Assistant Secretary - Indian Affairs
Office of Indian Energy and Economic Development (IEED)
DIVISION OF CAPITAL INVESTMENT

LOAN GUARANTEE PROGRAM
SUCCESS STORY

Redding Rancheria Economic Development Corporation

Redding, CA

Project Description: The Redding Rancheria has utilized the loan guarantee program both for essential government facilities as well as business. In 1994, a loan guarantee provided necessary support for financing the Tribe's first health clinic. In 1997, a second guarantee supported financing for the Tribe's headquarters facility. Between 2000 and 2003, three additional guarantees to subsidiaries of the Redding Rancheria Economic Development Corporation supported development of the Rancheria's Hilton Garden Inn, the Win River Mini/Mart w/ service station and the acquisition of a moving and storage company in Sacramento. The hotel and mini-mart have been very successful. While all five of the underlying financings have been paid off, the loan guarantee program was instrumental in assisting the Tribe in developing its financial foundation.

Economic diversification is a critical part of the Rancheria's strategies and requires appropriate risk management and insulation of business assets. While the Redding Rancheria's successes make it easier to locate financing today, the loan guarantee program remains an important tool to continue economic diversification for new acquisitions and start-up businesses.

TYPE OF SERVICE:	LOAN GUARANTEE
DATE OF GUARANTEE:	MAY, 2000
PROJECT:	MINI-MART CONVENIENCE STORE
FINANCING AMOUNT:	$700,000 (PAID IN FULL 2014)

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