



Baltimore, Maryland

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March 4, 2021

Councilman Eric Costello, Chair
Baltimore City Council – Ways and Means Committee
100 Holliday Street, Room 509
Baltimore, MD 21202

Dear Councilman Costello,

As a parking operator in the city of Baltimore, I am writing to ask that you oppose the proposed City Bill 21-0029 which is currently being considered in your committee. Federal Parking currently operates in multiple cities in the mid-Atlantic and has experience with licensing fees across the region. In other jurisdictions, the licensing fee is almost a nominal cost per year and averages a flat rate of \$200 to \$400 per year with a parking income tax ranging from 0% to 18%. Baltimore as things currently stand charges \$5.10 per square foot with a 20% parking income tax. In straightforward terms, this means that a comparable medium sized garage in Baltimore already costs an additional \$8000 to \$10,000 more per year to operate than a similar facility in other markets. Should City Bill 21-0029 pass, this tax burden would increase by an additional \$40,000 to \$50,000 per year. This would have several malign effects:

- Prices across the board as increased taxes would be passed on to parking customers.
- Operators and owners would be pushed to automate facilities to eliminate labor costs.
- Smaller parking facilities would become economically non-viable.
- Passed through cost would place greater inequities on lower income parkers in the city priced out of garages and forced to search out street spaces.
- Increased street parking and block 'circling' would increase congestion.
- Operators would be forced to eliminate staff to contain costs.
- Increased congestion would complicate smart city planning by removing absorption capacity before improvements to mass transit are instituted.

These impacts would also occur just as the parking sector and all travel and tourist related industries in the city of Baltimore have been crushed by the covid pandemic. Commercial real estate clients of our industry are just now beginning to consider bringing back laid off parking staff. This will cause some to reconsider, denying the city of payroll taxes and denying the Baltimoreans we employ the chance to return to viable employment. That makes zero sense from a social, fiscal or smart city perspective.

Thank you for your consideration, and please feel free to contact me if you would like to discuss this issue further.

Sincerely,

William Boyle
Managing Partner
400 East Pratt Street, Suite 800
Baltimore, MD 21202
202-409-0811

Sincerely,

A handwritten signature in black ink, appearing to read "W.A. Boyle". The signature is fluid and cursive, with a large loop at the end.

William A. Boyle
Vice President
Federal Parking, Inc