

# **Lambda Alpha International**

**November 18, 2015**



# BDC Mission

BDC serves as the economic development agency for the City of Baltimore.

## Our mission is to:

- Retain existing businesses and assist in job expansion
- Attract new business opportunities
- Increase job opportunities for City residents
- Expand the tax base
- Support cultural resources

# Key Economic Drivers

- **Stable and Growing Population**
- **Strategic Location in the Mid-Atlantic & Other Assets**
  - Within 30 miles of more than 60 federal agencies and research labs
  - Has one of 3 deep-water ports this side of Mississippi & most centrally located, proximity to BWI & Amtrak
  - Has 13 colleges & universities and 2<sup>nd</sup> only to San Francisco for fastest growing cities for tech talent
- **8<sup>th</sup> Largest Destination for Millennials in the Country**
  - Millennials within 3 miles of City Center increased by 12,000
  - Increase of 92% from 2000 to 2010
- **Employment Growth (2010-2013)**
  - Private sector employment growth increased 6%
  - Persons with BA degree increased 16%
  - Persons with Grad or Professional degree increased 28%
- **Increasing Wages (locally and nationally competitive)**

# Key Industry Sectors

- **Financial and Professional Services**  
32,300 employees/2,400 firms
- **Health and Bioscience Technology**  
66,400 employees/1,100 firms
- **Arts, Culture, and Tourism**  
25,500 employees/3,000 firms
- **Information and Creative Services**  
5,600 employees/830 firms
- **Logistics**  
7,500 employees/260 firms
- **Advanced Manufacturing**  
3,200 employees/125 firms

# Conditions & Market Analysis

- **Population**

622,104 (growth from 2010)

23% of Baltimore MSA

- **Race/Ethnicity**

64% African American

4.6% Hispanic

- **Workers**

2/3rds of City workforce commutes into City

8.5% unemployment (Sept 2014)

29% have Bachelor's or higher (workers over age 25)

- **Housing Affordability**

Median home value is \$150,000 (MD - \$280,000)

# Emphasis on Neighborhoods & Small Businesses

- Neighborhood Development – largest department within BDC and includes Geographic Teams, Retail & Main Streets, and Food Access
- BDC and Small Business Resource Center are focused on helping small businesses grow and thrive
- Added “Main Streets in the Community” program to bring BDC and SBRC services to neighborhoods around the city

# Real Estate Development

- BDC provides a range of assistance to developers:
  - Technical
  - Transportation
  - Infrastructure
- Facilitate sale and redevelopment of City-owned property
- Other business assistance
  - FIG
  - Loans

# Completed Sales of City Properties

- 101, 103 W. Lexington and 124 N. Liberty
- 119 Park Avenue
- 700 N. Eutaw



# Pending Sales of Properties

- 1107 E. Fayette Street: Former Hendler Creamery Building
- 410 & 422 W. Mulberry Street
- Liberty Clay Marion properties

# Recent RFPs Issued

- S. Gay Street
- Howard Street East
- Lexington-Howard
- 906 Washington Blvd

# Cranes in the air

- Development continues at a rapid pace
- Despite recent events, vertical projects continue to move forward
- Developers are working with a sense of urgency and resolve to “build it now”

# Projects in the pipeline

- Port Covington
- Stadium Square
- Canton Crossing II
- Canton Waterfront - COPT

# Market-rate conversion projects

- Explosive growth in the number of residential projects
- Many are able to take advantage of the high performance market-rate tax credit program
- 2,800 market-rate apartments have been completed
- 2,400 under construction
- At least another 1,400 have been approved for construction

# BDC Loan Programs

- Baltimore Micro Loan
  - From \$5,000 to \$30,000
  - Can be used for working capital, building improvements, equipment, inventory purchase and other costs associated with opening or expanding a small business
  - Gave 23 loans, which added 111 new jobs
  - For \$500,000 in public investment, there was more than \$2 million in capital investment
  - Majority of loans went to either a minority or women-owned business

# BDC Loan Programs

## ■ VLT Loans

- For amounts between \$30,000 and \$300,000
- Specifically for small, minority or women-owned businesses
- Can be used for business acquisition; commercial real estate acquisition; the purchase of furniture, fixtures and equipment; leasehold improvements, and working capital
- Awarded \$1.750 million during the second round of VLT funding