



Uniting Communities, Inspiring Action
Since 1941

February 26, 2009

Hon. Sheila Dixon
Mayor
City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Hon. Stephanie Rawlings-Blake
City Council President
City Hall, Suite 400
100 N. Holliday Street
Baltimore, Maryland 21202

Hon. Joan Pratt
Comptroller
City Hall, Room 204
100 N. Holliday Street
Baltimore, Maryland 21202

Dear Mayor Dixon, Comptroller Pratt, and City Council President Rawlings-Blake:

We were honored to serve on the Land Bank Authority Task Force that you appointed last summer. We agree in principle with the Task Force's recommendation that bold and innovative solutions are necessary to address the crisis of abandoned vacant properties in the City of Baltimore. We wholeheartedly concur that the cumbersome and overly bureaucratic process for acquisition and disposition of such vacant properties desperately needs to be streamlined.

However, on behalf of our respective organizations, the Citizens Planning and Housing Association and the Greater Baltimore Urban League, we wish to share certain concerns regarding Council Bill 09-0261, as it was introduced into the City Council on January 12, 2009. The concerns set forth below are shared by the other member organizations of the Baltimore City Inclusive Housing Coalition: AFSCME Council 67, 1199 SEIU, Maryland ACORN, NAACP-Baltimore City Branch, CASA of Maryland, and the Archdiocese of Baltimore-Beyond the Boundaries.

I. Membership of the Board of Directors of the Proposed Land Bank Authority

We think it is vitally important to augment the voices of neighborhoods, communities, and civic groups on the Board of Directors of the proposed Land Bank Authority. No one will be more affected by the Land Bank Authority's work than the neighborhoods where vacant properties are concentrated.

For this reason, we dissented from the Task Force's recommendations regarding the composition of the Board of Directors. In Council Bill 09-0261, as currently drafted, the Board would be composed of eleven members, including six city officials (the Mayor, City Council President, Comptroller, Commissioner of Housing and Community

Development, Director of Planning, and Director of Finance), and five appointed citizen members.

As we strongly conveyed to our fellow Task Force members, we believe three amendments are necessary:

- (a) The appointed citizen members should constitute a majority of the Board. Our preference would be for a seven-member Board, including four appointed citizen members, the Mayor, City Council President, and Comptroller. (The agency heads would serve only in an advisory capacity.) An alternative would be to increase the size of the Board to thirteen, including the Mayor, City Council President, Comptroller, the three agency heads, and seven appointed citizen members. We note, in this respect, that our recommendation would provide the Land Bank Authority with a board structure similar to the Planning Commission, which also has a citizen-member majority.
- (b) At least half of the citizen seats on the Board should be expressly reserved for representatives of non-profit neighborhood groups, community-based organizations or civic associations. Thus, if the Board has five appointed citizen members, as currently proposed in Council Bill 09-0261, three seats should be reserved; if the City Council agrees with our preferred alternative, two of the four appointed citizen seats should be so reserved.
- (c) Actions of the Board should require support from at least half of the appointed citizen members. Council Bill 09-0261, as currently drafted, provides that actions of the Board require support of at least six of the eleven members, only two of whom must be citizen members. If the number of appointed citizen members remains five, we believe that any action should require support from three of them. If the number of appointed citizen members is reduced to four pursuant to our preferred alternative, we believe that any action should require support from three of them.

II. Means to Assure Transparency and Public Accountability

The Task Force discussed at length how best to assure transparency and public accountability in the Land Bank Authority's procedures for disposing of vacant properties. We are pleased that Section 22-54 of Council Bill 09-0261 requires periodic reports to the City Council and annual reports to the General Assembly. We are also pleased that Section 22-47 of Council Bill 09-0261 requires the Land Bank to maintain and regularly update a web-based inventory of properties that it owns, as well as all properties that it has previously disposed. These reports and inventory will be valuable tools for public monitoring of the activities of the Land Bank Authority.

Nevertheless, we are disappointed that Council Bill 09-0261 does not expressly provide for other key mechanisms for community notification and input that were discussed in detail by the Task Force and that we believe are essential to assuring

transparency and public accountability. Because such safeguards are critical to protecting communities and neighborhoods, the City Council should provide clear guidelines in its ordinance, rather than leaving this matter to the discretion of the Board of Directors of the Land Bank.

Accordingly, we propose that the legislation should be amended to clearly state the following:

The Board shall adopt rules and regulations to assure transparency and public accountability in its decision-making, including provisions for citizens and community-based organizations to receive appropriate notice and opportunity to comment prior to decisions by the Authority to sell, lease, transfer or dispose of its property or interest in property. These rules and regulations shall provide, at a minimum, that no sale, lease, transfer or disposition of a property or interest in property may be effectuated by the Authority unless at least thirty days prior to such conveyance: (a) notice shall be posted on the property, and (b) the Authority shall certify that it has engaged in direct outreach to community-based organizations in the surrounding neighborhood.

Posting of properties and direct outreach to community-based organizations are both critical steps to ensure that residents who do not have access to the Internet or who do not have resources to regularly monitor the Land Bank Authority's activities nevertheless receive timely information about actions that may significantly impact their neighborhoods.

These proposed requirements are not intended to delay the disposition of vacant property or otherwise entangle the Land Bank Authority in procedural bureaucracy. Neighborhood and community advocates desire the efficiency and streamlined procedures that the proposed legislation offers but without sacrificing public accountability and transparency. To avoid delay, we think such outreach and engagement can be undertaken concurrently with the other aspects of the disposition review and approval process.

We also recommend that the proposed legislation expressly state that all property that the Land Bank Authority sells, leases, transfers or disposes shall be subject to City Zoning Laws, including the Inclusive Housing Ordinance. In addition, Sections 22-61(a) and 22-62(a) should be amended to clarify that community-based organizations shall be included among the aggrieved parties authorized to seek administrative review of a decision by the Land Bank Authority.

III. Establishment of Clear Disposition Priorities

The Task Force received guidance from consultants regarding the experiences and lessons learned by land banks elsewhere in the country, including Genesee County, which appears to be the most effective model. A key aspect of the consultants' advice was that clear priorities need to be established for the Land Bank, especially with respect to

disposition of property, in order to ensure against competing and conflicting agendas. Council Bill 09-0261, however, fails to expressly state the Land Bank Authority's goals for disposition of property or prioritize among them.

In line with the policies of the Genesee County Land Bank, we recommend that the City Council provide clear guidance to the Land Bank Authority, rather than deferring its policy-setting authority to the Authority's Board of Directors. To this end, we recommend that Council Bill 09-0261 be amended to state that the Land Bank Authority's overriding priorities in the sale, lease, transfer or disposition of properties are those set forth in the Task Force recommendations, in priority order as follows:

- 1) enhancing neighborhood vitality;
- 2) creating opportunities for affordable and mixed income homeownership and rental;
- 3) eliminating blight;
- 4) encouraging economic development; and
- 5) promoting fiscal stability of the City as a whole as well as that of individual neighborhoods.

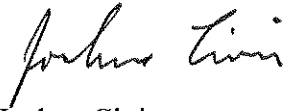
IV. Evaluation, Benchmarking, and Sunset Requirements

We think it crucial that rigorous evaluation standards should be set forth in the Land Bank Authority Ordinance to ensure that this initiative: (a) lives up to the priorities set forth above; (b) provides ongoing transparency and public accountability; and (c) results in a net gain in efficiency in the City's acquisition and disposition processes. The risk of this process is that it sets up a new duplicative process outside of City Hall without streamlining of the current bureaucratic and cumbersome municipal acquisition and disposition process. We urge that the Land Bank Authority should be required to set annual benchmarks towards these three objectives and include detailed discussion of its progress towards achieving them in its required periodic reports. Moreover, to further ensure the efficacy of this new initiative, we propose a 10-year sunset provision.

Finally, we agree with the Task Force recommendations that opportunities for broader reform be investigated, including possible reform of the tax sale process as well as the tax foreclosure process. However, we do not agree that such investigations should be delayed until the proposed Land Bank Authority is fully functioning. We understand that such reforms were critical to the success of the land bank in Genesee County, which is extolled as a national model. Exploration of such reforms also seems important in light of increasing home foreclosures in Baltimore and elsewhere as a result of the current economic crisis.

Thank you for your consideration. We look forward to working with you to ensure that the City dramatically reforms the way we address the problem of property abandonment in Baltimore City, while at the same time ensuring public accountability and transparency.

Very Truly Yours,



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J. Howard Henderson
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