

CITY OF BALTIMORE

BOARD OF ESTIMATES

Room 204, City Hall  
Baltimore, Maryland 21202  
410-396-4755



BERNARD C. "JACK" YOUNG  
PRESIDENT, CITY COUNCIL

STEPHANIE RAWLINGS-BLAKE  
MAYOR

JOAN M. PRATT  
COMPTROLLER

ALFRED H. FOXX  
DIRECTOR OF PUBLIC WORKS

GEORGE A. NILSON  
CITY SOLICITOR

BERNICE H. TAYLOR  
DEPUTY COMPTROLLER  
AND CLERK TO THE BOARD

September 26, 2012

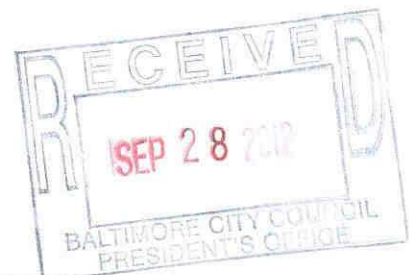
Honorable President and Members  
of the City Council

Ladies and Gentlemen:

On September 26, 2012 the Board had before it for consideration the following pending City Council Bill:

12-0109 - Franchise - Private Pedestrian Bridgeways Above and Across and Private Tunnels Under and Across a Portion of Marion Street Right-of-Way for the purpose of granting a franchise to CB Fayette Street Baltimore, LLC, to use and maintain two existing private pedestrian bridgeways above and across and two existing private tunnels under and across a portion of Marion Street Right-of-Way, subject to certain terms, conditions, and reservations; and providing for a special effective date.

THE LAW DEPARTMENT COMMENTS THAT ARTICLE VIII OF THE BALTIMORE CITY CHARTER REQUIRES THAT A BILL GRANTING A FRANCHISE BE REFERRED TO THE BOARD OF ESTIMATES AFTER FIRST READING. CITY CHARTER, ARTICLE VIII, §2. THE BOARD OF ESTIMATES IS EMPOWERED TO CHANGE BOTH THE PROPOSED COMPENSATION TO BE PAID THE CITY AND THE CONDITIONS UNDER WHICH THE FRANCHISE IS GRANTED. *Id.* FURTHERMORE, THE BOARD OF ESTIMATES MUST APPROVE BY VOTE OR RESOLUTION THE COMPENSATION AND TERMS OF THE FRANCHISE AND THESE ARE TO BE ATTACHED TO THE BILL BEFORE THE BILL CAN BE ENACTED. *Id.* IF THE PROCEDURAL REQUIREMENTS ARE MET, THE BILL WILL BE IN ACCORDANCE WITH ARTICLE VIII OF THE BALTIMORE CITY CHARTER AND THE LAW DEPARTMENT WILL APPROVE THE BILL FOR FORM AND LEGAL SUFFICIENCY.



CITY COUNCIL BILL - cont'd

THE DEPARTMENT OF GENERAL SERVICES, IN ACCORDANCE WITH THE MINOR PRIVILEGE SCHEDULE OF CHARGES AND REGULATIONS AS ESTABLISHED AND SET BY THE BOARD OF ESTIMATES, ORIGINALLY RECOMMENDED AN ANNUAL FRANCHISE FEE OF \$142,141.80 FOR THE FOUR EXISTING ENCROACHMENTS INTO THE MARION STREET PUBLIC RIGHT-OF-WAY, A 17-FOLD INCREASE OVER THE 1987 ESTABLISHED FEE. AT THE AUGUST 9, 2012 CITY COUNCIL HEARING BEFORE THE HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE, AN ATTORNEY REPRESENTING THE PROPERTY OWNER URGED THE CITY TO CHARGE A MORE EQUITABLE FEE.

THE MATTER SUBSEQUENTLY WAS REVIEWED. THE CURRENT SCHEDULE OF CHARGES BEGAN TO INCREASE AFTER A STUDY IN YEAR 2000 RECOMMENDED THAT ALL CITY FEES BE INCREASED 100 PERCENT. THE CITY IMPLEMENTED A 50 PERCENT INCREASE WHICH OCCURRED OVER A FIVE YEAR PERIOD. IT WAS CONCLUDED THAT AN EQUITABLE FEE FOR THE PROPERTY WOULD TAKE INTO ACCOUNT THAT:

(1) THE FEE WAS ORIGINALLY NEGOTIATED; (2) THE PROPERTY IS CURRENTLY SUBJECT TO AN LDA TO WHICH THE CITY IS A PARTY; AND (3) A 17-FOLD INCREASE IS OVERLY STEEP WHEN NO OTHER PROPERTY REQUESTING A FRANCHISE RENEWAL IS SUBJECT TO A SIMILAR STEEP INCREASE IN PRICE. CONSEQUENTLY, IT WAS CONCLUDED A FEE OF \$98,000.00 WOULD BE APPROPRIATE UNDER THE UNIQUE, HISTORICAL CIRCUMSTANCES OF THIS FRANCHISE.

BASED ON THESE FINDINGS, THE DEPARTMENT OF GENERAL SERVICES SUPPORTS PASSAGE OF CITY COUNCIL BILL 12-0109 AND THAT A FRANCHISE FEE OF \$98,000.00 BE RECOMMENDED TO THE BOARD OF ESTIMATES.

ALL REPORTS RECEIVED WERE FAVORABLE.

CITY COUNCIL BILL - cont'd

After NOTING AND CONCURRING in all favorable reports received, the Board approved the aforementioned City Council Bill with a franchise fee of \$98,000.00 and referred it to the City Council with the recommendation that it be approved and passed by that Honorable Body.

The President ABSTAINED from voting.

Sincerely,

  
Bernice H. Taylor  
Clerk to the Board of Estimates



September 26, 2012

The Afro-American Newspaper  
2519 North Charles Street  
Baltimore, Maryland 21218

Attn: Ms. Marquise Goodwin  
Advertising Department

Re: Enclosed Notice CC Bill 12-0109

Dear Ms. Goodwin:

It is requested that the enclosed Municipal Notice be printed on three successive dates. Only the text that appears under the caption "To Be Inserted Under Municipal Notices" is requested to be printed. Please do not print Council Bill.

If there should be any questions concerning this request, please do not hesitate to contact me at (410) 396-4755.

Sincerely yours,

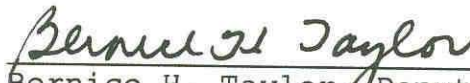
  
Audrey Quarles

Encls:

TO BE INSERTED UNDER MUNICIPAL NOTICES

In accordance with the provisions of Article VIII, Section 6-Franchises, of the Baltimore Charter (1996 Edition), Notice is hereby given that application has been made by CB Fayette Street Baltimore, LLC, to use, and maintain two existing private pedestrian bridgeways above and across and two existing private tunnels under and across a portion of Marion Street right-of-way, subject to certain terms, conditions, and reservations; and providing for a special effective date.

Sincerely,

  
Bernice H. Taylor, Deputy Comptroller  
Clerk Board of Estimates

Three days:

THE BALTIMORE SUN

Attn: Ms. Sharon Nelson  
501 N. Calvert Street  
3<sup>rd</sup> Floor  
Baltimore, Maryland 21202

THE AFRO-AMERICAN NEWSPAPER

Attn: Ms. Marquise Goodwin  
2519 N. Charles Street  
Baltimore, Maryland 21218

September 26, 2012

The Baltimore Sun  
501 N. Calvert St.  
3<sup>rd</sup> Floor  
Baltimore, Maryland 21202

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Advertising Department

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