

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0057-23_

SPONSOR: Danny Simpson

TITLE: An Action Relating to the Budget and Finance, Resources and Development, and Naabik'iyáti' Committees, and the Navajo Nation Council; Approving \$9,845,000 from the Síhasin Fund to the Eastern RBDO for the Crownpoint Hotel and Conference Center Project; Approving the Related Expenditure Plan

Date posted: April 05, 2023 at 10:15PM

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SUMMARY OF PROPOSED LEGISLATION

TrackingNo. 0057-23

Date: April 5, 2023

Re: AN ACTION RELATING TO THE BUDGET & FINANCE, RESOURCES & DEVELOPMENT, AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL; APPROVING \$9,845,000 FROM THE SÍHASIN FUND TO THE EASTERN RBDO FOR THE CROWNPOINT HOTEL AND CONFERENCE CENTER PROJECT; APPROVING THE RELATED EXPENDITURE PLAN

Purpose of this Legislation:

to approve \$9,845,000 from the Sihasin Fund for the Eastern RBDO for the Crownpoint Hotel & Conference Center Project; approving the related Expenditure Plan.

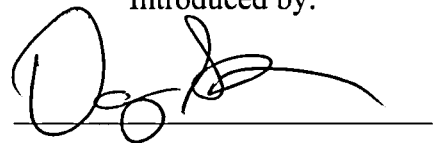
OLC No. 23-095-1

5-DAY BILL HOLD PERIOD: J. Johnson
Website Posting Time/Date: _____
Posting End Date: 04-10-23
Eligible for Action: 04-11-23

Budget & Finance Committee
Thence
Resources & Development Committee
Thence
Naabik'íyáti' Committee
Thence
Navajo Nation Council

1 PROPOSED NAVAJO NATION COUNCIL RESOLUTION
2 25th NAVAJO NATION COUNCIL - First Year, 2023

3 Introduced by:

4 
5 _____

6 (Prime Sponsor)

7
8 Tracking No. 0057-23

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10 AN ACTION

11 RELATING TO THE BUDGET & FINANCE, RESOURCES & DEVELOPMENT,
12 AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL;
13 APPROVING \$9,845,000 FROM THE SÍHASIN FUND TO THE EASTERN
14 RBDO FOR THE CROWNPOINT HOTEL AND CONFERENCE CENTER
15 PROJECT; APPROVING THE RELATED EXPENDITURE PLAN

16
17 BE IT ENACTED:

18
19 SECTION ONE. AUTHORITY

- 20 A. The Budget & Finance Committee is a standing committee of the Navajo Nation Council
21 with the responsibility to “review and recommend to the Navajo Nation Council the
22 budgeting, appropriation, investment and management of all funds.” 2 N.N.C. §301(B)(2).
23 B. The Resources & Development Committee is a standing committee of the Navajo Nation
24 Council with responsibility over economic development, generally, and oversight authority
25 over the Division of Economic Development in its subordinate offices, such as the Eastern
26 Regional Business Development Office. 2 N.N.C. §500(C); 2 N.N.C. §501(C)(1).
27 C. The Naabik'íyáti' Committee is a standing committee of the Navajo Nation Council that
28 considers all proposed final actions by the Navajo Nation Council. 2 N.N.C. §164(A)(9).
29 D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).
30 As such, the Council may approve appropriations from the Navajo Nation's Síhasin Fund.

1 E. 12 N.N.C. §2502, as amended by CJA-03-18, states the purpose of the Navajo Nation Síhasin
2 Fund (“Síhasin Fund”) as follows:

3 §2502 Purpose

4 A. The purposes of this Fund are to provide financial support and/or financing for:

- 5 1. The planning and development of economic development and regional
6 infrastructure supporting economic development and community
7 development, including such infrastructure as, but not limited to,
8 housing, commercial and government buildings, waterline, solid waste
9 management development, powerline Projects, and transportation and
10 communication systems, within the Navajo Nation; . . .

11 B. For the Purpose in §2502(A)(1), Fund expenditures for infrastructure shall not
12 be limited by 12 N.N.C. §1310(F) or TCDCJY-77-99.

13 C. Leveraging the Fund by way of guaranteeing loans, match funding, direct
14 funding in part, and other weighted uses of the Fund, including loan financing
15 from the Fund, for the purposes in §2502(A)(1), shall be favored over direct
16 funding in whole.

17 F. The Síhasin Fund provides that “Fund Principal” shall consist of all deposits made to the
18 Síhasin Fund and that “Fund Income” shall consist of all earnings (interest, dividends, etc.)
19 generated and realized by the Fund Principal, and that Síhasin Fund Income shall be
20 deposited in, and added to, the Fund Principal until such time as a Fund Expenditure Plan is
21 duly approved. 12 N.N.C. §2504 and §2505(C).

22 G. The Síhasin Fund also provides that “Fund Principal and Income shall not be expended
23 except pursuant to a Fund Expenditure Plan consistent with the purposes set forth in §2502
24 of this Chapter and adopted by a two-thirds (2/3) vote of all members of the Navajo Nation
25 Council.” 12 N.N.C. §2505(A).

26
27 **SECTION TWO. FINDINGS**

28 A. In Resolution No. CAP-19-16 (signed into law on May 7, 2016), the Navajo Nation Council
29 approved funding from the Navajo Nation Permanent Fund for the Eastern Regional Business
30 Development Office (“Eastern RBDO”) for the Crownpoint Hotel and Conference Center

1 Project ("Project"). **EXHIBIT A.** CAP-19-16, incorporated herein by this reference, is the
2 Navajo Nation's approval of its Permanent Fund 5-Year Plan for 2017-2021, as mandated
3 by 12 N.N.C. §905.

4 B. A Business Site Lease for the Project, Lease No. NNEN-17-0088, was approved for CSB
5 Enterprizes, LLC, in March of 2016. A copy of Lease No. NNE-17-0088, as well as
6 drawings, schematics, and renditions for the Project, are available from the Eastern RBDO.

7 C. The Eastern RBDO is requesting \$9,845,000 from the Sihasin Fund for the Crownpoint Hotel
8 and Conference Center Project. **EXHIBIT B.**

9 D. The Eastern RBDO has provided a Development Plan for the Project, attached hereto as
10 **EXHIBIT C**, and also a detailed Cost Estimate for the Project, attached as **EXHIBIT D**. A
11 "Market and Financial Feasibility Analysis of the Crownpoint Hotel and Conference Center,"
12 dated March 16, 2021, is available from the Eastern RBDO.

13 E. The Crownpoint Chapter has expressed its support for the Project. **EXHIBIT E.**

14 F. The Crownpoint Hotel and Conference Center Project, when completed and operating, will
15 provide needed economic and job opportunities, as well as tax revenue, for the Navajo Nation
16 and surrounding communities. The Navajo Nation therefore finds approval of the Sihasin
17 funds requested by the Eastern RBDO to be in the best interests of the Navajo Nation and
18 the Navajo People.

19
20 **SECTION THREE. APPROVING \$9,845,000 FROM THE SIHASIN FUND FOR THE**
21 **CROWNPOINT HOTEL AND CONFERENCE CENTER**
22 **PROJECT; APPROVING THE RELATED EXPENDITURE**
23 **PLAN**

24 A. Pursuant to 12 N.N.C. §2505(A), the Navajo Nation hereby approves \$9,845,000 from the
25 Sihasin Fund to the Division of Economic Development/Eastern RBDO for the Crownpoint
26 Hotel and Conference Center Project, as explained in **EXHIBIT B** and **EXHIBIT C**.
27 Further, the Navajo Nation hereby approves the related Expenditure Plan as set forth in the
28 listed **EXHIBIT B** and **EXHIBIT C**.

29 B. The Controller shall determine whether the source of the approved \$9,845,000 amount from
30 the Sihasin Fund will be from Fund Principal or Fund Income or a combination of both.

1 C. The Síhasin funds allocated for the Expenditure Plan approved herein may be further
2 leveraged by bond or loan financing pursuant to the Navajo Nation Bond Financing Act, at
3 12 N.N.C. §1300 *et seq.*, as amended, using Síhasin Fund earnings for repayment and
4 financing costs upon the recommendation of the Budget and Finance Committee and
5 approval by a two-thirds (2/3) vote of all members of the Navajo Nation Council.

6 D. The Síhasin funds approved herein shall be disbursed to the DED/Eastern RBDO within
7 twenty (20) business days following the effective date of this Action. Upon receipt of the
8 approved funds, DED/ERBDO shall promptly implement the Expenditure Plan for the
9 Crownpoint Hotel and Conference Center Project, as approved herein.

10 E. The approved Síhasin funds shall not be comingled with any other funds, and shall be used
11 by strictly for the Expenditure Plan approved herein. DED/ERBDO shall be responsible for
12 ensuring that all expenditures comply with the approved Expenditure Plan.

13 F. The approved Síhasin funds shall not lapse at the end of any fiscal year, as might otherwise
14 occur under 12 N.N.C. §820(N), so long as: (1) all Síhasin funds are accounted for as of
15 September 30 of each fiscal year; and (2) any/all remaining Síhasin funds are budgeted in
16 the next upcoming fiscal year for use on the same Expenditure Plan.

17 G. Notwithstanding Section Three (F) above, any remaining amount of Síhasin funds not
18 expended or encumbered by September 30, 2026 shall revert to the Síhasin Fund, unless
19 determined otherwise prior to such reversion by the Naabik'íyáti' Committee.

20
21 **SECTION FOUR. DIRECTIVE**

22 DED/Eastern RBDO shall submit written reports, and verbal reports if so requested, explaining
23 the ongoing status of the Expenditure Plan approved herein and its expenditures of the
24 \$9,845,000 in Síhasin funds. Said reports shall be provided to the Resources and Development,
25 Budget and Finance Committee, and the Naabik'íyáti' Committee by the end of each Fiscal
26 Year Quarter until the Crownpoint Hotel and Conference Center Project is completed, or until
27 all approved Síhasin funds are exhausted, or upon the September 30, 2026 reversion deadline
28 in Section Three (G) herein.

1 **SECTION FIVE. EFFECTIVE DATE**

2 This Action and the related Expenditure Plan shall become effective pursuant to 12 N.N.C.
3 §2505(A) and 2 N.N.C. §221(B).

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5 **SECTION SIX. SAVING CLAUSE**

6 If any part of this Action is invalidated by the Supreme Court of the Navajo Nation, or by any
7 Navajo Nation District Court without appeal to the Navajo Nation Supreme Court, the
8 remainder of this Action shall be the law of the Navajo Nation.

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