

CITY OF BALTIMORE
COUNCIL BILL 20-0529
(First Reader)

Introduced by: The Council President

At the request of: The Administration (Department of Housing and Community Development)

Introduced and read first time: May 11, 2020

Assigned to: Taxation, Finance and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Planning, Department of Housing and Community Development, Department of Real Estate, Department of Finance, Board of Estimates

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Property Tax – In Rem Foreclosure and Sale – Vacant and Abandoned Property**

3 FOR the purpose of requiring the Director of Finance to withhold from tax sale certain real
4 property designated by the Board of Estimates for foreclosure and sale under a certain
5 process; authorizing the Mayor and City Council acting by and through the Department of
6 Housing and Community Development to initiate an in rem foreclosure and sale of certain
7 real property for delinquent taxes; authorizing the Mayor and City Council to enact certain
8 laws authorizing in rem foreclosure and sale of certain real property; authorizing the Mayor
9 and City Council acting by and through the Department of Housing and Community
10 Development to commence an in rem foreclosure action; prohibiting commencing an in rem
11 foreclosure action until tax on real property has been delinquent for a certain period and the
12 right to appeal a certain notice has tolled; requiring certain taxes to be included in the
13 foreclosure action; requiring any foreclosure action under this subtitle be filed in the Circuit
14 Court for Baltimore City and that notice and a copy of the complaint be sent to each
15 interested party within a certain period of time and in a certain manner; requiring the
16 complaint for an in rem foreclosure to include certain information; allowing the complaint for
17 an in rem foreclosure to be amended for certain purposes; providing that an interested party
18 has a certain right to cure certain delinquent taxes and liens on the real property under certain
19 circumstances; requiring a hearing on the in rem foreclosure complaint to be conducted at a
20 certain time; providing that an interested party has the right to be heard at the hearing;
21 requiring the court to enter a certain judgment on a certain finding; requiring the judgment to
22 be recorded in certain land records; providing that title acquired in a certain foreclosure
23 proceeding shall be a certain absolute or fee simple title except under certain circumstances;
24 providing that a judgment in an action under this subtitle is binding and conclusive,
25 regardless of legal disability, on certain persons; defining certain terms; providing for a
26 special effective date; and generally relating to in rem foreclosure and sale of tax delinquent
27 vacant and abandoned property.

28 BY authority of
29 Tax-Property Article
30 Title 14, Subtitle 8, Part V
31 Maryland Code

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

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1 BY adding
2 Article 28 - Taxes
3 Section(s) 8.1-1 to 8.1-15, to be under the new subtitle,
4 “Subtitle 8.1. In Rem Foreclosure – Vacant and Abandoned Property”
5 Baltimore City Code
6 (Edition 2000)

7 **Recitals**

8 **Whereas**, thousands of vacant and abandoned structures and lots cause and contribute to
9 blight in Baltimore’s neighborhoods and communities;

10 **Whereas**, the owners of these vacant and abandoned properties often fail to pay taxes, fees,
11 and other municipal charges for which they are responsible, resulting in the unmarketability of
12 these properties, in part because the municipal liens come to exceed the properties’ value;

13 **Whereas**, the City’s annual tax sale, being a mechanism for the collection of unpaid liens
14 where the tax lien certificates are marketable, is not designed to address the problem of vacancy
15 and abandonment;

16
17 **Whereas**, on February 20, 2019, the Baltimore City Council passed resolution 19-0140R,
18 urging the Maryland General Assembly and Governor to enact legislation to allow Baltimore
19 City to pursue in rem foreclosure against abandoned and vacant properties;

20 **Whereas**, the City’s partners in nonprofit and community development organizations worked
21 with City officials, the Maryland General Assembly , and the Governor to enact on April 30,
22 2019, an enabling law to allow the counties and the City of Baltimore to create an in rem
23 foreclosure process whereby the City and other jurisdictions may forego the annual tax sale and
24 instead initiate and prosecute in rem foreclosure of certain vacant and abandoned properties
25 through circuit court proceedings;

26 **Whereas**, the Mayor and City Council wishes to provide the City with every possible tool to
27 eliminate blight in Baltimore's neighborhoods and communities and, therefore, wishes to provide
28 for in rem foreclosure against qualifying vacant and abandoned properties throughout the City;

29 **Whereas**, tax lien certificates issued in the annual tax sale expire if no case to foreclose the
30 right of redemption is filed within 2 years, but tax delinquent properties are placed in the tax sale
31 every 3 years, leaving a 1-year gap during which foreclosure based on the liens accumulated
32 against vacant and abandoned properties is impossible, effectively shielding roughly one-third of
33 all vacant and abandoned properties from foreclosure at any given time; and

34 **Whereas**, an in rem foreclosure process would allow the City to acquire vacant and
35 abandoned properties outside of the normal tax sale cycle, while still observing all the due
36 process and redemption rights of the owners and other parties with an interest in the properties.

37 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE**, That the
38 Laws of Baltimore City read as follows:

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Baltimore City Code

Article 28. Taxes

Subtitle 8.1. IN REM FORECLOSURE – VACANT AND ABANDONED PROPERTY

§ 8.1-1. DEFINITIONS.

(A) *IN GENERAL.*

IN THIS SUBTITLE, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

(B) *DEPARTMENT.*

(1) *IN GENERAL.*

“DEPARTMENT” MEANS THE BALTIMORE CITY DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.

(2) *INCLUSION.*

“DEPARTMENT” INCLUDES ANY ATTORNEY REPRESENTING THE DEPARTMENT IN AN ACTION FILED UNDER THIS SUBTITLE.

(C) *INTERESTED PARTY.*

“INTERESTED PARTY” HAS THE MEANING STATED IN § 14-873 {“DEFINITIONS: INTERESTED PARTY”} OF THE STATE TAX-PROPERTY ARTICLE.

Editor’s Note: State Tax-Property Art. § 14-873(b), as enacted by Chapter 276, 2019 Laws of Maryland, reads as follows:

(b) “Interested party” means:

- (1) the person who last appears as owner of the real property on the collector's tax roll;
- (2) a mortgagee of the property or assignee of a mortgage of record;
- (3) a holder of a beneficial interest in a deed of trust recorded against the real property;
- (4) a taxing agency that has the authority to collect tax on the real property; or
- (5) any person having an interest in the real property whose identity and address are:
 - (i) reasonably ascertainable from the county land records; or
 - (ii) revealed by a full title search consisting of at least 50 years.

(D) *PERSON.*

“PERSON” MEANS:

- (1) AN INDIVIDUAL;

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1 (2) A RECEIVER, TRUSTEE, GUARDIAN, PERSONAL REPRESENTATIVE, FIDUCIARY, OR
2 REPRESENTATIVE OF ANY KIND; OR

3 (3) A PARTNERSHIP, FIRM, ASSOCIATION, CORPORATION, OR OTHER ENTITY OF ANY
4 KIND.

5 (E) *PROPERTY; REAL PROPERTY.*

6 “PROPERTY” OR “REAL PROPERTY” HAS THE MEANING STATED IN § 1-101 {“DEFINITIONS:
7 REAL PROPERTY”} OF THE STATE TAX-PROPERTY ARTICLE.

8 (F) *TAX.*

9 “TAX” HAS THE MEANING STATED IN § 14-801 {“DEFINITIONS: TAX”} OF THE STATE TAX-
10 PROPERTY ARTICLE.

11 **Editor’s Note:** State Tax-Property Art. § 14-801(d), as re-enacted by Chapter 276, 2019 Laws of
12 Maryland, reads as follows:

13 (d) (1) “Tax” means any tax, or charge of any kind due to the State or any of its political subdivisions,
14 or to any other taxing agency, that by law is a lien against the real property on which it is
15 imposed or assessed.

16 (2) “Tax” includes interest, penalties, and service charges.

17 **§ 8.1-2. IN REM FORECLOSURE: AUTHORIZED.**

18 IN ACCORDANCE WITH STATE TAX-PROPERTY ARTICLE §§ 14-873 THROUGH 14-876, THE
19 MAYOR AND CITY COUNCIL IS AUTHORIZED TO SUBJECT CERTAIN PROPERTY TO JUDICIAL IN
20 REM FORECLOSURE AND SALE.

21 **§ 8.1-3. IN REM FORECLOSURE: GENERALLY; APPLICABLE PROPERTIES.**

22 (A) *IN GENERAL.*

23 IN ACCORDANCE WITH THIS SUBTITLE, THE DEPARTMENT, ON BEHALF OF THE MAYOR AND
24 CITY COUNCIL, MAY FILE AN ACTION IN THE CIRCUIT COURT FOR BALTIMORE CITY FOR
25 THE IN REM FORECLOSURE OF REAL PROPERTY.

26 (B) *APPLICABLE PROPERTIES.*

27 EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, IN ORDER TO BE SUBJECT TO AN
28 ACTION FOR FORECLOSURE UNDER THIS SUBTITLE:

29 (1) THE REAL PROPERTY MUST BE:

30 (I) A VACANT LOT; OR

31 (II) AN IMPROVED PROPERTY CITED AS VACANT AND UNSAFE OR UNFIT FOR
32 HABITATION OR OTHER AUTHORIZED USE ON A HOUSING OR BUILDING
33 VIOLATION NOTICE, PROVIDED THAT:

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1 (A) THE TIME FOR APPEAL OF THE VIOLATION NOTICE HAS EXPIRED
2 WITHOUT AN APPEAL HAVING BEEN FILED; OR

3 (B) AN ADMINISTRATIVE REVIEW OF A FILED APPEAL HAS BEEN DECIDED IN
4 FAVOR OF THE BUILDING OFFICIAL AS DEFINED IN THE CITY BUILDING,
5 FIRE, AND RELATED CODES;

6 (2) THE REAL PROPERTY MUST BE AT LEAST 6 MONTHS IN ARREARS ON TAXES AND
7 LIENS; AND

8 (3) THE TOTAL AMOUNT OF LIENS FOR UNPAID TAXES ON THE PROPERTY MUST EXCEED
9 THE LESSER OF THE TOTAL VALUE OF THE PROPERTY AS LAST DETERMINED BY :

10 (I) THE MARYLAND DEPARTMENT OF ASSESSMENTS AND TAXATION; OR

11 (II) AN APPRAISAL REPORT PREPARED NOT MORE THAN 6 MONTHS BEFORE THE
12 FILING OF A COMPLAINT UNDER THIS SECTION BY A REAL ESTATE
13 APPRAISER WHO IS LICENSED UNDER TITLE 16 OF THE STATE BUSINESS
14 OCCUPATIONS AND PROFESSIONS ARTICLE.

15 (C) *OTHER TAX LIENS.*

16 (1) *IN GENERAL.*

17 THE DEPARTMENT MAY NOT FILE AN ACTION FOR FORECLOSURE AGAINST A PROPERTY
18 UNDER THIS SUBTITLE IF THE PROPERTY IS SUBJECT TO AN ACTIVE LIEN CERTIFICATE
19 HELD BY A THIRD PARTY.

20 (2) *EXCEPTION.*

21 PROVIDED THAT THE PROPERTY OTHERWISE MEETS THE REQUIREMENTS SET FORTH IN
22 SUBSECTION (B) OF THIS SECTION, THE DEPARTMENT MAY FILE AN ACTION FOR
23 FORECLOSURE AGAINST REAL PROPERTY UNDER THIS SUBTITLE IF:

24 (I) THE REAL PROPERTY IS SUBJECT TO AN ACTIVE TAX CERTIFICATE HELD BY THE
25 MAYOR AND CITY COUNCIL; AND

26 (II) THE MAYOR AND CITY COUNCIL HAS NOT PREVIOUSLY FILED AN ACTION TO
27 FORECLOSE THE RIGHT OF REDEMPTION.

28 **§ 8.1-4. {RESERVED}**

29 **§ 8.1-5. RULES AND REGULATIONS.**

30 (A) *IN GENERAL.*

31 THE COMMISSIONER OF HOUSING AND COMMUNITY DEVELOPMENT MAY ADOPT RULES
32 AND REGULATIONS TO CARRY OUT THIS SUBTITLE.

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1 (B) *FILING WITH LEGISLATIVE REFERENCE.*

2 A COPY OF ALL RULES AND REGULATIONS ADOPTED UNDER THIS SUBTITLE MUST BE FILED
3 WITH THE DEPARTMENT OF LEGISLATIVE REFERENCE BEFORE THEY TAKE EFFECT.

4 **§ 8.1-6. {RESERVED}**

5 **§ 8.1-7. COMPLAINT.**

6 (A) *PRE-COMPLAINT NOTICE.*

7 (1) *IN GENERAL.*

8 PRIOR TO FILING A COMPLAINT UNDER THIS SUBTITLE, THE DEPARTMENT SHALL SEND
9 NOTICE BY CERTIFIED MAIL, RESTRICTED DELIVERY, RETURN RECEIPT REQUESTED TO
10 THE RECORD OWNER OF THE SUBJECT PROPERTY AT THE TAX ADDRESS ON RECORD
11 AMONG THE CITY'S REAL PROPERTY RECORDS.

12 (2) *CONTENTS.*

13 THE NOTICE REQUIRED BY THIS SUBSECTION SHALL:

14 (1) CLEARLY IDENTIFY THE PROPERTY;

15 (2) IDENTIFY THE TAX AND OTHER MUNICIPAL LIENS DUE TO THE MAYOR AND
16 CITY COUNCIL; AND

17 (3) STATE THAT UNLESS FULL PAYMENT OF ALL MUNICIPAL LIENS IS MADE TO THE
18 DEPARTMENT OF FINANCE WITHIN 30 DAYS, THE DEPARTMENT MAY FILE AN IN
19 REM FORECLOSURE ACTION IN THE CIRCUIT COURT FOR BALTIMORE CITY AND
20 SEEK THE VESTING OF TITLE TO THE PROPERTY IN THE MAYOR AND CITY
21 COUNCIL OF BALTIMORE.

22 (B) *IN GENERAL.*

23 THE DEPARTMENT MAY FILE A COMPLAINT IN THE CIRCUIT COURT FOR BALTIMORE CITY
24 TO INITIATE AN IN REM FORECLOSURE ACTION IF:

25 (1) THE PROPERTY OTHERWISE MEETS THE SPECIFICATIONS IN § 8.1-3(B) {"IN REM
26 FORECLOSURE: GENERALLY; APPLICABLE PROPERTIES"} OF THIS SUBTITLE;

27 (2) THE DEPARTMENT HAS SENT THE NOTICE REQUIRED BY SUBSECTION (A) OF THIS
28 SECTION; AND

29 (3) THE FULL PAYMENT OF MUNICIPAL LIENS HAS NOT BEEN PAID WITHIN 30 DAYS
30 FROM THE DATE THE NOTICE DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION
31 WAS SENT.

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1 (C) *CONTENTS.*

2 A COMPLAINT FILED UNDER THIS SECTION SHALL INCLUDE:

- 3 (1) A DESCRIPTION OF THE PROPERTY AS IT APPEARS IN CITY LAND RECORDS;
- 4 (2) THE TAX IDENTIFICATION NUMBER OF THE PROPERTY;
- 5 (3) A STATEMENT THAT TAXES FOR THE PROPERTY ARE DELINQUENT AT THE TIME OF
6 FILING;
- 7 (4) THE AMOUNT OF TAXES THAT ARE DELINQUENT FOR THE PROPERTY AT THE TIME OF
8 FILING;
- 9 (5) THE NAMES AND LAST KNOWN ADDRESSES OF ALL INTERESTED PARTIES TO THE
10 PROPERTY AND, IF APPLICABLE, A STATEMENT THAT THE ADDRESS OF A
11 PARTICULAR INTERESTED PARTY TO THE PROPERTY IS UNKNOWN;
- 12 (6) A STATEMENT THAT THE PROPERTY IS EITHER:
- 13 (I) A VACANT LOT; OR
- 14 (II) AN IMPROVED PROPERTY CITED BY THE DEPARTMENT AS VACANT AND
15 UNSAFE OR UNFIT FOR HABITATION OR ANOTHER AUTHORIZED USE;
- 16 (7) IF THE DEPARTMENT STATES THAT THE PROPERTY IS AN IMPROVED PROPERTY
17 CITED BY THE DEPARTMENT AS VACANT AND UNSAFE OR UNFIT FOR HABITATION
18 OR ANOTHER AUTHORIZED USE, A COPY OF ANY RELEVANT NOTICES OR CITATIONS
19 ISSUED BY THE DEPARTMENT;
- 20 (8) A REQUEST THAT THE CIRCUIT COURT NOT SCHEDULE A HEARING ON THE
21 COMPLAINT UNTIL 30 DAYS AFTER THE DATE THAT THE COMPLAINT HAS BEEN
22 FILED; AND
- 23 (9) A REQUEST THAT THE CIRCUIT COURT ENTER A JUDGMENT THAT FORECLOSES THE
24 EXISTING INTERESTS OF ALL INTERESTED PARTIES TO THE PROPERTY AND ORDERS
25 OWNERSHIP OF THE PROPERTY TO TRANSFERRED TO THE CITY.

26 (D) *AMENDMENT.*

27 A COMPLAINT FILED UNDER THIS SECTION MAY BE AMENDED TO INCLUDE ALL TAXES THAT
28 BECOME DELINQUENT AFTER THE COMMENCEMENT OF THE IN REM FORECLOSURE ACTION.

29 (E) *CURE.*

- 30 (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AN INTERESTED PARTY MAY CURE
31 THE DELINQUENT TAXES AND LIENS ON THE PROPERTY BY PAYING ALL PAST DUE FEES,
32 PAYMENTS, AND PENALTIES AT ANY TIME PRIOR TO THE ENTRY OF THE FORECLOSURE
33 JUDGMENT.

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1 (2) AN INTERESTED PARTY MAY NOT CURE THE DELINQUENT TAXES AND LIENS ON THE
2 PROPERTY BY PAYING ALL PAST DUE FEES, PAYMENTS, AND PENALTIES AFTER THE
3 ENTRY OF THE FORECLOSURE JUDGMENT.

4 **§ 8.1-8. DEFENDANTS; SERVICE OF PROCESS.**

5 (A) *IN GENERAL.*

6 EACH INTERESTED PARTY TO THE PROPERTY SHALL BE NAMED AS A DEFENDANT IN THE
7 COMPLAINT AND SHALL BE IDENTIFIED, LOCATED AND SERVED WITH PROCESS AS SPECIFIED
8 IN THIS SECTION.

9 (B) *LAST KNOWN ADDRESS.*

10 (1) THE TITLE OF THE COMPLAINT SHALL DISPLAY THE LAST KNOWN ADDRESS OF EACH
11 DEFENDANT, AS OBTAINED FROM:

12 (I) ANY RECORD EXAMINED AS PART OF THE TITLE EXAMINATION FOR THE
13 PROPERTY;

14 (II) THE TAX ROLLS OF THE DEPARTMENT OF FINANCE AND, IF DIFFERENT FROM
15 THE DEPARTMENT OF FINANCE'S TAX ROLLS, THE TAX ADDRESS ON FILE WITH
16 THE MARYLAND DEPARTMENT OF ASSESSMENTS AND TAXATION; AND

17 (III) ANY OTHER LIKELY ADDRESS THAT IS KNOWN TO THE DEPARTMENT.

18 (2) OTHER THAN THE METHODS DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, THE
19 DEPARTMENT IS NOT REQUIRED TO CONDUCT ANY FURTHER INVESTIGATIONS OR TO
20 SEARCH ANY ADDITIONAL RECORD TO ASCERTAIN AN ADDRESS FOR A DEFENDANT.

21 (C) *UNKNOWN OWNERS.*

22 (1) *"OWNER" DEFINED.*

23 IN THIS SUBSECTION, "OWNER" MEANS THE OWNER OF THE FEE SIMPLE, LEASEHOLD, OR
24 REVERSIONARY INTEREST IN A REAL PROPERTY.

25 (2) *IN GENERAL.*

26 WHEN THE OWNER OF A REAL PROPERTY CANNOT BE REASONABLY ASCERTAINED:

27 (I) THE UNKNOWN OWNER TO THE PROPERTY MAY BE INCLUDED AS A DEFENDANT
28 BY THE FOLLOWING DESIGNATION:

29 "UNKNOWN OWNER OF (IDENTIFY THE NATURE OF THE INTEREST: FEE
30 SIMPLE, LEASEHOLD, OR REVERSIONARY) INTEREST IN THE PROPERTY
31 (GIVING A DESCRIPTION OF THE PROPERTY IN SUBSTANTIALLY THE SAME
32 FORM AS THE DESCRIPTION THAT APPEARS ON THE PRE-COMPLAINT
33 NOTICE), THE UNKNOWN OWNER'S HEIRS, DEVISEES, AND PERSONAL
34 REPRESENTATIVES AND THEIR OR ANY OF THEIR HEIRS, DEVISEES,

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1 EXECUTORS, ADMINISTRATORS, GRANTEES, ASSIGNS, OR SUCCESSORS IN
2 RIGHT, TITLE AND INTEREST,”; AND

3 (II) THE UNKNOWN OWNER SHALL BE REFERRED TO THROUGHOUT THE
4 PROCEEDING USING THIS DESIGNATION, AND THE PROCEEDINGS SHALL
5 CONTINUE AGAINST THE UNKNOWN OWNER BY PUBLICATION UNDER ORDER OF
6 THE COURT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION.

7 (3) *RECORDS SEARCH REQUIRED.*

8 IN ORDER FOR THE DEPARTMENT TO DESIGNATE A DEFENDANT AS DESCRIBED IN
9 PARAGRAPH (2) OF THIS SUBSECTION, IMMEDIATELY BEFORE THE FILING OF THE
10 COMPLAINT, THE DEPARTMENT SHALL PERFORM A FULL RECORDS SEARCH CONSISTING
11 OF AT LEAST 50 YEARS IN ACCORDANCE WITH GENERALLY ACCEPTED STANDARDS FOR
12 TITLE EXAMINATION.

13 (4) *AFFIDAVIT.*

14 ANY COMPLAINT FILED UNDER THIS SUBTITLE AGAINST AN UNKNOWN OWNER SHALL
15 ATTACH TO IT AN AFFIDAVIT BY THE INDIVIDUAL PERFORMING THE SEARCH DESCRIBED
16 IN PARAGRAPH (3) OF THIS SUBSECTION THAT ATTESTS TO THE INDIVIDUAL’S EFFORTS.

17 (D) *SUMMONS.*

18 (1) *IN GENERAL.*

19 ON FILING OF A COMPLAINT UNDER THIS SUBTITLE AND IN ACCORDANCE WITH THE
20 MARYLAND RULES, THE CIRCUIT COURT SHALL ISSUE A SUMMONS TO PROCURE THE
21 ANSWER AND THE APPEARANCE OF ALL DEFENDANTS.

22 (2) *SERVICE OF SUMMONS.*

23 TO THE EXTENT PRACTICABLE AND EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION,
24 THE SUMMONS REQUIRED BY THIS SECTION SHALL BE SERVED ON DEFENDANTS IN THE
25 MANNER DESCRIBED IN TITLE 14, SUBTITLE 8, PART III OF THE STATE TAX-PROPERTY
26 ARTICLE.

27 (E) *ORDER OF PUBLICATION.*

28 (1) *IN GENERAL.*

29 (I) AT THE SAME TIME THAT THE SUMMONS IS ISSUED, AS PROVIDED BY SUBSECTION
30 (C) OF THIS SECTION, THE COURT SHALL PASS AN ORDER OF PUBLICATION
31 DIRECTED TO ALL DEFENDANTS, NAMING THEM AS PROVIDED BY THIS SUBTITLE.

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1 (II) THE PROPERTY SHALL BE DESCRIBED IN THE ORDER OF PUBLICATION AS THE
2 PROPERTY IS DESCRIBED IN THE COMPLAINT.

3 (III) THE ORDER OF PUBLICATION SHALL WARN ANY PERSON THAT HAS OR CLAIMS TO
4 HAVE AN INTEREST IN THE PROPERTY:

5 (A) TO ANSWER THE COMPLAINT OR TO REDEEM THE PROPERTY ON OR BEFORE
6 THE DATE SPECIFIED IN THE ORDER OF PUBLICATION; AND

7 (B) THAT, IN CASE OF FAILURE TO APPEAR, ANSWER, OR REDEEM THE
8 PROPERTY, AN IN REM FORECLOSURE JUDGMENT WILL BE ENTERED TO
9 FORECLOSE ALL RIGHTS OF REDEMPTION IN THE PROPERTY AND ORDER
10 OWNERSHIP OF THE REAL PROPERTY BE VESTED IN THE MAYOR AND CITY
11 COUNCIL OF BALTIMORE.

12 (IV) THE DATE SPECIFIED IN SUBPARAGRAPH (III)(A) OF THIS PARAGRAPH MAY NOT BE
13 LESS THAN 60 DAYS FROM THE ISSUANCE OF THE ORDER OF PUBLICATION.

14 (V) WHEN THE ORDER OF PUBLICATION IS ISSUED AND PUBLISHED, ANY PERSON THAT
15 HAS ANY RIGHT, TITLE, INTEREST, CLAIM, LIEN, OR EQUITY OF REDEMPTION IN THE
16 PROPERTY IS BOUND BY THE JUDGMENT OF THE COURT THAT MAY BE PASSED IN
17 THE CASE AS IF THE PERSON WERE PERSONALLY SERVED WITH PROCESS.
18

19 (2) *FORM OF ORDER.*

20 THE ORDER OF PUBLICATION SHALL BE IN SUBSTANTIALLY THE FOLLOWING FORM:

21 **ORDER OF PUBLICATION**

22 “THE OBJECT OF THIS PROCEEDING IS TO SECURE THE FORECLOSURE OF ALL RIGHTS OF
23 REDEMPTION IN AND VEST TITLE IN THE MAYOR AND CITY COUNCIL OF BALTIMORE TO
24 THE FOLLOWING PROPERTY IN THE CITY OF BALTIMORE:

25 (HERE INSERT DESCRIPTION OF PROPERTY IN SUBSTANTIALLY THE SAME FORM AS THE
26 DESCRIPTION THAT APPEARS IN THE COMPLAINT.)

27 THE COMPLAINT STATES, AMONG OTHER THINGS, THAT THE REAL PROPERTY IS A
28 VACANT LOT OR IMPROVED PROPERTY CITED AS VACANT AND UNSAFE OR UNFIT FOR
29 HABITATION OR OTHER AUTHORIZED USE ON A HOUSING OR BUILDING VIOLATION
30 NOTICE, AND THAT THE AMOUNTS NECESSARY FOR REDEMPTION HAVE NOT BEEN PAID.

31 IT IS THEREUPON THIS DAY OF, 20.., BY THE CIRCUIT COURT FOR BALTIMORE
32 CITY, ORDERED, THAT NOTICE BE GIVEN BY THE INSERTION OF A COPY OF THIS ORDER
33 IN SOME NEWSPAPER HAVING A GENERAL CIRCULATION IN ONCE A WEEK FOR 3
34 SUCCESSIVE WEEKS, WARNING ALL PERSONS INTERESTED IN THE PROPERTY TO APPEAR
35 IN THIS COURT BY THE DAY OF, 20.., AND REDEEM THE PROPERTY AND

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1 ANSWER THE COMPLAINT OR THEREAFTER A FINAL JUDGMENT WILL BE ENTERED
2 FORECLOSING ALL RIGHTS OF REDEMPTION IN THE PROPERTY, AND VESTING TITLE IN
3 THE MAYOR AND CITY COUNCIL OF BALTIMORE, FREE AND CLEAR OF ALL
4 ENCUMBRANCES.”.

5 (3) *COPY OF ORDER TO DEFENDANTS.*

6 (I) THIS PARAGRAPH ONLY APPLIES TO INSTANCES WHEN THE DEPARTMENT HAS
7 ASCERTAINED A DEFENDANT’S LAST KNOWN ADDRESS.

8 (II) ON ISSUANCE OF THE ORDER OF PUBLICATION, THE DEPARTMENT SHALL SEND A
9 COPY OF THE ORDER TO EACH DEFENDANT, AT THE DEFENDANT’S LAST KNOWN
10 ADDRESS, BY FIRST CLASS MAIL OR CERTIFIED MAIL, POSTAGE PREPAID.

11 (F) *ALTERNATE MEANS OF SERVICE OF SUMMONS.*

12 (1) *IN GENERAL.*

13 NOTICE TO A DEFENDANT MAY BE MADE IN ANY OTHER MANNER THAT RESULTS IN
14 ACTUAL NOTICE OF THE PENDENCY OF THE ACTION.

15 (2) *AFFIDAVIT.*

16 IF NOTICE IS MADE UNDER THIS SUBSECTION, THE DEPARTMENT SHALL FILE AN
17 AFFIDAVIT WITH THE COURT CERTIFYING THE NOTICE WITH A DESCRIPTION OF THE
18 METHOD SERVICE USED AND THE TIME OF SERVICE.

19 (G) *AFFIDAVIT REQUIREMENT.*

20 IF A DEFENDANT HAS NOT BEEN SERVED WITH THE SUMMONS ISSUED UNDER SUBSECTION
21 (D) OF THIS SECTION OR IF THE DEFENDANT HAS NOT BEEN SERVED BY ALTERNATIVE
22 MEANS AS DESCRIBED IN SUBSECTION (F) OF THIS SECTION, THE DEPARTMENT MUST FILE
23 WITH THE COURT:

24 (1) AN AFFIDAVIT CERTIFYING THAT ALL PROVISIONS OF THIS SECTION HAVE BEEN
25 COMPLIED WITH; AND

26 (2) TO INDICATE THAT A GOOD FAITH EFFORT WAS MADE TO SERVE THE SUMMONS AND
27 COMPLAINT ON EACH INTERESTED PARTY, A COPY OF:

28 (I) THE RECEIPT OBTAINED FROM THE UNITED STATES POST OFFICE FOR THE
29 MAILING;

30 (II) THE CERTIFIED MAIL RECEIPT; OR

31 (III) AN AFFIDAVIT OF A PROCESS SERVER.

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1 **§ 8.1-9. POST-FILING NOTICE.**

2 WITHIN 5 DAYS AFTER THE FILING OF THE COMPLAINT, THE DEPARTMENT SHALL SEND A COPY
3 OF THE COMPLAINT TO EACH INTERESTED PARTY TO THE ACTION, BY FIRST-CLASS MAIL AND
4 CERTIFIED MAIL, POSTAGE PRE-PAID, RETURN RECEIPT REQUESTED TO THE ADDRESS OR
5 ADDRESSES IDENTIFIED IN THE CAPTION OF THE COMPLAINT, IF THOSE ADDRESSES WERE
6 FOUND.

7 **§ 8.1-10. SUFFICIENCY OF NOTICE.**

8 THE PROVISIONS OF THIS SUBTITLE AS TO NOTICE AND SERVICE OF PROCESS TO PERSONS WHO
9 MAY HAVE AN INTEREST IN A PROPERTY, IN CONJUNCTION WITH THE ORDER OF PUBLICATION,
10 ROUTINE TAX NOTICES, AND THE PRE-FILING AND POST-FILING NOTICES REQUIRED UNDER THIS
11 SUBTITLE, AS WELL AS THE KNOWLEDGE OF THE TAXES AND THE CONSEQUENCES FOR
12 NONPAYMENT OF THE TAXES IS DECLARED:

13 (1) TO BE REASONABLE AND SUFFICIENT UNDER ALL OF THE CIRCUMSTANCES
14 INVOLVED, AND NECESSARY IN LIGHT OF THE COMPELLING NEED FOR THE PROMPT
15 COLLECTION OF TAXES AND TO ADDRESS ABANDONED AND BLIGHTED PROPERTIES;
16 AND

17 (2) TO SUPERSEDE ANY OTHER REQUIREMENT IN OTHER CASES OR CIVIL CAUSES
18 GENERALLY, INCLUDING REQUIREMENTS IN THE MARYLAND RULES THAT MAY BE
19 CONSTRUED TO CONFLICT WITH THE NOTICE AND SERVICE OR PROCESS
20 REQUIREMENTS IN THIS SECTION.

21 **§ 8.1-11. HEARING.**

22 (A) *SCHEDULING.*

23 (I) WHETHER TO SCHEDULE A HEARING IS WITHIN THE CIRCUIT COURT’S DISCRETION.

24 (II) IF A HEARING IS SCHEDULED, THE HEARING MUST BE AT LEAST 30 DAYS AFTER THE
25 FILING OF THE COMPLAINT AND 60 DAYS FROM THE DATE OF THE ORDER OF
26 PUBLICATION.

27 (B) *HEARING PARTICIPATION.*

28 AT A HEARING DURING THE PENDENCY OF THE ACTION, ANY INTERESTED PARTY HAS THE
29 RIGHT TO BE HEARD AND TO CONTEST THE DELINQUENCY OF THE TAXES OR THE
30 ADEQUACY OF THE PROCEEDINGS.

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1 **§ 8.1-12. JUDGMENT.**

2 (A) *SCOPE.*

3 THIS SECTION ONLY APPLIES IF THE COURT FINDS, AFTER A HEARING OR ON THE
4 PLEADINGS AND AFFIDAVITS, THAT:

- 5 (1) THE DEPARTMENT SENT NOTICE AND A COPY OF THE COMPLAINT TO EACH
6 INTERESTED PARTY IN ACCORDANCE WITH THIS SUBTITLE;
- 7 (2) SERVICE OF PROCESS AND OTHER NOTICE REQUIREMENTS HAVE BEEN MET; AND
- 8 (3) THE INFORMATION SET FORTH IN THE COMPLAINT IS ACCURATE.

9 (B) *IN GENERAL.*

10 IF THE COURT HAS MADE THE FINDINGS REQUIRED BY SUBSECTION (A) OF THIS SECTION,
11 THE COURT SHALL:

- 12 (1) ENTER A JUDGMENT FINDING THAT:
- 13 (I) PROPER NOTICE HAS BEEN PROVIDED TO ALL INTERESTED PARTIES; AND
- 14 (II) THE REAL PROPERTY IS A VACANT LOT OR AN IMPROVED PROPERTY CITED
15 AS VACANT AND UNSAFE OR UNFIT FOR HABITATION OR OTHER
16 AUTHORIZED USE ON A HOUSING OR BUILDING VIOLATION NOTICE; AND
- 17 (2) ORDER THAT THE OWNERSHIP OF THE REAL PROPERTY IS TRANSFERRED TO THE
18 MAYOR AND CITY COUNCIL PURSUANT TO § 8.1-13 {“TITLE; RECORDATION”} OF
19 THIS SUBTITLE.

20 (C) *EFFECT OF JUDGMENT.*

21 A JUDGMENT IN AN ACTION UNDER THIS SUBTITLE IS BINDING AND CONCLUSIVE,
22 REGARDLESS OF LEGAL DISABILITY, ON:

- 23 (1) ALL PERSONS, KNOWN AND UNKNOWN, WHO WERE PARTIES TO THE ACTION AND
24 WHO HAD A CLAIM TO THE PROPERTY, WHETHER PRESENT OR FUTURE, VESTED OR
25 CONTINGENT, LEGAL OR EQUITABLE, OR SEVERAL OR UNDIVIDED; AND
- 26 (2) ALL PERSONS WHO WERE NOT PARTIES TO THE ACTION AND HAD A CLAIM TO THE
27 PROPERTY THAT WAS NOT RECORDED AT THE TIME THAT THE ACTION WAS
28 COMMENCED.
29

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1 **§ 8.1-13. TITLE; RECORDATION.**

2 (A) *IN GENERAL.*

3 UNLESS SPECIFIED OTHERWISE IN THE COURT’S JUDGMENT OR IN THIS SECTION, THE TITLE
4 ACQUIRED IN AN IN REM FORECLOSURE PROCEEDING SHALL BE AN ABSOLUTE FEE SIMPLE
5 TITLE.

6 (B) *LEASEHOLD PROPERTIES.*

7 (1) IF THE DEPARTMENT’S TITLE SEARCH INDICATES THAT A PROPERTY’S TITLE IS HELD IN
8 LEASEHOLD AND THE DEPARTMENT WISHES FOR THE PROPERTY TO BE AWARDED IN
9 LEASEHOLD, THE DEPARTMENT MAY ASK THE COURT TO AWARD LEASEHOLD TITLE.

10 (2) SERVICE OF PROCESS HAVING BEEN RENDERED ON THE GROUND RENT OWNER, EITHER
11 DIRECTLY, IF THE OWNER HAS BEEN IDENTIFIED AND LOCATED, OR BY PUBLICATION OR
12 OTHER METHOD APPROVED BY THE COURT, IF THE GROUND RENT OWNER HAS NOT
13 BEEN IDENTIFIED OR LOCATED, SHALL BE SUFFICIENT FOR THE COURT TO AWARD FEE
14 SIMPLE TITLE TO A LEASEHOLD PROPERTY.

15 (C) *RECORDATION.*

16 THE DEPARTMENT SHALL RECORD A JUDGMENT TRANSFERRING TITLE TO THE MAYOR AND
17 CITY COUNCIL UNDER THIS SUBTITLE IN THE LAND RECORDS OF BALTIMORE CITY.

18 **§ 8.1-14. {RESERVED}**

19 **§ 8.1-15. POST-JUDGEMENT SALE.**

20 (A) *IN GENERAL.*

21 (1) AFTER OBTAINING AND RECORDING AN IN REM FORECLOSURE JUDGMENT, THE CITY
22 MAY RETAIN TITLE TO THE PROPERTY OR SELL THE PROPERTY, PURSUANT TO CITY
23 CHARTER, ARTICLE V, § 5, AND CITY CODE, ARTICLE 15, § 2-7, TO ADVANCE THE
24 CITY’S BLIGHT ELIMINATION GOALS.

25 (2) THE GOALS DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION INCLUDE
26 REHABILITATION, REDEVELOPMENT, CREATION OR PRESERVATION OF OPEN OR PARK
27 SPACE, OR OTHER SIMILAR USES.

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1 (B) *LAND BANK.*

2 IN THE EVENT THE MAYOR AND CITY COUNCIL ESTABLISH A LAND BANK AUTHORIZED
3 UNDER CITY CHARTER, ARTICLE II, § 65 {"LAND BANK AUTHORITY"}, THE CITY MAY
4 CONVEY THE PROPERTY TO THE AUTHORITY DESCRIBED IN THE IMPLEMENTING
5 ORDINANCE TO BE USED FOR THE CITY'S OR THE AUTHORITY'S BLIGHT ELIMINATION AND
6 REVITALIZATION GOALS.

7 (C) *DISPOSITION.*

8 (1) *IN GENERAL.*

9 (I) AT THE TIME THE CITY SELLS ANY PROPERTY OBTAINED UNDER THIS SUBTITLE,
10 THE CITY SHALL DEPOSIT INTO THE COURT REGISTRY ANY EXCESS FUNDS PAID BY
11 THE BUYER, EITHER DIRECTLY FOR THE PROPERTY OR ON A PRO-RATA BASIS IF THE
12 PROPERTY WAS CONSOLIDATED WITH OTHER LOTS TO CREATE A SINGLE PARCEL,
13 BEYOND THE LIEN AMOUNTS OWED TO THE MAYOR AND THE CITY COUNCIL,
14 INCLUSIVE OF INTEREST, FEES, AND PENALTIES, AT THE TIME OF THE IN REM
15 FORECLOSURE JUDGEMENT UNDER THIS SUBTITLE.

16 (II) IN DEPOSITING THE EXCESS FUNDS, THE CITY SHALL PROVIDE AN ACCOUNTING OF
17 THE AMOUNT OF CITY LIENS AT THE TIME OF THE IN REM FORECLOSURE
18 JUDGEMENT ON THE PROPERTY AND DETAIL THE PRICE OR PRO-RATA SHARE OF THE
19 PRICE ULTIMATELY PAID BY THE BUYER OF THE PROPERTY.

20 (2) *DISTRIBUTION OF PROCEEDS.*

21 THE AMOUNT DEPOSITED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION SHALL BE
22 DISTRIBUTED TO THE OWNER AND OTHER DEFENDANTS, UPON THEIR MOTIONS, IN
23 ORDER OF LIEN PRIORITY.

24 **SECTION 2. AND BE IT FURTHER ORDAINED,** That the catchlines contained in this Ordinance
25 are not law and may not be considered to have been enacted as a part of this or any prior
26 Ordinance.

27 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the date it is
28 enacted.