

Urban Aboriginal Economic Development National Network



Background Brief: Tribal Resources Investment Corporation (TRICORP)

Condensed from source documents by Julia Schwamborn, MA
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About the Urban Aboriginal Economic Development Network: The Urban Aboriginal Economic Development National Network is an open and inclusive multi-stakeholder network of researchers and practitioners working in urban Aboriginal and Métis communities. This includes organizations, universities, federal/provincial/municipal and Aboriginal governments, private industry, community groups, and NGO's. The network's focus is on mobilizing economic development knowledge and strengthening organizational capacity.

This paper can be found on the network website: <http://abdc.bc.ca/uaed>

Tribal Resources Investment Corporation (TRICORP)

"Our vision for our people: Economic self-reliance."

“TRICORP’s mandate is to provide financing for business activities which increase the number of permanent jobs, reduce unemployment and facilitate business ownership among First Nations people. Applicants must be of Aboriginal descent, the activities funded must take place within the region, and projects must fall within the TRICORP mandate.”

- TRICORP “provides a wide range of financial services to First Nations entrepreneurs in Northwestern British Columbia”.
- Established in 1990
- Federally incorporated lending institution, Aboriginal Capital Corporation, non-profit
- Revolving loan fund, self-supporting:
 - Principal repayments return to the fund for re-lending, while interest on the loan portfolio is used to provide necessary administrative services.
- To January 21, 2008, the corporation had provided individuals and communities with business loans totaling \$24.2million to support economic development, prosperity, and self-reliance.
- Owned by four First Nations economic development corporations: the Kitkatla-Metlakatla Economic Development Corporation, Nisga’a Lisims Government, Haida Gwaii Economic Development Corporation, and the Gitks’an Wet’suwet’en Development Corporation
- Intricate knowledge of First Nations’ economic development needs
- Business-oriented, experienced staff
- Specialized: Focus their financing on economic development for the First Nations of the Northwest Coast area
 - Area: Haida Gwaii (west) to Burns Lake (East), Hartley Bay (South) to Yukon border (North).
 - Borrowers: individuals, partnerships, companies and joint ventures which are 51% owned/controlled by First Nations
 - Portfolio reflects economic developments in the area: shift from fishing and forestry to tourism, hospitality, trades
- Manages and delivers British Columbia’s FCF, and federal ABC services

- Board of Directors: 5 members, appointed by the owning corporations
 - Up to 2 non-voting industry experts in advisory role

- Personnel
 - CEO Frank Parnell
 - Chief Operating Officer Peter Lantin
 - External Delivery Officer
 - Business Support Officer
 - Business Analyst
 - Financial Administrator
 - Accounts Administrator

- Loans are available to new and existing businesses
 - Must be economically viable
 - On-Reserve projects need written support from the Band
 - 15% equity is required
 - Security is required for all loans
 - Maximum funding for single projects: the lesser value of either \$300,000 or 75% of total project
 - Interest rates are equal or more than prime lending rate
 - Repayment is individually determined for borrower, principle has to be reduced annually

- FCF
 - \$36million fund created in 1969, increased to \$72million in 2001.
 - Services delivered in partnership with organizations/corporations across the province of BC
 - Support economic development
 - Loan component, with a lifetime limit of \$76, 125 (inclusive of a 1.5% borrower's fee in the amount of \$1,125)
 - For applicants who meet specific criteria, 40% deferred contribution component is available
 - TRICORP assesses FCF applications as to their eligibility for FCF support, accepts or declines, determines terms of repayment and security.
 - Responsible for obtaining legal documentation, collecting payments, and, if necessary, taking legal action

- ABC
 - Support available to individuals and communities who want to establish a business, acquire a business, or expand existing business, with the exception of certain business activities
 - TRICORP provides Business Support Officer to deliver mentoring and assistance for ABC applicants

- Nesika Management Ltd., a TRICORP subsidiary, is a management and consulting business which works closely with TRICORP to provide financial and business

management services to the firm's clientele, as well as public and private individuals and organizations.” (TRICORP website)

- Newsletter is published every second month
- Downloads featuring forms, checklists, templates, information on programs
 - E.g. business plan template – support applicants, ensure viability of proposed projects, train applicants in business planning

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Sources and Related Links

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