

Cayuga deal in the works: Seneca County could get millions in casino revenue

By DENISE M. CHAMPAGNE | Posted: Wednesday, May 23, 2007 12:00 am

WATERLOO - If a proposed Cayuga Indian Nation settlement goes through, Seneca and Cayuga counties stand to gain up to \$12.8 million a year from its casino revenues.

Under terms of the proposal, the Nation would drop its land-into-trust applications for dozens of acres in the two counties and give up its right to seek trust status on future land purchases, which include another 180 acres the Nation is about to close on in Seneca Falls.

In return, the Nation will be permitted to designate a specified amount of land in the counties that it would own as restricted-fee lands and would share revenue from a proposed gaming facility with the counties and state.

"The settlement, proposed by attorneys for both sides, could also prevent the Cayugas from resuming their gambling operations in the two counties and would place a limit on any land the tribe could hold in either county," said Seneca County Attorney Steven Getman. "Without the settlement the Cayugas' pending trust applications would go forward, and could potentially result in over 64,000 acres being placed in tax-free federal trust."

The casino revenue would come from a proposed Nation-owned casino somewhere else in the state. It could not be built in either of the two counties without their approval or that of the local municipality.

The proposal was presented to the Seneca County Board of Supervisors and Cayuga County Legislature in separate closed sessions Tuesday, by their attorney, Brian Laudadio of the Pittsford firm Harris Beach. No action was taken by either.

Laudadio said the next step would be to present the proposal at an open session, possibly next month, to get public comments, followed by a vote. Laudadio said the two counties were encouraged to settle the 27-year-old land claim dispute several months ago by state and federal officials.

"My view is this is a win-win for both counties as well as the Nation," Laudadio said. "It would bring finality to the trust application process that could go on for years, and it will bring revenue to the counties."

He said the state has indicated it will support the proposal if approved by the two counties.

The proposal also specifies:

The elimination of Nation's original 64,000 reservation, which will be congressionally disestablished;

Restricted-fee lands will be comprised of no more than three groups of contiguous land in each county;

No more than 20 percent of any municipality may be designated as restricted-fee;

Restricted-fee designation will not extinguish existing easements and rights-of way;

The Nation would enter into municipal service agreements with local municipalities for the provision of police, fire and other municipal service to restricted-fee lands;

The Nation will pay taxes on any other lands than those lands designated as restricted-fee pursuant to the proposal; any lands possessed by the Nation in the counties will be held in fee and subject to local and state laws and regulations, including taxation;

The Nation will comply with federal environmental laws and state codes, all federal environmental laws and adopt building and fire protection codes no less rigorous than the state Uniform Building and Fire Protection Code. A mechanism will be in place to allow counties to ensure compliance with the code;

The Seneca-Cayuga Tribe of Oklahoma will be prohibited by Congress from holding any sovereign lands in New York;

Congress will prohibit the secretary of the Interior from taking lands in trust, restricted-fee, or any other designation, that would make the lands Indian Country, for the benefit of the Seneca-Cayuga Tribe of Oklahoma;

The agreement will be enforceable through waivers of sovereign immunity and congressional ratification.

Cayuga Nation attorney Daniel French said this morning that “The Cayuga Nation is hopeful that the counties will give serious consideration to the settlement which extracts concessions from both sides. I think the most important thing for the Cayuga Nation is it brings finality to the land issue and the Nation believes that's also of critical importance to the counties. It also provides a tremendous economic benefit to the counties.”

David Dresser, chairman of the Seneca County board's Native American Affairs Committee, said this morning that the counties learned the federal government was planning to accept the Nation's trust applications.

“Yes, the Secretary of the Interior has the power to impose Indian reservations on these two counties where there has not been an Indian presence for over 200 years,” he says in a release. “There is, moreover, no question that the Department of the Interior intends to do just that.”

Dresser said the proposed revenue for the two counties is “substantially” more than they would receive in annual payments in property taxes to the counties, municipalities, schools, fire districts and other affected entities.

“Because these financial and legal guarantees hold the counties and the state harmless, and because this agreement would once and for all bring closure to the Indian land claim that has beset our counties since 1980, I fully support this proposal and urge my colleagues and the residents of both counties to do the same,” Dresser says. “Given the open-ended nature of the federal trust process and the absence of any compensation for lost taxes and regulatory control when land goes into trust, we really have no alternative.

“It is admittedly a compromise. I do not personally support sovereignty or gambling, but as public policy these matters are beyond our counties' control.n

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