

## **Odette Ramos**

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The Honorable Jacob Day Secretary, Maryland Department of Housing and Community Development Chair, Baltimore Vacants Reinvestment Council Sent via email

RE: Furthering Discussions Regarding the Baltimore Vacants Reinvestment Council (BVRC) 7th Letter

Dear Secretary Day, Commissioner Kennedy, and the Members of the BVRC:

Thank you for the great meeting last month and for your ongoing commitment to this work. In this letter, I discuss the increased In Rem capacity for the courts, the success of the Whole Block approach on the 1600 Block of Gorsuch to advocate for transparency, and data that highlights the permit office crisis.

## **In Rem Court Capacity**

As announced in the last BVRC meeting, the General Assembly has allocated an additional \$300K to increase the capacity of the Circuit Court to hear more In Rem cases, thanks to the leadership of Chair Clippinger and Senate President Ferguson. Their funding is targeted at supporting the magistrate with staffing, additional hours or an additional magistrate. The Mayor's Office announced the City's match during the last BVRC meeting. This amount will support changing two of the Court's staff attorneys from contract staff to full-time staff and additional staff capacity. Together, this commitment will double and potentially triple the In Rem capacity of the Circuit Court.

This is a game-changing partnership and investment. In a tight budget year, this ongoing investment shows the confidence we have in the In Rem process and the importance of acquiring vacant and abandoned properties and lots to ensure the best outcome for our city. We recognize we cannot grow our city or be successful in this work without removing the vacant property and vacant land from the grip of high taxes and lack of care of the owner and know that increasing revenues relies on increasing our tax base. In addition to the enhanced speed of acquisition, the best part about In Rem is the ability to control the outcome of the property, rather than auctioning it to the highest bidder. This is a team effort, and I'm proud to be a part of it.

I am so grateful to the Circuit Court for creating and prioritizing the In Rem docket! The hearings currently take place virtually every Wednesday morning and consist of an average of 11 to15 cases per Wednesday. I can share the information for logging on if anyone would like to observe the cases. Make sure to have MD Case Search nearby because the cases are announced by case number, not by address so you will need to look up the case to find the address.

#### **Whole Blocks Transparency**

The 1600 Block of Gorsuch Avenue is one of the whole block test blocks we have discussed in previous letters. As a review, it is our test block for the impact of In Rem. The progress is exciting, and shows the importance of sharing the Whole Blocks list with stakeholders. **Appendix A** is the Codemap map, property list and status of each

property, photos from before and now, and a photo of an inspirational mural that appeared on the block in 2022. The transformation taking place is exciting!

On the odd side of the target area of the 1600 Block of Gorsuch, DHCD has acquired all but four of the properties through In Rem, and two more are in the In Rem pipeline. We have identified a developer who is a neighbor in the community who has already rehabbed one of the homes. Two more properties on that block were just approved for him to renovate. This unnecessarily took over 8 months to transfer to Mr. Morris. These acquisitions took place in 2024 and should have been transferred already.

Three others that are privately owned, with one having a VBN, have been rehabbed. One was rehabbed with permits and is almost ready to move in. The other two were fully rehabbed without permits. I was able to quickly work with DHCD to get stop work orders on them and they will eventually have proper permits.

On the even side of the block, DHCD has acquired 6 vacant properties in 2025 so far through In Rem. Another was already a City acquisition. Three of them are slated for demolition while the others are filling in the occupied properties. In addition, there is an old Mason Hall that was just approved for 8 new apartments and is also being developed by resident developers in the community.

I have been transparent and very public about the 1600 Block of Gorsuch being our test case for In Rem and for Whole Blocks. I've been in the media about it, and I have talked about it publicly in meetings and hearings. As a result, the homes that we were unable to acquire through In Rem because they either did not have VBNs or the owners were paying taxes, are now rehabbed, and those that we acquired will be rehabbed. We will have a true whole block impact and a great mix of rental and homeownership.

It takes intentionality, vision, and In Rem. If we had placed these properties into receivership, the highest bidder would prevail, and it could be a series of different owners with various goals for their properties on that block. Given the results the community wants to see on that block, having control of the outcome of the properties acquired through In Rem was certainly the only way this block, and I contend any of the targeted Whole Blocks, would be successful.

During the BVRC's last meeting, DHCD's slides stated that there are 308 blocks identified as the first set of Whole Blocks to get attention. Yet the list of those blocks was not available to stakeholders, only to BVRC members. Hiding the list of the initial 308 Whole Blocks is not transparent, and it does not allow others to participate in the Whole Blocks approach. Those three other homes on the 1600 Block of Gorsuch may not have been rehabbed if it had not been clear we would be taking action on the block. While the location of these whole blocks is being shared with the BVRC, the list of the Whole Blocks should also be shared with stakeholders in those communities and at least the City Councilmembers. These blocks were hopefully designated in a community process, but the final list has not been shared.

I understand the notion that there could be speculation. We saw it when the acquisitions for the Tivoly development started occurring. However, the intent for Tivoly acquisitions was for demolition and redevelopment, and we did not have In Rem at the time. Owners sitting on the properties found out the City was paying market rate through eminent domain for the houses and started rehabbing them to get more money. Again, with In Rem, this is unlikely to occur. Once In Rem 2 passes, we have even more options.

CDOs are now applying for the BVRI funding but have no idea where the Whole Blocks are. The application asks if their strategies meet the Whole Blocks approach. Each CDO has a whole neighborhood approach in mind, but if they were aware of the final list of Whole Blocks, their applications would be stronger and fit the larger strategy.

#### Renovation Work Without Permits - Code X and VBN/Permit Data

As mentioned in previous letters, there are numerous properties that are being rehabbed without permits. In many cases, the home is sold to an unsuspecting owner who thinks they are getting a completely rehabbed home, but it still has a VBN which means it could still have violations and safety concerns if permits and inspections were not

used. In addition, the homeowner could receive fines because the City still thinks this is a vacant home. Even though the first bill I introduced and passed (you can see it <a href="here">here</a>) required disclosure from the seller, such is not occurring. We continue to encourage residents, housing counselors, title companies, and realtors to check Codemap for VBNs.

There are possibly three reasons for this happening:

- It is difficult to work with the permit office, and so renovators choose not to obtain permits,
- Even if permits are obtained, renovators may not get the final inspections before selling the home. We find
  that properties might have permits, but only for electric or plumbing when the entire house has been
  renovated. There is no notification currently that tells inspectors to go and check if work is completed.
  They only wait for the developer to call them. I asked for a change in the permit process to ensure that the
  system notified inspectors if they have not heard from the developer in a certain amount of weeks. This
  change did not occur in the new system,
- New renovators may not know they have to use permits.

Usually, we find out that someone is doing work or has done work without permits because our residents are watching, or a new homeowner receives a major fine because the city thought the property was still vacant. In cases where residents purchase a fully rehabbed house unknowingly, the title companies and realtors are still not looking at Codemap, or they are rushing for the sale, and not doing their due diligence. But they would not have to if we got the permit office right.

Recently, we discovered another way to tell if rehabs are being carried out without the permit process being completed, or no permits at all.

Lt. Butrim, Lt. Sadler, and Fire Fighter/EMT Lacayo were killed in the collapse of the vacant building on Stricker Street that was on fire in January of 2022. Currently, over 30% of the fires in Baltimore City occur in vacant buildings, which has been consistent since the Baltimore City Fire Department (BCFD) started measuring this three years ago. Vacant buildings are a major strain on our Fire Department resources and a source of considerable stress for families living next to them. After the Sticker Street fire, Chief Wallace and the BCFD made significant changes to their operations to avoid something like that again.

The BCFD brought back a program called Code X. Inspections of homes are done each week by each fire company. When homes look like they are dangerous and could be a hazard, the BCFD places a red diamond reflective placard on the property. This is an indicator for the fire fighters to approach with caution and not to go into the building. Under Chief Wallace's leadership, fire fighters are now approaching these with caution, and fire fighter injuries have decreased 83% from last year.

Code X data is <u>not</u> the same as Vacant Building Notices. While VBNs are indicated on the Codemap Website as a red diamond, these are not the same as Code X red diamonds. So, some properties could have VBNs on them but not Code X, while others may have Code X but not VBNs. Also, the Fire Department has not made their inspections all the way through to each property in the city. The Code X data is entered into the BCFD's Cad system and tracked by BCFD. Re-inspections are done each year. The BCFD reports to the City Council's Public Safety Committee every quarter on a variety of statistics, and at my request has been tracking vacant building fires and Code X data. In the last quarter of 2024, there were 183 properties removed from the Code X list, with an additional 68 demolished. In the first quarter of 2025, there were 137 removed and 40 demolished. In 2024, over 1,000 were added to the Code X list, and in the first quarter of 2025, there were 456 added. As of March 31st, there are roughly 5300 in the Code X database. The Code X properties are not listed on the Codemap website.

Our office conducted an analysis of the Code X data provided to us for the last quarter of 2024, and I'm awaiting the data from the first quarter of 2025. A comparison of Code X data and VBN data can help us understand if there is renovation work being done without permits, or if the BCFD thinks the property is not safe, but it may not have a VBN on it. This is the first time this analysis has been conducted, and so we also discovered some data collection issues that BCFD is now aware of and is improving.

For this analysis, we used Codemap and Google street view, along with the new Accela permit system. Please note that Google Street View has old photos, all of which were 2019 or 2021. This allows us to see the former state of the houses prior to the Code X labeling.

Here's what we found. This analysis has been shared with BCFD, DHCD, Mayor's Office, and OPI. Of the 183 properties:

- 61 have Use and Occupancy Permits that have been issued sometime in the past two years, meaning they have been fully rehabbed in the last two years. Great news!
- 52 have VBNs still on them.
  - o Of those, 15 have no permits. They need to be reviewed for rehabs without permits.
  - o Of the 52 with VBNs, 37 of the VBNs have permits in some stage of rehab.
- Of the remaining 43:
  - o Two were commercial properties that were rehabbed, and had no VBNS.
  - o 23 may be data collection issues. These properties looked to be fine to begin with, using Google Street View (2019 or 2021 photos). However, they are all located adjacent to properties that had or currently have VBNs. Eight of them have U and Os or have permits. So, if the 23 with address issues were mistakes, then site visits need to occur to see if the properties next to the listed addresses are rehabs without permits.
  - One is a vacant lot which is misclassified in Codemap, and the adjacent one never needed a VBN.
  - 4 didn't have VBNs but according to Google Street View these should have had VBNs, two had no permits, and the other two had permits. Site visits should occur to determine if they have been rehabbed.
  - o The remainder (14) never had VBNs:
    - Of those, three never had VBNs but did have permits for a rehab
    - Three were demolished, we think
    - 4 never had VBNs and do not have permits for a rehab
    - 4 never had VBNs and have permits for rehab or got their U and O.

<u>Here</u> is the link to our analysis. If this is helpful, I can share any future analysis. The analysis shows there is success to celebrate, but caution in terms of which properties are removed from Code X but may not be completely rehabbed which could cause safety issues.

I did not get to the analysis of the permit office or legislation for this letter. It is coming. Until then, we are steeped in budget hearings. <u>Here</u> is the latest update on the matrix data based on additional analysis.

Thanks for the opportunity to comment. I look forward to the next BVRC meeting.

In partnership,

Odette Ramos

Baltimore City Councilwoman, 14th District

# Appendix A. 1600 Block of Gorsuch Progress



# **CodeMap legend:**

Green= City Owned

Purple=Homeowner Occupied

Red Diamond=Vacant Building Notice

Blue Diamond = recent Use and Occupancy rehab

Red line = slated for Demo

# 1600 Block of Gorsuch Odd Side

- 1617 Mr. Morris and his wife who are our chosen developers for this project.
- 1619 privately owned I believe there is a new buyer
- 1621 Developed by Mr. Morris, homeowner occupied.
- 1623 Privately owned, permits expired
- 1625 Rehabbed by Mr. Morris, owner occupied
- 1627 Acquired through In Rem 1/24, recently approved by BOE to sell to Mr. Morris
- 1629 Acquired through In Rem, 1/24, recently approved by BOE to sell to Mr. Morris
- 1631 Rehabbed without permits, permits pending
- privately owned, transferred 6/23 no action good candidate for In Rem 2
- 1635 Rehabbed without permits, permits pending
- 1637 previous DHCD acquisition before In Rem 11/21.
- 1639 Acquired through In Rem 8/24, designated for Mr. Morris
- 1641 Acquired through In Rem 5/24 designated for Mr. Morris
- 1643 Acquired through In Rem 3/24 designated for Mr. Morris.
- 1645 rehabbed with permits, pending U and O
- 1647 Privately owned, In Rem pipeline
- 1649 Acquired through In Rem.



### Even Side of the 1600 Block of Gorsuch

- 1618 privately owned, designated for demo
- 1620 Acquired through In Rem 11/24 slated for demo
- 1622 Acquired through In Rem 11/24 slated for demo
- 1624 previous acquisition by city 1997 slated for demo
- 1626 in In Rem pipeline, slated for Demo
- 1628 privately owned, rental
- 1630 In Rem pipeline, slated for demo
- 1632 continue to use as parking lot
- 1634 continue to use as parking lot
- 1636 continue to use as parking lot
- 1638 continue to use as parking lot
- 1640 Old Mason hall, approved for 8 apartments (attached to parking lots)
- 1646 Acquired through In Rem 5/25
- 1648 rental
- 1650 rental
- 1652 Acquired through In Rem 5/25
- 1654 rental
- 1656 Acquired through In Rem 5/24
- 1658 rental
- 1660 Homeowner occupied
- 1662 rental



Inspirational Mural painted 2022 on 1630 Gorsuch, anonymous



Before



May 18, 2025