



CDFI's & Economic Development - Loan, Grant & Technical Assistance Programs

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What is a CDFI?

- ▶ COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI'S) share a common goal of expanding economic opportunity in low-income communities by providing access to financial products and services for local residents and businesses.
- ▶ CDFIs can be banks, credit unions, loan funds, microloan funds, or venture capital providers.
- ▶ CDFIs are helping families finance their first homes, supporting community residents, starting businesses, and investing in local health centers, schools, or community centers.
- ▶ CDFIs strive to foster economic opportunity and revitalize neighborhoods.
- ▶ FSC First has been a CDFI since 2000.

Community Development Financial Institutions

CDFIs are private financial institutions dedicated to delivering responsible, affordable lending to disinvested communities.

CDFIs Recycle Capital

As borrowers repay their loans, CDFIs recycle the money back into the community through new borrowers.



OFN.org

CDFIs create impact in all 50 states, the District of Columbia, Guam, and Puerto Rico by financing:



Affordable
Homes



Multi-Family
Housing



Community
Facilities



Small
Businesses



Energy
Efficiency



Quality
Jobs

FSC First Loan & Grant Programs - \$50+ Million

U.S. Small Business Administration

SBA 504	Unlimited up to \$5.5 Million per loan
Small Business THRIVE	\$2 Million Revolving

State of Maryland

VLT FLEX Fund	\$15.2 Million Revolving
Microenterprise Loan Fund	\$400,000 Revolving
SSBCI	\$2 Million

Local Municipalities & County Agency

City of Bowie RLF	\$400,000 Revolving
City of Mt. Rainier RLF	\$1 Million
EDC Business Expansion Fund	\$300,000 Revolving

Prince George's County Council

Small Business Capital & Growth Stimulus Program	\$3 Million (Loans & Grants)
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Green Bank

Commercial Property Assessed Clean Energy (C-PACE)	Unlimited
Green Energy Loan Fund	\$6 Million

Corporate Partners

Strive for 35 (Washington Gas & Light)	\$500,000
Healthcare Capital Fund (UMMS)	\$1 Million
Capital One Microenterprise Loan Fund	\$600,000 Revolving

County Executive's Office

Economic Development Incentive (EDI) Fund	\$50 Million Revolving
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Grant Programs

Purple Line Commerce 1.0 & 2.0	\$1,685,000 (Grants)
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FSC First Loan Programs

- **SBA 504** - supports 2nd trust loans for acquisition of owner/occupied real estate, long-term leasehold improvements, and machinery & equipment purchases. Loan Amount: \$250,000 - \$5.5 Million
- **Small Business THRIVE Fund** (SBA Community Advantage) - supports the day-to-day operations, smaller real estate transactions & equipment. Typical Loan Amount: \$25,000 - \$350,000

FSC First Loan Programs

- **VLT Small Business FLEX Fund** - intermediary lender for the State Department of Commerce -- supports working capital needs, without requiring a government guarantee or the funding of loan loss reserves. Loan Amount: \$25,000 to \$500,000
- **Microenterprise Loan Program** - supported by the MD Dept of Housing & Community Development for direct lending for working capital and equipment. Loan amount \$25,000 - \$50,000
- **SSBCI** - supported by MD DHCD, the State Small Business Credit Initiative is a federal program that seeks to provide loan and equity capital to small businesses throughout the State of Maryland. Created to support very small businesses (“**VSBs**”) and to socially and economically disadvantaged individual led businesses (“**SEDIs**”) or businesses operating in the CDFI investment areas. Loan Amount: up to \$500,000

FSC First Loan Programs

- **City of Mt. Rainier Million Dollar Incentive Fund** - Supported by the City of Mt. Rainier to provide incentives for businesses to relocate to, expand in, and undertake or invest in projects in the City of Mount Rainier that will provide jobs, increase the City's tax base, and improve the quality of housing and amenities available to City residents. Loans or forgivable loans up to \$25,000
- **City of Bowie Loan Fund** - supports the day-to-day operations, equipment & working capital for businesses located in the City of Bowie. Loan Amount: \$25,000 - \$50,000
- **Business Expansion Fund** - Supported by the Prince George's County Economic Development Corporation to assist local, small & minority businesses in Prince George's County with bridge financing for business expansion with flexible financing options. Loan amounts: Varies.

FSC First Loan Programs

- ▶ **EDI Fund** - supports job creation & County's commercial tax base, longer repayment term and flexible interest rate to assist in the retention, attraction and expansion of County businesses. Designed to increase economic impact of public & private investment. Loan Amounts: Varies depending on economic impact
- ▶ Sub Programs:
- ▶ Special Assistance for Local Entrepreneurs (SALE)
- ▶ Capital Advantage Program (CAP)



Prince George's County Small Business Capital & Growth Stimulus Program

Legislation establishes a non-lapsing fund from which the County shall provide funding for the programs authorized under this section. Initial funding \$3 Million.

Prince George's County Business Expansion and Start-Up Grant Program

- Maximum annual grant award from this program shall be \$250,000

Prince George's County Business Expansion and Start-Up Loan Program

- Maximum annual loan award from this program shall be \$250,000
- Loan repayment shall include 0% interest rates & 12 month payment deferment

Prince George's County Technology Incentive Program

- Matching grant funds up to \$250,000 for Maryland Biotechnology Investment Tax Credit recipients


Prince George's County NEW Technologies Incentive Program

- Maximum grant up to \$250,000 for County businesses in the quantum computing, bioscience, AI and cybersecurity sectors

Prince George's County Small Business Accelerator Program

- Grants awarded to foster the expansion or establishment of County, small, minority business capacity accelerator programs

FSC First Loan Programs

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- ▶ **Commercial Property Assessment for Clean Energy (C-PACE)** - provides for the financing of energy efficiency, renewable energy, and water conservation upgrades to commercial buildings. Upgrades are financed, up to 20% of appraised value, through an energy lender and then repaid via an annual assessment on the property tax bill over a long term. Implementation Plan recently submitted to the County Council. Loan Amounts: Varies.
 - ▶ **Green Energy Loan Fund** - a Pepco/Exelon sponsored program that supports an emerging industry in the County with direct loans, loan guarantees or loan loss reserves to back local banks that fund direct loans for commercial building energy efficiency improvements, energy conservation & renewable energy measures. Loan Amounts up to \$250,000 typically but flexible.

FSC First Loan Programs

- **Strive for 35** - Supported by the Washington Gas Light Company for the purpose of funding the development of minority-owned, women-owned, and service-disabled veteran-owned business interested in serving the natural gas industry. Loan Amount: \$50,000 - \$100,000.
- **Healthcare Capital Fund** - Supported by the University of Maryland Medical Systems this program created increase economic stability and growth that is associated with healthy communities; to promote good health in our communities, social determinants of health must be addressed so that everyone has an equal opportunity to access quality healthcare. Loan Amount: up to \$100,000. Other business types also eligible.
- **Microenterprise Loan Program** - supported by Capital One Bank for direct lending for working capital and equipment. Loan amount \$25,000 - \$50,000

EDI Fund Loan

Livingston Square \$24 Million Redevelopment

9580 Livingston Rd, Ft. Washington, MD

- ✓ \$2 Million Conditional EDIF Loan
- ✓ Prevented fresh food access void in the community by restoring a major grocer
- ✓ Retained 55 jobs * Created 100 jobs
- ✓ Broadened the local economy & commercial tax base
- ✓ Special Assistance for Local Entrepreneurs (SALE) qualified under CB-78-2013
- ✓ Supported a small, local & minority owned developer
- ✓ Incentivized \$22 Million in private investment



Capital Stack & Loan Structure

EDI Fund	Bank	Equity & Take Back
\$2,000,000	\$16,123,610	\$6,141,204
	TOTAL	\$24,264,814

Courtyard by Marriott

► The total project costs for land, construction, furniture/fixtures, contingency reserve professional fees and soft costs totaled \$25,080M project.

► 144 key Marriott flag.

► 93 jobs created for County residents exceeding requirement of 67 to meet the job creation goal.

► Met public policy goal of being a minority owned business.

► Increased commercial property tax base.

► FSC First Capital Stacking structure:

► Bank: \$12,540,000 (50.00%)

► SBA 504: \$ 4,890,000 (19.50%)

► EDI Fund: \$ 1,400,000 (5.58%)

► State of MD: \$ 700,000 (2.79%)

► VLT Flex: \$ 500,000 (1.99%)

► Microloan: \$ 34,000 (0.14%)

► Owner Equity: \$ 5,016,000 (20.00%)

► Total Financing \$25,080,000



C-PACE Project

- ▶ Southern Friendship Missionary
- ▶ FSC First administers County Green Bank
- ▶ Lender: Greenworks Lending
- ▶ \$680,000 C-PACE Loan
- ▶ 25 year annual tax assessment of approx. \$58,000
- ▶ Energy conservation measures through lighting, HVAC and roof
- ▶ Over 427,000 kWh saved or approx. \$92,000 annually



Microenterprise Fund & City of Bowie

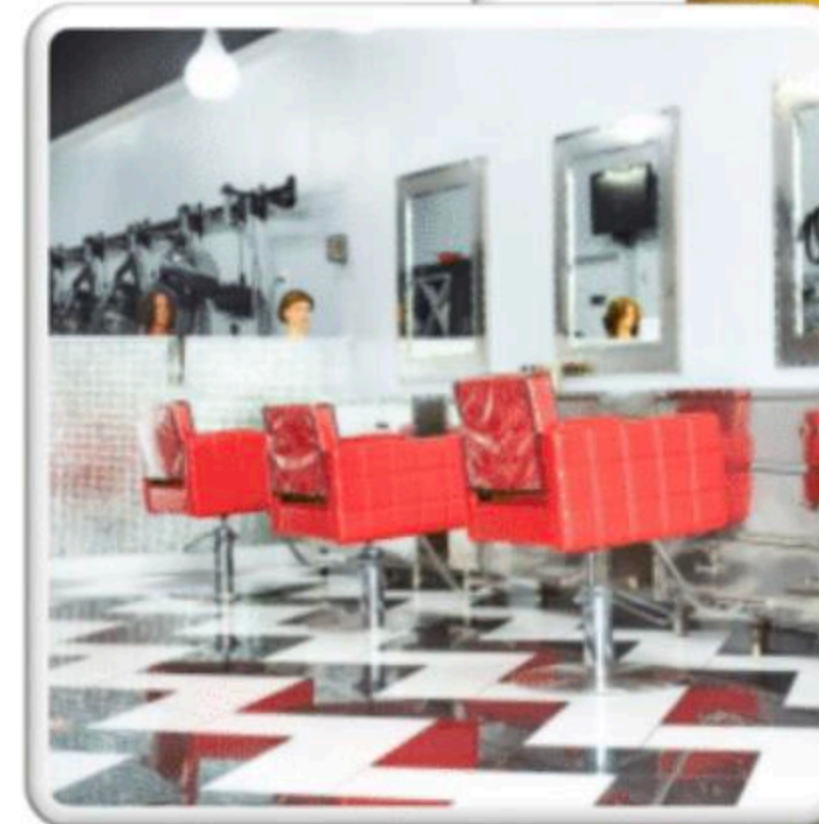
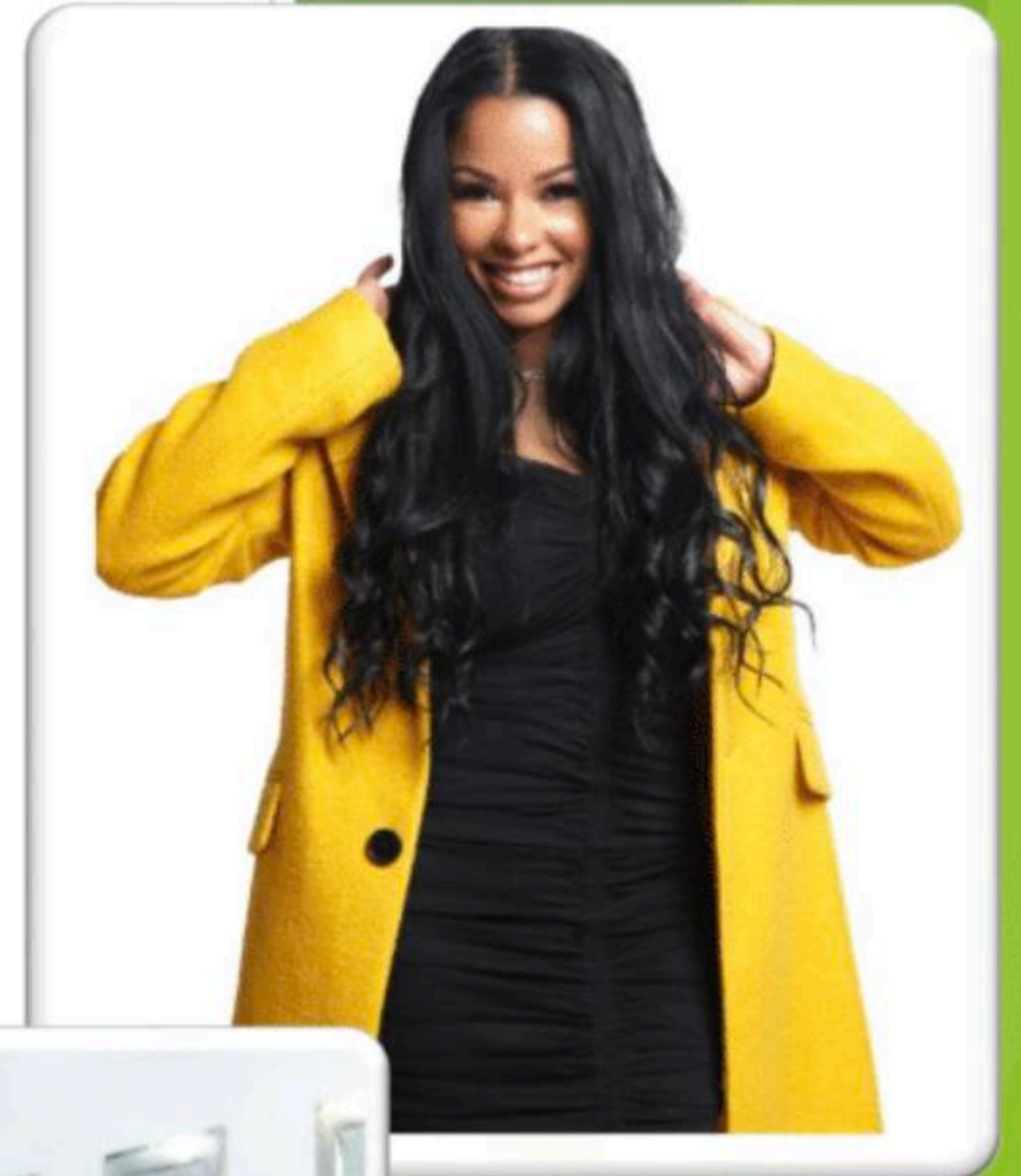
Salon 809

Bowie, MD

- ✓ \$100,000 Micro & COB Fund
- ✓ Expansion to 3rd location, working capital & equipment
- ✓ Created 10 new jobs
- ✓ **Minority & Woman owned**
- ✓ Increased commercial tax base

Capital Stack & Loan Structure

FSC First - Micro	FSC First - COB	Owner's Equity	Total Project
\$50,000	\$50,000	\$20,000	
			\$120,000

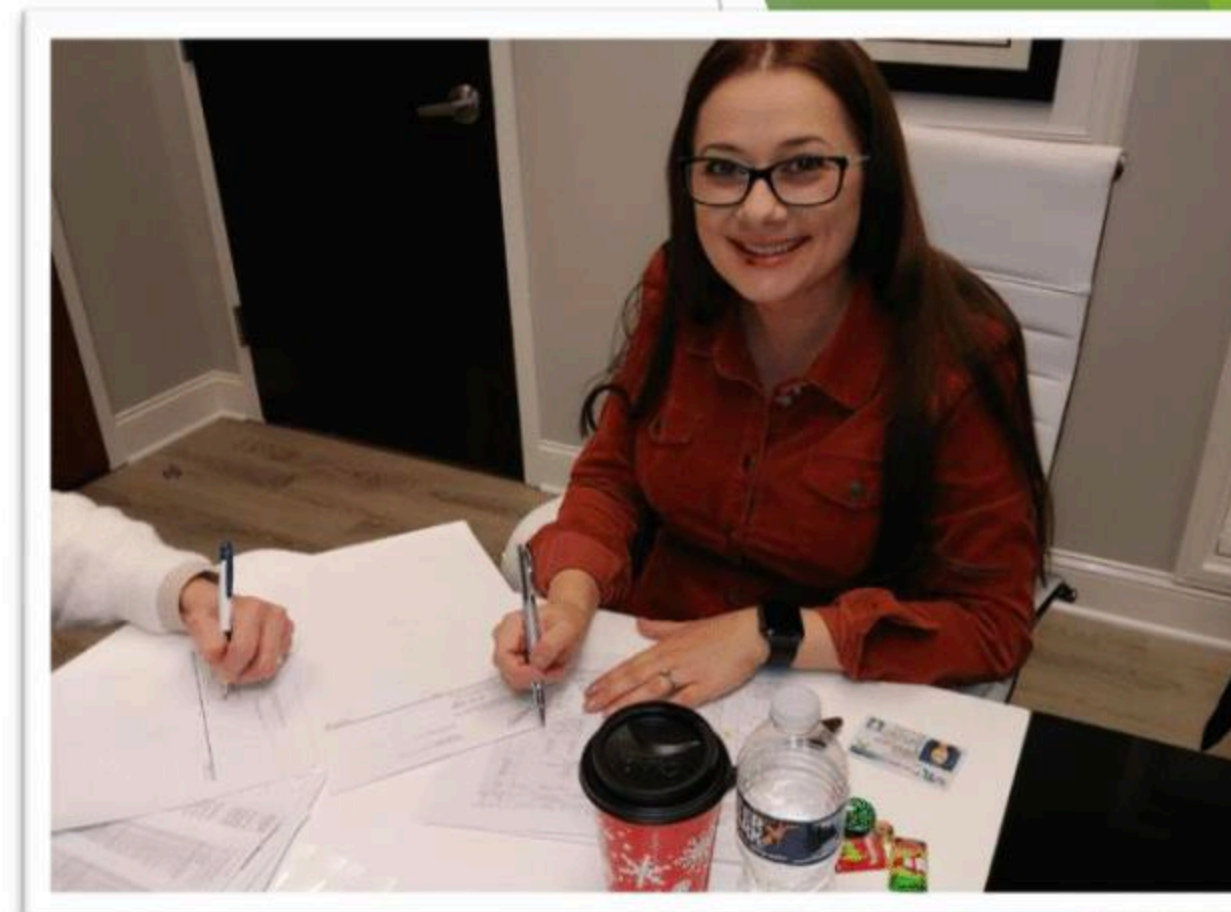


Small Business Growth Fund Loan (now THRIVE Fund)

Harbor Wines

Upper Marlboro, MD

- ✓ \$203,000 SBGF loan
- ✓ Building purchase for expanding wine distributor
- ✓ 5 new jobs created for the County
- ✓ Increased commercial tax base



Capital Stack & Loan Structure

FSC First	Owner Equity	Total Project
\$203,000	\$32,500	
		\$235,500

VLT FLEX Loan

21st Century Expo Group

National Harbor, MD

- ✓ \$250,000 VLT FLEX loan
- ✓ Funding for software upgrades, working capital and FF&E
- ✓ 15 new jobs created for County
- ✓ Minority and woman owned
- ✓ Increased commercial tax base



Capital Stack & Loan Structure

FSC First	Owner Equity	Total Project
\$250,000	\$0**	
	**100% funding due to previous lending record with FSC	\$250,000

Level Up Program

The **Level Up** Program provides training, coaching, mentoring and professional services to help business grow.

CAPITAL
MATTERS

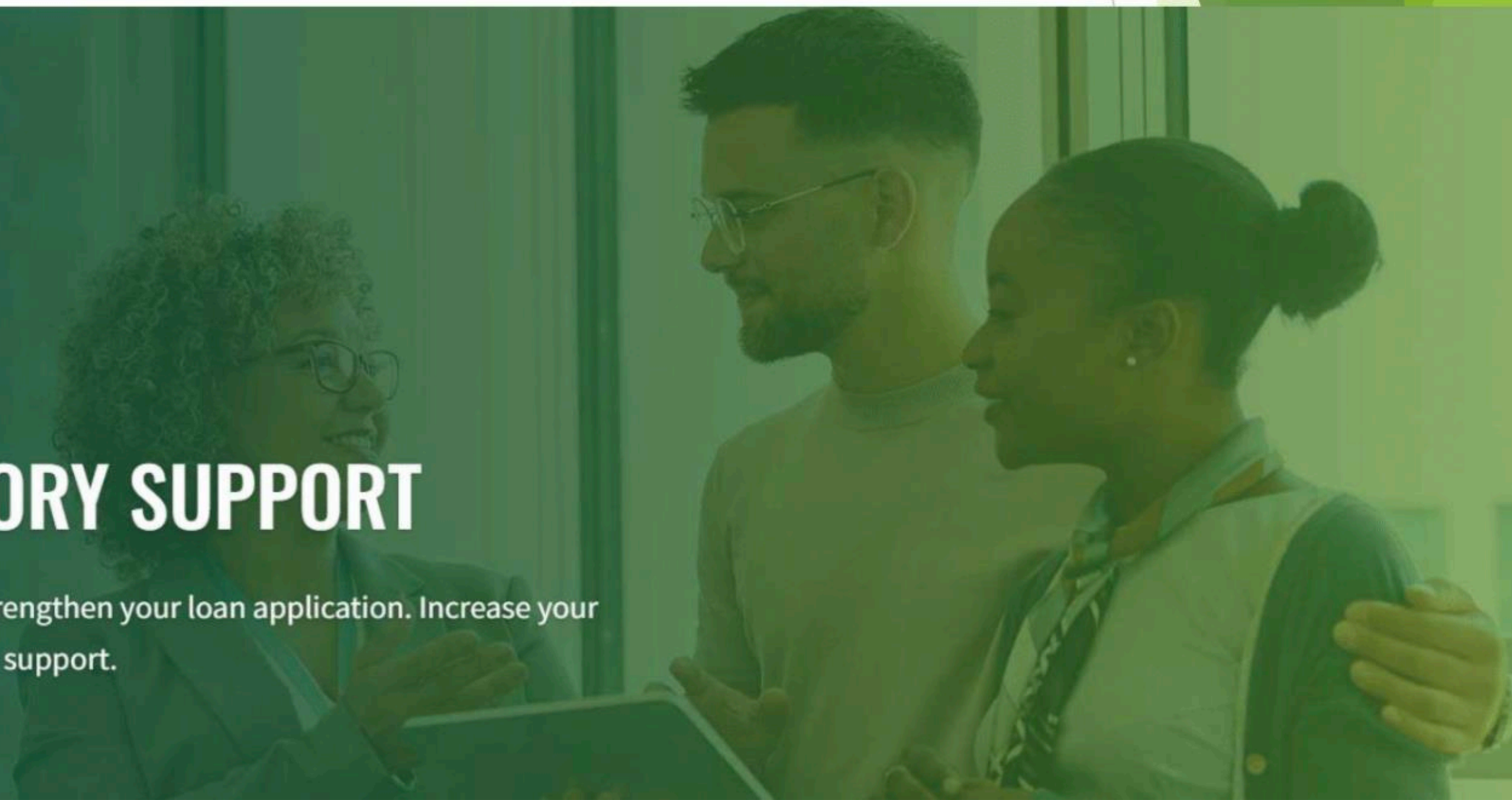
LEVEL
UP 
Powered by FSC First

TRACK 1

BUSINESS PREPARATORY SUPPORT

Equip yourself with the knowledge and tools to strengthen your loan application. Increase your chances of loan approval with our comprehensive support.

Presenter: Will Holmes, Will Homes Consulting



Level Up Program



CAPITAL MATTERS

The Capital Matters program equips small business owners with the essential financial management tools necessary for growth.



COACHING AND CONSULTING

Get matched with our industry expert business coaches, planners, and accountants to take your business to the next level.



MAXIMIZING YOUR BUSINESS PLAN'S POTENTIAL W/ LIVEPLAN

Our business planning tools and resources are packed full of information, knowledge, and data to help you understand how to grow your business effectively.

Contact FSC First
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