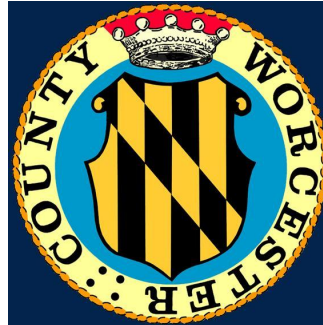




Government Update



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Wicomico County Legislative Issues

Title 15 of the Salisbury City Code was amended to adopt and reference updated building standards:

Adopted Codes:

- Maryland Building Performance Standards
- Maryland Accessibility Code
- International Codes (2021 editions):
 - Mechanical, Plumbing, Fuel Gas, Existing Building, Green Construction, Solar Energy, Property Maintenance

Referenced Standards:

- International Building, Residential, Energy Conservation, Mechanical, Plumbing, Fuel Gas, Existing Building, Green Construction, Property Maintenance Codes (2021)
- Maryland Accessibility Code
- National Electrical Code (2017)



Wicomico County Legislative Issues

Salisbury is discussing entering into a Subrecipient Agreement with Mentis Lot 10, LLC for the redevelopment of 111 Poplar Hill Avenue ("Lot 10").

The project includes:

- **Phase I:** Hotel, conference center, rooftop restaurant.
- **Future phases:** Housing units, retail, office space, and a parking garage.

The City secured **\$4 million in PAYGO grant funds** from the Maryland Department of General Services to disseminate to Mentis Lot 10.

Disbursement is tied to milestones:

- Land acquisition: \$75,000
- Site design: \$2.875 million
- Construction: \$549,723
- Completion: \$500,000

Provisions

Mentis must comply with:

- Environmental and safety regulations
- Anti-discrimination laws
- Insurance and licensing requirements

The agreement runs through **July 1, 2031**, with record retention until **June 30, 2034**.



Wicomico County Legislative Issues

Salisbury Planning and Zoning members have not yet been confirmed.

Subject to closed session, the individuals who are being considered for the new planning and zoning board in the City have not yet been appointed. With the next session for the Council coming in a few weeks, their appointments should be coming soon.





Somerset County Legislative Issues

Tawes

Thank you to those who attended Tawes this year. I had a great time and am very thankful for your participation.

Thank you again to our excellent sponsors: Cardinal Settlements, Community Title, Express Brokers Realty, and Whitehead Rental Management.

And thank you to Terrence McGowan, Lindsay Patten, Jay Doaty, Rob Payne, Allen Payne, Kim Blair, and Bonnie and Lino Cressotti for volunteering their time!



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Somerset County Legislative Issues

Today, Friday October 17th, The Lower Eastern Shore mourns the passing of Delegate Charles J. Otto, Delegate for District 38A covering Somerset, Wicomico, and Worcester Counties. As a product of our Eastern Shore, Delegate Otto brought our voices to Annapolis as a farmer, businessman, and resident. His work on the House Environment and Transportation Committee, the committee which real estate matters are introduced in, afforded the Lower Shore a voice in housing, farming, coastal waterway, environmental protection, and other matters.

His fourteen years serving in Annapolis are highlighted by his commitment to protecting Lower Shore farmers, watermen, and beautiful scenery with his advocacy for these protections. Recently, Delegate Otto helped secure funding for high-speed internet in Somerset, gave Somerset the tools to expand their fire and EMS services, and was a co-sponsor of the Statewide ADU bill.

Though our interactions this past year were too few, he had made himself available multiple times where we had enjoyed pleasant conversations about our three counties, our housing market, and my beautiful home of the Town of Berlin, where I had the privilege of being a constituent of his.

I, along with constituents of the Lower Shore and Delegate Otto's colleagues in Annapolis, mourn his passing. May he rest in Peace.



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Worcester County Legislative Issues

STR Changes:

The Landings at Bayside owners are being informed by Worcester County that their rental license may be revoked because their properties do not meet the parking requirements for STRs. This rule impacts homes built in 2020 and later, requiring more than two parking spaces. However, garages do not count toward this parking total. Licenses are being revoked as they were issued by the County in error.



Worcester County Legislative Issues

This Monday, October 20th, the Town of Ocean City will have a first reading to amend the short-term rental moratorium to end on January 3rd, 2027 rather than January 3rd, 2026.



Worcester County Legislative Issues

Worcester County Commissioners approved a text amendment to allow multi-family residential units as an accessory use in the C-2 General Commercial District, provided 65% or more of the parcel is developed with commercial uses.

This applies to about 63 parcels directly adjacent to R-3 or R-4 residential districts.

This was done to act as a buffer between residential and commercial zones and support mixed-use development.

Proposed max density is 10 units per net acre.



Worcester County Legislative Issues

Snow Hill is beginning its 2025 Comprehensive Plan development, with an invitation to Planning Secretary Flora being extended. Look for development on this plan to start in the coming weeks.





Comptroller and DHCD Housing Update

The Maryland Comptroller, Brooke Lierman, presented her office's Housing portion of the State of the Economy, [linked here](#).

In it are key findings pertaining to Maryland's housing economy, including an acknowledgement of the 100,000 unit shortage in the state, potential reasonings behind that shortage including rising costs of materials and labor (Maryland cost of building exceeds the national average), stagnant permitting (neighbor states and states with high growth outpace Maryland in single-family and multi-family permitting), among other data points.

One analogy the report draws is to the Smith Island Cake, where the process to obtain the necessary permits to development is similar to our Somerset attraction's layers of cake and fudge.

Suggestions include expanded townhome zoning, residential development in commercial zones, ADU implementation, building code reform, among others. Certainly an interesting read and I'll have a summary of it next week!



Government Shutdown & NAR

Information provided by NAR

Impact of a Government Shutdown on REALTORS®

- Since Congress failed to pass funding legislation by **September 30, 2025**, a **federal government shutdown** has occurred, affecting many operations critical to the real estate industry.

Major Impacts:

- **Housing & Mortgage Programs:** Disruptions expected in federal housing and mortgage services.
- **National Flood Insurance Program (NFIP):** Authorization may lapse, preventing new policies and renewals.
- **Essential Services:** Services like the **U.S. Postal Service** will continue operating.

Agency-Specific Effects:

- **Environmental Protection Agency (EPA):** Regulatory activities like wetlands determinations and lead-based paint enforcement may pause.
- **HUD & FHA:** Limited loan endorsements; delays in multi-family program commitments; REO operations continue.
- **Government Sponsored Enterprises (Fannie Mae & Freddie Mac):** Expected to operate normally, but verification processes may be delayed.
- **IRS:** May suspend issuance of tax transcripts, affecting loan processing.
- **Rural Housing & VA Programs:** Likely to experience delays or reduced services.
- **Small Business Administration (SBA):** Loan processing may be halted.
- **Visa Programs (EB-5 & H-2B):** Potential delays in visa processing.

DHCD Statement on the Shutdown

New Eviction Protections Under State Law for Federal Employees

- In 2019, the Maryland General Assembly enacted Senate Bill 512, which amended §§ 7-105.1 and 8-401 of the Real Property Article. This is the first federal shutdown since SB 512 was enacted. Under the law, an involuntarily furloughed federal government employee at risk of eviction can ask the court to temporarily pause the eviction during the shutdown. Governor Moore sent Maryland Supreme Court Chief Justice Matthew Fader a letter highlighting this new provision to ensure that judges are aware of this protection when making eviction and foreclosure decisions.
- Federal employees are protected even if they are required to work during a shutdown. To be eligible, the federal employee must:
 - be a current federal government employee,
 - currently live in the property at risk of eviction or foreclosure,
 - be unpaid during the shutdown, and
 - show up to any scheduled court hearing and ask the judge to pause the eviction or foreclosure.
- Federal employees may be asked to provide evidence that they are a current federal employee and have been involuntarily furloughed. Federal employees can ask the judge what evidence will satisfy the court and can ask for more time to gather evidence the court requests. The court will decide how long is reasonable to pause the eviction or foreclosure. Courts can only allow the pause to last 30 days beyond the end of the shutdown, unless the court agrees there is good reason for it to last longer. While the immediate concern is the impact on federal employees during the shutdown, the law extends the same protections to all government employees—federal, state, and local—who may face involuntary furloughs as a result of a federal shutdown.

The Ask for Housing Partners: Take Protections to the Next Level

- According to statute, these protections only apply to government employees and not federal contractors or other people financially impacted by a federal government shutdown.. Additionally, the requirement for individual workers to attend a court hearing or submit a written request to the court to stay eviction proceedings places an additional burden on families who are already facing significant financial stress and uncertainty. It also adds an additional administrative burden on the court to review and verify each individual request.
- Therefore, DHCD is asking landlords, property managers, and other housing professionals to take proactive steps to help impacted tenants and reduce the burden on families already in crisis. Specifically we are asking housing partners to:
 - Communicate proactively to all tenants residing in your properties about their rights under state law and how to exercise them. This is particularly important for tenants who have already received a failure to pay rent eviction filing and are navigating the court process. Because this is a new law, most tenants will be unaware of these new rights without targeted outreach.
 - Invite tenants to notify you if they are a federal employee or contractor, and impacted by the shutdown. We encourage you to accept self-attestation and not require tenants to show evidence of their government ID or employment (note that public utility companies are planning to do the same for residents at risk of utility terminations).
 - Offer tenants who are federal employees or contractors the opportunity to enter into a payment plan for the duration of the federal shutdown, in lieu of filing for eviction.
 - Proactively postpone or cancel any existing failure to pay rent eviction filings for federal employees and contractors until the federal shutdown ends.
 - Taking these proactive steps would demonstrate true corporate citizenship and provide a crucial safety net for all Marylanders, alleviating the need for impacted federal workers to navigate the court process.
- Our administration is leading the response to this shutdown, and we see our state’s landlords and property management companies as vital partners in this effort. Thank you for your attention to this critical matter and for your anticipated cooperation in protecting Maryland families.



New Features to the CAR Website

I've added a [Local Government Meeting Portal](#) on the CAR website so that members can see when and where government meetings are. There's also a link to agenda portals for each county or municipality.

I've also included a [New Maryland Real Estate Law](#) page as well highlighting some of the bigger bills passed in the 2025 Session in hopes that members can more easily access these new laws in one central place.





DHCD Housing Needs Assessment for 2026

[Click here to read the full assessment.](#)

DHCD put their housing needs assessment out this past week – here are a few key takeaways:

- Maryland needs about 590,000 new housing units by 2045 to meet projected demand
- The cost burden for renters has increased from 33% since 2000 to 46% since 2022.
- Homeownership is increasingly out of reach for moderate-income households; only 49% could afford the median home in 2022, down from 75% in 2000.
- For every 1,000 renters earning 0–30% of Area Median Income (AMI), 610 affordable homes are missing.
- The lower shore has an average of 20% - 55%+ of its renters are cost burdened.
- Total annual permitted units has been halved since 2000.

Maryland's housing shortage is multifaceted, and DHCD will be bringing forth legislation this Session to remedy the worsening inventory shortage for our state. This is a very interesting read and I'm happy to discuss further!





Governor Moore's Executive Order

[Click here to read the full Order as Written.](#)

Governor Moore signed an executive order to help expedite housing development.

- DOT will develop DOT owned land for dense and mixed-use housing.
- DHCD will identify State owned land that is conducive for housing development.
- New, third-party development standards will be published by March of 2026.
- By November 21, 2025, DHCD will award funds and tax credits, close out deals and loan agreements, and award funds for multifamily, affordable housing.
- A new position called the State Housing Ombudsman will liaison between federal, state, and local governments and the private sector to expedite housing development.
- Housing developments for all levels of government in the State will be published Jan 1, 2026 and every five years after.

This EO is meant to progress housing development and sets deadlines for government offices to implement new procedures and issue funds.

