

Atlantic City Reinvestment Efforts Take Shape Ahead Of Summer

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Figure 1. Construction of the \$100 million Island Waterpark is nearing completion at the Showboat Resort, billed as a “family-friendly, year-round” attraction.

Investment and redevelopment activity has been buzzing throughout Atlantic City, with casinos having collectively invested more than \$1 billion into the marketplace over the past several years. It is part of an effort – in the works for some time but really taking shape heading into the summer season – to diversify the non-gaming offerings and freshen up the facilities. “When you look at all of the properties with major capital investments over the last couple of years, it’s pretty staggering money,” Mark Giannantonio, president of the Casino Association of New Jersey and president and CEO of Resorts Casino Hotel, told NJBIZ.

The work is aimed at attracting more visitors, especially in the face of the post-pandemic new normal, economic headwinds, and increased regional competition. “We’ve been doing amazing things in the great City of Atlantic City, but we want to take that to another level in 2023,” said Mayor Marty Small Sr. during his State of the City Address at the beginning of the year.

“We all want Atlantic City to be the very best tourist destination in America,” Giannantonio explained, lauding the alignment across local, county and state government with the nine casinos and organizations such as the Casino Reinvestment Development Authority, Visit AC and other stakeholders. “And it starts

at the top. I think the governor sets the tone. And he really has emphasized and expects Atlantic City to continue to evolve. Forget about all the competition and the threats. We have to evolve. It started a few years ago and it's going to take a few years still. But the one thing I will tell you is the casinos and the ownership of the casinos and the companies have really stepped up and they're putting their money where their mouth is. And it's major investment here in Atlantic City."

"Diversification is essential to the resilience of any community, most especially one that has historically relied on a handful of core industries as Atlantic City and Atlantic County has," Jane Bokunewicz, faculty director of the Lloyd D. Levenson Institute of Gaming, Hospitality & Tourism (LIGHT), School of Business, Stockton University, told NJBIZ. "Expanding the resort's offerings is all part of making the community more resilient to a variety of known and unknown challenges in the short and long term. The community that emerges from these diversification efforts becomes not only a more robust and competitive tourism destination, but also a more enticing place to put down roots. To play, yes, but also work and live."

Some recent notable projects include:

Bally's – Over \$100 million in renovations, including new rooms, a lobby, restaurants, a 360-degree rotating bar, an indoor/outdoor beer garden, and more.

Borgata Hotel, Casino & Spa – Celebrating its 20th anniversary, in March the resort announced a \$55 million redesign and rebranding of the Water Club, which will be renamed the MGM Tower, featuring more than 700 completely reimagined guestrooms.

Caesars Entertainment Atlantic City Resorts – In the midst of a \$400 million capital investment program at its three properties – Caesars Atlantic City, Tropicana Atlantic City, and Harrah's Atlantic City – which includes a number of renovations, upgrades, new offerings and experiences, such as the new Nobu Hotel at Caesars.

Golden Nugget Atlantic City – Began a multimillion-dollar remodeling project this year to redesign its rooms and suites as well as improvements to back-of-house infrastructure.

Hard Rock – Investing more than \$30 million in live entertainment after spending more than a half-billion dollars since 2018 to overhaul and renovate the former Taj Mahal building.

Ocean Casino Resort – Celebrating its fifth birthday and undergoing a \$15 million redesign with an additional seven hotel floors, while allocating significant capital into its hospitality, retail, and food and beverage offerings, including The Soup Spot, Bottled Wine, Spirits & Tastings, and WAVE, as well as a private helipad, and sustainability initiatives.

Resorts Casino Hotel – Recently celebrated its 45th anniversary and will ring in the summer with new entertainment options and experiences, including more than \$10 million of investment on a new pool and in casino floor upgrades, which is in addition to over \$170 million in reinvestment during the last decade.

"We really think we're well positioned, and we have a lot of projects in the future that I think are just going to continue to evolve," Giannantonio said about the efforts at Resorts. "That's the thing. You never want to get stale. You have to always continue to evolve your business."

An Ocean Casino spokesperson told NJBIZ, “Following an unprecedented year of renovations in 2022, Ocean has continued to invest in the property, committing more than \$15 million towards our room product by refreshing over 300 rooms, including two state-of the-art multi-floor residences along with a helipad to service high-net worth clients. We are committed to providing the premier guest experience in Atlantic City, which is why we will continue to reinvest in property development.”

In addition to the slate of projects at the casinos, Giannantonio also pointed to the reimagining of The Showboat Resort under the ownership of developer Bart Blatstein, who bought the property in 2016. In addition to a \$50 million overhaul of its rooms, suites, lobby and common areas, Showboat is also set to open a major project in the next few weeks that has generated some excitement: the \$100 million Island Waterpark, a 120,000 square-foot waterpark featuring more than a dozen slides, a 1,000 square-foot surf simulator, a 6,500 square-foot lazy river, as well as five bars, including a 40-foot-tall “Indoor Tree House” that can be booked for private parties, a swim-up bar and Paradise, a 10,000 square-foot space overlooking the waterpark and ocean. There are also adult-only areas, which include Peloton bikes, manicure stations, VIP cabanas and more. At night, Island Waterpark transforms into an adult-only nightlife venue.

In addition to the water features, the waterpark includes two other attractions not available at any other indoor U.S. waterpark: a more than 1,000-foot Coconut Coaster that takes guests on a ride suspended above the waterpark, offering sweeping ocean and boardwalk views; and Riptide, a 300-foot zip line.

“I think that is such a significant message to the point I’m trying to make. This is not a casino and they’re spending upwards of about \$100 million on a waterpark and revitalization of the Showboat,” said Giannantonio. “That’s a significant investment in Atlantic City and in that building. And I guess just a few short weeks away from that opening. It’s going to be a game-changer for Atlantic City. And it was not a casino that did it. It was private investment.”

“The Showboat is the only true family-friendly, year-round resort in Atlantic City and these major investments demonstrate our ongoing commitment to elevate guests’ experiences,” Blatstein said in January.

“It continues to be encouraging to see development in the Orange Loop/North Beach neighborhood. From Island Waterpark to Cardinal Restaurant, seeing larger and smaller scale projects come together and open in the city is exciting,” said Bokunewicz. “The redevelopment of the Water Club as MGM Tower, the arrival of the city’s first live entertainment and dining residency – Spiegelworld’s ‘The Hook’ – and the debut of numerous celebrity and experiential dining venues across the city all add to the feeling of building momentum.”

In addition to all of that, Stockton University continues its expansion with the official opening of its new, six-story, 135,000-square-foot student residence hall in the city’s University District.

“Stockton University’s continued presence and commitment to being an ‘Anchor Institution’ in the city, as evidenced by the completion of a brand-new 416-bed residential facility just last month, is also an exciting aspect of the city’s redevelopment moving forward,” Bokunewicz said.

Stockton University's new 135,000-square-foot, six-story residence hall is at the corner of Atlantic and South Providence avenues in the Chelsea Heights section of Atlantic City, just across the street from O’Donnell Park.

She also stressed that this summer is critical. “In the sense that the broader Atlantic City business community – not just the casino or even just the tourism industry – has an opportunity to change people’s perceptions. The projects mentioned, as well as countless others, all play a role in demonstrating the community’s confidence in Atlantic City as a place that can endure and thrive,” Bokunewicz explained.

“One theme of the East Coast Gaming Congress was the importance of coupling online gaming with high-quality in-person resort experiences,” said New Jersey Casino Control Commission Chairman James Plousis in May. “This off-season, the casino hotels have dedicated a large amount of capital to improve their properties. Atlantic City’s well-conceived investments will bolster visitation and position the resort for a strong summer.”

“I’ve never seen a situation where the casinos that are here currently – the nine casinos – they’re better capitalized than they ever have been in at least two decades,” said Giannantonio. “And that’s every property.”

He said he is inspired by the creativity of his peers in the market with the redevelopment efforts, noting that having new, exciting, fresh offerings throughout the city helps all parties.

“We want the whole tide to rise so that all the boats are rising,” said Giannantonio. “And at the end of the day, collectively, we’re going to be much stronger working together.”

“Atlantic City is a world-class resort,” said Bokunewicz. “It is important to remind people, both inside and outside of the city, of that in case they’ve forgotten. Reinvestment is the reminder that we’re still here, still providing a top gaming, and nongaming, product.”

“Pound-for-pound, I have to say, I think we’re pretty unmatched,” Giannantonio added. “We have world-class hotels here with great accommodations. We have restaurants that we would put up against anywhere. We really are, I think, a city on the move.”

Editor’s note: This story was updated at 2:09 p.m. ET June 20, 2023, to include more details about Showboat’s Island Waterpark.

Read more at:

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