

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND**

EDMONDSON COMMUNITY
ORGANIZATION, INC.
2114 Edmondson Avenue
Baltimore, Maryland 21223

Plaintiff,

v.

MAYOR AND CITY COUNCIL OF
BALTIMORE
100 Holliday Street
Baltimore, Maryland 21202

Defendant.

**COMPLAINT FOR MONETARY,
INJUNCTIVE, AND
DECLARATORY RELIEF**

JURY TRIAL REQUESTED

Civil Action No. _____

The Edmondson Community Organization is a nonprofit that represents the members of Midtown-Edmondson, one of Baltimore’s historically Black, redlined, and disinvested communities. ECO’s most important asset was its community center, where it hosted back-to-school gatherings, Thanksgiving dinners, Christmas toy drives, job trainings, and arts programs for community members. But when the organization fell behind on its property taxes by just \$2,543, Baltimore City took the community center without just compensation. First, it sold the \$2,543 tax lien on the building to a California-based investor for \$5,115. Then, when ECO could not pay off the lien, the City transferred the property to the investor, which then turned around and sold the building for \$139,500 – a 2,600% profit. In exchange, the City gave ECO only \$2,572 – the difference between the lien and the winning bid. In other words, Baltimore seized ECO’s building worth over \$100,000 and offered ECO only \$2,572 in return. That was an unconstitutional taking under

the Supreme Court's unanimous opinion in *Tyler v. Hennepin County*, 143 S. Ct. 1369 (2023). And it was no isolated incident. It was the inevitable result of the deeply flawed system that the City uses to collect unpaid property taxes.

ECO brings this suit, on behalf of itself and its members, to end the City's unlawful property tax-sale system, which systematically results in the taking of homes and businesses from poor, distressed, and disproportionately Black residents for far less than the just compensation the Constitution requires. Having lawfully imposed a tax lien, the City sells that lien in an auction that is not remotely designed to attract the market value of the underlying property. When the property is ultimately taken from its distressed owner at that depressed price, the owner loses much or all the equity that they have frequently worked a lifetime to build, to the benefit of a small set of predatory tax-sale investors. This robs City residents, their families, and their communities of the equity in their homes and businesses, in violation of the Fifth Amendment.

This action seeks to end the City's harmful, unconstitutional tax sale system, which for too long has stripped low-income and minority Baltimoreans of their homes, their community spaces, and their generational wealth.

NATURE OF THE ACTION

When an owner of property in Baltimore City falls behind on real property taxes, the past-due taxes become a lien on the owner's property. Even if the owner is behind only by a few hundred dollars, the City can and often does sell its lien on the entire property to recover the taxes.

Once a year in the spring, the City conducts a mass online auction of the liens, offering them for sale to private investors. In exchange for an immediate payment to the City of the lien amount, the investors obtain the lien, the right to earn interest on that lien, and the right to purchase the property at the amount of their bid if the taxpayer does not pay off the lien and any accrued interest (and other fees and costs) in full over an ensuing redemption period.

The City's only financial interest in the tax sale is recovering the amount of its outstanding tax liens. And it receives that sum whether the winning bids exceed the liens by \$1 or \$100,000. The result is an auction that is designed to ensure the sale of the maximum number of liens, but is not remotely designed to accurately value the underlying properties that may ultimately be taken from the owners.

Meanwhile, the City understands that there is a finite pot of investor capital available to purchase all the liens. This creates a perverse incentive for the City to minimize the winning bids, to spread that finite pot across the highest number of liens. That approach maximizes the City's financial return but vastly reduces the amount of money Baltimore property owners receive for the properties they lose.

There are several components to the City's unconstitutional bid-depression system. First, the City elects to charge a high-bid "premium" on any bids that exceed the greater of the tax lien itself or 40% of a property's "full cash value." On its face, this element of the auction's design discourages bids that come anywhere close to the actual "value" of the property that the City takes from its owner.

Second, after discouraging bidders from making fair bids, the City encourages unfairly low bids by declining to establish a minimum bid amount, other than the amount of the tax lien, which bears no relation to a property's value.

Third, the City advertises 15,000 to 20,000 properties for sale together on one very long, small-print list and auctions all of those properties in a sealed-bid auction on a single day. This makes any genuine due diligence by prospective bidders and any genuine competitive bidding virtually impossible. Such methods are woefully inadequate to generate anything approximating an accurate valuation of the properties in the sale.

Fourth, the City violates state law by failing to advertise the tax sale twice in newspapers of general circulation, instead running one of its ads in *The Daily Record*, a trade paper focused only on the law, government, and business communities.

Inevitably, this process, apparently designed by the City to sell the largest number of liens for the smallest individual sums, produces winning bids that are only a small fraction of the value of the auctioned properties – even the City's own assessed values. As a result, the City receives the past-due taxes, but the property owners, if unable to redeem their property, lose their equity in the property without just compensation.

ECO, which represents the members of Midtown-Edmondson, one of Baltimore's historically Black, redlined, and disinvested communities, was itself a victim of the City's tax sale policies and customs. ECO lost its only significant financial asset, a mortgage-free building at which ECO convened community meetings and provided community services, as a result of the City's tax sale. At the City's auction, the winning bidder, a sophisticated tax-sale investor from California, bought the lien on the building for \$5,115. ECO was

unable to redeem the property by paying the lien and accrued interest, and the investor foreclosed. After then foreclosing and receiving the deed and title from the City, the investor sold the property at its own public auction for \$139,500, retaining the excess above its \$5,115 tax-sale bid for itself. But ECO received from the City virtually nothing for its equity – its constitutionally protected property – in a building that a fairly conducted public auction showed was worth almost \$140,000. In sum, the City took ECO’s \$140,000 building to pay a \$2,543 tax bill and paid ECO essentially zero in “just compensation.”

The City has also harmed ECO because it has harmed ECO’s members in the Midtown-Edmondson community. In the same tax sale in which a bidder purchased the lien on ECO’s building, 68 properties in Midtown-Edmondson were also subject to the tax sale. The winning bids on those properties totaled only **22%** of the assessed value of the properties – a dramatic loss of generational wealth for the owner of each Midtown-Edmondson property that was lost in the sale. Across Baltimore City from 2017 through 2023, the winning bids on properties in the tax sale averaged only 50% of those properties’ assessed values.

Baltimoreans do not fail to pay their taxes by choice; typically, the only reason a resident doesn’t pay their taxes is because they can’t afford to. The City’s process of then taking their homes for far less than just compensation only deepens their financial distress. The Black residents of the City’s historically redlined communities are disproportionately the victims of the City’s unconstitutional takings. In 2023, the *Baltimore Banner* reported that since 2016 “each and every one of the 1,763 homes across Baltimore that The Banner

identified as having changed hands through the tax sale was located in a majority-Black neighborhood.”

The City engages in these harmful policies and customs even though its financial interest in the tax sale is minimal. According to the state Tax Sale Ombudsman, the City received \$12,010,504 for the liens it sold in the 2022 tax sale, while the City’s FY 2022 budgeted revenue, according to the City’s own budget summary, was \$4,331,049,489. This makes the tax sale proceeds *less than three thousandths of one percent* of the City’s budget. For this rounding error return, the City takes the equity in its own residents’ properties and violates the Constitution in the process.

This suit seeks to compensate Edmondson Community Organization for its loss and to protect the members of the Midtown-Edmondson community, and the residents of Baltimore, from the City’s unconstitutional tax-sale process.

THE PARTIES

1. ECO is a Maryland 501(c)(3) corporation with its principal place of business in Baltimore City. ECO owned the building at 2114 Edmondson Avenue in Baltimore City from 1995 until April 12, 2023, when a California-based tax-sale purchaser, Tempest LLC, filed a deed to the property in the land records of Baltimore City.
2. The City frustrates ECO’s organizational mission – the revitalization of an historically disinvested Midtown-Edmondson community – through its unconstitutional tax sale system. ECO has diverted time and resources to combatting the tax-sale system, including notifying community members who are on the tax-sale list, helping them redeem properties, and working with government entities to reform the system.

3. ECO represents the interests of the members of the Midtown-Edmondson community who are on the tax-sale list each year and are thereby directly harmed by the City's unconstitutional system. The community members who lose their properties would have standing to sue in their own right; just compensation for the City's taking of their properties is germane to ECO's interest in revitalizing Midtown-Edmondson; and their participation is not required to prove ECO's claim or achieve ECO's requested relief.

4. The Mayor and City Council of Baltimore is an incorporated municipality in the State of Maryland.

JURISDICTION AND VENUE

5. This Court has jurisdiction over this action under 28 U.S.C. §§ 1331 and 1343, as this action arises under the Constitution and laws of the United States.

6. Venue is proper in this judicial district under 28 U.S.C. § 1391(b)(2) because a substantial part of the events giving rise to the claim occurred in this district.

BACKGROUND

The Tax Sale System in Maryland

7. The State of Maryland has established by statute the process by which Maryland counties and Baltimore City collect past-due real property taxes (the "State Tax-Sale System"). The State Tax-Sale System is codified in Title 14, Subtitle 8 of the Tax Property Article of the Annotated Code of Maryland ("TP").

8. TP § 14-808(a)(1)) vests each of Maryland's municipalities, including Baltimore City, with the discretion to determine when to conduct a public auction of tax liens on real property, except properties exempted in accordance with TP § 14-811.

9. The City must advise the general public of the sale by publishing at least twice in newspapers of general circulation in the City a notice of the date and place at which each property will be sold at public auction. TP § 14-813(a)(1).

10. Under TP § 14-817(a)(2), the City must sell the lien on the owner's property to the person who makes the highest "good faith accepted bid."

11. TP § 14-817(b)(2) permits – but does not require – the City to establish a high-bid premium of 20% of the amount by which a bid "exceeds 40% of the property's full cash value," which the City has elected to impose.

12. In Baltimore City in particular, this discretionary high bid premium "shall be 20% of the amount by which the highest bid exceeds the greater of: 1. the lien amount; or 2. 40% of the property's full cash value." TP § 14-817(b)(2)(iii).

13. The State Tax-Sale System places no restriction on the City's ability to set a minimum bid for a lien, except that the minimum cannot be less than the amount of taxes due on the property, together with penalties and interest. TP § 14-817(b)(1).

14. The winning bidder must pay the City the amount of the tax lien on the day after the tax sale. TP § 14-818(a)(1).

15. As a consequence, the City is paid the past due taxes immediately upon conducting the auction.

16. The State Tax Sale System allows the property owner to "redeem" the property after the tax sale – that is, eliminate the lien – by paying not only the past due taxes but also the interest, penalties, and costs of sale claimed by the City, plus the tax sale purchaser's attorneys' fees and costs, as set forth in TP §§ 14-827 and 14-828.

17. If and when the owner redeems the property, the City reimburses the tax sale purchaser the amount it paid for the tax lien, plus interest at 12% if the property is owner-occupied or 18% if it is not.

18. In Baltimore City, the tax lien purchaser may first bring a lawsuit to foreclose the owner's right of redemption either six or nine months after the sale, depending on whether the property is an owner-occupied residence. TP § 14-833.

19. The owner can redeem the property at any time until the purchaser obtains a judgment foreclosing the right of redemption. TP § 14-827.

20. If the tax-sale purchaser obtains a judgment foreclosing the right of redemption before the owner redeems the property, the City, upon receiving from the purchaser the difference between the amount of the lien and the amount of the winning bid and any accrued taxes, will execute and deliver a deed to the purchaser transferring clear title to the property. TP § 14-818(a)(3).

21. When the purchaser records that deed in the City's land records, the property owner loses title to the property.

22. Upon losing the ownership of the property, the now-former owner is entitled under TP § 14-818(a)(4) to receive from the City only the bid balance – the difference between the amount of the winning bid and the amount of the tax lien.

23. The now-former owner receives nothing for the value of the property above the amount of the winning bid, even if, as in ECO's case, the winning bid is a small fraction of the value of the property.

24. Under this system, the City sold a lien on ECO's building in the May 2018 tax sale because of ECO's outstanding \$2,543 tax bill. Tempest bought that lien for only \$5,115. When ECO was unable to redeem, Tempest foreclosed and sold the building in its own public auction for \$139,500. For the loss of its \$140,000 building, ECO was entitled to receive from the City only \$2,572, the difference between the tax lien and Tempest's bid.

***Baltimore City's Tax-Sale Policies and Customs Unconstitutionally
Depress the Winning Bids***

25. Under the Fifth Amendment, the City must provide just compensation for the property that it takes. Because the auction at which it sells liens does not even attempt to obtain the full value of the seized property – and is apparently designed *not* to generate anything close to the full cash value of the property – the system results in the taking of private property without just compensation in violation of the Constitution.

26. The City receives the full amount of the tax liens sold on the day after the auction, and at that point its financial interest in the process is satisfied.

27. All the Baltimore property owner receives from the tax sale (if unable to redeem) is the difference between the lien and the winning bid, no matter how large the owner's equity in the property. Therefore, the difference between a full-value bid and a bid \$1 over the lien is devastating, and represents the loss of just compensation for their equity in the property that the City has unconstitutionally taken.

28. The City's method of conducting the annual tax-sale auction reflects its indifference to its own residents' lost equity, and its overriding interest in spreading the available

investor capital across as many liens as possible, rather than achieving fair bids for its struggling residents.

29. The City's tax sale policies and customs reduce the winning bids to a level that systematically deprive Baltimore property owners of just compensation for the property the City takes.

30. In the seven annual Baltimore City tax sales from 2017 through 2023, the winning bids on occupied properties in the Midtown-Edmondson community averaged only 36% of the assessed value of the properties sold. In ECO's case, as described below, the winning bid was only 5% of the property's assessed value.

31. The assessed value is significant because it is the basis on which taxes were charged and the tax lien was imposed. By selling the liens for far less than the assessed value of the property – and, in fact, penalizing bids that even approach the assessed amount – the City values the property much higher for purposes of assessing taxes than it does for purposes of paying just compensation when the property is taken for failure to pay those same taxes.

32. These are the City's tax sale policies and customs currently known to ECO that drive down the winning bids at the annual tax sale auction:

- a. The City charges a high-bid premium on tax sale auction bids. The high-bid premium imposes a 20% surcharge on any bid above 40% of a property's cash value (or the lien itself, if higher), thereby actively discouraging a bidder from making a bid above that amount. The City thereby elevates its interests above its residents' by inducing bidders to make low bids on a large number of properties rather than higher

bids on fewer properties. With that practice, the City sells more liens, satisfying its interest in recovering tax revenue, while making its property- owner residents the victims of low winning bids that provide unjustly small compensation for the owner's lost equity.

- b. The City is required by TP § 14-813 to advertise its tax sale auction “two times, once per week in alternate weeks” in “1 or more newspapers that have a general circulation in the [City] in which the property is located.” The plain purpose of this requirement is to make the tax sale, and the properties in it, widely known to a large number of potential bidders. The City, however, fails to advertise the tax sale auction twice in a paper of “general circulation,” instead providing its second notice of the auction in *The Daily Record*, which, instead of being generally circulated, is directed only to the business, legal, and government communities. Its total circulation is under 16,000 and ECO leadership has never seen a copy available in the Midtown-Edmondson community. The City also does not conduct any of the type of routine marketing normally used to sell a house, like posting on websites such as Redfin, posting on MLS, or even putting a for-sale sign on the property.
- c. The City requires no minimum bid for tax sales other than the amount of the lien, although it could. A bidder can buy a lien on a \$100,000 property that is subject to a \$2,000 tax lien for \$2,001. The absence of

any minimum bid requirement, much less one that bears some relation to the value of the property, again reflects the City's elevation of its own interest in promptly recovering the maximum number of liens over its constitutional obligation to provide property owners just compensation when the City takes the property.

- d. The City lists every property in the sale in the same notice on the same day, typically listing between 15,000 and 20,000 properties in a single notice. As a result, potential bidders have no meaningful opportunity to determine the value of the properties on the list, and average people cannot join the process, do their homework, and provide competing bids that reasonably approach a property's true value.

33. As a result of these practices, the bidders consist of a small number of professional tax-sale investors. In 2024, for example, approximately 75% of the liens auctioned were purchased by one of ten bidders.

34. In sum, instead of a public auction following a widely circulated notice at which numerous members of the public bid competitively to acquire real property, Baltimore City's practice is to focus on a few professional investors buying large numbers of tax liens for bids bearing no connection to the value of the properties.

35. The City's policies and customs, including its decisions to impose a high-bid premium and not to require minimum bids, transform the City's auction from the public sale of real property required by TP § 14-808 to the sale of municipal liens purchased by a

limited number of sophisticated investors. The result is that Baltimore neighborhoods, largely Black and low-income, are stripped of their generational wealth so the City can recover revenue amounting to .003% of its annual budget.

The City Took ECO's Property Without Just Compensation

36. ECO was incorporated on June 17, 1993, as a community organization to represent the interests of the members of one of Baltimore's most disinvested communities, the Midtown-Edmondson community. The organization began by providing back-to-school gatherings and school supplies, Thanksgiving dinners, Christmas toy drives, job trainings, and arts programs to community members.

37. In 1995, Baltimore City assigned ownership of 2114 Edmondson Avenue to ECO. The City had obtained title to the building, a two-story, brick, commercial-use structure, as part of an asset seizure by the United States Attorney's Office arising from the conviction of one of Baltimore's most notorious 1980's drug dealers, Melvin Williams.

38. ECO put the building to good use, making it the place where the Edmondson community convened.

39. Beginning in 2015, the leadership group of ECO stopped being able to run the organization.

40. John Hailey, a Baltimore City police officer who was president of the organization, died in 2017.

41. Zelda Robinson, the organization's secretary, moved to a nursing home that same year.

42. The Reverend Lovell Parham became significantly involved in other organizations, and ECO effectively became leaderless.

43. As a result, property taxes on the ECO's building at 2114 Edmondson Avenue weren't paid and the City sold the tax lien on the building at the City's 2018 tax sale.

44. On May 14, 2018, the date of the 2018 tax sale, the tax lien on ECO's building totaled \$2,543.47. The winning bid on the property, made by a California-based professional tax-sale investment company named Tempest LLC, was \$5,115. Tempest paid the City the amount of the tax lien on May 15, 2018.

45. All of the City's practices alleged in paragraph 32 were in place during the 2018 tax sale.

46. The City charged a high-bid premium during the 2018 tax sale.

47. The City advertised the properties in 2018 once in *The Sun* and once in *The Daily Record*.

48. The City required no minimum bid above the lien amount on ECO's building, making it possible for Tempest to bid \$5,115 for a building on which the City listed the "Base Value" as \$101,200 and which Tempest later sold at public auction for \$139,500.

49. The City listed approximately 20,000 properties in its single listing of properties in the 2018 tax sale.

50. Tempest is a professional tax sale investor that bought 85 properties in the 2018 sale. Over 90% of those properties were redeemed at interest rates of either 12% or 18% – all paid to Tempest. On the five unredeemed properties to which Tempest took title, it paid a total of \$55,045 for the liens on properties it has now sold (or, in one case, currently has

listed for sale) for a total of \$443,970. Tempest's extraordinary gain – an 800% return on its \$55,000 investment – was made on the backs of the Baltimore City residents who lost their equity in their properties, which the City essentially gave away in the tax sale.

51. Tempest was not required to, and did not, pay the City the balance of its bid for ECO's building (\$2,571.53, being the difference between the lien of \$2,543.47 and the winning bid of \$5,115) at the time of the 2018 tax sale.

52. Tempest filed suit to foreclose ECO's right of redemption on February 21, 2019. On July 9, 2021, the Circuit Court for Baltimore City entered a judgment foreclosing EOC's right of redemption.

53. In 2022, ECO acquired new leadership, when Joe Richardson became its President and Jonathan Sacks became Executive Director of its development division. Upon becoming President of ECO, Mr. Richardson raised money to buy back the organization's building at 2114 Edmondson Avenue. He raised \$65,000 for that purpose and offered that sum to Tempest.

54. Tempest refused his offer, although the offer represented a 1,270% return on Tempest's \$5,115 investment.

55. From June 10 to June 14, 2022, Tempest conducted a public auction of the building using the Ashland Auction Group. At that public auction, which was conducted in a fashion that attracted multiple competing bidders, Tempest sold the same building that it acquired from Baltimore City for \$5,115 to Crown Quality Concept, LLC for \$139,500.

56. In the meantime, Tempest made no improvements to the building. It simply did what the City had failed to do: it sold the building in a fashion intended to attract a fair price.

57. Tempest recorded its deed for the building from the City and its deed to Crown Quality Concept Tax Investor for the building on February 2, 2023. Legal title to the building passed from ECO to Tempest, and then from Tempest to Crown Quality Concept, on that same day. At that point, ECO lost all of its equity in the building.

58. ECO never had a mortgage on the building. It owned the building outright, and therefore the loss of its equity was a direct loss of its property.

59. For its equity in the building, ECO only received from the City \$2,571.53 (the difference between the tax lien and the Tempest's tax-sale winning bid of \$5,115), approximately 1.8% of its equity in the building, as measured by Tempest's public auction of building.

60. By taking ECO's building in a process that systematically and dramatically depressed the value of the property, the City took ECO's property for public use without just compensation.

The City's Unconstitutional Tax-Sale Policies and Customs Harm ECO's Members

61. ECO's principal purpose, as reflected on its website and in its extensive community work, is the "[r]apid, equitable, transformational revitalization of the disinvested areas in Midtown-Edmondson and nearby communities."

62. ECO considers the Midtown-Edmondson Community to include the area beginning at the northwest corner of North Fulton Street and West Mulberry Street, travelling west to the convergence of West Franklin Street and West Mulberry Street, travelling east on West Franklin Street to the corner of West Franklin Street and Bentalou Street, travelling north

to West Lafayette Street, travelling east to the Amtrak tracks, and following the tracks to all the way to the their intersection with North Fulton Street.

63. As part of its work, ECO routinely reviews the City's list of properties subject to the annual tax sale, and has done so for years. ECO identifies the properties within the boundaries of the neighborhood that appear on the list.

64. Approximately 80 properties within the neighborhood appear on the list each year. In 2023, there were 82; in 2022, there were 78, in 2021, there were 83.

65. After identifying neighborhood properties that appear on the list, ECO then identifies which of the properties is an owner-occupied residence and knocks on the door of each of those properties, both to alert the owner that the property is on the list and to provide contact information for potential sources of help.

66. In addition, ECO knocks on the doors of many non-owner-occupied residences to alert the tenants that the property is on the tax sale list. If no one responds to ECO's knock, it leaves flyers containing multiple contact numbers, including its own.

67. This year, ECO contacted at least 50 properties on the tax sale list.

68. ECO's mission includes protecting members of the Midtown-Edmondson neighborhood from losing their homes through the tax sale process. That work is integral to ECO's effort to rapidly and equitably revitalize the neighborhood, and to avoid adding vacant homes to the neighborhood through the tax sale process. Notwithstanding ECO's effort to protect neighborhood members from the tax sale process, every year liens on properties in the neighborhood are sold in Baltimore's tax sale.

Count I

(42 U.S.C. § 1983 Claim for Damages for Violation of the Fifth Amendment to the United States Constitution)

69. The foregoing allegations are incorporated in this paragraph.

70. The policies and customs of Baltimore City in implementing the Tax Sale System violate the Fifth Amendment to the United States Constitution, which prohibits the government from taking private property for public use without just compensation.

71. These policies and customs, including but not limited to those described in paragraph 32, systematically drive down the value of bids at the City's annual tax sale auction so that winning bids on liens at the auction are only a small fraction of the value of the associated properties. In turn, this systematically deprives Baltimore City homeowners of the equity in their homes.

72. As a result of the depressed auction bids that result from the City's tax sale practices and policies, owners of real property in of Baltimore City, including ECO and its community members, are denied just compensation for their property when the successful bidder forecloses and records the deed that the City conveys to relinquish the property owner's title.

73. When it sold a lien on ECO's property at the 2018 tax sale, the City failed to provide public notice of the sale twice in a newspaper of general circulation, as it was required by statute to do.

74. When it sold the lien on ECO's property at the 2018 tax sale, the City's only public notices of the sale contained at least 20,000 properties listed in a small-print 100-page

supplement included once with *The Sun* and once with *The Daily Record*, making meaningful review of the properties by a prospective bidder impossible.

75. When it sold the lien on ECO's property at the 2018 tax sale, the City failed to set any minimum bid for the property. Even though the City listed the assessed value of the property as \$101,200, the City nevertheless sold ECO's property to Tempest for \$5,115, thereby assuring that ECO would not receive just compensation for its property.

76. The 2018 tax sale was subject to Baltimore City's high-bid premium, creating a further incentive for Tempest to bid as low as possible.

77. ECO's loss of its property without just compensation resulted directly from the City's discretionary policies and customs, all of which ignored the City's constitutional obligation to provide just compensation for the private property it took.

Count II

(42 U.S.C. § 1983 Claim for Injunctive Relief for Violation of the Fifth Amendment to the United States Constitution)

78. The foregoing allegations are incorporated in this paragraph.

79. As the community organization representing the members of the Midtown-Edmondson community, ECO seeks injunctive relief to protect members of the community from Baltimore City's unconstitutional tax sale practices and policies.

80. Each year, the City subjects hundreds of members of the Midtown-Edmondson community to the annual tax sale. The practices of Baltimore City described in paragraph 32 of this complaint systematically drive down the value of bids at on those properties so that owners who are unable to redeem, including members of the Midtown-Edmondson

community, are stripped of equity in their homes and thereby denied just compensation for the properties they lose through the City's tax sale.

81. Members of the Midtown-Edmondson community have already suffered the loss of their property without just compensation through the City's tax sale policies and customs, and community members continue to suffer threatened injury as a result of the practices and policies about which ECO complains in this action as long as those policies and customs continue.

82. ECO seeks prospective relief in the form of an injunction that will benefit the members of the Midtown-Edmondson community ECO represents.

83. The members of the Midtown-Edmondson community would have standing to seek the injunctive relief that ECO seeks here on their behalf. The prospective relief that ECO seeks is fundamental to its purpose of equitably revitalizing the Midtown-Edmondson community by protecting the generational wealth of community members, avoiding the loss of long-standing property owners in the community, and preventing the creation of additional vacant neighborhood properties through the tax sale process. ECO can prove the claims it asserts here without the participation of individual members of the community.

Count III

(Declaratory Relief Under 28 U.S.C. § 2201)

84. The foregoing allegations are incorporated in this paragraph.

85. An actual controversy exists between ECO, both individually and as an organization representing the members of the Midtown-Edmondson community, and The Mayor and

City Council of Baltimore concerning the constitutionality of Baltimore City's policies and customs in implementing the Tax Sale System.

86. ECO is entitled to a declaration that Baltimore City's implementation of the Tax Sale System violates the "Takings Clause" of the Fifth Amendment to the United States Constitution.

PRAYER FOR RELIEF

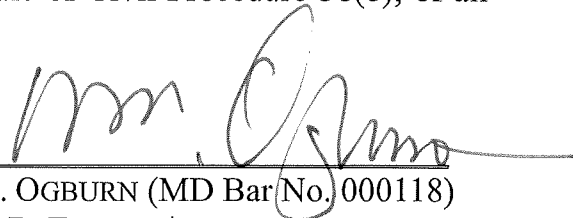
ECO respectfully requests that this Court:

- a. Award ECO damages under Count I equal to the difference between the bid balance ECO received from Baltimore City from the sale of its property in the 2018 tax sale and the just compensation for the property ECO was entitled to under the Fifth Amendment to the United States Constitution.
- b. Enjoin Baltimore City under Count II from engaging in the practices and customs identified in this complaint and any others proved at trial that depress winning bids at the Baltimore City tax sale to a level that denies members of the Midtown-Edmondson community just compensation for the property they lose through the sale.
- c. Declare the City's practices and policies identified in this complaint and any others proved at trial as being violations of Baltimore City's constitutional obligation to provide just compensation to the Baltimore City property owners who lose their properties through the tax sale.
- d. Award ECO attorneys' fees and her costs of this suit in accordance with 42 U.S.C. § 1988; and

e. Award such other relief as the Court determines just.

JURY DEMAND

ECO demands a trial by jury, under Federal Rule of Civil Procedure 38(b), of all issues triable of right by a jury.



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