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Article published May 29, 2010

Mohegan Tribe's government center plan lands stimulus loans

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\$54 million in backing expected to foster 1,279 jobs locally

Nearly 1,300 local jobs are expected to be created thanks to \$54 million in federal stimulus loans the Mohegan Indians will receive to fund the stalled construction of a new tribal government center.

The American Recovery and Reinvestment Act funding - targeting rural areas and amounting to \$167.8 million nationwide - was announced Thursday by the U.S. Department of Agriculture. The Mohegan Tribe's loans amounted to nearly a third of all stimulus money made available nationwide in its latest announcement.

"The tribe is building a community center; an educational center; a health administration center; an administration building, and a library," the agency said in a press release. "Once completed, the new center will provide essential government services and create an estimated 1,279 jobs for this rural community."

It was unclear how many of the jobs will be permanent and how many are temporary. The Mohegan Tribe did not respond to requests for more details.

The tribe broke ground on the government center in April 2007, according to information on its website, but put the \$80 million project on hold in January 2009 when the economy soured. The partially completed center, which originally was to have been finished by December 2009, is located on Crow Hill Road in Uncasville, near the site of the tribe's current temporary headquarters.

"The new four-story structure will house the various departments of the Tribal Government and also contain a community center which will include a recreation and practice center for the Connecticut Sun (WNBA basketball team)," according to the Mohegans' website.

The government building - expected to house the Tribal Gaming Commission along with offices for police, fire, education and housing personnel - was put on hold at the same time the tribe stopped a major expansion of its Mohegan Sun casino. The casino also rolled back salary increases and offered voluntary buyouts to employees, while the tribal government cut positions.

Both casino and tribal employees had 401(k) retirement fund matches and salary increases suspended at the same time.

A listing of the federal funding for the project shows four separate loans amounting to nearly \$32 million that will be used to construct a "Tribal Educational Center." A fifth loan, at more than \$22 million, would be used for the "Tribal Community Center."

It's unclear which of the loans, if any, would be used for the health center, administration building or library. The USDA did not return calls seeking more information.

"These Recovery Act projects not only provide needed infrastructure in rural communities, they contribute to the Obama administration's continued efforts to turn the economy around and create quality jobs," USDA Secretary Tom Vilsack said in a statement.

The \$167.8 million in Recovery Act projects announced this week are funded through the USDA Rural Development Community Facilities Program. They will be matched with \$60 million from unspecified "other sources."

The funds for rural communities are made available to "public bodies, nonprofit organizations and federally recognized Indian tribes," according to the USDA. The latest round of funding will bring 145 loans to 37 states.
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