

**MINUTES
Of the
Board of Directors
Of the
City of Baltimore Development Corporation**

The regular meeting of the Board of Directors (Board) of the City of Baltimore Development Corporation (BDC) was held on Thursday, May 28, 2015 beginning at 7:35 a.m. at the Port Administration/World Trade Center offices 410 E. Pratt Street, 20th Floor, Stanton Room, Baltimore, MD 21202. **Board Members present at the meeting were: Chair, Arnold Williams, Christine Bivens, Greg Cangialosi, Augie Chiasera, Armentha Cruise, Clinton Daly, Deborah Devan (via phone), Jeffrey Fraley, Paul Graziano, Gilberto de Jesus, Henry Raymond (via phone), Kurt Schmoke (via phone), Colin Tarbert, Brian Tracey (via phone), Michael Walton and Christy Wyskiel.**

Staff present were: William “Bill” Cole, President & CEO; Kim Clark, Executive Vice President; Jeff Pillas, Chief Financial Officer; and Nancy Jordan-Howard, Chief Operating Officer. BDC Staff: Larysa Salamacha, Deb Tillett, Susan Yum; Kerry DeVilbiss, Brian Greenan, Richard Escalante, Patrick Terranova, Dan Taylor, Paul Taylor, and Renee West (as Recording Secretary).

Also in attendance: Natalie Sherman, *Baltimore Sun* and Adam Bednar, *The Daily Record*

The meeting was called to order by the chair, Arnold Williams at 7:35 a.m.

- I. Minutes of the BDC Board Meetings from February 26, 2015 and March 26, 2015 were approved as written.
- II. The executive director of the Maryland Port Authority, James White shared the mission of the port to the Board of Directors.
- III. President’s Report
 - i. New board members Michael Walton (recently joined BDC Board) and Christine Bivens (Mayor’s Office of Minority and Women Owned Businesses), were introduced to the Board of Directors.
 - ii. Cole and Williams acknowledged and thanked the BDC staff their hard work with the businesses affected by the civil unrest. Members of both the neighborhood and business development departments have met with 385 businesses to date. Cole also noted the establishment of the Baltimore Business Recovery Fund with the support of the Board of Directors; these funds are for those businesses that are not eligible for Small Business Administration (SBA) or Maryland State Department of Housing and Neighborhood Development funds.
 - iii. Cole reported that the BDC delegation received positive responses from the retail community during the International Council of Shopping Center’s (ICSC) RECon The Global Retail Real Estate Convention. The group conducted 20 meetings over two days. Cole expects to report success stories of future projects; despite the recent unrest, some developers expressed interest in starting their projects early. In an effort to continue to fill the food deserts, many of the appointments were with grocery retailers.
 - iv. Cole shared that BDC will continue to be laser focused on business recovery efforts as part of the One Baltimore initiative. Cole reported that although donor participation (Baltimore Business Recovery Fund) is encouraging, the desired amount has not been met yet, continued participation will be vital to the success of the recovery efforts. Cole further noted that he continues to solicit additional support and awareness of the fund.
 - v. BDC is deploying existing resources until such time funds are available; the offerings from the State of Maryland have been helpful as the SBA funds require the small businesses to assume additional debt.

IV. Chairman's Comments

- i. Augie Chiasera was acknowledged for his support through the connection of relevant resources to the recovery efforts. He also acknowledged Colin Tarbert for the leadership he displayed through consistent communication from his office to businesses. It was further noted that the business community expressed a level of trust and confidence in the fiduciary responsibility BDC assumed with the creation of the Baltimore Business Recovery Fund.
- ii. It was noted that recent events have presented an opportunity for dialogue and collaboration. Also control of the message that development is necessary in the neighborhoods is just as important as downtown development will reinforce that there is in fact one Baltimore.

V. Committee Reports

BRE Committee

- i. The meeting was held on May 14, 2015, the committee discussed Baltimore Business Recovery Fund, the Micro Loan program and SBA loan details as well as the outreach efforts to the affected businesses. The committee also reviewed business prospects.

Loan Committee

- i. The committee met on April 13, 2015 and the March 9, 2015 minutes were approved.
- ii. A loan to S&H3, Inc. t/a Streets Market & Café was approved, BDC's EDA Revolving Loan Fund to reopen 222 N. Charles Street, (formerly the Fresh & Greens). Funds will be used for additional improvements.
- iii. A loan to Berman's Automotive was approved, BDC's EDA Revolving Loan Fund. The funds will be used to improve and expand to its building located at 5720 Reisterstown Road.
- iv. A loan to GPT, LLC t/a as Café Spice was approved, BDC's VLT-Revolving Loan Fund. Funds will be used for purchase/improvements of a building located at 10768 York Road in Cockeysville for catering and special events space for existing restaurant. It was noted that fifty percent of these funds have to be loaned 10 miles outside of the casinos, thus these funds could be made available to this business.
- v. Williams reminded the group that the Loan and Audit Committee has the authority to approve loans at the committee level; once approved, the committee informs the entire Board of Directors of their decisions. Pillas reviewed the various funds available through BDC for the group.

Policy and Planning Committee

- i. The committee met on May 7, 2015 to establish criteria and recommended operations for the Baltimore Business Recovery Fund.

Project Review & Oversight Committee

- i. The committee submitted one project, a sale of a city-owned vacant lot, located at 612 N. Howard Street. A request for proposal was distributed and one bid received. The Poverni Sheikh Group, LLC proposes to build a self-storage facility opposite the Center Street light rail stop. The property was appraised at \$71,500; the purchase price of the property will be \$35,000. BDC staff reviewed the proposal in light of the Enterprise Zone tax credit and determined that the sale would be an acceptable return on investment to the City looked

at the return on investment to the City. The developers will put \$6M into the developing the facility, this project will create construction jobs, and approximately 15 permanent jobs.

- ii. The committee recommends (met via e-mail) to the Board that the proposal be accepted and that a 60 day exclusive negotiating privilege and right of entry be provided to the developer for BDC to negotiate a land disposition agreement for the property. It was noted that although the purchase price is \$35,000 and the appraised value is \$71,500, the return to the City is adequate. A question was raised regarding minority participation in the project, it was noted that a member of the development team a minority.
- iii. Devan moved to approve a 60 exclusive negotiating privilege and right of entry to provide the developer time to perform due diligence and for BDC to negotiate a land disposition agreement with a purchase price of \$35,000, Chiasera seconded it, the motion passed unanimously.

VI. Michael Walton moved to adjourn the meeting with a second by Augie Chiasera at 8:22 a.m.