

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2007 Legislative Session

Resolution No. CR-47-2007

Proposed by The Chairman (by request – County Executive)

Introduced by Council Member Exum

Co-Sponsors _____

Date of Introduction July 2, 2007

RESOLUTION

1 A RESOLUTION concerning
2 Neighborhood Business Development Program
3 For the purpose of supporting the financing of the Business Community Empowerment
4 Opportunity Program under the Neighborhood Business Development Program of the Maryland
5 Department of Housing and Community Development.

6 WHEREAS, Sections 6-301 through 6-311 of the Housing and Community Development
7 Article of the Annotated Code of Maryland established the Neighborhood Business Development
8 Program (also known as the “Neighborhood BusinessWorks Program”); and

9 WHEREAS, the purpose of the Neighborhood BusinessWorks Program is to help develop,
10 redevelop, or expand small businesses and microenterprises; to stimulate investment by the
11 private sector; to invest in revitalization projects for small businesses and microenterprises; and
12 to stimulate political subdivisions to participate in developing and expanding small businesses
13 and microenterprises; and

14 WHEREAS, the Prince George’s County Council promotes the revitalization of our
15 community by encouraging the development and expansion of for-profit and non-profit small
16 businesses; and

17 WHEREAS, Washington Area Community Investment Fund, Inc. (“WACIF”) has applied
18 to the Neighborhood BusinessWorks Program for financing to implement the Business
19 Community Empowerment Opportunity Program as outlined in the Executive Project Summary,
20 which is attached hereto and incorporated herein as Attachment A; and

21 WHEREAS, this project is located in a State-approved locally designated revitalization area
22 and conforms with the County Zoning Ordinance; and

1 WHEREAS, the regulations of the Neighborhood BusinessWorks Program require that all
2 projects receiving financing be approved and supported by the appropriate governing body of the
3 locality in which the project is situated; and

4 WHEREAS, the County Executive also supports the financing of the Business Community
5 Empowerment Opportunity Program.

6 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
7 County, Maryland, that the County governing body hereby endorses the financing to WACIF for
8 the Business Community Empowerment Opportunity Program under the Neighborhood
9 BusinessWorks Program.

10 BE IT FURTHER RESOLVED that a copy of this Resolution be sent to Director of the
11 Office of Programs and Regional Development at the Maryland Department of Housing and
12 Community Development, 100 Community Place, Crownsville, Maryland 21032.

Adopted this 24th day of July, 2007.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Camille A. Exum
Chair

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____

BY: _____
Jack B. Johnson
County Executive

ATTACHMENT A

EXECUTIVE SUMMARY

APPLICATION OF WASHINGTON AREA COMMUNITY INVESTMENT FUND, INC.
("WACIF") FOR FINANCING UNDER THE NEIGHBORHOOD BUSINESS
DEVELOPMENT PROGRAM

I. Goal

To implement the Business Community Empowerment Program ("B-CEO Program") for Prince George's County, Maryland and its adjoining jurisdictions.

II. Applicant

WACIF is a 19-year-old nonprofit 501 (c) (3) community development financial institution whose mission is to provide technical assistance and below market-rate financing for affordable housing and low-income community development efforts in the Washington Metropolitan area. WACIF serves a wide range of community-based organizations in Prince George's County, Maryland and its neighboring communities.

III. Project Description

WACIF, in partnership with Economic Development and Training Institute, Inc. (EDTI), a nonprofit community development organization based in the County, proposes to implement the B-CEO Program. WACIF plans to administer part of the program through EDTI's Biz Center, which is located in Camp Springs, Maryland. The Biz Center provides office space and business services to small business start-ups in Prince George's County and surrounding areas. It has 22 offices, three conference rooms, telephone and fax lines, computers, and office equipment and furniture.

The B-CEO Program delivers technical and financial assistance to small businesses, along with access to capital, as a catalyst to the revitalization of commercial districts that serve as the economic lifeblood of Maryland's under-resourced communities. Elements of the program include outreach and marketing, financial needs assessments, loan packaging, loan sourcing, distribution of a Small Business Toolkit, loan readiness training, business plan development, marketing development and advertising concepts and strategies.

WACIF will undertake the following Technical and Financial Assistance Activities: financial needs assessments, loan application assistance, workshops, and advertising assistance.

IV. Revitalization Impact

The B-CEO Program's two main goals are (1) to create jobs and to provide self-employment and micro-enterprise opportunities for low-income persons, and (2) to offer small businesses access to capital for expansion of operations, including the hiring of low-income persons. Indeed, to receive a loan from the Revolving Loan Fund, businesses *must hire* low-income persons.

To accomplish these goals, WACIF will partner with businesses that are low-risk and located in the targeted geographic market. Services will be offered in the following employment areas:

- Construction Industry – Pay range \$10 to \$14/hour
- Administrative Support Positions – Pay range \$10 to \$12 per hour
- Cosmetologists – Pay range \$400 to \$600 per week
- Job Placement for Veterans – Pay range \$12 to \$20 per hour
- Non-traditional Music and Entertainment Positions – Pay range \$400 to \$2,000 per week

The Biz Center at EDTI houses businesses in each of these employment areas. These tenants are committed to supporting the development of self-employment opportunities for low-income persons, as well as hiring those trained through the technical assistance seminars and one-on-one sessions offered by the B-CEO Program.

The B-CEO Program will result in:

- Seventy (70) jobs and thirty (30) self-employment opportunities for low-income people in the target geographic areas
- A permanent Revolving Loan Fund of \$250,000 that is recapitalized by private and public institutions for working capital to businesses and for self-employment opportunities that will leverage over \$4,500,000 in taxes and tax incentives for HUB Zones and Empowerment Zones/Enterprise Communities.
- Loans to 30-40 businesses

WACIF anticipates making loans ranging from \$5,000 to \$35,000 to 10-25 small businesses. Because they typically require little start-up capital, self-employment opportunities will be funded with loans ranging between \$1,500 and \$3,000. During the grant period, WACIF anticipates distributing thirty (30) loans to self-employed persons.