



Legislation Details (With Text)

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| File #: | 22-0208 | Version: | 0 | Name: | In Rem Foreclosure - Post-Filing Notice |
| Type: | Ordinance | Status: | | Status: | Failed - End of Term |
| File created: | 3/21/2022 | In control: | | In control: | Economic and Community Development |
| On agenda: | | Final action: | | Final action: | 12/4/2024 |
| Enactment date: | | Enactment #: | | | |
| Title: | In Rem Foreclosure - Post-Filing Notice For the purpose of conforming certain requirements regarding notice of an in rem foreclosure action with State law; repealing the requirement for service of process of a certain complaint; and generally relating to in rem foreclosures. | | | | |
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| Indexes: | Foreclosure | | | | |
| Code sections: | | | | | |
| Attachments: | 1. 22-0208~1st Reader | | | | |

| Date | Ver. | Action By | Action | Result |
|-----------|------|------------------------------------|---|--------|
| 4/25/2022 | 0 | Economic and Community Development | Scheduled for a Public Hearing | |
| 3/24/2022 | 0 | Baltimore City Council | Refer to Dept. of Finance | |
| 3/24/2022 | 0 | Baltimore City Council | Refer to City Solicitor | |
| 3/24/2022 | 0 | Baltimore City Council | Refer to Dept. of Housing and Community Development | |
| 3/21/2022 | 0 | Baltimore City Council | Assigned | |
| 3/21/2022 | 0 | Baltimore City Council | Introduced | |

Explanation: Capitals indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

*** Warning:** This is an unofficial, introductory copy of the bill.
The official copy considered by the City Council is the first reader copy.

Introductory*

City of Baltimore Council Bill

Introduced by: Councilmember Ramos

A Bill Entitled

An Ordinance concerning

In Rem Foreclosure - Post-Filing Notice

For the purpose of conforming certain requirements regarding notice of an in rem foreclosure action with State law; repealing the requirement for service of process of a certain complaint; and generally relating to in rem foreclosures.

By repealing
Article 28 - Taxes
Section 8.1-8
Baltimore City Code
(Edition 2000)

By repealing and re-ordaining, with amendments
Article 28 - Taxes
Section(s) 8.1-9, 8.1-10, 8.1-12(a), and 8.1-13
Baltimore City Code
(Edition 2000)

Section 1. Be it ordained by the Mayor and City Council of Baltimore, That the Laws of Baltimore City read as follows:

Baltimore City Code

Article 28. Taxes

Subtitle 8.1. In Rem Foreclosure - Vacant and Abandoned Property

§ 8.1-8. [Defendants; Service of process.] *Reserved.*

[(a) In general.]

[Each interested party to the property shall be named as a defendant in the complaint and shall be identified, located, and served with process as specified in this section.]

[(b) Last known address.]

[(1) The title of the complaint shall display the last known address of each defendant, as obtained from:]

[(i) any record examined as part of the title examination for the property;]

[(ii) the tax rolls of the Department of Finance and, if different from the Department of Finance's tax rolls, the tax address on file with the Maryland Department of Assessments and Taxation; and]

[(iii) any other likely address that is known to the Department.]

[(2) Other than the methods described in paragraph (1) of this subsection, the Department is not required to conduct any further investigations or to search any additional record to ascertain an address for a defendant.]

[(c) Unknown owners.]

[(1) "Owner" defined.]

[In this subsection, "owner" means the owner of the fee simple, leasehold, or reversionary interest in a real property.]

[(2) *In general.*]

[When the owner of a real property cannot be reasonably ascertained:]

[(i) the unknown owner to the property may be included as a defendant by the following designation:]

["Unknown owner of (identify the nature of the interest: fee simple, leasehold, or reversionary) interest in the property (giving a description of the property in substantially the same form as the description that appears on the pre-complaint notice), the unknown owner's heirs, devisees, and personal representatives and their or any of their heirs, devisees, executors, administrators, grantees, assigns, or successors in right, title and interest,"; and]

[(ii) the unknown owner shall be referred to throughout the proceeding using this designation, and the proceedings shall continue against the unknown owner by publication under order of the court as provided in subsection (e) of this section.]

[(3) *Records search required.*]

[In order for the Department to designate a defendant as described in paragraph (2) of this subsection, immediately before the filing of the complaint, the Department shall perform a full records search consisting of at least 50 years in accordance with generally accepted standards for title examination.]

[(4) *Affidavit.*]

[Any complaint filed under this subtitle against an unknown owner shall attach to it an affidavit by the individual performing the search described in paragraph (3) of this subsection that attests to the individual's efforts.]

[(d) *Summons.*]

[(1) *In general.*]

[On filing of a complaint under this subtitle and in accordance with the Maryland Rules, the Circuit Court shall issue a summons to procure the answer and the appearance of all defendants.]

[(2) *Service of summons.*]

[To the extent practicable and except as otherwise provided in this section, the summons required by this section shall be served on defendants in the manner described in Title 14, Subtitle 8, Part III of the State Tax-Property Article.]

[(e) *Order of publication.*]

[(1) *In general.*]

[(i) At the same time that the summons is issued, as provided by subsection (c) of this section, the Court shall pass an order of publication directed to all defendants, naming them as provided by this subtitle.]

[(ii) The property shall be described in the order of publication as the property is described in the complaint.]

[(iii) The order of publication shall warn any person that has or claims to have an interest in the property:]

[(A) to answer the complaint or to redeem the property on or before the date specified in the order of publication; and]

[(B) that, in case of failure to appear, answer, or redeem the property, an in rem foreclosure judgment will be entered to foreclose all rights of redemption in the property and order ownership of the real property be vested in the Mayor and City Council of Baltimore.]

[(iv) The date specified in subparagraph (iii)(A) of this paragraph may not be less than 60 days from the issuance of the order of publication.]

[(v) When the order of publication is issued and published, any person that has any right, title, interest, claim, lien, or equity of redemption in the property is bound by the judgment of the court that may be passed in the case as if the person were personally served with process.]

[(2) *Form of order.*]

[The order of publication shall be in substantially the following form:]

[Order of Publication]

["The object of this proceeding is to secure the foreclosure of all rights of redemption in and vest title in the Mayor and City council of Baltimore to the following property in the City of Baltimore:

(Here insert description of property in substantially the same form as the description that appears in the complaint.)

The complaint states, among other things, that the real property is a vacant lot or improved property cited as vacant and unsafe or unfit for habitation or other authorized use on a housing or building violation notice, and that the amounts necessary for redemption have not been paid.

It is thereupon this day of, 20.., by the Circuit Court for Baltimore City, ordered, that notice be given by the insertion of a copy of this order in some newspaper having a general circulation in once a week for 3 successive weeks, warning all persons interested in the property to appear in this court by the day of, 20.., and redeem the property and answer the complaint or thereafter a final judgment will be entered foreclosing all rights of redemption in the property, and vesting title in the Mayor and City Council of Baltimore, free and clear of all encumbrances.”.]

[(3) *Copy of order to defendants.*]

[(i) This paragraph only applies to instances when the Department has ascertained a defendant’s last known address.]

[(ii) On issuance of the order of publication, the Department shall send a copy of the order to each defendant, at the defendant’s last known address, by first class mail or certified mail, postage prepaid.]

[(f) *Alternate means of service of summons.*]

[(1) *In general.*]

[Notice to a defendant may be made in any other manner that results in actual notice of the pendency of the action.]

[(2) *Affidavit.*]

[If notice is made under this subsection, the Department shall file an affidavit with the Court certifying the notice with a description of the method service used and the time of service.]

[(g) *Affidavit requirement.*]

[If a defendant has not been served with the summons issued under subsection (d) of this section or if the defendant has not been served by alternative means as described in subsection (f) of this section, the Department must file with the Court:]

[(1) an affidavit certifying that all provisions of this section have been complied with; and]
[(2) to indicate that a good faith effort was made to serve the summons and complaint on each interested party, a copy of:]

[(i) the receipt obtained from the United States Post Office for the mailing;]

[(ii) the certified mail receipt; or]

[(iii) an affidavit of a process server.]

§ 8.1-9. Post-filing notice.

Within 5 days after the filing of the complaint, the Department shall:

- (1) send a copy of the complaint to each interested party to the action, by first-class mail and certified mail, postage pre-paid, return receipt requested, to the address or addresses identified in the caption of the complaint, if those addresses were found; and
- (2) in compliance with Maryland Rule 2-122(a)(3), cause notice to be posted in a conspicuous place on the real property subject to the in rem foreclosure that, at a minimum, sets forth:
 - (i) the name of the court in which the in rem foreclosure action has been filed and the case number of the action;
 - (ii) that the property is subject to an action seeking foreclosure; and
 - (iii) that further information about the foreclosure action may be obtained from the Office of the Clerk of the Court.

§ 8.1-10. Sufficiency of notice.

The provisions of this subtitle as to notice [and service of process] to persons who may have an interest in a property, in conjunction with [the order of publication,] routine tax notices[, and the prefiling and post-filing notices required under this subtitle, as well as the knowledge of the taxes and the consequences for nonpayment of the taxes is declared:

- (1) to be reasonable and sufficient under all of the circumstances involved, and necessary in light of the

compelling need for the prompt collection of taxes and to address abandoned and blighted properties; and

- (2) to supersede any other requirement in other cases or civil causes generally, including requirements in the Maryland Rules that may be construed to conflict with the notice [and service or process] requirements in this section.

§ 8.1-12. Judgment.

(a) *Scope.*

This section only applies if the Court finds, after a hearing or on the pleadings and affidavits, that:

- (1) the Department sent notice and a copy of the complaint to each interested party in accordance with this subtitle; and
- [(2) service of process and other notice requirements have been met; and]
- (2) [(3)] the information set forth in the complaint is accurate.

§ 8.1-13. Title; Recordation.

(a) *In general.*

Unless specified otherwise in the Court's judgment or in this section, the title acquired in an in rem foreclosure proceeding shall be an absolute fee simple title.

(b) *Leasehold properties.*

- (1) If the Department's title search indicates that a property's title is held in leasehold and the Department wishes for the property to be awarded in leasehold, the Department may ask the Court to award leasehold title.
- (2) [Service of process] Notice of the complaint being filed having been rendered on the ground rent owner, either directly, if the owner has been identified and located, or by [publication or] other method approved by the Court, if the ground rent owner has not been identified or located, shall be sufficient for the Court to award fee simple title to a leasehold property.

(c) *Recordation.*

The Department shall record a judgment transferring title to the Mayor and City Council under this subtitle in the land records of Baltimore City.

Section 2. And be it further ordained, That this Ordinance takes effect on the 30th day after the date it is enacted.