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Klamath Tribal Economic Revitalization

(The following statement is subject to the review and approval of the Klamath Tribes' General Council)

Each of the four tribes involved in settlement negotiations has distinct histories, economies, values, and legal status. Thus, the following is in reference to the Klamath Tribes only.

In the 1950's the Klamath Tribes were among the very few self sufficient tribes in the nation. We achieved self sufficiency through sustained yield logging of a 1.2 million acre reservation rich in ponderosa pine and abundant with fish and game. In addition, a significant number of our members operated productive ranches along the rivers in the Upper Klamath Basin. We were rewarded for our initiative and success with the forced federal termination of our Tribe. This resulted in the loss of our land and the destruction of our economy and community.

Termination was reversed with the passing of the Klamath Tribal Restoration Act in 1985. However, it fell short of making us whole and restoring the land and resources we need to once again achieve self sufficiency. We view the settlement agreement currently being negotiated by the stakeholders in the Klamath Basin as one of several potential vehicles to remove unnecessary obstacles, rebuild our capacity to again achieve financial self sufficiency, and to complete our restoration process.

The elements of our economic revitalization strategy outlined below are designed to position the Klamath Tribes to recover from the losses we incurred during the termination period. They are also intended to ensure that the process of recovery can start immediately and the Tribes, like the agricultural interests, can enjoy tangible benefits from the settlement agreement over the short run. We can begin to rebuild while we wait for the long term benefits, for up to three to four decades, that are expected from dam removal, restoration of the river flows, improved status of the riparian corridors, and the resulting enhancement of river bank vegetation, water quality and fish habitat.

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Tribes' proposals to revitalize their economy and restore financial self-sufficiency among their members:

- a. Create tribal infrastructure to start, grow and support tribal businesses and businesses owned and operated by individual members
 - Fund the Economic Development Office to hire staff and provide resources to support business feasibility analysis, business planning, mobilization of investment and operating capital, technical and managerial training, and business start-up assistance (\$500,000/year for ten years).
 - Obtain funds to capitalize a revolving Small Business Development Loan Fund that will also have a business development technical assistance office to assist tribal members to start and sustain their own businesses. (\$1 million)
 - Obtain funds to undertake and complete the financial feasibility analysis and the development of a business plan for the construction of a bio-mass conversion facility. (\$200,000)
 - Obtain funds (grants and loans) to buy back private land within the former boundaries of the Klamath Tribes' reservation in order to promote and protect the Klamath Tribes' treaty rights and resources, and to provide a base for tribal economic development (e.g. Mazama Tree Farm, Crater Lake Mill Site, Yainix and Scott Creek Ranch, etc.). (\$40 million)
 - Create contracting and employment/training opportunities for tribal members and businesses in private and public sectors

- b. Help rebuild the deteriorating natural environment in the Klamath Basin for future generations by actively participating in resource protection and restoration of rivers and streams, riparian corridors, forests, fish habitats, etc.
 - Secure funding for purchasing retired water rights, conservation easements, and for providing other financial incentives to landowners (along deteriorating rivers in the Upper Basin) to refrain from production on irrigated lands and convert to dry-land farming.

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- Secure funding to support Klamath Tribes to implement habitat restoration and salmon reintroduction program.
 - Negotiate co-management and restoration contracting opportunities on public forest lands (e.g. Tribal Forest Protection Act, Stewardship Contracts, and Participating Agreements)
 - Secure agreements with owners and managers of public and private forests to provide tribes' access to woody material and debris resulting from fuels reduction and thinning operations. Transform these materials into wood products businesses and bio-mass conversion operation.
 - Gain access to private lands through mutually agreed to arrangements to exercise fishing rights
 - Assert tribes' senior water rights
- c. Secure other administrative and legal arrangement to revitalize tribal economies and to successfully engage in resource protection and restoration activities in the Klamath Basin
- Designate the former Klamath reservation as a "special management unit" to enable Tribes to co-manage lands and other resources (consistent with tribal management plans) that currently are managed by the Forest Service, U.S. Fish and Wildlife, and other agencies.
 - Attain Governor Kulongoski's support to expand our gaming compact to allow for gaming in other locations.
 - Secure special recognition that Klamath Tribal efforts to restore their land base and develop tribal enterprises are essential governmental functions and thus call for a capacity to issue tax free bonds.
 - Secure assurance that any fee lands acquired outside of the reservation boundaries that are "nominated" by the Tribes shall be exchanged for comparable federal land within the former reservation boundaries.
 - Secure assurances that the Tribes and tribal members will be given preference on contracting, employment and business development opportunities generated on the Tribes' ancestral homelands by the Settlement Agreement.