

## CRDA sets aside additional AtlantiCare funds, questions future aid to Absecon Lighthouse

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ATLANTIC CITY — The Casino Reinvestment Development Authority put aside another half-million dollars for a proposed AtlantiCare expansion project to be used for future environmental testing on the land the state agency gifted to the health care provider.

With the additional spending approved at Tuesday's public meeting, the CRDA has spent \$15.5 million on the project and provided the building lot, estimated to be worth roughly \$3 million, at no charge. The proposed AtlantiCare Medical Arts Pavilion at Ohio and Atlantic avenues has an estimated price tag of \$38 million.

The CRDA approved putting the \$500,000 into an escrow account for two years. Any money not used for the environmental testing will be returned to the authority, said Chairman Robert Mulcahy. CRDA General Counsel Monica De Los Rios said the authority was handing over a "clean" lot, but the CRDA is responsible for certain environmental testing.

In January 2019, the CRDA voted to give preliminary approval to the project. The expansion was scheduled to break ground this year, but the coronavirus pandemic pushed back the start of construction. The project is now slated to break ground in February and could be operational by July or August 2022.

The three-story, 65,000-square-foot building will focus on maternal and prenatal care, a critical need in Atlantic City, where infant mortality rates are among the highest in the state. The new building would house an urgent care center, dialysis unit, maternal and fetal health program, and provide teaching facilities for medical students and physician residents.

"This is an important project for Atlantic City and for the health care of people in the region," Mulcahy said.

In other business Tuesday, the CRDA discussed future subsidies for the Absecon Lighthouse. Similar to other tourist-centric destinations, the Atlantic City landmark has seen a substantial decrease in visitation because of COVID-19.

While agreeing to expedite the use of already allocated funds for the lighthouse, the CRDA board mulled the feasibility of continuing to provide financial support.

Mark Giannantonio, president and CEO of Resorts Casino Hotel and the sole casino representative on the CRDA board, said the lighthouse has approached each of the city's casinos for help. Giannantonio said he was concerned about future spending because "they struggled to make ends meet" during "normal times," but the pandemic has made matters worse. He suggested a temporary shutdown to cut expenses until things improve.

"The problem is, I think we're going to expend some money to keep them open when there's no foot traffic and ... we'll have to come up with more contributions in the future," he said. "It's a very difficult situation. I think we're throwing good money at something that you just can't make successful right now with the amount of traffic you need to make that thing successful."

The board also approved spending more than \$196,000 for new trash and recycling containers throughout the Tourism District in Atlantic City. The funds will be used to replace and add nearly 990 receptacles.

Three land-use approvals were also granted Tuesday by the CRDA board, one of which was a retroactive variance approval for Ducktown Tavern's outdoor facilities. The approval was contingent on Ducktown getting the necessary permits from the city, although several board members expressed concern about the timeline and precedent being set.