

Nevada gaming firm, Calif. lawmakers at odds over tribal casino

By Anthony York, Los Angeles Times

SACRAMENTO – When California voters approved Las Vegas-style gambling in 1998, proponents said it would be limited to places already recognized as American Indian lands.

But a rare ruling from the Obama administration and a deal approved by Democratic Gov. Jerry Brown would allow one tribe to build a casino on a 300-acre property owned by Station Casinos in the Central Valley town of Madera. The prospect has divided Indian tribes and touched off an intense fight in the Capitol.

Members of the tribe, the North Fork Rancheria of Mono Indians, have not lived on the Madera land for generations. But if the group is successful, it could help reshape the future of tribal gaming in California, opening the way for new casinos up and down the state – and closer to urban centers – according to critics of the gaming industry and other opponents of the deal.

Backers of the tribe's plan say it is an exception. They point to strong support for the casino from Madera city and county officials as well as the tribe's historic ties to the area, documented in an intricate seven-year appeal process and approved by the U.S. Department of the Interior.

Tribes that own some of California's largest gambling halls say North Fork leaders and their Nevada-based financial backers are "reservation shopping" to put a casino in a prime location. Approval of the deal, they say, would break a promise made to voters 15 years ago that gaming would be

restricted to remote locations.

State law limits casinos to land where the federal government recognizes a tribe's historic tie. Once that determination is made, the tribe must negotiate a casino deal with the governor and have it ratified by the Legislature.

North Fork made its claim to the land, which was once slated to be a NASCAR racetrack, in question in 2004, a year after it was purchased by Nevada-based Station Casinos. Tribal leaders say the band spent summers in the Sierra Nevada foothills near Yosemite National Park to escape the Central Valley heat and moved to the lowlands that include present-day Madera to flee the snows of winter.

In the 1980s, the federal government set aside 80 acres for North Fork about 50 miles away, but the group's leaders say that land is held privately by tribal members and does not belong to the tribe. Moreover, the land, on a steep slope on a remote hillside near Yosemite National Park, is environmentally sensitive and could not sustain a casino development, they say.

North Fork officials say the root of opposition to their plan lies in wealthy tribes trying to keep other Indian nations from sharing in the prosperity of the gaming business.

Other tribes also are uncomfortable, the North Fork leaders say, with the cut of gaming revenue the group is willing to share with state and local governments – potentially millions more than tribes typically have agreed to contribute in exchange for approval to operate casinos.

The tribe and Station Casinos have been trying for more than 10 years to build a hotel and casino with 2,000 slot machines on the Madera land. Along the way, they have enlisted the support of local leaders, labor unions and environmental groups.

The Department of the Interior accepted the tribe's land claim in 2011. It was just the seventh time the federal government had granted such a request on land acquired after 1988, when Washington created rules to allow tribal casinos. Last year, Brown signed the gaming deal with North Fork.

The governor has downplayed concerns about casinos creeping toward California's major cities, where they can add to traffic congestion, strain city resources and upset residents. He has said he expects the kind of deal he struck with North Fork to be rare.

The nearly 2,000 members of the tribe, the fifth-largest in California, "are mired in the type of poverty tribal gaming was designed to ameliorate," said Jacob Appelsmith, a senior adviser to Brown who negotiated the casino deal.

Last month, the state Assembly ratified the plan. It has stalled in the Senate despite an intense lobbying effort for it by organized labor, which has been promised that the project would create thousands of union jobs.

The Picayune Rancheria of the Chukchansi Indians have a casino about 30 miles off the highway from the proposed North Fork site. Its leaders say the proposed new casino, with its more convenient location, could put them out of business and leave them saddled with debt after an investment of nearly \$300 million to expand their operations.

Wealthier gambling tribes such as the Riverside-based Pechanga Band of Luiseno Indians and the United Auburn Indian Community, which operates the Thunder Valley Casino Resort between Sacramento and Lake Tahoe, are worried about other pending casino deals that could gain momentum if the North Fork accord is approved.

Brown also has authorized a casino with 2,000 slot machines for the Enterprise Rancheria of the Estom Yumeka Maidu tribe on newly acquired land the federal government ruled eligible

in Yuba County. Enterprise is planning a 170-room hotel, as well. Its plan is not yet before the Legislature. Its business would compete with Thunder Valley, which has 3,000 slots and a 300-room hotel.

In addition, the federal government is considering a land request from a tribe in Barstow that could lead to a casino along Interstate 15 between Los Angeles and Las Vegas. That business could be a threat to some of the large tribal casinos in the area.

“Developer-driven gaming proposals like Stations-North Fork have infected Indian gaming for over a decade now,” Pechanga’s chairman, Mark Macarro, told senators at a recent hearing. “Tribes used to respect the boundaries of each other. But casino developers don’t care one way or the other.”

North Fork’s chairwoman, Elaine Bethel-Fink, said wealthy tribes oppose her group’s deal because their own will be up for renegotiation in a few years, and they don’t want pressure to match North Fork’s revenue-sharing plan.

“The concern,” Bethel-Fink said, “is that we’re being too generous.”