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BALTIMORE CITY COUNCIL WAYS AND MEANS COMMITTEE

Mission Statement

The Committee on Ways and Means (WM) is responsible for ensuring taxpayer dollars are expended prudently and equitably. WM will exercise regular oversight of the City's budget, expenditures, loans, and other financial matters. The committee's areas of jurisdiction include: budget & appropriations, taxation, financial services, consumer protection, audits, and the Comptroller's Office.

The Honorable Eric T. Costello Chairman

PUBLIC HEARING

TUESDAY, AUGUST 29, 2023 10:00 AM

COUNCIL CHAMBERS

Council Bill #22-0286

Sale of Property – South Side Boston Street, South West Corner, and South Newkirk Street (Block 6587, Lot 008A); and South Side Boston Street, South East Corner, and South Newkirk Street (Block 6587A, Lot 016)

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CITY OF BALTIMORE

BRANDON M. SCOTT, Mayor



OFFICE OF COUNCIL SERVICES

LARRY F. GREENE, Director 415 City Hall, 100 N. Holliday Street Baltimore, Maryland 21202 410-396-7215 / Fax: 410-545-7596 email: larry.greene@baltimorecity.gov

BILL SYNOPSIS

Committee: Ways and Means

Bill: 22-0286

Sale of Property – South Side Boston Street, South West Corner, and South Newkirk Street (Block 6587, Lot 008A); and South Side Boston Street, South East Corner, and South Newkirk Street (Block 6587A, Lot 016)

Sponsor: President Mosby at the request of the Department of Real Estate *Introduced:* October 3, 2022

Purpose:

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 that is located at South Side Boston Street, South . West Corner, and South Newkirk Street (Block 6587, Lot 008A) and South Side Boston Street, South East Corner, and South Newkirk Street (Block 6587A, Lot 016) and are no longer needed for public use; and providing for a special effective date.

Effective: On the date it is enacted.

Agency Reports

Law Department	Favorable/Amend
Department of Finance	None as of this writing
Department of Planning	No Objection
Department of Housing and Community Development	Favorable
Department of Real Estate	Favorable (Amendment Submitted)
Board of Estimates	Must be approved by BOE

Analysis

Current Law

Article V – Comptroller; Section 5(b); Baltimore City Charter; (1996 Edition) outlines the rules, regulations and mandates for <u>Sale of Properties</u>.

Background

If enacted, Bill 22-0286 would authorize the sale of a city owned property located at Boston and Newkirk Streets in the <u>Canton Industrial Area in Southeast Baltimore City</u>; <u>Council District #1</u>. This area of the City was once entirely used for industrial purposes, however today it includes a major shopping plaza with restaurants, services and retail, as well as two residential apartment buildings.¹ *See attached*.

Per City Council President Mosby, "the community want to increase the beautification of the area."

<u>The Building Materials Manufacturing Corporation</u> intends to purchase the undeveloped vacant land and will secure and landscape the property.²

The Department of Law is proposing amendments to the bill. However, the Department of Real Estate submitted proposes amendments that should satisfy the amendments suggested by the Law Department. A copy of Real Estate's amendment(s) is attached to its report.

Upon approval by the Mayor and City Council, <u>the Board of Estimates</u> would have to approve the deal to finalize the disposition.

Additional Information

Fiscal Note: None

Information Source(s): City Charter, Bill 22-0286, see footnote(s) below and all agency reports received as this writing.

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Analysis by:Marguerite M. CurrinAnalysis Date:August 24, 2023

Direct Inquiries to: (443) 984-3485

¹ LIVE Baltimore website

² Baltimore City Department of Real Estate agency report.

Google Maps 4698 Boston St

Baltimore, Maryland



Image capture: May 2021 © 2022 Google



Google Maps 1400 S Newkirk St

Baltimore, Maryland



Image capture: Nov 2020 © 2022 Google

Google Maps S Newkirk St



Imagery ©2022 U.S. Geological Survey, Map data ©2022 20 ft



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Baltimore, MD 21224

AGENCY REPORTS

See attached

CITY OF BALTIMORE

BRANDON M. SCOTT Mayor



DEPARTMENT OF LAW JAMES L. SHEA 100 N. HOLLIDAY STREET SUITE 101, CITY HALL BALTIMORE, MD 21202

November 4, 2022

The Honorable President and Members of the Baltimore City Council Attn: Natawna B. Austin, Executive Secretary Room 409, City Hall 100 N. Holliday Street Baltimore, Maryland 21202

> Re: City Council Bill 22-0286 - Sale of Property – South Side Boston Street, South West Corner, and 3 South Newkirk Street (Block 6587, Lot 008A); and 4 South Side Boston Street, South East Corner, and 5 South Newkirk Street (Block 6587A, Lot 016)

President and City Council Members:

The Law Department has reviewed City Council Bill 2-0286 for form and legal sufficiency. The bill allows the Mayor and City Council of Baltimore to sell its interest in two lots located at South Side Boston Street, South West Corner, and South Newkirk Street (Block 6587, Lot 008A) and South Side Boston Street, South East Corner, and South Newkirk Street (Block 6587A, Lot 016) and declares the property is no longer needed for public use. The bill also provides that all subsurface structures and appurtenances owned by the Mayor and City Council shall continue to be the property of the Mayor and City Council until they are abandoned. If the purchaser of the lots wishes to remove, alter, or interfere with any subsurface structure they must first obtain permission from the Mayor and City Council and pay all costs associated with the removal, alteration, or interference. The bill prohibits the construction of any building or structure of any kind on the lots until all subsurface structures and appurtenances have been abandoned by the City or removed and relaid at the expense of the person seeking to erect the building or structure. After the sale of the lots, subsurface structures or appurtenances owned by any person other than the Mayor and City Council must be removed at the owner's expense. After the sale of the lots the Mayor and City Council shall have full access to any subsurface structures used by the City for the purpose of inspecting, maintaining, repairing, altering, relocating, or replacing any of them, without need to obtain permission from or pay compensation to the owner of the property. A deed for the lots will not pass to the purchaser until receiving approval from the City Solicitor. The bill provides for a special effective date.

In Section 3, line 12 a word appears to be missing. Accordingly, in line 12 either the word "which" should be added before the word "will", or the words "will be" can be changed to "to be". Additionally, in Section 5, the ordinance retains an easement for the City to access the lots and subsurface structures for the purpose of inspection, maintenance, repair or replacement of the subsurface structures. In line 24, the ordinance grants this right to the City for all subsurface structures "used by the Mayor and City Council." It is recommended that the word "used" be changed to "owned" in line 24, in order to track the language of Section 3 which refers to subsurface structures owned by the City.

Article V, Section 5(b) of the Baltimore City Charter grants the Department of Real Estate in the Comptroller's Office the power to arrange for the disposition of any building, parcel of land, or other real property that is no longer needed by the City for public use. The sale must be authorized by ordinance and approved by the Board of Estimates. If the agency reports confirm that the property is no longer needed for public use, this bill is the appropriate ordinance to authorize disposition of the property.

The Law Department approves the bill for form and legal sufficiency.

Sincerely, Mulule Inth

Michele Toth Special Solicitor

Cc: Nikki Thompson Nina Themelis Elena DiPietro Hilary Ruley Jeff Hochstetler Ashlea Brown D'Ereka Bolden

F R O M		CHRIS RYER, DIRECTOR DEPARTMENT OF PLANNING 8 TH FLOOR, 417 EAST FAYETTE SPREET CITY COUNCIL BILL #22-0286/ SALE OF PROPERTY	CITY of BALTIMORE MEMO	CITY OF
Т	0	The Honorable President and	DATE: March 27, 2	2023

The Honorable President and Members of the City Council City Hall, Room 400 100 North Holliday Street

The Department of Planning is in receipt of City Council Bill #22-0286, which is 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 properties located at South Side Boston Street, South West Corner, and South Newkirk Street (Block 6587, Lot 008A) and South Side Boston Street, South East Corner, and South Newkirk Street (Block 6587A, Lot 016) and are no longer needed for public use; and providing for a special effective date.

The Department of Planning has **no objection** to City Council Bill #22-0286, as these parcels are of unusual shape, are presently undeveloped, and do not appear to serve any public purpose.

If you have any questions, please contact Mr. Eric Tiso, Division Chief, Land Use and Urban Design Division at 410-396-8358.

CR/ewt

cc: Ms. Nina Themelis, Mayor's Office Mr. Ethan Cohen, Mayor's Office The Honorable Eric Costello, Council Rep. to Planning Commission Mr. Colin Tarbert, BDC Ms. Rebecca Witt, BMZA Mr. Geoffrey Veale, Zoning Administration Ms. Stephanie Murdock, DHCD Ms. Elena DiPietro, Law Dept. Mr. Francis Burnszynski, PABC Mr. Liam Davis, DOT Ms. Natawna Austin, Council Services



BALTIMORE CITY DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council c/o Natawna Austin, Executive Secretary

From: Alice Kennedy, Housing Commissioner



Date: August 14, 2023

Re: City Council Bill 22-0286 - Sale of Property - South Side Boston Street, South West Corner, and South Newkirk Street (Block 6587, Lot 008A); and South Side Boston Street, South East Corner, and South Newkirk Street (Block 6587A, Lot 016)

The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 22-0286 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 properties located at South Side Boston Street, South West Corner, and South Newkirk Street (Block 6587, Lot 008A) and South Side Boston Street, South East Corner, and South Newkirk Street (Block 6587A, Lot 016) and are no longer needed for public use; and providing for a special effective date.

If enacted, City Council Bill 22-0286 would allow for either the public or private sale of two lots that no longer serve a public purpose. The properties are vacant lots alongside Boston Street, zoned for industrial use. Highways is the responsible agency.

The Department of Planning recommended approval of the Bill noting that these parcels are of unusual shape and are presently undeveloped. The Law Department recommended some clarifying technical amendments in their Bill report and also noted that the bill prohibits the construction of any building or structure of any kind on the lots until all subsurface structures and appurtenances have been abandoned by the city or removed and re-laid at the expense of the person seeking to erect the building or structure.

DHCD supports the Administration's disposition of the properties as the sites are no longer needed for public use and rehabilitation of the property could create additional opportunities for industrial uses in the Canton Industrial Area, as allowed in the I-2 zoning district. The property does not lie within any of DHCD's Impact Investment Areas, Community Development Zones or Streamlined Code Enforcement Areas. The intended purchaser is Building Materials Manufacturing Corporation. If approved, the applicant will secure and landscape the property.

We support the Law Department's clarifying amendments and respectfully request a **favorable** report on Council Bill 22-0286.

AK/sm cc: Ms. Nina Themelis, Mayor's Office of Government Relations



MEMORANDUM

To:	The Honorable President and Members of the City Council		
	c/o Natawna Austin, Executive Secretary		
From:	Eric Evans, Real Estate Officer, Department of Real Estate		
Date:	July 6, 2923		
Re:	22-0286 Sale of Property - South Side Boston Street, South West Corner, and South		
	Newkirk Street (Block 6587, Lot 008A); and South Side Boston Street, South East Corner,		
	and South Newkirk Street (Block 6587A, Lot 016)		

Position: Support

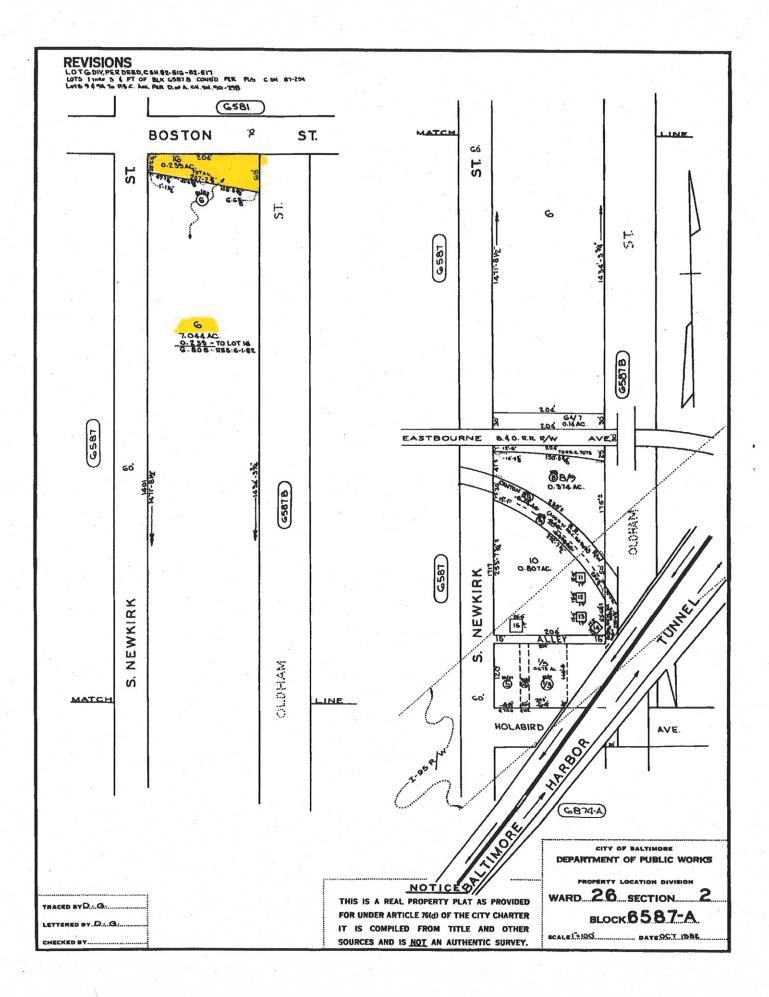
The Department of Real Estate is reporting on 22-0286 Sale of Property - South Side Boston Street, South West Corner, and South Newkirk Street (Block 6587, Lot 008A); and South Side Boston Street, South East Corner, and South Newkirk Street (Block 6587A, Lot 016). The purpose of this bill is to authorize the Mayor and City Council of Baltimore to sell, at either public or private sale, all its interest in certain located at South Side Boston Street, South West Corner, and South Newkirk Street (Block 6587, Lot 008A) and South Side Boston Street, South East Corner, and South Newkirk Street (Block 6587A, Lot 016) and are no longer needed for public use; and providing for a special effective date.

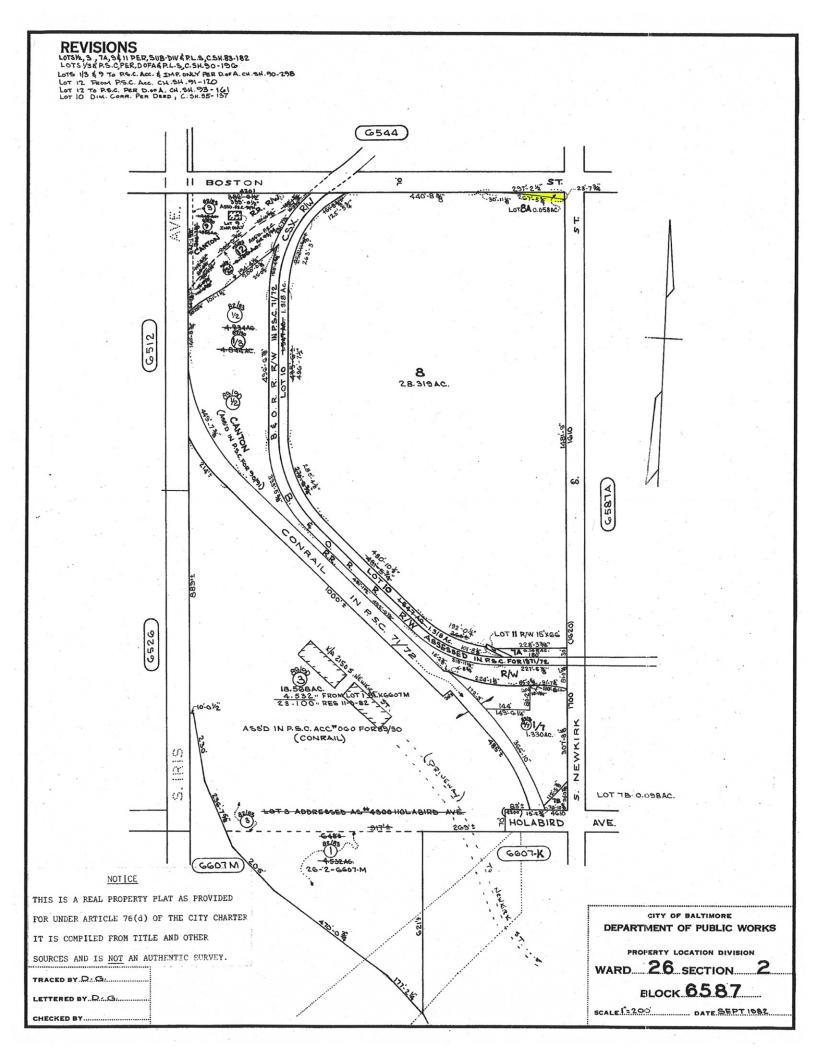
Background

The intended purchaser is Building Materials Manufacturing Corporation. The property is undeveloped vacant land alongside Boston Street, zoned for industrial use. If approved, the applicant will secure and landscape the property.

The Department of Real Estate supports the passage of 22-0286.

CC: Celeste Amato, Comptroller's Office KC Kelleher, Comptroller's Office Nina Themelis, Mayor's Office Sophia Gebrehiwot. Mayor's Office





REAL ESTATE 29AUG23

REAL ESTATE 29AUG23

AMENDMENTS TO COUNCIL BILL 22-0286 (1st Reader Copy)

By: Department of Real Estate

{To be offered to the Ways and Means Committee}

Amendment No. 1

On page 2, in line 12, after "Lot 016)" insert "<u>which</u>"; and, on that same page, in line 24, strike "used" and substitute "<u>owned</u>".

CITY OF BALTIMORE COUNCIL BILL 22-0286 (First Reader)

Introduced by: The Council President At the request of: The Comptroller (Department of Real Estate) Introduced and read first time: October 3, 2022

Assigned to: Ways and Means Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Planning, Department of Housing and Community Development, Department of Real Estate, Department of Finance, Board of Estimates

A BILL ENTITLED

1 AN ORDINANCE concerning

Sale of Property – South Side Boston Street, South West Corner, and South Newkirk Street (Block 6587, Lot 008A); and South Side Boston Street, South East Corner, and South Newkirk Street (Block 6587A, Lot 016)

- 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 properties located at South Side Boston Street, South
 West Corner, and South Newkirk Street (Block 6587, Lot 008A) and South Side Boston
 Street, South East Corner, and South Newkirk Street (Block 6587A, Lot 016) and are no
 longer needed for public use; and providing for a special effective date.
- 11 BY authority of

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- 12 Article V Comptroller
- 13 Section 5(b)
- 14 Baltimore City Charter
- 15 (1996 Edition)

SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE. That, in 16 accordance with Article V, \S 5(b) of the City Charter, the Comptroller of Baltimore City may 17 18 sell, at either public or private sale, all the interest of the Mayor and City Council of Baltimore in the properties located at South Side Boston Street, South West Corner, and South Newkirk Street 19 20 (Block 6587, Lot 008A), containing 0.058 acres, more or less, as more particularly described on Appendix A attached hereto, and South Side Boston Street, South East Corner, and South 21 Newkirk Street (Block 6587A, Lot 016), containing 0.239 acres, more or less, as more 22 particularly depicted on Appendix B attached hereto, these properties being no longer needed for 23 24 public use.

> **EXPLANATION:** CAPITALS indicate matter added to existing law. [Brackets] indicate matter deleted from existing law.

SECTION 2. AND BE IT FURTHER ORDAINED, That after this Ordinance, all subsurface structures and appurtenances now owned by the Mayor and City Council of Baltimore continue to be the property of the Mayor and city Council, in fee simple, until their use has been abandoned by the Mayor and City Council. If any person wants to remove, alter, or interfere with them, that person must first obtain permission from the Mayor and City Council and, in the application for this permission, must agree to pay all costs and expenses, of every kind, arising out of the removal, alteration, or interference.

8 SECTION 3. AND BE IT FURTHER ORDAINED, That no building or structure of any kind 9 (including but not limited to railroad tracks) may be constructed or erected in or on any part of 10 the properties located at South Side Boston Street, South West Corner, and South Newkirk Street (Block 6587, Lot 008A) and South Side Boston Street, South East Corner, and South Newkirk 11 Street (Block 6587A, Lot 016) will be sold under this Ordinance until all subsurface structures 12 and appurtenances owned by the Mayor and City Council of Baltimore have been abandoned by 13 the Mayor and City Council or, have been removed and relaid in accordance with the 14 specifications and under the direction of the Director of Transportation of Baltimore City and at 15 16 the expense of the person seeking to erect the building or structure.

SECTION 4. AND BE IT FURTHER ORDAINED, That after the sale of the lots under this
 Ordinance, all subsurface structures and appurtenances owned by any person other than the
 Mayor and City Council of Baltimore shall be removed by and at the expense of their owners,
 promptly upon notice to do so from the Director of Transportation.

SECTION 5. AND BE IT FURTHER ORDAINED, That at all times after the sale of the lots under this Ordinance, the Mayor and City Council of Baltimore, acting by or through its authorized representatives, shall have access to the subject property and to all subsurface structures and appurtenances used by the Mayor and City Council, for the purpose of inspecting, maintaining, repairing, altering, relocating, or replacing any of them, without need to obtain permission from or pay compensation to the owner of the property.

SECTION 6. AND BE IT FURTHER ORDAINED, That no deed may pass under this Ordinance
 unless the deed has been approved by the City Solicitor.

29 SECTION 7. AND BE IT FURTHER ORDAINED, That this Ordinance takes effect on the date it is 30 enacted.

