

SENATE BILL 770

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1999 Regular Session
9lr2562
CF 9lr2561

By: **Senator McFadden (Baltimore City Administration)**

Introduced and read first time: March 4, 1999

Assigned to: Rules

Re-referred to: Judicial Proceedings, March 11, 1999

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: April 1, 1999

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City - Condemnation - Immediate Possession and Title**

3 FOR the purpose of clarifying certain provisions concerning the immediate possession
4 of and vesting of title to property condemned by the Mayor and City Council of
5 Baltimore under certain circumstances; repealing certain obsolete provisions
6 concerning certain condemnation powers of the Mayor and City Council of
7 Baltimore; authorizing the Mayor and City Council of Baltimore to file a petition
8 in the District Court for the condemnation and immediate possession of and title
9 to abandoned property under certain circumstances; requiring the City to
10 deposit with the District Court a certain sum under certain circumstances;
11 providing for service of process on an owner of abandoned property that is
12 subject to condemnation under certain circumstances; permitting a judgment
13 creditor to join a certain condemnation proceeding under certain circumstances;
14 ~~providing for a certain notice to judgment creditors under certain circumstances;~~
15 permitting a certain issue related to a certain condemnation proceeding to be
16 removed to the Circuit Court of Baltimore City under certain circumstances;
17 providing for trial in the District Court of a certain issue related to a certain
18 condemnation proceeding under certain circumstances; authorizing the City to
19 receive a certain judgment against the owner of abandoned property under
20 certain circumstances; authorizing a court to name a certain public or
21 quasi-public corporation designated by the City as titleholder to abandoned
22 property condemned under certain circumstances; requiring that certain
23 persons be provided at least a certain level of assistance and benefits; requiring
24 a certain annual report; expanding the civil jurisdiction of the District Court
25 regarding certain proceedings for condemnation and immediate possession of
26 and title to abandoned property under certain circumstances; making stylistic
27 changes; providing for the construction of this Act; defining a certain term; and

1 generally relating to the powers of Baltimore City concerning condemnation and
2 immediate possession and title.

3 BY repealing and reenacting, with amendments,
4 The Public Local Laws of Baltimore City
5 Section 21-16
6 Article 4 - Public Local Laws of Maryland
7 (1979 Edition and 1997 Supplement, as amended)

8 BY repealing
9 The Public Local Laws of Baltimore City
10 Section 21-17
11 Article 4 - Public Local Laws of Maryland
12 (1979 Edition and 1997 Supplement, as amended)

13 BY adding to
14 The Public Local Laws of Baltimore City
15 Section 21-17
16 Article 4 - Public Local Laws of Maryland
17 (1979 Edition and 1997 Supplement, as amended)

18 BY repealing and reenacting, with amendments,
19 Article - Courts and Judicial Proceedings
20 Section 4-401(12) and (13)
21 Annotated Code of Maryland
22 (1998 Replacement Volume)

23 BY adding to
24 Article - Courts and Judicial Proceedings
25 Section 4-401(14)
26 Annotated Code of Maryland
27 (1998 Replacement Volume)

28 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
29 MARYLAND, That the Laws of Maryland read as follows:

30 **Article 4 - Baltimore City**

31 21-16.

32 (a) Whenever any proceedings are instituted under Title 12 of the Real
33 Property Article of Public General Laws of the State of Maryland by the Mayor and
34 City Council of Baltimore for the acquisition of any property for any public purpose
35 whatsoever, the Mayor and City Council of Baltimore, simultaneously with the filing
36 of said proceedings or at any time thereafter, may file a Petition under oath stating

1 that it is necessary for the City to have immediate possession [of] OF, or immediate
2 title to[,] and possession [of] OF, said property, and the reasons therefore. The City
3 shall also set forth in said Petition for Immediate Taking of possession or immediate
4 taking of title the amount it estimates to be the fair value of the said property and/or
5 title to be acquired, and of the respective interest of each of the owners thereof if more
6 than one, which shall be substantiated by the Affidavits of two qualified appraisers,
7 attached to said Petition. The City shall deposit into Court simultaneously with the
8 filing of said Petition the amount of said estimate of the fair value of the property to
9 be acquired.

10 (b) Upon the filing of any such Petition for Immediate Taking of Possession,
11 the Court may direct the City to give such notice to the Defendants as the Court may
12 deem proper. The Court may set the matter for hearing on the Petition, but any such
13 hearing shall be held within seven days from the date of the filing of such petition;
14 otherwise, the Court shall act on said Petition ex parte within said seven day period.

15 (c) In cases where the City files a Petition for Immediate Taking of title and
16 possession to the said property in fee simple absolute or such lesser estate or interest
17 as is specified in the Petition, [possession and] title thereto shall irrevocably vest in
18 the Mayor and City Council of Baltimore ten days after personal service of the
19 Petition upon each and every Defendant [unless] OR, IF the Defendants or any of
20 them shall file an answer to the Petition within the said ten day period alleging that
21 the City does not have the right or power to condemn title to the property, THEN ON
22 THE DATE OF THE TRIAL COURT'S DECISION OR ON THE DATE OF DECISION IN ANY
23 APPEAL FROM THE TRIAL COURT. In the event the Defendants or any of them should
24 file an answer, the court shall schedule a hearing within fifteen days of the date of the
25 filing of an answer, which hearing shall be only for the purpose of contesting the right
26 or power of the City to condemn title to the property. The trial court shall render its
27 decision within fifteen days from the final day of said hearing. The City or the
28 Defendants or any of them shall have an immediate right of appeal to the Court of
29 Appeals of Maryland from the decision of the trial court. POSSESSION SHALL VEST IN
30 THE MAYOR AND CITY COUNCIL OF BALTIMORE SIMULTANEOUSLY WITH THE
31 VESTING OF TITLE, EXCEPT WHERE THE CITY HAS TAKEN POSSESSION PREVIOUSLY
32 UNDER SUBSECTION (D) OF THIS SECTION.

33 (d) If it appears from a Petition for Immediate Possession, with or without
34 supporting affidavits or sworn testimony, that the public interest requires the City to
35 have immediate possession of said property, the Court shall, within not more than
36 seven days after the filing of said Petition, pass an Order, either ex parte or after a
37 hearing, directing that the City may take possession of said property after the
38 expiration of thirty days from the filing of said Petition or earlier, in the Court's
39 discretion. Upon passing such an Order, the Court may direct the City to give such
40 notice of said Order to the Defendants as the Court may deem proper, but the Court's
41 requirement of notice shall not extend the time within which the City may take
42 possession of said property.

43 (e) After an Order has been passed as aforesaid, directing that the City may
44 either take possession of the property or take title and possession of the property, the

1 City shall no longer have the right to abandon said condemnation proceedings except
2 with the consent of all of the owners of said property.

3 (f) At any time after the Order [shall have been] IS signed directing that the
4 City may either take possession or title and possession of the property[.]:

5 (1) [the] THE property owner or owners may petition the Court who
6 shall, by order, direct the clerk to pay such sum so paid into Court unto such owner or
7 owners according to their respective interest, less any public charges, City and State
8 taxes, other assessments, and any ground rent paid by the City for and on behalf of
9 the property owner, all adjusted to the date of taking of possession or to the date of
10 taking title and possession as the case may bef. The]; AND

11 (2) THE City may upon proper petition and order, withdraw from the
12 sum so paid into Court, monies in satisfaction of such public charges, City and State
13 taxes, other assessments, and ground rents so paid by the City, all adjusted as
14 aforesaid.

15 (g) Payment into Court by the Mayor and City Council of Baltimore and
16 receipt of such money by the property owner or owners shall be without prejudice to
17 either party and shall not be construed to prevent either party from requiring a
18 subsequent [trial] TRIAL to determine the value of the property. If the amount of the
19 final award for any property owner, after trial, is more than the amount that was paid
20 into Court by the City for the interest of such property owner, such property owner
21 shall be entitled to a judgment against the City for the difference between such
22 amounts. If the final award for any property owner, after trial, is less than the
23 amount that was paid into Court by the City for the interest of such property owner,
24 the City shall be entitled to a judgment against such property owner, for the
25 difference between such amounts.

26 [21-17.

27 None of the provisions of Sections 21-15 to 21-17 shall apply to or in any
28 manner affect any case or cases now pending in any of the Courts of the State of
29 Maryland. All such case or cases shall be heard and tried to final judgment or
30 inquisition under the law or laws in force on June 1, 1948.]

31 21-17.

32 (A) IN THIS SECTION, "ABANDONED PROPERTY" MEANS:

33 (1) AN UNOCCUPIED STRUCTURE OR VACANT LOT ON WHICH ~~NO TAXES~~
34 ~~OR ASSESSMENTS HAVE BEEN PAID FOR MORE THAN~~ ARE IN ARREARS FOR AT LEAST
35 2 YEARS;

36 (2) A BUILDING:

37 (I) THAT IS UNOCCUPIED BY OWNER OR TENANT;

38 (II) THAT IS UNFIT FOR HABITATION;

1 (III) THAT HAS DETERIORATED TO THE POINT WHERE:

2 1. THE BUILDING IS STRUCTURALLY UNSOUND; OR

3 2. THE COST OF REHABILITATION SIGNIFICANTLY EXCEEDS
4 THE POSTREHABILITATION MARKET VALUE; AND

5 (IV) REGARDING WHICH THE OWNER HAS BEEN ISSUED A
6 VIOLATION NOTICE FROM THE CITY REQUIRING THE OWNER TO:

7 1. REHABILITATE THE BUILDING TO CONFORM TO MINIMUM
8 CODE HABITABILITY REQUIREMENTS; OR

9 2. DEMOLISH THE BUILDING FOR HEALTH AND SAFETY
10 REASONS;

11 (3) A VACANT LOT ON WHICH ~~BUILDINGS HAVE~~ A BUILDING HAS BEEN
12 DEMOLISHED; OR

13 (4) ANY BUILDING IN A BLOCK OF ROW HOUSES WHERE THE BLOCK:

14 (I) AS A WHOLE CONTAINS 70% ABANDONED PROPERTY AS
15 DEFINED UNDER PARAGRAPH (1), (2), OR (3) OF THIS SUBSECTION; AND

16 (II) IS DETERMINED BY THE CITY TO REQUIRE A WHOLE-BLOCK
17 REMEDY, PROVIDED THAT ANY TENANT OR OWNER-OCCUPANT HAS BEEN OFFERED
18 ~~RELOCATION ASSISTANCE UNDER AVAILABLE PROGRAMS~~ ASSISTANCE IN
19 ACCORDANCE WITH SUBSECTION (K) OF THIS SECTION.

20 (B) THE MAYOR AND CITY COUNCIL OF BALTIMORE MAY FILE A PETITION IN
21 THE DISTRICT COURT, FOR THE PUBLIC PURPOSE OF ALLEVIATING NUISANCE AND
22 BLIGHT, THAT SEEKS:

23 (1) THE CONDEMNATION OF ABANDONED PROPERTY; AND

24 (2) THE IMMEDIATE POSSESSION OF, OR THE IMMEDIATE POSSESSION
25 OF AND TITLE TO, THE ABANDONED PROPERTY.

26 (C) WHEN THE CITY FILES A PETITION UNDER THIS SECTION, ~~IF THE FAIR~~
27 ~~MARKET VALUE OF THE ABANDONED PROPERTY, AS SUBSTANTIATED BY AFFIDAVIT~~
28 ~~FROM A LICENSED REAL ESTATE APPRAISER, EXCEEDS THE SUM OF THE PUBLIC~~
29 ~~CHARGES, CITY AND STATE TAXES, OTHER ASSESSMENTS, AND ANY LIENS OF~~
30 ~~SECURED CREDITORS REGARDING THE ABANDONED PROPERTY, THE CITY SHALL~~
31 DEPOSIT WITH THE DISTRICT COURT THE AMOUNT OF MONEY ESTIMATED BY A
32 LICENSED APPRAISER TO BE THE ~~FULL~~ FAIR MARKET VALUE OF THE ABANDONED
33 PROPERTY.

34 (D) (1) SERVICE OF PROCESS ON AN OWNER OF ABANDONED PROPERTY
35 UNDER THIS SECTION SHALL BE MADE IN ACCORDANCE WITH THE PROVISIONS OF §
36 16-16A OF THE CODE OF PUBLIC LOCAL LAWS OF BALTIMORE CITY.

1 (2) IF AN OWNER HAS PROPERLY REGISTERED A CURRENT LOCAL
2 AGENT AND LOCAL ADDRESS FOR SERVICE OF PROCESS UNDER THE REQUIREMENTS
3 OF THE BALTIMORE CITY CODE RELATING TO RENTAL PROPERTY REGISTRATION,
4 AND SERVICE IS EFFECTED BY MAIL AND POSTING AT A LAST KNOWN ADDRESS
5 OTHER THAN THAT PROVIDED IN THE OWNER'S RENTAL PROPERTY REGISTRATION
6 FORM, THEN NOTICE OF THE PROCEEDING SHALL BE SENT BY CERTIFIED MAIL TO
7 THE OWNER AT THE RENTAL PROPERTY REGISTRATION ADDRESS.

8 (E) (1) A JUDGMENT CREDITOR IS NOT A REQUIRED PARTY TO A
9 PROCEEDING INITIATED UNDER THIS SECTION.

10 (2) A JUDGMENT CREDITOR MAY JOIN A PROCEEDING INITIATED UNDER
11 THIS SECTION BY FILING A MOTION UNDER SUBSECTION ~~(G)~~ (F) OF THIS SECTION
12 WITHIN 10 DAYS OF NOTICE BEING GIVEN AS REQUIRED ~~UNDER THIS SECTION BY~~
13 LAW.

14 ~~(F)~~ ~~IF THE FAIR MARKET VALUE OF AN ABANDONED PROPERTY SUBJECT TO A~~
15 ~~PROCEEDING INITIATED UNDER THIS SECTION IS LESS THAN THE SUM OF THE~~
16 ~~PUBLIC CHARGES, CITY AND STATE TAXES, OTHER ASSESSMENTS, AND ANY LIENS OF~~
17 ~~SECURED CREDITORS REGARDING THE ABANDONED PROPERTY, NOTICE BY POSTING~~
18 ~~AND PUBLICATION OF THE STREET ADDRESS AND BLOCK AND LOT DESIGNATIONS~~
19 ~~OF THE ABANDONED PROPERTY IS SUFFICIENT NOTICE TO JUDGMENT CREDITORS.~~

20 ~~(G)~~ (F) (1) ON MOTION OF ANY PERSON WITH AN INTEREST IN
21 ABANDONED PROPERTY THAT IS THE SUBJECT OF A PROCEEDING INITIATED UNDER
22 THIS SECTION, THE ISSUE OF COMPENSATION RELATED TO THE PROCEEDING MAY
23 BE REMOVED TO THE CIRCUIT COURT OF BALTIMORE CITY FOR TRIAL ON THAT
24 ISSUE.

25 (2) THE MOTION FOR REMOVAL TO THE CIRCUIT COURT OF BALTIMORE
26 CITY FOR TRIAL ON THE ISSUE OF COMPENSATION SHALL BE FILED WITHIN 30 DAYS
27 OF THE DATE THE TITLE TO THE ABANDONED PROPERTY VESTS WITH THE CITY
28 UNDER § 21-16(C) OF THIS SUBHEADING.

29 (G) IF THE PARTIES AGREE, TRIAL ON THE ISSUE OF COMPENSATION MAY BE
30 HELD IN THE DISTRICT COURT.

31 (H) ~~IF THE VALUE OF THE ABANDONED PROPERTY, AS ESTIMATED BY A~~
32 ~~LICENSED REAL ESTATE APPRAISER OR BY THE CIRCUIT COURT IF THE ISSUE OF~~
33 ~~COMPENSATION IS REMOVED TO THE CIRCUIT COURT, IS DETERMINED TO BE LESS~~
34 ~~THAN THE SUM OF THE PUBLIC CHARGES, CITY AND STATE TAXES, AND OTHER~~
35 ~~ASSESSMENTS REGARDING THE ABANDONED PROPERTY, THE CITY IS ENTITLED TO A~~
36 ~~JUDGMENT AGAINST THE OWNER OF THE ABANDONED PROPERTY FOR THE~~
37 ~~DIFFERENCE.~~

38 (I) WHEN A COURT VESTS TITLE TO THE ABANDONED PROPERTY TO THE
39 CITY, AT THE REQUEST OF THE CITY, THE COURT MAY NAME AS TITLEHOLDER A
40 PUBLIC OR QUASI-PUBLIC CORPORATION THAT HAS BEEN DESIGNATED BY THE CITY
41 TO HOLD TITLE TO PROPERTY ACQUIRED UNDER THIS SECTION.

1 (J) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE PROVISIONS OF
 2 § 21-16 OF THIS SUBHEADING APPLY TO A PROCEEDING ~~FOR A TAKING~~ UNDER THIS
 3 SECTION.

4 (K) IF AN OWNER-OCCUPANT OR TENANT IS DISPLACED UNDER SUBSECTION
 5 (A)(4) OF THIS SECTION, REGARDLESS OF WHETHER THE DISPLACEMENT INVOLVES
 6 THE USE OF FEDERAL FINANCIAL ASSISTANCE, THE CITY SHALL ASSURE THAT THE
 7 OWNER-OCCUPANT OR TENANT IS OFFERED, AT A MINIMUM, ASSISTANCE AND
 8 PAYMENTS TO THE EXTENT THAT THE OWNER-OCCUPANT OR TENANT WOULD
 9 QUALIFY FOR ASSISTANCE AND PAYMENTS AS A DISPLACED PERSON UNDER THE
 10 FEDERAL UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION
 11 POLICIES ACT OF 1970.

12 (L) THIS SECTION DOES NOT AFFECT THE AUTHORITY OF THE MAYOR AND
 13 CITY COUNCIL TO CONDEMN PRIVATE PROPERTY FOR PUBLIC USE UNDER OTHER
 14 PROVISIONS OF LAW.

15 **Article - Courts and Judicial Proceedings**

16 4-401.

17 Except as provided in § 4-402 of this subtitle, and subject to the venue
 18 provisions of Title 6 of this article, the District Court has exclusive original civil
 19 jurisdiction in:

20 (12) A proceeding to enforce a civil penalty assessed by the Maryland
 21 Division of Labor and Industry under Title 5 of the Labor and Employment Article
 22 where the amount involved does not exceed \$20,000; [and]

23 (13) A proceeding for a civil infraction under § 21-202.1 of the
 24 Transportation Article; AND

25 (14) A PROCEEDING FOR CONDEMNATION AND IMMEDIATE POSSESSION
 26 OF AND TITLE TO ABANDONED, BLIGHTED, AND DETERIORATED PROPERTY UNDER
 27 AUTHORITY GRANTED IN THE CODE OF PUBLIC LOCAL LAWS OF A COUNTY,
 28 INCLUDING BALTIMORE CITY, WHERE THE ESTIMATED VALUE OF THE PROPERTY
 29 DOES NOT EXCEED \$25,000.

30 SECTION 2. AND IT BE FURTHER ENACTED, That, the Mayor of the City of
 31 Baltimore shall report to the General Assembly, in accordance with § 2-1246 of the
 32 State Government Article, on or before December 1, 2000, and on or before December
 33 1 each year thereafter, on the number of homeowners and the number of tenants
 34 displaced from occupied dwellings under this Act and the cost and success of
 35 relocating persons displaced in alternative, more suitable housing.

36 ~~SECTION 2. 3.~~ AND BE IT FURTHER ENACTED, That this Act shall take
 37 effect October 1, 1999.

