

# Innovative Solutions to Today's Challenges

*Tom Sadowski, Executive Director*

**Association of Defense Communities (ADC)**  
*June 6, 2023*

# 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](http://medco-corp.com)



# 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.***



# MEDCO Capabilities



Issuing bonds to finance projects



Real estate development and project ownership



Tax Increment Financing



Project development manager



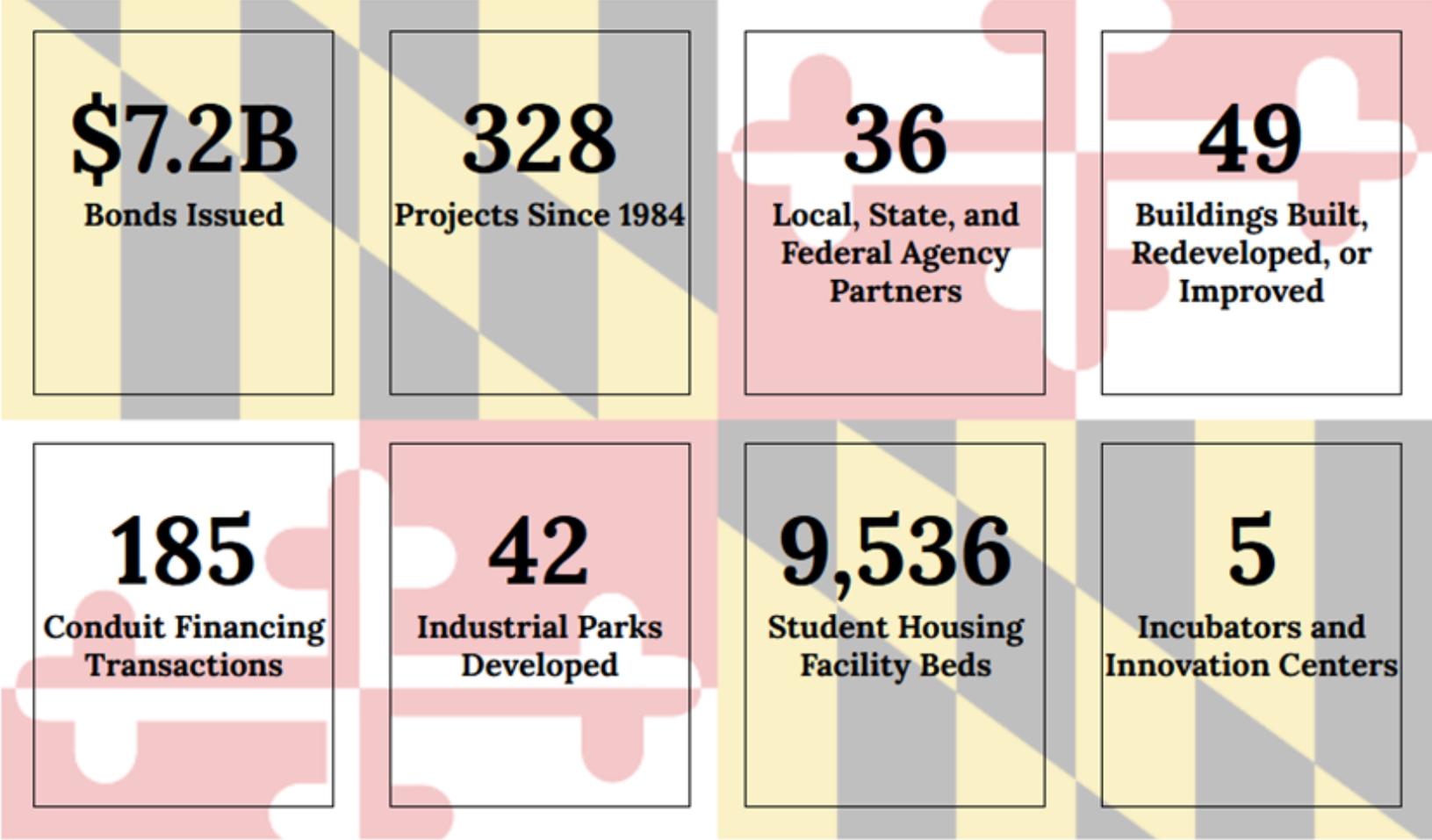
Asset Management



Procuring expert advisory/consulting services



# MEDCO Performance



\*Data inclusive of all projects from 1984 to June 30, 2022



# Fiscal Year 2022 Review

- Bonds Issued in FY 22 > \$760 million
- Completed Developments:
  - NPS C&O Canal Headquarters
  - Bowie ELLC
- Consulting projects:
  - Bainbridge
  - Mag Lev
  - MD National Capital Parks & Planning Commission
  - MDOT (Traffic Relief & Purple Line)
  - Morgan State University
  - National Park Service HPTC
- **Total outstanding conduit bond balances:  
> \$2 billion**



# 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***



# Advisory Services Projects

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

**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*

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

**US Army Research Laboratory (ARL) site improvement**  
**and infrastructure development**  
*~ Baltimore and Prince George's Counties*



*Bainbridge Naval Training Station  
Redevelopment*



*US Army Research Lab - Adelphi*



# MEDCO Strategic Initiatives with Federal Partners

## Sensitive Compartmentalized Information Facilities – SCIF (Southern Maryland Region)

In 2002, the Maryland legislature designated the Maryland Economic Development Corporation (MEDCO) as the recipient of \$2.5 million capital grant to address critical infrastructure needs in support of national defense and strategic economic development initiatives in Southern Maryland related to Indian Head and Pax River. Resources were split between two projects, involving the US Office of Naval Research and the US Bomb Technology Association. Each state dollar applied for SCIF buildout will generate an additional four to five dollars in new private/federal investment.

## Innovation Infrastructure – Build Our Future Matching Grant Pilot Program

MEDCO helped to conceive and support legislation establishing the \$10 million *Build Our Future* Pilot Matching Grant Program in the Department of Commerce which provides funding for certain costs for infrastructure projects in eligible technology sectors. The program will serve as the catalyst, providing the required investment upfront to provide the physical space and/or facilities required to support industry, education, and government partner collaborations.



# MEDCO Strategic Initiatives with Federal Partners

## St. Mary's County Regional Airport – AeroPark Innovation District

The area within and around the St. Mary's County Regional Airport has undergone a transformation in recent years due to increased investment and interest by the private sector, the State of Maryland, the US Navy, and St. Mary's County Government. The County has designated this area as *the AeroPark Innovation District* and has engaged the Maryland Economic Development Corporation (MEDCO) for the site analysis and hangar development work.

## National Cybersecurity Center of Excellence (NIST)

The NCCoE was established in 2012 through a partnership and Memorandum of Understanding between the National Institute of Standards and Technologies (NIST), the Maryland Department of Commerce (Commerce), and Montgomery County's Department of Economic Development (Montgomery County). In 2013, Commerce and Montgomery County requested MEDCO's assistance to redevelop a 57,000 square foot facility to accommodate an off-campus facility for NCCoE and its auxiliary cybersecurity incubator efforts.



# Contact Information

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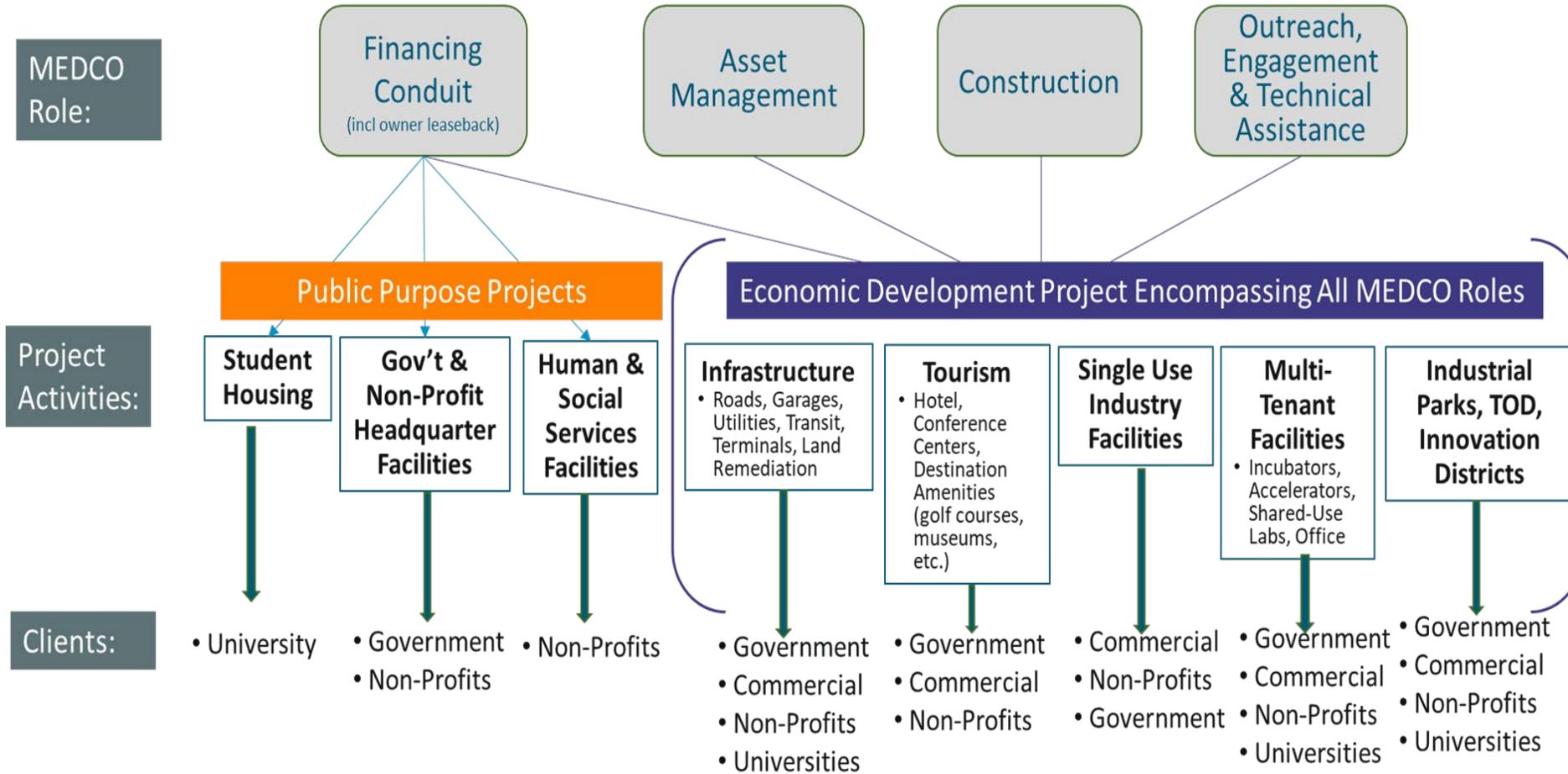
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# *Appendix*



# MEDCO Economic Development Activities & Clients



# 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***

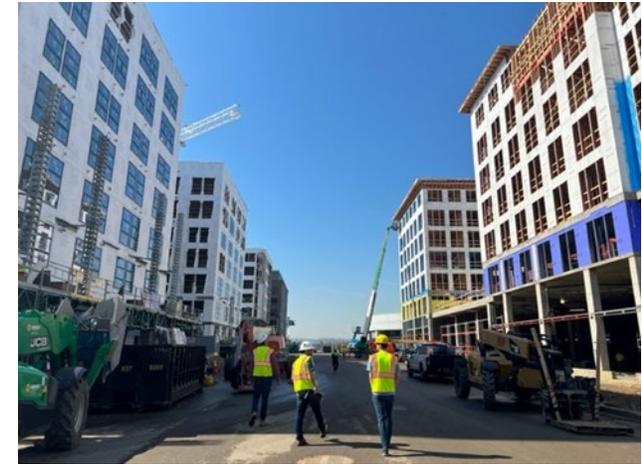


# Tax Increment Financing (TIF) Example

## Port Covington ... now *Baltimore Peninsula*

- MEDCO issued \$140 million in bonds for infrastructure improvements in a “tax increment financing district” at Port Covington in Baltimore
- TIF bonds are repaid by increased property tax revenues generated by this mixed-use project, anchored by the corporate HQ of Under Armour

***The infrastructure financed by MEDCO will be a key factor in the success of this placemaking project***



# Development Capabilities

MEDCO can serve as Development Manager for projects—responsible for not just financing, but also planning, design, engineering and project delivery.

***These projects can be owned by a third party, a public agency, or by MEDCO.***



*Thurgood Marshall Hall, Morgan State University  
Completed August 2022*

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



# 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 ranges



**USMSM SMART Facility @  
St. Mary's County AeroPark**



**University of Maryland, Baltimore County  
bwtech @ UMBC**

