

# Area businesses hurt by riverfront casino plan

**City seeks their land for project, owners struggle to find new sites while awaiting relocation money.**

By Mark Puls  
*The Detroit News*

**DETROIT** — Mary Kuhn closed the Bastille Bar and Grille Dec. 13 and wonders if it will open again.

Her business is on land the city wants for riverfront casinos. Nearby customers have disappeared, and she is leaving, too.

"It's been a financial hardship,"

Kuhn said. "We've been in limbo. Most of the businesses in this area have one by one been bought out by the city. People have moved on or closed."

City development projects can often hurt or destroy local businesses. Owners often can't secure a new location and meet financial obligations

while awaiting relocation money, so some go out of business before aid is available.

About 50 businesses and 50 landowners are in the approximately 100-acre site for the proposed \$2-billion casino-hotel complex and the city's riverfront promenade.

Officials who are negotiating with

owners can't comment on relocation issues because of agreements of confidentiality.

Kuhn is uncertain about the future of her bar.

"If we ever reopen, it probably won't be for another year," she said. "It took us two years to negotiate buying this business."

Jerome Pesick, an attorney for some of the businesses and landowners, said his clients are stuck while negotiations drag.

"You can't relocate a business overnight," the Southfield lawyer said. "They have to find a location, and having the money available to do so is a big issue."

## Condemning property tricky

By Mark Puls  
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**DETROIT** — Buying land for riverfront casinos is more complicated than gathering the sites needed for Comerica Park and Ford Field.

Government agencies had a legal right to condemn land for the sports stadiums and force owners to sell it at market prices. That's because courts saw those arenas as a public project similar to a road, expressway or hospital.

But judges in other states have not viewed casinos as projects in the public interest. A New Jersey court in 1998 barred casino mogul Donald Trump and the state from using condemnation to buy land to expand a gambling site.

"Casinos are not a project for public use," said attorney Jerome Pesick of Southfield, who also represents several riverfront landowners.

Michigan courts have viewed the General Motors Corp. plant on the Hamtramck-Detroit border, and

other industrial developments as being in the public interest because they create jobs. Detroit was allowed to use condemnation to acquire the land.

"There is a balancing test," Pesick said. "It is whether the public or the private developer is the beneficiary. In my mind, the casinos are way over the line. The real beneficiaries of the development are the casino operators."

In the case of Comerica Park and Ford Field, almost no property owners challenged the Detroit Wayne County Stadium Authority's right to buy their land. Valuation disputes were resolved in court.

The city began legal proceedings to take land for the casinos, but Chief Wayne County Circuit Judge Michael Sapalala dismissed the cases because the city hadn't made good-faith purchase offers. "I don't believe if it went to litigation, the court would rule this a project where the city had the right to take land," Pesick said.