Community Economic Resilience Fund (CERF) Tribal Funding Opportunity Framework

Background and Recommendation

Overview: The CERF Tribal Funding Opportunity sets aside \$25 million of CERF funding to support Tribal economic planning and implementation projects that support a resilient, high-road economy, as defined by Division 7, Chapter 2, Section 14005 (r) of the <u>Unemployment Insurance Code</u> (UIC). The guidelines ensure maximum flexibility in the use of the funds to support Tribe-led economic development. All California Native American tribes ("Tribes") are eligible for funding under this award regardless of their participation in the CERF regional planning process. The CERF Tribal Funding Opportunity defines Tribes as a Tribe that has traditional territory in California and is on the contact list that is maintained by the Native American Heritage Commission (NAHC) for the purposes of Chapter 904 of the Statutes of 2004. Funds awarded through this award do not preclude Tribes from receiving funds through CERF Planning or Implementation grants.

Grant Administration Process: The CERF team plans to contract with an entity or consortium of entities that would serve as the Fiscal Agent(s), have the capacity to administer the statewide program, and maintain experience working with California Native American tribes. This process would remove administrative barriers for applicants and alleviate capacity constraints at the State level. The contracted entity would be eligible to use 10% (\$2.5 million) of the funding for administrative costs, leaving \$22.5 million for Tribal planning and implementation projects. The Solicitation for Proposals (SFP) would include requirements for the Fiscal Agent, and general stipulations for the \$22.5 million available to Tribes (e.g. Tribal Funding Stipulations below).

Fiscal Agent Requirements

- The Fiscal Agent will act as the intermediary in grant management. The Fiscal Agent is the legal entity responsible for submitting the Application Package. The Fiscal Agent must have legal authority, history, and fiscal and administrative capacity to administer state funds. The Fiscal Agent will make disbursements on behalf of the State. Decisions on scoring and awarding projects will be made in collaboration with the State.
- The State will prioritize selecting entities that are Tribally led. Types of entities that are eligible to serve in the Fiscal Agent role include, but are not limited to:
 - Non-profit organizations and foundations
 - o Community-based organizations
 - o Institutions of higher education or consortium of institutions of higher education
 - Other Tribal organizations or consortium of organizations that meet the requirements of Fiscal Agent
- The Fiscal Agent must have demonstrated and successful experience working for and with Tribes, including non-federally recognized Tribes.
 - State will require a list of Tribes as part of the application process to conduct reference checks (optional list of Tribal organizations can also be included).
- Outreach and Engagement
 - The Fiscal Agent will be responsible for managing outreach and engagement with Tribes and Tribal organizations throughout the process, and will be required to reserve a portion of their budget for this work. More details will be included in the SFP.
 - The Fiscal Agent will coordinate with the CERF interagency team on outreach and engagement strategies and activities.

Tribal Funding Stipulations

Available Project Funding: \$22.5 million

Projects must be completed by September 30, 2026.

Eligible Applicants:

- California Native American tribes (as defined by NAHC Tribal Consultation Policy)
- Tribe-serving non-profit organizations (with proof of partnership with a California Native American tribe e.g., a letter of support, a new or existing Memorandum of Understanding (MOU), etc.)

Eligible Uses: Applicants will have broad flexibility to define what 'economic development' means for their communities. The U.S. Economic Development Administration's (EDA) <u>Indigenous Communities</u>

Notice of Funding Opportunity (NOFO) states that projects should be designed to "create the conditions for economic growth in indigenous communities and to accelerate economic recovery from the pandemic." The CERF Tribal Funding Opportunity will follow this approach.

- Planning projects: to conduct a planning process to help Tribes complete a <u>Comprehensive</u>
 <u>Economic Development Strategy</u> (CEDS) -eligible document, or to complete another necessary
 planning process.
- Implementation Projects: to design, construct, or implement projects or programs that will support Tribal economic development and strengthen community resilience.

Project Requirements:

- Projects must align with CERF program objectives, as defined on page 12 of the <u>CERF Planning</u>
 <u>Phase SFP</u>. Project narrative should describe alignment with at least one of five core values.
- Implementation projects must demonstrate alignment with regional or Tribal CEDS or other regional or tribally led plans.
- Funds cannot be used to support Tribal gaming establishments.
- Funds cannot be used to supplement operating budgets or replace lost revenue.
- Funds cannot be used to provide direct payments to Tribal members other than for participant services.