



Designing A Revolving Loan Fund Program to Meet Your Community's Needs

Thank you

for joining the
conversation today.

Send us your
questions and
comments!

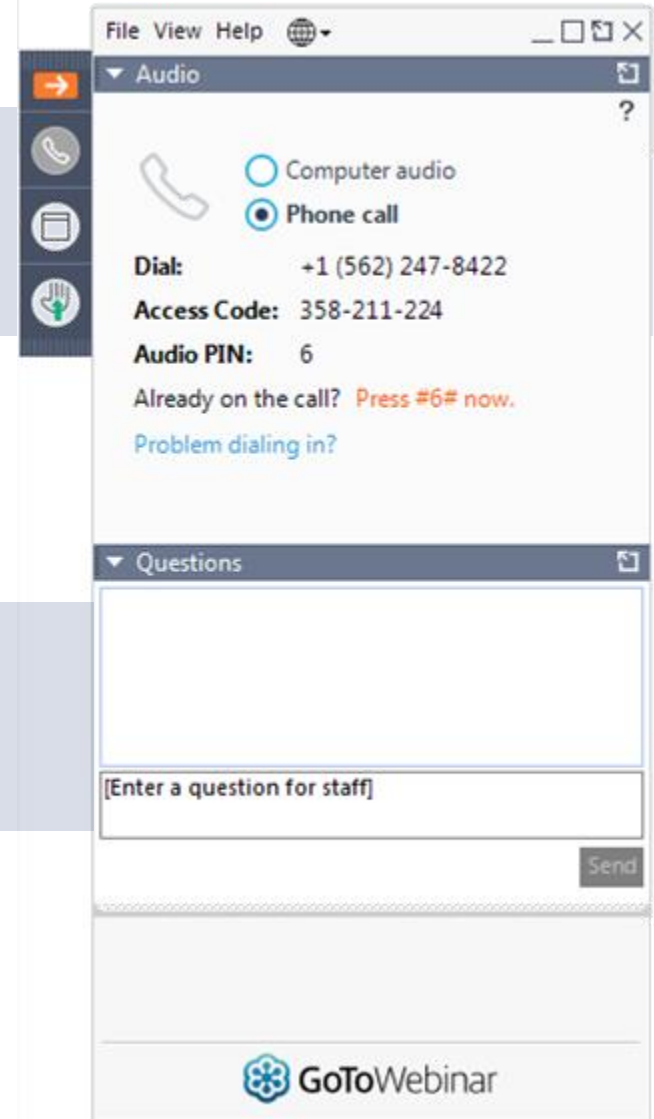
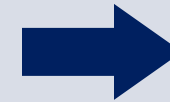
Welcome

The Broadcast will begin at 2:00 PM (Eastern)

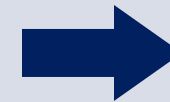


Designing A Revolving Loan Fund Program to Meet Your Community's Needs

Using your telephone will give you better audio quality.



Submit your questions to the panelists here.



Thank you

for joining the conversation today. Send us your questions and comments!



Designing A Revolving Loan Fund Program to Meet Your Community's Needs

Panelists



Harry Allen, Moderator
Coordinator, Research & Advisory Services
Council of Development Finance Agencies



Michele Laird
Loan Servicing Specialist
CCD Business Development Corporation



Tom Link
Director, Center for Innovation and Entrepreneurship
Urban Redevelopment Authority of Pittsburgh



Mara O'Neill
Loan Program Manager
Metropolitan Consortium of Community Developers

Thank you
for joining the conversation today.
Send us your questions and comments!

See all of CDFFA's RLF resources online at www.cdfa.net



Designing A Revolving Loan Fund Program to Meet Your Community's Needs

Panelists



Harry Allen, Moderator
Coordinator, Research & Advisory Services
Council of Development Finance Agencies



Michele Laird
Loan Servicing Specialist
CCD Business Development Corporation



Tom Link
Director, Center for Innovation and Entrepreneurship
Urban Redevelopment Authority of Pittsburgh



Mara O'Neill
Loan Program Manager
Metropolitan Consortium of Community Developers

Thank you
for joining the conversation today.
Send us your questions and comments!

See all of CDFFA's RLF resources online at www.cdfa.net

[ura](#)

CDEFA EDA Webinar: Designing a RLF Program to Meet Your Communities Needs.



May 22, 2018

Urban Redevelopment Authority
of Pittsburgh



ura

Mission

The Urban Redevelopment Authority of Pittsburgh (URA) is the City of Pittsburgh's economic development agency, committed to creating jobs, expanding the City's tax base and improving the vitality of businesses and neighborhoods.





What does
the URA do?



Lots of stuff!

URA's activities can be put into four “buckets”

LAND RECYCLING

HOUSING

BUSINESS EXPANSION &
ATTRACTION

ECONOMIC DEVELOPMENT



Business Expansion & Attraction throughout the City of Pittsburgh



“As an early stage company, traditional bank financing is challenging to secure. They provided critical funding to allow us to hire additional employees and leverage other private investment to significantly grow our business.”



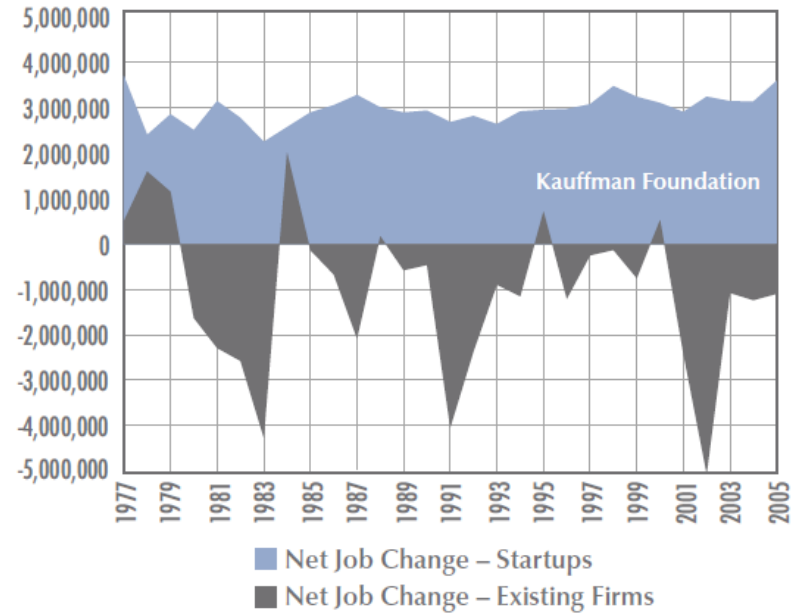
Colin Huwyler
Optimus Technologies

Small Businesses and High Growth Enterprises Fuel Job Growth

“Startups are engines of job creation. Entrepreneurs intent on growing their businesses create the lion's share of new jobs, in every part of the country and in every industry. “
 –StartUp America Program

1. Firms less than 5 years old created over 40 million jobs over the last three decades; those 40 million jobs account for all net new jobs during that period
2. Further, companies considered ‘high growth’ companies (companies that double their revenues within 3 years) generate, on average nationally, 88 jobs per year compared to the average company in the United States Economy as a whole that creates 2 jobs, on average, per year.
3. 2 out of 3 net new jobs created in the U.S. are created by small businesses.

Figure 1:
 Startups Create Most New Net Jobs in the United States



Source: Business Dynamics Statistics, Tim Kane



Business Expansion & Attraction throughout the City of Pittsburgh

URA Business and Commercial Real Estate Revolving Loan Fund (RLF) Programs: **Basic Terms**

Core Loan Programs

For Real Estate Up to \$400,000 (not to exceed 40% of project costs)

For Business Financing (equipment, working capital) up to \$150,000 (not to exceed 40% of project costs)

For Micro financing, up to \$20,000

Loan Term

3 to 25 years (match life of asset being financed)

Rate

4.5%

Fees

Application: \$350

Closing/due diligence: 2% of borrowing

Loan servicing: 0.5% of outstanding principal balance annually

Construction Monitoring: 0.5% of borrowing

Filing fees: paid for by borrower

Security / Collateral

Generally subordinate to private lender on primary collateral (real estate, business assets, etc.)

Personal / corporate / business guarantees / other

Other Conditions

Job creation / retention

New taxes

M/WBE goals

Neighborhood development / sustainable development / equitable development

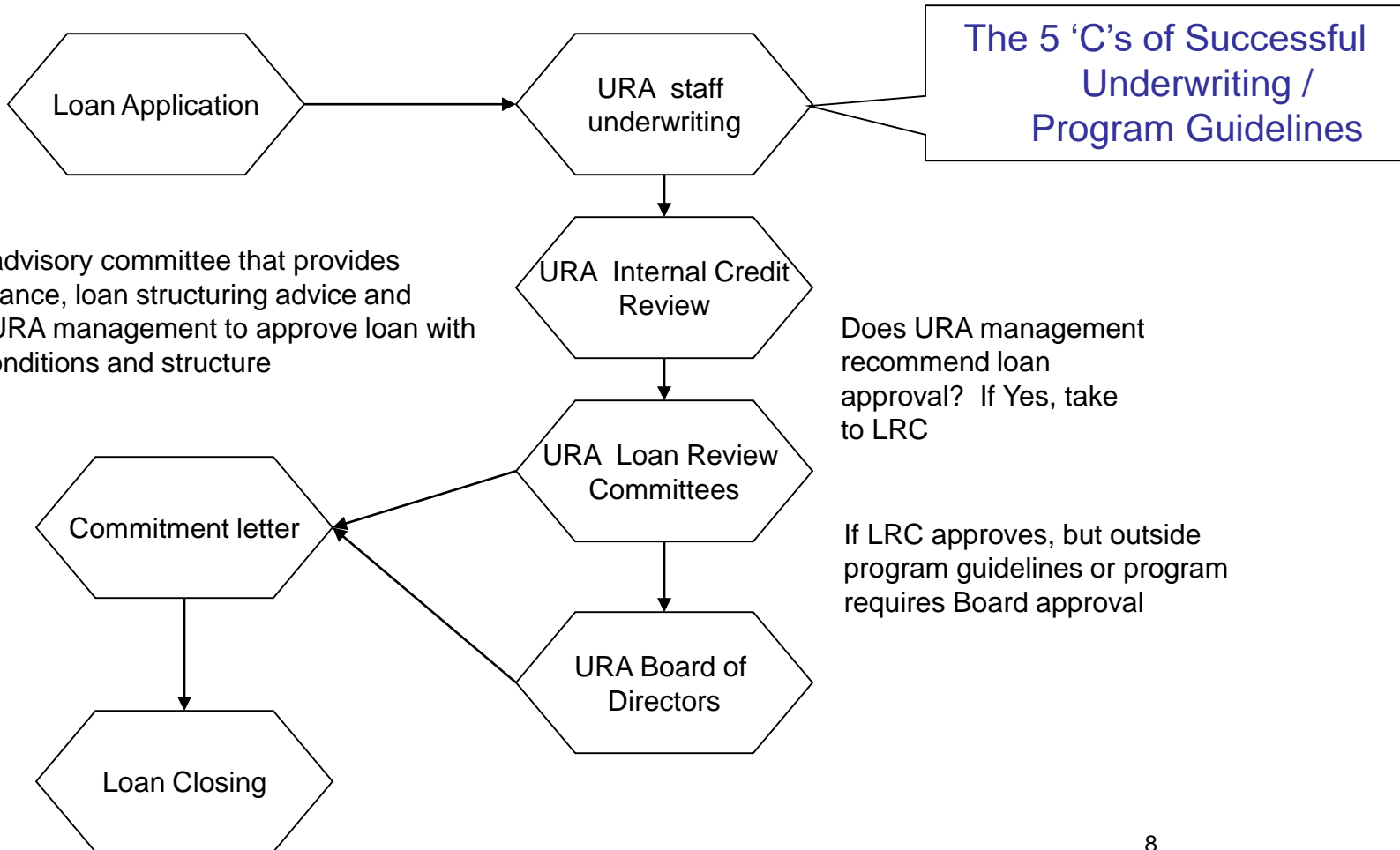
URA Business and Commercial Real Estate Loan Fund Programs: *The Decision Process*

5 C's

<http://www.ura.org/pdfs/bdcBorrowing101.pdf>

- Collateral
- Cash Flow
 - Cash Flow is king– will / does the business generate sufficient cash flow to service debt?
- Credit
 - Does the borrower and it's principals have demonstrable history of playing back debt?)
- Capital
 - Does the borrower have enough capital to sustain the business / is the borrower putting enough of their own capital into the business?)
- Character
 - “Character, as a subjective measure, is extremely difficult to assess consistently...” <http://www.bigastin.org/about/index.htm>
 - “In small business (and even not so small business) lending, Character may be the most critical measure to assess”

URA Business and Commercial Real Estate Loan Fund Programs: *The Decision Process*



The Center
for Innovation &
Entrepreneurship

Entrepreneurship

BUSINESS
FINANCING

69

URA loans

\$10,376,286

in URA investments

\$51,821,116

total project costs

559

jobs created and retained

Ace Hotel Pittsburgh lobby
Photo: Ace Hotel



THREE SUCCESS STORIES

Ace Hotel Pittsburgh

Located in the formerly vacant YMCA building in East Liberty, the Ace Hotel benefited from several URA financing programs and strategic partnerships for its historic preservation and creative adaptive reuse.



Photo: proudco.com

Proud Company

The Proud Company provides manufacturers, utility companies and other industrial technology users with complete industrial automation services. It utilized \$1.92 million in New Markets Tax Credits, provided by the URA through Pittsburgh Urban Initiatives, to help finance its renovation of a 23,000-square foot facility in the West End.

Smallman Galley

The URA provided a \$150,000 loan to help fund the Strip District food hall and restaurant incubator to bring valuable business experience to aspiring chefs and restaurateurs.



Smallman Galley co-owners
Tyler Searson and Dan Martica
Photo: Jeff Scharner

Social House Seven Square
Photo: courtesy of Adam LaGrone



Neighborhoods

TOTAL FAÇADE
RENOVATIONS

170

façade renovations

\$2,148,930

in URA investment

\$8,948,696

total project costs

“Take a walk through Allentown or Garfield, the Cultural District or Lawrenceville; head for the North Side or the Hill or Homewood and chances are you’ll see a building that’s been refurbished thanks to the Urban Redevelopment Authority’s four façade improvement programs.”

NEXTPittsburgh

URA Neighborhood Business District Program

The URA Neighborhood Business District Program helps business district groups throughout the city revitalize their commercial corridors. The URA works with communities on a range of activities, from planning, capacity building and technical assistance to direct project grants.

BETWEEN
2014-2016

25

neighborhood business
districts served

\$650,000

in funds awarded for
planning, development and
promotional activities

Some advice:

- Remember you are investing in people- entrepreneurs, their employees, the neighborhoods they operate in.
- Remember to invest in YOUR people– a successful RLF will requires professionals operating the programs.
- Economic Development financing programs don't sell themselves--- you must proactively seek and engage the deals you want– make direct connections with the communities and types of entrepreneurs you want to serve and work hard to get from simply a program to closings- especially in when introducing a new program.
- Revolving means revolving– if your loans don't pay back your program fails– underwriting and sound approval process are critical elements of a successful RLF.



Questions and Discussion



Designing A Revolving Loan Fund Program to Meet Your Community's Needs

Panelists



Harry Allen, Moderator
Coordinator, Research & Advisory Services
Council of Development Finance Agencies



Michele Laird
Loan Servicing Specialist
CCD Business Development Corporation



Tom Link
Director, Center for Innovation and Entrepreneurship
Urban Redevelopment Authority of Pittsburgh



Mara O'Neill
Loan Program Manager
Metropolitan Consortium of Community Developers

Thank you
for joining the conversation today.
Send us your questions and comments!

See all of CDFFA's RLF resources online at www.cdfa.net

CDFA EDA Revolving Loan Fund Training Webinar

“Designing A Revolving Loan Fund Program to Meet Your Community’s Needs”

May 22, 2018



Michele Laird
Loan Servicing Specialist



CCD is a private/non-profit corporation formed in 1971.

CCD is recognized as an Economic Development District for Coos, Curry & Douglas counties, Oregon.

In 1981, the U.S. Small Business Administration (SBA) designated CCD a “Certified Development Company”.

CCD created our EDA Revolving Loan Fund in 1978. (It has been revised 11 times.)

	Number of Loans	Loan Funds	Leverage of Funds	Jobs Created	Job Retained
Revolved Loans	235	\$27,449,156	\$749,753,589	2030	614
SBA Loans	211	\$118,054,939	\$308,998,900	2208	1910



Organizational Policies And Documents

- **Mission and Vision Statements**

Our Mission: *To create a climate that encourages economic development that will retain existing jobs, create new jobs, diversify local economies, support existing industry and enhance the quality of life for the region's residents, as well as providing an atmosphere for personal growth for the employees.*

Our Vision: *CCD Business Development Corporation prepares the communities it services for economic growth by encouraging economic diversification, ensuring the availability of adequate infrastructure and responding, RATHER than reacting, to the needs of local governments and or retain the opportunity for a family wage job for all the region's residents.*

- **Strategic Plan**

- **Loan Policy/Work Plan**

Loan Policies and Procedures are Essential:

- Review and update annually (if possible)
- Training (Staff & Board of Directors)
- Know the Program Regulations

- **Professional Staff**



GOALS



Establish Goals:

CCD's overriding purpose, or mission, is the development of long-term private sector employment. This will be accomplished through both private and public investment to encourage startup and expansion of environmentally compatible private business and industry in order to diversify and stabilize the economy of the District.

CCD's Board has identified the top three (private sector) economic problem-issues in the District as follows:

1. Over-Dependence on Timber Industry; Need for Industrial Diversification:
CCD's RLF addresses this by providing financing for business startups and expansions in industries other than primary wood processing.
2. Lack of Adequate Capital for Business Startups and Expansions:
CCD's RLF addresses this by making at least some of the needed capital available on reasonable terms, either directly or by inducing increased lending by others through CCD subordinated lien positions or partial loan guarantees.
3. Inadequate Research, Planning and Financial Packaging for Successful Small Business Startups and Expansions:
CCD's RLF addresses this by helping to make it possible for CCD to provide such assistance on proposals for RLF, SBA 504 and other business loan funds. The existence of CCD's RLF helps make it possible for CCD to provide clients with in-house management consulting in loan packaging and financial feasibility analysis, marketing, promotion, and distribution; land use and zoning; organizational development; etc.



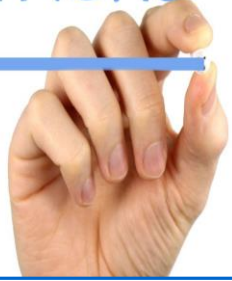
Objectives

Establish Objectives:

1. Use RLF monies a) to stimulate economic diversification; and b) to create permanent employment or save jobs that would otherwise be lost.
2. Maintain and protect the RLF by a) taking all prudent legal and financial steps to establish and safeguard CCD's position as creditor; b) provide as much loan monitoring, servicing, and ongoing consulting assistance as possible, both to preserve the jobs created or saved and to ensure repayment to the RLF.
3. Maximize the impact of the RLF by promoting joint use of all other sources of business financing, specifically including SBA-504 funds.
4. Build the RLF over time by seeking additional funding from all potential sources.
5. Ensure proper and effective functioning of the RLF by ongoing evaluation of this RLF Management Plan, including making changes in the Plan, with EDA approval, when circumstances change or when otherwise deemed appropriate.



TERMS AND CONDITIONS



Establish Terms and Conditions:

- **Loan Amount:** CCD loans will not ordinarily be made in amounts less than \$25,000 or more than \$250,000 to any one entity or affiliated group.
- **Private Investment Requirements:** RLF funds must be used to leverage private investment of at least two dollars for every one dollar of RLF investment. This leveraging requirement applies to the portfolio as whole rather than individual loans.
- **Loan Amount (Percentages):** An RLF loan will not ordinarily cover more than 75% of total project cost.
- **Interest Rates:** CCD's Loan Committee has established a floor of 4.0% and a ceiling of (the maximum amount allowed by Oregon State Law). The rate will be fixed for the term of the loan or set at a five-year (5) adjustable rate.
- **Term of Fixed Asset Loans:** The term of a fixed asset loan will ordinarily not be greater than the weighted average useful life of the fixed assets of the project.
- **Security:** Security will be required and usually will be in the form of liens on the assets thereby financed, including fixed assets, equipment, receivables, inventory, etc.





A RLF loan is typically used to fund a start-up business venture or structured in partnership with a traditional lender. These loans are typically in a subordinate lien position on the collateral used to secure the loan. Therefore, the risk associated with the loan request is considered in the decision process and noted by the rate assigned to the approval.

CCD's historical rates have been 9-10% fixed for the term of the loan.

FEES:

- CCD has a \$250.00 Non-Refundable Application Fee
- CCD has a 2% Loan Processing Fee
- CCD has a 1% Loan Loss Reserve Fee (Recently Added)

The Borrower pays all out-of-pocket closing expenses associated with closing the loan.

CCD uses the loan fees and interest earned on the RLF funds disbursed for servicing and administration expense. Interest income in excess of that needed to cover authorized administrative expenses will revolve back into the RLF and be available for relending to eligible recipients. All principal repaid by the Borrowers will be available for relending.



Loan Conditions:

Loan Conditions should fit the loan request, based on risk, industry, management experience and collateral used to secure the loan. These conditions are included in the Credit Memo and approved by the Loan Committee/Board. They are also outlined in the “Terms & Conditions” Letter provided to Borrower for review and acceptance.

Typical conditions assigned to an RLF Loan:

- Trust Deed(s) for any property used as collateral.
- UCC Filings (State & County)
- Guarantee(s)
- Copies of Entity Documents (Corporation, LLC, Partnership, Trust, etc.) & Executed Borrowing Resolution(s)
- Proof of adequate Hazard & Liability Insurance coverage. (Flood Insurance, if applicable.)
- Assigned Key Man Life Insurance (If applicable to the project.)
- Receipt of an acceptable valuation of all pledged collateral.
- Copies of any leases. (If applicable.)
- Assignment of Leases/Rents.
- List of Equipment/Fixtures that are collateral for the loan. Items with a value of \$5,000 or more are to include a make, model, serial number, and value.
- This approval is subject to receipt and verification of outstanding loan balances on loans secured by the collateral pledged for the loan.
- Executed Hypothecation Agreement (If applicable.)
- Executed Subordination Agreement (If applicable.)
- Borrower to submit annual professionally prepared financial statements (Balance Sheet and Profit & Loss) or a copy of Federal Tax Returns.
- Proof of Borrowers Injection.

**If the project includes construction/improvements additional items would be added.*



Marketing Your RLF Program:

Marketing your RLF is a critical component to operating a successful program.

Your agency should consider a variety of outreach methods:

- Banks and Credit Unions (*CCD's preference - most results*)
- Small Business Development Centers (*key partner*)
- Chamber of Commerce
- Local Economic Development Organizations
- Cities, Counties and Ports
- Staff and Board of Directors
- Social Media



*Thank
you*



Business Development Corporation
—A CERTIFIED DEVELOPMENT COMPANY—

Michele Laird
Loan Servicing Specialist
(541) 756-4101
m.laird@ccdbusiness.com

Together We're Building The Future Through Responsible Economic Development.





Designing A Revolving Loan Fund Program to Meet Your Community's Needs

Panelists



Harry Allen, Moderator
Coordinator, Research & Advisory Services
Council of Development Finance Agencies



Michele Laird
Loan Servicing Specialist
CCD Business Development Corporation



Tom Link
Director, Center for Innovation and Entrepreneurship
Urban Redevelopment Authority of Pittsburgh



Mara O'Neill
Loan Program Manager
Metropolitan Consortium of Community Developers

Thank you
for joining the conversation today.
Send us your questions and comments!

See all of CDFFA's RLF resources online at www.cdfa.net

METROPOLITAN CONSORTIUM OF COMMUNITY DEVELOPERS (MCCD)

SMALL BUSINESS REVOLVING LOAN FUND

Designing and Building a Relevant RLF

May 22, 2018



Presentation Framework

- MCCD's History and RLF Experience
- Developing Strategic Partnerships
- Sound Practices for Designing and Building a Relevant RLF



MCCD's Mission Statement

To work collectively to build strong, stable communities by leveraging resources for the development of people and places.



History of MCCD's RLF

- Started in 1989 with maximum loan of \$3,000 and serving only the city of Minneapolis.
- Increased maximum loan size to \$25,000, and since 2012 to \$300,000 and higher.
- Added loan products to meet borrower needs.
- Expanded to Twin Cities Metropolitan Area.



History of MCCD's RLF (continued)

- Since 1989, MCCD has made over 1,050 loans totaling over \$21 million.
- Since 12/31/2011, MCCD has made direct loans totaling \$12.3 million leveraging another \$95 million in other funds.
- MCCD's current portfolio of outstanding loans is \$7.6 million.
- MCCD services another \$3 million for other agencies and organizations.



Typical Micro Loan Borrower

Rituals, Inc.

- Soap and lotion maker located in the Midtown Global Market in Minneapolis.
- \$7,000 loan for inventory, marketing, and working capital



Rituals' Owner Antoinette Williams

MCCD's Approach

Open To Business Program

- Partner with metro-area municipalities to help them create their own business support programs.
- Provide entrepreneurs with technical assistance.
- Provide access to financing for start-up and expansion through MCCD's loan program.



Current Loan Products

- Advisor Express loans up to \$5,000.
- Micro loans up to \$25,000 to new and emerging business.
- Loans to growing businesses generally \$25,000 to \$75,000.
- Gap financing up to \$300,000 for established firms.
- Transactional financing up to \$35,000 for small contractors.
- Credit building loans of \$240 to \$500.



Evolving RLF Goals and Objectives

- Build portfolio with larger, strong projects with good cash flow.
 - Increases self-sufficiency.
 - Permits more small, mission-based loans.
 - Credit Building Loans
 - Advisor Express Loans
- Expand geographic area and types of clients served.



Typical Advisor Express Loan



Ruben Childs, owner of Turnover Commercial Cleaning Services

Turnover Commercial Cleaning Services

- Appliance and furniture recycling and apartment cleaning.
- \$2,500 loan to purchase lawn equipment to expand business to lawn care.



Aggressive Hydraulics – East Bethel



Paul Johnson, one of Aggressive Hydraulics' owners

Total Sources of Funds:

First Mortgage	\$1,800,000
SBA 504	1,500,000
Sale of Buildings	850,000
Cash Equity	300,000
MCCD 3 rd Mortgage	<u>300,000</u>
Total Project	\$4,750,000

Total Uses of Funds:

Land Purchase	\$650,000
New Construction	3,550,000
Soft Costs	450,000
Fees	<u>100,000</u>
Total Project	\$4,750,000



Gaining Experience

Build your RLF infrastructure

- Lending policies
- Underwriting standards
- Loan documentation
- Loan servicing software
- Tracking and reporting

Manage your portfolio risk

- Recourse versus nonrecourse

Work closely with accounting

Adapt your products



Adapting RLF Products



Clinic Owner Abdullahi Hussein

South Minneapolis Walk-In Clinic

- Provides an affordable alternative for low income residents and new Americans who often go to the ER for common ailments.
- \$44,500 from MCCD plus \$14,000 from city of Minneapolis for start-up costs.
- Financing was Shariah compliant.



MCCD's Capitalization and Rates

- MCCD manages and tracks about 17 separate funds.
 - Internal funds, CDFI, bank EQ2s, State program funds, foundation funds for our credit building program, special city program funds.
- Rates – Currently 6.25%-10.00%
 - Determined by funding source, prime rate, risk, size of loan.
 - Goal to achieve overall portfolio return of 6% to 7%.



Match Requirements and Fees

- Match Requirements
 - Depends on the source of funds and debt to equity ratio.
 - We are often the match for other programs.
- Fees
 - Application fee of \$25, which is nonrefundable but applied to closing costs.
 - Origination fee of 1%, 1.5% or 2% depending on source of funds, loan amount, and term.
 - Out of pocket costs charged back to borrower.



MCCD Loan Fund Values

- Relationship Lending
- Technical Assistance
- Focus on the Customers



Final Suggestions

- Start small
- Build capacity and infrastructure from day one
- Manage portfolio risk
- Don't expect to make money
- Partner with other agencies and organizations
 - Government agencies can use nonprofit community organizations to administer programs.
 - Community lenders can leverage funds from government agencies and banks.



Contact Information

Mara O'Neill

Loan Program Manager

Metropolitan Consortium of Community Developers

612-843-3264

moneill@mccdmn.org





Designing A Revolving Loan Fund Program to Meet Your Community's Needs

Thank you

for joining the
conversation today.

Send us your
questions and
comments!

Question and Answer



Designing A Revolving Loan Fund Program to Meet Your Community's Needs

Upcoming CDFA EDA RLF Best Practices Events

CDFA EDA Revolving Loan Fund Training

Baltimore, MD

June 14-15, 2018

Webinar: Strategies for Addressing Non-Performance and Loan Defaults

August 14, 2018 @ 2:00 PM Eastern

CDFA EDA Revolving Loan Fund Training

Dallas, TX

November 6-7, 2018

Register online at www.cdfa.net

Thank you

for joining the
conversation today.

Send us your
questions and
comments!



What are Development Finance Agencies?

CDFA is proud to represent development finance agencies (DFAs) across the country. Learn how they finance the development priorities in their communities.

CDFA Upcoming Events

CDFA EDA Revolving Loan Fund Webinar Series: Exploring the Role of Revolving Loan Funds in Economic Development
January 23, 2018
2:00 PM Eastern

Fundamentals of Economic Development Finance WebCourse
January 24-25, 2018
Daily: 12:00 - 5:00 PM Eastern

CDFA // BNY Mellon Webcast Series: Transforming the Motor City: Redevelopment in the Rust Belt
Tuesday, February 13, 2018
1:00 PM Eastern

CDFA EDA Revolving Loan Fund Webinar Series: Maximizing Revolving Loan Fund Impact
February 20, 2018
2:00 PM Eastern

[⇒ View CDFA Events](#)

Right Now at CDFA



Tax Cuts & Jobs Act

Tim Fisher
Manager, Legislative & Federal Affairs

Tax reform will change the tax code for decades to come. It also preserves PABs! Here's an early look by The Bond Buyer outlining the impact of the bill on development finance. CDFA will be releasing more details in the days to come.

[⇒ Learn More](#)

CDFA National Sponsors



[⇒ Become a Sponsor](#)



Development Finance Headlines

- Ohio's Smart Mobility Resource and Assets**
JobsOhio | Jan. 22 | [Economic Development](#)
 - Sens. Cornyn, Warner Introduce PAB P3 Bill**
The Bond Buyer | Jan. 22 | [Bond Finance](#) | [Infrastructure Finance](#) | [Legislative](#) | [Public-Private Partnership \(P3\) Financing](#)
 - US CoC Urging Congress to Expand PABs**
The Bond Buyer | Jan. 22 | [Bond Finance](#) | [Infrastructure Finance](#) | [Legislative](#)
 - Skidmore, MO Approves \$1M Bond Issue for Water/Sewer Project**
The Maryville Forum | Jan. 22 | [Water Finance](#) | [Infrastructure Finance](#) | [Revolving Loan Funds \(RLFs\)](#) | [Bond Finance](#)
 - OK Bill would Eliminate Renewable Energy Tax Credit**
Norman Transcript | Jan. 22 | [Legislative](#) | [Tax Credits](#)
 - Murphy Orders Review of NJ's Tax Credit Programs**
U.S. News | Jan. 22 | [Tax Credits](#)
 - RI Housing Agency Approves LIHTC Financing**
Providence Journal | Jan. 22 | [Tax Credits](#)
 - DCHFA Closes \$11M Deal to Fund DC Affordable Community**
Multi-Housing News | Jan. 22 | [Bond Finance](#)
 - Two BIDs Move Closer to Being Established in the Bronx**
Bronx Times | Jan. 22 | [Special Assessment Districts](#) | [Tax Increment Finance \(TIF\)](#)
 - \$400M Plan Proposed to Save the Salton Sea Involved the Creation of an EFD**
NBC Los Angeles | Jan. 22 | [Brownfield Financing](#) | [Tax Increment Finance \(TIF\)](#) | [Water Finance](#) | [Infrastructure Finance](#) | [Special Assessment Districts](#)
- [⇒ View All Headlines](#)

CDFA Partners



[⇒ View Partners](#)



CDFA EDA Revolving Loan Fund Best Practices Program

The EDA Revolving Loan Fund Program is a staple of the federal economic development access to capital delivery system. The program, established in 1975, is designed to provide grants to state and local governments, political subdivisions, and nonprofit organizations to operate a lending program that offers low-interest loans to businesses that cannot get traditional bank financing. Grant recipients are required to manage their RLF according to their RLF administrative plan, a document that describes the lending strategy and administrative procedures for a specific RLF project. The EDA has charged CDFA with developing an education program which will help to improve this crucial program.

CDFA has worked with the EDA to develop an innovative technical assistance approach to better supporting and improving the more than 500 EDA funded Revolving Loan Funds in the United States. The CDFA EDA RLF Best Practices Program will include a diverse set of offerings that will encourage learning, best practice collaborations, evaluations of service efficiencies and improvements, and a comprehensive resource collection and dissemination process.

Key program elements will include:

- EDA Revolving Loan Fund Training**
CDFA will present its comprehensive Intro Revolving Loan Fund Finance Course once in each of EDAs six regions. The course curriculum will be tailored to address the specific needs of EDA RLF grantees with a focus on introductory elements related to program design, marketing, management, decision making, pre- and post-loan closing processing, disclosure and monitoring, underwriting strategies, program expansion, evaluations and program risk strategies.
- EDA Revolving Loan Fund Webinar Series**
Understanding that not all RLF grantees will have the resources or ability to attend in-person training, the CDFA EDA RLF Best Practices Program will offer an exclusive online learning environment through CDFA's established webcast system. This learning module will include twelve, ninety minute, webinars focused on specific RLF program management best practices.
- EDA Revolving Loan Fund Peer-to-Peer Learning Exchange**
CDFA and EDA will match low performing loan funds with high performing loan funds over the duration of the program in order to encourage learning from best practices. CDFA staff will lead conversations and pairings with most exchanges occurring as scheduled web meetings. Peer-to-Peer learning participants are encouraged to attend the regular webinars and then hold a follow-up meeting for a peer exchange on the same topic.

- EDA Revolving Loan Fund Training
- EDA Revolving Loan Fund Webinar Series
- EDA Revolving Loan Fund Peer-to-Peer Learning Exchange
- EDA Revolving Loan Fund Resource Center

The CDFA EDA RLF Best Practices Program was prepared by the Council of Development Finance Agencies using Federal funds under award ED17HQJ3030053 from the Economic Development Administration, U.S. Department of Commerce. The statements, findings, conclusions, and recommendations are those of the author(s) and do not necessarily reflect the views of the Economic Development Administration or the U.S. Department of Commerce.



Designing A Revolving Loan Fund Program to Meet Your Community's Needs

Thank you

for joining the
conversation today.

Send us your
questions and
comments!



Harry Allen

Coordinator, Research &
Advisory Services

614-705-1315

hallen@cdfa.net

This webcast is designed to provide accurate and authoritative information in regard to the subject matter covered. It is available with the understanding that CDFA and the panelists are not engaged in rendering legal, accounting, or other professional services. If legal advice or other expert assistance is required, the services of a competent professional should be sought.