

CROW TRIBAL LEGISLATURE

MAY 18, 2015 SPECIAL SESSION

LR No. 15-10

Introduced by the Finance Committee

A Legislative Resolution Titled

**A RESOLUTION OF THE CROW TRIBAL LEGISLATURE TO AUTHORIZE A
DRAWDOWN OF \$85,000 FROM THE SPECIAL ECONOMIC DEVELOPMENT
ACCOUNT FOR EARNST MONEY AND DUE DILIGENCE COSTS ON THE
PURCHASE OF BUSINESS PROPERTIES AT THE BATTLEFIELD AND IN HARDIN,
MONTANA**

Legislative Findings:

WHEREAS, the Crow Tribal Legislature (hereinafter “Legislature”) has the power and duty under Article V, Section 2, of the Crow Tribal Constitution to promulgate and adopt resolutions in accordance with the Constitution and federal laws for the governance of the Crow Tribe; and

WHEREAS, during the Special Legislative Session held on October 24, 2013 the Legislature enacted Tribal Joint Action Resolution No. 13-19, which approved the terms of a \$10 million loan agreement with First Interstate Bank, secured by interest from the 107th Settlement Trust Fund, for land purchase and economic development projects; and

WHEREAS, pursuant to JAR No. 13-19, the proceeds from the \$10 million loan, after payment of the \$3 million Unsecured Line of Credit from 2013 and transaction costs, were placed in a special tribal “Economic Development Account” at First Interstate Bank; and

WHEREAS, during the Special Legislative Session held on February 10, 2014, the Legislature enacted Tribal Joint Action Resolution No. 14-06, which authorized projects to be funded from the Economic Development Account, including land purchase, hydroelectric power feasibility studies, reservation convenience stores, and tribal farm and ranch enterprises with expenditures to be authorized by the Legislature through Legislative Resolution; and

WHEREAS, Legislative Resolution LR14-04 authorized the drawdown from the Economic Development Account for the purchase of real and personal property associated with convenience store projects located on the Crow Reservation, and most of that amount has been expended for or committed to C-Stores and C-Store development projects; and

WHEREAS, there are currently additional opportunities for the Crow Tribe to purchase certain convenience store and business properties located near the Little Big Horn Battlefield and in Hardin Montana (the “Business Properties”), and the Chairman of the Executive Branch is currently negotiating the purchase price and terms for the Business Properties; and

WHEREAS, upon reaching agreements on price and terms, the Chairman intends to execute Buy-Sell Agreements which will require the Crow Tribe to deposit “Earnest Money” with an escrow agent pending the completion of any necessary title work and the Tribe’s due diligence prior to closing on the purchases, with such Earnest Money (a) being applied to the purchase prices at closing, or (b) if the contingencies are not satisfied, being returned to the Tribe upon termination of the Buy-Sell Agreements, or (c) being forfeited by the Tribe and paid to the Sellers if the contingencies are satisfied and the Tribe nevertheless fails to complete the purchases; and

WHEREAS, the Buy-Sell Agreements will include “ contingencies” whereby the Tribe will have the right to investigate and satisfy itself as to the title and legal description, physical and operating condition, existence of contamination, appraised value and availability of financing for the Business Properties;

WHEREAS, the purchase of the Business Properties will require additional financing secured by the Business Properties and possibly by the pledge of other future Tribal revenues as collateral, which Loan is subject to the further approval by the Legislature pursuant to its Constitutional powers and duties; and

WHEREAS, the Lender will require the same sorts of investigations for its own due diligence, with such costs to be paid to be paid by the Tribe (the costs of the Tribe’s and the Lender’s due diligence investigations together referred to herein as the “Due Diligence Costs”; and

WHEREAS, the estimated amounts of the Earnest Money and Due Diligence Costs for the three Business Properties is estimated at Eighty-Five Thousand Dollars (\$85,000); and

WHEREAS, the Legislature now deems it in the best interests of the Crow Tribe to authorize the drawdown from the Economic Development Account a total of \$85,000 for the Earnest Money and Due Diligence Costs to be reimbursed to such Account, **if possible**, from the additional financing obtained for the purchases.

**NOW, THEREFORE, BE IT RESOLVED BY THE CROW TRIBAL LEGISLATURE IN
SPECIAL SESSION:**

That the Crow Tribal Executive Branch shall be immediately authorized to draw down a total of Eighty-Five Thousand Dollars (\$85,000) from the Special Tribal Economic Development Account at First Interstate Bank for the Earnest Money and Due Diligence Costs associated with the potential acquisition of the Business Properties, with such expenditures being reimbursed to the Account, **if possible**, from the additional financing obtained for the purchase of the Properties, or from the return of Earnest Money on purchases not completed due to failure to satisfy the contingencies;


Further, that the Executive Branch shall negotiate and approve the purchase of the Business Properties at the Battlefield and in Hardin, Montana, subject to the Legislature's further approval of the Loan for the additional required financing; and the he Business Properties, if acquired, will be owned by the Crow Tribe for the use and benefit of the Tribe, and operated through an arm's-length business instrumentality to be established by Tribal law.

BE IT FINALLY RESOLVED:

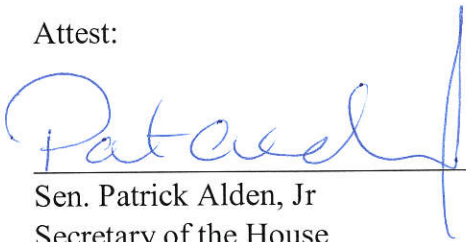
This tribal resolution shall take effect immediately upon becoming duly adopted by the Legislature.

CERTIFICATION

I hereby certify that this Legislative Resolution titled **A RESOLUTION OF THE CROW TRIBAL LEGISLATURE TO AUTHORIZE A DRAWDOWN OF \$85,000 FROM THE SPECIAL ECONOMIC DEVELOPMENT ACCOUNT FOR EARNEST MONEY AND DUE DILIGENCE COSTS ON THE PURCHASE OF BUSINESS PROPERTIES AT THE BATTLEFIELD AND IN HARDIN, MONTANA** was duly adopted by the Crow Tribal Legislature with a vote of 14 in favor, 0 opposed, and 0 abstained and that a quorum was present on the 18th day of May 2015.


Sen. R. Knute Old Crow, Sr
Speaker of the House
Crow Tribal Legislature

Attest:


Sen. Patrick Alden, Jr
Secretary of the House
Crow Tribal Legislature



A Legislative Resolution Titled: A Resolution of the Crow Tribal Legislature to Authorize a DrawDown of \$85,000 from the Special Economic Development Account for Ernest Money and Due Diligence Costs on the Purchase of Business Properties at the Battlefield and in Hardin, Montana

Bill or Resolution: LR15-10 **Introduced by:** CTLB Finance Committee **Date of Vote:** 5/18/2015
Number

<u>Representative:</u>	Yes	No	Abstained
G. Three Irons	<u> X </u>	<u> </u>	<u> </u>
B. Rogers	<u> X </u>	<u> </u>	<u> </u>
C. Stewart	<u> X </u>	<u> </u>	<u> </u>
P. Hill	<u> X </u>	<u> </u>	<u> </u>
E. Birdinground	<u> X </u>	<u> </u>	<u> </u>
A.Coyote-Runs, Sr.	<u> X </u>	<u> </u>	<u> </u>
V. Nomee	<u> </u>	<u> </u>	<u> </u>
T. Gros Ventre	<u> X </u>	<u> </u>	<u> </u>
V. Crooked Arm	<u> X </u>	<u> </u>	<u> </u>
P. Spotted Horse, Sr.	<u> </u>	<u> </u>	<u> </u>
L. DeCrane	<u> X </u>	<u> </u>	<u> </u>
C. Goes Ahead	<u> </u>	<u> </u>	<u> </u>
B. Hugs	<u> X </u>	<u> </u>	<u> </u>
G. Real Bird, Jr.	<u> X </u>	<u> </u>	<u> </u>
B. Good Luck	<u> X </u>	<u> </u>	<u> </u>
G. Stewart	<u> </u>	<u> </u>	<u> </u>
P. Alden, Jr. <i>Secretary of the House</i>	<u> X </u>	<u> </u>	<u> </u>
R. Old Crow, Sr. <i>Speaker of the House</i>	<u> X </u>	<u> </u>	<u> </u>
Totals:	<u> 14 </u>	<u> 0 </u>	<u> 0 </u>


Result of Vote:

Passed

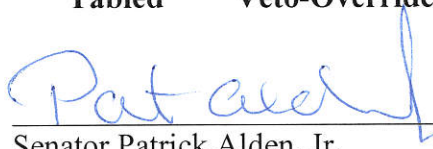
Not Passed

Tabled

Veto-Override


 Senator R. Knute Old Crow, Sr.
 Speaker of the House

Date


 Senator Patrick Alden, Jr.
 Secretary of the House

Date

5-20-15