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Elk Grove City Officials Failed to Provide Citizens an Open and Fair Process On the Proposed Wilton Casino

It appears that the City of Elk Grove, Howard Hughes Corporation of Texas, Boyd Gaming of Las Vegas and the Wilton Tribe may have been working behind the scenes to bring the proposed Wilton Tribal Casino to the City for quite some time. All this without letting the people of Elk Grove know about plans to convert the north part of the mall site to casino, or seeking the input of those who will be most directly impacted by the project—the citizens.

We know that the proposed casino will diminish the size and scope of the long promised shopping mall, which means that the City will reap less taxable revenues from retail sales. We also know that with less taxable revenue, someone will have to reimburse \$15.5 million to Howard Hughes Corporation for prepaid infrastructure. Unless the City has a clear answer to that question, it seems likely that the taxpayers will be on the hook for reimbursing Howard Hughes Corporation.

The timeline for the review process raises more questions than have been answered. The public was told in December 2013 that the Wilton Rancheria was proposing to build a casino along Highway 99 just outside of the City of Galt. The Bureau of Indian Affairs held a meeting in Galt right before the Christmas holidays to inform the residents of the project and to give them an opportunity to identify issues the agency should consider in reviewing the environmental impacts of the project. The National Environmental Policy Act requires the Bureau to consider project alternatives, but its selection of the Elk Grove site as an alternative is highly unusual. The mall site is only 35.9 ac. compared to the Galt site of 282 ac. The agency never treats a site that is a tenth of the size of the proposed site and already slated for another project as a “reasonable” alternative. Nobody during the hearings in Galt spoke about the Elk Grove Mall as the alternative location. It is now clear that the mall site was the only Elk Grove location evaluated in 2014 as part of the EIS alternatives.

And almost three years later, the Tribe suddenly announces that it wants to develop its casino in Elk Grove, rather than in Galt as the public was led to understand. Curiously, in 2014, the City of Elk Grove approved changes proposed by Howard Hughes Corporation to the Special Planning Area, Development and Mall Agreements—changes that coincidentally support the Tribe’s proposed casino development. Even the drawings of the casino in Elk Grove appear to date back to May of 2014. Just as curious is City statements in 2014 that they didn’t know what

the use of the northern area in the Mall would be so they couldn't evaluate it for CEQA. All of these coincidences make one wonder just how long the Elk Grove casino has been in the works and just when the City knew about it?

The Tribe's announcement in June 2016 may have come as a surprise to the residents of Elk Grove, but it did not come as a surprise to the City, apparently. Transportation experts worked with the City to come up with the 2014 alternatives analysis for the Department of Interior. Separate City emails show that City officials were aware of the proposed change at least as early as February 2016, but they did not inform the public. Instead, negotiations went on behind closed doors. Emails from May show that meetings with individual council members were being arranged with the Tribe. Mayor Davis scheduled a meeting with Boyd Gaming in Las Vegas on approximately May 22, 2016. Yet... the City provided no notification, no public hearing, no workshops to the public.

Then amazingly the Tribe notifies everyone in June of the change from Galt to Elk Grove Mall, and in the fastest staff turn around the City is ready for hearings on its MOU with the Tribe, and amendments to the Development Agreement so that BIA can take the northern part of the Mall into trust for the Tribe. This last minute switch certainly makes it appear that the environmental process was manipulated to avoid any comment from Elk Grove residents. State and federal laws are designed to ensure that citizens are provided an open, fair and transparent process, a process that allows them to raise concerns and ensure that those concerns are addressed during the decision-making processes that apply. That certainly did not occur here.

Now, it appears that the City is trying to foreclose the rights of referendum and judicial review under CEQA by illegally recording the revised development agreement prior to it having any authority to execute it. And at the federal level, the Bureau of Indian Affairs is rushing to a decision so that it can acquire the land in trust in an attempt to eliminate those challenges. When federal and local government officials do not follow the rules or provide a forum for debate of the legitimate issues, citizens have no choice but to seek a judicial review of the elected officials actions.

The citizens of Elk Grove deserve to know how long this proposal has been in the works and how much it will cost them before the deal is done.

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