



**2017**  
**ANNUAL**  
**REPORT**

# MISSION STATEMENT

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The Baltimore Development Corporation (BDC) is a non-profit organization, which serves as the economic development agency for the City of Baltimore. Our mission is to retain and expand existing businesses, support cultural resources, and attract new opportunities that spur economic growth and help create jobs. BDC serves as a one-stop shop for anyone interested in opening, expanding or relocating a business in Baltimore City.



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# BDC BOARD OF DIRECTORS

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## **ARNOLD WILLIAMS, CPA**

Chairman, BDC  
Managing Director  
Abrams, Foster, Nole & Williams, P.A.

## **MICHAEL BRAVERMAN**

Commissioner  
Baltimore Housing

## **GREG CANGIALOSI**

Chairman, Co-Founder, Betamore, Inc.  
Co-Chairman, Baltimore Angels

## **AUGIE CHIASERA**

President, Greater Baltimore/  
Chesapeake Region  
M&T Bank

## **ARMENTHA CRUISE**

President & CEO  
The Aspen Group, Inc.

## **CLINTON DALY**

Head of Sales  
Brown Advisory

## **GILBERTO DE JESUS, ESQUIRE**

Vice Chair  
Maryland Hispanic Chamber of Commerce

## **ELDA DEVARIE**

Founder, President & CEO  
EMD Sales, Inc.

## **CHARISSE FORD**

Chief Marketing Officer  
PANDORA Americas

## **JEFFREY FRALEY**

Vice President of Operations  
Fraleigh Corporation

## **MIRIAM FUCHS**

Senior Counsel & Development Director  
Baltimore Regional Housing Partnership, Inc.

## **JEFFREY HARGRAVE**

Founder & President  
Mahogany, Inc.

## **DEBORAH HUNT DEVAN, ESQUIRE**

Attorney  
Neuberger, Quinn, Gielen, Rubin & Gibber, P.A.

## **KENNETH MORELAND**

Vice President & Chief Financial Officer  
T. Rowe Price

## **HENRY RAYMOND**

Director  
Baltimore City Department of Finance

## **JIM SMITH**

Chief of Strategic Alliances  
Office of the Mayor

## **COLIN TARBERT**

Deputy Chief of Strategic Alliances  
Office of the Mayor

## **PAUL TAYLOR**

Director  
Mayor's Office of Minority &  
Women Owned Businesses

## **BRIAN TRACEY**

Senior Vice President  
Bank of America Merrill Lynch

## **MICHAEL WALTON**

Co-Founding Principal  
Tower Hill Atlantic Enterprises, LLC

## **ANGELA WELLS-SIMS**

Finance Director  
Kaiser Permanente

## **CHRISTY WYSKIEL**

Senior Advisor to the President  
Johns Hopkins University



## BUSINESS RETENTION, EXPANSION & ATTRACTION

The Baltimore Development Corporation (BDC) provides a variety of business services and programs to assist with the retention, expansion and attraction of businesses. These programs and services include a wide array of loan programs, façade improvement grant programs, identifying appropriate tax incentives and technical assistance. Through ongoing outreach efforts, our staff works with businesses to help identify which City and State programs are most appropriate for their needs.

# FACADE IMPROVEMENT GRANTS

The success of BDC's Façade Improvement Grant Program (FIG) is prime example of how a small infusion of capital can make a big difference to a small business. Improving the exterior appearance of a business will make it more attractive and inviting to current and future customers.

Projects eligible for FIGs include exterior painting, window treatments, siding, awnings, transoms, signage, lighting and other exterior improvements. Both commercial and industrial properties are eligible for FIGs.

## FIGs AT-A-GLANCE



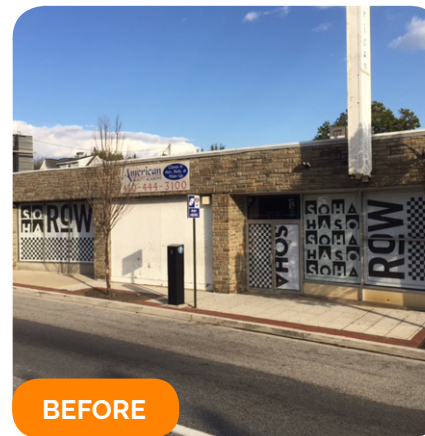
Number Awarded: **30**



Total Number of Jobs:  
**475 retained/created**



Public Investment of **\$314,444**  
leverages **\$3,425,392** in  
private investment



# LOANS

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The Baltimore Development Corporation administers a variety of loan programs to help businesses grow and thrive. These loans funds include EDA Revolving Loan Fund (Economic Development Administration), MILA Revolving Loan Fund (Maryland Industrial Land Act), VLT Revolving Loan Program (Video Lottery Terminal), Baltimore Micro Loan Program, Innovation Fund, and Industrial & Commercial Financing Loan Program. These loans can be used for a variety of purposes, including acquisition & improvement of land, facilities and equipment; working capital; gap financing; business acquisition; and capital projects.

In 2017, the BDC awarded 31 loans, which resulted in the retention of 1747 jobs and creation of 1079 new jobs. The disbursement of \$2,793,785 public dollars resulted in \$24,552,621 in private investment.



# UP TO DATE LAUNDRY EXPANDS IN BALTIMORE CITY

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Up To Date Laundry (UTD), named in the top 25 “Women Owned Businesses” in Baltimore and operated as a family-owned company since 1946, is one of the largest healthcare laundries on the east coast, processing close to 60 million pounds of linen each year. In 2017, the company merged two city locations and expanded to an 80,000 square foot facility in the Hollander Business Park in northeast Baltimore City.



With its new facility, UTD has the potential to add an additional 72 million pounds of processing capacity and will create more than 400 new jobs once all phases of the build out are completed in the next five years. Their expansion retained more than 360 existing jobs with the addition of 100 new jobs in one year from the opening of the new plant.

The Baltimore Development Corporation provided a \$300,000 loan to support UTD's expansion and assisted with their Enterprise Zone certification, which makes them eligible for real property and employment tax credits. We also provided Up To Date with technical assistance with regards to permitting and connected them with BGE's SEED program, which helps reduce construction and energy costs for businesses located in Enterprise Zones. BDC also connected the company with the Mayor's Office of Employment Development, to assist Up To Date Laundry in finding workforce as the company adds jobs.



# ENTERPRISE ZONE PROGRAM

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BDC manages Maryland's Enterprise Zone on behalf of the City of Baltimore. The Enterprise Zone tax credit program is intended to encourage investment in distressed areas by offering incentives to encourage existing businesses to expand and attract new companies to create jobs and spur additional economic activity. Businesses expanding or locating in Enterprise Zones are eligible for real property and income tax credits. Businesses located in Focus Areas are eligible for the same tax credits as well as personal property tax credits. Baltimore City has the largest Enterprise Zone and is one of two jurisdictions with Focus Area(s).

In 2017, BDC obtained approval for recertification of five EZ Focus Areas in Baltimore City. We also assisted with the certification of 45 companies, which have retained or created more than 600 jobs. These companies have or will invest nearly \$580 million in rehabilitation, new construction and equipment purchases.



## FOOD ACCESS & RETAIL

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Baltimore Development Corporation continues to play an integral part in the Baltimore Food Policy Initiative (BFPI), a cross-agency collaboration to address environmental, health and economic disparities. Besides as an access point for healthy, staple foods, a quality grocery store serves as a “stable anchor” because of the volume of customers they draw and can often be a catalyst for increased retail activity, greater community engagement and additional private investment in the neighborhood.

BDC was responsible for the land disposition to the Baltimore Food Hub, which aims to anchor East Baltimore in the food economy. In fall of 2017, the Food Enterprise Center opened at the Food Hub, which will house the City Seeds program. City Seeds is a culinary social enterprise whose mission is to create jobs and provide training for Baltimore City residents with barriers to employment using wholesale, retail and other contracting vehicles. The new building contains production and teaching kitchen facilities that will support the creation of new job opportunities, job training opportunities, and support for aspiring food entrepreneurs.



The Baltimore Development Corporation also provided business and technical assistance to the Salvation Army's DMG Foods, the first non-profit grocery store in Baltimore City. With a non-profit grocery store, low income residents can increase their buying power because the food is not marked up at the same rate as it is in other stores. BDC not only assisted with navigating the permitting process, but made introductions to potential funders and coordinated a visit to the ShopRite cashier training program run by Goodwill in Delaware.

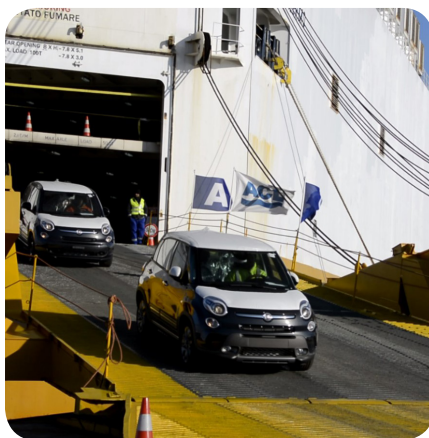
As a result, in addition to increasing access to healthy foods, DMG Foods will also provide a workforce development training program, which not only opens job opportunities and career pathways for city residents, but it will also help grocery stores in the region. One of the key challenges of grocery stores is staff turnover. This program will serve as a trained, certified staffing pipeline for existing grocery stores, and several city grocery stores have already expressed interest in partnering for trainees to matriculate after they complete the DMG training program.



# FOREIGN TRADE ZONE

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To assist the Port of Baltimore and further encourage the health and competitiveness of Baltimore industry, BDC administers Foreign Trade Zone (FTZ) #74, a federally designated area located within the United States, and yet considered “outside” of U.S. Customs’ territory for the purposes of assessing and collecting import duties and taxes. The FTZ expedites and encourages foreign commerce, promotes domestic employment and assists U.S. firms in competing within the global marketplace.



The Port of Baltimore is among the 10 busiest ports in the United States, servicing a major portion of the eastern half of the United States. With merchandise such as cars, paper and steel, 2017 saw the total FTZ international revenue rise from \$44 million in 2016, to more than \$396 million in 2017. An 800 percent increase. The total value of shipments through Baltimore’s FTZ was more than \$19.9 billion in 2017.

The continued inbound movement of products into the Zone resulted in greater job opportunities in the Baltimore region. FTZ #74 employment increased from 441 jobs to 653 jobs in 2017. Other benefits included increased work for support industries, which rely directly on Port business and local businesses that supply the Zone operators with supplies ranging from packaging material to handling equipment.

# EMERGING TECHNOLOGY CENTERS

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The Emerging Technology Centers (ETC), a clearinghouse for entrepreneurial business, is a technology and innovation center focused on growing early-stage companies. It promotes economic growth by providing its member companies with resources such as seed capital, mentors, potential partners, and a collaborative community to help them grow and thrive.

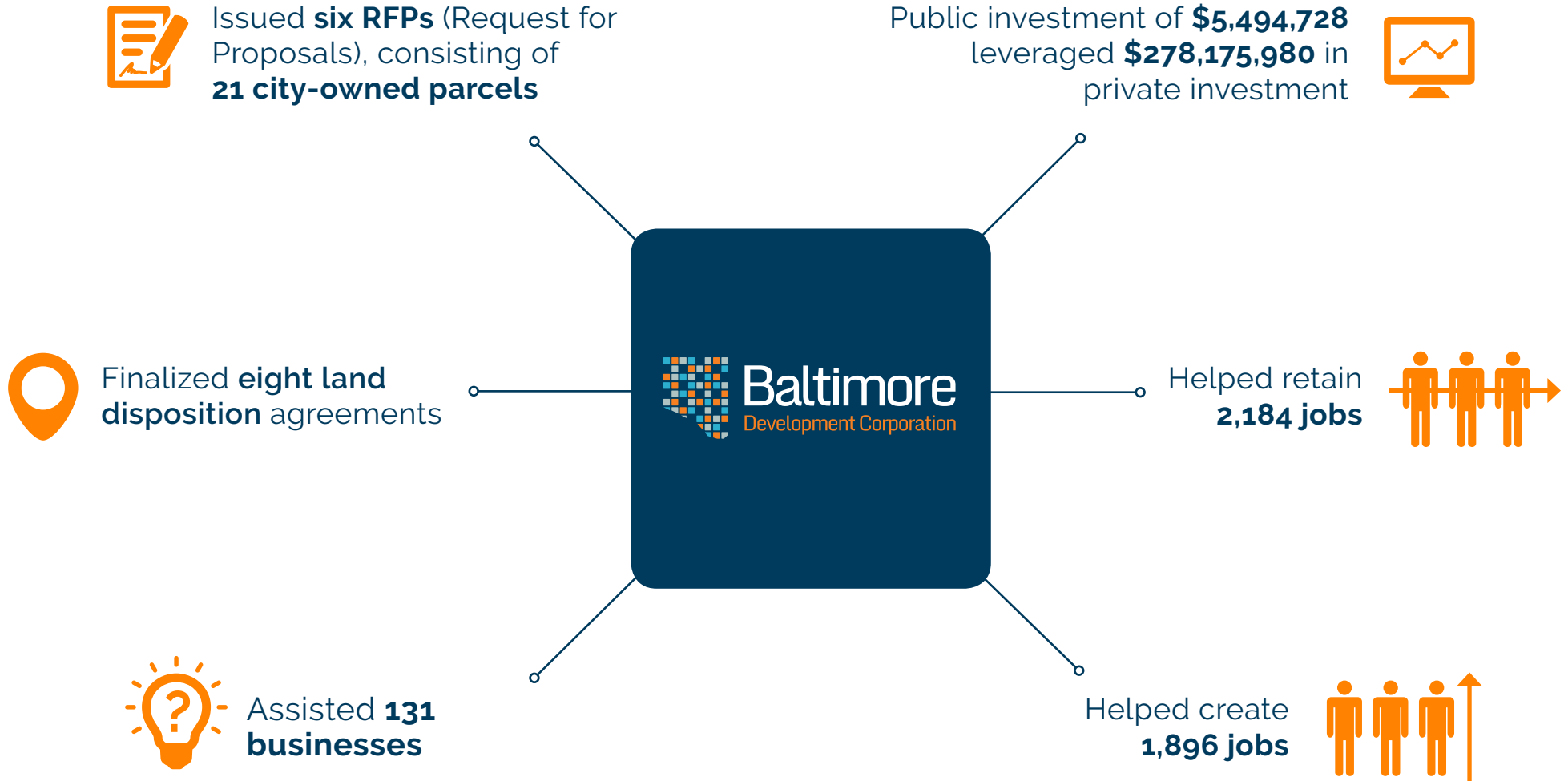
The ETC continues to receive international acclaim as one of the world's top performing incubation programs. UBI Global, the Stockholm-based research and advisory firm known for its study and evaluation of the world of business incubation, ranked the ETC seventh worldwide in the category of Top Business Incubator Collaborating with University.

In 2017, the ETC assisted 171 companies; 97 in its incubator program. Through its four programs – Accelerate Baltimore, Pioneer Baltimore, Beehive Baltimore and Incubate Baltimore – the ETC admitted 67 new companies and graduated 60. ETC companies raised close to \$8 million in outside equity.

The ETC, with funding support from the Abell Foundation, completed another cohort of Accelerate Baltimore. Six companies were selected for the program and were awarded \$25,000 in seed funding. In four months, Accelerate Baltimore aims to close the gap between innovative ideas and the ability to get to market quickly. In addition to the seed funding, the companies receive free office space, access to a high-level advisory team, a “hands-on” instructional program, mentors and connections to potential investors, partners and resources.



# BDC BY THE NUMBERS



# FINANCIAL STATEMENT

**City of Baltimore Development Corporation**  
 Statements of Financial Position  
 June 30, 2017 and 2016

<b>ASSETS</b>	<b>2017</b>	<b>2016</b>
Cash and cash equivalents	16,466,513	11,212,328
Loans receivable, net of allowance for doubtful accounts of \$ 1,006,844 in 2017 and \$713,780 in 2016	9,100,826	9,151,488
Investment, at fair value	206,023	234,048
Other receivables	118,501	74,495
Prepaid expenses and deposits	96,045	23,574
Leasehold improvements, net of accumulated accumulated amortization of \$57,396 in 2017 and \$19,132 in 2016	363,508	401,772
Total assets	26,351,416	21,097,705

## LIABILITIES AND NET ASSETS

Accounts payable and accrued expenses	238,476	194,949
Accrued payroll	667,363	659,927
Deferred rent	419,895	208,785
Video Lottery Terminal-agency transactions payable	3,130,212	2,455,212
Deferred revenue and other payables	5,806,839	6,016,814
Note payable-State of Maryland	9,500,000	5,000,000
Total liabilities	19,762,785	14,535,687
Net assets-		
Unrestricted:		
Available for general activities	2,878,501	2,446,354
Leasehold improvements	363,508	401,772
Loan funds	3,140,599	3,479,844
Investment funds	206,023	234,048
Total net assets	6,588,631	6,562,018
Total liabilities and net assets	\$26,351,416	\$21,097,705

# FINANCIAL STATEMENT

**City of Baltimore Development Corporation**  
 Statements of Unrestricted Revenues and  
 Expenses and Change in Net Assets  
 Years Ended June 30, 2017 and 2016

	2017	2016
Revenues and gains:		
Baltimore City funds:		
General funds	\$5,922,679	\$6,646,740
City bond funds	1,990,237	1,875,373
Mayor and City Council real property funds	54,580	-
Total Baltimore City Funds	<u>7,967,496</u>	<u>8,522,113</u>
Federal funds	373,087	182,785
State funds	2,327,924	2,128,912
Interest and investment income	210,616	158,531
Other fees	603,656	878,230
Private grants	30,000	583,324
	<u>3,545,283</u>	<u>3,931,782</u>
Total revenues and gains	<u>11,512,779</u>	<u>12,453,895</u>
Expenses:		
Payroll and payroll related, including temporary help fees	3,583,320	3,781,391
Contractual services	289,546	415,105
Occupancy	454,073	419,616
Equipment rent and purchases	176,893	241,286
Office Supplies	21,241	25,221
Travel	71,849	76,456
Professional fees	71,341	75,151
Marketing	85,154	108,527
Telephone	61,302	61,645
Repairs and maintenance	10,630	11,768
Subtotal	<u>\$4,825,349</u>	<u>\$5,216,166</u>



# FINANCIAL STATEMENT

## City of Baltimore Development Corporation

Statements of Unrestricted Revenues and  
Expenses and Change in Net Assets  
Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Subtotal	\$4,825,349	\$5,216,166
Software support	61,012	57,849
Miscellaneous	39,914	32,412
Staff development	15,675	21,909
Insurance	19,340	23,773
Dues and Subscriptions	64,556	36,987
Sponsorships	121,871	32,339
Bad debt	311,882	564,795
Amortization	38,264	19,132
Capital expenditures	5,988,303	5,672,618
Total expenses	<u>11,486,166</u>	<u>11,677,980</u>
Change in net assets	26,613	775,915
Net assets - beginning	<u>6,562,018</u>	<u>5,786,103</u>
Net assets - ending	<u><u>\$6,588,631</u></u>	<u><u>\$6,562,018</u></u>

# BDC STAFF LIST

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## LEADERSHIP

### WILLIAM H. COLE

President & CEO

### KIMBERLY A. CLARK

Executive Vice President

### NANCY S. JORDAN-HOWARD

Chief Operating Officer

### JEFFREY P. PILLAS

Vice President & Chief Financial Officer

### RENEE L. WEST

Executive Assistant to the President & CEO

### BEVERLY A. LANIER

Executive Assistant to the Executive Vice President

## ADMINISTRATION & FINANCE

### DAVID P. ADAMSKI

Controller

### KAREN L. BAILEY-YOUNG

Full Charge Bookkeeper

### SANDRA E. BLAKE

Administrative Director

### YVONNE BUTLER

Receptionist

## BUSINESS SECTOR DEVELOPMENT

### LARYSA A. SALAMACHA

Managing Director

### LARRY O. COLLINS

Director of Foreign Trade Zone #74

### NICOLE C. DAVIS

Economic Development Officer

### RICHARD L. ESCALANTE

Director of Business Development

### KEVIN B. WELLS

Economic Development Officer.

### RORENA SUELL

Administrative Assistant

## NEIGHBORHOOD BUSINESS SERVICES

### WILLIAM L. BECKFORD

Managing Director

### DANIEL A. TAYLOR

Assistant Managing Director

### DARRON R. COOPER

Central & West Team Director

### SALLY E. COSTELLO

East Team Director

### PATRICK S. TERRANOVA

Director, Project Management & Analysis

### KRISTIN A. DAWSON

Food Retail Director

### GAYLORD M. DUTTON

Economic Development Officer, Central Team

### MICA J. FETZ

Economic Development Officer, East Team

# BDC STAFF LIST

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## DAVID R. GARZA

Economic Development Officer,  
West Team

## ARMSTEAD C. JONES, JR.

Economic Development Officer,  
Project Management & Analysis

## IRA L. KOWLER

Economic Development Officer,  
Project Management & Analysis

## CHRISTINA E. MOORE

Economic Development Officer,  
East Team Officer

## RAVEN A. THOMPSON

Economic Development Officer,  
West Team

## KYREE L. WEST

Economic Development Officer,  
Central Team

## KRISTINA E. WILLIAMS

Economic Development Officer,  
Small & Minority Business

## SEAN M. JOHNSON

Administrative Assistant

## MARKETING, COMMUNICATIONS & GOVERNMENT

### SUSAN H. YUM

Managing Director

### MATTHEW T. KACHURA

Market Analytics Director

### JOANN T. LOGAN

Director of Communications.

### CANDICE N. JONES

Director of Public Affairs &  
Special Projects.

### ROBERT A. WILLIAMS

GIS/Graphic Designer

## EMERGING TECHNOLOGY CENTERS (ETC)

### DEBORAH A. TILLET

President & Executive Director

### JACQUELINE C. ALBRIGHT

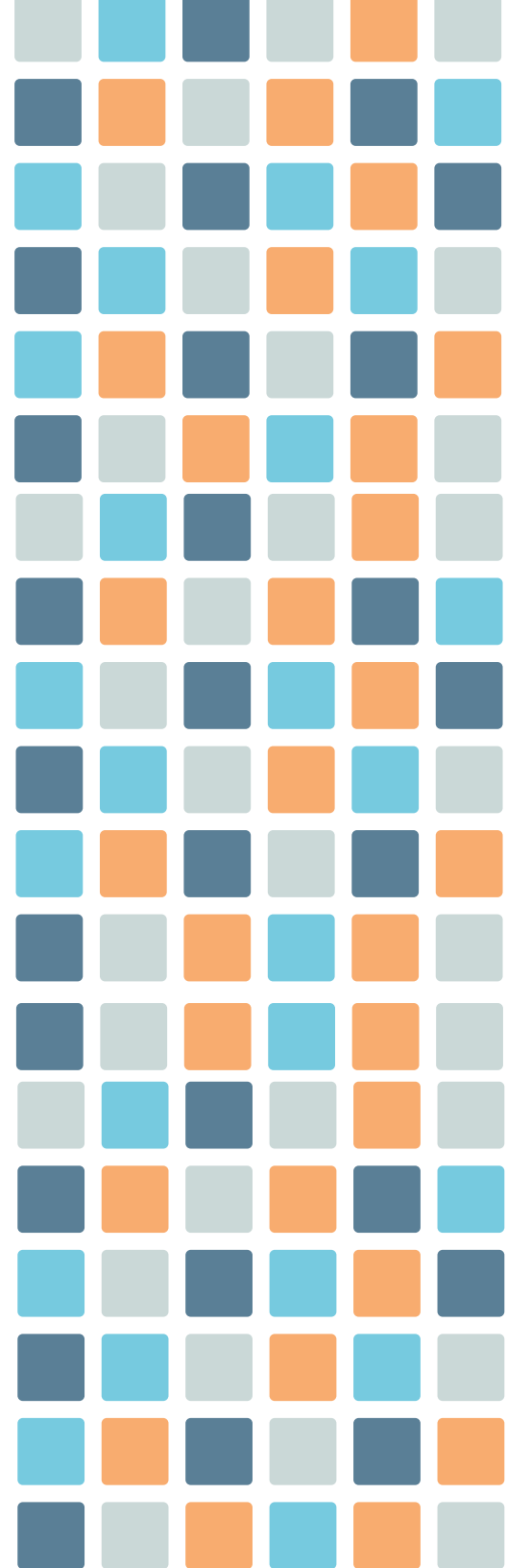
Assistant Director

### VALERIE E. ELLIS

Facility Manager

### AMANDA GOSLING

Membership Coordinator



# Baltimore

Development Corporation

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[www.baltimoredevelopment.com](http://www.baltimoredevelopment.com)