


H. Raymond

FROM	NAME & TITLE	Henry Raymond, Deputy Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of Finance Room 454, City Hall (396-4676)		
	SUBJECT	City Council Bill #14-0361 – Late Night Commercial Operations – Multiple Businesses		

TO

Honorable President and Members
 Of the City Council
 c/o Natawna Austin
 Room 409, City Hall

DATE: July 29, 2014

This bill proposes to repeal exceptions for certain multiple businesses from the application, notice, objections, and hearing processes otherwise required to obtain and renew late-night operations licenses.

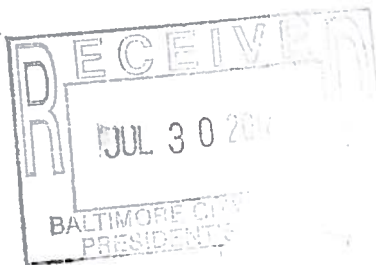
Analysis

City Council Bill 14-0361 is for the purpose of requiring all businesses, applying for or renewing a late-night commercial operations license, to be subjected to the same posting, notice, objections, and hearing processes.

If located in an R, O-R, B-1, or B-2 Zoning District, late-night commercial operations licenses are required for businesses to be open to the public at any time between the hours of midnight and 5 AM. Exceptions from the licensure requirement apply to: hotels or motels; emergency medical or veterinary care facilities; the sale of motor vehicle fuels; certain businesses authorized by other licenses to operate during those hours; and drive-through food-service windows, if all indoor sales and dining areas are closed to the public during late-night hours. Each late-night operations license expires annually on the anniversary of its issuance and is renewable.

City Council Bill 11-0004 originally authorized the late-night commercial operations license and, at the time of its passage, bi-furcated the licensing process for the owners of a single business versus the owner or franchisor of multiple businesses. At the time of its passage in 2012, the City expected the license to be issued to about 143 businesses for annual potential revenue of \$65,800 at an initial fee of \$460, subject to adjustments in accordance with the City Fee Policy. The license's estimated implementation costs (\$66,300) were based upon the need for the Bureau of Revenue Collections (BRC) to acquire additional FTEs to manage the issuance and renewal of these licenses. Given CCB 11-0004 was amended to be essentially budget neutral, the Department of Finance was supportive of its passage.

The BRC has reviewed 134 applications leading to the issuance of 115 late-night commercial operations licenses and 19 denials due to objections.



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Fiscal Impact

For late-night commercial operations licenses, over two thirds (2/3) of the costs are incurred through enforcement, rather than administrative activities. City Council Bill 14-0361 would have no impact on the BRC's enforcement activities.

By eliminating joint applications, City Council Bill 14-0361 would increase, by potentially 34, the number of applications filed annually with the BRC. In contrast, separate licenses are already being issued for every location where the businesses operate. Given the small increase in applications and no increase in the number of licenses granted, City Council Bill 14-0361 is anticipated to have minimal impact on BRC's administrative activities.

Regarding the fee associated with the Late-Night Commercial Operations License, the ordinance (Art 15 § 9-11) refers to it as an "annual license fee" for which the Department "may deny, suspend or revoke" for the failure to pay before the due date (Art 15 § 9-16). Given City Council Bill 14-0361 will have no impact on the number of licenses granted, it will have no impact on the revenue generated by the program.

City Council Bill 14-0361 is anticipated to have no significant fiscal impact.

Recommendation

The Finance Department supports CC Bill 14-0361.

CC: Harry Black
Andrew Kleine
William Voorhees
Angela Gibson