



**BALTIMORE  
HOUSING**

SHEILA DIXON  
Mayor

PAUL T. GRAZIANO  
Executive Director, HABC  
Commissioner, HCID

## MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council  
c/o Karen Randle, Executive Secretary

From: Paul T. Graziano, Commissioner

Date: November 17, 2008

Re: **City Council Bill 08-0218 Building Permit Fees - Demolition**

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The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 08-0218, which was introduced for the purpose of reinstating a maximum permit fee for demolition work of \$5000 per structure. A prior cap on demolition permit fees was accidentally omitted from the 2007 revision of Building Code of Baltimore City (Ordinance # 07-552). The proposed legislation remedies this omission.

Prior to 2007, the fee for demolition work was 15 cents per cubic foot for small family dwelling units and 25 cents for larger structures with a cap of \$1000. The City Council approved an increase in the fees to 30 cents for small family dwelling units and 75 cents for larger structures in the recent code revision. It was always our intent to include a new cap of \$5000 but it was omitted inadvertently.

The rationale for imposing the cap is to keep the costs of demolition by contractors competitive with surrounding jurisdictions and therefore to remove cost prohibitive expenses that would discourage further development. For large projects such as a warehouse or an office complex demolition, the city's fee of 75 cents per cubic foot could impose tens of thousands of dollars on a developer's budget and thus prevent the project. The new cap would help contain costs but still net more revenue for the City than the previous \$1000 ceiling on demolition fees.

The Department of Housing and Community Development supports the adoption of City Council Bill 08-0218.

PTG:pmd

cc: Ms. Angela Gibson  
Mr. Demaune Millard  
Mr. Andrew Frank

