

# RPC - ECONOMIC DEVELOPMENT

## Fund 475

### MISSION STATEMENT

Promote and facilitate regional economic development initiatives in East Central Illinois.

### BUDGET HIGHLIGHTS

The Regional Planning Commission’s revolving loan fund is restricted to commercial financing, with proportionate job creation requirements. residents, and/or employment. With the decline in economic activity, high unemployment, and expansive layoffs, it is expected that associated loan demand for the creation or expansion of businesses may be limited in FY21. The economic development revolving loan portfolio is expected to decrease as a result of ongoing business uncertainty. Economic development staff will continue to seek opportunities to leverage private funds with revolving loan funds for business development and associated job creation in Champaign County. Staff will continue to develop strategies for improved business plan and credit analyses, enhanced debt/equity investment decisions, identification of adequate collateral position, and appropriate collection efforts.

### FINANCIAL

Fund 475 Summary			2019	2020	2020	2021
			Actual	Original	Projected	Budget
331	29	HUD-COMM DEV BLOCK GRANT	\$0	\$0	\$250,000	\$250,000
		FEDERAL, STATE & LOCAL SHARED REVENUE	\$0	\$0	\$250,000	\$250,000
361	10	INVESTMENT INTEREST	\$65,349	\$54,000	\$11,000	\$12,500
361	20	INTEREST ON LOANS	\$110,435	\$95,000	\$74,400	\$76,000
369	90	OTHER MISC. REVENUE	\$10,960	\$0	\$0	\$0
		MISCELLANEOUS	\$186,744	\$149,000	\$85,400	\$88,500
371	4	FROM HEAD START FUND 104	\$0	\$1,000,000	\$0	\$500,000
381	75	REIMB FRM RPC LOAN FND475	\$136,000	\$0	\$0	\$0
		INTERFUND REVENUE	\$136,000	\$1,000,000	\$0	\$500,000
<b>REVENUE TOTALS</b>			<b>\$322,744</b>	<b>\$1,149,000</b>	<b>\$335,400</b>	<b>\$838,500</b>
533	92	CONTRIBUTIONS & GRANTS	\$0	\$0	\$250,000	\$250,000
		SERVICES	\$0	\$0	\$250,000	\$250,000
567	2	BAD DEBT EXPENSE	\$15,738	\$165,000	\$165,000	\$155,000
		NON CASH EXPENSES	\$15,738	\$165,000	\$165,000	\$155,000
571	4	TO RPC ECON DEV LOANS 475	\$136,000	\$0	\$0	\$0
571	75	TO REG PLAN COMM FUND 075	\$98,109	\$106,000	\$100,650	\$96,000
		INTERFUND EXPENDITURE	\$234,109	\$106,000	\$100,650	\$96,000
<b>EXPENDITURE TOTALS</b>			<b>\$249,847</b>	<b>\$271,000</b>	<b>\$515,650</b>	<b>\$501,000</b>

## FUND BALANCE

FY2019 Actual	FY2020 Projected	FY2021 Budgeted
\$7,560,666	\$7,380,416	\$7,717,916

The revolving loan fund balance is restricted to short and long-term commercial 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 revolving loan portfolio that complies with all federal and state requirements for the advance of economic opportunity.

## 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.
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.
6. Adapt and modify loans and equity investments where needed in response to COVID-19 effects on businesses and communities.

## PERFORMANCE INDICATORS

Indicator	FY 2019 Actual	FY 2020 Projected	FY 2021 Budgeted
Number of Champaign County Community Development Corporation loans/equity investments executed	1	1	1
Overall Champaign County Community Development Corporation portfolio default rate	8%	9%	9%
Number of Community Development Assistance Program loans executed	1	0	1
Overall Community Development Assistance Program portfolio default rate	11%	12%	11%

Number of Community Services Block Grant loans executed	N/A	-N/A	-N/A
Overall Community Services Block Grant portfolio default rate	5%	10%	10%