

Debra Vaca

From: Janet Johnson
Sent: Wednesday, June 18, 2008 10:21 AM
To: Kinshasa Curl; Tammi Edwards; Cheryl Gilmer; Charlotte Dennis; Pat Little; Pearl Hunter; Crystal Clark; Michael Williams; Alfred Ringgold; Natalia Lawrence; Patrick Lynch; Helen Nichols; Evelyn Craig; Jim Branch; James Goins; Arnold Grisham; Theresa Wilkerson; Terri Simon; Shanita Harris; Alan Wolken; Lalo Herrera; Charice Duckworth; Debra Vaca; Jene Levine-Snipes; Jennie Rowland
Subject: FW: In the News: Point Molate Casino Gets Fast-Track Status

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From: Jacqueline Vaca
Sent: Wednesday, June 18, 2008 9:54 AM
To: Jacqueline Vaca
Cc: Thomas Mills
Subject: In the News: Point Molate Casino Gets Fast-Track Status



Front Page News:

Point Molate Casino Gets Fast-Track Status

By Richard Brenneman - Thursday June 12, 2008

<http://www.berkeleydailyplanet.com/issue/2008-06-12/article/30235?headline=Point-Molate-Casino-Gets-Fast-Track-Status>



By Richard Brenneman

Casino developer James D. Levine listens as Navy officials describe their plans for an expedited handover of the Point Molate site where Levine and the Guidiville Band of Pomo hope to build a resort complex.

Reports of its death having been greatly exaggerated, Richmond's Point Molate casino is not only alive—it's being fast-tracked by state and federal agencies.

And the tribal venture is being bankrolled, says developer James D. Levine, with the cash of another tribe, already rich from their own gambling venture.

While the speed-up specifically involves completing the handover of the former U.S. Navy fueling station—with the help of the Navy and the state Regional Water Quality Control Board—the Bureau of Indian Affairs is also pushing forward on a key document needed to transform the site into a tribal reservation.

Levine, the environmental consulting expert turned would-be gambling magnate, says the billion-dollar casino, resort and condo complex constitutes the greenest project ever erected in California.

The waterfront development had stalled after Levine's initial financial backer, the Nevada-based Harrah's Entertainment, pulled out more than a year ago, but the Berkeley developer said he's ready with plans for a five-star resort on the Richmond shoreline near the foot of the Richmond–San Rafael Bridge

Levine announced the latest news at Wednesday night's meeting of the Restoration Advisory Board (RAB), a joint Navy/citizen committee that has conducted nearly 100 meetings since it was first formed 12 years ago, said public representative and co-chair Don Gosney.

While the largest portions of the base—218 acres—were transferred to the City of

Richmond in September 2003, four parcels remain under Navy jurisdiction because hazardous waste clean-ups weren't completed.

Normally, under terms of the federal base-closure law, the Navy would have retained ownership until the site was rendered legally safe, but in rare instances, a Finding Suitability for Early Transfer [FOSET] allows for early handover. Under terms of the FOSET, cleanup would continue under the supervision of the state water board, with Levine and his partners providing insurance that would guarantee satisfactory completion, the developer said.

The draft FOSET will be made public Tuesday, when a 30-day public comment period will begin. Also starting in June, the water board will begin preparing its own cleanup order, which will accompany the handover.

If all goes well, the Navy could transfer the remaining land to the city in December, which would then complete the transfer by passing it on to the developer and the ultimate owner, the Guidiville Rancheria Pomos.

Sometime in December, the whole package—including the FOSET, a water board cleanup order, land-use restrictions and a quitclaim deed—will go to Gov. Arnold Schwarzenegger, whose signature is required before the transfer can occur, said Navy Remedial Project Manager Derek Robinson.

"We are going to try to get the governor to sign as soon as possible," Robinson said, adding that Schwarzenegger's office "has been handling it quicker than they're used to."

When RAB member Arnie Kasindorf asked what would happen if the governor refused to sign, Levine said that objections could be raised with the chief executive's staff and with the staff of the California Environment Protection Agency (EPA) to resolve potential problems before the documents hit Schwarzenegger's desk.

Any likely objections, he said, "are all fixable."

"You guys are going to get it all ship-shape," Robinson added.

The FOSET covers 41.1 acres that the Navy deems "suitable for early transfer with appropriate notices, covenants, easements, and restrictions," which are specified in the proposal.

Once finalized, the agreement will be included in the documents the regional water board sends Gov. Arnold Schwarzenegger along with the board's request to defer the normal requirement to complete site cleanup before the handover.

Along with the FOSET, Schwarzenegger will receive:

- The water board's tentative site cleanup order to the city and Levine's company;
- A land-use covenant between Levine's company, Upstream Point Molate, the city and the water board, barring any actions that would hamper the cleanup, and
- A draft deed, which will include restrictions specified in the other two documents.

New partner

Levine refused to offer any clues about his new tribal partner, which is veiled behind the corporate shield of Winehaven Partners, a limited liability corporation created in Delaware last Dec. 20 and registered to do business in California on April 21 from an address that traces back to Levine's Emeryville office.

Levine declined to identify the tribe or even to specify whether it was located in Southern California. The tribe must have deep pockets, because the project's price tag has doubled since 2005, when Levine cited a \$500 million figure.

"We're hoping Elton John will open" when the doors of the complex's entertainment venue is ready for business, Levine told the RAB.

Construction of the complex will be a gargantuan effort, including the removal of more than 1.5 million cubic yards of hillside to make way for a 5,000-space parking garage.

Plans call for 1,100 hotel rooms (each with a bay view), a 150,000-square-foot convention center, a business conference center, 300,000 square feet of top-flight retail outlets, outdoor cafes and a host of other entertaining and educational attractions, as well as a condo community crowned with photovoltaic panels and solar water heating.

"We want to provide the place where people celebrate everything important," he said.

Projections call for 15,000 visitors a day to the Las Vegas-style casino (everything but craps and wheels of fortune), and a bounty of cash creating "an economic engine that can fuel community projects on a scale never dreamed of before," Levine said.

The nationally designated historic building that was once the nation's largest winery will be restored in all its crenelated glory as the home of the casino and upscale dining, connected to the entertainment and hotel complex by a clear glass walkway to ensure that the building is clearly visible to one and all.

The project will also include buildings for the Guidivilles, including housing for all tribe members and a roundhouse located on the hilltop above the point.

Greenest yet

Levine promises the greenest casino ever to environmentalists, and the greenest-ever bounty to the community in the flow of a never-ending river of cash.

“We have started real planning with public agencies to create the most integrated multi-modal transit hub” in the region, said Levine.

In addition to its proximity to the bridge, the complex will have shuttle links to the Richmond BART station, a terminal for ferries powered by alternative fuels, tidal turbine energy generation, along with fuel cells and photovoltaics, a rock-based heat storage system and green building materials in all the tribal structures, he said.

“It’s an extraordinary project that will do extraordinary things for the city,” with the benefits “far outweighing” the social troubles that come with problem gambling, Levine said.

The meeting was no place for nay-sayers, and Levine’s promise that his resort “will throw off \$20 million and maybe more to the community” was met with smiles.

EIR, EIS, reservation

On a parallel track, the key document needed before the land can be turned into a Native American reservation is also moving into play, the long-delayed environmental review mandated by the Bureau of Indian Affairs (BIA).

Point Molate is seeking both a state-level environmental impact review (EIR) and a federal environmental impact statement (EIS), though only the latter is required by the BIA.

The draft documents will be released next month, followed by a public comment period, and then preparation of the final documents.

The final word on reservation status rests with the BIA.

The Guidivilles had been stripped of legal recognition five decades ago, and

creation of a new reservation allows the tribe to seek what could become the state's first metropolitan casino.

Any gambling agreement must be approved by the BIA, the National Indian Gaming Commission and the governor.

Just what sort of political opposition the project will encounter remains a question.

Both Democratic candidates for the state senate seat that represents Richmond have taken contributions from backers of casinos.

State Assemblymember Loni Hancock, who won the Democratic primary for state senator last week, has been a strong opponent of some urban casinos, but she accepted a \$3,000 campaign contribution on Dec. 18 from Levine's Upstream Point Molate LLC, the company developing the project.

Hancock was targeted by mailers funded by a coalition of gambling tribes. Her opponent, former Assemblymember Wilma Chan, has taken money from the tribe that operates Casino San Pablo.

While the Richmond City Council has enthusiastically embraced the project, Contra Costa County officialdom has been hostile.

Opposition mounts

One Richmond activist said she's concerned about the key role played in the cleanup by the water board.

Sherry Padgett of Bay Area Residents for Responsible Development played a leading role in the water board's surrender of cleanup control at another site linked to Levine, a former board employee who later went private as a principal of the firm that designed cleanup plans for the Zeneca and UC Berkeley Richmond Field Station sites.

Jurisdiction was assumed by the state Department of Toxic Substances Control (DTSC), which is staffed with scientists trained in toxicology—unlike the water board, which has none.

Both the Zeneca site, home to a century of chemical manufacturing, and the field station, home to a munitions factory and the place where wastes from the Zeneca site were later dumped, have yielded toxic hotspots undetected by the water board.

Padgett said the sped-up transfer of Point Molate "appears to be more hand-in-

glove work between Jim Levine and the water board, a process that happens behind doors closed to the public.”

Padgett said she was concerned that community members may be too distracted by ongoing problems with Chevron, Zeneca and the university-owned site to confront problems at Point Molate.

Two environmental groups are promising opposition of their own to the accelerated handover.

Sierra Club activist and attorney Norman La Force said his organization will oppose the FOSET and the draft EIR.

“We will do what we can to stop this project,” he said.

Robert Cheasty, president of Citizens for Eastshore State Park (CESP) and former Albany mayor, said “CESP is still committed to parkland and an open shoreline,” he said. “We look forward to the opportunity for continuous open shoreline at Point Molate.”

Chevron has opposed the casino from the start, and the city “walked away from their offer of \$80 million in coin of the realm and a real park with light industrial development,” Cheasty said. “I can’t believe they did that.”

The oil giant has opposed the casino project on grounds of security, stating that the site would be unsafe if there were a disaster at the refinery itself.

Levine ridiculed the latter notion during the RAB meeting, asking why the site was unsafe, since it was a refiner-designated evacuation route in the event of just such a disaster.

Some of the most formidable opposition may come from Mayor Gayle McLaughlin, a long time ally of Padgett’s efforts to tighten oversight at the other contaminated sites in the city.

“My position continues to be that we need a sustainable Point Molate, and a casino certainly isn’t going to bring the kinds of change we need,” McLaughlin said.

The mayor said that increases in crime, ranging from familial violence to drug abuse, robbery and prostitution follow in the wake of casino development.

“We need something that doesn’t simply transfer wealth from the have-nots to the haves,” she said, arguing that recreational and park facilities would better serve the community.

McLaughlin said that she also hopes for support from Assemblymember Loni

Hancock in her probable new role as state senator for the district. "Although she took campaign money from Upstream, I hope she will work with us as she has in the past," McLaughlin said.

The mayor said she will talk to Nancy Skinner, the Democrat who won the primary to replace Hancock in the Assembly.

Documents

The FOSET is available online at
http://www.bracpmo.navy.mil/bracbases/california/ptmolate/viewdocs.aspx?doc_cat=enviro_docs.

The document is also available for a first-hand look at both the Richmond Public Library, 325 Civic Center Plaza, and at the Richmond Redevelopment Agency's office in the temporary City Hall quarters at 1401 Marina Way South.