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DEPARTMENT of the INTERIOR news release

BUREAU OF INDIAN AFFAIRS
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FIRST 'SEED MONEY' GRANTS FOR RESERVATION PROJECTS ANNOUNCED

The Cherokee Indian Tribe of Oklahoma and the Suquamish Tribe of Washington are the first recipients of grants awarded by the Bureau of Indian Affairs under a new economic development initiative started this year, Interior Assistant Secretary Ken Smith announced today. The initiative provides federal funding as seed money to attract private sector investments on reservations.

The Cherokees will receive $125,000 to expand their existing horticulture operation by enlarging the retail garden center, the greenhouse and the nursery. The total project cost will be $500,000 with the tribe making an in-kind contribution of $125,000 and a local bank lending the balance of $250,000.

The Suquamish will receive $26,500 for an $106,000 tourism project to complete an exhibition facility that would attract visitors and develop a market for cultural products. The balance of the funding would consist of a grant of $5,100 from a foundation and a bank loan of $74,400. The principal attraction at the center will be "The Eyes of Chief Seattle" which has been on exhibit at the Seattle Museum and at Nantes, France. The reservation is within 25 miles of the city of Seattle.

Eligibility criteria for the grants require that at least 75 percent of the funding come from non-federal sources; that a business plan shows a reasonable potential for a profitable, self-sustaining business; and that the tribe has a stable government and has separated project management from tribal politics.

The 1983 appropriation for the Bureau of Indian Affairs provided $5 million for this initiative.

Applications from nine other tribes for grants are now being reviewed and at least ten other applications are expected to be submitted before September 30.

The maximum grant for any one project is $500,000 and the minimum is $25,000.

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