THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0094-25__ SPONSOR: <u>Herman M. Daniels, Jr.</u>

TITLE: An Action Relating to Resources and Development, Budget and Finance, and Naabik'íyáti' Committees, and the Navajo Nation Council; Allocating \$408,230 from the Navajo Nation Síhasin Fund for the Taadidiin Tour Turnoff Improvement Project; Approving and Adopting the Taadidiin Tour Turnoff Improvement Project Expenditure Plan Pursuant to 12 N.N.C §§ 2501 – 2508

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LEGISLATIVE SUMMARY SHEET

DATE: May 22, 2025

TITLE OF RESOLUTION: AN ACTION RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL; ALLOCATING \$408,230 FROM THE NAVAJO NATION SÍHASIN FUND FOR THE TAADIDIIN TOUR TURNOFF IMPROVEMENT PROJECT; APPROVING AND ADOPTING THE TAADIDIIN TOUR TURNOFF IMPROVEMENT PROJECT EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508

PURPOSE: This proposed resolution will approve Sihasin Funding for the Taadidiin Tour Turnoff Improvement Project.

FINAL AUTHORITY: Navajo Nation Council

VOTING REQUIREMENT: 2/3 vote of the Navajo Nation Council

This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.

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. 1	PROPOSED NAVAJO NATION COUNCIL RESOLUTION Naabik'íyáti' Co	
2	25 th NAVAJO NATION COUNCIL – Third Year, 2025 Navajo Nation	Thence Council
4	INTRODUCED BY	
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. 9	TRACKING NO. <u>0094-25</u>	
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. 11	AN ACTION	
12	RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE,	
13	AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL;	
14	ALLOCATING \$408,230 FROM THE NAVAJO NATION SÍHASIN FUND FOR THE	
15	TAADIDIIN TOUR TURNOFF IMPROVEMENT PROJECT; APPROVING AND	
16	ADOPTING THE TAADIDIIN TOUR TURNOFF IMPROVEMENT PROJECT	
17	EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508	
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19	BE IT ENACTED:	
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21	SECTION ONE. AUTHORITY	
22	A. The Resources and Development Committee is empowered to exercise oversight of	
23	matters involving water, land, environment, economic and community development,	
24	and public utilities, among others. 2 N.N.C. §500(C).	
25	B. The Budget and Finance Committee is empowered to "appropriate, allocate, cancel, re-	
26	appropriate and review the use of Navajo Nation funds received including but not	
27	limited to all grants, contracts, gifts and other funds from all sources." 2 N.N.C. §	
28	301(B)(3).	
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- C. The Naabik'íyáti' Committee is a standing committee of the Navajo Nation Council with the responsibility to hear proposed resolution(s) that require final action by the Navajo Nation Council. 2 N.N.C. § 164(A)(9).
- D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102(A).
- E. The Navajo Nation Code (at 12 N.N.C. § 2502, as amended by CJA-03-18) provides that the purpose of the Navajo Nation Síhasin Fund (the "Síhasin Fund") is as follows:

§ 2502 Purpose

- A The purposes of this Fund are to provide financial support and/or financing for:
 - The planning and development of economic development and regional infrastructure supporting economic development and community development, including such infrastructure as, but not limited to, housing, commercial and government buildings, waterline, solid waste management development, powerline projects, transportation and communication systems, within the Navajo Nation; and
 - 2. Education opportunities for members of the Navajo Nation.
- B. For the Purpose in § 2502(A)(1), Fund expenditures for infrastructure shall not be limited by 12 NNC § 1310(F) or TCDCJY-77-99.
- C. Leveraging the Fund by way of guaranteeing loans, match funding, direct funding in part, and other weighted uses of the Fund, including loan financing from the Fund, for the purposes in § 2502(A)(1), shall be favored over direct funding in whole.
- F. The Síhasin Fund provides that "Fund Principal" shall consist of all deposits made to the Síhasin Fund and that "Fund Income" shall consist of all earnings (interest, dividends, etc.) generated and realized by the Fund Principal, and that Fund Income shall be deposited in and added to Fund Principal until such time as a Fund Expenditure Plan is duly adopted. 12 N.N.C. §§ 2504 and 2505 (C).
- G. The Sihasin Fund provides that "Fund Principal and Income shall not be expended except pursuant to a Fund Expenditure Plan consistent with the purposes set forth in §

2502 of this Chapter and adopted by a two-thirds (2/3) vote of all members of the Navajo Nation Council." 12 N.N.C. § 2505(A).

SECTION TWO. FINDINGS

- A. LeChee Chapter is a Local Governacne Act certified chapter, and is located near Page, Arizona. The Chapter is located near Lake Powell, the Colorado River, Echo Cliffs, Cardiac Canyon, Horseshoe Bend, and Antelope Canyon.
- B. LeChee Chapter and the surrounding community supports visitors and tourism for economic development and jobs.
- C. Taadidiin Tours LLC ("Taadidiin Tours") is an Arizona Limited Liability Company that provides guided tours of Antelope Canyon and Cardiac Canyon.
- D. Taadidiin Tours' current operations are done through commercial buses and patrons who are directed to a parking site located at the southern end of the Antelope Canyon wash, 12 miles east of Page, AZ on Highway 98.
- E. Taadidiin Tours desires to construct and operate a tour business on 3.0 acre tract in LeChee Chapter. To achieve this, Taadidiin Tours has developed the Taadidiin Tours Turnoff Improvement Project (the "Project") Expenditure Plan, which is attached as **Exhibit A.** The Expenditure Plan includes a Project description, a Conceptual Construction Cost Estimate, and detailed Fee Proposal document.
- F. The Project will include the construction of an office building, parking area and a café and gift shop. The project will be developed in two phases. Phase 1 will consist of the development of the office building and parking area approximately a 16-month construction, and Phase II will consist of the development of a café and gift shop within a 5-year period.
- G. The total estimated cost of the Project is \$408,230, which will include the conceptual construction and the design and administrative costs.
- H. The allocation of the \$408,230 for this Project meets the statutory criteria for Síhasin expenditures because this Project involves "infrastructure supporting economic development and community development" and "waterline" projects, as mentioned in 12 N.N.C. § 2502(A)(1).

SECTION THREE. APPROVAL OF SÍHASIN FUNDING AND ADOPTION OF EXPENDITURE PLAN

- A. The Navajo Nation hereby approves and adopts funding for the Taadidiin Tours Turnoff Improvements Project in the amount of \$408,230 from the Navajo Nation Síhasin Fund, in accordance with 12 N.N.C. § 2505(A).
- B. The Navajo Nation hereby approves and adopts the Taadidiin Tours Turnoff Improvements Project Expenditure Plan, attached as **Exhibit A**.
- C. The Síhasin Funds allocated for the Taadidiin Tours Turnoff Improvements Project Expenditure Plan may be further leveraged by bond or loan financing pursuant to the Navajo Nation Bond Financing Act, 12 N.N.C. § 1300 et seq., as amended, using Síhasin Fund earnings for repayment and financing costs upon the recommendation of the Budget and Finance Committee and approval by a two-thirds (2/3) vote of all members of the Navajo Nation Council.

SECTION FOUR. APPROVAL AND ADOPTION OF THE TAADIDIIN TOURS TURNOFF IMPROVEMENTS PROJECT EXPENDITURE PLAN

ADMINISTRATION

- The Navajo Nation Council hereby approves the administration of the Taadidiin Tours Turnoff Improvements Project as follows:
- A. The Navajo Nation Controller shall determine whether the source of the annual allocations from the Project's total allocation of \$408,230 will be Síhasin Fund Principal or Income or a combination of both.
- B. The Síhasin funding for the Project will be distributed to the Navajo Nation Division of Transportation ("NDOT") in accordance with a disbursement schedule as determined by the Controller in consultation with NDOT. The NDOT shall be responsible for carrying out the Project, in accordance with the Project described in **Exhibit A**.
- C. The Síhasin funds allocated shall be used solely to design, plan, and/or construct the Project as described in **Exhibit A**. Any and all cost-savings shall be returned to the Síhasin Fund once the project is completed.

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- D. Funds for the Project that are not spent or encumbered within thirty-six (36) months of the date funds are made available to NDOT shall revert to the Síhasin Fund principal, unless otherwise recommended by the Resources and Development Committee of the Navajo Nation Council and approved by the Naabik'íyáti' Committee.
- E. Sihasin Funds are excluded from the appropriation lapse provisions in the Appropriations Act pursuant to 12 N.N.C. §820(N).
- F. The Project shall be managed by NDOT, and operation, maintenance and repairs for the Project shall be performed by the State of Arizona or NDOT.

SECTION FIVE. DIRECTIVES

The Navajo Nation Division of Transportation shall report the status of the Project to the Resources and Development Committee and to the Naabik'íyáti' Committee on a quarterly basis.

SECTION SIX. EFFECTIVE DATE

The Taadidiin Tours Turnoff Improvements Project Expenditure Plan, as set forth above, shall become effective pursuant to 12 N.N.C. § 2505.

SECTION SEVEN. SAVING CLAUSE

Should any provision(s) of this Act be determined invalid by the Navajo Nation Supreme Court or the District Courts of the Navajo Nation, without appeal to the Navajo Nation Supreme Court, the remainder of the Act shall remain the law of the Navajo Nation.