

# Lansing Kewadin Casino

JULY 25, 2012

## Lansing Casino Partners Agree to 90-Day Extension to Complete Land Transfer

**LANSING, Mich.** — The business partners in the new casino proposed for downtown Lansing have agreed to extend for 90 days the deadline for transferring ownership of the land for the project from the City of Lansing to the Sault Ste. Marie Tribe of Chippewa Indians, it was announced today.

Due to the complexity of the project and the many requirements of seeking federal approval for the casino, the partners said they simply could not complete all necessary pre-development work by the self-imposed deadline of Aug. 1.

“We are all here today to reaffirm our total commitment to this partnership and our unwavering drive to seeking federal approval for this spectacular Lansing casino and the more than 1,500 permanent jobs it will create,” said Lansing Mayor Virg Bernero. “We are also here today to announce that while we have made great progress on the plans and the project, the clock ran out on us to get everything done that was intended by Aug. 1, so we have mutually agreed to extend the deadline another 90 days to Nov. 1. We will have it done by then.”

Said Sault Tribe Chairperson Aaron Payment: “My job is to protect the best interests of my tribal membership, which in the case of this project means making sure all necessary project details are settled before we file our trust land application. We knew the initial deadline we set of Aug. 1 was aggressive given all the work that must be done to file a solid and comprehensive application with the federal government to take this land into trust. While we have made significant progress on many aspects of the project, we simply need more time to get everything done that must be completed.”

Some of the project details that are still being completed include a full parking analysis, project aesthetics, consideration of building a permanent structure versus a temporary building on the site of the corner parcel, and more detailed civil engineering work that includes a detailed utility plan.

“Let me emphasize that all of these matters will be completed, none of the issues we face are remotely insurmountable, and we will get this done,” Bernero said. “While we have made a ton of progress, we simply just could not get everything done as fast as we initially thought.”

The \$245 million Sault Tribe casino will be built in the heart of the city’s entertainment district, adjacent to the Lansing Center. The 125,000-square-foot Kewadin Lansing Casino will create an estimated 1,500 permanent jobs at the property and more than 700 construction jobs. A temporary casino would open in advance of the opening of the permanent facility.

The Sault Tribe’s partner in the project is a group of investors previously known as Lansing Future LLC. The group has restructured itself and changed its name to Lansing Future Development LLC. The restructuring occurred as one of the investors has decided to assume a much larger role in the project. That investor is Robert G. Liggett Jr., owner of Big Boy restaurants across Michigan. Mr. Liggett was and continues to be the project’s largest investor. All of the original investors in Lansing Future LLC remain partners in the reorganized entity and Bill Martines remains CEO.

The Tribe will use the casino revenues to improve programs and services to members, including health care, education, housing, elder care, social services, and more.

The City of Lansing will use its annual revenue payments from the facility to create the Lansing Promise, a program to fund four-year college scholarships for Lansing School District graduates.

The project has already been approved by the Lansing City Council, the Sault Tribe Board of Directors, and the Sault Tribe membership in a tribal referendum held earlier this year.

The project will be built on City of Lansing-owned land to be purchased by the Sault Tribe. The Tribe will file an application with the U.S. Department of the Interior to take the land into trust as tribal lands under a specific provision of the federal Land Claims Act that gives only the Sault Tribe the legal right to the process. The Tribe's intent is to open the casino after receiving federal approval.

Plans for the casino include up to 3,000 slot machines and 48 table games, and assorted bars and restaurants in an urban modern-themed property.

The Sault Tribe has successfully operated Indian casinos in the state since 1984 and currently owns five Kewadin Casino properties in the eastern Upper Peninsula. With more than 40,000 members, the Sault Tribe is the largest federally-recognized tribe east of the Mississippi and one of the largest job providers in Northern Michigan with 1,900 employees at its casinos, other businesses, and tribal government agencies.

MAY 18, 2012

## Tribe, Mayor respond to Attorney General's letter to U.S. Department of Interior

Mayor Virg Bernero issued the following statement in response to Attorney General Bill Schuette's recent letter to the U.S. Department of Interior concerning the proposed Lansing Kewadin casino:

*"The Attorney General is entitled to his opinion, but of course we respectfully disagree with him. Along with our partners in the Sault Tribe, we will continue to vigorously pursue our plans to establish a casino in Lansing, which will bring millions of dollars in new investment and thousands of new jobs to the region."*

Sault Ste. Marie Tribal Chairman Joe Eitrem issued the following statement in response to Attorney General Bill Schuette's recent letter to the U.S. Department of Interior concerning the proposed Lansing Kewadin casino:

*"We are aware of the Attorney General's views, we respect and we disagree. We are confident that our proposal is authorized by law and will survive any such challenge."*

MAY 4, 2012

## Sault Tribe Members Approve Lansing Casino Project

Members of the Sault Ste. Marie Tribe of Chippewa Indians voted to approve a referendum that supports the Tribe's plan to seek federal approval to open a casino in downtown Lansing.

Follow

Sault Tribe members approved the referendum by a vote of 3,947 to 2,311 via mail ballots counted tonight by the Tribe's Election Committee.

The ballots were mailed to all registered tribal voters on April 12 and had to be returned by today. The election cost roughly \$30,000.

The election was called for by a referendum petition signed by 106 tribal members. The ballot asked tribal members to approve or not approve Resolution 2012-11 passed the Tribe's Board of Directors to seek to build and open a new casino in Lansing.

The ballot language read as follows:

*EXPLANATION: On January 24, 2012 The Board of Directors approved Resolution 2012-11 which allows the Tribe to try to open a casino in the City of Lansing. The Resolution authorizes and directs as follows:*

- *The Tribe may purchase property in the City of Lansing and the Tribe would try to open a tribal casino on the property;*
- *The City of Lansing will receive "limited revenue sharing payments" in exchange for its support and for providing police, fire and utility services;*
- *The Tribe will allow the City of Lansing to enforce the above in Federal court'*
- *Money from the Self Sufficiency Fund will be used to purchase the property;*
- *The amount of money available to fund the next annual elder distributions will not decrease;*
- *And 15% of the Tribe's profit will be set aside for the various elder programs and for a college scholarship program.*

*If you believe the project should move forward VOTE TO APPROVE. If you believe the project should not move forward, VOTE TO DISAPPROVE.*

Sault Tribe Chairman Joe Eitrem thanked all tribal members who participated in the election and expressed gratitude to members who voted for approval.

"If we succeed in opening a casino in Lansing, it will provide a new source of funds desperately needed to fully fund and restore membership programs that have been cut, to replenish our Self Sufficiency Fund, to pay down our debt, and to bring more services to members," Eitrem said.

The casino has already received all necessary approvals from Lansing, including from Mayor Virg Bernero and the City Council. Next steps in the project are to conclude the Tribe's purchase of the land where the casino will be built adjacent to the Lansing Center and to submit an application to the U.S. Department of the Interior to take the land into trust for gaming.

APRIL 27, 2012

## Kewadin Lansing: What has the tribe spent so far; why is the developer doing this?

The Sault Tribe Board of Directors is committed to providing tribal members with complete and accurate information about the Tribe's proposed Kewadin Lansing casino.

### **Facts:**

***The Tribe has spent virtually no money on the Lansing casino project.*** The developer, Lansing Future, has a pre-development budget of \$5 million and a temporary casino budget of \$5 million, none of which is the Tribe's money. The developer is

using those funds to cover all upfront costs. The specific details are contained in a Turnkey Development Agreement between the Sault Tribe and the developer. This agreement can be found on this blog. In general, the developer has agreed to provide funds for all costs and predevelopment expenses. This includes any legal fees incurred by the Tribe, as well as costs associated with establishing our legal right to conduct gaming and building and opening the temporary casino (travel, meetings with membership etc). Assuming we are successful in establishing our legal right to conduct gaming, the developer will assist the Tribe in obtaining financing for the permanent casino.

**Why is the developer covering all upfront costs?** Because the Tribe will pay the developer a fee equal to 14% of operating profits (after payment of expenses) for the first seven years the casino is open. After seven years, the developer will no longer be involved in the casino. We are estimating our operating profit to be \$115 million a year, based on total revenues of \$275 million. In addition, the Tribe would be responsible for repaying the developer up to \$10 million to cover the initial legal and start-up costs, but only if the casino opens. Bottom line: The Tribe would have no chance to open a casino in Lansing without the developer covering all upfront costs.

The Tribe needs the additional revenue Lansing will provide!

Please get the facts before you vote – visit our website at saultribe.com and click on the red “Lansing Facts” button or talk with your unit representative. Vote YES on the Lansing Casino Referendum!

APRIL 24, 2012

## Fast Facts: This is not Greektown

The Sault Tribe Board of Directors is committed to providing tribal members with complete and accurate information about the Tribe’s proposed Kewadin Lansing casino.

### Facts:

***Kewadin Lansing will be a Native American casino, not another Greektown.*** It will be owned and operated by the Tribe, exactly like our Kewadin Casinos in the U.P. It will ***not*** be like Greektown Casino-Hotel, which was regulated by the State of Michigan and taxed at a very high rate of nearly 30% at times.

Greektown Casino was a disaster. The Lansing casino project is not another Greektown Casino. Like the vast majority of tribal members, the Sault Tribe Board of Directors is not interested in, and would strongly oppose, another Greektown Casino. The entire board realizes mistakes were made with Greektown Casino and they have all worked hard to ensure that Lansing is not and will never be another Greektown.

- Kewadin Lansing will be regulated by the National Indian Gaming Commission, not the Michigan Gaming Control Board like Greektown was.
- Kewadin Lansing will not pay the high taxes the Detroit casinos pay. Greektown at times paid nearly 30% in taxes to the city and state.
- Kewadin Lansing will not pay an annual \$8 million regulatory fee to the Michigan Gaming Control Board.
- In Detroit, the Tribe was forced to build an unprofitable 400-room hotel. In Lansing, we are not building a hotel.
- In Detroit, the Tribe paid all costs related to the project, including paying all expenses related to getting the casino approved. In Lansing, the only cost we are responsible for during the approval process is buying the land. The developer is paying the \$10 million it will cost to get the project approved. The Tribe will only incur additional costs for the Lansing casino if it is approved by

the federal government and we move into construction. At that point, the Tribe and the developer will secure financing for the project. Bottom line: Kewadin Lansing will have FAR less debt than Greektown did.

We NEED the additional revenue Lansing will provide.

Please get the facts before you vote – visit our website at [saultribe.com](http://saultribe.com) and click on the red “Lansing Facts” button or talk with your unit representative. Vote YES on the Lansing Casino Referendum!

APRIL 24, 2012

## Fast Facts: Trust Land & Elder Checks

**The Sault Tribe Board of Directors is committed to providing tribal members with complete and accurate information about the Tribe’s proposed Kewadin Lansing casino.**

Facts:

If trust status is not granted for the land in Lansing where the casino would be built, the City of Lansing has agreed to purchase the land back from the Tribe for the amount the Tribe paid to buy it. To legally qualify for trust status for gaming, the Tribe must purchase the land in Lansing where the proposed casino would be built. In fact, to secure trust status, the Tribe specifically must use interest from the Self Sufficiency Fund to buy the land, as stated in our federal Land Claim Settlement Act. If the Tribe’s application to place the land into trust does not succeed, the City of Lansing has agreed to buy the land back from the Tribe for the original purchase price. Bottom line: the Tribe will not lose money on the land purchase. The first parcel of land in Lansing will cost \$280,000. The second and final parcel will cost \$960,000.

Elder checks from the Self Sufficiency Fund will continue without interruption and will not be affected by the purchase of the land in Lansing. Before we close on the purchase of the land, funds will be secured and deposited into the Self Sufficiency Fund to protect the elder checks.

The Tribe needs the additional revenue Lansing will provide!

Please get the facts before you vote – visit our website at [saulttribe.com](http://saulttribe.com) and click on the red “Lansing Facts” button or talk with your unit representative. Vote YES on the Lansing Casino Referendum!

APRIL 18, 2012

## Did you know.....facts about Kewadin Lansing

The Sault Tribe Board of Directors is committed to providing tribal members with complete and accurate information about the Tribe’s proposed Kewadin Lansing casino.

**Facts:**

***Wage parity for all Kewadin Casinos.*** In the resolution the Board of Directors passed allowing the tribe to move forward on the Lansing project, the Board required parity in wages for all Kewadin employees if the Lansing casino opens. What does this mean? It means wages for all Kewadin jobs will be comparable. Wages for job positions at all Kewadin Casinos in the U.P and Lansing will be similar.

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**All Lansing casino revenues will go to tribal member programs and services, and to pay down debt.** It is estimated that the proposed Lansing casino will generate an operating profit of about \$150 million per year, based on revenues of \$275 million. The Board has specified that:

- 10 percent of the annual income the Tribe receives from the project will go directly into the Tribe's Self Sufficiency Fund, also known as the Lands Claim Settlement. These funds will enhance elder tribal checks at the end of the year.
- 3 percent of the annual revenues will be distributed among and deposited in the following funds: the Elder Health Self-Sufficiency Fund, the Elder Employment Self-Sufficiency Fund, the Funeral Assistance Self-Sufficiency fund, and the Education Assistance Self-Sufficiency Fund.
- 2 percent of the annual income to the Tribe from this project will be deposited into a fund to establish a college scholarship program for tribal members regardless of blood quantum.
- Remaining revenues will be used to pay off debt, to restore and improve employee benefits (401K), for other members programs and services, and to strengthen the Tribe's bank accounts and overall financial position.

We NEED the additional revenue Lansing will provide.

Please get the facts before you vote – visit our website at [saultribe.com](http://saultribe.com) and click on the red “Lansing Facts” button or talk with your unit representative. Vote YES on the Lansing Casino Referendum!

APRIL 13, 2012

## Joe Eitrem interview: part 2

Here is the second part of our sit-down interview with Tribal Chairman Joe Eitrem. If you missed it, [here is part 1 of the interview.](#)

**Will tribal members be able to work at the casino?**



Follow

**How would you like to see tribal members vote on the casino?**



APRIL 6, 2012

## Joe Eitrem interview: Part 1

We recently sat down with Chairman Joe Eitrem to discuss the Lansing casino project. Here is part 1 of our interview — check back in the coming days for the rest!

**How will the Lansing casino benefit tribal members?**



**How will the Lansing project differ from Greektown?**

Follow

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**How will the tribe use revenues from the Lansing casino?**



**How have you provided accurate information to tribal members about the casino project?**

Follow





MARCH 27, 2012

## Employee meetings

In early April, Chairman Joe Eitrem will be traveling to each Kewadin casino to meet with staff to discuss various questions regarding the Lansing casino project, the upcoming referendum, and any other questions staff may have.

Managers, please make every effort to allow all employees (casino and governmental) time to attend these meetings if they choose.

Meeting schedule:

April 11: Manistique Team Spirits Bar, 10 a.m. -12 p.m.

April 11: Christmas Casino Meeting Room, 3 -5 p.m.

April 12: Sault, Whitefish Point Room IO a.m. -12 p.m., 4 -6 p.m.

April 13: St. Ignace 10 -12

April 13: Hessel, Tent 2 -3

If you have any questions, please contact Sheri Wallis at ext. 26332. Thank you!

MARCH 27, 2012

## Sault Tribe holds Detroit-area informational meetings

Sault Tribe members are invited to informational meetings on the Referendum Election concerning the Lansing Casino Project. Two meetings will be held at the Detroit American Indian Center, 22720 Plymouth Rd. in Redford, Mich., on:

- Wednesday, April 4, 6 – 8 p.m.
- Thursday, April 5, 9 – 11 a.m.

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Sault Tribe's chairman, Joe Eitrem, as well as Sault Tribe board representatives, will be on hand to discuss the referendum election, and answer your questions about the referendum and the Kewadin Lansing Casino Project.

The Detroit American Indian Center is located on Plymouth Rd. .5 miles east of Telegraph Rd. For more information, call 1-800-793-0660, see saulttribe.com, or new blog lansingkewadin.wordpress.com.

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MARCH 20, 2012

## Joe Eitrem radio interview

	<p>LansingKewadin Joe Eitrem radio interview</p> <p style="text-align: right;">Share</p> <hr/> <p>110  </p>
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Chairman Eitrem speaks with Tom Ewing in a radio interview discussing the Kewadin Lansing casino project.

MARCH 20, 2012

## Lansing City Council's approval

[Lansing City Council's approval](#)

Today's State Journal story on the Lansing City Council's approval of the casino resolutions.

MARCH 20, 2012

## Sault Tribe Members to Vote on Lansing Casino Project

Sault Tribe's registered voters will soon find in their mailboxes a referendum election ballot to either approve, or disapprove, the tribe's proposed Lansingcasino.

Ballots will be mailed to all registered tribal voters on April 12. Tribal voters must complete their ballot and return it by May 3, 2012, when the vote count will take place. The election will cost roughly \$30,000.

The election was called for by a referendum petition signed by 106 tribal members. The referendum petition regarding Resolution 2012-11: *Approval of Comprehensive Development Agreement with the City of Lansing, Michigan; Authorization to purchase land in Lansing, Michigan using income from the Land Settlement Trust Settlement Trust Fund; Approval of Intergovernmental Agreement with the City of Lansing*, was accepted by the board March 13, 2012. The resolution puts in action steps for the tribe to pursue a casino in the City of Lansing.

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The ballot asks tribal members to choose whether to approve or not approve board of director's resolution.

The ballot language is as follows:

*EXPLANATION: On January 24, 2012 The Board of Directors approved Resolution 2012-11 which allows the Tribe to try to open a casino in the City of Lansing. The Resolution authorizes and directs as follows:*

- *The Tribe may purchase property in the City of Lansing and the Tribe would try to open a tribal casino on the property;*
- *The City of Lansing will receive "limited revenue sharing payments" in exchange for its support and for providing police, fire and utility services;*
- *The Tribe will allow the City of Lansing to enforce the above in Federal court'*
- *Money from the Self Sufficiency Fund will be used to purchase the property;*
- *The amount of money available to fund the next annual elder distributions will not decrease;*
- *And 15% of the Tribe's profit will be set aside for the various elder programs and for a college scholarship program.*

*If you believe the project should move forward VOTE TO APPROVE. If you believe the project should not move forward, VOTE TO DISAPPROVE.*

Sault Tribe Chairman Joe Eitrem stressed the importance of this vote. "This is an extremely significant vote," Eitrem said. "This could be the source of funds we so desperately need to fully fund and restore membership programs that we have had to cut, to replenish the Self Sufficiency Fund, to pay down our debt, and to bring more services to members."

Eitrem said he believes tribal members will understand the opportunity that this project presents and will strongly support it. "Members need to be sure they understand the facts about this project," he said. "They need to understand the Lansing project is not, in any way, like Greektown Casino. We are not interested in, and would strongly oppose, another Greektown Casino. The Lansing project is totally different. And if members have questions, I encourage them to contact me or any board member. You can also find accurate information about the project and the referendum on the website. There is a lot of incorrect information out there, and people need to know the facts."

Eitrem said in the next month, he and other board members will be holding additional meetings for tribal members in the U.P. and in the Detroit area. Members who have additional questions and want more information about the project will be encouraged to attend the meetings.

To date, Eitrem and the Tribe have held 23 informational meetings about the project with members across the U.P. and lower peninsula. Nearly 68 percent of the tribal members who have attended the 23 informational meetings filled out surveys saying they support the project after learning the facts about it.

MARCH 6, 2012

## Tribal Members may have opportunity to vote on Lansing Project

The Sault Ste. Marie Tribe of Chippewa Indians today held a special meeting to consider a referendum petition regarding the pursuit of a casino in the City of Lansing. Pending final validation of the referendum petition, tribal members may have the opportunity to vote on Resolution 2012-11, titled Approval of Comprehensive Development Agreement with the City of Lansing, Michigan; Authorization to purchase land in Lansing, Michigan using income from the Land Settlement Trust Settlement Trust Fund; Approval

of Intergovernmental Agreement with the City of Lansing, Michigan passed by the Sault Tribe Board of Directors on January 24, 2012. The agreements put in action steps for the Tribe to pursue a casino in the City of Lansing.

At a special meeting held today, the Tribal Board was presented with the referendum petition, which was deemed valid by the tribe's legal staff, office of the Executive Assistant to the Board, and the enrollment department. The board approved sending of the referendum to tribal members for a vote pending a review and concurrence by the board Secretary as stated in the Tribal Code.

A total of 170 signatures were collected, with a total of 106 preliminarily deemed valid. Language on the ballot is yet to be determined as it is set by the tribe's Election Committee. Per Tribal Code, the process of sending and announcing results must take no more than 60 days from the day the Tribal Board approves the referendum.

"This is an extremely significant vote that could go out to our people," said Tribal Chairman Joe Eitrem. "It could be devastating to the tribe if members vote against it. This casino project is unique – it allows us to establish a cash flow to our tribe with insignificant risk on our end, developers who are fronting the costs of the project, and a very willing partner in the City of Lansing."

Eitrem said that he believes the Tribe's members will understand the opportunity that this project presents and will strongly support it, as many did in recent community meetings. "Sixty eight percent of those attending informational meetings on the proposed Lansing casino project said they support the proposal," said Eitrem. This was according to surveys filled out by Sault Tribe members, employees and some community members who were at the meetings which took place in February throughout Michigan.

If members vote to overturn Resolution 2012-11, the Board's approval of the development agreement with the City of Lansing and Lansing Future, LLC – the developers in this project – will be invalidated. "If this were to happen, we would have to reconvene with all parties and determine how best to proceed," said Chairman Eitrem.

If members vote yes on the ballot – to approve Resolution 2012-11, the Board's approval of the project will remain in effect.

MARCH 2, 2012

## Tribal members get the facts at community meetings; 68% of those surveyed support project

Sixty eight percent of those attending informational meetings on the proposed Lansing casino project held across the state in the past five weeks said they support the proposal, according to surveys filled out by Sault Tribe members, employees and some community members who were at the meetings.

The Tribe held 19 informational meetings across the state between Jan. 31 and Feb. 29 for members to learn more about the proposed Lansing casino.

Sault Tribe Chairman Joe Eitrem, who attended all of the meetings, said Tribal members asked many "good and tough questions" about the project. Meetings were held in Sault Ste. Marie, Munising, Marquette, Kinross, Midland, Lansing, Sugar Island, Brimley, St. Ignace, Dearborn, Escanaba, Newberry, Cheboygan, Grand Rapids, and Hessel. One more meeting is scheduled for Mar. 8 in Naubinway.

"We are grateful to all members who took the time to attend the informational meetings," Chairman Eitrem said. "Based on the surveys the members who attended filled out a questionnaire, most members said they support the project, some are opposed. We

Follow

received many good and tough questions from many members, who are right to be concerned and even skeptical about this type of project.”

Eitrem said the meetings were held to make sure tribal members understand that “the Lansing casino is not another Greektown Casino, and that the Tribe assumes no financial risks for the project unless and until it is approved by the federal government.”

“There is really no comparison between the Lansing casino project and what the Tribe went through in Greektown,” Eitrem said. “We have no financial risks in Lansing until the land is taken into trust, while in Greektown we assumed all of the financial risks before, during and after. If we succeed, the Tribe will be 100 percent owners and managers. The casino will be regulated by the Kewadin Casino Gaming Authority and National Indian Gaming commission, not the state of Michigan. We will pay 2.5 percent to the City of Lansing, versus paying nearly 30 percent in taxes and fees to the state, city of Detroit, and Gaming Control Board. Most tribal members who thought Lansing might be another Greektown came away from the meetings understanding Lansing could not be more different, I believe.”

If the plan moves forward, 10 percent of the annual income the Tribe receives from the project will go directly into the Tribe's Self Sufficiency Fund. This fund supports programs and services that benefit elders and provides resources to explore future economic development opportunities.

Another 3 percent of the annual revenues will be distributed among and deposited in the following funds: the Elder Health Self-Sufficiency Fund, the Elder Employment Self-Sufficiency Fund, the Funeral Assistance Self-Sufficiency fund, and the Education Assistance Self-Sufficiency Fund.

Another 2 percent of the annual income to the Tribe from this project will be deposited into a fund to establish a college scholarship program for tribal members regardless of blood quantum, similar to what the City of Lansing is doing with its 2 percent.

“Many people asked questions about what we are going to do with the money we receive from this casino,” said Eitrem. “We have earmarked, by resolution, where 15 percent of the annual income from Lansing will go. The rest of the annual income we receive will be used to reinstate membership services that we have had to cut over the years due to budget constraints.” Eitrem noted that the board also hopes to create new membership services, to bring parity in wages to employees in the seven-county service area, pay off debt and allow for upgrades and renovations at the five northern Kewadin Casinos with income from this project.

While not a scientific sample of the opinions of tribal members, the surveys filled out by members who attended the information meetings indicate a good understanding of the project, Eitrem said. An average of 14 people attended each meeting, 279 total for all meetings. Over 65 percent of those attending support the project.

“After what we went through in Greektown, I and all of the board members were absolutely against getting into another Greektown,” Eitrem said. “Lansing is not another Greektown, and I believe most of the members who attended the informational meetings now understand that, too.”

FEBRUARY 29, 2012

## Meeting Rescheduled

Due to inclement weather, the membership meeting scheduled for tonight in Naubinway has been canceled. The meeting has been rescheduled for Thursday Mar. 8 at 6 p.m. in the same location.

Follow

Thank you to everyone who has attended our meetings throughout the month of February to learn more about Kewadin Lansing!

FEBRUARY 20, 2012

## Comprehensive Development Agreement & Resolution

Many people are asking for a more detailed look at the Comprehensive Development Agreement (CDA) between the Sault Ste. Marie Tribe, the City of Lansing, the Lansing Economic Development Corporation & Lansing Future LLC.

Click below to read the document:

[Comprehensive Development Agreement](#)

Resolution 2012-11, titled Approval of Comprehensive Development Agreement with the City of Lansing, Michigan; Authorization to purchase land in Lansing, Michigan using income from the Land Settlement Trust Settlement Trust Fund; Approval of Intergovernmental Agreement with the City of Lansing, Michigan was passed by the Sault Tribe Board of Directors on January 24, 2012.

Click below to read the document:

[Resolution 2012-11, Sault Tribe Board of Directors](#)

An intergovernmental agreement between the Sault Tribe and the City of Lansing must also be entered into.

Click below to read the document:

[Sault Tribe – City of Lansing Intergovernmental Agreement](#)

Kewadin Casinos Gaming Authority passed resolution 2012-01, Approval of Comprehensive Development Agreement with the City of Lansing, Michigan.

Click below to read the document:

[Kewadin Gaming Authority Resolution 2012-01: Approval of CDA with City of Lansing](#)

FEBRUARY 3, 2012

## Expert: casinos don't cause increase in crime

David Holecek, a Michigan State University professor emeritus and expert on tourism and entertainment industries, was interviewed by WKAR in East Lansing on the Sault Tribe's plan to build a new casino in Lansing. Holecek conducted a study on the three Detroit casinos when they opened, and was surprised to find that crime actually decreased.

[Listen to the entire interview here.](#)

FEBRUARY 3, 2012

## Kewadin Lansing: Meetings scheduled in lower Michigan

Feb. 19-26, Tribal Board members are traveling to five locations in lower Michigan to meet with Tribal members: [Follow](#)

**Cheboygan**

Feb. 19, 1-3 p.m., Inverness Township Hall, 734 VFW Rd., Cheboygan

**Midland**

Feb. 23, 6-8 p.m., Grace Dow Memorial Library, W. St. 1710 Andrews, Midland

**Grand Rapids**

Feb. 25, 10 a.m.-12 p.m., CrossRoads Conference Ctr, 6569 Clay Ave. SW

**Lansing-Okemos**

Feb. 25, 4-6 p.m., Nokomis Learning Ctr., 5153 Marsh Rd., Okemos

**Detroit-Dearborn**

Feb. 26, 12-2 p.m., Hyatt Regency Dearborn, 600 Town Center Dr.

Tribal members! Please join us at a meeting near you.

FEBRUARY 1, 2012

## Potential Cash Flow

**Potential profits from Kewadin Lansing**

10% of the annual income the Tribe receives from the project will go directly into the Tribe's Self Sufficiency Fund. This fund supports programs and services that benefit elders and provides resources to explore future economic development opportunities. Another 3% of the annual revenues will be distributed among and deposited in the following funds: the Elder Health Self-Sufficiency Fund, the Elder Employment Self-Sufficiency Fund, the Funeral Assistance Self-Sufficiency fund, and the Education Assistance Self-Sufficiency Fund. Another 2% of the annual income to the Tribe from this project will be deposited into a fund to establish a college scholarship program for tribal members regardless of blood quantum, similar to what the City of Lansing is doing with their 2%.

Potential cash flow to the Sault Tribe for the first seven years the Lansing Casino will be in operation are projected as follows:

Year 1: \$41 million

Year 2: \$44 million

Year 3: \$47 million

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Year 4: \$50 million

Year 5: \$53 million

Year 6: \$58.5 million

Year 7: \$61.5 million

After year seven, \$115 million

*\*\*These are projected numbers\*\**

FEBRUARY 1, 2012

## Community Meetings

Members of the Sault Tribe Board of Directors will be hosting meetings throughout Michigan to answer any questions for tribal members and the community. We'll also have a hand out available: [Kewadin Lansing Casino: More Information For You](#)

The schedule is as follows:

Feb. 1: 11:30 a.m. & 6 p.m. at Nokomis/Mishomis Place, Sault Ste. Marie

Feb. 2: 2 p.m. at Munising Tribal Center, Munising

Feb. 2: 5 p.m. at Marquette Holiday Inn, Marquette

Feb. 3: 6 p.m. at Kewadin Casinos, Sault Ste. Marie

Feb. 7: 6 p.m. at the school, Kincheloe/Kinross

Feb. 9: 7 p.m. at the community center, Sugar Island

Feb. 10: 6 p.m. at Willabees restaurant, Brimley

Feb 8: 6 p.m. at Manistique Tribal Center, Manistique

Feb. 13: 6 p.m. at McCann School, St. Ignace

Feb. 16: 7 p.m. at the Willow Creek Building, Escanaba

Feb. 17: 1 p.m. at Tribal Community Center immediately after the monthly Elder committee, Newberry

Feb. 20: 1 p.m. at Tribal Center immediately after the noon meal, Hessel

Feb. 29: 7:30 p.m. at community center after elder meal, Naubinway

FEBRUARY 1, 2012

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## Question & Answers

*When did the Tribe begin talks with Lansing for a casino?*

This project has been in the works for over a year. When we began talking with the City of Lansing about this opportunity, both of us signed a confidentiality agreement. This was in the best interest of the Tribe and the City in order to protect the project.

*How much money does the Tribe currently have into the project?*

Right now, the Sault Tribe does not have any money into the project. The developer, Lansing Future, has a pre-development budget of \$5 million and a temporary casino budget of \$5 million, none of which is the Tribe's money.

*How much will the Sault Tribe spend on the project?*

The developer will cover all upfront costs. The specific details are contained in a Turnkey Development Agreement entered into by the Sault Tribe and the developer. In general, the developer has agreed to provide funds for all costs and predevelopment expenses. This includes any legal fees incurred by the Tribe, as well as the costs associated with establishing our legal right to conduct gaming and constructing and opening the temporary casino. Assuming we are successful in establishing our legal right to conduct gaming, the developer will then assist the Tribe in obtaining the necessary financing for the permanent casino.

*So, the Tribe will never put any money into this project?*

No. In order to put the land into trust which will qualify it for gaming, the Tribe must purchase the land with interest out of the Self Sufficiency Fund as stated in the Lands Claim Settlement Act. The first parcel of land we need to purchase will be \$280,000. Prior to signing on the transfer of land, funds will be secured in order to provide our elders with their annual check in the amount that it would be if that money had not been used. There is a second parcel of land that will need to be purchased after the land is taken into trust, and that purchase price will be \$960,000.

*How is this project different that Greektown Casino?*

This project is far different. This casino, unlike Greektown, will be operated just like our five Kewadin Casinos up North. We will be regulated by the National Indian Gaming Commission, not the Michigan Gaming Control Board. We will not pay the high taxes the Detroit casinos pay. Greektown at times paid nearly 30% in taxes to the city and state. Now they pay 20.2%. Greektown casino also had to pay an annual \$8 million regulatory fee to the Michigan Gaming Control Board. We will not have these payments in Lansing and we will have far less debt than Greektown did. The situation is different, the partners are different, and the regulation is different.

*What will the Tribe pay to this developer?*

The Tribe will pay a developer fee of 14% of operating profit (after payment of expenses, but before debt) for seven years. After seven years of operation, we will not owe the developer anything. We are estimating our operating profit to be \$150 million per year, based on revenues of \$275 million. In addition, the Tribe would be responsible to repay the developer up to \$10 million in initial legal and start-up costs but only if the project is successful. We would not be where we are today with out the developer putting his money into this project.

*When do you expect to break ground on construction?*

By early summer, we expect to complete our purchase of the initial parcel and submit our application to the federal government (U.S. Department of the Interior) to place the land into trust. Because the Tribe's Land Claim Settlement Act gives us the absolute right to this process, we expect a prompt and favorable determination. We recognize, however, that legal challenges are likely to occur that may slow the approval process. Groundbreaking will occur, and construction will commence, once we have those approvals.

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*Who else is helping to fund the project, what is their financial contribution, and what do they own?*

Other than Lansing Future, no party is providing funding for the project. The casino will be 100% owned by the Sault Tribe. Lansing Future will not own any portion of the casino. Under its agreement with the Tribe, Lansing Future will recover its initial costs only if the project is successful. Assuming the project is successful, Lansing Future will then also receive a fee paid for a limited period of time as a percentage of operating profits and paid only after expenses of the casino have been satisfied. When the Tribe is ready to construct the permanent casino the developer will help the tribe to secure financing, probably through an investment bank or similar investor that specializes in funding these types of large projects. This institutional investor will serve strictly as a lender and will not be an owner.

JANUARY 30, 2012

## Welcome to the Lansing Kewadin Casino blog

You've no doubt heard the news: On Jan. 19, 2012, the Sault Tribe of Chippewa Indians announced plans to build a new casino in Michigan's capital city — Lansing.

This new casino is excellent news — both for Michigan and for the Sault tribe. It will create 1,500 permanent jobs at the property and more than 700 construction jobs. It generate about \$6 million or more a year in revenue sharing payments to the city of Lansing, enough to create the Lansing Promise to guarantee four-year college scholarships for every graduate of the Lansing School District who resides in the district.

Meanwhile, the Tribe will use the casino revenues to improve programs and services to members, including health care, education, housing, elder care, social services, and more. In addition, 10 percent of the revenues will be deposited into the Tribe's Self Sufficiency Fund that benefits elders and future investments.

But with the opening of a new casino comes many questions. That's why we've launched this blog — to answer any questions you may have to the best of our ability. Check back regularly for the latest updates about the casino — you can also sign up to receive a notice every time the blog is updated by using the "follow" link to the right.

This blog is owned and operated by the Sault Tribe of Chippewa Indians.

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