

ECONOMIC JUSTICE LOAN COMMITTEE

MEMBERSHIP

W. B. McKeown, Esq., <i>Chair</i>	New York, II, 2009
The Rev. Ann S. Coburn	Massachusetts, I, 2009
The Rev. Maurice (“Rusty”) Goldsmith	Texas, VII, 2009
Canon Betty Jo Harris, MPH	Hawaii, VIII
Mrs. Toni H. McGauley	East Tennessee, IV, 2009
Ms. Lindsey W. Parker	Massachusetts, I, 2009
The Very Rev. Arthur Tripp <i>Executive Council Liaison</i>	Rio Grande, VII, 2009

SUMMARY OF WORK

In 1998, the Executive Council created the Economic Justice Loan Committee (EJLC) to combine and oversee two predecessor programs. EJLC meets twice yearly and several times via telephone conference to review and consider loan applications from community development organizations and conduct other business.

Seven million dollars of investment assets of the Domestic and Foreign Missionary Society (DFMS) had been set aside by separate actions of the General Convention in 1988 and the Executive Council in 1989. These assets are loaned by DFMS, through the work of EJLC, to support greater economic justice. “Economic justice” refers to enhancing peoples’ ability to improve their economic wellbeing and empowering the powerless and oppressed through the use of economic resources.

DFMS lends its loan fund assets to community development financial intermediaries. They re-lend the assets to organizations, groups and individuals with appropriate economic justice development goals and programs. Many intermediaries operate in the United States and globally, making loans to invest in community economic development, affordable housing, micro-enterprise development, job creation, and the provision of social services.

The following are examples of loans and deposits made by EJLC:

- To support economic redevelopment on the Gulf Coast in the aftermath of Hurricane Katrina, EJLC has a \$100,000 deposit with Hope Community Credit Union, of Mississippi and Louisiana, and a \$150,000 loan to Minority Capital Fund of Mississippi.
- EJLC has a \$200,000 loan to Four Directions Development Corporation (FDDC) of Maine. FDDC is a community development corporation organized jointly by the four Native American tribes in Maine: the Passamaquoddy Tribe, the Penobscot Indian Nation, the Houlton Band of Maliseet Indians, and the Aroostook Band of Micmac Indians. FDDC serves principally individual members and families of members of these tribes.
- EJLC supports economic development in South Africa through a loan of \$200,000 to Shared Interest, a U.S. based fund which guarantees loans by South African banks to members of low-income communities to enable them to construct houses, create jobs and launch small businesses.

During the triennium EJLC reviewed and acted on several applications. Seven additional loans totaling \$2.15 million were disbursed as of August 31, 2008. As of that date the Economic Justice loan portfolio included \$6.1 million in loans and deposits outstanding to 24 different institutions, with about \$600,000 available for additional loan actions. As of that date, EJLC had made Episcopal Church loan funds available to borrowers in 17 states, located in Provinces I, II, III, IV, V, VI, VII and VIII. In turn, those borrowers have re-loaned those monies to groups and individuals in their service areas.

A number of other loan applications are in the pipeline. Several loans are expected to be repaid before the end of the current (2006-2009) triennium, as well as in the next, so funds will continue to be available to be loaned out.

EJLC approves no loan or deposit unless the appropriate diocesan bishop approves the making of the loan or deposit.

Opportunity Finance Network (OFN)—formerly known as National Community Capital Association—is the leading industry group for community development financial intermediaries. OFN assists EJLC with underwriting services for new applicants and monitoring of outstanding loans. The agreement with OFN has been in place since 2002, and since that time OFN has helped EJLC find new loan applicants while improving the EJLC’s ability to assess applicants and to manage its whole program.

The EJLC has participated in the work of the Task Force formed by the Executive Council to study and make recommendations in response to General Convention Resolution A-110.

During the remainder of the current, and into the next triennium, as indicated in its report to General Convention in 2006, the EJLC hopes to improve communication with parishes, dioceses and church institutions to increase the effectiveness of its work, as it seeks increased Episcopal Church involvement in this important ministry.

The EJLC requests that the Joint Standing Committee on Program, Budget & Finance make a budget allocation of \$21,000 for the EJLC’s work in the 2010-2012 triennium.