

BAINBRIDGE DEVELOPMENT CORPORATION

2021 ANNUAL REPORT



06-23-2021 Patrick J.

1,185 Acres

Prime location between DC, Baltimore and Philadelphia

Close proximity to major International Airports

Fiber capabilities

Multiple points of access including I-95 interstate, multiple rail lines and deep water access to the Susquehanna River

Fast-Track designation

Enterprise Zone designation

Priority Funding Area

Upcoming sewer capacity

Overhead transmission lines

8" high pressure gas main

Raw water supply

Operational Overview

The Bainbridge Development Corporation (BDC) was created in 1999 by the Maryland State Delegation, pursuant to HB 1152, to develop and implement a dynamic, sustainable plan for the former Bainbridge Naval Training Center, and which would transfer the site into productive use by the public and/or private sector. In order to accomplish this goal, the BDC is managed by the Executive Director and governed by a 15 member Board of Directors, comprised of 9 residents of Cecil County (volunteers) and complimented by representatives from applicable State agencies.

The BDC utilizes various committees to support the critical elements and activities of the Corporation, including, but not limited to, Communications, Development, Finance and Tome School.

A development agreement has been executed between the BDC and MTPM LLC., which secures yearly funding for the BDC's operational and development activities and provides MTPM with an option on the property.

To address technical activities, the BDC utilizes various contractors, consultants, and subject-matter experts for support ranging from property management and environmental compliance to legal services, engineering and land planning.

This report covers the period of July 1, 2020 - June 30, 2021.

FY21 Revenues **\$1,720,593**

| | |
|--------------------------|-------------|
| Annual Operating Payment | \$391,432 |
| Interest | \$1,269 |
| Grant Revenue | \$1,327,892 |

FY21 Expenditures **\$1,616,312**

| | |
|-----------------------------|-------------|
| Office Supplies & Equipment | \$7,876 |
| Operating Expenses | \$10,162 |
| Professional Fees | \$1,432,472 |
| Property Management | \$79,184 |
| Salaries | \$80,944 |
| Travel | \$1,132 |
| Utilities | \$4,542 |

2021 BDC Board of

Carl Roberts- Chair

Jim Reynolds- Vice Chair

Chick Hamm- Treasurer

DIRECTORS

EX-OFFICIO

| | |
|-------------------|-----------------------------|
| Joseph Brant | Bob Kuhs (Town) |
| Mario Gangemi | Danielle Hornberger(County) |
| David Rudolph | Kelly Schulz (COMM) |
| Steve Overbay | Bob Brennan (MEDCO) |
| Matt Roath | Jane Roger (DGS) |
| Martha Barchowsky | Elizabeth Hughes (MH1) |

ADVISORY BOARD

Delegate Michael Griffith

Delegate Jay Jacobs

Delegate Jefferson Ghrist

Delegate Kevin Hornberger

Delegate Steven Arentz

Delegate Teresa Reilly

Senator Stephen Hershey

Senator Jason Gallion

Dr. Jeffrey Lawson

Dr. Mary Way Bolt

BDC Year in Review

U.S Navy ESCA and Phase 1 Parcel

At the close of FY20, the Phase 1 Environmental Services Cooperative Agreement (ESCA) scope of work was under way and the Phase 2 MOA (Memorandum of Agreement) had been executed. These various agreements allow the U.S Navy (USN) to address any potential environmental concerns and prepare the entire property for development.

In August of 2020, the Phase 1 ESCA was modified to include additional acreage (now known as "Parcel D") within the Phase 1 project. This modification extended the contract term through August 2022, allowing the funding to be utilized (if needed) during mass grading activities, projected to take place in late 2021-early 2022.

Crews mobilized in September 2020 to officially begin clearing and grubbing over 200 acres within the Phase 1 boundary which would eventually house building pads and parking lots. Following the initial clearing, temporary sediment and erosion control measures were installed to avoid any potential issues with stormwater management and sediment runoff. Once these various basins were installed, crews began to till the soil of the developable areas in an attempt to locate and excavate any residual asbestos containing materials. By mid-June of 2021, the Phase 1 ESCA work had been completed, all materials of concern removed, and regulatory sign-off received from the Maryland Department of the Environment.

The Phase 2 activity-based sampling (ABS) was also completed during FY21. The analytical data is currently under review and reports are expected in early 2022.

Development Activity

With the revision of the Town's Comprehensive Plan and zoning code, BDC, MTPM and MRP began the process to obtain subdivision and site plan approvals for the Phase 1 project. The process began in February of 2021 and was near completion by the close of FY21. The Port Deposit elected and appointed leadership were true partners in the venture and with their continued support have allowed the project to move forward.

Both MTPM & MRP continued to meet with regional and national prospective tenants for the Phase 1 parcel.

Infrastructure

Much progress was made in securing the necessary infrastructure for development during FY21. In addition to the \$2million State grant and \$2million County allocation received during FY20, an additional \$1.5million grant was received from the State of Maryland for additional public infrastructure support. This totals \$5.5million in funding received from our public partners, which will be fully matched by the development team. During this fiscal year, a Memorandum of Understanding was negotiated between Artesian Water, MRP Industrial, MTPM LLC, and BDC to address water service to Bainbridge. This MOU was fully executed in early July 2021.

Tome School

The primary focus for the Tome School Committee during FY21 was to work cooperatively with the Maryland Department of Planning and Maryland Historic Trust on updating the 2016 strategic plan for the campus.

BDC contracted Fred Ward & Associates to complete an updated conditions assessment of the granite structures and Dunkin Associates to conduct a highest and best use analysis for future development. These reports will provide significant direction in determining the future of Tome School.

The BDC has also continued expansion of security measures and prosecuting any individuals caught trespassing on-site.

FY2021 Board Meetings

August 17, 2020 (closed)
September 21, 2020 (closed)
October 19, 2020 (open/closed)
November 16, 2020 (closed)
January 11, 2021 (closed)
February 8, 2021 (closed)
March 15, 2021 (closed)
April 19, 2021 (closed)
May 17, 2021 (closed)
June 21, 2021 (open/closed)

Future Forecast

USN ESCA & Phase 1 Project

At the closure of FY21, the Phase 1 parcel had received interim regulatory sign-off from the Maryland Department of the Environment. Once the ESCA term is complete (August 2022), the final sign-off will be processed.

Phase 1 is anticipated to close and transfer to MRPI Bainbridge LLC in late 2021-early 2022. Once transferred, MRPIB will immediately commence mass grading to prepare the 4 sites for vertical development.

As MRPIB focuses on Phase 1, the BDC (in conjunction with MTPM and the U.S. Navy) will shift focus to the Phase 2 parcel of roughly 648 acres and begin to develop conceptual level site plans for implementation of a Phase 2 ESCA.

Infrastructure

With a collaborative effort from the BDC, State of Maryland, Cecil County, Artesian Water, MTPM and MRP, the long-standing concern of lack of infrastructure has been addressed. Agreements for water and sewer services have been executed and the contracting process has begun. Both projects are set to break ground in early 2022, once the Phase 1 parcel has been transferred.

BDC Office and Project Marketing Center

After a 20+ year partnership of housing the Cecil College Commercial Driver's Licensing Program at Bainbridge, the college has moved these operations back to the North East campus. This decision best suits the present and future needs of the students and instructors.

*"We anticipate creating 1,500 (sophisticated) jobs in the first Phase of development."
- Carl Roberts, BDC Chairman*

The College buildings and BDC office located directly inside of the 276 main gate, will remain in their current location. In cooperation with MRPI, the former BDC Office has been renovated and will now serve as a marketing center for the Phase 1 Bainbridge Logistics Park Project. The BDC office has moved to the back building, once used as the College classroom.

Tome School

The BDC will continue to work with Fred Ward Associates, Dunkin Associates and the Maryland Historic Trust to evaluate the potential of each granite structure and the determine most viable development project(s) at the Tome School.

The goal of the Tome School Committee is to finalize the updated strategic plan in FY22.

BDC Contact Information

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