PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2023 Legislative Session

Reference No.:	CB-80-2023
Draft No.:	2
Committee:	PLANNING, HOUSING AND ECONOMIC DEVELOPMENT
Date:	10/5/2023
Action:	FAV(A)

REPORT:

Committee Vote, DR-2, Favorable as amended (In favor: Council Members Ivey, Blegay, Dernoga, Olson, and Oriadha)

The Planning, Housing and Economic Development (PHED) Committee convened on October 5, 2023, to consider CB-80-2023. As presented on September 6, 2023, Draft 1 of the legislation establishes a Vacant Property Registry Program applying to unmaintained vacant residential, commercial, and industrial dwellings and buildings located in the County that are not occupied. The main provision of the bill is the designation and inspection of unmaintained vacant dwellings and buildings in the County. The Director of the Department of Permitting, Inspections and Enforcement (DPIE) is required to notify an owner in writing that the owner's dwelling or building has been designated and of the owner's right to seek reconsideration and appeal of the designation. Annual inspections of unmaintained vacant dwellings or buildings are required. More frequent inspections may be required based on compliance. An owner shall be fined \$1,000 for a violation of the owner's dwelling or building being designated as an unmaintained vacant dwelling or building. Fines collected shall be appropriated to DPIE and shall not revert to the General Fund.

The PHED Committee Director summarized Draft 2 of the legislation and informed the Committee of written comments received on referral.

Sakinda Skinner, the County Executive's Liaison to the County Council indicated that the County Executive takes no position on the legislation due to some outstanding questions.

The County Council's Legislative Budget and Policy Analyst, Ms. Shalene Miller-Whye, submitted a Policy Analysis and Fiscal Impact Statement indicating that CB-80-2023 could lead to a potential increase in expenditures while at the same time may lead to a potential increase in revenues. Ms. Miller-Whye indicated that there is an adverse direct fiscal impact likely resulting in an increase of administrative costs in relation to staffing at DPIE to fulfill an increased number of inspections. However, she stated that there may be a favorable indirect fiscal impact associated with the collection of fines in relation to violations as well as, potentially, an increase of property taxes from previously abandoned properties over time.

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Written agency comments by DPIE Director, Mr. Dawit Abraham were submitted on October 2, 2023. Mr. Abraham indicated that CB-80-2023 would have a negative impact on DPIE financially and operationally but took no position on the legislation. Mr. Abraham provided that additional staffing and tracking capability would be needed. Mr. Abraham questioned the proposed adjudication appeal process and raised issues about tax liens and the need to target mortgage companies, banks, or LLC's, which may be responsible for defaulted loans.

Ms. Valerie Cary, DPIE Associate Director testified at the Committee hearing on October 5, 2023. Mr. Green, a DPIE Code Enforcement Officer also attended. Ms. Cary thanked the sponsor and Committee for their efforts in addressing the problems associated with vacant buildings in the County. Ms. Cary spoke on the need to target mortgage companies, banks, or LLCs for them to take responsibility for maintaining the condition of properties and to more readily identify and track their resident agents, and to work with members of the General Assembly to increase fines.

Chair Ivey asked Ms. Cary about a complaint about a residential property and Ms. Cary indicated that she would follow-up on the matter.

Chair Dernoga identified the problem of squatters illegally occupying property and proposed an amendment to address the legal problem.

The Committee Director summarized five amendments and the purpose of each amendment in a Proposed Draft 2 prepared at the bill sponsor's request as follows:

Amendment No. 1

On page 4, in line 26, insert "a multi-family property and has", and on page 4, in line 27, insert "fifty percent (50%) of its units occupied and is".

Amendment No. 2

On page 2, after line 9, insert: "(1.1) COVID Hardship shall mean that a residential, commercial, or industrial property was forced to close and was not maintained due to COVID restrictions or a decrease in income due to COVID.".

Amendment No. 3

On page 5, in line 5, strike the period and insert: "; or (4) the owner/or operator of a residential, commercial, or industrial dwelling or building who can in good faith prove that their business closed, and the property cannot be maintained due to COVID hardships.".

Amendment No. 4

On page 5, in line 5, after "hardships" insert "To qualify for a COVID hardship exemption, the eligible property must have been vacated during the COVID-19 pandemic, within the time period of the Federal, State and/or Local states of emergency, whichever time period is longer.".

<u>Amendment No. 5</u> On page 5, in line 12, strike "3" and substitute "2". CB-80-2023 (DR-2) Report

The Committee Director summarized two additional amendments offered in Committee and the purpose of each amendment in the Proposed Draft 2.

<u>Amendment No. 1</u> On page 3, in line 8, after "<u>not</u>" insert "<u>legally</u>".

<u>Amendment No. 2</u> On page 5, in lines 5 and 6, strike "<u>Office of Zoning and Administrative Hearings;</u>" and substitute "<u>Zoning Hearing Examiner; or</u>".

The two additional amendments were voted favorable by a vote of 5-0. (In favor: Council Members Ivey, Blegay, Dernoga, Olson, and Oriadha)

Following discussion, on motion by Council Member Oriadha, seconded by Council Chair Dernoga, the Committee voted favorable with amendments, 5-0, on CB-80-2023 DR-2. (In favor: Council Members Ivey, Blegay, Dernoga, Olson, and Oriadha)