



June 25, 2021

The Honorable President and Members of the Baltimore City Council
Attn: Natawna B. Austin, Executive Secretary

Re: Support for City Council Resolution 21-0037R – Informational Hearing - Studying Options to Rid Baltimore City of Vacant Properties

Dear President and City Council Members:

Thank you for the opportunity to submit this letter of support for City Council Resolution 21-0037R. I write on behalf of Community Law Center, a nonprofit organization which provides free legal services to nonprofit and community organizations in Baltimore and statewide. Community Law Center has long worked to address property vacancy, one of the most common, significant, and difficult to resolve issues on which we receive requests for assistance from our community clients.

Vacant properties cause significant harm to Baltimore communities

Residents of Baltimore are significantly impacted by vacant properties: Vacants are a hazard to neighboring properties when they are open to the elements or at risk of collapse; cause physical and psychological harm to passersby from lead dust and other hazardous materials and by being a visible indicator of neighborhood neglect; attract crime and illegal dumping, requiring City resources from police, the fire department, and code enforcement; reduce neighboring property values; and require neighbors to put their time and resources into calling 311, mowing the grass, and cleaning up trash and debris.

Vacant properties are an equity issue

Vacant properties in Baltimore are concentrated in Black neighborhoods, as a result of years of disinvestment, redlining, and predatory real estate practices. Neighborhood residents have dealt with issues related to longtime vacant properties in some cases for years, without any indication of a plan or timeline for addressing the vacants.

Changes needed to address property vacancy in Baltimore

- *Create a sliding scale of fines and implement a tax on vacant properties* – These proposals from the Resolution could spur vacant property owners to take action on the properties. If the owner does not take action or has abandoned the property (in many cases the deeded owners of vacant properties are deceased), the unpaid fines and taxes become liens which can trigger the use of the City's in rem tax foreclosure tool, to transfer the property to new ownership. Escalating code enforcement could be tailored to the circumstances of the property – ensuring that property owners who need help are connected with maintenance

resources and legal assistance for tangled title and advance planning issues, and setting progress benchmarks if the property is being rehabbed.

- *Increase resources and staffing for receivership and code enforcement.*
- *Accurately count vacant properties* - Open Baltimore lists 15,389 properties as vacant in the City (meaning they have a Vacant Building Notice). However, the US Census counted 46,782 vacant dwelling units in 2010, and the Baltimore Neighborhood Indicators Alliance estimated 31,370 vacant buildings based on City and Census data in 2015. We need an accurate count of the scale of the problem in order to address it.
- *Expand the use of in rem tax foreclosure* - Vacant properties and vacant lots with unpaid tax bills, water bills, code citations, and other liens may be so underwater with high liens and low assessed property values that no purchasers will dive into the depths to acquire and rehabilitate them. With no purchaser, and effectively abandoned by the property owner, the properties will continue to cycle through tax sale year after year, physically deteriorating and harming Baltimore neighborhoods all the while. Using in rem foreclosure allows the City to interrupt this cycle, and bring these properties into its inventory for maintenance and assembly for a future purchaser.
- *Reform tax sale in Baltimore* - As the Baltimore City Department of Housing & Community Development stated in its testimony in support of the Resolution: “the most significant way to address high rates of vacancy is to prevent future vacant properties.” Baltimore’s current tax sale system is a cause of vacancy – homeowners can lose their homes in tax sale for as little as \$750 in unpaid taxes and other liens. The system is confusing and difficult to navigate. Seniors are particularly vulnerable – they may be on a limited income and have paid off their mortgage, so are not making automatic monthly payments. And tax sale is an equity issue: at tax sale prevention clinics held in 2020 by the Pro Bono Resource Center of Maryland and Maryland Volunteer Lawyers Service, 85% of clients were Black, 72% were seniors, 48% were disabled, and 72% reported annual household incomes of less than \$30,000.

Community Law Center supports City Council Resolution 21-0037R, and urges action to address vacant properties in Baltimore.

Thank you for your consideration.

Sincerely,
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