



Chamber board supports Tribal land trust proposal

By JENNA CHANDLER

2010-07-23 10:06:36

The community's self-proclaimed "voice of business" lined up behind the Porterville City Council Thursday to support the Tule River Tribe's application to put its 40-acre airport into federal trust.

The Board of Directors for the Porterville Chamber of Commerce — a voluntary coalition of business people — cast its vote behind closed doors after openly heralding a presentation from Tribal representatives and addressing concerns from apprehensive gas station and mini mart owners who fear the Tribe's potential tax advantages will create an uneven playing field.

The decision to send a letter favoring the Tribe's application for trust status seemed to be more of a decision of "why not?" rather than why.

"Competition is a good thing, it's healthy," former Chamber President Augie Gonzalez Jr. said. "I really don't see why we shouldn't support the Tribe in trying to get done what they want to get done."

The Tribe is a member of the Chamber, which requires dues.

Architect Dennis Townsend, a Springville resident, serves on the Chamber Board and brought the issue to the Chamber for consideration, he said, because some Porterville people wanted to know what position the Chamber was taking. Until Thursday, the position was neutral.

"There really was only one concern," Townsend said, "the potential for — because of the tax advantages, — uneven competition against other businesses if the Tribe happens to develop retail. Up until this morning, the Chamber hadn't really taken a position," Townsend said.

The land in question is adjacent to the Porterville Municipal Airport and is subdivided into 17 lots zoned for light industrial use, or manufacturing. If the trust status is approved, the Tribe would not only be exempt from city, county and state regulations, but also from state and local tax assessments such as those placed on gas and for hotel stays, called Transient Occupancy taxes.

This concerns business owners like former City Council candidate Taha Saleh. He and others say they "play by the rules" and are worried the City and Chamber aren't protecting them from unfair competition.

During closed sessions earlier this year, the City Council hammered out an agreement that it believes protects city interests. That agreement requires the Tribe to obtain written consent from the Council before further developing the land. In making the agreement, the Tribe agreed to waive its sovereign immunity — which is believed to make the agreement subject to California law — and to make payments to the City in lieu of some types of taxes.

The agreement was approved in April by the Council in open session, although there was little public discussion of what was involved.

"It's like the City and the Chamber are saying we care about our self interests, and support this large employer, but forget about the rest of the small businesses. That's going to jeopardize our middle class — these are the people that innovate and start businesses," Saleh said.

Saleh admits that even if the Tribe were to build a gas station — and no such plans have been announced

— that his minimart, Shop and Save, would not really feel the impact, because he doesn't sell that much gas. But he said on principle, that the City and the Tribe should seriously weigh the consequences of the Tribe potentially not paying taxes on gas that eventually are set aside in special accounts for road repairs. He believes that hotels should be equally concerned, as the Tribe in the past has proposed building a resort on the airport land.

"The Chamber is supposed to be a body of small business members who are supposed to look out for each other. As a small business owner, I don't think it's the voice of small businesses to support an organization when they don't know what the outcome is going to be. The voice of this town is not being represented," he said.

During Tuesday night's City Council meeting, the Tribe's CFO said he was confused as to how the application for federal trust became a gas station war.

"This is not about opening a gas station and putting other people out of business," he said. "I think we ourselves at this point have no real plan for future economic development of that particular parcel."

He went on to tell the Council that it would be a "terrible mistake" to delay its decision of support because of "five, or six or seven gas station owners who are threatened by a hallucination that there may be a gas station on the site ... because whatever the outcome is going to be, it's going to be to all of our benefits.

There was some talk of the gas station issue during the Chamber meeting Thursday morning, but members seemed to be assuaged by the City's contract with the Tribe. One chamber member said that the lack of the Tribe's development plans should not be a concern as business owners tend to change their plans "as often as they change their underwear."

Townsend said he sent his own personal letter to the Bureau of Indian Affairs before the Council meeting to air his concerns about the trust conveyance, for many of the same reasons as Saleh. He said he didn't expect that the Chamber to take a stance on the trust conveyance.

"The Chamber's support letter will reference the cooperation agreement with the City in so much as that we support the Tribe so long as it complies with that agreement. And, community members will have the opportunity to comment on future development as it comes to the Council for approval," he said. "I think fuel retailers in town will probably have a problem with the Chamber supporting the transfer. But the Chamber Board doesn't feel the gas station issue is founded."

Contact Jenna Chandler at 784-5000, Ext. 1050, or jchandler@portervillerecorder.com.