



TO: Board of Estimates, Office of Comptroller

FROM: AGC5700 - Planning

DATE: 06/10/2024

Submission #: SB-24-11707

SUBJECT: Quasi Financial Plan - South Baltimore Gateway Partnership FY25  
Financial Plan

### ACTION REQUESTED OF BOARD OF ESTIMATES:

The Board is requested to note the South Baltimore Gateway Partnership Proposed Fiscal Year 2025 Financial Plan.

### PERIOD OF CONTRACT/AGREEMENT:

### AMOUNT AND SOURCE OF FUNDS:

Transaction Amount: \$ 0.00

Project Fund

Amount

### BACKGROUND/EXPLANATION:

Following a study by the Mayor's Office and Baltimore Casino Local Development Council ("LDC"), the Maryland General Assembly and Mayor and City Council created the South Baltimore Gateway Community Impact District (the "District") and Management Authority (the "Authority") in 2016, later branded as the South Baltimore Gateway Partnership. SBGP's enabling legislation (including Council Bill 16-0694), authorized SBGP to receive 50% of Casino Local Impact Grant ("LIG") funds starting in FY18, to provide enhanced services and foster community development in the district, consistent with the 2012 state law establishing LIG funds. The Mayor's Office convened the Authority's Board of Directors in 2016 and provided support for launching SBGP, now completing its 6th year of operations. Activities include grants to community-based organizations and strategic initiatives described in quarterly reports to the BOE.

City Council Ordinance 16-0694 requires the BOE to review the SBGP's Bylaws, Strategic Plan and Annual Financial Plan. The FY25 Financial Plan was presented in a public hearing and members of the general public were invited to provide feedback at SBGP's annual Spring Public Meeting on April 10, 2024. The FY25 Financial Plan was also provided to the Local Development Council for comment and adopted by SBGP's Board of Directors on April 17, 2024.

SMBA&D Participation not required / Not applicable

COUNCIL DISTRICT: Citywide

EMPLOY BALTIMORE: LIVING WAGE: LOCAL HIRING: PREVAILING WAGE:

N/A N/A N/A N/A

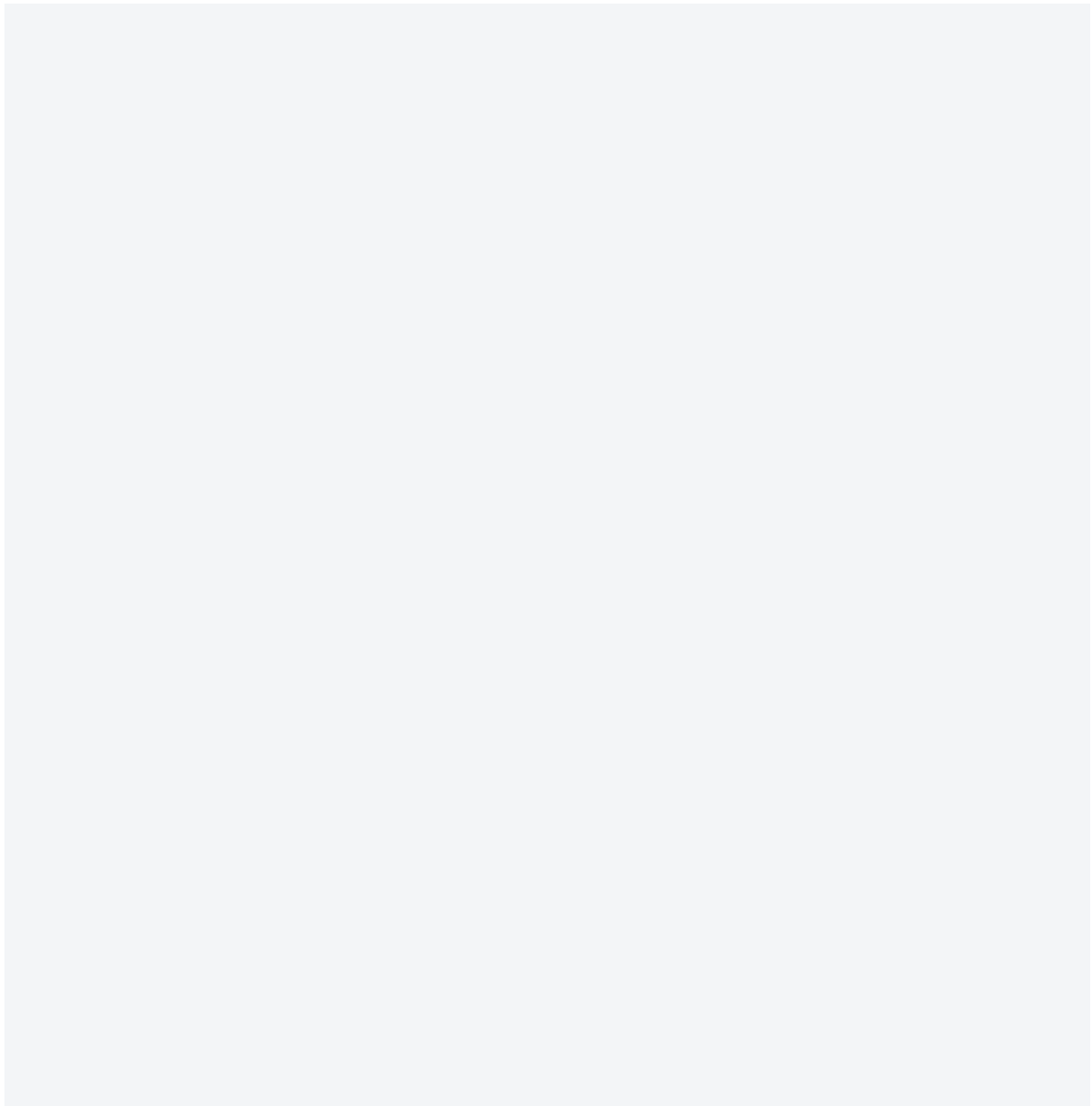
1% FOR PUBLIC ART: N/A.

ENDORSEMENTS:



Clerk, Board of Estimates

06-05-2024



**MEMORANDUM**

To: Ethan Cohen, Senior Advisor, Community and Economic Development, and Chris Firehock, Community Development Grants Specialist, Department of Planning; City of Baltimore

**For Submission to the City of Baltimore Board of Estimates**

From: Brad Rogers, Executive Director, South Baltimore Gateway Partnership (SBGP)

Date: April 29, 2024

Re: South Baltimore Gateway Partnership Proposed Fiscal Year 2025 Financial Plan

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On behalf of the South Baltimore Gateway Partnership (SBGP), I am providing SBGP's proposed FY25 Financial Plan (Budget). Please submit it to the Board of Estimates for approval on behalf of SBGP.

The FY25 Financial Plan was presented in a public hearing and members of the general public were invited to provide feedback at SBGP's annual Spring Public Meeting on April 10, 2024. The FY25 Financial Plan was also provided to the Local Development Council for comment and adopted by SBGP's Board of Directors on April 17, 2024.

The FY25 Financial Plan allows SBGP to continue to manage its growing list of projects while remaining a lean organization with limited overhead. SBGP will continue to spend approximately 20% of program funds on Community Grants, which will be selected using our transparent and professional selection process. Approximately 30% of program funds will go to Enhanced Services, allocated through the extremely detailed Implementation Plan SBGP has built with BCRP and other partners, and will fund capital, maintenance, and programming in parks and public spaces. The remaining 50% of program funds will go to Transformational Projects, which will be selected by the SBGP Board based upon a rigorous ongoing process of evaluating opportunities to create meaningful and measurable change in the District. As always, SBGP will continue to direct funds wherever feasible to MBE/WBE contractors, in compliance with the law, as well as to support businesses within the District.

If you or any member of the Board has any questions, please do not hesitate to contact me directly.

Sincerely,



Executive Director

**SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT MANAGEMENT AUTHORITY**  
**PROPOSED FINANCIAL PLAN (BUDGET)**  
**For the Year Ending June 30, 2025**

	Orig. Approved Budget FY23	% of Budget	Orig. Approved Budget FY24	% of Budget	Proposed Budget FY25	% of Budget	Comments
<b>REVENUES</b>							
Intergovernmental Revenue (Local Impact Funding)	\$ 8,000,000		\$ 8,000,000		\$ 8,000,000		The MD Racing Commission suggests budgeting revenues based on the last 12 months of actual revenues, which were approx. \$8.3 million for December 2022 through November 2023. Income earned on SBGP's investment account. Assumes 3.50%. Currently earning 4.57%. Interest earned on SBGP deposits. Assumes SBGP earns approx. \$16,700/month. SBGP has been earning approx. \$22,300/month in FY24 to date. Grant administration fees from supplemental grants.
Investment (Loss) Income, net	-		\$ -		\$ 280,000		
Interest Income	3,000		\$ 100,000		\$ 200,000		
Administrative Fees	-		\$ -		\$ 201,566		
Other Income	-		\$ -		\$ -		
<b>Total Revenues</b>	<b>8,003,000</b>		<b>8,100,000</b>		<b>8,681,566</b>		
<b>PROGRAM EXPENSES</b>							
Community Grants	1,231,370		\$ 1,267,098		\$ 1,227,513		20% of Direct Program Expenses
Salaries and Benefits	238,860		\$ 266,322		\$ 487,855		Salaries and benefits for Community Grants employees
Other Program Expenses	46,885		\$ 34,400		\$ 35,400		Capacity Building program, Program Committee and other meetings, other
Enhanced Services	1,847,054		\$ 1,900,646		\$ 1,841,269		30% of Direct Program Expenses
Salaries and Benefits	238,860		\$ 266,322		\$ 381,429		Salaries and benefits for Enhanced Services employees
Other Program Expenses	25,000		\$ 11,600		\$ 8,000		Events, meetings, collateral, other
Transformational Projects	3,078,424		\$ 3,056,954		\$ 2,955,854		50% of Direct Program Expenses, less Community Development Manager salary and benefits
Salaries and Benefits	153,476		\$ 329,711		\$ 554,580		Salaries and benefits for Transformational Projects employees, including Community Development Manager
Other Program Expenses	120,000		\$ 240,000		\$ 250,000		Transformational Projects consulting, Strategic Planning Committee and other meetings, other
Discretionary Insurance Fund	15,000		\$ 15,000		\$ 5,000		Discretionary insurance fund for small grantees, other limited-capacity partners to purchase private insurance in accordance with SBGP grant agreement/contracting requirements
<b>Total Program Expenses</b>	<b>6,994,930</b>	<b>90.81%</b>	<b>7,388,053</b>	<b>91.21%</b>	<b>7,746,900</b>	<b>89.23%</b>	
Net Revenue after Program Expenses	1,008,070		711,947		934,666		
<b>OVERHEAD EXPENSES</b>							
Accounting	60,000		\$ 60,000		\$ 65,000		Third-party accounting services
Audit Fee	9,700		\$ 14,900		\$ 18,400		FY24 financial audit and single audit (for three programs)
Bank Fees	5,500		\$ 5,500		\$ 13,500		
Business Meals and Entertainment	6,000		\$ 7,500		\$ 13,500		Board of Directors and other meetings
Equipment	2,000		\$ 10,800		\$ 22,000		Office furniture and equipment, eight new laptops (replacements and new)
Insurance	60,000		\$ 40,000		\$ 45,000		Annual premiums for commercial insurance policies
Legal Fees	15,000		\$ 15,000		\$ 15,000		
Marketing and Communications	5,000		\$ 5,000		\$ 6,000		MailChimp, HootSuite, boosted Facebook posts, mailings, Spanish translation, job advertising, other
Miscellaneous	5,000		\$ 5,000		\$ 5,000		Postage and mailing, Labor Law posters, Baltimore Sun and Baltimore Business Journal subscriptions, other
Printing and Copying	1,000		\$ 1,000		\$ 1,000		Business cards, other outsourced printing and copying
Professional Services	45,000		\$ 35,000		\$ 45,000		Website redevelopment, HR consultant, IT consultant
Rent and Utilities	30,508		\$ 29,694		\$ 93,627		12-month (continued) lease on offices in coworking space
Salaries and Staff Benefits	355,016		\$ 312,041		\$ 392,367		Salaries and benefits for operational employees
Staff Training and Development	13,500		\$ 15,000		\$ 22,500		
Supplies	5,000		\$ 5,000		\$ 7,500		Office supplies, including toner
Technology and Support	78,647		\$ 138,012		\$ 150,772		Software licenses, IT managed services and helpdesk support, web development/maintenance and hosting, other
Travel and Meetings	5,750		\$ 6,500		\$ 9,500		
Telecommunication	5,450		\$ 6,000		\$ 9,000		Stipends for employees' use of personal phones
<b>Total Overhead Expenses</b>	<b>708,070</b>	<b>9.19%</b>	<b>711,947</b>	<b>8.79%</b>	<b>934,666</b>	<b>10.77%</b>	
<b>Total Expenses</b>	<b>7,703,000</b>		<b>8,100,000</b>		<b>8,681,566</b>		
Change in Net Assets	300,000		-		-		