




## MEMORANDUM

**To:** The Honorable President and Members of the Baltimore City Council  
c/o Natawna Austin, Executive Secretary

**From:** Alice Kennedy, Housing Commissioner 

**Date:** July 12, 2022

**Re:** City Council Resolution 22-0101R Informational Hearing - Mayor's Recommendations - 30-Day Review of Strategies to Eliminate Vacant and Abandoned Properties

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## Background

On January 31, 2022, Mayor Brandon Scott directed key agencies that service vacant properties to present him with a list of recommendations to expedite the abatement of the City's approximately 14,780 vacant buildings.

Thirty days after the directive was issued, DHCD - in collaboration with the CAO's office and leadership from partner agencies across the City - submitted a memo to Mayor Scott. This memo detailed more than 35 recommendations to address vacant property in Baltimore City from many angles - from vacancy prevention to improving City operations.

## DHCD Analysis

1. Successfully addressing vacant property throughout Baltimore City requires significant capital and coordination to effectively eliminate vacant property at scale. Currently, DHCD is not adequately capitalized to rehab or demolish thousands of vacant properties on an annual basis. On average, the City cost to execute interventions is as follows:
  - a. Demolition: \$30,000 per property
  - b. Stabilization: \$68,000 per property
  - c. Developer Incentive: \$50,000 per property
  - d. Acquisition: \$10,000 per property
  - e. Homeowner vacant property rehab: \$10,000
2. DHCD is committing significant capital to vacancy prevention, a previously de-emphasized yet necessary component to tackle the issue of vacant buildings across the City as well as preserve the built health of a neighborhood. Of note is that this is a preventative measure, thus, the benefits of this intervention take several years to manifest results.



3. An analysis of vacant property trends across Baltimore from the last 5 years shows that for every vacant building that is renovated (goes from VBN to Use & Occupancy permit), another vacant building is identified.

## Recommendations to the Mayor

Below are the recommendations that have been assigned to DHCD as the lead agency. The Mayor's Office has convened a Vacants Working Group to implement the recommendations made to Mayor Scott earlier in the year. It is through this working group that DHCD reports on the progress made in all recommendations assigned to it.

Of the 43 recommendations that are being implemented through the Mayor's Executive Workgroup on Vacants, 26 are assigned to DHCD.

### Vacancy Prevention Recommendations

#### *Short Term*

1. Increase funding for Housing Upgrades to Benefit Seniors (HUBS).
2. Education Campaign on the importance of Homeowner's Insurance.
3. Tax Sale Prevention Program.
4. Explore ways to Increase Support and Expand "My Deed, My Legacy" campaign.
5. Explore the efficacy of establishing a Ground Rent Redemption Grant program.

### Legal & Regulatory Recommendations

#### *Short Term*

1. Increase the number of Tax Sale Foreclosure cases each year.
2. Identify owners with demolition and stabilization liens that have other properties to determine if the City can file collection cases to have judgments recorded.
3. Identify and track properties that have been sold at receivership auction, and where no permits have been applied for within a year after settlement.
4. Identify and track properties that have been sold by DHCD Development Division, and where no permits have been applied for within a year after settlement.

### Housing & Neighborhood Development Recommendations

#### *Short Term*

1. Implement and Fund a Campaign to Increase Property Donations to the City of Baltimore.
2. City-Owned Property Disposition Improvements.
3. Identify rehabbed and sold vacants with no Use & Occupancy permit issued, and work with owners to abate vacant building notice.



4. Stabilize privately owned vacant properties next to occupied properties.
5. Stabilize city-owned vacant properties next to occupied properties.

### System & Process Improvement Recommendations

#### *Short Term*

1. Permitting System and Engagement Improvements.
2. Improved outreach and partnership with private sector partners working to rehab vacant properties.
3. Improved communication with general public on City's work to address vacant properties.

### Operations & City Services Recommendations

#### *Short Term*

1. Title Process Improvements.
  1. Ensure all vacant buildings have received proper and allowable citations.
  2. Create a stat/performance management process to track public and private VBNs.
  3. Increased collaboration between DHCD and BCFD.

### Legislative Recommendations

#### *Long Term*

1. Streamlined service rules for privately owned vacant properties.
2. Explore legislative update to building code to amend the cost of a Demolition Permit.

### Conclusion

DHCD is committed to implementing the 30-day vacancy recommendations to reduce the number of vacant properties developed by the Scott Administration workgroup led by CAO Christopher Shorter and comprised of senior officials from the Department of Housing and Community Development, the City Solicitor's Office, the Department of Public Works, and the Department of Finance.

We respectfully request a **favorable** report on Council Resolution 22-0101R.

AK/kr

*cc: Ms. Nina Themelis, Mayor's Office of Government Relations*