

# Arizona Daily Star®

www.dailystar.com® www.azstarnet.com®

Published: 09.28.2006

## Casinos bring surge of funds to tribes, Arizona

By Levi J. Long

ARIZONA DAILY STAR

Arizona tribal casinos made a record \$1.79 billion in gambling revenue during the year that ended June 30.

That's an increase of about 16 percent from the previous year's total of \$1.54 billion, according to figures released Wednesday by the Arizona Department of Gaming.

The department oversees the state's 23 Indian casinos, including the five in Southern Arizona owned by the Tohono O'odham Nation and the Pascua Yaqui Tribe.

Locally, the Pascua Yaquis operate Casino del Sol and Casino of the Sun, employing about 1,300 workers on the Southwest Side.

The O'odham operate the two Desert Diamond Casinos and Golden Ha:sañ Casino near Why. The casinos employ about 1,200.

Both tribes ranked in the top 20 in this year's Star 200 survey of the area's largest employers.

Though no new casinos have opened since 2002, revenues have grown from about \$1.3 billion in 2004 to \$1.7 billion this year. That increase could be attributed to a good economy and more people moving to Arizona, said Sheila Morago, executive director of the Arizona Indian Gaming Association in Phoenix.

The state's population grew by about 3.5 percent last year, making Arizona second behind Nevada as the fastest-growing state, the U.S. Census Bureau reported.

The state's tourism industry is also healthy, with more visitors going to casinos, Morago said.

New visitors to the Pascua Yaquis' casinos also are being noted this year, tribal Chairwoman Herminia Frias said.

"We've seen the trend in our casinos," she said. "Gaming is a form of entertainment. People like to come out to see a show, eat at a nice restaurant and have a good time."

Since voter-approved Proposition 202 went into effect in 2003, tribal-state compacts require tribes with casinos to send contributions to the state every three months.

Using a sliding scale, tribes pay 1 percent of the first \$25 million in net winnings to the state, 3 percent for the next \$50 million, 6 percent for the following \$25 million, and 8 percent when net winnings exceed \$100 million.

Total tribal contributions to the state, counties, cities and towns totaled about \$91 million this year, an increase of 26 percent from \$72 million last year, the Gaming Department said.

Of that \$91 million, tribes sent about \$81 million this year to fund education, trauma care and other community services around the state.

### State benefits

- Some 2006 tribal gambling contributions

I \$81,087,909 total to fund state programs in 2006.

I \$2,530,000 million to TUSD.

I \$673,623 to Sunnyside.

Sources: Tucson Unified School District and Sunnyside Unified School District

The remaining \$10 million went to city, county and state programs of the tribes' choosing. The Pascua Yaqui Tribe, for example, gave money to buy computer equipment for Tucson neighborhood centers and a new garbage truck for the city of South Tucson, according to an e-mail from the tribe.

But it's Arizona's schools that benefit the most from the contributions, with about \$40 million this year going to teacher-compensation funds and programs to reduce classroom size.

The Sunnyside Unified School District received nearly \$700,000, while the Tucson Unified School District got about \$2.5 million in gambling money in its last fiscal year, district spokeswomen said.

The funds are helping to reduce class sizes, said Chyrl Hill Lander a TUSD spokeswoman. "Rather than having 35 (students), we have 25 in a classroom, and we'll be able to give more students individual attention and help with dropout prevention to keep students in school," she said.

Compared with other states, Arizona ranks third for Indian casino revenue, behind California's \$7.2 billion and Connecticut's \$2.3 billion says the most recent Indian Gaming Industry Report by economist Alan Meister of Analysis Group Inc. The state's gambling revenue is likely to grow further in the future.

The Navajo Nation Council, with a reservation in parts of Arizona, New Mexico and Utah, approved a bill this week to create the first Navajo Gaming Enterprise, which will handle gambling operations for the tribe.

Navajo President Joe Shirley Jr. has entered into an agreement with a hospitality firm to develop the tribe's first casino in Navajo, Ariz., about 55 miles west of Gallup, N.M., on Interstate 40.

More casino-hotels are also being developed, with restaurants, retail and entertainment venues, adding options other than gaming, Morago said.

The Tohono O'odham Tribe is moving forward with its \$120 million hotel and casino project on Tucson's South Side.

Expected to open by fall 2007, it will replace the original Desert Diamond Casino at 7350 S. Nogales Highway and become Southern Arizona's first casino-hotel complex.

Though nothing is final, the Pascua Yaquis have discussed building a hotel near the tribe's casinos, Frias said.

"It's a way to diversify economic opportunities for the tribe," Frias said. "It offers an opportunity to bring people from outside the community. It would also add to the tribe's new hospitality environment."

The Salt River-Pima Indian Community broke ground this week on Casino Arizona Resort, a casino-hotel project near Loop 101 and Indian Bend Road near Scottsdale.

Wild Horse Pass Casino, operated by the Gila River Indian Community, is rebuilding its facility and moving closer to Interstate 10 near Chandler. The tribe plans to turn Wild Horse Pass into a casino-resort with 250 hotel rooms, a 2,300-seat entertainment hall and a parking garage.

### **State benefits**

- Some 2006 tribal gambling contributions

| \$81,087,909 total to fund state programs in 2006.

| \$2,530,000 million to TUSD.

| \$673,623 to Sunnyside.

Sources: Tucson Unified School District and Sunnyside Unified School District

- Contact reporter Levi J. Long at 573-4179 or [llong@azstarnet.com](mailto:llong@azstarnet.com).

All content copyright © 1999-2006 AzStarNet, Arizona Daily Star and its wire services and suppliers and

may not be republished without permission. All rights reserved. Any copying, redistribution, or retransmission of any of the contents of this service without the expressed written consent of Arizona Daily Star or AzStarNet is prohibited.