



November 10, 2011

United States Senate Committee on Indian Affairs
Washington D.C. 20510

Re: S.872 CITY OF SAN PABLO TESTIMONY

Honorable Chairman Daniel K. Akaka and Members of the Committee:

Thank you for inviting me to speak today. My name is Paul Morris and I am the Mayor of the City of San Pablo. Vice-Mayor Cecilia Valdez and I are attending this hearing today so we can bring you our unique perspective about the San Pablo Lytton Casino. If you take anything from my statement today, this is what I want you to remember – the Lytton Rancheria is a respected, involved member of the community, and has been since day one, and thanks to them San Pablo residents are enjoying a safe and secure community.

I am not an expert in Indian gaming, but I am an expert on the City of San Pablo. I will tell you that the claims that casinos bring in high crime and poverty are unfounded in my city. This may be true for other communities with different dynamics, but you should not create legislation for one specific community using broad data and vague claims of increased crime, *especially when there is data available specific to San Pablo.*

The Lytton Casino's Type II gaming establishment has had a minimal impact on local traffic and public safety, and our professional relationship with security and management personnel of the Lytton Casino is a testament to the City's successful business practices. This stands in stark contrast to the fundamental belief by critics that any urban gaming is detrimental to the public welfare. The Lytton Casino has not increased crime or traffic congestion. Instead, it has allowed us to have the resources to significantly reduce crime. As an example, in 2010 the police reported a 20% decrease in violent crime and a 19% reduction in property crimes since 2008. This could not have happened without the additional resources that the Casino made possible.

Because of the mutually beneficial relationship that the City has with the Lytton Rancheria, and their willingness to work cooperatively with us through a Municipal Services Agreement, the City's Police Department has been able to provide significant increases in personnel, state of the art equipment, and multi-jurisdictional training. Without the supportive relationship with Lytton Rancheria, the police chief has estimated that the department would have to cut nearly half of its sworn officers and dissolve a number of specialty programs including gang violence reduction, narcotics

task forces and youth services programs, among others. Also, 911 response times would dramatically increase, and public safety would definitely be compromised.

The financial support from Lytton Rancheria is critical to ensuring public safety in San Pablo. But the payments received from the casino also make up nearly 2/3 of the City's general fund. Thanks to this agreement, the City has been able to provide after school programs and a new Youth Services Program with an emphasis on intervention and prevention. Revenue from the casino has enabled the City to keep a local elementary school open for the past three years, at a total cost of \$900,000, despite closure plans by the school district.

The financial support that Lytton Rancheria provides to San Pablo extends beyond just city government. Lytton Rancheria has donated over \$230,000 to the San Pablo Senior Center in the past few years to provide key services and maintain social programs that would disappear without them. This is on top of thousands of dollars given away annually to local organizations such as the Boys & Girls Club, food banks, the San Pablo Community Foundation, and even the purchasing of brand new Christmas gifts for dozens of children in the community. This is all done with little fanfare because the Lytton Rancheria genuinely wants to be a good neighbor and help those people in the community who need it most.

The relationship with the Lytton Rancheria is more than just the financial support they willingly provide. The City of San Pablo has a role in the administration of the casino. As part of the Municipal Services Agreement, the City is able to appoint a member of the Tribal Gaming Commission. Currently, the former Chief of Police serves as a commissioner and is able to advocate for the City. The agreement also ensures the opportunity for the community to provide feedback should the Lytton Rancheria ever choose to modify its current gaming facility. In fact, they would have to go through exactly the same planning and environmental process, complete with public notice and public hearings, as any other applicant in the City.

S.-872 ties the Lytton Rancheria's hands by prohibiting physical or operational expansion of even its Class II operation unless the Tribe undergoes an entirely different process than what the Tribe it is currently subject to follow. Other tribes would be subject to a much less rigorous process; I will not go into detail on the Tribe's tragic history, but the last thing they deserve is for the federal government to turn the clock back and make their lives harder. There are sensible changes that this legislation would prevent, such as construction of a parking structure. There is simply no reason to make things any harder for the Lytton Tribe - which only wants to be a good neighbor in the community.

Hopefully I have conveyed the message that the concerns about the Lytton Rancheria not complying with federal law and having negative impacts on the community are totally unfounded. I have reviewed Senator Feinstein's comments from the Congressional Record on May 3, 2011, when the Senator reintroduced S.872. In her comments, the Senator stated that this legislation "would implement a reasonable solution to this problem." The City of San Pablo, speaking for its residents and the residents of West Contra Costa County, submits to this Committee that there is, in fact, no current problem that must be remedied.

The "problem," as posed by the Senator, is that the Omnibus Indian Advancement Act "left the government with little ability to regulate the Lytton Band's gaming operation." This could not be further from the truth, as all activities at the San Pablo Lytton Casino are indeed, as we speak, fully subject to regulation by federal law. To date, we are unaware of ANY problems that the Department of the Interior or the Bureau of Indian Affairs have had with operations at this location. Further, as stated earlier, the casino is subject to extensive oversight and regulation by the City of San Pablo by virtue of our comprehensive Municipal Services Agreement, as well as by the National Indian Gaming Commission. So, again, there really is no current problem, either at the local level or at the federal level, that must be addressed.

Senator Feinstein's remarks in May also cited these problems: "No local input. No community feedback and no consideration for the best interest of the region." In fact, though, public hearings were held and community feedback was sought. For the past ten years, the community has been solidly, and overwhelmingly, in favor of the Casino and the benefits it has brought not only to the City of San Pablo and its residents, but to neighboring areas as well. And, as stated earlier, our Municipal Services Agreement ensures the opportunity for the community to provide feedback should Lytton Rancheria ever choose to modify its current gaming facility; the casino would have to go through exactly the same planning and environmental process, complete with public notice and public hearings, as any other applicant in the City. And any Class III operation would require consent of both the Governor and the state legislature.

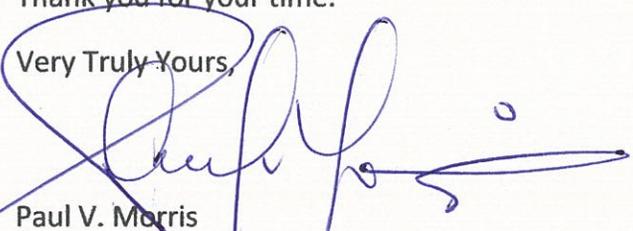
I understand you want to do what is best by considering all of the factors involved in this complex decision, but S.872 and its claims are so specific to San Pablo that I could not let you make your decision without sharing the facts first-hand about the city's relationship with Lytton Rancheria. The Lytton Rancheria has had Class II gaming in San Pablo for eight years now. There are various on-going efforts at the Department of the Interior from other tribes to locate in the same area, but outside city boundaries, and ultimately obtain Class III gaming. This bill would prevent the Lytton Rancheria from competing equally with those other tribes, and its Class II casino in our City would be unable to compete. This would be a huge financial hit to the City of San Pablo and would lead to the financial devastation of the entire community. Our community already suffers much more than most in this horrendous economy. As of last year, 19.8% of San Pablo residents lived below the poverty line, and 19.9% of our residents are unemployed. Almost all of our working residents work outside the City, and it is

thus essential that we increase, not decrease, the number of available jobs in our local area.

This legislation seeks to address a non-existent problem. Lytton Casino San Pablo has been operating for over eight years with no problems but many benefits. If it seeks to expand its Class II gaming it should be able to do so as long as it complies fully with existing federal and local laws. If it seeks Class III gaming it should be treated the same as any other Tribe in the country. San Pablo, and all of its residents, would be collateral damage if this Bill should pass. When deliberating, we ask that this Committee keep that fact in mind, and the fact that the economic recession is hitting San Pablo harder than most.

Thank you for your time.

Very Truly Yours,



Paul V. Morris
Mayor, City of San Pablo