



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, April 24, 2014, beginning at 7:32 a.m. at the Corporation's offices at 36 South Charles Street, Baltimore, MD. **Board Members present at the meeting were: Chair, Arnold Williams, Augie Chiasera, Armentha Cruise, Gilberto de Jesus (via phone), Deborah Devan, and 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, Joann Logan, Leon Pinkett, Larysa Salamacha, Dan Taylor, Paul Taylor, Paul Taylor, Deb Tillett.

Also in attendance: Natalie Sherman of the Baltimore Sun

The meeting was called to order by the chair, Arnold Williams at 7:32 a.m.

- I. Minutes of the BDC Board Meeting of March 27, 2014
 - a. The approval of the minutes of the BDC Board Meeting from March 27, 2014, was deferred.

- II. Chairman's Comments
 - a. The Chairman opened the meeting and requested the Chief Financial Officer to give updates on the Loan Committee.

- III. Committee Reports

BDC Loan Committee

 - a. Jeff Pillas reported on the Loan and Audit Committee activities and indicated that the Committee had met on April 14, 2014 and approved the minutes of March 10.
 - b. Approval was also made for a micro loan (\$30K) to a company called Mind Grub Technologies out of Catonsville. Mind Grub will be moving to Fort Avenue as of May 2014. Brenda McKenzie mentioned that there was much advocacy in trying to bring Mind Grub to Baltimore, and it is anticipated that the move of this tech company will spur similar businesses affiliated with Mind Grub to consider coming to Baltimore as well.

IV. Presentations/Updates

Legislative Update

- a. Karyn Riley provided highlights of the various legislative updates to the Board including the following items that impact business development:
 - Minimum Wage – *Incremental hike over 4 years; approved to \$10.10 by 2018*
 - MD Enovation Initiative – *Tax credit to help with higher education funding*
 - Technological Internship – *Encourages tech programs to hire students*
 - Small Business Reserve Program – *Extension & redefining of loans for disadvantaged small business (Paul Taylor involved in this process)*
 - BIO Investment Incentive – *Tax credit to help companies who invest in BIO businesses in Baltimore and funded through DBED*
 - Cyber Security Investment Fund – *Focusing on companies that are investing in this particular technology sector*
 - Private Sector Economic Development Commission – *Created to form a collaborative between leaders of Private, Public & Educational sectors to direct development in the Maryland and is headed by the former President of Lockheed Martin*
 - Equity Investment Program – *Funds the economic incentive programs giving small businesses access to State procurement opportunities*
 - Film Tax Credit – *A tax credit designed to help expand economic development and growth through the film and movie industry (Veep cited as a current production taking advantage of this credit)*
 - MD Economic Assistance Authority/Fund – *Funded at \$7.4M to aid any businesses of any size*

Neighborhood Development

- a. RISE – *Regional Institution Strategic Enterprise Zone – 10 yr. tax credit for Anchor Institutions that are looking to develop their respective communities. It starts at 80% for the first 5 yrs. & goes down at a rate of 10% every year thereafter*
- b. Financial Assistance for Food Deserts – *Companies and programs that are looking to bring access to healthy foods to their neighborhoods will be eligible for State funding*
- c. 4500 Harford Road – *Initially submitted as a bill to be distributed out of discretionary funding (bill did not pass), but was later successfully included in the Governors capital budget and is now funded at \$250K*

V. President's Report

The President's report was provided by Brenda McKenzie with an update on projects as follows:

RFP's (Proposals) The following neighborhood development proposals were mentioned:

- a. **Liberty Clay Marion** **Issue Date: Feb. 19** **Due Date: May 20**
- b. **Liberty Heights Corridor** **Assessment Date: Feb 14** **Due Date: May 16**
- c. **Old Town/Somerset** **Issue Date: April 17** **Due Date: August 15**

RFP's (Proposals) Under Review

- a. Franklin – Howard (West) **Development Review** Date: April 21, 2014
1 Response Received
- b. Franklin – Howard (East) **Design Services** Open Date: March 21, 2014
11 Responses Received

Upcoming RFP's

- a. Mulberry (Downtown's West Side) – RFP will be going out around the first week of May.
- b. Information is slated to be presented later along with other updates on mixed use development projects, including a number of mid-sized projects that will be moving forward on the West Side

Resource Development

Brenda McKenzie continued with the following informational report on resource development: **Desire to broaden the services that BDC has to offer.**

- a. The "Focus Area" application was submitted on April 15, 2014, and is pending a DBED response, which is expected in June. This final approval will be very meaningful in attracting industrial users to the area, and should help to build on the momentum received with the Amazon project in East Baltimore.
- b. The "Video Lottery Terminals" (VLT's) application was submitted on April 8, 2014, to DBED. Jeff Pillas commented on a few details underlying the application process and presented some of the requirements that businesses have to meet in order to receive for receiving funding for the VLT's. Approximately \$8M has been set aside for this project, with a few specific requirements. Small businesses must have an established employee base of fewer than 325 employees, and must receive under \$38M in revenue.
- c. The Chairman provided a perspective on the impact of casinos on local businesses that fall within a 10 mile radius and provided scenarios on how companies might benefit financially within the locales. The 10 mile radius criterion, developed by the State of Maryland, and measured from the actual site of a casino, determines the

businesses that may receive funding. The current recognized casino in Maryland, based upon the above criteria, is considered Maryland Live.

Business Development

Brenda McKenzie continued with various elements of business development outreach efforts.

- d. MEDA (MD Economic Development Association) – Executive Vice President will attend this meeting. Begins on Sunday, April 27, 2014 thru Tuesday, April 29, 2014. This is the annual meeting.
- e. National Main Streets Program – Conference begins in May 2014 and the BDC will be participating to see how we can grow Baltimore’s Main Street Development. Baltimore has been a great example of urban development in the past.
- f. ICSC – Retail Shopping Center Convention will occur during the 2nd week of May 2014. Retail attraction is one of the primary focuses and BDC will be involved again, and is slated to send key team members. This event hosts around 40,000 people.
- g. BIO – Conference to be held in San Diego, CA this year beginning in June 2014. Bio-Technology attraction affects health & life sciences. Larisa’s team has been very active in promoting Baltimore bio-business leaders such as Hopkins and UMaryland, in addition to recruiting various business interested in this sector.
- h. Retail Openings in Baltimore
 - a. Harris Teeter in Canton – Opened on the 8th of April and are doing ‘gang-busters’ and as they do well, they will probably open up additional locations.
 - b. Target (Mondawmin/Canton)
 - c. Chic fil a – Slated to open on May 29th, 2014.
 - d. Chipotle – Slated to open a location on 41st Street as well as others.
 - e. Peet’s Coffee – Slated to expand in the food market.
 - f. Forno (Local Restaurant) - Recently opened on the West.
 - g. James Beard Finalists – Charleston and Woodberry Kitchens were mentioned as national James Beard Finalists in restaurant excellence.

Deborah Tillett provided updates on the Emerging Technology Center including the following:

- The Emerging Technology Center, for the first time in its 15 year history, is now at 100% occupancy with regard to active leases.
- For the first quarter of this year, during the period of January to March, 19 new companies have been brought on.
- For the first quarter, both graduate and current companies, were able to raise \$42M in outside funding.

- ETC does periodic economic impact studies (U of Baltimore's Jacob France Institute) with the most recent being for the period of 2012-2013. Economic multipliers were used to study the impacts of specific companies.
 - 44 Companies were reviewed (*both graduate and current*)
 - 77:1 Economic Multiplier was found with relevance to Baltimore's economy.

There will be a Board Meeting date change to May 29, 2014, for the next gathering.

- BDC has been working with the Business Retention Committee as it relates to small and independent grocers in order to help mitigate some of the challenges faced by them, i.e., buying power and competitiveness with other businesses.
- Sojourner Douglas (Updates) – An update was given pertaining to Sojourner Douglas College in which it was reported that Dr. Charles Simmons, President of Sojourner Douglas, has been engaged a number of times by BDC officials with regard to the Old Town/Somerset RFP's, and with regard to their status as an anchor institution. The accreditation and financial status of the institution as a whole, however, does not fall under any 'loan product' that the BDC currently possesses and is outside of our scope of services.
- Comprehensive Economic Development Strategy (CEDS) - Consultant is in final stages for a draft plan, and at the end of May or early June, the plan is set to be completed. BDC has solicited, publicly, stake holders for ideas during the course of the last six months, and will return around the beginning of June to finalize the plan and move forward this summer.
- Augie Chiasera provided comments on the passing of long time employee Mike Pinto, who was *M&T Bank's Vice Chairman*. The Chairman of the Board, along with BDC Board members, offered deepest condolences.

VI. New Business

- The minutes from March will be approved at the next meeting.

A motion for adjournment was made at 8:48 AM by the Chairman.