Committee, which called for the study.

"I had serious concerns about the economic impact on Milwaukee before the study was completed," said Ald. Joe Davis, Sr., chair of the Community and Economic Development Committee. "But now, I am even more concerned about what the loss of jobs and business will mean for Milwaukee."

"If (the Kenosha) casino were constructed, it would have serious negative implications for employment at the Potawatomi casino in Milwaukee, and for overall and minority employment in Milwaukee County," the report says.

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Kenosha Casino Impact/ADD ONE

The Community and Economic Development Committee commissioned the economic impact study. Several Milwaukee community and civic groups, including the Hispanic Chamber of Commerce of Wisconsin, Milwaukee Urban League, VISIT Milwaukee; Metropolitan Milwaukee Association of Commerce (MMAC), as well as the Greater Milwaukee Committee and the Forest County Potawatomi Community sponsored the study.

The economic impact study was conducted by Dr. Michael Evans, chief economist and chairman of Evans, Carroll & Associates of Boca Raton, Florida. Previously, he served as clinical professor of economics at the Kellogg Graduate School of Management at Northwestern University, and as assistant and associate professor at the Wharton School of Finance at the University of Pennsylvania.

According to the study, Potawatomi Bingo Casino would lose one-third of its business if the proposed off-reservation casino opened in Kenosha, with a direct loss of 1,125 jobs and the loss of 900 more jobs because of reduced spending by the casino and a ripple effect in the area's economy.

“Milwaukee has benefited greatly with the employment of 2,000 people by Potawatomi Bingo Casino. The threat of losing many of these jobs causes great concern as we look to improve Milwaukee's economic future,” said Tim Sheehy, president, Metropolitan Milwaukee Association of Commerce (MMAC).

The Potawatomi tribe has considered expansion of the casino at its present location in the Menomonee Valley. According to the study, expansion at the present site could create 3,850 jobs, and construction of a downtown casino, hotel and other facilities could create an additional 6,055 jobs. But the opportunity to create those new jobs would be lost if the proposed off-reservation casino in Kenosha is built.

“Milwaukee's minority communities would be especially devastated if the Kenosha casino is built,” said Ralph Hollmon, president of the Milwaukee Urban League. “The stable employment and excellent benefits that many people have found in Milwaukee would effectively disappear.”

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Kenosha Casino Impact/ADD TWO

The study also concludes that Milwaukee area businesses would lose out on \$8.1 million in out-of-state tourist spending as a result of the proposed off-reservation casino in Kenosha. Businesses that would feel the impact include hotels, restaurants and other businesses such as gas stations.

“We are the official destination marketing organization that aggressively markets Milwaukee as a prime convention and tourist destination. To lose such large numbers of visitors to our city would have far-reaching impacts on Milwaukee’s economic viability,” said Doug Neilson, VISIT Milwaukee president.

(A briefing paper on Dr. Evans’ study, *The Economic Impact on Milwaukee County of Building a Casino in Kenosha* is available upon request.)