

Robin Carter
Chairperson, Board of Commissioners

Janet Abrahams
President | Chief Executive Officer



Memorandum

To: The Honorable President and Members of the City Council

C/o Natawna Austin, Executive Secretary

From: Janet Abrahams, Chief Executive Officer

A handwritten signature in black ink, appearing to be "J. Abrahams", is written over the "From:" line.

Date: 10/22/2024

Subject: City Council Bill 24-0601 Property Taxes - Special Rate for Vacant and Abandoned Property

The Housing Authority of Baltimore City (HABC) has reviewed City Council Bill 24-0601 to require a unique property tax rate for vacant and abandoned property. The bill would set the tax rate for a vacant structure, as defined in the City's Building Code, to be three times the full rate of property tax established each year. If the structure is defined as vacant for more than one tax year, the rate is four times the entire property tax rate. The bill would also require the Director of Finance and the Commissioner of DHCD to adopt rules and regulations to carry out the provisions, and the law would sunset on July 1, 2029.

HABC is the largest public housing authority in the State of Maryland and the fifth largest in the country. The agency provides federally - funded housing assistance and related services to over 20,000 low-income households in Baltimore City through its public housing and Housing Choice Voucher programs. Baltimore Affordable Housing Development, Inc. (BAHD), an entity that is controlled and wholly owned by HABC in accordance with §12-104(a)(2), provides development-related services on behalf of HABC. Section 12-104 (c)(3) recognizes that HABC and the Mayor and City Council of Baltimore (City) are parties to a Cooperation Agreement that includes the tax exemption requirement and provides that a Baltimore Housing Authority entity will enter into PILOT agreements with the City pertaining to all housing projects in lieu of paying taxes.

Through BAHD, HABC collaborates with the City to facilitate the development of affordable housing for eligible families, which contributes to neighborhood revitalization. This effort requires HABC or BAHD to acquire properties in neighborhoods in proximity to the intended new development in order to create a larger footprint for the construction of new affordable housing to reduce the concentration and eliminate the constraints that exist with the traditionally constructed public housing projects.

The Housing Authority of Baltimore City requests an exemption from City Council Bill 24-0601 Property Taxes—Special Rate for Vacant and Abandoned Property, as housing authorities are exempt from taxes and special assessments.

Housing Authority of Baltimore City | 417 East Fayette Street, Baltimore, MD 21202

410.396.3232 www.HABC.org @BmoreHabc