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Cayuga Nation gets preliminary Catskill Ok

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The Cayuga Indian Nation has gotten a leg up on its Catskill casino competitors. In late April, BIA's eastern regional office in Nashville recommended for approval the tribe's development proposal for a \$500-million casino resort in Monticello, N.Y., about 90 miles northwest of metropolitan New York City.

A few hurdles remain - approval from the full BIA as well as an OK from the National Indian Gaming Commission. The nation must also finalize a Class III gaming compact with Governor George Pataki - the negotiations for which could create the opportunity to dispense with several issues outstanding between tribe and state.

In 2001, the Cayuga Nation was a winning party in a 64,000-acre land claim case against the state. The nation, along with the Seneca-Cayuga Tribe of Oklahoma, was awarded \$247 million - the state has appealed for a lesser award, while the Cayugas seek \$1.5 billion. A decision from the 2nd Circuit Court of Appeals, which heard arguments in March, is pending.

In October 2003, the Cayugas offered to drop their land claim appeal in return for a Catskill casino compact. In return, the state would also drop its appeal. The nation would sign a Class III compact with a sliding revenue sharing scale similar to one signed by the Seneca Nation in 2002. Although the state would still be entitled to slot revenue, the Cayugas would retain a larger portion of that money until the land claim settlement was paid off, estimated to take six years.

As part of the agreement, the Cayugas would implement a "tribal tax" at both of their gas/convenience stores, making prices comparable to those charged by neighboring non-Indian retailers. The nation would retain these tax funds for tribal programs.

What role, if any, this offer might play in actually getting the tribe a compact is unclear. But Pataki and the state would be wise to accept this "win-win" proposal for a number of reasons. It gets the land-claim monkey off the state's back and provides Albany with a desperately needed revenue stream. It also offers the Cayugas considerable economic development potential.

An item worth pointing out is the fact that the Cayugas have agreed to pay \$5 million in impact fees to Sullivan County. Two other tribes vying for casinos, the St. Regis Mohawks and the Stockbridge Munsee Band of Mohicans, however, agreed to pay the county \$15-million impact fees. Final BIA approval of the Cayuga proposal would likely force the St. Regis and Stockbridge impact fees downward.

Bingo!

The BIA's regional recommendation favoring the Cayugas comes on the heels of a federal judge's recent decision that paved the way for the tribe to continue developing a Class II gaming facility on property owned within the land claim area. That facility, located in a former NAPA auto parts store on Route 90 in the village of Union Springs, N.Y. will open on May 28 with 100 electronic bingo machines. The tribe estimates the operation will take in about \$6 million annually.

On April 23, U.S. District Court Judge David N. Hurd ruled that land owned by the Cayugas within their claim area is indeed "Indian country," in effect saying that tribal sovereignty over the land trumped any attempt by local governments to enforce their jurisdiction. Hurd denied a request by

the village of Union Springs to halt the project with a temporary restraining order.

Union Springs and the other municipalities involved are appealing Hurd's decision to the 2nd Circuit Court of Appeals. They cite the same "quality of life" concerns as do small-town opponents of Indian gaming elsewhere, specifically mentioning traffic and pollution, as well as a desire to "regulate" the operation. Fortunately for the Cayugas, as reported in the May 14 edition of the Syracuse Post-Standard, Hurd said it looked to him as if the village was trying to prevent gaming, not regulate it.

The good people of Union Springs just don't seem to get it - the Cayugas and their bingo hall are now legitimate members of the community. Rather than fight with them and try to "regulate" them, why not cooperate? New York state is doing little or nothing to revive the moribund upstate economy, yet the Cayuga Nation offers Union Springs two viable businesses (bingo hall and retail) that might employ dozens of locals, whose salaries are spent largely within the community.

Who knows - had village officials put out the welcome mat instead of "going on the warpath" they may even have been able to negotiate some sort of revenue sharing agreement. Lessons on history and Indian sovereignty would do the village and its leaders well.

If the Cayuga Nation does wind up with both Class II and III facilities, it could eventually rival the Oneida and Seneca nations in terms of regional economic clout in Upstate New York.

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