



To: Members of the GSFA Executive Committee
From: Craig Ferguson, Deputy Director
Date: November 2, 2021
Re: Revision to the Revolving Loan Fund Program Rules for Public Projects in Member Counties – **ACTION**

Summary

In 2020, the Board of Directors authorized GSFA to utilize up to \$3MM of its internal resources to establish a Revolving Loan Fund (RLF) for public entities located in member counties. The RLF provides short-term "gap" financing to eligible entities to help cover the upfront costs associated with the delay in obtaining grants or other forms of funding from the State or other agencies. To date, GSFA has provided one completed loan (to the Weed Recreation and Park District), and is in active discussions regarding two others.

The current RLF program rules, established by Resolution Nos. 20-06 and 20-08, allow for a maximum loan amount of \$250,000 and a term of six months, among other criteria. Based on experience developed during program rollout, it appears that these limits may be too restrictive, and may be unduly hindering beneficial projects from taking advantage of the program. It is consequently recommended that these limits be increased, to a maximum loan amount of up to \$500,000 and term of up to two years. It is additionally recommended that the Executive Director be authorized to further increase these limits in consultation with the GSFA Deputy Director, the GSFA Board Chair and Vice Chair and reported back to the GSFA Board at the next available Board meeting. (Such increases could not exceed the total amount of funding allocated to the program.)

An updated resolution implementing these revisions is presented for the Executive Committee's consideration, and potential recommendation to the full Board of Directors.

Recommendation

It is recommended that the GSFA Executive Committee review GSFA Resolution 21-XX: Revising the Revolving Loan Fund Program Rules for Public Projects in Member Counties, and recommend approval to the full Board of Directors.

Attachment

- Proposed Resolution 21-XX