

DISCUSSION ITEM 6.B. – REVOLVING LOAN FUND DISCUSSION

Document History

MEETING	DATE	TYPE OF ITEM	STAFF CONTACT	PHONE
Board of Directors	April 19, 2017	Discussion	Pam Carlson	360-416-7875

DISCUSSION

At the March 14, 2017 meeting of the RLF Loan Committee, the Committee decided to “recommend that SCOG follow a process to dissolve the Revolving Loan Fund programs.”

SCOG has made 2 RLF loans since 2010. One in 2012 for the purchase of heavy equipment and one in 2016 for working capital. SCOG staff has met with local bankers, chambers of commerce, business leaders and has participated in several Access to Capital Workshops to promote the RLF program within Skagit County. The inquiries and/or bank referrals to the RLF program are few and are often for ineligible uses of the funds.

The Economic Development Alliance of Skagit County (EDASC) was contracted to perform marketing and outreach services for the RLF programs between September and December 2016. As a result of their work, EDASC reported to the Board of Directors and the RLF Loan Committee that the “RLF has negligible impact within business lending ecosystem and would not be greatly missed if it were to be discontinued in Skagit County.” A link to the complete report is below.

[RLF Assessment & Marketing Project Report](#)

In June 2015 the Board of Directors discussed options for the RLF programs. A representative from the Economic Development Administration attended the June 2015 meeting to answer questions and provide information about options for the RLF program going forward. In July 2015 the RLF Loan Committee recommended that the SCOG Board of Directors support the RLF program for one more year to see whether new loan applications are forthcoming as a result of marketing and outreach efforts.

The memo from the June 17, 2015 Board Meeting, which includes a brief history of the RLF program follows.

[June 2015 Revolving Loan Fund Memo](#)