

Business Assistance Information Packet

Presented by:

Baltimore Main Streets/Baltimore Development Corporation



Baltimore Main Streets . 36 South Charles St. Suite 1600 . Baltimore, MD 21201
410-837-9305 . www.BaltimoreMainStreets.com

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Financial Resources

Loans

Baltimore Development Corporation

The Baltimore Development Corporation's (BDC) mission is to serve as a catalyst for continued economic growth, job creation, and revitalization in Baltimore City.

For More Information, Contact:

Will Beckford
36 South Charles Street, Suite 1600
Baltimore, MD 21201
(410) 837-9305
(410) 837-6363 (fax)
wbeckford@baltimoredevelopment.com
www.baltimoredevelopment.com

- **Shop Baltimore Loan Program** - The purpose of the Shop Baltimore Loan Program is to promote attractive and healthy neighborhood retail districts by providing flexible gap financing in the form of below-market interest rate loans to eligible retail businesses located in designated commercial districts, Retail Business District License areas, and Main Street districts. Maximum \$100,000, not to exceed 50 percent of total project costs (subject to the availability of funds).

Small Business Association, Maryland District Office

SBA provides a number of financial assistance programs for small businesses including 7(a), 504 and disaster assistance loans.

For More Information, Contact:

City Crescent Building, 6th Floor
10 South Howard Street
Baltimore, Maryland 21201
(410) 962-6195
<http://www.sba.gov/localresources/district/md/index.html>

Maryland Economic Development Corp. (MEDCO)

The purpose of MEDCO is to assist in the expansion, modernization and retention of existing Maryland business and to attract new business to the State. Businesses seeking to expand or relocate into Maryland regularly turn to MEDCO as a resource. MEDCO also assists, upon request, local jurisdiction projects. MEDCO borrows money and issues bonds for the purpose of providing financial assistance.

For More Information, Contact:

Robert C. Brennan, Executive Director
100 North Charles St., Suite 630
Baltimore, MD 21201
(410) 625-0051
(410) 625-1848 (fax)
www.medco-corp.com

Maryland Department of Business & Economic Development

The Maryland Department of Business & Economic Development's mission is to attract new businesses, stimulate private investment and create jobs, encourage the expansion and retention of existing companies, and provide businesses in Maryland with workforce training and financial assistance. The department promotes the State's many economic advantages and markets local products and services at home and abroad to spur economic development, international trade and tourism.

For More Information, Contact:

Jim Henry
401 E. Pratt Street, 17th Floor
Baltimore, MD 21202
(410) 767-6353
(888) 246-6736 (toll-free)
(410) 333-6931 (fax)
www.choosemaryland.org

Maryland Small Business Development Financing Authority (MSBDF)

MSBDF provides loans for small businesses and those owned by socially and economically disadvantaged persons.

- **Contract Financing Program** - Loan guarantees and direct working capital and equipment loans to socially or economically disadvantaged businesses that have been awarded contracts mainly funded by government agencies and/or public utilities.
- **Equity Participation Investment Program** - Direct loans, equity investments and loan guarantees to socially or economically disadvantaged-owned businesses in franchising, in technology-based industries, and for the acquisition of profitable businesses.
- **Long-Term Guaranty Program** - Provides loan guarantees and interest rate subsidies.
- **Surety Bonding Program** - Assists small contractors in obtaining bonding for primarily funded government or public utility contracts that require bid, performance and payment bonds.

For More Information, Contact:

Stan Tucker
(410) 333-4270
(410) 333-2522 (fax)

Maryland Department of Housing & Community Development

For More Information, Contact:

Veronica Owens
100 Community Place
Crownsville, MD 21032
(410) 209-5820
www.dhcd.state.md.us

Maryland Capital Access Program - The Maryland Capital Access Program (MCAP) is a revitalization resource to support the growth and success of small businesses in Priority Funding Areas throughout the State of Maryland. MCAP is a credit enhancement program that enables private lenders to establish a loan loss reserve fund from fees paid by lenders, borrowers, and the State of Maryland. Communities that have small businesses receiving financing through loans enrolled in MCAP will benefit from new or expanded services provided by the small businesses.

Lenders that may participate are federally insured financial institutions, institutions regulated by the Commissioner of Financial Regulation, and others who have a participation agreement with the Maryland Department of Housing and Community Development (DHCD). Current participating lenders are:

Current participating lenders:

BB&T- www.bbandt.com, Bank of America- www.bankofamerica.com, PNC Bank- www.pncbank.com, and SunTrust Bank- www.suntrust.com.

Eligible Borrowers include most Maryland small businesses, and nonprofits corporations are eligible as long as they are located in a "Priority Funding Area" (PFA).

Certain restrictions do apply. The proceeds of the loan cannot be used to finance passive real estate ownership, transitional housing, adult entertainment facilities or tattoo parlors, as well as other activities.

For more detailed information, call Dawn Medley at (410) 209-5805, email medley@mdhousing.org or see the website: www.neighborhoodrevitalization.org.

Neighborhood Businessworks Loan Program - The Neighborhood Business Works Program provides flexible gap financing in the form of below-market interest rate loans to small businesses and loans and grants to nonprofit organizations locating or expanding in locally designated neighborhood revitalization areas. Financing ranges from \$25,000 to \$500,000 for up to 50 percent of a project's total cost (primary commitment must be in

place). Grants typically range from \$25,000 to \$250,000, depending on the nature of the project. Eligible projects include retail businesses, franchises, manufacturing businesses, service-related businesses, mixed-use projects consisting of a commercial or retail use at street level and no more than 12 residential units.

Eligible Use of Funds include but are not limited to property acquisition; construction or renovation of existing buildings, leasehold improvements, machinery and equipment, inventory and working capital.

More detailed information is available on the website:

www.neighborhoodrevitalization.org

Inquiries, Assistance or For Additional Information:

Call Dawn Medley at (410) 209-5800, email: medley@mdhousing.org

or write:

Maryland Department of Housing and Community Development
Division of Neighborhood Revitalization
Neighborhood Business Works Program
(410) 209-5800
(410) 685-8270 (fax)
MD Relay for the Deaf: 1-800-735-2258

Maryland Works - Provides flexible gap financing in the form of below-market interest rate loans to small businesses and loans and grants to nonprofit organizations locating or expanding in locally designated neighborhood revitalization areas. Financing ranges from \$25,000 to \$500,000 for up to 50 percent of the project's total cost. Grants typically range from \$25,000 to \$250,000, depending on the nature of the project. For more information on this program, contact Ted Conlon at (410) 209-5804 or conlon@dhcd.state.md.us.

Small Office/Home Office Loan Initiative

At the Small Business Resource Center, you will find a wealth of information about many subjects that affect your small business, from planning and financing to marketing and insurance. The Center has a large business library, plus PC-based internet access to magazines and newspapers nationwide, for your research on a variety of business topics. There are videos and cassettes for you to use, as well as literature and self-help guides. At the Small Business Resource Center you can learn more about starting your own business, preparing a business plan, getting credit, business taxes and regulatory responsibilities, networking, and much more.

This initiative combines financial and technical assistance to enable small and home-based business owner's access to business loans through Innovative Bank instead of consumer loans. Loans range from \$25,000 - \$50,000 and seven year repayment terms.

For More Information, Contact:

1101 E. 33rd Street, Suite C307

Baltimore, MD 21218

(443) 451-7160

(443) 451-7169 (fax)

Paul Taylor, Director

www.sbrcbaltimore.com

Financial Resources Grants

BDC Façade Improvement Grant (FIG)

The FIG program offers up to \$3,000 in matching grants and, in certain cases, free design assistance to merchants and property owners in designated commercial revitalization districts in order to improve the appearance of individual building facades, signs and awnings, as well as the overall look of the retail district.

For More Information, Contact:

William Beckford

Commercial Revitalization

Baltimore Development Corporation

36 S. Charles Street, Suite 1600

Baltimore, MD 21201

(410) 837-9305

wbeckford@baltimoredevelopment.com

Financial Resources Business Friendly Banks

We encourage those wishing to invest to take advantage of the programs, products, and services offered by our merchants, including both national and local banks.

With the exception of Homewood Savings Bank, all banks are SBA Certified lenders and participate in the SBA Express loan program. Certified lenders are lenders that have been heavily involved in regular SBA guaranty loan processing and meet certain SBA criteria. Their loan guaranty applications are given a three-day turn-around by the local SBA office, assuming the documentation is complete.

M&T Bank

3410 Eastern Ave

Baltimore, MD 21224

(410) 244-4065

Paul Rachetta, Manager

Homewood Federal Savings Bank
3228 Eastern Avenue
Baltimore, MD 21224
(410) 327-5220
John Schott, President

Bank of America
3415 Eastern Ave
Baltimore, MD 21224
(410) 342-4560
Reynold Small, Manager

Carrollton Bank
531 S. Conkling Street
Baltimore, MD 21224
(410) 675-4622
Tony Pearce, Manager

BB&T
2 North Charles Street
Baltimore, MD 21201
(410-727-7511
Akisha Adgeron, Manager

Harbor Bank
3240 Belair Road
Baltimore, MD 21213
(410) 675-1167
Chantay Hunter, Branch Manager

Technical Assistance

Baltimore Main Streets

The National Trust's National Main Street Center offers a comprehensive strategy to commercial district revitalization that has been widely successful in many towns and cities throughout the country. Baltimore Main Streets follows the national Four Point Approach, which includes Organizational, Promotion, Design and Economic Restructuring. All four approaches are run by volunteer committees comprised of community members. The Main Street program is successful because it is comprehensive and incremental, mobilizing the community's resources-its people-to create change and develop assets based on the neighborhood's uniqueness, emphasizing quality while building partnerships in public and private sectors. The list below consists of the ten Main Street programs that offer technical assistance to local merchants.

For More Information, Contact:

36 South Charles Street, Suite 1600

Baltimore, MD 21201

(410) 837-9305

(410) 837-6363 (fax)

dlangley@baltimoredevelopment.com

Donna Langley, Director

nrudolph@baltimoredevelopment.com

Nick Rudolph, Business District Specialist

mfetz@baltimoredevelopment.com

Mica Fetz, Business District Specialist

gdupton@baltimoredevelopment.com

Gaylord Dutton, Business District Specialist

Baltimore Main Street Programs:

Belair-Edison Neighborhoods, Inc.

3412 Belair Road

Baltimore MD, 21213

(410) 485-8422

(410) 485-0728 (fax)

Chad Hayes, Main Street Manager

chad@belair-edison.org

www.belair-edison.org

Brooklyn Main Street

320 E. Patapsco Avenue

Baltimore, MD 21225

(410) 355-1100

(410) 355-0593 (fax)

Tom Klinedinst, Main Street Manager

tom@baybrook.net

www.brooklynmainstreet.org

East Monument Street

1212 N. Wolfe Street

Baltimore, MD 21213

(443) 524-2595

(443) 524-2806 (fax)

Maria Oliver, Main Street Manager

moliver@hebcac.org

www.hebcac.org

Federal Hill Main Street

42 E. Cross Street

Baltimore, MD 21230

(410) 727-4500
(410)727-7505 (fax)
Jane Seebold, Main Street Manager
janeseebold@historicfederalhill.org
www.historicfederalhill.org

Fells Point Main Street

P.O. Box 38245
Baltimore, MD 21231
410-675-8900
Jason Sullivan, Main Street Manager
Jason@fellspointmainstreet.org
www.fellspointmainstreet.org

Hamilton-Lauraville Main Street

5500 Harford Road
Baltimore, MD 21214
(410) 319-7150
Regina Lansinger, Main Street Manager
rmlansinger@hotmail.com
www.hamiltonlauravillemainstreet.org

Highlandtown Main Street

3700 Eastern Avenue
Baltimore, MD 21224
(410)342-3234, ext. 26
(410) 342-6657 (fax)
Hillary Chester, Main Street Manager
mainstreet@southeastcdc.org

Pennsylvania Avenue Redevelopment Collaborative

1601 Pennsylvania Avenue
Baltimore, MD 21217
(410) 669-5397
Linda C. Richardson, Main Street Manager
historicpennave@gmail.com

Pigtown Main Street

P.O.Box 6493
Baltimore, MD 21230
(410) 814-3025
(410) 835-6363 (fax)
Daryl Landy, Main Street Manager
director@pigtownmainstreet.info
www.pigtownfestival.com

Waverly Main Street

1014 W. 36th Street
Baltimore, MD 21211
(410) 889-2710

(443) 586-0785 (fax)

Bonnie Bessor, Board President

bonnie@rtbaltimore.org

Office of Commercial Revitalization

Baltimore Development Corporation

BDC provides technical and financial assistance, workshops, and programs in small business development and commercial revitalization. List of services include:

Technical Assistance

- Permit approval process
- Referrals to lenders
- Partnership with financial institutions
- Referrals to our family of business partners and support groups

Retail Business Districts

- Managing vacancy/product mix
- Improving shopping environments
- Uniform design standards
- Façade improvement programs, including matching grants
- Urban Renewal Plans
- Land use restrictions
- Organizing business associations

For More Information, Contact:

36 S. Charles Street, 1600

Baltimore, MD 21201

(410) 837-9305

(410) 837-6363 (fax)

www.baltimoredevelopment.com

Baltimore City Chamber of Commerce

Since 1992, the strength of the organization has been its diversity and diligent effort to be the voice of the small business community in Baltimore city. It is an inclusive group of individual's entrepreneurs, organizations and businesses concerned and committed to the economic well-being of Baltimore. Our goal is to make Baltimore a better place *"to live, work and do business."*

For More Information, Contact:
312 North Martin Luther King Blvd.
Baltimore, MD 21201
(410) 837-7101
(410) 837-7104 (fax)
www.baltimorecitychamber.com

Employ Baltimore

Employ Baltimore is a professional business service that assists employers in hiring qualified Baltimore City residents. Employers get skilled employees and a host of valuable support services, ranging from outreach and recruitment, prescreening, and assessment and testing services to human resources and support. Contact Employ Baltimore directly for more information.

For More Information, Contact:
417 E. Fayette Street, 468
Baltimore, MD 21202
(410) 396-3009
www.oedworks.com

Women Entrepreneurs of Baltimore, Inc.

A nonprofit organization that provides entrepreneurial training, technical assistance, and follow-up services for micro-business start-up and development in the Baltimore-metropolitan area.

For More Information, Contact:
1118 Light Street, Suite 101
Baltimore, MD 21230
(410) 727-4921
(410) 727-4989 (fax)
www.webinc.org

Governor's Office of Business Advocacy and Small Business Assistance (GOBA)

GOBA exists to help Maryland businesses navigate the processes and regulations of local, state, and federal governments. Reporting directly to the Secretary, GOBA provides personalized attention to business clients, acting as liaison, information provider, ombudsman, and problem solver to meet and resolve business concerns quickly and efficiently.

For More Information, Contact:
James H. McLean
Executive Director
(410) 767-0545
(410) 333-6609 (fax)

Hub Zone

The HUBzone Empowerment Contracting program provides federal contracting opportunities for qualified small businesses located in distressed areas. Fostering the growth of these federal contractors as viable businesses, for the long term, helps to empower communities, create jobs, and attract private investment.

For More Information, Contact:

SBA District Office
City Crescent Building, 6th Floor
10 South Howard Street
Baltimore, Maryland 21201
(410) 962-6195 x322
Hallot Watkins
<http://www.sba.gov/md/>

Small Business Development Center (SBDC)

The Maryland Small Business Development Center (MDSBDC) is a partnership between the U.S. Small Business Administration and the University of Maryland College Park. This partnership links private enterprise, government, higher education and local economic development organizations to provide management training and technical assistance to Maryland's small businesses.

For More Information, Contact:

Central Region Headquarters
Maryland Small Business Development Center
Towson University
8000 York Road
Towson, MD 21252-0001
(410) 296-5613 (voice)
(877) 421-0830 (toll-free)
(410) 296-6142 (fax)
www.centralmdsbdc.org

SAFF

Strategic Assistance Consulting Fund is a new initiative designed to provide expert private – sector-consulting services to small, minority and micro-enterprise business. Booth Management Consulting, LLC will administer the strategic Assistance Consulting Fund to build upon the basic services currently offered through the Maryland Small Business Development Center, (SBDC) network to qualifying clients and provide more advanced and specialized consulting services. For more information about SAFF call (410) 625-1297.

SCORE– Counselors to America’s Small Business

SCORE, the Services Corps of Retired Executives, is a 13,000-member volunteer association sponsored by the U.S. Small Business Administration. Since 1964, the association has matched volunteer business management counselors with clients in need

of expert advice. SCORE has experts in virtually every area of business management and maintains a national skills roster to help identify the best counselor for a particular client.

Through in-depth counseling and training, SCORE volunteers help prospective and established small business owners and managers identify problems, determine the cause and find solutions.

For More Information, Contact:

1101 E. 33rd Street
Suite 307
Baltimore, MD 21218
(410) 962-2233
www.scorebaltimore.org

Tax Credits

Historic Rehabilitation Tax Credits

There are local, state, and federal tax credits available for the renovation of historic properties in Baltimore City.

City Property Tax Credit

Historic property tax credits are available for the approved rehabilitation of homes as well as income-producing designated historic buildings.

For More Information, Contact:

Baltimore City Commission for Historical and Architectural Preservation
417 E. Fayette Street, 8th floor
Baltimore, MD 21202
(410) 396-4866
Brigitte Fessenden - City Planner

State Income Tax Credit

Maryland income tax credits equal to 20 percent of rehabilitation expenditures are available for the rehabilitation of homes as well as income producing designated historic buildings. The rehabilitation expenditure for income-producing property must be substantial, in an amount exceeding the adjusted basis of the property. If the credit exceeds the taxpayer's tax liability, a refund may be claimed in the amount of the excess.

For more information about the program, contact Dan Sams, Preservation Officer at sams@dhcd.state.md.us or (410) 514-7620 or Collin Ingraham, Preservation Officer at ingraham@dhcd.state.md.us or (410) 514-7671 at the Maryland Historical Trust, or visit their extensive website at www.marylandhistoricaltrust.net.

Federal Income Tax Credit

Federal income tax credits equal to 20 percent of rehabilitation expenditures on a certified rehabilitation are available for the rehabilitation of income-producing designated historic buildings. Detailed information can be found at www2.cr.nps.gov/tps/tax.

A federal tax credit equal to 10 percent of the qualified costs of rehabilitating a non-historic structure built before 1936 is also available.

For more information about the program, contact Dan Sams, Preservation Officer at sams@dhcd.state.md.us or (410) 514-7620 or Collin Ingraham, Preservation Officer at ingraham@dhcd.state.md.us or (410) 514-7671.

Employment Opportunity Tax Credit

Description:

Businesses that hire an individual who is receiving Aid to Families with Dependent Children (AFDC) or Family Investment Program (FIP) entitlements may be entitled to a tax credit for wages paid to the employee and for child care and transportation expenses paid on behalf of the employee. The credit may be claimed for individuals hired before July 1, 2009.

The credit may be taken against corporate income tax, personal income tax, state and local taxes withheld (for certain tax-exempt organizations only), insurance premiums tax or public service company franchise tax. The same credit may not, however, be applied to more than one tax type. Sole proprietorships, corporations, tax-exempt non-profit organizations and pass-through entities, such as partnerships, subchapter S corporations, limited liability companies and business trusts may claim the tax credit.

To Qualify for the Credit:

The company must hire at least one employee that received AFDC or FIP payments for any three months during the 18-month period before employment by the company. The employee cannot be closely related to the owners of the business. Certification must be obtained from the Department of Labor, Licensing and Regulation that the individual is a qualified employee

For more information, contact:

Maryland Department of Labor, Licensing and Regulation
Division of Employment and Training
1100 N. Eutaw Street
Baltimore, MD 21201
Phone: (410) 767-2047
E-mail: ghee@careernet.state.md.us

Enterprise Zone Tax Credit

A business is eligible for the Enterprise Zone (EZ) tax credit program if it makes a capital investment in its property (i.e. constructs or renovates a building, or expands an existing facility) or hires at least one new employee in the Enterprise Zone. Commercial, retail as

well as industrial projects are eligible. Residential properties are not eligible for any of the Enterprise Zone tax credits.

Is your business located in Baltimore City's Enterprise Zone?

Directions: Go to Baltimore City's iMap website: Once you enter the iMap website, on the left hand side, please check the "Economic Zones" box and then enter the address in question on the upper right hand side of the page. Press the enter button once the address has been entered. Under parcel information on the right hand side, iMap will tell you whether or not the property is located within the Enterprise Zone. If your address is not recognized (no information appears in the box below), most likely the mailing address does not correspond to an address recognized by SDAT (State Department of Assessments and Taxation). Check SDAT's website to identify a recognizable address.

For More Information, Contact:

Baltimore Development Corporation

36 S. Charles Street, Suite 1600

Baltimore, MD 21201

(410) 837-9305 (phone)

(410) 837-6363 (fax)

Elizabeth Hines, Director of Foreign Trade Zone #74

Ehines@baltimoredevelopment.com

www.baltimoredevelopment.com

Neighborhood Partnership Program Tax Credit

Businesses that contribute cash or goods to approved projects operated by tax exempt organizations (under Internal Revenue Code section 501(c)(3)) are eligible for a tax credit of up to \$125,000 per year. This credit is in addition to any charitable contribution deduction that is allowed for these contributions on both the state and federal income tax returns. The credit may be taken against corporate income tax, personal income tax, insurance premiums tax or public service company franchise tax. The same credit may not, however, be applied to more than one tax type. Sole proprietorships, corporations and pass-through entities, such as partnerships, subchapter S corporations, limited liability companies and business trusts may claim the tax credit.

To Qualify for the Credit:

The business must donate at least \$500 in money or goods to an approved project and document the value of the contribution. The documentation may be either a receipt or certification of value of used goods from an independent and unrelated third party. The business must also attach a copy of the fully executed certification to the tax return.

For More Information, Contact:

Maryland Department of Housing and Community Development

100 Community Place

Crownsville, MD 21032-2023

Phone: (410)-514-7241

E-mail: keel@dhcd.state.md.us

Work-Based Learning Program Tax Credit

Businesses that hire students as part of an approved work-based learning program in the state may be entitled to a tax credit for a portion of the wages paid to these individuals. The credit may be taken against corporate income tax, personal income tax, insurance premiums tax or public service company franchise tax. The same credit may not, however, be applied to more than one tax type. Sole proprietorships, corporations and pass-through entities, such as partnerships, subchapter S corporations, limited liability companies and business trusts may claim the tax credit.

To Qualify for the Credit:

The business must establish a work-based learning program and have the program approved by the Maryland State Department of Education. The business must also hire at least one student for placement in the program that is at least 16, but less than 23 years old or who turns 23 years old while in the program, and is enrolled in a secondary or post-secondary school in Maryland. The business must also employ each student for at least 200 hours.

For More Information, Contact:

Maryland State Department of Education
Division of Career Technology and Adult Learning
200 W. Baltimore Street
Baltimore, MD 21201
Phone: (410)-767-0182
E-mail: jmholly@msde.state.md.us

Additional Programs

Minority and Women Owned Business Development

The mission of the Mayor's Office of Minority and Women-Owned Business Development is to ensure that the City of Baltimore is prepared to create new opportunities for minority-owned (African American, Asian American, Hispanic American, or Native American) and women-owned (51 percent ownership) businesses in compliance with Ordinance 211 and the Mayor's Executive Order.

For more information, contact:

Minority and Women Owned Business Development
City Hall, Room 334
Baltimore, MD 21202
(410)-396-3818
(410)-528-1671 (fax)
MOMBD@baltimorecity.gov

Mayor's Office of Neighborhoods

The Mayor's Office of Neighborhoods includes staff that works with the Jewish, Hispanic and Latino and Korean communities. This is done to provide a better understanding of the dynamics of these communities and how city services can best address their needs.

For more information, contact:

Betsy Gardner, Liaison to the Jewish Community (citywide)
Jessica Contreras, Liaison to the Hispanic/Latino Community (citywide)
James Kwak, Liaison to the Korean Community (citywide)
Mayor's Office of Neighborhoods
City Hall
Baltimore, MD 21202
(410)-396-4735
(410)-396-1632 (fax)

Korean-American Grocers Association (KAGRO)

March 1st, 1995, the Korean-American Supermarket Association, Korean Grocers Association, and Korean Alcoholic Beverage Association in Maryland merged into KAGRO of Maryland, Inc. (Korean-American Grocers & Licensed Beverage Association of Maryland, Inc.) This Association is organized to serve the interests of Korean-American communities and their retail business such as: Supermarkets, Liquor Stores, Convenient Stores, Restaurants and Bars, Carry-outs, Meat and Fish Markets, Produce Stores, and Grocery Stores in throughout the State of Maryland.

For more information, contact:

KAGRO
101 W. North Avenue
Baltimore, MD 21201
(410)-244-5802
(410)-2445803 (fax)

Hispanic Business Association

129 S. Broadway 2nd Floor
Baltimore, MD 21231
(443) 919-1010

Economic Development Bond Funds

Subject to voter approval on an annual basis, Baltimore Development Corporation receives economic development general obligation bonds to use for loans, grants, property acquisition, and studies. The funds can only be used for capital expenses.

Payment in Lieu of Taxes (PILOT)

A PILOT is an agreement between the City of Baltimore and business or developer that substitutes the annual real estate taxes due on a property for an established time period with a negotiated payment. Currently, five types of PILOTS are available for public

housing developments, low-income housing, conversion of commercial buildings to residential developments, city-owned property, and commercial and residential development projects.

For more information: <http://www.baltimoredevelopment.com/assistance/pilots.aspx>

Tax Increment Financing (TIF)

Tax Increment Financing (TIF) provides the opportunity to leverage limited public financing of public infrastructure and site preparation in order to maintain and attract private investment. The City issues bonds to pay for eligible costs, and the debt service on the bonds is repaid through incremental property taxes generated from the real estate project. Eligible activities include public land acquisition and improvement, construction of streets, utilities, and other infrastructure, pre-development costs, and other permitted costs.

For more information: <http://www.baltimoredevelopment.com/assistance/pilots.aspx>

Emerging Technology Centers (ETC)

The Baltimore Development Corporation operates two business incubators in Canton and JHU Eastern campus, focused on growing early-stage technology and biotechnology companies in Baltimore City. These incubators offer fully wired office and space for participating companies at below market rates. The program includes flexible leases, shared basic services and equipment, tech support, and on-site management.

For More Information, Contact:

ETC, Canton
2400 Boston Street
Factory Building, 3rd Floor
Baltimore, MD 21224
(410) 327-9150

ETC, JHU Eastern
1101 East 33rd Street, 3rd Floor
Baltimore, MD 21218
(443) 451-7001

<http://www.etcbbaltimore.com/>

Workforce Training Grants (Manufacturing and Technology)

Maryland Department of Business and Economic Development
DBED provides matching skill upgrade training grants and support services targeted to improve the competitive position of small and mid-sized manufacturing and technology companies. The program grants are used to increase the skills of existing workers for new technologies and production processes, improve employee productivity and increase industry employment stability. Matching grants are made directly to companies as well as through a number of manufacturing, software industry and ISO 9000 consortia programs working in cooperation with DBED.

For More Information, Contact:

401 East Pratt Street
Baltimore, MD 21202
(410) 767-0095

Bryan Coster

bcoster@choosemaryland.org

Maryland Economic Development Assistance Authority and Fund (MEDAAF)

Maryland Department of Business and Economic Development

MEDAAF incorporates five financing capabilities which can be leveraged by businesses and political jurisdictions located in priority funding areas (the City of Baltimore is a priority funding area). These funding opportunities include:

- **Significant Strategic Economic Development Opportunities:** For projects in eligible industries that provide a significant economic development opportunity on a statewide or regional level, MEDAAF can provide loan assistance, up to \$10 million.
- **Local Economic Development Opportunity:** Financial assistance may be provided to a business that provides a valuable economic development opportunity to the jurisdiction in which the business is located and is a priority for the governing body of that jurisdiction. The local jurisdiction must sponsor the business and must participate in the form of a guarantee, a direct loan, or a grant in an amount equal to at least 10 percent of the State's financial assistance. Loans may be up to \$5 million, while conditional loans and grants may be up to \$2 million.
- **Direct Assistance to Local Jurisdictions or MEDCO**
- **Regional or Local Revolving Loan Fund:** MEDAAF provides grants to local jurisdictions to help capitalize local revolving loan funds.
- **Special Purposes Loan:** This loan targets specific funding initiatives that are deemed critical to the state's economic health and development.
- **Economic Development Opportunities Fund (Sunny Day Fund):** This fund promotes Maryland's participation in extraordinary economic development opportunities that provide significant returns to the state through creating and retaining employment as well as the creation of significant capital investments in Priority Funding Areas.

For More Information, Contact:

401 East Pratt Street
Baltimore MD 21202
(410) 767-2369

Contact: Tim Doyle

<http://www.choosemaryland.org/businessservices/businessfinancing/incentives/medaaf.html>

Maryland Commuter Choice Tax Credit

The Maryland Commuter Choice Tax Credit gives Maryland employers the opportunity to claim a tax credit for 50% of the eligible costs of providing commuter benefits up to a maximum credit of \$50.00 per participating employee per month. The tax credit can be taken against the personal income tax, the corporate income tax, or the insurance premium tax. Commuter benefits include: transit passes, tickets, fare cards, smart cards or vouchers, company vanpools, company guaranteed ride home programs, and company cash in lieu of parking programs.

For More Information, Contact:

Maryland Transit Administration

6 St. Paul St.

Baltimore, MD 21202-1614

(410) 767-8755

<http://www.commuterchoicemaryland.com/taxcredit.htm/>

Work Opportunity Tax Credit [formerly “Welfare to Work”]

The Work Opportunity Tax Credit (WOTC) is a one-time federal tax credit available to employers who hire new employees from a qualified population of low-income groups, including workers with disabilities. The credit is: Up to 40% of the first \$6,000 in paid wages (\$2,400 per employee) if the individual works a minimum of 180 days or 400 hours; Up to 25% of the first \$6,000 in paid wages (\$1,500 per employee) if the individual works a minimum of 120 hours but less than 400 hours; For qualified summer youth, the credit is 25% of the first \$3,000 in first-year wages paid during the 90-day summer working period, allowing a maximum credit of \$750.

Employers seeking the federal tax credit must first apply for certification with the State DLLR.

For More Information, Contact:

Maryland Department of Labor, Licensing and Regulation (DLLR)

1100 N. Eutaw Street Rm# 201

Baltimore, MD 21201

(410) 767-2080

David J. Ghee

ghee@dllr.state.md.us

Downtown Partnership of Baltimore Façade Improvement Program (FIP)

The Downtown FIP program, administered by the Downtown Partnership of Baltimore, offers up to \$20,000 in matching grants for façade improvement work on commercial buildings located in Downtown Baltimore.

For More Information, Contact:

217 N. Charles Street, Suite 100

Baltimore, MD 21201

(410) 244-1030

Façade@dpob.org

LaToya Staten

www.godowntownbaltimore.com

Maryland Economic Adjustment Fund (MEAF) The Maryland Economic Adjustment Fund, run through the Maryland Department of Business and Economic Development, offers funding assistant to small businesses throughout the State of Maryland. This fund assists business entities with modernization of manufacturing operations, the development of commercial applications for technology, and exploring and entering new markets. Applicants must demonstrate credit worthiness, ability to repay the obligation, and an inability to obtain financing on affordable terms through normal lending channels. A loan may not be used to relocate jobs from one commuting area to another.

For More Information, Contact:

Maryland Department of Business and Economic Development

401 East Pratt Street,

Baltimore, MD 21202

(410) 767-6356

Les Hall

<http://www.choosemaryland.org/businessservices/businessfinancing/directloansandguarantees/directloansandguarantees.html>

Community Development Block Grants

Community Development Block Grants (CDBG), run through Baltimore City Department of Housing and Community Development, fund a variety of activities, focused primarily on physical and social development. For-profit, non-profit and government entities alike can apply for funding.

For More Information, Contact:

Baltimore Housing

CDBG Office & Contracts

417 E. Fayette Street, Room 1101

Baltimore, MD 21202

(410) 547-9247

Susan Taylor

http://static.baltimorehousing.org/pdf/CDBG_applicationpacket.pdf

The Maryland Linked Deposit Fund

The Maryland Linked Deposit Program is designed to stimulate opportunities for certified Minority Business Enterprises (MBEs) by reducing the interest rate on loans they obtain from participating banks. Certified MBEs in the state of Maryland that notify the Maryland Department of Housing and Community Development prior to obtaining

qualifying loans from enrolled financial institutions will be able to receive a 2% discount on their loans. The Linked Deposit Program will reduce the cost of capital for minority business enterprises and aid their growth and expansion.

For More Information, Contact:

Maryland Department of Housing and Community Development
100 Community Place
Crownsville, MD 21032
(410) 514-7237

Dawn Medley

Medley@mdhousing.org

<http://www.neighborhoodrevitalization.org/Programs/LinkedDeposit/Index.aspx>

Maryland Venture Fund

The Maryland Venture Fund is a state-funded seed and early-stage equity fund, which makes direct investments in technology and life science companies and indirect investments in venture capital funds. The Fund operates two programs: the Challenge Investment Program, and the Enterprise Investment Program.

The Challenge Investment Program provides financing for seed-stage companies to cover a portion of the initial costs associated with bringing new products to market. Initial investments of \$50,000 to \$100,000 are made up, with incremental investments to a maximum of \$150,000. These incremental investments are awarded based upon the client's performance and the client's ability to achieve milestones set by the Maryland Venture Fund at the time of the initial closing.

The Enterprise Investment Fund makes direct equity investments in emerging technology companies, usually at the first round of institutional financing. The Enterprise Investment Fund works with emerging companies to move them into their next stage of development as a viable business. The amount of investment ranges from \$150,000 to \$500,000. Enterprise investments are generally in the form of equity, but follow the terms of the lead investor.

For More Information, Contact:

217 East Redwood Street, Suite 2200
Baltimore, MD 21202
(877) 821-0099

mdventurefund@choosemaryland.org

<http://www.choosemaryland.org/businessservices/marylandventurefund/mvf.html>

Maryland Technology Development Corporation (TEDCO)

The Maryland Technology Development Corporation (TEDCO) is an independent entity established by the Maryland General Assembly to facilitate the transfer and commercialization of technology from Maryland's research universities and federal labs into the marketplace and to assist in the creation and growth of technology-based businesses in all regions of the State. TEDCO operates multiple funding programs, and

gives direct and indirect funding assistance to technology businesses. Some of the direct business funding programs include:

- **Fort Detrick Technology Transfer Initiative (FDTTI):** FDTTI provides a U.S. small business up to \$50,000 for transfer of medical technology related to the U.S. Army Medical Research and Materiel Command. Funds are to be used to defray direct costs of further developing an early-stage technology.
- **Maryland Minority R&D Initiative (MMRDI):** MMRDI is specifically intended to empower minority entrepreneurs to more effectively compete for the highly selective Small Business Innovative Research and Small Business Technology Transfer (SBIR/STTR) federal grant awards. MMRDI provides assistance in the form of proposal reviews, access to and an understanding of the SBIR/STTR process, and business counseling.
- **Working Capital Loan Fund (WCLF):** WCLF is designed to provide loans of up to \$50,000 to incubation-stage, technology-related companies in Maryland. Funds can be used to assist a company with expansion, market entry, staffing or other working capital needs.

For More Information, Contact:

5565 Sterrett Place, Suite 214

Columbia MD 21044

(410) 740-9442

www.marylandtedco.org

Research and Development Tax Credit

Maryland Department of Business and Economic Development offers two tax credits to businesses that incur qualified research and development (R&D) expenses. The Basic R&D tax credit is three percent of eligible R&D expenses that do not exceed the firm's average R&D expenses over the last four years. The Growth R&D tax credit is 10 percent of eligible R&D expenses that exceed the firm's average R&D expenses over the last four years.

To be eligible for the Basic R&D Tax Credit or the Growth R&D Tax credit, a businesses must incur eligible R&D expenses, as defined by as defined in § 41 (d) of the Internal Revenue Code.

For More Information, Contact:

Maryland Department of Business and Economic Development

401 East Pratt Street, 17th Floor

Baltimore, MD 21202

(410) 767-6438

Contact: Mark A. Vulcan

www.choosemaryland.org/businessservices/taxincentives/randdtaxcredit.html

Bioheat Tax Credit Program

The Bioheat Tax Credit Program provides a \$0.03/gallon tax credit up to \$500 for individuals and corporations that purchase Bio-Heating Oil for the purpose of space and water heating.

For More Information, Contact:

Maryland Energy Administration

1623 Forest Drive, Suite 300 Annapolis, MD 21403

(410) 260-7207

Chris Rice

crice@energy.state.md.us

www.energy.maryland.gov/facts/renewable/bioheattaxcredit.asp

