



ALLIANCE FOR HISPANIC COMMERCIAL CONTRACTORS

PRESS RELEASE - January 2019

MINORITY OWNED FIRMS WHO WORKED ON THE LIVE! CASINO AND HOTEL PROJECT STILL OWED MILLIONS

On February 7, 2019, The Cordish Companies will host a tour of the new addition to the Live! Casino + Hotel. The event is billed as a meet and greet with Jonathan Cordish, Principal and Director of Finance of The Cordish Companies. This event is a follow-up to the October 2018 distribution by The Cordish Companies of over \$19M in Local Impact Grants for the stellar business at this premiere casino site in Anne Arundel County, Maryland.

As you tour the Hotel you will see the quality of workmanship that poured out of our Maryland communities is notable and worthy of showcasing. It is unfortunate that millions of dollars remain due and owing to subcontractors on the hotel project, one of which is an AHCC member.

Cordish hired Tutor Perini as general contractor to build the hotel. Tutor Perini, in turn, hired local and minority-owned subcontractors. AHCC spoke with at least FIVE subcontractors, all of whom stated that they have not been paid for work performed, despite having Tutor Perini's approval. Together, all FIVE subcontractors are owed \$11 million. One of the five subcontractors we spoke to stated that they are owed approximately \$5 million.

One AHCC member, Allstate Floors, is owed \$1.7 million for floor and wall finishes at the hotel. In 1996, Allstate Floors started operations in Baltimore and has grown steadily since. So, if you do traverse the hotel, please understand the economic suffering of Allstate Floors with each step you take. Other subcontractors are fearful to speak out due to potential political backlash.

Due to nonpayment, these companies have incurred added interest on credit lines used to fund completion of their subcontract agreements months ago, an unrecoverable loss. These firms have high integrity and they generously give back to their communities. They are not undercapitalized companies or companies lacking experience and credentials. These companies have already paid their employees and suppliers for the work completed.

Recently, and after the Hotel opened months ago, Tutor Perini stated to subcontractors that yet to be identified "back-charges" will be assessed. Cordish and Tutor Perini had opportunity for months to identify these charges, but still no communication. Some of those we spoke to fear that this is a tactic to under-pay for the work completed in the hopes the unpaid subcontractors will settle for less than what is due and owing.

These companies' existence now hinges on getting rightfully paid for work performed. AHCC's purpose is to promote the growth, prosperity, and participation of Hispanic Commercial Contractors through education, training, and guidance. AHCC extends its advocacy efforts to our member companies and will update its members and supporters on the progress of the outcome.