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FROM	NAME & TITLE	Robert Cename, Budget Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (410) 396-4774		
	SUBJECT	City Council Bill 20-0585—Sale of Property-Lake Clifton Senior High School #40		

DATE:

TO

The Honorable President and
Members of the City Council
City Hall, Room 400

November 10, 2020

Position: Does Not Oppose

The Department of Finance is herein reporting on City Council Bill 20-0585, Sale of Property-Lake Clifton Senior High School #40, the purpose of which is to authorize the sale of Lake Clifton Senior High School.

Fiscal Impact Summary

Annual Maintenance	
General Fund Expense	\$724,379

General Fund Effect

The Department of General Services (DGS) spends approximately \$724,379 annually on maintenance and security for Lake Clifton Senior High School.

Background

Lake Clifton Senior High School is a surplus City property, which formerly operated as a high school. The building is currently vacant, but the Civic Works Real Food Farm currently uses some of the land. The property is expected to be sold to Morgan State University.

Fiscal Impact Analysis

DGS provides building maintenance for City-owned properties, including surplus properties. The Fiscal 2021 General Fund budget for surplus school management is \$1.5 million. Annual facility costs for Lake Clifton Senior High School are estimated at \$724,379, based on average costs and square footage. This estimate does not include any capital maintenance costs.

In terms of debt, this property has outstanding State debt of \$392,000 and outstanding City debt in Fiscal 2021 totals \$3,146,152, which will be paid off by Fiscal 2037 per the current debt schedule. Outstanding State debt will be paid by the purchaser. The sale of this property to Morgan State University will not result in any additional property tax receipts.

Conclusion

This legislation enables the sale of Lake Clifton Senior High School, which will be a net benefit for the City through reduced General Fund expenditures.

For the reasons stated above, the Department of Finance does not oppose City Council Bill 20-0585.

cc: Henry Raymond
Matthew Stegman
Nina Themelis