

Ex-Revel owner Glenn Straub still playing in Atlantic City

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ATLANTIC CITY — Even after turning a profit by selling off a once-bankrupt casino hotel, former Revel owner Glenn Straub stands to cash in from the opening of Ocean Resort Casino.

The Florida-based real estate developer sold the casino, a power plant and two accompanying leases to Bruce Deifik in January for a total of \$229 million. Straub paid \$82 million to buy the shuttered \$2.4 billion Revel from a bankruptcy court in 2015 and later that year purchased the power plant for \$30 million. As part of the sale to Deifik, Straub's company, Polo North Country Club LLC, retained rights to certain parking fees generated by the casino hotel for a period just shy of a century.

Beginning in 2021, Straub will collect \$1.50 for each car parked in the garage of Ocean Resort, and in 2028, the fee will increase to \$4 per car, according to Ocean Resort officials' testimony to the Casino Control Commission on June 20. Officials with the casino estimate that arrangement to cost \$975,000 by the 2021 fiscal year.

Straub, 71, declined to confirm the deal when reached Thursday, citing confidentiality agreements, but said, "We'll be involved, I'll say that much. We'll be involved for 99 years."

Straub is a sore subject for Deifik, a Colorado-based developer with Nevada casino investments. When Deifik was asked during the licensing hearing in June about his relationship with Straub, he testified the two had only met twice.

"More than I needed to," Deifik quipped, before detailing how he had been writing checks for Straub's unpaid payments in lieu of taxes, or PILOT, to the tune of \$2 million per month.

During the three years that Straub owned the property, he fought with the casino commission and the Casino Reinvestment Development Authority about the steps he needed to take to reopen Revel, which he rebranded TEN.

But, as it turns out, Deifik — and Atlantic City — may be seeing more of Straub.

The multimillionaire's investment in the city did not end with the sale of the casino hotel. According to tax records, Polo North owns 43 parcels in the South Inlet, including three properties on the Boardwalk and multiple plots of land on Rhode Island and Metropolitan avenues in the shadow of Ocean Resort.

Straub said his company also owns at least a 50 percent share in another 20 foreclosure properties in the city.

But Straub, who made several unfulfilled promises to reopen the casino, said he still has his sights on another tract of land at the opposite end of the city: Bader Field. Speaking from his country club in Florida on Thursday, Straub said he is prepared to "put about \$70 million" into the vacant airfield.

In 2016, the city put Bader Field up for auction with a minimum bid of \$155 million. The city received two bids for the land, one for \$50 million. The bids were ultimately rejected.

In July 2017, City Council narrowly approved a resolution authorizing the issuance of a request for proposals to purchase and redevelop the 143-acre plot.

Council President Marty Small Sr. said \$70 million is not enough for a prime piece of real estate like Bader Field and the city was not looking to sell the asset for “financial expediency.” Small added he appreciated Straub’s investment in the city, particularly the purchase and upkeep of Revel, but remained unconvinced of the developer’s sincerity in contributing to the revitalization of the resort.

“We heard this before,” Small said Thursday of Straub’s proclamations of city development.

Straub said he has not had any discussions with city or state officials about Bader Field because of confusion about whom to discuss the matter with since the state takeover in 2016.

“You can’t talk to one group, like the city (officials), and turn around and find out the state is making all the decisions,” he said. “That’s hampering any kind of development that we would be putting into the city.”

Small said at best, Straub’s claim he does not know whom to contact in Atlantic City is “a little disingenuous.”

“The city is open for business. We’ll always be open for business,” Small said. “But only for the right opportunity, and right now, we don’t see that opportunity. And Mr. Straub, this isn’t our first time at the dance with him. If he’s serious about doing business with the City of Atlantic City, he absolutely knows who to contact.”