

## On Edge Over Gambling

Written by Erik Bojnansky, BT Senior Writer  
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### **Magic City Casino's owners and the City of Miami may soon come to legal blows over a proposed jai alai fronton and poker room in Edgewater**



In 1981, Isadore "Izzy" Havenick and his sister got stuck for three and a half hours in an elevator at the Flagler Dog Track in Little Havana. He was just four years old at the time. His sister was three.

Now it's 2018. Flagler Dog Track is called Magic City Casino. Live greyhound races were discontinued here at the end of June, but Magic City Casino still has 800 slot machines and 25 poker tables that include no-limit poker games with buy-ins between \$50 and \$20,000. The former greyhound track has become a park that sometimes hosts food truck events. The casino's Stage 305 concert room doubles as a jai alai court, where hired athletes, including former University of Miami football players, use cestas (curved handheld baskets) to fling balls against a wall at speeds approaching 150 miles per hour.

And Izzy Havenick? He works as vice president at Magic City Casino, majority-owned by his family since the early 1950s. Havenick's office happens to be right by the elevator where he and his sister got stuck decades ago. "Thirty-six years later," he says while pointing at the elevator's silver steel doors, "I have yet to ride that elevator again."

Havenick doesn't have time to wait for elevators anyway. He's busy expanding his family's gaming empire. Besides helping run Magic City Casino, at 450 NW 37th Ave., along with his mother, sister, and three brothers, Havenick is trying to bring slot machines to another

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establishment the family owns, the Naples-Fort Myers Greyhound Track in Bonita Springs.



And he's planning to operate a new entertainment center, up to 100,000 square feet in size, in Miami's Edgewater neighborhood just north of downtown, an area that's filling up with luxury high-rise condominiums. It will include a comedy club, at least one restaurant managed by Menin Hospitality (which runs 15 hotels, restaurants, and bars in South Beach, Fort Lauderdale, and Chicago), and, last but not least, gambling.

On July 3, West Flagler Associates, a company headed by Barbara Havenick, Izzy's mother, obtained a permit that allows the family to operate a jai alai court (or fronton) and a poker room within a seven-acre property assembled by Crescent Heights developer Russell Galbut. Havenick's facility is slated to be built at 3195 NE 2nd Ave., according to pending demolition permits obtained by the *BT* from the City of Miami. Izzy Havenick says the project will be built by Galbut as part of a larger project. "We're a tenant," he says.

Neither Galbut nor anyone from Menin Hospitality, which is owned by Galbut's nephews Keith Menin and Jared Galbut, responded to inquiries from the *BT*.

Izzy Havenick insists the entertainment center he wants to run in Edgewater won't be a casino because it won't include "games of chance" -- namely slot machines. Instead, he explains, it'll be a pari-mutuel business because people will place wagers (starting at \$2) on the performance of players during jai alai matches, much the same way people bet on horses at horse tracks and

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greyhounds at dog tracks. (Since the late 1980s, poker games have been permitted at pari-mutuels.)



However, the prospect of gambling has perturbed some Edgewater residents, as well as a few prominent businessmen, such as car dealership magnate Norman Braman, Related Group founder Jorge Pérez, and Design District developer Craig Robins. The proposed jai alai fronton and poker room would be less than a mile from the Design District and Braman's multiple car dealerships, and a mere 1600 feet from where the Related Group is building four Paraiso condo towers. Opponents of gambling doubt the Havenicks' promise not to install slot machines and fear the operation will bring additional traffic, crime, and other social problems.

In response to those concerns, Miami City Commissioners passed a resolution July 26, indicating their intention to create a zoning ordinance that will require new gambling venues to be approved by four of five commissioners. That ordinance, which will be co-sponsored by commissioners Ken Russell and Willy Gort, is expected to be presented to city commissioners in September.

Currently, the City of Miami has no zoning codes specifying where new gambling facilities can be located. Two letters from two different zoning administrators -- one dated August 2012 and the other dated January 2018 -- stated that gambling is a form of entertainment and is allowed in places zoned for "entertainment uses."

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Besides allowing buildings up to 60 stories in height, the zoning on Galbut's land permits entertainment uses "as of right" -- that is, without any action needed from the Miami City Commission. Izzy Havenick says it was those letters that enabled his family to obtain the jai alai permit.



That will change if the city commission approves the ordinance sponsored by Russell and Gort. When that happens, the Havenicks will be required to present their plans to commissioners for approval at a public hearing. They'll need four affirmative votes from commissioners and risk a veto from the mayor.

Izzy Havenick doesn't think that's fair, or legal. He says his family spent more than \$1 million on legal fees over the course of six years in order to obtain that jai alai permit.

The Havenick family's legal team, which includes prolific lobbyist Ron Book, has threatened to sue the city if it moves forward with the ordinance.

"We did everything right, and because a couple of people weren't happy, we may lose the right to do something," Havenick complains, referring to Braman and Pérez. He later adds, "The city got bullied by a couple of billionaires."

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But Stephen Helfman, an attorney who represented Braman and Pérez at the July 26 city commission meeting, says it's the Havenicks who are being unfair. Helfman argues that the family will tarnish an up-and-coming neighborhood with gambling. "Edgewater has become a much more livable place," he says. "And I think they both [Braman and Pérez] believe that this is one of the worst examples of 'entertainment' that could be put there."

John Sowinski, an Orlando-based political consultant and anti-casino activist, worries that the poker room and jai alai fronton could become a gateway for something worse: a full-fledged casino with slot machines. "The growth of poker and jai alai is the camel's nose under the tent for slot machines," he predicts.



Not true, counters Havenick. For one thing, slot machines aren't legal at that location, he says. And even if they do become legal later on, Havenick says his family is willing to promise *never* to add slot machines at that location, and they're willing to put that in writing.

"I offered to commit to that without being asked by the city," he says, "but it fell on deaf ears."

Sowinski has a hard time believing Havenick. After all, the Havenick family has been trying since 2012 to bring slot machines to Bonita Springs, which currently has a poker room along with live dog racing. West Flagler Associates has also given \$525,000 so far to a political committee called Vote No on 3 that the Havenick family formed to defeat Amendment 3, a proposed Florida constitutional amendment on the November 6 ballot that would require

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statewide voter approval prior to opening any new casinos with slot machines or “bank games” like roulette and blackjack anywhere in Florida.

“The idea that they don’t want slot machines or won’t attempt to get them there is defied by their actions elsewhere,” says Sowinski, who is campaigning for the passage of Amendment 3.

Havenick says he wants to add slot machines to the track at Bonita Springs in order to compete with “tribal casinos 20 miles away” and because the endeavor was approved by a majority of Lee County residents. As for Edgewater, Havenick says his family members won’t go back on their promise *not* to add slots because “we live in the community.”

“I live four blocks from this project, literally,” Izzy Havenick says. “I live in Bay Point.”

Although Amendment 3 would force the Havenicks to submit to a statewide referendum before bringing slot machines to Bonita Springs, it would have no effect on a pari-mutuel operation *with out* slot machines, Sowinski admits. In other words, if the Edgewater jai alai fronton, with its pari-mutuel betting, should ever be approved by the city, and its owners never seek slot machines, they won’t need to seek additional approval from Florida voters statewide.

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