

Judge stymies Trump expansion in ruling that's seen as landmark

The judge said a public authority went too far in helping the casino. Trump officials vow to proceed.

By John Curran
ASSOCIATED PRESS

ATLANTIC CITY — A Superior Court judge dealt a blow yesterday to Donald J. Trump's plans for a \$55 million expansion of the Trump Plaza Hotel & Casino.

Atlantic County Judge Richard Williams overturned the state Casino Reinvestment Development Authority (CRDA) approval of \$19.5 million in credits for the project and threw out condemnation proceedings aimed at giving Trump control of

three neighboring properties.

Among them are a mom-and-pop restaurant that's been a fixture on the Pacific Avenue block for almost 30 years and an elderly widow's crumbling, three-story former boarding house. Acquiring the properties is considered necessary to the project.

"It looks like David nailed Goliath," said lawyer Glenn Zeitz, who represents property owner Vera Coking. "It's a triumph of the rule of law over the rule of Trump."

The CRDA was trying to use its power of eminent domain to seize the parcels on the block bordered by Columbia Place, Pacific Avenue, Missouri Avenue and the Boardwalk.

But Williams said the CRDA was improperly using its powers to benefit a private interest. He said CRDA participation in the project skirted the intent of legislation that created a \$100 million fund for construction of new hotel rooms to complement a \$254 million convention center now being built.

Trump couldn't be reached for comment late yesterday.

Lawyer Joseph Fusco, who represents Trump, said the CRDA acted capriciously and insensitively. Someone finally looked at the facts and made a fair decision."

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sents Trump Plaza, said construction on the expansion would continue and wouldn't be delayed by Williams' decision.

"The court has misread the statute. It has misread the legislative intent, which was to stimulate exactly this kind of project," said Fusco.

Casino Reinvestment Development Authority (CRDA) Executive Director James Kennedy didn't return calls yesterday.

The CRDA approved investment credits for the project in 1993, before Trump amended expansion plans by substituting a restaurant with 14,000 square feet of casino space.

After Trump's action, the CRDA's then-executive director, Nicholas Amato, told Trump the change wouldn't affect the approval, without consulting the CRDA board, Williams said in his opinion.

"The legislature did not intend that public funds be used to facilitate casino gambling expansion as part of a project labeled 'hotel room development,'" Williams wrote.

Unlike most eminent-domain actions, the CRDA-Trump Plaza action saw the state take a private property to give it to another private landowner, instead of using the land to make a park or freeway.

CRDA officials have said the project was part of an initiative to provide hotel rooms to complement the convention center, which is to open in early 1997.

Construction already is underway on the main portion of the expansion, which consists of renovating a former Holiday Inn on the Boardwalk into a 350-room hotel tower.

The other parcels were to be razed to make way for a park and a valet parking area.

"I can't imagine the CRDA won't appeal it," Fusco said. "They're the

ones that have to make the decision. I can't imagine this decision surviving an appeal. It's the kind of decision that is so against the intent of the legislation that it could provoke a legislative response as well."

Vincent and Clare Sabatini, who run Sabatini's Restaurant, were out of town yesterday and unavailable for comment.

"We're very glad," said their son, Louis Sabatini. "The decision renews our faith in the legal system. Until now, we felt we'd been treated capri-

ciously and insensitively. Someone finally looked at the facts and made a fair decision."

Zeitz said the ruling was important for the entire New Jersey casino industry.

"This is a major, major decision that will have far-reaching implications," said Zeitz. "Any casino that may presently or in the future attempt to use public money to fund a casino expansion has now been put on notice that that's not what this public money is supposed to be used for."