

**NOTICE OF FINDING OF NO SIGNIFICANT IMPACT
PROPOSED LUMMI NATION SILVER REEF CASINO EXPANSION
PROJECT**

AGENCY: National Indian Gaming Commission (NIGC)

ACTION: Finding of no Significant Impact (FONSI)

SUMMARY:

The Lummi Indian Nation of Washington (Tribe) has submitted a request to the NIGC for the approval of an amendment to the management agreement between the Tribe and Merit Washington LLC relating to expansion of the Silver Reef Casino and construction of a 100-room hotel on existing tribal trust land.

The proposed federal action is the NIGC's approval of an amendment to the management agreement. Approval of this document will allow the Tribe to expand and operate the gaming facility and construct and operate the hotel as proposed subject to the conditions of the existing Tribe/State Gaming Compact.

FOR FURTHER INFORMATION CONTACT:

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National Indian Gaming Commission
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(202) 632-7003

PUBLIC AVAILABILITY:

As there were no comments received during the 30-day public comment period for the project Draft Supplemental Environmental Assessment (SEA), the Final SEA for the project is unchanged from the Draft SEA. Copies of the Final SEA are available upon request at the following address.

Lummi Indian Business Council
2616 Kwina Road,
Bellingham, WA 98226

BACKGROUND:

Gaming is a unique opportunity for the Tribe to develop an economic base. This opportunity is afforded the Tribe under the Indian Gaming Regulatory Act (25 U.S.C. 2701 *et seq.*) and was sanctioned by the State of Washington through a State/Tribe Gaming Compact approved by the Governor and the Secretary of the Interior.

DESCRIPTION OF THE PROPOSED PROJECT:

The Lummi Nation Silver Reef Casino will include a 20,020 square foot expansion to the existing gaming facility, 133 paved parking spots and a 100-room six-story hotel. The expansion will take place within the boundaries of the 15.422 acre site that was analyzed in the November 2001 EA for the Silver Reef Casino. The proposed project is located in Whatcom County at the southeast corner of the Slater Road and Haxton Way intersection.

ENVIRONMENTAL IMPACTS:

A SEA documenting the planning process and analyzing implementation impacts of the proposed project has been completed. No significant unmitigated adverse environmental impacts are indicated by the SEA.

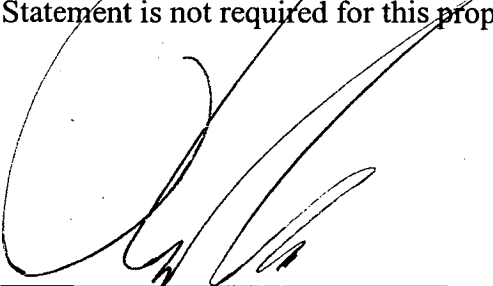
The impact on the quality of the human environment is judged to be of minor adverse impact and significant beneficial economic impact to both the Tribe and the surrounding communities. There are no significant unmitigated impacts on public health and safety. The site contains no eligible or listed National Register of Historic Places sites or any known significant archeological resources. There are no significant unmitigated adverse impacts on endangered species or their critical habitat. The proposed land use will impact declared wetlands but these impacts will be properly mitigated according to the terms of an Army Corp of Engineers Permit for construction of the project. The proposed land use will not significantly impact water quality or air quality. There are no significant unmitigated impacts on traffic flow.

REQUIRED MITIGATION:

All mitigation measures described in the Final SEA (Table 6.3 Summary of Mitigation Measures) as being implemented to reduce potentially significant adverse impacts of the project to a point of insignificance are conditions of the approval of this project. NIGC's approval of the management agreement and signing of this FONSI makes construction and operation of the gaming facility contingent upon implementation of these mitigation measures.

DETERMINATION:

In accordance with the National Environmental Policy Act (NEPA) and implementing regulations of the Council on Environmental Quality (40 CFR 1500-1508), I find that the proposed federal action, to approve the management agreement between the Lummi Indian Business Council and Merit Washington LLC, when the mitigation measures are followed, does not constitute a major federal action that would significantly affect the quality of the human environment within the meaning of NEPA. Therefore, an Environmental Impact Statement is not required for this proposal.



Philip N. Hogen, Chairman
National Indian Gaming Commission

4/1/04
Date