

Office of the County Auditor
Auditor's Analysis

Council Resolution No. 160-2024

Introduced: November 4, 2024

Auditor: Lisa Geerman

Fiscal Impact:

The fiscal impact of this legislation is a \$3,692,711 reduction in the County's overall total assets, due to the derecognition of the property's book value.

According to the Department of Public Works, the County will not incur any additional expenses prior to conveyance of the property to Howard Community College (HCC). HCC will continue to provide for regular maintenance costs, as it has been doing since 1994.

HCC will not offer any consideration for the conveyance due to the County's interest in HCC's use of the property. The disposal of this asset would impact the County's total assets, but we do not anticipate changes to the County's revenues and expenses resulting from this legislation.

Purpose:

The purpose of this legislation is to convey property consisting of 4.848 acres of land at 10650 Hickory Ridge Road in Columbia to HCC, in accordance with a Memorandum of Understanding and Intent (MOU) signed by the parties in 2000.

Other Comments:

The County acquired the property in 1989 to provide space for HCC programs and for the use of various County departments.

Funding to purchase and renovate the Hickory Ridge property included:

- Acquisition Costs \$5,400,000
- Settlement Costs \$81,873
- Renovation Costs \$1,637,000

The property was acquired using general obligation (GO) bonds issued in 1990 and renovated with an additional issuance of GO bonds in 1994. The County agreed to transfer the property to HCC after the last of the GO bonds were retired. The Department of Finance confirmed that there are no outstanding bonds on the property. Therefore, the conditions of the MOU have been met.