

# CRYSTAL'S PALACE

Lawyer, ex-politician and visionary **Stephen Crystal** has big ideas for downtown—and his unlikely pairing with **D.W. Barrick** looks set to make them reality

BY GARY DRETZKA PORTRAIT BY THEODORE MARIENTHAL

**S**tephen Crystal was a 20-year-old junior at Dartmouth College when he first made headlines by being elected to occupy a desk in the New Hampshire statehouse—Daniel Webster's, to be exact. Because the ambitious Long Island native was short on cash and still living at Sigma Phi Epsilon—just a short beer can's heave from the original "Animal House"—a corner of the fraternity was retrofitted to serve as an office for Crystal's constituents. He might just as well have invited them to meet at a booth in Hanover's notorious 5 Olde bar.

"While the other guys were drinking beer, I was working in the legislature," quips the co-founder, vice-chairman and president of Barrick Gaming Corp., sitting in a posh conference room on the second floor of the landmark Plaza Hotel and Casino. "But I was too young to appreciate the experience." It was also during this period that Crystal was dubbed "Bugsy," as part of the frat's ritual bestowal of nicknames.

"My name reminded a frat brother of Waterford Crystal, which somehow reminded him of *Watership Down*, which was a popular book," Crystal recalls, with a broad smile. "There were lots of rabbits in *Watership Down*, and this led him to flash on bunnies. That translated to Bugs Bunny, which, naturally, was shortened to Bugsy."

In other words, Crystal's a natural. With a nickname like Bugsy, a degree from Dartmouth College, and the responsibility of hosting National Lampoon's

**With a nickname like Bugsy, a degree from Dartmouth College, and the responsibility of hosting Spring Break '05 next month, he couldn't be better suited to revitalize a downtown doyenne.**

Spring Break '05 next month, he couldn't be better suited to revitalize a fading downtown doyenne. In his brief tenure as a legislator, Crystal admits to sponsoring only two bills of any consequence. One freed blind people to bring their Seeing Eye dogs into restaurants, while the other prohibited antihunting forces from banging pots to warn prey of the approach of armed citizens in unfashionably bulky orange vests.

"Many of my constituents were hunters and gun owners, so it was a popular piece of legislation," he explains. Before long, Crystal would drop out of the legislature to help Massachusetts Democrat Michael Dukakis in his unsuccessful run for The White House, against the current incumbent's father. He moved to the

nation's capital—where he attended American University's Washington College of Law—but returned to New Hampshire briefly to serve as chief of staff for his friend and mentor, House Minority Leader Mary Chambers.

"Working in a Presidential campaign taught me that I was more interested in making money and supporting politicians than running for office myself," says Crystal. "After law school, on a whim, I moved to Kansas City to work for the mayor and run his campaign. I'd just gotten married, and was starting a law



The Las Vegas Club Casino Hotel, part of Barrick Gaming's 30 acres of downtown.

career from scratch, specializing in helping cities put together redevelopment projects with outside interests."

It wasn't long before fate would walk through the doors of Armstrong Teasdale, LLP, in the form of D.W. Barrick. The CEO of Arizona-based Barrick Corp.—which includes banking, mining, ranching and gaming ventures—was in Kansas City scouting locations for his \$450 million joint venture with Station Casinos.

"Riverboat gambling was coming to Kansas City," Crystal remembers. "When Dave came strolling into our offices wearing muddy boots and work clothes, my boss didn't like his looks and handed him off to me. He thought Dave was some kind of flake.

A man in a blue and white striped shirt and jeans stands on a balcony or bar area at night. He is leaning on a railing. The background is filled with colorful, blurred lights, including a large, multi-colored chandelier. The scene is set in a casino or entertainment venue.

**"The idea is to create  
a truly vibrant  
metropolitan center.  
Our property is the  
linkage between  
downtown, the  
historic casinos and  
30 million square  
feet of new  
development."**

**Go West, young man:** After a stint in the New Hampshire legislature and a period spent helping Michael Dukakis' Presidential campaign, Stephen Crystal gradually moved west—first to Kansas City, and now to the pure potential of downtown Las Vegas.

# STEPHEN CRYSTAL

"He came back to our offices the next day, all cleaned up and with a full staff of people. It was then that he explained his plans for the casino."

In 1992, Crystal became the Barricks' family adviser. Over the next eight years, the two men formed a close personal and professional bond. Today, they are partners in one of the most ambitious—some would argue quixotic—redevelopment projects in Las Vegas history. The future of downtown depends on their success.

"Dave's an innovator, an old-school entrepreneur: We're opposites in almost every way," Crystal allows. "It was an unlikely pairing from the start, but he was willing to become a mentor to me, just as Mary Chambers was in New Hampshire. The most important things I learned from him were to take risks and be willing to learn from my failures."

Soon after Barrick sold his interests in Kansas City, and Crystal moved his family back to Washington, the gambling bug caught hold once again. Barrick convinced Crystal to come west with him, to Las Vegas. Together, they formed Barrick Gaming, which in 2002 confounded skeptics by buying up a sizable chunk of downtown for the bargain-basement price of \$82 million.

Besides the Plaza, the company took possession last spring of the Las Vegas Club Casino Hotel, Western and Gold Spike properties and two Ambassador East motels. In the fall, Barrick added the Queen of Hearts and Nevada hotel-casinos to their downtown properties, which now total more than 30 acres (it also acquired the Golden Nugget Laughlin from Poster Financial Group, and holds an option to purchase the El Cortez). Several of the Main Street properties front a vast tract of raw land being developed for residential and commercial use, including the already leased World Market Center and a

**"The plans remind me of that *SimCity* computer game. This will be a living, breathing urban laboratory."**

61-acre parcel that's expected to house a performing-arts center and a mixed-use high-rise residential community.

Barrick has begun spiffing up the Plaza and Vegas Club, both of which had gone to seed under previous owners. The company promises not to limit its plans to cosmetic changes, as the World Market Center (set to open in four months) and its sister properties likely will attract an upscale clientele.

"The idea is to create a truly vibrant metropolitan center," Crystal insists. "The co-developer of the World Market Center, The Related Group of Florida and The Related Companies, is responsible for Manhattan's new Time Warner Center, Florida's One Miami and West Palm Beach's CityPlace, and several mixed-used properties in California. That kind of development creates an aura—a mystique—and they want to bring the same sort of excitement to our doorstep.

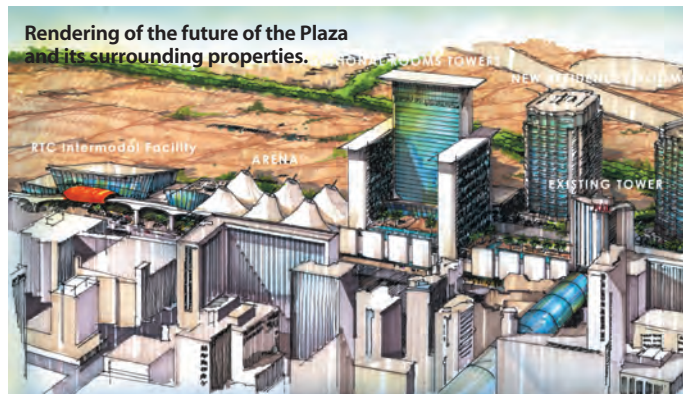
"The 1.3-million-square-foot Phase One of Related's project already is more significant than all of the Hughes Center, and each new phase is expected to attract a million visitors. Our property is the linkage between downtown, the historic casinos and 30 million square feet of new development."

These kinds of mixed-use projects, which also include "green belts," affordable housing and entertainment venues, as well as office space, show rooms and company headquarters, "have to be connected to the heart of a city. There has to be some grime, an art district and the vigorous support of young busi-

ness owners—in our case, that means casinos."

The owners of the Golden Nugget, Internet millionaires Tim Poster and Tom Breitling, added quite a bit of much needed bling to downtown, then sold the property last month to Houston-based Landry's Restaurants, who specialize in casual and fine dining, hospitality and aquarium properties. Strangely enough, even before the injection of new corporate blood downtown, it was possible to discern a substantial increase in street traffic at the Fremont Street Experience. No one can explain precisely when or how that particular tide was turned, but it only bodes well for the future.

"We'll have all the bells and whistles of MGM's multibillion-dollar Project CityCenter, which could take 25 years to complete, but ours will arrive quicker and be on a scale people can handle," enthuses Crystal. "The plans remind me of that *SimCity* computer game. This will be a living, breathing urban laboratory."



On this rainy late-January afternoon, Crystal can barely contain his optimism over the possibility that Las Vegas also could soon be the home to a major-league baseball franchise. He'd just spent some time with Hall of Famer Reggie Jackson, who was in town courting the kinds of deep-pocketed investors who would impress Commissioner Bud Selig and his cronies.

Two years ago, such talk probably would have inspired far more laughter than applause. For one thing, the odds of the city being a major player in the multicity effort to

woo the financially hapless Montréal Expos were prohibitively high. But they have improved considerably, especially as Washington has appeared to waver in its commitment to building a stadium.

Nor would one have expected any corporation to be able to attract the kind of young and talented managers necessary to cut through two decades' worth of bad press, lazy marketing and negative inertia. Until very recently, most young and upwardly mobile professionals couldn't find downtown with a map and the GPS system in their Audis. The 39-year-old Crystal, who still commutes between homes in Washington and Nevada, seems to feed off the enthusiasm of his cohort of managers. He considers Las Vegas to be "a new frontier, unconquered. You can do things here you can't do anywhere else.

"This job requires a lot of energy, but fortunately I'm young enough to do it. More than anything else, though, it's fun." Fun? Downtown? Who knew? ♣



**Downtown, where all the lights are bright:** Stephen Crystal and D.W. Barrick with their landmark downtown property, the Plaza Hotel and Casino, the epicenter of Barrick Gaming's new development plans. Also among their holdings: the Las Vegas Club Casino Hotel (at right), two Ambassador East motels and the Queen of Hearts and Nevada hotel-casinos.

**Today, they are partners in one of the most ambitious—some would argue quixotic—redevelopment projects in Las Vegas history. The future of downtown depends on their success.**