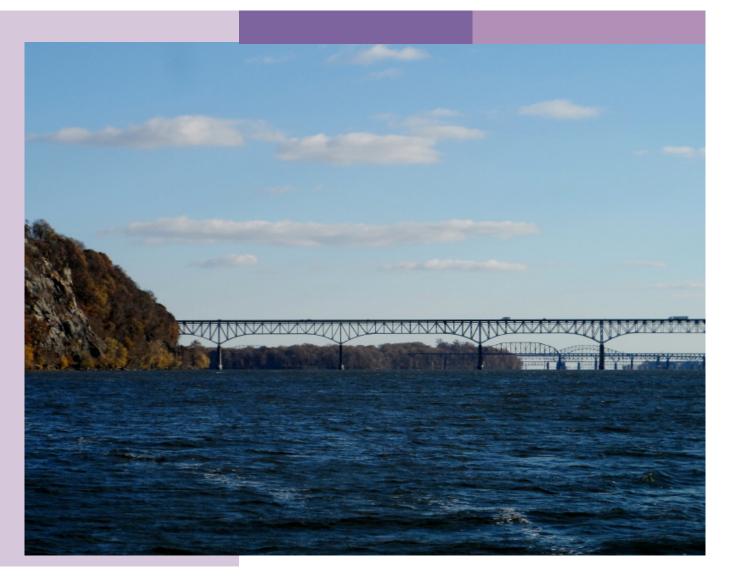
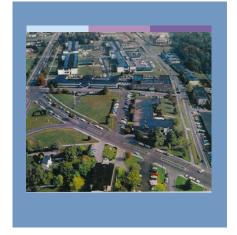
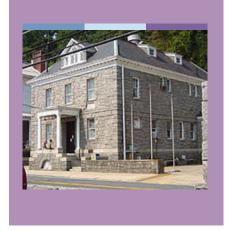
BAINBRIDGE DEVELOPMENT CORPORATION

2015 ANNUAL REPORT

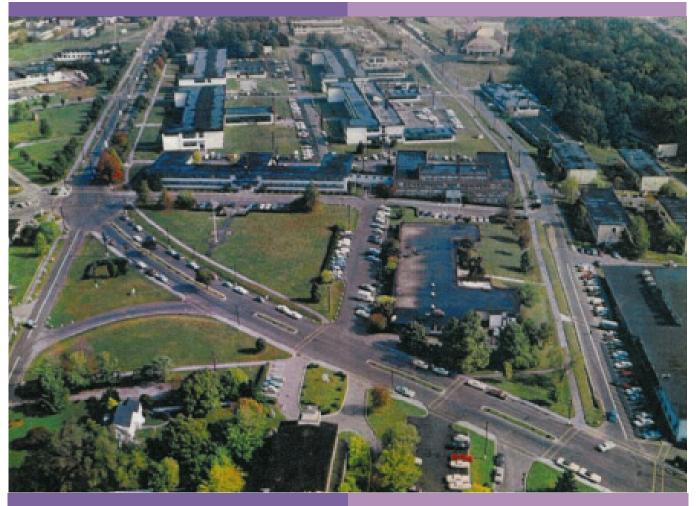


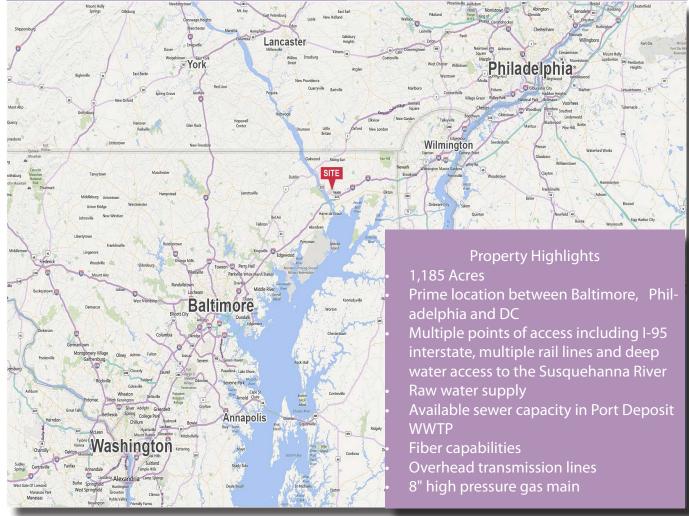






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Bainbridge Development Corporation

BDC Mission Statement:

"To develop and implement a dynamic sustainable plan for the former Bainbridge Naval Training Center which accelerates the transfer of facilities and sites into productive use in the public and/or private sector and to cooperate with the governing bodies in Cecil County in maximizing new economic opportunities for the citizens of Port Deposit, Cecil County and the State of Maryland."

Tome School

As owners of the Bainbridge property, is the responsibility to maintain and preserve the National Historic Tome School for Boys. Tragedy struck the BDC when Memorial Hall, the center piece of the Tome Campus, was set on fire on September 21, 2014. This halted all projects at Tome School as the State Fire Marshall's Office took control of the campus to conduct a full investigation; the investigation is still ongoing. Although faced with difficulties, the BDC remained dedicated to moving forward with Projects at Tome School. Through grant funding from the USDA RBEG program and a State Bond Bill, BDC has initiated planning projects that will develop a viable strategic path forward. In addition to planning projects, we have continued our community outreach efforts and continued to strengthen our community relations. Over 200 people participated in our newly developed monthly tours held throughout the spring and summer. These tours are free of charge and open to everyone. Community projects approved for next year include a Tome Alumni lunch, WAVES tour and Bainbridge Sunday. The BDC has also continued their efforts to maintain the grounds and make necessary improvements to the structures on campus. No projects were approved for funding during this FY.

Environmental Relations

BDC has continued to uphold it's environmental responsibilities in regards to the landfills located on-site. Methane and Groundwater monitoring continued for the year, and areas of concern are being address. The Naval Facilities Engineering Command conducted their 5 year review to evaluate the current remedies on site and determine whether the remedies remain protective of human health and the environemnt. The final review will be completed during the next fiscal year.

Communications

Keeping all stakeholders informed on the activities at Bainbridge is an essential part of our operations. The BDC has made sure to provide ample amounts of updates to the involved state agencies and our advisory board. We also release frequent public updates and hold public meetings. In addition to those activities, we regularly update our website, facebook page and twitter account with the latest news at Bainbridge. In addition to public updates and meetings, the BDC has provided briefings to the organizations listed below:

- Port Deposit Town Council
- Cecil County Council
- Economic Development Commission
- Sustainable Growth Commission
- Cecil County Delegation
- Port Deposit Chamber of Commerce
- Maryland Congressional Representatives

Committees

The BDC Committee structure is listed below

- Executive Committee: consists of our Chair, Vice Chair, Treasurer and Asst. Secretary
- Tome School and Property Maintenance: advises the board on property maintenance and security issues and resolutions and develops and implements goals and projects in relation to Tome School.
- Finance Committee: evaluates and provides recommendations on the corporate budget, fiscal policies, internal controls and funding opportunities.

Navy Negotiations

The U.S. Navy initiated a process by which it could potentially resolve the environmental conditions at Bainbridge and allow development to move forward. The initial monetary offer was inadequate to allow development to proceed. This process will continue into the next fiscal year. We thank our Maryland congressional representatives for their diligent support in aiding these efforts.

The Benefits of Bainbridge

What Makes Bainbridge so Valuable?

Smart Growth

Bainbridge is the posterchild for Smart Growth in Maryland. By reinvesting in this monumental piece of land, we preserve our surrounding rural areas and effectively reuse local property. The Bainbridge property is located within a Priority funding area and is located proximate to major public facilities and investments.

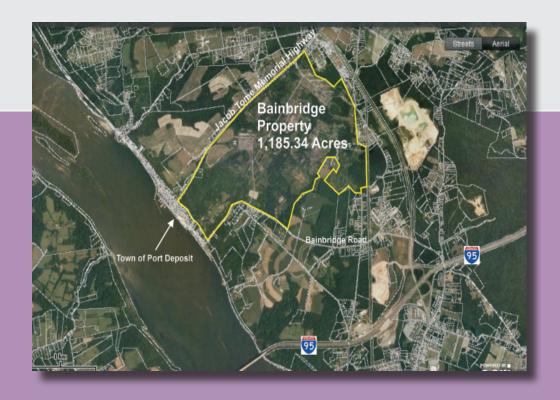
Enterprize Zone

In FY2015, Cecil County was able to redesignate their Enterprize Zone to include the Bainbridge Property and Town of Port Deposit. This enables interested prospects to take advantage of various incentives in developing at Bainbridge; these include income tax credits, real property tax credits and personal property tax credits.

Location and Size

The Bainbridge property is one of the largest pieces of undeveloped property along the Route 40 corridor. The property boasts 1,185 acres of open property that is waiting to be developed. As you can see in the aerial photo below, Bainbridge is roughly 2.5 miles from Interstate 95, it sit's directly overlooking the Susquehanna River and is in close distance to nearby rail lines. Bainbridge also rests in a prime location within traveling distance to major metropolitan cities. Distances are provided below:

- Wilmington, DE- 35 miles
- Baltimore 42 miles
- Washington, DC- 79 miles
- Philadelphia- 63 miles
- New York City- 152 miles



Executive Summary

Looking back, FY15 was a monumental year for the BDC, the Tome School and the Bainbridge project. Great strides were made between the BDC, MTPM, the Town and the County to ensure that Bainbridge is ready for it's first tenant; activities included tving water and sewer lines on site, conducting analyses on the 222 line needed to connect Bainbridge to the Port WWTP, analyzing different property uses, checking fiber capabilities on-site, updating our market value for the property, and chipping away at a Tome School planning project.

Not all activites were positive, this year we suffered a great loss from the fire at Memorial Hall. In a time where the BDC was increasing momentum in Tome School projects, the fire caused all activites to cease while the investigation could be handled appropriately. The fire also caused the BDC to reevlaute how to move forward with Tome School and proved that a planning project was necessary now more than ever. BDC continued to open it's doors for community events and tours, and also strengthened ties to the Town by having the BDC Project Coordinator work closely with the Town and Chamber on community events. During this FY the County approved funding to for an updated Waste Water Treatment Plant in Port Deposit, as well as a pipeline to connect Bainbridge to that WWTP. They estimate the WWTP to be completed in Spring 2016 and the pipeline in Fall 2016. The County and State have also made the 222 interchange improvements the number 1 transportation priority for the State. In regards to Navy discussions, both the BDC and the Navy are continuing to work together on a best-solution for the sitewide contamination that ensures Bainbridge can be effectively redeveloped and provide an economic driver for the surrounding

FY2015 Revenues and Expenditures

| Revenues | \$368,748.47 |
|---------------------------------|--------------|
| Annual Operating Payment | \$327,818.10 |
| Interest | \$2,160.62 |
| Lease Fees | \$15,488.70 |

Expenditures \$310,871.18

| Office Supplies and Equipment | \$5,434.09 |
|--------------------------------|--------------|
| Salaries and Related Expensese | \$61,431.87 |
| Professional Fees | \$130,951.70 |
| Property Management | \$80,147.40 |
| Utilities | \$5,601.10 |
| Travel | \$1,323.41 |
| Tome School | \$9,363.97 |
| Operating Expenses | \$16,709.63 |
| | |

2015 BDC Board of Directors

Michael Pugh- Chair Lisa Webb- Vice Chair Chick Hamm- Treasurer

Cynthia Rossetti- Asst. Secretary

DIRECTORS

Joseph Brant

Mario Gangemi

Barry Gray

Harry Lenderman

Bill Harrington (retired)

Martha Barchowsky (replacement)

EX-OFFICIO

Bob Brennan - MEDCO

Jane Roger- DGS

Michael Day- MHT

Mike Gill-DBED

Tari Moore- Cecil County

Wayne Tome-Port Deposit

Bainbridge Is... Open for Business!

Prospect Activity

The BDC, alongside of MTPM, have been working with a variety of development prospects over the past year. Some of these prospects include solar projects, renewable energy, grocery manufacturing and warehousing and data centers. All parties involved, including the County Economic Development Office and DBED, have committed to making Bainbridge a development priority for the area and for the state as a whole. Our developers are currently conducting a feasibility study on the outlook for Data Centers at Bainbridge.

Infrastructure

The standing hurdle keeping prospects from landing at Bainbridge, has been the lack of utilities on-site. This is something made very clear to the BDC over the past year and we have worked dilligently with the Cecil County DPW and MTPM to resolve the issue. Site specific projects include checking the water and sewer lines for their condition and assessing the fiber optic capabilities. Over the next year, Port Deposit will have their new Waste Water Treatment Plant operating, which will service the Bainbridge site for the interim. The County has also committed to have the necessary pipeline installed over the next year to tie Bainbridge into the new

WWTP in town.

Marketing

MTPM has proven to be an instrumental force in keeping the Bainbridge project alive. Despite the various developmental and environmental stumbling blocks, our development team continues to make Bainbridge a priority. This year, a new marketing packet was developed and provided to the County, the State and a plethora of commercial and industrial private developers; and our develoment team continues to strategically market the site to the strongest prospects in the market.

On the Horizon...

BDC Goals and Projects for the Upcoming year

Resolve any infrastructure issues on site

Continue community outreach and events

Secure funding for Tome School projects

Come to a resolution for environmental issues

The National Historic Tome School for Boys is an architectural masterpiece tucked away on the Bainbridge property. When the BDC came into existence in 1999/2000, one of our founding missions was to ensure that the Tome School

would be preserved, restored and reused: forever marking it's place in history.

preserve and restore In 2014, the the Tome School." BDC updated it's overall project plan for the Tome School consisting of multiple phases.

Phase 1 would primarily be securing the granite strucblocking openings on the ground floor. This ensures the protection of the buildings, but also the protecion of visitors to the property.

> Phase 2 would be to cre-heritage tourism attractions. ate a master plan includ-

mid and long term Tome School. goals. This effort will buildings, punch list per building, analysis of reuse op-

portunities, determine economic ous County, State and Federal feasibility, accessibility, and infrastructure and the cost and impact

tures through roof repairs and of the environmental conditions. This would also create volunteer programs, community outreach, educational programs and recreational programs to increase the

> Phase 3 would consist ing a feasibility study, of initial rehab to the buildings, conditions assessment preserving architectural artifacts and overall strategic and elements and re-establishplan to include short, ing the trail from the Town to the

These projects carry a complete an invent- high cost to execute, and in orory and analysis of the der to fund these efforts, the BDC has been working to secure grant dollars from varisources.

BAINBRIDGE DEVELOPMENT CORPORATION STAFF

IIBDC remains

committed to their

founding promise to

Executive Director: Donna Tapley dtapley@bainbridgedev.org

Project Coordinator: Toni Lozzi tlozzi@bainbridgedev.org

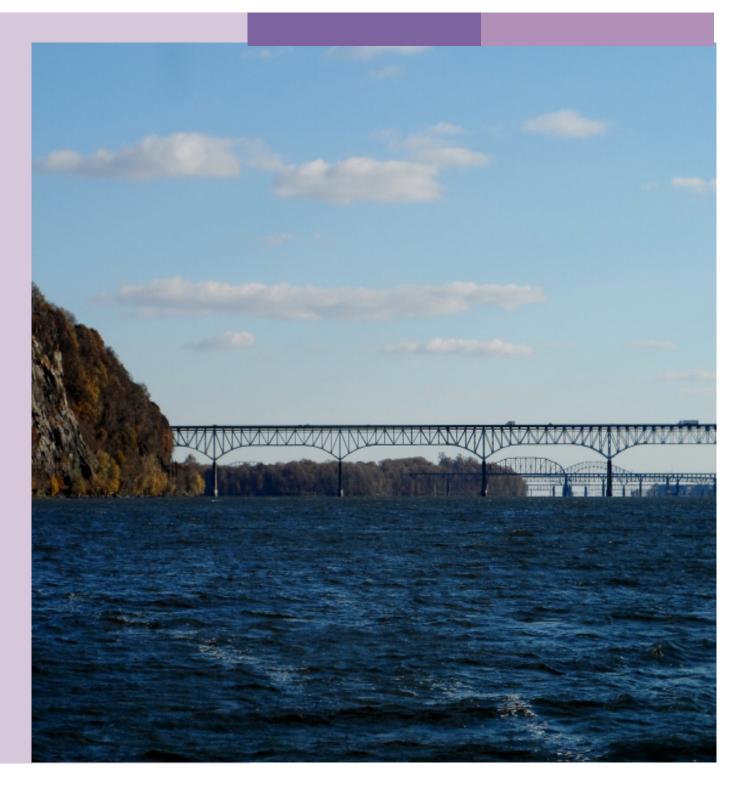
OFFICE INFORMATION 748 Jacob Tome Highway PO BOX 2 Port Deposit, MD 21904 Office: 410-378-9200 Fax: 410-378-9265

Like and Follow Us!

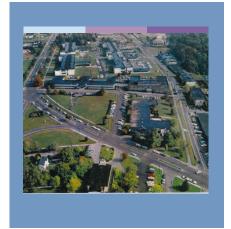
TWITTER @BainbridgeDevCo

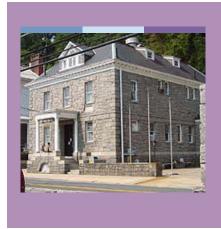
FACEBOOK Bainbridge Development Corporation

WEBSITE www.bainbridgedevelopment.org









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