

SUMMARY OF PROPOSED LEGISLATION

Tracking No. 0233-22

Date: December 1, 2022

Re: AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; APPROVING \$65,000 FROM THE SÍHASIN FUND FOR THE DEMOLITION AND CLEANUP OF THE FORMER SMITH'S CAFE BUSINESS SITE UNDER THE CHINLE RBDO; APPROVING THE RELATED EXPENDITURE PLAN

Purpose of this Legislation:

to approve \$65,000 from the Sihasin Fund for the Chinle RBDO's proposed demolition and cleanup of the abandoned Smith's Café business site in Chinle; approving the related Expenditure Plan.

OLC No. 22-398-1

5-DAY BILL HOLD PERIOD:
Website Posting Time/Date: 3:33pm; 12-07-22
Posting End Date: 12-07-22
Eligible for Action: 12-08-22

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

PROPOSED NAVAJO NATION COUNCIL RESOLUTION
24th NAVAJO NATION COUNCIL - Fourth Year, 2022

Introduced by:


(Prime Sponsor)

Tracking No. 0233-22

AN ACTION

**RELATING TO THE RESOURCES AND DEVELOPMENT,
BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES,
AND TO THE NAVAJO NATION COUNCIL; APPROVING \$65,000
FROM THE SÍHASIN FUND FOR THE DEMOLITION AND CLEANUP
OF THE FORMER SMITH'S CAFE BUSINESS SITE UNDER THE
CHINLE RBDO; APPROVING THE RELATED EXPENDITURE PLAN**

BE IT ENACTED:

SECTION ONE. AUTHORITY

A. The Resources and Development Committee is a standing committee of the Navajo Nation Council with oversight authority regarding environmental protection, land, community development, the use of Navajo Nation lands, and related matters. 2 N.N.C. §500(C) and §501(B)(1).

B. The Resources and Development Committee also has authority over the Division of Economic Development ("DED"), including DED's subordinate Departments and Offices such as the Chinle Regional Business Development Office ("Chinle RBDO"). 2 N.N.C. §501(C)(1).

C. The Budget and Finance Committee is a standing committee of the Navajo Nation Council with the responsibility to "review and recommend to the Navajo Nation Council the

1 budgeting, appropriation, investment and management of all funds.” 2 N.N.C. §301(B)(2).
2 D. The Naabik’íyáti’ Committee is a standing committee of the Navajo Nation Council that
3 considers all proposed final actions by the Navajo Nation Council. 2 N.N.C. §164(A)(9).
4 E. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).
5 As such, the Council may approve appropriations from the Navajo Nation’s Síhasin Fund.
6 F. 12 N.N.C. §2502, as amended by CJA-03-18, states the purpose of the Navajo Nation Síhasin
7 Fund (“Síhasin Fund”) as follows:

8 §2502 Purpose

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

10 1. The planning and development of economic development and regional
11 infrastructure supporting economic development and community
12 development, including such infrastructure as, but not limited to, housing,
13 commercial and government buildings, waterline, solid waste management
14 development, powerline Projects, and transportation and communication
15 systems, within the Navajo Nation; . . .

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

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

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

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

1 **SECTION TWO. FINDINGS**

2 A. In a letter dated November 2, 2022, the Chinle RBDO requests \$65,000 from the Síhasin
3 Fund for site demolition and cleanup (“Cleanup Project”) of the abandoned Smith’s Cafe
4 business site located in the Chinle community. **EXHIBIT A.** The Chinle RBDO explains
5 that, once the Cleanup Project is completed, the site will be ready for new business
6 opportunities; furthermore, this Cleanup Project is part of the Chinle RBDO’s 5-year Plan.

7 **EXHIBIT B.**

8 B. A Summary and Scope of Work for the Cleanup Project is attached hereto as **EXHIBIT C.**

9 C. A detailed Cost Estimate for the Cleanup Project, and a map showing the location of the site,
10 are attached hereto as **EXHIBIT D.**

11 D. Allocation of the Síhasin funds as requested by the Chinle RBDO meets the criteria for
12 Síhasin expenditures, because the Cleanup Project will involve economic and community
13 development, and commercial buildings, as described in 12 N.N.C. §2502(A)(1).

14 E. Allocation of the requested Síhasin funds also meets the criteria for the leveraging of funds,
15 as described in 12 N.N.C. §2502(C), because the Cleanup Project will clean up and clear the
16 abandoned site and prepare it for new business opportunities, which will then generate new
17 tax revenue for the Navajo Nation.

18
19 **SECTION THREE. APPROVING \$65,000 FROM THE SÍHASIN FUND FOR THE**
20 **DEMOLITION AND CLEANUP OF THE FORMER SMITH’S**
21 **CAFE BUSINESS SITE UNDER THE CHINLE RBDO;**
22 **APPROVING THE RELATED EXPENDITURE PLAN**

23 A. Pursuant to 12 N.N.C. §2505(A), the Navajo Nation hereby approves \$65,000 from the
24 Síhasin Fund for the Chinle RBDO’s proposed demolition and cleanup of the abandoned
25 Smith’s Cafe business site located in the Chinle community.

26 B. The Navajo Nation hereby approves the related Expenditure Plan for the Chinle RBDO’s
27 proposed Cleanup Project, as set forth in **EXHIBIT D** attached hereto.

28 C. The Controller shall determine whether the source of the Síhasin funds approved herein will
29 be Síhasin Fund Principal or Síhasin Fund Income, or a combination of both.

30 D. The total amount of approved Síhasin funds may be further leveraged by bond or loan

1 financing pursuant to the Navajo Nation Bond Financing Act (12 N.N.C. §1300 *et seq.*, as
2 amended), using Síhasin Fund earnings for repayment and financing costs, upon approval of
3 the Budget and Finance Committee and upon a 2/3 approval vote of the full membership of
4 the Navajo Nation Council.

5 E. No later than 30 business days after the effective date of this Action, the approved Síhasin
6 funds shall be disbursed to the Division of Economic Development for the Chinle RBDO's
7 use in implementing and completing its Cleanup Project, as described herein.

8 F. The approved Síhasin funds shall not be comingled with any other funds, and shall be used
9 by Chinle RBDO strictly for the Cleanup Project. DED and Chinle RBDO shall be
10 responsible for ensuring that all expenditures comply with the approved Expenditure Plan
11 **(EXHIBIT D)**.

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

17 H. Notwithstanding Section Three (G) above, any remaining amount of Síhasin funds not
18 expended or encumbered within 24 months of DED's receipt of such funds shall revert to the
19 Síhasin Fund, unless otherwise approved prior to such reversion by both the Resources and
20 Development Committee and the Naabik'íyáti' Committee.

21 I. The Síhasin Fund may be reimbursed the amount of funds approved herein, from funds
22 available to the Navajo Nation from any and all state, federal, or other sources.

23 24 **SECTION FOUR. EFFECTIVE DATE**

25 This Action shall become effective pursuant to 12 N.N.C. §2505(A) and 2 N.N.C. §221(B).

26 27 **SECTION FIVE. SAVING CLAUSE**

28 If any portion of this Action is invalidated by the Supreme Court of the Navajo Nation, or by
29 any Navajo Nation District Court without appeal to the Navajo Nation Supreme Court, the
30 remainder of this Action shall be the law of the Navajo Nation.

THE NAVAJO NATION

EXHIBIT A

JONATHAN NEZ | PRESIDENT MYRON LIZER | VICE PRESIDENT

December 1, 2022

Honorable Delegate Tso
Navajo Nation Council
PO Box 3390
Window Rock, AZ 86515



Dear Delegate Tso:

The business site listed below is located in your delegate region and is identified as Demolition and Clean Up projects requiring funding assistance. These projects are under the Division of Economic Development/Chinle Regional Business Development Office.

Site	Cost	Scope of Work
Former Bennie Smith Business Site	\$65,000	Demolition, removal, and disposal of burnt structures: buildings, foundations, debris, signs, electricity poles.

The Chinle Regional Business Development Office has limited business sites available for leasing and this area is a very prime location for business development potentials. This business site needs to be restored, reused, and redeveloped. Your assistance to seek additional funding for this project is greatly appreciated.

Thanks you for your time and service. Should you need anything further, please feel free to contact our Office.

Sincerely,

A handwritten signature in black ink, appearing to read "Martina Yazzie".

Martina Yazzie
Program Manager

Cc: *File*
Douglas Capitan, Acting Executive Director, Division of Economic Development
Elaine Young, Department Manager, Small Business Development Department
Franklin Jishie, Industrial Development Specialist, Small Business Development Department
Anslem Harvey, Senior Economic Development Specialist, Chinle RBDO

The Navajo Nation Division of Economic Development Office
Chinle Regional Business Development Office
PO Box 565, Chinle, AZ 86503 (928) 675-2240 (928) 674-2244 Fax

CHINLE REGIONAL BUSINESS DEVELOPMENT OFFICE
FIVE YEAR PLAN 2022-2026
PROJECT/TASKS

EXHIBIT B

OFC	YR	CHAPTER	PROJECT TITLE	750 Buff Zone	SCOPE OF WORK	COST EST. (\$)	TOTAL FOR CHINLE (\$)
CH	1	Chinle	NNOG Convenience Store	Yes	Construction & Re-Development	250,000	250,000
CH	1	Blue Gap	NNOG Convenience Store	Yes	Construction & Re-Development	250,000	
CH	1	Chinle	Canyon Country Car Wash	Yes	Construction & Development	350,000	350,000
CH	1	Chinle	Church's Chicken	Yes	Construction & Development	5,000,000	5,000,000
CH	1	Rock Point	Tachini Nursing Service	Yes	Construction & Development	3,000,000	
CH	1	Chinle	Former Bennie Smith	Yes	Clean Up & Redevelopment	1,000,000	1,000,000
CH	1	Chinle	Church's Chicken	Yes	Infrastructure Development to Upgrade Water/Plumbing/Sewer	500,000	500,000
CH	1	Chinle	Pizza Edge	Yes	Infrastructure Development	1,000,000	1,000,000
CH	1	Chinle	Sandia Oil Laundry Services	Yes	Infrastructure Development	1,000,000	1,000,000
CH	2	Chinle	Sandia Oil Laundry Services	Yes	Construction & Development	3,000,000	3,000,000
CH	2	Hard Rock	Rocky Ridge Gas & Market	No	Construction & Development	3,000,000	
CH	2	Chinle	Pizza Edge	Yes	Construction & Development	3,000,000	3,000,000
CH	2	Pinon	Former McGee TP	No	Construction & Re-Development	900,000	
CH	2	Pinon	Former Chee SW	No	Construction & Re-Development	1,000,000	
CH	2	Many Farms	Former Plateau	Yes	Construction & Re-Development	3,000,000	
CH	2	Rough Rock	Former Rough Rock TP	No	Construction & Re-Development	3,000,000	
CH	2	Wheatfields	Former Lakeside Store	Yes	Construction & Re-Development	2,000,000	
CH	2	Many Farms	Emmett Bia Site	No	Redevelopment	200,000	
CH	2	Round Rock	Former Round Rock TP	No	Clean Up	500,000	
CH	2	Rock Point	Tachini Nursing Home	Yes	Infrastructure Development	5,000,000	
CH	2	Rough Rock	Former Rough Rock TP	No	Infrastructure Development	3,000,000	
CH	2	Low Mountain	Market Place	No	Infrastructure Development	5,000,000	
CH	3	Chinle	Ace Hardware	Yes	Construction & Development	5,000,000	5,000,000
CH	3	Low Mountain	Market Place	No	Construction & Re-Development	5,000,000	
CH	3	Round Rock	Former Leo Jim Site	No	Clean Up & Redevelopment	3,000,000	
CH	3	Lukachukai	Upper Greasewood	No	Clean Up	400,000	
CH	3	Hard Rock	Rocky Ridge Gas & Market	No	Clean Up	500,000	
CH	3	Hard Rock	Rocky Ridge Gas & Market	No	Infrastructure Development	3,000,000	
CH	4	Chinle	Baldwin's Tract 1	No	Construction & Development	10,000,000	10,000,000
CH	4	Lukachukai	Former Kennedy	No	Clean Up	400,000	
CH	5	Wheatfield/Tsaile	Crossroads Store	Yes	Infrastructure Development	250,000	
TOTAL:						72,500,000	30,100,000

Updated: 11/2/2022
Why are
businesses moving
from BNA to
Low Mountain?

PROJECT SUMMARY

Demolition/Site Cleanup Project
FORMER BENNIE SMITH BUSINESS SITE
Chinle, Arizona

This site, formerly known as the Bennie Smith Business Site, is located along US Route 191 on the west side just across the Chinle High School in Chinle, AZ. The site of 1.44 acre has been abandoned due to the decease of both lessees. The remains of a business structure that has burnt consist of mainly debris, a concrete staircase that is approximately 10 ft x 15 ft., a flag pole, signage and asphalt.

SCOPE OF WORK

1. Completely demolish all remaining structures, including floors and foundations, and dispose of the building materials and all debris on the 1.44-acre business site.
2. Grade the site to a smooth finish, free of any debris such as pieces of concrete and/or burnt trees. All small pieces of debris shall be raked up.

ESTIMATED CONTRACTUAL COST:**\$65,000.00**

Demolition/Site Cleanup Project
FORMER SMITH'S CAFÉ BUSINESS SITE
Chinle, Arizona

The project consists of demolition and site cleanup of the former Smith's café business site located in Chinle, AZ. The entire site is 1.44 acres in size. The double wide mobile building structure burned several years ago and currently the burnt debris and remains of the building remain on the site. The remaining debris includes the old foundation, brick walls, metals and other debris scattered on the site. The entire site is in need of demolition and cleanup and the site should be cleared and leveled.

SCOPE OF WORK

1. Completely demolish all remaining structures, including concrete foundations, steps, walls and debris and dispose of the contents to an approved waste disposal location.
2. Remove and dispose of all asphalt/concrete parking lot up to the main road entrance to Highway 191 and concrete sidewalks and brick walls around the lot.
3. Dispose of all metal trailer frames and remnants of the burnt building structure including mangled metal frames, galvanized posts, etc.
4. Remove/uproot two fire damaged dead trees, steel posts, tires, debris, junk, concrete piles and trash from the entire site.
5. Remove or retire and cap all former water lines, sewer lines, and gas lines in accordance with NTUA requirements.
6. Disconnect and remove all site utilities (electric, water, sewer and telecommunications) in accordance with NTUA requirements including three (3) street light poles and any buried utilities.
7. Remove two metal signage and flag pole on the site and dispose of to an approved disposal location.
8. Preserve or remove any buried utility indicated by a yellow utility marker on the site.
9. Grade the site to a smooth finish, free of any debris such as pieces of concrete. All small pieces of debris shall be raked up.

LABOR

	OPERATION	# OF UNITS	TOTAL
1	Mobilization/Demobilization*	1	\$1,920.00
2	Project Management and Administration**	1	\$620.40
3	Report Preparation**	1	\$1,472.40
4	Site Restoration*	1	\$1,920.00
5	Structure Demolition*	1	\$9,600.00
	TOTAL LABOR		\$15,532.80

MATERIALS

	MATERIAL	# OF UNITS	TOTAL
1	2009 Chev Silverado 3500 Diesel (day/vehicle)*	4	\$672.00
2	Concrete Hauling (load)*	6	\$3,780.00
3	Demolition Debris Hauling (each)	6	\$6,480.00
4	Equipment Mobilization/Demobilization (each)*	5	\$4,050.00
5	John Deere 200L Excavator (day)*	4	\$2,700.00
6	John Deere 644K Loader (day)*	4	\$2,220.00
7	John Deere Skid Steer (day)*	4	\$1,410.00
8	Lodging (per man/day)*	12	\$1,584.00
9	Per Diem (per man/day)*	12	\$288.00
10	Scrap Metal Hauling (each)	2	\$1,800.00
11	Utility Capping Supplies (lump sum)*	2	\$500.00
12	Vehicle Mileage (mile)*	500	\$345.00
13	Water Tanker Rental (day)*	4	\$1,000.00
14	Water Fee/Usage (each)*	1	\$575.00
	TOTAL MATERIALS		\$27,404.00

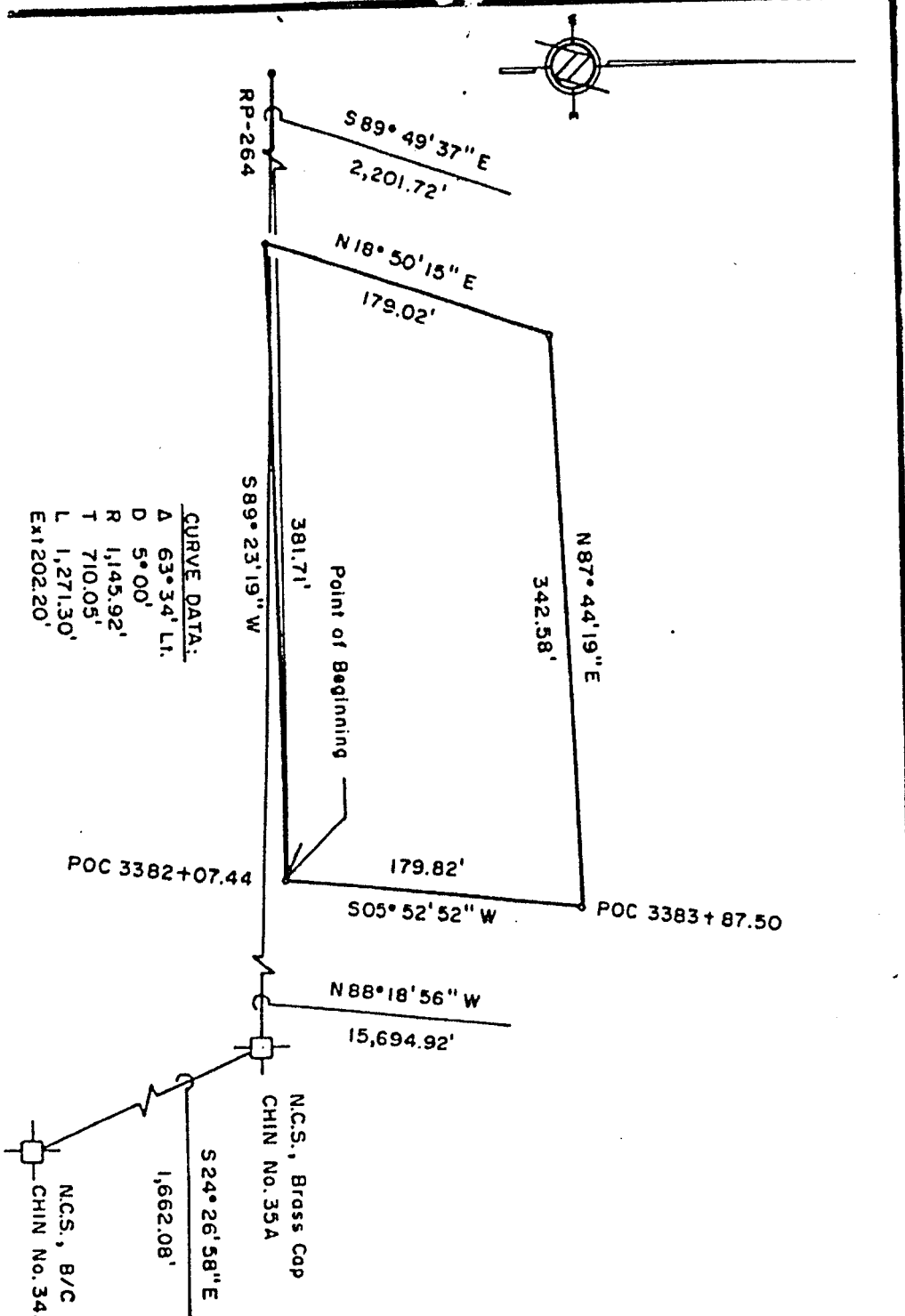
SUBCONTRACTORS

	SUBCONTRACTOR NAME	TOTAL
1	Brimhall Sand & Gravel*	\$3,775.00
2	NTUA*	\$8,400.00
3	Waste Management San Juan County**	\$6,000.00
	TOTAL SUBCONTRACTORS	\$18,175.00

TOTAL BEFORE TAXES**\$61,111.80****NAVAJO NATION BUSINESS ACTIVITY TAX (6.0%)****\$2,667.06****GRAND TOTAL****\$63,778.86**

*Taxable item.

**Off-Reservation Services Not Taxable.



A PARCEL OF LAND SITU
DISTRICT NO. 10 OF TH
IN THE VICINITY OF CI
OF ARIZONA, AND IS BEIN
AS FOLLOWS:

COMMENCE from the Nav
"Chin 35A", a found L
having State of Arizo
978.82 and y=1,876,73
THENCE N 88° 18' 56" E
THENCE S 89° 49' 37" E
the westerly right-of-
+ 07.44 of U.S. 191 W
of herein described p.

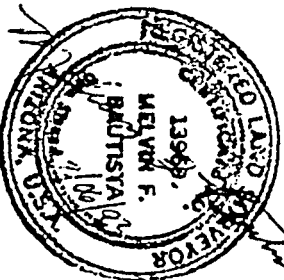
THEENCE S 89° 23' 19" |
 THENCE N 18° 50' 15" |
 THENCE N 87° 44' 19" |
 THENCE S 05° 52' 52" |
 Beginning.

Being 1.44 acres, more
N.C.S., B/C subject to any and all exi-
-CHIN No. 34⁴ utilities located herein.

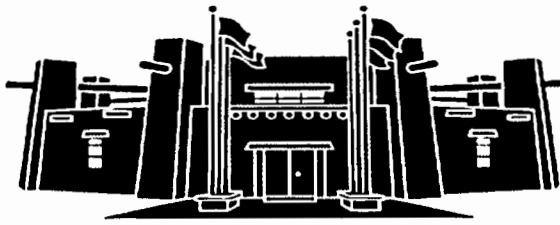
Exhibit "A" Surveyed 01-17-92 by
Administration, The Navaj
nation, Arizona.

NOTE:

1. All Bearings Shown hereon are
in reference to TRUE NORTH.
2. Underground Utilities Not Located.
3. Road Not Shown.




ond		SMITH'S
SURVEYED BY	KW	1.4
DRAWN BY	HT	
APPROVED BY	MD	
FIELD BOOK NO.	33-7	
JOB NUMBER	CO:006	
SCALE 1" =	100'	



MEMORANDUM

To: Hon. Eugene Tso, Member
Law & Order Committee
24th Navajo Nation Council

From: 
Luralene D. Tapahe, Principal Advocate
Office of Legislative Counsel

Date: December 1, 2022

Subject: **AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; APPROVING \$65,000 FROM THE SÍHASIN FUND FOR THE DEMOLITION AND CLEANUP OF THE FORMER SMITH'S CAFE BUSINESS SITE UNDER THE CHINLE RBDO; APPROVING THE RELATED EXPENDITURE PLAN**

The Office of Legislative Counsel has prepared the above-referenced proposed legislation and related summary sheet. Based on existing Navajo Nation law and other applicable laws, and upon review of all supporting documents regarding your request that were submitted to OLC, this legislation as drafted is legally sufficient. However, as with any action of government, this legislation may be subject to judicial review in the event of a legal challenge.

Please review this legislation to make sure it is drafted to your satisfaction, and that all necessary and appropriate supporting documents have been provided and all attached Exhibits are correct.

OLC has reviewed the appropriate standing committees' authorities to consider this legislation, based on the standing committees' powers and responsibilities set forth in Title 2 of the Navajo Nation Code. Based on its review, OLC has listed those committees in the title of this legislation. However, the Speaker may assign this legislation to any committee(s) other than those shown in the title, pursuant to his authority under 2 N.N.C. §164(A)(5).

If you find anything unacceptable, please let me know immediately and advise me of your desired changes. I can be reached at phone no. (928)871-7166 or by email at: LuraleneTapahe@navajo-nsn.gov

Thank you for your cooperation.

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0233-22_

SPONSOR: Eugene Tso

TITLE: An Action Relating to the Resources and Development, Budget and Finance, and Naabik'iyáti' Committees, and to the Navajo Nation Council; Approving \$65,000 from the Síhasin Fund for the Demolition and Cleanup of the Former Smith's Café Business Site Under the Chinle RBDO; Approving the Related Expenditure Plan

Date posted: December 02, 2022 at 3:33PM

Digital comments may be e-mailed to comments@navajo-nsn.gov

Written comments may be mailed to:

Executive Director
Office of Legislative Services
P.O. Box 3390
Window Rock, AZ 86515
(928) 871-7586

Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.

Please note: This digital copy is being provided for the benefit of the Navajo Nation chapters and public use. Any political use is prohibited. All written comments received become the property of the Navajo Nation and will be forwarded to the assigned Navajo Nation Council standing committee(s) and/or the Navajo Nation Council for review. Any tampering with public records are punishable by Navajo Nation law pursuant to 17 N.N.C. §374 *et. seq.*