

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2009 Legislative Session

Bill No. CB-8-2009

Chapter No. 6

Proposed and Presented by Council Member Dean

Introduced by Council Members Dean and Bland

Co-Sponsors _____

Date of Introduction April 14, 2009

SUBDIVISION BILL

1 AN ACT concerning

2 Validity periods for Preliminary Plans of Subdivision

3 For the purpose of temporarily suspending or tolling the validity periods of all approved
4 applications for Preliminary Plans of Subdivision that were in a valid status as of January 1,
5 2009.

6 WHEREAS, there exists a state of national recession, which has drastically affected various
7 segments of the State and County economy, but none as severely as the County's banking, real
8 estate, and construction sectors; and

9 WHEREAS, the real estate finance sector of the economy is in severe decline due to the
10 subprime mortgage problem and the resulting widening mortgage finance crisis; and

11 WHEREAS, as a result of the crisis in the real estate finance sector of the economy, real
12 estate developers, homebuilders, and commercial, office, and industrial developers have
13 experienced an industry-wide decline, including reduced demand, canceled orders, declining
14 sales, rental price reductions, increased inventory, fewer buyers who qualify to purchase homes,
15 layoffs, and scaled-back growth plans; and

16 WHEREAS, the process of obtaining planning board, development review, and zoning
17 approvals for subdivisions, detailed site plans, and specific design plans can be difficult, time-
18 consuming and expensive for both private applicants and public bodies; and

19 WHEREAS, approvals for preliminary plans of subdivision can be impossible to renew or
20 re-obtain if expired or lapsed; and

21

1 WHEREAS, determinations of master plan consistency, conformance, or endorsement with
 2 appropriate regional plans may expire or lapse without implementation due to the state of the
 3 economy; and

4 WHEREAS, the current national recession has severely weakened the building industry,
 5 and many landowners and developers are seeing their life’s work destroyed by the lack of credit
 6 and dearth of buyers and tenants due to the crisis in real estate financing and the building
 7 industry, uncertainty over the state of the economy, and increasing levels of unemployment in
 8 the construction industry; and

9 WHEREAS, the construction industry and related trades are sustaining severe economic
 10 losses, and the lapsing of government development approvals would, if not addressed, exacerbate
 11 those losses; and

12 WHEREAS, financial institutions that lend money to property owners, builders, and
 13 developers are experiencing erosion of collateral and depreciation of their assets as approvals
 14 expire, and the extension of these approvals is necessary to maintain the value of the collateral
 15 and the solvency of financial institutions in the State and County; and

16 WHEREAS, due to the current inability of builders and their purchasers to obtain financing,
 17 under existing economic conditions, more and more validity periods for approvals are expiring or
 18 lapsing and, as these approvals lapse, lenders must reappraise and thereafter substantially lower
 19 real estate valuations established in conjunction with approved projects, thereby requiring the
 20 reclassification of numerous loans which, in turn, affects the stability of the banking system and
 21 reduces the funds available for future lending, thus creating more severe restrictions on credit
 22 and leading to a vicious cycle of default; and

23 WHEREAS, as a result of the continued downturn of the economy, and the continued
 24 expiration of approvals which were granted by the County, it is possible that thousands of
 25 government actions will be undone by the passage of time; and

26 WHEREAS, obtaining an extensions of an approval pursuant to existing statutory or
 27 regulatory provisions are either unavailable or costly in terms of time and financial resources,
 28 and may be insufficient to cope with the extent of the present financial situation; and

29 WHEREAS, it is the purpose of this Ordinance to help prevent the wholesale abandonment
 30 of approved projects and activities due to the present unfavorable economic conditions, by
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1 tolling the validity periods for all approved applications for Preliminary Plans of Subdivision that
2 were in a valid status as of January 1, 2009; and

3 WHEREAS, members of the Maryland House of Delegates have proposed legislation
4 during the current term of the Maryland General Assembly to extend or toll permits and
5 approvals for construction that are required by the State, known as House Bill 921, and the
6 purposes stated in that proposed legislation are substantially similar to the purposes set forth
7 herein; and

8 WHEREAS, it is the intent of the District Council to assist in the mitigation of the current
9 financial crisis in Prince George's County through suspending or tolling the validity periods of
10 all approved applications for Preliminary Plans of Subdivision that were in a valid status as of
11 January 1, 2009; now therefore,

12 SECTION 1. BE IT ENACTED by the County Council of Prince George's County,
13 Maryland, that the provisions for the running of validity periods contained in Section 24-119 of
14 the Subdivision Regulations of the County Code, are hereby temporarily suspended until
15 December 31, 2010.

16 SECTION 2. BE IT FURTHER ENACTED that the suspension of the validity period for a
17 given application shall only be applied if the application was in an active, current validity period
18 as of January 1, 2009. This suspension shall not be applied to any application whose validity
19 period begins after the date of the adoption of this Act.

20 SECTION 3. BE IT FURTHER ENACTED that the provisions of this Act shall be
21 abrogated and be of no further force and effect after December 31, 2010.

22 SECTION 4. BE IT FURTHER ENACTED that that this Act shall take effect on the date it
23 becomes law.

Adopted this 2nd day of June, 2009.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Marilynn M. Bland
Chairperson

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____ BY: _____
Jack B. Johnson
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.