



Office of
Procurement
MONTGOMERY COUNTY, MD

Online Open House

Small Business Grants, Loans and Access to Capital

November 16, 2022

Small Business Access to Capital (Grant\$ and Loan\$)

Montgomery County, Maryland

Business Advancement Team (BAT)

November 16th, 2022



Small Businesses Access to Capital in Montgomery County

The Business Advancement Team (BAT), along with the county's resource partners, provides resources to aspiring entrepreneurs and existing small businesses to:

1. Start Business
2. Grow/Expand
3. Move to the county



Grant\$ and Loan\$

Montgomery County Grant\$

- ✓ SBIR/STTR – Small Business Innovation Research/Small Business Technology Transfer
- ✓ MOVE – Make Office Vacancy Extinct
- ✓ Biotechnology Investor Incentive
- ✓ Cybersecurity Tax Credits Supplemental Program

Targeted Assistance Programs

- ✓ Small Business Assistance Program (SBAP)
- ✓ Impact Assistance Fund (IAF)



SBIR/STTR

- ✓ Launched in July 2018 and runs through July 1, 2025
- ✓ A matching conditional grant that will later change to a permanent grant
- ✓ Applies to Businesses involved in R&D in Medicine, Biotechnology, and Life Science
- ✓ Can be applied via <https://www.montgomerycountymd.gov/Biz-Resources/sbir-sttr-grant-application-form.html>
- ✓ Involves Phase-0, Phase-I, and Phase-II
- ✓ **Phase-0** – Qualifies for up to \$5,000 in award
- ✓ **Phase-I** – Up to 25% matching grant with a maximum of \$25,000
- ✓ **Phase-II** – Up to 25% matching grant with a maximum of \$50,000
- ✓ Criteria include

1. Company conducts at least 51% of its R&D operations at a physical location in the county
2. Company has been awarded an SBIR/STTR phase-I or II during the current year from fed



MOVE

- ✓ Way to encourage new business creation and to attract from other jurisdictions
- ✓ Application goes to MCEDC via <https://thinkmoco.com/move-application-form>
- ✓ Business must be new to the county (relocation, new, home-based moving to first commercial office space,...)
- ✓ Qualifying businesses get \$8/SF up to 20,000 SF or a maximum of \$80,000
- ✓ Excludes **retail, restaurants, and independent financial or insurance agent/broker** establishments that sell products underwritten by a third-party
- ✓ Should have a class A or B commercial lease with a minimum of 36 months
- ✓ Application should be received within 90 days of the lease signing



Biotechnology Investor and Cyber security Tax Credit Incentives

- ✓ One is for cyber security and the other one is for biotechnology companies
- ✓ The state tax credit applies to the investors (which may be individuals/entities) not the companies
- ✓ The individual/entity should be designated as an investor under State law and has received a final tax credit certificate for the Maryland cybersecurity investment tax credit and/or biotechnology for the preceding calendar year
- ✓ Should be based in Montgomery county
- ✓ The program pays up to 50% of the State tax credit that the individual/entity receives from the Maryland cybersecurity investment tax credit/biotechnology program in the preceding calendar year



Montgomery County Loan\$

Montgomery County Micro-Loans\$

- ✓ LEDC offers micro-loan of \$500 - \$250,000 <https://www.ledcmetro.org/smallbusiness/>
- ✓ Life Asset, Inc. also offers micro-loan starting from \$500 <https://lifeasset.org/>



Overview of Montgomery County Office of Grants Management

November 16, 2022



Prepared by Montgomery County Office of Grants Management



Office of Grants Management

- **Bill 36-19 Contracts and Procurement – Office of Grants Management – Established passed by Council on July 13, 2021 and signed by County Executive on July 19, 2021**
- **Creates an Office of Grants Management within the Executive branch of County Government starting July 1, 2022 (FY23)**
- **County Executive’s FY23 Approved budget includes \$341,309 for a new Office of Grants Management**
 - **Director**
 - **Grant Distribution Program Manger II (in hiring process)**
 - **Grant Seeking Program Manger II (in hiring process)**
 - **Operating expenses**

Difference between a Contract and Grant

Procurement Contract

- Contemplate the County getting a good or service in return for the funds provided
- Subject to our Procurement Regulations and Policies
- Overseen by the Office of Procurement

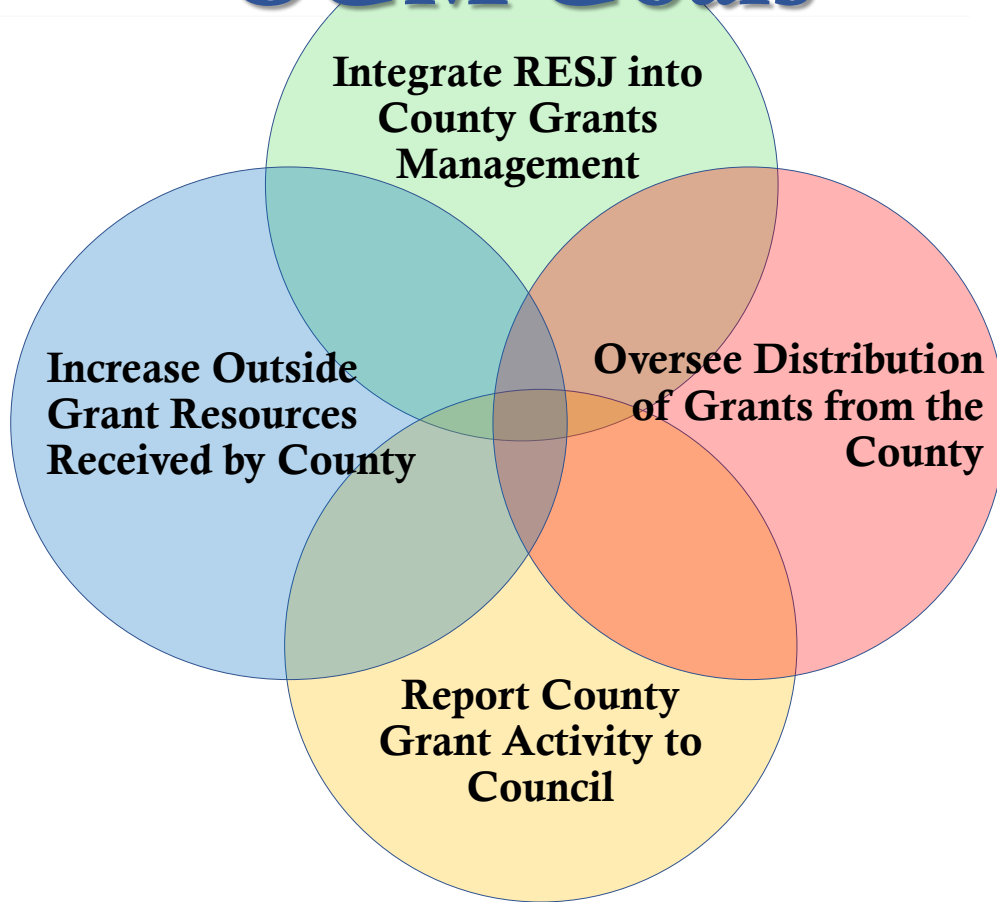
Grant Agreement

- For the public good and do not anticipate a return of some good or service in exchange
- Subject to the County's Administrative Procedure 2-4
- Overseen by the Office of Grants Management

Grants are not limited to nonprofits. The County has and may continue to offer grant opportunities to private businesses.



OGM Goals



Partnering Subject-Matter Experts (SMEs) in the County



OGM
Grants
Management
SMEs

Effective
Grants Management

- Competitive and realistic County grant applications
- Rigorous and informed compliance
- Equitable, inclusive, and efficient competitive grants programs
- Flexible, accessible, and effective grant agreements
- Streamlined reporting

Departments/
Offices
Sector SMEs

OGM Services to Outside Stakeholders



Grant Seeking

- Coordinates County joint applications with outside partners
- Provides documentation support for outside partner applications
- Liaises with and advocates for the County's communities on grant related issues

Grant Distribution

- POC for the County on all competitive grant programs
- Manage and provide tech support for the online grants application platform and the OGM internet site
- Develop training resources and events for County grant applicants
- Liaises with and advocates for the County's communities on grant related issues



What to expect...

- A single website and grants application platform for all County grant opportunities to increase access and transparency
- Multiple smaller, targeted competitive grants programs throughout the year, instead of just two broad programs
- A more standardized grant application format across all County grants programs with a focus on accessibility and inclusion
- Grant awards given out as real grants, like other jurisdictions, with a focus outcomes and impacts of programs over receipts
- Training and support resources for outside stakeholders on County grants competitions and grant agreements
- An inclusive process to collect nonprofit feedback from across the County on reforms to the Community Grants and Capital Cost Sharing Grants programs for FY24 and going forward

Questions?



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Director

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OGM County Grant Application Platform

<https://mcmdgrants.fluidreview.com/>

Montgomery
County Office
of Procurement

Online Open House

Presented by Laurie Boyer Babb, CEcD
Director of Economic Development

Montgomery County Economic
Development Corporation

November 2022



Who is Montgomery County Economic Development Corporation (MCEDC)

The **official public-private economic development organization** for Montgomery County, MD

Led by a board of directors, our mission is to **help new businesses start and grow in the county, help existing businesses grow and thrive and attract companies to relocate here**



How MCEDC Can Help

- Location/Site Selection Assistance
- Data / database resources
- Demographics / industry information: market intelligence
- Marketing the County and its Companies
- Referrals/introductions to potential partners
- Explore incentive opportunities
- Workforce recruitment assistance/referrals

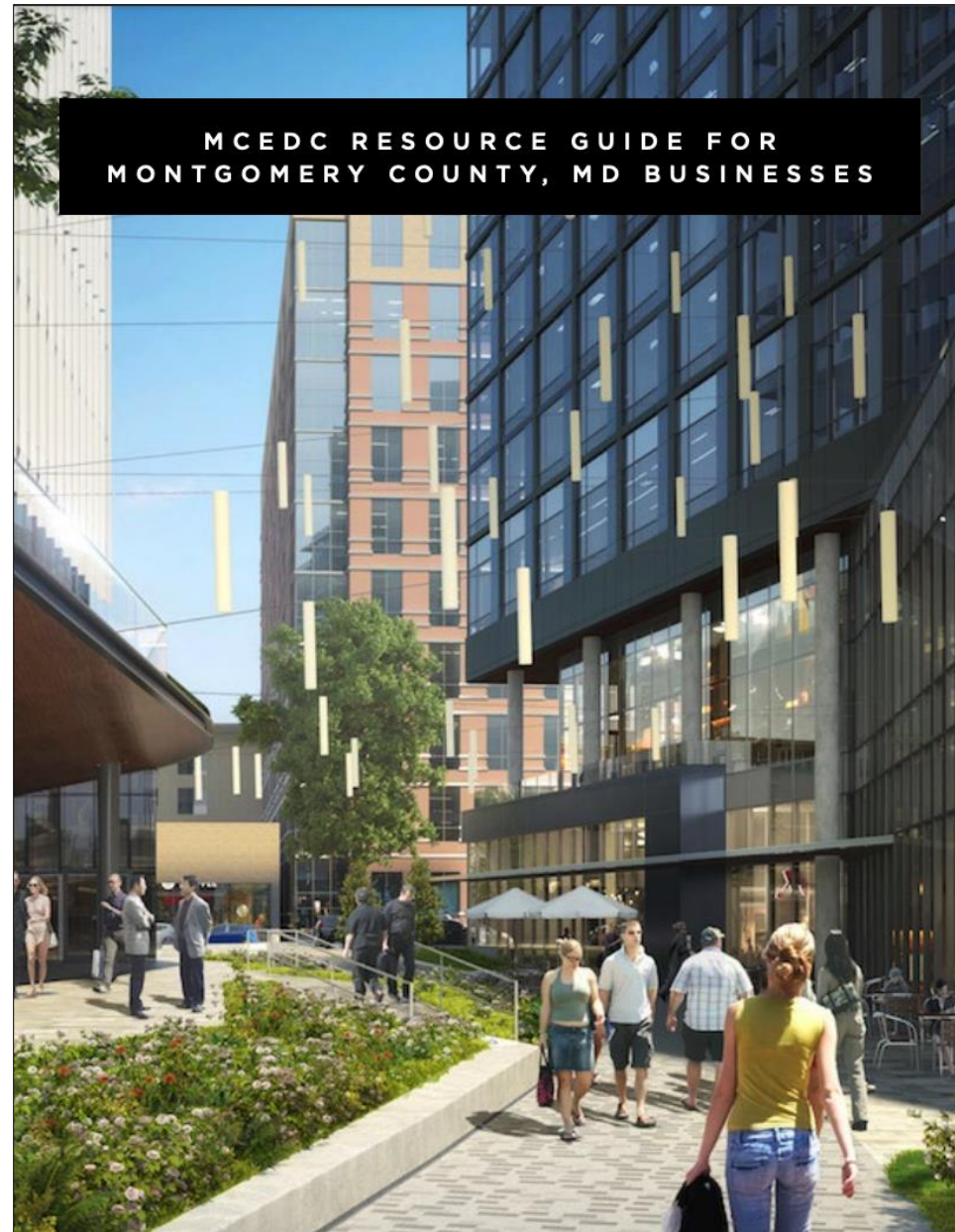
MCEDC Resource Guide

(English and Spanish versions available)

Includes:

- Federal, State & Local Resources
- Funding and Access to Capital
- Training
- Diversity, Equity and Inclusion-Oriented Assistance
- Industry-Specific Support
- Shared Spaces / Incubators
- Workforce Development
- Chambers of Commerce
- Many other additional resources

Find it at: <https://thinkmoco.com/start>



MCEDC Resource Guide – Funding info

(English and Spanish versions available)



F. Access to Capital and Resources

i. Angel Funding

1. [Dingman Center Angels](#)

2. [Basecamp Fund](#)

Early stage venture capital fund.

ii. Federal

1. [Community Development Financial Institutions \(CDFI\)](#)

Promotes access to capital and local economic growth through mission-driven banks, credit unions, venture capital funds and loan funds (from the U.S. Treasury)

a. [CDFI Banks](#)

Click “certified CDFIs” link to download the spreadsheet.

2. [SBA Funding Resources Page](#)

Links to SBA's different types of funding assistance.

a. Lending

i. [504 Program](#)

ii. [Lender Match](#)

iii. [Lenders in Maryland](#)

b. [Natural Resource Sales Assistance Program](#)

Program to assist Small Businesses acquire natural resources and surplus property from the Federal Government.

3. [Federal Contracting Opportunities](#)

Search contracting opportunities.

iii. State

1. [Maryland Department of Commerce](#)

a. [Financial Incentives](#)

Database of funding programs for small businesses and companies in specific industries.

b. [Maryland Small Business Development Financing Authority \(MSBDF\)](#)

Loans for economically and socially disadvantaged entrepreneurs for working capital, obtaining bid and performance bonds for contracts, equipment, real estate, and more.

c. [Small, Minority and Women-Owned Business Account-Video Lottery Terminal Fund \(VLT\)](#)[†]

Four administrators accept applications from Montgomery County businesses:

2. [TEDCO](#)

A variety of advisory services and business and funding resources targeted to technology entrepreneurs.

3. [Maryland Economic Development Corporation \(MEDCO\)](#)

Collaborates with partners and clients to finance and develop qualified public and private infrastructure projects to enhance the quality of life in Maryland.

iv. Local

1. [Montgomery County Economic Development Grant and Loan Fund \(Montgomery County Government\)](#)

Financial Assistance to private employers who retain large numbers of jobs or stimulate significant new job creation in Montgomery County.

2. [Montgomery County MOVE Program, MCEDC](#)

The Make Office Vacancy Extinct (MOVE) Program is designed to assist new business attraction and business formation in the County.

3. [Montgomery County Green Bank](#)

Loans to companies for clean energy improvements, including HVAC upgrades that create safer environments for customers and employees.

4. [Debt Funding \(Banks and Credit Unions\)](#)

a. [Latino Economic Development Center](#)

Community Development Financial Institution (CDFI) lender.

b. [FSC First](#)

Specialized in engineering, food,

g. [SECU](#)

h. [M&T Bank](#)

i. [Sandy Spring Bank](#)

Numerous Montgomery County [locations](#).

j. [EagleBank](#)

Montgomery County Small Business Plus Lender.

k. [PNC Bank](#)

Provides business counseling for entrepreneurs/early-stage businesses to prepare them for financing.

l. [Capital Bank](#)

Montgomery County Small Business Plus Lender.

m. [Congressional Bank](#)

Montgomery County Small Business Plus Lender.

2. DIVERSITY, EQUITY, AND INCLUSION ORIENTED RESOURCES

A. [Entrepreneurs of Color](#)

i. [Resource Guides](#)

1. [Helping Maryland's Minority Business Owners](#)

A collection of federal resources.

2. [SBA](#)

a. [Resource Page for Federal Contracting Assistance Programs](#)

Many programs are targeted towards Entrepreneurs of Color.

b. [Resource Page for Native American Owned Businesses](#)

ii. [Entrepreneurial and Workforce Development and Training](#)

1. [Capital Center Monthly Business](#)

3. [Hispanic Business Center](#)

Provides counseling and training to help Hispanic small business owners start, grow, and expand businesses.

4. [InBusiness, LEDC](#)

Training and 1:1 coaching to help new and existing enterprises with various business needs.

5. [Welcome Back Center of Suburban Maryland](#)

Eliminates barriers for foreign-trained health professionals.

6. [Financing Your Business](#)

Assess your financing needs and discover financing options for your business.

iii. [Funding](#)

1. [Maryland Small Business Development Financing Authority \(MSBDF\)](#)

Loans for economically and socially disadvantaged entrepreneurs for working capital, obtaining bid and performance bonds for contracts, equipment, real estate, and more.

2. [Small, Minority and Women-Owned Business Account-Video Lottery Terminal Fund \(VLT\)](#)

Several loan programs prioritize support minority owned businesses.

3. [TEDCO Builder Fund](#)

A pre-seed fund and mentorship to support tech enabled businesses created by socially disadvantaged entrepreneurs.

4. [Black Angel Tech Fund](#)

Started by successful Black entrepreneurs providing resources to Black-owned businesses.

5. [DiverseCity Ventures](#)

Invests in startups and focused on economic, environmental, geogra



•**Montgomery County Economic Development Corporation (MCEDC)** was awarded an initial allocation of \$1.5 million from the State’s Video Lottery Terminal (VLT) Fund program to serve as a loan fund manager. The program uses proceeds from video lottery terminals (slots) to assist **small, minority, and women owned businesses**.

•We are partnering with the **Latino Economic Development Center (LEDC)** as our loan underwriter and servicing agency. LEDC plans to contribute \$500,000 to the loan fund and may participate with funding up to 50% of some of the loan application requests.





ELIGIBILITY:

- **Small, minority, and woman-owned businesses**

- At least 50 percent of our allocation is designated for businesses in targeted areas surrounding Maryland's six casinos
- The other 50 percent will be targeted to small, minority, and woman-owned businesses in Montgomery County

- No minimum credit score is required
- No minimum business revenue is required
- No minimum number of years in business is required

- **Loan Size:** from \$2,500 - \$250,000

- **Rates/Term:** 4.5% - 12% based on credit risk analysis; 6 months – 10-year terms



ACCELERATING
COMMUNITY EXCELLENCE



MONTGOMERY COUNTY
ECONOMIC DEVELOPMENT
CORPORATION MARYLAND

USE of FUNDS:

•General business purposes, such as:

- Startup costs
- Working capital
- Business acquisitions
- Equipment loans
- Commercial real estate acquisitions
- Expansion
- Franchise financing
- Construction
- Inventory financing
- Etc.

Visit ledcmetro.org/ace_loan_program to apply!

Additional Resources to Support Montgomery County Businesses

Montgomery County Business Center/Business Advancement Team

County government staff to help your business navigate County government, licensing, permitting, procurement, and other processes.

MD Women's Business Center (MWBC)

Works with entrepreneurs across Maryland's capital region to help women start, sustain and grow their businesses

Latino Economic Development Center (LEDC) – Drives economic and social advancement to underserved local Latino communities

MD Small Business Development Center (SBDC)

Offers support to entrepreneurs and small businesses, including training, consulting and research

The Governor's Office of Small, Minority & Women Business Affairs (GOSBA) – Connects the small business community with greater economic opportunities in both the public and private sectors.

Montgomery County Regional Services Centers

Liaison between the County and its residents and businesses to provide information, identify issues and recommend solutions.

The MD Entrepreneur Hub – An interactive portal to find the resources your business needs, from funding to talent. Over 2,000 resources to build your business in MD.

MD Department of Commerce – Dedicated Montgomery County office to help businesses with retention, relocation and expansion needs and finding opportunities.

Maryland Business Express (MBE) – Plan, start, manage and grow your business with help from the business express service.

SCORE – Free confidential business advice and mentoring via a network of 10,000 volunteer business experts through the SBA.



MONTGOMERY COUNTY
ECONOMIC DEVELOPMENT
CORPORATION **MARYLAND**

THANK YOU

Visit us at thinkmoco.com

Laurie@thinkmoco.com

Sign up for our [newsletter](#) for ongoing business news and support
Send us your updates so we can help promote your business — email us at connect@thinkmoco.com