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Interior stalls casino ruling

Cascade Locks keeps hope alive

By Ben McCarty
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The town of Cascade Locks is dotted with signs welcoming a potential off-reservation

Casino by the Confederated Tribes of the Warm Springs. "Welcome Warm Springs," "Welcome Warm Springs, Welcome Jobs," "Future site of 1,700 jobs."

Now it appears the Department of the Interior is likely rolling up the welcome mat.

A two-part determination authorizing the Confederated Tribes of Warm Springs to build an off-reservation casino in Cascade Locks will not be approved before the spring, according to a statement by the Department of the Interior, dealing a blow to the supporters of the Cascade Locks casino project.

If it is approved, the project would now need the final approval of incoming Gov. John Kitzhaber, who has repeatedly expressed his opposition to it.

During his campaign Kitzhaber put his opposition in unequivocal terms: "I am opposed to it, period," he told the Oregon Newspaper Publishers Association in July.

The two-part determination, which would have allowed the Warm Springs tribes to take land in Cascade Locks into trust for the casino, was passed on to Secretary of the Interior Ken Salazar in the fall after it received environmental impact approval by the Bureau of Indian Affairs.

Since then it has been awaiting Salazar's approval. With outgoing Gov. Ted Kulongoski saying he would sign off on the project, and incoming Gov. John Kitzhaber adamantly opposing it, the clock for gaining approval likely runs out at 10:45 a.m. Monday when Kitzhaber is sworn in for a third term as governor.

The Department of the Interior released a statement late Thursday to announce that no decision on the proposal would be made until the spring.

"Last year, Secretary of the Interior Ken Salazar instructed Assistant Secretary for Indian Affairs Larry Echo Hawk to undertake a comprehensive review of Department of the Interior policy on the two-part determination exemption under the Indian Gaming Regulatory Act for taking land into trust for gaming purposes. As part of the review, Echo Hawk held six consultation meetings with Indian leaders around the country which finished on Dec. 18, 2010," Interior spokeswoman Kendra Barkoff said via-email.

"Mr. Echo Hawk's office is currently reviewing the comments received as part of that

consultation and determining the next steps on the process for considering two-part determination applications for tribes. The department will not make a final decision on any of the nine pending applications, including the Warm Spring Tribes' application, until Echo Hawk has completed this process later this spring."

With Salazar delaying the project until Kitzhaber takes office, the Warm Springs casino battle likely will reset to square one: The tribe can either seek to build a casino on reservation land near Highway 26 or attempt to build a casino on tribal land on the eastern hills overlooking the Columbia River.

The controversy over the Hood River location was what originally led to the Cascade Locks proposal, and it is not an issue that the county particularly wants to fight again.

County Administrator David Meriwether said the position of the county commission would be to have the casino in Cascade Locks, but they had not heard anything regarding progress of the recommendation since he visited Washington, D.C., during the fall with Cascade Locks officials to lobby for a decision.

"As far as we know there has been no movement," Meriwether said.

The battle has been going on long enough that it will likely now encompass two Kitzhaber governorships.

During his first go-around as the state's executive Kitzhaber opposed the Hood River casino, leading the Warm Springs to negotiate an agreement with his successor — Kulongoski — to site the casino in Cascade Locks.

The two-part recommendation that the Warm Springs tribes are seeking is approval of the lands to be taken into trust for the casino and approval of the environmental impact statement performed on the project.

Warm Springs casino project spokesman Les Bergstein said he is hopeful that circumstances surrounding the two-part recommendation and the State of Oregon's compact with the tribes would make Kitzhaber reconsider his opposition to the project.

According to Bergstein, the state's compact with the tribes, which was also seeking federal approval, went into effect Thursday when the government did not issue a rejection or comment.

The compact determines matters such as whether casino workers could form unions, community contribution to Cascade Locks and a state community fund for scholarships, which Bergstein said would equal \$850 million over time. The compact is also site-specific, meaning that if the casino were not to be located in Cascade Locks a new compact would need to be negotiated between the state and the tribes.

If and when Salazar signs the two-part determination it would then go before the governor, whose role would be to affirm or deny that federal government's assertion that the environmental impact statement and negotiation of trust lands was correct.

Kitzhaber did not comment before press time, but it is highly unlikely he would change his mind on the matter during his third term in office.

"He has stated publicly to us that he opposes the proposal," said Michael Lang, conservation director for Friends of the Columbia Gorge. The group also opposes a casino in the Gorge and believes that a continued pursuit of a Hood River location would be fruitless for the Warm Springs.

"It would take \$200 million to prepare that site for a casino," Lang said. "In our estimation that is not going to happen."

Jen Kevil, public affairs director for the U.S. Forest Service National Scenic area,

said that while it would be difficult to build on the location near the Mark Hatfield trail head, the tribe could do so if it wishes.

"All tribal lands are exempt from Scenic Area acts," she said. "So the sliver near Mark O. Hatfield is exempt."

Scott Aikens, with the Portland regional office for the Bureau of Indian affairs, said the tribes held Hood River site as an option if the Cascade Locks site is not approved.

"They've always held that as a possibility," he said.

Hood River County Commission chairman Ron Rivers believes the Hood River site is next up.

"The first thing I'm going to do is have a meeting with Warm Springs to find out which way they are going to go," he said. "Part of that council wanted to move to Hood River a few months ago."

In addition to flipping on a position he has reiterated multiple times, Kitzhaber would also be turning his back on a major political contributor if he approves the Gorge casino.

The Confederated Tribes of the Grand Ronde, which operates Spirit Mountain Casino near Willamina and opposes a Warm Springs casino, donated \$30,000 to his campaign.

Port of Cascade Locks General Manager Chuck Daughtry remained hopeful that Kitzhaber would keep an open mind should the proposal come to his desk.

"Regardless of the campaign rhetoric, when you are sitting in the chair you have to be more reflective of what the circumstances are," Daughtry said.

Bergstein and Daughtry also held out hope that the Department of the Interior may have a last-minute change of heart and grant approval to the two-part recommendation before Kulongoski leaves office.

Depending on whom you ask, the Department of Interior either granted the project a further blow or granted it a blessing — to Cascade Locks or a possible Hood River location — in a move made in late December granting the Cowlitz Tribe of Washington state approval to move 152 acres near La Center into trust for a casino.

La Center is located 15 minutes north of Portland and a casino in La Center and Spirit Mountain would mean there would already be two resort casinos within an hour's drive of Portland. The Cowlitz Tribe had previously been landless and did not need a two-part determination, moving it ahead of projects for off-reservation casinos.

Daughtry, however, was hopeful that the Cowlitz proposal would work to the Cascade Locks site's benefit.

"Do we want more jobs to go from Oregon to Washington?" he said. Daughtry also added that changes in circumstances from when Kitzhaber left office in 2001 would prevail to convince him to change his mind, including environmental impact statements that were against an additional on reservation casino for the Warm Springs, the community funds in the compact between the state and the tribes, the economic recession and favorable studies on the Cascade Locks location.

Bergstein was similarly hopeful that Kitzhaber would see the Cowlitz approval as more of a reason to go forward with the project and not to deny it.

Grand Ronde spokesman Justin White said that the Grande Ronde will continue to work with Warm Springs to allow them to get an on-reservation casino and believes that incoming governor Kitzhaber would continue to oppose a Gorge casino site even if the two-part determination is eventually signed by Salazar.

"We would agree with that (the Interior delaying signing off on the proposal) and with

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Gov. Kitzhaber's past policy statements," he said.

Meriwether said the county's action in lieu of the Department of the Interior's decision, or lack thereof, will not change from what it has been doing over the last few months: "We'll just have to wait and see," he said.

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