2026 NCSHA Annual Awards Submission

Maryland Department of Housing and Community Development
Maryland's Innovative Financing for Vacant Property Revitalization
Category: Homeownership
Subcategory: Home Improvement and Rehabilitation

Through a collaborative and mutually accountable partnership among DHCD, the City of Baltimore, the Maryland Stadium Authority, the Maryland Community Investment Corporation (MCIC), and Baltimore City-based nonprofit community development organizations (CDOs), DHCD strategically deploys $50 million annually through the Baltimore Vacants Reinvestment Initiative (BVRI) to acquire, demolish, stabilize, and renovate vacant properties. This investment supports Baltimore City's 15-year, $3 billion strategy to eliminate vacant properties while improving property values, expanding homeownership, and strengthening quality of life in targeted neighborhoods.

BVRI Responds to a Critical Housing Need in Baltimore

For more than 50 years, Baltimore's high concentration of vacant and deteriorating buildings—particularly in neighborhoods shaped by decades of disinvestment and racially discriminatory policies—has been a major barrier to the city's economic resurgence. While the number of vacant buildings has declined to its lowest level in more than two decades, the effects of Baltimore's vacancy crisis remain profound. Vacant housing continues to depress property values and widen the appraisal gap in Baltimore's historic Black communities, undermining homeowners' ability to build wealth, developers' ability to finance new housing, and residents' ability to create thriving neighborhoods.

In October 2024, Governor Wes Moore established Reinvest Baltimore and the Baltimore Vacants Reinvestment Council (BVRC), chaired by DHCD Secretary Jake Day, to align Baltimore City, state agencies, and private and philanthropic partners around a unified strategy to end Baltimore's vacancy crisis. The effort builds on Mayor Brandon Scott's broader 15-year, $3 billion plan to eliminate vacant properties in Baltimore City. BVRI is the state's core annual implementation investment, providing targeted funding for the acquisition, stabilization, demolition, and redevelopment of vacant properties in priority areas. Demonstrating the state's commitment, Governor Moore dedicated $50 million for BVRI starting with the FY25 state budget, an investment that the Maryland General Assembly subsequently protected through legislation for future years.

Through an annual review and competitive RFP process, DHCD allocates BVRI funding to three principal entities:

- **Baltimore City,** which uses its legal tools to acquire long-vacant residential properties for future demolition or redevelopment, including vacant school sites.

- **The Maryland Stadium Authority,** which uses its expertise in construction procurement and project management to demolish or stabilize vacant properties identified collaboratively by the city and state.
- **The Maryland Community Investment Corporation (MCIC),** a Community Development Entity established in state law in 2024, which uses its lending expertise to manage BVRI financing for nonprofit community development organizations acquiring and renovating vacant rowhomes through a new pay-for-performance model.

CDOs apply to DHCD for BVRI funding through an annual competitive application process that requires them to demonstrate a neighborhood-driven strategy for redeveloping vacant properties and achieving whole-block outcomes, where every property on a block has a productive use. Since June 2025, DHCD has selected 20 CDOs working across 16 neighborhoods to receive low-cost, forgivable loans from a $30 million BVRI loan fund managed by MCIC to finance the acquisition and renovation of vacant properties, primarily for homeownership sales. In addition to BVRI funding, DHCD deploys other funding for complementary neighborhood revitalization projects, including mixed-use redevelopments, park and green space projects, streetscaping and home repair programs for legacy residents.

CDOs and small developers are central to Baltimore's vacancy strategy, but many lack the working capital needed to move projects from acquisition through construction and sale or lease-up. Delays in public financing and reimbursement can create cash flow gaps that stall projects and increase costs.

Under DHCD's traditional grantmaking structure, CDOs often received funds on a reimbursement basis, requiring them to front project costs and wait months for repayment. If costs exceeded initial projections, they could face further delays while seeking additional funding through a future competitive round.

BVRI's new financing model addresses these barriers directly. Awarded CDOs can now access the full financing needed to acquire and rehabilitate properties upfront, with forgiveness calculated at the end of the project once the final sales price is known. This revolving, performance-based structure allows capital to be recycled and scaled while giving developers greater certainty that rehabilitation financing will be available once properties are acquired.

BVRI investments are concentrated in the city-designated Vacancy Reduction Priority Geographies—neighborhoods with the highest concentrations of vacant property—where sufficient, flexible capital, strong public-private partnership, and effective whole-block, whole-neighborhood strategies can help repair housing markets and restore confidence in Baltimore communities.

BVRI Program Statistics and Reporting

BVRI is tracking property-specific production and neighborhood impact. At the production level, DHCD tracks the number of vacant buildings and lots acquired, stabilized, demolished, and redeveloped, as well as the speed at which those properties move through the pipeline. At the neighborhood level, DHCD tracks progress toward whole-block outcomes and broader market indicators, including trends in home sales, property values, days on market, homeownership rates, and levels of public and private investment. Together, these measures provide a comprehensive view of whether BVRI is not only reducing vacancy, but also restoring housing markets.

The $30 million loan fund with MCIC was capitalized by DHCD on July 1, 2025, with loan disbursements starting late September 2026 once the loan agreements between MCIC and the CDOs were executed. To date, the CDOs have site control of 265 properties–the most ever at one time through a state funding program. Of these vacant properties under site control, 118 (44.5%) are under construction, fully rehabbed, sold, or rented as of February 2026. To date, the CDOs have executed loan agreements totaling $19.4 million, or approximately two-thirds of the available $30 million.

Across their target geographies, the CDOs have identified 1,024 vacant buildings in need of rehabilitation. Of these, they have prioritized 303 properties for an initial phase of redevelopment, concentrating activity on clusters of blocks to maximize visible market impact. As the first phase is completed, CDOs will expand into additional properties within their target areas. Over time, as conditions improve and property values rise, these blocks are expected to attract increasing levels of private market activity, reducing the need for public subsidy.

At bi-monthly BVRC meetings, partners review portfolio performance to ensure that funding is being deployed strategically, efficiently, and in alignment with shared neighborhood goals. When barriers arise, council members work together to identify policy changes, operational adjustments, or additional resources needed to keep projects moving.

Replicable

Reinvest Baltimore, including its core implementation and governance components—BVRI and the BVRC—combines strong partnerships, shared accountability, and flexible, performance-based funding to support redevelopment in targeted geographies and achieve whole-block and neighborhood-level outcomes. Other areas with high concentrations of vacancy can adapt this model by tailoring the governance structure, funding tools, and partners to their context. Key elements that can be adapted elsewhere include:

- Dedicated multi-year state funding
- Pay-for-performance financing
- Whole block redevelopment
- Public-private-philanthropic partnerships
- Transparent data tracking
- Multi-sector governance

Supporting Materials

Index

Helpful Links

1. 2025 Baltimore Vacants Reinvestment Initiative Annual Report
2. PowerPoint: BVRI Whole Blocks Strategy
3. Governor Moore's January 1, 2024 Executive Order
4. July 7, 2025 Press Release announcing $50 million BVRI funding

BVRI Renovated Property Photographs:

5316 Maple Avenue photographs

1. Interior before
2. Living area
3. Bedroom
4. Bathroom

1645 Normal Avenue photographs

1. Missing roof before
2. Fire damage before
3. Fire damage 2 before
4. Gutted structure shell
5. Baltimore City Fire Department walk through
6. During reconstruction
7. During reconstruction 2
8. Finished interior
9. Finished kitchen
10. Finished living area

Photos courtesy of Rebirth Development LLC.

Click here to view the Youtube video of the Baltimore Vacants Reinvestment Initiative funding announcement

Click here to view a video of the BVRI renovated 5316 Maple Avenue, Baltimore MD 21215. Courtesy of Rebirth Development LLC.

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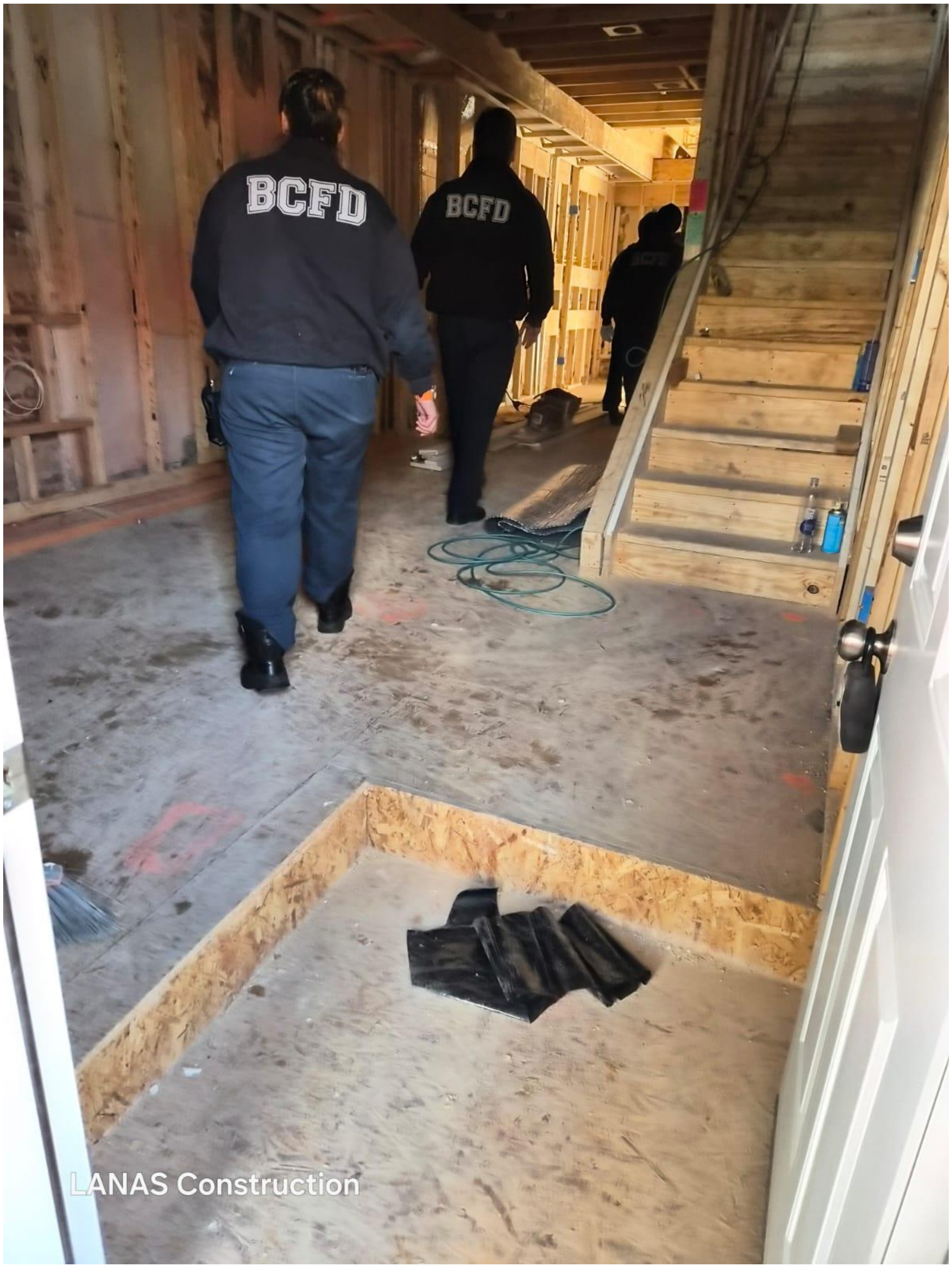
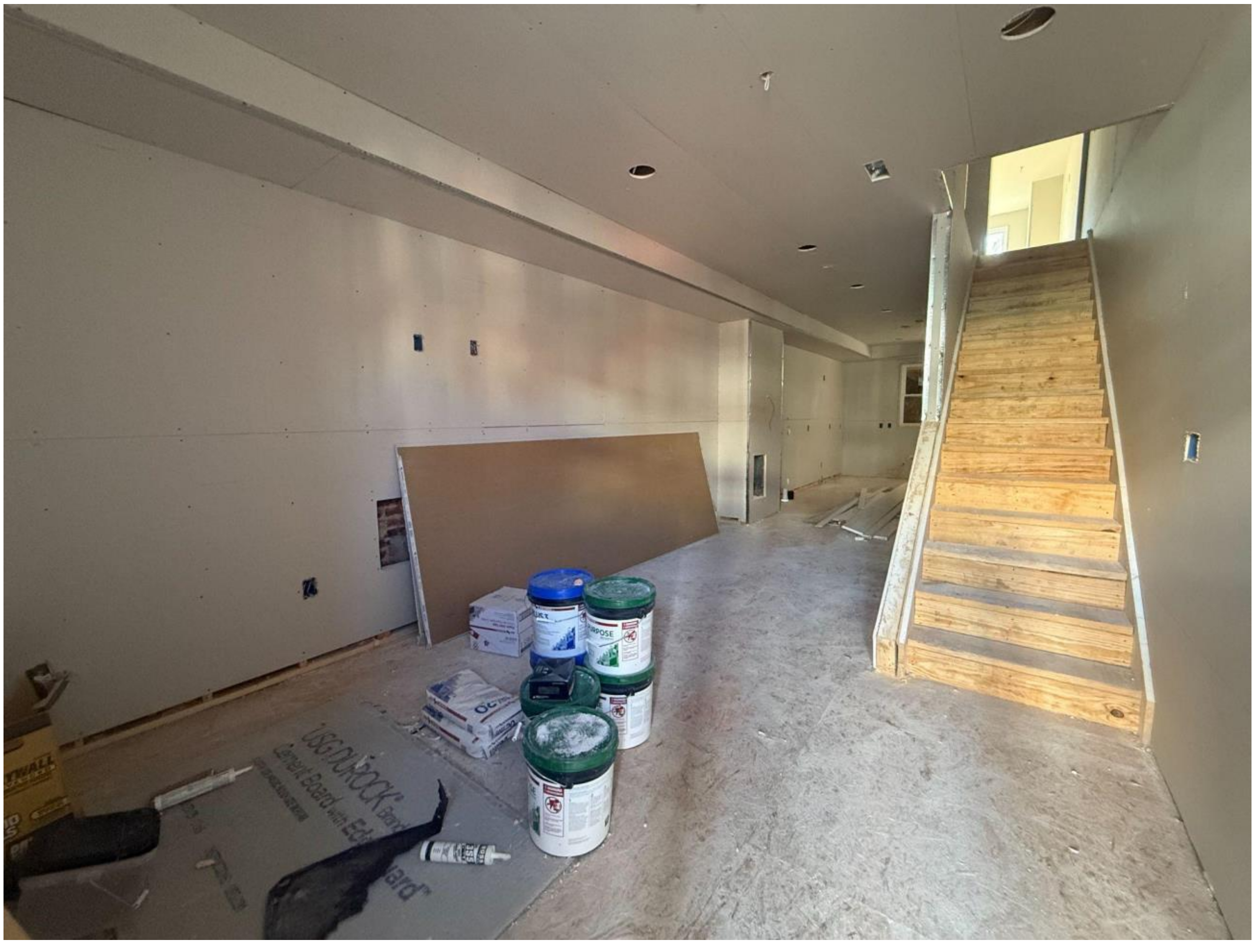


6. During reconstruction



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