



BIG

Business Investment Growth

2017 Annual Report

www.wsscwater.com/big



Business Investment & Growth Program: 2017 Annual Report

Program Background:

The Business Investment and Growth (BIG) program was developed by WSSC to assist community banks in providing capital to local businesses. Eligible banks must be headquartered in Montgomery or Prince George's County, Maryland and meet standards established by WSSC. The BIG program was initiated in February 2017 with a \$12 million deposit with six locally-based community banks listed in the table below.

The participating banks leveraged those deposits 2:1, creating \$24 million in available funding for loans to local businesses. The eligibility requirements for participating banks include:

- Headquartered in Prince George's or Montgomery County, Maryland;
- Assets > \$200 million and < \$10 billion;
- Green or better Veribanc rating;
- Cannot be subject to an adverse agreement with a regulatory authority; and
- Must lend within 12 months of commitment by WSSC.

Program Results:

In its first year of operation the BIG program generated interest income of \$92,000. In addition, \$24 million was invested in the local economy for business expansion for small and local businesses in Prince George's and Montgomery counties, supporting the creation of 85 new jobs in 2017.

Bank	WSSC Deposits	Interest Earned	Total Loans Made thru BIG Program	Jobs Created via BIG Program¹
Capital	\$ 1,000,000	\$ 8,000	\$ 2,000,000	3.4
Colombo	\$ 500,000	\$ 4,000	\$ 1,000,000	4.1
Congressional	\$ 1,000,000	\$ 8,000	\$ 2,000,000	8.8
Eagle	\$ 7,000,000	\$53,000	\$14,000,000	47.8
Old Line	\$ 1,500,000	\$11,000	\$ 3,000,000	11.7
Revere	\$ 1,000,000	\$ 8,000	\$ 2,000,000	9.7
Total	\$12,000,000	\$92,000	\$24,000,000	85.5

1. Job creation estimates made using Bureau of Economic Analysis Regional Input Output Modeling SystemII (RMSII)

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BIG Community and Business Outreach:

WSSC has made significant efforts during 2017 to promote the innovative BIG program and meet with interested business and community leaders about its benefits. On January 9, 2017, WSSC General Manager and CEO Carla Reid met with executives from several locally-based community banks to discuss the terms of the BIG program and how to promote awareness and participation from other community banks and local businesses.



The BIG program was also featured at the January 12, 2017, "How to Do Business with WSSC Event," which was attended by several hundred businesses in the Washington Metropolitan area.

At the "Access to Capital Event," held at WSSC headquarters on June 28, 2017, a panel of local community banking executives discussed the benefits of participating in the BIG program. They also offered advice to small business representatives on obtaining access to financing and working effectively with community banks.



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BIG in the News

The Washington Post

TUESDAY, JANUARY 22, 2017

WSSC's BIG program

“...a new partnership aimed at boosting lending to small businesses.”

“...a rare public stimulus program that creates jobs locally without spending taxpayer dollars.”



February 15, 2017

Maryland Utility Tries Innovative Financial Model

“WSSC’s Big program is an innovative financial model focused on making loans available to local businesses.”

Looking Ahead

The BIG program regulations were amended in January 2018 by the WSSC Commissioners upon the recommendation of General Manager Reid to maintain a competitive rate of return for WSSC’s investments. The expected rate of return for 2018 is expected to be double that earned in 2017.

We will continue to work to grow our investment in the BIG program and use it as a forum to build relationships with local businesses, foster economic vitality in the local economy, while being financially responsible stewards on behalf of WSSC’s customers.

For more information on the BIG program please visit www.wsscwater.com/big

1 https://www.washingtonpost.com/business/capitalbusiness/in-new-loan-program-maryland-water-utility-takes-cues-from-county-government/2017/01/22/9a845da4-de77-11e6-ad42-f3375f271c9c_story.html?noredirect=on&utm_term=.79f869b80dd4

2 <https://www.wateronline.com/doc/maryland-utility-tries-innovative-financial-model-0001>