

State of Maryland

2013 Bond Bill Fact Sheet

| 1. Senate LR # Bill # | | House LR # Bill # | | 2. Name of Project | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------|---------------------------------------------------|------------------------------------------|--|
| | | lr3309 | hb1451 | Municipal Electrical Light Plant Project | |
| 3. Senate Bill Sponsors | | | | House Bill Sponsors | |
| | | | | Donoghue | |
| 4. Jurisdiction (County or Baltimore City) | | | 5. Requested Amount | | |
| Washington County | | | \$300,000 | | |
| 6. Purpose of Bill | | | | | |
| <p>Authorizing the creation of a State Debt not to exceed \$300,000, the proceeds to be used as a grant to the Mayor and City Council of the City of Hagerstown for the construction, repair, renovation, reconstruction, and capital equipping of the Municipal Electrical Light Plant, including demolition and environmental clean-up.</p> | | | | | |
| 7. Matching Fund | | | | | |
| Requirements: | | Type: | | | |
| Equal | | The grantee shall provide and expend a matching fund | | | |
| 8. Special Provisions | | | | | |
| <input type="checkbox"/> Historical Easement | | | <input checked="" type="checkbox"/> Non-Sectarian | | |
| 9. Contact Name and Title | | Contact Phone | | Email Address | |
| David S. Gysberts | | 301-739-8577 | | mayor@hagerstownmd.org | |
| | | | | | |
| | | | | | |
| 10. Description and Purpose of Grantee Organization (Limit Length to Visible area) | | | | | |
| <p>The City of Hagerstown is a municipal corporation in the State of Maryland.</p> | | | | | |

11. Description and Purpose of Project (Limit Length to Visible area)

The project entails the environmental clean-up and demolition of the old Municipal Electric Light Plant along the Antietam Creek in Hagerstown. The City of Hagerstown operated this plant to generate electricity from 1917 to the 1970's. It has been in private hands and vacant since 1994. The plant has environmental issues associated with friable asbestos and water borne asbestos and PCBs. In addition, the property contains numerous utility rights-of-way and associated infrastructure. As the building deteriorates and attracts vandalism, its environmental conditions act as an environmental risk to the Antietam Creek and trespassers. The City is negotiating a public-private partnership with the property owner on the clean-up, demolition, and eventual transfer of the property to the City. This project will remediate a long standing risk, remove a significant blighting influence on this portion of the Hagerstown Sustainable Community Area, and potentially create tourism, economic development and healthy lifestyle opportunities for the Hagerstown and Washington County area. Once improved as proposed, this 2.96 acre site plus the City's adjacent 9.5 acre property creates a rare opportunity for public access to the Antietam Creek in close proximity to Hagerstown's City Center. (Acquisition costs include demolition in #12 below.)

Round all amounts to the nearest \$1,000. The totals in Items 12 (Estimated Capital Costs) and 13 (Proposed Funding Sources) must match. The proposed funding sources must not include the value of real property unless an equivalent value is shown under Estimated Capital Costs.

12. Estimated Capital Costs

| | |
|---------------------|--------------------|
| Acquisition | \$1,450,000 |
| Design | \$30,000 |
| Construction | 0 |
| Equipment | 0 |
| Total | \$1,480,000 |

13. Proposed Funding Sources – (List all funding sources and amounts.)

| Source | Amount |
|------------------------------------------------------------------------------|--------------------|
| City of Hagerstown from unappropriated CIP Fund balance and City bond issue. | \$1,000,000 |
| Private Property Owner (currently) | \$480,000 |
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| Total | \$1,480,000 |

| 14. Project Schedule (Enter a date or one of the following in each box. N/A, TBD or Complete) | | | |
|-----------------------------------------------------------------------------------------------|--------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------|
| Begin Design | Complete Design | Begin Construction | Complete Construction |
| complete | January 2013 | TBD | TBD |
| 15. Total Private Funds and Pledges Raised | | 16. Current Number of People Served Annually at Project Site | 17. Number of People to be Served Annually After the Project is Complete |
| \$480,000 | | 0 | 39,662 |
| 18. Other State Capital Grants to Recipients in Past 15 Years | | | |
| Legislative Session | Amount | Purpose | |
| 2004 | \$400,000 | Barbara Ingram School for the Arts (State Bond) | |
| 2007 | \$150,000 | Barbara Ingram School for the Arts (State Bond) | |
| 2009 | \$150,000 | Barbara Ingram School for the Arts (State Bond) | |
| | | | |
| 19. Legal Name and Address of Grantee | | Project Address (If Different) | |
| City of Hagerstown | | 1 E. Franklin Street, Hagerstown, MD 21740 | |
| 20. Legislative District in Which Project is Located | | 2C - Washington County | |
| 21. Legal Status of Grantee (Please Check one) | | | |
| Local Govt. | For Profit | Non Profit | Federal |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 22. Grantee Legal Representative | | 23. If Match Includes Real Property: | |
| Name: | Nairn & Boyer | Has An Appraisal Been Done? | Yes/No |
| Phone: | 301-739-3036 | | No |
| Address: | | If Yes, List Appraisal Dates and Value | |
| 207 S. Potomac Street, Hagerstown, MD 21740 | | | |
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| | | | |
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| 24. Impact of Project on Staffing and Operating Cost at Project Site | | | |
|------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------|-----------------------------------|
| Current # of Employees | Projected # of Employees | Current Operating Budget | Projected Operating Budget |
| 0 | 0 | 0 | 0 |
| 25. Ownership of Property (Info Requested by Treasurer's Office for bond issuance purposes) | | | |
| A. Will the grantee own or lease (pick one) the property to be improved? | | | own |
| B. If owned, does the grantee plan to sell within 15 years? | | | no |
| C. Does the grantee intend to lease any portion of the property to others? | | | no |
| D. If property is owned by grantee and any space is to be leased, provide the following: | | | |
| Lessee | Terms of Lease | Cost Covered by Lease | Square Footage Leased |
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| E. If property is leased by grantee – Provide the following: | | | |
| Name of Leaser | Length of Lease | Options to Renew | |
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| 26. Building Square Footage: | | | |
| Current Space GSF | 72,000 | | |
| Space to Be Renovated GSF | demolition | | |
| New GSF | 0 | | |
| 27. Year of Construction of Any Structures Proposed for Renovation, Restoration or Conversion | | | |

28. Comments: (Limit Length to Visible area)

The City has been diligently working with the current ownership since November 2011 in an attempt to support the owner's demolition and clean-up of the property. The owners proposal to the City has included a request for City funding participation which will allow for a return of the property to City ownership once it has been appropriately cleared and restored to meet environmental regulation standards. The City is negotiating a Settlement Agreement with the MELP owner and their General Contractor to undertake the planned demolition and transfer to the City. Utilizing pricing supplied by the owner, the project is estimated at \$1,480,000 with cost uncertainty contained within the PCB Remediation contract, the Pre-Abatement and General Clean-up Work, and the salvageable material pricing. In order for demolition to occur, friable asbestos and water borne asbestos must be abated in addition to PCB abatement within the same water borne source. Upon completion of these tasks, the salvageable materials will be removed and the final demolition will occur. Upon completion of the demolition, the City will take ownership of an environmentally remediated property along the Antietam Creek which will have better protections for the essential utilities which are located adjacent to and within the property. The project will enhance community safety and security on many fronts. Because of its attractive nuisance qualities, this site has been the subject of trespassing and vandalism over the years, placing trespassers as well as public safety and emergency services personnel in harms way. By removing this attractive nuisance, vandals will no longer be coming in contact with environmental hazards and emergency services and public safety personnel will no longer be responding to fire and distress calls in an unsafe environment. By remediating the site prior to demolition, an environmental risk will be removed which will protect public health and the adjacent Antietam Creek. The remediation of the site contamination will allow for the recapture of green space, creation of an access point for the Antietam Creek, and enhancement for a proposed linear park adjacent to the Antietam Creek. The Settlement Agreement currently under negotiation between the City and the current property owner will finalize the funding commitments by both sides to remediate the environmental conditions and demolish the old plant. Due to uncertainties over the extent of environmental abatement and declines in the value of scrap materials, over the past two years, the City's estimated cost to assume control over a clean, safe property has risen from \$500,000 to one million dollars. State bond funding assistance of \$300,000 would reduce the potential debt the City would need to assume in order to make this project possible and allow additional room in the City's Capital Improvements Program to make improvements to this property and other revitalization projects.