Maryland Health and Higher Educational Facilities Authority
MHHEFA Background

• Maryland Health and Higher Educational Facilities Authority was established in 1971 pursuant to the Maryland Health and Higher Educational Facilities Authority Act, Sections 10-301 through 356 of the Economic Development Article of the Annotated Code of Maryland.

• The enabling act provides that the purpose of the Authority is to assist nonprofit hospitals, higher educational and noncollegiate educational institutions, charter schools and continuing care retirement communities in financing capital projects at the least cost to their users.

• The Authority’s clear statutory mission enables the Authority to focus and leverage its expertise for the benefit of these institutions.

• With six experienced and dedicated staff members, the Authority is small and efficient.
  ✓ Issued over $30 billion of revenue bonds; $8.3 billion outstanding
  ✓ Serve over 100 Maryland healthcare and educational entities
  ✓ Leverage professionals with relevant industry expertise as needed
MHHEFA Background

• The Authority has never received any appropriations from the State.

• All of the Authority’s revenue bonds are sold on the basis of the institutions’ credit and do not constitute a debt or liability of the Authority, the State or any political subdivision of the State.

• The Authority’s operating expenses are paid from modest annual fees charged to participating private institutions based on the amount of debt issued by MHHEFA on their behalf.

• The Authority operates as a self-sustaining entity at no cost to the taxpayers of the State, having the primary objective of reducing the costs of nonprofit education and healthcare in the State by providing participating institutions with access to tax-exempt financing for their facilities.
MHHEFA Background

• Highlights of the best practices the Authority utilizes to ensure low-cost capital for our eligible institutions include:
  ✓ Leverage Market Knowledge
    ➢ MHHEFA is an active issuer of healthcare and educational revenue bonds and regularly meets with rating agencies, national and regional lenders and investors to understand relevant market information, which is a resource to our institutions which have varying degrees of financing experience.
    ➢ MHHEFA assists borrowers with post-issuance tax and securities law compliance, enhancing its reputation and ensuring continued access to the capital markets.

  ✓ Utilize Expertise of Independent Financial Advisory Firm (PFM)
    ➢ The Authority, in consultation with MHHEFA staff/PFM, appoints the underwriting team.
    ➢ MHHEFA staff and PFM discuss the market, marketing plan and investor suitability with the underwriters.
    ➢ MHHEFA staff and PFM participate on all pricing calls.
    ➢ PFM provides a recommendation prior to MHHEFA’s Executive Director executing the bond purchase agreement.
    ➢ PFM provides a comprehensive report to the Authority Members following each bond sale comparing the institutions’ revenue bonds’ cost of capital against other similarly rated transactions.
The Authority utilizes effective initial and ongoing due diligence measures.

The Authority staff and its Members appreciate the importance of maintaining its reputation through effective governance and internal controls.

During the on-going pandemic, MHHEFA has proactively worked with its healthcare and educational clients to facilitate access to the capital markets.

- Since March 2020
  - 16 bond issues
  - Issued $1.361 billion of revenue bonds
  - Financings achieved debt service savings and funded important projects
The Act provides that the Authority consists of nine Members, one of whom is the Treasurer of the State of Maryland, ex officio, and eight of whom are residents of the State appointed by the Governor.

The Governor annually designates one of the Members as Chairman and one as Vice-Chairman.

Members serve five-year staggered terms. There is no limit on the number of terms that may be served. At the end of a term, the Governor may reappoint the Member.

Statutorily, Authority management does not serve on the Board.

Authority Members receive comprehensive Board orientation materials and on-going market and industry updates, are subject to Maryland Public Ethics Law and make annual disclosures.
MHHEFA Governance

• Authority Meetings
  ✓ For transparency and compliance with the Opens Meeting Act, the Authority posts approved minutes, meeting agendas and the Authority’s annual report on its website.

  ✓ The Authority meetings are open to the public. In response to the pandemic, the Authority transitioned to tele-conferences for its monthly meetings. To ensure access, the meeting’s agenda and call-in number are posted in advance on our website.

  ✓ An open line of communication – Authority Chair and Executive Director review the meeting agenda, applications, resolutions and Executive Director’s report prior to each meeting.

  ✓ Authority Members receive a comprehensive meeting materials in advance of each meeting:
    ➢ Meeting agenda
    ➢ Minutes for approval
    ➢ Institution applications with detailed supporting information on the Institutions’ requests, financial profiles and plans of finance
    ➢ Independent financial advisor’s report on market conditions, industry updates and results of bond sales
    ➢ Executive Director’s report which highlights transactions, operations and outreach activities
Introduction to the Maryland Food Center Authority
The agricultural research service of the USDA evaluated three management models to determine the model best suited for undertaking the development of a wholesale food center. Based on the results of the study and due to the complexity of the food industry, in 1967 the Maryland Legislature created the Maryland Food Center Authority (MFCA) as a non-appropriated independent enterprise organization.

The MFCA is directed by a 12-member public/private Executive Board appointed by Maryland’s Governor. The Executive Board provides oversight and governs the MFCA and is responsible for enforcing all Food Center covenants. The Maryland Board of Public Works approves MFCA land sales and leases.

**Four Ex-Officio Members**
- Comptroller of the State of Maryland
- Secretary of Maryland Department of Agriculture
- Secretary of Department of General Services
- UMCP Director of Extension Services

**Eight Private Sector Members**
- Food Operators
- Financial
- Business Owners
- Real Estate

The MFCA oversees the development and operations of one of the most extensive and successful food distribution centers in the United States - The Maryland Food Center.
Executive Summary

MFCA provides diversified development and management services as enterprise activities. By being involved with our customers each step of the way from concept to delivery, we can ensure that they are receiving the highest quality support services and facilities available at an economical price. Customer satisfaction, safety, sanitation, and an overall healthy working environment are our main objectives at the MFCA.
Mission Statement

Mission:
To enhance economic growth opportunities for Maryland’s agricultural, seafood, and food related industries.

Vision:
An organization that empowers its employees, allowing effective contribution of their knowledge and skills, resulting in high quality services and facilities in furtherance of the Mission, in exchange for continued personal growth and fulfillment through continuing education, broad industry involvement, and work diversification.

Goals:
To enhance economic growth opportunities for agricultural, seafood, and food related industries by providing high quality support services and diverse real estate projects.
Keys to Success

Non-appropriated agency, MFCA projects are developed and maintained without impacting the State’s Budget and without taxpayer money. Providing safe, high quality, sanitary, and efficient facilities with full service support at a reasonable price.

- Provide 24 hours security guard service and camera monitoring
- Maintenance staff 6 days week removing trash, routine maintenance and cleaning of facility and grounds

Keeping abreast of global to regional changes effecting the agricultural and food related industries to ensure relevant support services and facilities that enable our customer base to thrive and attract new business to the State of Maryland.
Keys to Success

Key staff is actively involved with local, national and international organizations in the agricultural and fresh food industry

- USDA, FDA, MDA, Howard County, Kent County, State of MD, SMAC, Tri-County Council, Maryland Food System Map, Waterman’s Association, Combined Waste Task Force, keeping abreast of regulations, agricultural projects, studies and revitalizations
- 25+ years serving on Board of World Union of Wholesale Markets (WUWM), an international organization devoted to wholesale and retail Markets around the world
- Chairman WUWM 2006 – 2008, 2016 - 2018
- 30 years of continuing active membership in the National Association of Produce Market Managers (NAPMM), United Fresh, PMA, Produce For Better Health Foundation, and various other local organizations devoted to the agricultural and food industry
- 2 Year term President NAPMM
- NAPMM Market Manager of the Year in 1996, 2007, 2014,
Keys to Success

- MFCA Market Management team on the Markets daily interacting with tenants and their customers
- Tenants Advisory Board: consists of tenant members elected by tenants; meets with MFCA quarterly to discuss and make recommendations regarding all aspects of Market operations
- Tenants are surveyed annually regarding MFCA management and services. As reported in MFCA’s Managing For Results, tenants consistently report high satisfaction.

MFCA’s commitment to offer high quality support services and more economical facilities and provide the best maintained Wholesale Markets at the lowest cost to its business tenants of any Wholesale Market Center in the USA.

- Maintenance staff is continually trained in various trades to provide services and repairs such as plumbing, electrical, metal fabrications, welding, door repairs, etc. at no additional costs to the tenants.
Hosted Fresh Food Industry Events

1979 – NAPMM Annual Conference
1992 – NAPMM Annual Conference
1995 – WUWM Congress - International Wholesale/Retail Markets
2000 – WUWM/NAPMM Combined Conference
2005 – WUWM Conference
2013 – NAPMM Annual Conference
2013 - Rock Hall Clam House Rededication

Kent County Waterman’s Association, Town of Rock Hall,
Rock Hall Waterfront Committee, Del. Jay Jacobs

Significant Industry Awards

1997 - National Excellence Award, Produce For Better Health Foundation
1998 - Award of Excellence, MAFDA
2006 - National Excellence Award – Produce for Better Health Foundation
2014 – Excellence in Real-time Market Renovations Silver Award - WUWM
MFCA headquarters is located in the Maryland Food Center, in Howard County, mid-way between Baltimore and Washington, DC, at the intersection of Maryland Routes 1 and 175. This location, just off I-95, is in close proximity to BWI Airport and the Port of Baltimore, and is currently the heart of our organization.
MFCA Properties

- Henry L. Hein Administration Bldg
  - 7801 Oceano Ave, Jessup, MD

- Maryland Market Center
  - 7901 Oceano Ave, Jessup, MD

- Maryland Wholesale Produce Market
  - 7460 Conowingo Ave, Jessup, MD

- Maryland Market Center
  - 7725 & 7785 Chesapeake Bay Ct, Jessup, MD
  - Truck Wash Facility
MFCA Properties

- **Cross Dock Facility**
  - 7950 TarBay Dr, Jessup, MD

- **Truck Parking Facility**
  - 7940 TarBay Dr, Jessup, MD

- **5.5 Acre Parcel – Anaerobic Digester**
  - Oceano Ave, Jessup, MD

- **.75 Acre Parcel**
  - Oceano Ave, Jessup, MD

- **4 Storm Water Management Ponds**
  - Located in various parts of the Food Center

- **Rock Hall Clam House**
  - 21083 Chesapeake Ave, Rock Hall, MD
Large Scale Development Projects

The following projects were completed with the full approval of the Maryland Food Center Authority’s Board of Directors:

1972 - Maryland Food Center
1976 – Maryland Wholesale Produce Market
1980 – Maryland Wholesale Produce Market Expansion
1982 – Maryland Wholesale Seafood Market
1990 – Acquisition of the Rock Hall Seafood Processing Plant
1996 – Henry L. Hein Administration Building
2003 – Cross Dock/Truck Parking Facility
2012 – Rock Hall Clam House Restoration
2014 – Maryland Market Center site infrastructure
2016 – Truck Wash Facility
2016 – Maryland Market Center conceptual plan development
Maryland Wholesale Produce Market
Cross Dock/Truck Parking Facility
Eastern Shore Property

- Rock Hall Clam House
  - 21083 Chesapeake Ave, Rock Hall, MD
Thank you