

NCSHA 2015 Annual Awards Entry Form

(Complete one form for each entry)

Deadline: Wednesday, June 10, 2015

Visit ncsha.org/awards to view the Annual Awards Call for Entries.

Instructions: Type entry information into the form and save it as a PDF. Do not write on or scan the form. If you have any questions contact Matt Cunningham at mcunningham@ncsha.org or 202-624-5424.

Fill out the entry name *exactly* as you want it listed in the program.

Entry Name: _____

HFA: _____

Submission Contact: (Must be HFA Staff Member) _____ **Email:** _____

Please provide a 15-word (maximum) description of your nomination to appear on the NCSHA website.

Use this header on the upper right corner of each page:

HFA: _____

Entry Name: _____

Select the appropriate subcategory of your entry and indicate if you are providing visual aids.

Communications	Homeownership	Legislative Advocacy	Management Innovation
Annual Report	Empowering New Buyers	Federal Advocacy	Financial
Creative Media	Encouraging New Production	State Advocacy	Human Resources
Promotional Materials and Newsletters	Home Improvement and Rehabilitation		Operations
			Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
Encouraging New Production	Combating Homelessness	Special Achievement	Yes
Multifamily Management	Housing for Persons with Special Needs		No
Preservation and Rehabilitation			

Maryland Acting Quickly in the Face of Tragedy

When the sun rose in Baltimore on the morning of April 28, the city was in a state of shock. Amid the burned-out cars, buildings, and businesses, broken glass on the sidewalks of store fronts, and a palpable tension in the air, the strong sense of community that Baltimore's residents are known for was awakened as people took to the streets with trash bags, brooms, and hammer and nails to clean up from the devastation of the night before.

Monday, April 27, 2015, was a day that changed the city of Baltimore, Maryland forever. Following the funeral of Freddie Gray, a young African-American man who died while in police custody one week earlier, what had been weeks of peaceful protests had tragically turned into rioting and looting – the likes of which the city hadn't seen since April 1968 following the assassination of Dr. Martin Luther King, Jr. The next day, the city and nation awoke to the extent of the damage caused with nearly 385 businesses sustaining damage and the city, itself, in ruins in many areas.

That Tuesday, Governor Larry Hogan, sworn in barely four months prior, was compelled to call in the Maryland National Guard and law enforcement personnel from across the country to help restore order and protect the safety of residents. For one week, a city-wide curfew was enforced which brought peace and order back to Baltimore but added to the already damaged business community.

In the aftermath, Governor Hogan ordered all state agencies to quickly activate the resources they had available to help Baltimore rebuild and recover. One of the first programs to be made available was the Maryland Department of Housing and Community Development's (MD DHCD) emergency micro loan program for Baltimore businesses. Called the Maryland Business Recovery, the micro loans were announced on May 6, 2015. Less than three weeks later, on May 26, DHCD announced it had approved its first micro loan to a Baltimore business that sustained damage from the riots.

The Maryland Business Recovery micro loans were adapted from DHCD's Neighborhood BusinessWorks loan program, a state program already in existence that provides gap financing, i.e. subordinate financing, to new or expanding small businesses and nonprofit organizations in [Sustainable Communities](#) throughout the State of Maryland. The Maryland Business Recovery micro loans for Baltimore are for up to \$35,000, while the larger Neighborhood BusinessWorks loans are for up to \$500,000.

The goals of the emergency program was to help business owners cut through public financing red tape and provide a rapid response to the damage in so many of Baltimore's communities. Governor Hogan stated, "Our goal is to get as many of the more than 300 small businesses in Baltimore that have experienced losses back in business. The Department of Housing and Community Development and every agency in state government are acting as quickly as possible to help the affected areas in the city."

Getting Baltimore Back in Business

The micro loans for Baltimore businesses affected by the civil unrest received funding from the state's Rainy Day Fund to help businesses get back to work. Businesses and non-profit organizations are eligible

if they can demonstrate that they sustained physical or economic damage as a result of the unrest. Eligible businesses include retail, manufacturing, service-oriented, and mixed use businesses. The loans can be used for purposes including demolition and new infill construction, rehabilitation, repair and replacement of furniture, fixtures and equipment, new machinery and equipment, inventory replacement, and other costs associated with recovery of the business, including working capital.

The loan terms for amounts at or below \$35,000 is an interest rate of zero percent and repayment period of one to five years. For loans above \$35,000, terms are with an interest rate of four percent and repayment period of up to fifteen years. Additional terms are:

- Personal guarantees and lien on business assets required;
- No prepayment penalties;
- Forgivable loan option – loan forgiveness, up to \$5,000 or 50 percent of the loan amount, whichever is less, may be available if other benchmarks are met.
- Only uncompensated losses are eligible; insurance or other private or federal loan or grant proceeds not required to be applied against outstanding mortgages must be applied to losses and repairs prior to State funds;
- DHCD may require borrowers to obtain and maintain appropriate insurance.

Adjusting Eligibility in an Emergency Situation

Because the situation in Baltimore was unseen since the 1960's, and the widespread damage caused by fires, looting, and vandalism that stretched in wide swaths through the city, DHCD recognized the need to be nimble but also flexible with regards to these special loans. Many of the businesses affected were liquor stores, businesses that would traditionally be excluded from these state loan programs. But because of the urgency in restoring normalcy in Baltimore's communities, DHCD made exceptions to the existing requirements prohibiting liquor stores from state loans after consultation with the Maryland Attorney General's Office.

The department's position is that land use planning should not be done by looters and that the city of Baltimore has an open, collaborative zoning process for residents in its communities to debate the types of businesses located in their neighborhoods. Therefore, DHCD will evaluate each loan application on a case-by-case basis as these requests arise. The first loan for a Baltimore business was a cellular phone store for \$15,000.

Going Above Normal Efforts by Communicating to those Affected

More than half of the businesses affected by the riots were Latino or Korean owned. These business owners speak limited English and have some reticence when it comes to government. Recognizing that the department's efforts needed to be communicated to all of the businesses affected, DHCD with First Lady Yumi Hogan, believed to be the first Asian First Lady in the United States, met with Korean and Spanish-speaking business owners at workshops to explain the resources available to

Maryland Department of Housing and Community Development

Maryland Business Recovery for Baltimore

Special Achievement

them. First Lady Hogan even provided translation services at one workshop at a Korean church. DHCD has provided its applications in Spanish and Korean and has employed live translation services to those non-English speaking business owners seeking information.

Governor Hogan has challenged all state agencies to focus on customer services and, in the case of the recovery efforts for Baltimore, DHCD continues to work to ensure that all of the businesses affected know about the micro loan program in their native language so as to not create an additional barrier to them getting back in business as soon as possible.

Until the Job is Done

The Maryland Business Recovery micro loan program will continue to be available as long as necessary, with no defined sunset on its accessibility.

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State pushing low-interest loans to

revitalize Baltimore businesses

Photo above: Brewer Mike Kolankowski pours the yet-to-be unveiled Old Oriole Park Beer Bohemian Lager in tasting room of Peabody Heights Brewery. (Photos by Rebecca Lessner)

By Rebecca Lessner

For MarylandReporter.com

Maryland officials are looking to use micro-loans as a key tool in neighborhood revitalization, congratulating one state department on its efforts to support small business following the Freddie Gray protests.

Gov. Hogan praised the Department of Housing and Community Development (DHCD) at the Board of Public Works meeting last Wednesday, saying their assistance to Baltimore City small businesses after the state of emergency will help move the city toward “business as usual.”

“I think that micro-loan and micro-investment are really, really key to community growth and health,” said State Treasurer Nancy Kopp. “Using that to make people independent, not just in Baltimore City but throughout the state, would be a great next step for Maryland.”

Gap-financing to small businesses

The Neighborhood BusinessWorks loan program offers gap-financing to small businesses located in areas of need, and Business Recovery Loan is an emergency program recently enacted to offer no-interest loans to small businesses affected by the riots.

“This is the first time we’ve ever offered it at zero-percent,” said Carol Gilbert, the housing department’s assistant secretary for neighborhood revitalization. “Our secretary asked us to make it as simple and fast as possible and that’s what we’ve done.”

Since clean-up efforts had begun, DHCD and First Lady Yumi Hogan have had meetings with small business owners. Yumi Hogan is Korean-American and discussed in Korean the programs the state offers to help businesses regain their footing in the community.

“Of the 300 businesses damaged, most of them were Asian owned businesses and a majority of them were Korean,” said Hogan. “There was specific targeting of those groups.”

The department has translated loan applications into Spanish and Korean and plan to translate to other languages as needed.

Funding for the [Maryland Business Recovery loan](#) program comes out of the state’s \$5 million [Neighborhood BusinessWorks loan](#) program, created to support businesses that can’t fully finance their openings, renovations or expansions from private sources.

To qualify for the program, business must be located in “Sustainable Communities,” areas identified by county governments as a low-income area in need of a revitalization strategy or guided investments.

Businesses may be awarded up to \$35,000 for micro-loans (at 0% interest) and typically up to \$500,000 for larger loans (at 4% interest).

“We are not replacing the private sector, we are providing a bridge for small business owners who are not able to fully finance their projects,” said Gilbert.

Untapped potential

Peabody Heights Brewery, located in the heart of Charles Village just north of downtown Baltimore near Johns Hopkins University, was approved by BPW for a maximum \$500,000 loan through the Neighborhood BusinessWorks program.

With state assistance, the expanding brewery plans to nearly double its jobs, partner with more brewers across the state, open a tasting room and recently installed more fermenters.

“This is a growth industry in Maryland, somewhat as an untapped potential,” said Gilbert, receiving some laughs for the intentional pun. “The impact is very significant in Maryland.”

Gilbert estimates the impact breweries have in Maryland is about \$450 million a year.

The brewery itself operates as a co-op for local craft brewers, who use the space to produce beers like Raven Beer, Public Works’ Ale, Full Tilt’s Baltimore Pale Ale and a soon-to-be released Old Oriole Park Bohemian Lager, tying into the brewery’s historic location.

“Every square-inch of this brewery sits in what used to be left field, center field, second base and third base of what used to be old Oriole Park number five,” said brewery owner and president, Richard O’Keefe. “The history of this building is incredible.”

“It’s a great example of entrepreneurial spirit and how a little help from the state can invest and create jobs in an area that desperately needs them,” said Gov. Hogan.

Resource for other brew pubs



Assistant general manager Mike Kolankowski at the co-op brewery.(Photos by Rebecca Lessner)



Brewer Graham Crisler walks down aisle of fermenters.

Peabody draws in business from brew-pubs from across the state.

During a tour at the brewery this week, Mike Kolankowski, assistant general manager and brewer at Peabody, said he believes the brewing industry in Maryland has great potential for growth as these beer-focused restaurants begin to expand.

Motioning to the vast brewery filled with lines of fermenting stills, Kolankowski said, “This is great for brew-pubs because a brew-pub will never have the space. Here, they come in and say I want to mass produce something...this is built for that business.”

According to Gilbert, Housing and Community Development Secretary Kenneth Holt hopes to expand the Neighborhood BusinessWorks Program from a \$5 million program to a \$50 million program in future years.

RebeccaAnnLessner@gmail.com



About the Author



[Rebecca Lessner](#)

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