

Innovative Solutions to Today's Challenges

Tom Sadowski, Executive Director

**MEDA Economic
Development Primer**
May 30, 2024



Maryland Economic Development Corporation

MEDCO History

MEDCO is a quasi-government development corporation, created by the General Assembly in 1984 to serve as a specialized economic development organization—supporting private business, non-profit, federal, state, and local government entities.



MEDCO was given the authority by the legislature to acquire, lease, improve, and/or develop real and personal property; finance projects through bond issuance and commercial loans; and offer advisory and consulting services.



MISSON



Fuel Economic Growth in Maryland

MEDCO assists with the retention, expansion, and attraction of business and industry throughout the State of Maryland.

Our special financing, advisory services, and real estate development capabilities offer Maryland communities the tools to conceive, pursue and attain their economic and workforce development goals.

medco-corp.com



In Practice

Serve as a solutions provider... facilitate projects for government “entities” (*LOI, P3’s, Interagency agreements*)


- **Advisory services**
- **Feasibility analysis**
- **Construction and development project management**
- **Asset management**
- **Annual reporting to Legislature**




MEDCO's Mission Evolution

1984 -- Maryland Economic Development Corporation formed

MEDCO was originally formed to develop vacant and under-utilized industrial sites and facilities, as well as other economic resources not being addressed by the private sector in economically distressed areas of the state



1999 and 2001 -- MEDCO's authorization was expanded to develop property throughout the state that met its legislative purposes (see text box)



2009 – MEDCO was authorized to issue bonds backed by TIF and/or special taxing districts In order to support Transit Oriented Development-related & sustainable communities infrastructure development across the state, and may also own such infrastructure



MEDCO Capabilities Today



Issuing bonds to finance projects



Owning projects and real estate



Tax Increment Financing



Project development manager



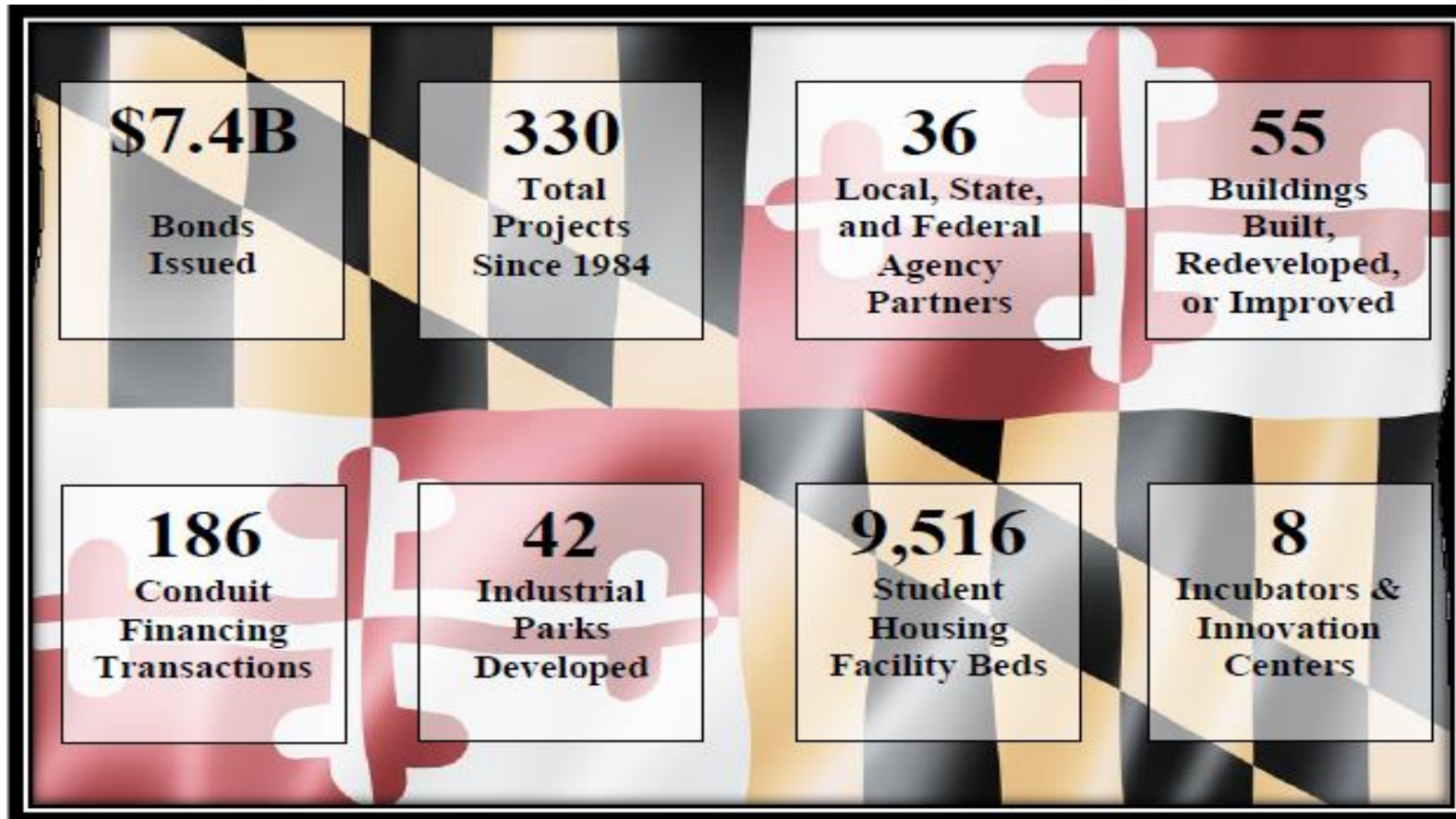
Asset Management



Procuring expert advisory/consulting services



MEDCO Performance History



*Data inclusive of all projects from 1984 to June 30, 2023



Fiscal Year 2023 Review

- **Bonds Issued in FY23:** >\$220 million (> \$1 billion in '24)
 - Total outstanding bond portfolio: >\$3 billion
- **Total annual project revenues:** nearly \$200 million
- **MBE participation in MEDCO managed projects:** 32-35%
- **Minority vendor engagement (MBE/WBE/SBE/DBE):**
 - MEDCO services contracted = \$160,460.17
 - MEDCO project vendors = \$31,638,031.26
- **Completed Developments:**
 - Annapolis Hillman Garage (P3 Award Winner)
 - Morgan State University TMH (total \$215 million project financing for MSU to date)
- **Consulting projects:**
 - Bainbridge Development Corp
 - MD National Capital Parks & Planning Commission HQ and aquatic facility
 - Pimlico Plus Plan w/MSA
 - Morgan State University, Phase III
 - Bowie State Univ/Open Works Maker Space
 - Odenton Garage TOD
 - Southern MD SCIF Development Initiative (3 projects underway; 2 pending)



MEDCO Strategic Plan

With guidance from the MEDCO board and key public/private stakeholders, MEDCO developed its first Strategic Plan in 2022.

This plan focuses MEDCO efforts and resources to better accomplish the following:

- ***Target industry development***
- ***Innovation capacity development***
- ***Fostering inclusive and equitable economic growth***
- ***Strategic placemaking***



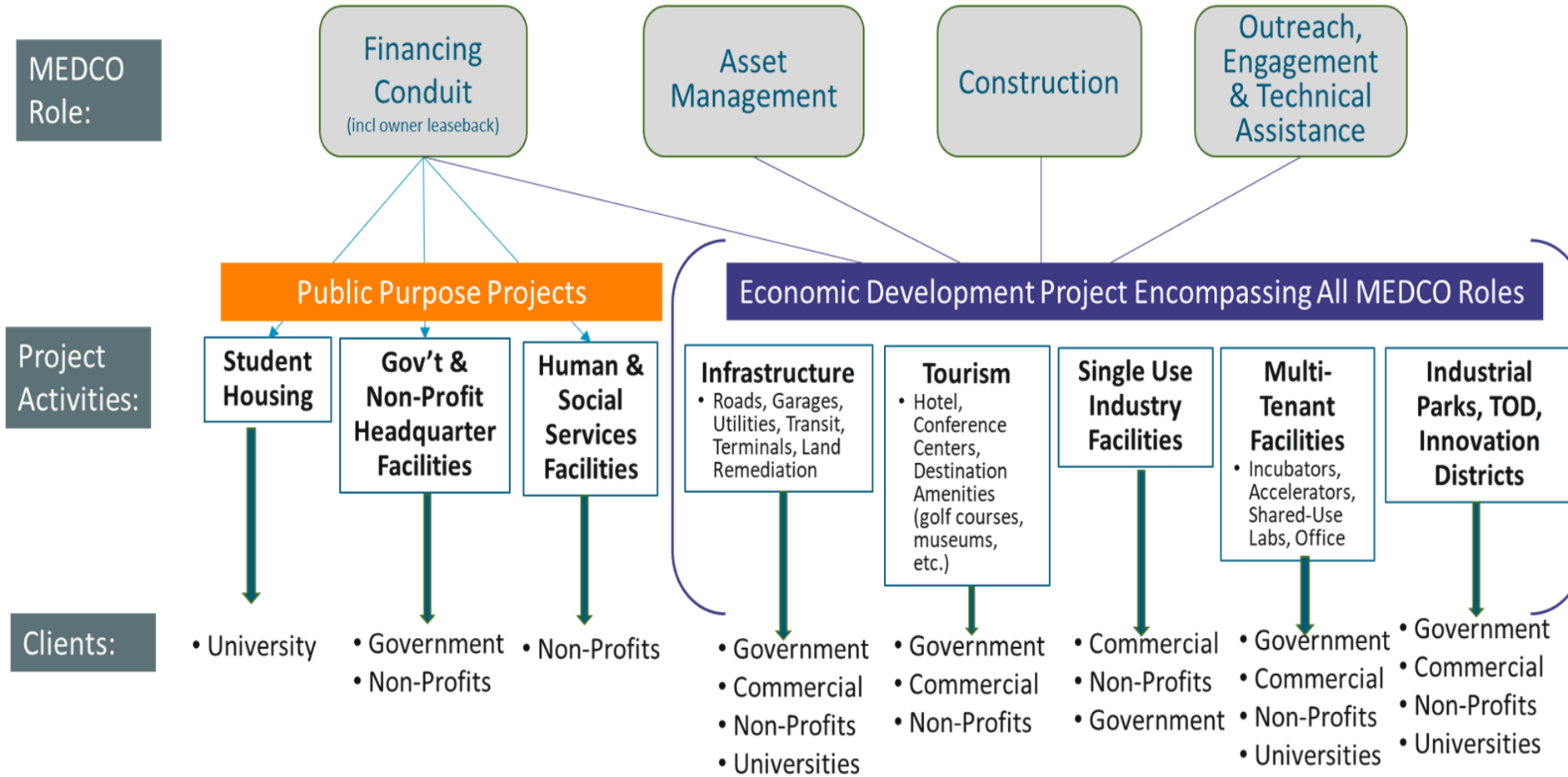
MEDCO Values

MEDCO conducts its business within the organization and externally in the marketplace, in pursuit of its strategic mission and objectives, guided by the following core values:

- ***Equity***
- ***Integrity***
- ***Community***
- ***Excellence***



MEDCO Economic Development Activities & Clients



MEDCO Financing

Revenue Bond Issuance

Eligible borrowers use MEDCO's bond issuing authority to obtain access to the tax-exempt or taxable bond market

Bond are used to finance:

- ***land acquisition***
- ***building construction***
- ***equipment purchase***



Financing Project Example

Seagirt Marine Terminal

- Over \$350 Million in total bonds issued
- Enabled the Port of Baltimore to modernize and stay competitive by upgrading berths and investing in new cranes at this containerized cargo-handling facility operated by Ports America Chesapeake, LLC

Seagirt ranked one of the nation's most productive and advanced terminals



Tax Increment Financing (TIF) Example

Baltimore Peninsula (formerly Port Covington)

- MEDCO issued \$140 million in bonds for infrastructure improvements in a “tax increment financing district” at Port Covington in Baltimore
- These TIF bonds will be repaid by increased property tax revenues generated by this mixed-use project, anchored by one of Maryland’s major homegrown companies, Under Armour

MEDCO financed infrastructure is a key factor in the success of this placemaking project



Development Project Example

Bowie State University Entrepreneurship Living Learning Community (ELLC)

“An innovation hub that encourages creative collaboration and entrepreneurial thinking”

- In partnership with Bowie State University, MEDCO financed and developed the Entrepreneurial Living and Learning Center, a new mixed-use project on campus
- Project cost \$45 million
- Housing for 500+ students
- Resources and collaboration space for entrepreneurs



BSU Entrepreneurship Living Learning Community
@ Bowie State University, August 2021



Sports Facility Example

Southfields of Elkton – Regional Sports Complex

- MEDCO to issued \$60 million in bonds for infrastructure and sports / recreation facility improvements in a “tax increment financing district” at Southfields Community in Elkton, MD.
- Part of an \$800 million mixed-use project offering more than 1,500 residential units, 300,000 sf of industrial product, 250,000 sf retail, 325 luxury apartment and 125-room hotel
- MEDCO will serve in an ownership position and bonds will be repaid via agreements with Town of Elkton and Cecil County.
- MEDCO signed agreement with Sideline Sports Management to serve as day-to-day operator and management authority of project



Advisory Services Projects

Bainbridge US Navy Training Center Redevelopment:
1,100 Acres; \$300 million; 3.6 million SF
~ Cecil County



Bainbridge Naval Training Station Redevelopment

National Parks & Planning Commission HQ: \$70 million;
345,000 SF
~ Prince George's County

University of Baltimore post office site/Penn Station redevelopment: \$160 million mixed use project
~ Baltimore City



US Army Research Lab - Adelphi

University of Maryland graduate housing: \$140 million mixed use project
~ Prince George's County

U.S. Army Research Laboratory (ARL) site improvement, infrastructure and new facility development
~ Baltimore and Prince George's Counties

St. Mary's County AeroPark Innovation District: 850 acres w/4,200' runway (being extended to 5,000')
~ St. Mary's County



AeroPark Innovation District – California, MD

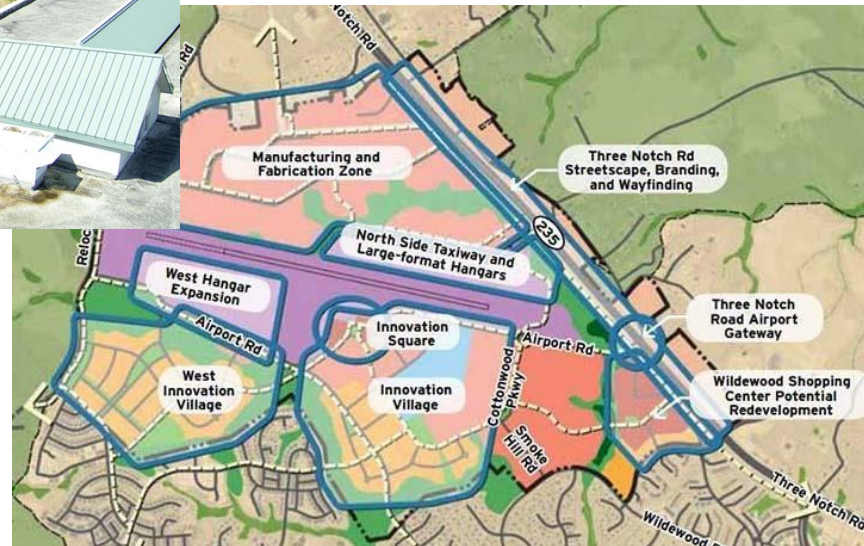


Innovation Districts and “Place Making”

- Life science “start up” and bio-manufacturing accelerators
- Government, Academia and Industry Collaboration Labs
- Secured Compartmentalized Information Facilities (SCIFs) and cybersecurity labs



USMSM SMART Facility @ St. Mary's County AeroPark



UMB BioPark



bwtech @ UMBC



MEDCO

*Created to be a
solutions provider...*

***“You need it or dream it,
we help build it.”***



Fueling Economic Growth in Maryland

*MEDCO offers communities the tools necessary to conceive,
pursue, and attain their economic and workforce
development goals.*

For more information, please visit our website:

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