



March 8, 2021

Council President Nick Mosby
Chair Eric Costello
Members – Ways & Means Committee

RE: In Opposition to City Council Bill 21-0029

Dear Council President Mosby, Committee Chair Costello and Committee Members,

On behalf of the Board of Directors of the Economic Alliance of Greater Baltimore (EAGB) I am writing in strong opposition to City Council Bill 21-0029 to increase the license fee paid by commercial parking establishments.

EAGB markets the economic assets and opportunities of the Greater Baltimore region: Baltimore City and Anne Arundel, Howard, Harford, Carroll, Cecil and Baltimore counties. Baltimore City is the heart of the Region and its economic health is vital to the overall health of the Region. While the pandemic caused by COVID-19 has impacted all of Greater Baltimore, the impact on the City has been severe, particularly in the downtown area due to its high concentration of offices, cultural institutions, retail establishments and tourist and entertainment venues.

As the City is the heart of the Greater Baltimore region, downtown is the heart of the City. CB 21-0029 and its proposed 490% increase in the parking license fee will have a devastating impact on downtown due to the very nature of any city's downtown where parking for employees and visitors comes at a cost that is often not a factor outside of downtown and in the surrounding counties. Off-street commercial parking is critical to Baltimore's offices, apartments, restaurants, hotels, theaters, museums, retail businesses, and even hospitals. The increase in license fee, a fee that is in addition to the current 20% tax imposed on these facilities, the highest of any taxed industry in the City, will be passed along to consumers and employees, putting the entire city's economic recovery at a serious disadvantage. CB 21-0029's increase in the license fee comes at a time when the revenue raised from parking costs have dramatically dropped due to the pandemic while operating costs have remained relatively level.

The City and particularly downtown will be challenged to build back the industries that support the City's economy and strengthen the Region. Corporations and other businesses with City locations are already assessing their space needs as "working from home" has become acceptable with little perceived impact on performance. Retail, cultural and entertainment establishments are slowly reopening and will be competing with establishments in the surrounding counties where parking is generally free without the challenges the City presents in terms of safety – real or perceived.

Baltimore City's economic recovery depends on making the City an affordable and desirable location of choice for businesses, residents and visitors – all of whom are able to choose alternatives outside of the City that come with lower costs and without other challenges that a City location may present.



For the reasons stated above, EAGB requests that CB 21-0029 be defeated and that the City's economic recovery - so critical to the health of the Greater Baltimore region - be allowed to proceed without adding impediments to this recovery.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rick Kohr', is written in a cursive style.

Rick Kohr, Chair

Cc: EAGB Board of Directors

Attachment