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UNIVERSITY OF BALTIMORE

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BCL Announces a New Website
It's our 30th Anniversary, and we have quite a year planned!

We are marking this achievement with a one-day conference series, featuring, panel discussions focusing on finance, housing and business development, with emphasis on what is working, challenges, and how to overcome those challenges.

Save the Date!
September 18, 2019

For sponsorship information
Please contact Susan Kelly
Susan.kelly@bclending.org
More details to come!
In early January, the University of Baltimore announced the 2019 University of Baltimore Real Estate Fellows and Venture Competition.

In an attempt to increase the number and capacity of local developers working in affordable housing and other development projects throughout the City, and to support the only undergrad real estate development program offered in Maryland, Baltimore Community Lending is offering to provide a Guidance Line of Credit up to $1 million for a winning proposal. University of Baltimore is also offering compensation of at least $1,000 for students who are participating in the competition. "We need to provide support and incentive to those who are working to make this city better and to expand the number of competent developers willing to take on the challenge of moving Baltimore ahead. We hope this will attract more talent, support and attention going forward," said Bill Ariano, President of BCL.

In the announcement to their community, the University of Baltimore provided the following information:

**Objective**

*Aspiring University of Baltimore student real estate entrepreneurs who are interested in addressing critical development needs within Baltimore's middle-market neighborhoods, will go through a 10-week mentoring program from seasoned professionals from the metro area.*

*Participants will identify a neighborhood, create a project, complete a development plan and develop an application for financing. The winning proposal will get the necessary financing up to $1 million in a "Guidance Line of Credit" from Baltimore Community Lending to proceed with the project.*

*If you'd like to donate to the real estate program to support our students and initiatives, contact Leslie Joyce (ljoyce@ubalt.edu | 410.837.6217) or use our donation website.*

Seema D. Iyer Ph.D. Director of the Real Estate and Economic Development specialization and Associate Director of the Jacob France Institute at UB said "For more than 10 years, we have help launch careers for students in a broad range of real estate professions and have seen a desire among our students to engage in Baltimore development in a way that strengthens neighborhoods. We are thrilled to partner with BCL in this exciting venture that helps our students get their business to the next level and helps improve quality of life right
CONGRATULATIONS GRADUATE!

Baltimore Business Lending congratulates its Director, Bonnie Crockett, for successfully completing the Goldman-Sachs 10,000 Small Businesses national program in November 2018.

Goldman Sachs 10,000 Small Businesses is a highly successful, $500 million business education program designed to facilitate growth and job-creation potential of small businesses across the United States. Local programs are offered through area universities in more than a dozen locations, including Baltimore. And there is a national program conducted by Babson College, (the top business school in the US), which brings together entrepreneurs from across the country. Bonnie had the exciting opportunity to participate in the national program.

Described as an "MBA on steroids," the national program is designed for dedicated and enthusiastic small business owners whose businesses are poised for growth. There is a rigorous application process for participating, a privilege usually reserved for for-profit businesses, but a few nonprofit business leaders have been chosen to participate. Nominated by the Opportunity Finance Network, Baltimore Business Lending's application was accepted based on its innovative loan program designed to support small businesses, the support and stability of its parent company Baltimore Community Lending, and the passion and commitment of its Director, Bonnie Crockett.
It was a lot of work," Bonnie said, "but also an honor. It will benefit Baltimore Business Lending in so many ways. The educational programming provided more effective tools for evaluating and supporting BBL's small business clients. It gave me an opportunity to develop a comprehensive and achievable growth plan for BBL as we, in turn, help more businesses. But most of all, the opportunity to network and collaborate with smart and creative small business owners and business leaders from across the country was amazing. I made lasting friendships and connections, and developed an invaluable network of ideas and support. It was worth every minute."

Bonnie Crockett, center, with the other members of her study group, part of a cohort of 70 scholars who graduated from the national program in November 2018.

(Editors Note: Bonnie was recognized by her fellow students as #1 in the class.)
In its November 30th issue, the Baltimore Business Journal featured a cover story, The Gap Still Exists, by Holden Wilen, discussing how racial disparity in lending persists, the reasons for it, and what's being done about it. Bill Ariano, President and CEO of Baltimore Community Lending, and Bonnie Crockett, Director of Baltimore Business Lending, were interviewed. Business Lending serves as an example of "what's being done about it."

By the numbers, "African Americans in Greater Baltimore are twice as likely to be denied a home mortgage by a bank than their white counterparts a half century after Martin Luther King's death." The same holds true for other types of loans, including small business loans.

"The home mortgage lending disparity has effects on small business lending because entrepreneurs often put up their homes as collateral. That's where a program like Baltimore Business Lending comes in to fill the gap. ... 'We're trying to improve the landscape and reduce inequality,' said Bonnie Crockett, director of Baltimore Business Lending. 'Minority-owned and women-owned businesses are turned down for loans so often that they stop asking.'
Banks sometimes "partner with nonprofits, particularly community development financial institutions, to assist low-and-moderate-income neighborhoods," Wilen notes, some of which make loans to people who would not normally get approved by a bank. "Banks will often provide grants to those organizations, serve on boards and provide expertise for developing lending products."

Several banks were interviewed for the article. Special thanks to the shout out from PNC Bank that noted it has been working closely with Baltimore Community Lending and Baltimore Business Lending to provide greater access to capital in Baltimore City neighborhoods.

**GROWING TECHNICAL ASSISTANCE FOR SMALL BUSINESSES**

Baltimore Business Lending makes small business loans to entrepreneurs who are otherwise creditworthy, but don't have collateral. By traditional standards, that makes these loans higher risk, but BBL mitigates risk by requiring that applicants participate in a small business training program and complete a written business plan. BBL believes that useful and effective business education is as good or better an assurance of small business potential as owning a house.

Since BBL launched last spring, small business training has been provided to applicants through the steadfast support of the SBRC (Small Business Resource Center) under the Mayor's Office of Minority and Women-Owned Business Development and the ongoing participation of the MICApreneurship program at Maryland Institute College of Art. As the program grows, so does the training network.

Joining the BBL collaboration, the Greater Baltimore Urban League is now an approved technical assistance provider. Through its Raymond V. Haysbert, Sr. Center for
Entrepreneurship, the Urban League brings high caliber business counseling and support services to the community level. The Small Business Development Center of Maryland has a location in the same building as BBL. Located in the Grid, (the University of Maryland's Graduate Research Innovation District), the SBDC provides business counseling and technical assistance through all stages of business development. BBL is also exploring exciting collaborative programming with other area universities and colleges, including the Johns Hopkins Cary Business School, to develop a strong and effective network of small business training and support throughout Baltimore City.

JOIN US FOR COFFEE WITH CAPITAL

Join BBL for the next Coffee with Capital networking event on:

Date:       Wednesday, February 13, 2019
Time:       10:00 am to 12:00 pm,
Location:   Cherry Hill Branch of the Enoch Pratt Free Library
            606 Cherry Hill Road
            Baltimore, MD 21225.

Learn about new access to capital to start, grow and strengthen small businesses in Baltimore City.

Enjoy coffee and pastries while you meet and chat with all of Baltimore Business Lending's collaborating partners and supporters.

For more information, check out our website at www.baltimorebusinesslending.org, call Sharlene Paul at 410-319-0732, and follow Baltimore Business Lending on Facebook, Instagram and LinkedIn.
NED FIELDS IS RECOGNIZED BY NICA

Ned Fields our Construction Specialist successfully completed the National Inspection Certification Associates Real Estate Inspection Certification Program. Ned, an employee with Baltimore Community Lending for the past 16 years scored an impressive 100% on his final certification exam. As part of this training, Ned also completed course work in Mold Remediation, and Radon Identification and Remediation. This 72 hour classroom course followed an online training prep course. While those who work with Ned know how experienced and competent he already is, these achievements underscore the knowledge as well as the professional support that he brings to BCL and our clients and their contractors. We are proud that he has earned this additional recognition and hope that you share our appreciation for the value added that he brings to your work.
Please join us for a presentation and discussion with Baltimore City Department of Permits and Plans Review.

We have asked that Baltimore City Permits have representatives from their department come out to address questions related to permits and inspections, as we hope to have a better understanding as to the timing and protocol for a more expedient and efficient process.

This will be the second of a series of focused presentations presented by Baltimore Community Lending to assist our borrowers and the contractors who work for them.

Date: Tuesday, January 29, 2019
Time: 6:00 pm to 8:00 pm
Location: 801 West Baltimore Street
          Baltimore, MD. 21201

Light refreshments will be served.

Please RSVP to
Roy Miller
410-862-0938

With our thanks to the University of Maryland Bio-Park

FIRST HALF OF FISCAL YEAR 2019 BUSY FOR BALTIMORE COMMUNITY LENDING
In the past six months BCL staff has continued to meet with old and new customers. Frank Coakley, the BCL Senior Lending Officer who attends most of these sessions reports 91 meetings in the last six months. Sean Russell was involved in 57 and Deirdre Pressley 44 meetings. The month with the highest number of meetings with 23 was in October.

While the number of meetings includes some follow-up and multiple opportunities for our customers to talk with the BCL lending staff, most of these were initial information sessions. These meeting help our potential customers identify whether we could possibly be of service as well as allow for some open and honest discussion on the steps an entrepreneur needs to take before we can assist them.

During the past six months, BCL approved ten loans and closed ten loans for $7.6 million--$2.4 million were for existing customers modifying or extending existing loans.

We ended the first half of the year with 6 loans pending, 3 of which were originated in the past six months; and a pipeline of six loans for $12.5 million.

Additionally, in the past six month we supported another six organizations through sponsorships or grants exceeding $6,600, including the Community Development Network (CDN), Maryland Capital Enterprises (MCE), Real Estate Brokers of Baltimore (REBB), Southwest Partnership Baltimore, Govans Ecumenical Development Corporation (GEDCO), and Union Square Community Tour.

BCL CLOSES ON THREE LOANS FOR $1.4 MILLION IN NEW LOANS AND EXTENDED ANOTHER $2 MILLION IN
Dale Daniels a new developer/investor was awarded a construction loan for $182k to renovate a single row-home on Eden Street in the Oliver community in East Baltimore. The Borrower has already obtained CHAP (tax credit) approval for the property, which will aid the homebuyer in reducing their tax liability for 10 years. At construction completion it is anticipated the proposed property will be listed for sale. This will be the Borrowers' first loan with BCL.

The property has just under 1,000 sq. ft.; however, the Borrower is proposing to add a two story addition that will add 396 additional square feet of living space. Once completed, the property will have two (2) bedrooms, two and a half (2.5) bathrooms, a den in the basement and a roof top deck.

In December, BCL refinanced a $500,000 line of credit for St. Ambrose Housing Aid Center. This loan enables St. Ambrose to continue their work rehabilitating a large scattered site portfolio of 1-4 family affordable rental properties in the City. A portion of the line also helps St. Ambrose with pre-development work on their larger multifamily properties.

BCL also provided a $750,000 increase for another loan with NR2C, LLC. This allows the borrower to continue the work of rehabilitating single family rental properties in multiple City neighborhoods.

Similarly, BCL closed a $500,000 increase for a loan with Baltimore Impact.
BCL LOAN COMMITTEE APPROVES $4.3 MILLION IN NEW LOANS

SG Complete Home Care LLC (Increase) a Maryland based Limited Liability Company was awarded a $500k increase to its existing $1M GLOC. The LLC has been in operation since 2009 and the sole member/owner has over 20 years' experience in the construction industry having renovated over 800 homes with approximately 100 of those renovations occurring over the last two years.

The borrowers relationships/connections in the City of Baltimore have provided him access to a high quantity of properties for sale that require quick turn arounds. Since being awarded the $1M GLOC from BCL the Borrower has closed 15 properties into the GLOC. Of those 15 properties, three have been sold and repaid, four (4) are under construction and will be listed for sale, while the remaining eight (8) units will be maintained in the borrower's rental portfolio.

North Bethel Row LLC ($1M GLOC) a newly formed LLC was formed by two experienced developers to take on the redevelopment of the 1400 block of N. Bethel Street in the East Baltimore community of Oliver. BCL awarded the LLC a $1M
Guidance Line of Credit with BCL for the purpose of developing/renovating 14 properties to be completed in two phases. As proposed, NBR will combine 12 of the units to create six (6) double wide homes and two (2) properties will remain as single units, for a total of eight (8) newly redeveloped units. It is anticipated the development of the project will take approximately 18 months to complete. The units will be sold for $200-260K.

Monarch Butterfly Enterprises LLC a newly established (a woman owned/single member entity) was established in July 2016 for the purpose of acquiring and renovating vacant properties in the City of Baltimore with an emphasis on energy efficiency, renewable energy, and reducing the carbon footprint on the environment. The LLC was awarded $292,745 to acquire and renovate property located in the 1800 block of Barclay Street in the Greenmount West community (LMI neighborhood). The Borrower anticipates using CHAP guidelines in the development of the property, in an effort to decrease the cost burden for the potential homeowner. The completion of the proposed property will eliminate the last vacant property on the 1800 block of Barclay Street.

BILL ARIANO
APPOINTED TO THE
INCLUSIONARY HOUSING BOARD
Mayor Catherine Pugh nominated our President and CEO to join the Inclusionary Housing Policy Board and to Chair the Board for 2019. After a hearing in front of the Baltimore City Council Executive Nominations Committee and approval by the Council. Bill Ariano and his fellow nominees, Johndre Jennings from Druid Heights CDC, Glen Middleton of AFSME, Ivy Carter from Pennrose Development, and Henry Smart from AEC, were sworn in by Mayor Pugh at a Ceremony at Baltimore City Hall.

This Board is being charged with the review, and recommendations to strengthen the Inclusionary Housing requirements in Baltimore City to help increase the number of affordable housing units as part of the development of market rate rental units throughout the City.
BAAHBC has hired Mel Freeman to complete the establishment of the organization and start the implementation of the BAAHBC plan. Chair Danise Jones Dorsey also announced the addition of two new Board members for the organization, Fagan Harris and Christopher King.

As a completion of the initial capital raise by BCL, M&T Bank approved and sent a Term sheet for the final $1 million. This completes the initial raise of $5 million to be available by BCL to lend to BAAHBC for this initiative.

THE HISTORY OF BALTIMORE COMMUNITY LENDING

As we work towards our 30 Anniversary we will begin a series outlining the BCL history. Baltimore Community Lending was incorporated in 1989 by Mayor Kurt Schmoke. Originally a "quasi-public" organization under the Baltimore Housing Department, we applied for and were successful in receiving our certification from the U.S. Department of Treasury to become a Community Development Finance institutional (CDFI), and independence from the City Government in 2004. Over the past 30 years we have provided $220 million in financing for critical housing projects, producing over 4000 units of affordable housing, and 400,000 square feet of community and commercial space.

We will continue to provide more information on our panels, speakers, as well as our history over the next nine months.
BCL ANNOUNCES A NEW WEBSITE

At the end of January, we will be unveiling our revised website. With more information on our staff and Boards of Directors, a repository for training presentations that we have provided, and testimonials from some of our borrowers, we expect that the navigation and substance will make this website more supportive and transparent. So check us out at the end of the month at www.BCLending.org

https://facebook.com/baltimorecommunitylending

ABOUT BCL

Baltimore Community Lending is a US Treasury certified nonprofit community development financial institution that supports the revitalization and strengthening of underserved Baltimore neighborhoods through innovative and flexible financial assistance designed to promote community development. We achieve this mission primarily through lending, an activity that has leveraged $180 million to produce 4,025 affordable homes and 450,000 square feet of commercial and community facility space over BCL's 30 year history. To learn more about BCL, visit www.bclending.org

ABOUT BBL

Baltimore Business Lending, LLC, a wholly owned subsidiary of Baltimore Community Lending, Inc., is a new small business lending program designed to provide capital to emerging and growing small businesses that are creditworthy, but lack the equity or collateral necessary to qualify for traditional lending resources. www.baltimorebusinesslending.org