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Thursday,  
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# & GAMING NEWS Business

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## Daily Briefing

### AT THE WATER COOLER

#### ECONOMY

### GDP grew at a 4.4% rate in first quarter

WASHINGTON — The U.S. economy grew at a 4.4 percent annual pace from January through March, faster than estimated last month, as businesses replenished inventories, government spending rose and home construction accelerated. Corporate profits over the past year increased by the most in two decades.

The revised reading on gross domestic product, the value of all goods and services produced, compares with the advance estimate of 4.2 percent annual rate issued last month, the Commerce Department said today in Washington. Profits, reported for the first time today, jumped 31.6 percent in the 12 months ended in March, the biggest increase since the first quarter of 1984.

Separately, the Labor Department reported that first-time claims fell by 3,000 last week to 344,000. The four-week average, a less volatile measure, rose to 335,500 from 334,000, which was the lowest since November 2000.

AMERICA WEST

# L.A. investor purchasing Alexis Park, nearby site

**By Richard N. Velotta**

LAS VEGAS SUN

One of the unsuccessful bidders for the Aladdin hotel-casino and the Las Vegas Hilton is acquiring the Alexis Park Hotel and plans to build a casino on the property.

Richard Alter, managing director of Financial Capital Investment Co., Los Angeles, said Wednesday that his company is buying the 500-suite nongaming hotel as well as the 206-unit Americana Inn Apartments just west of the hotel from Hotels Nevada LLC and Inns Nevada LLC, headed by longtime Las Vegas businessman Louis Habash.

Terms of the deal were not disclosed. Alter said his company intends to invest \$210 million to convert the Alexis Park units into luxury vil-

las, demolish the apartments and build a casino, timeshare and condominium-hotel in a 15-story, 990-room tower.

The property would be managed by American Property Management Co., San Diego. Alter, who said he hasn't determined what his title would be in conjunction with the project, said he intends to hire the 300 Alexis Park employees when his company takes possession of the property.

Alter said he is notifying employees of the impending deal today.



Alter

"We love Las Vegas, love Nevada, and it's been a very difficult road for us, but now we're ready to get in the game," Alter said Wednesday from his Los Angeles office.

Alter was the runner-up bidder for the Aladdin hotel-casino when it was sold for \$635 million to a partnership headed by Planet Hollywood International Inc. Chief Executive Robert Earl in a U.S. Bankruptcy Court auction in June 2003. Earl and his partners are in the process of being licensed by gaming regulators and that transaction is expected to be completed by late summer or early fall.

Alter also was one of four bidders who made a run at acquiring the Las Vegas Hilton from Caesars Entertainment Inc., in December. The

**See Alexis, 5C**

# Alexis

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hotel ultimately was acquired by Colony Capital LLC for \$280 million, a deal that is expected to close in mid- to late June.

The Alexis Park, built in 1984, is operated by general manager John Gallegos. The property has long been marketed as an off-Strip nongaming oasis. The property has 57,000 square feet of meeting space, three swimming pools, a restaurant and bar, retail shops, a spa and lush landscaping.

As a nongaming property, the Alexis Park appealed to groups that wanted to be in Las Vegas but didn't want any casino trappings. Southwest Airlines, the largest commercial passenger carrier serving McCarran International Airport, has contracted with the hotel to put up crews overnight and the Consumer Electronics Show has used the hotel's suites as a venue for demonstrating high-end music systems for the annual trade show.

But Alter has big plans to take the property in a new direction.

"The first thing we have to do is convert the property into its highest and best use, which in Las Vegas is gaming," Alter said.

He said he would request a zoning change from Clark County to form a gaming district and allow a casino on the 4.5 acres currently occupied by the apartment units.

He said he already has filed for a restricted gaming license to enable him to install up to 15 slot machines in the existing hotel. Eventually, he said he would seek a nonrestricted license to develop the casino resort.

Alter said the property will be rebranded and renamed, but he said he wouldn't disclose those plans yet. That announcement, he said, would occur in about a year. He said he doesn't expect to complete his entire plan for at least three years.

He said the property would have a "can't-miss brand that will be self-explanatory." He said he expects the property's market would be "related to, but not exactly the same" as that of his

new neighbor, the Hard Rock hotel-casino.

"It would be inappropriate for me to compete head to head with the Hard Rock," he said.

When Alter made his bid for the Aladdin, he had a proposal to convert the Strip property into an Asian-themed resort.

The Alexis Park isn't Alter's first venture in the Southern Nevada real estate market.

He already owns a 400-unit apartment in Southern Hills called Chateau Calais.

In a related matter, the Alexis Park has been embroiled in a lawsuit with McCarran International Airport, which is operated by the Clark County Department of Aviation.

Hotels Nevada was one of four companies with pending

suits over the county's failure to compensate properties for restricting airspace over their land.

Attorneys for the Alexis Park agreed last year to put their case on hold until an appeal is heard by the Nevada Supreme Court in a case involving Los Angeles businessman Tien Fu Hsu, who owns land off Tropicana Avenue on the northern edge of the airport.

Hsu won his case and was awarded \$13 million in March 2001. Interest, attorney fees and court costs have raised that amount to about \$22 million but Clark County's Department of Aviation has appealed. The appeal was presented nearly a year ago, but the court has yet to make a ruling.