

**KA:'YU:'K'T'H'/CHE:K'TLES7ET'H' FIRST NATIONS
GOVERNMENT**

**FAIR HARBOUR IMPROVEMENTS
CAPITAL BORROWING ACT**

KCFNS 26/2013



This law enacted on October 23, 2013

Signed Christina Cox
Christina Cox, Tyee Ha'wilt,
Ka:'yu:'k't'h' First Nation

Signed Francis Gillette
Francis Gillette, Tyee Ha'wilt,
Che:k'tles7et'h' First Nation

Signed Therese Smith
Therese Smith, Legislative Chief,
Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations

DEPOSITED IN THE
REGISTRY OF LAWS
ON 10 23 2013
Masey Frost
Signature of Clerk

TABLE OF CONTENTS

PART 1 - INTRODUCTORY PROVISIONS.....	5
Short title	5
Executive oversight	5
Definitions	5
PART 2 - CAPITAL BORROWING.....	7
Borrowing for fuel system improvements.....	7
Borrowing for general improvements.....	8
PART 3 - GENERAL PROVISIONS	11
Commencement.....	11

PART 1 - INTRODUCTORY PROVISIONS

Short title

1.1 This Act may be cited as the Fair Harbour Improvements Capital Borrowing Act.

Executive oversight

1.2 The member of the Executive holding the finance portfolio is responsible for the executive oversight of this Act.

Definitions

1.3 In this Act,

“general improvements” means general improvements to the operations at fair harbour, including

- (a) the purchase, delivery and installation of equipment for the staff residence, store and campground,
- (b) renovations to the staff residence,
- (c) purchase of a trailer for the manager’s residence,
- (d) the addition of twenty parking spaces,
- (e) repairs to the dock,
- (f) improvements to the camp sites,
- (g) improvements to the electrical service,
- (h) improvements to the water system,
- (i) new signage,
- (j) the purchase and delivery of a truck to be used in the operations, and
- (k) the purchase and delivery of groceries, confectionary, tobacco and other goods to be sold in the store;

“First Citizens Fund” means the perpetual fund established by British Columbia in 1969 to support programs and services for Aboriginal people;

“fuel system improvements” means an upgrade to the fuel system at fair harbour, including

- (a) the purchase, delivery and installation of a storage tank,
- (b) the purchase, delivery and installation of metal piping and hose reels,
- (c) the purchase and delivery of fuel,
- (d) the construction of a storage shed,
- (e) the purchase and delivery new fuel pumps, Point of Source system, and
- (f) the installation of fencing or protective barriers.

PART 2 - CAPITAL BORROWING

Borrowing for fuel system improvements

- 2.1 (a) The Legislature hereby authorizes the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations to enter into a loan agreement with the Nuu-chah-nulth Economic Development Corporation as creditor and the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations as debtor for a loan substantially on the following terms and conditions:
- (i) the loan will consist of
 - (A) a forgivable loan in the amount of \$25,000.00 (the “forgivable loan”), and
 - (B) a term loan in the amount of \$43,185.00 (the “term loan”);
 - (ii) the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations and the Nuu-chah-nulth Economic Development Corporation will contribute equity to the fuel system improvements as follows:
 - (A) the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations will contribute a minimum of \$14,000.00 equity to the fuel system improvements; and
 - (B) the Nuu-chah-nulth Economic Development Corporation will contribute \$5,000.00 equity to the fuel system improvements;
 - (iii) the term loan will
 - (A) be repayable over 97 months in monthly installments of \$687.09 blended principal and interest commencing on December 1, 2013,
 - (B) be subject to First Citizens Fund guidelines, and
 - (C) bear interest at twelve percent per annum calculated monthly not in advance;
 - (iv) the forgivable loan will
 - (A) be paid down by forgiving \$1.00 for every \$1.00 principal paid on the term loan, and
 - (B) not bear interest.

- (v) subject to section 8.7 of the Financial Administration Act, if required by the Nuu-chah-nulth Economic Development Corporation, the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations will provide security for the loan in the form approved by the legislative chief on the recommendation of the director of finance.
- (b) Subject to sections 8.5(b) and (c) of the Financial Administration Act, the proceeds of the loan under subsection (a) may only be used for the purposes of the fuel system improvements.

Borrowing for general improvements

- 2.2** (a) The Legislature hereby authorizes the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations to enter into a loan agreement with the Nuu-chah-nulth Economic Development Corporation as creditor and the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations as debtor for a loan substantially on the following terms and conditions:
- (i) the loan will consist of
 - (A) a forgivable loan in the amount of \$25,000.00 (the “forgivable loan”),
 - (B) a term loan in the amount of \$32,940.00 (“term loan #1”), and
 - (C) a second term loan in the amount of \$43,296.80 (“term loan #2”);
 - (ii) the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations and the Nuu-chah-nulth Economic Development Corporation will contribute equity to the general improvements as follows:
 - (A) the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations will contribute a minimum of \$31,475.00 equity to the general improvements; and
 - (B) the Nuu-chah-nulth Economic Development Corporation will contribute \$25,000.00 equity to the general improvements;
 - (iii) term loan #1 will
 - (A) be repayable over 97 months in monthly installments of \$535.00 blended principal and interest commencing on December 1, 2013,
 - (B) be subject to First Citizens Fund guidelines, and
 - (C) bear interest at twelve percent per annum calculated monthly not in advance;

- (iv) term loan #2 will
 - (A) be repayable over 85 months in monthly installments of \$675.00 blended principal and interest commencing on December 1, 2013, and
 - (B) bear interest at twelve percent per annum calculated monthly not in advance;
 - (v) the forgivable loan will
 - (A) be paid down by forgiving \$1.00 for every \$1.00 principal paid on term loan #1, and
 - (B) not bear interest.
 - (vi) subject to section 8.7 of the Financial Administration Act, if required by the Nuu-chah-nulth Economic Development Corporation, the Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations will provide security for the loan in the form approved by the legislative chief on the recommendation of the director of finance.
- (b) Subject to sections 8.5(b) and (c) of the Financial Administration Act, the proceeds of the loan under subsection (a) may only be used for the purposes of the general improvements.

PART 3 - GENERAL PROVISIONS

Commencement

3.1 This Act comes into force on the date it is enacted.

