



CITY OF HAGERSTOWN, MARYLAND

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February 22, 2023

The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
2 East Miller Senate Office Building
Annapolis, Maryland 21401-1911

RE: Senate Bill 518 – Tax Sales - Revisions

Please accept this letter as written testimony in **support** of this proposed legislation by Senator Paul Corderman and Senator Mike McKay.

Currently municipal government is limited in our abilities to remediate properties which are tax delinquent, vacant and the owner or primary deed holder is not able or willing to be contacted. These parcels, in many or most instances, are places of drug use, prostitution, and health issues that pose a significant threat to the surrounding community as well as to those City staff who must respond to calls for services or to abate the trash, grass and weeds or broken and or busted windows and doors that appear, then reappear on a regular basis.

This bill reduces the timeframe a municipality must wait to take action to acquire properties that have been redeemed at tax sale, yet no further action has been taken to take title to the parcel. Currently that period of time is 2 years in which many parcels are held in limbo yet continue to deteriorate and cause City services to be expended to abate the property. This bill would allow municipalities to intercede at 18 months after foreclosure if a final notice has not been filed, or if a final order has been obtained does not pay the full purchase tax arrearage within 90 days. This provided ample opportunity that, if a redeemer is serious about moving forward on a parcel, they have the time to do so. Otherwise, the court has the ability to allow a municipality to take the place of the redeemer and move forward to acquisition of the property. To be clear, this legislation does not apply to properties that are NOT in the tax sale redemption process regardless of their condition or tenancy status. In these cases, the landlord or owner of the property is available. The vast majority, if not all as is the case in Hagerstown, of these properties included in this bill are vacant.

This bill also addresses the ability for a municipality to identify parcels that are eligible for tax sale to be withheld from being sent to the County Treasurer for auction if that property has been identified by the City for demolition due to being unsafe and unfit for rehabilitation. The process to make this designation can span several months, and many times will fall into the period where delinquent tax parcels are required to be sent to tax sale. By being able to hold these parcels from being sent into the tax sale process, the municipality may continue to process of remediation of this blighted structure and improve the overall safety of the neighborhood.



The City of Hagerstown is an architecturally older community especially within the urban core. Unfortunately, due to what many would consider predatory bidding, properties that currently reside in our vacant and blighted program and the neighborhoods they reside in are held hostage for two years, if not longer, due to the inability for local government to step into the process and take action to acquire these parcels redeemed that have no chance of being rehabilitated or demolished. This legislation would allow us the flexibility to help take back our neighborhoods from blight and make them productive units or green space. With that, I ask for your support on this bill.

Sincerely,

THE CITY OF HAGERSTOWN

Scott A. Nicewander

City Administrator