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August 11, 2006

The Honorable Orlando J. Cabrera
Assistant Secretary for Public and Indian Housing
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
451 - 7th Street, S. W.,
Washington, D. C. 20410

Re: *Enterprise Rancheria of Butte County - Request for
Deferral of Approval of HUD Funds for Land Acquisition.*

Dear Secretary Cabrera:

At the current time, a request for the approval of Indian Housing funds for land acquisition on behalf of the Estom Yumeka Maidu Tribe of the Enterprise Rancheria ("Tribe") is pending before your staff. There are serious questions about the manner in which this tribe has developed its proposed project, as well as strong indications that the intended use for the land to be acquired by HUD funding will be casino development and not Indian housing.

For the foregoing reasons, we respectfully request that any release of funds to the Tribe be deferred until Butte County can resolve the concerns raised by both county officials and residents owning land adjacent to the site to be acquired.

The County has been excluded from the entire process, and we can only assume that this was product of deliberate decisions of the tribal officials.

For example, the Tribe propounded an Environmental Assessment for this project in November 2005, but no copy was ever delivered to the County for review and comment. Similarly, the EA was reopened for comment in July, but the County was never notified. The only notification which has been described to us was a "notice in some newspaper" and that information was telephonically conveyed to one of our attorneys on August 10 in response to an inquiry to your Southwest Office of Native American Programs.

Moreover, there apparently is a land acquisition proposal which never was made available to the County for review and comment. Indeed, we learned of it only a few days ago, and then after residents of adjacent lands began raising questions. When tribal officials were questioned about the potential use of the land for gaming, the response was that it definitely "would not be used for gaming prior to being accepted into trust by the Secretary of the Interior." As you know, prior to

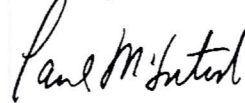
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trust acceptance, there must be clear disclosure of intentions to use land for gaming under the Indian Gaming Regulatory Act, 25 U.S.C. § 2701, *et seq.*, but several tribes have acquired land for housing purposes only to subsequently use that land as the site for a casino and not housing, including a tribe in this county which currently operates a casino on that land. With this experience and knowledge of the tribal officials' statement quote above, our concerns and need for additional time in which to work with the Tribe are understandable and justified.

We believe that we can work with the Tribe, but there must be an incentive for the Tribe to work with us. Only a deferral of the request for land acquisition funds pending a resolution of issues with the County will insure that (1) the Tribe will do so and (2) we can insure that the land will be used for the designated housing purpose consistent with applicable zoning and the County's General Plan.

By copy of this letter, we are advising our two Congressmen of its contents and requesting that they inform you of their reaction to this request. We believe that the Tribe will respond responsibly once it is clear that a comprehensive working relationship with the County needs to be defined and memorialized now. We appreciate your consideration of this letter.

Sincerely,



Paul McIntosh
Chief Administrative Officer

cc: Members, Board of Supervisors
The Honorable John Doolittle
The Honorable Wally Herger