MARBIDCO

MARYLAND AGRICULTURAL AND RESOURCE-BASED
INDUSTRY DEVELOPMENT CORPORATION
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For Immediate Release

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MARBIDCO Offers a New Maryland Oyster Shucking House Loan Fund to Help Finance the Cost of Eligible Seafood Processing Projects

Loan proceeds can be used to renovate or construct a new oyster processing facility or expand an existing one, as well as purchase oyster processing equipment.

ANNAPOLIS, MD (September 25, 2023) – The Maryland Oyster Shucking House Loan Fund has been established by MARBIDCO to help finance the cost of eligible seafood processing projects, including those at historic oyster shucking houses, and to facilitate an increase in the amount of oyster shells retained in the State and returned to the Chesapeake Bay.

As a result of legislation enacted in 2022, $1 million has been included in the MARBIDCO FY 2024 budget for the new Oyster Shucking House Loan Fund program. This legislation enables MARBIDCO to offer loans of up to $250,000 to finance the eligible costs of qualifying oyster processing business projects (under certain terms and conditions).

Loan proceeds can be used to renovate or construct a new oyster processing facility or expand an existing one, as well as purchase oyster processing equipment.

Eligible applicants must have been a licensed Maryland Seafood Dealer for at least five years OR be a Tidal Fisheries License holder for at least five years and agree to obtain a Seafood Dealer License if approved for financing.

Loan amounts can range from a minimum of $25,000, up to a maximum of $250,000 (which is dependent upon the number of full-time jobs being created or retained – for each $25,000 in financing provided at least one full-time job must be created or retained). The MARBIDCO loan interest rate is only 3.25% (fixed). The loan origination fee is being waived for this program and some loan forgiveness is available to borrowers based on the amount of oyster shell returned to the Department of Natural Resources.

At least 3% of a project's total cost must be provided by the borrower as an equity contribution towards the completion of the project. For projects located in Anne Arundel, Calvert, Cecil, Charles, Kent, Prince George's, Queen Anne's or St. Mary's counties, MARBIDCO will match on a dollar-for-dollar basis the borrower's equity contribution up to 5% of the project cost (with a cap of $12,500) with grant funds provided by two Maryland rural regional councils: Southern Maryland Agricultural Development Commission or Upper Shore Regional Council

Applicants must be able to demonstrate that they have sufficient working capital is available to run the oyster processing operation. Submission of a business plan, including financial projections, is required.

Applicants must also have paid all applicable taxes and fees for the last five years.

The deadline to submit applications is December 1, 2023, at 4:00 p.m. For an application, visit https://www.marbidco.org/_pages/programs_loans/loan_programs_oyster_shucking_house.htm

For more information about the Maryland Oyster Shucking House Loan Fund, contact Stacy Kubofcik, MARBIDCO Senior Programs Manager, by email at skubofcik@marbidco.org or by telephone at (410) 267-6807. Electronic applications are encouraged. The mailing address is MARBIDCO, Maryland Oyster Shucking House Loan Fund, c/o Stacy Kubofcik, 1410 Forest Drive, Suite 21, Annapolis, MD 21403.

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MARBIDCO was established by the Maryland General Assembly more than 15 years ago to help enhance the sustainability and profitability of the State's agricultural and resource-based industries in order to help bolster rural economies, support locally produced food and fiber products, and preserve working farm and forest land. MARBIDCO is a nimble, quasi-public financial intermediary organization that has a mission to serve exclusively the commercial farming, forestry, and seafood industries of Maryland. Young and beginning farmers are a special focus for MARBIDCO, as is farm operation diversification. In delivering its financing programs, MARBIDCO works cooperatively with commercial banks and farm credit associations, as well as a host of federal, State, regional, and local government agencies, and universities. Since 2007, MARBIDCO has approved some 1,240 financings totaling over $100 million for food and fiber business projects located in all of Maryland's 24 counties – and in the process has leveraged more than $214 million in commercial lender financing. For more information about MARBIDCO's programs, please visit: www.marbidco.org