


FROM	NAME & TITLE	Robert Cename, Budget Director <i>R. Cename</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (410) 396-4774		
	SUBJECT	City Council Bill 21-0102 –Building Permits – Disposal Plan Requirement		

DATE:

TO

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

August 27, 2021

Position: Oppose

The Department of Finance is herein reporting on City Council Bill 21-0102, Building Permits – Disposal Plan Requirement, for the purpose of requiring certain holders of permits issued by the Department of Housing and Community Development (DHCD) to submit a disposal plan with the permit application, requiring permit holders to submit proof of disposal to the Department within a certain period of time after the permit work has concluded, establishing a certain citation amount, and generally relating to requiring permit holders dispose of waste and refuse in a proper and legal manner.

Background

City Council Bill 21-0102 is intended to help curb illegal dumping in the City of Baltimore. This issue occurs throughout the City in parks, alleys, and behind vacant homes and buildings. The Department of Public Works has previously estimated that 10,000 tons of waste are illegally dumped every year throughout the City.

On July 19, 2021, Mayor Scott signed into law Ordinance 21-034, Prohibited Disposals – Fines and Reporting (The Neighbors Against Predatory Dumping Act), which increased criminal penalties for illegal dumping that violates Title 7, Subtitle 6 of the Baltimore City Health Code. The enactment of this Ordinance, along with current City programs, strengthens the City’s response to illegal dumping.

In Fiscal 2022, the City has invested nearly \$13 million in DHCD’s Housing Code Enforcement Division, which is the main issuer of illegal dumping citations. In addition, the Environmental Control Board, which holds hearings for citations surrounding illegal dumping and other environmental concerns, has a budget of over \$1.8 million as part of the City’s Fiscal 2022 budget plan.

Fiscal Impact

The Department of Finance estimates that implementation of this legislation would cost approximately \$189,244, including personnel and administrative costs. In consultation with DHCD, this estimate includes three (3) new and permanent positions within DHCD to assist in handling the additional work. It is anticipated that the agency will need two (2) Permit and Record Technicians to assist in processing the expanded permit applications and an additional Code Enforcement Investigator to assist with enforcement efforts regarding the disposal plans. Including salary and other personnel costs, the Permit and Record Technicians would have an individual estimated annual cost of \$58,941 each, and the Code Enforcement Investigator I would have an estimated annual cost of \$70,862.

Disposal Plan Requirement Costs	
(2) Permit and Record Technicians	\$117,882
(1) Code Enforcement Investigator	\$70,862
Administrative Costs	\$500
Minimum Program Costs	\$189,244

Other Considerations

While the Department of Finance is supportive of Citywide efforts to curb illegal dumping, the legislation as written could have unintended consequences. Those who commit acts of illegal dumping are less likely to go through the process to obtain a permit, so the impacts of this legislation may be limited. Additionally, it could cause additional work for residents and contractors who do complete the proper steps to obtain permits and legally dispose of waste and refuse. Lengthening the permitting process could discourage those who typically seek permits from doing so.

The legislation would also allow the City to issue a \$250 citation if the permit holder fails to provide the proper proof of disposal within 30 days of completion of the work for which the permit was granted. However, with no lienable actions referenced in the legislation, collection rates may be minimal for the citations issued. For example, the collection rate for citations issued for illegal dumping under Title 7, Subtitle 6 of the Baltimore City Health Code ranges from 7.2% to just under 10%.

Conclusion

The need for at least three additional positions to implement this legislation places a recurring annual cost on the General Fund. In addition, this legislation could discourage individuals from participating in the permitting process by adding an additional step and lengthening the permit process. The City is facing major fiscal concerns and cannot at this time support the implementation of new requirements with General Fund dollars without pulling resources from other services. The Department of Finance defers to the Department of Housing and Community Development on the impact of this policy on illegal dumping based on their expertise in this area.

For those reasons, the Department of Finance opposes City Council Bill 21-0102.

cc: Henry Raymond
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