


Kelita C. ... Deputy, for:

FROM	NAME & TITLE	Andrew Kleine, Chief	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall 410-396-4941		
	SUBJECT	City Council Bill #17-0166 York Road RBDL – Reversion to Annual Collection		

DATE:

TO

The Honorable President and
Members of the City Council
Room 400, City Hall

November 22, 2017

Attention: Ms. Natawna Austin

We are herein reporting on City Council Bill 17-0166, the purpose of which is to amend Article 14, Section(s) 11-7(a) and (c), and to eliminate section 11-23 (d) of the Baltimore City Code, for the purpose of reverting the current semiannual collection license fee period for the York Rd/Govanstowne Retail Business District License (RBDL) to its original annual collection.

Background

Retail Business Districts License areas are City-defined commercial districts in which all businesses pay an annual fee, collected by the Department of Finance – Bureau of Revenue Collections (BRC) that is then used by the respective local business associations for marketing, promotions, beautification, and special events. The Department of Finance – Bureau of Accounting and Payroll Systems (BAPS) is in charge of the billing function and charges each district 3% of its RBDL balance for the collection and accounting of this fee. All RBDL, with the exemption of the York Rd/Govanstowne, make payments for the license on the annual basis.

Last year, City Council Bill 16-0763 was introduced for the purpose of altering the collection period of the license fee for the York Rd/Govanstowne RBDL from annual to semiannual. This bill was enacted and the semiannual collection started on January 1st 2017.

Analysis

The adoption of City Council Bill 16-0763 generated significant cash flow issues to this district due to the collection of the semiannual payments. There are currently 220 businesses within the district paying about \$45,000. Due to the semiannual collection in Calendar 2017, the York Rd/Govanstowne RBDL business association experienced limitation to timely allocate the resources needed to properly provide services within the district.

The reversion to the annual payment of the license would not have any significant operational impact in the BRC or BAPS operations, and the City will continue collecting the 3% RBDL administrative charge.

The legislation also will provide uniformity in the collection of these licenses among all 10 retail business districts.

Conclusion

The passage of City Council Bill 17-0166 would not represent any material fiscal impact to the City's operation; therefore, the Department of Finance does not oppose the passage of this bill.

cc: Henry Raymond
Kyron Banks