



HEARING NOTES

Bill: 22-0204

Vacant Structures - 3-1-1 Complaint Fines

Committee: Economic and Community Development

Chaired By: Councilwoman Sharon Green Middleton

Hearing Date: October 11, 2022

Time (Beginning): 2:00 PM

Time (Ending): 3:22 PM

Location: Clarence "Du" Burns Council Chambers / Virtual WEBEX

Total Attendance: Approximately 50

Committee Members in Attendance:

John Bullock Ryan Dorsey Mark Conway Antonio Glover Robert Stokes Odette Ramos

Bill Synopsis in the file?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no	<input type="checkbox"/> n/a
Attendance sheet in the file?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no	<input type="checkbox"/> n/a
Agency reports read?.....	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no	<input type="checkbox"/> n/a
Video or audio-digitally recorded?.....	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no	<input type="checkbox"/> n/a
Certification of advertising/posting notices in the file?	<input type="checkbox"/> yes	<input type="checkbox"/> no	<input checked="" type="checkbox"/> n/a
Evidence of notification to property owners?.....	<input type="checkbox"/> yes	<input type="checkbox"/> no	<input checked="" type="checkbox"/> n/a
Final vote taken at this hearing?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no	<input type="checkbox"/> n/a

Motioned by:.....Councilmember

Seconded by:.....Councilmember

Final Vote:.....

Major Speakers

(This is not an attendance record.)

- Nikki Thompson, Office of the President
- Hilary Ruley, Department of Law

- Jason Hessler, Deputy Director of Permits Litigation, Department of Housing and Community Development
- Mara James, Department of Finance
- Leyla Laymen, Baltimore City Information and Technology
- Brittany Vendryes, Environmental Control Board
- Ms. S. Seltzer
- Mr. Barry Nelson

Major Issues Discussed

1. Chairwoman Middleton opened the meeting, introduced committee members and City representatives and read the bill into the record. She emphasized the need for agencies to submit reports in a timely fashion.
2. On behalf of President Mosby, Nikki Thompson explained the purpose of the bill, which expands the City's authority to address issues related to vacant building.
3. Agency representatives testified on behalf of their respective agencies.
4. Hilary Ruley spoke on behalf of the Law Department which approved the bill for form and legal sufficiency. The Law Department is proposing an amendment to correct a spelling; use of the term "may" versus "shall"; and to make sure the bill's language is in line with the Baltimore City Charter.
5. Mara James testified on behalf of the Department of Finance which issued a report in opposition to the bill. A fiscal analysis is contained in the department's report. Concerns centered around annual costs to implement operations and staffing; costs for new technology; collection of fees; possible budget increases for the Environmental Control Board; whether 3-1-1 would be the proper source for data; revocation of dwelling registrations; and the impact that increased fees may have on property investment.
6. Nikki Thompson requested a breakdown on how the Finance Department's fiscal analysis and some of the conclusions were drawn, specifically regarding how the estimates for generation of revenue, was derived. Mara James explained, hypothetically, that fees/liens on a property which are greater than the value of a property may discourage investment. Ms. Thompson would like to see actual data for a specific dataset of properties. Ms. Thompson would also like suggestions on what would be a better source of data, besides 3-1-1- data.
7. Councilmember Ramos asked about implementation of the new "In-Rem" program. According to Mara James a new system has been put in place and will be tested.
8. Jason Hessler testified on behalf of the DHCD's Division of Permits Litigation in opposition to the bill. One major concern was deceased owners. There is already a system for finding vacant building owners and the agency is able to reach the owners to abate citations. There is concern about the use of the terms "vacant building notices" versus "unabated notices." There needs to be clarity. He indicated that DHCD and other agencies reach out to property owners to resolve complaints.
9. Councilmember Stokes wanted Jason Hessler to provide the total amount of vacant building notice fees that are due to the City, with a breakdown by neighborhood and zip code.
10. Councilmember Conway wanted to know what the penalty is for not registering a dwelling unit. Mr. Hessler explained that all dwelling units that are non-owner-occupied must be registered. According to Mr. Hessler unregistered non-owner-occupied dwelling units that

are habitable would receive a \$100 citation. For unregistered non-owner-occupied buildings that are vacant the owner would receive a \$500 citation. Each citation counts as a lien on the property.

11. Mr. Hessler outlined the process for addressing vacant property complaints. He also addressed how certain service requests are handled.
12. Councilmember Ramos wanted Jason Hessler to provide information about the impact of the \$1000 citations on the In-Rem process. She also wanted to know at what point the escalating fines structure would apply. According to Mr. Hessler, tracking of complaints and adding actual fees would be needed for accurate recordkeeping which would create more duties for inspectors. He also explained that the original purpose of vacant building notice citations was to assess what was happening with a vacant property in order to help the property owners and not to move properties to In-Rem, where the debt overshadows property value. Councilmember Ramos presented amendments to the bill to amend the fee structure in order to make sure the properties are moved to In-Rem status.
13. Councilmembers Glover and Stokes commented about the need for an effective strategy that focuses on addressing vacant building problems and creating affordable housing in Black and brown communities.
14. DHCD uses an inhouse computerized housing inspection program launched in 2004, which tracks citations, vacant building notices, etc. DHCD is reviewing other software. Councilmember Stokes would like to know how much mainframe modifications would cost to implement the program intended by the bill. Ms. Layman indicated that modifications could be done.
15. Councilmember Bullock wanted to know what percentage of vacant building notice fines are being paid.
16. Councilmember Conway wanted a breakdown of the properties via ownership. He also wanted to understand how the fee structure works. Is a warning issued? According to Mr. Hessler there is a false alarm program. Bill 22-0204 does not specify timeframes for review and assessment of fines.
17. Councilmember Conway also wanted to know the general value of vacant buildings.
18. Brittany Vendryes indicated that the fine structure offered in Councilmember Ramos' amendment is in line with current practices.
19. Ms. Seltzer testified. She spoke about her testimony on other bills. She spoke about using houses for reparations. She also spoke about poverty, slumlords and her attempt at purchasing a home.
20. Barry Nelson testified about solutions for Black communities. He provided a handout with information about home buying. He shared information about a program that teaches homeownership and trade skills for youth.
21. The hearing was recessed.

Further Study

Was further study requested?

Yes No

If yes, describe. *See Major Issues Discussed*

Committee Vote:

Sharon Green Middleton, Chair
John Bullock:
Mark Conway:
Ryan Dorsey:
Antonio Glover:
Robert Stokes:
Odette Ramos:

Jennifer L. Coates, Committee Staff

Date: October 12, 2022

cc: Bill File
OCS Chrono File