


FROM	NAME & TITLE	Andrew W. Kleine, Chief <i>AWK</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 469, City Hall (396-4941)		
	SUBJECT	City Council Bill # 08-0193		

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

DATE: October 22, 2008

Attention: Karen Randle

City Council Bill # 08-0193 is for the purpose of regulating the provision of valet parking services; requiring valet parking operators to be licensed; requiring permits for valet parking zones; establishing certain standards of operation; defining certain terms; imposing certain penalties; providing for certain appeals and reviews; correcting, clarifying, and conforming related provisions governing passenger loading zones and freight loading zones; designating passenger loading zones, freight loading zones, and valet parking zones as impoundment areas; clarifying responsibility for collecting applicable parking taxes; providing for a special effective date; and generally relating to the licensing and regulation of valet parking services.

A survey done by the Parking Authority of Baltimore City indicated that there are unlicensed valet operators in the City, and many complaints are received from neighboring residents, businesses and travelers on the City's streets for the currently unregulated valet parking services. Thus, a well managed valet parking operations is needed not only to help the City better utilize parking supply in a given area, but to reduce abuses and alleged abuses by valet operators (such as blocking roadways, speeding, using public streets to park the vehicles, uninsured valet companies) as well.

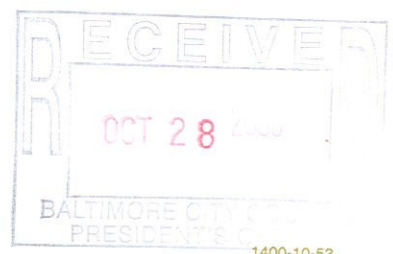
By looking at other jurisdictions nationwide, such as Palo Alto and Pasadena (CA), Denver (CO), Washington, DC, Miami and Orlando (FL), Highland Park Chicago (IL), Boston (MA), Charlotte (NC), Philadelphia (PA), Columbia (SC), Houston (TX), and Norfolk (VA), we found that all above mentioned jurisdictions charge fees such as Valet Operator's License Fee, Valet Location Applications Fee, Use of Right-of-Way Fee and other fees. A reasonable fee schedule is necessary for better managing valet parking operations.

The Bill allows the Parking Authority to issue valet parking operators annual licenses, valet parking zone permits.

Related costs estimated are as follows:

- Personnel costs: \$160,650 (including salaries for a valet parking administrator, time costs for Parking Specialists and Sign Crews, and benefits)
- Operating costs: \$31,700
- Contingency: \$13,500

Total estimated expenditure is \$205,850.



Revenue estimates are as follows:

Proposed fee schedules:

Valet parking Operators License fee: \$300 annual fee

Valet parking zone Application fee: \$500 annual fee

Use of right-of-way for purposes of valet parking fee: \$1200 per (9'*20') space per year

Scenario 1:

Valet parking Operators License fee: \$3,000 per year (assuming 10 operators)

Valet parking zone Application fee: \$35,000 per year (assuming a total of 70 locations)

Use of right-of-way for purposes of valet parking fee: \$168,000 (assuming 70 locations with 2 spaces per location)

Total estimated revenue is \$206,000, all assumptions are made at the lower end based on the survey done by the Parking Authority.

Scenario 2:

Valet parking Operators License fee: \$4,500 per year (assuming 15 operators)

Valet parking zone Application fee: \$50,000 per year (assuming a total of 100 locations)

Use of right-of-way for purposes of valet parking fee: \$240,000 (assuming 100 locations with 2 spaces per location)

Total estimated revenue is \$294,500, all assumptions are made at the higher end based on the survey done by the Parking Authority.

The Finance Department projects a net revenue increase between \$150 and \$88,650.

In addition, with all valet parking operators being licensed, it would discourage underreporting of valet parking services, which would bring a positive impact on parking tax generation.

The Department of Finance supports the passage of City Council Bill #08-0193.

Cc: Edward Gallagher
Angela Gibson

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