

NISGA'A TS'AMIKS VANCOUVER SOCIETY

Ts'amiks Business Fund Contribution Policy  
Consideration

made by Administration September 24, 2021

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## **Nisga'a Ts'amiks Vancouver Society("NTVS") Business Fund Contribution Policy ("Business Policy")**

### **OVERVIEW**

The Business Policy (established September 2021) was created out of the realization that many Nisga'a Citizenship businesses require specialized assistance to "close the business gap" as well as financial technical assistance.

The Business Policy provides Nisga'a businesses with a unique alternative source of business development funds. The business development funds are intended for Nisga'a Citizens who want to start small businesses or leverage funds from Indigenous business institutions and or other Indigenous equity programs including:

- The Nisga'a Business Development Fund
- The Nisga'a Village Governments
- Business Equity Funds
- Community Futures
- First Citizens Equity Match Grant
- The Aboriginal Capital Corporations
- other lending institutions.

The objective of the Business Policy is to provide an administrative infrastructure that will enable contributions or grants for business projects that require startup funds or to leverage funds from other business sources of funds.

In addition to "closing the business gap," the Business Policy may also provide funds for small business support and capacity building.

#### Types of financial assistance available

- **Contributions**
  - o For feasibility and/or other specified business development costs.
  - o For capital investments for business infrastructure.
  - o For developing business skills and management assistance.

- o Will be made pursuant to a Contribution Agreement that is a legal and binding commitment by the recipient to undertake a specific project within a defined time frame. General terms and conditions for a contribution shall be specified within a Contribution Agreement. Specific terms and conditions will vary according to the nature of the contribution and the project or activity being supported.
- **Grants**
  - o When an applicant receives a contribution and adheres to the terms and conditions, some or all of the contribution becomes non-repayable, it is then considered a "grant".

## **ELIGIBILITY CRITERIA**

### Eligible Applicants

The Business Policy provides the authorization to make contributions and/or grants to applicants who reside within the Nisga'a Ts'amiks Vancouver Society area. Examples include:

- A registered Nisga'a Citizen.
- Corporations (except corporations where shares are publicly traded), societies, partnerships or trusts in which a registered Nisga'a Citizen/s holds a controlling interest as a shareholder/s, members, partners, or beneficiaries.
- Nisga'a Ts'amiks Corporations; or
- Nisga'a Business Partnerships.

### Types of Eligible Activities

- Business proposals which demonstrate net benefit to the Nisga'a Ts'amiks Vancouver Society community which outweighs any potential market disruption, replaces imports, or generates exports may be considered. Assistance may be provided for:
  - o Industry development.
  - o One time assistance for costs associated with planning, engineering, and other developmental costs for pilot or demonstration projects.
- Business creation, expansion or investment assistance may be provided for the acquisition or development of capital assets, and start-up working capital.

- Business management assistance may be provided to provide access to training to increase business skills and capabilities to:
  - identify problems.
  - develop a recovery or restructuring plan.

### Ineligible Costs

- Contributions will not be provided to assist with the acquisition or purchase of:
  - assets previously acquired by the applicant, shareholder, or partner in the project, or by an associated business.
  - the applicant's internal costs not directly related to the project, and non-arms-length transactions, including payments made to shareholders or members of their immediate family, or businesses related by common effective control and co-operative businesses.
  - raw land for speculative purposes.
  - assets previously purchased with the assistance of any government (NLG, Federal, Provincial), in which case the amount of the previous contribution will be deducted from the fair market value of the asset to arrive at the eligible cost of the asset; and
  - the cost of inventory, goodwill, patents, other intangibles, shares of publicly traded companies, marketable securities; and
  - wages and wage benefits.

## **APPLICATION PROCESS**

The application process for contribution funding is:

1. Contribution applications are addressed to and assessed by an economic development office designated by Nisga'a Ts'amiks Vancouver Society ("Designated Business Development Office") which, using its contribution policies, has authority to make recommendations to CEO of the Nisga'a Ts'amiks Vancouver Society in accordance with the approval levels set out below.

2. The CEO will ensure that the Designated Business Development Office is aware of the Business Policy processes for the service area of the Nisga'a Ts'amiks Vancouver Society.
3. All Nisga'a businesses will conform to business laws and relevant jurisdiction.
4. Information about the appropriate Designated Business Development Office may be obtained from the Executive Director.

#### Application Documentation

The CEO or designate will the draft administrative process for the Business Policy and its implementation.

#### Contributions or Grants

Contribution and or grants are addressed to and assessed by the Economic Development Officer who has the authority to make recommendations to CEO of the Nisga'a Ts'amiks Vancouver Society in accordance with approval levels set out below.

#### Contribution or Grant Approval Authority

The following approval has been delegated:

- For contribution or grant requests, the Economic Development will make recommendations for approval to:
  - o The CEO in the following amounts.
    - \$ 1,000.00
    - \$ 2,500.00
    - \$ 5,000.00

## **EVALUATION CRITERIA**

Each business contribution proposal will be assessed on its own viability and merits, based on short-term and longer-term benefits and costs. Evaluation criteria that will be considered:

- the purpose of the Business Policy;
- the business proposal's viability and feasibility.
- the amount of uncommitted funding remaining in the Business Fund.
- potential alternate sources of financing available to the proponent.
- whether the following minimum cash equity has been satisfied: (Examples only)
  - 20 % equity of the for Nisga'a Corporations, Partnerships or trusts in which Nisga'a Citizens hold a controlling interest as shareholders, members, partners, or beneficiaries.
  - 10 % equity for registered Nisga'a Citizens.
  - 5 % equity for registered Nisga'a Youth.
  - Remaining project financing may be made up through debt or equity investments.

## **RIGHT OF REVIEW**

Nisga'a Citizen Applicants, whose proposal for a contribution is rejected may, within 15 days of being notified of the decision, request that the decision be reviewed in accordance with the following:

- A request for review may only be made if there is relevant information or material that was not provided in the initial application.
- The request for review must
  - identify the decision that is the subject of the request for review,
  - state the date that the applicant was notified of the decision,

- o indicate the nature, and include a copy, of the additional information or material that is the basis for the request for review, and
  - o give the name of the applicant, an address to which documents may be delivered to the applicant and a telephone number where the applicant may be contacted.
- Reviews will be conducted by the following decision makers:

<b>Initial Decision Maker</b>	<b>Decision Maker Reviewing Decision</b>
CEO	Committee?

- The applicant will be notified in writing of the result of the review as soon as practicable.

## **GENERAL CONDITIONS**

- The meeting of eligibility criteria as set out in this Policy, in and of itself, does not guarantee subsequent approval of financial contribution support.
- Financial contribution assistance will be provided to those projects that provide the greatest economic business benefit and adds to the vision of the Nisga'a Ts'amiks Vancouver Society.
- Contributions will only be provided where the applicant can demonstrate a need for additional capital to allow the business an opportunity to achieve viability.
- All recipients of contribution assistance must agree to public disclosure and to allowing agents of NTVS access to the project site or premises, to inspect all books and other financial statements, and to obtain any other information necessary to evaluating the success of the project.
- Applicants, who fail to meet their commitments, as outlined in the Contribution Agreement, will be required to repay contribution assistance.
- Applicants applying for assistance from other lending, or other federal or provincial assistance must provide proof to the Designated Business Development Office.