

NAIOP

MARYLAND CHAPTERS



THE ASSOCIATION FOR
COMMERCIAL REAL ESTATE

January 25, 2024

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

Oppose: HB 2 – Baltimore City – Property Tax – Authority to Set Special Rates

Dear Chair, Atterbeary and Committee Members:

On behalf of the NAIOP Maryland Chapters representing 700 companies involved in all aspects of commercial, industrial, and mixed-use real estate I am writing in opposition to HB 2. NAIOP requests the committee consider the following points:

- Although narrower than prior year bills, House Bill 2 still provides authority for the City of Baltimore to establish separate tax rates for subclasses of real property breaking from the principle that real estate should be taxed at uniform rates regardless of use.
- We understand the authority is intended to be used to tax vacant and blighted properties. In our opinion, HB 2 is not a particularly good vehicle to deal with vacant and blighted property because increasing unpaid property tax obligations will make it harder to clear title and bring these properties to market.
- Recognizing the need to address vacant and blighted buildings in the city, during the 2023 Session you passed Senate Bill 855, Senator McCray / House Bill 921, Delegate Smith – In Rem Foreclosure – Vacant and Blighted Property. We see the authority granted in that legislation as a more direct, and effective policy approach.

For these reasons NAIOP respectfully requests your unfavorable report on HB 2.

Thank you for considering our point of view.

Sincerely,

Tom Ballentine, Vice President for Policy
NAIOP – Maryland Chapters, *The Association for Commercial Real Estate*

cc: Ways and Means Committee Members
Nick Manis – Manis, Canning Assoc.