INTERGOVERNMENTAL
MEMORANDUM OF UNDERSTANDING
By and Between
THE AGUA CALIENTE BAND OF CAHUILLA INDIANS
And
THE CITY OF RANCHO MIRAGE
Regarding
PROJECT CONTRIBUTIONS

THIS INTERGOVERNMENTAL MEMORANDUM OF UNDERSTANDING ("MOU") is entered into this day of Muck 2007, by and between the AGUA CALIENTE BAND OF CAHUILLA INDIANS, a federally-recognized Indian Tribe (the "Tribe") and the CITY OF RANCHO MIRAGE, a municipal corporation (the "City").

This MOU is made with reference to the following.

RECITALS

WHEREAS, the Agua Caliente Band of Cahuilla Indians is a Federally-recognized Indian Tribe governing itself according to a Constitution and bylaws and exercising sovereign authority over the lands of the Agua Caliente Indian Reservation ("Reservation"), acting through its duly elected Tribal Council, subject to federal law; and

WHEREAS, the City, acting through its City Council (the "City Council") is a political subdivision of the State of California, established pursuant to the Constitution of the State of California; and

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This MOU is made with reference to the following.

RECITALS

WHEREAS, the Agua Caliente Band of Cahuilla Indians is a Federally-recognized Indian Tribe governing itself according to a Constitution and bylaws and exercising sovereign authority over the lands of the Agua Caliente Indian Reservation ("Reservation"), acting through its duly elected Tribal Council, subject to federal law; and

WHEREAS, the City, acting through its City Council (the "City Council") is a political subdivision of the State of California, established pursuant to the Constitution of the State of California; and

WHEREAS, the Tribe will develop a Project ("Project")¹ on the Reservation substantially adjacent to the geographic boundaries of the City of Rancho Mirage which is more particularly described in Exhibit "A" (the "Subject Property"); and

WHEREAS, the Project will generate environmental impacts within the City and the Tribe has imposed mitigation measures which are described in the Record of Decision for the Project, the final EIS for the Project and the Revised Traffic Analysis for the Project; and

WHEREAS, the Tribe will make an in-lieu contribution of \$93,730 to the City to mitigate for traffic impacts caused by the Project within Rancho Mirage as required per Mitigation Measure T3; and

WHEREAS, the City, in a letter to the Tribe dated January 13, 2006, identified its concerns and expressed a desire to enter into an intergovernmental agreement to address additional mitigation issues; and

WHEREAS, the Tribe is willing to provide contributions to the City which are described below.

ROADS AND TRAFFIC CIRCULATION

1. The Tribe will participate with the City in the development of Bob Hope Drive, between Dinah Shore Drive and Ramon Road, to create a six lane primary arterial roadway and the Tribe will underground the 115kV lines along Bob Hope Drive from Ramon Road to the Project's southern boundary at a cost to the Tribe of at least \$3,000,000; and

¹ The Record of Decision describes the Project as follows: "The Agua Caliente Casino Expansion includes a 65,000 square foot casino expansion, a 400 room hotel, and 30,000 square feet of meeting space, a 60,000 square foot showroom, a 1,200 stall parking structure, and 1,000 surface parking spaces."

- 2. The City hereby acknowledges the Tribe's participation to date since 2000 in the Bob Hope Drive/I-10 Interchange has been at a cost to the Tribe of at least \$700,833 which was used or will be used for the following:
- (a) To fund a contract with Michael Brandman & Associates to prepare the IS/EA, NES Report, Community Impact Analysis and Focused Surveys required and used by Caltrans at a cost of \$178,832;
- (b) To reimburse the County of Riverside for Planning & Studies related to the Interchange at a cost of \$187,528;
- (c) To contract with RBF to design the Interim Loop Ramp Project at a cost of \$254,473; and
- (d) To pay Braaksma Design \$80,000 to enhance the aesthetics of the Interchange.
- 3. The Tribe will improve the existing raised median island in Bob Hope Drive along the Agua Caliente Casino property frontage to a first class condition with landscape, hardscape, and irrigation at a cost to the Tribe of at least \$320,000 on or before the official opening of the new hotel; and
- 4. The Tribe will maintain in a first class condition the raised median island along the Agua Caliente Casino property frontage at a cost to the Tribe of at least \$12,000/year for as long as the Tribe is operating the Project; and
- 5. The Tribe will contribute a one time mitigation fee for regional traffic impacts of \$326,500 to the City for any project within the City, as long as the funds are used for improvements on regional arterials; and

- 6. The Tribe will contribute a one-time contribution of \$834,325 towards the following local road improvements:
- a) \$671,525 (which represents the Tribe's 24.97 percent share) for the ultimate widening of Bob Hope Drive to a six lane primary arterial from Ramon Road south to Dinah Shore Drive;
- b) \$60,000 (which represents the Tribe's 0.4 percent share) for the future Key Largo overpass; and
- c) \$102,800 (which represents the Tribe's 25.7 percent share) for the installation of a traffic signal at the future southern driveway at a specific location (at approximately the half-section line of Section 19) and design subject to the reasonable satisfaction of the Tribe and City Engineer.

LAW ENFORCEMENT, FIRE & EMERGENCY SERVICES

1. Until the Funding Agreement by and between the County of Riverside ("County"), attached hereto as Exhibit "B", is assigned to the City by the Tribe with the County's consent, the City expects to receive from the County a fair share of the funds from the Funding Agreement to offset and mitigate demonstrated off-Reservation impacts of the Project to the City's Public Safety Programs; or, the City expects to receive from the County public safety services at an adequate level so that the public safety services of the City are not affected by County services provided to the Project at no additional cost to the City.

AFFORDABLE HOUSING

In order to mitigate any off-reservation impacts of the Project, the Tribe will initiate discussions with the City and other entities to develop an affordable housing

program to address the issues of housing supply, housing affordability, and housing conservation on a Coachella Valley wide basis. This program may include direct Tribal development of affordable housing units, contributions of land and/or development funds, or any other mechanism to increase affordable housing in the region.

2. In the event that such activities or projects are within the jurisdiction of the City, the City may provide assistance through its redevelopment agency or housing funds consistent with its general plan housing element and as agreed to by the City only if the housing produced counts towards the City's applicable housing goals.

GENERAL TERMS AND CONDITIONS:

- 1. <u>Recitals.</u> All of the above recitals are true and correct and the City and the Tribe so find and determine.
- 2. <u>Modifications.</u> This MOU may only be modified in writing, signed and duly approved by both the Tribal Council and the City Council.
- 3. Approval. The City shall approve this MOU by passage of a duly adopted resolution of the Rancho Mirage City Council executed by all members of the City Council and the Tribe shall approve this MOU by passage of a duly adopted resolution of the Tribal Council. The resolutions of the City Council and the Tribal Council shall include as an attachment a copy of this MOU which shall be incorporated therein by reference and both resolutions shall be subject to the prior review and approval "as to form" by both the City's legal counsel and the Tribe's legal counsel prior to approval "as to content" by the respective Councils.
- 4. <u>Authority.</u> The individuals signing this MOU warrant and represent that pursuant to their respective constitutions and/or bylaws they have the full power and

authority to enter into this MOU and fully perform in accordance with the terms hereof, and the Tribe and the City acknowledge that their respective legal counsels have advised that this MOU is not subject to approval of the authorized representative of the Secretary of the Interior under 25 U.S.C. §81.

- 5. <u>Effective Date.</u> This MOU shall take effect upon its execution.
- 6. <u>Time.</u> Time is of the essence.

IN WITNESS WHEREOF, the parties hereto have caused this MOU to be executed as of the date first written above.

AGUA CALIENTE BAND OF CAUHILLA INDIANS	
APPROVED BY: Richard M. Milanovich, Tribal Chairman	
Barbara Gonzales Lyons, Vice Chairman	
Morano Matra	
Moraino J. Patencio, Secretary/Treasurer	
Junist Fraktode	
Jeannette Prieto-Dodd, Tribal Council Member	
Jeff/L. Orubbe, Tribal Council Member	
APPROVED AS TO FORM:	•
	•
Michelle Carr, Tribal Counsel	

CITY OF RANCHO, MIRAGE
Lu W Ste
Richard W. Kite, Mayor
May Hothert
G. Dana Hobart, Mayor Pro Tem
N'M>
Rdn Meepds, Council Member
Hordon Kealler
Gordon Moller, Council Member
Clan Doman
Alan Seman, Council Member
AITESTED BY:
Zlena Kleran
Elena Keeran, City Clerk

APRROVED AS TO FORM

Steven B. Quintanilla City Attorney

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Exhibit "A"

Subject Property Legal Description

NE1/4NE1/4, section 24, T.4S., R. 5E., S.B.B.M., containing 40.00 acres, more or less, subject to all valid existing rights of way.

Exhibit "B"

Funding Agreement



RESOLUTION NO. 38-06

WHEREAS, the Agua Caliente Band of Cahuilla Indians (the "Tribe") is a federally-recognized Indian tribe, governing itself according to a Constitution duly approved by the Commissioner of Indian Affairs, as amended, and exercising sovereign authority over the lands of the Agua Caliente Indian Reservation; and

WHEREAS, the Tribe has approved a project (the "Project") for the expansion of the Agua Caliente Casino, to include construction of a hotel, increased gaming space, and related improvements, all located on the Agua Caliente Indian Reservation in the unincorporated area of the County of Riverside (the "County"); and

WHEREAS, in approving the Project, the Tribal Council adopted a series of measures to mitigate the off-Reservation environmental impact of the Project; and

WHEREAS, one of those mitigation measures was entering into a government-to-government agreement with the County of Riverside on the subject of that mitigation, especially regarding the County's increased costs for public services and traffic; and

WHEREAS, such a government-to-government agreement has now been negotiated between the staffs of the Tribe and the County, consisting of:

- a. Memorandum of Understanding between Agua Caliente Band of Canuilla Indians and County of Riverside for Funding of Public Safety Services (the "MOU"), and
- b. Funding Agreement: Agua Caliente Hotel and Expanded Casino Project (the "Funding Agreement"); and

WHEREAS, the Tribal Council has reviewed the terms of the MOU and the Funding Agreement, and finds those terms to be satisfactory, including the terms of a Limited Waiver of Tribal Sovereign Immunity contained in Section 10 of the Funding Agreement;

NOW, THEREFORE, BE IT RESOLVED by the Tribal Council of the Agua Caliente Band of Cahuilla Indians that:

 The above MOU and Funding Agreement, and the terms thereof, including the Limited Waiver of Tribal Sovereign Immunity in Section 10 of the Funding Agreement, are hereby approved; and



TRIBAL COUNCIL

Chairman, Richard M. Milanovich - Vice Chairman, Barbara-Gonzales Lyons Secretary/Treasurer, Moraino J. Patencio - Member Jeannette Prieto-Dodd - Member, Jeff L. Grubbe

Resolution No. 38-06 Page No.2

> 2. The Chairman, or in his absence the Vice Chairman, is hereby authorized and directed to execute the above MOU and Funding Agreement on behalf of the Tribe, and to transmit copies to the County's Board of Supervisors for its approval. Thereafter, appropriate Tribal staff are hereby authorized and directed, subject to the supervision of the Tribal Council, to implement the MOU and Funding Agreement according to their terms.

Dated: June 20, 2006

Richard M. Milanovich, Chairman

CERTIFICATION

I, THE UNDERSIGNED, THE Secretary of the Agua Caliente Band of Cahullia Indians, hereby cartify that the Tribal Council is composed of five members of whom 4, constituting a quorum, were present at a meeting whereof, duly called, and noticed, convened and held this 20th day of June 2008, and that the foregoing resolution was duly adopted at such meeting by the affirmative roll call vote of 5-0-0, Members and that said resolution has not been rescinded or amended in any way,

MEMORANDUM OF UNDERSTANDING Between AGUA CALIENTE BAND OF CAHUILLA INDIANS

And COUNTY OF RIVERSIDE

For

FUNDING OF PUBLIC SAFETY SERVICES

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is entered into this 20th day of June, 2006, by and between the AGUA CALIENTE BAND OF CAHUILLA INDIANS, acting through its Tribal Council ("Tribe"), a Federally-recognized Indian Tribe, and the COUNTY OF RIVERSIDE, CALIFORNIA ("County"). This Agreement is made with reference to the following.

RECITALS

- 1. The Agua Caliente Band of Cahuilla Indians is a Federally-recognized Indian Tribe governing itself according to a Constitution and exercising sovereign authority over the lands of the Agua Caliente Indian Reservation ("Reservation"), acting through its duly elected Tribal Council.
- 2. The County is a subdivision of the State of California, possessing full powers with sespect to legislative affairs to regulate the territory under its jurisdiction and in accordance with the California Constitution and State law, and acting through its duly elected Board of Supervisors ("Board").
- 3. The Tribe seeks to develop the Project ("Project") on the Reservation within the geographic boundaries and in the unincorporated territory of the County of Riverside ("County"), which Project shall include, among other things, the development, construction, improvement and equipping of a hotel, a showroom, the expansion of existing casino facilities, a parking structure and related facilities owned and operated by the Tribe; and
- 4. The project is designed to provide the County of Riverside with significant economic, commercial, cultural and other benefits, including but not limited to hotel and meeting space, banquet facilities, spacetivities, business meeting and conference activities, seminar and academic activities, as well as a variety of entertainment, social and recreational activities; and

"The Tribe, acting through its council, by resolution, may designate the uses to which the funds collected and remitted to it in payment of this Tribal Transient Occupancy Tax will be devoted. Such resolution may include making a voluntary contribution of a stated amount or portion of such funds collected from a particular hotel to the city or county in which the said hotel is located."

- 6. As an element of the Project, the County and the Tribe shall enter into a Funding Agreement by which the Tribe shall dedicate a fee from the Tribal Transient Occupancy Tax equal to Ten percent (10%) of the Hotel's cash room sales, which fee shall be paid to the County of Riverside in order to help mitigate the impacts on County services created by the Project on the terms and conditions specified in that Funding Agreement; and
- The County will coordinate with surrounding affected cities in using the funds it receives from the above fee to offset and mitigate demonstrated off-Reservation impacts of the Project to the County and these nearby cities' Public Safety programs. The County will use these funds for Public Safety purposes to ensure that existing County's Public Safety services to these impacted cities are not affected by County services provided to the Project. For purposes of this MOU, Public Safety services shall consist of police, fire, and emergency medical services.

GENERAL TERMS AND CONDITIONS:

- 1. All of the above recitals are true and correct and the County Board of Supervisors and Tribal Council so find and determine.
- 2. The Board and Tribal Council hereby approve the proposed form of the Funding Agreement between the Tribe and the County.

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FUNDING AGREEMENT

AGUA CALIENTE HOTEL AND EXPANDED CASINO PROJECT

This FUNDING AGREEMENT ("This Agreement"), dated June 20, 2006 is between the County of Riverside, a political subdivision of the State of California ("County") and Agua Caliente Band of Cabuilla Indians ("Agua Caliente"), a federally recognized Indian Tribe whose Indian Lands are located within the geographical boundaries of the County.

RECITALS

WHEREAS, the Tribe seeks to develop the Project ("Project") on the Reservation within the geographic boundaries and in the unincorporated territory of the County of Riverside ("County"), which Project shall include, among other things, the development, construction, improvement and equipping of a high rise hotel, a showroom, the expansion of existing casino facilities, a parking structure and related facilities owned and operated by the Tribe;

WHEREAS, the project is designed to provide the County of Riverside with significant-economic, commercial, cultural and other benefits, including but not limited to hotel and meeting space, banquet facilities, spa activities, business meeting and conference activities, seminar and academic activities, as well as a variety of entertainment, social and recreational activities; and

WHEREAS, the Board of Supervisors (the "Board") of the County, has resolved to enter into this Agreement with Agua Caliente to establish a payment fund into which Agua Caliente shall pay a tourism fee for paid nightly hotel guests, [hereafter referred to as the "Fee"], based on each paid nightly occupancy for hotel guests of the Agua Caliente Hotel identified in this Agreement, the legal description of which is found in Exhibit A hereto. The fees shall be paid by Agua Caliente to the County during the term of this Agreement and is intended as compensation to the County for impacts to the County is providing services to the new hotel and the expanded casino being constructed by Agua Caliente on it Indian Lands within the County.

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NOW THEREFORE, in consideration of the above recitals and the covenants hereinasher contained, and for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Establishment of Fund and Payment of Fee.

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The payment of the Fee shall accrue on a monthly basis, based on the number of transient persons [a person who occupies a paid room by agreement, for 30 days or less] occupying paid space in a hotel envisioned to be approximately 15 stories, and planned to open on the property described in Exhibit A hereto. The Fee shall be 10% (ten percent) of the base overnight hotel rate (the "Rate") charged and collected, as generated from each paid transient occupancy, excluding services, taxes, food and beverages, and will accrue monthly; and such amounts shall be paid to the County on a calendar monthly basis, such payment to be made within 60 days from the last day of each calendar month in which the Fee accrues. Agus Caliente shall pay the amounts directly to the Office of the Treasurer of the County of Riverside, California.

Section 2. Purposes for Establishment of Fund and Uses of Fee.

County and Agua Caliente (collectively referred herein as the "Parties") agree that the establishment of the Fund and payment of the Fee pursuant to this Agreement are not exactions or fees imposed as a condition of development, and therefore are not subject to the Mitigation Fee Act (California Government code Sections 66000, et seq.). The Parties acknowledge that the tribal contributions contemplated by this Agreement are being made by Agua Caliente as part of its compliance with Section 10.8 of the Tribal-State Gaming Compact ("Compact") entered into by Agua Caliente and the State of California in September 14, 1999. The Parties also acknowledge that this Funding Agreement, by itself does not fully satisfy the requirements of Section 10.8 of the Compact. It is further agreed that the Tribe's payments of the Fee to the County shall not be construed as a credit against, or payment in lieu of, and other payments required to be made by the Tribe under state or federal law, including but not limited to payments made by the Tribe to the Indian Gaming Special Distribution Fund and other required program as set forth in the Compact.

Furthermore, the County intends to use the Fund to offset and mitigate demonstrated impacts of the Project to the County and nearby cities' Public Safety programs. The County will use the Fund for Public Safety purposes to ensure that existing County's Public Safety Services to these impacted nearby cities are not affected by County services provided to the Project. For purposes of this Agreement, Public Safety Services shall consist of only police, fire, and emergency medical services.

Section 3. Term.

Once ratified, this Agreement shall remain in full force and effect until December 31, 2020. Thereafter, this Agreement shall automatically be extended for such periods of time as the Tribal-State Gaming Compact between Agua Caliente and the State of California is subsequently renewed, amended or extended.

Section 4. Annual Audit.

On an annual basis, the County shall be entitled to review audited financial statements of the hosel activity and shall be entitled to a full accounting of all receipts of hotel occupancy, and any other accounting materials that are relevant to the assessment of the Fees.

Section 5. Amendment

At any time, if either party to this Agreement believes that changed circumstances require an amendment to the terms of this Agreement, on request by the party claiming the changed circumstances, authorized representatives of the parties will meet and confer to review the claimed changed circumstances on a government-to-government basis to determine if this Agreement should be so amended. If so, any amendment will be in writing, following the form of this Agreement, and signed by authorized representatives of each party to this Agreement.

Section 6. Assignment.

This Agreement may not be assigned by Agua Caliente without the formal written consent of the County, which consents shall be in the form of a written amendment to this Agreement and shall not be unreasonably withheld, delayed or conditioned.

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Section 7. Hold Harmless/Indemnification.

Notwithstanding the provision of the establishment of the fund and payment of the fee to County by Agua Caliente, it is the express intent of the parties that each is an independent party, and nothing in this Agreement shall be interpreted or construed as creating or establishing a joint powers authority, joint venture, or any other relationship between the parties other than as separate legal entities.

Agua Caliente hereby agrees to indemnify and hold harmless all agencies, districts, special districts and departments of the County of Riverside, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Agua Caliente, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever and resulting from any reason whatsoever arising from the performance of Agua Caliente, its officers, agents, employees, subcontractors, agents or representatives from this Agreement; and Agua Caliente shall, at its sole expense, including but not limited to all costs and fees, attorney fees, cost of investigation, defense and settlements or awards, defend all agencies, districts, special districts and departments of the County of

Section 8. Notices.

Any written notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication to be given hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

Riverside, their respective directors, officers, Board of Supervisors, elected and appointed officials,

employees, agents and representatives in any claim or action based upon such alleged acts or omissions.

County Executive Officer
County of Riverside
4080 Lemon Street, 4th Floor
Riverside, CA 92501

Fax: (909) 955-1105 Phone: (909) 955-1100

Agua Caliente Band of Cahuilla Indians Attn.: Tribal Council 600 E. Tahquitz Canyon Way

Paim Springs, CA 92262 Fax: (760) 883-1379 Phone: (760) 325-3400

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interpretation of any section hereof. This Agreement constitutes the complete and entire written agreement between the parties hereto and constitutes the complete expression of the terms of the Agreement. All prior and contemporaneous agreements, representations, and negotiations are superseded and merged herein. This Agreement may be executed in several counterparts, each of which shall be an original copy of the same agreement and which together shall constitute a single agreement.

Agua Caliente covenants that this Agreement and any tribal actions in furtherance of this Agreement do not require the approval of the Scoretary of the Interior under Title 25 USC Section 16 and agree not to assert in any proceedings that this Agreement requires approval by the Secretary of the Interior under Title 25 USC Section 31 or that this Agreement is void or voidable because such approval has not been obtained.

County of Riverside

ATTEST:
NANOY ROMERO, Clerk
By Internar
DEPUTY

By: Swatce
Chairman, Board of Supervisors - Bob Buscer

Agua Caliente Band of Cahuilla Indians

Chairman, Tribal Council

FORM APPROVED COUNTY COUNSEL

JUN 2 2 2006

EXHIBIT A

Legal Description of subject property where the hotel will be located:

Forty (40) acre parcel described as the north east quarter of the north east quarter of Section 24, Township 4 south, Range 5 east of the San Bernardino Meridian.