

**REDDING RANCHERIA  
TRIBAL GOVERNMENT POLICIES**

**Chapter TP 11-400**

**COVID-19 Tribal Small Business Grant Program**



**February 16, 2021**

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SECTION 1: PURPOSE

The purpose of this Policy is to establish the Redding Rancheria COVID-19 Tribal Small Business Grant Program to address the economic impact from the COVID-19 virus in accordance with the Coronavirus Aid, Relief and Economic Security (CARES) Act.

SECTION 2: BACKGROUND AND INTENT

On March 17, 2020, in response to the COVID-19 global pandemic, Redding Rancheria Tribal Council adopted Resolution #023-03-17-20 that declared a tribal emergency and resulted in the closure of government buildings and businesses. The intent of this Policy is to establish what payments are necessary due to COVID-19 and to determine eligibility criteria for administering the COVID-19 Tribal Small Business Grant Program. All approved grants are intended to provide immediate and direct financial relief to eligible businesses (1) for necessary expenses due to COVID-19, (2) that were not accounted for in the most recent budget as of March 27, 2020, and (3) that are incurred between March 1, 2020, and December 31, 2021.

SECTION 3: DEFINITIONS

As used in this Policy, the following terms shall mean:

- (a) Tribal Small Business: A business wholly owned by the Redding Rancheria that shall include, and be limited to, Win-River Resort & Casino, Redding Rancheria Economic Development Corporation, Win-River Mini-Mart Corporation, Redding Rancheria Utility Corporation, Win-River Hotel Corporation, and Property Management Corporation.
- (b) Eligible Business: In the absence of U.S. Department of the Treasury regulations defining an eligible small business for purposes of the Coronavirus Relief Fund (CRF) small business grant rules, the Tribe will treat an eligible small business to include a Tribal Small Business as defined herein that is eligible for business-related relief under Title I and/or Title V of the CARES Act; including, but not limited to, benefits under the Payroll Protection Program. The Tribe has determined in its sovereign discretion, but taking into account available guidance, facts and circumstances surrounding the Tribe's efforts to address COVID-19, that assistance to these businesses with CRF funds will promote the goals of the CARES Act.
- (c) Guidance: In the absence of regulations under the CARES Act, the term "Guidance" as used herein shall refer to a document titled "Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments",

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issued by the U.S. Department of the Treasury on April 22, 2020, as subsequently updated, Frequently Asked Questions published by U.S. Department of the Treasury, and amended on several occasions, as well as input from U.S. Department of the Treasury through tribal consultation sessions and direct inquiries with designated U.S. Department of the Treasury Advisors on Tribal policy. As of the writing of this Policy, there are no regulations under the CARES Act. The foregoing U.S. Department of the Treasury documents and oral consultations are not a substitute for Administrative Procedure Act compliant regulations, and the Tribe's decision to model grant assistance after the foregoing is not a waiver of any rights that the Tribe may otherwise have under the CARES Act.

- (d) Maximum Grant Amount: The grant amount allowable, under this Policy, to any Eligible Business shall not exceed the amount of necessary and reasonable expenses due to COVID-19 (including allowable costs from business interruption) that meet all requirements of the CARES Act. The Tribe, through its Tribal Council, retains final discretion to approve the Maximum Grant Amount.
  
- (e) Qualifying Expenditures: Necessary and reasonable costs of Business Interruption, Start-up Costs, and Compliance Costs incurred by a Tribal Small Business between March 1 and December 31, 2021.
  - (1) Costs of Business Interruption: Reasonable and necessary costs incurred by an Eligible Business to maintain operations during a mandatory shut down for COVID-19 announced pursuant to tribal emergency orders or any applicable local, state, or federal emergency orders; or such reasonable or necessary costs to assist an Eligible Business to maintain operations due to a voluntary closure, cutback or interruption in business to promote social distancing or otherwise reduce the spread of COVID-19. These costs for the Eligible Business shall be considered new expenses that were not accounted for in its most recent budget as of March 27, 2020.
  - (2) Start-up Costs: Costs related to reopening and the hiring of new staff and/or bringing back furloughed or laid off employees and training them on new safety protocols and procedures to prevent the spread of the COVID-19 virus. These costs for the Eligible Business may include unexpected payroll expenses that were not accounted for in its most recent budget as of March 27, 2020 and that are necessary to secure an adequate workforce to maintain business operations.

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- (3) Compliance Costs: Costs related to acquiring and distributing medical and protective supplies, improving telework capabilities, disinfecting business facilities, consulting fees, legal fees, account fees, and other related costs for COVID-19 and CARES Act compliance, capital expenditures to address COVID-19 (subject to paragraph 6), and providing paid sick and paid family and medical leave to employees to enable compliance with public health precautions concerning the COVID-19 virus.
- (4) Disallowed Costs: No grant funds under this Policy shall be eligible for use to replace lost revenue. Any funds distributed to an Eligible Business and used for any purpose that would violate the CARES Act or this Policy shall be returned to the Redding Rancheria tribal government for reprogramming to other COVID-19 mitigation permitted by the CARES Act and related guidance.
- (5) No Duplication: Grant funds may not be used for duplicate expenses that are covered by other sources, including insurance.
- (6) Limit on Capital Expenditures: Grant funds must be used for necessary and reasonable expenses due to the current COVID-19 public health emergency. Thus, capital expenses with a useful life beyond the current COVID-19 public health emergency must be reasonable taking into account available alternatives, urgency, and effectiveness in meeting the needs at hand. Capital projects must be completed in time to address the current COVID-19 public health emergency. The Tribe, through its Tribal Council, retains final discretion to determine issues of necessity and reasonableness, taking into account the goals of the CARES Act and available guidance.
- (7) CARES Act Limitations: All Qualifying Expenditures must be for (1) necessary expenses due to COVID-19, (2) that were not accounted for in the most recent Tribal budget as of March 27, 2020, and (3) are incurred between March 1, 2020 and December 31, 2021.
- (f) Tribal Council: Redding Rancheria Tribal Council, the duly elected governing body of the Redding Rancheria.
- (g) Application: Written document submitted to Tribal Council that requests direct financial support from the CRF funds allocated to the COVID-19 Tribal Small Business Grant Program as described herein. All applications must be on a form approved by Tribal Council and shall require the identification

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of Qualifying Expenditures. The application shall require certification of CARES Act compliance and the return of funds not used for Qualifying Expenditures.

SECTION 4: DELEGATED AUTHORITY (Reserved)

SECTION 5: AUTHORIZED PROGRAMS AND SERVICES (Reserved)

SECTION 6: FINDINGS

- (a) On March 13, 2020, the President of the United States of America determined that the COVID-19 pandemic was sufficiently severe to warrant a declaration of emergency for all states and territories of the United States. On March 27, 2020, the President signed the CARES Act into law. The CARES Act was intended to provide expeditious emergency aid to individuals, families, and businesses affected by the COVID-19 pandemic. The CARES Act established and funded the CRF, which included eight billion dollars for tribal governments to mitigate the harm caused by the COVID-19 pandemic.
- (b) In the absence of regulations under the CARES Act, the U.S. Department of the Treasury issued a document titled “Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments”, dated April 22, 2020, as subsequently updated, confirming their view that eligible expenses under the CARES Act may include among other things expenditures “related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures”.
- (c) The U.S. Department of the Treasury also published a series of Frequently Asked Questions, which have subsequently been updated, which describe a broad range of expenses that U.S. Department of the Treasury believes to be permissible uses of CRF funds including but not limited to programs “aimed at assisting small businesses with the costs of business interruption caused by required closures” and “grant program[s] to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 public health emergency”.
- (d) U.S. Department of the Treasury was expressly asked in tribal consultation meetings to comment on the administration of small business grants to tribal-owned and operated businesses, including tribal gaming facilities, and

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the Tribe, through legal counsel, reached out to U.S. Department of the Treasury to seek input in the development of this COVID-19 Tribal Small Business Grant Program.

- (e) This Policy is intended to fully comply with the CARES Act, and available input from U.S. Department of the Treasury in the absence of regulations, by setting forth the provisions for using CRF for small business grants for the limited purpose of reimbursing eligible small businesses for costs of business interruption and other necessary expenses due to the COVID-19 public health emergency. Reimbursement for revenue replacement is not permitted.
- (f) Tribal Council further finds that an Eligible Business, as defined herein, has been adversely impacted by the interruption in business as a direct result of the COVID-19 pandemic such that its ability to continue to operate is in jeopardy. These businesses play a vital role in the tribal and local economies such that were these businesses unable to recover from the interruption in their business, the toll on employees and the local economy would be severe. Critically, Tribal Council has determined that the assistance called for herein is necessary to enable these small businesses to comply with a mandatory stay-at-home orders and required business closures, and to be able to engage in voluntary closures and other mitigation measures and precautions to combat the COVID-19 public health emergency.
- (g) Tribal Council finds that implementing this Policy is consistent with the CARES Act and an effective means to carry out the stated objectives of the CARES Act.

#### SECTION 7: COVID-19 TRIBAL SMALL BUSINESS GRANT FUND

- (a) Fund Authorization:  
The Redding Rancheria COVID-19 Tribal Small Business Grant Program shall be funded with an allocation of CRF funds as authorized by Tribal Council consistent with the CARES Act. The allocation of CARES Act funds for the COVID-19 Tribal Small Business Grant Program shall be separately accounted for to ensure compliance with the CARES Act and other applicable laws. Grant Program funds shall be accounted for as a new expense in the Tribal Government's 2020 budget.
- (b) Appropriate Procedures:

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The authorization of use of the CRF funds allocated to the small business grants program shall be by Tribal Council resolution.

- (c) **Restrictions on Spending:**  
Tribal Council shall not authorize financial relief to Tribal Small Businesses for costs that have been reimbursed by other funding sources; including grants, loans, or settlements of insurance claims.
- (d) **Pre-Award Assistance:**  
An Eligible Business that received pre-award assistance subject to repayment upon the completion of grant program requirements is required to apply the amount of the final award first to repay pre-award expenses; provided that (1) such expenses were advanced to meet emergency COVID-19 needs on condition of repayment; and (2) such expenses meet all requirements for CARES Act compliance and Qualifying Expenditures herein.
- (e) **Audit:**  
No later than December 15, 2020, Tribal Council shall authorize an audit of the CRF funds allocated to the COVID-19 Tribal Small Business Grant Program to certify that all money was spent in accordance with the CARES Act and this Policy. Any money not spent in accordance with the COVID-19 Tribal Small Business Grant Program shall revert to the General Fund to be spent in accordance with the CARES Act and corresponding regulatory guidance.

#### SECTION 8: TRIBAL COUNCIL RESPONSIBILITY AND OVERSIGHT

Tribal Council is responsible for administering the COVID-19 Tribal Small Business Grant Program and shall:

- (a) Review and evaluate Applications;
- (b) Determine whether the required information and materials are provided in Applications;
- (c) Approve or disapprove Applications; and
- (d) Audit the COVID-19 Tribal Small Business Grant Program.



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Tribal Council retains final discretion in construing this Policy, taking into account the goals and requirements of the CARES Act, including without limitation, determinations of necessary and reasonable expenses, and the design and implementation of programs needed to address the COVID-19 public health emergency.

**SECTION 9: GRANT SUBMISSION**

Upon approval of this Policy by Tribal Council, an Eligible Business shall have until December 1, 2021, to submit its application(s) to Tribal Council. An Eligible Business may submit multiple Applications, so long as it provides adequate documentation and support for all Qualifying Expenditures.

**SECTION 10: WAIVER OF SOVEREIGN IMMUNITY**

Nothing in this Policy shall be construed or interpreted as a waiver of the sovereign immunity of the Redding Rancheria.

Legislative History:

Originally Adopted by Tribal Council Resolution #055-08-18-20, dated August 18, 2020.

Amended by Tribal Council Resolution #107-12-15-20, dated December 15, 2020.

Amended by Tribal Council Resolution #010-02-16-21, dated February 16, 2021