

# RPC - ECONOMIC DEVELOPMENT

## Fund 475

### MISSION STATEMENT

Promote and facilitate economic development initiatives in Champaign County and within the East Central Illinois region.

### BUDGET HIGHLIGHTS

The Regional Planning Commission's revolving loan fund is restricted to commercial lending with a proportionate job creation requirement. With improving economic conditions, it is expected that associated loan demand for the creation or expansion of businesses will occur in 2017. Regional Planning Commission staff will continue to seek opportunities to leverage private funds with revolving loan funds for business development and associated job creation in Champaign County. Regional Planning Commission staff will continue to develop strategies for improved business plan and credit analyses, enhanced lending/equity financing decisions, identification of adequate collateral and position, and improved collection efforts.

### FINANCIAL

Fund 475 Summary			2015 Actual	2016 Original	2016 Projected	2017 Budget
331	16	HUD-H.O.M.E. INV PRTRNSHP	\$0	\$10,000	\$20,000	\$50,000
331	30	HHS-COMM SERV BLOCK GRANT	\$0	\$65,000	\$0	\$65,000
		FEDERAL, STATE & LOCAL SHARED REVENUE	\$0	\$75,000	\$20,000	\$115,000
361	10	INVESTMENT INTEREST	\$4,288	\$2,600	\$3,500	\$11,000
361	20	INTEREST ON LOANS	\$115,052	\$173,000	\$190,500	\$121,000
		MISCELLANEOUS	\$119,340	\$175,600	\$194,000	\$132,000
371	4	FROM HEAD START FUND 104	\$0	\$0	\$0	\$1,380,000
		INTERFUND REVENUE	\$0	\$0	\$0	\$1,380,000
		<b>REVENUE TOTALS</b>	<b>\$119,340</b>	<b>\$250,600</b>	<b>\$214,000</b>	<b>\$1,627,000</b>
567	2	BAD DEBT EXPENSE	\$10,394	\$60,000	\$160,000	\$340,000
		NON CASH EXPENSES	\$10,394	\$60,000	\$160,000	\$340,000
571	75	TO REG PLAN COMM FUND 075	\$137,920	\$152,000	\$77,500	\$120,000
		INTERFUND EXPENDITURE	\$137,920	\$152,000	\$77,500	\$120,000
		<b>EXPENDITURE TOTALS</b>	<b>\$148,314</b>	<b>\$212,000</b>	<b>\$237,500</b>	<b>\$460,000</b>

### FUND BALANCE

FY2015 Actual	FY2016 Projected	FY2017 Budgeted
\$6,278,741	\$6,255,241	\$7,422,241

A slight increase in the restricted fund balance is expected in FY17 with the potential federal restoration of the Community Services Block Grant revolving loan program. The fund balance will also accommodate potential debt financing for the acquisition of an ADA-compliant childcare facility. The revolving loan fund balance is restricted to short and long term commercial, public benefit, and housing rehabilitation lending with a corresponding job creation element.

## **ALIGNMENT TO STRATEGIC PLAN**

The Regional Planning Commission's commercial and public sector loan programs and economic development initiatives seek to improve quality of life for individuals and communities in East Central Illinois. The Regional Planning Commission is committed to ethically responsible services to its clients and partners. The Regional Planning Commission maintains a robust loan portfolio that complies with all federal and state requirements and advances economic opportunities in our area.

## **DESCRIPTION**

To provide effective financial management of the revolving loan portfolio, advance regional economic development initiatives, foster client collaboration with business plan development, credit analyses, financing decisions, and economic impact analyses.

## **OBJECTIVES**

1. Facilitate regional planning and economic development initiatives and secure funding appropriate to advance these activities.
2. Ensure comprehensive service delivery to all clients and fulfill stated objectives of grant award.
3. Ensure full cost recovery through due diligence in the management of the revolving loan portfolio.
4. Develop strategic plans for future initiatives and develop methods for implementation and resource access.
5. Provide meaningful staff support to oversight boards.

## **PERFORMANCE INDICATORS**

<b>Indicator</b>	<b>2015 Actual</b>	<b>2016 Projected</b>	<b>2017 Budgeted</b>
Number of Champaign County Community Development Corporation loans/equity investments executed	2	3	3
Overall Champaign County Community Development Corporation portfolio default rate	8%	10%	10%
Number of Community Development Assistance Program loans executed	0	1	1
Overall Community Development Assistance Program portfolio default rate	19%	19%	19%

Number of Community Services Block Grant loans executed	1	0	1
Overall Community Services Block Grant portfolio default rate	20%	20%	20%