

**T00A99**  
**Maryland Economic Development Corporation**

***Executive Summary***

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The Maryland Economic Development Corporation (MEDCO) is an instrumentality of the State of Maryland created to serve as a statewide economic development engine. MEDCO has real estate development capabilities and bond issuance powers.

***Financial Statement Data***

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**Maryland Economic Development Corporation Financial Statement**  
**Fiscal 2023-2025**  
**(\$ in Thousands)**

	<u><b>2023</b></u>	<u><b>2024</b></u>	<u><b>2025</b></u>	<u><b>Change 2024-2025</b></u>
Total Assets	\$1,019,148	\$975,571	\$1,173,184	\$197,614
Total Liabilities	1,204,896	1,183,203	1,401,450	218,247
<b><i>Net Deficit</i></b>	<b><i>-\$185,747</i></b>	<b><i>-\$207,632</i></b>	<b><i>-\$228,265</i></b>	<b><i>-\$20,633</i></b>
<b>Operating Revenues</b>				
Operating Facilities	\$176,948	\$182,805	\$177,612	-\$5,194
Other	15,730	16,239	16,281	42
<b>Total Operating Revenues</b>	<b>\$192,678</b>	<b>\$199,045</b>	<b>\$193,893</b>	<b>-\$5,152</b>
<b>Operating Expenses</b>				
Operating Facilities	\$111,393	\$120,914	\$109,397	-\$11,517
Depreciation/Amortization	44,696	46,880	49,515	2,636
Administrative and Other	3,338	4,072	5,059	987
<b>Total Operating Expenses</b>	<b>\$159,427</b>	<b>\$171,865</b>	<b>\$163,971</b>	<b>-\$7,894</b>
<b><i>Net Operating Income</i></b>	<b><i>\$33,251</i></b>	<b><i>\$27,180</i></b>	<b><i>\$29,922</i></b>	<b><i>\$2,743</i></b>
<b><i>Net Nonoperating Income</i></b>	<b><i>-\$38,444</i></b>	<b><i>-\$35,877</i></b>	<b><i>-\$35,168</i></b>	<b><i>\$709</i></b>
<b><i>Change in Net Position</i></b>	<b><i>-\$5,193</i></b>	<b><i>-\$8,697</i></b>	<b><i>-\$5,246</i></b>	<b><i>\$3,451</i></b>
Net Position, Beginning of Year	-\$281,412	-\$286,605	-\$295,302	-\$8,697
<b><i>Net Position, End of Year</i></b>	<b><i>-\$286,605</i></b>	<b><i>-\$295,302</i></b>	<b><i>-\$300,548</i></b>	<b><i>-\$5,246</i></b>

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***Analysis of the FY 2027 Maryland Executive Budget, 2026***

## ***Key Observations***

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- ***Operating Report:*** MEDCO's overall financial position remained largely stable in fiscal 2025. Two operating facilities were sold, and construction was underway on two student housing facilities and a sports park complex in fiscal 2025. The Chesapeake Bay Conference Center (CBCC) continues to underperform and brought in enough money to cover operating expenses but not to make full debt payments. Lenders have repeatedly extended forbearance for the project.
- ***Funds Budgeted in Other Agencies:*** While MEDCO's operations are self-funded, the fiscal 2027 allowance includes \$7.5 million in capital funding and \$16 million in the Department of Commerce's (Commerce) budget for specific MEDCO projects. Level funding is provided for the Strategic Infrastructure Revolving Loan Fund (SIRLF) (\$10 million) and the Certified Sites Program (\$3.5 million), and a \$2.5 million grant is provided to support Prieto Battery's headquarters relocation. The capital budget includes a \$7.5 million grant for a calcined clay manufacturing plant in Cecil County. In the fiscal 2026 budget bills, more than \$63 million was earmarked for MEDCO for specific projects.
- ***Pimlico Racetrack and Racing Operations:*** MEDCO has assumed responsibility for racing operations at the Pimlico Racetrack and oversight of the Maryland Jockey Club (TMJC). MEDCO is also leading efforts to develop 12 acres of State-owned land around Pimlico in the Park Heights community.

## **Operating Budget Recommended Actions**

1. Nonbudgeted.

## **Updates**

- The Office of Legislative Audits (OLA) reported on units exempt from some or all aspects of State procurement law, including MEDCO. The report found that MEDCO has a policy in compliance with State law. The report also evaluated MEDCO's internal procurement policies and identified areas where the policies differ from requirements for non-exempt units.

## ***Operating Budget Analysis***

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### **Program Description**

MEDCO is a nonbudgeted entity that allows the State to own or develop property for economic development purposes. MEDCO was created in 1984 with the mission to help expand, modernize, and retain existing Maryland businesses and to attract new businesses to the State. The stated legislative purpose of the corporation is to (1) relieve the conditions of unemployment; (2) encourage increased business activity, commerce, and a balanced economy; (3) assist in the retention and attraction of new business activity; (4) promote economic development; and (5) generally promote the present and prospective health, happiness, safety, right of employment, and general welfare of State residents.

MEDCO purchases or develops property that is leased to others under favorable terms. MEDCO also makes direct loans to companies throughout the State to maintain or develop facilities, and it often serves as the conduit for loans administered by Commerce. MEDCO issues bonds to raise funds for its loans. The debt represents nonrecourse obligations because MEDCO is not liable to bondholders and lenders in the event of a project or borrower default. Each project must have self-supporting revenues, and no projects are cross-collateralized. As a result, MEDCO's debt is not debt of the State, and there is no implied State guaranty or State obligation to protect bondholders from losses. From its establishment through fiscal 2025, MEDCO has issued nearly \$8.9 billion in bonds.

MEDCO also owns and operates some projects as operating facilities, meaning that the corporation is involved in management decisions and has a hand in ensuring successful daily operations. These are primarily student housing projects for college and university students, but MEDCO also operates CBCC, a number of parking garages, and other facilities. For most other projects, MEDCO generally serves as an arms-length financing entity.

The corporation is governed by statute under §10-101 through 10-132 of the Economic Development Article. A 12-member board of directors oversees and approves actions pertaining to the corporation's affairs and appoints the executive director. The Secretary of Commerce and the Secretary of Transportation serve as *ex-officio* voting members. MEDCO's activities complement the marketing and financing programs of Commerce. MEDCO currently has 24 full-time employees.

### **Overall Financial Position**

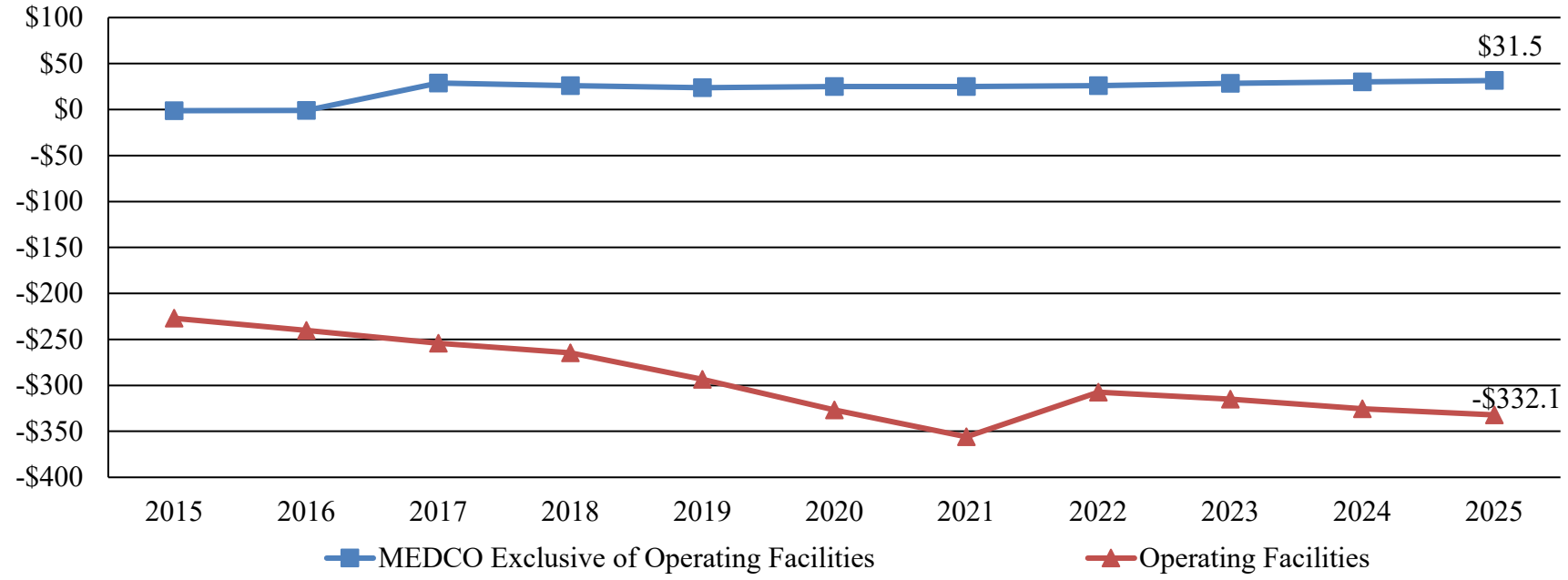
#### **MEDCO Net Assets Decrease Slightly**

Historically, MEDCO has been involved in two types of projects: (1) operating projects – where MEDCO is involved in management decisions and has a hand in ensuring successful daily operations; and (2) conduit projects – where MEDCO generally serves only as an arms-length

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financing entity. **Exhibit 1** provides information on the net assets of MEDCO facilities that it operates and those facilities that it does not operate. The net assets are comprised primarily of the value of the properties offset by outstanding debt or capital lease obligations. MEDCO operating projects typically have net asset deficits. In fiscal 2025, net assets decreased by about \$5 million, or 1.8%, driven by a decrease in operating facilities.

**Exhibit 1**  
**Maryland Economic Development Corporation Net Assets – Operating and Nonoperating**  
**Fiscal 2015-2025**  
**(\$ in Millions)**



MEDCO: Maryland Economic Development Corporation

Note: MEDCO adopted Government Accounting Standards Board Statements (GASB) No. 87 and 94 in fiscal 2022 and 2023, respectively, related to lease accounting, which also resulted in retroactive modifications to prior year figures. The data reflects the adoption of GASB No. 87 beginning with fiscal 2020 and the adoption of GASB No. 94 beginning with fiscal 2021.

Source: Maryland Economic Development Corporation

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The corporation reports that a net asset deficit is not a significant concern as long as operating revenues exceed cash operating expenses. MEDCO's net operating income is positive overall. MEDCO notes that net losses and net asset deficits are not uncommon for real estate companies. With these companies, the market value of the assets generally exceeds the book value, and MEDCO reports that real estate investors look at market value or, more specifically, cash flow coverage rather than book value.

MEDCO's involvement in conduit projects, which it does not operate, also impacts the corporation's position as facilities are added to the portfolio or debt is retired. MEDCO's position, excluding operating facilities, has remained mostly level since fiscal 2017.

### **Operating Facilities Financial Position**

MEDCO operated 17 facilities in fiscal 2025, and the revenues from those facilities contribute to the corporation's bottom line. **Exhibit 2** shows MEDCO operating income and loss by MEDCO-operated projects. This data indicates where projects are bringing in enough revenues to cover annual operating expenses.

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**Exhibit 2**  
**MEDCO Operating Income and Loss by Project**  
**Fiscal 2023-2025**

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Change</u> <u>2024-2025</u>
<b>University Student Housing</b>				
Bowie State University	\$1,138,514	\$2,130,937	\$1,035,152	-\$1,095,785
Bowie Mixed-use Project	-435,613	310,652	1,103,360	792,708
Capitol Technology University	149,792	436,829	146,145	-290,684
Frostburg State University	623,748	666,962	653,991	-12,971
Morgan State University	6,211,215	5,895,456	8,725,111	2,829,655
Salisbury University	1,780,979	1,534,223	1,326,240	-207,983
Towson University	2,961,581	3,047,419	3,096,010	48,591
University of Maryland, Baltimore	1,114,129	1,062,446	350,147	-712,299
University of Maryland Baltimore County	1,552,172	1,480,818	1,498,650	17,832
UMCP Housing	8,225,455	4,613,475	7,519,197	2,905,722
University Village at Sheppard Pratt	80,847	1,424,352	1,296,538	-127,814
<b>Subtotal</b>	<b>\$23,402,819</b>	<b>\$22,603,569</b>	<b>\$26,750,541</b>	<b>\$4,146,972</b>

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	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Change 2024-2025</u>
<b>Other Facilities</b>				
Annapolis Garage	\$10,528	-\$2,446,942	\$1,474,349	\$3,921,291
Baltimore City Garages	2,931,631	3,498,221	2,088,952	-1,409,269
Chesapeake Bay Conference Center	5,459,802	2,068,989	-1,199,327	-3,268,316
Elkton Sports Park Complex	-	-	-31,250	-31,250
Metro Centre Garage	1,069,930	1,054,230	1,124,625	70,395
UMCP Energy	-100	-100	-100	0
<b>Subtotal</b>	<b>\$9,471,791</b>	<b>\$4,174,398</b>	<b>\$3,457,249</b>	<b>-\$717,149</b>
<b>Subtotal Operating Facilities</b>	<b>\$32,874,610</b>	<b>\$26,777,967</b>	<b>\$30,207,790</b>	<b>\$3,429,823</b>
<b>MEDCO Exclusive of Operating Facilities</b>	<b>\$1,712,884</b>	<b>\$1,030,624</b>	<b>\$923,192</b>	<b>-\$107,432</b>
<b>Elimination (Accounting Adjustment)</b>	<b>-\$1,336,443</b>	<b>-\$628,878</b>	<b>-\$1,208,737</b>	<b>-\$579,859</b>
<b>Grand Total</b>	<b>\$33,251,051</b>	<b>\$27,179,713</b>	<b>\$29,922,245</b>	<b>\$2,742,532</b>

MEDCO: Maryland Economic Development Corporation

UMCP: University of Maryland, College Park Campus

Note: The figures for Morgan State University include both the Morgan View and Thurgood Marshall Hall projects.

Source: Maryland Economic Development Corporation

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MEDCO's net income from facilities increased in fiscal 2025 to about \$30 million, which is slightly higher than fiscal 2024 but slightly lower than fiscal 2023. Revenues continue to exceed expenses for most projects, including all student housing facilities.

In fiscal 2025, construction began on the Southfield Sports Park Complex in Elkton. MEDCO issued \$54 million worth of bonds on behalf of the town of Elkton to finance the acquisition and construction of multi-purpose athletic fields, a building, a maintenance facility, and other public infrastructure.

University of Maryland, College Park Campus (UMCP) Energy, a utility infrastructure program at UMCP, was disposed of in December 2024, and assets were transferred to College Park Energy, LLC.

## **Project Status Updates**

MEDCO classifies its projects as performing, watch, or nonperforming based on the project's ability to meet its financial obligations. At the end of fiscal 2025, the CBCC project was nonperforming. While two student housing projects were in watch status at the end of fiscal 2024, by the end of fiscal 2025, all of MEDCO's student housing projects were classified as performing.

CBCC has been classified as nonperforming since fiscal 2014, and the project's bondholders have repeatedly extended forbearance for debt payments in order to ensure that the project has enough cash to sustain operations. Although revenues are not sufficient to fully fund the project's debt obligations, all of the project's operating expenses are being paid, and payments are being made toward interest. CBCC's operating income decreased by more than \$3 million, and the facility reported a \$1 million loss in fiscal 2025, after accounting for depreciation, due to decreases in occupancy and banquet and event bookings.

## **Student Housing**

Student housing facilities make up the majority of MEDCO-operated projects. MEDCO opened a new student housing facility at Morgan State University (MSU), called Legacy Hall, in August 2024. Bonds were issued in fiscal 2025 for two additional projects that are under construction: Leonardtown Student Housing at UMCP and Harper Tubman Student Housing at MSU. In February 2025, MEDCO and the University of Maryland, Baltimore (UMB) finalized the sale of housing at UMB, which had been in watch status since fiscal 2020, to a private company. With that sale, MEDCO no longer has debt for that project.

**Exhibit 3** shows the debt coverage ratio at the end of the last three fiscal years, the maximum debt service, and outstanding balance at the end of fiscal 2025 for each housing project. Projects are classified under watch status if they do not meet a debt coverage ratio of 1.2 at the end of the fiscal year. MEDCO anticipates that all student housing projects will be able to fund operating expenses and meet their upcoming debt service payments.



**Exhibit 3**  
**Status of MEDCO-operated Student Housing Projects**  
**Fiscal 2023-2025**  
**(\$ in Millions)**

<u><b>Project</b></u>	<b>Debt Coverage Ratio<sup>1</sup></b>			<b>Maximum</b>	<b>Outstanding Balance June 2025</b>
	<u><b>2023</b></u>	<u><b>2024</b></u>	<u><b>2025</b></u>	<b>Annual Debt Service</b>	
Bowie State University	2.11	1.42	1.23	\$1.4	\$9.4
Bowie Mixed-use Project	1.36	<b><i>1.05</i></b>	1.24	2.5	48.2
Capitol Technology University	2.11	2.50	2.04	0.7	10.9
Frostburg State University	<b><i>0.89</i></b>	1.73	1.52	1.2	8.6
Leonardtown (College Park)	n/a	n/a	n/a	n/a	155.7
Morgan State University (Morgan View)	1.23	1.32	1.89	2.2	19.5
Morgan Mixed-use Project (Thurgood Marshall)	n/a	1.32	1.89	3.8	83.7
Morgan State University (Legacy Hall)	n/a	n/a	1.89	2.5	111.5
Morgan (Harper Tubman)	n/a	n/a	n/a	n/a	50.9
Salisbury University	2.21	2.26	2.19	2.2	12.3
Towson University	1.58	1.53	1.63	3.6	31.8
University of Maryland, Baltimore	<b><i>1.18</i></b>	<b><i>1.18</i></b>	n/a	n/a	0.0
University of Maryland, Baltimore County	1.83	1.85	1.97	1.6	12.6
University of Maryland, College Park	1.58	1.30	1.91	10.3	101.3
University Village at Sheppard Pratt	1.83	2.79	2.65	1.6	13.1

MEDCO: Maryland Economic Development Corporation

<sup>1</sup> Debt coverage ratio is the ratio of net operating income to debt service payments. The required coverage ratio is 1.2.

Note: Bold and italics indicate projects that did not meet the required coverage ratio. In fiscal 2025, the University of Maryland, Baltimore project was sold, and its bonds were defeased.

Source: Maryland Economic Development Corporation

## ***Issues***

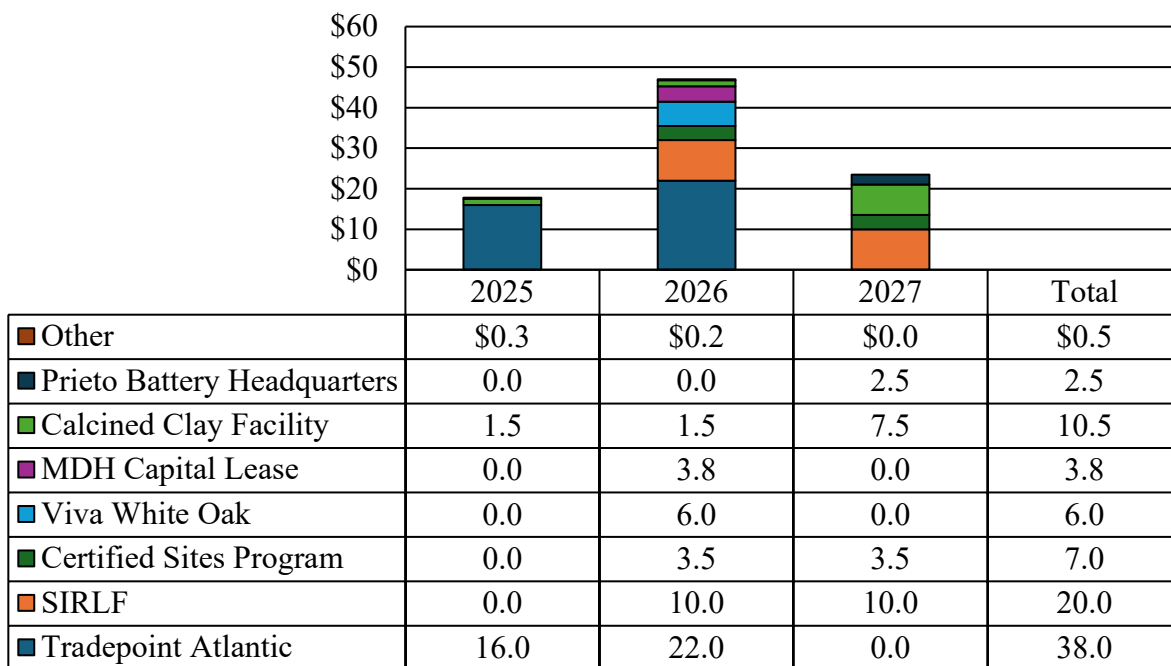
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### **1. Operating and Capital Funding for MEDCO**

While MEDCO is a nonbudgeted agency, funding may be provided in other agencies' operating budgets for specific programs or projects managed by MEDCO. The fiscal 2027 allowance includes \$16 million for MEDCO provided through Commerce's operating budget, including level funding for two existing programs: \$10 million for the SIRLF; and \$3.5 million for the Certified Sites Program. The allowance also includes \$2.5 million to support debt service for Prieto Battery's corporate headquarters relocation to Maryland. The capital budget bill includes \$7.5 million in funding for a calcined clay manufacturing facility in Cecil County, which will be served by the Principio Rail Line project that MEDCO is already supporting. Although the capital budget as introduced lists Cecil County as the grant recipient for that project, the Department of Budget and Management (DBM) advises that MEDCO is the intended recipient of the funds. This brings MEDCO's total fiscal 2027 funding to \$23.5 million.

The fiscal 2027 allowance of \$23.5 million is a decrease from the amount earmarked for MEDCO projects in the fiscal 2026 operating and capital budget bills, as shown in **Exhibit 4**. More than \$63.3 million was earmarked for grants to MEDCO in the fiscal 2026 operating and capital budget bills as enacted, including \$16.3 million in fiscal 2025 deficiency appropriations.

**Exhibit 4**  
**MEDCO Funding in Operating and Capital Budget Bills**  
**Fiscal 2025-2027**  
**(\$ in Millions)**



MDH: Maryland Department of Health  
 SIRLF: Strategic Infrastructure Revolving Loan Fund

Note: Calcined clay facility includes funding for the associated Principio Rail Line.

Source: Department of Legislative Services

The overall amount in the fiscal 2026 budget bills that was specifically appropriated for MEDCO is a significant increase over prior years, driven in large part by appropriations for the Tradepoint Atlantic shipping container terminal project at Sparrows Point in Baltimore County. Of the budget bills passed in calendar 2021 through 2024, the most MEDCO received in a single year's budget bills was \$4.5 million in calendar 2023.

Agencies may also contract with MEDCO for services outside those which are specified in the budget bills, so the appropriated amounts do not reflect the full amount of State funding managed by MEDCO. The increase in appropriations does, however, reflect several new projects and programs that MEDCO is managing in fiscal 2026. An update on these projects appears as follows.

- **Tradepoint Atlantic Terminal:** MEDCO received a total of \$38 million (\$16 million as a fiscal 2025 deficiency and \$22 million for fiscal 2026) in the fiscal 2026 operating budget

bill. Most of the money was routed through the Department of General Services, and \$6 million was added by the General Assembly through the Maryland Department of Transportation. The funds will support dredging at the Tradepoint Atlantic terminal project site. MEDCO reports that dredging is expected to start in early calendar 2026.

- ***SIRLF:*** \$10 million for this program was provided in Commerce’s operating budget in fiscal 2026. Chapter 449 of 2024 established the fund to make loans for real estate and infrastructure projects in areas designated as sustainable communities, priority funding areas, and transit-oriented development areas. MEDCO is to prioritize projects that activate underutilized government and institutional property, offer significant development or redevelopment value, leverage private investment, and have the potential for significant job growth or retention. MEDCO and Commerce have signed a memorandum of understanding to transfer the funds, and MEDCO is considering potential projects for the program. Chapter 449 required that MEDCO establish an advisory loan committee to review loan applications and make recommendations on approval, and MEDCO expects to issue the first round of loans before the end of fiscal 2026. An additional \$10 million for the program is included in the fiscal 2027 allowance.
- ***Viva White Oak:*** \$6 million in general obligation (GO) bond funding, including \$4 million from the Department of Housing and Community Development’s (DHCD) National Capital Strategic Economic Development Fund, was provided in the capital budget to support a public-private partnership developing a bioscience-focused mixed-use community in Montgomery County. MEDCO is working with DHCD to begin using the money to fund public improvements on the property. The State funding will support site work for residential roads in the project area.
- ***Certified Sites Program:*** \$3.5 million for this program, also known as the Business Ready Sites Program, was provided in Commerce’s operating budget in fiscal 2026. The program provides site improvement grants to support costs associated with infrastructure upgrades, environmental remediation, or other site development needs and smaller site characterization grants to support evaluating a site’s current status and potential for future use. As of January 2026, MEDCO had awarded \$3.2 million to 24 sites across 18 local jurisdictions. A list of grant awards is included in **Appendix 2**. All of the funding is expected to be awarded by the end of fiscal 2026. An additional \$3.5 million is provided for this program in the fiscal 2027 allowance.
- ***Maryland Department of Health (MDH) Capital Lease:*** \$3.8 million from the Dedicated Purpose Account (DPA) was provided in the fiscal 2026 operating budget to support MDH leasing and renovating office space in Baltimore. Office space renovations are expected to be completed in January 2027, and construction on a parking garage is expected to be completed in July 2027.
- ***Principio Rail Spur:*** \$1.5 million in GO bond funding was included in each of fiscal 2025 and 2026; MEDCO is working with the companies involved in the project on paperwork to access the bond funding. The rail spur is expected to provide service for a planned

calcined clay plant in Cecil County to produce low carbon “clean cement” from the by-products of the mining industry. The fiscal 2027 capital budget as introduced includes \$7.5 million in GO bonds for the calcined clay plant as a grant to Cecil County, but DBM has requested the grant be amended to make MEDCO the recipient of the funding.

- ***Bladensburg Economic and Land Use Study:*** \$200,000 for this study was added by the General Assembly in the DPA in fiscal 2026. Work is expected to start in January 2026.
- ***Cannabis Business Incubator:*** Chapters 254 and 255 of 2023 required MEDCO to work with the administration to acquire and construct or refurbish at least one cannabis business incubator space. The fiscal 2024 capital budget bill included \$2 million in GO bonds for an incubator; however, this was deauthorized in the fiscal 2026 capital budget bill, and \$2 million in fiscal 2025 and \$5 million in fiscal 2026 was provided to the Maryland Cannabis Administration (MCA) for the project. While MEDCO no longer receives direct funding for the incubator, it expects to continue working with MCA on the project. More information about the cannabis incubator project is included in the D23 – Maryland Cannabis Administration budget analysis.

In addition to the projects listed above, the fiscal 2026 operating budget bill also included a \$338,000 fiscal 2025 deficiency appropriation for Commerce for MEDCO consulting costs.

## **2. Horse Racing Operations**

The Budget Reconciliation and Financing Act (BRFA) of 2025 terminated the Maryland Thoroughbred Racetrack Operating Authority (MTROA) as of June 30, 2025, and named MEDCO and the Maryland Stadium Authority (MSA) as its successor organizations. MSA took over ownership of the Pimlico racing facility and responsibility for demolition and reconstruction of a new facility at Pimlico and construction of a planned new training facility. MEDCO assumed responsibility for ongoing racing operations, including planned community development projects around Pimlico and oversight of TMJC, the nonprofit organization that manages thoroughbred horse racing for the State.

### **The Maryland Jockey Club**

MEDCO is now the parent entity for TMJC, which maintains operational contracts for day-to-day racing operations such as concessions, maintenance, security, and off-track betting. TMJC is currently operating racing at Laurel Park and will operate the Preakness Stakes at Pimlico beginning in calendar 2027. MEDCO reports that TMJC faces annual losses of \$7 million and is seeking additional sources of revenues. The club also plans to seek a \$2 million to \$3 million loan to begin procuring security equipment and other resources for the 2027 Preakness.

## **Park Heights Development**

The State owns six parcels of land totaling 12 acres around Pimlico in the Park Heights community, and MEDCO is leading efforts to develop these parcels to benefit Pimlico and support economic development in the area. MEDCO issued a request for expressions of interest to develop the parcels, which closed in December 2025, and received 13 responses. The responses are intended to be broad ideas for consideration, and a more thorough and detailed request for proposal process is planned for calendar 2026.

## **MTROA Audit Findings**

An October 2025 report by OLA found that MTROA did not establish written agreements with TMJC and did not ensure that MTROA's procurement of consulting contracts identified the best interest and that invoices were appropriate to pay. While MTROA no longer exists, MEDCO should take steps to avoid duplicating the same issues found in the MTROA audit.

MEDCO reports that discussions with TMJC and MSA are ongoing, and a long-term operating agreement is expected to be finalized in summer 2026. As discussed in Update 1, MEDCO's procurement policy does not specifically require that a contract should be awarded to the lowest bidder or most advantageous to the State. **MEDCO should discuss policies and procedures that it is using to avoid contract issues similar to those identified in the MTROA audit.**

## ***Updates***

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### **1. Procurement Exemption Report**

Because of its specialized function, MEDCO is exempt from most State procurement regulations and has its own written procurement policy. In November 2025, OLA published a Review of State Units Exempt from State Procurement Laws and Regulations, which found that MEDCO’s policy is compliant with State law. The report also evaluated whether exempt units’ internal procurement policies incorporate key areas of procurement regulations that apply to non-exempt units. While not required by law, including such regulations can enhance the integrity and transparency of exempt units’ procurements.

MEDCO’s procurement policy addresses some but not all of the areas covered by State regulations for non-exempt units:

- ***Competitive Procurement:*** Addresses competitive procurement but does not state a preference for competition for all procurements and does not specify that the contract should be awarded to the lowest bidder or most advantageous to the State.
- ***Sole Source Procurement:*** Does not address the use of sole source procurement.
- ***Intergovernmental Cooperative Purchasing Agreements (ICPA):*** Does not address ICPA procurements.
- ***Public Notice of Solicitation and Award:*** Addresses public solicitation but does not require advertisement for a minimum of 20 days for all procurements expected to exceed \$50,000.
- ***Minority Business Enterprise (MBE) Participation:*** Includes MBE participation as a procurement goal but does not require each procurement to be evaluated for MBE participation goals.

While MEDCO’s procurement policy meets all State requirements, incorporating some of these areas into the written policy to the extent practical could improve transparency.

**Appendix 1**  
**2025 Joint Chairmen's Report Responses from MEDCO**

The 2025 *Joint Chairmen's Report* (JCR) requested that MEDCO prepare one report. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***Report on Activities Related to Horse Racing:*** The BRFA of 2025 transferred certain responsibilities to MEDCO related to horse racing, including oversight of TMJC and economic development projects in the area around the Pimlico racetrack. MEDCO submitted a report summarizing the status of the transition of responsibilities; this report is discussed further in Issue 2 of this analysis.



**Appendix 2**  
**Certified Sites Program Grant Awards**  
**Fiscal 2026, as of January 2026**

<b><u>Site Characterization Grants</u></b>	<b><u>Jurisdiction</u></b>	<b><u>Amount</u></b>
Barton Business Park	Allegany	\$5,000
Bwtech@UMBC	Baltimore County	10,000
Patuxent Business Park	Calvert	10,000
Midshore Regional Tech Park	Caroline	10,000
Lums Road Site	Cecil	10,000
Livingston Road Site	Charles	10,000
Dorchester County Regional Tech Park	Dorchester	10,000
McHenry Business Park	Garrett	10,000
Diesel School Road Site	Garrett	10,000
Bloomington Road Site	Queen Anne's	10,000
Barclay Industrial Site	Queen Anne's	10,000
Somerset County Industrial Park	Somerset	10,000
MILTEK Site	St. Mary's	5,000
SBY Industrial Park	Wicomico	10,000
<b><i>Subtotal</i></b>	<b><i>12 Jurisdictions</i></b>	<b><i>\$130,000</i></b>
<b>Site Improvement Grants</b>		
Messick Road	Allegany	\$450,000
Crown Cork & Seal	Baltimore City	200,000
Edmondson Village Shopping Center	Baltimore City	200,000
Hellenic Cables	Baltimore City	450,000
Eldersburg Corporate Park	Carroll	125,000
Frederick EastPark	Frederick	125,000
Tradepoint at Savage Crossing	Howard	450,000
McCormick Manufacturing Center	Harford	400,000
Fort Ritchie	Washington	250,000
Salisbury Airport	Wicomico	450,000
<b><i>Subtotal</i></b>	<b><i>8 Jurisdictions</i></b>	<b><i>\$3,100,000</i></b>
<b>Total - 24 Grants</b>	<b>18 Jurisdictions</b>	<b>\$3,230,000</b>

UMBC: University of Maryland, Baltimore County

Source: Maryland Economic Development Corporation