

TRANSMITTAL MEMO

TO: Stephanie Rawlings-Blake, President City Council
Members of City Council
FROM: Peter Little, Executive Director
DATE: August 18, 2008
RE: ORDINANCE 08-0179



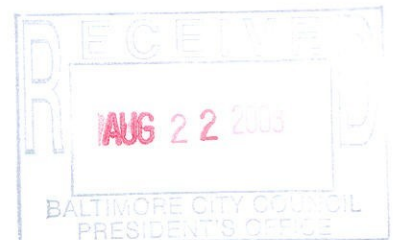
I am herein reporting on City Council Bill 08-0179 introduced by City Council President Rawlings-Blake.

The purpose of this bill is to establish a new, uniform tax rate for parking a motor vehicle on a parking lot or in a garage; providing for a special effective date; and generally to the imposing and administration of the parking tax.

The Parking Authority has reviewed the bill and supports its passage for the following reasons:

- It streamlines and simplifies Baltimore City's parking tax structure. The more complicated parking tax structure (relative to parking tax structures for other jurisdictions) has been a source of complaint from parking operators for years. This streamlined and simplified structure will make it easier and less costly for parking operators to account taxes.
- The net effect this change to the parking tax structure will have on parking rates will be very modest. The effect on transient parking rates will be less than \$.50 (fifty cents) per transaction, and the effect on the average monthly contract rates will be only \$5 or \$6 per month. Business leaders in Baltimore understand the huge benefits that a new Downtown Shuttle Bus Service will offer, and they realize that slightly adjusting the parking tax structure and parking rates in order to support this new service is well worth it.
- This new parking tax structure is on par with that for other cities such as Miami (15%) and Newark (15%); and remains less than that for other cities such as New York (18.5%), Philadelphia (20%), and Pittsburgh (40%).
- A large percentage of the City's parking tax is collected within the service area of the proposed new Downtown Shuttle Bus Service. Therefore, the individuals and businesses most likely to partake of and benefit from the new service will be, in effect, helping most to pay for the new shuttle service.
- The new Downtown Shuttle Bus Service, supported by this streamlining and adjustment of the parking tax, will help marry parking demand with parking supply. There are areas within City Center and along the waterfront where the demand for parking outstrips parking supply; and there are areas where there is more parking supply than demand for parking. A free, clean, safe and reliable shuttle bus service that links parking demand with parking supply throughout Downtown offers a real parking solution for the City.

Therefore, the Parking Authority supports the passage of City Council Bill 08-0179.



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