


BaltAC

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 20-0534—Sale of Property-5001 Reisterstown Road aka Langston Hughes Elementary School		

DATE:

TO

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

June 4, 2020

Position: Not Oppose

The Department of Finance is herein reporting on City Council Bill 20-0534, Sale of Property-5001 Reisterstown Road aka Langston Hughes Elementary School, the purpose of which is authorize the sale of 5001 Reisterstown Road, which is currently occupied by a community non-profit.

Background

5001 Reisterstown Road is a surplus City property, which formerly operated as Langston Hughes Elementary School, and was transferred to the City in 2015. The property is currently occupied by the Langston Hughes Community, Business and Resource Center.

Fiscal Impact

The Department of General Services (DGS) provides building maintenance for City-owned properties, including surplus properties. The Fiscal 2020 budget for surplus school management is \$2.05 million. Annual facility costs for 5001 Reisterstown Road are estimated at \$157,516, based on average costs and historic consumption data. Since 2015, DGS has provided maintenance and emergency repairs for a total cost of at least \$344,444, based on records, based on records provided by DGS.

In terms of debt, outstanding State debt of \$20,740 was paid off in September 2016. Outstanding City debt in Fiscal 2020 totals \$37,664 and will be paid off by Fiscal 2037, per the current debt schedule.

Conclusion

The sale of this property would reduce the portfolio of properties that DGS manages, thereby reducing the burden on the City's budget, and provide the current tenants the opportunity to purchase the property.

For the reasons stated above, the Department of Finance does not oppose City Council Bill 20-0534.

cc: Henry Raymond
Matthew Stegman
Nina Themelis