



CITY OF BALTIMORE
MAYOR BRANDON M. SCOTT

TO	The Honorable President and Members of the Baltimore City Council
FROM	Peter Little, Executive Director, Parking Authority of Baltimore City
CC	Mayor's Office of Government Relations
DATE	June 8, 2026
SUBJECT	26-201 Charter Amendment – Parking Benefits District – Local Fund

Position: Unfavorable

BILL SYNOPSIS

City Council Bill 26-201 proposes the establishment of a continuing, non-lapsing parking benefits district fund to return a portion of parking meter revenues to a certain geographic area; specifying the allowed uses of the fund; and submitting this amendment to the qualified voters of the City for adoption or rejection.

SUMMARY OF POSITION

The Parking Authority of Baltimore City (PABC) has reviewed the proposed legislation. Although the establishment of parking benefits districts might possibly have some positive impact on the public's perception of the parking meter program, our serious concerns outweigh those possible benefits.

There are several dozen neighborhoods throughout the City that currently have parking meters. All of them are likely to demand the establishment of parking benefits districts if allowed by law. Each of those neighborhoods would then need to designate a group or committee to work with a City agency to receive and administer those funds. This would add a sizable administrative burden to the City agency that is assigned this task. It would result in added costs for that particular agency and, therefore, the City.

Baltimore City parking meter revenues (along with other parking related revenues) are pledged and committed, as security to bondholders via bond indenture, to the City's Parking Enterprise Fund which is established for the payment of the City's parking revenue bond debt service. Parking revenue bonds are sold by the City to fund the development and repair of City parking facilities. It may not be possible for the City to divert parking meter revenues from the Parking Enterprise Fund to parking benefits districts. Even if it is possible to divert parking meter revenue funds to parking benefits districts, doing so would likely negatively affect the City's parking revenue bond rating, which would increase the interest rate on future bond issuances, making it more expensive for the City to repair or develop parking facilities in the future.

The purpose of parking meters is to manage parking – creating availability of on-street parking for patrons of businesses and attractions in commercial areas. Revenue collection is ancillary to that purpose. If the purpose of parking meters is turned upside-down, focusing on increasing revenue collection, instead of good parking management practices, the intent of the meter program is distorted, thereby eroding support from the public at large for the parking meter program.

- Parking meters should only be installed on blocks where they are needed to manage parking in commercial areas. The City would likely be pressured by neighborhoods with parking benefits districts to install parking meters where they are not really needed to generate more revenue for the neighborhood.
- Parking meters should only operate when they are needed to manage parking in commercial areas. The City would likely be pressured by neighborhoods with parking benefits districts to extend parking meter hours of operation to hours when they are not really needed to generate more revenue for the neighborhood.
- Parking meter rates should be the lowest rate necessary to create an average of one or two available parking spaces on each block face. The City would likely be pressured by neighborhoods with parking benefits districts to increase parking meter rates beyond what is really needed to generate more revenue for the neighborhood.
- Neighborhoods with parking benefits districts may demand ever increasing enforcement of parking meter compliance in order to realize incremental additional funding. At some point, there would be diminishing returns on additional enforcement, with the City spending more on additional enforcement than it gains in additional parking meter revenue. These demands might also draw enforcement away from other important parking enforcement functions.

FISCAL IMPACT

As noted above, whichever City agency or agencies might be tasked with managing these parking benefits districts would have a sizable additional workload, increasing their costs and, therefore, the City's costs. That agency or agencies would need to, at a minimum: establish the framework for creating and operating parking benefits districts; work with each neighborhood wishing to establish a parking benefits district to determine the group or committee that would manage the funds; establish what baseline City services will be for each parking benefits district; draft and execute a memorandum of understanding with each parking benefits district; track the parking meter revenues collected in each district and then allocate the appropriate funds to each of them; monitor the use of the funds by each district to ensure they are being spent on appropriate goods or services; and commission regular audits of the program as a whole and each district's activities.

AMENDMENTS

No amendments are being requested.