



City of Cascade Locks

PO Box 308 140 WaNaPa St.
Cascade Locks, OR 97014

Ph: (541) 374-8484 Fax: (541) 374-8752
TTY 711

June 13, 2005

Stan Speaks
Northwest Regional Director
Bureau of Indian Affairs
911 NE 11th Avenue
Portland, OR 97232-4169

Re: Fee-to-Trust Transfer of 25 Acres in the Cascade Locks Industrial Park

Dear Mr. Speaks,

I received your June 2, letter concerning the request by the Confederated Tribes of the Warm Springs Reservation to purchase and put into trust for gaming the 25 acre parcel described in your letter. That parcel is owned by the Port of Cascade Locks in its 100+ acre Industrial Park. The parcel is inside the city limits of Cascade Locks. It is under the jurisdiction of our City Council. The Council and the residents of Cascade Locks strongly support this fee-to-trust application. It is our pleasure to assist the Secretary in whatever way we can in making this decision. It is our hope that the decision will be favorable to the Warm Springs and that the property is put into trust for Class III gaming.

We believe that approving the fee-to-trust application will significantly enhance the economic development opportunities for both the City of Cascade Locks and the entire mid-Columbia Gorge region. We believe that approval will preserve and protect the Tribe's Hood River trust land and Hood River fee lands east of the City of Hood River. These scenic and important lands in the National Scenic Area will be preserved if this application is approved. If it is not, the potential damage to the Gorge and the National Scenic Area is enormous. The parcel in question is not in the National Scenic Area. It is in the Cascade Locks urban area which is designated by the National Scenic Act as the appropriate place for economic development to occur in the Gorge.

Cascade Locks is a former mill town that is in desperate need of new jobs. It is an economically depressed town with chronic unemployment and a high welfare rate. It has been trying unsuccessfully for more than 30 years to convert to a tourism-based economy. Approval of this proposal will jump-start, and we believe, allow us to finally make the transition from a resource-based economy to a tourism economy. Finally, the terms of the compact with State of Oregon and the Tribe's agreement with the City of Cascade Locks will provide opportunities to enhance

funding for education, environmental protection of the Gorge, emergency services in Cascade Locks, and improve our access to the interstate freeway and remove a significant amount of truck and through traffic from our local streets. It will also improve the function, operation, and efficiency of the Interstate in and around Cascade Locks and provide much-needed direct access to the Interstate for our Industrial Park and other nearby commercial and industrial properties.

You requested information relating to the following questions:

- (1) **The annual amount of property taxes currently levied on the property:**
Since the property is currently owned by the Port of Cascade Locks, a government entity, no property taxes are currently levied on the property.
- (2) **Any Special Assessments, and amounts thereof, which are currently assessed against the property:**
There are no Special Assessments currently assessed against the property.
- (3) **Any governmental services which are currently provided to the property by your jurisdiction:**
City police, fire, ambulance, water, sewer and power utility services are currently available to the property.
- (4) **If subject to zoning, how the property is currently zoned:**
The parcel is currently zoned for 'Light Industrial' (LI).

The properties in the Industrial Park surrounding the parcel are zoned 'Resort Commercial' (RC), 'Open Space' (OS), and 'Heavy Industrial' (HI). The Industrial Park is currently vacant, undeveloped land, except for a wood pellet manufacturing plant on the HI property to the West of the parcel. Our current planning anticipates that a commercial resort would be built in the Industrial Park in the vicinity of the parcel.

As you can see from the above information, the property is not currently on the Hood River County tax rolls because it is owned by the Port. The Port is a public entity and its property is tax exempt. There are currently no special assessments on the parcel. As a result, there will be no negative impact if this property is removed from the tax rolls. On the other hand, we currently have sewer and water capacity that we are not using in our vacant Industrial Park. It will be beneficial to both our existing water and sewer utility rate payers, and the operation of our new sewer plant, to have a large new customer in the Industrial Park. We need new customers to help pay for the expensive sewer plant that was designed and built to provide sewer service to the Industrial Park. We also have had problems operating the plant properly because of low flows. The proposed casino would actually help balance out the plant as flows increase.

We anticipate that we will have adequate water and electric energy supplies to provide these services to the parcel. With the pledges by the Warm Springs for monetary payments to the City to help pay for police, fire, and ambulance emergency services, and with increased ambulance revenues expected from the operation of the casino, we also anticipate that we can also provide these emergency services to the casino and improve them for the rest of the community.

We look forward to participating in this fee-to-trust process. If you need any further information from the City, please let us know.

Sincerely,

Ralph M. Hesgard
Mayor

c file
r.f.

(This document, and other information about the Cascade Locks casino, can be found on the City's website: www.clbb.net)