



MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council
c/o Natawna Austin, Executive Secretary

From: Alice Kennedy, Acting Housing Commissioner

Date: June 22, 2021

Re: City Council Bill 21-0078 Required Real Estate Disclosures - Formerly Vacant Structures

The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 21-0078 for the purpose of requiring certain disclosures in order to sell a property that was formerly issued a vacant building notice; and providing for certain penalties. If enacted, City Council Bill 21-0078 would require that on or before entering into a contract for the sale of any real property the seller must make certain disclosures to the buyer.

DHCD supports the intent of this legislation and believes it may help prevent instances throughout the City whereby the purchaser is not aware of the existence of an open vacant building notice on the property. Purchasers of newly rehabilitated vacant properties can find themselves in the unfortunate situation of purchasing a newly refurbished home that they legally shouldn't be residing in.

DHCD would like to propose three technical amendments to the legislation:

1. The first amendment would delete the word “formerly” throughout the Bill. Using the term “formerly” is confusing, the property either has a Vacant Building Notice (VBN) or it does not. A property remains vacant until the VBN is abated and a Use & Occupancy (U&O) permit is issued. In order to abate a VBN all work needed must be completed with proper permits, pass inspection and a final use and occupancy permit issued.
2. The second amendment would amend the scope of the section to apply to all real property that has a vacant building notice that remains unabated at the time of sale. It is inconsequential if the property underwent renovation or was previously occupied. The issue that this bill is trying to address is that the property was sold to a buyer who was not aware of the active VBN and lack of U&O.
3. The third amendment would require that on or before entering into a contract for the sale of any real property the seller disclose to the buyer “in writing” whether the vacant building notice was abated by the seller or remains unabated.



DHCD appreciates the opportunity to work with the bill sponsor to develop amendments that conform with the existing Building Code, streamline the language and protect purchasers of vacant properties. This bill will help ensure that rehabbed vacant properties were done so in compliance with the code to protect the health and safety of new owners.

DHCD supports the amendment and passage of City Council Bill 21-0078.

AK/sm

cc: Ms. Nina Themelis, *Mayor's Office of Government Relations*

Brandon M. Scott, Mayor • **Alice Kennedy**, Acting Housing Commissioner
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