

Office of the Governor ARNOLD SCHWARZENEGGER THE PEOPLE'S GOVERNOR

PRESS RELEASE

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Governor Announces Signing of Two Tribal Gaming Compacts



Governor Arnold Schwarzenegger today announced the signing of two related tribal-state gaming compacts with the North Fork Rancheria of Mono Indians and the Wiyot Tribe. The compacts directly unite the interests of North Fork's 1,700 citizens and the Wiyot Tribe's 600 members, benefiting one of the largest tribal populations in the history of such agreements.

"These compacts are a model for protecting the environment and balancing the needs of the tribes and local communities. The compacts avoid construction of a casino along California's coast and in the Sierra foothills while respecting both tribes' sovereign right to pursue economic development through gaming and other means," said Governor Schwarzenegger. "These compacts help avoid impacts to two environmentally sensitive sites by allowing the North Fork Mono Rancheria to operate a single facility within its historic area at a location favored by Madera County and the majority of local representatives and residents."

Under the compacts, the Wiyot Tribe would:

- Forego its right to game on its tribal lands along Humboldt Bay in Northern California in exchange for revenue payments from a gaming facility to be operated by the North Fork Mono Rancheria in Madera County. The compacts will provide an important economic stimulus to two of the most economically challenged regions in the U.S.
- Agree to distribute no more than 50% of net revenues produced from the Compact in any year to its tribal members and to reserve at least 50% of the net revenues to fund tribal government operations or programs, to provide for the general welfare of the Tribe and its members, to promote tribal economic development and to donate to charitable organizations.

The North Fork compact would:

Authorize the North Fork Mono Rancheria to operate a gaming facility on a portion of a 305-acre parcel in an

unincorporated area of Madera County just north of the City of Madera. The location avoids development of a gaming facility on the North Fork Rancheria that would significantly impact threatened wildlife and habitat in a remote Sierra foothills area adjacent to the Sierra National Forest and connected by unpaved roads to the Sierra Vista Scenic Byway south of Yosemite National Park.

• Authorize the Tribe to operate no more than 2,500 slot machines at a single facility on the 305 acre parcel. The Tribe has agreed not to engage in any gaming activities on its other Indian lands in the State during the term of the compact.

The Tribe identified the 305-acre parcel in consultation with local officials as an appropriate site for the proposed development, particularly from a land use, jobs creation and environmental perspective. The North Fork Mono Rancheria has since entered into separate Memoranda of Understanding with the County of Madera, the City of Madera, and the Madera Irrigation District to mitigate potential impacts associated with the project and to establish charitable foundations for the community.

The Tribe estimates that the resort casino and hotel would generate approximately 1,500 permanent jobs, 750 temporary construction jobs and 2,000 ancillary jobs and \$45-\$50 million in annual purchases of goods and services each year.

The Wiyot Tribe would receive revenues from a trust operated by the state for its benefit and funded solely from a percentage of revenues generated by the North Fork facility. In exchange, the Wiyot Tribe has agreed to refrain from exercising its right to construct a casino on tribal lands known as the Table Bluff Reservation in Humboldt County, on a bluff bordered by the ecologically significant and sensitive Humboldt Bay and Eel River Estuary.

The United States Fish and Wildlife Service manages the Humboldt Bay National Wildlife Refuge Salmon Creek Unit east of the Reservation and the Eel River Estuary to the south. These protected areas exist primarily to protect and enhance wetland habitats for hundreds of thousands of migratory water fowl that rely on the Pacific Flyway. More than 200 bird species, including four endangered species, regularly feed, rest or nest on the refuge or other nearby areas around Humboldt Bay.

The North Fork Mono Rancheria will share revenues with the state based on a sliding scale percentage of net win from the operation of both slot machines and banked card games ranging from 13.5 percent to 22 percent. The facility is estimated to generate over \$25 million annually for the state general fund during each of the first seven years of operation.

In addition to its contributions to the state, the North Fork Mono Rancheria will share a portion of its slot revenues with the trust fund benefiting the Wiyot Tribe. The fund will receive 2.5% of the first \$100 million of net win, 3% of amounts between \$100 and \$200 million in net win, and 3.5% of net win over \$200 million. The benefit is projected to be between \$3 million and \$5 million a year - nearly four times as much as the Wiyot Tribe currently receives in gaming allotments under state law.

The North Fork compact limits the size of the resort casino and hotel to a 280,000-square-foot footprint with 2,000 slot machines, with an option to expand the facility and operate up to 500 additional slot machines during the 20-year term of the compact if the Tribe's existing agreement with the County of Madera is amended to cover any additional off-reservation impacts to the environment. The North Fork compact also requires the Tribe to enter into a mitigation agreement with CalTrans for state road improvements.

In addition to providing for an annual independent audit, the North Fork compact allows the state to conduct its own annual audit. The North Fork compact includes all of the same important safeguards for employees and patrons as in recently announced compacts, and is the first to include comprehensive provisions relating to employment discrimination and minimum internal control standards (MICS).

At the tribes' request, the compacts won't be submitted for ratification by the Legislature until the Secretary of the Interior approves placing the Madera County casino site into trust. The Governor will be signing the compacts today to highlight the strong public policy rationale and the significant financial and other state interests behind his anticipated concurrence

consistent with the Governor's Proclamation on Tribal Gaming Policy dated May 18, 2005.

The compacts are available for viewing by clicking on the links below:

North_Fork_Compact_2008_Appendix

North Fork Compact 2008

Wiyot_Compact_2008