

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 or retention requirements. With the decline in business activity, hiring challenges, and closures/layoffs as a result of the pandemic, it is expected that associated loan demand for the creation or expansion of businesses may be limited in FY22. 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			2020	2021	2021	2022
			Actual	Original	Projected	Budget
331	29	HUD-COMM DEV BLOCK GRANT	\$0	\$250,000	\$25,000	\$0
		FEDERAL, STATE & LOCAL SHARED REVENUE	\$0	\$250,000	\$25,000	\$0
361	10	INVESTMENT INTEREST	\$6,430	\$12,500	\$3,500	\$7,000
361	20	INTEREST ON LOANS	\$108,242	\$76,000	\$101,500	\$103,500
		MISCELLANEOUS	\$114,672	\$88,500	\$105,000	\$110,500
371	4	FROM HEAD START FUND 104	\$0	\$500,000	\$0	\$500,000
		INTERFUND REVENUE	\$0	\$500,000	\$0	\$500,000
REVENUE TOTALS			\$114,672	\$838,500	\$130,000	\$610,500
533	92	CONTRIBUTIONS & GRANTS	\$0	\$250,000	\$25,000	\$0
		SERVICES	\$0	\$250,000	\$25,000	\$0
567	2	BAD DEBT EXPENSE	\$129,945	\$155,000	\$155,000	\$155,000
		NON CASH EXPENSES	\$129,945	\$155,000	\$155,000	\$155,000
571	75	TO REG PLAN COMM FUND 075	\$80,699	\$96,000	\$73,500	\$78,500
		INTERFUND EXPENDITURE	\$80,699	\$96,000	\$73,500	\$78,500
EXPENDITURE TOTALS			\$210,644	\$501,000	\$253,500	\$233,500

FUND BALANCE

FY2020 Actual	FY2021 Projected	FY2022 Budgeted
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\$7,473,261	\$7,349,761	\$7,726,761
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The revolving loan fund balance is restricted to short and long-term commercial lending with a corresponding job creation/retention 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 revolving loan portfolio that complies with all federal and state requirements for the advancement 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 2020 Actual	FY 2021 Projected	FY 2022 Budgeted
Number of Champaign County Community Development Corporation loans/equity investments executed	0	1	1
Number of Champaign County Community Development Corporation loans/equity investments paid in full	1	2	1
Overall Champaign County Community Development Corporation portfolio default rate	8%	8%	8%
Number of Community Development Assistance Program loans executed	0	1	1
Overall Community Development Assistance Program portfolio default rate	10%	10%	10%
Number of Community Services Block Grant loans executed	restricted	restricted	restricted

Number of Community Services Block Grant loans paid in full	0	1	1
Overall Community Services Block Grant portfolio default rate	15%	20%	15%