| П О В | NAME & TITLE | CHRIS RYER, DIRECTOR Chris Ruer |
|-------------|-----------------------------|--|
| | AGENCY NAME & ADDRESS | DEPARTMENT OF PLANNING 8 TH FLOOR, 417 EAST FAYETTE STREET |
| | SUBJECT | CITY COUNCIL BILL #24-0541 / REAL ESTATE PRACTICES – DISCLOSURES – URBAN RENEWAL PLANS |



ALLIO ALLIO 1792

DATE:

September 13, 2024

The Honorable President and Members of the City Council City Hall, Room 400 100 North Holliday Street

TO

At its regular meeting of September 12, 2024, the Planning Commission considered City Council Bill #24-0541, for the purpose of requiring certain disclosures in order to sell a property that is located in an area subject to an Urban Renewal Plan; defining certain terms; and providing for certain penalties.

In its consideration of this Bill, the Planning Commission reviewed the attached staff report, which recommended approval of City Council Bill #24-0541 and adopted the following resolution:

RESOLVED, That the Planning Commission does not concurs with the recommendation of its departmental staff, and instead recommends that City Council Bill #24-0541 be **disapproved** by the City Council.

If you have any questions, please contact Mr. Eric Tiso, Division Chief, Land Use and Urban Design Division at 410-396-8358.

CR/ewt

attachment

cc: Ms. Nina Themelis, Mayor's Office

The Honorable Eric Costello, Council Rep. to Planning Commission

Mr. Colin Tarbert, BDC

Ms. Rebecca Witt, BMZA

Mr. Geoffrey Veale, Zoning Administration

Ms. Stephanie Murdock, DHCD

Ms. Elena DiPietro, Law Dept.

Mr. Francis Burnszynski, PABC

Mr. Liam Davis, DOT

Ms. Natawna Austin, Council Services



Mayor

PLANNING COMMISSION

Chris Ryer Director

Sean D. Davis, Chair; Eric Stephenson, Vice Chair

STAFF REPORT

September 12, 2024

REQUEST: City Council Bill #24-0541/ Real Estate Practices — Disclosures — Urban Renewal Plans:

For the purpose of requiring certain disclosures in order to sell a property that is located in an area subject to an Urban Renewal Plan; defining certain terms; and providing for certain penalties.

RECOMMENDATION: Approval

STAFF: Marie McSweeney-Anderson

INTRODUCED BY: Councilmember Ramos

OWNER: Multiple

SITE/GENERAL AREA

<u>General Area</u>: This bill will affect all properties located within any of the 38 existing Urban Renewal Plan (URP) areas located throughout the City.

HISTORY

• Each URP was established by Ordinances from the Mayor and City Council and are amended from time to time by Ordinance.

List of Urban Renewal Plan areas and most recent date of amendment:

- 1. Belair Erdman (2010)
- 2. Broadway East (2011)
- 3. Brooklyn/Curtis Bay (2023)
- 4. Canton Industrial Area (2011)
- 5. Canton Waterfront (2000)
- 6. Carroll Camden (2020)
- 7. Central Business District (2022)
- 8. Charles 25th (2002)
- 9. Charles North (2022)
- 10. Coldspring (2015)
- 11. Coldstream Homestead Montebello (2023)
- 12. Fairfield (2004)

- 13. Fells Point Waterfront (2006)
- 14. Gay Street I (2002)
- 15. Hamilton Business Area (2020)
- 16. Hampden Business Area (2020)
- 17. Harlem Park (2010)
- 18. Highlandtown Business Area (1997)
- 19. Hilton North Business Area (1987)
- 20. Howard Park Business Area (2006)
- 21. Inner Harbor Project I (2015)
- 22. Johnston Square (2022)
- 23. Key Highway (2011)
- 24. Key Highway South (2011)
- 25. Lauraville Business District (2023)
- 26. Liberty-Garrison Business Area (1999)
- 27. Madison Park South (2014)
- 28. Middle East (2022)
- 29. Mount Washington (2017)
- 30. Oldtown Mall (2007)
- 31. Oliver (2022)
- 32. Park Heights (2009)
- 33. Poppleton (2007)
- 34. Uplands (2008)
- 35. Walbrook Shopping Center (1982)
- 36. Washington Village (2004; Amended 2020)
- 37. Waverly Business Area (2012)
- 38. York Woodbourne Business Area (2014)

ANALYSIS

Background:

Urban Renewal Plans are vestiges of historical planning that happened in the 1950s and 1960s. Many other urban jurisdictions no longer have Urban Renewal Plans. While no new Urban Renewal Plans are being created, community organizations are very resistant to let Urban Renewal Plans expire for various reasons. The main tool of Urban Renewal Plans was for the acquisition and disposition of properties. In Baltimore, this work continues due to the high number of vacant and abandoned properties.

One of the main uses and tools of Urban Renewal Plans is to provide greater control over the use and design guidelines for a particular area. Many of the design guidelines capture some of the same principles of the CHAP guidelines for historic preservation but are not as stringent. In neighborhoods that may be low to medium income, these guidelines help preserve the look and feel of the community fabric without requiring additional financial burden like some CHAP guidelines. Some Urban Renewal areas have struck the acquisition and disposition rights of the

City solely in lieu of having the use and design guideline restrictions. These restrictions are enforced by Community Planners who review permits within Urban Renewal areas for adherence to the plan.

Oftentimes residents and property owners living within an Urban Renewal area do not know they live in one until they apply for permits and must go through the process of ensuring the work on their home is in alignment with the plan. In addition, due to the use constraints, sometimes an investor purchases a property and due to the restrictions in the Urban Renewal Plan, are not able to utilize the property for the intended use when they purchased. This has led to property abandonment. This proposed legislation would alert the property owner prior to purchasing that their property is within an Urban Renewal area and there are overarching restrictions over and above the zoning code and current design standards.

Staff have heard concerns about the penalty proposed by the bill, where it may be possible that a property owner does not know that they are located in a URP and may unwittingly violate this requirement. This bill seeks to prevent this from happening in the future and to include information that is available publicly for real estate agents and sellers to provide to property purchasers for a transparent process. Note that the violation would go to the seller of the property, not the owner if this information is not disclosed. Sometimes Planners and inspectors see investors purchase properties and rehab without permits in violation of the plans and then the purchaser of the property is saddled with the task of making changes to the property or paying violations. This fee would offer incentive for the seller to ensure they are completing work within the purview of the established plans.

Equity:

- Impact:
 - O How might the proposal impact the surrounding community in the short or long term? In the short term, this legislation would prevent properties from being abandoned or for money to be wasted on projects that are in violation of the Urban Renewal Plans. In the long term, this legislation would provide communities with the tools to have a visually cohesive community with uses that are not oppositional to their community plans.
 - O How would this proposal impact existing patterns of inequity that persist in Baltimore? There are Urban Renewal Plans in almost every corner of the City. Many are in predominantly Black communities such as Broadway East, Poppleton, and Harlem Park. Some are within transitioning communities such as Charles North and Madison Park North. Others are in predominately white or high-income communities such as Hamilton Lauraville and the Inner Harbor. Urban Renewal Plans have gotten criticism for being beneficial to only the communities they are within, not to the whole of Baltimore. However, many of the communities that have Urban Renewal Plans need support and oversight greater than what is established in order to ensure there is fair representation for the community's wants. Until the plans expire, this is a short-term solution to ensuring that communities that need additional support for oversight are able to receive it.

• Engagement:

Has the community been meaningfully engaged in discussing this proposal? This
proposal was brought forward by Councilwoman Ramos due to community concerns in
Coldstream Homestead Montebello in particular, but many of the benefits and issues
surrounding Urban Renewal Plans are shared.

• Internal Operations:

There may be some increase in staff time dedicated to people reaching out to see if they are located within an Urban Renewal Plan area. In preparation for this, the Planning Department has updated all maps on the <u>Department website</u> and on CityView to make this information as accessible as possible. There is a similar disclosure notice for CHAP districts, and staff time dedicated to these requests is minimal.

<u>Notification</u>: Notification for this City wide legislation went out to all of the recipients of the Planning Department's e-mail list, which is over 17,800 individuals throughout all of Baltimore City.

Chris Ryer Director