

Nonprofit, Interest-Free, Micro Bridge Loan (NIMBL) Account

ANNUAL REPORT

Pursuant to CH 629, Acts of 2017

Submitted by:

Maryland Department of Commerce

October 1, 2018



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

October 1, 2018

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

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

RE: Nonprofit, Interest-Free, Micro Bridge Loan (NIMBL) Account – Annual Report

Dear President Miller and Speaker Busch:

Pursuant to Chapter 629, Acts of 2017, I am pleased to submit the Department of Commerce's Nonprofit, Interest-Free, Micro Bridge Loan (NIMBL) Account Annual Report.

I look forward to your review of this report and will be available to furnish any additional information that is needed. If my staff or I can be of further assistance, or if you have any questions regarding this report, please contact me at 410-767-6301.

Sincerely,

R. Michael Gill
Secretary

Enclosure

History and Program Description

Chapter 629, Acts of 2017, established the Nonprofit, Interest-Free Micro Bridge Loan (NIMBL) Program to be administered by the Maryland Department of Commerce (Commerce).

NIMBL is a loan program under the Maryland Nonprofit Development Center Program. Nonprofit entities request funding support through the Maryland Nonprofit Development Center. The purpose of the program is to foster, support, and assist the economic growth and revitalization of qualifying nonprofit entities in the State by providing bridge loans to nonprofit entities.

Program funds should enable nonprofit entities to fill a funding gap between the award date of a government grant or contract and the actual receipt date of those awarded funds that allow for the continued financial support of the nonprofit entity’s program.

Program Performance for Fiscal Year 2018

Commerce received four applications from nonprofit entities and approved all of them for funding from the NIMBL program to assist with operating costs. Those entities and loan amounts were:

Adventure Theatre, Inc. \$25,000

Adventure Theatre MTC was founded in 1951 to educate and inspire new generations of theater artists and audiences with exceptional theatrical experiences. The NIMBL assistance supported 5 months of operating costs in anticipation of receiving grant funded through the Maryland State Arts Council.

Crossroads Freedom Center \$20,000

Crossroads Freedom Center is a nonprofit ministry started in 2006 to build recovery homes for individuals struggling with addiction. The NIMBL assistance supported 6 months of operating costs in anticipation of receiving grant funds from the Governor’s Office of Crime Control and Prevention-Byrne-Justice Assistance Grant Program.

Pigtown Mainstreet, Inc. \$19,760

Pigtown Mainstreet, Inc., founded in 2000, is focused on commercial revitalization of the historic Pigtown neighborhood along the Washington Boulevard corridor. The NIMBL assistance supported 3 months of operating costs in anticipation of receiving a grant funded through the City of Baltimore’s Department of Housing and Community Development.

Historic Sotterley, Inc. \$25,000

Historic Sotterley, Inc., a designated National Historic Landmark, is dedicated to reserve, research, and interpret Sotterly Plantation’s diverse cultures and environments, and to serve as a public educational resource. The NIMBL assistance supported ongoing operating costs in anticipation of receiving a Capital Projects Grant approved by the Board of Public Works.

Commerce’s process from received application to approval of funds took an average 7.5 days, far exceeding Commerce’s goal of 30 calendar days.

Client Name	Board Approval Date	Loan #	Approved Loan Amount	Date Current Commitment Sent	Date Current Commitment Received	# of Days	Disbursed
Adventure Theatre, Inc.	11/1/2017	1859-01-01	\$ 25,000.00	10/25/2017	10/27/2017	5	11/17/2017
Crossroads Freedom Center, Inc.	4/2/2018	1905-01-01	\$ 20,000.00	3/22/2018	3/24/2018	9	5/18/2018
Pigtown Main Street, Inc.	4/2/2018	1906-01-01	\$ 19,760.00	3/22/2017	3/22/2018	11	5/15/2018
Historic Sotterley, Inc	6/19/2018	1922-01-01	\$ 25,000.00	6/14/2018	6/14/2018	5	7/31/2018
						30	
Total			\$ 89,760.00		AVG Days	7.5	

Out of the four approvals, two have repaid within six months of receiving the NIMBL loan. Those are:

Adventure Theatre, Inc. Repaid 02/28/2018
Pigtown Mainstreet, Inc. Repaid 08/06/2018

Repayments of the remaining NIMBL transactions are due no later than the date of the final grant or contract payments owed to the nonprofit entity.

SURVEY RESULTS

As part of Commerce’s commitment to customer service each NIMBL recipient was asked to complete a survey on the NIMBL process. Commerce will use these survey results to make any necessary improvements to the program. Results from four respondents are as follows:

- Q1: Did you use the Maryland NonProfit Center?- 100% responded “Yes”
- Q2: How helpful was the Nonprofit Center?- 100% responded “Very Helpful”
- Q3: How easy was the application process?- 100% responded “Somewhat Easy”
- Q4: How easy was the loan settlement process?- 75% responded “Very Easy” and 25% responded “Somewhat Easy”
- Q5: Overall, how satisfied were you with the service you received from the Department of Commerce? – 100% responded “Very Satisfied”
- Q6: Would you use this program again?- 100% responded “Yes”
- Q7: Would you recommend this program to other nonprofit organizations? – 100% responded “Yes”
- Q8: Are there any other issues related to your experience that you would like to tell the Department of Commerce? Please use the space below to explain.

“If at all possible, the cap on the program should be increased to at least 1 payroll. (say \$40k to \$50k per loan). This program is most helpful as a 3 to 6 month bridge loan. Thank you for creating it. It saved our non-profit.”

“Darla was so helpful and patient, answering all my questions! I would highly recommend this program to others. It was a game changer for us as a small non-profit!”

“Darla was amazing to work with. She is very responsive and accommodating. We encountered a few hiccups throughout the process, but she was persistent and helped us overcome them.”

“No problems. Very grateful to the existence of the program. it will be a huge help in paying payroll on-time while we wait for our grant to be funded. Things the program might want to consider looking into - Amounts of the loans available vs. length of the loan. Could probably streamline one step, by collecting the information for the loan agreement in the application process (i.e. contacts name, Name of officers, etc.) Make nonprofits aware of the adjunct costs (certificate of good standing, notary, delivery of documents to Annapolis) - These could be a barrier to the smallest non-profits.”

Projected Program Performance for Fiscal Year 2019

The Fund was appropriated \$207,500 in FY19 which Commerce believes is sufficient to meet the current demand for the program. Commerce has been working with its partners at the Maryland Nonprofit Center and the Maryland State Arts Council to communicate the funding availability and flexibility of the NIMBL program, and Commerce has updated its website to include information about NIMBL and the application submission process. Additionally, Commerce has created some marketing materials for its business development representatives and other partners to distribute during events. Commerce staff have also reached out to the Hispanic and Latino community by attending the Maryland Hispanic Chamber of Commerce-Greater Baltimore Regional Chamber event. Additionally, Commerce is working with Baltimore SourceLink to provide information on NIMBL. Commerce will continue its outreach efforts in order to raise awareness about the NIMBL program.