



Buildings,  
Safety Engineering  
& Environmental  
Department

# MEMORANDUM

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**To:** Council Member Angela Whitfield-Calloway  
**From:** David Bell, Director *DB*  
Buildings, Safety, Engineering & Environmental Department (BSEED)  
**Date:** March 20, 2023  
**Re:** Responses to 23-24 BSEED Budget Questions

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Please find below responses to your questions sent on March 15, 2023, regarding the proposed Fiscal Year 2024 Proposed Budget for Buildings, Safety, Engineering and Environmental Department.

- 1. The Business License Center (BLC) is responsible for various types of business licenses throughout the city. Do the license fees collected by BLC cover the costs of operations? Could BLC enforcement be improved through better cooperation with other city departments? Could the improved enforcement levels be paid through higher fees?**

*The business licenses fees cover the cost of operations and realizes additional revenue for the general fund every year.*

*The Business License center works collaboratively with other City departments including, the Police Department, Fire, Treasury, and the 36<sup>th</sup> District Court for improved enforcement.*

*At this time, there is no need for higher fees as the fees collected are adequate to cover the cost of operation.*

- 2. BLC collect fees from business license holders. What is the collection rate from businesses? Is there a difference in collection rates between different business classifications?**

*The collection rate for Business License is approximately 65%. There is a difference in collection rate between business classification.*

- 3. What is the current balance of the Fire Insurance Escrow Account? How is the interest revenue from the Fire Insurance Escrow Account used to cover the costs of the FIE program?**

*Total Interest Revenue of \$112,885.87 for FY 2022 has been transferred from the FIE Investment Account to BSEED Administration as Administrative Fee/Earnings on Investments to offset the cost of administering the FIE Program.*