



Staff Report

Agenda Item: **PROPOSITION 202 GAMING REVENUES DISTRIBUTED BY THE YAVAPAI-APACHE NATION** – Discussion and direction to staff on the Town’s priorities for Proposition 202 funding requests to the Yavapai-Apache Nation.

Staff Contact: Gayle Mabery, Town Manager

Meeting Date: December 14, 2010

Background: Proposition 202, passed by Arizona voters in 2002, specifies various guidelines for new gaming compacts between the State of Arizona and the respective Indian tribal nations in the state. A key provision of Proposition 202 is the sharing of gaming revenue with the state. The stipulations for gaming compacts also permit each individual Indian tribe to retain and administer a portion of the revenue.

Specifically, the compacts permit an Indian tribe to make 12% of its total annual contribution to “cities, towns, or counties for government services that benefit the general public, including public safety, mitigation of the impacts of gaming, or promotion of commerce and economic development.” These provisions were included in the legislation in recognition that communities that are in close proximity to gaming activities are impacted by those activities, and local Tribe’s should have an opportunity to help offset those impacts.

In October, 2009, the Yavapai-Apache Nation requested the Town of Clarkdale to submit a proposal to them identifying the Town’s priorities for funding for the 2009 Proposition 202 distributions. At the October 27, 2009 meeting, the Town Council identified three items for the Nation’s consideration, noting that funding for any of these items would be extremely beneficial for Clarkdale’s citizens:

- Funding for a Clarkdale Sustainability Park Planning Coordinator
- Operating Expenses for the Clarkdale Swimming Pool
- Police Department Patrol Vehicle

The Nation distributed \$10,000 to the Town of Clarkdale in 2009 for the purchase of a new police vehicle. Those funds have been set aside to be used when the Town has the funds to fully cover the \$34,000 cost of a vehicle. The Town used the 2008 distribution of \$14,542 for improvements to the Clark Memorial Library and expansion of its programs.

On November 17th, the Yavapai-Apache Nation notified the Town that they were in the process of preparing for the distribution of the Prop. 202 Revenue Sharing and were doing it differently this year. The newly elected Chairman David Kwait requested that the Town of Clarkdale turn in their proposals by December 31st and then the YAN Council would be reviewing them. The

checks have to be mailed out by January 31st, so the YAN Council will be making their decision by then.

The staff developed a short list of projects that can be considered in addition to any projects that the Council has identified:

- Sponsorship for the Clarkdale Swimming Pool
- Xeriscape/Landscape and Hardscape Improvements in front of Clark Memorial Clubhouse as an Arizona and Clarkdale Centennial Project
- Energy Conservation or Renewable Energy Projects on Town Facilities

The Yavapai Apache Nation is not required to distribute funds to any specific community, and have not identified the amount of funding available. Recent distributions to Clarkdale have been in the \$10-15,000 range.

Recommendation: Staff is seeking direction from Council as to their priorities for the request of Proposition 202 funds.