

FINDING OF NO SIGNIFICANT IMPACT

PROPOSED MANAGEMENT AGREEMENT BETWEEN THE PEORIA TRIBE OF INDIANS OF OKLAHOMA AND DIRECT ENTERPRISE DEVELOPMENT LLC.

AGENCY National Indian Gaming Commission

ACTION Finding of No Significant Impact

SUMMARY

The Peoria Tribe of Indians of Oklahoma (Tribe) is proposing to enter into a Management Agreement with Direct Enterprise Development, LLC (Direct) for the management of the Tribe's gaming enterprise in Miami, Oklahoma. The Tribe presently owns and operates the Peoria Gaming Center and the Buffalo Run Gaming Center on its Federal trust lands in the Town of Miami, in Ottawa County, Oklahoma. These facilities offer Class II and Class III gaming, entertainment and food service. Direct seeks to manage these operations pursuant to the terms of the proposed Management Agreement and in compliance with the Indian Gaming Regulatory Act (IGRA).

Under IGRA, the National Indian Gaming Commission (NIGC) is tasked with reviewing and approving of Management Contracts between tribes and outside management contractors for the management of gaming facilities on Indian lands. In conjunction with its approval of the Management Contract, the NIGC must comply with the requirements of the National Environmental Policy Act (NEPA) of 1969. The NIGC has deemed that the approval of this Management Contract constitutes a "major Federal action" thus requiring the preparation of an Environmental Assessment (EA). An EA was prepared by Thompson Associates, which is a wholly owned company of Phillip E. Thompson who serves as legal counsel to Direct. The Draft EA was published and circulated for public comment in Miami, Oklahoma from July 22, 2007 to August 23, 2007. No public comments were received. That information was incorporated into Final EA.

FOR FURTHER INFORMATION CONTACT

National Indian Gaming Commission
NEPA Compliance Officer
1441 L Street NW, Suite 9100
Washington, DC 20005
(202) 632-7003

PUBLIC AVAILABILITY

The Final EA and FONSI will be available to the public at the following locations for a period of 30 calendar days at the offices of the Peoria Tribe of Indians of Oklahoma.

DESCRIPTION OF THE PROPOSED PROJECT

The Tribe seeks to grant Direct the exclusive right to manage, operate, and maintain the Tribe's gaming facilities. Direct desires to undertake these responsibilities which will include but not be limited to the management of all Class II and Class III gaming operations and other commercial activities to include, but not be limited to the operation of Automatic Teller Machines; the oversight, booking, coordination and management of all entertainment; the planning, coordinating and management of all event and venue hosting; the management and oversight of all conferences, meetings and hospitality activities; and the sale of food, beverages, tobacco, gifts and souvenirs at the Tribe's gaming facilities.

The Peoria Gaming Center opened for operations in January 2004. The facility consists of two joined double wide trailers and provides 4,200 sq. ft. of space which houses Class II and Class III gaming devices, a snack bar, and administrative spaces. Phase I of the Buffalo Run Gaming Center was completed and opened in October 2004. Phase I is commercially known as the Buffalo Run Casino and totals over 50,000 sq. ft. of space. The Facility has a full service restaurant, a bar/lounge area, a snack bar, and administrative spaces. The Facility also includes the Peoria Showplace Arena from which the Tribe operates various events to include professional boxing matches, concerts, and tradeshow. Phase II of the Buffalo Run Gaming Center was completed and opened about a year after Phase I. The additional gaming space is commercially known as the Joe's Outback Casino area. Joe's Outback is marketed as a separate brand extension; however, all management, accounting, personnel, and operations activities at Joe's Outback are managed under the Buffalo Run Gaming Center. The expansion added about 16,800 sq. ft. of space and offers Class II and Class III gaming, a snack bar and space for storage and administrative activities.

PUBLIC REVIEW AND COMMENT

Preparation of the EA included consultation with the U.S. Bureau of Indian Affairs, the U.S. Army Corps of Engineers, the U.S. Environmental Protection Agency, the U.S. Indian Health Service, the U.S. Department of Transportation, the State of Oklahoma's State Historic Preservation Officer, the State's Department of Environmental Quality, the State's Department of Transportation, the Oklahoma Turnpike Authority, the County of Ottawa, the City of Miami, the Miami Fire Department and the Ottawa County Rural Water District.

Copies of the draft EA were made available for public review at the Miami Public Library and Tribal Offices. A notice of availability and a 30 day comment period was put in the Miami News Record on July 22, 2007. No public comments were received.

SUMMARY OF IMPACTS AND MITIGATION

The proposed action to be approved by this FONSI is the change in the Management of an existing tribal gaming enterprise from the Tribe to Direct Enterprise Development, LLC. The Tribe and Direct do not anticipate that the proposed action will result in extensive changes in the current setup and operation of the Tribe's gaming facilities. The most significant changes will be from operational, staffing and promotional changes in the operation of the Tribe's gaming facilities. The size of the Tribe's current facilities provides for growth and expansion.

Impacts

Waste Management

Under the proposed action, a potential 5 to 10 percent increase or an additional 15 to 25 tons of solid waste per year is anticipated. The City of Miami has stated that it can handle a 100 percent increase in solid waste disposal.

Traffic, Transportation, and Parking

Under the proposed action a ten percent increase in traffic from additional customers is anticipated in the next six months which could increase the number of vehicles present at peak times, Friday and Saturday evening, by 60 to 120 vehicles. The facility has adequate parking capacity to handle this increase. The Tribe will continue to work with the County, City and BIA to construct a traffic light along Highway 69A at the project entrance.

Utilities

A ten percent increase in water usage is anticipated under the proposed action which could result in an additional 400,000 gallons of water and corresponding 400,000 gallons of waste water. The City of Miami has stated that their facilities can handle a 100 percent increase in water usage to and sewage service from the Tribe's facilities,

Air Quality

The additional anticipated vehicle traffic should not impact the overall air quality in the project area.

Fire and Emergency Services

The increased patronage could result in fire and emergency services. However, it is anticipated that these increases should not adversely impact fire or emergency services to the Tribe's facilities.

Socioeconomic Conditions

The proposed action should result in increased revenue to the Tribe and the local community. This increased revenue will allow the Tribe to expand governmental operations, along with the provision of additional programs and services to tribal members thereby increasing tribal self-sufficiency and self-determination. Besides providing additional tax revenues to the local and state governments, the proposed action should benefit local and regional economies by providing increased employment for local residents and tribal members and more revenues and expenditures in the local economy.

Cumulative Impacts

The cumulative impact of the proposed action to the gaming site would be limited. The cumulative impact on the local and regional area from increased Indian gaming activities in Northeastern Oklahoma would result in million of dollars in additional revenues being put into the local economies through expenditures for goods and services; payrolls; payment of compliance fees and taxes; and investments by the Tribes. The Indian gaming business is probably one of the largest if not the largest overall employers in Northeastern Oklahoma. In addition to casino development, Tribes may also seek to develop additional ancillary facilities such as shopping centers, entertainment complexes and hotels.

Impact on Tribal Socioeconomic Conditions

Increased operations will provide additional employment opportunities for Tribal members, thereby increasing their employment prospects. The overall benefit will be sustained economic growth for the Tribe and improved quality of life for tribal members and ultimately fewer burdens on Federal, State, and local governments in the provision of services to Tribal members.

Impact on Local Socioeconomic Conditions

The most direct cumulative impact from these Facilities will be economic. Increased employment and payroll have injected additional tax and income revenue into the local community. Direct's improved management of the casino operations should result in additional revenues and spur more housing and other economic development activities. Increased operations will help decrease unemployment; increase in tax revenues; and provide more business opportunities and purchases of goods from local business. The most negative social economic impact could be an increase in criminal activity, however, as the City of Miami's crime statistic have demonstrated, that the development of Indian gaming projects in and near the City have not resulted in a substantial increase in crime.

Traffic

The impact of traffic will not be major problem on or near the site. Unless further development, commercial or residential, occurs near the casino site, the traffic impact should not substantially increase. The cumulative impact could be an increase of 10 to 20 percent in traffic to and from the casino as the operations expand. The placement of a traffic light along Highway 69(A) at the entrance to the Tribe's gaming centers should help limit the risk of serious accidents at the Casino entrance. Additional space for parking is available.

Impact on local Utilities and Infrastructure

The cumulative impact of these Facilities on the local infrastructure will not be significant. The City of Miami has stated that it can handle expanded water, wastewater and solid waste needs.

Mitigation

Surface Water

The Tribe may want to apply for a Nationwide Permit under the Clean Water Act to address future surface water runoff issues.

Waste Management

The existing solid waste disposal facilities for the City of Miami have excess capacity to handle the solid waste generated by the Tribe's facility.

Traffic, Transportation, and Parking

The Tribe can develop additional parking spaces if that becomes an issue since that the Tribe has over 700 acres of land at the site. The Tribe is working with the City and County to place a traffic light at the entrance of the Tribe's gaming center to alleviate the potential traffic issues at that location.

Utilities

All utilities necessary to serve the facility exist and have sufficient excess capacity to serve the site. No mitigation is deemed necessary.

Air Quality

The impact to air quality should be minimal and should not require any mitigation efforts.

Fire and Emergency Services

The only mitigation measure proposed is additional and continued training of casino staff to

address potential weather and internal related emergencies.

Socioeconomic Conditions

With the possible exception to a potential increase in crime, the socioeconomic impacts will be primarily positive. The facility has on-site security staff and parking lot guards to discourage criminal activity on site. The Tribe has a program to address individuals who may suffer from compulsive gaming, and will work with local officials on this issue. So far the increase in Indian gaming in this region has not resulted in an increase in crime.

Findings

1. Federal, State and local agencies and the public were involved in the identifying environmental issues related to the proposed action. No significant impacts were identified during this consultation process.
2. The EA finds that the proposed action will not jeopardize any federally or state listed threatened or endangered species.
3. The EA finds that the proposed action is in compliance with the National Historic Preservation Act and that no archeological or culturally significant sites are affected by the proposed action (See the final EA).
4. In regards to traffic impacts, under the current operations, there are no significant traffic impacts. The EA finds that the proposed action will not cause any significant impacts to roads or traffic in the local area. The only mitigation measure recommended is the placement of a traffic light along Highway 69A at the entrance of the casino. The Tribe is currently working with the State and County on this action.
5. The EA analyzes cumulative impacts and finds that they will not be significant.
6. The EA finds that the proposed action will improve economic and social conditions of the Tribe and local community and meets the purpose and need for the action identified in the Final EA. The proposed action will not have any significant impact on the local or regional socioeconomic conditions.

The NIGC has independently evaluated and hereby adopts the information and analysis in the EA.

DETERMINATIONS

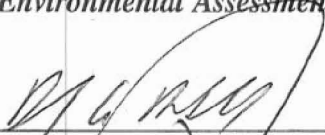
The Final EA provides a sound basis for evaluating the environmental impacts of the Tribe's proposed change in the change in management of its tribal gaming enterprise from tribal

management to Direct Enterprise Development LLC., under the terms and conditions of the proposed Management Agreement.

RECOMMENDATIONS/APPROVALS

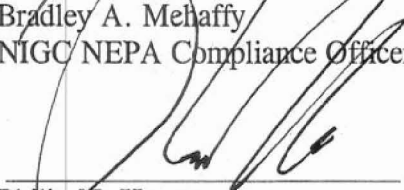
After careful and thorough consideration of the facts contained herein, the undersigned finds that the proposed federal action is consistent with existing nation environmental policies and objectives as set forth in Section 101 of the NEPA and other applicable environmental requirements and will not significantly affect the quality of human life or the environment or otherwise any condition requiring consultation pursuant to Section 102(2) (c) of NEPA.

Environmental Assessment and FONSI reviewed and recommended by:



Bradley A. Mehaffy
NIGC NEPA Compliance Officer

9/25/07
Date



Philip N. Hogen
Chairman, National Indian Gaming Commission

10/1/07
Date