

STEP Wins Major Approval

Fed's OK Spokane Tribe Economic Project With 5,000 Jobs

June 15, 2015 – The Department of the Interior today announced approval of the Spokane Tribe Economic Project (STEP), a landmark decision in the decades-long effort to bring economic development to the West Plains.

In a letter addressed to Gov. Inslee, Assistant Secretary for Indian Affairs Kevin Washburn detailed how the Interior Department reached its decision.

“In our work, we have carefully considered the views of local municipalities and other residents,” wrote Washburn. “Critical in our determination is weighing the creation of employment opportunities by the project . . . The Spokane Tribe's proposed project would create jobs and increase tribal public service programs on the Spokane Reservation.”

The Interior Department ultimately determined that Spokane’s proposal “is in the best interest of the Spokane Tribe and its members and is not detrimental to the surrounding community.”

Under the Indian Gaming Regulatory Act, tribes may build gaming operations on their land if the Interior Department – after consultation with community leaders, local businesses and manufacturers, military installations and other tribes – determines that a) the gaming establishment is in the best interest of the tribe, and b) not detrimental to the community.

STEP, according to Washburn, passed both tests. Gov. Inslee must concur with Interior’s positive analysis before STEP can break ground.

The 2006 compact signed between the Spokane Tribe and State of Washington required the Governor to “deliberate and act in good faith in making any concurrence decision” regarding the Spokane’s proposed casino project on the West Plains. The language is unique to any other tribe in the nation, and was intended to ensure that future governors based their decisions on actual facts instead of political considerations.

“After all our efforts, it’s incredibly gratifying to receive the Interior Department’s approval,” said Spokane Tribal Council Chairman Rudy Peone. “We want to create jobs and economic opportunity for our tribe and the entire community. We are excited to present STEP to Gov. Inslee and hope he agrees with Interior’s lengthy analysis and conclusion.”

“More than 100 years ago, a battle between the Spokane Tribe and U.S. Army raged across the West Plains. Now, we have the opportunity to write a new chapter in our shared history, on the same acres of land. Where once we fought, now we can join together to build better lives for both our peoples,” said Carol Evans, vice chair of the Spokane Tribal Council.

Located immediately northwest of the intersection of U.S. Highway 2 and Craig Road, [STEP](#) would transform 145 acres of vacant land into a world-class resort casino, mid-rise hotel, parking structure, lifestyle retail center, commercial facilities, Tribal cultural center, and Tribal police and fire station.

In February 2013, the Bureau of Indian Affairs published the [Final Environmental Impact Statement](#) (FEIS), a multi-volume study that determined STEP would:

- Create more than 5,000 construction-related and permanent jobs in Spokane County.
- Invest \$400 million into Spokane County.
- Generate “substantial” revenues for a variety of businesses.
- Generate \$6.6 million in one-time state/county/local taxes, and \$4.7 million state/county/local taxes annually.
- Have no negative effect on existing and future operations of Fairchild Air Force Base.

“We have been waiting for this day for years. Our people are ready to get to work to build one of the finest entertainment and retail projects in the Inland Northwest,” said Mike Foley, president of the Northeastern Washington-Northern Idaho Building and Construction Trades Council.

“We have stood with the Spokane Tribe as they successfully passed hurdle after hurdle, doing all the right things to make STEP a reality,” said Don Barbieri, former Chairman and CEO of Red Lion Hotels, and Sharon Smith, Trustee of the Smith-Barbieri Progressive Fund, a charitable foundation. “This project has been reviewed, scrutinized and analyzed. There is one more decision to be made. We look forward to telling Gov. Inslee and his staff why we support STEP, and why it’s in the best interest of the region and the state.”

Supporters of STEP include Patrick Rushing, mayor of Airway Heights, Spokane City Council President Ben Stuckart and thousands of community members who belong to Friends of STEP.

Last year, Stuckart spoke to former Assistant Secretary of the Air Force Terry Yonkers, who was involved in reviewing the casino project from 2010 to 2013. Yonkers said the Air Force analysis of STEP showed “the risks were low and presented an insignificant disruption to the Fairchild flying mission.”

In its own [documents](#), the Air Force repeatedly stated STEP was “compatible” with the base, and thanked the Tribe for their good relationship: “The USAF appreciates the current and past coordination efforts with the Spokane Tribe and the involvement of the Spokane Tribe in the environmental impact analysis process for this project.”

As Washburn explained in today's decision: "The Department worked with the Spokane Tribe and the United States Air Force to establish procedures to mitigate any potential encroachment and to ensure that the base will operate undisturbed."

"We have answered every question and met every challenge," said Peone. "We are now in the final inning. We are excited to make our case to the Governor. We are ready to move forward."

The Spokane Tribe indicated its interest in building a casino/entertainment complex on the West Plains back in 1996, when the Kalispel Tribe sought trust land to build their own casino in Airway Heights, far away from the Kalispel's ancestral lands.

The Kalispel Tribe is the only tribe in the nation to open a gaming facility in another tribe's aboriginal territory via the Interior Department's "Two-Part Determination" process. The Spokane Tribe was concerned but never filed a legal challenge despite suffering from sharply reduced revenues from its smaller gaming operations. Instead, the Tribe reserved the right to pursue its own casino project.

Critically, Interior found that STEP "is within the aboriginal area of the Spokane Tribe . . . not within the aboriginal lands of the Kalispel Tribe."

"It would be deeply ironic to allow the Kalispel Tribe to develop a casino within the Spokane Tribe's aboriginal area, while denying the Spokane Tribe the opportunity to use its own aboriginal lands for the same purpose," Washburn explained.

As part of the environmental review process, independent studies determined that two casinos could survive and provide economic development on the West Plains.

Interior urged both the Kalispel and Spokane Tribes to explore how to collaborate to "increase the number of Indian people benefiting from gaming" in the West Plains, yet concluded that "[b]arring a compromise . . . both Tribes should have the opportunity to conduct gaming on trust lands to benefit their tribal communities."

"We have never been opposed to sitting with our relatives at Kalispel and exploring what can be worked out between us to benefit both of our Tribes and all of Eastern Washington," said Peone.

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