

"Federation Corner" column
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Retain Peary High School property for possible future use

by Dan Wilhelm
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The Montgomery County Civic Federation (MCCF) Education Committee is working to retain MCPS owned land or building for possible future use by the County as a public school. The current situation relates to the Peary HS in the Aspen Hill region of the County. It was declared surplus by MCPS in the mid 1980's and turned over to the County. The property was not adequately maintained and fell into serious disrepair, resulting in considerable upset in the surrounding community.

In the mid 1990's, the Hebrew Academy (HA) entered into a lease agreement by which they occupied the facility, paying a modest annual fee of \$60,000 and spent about \$10 million restoring and upgrading the facility. The terms of the lease, which extends until 2023, specify that the HA can offer to buy the facility at any time, at which point the County Executive and County Council must determine if the sale shall proceed and the terms of such sale. The County Executive has recently recommended that the sale be allowed, subject to several restrictions.

The Aspen Hill community appears to be in strong support of the sale because, prior to the takeover by the HA, the Peary site was a serious problem for the community. Thereafter the HA "saved" the facility and is perceived as a very valuable "good neighbor". Furthermore the community believes that MCPS and the County will never use Peary for any education-related purposes. MCCF and a number of other citizens however feel that MCPS has often failed to judge accurately their long term needs for school land and buildings that they don't currently need. MCCF supports the local community's desire that the building be maintained and retain a good member of the community, but wants to retain the option to use it as a public school facility in the long term should there be a need, MCCF recommended that the existing lease be continued, but that the property NOT be sold.

The Planning Board heard testimony last Thursday, September 15, and voted unanimously to support the staff, MCCF and many other citizens who recommended disapproval of the sale of the Peary High School site to the County Council, which will make the final decision. The Council's MFP Committee will hold a hearing on the matter on October 17.

The MCCF testimony before the Planning Board follows:

"I'm Wayne Goldstein, First Vice President of the Montgomery County Civic Federation and a member of its Education Committee. On Monday, September 12, our organization voted, with near unanimity, for the following resolution: "The Civic Federation recommends that the request of the Melvin J. Berman Hebrew Academy to purchase the Peary High School property be denied and that the existing lease be continued." Maintaining the status quo at this time and for the foreseeable future is the fairest outcome for all parties. We are very glad to see that your planning staffer agrees with us.

"The Berman Academy spent in excess of \$10 million to renovate the Peary High School property. They resolved the problem of buildings that had been deteriorating for over 20 years, pleasing the community and proving themselves to be the best of neighbors. For this effort to create an excellent facility for its students, the Berman Academy received 227,454 square feet of buildings that, at the rate of \$150 per square foot, would have cost \$34.1 million to duplicate, more than triple what the renovation cost. In addition, the Berman Academy rents this space for \$60,000 per year, which works out to 26 cents per square foot per year,

another incredible bargain. This wonderfully generous arrangement is guaranteed to continue another 19 years until 2024, with the opportunity for another 15 years in 5-year increments.

"The Civic Federation does not begrudge the Berman Academy for the luck and circumstance that resulted in this remarkable, long-term arrangement. However, we very much begrudge the Berman Academy effort to "gild the lily" by seeking to exercise its option to buy this facility for a laughable \$1.5 million. It is remarkable in a different sort of way that the Berman Academy would seek further improvement of its already excellent position and that the County Executive would even support such a move at this time as the county is being repeatedly rocked by the scandals of Clarksburg and other parts of the county. The school's land is assessed at \$3.4 million and the buildings are valued more than \$4 million over what was spent on the renovation. There is a gap of \$6 million between the value of land and buildings and the purchase price. The deal that was negotiated for the purchase price never should have been approved for a fixed amount and never should have been negotiated in the first place. In a number of ways, it has been a replay of the overly generous offer made to the Yeshiva School for Belt Middle School and then for Montgomery Hills Junior High School.

"Even if the Berman Academy was prepared to pay what the assessment says the property is worth, it still would be a bad idea. This school does not need to buy the school to protect its interests. It is secure at this location for the next 19 to 34 years. The county stands to lose a great deal if it sells the school because, unlike the Berman Academy, it will have to pay full appraised market price in order to buy the property back in 2024 or later. The county can't afford to gamble with these 20 acres, particularly if it decides it can't afford to buy back the land in the future. There is no advantage to the county to sell this property and there is every disadvantage to do so. We urge the Planning Board to ratify the negative recommendation of staff and send this Mandatory Referral to the County Council with a resounding NO."

MCCF thanks Cyril Draffin, Rosanne Hurwitz, Sandy Vogelgesang, Lilo Mitz, and others for writing letters or providing testimony opposing the sale.