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O.C. city is looking at casino deal

Garden Grove has considered one before, when it was in worse financial shape. Officials concede the obstacles would be considerable.

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Here we go again. Garden Grove, perennially in the game to boost its troubled finances, is again talking to an Indian tribe about bringing a Las Vegas-style casino to a downtown district a few miles from Disneyland.

It is the second time Garden Grove has entertained notions of bringing what would be Orange County's first gambling casino to the city. Three years ago, city officials met with a different Indian tribe and Las Vegas heavyweight Steve Wynn about building a casino-hotel on Harbor Boulevard. But the deal soured.

During a City Council meeting Tuesday, Garden Grove officials reported that they were now in discussions with the Gabrielino-Tongva Tribe.

Gabrielino representatives approached Garden Grove officials last month about a casino on a 40-acre Harbor Boulevard parcel and then discussed the project at City Hall with Councilmen Mark Rosen and Steve Jones, City Manager Matthew J. Fertal and Greg Blodgett, a city economic development director.

Although city officials weren't presented with a specific proposal, Gabrielino officials described it Thursday as a rosy deal for the city. The tribe, Gabrielino leaders said, would pay the city \$100 million for infrastructure improvements and \$70 million a year for the next 30 years, based on a portion of the projected slot machine revenue.

Linda Candelaria, a tribal councilwoman, said the development would be similar to the Bellagio in Las Vegas, with 2,500 slot machines, an amphitheater, restaurants and shops.

But the city — in its quest for revenue and tourism — has pursued ambitious plans before, only to be disappointed.

One developer proposed a replica of the London Bridge across a man-made river. Another pitched a music-themed entertainment complex, and another suggested a cultural center dedicated to the late King Hussein of Jordan.

Still, city leaders are encouraged by the latest casino talk.

"That sounds very enticing to me if those numbers are achievable," Fertal said. "Those numbers are larger than anything we've sketched out before."

Rosen said he was intrigued by the proposal.

"A resort casino would help make Harbor Boulevard the kind of destination we've always envisioned," he said.

"It would complement the other theme parks in the area, and financially, it could very advantageous."

There are an estimated 2,000 Gabrielinos in Southern California, but the splintered tribe is mired in a leadership battle and has yet to achieve federal recognition, which could complicate or even sink its efforts to build a casino.

Candelaria said the tribe was also discussing a casino with Inglewood officials but would prefer Garden Grove because of its proximity to Disneyland and the lack of Indian casinos nearby.

City officials said they had not looked into the tribe's internal disputes or its thorny path to building a casino.

"It's only a state-recognized tribe," Rosen said. "And that's one of the hurdles they have to resolve. When they submit an actual proposal, we'll start looking at the details."

Jones, one of the council members who attended meetings with tribe members, acknowledged the odds of building a casino were long: "We're open for business. We want to encourage them to go forward, but as far as it becoming a reality, it's a long time frame, a lot of layers of approvals and a lot of public input."

Fertal said members of the federally recognized Mesa Grande tribe stopped pursuing a casino project in the city because of overwhelming obstacles associated with acquiring land for a casino.

The process involves complicated land transfers among city, tribe and federal government, as well as federal and state approvals.

In addition, Disneyland officials have opposed a casino, saying such a project would run



Los Angeles Times

counter to the park's business of providing family entertainment. And last year, Anaheim voted to outlaw gambling in the city, a move designed in part to send a message to its neighbors in Garden Grove.

The notion of a casino has long intrigued Garden Grove officials, who have searched in vain for a project that will draw visitors to the Central Orange County city.

The city's financial situation is not as desperate as it was a few years ago, when there were projected budget deficits of \$11 million.

In fact, for the first time in years, Fertal said, the city has a budget surplus.

But in a town that typically is near the bottom of the county in tax revenue, city officials are constantly searching for a long-term financial solution.

"We're never going to see a significant boost in revenues unless we get something with a lot of pop to it," Fertal said.

Candelaria said she expected tribal officials to submit a formal proposal to Garden Grove by the city's deadline of July 31.

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