CITY OF BALTIMORE COUNCIL BILL 22-0100R (Resolution)

Introduced by: Councilmembers Ramos, Bullock, Torrence Introduced and read first time: April 4, 2022 Assigned to: Ways and Means Committee Committee Report: Favorable Adopted: October 3, 2022

A COUNCIL RESOLUTION CONCERNING

1 Informational Hearing – Judicial In Rem Foreclosure 2 FOR the purpose of inviting the Commissioner of the Department of Housing and Community Development, the Deputy City Solicitor, and other relevant parties to come before the City 3 Council to describe the in rem foreclosure process, inform the Council on the capacity of the 4 Department of Housing and Community Development to increase in rem foreclosure cases, 5 inform the Council on the role of the Circuit Court in the in rem foreclosure process, and 6 7 recommend measures the City Council can take to support these efforts. 8 Recitals In 2016, the Center for Community Progress authored a report about the Baltimore City tax 9 sale system and suggested a number of reforms, including the implementation of the judicial in 10 rem tax foreclosure process. 11 In 2019, Maryland Senate Bill 509/House Bill 557, sponsored by Senator Eckardt of 12 Dorchester County and Delegate Holmes of Prince George's County, passed the General 13 Assembly, enabling jurisdictions to use in rem foreclosure to acquire vacant and abandoned 14 properties. This was one of the actions recommended by the Tax Sale Task Force study that was 15 completed in 2017. 16 17 In 2020, the Baltimore City Council passed Council Bill 20-0529, which established the in rem tax foreclosure process in Baltimore City. 18 In rem tax foreclosure allows the City to remove an abandoned property with 19 liens that exceed the value of the property from tax sale and then foreclose on the liens. The City 20 then takes title of the property and can utilize it for community development purposes in 21 collaboration with the community. It is the best tool the City has to eliminate blight through 22

23 rehabilitation or demolition of properties, while also controlling the outcome of the process.

EXPLANATION: <u>Underlining</u> indicates matter added by amendment. Strike out indicates matter stricken by amendment. NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That the Baltimore City Council invites the Commissioner of the Department of Housing and Community Development, the Deputy City Solicitor, and other relevant parties to come before the City Council to describe the in rem foreclosure process, inform the Council on the capacity of the Department of Housing and Community Development to increase in rem foreclosure cases, inform the Council on the role of the Circuit Court in the in rem foreclosure process, and recommend measures the City Council can take to support these efforts.

8 **AND BE IT FURTHER RESOLVED**, That a copy of this Resolution be sent to the Commissioner 9 of the Department of Housing and Community Development, the Deputy City Solicitor, and the 10 Mayor's Legislative Liaison to the City Council.