



The State of Indian Gaming in Northern California

BY STEPHEN DOW BECKHAM

HISTORICAL CONTEXT

As the nation's largest state California became the site of "great expectations" for Indian gaming. The state's many tribes and rancherias as well as eager external investors perceived the potentials of billions of dollars in annual cash flow. Success in gaming enterprises, however, was predicated on meeting the strict but complicated requirements of the Indian Gaming Regulatory Act (1988).

In 1851 the federal government dispatched three treaty commissioners to negotiate land cessions from tribes. Because the Gold Rush was then underway, the California Indian Commission was reluctant to tie up land and mineral resources in reservations. The treaties were explicit in describing the lands ceded but vague in identifying lands reserved for Indians. Ultimately none of the eighteen treaties was ratified. That remained the situation in 1871 when Congress suspended treaty-making. In an effort to keep as much of the state as possible in the "public domain" Congress in 1864 passed the California Reservations Act. The law prescribed that there would be no more than four reservations in the state.

The 1864 act has never been rescinded, but it was modified with passage of the Mission Indian Relief Act (1891) that created a series of small reservations in southern coastal California. These trust reservations were for Indians who had been forced into the mission system between 1769 and 1832

by Franciscan priests. The "Relief Act," however, created no reservations farther north than the Chumash Reservation in the Santa Inez Valley near Santa Barbara.

The Indians of northern California, including the Central Valley, had few options to find a place to live. Some moved to the Hoopa Valley Reservation on the Trinity River, to Round Valley and Mendocino reservations, and to the short-lived Tule River and Fort Tejon reservations. Thousands remained landless, shoved pillar to post as they struggled to survive as agricultural workers, miners, and laborers. Between 1850 and 1863 an estimated 10,000 Indians were enslaved under the California Indian Indenture Act until it was abrogated by the 13th Amendment.

In the early twentieth century the Bureau of Indian Affairs hired Charles E. Kelsey, an attorney in San Jose, to prepare a census of the Indians in the northern part of the state. He enumerated 13,361 Indians. Of that number 2,302 families (7,928 people) were landless. Kelsey published this tragic situation in *Indian Rights and Wrongs* (1907). His advocacy led to federal purchases of small tracts of land, or rancherias, to become homes for the indigent Indians of California. On a case-by-case basis the Department of Interior bought lands and took them into federal fee status as "rancherias." The lands program accelerated in the 1930s with purchase of more than fifty rancherias for homeless Indians in the northern part of the state.



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The California Rancheria Termination Act (1958), P.L. 85-671, led to sale and fee patenting of all of the small federal fee lands occupied by Indians in northern California. Individuals and families made land selections. The B.I.A. was charged with guaranteeing adequate water systems and other amenities as it exited from trust responsibilities. Some rancherias voted to accept Termination; others rejected the law, but all were “terminated.”

In 1979 the case of *Tillie Hardwick et al v. United States* found the Department of Interior had failed to meet the requirements in the Termination Act. The court in 1983 restored eighteen rancherias to a federal relationship and permitted both rancheria governments and individuals to restore their lands to non-taxable trust. This “restoration” occurred five years prior to passage of IGRA and thus opened the prospect for these eighteen tribal groups to qualify lands for Indian gaming.

More than thirty rancherias did not participate in the Hardwick case and thus once IGRA was passed had to meet the “exceptions” provisions of IGRA if, and when, they secured “restoration” to federal relationships. Since “terminated tribes” were forbidden to use the Federal Acknowledgment Program, the restoration of the post-Hardwick rancherias was a complicated process.

NORTHERN CALIFORNIA INDIAN GAMING

Unlike many other states, Indian gaming came late to California. More than a decade passed before the State began entering into compacts. The process started wholesale in 1999 with fifty-eight agreements. In 2018 California has 74 state-tribal compacts. The compacts created a Special Distribution Fund to support problem gambling prevention programs; to reimburse local governments for off-reservation impacts by tribal government gaming operations; to compensate the state for regulatory costs incurred in connection with its regulatory responsibilities; and to cover shortfalls in the tribal revenue sharing trust fund.

In 1999 the administration of Governor Gray Davis did not appear to realize the lands “restored” to rancherias had been federal fee lands not in reservation status. This misunderstanding opened the door for wide proliferation of gaming in the northern part of the state. The Davis administration also did not mount close examination and documentation as to

whether the “restored lands” it accepted for gaming were actually the aboriginal lands of a “restored tribe.” The extensive documentation of tribal identities in the California Indian enrollments of 1928-32

was ignored. Most of the rancherias were polyglot, multi-racial communities of California Indians as well as Euro-Americans, Mexicans, Chinese, Indians from other parts of the United States, Hawaiians, and “others.” Few could trace to the signers of the non-ratified treaty agreements of 1851 or document aboriginal use and occupancy of the lands identified for restoration. The restoration of lands to the newly restored rancherias became a complex legal muddle that plunged many potential gaming operations into years of dispute and costly litigation.

The route to gaming became exceedingly difficult for rancherias not participating in the original Tillie Hardwick case. As they found financial backers, purchased land, and attempted to get “restored land” into trust for a “restored tribe,” they were faced with challenges by city and

county governments, by card rooms, and by anti-casino organizations such as Stand Up For California. Some rancherias secured strong financial backing. When the route to success became too costly and lengthy, they lost that support and had to turn to other investor groups.

In order to qualify land for gaming, the rancherias frequently hired consulting anthropologists and historians to document their aboriginal lands. When their lands had little potential to attract gaming patrons, their consultants sometimes came up with theories promoting pre-contact (before 1769) or early contact period migrations of people. This especially became the case when multiple rancherias and their backers focused on the potentially lucrative gaming revenues of the San Francisco Bay area. The Scotts Valley Band of Pomo from a small rancheria on the northwest side of Clear Lake, for example, reached south 103 miles. The tribe first attempted to establish that Point Mallote in Contra Costa County on the east side of San Francisco Bay was its aboriginal homeland. When thwarted in that effort, it next targeted Vallejo on the northeast side of San Pablo Bay. “Reservation shopping” for maximum market share became common in the years since 1999.

“
California presented to people a new model for the American dream—one where the emphasis was on the ability to take risks, the willingness to gamble on the future.”

—H.W. Brands, “Gold Rush” (2006)

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The Yocha Dehe Tribe (Wintun) operate the sprawling Cache Creek Casino Resort in Brooks, CA, on the west side of the Sacramento Valley. The facility is 90 miles from San Francisco and houses 2,300 slots, 120 table games, and poker tables. The resort also includes an 18-hole golf course, 200-room hotel, and spa.



Artist rendering of the hotel addition at Cher-Ae Heights Casino in Trinidad, California

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INDIAN GAMING VENUES

Northern California is a setting for both modest as well as megacasin operations. Because of population distribution, parts of the region dictate smaller-scale investments.

In northwestern California are several modest tribal gaming businesses. All offer food services and some also have lodging, conference, and truck and travel amenities ranging from RV Parks to service stations and convenience stores. Opening in 2018 is the Rain Rock Casino of the Karuk Tribe on Interstate 5 in Yreka. The facility is the newest in the state with 36,000 square feet, 500 gaming machines, and 8 table games. On the northwestern coast of California are several small casinos: Lucky Seven (Tolowa Dee-ni in Smith River), Elk Valley Casino (Elk Valley Rancheria near Crescent City), Redwood Casino-Hotel (Yurok Tribe in Klamath), and the Cher-Ae Heights Casino (Trinidad Rancheria in Trinidad, California).

“A number of tribes currently conduct gaming under compacts executed with former Governor Gray Davis in 1999 and 2000. In the opinion of many observers, it is past time to revisit those aging compacts.”

— Dennis J. Whittlesey,
“Five Major Indian Gaming Issues to Watch,” 2014

The area north of San Francisco Bay was the setting of numerous rancherias. Because of the large population of that district and its popular Wine Country amenities, this area is the location for both large and small casinos. The Northern Quest Resort and Casino (Graton Rancheria in Rhonert Park) is a multi-purpose casino, hotel, spa, and conference center on the west side of Highway 101 in Marin County. The facility of 340,000 square feet cost \$850 million. Revenues are in the vicinity of \$400 million per year with seasonal fluctuations. The casino in 2014 paid \$8 million to Rhonert Park and \$5 million to Sonoma County for fire, police, and emergency services.

The Yocha Dehe Tribe (Wintun) operate the sprawling Cache Creek Casino Resort in Brooks on the west side of the Sacramento Valley. The facility is 90 miles from San Francisco but adjacent to the large population of the Central Valley and larger Bay area. Cache Creek opened as a bingo hall in 1985 and grew dramatically between 2002 and 2004 into a destination resort. It has 2,300 slots, 120 table games, and poker tables. The resort includes an 18-hole golf course, 200-room hotel, and spa.

Located on popular Interstate to Lake Tahoe, the Thunder Valley Casino Resort in Lincoln (on Lincoln Bypass off I-80) is owned by the United Auburn Community (Miwok and Maidu).



Northern California Indian Gaming

- Alturas Casino, Alturas
- Jackson Rancheria, Jackson
- Bear River Casino, Loleta
- Konocti Vista Casino, Lakeport
- Black Bart Casino, Willits
- Lucky 7 Casino, Smith River
- Black Oak Casino, Tuolumne
- Lucky Bear Casino
- Blue Lake Casino
- Pit River Casino, Burney
- Cache Creek, Brooks
- Red Fox Casino, Laytonville
- Cher- Ae - Heights Casino, Trinidad
- Red Hawk Casino, Shingle Autumnns
- Chicken Ranch Casino, Jamestown
- River Rock Casino
- Colusa Casino, Colusa
- Robinson Rancheria
- Coyote Valley Shodakai, Redwood Valley
- Rolling Hills Casino, Corning
- Diamond Mountain, Susanville
- Sho-Ka-Wah Casino, Hopland
- Elk Valley Casino, Crescent City
- Thunder Valley Casino, Lincoln
- Feather Falls Casino, Oroville
- Gold Country Casino, Oroville
- Chuckchansi Gold Casino, Coarsegold
- Eagle Mountain, Porterville
- Paiute Palace Casino, Bishop
- Mono Wind Casino, Auberry
- Table Mountain Casino, Friant
- Tachi Palace Casino, Lemoore

Thunder Valley Casino Resort in Lincoln, CA, is owned by the United Auburn Community (Miwok and Maidu). It opened in 2003 and for seven years operated in a business partnership with Stations Casinos, Las Vegas. The casino has 3,000 slots and video machines, 125 table games, and poker room for up to 160 players. The seventeen story hotel has 297 rooms with 40 suites and 14 restaurants and bars.

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Several of northern California's tribes and their investment partners have profited greatly because of the Indian Gaming Regulatory Act. The benefits have created jobs for Indians and non-Indians. They have generated a significant turn-over of money for construction, payrolls, and purchase of goods and services. Casino and related enterprise

revenues have enabled tribes to diversify their businesses, meet debt service and build capital resources, fund education, and enhance tribal social services and cultural programs. ✨

Stephen Dow Beckham earned his M.A. and Ph.D. at UCLA in history. He taught college students for forty-three years, and for many years was the Pamplin Professor of History at Lewis & Clark College, Portland, Oregon. He is the author of numerous books and articles, is a former "Oregon Professor of the Year," and winner of the American Historical Association's Distinguished Teaching Award. He has been retained as an expert witness in thirty-seven cases. Most of his legal work

relates to Indian gaming, treaty rights, and land claims. His consulting has involved the Delaware Nation, Eastern Pequot, Duwamish, Cowlitz, Chinook, Cow Creek Band of Umpqua, Quapab, Ottawa Nation, Karuk, Mecchoopda, Chemehuevi, three bands of Pomo of California, Chinook, and other tribes and bands.