

MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council

c/o Karen Randle, Executive Secretary

From: Paul T. Graziano, Commissioner

Date: May 16, 2008

Re: City Council Bill 08-0088 City Streets - Sale of Property - 712 Cathedral Street

The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 08-0088, which was introduced for the purpose of authorizing the Mayor and City Council of Baltimore to sell, at either public or private sale, all its interest in certain property located at 712 Cathedral Street (Block 0523, Lot 003) and no longer needed for public use.

The Board of Estimates approved an agreement dated November 17, 2004 between the City, the Baltimore School For The Arts Foundation, Inc (the "Foundation") and the Baltimore City Public School System ("BCPSS") regarding new construction and the rehabilitation of the two buildings at 712 Cathedral Street occupied by the Baltimore School for the Arts, which also includes the former 704 Cathedral Street consolidated on January 24,2005.

The Foundation is a private non-profit supporting organization for the Baltimore School for the Arts. The Foundation has renovated the present school building at 712 Cathedral Street and an adjacent property, 704 Cathedral Street for expansion of the School for the Arts. The total cost of project is \$28,000,000. The Foundation has prepared plans for the project and provided partial funding to BCPSS that was applied to the construction costs. In December 2001, the Foundation provided the City with a grant in the amount of \$400,000, the proceeds of which were used to acquire 704 Cathedral Street

The City's goals in selling the property are to: 1) transfer the property to the Baltimore City Public School System; 2) redevelop the property to create a state of the art educational facility; 3) complete a historic adaptive reuse in the Mount Vernon neighborhood; and 4) to include minority (MBE) and women business enterprises (WBE) is the redevelopment.

The Department of Housing and Community Development supports the adoption of City Council Bill 08-0088.

PTG:pmd

cc: Ms. Angela Gibson Mr. Demaune Millard



