

## **Ridgecrest Casino Gets Go-ahead from US Department of Interior**

As part of a settlement proposal regarding the lawsuit filed by the Timbisha Shoshone Tribe against the Department of Interior (Interior) in mid-May, the Department of Interior gave the Ridgecrest economic development Casino / Entertainment (Project) the go-ahead.

The lawsuit alleges that Interior abandoned its mandatory duty to accept title to the Ridgecrest parcel and hold it in trust for the Tribe's benefit because of improper political influence, despite many levels of review and approval within the Bureau of Indian Affairs and Interior.

On Monday, June 3, the Office of the Secretary of the Interior released a letter to the Tribe dated September 27, 2018 setting forth the Department's decision to accept the Ridgecrest parcel into trust for the Tribe. The letter concludes that Congress mandated the trust acquisition of the Ridgecrest parcel pursuant to Section 5(d) of the Homeland Act, and pursuant to Section 7 of the Homeland Act, the Ridgecrest parcel shall be considered the Tribe's initial reservation and eligible for the gaming and economic development.

"We are pleased that Interior made this decision, setting all politics aside, and acknowledged the mandatory provision of the Homeland Act signed by Congress to right the wrongs against the Tribe," Chairwoman Kennedy said "We are grateful and hopeful that we can finally move forward to provide employment, economic, and infrastructure development for the community."

Subsequent to a recent Chamber of Commerce gathering, Congressman McCarthy mentioned to guests that he supports the economic development project but has a concern about the location. However, as Interior's decision makes clear, mandatory acquisitions are not subject to the discretionary criteria of 25 C.F.R. Part 151.

Now that the condition of the original escrow has been met, the ball is in the hands of the Ridgecrest City Council to finalize the sale of the parcel.

With 3 out of the 5 politically opposing the Project, the City Council will have to decide if they will comply with the Municipal Services Agreement (MSA) and sell the property to the developer or face legal challenges.

If what happened in the Mammoth Lake Land Acquisition vs. the City of Mammoth Lakes case for breach of a development deal is any indication of what might happen, legal challenges could be economically devastating to the City of Ridgecrest given its financial challenges and need for more public safety, infrastructure development, affordable housing and employment opportunities for its citizens. In that case Mammoth Lakes was ordered to pay more than \$32 million for violating a similar agreement.

When asked if the Tribe is willing to go this far, Nigel White, the developer for the Tribe, said, “We are hopeful the City will comply with its agreement with the Tribe and help us avoid litigation.” He said, “The City needs the jobs this Project will bring and we are very confident that once it opens the City will be happy with it.”

The City Council voted to terminate the Purchase and Sale Agreement for the Ridgecrest parcel in December. Now that Interior has approved the fee to trust acquisition, the City has several choices for how it can still approve the land sale, comply with the MSA, and avoid litigation.

PRESS RELEASE June 3, 2019

Contact Nigel White (760-275-0712)