

Testimony HB 921 Ways & Means Committee February 28, 2023 Position: FAVORABLE

Dear Chairperson Atterbeary and Ways and Means Committee Members:

The Community Development Network of Maryland (CDN) is the voice for Maryland's community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities.

CDN has been part of the ongoing work to reform the process of tax sale in the state since 2016. In 2017, CDN was a lead partner in the Task Force to Study Tax Sales in Maryland. CDN currently serves on the Baltimore City Mayor's Tax Sale Workgroup in Baltimore City.

HB 921 – Authorizes certain vacant property and nuisance property located in Baltimore City to be subject to a certain in rem foreclosure process; requiring service of a complaint for in rem foreclosure to be served in accordance with the Maryland Rules; providing for the distribution of surplus proceeds from the sale of property subject to an in rem foreclosure; authorizing an in rem foreclosure order to be set aside under certain circumstances; etc.

In Rem is a game changing tool to stabilize and grow Baltimore city neighborhoods. The city no longer needs to be subject to the violence of vacancy and neglect. Community based non-profit developers can begin to take hold of derelict properties and lots and work with communities to develop market-rate, market-ready housing and community amenities.

According to a study released in December 2022 from the Perelman School of Medicine and School of Arts and Sciences at the University of Pennsylvania, and Columbia University Mailman School of Public Health, <u>published in JAMA Internal Medicine</u>. The findings suggest that fixing dilapidated, abandoned houses is an inexpensive intervention that local governments can add to their prevention efforts to address the current gun violence crisis. The study highlights how these houses have implications far beyond just the aesthetics of a neighborhood—and how simple, structural fixes to these homes can make the neighborhoods safer and by extension the people healthier."

We urge your favorable report for HB 921.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network