

**Maureen B. Valentino**

**From:** cyrus keefer [cyrus\_keefer@hotmail.com]  
**Sent:** Tuesday, March 17, 2009 11:41 AM  
**To:** Gene Valentino  
**Subject:** FW: Revised Letter to Barry W. Beronet, Esq.  
**Attachments:** 3-16-09 Ltr2 Beronet.pdf; 3-16-09 Ltr2 Beronet.rtf

Gene  
Here's letter /Please share this with all of your associates including Alison Rogers  
Cy

**Subject:** FW: Revised Letter to Barry W. Beronet, Esq.  
**Date:** Tue, 17 Mar 2009 12:31:05 -0400  
**From:** bhoecker@stonington.com  
**To:** acooper70@comcast.net; cyrus\_keefer@hotmail.com

Here is the revised version.

-----Original Message-----

**From:** TFFricke@aol.com [mailto:TFFricke@aol.com]  
**Sent:** Tuesday, March 17, 2009 12:26 PM  
**To:** Hoecker, Bradley; cyrus\_keefer@hotmail.com; toomeypdi@yahoo.com  
**Subject:** Revised Letter to Barry W. Beronet, Esq.

Please see the revised letter.

# Tom

-----Original Message-----  
From: Tom [mailto:tom@...]  
Sent: Tuesday, March 17, 2009 12:26 PM  
To: ...  
Subject: ...

NO SPAMMING PLEASE  
This is an advertisement for a service that helps you improve your credit score. It is not a scam, but it is a service that costs money. If you are looking for a way to improve your credit score, this service might be worth considering. However, you should be cautious of any service that promises a quick fix or a guaranteed result. It is always best to consult with a professional credit counselor for advice.

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#0;

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**Maureen B. Valentino**

**From:** Gene Valentino  
**Sent:** Saturday, April 04, 2009 8:03 AM  
**To:** acooper70@comcast.net  
**Subject:** RE: Appeal article

I don't believe so. Frankly, after Hurricane Ivan, many Development Orders and related permits expired opening up MORE availability, not less. The "caps" which we are trying to do away with already allowed for the 1000 lodging units and a significant amount of commercial. The concerns here prior to your arrival were focusing on the glut of residential and the lack of balance or concurrency. Meaning, infrastructure enhancements needed to occur in parallel with this development. It didn't. The citizens are rightfully concerned about such past bad behavior. However, their concerns ARE being addressed under my watch. In my opinion, your presence is not only compliant, but as a commercial activity, there are less concurrency issues. There are less impact to roads, water, and sewer than if it was another residential development.

Does this answer your question?

*Gene Valentino*



County Commissioner, District 2  
 Escambia County, Florida  
 221 Palafox Place, Suite 400  
 Pensacola, Florida 32591-1591  
 PH: 850-595-4920  
 Visit Us @: [http://www.myscambia.com/departments/board\\_of\\_county\\_commissioners/District2.php](http://www.myscambia.com/departments/board_of_county_commissioners/District2.php)

*"To respond is positive, to react is negative" - Zig Ziglar*

**From:** Ashley Cooper [mailto:acooper70@comcast.net]  
**Sent:** Saturday, April 04, 2009 7:44 AM  
**To:** Gene Valentino  
**Subject:** Appeal article

Gene,  
 I will be in Pensacola Monday.  
 Any validity to Smith's statements about bingo not being a permitted use under the land

6/1/2009

development code or his comments regarding requirements for traffic flow and water and sewer capabilities?  
Ashley

## Two try to block bingo hall

Carlton Proctor • cproctor@pnj.com • April 3, 2009



Two Perdido Key landowners have filed an appeal with Escambia County's Board of Adjustment to block construction of a controversial bingo hall.

Pensacola attorney Gregory Smith filed the administrative appeal Thursday on behalf of property owners Eddie McMillan and Joe Mirabile.

McMillan and Mirabile declined to comment on the appeal, referring all questions to Smith.

Smith's appeal contends a development order issued last month to Key Development, LLC, is flawed and should be reversed because the county's Land Development Code prohibits bingo gaming on the parcel of land in question.

"Bingo is not a permitted use for the parcel in question under the Land Development Code," Smith said.

Smith also said there are serious questions about whether the proposed development would meet requirements for traffic flow and water and sewer capacities, he noted.

Smith's appeal also cites the "failure of the county to follow its own procedures, and the haste with which the instant application was addressed."

The 7.3-acre bingo hall site on Perdido Key is owned by hotel developer Julian MacQueen, and is zoned for general commercial use.

In March, Dallas developer Cy Keefer announced he had reached a tentative agreement with MacQueen to lease/purchase the property and build a "bingo casino" on the site.

Keefer's plans were quickly issued a development order by the county's Board of Review, but were met immediately with opposition by several Perdido Key citizens groups.

Late last month, State Attorney William "Bill" Eddins issued an opinion that Keefer's plans to erect a bingo hall with electronic slot-like machines would violate Florida gaming laws.

Keefer responded through Pensacola attorney Barry Beroset that he had no plans to build a "bingo casino" that offered customers use of an electronic machines.

However, following Eddins statement, Keefer said he would move forward with plans to build an "upscale" bingo hall on the key.

Ashley Cooper  
70 Oak Ridge Avenue  
Summit, NJ 07901  
acooper70@comcast.net  
office- 908-216-5520  
fax- 908-593-1851



**Maureen B. Valentino**

**From:** Julian MacQueen [julian@innisfree.com]  
**Sent:** Thursday, March 12, 2009 12:28 AM  
**To:** Gene Valentino  
**Cc:** Julian MacQueen; Jeff Townsend  
**Subject:** Talking points on the future of Hotels on Perdido Key and induced demand

From the perspective of the owner of the only hotel in the history of Perdido Key I would like to share with you a perspective on the future of Hospitality in that market. This is not for mass consumption but for you to pass on to the Condo Association Presidents you are meeting with tomorrow. Not as a hand-out but as a referral on the recent news of a bingo Hall and hotel being developed on the Key.

Around 1991 I bought the only hotel ever built in Perdido Key and it was bought out of a foreclosure sale because the hotel could not support the debt with the market on the key. The product was a 100 room Comfort Inn and I changed the flag to a Best Western. We bought the hotel for 40 cents on the dollar and struggled over the following decade to get the occupancy over 75% and a average daily rate over \$65.

When looking at this site for future development after hurricane Ivan, it became clear that the cost of rebuilding the hotel would exceed the market demand based on our past performance.

It is clear to me that if there is going to be a successful sustainable hospitality product on the Key it will have to come from the approach of '**Induced Demand**'. Induced Demand is basically a '*Build It And They Will Come*' approach to the market and it is driven from the idea that there is nothing in the market place to us as a comparable and therefore no historical foundation to build assumptions for demand. A parallel would be the use of comparable sales of existing condos to determine the value of another condo.

There are only two options I can see for the possibility for a hotel product on the Key. One would be a destination resort where a beach front large convention resort could be established similar to the one envisioned by WCI several years ago. This development was a mix use development incorporating a component of timeshare or Fractional ownership along with a typical Destination Resort hotel. Given the current credit market and the over all decline in the hospitality sector, I don't see a viable source of debt or equity in the next five years.

The only other way to bring a sizable 4 star hospitality product to the Key is to create the demand though a specialty product that brings with it, a demand. This would be '*Induced Demand*'. You would *induce demand* though a specialty product. I see upscale bingo as a potential product to create *induced demand* to the Key provided it is done in a upscale manner. If Cy Keefer and his development team remain true to the commitment of an upscale product and if the market demand reacts to the upscale product as Mr. Keefer projects, I can see this project become the catalyst to the rebirth of the key with other retail establishments following, including restaurants and other recreational product.

Absent this kind of development, the Key will need to follow in the wake of Pensacola Beach as the crown jewel of Pensacola and once that beach is fully developed, then Perdido Key will follow in 5 to 10 years.

**Maureen B. Valentino**

**From:** Ashley Cooper [acooper70@comcast.net]  
**Sent:** Sunday, April 05, 2009 10:43 AM  
**To:** Gene Valentino  
**Subject:** FW: Tomorrow' s meeting/game plan going forward

Gene,  
 I saw it first thing this morning.  
 Check out my email below to our attorney's at Beggs Lane.  
 We need to talk. If we do in fact lose the appeal, game over. I can't imagine that can happen and we CANT let it happen.  
 I will be in Pensacola tomorrow. We need to find a time to sit down and talk (you and I alone)  
 Ashley

Ashley Cooper  
 10 Oak Ridge Avenue  
 Summitt, NJ 07901  
 acooper70@comcast.net  
 office- 908-316-5380  
 fax- 908-598-1861

**From:** Ashley Cooper [mailto:acooper70@comcast.net]  
**Sent:** Sunday, April 05, 2009 9:47 AM  
**To:** 'Jamie Campbell'  
**Cc:** 'Gary Leuchtman'; 'Matt Piell'; 'cyrus keefer'; christeeters@mac.com; 'Brad Hoecker'; 'Barry W. Beronet'; TFFricke@aol.com; Phil Kittel  
**Subject:** Tomorrow' s meeting/game plan going forward

Jamie,  
 I read with interest this article (copied below) in the paper this morning.  
 Yes we see all of the nonsense in the paper and yes we have a solid game plan which we can talk about tomorrow when I am in your office. This guy Carlton Proctor is on a serious mission to torpedo this project isn't he?  
 Having said that, Proctor is not what concerns me.  
 What does concern me is the following comment: "The appeal cited the county's own Land Development Code's prohibitions against using the land on the key for bingo gaming." If that is the case, we do have a serious problem. I can NOT imagine the board that granted us the development order for our bingo hall missing that in the land code.  
 We need to be represented at that meeting (preferably by our legal team) and I would like to talk to you about it when I am in your office tomorrow (without our potential investor Don Bahouth who is meeting us at noon at Beggs Lane). We need to have someone from your firm taking a quick look at this for us to know what (if anything) we are up against as it relates to this appeal.

I spoke with Gene Valentino yesterday and there is in fact a hearing coming up with the Board

of Adjustments to listen to that appeal in the next few weeks. Gene was quoted on television in his interview last week as saying that our land is zoned for uses that could include the following: used car lot, tattoo parlor, pawn shop etc etc etc. You get my point and we need to be prepared. Julian's team helped us with the development order and we need to take the ball from here.

Specifically as it relates to the article below regarding "the numbers not adding up" . CLEARLY we have been crushed by the leaks, the editorials etc. Barry Beronet did NOT say that we would not have electronic bingo games. That was another Proctor "spin" that you and I discussed. We have a plan with our gaming lawyers and we will be very aggressive with that plan. The burden is now on us to prove to the state's attorney (and everyone else) that there are forms of electronic bingo that ARE legal in the state of Florida that are CURRENTLY being played.

This project DOES make money if we only do paper bingo in a very well designed and constructed facility but that is obviously not what we all signed up for. We will take our time getting the electronic component implemented (through the legal channels) as we play paper bingo in a "high end bingo hall" if we can all stomach that oxymoron. Check out this website that our gaming lawyer Tom Fricke has starting working with us on : <http://infinitygroupincorporated.com/uploads/TopForceFullflyer.pdf> It is from Infinity Group Systems who we are talking with next week. Tom Fricke is convinced (and will prove it) that this is a legal electronic bingo system.

More to come on that tomorrow.

I land at 9:55am tomorrow morning. Phil Kittel is picking me up and we will head straight to your offices.

Have a good Sunday.

AC

Ashley Cooper  
70 Oak Ridge Avenue  
Summit, NJ 07901  
acooper@floridagaming.com  
office- 908-316-5580

6/1/2009



Copy: 908-896-7901

**From:** Ashley Cooper [mailto:acooper70@comcast.net]  
**Sent:** Sunday, April 05, 2009 8:45 AM  
**To:** 'cyrus keefer'; 'Matt Peill'; 'Chris Teeters'; 'Brad Hoecker'  
**Subject:**

Re: 7.3 Acre Casino project on Perdido Key  
 Summary: 7.3 Acre Casino project on Perdido Key  
 7.3 Acre Casino project on Perdido Key

I'm certainly no businessman nor marketing expert, but I don't see this controversial bingo casino ever being built on Perdido Key.

And here's the simple reason why: The numbers just don't work.

When Dallas developer Cy Keefer first unveiled plans for a casino on the key, they hinged on having an expanse of electronic, slot-like bingo machines, each generating thousands of dollars a day.

His grandiose, \$50 million vision was based on several assumptions composed by Minneapolis-based hospitality consultant Klas Robinson.

Those assumptions included:

- Multipurpose bingo complex with seating for 1,000, featuring paper and electronic games.
- 1,500 bingo machines.
- 180-unit hotel with pool and fitness center.
- A 100-seat, sit-down restaurant, and 200-seat sports bar.
- Paved parking for 2,000 vehicles.

All this on 7.3 acres of land owned by hotel developer Julian MacQueen.

### **Bingo machine plan shot down**

Klas Robinson's market analysis study said that "based on conversations with members of the project team, we have been instructed to assume that the (bingo) machines "» will be comparable in quality, play and appearance to those currently in operation at Tribal gaming facilities in (Atmore) Alabama."

But Keefer's plans for electronic bingo machines were quickly shot down last

month by State Attorney William Eddins who determined the devices are illegal under Florida gaming laws.

Last week, two Perdido Key property owners filed an appeal with Escambia County contending the development order Keefer received recently for the project is flawed and should be overturned.

The appeal cited the county's own Land Development Code's prohibitions against using the land on the key for bingo gaming.

And, to add to Keefer's problems, several citizens groups, representing hundreds of residents and property owners on Perdido Key, have banded together to fight Keefer's plans.

### **Not financially sound**

Despite all this opposition, Keefer says he is going ahead with an "upscale" bingo parlor that will include traditional paper cards and "skill" arcade-like bingo machines.

But several developers, bankers and Realtors I've spoken with recently generally agree that without electronic bingo machines the project is not financially sound.

What's more, they believe Keefer's plan will never get off the ground either because of zoning issues, mounting public opposition, lack of investors or a combination of all three.

But stay tuned; the great bingo debate continues, and we'll see if Keefer is willing to put his money where his mouth is.

Carlton Proctor writes business news for the News Journal. Contact him at 435-8522 or at [cproctor@pnj.com](mailto:cproctor@pnj.com).

Ashley Cooper  
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**Maureen B. Valentino**

**From:** cyrus keefer [cyrus\_keefer@hotmail.com]  
**Sent:** Tuesday, March 17, 2009 9:12 PM  
**To:** acooper70@comcast.net; bhoecker@stonington.com; christeeters@mac.com; kirkman@cox.net; Gene Valentino; mpiell@mac.com  
**Subject:** RE: march costs

Bad news  
Surgery has been postponed ,need further tests  
Surgeon is suppose to call me AM

From: acooper70@comcast.net  
To: cyrus\_keefer@hotmail.com  
Subject: RE: march costs  
Date: Tue, 17 Mar 2009 22:06:07 -0400

Get some sleep!!  
There are NO surprises in the documents. Trust me on that one. They are as we agreed.  
Good luck my friend.  
Lots of good vibes coming your way.  
AC

Ashley Cooper  
70 Oak Ridge Avenue  
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fax- 908-599-1851

**From:** cyrus keefer [mailto:cyrus\_keefer@hotmail.com]  
**Sent:** Tuesday, March 17, 2009 10:04 PM  
**To:** acooper70@comcast.net  
**Subject:** RE: march costs

Working on it now

From: acooper70@comcast.net  
To: cyrus\_keefer@hotmail.com  
Subject: RE: march costs  
Date: Tue, 17 Mar 2009 21:46:31 -0400

I just replied to Joe with a cc: to you.  
Good luck tomorrow my friend.  
Did you get all the signatures signed for Gary?

A

Ashley Cooper  
70 Oak Ridge Avenue

Summit for 2009  
acooper70@comcast.net  
office- 209-416-3580  
fax- 1-00-356- 357

**From:** cyrus keefer [mailto:cyrus\_keefer@hotmail.com]  
**Sent:** Tuesday, March 17, 2009 9:42 PM  
**To:** acooper70@comcast.net  
**Subject:** FW: march costs

Ashley  
These monies were to be paid to Joe on Monday

Date: Tue, 17 Mar 2009 18:33:05 -0700  
From: icmsebastian@yahoo.com  
Subject: Fw: march costs  
To: cyrus\_keefer@hotmail.com

Cy,

This is email I sent Ashley.

Joe Andujar  
President  
ISI Interior Specialties, Inc  
CBC1253676  
876 47th Ave  
Vero Beach, FL 32906  
772-473-7115  
isihomes@tmo.blackberry.net

----- Forwarded Message -----

**From:** joe andujar <icmsebastian@yahoo.com>  
**To:** Ashley Cooper <acooper70@comcast.net>  
**Sent:** Tuesday, March 17, 2009 9:32:26 PM  
**Subject:** march costs

Ashley,

The total soft costs to get us thru March 31 will be 28,622.01. This does not include dumpster fees, rental fees for RSC Equipment or portopoty. All other costs are accounted for. I previously sent you breakdown on spreadsheet. Thanks,

Joe Andujar  
President  
ISI Interior Specialties, Inc.  
CBC1253676  
876 47th Ave  
Vero Beach, FL 32906  
772-473-7115  
isihomes@tmo.blackberry.net

6/1/2009

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## Maureen B. Valentino

**From:** Jamie Campbell [JSC@beggslane.com]  
**Sent:** Thursday, April 02, 2009 10:29 PM  
**To:** Julian@innisfree.com; mpiell@mac.com; acooper70@comcast.net; BHoecker@stonington.com; christeeters@mac.com; kirkman@cox.net; Gene Valentino; icmsebastian@yahoo.com; Gary Leuchtman  
**Subject:** Re: Cy recovering well!

Wonderful news. Jamie.

-----  
Sent from my BlackBerry Wireless Handheld

-----Original Message-----

From: Julian MacQueen <julian@innisfree.com>  
To: Matt Piell <mpiell@mac.com>; acooper70@comcast.net <acooper70@comcast.net>; bhoecker@stonington.com <bhoecker@stonington.com>; christeeters@mac.com <christeeters@mac.com>; Phil Kattel <kirkman@cox.net>; genev@collectorsolutions.com <genev@collectorsolutions.com>; joe andujar <icmsebastian@yahoo.com>; Gary Leuchtman; Jamie Campbell  
Sent: Thu Apr 02 22:20:55 2009  
Subject: Re: Cy recovering well!

Thanks.

We said a prayer for him when we were in the Holy Land last week.

The idea of him having more energy is a little scary.

Tell him we are waiting for our phone call to touch base when he is felling up to it.

Julian

On 4/2/09 6:50 PM, "Matt Piell" <mpiell@mac.com> wrote:

Gentlemen,

I had a very good call with Cy this morning! He called from the hospital, like the crazy man that he is, to say that he is doing very well and to thank each one of you for your thoughts and prayers. Hopefully he will be up and moving a little next week and he asked that now we just pray for a speedy recovery.

Will let you know more as he progresses.

Sincerely,

Matt Piell

**Maureen B. Valentino**

**From:** cyrus keefer [cyrus\_keefer@hotmail.com]  
**Sent:** Monday, February 02, 2009 8:05 AM  
**To:** Gene Valentino  
**Cc:** kirkman@cox.net; julian@innisfree.com  
**Subject:** RE: DRAFT

To ALL  
I'm not concerned with Atmore  
I'm concerned with doing it right  
If this is done right " we're the only ones I worry about "  
Cy

Subject: RE: DRAFT  
Date: Mon, 2 Feb 2009 07:33:38 -0600  
From: genev@collectorsolutions.com  
To: julian@innisfree.com; kirkman@cox.net; cyrus\_keefer@hotmail.com

Julian...

Your response brings to the surface exactly what I was trying to elicit. The intention is to bring forward a Creek perpetuation plan. The issues I raised will be investigated as we all collectively move forward in our areas of expertise. The "Federal approval as a tribe" status you mentioned in the 2<sup>nd</sup> and 3<sup>rd</sup> paragraph below is EXACTLY my concern. Knowing the true authority vested in the Tribe gives credence and validates their ability to move faster than slower. Moreover, there appears to be a pre-existing understanding at the tribal chief and political levels. Mirroring Atmore's operation keeps us safe for now. But I've been told by Phil that this is not their area, as they recognize the territoriality issues I first mentioned when I was referring in my original statement as "regional presence".

Breaking the ice with location #1 is essential. The real "deal" with the county will follow as you suggest.



*"To respond is positive, to react is negative" - Zig Ziglar*

**From:** Julian MacQueen [mailto:julian@innisfree.com]  
**Sent:** Sunday, February 01, 2009 11:51 PM  
**To:** Gene Valentino; kirkman@cox.net; Cy Keefer  
**Subject:** Re: DRAFT

Gene,  
I have read your document and I think I understand it. The legal precedent of taking back land or creating an area wide umbrella of ownership by the tribe requires a lot of research to undergo before this vision is put forward too far. While I understand the general scope of your vision, I have no idea what it would cost to implement and what precedents are already on the books in other states in this regard.