

SENATE BILL 1085

L2

8lr1756
CF HB 1385

By: **Senator Conway (By Request – Baltimore City Administration) and Senators Nathan–Pulliam, Oaks, and Robinson**

Introduced and read first time: February 12, 2018

Assigned to: Rules

Re–referred to: Education, Health, and Environmental Affairs, February 16, 2018

Reassigned: Finance, February 16, 2018

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 20, 2018

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – Tourism Improvement District**

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

21 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 The Charter of Baltimore City
2 Article II – General Powers
3 Section (70)
4 (2007 Replacement Volume, as amended)

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

7 **The Charter of Baltimore City**

8 Article II – General Powers

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

15 **(70)**

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

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

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

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

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

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

33 **(B) SUBJECT TO SUBSECTION (M) OF THIS SECTION, THE CITY MAY ENACT**

1 AN ORDINANCE TO:

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

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

9 (I) ADMINISTER THE DISTRICT PROGRAMS AND ACTIVITIES;

10 (II) PROMOTE AND MARKET THE DISTRICT; AND

11 (III) PROVIDE OTHER SERVICES AND FUNCTIONS AS APPROVED
12 BY AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF BALTIMORE, PROVIDED
13 THAT THE SERVICES AND FUNCTIONS SHALL BE PROVIDED WITHIN THE DISTRICT,
14 OR, TO THE EXTENT AUTHORIZED, WITHIN AREAS ADJOINING OR ADJACENT TO THE
15 DISTRICT.

16 (C) THE ORDINANCE ESTABLISHING THE DISTRICT AND DESIGNATING THE
17 ASSOCIATION SHALL:

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

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

21 (I) BUSINESS OWNERS MAY PETITION TO BE INCLUDED IN THE
22 DISTRICT; AND

23 (II) BUSINESS OWNERS MAY CONDUCT A REFERENDUM TO BE
24 INCLUDED IN THE DISTRICT;

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

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

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

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

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

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

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

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

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

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

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

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

33 **(2) THE ASSOCIATION SHALL PUBLISH NOTICE OF THE HEARING**

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

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

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

13 (3) AN ORDINANCE ENACTED UNDER THIS SECTION MAY REQUIRE
14 THE ESTABLISHMENT OF AN ASSOCIATION COMMITTEE TO MANAGE THE DISTRICT
15 FUNDS AND MAY REQUIRE CERTAIN ACTIONS TO BE MADE SUBJECT TO THE
16 APPROVAL OF THE COMMITTEE.

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

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

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

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

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

26 (5) BORROW AND ACCEPT GRANTS;

27 (6) EMPLOY AND DISCHARGE PERSONNEL;

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

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

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

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

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

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

11 **(I) THE ASSOCIATION MAY NOT:**

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

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

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

17 **(4) EXERCISE THE POWER OF EMINENT DOMAIN;**

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

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

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

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

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

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

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

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

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

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

18 **(2) THE ORDINANCE MAY PROVIDE:**

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

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

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