



**STATEMENT BY
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AGUA CALIENTE BAND OF CAHUILLA INDIANS**

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Good afternoon Madam Chairperson James, and members of the Commission. My name is Richard M. Milanovich and I am Tribal Council Chairman of the Agua Caliente Band of Cahuilla Indians. Today, I would like to present you with a story about a proud Nation which has exercised its rights as a government to operate and manage a highly regulated gaming establishment to benefit our Tribe, its members, and each of the communities which find themselves located on our traditional lands.

Our reservation is located in the Southern California desert of the Coachella Valley. We are best known because we incorporate the City of Palm Springs within our boundaries. Our reservation was established in 1876. Our present tribal enrollment is 338 members, most of whom live on or near our tribal lands.

I welcome this opportunity to inform you about the tremendous economic, social benefits that our tribe has derived from the Spa Casino, a gaming facility located in Palm Springs which the tribe developed and has managed since April of 1995.

Specifically, the casino is located on tribal land and is adjacent to the Spa Hotel, a property originally built over 35 years ago. The Tribe purchased the leasehold interest in the hotel in August of 1993, after 30 years of private non-tribal ownership. Today, the Spa Hotel and Casino are wholly operated and managed by tribal employees.

Like other Tribes throughout the country, the Agua Caliente has fought hard to overcome hundreds of years of oppression, broken promises and economic dependence on the Federal Government. Taken together with the decades of willful and detrimental interference in tribal self-sufficiency from state and local jurisdictions, tribal governmental gaming represents the new buffalo in our Tribe's effort to create economic independence. Our Tribe has grown from being nearly completely dependent upon the federal government for services and resources to one of near total independence.



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We have thrived in recent years because of hard work, a willingness to put our limited financial resources at risk, and sound fiscal management. At the same time we understand our responsibilities to our surrounding communities. We have developed land use agreements outlining procedures for proper development on our reservation with Riverside County and each of the three cities that share our reservation. Our Tribal Government has also entered into a revenue sharing agreement with the City of Palm Springs to mitigate any increase in public safety costs due to the presence of our casino.

We are most proud of our ability to provide the local community with high paying, safe, employment opportunities. Based on an economic study commissioned in 1996, our Tribe has provided significant job opportunities to the area as a result of the decision to exercise our right to engage in governmental gaming. For example:

At the present time the Spa Casino employs over 430 individuals.

Due to the success of the Casino the adjoining Spa Hotel has increased its employment to over 250 individuals.

There has also been a significant ripple effect on the greater Palm Springs area and the Coachella Valley. The economic impact in Palm Springs for 1996 was \$19,515,000 and more than 1,000 new jobs were generated. In the Coachella Valley, \$33,150,000 in related revenues was generated as well as more than 2,100 jobs.

Statewide, 1996 total dollar impact was approximately \$67,450,000, and the total employment was an additional 3,340 jobs.

In addition to the tremendous benefits gaming has helped to create for the Tribe and its employees, gaming has also allowed the Agua Caliente to become even more socially responsible members in our non-Indian local community. In 1996, one year after we first opened the Spa Casino, the Tribe contributed over \$500,000 to local government agencies, including public libraries, police departments, and fire protection services, as well as charitable organizations such as Palm Springs Youth Center, Boys and Girls Club, Mizel Senior Center, Meals on Wheels Program, United Way



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and over 20 other organizations. In 1998, we have already contributed over \$800,000 to the Cities of Palm Springs and Cathedral City and over 35 charitable organizations, and have commitments for an additional \$200,000 to contribute to other in-need organizations or community programs.

The Agua Caliente Tribal Council understands the need to assist individuals who may have addictions to gambling. To this end, we have contributed for the past three years to the local chapter of Compulsive Gambling, Inc., a local program which seeks to help individuals cope with their addictive behavioral conditions. Along with this financial support we have made information available in the casino to direct individuals to assistance programs.

In addition to providing us with the ability to contribute to such organizations and government agencies, gaming has allowed us to venture forward into new Tribal economic development.

Reacquisition of former allotted lands [approximately 600+ acres].

Establishment of a new National Chartered Bank. iCanyon National Banki, opened on July 10, 1998 in Palm Springs. The Tribe owns 45% of outstanding stock.

Purchase of the leasehold interest in the Canyon Hotel and Golf Course project. Tribal members who owned this land had not received any lease income for the past nine years because the hotel has been closed. We are presently reviewing proposals from interested private developers to build a brand new hotel project on the site.

From a tribal government point of view, the most important contribution gaming has afforded us has been to our tribal members themselves. In a social needs survey commissioned in 1994 by the tribal government it was determined that over 50% of our members live at or below the poverty level, 27% of the Tribal families are homeless, living with extended family or other available shelter, and 63% of tribal families are living in structurally deficient buildings. Since the Spa Casino has opened we have been able to provide to our members:



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100 % health care insurance benefits.

Vision and dental benefits.

Subsidized housing program: home ownership, rental assistance, excessive utility expense, major home repair, etc.

Educational scholarships.

Child care: financial assistance so members can return to school or maintain employment.

Tribal 401 K retirement plan.

Freedom from dependency upon the county or state social service [welfare, disability] system.

Without the benefits of gaming on our reservation we would have to cease all our social assistance programs, our health insurance, the economic development and the list goes on and on. Indian people are a proud and self-reliant people. The great majority of whom, for years, languished on out of the way reservations unseen to the general public.

As I stated previously, there are Tribal members in Palm Springs who live at or below the poverty level. I must relate to you that other tribes and their members were unaware of our plight. They too thought each of the Indians in Palm Springs were rich. However, this was not the case. It is inaccurately assumed that the tribal members in Palm Springs have their basic survival needs and tribal government accruements addressed, as promised by the Federal Government. The fact is, Congress has failed in their charge to uphold the Trust Responsibility to Native Americans and we have had to move to take care of our own. Government run, highly regulated Indian gaming has been our answer to pulling our Tribe out of a cycle of dependency. Today, we stand to take advantage of this right.

Let me conclude by saying that gaming has provided Tribes across the nation a real opportunity to determine our own destiny and to build a solid economic future for our Tribe and our future



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generations. We have worked long and hard to reach this point, and if our gaming operations are restricted or halted, all the progress we have made, after centuries of hardship, will be severely jeopardized, if not lost all together.

Thank you very much for your time and attention. I will be pleased to answer any questions directed to me.