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## Will Baltimore Make Off With the Races?

Walter Olson

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Maryland and especially its biggest city, Baltimore, have long been aggressive in using powers of condemnation to assemble land for subsidized megaprojects. As Stephen J.K. Walters and Louis Miserendino showed in a 2008 paper, the giant projects have regularly flopped, been enmeshed in political cronyism or both.

But that's only the start of the state's smash-'n'-grab approach to the use of eminent-domain power. Maryland has made a habit of using eminent domain against targets that go beyond real estate and fixed property and attempting to seize intangible and movable assets, such as contracts, trademarks and copyrights, as well as office furniture, inventories and the like.

In 2014 its lawmakers threatened to condemn the intangible assets of the TV series "House of Cards," which filmed in the state. In 1984 they moved to condemn and seize the Baltimore Colts, a step that backfired spectacularly when the owner packed the football team into vans at night and moved to Indianapolis.

In 2009, then-Gov. Martin O'Malley threatened condemnation to keep the venerable Preakness Stakes horse race, including its trademarks and other intangible assets, from leaving Baltimore. It stayed. In the ensuing 10 years, the economic rationale for keeping the Preakness in Baltimore have dwindled to nothing. The race is held at Pimlico, a decrepit facility in a severely depressed section of the city that is hard for visitors to get to and sits idle the rest of the year.

The owners of the race and track, Canada's Stronach Group, have focused renovation energies on the Laurel Park racetrack midway between Baltimore and Washington, where the race would continue to benefit the greater Baltimore economy and would likely have a more secure future. But Baltimore Mayor Catherine Pugh has filed suit, asking a court to use condemnation powers to award ownership of the racetrack and the race to the city.

Pause to think how a city nationally famed for its failures at running such basic services as police and schools is going to turn around a struggling facility and event in a sector of the sporting world, horse racing, itself long in decline. Most likely state taxpayers would end up subsidizing the event and facilities even more heavily than they now do.

Then think what message this sends other large enterprises eyeing the city. The nation's seventh-biggest city and a jobs powerhouse as recently as 50 years ago, Baltimore now has little attraction for national employers (it hosts no Fortune 500 companies) and has yielded ground in what was once a modestly successful finance and insurance sector, for which payrolls within the city have declined from 19,700 at the start of 2004 to 11,800 at the start of 2019.

The city's relations with its best-known remaining institution, Johns Hopkins University and Hospital, are so rocky that several of its leading elected officials fought a pitched battle this year

trying to keep Hopkins from gaining approval to run its own campus police force, something long since permitted to many other universities both public and private, including the University of Baltimore.

The message to others that might think of coming to Baltimore? If you do, we'll consider your property—including your intellectual property and business relations—ours to grab in the future. That won't exactly get tomorrow's enterprising ambitions off to the races.

*Mr. Olson is a senior fellow at the Cato Institute.*