

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

Senate Bill 828 (Senator Astle)
Education, Health, and Environmental Affairs

Disposition of Excess State Property - Former Crownsville Hospital Center

This bill requires the Maryland Department of Planning (MDP), if it determines that the cafeteria and two acres of surrounding land belonging to the former Crownsville Hospital Center are excess real property, to make an appropriate recommendation regarding its disposition and provide required notice. The recommendation must include as its first option the commencement of negotiations with any interested veterans' organizations in Anne Arundel County that proposes to buy or lease the building and land to establish a veterans' center.

Fiscal Summary

State Effect: Potential loss of revenue from the disposition of the Crownsville Hospital Center property, to the extent that the State would not receive maximum return on the sale of the facility due to the preference given under the bill. The amount of any potential loss cannot be reliably estimated.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Each unit of State government is required to notify MDP in writing of any real property that is in excess of the needs of the unit or any substantial change to any real property owned by the State. After MDP receives notice, MDP must study the proper disposition of the property, determine whether any local government or unit of

State government is interested in the property, and make an appropriate recommendation to the unit of State government and to the Board of Public Works (BPW).

Background: The Department of Health and Mental Hygiene (DHMH) closed the Crownsville Hospital Center in Anne Arundel County in 2004 and provided MDP with the appropriate notification regarding excess property. Through the normal review process, MDP initially offered the property to Anne Arundel County; after an extensive review process that included an environmental impact analysis, the county declined the property in a written letter to MDP. MDP then issued a request for expressions of interest in the property, which were due in June 2008. It received 12 proposals. The review conducted under the State's Clearinghouse Intergovernmental Review and Coordination process ultimately recommended that exclusive negotiations begin with 1 of the 12 original bidders. The Department of General Services has assumed responsibility for the negotiations, which are still ongoing.

DHMH advises that, after the conclusion of the deadline for expressions of interest, numerous groups contacted MDP to express their interest in the site, including a veterans' organization in Anne Arundel County. All those groups were advised that the deadline had passed.

Additional Information

Prior Introductions: None.

Cross File: HB 925 (Delegate George, *et al.*) - Environmental Matters.

Information Source(s): Department of Health and Mental Hygiene, Department of Budget and Management, Department of General Services, Maryland Department of Planning, Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2011
ncs/rhh

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