

Makah Indian Nation, Neah Bay, Washington

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NEAI Projects*

Year	Applicant	Project	Funding Source**	Amount
1994	Makah Tribal Council	Economic Planner	EDA	\$60,000
1994		Road Rehabilitation	BIA	\$300,000
1995		Neah Bay Marina	ACOE	\$4,000,000
			RDA	1,244,300
		USFS-CAG	100,000	
1996		Makah Marina Related Projects	EDA	\$1,278,700
	RDA		209,000	
	USFS-CAG	250,000		
1996	Small Business Development Program	EDA	\$72,438	
1996	Oregon Native American Business Entrepreneurs Network	Creating Native American Business Enterprise	No data	\$530,147
1997		Rural Business Enterprise Grant	No data	\$76,000
1997	Makah Tribal Council	Makah Marina Operations Facility	USFS	\$72,298
1997		Aquaculture	No data	\$118,847
1998		Makah Marina Administration Buildings	No data	\$660,000
1999		Lake Ozette Monitoring	BIA	\$105,415
2000		Road and Stream Interface Assessment	No data	\$150,000
Grants Awarded by Federal Agencies Participating in NEAI***				
1995	Makah Tribal Council		Rural Development – Rural Business Enterprise Grant	\$93,500
1997			Rural Development – Rural Business Enterprise Grant	\$250,000
1998	No data	Shellfish Cooperative	No data	\$75,000

* Project funding reflects initial loan and grant totals. Final funding amounts may be different.

** Key to funding Sources:: EDA=Economic Development Department, BIA=Bureau of Indian Affairs, ACOE=Army Corps of Engineers, RDA=Rural Development Administration, USFS-CAG=USFS-Community Assistance Grant.

*** May not have been awarded through the WA-CERT process and may not represent NEAI funds.



The single largest NEAI investment in Neah Bay was the construction of the marina.

Background Context

Location

The Makah Indian Reservation, located at the tip of the Olympic Peninsula in Clallam County, Washington, is the northwestern most populated place on the contiguous 48 United States. The reservation is bounded on the west by the Pacific Ocean, on the north by the Strait of Juan de Fuca, and on the east and south by Olympic National Park. Neah Bay, its primary settlement, is 75 miles from Port Angeles, Clallam County's commercial center and county seat, and more than 150 miles from Seattle, by ferryboat and car. One road, State Route 112 (SR 112) connects Neah Bay to the Olympic Peninsula. SR 112 is often a narrow-lane, winding road that follows the rocky coastline; it is subject to landslides and, depending on their severity, regularly closes for several days. The same adverse conditions that cause landslides also disrupt both electrical and phone services to the Makah Reservation.

Natural Resources

The Makah Indian Nation consists of roughly 48 square miles of land, totaling 31,355 acres. The islands of Tatoosh and Waadah comprise 80 acres, and Ozette Reservation represents an additional 740 acres. Olympic National Park separates the Ozette Reservation from the rest of the Makah Reservation, though it is a part of the Makah Nation. Ninety percent of the reservation's acreage is typified by rugged mountainous terrain between 500 and 1,000 feet in elevation and reaching nearly 2,000 feet at Sooes Peak; 25,335 acres are managed forestlands, and 1,213 acres are set aside for "wilderness area." The Makah Usual and Accustomed Area comprises an additional 300,000 acres, extending east to the Hoko River and south to South Creek at the south end of Lake Ozette. Rivers issuing from the mountains include the Sekiu, Sail, Waatch, Hoko, and Sooes. There is a large harbor protected by a breakwater at Neah Bay on the Strait of Juan de Fuca.

While Neah Bay is isolated from the rest of the state's populace, its location at the tip of the Olympic Peninsula provides ready access to terrestrial and marine resources. Living between forest and sea, the Makah heavily utilize forest products and fisheries for subsistence, trade, and more recently, commerce.

Marine Resources

The Makah are highly dependent on marine resources, and Neah Bay is commonly referred to as a fishing village. According to a 2001 Makah Tribal Council report, as many as 70 percent of the Makah Tribal population depends on fishing for its income or subsistence. Insofar as subsistence fisheries are concerned, a 1997-1998 household survey indicates the average Makah consumes over 100 pounds of finfish and 25 pounds of shellfish, much of which is derived from subsistence activities annually (Sepez 2001). Sixty-three percent of the Makah households are also involved in commercial fisheries. The Makah fishing fleet consists of nearly 100 vessels, supporting two or three employees per vessel, accounting for nearly 50 percent of all employment. Over the past five years, the Makah fishing industry has changed from a one season, one species activity, to a multi-species year round endeavor (MTC, 1996). This change results from the decline in the salmon fisheries and increased exploitation of others species, including halibut, black cod, and whiting.

Sport fisheries fuel the local tourism industry, accounting for roughly 85,000 visitors to the Makah Reservation in 1995 (Arnold, 2002). Sport fishing related tourism supports the Makah Cultural and Research Center¹, a tackle shop, three motels and a hostel, 30 RV sites, one campground, a general store, two restaurants, two espresso shops, and the marina.

Terrestrial Resources

Terrestrial resources support both subsistence and commercial activities. Fifty-one to 75 percent of the Makah take deer or elk, with the average person consuming 22 pounds annually. Non-timber forest

products (NTFPs) regularly harvested in unknown quantities include berries, potatoes, cedar bark, ingredients for teas, and salal.

Industrial logging on the Makah Reservation began in 1924. In the 1930s, the United States Department of Interior Bureau of Indian Affairs entered into an agreement with Crown Zellerbach, on behalf of the tribe, allowing the company to log large portions of forestlands on the reservation. Upon the closure of Crown Zellerbach operations 1984, the Makah Forestry Department took over management of forestry operations. Historically, many Makah held "blue-collar" positions with Crown Zellerbach.

Makah Forestry Enterprises formed as a for-profit business in 1985, increasing the tribe's revenues from its forest resources. Timber derived income accounted for as much as 10 percent of MTC's budget. Recently, however, as tribal expenses have increased and timber-derived revenues have declined due to low stumpage fees, forestry revenues account for a much smaller percentage of MTC's budget. Under MTC management, forestry practices have evolved from a strict focus on timber to a broader focus that includes the multiple values the forest holds for the Makah Tribe, including non-timber forest products and fisheries. Employment in forestry operations on the reservation and seasonal employment opportunities with the United States Forest Service are limited. Besides employment with Makah Forestry Enterprises, there is one local contractor who reportedly employs as many as eight people.

Brief History

The first recorded European landing in Neah Bay occurred in August 1790 though it is likely that trade was taking place before this time. In 1855, the Washington Territory was created and governed by an appointee of the President of the United States to "bring order to the development of the Northwest." That same year, Washington Territorial Governor, Isaac Stevens, on behalf of the federal government,

1. In 1970, tidal erosion uncovered an ancient Makah whaling village at Ozette. Parts of this village had been covered by a mudslide hundreds of years ago. The exposure of this ancient site resulted in an archeological excavation that has since been called one of the most significant archeological discoveries ever made in North America. Thousands of artifacts were recovered. The wealth of Makah knowledge passed on by oral tradition was verified and augmented first hand through the study of these items. Two outcomes of the excavation were the development of the Makah Cultural and Research Center (museum) and the extension of treaty fishing rights that recognized the tribe's use of nets.



The Makah tackle shop at Neah Bay

negotiated a treaty with the Makah, ratified in 1859, setting aside roughly 28,000 acres of land designated as the Makah Indian Reservation. Administration of the treaty now falls under the jurisdiction of the Bureau of Indian Affairs.

Traditionally, villages and camps were scattered on tribal territories extending along the narrow coastal strip of land around Cape Flattery. The Makah Nation was composed of five principle winter villages on the Pacific Ocean and the Strait of Juan de Fuca. Each of the five villages, Dia'ht, Wa'atch, Osett, Tsoo-Yess, and Ba'adah, contained permanent, large, multi-family dwellings. Smaller camps were also maintained for specialized seasonal activities.

Contact between Makah and non-Native cultures profoundly altered traditional life. Diseases introduced by explorers, traders, and settlers drastically reduced populations of the five villages. Traditional pursuits were gradually abandoned for a cash economy and new technology. As stores, schools, and federal agencies established in Neah Bay—the site of the Dia'ht winter village—it gradually became the economic center of the Makah Nation. Families gravitated to Neah Bay as well, and it became the population center of the Makah Nation.

Despite contact and trade with non-Natives and the attendant changes alluded to earlier that have taken place over 150 to 200 years, the remote location of the Makah Nation has helped preserve important elements of their unique identity. Importantly, they have been able to remain on their

traditional lands with access to the water where they have always drawn their resources.

Tribal Governance

The Makah Tribal Council (MTC) governs the Makah Indian Reservation. MTC operates under a Constitution and Bylaws dated May 16, 1936 and a Corporate Charter ratified on February 27, 1937. The Makah General Council consists of the 2,389 enrolled tribal members. The Makah General Council members elect members to the Makah Tribal Council that is comprised of five members. Tribal council members are elected for three-year terms, two every other year. The council holds weekly meetings and public meetings on a quarterly basis; minutes are sent to enrolled tribal members. The council sets tribal policy and is charged with providing direction to the General Manager. The general manager, in turn, oversees the implementation of tribal policy. The tribal government consists of five departments: Natural Resources; Administrative Service; Social, Health and Education; Planning; and Public Safety. Directors, appointed for each department, are responsible to the general manager. MTC has an annual budget of roughly \$14 million.

MTC chartered the Makah Forestry Enterprises, a commercial forest products company, in 1984 and the Neah Bay Port Authority in 1996. Other chartered entities include the Makah Housing Authority and the Makah Cultural and Research Center. Quasi-enterprises, directly a part of MTC, includes the Makah Fuel,

Makah Marina, Makah Bingo, Makah Smoke Shop and Bay's Best Lodging. The Makah Tribal Council maintains a high degree of control over physical and economic development on the reservation.

Demographics

The Makah Nation's population is approximately 1,600, with 1,342 people living in Neah Bay. Twelve hundred of the tribe's 2,389 enrolled tribal members live in Neah Bay. Forty-two percent of the tribal members are 18 years or younger (MTC 2001).

Employment

There are limited full-year employment opportunities on the Makah Reservation and most are with the MTC. The total labor force in 1999 approached 940 people. As of May 2001, Indian Health Service Dental and Medical Clinic employs 22, and MTC employs approximately 170. Local businesses and cottage industries employ an unspecified but significant number of people. Fisheries employs as many as 300 people on a seasonal basis. Several residents work off the reservation, a majority of them for the Clallam Bay Correctional Facility, which employs 425, or the Cape Flattery Public Schools.

Key Issues

- Makah households rely on the abundance of natural resources, including fish, shellfish, marine mammals, timber, and other non-timber forest products for commercial, subsistence, and cultural activities. A 1997-1998 household survey, indicated that "99 percent of all households participated in subsistence activities, either by directly

harvesting and consuming local resources, or by receiving them from other households through tribal sharing networks" (Sepez 2001). Although fishing and timber are major sources of revenue for the Makah Tribal government and individuals, the drastic declines in both industries over the past 20 years, have led to a decrease in household and per-capita income.

- There are limited full-year employment opportunities on the Makah reservation and most are with the MTC. A large percentage of the population is engaged in seasonal natural resource based work.
- The MTC identified "diversification of the economy in Neah Bay and the development of a more self-sufficient economy" as their main economic development goals. MTC is working to generate jobs through local industries and through the management of tribal timber resources. Neah Bay's isolation and small cash economy limit entrepreneurial activities and export oriented businesses.
- Issues that result from historic land uses, non-compliance with federal regulations, and natural disasters that occur, on average, every five years, have constrained MTC attempts to address economic development. To address these issues the MTC needs to conduct environmental assessments, take remedial actions, and develop programs, such as developing "regulatory schemes."

NEAI Projects and Programs

Community Economic Revitalization Team

State Community Economic Revitalization Teams were developed by California, Oregon, and Washington to coordinate the administration of Northwest Economic Adjustment Initiative (NEAI) investments in timber-impacted communities. The Washington Office of Trade and Economic Development

administers the Washington Community Economic Revitalization Team (WA-CERT).

Structure and Function

NEAI investments secured through WA-CERT entail a process that is a weave of simultaneous and iterative activities involving tribal, state, and federal

entities. WA-CERT consists of two primary activities: meetings in communities across the state, and the administration of a pre-application process for federal funds. The following paragraphs describe key components as they relate to the MTC.

Community Meetings

WA-CERT holds its meetings in different locations across the state. The meetings are an opportunity for the host community to give presentations about issues facing the community, projects they are implementing and developing, and often include “real time” problem solving to address barriers to project implementation. Meetings are usually devoted to a local jurisdiction and its issues but also provide an orientation to the WA-CERT.

MTC regularly sends a tribal representative to WA-CERT meetings. Based on their participation, MTC develops its “strategies to work projects through the process.” In the past MTC’s representative has been instrumental in writing pre-applications and grant proposals. The current tribal representative, a Planning Department staff person, says the meetings are of great value. They are a “learning by example event where people struggle with real problems,” the staff person says. MTC hosted several multi-agency meetings in Neah Bay, two of which were “summits,” not WA-CERT meetings. MTC hosted a WA-CERT meeting in nearby Clallam Bay that followed the usual format but was held to showcase the MTC’s marina project as a WA-CERT success to generate interest and increase participation in the WA-CERT process.

Pre-application Process

WA-CERT administers a process that consists of collecting pre-applications from tribes and counties, designating scoping agents and assigning a lead agency. The Makah process begins at Neah Bay as an MTC activity with the tribe generating and prioritizing projects. To accomplish this task, MTC’s WA-CERT representative annually or bi-annually informs MTC department heads that the priority list is up for renewal. Departments interested in grants for projects complete pre-application forms and then department heads meet to prioritize proposals

for MTC approval and submission to WA-CERT. However, due to the primacy of the marina’s development, the pre-application collection process did not take place until recently. During NEAI years (1994 to 2000), the Planning Department spent most of its time developing pre-applications and proposals for the marina and related developments. Several MTC employees reported that due to the large amount of funding received for the marina, MTC was “unofficially ineligible” for other NEAI funds. Therefore, the Planning Department did not collect or prioritize pre-applications on an annual basis to feed into the WA-CERT.

After pre-applications are submitted to WA-CERT, a “scoper” helps the applicant complete the required applications, and an agency takes the “lead agency” role. This agency will be the primary or full project funder. Each participating agency then has its own granting process. Many NEAI funded MTC projects, however, did not go through the WA-CERT process.

Impressions of WA-CERT

When the WA-CERT began in 1994, the agencies and the state did not start from scratch. Prior to WA-CERT, the Infrastructure Assistance Coordinating Council (IACC), which met as an ad hoc group, had been working to streamline and coordinate multi-agency efforts. The WA-CERT broadened the IACC’s effort by bringing more agencies into the process, thus increasing its political power and support. New elements included county or tribal level prioritization of projects and community meetings. One agency representative to WA-CERT reflected that community meetings “breathed life into the process,” noting that community involvement kept the meetings from getting “bogged down in policy level discussions.”

Although the MTC participated from the outset, many tribes and communities did not. Due to mistrust of state and federal agencies, and spurned by WA-CERT’s initial “disorganization and confusion” many were not eager to participate. However, WA-CERT did facilitate interagency coordination and cooperation from the start. A Forest Service representative who participated in WA-CERT since its inception said,

It is about talking, informal conversations, convincing, making recommendations, and sharing information. Previously things were more rigid. Communities would come to agencies with a project and the agency would say, 'I am sorry it doesn't fit. See you.' Then with WA-CERT the community would come forward and the agencies asked 'what could be done to accomplish community goals?'

MTC members viewed WA-CERT as beneficial. One council member stated that WA-CERT created, "easier relationship between funders and fundees, there is more control over what the MTC wants funded and what gets funded."

NEAI-Funded Projects²

MTC accessed NEAI funds to implement economic development planning, marina construction and associated projects, and Jobs-in-the-Woods projects.

Economic Development Planning

MTC received a \$60,000 grant in 1994 for an economic planner and a \$72,438 grant for the Small Business Development Program in 1996. Both grants supported Planning Department activities to create jobs in the community that built on worker's skills and interests.

Economic Development Planner

The 1994 grant supported the Economic Development Planner position, to update MTC's Comprehensive Economic Development Strategy and to develop projects and programs. Included in the grant were "planning grant" funds, money they received on an annual basis from the Economic Development Administration (EDA) to write or update the Comprehensive Economic Development Strategy for submission to the EDA.

The Economic Development Planner works to develop industry to generate or capture more profit from existing activities and to develop and support

entrepreneurial activity within the community. The Small Business Development Program, detailed below, was one such effort.

Small Business Development Program

The Small Business Development Program was developed and administered by the Economic Development Director. The program was funded through an EDA grant supplemented with funds from the Oregon Native American Business Entrepreneurs Network. Funds were used to start a small business information center, including hiring a business education instructor and buying computers. Through the Small Business Development Program the tribe offered "indirect business development assistance" to tribal craftsmen, artists, and harvesters in marketing products. Assistance included entrepreneurial training—including marketing, business planning classes, and referrals to public department agencies, private organizations, and financial institutions. Due to a combination of factors, including Oregon Native American Business Entrepreneurs Network losing its funding and the loss of the staff person who began the program, the Small Business Development Program was terminated.

Marina Construction and Associated Projects

The construction of the marina and ancillary projects, including administrative buildings and the development of aquaculture were partially funded with NEAI dollars as a result of the WA-CERT. The marina's construction, more than 30 years after its initial conception, provides protection for the tribal fishing fleet—the driving force behind its development—and supports a range of commercial, subsistence, and social activities. Details are provided below to understand the history and results of the marina's development. Descriptions of the ancillary projects will be included. The effect of these various activities on the community will be addressed in the Effects on Community Well-being section.

Marina Facilities

Since the 1960s, the tribe has been working to develop a marina to protect its fishing fleet. In

2. Descriptions are included for projects that were awarded NEAI funds through the WA-CERT process unless otherwise specified.

1967, the MTC petitioned the United States Army Corps of Engineers (USCOE) to build a breakwater to make a marina possible, but USCOE reconnaissance study results did not favor implementation. The MTC submitted four separate requests but the project was unable to move beyond a reconnaissance study due to findings in sensitive areas or cost-benefit analysis results. It was an unlikely turn of events that transpired over four years in the early 1990s that finally allowed for the construction of the breakwater and ultimately led to the marina’s development. The key events included: convincing the State of Washington to auction off 6,000 ton floats from an old bridge and purchasing them to serve as mass for their breakwater; convincing the Army Corps of Engineers to apply the value of the floats in its cost-benefit analysis, which tipped the analysis in the Tribe’s favor; and later, selling the floats to provide match for grants used to implement the marina’s construction.

Just as the WA-CERT was birthed in 1994, the Makah Tribe held an economic summit. MTC invited “everyone it could think of who could provide assistance,” including representatives from state and federal agencies, elected officials, and others to Neah Bay.

The summit focused on the marina but also included all economic development efforts, such as business and downtown development. The pre-application for the marina project had already been submitted to WA-CERT but it was at the summit that USDA Rural Development and other agencies learned for the first time that USCOE would not commit to the construction of the breakwater—a \$4 million project, unless there were others who would obligate funding to the marina.

The meeting was mobilizing; agency representatives reached the conclusion that there was a way for them to work together to fund the project. One agency representative who played a key role in committing funds to the marina project said:

The marina project was so complicated they really needed all of the players to come out and look, sit, and talk face to face. Seeing the project in context was a motivation and getting everyone into the same room made it look like it could happen. Basically they said they had 80 percent ‘let’s finish it off and get it done.’

A partial list of project components and funding appears below in Table 1. The marina officially opened in May 1997. The marina consists of 200 slips (each provides moorage for one boat), ranging from 30 feet to 70 feet, with some slips capable of mooring vessels up to 200 feet in length. Running water and power are provided at each slip and a wastewater pump out station is available.

In 1996, the breakwater was completed and MTC held their second summit, an effort to utilize WA-CERT to develop the land-based components of the marina. Downtown Master Facilities and Private Sector Revitalization Plan and Aquaculture were two projects supported with NEAI funds as an outcome of the summit.

Downtown Master Facilities and Private Sector Revitalization Plan

The marina is a land and sea facility, one half serving marine purposes and the other serving land-

Table 1. Makah Marina and Breakwater Funding

Component	Amount Funded	Agency
Breakwater	\$4,000,000	Army Corps of Engineers
	\$1,244,300	Rural Development - Community Facilities Loan
	\$100,000	Forest Service - Rural Community Assistance
Marina	\$1,278,700	Economic Development Administration
	\$209,000	Rural Development – Rural Business Enterprise
	\$250,000	Forest Service – Rural Community Assistance

based enterprises. In 1995, Washburn's General Store was relocated within a few hundred yards of the marina and rebuilt; an expanded parking area, public restrooms, and shower facilities were added. Additionally, nearby properties were consolidated and roads resurfaced. The developments concentrated traffic and commercial activity in proximity to the marina.

The MTC realized that the next step was to develop a plan for revitalizing the whole downtown. As the marina was being completed, plans were necessary for developing adjacent facilities. To maximize the efficiency and coherence, the downtown revitalization and marina facility master plan efforts were joined. Pre-applications were submitted to WA-CERT. The MTC received a \$72,298 Forest Service Rural Community Assistance Program (FS-RCAP) grant to develop facility plans and EDA contributed \$660,000 for the construction of the 7,500 square foot Port Administration Facility. Marina facilities include the Marina Conference Center, the Port Administration Building and the Maritime Building (retail space). Downtown revitalization plans will be completed in July 2002.

Aquaculture

MTC received a \$71,884 FS-RCAP grant in 1997 and a \$75,000 grant from Rural Development in 1998 for aquaculture and a shellfish cooperative through the WA-CERT process. MTC received two additional grants from Rural Development, \$93,500 in 1995 and \$250,000 in 1997.

In the early 1990s, the Makah initiated studies to determine the potential for aquaculture, focusing on the potential for a shellfish industry in and around Neah Bay. In 1994, the Makah conducted a study to determine mussel culture feasibility in Neah

Bay. MTC used the first Rural Development grant, in 1995, to develop business and marketing plans for the project to qualify for Rural Development grants and loans. It then used Forest Service Rural Community Assistance Program funds to purchase three rafts for growing mussels, and hired staff and purchased mussel seeds to conduct the aquaculture feasibility study with the second Rural Development grant. Results of the study were described as "very encouraging" and tests were expanded further to include oysters and some clam species. Subsequent Rural Development grants were used to purchase more seeds and technical assistance.

Job-in-the-Woods

The Jobs-in-the-Woods (JITW) program is the only component of the Northwest Forest Plan that attempts to link the biological component to the socioeconomic component (NEAI). The goal of the JITW program is to restore watershed health and create economic opportunities for displaced workers. JITW grant applications were submitted directly to and awarded by the Bureau of Indian Affairs rather than through the WA-CERT.

The Bureau of Indian Affairs disbursed approximately \$18 million in JITW grants on a competitive basis to Native American tribes between 1994 and 2000; MTC received \$455,000 through three separate grant awards. JITW grants were used to implement projects on the Makah Indian Reservation and in Usual and Accustomed Areas. There was no explicit training or retraining component focused on the workforce to complete restoration work. Funds were used to hire staff to complete projects; two Makah Tribal Council employees received training to enhance their skills to complete project work.

Table 2: BIA-JITW Grants Awarded to MTC

Year	Project	Award Amount
1994	Road rehabilitation	\$300,000
1999	Ozette Baseline Habitat Survey	\$105,000
2000	Road and Stream Interface Assessment	\$150,000

Road Rehabilitation

The 1994 road rehabilitation project was designed and completed by the Forestry Program in the Natural Resources Department to inventory the transportation system used to access timber on the Makah Indian Reservation. JITW grants were used to determine the extent and assess conditions of the road system, including road functionality, surface materials, culverts, fish barriers, and to calculate sediment contribution to the watershed to understand its impact on fish and water quality.

Ozette Baseline Habitat Survey and Road-Stream Interface Assessment

Funds for the 1999 Ozette Baseline Habitat Survey were used to identify accessible anadromous

fish habitat in the Ozette watershed outside of Olympic National Park boundaries. The 2000 road-stream interface assessment entailed collecting detailed information on bridges and culverts including grade, slumps, sliding, cracking, type of construction, surfacing, level of traffic, etc. Conducted by the Fisheries Program in the Natural Resources Department, the projects were designed to understand how logging roads affect salmon and the watershed. Data from the two projects will be used to identify restoration and enhancement projects as well as to limit access, decommission, or improve roads. The long-term objectives are to increase salmon habitat to buttress the recovery of salmon populations and to maintain accessibility to forest resources.

Socioeconomic Conditions and Effects of NEAI on Community Well-Being

Socioeconomic Condition

Social and economic data suggest that conditions in the community are improving slightly for residents. While there is a dearth of reliable data for measuring conditions, much less change over time, interview responses and physical evidence, including new vehicles and boats, both indicate that many long-term residents³ are faring better now than in the early and mid-1990s, this despite the decline of timber and fishing industries. It should be noted that changes in socioeconomic conditions on the reservation do not represent a substantial change in conditions that can be characterized as extreme poverty.

Forty-nine percent of the Makah population on the reservation lives on incomes below the national poverty level (Sepez 2001). In 1990, the per capita income was \$6,494⁴ and by 1995 it dropped

to \$5,200. The decline in salmon fisheries is partially to blame for this decline. Annual unemployment in the 1990s ranged between 40 and 60 percent; in 1997, the unemployment rate was 54 percent. This compares with 9.7 percent in Clallam County. The county's unemployment rate fell to 7.4 percent in 1999, representing a significant decline from unemployment rates of the 1980s that approached 20 percent.

Free Lunch Eligibility for Kindergarten through 12th grade at the school in Neah Bay has bounced up and down between 63 and 75 percent, between 1994 and 1999. The Social, Health, and Education Department reports 52 families receive Temporary Assistance for Needy Families (TANF), 62 families receive food stamps, and 106 individuals receive Medical Coupons. In March of 2001, the Bureau of Indian Affairs' General Assistance Program served

3. One peculiar dynamic stemming from changes in the federal welfare laws and subsequent changes to welfare programs makes it difficult to understand change in well-being in Neah Bay, in terms of improvements resulting from NEAI-funded projects. Traditional welfare programs are being phased out but areas experiencing high rates of poverty are continuing to administer the old welfare programs. Many Makah who migrated off the reservation or grew up off the reservation are immigrating to Neah Bay to maintain their welfare benefits. Due in part to the number of the Makah Tribal members moving back to Neah Bay, poverty rates are high enough to maintain old welfare programs. This has the effect of increasing the number and percent of people living in poverty and masking decreases in poverty and changes in per capita income that may have taken place over the last several years.

4. The value of subsistence activities is believed to add an additional 15 percent to per capital income (Sepez, 2001). As well, income derived from treaty rights is non-taxable income. Per capital income is calculated using taxable income only.

150 individuals and two families. These data do not change significantly over time since funds are used to guarantee a certain number of “slots” rather than meet community need.

Community Capacity

NEAI was designed to assist timber workers transition to new jobs, diversify timber-based economies, and enhance community infrastructure to address community needs and issues. Because the Makah Indian Reservation is not solely a timber dependent community but suffers from extreme poverty, the tribe was eligible for NEAI funds. If any one segment of the population was targeted for assistance, it was the fishers, which represent a majority of the working community.

Community capacity is the collective ability of residents in a community to respond to external and internal stresses, to create and take advantage of opportunities, and to meet local needs. Community capacity consists of six dimensions: (1) physical capital, which includes a community physical infrastructure (e.g., sewer systems, business parks, capital assets such as equipment, housing stock and schools); (2) natural capital, which includes the health and productivity of water or forest resources; (3) financial capital, which includes money, credit, and other financial resources available for local use; (4) human capital, which includes the skills, education, experiences, and general abilities and capabilities of residents; (5) cultural capital, which includes the myths, beliefs, norms, and life ways that serve to organize groups and facilitate survival; and (6) social capital, which includes the willingness of residents to work together toward community goals (and not just self-interested goals). Evaluating NEAI projects’ impact on the Makah Indian Reservation’s capacity requires a closer examination of the various dimensions of capacity.

Physical Capital

The single largest NEAI investment in Neah Bay was the construction of the marina. The primary function of the marina is to provide year round moorage facilities for the tribe’s commercial fleet of perhaps 50 vessels. The boats, including three tradi-

tional whaling canoes, range from 36 to 127 feet and are used for both commercial and subsistence purposes.

The new marina also supports a sport fishing industry. In the past, three small resorts provided docks from May through August. The docks were reportedly in various states of disrepair. One resort, Big Salmon, now leases slips on the new marina and splits their revenues with the marina. There are also 10 slips for charter boats.

The marina serves as the base for two emergency oil spill response boats, the state’s emergency tugboat, National Ocean and Atmospheric Administration (NOAA) boats, and the occasional sailboat, all important sources of revenue for the marina. The marina also serves as a base for aquaculture development.

Land based facilities provide for the administration of the marina, commercial storefronts, meeting space used for training, conferences, community gatherings, receptions, as well as an informal gathering spot. Business enterprises have yet to open in the commercial spaces.

MTC is now consolidating properties and allocating land for developing marina related facilities as well as the downtown to support marine industries. Some council members and others associated with the marina envision deepening the channel and increasing the marina’s capacity, building a fishery related multi-use pier for private enterprise to buy or transfer fish, and building a restaurant and motel. There are other significant improvements that must take place, but with the marina—as the anchor—in place and generating income, other necessary infrastructure developments are likely.

NEAI investments also played an important role in developing the road infrastructure on the Makah Indian Reservation, but it will take time before benefits accrue to the community. Jobs-in-the-Woods grants contributed to the assessment of the Makah Indian Reservations road system. The Forestry Department used the road inventory to build a geographic information system that is now used to help develop plans for accessing and transporting harvest timber. Assessment results will also be used to improve conditions of the network of roads.

Natural Capital

One community need identified prior to the NEAI was addressing environmental issues such as forestlands degraded by logging, depleted or endangered fisheries, and hazardous waste. Jobs-in-the-Woods grants were used to assess the condition of roads and road-stream interfaces on the entire reservation, and salmon habitat in the Ozette Watershed. Understanding road and road-stream interface conditions are necessary to commence actions to restore the health and functionality of the ecosystem. While it is too early to see the effects of the investments in terms of restored functionality of the ecosystem—namely improved water quality and restored fisheries, plans are being developed to address road conditions, road-stream interfaces, and restore aquatic habitat.

Marina investments also contribute to maintaining the health of marine resources that are vital to the Makah. Oil spill response boats moored at Neah Bay decrease the time it takes to respond to oil spills that occur at regular, albeit infrequent intervals. The location of the oil spill response boats follows in the wake of the Tenyu Maru spill that resulted in a large financial settlement to the tribe but at the expense of the health of marine resources within the Makah's Usual and Accustomed Area.

Financial Capital

Funds used for the marina and the Small Business Development Program were intended to increase the economic well-being of individual community members. The marina directly increased fishermen's access to capital and capitalization in resources for economic development as well as improved economic conditions for a large number of fishermen and their families.

As a result of the Small Business Development Program, one tribal member completed a business plan and two others completed one of the three courses offered, though they realized their business ideas were infeasible. One participant successfully started a fish buying business. While the Small Business Development Program failed to generate entrepreneurial activity it was an important learning experience not lost on the MTC. Lessons learned serve as the basis for the development and implementation of the

Recreational Use Permit and Community Forestry Initiative programs, both of which hold promise for increasing MTC revenues and the flow of capital to the individuals.

The marina project on the other hand resulted in broad economic gains. The growth of the fisheries is sufficient to support a fish broker and at least one value-added business. The new marina saves time and the expense of taking boats to Port Angeles, and it enables fishermen to readily take advantage of short fishing seasons. The ability to take advantage of all of the fishing seasons is especially important for the Makah; due to the decline in salmon fisheries, the Makah's focus has permanently shifted from tribal treaty fishing for a single species industry to a multiple species industry. Fisheries now include: winter black cod, March long-line halibut and troll fishing, spring long-line black cod, summer salmon trolling, drift gillnet sockeye, long-line black cod and mop-up halibut, fall gillnet fishing for Coho salmon, and pacific whiting. A select group of Makah fishermen have been able to access millions of dollars to capitalize on the growth in the fisheries. The harbormaster exclaimed, "Boys are busy year round. This is the best year in 20 years in terms of allocations from fishing quota. Five boats joined the fleet this year."

In terms of sport fishing, the owners of Big Salmon Resort commented that they recently had two of the busiest weekends in its 23 years of business. The harbormaster added, "Fishing is much better than in the past. We are exceeding our projections. Some times of the year we cannot find even a crack to put a boat in, we actually have turned boats away." Big Salmon Resort's revenues are split with the tribe. As well, sport fishermen add much needed cash to the local economy.

Aquaculture too, has provided income for the MTC and increased access to capital. The three rafts produce 30,000 pounds of mussels every 18 months. The mussels are sold to Washington State Department of Fish and Wildlife and to Taylor Seafood. Bill Parkins, who attends to the daily management of the aquaculture project, believes that with two dozen rafts MTC could be competitive on the market. Ultimately, MTC would like to see

a tribal member take on the project as an entrepreneurial activity.

Human Capital

NEAI funds, WA-CERT, and the projects themselves had a relatively minor effect on human capital (i.e., the leadership, skills and abilities of community members). Two individuals within the Natural Resources Department received training and learned new skills to complete Jobs-in-the-Woods project related work, training not paid through the grants. For several employees hired to complete seasonal assessments, work provided income and a means to acquire new technical skills. A small number of individuals received business training through the Small Business Development Program but there has been little subsequent business development.

Cultural Capital

Cultural capital consists of the myths, beliefs, norms, and life ways that serve to organize groups that impact a community's ability to address community issues. The marina's impact on cultural capacity results from both commercial and subsistence fisheries. Makah fishermen who are able to make ends meet through commercial activities on a seasonal basis, are then able to pursue traditional activities including subsistence fishing, processing and exchanging or gifting processed foods, as well as practicing traditional arts while they are "unemployed." As well, while environmental assessments funded through JITW grants do not directly lead to cultural capital, access to forest resources and improved fisheries do support subsistence activities that contribute to cultural capital development. Access to reservation land via the road network, that is now mapped, provides increased access to non-timber forest products, including berries and cedar bark, for which there is demand by artists. Furthermore, workers on the assessments gain intimate knowledge of their reservation and the Usual and Accustomed Areas, increasing their ability to access fisheries. Ninety-nine percent of the population participated in subsistence activities

and they are a fundamental component of the community's well-being. Subsistence activities strengthen trade and gift networks as well as reinforce important components of Makah heritage, including the distribution of wealth.

Social Capital

The marina is increasingly used as an informal and formal gathering place. As a hub of social, cultural, and commercial activity, the marina—as a physical space—could very well play an important role in strengthening the connections between individuals and institutions, and their various efforts.

Effects of NEAI on Workers

The marina projects are having an immense effect on fishery workers. The marina has expanded the number of fishing days in the year, which has increased income. The success of some fishermen has led to the expansion of their enterprises that in turn has increased employment opportunities. Economically, many fishermen, perhaps as many as 300, are better off. In turn, their well-being increases their ability to participate in subsistence activities—the distribution of goods and capital—that increases the well-being of immediate and extended family members. As well, local proximity reduces the time and financial drain of fishers working out of Port Angeles, resulting in more time to spend at home with their families, and pursuing traditional activities, including the arts.

Other avenues for economic and community development, including the Small Business Development Program and Jobs-in-the-Woods (JITW), were not successful in affecting workers. JITW provided a few seasonal employment opportunities and several grant dependent positions; Makah filled two positions. JITW grants contribute to the MTC's budget and provide limited employment opportunities through logging, habitat restoration, or road maintenance contracts. It is possible that the restored functionality of the ecosystem will support subsistent and commercial activities in the long-term.

Patterns and Themes of Successful Interventions

Building on Existing Capacity

Agency representatives who worked with the MTC on the marina and other projects were quick to point out the high level of professionalism and capacity the MTC possesses. Without a doubt the success of the marina project is one manifestation and testament to the individual capacity and leadership that exists in Neah Bay.

Big Picture Thinking

The MTC's values that influence the trajectory of community development resulted in investments that made and should continue to have substantial positive impact on the community's well-being. A key feature of their efforts was aligning investments with needs.

Aligning Investments with Key Needs for Multiple Purposes

The marina supports commercial and subsistence activities, both of which are critical to the community's well-being. Likewise, the value of the Jobs-in-the-Woods grant funded assessments will eventually increase access for timber extraction (revenues to MTC and contracts for labor), access to non-timber forest products (for subsistence and traditional arts), as well as improve the health of the ecosystem that will support improved salmon fisheries.

Perseverance and Creativity

There were many critical elements to the MTC's efforts that enabled them to acquire the funding necessary to complete the marina project. The same diligent and creative perseverance that resulted in the implementation of the suite of marina projects has led to its use as an engine for multiple dimensions of economic and community development.

Long-term Strategies and Dedication

The marina has been a focus of the MTC for over 30 years. Along the way the MTC invested in the tribes fishing fleet and developed relationships with the different state and federal entities that would be needed to move the project forward. The MTC

worked continuously to try to set all the necessary pieces into place, including consolidating property in Neah Bay to support ancillary developments. Even though the marina represents a huge investment, its completion is just one important piece of the MTC's vision now in place.

Getting Players to the Village

The MTC was very successful in obtaining agency support and commitment for its projects. This was partially a result of its strategy of holding "summit" meetings. The MTC has long used the summit as a technique for getting a variety of government leaders to solve problems. The complexity of the marina project required multiple players and agencies to come out and look, sit, and talk face-to-face. "We won't talk in offices, we are going to get together and talk with a mix of agencies." For agency people, "seeing the project in context was a motivation." The second summit at Neah Bay played an important role in subsequent investment in Neah Bay that supported the development of aquaculture as well as the land based components of the marina, including downtown revitalization. To an extent, the WA-CERT in the form of its community meetings has institutionalized the summit style meetings. It is reasonable to expect that these meetings have contributed to the success of several communities in accessing funds for key development projects.

Serendipity and Opportunism

Taking advantage of opportunities and serendipity factored into MTC's successes, and was supported by its big picture thinking, creativity, perseverance, and timing with external events. Combined, MTC's ongoing efforts coupled with WA-CERT's birth and evolution had a huge impact on the marina project development.

The MTC initiated the protracted effort to develop the marina by first requesting that the Army Corps of Engineers build a breakwater in 1967. After several failures, MTC was finally able to tip the cost-benefit analysis in their favor as a result of a fortunate turn of events.

An Avenue for a Multi-agency Effort

Agency representatives from the FS-RCA and Rural Development claim that the WA-CERT process was integral to the MTC's success in acquiring funding for the project and one doubts "if this [marina] would have happened without it." WA-CERT gave an avenue for agencies to work together. One agency representative said:

Basically, with WA-CERT there is a process—people sitting down, MOUs, that facilitates working together. The hallmark of the marina project is the fact that there were so many entities involved. That is where it cut new ground, all of the entities working together.

Symbioses

Several agency representatives as well as MTC employees remarked that none of them independently could have made the project happen or

achieve the level of success experienced thus far. One agency representative said: WA-CERT, MTC, and my agency were involved in a mutually supportive process, working toward the same objective. It is hard to precisely define. Tribal members associated with the project reflect that early on WA-CERT was:

...still trying to figure out the process. It was new to all of us, trying to figure out the process. We know it pulled all of the agencies together and no one agency was willing to fund. At the time, it was frustrating but it was important. Everyone was just trying to figure it out.

Furthermore, MTC's participation in WA-CERT and their subsequent success with the marina project became a showcase for WA-CERT. At the very least the success increased other tribe's involvement in WA-CERT.

Conclusions

Neah Bay's economy was supported by the timber industry from the early 1930s until 1984. Because they are situated at the tip of the Olympic Peninsula, the Makah are in a prime location for accessing and protecting marine resources. Their history as people who subsisted on the sea and forest evolved to include an economy based on the commercial utilization of natural resources.

NEAI investments, facilitated by WA-CERT, built on these historic and economic realities. The marina provides an anchor for a variety of commercial and subsistence activities that maintain an

important connection with the sea. Complementary investments in assessing road conditions and aquatic habitat hold great promise for improving the functionality of the forest and streams and restoring the connectivity between the forest and ocean to support local fisheries. The short-term effects are direct in terms of increasing the financial well-being of individuals and their families, as well as supporting and strengthening traditional activities. As well, the long-term impacts of the investments should be broad and deep, as they support a diversity of activities and interests; cultural, economic, and environmental.

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Interviewees

Greig Arnold	Makah Tribal Council General Manager
Karen Bailer	United States Department of Agriculture Rural Development
Janine Bowe chop	Director Makah Cultural and Research Center
Robert Buckingham	Neah Bay Port Authority Director
Ed Claplanoo	Makah General Council
Karl Denison	United States Forest Service Rural Community Assistance
“Bud” Denny	Makah Tribal Council Planning Department
Norman Down	Consultant to MTC (Makah Marina Project Inspector)
Mike Haggerty	Makah Tribal Council Natural Resource Department
Jeff Hottowe	Makah Tribal Council Makah Marina Harbormaster
Mike Hunter	Makah Tribal Council Natural Resource Department, Fisheries
Lloyd Kirry	Economic Development Administration
Thomas Parker	Makah Tribal Council Natural Resource Department, Fisheries
Bill Parkins	Makah Tribal Council Makah Marina
Melissa Peterson	Makah General Council, business owner
Andy Ritchie	Makah Tribal Council Natural Resource Department, Fisheries
Maria Secor	Makah Tribal Council Social, Health and Education Department
Gordon Smith	Makah Tribal Council
Joyce Trettevick	Makah Tribal Council Natural Resource Department, Forestry
Donna Wilkie	Makah Tribal Council Planning Department

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