

## **INTERGOVERNMENTAL AGREEMENT**

### **Executive Summary**

In order for the Menominee Indian Tribe of Wisconsin to conduct gaming at the site of the present Dairyland Greyhound Park, the Tribe must make an application to the United States Department of the Interior, Bureau of Indian Affairs (BIA) to place lands on which gaming will occur into federal trust.

In reviewing the Tribe's Trust land application, the BIA must make a two part determination in order to place such lands into federal trust. The BIA determination must conclude (a) that the proposed activity is in the best interest of the Tribe and (b) not detrimental to the surrounding community. The Governor of Wisconsin must concur in this two part determination in order to place such lands into federal trust. In evaluating (b), the BIA will examine evidence in the Tribe's trust land application that the Tribe has sought to mitigate the impact that the placement of such lands into federal trust will have on the City and the County. The proposed Intergovernmental Agreement (IGA) is a manifestation of the Tribe's mitigation effort.

Therefore, this IGA has been drafted to address various impacts and issues associated with the Tribe's proposed casino. It is designed to provide the maximum amount of protection currently available to the community with respect to trust land issues; provide sufficient compensation to mitigate impacts and to maximize the benefits to the community.

This executive summary is intended to be used as a guide to the IGA between the City, County, the Menominee Indian Tribe of Wisconsin and the Menominee Kenosha Gaming Authority. For the sake of brevity and throughout this summary, the term "Tribe" will be used interchangeably with the Menominee Kenosha Gaming Authority, which is the corporation created and wholly owned by the Tribe to conduct gaming at the Dairyland Greyhound Park, even though there are legal differences between these two entities. This summary highlights certain significant provisions of the IGA.

- **Commitments of the City and the County - Section 1**

The City and the County are agreeing to provide the usual and customary services to the trust land in the same fashion as these services are provided to any commercial enterprise located in the City and the County.

In addition, the City and the County agree to support the Tribe's trust land application and any amendments to the Tribal/State Compact necessary to effectuate the casino.

The City and the County also agree to not support any other casino proposals in Kenosha County unless by agreement among all of the parties of the IGA.

- **Support Payments – Section 2**

Support payments have been addressed in Section 2(A) – Payments to Support Local Government Operations.

- Net Win – the Tribe will make quarterly payments to the City based upon a share of the Tribe's net win of the gaming operations at the proposed casino. For the first eight (8) calendar years after the land is placed into trust or until the Tribe pays its development and management fee obligations (whichever occurs first), the Tribe will pay 3% of net win; thereafter, the Tribe will pay 4% of net win.
- Minimum Payment – In calendar years one through six if the net win payments are less than \$1,000,000, and beginning in year seven and thereafter, if the net win payments are less than \$2,000,000, the Tribe will make an additional payment to the City to equal the \$1,000,000 or \$2,000,000, adjusted for inflation.

The annual \$1,000,000 minimum payment will more than cover the current revenues which all of the units of government receive from the property for the first six years.

The annual \$2,000,000 minimum payment is designed to cover a projected maximum of revenues that the local units of governments could receive under a non casino, non industrial land use scenario.

Based on the first 22 years of projected casino operations, it is not anticipated that the minimum payment provision would take affect.

- Payments to School Districts – The City and County will be making combined payments totaling \$1,000,000 annually for school purposes, as discussed in Sections 2(A)(6), from support payments received from the Tribe. In addition, the Tribe will donate an additional \$1,500,000 annually to the Kenosha School District under Section 2(B)(2).
- Payments for Charitable Contributions – In addition to the Tribe making charitable contributions as discussed in Section 2(B), the Tribe will contribute an additional \$5,000,000 for various public purposes as outlined in Section 2(B)(1).

It is estimated that the total payments to local governments over the 22 year period for which financial projections have been made will exceed \$521,000,000.

The City will distribute to the County the County's share of these payments.

- Sovereign Immunity and Courts of Jurisdiction – Section 4

The issue of sovereign immunity and the jurisdiction and venue of courts can be found in Section 4 – Waiver of Tribal Immunity. The Tribe has agreed to waive its sovereign immunity from suit in connection with disputes or claims arising under the IGA, and has consented to be sued in the federal courts or, if such court refuses or cannot hear such suit, in the state courts.

- Expansion of Trust Land – Section 2

The issue of expansion of trust land can be found in Section 2(R) – Additional Trust Land. The Tribe has agreed to not expand the Federal Trust Land beyond the present application for 223 acres without the written consent of the City and the County.

- Alcohol Beverages – Section 2

Alcohol issues have been addressed in Section 2(N) – Alcohol Beverages. Federal law requires the Tribe to comply with State law relating to the sale or consumption of alcohol beverages. No alcohol may be sold for off-premises consumption. Alcohol beverages may be served at the casino only during the hours permitted by State law.

- Cessation of Gaming – Section 2

If gaming should cease, the issue of removing trust status once land has been placed into federal trust is addressed in Section 2(P) - Cessation of Gaming. To remove land from trust requires an Act of Congress. The Tribe has agreed that it will use its best efforts to petition Congress to place trust land back to a taxable status and has further agreed to make the minimum payment described in Section 2 (A)(2) of the IGA if gaming at the casino ceases for 365 consecutive days.

- Subject to Criminal Laws – Section 2

The issue of law enforcement jurisdiction is addressed in Section 2 (F). The City and County will have authority to enforce State criminal laws on the trust lands.

- Minority Recruitment and Vendors – Section 2

The issue of minority employment can be found in Section 2(D) – Minority Recruitment and Retention. The Tribe has agreed to designate a compliance officer to ensure that minority recruitment and retention complies with a goal of 25% minority employment, including tribal preference.

The issue of minority and local vendors can be found in Section 2(E) – Preference for Local and Minority Contractors. A 3% preference shall be given to local vendors. The Tribe has also agreed to appoint a minority supplier development manager to facilitate efforts to award 15% of contracts to State certified minority business enterprises and 10% of contracts to businesses owned, controlled or managed by women or Indians.

- Responsible Gaming Program – Section 2

The issue of responsible gaming is addressed in Section 2(C) of the IGA. The Tribe has agreed to create and implement a responsible gaming policy and to pay the County (as a matching amount) up to \$150,000 annually for assessment and treatment of problem gamblers.

- Public Health and Safety Standards; Adoption of Ordinances: Inspections – Section 2

State public health and safety standards for public buildings, electrical wiring, fire prevention, plumbing and sanitation are applicable to the casino as required by the Tribal/State Compact and are addressed in Section 2(G) of the IGA.

In addition, the Tribe will adopt certain City and County ordinances governing land use, public health standards, weights and measures, noise control, shore land/flood plain and enforce such standards as addressed in Sections 2(F) and 2(I).

Inspections for State standards will be done by a State-certified inspector on a periodic, though not less than annual, basis. The Tribe agrees to repair or correct any instances of non-compliance with State standards or standards contained in the City or County ordinances to be adopted by the Tribe and as required in the Tribal/State Compact. Inspections are addressed in Section 2(H) of the IGA.

- Effective Date and Term – Section 3

The IGA is effective upon execution by the parties. The term of the IGA is indefinite and remains in effect for as long as the trust lands exist, unless all parties terminate the IGA by written agreement. The IGA terminates in the event that all approvals necessary to develop and operate the casino are not secured by December 31, 2009.