



Testimony to the House Ways and Means Committee
HB002 - Baltimore City – Property Taxes – Authority to Set a Special Rate for Vacant
and Abandoned Property
Position: Favorable

1/23/2024

The Honorable Delegate Atterbeary, Chair
Ways and Means Committee
House Office Building, Room 131
Annapolis, Maryland 21401

Chair Atterbeary and Honorable Members of the Committee:

My name is Zoe Gallagher and I am a Policy Associate at Economic Action Maryland. Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

I am writing today to urge you to support HB002, which would authorize the Baltimore City government to set special property tax rates for vacant and abandoned properties. As a Baltimore-based organization that works on housing justice, this bill would have a positive impact on a challenge that has been detrimental to the economic equitability of our city for decades.

The legacy of redlining is undeniable in the areas of Baltimore where vacant houses are most concentrated. Because a majority of these homes are attached row houses, tens of thousands of inhabited homes are connected to or on the same block as vacant properties. Vacant houses lower the property value of homes in the same area, which exacerbates the racial wealth gap and reduces the ability for families in formerly redlined neighborhoods to establish generational wealth through homeownership. For example, in the Sandtown/Winchester neighborhood of Baltimore, a majority black community, the median sale price for a home is just above [\\$68,000](#). Meanwhile in Bolton Hill, a majority white community just blocks from Sandtown, the median sale price for a home is [\\$380,000](#). By allowing the city to set targeted tax rates for vacant properties, we can address this long standing issue and uplift communities that have borne the brunt of systemic inequalities.

Additionally, large amounts of vacant properties in an area reduce economic activity and investment, which is detrimental to the families living in those communities. According to a [study](#) from the University of Baltimore, any vacancy rate above 4% in a neighborhood causes businesses to leave, investment to halt, and families to move to different neighborhoods. Currently, Southwest Baltimore, a majority black community, has a vacancy rate of nearly [25%](#). This puts those unable to move in an even more precarious financial situation, as job opportunities leave their communities and make it difficult for residents to find employment.



Setting special property tax rates for vacant properties is a proactive step toward incentivizing development, fostering economic growth, and supporting the revitalization plans recently announced by the City. This measure holds the potential to attract investments, create job opportunities, and improve the overall quality of life for residents in these neglected neighborhoods.

For these reasons, we urge you to vote favorably on this bill to signify a commitment to fairness, justice, and the economic empowerment of Marylanders.

Thank you for your time and consideration.

Sincerely,

Zoe Gallagher
Policy Associate