

RESOLUTION 1994-13

A RESOLUTION DENYING THE RIVERBOAT
OWNER'S LICENSE APPLICATION SUBMITTED
BY DUNES CASINO CORPORATION DUE
TO OMISSIONS IN THE APPLICATION

WHEREAS, the Indiana Gaming Commission ("the Commission") has the power and duty under IC 4-33-4-1 to fully and effectively execute IC 4-33 ("the Riverboat Gambling Law");

WHEREAS, the Commission has the power and duty to take any reasonable or appropriate action to enforce the Riverboat Gambling Law;

WHEREAS, pursuant to IC 4-33-4-1(a)(4), the Commission has the power and duty to "investigate applicants and determine the eligibility of applicants for licenses";

WHEREAS, the Commission is required under IC 4-33-4-5 to adopt standards for the licensing of persons regulated under the Riverboat Gambling Law;

WHEREAS, pursuant to IC 4-33-4-17, the Commission is to "decide promptly and in reasonable order all license applications";

WHEREAS, an applicant for an owner's license is required under IC 4-33-5 and IC 4-33-6 to provide certain information to the Commission before the Commission may issue a license to that applicant;

WHEREAS, pursuant to RESOLUTION 1993-5, the Commission adopted Part I of the Riverboat Owner's License Application;

WHEREAS, pursuant to RESOLUTION 1993-16, the Commission adopted Part II of the Riverboat Owner's License Application and Personal Disclosure Form 1;

WHEREAS, pursuant to RESOLUTION 1993-12, Part I of the Riverboat Owner's License Application for Gary applicants was due on December 15, 1993, and pursuant to RESOLUTION 1994-2, Part II of the Riverboat Owner's License Application for Gary applicants was due on February 15, 1994;

WHEREAS, Part I and Part II of the Riverboat Owner's License Application establish that: "Applicant should respond to the questions contained in this application to the best of its knowledge. **Any misrepresentation or omission is grounds for application denial.**" (emphasis in original);

WHEREAS, by letter of February 15, 1994, Dunes Casino Corporation ("Dunes") was advised by the Executive Director that

its application was incomplete for failure to file the Personal Disclosure Form 1 for the individuals listed in the application and that were required to file said form;

WHEREAS, by letter of March 29, 1994, the Commission, through the Executive Director, advised Dunes that its application was not complete because certain questions were either not answered with sufficient detail or were not answered at all. The questions include, but are not limited to, questions 44, 45, 48, 49, 51, 57, 58, 65, 66, 68, 69, 70, 75, 76, 77, and 84. The Commission, through the Executive Director further advised Dunes that an amended application and requisite personal disclosure forms must be filed with the Commission no later than 4:45 p.m. EST on April 6, 1994, and that the matter would be placed before the Commission at its April 8, 1994 meeting;

WHEREAS, on April 6, 1994, the Commission received a letter (copy attached) from Nicholas H. Romito on behalf of Dunes. In this letter, Romito admitted that the application was not complete, and requested the following:

1. That Applicant, Dunes Casino Corporation, be granted sufficient time to take any and all reasonably necessary steps in order to restructure the organization of its ownership; and
2. That Applicant, Dunes Casino Corporation, with respect to its 51% shareholder, New Gary Group, be granted sufficient time necessary to determine whether it remains feasible to pursue an Indiana Riverboat Owner License and form a detailed, comprehensive economic proposal with respect to a Riverboat Gambling Operation located within the City of Gary, Indiana, or alternatively,
3. That the Indiana Gaming Commission completely refund Applicant's previously submitted \$50,000.00 application fee.

WHEREAS, no corrective action or other substantive measures have been taken to eliminate the omissions by Dunes in response to the above notifications and discussions; and

WHEREAS, the application of Dunes is incomplete and the omissions are such that they do not enable the Commission to conduct a full background investigation, financial analysis, economic development appraisal or allow the public the ability to understand Dunes' proposals.

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA GAMING COMMISSION, THAT THE FOLLOWING RESOLUTION IS ADOPTED:

SECTION 1. SCOPE.

This guideline applies to Dunes Casino Corporation.

SECTION 2. DEFINITIONS.

The definitions set forth in IC 4-33-2 apply to this guideline.

SECTION 3. ACTION ON APPLICATION OF DUNES CASINO CORPORATION.

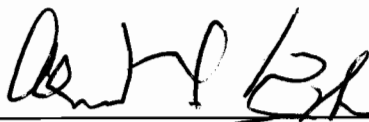
The Commission finds that the application of Dunes Casino Corporation contains omissions which constitute grounds for the denial of its application for a Riverboat Owner's License for the City of Gary. Therefore, the application of Dunes Casino Corporation for a Riverboat Owner's License for the City of Gary is **DENIED** without prejudice to the applicant or its principals to file a new application for any other location within the State of Indiana where the deadline for filing Part I of the Riverboat Owner's License Application has not expired. As denial of the application is based solely on the failure of the applicant to provide the Commission with complete information, this denial does not constitute a statement of the applicant's suitability or lack thereof for licensure.

SECTION 4. EFFECTIVE DATE.

This resolution is effective immediately.

ADOPTED, THIS THE 8TH DAY OF APRIL, 1994:

THE INDIANA GAMING COMMISSION:



Alan I. Klineman, Chair

ATTEST:



Gilmer Gene Hensley, Secretary