Baltimore Vacants Reinvestment Council (BVRC)

Minutes

April 1, 2025 Greater Baltimore Committee 111 S Calvert St., Suite 1700 Baltimore, MD 21202, USA 11:00 am - 1:00 pm

The meeting recording can be found here: April 1st 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)
- Rebecca Flora, Secretary, Maryland Department of Planning
- Tom Sadowski, Executive Director, Maryland Economic Development Corporation
- Jasmin Torres, Assistant Attorney General, Maryland Office of the Attorney General
- Faith Leach, Chief Administrative Officer, City of Baltimore
- Michael Mocksten, Director, Department of Finance, City of Baltimore
- Leslie McMillan, Co-Chair, BUILD
- 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

Call to Order

Baltimore Vacants Reinvestment Council Chair Jake Day called the meeting to order. He informed the Council that a Closed Session would occur at the end of the meeting to discuss property acquisition.

Adoption of Meeting Minutes

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

BVRI Update

Chair Day presented updates to the Baltimore Vacants Reinvestment Initiative (BVRI) to the Council. He informed the Council that Maryland DHCD has redesigned the BVRI program to address the mission of remediating vacant buildings faster than has been possible in the past.

Ms. Leach asked for additional information on the research that had been done to facilitate negotiated acquisition of vacant properties. Vice Chair Kennedy responded that City DHCD had identified 3,400 properties with VBNs that have been sold in the last 2 years of which approximately 2,500 did not currently have permits, indicating that redevelopment work had likely not been started on them. Ms. Leach asked whether community partners would complete the negotiated acquisition and therefore need to identify property owners. Chair Day confirmed that negotiated acquisitions through the redesigned BVRI program would be completed by community partners and expressed hope that the City would provide basic support to community organizations with this effort.

He stated that many community development organizations have the capacity to identify property owners but have not received sufficient resources to follow through with acquisitions and abate VBNs. He also stated that the redesigned BVRI program provides an opportunity to invest in expanding the capacity of community development organizations.

Ms. Leach suggested the BVRI program could also support the provision of legal resources, such as real estate attorneys, to support acquisition efforts. She also suggested that the City and State could try to complete negotiated acquisitions in conjunction with community development organizations. Vice Chair Kennedy noted that Block Level Planning processes have recommended negotiated acquisition as a strategy prior to any sort of condemnation recommendation. She also noted that City DHCD is reviewing which of the 2,500 properties with VBNs that have been sold in the last 2 years but do not yet have permits are on Baltimore City's Tax Increment Financing (TIF) eligible list, may be in-rem eligible, or may be more pertinent to community development organizations based on their service area.

Ms. Leach suggested the City and the State could be proactive to address outreach from owners of vacant properties who have heard there are funds available to purchase these properties. Chair Day stated that messaging the redesigned program to best encourage investment will help strengthen Baltimore communities.

Ms. Flora stated that she agreed with the redesigned tiered approach to allow for the faster abatement of VBNs. She stated that the program can make a pool of resources available to community organizations to increase local organizational capacity. Chair Day noted that the increase in the amount of properties being acquired by Baltimore City through in rem foreclosure should continue at a rapid pace along with the opportunity for properties to be acquired by partner CDOs.

Mr. Thomas stated that the Greater Baltimore Committee (GBC) can look into mission alignment with the construction financing community by speaking directly with various partners. He also

agreed with the priority of creating a public point of contact for local property owners who identify themselves and are interested in selling their vacant property now that new funding is available.

Chair Day stated that new opportunities for negotiated acquisition that present themselves because of the redesigned BVRI program are beneficial and the State can consider creating easier pathways to connect willing sellers with CDOs if the properties are in their respective identified target areas.

He also stated that GBC's willingness to engage the construction financing community to better provide support for redevelopment costs presents an important opportunity for the Council's mission.

Vice Chair Kennedy stated that the lack of low-interest, flexible line of credit programs for non-profit developers is a barrier to property redevelopment. Mr. Thomas stated that by July, when the BVRI program will announce awardees and deploy funds, financial lending support should also be made available to partnered CDOs. Chair Day asked GBC and the Financing Working Group members to lead the effort to identify additional financing opportunities for future BVRI recipients. Ms. Blauer asked whether the Maryland Community Investment Corporation (MCIC) would help facilitate this additional funding. Mr. Thomas responded that only the BVRI funding is currently intended to pass through MCIC. Ms. Blauer noted that MCIC could also help provide support to CDFIs.Chair Day noted that we would need to know the statutory limitations of MCIC and the BVRI funding to better answer whether they could provide support to CDFIs, but that generally MCIC can serve as a convener and deployer of resources. Ms. Flora noted that MCIC will also need to serve as a guide for the systems and processes needed for organizations to provide useful capital to CDOs. Chair Day stated that he is hopeful that MCIC can access philanthropy to expand its staffing and internal capacity. Ms. Blauer noted that there are potentially underutilized CDFIs who could play a role in this work.

Vice Chair Kennedy stated that the BMore Fast initiative aligns with the goal of increasing action and urgency in addressing vacancy. Ms. McMillan stated her support for the sense of urgency in deploying resources to vacancy reduction and reiterated the importance of including communities in the work. Chair Day noted that many community organizations own properties in the areas they are looking to address and will likely be strong partners for this initiative. Ms. McMillan stated that community organizations have had difficulty knowing which properties are acquirable or have been acquired in order to create whole blocks. Chair Day stated that the redesigned BVRI program can be a more rapid pathway to achieving community visions. Ms. McMillan agreed and noted that long acquisition timelines in the past have held up the implementation of the whole block approach.

Mr. Gallagher stated that the Goldseker Foundation would be very interested in supporting capacity building at MCIC. Chair Day stated that he will ensure the Goldseker Foundation receives an appropriate proposal to allow for funding, including specific information on what aspects of MCIC's capacity will be prioritized for improvement.

Ms. McMillan asked whether the MCIC partnership with BVRI was still being developed. Chair Day noted that it had not been formally approved, but that the MCIC Board had received the proposal positively. Ms. Flora stated that she is also a Board member and agreed that the proposal was received positively. Chair Day stated that the MOU draft is being developed.

Chair Day stated that the redesign of the BVRI program has prioritized deploying resources quickly. Mr. Thomas asked whether applicant organizations would submit target neighborhoods in their applications or would the target neighborhoods be decided beforehand. Chair Day stated that the redesigned BVRI program is intended to deploy funds that will address identified VBNs throughout the Vacancy Reduction Geography. He also noted that the BVRI resources are only a portion of the larger efforts to address vacant structures. Mr. Thomas clarified that his concern is only meant to demonstrate effectively that BVRC is still adhering to a whole block strategy.

Vice Chair Kennedy stated that there will be synergy with all strategies because the recipients of BVRI funding are the same organizations that City DHCD is working with to address vacancy reduction. Mr. Thomas stated that additional direction and geographic prioritization would instill more confidence in the effort and guide philanthropic and private investment. Vice Chair Kennedy stated that the Impact Investment Areas are the highest priority. Mr. Thomas stated that the Impact Investment Areas are the highest priority.

Mr. Thomas stated that a successful approach is both a successful state funded program and the leveraging of additional private spending. Ms. Leach stated that local CDFIs should be convened around the opportunity to direct loan funding in accordance with BVRI spending and suggested the Opportunity Finance Network (OFN) as a potential national partner to provide capacity support to CDFIs. Mr. Sadowski suggested the development of a prospectus for BVRI to assist conversations with potential financial partners. Chair Day agreed with the potential for a development of a prospectus, and noted that Mr. Thomas will continue to lead on the financing portion of the larger effort.

Chair Day reiterated that a press conference would be held the following day on the BVRI announcement and that all BVRC members were welcome to attend.

Data Requests

Chair Day noted the list of data requests split between data required of Baltimore City and Maryland DHCD. He noted that the request for properties currently owned by community partners will be derived by Maryland DHCD during the BVRI application process. He noted that the data list shared with the BVRC is a condensed version of a longer list of deliverables.

Mr. Thomas asked whether the relevant parties are currently on target to deliver the listed requests. Vice Chair Kennedy stated that Baltimore City DHCD is currently on track to deliver the requested data, as it is mostly a matter of demonstrating ongoing work. Secretary Day stated that some of the requested information will be central to monitoring the BVRI funds that will be distributed to the City and to MSA.

Monthly Production Report

Henry Waldron, staff, presented the monthly production report through the BVRC Dashboard. Chair Day asked how long a demolition generally takes once it is released to a contractor. Vice Chair Kennedy stated that the actual demolition will take 1 to 3 days, but the follow up processes before a project is closed will take 3 to 4 weeks. Chair Day asked how long a notice to proceed (NTP) takes to be issued. Vice Chair Kennedy said the timeline to issue the NTP for a demolition depends on the type of property and whether the City owns it or not, but typically from the issuance of the NTP to completion of the demolition project is 60 days. She stated that prior to the NTP issuance to both City contractors and MSA, environmental reviews and cuts to utility lines must occur. Ms. McMillan asked whether structures can collapse prior to a controlled demolition and how many this happens. Vice Chair Kennedy responded that some structures do collapse on their own but that this is not a significant amount. She also stated that emergency demolitions can be spurred by City Inspectors or annual aerial inspections. Ms. McMillan noted that a structure on North Avenue and Greenmount had recently collapsed. Vice Chair Kennedy responded that City DHCD believes that someone was illegally acquiring scrap metal from the structure that led to the collapse.

Henry Waldron continued presenting the monthly production report. Chair Day reminded BVRC members that the BVRC Dashboard is public and can be monitored between meetings.

Working Group Updates

Chair Day invited Working Group Chairs to present updates from their first monthly meetings. Ms. Blauer informed the Council that the Data Working Group would be categorizing data requests. Mr Gallagher stated that the Delivery Chain Working Group had met to discuss additional members outside of the Council and had sought to schedule their next meeting. Mr. Thomas stated that the Financing Working Group met to shape the next several months of work, including selecting a Chair. Ms. McMillan stated that staff would be notifying Working Group members who are not on the Council to attend the April meetings. Chair Day thanked the Working Group Chairs for agreeing to take on these roles.

Block Level Planning

Vice Chair Kennedy presented to the BVRC about Baltimore City DHCD's Block Level Planning (BLP) process and the factors that are considered when assigning strategies to vacant properties. Mr. Thomas asked whether Baltimore City had a total amount of blocks for BLP and how many have received BLP to date. Vice Chair Kennedy stated that this information was available and would be presented shortly.

Vice Chair Kennedy informed the Council that 308 blocks were included in the FY25 BLP process. Mr. Thomas asked for the total number of blocks on which the City intends to conduct BLP, stating that this information was important to demonstrate progress to the public. Vice Chair Kennedy stated that information on specific blocks and properties would be shared during the closed session.

Vice Chair Kennedy highlighted a block in Loyola Northway for which BLP was conducted and made note of the assigned strategies and the outcomes so far. Ms. McMillan asked how long Baltimore City has been working on the highlighted block. Vice Chair Kennedy stated that City has been working on Loyola Northway at least 10 years, but noted that the progress has largely occurred in the last 5 years due to the positive work of Park Heights Renaissance (PHR).

Mr. Thomas stated that he is concerned with demonstrating that a broader impact is being made by City DHCD efforts and that a neighborhood by neighborhood effort does not seem sufficient, so additional resources need to be galvanized. Vice Chair Kennedy stated that the need to move forward at scale aligns with the many of the other points made at the meeting, including the redesigned BVRI program.

Mr. Gallagher asked whether the block shown from Loyola Northway was one of the 308 blocks completed in FY25 and whether there was a similar level of planning conducted for each block, even if the existing outcomes were not as far along. Vice Chair Kennedy confirmed that the Loyola Northway block was one of the FY25 blocks and that all VBNs and vacant lots on those blocks have at least one assigned strategy.

Mr. Gallagher asked whether blocks have been identified for FY26 BLP. Vice Chair Kennedy said that blocks for FY26 have been identified and are currently being worked on to identify funding requests for FY26 BVRI.

Ms. Blauer asked whether the redesigned BVRI program will change the FY26 BVRI request from Baltimore City. Chair Day stated that the redesigned BVRI program will change what is available to the City, since more resources being committed to quick action will mean fewer resources committed to preparing properties for acquisition and existing pipelines. Vice Chair Kennedy noted that for FY26 the City expected to request additional demolitions.

Vice Chair Kennedy noted that not every block of the 3,152 in the Vacancy Reduction Priority Geographies will require BLP because not everyone has a VBN or a vacant lot. Chair Day asked whether the City has ever attempted to document and categorize blocks by condition. Vice Chair Kennedy stated that City DHCD is developing a mapping tool based on one that had been developed in partnership with the state for the Johnston Square community that shows the condition over time of an area. She stated that this tool is more likely to be ready in May or June. Chair Day stated that the tool could be helpful in the review of the upcoming BVRI applications.

Mr. Thomas stated that the current siloing of private investment and public efforts to address vacancy makes collaboration difficult. Vice Chair Kennedy stated that the city's development partners have leveraged private investment to address vacancy on certain projects. Mr. Thomas stated that the full picture of private and public efforts was needed to make the case for Baltimore to help demonstrate that the city is a market that is transforming. Ms. Blauer stated that while the theory has generally been that successful development has generally been

assumed to beget successful development in adjacent neighborhoods or blocks, this has largely not occurred in Baltimore. She suggested that innovative strategies would spur this sort of growth, so successes in other cities could be studied.

Mr. Gallagher asked whether the 650 VBNs listed as impacted by the FY25 awards includes those impacted by FY25 BVRI to CDOs. Mr. Gallagher asked whether TIF funding was reflected in the presented FY25 BLP Summary Stats. Vice Chair Kennedy responded that it was not. Ms. Blauer noted that this was demonstrative of the earlier point that much of the larger vacancy reduction efforts were happening diffusely or being siloed. Ms. Flora noted that a whole systems approach was needed.

Mr. Gallagher stated that the data provided by City DHCD on the FY BLP process was really helpful and that additional data on the FY25 BVRI awards would help review the effectiveness of the BLP process. He stated that as the FY26 BVRI funding choices are made, a review of the impact of the FY25 BVRI funding choices would allow for consistent process improvement. Chair Day stated that similar data can be provided on the CDOs awarded FY25 BVRI funding.

Vice Chair Kennedy noted that City DHCD was awarded approximately \$20 million in BVRI funds for acquisition and infrastructure and \$9 million for demolition and stabilization. Ms. Leach stated that representing all upcoming and deployed funds together will be beneficial to determine what in total has been committed and what the impact has been. She also requested that those investments be overlaid with BLP mapping. Vice Chair Kennedy confirmed that the investments can be mapped and overlaid with the BLP maps.

Ms. Leach asked when the TIF money would be available. Mr. Mocksten stated that the TIF money would be available in September. Ms. Leach noted that capacity could become an issue since a large amount of funding will become available between May and September. Ms. Blauer noted that there would need to be strategies in place to ensure these funds are deployed without creating capacity issues. Mr. Gallagher asked how many years the state had been committing \$50 million to BVRI. Vice Chair Kennedy stated that this began in FY25. Mr. Gallagher asked about the preceding years of Project CORE funding. Chair Day responded that the maximum of previous years had been \$20 million in state funding. He stated that this was additional funding but not an absurd increase, as scaling from \$20 million to \$50 million is possible. Mr. Gallagher stated that there is a need to model the pacing of investment and asked for the size of the TIF tranches. Mr. Mockstein responded that the first tranche would be \$25 million and that subsequent tranches would be of a similar size and made available every year or two. Ms. Leach asked to confirm that the City can use TIF funds for infrastructure improvements. Vice Chair Kennedy confirmed that funds from the first tranche of TIF funding would be used on infrastructure for two vacant lot developments.

Mr. Mockstein stated that data on the funding provided to CDOs would be helpful. Chair Day confirmed that this data could be made available.

Vice Chair Kennedy continued presenting on the BLP process. She presented summary stats for assigned strategies for all of FY25. Chair Day stated that available public funding should be spent as quickly as possible to improve the portion of vacant properties that are abated in a single calendar year.

Ms. McMillan asked about the 117 VBNs owned by neither private entities nor the City. Vice Chair Kennedy responded that these were properties most likely owned by the federal government or state government.

Vice Chair Kennedy noted that of the 11,839 VBNs that are privately owned, about 3,700 were sold in the last 2 years, and therefore the owner can be contacted. She stated that about 2,500 of those sold do not have active permits and therefore make good targets for acquisition. Ms. McMillan noted that this still left a large number of VBNs. Vice Chair Kennedy noted that those VBNs represented a potential big step toward the goal of zero VBNs.

Ms. Blauer asked whether the Council fundamentally understood why VBNs are not getting abated more rapidly. Vice Chair Kennedy stated that the main impediment has been access to funding and the second most important has been the extended timeframe for acquisition. Mr. Mockstein noted that the scale of public funding that is about to become available is the new development that needs to be done properly and analyzed throughout. Ms. McMillan stated that this is a job that is larger than the City. Mr. Thomas stated that incentives and public subsidies will not be enough alone to foster change of this size.

Chair Day stated that finishing the process through abatement of VBNs and filling vacancies is the critical end goal of this effort for which all other efforts and funding strategies need to align.

Closing

Chair Day stated that the Closed Session would be delayed until the May BVRC meeting. Ms. McMillan asked how much time was required for the closed session. Vice Chair Kennedy stated that the closed session will likely take 45 to 60 minutes. Chair Day closed the meeting.