

Full Report on Ridgecrest Casino

Comprehensive Community Casino Report

Casino scheme simply redistributes Ridgecrest money FROM local citizens, businesses and the city... TO the hands of out-of-town developers

WHAT YOU CAN DO TO HELP NOW!

- 1. URGENT: Speak up at the next Council meeting on December 18. Demand that the Mayor and City Council appoint either an anti-casino person to replace Vice Mayor Wallace Martin, or at least appoint a neutral person until a permanent replacement is selected next November. This is CRITICAL, especially since the city is about to WIN both lawsuits against the casino (Arbitration and Land Sale). Casino is trying to rush the issue to put a pro-casino person in place to overturn three years of effort by the anti-casino community. Ridgecrest voted NO to the casino in 2016 and 2018 by electing Martin, Stephens, and Hayman. Don't let them overturn our vote.**
- 2. CALL TO ACTION. GET INVOLVED NOW!**

Website: NoRidgecrestCasino.com

Email: Info@NoRidgecrestCasino.com

The pending Timbisha Shoshone off-reservation casino poses the single greatest threat to the city of Ridgecrest that has ever come before our town. The casino first sounded good, promising "new jobs" "new growth" "new things to do" and "new visitors." But when you look much closer, you will see a much different picture.

An extensive 100+ page "Comprehensive Community Casino Report" is attached. There is a detailed table of contents, so you can jump to any section you are most interested in, and all sections have bold headings, and full references. In addition, we have broken it down further for you for easy reading.

The Casino is a Direct Threat to our....

- Proud Navy base, the largest employer in the Indian Wells Valley
- Young sailors and their families
- Homeland Security
- Water rights
- Property rights and home property values
- Local businesses, especially hotels, restaurants and gasoline retailers
- Law enforcement and public safety
- Way of life – evidence of Tribe wanting to sell marijuana despite federal laws and local ordinances
- Maintaining control of our local government
- Seniors, youth, lower socio-economic, disadvantaged, and addicted citizens
- Direct threat to everything our churches stand for (100% have position statements against gambling and all that goes with it)

Help us NOW to just say NO!

(Table of Contents Starts on Page 7)

Two-Page Executive Summary (Highlights)

From the 100+ Page “Comprehensive Community Casino Report”

(All items in this two-page summary are referenced in the full report.)

Greatest Land Grab in the History of the United States

- Supreme Court gives rights to take state lands.
- “WAMPUM” Book Sub-Title States, “*How Indian Tribes, the Mafia, and an Inattentive Congress Invented Indian Gaming and Created a \$28 Billion Gambling Empire.*” Former Senator Harry Reid describes the book *WAMPUM* by Donald Craig Mitchell, as a “fascinating look at the origins of Indian gaming in the U.S.A.”
- U.S. Senator Dianne Feinstein is frequently quoted as saying, “enough is enough” concerning off-reservation gaming.

Current Status – Legal Challenges and Actions

- Ridgecrest lands were never eligible for an off-reservation casino. Three official documents confirm this.
- Grand Jury investigation requested by local concerned citizens.
- In only two short weekends, more than 800 citizens signed petitions against the casino via CasiNO last year.
- Federal level – THREE significant legal issues and challenges.
- Municipal level – FIVE potential breaches of contract issues pending. MSA is extremely weak leaving the city open to massive litigation.
- Former Ridgecrest Mayor Pro Tem, Jim Sanders, speaks out about the “crooked and backward path” of the casino.
- Lori Acton, former councilwoman under FPPC investigation AGAIN. This time for casino.
- Citizens attorney confirms strong perception of collusion. Breach of contract alleged. Legal injunction request filed.
- Potential perjury – two counts. City Manager potentially presented false testimony to the Department of the Interior in Washington D.C. April 4.
- Civil action complaint filed in Superior Court regarding improprieties by Acton, Breeden and Mower for violations of California Code 1090. Injunctive relief.
- Motion for temporary injunction filed in Superior Court against Breeden and Mower for conflict of interest.
- Tribe circumvented NEPA (the National Environmental Protection Act) denying the public full review, and critical input which the tribe agreed to do in the original MSA.
- Recent Tribal Environmental Impact Statement (TEIR) is inappropriate.
- League of Cities attorney says the deck is heavily stacked in favor of the Indians. Disputes over anything can be difficult? Time is NOT on your side.

Department of Defense Serious Issues

- Casino to be located adjacent to our top-secret DoD weapons facility. Totally unacceptable! Threatens homeland security, employee clearances, and young sailors and families.
- Marijuana sales at the front gate of our proud Navy base? American Indian tribes often ignore state-regulated system. Marijuana growth and sales is against federal law and against Ridgecrest Municipal Code.
- Direct threat to law enforcement and public safety and security. Increased crime rate proven, even by developer statistics. Ridgecrest doesn’t even have a jail!
- A few citizens voice their concerns regarding the casino next door to the base. (See full report.)

- League of Cities attorney says the deck is heavily stacked in favor of the Indians. Disputes over anything can be difficult? Time is NOT on your side.

Quick Background. Who Voted to Bring the Proposed Casino to Town.

PRO-CASINO

Pro-casino votes: Mayor Peggy Breeden, Councilwoman Lori Acton, Councilman Mike Mower.

Partial list of other pro-casino advocates: Staff: Gary Parsons (Economic Director), Ty Stahali (Finance Director), Justin O'Neil. **2016 Council candidates:** Scott Lehey, Warren Cox, Tom Wiknich.

Former city officials: Chip Holloway (former Mayor), Dan Clark (former Mayor).

ANTI-CASINO

Anti-casino votes: Former Councilman Jim Sanders, Current Councilman Eddie Thomas

Other anti-casino candidates who won: Councilmembers Wallace Martin and Lindsey Stephens

Other anti-casino candidates running: Mike Neel (Mayoral candidate), Dave Matthews (Council)

Major Objections

- Hesperia Nightmare. Same developers who failed miserably with casino scheme in Hesperia, moved on to Ridgecrest.
- Local economic impact study shows the casino likely to have negative effects.
- High potential for loss of local political control. Indian Chief and Developer ruled City Council? Developers put up \$150,000 to support ONE pro-casino candidate in Hesperia.
- Complex scheme simply redistributes money FROM: local citizens, businesses, and the city TO: out-of-town developers
- 16,000 registered voters were deprived of a voice (referendum vote).
- Location close to homes, schools, churches totally unacceptable.
- Ridgecrest loses the most desirable piece of commercial land in town – FOREVER.
- Highly questionable initial land sale.
- Developers hyped initial perceived benefits while hiding significant risks in later development once a compact is signed and “sovereign nation” immunity takes effect. Initial projections exaggerated.
- Direct threat to our water rights.
- Direct threat to our property rights and our property values.
- Direct threat to sewer treatment facilities and public safety.
- Direct threat to other local businesses, especially hotels, restaurants, and gasoline retailers.

Damaging Effects on Our Community as well as the Native American Community

- Indian casinos, in general, do not improve the lives of average tribe members.
- All churches strongly against gambling. 100% say NO!
- Seniors, lower socio-economic citizens, and youth – damaged.
- Casino industry propaganda turns towns against themselves. Division, anxiety, stress, and intimidation. Always comes down to a battle between those who have researched the issue and those who have not.
- Project rammed through in six months when it took 14 years to bring in super Wal-Mart? Why?

Introduction to Comprehensive Community Casino Report

This Comprehensive Community Casino Report, more than a year in the making, is a compilation of extensive research from more than a dozen main researchers, more than 100+ citizens at public meetings, and more than 100 additional outside authors via internet links to excellent articles and publications. This entire COMMUNITY report is thoroughly referenced. This report is totally transparent and cites hundreds of internet links to articles and publications and all authors and their credentials are identified in the links. Local individuals providing input included distinguished local citizens from business and industry, community college, medical professionals, school administrators, realtors, bankers, and DoD employees. Others included church members, parents, and former recovering addicts. In addition, the report summarizes a local economic impact study as well as summaries of researched reports on various topics prepared by concerned professionals in this community since the beginning of this proposed casino project to date. Testimonials from several pastors are also included.

Lead Researchers. Much of the data in this report was compiled from valuable information presented orally and in writing at public meetings. A few of the professionals who gave a great deal of their time and research talent included Mike Neel (Electronics Engineer); Marilyn Neel (Educator / Researcher), Ricky Fielding (Electrical Engineer); Beth Sumners (B.S. Industrial Engineering / Owner, FireQuick Products, Inc.); Tom Rafalski (B.S. Industrial Technology / Owner Metal Concepts); Raymond Kelso (Environmental Protection Specialist / Program Manager / Owner Pleistocene Foundation); and many others. Special thanks to Lyn Whitcomb, electronics engineer / Pastor of the Cornerstone Bible Church for his valuable input in several sections. Many research articles, publications, and internet links provided by Stand Up for California (www.standupca.org).

Lead Compilers of this Report. Mike Neel, Marilyn Neel, and Tom Rafalski.

Verifiable Data. All facts, figures, and data presented in this report can be verified via public records including official council meetings, meeting agendas, official minutes, official notices, video archives, documented citizen reports, economic analysis studies, verifiable and searchable City emails and written correspondence, and recorded public testimony. In addition, all sources are identified, articles are referenced, and Internet links are included. As a quick reference tool this report includes a table of contents, pages are numbered, sections have bold headings, and data is completely referenced.

Reliable sources are identified.

Challenges to facts and data presented. This document is intended as an archival publication documenting the concerns of our community and facts related to those concerns. All members of the public, on both sides of the issue are invited to investigate any issue further and come to their own **personal conclusions**. Most single topic items in this report are clearly substantiated. However, there are a few items that could and should require additional research and analysis from neutral, third party, **outside investigators** to ensure full government, developer, and tribal transparency. These issues are noted.

This report is a critical public service “Quick Study” for 99% of the population who were not given the chance to vote on this at the ballot and who are probably still in the dark on this highly contentious issue. Had they been allowed to vote; this highly intellectual community would no doubt have voted this down immediately. More than 800 signatures were gathered initially opposing this effort. However, it is not too late. In this comprehensive report, ALL citizens may now read, study, analyze for themselves and instantly “weigh-in.” If you are planning to continue to live and raise your family here, this report should be mandated reading. This “sovereign nation casino” proposal is unlike any other business to ever come to town. Effects are “perpetual” and threatens our proud Navy base, our major

employer; our water rights; property rights and values; our businesses, our way of life, our moral and family values, and even the future control of our city government. **Once we sell this land, we will NEVER get it back. It's gone! Our grandchildren will pay for this mistake.**

What this report is NOT about.

- **Not about stopping growth in Ridgecrest.** This report is not about stopping Ridgecrest from growing (e.g. “Let Ridgecrest Grow”). Quite the contrary, the authors of this report are **pro-growth**, but pro-growth via regulated, tax-paying, businesses that do not have any unfair competitive advantage that would do damage to other existing businesses. As a side note, giving away 30 acres in the heart of the city is actually shrinking the city, not growing it.
- **Not about “fun stuff.”** This report is NOT about a “fun new spot in town” or a “new buffet” or “something finally to do in town.” It is about numerous other very serious issues that can have a long-term devastating effect on this community.
- **Not primarily focused on issues of morality.** While this topic is included, and is very significant, it was not the primary focus of heated public debate and therefore is not a primary focus of this report. However, there is one comprehensive section identifying the fact that literally every religious denomination represented in Ridgecrest has formal statements posted online denouncing gambling and all the many negative social issues that accompany it. Pastor’s weigh-in.
- **Not about any form of “racial” or “ethnic” issue or competition of any sort.** Citizens of Ridgecrest respect the Timbisha Shoshone Tribe, its people and its rich heritage and culture. If anything, a compassionate note is made here regarding the national plight of Native Americans. According to recent statistics, however, it is also noted that unfortunately the exponential rise of casinos nationwide, while touted by developers as a huge boost to Native Americans, statistics do not bear out this fact. To the contrary, statistics show that the vast majority of profits made by casino operations still are held by upper management casino developers and Tribal leaders. For the most part, the fabulous revenue projections and flow do not filter down to the average Tribal member. (This report clearly documents this sad fact.)
 - **Concerned citizens show great respect for the average Native American Indian.** Authors and contributors to this report clearly understand the many hardships and disadvantages of Native Americans, and wish only to support a fair, balanced, and Godlike approach to improving their overall living conditions – an approach where wealth and prosperity is shared among **all** the people. That was the initial INTENT of Congress allowing special considerations to Tribes in the first place. It is also the intent of the citizens to likewise support a fair, balanced, and Godlike approach.
 - **While hardly discussed, facts show that casino wealth does not necessarily benefit the average Native American.** Sadly, today Indian Casino internal policies are disenrolling other family tribal members due to greed; and negative gambling issues affect Native American families even more than other groups.
 - **While it is true that some casinos pay tribal members shocking sums of money, opponents argue that this practice is preposterous, unbalanced, shows great favoritism and pits tribal members against each other. Totally disproportionate.** In some cases, tribal members may receive thousands of dollars per month, and in some cases \$25-\$50,000 PER MONTH. However, opponents make the point as to why should a small percentage of Tribal members become fabulously wealthy, when MOST tribal members nationally still live in poverty? The fact is, the average Native American Indian in

Tribes across the country, do not directly benefit. Again, the country has seen massive protests in recent years “against the ONE PERCENTERS” where great wealth is held only among a small percentage of the population. Unfortunately, statistics show that Indian casino operations are much the same.

- **Concerned citizens also support fairness to the average citizen, especially those of ethnic origin, the young and the old, and the underprivileged.** However, statistics clearly show in this report that the people who are hurt the worse in casino operations are those who can afford it the least.
- **Not aimed at any particular tribe or any particular developer.** Any negative newspaper reports, statistics, articles, or facts are presented here as proof of commonplace problems and challenges in general with regards to the casino industry nationwide and in California **as a whole.** Content, for the most part, is in no way meant to be reflective or suggestive of any specific Tribe, or any specific development team, except in those instances where specifically noted, regarding certain **specific** news events that pertain directly to Ridgecrest.
- **Most of this data was readily available in 2016? Thorough Research was and is Mandated.** It is usual, customary, and appropriate for any city to carefully analyze and study all aspects of any new major business proposal wishing to come to town, occupy the most desirable piece of commercial land available, at the front entrance of our proud Navy base, and have a “sovereign nation” PERPETUAL status. Not doing a detailed, thorough evaluation, is simply gross negligence and dereliction of duty. The fact is, this research and report SHOULD have been prepared BEFORE any MSA decision was made. However, better late than never! **Once we sell this land, we will NEVER get it back. It's gone! Our grandchildren will pay for this mistake.**

This report is organized as a quick read for busy professionals. This report is written for easy comprehension and it is strongly recommended that ALL VOTERS read it in its entirety. However, if your time is limited, authors recommend the following:

1. First, read the seven-page “Summary” (flyer). It will give you the whole picture in just a few words.
2. Second, read the table of contents and go to whatever section concerns you the most.
3. Table of contents is tailored for “quick study” by select groups in town who will be directly affected: DoD Navy base, local businesses and Chamber of Commerce (specifically hotels, restaurants, gasoline retailers), churches, schools, and seniors, and law enforcement officials, etc.

Table of Contents

(Quick Seven-Page Read. Tells the Whole Story)

Greatest land-grab in the history of the United States		PG
<p>Supreme Court gives rights to take state lands. In November 2017 the Supreme Court ruled on a historic case giving the Federal Government the power to take any state land and strip the State of almost all sovereign power over it “for the purpose of providing land for Indian tribes.” This means Congress could reduce a State to near non-existence by taking all land within its borders and declaring it a sovereign Indian Nation. Current Tribal land grab has reached epic proportions. Thousands of acres are being transferred to tribal control at an alarming rate. Since 2015 in California alone there have been more than 400 Deed of Trust applications totally more than 30,000 acres of land. Since 2017, off reservation lands exceed twice the size of Delaware. In 2016, there were 110 Tribes in California of which 75 have state compacts. There are more than 68,819 slot machines and growing. California tribes reaped \$8.3 billion dollars in 2016. Nationwide, the Tribal gaming industry is a \$31.2-billion-dollar per year industry. But the benefits of this industry are, more often than not, one-sided, to the devastation of many smaller communities, and many citizens, as this report clearly documents.</p> <p>“Wampum” Book sub-title: “How Indian Tribes, the Mafia, and an Inattentive Congress Invented Indian Gaming and Created a \$28 Billion Gambling Empire.” Senator Harry Reid describes the book WAMPUM by Donald Craig Mitchell, as a “fascinating look at the origins of Indian gaming in the U.S.A.” Norman Ornstein, American Enterprise Institute writes, “...<u>mostly a case study in the flaws of lawmaking that enabled the huge industry...replete with fake tribes on fake reservations. It is a tale of good intentions gone awry and chicanery run rampant.</u>” Kirkus reviews, “... a sophisticated operation that makes use of every loophole available.” In 1979 the Mafia opened the nation’s first high-stakes Indian bingo hall on the Seminole reservation in Florida. Nine years later, Indian tribes were operating bingo halls on reservations in 23 states. Congress enacted the Indian Gaming Regulatory Act (IGRA) to regulate, but the unintended consequence was an explosion of Las Vegas style casinos nationwide now including more than 300,000 slot machines. The 375-page book WAMPUM looks inside the Bureau of Indian Affairs to tell the story.</p> <p>U.S. Senator Dianne Feinstein is frequently quoted as saying, “enough is enough” concerning off-reservation gaming.</p>	14	
Current status – legal challenges and actions		
<p>Ridgecrest lands were NEVER eligible for an off-reservation casino.” Three official documents confirm this. 1. We are NOT on the designated map included in the Congressional Timbisha Shoshone Homeland Act of 2000. 2. According to 25 CFR guidelines, Ridgecrest is ineligible on FOUR counts. 3. in 1998-1999 the Tribe and DOI also determined what lands would be “mandatory” and “discretionary” in a detailed Congressional report. Ridgecrest was NOT in ANY of the areas identified.</p>	17	
<p>Grand Jury Investigation Requested by local concerned citizens. Numerous improprieties regarding initial land sale, class III gaming, and General Plan. (Gov. Code & 65351, CA Civil sec 16888). City lacked authority to sell lands when property had not yet been taken into trust; NEPA review circumvented.</p>	18	
<p>More than 800 citizens signed petitions against the casino via CasiNO org last year.</p>	20	
<p>Federal level – THREE significant legal issues and challenges.</p> <ul style="list-style-type: none"> • Citizens lawsuit filed with DOI. Formal letters written to Congressmen, and the Governor’s Office. 	22	
<p>Municipal level – FIVE potential breaches of contract issues pending. MSA is extremely weak leaving the city open to massive litigation. Either due to gross negligence or intended deceit.</p> <ul style="list-style-type: none"> • Potential breaches: false statements of fact/misrepresentation; nondisclosure; terms possibly breached; gross negligence; agreement is one-sided; and contract language may support unlawful behavior. (Described in detail in the full report.) 	24	

<p>Former Ridgecrest Mayor Pro Tem, Jim Sanders, speaks out about the “crooked and backward path” of the casino. Sanders was on Council when the final MSA vote was taken. In a letter to the DOI, Sanders states, “The issue stayed in closed session for several months with the clear intent to delay it going to the public as long as possible, fearing opposition... Questionable land sale... Sanders was repeatedly blocked from putting items on the agenda regarding an economic assessment... The day the final MSA was voted on there were still revisions being drafted as late as three hours prior to the meeting. Nobody had time to review, and Mayor Breeden and other council members insisted on holding the vote anyways.” (Full letter included.)</p>	31
<p>Lori Acton, former councilwoman under FPPC investigation AGAIN. This time for casino issues.</p> <ul style="list-style-type: none"> ○ Her deciding MSA vote is now in question due to numerous improprieties. ○ Hired by tribe 3 months after election defeat. 12 months min. required by law. Investigation pending. ○ Earlier, fined \$1,400 by FPPC for 2 counts of failing to report financial interests ○ Pertexa Scandal pending. Letters sent to Dept Justice, FPPC, and DA 	32
<p>Citizens attorney confirms strong perception of collusion. Breach of contract alleged. Legal injunction request filed to delay the tribe requested meeting between the city and the DOI. Concerned citizens confirm that the DOI did not request any such meeting. Meeting was improperly orchestrated by the Tribe as a strong, last-minute one-sided lobby attempt. Citizens declare potential breach of contract for the Tribe agreeing to and signing the MSA which guaranteed a full NEPA review and then reneging on the commitment six months later. Entire deal rushed and inappropriate. MSAs are never negotiated until AFTER lands are taken into trust. Tribe used the MSA prematurely as a political tool to encourage the DOI to take the land into trust. Potential collusion at March 21st Council Meeting. Agenda item allowing fair representation and critical city protections was barred via a highly contested and suspicious vote where an electronic vote was taken, results shown briefly on the screen, and upon seeing the results, ALL THREE councilmembers stated that they “hit the buttons wrong by mistake?” and a verbal vote was re-taken where ALL THREE then switched their votes, thereby barring Councilwoman Stephens from attending the meeting along with Mr. Strand – thereby barring the city from proper representation demanding appropriate city protections. A letter was then requested to be sent explaining concerns – denied! <u>In a letter to the city, the attorney reviewing the case stated, “based on all of the factors flowing into this matter there appears to be a strong perception of collusion given the changed votes and rush to sign documents without properly addressing all of your constituents’ concerns.” (Letter available upon request.)</u></p>	35
<p>Potential perjury – two counts. City Manager potentially presented false testimony to the Department of the Interior in Washington D.C. April 4. The Tribe orchestrated two pro-casino agenda discussion items. Wording as follows: 1. “In support of casino” (False: multiple legal actions have now been filed. City and Tribe have MANY issues that must first be addressed) and Tribe unwilling to formally amend the MSA. 2. “In support of Mandatory Acquisition” taking Ridgecrest lands into trust. (False! Council has TWO official signed documents stating that we DO NOT approve a mandatory acquisition.) Councilwoman Stephens requested that the agenda item be renamed “to discuss the needs of the City of Ridgecrest regarding the MSA.” This was denied! Stephens requested that the full Council and public discussion be conducted to determine the topics that would be discussed at the D.C. meeting. Denied! (Council did not object, but then later, after the Council meeting, the D.C. meeting was purposefully scheduled on the exact same day as the next council meeting, thereby circumventing public input. Multiple requests for the meeting to at least be recorded – denied! Citizens have now demanded a detailed account of the trip be made public. Awaiting the results of this request. Strong suspicion of perjury!</p>	38
<p>Civil action complaint filed in Superior Court regarding improprieties by Acton, Breeden and Mower for violations of California Code 1090. Injunctive relief. Filed by Ridgecrest resident in Superior Court of Kern County, Bakersfield. Complaint involves former Councilwoman Lori Acton for FPPC violations, Mayor Breeden for Swap Sheet casino industry ads, and Councilman Mike Mower for likelihood of involvement in providing construction services and hardware purchases for major casino development. Complaint also sites illegal closed-door meetings, and improper Tribal actions.</p>	39

<p>Motion for temporary injunction filed in Superior Court against Breeden and Mower for conflict of interest. (Cal. Civ. Code 3368, 1090, 1092, 18704-05.) Filed by Ridgecrest resident on April 3, 2018, in the Superior Court of Kern County, Bakersfield. Lawsuit involves Councilman Mike Mower and Mayor Breeden and their refusal to declare a conflict of interest and recuse themselves from the casino and associated MSA. <u>Mayor Breeden owns the Swap Sheet and stands to make tens of thousands in annual advertisement revenue, a benefit that the general public will not receive. Mower owns a construction company, a local hardware store, "High Desert Hardware", and real property in Ridgecrest that is valued in the millions. He also stands to benefit significantly, in a manner that the public will not. (Potential self-dealing). The suit demands nullification of the MSA and the sale of land due to Breeden and Mowers unethical votes in approving the initial deal, and their ongoing votes in support of the deal.</u> (FPPC threshold is exceeded via "reasonably foreseeable opportunity to profit" (any financial interest above \$2,000 where 25% or more of the general public could not benefit. Multiple violations alleged.)</p>	39
<p>Tribe circumvented NEPA (the National Environmental Protection Act) denying the public full review, and critical input which the tribe agreed to do in the original MSA.</p> <ul style="list-style-type: none"> • The "alternative" Tribal Environmental Impact Report ("TEIR") is inadequate and premature. • TEIR does NOT properly address water issues, children's health, increased crime and law enforcement issues and critical local socio-economic impact, among other things. • Laws should apply to both sides equally! 	40
<p>Recent Tribal Environmental Impact Statement (TEIR) is inappropriate</p> <ul style="list-style-type: none"> • City response to Tribe: "not an actual TEIR; is untethered to any enforcement mechanism; is premature." • Three professionals / concerned citizens wrote formal responses in challenge • TEIR does NOT properly address water issues, children's health, increased crime and law enforcement issues and critical local economic impact, among other things. • Even if the casino were very successful, city payments remain nearly same. Tribe wins – city loses. 	43
<p>League of Cities attorney says the deck is heavily stacked in favor of the Indians. Disputes over anything can be difficult? Time is NOT on your side. If the TEIR is lousy, enforcement is difficult. Bring plenty of money to litigate.</p>	46
Department of Defense – Serious Issues	
<p>DoD Serious Issues: Casino to be located adjacent to our top-secret DoD weapons facility. Totally unacceptable! Threatens homeland security, employee clearances, and young sailors and families. Water shortages? Secure radio transmissions? Listening posts? Serious law enforcement issues at the main gate of our largest employer in town? Military leaders and the Sheriff weigh-in.</p>	48
<p>DoD Serious Issues: Marijuana sales at the front gate of our proud Navy base? American Indian tribes often ignore state-regulated system. Marijuana growth and sales is against federal law and against Ridgecrest municipal code. According to the Timbisha Shoshone Tribal newsletter, the tribe is now in the pot business and have built a 50,000 SF facility in Death Valley Junction and dug a well to harvest water despite the current draught. The Tribe has also set up a "health" co-op in Bishop for medicinal sales. Articles, evidence, and public remarks at Council meetings suggest that the Tribe has plans to make marijuana part of their business plan. At the March 7 Council Meeting, on the issue of marijuana, Chief Gholson stated, "Why should other people be left out because of their ethnicity? Unacceptable. Our people are also citizens of California just like everybody else. We should be able to take advantage of everything just like everybody else" ... "and I will tell you, if there is any other industry that we could get into that would produce those returns, we would."</p>	52
<p>DoD: A few citizens voice their concerns regarding the casino next door to the base. Based on research for this report, in discussing the issue informally after hours with dozens of employees, the majority are not in favor of the casino, and hardly anyone thinks it makes sense at the front gate. Location was one of the main objections discussed and the main objection received via Casino surveys.</p>	60

Quick Background. Who Voted to Bring the Proposed Casino to Town	
<p style="text-align: center;">PRO-CASINO</p> <p>Pro-casino votes: Mayor Peggy Breeden, Councilwoman Lori Acton, Councilman Mike Mower. Partial list of other pro-casino advocates: Staff: Gary Parsons (Economic Director), Ty Stahali (Finance Director), Justin O'Neil. 2016 Council candidates: Scott Lehey, Warren Cox, Tom Wiknich. Former city officials: Chip Holloway (former Mayor), Dan Clark (former Mayor).</p> <p style="text-align: center;">ANTI-CASINO</p> <p>Anti-casino votes: Former Councilman Jim Sanders, Current Councilman Eddie Thomas Other anti-casino candidates who won: Councilmembers Wallace Martin and Lindsey Stephens Other anti-casino candidates running: Mike Neel (Mayoral candidate), Dave Matthews (Council)</p>	66
Major Objections	
<p>Hesperia Nightmare. Same developers who failed miserably with casino scheme in Hesperia, moved on to Ridgecrest Since it met the “casino playbook profile” -- financially strapped with \$1M in debt BUT the town had a \$500M+ local ongoing payroll from the base. Ripe for the picking. Questionable developers? Public records court case – what really goes on behind the scenes. Also, latest online investment scheme by Nigel White: 400% returns?? Buyers Beware! (Hesperia data and developer background data supplied earlier by Hesperia citizens.)</p>	67
<p>Local economic impact study shows the casino likely to have negative effects.</p> <ul style="list-style-type: none"> • Due to public demand, city sent out RFPs for outside economic impact studies. Bids were received, but NO FOLLOW-UP action was taken? No explanation given. Local engineer with specific skill set in this area, then volunteered to take on the task and conducted a detail analysis. • Developer touts \$100M economic effect. Local study shows \$6 to \$8M <1% economy. • Revenues are comparably low to the city. And not guaranteed. • Model works in larger end-destination cities, but detrimental to smaller communities. • (Full economic study available upon request.) 	72
<p>High potential for loss of local political control. Indian Chief and Developer ruled City Council? Developers put up \$150,000 to support ONE pro-casino candidate in Hesperia. The same developers who are now working Ridgecrest, put up \$150,000 for ONE candidate to swing the tide in their election. Developers applying high-powered financial pressure is threatening small towns, governmental leaders, and political campaigns around the country. In recent weeks, there has been talk of developers trying to finance pro-casino candidates in Ridgecrest during the next city council race. Do we want our city government run and operated by a Chief and out-of-town developers? Beware! Read the report...story, after story...after story nationwide.</p>	77
<p>Complex scheme simply redistributes money FROM: local citizens, businesses, and the city TO: out-of-town developers</p> <ul style="list-style-type: none"> ○ Casino states 90% customers come from within a 100-mile radius, mostly from 25. This says it all! ○ Casino further verifies that 66% revenue comes from locals, NOT out-of-town visitors. ○ The MORE the casino “wins”....the MORE citizens lose. Money comes right from their pockets. ○ Ridgecrest is NOT an end-destination. Casino model does not work for Ridgecrest. ○ Casinos surround Ridgecrest north/south/east/west. (Independence, Bishop, Lancaster, Beatty, Armagosa Valley, Stateline, Delano and Porterville). Plus, larger, nicer casinos are much closer to them including San Manuel, and Morongo. Why would anyone want to drive here? Makes no sense. Detailed drive-time / mileage tables included. 	79

<p>Location close to homes, schools, churches totally unacceptable. Casino inappropriately proposed right next to the front gate of our proud Navy base, on the most desirable commercial piece of land in town, 300 yards from the campus center of Immanuel Baptist Christian School, and less than one mile from both Burroughs High School and Murray Middle School. Casino organization, like many others around the country, say no less than two miles from homes, schools, and churches.</p>	81
<p>Ridgecrest loses the most desirable piece of commercial land in town – FOREVER. Also, important to note that if any other business defaulted or was not successful in any way, the business could just be sold, and re-invented as something else. But the “sovereign nation” casino is FOREVER. If unsuccessful, the “business” (whatever the tribe wants) can pass on to other Las Vegas developers or shady operators and the plight and complications and social distress, and illegal spin-off businesses can continue to put our proud Navy base at risk FOREVER.</p>	81
<p>Highly Questionable Land Sale. Developers orchestrated a \$5.5M sale with personal lands owned by the former mayor. City revenues touted to be \$2.75M but will end up less than \$200K • Class III Gaming not in General Plan and Plan was never officially amended. Meetings improperly noticed.</p>	81
<p>Developers hyped initial perceived benefits while hiding significant risks in later development once a compact is signed and “sovereign nation” immunity takes effect. Initial projections greatly exaggerated. Public meetings improperly noticed. Initial slide/rendering depicted a casino SEVEN times the real size. Why?</p>	83
<p>Direct threat to our water rights. Water rights are now threatened at a time when our water table in the desert is in critical over-draft. MSA states only that the tribe “MAY” connect to city water. The truth is, it “MAY NOT” as well, allowing them to drill wells and export water, and control ground water usage beyond city or county control. Happening at other cities nationwide.</p>	84
<p>Direct threat to our property rights and our property values. Here is how it works. In addition to casino land, developers buy more land. Second, lands go into trust. Third, State compacts are signed. Fourth, trust lands then fall under the “sovereign nation” umbrella enjoying all the rights and privileges that the casino lands enjoy including not paying taxes, and not worrying about zoning restrictions, environmental impacts, etc. Then, once the land is in trust, a tribe may change the intended use for the land from non-gaming to gaming or whatever they want. <u>Citizens could end up with a marijuana farm as neighbors which has been done in other areas, or strip clubs. Anything goes.</u> National Association of Realtors report home values declining 4-10% in many areas that bring in casinos.</p>	85
<p>Direct threat to sewer treatment facilities and public safety. Final wording in the MSA is vague, ambiguous, and allows the tribe the right NOT to connect to the City’s sewer system allowing unsafe “alternative” options.</p>	86
<p>Direct threat to other local businesses, especially hotels, restaurants, and gasoline retailers. Never discussed, but we later learn that they never have to pay any taxes, they only have to pay their employees federal minimum wage which is \$7.25 hour, and they get to undercut all other local businesses. <u>In a Facebook post to the city, the Chief admits, “They could purchase cheaper gas.”</u></p>	86

Damaging Effects on Our Community as well as the Native American Indian Community	
<p>Indian casinos, in general, do not improve the lives of average tribe members. Mainly benefits top leadership. Tribe members speak out. The majority of tribal casino employees are NOT Native Americans. Internal Tribal disenrollments are pitting tribal members against tribal members. Native Americans are hurt by casinos like everyone else. They suffer the same addictions and financial despair that chronic gambling brings. Casinos hurt the ones who can afford it the least. Despite newfound fabulous wealth amongst the leadership, the sad truth is that the majority of Native Americans still live in poverty.</p>	89

All churches strongly against gambling. 100% say NO! Threatens the moral fiber of the community. Every religious denomination in town has formal statements and positions against gambling and all that comes with it. All statements are included in this report. Pastors speak out.	
<ul style="list-style-type: none"> • Methodist..... • Baptist..... • Mormons..... • Seventh Day Adventist..... • Church of Nazarene..... • Catholics..... • Lutheran..... • Presbyterian..... • Pentecostal..... • Cornerstone Bible Church..... 	93 94 95 97 97 98 98 99 100 100
Senior Citizens. Gambling is proven highly detrimental to all three groups. The people who get hurt the worse are those who can afford it the least.	103
Lower socio-economic citizens	104
Young People – Students	107
Casino industry propaganda turns towns against themselves. Division, anxiety, stress, and intimidation. Always comes down to battle between those who have researched the issue and those who have not. Calm, friendly towns frequently turn sour whenever casino decisions come to town since they always pit citizen against citizen, neighbor against neighbor, turning long-time friends into enemies. Nationwide, articles describe how skilled propaganda organizers pay small behind the scene uninformed teams to conduct “smear campaigns” against any local elected officials who dare to challenge the pro-casino position. Local Internet social chat sites frequently light-up with slanderous, misdirected, and hurtful accusations often attacking officials for completely unrelated issues. Simply part of the casino playbook. Bottom line, money and greed corrupt. The French say, “gambling is the son of avarice and the father of despair.” We need to ask ourselves. Is this what we want in our FAMILY ORIENTED town?	110

	Public Information Documents (Chronological Order) All documents below are available upon request. Let us know and we will email them to you. Make sure you include your email address.	
1.	Signed Municipal Services Agreement (MSA) between City of Ridgecrest and the Tribe	06-01-2016
2.	Original Council Approved Purchase Agreement. Between city and developers	09-07-2016
2A	Purchase and sale agreement and joint escrow instructions (Placer Title)	10-20-2016
2B	Purchase and sale agreement and joint escrow instructions. Alterations not formally approved by Council (Transferred to First American Title)	08-18-2017
4.	Signed Memorandum of Understanding (MOU) between the Tribe and the DOI	01-19-2017
5.	Letter from the City to the DOI stating NO to Mandatory Acquisition	05-03-2017
7.	Letter from concerned citizen to DOJ regarding Acton	
8.	Local economic impact report prepared by Ricky Fielding	
9.	Letter from city to tribe regarding TEIR	01-23-2018
10.	Response to TEIR from Raymond Kelso	01-27-2018
11.	Response to TEIR from Ricky Fielding	01-30-2018
12.	Response to TEIR from Mike Neel	03-02-2018
13.	Attorney letter to city requesting the DC meeting be delayed	04-02-2018

Greatest Land Grab in U.S. History California and across the country

Supreme Court gives rights to take state lands. In November 2017 the Supreme Court ruled on a historic case giving the Federal Government the power to take any state land and strip the State of almost all sovereign power over it “for the purpose of providing land for Indians.” **This means Congress could reduce a State to near non-existence by taking all land within its borders and declaring it sovereign Indian territory.**

Story, after story, can be readily found on the Internet of tribes and developers purchasing ADDITIONAL property and then designating them as tribal lands. It is a massive land grab of unprecedented proportion. Contiguous lands may also qualify for gaming. Nationwide, tribal lands have grown exponentially. Here is how it works. First, they buy land. Second, lands go into trust. Third, State compacts are signed. Fourth, trust lands earn the “sovereign nation” umbrella enjoying all the rights and privileges that the casino lands enjoy including not paying taxes, and not worrying about zoning restrictions, environmental impacts, etc.

(<https://law.justia.com/cases/federal/appellate-courts/ca2/15-1688/15-1688-2016-11-09.html>)

Per the 2017 census bureau, off reservation land area alone in the US now totals 3,643 square miles, twice the size of Delaware and three fourths the size of Connecticut.

Current Tribal land grab nationally has reached epic proportions. Thousands of acres are being transferred to tribal control at an alarming rate in California and nationwide.

The Pepperdine Law Review released an article entitled “Extreme Rubber-Stamping: The Fee-to-Trust Process of the Indian Reorganization act of 1934.” The law review states, in part:

“This process, known as the fee-to-trust process, is the subject of fervent opposition by many affected communities because once taken into trust for a tribe, such land is no longer subject to state and local taxation or zoning, planning, and other regulatory controls. Accordingly, this comment explores the efficacy of the fee-to-trust process by analyzing the Pacific Region Bureau of Indian Affairs decisions on proposed trust acquisitions from 2001 through 2011. Supported by this data, which shows a 100% acceptance rate, **this comment ultimately concludes that the process is shockingly biased and toothless—merely an exercise in extreme rubber-stamping. Thus, there is great need for comprehensive reform of the fee-to-trust process**, including the creation of a meaningful role in the process for affected communities, establishment of clear and specific standards for acceptance of land into trust, and an emphasis on collaborative solutions.”

Taking any further lands into trust in Ridgecrest could foreseeably have shocking implications if what happened in Riverton, Wyoming were ever to happen here? Legal technicality “Initial Reservation status” and “air quality” issues allowed EPA ruling to MOVE an existing town INTO an Indian Reservation. While highly unlikely – it is POSSIBLE. Articles below discuss this issue in depth.

- **EPA Moves Three Wyoming Towns into an Indian Reservation.** “The controversy began in December 2008 when the Northern Arapaho and Eastern Shoshone tribes submitted a request for federal funds to monitor air quality on its land, using a Clean Air Act provision that permits Native American tribes to file applications as states and to delineate tribal boundaries in order to receive higher levels of funding.”

(<https://www.newsmax.com/US/epa-wyoming-indian-reservation/2014/01/16/id/547503/>)

- **Governor of Wyoming Speaks Out. Obama EPA Hands Control Over Wyoming City to Indian Tribes.** “The scheme appears to illustrate a growing United Nations-linked trend being witnessed across the United States and the world. Vast amounts of private land and even entire towns are being taken over by authorities under various pretexts — UN agreements, Agenda 21, “sustainability,” and supposed concerns about indigenous peoples — to advance a radical agenda targeting private property rights.”
“My deep concern is about an administrative agency of the federal government altering a state’s boundary and going against over 100 years of history and law,” **Gov. Mead said in**

a statement. “This should be a concern to all citizens because, if the EPA can unilaterally take land away from a state, where will it stop?”

(www.thenewamerican.com/tech/environment/item/17427-obama-epa-hands-control-over-wyoming-city-to-indian-tribes)

- **US Court of Appeals for the Tenth Circuit. Official Wyoming Case.**

(www.indianz.com/News/2017/08/14/01019841862.pdf)

Exponential Growth of California Tribal Gaming

Many unintended consequences. When Congress passed the Indian Gaming Regulatory Act (“IGRA”) in 1988 it gave very little policy direction. This impacted the ability of states to regulate Indian gaming with broad consequences to states, local governments and communities of essentially non-Indian citizens. This paper identifies the many unintended consequences brought about by the unpredicted and phenomenal growth of tribal gaming over the last 16 years.

California – 110 Tribes, 70 casinos, 66,000+ slot machines. 110 Tribes, California is now in its 17th year of tribal gaming expansion since it was legalized by Proposition 1A. Today, there are 110 Tribes in California of which 75 have tribal state compacts. Sixty-two tribes are operating 70 casinos that offer both class III and class II games. There are more than the 66,819 slot machines in operation (authorized under the tribal state compacts) as of 3/31/15. Tribes with 1999 tribal state compacts are currently in compact negotiation discussions.

California – 8.3B in 2016. 25% of the Nation’s 31.2B Industry and Growing. California tribes reaped 8.3 billion dollars in 2016, approximately 25% of the nation’s 31.2 billion-dollar tribal gaming industry revenue according to the National Indian Gaming Industry Report. California’s gaming Tribes share gaming revenue through a tribal state compact component with the remaining non-gaming tribes. Tribal gaming continues to evolve in California. Tribes are expanding their non-gaming revenues by developing luxury hotels, restaurants, spas, and fitness centers and diversifying into non-gaming investments. Nevertheless, along with tribal gaming success, have come many unintended consequences.

Californians have respect for the sovereignty of federally recognized Indian Tribes and understand and support the right of tribes to self-governance. California and its citizens recognize the need for tribes to preserve their heritage and to pursue economic self-reliance. But...citizens, local government and states cannot support new policies and rules that fail to balance the authorities and rights of tribal and non-tribal communities, local, state and the federal government.

Off Reservation Casino Creep Continues. Governor Brown exceeds power and green lights state lands for being removed from state and local jurisdiction to be used for tribal casinos and their out-of-state gaming investors.

As a result, tribal gaming proliferated well beyond anything the voters expected when they passed Proposition 1A. **This proliferation has caused significant voter backlash. Off-reservation gaming has brought about contentious relationships, delays, rulemaking, litigation, advisory votes, voter referendums, grand jury investigations, legislative actions and inactions.** Off-reservation gaming proposals got a shot-in-the-arm in 2012, when Governor Brown took an additional step, exceeding any power California voters believed they authorized or possibly that the Governor has under the State Constitution or Statute. **Without the benefit of intelligible standards to govern his decision-making, without legislative approval, and without adequate environmental analysis, the Governor gave the federal government the green light to remove land from State and local jurisdiction for tribal casinos and their out-of-state gaming investors.** This action has raised additional political and legal questions as well as brought about adversarial litigation against the Governor, the Secretary of the Interior and questioned the role, if any, of the California State Legislature.

California currently has three approved off-reservation applications, the North Fork Rancheria of the Mono Indians, the Enterprise Rancheria of Maidu Indians and Fort Mojave Tribe. These three tribes have after-acquired lands in trust. North Fork and Enterprise are entangled in both state and federal

litigation. The Fort Mojave Tribe has a tribal state compact that requires significant sums of money to be paid to the California State General Fund for the operation of the off-reservation casino. The Enterprise Rancheria began construction of a casino scheduled to open in spring of 2017, however construction was stopped a few months later, the Tribe stating that frivolous litigation had proven costly and it was unable to continue the construction.

(http://www.nigc.gov/images/uploads/reports/2015_Gross_Gaming_Revenue_Trending.pdf)

(<http://www.nigc.gov/images/uploads/reports/2014GGRTrendingChart.pdf>)

(http://www.nigc.gov/images/uploads/reports/2015_Gaming_Revenues_by_Region.pdf)

Current Status – Legal challenges and Actions
Ridgecrest lands were never officially eligible. We are simply not on the map.

Ridgecrest lands were NEVER eligible for an off-reservation casino.” Three official documents confirm this. 1. We are NOT on the designated map included in the Congressional Timbisha Shoshone Homeland Act of 2000. 2. According to 25 CFR guidelines, Ridgecrest is ineligible on FOUR counts. 3. in 1998-1999 the Tribe and DOI also determined what lands would be “mandatory” and “discretionary” in a detailed Congressional report. Ridgecrest was NOT in ANY of the areas identified.

Homeland Act of 2000. There is no justification for a mandatory acquisition as Timbisha Shoshone has no historic or modern connection to land in the City of Ridgecrest. Ridgecrest is 100+ miles outside of the tribal homelands making it totally ineligible for a mandatory acquisition. Land in the City of Ridgecrest is not identified within the specific areas designated in the map produced by congressional legislative analysis for the Timbisha Shoshone Home Land Act (16 U.S.C. 410aaa). The Tribe's homeland is more than **100 miles away** from the City of Ridgecrest in Death Valley National Park. This does not meet a commutable distance standard.

The act detailed 4 separate parcels of land that were currently held under BLM and 2 parcels held in private ownership in Lida, Nevada. However, the act clearly states that lands within the Park are not eligible for gaming and the Tribe was unable to acquire designated lands at Lida Ranch. The Act also identified land that the Tribe could acquire land within 2 years that are in Inyo County north and east of the Naval Air Weapons Station. However, the City of Ridgecrest is SOUTH of the station making it clearly ineligible. However, the Act states that the Tribe “MAY” take another parcel mutually agreed upon by the Secretary and the Tribe.” (Section 5 (d)(2). But currently, all last-minute decisions made during the previous administration, favorable to these entitlements, are now on hold by the Trump Administration pending review.

The tribe has continued to attempt to prove some “connection” even though the nearest tribe is more than 100 miles away in Death Valley. Councilmen requested copies of the city documents from our prior City Manager regarding the PROVEN TRIBAL ASSOCIATION during the MSA negotiation. The manager responded in writing that **there was NO documentation available**. Another Councilman attempted information as well with NO luck and had to resort to an official FOIA request to BIA. Here again, **these results showed NO formal connection either**. Despite being totally and legally ineligible, the developer attorneys discounted this major issue and marched forward anyway

25 CFR GUIDELINES -- RIDGECREST IS NOT ELIGIBLE ON 4 COUNTS

According to 25 CFR 292.16 guidelines, eligibility is dependent upon one or more of the following factors. Ridgecrest does not qualify for any of them.

1. The land is within reasonable commuting distance of the tribe’s existing reservation.
ANSWER: NO. More than 100 miles away.
2. If the Tribe has no reservation, the land is near where a significant number of tribal members reside.
ANSWER: NO. Tribe has reservation and no members of the tribe live in the Ridgecrest area.
3. The land is within a 25-mile radius of the tribe’s headquarters or other tribal governmental facilities that have existed at that location for at least 2 years at the time of the application for land-into trust, or other factors demonstrate the current connection to the land.
ANSWER: NO. Tribe headquarters is in Bishop, more than two hours away.
4. The tribe must demonstrate a SIGNIFICANT HISTORICAL CONNECTION to the land
ANSWER: NO. The Tribe’s Archeologist did not find connections to Ridgecrest.
(Homeland Act for reference: <https://www.govtrack.us/congress/bills/106/s2102/text>)

1998-1999 Timbisha Shoshone Tribal Homeland Congressional Report. The Tribe and DOI determined what lands would be “mandatory” and “discretionary” in a detailed suitability study. Ridgecrest was NOT in ANY of the areas identified.

Grand Jury investigation requested by local citizen group

Numerous improprieties regarding initial land sale, class III gaming, and General Plan. (Gov. Code & 65351, CA Civil sec 16888). City lacked authority to sell lands when property had not yet been taken into trust; NEPA review circumvented; extremely weak MSA was signed leaving the town defenseless. Other issues.

Potential misconduct (five counts) by three pro-casino members of the 2016 Ridgecrest City Council, the former Economic Developer and several staff members.

Potential gross negligence and dereliction of duty on the part of three pro-casino councilmembers, as well as the former economic developer and several staff members, are suspected for not doing proper research and due diligence and not listening when viable research findings were brought up. Officials rushed this massive, highly contentious operation. The public brought up issue after issue and brought report after report to City Council, but data fell on deaf ears. It was the consensus that all minds were made up BEFORE PUBLIC COMMENT BEGAN.

One citizen started a website called MoveOn.org to get the issue to a public vote via a ballot because they recognized the problem with Council. In addition, when running for office, Wallace Martin in public remarks was shocked that the city had not even conducted a survey with fellow city councilmembers in neighboring desert cities who had direct experience in bringing in a casino into their town to see if this was even a good thing or not. Martin, with the help of an adjunct professor at Cerro Coso Community College developed and launched a survey. However, the MSA vote was taken, time ran out, and the effort lost steam. According to several public participants, "city officials had made up their minds in advance of public comment."

One Councilwoman who lobbied hard for the casino, was defeated, and then immediately went to work with the tribe which is violation of California Government Code 87406.3 (a) and Code of regulation 18746.3. (All details contained in this report.) Only a few hours of research would have revealed dozens of web sites of alarming value on multiple topics. And 20 hours of internet research would have CLEARLY shown hundreds of sites, articles, and publications proving immediately that this was NOT something of benefit to this town.

Background information. Ms. Acton was not the only one to leave the city following the vote on the MSA. In fact, all the principals involved in the casino action, terminated employment with the city for a variety of reasons within the following year. The economic developer, Gary Parsons retired, the former city manager Dennis Speer retired, and the finance director Tyrell Staheli left on short notice to take another job. Of note is the fact that since his retirement, Mr. Parsons has also been coming regularly to the council meetings, seated next to the developers many nights. Many have speculated that he may be working for the casino as well. However, this is **not proven** as of this date. However, this would make sense because records show that he and Ms. Acton were heavily involved in bringing the casino into town from the very beginning. Both were involved way before the initial land sale took place when the tribe was invited by former Mayor Dan Clark to heavily participate in the Petroglyph festival. Records show that Clark, Acton, and Parsons worked closely together with the Chief on the early Petroglyph Festival involvement that led eventually to a \$5.5M land sale. **The former Mayor, Dan Clark, will make \$2.75M and the city may receive \$200K.**

Case studies in this report were not “cherry-picked.” There are literally THOUSANDS of hard-hitting cases regarding casino improprieties nationwide. These stories here are but the tip of the iceberg. It is apparent, that those who voted this in simply did not research this issue sufficiently before making a major vote that could change the face of this town forever. Several issues presented in this report should have external, third-party, neutral investigators involved.

Of primary concern is the simple fact that it was well known by elected officials that the questionable developers, who attempted this same scheme in Hesperia but failed, simply moved their attention to another small desert town, with a huge payroll, but whose city was, at the time, financially strapped. From a developer playbook standpoint, Ridgecrest met the criteria and as one citizen put it, “We were ripe for the picking.” Our elected officials should have had the foresight to recognize this threat from day one.”

Potential misconduct (Five counts to be investigated.)

- **Willful:** Intentional, conscious, and intended to achieve a particular result.
- **Misfeasance:** Performing a legal action in an improper way. This term is frequently used when a professional or public official does his job in a way that is not technically illegal but is nevertheless mistaken or wrong. Here are some examples of misfeasance in a professional context: a lawyer who is mistaken about a deadline and files an important legal document too late, an accountant who makes unintentional errors on a client's tax return, or a doctor who writes a prescription and accidentally includes the wrong dosage.
- **Non-feasance:** The failure to act when a duty to act existed.
- **Negligence:** Failure to exercise the care toward others that a reasonable or prudent person would use in the same circumstances or taking action that such a reasonable person would not, resulting in unintentional harm to another. Negligence forms a common basis for civil litigation, with plaintiffs suing for damages based on a variety of injuries, from physical or property damage to business errors and miscalculations. The injured party (plaintiff) must prove:
 - 1) that the allegedly negligent defendant had a duty to the injured party or to the public
 - 2) that the defendant's action (or failure to act) was not what a reasonably prudent person would have done
 - 3) that the damages were directly ("proximately") caused by the negligence. An added factor in the formula for determining negligence is whether the damages were "reasonably foreseeable" at the time of the alleged carelessness.
- **Gross Negligence.** A lack of care that demonstrates reckless disregard for the safety or lives of others, which is so great it appears to be a conscious violation of other people's rights to safety. It is more than simple inadvertence and can affect the amount of damages.
- **Duty of Care.** The duty of a person or business to act toward others and the public with vigilance, caution, and prudence. Someone whose actions breach the duty of care is considered negligent and may be sued for resulting damages.

Grand Jury Request for Investigation and Analysis
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More than 800 citizens signed petitions against the casino via CasiNO org last year

In 2016 the organization Ridgecrest Citizens Against Casino (CasiNo), in less than one month's time period gathered more than 800 signatures. These were real signatures and real addresses with citizens putting pen to paper with witnesses. This is a credible public poll. Sources, signatures, and addresses all verifiable. But the City Council just ignored these results.

Data Excerpted Directly from the Ridgecrest Citizens Against the Casino (CasiNO) Website

"Ridgecrest Citizens Against CasiNO! is a civic minded community group formed to oppose the off-reservation casino proposed by the Timbisha Shoshone Tribe ("Tribe") in the City of Ridgecrest, Kern County, California. While we understand and respect the Tribe's goal to seek economic independence and self-determination for its government and its membership, we object to the proposed off-reservation casino in our community. We are writing today for the following reasons:

- (1) to request, in line with language of the 2000 Timbisha Shoshone Homeland Act, its accompanying maps, executive summary of tribal history; that you exercise a thorough two-part determination process in considering the Tribe's proposed acquisition of trust lands for gaming purposes; and
- (2) to provide you with petition signatures of citizens residing in the Ridgecrest area who are opposed to the proposed Timbisha Shoshone Casino.

"The organization requested that the Department of the Interior exercise a thorough two-part determination process, keeping in mind the purposes and specific language of the Timbisha Shoshone Homeland Act of 2000."

"It is our view that for the Secretary of the Interior to maintain consistency with the purposes of the Congressional Act, the alternate parcel must be in the local vicinity of Lida Ranch, not just whatever parcel the Tribe; its developer, Nigel White(2); and investors Greg and Grish Akopian (3) of Global Investment Enterprises ("GIE") choose as a marketable location for a casino."

In June 2016, CasiNO began circulating the petition.

Signed petitions sent to: U.S. Senator Dianne Feinstein, Congressman Kevin McCarthy, Governor Jerry Brown, Attorney General Kamala Harris, State Senator Jean Fuller, Assemblywoman Shannon Grove, Kern County Board of Supervisors, Ridgecrest City Council

U.S. Senator Dianne Feinstein – Opposes Off-Reservation Gambling. "In 2014 your endorsement of Proposition 48 and the California electorate made it clear with a **61 percent No vote, that off-reservation gaming is not supported**. We request your assistance and a timely reply, as our City Council is preparing to vote soon on a purchase agreement with the Tribe and its investors for development of a casino on city owned land."

www.news-ridgecrest.com/news/story.pl?id=0000005737)

CasiNo Organization References (Posted on initial website)

Nigel White, the Akopian brother's partner, had his application for a gaming license rejected based in part on his interference in Timbisha elections. Court Documents indicate that the Timbisha Tribal members were paid for their vote to support the GIE casino project. Nigel White, had his application for a gaming license rejected based in part on his interference in Timbisha elections.

(<http://www.state.nv.us/nucwaste/licensing/doe110906timbisha.pdf>)

Grish Akopian, partner in GIE, who pleaded guilty to the felony of receiving stolen goods when he was arrested for running a stolen car chop-shop.

(<http://www.sputtr.com/akopian>)

(http://articles.latimes.com/1988-07-14/local/me8622_1_chop-shop-case)

Casino opponents launch petition

(<http://www.news-ridgecrest.com/news/story.pl?id=0000005748>)

(<http://www.news-ridgecrest.com/news/story.pl?id=0000005737>)

Public Beware – Quick, unstructured and unverified internet “Polls” and “Surveys” are NOT credible. Mostly propaganda. According to the New York Magazine “Daily Intelligencer” article entitled “The Rising Tide of Shoddy Polls” author Ed Gilgore states, “If you believe every poll released, you probably think that Kid Rock is on his way to the U.S. Senate”...And FiveThirtyEight’s Harry Enten states, “people using cheap and easy internet platforms like Google Survey’s and Survey Monkey Audience to do “polls” that either are too loosely conducted to be valid, or are so completely opaque that it’s impossible to tell if they are just BS...the lines between legitimate and illegitimate pollsters is blurring. Much of the polling industry is now moving online, where conducting a survey is far less expensive...they’re pranksters seeking attention and scam artists trying to make a quick buck... Now more than ever, strong norms against really shoddy polls are called for to avoid a climate of competing half-information that really just turns into preemptive spin.”

(<http://nymag.com/daily/intelligencer/2017/08/the-rising-tide-of-shoddy-polls.html>)

- **Recent Ridgecrest Facebook Casino Survey. Beware!** Currently, the pro-casino group has set up a quick Facebook survey. However, in order for polls and surveys to be valid they must have carefully **established CRITERIA**, all **sources must be PROVABLE**, and all results must be **100% verifiable**. Internet polls cannot guarantee this. Quick and dirty internet polls do not meet criteria. **Internet polls allow people to vote on a local issue from anywhere in the country totally discrediting the effort.** Any group can simply send their propaganda off to other activist groups around the County, State, or nation to quickly boost their numbers. All those who they send to will **naturally vote as requested** because they have similar interests. Initial voting in the Ridgecrest poll shows people from everywhere. People who have NOTHING TO DO with our issue. **Internet “polls” often will allow multiple voting and if not, they still cannot guard against fake_profiles for false votes. There is no signature and no way of telling who is really hitting the keystroke.**

(<http://nymag.com/daily/intelligencer/2017/08/the-rising-tide-of-shoddy-polls.html>)

At the federal level, currently there are THREE significant legal issues and challenges

Numerous formal letters have been sent to the DOI, other elected officials, and protective agencies, and potential violations should soon be investigated. (Details below.)

The three federal issues include:

- The Tribe circumvented federal regulatory processes, the National Environmental Protection Act and the Fee-to-Trust application process denying local government and public input.
- There is no justification for a mandatory acquisition as Timbisha Shoshone has no historic or modern connection to land in the City of Ridgecrest. Ridgecrest is 100+ miles outside of the tribal homelands making it totally ineligible. According to 25 CFR 292.16 guidelines, eligibility is dependent upon one or more of the following factors. Ridgecrest does not qualify for any of them.
- The Department of the Interior officials overstepped authority and ignored regulations. Congressman Rob Bishop, Chairman of the House Committee on Natural Resources, states that there is precedent for “*reversal of last minute actions.*”
- **Legal Action and Formal Challenge Filed with the Department of the Interior.** Ricky Fielding, Michael Neel, and several other concerned citizens, along with the citizen protection group Stand Up California, have hired an attorney to formally request the Department of the Interior to review, reconsider, and withdraw from the Memorandum of Agreement dated January 19, 2017 between the Tribe and the DOI. Based on the findings of local citizens and their attorney, this would restore a fair process providing proper review and citizen input rights on the size and scope of the proposed casino and its impacts.

(Formal letter available upon request.)

- **Stand Up California -- Mission.** Stand Up is a statewide organization with a focus on gambling issues affecting California, including tribal gaming, card clubs, horse racing, satellite wagering, charitable gaming and the state lottery. Stand Up is registered with the California Secretary of State as a non-profit, public service corporation. Our mission goals are as follows: 1) to educate lawmakers, law enforcement, local governments and citizens about the cultural, economic and political impacts of state and tribal government gaming and 2) to develop a focused policy that safeguards communities, local governments, and tribal governments and promotes mutually cooperative and beneficial government to government relationships.

(<http://www.standupca.org/about-us>)

More Detailed Information on Federal Challenges

Legal action and formal challenge. The document, dated Feb. 4, states “via Federal Express” at the top. It is from Niels Holch and addressed to Secretary of the Interior Ryan Zinke. The document requests Zinke to “review, reconsider, and withdraw” from the January 2017 MOA with the tribe.

The document challenges the legitimacy of the MOA on at least two grounds: that the MOA is not in compliance with the Timbisha Shoshone Homeland Act of 2000 and that then-Principal Deputy Assistant Secretary of Indian Affairs Lawrence Roberts was not properly authorized by the Secretary of the Interior to execute the MOA. The document claims not to object to gaming but rather to circumventing regulatory practices, stating that “the citizens understand and respect the Tribe’s goal to seek economic independence and self-determination for its government and its membership.” It further states that “Stand Up and the citizens are not opposed to gaming on eligible Indian lands, they are **opposed to any effort to circumvent applicable regulatory processes.**”

Despite this language, according to its website Stand Up for California actively lobbies against “bills that expand the scope and intensity of gambling without comprehensive regulation.” The group’s website welcome statement also includes the phrase “**Californians are not potted plants in Indian casino negotiations.**” More recently, Mike Neel has also repeatedly spoken out about the possibility of the tribe making pot part of their business plan despite repeated statements from Tribal Chair George Gholson and developer Nigel White that the tribe has absolutely no intention of doing so.

(www.ridgecrestca.com/news/20180307/challenge-issued-on-casino-land-acquisition-memo)

Municipal level – FIVE potential breaches of contract issues pending. MSA is extremely weak leaving the city open to massive litigation. Either due to gross negligence or intended deceit.

Major contract terms are not clearly and adequately defined and the introductory text or “whereas” recitals were seriously misused throughout numerous contracts. These serious actions should nullify many of the Tribe’s documents. The MSA does not adequately protect numerous concerns regarding the proposed development and the negative impacts it will have on the community. As previously pointed out the MSA’s vague, ambiguous language and the city’s resultant obligation to support the fee-to-trust transaction, there is little hope that the MSA will adequately protect the city and its citizens from financial, environmental, and socio-cultural detriment. If this MSA were written for a Tribe proposing a casino on an established reservation, it would be understandable. However, this is an agreement for services that support casino development on land **yet to be acquired and taken into trust and unknown if it will be taken into trust.**

The MSA was intentionally written in vague language as the Tribe did not present a “project” to the City which would obligate the City to perform a California Environmental Quality Act review. The Tribe needed the support of the city and thus **needed and used the MSA as a political tool to achieve a mandatory acquisition from the Bureau of Indian Affairs.** Paragraph 21 obligates the City to support the fee to trust with only the Bureau of Indian Affairs. In retrospect, this supports the argument it was the Tribe’s and its gaming investors intention from the beginning to seek a mandatory acquisition not a discretionary as the Tribe led the City Officials to believe.

Potential issues of breach include: false statements of fact/misrepresentation; nondisclosure; terms possibly breached; gross negligence; agreement is one-sided; and contract language may support unlawful behavior. In addition, the extremely weakly written MSA allows the Tribe to “cherry-pick” those ordinances it wishes to abide by and ignore the rest. Other items of serious MSA consideration include the fact that water rights, property rights, and property values are all threatened. Sewer connections to city services are not even mandated. In addition, fair and competitive business rights are threatened via the casino creating an unfair playing field due to the casino not having to pay taxes and abide by all the regulations other businesses must strictly adhere to. Hotels, restaurants, and gasoline retailers are particularly at risk.

(See detailed objections later in this report.)

More Detailed Information – Potential MSA Breaches

Potential causes for invalidating the MSA. According to California law, contracts may be considered invalid for numerous reasons. **As this document clearly substantiates,** many, if not most, of the following conditions were most likely breached and pertain to our MSA in one way or the other.

Five Conditions include:

1. A false statement of fact. Misrepresentation.
2. Nondisclosure and an action that conceals a fact. The deliberate withholding of information in which a party has a duty to disclose
3. Terms of the agreement were breached
4. Mutual mistakes on behalf of both parties
5. Undue influence by one party over the other. Significantly and overtly one-sided

Sources

<https://www.nolo.com/legal-encyclopedia/unenforceable-contracts-tips-33079.html>

<https://www.californialaborlawattorney.com/breach-of-contract.htm>

<http://blog.lawdepot.com/what-makes-a-contract-invalid/>

1. Contracts must not contain false statements of fact. Misrepresentation.

- **Possible breach:** MOA between Tribe and the Department of the Interior has at least one major gross technical error.
- **Possible Breach:** Local economic analysis study and results are dramatically different from the Developers projections.
- **Potential Breach:** Several items in the MSA do not properly address major concerns regarding adequate protection for other competitive local retailers.
- **Developer touts “great for new business” but then verifies locals will pull the load anyway.** The more the casino “wins” the more citizens “lose” because money is coming from their own pockets.

2. Nondisclosure. Contracts must not deliberately withhold information in which a party has a duty to disclose. An action that conceals a fact.

- **Possible Breach:** Developers did not mention the long-term impacts of creating Sovereign Lands in the City of Ridgecrest. 100% of the MSA focus was placed on proposed safeguards regarding the immediate development of the casino.

3. Terms of the agreement may not be breached

- **Possible Breach:** Reneging on the signed agreement to conduct a full NEPA review – six months AFTER the MSA was signed. City was initially led to believe the Tribe would submit an off-reservation fee-to-trust application for gaming to the BIA. Instead the Tribe sought a mandatory acquisition
- **Possible Breach:** The Tribe without notification to the City changed the Escrow Company, while additionally changing terms and dates.

4. Gross negligence or serious mistakes on behalf of either one or all parties.

- **Possible Breach:** Due to gross negligence or deception, the developers improperly placed major contract terms within the introductory text or “whereas” recitals instead of placing these properly within the main body of the contract. This serious action should nullify many of the Tribe’s documents.
- **Possible Breach:** The MSA is one-sided and is poorly and weakly written either due to gross negligence or deceitful intent.
- **Possible Breach:** This MSA was pushed through our City’s small town legal counsel who had **no experience** dealing with complex issues of sovereign tribal status or tribal gaming. This was the first time this issue had ever come before Council. Council never voted to direct staff to negotiate with the Tribe. This highly controversial issue should have been voted on by 16,000 registered voters – not a council of 5, who also had **no previous experience** with this issue.

5. Undue influence and contracts may not be significantly and overtly one-sided

- **Possible Breach:** Concerning annual revenue to the city, weak MSA allows the City one-fourth of the revenue it should be receiving if recent TEIR projections are considered. **Tribe wins – City loses.**

Generally, many reports show that casinos frequently offer cities a minimum of 5% of gross annual revenue in lieu of tax payments. Therefore, based on the Tribe’s initial projections of \$22M revenue, the city should receive \$1.1M (5%). Instead the MSA states the city will receive \$572K (2.6%) about HALF of what other cities make. Now, the latest Tribe TEIR projections show annual revenues of \$37M (68% increase) during the first year of operation which would make the City’s revenue \$1,850,000, nearly \$2M per year. But instead, the City still only receives \$572K (fixed) because the Tribe’s attorneys **did not include a graduated increase clause nor is there a default penalty clause.** Therefore, the City holds at \$572K while incurring all the additional expenses and massive liabilities due to casino expansion. In this case the city is earning about **one fourth** of what we should be earning. **In short, Tribe wins, city loses.**

(Note: As a token, there is a small provision for critical services increasing to \$200K if phase II occurs and \$388 if phase III were to occur.)

There is no mention of marijuana in the MSA. Our City MSA should have included language strongly prohibiting the cultivation or sale of marijuana.

Very likely potential future breach: Currently, marijuana is illegal on the Federal level. In addition, the County of Kern, recently voted to ban the cultivation and sales of marijuana within the County with certain allowances for medical marijuana. Currently, the Timbisha Shoshone Tribe, according to the Tribal newsletter, is now in the pot business and they have built a 50,000 SF facility in Death Valley and dug a well to harvest brackish water despite the current draught. The Tribe has also set up a “health” co-op in Bishop for medicinal sales. Despite a local ordinance that Ridgecrest just enacted, there is little doubt that if the casino were to go through, then marijuana would be a definitive part of the Tribe’s business.

Tribes cut of California pot market might grow their own.

(<http://www.therepublic.com/2018/02/25/us-marijuana-california-tribes/>)

(See entire section on Marijuana in this report.)

Other MSA Issues of Significant Concern

The City’s ability to govern is threatened. The MSA wording allows the tribe to simply “cherry pick” those ordinances it wishes to abide by and ignore the rest.

The MSA states, “The Tribe shall enact laws applicable to the Trust lands and shall require the Trust lands be used and developed in a manner that complies with all applicable City general, specific and community plans, zoning ordinances, and design guidelines in effect at the time of development, **to the extent that compliance with such laws doesn’t impermissibly infringe upon the internal self-government of the Tribe.**”

First, only tribal governments can enforce its tribal laws and ordinances that it enacts. Secondly, only the Tribe will decide if a city code, ordinances, general plans or guidance “*impermissibly infringe upon the internal self-government of the Tribe.*” The language of Section 2 leaves interpretation to the Tribe and the Tribe alone.

The Tribe is potentially in breach of MSA contract for numerous reasons including reneging on the signed agreement to conduct a full NEPA review. Also, City was initially led to believe the Tribe would submit an off-reservation fee-to-trust application for gaming to the BIA. Instead the Tribe sought a mandatory acquisition • Tribe is also immune to CEQA environmental requirements • Later, tribe changes escrow without notification.

From the beginning, the City Council and the public, were under the full understanding (documented via video tape) that a requirement for a full-blown NEPA was to be conducted, which is appropriate under all circumstances. The **stated public intent** and **tribal verbal acknowledgement** in meetings publicly and privately honored this request. However, here again, due to the heavy-handed developer’s attorney’s orchestrated influence on the contract, wording changes in the final MSA inappropriately listed this primary NEPA requirement in the “whereas” section and NOT within the main agreement where it legally should have been placed. However, nobody, including the Tribal Chief, has challenged the fact that it was **public knowledge** and the **intent** of the tribe and our agreement, that a full NEPA would be conducted. This was not and is not now being honored. The Tribe arbitrarily decided on a TEIR process instead.

Due to negligence or deception, improper placement of major contract terms within the introductory text or “whereas” recitals instead of placing these properly within the main body of the contract, should nullify many of the Tribe’s documents.

Documents include the MOA with the Department of the Interior (14 whereas clauses described earlier), as well as the MSA itself regarding NEPA, as well as eight clauses in Exhibit C “Approving the Limited Waiver of the Tribe’s Immunity from Suit.” In fact, the ENTIRE EXHIBIT C consists ONLY of “whereas” clauses immediately followed by signatures. Now we learn after-the-fact that all these really have no legal effect.

Legally, in order for the “Whereas” recitals to have had legal effect, legal wording would have to have been included at the end of the “whereas” recitals stating something to the effect that, **“The Whereas” clauses set forth above are expressly incorporated in and form part of the terms of this Agreement.”** However, it is critical to note that no such statement like this exists in any of the documents between the City and the Tribe. It is highly doubtful that experienced Las Vegas gaming attorneys were not fully aware of these conditions.

Effect of “Whereas Clauses”

(<https://www.lawinsider.com/clause/effect-of-whereas-clauses>)

- **The Introduction Clauses -- “Don’t Be Hoodwinked. An old lawyer’s trick.”**
Old Lawyers Trick. Thirty-year attorney Alan Sklover in an excerpt from section Lesson to Learn states, “When appearing in front of a Judge, this is a problem: (a) The “Whereas Clause” almost always says what happened in another agreement or at an earlier time, and (b) if there is no other document previously or contemporaneously signed that creates the obligation referred to, the obligation just never and nowhere came into being. This is why the suggestion in a Whereas clause that an obligation has been created, where it has not, is so deceptive. Using Whereas Clauses to make a false suggestion or intended perception of a legal right or interest, where that right or interest is not given anywhere else (either in this document or another) **is an old lawyer’s trick.**
- **The Art of Deception.** In the book “The Art of Deception” identifying conclusions and premises (page 28) it states, “the appearance of the following words at the beginning of a sentence signifies that the sentence is a premise; Whereas...” The dictionary definition of premise is to base an undertaking on. Thus, the whereas strongly **implies the undertaking** of what follows.

Tribe is immune to CEQA environmental requirements. City is not. The Tribe’s application to have land taken into trust is not governed by State laws, and the Tribe does not agree to submit its projects to the city for discretionary approvals. The proposed 25-year MSA constitutes a “project” under the California Environmental Quality Act, (CEQA). The proposed agreement contains provisions that purport to legally bind the City signatory to a 25-year definite course of action that typically involves physical changes to the environment. **The Tribe does not have to comply with CEQA, but the City does.**

Escrow changes without city notification. In addition, the City has recently found out that the tribe cancelled escrow along the way and renewed and dates were changed for some reason? Council needs a full accounting of what else changed in this NEW escrow. Also, the second installment payment was officially late. Council was not informed of any of this.

Council approved agreement (dated September 7, 2016) was changed without authorization by Staff and signed by the Mayor. It extended consideration dates for a month. This became an issue when the Tribe made the first \$56,000 payment. During the September 7 Council Agenda, there was discussion and proposed action to approve sale of real property in Ridgecrest Business Park to the Timbisha Shoshone tribal development or modify the existing MSA attachment 1 to reflect alternative site selection.

The MSA repeats numerous times, statements that the Tribe “shall” and then states “may” or If.” Terms that students learn NEVER be included in contracts, in the first year of law school. The Ridgecrest MSA is loaded with such terms.

The MSA, in section 10 A. & B.

10. Sewer and Water Service

A. The Tribe **“shall provide”** for the treatment and disposal of sewage generated on the Trust Lands. **“If”** the Tribe connects to the City’s sewer collection system, the Tribe will pay fees, obtain required easements for sewer infrastructure, construct to City sewer infrastructure standards, and dedicate to the City such sewer infrastructure....

(Note: The language of this component is ambiguous. City at risk. “IF” the Tribe connects to the City’s sewer collection system...” The language leaves open the option for the Tribe to provide for the treatment and disposal of sewage in an alternate method. Many large tribal gaming facilities use an on-site option of a membrane bioreactor technology (“MBR”). These types of treatment options require constant evaluation of fouling control. Moreover, MBR’s often have to be replaced. The MSA does not take this into consideration nor does it offer a contingency plan in the event of a MBR failure that considers clean up and polluting of off-reservation water supply and damages. A large waste water release would have a significant impact on water quality in the IWV Groundwater Basin.

The City should retain control over the disposal of sewage in this agreement before agreeing to support the taking of the land out of the regulatory control of the city, the county and the State of California.

B. The Tribe **“shall provide”** for a water supply for the Trust Lands and **“may apply”** for water service with the local water district. No use, other than the construction of the Gaming Facility, shall occur on the Trust Lands until water service is completed and inspected pursuant to this Section and Section 2 and 3 of this Agreement.

(Note: The language of this component is ambiguous. City at risk. Again, the language is ambiguous, the “Tribe **shall provide** for a water supply...”, and “...**may apply** for water service...”

On September 16, 2014, Governor Jerry Brown signed into law a three-bill legislative package, composed of AB 1739, SB 1166 and SB 1319. These bills are collectively known as the Sustainable Groundwater Management Act (SGMA), recognizing that “groundwater management in California is best accomplished locally”, but also containing an exception for California Tribes that has a potential to disrupt or unfairly share the precious natural resource of the water supply. AB 1739 section 10735 (b) describes the limitations and directs you to section 10720.3 found in SB 1160.

The exception reads: (a) This part applies to all groundwater basins in the state.; (b) To the extent authorized under federal or tribal law, this part applies to an Indian tribe and to the federal government, including, but not limited to, the United States Department of Defense.; (c) The federal government or **any federally recognized Indian tribe**, appreciating the shared interest in assuring the sustainability of groundwater resources, **may voluntarily agree to participate in the preparation or administration of a groundwater sustainability plan or groundwater management plan under this part through a joint powers authority or other agreement with local agencies in the basin.**

California Groundwater Bulletin #118 states that “...since 1945 groundwater levels in the Indian Wells Valley basin have been declining and projected increased groundwater use will continue to cause water levels to decline in the basin. Because of pumping, a regional cone of depression has formed approximately three miles northwest of the City of Ridgecrest. Further changes in the shallow aquifer due to effluent recharge have caused leaking into the deep aquifer and migrate towards the cone of depression affecting water quality.” **The point is, if the city, the county and the state lose control of the ground water supply it will have a significant economic impact reaching beyond the City of Ridgecrest into the regional areas of County District #1. The MSA should state “the Tribe *must* connect to local water service and comply with all water ordinances”.**

This section adds, "...water services is completed and inspected pursuant to this Section and Sections 2 and 3 of this Agreement. **These sections provide no assurances.**) **2. Section 2 of the MSA, Compliance with City Ordinances.** Federal Indian law drastically affects changes any contractual agreement. While this section states:

The Tribe shall enact laws applicable to the Trust lands and shall require the Trust lands be used and developed in a manner that complies with all applicable City general, specific and community plans, zoning ordinances, and design guidelines in effect at the time of development, **to the extent that compliance with such laws does not impermissibly infringe upon the internal self-government of the Tribe.** (Emphasis added.)

The language of this component leaves interpretation to the Tribe and the Tribe alone. Therefore, the Tribe can cherry-pick ordinances.

Section 3 - Environmental Review

The Tribe's application to have land taken into trust is not governed by State laws, and the Tribe does not agree to submit its projects to the city for discretionary approvals.

In other words, once the land is in trust, **the Tribe can do whatever they choose to do. If the Tribe decides to drill wells, grow marijuana or build a five-story parking garage.**

(Note: The City or any subdivision of state government is only exempted from California Environmental Quality Act, ("CEQA") when a tribe's local agreement is negotiated after a tribal state compact is ratified in state statute by the State Legislature. A "project" is a proposal (or any part of a proposal) requiring discretionary approval, which may result in physical changes to the environment. The term "project" refers to the activity that causes the environmental damage. The MSA acknowledges changes in the environment, as well as changes to the City General Plan.

State Legislative bills that ratify tribal state compacts cite the existing environmental law, CEQA which requires..."a lead agency to prepare or cause to be prepared and certify completion of an environmental impact report on a project as defined, that it proposed to carry out or approve that may have a significant effect on the environment as defined or to adopt a negative declaration on its findings that a project will not have that effect. The proposed 25-year MSA constitutes a "project" under the California Environmental Quality Act, (CEQA). The proposed agreement contains provisions that purport to legally bind the City signatory to a 25-year definite course of action that typically involves physical changes to the environment.

The Tribe may not have to comply with CEQA, **but the City does.** **The City has signed a 25-year agreement acknowledging changes to the environment and has not completed a CEQA review that would protect the regional areas water supply.**

No default or penalty clause in the MSA and the Arbitration clause, for a project of this magnitude, lacks proper protective provisions. The clause addresses the need for a meet and confer letter stating the alleged violation of the breach. The Tribe or the City will have 15 days to reply. If the Tribe and the City cannot find a solution either the Tribe or the City can request arbitration. The City and the Tribe agree to abide by the arbitrators ruling. To enforce any ruling or compensation the parties according to the MSA will have to file in the Eastern District of the Federal Court.

Arbitration clause does not clearly address court costs and cannot define court jurisdictions. If problems arise, there is no clear path or clear cost definitions. Everything is hardly enforceable with no guarantees. Not simple, or quick, and can be expensive. A federal court depending on the nature of the breach **MAY NOT** have jurisdiction over a document that is written for a local jurisdiction. This would require the City or the Tribe to refile in State District Court – a court that would potentially have jurisdiction over local government agreements.

And while the MSA spells out that the cost of the Arbitration is to be shared, **the MSA does not describe how the cost of federal district court or filing in State court would be addressed?** The MSA does state that the City or Tribe could jump straight to Federal court in the event that an alleged breach affects the health and safety of the public.

Key questions?

- Will federal court have jurisdiction over the issue?
- Will the City have to spend the scarce tax payer dollars of the city general fund in an attempt to protect the citizens of the community only to find the case dismissed due to lack of jurisdiction?
- Funds would have to be spent and the City would have to refile in State District Court?
- Many questions, no answers. In summary, the MSA leaves the city near defenseless and the Tribe has refused to renegotiate this agreement.

The City's ability to govern is threatened. The MSA wording allows the tribe to simply "cherry pick" those ordinances it wishes to abide by and ignore the rest.

The MSA states, "The Tribe shall enact laws applicable to the Trust lands and shall require the Trust lands be used and developed in a manner that complies with all applicable City general, specific and community plans, zoning ordinances, and design guidelines in effect at the time of development, **to the extent that compliance with such laws doesn't impermissibly infringe upon the internal self-government of the Tribe.**"

**Former Ridgecrest Mayor Pro Tempore, Jim Sanders, speaks out about the
“crooked and backward path” of the casino**

To the Honorable James Cason

I am writing to you to give you my perspective and history of the proposed Timbisha Shoshone Casino in Ridgecrest. I am a former council member of the City of Ridgecrest. I served from 2012-2016 being the Mayor Pro Tempore for the last two years. I was on the council when the Municipal Service Agreement (MSA) and land sale were voted on. I feel like it is necessary to warn you about the crooked and backward path that it has taken to get to where it is today so that you can make an informed decision.

When serving on the council, we were first informed of the casino proposal in closed session and since we were in negotiations with the tribe it seemed appropriate at the time. What wasn't appropriate was that it stayed in closed session for several months with the clear intent that staff and certain council members wanted to delay it going to the public for as long as possible fearing that an opposition would build up against it. There were several details that didn't come to light until later about the former Mayor, Dan Clark, having had discussions and perhaps negotiations with the tribe long before without the rest of the council's knowledge. To further add suspicion to that matter was that Dan Clark's wife was half owner of the land that was sold to the Timbisha Shoshone Tribe.

When the issue was finally brought into public light I was repeatedly blocked from putting items on the agenda that proposed doing an economic assessment of the impacts of the casino to the economy in Ridgecrest. On several occasions Mayor Breeden, and the city's administrative staff repeatedly omitted my discussion items and proposals from the agenda, or outright refused to put it on the agenda in the first place. In the midst of a very heatedly debated topic, I felt like it would be best to let an unbiased & objective study give us data on the social and economic impacts to the community which would help make the decision easier. I was absolutely baffled that such a reasonable and peaceful request would be met with such strong and persistent opposition. In short, the Mayor was able to delay getting my items on the agenda to be voted on long enough that the council considered the timing for that study to be too late in the hurried process of passing the MSA and land sale.

The passage of the MSA was also full of extremely frustrating and confusing processes. The day the final MSA was voted on there were still revisions being drafted as late as three hours prior to the council meeting. When revisions are being made three hours prior to the meeting not even the council members (most of whom are working full time jobs), and much less the public, had enough time to review the MSA, but Mayor Breeden and other council members insisted on holding the vote anyways.

In my perspective, anything that is worth doing is worth doing the right way. The casino project was done the wrong way in about every way possible. That alone gave me every reason to oppose the MSA and land sale. The history and information I've given you is not at all an exhaustive list of suspicious or frustrating events that took place in connection to the proposed casino, but perhaps it is enough to give you a glimpse of the process that it took. I don't really have an interest in whether the casino comes to Ridgecrest since I have since moved out of the town. I do however still care for that community and have a great many friends that are still in Ridgecrest who still struggle to have their voices heard and have to deal with the unjust process that has been used to pass it on a local level. It is for them that I write this letter. I hope that you are able to make this decision with great wisdom and the best of information. Please do not hesitate to contact me if you would like to discuss this further.

Jim Sanders

Lori Acton, former councilwoman under FPPC investigation AGAIN. This time for casino issues. Her deciding MSA vote is now in question due to numerous improprieties.

The Casino project was pushed by one Councilwoman, Lori Acton, and the former city Economic Developer Gary Parsons. The councilwoman was defeated in the next election, and then was immediately retained as a consultant for the Tribe. The pro-casino vote BARELY passed by one vote; the circumstances of which raises significant questions as to the validity of that vote. Three other pro-casino candidates were clearly defeated during the election, and two strong anti-casino candidates were elected due to public outcry.

The problem was that Ms. Acton's actions were against the law. According to the law, a ONE YEAR waiting period is required after leaving office. (See code below). Ms. Acton left office on December 7, 2016 but continued to lobby. Three months later, on March 1, 2017 Ms. Acton was lobbying again.

The Daily Independent reported on March 31, 2017 that, "The Timbisha Shoshone tribe has hired former Councilwoman Lori Acton as an advisor to assist them during the upcoming casino and entertainment center development process. **Acton was hired March 1 by the Tribe** and is working on a month to month basis. She has been an outspoken proponent of the casino project. During her tenure on council, she voted in favor of the MSA with the tribe (twice) and voted in favor of the land sale to the tribe."

Lobbying continued. On March 27, Ms. Acton sent an email to the city manager requesting a closed-door meeting with city officials, herself, the Chief, and consultants retarding the TEIR and other matters. In her email she clearly states that she is the "point of contact" and the email is signed "Acton Consulting."

Letter of caution from the City. In response to these activities, the city sent Ms. Acton a letter dated April 7, 2017 demanding that she cease and desist with any further city lobbying or attempts to contact staff, as it was clearly against the law. Letter was approved for public access. Excerpts from the letter are as follows:

Government Code Describing One-Year Requirement After Leaving Office

"Government Code section 87406.3(a) states that "[a] local elected official...who held a position with a local government agency as defined in Section 8204 [which includes a city] shall not, for a period of one year after leaving that office or employment, act as agent or attorney for, or otherwise represent, for compensation, any other person, by making any formal or informal appearance before, or by making any oral or written communication to, that local government agency, or any committee, subcommittee, or present member of that local government agency, or any officer or employee of the local government agency, if the appearance or communication is made for the purpose of influencing administrative or legislative action, or influencing any action or proceeding involving the issuance, amendment, awarding, or revocation of a permit, license, grant, or contract, or the sale or purchase of goods or property." [Government Code section 87406.3(a).] California Code of Regulations section 18746.3 contains a similar prohibition..."

However, Ms. Acton has yet to yield to these warnings and has continued openly to lobby for the effort and speak in the Tribe's behalf at public meetings, etc.

In the final contentious vote, the pro-casino vote passed by one vote; the circumstances of which raises significant questions as to the validity of that vote. **Regardless of the final legal decisions that are pending, the actions were highly suspect, unethical, and totally inappropriate behavior for any elected official.**

Earlier, Acton was fined \$1,400 on two counts of failing to timely file an Annual Statement of Economic Interests for the year of 2013 in violation of Government Code Sections 87202 and 87203. This was partially related to her Pertexa EMPLOYMENT SCANDAL. In addition, four companies who received funding from the city several years ago were required to have routine audits to ensure transparency. **To date this has still not happened. And everyone is still wondering why not?**

Concerned citizen files complaint with California Department of Justice, Fair Political Practices Commission, Kern County District Attorney, requesting investigation into the Acton matter. April 2017.

Excerpts from the letter are as follows:

“That MSA was approved on June 1, 2016 by a 3-2 vote of the City Council, with Ms. Acton's vote being in favor. Without her vote, this agreement would have failed. The MSA was intimately tied to a Land Sale agreement allowing the Timbisha Shoshone property to develop on. This Land sale agreement was likewise passed by a 3-2 vote, also with Ms. Acton's being in favor. Without her votes in favor of the Casino development, it would have not been possible.”

“The timing of this employment appears far from coincidental or innocent, it appears to be a strategic decision to proffer influence in favor of the Casino development and avoid the NEPA review processes. The admittedly rumored salary (over \$4000/month, which would need verification) paid by the Timbisha Shoshone to Ms. Acton also could bring into serious question her employment. This amount would be far above what was needed to arrange meetings, and “consult” on Brown Act issues with the Tribe, as the Tribal Chairman claims.”

“Note that the language basically says that the influence cannot be wielded by any former official within 12 months, of ANY administrative matter. This would apply to the administration of applicable laws, or desired outcomes of ongoing agreements by City Council or Staff. Ms. Acton has reportedly been in direct contact with both in order to influence them in the Timbisha Shoshone's interests.”

Questions that need answers (as stated in the letter):

1. Acquiring all communications between Ms. Acton and the Timbisha Tribe, the Ridgecrest City Council and Staff, and any communications between her and the Tribal funding source of GIE (owned by the Akopian brothers-headed by Nigel White)
2. Financial transaction information for Ms. Acton dating back to early 2016.
3. Review of City Council meetings video dating April 2016 to August 2016, to establish motive. I include this as her Council statements from the very beginning were surprisingly pro-Casino, despite the public debate and input being ongoing during that time.

(Complete letter available upon request.)

Recent Council Meeting March 7, 2018. Acton accuses two council members of having a lack of integrity?

- **Acton comment at podium:** “I am highly, disappointed in the behavior of a couple of council members, because it calls into question what was done on the previous council and we had integrity, and we did things the right way and we did our due diligence.”
- **Councilwoman Stephens defends her position.** “I just wanted to read the definition of integrity. Integrity is the quality of being honest and having strong moral principles. Moral uprightness, the state of being whole and undivided, the condition of being unified, unimpaired or sound in construction, internal consistency or lack of corruption... I don't think there have been any actions of our council that have not had integrity. And I would say that the person questioning our integrity should consider their own integrity because they did violate the law. And that was clarified by our attorneys...So, by voting in the casino and then immediately taking a job with them and then presenting themselves publicly before us trying to sway our decisions, that was not upholding integrity. So, I don't appreciate them saying that I don't have integrity because that is not true.” Councilman Mower, jumped to Acton's defense, shouting out, “that was several months after she voted for the casino that she got the job with the Tribe.” The problem with Mr. Mower's “jump to justification” is that he is wrong. The law states the minimum time is one full year and this had been stated in Council many times before.

Casino Issues:

Acton scrutinized for casino employment

News Review: (www.news-ridgecrest.com/news/story.pl?id=0000006841)

More questions crop up for casino:

News Review: (<http://www.news-ridgecrest.com/news/story.pl?id=0000007909>)

Acton hired by tribe on March 1, 2017.

(www.ridgecrestca.com/article/20170331/news/170339931)

Pertexa Scandal and Other issues: Failing to timely file economic interest statements)

Fair Political Practices Commission News Release

(fppc.ca.gov/media/press-releases/2016-news-releases/enf-decisions-may-2016.html)

Public questions employment of councilwoman in city-funded business

(<http://www.news-ridgecrest.com/news/story.pl?id=0000003339>)

Pertexa Scandal. Caution is advised by City Attorney. “We also noted that ‘the proximity of the vote and the job seeking, the high level of public interest, the close vote, and the amounts awarded to the vendors’ may adversely affect the public’s perception of the decision-making process. We therefore concluded that great caution should therefore be taken before deciding to seek employment with any of the vendors.

Grand Jury Request for Investigation and Analysis.

Citizens attorney confirms strong perception of collusion. Breach of contract alleged. Legal injunction request filed to delay the tribe requested meeting between the city and the DOI.

Concerned citizens confirm that the DOI did not request any such meeting. Meeting was improperly orchestrated by the Tribe as a strong, last-minute one-sided lobby attempt. **Citizens declare potential breach of contract** for the Tribe agreeing to and signing the MSA which guaranteed a full NEPA review and then reneging on the commitment six months later. Entire deal rushed and inappropriate. MSAs are never negotiated until AFTER lands are taken into trust. Tribe used the MSA prematurely as a political tool to encourage the DOI to take the land into trust. **Potential collusion at March 21st Council Meeting.** Agenda item allowing fair representation and critical city protections was barred via a highly contested and suspicious vote where an electronic vote was taken, results shown briefly on the screen, and upon seeing the results, ALL THREE councilmembers stated that they “hit the buttons wrong by mistake?” and a verbal vote was re-taken where ALL THREE then switched their votes, thereby barring Councilwoman Stephens from attending the meeting along with Mr. Strand – thereby barring the city from proper representation demanding appropriate city protections. A letter was then requested to be sent explaining concerns – **denied!** In a letter to the city, the attorney reviewing the case stated, “based on all of the factors flowing into this matter there appears to be a strong perception of collusion given the changed votes and rush to sign documents without properly addressing all of your constituents’ concerns.” (Letter available upon request.)

News Review and Daily Independent Coverage of this Contentious Vote
Article by Tom Rafalski - Letters to the Editor

Last City Council Meeting on March 21, Council Rigs Vote in Favor of the Tribe...
OR... Complete Incompetence?
Watch the Clip...You Decide...Professional Analysis Requested
(Video clip attached and archive tape start # notated below.)

Tribe inappropriately verbally invites Mayor to go with them to lobby the Department of the Interior to support the casino when issue is still highly disputed. The Mayor should have politely told Chairman Gholson that this action was not necessary because the DOI had not requested any further input from the city. As presented, this would appear nothing more than yet another effort to lobby. However, the Mayor put the item on the agenda for discussion as **“Meet with the Director of the Interior in support of the casino project in Ridgecrest.”** Because of the way it was written and slanted, the Council (before closed session) voted to pull the item from the March 7th agenda. During the meeting the Mayor asked that it be put back on the agenda for the next meeting. After the meeting, Councilwoman Stephens requested that the item be reworded based on Chairman Gholson’s public comments, **“to discuss the needs of the City of Ridgecrest regarding the MSA”**. The Mayor first agreed, then changed her mind later, so it went on the AMENDED agenda as **“support for the casino and the taking of Ridgecrest land into trust for that purpose.”** Councilwoman Stephens, in order to ensure fairness, then countered with her own NEW agenda item requesting that both Mr. Strand and Ms. Stephens go together so that both sides could fairly be represented, and the city’s needs/protections could be addressed along with the needs of the Tribe. This would be appropriate because Ms. Stephens chairs the Tribal / City committee whose specific tasking is to address MSA and other issues that arise.

Illegal Voting at March 21 Meeting? Therefore, at the meeting on March 21, there were two agenda items. The first item, from Mayor Breeden, was to send just Ron Strand. The Second, from Ms. Stephens, to send both Ron Strand and Councilwoman Stephens. The highly contested debate went on and Councilman Martin gave a lengthy, powerful speech against the casino for eight major legal reasons, and he strongly defended the right for Ms. Stephens to go as well. In a highly contested vote, the issue barely passed by 3-2 for just Ron Strand to go. Then, the second agenda item from Ms. Stephens was presented allowing her to go as well. And the vote was called. The electronic results showed that the item passed...meaning a YES vote for both Strand and Stephens to go. But then immediately after seeing the vote on the screen, amazing things happened. It all happened so fast, hardly anybody caught what REALLY happened.

One Councilman says he hit the wrong button when voting – maybe? But once the vote was revealed on the screen, showing that the Tribe lost the vote, all THREE said they too hit the wrong button??? Then they quickly re-voted verbally, and the vote completely changed – now in favor of the Tribe. THREE Councilman said they hit the wrong button, and THREE Councilman switched their vote. Strong appearance of collusion.

At first glance, seems harmless. But remember, **this was the most significant vote on the casino since the MSA was officially signed. This vote would help sway the Department of the Interior to sign off on the Mandatory Acquisition taking Ridgecrest lands into “sovereign nation trust” forever.** If James Cason, Associate Deputy Secretary, Department of the Interior signs this, the casino will have a major victory towards further development. this is not a casual vote and everyone voting on the council knew it. No Councilmember would slip up on this one major vote. Nobody.

Equipment working great and Council members very familiar with new system. First, the new voting equipment has been working fine for numerous meetings over several months with absolutely no issues. At the meeting prior to this one, Council members even complimented the AV staff. The new system is simple, and the handheld remotes have large labels on them: 1 for yes, 2 for no, and 3 for abstain. That’s it. A child can do this. But apparently at this meeting, THREE Councilman said they couldn’t do it. The problem was not with the equipment, but somehow, they couldn’t figure out how to push the right number? You watch. You decide.

First, watch the video clip. It tells the quick story. Seemingly innocent and very quick.

But second, very, very carefully read the transcript below. Kind of like a good magic trick—slight-of-hand. Watch the video clip and read the transcript. **YOU DECIDE.**

VIDEO TRANSCRIPTION OF THE ACTUAL VOTE

1. Clerk: “Go ahead and vote.”
2. Mr. Thomas (During the electronic vote declares) ...”I voted wrong” (as if he made a mistake with the button... but the results had not yet been shown on the screen)
3. Mr. Mower:” change it...change it”
4. Then the voting results appear on the screen which clearly show that it passed in favor of the City – meaning Ms. Stephens would be going to DC with Ron Strand for fair and equal representation.
Three yes votes and two abstains. Done deal. The vote was:
 - a. Breedon: Abstain
 - b. Martin: Yes
 - c. Mower: Yes
 - d. Stephens: Yes
 - e. Thomas: Abstain
5. Next, out of the blue, Mayor Breedon chimes in likewise, “Oh, I did it wrong” ...
6. Thomas says, “I did it wrong.”
7. Breedon: “I did it wrong...Can I change it? Gary can you replace the slide?”
8. Thomas: “I didn’t mean to say that.” Now all THREE councilmembers are openly stating that they **ALL THREE MADE A MISTAKE.**
9. Mower then states, “I didn’t mean to say yes, I just said No but I’m so used to pushing the 1...I’m so used to pushing the 1 button I didn’t push the 2 buttons”
10. Breedon: “It might take him a minute...He said, give him a minute...He’s got to replace it...We already know what everyone else has voted by those that are there...so, do we want to just do it?” ...
11. Mower: “He’s putting it back up.”
12. Breedon: “Like honest normal people... (Crowd laughter) ...I mean that doesn’t...that makes it sound like the other one was dishonest, sorry (Crowd disapproval sounds) I’m abnormal. (Appears she is just verbally, nervously expressing her conscious knowing that she did know that what they all just did was wrong. Mayor starts waving her hands)” Sorry, I am normal...sorry”
13. Mower: “We are not honest normal people so” (As if in jest. But there is **NOTHING** funny here.)
14. Attorney: “Ricca can do it for you”
15. Ricca now calls a voice vote and the results dramatically switch. All THREE Councilmembers switch their votes
 - a. Mower: No (Switched. Prior vote was Yes?)
 - b. Thomas: No (Switched. Prior vote was abstain?)
 - c. Breedon: No (Switched. Prior vote was abstain?)
 - d. Martin: Yes (Same vote as before)
 - e. Stephens: Yes (Same vote as before)

Conclusion: Tribe wins – City loses. Motion is naturally defeated, meaning that Ms. Stephens is not allowed to fairly represent the city alongside Mr. Strand. Now only Mr. Strand will go as a one-person lobby team (quite possibly with Tribal officials and attorneys etc.,) to falsely represent the wishes of the city. The result of this vote allows only Ron Strand to go to Washington DC with a stated mission of “supporting the casino and **supporting taking the land into trust,**” thereby making the trip no more than a lobby for the Tribe, with the Tribe paying the bill for the trip, at a time when the issue is proven to be highly contested. But there is a MAJOR problem here. **It would be potential perjury!**

Watch Select Ridgecrest City Council Site Video Archive

1. <https://ridgecrest-ca.gov/media-vault>

- Select March 21st Video
- Actual Vote on Agenda Item 6 (Right after BREAK: 1 min 23 seconds): Starts at 5:00.14
- Councilwoman Stephens Talk: Starts at 2:46 (Approximately) and again at 4:45
- Councilman Martin explains EIGHT legal objections: Starts at 2:49 (Approximately)
- **(Note: If vote clip won't play for any reason, email us and we will email you the clip.)**
- Both the News Review and Daily Independent ran Tom Rafalski's letter to the editor (text is included above)

Citizens Attorney Renders Opinion on Potential Collusion. After all the improper proceedings above, a group of concerned citizens retained the services of Andrew Sheffield of LeBeau-Thelen, LLP, to review all the facts of the matter described above, and render an opinion, as well as attempt an injunction regarding the inappropriate meeting in Washington. In a letter to the city, the attorney wrote, “based on all of the factors flowing into this matter **there appears to be a strong perception of collusion given the changed votes and rush to sign documents without properly addressing all of your constituent's concerns.**”

Potential perjury – two counts. City Manager potentially presented false testimony to the Department of the Interior in Washington D.C. April 4.

The Tribe orchestrated two issues for agenda item discussion: 1. “In support of casino” (**False:** multiple legal actions have now been filed. City and Tribe have **MANY** issues that must first be addressed) and Tribe unwilling to formally amend the MSA. 2. “In support of Mandatory Acquisition” taking Ridgecrest lands into trust. (**False!** Council has TWO official signed documents stating that we DO NOT approve a mandatory acquisition.) Councilwoman Stephens requested that the agenda item be renamed “to discuss the needs of the City of Ridgecrest regarding the MSA.” This was **denied!** Stephens requested that the full Council and public discussion be conducted to determine the topics that would be discussed at the D.C. meeting. **Denied!** (Council did not object, but then later, after the Council meeting, the D.C. meeting was purposefully scheduled on the exact same day as the next council meeting, thereby **circumventing public input**. Multiple requests for the meeting to at least be recorded – **denied!** Citizens have now demanded a detailed account of the trip be made public. Awaiting the results of this request. **Strong suspicion of perjury!**

Background Information Regarding “Mandatory Acquisition” versus “Fee-to-trust” Acquisition

A Mandatory Acquisition Versus “Discretionary Fee-to-Trust Acquisition” is a MAJOR difference. **It is the reason letters have been written to Congress, and legal complaints have been filed by attorneys to the Department of the Interior.** In short, “Discretionary Fee to Trust Acquisition” assures the city of a full National Environmental Protection Agency (NEPA) review and numerous public comment opportunities. This is an extensive process involving great public comment and very thorough analysis and can require a year or more. This is why the city originally demanded NEPA and this is why the requirement for NEPA was stated in two formal documents by the city.

The city sent a letter to the Department of the Interior and the very first sentence states, “We are writing this letter in support of the **fee to trust application...**” requiring NEPA, and this is why during multiple public discussions it was voiced and video recorded that all parties were agreeing to the “fee-to-trust (NEPA) approach, and in the final MSA it also officially stated, “Whereas, the Tribe intends to ask the Bureau of Indian Affairs to initiate the federal environmental review process necessary **to comply with the National Environmental Policy Act (NEPA)** as a first step to taking said parcels into trust....”

Seven months after official MSA is signed, Chief Gholson Reveals NEPA would be avoided. Potential Breach of Contract! In a shocking announcement, Chief Gholson sent a letter to the Mayor on January 23, 2017 stating that the Tribe and the Department of the Interior agreed that Ridgecrest would be a “MANDATORY ACQUISITION” and NEPA would not need to be conducted. The Tribe went on to explain how an “alternative” Tribal Environmental Impact Report (TEIR) would suffice. The reason the Chief gave at the podium was “to save money.” This does great damage to the city. By making this a mandatory process; the Department of the Interior does not have to publish a “Notice of Application” and thereby denies all affected parties the right to comment on environmental, social justice, and economic analysis that are potentially detrimental to the surrounding community. This action silences the voices of opposition to the casino project and makes the Department of the Interior’s decision making ministerial.

Legal Trickery Used in the MSA. Just as in the video above, it appears high-level legal trickery was used. The Tribal attorneys cleverly included the MAJOR NEPA requirement in the “Whereas” section of the MSA, where experienced attorneys know full well that anything placed in the MSA section has NO LEGAL EFFECT. Further research reveals that this is an old trick that lawyers have used over the years when they want to be deceitful. The fact that the city attorney did not catch or address this indicated either gross negligence or intentional deceit. Either way, this is being formally investigated. In addition, these “whereas” statements as written, raise serious questions regarding the DOIs efforts to ensure the validity of the statements it makes.

Civil action complaint filed in Superior Court regarding improprieties by Acton, Breeden and Mower for violations of California Code 1090. Injunctive relief.

Filed by Ridgecrest resident in Superior Court of Kern County, Bakersfield. Complaint involves former Councilwoman Lori Acton for FPPC violations, Mayor Breeden for Swap Sheet casino industry ads, and Councilman Mike Mower for likelihood of involvement in providing construction services and hardware purchases for major casino development. Complaint also sites illegal closed-door meetings, and improper Tribal actions.

Motion for temporary injunction filed in Superior Court against Breeden and Mower for conflict of interest. (Cal. Civ. Code 3368, 1090, 1092, 18704-05.)

Filed by Ridgecrest resident on April 3, 2018, in the Superior Court of Kern County, Bakersfield. Lawsuit involves Councilman Mike Mower and Mayor Breeden and their refusal to declare a conflict of interest and recuse themselves from the casino and associated MSA. Mayor Breeden owns the Swap Sheet and stands to make tens of thousands in annual advertisement revenue, a benefit that the general public will not receive. Mower owns a construction company, a local hardware store, "High Desert Hardware", and real property in Ridgecrest that is valued in the millions. He also stands to benefit significantly, in a manner that the public will not. (Potential self-dealing). The suit demands nullification of the MSA and the sale of land due to Breeden and Mowers unethical votes in approving the initial deal, and their ongoing votes in support of the deal. (FPPC threshold is exceeded via "reasonably foreseeable opportunity to profit" (any financial interest above \$2,000 where 25% or more of the general public could not benefit. Multiple violations alleged.)

Tribe circumvented the National Environmental Protection Act (NEPA) denying the public full review, analysis, and critical input. The “alternative” Tribal Environmental Impact Report (“TEIR”) is inadequate and premature.

Primary local issues that the TEIR does not properly address include: water (IWV water basin is in critical 30% overdraft), children’s health (casino is close to schools and churches). In addition, increased crime is a major concern that NEPA addresses. Crime is statistically proven to rise post-casino. Ridgecrest local law enforcement resources are tight, and the town **does not have a jail**. In addition, our one main employer, the Naval Air Weapons Station (NAWS), part of the Naval Air Warfare Center Weapons Center (NAWCWD), is a top-secret DoD military critical facility and the base borders this new proposed casino. In addition to sensitive Homeland Security issues, there is a great concern over proven gambling addictions and financial hardships that threaten the security clearances of all employees.

The TEIR process is inappropriate at this time as the Timbisha Shoshone does not have a Tribal State Compact nor does the Tribe own the land in the City of Ridgecrest in Fee Title, nor is the land in Trust that is proposed for the casino site. The land is still in escrow and payments have been slow. The land is still under the authority and jurisdiction of the City of Ridgecrest. The City is the lead agency in any environmental review under the California Environmental Quality Act. The TEIR process is a component of tribal state compacts. The Indian Gaming Regulatory Act (“IGRA”) does not require a state to negotiate tribal state compacts with a Tribe until it has land in trust. Governor Brown’s Sr. Advisor Joe Dhillon has stated he will not negotiate with a Tribe for a tribal state compact until land is in trust.

The Council and the public have continuously requested full disclosure and detailed information from the Tribe. The Tribe did not disclose, prior to the passage of the MSA, its intended effort to achieve a mandatory acquisition. It appears the Tribe may have intentionally withheld this vital data from Council. From day one, the public was led to believe that a NEPA review would be conducted as this was discussed at numerous City Council and special town hall meetings. It was stated that the Tribe would be submitting a “fee-to-trust” application. It was later learned that the Tribe used the MSA as a political tool. The Tribe and its representatives sent the MSA to the Department of Interior seeking a mandatory acquisition permitting the Tribe and its gaming investors to circumvent environmental review and public opposition.

The City Council voted to approve the MSA without having full disclosure of the Tribe’s intended acquisition process on June 10, 2016. Two new anti-casino council members were elected and demanded answers. The difference between the Tribe seeking a mandatory acquisition of land for gaming and a fee to trust process for gaming were never fully addressed. Nor did the Tribe advise the Council of its intended use of the MSA. A city election was held in November and the Councilwoman lobbying hardest for the casino was voted out of office. Two new Councilmembers were elected who strongly opposed the Casino proposal due to the lack of process and transparency in which the MSA was developed (Council members Wallace Martin and Lindsey Stephens). New Councilmembers immediately began to question all proceedings and actions that had been ignored. For example, in the January 18, 2017 Agenda, “Discussion and Other Action Items Number 11” new council members requested that the tribe provide data on the method of parcel transfer (fee-to-trust or land swap) and requested “that the city draft a letter to the BIA asking to be notified of the NEPA process by the tribe, and after the NEPA process was initiated, that the city send an additional letter requesting that Ridgecrest be a cooperating agency.” **This documents the fact that the city did NOT have full disclosure at the time it approved and signed the MSA – SEVEN months earlier.**

At that council meeting, it was also recommended that a letter be sent to the BIA requesting that “the City of Ridgecrest be included on the notification or service list for any fee to trust application or notification of a NEPA process.” **Again, proof that NEPA was the method earlier agreed upon.** The letter also requested the BIA make clear the process by which the trust acquisition would follow as the tribe up until this date had been non-committal in confirming the process.

(Letter to the Department of the Interior stating that a mandatory acquisition was not acceptable is available upon request.)

In a surprising announcement, Chief Gholson sent a letter to the Mayor on January 23, 2017 stating that the tribe and the Department of the Interior agreed that Ridgecrest would be a MANDATORY ACQUISITION and a full NEPA analysis Fee to Trust application process would NOT be required. This was SEVEN months AFTER the rushed MSA was signed stating in the contract that the Tribe fully intended to conduct NEPA. In other words, even though the City signed the MSA in good faith, its requested environmental review was intentionally circumvented. The letter mentioned that a TEIR would suffice. When one Councilman challenged the action later in public meetings, Chief Gholson publicly admitted that the reason was to “save money.” This response is misleading, by making this a mandatory process; the Department of the Interior does not have to publish a “Notice of Application” and thereby **denies all affected parties the right to comment on environmental, social justice, and economic analysis that are potentially detrimental to the surrounding community. This action silences the voices of opposition to the casino project and makes the Department of the Interior’s decision making ministerial.**

It has become apparent that the Tribe never intended to use the off-reservation process (25 C.F.R. 151.11). Instead, the Tribe requested the Department of the Interior to substitute the 25-acre Ridgecrest parcel for lands at Lida Ranch, NV in a “convoluted interpretation” of the Timbisha Shoshone Homeland Act. The Timbisha Shoshone Homeland Act designates specific areas for the Tribe to acquire land for gaming. **The City of Ridgecrest does not meet this congressional criterion.**

Mandated Acquisition not only circumvented NEPA but it automatically prohibited the city from conducting any further reviews of the negative ECONOMIC IMPACTS of the proposed casino. Tribe and its gaming investors did not want results from a local economic analysis revealed and further discussed. Tribe and developers did not want any further analysis because an extensive economic impact study was conducted by an engineer on base, clearly showing that the casino could have a significant detrimental impact to smaller towns. The report concluded that Indian gaming can be of benefit to a large economic area but when a gaming facility is located in an isolated community, it is often detrimental.

Laws should apply to both sides equally! If the city’s NEPA requirement was purposefully and inappropriately circumvented and made “null and void” by lawyers erroneously placing this requirement in the “Whereas” section of the city’s MSA, **THEN**, the Tribe’s MOA with the DOI should also be considered “null and void” due to the fact that **14 clauses (the entire document)** are ALL placed in the “whereas” section of their document. **Additionally, the wording in tribe’s MOA is technically highly inaccurate.**

“Whereas, the Tribe has identified an approximately 26.48-acre parcel of land in Ridgecrest, California (Ridgecrest Parcel) less than five miles from or within the Tribe’s ancestral homelands that could provide the Tribe with a valuable and sustainable economic development opportunity through operation of a gaming facility under IGRA...” (Emphasis added. Correct distance is 100+ miles away.)

These Whereas statements as written raises serious questions regarding the Department of Interior’s efforts to ensure the validity of the statements it makes. This recital in the MOA constitutes an admission by the Department recited in a written instrument and conclusively presumed to be true. It is imperative that the Department be certain and provides hard objective evidence for all recitals. Errors and omissions by the Department create federal overreaching transgressing the rights of states and local governments.

(Signed Memorandum of Understanding (MOU) between the DOI and the Tribe is available upon request.)

The Department of the Interior officials overstepped authority and ignored regulations. Congressman Rob Bishop, Chairman of the House Committee on Natural Resources, states that there is precedent for “reversal of last minute actions.” It is extremely concerning that Interior officials shortly before and after the November 8, 2016 election and during the evening of January 19th made a flurry of very controversial decisions. The Memorandum of Agreement with the Timbisha Shoshone Tribe was one of several identified in Congressman Bishop's letter. Of significant importance is the fact that Congressman Rob Bishop in a letter to the Department of the Interior dated February 5, 2017 questions the process that put land into trust recently purchased by Wilton Rancheria for their proposed casino in Elk Grove and he is requesting that any further action be “frozen” or suspended until each has been thoroughly examined.

In the afterhours of January 19th, 2017 Principal Deputy Secretary Larry Roberts approved a Memorandum of Agreement (MOA) with the Timbisha Shoshone Tribe. Mr. Roberts was not authorized to act on behalf of the Secretary of the Interior in executing this MOA under the Department's regulations (25 C.F.R. 151.12), Departmental Manual, or Fee-to-Trust Handbook. Mr. Roberts potentially violated the 1998 Federal Vacancy Reform Act. Roberts became the acting Assistant Secretary ASIA on January 1, 2016. Mr. Roberts's position as Acting Assistant Secretary expired 210 days into 2016, approximately August 3, 2016. At this time Mr. Roberts became Principal Deputy Assistant Secretary. The MOA was signed in January 2017. Therefore, the signature is invalid as a “Principal Deputy Assistant Secretary” has NO authority to make any determination on a gaming fee to trust or issue a decision on trust lands. This is crystal clear in the regulation. **This is a last-minute action that deserves reversal.**

Challenge summary. On the last day of the Obama Administration, the then-Principal Deputy Assistant Secretary—Indian Affairs Lawrence Roberts executed an MOA to change the classification of a gaming trust application in Ridgecrest, California from a discretionary trust acquisition to a mandatory one. Mr. Roberts relied on an incorrect interpretation of the Timbisha Shoshone Homeland Act to justify his decision. Through the use of the words “may” and “authorize” in the Act, the Secretary is empowered to use his or her discretion to purchase and acquire parcels for the purpose trust transfer, if the owners of these parcels are willing to sell. The Secretary is further authorized to use his or her discretion to substitute another property for the Nevada parcel, although it is doubtful that Congress intended to empower the Secretary to substitute with a parcel that is in another state, outside the aboriginal lands of the Timbisha Shoshone, and at least 265 miles driving distance from the Nevada parcel authorized to be purchased by the Act.

Mr. Roberts was not authorized as a designee of the Secretary under the Homeland Act. The 2013 succession orders for the Assistant Secretary—Indian Affairs designated a different Deputy Assistant Secretary once a vacancy occurs in this Office. And the delegation of authority in the Departmental Manual applicable to an “absence” by the Assistant Secretary does not apply in circumstances where a vacancy is created through a resignation and the vacancy lasts for almost 13 months.

Mr. Roberts' actions now mean that this Timbisha Shoshone trust land application will not be evaluated for compliance with 25 C.F.R. Parts 151 and 292, as well as with NEPA. The local community, the State of California, and the City of Ridgecrest will not be permitted to provide input and comments during the application review process.

To correct this problem, request is being made via direction under 43 C.F.R. § 4.5(b) to review, reconsider, and withdraw the MOA. This application should then be processed as an off-reservation discretionary trust application.

Recent Tribal Environmental Impact Statement (TEIR) was inappropriate

Recent Formal City Response to TEIR by Special City Attorney. Recently, the Tribe presented their premature TEIR environmental report in a poorly attended public meeting while further demanding a rushed city response no later than January 31, giving the City only ONE Council Meeting to address a 2,000-page document. In formal response, the special City Attorney responded with a letter that addressed the following major points:

- As of this date, the federal government has not authorized trust land for the Tribe in Ridgecrest
- Tribe has not entered a Tribal-State Compact with the State of California governing the conduct of gaming on trust lands
- In the City's view the environmental document released by the Tribe is not an actual TEIR and is both untethered to any enforcement mechanism and is premature. Accordingly, any further comment on that document could result in unintended consequences and the City will refrain from such official (and binding) comment.
- The City remains willing to engage in substantive conversations with the Tribe to craft agreement and language on issues of importance to the City and the Tribe that will be useful in the future should trust lands within the City be established.
- The MSA reflects the commitment of the City and the Tribe to address certain issues known in 2016, that remain unaddressed. These include (1) the Tribe's willingness to comply with the City's marijuana ordinance; (2) the Tribe's agreement to refrain from any water exports from any trust lands in the City; (3) the Tribe's agreement to refrain from any effort to take further lands in trust within the City; and (4) the Tribe's agreement to the restriction to certain retail sales.

Executive Summary of Six-Page Response to TEIR by local engineer / analyst Ricky Fielding

- **About the author of the report.** M.S. in electrical engineering, 10 years in analytical disciplines and experience in managing multi-million-dollar projects. Author also prepared the initial Economic Analysis Report.
- The author expressed concern regarding the Innovation Group's use of non-analogous examples for many of its comparative arguments. A 700-slot casino in the isolated city of Ridgecrest cannot be usefully compared to casinos with thousands of slot machines in established vacationing and destination markets.
- Further, the appendix argues for economic benefits to the County, as if it was the primary host for the Casino. In fact, it is the City of Ridgecrest that will be forced to deal with any ill effects of the casino. It is the City, not the county, that will be the casino's primary source of visitors. And it is the City, not the county, with which the Tribe has executed a municipal services agreement. The TEIR's authors appear to have made no attempt to localize the effects of the casino.

Executive Summary of TEIR response by local engineer / antenna designer / community activist Mike Neel

The draft TEIR study was flawed and should have been discontinued for 5 reasons.

1. Land was still City property, thus a CEQA should have been done.
2. As the Tribe had no State Compact, CEQA cannot be avoided. A TEIR study is improper.
3. Without first having a state Compact, the Tribe has no authority to do a TEIR and is denying the State it's proper role in the environmental review process.
4. Major adverse economic impact of \$15 million or more by the Casino have been calculated, yet no qualified professional study to disprove this has been done.
5. Five, Location of proposed casino violates State law due to close vicinity of schools and church

Executive Summary of TEIR response by Raymond Kelso

1. Since the proposed location is NOT tribal land, there is no authority or concurrence that authorizes a TEIR instead of NEPA or CEQA compliance to adequately address the potential environmental impacts. As a result, the TEIR is currently inoperable and useless.
2. EIR's are typically assembled in order of interest or concern to promote understanding utilizing facts. The TEIR has assembled over 4 inches of information in the report, however it was assembled backwards. The TEIR seems to purposely confuse and intimidate the reader, which is of particular concern to the public.
3. The TEIR relies on a public domain software package, IMPLAN model 3.0, as a basis for much of its analysis. That software was developed as a USDA Forest Service model, NOT as an Economic Analysis (EA) model. While it has been widely used for various purposes, model is flawed and does not result in realistic projections for the casino's economic impact to the Indian Wells Valley (IWV).
4. The TEIR cites studies and comparisons to other locations without regard to whether locations are comparable to Ridgecrest, the IWV, or Kern County. Blatantly cherry-picked examples used include Baltimore MD, Philadelphia and Pittsburg PA, Atlantic City NJ, Des Plaines and Elgin IL (suburb of Chicago). These well-known gambling destinations in or near large cities are clearly not reasonable examples to be used for comparison.
5. **APPENDIX A, PROBLEM GAMBLING RESEARCH**, cites only 6 references. It is a documented fact that gambling addiction is a significant issue. Gambling addiction will cost the taxpayers each and every year. Gambling issues are being studied by the Desert Research Institute and addressed by the Nevada Council on Problem Gambling, the Problem Gambling Center in Las Vegas, the Reno/Sparks Indian Colony Tribal Health Center, and the Rise Center for Recovery focusing on the effect of gambling on tribal members of the Cherokee Nation. These organizations wouldn't exist if there weren't significant impacts from gambling problems. The Casino will not pay to mitigate these problems, the taxpayers will.
6. **APPENDIX B, CASINOS AND CRIME**, does not include ANY examples or references on the West Coast.
7. **APPENDIX D, MUNICIPAL SERVICES AGREEMENT (MSA)**, includes several statements of financial mitigation measures. These include "The tribe shall pay to the city a mitigation payment in the sum of \$100,000 each quarter," "a one-time payment of \$80,000 for a new police car", and "annual fees of \$128,000 for additional critical municipal services which shall be paid to City in quarterly installments". The MSA does not include a "Default" clause, and there is no way the City of Ridgecrest can enforce the mitigation measures.
8. **APPENDIX J, SECTION 1, POPULATION AND EMPLOYMENT RELATED IMPACTS**, is grossly deficient. Appendix J does not address the real impacts that gambling will have on Ridgecrest/IWV residents. Of particular concern is the statement found on page 25: "The Ridgecrest Casino is expected to draw over 320,000 annual visitors to the area in in year 1, employing 218 people and 370,000 annual visitors in year 3 employing 361 people." Stated another way this is 1,000 people per day. This projection is totally unsupported and obviously extremely overstated.
9. **DISCLAIMER**: The basis for the TEIR projections is further called into question by the **DISCLAIMER** found on the last page of the TEIR and elsewhere in the report: "As such, the Innovation Group accepts no liability in relation to the estimates provided herein." This brazen lack of accountability causes further concerns about the risks associated with this TEIR. (See his full report for multiple objections in the appendix.)

10. **CONCLUSION:** It is a well-known fact that in spite of all efforts of the city and the Ridgecrest Area Visitors and Convention Bureau, NOT that many tourists come to Ridgecrest. At the planned location, or anywhere in the city limits, this casino will not be able to attract significant numbers of people from out-of-town, as it is too far from both Highway 395 and Highway 14. Estimates of 1,000 people per day are absurd and cannot be supported; even if those estimates were realistic, the TEIR does not adequately address the infrastructure problems of an influx of that number of people to the IWV. IMPLAN 3.0 and the TEIR studies and data resulted in a flawed business plan and will result in business failure. The economic benefits are not demonstrated, much less verified. This entire project is unsustainable.

League of Cities attorney says the deck is heavily stacked in favor of the Indians. Disputes over anything can be difficult? Time is NOT on your side.

According to Michael F. Dean, City Attorney, Plymouth and Dixon, author of a significant document presented at the League of Cities, City Attorney's Spring Conference, May 2005. "A very brief review of some very bad news regarding Indian Casinos coming soon to a neighborhood near you." Titles below and wording are exactly how they appear in the report.

Article states:

- Casino developers are chasing tribes and neighborhood shopping.
- For smaller cities particularly, an Indian casino can result in dramatic change in the very nature of the city.
- If your turn comes up, his advice is to **try to stop the casino!**
- **Deck is stacked.** The BIA is established for the sole purpose of promoting the welfare of the Indian tribes and is staffed largely with persons of Indian descent. Try not to act too surprised when it chooses to believe the expert testimony of the tribe rather than that of your city.
- **BIA doesn't really care that the tribe is "casino shopping."** Note that regulations indirectly acknowledge the risk of tribes acquiring property based on the casino market share, since the regulations provide for more rigorous review when the land is at a distance from the reservation.
- **DISPUTES:** Whenever there is any doubt to the interpretation of Congressional statutes dealing with Indians, the "Indian Canon of Statutory Construction" or "Trust Doctrine" (also known as the "Blackfeet presumption") provides that **any such ambiguities are resolved LIBERALLY in favor of the Indians.** (Chickasaw Nation v. United States (2001) 534 U.S. 84, 93-94; Montana v. Blackfeet Tribe of Indians (1985) 471 U.S. 759; Artichoke Joe's etc. v. Norton (9th Cir., 2003) 353 F. 3d 712, cert. den. ("Artichoke Joe's I").
 - In short..." **statutes are to be construed liberally in favor of the Indians with ambiguous provisions interpreted to their benefit.**" (Carciere v. Norton (1st Cir. 2005) 398 F. 3d 22.)
- **What if the TEIR is Lousy?** The compacts do not explain what remedy a city (or any other third person) might have if they believe the TEIR is inadequate in some respect. Considering tribal sovereignty, the only remedy may be that the Governor can claim breach of the compact, and then arbitrate the dispute. **The compact disclaims any third-party beneficiaries so that a direct city enforcement of the terms of the compact, even absent sovereign immunity issues, appears difficult.**
- **Time is not on your side.** In addition, dispute timelines are extremely short for very complex issues—generally no more than 90 days to submit to arbitration. Within weeks after the compact is approved, the city must have sufficient information available to it to enable it to try an arbitration hearing should negotiations fail. Most city councils are constantly complaining there is no time for proper analysis.
- **Last Ditch State Defense.** Approval by the Governor is not enough: The State Legislature is also required to ratify it. While the legislature usually "rolls-over" for a Governor-approved Compact, the approval of the legislature is not necessarily a rubber-stamp, as demonstrated recently in the case of the San Pablo casino for the Lytton Band of Indians. Do not overlook the possibility of lobbying your State legislators.
- **National Indian Gaming Commission's (NIGC) approval needed.** The last step is for the NIGA to approve the Tribal Gaming Ordinance making sure the tribal governing body was not unduly influenced by outside persons. However, this is relatively pro-forma. Since many tribes do not have the money to construct a casino, nor the expertise to operate it. Therefore, they enter into agreements with third persons to finance the project and to manage it for a time. NIGA must first approve the contracts which include background checks to ensure organized crime is not involved.

- **Look for ancillary agreements; but bring plenty of money to litigate.** Keep in mind, however, that the casino projects generate so much money that proponents can afford to, and will, litigate such challenges vigorously. The Shingle Springs Rancheria in El Dorado County is a good example which has cost the County over \$500,000 in attorney fees to date, with no end in sight.
- **If you only have a few dollars, bet it all here to win.** “Acquisition of Indian lands or the “fee to trust” process the primary hurdle for most tribes seeking to operate a casino within a city, since most pre-existing Indian lands will be in rural areas rather than urban cities. If your intention is to stop the casino, the emphasis should go here.”
- **How will you enforce your agreement against a sovereign?** Pay attention to the “waiver of sovereignty” issue in any agreements with a tribe. For the MSA to be enforceable, the tribe’s waiver of sovereignty must be clear, express and in the form required by the tribal Constitution.
(World Touch Gaming v. Massena Management LLC (NDNY, 2000) 117 F. Supp.2d 271.)
- **Casinos must NOT be detrimental to surrounding community.** The National Gambling Impact Study Commission Report states that “off-reservation gambling (page 6021) “When an Indian Tribe purchases off-reservation lands and transfers them into trust, there is a provision that states that a “gaming establishment would be in the best interest of the Indian tribe and its members AND **WOULD NOT BE DETRIMENTAL TO THE SURROUNDING COMMUNITY.** (This comprehensive report clearly shows this proposal as detrimental.)

Department of Defense Serious Issues

DoD Serious Issues: Casino to be located adjacent to top secret DoD weapons facility. Totally unacceptable. Threatens homeland security, employee clearances, and young sailors and families.

Several public presentations were made discussing the security risks of having this casino located at the front gate of a top-secret military installation, the Naval Air Warfare Center, Weapons Division. Critical military technology essential to our national defense is at stake.

This area, among other things, involves protected flight corridors. Top secret missions are routinely conducted throughout the base and on the ranges. There are extensive security protocols in place for all transmissions via airwaves. Numerous safeguards are in place protecting proprietary base information and the China Lake police force work routinely cooperates with all local, county, and state enforcement agencies as and when needed to assist in any Homeland Security issues.

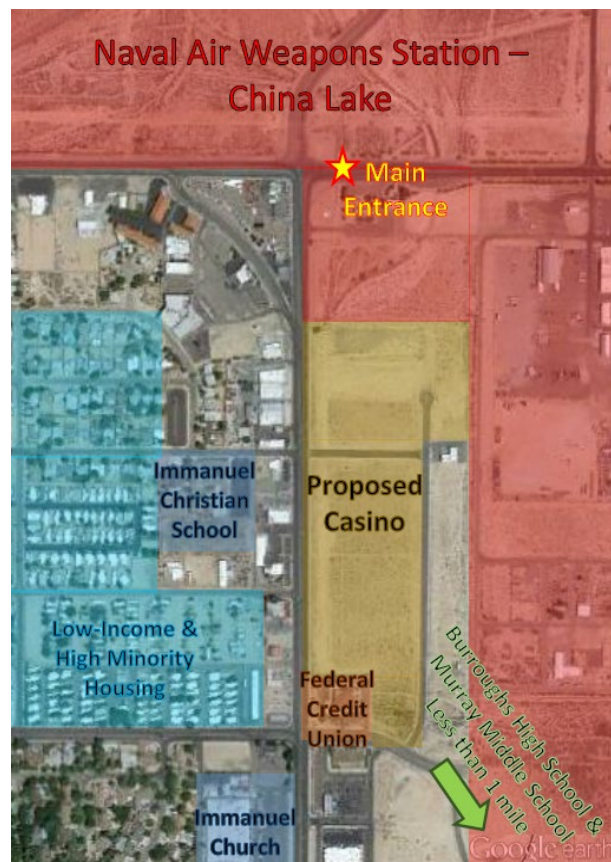
The problem as **here again** stated, is that once a sovereign nation immunity status is granted, then the local base loses local enforcement control and critical security will be at stake.

Water shortages? Any issues arising from water shortages, which could negatively affect the mission of the base; or any property issues dealing with flight corridors, etc. or adjacent lands, could be in jeopardy.

Secure Radio Transmissions? Lobbying Posts? And the issue of security via radio transmission monitoring is one that has yet to be adequately explored as the base generally does not weigh-in on issues that are predominately city related. However, the casino issue could end up being a major problem for the Navy, since neither the China Lake police, the Ridgecrest Police, NCIS, etc. have absolutely **zero jurisdiction** on sovereign nation lands and matters. If any issues arise it would then fall under the authority and cognizance of the Bureau of Indian Affairs. Under the previous administration, the BIA won case after case in favor of any disputes. If the DoD loses to the BIA, national security could be at risk. (See "League of Cities attorney says deck is heavily stacked in favor of the Indians" in the Table of Contents.)

Paul Valovich and other local and military leaders express concerns about casino. According to a News Review article, Paul Valovich is a Vietnam veteran, has a master's degree in aeronautical engineering and he has commanded both at Point Mugu and China Lake. And in a DI article dated April 22, 2016 entitled "Public Pans Casino Plans" with a sub-title of "Increased Crime, bankruptcies, gambling addictions, corrupting schoolchildren, and **interfering with the mission of the base**" Valovich spoke up at a public meeting, "how could you spring this on this community with such short notice? But he was not alone. The public turned out in droves to attend the City Council meeting. And most of them said, "NO!" "In all, roughly 30 people spoke up, mostly opposed to the idea." Tim Fox, speaking for the Navy, said, "there are a few military compatibility concerns." "I am trying to recover from shock and being sick. I can't believe this has been sprung on us," Pat Farris said. "We have enough of a crisis going on about our water and to throw us into another crisis decision. I am appalled. I am sorry, but I am appalled. People chose to live here because they say it is a great place to raise a family. Well they won't be saying this after this comes."

(<http://www.ridgecrestca.com/article/20160422/NEWS/160429884>)



David Shipley, NAWCWD Security Officer. I moved here to Ridgecrest 35 years ago. I moved here not because of a job, but because I visited the area and said, "This is a really neat place to raise a family". And it was. In my career, I've had the unfortunate circumstance multiple times to sit across the table from someone who is being told they can no longer work due to financial indebtedness. Which means that they no longer are suitable for a government position because of security clearance requirements. I've watched grown men cry as we tell them that they can no longer have this employment, and they won't be able to be employable with our defense contractor teams either. I believe a casino would increase this opportunity. My concern is the impact to the lives of the people in our community. I know that being fiscally advantageous shouldn't be the sole reason that we decide on this issue. So, I ask that you make the decision that is best for us, and disapprove this.

Dave Shipley (Statement made at May 11, 2016 Council meeting. Video time stamp: 1:27:05 – 1:29:50.)

Former Base Commander. I would have a major concern about a casino at the front gate of the base at China Lake, one of the nation's premiere Navy laboratories. First, the critical water situation must be addressed. The current shortages and increased demand are serious issues and lately there has been significant "sky is falling" messaging. Also, I would be concerned about our young sailors having a casino just outside the front gate. It is a known fact that casinos pose a significant gambling risk which could affect sailors security clearances and financial stability. I also have concerns regarding the "sovereign nation" designation where our base would have no jurisdiction over what the Tribe chooses to do, regardless of what the Tribal leaders say. And finally, there is precedence for the base Command to become involved with controversial issues. Years ago, I was against the prison coming in because I took a position in support of military families. I also took a position on a controversial school bond issue. A letter was written to the Navy objecting to my involvement, but my position was upheld because employee and family safety and security falls under Command authority and responsibility.

Former Base Commander (Phone interview. Unnamed at this particular time, pending a possible news article in the near future.)

Kern County Sheriff. Ridgecrest is within my district and it has a reputation of being a "model community." People don't believe me when I tell them Ridgecrest has little to no graffiti, or gangs, and they have low crime. I love to come to Ridgecrest. Formally, I'm not taking a position one way or the other on the casino at this time, but I will say that if a casino comes in you will have increased arrests including drunk driving incidents. It will bring prostitutes, tattoo parlors and pot shops. When these businesses settle in the community, neighboring businesses are not happy because they will have an increased risk for crime, and at a time when you have no jail. Also, there will be more demand for mental health care and your town does not have enough specialized care in these areas.

Sheriff Donny Youngblood

DoD regulations clearly prohibit gambling. While on government-owned or leased property or on duty for the government, an employee shall not conduct or participate in any gambling activity, including conducting a lottery or pool, (or) participating in a game for money or property ..." (5 C.F.R. 735.201). The Department of Defense has wholly adopted this rule. "A DoD employee shall not participate while on federally owned or leased property or while on duty (for military members, this means, in this context, present for duty) for the federal government in any gambling activity prohibited by 5 C.F.R." 735.201. (Joint Ethics Regulation — DoD 5500.7-R).

(www.katehorrell.com/whats-gambling-military-bases/)

Easy access has proven to increase the number of problem gamblers. These troops, they're Type A personalities," he said. "They're naturally drawn to risk and adventure, and that's the group most vulnerable to gambling problems. We've seen civilian studies where populations with easy access to slot machines have nearly doubled the number of problem gamblers," he said. "The slots are easy and highly addictive. If they got rid of the machines, there would still

be some with serious problems who go off base or get involved in back-room poker games. But just having them there, you get some people addicted who never would have had a

(<http://www.katehorrell.com/whats-gambling-military-bases/>)

Hostile tribal takeovers or frequent tribal leadership fights at front gate? Tribal Chairman Joe Kennedy and the Timbisha Shoshone Tribe have filed multiple suits against the U.S. Dept. of the Interior, BIA and Gholson for the illegitimate takeover of the tribe. Newly organized Tribes, such as Timbisha Shoshone, have a greater propensity for internal membership and leadership disputes. The News Review, January 12, 2018, reports that, "Establishing tribal use of land is a years-long process that involves numerous agencies, and the local land sale to the Timbisha Shoshone Tribe is not different. But to further complicate matters, Tribal Chairman George Gholson, who has visited Ridgecrest numerous times to advocate for the casino, is the subject of multiple lawsuits between the tribe and the Bureau of Indian Affairs. According to the Indian Law Resource Center, Gholson is a non-tribe member who was appointed by the BIA in 2011."

Timbisha Shoshone has already had an internal coop that while currently resolved last year in the 9th circuit, it doesn't mean this will not occur again during tribal elections. For example, the Chukchansi Tribe in Madera County had a hostile takeover of its casino causing the state to shutter the casino for more than a year until a settlement was worked out and perpetrators had processed through the courts. Likewise, Paskenta experienced a shut down due to warring membership factions fighting for control of the tribal leadership and casino. Embezzlement charges were levied on former leaders.

(<http://www.news-ridgecrest.com/news/story.pl?id=0000007909>)

Police case logs nationwide show that Casinos bring significant import crime into communities.

Examples.

Gun activities and bomb threats are becoming more common nationwide.

(www.mlive.com/news/saginaw/index.ssf/2016/04/2500_evacuated_from_soaring_ea.html)

(www.mymotherlode.com/news/local/253254/black-oak-casino-evacuated.html)

(www.indianz.com/IndianGaming/2007/002509.asp)

The article below describes one horrendous situation involving the Chukchansi tribe in Central, California. The Las Vegas style heist involved SUVs, body guards and guns.

<http://kvpr.org/post/money-greed-and-power-keep-chukchansi-casino-closed-tribe-still-divided>

Security clearances for sailors and all Navy employees are threatened due to the risk of frequent gambling and financial impairment. 60% of gamblers are financially challenged.

In addition, the people who get hurt the most in casinos are those who can afford it the least. Our fiscally challenged citizens also include our young sailors who are on very limited budgets. Statistics by casino marketers themselves show that that 60% of gamblers are customers who are financially challenged in some way. All lured by the illusion that they too might strike it big. And bankruptcies are a significant problem. In addition to financial devastation, bankruptcies can greatly interfere with security clearances for all our DoD employees, civilian and military.

(<http://stoppredatorygambling.org/wp-content/uploads/2012/12/The-Impact-of-Casino-Gambling-on-Personal-Bankruptcy-Filing-Rates.pdf>)

Examples.

Another study estimates 10% increase in bankruptcies, violent crimes, auto theft, and larceny.

<http://www.nber.org/papers/w9198>

Multiple studies found that casinos are associated with about double the usual prevalence of problem gambling behaviors in the immediate area (within 50 miles). One study noted that 6-16% of gamblers account for 75% of all reported expenditures."

- **“Sovereign Nation” (embassy-like immunity) is extremely high-risk. China Lake Police Department, NCIS, etc. have no jurisdiction over “sovereign nation” entities. There is nobody to turn to.**
- **Base used to have a 50-mile moratorium?** One long-time Ridgecrest citizen reminisces about gambling in the old days. He said...

“Today, there has to be a government rule about this? Why hasn’t the government weighed-in? I wish the Navy brass would worry more about the young personnel who could be financially damaged. Their family funds are so limited. We used to have a “50-mile rule” stating that casinos could not be within 50 miles. I remember when Red Mountain was put “off limits” to servicemen and women from China Lake. The idea of a “Casino” at the gate of NWC is insulting. Had such an idea been presented to the Citizens for a “Vote” it would have failed. A few, “the greedy few” decided what was “right” for “many.” “They” knew what was best for “us.” And one City Council member now works for the Casino. The entire deal stinks.”
- **The fact is, the City has no control as to who the current developers may sell to in the future and under “sovereign nation” total immunity, they could put any type of business they want at the front gate with any type of owner.** The public was NEVER told these things. They were only told about the safeguards of the initial MSA in stage one. What happens when lands go into trust was never discussed. The risk to NAWCWD, right next to this establishment is a PERPETUAL RISK.

DoD Serious Issues: Marijuana cultivation and sales at the front gate of our proud Navy base? American Indian tribes consider ignoring state-regulated system. Marijuana growth and sales is against federal law and against Ridgecrest municipal code.

In a January 9, 2018 Bakersfield California article, the article discusses how the tribes are floating the idea of setting up rival farms and sales shops on reservations after concluding that rules requiring them to be licensed by the state would strip them of authority on their own lands and their right to self-governance. For tribes to participate in the state-run market, “they have to give up their rights to act as governments, with regard to cannabis,” said Mark Levitan, a tribal attorney for the Timbisha Shoshone tribe (handling the case with Ridgecrest.) Under regulations issued last year, California would retain full control over licensing. Tribes would have to follow state rules, including “submission to all enforcement,” to obtain a license to grow or sell marijuana.”

After long-running negotiations between tribes and stated officials failed to produce an agreement, the California **Native American Cannabis Association warned state officials that tribes “may engage in commercial activities through our own inherent sovereign authority.”** Nevada-based GB Sciences, Inc. announced last year that it would build and manage a commercial cannabis company on tribal lands, nurturing plants, manufacturing products and distributing them across the state. The tribe, the Los Coyotes Band of Cahuilla and Cupeno Indians would get an ownership stake, jobs and 40 percent of the profits. GB Sciences would get income for its marijuana research and a foothold in the **LARGEST LEGAL POT MARKET IN THE U.S. NAWCWD Beware!**

(<http://bakersfieldnow.com/news/local/tribes-cut-out-of-california-pot-market-might-grow-their-own>)

How Native Americans are fighting for their rights in the cannabis industry. The conditions stipulated in that memo have since been revoked by Attorney General Jeff Sessions, and Native cannabis entrepreneurs have found themselves with a unique challenge. Although many states, like Colorado and California, have passed laws for recreational marijuana use, federal regulations still outlaw it. Which is trouble, because it's the latter that tribes must comply with, says Anthony Rivera. He's the CEO of CannaNative, a company that is helping Native American tribes develop economic and regulatory policies for localized cannabis industries.

(www.good.is/articles/native-american-marijuana-cannabis-federal-regulations)

Chief Gholson recently indicates at March 7 Public Council Meeting, that the tribe should be able to profit from marijuana. At the meeting, the Chief stated, “Why should other people be left out because of their ethnicity? Unacceptable. Our people are also citizens of California just like everybody else. We should be able to take advantage of everything just like everybody else” ...”and I will tell you, if there is any other industry that we could get into that would produce those returns, we would.”

(Video transcript from March 7, 2018 meeting.)

The Shingle Springs Band took 62 acres into trust for a medicinal clinic, and then immediately re-purposed it as a shooting range within a RESIDENTIAL AREA. Therefore, a marijuana field at the front gate of the base is a technical possibility if these lands go into trust. There are no state restrictions imposed on the shooting range. Because of the nature of tribal sovereignty there is little recourse for resolving disputes that may occur, such as blocking access to private properties, well water interference, or incompatible developments such as an outdoor gun range or a race track within 1000 feet of elementary schools, churches, homes or watershed basins. Anything goes.

Urgency Regarding Marijuana Issue

Currently, the Timbisha Shoshone Tribe, according to the Tribal newsletter, is now in the pot business and they have built a 50,000 SF facility in Death Valley Junction and dug a well to harvest brackish water despite the current draught. The Tribe has also set up a “health” co-op in Bishop for medicinal sales. Despite a local ordinance that Ridgecrest just enacted, there is little doubt that if the casino were to go through, then marijuana would be a definitive part of the Tribe's business.

There is no mention of marijuana in the MSA. Our City MSA should have included language strongly prohibiting the cultivation or sale of marijuana.

Examples:

Since 2015 in California alone there have been more than 400 Deed of Trust applications totaling more than 30,000 acres of land. The Shingle Springs Band took 62 acres into trust for a medicinal clinic, and then immediately re-purposed it as a shooting range within a RESIDENTIAL AREA. There are no state restrictions imposed on the shooting range. Because of the nature of tribal sovereignty there is little recourse for resolving disputes that may occur, such as blocking access to private properties, well water interference, or incompatible developments such as an outdoor gun range or race track within 1000 feet of elementary schools, churches, homes or watershed basins. **Therefore, a marijuana field at the front gate of the base is a technical possibility if these lands go into trust.**

Threatens cultivation and sales of a federally illegal drug – marijuana. If the casino fails, here's the next cash cow to damage communities.

To add insult to injury, the U.S. Justice Department declared that Sovereign Nations would not be prosecuted for growing pot on tribal lands in states that had already legalized the drug. In the past three weeks the Timbisha Tribal newsletter now clearly states that the tribe is now into the pot business. Naturally. And they have built a 50,000 SF facility in Death Valley Junction and they dug a well to harvest brackish water to accommodate the massive amount of water required for commercial grow, **despite our current draught.** This is critical to note because it has been determined that the water under casino lands in Ridgecrest has also been determined to be brackish. **Therefore, if it works in Death Valley, drilling can certainly work here.** But the Chief wanted to magnanimously “assure us” that they had no “plans” for pot in Ridgecrest. (But, the tribe also “assured us” they would do a full NEPA as well. And they renege.)

(<http://timbisha.com/images/Documents/Newsletters/91517ThirdQuarterTribalNewsletter.pdf>)

Examples:

The Timbisha has quickly gotten into the marijuana cultivation business and set up a “health” co-op in Bishop for medicinal sales of pot. Ridgecrest will no doubt be next.

(<http://timbisha.com/index.php/tcda>)

While the casinos tout all the fabulous success – many are failing miserably and converting to marijuana cultivation and sales to save the day. Two casinos have failed in the San Diego area in the last four years. In 2007, when the Santa Ysabel Resort and Casino opened overlooking Lake Henshaw, the tribe envisioned building a hotel to serve the hordes of gamblers who would surely flock there. That never happened – there were too many other casinos closer to San Diego and major corridors like Interstate 15. (Similar to Ridgecrest. We have smaller casinos north/south/east/and west of us. And they are all on the highway. Our casino would be **miles away.**) The Lipay Nation of Santa Ysabel shut the doors on its 35,000 SF facility in 2014 buried under \$50 million in debt has now transformed the vacant space into a high-tech medical marijuana operation and is now leasing part of the property to growers who cultivate and distribute the drug to dispensaries throughout the state.

(www.sandiegouniontribune.com/communities/north-county/sd-no-ysabel-marijuana-20170502-story.html)

Where there is heavy cash, there is heavy maneuvering. The tribes can say they aren't growing marijuana, but the article below explains how this is being cleverly done via massive greenhouses. Schemes to get around legal terminology abound. Leasing the land out, shipping product off the land for "medical use" etc. No end to this.

(<http://www.thecannabist.co/2017/10/02/american-indian-tribes-marijuana-industry/89126/>)

At the Santa Ysabel Indian Reservation law enforcement officers raided a gigantic marijuana growing operations seizing 25,000 plants with an estimated street value of up to \$100 million dollars. The site was so remote that helicopters had to tote the torn-out plants. The tribe claimed they were not involved.

(www.cbs8.com/story/13038998/huge-pot-bust-at-santa-ysabel-indian-reservation)

Simply stated, Indian casinos have reached their breaking point regarding massive over-control. One article in the Sacramento Bee fights back.

(www.sacbee.com/opinion/editorials/article76599367.html 13)

DoD Serious Issues: Direct threat to law enforcement and public safety and security. Increased crime rate proven, even by developer statistics, to greatly increase. Ridgecrest doesn't even have a jail!

Articles:

In one 2005 study of county-by-county data from 1977 to 1992, researchers found that significant increases in crime frequently followed the introduction of a casino, with rates continuing to climb every five years afterward. By the fifth year after introduction, robbery, aggravated assaults, auto theft, burglary, larceny, rape, and murder were 136%, 91%, 78%, 50%, 38%, 21% and 12% higher respectively.

(<http://nemasket.net/miscdocs/Grinols/CasinosCrimeCommunityCosts.pdf>)

In addition, it could cost half the amount Ridgecrest gains by transporting drunks back and forth to Bakersfield because we don't even have a jail any more. So, in the end, we will spend half of the money on additional costs, and the other half in legal fees and that's IF the casino even pays the City what they promised. Even the casino statistics show that the crime rate goes up, gambling and addiction rates go up, and to top it all off, we have no jail and no mental health or addiction facilities to handle ANY of this.

California. February 2018. Man killed by security guard at Chumash Casino, Santa Ynez Valley.

(<https://mail.google.com/mail/u/0/#search/cherylschmit%40att.net/161b9ee0f11c0bce>)

California. San Manuel Indian Bingo and Casino. The casino will now have more police patrols. Neighbors have complained about drug activity, prostitution, reckless driving, and nuisances like casino patrons relieving themselves in front yards.

(Casino area gets more cops/WW.SBSUN.COM/5.4.04)

Northern California—Yurok Indian Tribe, and Paskenta Band of Nomlaki Indians, involved in major cases embezzlement. Stormed BIA office in Sacramento.

- Roland Leroy Raymond, former forestry director for the Yurok Indian Tribe of Northern California, pleaded guilty in May 2013 to embezzling \$850,000 from a BIA grant intended for environmental uses under the Endangered Species Act and also admitted to conspiring with at least one person at a Eureka consulting firm. Raymond was sentenced the following January to three years in prison and ordered to make full restitution.
- Various members of Northern California's Paskenta Band of Nomlaki Indians in June 2014 stormed the BIA regional office in Sacramento to demand the arrest of John Crosby and Leslie Lohse, respectively, the Paskenta economic development officer and treasurer, for embezzling about \$10 million in tribal funds. They also demanded the arrest of two tribal council members for allegedly launching a cyber-attack on the tribe's Rolling Hills Casino. Crosby and Lohse countered that their accusers were covering their own tracks for stealing tribal records and planning a military-style takeover of the facility. In January 2017, a grand jury indicted Crosby, Lohse and Crosby's mother, Ines Crosby, for embezzling at least \$6 million. Two years earlier, the tribe filed suit in federal court against the trio and another individual for stealing more than \$20 million.

(<http://nlpc.org/2018/03/14/can-trump-drain-swamp-bureau-indian-affairs/>)

Las Vegas / Laughlin Nevada. Only one of the Hells Angels indicted this week is from Southern Nevada, but authorities estimate the number of motorcycle gang members engaged in criminal activity in Las Vegas has skyrocketed from about 100 three years ago to nearly 600 today. Three biker gang members were killed when members of the Hells Angels and the Mongols shot, stabbed and beat each other on the floor of Harrah's Laughlin during the annual River Run event. The motorcycle gangs known to local investigators are involved in the crimes associated with motorcycle gangs, such as vehicle thefts. (Motorcycle gang activity in Las Vegas rising, police say/Las Vegas Review-Journal/ 12.5.03)

When examining all states, there is a significant increase in crime both one and two years after casinos open. There is also an increase in crime 4 years after, which is significant at the 10% level. According to the Impact of legalized casino gambling on crime, IZA DP No. 7299, March 2013, the article states, "Casinos lead to a plethora of social ills, including increased substance abuse, mental illness and suicide, violent crime, auto theft and larceny, and bankruptcy. The latter three all increased by 10% in communities that allowed gambling." Other works back up the crime finding. The Baylor's Earl Grinols, University of Georgia's David Mustard, and the University of Illinois Cynthia Dilley found that 8 percent of crime in counties with casinos was attributable to their presence, a crime increase that cost residents, on average, \$65 per year.

Virtually every casino community has now experienced increases in crime ranging from shoot-outs, murder, theft, robbery, embezzlement, gang activity, substance abuse and drug trafficking, drunk driving, auto accidents and fatalities, gambling addictions, credit problems and bankruptcies, family neglect, suicides and the list goes on. One article states, "The amount of money that trickles down into the local economy from the salaries of employees and the costs of goods and services is nowhere near enough to make up for lost tax revenues or to pay the tribe's fair share of the costs to the community for increased demands on public services and infrastructure.....

Negative impacts show a 10% increase in auto thefts, larceny, violent crime, and bankruptcy in counties four years after a casino has opened. Bankruptcies increase within a 50-mile radius of a new casino.

www.nber.org/digest/feb03/w9198.html

Casinos are crime magnets with two types of illegal activity: internal corruption that includes money laundering, loan sharking, mob influence, and street crime. It is the increase in crime directly spilling from casino doors that has the most immediate effect on surrounding communities. For nearby neighborhoods, these include DUI-related accidents, home robberies and mail theft.

www.forbes.com/sites/realspin/2013/09/25/as-native-american-casinos-proliferate-the-social-costs-of-the-gambling-boom-are-ignored/#523bbf867997

When casinos started booming in Wisconsin, the Wisconsin Policy Research Institute commissioned a three-part study of casino related crime in the Badger State that produced frightening results. 5,300 MORE major crimes! The expert panel (an economist, a statistician and an expert in gaming administration) found, "existence of a casino within the boundaries of a county led to an increase in county-wide crime rate (and) a strong spillover effect with counties adjacent experiencing higher crime rates." **Their data showed a 5,300-annual increase of "major crimes" and 17,100 "minor crimes" with an associated cost in 2001 dollars of \$51 million for Wisconsin taxpayers.**

www.forbes.com/sites/realspin/2013/09/25/as-native-american-casinos-proliferate-the-social-costs-of-the-gambling-boom-are-ignored/#523bbf867997

Due to "sovereign nation" immunity, most of the "incidents" end up not being reported by Tribal Authorities. In a drive-by motorcycle purse snatching in the parking lot of a San Bernardino casino, the victim reported the incident to the casino security guards, expecting it to be reported to the Sheriff's Department. They found out later, when they made their insurance claim for the damage to their car, the incident was never reported to the police. This is but another of the many negative impacts of Indian casinos...."

www.nber.org/digest/feb03/w9198.html

(The National Bureau of Economic Research, The Social and Economic Impact of Native American Casinos, Working Paper no. 9198)

According to reliable sources, casinos are crime magnets with two types of illegal activity: Internal corruption that includes money laundering, loan sharking and mob influence, and street crime.

- It is the increase in crime directly spilling from casino doors that has the most immediate effect on surrounding communities. For nearby neighborhoods, these include DUI-related accidents, home robberies and mail theft.
- According to a 2012 study of casino crime by University of Maryland researchers, there is a 10% increase in substance abuse, suicide, violent crime, theft and bankruptcy when a new casino opens in town. Other studies found 8-9% crime increase costing nearly \$70 per year for every person living nearby. After Atlantic City's rapid casino growth in the 1980s, crime increased by 100% in a 30-mile radius surrounding the area.

Casinos aren't even a particularly good source of tax revenue. Kearney notes that several studies have found that Indian casinos cannibalize business at nearby restaurants and bars and in doing so actually reduce state tax revenue. This was the findings reported by the Washington Post, October 30, 2012. The article is entitled, "Studies, Casinos bring jobs but also crime, bankruptcy, and even suicide.

(www.washingtonpost.com/news/wonk/wp/2012/10/30/studies-casinos-bring-jobs-but-also-crime-bankruptcy-and-even-suicide/)

Other common, non-desirable, casino related enterprises, that plague many communities around the country – strip clubs, prostitution and predatory lending. While there has been little discussion to date regarding these two issues, it is important for citizens and community leaders to carefully research the full background of **ANY** business or **industry** wishing to locate at the front gate of our proud Navy base and play a significant role in our community into the distant future. It is critical that decision makers take note of the fact that there are many very undesirable businesses that could plague a city, either now, **or in the distant future**, that are frequently associated with the gambling industry. In any other business, the city would have significant law enforcement safeguards. With "sovereign nation" entities, the Tribe is in-charge and "sovereign nation" is forever.

The truth is, according to the prior Council, the "nice men" we are now dealing with, may not be so nice soon if the original casino did not work out as planned, and if the original developer sold out to another Las Vegas group, etc. In this case, the City would have very little control. Since these "dark side" issues were hardly addressed, there is a plethora of information on the internet regarding the two issues of prostitution and gambling, and predatory lending (pay-day loans.)

These are just two of the many, many examples of undesirable off-shoot businesses, that communities must, at least, be aware of. Naturally, the Tribe and developers would strongly and verbally discount these threats as ridiculous and preposterous. However, a one-hour search on the internet will instantly reveal hundreds of cases across the country, where this does in-fact frequently exist. At this point, regarding the Ridgecrest MSA, there has been nothing suggested or implied by the current developers. But many in town have questioned, "who knows what could be operating at the front gate of our proud Naval base" if the original casino projections don't pan out? And local economic analysis project that they won't. Therefore, this is simply background information and only few quick examples for now are presented.

Pay-Day Loans – The alliance between payday lenders and tribes. This Article discusses the most recent incarnation of payday lending regulation-avoidance, which pits tribal sovereign immunity against meaningful consumer protection laws. Under this model, known among internet payday lenders as the "tribal sovereignty" model, existing payday lenders team with Indian tribes to gain the benefit of tribal sovereign immunity and avoid state usury laws, small loan regulations, and payday loan laws. This practice could conceivably weaken both tribal sovereignty and consumer protection in one fell swoop.

(<https://scholarlycommons.law.wlu.edu/cgi/viewcontent.cgi?article=4276&context=wlulr>)

Prostitution, Strip Clubs, and Gambling. Casino Watch. August 2005.

(http://www.casinowatch.org/sex_prostitution/prostitution_8_25_05.html)

- **Las Vegas.** The escort-service promoters work all night, handing out playing card-sized photos of women who plan, no doubt, to settle down someday but for now count their German shepherds as their best friends. Prostitution is illegal in the city, though one senses that the crime isn't often prosecuted. What happens here, stays here. Tell it to the judge.
(Vegas Ups the Ante/TRAVEL AND LEISURE/4.04)
- **Las Vegas.** Martin's streetwalker sting is just the beginning, according to members of the Downtown God Squads. When police do catch someone on a minor drug or prostitution charge and haul them to jail, it's usually a "walk through" for the criminal, meaning they'll be back on East Fremont before the cop's shift is over, Fricker said. "There's no deterrent."
(DOWNTOWN DECEPTION: God Squads aim to clean up Fremont/Las Vegas Review-Journal/11.16.03)
- **Las Vegas.** Closer to home, Las Vegas Mayor Oscar Goodman is wondering if the city should legalize the world's oldest profession, perhaps turning East Fremont Street in a "Little Amsterdam." Goodman, who long has personally supported the notion of legalizing both marijuana and prostitution....
(LEGALIZED PROSTITUTION: Vegas brothels suggested/Las Vegas Review-Journal/ 10.24.03)
- **Las Vegas.** The poll results come a week after Mayor Oscar Goodman floated the notion of legal brothels in response to a question on a local talk radio show, and in subsequent media interviews. Later, at a news conference, he (mayor) suggested that the city should legalize prostitution on a portion of East Fremont Street. "There's probably 3,000 pimps in Clark County getting rich on the girls' efforts." He said "everybody knows" prostitution is rampant in Las Vegas, despite the fact it's against the law.
(Majority opposes legalizing prostitution in Las Vegas/Las Vegas Review-Journal/ 10.30.03)
- **Nevada.** Bernalillo County Sheriff's deputies say two young women (18 and 19) are lucky to be alive after they escaped from Las Vegas, Nev., where they were tricked into prostitution.
(Teenagers escape forced prostitution/WWW.KOBTV.COM/8.7.03)
- **Pahrump, NV. Strip Clubs.** A publicly traded Australian company has established a "handshake agreement" with a Nye County brothel owner to build a casino and strip club at a site north of Pahrump in Southern Nevada... casino and topless dancing club at the site of the two brothels.
(S. Nevada brothel eyes casino deal/LAS VEGAS SUN/8.14.03)
- **Atlantic City.** A two-week sweep of Atlantic City casinos resulted in the arrests of 136 people on prostitution-related charges last month... Of the 133-people arrested for prostitution, 78 were captured inside casinos.
(136 arrested in sweep in and around casinos/Las Vegas Sun/8.12.05)
- **Atlantic City.** State Police also said the investigation determined that members of the Bloods street gang were running prostitutes in casinos and on the streets surrounding them.
(Prostitution sweep in and around Atlantic City casinos nets 136 arrests/
WWW.NEWSDAY.COM/8.11.05)
- **Atlantic City.** A former casino worker has pleaded guilty to being part of a prostitution ring that got women from brothels for casino patrons. Chau was part of a prostitution ring that recruited young Asian women and sold their services to casino high rollers.
(Casino Worker Pleads Guilty in Hooker Ring/1010owins.com/1.22.05)

- **Atlantic City. Prostitution, Gambling and Pot – Birds of a feather.** Drugs and prostitution—always birds of a feather—have turned Atlantic City, the gambling capital of the East Coast, into the scene of an AIDS epidemic and the backdrop for a public health emergency. City health officials estimate that 1 in 40 residents are infected with HIV. Many are prostitutes who turn tricks to earn money for drugs.
(Where gambling with HIV is a public health crisis/WWW.IHT.COM/7.21.04)
- **New Jersey.** Dinh admitted he operated the prostitution ring through a Philadelphia brothel and a service to the casinos that he operated from his home, prosecutors said. He also admitted he contacted casino employees to have them solicit customers on behalf of the ring.
(Two Plead Guilty in Casino Prostitution Ring/WWW.WNBC.COM/ 8.6.04)
- **New Jersey.** A bookie sent prostitutes to the homes of gamblers in four states and let them collect their winnings in sex...The arrangements were made public Thursday as police charged Teodoro with promoting gambling, prostitution and underage prostitution.
(Gamblers got sex, police say/KANSAS CITY STAR/7.17.04 and Man charged with paying off bets using prostitutes/www.newsday.com/7.16.04)
- **Indiana.** In Indiana, 83 State Police troopers assigned to the state's 10 casinos are 83 officers too many working gaming's potentially dark side of the street, for starters. In fact, according to Major Mark Mason, head of the gaming division for the State Police, "There are all types of crimes on these boats. We have encountered counterfeit currencies, batteries, prostitution, robberies, sexual battery and lots of thefts that sometimes run into the millions."
(Indianapolis Star/3.2.03)
- **Canada.** In Windsor, it became known in 1996 that dozens of employees at the local casino had criminal records, and that some had connections to organized crime. Newspaper ads for escort services – many of which are run by gangs—tripled during the casinos first year of operation. In the words of Windsor's former police chief, the casino is "a breeding ground for prostitution."
(Heads they win, tails we lose/NATIONAL POST ONLINE/3.22.01)

Results indicate that there is a strong link between the presence of a casino in a county and the number of alcohol-related fatal traffic accidents.

(www.sciencedirect.com/science/article/abs/pii/S0167629610001013)

DoD Serious Issues: A few citizens voice their concerns regarding the casino

Based on research for this report, in discussing the issue informally, after working hours, with dozens of employees, the majority are not in favor of the casino, and hardly anyone thinks it makes sense at the front gate. Location was one of the main objections discussed and the main objection received via Casino surveys in town more than a year ago.

Disclaimer: The views expressed by individuals below are personal opinions as Ridgecrest citizens, and do not in any way reflect any opinion or position of NAWCWD. Comments are simply personal, "after-working hours" reflections.

I have had numerous businesses in this valley for a very long time, and I have raised my family here. Ridgecrest is a wonderful place to live and I want to keep it that way. Over the years, I have had numerous contracts with the base and the city and I enjoy working with both. As a businessman, it's easy to take neutral position on highly controversial issues that come to town because it's safe from a business perspective. But sometimes when a significant threat challenges our town, I feel a need to stand up. Casinos are great in Vegas. That's where they belong. They don't belong in small towns where they sap cash from hard working folks and just channel it to out-of-town interests. We are having a tough enough time with the money we now have. This is a ploy to get into engineer's pockets on base.

Obviously, whoever voted this in either did no homework at all or didn't want to listen for whatever reason. This thing smells to high heavens and I think some on the council who have businesses who could possibly profit from this deal in any way may need to recuse themselves from any further votes.

Nothing here seems right. I never understood why this wasn't put on the ballot to begin with. If this is such a fantastic deal, like the developers preach, then they should have no problem at all putting this on the upcoming November ballot, only seven months away. Hardly costs a thing. If the developers object, then you know it was a bad deal from the beginning. I have been against this deal from day one.

Let's put it on the ballot and let the people decide this time.

George and Carolyn Bertrand

While we don't necessarily disagree with a casino in the vicinity of Ridgecrest, we think the proposed location near the base entrance is totally unacceptable. If the casino had been subjected to a vote of the people in Ridgecrest, we doubt it would have passed. If a casino is to be built in this area, it should be located nearer to the main highways (14 and 395) through this area, where it will receive the most visibility.

Ed and Carol Jeter

Placing a casino next to the front gate of the base is a bad idea.

When the founders of the Naval Ordnance Test Station chose the Indian Wells Valley to establish their highly classified research and development base, it was largely because there were few people here—safety and security could relatively easily be maintained. But putting a busy, high-traffic casino next to China Lake's main gate is a bad idea. Actually, putting a casino anywhere in our valley is a bad idea. Casinos have a habit of attracting a clientele that is counterproductive to the mission of a military base. Having untold numbers of people, many of them from outside the area, congregating right outside China Lake's main gate can only make it more difficult for the base to effectively maintain security. Having sailors, scientists, engineers and support personnel spending their hard-earned pay checks at the gambling tables—helping to line the coffers of casinos—is a situation that is not in the best interest of the most important and influential entity in our valley, the navy base at China Lake.

In addition, allowing a casino to be established on "sovereign land" where the city of Ridgecrest relinquishes all control of that land, runs counter to the idea of careful management of our precious limited resources.

A casino in Ridgecrest is a bad idea and should never be allowed to happen.

Mark Pahuta

The approval of this casino at our front gate threatens national security, the wellbeing of our military, and the integrity of our community. It needs to be stopped. The casino would be under the auspices of a Native American tribe. For all intents and purposes, a foreign nation. This poses an extreme security risk for surveillance of our activities. The most vulnerable of our military are the young sailors. Casinos drag strip clubs, prostitution, drugs, and crime in their wake. We don't need a Sodom and Gomorrah outside the front gate. It is true our military can find these, "Diversions", elsewhere, but God forbid they find it in Ridgecrest.

Everyone has seen the signs for cheap drinks and food displayed by casinos. The fine technical and business professionals on base and in town will not fall victim to the allure of gambling. The folks in our community who can least afford to lose money in a slot machine will be drawn to these come-ons.

Ridgecrest has been an undiscovered gem for decades. We don't need the carpet baggers and the havoc they reek everywhere they tread. I say NO!

Mike Bramson, Research Physicist

To the entertainment seekers of Ridgecrest,

Some of you might be thinking a casino sounds like a nice addition to fill the large gaps in Ridgecrest's entertainment offerings. Some might think it sounds like a bit of fun or something to do. But I would strongly encourage you to visit a few similarly sized facilities around the state or talk to others that have. Many are dark, depressing, and empty much of the time.

Psychologists employed by the gaming industry have an exceptional understanding of the various motivations that drive an individual's willingness to risk money. Since consistently attracting big spenders is not practical for a small or even mid-sized casino, the psychologists have pointed those ventures at a very different risk motive - source of funds. A person is more likely to risk smaller amounts of money that are found or otherwise unearned. If the sourcing of the funds is regularly occurring, then the risk tolerance increases further. Combined with slot machines that are designed specifically to inspire addictive behavior, the Casino is able to collect that income over and over again, month after month.

So for the small to midsize casino, like the one proposed in Ridgecrest, the ideal client is actually someone that gets money from small regularly occurring payments of unearned income. Yep, the target demographic tends to be individuals receiving social security, disability or other government assistance. I'd be willing to bet that the number of check cashing businesses was a key indicator. And if that were not bad enough, preying on the most vulnerable members of a community, those already utilizing a social safety net, tends to lead to significant increases in poverty, homelessness and crime.

**Dylan Riley
Engineer and Co-Founder, YouVee Solar LLC**

I am a base employee, as is my wife. We intend to stay in Ridgecrest and raise our children here. However, multiple studies have shown that casinos bring crime, economic disparity issues, and increased drug use. If the city thinks that a casino will be a draw to the area it is mistaken. Young professionals want to live in safe areas and do not want to live and work next to a casino. If this casino project were to come into town, I feel you will see a significant number of young ESPDs, my family included, leave the area, because we chose to come to a family friendly community. If you want to continue to attract top talent, you must preserve strong values.

Dakota Sinclair

I am not in favor of any sovereign entity or nation establishing itself in the City of Ridgecrest that local law enforcement agencies have little or no authority over in order to prevent them from changing our constitution and vital protections for self-serving purposes. I am concerned that these operations generate large amounts of revenue, most of which does not directly benefit the majority of the people it is intended to support and sustain.

Tim LaFromboise

I do not see how the building of an Indian Casino in Ridgecrest could possibly enrich the lives of its citizens. If I'm not mistaken, one of the considerations to the City to allow this construction was the funding by the developers of additional Ridgecrest police resources. This fact alone should clearly indicate that the public and commercial promoters of this endeavor expect crime to increase with its presence. When I drive around some areas of Ridgecrest, I see house after house that is boarded up and abandoned. There a lot of people in our community who are struggling to make ends meet, and a casino will call to them with the promise of quick cash. When the promise is broken, some people will turn to crime to replenish their resources. I am not in favor of building a casino in Ridgecrest.

Mark Stockbauer, Engineer

While I don't have significant moral objections to casinos, per se, we, the citizens of Ridgecrest, certainly don't need one. We do not need the increased traffic (around town and "off the highway"), the increased crime, and the increased lines at the Station gate that are sure to be imported with one . . . and we sure don't need the unpredictable, but certainly detrimental drain on the water table.

I do have significant objection of possibly being forced to bear the burden of imported water while the Indian casino, agricultural companies, and small-business-profiteering interests, make out like bandits. In a desert draught situation, the citizens basic needs must always come first. Nor can we tolerate the uncertainties of a "sovereign" Indian state that might well decide to increase its bottom line by pursuing inappropriate "agricultural" interests (pistachios, say, or alfalfa--or hemp!), by erecting massive solar farms or trailer parks, or by selling the Valley's water. All possibilities, and, all promises aside, all detrimental to the quality of life in our town . . . and all detrimental to the operation and maintenance of the unique Navy laboratory next door.

This is also very detrimental to the base's efforts to recruit top-notch scientific, engineering, and support personnel; and to its continuing role in the defense of this nation.

That laboratory is the Valley. I have yet to hear any sort of support for this ridiculous casino project from any of my friends and acquaintances, which shows me that the Council is not listening to the public on this issue because it fears the loss of whatever bone it's been thrown by the casino interests.

L. L. Doig
China Lake native, local
historian, recently retired
NWC/NAWCWD Command Historian

I have been one of the most outspoken advocates for economic development in Ridgecrest for at least the last fifteen years. Recent efforts to promote growth have been a mixed bag of some success and much disappointment, due largely to the lack of properly vetting projects before committing dollars. The current casino project is a prime example of jumping on board before fully vetting. The City investigated releasing an RFP to get a professional economic assessment of the casino project prior to a full commitment, but in the end pushed ahead without performing that due diligence. I cannot in good conscious support a project that cannot withstand the scrutiny of a professional assessment. The magnitude of the casino decision demands we do our due diligence up front.

As a retired Navy employee with thirty-five years employment, mostly on the senior engineering staff, I have reservations regarding the proximity of the casino to the Navy base. If Ridgecrest is to have a casino, a more appropriate place should be available. I cannot foresee any scenario whereby the mission of the base will be strengthened by the presence of a casino so near in proximity or how political decision makers will be encouraged to expand the base as a result of the casino presence.

Stan Rajtora, PhD

Highly unregulated – unenforceable -- in perpetuity! Placement of an Indian Casino in the Business Park in Ridgecrest is a dangerous idea; one likely very detrimental to our community. We are sorely disappointed in our City Council's rush to support this tribe and developer largely disregarding their fiduciary obligation to our citizens for adequate due diligence. Once the land transfers into trust for the tribe it transforms the land into "Indian Country", with sovereignty, under tribal jurisdiction. As such, the trust may not be alienated without an act of Congress; it is fully exempt from state and local taxes, and entirely removed from state and local land use

regulation. Per 25 CFR... “None of the laws, ordinances, codes, resolutions, rules, or other regulations of any State or political subdivision thereof limiting, zoning, or otherwise governing, regulating, or controlling the use or development of any real or personal property, **including water rights**, shall be applicable to such property...”. This means, that if that land in the center of our community is placed in trust for a tribe, we have lost **for perpetuity** the authority to plan, zone or regulate any operation on the land. One might ask why the vast majority of other casinos sit well outside of city limits. Don’t be fooled, the loosely written waiver of sovereignty included in the MSA provides little or no real protection. Such a waiver must be very carefully crafted with very specific legal details for it to become enforceable; a fact well known and exploited by tribes to make promises they know cannot be upheld.

Developers now offering 400% returns via online investment scheme? Another disturbing issue is the conduct of this developer. Mr. White, along with another casino developer put out “An Investment Primer for Financing Indian Casinos” (©2016). (<https://www.slideshare.net/THEgarygreen/investment-primer-for-financing-indian-casinos>)

In this document, they describe the means and methods by which they create a potential 400% return for the investor. Through a combination of creative finance packaging, interest charges, taking a percentage of winnings, double-up by leasing machines for a percentage of winnings, fee income, management contracts, front-load financing, etc., the investors have managed to design a model that lines their pockets richly while taking from the tribes. The startling final paragraph in this document states “The fact remains that like Hollywood’s insultingly fictionalized “Comancheros”, modern day non-Indians offering financing, slot machine deals, management consulting, and other “services” are fundamentally not unlike those heinous exploiters of the past. Reaping a 400% profit that would be criminal usury in some states but is routine in Indian casinos, is simply a modern-day equivalent of trading beads and trinkets for Manhattan Island.” It takes a special kind of arrogance to publicize so blatantly your willingness to abuse another group to benefit yourself. This is who we are trusting to do the best for our community? This developer and this tribe have also shopped “off-reservation” to put a casino in several other locations in California and Nevada, which have failed; some due to arguably wrongful and dishonest actions of the parties. Now they are here making promises in Ridgecrest.

Prior City Council DID NOT due diligence. Post-casino-decision research conducted that should have been conducted day one! After putting in a minimum of 120 hours of research, originally at the request of a member of our council, we have learned more than we ever cared to know about Indian gaming, the repercussions to communities both good and bad, and the reputation of the specific parties involved. The process of true due diligence is not understood by our council, which has caused our community to be sold short and put at risk as the casino deal moves forward. This unbiased process of thoroughly studying the legitimacy and impacts of a proposal, while providing adequate transparency to the public, and insuring strongly worded enforceable contracts should be unequivocal. In our opinion, the process to date has sorely failed. We cannot possibly list all of our concerns here, but they are numerable and troubling.

We love our community. We want the best for it. We want growth, change, and to see our town position itself for the best future. The potential of this project concerns us greatly and we ask everyone to get involved, do some homework and ask questions. Form your own opinions based on facts and data. Don’t allow yourself to blindly believe and follow the “wing-and-a-prayer” model we see happening now. Our future and the future of our community is too important.

Beth Sumners, Business Owner, Engineer, Consultant
Bill Sumners, Business Owner, Engineer, 34-year DoD employee (retired)

When the idea of a casino was first made public in spring of 2016, I like most residents thought it was an interesting concept worthy of study. The careful consideration the proposal merited, however, never came to pass. The idea was instead rushed through in a few months with little review or involvement by the community. The scope of this project and the potential impact it has on Ridgecrest are of such magnitude that the proposal should have been placed on the November 2016 ballot. Had it won or lost, at least decision makers would have solid evidence of the level of support such a facility has among the populace. The more I research the casino proposal, the more concerned I become. I am especially worried about the long-term financial prospects and potential for ongoing friction between the Timbisha tribe and Ridgecrest likely to result. The idea has been touted primarily for its economic benefits, citing estimates that at least 67,000 new visitors will visit Ridgecrest every year to visit the casino. It is very hard to believe that nearly 185 new people will visit the town every day to live up to these lofty projections. And when those goals are not met, how will that affect both the Tribe and Ridgecrest?

Jeff Scott, Aerospace Engineer

I would like to join the voices of opposition in our community to the proposition of building the Casino here, speaking from the perspective of a longtime local citizen. The integrity of Ridgecrest itself is in serious jeopardy. I am frightfully concerned about the detrimental impact the casino will have on our hometown businesses, as their unique characters are tremendous assets. Many family-owned restaurants, for example, bring great diversity to us--Chinese, Mexican, Japanese, French, Thai, American Barbecue, Vietnamese, and Diners, to name a few. Our small community is extremely lucky to have so many world cultures embedded within. In fact, it is quite remarkable. They are clearly very proud of the uniqueness of their restaurants and their dedication to the members of our community.

Hard-working local families have built their delightfully diverse businesses from the ground up, over several generations. For decades I have witnessed and greatly enjoyed how together the different restaurants bring color, classiness and, of course, a great variety of delicious cuisine to us. I came back to live and work in Ridgecrest, as I grew up here and love this area. Going back to these restaurants was one of the highlights of my return. Now, the possibility of the casino threatens to destroy small businesses by putting them out of business and robbing us of this priceless community integrity. This would be a tremendous, irreparable loss. Let us continue to support these businesses directly ourselves and continue to win the values they share with us in return! It's not worth the gamble!

Denali St. Amand, PhD (Pierre St. Amand's daughter)

In a recent Ridgecrest City Council meeting, a representative of the Timbisha Shoshone Tribe mentioned the Pechanga Casino as a positive example of what Ridgecrest can expect when the Tribe opens its casino in Ridgecrest. In response, Pastor Lyn Whitcomb, base engineer, and Pastor of the Cornerstone Bible Church, responded passionately about a highly personal, emotional, and devastating event involving his father becoming a gambling addict. As a result, his father was targeted by an individual at the Pechanga Casino, who eventually soaked him for most of the value of his home (by drawing cash out on a reverse mortgage) and giving the cash to them. The family had to take legal action at very large expense to get the person to stay away from their father. In summary, Pastor Whitcomb asked the Ridgecrest City Council at a public meeting to look at "the faces behind the money." Gambling does not lead to better lives, it leads to damaged lives. "

Lyn's Personal statement regarding the casino coming to town:

As a pastor, I am concerned about the negative effects of the proposed casino on young professionals and military personnel who work on the base as well as young people in our community. The proposed casino, on balance, will harm rather than help our community.

Many people respond by saying, "It's my money. I can do with it however I want." But here's where the Bible confronts our self-indulgent assumptions: everything we have, including our lives, our time, and our money, ultimately belongs to God. John Piper: "It is wrong to wager with a trust fund. And all we have, as humans, is a trust fund. Everything we have is a trust from God, to be used for His glory." [God] Himself gives to all mankind life and breath and everything" (Acts 17:25). Faithful trustees may not gamble with a trust fund. They work and trade: value for value, just and fair. This is the pattern again and again in Scripture. And when you are handling the funds of another, how much more irresponsible it is to wager!"

Gambling is bad for the economy. The casino will probably boost the local economy in the short term. However, in the long term: "Casinos extract wealth from communities. Casinos typically weaken nearby businesses. Casinos typically hurt property values in host communities" (Why Casinos Matter). Therefore, the economic benefits of the casino will be like offering pure white sugar to a starving person: there will be a short-term sugar high but no long term nutritional value.

Gambling violates the Biblical role of government. According to Romans 13:1-4, God instituted civil government to protect people from those who would harm or exploit them. But think about how government-sponsored gambling relates to this God-given role of civil government. "State regulation of casinos creates a conflict of interest, in which the state is charged with protecting the public from the very business practices that generate revenue for the state and which the state is co-sponsoring. State governments are caught in a classic conflict of interest between their desire for more revenues and their responsibility to prevent harm to the public from unfair or exploitative practices...States have raced ahead to locate commercial casinos in struggling communities and to extract revenues from citizens in those communities" (Why Casinos Matter). In summary, a gambling casino in Ridgecrest will be detrimental to the community's moral climate and local economy.

Lyn Whitcomb, Electrical Engineer and Pastor, Cornerstone Bible Church

Casino will provide a rich environment for potential espionage activity.

As a past Navy employee and long-time local resident, I understand the Navy's security needs and dangers. The casino will provide a great venue for spies to identify and target government employees and military personnel who are either in financial difficulties or have gambling issues. These are known prime targets for spies to bait, seduce and/or entrap into espionage. Allowing a casino in our town we will be creating a single rich environment for espionage. Our situation in our very remote town is nothing like Nellis AFB where they are in the vicinity of Las Vegas but have numerous casinos and a large diversity of people patronizing them.

China Lake is not only our city's primary reason for existence, but one of our nation's premiere military weapons RDT&E laboratories. Why would we want to take any action that would put that facility and our nation's security in jeopardy? A casino, that at best, will only bring in a small amount of revenue for the city, after considering the additional infrastructure and police costs. In addition, the casino will have a significant impact on crime and public safety. I have no doubt it will cost our community far more than any possible minor monetary return. Do we not want to worship the gold over the morality and safety of our community? People come here and stay here because of the safe environment for raising their children. Why would we want to endanger that situation?

It has been my observation that many of the people who support the casino have lost all respect for their fellow man and moral standing.

We should be able to disagree without bullying and degrading those with different opinions or goals. If we cannot treat our fellow man with dignity and respect, we will have lost our basic foundation to maintain our freedom and liberty. I say this because too many of those who support the casino have chosen smear campaigns against anyone who opposes the casino, especially on computer sites. This needs to stop and we need to focus on the real issues. I have spoken too far too many people who utilize Facebook chat sites that have reported a pattern of casino supporters posting nasty hurtful things about those who oppose the casino, calling them names like racists and smearing elected officials. A pattern that repeats itself whenever a council member or other persons speaks out in opposition to the casino. This is a childish destructive practice that needs to stop. When this occurs, the casino supporters and Tribal leaders need to speak out against the bad behavior when they see it. People only stoop to the level of bullying and name calling because they have nothing meaningful to argue or they simply wish to put their desires above those of their fellow man. We are a community first, and respecting our fellow man is far too important.

A strong majority of people in the valley I have talked to oppose the casino, which is why I believe those who support a casino are opposed to a vote by the people. We need to put it on the ballot in November for a vote, and let the people speak not just the special interest. It is also important to note, if the casino is successful, we will have little control. If there is a legal challenge the casino will be able to out-spend us on legal costs 100/1.

Ronald Porter, 55+ year Valley resident and retired long-term China Lake employee!

Quick Background. Who Voted to Bring the Proposed Casino to Town?

In 2017, the City Council held numerous open meetings and many city residents voiced strong opposition to the proposed casino. Based on shopping center personal surveys, conducted by CasiNo, initially, 70% of the town surveyed opposed the casino project. Since the initial 3-2 pro casino vote on the MSA, **today the council is now 3-2 against the casino.**

Who Supported What in the 2016 Election -- Public records:

PRO-CASINO

Pro-casino votes: Mayor Peggy Breeden, Councilwoman Lori Acton, Councilman Mike Mower.

Partial list of other pro-casino advocates: **Staff:** Gary Parsons (Economic Director), Ty Stahali (Finance Director), Justin O'Neil. **2016 Council candidates:** Scott Lehey, Warren Cox, Tom Wiknich.

Former city officials: Chip Holloway (former Mayor), Dan Clark (former Mayor).

ANTI-CASINO

Anti-casino votes: Former Councilman Jim Sanders, Current Councilman Eddie Thomas

Other anti-casino candidates who won: Councilmembers Wallace Martin and Lindsey Stephens

Other anti-casino candidates running: Mike Neel (Mayoral candidate), Dave Matthews (Council)

Just prior to the election, candidate Lindsey Stephens spearheaded the CasiNO city organization that obtained more than 800 petition signatures to stop the movement. Candidate Wallace Martin spoke strongly against the casino and worked with an adjunct professor at the Cerro Coso community college on a detailed survey regarding neighboring California City Councils to seek their opinion on the issue. Mike Neel conducted extensive research in the matter and spoke strongly against the proposition. In addition, Tom Rafalski, engineer, started a movement to demand the controversial issue be put to a ballot vote. Since the signing of the MSA, opposition has grown stronger due to the continuation of the tribe renegeing on their original commitments.

MAJOR OBJECTIONS TO THE CASINO

Hesperia Nightmare. Same developers who failed miserably with casino scheme in Hesperia, moved on to Ridgecrest since it met the casino “playbook profile” -- financially strapped \$1M in debt BUT a \$500M+ local payroll from the base. Ripe for the picking! Questionable Developers. (Hesperia data and developer background data supplied earlier by Hesperia citizens.)

The “casino playbook” seeks out towns and councils financially strapped, who might be “most likely” susceptible to succumbing to an “easy way out.” Fabulous projections via casino wealth appeals to all those who do not conduct research. In 2016, Ridgecrest fit the profile. We were in deep financial trouble. An article from the LA times on October 23 stated that Ridgecrest was formally being investigated by the state for fraud. Out of more than 480 incorporated cities in California, Ridgecrest was being closely watched. And one of the other cities was Maywood, right next to Bell California, where seven officials were convicted for excessive salaries and fiscal mismanagement.

(latimes.com/local/lanow/la-me-state-auditor-program-20161023-snap-story.html)

Hesperia Nightmare Story

Intimidation, Threats, Smear Campaigns, Race-Baiting, Bribes, and Corruption

Casino intimidation in Hesperia. Due to concerns regarding safety and security, the names of authors and sources have been deleted from this ONE section in this report. Sensitive eye-witness data was provided by several citizens who were directly involved in fighting the proposed casino in Hesperia. Unfortunately, as this report shows in numerous examples, from stories around the nation, casinos often bring elements involving intimidation, threats, bribes and other challenges. Hesperia had several very significant issues.

Casino intimidation in Ridgecrest. Ridgecrest has experienced a number of issues already. It appears that anyone who dares to challenge the casino is subject to a host of intimidation tactics. In some cases, jobs and businesses have been threatened (even the Mayor has stated this), and some houses have been “visited” and “watched.” Facebook and other social media have been used to ignite smear campaigns and race-baiting against any anti-casino elected officials or citizens who dare to speak out. Some officials have been stalked.

Hateful Social Media Posts (Several from Tribal spokesperson / advisor). Several outrageous posts were turned over to authorities. Even one official spokesperson for the Tribe is participating in hateful online Facebook posting. And neither Tribal or Developer leadership are showing any signs of public disapproval. In addition, reports are coming in regarding a few known bribes around town and many more are highly suspected. Pending further investigation.

This irregular conduct and tactics presents a significant perception of corruption.

Hesperia (94,000 citizens, three times the size of Ridgecrest) barely prevailed in stopping the complex scheme just a few years before coming to Ridgecrest. Complete story described. Story involves bribes and significant litigation.

- According to one Shoshone in Victorville, opposed to the casino, she stated, “the casino catered to the Tribe Council in every way including dinners in Las Vegas, flights, meals and lodging. In her words, “they kissed our a....s” to get the Tribe to support the outside promoters. Promoters, which included Iranians, spread a lot of money around.”
- As with Ridgecrest, the town and Tribe battled on numerous issues including eligibility. The town stated the Tribe was not eligible and like Ridgecrest, a land swap with Lida Ranch, Nevada was one

route, but private owners were asking too much, so somehow the property on the I 15 corridors qualified.

(“Hesperia’s not-so-native tribal homeland: How the Timbisha Shoshone is getting tribal lands there” by Beau Yarbrough.)

(Note: According to one of the main anti-casino activists in Hesperia, the reason the Tribe threw out was that at some time or another “their people **came here to “pick Juniper berries?”**)

- The Hesperia United School board of trustees voted 3-1 to oppose the casino. There were many concerns over quality of life, and moral troubles. Jack Hamilton, pastor, said “I’ve dealt with a lot of families that have been destroyed by gambling...and he worries it will send the kids the wrong message, giving them a get-rich-quick attitude rather than teaching them a strong work ethic.” (School district opposes casino plans. Emily Berg, staff writer, 08-06-2003.)
- The pamphlet from concerned Hesperia citizens read, “studies show gambling communities have crime rate that is nearly double the national average including domestic violence and child abuse. Increased traffic around a casino was compared to the same impact of 6 to 10 malls. One person with a gambling problem costs society an estimated \$13,000 to \$52,000 per year. 50% of casino profits come from within a 50-mile radius. When casinos are present, residents spend less excess monies for charities, churches, foundations and other local investments.

(Concerned Citizens Against the Casino)

After Hesperia failed, the same developer attempted to gain federal recognition for the Mishewal Wappo to construct a casino in both Napa and Sonoma Counties through federal litigation. However, these attempts failed as well. The U.S. Department of Justice prevailed in that case. GIE was identified in court records and listed as a “would-be casino developer.” There are many public questions and concerns during the public process regarding the ability of the investors to pass a background check. Concerned citizens submitted several articles of interest regarding the Hesperia developers.

(www.pressdemocrat.com/news/6988073-181/sonoma-county-tribe-loses-bid)

Questionable Developers / Backgrounds

Hesperia Articles submitted by several concerned citizens in Hesperia

Developer rivalry is common in the nationwide “casino industry.” Lawsuits, battles, and more lawsuits prevail. The following three articles deal with Hesperia battles. Rinaldo Corp versus Nevada Gold -- two companies each hoping to develop a casino for the Timbisha Shoshone tribe in Hesperia. (Articles are frequently removed online at request of developers. Titles alone tell the tale. No research is needed. Many copies available in print form via request to paper from their archive.)

(Casino developer sues rival, asking for \$50 million in damages. Hesperia Star, Beau Yarbrough)

(Rinaldo Corp. seeks input in casino suit. Hesperia Star, Beau Yarbrough)

(Rinaldo vs. Nevada Gold. Ex-Timbisha employee tells sordid details in court document. Hesperia Star, Beau Yarbrough. 12-23-04))

Gary Fears. According to key individuals who were fighting the casino in Hesperia, one of the key developers of that project was Gary Fears. His record is highly questionable. (At this time no known connection to Ridgecrest)

- Another Gary Fears Albatros
(www.stltoday.com/business/columns/david-nicklaus/another-gary-fears-albatross/article_efb33c88-8e82-11df-bb5e-0017a4a78c22.html)

CasiNo Organization in Ridgecrest References – (Posted on CasiNO initial website in 2016)

- **Grish Akopian**, partner in GIE, who pleaded guilty to the felony of receiving stolen goods when he was arrested for running a stolen car chop-shop.

(<http://www.sputtr.com/akopian>)

(http://articles.latimes.com/1988-07-14/local/me8622_1_chop-shop-case)

- **Nigel White**, the Akopian brother's partner, had his application for a gaming license rejected based in part on his interference in Timbisha elections. Court Documents indicate that the Timbisha Tribal members were paid for their vote to support the GIE casino project. Nigel White, had his application for a gaming license rejected based in part on his interference in Timbisha elections. (Nigel White was not directly involved in the Hesperia casino according to records to date.)

(<http://www.state.nv.us/nucwaste/licensing/doe110906timbisha.pdf>)

- **Latest Update 04-2018 Questionable Activities. Nigel White -- Hidden online internet scheme now exposed. 400% Returns?? Too good to be true.** Word from a few folks in town who have quietly discovered that Nigel White is now luring people into investing in financing Indian Casinos via his latest scheme, a non-advertised internet link that takes you to a site touting potential 400% returns and the first line of the content section reads, "Too good to be true?" We will let the readers decide. Buyers Beware!

(Note: Site will probably be taken down immediately after this report comes out.)

(<https://www.slideshare.net/THEgarygreen/investment-primer-for-financing-indian-casinos>)

The article on the next page is NOT about Hesperia, however it an excellent "casino industry" example of casino developers raising eye brows by shuffling, juggling, taking names off applications whenever one member of the team gets a felony charge, new "owners" assigned, massive promises, airplanes in lieu of cash, court battles, background checks, unseen partners, missing persons, internal tribal politics, and law suits, law suits, and more law suits, including generic names that can be easily confused and refer to numerous holdings.

(Splitting the Pot: Backers of Bay Area casinos have controversial pasts. Josh Richman, Feb 09, 2003. May be removed online. See next page.)

United States District Court. Eastern District of California.
Hesperia case involves the Death Valley Timbisha Shoshone Tribe, the Department of the Interior, Chief Gholson, GIE, and Grish Akopian.

Same developers of the proposed Ridgecrest casino.

Matter of PUBLIC RECORD on the world wide web:

<https://www.nrc.gov/docs/ML1124/ML11249A181.pdf>

The issue of “who is in charge” of any given Tribe at any given time and “which developer” has “what rights” over “which properties” at any given time is the subject of **never ending** debates in court case after court case after court case nationwide. This massive national land-grab involving billions of dollars has been an unbelievable boom to the legal industry at the detriment of so many small towns everywhere.

Likewise, the issue of Tribal leadership within the Timbisha Shoshone tribe and “who’s on first” base with GIE is no different. For a quick study about the massive complexities of this never-ending issue, excerpts from just one document stand out as a good example of hundreds, if not thousands of similar cases nationwide. Closer to home, in the Eastern District, Case 2:11-cv-00995-MCE -DAD Document 45 Filed 08/05/11 tells a quick tale of how all this works. This article draws no conclusions – it’s **just ONE example of ONE instance of what really goes on behind the scenes**. Specific discussions about Hesperia and GIE, **the same developers involved in Ridgecrest**, begin on page 11 at item number 40. A few key statements appear in court documents exactly word for word as follows:

“1. This case represents another round in the long-term struggle between the Death Valley Timbisha Shoshone Tribe (“Tribe”) and the Department of the Interior (“DOI”) over the character of the Tribe and its government. DOI has interfered in the internal tribal affairs of the Tribe for the last four years in an effort to install a tribal government more to its liking. DOI has recognized a quasi-government operating as a wholly-owned and operated subsidiary of a gaming developer, GIE, that was rejected by the Death Valley Tribal Council in 2008.”

“42. In April 2007, GIE purchased the Las Flores Ranch in Hesperia, CA, intending to build a tribal casino on it. After failing to convince other tribes to participate in the scheme, GIE approached Timbisha in the autumn of 2007, during the Beaman Faction’s attempts to gain recognition. GIE’s principal, Grish Akopian, represented that he owned the Ranch “free and clear” and offered to fund the Tribe through its difficulties to induce Timbisha to enter a predevelopment agreement. Unknown to the Tribe, a creditor of the former owner of the Ranch sued GIE, Grish Akopian, and others for fraudulent transfer seeking to set aside the sale of the Ranch. Also unknown to the Tribe, GIE still owed approximately \$5.4 million under an assumed deed of trust on the land, which had been due in October 2007. On January 20, 2008, the General Council approved Resolution 2008-04 authorizing the Tribal Council to negotiate with GIE.”

“43. When the Tribal Council rejected the GIE deal, Akopian funded a three-year campaign to replace the Tribal Council with the Gholson Faction. Plaintiffs are informed and believe, and on that basis allege, that GIE has spent at least \$1.1 million to pay George Gholson a salary, rent him an office across the street from the Bishop Reservation, support lobbyists and multiple law firms in litigation in the federal and state courts and before DOI in its struggle to take over the Tribe. In 2010, after three years of litigation, the holders of the deed of trust on the land foreclosed and took ownership of the Las Flores Ranch. GIE lost the land and its \$2 million down payment it spent to purchase the land, and the costs of litigation.”

(<https://www.nrc.gov/docs/ML1124/ML11249A181.pdf>)

The Interior department’s takeover of the Timbisha Shoshone Government. Long and nasty fights in its dealings with the US Bureau of Indian Affairs (BIA) – **a 165-year long battle!**

(<http://indianlaw.org/tst/interior-department%E2%80%99s-takeover-timbisha-shoshone-government>)

When is an Indian Casino, NOT an Indian Casino? One very concerned citizen submitted the following questions and MAJOR concerns.

Why hasn't anyone done a background check on who we are doing business with? These are the SAME developers who tried this nightmare scheme in Hesperia several years ago and failed. This is WHY the entire public should have voted on this. Not three ill advised, "money only motivated" councilmembers. This is not a flower shop people. This is a \$40M dollar BUSINESS proposition that can change the face of our town forever... "How do two guys with a trucking company (a company that I cannot find in the LA area and doesn't even show up on the Federal Department of Transportation or California Corporate site? I checked backgrounds myself. It's open public information, look it up! And it shows that there are two other corporate names that are now defunct, and a new one currently added called "Global Investment Enterprise Ridgecrest, LLC," previously called Global Investment Enterprise (GIE). By the way, how can a company be able to spend 2 million dollars on legal fees on one previous casino development...(and LOSE with no return on investment)....Then are able to come to Ridgecrest with five million dollars or more to buy land (not counting the building costs...then they want to GIVE it to a tribe from Death Valley so they can put a "Federally recognized" name to a Casino. **When is an INDIAN CASINO.....NOT AN INDIAN CASINO? They should call it the "Akopian Palace" or whatever.**

After everything I have heard, the Native Americans are really not part of the deal at all anyway except for propaganda to help get the thing up and running and to help emotionally "sell it" to the public. Everything I read says it doesn't hardly help the Indians at all anyway. Except their top leadership.

The Tribe will get crumbs that are left over after everybody else gets their big paydays and hauls away local dollars to a far-off place. The actual small percentage the Native Americans will get was told at one of the early meetings. The city too will get flat rate crumbs....just enough to maybe cover the added legal costs to the city for the added collateral damage the Casino generates. It is a KNOWN fact that Casinos add to criminal activity in a city (they don't even argue that point but simple say....." we promise to give you a new police car." And the Mayor bought it hook, line, and sinker."

(Tom Rafalski, former engineer on base, part of the team who initiated MoveOn.org website against the casino in 2016, believes strongly that this should have put on the ballot for ALL to decide, not three ill-advised councilmen, as he put it.)

(www.pressdemocrat.com/news/6988073-181/sonoma-county-tribe-loses-bid)

Other Desert Area Casinos that Failed. Including, Victorville, Barstow, and Big Pine!

When the Shoshone Tribe recently tried to open in Victorville, they met stiff opposition. The attempt was defeated even though they were near a major highway and close to Los Angeles. Victorville VOTED! Council in Ridgecrest would not permit the people to vote. In addition, the Guidiville Tribe project in Richmond was stopped (90 miles from Rancheria); the casino in Scotts Valley in Richmond and later in Vallejo was stopped (85 miles from Rancheria); Los Coyotes casino in Barstow was stopped (100 miles from reservation); and Manzanita in Calexico was stopped (50 miles from reservation.) The Big Pine effort was unsuccessful as well. According to a Shoshone opposing casinos, she reported that "They did open in Big Pine, but it was a failure. Money was unaccounted for. Property was stolen including food from kitchens and warehouse. The members of the council were part of the theft. They also mentioned the "frequency" of changes in Council personnel. Rules changed, and bickering was and still is a way of life for the Tribe. There is great discord."

(Personal account from a member of the Shoshone Tribe.)

Local economic impact study shows the casino likely to have negative economic effects

- Due to public demand, the City sent out request for proposals (RFPs) for outside economic impact studies. **Bids were received, but NO follow-up action was taken, and no explanation given?** One engineer, Ricky Fielding, had extensive experience in this area, answered the call. He has a M.S. in electrical engineering, 10 years in analytical disciplines and experience in managing multi-million-dollar projects. His report was extremely thorough.

Grand Jury Request for Investigation and Analysis. Why wasn't official analysis conducted?

- Developer touts \$100M induced economic activity. Detailed local economic study shows a modest \$6 to \$8M induced effect. Less than 1% of local economy.
- Revenues are comparably low to the city. And not guaranteed.
- Model works in larger end-destination cities, but detrimental to smaller communities
- Major casinos in large end-destination well are well proven to be very lucrative and, in many cases, beneficial to the host cities. However, extensive research proves that smaller off-reservation casinos in remote towns have a completely opposite effect. In addition to industry stats, a local economic impact study showed the Casino likely to cause significant economic harm to citizens of both the City of Ridgecrest and the surrounding community.

More Detailed Information – Local Economic Impact Report

Payment to the City is extremely low in comparison to Tribe revenue projections. Income not guaranteed – but expenses are! No default or penalty clauses in the MSA.

Revenues to the city are extremely low. As a general rule, many reports show that Casinos frequently offer cities 5% of their gross annual revenue. Originally, the casino boldly quoted on their website (ridgecrestcasino.com). Hypothetically, if \$22M revenue and 5% paid to the city were applied, then then the city's annual guaranteed payment should have been approximately \$1.1M. Doing the math based on MSA figures, if you added the \$400K guaranteed annual income to the city, plus the \$128K critical services amount, this would be \$528K the first year (plus a one-time payment of \$80K for police.) But excluding the one-time payment, this would put the tribe at only 2.4% or \$572K short, even for year one. **They would be paying about half of what many other tribes are paying to other cities.**

Latest TEIR annual revenue projects 320,000 visitors (109,000 out-of-town plus 211,000 local market) which would proportionately (based on initial projections) increase the Tribe's annual revenues to approximately \$37M (68% increase) while the city's annual revenue would stay the same. Our MSA has no graduated increase clause in the event the casino is very successful. City expenses go up, while City revenue remains the same. Hypothetically, if we assumed the same percentages as stated in the above examples, then the Tribe's annual revenue would be estimated at $\$37.4\text{M} \times 5\% = \1.9M to the city. But since our MSA has no graduated increase clause, therefore, in the event the casino is very successful, the **Tribe wins, and the city loses.** Our MSA was poorly negotiated with fixed revenue stated. **Our expenses go up and our income remains constant.** (Note, there is however a small provision for critical services increasing to \$200K if phase two occurs, rising to \$388K if phase 3 were to occur.)

Questionable Annual Income. Even the payment in lieu of taxes to the city is in question. For example, in a car deal, if a buyer defaults, the seller uses legal means to simply re-possess the car. Simple. Buyers have protection. But in the case of the sovereign nation casino, if payments aren't made, there is literally nobody to call. It's not a quick fix. This means that cities have to pay up front, but in our case, we can't because we are broke, and even if we did, we would only get reimbursed if we won...which we won't because the BIA, at least under the prior administration, historically has sided with the tribes as discussed in this report. In short, the city has little protection if this developer/tribe defaults on anything. The MSA allows for arbitration and if the dispute escalated to breach of contract, the city could request assistance from the Governor's office. However, all of this is time consuming, involved, and any form of litigation is very expensive.

180-degree misrepresentation. Hard earned local money flows OUT-OF-TOWN and will not bring new money INTO TOWN as touted. Heavy local gamblers will be needed to maintain the Tribe's bottom line. Truth is, developers knew we already have small casinos to the north, south, east and west. The reality of people leaving their small-town casino to come to our small-town casino is ridiculous. If you have seen one slot machine, you have seen them all. This is not Vegas and Ridgecrest is NOT an end destination except during festival time and most other surrounding casinos are conveniently located right on the main highway, while our proposed casino would be SEVERAL MILES from the highway. Truth is, this brings little new income to town. It simply recirculates existing money in the community diverting it from churches, legal fundraisers, bingo nights, etc. into the hands of one entity - OUTSIDE DEVELOPERS.

The casino will not fix the economic out-of-town "leakage problem." Developers touted the casino as a fix for leakage. The problem is, the casino isn't replacing any of the things we spend money on out-of-town. Can we buy enormous bundles of paper products? No. Will they deliver products to our doorsteps with free two-day shipping? No. Will we spend our windblown winter weekends or the scorching hot summers weekends in a casino down the street rather than stay the night in magnificent Las Vegas? No. Limited entertainment options aren't the only reason people leave town for the weekend. That money will come from somewhere and it seems to make more sense to likely to cannibalize in-town spending rather than recapture leakage.

Example:

The more the casino "wins" the more citizens "lose" because money is coming from their own pockets. Developer touts "great for new business" but then verifies locals will pull the load anyway. The developer projects that the casino will draw more than 67,000 visitors per year from outside the local market (which consists of community residents and the existing annual visitor base), but those visitors will represent only 34% of casino visits. Therefore, the majority of casino visits (and thus the majority of the revenue) are expected to come from the local market. It has been frequently documented **that casinos that rely primarily on their local markets for revenue are detrimental to the local economy.** Most of the funds will come from cannibalizing spending at existing businesses.

Example -- Case Study. In many cases even the states lose money. Legislative Analysis. According to the fiscal analysis of the proposed North Fork Rancheria Casino Resort, August 13, 2014, the casino would result in a net decrease in state General Fund revenue of approximately \$1.4M annually. This was consistent with Legislative Analyst's ballot pamphlet analysis regarding Proposition 48. At the local level they estimated that about 17% of the dollars spent at the new casino would likely come at the expense of the existing Madera County tribal casino, the Chukchansi Gold Casino. Because the tax treatment for these two casinos is similar, the result will be no net local fiscal impact. An additional 3% of the casino's revenues would come from Madera County residents who would have otherwise spent some of those dollars in the local economy where sales taxes would have been collected. The remaining 80% of North Fork Casino expenditures were expected to come from spending that would have occurred outside of Madera County. While the North Fork Casino itself would not pay any local taxes directly, the secondary effects of local purchases made by its employees and the local vendors who supply the casino would likely result in increased local economic activity. This increased activity, however, would be directly offset by a comparable decrease in economic activity in local economies throughout the rest of the state. Indeed, the fact that Madera County's total sales tax rate (at 8.0%) was lower than the statewide average of 8.41% indicates that the local sales tax revenue losses from other California counties would exceed the local tax revenue gains within Madera County. **As a result, the casino development would likely result in a net loss of local tax revenues statewide.**

Casino Economic Impact Study Summary – Negative Effects

Because of its planned reliance on patronage from the local community, its extremely large size compared to the Ridgecrest tourism economy, and the low multiplier effect of the Ridgecrest economy, **the Timbisha Casino is likely to cause significant economic harm** to citizens of both the City of Ridgecrest and the surrounding community.

1. The Tribe's projection that the majority--66%--of visitor-days will come from the local economy is a **formula that has failed over and over again** to provide any real boost to small, isolated communities that host casinos.
2. The Tribe projected revenues between \$15M and \$37M annually. If this were true, the casino would be a **tremendous and harmful shock** to Ridgecrest's modest \$45M/year food and accommodation economy.

The city's relative isolation, along with other factors, will likely negate any economic multiplier effects from the casino. **Economically speaking, this casino is a bad bet for the City and must not be through an unaccountable land acquisition in the Department of Interior.**

Developers were not cooperative in providing data and misrepresented facts.

- Developer unwilling to publish or provide the city with actual business data
- Developer ignored or glossed over local costs. No mention of casino revenue expected to come from residents.
- **Developer over estimated visitor spending.**
 - Little or no local spending in community by day-trippers
 - Common tactics like junket bussing and inexpensive buffets tend to keep casino-goers inside the casino instead of out in the community
- **Developer double counts impact of the casino buying local and induced jobs**
 - Buying local: \$800K overestimated to \$1.5M
 - Buying local is what induces those jobs
- **Developer overestimates impact of casino payroll**
 - Payroll includes benefits, taxes, and vacation
 - Developer's estimate of employee spending was \$22M per year
 - Local estimate: \$15 – \$37M
- **Developer estimated annual casino revenue:** \$22,000,000. According to staff analysis, more than ½ of which will remain in the community.

Developer touts \$100M induced economic activity. Detailed local economic study shows a modest \$6 to \$8M induced effect. Less than 1% of local economy. In other words, every \$100 spent by Chumash casino (salaries, supplies, orders, etc.) tends to be worth \$157 in generated economic activity for the county. But Ridgecrest is much smaller in every respect than Santa Barbara county. Second, Ridgecrest has a very high per capita income which suppresses economic multipliers. Third, because Ridgecrest often lacks a wide array of goods and services, residents tend to frequently shop online and out-of-town which reduces multiplier effects. Therefore, instead of experiencing more than \$100M in induced economic activity, the community is likely to see a modest \$6M to \$8M induced effect, an amount likely to be worth less than 1% of the local economy.

Taxpayers' Association, reports that:

"Many regional impact studies of particular economic events, or of an existing industry are frequently overstated with claims that the resulting multipliers from the event or industry are 3, 4 or as high as 7. Multipliers of this magnitude are very rare. Furthermore, the smaller the region, the smaller the multiplier."

Travelers often "hit and run. "In a 2011 Boston.com article, the president of the Greater Norwich Area Chamber of Commerce had this to say about the Mohegan Sun, then, the country's second-largest casino: **"Hopefully, they don't think all these people are going to come through town. No, they are going to go down your roads. People aren't going to be shopping in the gift shops. They stay within those walls."**

"The Casino will rely on visitors from the local market, which includes residents and the existing Ridgecrest visitor base." This is concerning because in a 2011 report prepared for the Canadian *Consortium for Gambling Research* noted that "negative impacts on other business have been reported most commonly in studies where gambling patronage is derived locally."

(See: Full Economic Impact Analysis -- Casino Project, PowerPoint Brief)

(Report included in the appendix and is also available digitally below.)

(<https://drive.google.com/file/d/1brJDXrWHUAI9ayxIFr1ka4CJ79MpHg4P/view>)

(See: Letter below explaining and summarizing the economic impact analysis)

(<https://drive.google.com/file/d/0B-tVzgg3xaEueTNRT2RzSUZQZEtSaFBCLWZScGF1RDZ1a19n/view>)

- **Payment to the City is extremely low in comparison to Tribe revenue projections** -- \$27M for Tribe and \$572 for City (2.4%) City income fixed and not guaranteed – but rising casino expenses are guaranteed! No default or penalty clauses.
- Latest TEIR annual revenue projects 320,000 visitors (109,000 out-of-town plus 211,000 local market) which would proportionately (based on initial projections) increase the Tribe's annual revenues to approximately \$37M (68% increase) while the city's annual revenue would stay the same. Our MSA has no graduated increase clause in the event the casino is very successful. City expenses go up, while City revenue remains the same.

Normal Tax Paying Business Revenue to City Versus Proposed Casino Revenue to City City compensation is way less than what it should be

- **Comparatively less.** Based on the Tribes initial projections as well as the latest TEIR projections, the estimated gross annual revenue to the Tribe may range between \$22M and \$39M. However, you will notice that in initial projections the Tribe appears to be offering a higher amount than what a normal business might pay, however, since the MSA has no escalation clause so if the casino were to do exceptionally well, in phase II or III, which is not expected, you will notice that the amount to the City becomes ridiculously low. In ADDITION, whatever revenue the city is projected to receive is FURTHER ERODED by the fact that the Tribe's projections DO NOT INCLUDE adequate estimated compensation required to pay for all the proven negative side-effects of casino operation.
- **And although unlikely, even if casino were to possibly meet their projected casino revenues it would be hugely disruptive to the existing entertainment and accommodation segment of the City economy. So even if successful – it doesn't work in our small town.** Several estimates place Casino revenues between \$18M and \$36M based on developer's payroll projections. By comparison, throughout the entire city, TOTAL revenue from hotels and food service sales is only \$40M annually. So hypothetically, HALF of the town's hotel and food business would go to OUT-OF-TOWN developers instead of firmly established LOCAL businesses. **No matter how you look at this – it JUST DOESN'T WORK.**
- **Proposed casino is not conveniently located for travelers.** Ridgecrest isn't a convenient stopping point for travelers on Highway 395 who are destined for Mammoth Mountain ski slopes or camping in the Southern Sierras. Travelers looking for a few hours of slots are much more likely to turn off the highway into the Paiute Palace in Bishop rather than take a twenty-mile detour to visit the Timbisha Casino in Ridgecrest. Rather, the Casino is likely to require junket busing to keep out-of-town visitor rates so high and those visitors will be, for all intents and purposes, stuck inside the casino with no real ability to get around town.
- **Developer touts \$100M induced economic activity. Detailed local economic study shows a modest \$6 to \$8M induced effect. Less than 1% of local economy.**

- **Casinos do not encourage cross-trade at other businesses.** Casinos don't encourage non-gaming businesses to open nearby, because the people who most often visit casinos do not wander out to visit other shops and businesses. A casino is not like a movie theater or a sports stadium, offering a time-limited amusement. It is designed to be an all-absorbing environment that does not release its customers until they have exhausted their money.
(<https://www.theatlantic.com/business/archive/2014/08/a-good-way-to-wreck-a-local-economy-build-casinos/375691/>)

High potential for loss of local political control. Chief and Developer ruled City Council? Developers put up \$150,000 to support ONE pro-casino candidate in Hesperia.

Developers applying high-powered financial pressure are threatening small towns, governmental leaders, and political campaigns around the country. In recent weeks, there has been talk of developers trying to finance pro-casino candidates in Ridgecrest during the next city council race. As discussed in the nightmare scenario In Hesperia, the same developers who are now working Ridgecrest, put up \$150,000 for ONE candidate to swing the tide in their favor. Fortunately, the anti-casino candidate only spent \$20,000 plus and WON. But elections are bought all the time. **Do we want our city government run and operated by a Chief and out-of-town developers? Beware!**

Example

To win even a small local election, it still takes \$2,000 to \$5,000 to pay for advertising. While this is a hardship for many excellent folks willing to serve in these near volunteer positions, this amount of money for organized crime enterprises is a total joke. Not even top pocket money. Grain of sand on a beach. Especially when there are millions of dollars at stake via gambling, retail, water and land deals. Therefore, the power in the city government can instantly shift to a tribe/developer-controlled entity via a mere \$15 - \$20,000 investment with heavy ads and a paid staff of campaign workers which normal "public servants" do not have at their disposal. Regrettably, this has happened in hundreds of communities around the country. This is the fastest way to decimate a town. But even if undue influence was not purchased in the next election, the way the current MSA was drafted and orchestrated by the developer's attorney's, the city is still in jeopardy until this fee-to-trust is stopped.

Casino money talks. Bribes nationwide abound.

Nationwide Casino Developers spent \$30M lobbying in 2018. Locally, developers lobbied hard and initially made a strong case for the proposed benefits including a casino website at Ridgecrestcasino.com. It is still up for viewing. In addition, the latest TEIR with thousands of pages of new data can be found on <http://www.timbishacasino.com/>. If that is not enough, everyone is invited to do your own personal additional research. Detailed Google searches have been a click away since day one. You are only a few clicks away from an endless plethora of very high-end pro-casino marketing and promotional information on the Internet expounding the many virtues and fabulous financial projections. Many are true for major casinos in larger urban areas but not for smaller towns. According to the Senate office of Public Records, the **total amount spent on casino lobbying in the US exceeded \$30 million dollars just for 2018**. This community report, which focuses entirely on our own town and the estimated impacts on Ridgecrest was conducted by volunteers with a genuine, realistic concern with solid verifiable data from reliable sources. This report, was free and accurate. (<https://www.opensecrets.org/industries/lobbying.php?cycle=2017&ind=N07>)

- **New York.** Governor Andrew Cuomo, Democrat continues to champion expanded gambling in New York. However, the selection process will be watched closely because gambling interests. Tens of millions were spent seeking to influence state government and an investigation found that a competition to install slot machines had been a "political-free-for-all" with State Senate leaders manipulating the process to help a favored bidder."

(<http://www.nytimes.com/2013/11/25/nyregion/competition-is-expected-for-new-york-states-casino-licenses.html>)

- **Los Angeles. Corruption: Casino bribe's mayor of Huntington Park.** A casino owner appeared in federal court on charges he tried to bribe Huntington Park's mayor with gifts and cash in meetings taped by the FBI with the mayor's cooperation. Harry Hwang, owner of L.A. Casino in Huntington Park, gave Mayor Richard Loya \$5,000 in cash to send Loya and his wife on a cruise to Italy, according to an FBI agent's affidavit.

(<http://articles.latimes.com/2001/sep/11/local/me-44499>)

- **British Columbia:** Scandal rocked the highest political levels. According to the Canadian Press the former Premier of British Columbia, Glen Clark, resigned "after confirmation he is the subject of a criminal investigation over allegations he used his influence to help a friend get approval for a lucrative casino license". The Prime Minister allegedly was offered 15% of the casino's profits and received renovations to his house at little or no cost.
- **Louisiana.** The Louisiana Attorney General recommended that the States' Gaming Control Board strip Players International's casino license. The recommendation was based on recorded conversations and other evidence that Players executives paid nearly \$1,000,000 in attorney fees, kickbacks and other inducements to former Governor Edwards and his associate Ricky Shelter...."
- **Florida.** Former speaker of the Florida House, Boley "Bo" Johnson was sentenced to two years in prison. The speaker and his wife were convicted in a tax-evasion trial with overtones of influence peddling and corruption. Bally Casino Holding, Inc. is reported to have given Johnson a quarter of a million dollars."
(www.casinowatch.org/political/casinos_bribery.html)
- **Nevada.** Erin Kenny, former county commissioner had also taken bribes amounting to \$3,000 month in cash from Triple Five Nevada Development Corp., one of Southern Nevada's most prominent real estate developers.
(<https://lasvegassun.com/news/2006/may/15/power-of-triple-five/>)
- **Oklahoma.** The Osage Nation tribe wrote two checks, one for \$50,000 and one for \$2,700, to the secretive nonprofit organization set up by Missouri Governor elect Eric Greitens to fund his inauguration.
(www.stltoday.com/news/local/columns/tony-messenger/messenger-osage-nation-hopes-gift-to-greitens-paves-way-for/article_7c440094-c020-5589-ac35-c133bcdde.html)

"Good Will Neighborly Gestures" or Pre-planned friendly "Bribes" – You Decide!

Webster defines a "bribe" as money or favor given or promised to influence the judgement or conduct of a person in a position of trust." A grey area, hard to detect or prove, and at lower levels seemingly harmless? In normal "new business" ventures it is customary for the prospective company to pick up the tab for a few business lunches. But because the stakes are much higher for casinos, the "lunch tab" concept is frequently expanded to items of much higher value.

Nationally, money is allocated in the casino "playbooks" for pre-casino "bread buttering." A few examples are as follows:

- Developers purchase memberships in numerous local organizations (even when the casino does not even exist yet)
- They make donations to legitimate and credible organizations so that they receive "credibility, notoriety, and acceptance by perceived association"
- They purchase ads and sponsorships in local publications and establish a Tribal presence at local events.
- Tickets and trips to Las Vegas and gambling venues and sporting events are very common.
- All forms of pre-casino lobbying are presented under the auspices of "good neighbors." And maybe they are? However, while seemingly harmless, and mostly untraceable, and apparently somewhat acceptable... **local citizens and local businesses partaking in "good neighbor" gestures and goodies need to personally evaluate everyone's motives. Even their own. Is this good for our town? Since this casino scheme came to town, who do you know who has been "treated" to entertainment venues?**

**Complex scheme simply redistributes wealth FROM: local citizens and businesses
TO: out-of-town developers**

- **National casino statistics state that 90% of customers come from within a 100-mile radius and mostly from 25 miles. That says it all!**
- **According to casino developers, “66% casino revenue comes right out of the pockets of Ridgecrest Citizens – Not NEW visitors. Cannibalizes local businesses and redistributes entire town wealth to out-of-town developers.**
 - Local hard-earned money will simply be diverted to out-of-town Las Vegas Developers. Developers told the town from day one...key leaders didn't listen. The official casino website reads as follows: “66% of visitation to the casino will be **from the resident market**, localized tourist base market, and resort overnight marketing. These numbers represent visitors who are **already in Ridgecrest** or **already coming to Ridgecrest** for shopping, base work, etc. 34% of visitation to the casino will be from outside the 25-mile “local” market, comprising 67,000 new visitors annually either by bus, car or truck. These numbers represent **new** visitors that will be attracted to Ridgecrest due to the draw of the casino.”
- **Ridgecrest is NOT an end-destination. According to stated national casino statistics, more than 90% of customers come from within a 100-mile driving radius, and specifically within a 25-mile radius. Model does not work for Ridgecrest.**
 - The fault with this logic is that many of the smaller towns have very small populations, hardly of impact, and second, ALL the larger towns as mentioned above already have nicer casinos closer to them than Ridgecrest.
 - Even if the secondary casino target marketing “logic” was used by adding in a few larger cities that are close to or barely exceeding the 100-mile radius (Victorville, Apple Valley, Bakersfield) these cities still do not work for the Ridgecrest model because they already have larger, nicer casinos closer to them as well. There is currently a major casino planned for Bakersfield.
 - The official casino site lists the following “**Main Area Sources**” (for potential out-of-town visitors) to include **Tehachapi, California City, Rosamond, Barstow, Lancaster/Palmdale**. Bus Visitors to Death Valley (Highway 395 Intercepts). Research clearly shows all of this to be **mostly fictitious**. (See tables enclosed.)
 - In general, the spread of Indian gaming has been alarming. See “The Spread of Casinos and their Role in Tourism Developments by William R. Eadington, Professor of Economics, Director, Institute for the Study of Gambling and Commercial Gaming, University of Nevada, Reno (www.farmfoundation.org/news/articlefiles/129-eadington2.pdf)
 - Developers will frequently call a casino a “resort” or “entertainment complex” etc. somehow makes it an end destination. Again, this myth is debunked by several studies showing the vast majority of gamblers come from a one-to-two-hour drive or fewer than 50 miles and come to gamble only.

Why would ANYONE want to drive to Ridgecrest to gamble when we ALREADY have at least 9 casinos to the north, south, east and west of Ridgecrest?

North	Winnedumah Casino, Independence (90 miles) & Paiute palace, Bishop (140 miles)
South	Diamond Jims, Lancaster 90 miles)
East	Stagecoach Casino, Beatty (130 miles) and Armagosa Valley Casino & Buffalo Bills, Stateline (200 miles)
West	Aviator Casino, Delano (140 miles)

Why would ANYONE in the towns mentioned on the casino's official website as "MAIN AREA SOURCES" want to drive to Ridgecrest to gamble when they already have casinos much closer to them than Ridgecrest? See table below (listed in order of distances).

Towns that Casino Mentions as MAIN SOURCES that would drive to Ridgecrest?	Closest Casinos	# Miles to Closest Casino	# Miles To Ridgecrest Casino
Death Valley	Beatty, Nevada Las Vegas (Gamblers would choose Vegas over Ridgecrest, plus it's closer.)	39 142	121 156
Lancaster/ Palmdale	Diamond Jim's San Manuel (Major Casino), Highland CA Proposed major casino in Bakersfield/Mettler (Gamblers would choose San Manuel)	0 83 71	84
Rosamond	Lancaster San Manuel (Major), Highland (Gamblers would drive 19 miles further for major casino in Highland, CA.)	11 94	75
California City	Lancaster	40	49.5
Barstow	Barstow Casino & Resort project proposed. (City signed MSA in 2016) San Manuel (Major), Highland CA Morango Casino (Major), Cabazon, CA Soboba Casino, San Jacinto, CA	0 76 107 107	83
Tehachapi	Proposed MAJOR casino in Bakersfield/Mettler will be 28 miles closer and probably ____ times larger. Affluent Tehachapi clientele will naturally go to the nicest, closest casino (if they go at all).	47	75

(Driving distances provided by Google Maps/Directions)

16,000 registered voters were deprived of a voice. Rushed vote!

This extremely controversial scheme should have gone before all voters. Why the rush? One stated reason was due to the fact that they had to get it done before the administration changed. Las Vegas developers forced a highly contentious issue through the process in less than six months, when it took our town **14 years** to approve and build a super Wal-Mart. And the entire town is still asking why? In addition, one citizen insisting the issue be put to a ballot vote started a movement and launched a website entitled MoveOn.org. The reason the Tribe and developers did not want this to go to ballot was fear that the highly intelligent citizens in this DoD community would easily vote it down.

Location close to homes, schools, churches totally unacceptable

Casino inappropriately proposed right next to the front gate of our proud Navy base, on the most desirable commercial piece of land in town, 300 yards from the campus center of Immanuel Baptist Christian School, and less than one mile from both Burroughs High School and Murray Middle School. Casino organization, like many others around the country, say **no less than two miles** from homes, schools, and churches.

Ridgecrest loses the most desirable piece of commercial land in town – FOREVER

Also, important to note that if any other business defaulted or was not successful in any way, the business could just be sold, and re-invented as something else. But the “sovereign nation” casino is FOREVER. If unsuccessful, the “business” (whatever the tribe wants) can pass on to other Las Vegas developers or shady operators and the plight and complications and social distress, and illegal spin-off businesses can continue literally forever.

Highly Questionable Initial Land Sale. Developers orchestrated a \$5.5M sale with personal lands owned by the former mayor. City revenues touted to be \$2.75M but will end up less than \$200K • **Class III Gaming** not in General Plan and Plan was never officially amended • **Meetings** improperly noticed.

More Detailed Information

The land where the casino was to be built was owned by the former Mayor who was also a former City Councilman, and Vice Mayor for six years, and then Mayor from 2012 to 2014. The former Mayor invited the Tribe to come to town to participate in the Petroglyph festival from its inception in 2013. In addition, during the initial heated debates when this was discussed, there were information requests to formally see email chains regarding this. There are copies of emails between the former Mayor and the former City Economic Developer regarding the sale to the casino. There is also an email from the Developer to the former Mayor touting the fact that they “got them the 5.5M.” While it is not illegal to own and/or sell land to the city or otherwise, the circumstances here were convoluted with multiple parties and the overall transaction was suspect at the time. Due to the critical importance of governmental transparency, and the numerous parties involved, and the sensitivity and perceptions here, this matter should be investigated in detail.

Initial land sale income to the city misrepresented. Touted to be \$2.5M but ends up less than \$200K. In any business deal risk/reward is key. From day one, the casino was touted to be a fantastic financial opportunity. But as fact after fact after fact is now revealed, it is not a good deal after all. The public “story” has been from the beginning that the city would receive half the money (2.5M) from the initial sale of land and the former Mayor would receive 2.5 million dollars. But the truth is, just recently divulged, that because the land falls under the Ridgecrest Development Agency (RDA) any money from land transactions money goes into a fund that is divided up between FIVE different agencies including: City, County, School, Fire, and College in different percentages. In the end, the city’s portion of the five-way split of 2.75 million is only 7% or \$192,500. So, after all the smoke clears, the city of Ridgecrest will not even net \$200K from the final land sale that was intended to be a dignified business park.

Class III gaming was NOT in the city's general plan; therefore, the casino was not eligible? Required format to change the city plan was NOT followed. Original condition of sale was that it be designated as a "business park." Public meetings improperly noticed. One very concerned citizen reported the following.

There are numerous reasons why the current land sale for the purpose of a Tribal land/Casino is flawed. The City of Ridgecrest General Plan earmarks the land in question for a Business Park. The City inherited the property from the former Ridgecrest Redevelopment Agency and in the transition documents as Successor Trustee to the RRA it specifically addressed the use of that property as a Business Park in the Long-Range Property Management Plan it submitted as a requirement to assume control of the property. The City of Ridgecrest applied for and was awarded a Federal Economic Development Grant. The award amount of \$1.7 million dollars was spent improving infrastructure of the property with the expressed intent of building a Business Park. Current zoning allows the use for a Business Park. (See "Long Range Property Management Plan City of Ridgecrest.")

The current General Plan Zoning for the property (CS) does not include an Indian Reservation. It does not include a Class III gaming facility." Those facts are indisputable per existing wording outlined in the City of Ridgecrest Zoning document. (see "City of Ridgecrest ordinances, Zoning uses." What makes the Casino/Class III gaming facility indisputable and not open for interpretation is the fact that Class III gaming is not allowed anywhere in California **except on Indian Reservations**. It is not a legal land use for any city. It cannot in any way be interpreted that a Class III gaming casino is in the City of Ridgecrest General Plan, creation of an Indian Reservation is not in the document.

Selling the Business Park property with stipulations attached that an Indian Reservation/Class III gaming facility is an approved use, is wrong legally (Gov. Code & 65351) and is wrong morally, per the same statute, in that it cheats the public out of their due process right to be involved with decisions that affect their wellbeing. (See "Amending General Plan")

It is my opinion that the Contract to sell city land for conversion to an Indian Reservation/Class III gaming facility was not done in accordance with applicable Government Law (specifically statutes code 65351) that controls such actions. **The City of Ridgecrest purposely misled the public by providing them with statements that their attorney assured them were correct but were in fact wrong.** I believe the City needs to be held accountable for breaching their confidence to the citizens of the City of Ridgecrest and their contracts made subsequent to their actions be rescinded in accordance with applicable California Contract Law (CA Civil sec 16888).

(Tom Rafalski, former engineer on base, part of the team who initiated MoveOn.org website against the casino in 2016, believes strongly that this should have put on the ballot for ALL to decide, not 3 possibly ill-advised councilmen, as he put it.)

Public meetings were improperly noticed denying citizens the ability to be informed. In its meetings between Jan 20 and August 17, 2016 the Ridgecrest City Council discussed in closed session a potential land sale negotiation noticed as:

GC54956.8 Local Agency Real Property Negotiations – Negotiation for Sale –
Ridgecrest Business Park Lot Nos. 1, 2, 3, 28, 29, 30, 31, 32, 33, 34, 35,
And 36 – Agency Negotiators Economic Development Program Manager

These notices, which concerned the lands to be sold to the Timbisha tribe for their Casino development, were in violation of the requirement to **state the parties that were negotiating with the City and the specifics on whether the property price, terms of payment or both are under negotiation, per Government Code 54956.8.** Ridgecrest City Council was noticed on Sep 7, 2016 of these violations and asked to correct them by withdrawing from the land sale agreement and explaining why these improperly noticed meetings were held. **On Sep 21, 2016 the City Attorney stated publicly that the meetings indeed were improperly noticed,** but that the only cure would be to notice land sale closed session meetings correctly in the future. On Oct 5, 2016 Ridgecrest City Council was again asked to withdraw from the land sale agreement pursuant to Government Code 54960.1 and re-convene these meetings once properly noticed. This request was refused and no actual correction of the land sale

agreement, which was dependent upon decisions and conditions made in closed session meetings, was made.

Subsequently, the MSA agreement with the Timbisha should have been made illegal by virtue of the fact that it was crafted to be specifically tied to these particular parcels of land, yet Ridgecrest City Council refused to acknowledge this and proceeded forward.

(Copies of letters of notice on both occasions Sep 7, 2016 and Oct 5, 2016 are available)

Grand Jury Request for Investigation and Analysis
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Developers hyped initial perceived benefits while hiding significant risks in later development once a compact is signed and “sovereign nation” immunity takes effect.

Initial projections greatly exaggerated. Public meetings improperly noticed. Initial slide/rendering depicted a casino SEVEN times **real** size. Why?

Pre MSA-discussions all dealt with MINOR risks and issues in initial stages. However, SERIOUS post state compact and full “sovereign nation” liabilities were not discussed at all. Misrepresentation — “bait and switch.” In short, in the first MSA stages, when the issue was heavily debated in public meetings, all the controversial long-term serious consequences and issues were **purposefully NOT discussed**. Therefore, it all looked great! But developers knew full well that everything legally changes if the land actually went into Federal trust, and if a state compact was signed. **They knew that ALL the rules previously discussed, and all the contracts and agreements previously signed, would be mostly SUPERSEDED after a state compact is signed.** A new version of an old scheme -- bait and switch.

All initial projections and marketing efforts greatly exaggerated. Even in the very beginning, Nigel White stood up in the front of Council Chambers with a huge slide behind him showcasing REPRESENTATIVE slides of what we could expect. Center stage was the beautiful architectural drawing of the main grand hotel/casino. (However, MANY citizens immediately noted it being too grand for a smaller 35,000 SF, \$29M casino?) Later, the News Review article revealed the fact that the image shown was in fact that of the Twin Arrows Navajo Resort in Flagstaff, AZ which was a 267K SF facility, phase one of a **\$230M project**. In short, Mr. white showed a project that was **SEVEN TIMES THE COST**. If developers wanted to be upfront with citizens from day one, why not show a \$30M project. Makes no sense. Clearly misrepresentation.

Grand Jury Request for Investigation and Analysis
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Direct threat to our water rights

Water rights are now threatened at a time when our water table in the desert is in critical over-draft. MSA states only that the tribe “MAY” connect to city water. The truth is, it “MAY NOT” as well, allowing them to drill wells and export water, and control ground water usage beyond city or county control. Happening at other cities nationwide.

The tribe, unlike every other business and personal entity, is immune from SGMA and CEQA water and any environmental protection authority. Exempt! Initially, the city inserted many protective clauses in the DRAFT MSA protecting the city's water rights. **This is CRITICAL because our water table has been proven to be in 30% over-draft**, but in the end, **ALL** protections were stripped away leaving us with a totally meaningless, non-protective clause that simply states, “The Tribe shall provide for a water supply for the Trust Lands and **MAY** apply for water service with the local water district.”

On September 16, 2014, Governor Jerry Brown signed into law a three-bill legislative package, composed of AB 1739, SB 1166 and SB 1319. These bills are collectively known as the Sustainable Groundwater Management Act (SGMA), recognizing that “groundwater management in California is best accomplished locally”, but also contains an exception for California Tribes that has a potential to disrupt or unfairly share the precious natural resource of the water supply.

One exception reads: “(c) The federal government or any federally recognized Indian tribe, appreciating the shared interest in assuring the sustainability of groundwater resources, **may voluntarily agree to participate** in the preparation or administration of a groundwater sustainability plan or groundwater management plan....”

The point is, if the city, the county and the state lose control of the ground water supply, it will have a significant economic impact reaching beyond the City of Ridgecrest into the regional area of County District #1. The MSA should state “the Tribe **MUST** connect to local water service and comply with all water ordinances”.

On the “honor system,” the Chief has verbally “assured” us, that abusing water rights is not their intention. But actions speak louder than words. If it were not their intention, then why would the developers negotiate and finally strip away all our protective clauses? And if it's not their intention, it may be the intention of Vegas or tribe developers in the future if this initial business is unsuccessful and is bought out. And according to all statistics and local economic analysis, it will not succeed.

Chief Gholson, dismisses importance of water at March 7, public City Council meeting.

The Chief states, “Is there gold in the water here? There's got to be something in the water that is so precious that there is a big fear that we are going to take a lot of it. There's a big fear we're going to take a lot of it. We're not going to export water. We've got water. What are we going to do? Is there a big market for water here that we can bottle water here and sell it? Cause if there was somebody would already be...I think they do it in Owens Valley. It think it's called Crystal Geyser? And seeing where that is at the side of a dry lake, I'm not drinking that.”

(Video transcription, March 7 City Council Meeting.)

Examples:

“In an adjudication of rights to the use of groundwater, federally reserved water rights to groundwater shall be respected in full. In the case of conflict between federal and state law in that adjudication or management, federal law shall prevail.” (SB1319)

Citizens in San Diego seemed to be happy with their beautiful new Barona casino until they decided to open a golf course, drained the community dry, and property values plummeted. People had to sell their properties back to the developers for pennies on the dollar. They had nowhere to turn. They were left “High and Dry” as the article touts. Our Ridgecrest water basin is now 30% in overdraft, and water rates have hiked up twice this last year. *(Article available upon request.)*

Examples:

And now, according the Timbisha Tribe's newsletter, the tribe has built a 50,000 SF greenhouse in Death Valley and they **dug a well to harvest brackish water to accommodate the massive amount of water required for commercial marijuana grow**, despite our current draught. This is critical to note because it has been determined that the water under casino lands in Ridgecrest has also been determined to be brackish. Therefore, if it works in Death Valley, drilling can certainly work here.

(<http://timbisha.com/images/Documents/Newsletters/91517ThirdQuarterTribalNewsletter.pdf>)

In Coachella, California the tribe sued the city for water rights and won. It is also critical to note that the Timbisha Homeland Act states that water rights go along with property rights for the tribe.

(<https://www.usatoday.com/story/news/nation-now/2017/03/07/calif-tribe-wins-appeal-landmark-water-case/98878688/>)

10 states back California agencies in fight with tribe over groundwater. The case of Agua Caliente goes to the Supreme Court

(<http://www.desertsun.com/story/news/environment/2017/08/08/western-states-back-california-agencies-water-fight-tribe/548543001/>)

November 30, 2017. How a big win for native American water rights could impact the west.

(<https://www.newsdeeply.com/water/articles/2017/11/30/how-a-big-win-for-native-american-water-rights-could-impact-the-west> 9)

Direct threat to our property rights and property values

Here is how it works. In addition to casino land, developers more land. Second, lands go into trust. Third, State compacts are signed. Fourth, trust lands earn the "sovereign nation" umbrella enjoying all the rights and privileges that the casino lands enjoy including not paying taxes, and not worrying about zoning restrictions, environmental impacts, etc.

And once land is in trust, a tribe may change the intended use for the land from non-gaming to gaming or whatever. Citizens could end up with a marijuana farm or unregulated shooting range as neighbors which has actually been done in other areas. Anything goes. National Association of Realtors report home values declining 4-10% in many areas.

The fact is, the City has no control as to who the current developers may sell to in the future and under "sovereign nation" total immunity, they could put any type of business they want at the front gate with any type of owner. The public was NEVER told these things. They were only told about the safeguards of the initial MSA in stage one. What happens when lands go into trust was never discussed.

Tribe immediately repurposes residential property allowing SHOOTING RANGE in a residential neighborhood!

Since 2015 in California alone there have been more than 400 Deed of Trust applications totaling more than 30,000 acres of land.

The Shingle Springs Band took 62 acres into trust for a medicinal clinic, and then immediately re-purposed it as a shooting range within a RESIDENTIAL AREA. Therefore, a marijuana field at the front gate of the base is a technical possibility if these lands go into trust. There are no state restrictions imposed on the shooting range. Because of the nature of tribal sovereignty there is little recourse for resolving disputes that may occur, such as blocking access to

private properties, well water interference, or incompatible developments such as an outdoor gun range or race track within 1000 feet of elementary schools, churches, homes or watershed basins.

- **Time to draw the line on reservation shopping!** Indian gaming in California today bears little resemblance to the concept approved by voters with the passage of Proposition 1A in 2000. It keeps morphing and expanding and reaching into territory far beyond the reservation lands where casinos were supposedly justified as the only hope for economic development. Our elected leaders at all levels — local, state, federal — have been unwilling or unable to say no to the proliferation of casino gambling in California. They are too easily intoxicated by the prospect of easy tax revenue and lubricated by the balm of campaign contributions.

(<https://www.sfgate.com/opinion/article/Time-to-draw-the-line-on-reservation-shopping-5736926.php>)

- **Casinos negatively impact home values according to the National Association of Realtors. The impact on home values appears to be unambiguously negative.** In the case of Springfield, a casino would appear to have a significant negative externalities/nuisance value. The impact of negative externalities can be very significant, ranging in the neighborhood of 4-10 percent as outlined in the report and Appendix.

(<http://www.uss-mass.org/documents/NationalAssociationRealtors-Casino-Research.pdf>)

- **Casinos hurt home value in host communities.** Whichever Western Massachusetts community ends up getting a casino, sharing the town with a gambling mecca would cost homeowners from \$1,650 to \$3,300 in lost value... In addition to a decrease in home values, the National Association of Realtors economists estimate personal bankruptcies would increase by 250 a year for the Springfield area and there would be 125 additional home foreclosures each year. Just the foreclosures alone would represent \$5 million in lost home value. The National Association of Realtors also casts doubt on a casino's ability to draw patrons from afar to a destination casino. The market is already saturated with casinos.

(www.masslive.com/business-news/index.ssf/2013/07/realtors_say_casino_would_hurt_home_val.html)

Direct threat to sewer treatment facilities and public safety

Final wording in the MSA is vague, ambiguous, and allows the tribe the right NOT to connect to the City's sewer system allowing unsafe "alternative" options.

Here again, wording in our MSA is defenseless. It states, "The Tribe shall provide for the treatment and disposal of sewage generated on the Trust Lands **IF** the Tribe connects to the City's sewer collection system... Here again, the words **MAY** and **IF** were orchestrated into the MSA by strong-armed developers who clearly know these terms are indefensible and one-sided. The language leaves open the option for the Tribe to provide for the treatment and disposal of sewage in an "alternate" method. Many large tribal gaming facilities use an on-site option of a membrane bioreactor technology ("MBR"). These types of treatment options require constant evaluation of fouling control. Moreover, MBR's often have to be replaced. The MSA does not take this into consideration nor does it offer a contingency plan in the event of a MBR failure that considers clean up and polluting of off-reservation water supply and damages. A large waste water release would have a significant impact on water quality in the Indian Wells Valley Groundwater Basin.

Direct threat to local businesses, especially hotels, restaurants and gasoline retailers

Unfair Business Advantage. The City Manager stated that we have an "Exhibit B" which adequately covers this, but after everything else we have seen, nothing is guaranteed. Here again we were "assured" that the casino was not going to threaten other local businesses with competitive retail sales undercutting hard-working local businesses by taking advantage of the tribe's tax free "sovereign nation" status. Never discussed, but we later learn that they never have to pay any taxes, they only have to pay their employees federal minimum wage which is \$7.25 hour, and they get to undercut all other local businesses. There is wording in the MSA dealing with this, and an "Exhibit

B” is included, which briefly provides a bulleted list, however, its iron-clad validity has been questioned by many. Items of this serious nature should be included as major terms of the contract, and not merely as side-line “exhibits.”

Gasoline Retailers at Risk

In typical fashion, we learn later, after the MSA was signed, in a Facebook post to the City, the Chief Gholson stated, that even if they built just outside the city in the County, close to 395, the “residents of Ridgecrest could still gamble. They could still eat. They could still go to concerts. **They could purchase cheaper gas.**” Yes, people in town would drive a few miles to get significantly cheaper gas. In addition, in one prior version of Exhibit B gasoline retail sales was removed, but after resistance, it was put back on the list. This proves that the tribe is interested in selling **cheap gas**.

More Detailed Information

Gas station and convenience store owners cannot compete with tribal gas stations. Tribes in state have avoided state gas tax by trucking gas in from Nevada and Arizona. It is a different fuel mix than what California requires, and the pumps are not under state regulation. Tribes pay less for the gas and charge less. A few cents difference can break a gas station owner. Several tribe have slot machines in the stations Pump and play or gas and gamble. Which brings up convenience gambling that tends to be the most addictive type.

According to several sources cited below, there are gray areas when tribes purchase gas from “out-of-state” distributors. This evolving gray area potentially presents future unintended consequences to the non-tribal independent gas station and convenience store owners as well as revenues to local districts and the State. Some independent retailers have already begun to find themselves in direct competition with tribal governments that are avoiding state tax obligation or requirements to adhere to stringent state regulatory standards for the purchase and sale of “certified gasoline”. As of this writing, two tribal stations have been verified as purchasing non-certified gas from a distributor outside of California. In these instances, there is an estimated annual loss of 2 to 3 million dollars per tribe in taxable annual revenue to the State of California.

Example:

The Tule River Indian Tribe and the Torres Martinez Band of Mission Indians fuel comes from an Indian-run company^[2] chartered under the bylaws of the Yakama Tribe in Washington State, which claims a special trade status under a treaty with the federal government.^[3] The Yakama Tribe’s 1855 Treaty secures to “tribal members” the right to travel upon the public highways.

The Nevada Distributor selling gas to these tribes is a member of the Yakama Tribe of Washington State. The State of Nevada unlike California does not require the collection of excise and state tax at the rack. Nor does Nevada fuel meet the California Air Resources Board (CARB) specifications for automobiles and thus does not have a valid certification stamp.

The current policy of the CARB allows for the shipment of non-certified gas across state lines. This allows for the delivery of gas for sale at boating marinas or transportation of gas by haulers merely passing through California on route to Oregon or Washington State. (California Code Title 13, Section 2261) Nevertheless, this raises state and federal regulatory questions and health and safety concerns about the transportation of non-certified gas across state lines for retail sale on Indian lands for use in automobiles.

- ^[1] This information was supplied by, Tesoro Companies, Inc., 19100 Ridgewood Parkway, San Antonio, TX 78259, Jeff Landel, Government Affairs
- ^[2] Sierra Tobacco Distributors, has a wholesale license with Nevada, delivery may only be accepted at the Washington state address in Yakama. #156
- ^[3]Article III of the Treaty provides in relevant part: And provided, that, if necessary for the public convenience, roads may be run through the said reservation; and on the other hand, the right of way, with free access from the same to the nearest public highway, is secured

to them; as also the right, in common with citizens of the United States, to travel upon all public highways. Treaty with the Yakamas, Art. III, 12 Stat. 951, 952-53 (1855) (second emphasis added) UNITED STATES v. SMISKIN Nos. 05-30590, 05-30591. Argued and Submitted Oct. 17, 2006. -- May 18, 2007

- California website addressing sales tax rate:
<http://www.boe.ca.gov/sutax/gasswapfaq.htm#2>

Example:

Red Earth Casino and Travel Center in Salton Sea California – Court Case over Red Earth Gas Price undercutting other local retailers. Red Earth Casino is located in Salton City California. Red Earth is tribal owned and is also a travel stop along highway 86. Ads read, "Stop in for the lowest prices in fuel in the area. Then head over to the cleanest, friendliest casino around to play slots. You can refuel your body at The Grill with great burgers, tacos and breakfast. The Bar is another venue to hang out with cheap drinks and good times."

**Court Case over Red Earth Gas Price
SALTON SEA VENTURE, INC., vs ROBERT RAMSEY, and FIRST
AMERICAN PETROLEUM**

Suit filed seeking redress for price undercutting of gas at Red Earth Casino- defendant states: ..."(Plaintiff) has no basis in law to seek an injunction that would require a Sovereign Indian Nation to set its gasoline prices at a tribally-owned gas station." and "Pursuant to the Treaty of 1855 between the Yakama Nation and the United States, First American is not required to remit taxes for delivering fuel to the Torres-Martinez Reservation." in other words, this tribal fuel shipping company does not have to pay gas excise taxes, by treaty terms, and no one can complain if the tribe sells low cost gas because of paying no excise tax. Same would probably apply in Ridgecrest.

Hotels at risk.

One report by pro-casino advocates and a local hotel manager somehow suggests that a 100-room new hotel coming to town, with heavily discounted rooms no doubt, would actually be good for existing local hotels? You decide? The bottom-line, common-sense discussion is this. The Smith Travel Services (STR) global report shows that nine of 16 hotels reporting for 2017 in Ridgecrest show a cumulative vacancy rate of approximately 40%. HOW IN THE WORLD COULD THIS BE GOOD FOR EXISTING BUSINESS? You can read the report and decide for yourselves.

In addition, one other citizen researched the issue and reported that the latest data reported indicates about 900 hotel rooms in town. City had income of about \$1.6 million from TOT tax in 2017. The planned hotel addition of 100 rooms at the casino site is more than 10% of the current total, and no TOT tax would come from those. This equates to a loss of probably more than 10% due to the location and competition for the more expensive rooms in town, so **AT LEAST a reduction of \$160,000 in TOT tax for the City and \$1.6 million loss of income for the local hotels.**

**Damaging effects on our community as well as the Native American Indian community.
Indian casinos, in general, do not improve the lives of average tribe members**

Mainly benefits top leadership. Tribe members speak out. The majority of tribal casino employees are NOT Native Americans, internal Tribal disenrollments are pitting tribal members against tribal members. Native Americans are hurt by casinos like everyone else. They suffer the same addictions and financial despair that chronic gambling brings. Casinos hurt the ones who can afford it the least. Despite newfound fabulous wealth amongst the leadership, the sad truth is that the majority of Native Americans still live in poverty.

Myths and Facts

The great majority of tribal casino employees are not Native Americans.

For example, in California, more than 95% of the estimated 15,000 tribal casino employees are not Indians; at Foxwoods, in Connecticut, there a little more than 500 members of the Mashantucket Pequot Tribal Nation and more than 13,000 employees.

(National Gambling Impact Study Commission Report. 1996.)

(2018 Job Monkey article shows 593,000 jobs but MOSTLY for non-native Americans. Most casinos do give hiring preference to Native Americans, but in most cases the number of openings **far outstrip** the number of available Tribe members.)

Chief Gholson admits in public meeting on April 27, 2016 (video transcription) that not many Native Americans will come to town, and only a few have been denied public education.

In a public meeting on April 27, 2016 one citizen asked Chief Gholson several direct questions that are KEY. Questions and responses appear below.

Citizen: "How many of your 400 tribesmen live in Ridgecrest?"

Chief Gholson: "No, I don't think we have any that live here...myself, I live in Pahrump."

Citizen: "So you have 400 people that are going to gain financially from this? Everyone of them?"

Chief Gholson replied, "Yea, two or three yes."

Citizen asked the question, "Of your 400 tribesmen how many have been refused public education?"

Chief Gholson: "Um, there have been a few."

Citizen: You have 400 people that ARE NOT going to work at the Casino THAT ARE going to prosper from it."

Chief Gholson: (no response or disagreement.)

(Source: video file "2016-04-27-17_MV_360P-council meeting.mp4" time 57:20 to 1:01:11)

(See Table of Contents, "Indian Casinos, in general, do not improve the lives of average Tribe Members." Native Americans speak out. Many sources are quoted.)

Gambling is a serious public health issue damaging Native American Families as well. Addiction isn't just a Las Vegas problem. Members of Nevada's 27 native tribes struggle with it, too. "Gambling is a spirit that talks in your ear so that you can't hear your heart." Those words came from a member of one of the 27 Native American tribes that live in Nevada. It was a poignant written response to an anonymous survey taken as part of an ongoing study that aims to understand how big a toll is taken by problem gambling among the nearly 60,000 Native Americans in the state.

Native Americans have same family personal gaming issues as everyone else. Ted Hartwell, Desert Research Institute archaeologist, recovering gambler, and close friend for many years of individuals in several native American Tribes, states, "I became obsessed with the desire to gamble to try to win back the money I lost." Hartwell's descent into addiction included opening credit card accounts without his wife's knowledge and timing his gambling sessions so he could pick up his young daughter just as daycare closed. "On a couple occasions, at the last minute, I hit a jackpot that required me to

wait until I got paid off by a floor person,” he says, “and I would have to call the daycare and pretend to have a flat tire or be stuck in traffic.” Hartwell is recovering and speaking to help others. Joining Hartwell is Sydney Smith, therapist focusing on problem gambling. Smith had seen the woe unleashed on many of her fellow Cherokee members with the rise of tribal casinos in her native Oklahoma, home to more than 100 casinos.

Native American, Member of Cow Creek Tribe of Umpqua Indians of Roseburg Oregon, speaks out loudly and strongly about casino wealth inequality between tribal leaders and the average tribal member. In the opening comments regarding this report, it discusses a genuine concern for the plight of the Native American people. A 2016 social media post, answering the question “Why are so many American Indians involved with casinos?” provides a sad but true commentary regarding the current situation in America. Her exact statements below are most telling:

- “What is the saddest truth about Casinos owned by Tribes is that RARELY have all the millions in profits actually elevated the entire people of that Tribe out of the poverty most Native Americans have lived in since colonization. It is this way in my own Tribe. Most of an Indian Casino’s profits never reach the poorest, most needy in the Tribe - due entirely to corruption.”
- “There are many studies and commentaries about how such horrifically colonized people over 100 years come to look up to their colonizers and pattern their society and government after that of their colonizer. Look at the condition of American politics today, with all the secrecy, wealth and corruption at the top levels of US government...this is what most Tribes today have patterned their own governments after. So, it is in my tribe: the cream is raked off the top by our leaders, just like it is in American government.”
- “Many true Native Americans want to end their tribe’s ‘association’ with and ownership of Casinos, due to the corrupting effect Casinos have had upon their people. In my own tribe, our leaders have stolen all rights of our people to vote on our affairs or effect legitimate referendums our leaders have to follow. By highly paid lawyers, our original constitution was changed to give all power over to our elected leaders who, once elected, hand over their powers to hired officials, some members of our tribe and some not, whose only allegiance is to our leaders, not to our people.”
- This is just a ‘drop of the swamp’ that being ‘associated’ with Casinos has left many tribal peoples in America like mine living in. **Please, Do Not envy us Native Americans...we are still not a free people as we once were. It’s just that now, our oppressors are our own US-trained tribal leaders.**”

(<https://www.quora.com/Why-are-so-many-American-Indians-involved-with-casinos>)

- “My Tribe, The Cow Creek of Umpqua out of Roseburg Oregon is a very rich Casino Tribe. Yet the majority of our roughly 1000 adult members still live at or below National poverty levels. I say roughly because our Tribe disallows us members knowing exactly who is in our Tribe, to keep us from combining against them. The only reason I know how any of our members are living is through searching Facebook and asking how they are getting by. Few of our members live near our Tribes’ Casino, many have never even visited it. We each are given, for all of our enterprises not just from our Casino, a whopping \$800 for our ‘share’ of our profits every year at Christmas. So, nix the idea that most Indians get rich off their Casinos right here and now. FEW do.

Our Leaders make all the decisions for our Tribe, without the rest of our input. They decide where all the money goes. Most of it goes to their political allies who are paid well to look the other way and stay out of their affairs. I say their, because literally in every way that matters, our Tribe isn’t ‘ours’...it is THEIRS. Those at the top who are leading it or are the favored few they trust. We regular members...we don’t exist to our leaders, in every way that matters. The BIA will not intervene on our members’ pleas for help, nor will any other U.S. entity. I’ve spent 3 years trying to find one governmental organization or attorney that will intervene on our behalf. There is no one.

- My Tribe uses a very archaic, easily manipulated election process that keeps those in power, in power. We cannot vote out our Board members, only they can vote out each other. And even if we members could ever get the necessary 2/3rds of our scattered and unknown members together to sign a petition, our Board changed our constitution to allow them to NOT be bound by any referendum we do present. Thus, in over 25 years, not one single amendment to our constitution or majority member-led change has occurred in our Tribe. Not one.... So, in my and many other Native's experience, Casinos are - at least in my Tribe's case (at LEAST) - total rackets that favor and reward rich, selfish Indian Leaders and provide a source of living high and large for their Fat Cat White friends and politicians. They never create wealth for the little Indian at the bottom of the Tribe, struggling to survive. Never!"

(www.quora.com/Do-Native-Americans-meaningfully-profit-from-Indian-Casinos)

Casino money and greed are SADLY turning tribe members against each other via DISENROLLMENT. Many Native American leaders are now DISENROLLING thousands of their own tribal members nationwide – and most cases are about MONEY! Leaves natives “culturally homeless.” Violence is occurring.

(Note: HUNDREDS of stories. Below are just a few.)

- “The prospect of losing her membership is “gut-wrenching,” Prickett said. It's like coming home one day and having the keys taken from you. You're culturally homeless.”
(<https://www.cbsnews.com/news/disenrollment-leaves-natives-culturally-homeless/>)
(<http://stopdisenrollment.com/>)
- “Today, more than 200 tribes operate casinos that range from small card or bingo operations to large-scale resorts rivaling any in Las Vegas. Collectively, they earned nearly \$39 billion in 2015. They are not taxed on that revenue but must use it to fund tribal governmental services, economic and community development and charity.
- Some of the more prosperous gaming tribes distribute per capita payments to tribal members as part of a “revenue allocation plan.” The more members, the smaller the individual allocations, and this has often led to angry dissent over who is eligible and who is not.
- “Say you are a small tribe of, say, 100 members, and your casino is doing very well,” said Gabe Galanda, a Seattle lawyer of Nomlaki/Concow descent who specializes in disenrollment disputes. “Say you are getting \$5,000 in gaming revenue a month, and you have 100 tribal members – basically, 99 relatives. **If you can get rid of 50 of your relatives, your monthly per capita income just went up to \$10,000 a month.** And this has caused certain tribal communities to divide and conquer themselves.”
- “Say I'm a chairman, and there is a voting block that I do not like or cannot win over. If I eliminate that voting block through disenrollment, I will sustain my power and the wealth that goes with that power,” Galanda said.”
(<https://www.voanews.com/a/native-american-tribal-disenrollment-reaching-epidemic-levels/3748192.html>)

Civil War at Chukchansi: Should their casino be shut down?

Managers at the Chukchansi Gold Resort and Casino in Coarsegold, California diverted more than **\$316,000 in revenue to an illegal faction** after a leadership dispute that included acts of violence, according to a federal lawsuit and tribal statement....In February 2013, Ayala attempted to disenroll hundreds of tribal members, then forced the other six members of the Tribal Council out of office and replaced them with an entirely new council consisting of her friends and family members, according to local media reports and the tribal website, chukchansitribe.net....The Sacramento-based regional director for the BIA, said that the **level of conflict within the tribe "is extremely concerning."** She cited a report in February 2012 that **"an attempt to take over the Tribal Office by one of the factions led to violence, resulting in a stabbing of one individual,** and requiring the Madera County Sheriff's Department to intervene. In February 2013 it was reported that a faction occupied the Tribal Office **threatening violence with respect to anyone who attempted to remove the faction."**... "It is

unfortunate that a small group of individuals continue to defy the will of an overwhelming majority of Tribal members and the recognition of the federal government," Lewis said in a statement on the tribal website.

(www.originalpechanga.com/2014/02/civil-war-at-chukchansi-should-their.html)

Tribal Gaming's Dirty Secret.

Professor David Wilkins of the University of Minnesota, a Lumbee Indian who tracks tribal enrollment disputes, says 69 of 245 tribes with casinos have recently slashed memberships or are in the process of doing so—an effort he suspects is aimed at increasing casino payments to remaining members of the indigenous communities. Wilkins estimates that tribes have ousted 4,000 to 8,000 Indians. Tribal attorney Gabriel Galanda, a member of the Round Valley Tribe of California who represents disenrolled Indians, puts the figure at 8,000, minimum.

(<https://ggbmagazine.com/article/tribal-gamings-dirty-secret/>)

In California, Indian Tribes with Casino Money Cast off Members

"The Chukchansi tribe, whose 2,000-slot machine casino is nestled in the Sierra Nevada foothills near Yosemite National Park, gives members a monthly stipend of under \$300 per person. But it also pays for utilities, food bills and tuition – and Nikah Dondero, Nancy Dondero's 32-year-old daughter had to turn down a master's degree program after she was disenrolled last month, because she lost her membership."

(www.nytimes.com/2011/12/13/us/california-indian-tribes-eject-thousands-of-members.html)

Indian Country Disaster: Tribal disenrollment's, moratorium and corruption. Site identifies more than 50 articles and links to other sites dealing with this sad issue for Native Americans.

(www.originalpechanga.com/2016/05/learning-about-disenrollments-links-to.html)

Pechanga's Paper Trail of Tears. 2006 article describing what gaming has done to Native Americans.

(<http://www.originalpechanga.com/2010/06/mark-macarro-and-pechangas-paper-trail.html>)

Nooksack leaders disbar lawyer fighting tribal disenrollments.

(<https://www.seattletimes.com/seattle-news/nooksack-leaders-disbar-lawyer-fighting-disenrollments/>)

Timbisha Shoshone Tribe disenrollment fight appears to be over.

(<https://www.indianz.com/News/2016/06/01/timbisha-shoshone-tribe-disenrollment-fi.asp>)

Churches – Official position statements against gambling 100% Say NO!

Literally ever major religious denomination in Ridgecrest has an official national position/statement strongly denouncing gambling and all that comes with it. Denominations include Baptists, Catholics, Foursquare, Lutheran, Methodist, Mormon / Jesus Christ of Latter-day saints, Pentecostal, Presbyterian, and Seventh Day Adventist. All statements are included. (Note: Several other smaller, individual churches are in town but did not have official statements posted on the Internet.)

Methodist – position on gambling

United Methodist Position Against Gambling. The following statements are highlights from the Methodist “Book of Resolutions: Gambling.

- The Social Principles state that, “Gambling is a menace to society, deadly to the best interests of moral, social, economic, and spiritual life, [and] destructive of good government... As an act of faith and concern, Christians should abstain from gambling and should strive to minister to those victimized by the practice.
- Where gambling has become addictive, the Church will encourage such individuals to receive therapeutic assistance so that the individual's energies may be redirected into positive and constructive ends. The Church should promote standards and personal lifestyles that would make unnecessary and undesirable the resort to commercial gambling—including public lotteries—as a recreation, as an escape, or as a means of producing public revenue or funds for support of charities or government”
- Gambling, as a means of acquiring material gain by chance and at the neighbor's expense, is a menace to personal character and social morality. Gambling fosters greed and stimulates the fatalistic faith in chance.
- Organized and commercial gambling is a threat to business, breeds crime and poverty, and is destructive to the interests of good government. It encourages the belief that work is unimportant, that money can solve all our problems, and that greed is the norm for achievement. It serves as a “regressive tax” on those with lower income. In summary, gambling is bad economics; gambling is bad public policy; and gambling does not improve the quality of life.
- Dependence on gambling revenue has led many governments to exploit the weakness of their own citizens, neglect the development of more equitable forms of taxation, and thereby further erode citizen confidence in government.
- We express our concern for the increasing development of the casino enterprises, which have taken captive entire communities and corrupted many levels of government with its fiscal and political power...Public apathy and a lack of awareness that petty gambling feeds organized crime have opened the door to the spread of numerous forms of legal and illegal gambling.
- We grieve over the expansion of gambling onto tribal reservations and lands. Gambling expansion on tribal lands **has fostered racism and hate crimes**, has caused discord between and among tribal members, and has led to divisions in churches and families. While we support tribal self-determination and self-governance, resorting to gambling as a form of economic development is regrettable.
- We oppose coalitions, groups, organizations, and campaigns that claim opposition to gambling, yet at the same time undermine or oppose tribal sovereignty, which fosters a climate of hate and racism. An alarming trend is the attempt to use local churches in order to increase support for this destructive agenda. We believe that these groups operate contrary to Christian teachings.

(www.umc.org/what-we-believe/gambling)

Pastor Wayne Porter, China Lake Baptist Church. Spoke against casino at public meeting.

- “Increased crime. Bankruptcies. Gambling addictions. Corrupting schoolchildren. Interfering with the mission of the base. And, of course, the wrath of God. Would a casino in a small desert town in California offend God? Some appear to think it would. Do we want to risk the displeasure of God for \$395,000 a year?
- Marilyn Neel took the idea even further, saying the community should not sell out its moral character. “We are prostituting ourselves, we are prostituting our children.”

Ridgecrest is in a Battle for Its Soul with an Indian Casino

[\(www.cdcmgamingreports.com/commentaries/ridgecrest-is-in-a-battle-for-its-soul-with-an-indian-casino/\)](http://www.cdcmgamingreports.com/commentaries/ridgecrest-is-in-a-battle-for-its-soul-with-an-indian-casino/)

Baptist -- Resolution on gambling. WHEREAS, The Southern Baptist Convention has spoken on numerous occasions about the harmful effects of gambling; and WHEREAS, Many states are now allowing legal state lotteries; and WHEREAS, Many states are now in the midst of a battle about state supported lottery and a national lottery is being advocated by some; and WHEREAS, Various forms of gambling have become commonplace on Indian lands and other forms of gambling, such as pari-mutuel racing, jai-alai, and casino, might in the future be established on Indian lands; and WHEREAS, Federal law does not allow for any regulatory role on the part of states concerning Indian lands located therein.

Therefore, be it RESOLVED, That we, the messengers of the Southern Baptist Convention, meeting in St. Louis, Missouri, June 16-18, 1987, express our alarm and concern about the growth of legalized gambling and lottery in the nation and the attendant problems of organized crime, adequate regulation, compulsive gambling, and preying upon the poor; and Be it further RESOLVED, That we declare our strong conviction that in those states having legalized gambling, state government has the responsibility of providing the most effective regulation possible; and Be it finally RESOLVED, That we call upon Congress to enact legislation currently pending which would guarantee the right of state governments to regulate gambling activity occurring within their boundaries including Indian lands.

[\(www.sbc.net/resolutions/567\)](http://www.sbc.net/resolutions/567)

Baptist -- Biblical basis for anti-gambling position.

- Ultimate significance in luck and risk and chance. Gambling is a denial of the sovereignty of God.
- Gambling presumes that the focus of man's existence are the false gods of fortune and destiny.
- Gambling is causing political corruption, as well as having a negative effect on the family, and working to destroy legitimate business due to the diversion of funds to the casinos
- The biblically mandated method for obtaining money and possessions is through legitimate labor, which "is a divine attribute that has been given to man as his opportunity to participate with the Creator. Gambling deprives man of this opportunity, by denying the validity of work, emphasizing the false notion that anyone can "get rich without work."
- Gambling causes its participants to violate the Tenth Commandment against covetousness, further degrading man's relationship with God.
- Gambling emphasizes materialism since it focuses on the things of life without relationship," Jones said. "Exploitation in the gaining of wealth is repugnant to the ethical standards of the Christian faith."

[\(www.bpnews.net/3063/jones-traces-biblical-basis-for-antigambling-position\)](http://www.bpnews.net/3063/jones-traces-biblical-basis-for-antigambling-position)

Mormon – Church of Jesus Christ of Latter-Day Saints – position on gambling

- The Church of Jesus Christ of Latter-day Saints is opposed to gambling, including lotteries sponsored by governments. Church leaders have encouraged Church members to join with others in opposing the legalization and government sponsorship of any form of gambling.
- Gambling is motivated by a desire to get something for nothing. This desire is spiritually destructive. It leads participants away from the Savior's teachings of love and service and toward the selfishness of the adversary. It undermines the virtues of work and thrift and the desire to give honest effort in all we do.
- Those who participate in gambling soon discover the deception in the idea that they can give little or nothing and receive something of value in return. They find that they give up large amounts of money, their own honor, and the respect of family members and friends. Deceived and addicted, they often gamble with funds they should use for other purposes, such as meeting the basic needs of their families. Gamblers sometimes become so enslaved and so desperate to pay gambling debts that they turn to stealing, giving up their own good name.

(www.lds.org/topics/gambling?lang=eng)

Mormons -- Gambling is morally wrong and politically unwise.

- The Church of Jesus Christ of Latter-day Saints condemns gambling, games of chance, and lotteries as moral evils and admonishes its members not to participate in them in any form.
- This same remoteness of winning is part of state-run lotteries. The chance of purchasing a winning ticket in one 1990 state lottery was noted by the news media as 1 in 14 million.
- Gambling is based on the morally wrong philosophy of getting something for nothing, of taking money without giving fair value in exchange. Not only is gambling morally wrong, but it is also bad economics for customers. The lavish gambling centers around the world stand as ample evidence that the chances of winning are weighted heavily in favor of the establishment and against the bettor.
- The Church considers lotteries as gambling, and the First Presidency has asked Latter-day Saints not to participate in them and to oppose establishing them in their states: There can be no question about the moral ramifications of gambling, including government-sponsored lotteries. Public lotteries are advocated as a means of relieving the burden of taxation. It has been demonstrated, however, that all too often lotteries only add to the problems of the financially disadvantaged by taking money from them and giving nothing of value in return.
- The poor and the elderly become victims of the inducements that are held out to purchase lottery tickets on the remote chance of winning a substantial prize. It is sad to see governments now promoting what they once enacted laws to forbid. We urge members of the Church to join with others with similar concerns in opposing the legalization of gambling and government-sponsorship of lotteries [*Church News*, Oct. 5, 1986, p. 4].
(<http://eom.byu.edu/index.php/Gambling>)

Mormons – The Case Against Gambling. Church Founders Statements.

- **President Brigham Young** exhorted the Nauvoo Saints in 1845 to “put down” gambling and various other “abominations.” (See *History of the Church*, 7:350.) Later, addressing the practice of Relief Society sisters raffling homemade quilts and giving the profits to the needy, he stated that worthy causes should not be sullied by unworthy practices: “Tell the sisters not to raffle,” he said, adding that raffling is a form of gambling. “Rather let the quilts rot on the shelves than adopt the old adage, ‘The end will sanctify the means.’ As Latter-day Saints we cannot afford to sacrifice moral principle to financial gain.” (As quoted in *Juvenile Instructor*, 1 Oct 1902, p. 593.)
- **President Joseph F. Smith** and his counselors gave similar direction, expressly prohibiting any Church organization from promoting games of chance: No form of gambling “is to be allowed or

excused because the money so obtained is to be used for a good purpose,” they said. (*Improvement Era*, Dec. 1908, p. 144.)

- **President Heber** “The Church has been and now is unalterably opposed to gambling in any form whatever,” said President Heber J. Grant and his counselors during the twenties. “It is opposed to any game of chance, occupation, or so-called business, which takes money from the person who may be possessed of it without giving value received in return. It is opposed to all practices the tendency of which is to encourage the spirit of reckless speculation, and particularly to that which tends to degrade or weaken the high moral standard which members of the Church, and our community at large, have always maintained.” (*Improvement Era*, Sept. 1926, p. 1100.)
- **President Spencer W. Kimball** fifty years later, gave the same message. “From the beginning we have been advised against gambling of every sort,” he said. And he specifically condemned state lotteries, which divert billions of dollars from worthwhile, charitable purposes. (See *Ensign*, May 1975, p. 6.)
- **President Gordon B. Hinckley** of the First Presidency again denounced state and federal lotteries: “There can be no question about the moral ramifications of this practice,” he said. “A lottery is a form of gambling, regardless of the high-sounding purpose it may be advocated to meet. ... The question of lotteries is a moral question. That government now promotes what it once enforced laws against becomes a sad reflection on the deterioration of public and political morality in the nation.” (*Ensign*, Nov. 1985, p. 52.)
- **President of Brigham Young University, Dallin H. Oaks** examined five reasons. Included in his discussion were such activities as playing cards for money and betting on horses. He also mentioned casino gambling, lotteries, raffles, bingo for money, and dice. (See *Ensign*, Nov. 1972, p. 47.)
 - First, gambling weakens the ethics of work, industry, thrift, and service—the foundation of national prosperity—by holding out the seductive lure of something for nothing. By the same token, gambling encourages idleness, with all of its resulting bad effects for society.” (Dallin H. Oaks, *Ensign*, Nov. 1972, p. 45.)

Greed is indeed a strong motivation for most gamblers. How many, when asked why they’ve bought lottery tickets, will respond that they’re doing it to pay for education and the care of the elderly?

- **Greed afflicts governments.** When gambling is legalized, government officials begin to count on its revenues; yet, no matter how much money comes in, the state’s appetite usually keeps growing. And as the need for more and more “painless” tax revenue rises, or as profits from state-operated gambling diminish, the government finds itself in the position of aggressively promoting gambling, where it had earlier prohibited or simply tolerated it. Instead of protecting its citizens from being victimized by the lure of gambling, the state mounts massive advertising campaigns to encourage people to participate. Citizens who otherwise may have opposed gambling embrace it because of the government’s endorsement.
(www.lds.org/ensign/1986/03/dont-bet-on-it-a-latter-day-saint-look-at-gambling?lang=eng&_r=1)

Seventh Day Adventist – position on gambling

Gambling-defined as a paid game of chance-increasingly impacts more and more people all over the world. The concept of winning at the expense of others has become a modern curse. Society pays the escalating cost of associated crime, victim support, and family breakdown which erodes the quality of life. Seventh-day Adventists have consistently opposed gambling as it is incompatible with Christian principles. It is not an appropriate form of entertainment or a legitimate means of raising funds.

Gambling violates Christian principles of stewardship. God identifies work as the appropriate method for gaining material benefit; not the playing of a game of chance while dreaming to gain at the expense of others. Gambling has a massive impact on society. Financial costs result from crime committed to pay for the gambling habit, increased policing, and legal expenses, as well as associated crimes involving drugs, strip clubs, and prostitution. Gambling does not generate income; rather it takes from those who often can ill afford to lose and gives to a few winners, the greatest winner of course being the gambling operator. The idea that gambling operations can have a positive economic benefit is an illusion. In addition, gambling violates the Christian sense of responsibility for family, neighbors, the needy, and the Church.

Gambling creates false hopes. The gambling dream of "winning big" replaces true hope with a false dream of a statistically-improbable chance of winning. Christians are not to put their hope in wealth. The Christian hope in a glorious future promised by God is "sure and certain"- unlike and opposite to the gambling dream. The great gain that the Bible points to is "godliness with contentment."²

Gambling is addictive. The addictive quality of gambling is clearly incompatible with a Christian lifestyle. The Church seeks to help, not blame, those suffering from gambling or other addictions. Christians recognize that they are responsible before God for their resources and lifestyle.³

The Seventh-day Adventist Church organization does not condone raffles or lotteries to raise funds and it urges members not to participate in any such activities, however well- intentioned. Neither does the Church condone state-sponsored gambling. The Seventh-day Adventist Church calls on all authorities to prevent the ever-increasing availability of gambling with its damaging effects on individuals and society.

Church Will not accept gambling funds. The Seventh-day Adventist Church rejects gambling as defined above and will not solicit nor accept funding that is clearly derived from gambling.

1. 1 Thess 4:11; Gen 3:19; Matt 19:21; Acts 9:36; 2 Cor 9:8, 9
2. 1 Tim 6:17; Heb 11:1; 1 Tim 6:6
3. 1 Cor 6:19, 20

(<https://www.adventist.org/en/information/official-statements/statements/article/go/-/gambling/>)

Church of the Nazarene – position on gambling

Lotteries and other forms of gambling, whether legal or illegal, the church holds the result of these practices is detrimental to the individual and society. (Manual 2013-2017. 29.2)

(<http://2013.manual.nazarene.org/index/gambling/>)

Catholic Bishops of New York – position on gambling

The following are statements by the Catholic Bishops of New York State, September 29, 2013

- **Passion for gambling risks enslavement.** The Catholic Church teaches that gambling is a morally neutral act and that games of chance “are not in themselves contrary to justice” (Catechism of the Catholic Church, 2413). However, the Catechism also warns that “the passion for gambling risks becoming an enslavement” and becomes morally unacceptable when it deprives an individual of what is necessary to provide for his/her needs and those of others.
- **Casinos within 50 miles double the risk for pathological gamblers.** When gambling as a revenue stream becomes overly prevalent in a society, the risks associated with problem gambling multiply. With their flashing lights, free-flowing alcoholic drinks, all-night hours and generally intoxicating atmosphere, casinos are more likely than other gambling options to lead to bad decisions and catastrophic losses for patrons, particularly those prone to problem or compulsive gambling. Interestingly, a study by the National Opinion Research Center at the University of Chicago showed the availability of a casino within 50 miles is associated with double the prevalence of problem or pathological gamblers.
- **400% increase in embezzlement, 200% increase DWI, increase in illegal housing.** A 2009 study commissioned by the Connecticut Division of Special Revenue on the economic and social impact of Indian casinos in the state, found that while the casinos did boost employment and revenues, they also resulted in serious numerous negative consequences in the areas near the casinos and for individuals. These included a 400 percent increase in embezzlement arrests, a doubling of DWI arrests, and an increase in substandard and illegal housing for undocumented workers.
- **62% gambled till dead broke.** Of the problem gamblers studied in the report, 62 percent gambled until their last dollar was gone. Personal bankruptcies in areas where the state’s two Indian casinos are located were more than 10 percent higher than the national norm in seven of the 10 years after the casinos were built. We must ask, will the presence of casinos forever change the character of areas like Saratoga Springs, the Catskill Mountains and the Southern Tier.

(www.nyscatholic.org/2013/09/a-statement-on-casino-gambling-by-the-catholic-bishops-of-new-york-state/)

Lutheran – position on gambling

In February 1996, the Synod's Commission on Theology and Church Relations adopted a report titled *Gambling*, a 14-page document that discusses the practice of gambling considering four scriptural principles.

These principles are as follows:

- Gambling encourages the sins of greed and covetousness.
 - Gambling promotes mismanagement of possessions entrusted to us by God. Gambling undermines absolute reliance on God for His provision.
 - Gambling works at cross purposes with a commitment to productive work. Gambling is a potentially addictive behavior.
 - Gambling threatens the welfare of our neighbor and militates against the common good.
- The document stops short of saying that every form of gambling is in and of itself contrary to the Word of God and therefore sinful. Read former Synod President Barry's statement on legalized gambling. (See below.)

Dr. A. L. Barry, President, Lutheran Church – Missouri Synod

- **Alarming statistics.** The National Gambling Impact Study Commission released a report, following a two-year study of gambling in America. It reveals some very troubling facts about gambling's impact on the poor and those who become addicted to gambling. The findings were alarming enough for a majority of the commission to call for a "pause" or moratorium on further gambling expansion in America to give time to dig deeper into its effects.

- **Money spent on bets than groceries! Untold suffering.** Americans now wager about \$600 billion a year, which is more than is spent on groceries! In 1992, it was \$329 billion a year. In 1974, it was just \$17 billion. That is a staggering increase of 3,500 percent over 25 years! And the gambling commission noted in its report that "with little stretch of the imagination, it is conceivable that, someday, gambling enterprises may be franchised and, at least, in parts of the country, become as common as fast food outlets are today." Gambling today is not simply harmless family entertainment, as advertising for commercial and state-sponsored gambling seems to indicate. Millions of people have become addicted to gambling and have brought untold suffering on themselves and their families.
- **Fraudulent advertising targets – wrong message.** The commission reported "a further criticism is that, in pursuit of revenues, some lotteries have employed overly aggressive and even deceptive advertising and other marketing methods. Lottery advertising has advanced in recent years from simple public-service-announcement-type ads to sophisticated marketing tools. Critics charge that they are intentionally misleading, especially regarding such matters as the minuscule odds of winning the various jackpots. (As an agency of government, lotteries are not subject to federal "Truth in advertising" standards). State-sponsored lotteries are perhaps the most harmful because they project an image legitimizing gambling and ultimately help nurture a gambling culture among our children—the next generation of gamblers."

(<https://www.lcms.org/about/beliefs/faqs/lcms-views#gambling>)

Presbyterian Position on Gambling

- **Long history opposing gambling – 1950s NO.** The Presbyterian Church (U.S.A.) has a long history of opposition to all forms of gambling as an abdication of stewardship. A 1950 statement described gambling as "an unchristian attempt to get something for nothing or at another's expense."⁽¹⁾ Twenty-five years later, a Presbyterian General Assembly adopted a statement calling upon its members "to exert influence on local, state and national legislative bodies to oppose all forms of legalized gambling, e.g., lotteries, bingo, pari-mutuel betting, dog racing, horse racing, betting on sports games, casino games and numbers."
 - **1990s NO.** A 1992 statement petitioned civic and government leaders to resist state sanctioned gambling and the false promises for fiscal benefits from such and encouraged state councils of churches and related public policy advocacy groups to be active in resisting the spread of legalized gambling.⁽³⁾ The General Assembly reaffirmed its opposition to legalized gambling in 1994, and it encouraged church leaders and members to become better educated and active about this issue.
 - **2000 NO.** The General Assembly again reaffirmed its opposition to organized and institutional forms of gambling, and it called upon Presbyterians to refuse to participate in such gambling as a matter of faith and to join efforts to regulate, restrict, and eventually eliminate these forms.⁽⁵⁾
- (1) Minutes of the 162nd General Assembly (1950), Presbyterian Church U.S.A., p. 236.
 (2) Minutes of the 187th General Assembly (1975), Presbyterian Church in the U.S. p.182.
 (3) Minutes of the 204th General Assembly (1992), Presbyterian Church (U.S.A.), 922.
 (4) Minutes of the 206th General Assembly (1994), Presbyterian Church (U.S.A.), 582-583.
 (5) Minutes of the 212th General Assembly (2000), Presbyterian Church (U.S.A.), 231-233.

Adapted from the Compilation of PC(USA) Social Witness Policies.

(<https://www.presbyterianmission.org/what-we-believe/gambling/>)

Pentecostal (International Pentecostal Church of Christ (IPCC) – position on gambling

Gambling - What does the Bible say? Obviously gambling involved little activity by God's people in Bible days. Therefore, it is not possible to find a direct command of Scripture such as, "Thou shalt not gamble." Even though there is an absence of the direct command, there are numerous Scriptural principles that clearly indicate the evils of gambling.

1. Gambling is evil because it is a disregard for Scripturally, responsible stewardship. (Parable of Talents - Matthew 25:14-30)
2. Gambling is evil because it involves a chance of gain usually at the expense and suffering of others, thus failing to glorify God. (I Corinthians 10:31; Romans 6:16)
3. Gambling is evil because it disregards the work ethic of Scripture. (Proverbs 12:11; II Thessalonians 3:10; Proverbs 28:20; 13:11)
4. Gambling is evil because it is habit forming. (Galatians 5:23; Romans 6:16)
(<http://ipcc.cc/position%20statements.htm#GAMBLING>)

Cornerstone Bible Church – position on gambling

Pastor Lynn Whitcomb spoke strongly against the casino at a public meeting.

Pastor Whitcomb spoke passionately about a highly personal, devastating event involving his father becoming a gambling addict. As a result, his father was targeted by an individual at the Pechanga Casino, who eventually soaked him for most of the value of his home (by drawing cash out on a reverse mortgage) and giving the cash to them. The family had to take legal action at very large expense to get the person to stay away from their father. In summary, Pastor Whitcomb asked the Ridgecrest City Council at a public meeting to look at "the faces behind the money." Gambling does not lead to better lives, it leads to damaged lives. "

Why I Am Against a Gambling Casino in Ridgecrest.

**Lyn Whitcomb, Pastor
Cornerstone Bible Church, Ridgecrest, CA
A Biblical Perspective**

By approving a municipal services agreement to bring an Indian gambling casino to the city of Ridgecrest, our city is joining a national trend, but one that in my opinion must be very carefully evaluated.

My concern is not merely political, social, or economic. My concern is: What does God think about gambling? I'm not ashamed to turn to the Bible for the answer to that question: "All Scripture is breathed out by God and profitable for teaching, for reproof, for correction, and for training in righteousness, that the man of God may be competent, equipped for every good work" (2 Timothy 3:16-17). **I know that people often object by saying, "Don't impose your morality on us!" But in a public policy issue like whether or not a Native American gambling casino should be in our city, one side's morality will be imposed on the other side. It's inescapable. The question is: which side's moral argument will carry the day?**

So, what does the Bible say about gambling? Well, nothing explicitly. There is no Bible verse that says, "Thou shalt not gamble." But that's not the end of the story. There are also no Bible verses that explicitly mention by name "abortion," "pornography," "racism," or "nuclear war." But **just because the Bible doesn't specifically mention a particular subject doesn't mean that it has nothing to say on that subject. The Bible is a big enough book the way that it is! So, let's examine the issue of gambling in the light of subjects that the Bible does talk about.**

1. Gambling exploits the love of money. The Bible says: "For the love of money is a root of all kinds of evils. It is through this craving that some have wandered away from the faith and pierced themselves with many pangs" (1 Timothy 6:10); "Keep your life free from the love of money, and be content with what you have, for he has said, 'I will never leave you nor forsake you'" (Hebrews 13:5).

"The love of money" means greed; a controlling desire for money. The love of money and covetousness are closely related, which the 10th Commandment forbids: "You shall not covet." In Colossians 3:5, the Apostle Paul calls Covetousness idolatry. The whole point of gambling is the love of money. People are lured into buying lottery

tickets and gambling in casinos because they might get rich quick. How many high-rise hotels would be in Las Vegas if the games were played only for fun?

Objection: What about the love of money in capitalism? For example, Michael Douglas's movie character who famously says, "Greed is good." As Christians, we should follow the Bible and oppose greed in any form, and the fact that we don't is a valid criticism. But a legitimate desire to earn a wage, a reasonable profit, or a reasonable return on an investment is not necessarily greed. God portrays Himself as looking for a reasonable return on the talents that He's invested in us. God is not greedy in expecting a return on His investment. John Wesley's advice still holds true: "Make as much money as you can; save as much money as you can; give as much money as you can."

2. Gambling short-circuits the biblical work ethic. Gambling not only exploits the love of money, it exploits people's naïve lust to get rich quick. Instead of years of working and sacrificing to get an education or a skill, grow a career, save money, make informed investments, or run a business, it's very alluring to get rich quick by hitting the jackpot. But that's not the way that God instructs us to gain wealth: "Let the thief no longer steal, but rather let him labor, doing honest work with his own hands, so that he may have something to share with anyone in need" (Ephesians 4:28); "For even when we were with you, we would give you this command: If anyone is not willing to work, let him not eat" (2 Thessalonians 3:10); "A slack hand causes poverty, but the hand of the diligent makes rich" (Proverbs 10:4).

What about the stock market? For some people, the stock market is a gambling addiction, which is sinful. But in and of itself, investing in stock is not gambling. Risk does not equal gambling. Work produced the original investment. Investment typically enables work. And, those investors who are the most successful are usually the most hard-working.

3. Gambling is a form of stealing. "Let the thief no longer steal, but rather let him labor, doing honest work with his own hands, so that he may have something to share with anyone in need" (Ephesians 4:28). Taking something without permission is only one definition of stealing. Webster's defines stealing as, "to seize, gain, or win by trickery, skill, or daring." In order for someone to gain in stealing, someone has to lose. Stealing is not a win-win scenario; it's a win-lose scenario. It's the same way with gambling, especially casino gambling. In order for the casino to make money, gamblers on balance must lose. That's why casinos entice people to gamble more because the more people gamble, the more they lose, and casinos can only survive if gamblers lose. Consider slot machines, for example. "Thirty-One Evidence-Based Propositions from the Health and Social Sciences" by the Institute for American Values, a non-partisan study group of experts and academics from universities across America states: "The new American casino is primarily a facility filled with modern slot machines [the casino coming to Ridgcrest will have 349 slot machines]. A modern slot machine is a sophisticated computer, engineered to create fast, continuous, and repeat betting. Modern slot machines are carefully designed to ensure that the longer you play, the more you lose. Modern slot machines are highly addictive. Modern slot machines are engineered to make players lose track of time and money." No wonder they're called "one-armed bandits"! (Why Casinos Matter.)

4. Gambling hurts poor people. John Kindt, a business administration professor at the University of Illinois who studies gambling: **[lotteries are like a gateway drug to creating new addictive gamblers]**. "The bottom line is a lot of this gambling is directed toward the poorer segments of society who are spending proportionally more... **We are making poor people poorer.**"

"As a consequence [of government-sponsored gambling], women, low-wage workers, and retirees are contributing a disproportionate share of states' take of casino revenues. As states become ever more dependent on casino revenues as a substitute for more progressive sources of revenue, they are trapped into a regressive policy of taking from the less affluent and rewarding the more affluent." (Why Casinos Matter). The National Bureau of Economic Research states, "the poor bet a much larger share of their income." The Bible teaches that we should not support public policy that basically steals from poor people: "Do not rob the poor, because he is poor, or crush the afflicted at the gate, for the LORD will plead their cause and rob of life those who rob them" (Proverbs 22:22-23).

5. Gambling is poor stewardship. Gambling is a money-losing venture for the gambler. According to the Economist Magazine, in 2013 Americans' gambling losses totaled \$119 billion. **The average American loses almost \$400 per year to gambling.**

Many people respond by saying, "It's my money. I can do with it whatever I want." But here's where the Bible confronts our self-indulgent assumptions: everything we have, including our lives, our time, and our money, ultimately belongs to God. John Piper: "It is wrong to wager with a trust fund. And all we have, as humans, is a trust fund. Everything we have is a trust from God, to be used for His glory. "[God] Himself gives to all mankind life and breath and everything" (Acts 17:25). Faithful trustees may not gamble with a trust fund. They work and trade: value for value, just and fair. This is the pattern again and again in Scripture. And when you are handling the funds of another, how much more irresponsible it is to wager!"

6. Gambling is bad for the economy. The casino will probably boost the local economy in the short term: Construction costs, new jobs. The tribe will pay the city direct fees totaling about \$500,000 per year for 20 years (\$10 million total). The developer projects that the casino would bring in 65,000 visitors annually spending \$125-\$225 daily, averaging more than \$11 million annually. The projected 180 new jobs with an average annual salary of \$38,500 would also result in nearly \$7 million. However, in the long term: "Casinos extract wealth from communities. Casinos typically weaken nearby businesses. Casinos typically hurt property values in host communities" (Why Casinos Matter).

Therefore, the economic benefits of the casino will be like offering pure white sugar to a starving person: there will be a short-term sugar high but no long term nutritional value.

7. Gambling violates the Biblical role of government. According to Romans 13:1-4, God instituted civil government to protect people from those who would harm or exploit them. But think about how government-sponsored gambling relates to this God-given role of civil government. "State regulation of casinos creates a conflict of interest, in which the state is charged with protecting the public from the very business practices that generate revenue for the state and which the state is co-sponsoring. State governments are caught in a classic conflict of interest between their desire for more revenues and their responsibility to prevent harms to the public from unfair or exploitative practices...States have raced ahead to locate commercial casinos in struggling communities and to extract revenues from citizens in those communities" (Why Casinos Matter).

In summary, a gambling casino in Ridgecrest will be detrimental to the community's moral climate and local economy. As a pastor, I am concerned about the negative effects of the proposed casino on young professionals and military personnel who work on the base as well as young people in our community. The proposed casino, on balance, will harm rather than help our community.

Local Ridgecrest Pastor shares horrible personal experience regarding his father and the Pechanga Casino

Taking Advantage of Seniors

In a recent Ridgecrest City Council meeting, a representative of the Timbisha Shoshone Tribe mentioned the Pechanga Casino as a positive example of what Ridgecrest can expect when the Tribe opens its casino in Ridgecrest. Well, my family has had a very bad experience with the Pechanga Casino.

My elderly father (now 91 years old) periodically went to the Pechanga Casino, especially on Fridays, since the **casino targeted elderly people by giving them gambling money and other free incentives to visit the casino on Fridays.** By the end of 2015, by Dad's gambling habit became more complicated with the addition of a "girlfriend" who went with him to the Pechanga Casino. My family and I, along with my Dad's neighbors in Anaheim, were concerned. We met my Dad's "girlfriend" and she consistently claimed that they were only "gambling buddies." Over the next several months, we became more suspicious of this woman and concerned about my father's gambling habits. My brothers and I approached Pechanga Casino management and they refused to get involved. Finally, we hired a lawyer and a private investigator. The private investigator discovered that my Dad's "girlfriend" was a part of a prostitution ring that had been broken up in Orange County but had apparently set up shop inside the Pechanga Casino. **The private investigator took photos and video of a group of these women sitting next to elderly men at a card table, including my father. The investigator witnessed my Dad's "girlfriend" taking chips from my him when he would turn his head. We also have evidence that she used sexual favors to obtain thousands of dollars from him.**

My brothers and I approached Orange County law enforcement, who refused to pursue the case. Finally, we successfully petitioned the Orange County Superior Court to issue a permanent restraining order against the "girlfriend." On May 31, 2016, my brother took a copy of the permanent restraining order to Pechanga Casino and tried to give it to a Pechanga security manager. **The manager refused to accept the restraining order, stating that the casino was a part of the Pechanga sovereign nation and did not choose to enforce a court-issued restraining order.**

My dad is now living with us in Ridgecrest and that woman is now out of the picture. But now I am concerned that a new Native American gambling casino might be coming to Ridgecrest, right down the street from our house. **My family's experience with Pechanga teaches me that it doesn't matter what the tribal representatives SAY at this time; when they are here, and their casino is up and running, it will be up to them whether or not they honor our laws. Prostitutes, get ready! Ridgecrest citizens, beware!**

Casino's Target Seniors. Problem gamblers increasingly are drawn from the ranks of the vulnerable elderly. Half of casino visitors are over age 50, but casinos market themselves to the over 70 and even over 80 market, to whom gambling offers an escape from boredom and loneliness into a hypnotic zone of rapid-fire electronic stimuli.

(<https://www.theatlantic.com/business/archive/2014/08/a-good-way-to-wreck-a-local-economy-build-casinos/375691/>)

AARP Report: Casino's Target Seniors. AARP Magazine, October 2016 reports that as the gambling industry booms, aggressive marketing is conducted targeting older patrons and the industry is moving into states with large shares of older Americans. Data suggests older Americans:

- Favor slot machines—a highly addictive form of gambling
- Fixed income citizens are vulnerable to "free stuff" and "free pay" tactics
- Casinos take advantage of the social and emotional vulnerability of older Americans

The poorer the neighborhood, the higher the risk for problem gambling. Numerous studies tell us that the largest numbers of gamblers come from the poorest segments of the population, who see it as a way of getting out of poverty. This fact contributes to increasing inequalities. Gambling is pervasive in the United States. A study conducted from the University at Buffalo and SUNY Buffalo State, published in the *Journal of Behavioral Addictions* in June 2014, found that casino gambling, slots and lotteries had by far the most harmful effects on people at the lower end of the income ladder. In particular, slot machines nowadays are sophisticated computerized devices that dominate the casino scene to such an extent that two-thirds of the profit from the typical American casino now comes from slot machines. In particular, the target market is the poor that can view on gambling as one of the few opportunities for financial advancement. Is it the fact that gambling tends to increase income inequalities? Gambling is sometimes called the poor man's stock exchange.

(www.vitainternational.media/en/article/2016/04/13/how-gambling-contributes-to-inequality/325/)

State-operated lotteries are a regressive form of taxation. They take a higher percentage from poorer citizens' incomes than from middle- and upper-class citizens' earnings. "A tax by any other name is still a tax," said President Gordon B. Hinckley, "except in this case the burden usually falls on the poor who can least afford to pay it. As an editorial in *USA Today* stated recently: 'Lotteries aren't painless—the overwhelming majority of players always lose. The game takes bread and money from the poor. And it is one more temptation for the compulsive gamblers who ruin careers and families with their addiction.' (*USA Today*, 26 Aug. 1985.) In this context, it becomes a moral question."

(Ensign, Nov. 1985, p. 52.)

(www.lds.org/ensign/1986/03/dont-bet-on-it-a-latter-day-saint-look-at-gambling?lang=eng&_r=1)

Poor and Elderly. The poor and the elderly become victims of the inducements that are held out to purchase lottery tickets on the remote chance of winning a substantial prize. It is sad to see governments now promoting what they once enacted laws to forbid. We urge members of the Church to join with others with similar concerns in opposing the legalization of gambling and government-sponsorship of lotteries [*Church News*, Oct. 5, 1986, p. 4].

(<http://eom.byu.edu/index.php/Gambling>)

The poor and minorities buy the most lottery tickets.

- Unfortunately, most of the losers can't afford to lose. *Newsweek* (2 Sept. 1985, p. 16) describes some of the victims:
- **Poorest one-third of state households bought half of all lottery tickets.** A Maryland study reported, and they bought 60 percent of daily-game tickets. One churchman calls the lottery "the sale of an illusion to poor people who view it as the only possibility for breaking out of the cycle of poverty they live in."
- **CBS Investigates: Millions in LA County welfare money traced to casinos, bars, and vacation spots.**
(<http://losangeles.cbslocal.com/2013/11/19/cbs2-investigates-millions-in-la-county-welfare-money-traced-to-casinos-bars-vacation-spots/>)
- **Exclusive: People with welfare debit cards withdrew \$3M from area casino ATMs, state says.**
(<http://www.sandiegouniontribune.com/sdut-exclusive-people-with-welfare-debit-cards-2010jul02-story.html>)
- **Minorities.** Seventy percent of those who buy my tickets are poor, black or Hispanic," says the busiest lottery agent in New York.
- It is ironic that some of the money the states bring in through lotteries is earmarked to benefit the aged and other lottery victims! Advocates for this "tax" are silent about the inevitable increase

in taxes brought about by social problems incident to gambling—such as higher welfare, law enforcement, and prison costs.

- **State-operated lotteries are a regressive form of taxation;** that is, they take a higher percentage from poorer citizens' incomes than from middle- and upper-class citizens' earnings. "A tax by any other name is still a tax," said President Gordon B. Hinckley, "except in this case the burden usually falls on the poor who can least afford to pay it. As an editorial in *USA Today* stated recently: 'Lotteries aren't painless—the overwhelming majority of players always lose. The game takes bread and money from the poor. And it is one more temptation for the compulsive gamblers who ruin careers and families with their addiction.' (*USA Today*, 26 Aug. 1985.) In this context, it becomes a moral question." (*Ensign*, Nov. 1985, p. 52.)
- **Lutheran church – poor and gambling.** When it comes to the poor and gambling, the commission found that "the education category with the highest per capita spending includes those who did not complete high school. . . . College graduates have the lowest. With respect to household income. . . those with incomes less than \$50,000 spend more than others, and the lower income categories have the highest per capita spending." Legalized gambling victimizes the poor and preys on our society's weakest members. It entices those who are the most desperate with the offer of a way to achieve wealth and prosperity. It tempts those who are at the most vulnerable point, and this is truly disturbing. A nation such as ours cannot, and must not, put the interest of industrialized gambling above the need and concern that we must have for the poor. Surely, it is not in the best interest of our nation to do so.
(www.lcms.org/about/beliefs/faqs/lcms-views#gambling)

People in poor neighborhoods are twice as likely to have gambling problems. Individuals with the lowest socioeconomic status in the poorest neighborhoods were at greatest risk for gambling problems. (www.buffalo.edu/ria/about-us/discover_ria/disseminate_knowledge.host.html/content/shared/university/news/news-center-releases/2014/01/001.detail.htm)

Risk of families living within 10 miles of a casino – Especial underprivileged

BUFFALO, N.Y. -- Individuals who live within 10 miles of a casino or in a disadvantaged neighborhood are more likely to experience problem gambling, according to new research from the University at Buffalo's Research Institute on Addictions (RIA). A casino within 10 miles of home has a significant effect on problem gambling and is associated with a 90 percent increase in the odds of being a pathological or problem gambler, said John W. Welte, Ph.D., principal investigator on the study. Welte said respondents living in disadvantaged neighborhoods reported much higher rates of problem gambling than those who do not live in disadvantaged neighborhoods. Ten percent of those who live in the most disadvantaged neighborhoods are problem gamblers as compared to about one percent of those who live in the least disadvantaged neighborhoods.

(www.buffalo.edu/news/releases/2005/06/7369.html)

According to a study from the University at Buffalo Research Institute on Addictions (RIA) "Based on representative telephone interviews with nearly 5,000 people, ages 14 to 90, in the United States, the study found that problem gambling was twice as likely in neighborhoods with the highest levels of concentrated poverty compared to neighborhoods with the lowest poverty levels"

From the Appleseed Center for Law and Economic Justice: A 2013 study on the "Effect on Low-Income Individuals, Families and Communities," by the Appleseed Center for Law and Economic Justice in Hawaii found that "legalized gambling... has negative impacts on the entire community, **but does even greater harm to those living in poverty.**"

An article by Barbara Dafoe Whitehead in the New York Times in June of 2014, aptly entitled "Gaming the Poor," puts casinos in the same category as "payday lending," "rent-to-own stores" and "tax refund anticipation loans" when it comes to extracting "**high profits from low-income groups.**" She writes: "The casinos' method is to induce low-income gamblers to make a huge number of small bets per visit,

to visit the casino several times per month, or even per week... The key to executing this method is the slot machine.

(www.buffalo.edu/ria/about-us/discover_ria/disseminate_knowledge.host.html/content/shared/university/news/news-center-releases/2014/01/001.detail.html)

Gambling addiction affects Nevada's 27 native tribes as well. Those words came from a member of one of the 27 Native American tribes that live in Nevada. It was a poignant written response to an anonymous survey taken as part of an ongoing study that aims to understand how big a toll is taken by problem gambling among the nearly 60,000 Native Americans in the state.

(<https://knpr.org/desert-companion/2017-02/you-can-t-hear-your-heart>)

Think you can beat the house – Don't bet on it. According to this article, anyone who thinks that they could ever beat "the house" and have ANY chance of coming out ahead should read this article. NO CASINO is in business to give you ANY money. Even when you think you have some kind of "system", you LOSE - BIG TIME. The odds are against you from the beginning, the casinos are always against you and it looks like even the courts are against you.

In the article you will discover that the courts ruled in FAVOR of a casino, just because someone "paid attention" during a gambling spree! Best advice... don't gamble...ever.

(<https://ccage.org/2016/12/think-you-can-beat-the-house/>)

How Casinos Enable Gambling Addicts. Modern slot machines develop an unbreakable hold on many players—some of whom wind up losing their jobs, their families, and even, as in the case of Scott Stevens, their lives.

(www.theatlantic.com/magazine/archive/2016/12/losing-it-all/505814/)

40-60% revenues come from problem gamblers. While the gaming industry argues that the total number of problem gamblers remains small, that small minority is crucial to the industry's profits: One Canadian study found that the 75 percent of casino customers who gamble most casually provide only 4 percent of casino revenues. A range of studies reviewed by IAV estimated that between 40 to 60 percent of casino revenues are earned from problem gamblers.

(<https://www.theatlantic.com/business/archive/2014/08/a-good-way-to-wreck-a-local-economy-build-casinos/375691/>)

Young People -- Students

- Studies consistently confirm that parental disapproval (or approval) of specific behaviors is one of the strongest protective factors in a child's life against risky behavior. Conversely, parental dismissal or advocacy of certain destructive behaviors can be profoundly detrimental to children.
- A survey of high school students in Massachusetts found that 5 percent had been arrested for a gambling-related offense. The survey further found that 10 percent of students reported experiencing family problems because of their gambling, 8 percent had gotten in trouble at work or school due to their gambling activities, and 13 percent reported being unable to stop gambling when they wanted.
- Howard Shaffer, director of the Center for Addiction Studies at Harvard Medical School, conducted a meta-analysis of youth gambling studies in North America. He found the rate of problem gambling among youths ranged between 9.9 to 14.2 percent, while 4.4 to 7.4 percent were already exhibiting compulsive gambling behaviors.

Gambling Effects on Youth School Performance

- Problem gambling causes disruptions in psychological, physical, social, and educational or vocational areas of life. It can result in poor concentration, low grades, absenteeism, and social and behavior problems in school.
- **Youth Crime.** Debt is a damaging and destructive influence in society, and the main reason for divorce. Divorce is a main cause of poverty, depression and youth crime. National data demonstrates that debt increases alongside new casinos. According to the U.S. Department of Justice, casinos attract "pathological gamblers" who account for 50% of casino revenue and much of the crime.

(www.forbes.com/sites/realspin/2013/09/25/as-native-american-casinos-proliferate-the-social-costs-of-the-gambling-boom-are-ignored/#672223493972)

Ridgecrest problem with Internet Cafes. One very concerned citizen expressed his concern for students and Internet gambling. His words are as follows, "I suggest all parties speak with the people who operated the Internet Café's in town. Businesses around it were not happy. They invited "hangers-on" and derelicts. While they were short-lived, full-blown casinos are not. Possibly FOREVER. Robberies are going up in town. It's just not good."

Youths – 10-14% problem gamblers. Howard Shaffer, director of the Center for Addiction Studies at Harvard Medical School, conducted a meta-analysis of youth gambling studies in North America. He found the rate of problem gambling among youths ranged between 9.9 to 14.2 percent, while 4.4 to 7.4 percent were already exhibiting compulsive gambling behaviors.

(Howard J. Shaffer and Matthew N. Hall, "Estimating the Prevalence of Adolescent Gambling Disorders: A Quantitative Synthesis and Guide Toward Standard Gambling Nomenclature," *Journal of Gambling Studies*, Summer 1996, p. 193)

Parent direction needed. Studies consistently confirm that parental disapproval (or approval) of specific behaviors is one of the strongest protective factors in a child's life against risky behavior. Conversely, parental dismissal or advocacy of certain destructive behaviors can be profoundly detrimental to children.

(Robert W. Blum et al., "The Effects of Race/Ethnicity, Income, and Family Structure on Adolescent Risk Behaviors, *American Journal of Public Health*, 2000, Vol. 90, p.1881)

Massachusetts alarming youth problem rates. A survey of high school students in Massachusetts found that 5 percent had been arrested for a gambling-related offense. The survey further found that 10 percent of students reported experiencing family problems because of their gambling, 8 percent had gotten in trouble at work or school due to their gambling activities, and 13 percent reported being unable to stop gambling when they wanted.

(Howard J. Shaffer, "The Emergence of Youthful Addiction: The Prevalence of Underage Lottery Use and the Impact of Gambling," Massachusetts Council on Compulsive Gambling, January 13, 1994, p. 12)

Casinos offer payouts for creative school funding as "goodwill" gestures. The favorite idea for creative school funding comes from Nevada. Brothel owners there have offered to pay taxes, mainly as A goodwill gesture. Anything for the schools.

(Tax-break extortion doesn't do it/Providence Journal, RI/4.20.05)

Gambling Effects on Youth School Performance

- Problem gambling causes disruptions in psychological, physical, social, and educational or vocational areas of life. It can result in poor concentration, low grades, absenteeism, and social and behavior problems in school.
(Verbeke & Dittrock-Nathan, Oct 2007 report in collaboration with National Association of School Psychologists)
- If you wonder how state-sanctioned gambling affects you, read below. States promote dangerous forms of gambling so widely that now video game companies are profiting from gambling inside their games that youth are playing unknowingly.
(<https://t.co/ziCmi1miGe>)
- **Teenagers gambling – Leads to other things.** Gambling is dangerous. It corrupts those who participate and, especially for teenagers, is addictive. Gambling is also a gateway to other unrighteous things; its usual companions are drinking, pornography, and illegal acts used to support this bad habit. Regular gambling almost always leads to financial trouble. "The drug for the gambler is money," says Kevin O'Neill, of the Council on Compulsive Gambling of New Jersey, Inc. "Teenagers don't have money, so they usually have to do something illegal to get it." In many cases, gambling leads to theft or other immoral and illegal acts to get betting money.
- **Common nightmare story.** Mike started gambling when he was still in high school—only a few dollars here and there. By the time he was in college he had graduated to all-night poker games. As a young adult, Mike joined the Church but returned to his old habits. And later, when he was married with two children, his problem with gambling had only grown. He mortgaged the family's New England home, lost his children's college funds, and couldn't even pay the utility bills because he used all his family's money to pay gambling debts. Along with his compulsive gambling came compulsive lying to cover up his habit and his debts. Mike's gambling problem eventually led to divorce and the loss of his children's trust.
- **Teenagers gambling.** The Internet and video poker, among other things, make it easy for teenagers to gamble. Most teenagers are introduced to gambling through a family member. So, how can you avoid something that is all around you and is so widely accepted? President Gordon B. Hinckley says our temptations today are easily handled through correct, personal choices (see *New Era*, Jan. 2001, 7).

Lutheran church (https://www.lds.org/new-era/2002/02/dont-bet-your-life?lang=eng&_r=1)

Latter Day Saints – Gambling. Frequently Asked Questions.

- **Adolescent Pathological gamblers.** We now know some very real and troubling facts about gambling and addiction. According to the gambling commission report: "in 1997 . . . the Harvard Medical School Division on Addictions . . . estimated at that time that there were 7.5 million American adult problem and pathological gamblers and 7.9 million American adolescent problem and pathological gamblers."
- **Children gambling.** That is more than 1.5 million people having difficulty with gambling and more than half of them are children. This means that our nation's youth is disproportionately impacted by gambling.

- **More young gamblers than in combined armed forces.** Or, to put it another way, there are currently more adult and adolescent problem and pathological gamblers in America than people residing in New York City. There are six times as many adolescent problem or pathological gamblers in America than men and women actively serving in our combined armed forces—the Army, Navy, Air Force, Marines and Coast Guard.
- **Children are seriously hurt.** The statistics do not tell the whole story. According to the report, the impact of human suffering is truly immeasurable. For example, in "Atlantic City, the Commission heard about a 16-year-old boy who attempted suicide after losing \$6,000 on a lottery." Many children are hurt, even if they themselves do not have a gambling problem. Quite often they are the victims of addicted parents or guardians. "The Commission heard testimony of numerous cases in which parents or a caretaker locked children in cars for an extended period of time while they gambled. In at least two cases, the children died."

(www.lcms.org/about/beliefs/faqs/lcms-views#gambling)

National Week of Action to Stop Predatory Gambling. Sept. 23-29, 2018. To highlight the voices and stories of the millions of Americans who have been severely hurt by government-sanctioned gambling, we are organizing the National Week of Action to Stop Predatory Gambling, Sept. 23-29, 2018.

(<https://www.stoppredatorygambling.org/national-week-of-action-to-stop-predatory-gambling-sept-24th-sept-30th/>)

Expanded Gambling will destroy budgets, jeopardize students, teachers and public employees. Georgia state senate.

(http://www.house.ga.gov/Documents/CommitteeDocuments/2015/Preservation_HOPE/Dr.%20John%20Kindt_11-2-15_Statement.pdf)

(John W. Kindt, MBA, J.D., LL.M., SJD, is a gambling critic and a Professor of Business and Legal Policy at the University of Illinois at Urbana-Champaign. Since 1990, Professor Kindt has been best known as one of the most well-published academics in issues relating to gambling. For 20 years his specialty research has been focused on the societal, business, and economic impacts of decriminalizing gambling activities--particularly gambling's destabilization of international financial institutions and criminal justice systems, resulting in increased addicted gamblers, bankruptcies, and crime. He has served as senior editor, contributing author, and intermittent co-author of the *United States International Gambling Report* and *United States International Gaming Report (U.S. Int'l Gambling Report)*. Kindt's academic research and publications contributed to the enactment of the 1996 U.S. National Gambling Impact Study Commission, the U.S. Unlawful Internet Gambling Enforcement Act of 2006.)

Casino industry propaganda turns towns against themselves. Division, anxiety, stress, and intimidation. Always comes down to a battle between those who have done proper research and those who have not.

Calm, friendly towns frequently turn sour whenever casino decisions come to town since they always pit citizen against citizen turning long-time friends into enemies. Bottom line, money and greed corrupt. We all need to ask ourselves. Is this what we want in our once FAMILY ORIENTED town?

While hardly mentioned, for fear of possible retribution, many local citizens and business owners have battled the same highly contentious issue that plague cities nationwide who are facing invasive casino proposals. The national casino developer playbooks are common knowledge and include high-pressure rushed schedules, massively confusing terminology and complex gaming laws that are intended to confuse and overwhelm local legal attorneys who have never handled these issues before. Nationally, developers have been found guilty of paying for people to pose as “concerned citizens” in public meetings, and local city volunteer efforts are often no match for well-paid developer propaganda. And developers have deep pockets to pay for whatever is needed.

Massive high-pressure casino decisions bring stress and anxiety to councils everywhere. Even the mayor of Ridgecrest is quoted as saying in the newspaper on September 18, 2016 that “It is tearing me apart because I have been threatened in my business (The Swap Sheet), I have been told if I vote yes for this, what’s going to do, what’s going to happen.” She had been threatened with losing advertising and with lawsuits.” Many other businesses expressed similar concerns.

Calm, friendly towns frequently turn sour whenever casino decisions come to town since they always pit citizen against citizen, neighbor against neighbor, turning long-time friends into enemies. Nationwide, articles describe how skilled propaganda organizers pay small behind the scene uninformed teams to conduct “smear campaigns” against any local elected officials who dare to challenge the pro-casino position. Local Internet social chat sites frequently light-up with slanderous, misdirected, and hurtful accusations often attacking officials for completely unrelated issues. Simply part of the casino playbook plan. Bottom line, money and greed corrupt. The French say, “gambling is the son of avarice and the father of despair.” We all need to ask ourselves. **Is this what we want in our once FAMILY ORIENTED town?** (www.ridgecrestca.com/article/20160908/NEWS/160909760)

Call to Action! Let your Voices be Heard Now!

Time is of the essence. Decisions on taking the lands into trust may be made soon. And even if they are, then it will be an ongoing fight to stop this at the state level before a final compact would be signed. Even if you have never weighed-in before, it's not too late. This casino will change the face of Ridgecrest FOREVER.

Join others who have JUST SAID NO! Including: Victorville, Barstow, Hesperia, Richmond, and Vallejo! When the Timbisha Shoshone Tribe recently tried to open in Victorville, they met stiff opposition. The attempt was defeated even though they were near a major highway and close to Los Angeles. Victorville VOTED! The majority of the Council in Ridgecrest would not permit the people to vote. In addition, the Guidiville Tribe project in Richmond was stopped (90 miles from Rancheria); the casino in Scotts Valley in Richmond and later in Vallejo was stopped (85 miles from Rancheria); Los Coyotes casino in Barstow was stopped (100 miles from reservation); and Manzanita in Calexico was stopped (50 miles from reservation.)

How to Reverse This Entire Casino Action. Developers would have the citizens believe that that is not reversible, the MSA was signed, and the town is totally committed. The fact is, this is not true.

1. Ridgecrest still has control of the lands.
2. The Department of the Interior has NOT yet taken the lands into trust.
3. The city can only be legally committed PROVIDED that the Tribe/Developer has lived up to 100% of their signed MSA commitments. Currently, this report outlines 5 breaches of contract at the city level, and 3 significant legal challenges at the Federal Level. In addition, this 200-page report clearly supports the fact that there are 50 additional items of significant illegal impropriety. **This report in itself will form the basis for required legal research as needed.**
4. Based on all data to date, it would be in the best interest of ALL PARTIES concerned to simply say "no thanks," return the Tribe/Developers check and part ways quietly.
5. **LAW IS ON OUR SIDE.** The only option to quietly calling it quits is significant litigation on the part of either party and **based on initial legal review, and 200+ pages of accurate documentation, our citizens will prevail.** Some are now arguing that fighting this could be costly. Perhaps, but not fighting this could put our city in permanent peril. Several THOUSAND dollars in lawyer fees to fight this, does not compare with permanent damage to our town and our base that will end up costing MILLIONS.

WAYS YOU CAN HELP -- HOW TO PROVIDE INPUT

Correspond and send info to: Info@NoRidgecrestCasino.com

FIRST, WE NEED YOUR CONTACT INFORMATION ASAP. First, regardless of anything else, please make sure you immediately provide us with your contact information. This way we can keep you informed of key events regarding this. The more contact info the better: address, email, and phone. At a minimum please send your email address to Info@NoRidgecrestCasino.com

SEND THE MAYOR AND ALL CITY COUNCILMEMBERS AN EMAIL DEMANDING THAT CITY OFFICIALS DO NOT ATTEMPT TO EXTEND THE LAND SALE ESCROW SCHEDULED TO EXPIRE OCTOBER 28. The City Manager has stated on several occasions verbally and in email correspondence to Council that there are "no plans to extend the escrow." However, based on all data to date, this will likely happen. **Use your voice now and STRONGLY weigh-in "NO" to extending the escrow!**

SEND US A SHORT TESTIMONIAL STATEMENT: After reading the report, highlight those items that concern you the most. Then, check out the Table of Contents and refer to the section entitled "DoD: A

few citizens voice their concerns..." These are examples of short, factual, personal statements. They are very helpful. Send us one of your own about what concerns you MOST.

- For example, you could include personal stories about how gambling, in general, has negatively affected your immediate or extended family or close friends.
- Please add a statement giving us permission to use your write-up in future discussions about the casino. In your email or letter, please add the words, **"You have my permission to use my statement in any publication regarding this proposed Ridgecrest casino project."**

IF YOU WOULD LIKE TO VOLUNTEER TO HELP IN ANY WAY. Please let us know. Upcoming campaigns are being planned and we will need assistance. Let us know if you can help.

IF YOU HAVE CONFIDENTIAL DATA OR VERY SENSITIVE INFORMATION TO SHARE THAT WOULD HELP US STOP THIS THREAT TO OUR TOWN? We realize many aspects of this project are very sensitive. Nationwide, casino operations are known for intimidation and threats of all kinds. We realize the sensitivities and greatly respect your privacy. Leave some way for us to contact you. Email is best.

WE NEED ASSISTANCE FOR OUR LEGAL DEFENSE FUND. As this report documents there are MANY issues indicating impropriety regarding this matter. Legal work is very expensive. Casino developers have endless cash for litigation. Private citizens do not. People MUST stand-up and help here. **If you wish to support the cause, let us know immediately. Several legal challenges are now pending, and more to follow. LAW IS ON OUR SIDE. Send us an email and let us know if you can donate.**

MAIL TO STATE AND FEDERAL LEADERS IS ALWAYS CRITICAL. Mail is always better than emails and faxes. In some cases, offices provide email and fax numbers, BUT they are not guaranteed to reach the key points of contact. These offices get thousands of communications. To MAKE SURE your voice is heard, it's best to send to EVERY channel available and if you want a guarantee, sent certified return receipt. Send official correspondence to the following:

To Write Your Local, State, and National Leadership:

Personalized letters are best. However, if you would prefer to simply lend your name to a pre-written letter, a sample (DRAFT) has been prepared for you on the next page.

Department of the Interior

James Cason

Associate Deputy Secretary
Department of the Interior
1849 C. Street, N.W.
MS-6143-MIB
Washington, DC 20240

The Honorable Ryan Zinke

Secretary
U.S. Department of the Interior
Mail Stop 7328
1849 C. Street, NW
Washington, D.C. 20240

U.S. Congressman Kevin McCarthy

2412 Rayburn House Office Building
Washington, D.C. 20515
(Fax: 202-225-2915)
kyle.lombardi@mail.house.gov Phone: 202-225-2915

U.S. Senator Dianne Feinstein, Attn: John Watts

331 Senate Hart Building
Washington, D.C. 20510
(john_watts@feinstein.senate.gov) Phone: 202-224-3841

California Governor Jerry Brown

Joe Dhillon, Sr. Advisor to Governor Brown

Office of the Governor
State Capitol
Sacramento, CA. 95814
(joe.dhillon@gov.ca.gov)

Ridgecrest City Council

Mayor Peggy Breeden pbreeden@ridgecrest-ca.gov
Mayor Pro Tem Mike Mower mmower@ridgecrest-ca.gov
Vice Mayor, Eddie Thomas ethomas@ridgecrest-ca.gov
Council Member Lindsey Stephens lstephens@ridgecrest-ca.gov
Council Member Wallace Martin wmartin@ridgecrest-ca.gov
City Manager Ron Strand rstrand@ridgecrest-ca.gov

NOTE ON RESPONSE TIME AND DATA. Unless you indicate in your email that your issue is CRITICAL or TIME SENSITIVE, do not expect individual responses or replies to all correspondence. Based on facts and documentation, collective comments will be compiled in future reports as needed.

SAMPLE LETTER FROM YOU TO ELECTED OFFICIALS (NEXT PAGE)

SAMPLE LETTER FROM YOU TO OFFICIALS

DATE _____

The Honorable _____ (Name)

Title _____

First line of address _____

Second line of address _____

Third line of address _____

City/State/Zip code _____

Dear _____,

My name is _____, (I / my wife/husband) are residents (number of years-optional) of the City of Ridgecrest, California. We write today to encourage you to determine that this proposed casino is detrimental to our community. The majority of our citizens in town and on base are opposed to the off-reservation casino by the Timbisha Shoshone Tribe and its gaming investors. We are in a small, remote, desert town of approximately 30,000 people whose one major employer is a top-secret military base, the Naval Air Weapons Station (NAWS), part of the Naval Air Warfare Center Weapons Division (NAWCWD), specializing in military critical technology. Our workforce is known nationally for its high degree of intellectual capital. This casino project DOES NOT fit our city model and yet overly aggressive developers have orchestrated that this casino be located **immediately next door to the front gates** of our Naval base and at the main entrance to our town. This threatens homeland security, employee clearances and young sailors and their families and is very close to churches and schools. In addition, Ridgecrest lands were never eligible for an off-reservation casino as we are not on the designated Congressional Timbisha Shoshone Homeland Act of 2000. Also, marijuana sales via “sovereign nation” immunity is now being threatened despite the fact that this is against Federal regulations and local ordinances. A recent aggressive attempt by the Tribe has been made to allow groundwater extraction at a time our water basin is in 30% overdraft. Shockingly, this amendment was rushed through and passed with little oversight and public comment. Breaking all established policy, it was not reviewed by the Tribal-City Advisory Committee specifically established for this purpose. With this new amendment, the town and the mission of our Navy base is at risk.

Whereas casinos may work in certain end-destination areas and on the outskirts of large cities, they have been proven nationally to have extremely devastating effects on smaller, remote towns as they simply **redistribute the wealth from local citizens, businesses, and the city into the hands of a few out-of-town developers. Economic analysis shows negative results.** The proposed casino is a contentious issue that has created great political conflict and social division within our community. This proposal is inconsistent with the community general plans for the future. Our town prides itself on being a family-oriented community and home to more than 20 churches with the lowest crime rate in Kern County. Even casino statistics show that crime increases significantly, and our town currently does not even have a jail or major mental health facilities.

As if this were not enough, there are thirteen major legal reasons for denying their application and five potential breaches of contract, plus more than 50 major objections.

Please deny the Timbisha Shoshone application for a casino in the City of Ridgecrest.

Sincerely,

Name

Address

Phone Number

Email – optional
