

ANNE ARUNDEL COUNTY OFFICE OF LAW

Legislative Summary

To: Members, Anne Arundel County Council

From: Lori L. Blair Klasmeier, Deputy County Attorney /s/

Via: Gregory J. Swain, County Attorney /s/

Date: October 16, 2023

Subject: Bill No. 79-23 – Purchasing – Disposition of County-Owned Real Property

This summary was prepared by the Anne Arundel County Office of Law for use by members of the Anne Arundel County Council during consideration of Bill No. 79-23.

Background

Article 8, Title 3, Subtitle 2 sets forth the procedures for disposition of real property owned by the County. The current law, which predates the 2005 recodification, requires a two-step legislative process for most property dispositions, and some of the provisions are somewhat confusing and difficult to navigate. The first legislative step is the County Council approval by resolution of the County Executive's determination that the property is surplus. Then, the County Council is required to approve by ordinance private negotiated sales of surplus property, sales of surplus property appraised at \$50,000 or more, and sales of surplus property for which the purchase price is less than 90% of the appraised value. Most of the sales of real property by the County fall within one of these three categories.

Over the years, there have been legislated attempts to simplify the disposition of non-buildable real property (§ 8-3-208) and the disposition of real property to a government entity (§ 8-3-209. While these provisions have helped streamline those processes, the dispositions still require the two-step legislative process in place for other property dispositions that results in delays in disposing of County-owned property.

Purpose

The purpose of the bill is to rewrite most of the provisions of Article 8, Title 3, Subtitle 2 to make the process easier to navigate and quicker by requiring only a one-step legislative process for the disposition of County-owned real property.

Note: This Legislative Summary provides a synopsis of the bill as introduced. It does not address subsequent amendments to the bill.

Bill No. 79-23

SECTION 1

This section repeals §§ 8-3-201 through 8-3-205 and 8-3-207 through 8-3-209.

SECTION 2

This section renumbers the other two sections in the Subtitle that relate to disposition of capital improvement project property (§ 8-3-206) and reporting dispositions to the County Auditor (§ 8-3-210) to be §§ 8-3-205 and 8-3-206, respectively, but are otherwise unmodified.

SECTION 3

In this section:

Section 8-3-201 is new and sets forth the process for disposing of County-owned real property that is not "non-buildable" as defined under § 8-3-202(a) or is not a disposition to a government entity. The section provides that, if the County Executive seeks to dispose of real property: (1) the Central Services Officer makes a preliminary determination as to whether the property is surplus; (2) the Real Estate Division undertakes the polling process described in § 8-3-201(b)(2); (3) based on polling results, the Chief Administrative Officer ("CAO") makes a final determination of whether the property is surplus; (4) if so, the Real Estate Division obtains appraisals as described in § 8-3-201(b)(3)(i); (5) the Real Estate Division chooses a method of sale based on the value of the property as set forth in § 8-3-201(b)(4); (6) the Real Estate Division gives notice of the plan to sell the property as described in § 8-3-201(b)(5); (7) the Real Estate Division advertises and conducts the sale as set forth in § 8-3-201(b)(6); and (8) the CAO approves the sale as stated in § 8-3-201(b)(7).

If there are no offers or if the CAO does not approve the sale, the County Executive may seek approval of the County Council by resolution that the property is surplus (§ 8-3-201(b)(8)). If the sale is approved by the CAO and the County Executive, then the Real Estate Division gives notice of the proposed sale as described in § 8-3-201(b)(9). If, after notice and review of any objections, the CAO determines the sale may proceed, then the County Executive seeks approval by resolution of the County Council of the surplus determination and the terms of the disposition.

Section 8-3-202 is new and applies only to "non-buildable" property, defined as real property with an area of .1 acres or less that the Planning and Zoning Officer determines in writing to be non-buildable (§ 8-3-202(a)). The process is similar to the process set forth in new § 8-3-201, except: (1) only the Department of Recreation and Parks and the Department of Public Works are polled (§ 8-3-202(c)(2)); (2) no appraisal is required; and (3) private disposition is the only method of disposition (§ 8-3-202(c)(3) and (4)).

Section 8-3-203 is new and applies only to disposition of County-owned real property to a government entity, as defined in subsection (a). That definition includes the

Legislative Summary - Bill No. 79-23 Page No. 3

exclusion of the Maryland Stadium Authority that is in the current law. The process is similar to the process set forth in new § 8-3-201, except: (1) notice to nearby property owners and community associations is only given once and contains the information listed in § 8-3-203(c)(4)(i), including the intended use of the property; (2) private disposition is the only method of disposition; and (3) as in the current provision relating to these types of transfers, the deed transferring the property must contain a clause providing that the property reverts to the County if the government entity ceases to use the property for the purpose for which it was transferred for more than 90 days.

Section 8-3-204 is new and provides that a surplus property declaration approved by the County Council is valid for three years. If the property is not disposed of within three years of the approval, then the approval is of no further force and effect.

SECTION 4

This section provides that the Ordinance takes effect 45 days from the date that it becomes law.

The Office of Law is available to answer any additional questions regarding Bill No. 79-23. Thank you.

cc: Honorable Steuart Pittman, County Executive
Christine Anderson, Chief Administrative Officer
Hannah Dier, Deputy Chief Administrative Officer
Jeff Amoros, Chief of Staff
Peter Baron, Chief Strategy Officer
Ethan Hunt, Government Relations Officer
Susan Herrold, Central Services Officer
Christopher Daniels, Real Estate Manager

W:\WDOCS\CLIENT\1060\2023-4295\00423279.DOCX