

Chapter 641

(House Bill 1385)

AN ACT concerning

Baltimore City – Tourism Improvement District

FOR the purpose of authorizing the Mayor and City Council of Baltimore to establish by ordinance a certain Tourism Improvement District; authorizing the Mayor and City Council to designate a Tourism Improvement District Association to provide certain services; requiring a certain ordinance to include certain provisions; requiring the Association to establish a certain financial plan for the District under certain circumstances; requiring a certain financial plan to be subject to approval by the Baltimore City Board of Estimates; requiring the Association to hold a public hearing on a certain financial plan; providing for a Board of Directors of the Association; providing for certain powers, duties, and limitations of the Association; providing that the Association shall be subject to certain City ordinances and goals regarding minority and women’s business enterprises; requiring the Mayor and City Council to take certain matters into consideration and make certain determinations when enacting certain ordinances; prohibiting the Mayor and City Council from authorizing certain reductions in certain existing funding under certain circumstances; providing that certain unspent funds be refunded to certain business owners in a certain manner under certain circumstances; placing a certain condition on a certain ordinance taking effect; defining certain terms; and generally relating to the establishment of a Tourism Improvement District in Baltimore City.

BY adding to

The Charter of Baltimore City
Article II – General Powers
Section (70)
(2007 Replacement Volume, as amended)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

The Charter of Baltimore City

Article II – General Powers

The Mayor and City Council of Baltimore shall have full power and authority to exercise all of the powers heretofore or hereafter granted to it by the Constitution of Maryland or by any Public General or Public Local Laws of the State of Maryland; and in particular, without limitation upon the foregoing, shall have power by ordinance, or such other method as may be provided for in its Charter, subject to the provisions of said Constitution and Public General Laws:

(70)

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “ASSOCIATION” MEANS AN EXISTING PRIVATE NONPROFIT DESTINATION MARKETING ORGANIZATION THAT PROMOTES TOURISM TO BALTIMORE CITY AND THE CONVENTION CENTER IN ORDER TO INCREASE THE NUMBER OF VISITORS TO THE CITY THAT IS DESIGNATED AS THE TOURISM IMPROVEMENT DISTRICT ASSOCIATION IN ACCORDANCE WITH THIS SECTION AND ANY ORDINANCE ENACTED IN ACCORDANCE WITH THIS SECTION.

(3) “BOARD” MEANS THE BOARD OF DIRECTORS OF THE ASSOCIATION.

(4) “BUSINESS” MEANS A HOTEL AS DEFINED IN THE BALTIMORE CITY CODE.

(5) “DISTRICT” MEANS A TOURISM IMPROVEMENT DISTRICT CREATED IN ACCORDANCE WITH THIS SECTION.

(6) “DISTRICT SPECIAL ASSESSMENT” MEANS A SPECIAL ASSESSMENT THAT IS AUTHORIZED UNDER THIS SECTION AND ANY ORDINANCE ENACTED IN ACCORDANCE WITH THIS SECTION.

(B) SUBJECT TO SUBSECTION (M) OF THIS SECTION, THE CITY MAY ENACT AN ORDINANCE TO:

(1) ESTABLISH A TOURISM IMPROVEMENT DISTRICT TO SUPPORT MARKETING, SALES, AND OTHER PROMOTIONAL PROGRAMS AND ACTIVITIES TO INCREASE TOURISM IN THE DISTRICT OR SPECIFICALLY BENEFIT THOSE PARTICIPATING BUSINESSES AGAINST WHICH A DISTRICT SPECIAL ASSESSMENT IS MADE; AND

(2) DESIGNATE AN EXISTING PRIVATE NONPROFIT ENTITY AS THE ASSOCIATION TO:

(I) ADMINISTER THE DISTRICT PROGRAMS AND ACTIVITIES;

(II) PROMOTE AND MARKET THE DISTRICT; AND

(III) PROVIDE OTHER SERVICES AND FUNCTIONS AS APPROVED BY AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF BALTIMORE, PROVIDED

THAT THE SERVICES AND FUNCTIONS SHALL BE PROVIDED WITHIN THE DISTRICT, OR, TO THE EXTENT AUTHORIZED, WITHIN AREAS ADJOINING OR ADJACENT TO THE DISTRICT.

(c) THE ORDINANCE ESTABLISHING THE DISTRICT AND DESIGNATING THE ASSOCIATION SHALL:

(1) SPECIFY THE NAME FOR THE DISTRICT AND THE ASSOCIATION;

(2) SPECIFY THE METHOD FOR ESTABLISHING AND MODIFYING THE BOUNDARIES OF THE DISTRICT, WHICH MAY INCLUDE METHODS BY WHICH:

(i) BUSINESS OWNERS MAY PETITION TO BE INCLUDED IN THE DISTRICT; AND

(ii) BUSINESS OWNERS MAY CONDUCT A REFERENDUM TO BE INCLUDED IN THE DISTRICT;

(3) SPECIFY THE POWERS AND FUNCTIONS WITHIN THE LIMITS OF THIS SECTION THAT MAY BE EXERCISED BY THE ASSOCIATION;

(4) AUTHORIZE THE IMPOSITION OF DISTRICT SPECIAL ASSESSMENTS LEVIED ON BUSINESSES WITHIN THE DISTRICT AS THE PRIMARY MEANS OF SUPPORT FOR THE DISTRICT AND SPECIFY ANY LIMITS ON THE DISTRICT SPECIAL ASSESSMENTS;

(5) SPECIFY THE DURATION OF THE DISTRICT AND THE POWER OF THE ASSOCIATION TO ACT, OR THE MEANS BY WHICH THE CONTINUANCE OF THE DISTRICT MAY BE THE SUBJECT OF A FURTHER ORDINANCE;

(6) PROVIDE FOR THE COLLECTION OF DISTRICT SPECIAL ASSESSMENTS AND FOR THE PROMPT DISBURSEMENT OF THE REVENUE TO THE ASSOCIATION;

(7) DETERMINE WHETHER CLASSES AND SUBCLASSES OF BUSINESSES IN THE DISTRICT MAY BE ESTABLISHED AND THE EXTENT TO WHICH EACH CLASS OR SUBCLASS SHALL BE SUBJECT TO OR EXEMPT FROM DISTRICT SPECIAL ASSESSMENTS OR VARYING RATES OF DISTRICT SPECIAL ASSESSMENTS AND THE EXTENT TO WHICH SPECIFIC AREAS OF THE DISTRICT MAY EXERCISE DISCRETION AS TO THE USE OF DISTRICT SPECIAL ASSESSMENTS GENERATED BY THE AREAS;

(8) SPECIFY THE METHOD FOR DETERMINING DISTRICT SPECIAL ASSESSMENTS TO BE IMPOSED ON CLASSES AND SUBCLASSES OF BUSINESSES UNDER THIS SECTION;

(9) SPECIFY THE EXTENT TO WHICH THE ASSOCIATION MAY PROVIDE ADDITIONAL SERVICES FOR A FEE EITHER WITHIN OR OUTSIDE THE DISTRICT; AND

(10) SPECIFY THE CRITERIA FOR REPRESENTATION ON THE ASSOCIATION'S BOARD OF DIRECTORS OR DISTRICT MANAGEMENT COMMITTEE, SUBJECT TO SUBSECTION (F) OF THIS SECTION.

(D) (1) THE ASSOCIATION SHALL ESTABLISH A FINANCIAL PLAN FOR THE DISTRICT WHEN REQUIRED BY AN ORDINANCE ENACTED UNDER THIS SECTION.

(2) THE FINANCIAL PLAN, INCLUDING THE DISTRICT'S ANNUAL BUDGET AND DISTRICT SPECIAL ASSESSMENTS, SHALL BE SUBJECT TO APPROVAL BY THE BOARD OF ESTIMATES.

(3) THE FINANCIAL PLAN MAY INCLUDE PROVISIONS FOR ALLOCATING RESOURCES TO THE PARTICULAR NEEDS OF THE DISTRICT, INCLUDING ALLOCATIONS TO PARTICULAR SECTIONS OF THE DISTRICT OR TO PARTICULAR USES WITHIN THE DISTRICT.

(E) (1) BEFORE ADOPTING ITS PROPOSED BUDGET AND MAKING ITS RECOMMENDATIONS TO THE CITY, THE ASSOCIATION SHALL HOLD A PUBLIC HEARING ON THE FINANCIAL PLAN PROPOSED FOR THE DISTRICT.

(2) THE ASSOCIATION SHALL PUBLISH NOTICE OF THE HEARING UNDER PARAGRAPH (1) OF THIS SUBSECTION IN A NEWSPAPER OF GENERAL CIRCULATION IN BALTIMORE CITY AT LEAST ONCE A WEEK FOR 3 CONSECUTIVE WEEKS BEFORE THE HEARING, AND PROVIDE AN OPPORTUNITY TO SUBMIT PUBLIC TESTIMONY TO THE ASSOCIATION.

(F) (1) THE GOVERNING BODY OF THE ASSOCIATION SHALL BE THE BOARD OF DIRECTORS.

(2) A MAJORITY OF THE VOTING MEMBERS OF THE BOARD OR MEMBERS OF THE COMMITTEE MANAGING THE DISTRICT FUNDS SHALL BE OWNERS, OR, WHEN THE OWNER IS A CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP, TRUST, OR ANY OTHER LEGAL ENTITY, REPRESENTATIVES OF THE OWNERS OF A BUSINESS IN THE DISTRICT THAT IS SUBJECT TO DISTRICT SPECIAL ASSESSMENTS UNDER THIS SECTION.

(3) AN ORDINANCE ENACTED UNDER THIS SECTION MAY REQUIRE THE ESTABLISHMENT OF AN ASSOCIATION COMMITTEE TO MANAGE THE DISTRICT

FUNDS AND MAY REQUIRE CERTAIN ACTIONS TO BE MADE SUBJECT TO THE APPROVAL OF THE COMMITTEE.

(G) AS PROVIDED BY AN ORDINANCE ENACTED UNDER THIS SECTION, THE ASSOCIATION MAY:

(1) CONDUCT THE FUNCTIONS THAT ARE ASSIGNED TO THE ASSOCIATION BY THE ORDINANCE;

(2) ACQUIRE, HOLD, AND USE PROPERTY NECESSARY TO ACHIEVE THE DISTRICT'S PURPOSES;

(3) ENTER INTO CONTRACTS FOR THE PROVISION OF DISTRICT SERVICES;

(4) SUE AND BE SUED, SUBJECT TO SUBSECTION (H) OF THIS SECTION;

(5) BORROW AND ACCEPT GRANTS;

(6) EMPLOY AND DISCHARGE PERSONNEL;

(7) PROPOSE, IN THE DISTRICT'S ANNUAL BUDGET, THE DISTRICT SPECIAL ASSESSMENTS IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION;

(8) ADOPT, AMEND, AND MODIFY BYLAWS, ALL OF WHICH SHALL BE SUBJECT TO THE APPROVAL OF THE BOARD OF ESTIMATES;

(9) ESTABLISH AND ELECT OFFICERS, AND PROVIDE FOR THE TERMS OF OFFICE AND THE DUTIES OF THE OFFICERS;

(10) CONTRACT FOR AND PURCHASE GOODS AND SERVICES IN ACCORDANCE WITH SUBSECTION (H) OF THIS SECTION; AND

(11) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE PURPOSES OF THE DISTRICT UNDER THIS SECTION AND THE ORDINANCE ENACTED UNDER THIS SECTION.

(H) THE ASSOCIATION SHALL BE SUBJECT TO CITY ORDINANCES AND CITY POLICY REQUIRING ACHIEVEMENT OF GOALS REGARDING MINORITY AND WOMEN'S BUSINESS ENTERPRISES.

(I) THE ASSOCIATION MAY NOT:

(1) EXERCISE ANY POLICE OR GENERAL POWERS OTHER THAN THOSE AUTHORIZED BY STATE LAW AND CITY ORDINANCE;

(2) PLEDGE THE FULL FAITH OR CREDIT OF THE CITY;

(3) IMPOSE DISTRICT SPECIAL ASSESSMENTS IN EXCESS OF THOSE APPROVED BY THE BOARD OF ESTIMATES;

(4) EXERCISE THE POWER OF EMINENT DOMAIN;

(5) REVERT CHARGES OR DISTRICT SPECIAL ASSESSMENTS COLLECTED IN ACCORDANCE WITH THIS SECTION TO THE GENERAL FUND OF THE CITY; OR

(6) BE AN AGENCY OF THE MAYOR AND CITY COUNCIL OF BALTIMORE OR THE STATE OF MARYLAND, AND ITS OFFICERS AND EMPLOYEES MAY NOT ACT AS AGENTS OR EMPLOYEES OF THE MAYOR AND CITY COUNCIL OF BALTIMORE OR THE STATE OF MARYLAND.

(J) BEFORE ENACTING AN ORDINANCE UNDER THIS SECTION, THE MAYOR AND CITY COUNCIL OF BALTIMORE SHALL:

(1) PROVIDE FOR PUBLIC HEARINGS DURING WHICH CONSIDERATION IS GIVEN TO THE VIEWS OF THE BUSINESS OWNERS THAT WILL BE SUBJECT TO DISTRICT SPECIAL ASSESSMENTS WITHIN THE PROPOSED DISTRICT; AND

(2) MAKE A DETERMINATION THAT THE PROPOSED DISTRICT CREATED INCLUDES THOSE BUSINESSES THAT WILL BENEFIT FROM DISTRICT SERVICES.

(K) TO THE EXTENT OF THEIR AUTHORITY, THE MAYOR AND CITY COUNCIL OF BALTIMORE MAY NOT PERMIT A REDUCTION IN EXISTING FUNDING PROVIDED BY THE CITY IN THE DISTRICT DUE TO THE ESTABLISHMENT OF THE DISTRICT OR THE DESIGNATION OF THE ASSOCIATION.

(L) IN THE EVENT OF A DISSOLUTION OF THE DISTRICT OR THE ASSOCIATION, ANY UNSPENT FUNDS SHALL BE REFUNDED TO THE BUSINESS OWNERS BY APPLYING THE SAME METHOD AND BASIS THAT WAS USED TO CALCULATE THE DISTRICT SPECIAL ASSESSMENTS THAT WERE LEVIED.

(M) (1) AN ORDINANCE ENACTED UNDER THIS SECTION SHALL:

(I) ESTABLISH THE PROCESS FOR THE APPROVAL OF THE CREATION OF THE DISTRICT AND THE DESIGNATION OF THE ASSOCIATION; AND

(II) PROVIDE THAT, UNTIL THE APPROVAL PROCESS IS CONDUCTED AND APPROVAL IS ACHIEVED UNDER THE PROCESS, THE DISTRICT MAY NOT BE CREATED, AND THE ORDINANCE MAY NOT BECOME FULLY EFFECTIVE.

(2) THE ORDINANCE MAY PROVIDE:

(I) CRITERIA FOR THE ELIGIBILITY OF VOTERS FOR PURPOSES OF THE ELECTION REQUIRED BY THE ORDINANCE; AND

(II) PROCEDURES FOR A SPECIAL ELECTION REQUIRED IN THIS SUBSECTION, WHICH MAY BE ADMINISTERED BY WRITE-IN BALLOTS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2018.

Approved by the Governor, May 15, 2018.