

Video Lottery Terminal Fund (VLT)

DESCRIPTION

Created with the small business owner in mind, the state's Video Lottery Terminal (VLT) fund uses proceeds from video lottery terminals (slots) to assist small, minority, and women owned businesses located in targeted areas surrounding six Maryland casinos. The revolving fund offers loans between \$25,000 to \$500,000 for purposes such as business and commercial real estate acquisition and expansion, lease-hold improvements, equipment, and working capital.

Thanks to Ocean Downs' Worcester County location, numerous small businesses have tapped the VLT Fund to start or expand on Maryland's Coast. The VLT Fund uses slot machine proceeds to assist small, minority, and women owned businesses in areas near Maryland's casinos. Half of all VLT funds generated at the Berlin casino must be used within a 10-mile radius.

Worcester businesses who have used the VLT Loan Program include:

- Plak That, West Ocean City
- Hoop Tea, Ocean City
- Daily Brew, Snow Hill - Get a quote from Kite Loft and Lorissa
- The Kite Loft, Ocean City

LOAN REQUIREMENTS

- Personal credit (640 or above)
- Historical Debt Service Coverage Ratio (DSCR) of 1.00x or projections with assumptions showing 1.00x DSCR
- Collateral when available
- All owners over 20% must personally guaranty the loan
- Life insurance on owner/guarantor where no valid succession plan is in place
- Minimum equity injection of 10% for start-up businesses
- Business plan for start-ups

FUND MANAGER CONTACTS

There are seven fund managers in Maryland (see below) who oversee the distribution of VLT funds.

For more information about VLT contact the fund manager in your area:

Anne Arundel Economic Development Corp
[Stephen Primosch](#), VP of Financial Services
2660 Riva Road, Suite 200
Annapolis, MD 21401
(410) 222-7410

Maryland Capital Enterprises Inc.
[Maurice Ames](#), Director of Operations
144 East Main Street
Salisbury, MD 21803
(410) 546-1900

Baltimore County, Maryland
[Stanley Jacobs](#), Chief Lending Officer
C/O Department of Economic and Workforce Development
400 Washington Avenue, Suite 100
Towson, MD. 21204
(410) 887-8000

City of Baltimore Development Corp.
[Jeffrey P. Pillas](#), Vice President & Chief Financial Officer
36 S. Charles Street, Suite 1600
Baltimore, MD 21201
(410) 837-9305

Howard County Economic Development Authority
[Darshni Patel](#), Loan Fund Manager
6751 Columbia Gateway Drive, Suite 500
Columbia, MD 21046
(410) 313-6512

Tri County Council for Western Maryland
[Chris Funk](#)
Business Development Loan Officer
11 S. Lee Street
Cumberland, MD 21502
cfunk@tccwmd.org
301-689-1300

Meridian Management Group, Inc.
[Randy Croxton](#), Chief Investment Officer
826 E. Baltimore St.
Baltimore, MD 21202
(410) 333-4270

FSC First
Dawn R. Medley, Vice President, Business Finance Programs
1801 McCormick Drive
Suite 300
Largo, MD 20774
(301) 883-6900

Priced at or below current market interest rates Eligible entities include start-ups and existing businesses