


MEMORANDUM

TO: Honorable President and Members of the City Council
Attention: Natawna B. Austin, Executive Secretary

FROM: William H. Cole, President and CEO 

DATE: July 30, 2018

SUBJECT: City Council Bill No. 18-0076R
Investigative Hearing – Physical Status of the Municipal Conduit System

The Baltimore Development Corporation (BDC) has reviewed City Council Bill 18-0076R which requests a discussion of the physical condition of the Municipal Conduit System, its current reach, maintenance plans, and any plans to expand the system.

BDC has reviewed this Bill and vigorously supports the Council's desire to understand this asset called the Baltimore Municipal Conduit System, particularly as it pertains to expansion of the system. Revenue generated from conduit fees primarily manage and maintain the existing system. Current expansion of the municipal conduit system comes as a result of land disposition agreements (LDA) negotiated with developers obligating them "to have the sole responsibility, at their own expense, to prepare property for redevelopment including obtaining and/or relocating, as needed, all utilities in accordance with the LDA. The developer is also obligated to perform all public and private utility and appurtenance construction, relocation and adjustments such as water mains, sanitary sewer, storm drains, and electrical conduits on the property" (quote from LDA documents).

Additionally, current franchise agreements (government's permission with a private entity to use public streets and rights-of-way for private profits) are required "to fix in said ordinance the said compensation at the largest amount it may be able to obtain" (Baltimore City Charter). This arrangement does not lend itself to provide easier and cheaper new services under continued city ownership and begs to be reviewed.

BDC strongly supports City Council Bill No. 18-0076R.

cc: Kyron Banks