

Action Baybrook

June 29, 2021

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Councilmember Phylcia Porter
Councilmember Odette Ramos
Councilmember Antonio Glover

Re: Problem Vacant Properties – 21-0037R

Dear Councilmembers:

As you know, I am the volunteer Chief Executive Officer of Action Baybrook, Inc., a non-profit based in the Brooklyn/Curtis Bay neighborhoods of District 10. We have hundreds of vacant problem properties in our neighborhoods and have been working to resolve them for the last few years. I am submitting these comments regarding vacant properties in hopes that it will assist you and the Council in addressing problem vacant properties in Baltimore City.

I do not believe that there is a single vacant property solution or magic pill. But every vacant property is NOT a unique problem to be resolved individually. As other cities have found (including notably Philadelphia and Detroit), there are solutions which can be applied to solve many vacant properties at once.

In addition to the excellent suggestions of others, including creation of a land bank, reformation of the tax sale process, and revamp of the receivership process, I add the following suggestions which I believe will catalyze both efforts to fight vacants as causes of crime and efforts to encourage private investment and renovation of vacants.

I would be happy to speak to any Councilmembers or others interested in finding solutions. Thank you for your attention to this problem.

Sincerely,



Jan Eveland, CEO

Vacant Property Suggestions

Problem 1

Problem: It is undisputed that vacant properties cause crime but there does not appear to be any proactive City action regarding vacant properties before crimes are committed.

Solution: Vacant properties rarely exist in a vacuum and any solutions regarding them should include coherent agency-wide solutions for the property and its surrounding neighborhood area. Open communication channels between City agencies, offices, and BPD would have a dramatic impact on problem vacants and crime while having relatively little budget impact. For an example of how this might work, compare homicide/shooting data for 2018-2019 when Brooklyn had a multi-agency immediate response under the Violence Reduction Initiative program to the 2020-2021 violent crime data for the same area when there is no coordinated intra-agency response.

Examples:

- DPW boardup is ineffective and not in keeping with known best practices to secure vacant properties.
- Residents around vacant(s) are not canvassed for willingness to install cameras which can be accessed by DHCD for illegal dumping or BPD for illegal activity.
- There is no proactive property clearing, boarding, or owner contact for vacant properties located in high crime blocks. The only way any City action occurs is if a community member files a 311. The only notice to an owner appears to be a violation notice – which is almost always ignored by the owner without noticeable consequence beyond a nominal fine.
- There is no apparent proactive action regarding problem property by any City agency or BPD – action is only instituted (if at all) reactively after repeated resident complaints are made.
- There is no follow up on properties where crimes are committed – property owners are not notified, owners often cannot be found, BPD does not communicate problem properties to other City agencies for follow up, and other City agencies do not seem to prioritize BPD requests for priority action on problem vacant properties.
- BPD does not communicate within BPD so the community officers do not know where the drug arrests and murders have even occurred unless they are asked to do so by the residents and even then they don't have access to information they need to interact with the community – community members often know more about drug dealing, murders, and shootings than the community officers do.

Problem 2

Problem: City practices decrease the likelihood that an investor will purchase a vacant property for renovation while increasing the likelihood that a speculator will purchase it.

Solution: Revise City practices to increase the likelihood that an investor for renovation can cost-effectively purchase vacant properties while decreasing the attraction for speculative out-of-state purchasers.

Examples:

- If a potential purchaser requests a lien search to determine the City liens on the property prior to purchase then inspectors appear to react by renewing existing violations or inflicting new violations and liens on the property, decreasing the likelihood that a purchaser can affordably purchase a decaying vacant for renovation.
- Real estate tax assessments do not reflect that a property has been empty and open to the elements for years but rather use mass valuation methods to assess it for the same value as stable neighboring properties. No speculative disinterested owner will bother contesting this assessment because a speculator doesn't intend to pay the taxes at all so vacant properties accumulate uncollectible real estate taxes and dissuade purchase for renovation while encouraging overbidding by out-of-town speculators for tax sale certificates merely for the 18% interest while the property sits vacant for years. This is exactly what seems to have happened during the last two years of tax sales.
- Lenders do not have to provide any public contact information regarding a vacant property and so cannot be contacted, even after they purchased a vacant property at their own foreclosure sale.
- The foreclosure process allows lenders to go through the process and not provide any public information (or make information available to the City) about the status of the property. In many cases, the bank gets a deed (either as purchaser at its own foreclosure or from the debtor seeking to avoid further legal action) but does not present that deed to Land Records for recordation, often for years. The bank has no obligation to sell the property and often does not, working instead to consolidate large groups of properties over years and sell them to a single large purchaser rather than individually to local investors willing to renovate them. Meanwhile, the bank does not respond to any requests for action, either from the community or apparently from City agencies, and the property falls into further decay and presents more opportunity for criminal activity. Meanwhile so-called "management" companies are complicit and do nothing to actually manage the vacant property.