



SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY

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Dear Tribal Leaders:

We have actively supported AIGA for many, many years. We have worked with other member-tribes to accomplish AIGA's purpose of "speaking on behalf of its member Tribes with one, unified voice...on Indian gaming issues."

AIGA for many years fulfilled this purpose and operated with remarkable unity of purpose. But the actions of the Tohono O'odham Nation to secretly develop a casino in direct opposition to the promises made by AIGA and other tribes has destroyed AIGA's unity and undermined the principles of the organization. We, regretfully, have determined that we can no longer in good conscience be members of AIGA and are withdrawing from the organization effective immediately.

When compact negotiations began back in 2000, 16 tribes united together and signed an Agreement that established tribal principles for the negotiations. The Nation's current Chairman signed that Agreement. In that written Agreement, each tribe expressly agreed to "*maintain consistent positions* regarding the terms and issues at issue with the State of Arizona in compact negotiations," and, importantly, to "*notify other Tribal Leaders if they...must take positions or actions inconsistent with those of the other Tribal Leaders.*"

While the four Phoenix-metro tribes and other tribes were considering Governor Hull's demand in the negotiations that each Tribe to give up its right to build an additional casino, publicly available documents now show that behind the scenes, the Nation was secretly searching for land to operate an additional casino in the Phoenix area. Instead of notifying other Tribal leaders of its plans during the negotiations, the Nation actively worked to conceal its actions. The Nation admits that it bought the Glendale land using a Delaware shell company "to conceal its ownership."

In fact, during the compact negotiations, the Nation's representatives anticipated that Gila River, Salt River and Fort McDowell would object to the Nation's silence once its plans for a Phoenix casino were revealed. But even that did not compel the Nation to notify other Tribes. The Nation stayed silent.

The Nation's failure to disclose its secret plans for a Phoenix-area casino during compact negotiations, before other Tribes signed the new compacts and gave up their existing rights to build an additional casino, violated the Nation's contractual and moral duties to notify the other fifteen tribes that the Nation was taking "actions inconsistent with those of other Tribal Leaders."

Governor Ducey and Attorney General Brnovich have called the Nation's Glendale casino "contrary to the public interest" and "the product of fraud, fraudulent concealment and misrepresentation." The *Arizona Republic* called the Nation a tribe "using subterfuge and deceit to break into Phoenix's gambling market."

While to date the Nation has been able to escape the State's claims of fraud and misrepresentation, the federal court recently ruled that those claims will finally be litigated.

All Tribes in AIGA must acknowledge that since the Nation asked the Department of the Interior to acquire the Glendale parcel for casino purposes in 2009, AIGA has *not* spoken with *one, unified voice*. AIGA has been crippled by disunity.

Let us review AIGA's position on this issue.

When then-Governor Hull announced a compact had been successfully negotiated with the 16 Tribes, her February 20, 2002 press statement said that one of the "major points" achieved in the agreement was that there would be "[n]o additional casinos allowed in the Phoenix metropolitan area and one additional casino in the Tucson area."

On April 3, 2002, AIGA staff produced a Legislative Tracking Report that commented on Senate Bill 1001, the bill which encapsulated the compact agreement reached between AIGA tribes and the State. The AIGA Report stated that the bill "Represents the agreement reached by the Arizona Indian Gaming Association and the Governor. Provides for a reduction in the number [of] authorized gaming facilities[,] with no additional facilities in the Phoenix metro area and only one new facility in the Tucson area."

Five days later, on April 8, 2002, AIGA's Executive Director, David LaSarte, testified before the Arizona Senate Committee on Government. He stated that the negotiated compact would "limit[] the number of facilities in the Phoenix metro area to the current number, and also allow[]...the possibility of one additional facility in Tucson."

Then, as a critical part of the effort to get voters to approve the compact, AIGA assisted in the preparation of a Voter Information Pamphlet widely distributed to voters by AIGA Tribes. Several Tribes, including the Nation, provided major funding for the pamphlet. The tribal pamphlet expressly promised voters that under the compacts authorized by Prop 202 "there will be no additional facilities authorized in Phoenix."

Finally, in April, 2011, AIGA overwhelmingly passed a resolution to reaffirm the promises tribes repeatedly made to the State and voters during the Prop 202 campaign, that there would be "no additional casinos in the Phoenix metro area." The resolution stated: "The Arizona Indian Gaming Association hereby reaffirms the promises made to Arizona voters in 2002 during the successful campaign to enact Proposition 202 ("Prop") which authorized Tribal-State Gaming Compacts."

Thus, AIGA consistently has said there would be no additional casinos in the Phoenix metro area during the term of the current compacts. This has been, ***and it remains***, AIGA's *official position* on the matter.

Despite this, the Nation asserts in federal court proceedings that it can operate four additional class III casinos in the Phoenix-metro area.

What does AIGA do? It sits mute, even though the Nation's actions are inconsistent with AIGA's position. AIGA has *never* voted to change its position and maintain that under the compacts, additional casinos *are* allowed in the Phoenix metro area.

AIGA's voice largely has been silent on what we consider to be the greatest threat facing its member-tribes - that Arizona voters will think that *all* Tribes have broken our promise to them, leading to the ultimate loss of tribal gaming exclusivity and destruction of the Compact's balanced structure that benefits gaming *and* non-gaming tribes alike. AIGA's inability to oppose such a great threat to Arizona tribal gaming leads us to this day.

For most of the past 20 years, Arizona Tribes have been unified on gaming matters. That unity has been the most important source of our strength and success. But, when one tribe deliberately chooses a secret path that it *knows* will create disunity within AIGA, the organization's continued silence in the face of deceit weakens us all.

We choose a different path. We choose *not* to ignore deceit and *not* to ignore the AIGA Resolution. We choose to honor the promise we made to Arizona voters that there would be "no additional casinos in the Phoenix metro area."

For these reasons, we can no longer remain members of AIGA.

Our decision has not been made in haste. We leave reluctantly, but with confidence that our decision is in the best interests of Arizona's gaming *and* non-gaming tribes.

Sincerely,


Delbert W. Ray, Sr.
President


Martin Harvier
Vice President

c. Council