



MADERA TRIBUNE
BY CHUCK DOUD
THURSDAY
OCTOBER 19, 2006

Council OKs deal with tribe: Millions in aid grants to city promised if casino complex is built

The Madera City Council last night unanimously approved a deal between the city and the North Fork Rancheria of Mono Indians which would grant the city up to \$9.4 million in one-time fees and more than \$1 million a year in ongoing contributions if the tribe builds its planned casino and resort complex on Avenue 17 north of the city.

Whether the casino will be built depends on decisions yet to be made by the state and federal governments. The tribe in August 2004 reached an agreement with Madera County that provides for an annual allocation of \$250,000 for the city.

The money for both city and county is meant to pay for impacts that would be brought by additional traffic and demands for public-safety services such as police and fire protection because of the casino.

Mayor Rob Poythress, who has openly opposed the idea of a casino locating at the northern edge of the city, said he was pleased with the agreement, and was impressed with the way in which the tribe conducted itself during the negotiations. Poythress, Mayor Pro Tem Steve Mindt, City Administrator David Tooley and City Attorney Joseph

Soldani made up the city's negotiating committee. The committee was appointed May 3 of this year by the city council.

"The tribe was very cooperative in the process," Poythress said. "They didn't have to step up and provide the mitigation, but they did, and I'm satisfied with the finished product."

The "product" is a memorandum of understanding which spells out in chapter and verse the scope of the agreement between the tribe and the city.

"This is a mitigation for issues that will arise if and when the casino comes," Poythress said. "I feel that if we didn't do this, we would be derelict in our duties to move forward with something like this."

Poythress said the \$250,000 for the city that had been negotiated by the county was "woefully inadequate. This is something that we believe is a satisfactory document, and we feel it shows good faith on the part of the tribe to be a good corporate partner. They were very nice in negotiations. They knew where I stood, but regardless, it was just one of those things where they did step up, and it was a good negotiation."

Tooley agreed with Poythress' assessment. "First of all, this is a good business decision for the city," Tooley said. "The agreement is not required; it's conditioned on approval for the entertainment complex, and should the project be approved, it will mitigate anticipated impacts.

I think that the agreement represents a significant demonstration of good faith by the tribe. They were very easy to work with. Their commitment to the larger community is part of their cultural heritage.

"One thing that this agreement does not address is the issues of sewer and water service." Tooley said those would be negotiated separately if the tribe wants to contract for them.

Briefly, here are the provisions of the memorandum of understanding:

One-time contributions —

- \$200,000 payable to the city 90 days before opening date of the casino to fund initial capital costs of an additional shift of police officers.
- \$885,000 for anticipated transportation improvements in 2008. Up to \$4 million would be put in escrow for future improvements, some of which may be in the county.
- \$200,000 payable 30 days after construction date, to pay for a planning update for the area in close proximity of the project.
- \$2.5 million in two annual installments a year after opening date to fund improvements to the

irrigation system, water features and other items of maintenance to the city's golf course.

- \$2 million payable in two equal annual installments beginning two years after opening into the Madera East Side Youth Recreational Fund to be established by the city to enhance recreational opportunities for youth and other citizens residing on the east side.
- \$500,000 payable in two equal installments beginning three years after the opening date to fund a feasibility study of providing training programs to police and fire personnel.

Recurring annual contributions—

- \$640,000 the first year and \$675,000 annually thereafter to pay for equipment, salaries and benefits for six police officers. The payments will be made in 12 monthly installments.
- \$100,000 a year to supplement the city's reinvestment fund to help preserve the character and vitality of the city's downtown area.
- \$50,000 a year to supplement the city's transportation to extend the bus system to the casino.
- \$250,000 to the city's general fund.

Other matters —

- The tribe and the city agreed to work in good faith with Madera, the city of Chowchilla and Madera County to employ qualified residents of the county at their facility. Prior to the opening of the facility, the tribe will offer training programs to assist residents in becoming qualified for employment.
- Renegotiation could take place if a change in the law had a significant negative impact on the tribe's operations, or if the tribe materially expands the public spaces of its facility.