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Tribe proposes a casino in Garden Grove

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Even in a city that has entertained the most improbable of dreams, the latest plan to woo tourists and big bucks to Garden Grove is off the charts.

An Indian tribe has formally proposed building a Las Vegas-style casino complex just up the road from Disneyland in the latest and far and away most lavish plan for making Garden Grove a

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tourist destination.

The Gabrielino-Tongva Tribe's proposal calls for two opulent casinos housing 7,500 slot machines, two upscale hotels, a 10,000-seat stadium and — the topper — a promise of a col-

lege scholarship for every high school graduate in Garden Grove.

The plan, submitted to the city this week, also promises \$5.1 billion to the city over 30 years, payment of \$100 million for infrastructure improvements within the city and nearly 10,000 permanent jobs.

"Everybody knows Disneyland is a huge tourist attraction and so are big Indian casinos," said Jonathan Stein, who identi-

fies himself as the CEO of the tribe. "Casinos just generate gobs and gobs of money, and everyone is going to benefit from this."

But extravagant dreams have come in for hard landings before in this central Orange County city, which longs for identity and revenue but has grown weary of some of the dreamy pitches.

This is the second time city officials have eyed what would be [See *Casino*, Page B9]

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Tribe seeks casino in Garden Grove

[Casino, from Page B1]

Orange County's first casino. The Gabrielino proposal is already much further along than the city's first roll of the dice when it had brief discussions with a San Diego County tribe about developing a casino with Las Vegas heavyweight Steve Wynn.

A casino is one of several grand plans that have been floated in Garden Grove. One developer proposed a Latino theme park, another pitched a replica of London Bridge across a fake river, and Middle Eastern investors wanted to build a museum dedicated to the late King Hussein of Jordan.

All failed, and the newest casino plan already has plenty of skeptics, including one from within the tribe itself. Frank Cardenas, an attorney for another faction of the splintered Southern California tribe, called the casino plan "classic extravagance on the part of Mr. Stein."

"History suggests this is a man who is all hat and no cattle," said Cardenas, whose faction is battling in court with Stein's group for leadership.

There are an estimated 2,000 Gabrielinos in Southern California, but the tribe has yet to achieve federal recognition, which could complicate or doom its efforts to build a casino.

Stein said he had discussed a casino with Inglewood officials but would prefer Garden Grove because of its proximity to Disneyland and the lack of competition nearby.

"This is a nonstarter," said Cheryl Schmit, director of Stand Up for California, a nonprofit tribal gambling watchdog. "There are some major legal hurdles to clear."

Because the Gabrielinos have no federal land, Schmit said, the tribe would have to promote a statewide ballot measure allowing state-recognized tribes to build casinos.

But Stein says the tribe can open a casino in Garden Grove with passage of a "Gabrielino Gaming bill" in the Legislature and a negotiated compact with Gov. Arnold Schwarzenegger.

Assemblyman Jose Solorio (D-Santa Ana) has been approached by Stein to help write such a bill and said he was considering it.

"I would caution the city of Garden Grove and the Gabrielino-Tongva tribe to proceed cautiously on this venture," he said. "Many people in central Orange County have major questions about the impact of a casino in their community."

Former Garden Grove Councilman Harry Krebs has supported a casino in Garden Grove.

But Krebs, now vice chairman of the city's chamber of commerce, said he was skeptical of the plan after meeting with Stein.

"It's an elaborate scheme," Krebs said. "They own no land and they have no money. We've got to be very careful about this whole thing."

But Stein called financing the proposal a "siam dunk" and said the tribe had been "eagerly solicited" by Bear Stearns, Merrill Lynch, Bank of America Securities, JP Morgan Chase and others. City officials said the casino proposal will be among several others vying for development rights to a 40-acre parcel on Harbor Boulevard, land owned in part by the city.

Stein said he expected his project to be the most financially appealing to city officials.

He said the enterprise would generate a \$78-million annual payment to the city that would come from 5% of the slot machine revenues. Part of that payment would be mandated to reduce residential property taxes, sewer and water rates, he said.

As part of a revenue-sharing

plan with surrounding cities and government agencies, the plan pledges additional amounts up to \$46 million annually to be divided among Westminster, Anaheim, Santa Ana, the county, the Orange County Transportation Authority and the Garden Grove Unified School District.

The scholarship fund, which the proposal says could offer each Garden Grove graduate up to \$2,500 annually for up to four years, would be generated by slot machine revenues.

Chet Yoshizaki, the city's economic development director, said council members were expected to view all the proposals for the site within a few weeks and narrow the field.

Councilman Mark Rosen said that before the casino was considered as a "serious proposal" it would have to go on the ballot.

"You need that statement by the voters to show the state or the county this is not just a couple council people pushing this," he said. "It lends the proposal credibility."

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