

THE PRINCE GEORGE'S COUNTY GOVERNMENT BOARD OF ETHICS

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BOARD FORMAL ADVISORY OPINION

April 1, 2025

Mr. Ikenna Udejiofor, Executive Director Redevelopment Authority of Prince George's County 9200 Basil Court, Suite 504 Largo, Maryland 20774

RE: Case #25-0278e

Dear Executive Director Udejiofor:

The Board of Ethics (herein "Board") has reviewed the request made by you on behalf of an employee of the Redevelopment Authority (herein "RDA or Authority"), dated January 31, 2025, seeking an exemption from the filing of a Financial Disclosure Statement. The Prince George's County Ethics Code (herein "Code of Ethics") Section 2-294(h) permits the Board to grant exemptions or modifications to the financial disclosure requirement where it finds that application of Section 2-294 would (i) constitute an unreasonable invasion of privacy; (ii) would significantly reduce the availability of qualified persons for public service; and (iii) would not be contrary to the purpose of the Section.

In analyzing the RDA's request for this exemption, an examination was made of the Code of Ethics, Executive Order No. 13-2014, the RDA's enabling statute, policies and programs, and the employee's role and responsibilities within the agency. For the following reasons, the employee should be required to file a financial disclosure statement.

<u>ANALYSIS</u>

A. Code of Ethics Sections 2-290, 2-291 and 2-294

Under Sec. 2-290(c) the statement of purpose and policy of the Code of Ethics is:

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"[F]for the purpose of guarding against improper influence, the County Council enacts this Code of Ethics to require County elected officials, officials, employees, and individuals appointed to boards and commissions to disclose their financial affairs and to set minimum standards for their conduct of local business."

Section 2-291(10) defines an official to mean "an elected official, an employee of the County, or a person appointed to or employed by the County or any County agency, board, commission, or similar entity whether or not paid in whole or in part with County funds and whether or not compensated." The RDA can be considered under the definition as a "similar entity" as a quasi-governmental agency created under State and County law (see section C. below). See also Board of Ethics Formal Ethics Advice Opinion Case #15-2013 (1) (an entity created by County law and appointed by the County Governing bodies subject to Financial Disclosure requirements).

Section 2-294(a) specifically lists certain elected officials, officials, employees, and candidates for office that are required to file a financial disclosure statement. In particular, Section 2-294(a)(36) (formerly Section (a)(34)) of the Code requires certain officials, employees, and/or appointees of the County government whom the County Executive designates by Executive Order to file financial disclosure statements as provided in the Section. Officials subject to this disclosure requirement must be "directly responsible for making governmental decisions, policy or taking governmental action pursuant to any such decision or policy or recommending any such decision, policy or action with regard to:

- (A) Procurement or contracting;
- (B) Administering or monitoring grants or subsidies;
- (C) Planning and zoning;
- (D) Inspecting, licensing, regulating, or auditing any nongovernmental enterprise; and
- (E) Other activities where the decision, action or policy might have significant economic impact on the interests of any nongovernmental enterprise."

This has been interpreted to be a "functional" based review or test for those positions not specifically designated by name in the Code.

B. Executive Order No. 13-2014

Executive Order 13-2014 was promulgated pursuant to the predecessor of current Section 2-294(36) of the Code and was effective April 23, 2014, to further the public trust and to set minimum standards for the conduct of local business by members of quasi-governmental agencies, boards, and commissions. A review of Executive Order No. 13-2014 lists the RDA as one of the agencies designated by the County Executive as being required to file financial disclosure statements. See Executive Order No. 13-2014 (36).

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Through the disclosure of relevant financial information, the impartiality and independent judgment of employees, officials, and board and commission members can be assured.

Executive Order No. 13-2014 serves to bring into compliance those agencies, boards, and commissions not expressly captured in Section 2-294 of the Code. Executive Order 13-2014 incorporates the "functional" criteria in Section 2-294(36) in the functions and employees of the agencies, boards, and commissions listed. See Board of Ethics Formal Ethics Advice Opinion Case #15-2013 (2).

C. Redevelopment Authority & Programs

The Prince George's County Council authorized and established the Prince George's County Redevelopment Authority in Council Bill 85-1997, pursuant to State law¹, and is codified in Subtitle 15B of the County Code. Subtitle 15B sets for the purposes, powers, membership, fiscal year, and operating and capital budget authority of the RDA.

The RDA consists of seven (7) public members and two (2) ex officio members with three (3) of the seven (7) public members shall be residents of the County. Five (5) of the public members shall be appointed by the County Executive for staggered terms of four (4) years each and confirmed by the County Council and two (2) of the public members shall be appointed by the County Council according to the Council's rules. Section 15B-118.

The RDA has several important powers, including to: (1) acquire, purchase, or otherwise obtain, hold, and use any property, real, personal, or mixed, tangible or intangible, or any interest therein, Section 15B-107(a)(1); (2) sell, transfer, or convey any property, real, personal, or mixed, tangible or intangible, or any interest therein, acquired by the Redevelopment Authority at any time, Section 15B-107(a)(5); (3) accept grants from, make loans to, and enter into contracts with any Federal, State, or local agency, or any private entity or party, Section 15B-107(b); and (4) establish, impose, and collect tolls, rates, rentals, fees, and charges relating to its undertakings and property, Section 15B-107(c).

Subtitle 15B includes the power to "appoint and remove such other employees or agents as the Redevelopment Authority shall deem necessary or desirable" and "delegate to one or more of its members, or to the officers, agents, or employees of the Redevelopment Authority, such powers, and duties as the Redevelopment Authority may deem necessary." Section 15B-120(b) & (c).

In particular to this matter, Section 15B-126(a) of the County Code establishes the conflict of interest requirements that the RDA shall comply with the provisions of Division 17 of Subtitle 2 of this Code with regard to conflicts of interest and ethical considerations. Specifically, under Section 15B-126(b):

¹ Chapter 266 of the Laws of Maryland, 1996.

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"Members and officers of the Redevelopment Authority shall file financial disclosure statements pursuant to Division 17 of this Code."

The RDA's fiscal year, operating, and capital budgets are set forth in Title 15B and mirrors the County's budget submission, review, and approval process by the County Executive and County Council.

Next, we reviewed the Authority's policies and program, including its adopted procurement procedures and policies.

The RDA offers numerous programs for County residential and commercial property owners, including Pathway to Purchase, the First Time Homebuyer Assistance Program, the Surplus Real Property Program² and the Community Impact Grant Program (CIG).³

The RDA also manages the Commercial Property Improvement Program (CPIP). The CPIP was established to assist owners of shopping centers and retail street storefront properties with improving exterior facades, place-making, lighting, and major building system improvements that enhance retail competitiveness and viability. For Fiscal Year 2025, RDA announced \$1 million in funding availability for CPIP.

The RDA has also adopted a Procurement Operating Policies, Procedures, and County Based Business And County Based Small Business Preference (herein "Procurement Policy") on April 3, 2000, in Resolution 2000-1 (as amended). The purposes of the Procurement Policy are as follows:

"A critical goal of the Redevelopment Authority (RDA) is to ensure the growth of wealth and income in Prince George's County through the sustainable development of the built environment and the participation of residents and County businesses in that process. The RDA sees the procurement process as an important tool in ensuring that local residents and businesses participate in the investments and contract opportunities offered and promoted by the agency. To that end, whenever possible investment and contracting opportunities should favor maximal inclusion of local residents and businesses. The underlying purposes and policies of these Operating Procedures are to:

³ (CIG) is to provide small capital grants to community-based organizations within Prince George's County to implement small innovative projects within priority areas, as identified by the redevelopment authority, to help strengthen communities while building organizational capacity.

² RDA was appointed by the County Council to administer the disposition of County-owned real property, when such property is no longer needed for County use or when the proposed disposition is in furtherance of a public purpose.

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- Provide for the fair and equitable treatment of all Persons or firms involved in the Authority's various procurement activities;
- Assure that supplies and services are procured efficiently, effectively, and at the most favorable prices available to the Authority;
- Promote County Based and County Based Small Business preferences;
- 4. Promote competition in contracting; and
- 5. Provide safeguards for maintaining the integrity of the procurement system."

Chapter 1 - I. General Provisions (B).

D. Employee Responsibility

Lastly, we review the approved and signed employee's position description (Form 544), dated February 7, 2024, for the 544 states the following:

"This is a managerial and administrative professional level position with work including a variety of activities and assignments to support the maintenance and operations of the Redevelopment Authority's (RDA) portfolio of commercial and residential properties."

Specifically, under A1 the employee "serves as Manager of RDA's asset management section, responsible for coordinating the maintenance, compliance, and disposition of all RDA property."

Under B the employee "administers, manages and supervised the RDA's CPIP Program", including administers the annual round of funding of the RDA's CPIP program (B1), preparation, publication, and manages Q & A for the Notice of Funding Availability (NOFA) (B2) and "oversees the award management of grant funds and compliance with program guidelines "(B4).

Under C, the employee manages "administration applications for housing or other comparable programs, including the Neighborhood Stabilization Program (NSP) and Residential Façade Improvement Programs."

Finally, under E the employee manages "RDA real property inventory with tasks including securing, site maintenance, inspections, and contractor supervision", including "prepares solicitations and schedules vendors and contractors to reform RDA site maintenance." (E2).

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As part of its exemption request, RDA indicated that the nature of position as a the employee "does not make decisions substantially in the areas of contracting, procurement, administration of grants or subsidies, property conveyance, developing policies, land use planning, inspecting, policymaking, regulating, or auditing." In addition, RDA provides that the employee "does not hold a contracting officer's warrant, serving as a contracting officer's representative, or contracting officer's technical representative, a purchase card holder with a transactional limit exceeding." See January 31, 2025 RDA email request.

In addition, in reviewing the RDA's organization chart provided, the employee is listed under the division of the agency. However, they are not listed under the divisions operationally.

CONCLUSION

In conclusion, and with the intent of the County Council in mind – that provisions of the Code of Ethics are to be broadly applied in order to effectuate its purpose, the Authority's request for exemption was analyzed under the Code of Ethics, Executive Order No. 13-2014, the RDA's enabling statute, policies and operations and the employee's approved position statement and responsibilities.

After review of all matters, the Board believes that the employee should be required to file a financial disclosure statement because: (1) Title 15B of the County Code states that the Authority's work entails the use of County funding for its programs, development, and management of real property assets; (2) a review of Executive Order No. 13-2014 which lists the Authority as one of the agencies, boards, and commissions designated by the County Executive as being required to file financial disclosure statements due to the significance of its work, (3) the employee is an "official" as defined in Section 2-191(10) of the Code; and (4) the employee's approved position description, includes aspects of "procurement or contracting"; "administering or monitoring grants or subsidies" and "licensing, regulating, . . . any nongovernmental enterprise," under the Section 2-294(a)(36) "functional criteria."

The filing of financial disclosure statements serves to remind public officials and employees of their financial interests to help them avoid conflicts of interest, while at the same time promoting public confidence in the integrity of government by providing citizens with information about those who serve them. See Board of Ethics Formal Ethics Opinion Case #15-2013 (2).

Nothing advanced by the Authority or the employee in this request for an exemption supports the granting of an exemption or modification over the compelling interests of the County in maintaining the trust of its citizens. Nor does the Board believe that the financial disclosure statement filing requirement constitutes an unreasonable invasion of privacy or significantly reduces the availability of qualified persons for public service. In addition,

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the Board finds that an exemption in this case would be contrary to the purpose of Section 2-294 of the Code of Ethics and Executive Order 13-2014.

In reaching this decision, the Board has relied upon the facts as presented by RDA and takes notice of publicly available information. Pursuant to the Board's adopted Rules of Procedure, any party aggrieved by the decision of the Board has ten (10) business days to file a request for a hearing before the Board. The request should be in writing and state the grounds on which the person is contesting the notice, decision, order, or other action.

If you have any questions, please call the Office of Ethics and Accountability at (301) 883-3445 or at theoea@co.pg.md.us.

Sincerely,

Melanie Barr Brooks

Chair

cc: Todd M. Turner, OEA Executive Director

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