

**CITY OF BALTIMORE
COUNCIL BILL 10-0209R
(Resolution)**

Introduced by: Councilmembers Conaway, Clarke, Henry, D'Adamo, Stokes, Branch, Kraft,
President Young, Councilmembers Middleton, Welch, Curran

Introduced and read first time: May 24, 2010

Assigned to: Taxation, Finance and Economic Development Committee

Committee Report: Favorable

Adopted: May 9, 2011

A COUNCIL RESOLUTION CONCERNING

1 Informational Hearing - Recordation of Tax Sale Properties

2 FOR the purpose of requesting that representatives from the Departments of Finance and Housing
3 appear before the Council to report on the number of properties foreclosed on through the tax
4 sale process for which no deed has been recorded and to discuss the fiscal impact of these
5 transactions on the City.

6 Recitals

7 When the City initiates the tax sale process on a property it generally has two goals. The
8 first, and most obvious, is the desire to collect the money owed to the City by the property
9 owner. The second, and perhaps more important, goal is to move the property out of the hands
10 of a party that is not using it productively or adding to the City's tax base and into the hands of a
11 party that will use the property in a way that provides a steady stream of tax revenue.

12 This second goal can only be achieved if the purchasers of a tax lien certificate follow
13 through with a foreclosure proceeding on the property and complete that process by recording a
14 deed to the property in their name. If, instead, the property is foreclosed on but no deed is
15 recorded the property can fall into a kind of legal limbo that prevents the City from collecting
16 recordation and property taxes from the property in a timely manner.

17 It has come to the Council's attention that some purchasers of tax lien certificates may be
18 foreclosing on the encumbered properties but not properly recording their deeds after they take
19 title to a property. In order to ensure that Baltimore can reap the most benefit from each tax sale,
20 and maximize the tax revenue from these properties, it is important to investigate the extent of
21 this problem and determine how much of a negative impact it may be having on the City's
22 finances.

23 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That
24 representatives from the Departments of Finance and Housing are requested to appear before the
25 Council to report on the number of properties foreclosed on through the tax sale process for
26 which no deed has been recorded and to discuss the fiscal impact of these transactions on the
27 City.

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter stricken by amendment.

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1 **AND BE IT FURTHER RESOLVED**, That a copy of this Resolution be sent to the Mayor, the
2 Director of Finance, the Housing Commissioner, and the Mayor’s Legislative Liaison to the City
3 Council.