



Larry Hogan | Governor
Boyd Rutherford | Lt. Governor
R. Michael Gill | Secretary of Commerce
Benjamin H. Wu | Deputy Secretary of Commerce

September 25, 2017

The Honorable Thomas V. "Mike" Miller, Jr.
President, Maryland State Senate
H-107 State House
Annapolis, Maryland 21401-1991

The Honorable Michael E. Busch
Speaker, Maryland House of Delegates
H-101 State House
Annapolis, Maryland 21401-1991

RE: Small, Minority, and Women-Owned Businesses Account Annual Report

Dear President Miller and Speaker Busch:

In accordance with §5-1501 of the Economic Development Article, we are pleased to submit the annual report on the Small, Minority, and Women-Owned Businesses Account – Video Lottery Terminal (VLT) detailing the program activity for the Account.

We look forward to your review of this report and are happy to furnish any additional information that is required. Should you require additional information, please contact me at 410-767-6301.

Sincerely,

R. Michael Gill
Secretary

Enclosure

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

ANNUAL FINANCIAL STATUS REPORT
STATE ECONOMIC DEVELOPMENT ARTICLE

SECTION 5 SUBTITLE 15-01

Submitted by:

The Maryland Department of Commerce

As of June 30, 2017

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**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

History and Program Description

Article XIX of the Maryland Constitution authorizes video lottery terminals (VLTs) to fund education. This provision was enacted pursuant to Chapter 5, Acts of the 2007 Special Session and ratified by Maryland voters in the November 2008 General Election. As a result, Chapter 4, Acts of the 2007 Special Session also became effective and established the Small, Minority, and Women-Owned Businesses Account (the Account) under the Authority of the Board of Public Works (BPW).¹

State Government Article §9-1A-27 requires that 1.5 percent of the proceeds from VLTs at each video lottery facility be paid into the Account. State Government Article §9-1A-35 requires BPW to make grants to eligible fund managers to provide investment capital and loans to small, minority, and women-owned businesses in the State, of which at least 50 percent must be allocated to such businesses in the jurisdictions and communities surrounding a video lottery facility. BPW designated the Department of Commerce (Commerce), to manage the Account on their behalf, through a Memorandum of Understanding dated August 22, 2012. However, in May 2017 Governor Hogan approved Chapter 453, Acts of 2017, which transferred authority over the program from BPW to Commerce.

Licenses were awarded to operate VLT casinos in Cecil, Worcester, Anne Arundel, Allegany, Prince George's Counties and Baltimore City. The casinos in Cecil, Worcester, and Anne Arundel Counties began VLT gaming operations on September 27, 2010, January 4, 2011, and June 6, 2012, respectively. VLT gaming operations opened in Allegany County at the Rocky Gap Resort in May of 2013. The Baltimore VLT facility opened in August of 2014. National Harbor in Prince George's County opened in December of 2016. The Account began receiving funds during fiscal year 2011 when the first VLT facility began gaming operations.

Awards are as follows:

Fund Manager	Secretary Item 15 (4/17/13)	Secretary Item 9 (6/18/14)	Secretary Item 10 (06/18/14)	Secretary Item 4 (6/23/15)	Secretary Item 7 & 8 (6/22/16)
\$ Amounts MILLIONS					
Anne Arundel Economic Development	\$3.36	\$2.00		\$1.85	\$4.00
Baltimore County Economic Development			\$1.50	\$1.60	\$3.00
Baltimore Development Corporation			\$1.00	\$1.75	\$3.00
FSC First					\$2.00
Howard County Economic Development			\$1.50	\$1.75	\$3.00
Maryland Capital Enterprises	\$1.00			\$1.00	\$2.68
Meridian Management Group	\$3.50	\$2.00		\$2.15	\$4.00
Tri County Council of Western MD			\$1.10	\$1.00	\$2.50
Total Awarded	\$7.86	\$4.00	\$5.10	\$11.10	\$24.18

¹ See also State Government Article §9-1A-35

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

A summary of Account activity through June 30, 2017 is presented below. Revenues into the Account were \$12,948,556, with disbursements from the Account for Fund Managers including administrative expenses of \$6,537,943. Remaining encumbrance of \$18,821,075 represent prior and new Fund Manager encumbrances. The available balance at June 30, 2017 was \$446,830. There is no appropriation for fiscal year 2018.

Small, Minority, and Women-Owned Businesses Account

Starting FY17 Balance	\$14,817,292
	FY 2017 Funds Transferred
	<u>\$12,948,556</u>
Total Balance	\$27,765,848
	FY 2017 Disbursements
	-\$6,537,943
Ending FY16 Balance	\$21,227,905
<u>(less) Encumbrances as of 6/30/17</u>	<u>-\$18,281,075</u>
Pending Transfer to DHCD (Ellicott City)	-\$2,312,500
Pending Transfer to Nonprofit Bridge Loan Program	-\$187,500
Available funds	\$446,830

Since Inception of the Fund to June 30, 2017, (378) transactions have been approved for \$43.7 million, projected to create 2,237 new jobs and retain 3,269, leveraging \$111.2 million in private sector capital. A total of (333) transaction have settled for \$36.3 million expected to create 1,777 jobs and retain 2,633 leveraging \$114.7 million in private sector capital.

Fund Manager	# Approved Since Inception	Amount	Private Sector Dollars Leveraged	New Jobs	At Risk/Retained Jobs
Anne Arundel County Economic Development	62	\$ 9,365,000	\$ 34,075,190	447	397
Baltimore County Economic Development	33	\$ 3,870,800	\$ 21,800,000	236	326
Baltimore Development Corporation	19	\$ 3,422,000	\$ 18,400,000	329	956
FSC First	6	\$ 1,387,000	\$ 25,951,359	142	42
Howard County Economic Development	39	\$ 5,885,000	\$ -	335	381
Maryland Capital Enterprise	98	\$ 3,629,763	\$ -	149	235
Meridian Management Group	106	\$ 13,487,799	\$ -	468	777
Tri County Council of Western MD	15	\$ 2,683,173	\$ 11,023,348	131	155
Since Inception	378	\$ 43,730,535	\$ 111,249,897	2,237	3,269

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

Fund Manager	# Settled Inception	Amount Settled	Private Sector Dollars Leveraged	New Jobs	At Risk/Retained Jobs
Anne Arundel County Economic Development	52	\$7,569,000	\$28,556,756	317	351
Baltimore County Economic Development	29	\$3,320,800	\$19,817,000	211	299
Baltimore Development Corporation	18	\$3,364,500	\$16,500,000	291	706
FSC First	4	\$855,000	\$24,728,359	107	14
Howard County Economic Development	34	\$5,010,000	\$9,914,110	293	328
Maryland Capital Enterprise	96	\$3,464,763	\$0	147	231
Meridian Management Group	88	\$10,737,626	\$6,235,900	335	608
Tri County Council of Western MD	12	\$2,008,173	\$8,961,348	76	96
Since Inception	333	\$36,329,862	\$114,713,473	1,777	2,633

Four Fund Managers, Baltimore Development Corporation, Maryland Capital Enterprises, Howard County Economic Development, and Meridian Management Group reported delinquencies greater than 90 days. AAEDC has one loan charge off and Meridian Management had two.

Fund Managers' income since inception was \$2.5 million with reported expenses of \$4.3 million. Total principal repayments were \$6.0 million, which can be used to make additional loans.

Fund Manager Income & Principal Repayments Since Inception	Fund Manager Income	Principal Repayments
Anne Arundel Economic Development	\$431,300	\$1,414,490
Baltimore County Economic Development	\$159,201	\$412,637
Baltimore Development Corporation	\$201,435	\$722,239
FSC First	\$23,154	\$1,542
Howard County Economic Development	\$308,314	\$967,058
Maryland Capital Enterprise	\$315,441	\$773,863
Meridian Management Group	\$869,034	\$1,499,780
Tri County Council of Western MD	\$272,513	\$221,187
Total	\$2,580,393	\$6,012,796

Bank Accounts: Fund Managers are required to have a State interest bearing checking account to manage VLT fund activity. The eight State VLT checking accounts below had \$3.9 million at June 30, 2017 to be used for VLT loans and investments.

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

Fund Manager	Checking Account Balance as of 06/30/17
Anne Arundel Economic Development	\$395,312.00
Baltimore County Economic Development	\$633,082.00
Baltimore Development Corporation	\$692,905.00
FSC	\$484,842.00
Howard County Economic Development	\$473,690.00
Maryland Capital Enterprise	\$197,395.00
Meridian Management Group	\$798,455.00
Tri County Council of Western MD	\$244,947.00
Total Funds in State Checking Accounts	\$3,920,628.00

Fund Managers expenses since inception were \$4.3 million, which includes the 8% start-up fee. Out of the \$4.3 million in expenses claimed by the Fund Managers, Commerce has reimbursed \$1.6 million to the Fund Managers this includes the original 8% stand-up fee and excess expenses.

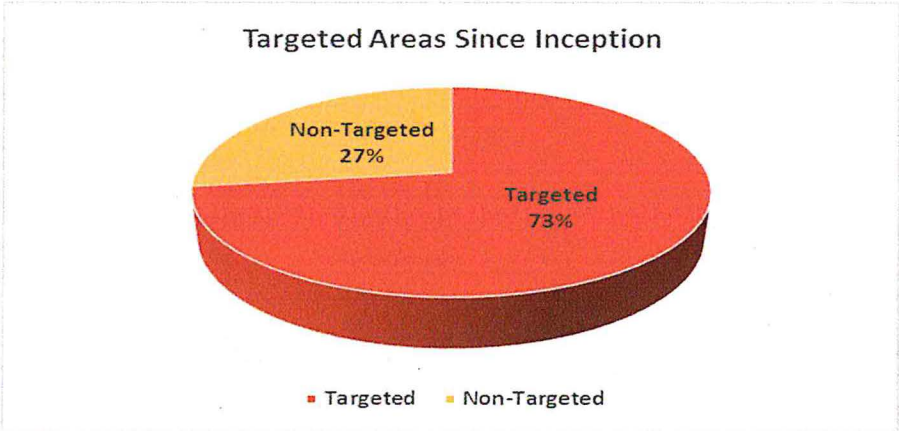
Fund Manager	Awarded	Actual Expenses	Reimbursed Expenses	Exp/Award
Anne Arundel Economic Development	\$11,210,000.00	\$1,145,436	\$556,296	5%
Baltimore County Economic Development	\$6,100,000.00	\$61,414	\$34,518	1%
Baltimore Development Corporation	\$5,750,000.00	\$140,000	\$80,000	1%
FSC	\$2,000,000.00	\$37,136	\$37,136	2%
Howard County Economic Development	\$6,250,000.00	\$333,009	\$206,948	3%
Maryland Capital Enterprise	\$4,680,000.00	\$209,214	\$80,000	2%
Meridian Management Group	\$11,650,000.00	\$2,121,033	\$542,296	5%
Tri County Council of Western MD	\$4,600,000.00	\$241,241	\$113,144	2%
Total	\$52,240,000.00	\$4,288,483	\$1,650,338	3%
DHCD Reduction	-\$2,500,000.00			
Total Award	\$49,740,000.00			

More than 50% of funds were deployed to targeted areas as required by statute since inception of the program.

TARGETED AREAS

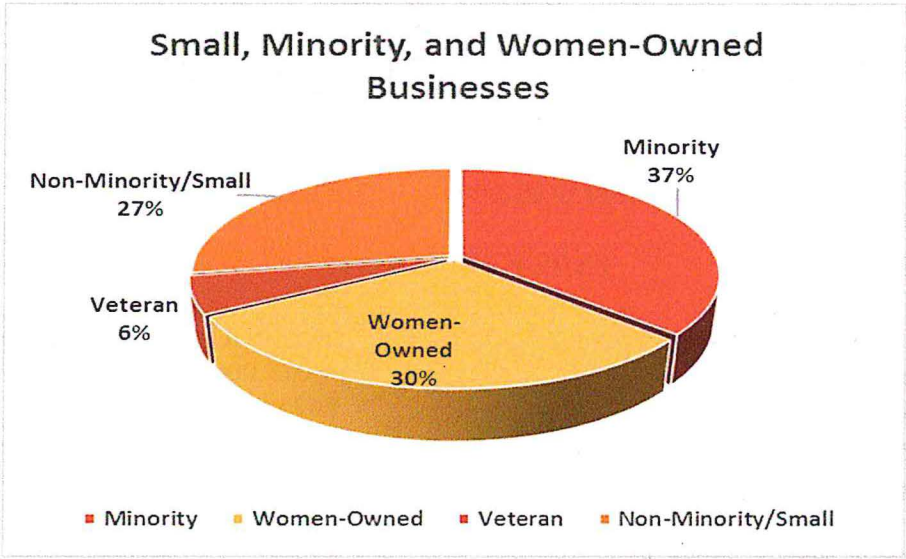
Since Inception	Targeted	Non-Targeted
Anne Arundel County Economic Development	\$4,859,750	\$2,709,250
Baltimore County Economic Development	\$2,415,500	\$905,300
Baltimore Development Corporation	\$2,918,500	\$446,000
FSC First	\$535,000	\$320,000
Howard County Economic Development	\$4,675,000	\$335,000
Maryland Capital Enterprise.	\$2,273,568	\$1,191,195
Meridian Management Group	\$7,241,636	\$3,495,990
Tri County Council of Western MD	\$1,540,000	\$468,173
	\$26,458,954	\$9,870,908

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)



SMALL, MINORITY, WOMEN, AND VETERAN OWNED

Since Inception, \$36.3 million were deployed to small, minority, and women-owned businesses broken down as follows: \$13.3 million to minority owned businesses, \$11 million to women-owned businesses, and \$2.0 to veteran owned businesses and \$10 million to non-minority small businesses².



For Fiscal Year 2017 (102) transactions have been approved for \$11.1 million, projected to create 726 jobs and retain 928 jobs, leveraging \$48 million of private sector capital. Total of (93) transactions have settled for \$10.2 million, expected to create 581 jobs and retain 982 jobs, leveraging \$43.8 million in private sector capital.

² Minority status is self-reported by the borrower

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

Fund Manager	# Approved FY 17	Amount	Private Sector Dollars Leveraged	New Jobs	At Risk/Retained Jobs
Anne Arundel Economic Development	12	\$1,690,000	\$7,288,434	69	91
Baltimore County Economic Development	6	\$775,000	\$2,484,000	32	44
Baltimore Development Corporation	6	\$766,000	\$7,385,500	167	378
FSC First	6	\$1,387,000	\$25,901,359	142	42
Howard County Economic Development	15	\$2,295,000	\$2,955,600	123	136
Maryland Capital Enterprise	37	\$1,629,500	\$0	60	83
Meridian Management Group	17	\$2,206,000	\$0	86	138
Tri County Council of Western MD	3	\$430,000	\$2,062,000	47	16
FY 17 Total	102	\$11,178,500	\$48,076,893	726	928

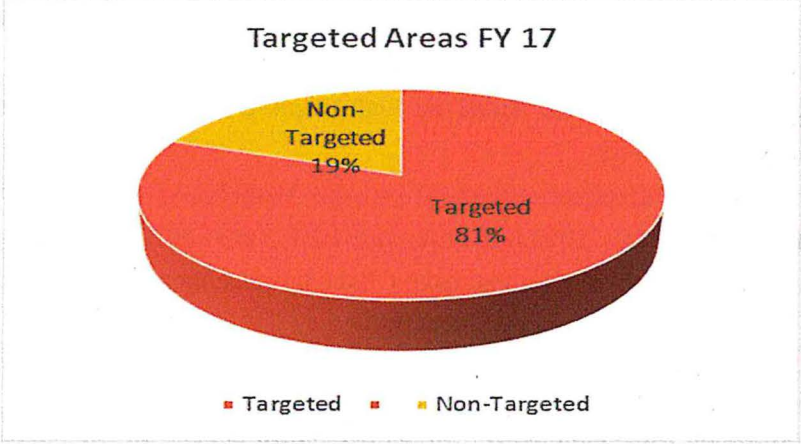
Fund Manager	# Settled FY 17	Amount Settled	Private Sector Dollars Leveraged	New Jobs	At Risk/Retained Jobs
Anne Arundel Economic Development	9	\$1,240,000	\$7,121,000	45	89
Baltimore County Economic Development	5	\$625,000	\$1,729,000	12	72
Baltimore Development Corporation	5	\$745,000	\$6,589,500	129	380
FSC First	4	\$855,000	\$24,728,359	107	14
Howard County Economic Development	16	\$2,150,000	\$2,955,600	137	180
Maryland Capital Enterprise	35	\$1,464,500	\$0	58	79
Meridian Management Group	16	\$2,483,324	\$0	74	89
Tri County Council of Western MD	3	\$670,000	\$740,000	19	79
FY 17 Total	93	\$10,232,824	\$43,863,459	581	982

More than 50% of funds were deployed to targeted areas as required by statute in the fiscal year.

TARGETED AREAS

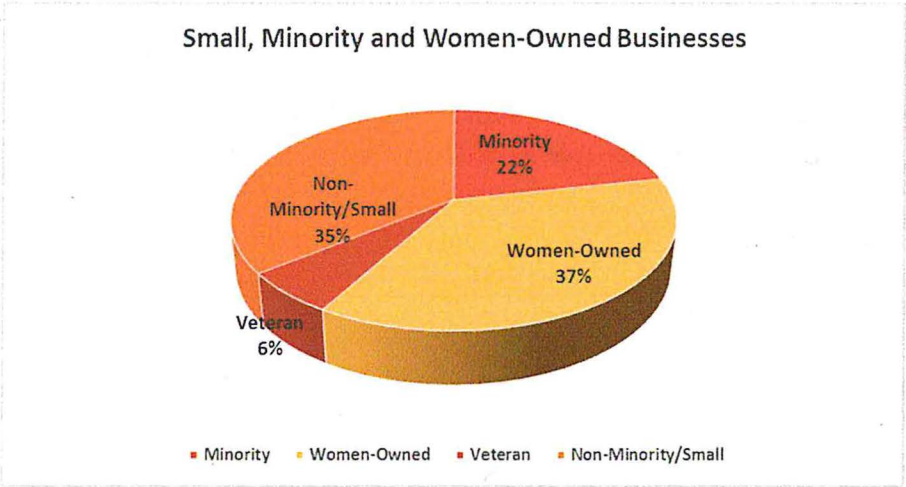
Fiscal Year	Targeted	Non-Targeted
Anne Arundel	\$1,075,000	\$165,000
Baltimore County	\$625,000	\$0
Baltimore Development Corporation	\$745,000	\$0
FSC First	\$535,000	\$320,000
Howard County	\$1,890,000	\$260,000
Maryland Capital Enterprise	\$1,124,500	\$340,000
Meridian Management Group	\$1,589,834	\$893,490
Tri County Council of Western MD	\$670,000	\$0
	\$8,254,334	\$1,978,490

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**



SMALL, MINORITY, WOMEN, AND VETERAN OWNED

For fiscal year 2017, \$10.2 million were deployed to small, minority, and women-owned businesses broken down as follows: \$2.2 to minority owned businesses, \$3.7 million to women-owned businesses, \$625,000 to veteran owned businesses, and \$3.7 million to non-minority small businesses.



FUND MANAGER CUSTOMER SATISFACTION SURVEY

Commerce developed a customer satisfaction survey this year. The survey consisted of fourteen questions and distributed via email to 41 companies using *Survey Monkey*. Recipients selected were from the Salesforce VLT Partner Portal. Out of the 41 companies, 10 companies responded resulting in a 24% response rate. Below is a summary of the results:

- 80% of the respondents were Very Satisfied with the service received from the Fund Manager
- 80% of the respondents were Very Likely to hire new employees in next year and 10% said Somewhat Likely

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

- 60% of the respondents found the application process to be Somewhat Easy, 10% Very Easy, 20% Somewhat Difficult, and 10% Very Difficult
- 60% of respondents were Very Satisfied loan terms and 30% were Somewhat Satisfied, and 10% Very Unsatisfied
- 30% found the Fund Manager settlement process Very Easy, 40% Somewhat Easy, 10% Neither Difficult nor Easy, 10% Difficult, and 10% Very Difficult
- 80% reported that the loan or investment was helpful in growing their business, 10% Somewhat Helpful, and 10% Very Unhelpful
- 90% were Very Likely to refer another business to the Fund Manager

Commerce has collected and reviewed the Fund Managers' activity from July 1, 2016 through June 30, 2017. Below is a presentation of each Fund Manager's activity along with a listing of the Account transactions and disbursement activity.

FUND MANAGER ACTIVITY

Anne Arundel County Economic Development Corporation VOLT (AAEDC)

The mission of the AAEDC is to support business and serve as a catalyst for business growth in Anne Arundel County thereby increasing job opportunities, expanding the tax base and improving quality of life.

By providing investment and technical assistance and fostering community revitalization initiatives, the AAEDC plays a vital role in enhancing commercial districts, improving county infrastructure, increasing agriculture-based business and promoting high-value business sectors such as technology and national security.

To accomplish its mission, AAEDC:

- Recruits new businesses to locate in Anne Arundel County and assists in the expansion of existing businesses
- Anticipates and addresses workforce development needs of the county's business community
- Promotes Anne Arundel County as a premier location for business
- Provides advocacy for Anne Arundel County businesses undergoing the regulatory and approval process
- Provides financing assistance to county businesses
- Incentivizes redevelopment and revitalization along older commercial corridors
- Promotes technology development and attracts start-up ventures through Anne Arundel County's technology incubator, the Chesapeake Innovation Centre
- Promotes agriculture development and expands markets for agri-business

The VOLT Fund Loan Program:

Businesses in Maryland may qualify for a loan of between \$25,000 to \$500,000 for expenses such as business and commercial real estate acquisition and expansion, leasehold improvements, equipment and vehicle purchase, and working capital. In May of 2013, the Maryland Department of Commerce contracted the management of \$3,360,000 to AAEDC. This contract was amended on July 1, 2014 for \$2,000,000 and on July 1, 2015 for an additional \$1,850,000 in funding. The contract was amended June 30, 2016 for \$4,000,000 for two fiscal years. This amount was later reduced to \$3,586,463 for a total of \$10,769,463 under management as of June 30, 2017.

Program Performance Since Inception to June 30, 2017

- Sixty-two (62) applications were approved for financing totaling \$9,365,000. AAEDC approved seventeen (17) loans in the amount \$3,150,000 that were loans with equity features and forty-five (45) loans for \$6,215,000 that were conventional loans.
- Potential impact of all approvals was 447 new jobs, 397 retained jobs, and total project costs of \$34,075,190.
- Thirty-six (36) loans for \$5,747,750 was approved to businesses inside the radius and twenty-six (26) for \$3,617,250 were outside the radius. Eighteen (18) loans approvals in the amount \$2,670,000 were to minority owned businesses, nineteen (19) for \$3,082,000 were woman owned businesses, and nine (9) for \$996,000 were veteran owned businesses.
- Fifty-two (52) loans settled for \$7,569,000.
- Economic impact of all closed transactions is 317 new jobs, 351 retained jobs, and total project costs of \$28,556,756.
- Of the closed loans, thirty-one (31) loans for \$4,859,750 were within the targeted areas of the six (6) existing VLT facilities and twenty-one (21) for \$2,709,250 was outside of the radius. Seventeen (17) loans for \$2,582,000 were woman owned businesses, fifteen (15) loans for \$1,982,000 were minority owned businesses, and seven (7) loans for \$746,000 were veteran owned businesses. Loans were made to a variety of industry sectors including: retail, marketing, childcare, construction, manufacturing, a personal training gym, cyber security, software as a service companies, medical technology, biotechnology, service based technology companies, home health care, medical device, restaurant, and an alcoholic beverage manufacturer.
- Total income was \$431,300.12
- Total principal repayment of \$1,414,489.88

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

- Total expenses were \$1,145,436.32
- \$150,000 charged
- No past due loans
- No recoveries
- There has been a 388% return on investment for the Fund since inception.
- The fund balance available to lend as of 6/30/2017 was \$3,639,098.

Program Activity for FY 2017

- The VOLT fund received 100 applications. Conventional applications totaled 48 and 52 applications for loans with equity features. Twelve (12) applications were approved for financing totaling \$1,690,000. Of these applications, three (3) loans in the amount \$700,000 were loans with equity features and nine (9) loans for \$ 990,000 were conventional loans.
- Eighty-eight (88) applications were declined
- Potential impact of all approvals was 69 new jobs, 91 retained jobs, and total project costs of \$7,288,434.
- Seven (7) loans in the amount of \$1,225,000 were in a targeted area, five (5) loans for \$465,000 were outside the targeted area, three (3) loans in the amount \$300,000 were to woman owned businesses, and two (2) loan in the amount of \$175,000 was to a veteran owned business.
- Twelve (12) loans were approved for \$1,690,000
- Nine (9) loans settled for \$1,240,000.
- Forty-five (45) new jobs were created, 89 jobs were retained, and total investment was \$7,121,000.
- Six (6) loans in the amount of \$1,075,000 were in a targeted area, three (3) loans for \$165,000 were outside the targeted area, two (2) loans in the amount \$250,000 were to woman owned businesses, and one (1) loan in the amount of \$75,000 was to a veteran owned business.
- Loans were made to a variety of industry sectors including: marketing, childcare, a boat kit manufacturer, a restaurant, a chiropractor, two (2) software as a service companies, a cybersecurity company and a dance studio.

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

- Total income was \$138,903.35
- Total expenses were \$211,522.86
- Principal payments were \$634,107.16
- No loans charged off
- No recoveries in FY 2017

Overall Portfolio Performance

- The VOLT Fund has a portfolio of forty-seven (47) loans with a principal balance of \$5,904,493.32. This is further broken down as thirty-three (33) in conventional loans with a current principal balance \$3,120,093.53 and fourteen (14) loans with equity features (patient capital loans) with a current principal balance \$2,784,399.79.
- No loans were past due as of 6/30/17.
- Three businesses have closed (HallCentral, Quintain Marketing, and Miniscule) but still are paying as agreed from personal resources.
- Four loans (Brick House, Indigenous Intelligence, TSZ Properties, and Advanced Threat Analysis) have been paid off since being issued.
- Five loans (I-Lighting, Miniscule, Mckenzie Christopher Associates, Quintain Marketing and Mensch Makers) have had the original terms of the loan modified to allow lower payments due to cash flow issues.
- Of the sixteen (16) loans with equity features (patient capital loans), four (4) are currently in repayment. All four companies (SameGrain, Milestone, Vixiar and Cwist) received follow up funding of at least four times the loan amount issued by the VOLT Fund thus triggering the 10% loan fee paid to the fund and principal repayment. The total amount in follow up funding received was \$4,925,000.
- Two of the companies (Milestone and SameGrain) are paying modified payment schedules while they await the next round of funding.
- There is one loan (Opia Holdings, Inc.) for \$150,000 that was charged off. The company is insolvent and closed operations. AAEDC confessed judgment against the borrower

Marketing Outreach Efforts FY 2017

EVENTS

AAEDC participated in the following events and promoted the VOLT Fund:

- August 10, 2016 – AAEDC hosted a VOLT Tech loan application workshop attended by 78 people. This event was also broadcasted on Facebook Live.
- August 17-19, 2016 - MACO Conference
- September 20, 2016 - SCORE Women's Entrepreneurship Conference @ AACC
- September 26, 2016- SHA/SBDC workshop on State Highway procurement opportunities for contractors
- November 14, 2016- TEDCO Entrepreneur Expo
- March 1, 2017-Entrepreneur's Exchange Luncheon
- May 3, 2017- SBA Resource Day, Riviera Beach
- May 16, 2017 National Association of Remodeling Industry
- June 22, 2016- MBE Contractor Expo @ Maryland Live! Casino

SOCIAL MEDIA ADVERTISING

- August 18, 2016- VOLT Fund Tech Workshop Facebook Live boost.
- January 25, 2017- As part of AAEDC campaign promoting its loan programs, it included the VOLT Fund

MEDIA OUTREACH

- March 13, 2017 – Distributed News Release on three awardees approved for VOLT Fund Tech Loans - SecuLore Solutions, PeerAspect and CourseArc
- March 13, 2017 – DCINNO's daily e-newsletter the Beat mentioned the VOLT Fund Tech announcement
- March 13, 2017 – The BBJ did a story on the VOLT Fund Tech announcement
- March 14, 2017 – The Potomac TechWire mentioned the VOLT Fund Tech announcement in its daily e-newsletter.
- March 14, 2017 – Technically Baltimore did a blog story on the VOLT Fund Tech announcement

Future Deployment

The current pipeline for conventional loans consists of three (3) applications for \$625,000. These applications are in various stages of the underwriting process. The Anne Arundel Economic Development Corporation anticipates closing ten (10) loans in the amount \$2,000,000 within the next fiscal year. The loans would be deployed in a similar fashion to previously approved/closed transactions. The format of the lending is further described in AAEDC's original response to the RFP issued 12/14/2012. The marketing plan for the next allocation is detailed below.

In Fiscal Year 2018, AAEDC will:

- Refresh the VOLT Fund logo and implement it on all collateral and signage
- AAEDC will continue to use social media - earned and paid campaigns – to promote the VOLT Fund to businesses in targeted industry sectors as outlined by the Maryland Department of Commerce:

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

- Veteran Owned Businesses
- Clean Energy Businesses
- Manufacturing Businesses
- Cyber Industry Businesses
- Woman Owned Businesses
- Businesses in Rural Communities

MMG Maryland Business Casino Investment Fund (MCBIF)

MMG's primary mission has always been to serve the underserved and strengthen Maryland's economic base through the growth and development of small, minority and woman-owned businesses. MMG has accomplished this by providing access to capital to businesses that could not obtain funding from traditional sources such as banks, credit unions, venture capital and private equity funds.

The purpose of the Maryland Casino Business Investment Fund (MCBIF) is to provide access to capital for small businesses, minority owned businesses, women owned businesses and veteran owned businesses (Targeted Businesses) in Maryland. MCBIF has a geographic mandate to focus on businesses in targeted areas, which are in the designated radius (by zip code or county) of casino facilities. However, businesses located in the non-targeted areas are also eligible for assistance. MCBIF provides affordable and flexible financing to assist in the acquisition of businesses, equipment, owner-occupied commercial real estate, vehicles, furniture/fixtures, and leasehold improvements. It also provides working capital assistance for maintaining and improving business cash flow; marketing; adding personnel; inventory expansion; and obtaining professional consulting assistance. In addition, it refinances existing debt under certain circumstances.

On May 1, 2013, Commerce, formerly DBED, contracted the management of \$3,500,000 of the Video Lottery Terminal Fund (VLT) Pool to MMG; \$2,000,000 was awarded on July 7, 2014, \$2,150,000 was awarded on July 16, 2015; and \$4,000,000 was awarded on July 1, 2016.

Program Performance Since Inception to June 30, 2017

- MCBIF had eighty-eight (88) accounts under management totaling \$10,737,626, of which there have been eight (8) loan payoffs, totaling \$822,802.
- 106 transactions were approved, totaling \$13,487,799
- Eight-eight (88) transactions settled, totaling \$10,737,626, all of which have been fully funded. These funded transactions created an estimated 335 new jobs and retained 608 jobs.
- There were nine (9) transactions in collections for a total of \$623,896.
- During fiscal year 2017, two transaction totaling \$178,762 were charged off. However, there were nine (9) transactions with payments more than 90 days delinquent, totaling

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\$437,393. Six of these transactions, including two in collections, with payments totaling \$474,985 will be restructured to meet the cash flow capabilities of the businesses.

- MCBIF has funded 88 transactions in 16 of Maryland's 24 jurisdictions, across 15 different industries totaling \$10,737,626.
 - In the targeted geographic areas (51) transactions, totaling \$7,241,636:
 1. Anne Arundel (9); \$1,250,000
 2. Baltimore City (16); \$1,781,500
 3. Baltimore County (6); \$725,000
 4. Cecil County (1); \$500,000
 5. Harford County (4); \$375,302
 6. Howard County (11); \$1,878,000
 7. Prince George's County (1); \$150,000
 8. Worcester County (3); \$581,834
 - In the non-targeted geographic areas (37) transactions, totaling \$3,495,990:
 1. Allegany County (1); \$135,000 (prior to its inclusion in the Rocky Gap targeted area)
 2. Anne Arundel (1); \$65,000
 3. Baltimore City (4); \$345,000 (prior to its inclusion in the Horseshoe target area)
 4. Baltimore County (3); \$475,000
 5. Calvert County (1); \$45,000
 6. Caroline County (2); \$600,000
 7. Carroll County (2); \$40,000
 8. Charles County (1); \$50,000
 9. Frederick County (1); \$19,000
 10. Harford County (1); \$150,000
 11. Montgomery County (6); \$582,990
 12. Prince George's County (13); \$789,000
 13. St Mary's County (1), \$200,000

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The Fund will continue to make every attempt to provide funding in all 16 of the above jurisdictions and the remaining eight (8) counties in which it has yet to provide funding.

- MCBIF has provided funding to 66 different companies* of which 45 were African American Owned; 18 white owned; two (2) Hispanic Owned; and one (1) East Indian Owned; 24 were Women Owned; and seven (7) were Veteran Owned. All of MCBIF's transactions have been to small businesses.
- These businesses span 15 different industries: Information Technology, Cyber Security, Alternative Energy, Advertising/Marketing, Health, Construction, Retail, Restaurant, Automotive, Waste Removal & Recycling, Manufacturing, Event Hosting, Aquaculture, Fitness and Recreational, and Janitorial.

* Note: Some of the businesses qualify in multiple categories and have multiple loans

Overall Portfolio Performance

From May 1, 2013 through June 30, 2017, MCBIF has funded 88 transactions to small, minority, women, and veteran owned businesses across 15 different industries totaling \$10,737,626. MCBIF has funded 51 transactions, totaling \$7,241,636 in the targeted geographic areas and 37 transactions, totaling \$3,495,990 in the non-targeted geographic areas. This resulted in 67.4% of its grant funds invested in the targeted geographic areas.

Program Activity for Fiscal Year 2017

- MCBIF received 34 applications, of which 19 applicants were declined.
- Seventeen (17) approved transactions, totaling \$2,206,000 (some of the approvals were made to companies that submitted their applications in the previous fiscal year)
- Sixteen (16) settled transactions, totaling \$2,483,324, all of which are fully funded.
- Funded transactions produced an estimated 74 new jobs and 89 retained jobs.
- Nine (9) transactions in collections for a total of \$623,896 and two transactions totaling \$178,762 were charged off. There were 9 transactions with payments more than 90 days delinquent, totaling \$437,393. Six of these transactions, plus two transactions in collections, with payments totaling \$474,985 will be restructured to meet the cash flow capabilities of the businesses.

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- MCBIF has funded 11 transactions, totaling \$1,589,834 in the targeted geographic areas and five (5) transactions, totaling \$893,490 in the non-targeted geographic areas, which results in 64.0% of its grant funds invested in the targeted geographic areas.
 - A. In the targeted geographic areas, 11 transactions, totaling \$1,589,834:
 1. Anne Arundel County (1), \$50,000
 2. Baltimore City (4), \$310,000
 3. Baltimore County (1), \$25,000
 4. Howard County (3), \$685,000
 5. Worcester County (2) \$519,834
 - B. In the non-targeted geographic areas, 5 transactions, totaling \$893,490:
 1. Caroline County (1); \$500,000
 2. Montgomery County (1); \$43,490
 3. Prince George's County (2), \$150,000
 4. St Mary's County (1), \$200,000
- MCBIF has funded sixteen (16) transactions in nine (9) of Maryland's 24 jurisdictions, totaling \$2,483,324
- Transactions were made to fifteen (15) small, minority, women, and veteran owned businesses, of which seven (7) were new portfolio clients and eight (8) existing portfolio clients, across six (6) different industries (Information Technology, Alternative Energy, Retail, Restaurant, Fitness and Recreational and Aquaculture)

Marketing Outreach Efforts

For 22 years, MMG has been a well-established part of the infrastructure that supports the growth of small, minority and women owned businesses throughout Maryland. The reputation of MMG will continue to be an effective marketing tool for the fund. The professional staff of MMG participated as speakers, panelist or exhibitors at 25 conferences, workshops, and seminars over the past year. The conferences, workshops and seminars primarily serve to inform targeted businesses of the financing capability of MCBIF. Typically, the results from these marketing/outreach initiatives are not immediate, but materialize several weeks, months and sometimes years later when financing becomes a need for the business or another entrepreneur associated with the business. MMG's marketing activities in FY 2017 produced 34 referrals that lead to nine (9) approved transactions and seven (7) settled transactions.

Projected Performance

MMG/MCBIF will continue to attempt to provide capital investments and/or loans to businesses throughout all of Maryland's jurisdictions. From May 2013 through June 30, 2017, MCBIF has provided funding to businesses in sixteen of Maryland's twenty-four jurisdictions. MCBIF is projecting it will approve twenty-two (22) transactions and settle eighteen (18) transactions during FY2018 and FY2019. As of June 30, 2017, there were four (4) transactions pending approval, totaling \$1,010,000; and four (4) transactions pending closing, totaling \$425,000. MCBIF will continue to provide at least 50% of the allocated grant in investments and/or loans to businesses in the Targeted Areas.

Maryland Capital Enterprises (MCE)

MCE empowers businesses to grow, create jobs, and generate wealth on Maryland's Eastern Shore and across the state. MCE loans funds to micro and small businesses on the Eastern Shore of Maryland (Worcester, Wicomico, Somerset, Dorchester, Talbot, Queen Anne, Kent, and Caroline Counties) and in Baltimore City, Baltimore and Anne Arundel Counties. Loans can range from \$500 to \$150,000 for up to 10 years with an interest rate ranging from 5-12%. In order to be eligible for financial services provided by MCE, a potential borrower must agree to the following in addition to the qualifications above: financial business counseling before and after loan closing, periodic site visits, periodic credit checks as MCE deems necessary, legally organized as a for-profit entity, create and/ or retain full time and/or part time employment too low to moderate income residents in the aforementioned areas, demonstrate ability to repay the loan with documentable income, and has been turned down by a traditional lender prior to application. MCE has received \$3,076,000 to date of VLT funding.

Performance of the Fund since Inception to June 30, 2017

- 98 loans have been approved for a total of \$3,629,762.50, 149 total new jobs, 235 total retained jobs, \$2,423,568 lent total targeted area, \$1,206,194.50 lent total non-targeted, 30 loans for \$1,243,693.50 made to minority, 21 loans for \$1,088,600 lent to non-minority, 40 for \$1,217,072.50 lent to women-owned, and 7 loans for \$80,396.50 lent to veteran owned businesses. Our industry/sector breakdown can be found in the exhibits.
- 96 loans have been settled for a total of \$3,464,762.50, 147 total new, 231 total retained jobs, \$2,273,568 lent in total targeted area, \$1,191,194.50 lent in total non-targeted, 29 loans for \$1,098,693.50 made to minority, 21 loans for \$1,078,600.50 lent to non-minority, 41 for \$1,242,072 lent to women-owned, and 5 loans for \$45,396.50 lent to veteran owned businesses, industry sector
- Total Income of \$315,440.69
- Total Principal Repayments of \$773,862.83

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- Total Expenses \$61,365.00
- No Charge Offs
- 5 loans for \$66,954.41 are >90 days delinquent
- No recoveries
- Return on Investment ~9.1%
- Fund Balance remaining to drawdown \$1,328,385

The fund has performed very well. There were no charge offs. Many jobs have been created and retained because of the funding. Furthermore, a high amount of the fund is going to minority-, women-, and veteran-owned businesses. Over 66% of the fund has been disbursed to the target area since inception, which is much greater than the goal of 50%. In addition, the fund has an ROI of 9.1%, which is higher than the 7% that was originally projected.

Program Activity for Fiscal Year 2017

- 44 applications received
- 7 applicants declined, 37 approved for VLT funding
- 37 applications approved for \$1,629,500, 60 new jobs, 83 retained jobs, 30 loans for \$1,274,500 approved in targeted area, 7 loans for \$355,000 approved in non-targeted area, 15 loans for \$610,000 to minority businesses, 8 loans for \$594,500 to non-minority businesses, 12 loans for \$390,000 to women-owned businesses, and 2 loans for \$35,000 veteran owned businesses.
- 35 applications settled for \$1,464,500, 58 new jobs, 79 retained jobs, 28 loans for \$1,124,500 lent in targeted area, 7 loans for \$340,000 lent in non-targeted area, 14 loans for \$465,000 to minority businesses, 8 loans for \$584,500 to non-minority businesses, 13 loans for \$415,000 to women-owned, and 0 veteran owned businesses.
- Income collected \$126,802.39
- Expenses in the amount of \$36,400
- \$385,322.46 in principal repayments back into the fund
- No charge offs
- No recoveries from charge-off

Marketing Outreach Efforts

Most of MCE's marketing is through newspaper articles, TV appearances, networking, and newsletters. MCE has great relations with the media serving the Eastern Shore, various Chambers of Commerce, and a minority magazine based on the Shore. The networking included participation in expos, workshops, and business after hours, ribbon cuttings, Chambers of Commerce meetings, MCE fundraisers, and MCE's annual Women's Business Conference.

MCE continues to use its webpage to market its loan funds. MCE also uses blogging, Facebook, Twitter, and LinkedIn as well as Constant Contact to send frequent email blasts with class updates and MCE's monthly newsletter.

MCE's outreach resulted in 35 loan settlements totaling \$1,464,500. Outreach efforts have brought many referrals from many partners and agencies. Whenever MCE gets an inquiry that does not lineup with its mission (outside its loan perimeters for term or dollar amount) or outside of MCE's service area, MCE will gladly pass information for another fund manager who may be able to help.

Projected Performance

MCE plans to continue its outreach efforts that are currently in place. MCE will continue to seek partnerships in order to meet client needs and well as increase exposure to clients. MCE's use of social media, traditional advertising, and networking at various events will help them continue to make the program successful. MCE has upcoming partnerships with a TV station and a radio station that they believe will boost interest and provide with plenty of exposure to help MCE revolve its funds as it comes in as well as use the remaining fund balance that they have. MCE plans to continue making good loans and provide technical assistance to clients to help them succeed.

Baltimore Development Corporation (BDC)

The Baltimore Development Corporation (BDC) is a non-profit organization, which serves as the economic development agency for the City of Baltimore. BDC's mission is to retain and expand existing businesses, support cultural resources, and attract new opportunities that spur economic growth and help create jobs. BDC serves as a one-stop shop for anyone interested in opening, relocating or expanding a business in Baltimore City.

The purpose of BDC managing Video Lottery Terminal funds is:

To target small, minority and women owned businesses and assist with financing, business acquisition; commercial real estate acquisition; the purchase of furniture, fixtures and equipment; leasehold improvements, and working capital.

Businesses in Maryland may qualify for a loan between \$30,000 to \$300,000 and in some cases; the limit may be set higher. Funds may be used for expenses such as business and commercial real estate acquisition and expansion, leasehold improvements, equipment and vehicle purchase, and working capital. BDC reviews cash flow, collateral, personal guarantor's information and credit reports for individuals. The business has to be in good standing; the personal credit has to be acceptable; the use of funds must conform to the allowable uses and the business must demonstrate the ability to repay the loan.

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BDC has been a fund manager of VLT funds since July of 2014. In July 2014, BDC was awarded \$1,000,000 (One Million Dollars); July 2015 BDC was awarded \$1,750,000 (One Million, Seven Hundred, Fifty Thousand Dollars, for a total of \$2,750,000; in July 2016 BDC was awarded \$2,689,847, which brings BDC's total awards since inception to, \$5,439,847. Of the \$5,439,847, \$80,000 was used in year one for start-up and other expenses, leaving net funds to lend of \$5,359,847.

Performance of the Fund Since Inception to June 30, 2017:

- Nineteen (19) loans were approved for \$3,422,000 with projected private sector dollars leveraged of \$18.4 million with projected retained jobs of 956 and new jobs of 329. Of the 19 approvals, 16 for \$2,927,000 were approved to businesses inside the targeted area and three (3) for \$495,000 was outside the targeted area. Three approvals for \$320,000 were to minority owned businesses, four (4) for \$656,500 were woman owned businesses, and one (1) for \$100,000 were veteran owned business.
- Eighteen (18) loans settled for \$3,364,500 with projected private sector dollars leveraged of \$16.5 million, projected retained jobs of 706 and new jobs of 291. Of the settled loans, 15 for \$2,918,500 were within the targeted area and three (3) for \$446,000 were outside of the targeted area. Four loans for \$656,000 were woman owned businesses, three (3) loans for \$320,000 were to minority owned businesses, and one (1) loan for \$100,000 was to a veteran owned businesses.
- Loans were made to a variety of industry sectors including: marketing, food services, retail, information technology, manufacturing, athletic, and a beer brewing manufacturer.
- Total income was \$201,435.44
- Total principal repayment of \$722,238.34
- Total expenses were \$140,000
- No charges offs
- One past due loans in the amount of \$527.82
- There has been a 4.5% return on investment for the Fund since inception.

The fund balance available to lend as of 6/30/2017 was \$692,905.12 in Bank of America checking account; and, \$2,158,847 left to be drawn down from Commerce

Program Activity for FY 2017

- The VLT fund received 14 loan applications: five (5) applications were declined; three (3) withdrawn and six (6) were approved.
- Six (6) loans were approved for \$766,000 with projected private sector dollars leveraged of \$7,385,500 and retained jobs of 378 and new jobs of 167. Of the six approvals, five were in the targeted area in the amount of \$641,000 and one in the amount of \$125,000 was outside the targeted area, two loans in the amount \$396,000 were to woman owned businesses, and one loan in the amount of \$100,000 was to a veteran owned business.
- Five (5) loans settled for \$745,000 with projected private sector dollars leveraged of \$6,589,500 and retained jobs of 380 and new jobs of 129. Of the five settled transactions, \$641,000 were in a targeted area, none were outside the targeted area, one loans in the amount \$300,000 were to woman owned businesses, three loans in the amount of \$345,000 to non-minority-owned businesses, and one loan for \$100,000 was to a veteran owned business.
- Loans were made to a variety of industry sectors including: food service, retail and commercial laundry service.
- Total income was \$106,328.64
- Total expenses were \$30,000.00
- Principal payments were \$407,421.50
- No loans charged off

The VLT Fund has a portfolio of sixteen (16) loans with a principal balance of \$2,478,761.66. One loan was past due as of 6/30/17 for of \$527.82, which has since been rectified. Two loans (GPT, LLC t/a Café Spice) and Taco Fiesta have been paid off since being issued.

Marketing and Outreach

BDC will continue to use existing staff to market the VLT fund and representatives from the Mayor's office, the Small Business Resource Center (SBRC); and, the Emerging Technologies Center (ETC).

- Existing BDC staff call on businesses daily.
- SBRC has daily contact with small, minority and women owned businesses.
- SBRC hosts various business workshops monthly year round.
- BDC has contact with other Economic Development Agencies around the state seeking referrals.
- BDC also has referrals from other fund managers and borrowers.
- Website and social media.

Projected Performance:

The current pipeline for conventional loans consists of three (3) applications for \$700,000. These applications are in various stages of the underwriting process. BDC anticipates closing five (5) loans in the amount \$1,200,000 within the next fiscal year. The loans would be deployed in a similar fashion to previously approved/closed transactions. The marketing plan for the next allocation is detailed below.

In Fiscal Year 2018, BDC will:

- Continue to use social media to promote the VLT Fund to businesses in targeted industry sectors as outlined by the Maryland Department of Commerce:
 - Minority Owned Businesses
 - Veteran Owned Businesses
 - Clean Energy Businesses
 - Manufacturing Businesses
 - Cyber Industry Businesses
 - Woman Owned Businesses
 - Businesses in Rural Communities
 - Small Businesses

Baltimore County Department of Economic and Workforce Development (DEWD)

The mission of DEWD is to support businesses and to stimulate business growth in Baltimore County thereby increasing job opportunities and expanding the tax base.

To accomplish its mission, DEWD:

- Works directly with new businesses that are interested in locating in Baltimore County and assists in the expansion of existing businesses
- Acts as a business liaison
- Focuses on redevelopment opportunities in the seventeen Commercial Revitalization Districts and the three designated Enterprise Zones
- Addresses workforce development needs of the County's business community
- Supports and promotes the County's Small Business Resource Center. The Center provides services to small, minority and woman-owned businesses including technical assistance, seminars and one-on-one counseling
- Provides financing assistance to county businesses
- Promotes technology development and assists start-up ventures at the UMBC and Towson University incubators

The Boost Loan Program:

Businesses in Maryland may qualify for a loan of between \$50,000 to \$250,000 for expenses such as commercial real estate acquisition and improvements, leasehold improvements, equipment and working capital. Loans are provided to small, woman owned, minority owned and veteran owned

businesses. In July 2014, under the second round of VLT funding, Baltimore County was allocated \$1,500,000 from the VLT fund. This contract was amended in July of 2015 for an additional \$1,600,000 and amended on June 30, 2016 for an additional amount of \$3,100,000 for a total of \$6,200,000 under management. This amount was reduced by \$411,000 in August 2016 in order to transfer funds to the Maryland Department of Housing and Community Development. These funds are to be used for loans to Ellicott City businesses that were impacted by the flood in July 2016. As of June 30, 2017, the outstanding balance of the loans in the portfolio was \$2,750,000.

Program Performance Since Inception to June 30, 2017

- Since July 1, 2014, thirty-three (33) loans have been approved for financing totaling \$3,870,800 with total private sector dollars leveraged of \$21,800,000, retained jobs of 326 and new jobs of 236. Of the thirty-three (33) loans approved twenty-four (24) for \$2,965,000 were inside the targeted area and nine (9) for \$905,800 were outside of the targeted area. Ten (10) loans were approved for \$835,300 to minority-owned businesses, Eleven (11) for \$1,450,000 were to women-owned businesses, Four (4) for \$600,000 were to veteran-owned business, and eight (8) for \$985,500 were to small non-minority-owned businesses
- Twenty-nine (29) loans settled for \$3,320,800 with total private sector dollars leveraged of \$19,817,000, retain jobs of 299 and new jobs of 211. Twenty (20) settled loans totaling \$2,415,500 were located in the target area and Nine (9) for \$905,300 were outside of the targeted area. Eleven (11) loans for \$1,450,000 were provided to women-owned businesses, nine (9) loans for \$785,300 were provided to minority owned businesses, three (3) loans for \$450,000 were provided to veteran owned businesses, and six (6) for \$635,500 were provided to small non-minority owned businesses..
- Income of the fund include fees and interest of \$159,201.07.
- Expenses for the fund total \$61,413.85
- Total principal repayments are \$412,636.57

All grant funds have been committed to projects in various industry sectors including manufacturing, service and retail.

- The current portfolio is paying as agreed.
- Zero Charge-Offs
- The balance to lend as of 6/30/17 was \$633,082.14 in the BB&T checking account and \$2,076,940.50 left to be drawn down from Commerce.

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- The Boost Loan Fund has a portfolio of 29 loans with a principal balance of \$2,748,483.73.
- All loans are paying as agreed.

Program Activity for the Current Fiscal Year:

- During the current fiscal year ten (10) applications were received with one (1) application withdrawn and three (3) loans funded through other County resources.
- During the current fiscal year, six (6) loans have been approved for financing totaling \$775,000 with projected private sector dollars leveraged of \$2,400,000, retained jobs of 44 and 32 new jobs. Of the six loans, approved all were located in the targeted area. One loan for \$175,000 was to a women-owned business, three (3) loans for \$250,000 were provided to minority owned business and two (2) for \$350,000 to small non-minority-owned businesses.
- Five (5) loans settled for \$625,000 with projected private sector dollars leveraged of \$1,729,000, retained jobs of 72 and new jobs of 12. All Loans settled were in the targeted area. Of the five settled, three (3) were to women-owned businesses for \$425,000, one (1) for \$50,000 to a minority owned business, and one (1) to for \$150,000 to a small non-minority-owned business.
- Income of the fund include fees and total interest of \$80,134.41.
- Expenses for the fund total \$12,059.50.
- Total principal repayments are \$280,956.15.
- No loans charged off

Marketing Outreach Efforts

To promote the Boost Fund, Baltimore County contracted with Pinnacle Communication, a certified MBE creative design marketing firm in Baltimore County, to design the brand and collateral materials. DEWD's marketing effort includes strong media relations outreach to print, broadcast and online media outlets, online promotions through DEWD's social media channels, targeted to small businesses including minority and women business audiences. In promoting the Boost Fund, DEWD participated in numerous events, which include the Small Business Administration's information session at Morgan State University and several County events that focus on minority contractors.

Future Deployment of Funds

The current pipeline includes 25 inquiries, including two (2) loan applications totaling \$200,000 as of June 2017. The applications are in various stages of the underwriting process. Baltimore County anticipates that it will use the entire amount of funding that is available.

Baltimore County anticipates that the current funding level will yield approximately twenty (20) transactions.

Howard County Economic Development Authority (“HCEDA”)

The mission of the Howard County Economic Development Authority is to promote economic growth and stability in Howard County by supporting existing businesses, attracting targeted new businesses and attracting corporate and/or regional headquarters; to serve as the liaison between public and private economic development and planning organizations; and to recommend policies to County government that support the achievement of planned economic goals.

Catalyst Fund is a statewide loan program available to small businesses anywhere in Maryland for loans from \$25,000 to \$250,000. Loan proceeds may be used for normal business uses such as working capital, tenant improvements, equipment purchase, real estate purchase, franchise fees and inventory purchases. VLT Award Amount to date totals \$4,548,770 of which \$1,500,000.00 was awarded for the period July 1, 2014-June 30, 2015 and \$1,750,000.00 awarded for the period July 1, 2015 to June 30, 2016, and \$1,298,770 for the fiscal years July 1, 2016 through June 30, 2017.

Performance of the Fund Since Inception to June 30, 2017

- Since inception on July 1, 2014, the Catalyst fund has approved \$5,885,000 in (39) loans expected to create (335) new jobs and retain (381) existing jobs ⁽¹⁾. Four (4) approvals expired or were rescinded before settlement and will not close. One loan approved during the current fiscal year will settle in FY 2018.
- The dollar amount of private sector funds leveraged over the life of the program is \$9,914,110.
- The return on this investment is 1.68X since program inception.
- 94% or \$5,550,000 of approved loans are within targeted areas.
- Of the total approved loans, 53% were approved to Woman, Minority or Veteran Owned Small Business enterprises.
- There were thirty-four (34) settled loans for \$5,010,000, of these 93% or \$4,675,000 are in targeted areas. Settled loans supported businesses retaining (328) jobs and intending to create (293) new jobs.

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- Since July 1, 2014, total interest received for all outstanding loans is \$251,309, and total commitment and application fees of \$57,005 have been collected.
- Principal repaid back into the fund is \$967,058.
- There are two (2) loans delinquent more than 90 days. There have been no charge-offs nor any recoveries within the portfolio for the period July 1, 2014 through June 30, 2017. Two loans have repaid in full prior to the maturity date.
- Catalyst fund has approved loans to a diverse cross section of industries. Based upon the industry sectors within the region, Information Technology as a general category comprises the greatest share of approved loans. One-quarter of all approved loans or nine (9) loans totaling \$1,450,000 were classified in the Information Technology industry.

Overall, the loan portfolio is performing well and gaining exposure. Routine monitoring includes a minimum of one outreach event per borrower per annum after loan closing.

(1) There is a 10 and 8-count delta in new and retained job totals between FY 16 and FY 17 reports due to Manor Hill Farm, which is one account with two transactions that were approved and settled in different fiscal years. Each transaction has different job counts for the individual projects; however, the system aggregates job count by account level. Thus the 10 existing and projected eight jobs for the 2017 transaction show up under job counts for prior years. This skews the year over year calculation. In last year's report, program to date retained jobs were 235 and new projected jobs were 204. Running that same time-period now, would show 245 retained and 212 projected new jobs due to the Manor Hill jobs. To maintain integrity of the program to date totals and foot year over year, the current fiscal year new and retained job totals of 123 and 136 do not include Manor Hill. The Manor Hill jobs are captured but in the prior period.

Program Activity for Fiscal Year 2017

On July 30, 2016, an unprecedented rain event struck Ellicott City, Maryland, located in Howard County. The ensuing water torrents destroyed a large section of the historic district and affected over 190 businesses. In the weeks and months, following this devastation, HCEDA dedicated substantial resources to the cleanup and recovery of the businesses impacted. A portion of this assistance included HCEDA staff collaboration with the Department of Housing and Community Development (DHCD) in the framing and deployment of an emergency disaster-based VLT Loan Fund of \$2,500,000. Comprised of immediate recovery need loans of \$50,000 and larger rebuilding loans up to \$500,000, the DHCD VLT program approved more than 20 loans.

- Catalyst received twenty-two (22) applications of which five (5) were declined. HCEDA utilizes a pre-application Interest Form of which an additional thirteen (13) were received and declined.
- Fifteen (15) loans totaling \$2,295,000 were approved, of which 47% were to Woman, Minority or Veteran Owned Small Business enterprises. Total new and retained jobs

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reported for all approved Borrowers during FY 2017 are (123) projected new and (136) retained and or at risk jobs.

- By industry, manufacturing, which includes food production, accounted for the largest segment of approved loans or 25% of the loans approved in the current fiscal year. A total of \$570,000 or four (4) loans approved were classified as businesses within that sector. The next two largest industry segments were information technology and healthcare technology & services, which each accounted for 15% of approved loans, or a combined total of \$700,000 approved for the current fiscal year.
- By geographic distribution, loans were approved for Borrowers with locations in Howard County and Frederick County.
- Sixteen (16) loans for \$2,150,000 and expected to create (137) new jobs and retain (180) settled by June 30, 2017 and total principal disbursed during the fiscal year was \$2,110,000. 88% of settled loans were within targeted areas. Processing for several clients spanned two fiscal years between receipt of application, approval and final settlement. The settled transactions combined to leverage a total of \$2,955,600 of private sector financing, thus yielding a return on investment of 1.29X.
- Total interest received for all outstanding loans is \$180,315 and total commitment and application fees collected were \$22,502.
- Fund management expenses for the year totaled \$202,225. Principal repaid back into the fund was \$640,717.
- As of June 30, 2017, two loans were delinquent more than ninety-(90) days. One of those loans began work out after June 30, 2017 with partial recovery anticipated. There were no charge-offs or recoveries although two (2) loans did prepay in full prior to loan maturity.
- The aggregate principal balance of loans outstanding as of June 30, 2017 was \$3,926,068.

Marketing Outreach Efforts

The principal marketing venue for HCEDA Catalyst VLT Fund was and will continue to be networking and speaking engagements throughout the region together with printed collateral material, social media and a dedicated webpage. HCEDA continues to participate with MDSBDC as a sponsor of the 2016-2017 **CEO Accelerator** and **Growth Accelerator** business education series held in various jurisdictions throughout Maryland. HCEDA provided educational content in a total of three (3) workshops and conferences. During 2017, Catalyst fund printed materials were shared with the following business focused entities:

- Maryland Center for Entrepreneurship
- Howard Technology Council
- Howard County Chamber of Commerce
- Ellicott City Partnership
- Small Business Development Center
- SCORE

Partner relationship, cross promotion and educational content presentations will remain the main marketing vehicles for FY 2018.

Projected Performance

For fiscal year 2018, HCEDA will target to add approximately \$1,000,000 in new approvals for the Catalyst VLT Loan Fund. Currently there are three (3) active applications in the pipeline at various stages of review and underwriting. These applications total \$300,000. One (1) of these was approved for \$30,000 after June 30, 2017.

Tri-County Council for Western Maryland, Inc. (TCCWMD)

TCCWMD is the regional, economic development-planning agency for the three counties in Western Maryland. Through its Comprehensive Economic Development Strategy (CEDS) planning process, TCCWMD annually conducts an analysis of economic problems and opportunities that address the region's economy, population, unemployment, geography, workforce, transportation, education, telecommunications, health care, and infrastructure.

TCCWMD's work program goals, as related to its lending programs, include:

- Increase job opportunities and per capita income in the region to reach parity with the nation,
- Strengthen the capacity of the people of region to compete in the global economy,
- Work directly with new and expanding businesses to provide referrals for technical assistance and access to capital in an effort to create and/or retain jobs
- Work closely with the Small Business Development Center to provide technical assistance to RLF clients
- Coordinate efforts with local banks and economic developers to ensure that companies that start-up or expand in the region are aware of the programs and assistance available
- Expand the TCCWMD Revolving Loan Fund's capacity through a diverse set of funding sources to achieve a variety of flexible funding tools

Traditionally, private financing for new business start-ups has been difficult for prospective businesses to obtain in the region. Flexibility is required to meet the diverse needs of target industries at different stages of growth and development. Local banks, which provide conventional financing, are often unable or unwilling to respond to the needs of new business start-ups, businesses wishing to expand, or those, which must modernize existing buildings, equipment, or technology when there is not sufficient collateral to support the added debt.

VLT Account - State Lottery Terminal (SLoT) Fund

On July 1, 2014, The Maryland Department of Commerce entered into an agreement with Tri-County Council for Western Maryland to manage \$1,100,000 in funds from the Small, Minority and Women-Owned Business Account, with \$1,012,000 available for lending. On October 6, 2014, the first modification to the agreement was signed.

On November 7, 2014, the Membership of Tri-County Council amended its by-laws in order to establish a standing committee for the purpose of oversight of the VLT program. Shortly thereafter, a five-member committee was formed to perform oversight duties, review loan requests, and report to the Council's membership. The committee consists of two public sector representatives and three private sector representatives, all with wide knowledge of business practices, lending experience, and financial acumen.

Having met the eligibility requirements of the program, on July 1, 2015, TCCWMD was awarded an additional \$1,000,000 in loan funds. On July 1, 2016, TCCWMD was awarded an additional \$2,500,000 in loan funds. However, on August 29, 2016, TCCWMD received a letter from the State reducing the award amount by \$258,461 due to Governor Hogan's Executive Order declaring a state of emergency in Howard County due to flooding. After the reduction, TCCWMD's new award was \$2,241,539.

Award amounts to date:

FY 2015	\$1,012,000
FY 2016	\$1,000,000
FY 2017	\$2,241,539
TOTAL	\$4,253,539

Performance of the Fund Since Inception to June 30, 2017

- The SLoT Fund has eleven active accounts under management with a total outstanding principal balance of \$1,786,986.09.
- Fifteen loans approved for a total of \$2,683,173 with 131 new jobs to be created and 155 jobs retained.
- The approved loans are leveraged against \$11,023,348 in private sector dollars.
- Nine loans were approved for \$1,970,000 in the target area for lending and six loans for \$713,173 were approved out of the target area for lending.
- Two loans totaling \$500,000 were approved to minority owned businesses, six loans totaling \$945,208 were approved for non-minority businesses, and seven loans totaling \$1,237,965 were approved to women owned businesses. No applications have been submitted and no loans have been approved for veteran owned businesses.

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
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- Industry sectors include six loans totaling \$1,220,208 in food services, three loans totaling \$697,965 in accommodations, three loans totaling \$365,000 in manufacturing, two loans totaling \$240,000 in service, and one loan totaling \$160,000 in energy.
- Total settlements since inception are twelve loans totaling \$2,008,173 with 76 new jobs to be created and 96 jobs to be retained.
- The settled loans are leveraged against \$8,961,348 in private sector dollars. Seven loans settled totaling \$1,540,000 in the target area for lending and five loans totaling \$468,173 that settled were out of the target area for lending.
- Two loans that settled totaling \$500,000 were made to minority owned businesses, four loans totaling \$515,208 were made to non-minority businesses, and six loans settled totaling \$992,965 to women owned businesses. No loans settled with a veteran owned business.
- Industry sectors include four settled loans totaling \$790,208 in food services, three loans totaling \$697,965 in accommodations, two loans totaling \$120,000 in manufacturing, 2 loans totaling \$240,000 in service, and one loan totaling \$160,000 in energy.
- Total revenue of the fund manager is \$272,512.92 (including \$88,000 fund establishment fee and \$25,114.44 excess fund expense revenue), total principal repayments received back into the fund total \$221,186.91, and total expenses of the fund manager total \$241,241.46.
- The fund has no charge offs, the fund has no accounts with payments delinquent over 90 days, and total recoveries does not apply to the fund.
- Total return on investment for the fund is 4.46 and the fund balance on June 30, 2017 is \$2,245,366 with \$395,000 committed but not disbursed.

All eleven funded loans are performing as expected and are in a current with payments.

Program Activity for Fiscal Year 2017

- The SLoT fund received 52 inquiries about the VLT program and fourteen applications.
- Four applications were denied by the Committee, five applications were declined by staff, one application withdrawn, and one applicant declined the loan.
- Three applications were approved for a total of \$430,000 with 47 jobs to be created and 16 jobs retained.
- The three approved loans are leveraged against \$2,062,000 in private sector dollars.

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

- Two of the loans approved for \$185,000 are in the target area for lending and one approved loan totaling \$245,000 is out of the target area for lending.
- No loans were approved to minority owned businesses, one (1) loan for \$150,000 was approved for a non-minority business, and two (2) loans totaling \$280,000 were approved to women owned businesses. No applications were submitted and no loans were approved for veteran owned businesses.
- Industry sectors include two (2) loans totaling \$185,000 in food services and one (1) loan totaling \$245,000 in manufacturing.
- There were three (3) settled loans in FY17 totaling \$670,000 with 19 jobs to be created and 79 jobs to be retained. The three approved loans are leveraged against \$740,000 in private sector dollars.
- All three settled loans are in the target area for lending and no loans settled out of the target area for lending.
- No loans settled to minority owned businesses, one settled loan in the amount of \$135,000 was for a non-minority business, and two settled loans totaling \$535,000 were to women owned businesses. No applications were submitted and no loans were approved for veteran owned businesses.
- All three settled loans totaling \$670,000 are in the food services sector.
- The fund manager had revenue of \$100,692.17, and expenses of \$69,955.22. Principal repayments back into the fund total \$200,478.47
- There are no delinquencies >90 days, or no charge offs
- Total return on investment for the fund is 1.1.

Marketing Outreach Efforts

During fiscal year 2017, TCCWMD's marketing efforts included speaking about the program at events, making presentations on the program to commercial lenders, and citing testimonials and program statistics in newsletters and on social media. All loan program information is also available on TCCWMD's website. Staff presented program information at the SBDC Spring Retreat on April 6, 2017 and the TEDCO Tech Event on April 12, 2017 where multiple lending institutions were represented. Additionally, staff met with Standard Bank to present the loan programs. Staff continues to advertise the VLT program in its monthly newsletter. TCCWMD saw a steady request for the loan funds available throughout the fiscal year, and closed the year with \$670,000 in loans closed with another \$395,000 in loans approved / pending closing for a total of \$1,065,000. TCCWMD made efforts to reach clients not only in Western Maryland, but in the

other rural parts of the State through our networks with the other regional councils, county economic development officials, and the Small Business Development Centers. TCCWMD also maintains relationships with the other fund managers and shares inquiries for financing.

Projected Performance

TCCWMD executed the “*First Amended and Restated Grant and Fund Management Services Agreement*” on June 30, 2016, and was awarded an additional \$2,500,000. However, on August 29, 2016, TCCWMD received a letter from the State reducing the award amount by \$258,461 due to Governor Hogan’s Executive Order declaring a state of emergency in Howard County due to flooding. After the reduction, TCCWMD’s new award was \$2,241,539. TCCWMD had steady inquiries for financing, so TCCWMD anticipates continuing the marketing strategy that was initiated during FY 2016. Given the changes made to the target areas across the rural parts of the State, TCCWMD anticipates marketing efforts to continue to focus first on Western Maryland and secondarily on the other rural, underserved counties across the State. The SLoT fund currently has an application representing another \$80,000 (in target area).

FSC First

Prince George’s Financial Services Corporation (FSC First)

As stated in its mission, FSC First is a flexible, risk-tolerant alternative lender providing innovative and creative financing solutions and loan administration services that benefit small and emerging businesses. As a certified Community Development Financial Institution (CDFI), and U. S. Small Business Administration Certified Development Corporation (CDC) and Community Advantage Lender FSC First operates a Revolving Loan Fund (RLF) to provide direct loans and credit enhancements between \$50,000 - \$250,000, microloans between \$5,000 - \$50,000; and FSC First funds commercial real estate, machinery and equipment loans up to \$5.5 million with the SBA 504 and the County’s Economic Development Incentive (EDI) Fund programs. FSC First’s Target Market is Prince George’s County, and it has expanded into Montgomery, Howard, Charles, and Calvert Counties, Maryland with the primary market being Prince George’s County.

FSC First has more than 30 years of experience, lending directly to small businesses, minority-owned businesses and woman-owned businesses, primarily in Prince George’s County, Maryland. However, as a CDFI and CDC, FSC First is authorized to make loans throughout the state of Maryland.

Small Business Flex Fund

The FSC First existing programs offer diverse financial products and complimentary development services to support the operations of small and minority businesses in our Target Markets. These programs and services are complimentary to the established goals of the Maryland Video Lottery Terminal Grant Funds awarded to the organization for \$2,000,000. It should be noted that the \$2,000,000 grant was reduced by \$190,227 by the Department of Commerce leaving \$1,809,773. The Small Business Flex Fund provides flexible funding solutions for small, minority, veteran, and woman-owned businesses. The objective of the program is to provide these businesses with direct access to funds that support the start-up and growth of successful enterprises. The program

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focus includes, but is not limited to, cybersecurity, energy, life sciences, healthcare, information technology, manufacturing, franchises and rural area activities. Eligible loan use includes start-up costs, working capital, business acquisitions, franchise financing, machinery, equipment, inventory, commercial real estate acquisition, modernization and construction. Loan amounts are flexible but are typically between \$25,000 - \$250,000. Terms are flexible but generally do not exceed 10 years. Collateral includes business and personal assets. Personal guarantees are required. Preference for loan in geographical proximity to Maryland casinos.

Performance of the Fund since Inception to June 30, 2017

- Since becoming a VLT fund manager effective June 30, 2016 to the current period ending June 30, 2017, FSC First has approved financing for six (6) loans totaling \$1,387,000.
- Of those loans, four (4) loans have settled for a total of \$855,000 and \$355,000 disbursed.
- Of the six (6) approved loans; four (4) loans were for minority/woman owned businesses (67%); one (1) was a minority owned business (17%) and one (1) is veteran/minority/woman owned (16%).
- Loans were made to the following industry sectors: Healthcare, Hospitality, Educational/Fitness, Childcare Services and Manufacturing. Three (3) of the four loans funded are located in Prince George’s County, Maryland (75%) and one (1) is located in Baltimore City (25%).
- The projected impact of the six (6) approved loans includes 42 jobs retained, 142 jobs created, total project costs of \$27,338,359 leveraging \$25,951,359 in private investment.
- The economic impact of the four (4) closed loans includes 14 jobs retained, 107 jobs created, total project costs of \$25,583,359 leveraging \$24,728,359 in private investment.
- All settled loans are paying as agreed. There are no delinquencies or defaults. The currency rate is 100%.

Program Activity for Fiscal Year 2017

As this is FSC First’s initial fiscal year as a VLT fund manager, program activity for FY2017 is the same as Performance of the Fund Since Inception (see above).

AVAILABLE FOR LENDING – 6/30/2016	
\$2,000,000.00 Loan - \$190,227 Ellicott City	\$ 1,809,773.00
Settled and/or committed	\$ 1,387,000.00
Balance available for Lending – 6/30/2017	\$ 422,773.00

MBE Activity

ALL MBE REQUIREMENTS HAVE BEEN MET for the first year of the Contract.
Doyle Communications (MBE) - \$16,000

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

Marketing Outreach Efforts

FY 2017

FSC First VLT Small Business Flex Fund

Marketing and Outreach Tracking

Outreach Date	# of Events	# of Potential Applicants	# of Applications	# of Approvals	# of Referrals to Other Fund Managers
July 2016	3	0	0	0	0
August 2016	6	2	1	2	0
September 2016	7	2	0	0	0
October 2016	5	1	1	1	0
November 2016	4	2	1	1	0
December 2016	4	1	0	0	0
January 2017	4	1	1	1	0
February 2017	4	2	1	1	0
March 2017	5	1	0	0	0
April 2017	3	0	0	0	0
May 2017	4	1	1	0	0
June 2017	5	2	0	0	0
Totals	54	15	6	6	0

Projected Performance

According to the U. S. Census Bureau, Statistics of U.S. Businesses, 2013 County Business Patterns, the largest number of Maryland small businesses is engaged in professional, scientific, technical and other services (17%) followed by construction (13%), other services (12%), health care and social assistance (11%), and retail trade (10%).

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These businesses are similar to the leading industry sectors in the FSC First loan portfolio and expanded target markets. However, FSC First will continue to aggressively identify those small businesses in the Program’s targeted industry sectors – clean energy, cyber, and manufacturing. The County anticipates launching four green/clean energy programs which will be a source for leveraging the VLT Small Business Flex Fund.

As a first year VLT fund manager, FSC First plans to build on initial successes and capitalize on its name recognition in the VLT funding market place to benefit women-owned, minority, veteran, and agricultural small businesses seeking funding. The current pipeline includes VLT Flex Fund applications totaling \$408,000.

For the fiscal year July 1, 2017 through June 30, 2018 (FY2018), FSC First’s plan is to produce the following activities and results:

# of Events	60
# of Potential Applicants	24
# of Applications	12
# of Approved Applications	6
\$'s of Approved Applications	\$1,500,000*

All projected performance results represents an 8.15% increase in loan volume from the first year of ramp up, launch and implementation for operations as a new fund manager and is reflective of the need for this funding source.

Note: The asterisk () indicates the amount of any unused allocation requested by FSC First from the Maryland Department of Commerce, in FY 2018, to meet the anticipated demand generated from our regional strategic marketing efforts.*

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

FUND MANAGER DISBURSMENT ACTIVITY FY17

Client Name	Effective Date	Check Date	Draw Amount
Baltimore County, Maryland	7/27/2016	7/26/2016	\$ 300,000
Baltimore County, Maryland	11/4/2016	11/3/2016	\$ 106,542
Baltimore County, Maryland	11/4/2016	11/3/2016	\$ 23,746
Baltimore County, Maryland	11/4/2016	11/3/2016	\$ 44,713
Howard County Economic Development Authority	10/14/2016	10/13/2016	\$ 250,000
Howard County Economic Development Authority	12/8/2016	12/7/2016	\$ 268,500
Howard County Economic Development Authority	12/8/2016	12/7/2016	\$ 26,500
Howard County Economic Development Authority	2/1/2017	1/31/2017	\$ 260,000
Howard County Economic Development Authority	2/10/2017	2/9/2017	\$ 200,000
Howard County Economic Development Authority	3/21/2017	3/20/2017	\$ 100,000
Howard County Economic Development Authority	4/11/2017	4/10/2017	\$ 150,000
Howard County Economic Development Authority	4/12/2017	4/11/2017	\$ 320,000
Howard County Economic Development Authority	4/14/2017	4/13/2017	\$ 86,948
Howard County Economic Development Authority	4/20/2017	4/19/2017	\$ 120,000
Tri-County Council for Western Maryland, Inc.	7/11/2016	7/8/2016	\$ 135,000
Tri-County Council for Western Maryland, Inc.	7/11/2016	7/8/2016	\$ 75,000
Tri-County Council for Western Maryland, Inc.	7/11/2016	7/8/2016	\$ 425,000
Tri-County Council for Western Maryland, Inc.	9/7/2016	9/6/2016	\$ 38,827
Tri-County Council for Western Maryland, Inc.	9/7/2016	9/6/2016	\$ 121,173
Tri-County Council for Western Maryland, Inc.	4/14/2017	4/13/2017	\$ 25,114
Tri-County Council for Western Maryland, Inc.	6/29/2017	6/28/2017	\$ 25,000
Maryland Capital Enterprises	9/9/2016	9/8/2016	\$ 35,000
Maryland Capital Enterprises	12/1/2016	11/30/2016	\$ 132,000
Maryland Capital Enterprises	12/8/2016	12/7/2016	\$ 42,000
Maryland Capital Enterprises	12/23/2016	12/22/2016	\$ 38,000
Maryland Capital Enterprises	2/16/2017	2/15/2017	\$ 88,000
Maryland Capital Enterprises	2/27/2017	2/24/2017	\$ 65,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
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Maryland Capital Enterprises	3/31/2017	3/30/2017	\$ 180,000
Maryland Capital Enterprises	5/16/2017	5/15/2017	\$ 189,000
Maryland Capital Enterprises	5/30/2017	5/26/2017	\$ 65,000
Maryland Capital Enterprises	6/15/2017	6/14/2017	\$ 242,000
Baltimore Development Corporation	8/11/2016	8/10/2016	\$ 200,000
Baltimore Development Corporation	12/8/2016	12/7/2016	\$ 14,000
Baltimore Development Corporation	12/8/2016	12/7/2016	\$ 461,000
Anne Arundel Economic Development Corporation	11/1/2016	10/31/2016	\$ 325,000
Anne Arundel Economic Development Corporation	3/30/2017	3/29/2017	\$ 286,000
Anne Arundel Economic Development Corporation	4/11/2017	4/10/2017	\$ 91,672
Meridian Management Group, Inc.	4/14/2017	4/13/2017	\$ 21,999
Prince George's Financial Services Corp -FSC First	9/15/2016	9/14/2016	\$ 4,210
Prince George's Financial Services Corp -FSC First	9/15/2016	9/14/2016	\$ 250,000
Prince George's Financial Services Corp -FSC First	1/19/2017	1/18/2017	\$ 10,390
Prince George's Financial Services Corp -FSC First	1/20/2017	1/19/2017	\$ 8,999
Prince George's Financial Services Corp -FSC First	1/24/2017	1/23/2017	\$ 70,000
Prince George's Financial Services Corp -FSC First	4/18/2017	4/17/2017	\$ 500,000
44 Draws in FY17			\$ 6,421,333

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
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FUND MANAGER APPROVAL ACTIVITY

Fund Manager	Account Name	Account County	Industry	Approved Date	Approved Transaction Amount
Anne Arundel	Stone and Lambertson, Inc.	Worcester	Food Services	10/4/2016	\$100,000
Anne Arundel Economic Dev.	Mojo Web Solutions, LLC	Anne Arundel	Information Technology	8/9/2016	\$75,000
Anne Arundel Economic Dev.	Elevate Life, Inc.	Anne Arundel	Health Care Tech & Services	11/18/2016	\$75,000
Anne Arundel Economic Dev.	8224 Management, LLC	Anne Arundel	Real Estate Development	9/13/2016	\$250,000
Anne Arundel Economic Dev.	Thirsty Lizard Ltd dba Harvest Thyme	Anne Arundel	Food Services	3/30/2017	\$250,000
Anne Arundel Economic Dev.	Studio 180	Anne Arundel		6/1/2017	\$50,000
Anne Arundel Economic Dev.	Chesapeake Light Craft	Anne Arundel	Manufacturing	12/8/2016	\$40,000
Anne Arundel Economic Dev.	Polymath Place, LLC	Anne Arundel	Education	3/30/2017	\$50,000
Anne Arundel Economic Dev.	Coffeecade	Anne Arundel	Food Services	1/3/2017	\$100,000
Anne Arundel Economic Dev.	SecuLore	Anne Arundel	Cyber	3/2/2017	\$250,000
Anne Arundel Economic Dev.	Peeraspect	Baltimore City	Information Technology	3/2/2017	\$250,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
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Anne Arundel Economic Dev.	CourseArc	Baltimore City	Education	3/2/2017	\$200,000
Baltimore County	Grip Boost, LLC	Baltimore County	Manufacturing	4/28/2017	\$100,000
Baltimore County	Mobtown Fermentation	Baltimore County	Manufacturing	4/28/2017	\$100,000
Baltimore County	Mrs. Rodgers Neighborhood Learning Center, LLC	Baltimore County	Other	9/28/2016	\$100,000
Baltimore County	Mobtown Fermentation	Baltimore County	Manufacturing	11/21/2016	\$50,000
Baltimore County	Weber & Messick Pa	Baltimore County		12/7/2016	\$250,000
Baltimore County	Coakley's Pub	Harford	Food Services	7/15/2016	\$175,000
Baltimore Development Corp	Suspended Brewing Company	Baltimore City	Food Services	11/7/2016	\$100,000
Baltimore Development Corp	Scratch Mill Kitchen, LLC	Baltimore City	Food Services	11/7/2016	\$75,000
Baltimore Development Corp	The Art House, LLC	Baltimore City	Food Services	6/29/2017	\$96,000
Baltimore Development Corp	Life of Reilly, Inc.	Baltimore City	Retail Trade	1/3/2017	\$70,000
Baltimore Development Corp	Up To Date Laundry	Baltimore City	Other	9/29/2016	\$300,000

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Baltimore Development Corp	Saval Foodservice	Howard	Food Services	5/4/2017	\$125,000
FSC First	THE SANDY BOTTOM ENTERPRISES, LLC	Baltimore County	Food Services	5/12/2017	\$35,000
FSC First	Hot Yoga Riverdale, LLC	Prince George's	Health Care Tech & Services	11/16/2016	\$70,000
FSC First	Hospitality Development Company III, LLC	Prince George's	Other	9/26/2016	\$500,000
FSC First	World View Early Learning Center, Inc.	Prince George's	Education	2/9/2017	\$382,000
FSC First	Children First Community Urgent Care,	Prince George's	Health Care Tech & Services	8/31/2016	\$250,000
FSC First	Food Opportunities, LLC, dba DC Sweet Potato Bakery and Cafe	Prince George's	Food Services	5/16/2017	\$150,000
Howard County Economic Dev.	Verb8tm, Inc.	Baltimore County	Information Technology	7/20/2016	\$50,000
Howard County Economic Dev.	McCutcheon's Apple Products, Inc.	Frederick	Manufacturing	10/5/2016	\$250,000
Howard County Economic Dev.	Independent Printing Co Inc	Howard	Manufacturing	7/20/2016	\$50,000
Howard County Economic Dev.	BTS Software Solutions LLC	Howard	Information Technology	3/16/2017	\$150,000
Howard County Economic Dev.	Manor Hill Farm LLC	Howard	Agriculture & Forestry	4/5/2017	\$300,000
Howard County Economic Dev.	Elizabeth Jane Inc	Howard	Retail Trade	10/5/2016	\$125,000

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Howard County Economic Dev.	LeadCloud, LLC	Howard	Information Technology	11/9/2016	\$150,000
Howard County Economic Dev.	NB3 Packaging Corporation	Howard	Manufacturing	11/9/2016	\$200,000
Howard County Economic Dev.	Vheda Inc	Howard	Health Care Tech & Services	12/1/2016	\$100,000
Howard County Economic Dev.	Algits Incorporated	Howard	Sports	5/3/2017	\$250,000
Howard County Economic Dev.	Maryland Indoor Play LLC	Howard	Tourism/Leisure	7/20/2016	\$200,000
Howard County Economic Dev.	Neat Nick Preserves LLC	Howard	Manufacturing	4/13/2017	\$20,000
Howard County Economic Dev.	TeamWorx Security LLC	Howard	Cyber	4/13/2017	\$100,000
Howard County Economic Dev.	Nava Management	Howard	Health Care Tech & Services	5/3/2017	\$250,000
Howard County Economic Dev.	River House Pizza Co LLC	Howard	Food Services	3/1/2017	\$100,000
MCE	TKO Trucking	Anne Arundel	Transportation	12/16/2016	\$38,000
MCE	A Bite of Heaven	Baltimore County	Manufacturing	1/27/2017	\$65,000
MCE	Cambridge Spice Company	Dorchester	Manufacturing	3/3/2017	\$5,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
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MCE	Sawyer Charter and Tours	Dorchester	Transportation	2/24/2017	\$90,000
MCE	JaRa Enterprises	Dorchester	Consulting	4/28/2017	\$35,000
MCE	Camper & Sons Concrete Works	Dorchester	Construction	3/24/2017	\$45,000
MCE	Somerset Weight and Sleep Management LLC	Somerset	Health Care Tech & Services	9/23/2016	\$22,000
MCE	Marshall's Marine	Somerset	Other	5/26/2017	\$137,000
MCE	LR Transportation	Somerset	Transportation	4/27/2017	\$5,000
MCE	Plimhimmon Holdings	Somerset	Manufacturing	4/28/2017	\$50,000
MCE	Kings Creek Market	Somerset	Retail Trade	4/28/2017	\$49,000
MCE	Pinebridge GC	Talbot	Other	2/24/2017	\$75,000
MCE	SilenTears Ministry	Wicomico	Consulting	1/27/2017	\$6,000
MCE	Rideout Transportation	Wicomico	Transportation	11/18/2016	\$42,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

MCE	Picklehead	Wicomico	Manufacturing	1/27/2017	\$50,000
MCE	Thomas Boutique	Wicomico	Retail Trade	8/19/2016	\$35,000
MCE	Mid Atlantic Transportation	Wicomico	Transportation	8/26/2016	\$110,000
MCE	Total Lawn Care of Delmarva	Wicomico	Environmental Technology	3/24/2017	\$30,000
MCE	T A Transportation	Wicomico	Transportation	4/28/2017	\$35,000
MCE	Loyalty Transport	Wicomico	Transportation	3/14/2017	\$5,000
MCE	Sharma LLC	Wicomico	Other	5/26/2017	\$40,000
MCE	Kevin Smiley Inc.	Wicomico	Transportation	4/28/2017	\$10,000
MCE	Mid Atlantic Transportation	Wicomico	Transportation	6/30/2017	\$115,000
MCE	Exquisite Styles	Wicomico	Other	4/3/2017	\$4,000
MCE	Delmarva Trucking LLC	Wicomico	Transportation	4/28/2017	\$50,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

MCE	Urban Vision Works	Worcester	Arts	12/12/2016	\$5,000
MCE	3 BUX LLC	Worcester	Food Services	2/24/2017	\$150,000
MCE	Sisters	Worcester	Retail Trade	1/27/2017	\$38,000
MCE	Planet Prolific	Worcester	Retail Trade	8/10/2016	\$3,500
MCE	RDM Services	Worcester	Transportation	2/24/2017	\$55,000
MCE	Tingle Services	Worcester	Other	3/30/2017	\$5,000
MCE	Tingle Services	Worcester	Other	4/28/2017	\$30,000
MCE	JTZ LLC	Worcester	Food Services	3/24/2017	\$50,000
MCE	Ocean Elements Salt Spa	Worcester	Health Care Tech & Services	5/26/2017	\$50,000
MCE	Puzzle Over This	Worcester	Tourism/Leisure	5/26/2017	\$50,000
MCE	Marquess IT Solutions	Worcester	Retail Trade	5/1/2017	\$5,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

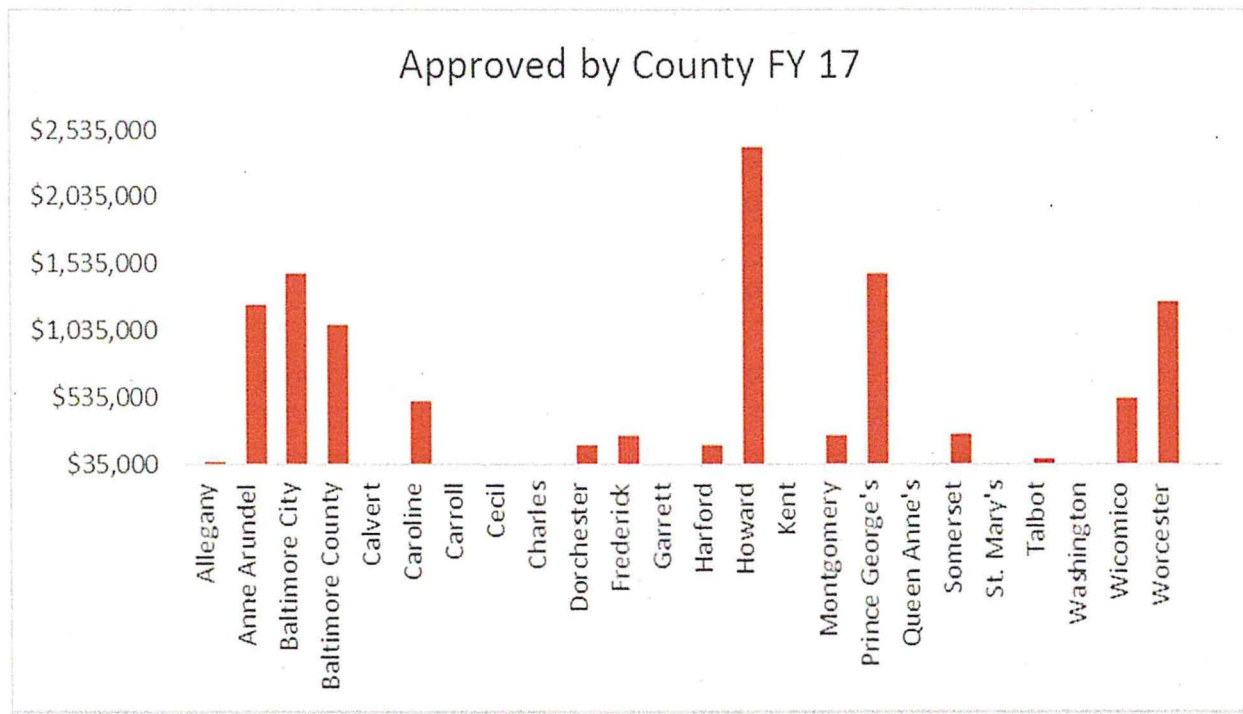
MCE	At The Beach Driftwood	Worcester	Retail Trade	4/28/2017	\$40,000
MMG	C&M Construction and renovations, LLC	Allegany	Construction	3/27/2017	\$50,000
MMG	OGOS Energy, LLC	Anne Arundel	Energy- R&D, Dev., Prod.	7/13/2016	\$50,000
MMG	Urban Pastoral Collective LLC	Baltimore City	Agriculture & Forestry	12/8/2016	\$40,000
MMG	Afro-American Newspaper	Baltimore City	Information Technology	1/3/2017	\$30,000
MMG	Calmi Electrical Company, Inc.	Baltimore City	Other	12/20/2016	\$225,000
MMG	Keller Professional Services, Inc.	Baltimore City	Other	5/1/2017	\$25,000
MMG	Blessing Groups of Company, Inc. dba Perfect Care Learning Center	Baltimore City	Other	4/12/2017	\$46,000
MMG	Eventions LLC, dba Eventions Event Planning and Designs	Baltimore County	Accommodations	4/27/2017	\$50,000
MMG	Black Classic Press, Inc	Baltimore County	Information Technology	1/5/2017	\$125,000
MMG	The Stone Foundation, LLC	Baltimore County	Other	4/27/2017	\$50,000
MMG	Eventions LLC, dba Eventions Event Planning and Designs	Baltimore County	Accommodations	4/5/2017	\$100,000
MMG	Great Gourmet, The	Caroline	Manufacturing	3/27/2017	\$500,000
MMG	GymGo, LLC	Howard	Other	12/20/2016	\$250,000
MMG	Johnson & Johnson Insurance Agency, LLC	Howard	Finance, Insurance, Real Est.	1/6/2017	\$35,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

MMG	Casa Living, Inc.	Prince George's	Health Care Tech & Services	2/10/2017	\$110,000
MMG	Brews Up, Inc.	Worcester	Retail Trade	9/15/2016	\$20,000
MMG	CADGAVDEC Properties, LLC and Twister, Inc.	Worcester	Sports	1/19/2017	\$500,000
TCCWMD	Trouts House, Inc.	Garrett	Food Services	5/16/2017	\$35,000
TCCWMD	True Respite Brewing Company	Montgomery	Manufacturing	5/3/2017	\$245,000
TCCWMD	3 BUX LLC	Worcester	Food Services	6/14/2017	\$150,000
	102				\$11,178,500

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL (VLT)

FY 17 COUNTY DISTRIBUTION OF APPROVED VLT TRANSACTIONS



SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

FUND MANAGER SETTLED ACTIVITY

Fund Manager	Account Name	County	Industry	Settled Date	Approved Transaction Amount
Anne Arundel Economic Development Corporation	Mojo Web Solutions, LLC	Anne Arundel	Information Technology	9/8/2016	\$75,000
Anne Arundel Economic Development Corporation	Elevate Life, Inc.	Anne Arundel	Health Care Tech & Services	1/5/2017	\$75,000
Anne Arundel Economic Development Corporation	Kiddie Academy of Millersville, LLC	Anne Arundel	Education	11/3/2016	\$200,000
Anne Arundel Economic Development Corporation	Studio 180	Anne Arundel		6/7/2017	\$50,000
Anne Arundel Economic Development Corporation	Chesapeake Light Craft	Anne Arundel	Manufacturing	12/16/2016	\$40,000
Anne Arundel Economic Development Corporation	Stone and Lambertson, Inc.	Worcester	Food Services	12/19/2016	\$100,000
Anne Arundel Economic Development Corporation	Peeraspect	Baltimore City	Information Technology	4/4/2017	\$250,000
Anne Arundel Economic Development Corporation	CourseArc	Baltimore City	Education	4/4/2017	\$200,000
Anne Arundel Economic Development Corporation	SecuLore	Anne Arundel	Cyber	4/17/2017	\$250,000
Baltimore County Department of Economic and Workforce Development	Little Crystal Bijoux, LLC	Baltimore County	Manufacturing	7/12/2016	\$100,000
Baltimore County Department of Economic and Workforce	East Coast Dyes	Baltimore County	Manufacturing	7/18/2016	\$150,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

Baltimore County Department of Economic and Workforce Development	Site Support Services, Inc.	Baltimore County	Construction	8/22/2016	\$150,000
Baltimore County Department of Economic and Workforce Development	Coakley's Pub	Harford	Food Services	11/11/2016	\$175,000
Baltimore County Department of Economic and Workforce Development	Mobtown Fermentation	Baltimore County	Manufacturing	3/7/2017	\$50,000
Baltimore Development Corporation	True Chesapeake Oyster Company	St. Mary's	Agriculture & Forestry	8/31/2016	\$200,000
Baltimore Development Corporation	Scratch Mill Kitchen, LLC	Baltimore City	Food Services	12/13/2016	\$75,000
Baltimore Development Corporation	Suspended Brewing Company	Baltimore City	Food Services	12/14/2016	\$100,000
Baltimore Development Corporation	Up To Date Laundry	Baltimore City	Other	1/5/2017	\$300,000
Baltimore Development Corporation	Life of Reilly, Inc.	Baltimore City	Retail Trade	2/2/2017	\$70,000
T/A Fsc First	Children First Community Urgent Care,	Prince George's	Health Care Tech & Services	11/3/2016	\$250,000
T/A Fsc First	Hospitality Development Company III, LLC	Prince George's	Other	2/28/2017	\$500,000
T/A Fsc First	Hot Yoga Riverdale, LLC	Prince George's	Health Care Tech & Services	3/15/2017	\$70,000
T/A Fsc First	THE SANDY BOTTOM ENTERPRISES, LLC	Baltimore County	Food Services	5/19/2017	\$35,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

Howard County Economic Development Authority	Chesapeake NetCraftsmen	Anne Arundel	Cyber	7/7/2016	\$65,000
Howard County Economic Development Authority	Verb8tm, Inc.	Baltimore County	Information Technology	8/11/2016	\$50,000
Howard County Economic Development Authority	Independent Printing Co Inc.	Howard	Manufacturing	8/31/2016	\$50,000
Howard County Economic Development Authority	Elizabeth Jane Inc.	Howard	Retail Trade	10/14/2016	\$125,000
Howard County Economic Development Authority	McCutcheon's Apple Products, Inc.	Frederick	Manufacturing	10/31/2016	\$250,000
Howard County Economic Development Authority	Jonathan Markel Salon	Howard	Retail Trade	11/21/2016	\$40,000
Howard County Economic Development Authority	LeadCloud, LLC	Baltimore County	Information Technology	12/19/2016	\$150,000
Howard County Economic Development Authority	Vheda Inc.	Prince George's	Health Care Tech & Services	12/22/2016	\$100,000
Howard County Economic Development Authority	NB3 Packaging Corporation	Howard	Manufacturing	1/25/2017	\$200,000
Howard County Economic Development Authority	Maryland Indoor Play LLC	Howard	Tourism/Leisure	2/14/2017	\$200,000
Howard County Economic Development Authority	River House Pizza Co LLC	Howard	Food Services	3/31/2017	\$100,000
Howard County Economic Development Authority	BTS Software Solutions LLC	Howard	Information Technology	4/6/2017	\$150,000
Howard County Economic Development Authority	TeamWorx Security LLC	Howard	Cyber	5/5/2017	\$100,000
Howard County Economic Development Authority	Manor Hill Farm LLC	Prince George's	Agriculture & Forestry	5/19/2017	\$300,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

Howard County Economic Development Authority	Neat Nick Preserves LLC	Howard	Manufacturing	6/12/2017	\$20,000
Howard County Economic Development Authority	Nava Management	Howard	Health Care Tech & Services	6/16/2017	\$250,000
Maryland Capital Enterprises	Daily Assurance	Talbot	Health Care Tech & Services	7/7/2016	\$25,000
Maryland Capital Enterprises	Planet Prolific	Worcester	Retail Trade	8/12/2016	\$3,500
Maryland Capital Enterprises	Thomas Boutique	Wicomico	Retail Trade	9/12/2016	\$35,000
Maryland Capital Enterprises	Somerset Weight and Sleep Management LLC	Somerset	Health Care Tech & Services	12/2/2016	\$22,000
Maryland Capital Enterprises	Rideout Transportation	Wicomico	Transportation	12/12/2016	\$42,000
Maryland Capital Enterprises	Mid Atlantic Transportation	Wicomico	Transportation	12/14/2016	\$110,000
Maryland Capital Enterprises	Urban Vision Works	Worcester	Arts	12/16/2016	\$5,000
Maryland Capital Enterprises	TKO Trucking	Anne Arundel	Transportation	12/21/2016	\$38,000
Maryland Capital Enterprises	SilenTears Ministry	Wicomico	Consulting	2/15/2017	\$6,000
Maryland Capital Enterprises	Picklehead	Wicomico	Manufacturing	2/22/2017	\$50,000
Maryland Capital Enterprises	Sisters	Worcester	Retail Trade	2/22/2017	\$38,000
Maryland Capital Enterprises	A Bite of Heaven	Baltimore County	Manufacturing	3/3/2017	\$65,000
Maryland Capital Enterprises	Cambridge Spice Company	Dorchester	Manufacturing	3/7/2017	\$5,000
Maryland Capital Enterprises	3 BUX LLC	Worcester	Food Services	3/8/2017	\$150,000
Maryland Capital Enterprises	Loyalty Transport	Wicomico	Transportation	3/15/2017	\$5,000
Maryland Capital Enterprises	Sawyer Charter and Tours	Dorchester	Transportation	3/22/2017	\$90,000
Maryland Capital Enterprises	Pinebridge GC	Talbot	Other	3/22/2017	\$75,000
Maryland Capital Enterprises	Tingle Services	Worcester	Other	3/30/2017	\$5,000
Maryland Capital Enterprises	Exquisite Styles	Wicomico	Other	4/6/2017	\$4,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

Maryland Capital Enterprises	Camper & Sons Concrete Works	Dorchester	Construction	4/6/2017	\$45,000
Maryland Capital Enterprises	Total Lawn Care of Delmarva	Wicomico	Environmental Technology	4/19/2017	\$30,000
Maryland Capital Enterprises	JTZ LLC	Worcester	Food Services	4/19/2017	\$50,000
Maryland Capital Enterprises	RDM Services	Worcester	Transportation	5/5/2017	\$55,000
Maryland Capital Enterprises	LR Transportation	Somerset	Transportation	5/5/2017	\$5,000
Maryland Capital Enterprises	Kevin Smiley Inc.	Wicomico	Transportation	5/10/2017	\$10,000
Maryland Capital Enterprises	Kings Creek Market	Somerset	Retail Trade	5/18/2017	\$49,000
Maryland Capital Enterprises	Marquess IT Solutions	Worcester	Retail Trade	5/19/2017	\$5,000
Maryland Capital Enterprises	JaRa Enterprises	Dorchester	Consulting	5/19/2017	\$35,000
Maryland Capital Enterprises	Delmarva Trucking LLC	Wicomico	Transportation	5/19/2017	\$50,000
Maryland Capital Enterprises	Plimhimmon Holdings	Somerset	Manufacturing	5/24/2017	\$50,000
Maryland Capital Enterprises	Tingle Services	Worcester	Other	6/7/2017	\$30,000
Maryland Capital Enterprises	Sharma LLC	Wicomico	Other	6/16/2017	\$40,000
Maryland Capital Enterprises	Ocean Elements Salt Spa	Worcester	Health Care Tech & Services	6/20/2017	\$50,000
Maryland Capital Enterprises	Puzzle Over This	Worcester	Tourism/Leisure	6/27/2017	\$50,000
Maryland Capital Enterprises	Marshall's Marine	Somerset	Other	6/28/2017	\$137,000
Meridian Management Group, Inc.	Interdynamics, Inc.	Prince George's	Health Care Tech & Services	7/1/2016	\$100,000
Meridian Management Group, Inc.	Voniks Juice, LLC	Montgomery	Food Services	7/6/2016	\$43,490
Meridian Management Group, Inc.	M.K. Catering, Inc.	Prince George's	Retail Trade	7/21/2016	\$50,000

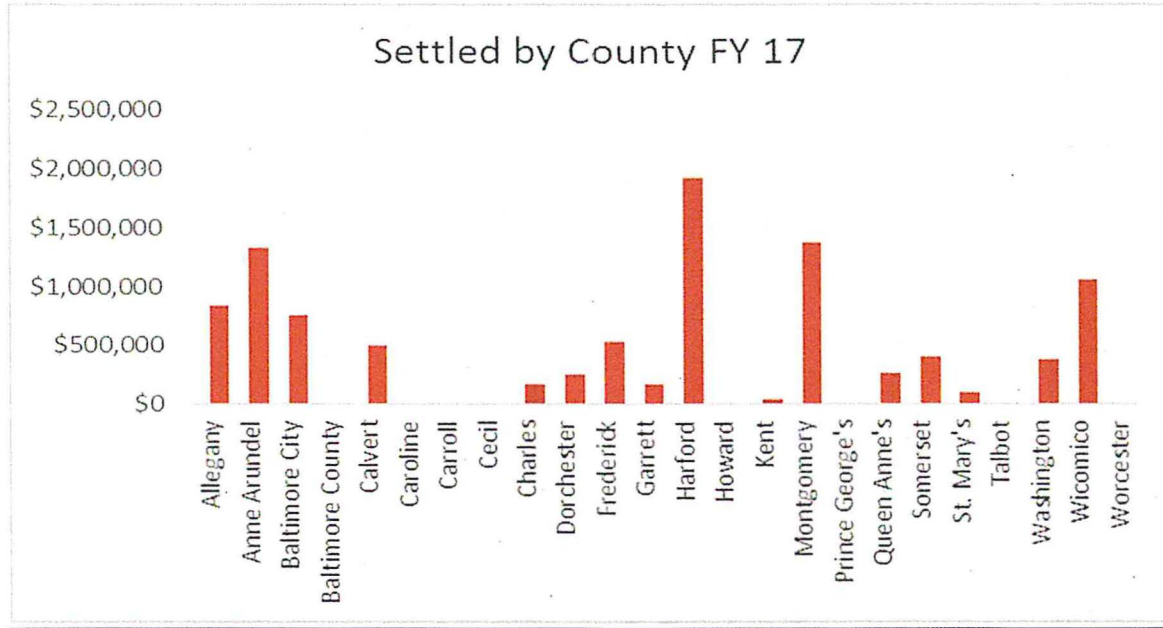
SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

Meridian Management Group, Inc.	Blessing Groups of Company, Inc. dba Perfect Care Learning Center	Baltimore City	Other	8/9/2016	\$199,000
Meridian Management Group, Inc.	Delights By Mina, LLC	Baltimore City	Food Services	8/17/2016	\$35,000
Meridian Management Group, Inc.	OGOS Energy, LLC	Anne Arundel	Energy- R&D, Dev., Prod.	8/29/2016	\$50,000
Meridian Management Group, Inc.	True Chesapeake Oyster Company	St Mary's	Agriculture & Forestry	8/31/2016	\$200,000
Meridian Management Group, Inc.	Brews Up, Inc.	Worcester	Retail Trade	10/4/2016	\$19,834
Meridian Management Group, Inc.	Afro-American Newspaper	Baltimore City	Information Technology	1/10/2017	\$30,000
Meridian Management Group, Inc.	Johnson & Johnson Insurance Agency, LLC	Howard	Finance, Insurance, Real Est.	1/11/2017	\$35,000
Meridian Management Group, Inc.	GymGo, LLC	Howard County	Other	3/10/2017	\$250,000
Meridian Management Group, Inc.	CADGAVDEC Properties, LLC and Twister, Inc.	Worcester	Sports	5/2/2017	\$500,000
Meridian Management Group, Inc.	Blessing Groups of Company, Inc. dba Perfect Care Learning Center	Baltimore City	Other	5/4/2017	\$46,000
Meridian Management Group, Inc.	Great Gourmet, The	Caroline	Manufacturing	5/31/2017	\$500,000
Meridian Management Group, Inc.	Keller Professional Services, Inc.	Baltimore	Other	6/7/2017	\$25,000
Meridian Management Group, Inc.	Edward & Hill Communications LLC	Howard	Telecommunications	6/23/2017	\$400,000

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

Tri-County Council for Western Maryland (Frostburg, MD)	Lakeview Foods	Garrett	Food Services	7/15/2016	\$500,000
Tri-County Council for Western Maryland (Frostburg, MD)	Guthrie Real Estate	Allegany	Food Services	7/19/2016	\$135,000
Tri-County Council for Western Maryland (Frostburg, MD)	Trouts House, Inc.	Garrett	Food Services	6/2/2017	\$35,000
	93				\$10,232,824

FY 17 COUNTY DISTRIBUTION OF SETTLED VLT TRANSACTIONS



DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)

I, Stephen Primosch, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the Vice President, at Anne Arundel Economic Development Corporation (AAEDC).
- 3) As Vice President, I have authority to execute this Affidavit on behalf of AAEDC.
- 4) As Vice President I have personal knowledge of and have reviewed the VOLT Fund accounting records that were used in preparing the VOLT Fund Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, AAEDC accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: 8/9/17

Anne Arundel Economic Development Corporation


Signature

DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESS INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)


I, Fred Homan, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the Administrative Officer of Baltimore County, Maryland, a body corporate and politic and a political subdivision of the State of Maryland.
- 3) As Administrative Officer, I have authority to execute this Affidavit on behalf of Baltimore County, Maryland.
- 4) As Administrative Officer, I have personal knowledge of and have reviewed Baltimore County Boost Fund accounting records that were used in preparing the Baltimore County Boost Fund Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, Baltimore County, Maryland accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).


I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: 7/19/17


BALTIMORE COUNTY, MARYLAND

By: 
Fred Homan
Administrative Officer

REVIEWED AND APPROVED:


Will Anderson, Director
Department of Economic and
Workforce Development

REVIEWED AND APPROVED:


Keith Dorsey, Director
Office of Budget and Finance

APPROVED FOR FORM AND LEGAL SUFFICIENCY


OFFICE OF THE COUNTY ATTORNEY

DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)

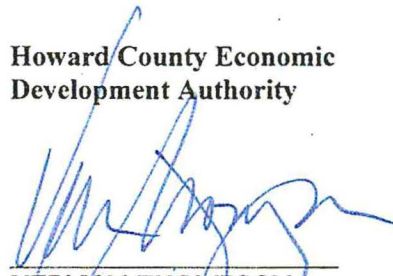
I, VERNON THOMPSON, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the EXECUTIVE VICE PRESIDENT OF HOWARD COUNTY ECONOMIC DEVELOPMENT AUTHORITY ("HCEDA").
- 3) As EXECUTIVE VICE PRESIDENT, I have authority to execute this Affidavit on behalf of Howard County Economic Development Authority (HCEDA).
- 4) As EXECUTIVE VICE PRESIDENT, I have personal knowledge of and have reviewed Howard County Economic Development Authority (HCEDA) Catalyst Fund accounting records that were used in preparing Howard County Economic Development Authority (HCEDA) Catalyst Fund Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, Howard County Economic Development Authority (HCEDA) accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: July 31, 2017

Howard County Economic
Development Authority



VERNON THOMPSON,
Executive Vice President

DEPARTMENT OF COMMERCE
AFFIDAVITS

AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)

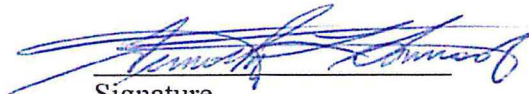
I, Timothy L. Smoot, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the Sr. Vice President of Meridian Management Group, Inc. dba Maryland Casino Business Investment Fund (MCBIF).
- 3) As Sr. Vice President, I have authority to execute this Affidavit on behalf of MCBIF.
- 4) As Sr. Vice President, I have personal knowledge of and have reviewed MCBIF's accounting records that were used in preparing Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, MCBIF's accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: 8/7/17

MERIDIAN MANAGEMENT GROUP, INC.


Signature

DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

**AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)**

I, LEANNE MAZER, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the EXECUTIVE DIRECTOR FOR TRI-COUNTY COUNCIL FOR WESTERN MARYLAND.
- 3) As EXECUTIVE DIRECTOR, I have authority to execute this Affidavit on behalf of TRI-COUNTY COUNCIL FOR WESTERN MARYLAND.
- 4) As EXECUTIVE DIRECTOR, I have personal knowledge of and have reviewed TRI-COUNTY COUNCIL'S accounting records that were used in preparing TRI-COUNTY COUNCIL'S STATE LOTTERY TERMINAL FUND (SLoT) Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, TRI-COUNTY COUNCIL FOR WESTERN MARYLAND'S accounting records are true and were prepared in accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: 7/31/2017

**TRI-COUNTY COUNCIL FOR
WESTERN MARYLAND, INC.**


Signature

DEPARTMENT OF COMMERCE
AFFIDAVITS

AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)

I, Shelly M. Gross-Wade, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the President & CEO for Prince George's Financial Services Corporation (FSC First).
- 3) As President & CEO, I have authority to execute this Affidavit on behalf of Prince George's Financial Services Corporation (FSC First).
- 4) As President & CEO, I have personal knowledge of and have reviewed the VLT Small Business Flex Fund/Prince George's Financial Services Corporation (FSC First) accounting records that were used in preparing the VLT Small Business Flex Fund/Prince George's Financial Services Corporation (FSC First) Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, Prince George's Financial Services Corporation (FSC First) accounting records are true and were prepared in accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: July 31, 2017

Prince George's Financial Services Corporation (FSC First)



Shelly M. Gross-Wade
President & CEO

DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-IA-27(a)(6)

George Koste, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the Executive Director of Maryland Capital Enterprises, Inc.
- 3) As Executive Director, I have authority to execute this Affidavit on behalf of Maryland Capital Enterprises, Inc.
- 4) As Executive Director, I have personal knowledge of and have reviewed Maryland Capital Enterprises Inc.'s accounting records that were used in preparing Maryland Capital Enterprises Inc.'s Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, Maryland Capital Enterprises Inc.'s accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: July 20, 2017

**MARYLAND CAPITAL
ENTERPRISES, INC**



Signature

George Koste
Executive Director

DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESS INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)

I, JEFFREY P. PILLAS, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the Vice President of City of Baltimore Development Corporation.
- 3) As Vice President, I have authority to execute this Affidavit on behalf of City of Baltimore Development Corporation.
- 4) As Vice President, I have personal knowledge of and have reviewed VLT Fund, City of Baltimore Development Corporation accounting records that were used in preparing City of Baltimore Development Corporation VLT Fund Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, City of Baltimore Development Corporation accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: July 10, 2017

CITY OF BALTIMORE
DEVELOPMENT CORPORATION


By: Jeffrey P. Pillas
Vice President

DEPARTMENT OF COMMERCE
AFFIDAVITS

**DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT (DHCD)
RECOVERY EFFORT IN ELLICOTT CITY**

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Department of Housing and Community Development

History

On July 31, 2016, Governor Hogan issued Executive Order 01.01.2016.08 declaring a state of emergency in Howard County in response to severe flooding that caused extensive damage to property and infrastructure in Ellicott City. As part of the State's efforts to assist small, minority, and women owned businesses to rebound from this catastrophe, the Board of Public Works (BPW) approved \$2.5 million from the Video Lottery Terminal Account (Account) to assist these affected businesses.

On August 17, 2016, in accordance with State law the BPW met and designated the Maryland Department of Housing and Community (DHCD) as an Account Fund Manager. In the same session, BPW granted DHCD \$2.5 million from the Account to make loans to small, women owned and minority owned businesses in Ellicott City.

DHCD's mission was to rapidly deploy emergency funds to the business community that was damaged/destroyed due to the flooding event that occurred in Ellicott City on July 30, 2016. Rapid deployment of funds was critical to aid emergency clean-efforts that began immediately. The clean-up efforts were the very first steps that aided in a successful recovery.

Performance of the Fund

DHCD received a total of \$5.0 million in funding for the Ellicott City recovery effort. The first funds awarded the Agency were State Catastrophic Event Funds for \$2.5 million followed by \$2.5 million from the Small, Minority, and Women-Owned Businesses Account-Video Lottery Terminal Funds (VLT).

- \$2.5 million for the Catastrophic Event Fund deployed during fiscal year 2017.
- \$2.5 million VLT Fund approved and settled one (1) transaction for \$85,000 and is expected to create six (6) new jobs, retain three (3) jobs, and leverage \$100,000 in private sector funds.
- VLT Fund Balance \$2,415,000

The business that received funding from the VLT fund was Timber Crossing Partnership. The financial request totaled \$678,000 and was split funded (\$593,000 Catastrophic Fund and \$85,000 VLT Fund). The funds were used to renovate and repair several buildings on Main Street to allow new tenants to move in and to replace lost revenue due to the loss of all commercial and residential tenants.

Marketing Outreach

DHCD was actively engaged and on site in Ellicott City beginning on August 1, 2016, which was the first business day after the flooding event. DHCD was on site at the Millworks Recovery Center daily for the first several weeks meeting with business owners and property owners whose businesses were destroyed. Along with face-to-face meetings, DHCD conducted phone interviews, handed out Recovery Lending flyers and worked very closely with Howard County to assist in the

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rebuilding of Ellicott City. Through mid-August 2017, a full year after the event, DHCD had a representative on site at least once per week.

Projected Performance

During Fiscal Year 2018, DHCD anticipates utilizing all of the remaining VLT Funds to small, minority, and women-owned businesses impacted by the flooding event in Ellicott City.