



# MEMORANDUM

STEPHANIE  
RAWLINGS-BLAKE,  
Mayor

PAUL T. GRAZIANO,  
Executive Director, HABC  
Commissioner, HCD

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

From: Paul T. Graziano, *Commissioner*

Date: August 14, 2013

Re: **City Council Bill 13-0243 – Building Code – Permit Fees for Construction Work**

The Department of Housing and Community Development (HCD) has reviewed City Council Bill 13-0243, which was introduced for the purpose of modifying the formula for determining permit fees for construction of new buildings and additions, other than 1- and 2-family dwellings; and generally relating to building permit fees.

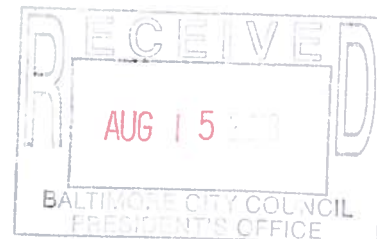
Under the existing code, permit fees for construction of new buildings and additions that are not 1- and 2-family dwellings are charged at the rate of \$20 for each 1,000 cubic feet (28.31 cu. m.) or fraction of 1,000 cubic feet (28.31 cu. m.) of gross volume, including all basements and cellars. This fee was set after careful cost analysis and discussions with non-residential property owners and builders throughout the City. However, it has recently come to HCD's attention that for construction for certain industrial uses, particularly for construction of large commercial warehouse uses, this permit fee is cost prohibitive, which may make it difficult for the City of Baltimore to compete with surrounding jurisdictions, both within the State of Maryland as well as regional competitor cities on the East Coast.

This bill, if enacted, would cap the gross volume calculation at a height of 20 feet above the floor for each story of a building. This is a change that HCD believes is appropriate and necessary to ensure the City remains competitive against local and regional jurisdictions in attracting warehouse uses, while ensuring that HCD will continue to recoup a fee that will cover the cost of the permitting process.

The Department of Housing and Community Development supports the adoption of City Council Bill 13-0243.

PTG:nb

cc: Ms. Angela Gibson, *City Council Liaison, Mayor's Office of Government Relations*  
Ms. Kaliopé Parthemos, *Deputy Chief, Economic Development*



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