

1 CHAIRPERSON JAMES: Mr. Milanovich.

2 CHAIRMAN MILANOVICH: Madam Chairperson James,
3 members of the Commission. My name is Richard Milanovich, and I
4 do serve as a Chairman for the Agua Caliente Band of Cahuilla
5 Indians. Our Reservation is located in the Coachella Valley. We
6 are specifically known because we incorporate the city of Palm
7 Springs, California, a nice place to visit even in the
8 summertime. Yesterday I think it was about 119, but it's a dry
9 heat.

10 CHAIRPERSON JAMES: That's what they tell me.

11 CHAIRMAN MILANOVICH: I am very appreciative of the
12 fact that I was invited to speak today, particularly joining the
13 table with these fine group of individuals, the three chairman.

14 Today I'd like to present to you a story about a
15 proud nation which has exercised its right as a government to
16 operate and to manage a highly regulated gaming establishment to
17 benefit our Tribe, it's members, and each of the communities
18 which find themselves located on our traditional grounds. Those
19 other communities being Cathedral City, Rancho Mirage, and
20 portions of Riverside County.

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

25 Specifically, the casino is located on Tribal land
26 and is adjacent to the Spa Hotel, a property originally built
27 over 35 years ago by non-tribal interests. The Tribe purchased a
28 leasehold interest in the hotel in August of 1993, two years

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1 prior to our opening the Spa Casino, after 30 years of private,
2 non-tribal ownership. Today the Spa Hotel and Casino are wholly-
3 owned and managed by the Tribal employees.

4 Like other Tribes throughout the country, the Agua
5 Caliente have fought hard to overcome hundreds of years of
6 oppression, broken promises and economic dependence upon Federal
7 Government. Taken together with the decades of willful and
8 detrimental interferences in Tribal self-sufficiency from state
9 and a local jurisdictions, our Tribe has gone from being nearly
10 completely dependent upon the Federal Government for services and
11 resources to one of near total independence.

12 We have thrived in recent years because of hard work,
13 a willingness to put our limited financial resources at risk, and
14 sound fiscal management. At the same time we understand our
15 responsibilities to the surrounding communities. We have
16 developed land use agreements with our surrounding communities --
17 pardon me. We have developed land use agreements outlining
18 procedures for proper development on our reservation with
19 Riverside County and each of the three cities that share our
20 reservation. Our Tribal government has also entered into a
21 revenue sharing agreement with the City of Palm Springs to
22 mitigate any increase in public safety costs due to the purported
23 impact because of the presence of our casino.

24 We are most proud of our ability to provide the local
25 community with high paying, safe employment opportunities. And
26 this is based on an economic study that was done -- commissioned
27 by the Tribe in 1996, which shows that economic impact in Palm
28 Springs for 1996 was \$19,515,000, and more than 1,000 new jobs

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1 were created. In the Coachella Valley \$33,150,000 in related
2 revenues were generated as well as more than 2,100 jobs.

3 Statewide 1996, total dollar impact was approximately
4 \$67,450,000, and the total employment was an additional 3,340
5 jobs. This is on just one casino. Taking into consideration
6 that there is an additional 30, I believe another additional 38
7 Tribal government casinos, you can imagine the multiplier effect
8 there.

9 In addition to the tremendous benefits gaming has
10 helped create for the Tribe and its employees, gaming has also
11 allowed the Agua Caliente to become even more socially
12 responsible members in our non-Indian local community. In 1996,
13 one year after we first opened the Spa Casino, the Tribe
14 contributed over \$500,000 to the local government agencies,
15 including public libraries, police departments, and fire
16 protection services, as well as charitable organizations such as
17 the Palm Springs Youth Center, Boys and Girls Club, Mizel Senior
18 Center, Meals on Wheels Program, United Way and over 20 other
19 organizations. In 1998 we have already contributed over \$800,000
20 to the City of Palm Springs and Cathedral City, and over 35
21 charitable organizations and have a commitment for an additional
22 \$200,000 to contribute to other in-need organizations or
23 community programs.

24 The Tribal Council understands the need to assist
25 individuals who may have addictions to gambling. To this end, we
26 have contributed for the past three years to the local chapter of
27 Compulsive Gambling, Inc. What we do there is we pay for their

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1 rent for their building and other needs. We've also contributed
2 additional monies to their program.

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

6 Requisition of former allotted lands. We have
7 repurchased approximately 600 acres that was once allotted land
8 that had been sold to non-tribal interests. We have bought it
9 back.

10 Establishment of a new chartered bank, Canyon
11 National Bank, which opened on July 10th, 1998, in Palm Springs.
12 The Tribe owns 45 percent of the outstanding stock.

13 Purchase of the leasehold interest in what some of
14 you may know as the Canyon Hotel and Golf Course Project, which
15 is on the south end of town. Tribal members -- there's
16 approximately 28 who initially held the leasehold there -- were
17 leasing it, were not paid for -- have not been collecting rent
18 for nine years because the hotel has been shut. We are presently
19 reviewing proposals from interested private developers to build a
20 brand new hotel project on this site.

21 From a Tribal government point of view, the most
22 important contribution gaming has afforded us has been to our
23 Tribal members themselves. In a social needs survey commissioned
24 in 1994 by the Tribal government, it was determined that over 50
25 percent of our members lived at or below the poverty level.
26 Twenty-seven percent of the Tribal families are homeless, living
27 with extended families or other available shelter, and 63 percent
28 of our Tribal families are living in structurally deficient

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1 buildings. Since the Spa Casino has opened we have been able to
2 provide our members:

3 One hundred percent health care benefits.

4 Vision and dental benefits.

5 Subsidized housing program, home ownership, rental
6 assistance, excessive utility expense, major home repair.

7 Educational scholarships.

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

10 Tribal 401K Retirement Plan; and most importantly or
11 what we consider very important:

12 Freedom from the dependency upon the county or state
13 social services system, welfare system in other words. And we
14 are paying back monies that were collected by Tribal members from
15 the state due to disability. We are paying it back.

16 Without the benefits of gaming on our Reservation, we
17 would have to cease all our social assistance programs, our
18 health insurance, the economic development, and the list goes on
19 and on. Indian people are a proud and self-reliant people, the
20 great majority of whom for years languished on out-of-the-way
21 Reservations unseen to the general public, and therefore,
22 unconcerned by the general public.

23 As I stated previously, there are members in Palm
24 Springs who live at or below the poverty level. I must relate to
25 you that our other Tribes and their members were unaware of our
26 plight. They too thought that the Indians in Palm Springs were
27 rich. However, this is not the case. It is inaccurately assumed
28 that the Tribal members in Palm Springs have their basic survival

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1 needs and Tribal government accruelements addressed, as promised by
2 the Federal Government. The fact is, Congress has failed in
3 their charge to uphold the Trust Responsibility to Native
4 Americans, and we have had to move to take care of our own.
5 Government run, highly regulated Indian gaming has been the
6 answer to pulling our Tribe out of a cycle of dependency. Today
7 we stand to take advantage of this right.

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

12 We have worked long and hard to reach this point, and
13 if gaming operations are restricted or halted, all the progress
14 we have made after centuries of hardship, will be severely
15 jeopardized altogether.

16 Thank you very much for your time and attention.

17 CHAIRPERSON JAMES: Thank you, very much.

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