

Section 2 – Agreements/Requirements Status Updates

Section 2.1 Agreements and Requirements for Bond Issuance at Pimlico

The legislation identifies several agreements and reporting requirements that must be finalized before MSA may issue bonds and/or proceed with construction related activities for the Pimlico project. Below is a summary of MSA’s understanding of the status of these agreements and requirements:

Agreement 1 - Memorandum of Understanding (“MOU”) by and among LifeBridge Health, Inc. (“LifeBridge”), the Baltimore Development Corporation, and MJC required by Chapter 590.

The parties entered a MOU, which was fully executed, and effective April 18, 2022.

Status: Completed

Agreement 2 – MJC Land Conveyance

The terms of the legislation assumes MJC conveyance of the Pimlico Racing Facility to the City of Baltimore. This is still the expectation; however, this process and the terms of the agreement have not yet been finalized.

Status: Open

Agreement 3 - LifeBridge Land Conveyance

It is MSA’s understanding that LifeBridge remains amenable to an agreement that would convey a portion of property currently owned by LifeBridge to the fee owner of the Pimlico property. The conveyance is necessary for rotation of the track surfaces and general redevelopment of Pimlico. The City of Baltimore (the “City”) has taken the lead on the conveyance negotiations with LifeBridge. MSA’s design consultants have commenced boundary survey efforts that will assist in the identification of necessary land transfer requirements.

Status: Open

Agreement 4 - Pimlico Development Agreement (MJC / City / MSA)

This agreement is required to outline the roles, responsibilities, and requirements for each party during the actual redevelopment process. MSA developed and shared a first draft of the Development Agreement with MJC and the City on May 25, 2022 and received MJC’s preliminary comments on August 16, 2022. While the parties will continue to work towards an agreement, we currently remain far apart on the terms. The two biggest areas of disagreement are: (1) MJC’s request for full approval rights on all programming, scheduling, and budgeting decisions and (2) the construction related restrictions surrounding the Preakness during redevelopment. Follow-up negotiation meetings between the parties began in September.

Status: Open

Agreement 5 - Pimlico Long Term Operating Agreement

Work on this agreement has not yet commenced.

Status: Open

Agreement 6 - Pimlico Lease Agreement Associated with Preakness

Work on this agreement has not yet commenced.

Status: Open

Agreement 7 - MJC Covenants and Restriction with LifeBridge

MSA understands that MJC wanted the covenants and restrictions and LifeBridge was willing to consider them, but only in an agreement separate from the MOU.

Status: Open

Agreement 8 - MJC Covenants and Restrictions with City of Baltimore

MSA understands that MJC shared a voluminous 94-page document with the City outlining their desired covenants and restrictions associated with the use and redevelopment of the (to be subdivided) parcels surrounding the redeveloped Pimlico Racing Facility. No agreement has been reached to date.

Status: Open

Requirement [9] - Racing Commission Track Safety Report

The Racing Commission has formed a committee to work on the report but has not yet completed it.

Status: Open