



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, March 27, 2014, beginning at 7:34 a.m. at the Corporation's offices at 36 South Charles Street, Baltimore, MD. **Board Members present at the meeting were: Chair, Arnold Williams, Harry Black, Armentha Cruise (on-phone), Clinton Daly, Gilberto de Jesus, Deborah Devan, Bert Hash, Jr., Kenneth Moreland, Sharon Pinder, Brian Tracey.**

Staffs present were: President, Brenda McKenzie, Executive Vice President, Kim Clark, Chief Financial Officer, Jeff Pillas, Chief Operating Officer, Nancy Jordan-Howard, Chief of Staff, Karyn Riley, Will Beckford, Karl Bradley, Kerry DeVilbiss, Darrell Doan, Todd Dolbin, Terrance Hancock, Joann Logan, Larysa Salamacha, Dan Taylor, Paul Taylor, Bob Williams.

Also in attendance: Natalie Sherman of the Baltimore Sun and Kevin Litten of the BBJ

The meeting was called to order by the chair, Arnold Williams at 7:34 a.m.

- I. Minutes of the BDC Board Meeting of February 27, 2014
 - a. The Minutes of the BDC Board Meeting from February 27, 2014, were approved as written.
- II. Chairman's Comments
 - a. The Chairman opened the meeting and requested the BDC President to share updates on the Loan Committee.
- III. Committee Reports
 - BDC Loan Committee
 - a. Brenda McKenzie opened the discussion by highlighting the progress of the BDC with regard to loans for local businesses, while providing an update on a few of the challenges in providing financial services to the same. Jeff Pillas provided an overview of the Loan Committee activities and indicated that a total of 8 new loans have been approved, totaling \$175K. There has been a capital investment of \$573K to date for business development as well. Many of the businesses that have benefited

from loans have been small start-ups. Hampden, East Baltimore, and Harford Road are some of the areas where these businesses are located.

- b. There is a back log of about 9 incomplete applications, with approximately \$260K worth of loans listed as incomplete. The holds on these businesses receiving loans have come as a result of various factors, including missing information on applications. Some of these businesses are hair salons, restaurants, and 1 small tech company. Paul Taylor was referenced as having been actively engaged with many of these businesses to try to help move them forward. He indicated that there are a total of about 35 inquiries presently struggling in the credit category.
- c. The Board of Estimates approved a resolution for \$250,000, from DBED. The funding is to occur after the beginning of the fiscal year (July 1). In addition to the BDC partnering with businesses in the community, we have also solicited entities such as the Maryland Capital Enterprise for loans.
- d. Brenda McKenzie commented that one of the main goals is to spread the reach of these loans into key neighborhoods and commercial corridors for the benefit of revitalizing commercial activity, which will have a direct impact on adjacent communities.
- e. Paul Taylor introduced several ways in which businesses were being marketed to in the community, including RBDL's, the various Chambers of Commerce, and outreach sessions in libraries. Strategic internet marketing was also included.
- f. The chairman commented that the Micro Loan Program should be seen as an added tool that helps small businesses to grow as they have a financial mechanism that they can benefit from. The BDC and the SBRC was commended on its efforts at providing great technical services to small businesses.
- g. Brenda McKenzie provided additional comments on the revamping of the program, obstacles to loans along with solutions, and the need to follow best practices in all lending criteria.

IV. Presentations

Micro Loan Program Progress and Overview

- a. Brenda McKenzie provided opening comments on the progress of the Micro Loan Program, and indicated that it now has momentum and is available for all businesses who meet specific criteria. Businesses are being reached that weren't able to be reached before. This particular program was updated about the middle of last year for real-time improvements. With continued tweaking and streamlining, the program is expected to grow even further.
- b. Bert Hash presented the memorandum from the Loan & Audit Committee for March 10, 2014. The following was approved at the Loan & Audit Committee meeting:
 - The Minutes of January 13, 2014
 - A micro-loan for the Silo Group to open a convenience store at 2240 Eastern Avenue

Comprehensive Economic Development Strategy (CEDS) Update

- a. Brenda McKenzie opened the CEDS report by introducing Clint Daly.
- b. Clint Daly indicated that over the last several months, leaders from the public and private sector have been engaged in trying to do an overview of Baltimore City and to assist with development opportunities.
- c. A national consultant has been identified in helping to identify economic/development opportunities with a scheduled report to be available at the end of May. A review of the report will be available by June.
- d. The BDC was thanked for its involvement and commitment in this process.
- e. Consultant is identified as Angelous Economics.
- f. Larysa Salamacha presented different components in the various stages of the CEDS project including some of the following information:
 - Consultant has conducted over 50 1:1 interviews for active engagement
 - Stakeholders involved in interviews
 - Community Group Meetings (5 forums)
 - Online Surveys
 - SWOT Analysis along with Market Assessment
 - Benchmarking comparisons with particular cities, including Oakland, Philadelphia and Boston
 - Target Industry Analysis
- g. By June there will be a public comment period with the final plan to include an implementation matrix.

V. President's Report

The President's report was provided by Brenda McKenzie as follows:

- a. Staffing changes within the BDC were mentioned with a focus on new team structures being formed in order to leverage capabilities for city wide development.
- b. Geographic assignments within the BDC are as follows: Dan Taylor – Central Baltimore, Kerry Devilbiss - East Baltimore, Leon Pinkett – West Baltimore, Terrance Hancock – South Baltimore.
- c. Brenda McKenzie also mentioned upcoming RFP's including the Franklin-Howard (West) project, which is due in April. The bidder's conference went well and produced great interest. Liberty-Clay project, also due in April, with a bidder's conference set for the first week of April. Franklin-Howard East was also mentioned as a main project that is up-coming. It was noted that the development opportunities are multi-faceted for all of these projects.
- d. Some RFP's that were also mentioned as being in the near future were West Mulberry Street area (late May) and the Old Town/Somerset region (April).
- e. The Enterprise Zone Focus Area in East Baltimore was also discussed, with an analysis given on the benefits of having development in this largely undeveloped

region. Some of the benefits of having development in this area include the placement of Amazon in the future, an influx of jobs, and technology and industry as a merging future benefit to the region.

- f. An introduction was given for Todd Dolbin, the Enterprise Zone Administrator, who further elaborated on the benefits of the East Baltimore Enterprise Zone, including some of the following:
 - Rail Access for Business Supply & Distribution
 - Highway Access
 - Port of Baltimore Utilization
 - Tax Credits (Enterprise Zone Standard) (*80% credit for 1st 5 years*)
 - Tax Credits (Focus Area Standard) (*80% credit for all 10 years*)
 - Employee Tax Credits (*\$1,000 credit for each employee hired*)

- g. A final note was offered by Brenda McKenzie on the Harbor Point Development Project.
 - The deal was closed with developers on Harbor Point, with groundbreaking set to begin in 4-6 weeks

VI. New Business

A motion for adjournment was made at 8:36 AM by the Chairman.