

COMMUNITY DEVELOPMENT REVOLVING LOAN PROGRAM

BUDGET SUMMARY

CD REVOLVING LOAN PROG	2012 BUDGETED (CURRENT)	2012 ESTIMATED	2013 FISCAL BUDGET
EXPENDITURES	\$0	\$0	\$6,050
TOTAL		\$0	\$6,050

The Community Development Revolving Loan (“RLF”) Program has been in existence since 1983. Through FY2012, the RLF was part of the CD Grants Division. As part of the FY2013 Budget process, budgeting for administration of the Revolving Loan Program and the Community Development Block Grant program have been separated. Specifically, the budget detail associated with the RLF Program is discussed within this chapter. However, budget details and performance measures related to the City’s Community Development Block Grant (“CDBG”) and Emergency Grant Programs are contained with the Administration / City Manager portion of the budget.

The City’s RLF Program was created in 1984 and was initially capitalized with \$500,000 in Community Development Block Grant funds. The purpose of the loan program is to support housing and economic development projects which benefit low and moderate income persons.

As of February 2012, the RLF Program had 39 active loans totaling \$1,563,327, of which \$788,594 was outstanding. Annual principle and interest payments to the loan fund total approximately \$138,540 per year, of which approximately \$25,000 is interest.

As of February 2012, the RLF Program had approximately \$318,000 available to lend. Two separate loan applications totaling \$250,000 were pending at the time of this report, including \$175,000 for the Bindery Redevelopment Project and \$100,000 for renovation of the Endicott Hotel.

The Revolving Loan Program is self-supported and is separate from the City’s General Fund. However, the fund is administered by City staff supported by the General Fund.

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PROGRAM HIGHLIGHTS

<u>SERVICE INDICATORS</u>	Actual <u>2010</u>	Actual <u>2011</u>	Estimated <u>2012</u>	Projected <u>2013</u>
Number of RLF Applications Received			10	8
Number of RLF Loans Underwritten & Closed	8	3	8	6
RLF Dollars Loaned	\$207,485	\$17,970	\$530,000	\$60,000
Number of Revolving Loan Fund (RLF) Loans in Default	4	9	11	8

2013 GOALS

1. Continue marketing efforts for the City's Revolving Loan Program (RLF) with the goal of making at least six new loans totaling at least \$60,000.

2012 GOALS STATUS

1. Continue marketing efforts for the City's Revolving Loan Program (RLF) with the goal of hitting targets of six new loans totaling at least \$60,000.
9-Month Status: As of March 31, 2012, the City had closed five loans, totaling \$450,300. Loans ranged in size from \$6,000 to \$200,000. A total of 63 dwelling units were improved as a result of the RLF Program in FY 2012.

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BUDGET DETAIL

	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012 BUDGETED	2012 ESTIMATED	2013 FISCAL BUDGET
APPROPRIATIONS						
OUTSIDE SERVICES	\$0	\$0	\$0	\$0	\$0	\$5,550
SUPPLIES	\$0	\$0	\$0	\$0	\$0	\$500
Total	\$0	\$0	\$0	\$0	\$0	\$6,050

<u>POSITION TITLE</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Community Development Specialist	0.15	0.15	*0.0	0.0

* During FY 2011, the City discontinued the Community Development Grant Specialist position and hired an independent contractor to provide certain services to support the Division. In addition to the independent contractor, the Division is also staffed in part by the City's Assistant for Special Projects (budgeted within the City Manager's Office), as well as the Community Development Department's Administrative Assistant, as budgeted within the Community Development Department's Administration Division.

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FUNDING IMPACT

This budget contains no significant funding changes.