

Revel Resort Developer Defies the Atlantic City Odds

BY Danielle Sacks – Fast Company.com

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The Vegas of the East still has a boardwalk, but these days it's no empire. The developer of Revel, a would-be destination resort, wants to stop playing games and inject new life into the area.



Revel's Kevin DeSanctis hopes his resort will help end the days of empty seats in Atlantic City. PHOTO BY RAYON RICHARDS

With hands buried in his coat pockets, Kevin DeSanctis strolls through nearly 2 acres of pruned jungle that sits more than 100 feet off the ground. "I think most people would think that you could be anywhere in the world," says DeSanctis, inhaling the salty winter air. He is atop SkyGarden, a vast new rooftop that overlooks Atlantic City's once-iconic oceanside boardwalk. The thicket of native New Jersey greenery is just one of many novel facets of Revel, which, when it opens, will be arguably the most ambitious hotel-casino opening to hit the atrophying city in decades. "Whatever your view of Atlantic City," says DeSanctis, 59, who has run Wynn and Trump properties in his 35 years in the casino business, "I think it changes when you are up here."

That's the hope, at least. Revel--both the name of the resort as well as DeSanctis's development company--is a \$2.4 billion attempt to put a gaming destination back on the map without using, well, gaming. According to DeSanctis, there's an untapped market of 47 million adults, many of them gambling-agnostic, within a six-hour drive of south Jersey. That's whom Revel, which will

have its grand opening Memorial Day weekend, is out to seduce.

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It's no secret that Atlantic City has been in a death spiral. Over the past decade, the city's monopoly on gambling in the region has been subverted by competitors emerging from West Virginia to Connecticut. Since 2006, gaming revenue has plummeted from \$5.2 billion to \$3.1 billion. The trickle-down effect has been profound for the area, which is a large source of jobs. That's one reason New Jersey provided a \$261 million tax credit to help the Revel project recover after a run of financial roadblocks, including the withdrawal of Morgan Stanley, its first investor. "The government is conscious of the fact that Atlantic City is critical to the state," says Liza Cartmell, CEO of the Atlantic City Alliance, the marketing wing of the city's revitalization effort. "So they've given the city a five-year window to make it work."

To do that, Revel is taking cues from Vegas, cruise ships, even Aspen. "We probably have 40% more nongaming amenities than anybody in this market," says DeSanctis. Guests arriving at Revel drive right up to the water, making it clear they've arrived at the beach, not a gaming destination. They can then bypass the casino entirely by going to the lobby located on the hotel's fourth floor, which doubles as an opportunity to gaze at the ocean or wander through the SkyGarden. "You usually have to step over slot machines to get to hotel reception," says Bernardo Fort-Brescia, founding principal of Arquitectonica, one of the 65 firms that helped design the 6.2-million-square-foot resort. "Here, we want you to feel like you left behind the city."



The gaming room has theatrical elements intended to surprise guests.
PHOTO BY RAYON RICHARDS

Once checked in, lodgers will find plenty to do that doesn't involve frittering away savings. In addition to nightclubs and a spa that features innovative programming such as a three-day Surf Academy and Yoga for Foodies, the hotel has 12 restaurants that aren't typical casino operations with a licensed celeb chef's name slapped on. "Generally, those are management deals," says Chuck Bragitikos, president of Vibrant Development, Revel's retail and entertainment planning firm. "Good luck finding those chefs in the kitchen."

Revel, meanwhile, has luminaries like Iron Chef Marc Forgione and Alain Allegretti, who have not only developed new concepts but also ponied up to have a vested stake. To combat the stigma that Jersey in January is subdesirable, DeSanctis installed fire pits for the hotel's rooftop and outdoor bar, a heated indoor-outdoor pool, heated cabanas, and fireplaces sprinkled throughout the property.

To conceptualize the gaming areas, Revel hired Sceno Plus, the firm best known for the theater design of Cirque du Soleil's *O*, which has a stage that transforms into a pool. "We had no experience designing casinos," says Valerie Pageau, Sceno's artistic director. "But Kevin said, 'Break all the rules and we'll make it happen.' So we broke the rules." Instead of a low, closed-off ceiling, they created a catwalk grid that snakes above the floor, allowing Revel to easily transform the space using shifting lights and other props, like a set.

And what might be considered Revel's most sacrilegious move is a glass wall looking out onto the ocean, meaning gamblers can actually distinguish if it's 10 a.m. or 10 p.m.

There is, of course, a cost to diminishing the role of gambling. You can't rely on it for steady injections of cash. Since he needs his oceanside idyll to make money somehow, DeSanctis is turning another gaming staple on its ear: the comp. "At most casinos, 75% to 80% of occupied rooms are comped," says DeSanctis, who plans to drop the number to 40%. "What's the point? We think we have a product people will actually come and pay for."

But therein lies Revel's main challenge: getting Northeast Corridorites to show up. "If I say, 'You should visit Beirut,' you say, 'But I might get bombed in Beirut, so I'm not sure I want to go,'" says DeSanctis. "A lot of people feel that way about Atlantic City." Which is why, to complement the Atlantic City Alliance's planned five-year, \$150 million marketing blitz, DeSanctis intends to route some of that \$261 million tax credit into redeveloping the South Inlet: 120 acres of blight he aims to transform into a South Beach-style hub with apartments, boutiques, and restaurants. "I look at it," he says, "as enlightened self-interest." Just like any gambler trying to gain an edge over the house.

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