



SEASON'S GREETINGS from the HEDC Board of Directors



MOU signed with HTC on transition of Heiltsuk businesses

At a community feast on November 4, 2008, HEDC Chairperson Saphire Humchitt and HTC Chief Councilor Marilyn Slett signed a new agreement confirming the intent of both parties to progressively transition existing band businesses and personnel to HEDC management and control.

HEDC is currently undertaking a careful review of each of the businesses. HEDC will not take over the existing companies but rather has established brand-new companies with a fresh start. The forecast transition months and new companies are:

Completed February 2007:

- Heiltsuk Coastal Forest Products Ltd.

December 2008:

- Airport – Bella Bella Airport Authority Ltd.
- Cable/communications—Waglisla Cablevision Ltd.

March 2009:

- Fuel company—Lama Pass Fuel Company Ltd.
- Band Store—Waglisla Band Store Ltd.
- Freight company—Waglisla Freight Ltd.
- Fish company—Heiltsuk Fisheries Management Ltd.

Because these are essentially transfers of assets and employees, there may be instances where existing legal, regulatory, or environmental issues and liabilities could result in a delay of the transitions.

A Human Resources strategy has been developed to ensure a smooth transition. For the most part, employees can be assured that the same working terms and conditions will apply until HEDC has the opportunity to closely evaluate the businesses and prepare new business plans. These plans may take the businesses in new directions with new capital investments and strategies.

A major focus for HEDC is to make customer service a priority in all our businesses. ❖



HTC Chief Councilor Marilyn Slett, left, and HEDC Chairperson Saphire Humchitt sign the MOU on November 4, 2008.

Photo courtesy Scott Rehmus.

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Why was the Heiltsuk Economic Development Corporation created?

The Heiltsuk leadership is faced with numerous challenges and priorities in improving the lives, dealing with rights and title matters, and governance of the Heiltsuk people. Over the years, many vital services and small businesses for the community have been started and operated by the Heiltsuk Tribal Council. The specific businesses have had varying degrees of success both financially and in creating employment in the community. There have been many financial issues in managing both band and business matters in the same office.

With the addition of the new forestry business several years ago, turnover from the various Heiltsuk enterprises is now more than \$20 million annually. This size of enterprise needs more focused

attention and business leadership going forward. As well, there were major taxation, capacity, financial liability, and management issues for the businesses involving long range and strategic planning, capital investments, and the need for a clear separation of political and business interests.

This separation allows HTC to focus on their priorities rather than the mundane aspects of all the businesses. It is also occurring in many other First Nations communities and showed great promise for improvement. There was also a need to be able to respond in a timely manner to new business opportunities.

Meyers Norris Penny, a financial advisory company, developed with community and HTC consultation

a new business governance model to address the issues identified and how the Heiltsuk might change their current business management and improve their businesses. This model was adopted, and the HTC has progressively implemented it over the past few years through the establishment of the Heiltsuk Economic Development Corporation.

HEDC is led by an independent Board of Directors with shares in the corporation held in trust for the HTC by a Business Trust. Surplus business revenues will also be held by a separate trust guided by HTC. The Trustees are all Heiltsuk members.

Further information on the trusts and their members are found in this progress update. ❖

Where does the funding for HEDC come from?

The Heiltsuk Tribal Council established HEDC as an entity to function independently while operating the community's existing businesses and creating new opportunities. HEDC has been designated as the official economic development corporation (CEDO) for the Heiltsuk people. As such, HEDC gets funds provided to HTC by the federal government to operate the businesses. In 2008, HEDC was given a grant of \$92,000 by HTC from these funds. As well, HEDC charges the various businesses an administrative fee for their management. For example, the management fee charged to Heiltsuk Coastal Forest Products for 2007 was \$200,250 and this is



HCFP has been logging sensitively near Snass Lake in Heiltsuk traditional territory.

Photo courtesy Rina Gemeinhardt

the major source of funds to operate HEDC in 2008. HTC also provided funds from the forestry accommodation money it received from the B.C. government to support

HEDC in this transition phase. We also had a \$60,000 surplus from 2007 that is supporting the company this year. ❖

Joint venture financial company formed by HEDC

The First Nations Business Advisory Services Ltd. (FNBAS) has been registered and a joint venture agreement between Morine and Company Chartered Accountants and HEDC has been signed. A draft business plan has been developed. HEDC holds 51% of the shares in FNBAS.

HEDC is excited that this new company will, over time, offer accounting and financial services to a broad range of clients. Initially, it will provide accounting and business planning services to the various business entities of the Heiltsuk starting in early 2009. The goal of FNBAS is to be the leading provider of financial and business advisory services to Aboriginal organizations in British Columbia within three years.

A business manager will be appointed shortly to lead this new enterprise. New job opportunities with FNBAS and job descriptions have been developed and posted on the community channel. ❖

Heiltsuk Economic Development Corporation

Board of Directors

Chairperson: Saphire Humchitt

Lois-Anne Arnold

Frank Brown

Bill Dumont

Allen Edzerza

Larry Jorgenson

Gary Wilson

Executive Assistant: Tracey Gillespie

HEDC

Box 950

Bella Bella, B.C.

V0T 1Z0

Email: HEDC_info@shaw.ca

HEDC Business Centre to open in December

As part of making your development corporation central to the community, HEDC has secured a lease from the United Church of Canada on the Bella Bella Manse building for our new administrative offices. HEDC expects to open the new business centre in mid to late December. A new roof and improved parking is in the works.

The centre has room for four offices and more workstations along with a waiting room. Furniture and equipment for the new office has been ordered, as have

upgrades to the electrical system and Internet. We expect the office to be a busy place as the businesses shift from HTC management to HEDC over the next six months. The office will also house employees of our new joint venture financial company, First Nations Business Advisory Services Ltd., which will provide accounting and other financial services to the various Heiltsuk businesses.

New phone numbers and email contact details will appear in the next newsletter. ❖

What training initiatives or new businesses would YOU like to see in YOUR community?

Send your suggestions to our Executive Assistant, who will forward it to the directors:

HEDC_info@shaw.ca

Welcome to our December newsletter

We have a fresh name with a strong cultural context. **W'áném't'a**—pronounced *Wa nem da*—means to trade or exchange, reflecting historical Heiltsuk leadership in trading of furs, seaweed, and other products which formed the important business relationships with outsiders to sustain our community.

HEDC CEO search underway

HEDC has engaged Higgins International, a recruitment company, to find a first-class Chief Executive Officer to lead the new corporation and transitioned businesses. This is a most critical position, and the person selected will be expected to be a leader, a

coach, and an innovative thinker to address not only the ongoing business interests of the companies but also to seek and implement new businesses and job opportunities for Bella Bella residents. The supply of competent people with these exceptional skills is very limited.

We are hoping to have someone in place no later than mid-2009. If you know of someone inside or outside the community who might qualify for this challenging position, please let us know right away. ❖

Heiltsuk Leadership on Land Use Planning

For more than a decade there have been government-to-government processes underway in the Central coast and Heiltsuk traditional territory to resolve Heiltsuk as well as other interests in land use planning. Led by HTC Member Cameron Brown, and with extensive work by Kelly Brown and others in the community, a major phase is now nearing completion.

The first phase saw almost half the Heiltsuk traditional territory

being reserved from development in conservancies along with detailed prescriptions from the B.C. government that will affect and require Ecosystem Based Management (EBM) going forward. EBM is forecast for implementation by April 2009

Phase 2 will define permitted uses and restrictions on the lands that may be available for future development by both Heiltsuk and outside interests. This phase is, of

course, of significant interest to HEDC as we have continuing plans for the forestry business, a potential new mining opportunity, future tourism, and other developments associated with Heiltsuk lands.

The Heiltsuk Tribal Council recently invited HEDC to review their draft input into this current phase. HEDC provided a detailed response to the HTC to assist them in finalizing the important recommendations to government. ❖



Kathy Brown leads young Heiltsuk dancers at the community feast held November 4, 2008.

Photo courtesy Scott Rehmus



Coast Opportunity Fund will assist Heiltsuk economic initiatives

Among the many guests to the village at the MOU signing on Nov. 4 were three new executives of the Coast Opportunity Fund: co-CEOs Dave Mannix and Scott Rehms and Program Manager Neil Philcox.

This new fund and organization was established to oversee \$120 million to support conservation and sustainable economic development projects initiated by First Nations in the North and Central Coasts and Haida Gwaii.

The funds were made available by government and conservation groups as part of the land use planning projects in the region. They include \$60 million to be spent over the next 5 to 7 years on economic development plus interest-only from a permanent endowment of \$60 million for conservation management and related job creation.

These funds, in particular the economic development fund, will provide HEDC with

capital and assistance in getting its new programs and job opportunities underway. Applications for supporting our CEO recruitment and retention, HEDC transition planning and implementation, and a preliminary shellfish aquaculture initiative totaling almost \$1 million have already been prepared and will be submitted by HEDC to COF in the very near future. Other new business initiatives are also planned.



Dave Mannix, co-CEO of the COF economic development fund, addresses the community in November.



HTC Councilors Earl Newman, Don Vickers, and Bo Reid, along with HEDC Directors Gary Wilson, Bill Dumont, Allen Edzerza, Larry Jorgenson, and Lois-Anne Arnold, witness the signing of the MOU on Nov. 4, 2008. Missing from photo is HEDC Director Frank Brown, who co-emceed the evening's program.

The Heiltsuk Business Trusts

For tax exemption reasons, and to ensure that HEDC and its various businesses are operated separately from the elected Heiltsuk leadership, the HTC established an entirely new business structure, which includes two Trusts that will play a key role in monitoring and overseeing the Heiltsuk's business interests.

The Trustees meet regularly with the

HEDC Directors and are kept informed of progress and new developments.

The Heiltsuk First Nation Economic Development Corporation Trust:

Bare Trust

The primary purposes of the Bare Trust are to hold the shares of HEDC on behalf of the Heiltsuk Tribal Council and to select, elect, and oversee the HEDC Board of

Directors. Current trustees are Alvina Duncan, Pat Housty, Leona Humchitt, and Connie Newman.

Activities of the Trust include the recent appointment of two new HEDC Directors – Lois-Anne Arnold and Larry Jorgensen (see next page for information about these new HEDC directors).

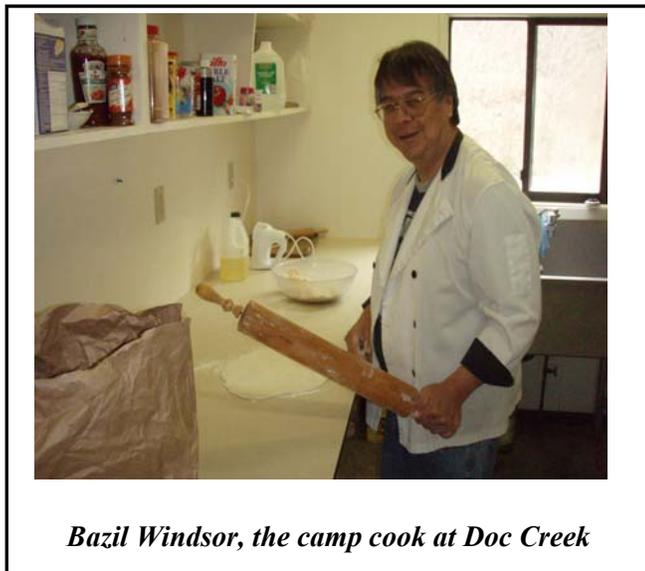
The Heiltsuk First Nation Business Trust:

Reversionary Trust

The primary purpose of the Reversionary Trust is to receive and hold in Trust, on behalf of the Heiltsuk Tribal Council, surplus monies received from the HEDC business interests until such time as they are directed by the HTC as to its distribution. Current Trustees are Louisa Willie, Stephen Hunt II, and Gilbert Jackson. ❖

Doc Creek Camp for Sale

Photos courtesy Rina Gemeinhardt



Basil Windsor, the camp cook at Doc Creek

Doc Creek logging camp is located 40 km south of Bella Bella in Heiltsuk traditional territory. This 60-person camp was purchased from Weyerhaeuser by the Heiltsuk logging company (HCFP) in 2005. It has been used by, and cared for by, logging and forestry crews since then. Most of the Heiltsuk logging and forestry operations are now complete in the general area of Doc Creek, so the camp is no longer a long-term strategic asset for the company. We expect limited use of the camp for logging may continue in 2009.

HEDC is interested in receiving offers from the community to purchase this facility. This modern camp is appraised at almost \$2 million and includes a fully equipped cookhouse, a 60-person bunkhouse facility, a shop, generators, a water system, a log dump, booming grounds, fuel tanks, and various camp tenures, barges, and small boats.

Please contact the HCFP forestry office in Bella Bella for further information and to express your interest. ❖



Doc Creek camp staff share a coffee with Heiltsuk Forestry committee member Wilfred Humchitt.

New directors appointed to HEDC board

Lois-Anne Arnold

Lois-Anne Hanson Arnold was born in Camrose, Alberta into a large extended farming family. It was through her family that Lois-Anne learned the value of perseverance and working hard together to build a life. When she was quite young, her parents moved to Calgary, where her father started a refrigeration business.

Lois-Anne met her husband David in Toronto where he was attending medical school. (David has worked as a doctor in Bella Bella since 2001.) After marrying in 1978, they moved back to Calgary and raised their two sons there. Matt and Mike are now grown, but they have made many trips to Bella Bella and have grown to love the community.

Lois-Anne has a Bachelor of Education degree, a Master of Arts degree in social anthropology, and a professional law degree

(LLB). She worked as a lawyer in Calgary for 12 years before moving to Bella Bella. As a lawyer, Lois-Anne worked in a shared practice with 4 other lawyers and built her law practice from the ground up. "Often people don't think about the practice of professions like law or medicine in terms of running a business, but that in fact is a large part of it," she says.

Since moving to Bella Bella in 2003, Lois-Anne has worked as an instructor and more recently as an administrator at Heiltsuk College, where she has come to know first-hand some of the struggles and joys of life on the "rez". "I feel very honored to be a part of this new initiative and very hopeful that it will help to bring the economic diversity and growth so needed in this community," she explains.

As an educator, Lois-Anne believes strongly in the value of a good education. Young people in Bella Bella must have the proper skills and training to be able to take advantage of the new opportunities that will result from this economic initiative. ❖

Larry Jorgenson

Larry Jorgenson has lived in Bella Bella for thirty years. He has a master's degree in community organization and development and has worked on behalf of the Heiltsuk community in many capacities.

Since 1999 he has been the director of Qqs (Eyes) Projects Society, a non-profit society which supports Heiltsuk youth, culture, and environment. Larry has been an advocate for the sustainable use of our resources for many years and supports our Hemas as the holders of rights and title to all Heiltsuk lands and resources. He believes strongly that we need to invest in our youth in order for them to develop the passion and understanding they will need to be the next generation of leaders.

Larry has served on many community boards and is a consultant to the Heiltsuk Restorative Justice Program. He raises over a quarter of a million dollars a year from foundations and agencies to run the Society programs, which are all developed to help improve the quality of life for the Heiltsuk community. The Society employs 16 -18 young people every summer and has four full-time staff.

Larry and his wife Marge Housty have raised two children, William and Jessie, who are both university graduates working back in Bella Bella. He also has three daughters and five grandchildren living in Alberta. ❖

LETTERS TO THE
EDITOR WELCOME!
WRITE TO HEDC
BOX 950, BELLA
BELLA, B.C. V0T 1Z0
OR EMAIL
HEDC_info@shaw.ca



*Hereditary Chief
Harvey Humchitt
at the
MOU signing
on
November 4, 2008.*

Photo courtesy Scott Rehmus

Heiltsuk Coastal Forest Products provides jobs and income in Bella Bella

Last year, the Heiltsuk forestry company produced 77,540 cubic metres of logs (1 cubic metre is the size of an average telephone or power pole in Bella Bella- 30 cubic metres is what an average logging truck carries on the highway – we produced 2500 loads in 2007!!) and sold these for \$12.8 million through our partner, A&A Trading. From those sales, we made a profit of about \$1.2 million, which was re-invested in planning and development for future logging operations.



Elroy White checks a culturally modified cedar tree (CMT) at Johnson Channel

We expect to log about 75,000 cubic metres in 2008. Currently, there are about 14 Heiltsuk jobs in the logging business, with additional employment in forestry activities. We won't accomplish as much in our 2008 logging program due to weather delays, planning challenges, and the current state of the global economy. But on a community level, we have paid more than \$2 million in wages locally so far, and we bought more than \$75,000 worth of groceries for our Doc Creek camp from the band store. The forestry company buys goods and services locally as much as it can and is required to make jobs available locally - directly or through contractors. 2009 is expected to be a tough year for the business with a reduced logging program forecast due to the state of the economy.

But we are not just a logging company. We are proud to have a good safety record and we are registered with the B.C. Forest Safety Council. We work hard at ensuring prompt reforestation of logged areas and achieving a high level of compliance with cultural and environmental protection, and forestry laws.



John Starr, First Aid Attendant, and logger Clayton Brown at Doc Creek

Up to August 2008 we provided training to 56 people in Bella Bella. A number of these workers have moved to full employment in our forestry business and other businesses. If you have good work skills, are willing to learn, and are interested in employment or know someone who is, please contact the HCFP forestry office. ❖

Photos courtesy Rina Gemeinhardt



Heiltsuk forestry workers at Doc Creek logging operations