



**A COMPREHENSIVE STRATEGY  
FOR COMMUNITY-DRIVEN  
REDEVELOPMENT OF VACANT  
RESIDENTIAL AND BLIGHTED  
COMMERCIAL PROPERTIES**

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# THE PROBLEM

Baltimore City is plagued by vacant housing and abandoned commercial properties. With just under 14,000 vacant houses, over 20,000 vacant lots, and countless decaying commercial and industrial structures, Baltimore City has the third-highest rate of vacant structures and abandoned properties in the country.

The quality of life for tens of thousands of our residents is diminished by vacant houses. Concentrated in East Baltimore, West Baltimore, Southwest, and Park Heights, the crisis of vacancy drags down property values for innocent homeowners, hinders investment in our communities, contributes to crime, creates fire hazards, and attracts vermin and dumping. Schoolchildren walk by these blighted and unsafe buildings every day. In a city with a shortage of affordable housing, abandoned properties are a visible reminder that too few citizens have a decent, safe, and affordable place to live.

According to a report by Johns Hopkins University, the city spent more than \$100 million on vacant housing in 2022, about half in operating costs and half in stabilization and demolition. This money could have been put to far better use by developing affordable housing, renovating and expanding programming at recreation and senior centers, and providing job training opportunities for Baltimore City residents.

The tragic death of three firefighters in a vacant property two years ago catapulted the issue of vacant properties to new prominence in our city's priorities. While we know that this has always been a crisis, their deaths could have been prevented had we taken action as a city decades ago.

# CURRENT PROPOSALS

Baltimoreans United in Leadership Development (BUILD) has harnessed their organizing power around the issue of eliminating vacant properties. In 2007, I joined the legendary BUILD founder Bishop Douglas Miles and Tony Deering, former Rouse Company president, in City Hall to kick off a \$10 million campaign to rebuild Oliver, which has become a national model for revitalization without displacement. Today, BUILD is calling for a whole block, whole neighborhood strategy, and leads the advocacy to raise more than \$3.7 billion of public and private funding over 15 years to ensure that as a city, we have the capital to tackle this crisis.

Credit is due, also, to Councilwoman Odette Ramos, community leaders, housing advocates and nonprofit developers who have sounded the alarm on vacant properties for years. Upon entering the City Council, Ramos convened a working group that has met for more than two years to build on the original Land Bank concept that I proposed when I was in office. She introduced legislation to create the Land Bank Authority with enhanced features based on research of other Land Banks across the country. I've been a long-time advocate for the Land Bank model that creates an entity outside of city government to acquire, manage, and redevelop vacant properties. The city cannot address the magnitude of the problem with current configuration including capacity and practices.

The proposal released by the city, in consultation with BUILD and the Greater Baltimore Committee, focuses on quantifying the funding needed to address the vacant property crisis. This is indeed necessary and part of the puzzle needed for success, however, the other ingredients - the capacity to focus on multiple neighborhoods and properties at once and the tools to get there - are lacking. As Mayor, I will work to ensure that our city has the capacity to acquire and dispose of vacant properties at scale. I will work with BUILD, councilmembers, state representatives, philanthropy, and community leaders to implement my community-driven strategy to address vacant properties in our city.

For far too long, community voices have gone unheard and neighborhood plans have sat on shelves. Community redevelopment must represent a partnership between community members and the developers investing in them. As Mayor, I will work to place the community at the center of the planning and development process. Rather than asking communities to endorse fully developed plans that are presented by developers, my administration will work with communities utilizing existing neighborhood plans and developing new plans when current ones are dated or don't exist. Placing the community at the center of the decision-making process has been central to me throughout my entire career. As we did when I was Mayor, we will encourage neighborhoods to hold us accountable for not just completing plans but implementing the recommendations.

# EMPOWER A NEIGHBORHOOD REDEVELOPMENT AUTHORITY

Since I proposed the creation of a Land Bank in 2007, the frustrations with city government to meet the challenges of eliminating vacant housing have only grown. I hear from communities, nonprofit developers, small developers, and elected officials that DHCD is broken. Repeated efforts to streamline the sale of city-owned vacant houses have fallen far short of expectations. Selling city properties remains bureaucratic and lacks urgency. Moreover, DHCD has so many issues to address internally, that we as a city cannot possibly imagine that DHCD alone can do the important work of acquisition and disposition of city-owned vacant properties at the level and speed needed. For instance, the long-overdue reform of the building permit process was pushed back an additional year, leaving homeowners, businesses, and people rehabbing properties having to go to their city council members for results. In addition, the landlord licensing program is a shambles and cost the lives of two children and a young adult in a recent fire.

The solution to the monumental task of eliminating vacant houses is not to give massive funding to an already broken city agency. Drawing on my experience and after hearing from community leaders, I believe that BUILD and the Land Bank advocates are both right. It will take a whole neighborhood strategic framework and a quasi-public entity like a Land Bank with adequate financial resources and staffing to tackle the vacancy problem at scale.

I believe that we need to take the Land Bank concept even further by creating a Neighborhood Redevelopment Authority. With the emphasis on NEIGHBORHOOD, the Authority would have public sector, community, and private sector representation. Why a new entity and not DCHD? In general, I maintain that agencies of city government, if appropriately resourced, staffed, and managed, are best to tackle complex urban problems. However, I believe, as I did in 2007, that the vacant housing crisis is so large that not just one entity can do the work. This crisis can be better managed by a quasi-public entity that is accountable, transparent, and able to be nimble and flexible. A quasi-public organization can adapt more quickly to changing circumstances, access additional funding sources, and attract and retain specialized expertise.

The Authority should have a broader and more comprehensive mandate. There are more than 60 neighborhood plans approved by the Planning Commission listed on the Planning Department's website. Too many community leaders will tell you that no city agency has the clear mandate, staffing, experience, or resources to implement these plans. The Main Street program, for example, which thrived when I was Mayor, is under-resourced and completely disconnected from neighborhood revitalization efforts. The city no longer uses its redevelopment tools to find productive reuses of vacant commercial and industrial property owned by slum landlords.

# EMPOWER A NEIGHBORHOOD REDEVELOPMENT AUTHORITY

More than 250 communities around the country have concluded that an entity outside government was needed to meet the challenge of persistent blight. Working with city agencies, the Redevelopment Authority will be a partner in reducing vacant and abandoned properties using the following methods:

- Streamline the acquisition and disposition of properties on behalf of the city.
- Hire additional code enforcement inspectors and attorneys.
- Establish a higher property tax rate for vacant properties. I urge the General Assembly to pass HB002 to enable the city to do this. In the absence of this, continue the City Council's work of increasing fines and fees on vacant and abandoned properties to get them into In Rem.
- Utilize existing tools to promote the revitalization of vacant commercial and industrial properties consistent with neighborhood plans;
  - Dedicate specific code enforcement officers to our commercial corridors. Persistent citations on properties that are empty can prompt their designation as vacant and abandoned.
  - Consider the use of the judicious, community-supported eminent domain, avoiding any residential displacement, of long-vacant, blight-inducing commercial properties.
- Enhance the existing Main Street program, and support their efforts through the acquisition and disposition of commercial property for redevelopment projects;
  - Move the Main Streets program to the Neighborhood Redevelopment Authority.
  - Restore full funding to designated Main Streets for staffing and commercial improvements.
  - Create a fund for the strategic acquisition of blighted properties in commercial corridors throughout the city.
    - Ensure funding is available to assist our small businesses build out and grow their businesses, including purchasing the buildings they are in.

# IMPLEMENT AN ENHANCED ACQUISITION & DISPOSITION STRATEGY

Responsibility for acquiring and disposing of vacant properties will shift from the Baltimore Department of Housing and Community Development to the Neighborhood Redevelopment Authority. Through increased staffing and expertise, the Authority will accelerate the use of judicial in rem foreclosure to acquire vacant properties. The current administration has failed to implement in rem to acquire properties at the speed necessary to have a noticeable impact on communities. The old tools took over a year to acquire the properties. In rem offers the chance to accelerate the acquisition of privately owned vacant properties.

- Accelerate Judicial In Rem Foreclosures - In rem foreclosures is an accelerated process by which the city acquires properties with liens that exceed the properties' value without having to wait for the property to be placed in tax sale. Responsibility for in rem foreclosures will shift from DHCD to the Authority, which will be better staffed with trained attorneys to take full advantage of that tool.
- Expand Reach of In Rem - We will support recent proposals to expand the use of in rem acquisition to include properties with tax liens that are near but not more than the property value. This approach treats property owners fairly while giving more tools to communities to eliminate blight.
- Ensure Community Participation in the Development Process - Require developers to partner with local organizations as a condition of acquiring title to in rem foreclosed properties.
- Hire More Housing Attorneys - Hiring more attorneys is a simple strategy that will have an immediate impact. In order to address vacant housing at scale, more attorneys -- people power -- are needed to move properties through the legal process. I will work with local law firms to enable them to participate in our vision and provide legal person power to this effort.

# TRAIN A NEW WORKFORCE

The demand for workers in the construction trades will exceed supply with a massive new investment in renovating vacant housing. Put differently, any plan to surge the number of houses being renovated will fail without a supply of trained workers. We need a workforce development program to train Baltimore residents in trades that will allow them to participate in the redevelopment of their own communities. These types of training and apprenticeship programs address blight and provide meaningful employment opportunities while fostering a sense of pride and ownership among participants in revitalizing their communities. Providing high-skill high-earning jobs also creates a pathway for many more residents of Baltimore to be able to purchase a home creating stability and long-term wealth for Baltimore families.

As Mayor, I am committed to investing in the many quality workforce development programs currently operating in Baltimore to allow them to grow to meet the increased needs of the workforce. I will facilitate partnerships between schools/training programs and development partners to ensure that we are training to fill the labor needs of projects in the most efficient way possible.

# INCREASE HOMEOWNERSHIP OPPORTUNITIES

Baltimore doesn't just have an affordable housing problem – we also have an affordability problem. Some homeowners, particularly our older adults, often struggle to pay for the upkeep of their homes. Our older adults deserve to age with dignity and increasing operating dollars for the HUBS program as well as expanding opportunities will allow them to do so.

At the same time, young families are often priced out of the housing market. As Mayor, I will advocate for programs that expand affordability options and keep residents in their communities.

The Redevelopment Authority, which will be responsible for the disposition of thousands of vacant residential properties, will accelerate and streamline homeownership opportunities. In order to avoid displacement, we will invest in programs that prepare city residents, as well as people interested in moving to our city, for homeownership. We will raise awareness of existing programs offered by the city, state, and community partners. Organizations such as Southeast CDC, Neighborhood Housing Services of Baltimore, St. Ambrose Housing Aid Center, and many others provide high quality services such as:

- Financial Literacy & Coaching
- Homebuyer Education
- Down payment and Closing Cost Assistance

These types of services, along with the implementation of a variety of affordable housing programs will allow low-income Baltimore residents the opportunity to own their own home. For example, a Community Land Trust provides lower income homeowners assistance with purchasing their first home with the commitment that a percentage of the equity of the property goes back into the Land Trust once the property is sold. This builds wealth while preserving affordability for the next buyer. As Mayor, I will ensure the expansion of homebuyer assistance programs to scale.



# ALIGN STAKEHOLDERS TO FUND THE WORK

Depending on how it is defined, the estimated cost to eliminate vacant housing is between \$3 and \$7 billion. My team is, and will continue to be, focused on identifying realistic funding strategies and sources to address this problem on a large scale. I have a proven track record of advocating and uniting stakeholders to accomplish large goals. Our proposed funding strategies include:

- Maximize the use of Tax Increment Financing (TIF) - TIF is a strategy in which the estimated future taxes of a redevelopment project are used to cover the debt for the funding needed to build the project. This mechanism has historically been used for major downtown development projects, not in neighborhoods and not for the redevelopment of scattered site vacant houses. TIF funds should be prioritized for projects in historically redlined neighborhoods. The City has the authority under current state law to issue TIF bonds to pay for the renovation of vacant housing. Modeled on programs in Michigan and New York, the renovated house will generate higher real estate taxes, which is used to repay the TIF bonds. In contrast to the current administration which undervalues the TIF potential, I would maximize this approach to provide the Redevelopment Authority with a predictable – and realistic – funding source to eliminate vacant housing.
- Expand the Scope of Project C.O.R.E. - Project C.O.R.E., or Creating Opportunities for Revitalization and Equity, was originally created as a partnership between Baltimore City and Maryland DHCD for the demolition of blight. It also funded stabilization and land assembly. I support Governor Moore's current proposals to expand the allowable uses of C.O.R.E. to include debt service on bonds that the State can issue for redevelopment of vacant houses.
- Identify Additional Sources for the Affordable Housing Trust Fund - Baltimore's Affordable Housing Trust Fund (AHTF) was passed as a charter amendment in 2016. The AHTF can be used for predevelopment activities, capital and operating assistance for the creation of community land trusts, affordable and fair housing-related services as well as administrative and planning costs. Unfortunately, the AHTF has been historically underfunded. As Mayor, I will supplement AHTF with general funds and other sources to meet the demand for safe, decent, and affordable housing.

# ALIGN STAKEHOLDERS TO FUND THE WORK

- Call on Philanthropy Where Appropriate - The current administration's proposal funds the renovation of vacant houses with \$300 million of non-existent philanthropic commitments. Notably, not one philanthropic source has signed on to the City's plan. My plan includes initiatives that align with philanthropic partners. As Mayor, I will meet with these partners with an emphasis on homebuyer readiness programs, workforce development initiatives, and expanding shared-equity housing.
- Partnering with Banks - As corporate citizens and with obligations to meet Community Reinvestment Act (CRA) obligations, Banks have a long history of investing in projects in Baltimore. As Mayor, I will work with banks serving Baltimore to leverage city funding and align with community revitalization objectives. We will structure opportunities as low-risk investments using our strength as a city to provide guarantees where needed to attract capital.



