

Campbell acquires stake in Greektown Casino

By [Bill Shea](#)

Jerry Campbell has added a 40 percent stake in **Greektown Casino** reportedly worth \$100 million to his growing entertainment holdings in metro Detroit.

The retired chairman of **Citizens Republic Bancorp** in Ann Arbor is also developing the \$142 million **Pinnacle Race Course** being built on 320 acres in Huron Township near **Detroit Metropolitan Airport**.

Campbell said he signed a deal Friday to acquire the portion of the casino from Greektown's majority owner, the **Sault Ste. Marie Tribe of Chippewa Indians**, but did not reveal details. He said a small group of investors are part of the deal, including longtime friend and business partner Jack Krasula, owner of Southfield-based executive search firm **Trustinus L.L.C.** and host of a show on **WJR AM 760**.

"We've had an interest in (Greektown) for a long time," Campbell said. "We think it's important to the area and city."

Campbell expected more details to be released Wednesday.

The deal is between the tribe and Campbell's Bloomfield Hills-based Entertainment Interests Group Inc.

A source close to the deal said Campbell's group began a due diligence period 30 days ago and that period recently finished. The next step is to get state approval, he said, noting "it's a done deal."

The cost for the 40-percent stake is \$100 million, the source said.

Campbell said the deal still requires regulatory approvals, including from the **Michigan Gaming Control Board**, but he's confident because he has casino licenses in other states because of his gaming involvement on the board of directors for Aurora, Ontario-based **Magna Entertainment Corp.** Magna owns race tracks with casino operations outside of Michigan.

Magna halted plans last year to build a \$100 million track and entertainment center by 2009 on a 212-acre site Detroit Metro, but the company abandoned those plans because of continued losses in the state.

Campbell acquired the Michigan racing license that Magna surrendered.

Former **MotorCity Casino** investor Tom Celani was in talks to buy a 22 percent stake in Greektown, but the deal later fell through earlier this year. The tribe had been seeking outside investment because it failed to meet state-mandated income benchmarks last year, and the gaming board had warned of a possible forced sale.

Campbell and Krasula have other ventures under way, as well. Along with several other local partners, they raised \$50 million to start a Tampa-based bank-holding company, **CNBS Financial Group Inc.**, and opened the first branch of its **Community National Bank of the South** in Orlando a year ago.

Other partners in that venture include Dana Cluckey, who was president and CEO of **Republic Bank** before its merger last year with Citizens Bancorp Inc.; Bob Liggett, owner of Warren-based **Big Boy Restaurants**; Kathleen McCann, senior vice president of Detroit-based **Soave Enterprises L.L.C.**; and Art Van Elslander, founder of Warren-based **Art Van Furniture Inc.**

Pinnacle Race Course near Detroit Metro Airport to become one of the country's premier thoroughbred racing tracks

- *Company led by Michigan banker and thoroughbred-horse owner, Jerry Campbell, seeks racing license with October 8 application*
- *New race track to take place of only existing thoroughbred-racing facility in Michigan set to close on November 6*
- *More than 2,300 temporary construction jobs*
- *1,400 new jobs at the track*
- *1,740 new jobs at the track's 200,000-sq.-ft. retail center*
- *More than 20,000 trickle-down jobs in the horse industry affected*
- *Total of \$142 million will be invested*
- *\$1.5 billion in annual economic investment estimated*
- *240 acres to be acquired from Wayne County*
- *Endorsed by Huron Township Board officials and supported by the Michigan Horsemen's Benevolent and Protective Association*

LANSING, Mich. – Few would disagree that Michigan's economy sorely needs a positive shot in the arm, and a Jackson-based company led by **Jerry Campbell**, a successful Michigan banker and long-time thoroughbred-horse owner, is today submitting a formal proposal to the state's **Office of the Racing Commissioner** and **Racing Commissioner Christine White** to grant a license so his company can build and operate "one of the finest thoroughbred horse-racing tracks in the United States and host one of the sports' biggest racing events," according to Campbell.

Campbell is the former founder and Chairman of **Republic Bancorp** and current Chairman of **Citizens Republic Bancorp**, the largest bank headquartered in Michigan, and owner of 125 thoroughbred horses.

Jackson-based **Post It Stables Inc.**, led by Campbell, is seeking a racing license to build and operate what will be called **Pinnacle Race Course**. In addition to the race track, the development will include 200,000 square feet of retail space, a large family-picnic area and 20 luxury boxes located over 240 acres south of I-275 and Eureka Road, near Detroit Metro Airport, in Huron Township. If approved in a timely manner by the Office of the Racing Commissioner, Pinnacle Race Course could open in September 2008. It is estimated that 165 racing days will occur between March and November each year. Capacity at the Race Course is estimated to be 10,000. A total of 1,080 stalls will exist for horses.

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According to Campbell, a total investment of \$142 million will be made at Pinnacle Race Course. It will keep the continuity of thoroughbred racing in the state of Michigan along with 1,400 employees at the track, more than 2,300 temporary construction jobs plus 1,740 retail jobs and an estimated 20,000 trickle-down jobs associated with the development. Pinnacle Race Course will result in an estimated \$1.5 billion in annual economic benefit to Michigan. More than 12,000 family farm workers exist on horse farms in Michigan for a total current employment in the industry of more than 29,000.

Huron Township Board of Trustees officials have endorsed the Pinnacle Race Course project and the Michigan Horsemen's Benevolent and Protective Association are in support of the new track.

The approval of the license request for Pinnacle Race Course is especially important, according to Campbell, because the lone thoroughbred-racing facility in the state of Michigan, **Great Lakes Downs** in Muskegon, formerly owned by Campbell and currently owned by **Magna Entertainment Corporation**, has announced its plan to close on November 6. "It will be devastating blow to the state's agricultural business in the state of Michigan when Great Lakes Downs closes. If another thoroughbred-racing facility is not open in the state, the economic benefit to the state leaves the state or vanishes altogether," said Campbell, who is Post It Stables' Chairman and CEO and also a board member of Magna Entertainment Corp.

"Those affected will include the hundreds of Michigan-based, hard-working thoroughbred-horse owners, plus those growing the grains, handling the animals, working at the track, providing veterinary services and so on," said Campbell. "Pinnacle Race Course not only will help preserve the economic continuity of the thoroughbred racing in Michigan but will provide our state with one of the finest tracks in the United States. It will be unlike any horse-racing facility that has ever operated in the state of Michigan and will be entertainment for the entire family. Everyone loves horses, and Pinnacle Race Course will bring opportunities for entertainment, education and enrichment to all ages."

Charlie Williams, a leading horse owner in Detroit said he "welcomes the new track to the Detroit metro area" and likes that the new track will be "a great boost for new jobs."

In a state that has proved to be a successful host of such major sporting events in recent years including the Super Bowl, Major League Baseball All-Star game, World Series and NASCAR and Indy Car races, Campbell's Pinnacle Race Course could host one of the premier thoroughbred-horse races in the sport. According to Campbell, if the request for a racing license is approved, Pinnacle Race Course would likely host a race in early April each year called **The Michigan Derby**. The Michigan Derby would be a prep race in the weeks prior to The Kentucky Derby with a \$500,000 purse. A \$5-million bonus would be paid to the owner of a horse that wins The Michigan Derby and then goes on to win The Kentucky Derby.

"The Michigan Derby alone will put Michigan firmly on the map as among the country's top states in the sport," said Campbell. "We expect it would receive national-television coverage and draw considerable positive attention and economic stimulus to the Detroit area and the state of Michigan just as some of the other high-profile events helped achieve for the region in recent years."

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Pinnacle Race Course is the marquee facility at which the racing license is being sought; however, Campbell's economic-development project extends far beyond simply the sports venue. The currently barren geographic area surrounding Pinnacle Race Course would include an array of new restaurants, shopping venues and locations for a family to picnic and have fun on their own.

"The economic potential of that part of Southeast Michigan is tremendous," said Campbell. "Pinnacle Race Course is the anchor needed to attract all kinds of positive development that will bring jobs and increase revenue for the state."

Campbell credits **Wayne County Executive Robert Ficano** for his leadership and support in getting the project to its current point. "The Pinnacle Race Course project would not be at this stage without County Executive Ficano's strong encouragement and assistance," said Campbell. "He recognizes the robust economic thrust and new jobs that this would provide that portion of Wayne County and the entire state of Michigan. Mr. Ficano deserves a lot of credit for where we are today. We are pleased to be part of Wayne County's successful much-larger Pinnacle economic-development region and proud to have the Pinnacle name associated with our facility."

Campbell's wife, **Felicia Campbell**, is Post It Stables' President, Secretary and Treasurer. She operates Campbell's Stables in Grass Lake, Mich. (outside of Jackson), and is a licensed horse trainer, assistant trainer and owner of thoroughbred horses. She has 25 years of experience in the racing industry and, as a breeder, is a member of the Michigan Thoroughbred Owners and Breeders Association Board of Directors.

Key members of Pinnacle Race Course's team led by Campbell are:

- **Architect – Ghafari Associates, LLC**, Dearborn, Mich.
- **Legal -- Honigman Miller Schwartz and Cohn LLP**, Detroit, Mich.
- **PR/Marketing – Caponigro Public Relations Inc.**, Southfield, Mich.
- **Consultant – Thayer Communications and Consulting, LLC**, Georgetown, Ky.

"We will position Pinnacle Race Course unlike other horse-racing facilities Michigan has seen," said Campbell. "Our vision is to have it be another location for family entertainment, much like attending a Detroit Tigers game, the Detroit Zoo or Michigan State Fair. In addition to traditional horse races, Pinnacle Race Course will include many equestrian and horse-jumping events; equine-education seminars and classes; and, many opportunities to see the horses close up. We will encourage school field trips and special tours to widen the understanding and appreciation of these athletic animals. Our facilities will include areas for tailgating and picnics so family and friends can experience a full day of being together and enjoying what surely will be a new form of sports entertainment for many."

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EDITOR'S NOTE: To schedule an interview with Jerry Campbell and/or obtain an electronic file of two architectural drawings, please email **Jeff Caponigro** from Caponigro Public Relations Inc. at jcap@caponigro.com or call **(248) 355-3200 ext. 204**