

Commercial Development Committee
Southwest Partnership
May 23, 2021

MINUTES

Introductions

1. Brandon Bacote
2. Carrie Baniszewski
3. Jane Buccheri
4. Troy Wilson
5. Gigi Lazard
6. Angel Mazwi
7. Nicole Orr
8. Valerie Crosby
9. Laura Dykes
10. Nikky Davis
11. Kurt Sommer
12. David Pope
13. Jeff Johnson
14. Paulette Carroll
15. Tonny Wambuga
16. Curtis Eaddy
17. Jason Hessler
18. Ashley Watson
19. Rason Taru
20. Savannah Burgess
21. Phoenix Harlee
22. Scott Kashnow
23. Zarva Taru

[Approval of April Minutes](#) - motion to approve- Jane Buccheri, seconded by Valerie Crosby, minutes approved

Guest Speakers:

- New Communications Manager - Dave Pope
- Lending Panel
 - Troy Wilson, Capital Bank
 - Pigtown resident 15 years
 - COmmercial banker, 15 years

- Acq, const, dev
- Brandon Bacote, M&T Bank
 - Business Banking Division, 1 Light St
 - Covers S. Baltimore
 - Works with start-ups to \$40 million businesses
 - Project size \$6 million and under
 - Middle Markets, Non-profit, Commercial Lending
- How can we attract lenders to SWP?
 - ask people who have experience
 - Lenders look for collateral and cash flow
 - Highlight experience, past projects, team in place
 - Form a relationship with a bank
 - Talk to as many bankers as you can
 - Lenders tightening up on real estate lending
 - M&T will lend to the right investor, again experience
 - Property stabilized, finance property once there is a tenant in place
 - Office spaces are high risk right now
 - Banks are looking to help small businesses grow, that is what grows the economy
- What information should a lendee have available for the first meeting with a loan officer
 - Tax return for businesses older than 2 years
 - Income statement
 - Balance Sheet
 - Smaller loans require less documentation
 - Personal Financial Statement
 - Debts
 - Resume
- What's the typical timeline to get a loan processed?
 - 2 weeks
 - Clock starts when lender receives complete package, application and all required documents
- What are the industries of interest?
 - Medical
 - CPA
 - Dental
 - Restaurants are more volatile
- What industries are risky
 - It's not so much that an industry is risky, it's if the deal or project is risky
 - Marijuana business are seen as risky right now, still federally illegal
- What suggestions would you give to more service oriented businesses, barbers, nail salons, etc?
 - Goes back to cash flow and collateral and does the individual have the resources to support the business and loan

- Help the lender tell your story
 - Have a concrete plan for what the loan is going to be used for
- How does being a regional bank impact lending to small businesses in West Baltimore
 - It doesn't, we lend to business in the area
- How risky are co-working, teleworking, coffee shop spaces?
 - Just help the lender understand the ask, the idea,
 - Trying to too much under one umbrella increases the risk of the business failing
- Last thoughts
 - Know your audience, banks want to get repaid, show how your going to make money from the beginning to the end, not the same pitch you make to an investor or partner. How do you make your money?
- What are the current ranges for interest rates for small business loans?
 - Commercial rates are higher than real estate rates
 - Rates change every day
 - Rates are based off prime i.e. Prime + 1.25%
 - Banks charge more than what they pay so if you're getting 5% on your money in the bank, add 3% to borrow
- How does a bank look at a loan for multiple businesses in one location
 - The business in this case is the landowner, not the individual businesses,
 - Should have a rent roll prepared, have leases ready
 - Business on the first floor and residential on the second diversifies your risk
- Jason Hessler - Deputy Commissioner, Permits and Plans Review
 - Over zoning, permit, licensing, etc
 - Close to entering into a contract with a vendor for a new permitting system
 - 12-14 months until rollout
 - 1st major replacement of permit system in @15 years
 - More user friendly
 - More intuitive
 - Processed 42,000 permits last year
 - Permits up from 30,000 ten years ago with no additional staff
 - All permits can be applied for online
 - Resources on website for first time permit appliers - series of videos & step by step PowerPoints
 - Resource Documents - sample drawings, sample site plan, guidelines for interior demolition, etc.
 - For issues with permits: Jason.hessler@baltimorecity.gov,
Ghanshyam.patel@baltimorecity.gov – Plans and permits supervisor,
Francis.udenta@baltimorecity.gov – plans review,
Peggy.white@baltimorecity.gov – permit office

Announcements

- SOWEBO Fest
 - This Sunday from 12-8
 - Over 100 vendors

Goals/Priorities/Incentives for 2023

- Permit expedition with Housing Committee
 - Permit taskforce
- Business Roundtable
- Business Highlights
- CHAP Historic District lead in a more equitable way
- Local lenders refusing to lend to Baltimore Street projects
- Showcase of businesses
- Vacant properties through tax sale
- Business directory
- Retail Study Followup

Updates

- Pigtown Mainstreet Updates - Meghan
- West Baltimore Street/Capital Projects Updates - Carrie
- CPBO Updates
 - Rason asks that we remove CPBO for the agenda

[Chair Responsibilities](#)