October 10, 2025

FISCAL AND POLICY NOTE

TO: Colette R. Gresham, Esq.
Acting Council Administrator

Karen T. Zavakos, Esq.
Acting Deputy Council Administrator

THRU: Lavinia Baxter
Senior Legislative Budget and Policy Analyst

FROM: Roger G. Banegas
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CB-095-2025 County Real Property as Surplus Property

CB-095-2025 (*Proposed by:* The Chair at the request of the County Executive)

Assigned to the Committee of the Whole

AN ACT CONCERNING COUNTY REAL PROPERTY AS SURPLUS PROPERTY for the purpose of repealing in its entirety and reenacting provisions of the Code regulating the procedure to declare County Real Property as Surplus Property; methods of disposition of surplus property; approval by Council; and execution of disposition.

Fiscal Summary

Direct Impact

Expenditures: No additional expenditures.

Revenues: No revenue impact likely.

Indirect Impact

None likely.

Legislative Summary:

CB-095-2025[1], proposed by the Chair at the request of the County Executive, was presented on October 7, 2025, and referred to the Committee of the Whole (COW). This bill would amend the County Code by repealing provisions related to County Real Property as Surplus in its entirety and reenacting those provisions of the Code, entrusting the administration of the process to the County Executive.

Background/Current Law:

CB-061-2023[2] authorized that Section 2-111-.01 Sale, lease, or other disposition of County property be repealed in its entirety and replaced with Sec. 2-111.01, which authorizes the County Executive to prepare an inventory and present it to the County Council no later than the first day of May each year. Under current law, all property acquired through tax sale, grants, purchases, eminent domain or by operation of law is transferred to the County from other governmental entities and the Board of Education. The inventory list and surplus property disposal list is presented to the County council on an annual basis by the County Executive, and the Redevelopment Authority is tasked with administering the final disposition of all properties approved as surplus property, 45 days after County Council approval.

Section 2-111.01 of the County Code provides that:

> The County Executive shall be authorized to sell, lease, or otherwise dispose of any County-owned real property, when such property is no longer needed for County use or when the proposed disposition is in furtherance of a public purpose, including a sale/leaseback or a lease/leaseback…

Under the current law, the County Council must approve the inventory of all real property established and presented by the County Executive before a sale/leaseback or a lease/leaseback can occur. The inventory comprises properties acquired through tax sales, grants, purchases, eminent domain, or by operation of law. The County Executive gives priority to the purchase of any property to be offered for sale to any municipality in which the property lies, in whole or in part, the Maryland-National Park and Planning Commission, Washington Suburban Sanitary Commission, and the State. The County Executive may propose a plan for the disposition of

[1] CB-095-2025
[2] CB-061-2023

County property through sale, lease, or other conveyance and propose it to the County Council. Approval of the proposed disposition by resolution of the County Council will authorize the County Executive to act within two (2) years of the date of the resolution.

CB-095 reverts to the law as it existed prior to CB-061-2023:

Under the prior law, the <u>County Council approved the inventory of all real property established and presented by the County Executive before a sale/leaseback or a lease/leaseback could occur</u>. The inventory comprised properties acquired through tax sales, grants, purchases, eminent domain, or by operation of law. The County Executive gave priority to the purchase of any property to be offered for sale to any municipality in which the property lies, in whole or in part, the Maryland-National Park and Planning Commission, Washington Suburban Sanitary Commission, and the State. The County Executive may propose a plan for the disposition of County property through sale, lease, or other conveyance and propose it to the County Council. Approval of the proposed disposition by resolution of the County Council will authorize the County Executive to act within two (2) years of the date of the resolution. This bill removes the Redevelopment Authority's role in final disposition.

Resource Personnel

- Elisha R. Yearwood, Realty Specialty IV, Office of Central Services
- David J. Byrd, Office of Central Services, Acting Director

Discussion/Policy Analysis

CB-095-2025 would repeal Subtitle 2. *Administration. Division 2. County Executive. Section 2-111.01. Sale, lease, or other disposition of County property* in its entirety and reenact it with amendments on provisions of the Code regulating the procedure to declare County Real Property as Surplus Property; methods of disposition of surplus property; approval by Council; and execution of disposition. This Bill would strengthen County Council transparency and oversight. CB-061-2023 provided that some actions that were done by resolution would be done by legislative act. If this bill is enacted, it will be done again by resolution.

Fiscal Impact

Direct Impact

The enactment of CB-095-2025 should not have an adverse fiscal impact on the County. The changes being made are largely policy decisions, which may streamline the process.

Indirect Impact

The enactment of CB-095-2025 is not likely to have an indirect fiscal impact.

Appropriated in the Current Fiscal Year Budget

No.

Effective Date of Proposed Legislation:

The Act shall take effect forty-five (45) days after it becomes law.

If you require additional information or have questions about this fiscal impact statement, please contact me via email.