

Andrew Kleine

FROM	NAME & TITLE	Andrew W. Kleine, Chief
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (396-4941)
	SUBJECT	City Council Bill No. 14-0382 – Charter Amendment – Minor Privileges Potential Fiscal Impact

CITY of
BALTIMORE
MEMO



TO

DATE:
June 27, 2014

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

CCB 14-0382 proposes to amend the Baltimore City Charter in order to give the Mayor and City Council the authority to govern and regulate the granting of Minor Privilege Permits, including the duration, applicable charges and fees, and any other terms and conditions for its processing. The legislation proposes to redefine Franchises to exclude Minor Privilege Permits.

Analysis

In an effort to manage the use of City property by private parties, the City Charter has provided for the establishment of a Minor Privilege Permit Fee. Currently the Board of Estimates has the authorization by charter to grant both temporary and permanent Minor Privilege Permits. Under the current City Charter authority, the Board of Estimates sets the charges and terms upon which privileges are granted, and delegates the administrative powers and duties relating to minor privileges. The proposed legislation will convey these powers to the Mayor and City Council.

It is important that these fees be actively managed to reflect both the current market valuation of the City's rights and properties and to reflect the changing objectives of the City. As practical matter, fees cannot be accurately adjusted in a timely manner when changes to the fee charged requires legislation. The City's existing policy process permits this to be accomplished through existing administrative procedures with Board of Estimates approval.

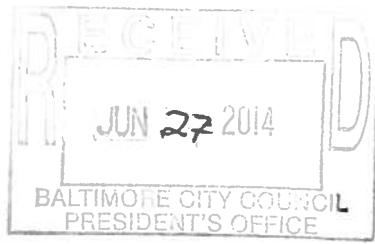
Fiscal Impact

This City Charter change exposes the City to loss of revenue when fees are not routinely adjusted to reflect market values.

Finance Department Position

The Finance Department opposes Council Bill 14-0382.

cc: Harry E. Black
Angela Gibson
William Voorhees



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