# Baltimore Vacants Reinvestment Council (BVRC)

## **Minutes**

March 3, 2025 Greater Baltimore Committee 111 S Calvert St., Suite 1700 Baltimore, MD 21202, USA 10:30 am - 12:30 pm

The meeting recording can be found here: March 3rd BVRC Meeting Recording

BVRC members in attendance:

- Jake Day, Secretary, Maryland Department of Housing and Community Development (Council Chair)
- Alice Kennedy, Commissioner, Baltimore City Department of Housing and Community Development (Council Vice Chair)
- Jason Perkins Cohen, Assistant Secretary, Maryland Department of Labor
- Carter Reitman, Lead Housing Planner, Maryland Department of Planning
- Tom Sadowski, Executive Director, Maryland Economic Development Corporation
- Gary McGuigan, Executive Vice President, Maryland Stadium Authority
- Jasmin Torres, Assistant Attorney General, Maryland Office of the Attorney General
- Cory McCray, Maryland State Senator, Maryland General Assembly
- Faith Leach, Chief Administrative Officer, City of Baltimore
- Michael Mocksten, Director, Department of Finance, City of Baltimore
- Leslie McMillan, Co-Chair, BUILD
- John Bullock, Councilman, Baltimore City Council
- Mark Anthony Thomas, President & CEO, Greater Baltimore Committee
- Matt Gallagher, President & CEO, Goldseker Foundation
- Beth Blauer, Associate Vice Provost for Public Sector Innovation & Associate Professor of Practice, Carey Business School
- Otis Rolley, Baltimore City Resident

Call to Order

Baltimore Vacants Reinvestment Council Chair Jake Day called the meeting to order.

### Adoption of Meeting Minutes

Chair Day called for a motion to adopt the minutes from the February 3, 2025 meeting. Upon a motion duly made and seconded, the February 3, 2025 minutes were approved.

### Annual Goals and Monthly Production

Chair Day noted that Maryland DHCD has received the list of targeted vacant properties for the full FY25 and partial FY26 from Baltimore City DHCD. He also stated that Maryland DHCD is continuing to work on finalizing the updated MOU between Baltimore City DHCD, Maryland DHCD, and the Maryland Stadium Authority. Vice Chair Kennedy confirmed the ongoing effort to finalize the MOU.

Chair Day recognized Vice Chair Kennedy to present the annual fiscal goals listed on the Baltimore Vacants Reinvestment Dashboard. Vice Chair Kennedy noted that the dashboard now includes data that has been requested by Council members. She also noted annual Block Level Planning by Baltimore City DHCD will lead to updates in the goals and projections. She also noted that the figures were projections due to the desire to implement communities' preferences rather than set a goal that could act as a quota for demolitions.

Henry Waldron, staff, presented the "Goals & Projections" tab of the Baltimore Vacants Reinvestment Dashboard. He demonstrated where to find monthly actuals, annual actuals, and annual goals.

Chair Day asked whether a greater number of use and occupancy permits were expected to be issued in the coming months as a result of the downturn that occurred due to Baltimore City's transition to a new permitting system. Mr. Waldron stated that he believed that this would occur. Chair Day asked whether Mr. Waldron knew why a noticeable spike in VBNs issued in February 2025 had occurred. Mr. Waldron responded that this spike only appeared due to the selected data representation and that no such increase had actually occurred. Chair Day asked for the total universe of properties that had VBNs reissued soon after abatement and the causes. Mr. Waldron stated he did not have a figure for the size of this universe but suggested that such VBNs may have been initially issued due to a relatively small violation, abated after a simple remediation, and then experienced the same small violation, such as a broken front door.

Mr. Waldron continued presenting the Baltimore Vacants Reinvestment Dashboard. Ms. McMillan questioned the represented significant decrease in completed stabilizations. Mr. Waldron responded that the confusion was due to data representation and that a large decrease in stabilizations had not occurred. Ms. McMillan asked whether the homes that were stabilized could be identified through the dashboard. Mr. Waldron responded that no properties could be identified through the publicly available dashboard, but that the data did represent completed properties. Mr. Gallagher asked whether the listed goals and projections reflected the activity associated with the FY25 BVRI funding. Vice Chair Kennedy responded that the goals and projections do represent projects funded by the FY25 BVRI round. Chair Day stated that a portion of the FY25 BVRI funded acquisitions will then need to be subsequently demolished or

stabilized in later years. He then asked whether the actions that may be needed on these not yet acquired properties would be reflected in the goals and projections list. Vice Chair Kennedy responded that acquisition would be reflected in FY25 and the second action needed for a property would likely be reflected in a later fiscal year.

Mr. Gallagher stated that the listed goals and projections need to feed into an actual workplan. Chair Day stated that our data gathering needed to ensure that we do not assume that a property can only undertake one strategy per fiscal year. Vice Chair Kennedy stated that the timeline for each property depends on the remediation strategies assigned to each. Mr. Gallagher asked whether Council will be able to see every targeted property's progress in the pipeline. Vice Chair Kennedy confirmed that they will be able to track each property.

Mr. Gallagher stated that the volume of properties represented in the presented goals and projections was low and there will need to be an alignment of the goals and projections with an overall workplan. Vice Chair Kennedy noted that neighborhoods that are starting Block Level Planning are not as well reflected in the projections and are expected to have higher total demolitions, so projections will be updated annually. Mr. Gallagher noted that annual updates to the projections may not align well with the Council's efforts and that more regular updates to the goals appear possible with the data Baltimore City DHCD has indicated will be available. He also stated that his experience with stakeholders indicates high interest in the goals set by Baltimore City DHCD. Ms. Blauer noted that more regular updates to the goals and projections will allow the Council to determine whether the strategies that BVRI has invested in are working or not. Chair Day stated that monthly updates to total demolitions, stabilizations, and other strategies is critical and will be available to the Council. Vice Chair Kennedy stated that conversations on how frequently to update the goals and projections did occur among Baltimore City DHCD staff. Chair Day noted that, at the April BVRC meeting during a closed session, council members will be able to look at property level data and the strategies assigned to each property.

Ms. Blauer stated that the Council should set a regular review interval for the listed goals. Chair Day stated that he agreed with creating a regular interval for review of the goals within the BVRC agendas. Mr Gallagher noted that the listed goals and projections include emergency demolitions and other strategies outside of the BVRI funded projects. Chair Day noted that a future BVRC meeting will include a discussion of the constraints and obstacles for demolitions.

Chair Day asked what portion of the approximately 800 properties with a VBN owned by Baltimore City can currently be demolished or stabilized. Vice Chair Kennedy responded that there is a remediation strategy decided for all of them and the majority of them are not a demolition, but that the total number of properties owned by Baltimore City with VBNs slated for each strategy can be determined and brought to the Council. Chair Day noted that properties with a VBN already owned by Baltimore City represent an opportunity for immediate action because they do not have the acquisition timeline.

Mr. Waldron continued presenting the Baltimore Vacants Reinvestment Dashboard. Chair Day asked what additional data points regarding permitting could be tracked. Vice Chair Kennedy responded that the Council could track permits applied to, permits issued, and permits over a dollar value threshold. She noted that the issuance of a Use and Occupancy permit is already reflected in the VBN abatement data. Chair Day asked to confirm that tracking Use and Occupancy permits specifically would not provide any additional information. Mr. Waldron responded that the vacants abated data is on the dashboard which tracks the number of use and occupancy permits granted to former VBNs. Chair Day asked to confirm whether tracking permitting over a dollar threshold would provide the Council with information regarding ongoing work to rehabilitate vacant properties. Vice Chair Kennedy confirmed that Baltimore City DHCD reviews permitting data to track work being done on vacant properties.

Mr. Rolley asked how much of the projected output is tied to Baltimore City DHCD's current capacity. Vice Chair Kennedy stated that additional staff have been hired by Baltimore City DHCD and that more information on staffing for Baltimore City DHCD can be made available for review by BVRC members. Ms. Leach stated that Baltimore City is looking to solve the overall capacity issue through review of staffing levels and policies. She also stated that the decrease in Code Enforcement staff overtime has led Baltimore City to review Code Enforcement operations for efficiency improvements.

Mr. Gallagher requested information on the timeline a code enforcement request would take to be addressed by Baltimore City currently. Ms. Leach responded that she could make that exact figure available. She also stated that while the current Code Enforcement operation is largely reactive, the City is working toward a more proactive approach. She noted that Baltimore City DHCD has requested 40 additional staff members. Ms. Blauer asked if the BVRC could help to direct the expanding pool of local jobseekers to open Baltimore City DHCD positions. Ms. Leach responded that there are few open positions with Baltimore City DHCD and scaling up capacity will require newly created positions.

Mr. Mocksten stated that Baltimore City could provide a six-month check in to the BVRC for the scaling up of staff needed to deploy the additional resource provided by the State. Ms. Leach stated that Baltimore City can share the staffing plan for DHCD created by Delivery Associates with the BVRC.

Mr. Gallagher asked if the City believes the number of identified VBNs is accurate, whether the most important area to scale up capacity is Code Enforcement or another aspect of the vacancy reduction effort. Mr. Rolley asked whether the demolition capacity is done through the city teams or private contractors. Vice Chair Kennedy responded that demolitions were entirely conducted by private contractors. Chair Day noted that much of the private contracting is through the Maryland Stadium Authority, including for large-scale demolitions. Mr. Gallagher noted that not many large block demolitions are occurring in the City. Chair Day clarified that Maryland Stadium Authority contracts for large building demolitions. Ms. Leach asked for the number of contractors involved in demolition work. Vice Chair Kennedy stated that the City works with two demolition contractors who both use subcontractors.

In response to staffing needs, Vice Chair Kennedy stated that the majority of requested positions by Baltimore City DHCD to allow for an increase in capacity and vacancy reduction throughput are not Code Enforcement positions.

Ms. Leach stated that Baltimore City DHCD currently has a budget for 68 Code Enforcement positions, with 50 housing inspectors and 18 Senior Inspectors, and 45 of those positions are currently filled. She stated that in Fiscal Year 19 and Fiscal Year 20, the City had 86 housing inspector positions. Mr. Gallagher asked if the service level information was available. Ms. Leach stated that she could make that available.

Chair Day requested any available information about Baltimore City's new permitting system. Vice Chair Kennedy stated that the transition is progressing as expected. Chair Day asked whether the new permitting system will be able to provide the BVRC with data on the number of use and occupancy permits and housing starts on a monthly basis. Vice Chair Kennedy responded that the permitting system would be able to provide this information.

Mr. Rolley stated that the BVRC should be cautious about preferring private sector over public sector capacity to avoid continuing the reduction of capacity in the public sector. Mr. Sadowski stated that building new public sector systems will increase costs, but that a plan will be needed to execute the BVRC's mission efficiently. Mr. Rolley stated that there will be costs to build out both private and public sector capacity, so the BVRC should ensure that the funds spent are to the greatest benefit to Baltimore residents.

Mr. Waldron continued presenting the Baltimore Vacants Reinvestment Dashboard. Chair Day noted that the FY25 figures on the Acquisitions page did not appear to reflect previous conversations and that additional information may be needed to understand them. Mr. Waldron suggested that the difference could be due to the disconnect between overall in rem acquisition goals and the number of properties actually identified for in rem foreclosure through Block Level Planning. Chair Day noted that the figures also reflect the City's legal capacity to conduct in rem foreclosures and that the BVRC had at one point believed the City would be conducting 175 to 200 in rem foreclosures monthly. He also asked whether the in rem foreclosure monthly throughput for Baltimore City was currently 30 to 40 a month as he had previously believed. Vice Chair Kennedy noted that the actual throughput has been less than 30 to 40 monthly. Ms. McMillan asked whether Baltimore City DHCD could go back and check the in rem foreclosure figure needed to be reevaluated.

Ms. Leach informed the BVRC that Senator Hayes, who had joined the meeting online, had requested that members introduce themselves before speaking to assist those joining virtually. Chair Day instructed BVRC members to state their name before speaking.

Mr. Waldron finished presenting the Baltimore Vacants Reinvestment Dashboard.

#### Whole Blocks Approach

Chair Day introduced Reverend George Hopkins from BUILD to present the "Whole Blocks, Whole City" approach.

Rev. Hopkins presented the "Whole Blocks, Whole City" report.

Garrett Hincken and Mike Nadol of PFM presented the "Vacant Property Intervention at Scale: Economic and Fiscal Impact Evaluation" report.

Mr. Waldron presented the description of a data tool that Baltimore City DHCD is developing that will allow for the easier visualization of outcomes achieved through whole block strategy.

Chair Day requested that Rev. Hopkins, Mr. Hincken, and Mr. Nadol join the BVRC members at the meeting table to answer any questions members may have regarding their presentations during the discussion of the whole block strategy.

He invited the BVRC members to provide feedback on principles of whole block strategy, starting with organizing a strong team of neighborhood leaders and residents. Mr. Bullock stated that a constraint on the vacant remediation efforts has been that many of Baltimore's neighborhoods with the deepest level of blight, abandonment, and poverty also have a lack of active neighborhood organizations. Rev. Hopkins suggested the best way to build community organizations is one small success at a time. Mr. Bullock stated that neighborhoods without an existing framework will be a harder lift for the vacant reinvestment initiative. Ms. McMillan stated that BUILD has successfully organized these underorganized neighborhoods. Chair Day asked what Baltimore City DHCD's strategy is for addressing underorganized communities in the vacancy reinvestment focus areas. Ms. Leach noted that existing community organizations in adjacent neighborhoods can often expand their catchment areas and can be encouraged to include underorganized areas. Ms. McMillan noted that there can also be support to get other people in a neighborhood involved in a community association. Rev. Hopkins stated that there is existing capacity in neighborhoods that can be developed through strategic support. Mr. Sadowski stated that a list of solutions that have been successful elsewhere needs to be developed.

Ms. Blauer requested additional information on previous strategies that Baltimore City had implemented that are in contrast to the whole blocks strategy to understand what approaches should be divested.

Mr. Rolley stated that publicly funded community development has been reduced over time, but if the whole blocks strategy is to be successful, public resources will need to be contributed to community development. He also stated that a previous strategy for successful investment in community development has been the agglomeration of several neighborhoods under a single non-profit sponsor.

Rev. Hopkins suggested that the BVRC list neighborhoods that will need additional support to be properly organized for implementation or identify communities that are already organized to start off with implementation. Delegate Smith noted that the Baltimore City Planning Department created the Planning Academy in Baltimore City, which has created cohorts of trained community leaders in Baltimore. She also stated that the BVRC needs to develop a greater shared understanding of the capacity that Baltimore City has to achieve the vacants reinvestment work and refocus BVRCI meetings on the completion of the initiative's goals. Vice Chair Kennedy noted that she can provide additional information on the community development efforts that have been supported by City DHCD.

Chair Day requested feedback from BVRC members on the "build from strength" component of whole blocks strategy. Vice Chair Kennedy noted that Baltimore City resources often help neighborhoods build strength by addressing community priority areas first. Chair Day stated that previous conversations had described the "build from strength" as focusing resources on the strongest areas first and he would like additional discussion on the collective understanding of building from strength. Rev. Hopkins stated that "build from strength" does not imply that there will be no efforts to reduce crime in high-crime areas, but that building from strength in this context means developing homes in places with the strongest markets. Chair Day stated that using building from strength as priority of the approach should be thought of as a mechanism to prioritize funding geographically. He also asked the council members if they support this approach. Mr. Bullock stated that the "build from strength" approach for the Whole Blocks strategy is accepted by everyone, but that the funding has not previously been available to undertake it. Chair Day noted that he had recently spoken with leaders of vacancy reduction efforts in other towns who believed that time they spent on their efforts to assemble large tracts of land had been wasted. He stated that such a strategy would be the extreme alternative to building from strength.

Mr. Rolley stated that he would like to see a map of strong community organizations and leaders. Mr. Gallagher stated that there are currently many high-performing CDCs in Baltimore that can handle funding and implementation efforts, and places where capacity building is needed can be prepared for long-term investment.

Chair Day stated that the long-term community capacity building can be a parallel track for the vacants reinvestment efforts. Mr. Rolley stated that he would like additional information on which organizations or neighborhoods are considered to have sufficient capacity to handle vacant reduction implementation. He also stated that mapping this information along with factors related to the strength of the market could be useful to the BVRC. Ms. McMillan stated that those communities that have begun organizing around neighborhood plans should be targeted. Chair Day stated that the selection of focus areas has already occurred.

Mr. Mocksten noted that building from strength is built into Baltimore City's Tax Increment Financing model as each tranche must be successful in order to fund the next tranche, so the first tranche will be composed of the most likely properties to be successfully remediated. Ms. Leach stated that the analysis of community capacity and housing market conditions being described is already occurring. Ms. McMillan stated that the selection of focus neighborhoods should not be conducted by the City alone, but rather together with other partners.

Chair Day requested feedback from the council members on constraints and obstacles of achieving whole block outcomes. Mr. Sadowski requested a list of strategies that have been shown to encourage private market investment. Chair Day suggested that improving perceptions related to permitting timelines and reducing the cost of clearing liens could serve as strategies to improve private market investment. Mr. Sadowski suggested that tax incentives could foster private investment. Vice Chair Kennedy stated that a large number of vacant rehabilitations that have occurred have been through the private market. Chair Day stated that expanding the ability of in rem foreclosure processes to acquire properties is essential in the long-term, but in the near-term we need to remediate the properties owned by the City or CDCs is essential. Mr. Sadowski stated that he agreed with addressing the low-hanging fruit first.

Chair Day noted that once the in rem acquisition process is occurring at full strength, addressing properties that are currently owned by the City may not be as easy. Mr. Sadowski noted that if we can address easier properties first, we could realize many of the benefits projected by the PFM report.

Chair Day asked what constraints exist for addressing the properties already owned by Baltimore City or local CDCs. Mr. Gallagher noted that the BVRC members have not seen the number of whole blocks the City owns yet and requested information as to how many whole blocks are close to being completed based on the 800 properties with a VBN that the City currently owns. He also stated that the BVRC should identify trusted community development partners in Baltimore City and suggested that those groups are likely to have previously been awarded and completed Project C.O.R.E. funded projects. Chair Day suggested that a subset of properties owned by the City or CDC partners are likely in the blocks closest to completion and that subset represents a strong opportunity to be awarded immediate funding for remediation.

He also stated that Maryland DHCD could reconsider the deployment of FY26 BVRI funding to quickly remediate these properties. Ms. Blauer noted additional whole block data is required to determine the potential of such awards. Mr. Rolley stated that the whole block strategy serves as a prioritization tool for acquisition. Mr. Sadowski stated that the whole block strategy can be a guiding principle for the BVRC. Chair Day stated that the fastest remediation strategy will be to identify organizations that own properties with VBNs inside the Impact Investment Areas that do not have resources to abate the VBN and then provide them with funding for abatement.

Ms. Leach stated that the current data requests include all of the whole blocks that have been completed or identified; all of the properties that have been identified that would complete a whole block; and community organizations that currently own properties with VBNs that do not have the resources to abate them.

Chair Day requested that Baltimore City DHCD prepare a neighborhood level identification of whole blocks and weaker market blocks to share with the BVRC. He asked Mr. Waldron when

the whole blocks visualization tool would be completed. Mr. Waldron responded that the tool would not be completed for a minimum of a couple months. Ms. Blauer requested the whole blocks data be provided as a spreadsheet. Mr. Waldron confirmed that this data could be provided. Chair Day asked whether this data could be provided by the April BVRC meeting. Vice Chair Kennedy noted that a closed session will occur during the April BVRC meeting during which Block Level Planning processes will be discussed. Chair Day noted that the closed session would be used to discuss property-level data.

Ms. Blauer requested a meta data layer be provided before the April meeting so that the BVRC can prioritize what data can be reviewed for the close session and what is needed longer term as part of the whole blocks visualization tool.

Ms. McMillan asked when the closed session would occur. Chair Day responded that the closed session would occur during the April meeting. He also stated that Baltimore City DHCD would present on Block Level Planning during the April meeting and that the BVRC would go into closed session to review property level plans.

Chair Day designated himself to take Open Meetings Act training to allow the Council to go into closed session at the April meeting. Ms. McMillan asked what would occur during the open meeting portion of the April meeting. Chair Day responded that Baltimore City DHCD would present on the Block Level Planning process at a policy and citywide level. Ms. McMillan asked if BVRC members would be able to provide input on other block levels that were not identified in the presentation. Chair Day responded that he did not believe Baltimore City DHCD would be able to take input on additional blocks to consider during the April BVRC meeting. He stated that the BVRC does not have power to dictate geographic priorities to Baltimore City DHCD.

#### Working Group Updates

Chair Day presented the confirmed working groups and the expected next steps for working group members, including selecting a working group chair and holding a meeting prior to the April BVRC meeting.

Ms. Blauer asked whether staff would support the council members in organizing the meetings. Chair Day confirmed that staff would provide this support. Ms. McMillan asked whether other individuals could still be submitted to serve on the working groups. Chair Day confirmed that other names could still be submitted and requested Council members submit any outstanding applications for additional working group members through the existing survey link.

Ms. Blauer requested information regarding who has already volunteered. Chair Day confirmed that that information would be provided. Ms. Blauer asked if those who have been nominated have been contacted by staff yet. Kari Snyder, staff, responded that those outside the BVRC have not been contacted yet. Chair Day responded that most nominations so far have been self nominations.

Closing

Chair Day thanked all guests for their presentations and closed the meeting.