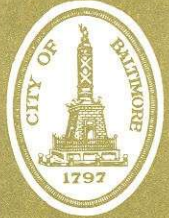


Andrew Klein

FROM	NAME & TITLE	Andrew Klein, Chief
	AGENCY NAME & ADDRESS	Bureau of Budget and Management Research Room 432 City Hall (410-)396-4941
	SUBJECT	City Council Bill No.13-0226 Signs on or Affecting Public Property

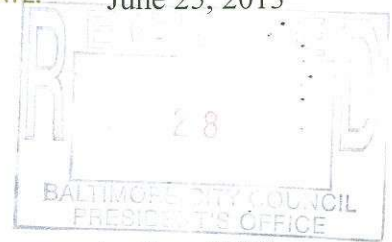
CITY of
BALTIMORE
MEMO



DATE: June 25, 2013

TO

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



This bill proposes an increase in the fine for posting signs on public property, from \$200 to \$500. Additionally, this bill would add the language, "or affecting," creating a prohibition on the posting of "signs on or affecting public property."

Analysis

In March 2010, the responsibility for the investigation and removal of illegally placed signs was transferred from the Department of Public Works to the Housing Department. Since that point in time, the Housing Department has issued 1,170 citations for illegally posting signs. However, the Housing Department has stated that the issuance of a citation often occurs in less than 25% of cases involving illegally posted signs that are located and removed. During the current fiscal year, the Housing Department has responded to 759 service requests (SRs) for illegally placed signs, and issued 176 citations.

The process of sign enforcement often begins with a complaint from a citizen, many times utilizing the City's 311 system. Housing Department investigators respond to these SRs in addition to actively locating other illegally posted signs while performing their other duties. Currently, the Housing Department estimates that 90% of their activity involving illegally posted signs is a direct result of a citizen complaint. However, even once a sign is located and determined to be posted illegally, identifying the violator and establishing enough contact information to issue a fine is often very challenging.

Further frustrating matters is the fact that even once a fine is issued, without the ability to place liens on the property of violators, the enforcement has little in the way of teeth. As such, many repeat offenders have substantial outstanding balances. The Housing Department can pursue criminal charges against serious repeat offenders, but these cases are rare, can be difficult to prove, and are the most costly form of enforcement.

Fiscal Impact

The volume of illegally posted signs is often a direct corollary of the current status of the election cycle. In years with a Presidential election, illegally posted signs can double and even triple in number. For example, during the first half of calendar year 2012, a total of 229 citations were issued for illegally posted signs. In comparison, the first half of calendar year 2013 has seen 86 citations issued over essentially the same time period.

*Does not oppose
Comments*

Somewhat less cyclical is the actual collection rate. Of the \$45,950 in fines on the 229 citations issued in the first half of calendar year 2013, a total of \$4,595, or exactly 10%, has actually been received. Similarly, of the \$19,000 in fines included on the 86 citations issued so far this year, a total of \$1,600, or 8.4%, has been received. Increased efforts in the area of collections along with some enhanced penalty beyond an increased fine could see a dramatic increase in the percentage of fines being paid.

Given the aforementioned rates of recovery, it is likely that increasing the amount of the fine from \$200 to \$500 will not correspond to a direct increase in revenue of 150%. While an increase in the fine will undoubtedly generate some additional revenue, most likely in the 75% to 100% range, a certain number of violators that would have paid a \$200 fine will likely not pay a \$500 fine. Combining an increase in the fee with a more pro-active method of enforcement could generate additional revenues. Additionally, it is highly likely given the volume of citations being issued that the revenue generated by increased enforcement efforts could be used to offset any costs associated with such efforts.

Recommendation

The Finance Department does not oppose CC Bill 13-0226, but recommends a more robust and comprehensive approach to sign enforcement. The Finance Department concludes that while increasing fines may have some impact on signage issues, a more comprehensive strategy for addressing the problem is needed.

To that end, the Finance Department is willing to work with the Housing Department to formulate an Outcome Budgeting proposal that would resolve signage issues through better identification and enforcement. An incremental approach that initially employs greater enforcement tools for fines that are currently being issued and not paid, followed by an effort to increase the identification of violators is one possibility for addressing the current issues. The Finance Department believes that such a proposal could ultimately prove to be a self-funding solution to the problem.

CC: Harry Black
William Voorhees
Angela Gibson