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Title: **Senecas, Pataki sign pact for casinos**

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The Seneca Nation of Indians signed a 14-year pact with New York state Sunday to bring Las Vegas-style casino gambling to Buffalo and Niagara Falls.

"It's one of the biggest things the Nation has ever done," Seneca President Cyrus Schindler said. "It will help a lot of our people."

The slot-machine casinos could funnel as much as \$3 billion to the Senecas, who live on three reservations in western New York and have 6,700 enrolled members, their leaders say.

New York expects to draw about \$1 billion a year from newly approved gambling operations, including three casinos to be built in the Catskills, slot-machine-like video terminals in horse racing tracks and its entry into a big-jackpot, multistate lottery game, legislators say.

"This has been a long and difficult haul but it's worth it," Gov. George Pataki said moments before signing the pact with Schindler.

"When you look at what has happened all around the borders of New York state, every time casinos have opened, they have attracted hundreds of millions of dollars ... and created tens of thousands of jobs."

The state went in search of new sources of revenue last October to offset the economic turmoil caused by the Sept. 11 terror attacks in New York City.

Tribal leaders are touring potential casino sites in Buffalo but are making the Niagara Falls casino their first priority. It could open late this year or early next year in the renovated Niagara Falls Convention Center.

Any deal with New York still needs to be approved by the federal Bureau of Indian Affairs.

The Pataki administration and the Senecas have spent months thrashing out a compact about the rules for running the three casinos. The biggest sticking point was negotiating a labor agreement between the Senecas and casino employees.

In May the tribe voted 1,077-976 to approve an 800-page compact that would serve as a blueprint for operation of the casinos. The Senecas would turn over as much as 25 percent of slot-machine revenues to the state to share with the host cities.

Then in July, Pataki said the state would invest \$12 million to create a new convention center while the Senecas used the old complex as a gambling hall.

The Senecas are one of three Indian nations, all members of the Iroquois confederation, who have latched onto casino gambling. The Oneida Indians operate the Turning Stone casino between Utica and Syracuse and the Mohawks run a casino in northern New York.

On non-Indian lands, the state constitution prohibits the operation of slot machines or other casino games.

Most city and state officials agree that a casino must be only one part of a larger plan to turn around Niagara Falls. The American Falls have never lacked for tourists but, three miles away, boarded storefronts predominate on Main Street.

By contrast, success is evident in the skyline of new hotels and attractions on the Canadian side of the border. Since Casino Niagara opened six years ago, Niagara Falls, Ontario, has attracted \$1 billion in new projects and the number of tourists has jumped 50 percent to almost 12 million.

The tribe intends to avoid management contracts, as well as business partnerships, with casino companies in favor of going it alone, a Tribal Council representative said today.

"We're trying to avoid (contracts)," Lucille White, a legislative administrator for the Tribal Council, said. "They take a larger portion of the money" away from the tribe.

"We have enough talent that we can do this on our own," White said.

Some Indian tribes have signed contracts with casino companies, such as Las Vegas-based Harrah's Entertainment Inc., to run their casino floors.

Other tribes run casinos themselves or have chosen to run them after contracts with casino managers expire. Last year, Park Place Entertainment Corp., also of Las Vegas, signed a seven-year contract with the Saint Regis Mohawk Tribe to operate its planned \$500 million casino in New York's Catskill Mountains.

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