

# Barstow Casino and Resort

## *An economic opportunity for two communities*

For almost a decade, the Los Coyotes Band of Cahuilla and Cupeño Indians and the City of Barstow have been working together to pursue a casino development project that could provide jobs and revenue to both communities who are in desperate need of economic opportunities.

The 23-acre parcel in Barstow that is the subject of the Los Coyote Band's fee-to-trust and two-part determination application was selected with the City's direct input as the most appropriate gaming location near shopping and commercial outlets and away from residential neighborhoods and schools.



### **Los Coyotes Band of Cahuilla and Cupeño Indians**

Los Coyotes Tribal members are descendents of the Cahuilla and Cupeño Indians who originally occupied two villages near the reservation, which is located in a remote area 70 miles northeast of San Diego and 105 miles southeast of Los Angeles. The reservation is extremely rugged and mountainous, and is surrounded by state park and national forest lands.

Tribal members living on the reservation live in 12 single-family homes and 10 mobile trailers. Though electricity was brought to a part of the reservation 12 years ago, the service is substandard at best. Living conditions and the lack of economic opportunity on or near the reservation have forced Tribal members to find work and housing in other areas scattered throughout southern California. In fact, 51% of the adult Tribal members living off the reservation live within a commutable distance (70 miles) of the City of Barstow.

### **Partnership with the City of Barstow**

The City of Barstow was one of the few communities in California that did not experience the economic boom of the 1990's and it was hit even harder during the recent economic downturn. More than 40% of its residents receive some level of government assistance fueled by an unemployment rate of more than 16%.

In June of 2004, the city and the Tribe signed an historic Municipal Service Agreement (MSA) that provided a foundation for a partnership to develop a casino in Barstow that will provide more than a thousand jobs and an estimated \$4 million in revenue to the community in the first year of operation.

Other highlights of the MSA include:

- 4.3% net revenue sharing to the City of Barstow
- \$40,000 per year for a problem gambling program
- Pay for the cost of a new EMS vehicle
- Firefighter training
- Local hiring and job training at the casino resort
- Compliance with all local building codes

In June of 2006, 81% of Barstow voters rejected a ballot proposal that would have blocked the development of this casino project. On December 18, 2006, the Barstow City Council unanimously passed a resolution supporting the tribal-state gaming compact for the Los Coyotes Band of Cahuilla and Cupeño Indians.

### **Economic Benefits**

The construction of the Los Coyotes casino is estimated to bring more than \$160 million of investment to the City of Barstow including construction, wholesale trade, and real estate and rental. Once the casino and resort is operational it is expected to produce more than \$126 million in annual revenue supporting more than 1,000 jobs in the community.

## Economic Impact from Construction of Proposed Los Coyotes Barstow Facility

<b>One-Time Construction Economic Impact</b>	
<b>Construction of Los Coyotes Project</b>	<b>Expected Economic Impact (Millions)</b>
<b>Direct Output (Industry)</b>	
Construction	\$ 114.7
Wholesale Trade	\$ 1.7
Real Estate and Rental	\$ 1.2
<b>Direct Total</b>	<b>\$ 117.6</b>
<b>Other Output</b>	
Indirect	\$ 16.0
Induced	\$ 26.9
<b>Total Output</b>	<b>\$ 160.5</b>

<b>Estimated Annual Net Revenue Breakdown for Los Coyotes Project</b>	
<b>Project Element</b>	<b>Revenue</b>
<b>Casino Gaming Revenue</b>	
Electronic Games of Chance	\$ 100,000,000
Poker	\$ 1,600,000
Table Games (excluding poker)	\$ 8,300,000
<b>Non-Gaming Operations Revenue</b>	
Food & Beverage; Entertainment	\$ 14,000,000
Lodging	\$ 2,300,000
<b>Total Revenue</b>	<b>\$ 126,200,000</b>

<b>Jobs for the Community</b>	
<b>One-Time Construction Jobs</b>	<b>1,068</b>
<b>Operations</b>	
Full time employees	823
Indirect or induced jobs	262
<b>Total operations jobs</b>	<b>1,085</b>