

CITY OF BALTIMORE

BOARD OF ESTIMATES

Room 204, City Hall
Baltimore, Maryland 21202
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AND CLERK TO THE BOARD

June 17, 2009

Honorable President and Members
of the City Council

Ladies and Gentlemen:

On June 17, 2009 the Board had before it for consideration the following Pending City Council Bills:

08-0191 - Sale of Property - Former Bed of Brexton Street for the purpose of authorizing the Mayor and City Council of Baltimore to sell, at either public or private sale, all its interest in a certain parcel of land known as the former bed of Brexton Street and no longer needed for public use; and providing for a special effective date.

THE DEPARTMENT OF PUBLIC WORKS SUPPORTS PASSAGE OF CITY COUNCIL BILL 08-0191 SUBJECT TO THE APPROVAL OF THE COMPANION LEGISLATION, CITY COUNCIL BILL 08-0190 FOR OPENING AND CLOSING BREXTON STREET.

THE DEPARTMENT OF TRANSPORTATION DEFERS TO THE RECOMMENDATION OF THE DEPARTMENT OF PUBLIC WORKS.

ALL REPORTS RECEIVED WERE FAVORABLE.

09-0261 - Land Bank Authority for the purpose of establishing the Land Bank Authority of Baltimore City; providing for the Authority's powers, duties, and limitations; providing for a Board of Directors, for the selection and terms of the Board's members, and for the powers and duties of the Board; providing certain immunities; providing certain tax exemptions; and generally relating to the establishment and operation of a Land Bank Authority, as authorized by State law.



CITY COUNCIL BILLS - cont'd

THE BALTIMORE DEVELOPMENT CORPORATION SUPPORTS THE CITY COUNCIL BILL WITH THE PROPOSED AMENDMENTS AS DETAILED BELOW:

A PROVISION ADDED TO THE BILL DETAILING THE PURPOSE AND INTENT OF THE FORMATION OF THE LAND BANK AUTHORITY WHICH SPECIFIES THAT THE LAND BANK AUTHORITY PROVIDES FOR THE EFFICIENT ACQUISITION AND DISPOSITION OF ABANDONED, VACANT, AND UNDERUTILIZED PROPERTIES CONSISTENT WITH THE CITY'S ADOPTED PLANS AND POLICIES WHERE APPLICABLE (INCLUDING, WITHOUT LIMITATION, MASTER PLANS, URBAN RENEWAL PLANS, AND ESTABLISHED ECONOMIC DEVELOPMENT INITIATIVES AND PROJECTS).

A PROVISION ADDED TO THE BILL REQUIRING THAT ANY PROPERTIES PROPOSED FOR CONVEYANCE BY THE CITY TO THE LAND BANK AUTHORITY BE FIRST REVIEWED BY THE CITY AND ITS AGENCIES TO DETERMINE IF SAID PROPERTIES ARE NO LONGER NEEDED BY THE CITY FOR ECONOMIC OR COMMUNITY DEVELOPMENT PURPOSES.

THE LAW DEPARTMENT IS RECOMMENDING SEVERAL AMENDMENTS TO THIS BILL, WHICH WERE THE PRODUCTS OF INTERAGENCY MEETINGS. THE LAW DEPARTMENT APPROVED THESE AMENDMENTS FOR FORM AND LEGAL SUFFICIENCY.

SUBJECT TO THE ABOVE, THE LAW DEPARTMENT APPROVED THE BILL FOR FORM AND LEGAL SUFFICIENCY. THESE AMENDMENTS FOLLOW:

Recommended Amendments to City Council Bill 09-261, "Land Bank Authority"

1. On p. 2, line 29, insert a new Subsection 22-3 to read as follows:

22-3. Purposes of this Subtitle.

- (1) Provide a mechanism by which properties, primarily those that are foreclosed, vacant, and abandoned, in the City of Baltimore may be efficiently acquired, held, managed, redeveloped, and disposed of, and;
- (2) Further and enhance the City's goals to, among other things,
 - a. Eliminate blight;
 - b. Sustain neighborhood viability;
 - c. Create opportunities for affordable and mixed-income homeownership and rental;
 - d. Facilitate economic development; and
 - e. Promote fiscal stability of the City as a whole as well as that of individual neighborhoods.

2. On p. 6, Line 2, amend Subsection 22-13 (b) as follows:

An affirmative vote of [at least 6 members] **the majority of those present**, at least 2 of whom are appointed members, is needed for any action by the Board.

2. On p. 7, line 7, amend Subsection 22-16 (c) (4) as follows:

[establishes the] **develops for the Board's approval** procedures and processes needed to perform the functions of the Authority.

3. On p. 10, line 1, insert a new Subsection 22-44 (c) (2) as follows:

- (2) **These rules and regulations must include but are not limited to the following topics:**
 - a. **Source of properties conveyed to the Authority;**
 - b. **Disposition priorities that:**
 - i. **meet the goals and objectives of the Authority, and;**
 - ii. **are consistent with the City's established plans and policies where applicable, including, and without limitation, Master Plans, Urban Renewal Plans, and established Economic Development initiatives and projects**
 - c. **Disposition pricing policies; and**
 - d. **Public notification and participation.**

and re-number Subsections 22-44 (c) (2) and 22-44 (c) (3) to be Subsections 22-44 (c) (3) and 22-44 (c) (4) respectively.

4. On p. 11, line 14, amend Subsection 22-47 (a) as follows:

CITY COUNCIL BILLS - cont'd

The Authority shall maintain an inventory of all property held by it, classified according to title status, **code compliance**, and suitability for [use] **disposition**.

Explanation: **Bold face** indicates matter recommended to be added to the bill;
[Brackets] indicate matter recommended to be deleted from the bill.

CITY COUNCIL BILLS - cont'd

THE PLANNING COMMISSION RECOMMENDS APPROVAL OF CITY COUNCIL BILL 09-0261 WITH THE FOLLOWING AMENDMENTS:

Proposed Amendments

The Department of Planning recommends adding a clear purpose statement for the creation of a land bank authority as well as more clarity on the types of topics the to-be-developed rules and regulations should cover.

Recommended Amendments to City Council Bill 09-261, "Land Bank Authority"

1. On p. 2, after line 28, insert a new Section 22-3 to read as follows:

"22-3 Purposes of Subtitle.

The purposes of this subtitle are:

(1) to provide a mechanism by which properties in the City, primarily those that are foreclosed, vacant, or abandoned, may be efficiently acquired, held, managed, redeveloped, and disposed of; and

(2) to further the City's goals of, among other things:

- a. eliminating blight;
- b. sustaining neighborhood viability;
- c. creating opportunities for affordable and mixed-income homeownership and rental development;
- d. facilitating economic development; and
- e. promoting the fiscal stability of the City, as a whole, and of its individual neighborhoods."

2. On page 2, in line 29, strike "22-3" and substitute "22-4".

3. On p. 4, after Line 9, amend Subsection 22-10 to include a new qualification as follows:

(4) A person not currently employed by the Mayor and City Council, Housing Authority of Baltimore City, Baltimore City Public Schools or Baltimore Development Corporation.

CITY COUNCIL BILLS - cont'd

4. On p. 6, after line 24, amend Subsection 22-16 (b) to add a new qualification as follows:
(4) The Executive Director must become a Baltimore City resident and registered voter within six months after appointment by the Board.
5. On p. 6, lines 2 and 3, amend Section 22-13(b) as follows:
"An affirmative vote of [at least 6 members] the majority of those present, at least 2 of [whom] which majority are appointed members, is needed for any action by the Board."
6. On p 7, lines 4 and 5, amend Section 22-16(c) (4) as follows:
"[establishes the] develops for the Board's approval procedures and processes needed to perform the functions of the Authority."
7. On p. 9, after line 33, insert a new Section 22-44(c) (2) as follows:
"(2) These rules and regulations must be comprised of at least the following topics:
 - e. **the source of properties conveyed to the Authority;**
 - f. **policies regarding disposition of property, which are:**
 - **consistent with the City's established plans and policies, including, and without limitation, Master Plans, Urban Renewal Plans, and Economic Development initiatives and projects;**
 - **subject to well-defined pricing policies; and**
 - **developed according to priorities or criteria for disposition;**
 - g. **policies regarding property maintenance; and,**
 - h. **policies regarding public notification and participation."**

and re-number Sections 22-44(c) (2) and (c)(3) to be Sections 22-44(c)(3) and (c)(4) respectively.

CITY COUNCIL BILLS - cont'd

8. On p. 11, lines 9 and 10, amend Section 22-47(a) as follows:

[The] **In consultation with the City, the** Authority shall maintain an inventory of all property held by it, classified according to title status, code compliance, and suitability for [use] **disposition.**

Explanation: **Bold face** indicates matter recommended to be added to the bill; [Brackets] indicate matter recommended to be deleted from the bill.

The Planning Commission further recommends the following amendment: The land bank shall maintain all of its properties in a safe and clean manner free of high grass, weeds, trash and debris.

In addition, the Planning Commission respectfully requests that further deliberations on this legislation among Baltimore Housing, the Mayor's Office and City Council address the following concerns:

1. Should the Land Bank Authority ever cease to exist, its net assets should revert back to the City of Baltimore, per the terms of the State enabling legislation.
2. The Planning Commission suggests further assessment of the provision granting the Land Bank Authority the right to participate in non-profit real estate deals or partnerships. The Commission believes a better understanding of the implications of this clause should be obtained prior to its enactment.
3. The Commission encourages Baltimore Housing and the Mayor and City Council to actively pursue Tax Sale Certificate Redemption reform so that the Land Bank Authority may realize a share of the tax sale certificate fees and interest as a revenue source.

CITY COUNCIL BILLS - cont'd

THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT SUPPORTS THE ADOPTION OF CITY COUNCIL BILL 09-0261.

THE DEPARTMENT OF FINANCE SUPPORTS THE ADOPTION OF CITY COUNCIL BILL 09-0261.

THE DEPARTMENT OF RECREATION AND PARKS SUPPORTS THE ADOPTION OF CITY COUNCIL BILL 09-0261.

THE OFFICE OF THE COMPTROLLER DOES NOT SUPPORT THE PASSAGE OF CITY COUNCIL BILL 09-0261.

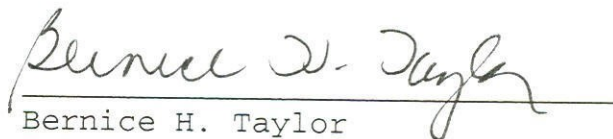
THE BALTIMORE CITY ETHICS BOARD HAS NO OBJECTION TO CITY COUNCIL BILL 09-0261 AS IT APPLIES TO THE ETHICS BOARD.

After NOTING AND CONCURRING in all favorable reports received, the Board approved the Bills and referred them to the City Council with the recommendation that they be approved and passed by that Honorable Body,

The President ABSTAINED from voting.

The Comptroller voted NO.

Sincerely,



Bernice H. Taylor
Clerk to the Board of Estimates

BHT/amq