


FROM	NAME & TITLE	Andrew W. Kleine, Chief <i>Andrew Kleine</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432 City Hall (396-4941)		
	SUBJECT	City Council Bill No. 08-0039 – Vacant Lot Registration – Repeal Registration Fee		

TO Honorable President and
 Members of the City Council
 C/O Karen Randle
 Room 409, City Hall

DATE: April 21, 2008

City Council Bill 08-0039 proposes the abolishment of the registration fee imposed to vacant lots. The current law establishes that the owner of a vacant lot with an assessment value higher than \$100 must file a registration. The City currently charges a \$25 annual fee for the registration with a \$5,000 maximum charge for any single owner.

In Fiscal 2005 the law governing the registration of vacant lots was amended to increase the annual fee from \$10 to \$25, and change the maximum charge for a single owner from \$2,500 to \$5,000. In addition, the amendment required that all owners, excepting governmental entities, should pay the registration fee. Prior to this amendment non-profit organizations were required to file the registration, but not to pay the fees.

Fiscal Impact

- The City has collected an average of \$46,400 in the last two years from the vacant lot registration fee.
- Due primarily to increased enforcement measures, current year-to-date revenue in Fiscal 2008 has exceeded \$105,000.
- It is estimated that City General Fund revenues would be reduced by about \$100,000 in Fiscal 2009 if this proposal is approved.

Analysis

The Finance Department does not support the elimination of a General Fund revenue source that helps to offset the City's costs associated with code enforcement efforts and management of vacant property. Particularly given the very tight economic outlook for the City for Fiscal 2009 and beyond, as described in the Preliminary Budget Plan for Fiscal 2009, the City cannot afford at this time to eliminate a fee that offsets City costs of service.

Finance Department Position

For these reasons, the Finance Department is opposed to Council Bill 08-0039.

cc: Edward J. Gallagher
 Angela Gibson

unfav.

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