



Mayor Donald J. Williamson

February 4, 2008

Dear Chairman and Members of the Committee on Natural Resources:

Subject: Legislative Hearing
H.R. 2176 & H.R. 4115

My name is Joe Conroy and I am the Director of Governmental Operations for the city of Flint, Michigan. My proposed testimony will be on H.R. 2176 (Stupak) and H.R. 4115 (Dingell). The testimony addresses benefits a casino can have on Flint's depressed economy.

Flint, MI - Populaton 117,068

Once known as a booming center of automobile manufacturing, with as many as 14 General Motors related auto plants, the city of Flint, in recent years, has seen its economic base decimated by the loss of nearly 85,000 manufacturing jobs since the 1980s, as General Motors' closed plants and laid off workers in order to compete in the emerging global economy. As a result of the plant closings, the city has experienced a decline in population as families migrated to other states to seek employment. Flint now has substantial inventory of abandoned housing that must be torn down; the continually declining tax base provides little resources to rebuild the community's economic base. High paying manufacturing jobs are now replaced by lower paying jobs in the service industry.

To date, Flint is continuing to feel the affects of the economic woes of the auto industry. In an effort to reduce the work force and bring on new workers at reduced hourly rates, General Motors, in June 2006, offered incentive packages to encourage early retirements of its high seniority employees. As a result, GM announced the early retirements of 47,600 employees, 3,100 of which were from the Flint area.

The economic woes of the Flint are also being felt by the entire state of Michigan. In just the past six years, the state of Michigan has lost 30 percent of its manufacturing employment or some 240,000 jobs. The Flint and southeastern Michigan areas where the majority of these auto plants were located, have been hard hit by such job losses. The long term economic deterioration experienced by the Flint community caused by the loss of these jobs and plant closings, has crippled the community in such a manner that it has been hard to recover.

The state of Michigan has the highest unemployment rate in the nation at 7.6 percent while the national average is 4.9 percent. Flint's unemployment rate is even higher than the state's at 8.3 percent. The poverty rate in Flint is at 25.2 percent. Unfortunately, Flint is now at a crossroads. These sobering job statistics and the city's economic crisis mandates that Flint explores other opportunities to help rebuild its economy and guide it to the road to an economic renaissance.

It has long been thought that a casino would be the catalyst to bring the Flint economy back to health. The idea of opening casinos locally has been one that has been bounced around Flint as far back as the early 1990s. In examining the affects of the casino industry in nearby Detroit and other Michigan cities, some of the expected benefits and possible negatives of a casino in Flint are as follows:

Pros

- Creation of new jobs
- Decrease in the local unemployment rate
- Stimulation of the local economy through the increase in local revenue
- Influx of new visitors who more than likely will spend money in the area
- Improved public infrastructure to accommodate the casino facilities
- Increase in construction jobs
- Increase in the city's local tax base
- More housing to meet the demand of workers with higher wages
- Increase in retail and hotel establishments

We believe that the positives of having a casino in the Flint area will far outweigh any negatives. Therefore, Flint is in support of H.R. 2176 and H.R. 4115, which will allow for the settlement of land claims in favor of the Bay Mills Indian Community and the Sault Ste. Marie Tribe of Chippewa Indians. The tribes will then be able to exercise their tribal rights to establish casinos within the state of Michigan.