

CITY OF BALTIMORE

STEPHANIE RAWLINGS-BLAKE, Mayor



DEPARTMENT OF LAW

GEORGE A. NILSON, City Solicitor
101 City Hall
Baltimore, Maryland 21202

January 16, 2014

Honorable President and Members
of the City Council of Baltimore
c/o Karen Randle, Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: City Council Bill 13-0135R- Local Principal Reduction Programs

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 13-0135R for form and legal sufficiency. This resolution calls on the City Council to support the efforts of the City of Richmond, California to adopt a Local Principal Reduction program which, as one its components, uses eminent domain authority to seize mortgages that exceeds the current value of the property. The resolution also asks the City Council to contact the Securities Industry and Financial Markets Association and the Federal Housing Finance Administration request that they stop threatening and work with communities advocating for these programs. Finally, the resolution asks that the City Council explore whether this type of program would benefit homeowners in Baltimore City.

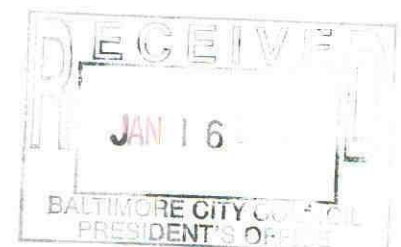
In general, a City Council resolution is "an expression of opinion or mind concerning some particular item of business coming within the legislative body's official cognizance." *Inlet Assocs. v. Assateague House Condominium Assoc.*, 545 A.2d 1296, 1303 (Md. 1988) (quoting *McQuillin Mun. Corp.* § 15:2 (3rd Ed.)). Council Bill 13-0135R is an appropriate resolution to express the Council's concerns about this particular matter.

The Law Department approves Council Bill 13-0135R for form and legal sufficiency as consistent with the City Council's authority to express its views on this matter. It is anticipated that Local Loan Reduction programs will be challenged. Legal challenges have occurred but were dismissed without prejudice on procedural grounds. This approval is not an acknowledgement of the veracity of any of the statements made in the resolution and should not be interpreted as a legal opinion as to the legality of Local Loan Reduction programs.

Sincerely,

ecm
Victor Tervala

Victor Tervala
Chief Solicitor



Comments

cc: Angela Gibson, City Council Liaison, Mayor's Office
George Nilson, City Solicitor
Elena R. DiPietro, Chief Solicitor
Hilary Ruley, Chief Solicitor
Jennifer Landis, Assistant Solicitor