

2025

ANNUAL REPORT



MEDCO
MARYLAND ECONOMIC
DEVELOPMENT CORPORATION

Dear MEDCO Stakeholders,

2025 has been a year of remarkable achievement and sustained growth for the Maryland Economic Development Corporation (MEDCO). As we reflect on the past year, I'm proud to share the strides we've made in advancing economic development across our state.

This year, MEDCO issued over **\$1 billion in bond financing** across key projects, demonstrating our steadfast commitment to supporting infrastructure and economic development initiatives that make our communities safer, competitive and appealing.

Our investments, particularly in education infrastructure, help prime the workforce pipeline and create transformational possibilities for future generations. This year, MEDCO issued over \$800 million in education-related financing, from the \$661 million Prince George's County Public Schools project to the \$149 million Leonardtown student housing development at the University of Maryland. Our student housing portfolio continues to elevate the on-campus experience, by creating intentional, comfortable spaces that help students thrive. The successful financial closing and construction of the Harper-Tubman Hall project at Morgan State University furthers our support of Maryland's Historically Black Colleges and Universities (HBCUs), which anchor our communities and help drive discovery and innovation.

MEDCO's commitment to fostering equitable opportunities has never been stronger. In FY25, we facilitated over \$48.6 million in spending with minority-, women- and small business enterprises across our projects and operations. Overall, MEDCO's community development efforts and inclusionary construction practices have resulted in an estimated equity impact of more than \$522 million—we're not just building new buildings; we're creating pathways to possibility across our state.

Our advisory and consulting services have expanded dramatically this year as well. From supporting Anne Arundel County's forward-thinking redevelopment initiatives, to partnering with NASA and the Department of Commerce on aerospace industry advancement, MEDCO has established itself as a reliable partner that brings solutions to uncovering the opportunities that exist amidst today's complex economic challenges.

Up ahead, MEDCO's pipeline includes several billion dollars in potential projects that will accelerate private investment and increase Maryland's economic competitiveness. All the while, our team has grown to meet the moment and fulfill our core mission: driving thoughtful economic development, creating transformative opportunities and improving the quality of life for all who live in, work in and love Maryland.



Sincerely,
J. THOMAS SADOWSKI
Executive Director, MEDCO

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EVP & Head of External Affairs,
Capital One
Represents: Montgomery County



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Acting Secretary, Maryland Department
of Transportation

Meet the MEDCO Team



Thierry Adrien
Shared Support Services
Project Administrator



Fran Brinker
Assistant Director
of Financing



Taronda Cross
Executive Assistant



Izara Crown
Asset Operations
Assistant



Candace Dodson-Reed
Chief of Staff



Kendrell Edwards
Asset Operations
Manager



Jared Engel
Real Estate Development
and Construction Manager



John Genakos
Director of Real Estate
Development and Construction



Nick Henniger-Ayoub
Director of Project and
Program Development



Debbie Hontz
Senior Financial Analyst



Sarah Horta
Director of Innovation &
Strategic Partnerships



Donny James
Director of Asset Operations
and Compliance Management



Ruth Johnson
Receptionist



Blake Longley
Assistant Controller



Matt Lucas
Assistant Controller



Daniel McCrea
Director of Information
Technology



Heleana McFadden
Compliance Manager



Jim Miller
Chief Financial Officer



Katie Parks
Director of Community
Development



April Perry
Director of People,
Culture, and Operations



Tom Sadowski
Executive Director



Wyatt Shiflett
Director of Financing



Armand Walters
Controller



Danielle Wildman
Asset Operations
Manager

Legislative Purpose

The Maryland Economic Development Corporation (MEDCO) operates under the provisions of Title 10, Subtitle One of the Economic Development Article of the Annotated Code of Maryland.

MEDCO’s Primary Legislative Purposes:

- Relieve unemployment in Maryland
- Encourage business activity, commerce growth and the pursuit of a balanced economy
- Retain and attract business activity and commerce
- Promote economic development
- Advocate for the health, safety, right of gainful employment and welfare of Maryland residents

The Maryland General Assembly intends that MEDCO operate and exercise its corporate powers in all areas of the state to:

- Assist governmental units, state and local economic development agencies in their efforts to expand, modernize and retain existing enterprises in Maryland and attract new business.
- Cooperate with workforce investment boards, private industry councils, labor representatives and governmental units to maximize new economic opportunities for Maryland residents.
- Achieve at least one of its legislative goals and support existing state marketing and financial assistance programs by owning projects, leasing them to others or providing bond funds to others to help cover the cost of acquiring or improving projects.

Corporate Overview

MEDCO serves as a strategic resource and collaborative partner for public private partnerships. It is supported by a dedicated full-time staff of 24 team members, all of whom work together to fulfill MEDCO’s noble mission of facilitating economic development projects that result in increased business activity, investment, commerce, business retention/attraction, and job creation. To stay in tune with the needs of communities across Maryland, MEDCO regularly engages with public and private economic development partners, residents, businesses, and potential new companies. With each engagement, MEDCO brings its subject matter expertise, development tool kit and comprehensive services to bear to identify and promote economic development opportunities. Indeed, MEDCO’s project workflow, composed of four primary service areas - advisory services, project financing, real estate development and construction, and asset operations and compliance management - has provided a range of strategic advisement and consulting services while generating well over 300 active and completed projects in jurisdictions throughout the State.

MEDCO’s bond financing, a primary tool in MEDCO’s economic development toolkit, is structured on a non-recourse basis, meaning repayment of MEDCO-issued bonds relies solely on the revenues and resources of the project, not MEDCO, the State of Maryland or its agencies. MEDCO stewards projects that meet its financing requirements from concept to execution. In many cases, MEDCO operates and manages completed projects through the life of the financing agreement. MEDCO ensures that its projects comply with financial agreements by monitoring project statements and ensuring that operational benchmarks and insurance requirements are met. Additionally, MEDCO regularly collects and reviews project financial reports and performs annual financial audits of MEDCO-owned projects.

For more information on MEDCO’s services, financial reports, current projects and more, visit www.medco-corp.com.

MEDCO's **MISSION** is to enhance the quality of life and economic competitiveness of Maryland by facilitating economic development projects that result in increased business activity, investment, commerce, business retention/attraction and high-value job creation.

MEDCO pursues execution of its mission, focused on the following **strategic objectives**: target industry development, innovation capacity development, supporting inclusive and equitable economic growth, and strategic placemaking.

CORE VALUES

Equity
Integrity
Community
Excellence

DRIVING PROGRESS: A Brief Timeline of MEDCO's History

1984

MEDCO formed to transform unused spaces and other resources into opportunities for economic development

1999-2001

Expanded property development efforts to include sites that met their legislative purpose to encourage employment opportunities, increase business activity and promote the quality of life for Maryland residents.

2009

Began issuing bonds backed by Tax Increment Financing (TIF)

2025

MEDCO boasts over \$8.89 billion in total bonds issued since inception*, with continued commitment to providing and expanding its financing, planning and execution services.

*As of June 2025

MEDCO By The NUMBERS

\$8.89 billion in bonds

338 projects across the state

Over \$48.6 million spent on minority business enterprises (MBE)

Projects across 19 counties and Baltimore City

147% bond volume growth year over year

83 active financed and advisory projects

Strategic Programs and Initiatives



MARYLAND BUSINESS READY SITES PROGRAM

The Maryland Business Ready Sites Program, established through gubernatorial executive order, accelerates the development of shovel-ready sites to attract businesses, retain existing companies and drive economic growth across Maryland.

In its first funding round, the program awarded \$2.3 million in grants to support economic development projects in 10 counties and Baltimore City, including six site improvement grants ranging from \$200,000 to \$450,000 for projects spanning aerospace facilities, manufacturing plants and industrial redevelopments from Cumberland to the Eastern Shore.

Additionally, the program offers three pillars of support in the areas of site characterization, site improvement and marketing, to defray development costs, with additional site characterization grants awarded to early-stage projects across Maryland. In FY 2025, \$10,000 matching grants were awarded to promising projects in nine Maryland counties. Guided by Maryland's key industry sectors, the program aspires to offer expanded access to grant funding to create lasting jobs and expand opportunities statewide.



STRATEGIC INFRASTRUCTURE LOAN FUND

The Strategic Infrastructure Loan Fund makes targeted investments in real estate and infrastructure projects that advance transformative placemaking, transit-oriented development and equitable economic growth.

As fund sponsor, MEDCO connects public and private sector interests, raises capital and builds a pipeline of investments with flexible financing terms that complement existing state programs supporting infill, redevelopment and revitalization. Eligible projects must be located within a Maryland Sustainable Community, Priority Funding Area or Transit Oriented Development, with priority given to developments that activate underutilized government or institutional property, leverage private investment and demonstrate significant job creation potential. The fund fills financing gaps in residential, commercial, mixed-use and light industrial projects, covering acquisition, design, infrastructure, construction, adaptive reuse and rehabilitation costs.

Partnerships and Advisory Services

CONSULTANCIES, STUDIES AND REPORTS

Magnetic Levitation (MAGLEV) Train Project

The Maryland Department of Transportation (MDOT) requested MEDCO’s assistance in its application for Federal Railway Administration (FRA) grant funding to study a “superconducting” MAGLEV train between Washington, D.C., and Baltimore. The “Interagency Agreement” between the MDOT and MEDCO was executed in 2016. At the same time, MEDCO also entered into an Economic Development Cooperative Agreement with the Baltimore-Washington Rapid Rail, LLC, (BWRR) a private firm, which in cooperation with the Japanese Central Railroad, is proposing to construct the system and provide the 20% non-federal match funds to perform environmental and engineering studies. The terms of these agreements laid out the process by which MEDCO would aid MDOT in administering and managing federal and private grant funds to complete the FRA grant scope of work. With the FRA grant funds expended, over the past year MDOT and BWRR have focused on compiling and reviewing the over 6,000 comments received from government agencies, other stakeholders and the public required in order to finalize the Environmental Impact Statement (EIS). Several meetings with FRA staff were held to discuss the input from the federal agencies and necessary steps for finalizing the environmental impact study and advancing the project.

Maryland Department of Transportation - Purple Line Financial Transaction Advisor Contract

MDOT, on behalf of the Maryland Transit Administration, requested MEDCO’s assistance in providing financial, consulting and related services to MDOT in support of the Purple Line. The Purple Line is a 16.2-mile light rail transit line extending from Bethesda to New Carrollton. The line will enhance transportation options and create economic development opportunities. A financial transaction advisor was selected and is working on a revised project finance plan.

On April 14, 2022, MEDCO issued its \$643,455,000 Maryland Economic Development Corporation (Purple Line Rail Project) Private Activity Revenue Bonds, Series 2022A (RSA) (Green Bonds) and Series 2022B (Green Bonds) to fund:

- Certain development, design, construction, equipment and other related expenses of the Purple Line Light Rail Project
- All or a portion of the issuance costs and other transaction expenses
- Interest on the Series 2022A bonds during construction
- Any necessary reserves to secure the Series 2022B bonds

Maryland Department of Transportation - Transit Oriented Development

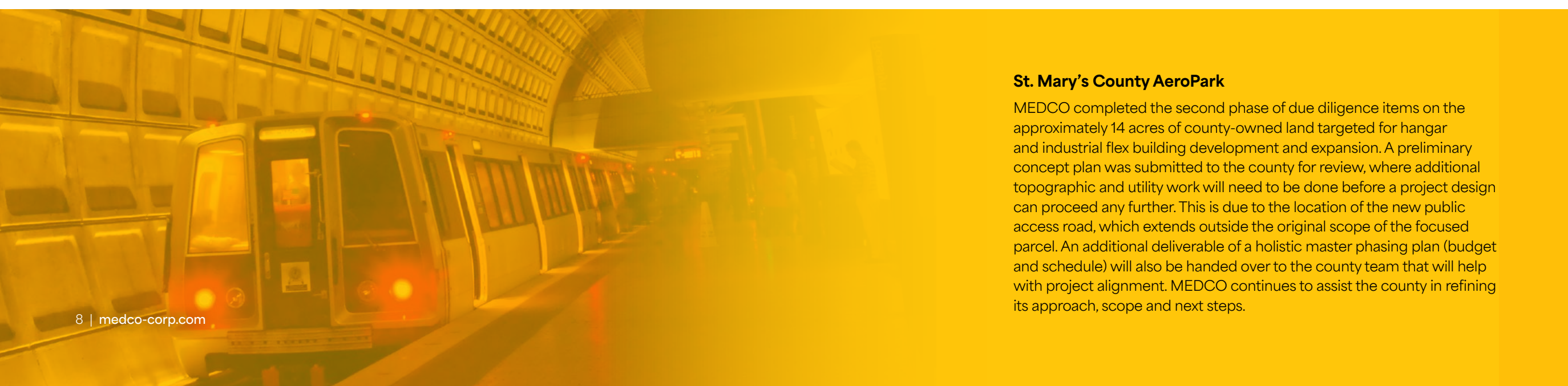
MDOT requested MEDCO’s assistance in conducting studies on potential transit-oriented development sites at light rail and subway stations in the Baltimore region and at MARC Penn Line stations in the Baltimore-Washington corridor.

The **Penn Line Study** reviewed MARC stations along the Baltimore-Washington corridor—Seabrook, Bowie State, Odenton, Baltimore/ Washington International Thurgood Marshall Airport, Halethorpe and West Baltimore—to examine market potential, infrastructure, investment needs, benefits and financing. A second phase will study stations north of Baltimore, including Martin State Airport, Edgewood, Aberdeen and Perryville. Both phases will consider the impact of MARC service expansion. Cross-state service into Delaware and Virginia is anticipated based on Maryland’s recent framework agreements with both states to advance discussions and explore pilot service opportunities. The Penn Line Strategy Report: Unlocking the TOD Potential of the MARC Penn Line Corridor was released in October 2024. Highlights from the report include projections that transit oriented development along the Penn Line Corridor could drive over 500,000 annual MARC trips, deliver over 2,600 new housing units, create 400 permanent jobs and deliver over \$800 million in gross tax revenue.

The **Baltimore Region Study** examines the Maryland Transit Administration’s light rail and metro subway stations in the Baltimore region to identify sites with strong market potential for transit-oriented development that can provide new transit access and economic opportunity for communities. The study evaluates the overall market for TOD in the Baltimore region, identifies challenges, opportunities and tools needed to incentivize impactful transit-oriented development. It also engages with communities and potential private, institutional and nonprofit partners. MEDCO continues working with MDOT on additional station area analysis, joint development project feasibility and economic impact projections.

St. Mary’s County AeroPark

MEDCO completed the second phase of due diligence items on the approximately 14 acres of county-owned land targeted for hangar and industrial flex building development and expansion. A preliminary concept plan was submitted to the county for review, where additional topographic and utility work will need to be done before a project design can proceed any further. This is due to the location of the new public access road, which extends outside the original scope of the focused parcel. An additional deliverable of a holistic master phasing plan (budget and schedule) will also be handed over to the county team that will help with project alignment. MEDCO continues to assist the county in refining its approach, scope and next steps.



Secure Compartmentalized Information Facility Capital Grant

As a result of renewed awareness of the organization’s capabilities, MEDCO was asked to participate in several important legislative economic development initiatives. As an example, state capital grant resources were once again allocated to MEDCO to facilitate the development of Secured Compartmentalized Information Facilities (SCIF) construction in Southern Maryland. Three projects (all located in St. Mary’s County) involve extensive structure and airplane build-out by experienced SCIF sponsors and management firms, as well as support from significant federal military and national non-profit partners.

Study on Barriers to Accessing Sensitive Compartmented Information Facilities (SCIFs) for Small, Women-, Minority- and Veteran-Owned Businesses

MEDCO submitted a report that was requested by the committees on October 31, 2024, which offered recommendations regarding equitable access to secure compartmentalized information facilities on SCIFs for small, women, minority and veteran-owned businesses. MEDCO has been very active as a project partner, meeting with industry experts, businesses and federal agencies on infrastructure needs and challenges.

Maryland Cannabis Reform Bill

Early due diligence work was completed at the vacant, state-owned armory building in Catonsville, with the goal of bolstering small vendors in the state’s growing industry. Upon further review, it was determined that the state seek new options to build a first-in-the-nation cannabis incubator that will support our social equity micro-licensees. MEDCO is working with the project team to identify next steps in this effort.

Queen Anne’s County Economic and Tourism Development - Former Sudlersville Middle School

Queen Anne’s County conducted a study to assess the former Sudlersville Middle School’s existing building, site conditions and explore the potential for a range of adaptive reuse approaches. MEDCO assisted the Queen Anne’s County Economic and Tourism Development with continued redevelopment efforts of the former school, including market analysis, financial feasibility and redevelopment strategies to assess the redevelopment potential of the site.

Howard County

MEDCO is supporting Howard County with advisory, and consulting services related to the proposed new central library in downtown Columbia, Maryland.

Howard County Economic Development Authority

MEDCO provided advisory and consulting services related to properties located within Restaurant Park in Columbia, Maryland.

The National Aeronautics and Space Administration (NASA) Goddard Space Flight Center (GSFC)

MEDCO signed a memorandum of understanding (MOU) with NASA GSFC and the Maryland Department of Commerce to build upon a history of previous agreements focused on stimulating aerospace industry growth in Maryland. To further support this partnership, MEDCO worked with their Commerce partners to showcase NASA Wallops at an Industry Day, held at UMES. The Industry Day aimed to support critical tasks highlighted in the MOU and discuss how strategic partnerships are unlocking new opportunities for growth on the Eastern Shore. Upcoming needs and projects at Wallops Flight Facility were also reviewed.



*Project Support for
Lasting Economic
Growth*

Advisory Capacity

MEDCO leverages its expertise and extensive industry network to connect partners with trusted consultants who guide projects, provide support, evaluate feasibility, facilitate stakeholder engagement and anticipate challenges. MEDCO offers advisory support to a range of organizations, including:



Bainbridge Development Corporation (BDC)

The BDC’s purpose is to develop the Bainbridge Naval Training Center and to accelerate the site’s transfer to the private sector. MEDCO’s Executive Director is an ex-officio member of the board of directors.



Baltimore Convention and Tourism Redevelopment and Operating Authority Task Force

In 2024, the General Assembly created the Baltimore Convention and Tourism Redevelopment and Operating Authority Task Force to study and publish a report with recommendations concerning purpose and function of an entity to govern the renovation, financing, ongoing maintenance and management of the Baltimore Convention site. MEDCO’s Executive Director sits as a member of this Task Force.



Digital Harbor Foundation - Tech Lab Anchor Group

The Digital Harbor Foundation (DHF) is dedicated to offering programs to help enhance the digital literacy and skills of Baltimore City youth and their families. Through the DHF Tech Lab Anchor Group, business and non-profit community leaders volunteer ideas, offer resources and provide access to networks that aid in the development of STEM education and digital literacy programming. MEDCO’s Executive Director sits as a member of the DHF Tech Lab Anchor Group Advisory Board.



Junior Achievement of Central Maryland (JA)

JA’s mission is to inspire and prepare young people to succeed. Community volunteers deliver real-life lessons, share experiences and provide mentorship to students. Their mission is to impact young people’s perceptions about the importance of education and critical life skills—specifically promoting financial capability, career readiness, entrepreneurship and business ownership. MEDCO’s Executive Director currently serves as Chair of the board of directors.



Maryland Department of Housing and Community Development, Revenue Bond Advisory Board (Revenue Advisory Board)

The Revenue Bond Advisory Board provides independent advice and expertise on the issuance of revenue bonds to the Department of Housing and Community Development. MEDCO’s Executive Director serves as a member of the revenue bond advisory board.



Maryland Economic Development Association (MEDA)

MEDA, a nonprofit organization for economic development professionals, promotes economic well-being by working to improve the state’s business climate and encouraging professionalism in economic development. MEDCO’s Executive Director is a member of MEDA’s Past Presidents. Past Presidents provide economic development consulting services to parties seeking assistance.



Maryland Economic Development Commission (MEDC)

The mission of MEDC is to establish economic development policy in the State and to oversee the Department of Commerce’s efforts to create, attract and retain businesses and jobs. Founded in 1995, the 25-voting-member commission draws upon the expertise of the State’s business leaders to inform Maryland’s economic development efforts through comprehensive evaluations of the State’s business climate and recommending supportive policies, programs and spending priorities to the governor. MEDCO’s Executive Director is a MEDC board member.



Maryland Marketing Partnership (MMP)

The Maryland Marketing Partnership, founded in statute as the Maryland Public-Private Partnership Marketing Corporation, was created to develop a branding strategy for the state, market the state’s assets and encourage the location and growth of new businesses in Maryland. MEDCO’s Executive Director sits as a member of the board of directors.



Maryland Technology Development Corporation (TEDCO) Equitech Growth Commission

TEDCO’s Equitech Growth Commission manages the Cultivate Maryland initiative, which was established by the Maryland General Assembly in 2023 as the Equitech Growth Fund and Commission, to increase the State’s competitiveness as an innovation economy. The 24-member commission brings together top Maryland thought-leaders to create impactful strategies to increase collaboration and bring about a more inclusive technology industry. MEDCO’s Executive Director is a member of this commission.



Maryland Technology Enterprise Institute (Mtech) - Maryland Industrial Partnerships (MIPS)

MIPS promotes the development of technology and commercialization of products through research partnerships between universities and industry. MEDCO’s Executive Director is a member of Mtech’s board of visitors and the MIPS advisory board.



University of Maryland - UM Ventures Baltimore Fund

The UM Ventures Baltimore Fund stimulates economic advancement in Baltimore City by supporting Maryland-based public higher education, created or sponsored technology companies and affiliated entities looking to locate in the city. The UM Ventures Baltimore Fund also invests in new business incubation and acceleration programs. MEDCO Executive Director is a member of the Baltimore Fund Advisory Committee.



Governor’s Economic Competitiveness Subcabinet

On December 19th, 2024, Governor Moore signed EO 01.01.2024.39, establishing the Governor’s Economic Competitiveness Subcabinet. The mission of the subcabinet is to advise the Governor on actions that strengthen Maryland’s economic competitiveness and growth. MEDCO’s Executive Director is a member of this subcabinet.



St. Mary’s County AeroPark Innovation District Advisory Board

This is a public/private advisory group that helps develop and execute on the master plan for the St. Mary’s County AeroPark Innovation District. MEDCO has been serving in a master developer capacity, and the MEDCO Executive Director sits as a member of this advisory group, which takes up matters related to infrastructure improvement needs and prospective tenant.



West North Avenue Development Authority (WNADA)

The WNADA was created to develop and implement a comprehensive neighborhood revitalization plan in the West North Avenue Development area. WNADA’s mission is to benefit West Baltimore and its residents by improving housing, neighborhoods, economic development and transportation. WNADA drives equitable economic development opportunities across West Baltimore, addressing the impacts of historic discrimination. MEDCO’s Executive Director serves as a member of the WNADA Board.

FY 2025 Bond Financed Projects

MEDCO’s bond-financed projects encourage business growth, relieve unemployment, promote resident welfare and foster economic development in Maryland. For the fiscal year ending June 30, 2025, MEDCO provided new bond financing or refinancings for the following projects:

UNIVERSITY OF MARYLAND, COLLEGE PARK LEONARDTOWN PROJECT SERIES 2024

On July 30, 2024, MEDCO issued non-recourse, tax-exempt bonds to pay the costs of construction of an approximately 6-story residential apartment building to provide residential housing for graduate students with 465 apartment units with approximately 741 beds, and related improvements and amenities (the “residential improvements”), on a parcel of land located in College Park, Maryland, and leased to MEDCO by the state for the use of University of Maryland, College Park. The bonds also covered the costs of certain furnishings, machinery and equipment to be located in, and used in connection with the residential improvements. These resources allow for the development of access roads and sidewalks and two surface parking lots providing approximately 217 parking spaces, stormwater management facilities, and green space known as “The Quad”. The bonds were also issued to fund a deposit to the Debt Service Reserve Fund, to pay the interest expected to accrue on the Series 2024 Bonds through February 1, 2027, to pay working capital and marketing costs associated with the opening of the residential improvements, and finally, pay the costs of issuing the Series 2024 Bonds.

\$148,675,000 Maryland Economic Development Corporation Student Housing Revenue Bonds (University of Maryland, College Park - Leonardtown Project) Series 2024

Interest Rates: 5.00% - 5.250%
Maturity: July 1, 2064
Bond yield: 4.2684%

PRINCE GEORGE’S COUNTY PUBLIC SCHOOLS SERIES 2024 (TAXABLE BONDS)

On August 20, 2024, MEDCO issued non-recourse, taxable bonds and loaned the proceeds to Progressive Education Partners LLC in order to finance a portion of the costs of designing, building, financing and maintaining the Prince George’s County Public Schools (PGCPS) Blueprint Schools Phase 2 Project to provide construction of eight schools in the school system.

\$660,825,000 Maryland Economic Development Corporation Revenue Bonds (Prince George’s County Public Schools Alternative Construction Financing, Package 2 Project) (Federally Taxable) Series 2024 (Sustainability Bonds)

Interest Rates: 4.791%-5.433%
Maturity: May 31, 2056

RESERVOIR SQUARE PROJECT SERIES 2024

On December 19, 2024, MEDCO issued non-recourse, tax-exempt bonds in order to loan the proceeds to P3 Foundation, Inc. to finance a portion of the costs to construct an office building with approximately 63,185 square feet of leasable area to be used for the Mayor’s Office of Employment Development. The bonds were also used to fund a debt service reserve fund, fund capitalized interest and pay certain costs of issuing the bonds.

\$22,890,000 Maryland Economic Development Corporation Lease Revenue Bonds (Reservoir Square Project) Series 2024

Interest Rate: 5.00%
Maturity: July 1, 2056
Bond yield: 4.1515%

MECCA CHARTER SCHOOL ISSUE SERIES 2025

On January 24, 2025, MEDCO issued a non-recourse, tax-exempt bonds to provide a loan to MBEF College and Career Academies, Inc. (“MECCA”) and Civic MD LLC to finance and refinance the costs of acquisition of real property located at 20261 Goldenrod Lane, Germantown, Maryland. The bonds were also issued to fund the renovation of an existing building located on the property and construction and equipping of an addition to the building for use by MECCA as a charter school educational facility and to pay capitalized interest on the bond.

**\$16,500,000 Maryland Economic Development Corporation Revenue Bonds
MECCA Charter School Issue Series 2025**

Interest Rates: Variable
Maturity: January 10, 2055

SOUTHFIELD SPORTS PARK COMPLEX (ELKTON) SERIES 2025

On March 18, 2025, MEDCO issued non-recourse, tax-exempt bonds to finance the costs of acquiring, constructing and installing multi-purpose outdoor athletic fields, a building (containing office, vendor and concession space and a restaurant and bar), a maintenance facility, parking and related infrastructure, streetscaping, roads and lighting and other public infrastructure located within the Town of Elkton in Cecil County, Maryland. The bonds were also issued to fund a debt service reserve fund and other reserve funds, fund capitalized interest and pay costs of issuance and other costs of the transaction.

\$54,260,000 Maryland Economic Development Corporation Student Housing Recreational Facilities Revenue Bonds (Southfield Sport Park Complex) Series 2025

Interest Rates: 4.50% - 5.00%
Maturity: October 1, 2054
Bond yield: 4.6401%



CORE NATURAL RESOURCES, INC. SERIES 2025

On March 27, 2025, MEDCO issued non-recourse, tax-exempt bonds to refund the Maryland Economic Development Corporation Port Facilities Refunding Revenue Bonds (CNX Marine Terminals Inc. Port of Baltimore Facility) Series 2010 in order to refinance a project. The project’s scope consisted of the acquisition, construction, improvement, installation and equipping of certain improvements, modifications and additions to a coal transshipment terminal located in the Canton area of the Port of Baltimore. The project’s address is 3800 Newgate Avenue, Baltimore, Maryland, and the property consists of wharves, coal loading and unloading machinery, road and railroad tracks and coal storage facilities.

\$102,865,000 Maryland Economic Development Corporation Port Facilities Refunding Revenue Bonds (Core Natural Resources, Inc. Project) Series 2025 (Non-AMT)

Interest Rate: 5.00%
Maturity: July 1, 2048
Bond yield: VR

MORGAN STATE UNIVERSITY
HARPER-TUBMAN PROJECT SERIES 2025A

On June 26, 2025, MEDCO issued non-recourse, tax-exempt bonds to pay the costs of acquiring, renovating, refurbishing, furnishing and equipping an existing student housing facility to provide for approximately 236 beds in 105 units on land located in Baltimore, and leased to MEDCO by the state for the use of Morgan State University. The bonds will also pay the interest expected to accrue on the Series 2025A Bonds through construction and initial operation of the project, make a deposit to the debt service reserve fund and pay the costs of issuing the Series 2025A Bonds and other transaction-related costs.

\$52,945,000 Maryland Economic Development Corporation Senior Student Housing Revenue Bonds (Morgan State University Harper-Tubman Project) Series 2025A

Interest Rates: 5.00% - 5.750%
Maturity: July 1, 2064
Bond yield: 5.4731%

For the fiscal year ending June 30, 2025, MEDCO modified certain bonds for the following projects:

Young Men’s Christian Association of Central Maryland, Inc.
Series 2011 (Modified on October 8, 2024)

Young Men’s Christian Association of Central Maryland, Inc.
Series 2017 Series A and Series B (Modified on October 8, 2024)

The ARC of Baltimore, Inc.
Series 2010 (Modified on June 23, 2025)

In addition, on September 30, 2024, MEDCO certified an additional parity obligation in connection with:

The MEDCO Economic Development Revenue Bonds (Terminal Project) Series 2019A and 2019B

The MEDCO Economic Development Refunding Revenue Bonds (Transportation Facilities Project) Series 2017A and 2017B

A parity obligation was used by Ports America Chesapeake, LLC to acquire additional equipment to be used in connection with the operation of the Seagirt Marine Terminal

Development and Construction Projects

ODENTON GARAGE

The Maryland Transit Administration, the Maryland Department of Transportation and Anne Arundel County engaged MEDCO in overseeing and coordinating design, development, construction and management efforts of a 1,000+ stall parking garage and associated public improvements adjacent to the current Odenton MARC train station. The project will be funded by a combination of county tax increment financing (TIF) bond funds, housing and urban development (HUD) funds and Maryland Department of Transportation transit-oriented development grant funding. The project will include pedestrian and bike pathway improvements as well as infrastructure improvements and is intended to consolidate surface parking spaces to open land for future transit-oriented development near the station. The project design is 95% complete, and the project site development plan is in its second round of comment review from Anne Arundel County. MEDCO continues advancing the project through the local entitlement process, as well as coordinating BGE and Amtrak related logistics, enabling and safety coordination efforts in furtherance of the project moving forward toward construction. Construction, pending finalization of the entitlement process, is slated to start in 2026.

MORGAN STATE UNIVERSITY HARPER-TUBMAN HALL

In June of 2025, demolition and renovation efforts started for the existing Harper-Tubman Hall, a 236 bed student housing project developed by MEDCO, financed by MEDCO's tax exempt revenue bonds and located on Morgan State University's campus. Morgan State University's continued record-breaking enrollment and high demand for student housing, as well as MEDCO's existing and successful track record with providing student housing on campus, led to the engagement of MEDCO on this existing facility's partial demolition and renovation.

MORGAN STATE UNIVERSITY O'CONNELL HALL PROJECT

Since the summer of 2024, MEDCO's real estate development and construction department has been working with Morgan State University on the design of a new student housing project to replace the existing 220 bed O'Connell Hall student housing project located across Herring Run from main campus. The project includes the abatement and demolition of the existing 220 bed O'Connell Hall student housing project, a pedestrian bridge that will span across Herring Run and connect to campus and the construction of a new eight story, 662 bed student housing project. The project will include amenities such as student meeting and event space, dining and food service space to service the new facility and the academic quad student needs. The project will break ground and initiate site work in the fall/ winter of 2025 and is scheduled to open in the fall of 2028.

LEONARDTOWN STUDENT HOUSING

Since its financial closing in July 2024, MEDCO's real estate development and construction department continues to monitor and track the budget and schedule progress of the construction and development of the \$148,675,000 University of Maryland, College Park Leonardtown project located in College Park. The project is scheduled to open in the summer of 2026.

M-NCPPC PLANNING LARGO HEADQUARTERS

The Prince George's County Planning Department, part of The Maryland-National Capital Parks and Planning Commission (M-NCPPC), engaged MEDCO to evaluate and acquire a new headquarters location consisting of three lots, two of which had existing buildings. After the acquisition, MEDCO assisted with the build-out and move of the Planning Department staff into the third floor of one of the acquired buildings. Since early 2024, MEDCO continues to coordinate the design, permitting and renovations of interior office spaces for M-NCPPC's Prince George's County Parks and Recreation Department and other functions within the new headquarters buildings. The replacement of the roof and the replacement of the main switchgear at the main headquarter building are scheduled to start in the second half of 2025. Interior fit out to the remainder of the main headquarters building is estimated to start in 2026.

SOUTHFIELDS SPORTS PARK COMPLEX

Since its financial closing in March of 2025, MEDCO's real estate development and construction department continues to monitor and track the budget and schedule progress of the construction and development of the \$54,260,000 Southfields Sports Park Complex project in Elkton. The project is scheduled to open in late 2027 or early 2028.

NATIONAL PARK SERVICE C&O CANAL HEADQUARTERS CLINE HOUSE RENOVATIONS

Since early 2025, MEDCO's real estate development and construction department has been working with the end users at the C&O Canal Headquarters Project on the design and preliminary construction budgeting for the interior renovations of a two story standalone historic residential building located on the project site and known as the Cline House (in observation of the house's long term previous owners). The interior of the Cline House will be renovated to accommodate the housing needs of the National Park Service's seasonal and long-term staff servicing the C&O Canal Park. The interior renovations will be funded using Rural Maryland Council grant funds and National Park Foundation funding.

Active Financed Projects

Since 1984, MEDCO has partnered with hundreds of organizations to bolster economic development and public-purpose projects across Maryland. Through bond financing, these partnerships provide universities, industries and public projects with the capital needed to thrive and expand.

Below is a list of MEDCO’s active financed projects as of June 30, 2025:

MEDCO-OWNED BOND-FINANCED PROJECTS

Series 2003: <ul style="list-style-type: none">Laboratory for Telecommunications Science Facility¹	Series 2015: <ul style="list-style-type: none">Bowie State University	Series 2021: <ul style="list-style-type: none">Maryland Public Health Laboratory
Series 2004: <ul style="list-style-type: none">Chesapeake Resort and Conference Center	Series 2016: <ul style="list-style-type: none">University of Maryland, Baltimore CountyUniversity of Maryland, College Park	Series 2022: <ul style="list-style-type: none">Annapolis Mobility and Resilience ProjectMorgan State University (Morgan View) refundedMorgan State University (2022A) (Legacy Hall)
Series 2006: <ul style="list-style-type: none">Chesapeake Resort and Conference Center	Series 2017: <ul style="list-style-type: none">Capitol Technology UniversityMetro Centre at Owings MillsTowson University	Series 2024: <ul style="list-style-type: none">University of Maryland, College Park Leonardtown
Series 2012: <ul style="list-style-type: none">Salisbury UniversitySheppard UniversityTowson University	Series 2018: <ul style="list-style-type: none">Baltimore City Garages	Series 2025: <ul style="list-style-type: none">Southfield Sports Complex, ElktonMorgan State University (Harper-Tubman Hall)
Series 2013: <ul style="list-style-type: none">Frostburg State UniversitySalisbury University	Series 2019: <ul style="list-style-type: none">University of Maryland, College Park Child Care Facility Project	
Series 2014: <ul style="list-style-type: none">Maryland State Archives	Series 2020: <ul style="list-style-type: none">Bowie State UniversityMorgan State University (Thurgood Marshall Hall)University of Maryland, College Park Office Condominium Project	

¹ Bonds paid off November 1, 2024.
Project operations closing out in FY26.

CONDUIT BOND FINANCED PROJECTS

Series 2000: <ul style="list-style-type: none">Maryland Soccer Foundation	Series 2015: <ul style="list-style-type: none">Compass, Inc.	Series 2022: <ul style="list-style-type: none">929 N. Wolfe StreetCatholic Relief ServicesHospice of the ChesapeakePurple Line Light Rail
Series 2006: <ul style="list-style-type: none">Constellation Energy Group	Series 2016: <ul style="list-style-type: none">Easter Seals	Series 2024: <ul style="list-style-type: none">PRG Towson Place Properties, LLCPrince George’s County Public SchoolsReservoir SquareUniversity of Maryland NextGen Energy ProjectWoodington Gardens
Series 2007: <ul style="list-style-type: none">Lutheran World Relief	Series 2017: <ul style="list-style-type: none">AFCO BWI II, LLCAnnie E. Casey Foundation, Inc.Seagirt Marine TerminalYoung Men’s Christian Association of Maryland, Inc.	
Series 2008: <ul style="list-style-type: none">Howard Hughes Medical InstituteLinemark Printing		Series 2025: <ul style="list-style-type: none">MECCA Charter SchoolCore Natural Resources
Series 2010: <ul style="list-style-type: none">EmergeThe Arc of Prince George’s County	Series 2018: <ul style="list-style-type: none">Arc of Baltimore	
Series 2012: <ul style="list-style-type: none">United States Pharmacopeial ConventionYoung Men’s Christian Association of Maryland, Inc.	Series 2019: <ul style="list-style-type: none">AFCO Airport Real Estate GroupSeagirt Marine TerminalThe Children’s Guild Obligated Group	
Series 2013: <ul style="list-style-type: none">Arundel LodgeWashington Research Library Consortium	Series 2020: <ul style="list-style-type: none">National Park Service ProjectPort Covington	
Series 2014: <ul style="list-style-type: none">Allegany College of Maryland	Series 2021: <ul style="list-style-type: none">Blind Industries and Services of MarylandMaryland Science CenterSSA Baltimore Project	

LOAN AND GRANT FINANCED PROJECTS

- Barton Business Park
- Firefly Farms
- H&S Bakery
- Patuxent Business Park

Student Housing Projects

To help Maryland’s higher education institutions grow, MEDCO provides bond financing and ownership for student housing projects. By supporting these housing solutions, MEDCO enables colleges and universities to attract and house students without impacting their state-mandated debt limits.

MEDCO assumes project ownership of student housing projects by way of ground leases that terminate contemporaneously with the repayment of the MEDCO-issued bonds used to finance the project. Upon repayment of the bonds, ownership reverts to the ground lessor.

The following are the outstanding balances as of June 30, 2025 of the MEDCO bonds that financed student housing projects:

Projects that revert to the University System of Maryland upon repayment:

**Bowie State University
(Christa McAuliffe
Residential Community)**
Prince George’s County
\$9,260,000 | 460 beds

**Bowie State University
(Entrepreneurship Living
Learning Center)**
Prince George’s County
\$43,325,000 | 557 beds

Frostburg State University
Allegany County
\$8,475,000 | 406 beds

Salisbury University
Wicomico County
\$11,985,000 | 890 beds

Towson University
Baltimore County
\$30,400,000 | 1,088 beds

**University of Maryland
Baltimore County**
Baltimore County
\$12,030,000 | 578 beds

**University of Maryland
College Park**
Prince George’s County
\$93,580,000 | 2,899 beds

**University of Maryland
College Park, Leonardtown**
Prince George’s County
\$99,065,000 | 741 beds

**University of Maryland
Baltimore**
Baltimore City
\$20,805,000 | 337 beds

*Opened in August 2024

Projects that revert to Capitol Technology University Foundation upon repayment:

Capitol Technology University
Prince George’s County
\$10,860,525 | 222 beds

Projects that revert to Morgan State University upon repayment:

**Morgan State University
(Morgan View)**
Baltimore City
\$18,500,000 | 794 beds

**Morgan State University
(Thurgood Marshall Hall)**
Baltimore City
\$80,825,000 | 670 beds

**Morgan State University
(Legacy Hall)**
Baltimore City
\$113,520,000 | 604 beds

**Morgan State University
(Harper-Tubman)**
Baltimore City
\$52,945,000 | 236 beds¹

Projects that revert to Sheppard Pratt Health Systems upon repayment:

University Village at Sheppard Pratt
Baltimore County
\$12,635,000 | 615 beds

¹ Projected for opening in August 2026



EDUCATION

On February 28, 2025, the Fayette Square Student Housing Project, located on the campus of the University of Maryland, Baltimore was sold by the University System of Maryland. The proceeds of the sale, along with other moneys, were used to defease and redeem the outstanding MEDCO Senior Student Housing Refunding Revenue Bonds (University of Maryland, Baltimore Project) Series 2015 and the Maryland Economic Development Corporation Subordinated Student Housing Refunding Revenue Bonds (University of Maryland, Baltimore Project) Series 2003 B and to pay outstanding fees and closing costs.

Portfolio Project Updates

MEDCO assists governmental units, as well as state and local economic development agencies, by coordinating capital improvements and operational management support.

MARYLAND STATE ARCHIVES

In 2014, MEDCO issued non-recourse, tax-exempt revenue bonds in the amount of \$9,200,000 and used the bond proceeds, along with \$2,300,000 of MEDCO funds, to acquire approximately 5.9 acres in Baltimore County located at 2255 Rolling Run Drive, Woodlawn.

The site contained a 134,240-square-foot building previously used for records retention by the Social Security Administration. The facility is leased to the Maryland State Archives (MSA), which uses the property for specialty storage units, state records, artistic property and data management devices. By way of the project, MSA has consolidated its operations from three separate leased facilities while benefiting from the building’s environmental controls.

MEDCO owns the project and entered into an Intergovernmental Lease Agreement with MSA for an initial fifteen-year term with the option to renew for up to two additional ten-year terms. MSA makes monthly payments to MEDCO, as required by the lease, which repay the outstanding debt service and MEDCO’s contribution. In addition to lease payments, MSA pays operating expenses associated with the project.

MEDCO continues to make renovations to the project to improve and accommodate MSA’s archival storage, restoration and preservation efforts, ensuring the longevity of the project and proper preservation of Maryland’s history. Improvements include:

- Overhaul of the HVAC system, including rooftop cooling units (2017)
- New roofing system (2017)
- Addition of a backup generator (2017)
- Reconfiguration and refinishing two stories of office space (2017)
- Installation of specialty signage (2017)
- Painted exterior envelope of the building (2017)
- Upgraded interior lighting system to more energy-efficient LEDs (2018)
- Reevaluated and signed new HVAC and fire suppression vendor (2020)
- Updated the facility’s server and firewall protection through CAS Severn (2021)

MARYLAND STATE HEALTH LAB, DEPARTMENT OF HEALTH BUILDING

In 2011, MEDCO issued non-recourse, tax-exempt revenue bonds in the amount of \$170,910,000 and used the bond proceeds to acquire a parcel in Baltimore City, formerly known as 1746 Ashland Avenue, and to build an approximately 235,000-square-foot, state-of-the-art public health laboratory for the State of Maryland’s Department of Health.

In 2021, MEDCO issued a new series of bonds to refund the 2011 bonds and achieve debt service savings for the Maryland Department of Health. The project enabled the Department of Health to expand its services, move labs from outdated facilities and provide infrastructure resiliencies and redundancies necessary to maintain Center for Disease Control credentials. The project is used by the Department of Health for various health-related activities and other critical lab testing essential for public health.

MEDCO owns the project and entered into a lease agreement with the Department of Health for an initial 20 year term with the option to renew for three subsequent, but immediately consecutive, additional ten-year periods. The Department of Health makes monthly lease payments to MEDCO, which pays for operating expenses for the building, as well as an annual debt service payment for the MEDCO-issued bonds.

MEDCO continues to accommodate the Department of Health’s ongoing operations by holding and coordinating various contracts for the building, including:

- Facilities management contract with a third-party vendor
- Security and building automation system contracts with a third-party vendor
- Telecommunications and Internet service contracts
- Window warranty replacement efforts

H&S BAKERY

In 2003, a \$1,600,000 Conditional Grant from the Maryland Department of Business and Economic Development (DBED), which is now known as the Maryland Department of Commerce pursuant to its MICRF Program; \$100,000 grant and a \$150,000 loan from the mayor and City Council of Baltimore, all to MEDCO in connection with the acquisition of and site work development of the former Esskay Manufacturing Facility.

MEDCO was asked to participate by DBED with the Essex Community College Foundation, Inc. on the redevelopment of the former Esskay property at 3600 E. Baltimore Street, Baltimore. DBED's MICRF program extended the \$1.6 million loan to MEDCO to acquire, demolish and environmentally clean the property. DBED's Brownfields Revitalization Incentive Program (BRIP) granted \$300,000 to MEDCO to assist in the cost of site clean-up. MEDCO served as the beneficiary of the states Voluntary Clean-up Program and did not have any liability for environmental conditions of the Esskay facility or grounds. Baltimore City loaned \$150,000 and granted \$100,000 to MEDCO for this project. The available funds of \$2,150,000 were used to match the cost of the project up to redevelopment.

Essex Community College Foundation, Inc. entered into an agreement with MEDCO to develop the property, complete demolition, and clean up the site. It was agreed upon after the site was cleared, three 80,000-square-foot distribution facilities with no speculative construction would take place. It was agreed that if Essex Community College Foundation, Inc., (or a newco) met certain development objectives over time, \$750,000 of the \$1.6 million conditional grant would be forgiven. The loan was scheduled to mature in 25 years at 4.38% interest. MEDCO's fees were the equivalent of 1% added to the loan as lease payments.

After the termination of the ECCF lease, Highlandtown Bakery Facilities, LLC, entered into a Contract to Lease and Limited Right of Entry Agreement dated April 23, 2001, constructed a roll factory and distribution center, and entered into a lease agreement dated April 23, 2001. The property will be transferred to H & S Bakery from MEDCO at the end of this transaction.

Presently, MEDCO is working with outside legal counsel to facilitate this transaction as it comes to a close.



Department of Commerce

MEDCO partners with the Department of Commerce, using the One Maryland Tax Credit and Advantage Maryland (MEDAAF), to develop flex buildings and business parks that stimulate economic investment into the state and create jobs.

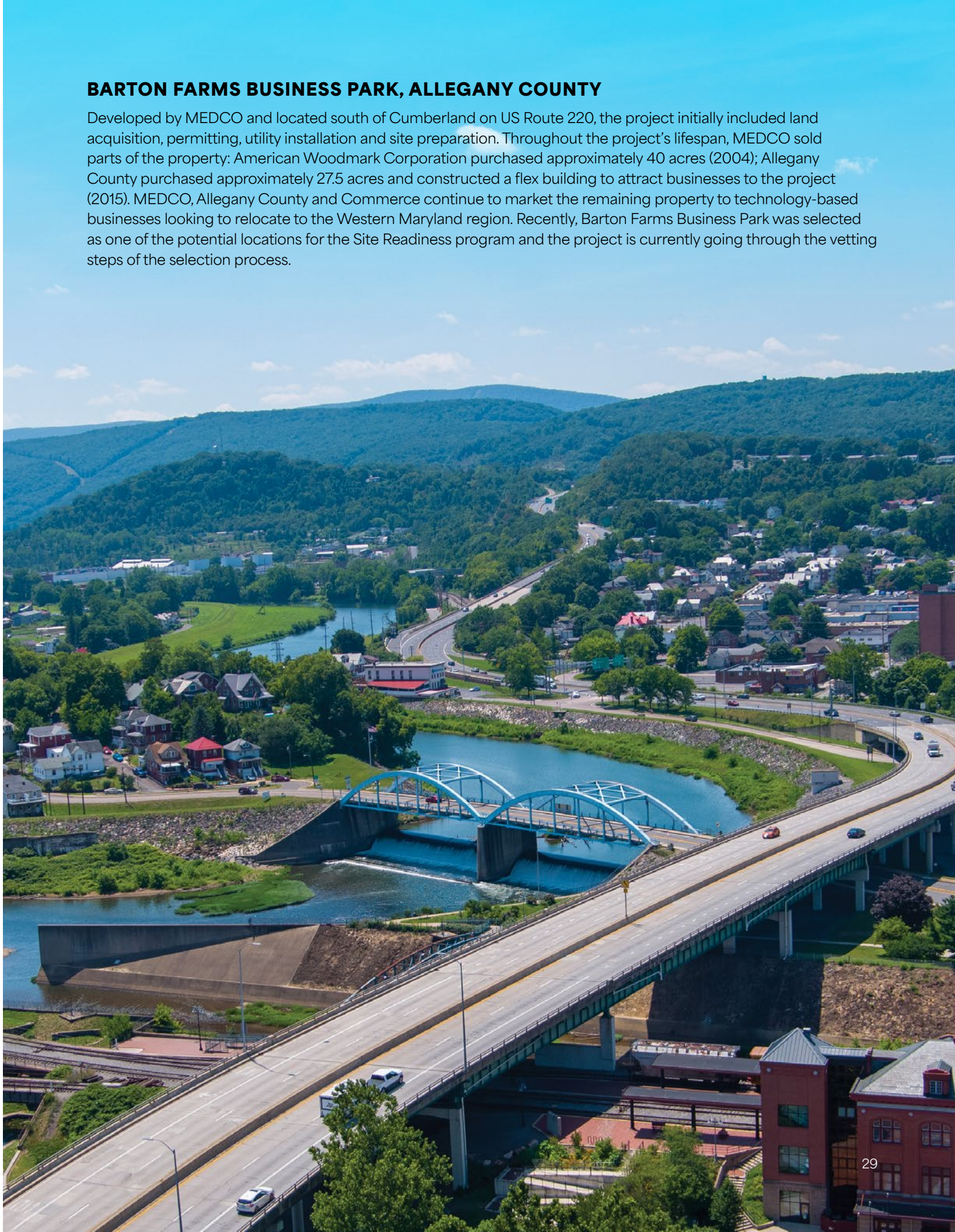
PATUXENT BUSINESS PARK, CALVERT COUNTY

In 2000, MEDCO purchased approximately 92 acres to develop a business park in Calvert County designed for Class A office and flex space, using Commerce financing. In 2005, MEDCO secured additional Commerce funding for the ongoing costs of engineering, design, permitting and infrastructure. In 2016, Dominion Cove Point LNG purchased Lot 6 of the park and constructed an approximately 50,000 square-foot office, warehouse building and a helicopter pad, furthering Dominion’s liquid natural gas initiatives in Calvert County.

In 2019, Dominion purchased the adjacent Lot 5 with the intent of developing that site for additional office and warehouse space. With the construction completion, Dominion is now operating out of Lot 5. In 2020, Lot 11 was sold to a developer to develop a flex building on the site and attract businesses to Calvert County. In 2021, the commercial broker brought Lots 7, 8 and 12 under contract, with the potential for full sale after due diligence investigations by buyers have concluded. Lot 12 contract was terminated within the given contingency period by the potential buyer. The feasibility study on lots 7 and 8 was extended until November 2022. After the feasibility study concluded in November 2022, the buyer was unable to move forward, and a mutual release of the contract was signed in December 2022. MEDCO and the commercial broker continue to work with Calvert County in marketing the remaining lots to interested buyers. There have been no additional changes to this project; however, MEDCO continues to work closely with Calvert County to attract new businesses to this park.

BARTON FARMS BUSINESS PARK, ALLEGANY COUNTY

Developed by MEDCO and located south of Cumberland on US Route 220, the project initially included land acquisition, permitting, utility installation and site preparation. Throughout the project’s lifespan, MEDCO sold parts of the property: American Woodmark Corporation purchased approximately 40 acres (2004); Allegany County purchased approximately 27.5 acres and constructed a flex building to attract businesses to the project (2015). MEDCO, Allegany County and Commerce continue to market the remaining property to technology-based businesses looking to relocate to the Western Maryland region. Recently, Barton Farms Business Park was selected as one of the potential locations for the Site Readiness program and the project is currently going through the vetting steps of the selection process.



Performance Overview

MINORITY, SMALL, WOMEN, AND DISADVANTAGED BUSINESS ENTERPRISE (MBE, SBE, WBE, DBE) PARTICIPATION

MEDCO supports economic development in Maryland by prioritizing the purchase of goods and services from businesses operating within the state. While the majority of MEDCO’s projects are financed through revenue bonds, the organization fully complies with applicable Minority Business Enterprise (MBE) requirements for projects that involve governmental funding sources.

During the fiscal year ending June 30, 2025, MEDCO procured goods and services related to its corporate operations and administration from the following certified MBE, Women Business Enterprise (WBE), Small Business Enterprise (SBE), and Disadvantaged Business Enterprise (DBE) vendors:

HR consulting and policy optimization: \$29,442.85	Sponsorship of a minority-owned business community initiative: \$3,500.00
Strategic consulting and opportunity alignment: \$53,997.25	Public relations services: \$5,250.00
Document scanning and secure disposal services: \$7,919.40	Government relations consulting: \$96,000 ¹
Catered food for company events: \$783.14 ¹	¹ Identified MBE, SBE, WBE, DBE that is not registered with the MDOT MBE program

During FY25, MEDCO facilitated the purchase of goods and services for development and advisory projects pertaining to development, design, operation, administration, and procurement from MBE, WBE, SBE, and DBE businesses, pursuant to requirements set forth in the projects’ bond documents. These projects included:

ODENTON GARAGE

A total of \$ 130,856.00 was spent on site survey work, \$14,060.00 for on-site camera services, and \$32,275.00 for traffic consulting.

MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION (MNCPPC)

A total of \$35,893.08 and an additional \$46,800.00¹ was allocated for move management consulting, \$332,931.30¹ for design services, \$35,144.00¹ for interior work.

MORGAN STATE UNIVERSITY, HARPER-TUBMAN HALL

Construction of Harper Tubman Hall is achieving approximately 27% inclusion, which amounts to approximately \$11.6 Million. There is about a year of construction left.

UNIVERSITY OF MARYLAND, COLLEGE PARK, LEONARDTOWN

Construction of the Leonardtown project is currently at approximately 39.8% inclusion for MBE funding and 20.2% for LBE funding. These amounts are approximately \$29.9 Million and \$5 Million.

MARYLAND CANNABIS REFORM BILL

Resulting from House Bill 556 and Senate Bill 516, MEDCO is identifying sites (including those that may be converted) for proposed use as an incubator space. This legislation includes criteria for applicants to obtain licenses to utilize the incubator space, with emphasis on social equity—for example, to implement free technical assistance for social equity and minority cannabis business applicants, produce reports and recommendations on diversity and equity in ownership, management and employment in the legal cannabis economy, and assist business with obtaining financing. All of which allows MEDCO to directly promote goals to address the disproportionately impacted communities. The data should become quantifiable once the incubator space is developed.

Currently environmental consulting equates to \$9,875.00¹.

SAINT MARY’S AEROPARK

There was a total of \$9,595.00 spent on pre-development work and \$31,067.50 on engineering.

MADISON PARK NORTH, RESERVOIR SQUARE

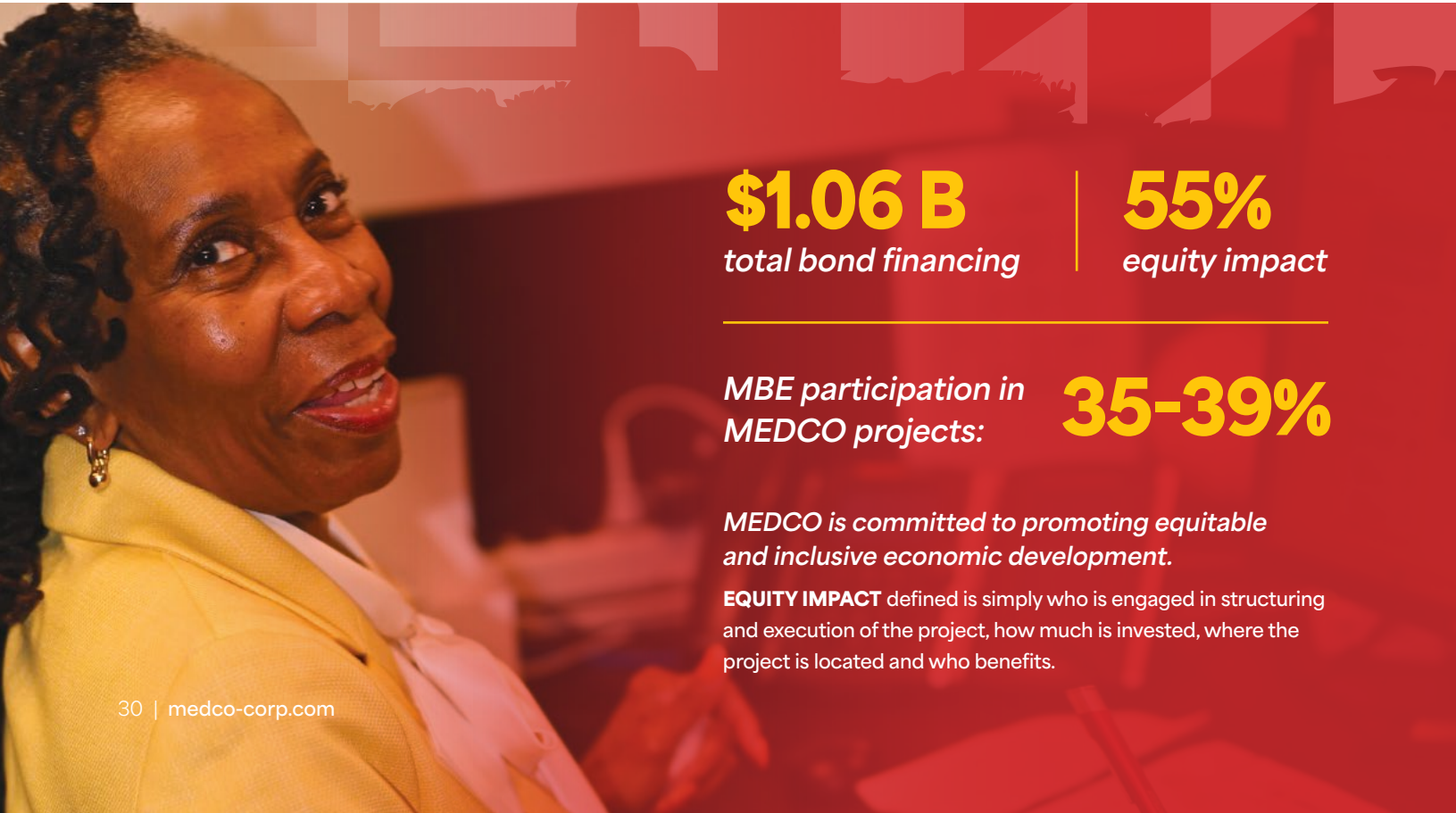
\$123,857.55 was paid for construction and supply.

Regarding our student housing portfolio, our third-party manager on behalf of MEDCO spent the following amount on operating and capital projects towards MBE, WBE, SBE, and DBE businesses:

\$804,214.26²

¹ Identified MBE/SBE/WBE/DBE that is not registered with the MDOT MBE program

² Inclusive of \$41,060.29 that comes from an identified MBE/SBE/WBE/DBE that is not registered with the MDOT MBE program



\$1.06 B

total bond financing

55%

equity impact

MBE participation in MEDCO projects:

35-39%

MEDCO is committed to promoting equitable and inclusive economic development.

EQUITY IMPACT defined is simply who is engaged in structuring and execution of the project, how much is invested, where the project is located and who benefits.

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In FY25, MEDCO was occasionally required to make purchases on behalf of our projects. In turn, the projects directly reimburse MEDCO. While these businesses are not officially registered with MDOT, the appropriate MBE, WBE, SBE, and DBE businesses are as follows:

Maryland State Archives

Document preservation solutions:
\$7,906.00

Archives and National Park Service (NPS)

Preventative maintenance:
\$26,175.00

National Park Service (NPS)

Preventative maintenance:
\$26,615.00
Cleaning services:
\$84,569.41

Patuxent Business Park

Landscaping:
\$20,850.00

Chesapeake Hyatt

Consulting:
\$122,990.80

Arbitrage Rebate Services

Consulting:
\$6,200.00

MEDCO takes a proactive and comprehensive approach to fostering a diverse and inclusive business environment. Through deliberate strategic partnerships and ongoing third-party engagements, MEDCO works extensively with minority-owned, small, women-owned, and disadvantaged business enterprises (MBEs, SBEs, WBEs, DBEs). By prioritizing inclusive sourcing and capacity-building initiatives, MEDCO not only drives economic growth but also advances social equity throughout Maryland and the surrounding region.

OTHER MBE PARTICIPATION:

MEDCO staff attend MBE networking and procurement events. MEDCO also utilizes the Governors’ Office of Minority Affairs and other directories for event, vendor and service information.

MBE Memberships:

- Member, Maryland Washington and Member, Maryland Minority Companies Association since 2012
- Member Maryland Minority Contractors Association since 2012



Project Classification Report 2025

MEDCO’s loan classification policy, adopted in 2013, characterizes projects as “Performing”, “Watch”, or “Non-Performing.” The following projects, where MEDCO was either the issuer or owner, are classified as either Non-Performing or Watch during Fiscal Year 2025:

CHESAPEAKE RESORT AND CONFERENCE CENTER

Status: Non-Performing

The Chesapeake Bay Conference Center (CBCC) began suffering losses during the 2008 economic downturn. The project was formerly classified as “Watch” in 2010, when the project failed to achieve the required minimum required Debt Service Coverage Ratio of 1.25. However, the project was reclassified as “Non-Performing” in 2014 after the June Debt Service payment was only partially made.

MEDCO continues to work collaboratively with the Project’s bondholders, who have shown flexibility in assuring there is sufficient cash to sustain the operations. Effective July 1, 2021, MEDCO and the Trustee, at the direction of the directing bondholders, entered into a restated and amended forbearance agreement which, pursuant to a ninth amendment of the restated and amended forbearance agreement, extended the forbearance period to December 31, 2025. In accordance with the amended and restated forbearance agreement, the Project is required to meet certain gross revenue, net operating income and cumulative cash flow targets, as defined.

Revenue in FY24 decreased as the increases seen in travel demand and group sales in the prior year began to level off. All the project’s operating expenses were paid, and additional interest payments totaling \$602,000 were made towards interest payments that were not made in prior years.

Revenue in FY25 decreased due to overall decreases in occupancy, and banquets and event bookings. The Project’s performance remained below the level of revenue necessary to fully fund all debt obligations. The debt is held by institutional investors who, as reported above, have continued to provide support to the operations, which MEDCO expects to continue. All the project’s operating expenses are being paid, and additional interest payments totaling \$602,000 were made towards interest payments that were not made in prior years.

Stalled phase-one construction of new residential development around the River Marsh golf course, named the Tides at River Marsh, was restarted in December of 2024. Upon approval of final legal declaration documents governing development on the resort, construction of more than 75 homes was initiated in a community that will ultimately include 619 new townhome and single-family units. Impacts of new home development and the influx of new residents are expected to be very positive for the resort in the future.

The installation of a new MEDCO-sponsored golf simulator at the River Marsh clubhouse was completed in FY24 and has helped generate revenues and attract additional group sales for the resort during both peak and off-season months.

STUDENT HOUSING PROJECTS

Status: Performing

Per the respective Trust Indentures, the projects are each required to meet a coverage ratio as of the last day of each fiscal year of no less than 1.20 to 1.00. If in any fiscal year the coverage ratio is not met, a management consultant must be employed.

As of October 2025, Bowie Entrepreneurship Living-Learning Center at Bowie State University (ELLC) and Edgewood Commons Student Housing at Frostburg State University (Frostburg) will be removed from “Watch” and reclassified as “Performing”.

Based on the information available at this time, all MEDCO student housing projects are performing.



THE ECONOMIC ENGINE

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