



Bill No: HB 952-- Real Property – Sale of Apartment Facilities – Rights of Qualified Organizations

Committee: Environment and Transportation

Date: 2/19/2021

Position: Favorable as Amended

The Apartment and Office Building Association of Metropolitan Washington (AOBA) represents members that own or manage more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George’s Counties. Many AOBA members own or operate Class B and C properties that predominantly serve low and moderate-income families; they understand the importance of affordable housing.

House Bill 952 prohibits an owner of an apartment facility from taking certain actions regarding the sale of an apartment facility. The bill also requires a property owner to notify the Department of Housing and Community Development of their intent to sell a property. The bill creates and prioritizes a list of Qualified Organizations including non-profit organizations, and senior apartment facilities.

Montgomery, Prince George’s, and Howard Counties already have Right of First Refusal laws enacted to require the local jurisdiction and/or priority organizations be given the opportunity to purchase apartment facilities before the community can be offered to private buyers in order to increase or preserve affordable housing in the jurisdictions. These laws establish timelines and requirements prior to offering the multifamily property to a private buyer. AOBA members already abide by Right of First Refusal laws in both Montgomery and Prince George’s Counties and comply with the standards established in those laws. As introduced, this legislation establishes new timelines and standards which create potential process complications in abiding with both standards. Existing ROFR standards in local jurisdictions are also more stringent.

AOBA has addressed these concerns with the bill sponsor and supports the amendment that exempts counties with Right of First Refusal laws from the bill.

For these reasons AOBA supports a favorable as amended report on HB 952.

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