

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2024 Legislative Session

Bill No. CB-065-2024

Chapter No. _____

Proposed and Presented by Council Member Blegay

Introduced by _____

Co-Sponsors _____

Date of Introduction _____

BILL

1 AN ACT concerning

2 Land Bank Authority of Prince George's County

3 For the purpose of amending the Prince George's County Code to establish the Land Bank
4 Authority of Prince George's County in accordance with the Annotated Maryland Code to
5 acquire, manage, maintain, and repurpose blighted, abandoned, and distressed properties in
6 Prince George's County and have other powers and authority conferred by Maryland law upon
7 land banks generally.

8 By adding:

9 **SUBTITLE 13. HOUSING AND PROPERTY STANDARDS**

10 **DIVISION 16. LAND BANK AUTHORITY**

11 Sections, 13-1156, 13-1157, 13-1158, 13-1159, 13-1160,
12 13-1161, 13-1162, 13-1163, 13-1164, 13-1165, and 13-
13 1166

14 The Prince George's County Code
15 (2023 Edition).

16 SECTION 1. BE IT ENACTED by the County Council of Prince George's County,
17 Maryland, that Sections, 13-1156, 13-1157, 13-1158, 13-1159, 13-1160, 13-1161, 13-1162, 13-
18 1163, 13-1164, 13-1165, and 13-1166 of the Prince George's County Code be and the same are
19 hereby added:

20 **SUBTITLE 13. HOUSING AND PROPERTY STANDARDS**

21 **DIVISION 16. LAND BANK AUTHORITY**

Sec. 13-1156. Purpose and legislative intent.

(a) It is the intent of this division to authorize the establishment of a Land Bank Authority pursuant to Title 1, Subtitle 14, of the Local Government Article Annotated Code of Maryland Code; as amended in Prince George’s County to be known as “the Land Bank Authority of Prince George’s County, Inc.” (“the Authority”), and to regulate the same to protect the public health, safety, and general welfare of Prince George’s County and its residents.

(b) It is the purpose of this division to:

(1) Provide for the creation of the Authority to assist Prince George’s County in the assemblage and clearance of title to property in a coordinated manner, to facilitate the use and development of certain property, and to promote economic growth;

(2) Prescribe the powers and duties of the Authority;

(3) Authorize the Authority’s acquisition, maintenance, and disposal of interests in real and personal property and enforcement of tax liens and the clearing or quieting of title;

(4) Provide for the distribution and use of revenues collected or received by the Authority;

(5) Authorize the transfer and acceptance of property in lieu of taxes and the release of tax liens;

(6) Exempt property, income and operations of the Authority from taxation; and

(7) Extend protections to the Authority against certain liabilities; and

(8) Focus on the development of affordable housing with a preference for deeply affordable.

(9) The land bank will not remove the authority or compete with the Redevelopment authority.

Sec. 13-1157. Authority powers.

(a) The Authority shall have the power to:

(1) Adopt, amend, and repeal bylaws for the conduct of the Authority’s business;

(2) Sue and be sued;

(3) Maintain an office at a place the Authority designates;

(4) Borrow money;

(5) Issue bonds and other obligations for a corporate purpose in accordance with Title 1, Subtitle 14, of the Local Government Article of the Annotated Code of Maryland;

1 (6) Invest money of the Authority in instruments, obligations, securities, or property;

2 (7) Participate in a program of the federal government, the State, a political

3 subdivision of the State, or an intergovernmental entity created under State law;

4 (8) Contract for good and services;

5 (9) Study, develop and prepare reports or plans to assist in the Authority's exercise of
6 powers and to monitor and evaluate the Authority's progress;

7 (10) Contract with public or private entities for services necessary to manage and
8 operate the Authority;

9 (11) Create, own, control, or be a member of a corporation, limited liability company,
10 partnership, or other person, whether operated for profit or not for profit, for the purposes of
11 developing property in order to maximize marketability.

12 (12) Exercise a power usually possessed by a private corporation in performing similar
13 functions, unless to do so would conflict with State law;

14 (13) Insure against losses in connection with the real property, assets, or activity of the
15 Authority;

16 (14) Design, develop, construct, demolish, rehabilitate, renovate, relocate, and
17 otherwise improve real property or interests in real property;

18 (15) Raise revenue by any legal means required to make the operations and activities
19 of the Authority self-sustaining.

20 (16) Delegate to a member or officer a power granted to the Authority hereunder,
21 including the power to execute a bond, obligation, certificate, deed, lease, mortgage agreement,
22 or other document or instrument.

23 (17) Without limitation by the foregoing, be vested with and exercise all of the powers
24 conferred upon land bank authorities generally by the laws of the State of Maryland including
25 the powers set forth in the Prince George's County Code and specifically conferred upon the
26 Authority by this division; and

27 (18) Do any and all things necessary or appropriate to the foregoing.

28 **Sec. 13-1158. Establishment of Authority board members, officers, and bylaws.**

29 (a) The Authority shall be governed by a seven (7) member board of directors to be
30 appointed by the Prince George's County Executive and confirmed Prince George's County
31 Council in accordance with the County Charter. Four (4) of the seven (7) members must come

1 from the affordable housing community, community leaders and non-profit organizations.

2 Directors shall serve staggered terms, with four (4) of the initial directors serving a term of two
3 (2) years and three (3) of the initial directors serving a term of four (4) years. All successive
4 directors shall serve for a term of four (4) years. Notwithstanding the foregoing, all directors
5 shall continue to serve until their successors are duly appointed and qualified. Vacancies shall be
6 filled for the unexpired term in the manner of original appointment as soon as practicable after
7 the vacancy arises.

8 (b) The board shall: (1) annually select from among the directors a chairperson, treasurer,
9 and any other necessary officers; and (2) adopt bylaws, which shall, among other things,
10 establish attendance and meeting participation provisions. Additionally, the bylaws may
11 authorize a majority of the board's total membership to vote to remove directors for failing to
12 comply with the bylaws. Any such vacancy is effective at the start of the month following the
13 vote and must be filled according to Subsection (a) above. Directors shall serve without
14 compensation but may be reimbursed for expenses incurred while performing their duties.
15 Directors are not personally liable for the Authority's bonds or other obligations, nor are they
16 subject to creditors' rights.

17 (1) The Authority's bylaws shall conform with the provisions of the Annotated Code
18 of Maryland, government article, Title 1, Subtitle 14.

19 (2) Any proposed amendment to the bylaws shall be submitted to the Prince George's
20 County Council at least fifteen (15) days prior to any consideration and adoption by the board.

21 (3) Notwithstanding any provision of this Division to the contrary, the Prince George's
22 County Council and the Prince George's County Executive shall reserve the right to remove any
23 director in their sole discretion when they determine that such removal is in the best interest of
24 Prince George's County.

25 **Sec. 13-1159. Board meetings and voting.**

26 (a) The board shall schedule and hold regular meetings and may hold special meetings at
27 the call of the chairperson or a majority of the directors. The board shall keep and record minutes
28 for each meeting. A majority of the board constitutes a quorum, and a majority of those present
29 at any meeting with a quorum may act, except as described below. Directors may not vote by
30 proxy and may request a roll call vote on any action.

31 (b) Under this Division, a majority of all directors is required to:

1 (1) Adopt, amend, or repeal bylaws;

2 (2) Hire or fire employees and contractors, unless such authority is delegated by the
3 board to an officer.

4 (3) Incur debt;

5 (4) Adopt or amend the Authority's annual budget; and

6 (5) Sell, lease, encumber, or alienate any real or personal property valued at more than
7 \$50,000.

8 (c) A two-thirds (2/3) majority of all directors is required to dissolve the Authority.

9 (d) As a public body, the board shall comply with the Maryland Open Meetings Act and the
10 Maryland Public Information Act.

11 **Sec. 13-1160. Conflicts of Interest.**

12 Board members and Authority staff shall not have any interest in (1) real property the Authority
13 holds or acquires or (2) contracts or proposed contracts for services or materials the Authority
14 provides or uses. To the extent not otherwise regulated by the Prince George's County Code of
15 Ethics, the bylaws shall include a code of ethics for the Authority's board, officers, and
16 employees that complies with Maryland Code as amended from time to time.

17 **Sec. 13-1161. Board staffing.**

18 (a) The Board may:

19 (1) hire an executive director, legal counsel, and other staff it deems

20 Qualified and;

21 (2) contract with one or more departments or agencies to staff the Authority.

22 (b) The board may organize and reorganize the Authority's executive, administrative,
23 clerical, and other responsibilities.

24 (c) The board may specify the duties, powers and compensation of its employees, agents
25 and consultants.

26 **Sec. 13-1162. Property acquisition and disposition powers.**

27 (a) The Authority may:

28 (1) Acquire real property, rights or interests in real property, directly, or through a
29 person or governmental entity, by gift, devise, transfer, exchange, foreclosure, purchase, or
30 otherwise on terms and conditions and in a manner the Authority considers proper;

31 (2) Own property in the Authority's name, including tax foreclosed property and

1 property without clear title;

2 (3) Sell, lease as lessor, transfer, and dispose of the Authority's interest in property;

3 (4) Procure insurance against loss in connection with the property, assets, or activities
4 the Authority;

5 (5) Execute deeds, mortgages, contracts, leases, purchases, or other agreements
6 regarding the property of the Authority; and

7 (b) Property purchased, owned, or sold under this section may not be located outside the
8 of Prince George's County Council.

9 (c) The Authority may quiet title or foreclose on a property in which it holds an interest that
10 is not fee simple title by;

11 (1) Conducting an examination of title to determine the identity of any person possessing
12 a claim or interest in the property; and

13 (2) Filing a complaint to quiet title in accordance with Maryland Code, Real Property,
14 Title 14, Subtitle 6.

15 (d) The Authority may join in a single complaint to quiet title or foreclose on one or more
16 parcels of real property.

17 (e) The Authority shall maintain any property it acquires in accordance with the laws of
18 Prince George's County.

19 (f) The Authority may enter into an agreement with Prince George's County for the
20 acquisition, maintenance, and sale of property.

21 (g) The Authority may coordinate and enter into agreements with the Redevelopment
22 Authority of Prince George's County to most effectively and efficiently accomplish the
23 objectives of both organizations.

24 **Sec. 13-1163. Property rights.**

25 (a) With respect to property held or owned by the Authority, the Authority may:

26 (1) Grant or acquire a license, an easement, or an option;

27 (2) Set, charge, and collect rents, fees, and charges for use of the property.

28 (3) Pay taxes or special assessments due;

29 (4) Take any action, provide any notice, or institute any proceeding required to clear or
30 quiet title in order to establish ownership by and vest title to property in the

31 Authority;

1 (5) Abate violations of the Prince George’s County and State building, fire, health, and
2 related codes; and

3 (6) Hold, manage, maintain, operate, repair, lease as lessor, secure, prevent the waste or
4 deterioration of, or demolish the property and take all other actions necessary to
5 preserve the value of the property.

6 (b) The Authority shall be made a party to, and shall defend any action or proceeding
7 concerning, claims against property held by the Authority.

8 **Sec. 13-1164. Disposing of property.**

9 (a) The Authority may convey any real property it holds through a conveyance, exchange,
10 sale, transfer, lease, grant, release, demise, mortgage, or pledge of the property as collateral.

11 (b) The board may delegate to its staff the power to contract with a legal entity to convey any
12 real property it holds. Pursuant to this Section, the Authority may (1) establish an order of
13 priorities for using real property that it conveys and (2) set different requirements for the board’s
14 approval of property dispositions in certain locations or by certain means.

15 (c) The board shall establish in its bylaws the terms and conditions for any consideration
16 received in exchange for property conveyances, provided the consideration’s form is in the
17 Authority’s best interest.

18 **Sec. 13-1165. Funding sources.**

19 (a) To the extent permitted under the local government’s Annotated Code of Maryland 1-
20 1401, the Land Bank Authority of Prince George’s County is authorized to solicit and
21 receive funding from the following sources:

22 (1) Gifts, grants, and loans from County, state, federal, public and private sources;

23 (2) Insurance proceeds;

24 (3) Investment income; and

25 (4) Any other assets or activities; and consideration for personal or real property
26 conveyed or developed.

27 (b) The Authority may:

28 (1) Impose rates, rents, fees, and charges related to a project and for the services related
29 to a project; and

30 (2) Enter into contracts and execute agreements and instruments necessary or convenient
31 to exercise its authority under this Division.

1 (c) The rates, rents, fees, and charges established by the Authority under this Section shall be
2 imposed and adjusted so that the aggregate amount of the rates, rents, fees, and charges from the
3 project, when added to other available money, is sufficient to:

4 (1) Pay for the expenses of the project;

5 (2) Pay the principal of and the interest on the bonds that the Authority issued for the
6 project as they become due and payable; and

7 (3) Create and maintain reserves required or provided for in a trust agreement.

8 (d) The rates, rents, fees and charges established by the Authority under this section are not
9 subject to supervision or regulation by a unit of the State.

10 **Sec. 13-1166. Dissolving the Authority.**

11 (a) To dissolve the Authority, the board must adopt a resolution to do so.

12 (b) At least sixty (60) days before considering such a resolution, the board must:

13 (1) Publish notice of its intent to dissolve in a newspaper of general circulation in Prince
14 George’s County.

15 (2) Provide written notice to the Prince George’s County Executive and County Council
16 and

17 (3) Send notice by certified mail to the trustees of any outstanding bonds.

18 (c) Two-thirds (2/3) of the board’s full membership must approve the resolution, which
19 takes effect sixty (60) days after its adoption.

20 (d) Upon liquidation, dissolution, or winding up of the Authority, after paying or making
21 provision for all the Authority’s liabilities, all remaining assets of the Authority shall be
22 distributed, transferred, conveyed, delivered, and paid to Prince George’s County,
23 notwithstanding any provision to the contrary in the bylaws. No member, director, or officer of
24 the authority, nor any private person, entity, or individual, shall be entitled to share in any of the
25 corporate assets of the Authority.

26 (c) Notwithstanding any provision of this Section to the contrary, the County may terminate
27 the Authority pursuant to, and in accordance with the Annotated Code of Maryland Local
28 Government Article Title 1, Subtitle 14.

29 SECTION 2. Articles of Incorporation for the Authority meeting the requirements of the
30 Prince George’s County Code. The Articles of Incorporation shall not be part of the County
31 Code but are subject to the provisions of Annotated Code of Maryland, Local government, Title

1 1, Subtitle 14, as amended from time to time. The Prince George’s County Executive shall be
2 authorized to execute the Articles of Incorporation, after which the Prince George’s County
3 Attorney shall file them with the State of Maryland Department of Assessments and Taxation per
4 the Annotated Code of Maryland Sec.1-1403.

5 SECTION 3. BE IT FURTHER ENACTED that the provisions of this Act are hereby
6 declared to be severable; and, in the event that any section, subsection, paragraph, subparagraph,
7 sentence, clause, phrase, or word of this Act is declared invalid or unconstitutional by a court of
8 competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining
9 words, phrases, clauses, sentences, subparagraphs, paragraphs, subsections, or sections of this
10 Act, since the same would have been enacted without the incorporation in this Act of any such
11 invalid or unconstitutional word, phrase, clause, sentence, paragraph, subparagraph, subsection,
12 or section.

13 SECTION 4. BE IT FURTHER ENACTED that this Act shall take effect on forty-five (45)
14 calendar days after it becomes law.

Adopted this ____ day of _____, 2024.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Jolene Ivey
Chair

ATTEST:

Donna J. Brown
Clerk of the Council

APPROVED:

DATE: _____ BY: _____
Angela D. Alsobrooks
County Executive

KEY:

Underscoring indicates language added to existing law.

[Brackets] indicate language deleted from existing law.

Asterisks *** indicate intervening existing Code provisions that remain unchanged.

**ARTICLES OF INCORPORATION
LAND BANK AUTHORITY OF PRICE GEORGE’S COUNTY, INC.**

ARTICLE I

The undersigned Prince Georges County Council (the “Incorporator”) whose address is 1301 McCormick Drive, Largo, MD being at least eighteen (18) years of age, and in his capacity as the County Executive of Prince George’s County, Maryland, hereby forms a non-stock, not-for-profit membership corporation under and by the virtue of the General Laws of the State of Maryland.

ARTICLE II

The name of the corporation (hereinafter the “Corporation”) is:

Land Bank Authority of Prince George’s County, Inc.

ARTICLE II

- (a) The Corporation is formed pursuant to the Maryland Annotated Code, Local Government Division I, Title I, Subtitle 14, entitled “Establishment of Land Bank Authorities,” of the Prince George’s County Code (the “County Code”).
- (b) The Corporation is not organized for profit, except to the extent of retiring indebtedness. It shall have no capital stock and shall have no authority to issue capital stock.

ARTICLE IV

- (a) The Corporation is incorporated exclusively for non-profit and public purpose under 501(c)(3) of the Internal Revenue Code of 1986 or any corresponding section of any future federal tax code (the “Code”). As more fully set forth in the Enabling Ordinance, the Corporation is being established as a toll to relieve the burdens of government in Prince George’s County, Maryland.
- (b) In furtherance of its non-profit and public purposes, the Corporation shall have the power to:

- (i) Adopt, amend and repeal bylaws for the conduct of the Corporation's business;
- (ii) Sue and be sued;
- (iii) Maintain an office at a place the Corporation designates;
- (iv) Borrow money;
- (v) Issue bonds and other obligations for any corporate purpose in accordance with, and otherwise exercise the powers set forth in the Annotated Code of Maryland, Local Government, 1-1403;
- (vi) Invest money of the Corporation in instruments, obligations, securities, or property;
- (vii) Participate in a program of the federal government, the State, a political subdivision of the County, or an intergovernmental entity created under State law;
- (viii) Contract for goods and services;
- (ix) Study, develop and prepare reports or plans to assist in the Corporation's exercise of powers and to monitor and evaluate the Corporation's progress;
- (x) Contract with public or private entities for services necessary to manage and operate the Corporation;
- (xi) Create, own, control, or be a member of a corporation, limited liability company, partnership, or other person, whether operate for profit or not for profit, for the purposes of developing property in order to maximize marketability;
- (xii) Exercise a power usually possessed by a private corporation in performing similar functions, unless to do so would conflict with State law;
- (xiii) Insure against losses in connection with the real property, assets, or activity of the Corporation;

- (xiv) Design, develop, construct, demolish, rehabilitate, renovate, relocate, and otherwise improve real property or interests in real property;
 - (xv) Raise revenue by any legal means required to make the operations and activities of the Corporation self-sustaining;
 - (xvi) Delegate to a member or officer a power granted to the Corporation hereunder, including the power to execute a bond, obligation, certificate, deed, lease, mortgage agreement, or other documents or instruments;
 - (xvii) Without limitation by the foregoing, be vested with an exercise all of the powers conferred upon land bank authorities generally by the laws of the State of Maryland including the powers set for the in the Annotate Code of Maryland, Local Government 1-1403, and specifically conferred upon the Corporation by Annotated Code of Maryland 1-1403; and
 - (xviii) Do any and all things necessary or appropriate to the foregoing.
- (c) No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its members, directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for service rendered and to make payment and distributions.
- (d) Any other provisions of these Articles notwithstanding, the Corporation shall not:
- (i) Carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or by a corporation the contributions to which are deductible;
 - (ii) Take any action that would be inconsistent with the requirements for receiving tax-deductible charitable contributions of the Code and related regulations, rulings, and procedures or that would be inconsistent with the requirements for status as an instrumentality of the County;
 - (iii) Implement or administer any program or project or engage in any business or activity that has not been specifically authorized by these Articles;
 - (iv) Use its assets in any manner not in furtherance of one or more exempt purposes, as set forth in and defined and related regulations,
 - (v) Serve a private interest other than one that is clearly incidental to an overriding public interest;

- (vi) Devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise, except as provided by the Code and related regulations, rulings and procedures;
 - (vii) Directly or indirectly participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office, including the publishing or distributing of statements and any other direct or indirect campaign activities;
 - (viii) Have objectives and engage in activities that characterize it as an “action organization” as that term is defined by the Code and related regulations, rulings and procedures;
 - (ix) Distribute its assets on dissolution other than for one or more purposes as authorized and related regulations, rulings and procedures; provided, however, that, upon dissolution, the Corporation’s assets shall be distributed to the County; or
 - (x) Carry on an unrelated trade or business except as a secondary purpose related to the Corporation’s primary exempt purposes.
- (e) The Corporation may, by its bylaws, make any other provisions or requirements for the arrangement or conduct of the business of the Corporation, provided the same are consistent with these Articles of Incorporation, (Land Banking) of the County Code and not contrary to the laws of the State of Maryland or of the United States.

ARTICLE V

The Corporation shall not pay dividends or other corporate income to any member, directors, or officers, or any private person, entity, individual, other than reasonable compensation for services actually rendered to or for the Corporation and other than distributions and contributions to the County or any instrumentality thereof and shall not permit the realization of private gain.

ARTICLE VI

- (a) The affair of the Corporation shall be managed under the direction of a Board of Directors which shall exercise all corporate powers subject to the provisions of the Local Government of the Annotated Code of Maryland 1-1403 and (Land Banking) of the County Code. The Board of Directors shall consist of seven (7) individuals, with one-two and four-year staggered terms, to be appointed by the Commissioners of the Prince George’s County Council.
- (b) The foregoing notwithstanding, until such time as the Board of Directors are duly appointed and qualified, the incorporating directors are as follows:

Name, Address, City and State (attached when appointed)

ARTICLE VII

Upon liquidation, dissolution, or winding up of the Corporation in any manner or for any reason whatsoever, the assets of the Corporation then remaining in the hands of the Corporation, after paying or making provision for all of the liabilities of the Corporation, shall be distributed, transferred, conveyed, delivered, and paid over to the County. No member, director, or officer of the Corporation, or any private person, entity, or individual, shall be entitled to share in the distribution of any of the corporate assets of the Corporation upon dissolution.

ARTICLE VIII

No director or officer who also serves as a director of the Corporation shall be liable to the Corporation, any member, or the County for money damages except to the extent otherwise provided by Maryland law, in which case this limitation on liability shall not apply. To the maximum extent permitted by Maryland law, the Corporation shall indemnify its currently acting and its former directors against any and all liabilities and expenses (including reasonable attorneys' fees) incurred in connection with their services as either a director, an officer, or an employee. The Corporation shall advance express to such directors to the extent permitted by Maryland law. This indemnification provision shall not apply to liabilities or expenses arising out of a director's own gross negligence, fraud, or willful misconduct. To the maximum extent permitted by Maryland law, the Corporation may indemnify its current and former officers, employees, and agents, who are not also directors, and individuals who serve and have served, at the Corporation's request, as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, or enterprise, against any and all liabilities and expenses (including reasonable attorneys' fees) incurred in connection with their services in such capacities. The Corporation may advance expresses to such officers, employees, agents, and other individuals referred to in this section to the extent permitted by Maryland law. The directors of the Corporation may consult with legal counsel, certified public accountants, insurance advisors, or other professionals in the performance of their duties and, to the maximum extent permitted by Maryland law, may rely upon any information, opinion, report, or statement, including any financial statements or other financial data, prepared or presented by such professionals and shall be fully protected with respect to any action taken by them or omitted by them pursuant to the advice of such professionals. Neither the repeal or amendment of the Section, nor any other amendment of these Articles of Incorporation, shall eliminate or reduce the protection afforded to any individual by the foregoing provisions of this Section with respect to any act or omission which shall have occurred prior to such repeal or amendment.

ARTICLE IX

All references in these Articles of Incorporation to statutes, regulations or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

ARTICLE X

The address is: 1301 McCormick Drive, Largo, MD, 20774

ARTICLE XI

Pursuant to the Annotated Code of Maryland, Local Government 1-1403, these Articles may only be amended by ordinance of the Prince George’s County Council and approved by the County Executive of Prince George’s County.

IN WITNESS IN WHEREOF, I have signed these Articles of Incorporation this _____ day of _____ 2024 and I acknowledge the same to be my act.

ATTEST:

INCORPORATOR:

I hereby consent to my designation in this document as Resident Agent for the Corporation.

