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5lr3390 CF SB 672

By: **Delegate Wells (By Request – Baltimore City Administration)** Introduced and read first time: February 3, 2025 Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

Economic Development – Baltimore Convention and Tourism Redevelopment and Operating Authority – Established

FOR the purpose of establishing the Baltimore Convention and Tourism Redevelopment
and Operating Authority to govern the renovation, revitalization, and ongoing
maintenance and operations of the Baltimore Convention site and the marketing of
Baltimore City as a tourist destination in a certain manner; and generally relating
to the Baltimore Convention and Tourism Redevelopment and Operating Authority.

9 BY adding to

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- 10 Article Economic Development
- Section 12–1201 through 12–1210 to be under the new subtitle "Subtitle 12.
 Baltimore Convention and Tourism Redevelopment and Operating Authority"
 Annotated Code of Maryland
- 14 (2024 Replacement Volume and 2024 Supplement)
 - Preamble

WHEREAS, Chapter 635 of the Acts of the General Assembly of 2024 established the Baltimore Convention and Tourism Redevelopment and Operating Authority Task Force to, among other things, study and make recommendations concerning the membership, purpose, and function of an entity or strategy to govern the renovation, revitalization, financing, and ongoing maintenance and management of the Baltimore Convention site and certain surrounding areas; and

WHEREAS, In accordance with Chapter 635 of the Acts of the General Assembly of 23 2024, the Baltimore Convention and Tourism Redevelopment and Operating Authority 24 Task Force reported its findings and recommendations to the Mayor of Baltimore City, the 25 Governor, and the General Assembly; and



WHEREAS, The report recommends the establishment of a joint authority to govern

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 $\mathbf{2}$ the Baltimore Convention site and Baltimore City destination marketing organization; and 3 WHEREAS, The General Assembly finds that, for the benefit of the people of the State, it is necessary to establish the Baltimore Convention and Tourism Redevelopment 4 and Operating Authority; now, therefore, $\mathbf{5}$ 6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND. 7 That the Laws of Maryland read as follows: 8 **Article – Economic Development** 9 SUBTITLE 12. BALTIMORE CONVENTION AND TOURISM REDEVELOPMENT AND 10 **OPERATING AUTHORITY.** 12-1201. 11 12(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS 13INDICATED. "AUTHORITY" MEANS THE BALTIMORE CONVENTION AND TOURISM 14 **(B) REDEVELOPMENT AND OPERATING AUTHORITY.** 1516 **(C)** "BALTIMORE CONVENTION SITE" HAS THE MEANING STATED IN § 17**10–601** OF THIS ARTICLE. 12 - 1202.18 THERE IS A BALTIMORE CONVENTION AND TOURISM REDEVELOPMENT 19 (A) 20AND OPERATING AUTHORITY. 21THE AUTHORITY IS A BODY POLITIC AND CORPORATE AND IS AN **(B)** 22INSTRUMENTALITY OF THE STATE. THE EXERCISE BY THE AUTHORITY OF A POWER UNDER THIS SUBTITLE 23**(C)** 24IS THE PERFORMANCE OF AN ESSENTIAL GOVERNMENTAL FUNCTION. 12-1203. 2526(A) THE AUTHORITY CONSISTS OF THE FOLLOWING MEMBERS: 27(1) ONE MEMBER, APPOINTED BY THE PRESIDENT OF THE SENATE, 28WHO IS NOT AN ELECTED OFFICIAL AND IS A RESIDENT OF OR REPRESENTS A

1 BUSINESS THAT OPERATES IN ANNE ARUNDEL COUNTY, BALTIMORE CITY, 2 BALTIMORE COUNTY, OR HOWARD COUNTY;

3 (2) ONE MEMBER, APPOINTED BY THE SPEAKER OF THE HOUSE, WHO
4 IS NOT AN ELECTED OFFICIAL AND IS A RESIDENT OF OR REPRESENTS A BUSINESS
5 THAT OPERATES IN ANNE ARUNDEL COUNTY, BALTIMORE CITY, BALTIMORE
6 COUNTY, OR HOWARD COUNTY;

7 (3) A REPRESENTATIVE OF THE RESTAURANT INDUSTRY IN 8 BALTIMORE CITY, APPOINTED BY THE RESTAURANT ASSOCIATION OF MARYLAND;

9 (4) A REPRESENTATIVE OF THE HOTEL INDUSTRY IN BALTIMORE 10 CITY, APPOINTED BY THE MARYLAND HOTEL LODGING ASSOCIATION;

(5) NINE MEMBERS, APPOINTED BY THE MAYOR OF BALTIMORE CITY,
 FROM THE CENTRAL BUSINESS DISTRICT OF BALTIMORE CITY, AS DEFINED BY THE
 ZONING CODE OF BALTIMORE CITY, OF WHOM:

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- (I) ONE SHALL BE AN ATTORNEY;
- 15(II) ONE SHALL HAVE EXPERIENCE IN THE FINANCIAL SERVICES16INDUSTRY;

17 (III) ONE SHALL BE A REPRESENTATIVE OF A PROFESSIONAL 18 MAJOR LEAGUE BASEBALL FRANCHISE THAT IS A LESSEE OF A STADIUM IN 19 BALTIMORE CITY, OR A PROFESSIONAL FOOTBALL (NFL) FRANCHISE THAT IS A 20 LESSEE OF A STADIUM IN BALTIMORE CITY; AND

21 (IV) ONE SHALL HAVE EXPERIENCE IN REAL ESTATE 22 DEVELOPMENT; AND

23(6)THE FOLLOWING MEMBERS, APPOINTED BY THE GOVERNOR WITH24THE ADVICE AND CONSENT OF THE SENATE:

(I) A REPRESENTATIVE OF A BUSINESS THAT OPERATES IN
 ANNE ARUNDEL COUNTY, BALTIMORE CITY, BALTIMORE COUNTY, OR HOWARD
 COUNTY; AND

(II) A REPRESENTATIVE OF AN ORGANIZED LABOR GROUP
 ASSOCIATED WITH THE BALTIMORE CONVENTION SITE OR THE TOURISM INDUSTRY
 IN ANNE ARUNDEL COUNTY, BALTIMORE CITY, BALTIMORE COUNTY, OR HOWARD
 COUNTY.

| | 4 | HOUSE BILL 1016 |
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| 1 | (B) | (1) THE TERM OF A MEMBER OF THE AUTHORITY IS 4 YEARS. |
| $\frac{2}{3}$ | THE TERMS | (2) THE TERMS OF THE MEMBERS ARE STAGGERED AS REQUIRED BY PROVIDED FOR MEMBERS ON JULY 1, 2025. |
| 45 | CONTINUES | (3) AT THE END OF A TERM, A MEMBER OF THE AUTHORITY TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES. |
| 6 7 8 | ONLY FOR QUALIFIES. | (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND |
| 9 10 11 | | THE MAYOR OF BALTIMORE CITY SHALL DESIGNATE A CHAIR OF THE Y FROM AMONG THE MEMBERS APPOINTED IN ACCORDANCE WITH N (A)(5) OF THIS SECTION. |
| $\begin{array}{c} 12\\ 13 \end{array}$ | (D) MISCONDU | A MEMBER OF THE AUTHORITY MAY BE REMOVED FOR INCOMPETENCE, CT, OR FAILURE TO PERFORM THE DUTIES OF THE POSITION BY: |
| 14 | | (1) THE GOVERNOR, IF APPOINTED BY THE GOVERNOR; |
| $\begin{array}{c} 15\\ 16 \end{array}$ | PRESIDENT | (2) THE PRESIDENT OF THE SENATE, IF APPOINTED BY THE |
| 17 | | (3) THE SPEAKER OF THE HOUSE, IF APPOINTED BY THE SPEAKER; |
| 18 19 | WITH SUBS | (4) THE APPOINTING ASSOCIATION, IF APPOINTED IN ACCORDANCE ECTION (A)(3) OR (4) OF THIS SECTION; OR |
| 20 | | (5) THE MAYOR OF BALTIMORE CITY, IF APPOINTED BY THE MAYOR. |
| 21 | 12–1204. | |
| $\frac{22}{23}$ | (A) MEETINGS. | THE AUTHORITY SHALL DETERMINE THE TIMES AND PLACES OF ITS |
| 24 | (B) | (1) NINE MEMBERS OF THE AUTHORITY ARE A QUORUM. |
| $\frac{25}{26}$ | OF AT LEAS | (2) ACTION BY THE AUTHORITY REQUIRES THE AFFIRMATIVE VOTE T NINE MEMBERS OF THE AUTHORITY. |
| 27 | (C) | A MEMBER OF THE AUTHORITY: |

1 (1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE 2 AUTHORITY; BUT

3 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE 4 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

5 **12–1205.**

6 THE AUTHORITY MAY EMPLOY OR RETAIN, EITHER AS EMPLOYEES OR AS CONSULTANTS, 7 **INDEPENDENT** CONTRACTORS, ENGINEERS, ARCHITECTS, ACCOUNTANTS, ATTORNEYS, FINANCIAL EXPERTS, CONSTRUCTION EXPERTS AND 8 9 SUPERINTENDENTS, MANAGERS AND OTHER PROFESSIONAL PERSONNEL, PERSONNEL, AND AGENTS AS THE AUTHORITY CONSIDERS 10 PERSONNEL, NECESSARY, AND SET THEIR COMPENSATION. 11

12 **12–1206.**

13 **THE AUTHORITY SHALL:**

14 (1) DETERMINE THE CHARACTER OF ANY RENOVATION, 15 REVITALIZATION, OR DEVELOPMENT PROJECTS RELATING TO THE BALTIMORE 16 CONVENTION SITE;

17 (2) ENTER INTO ANY AGREEMENTS, LEASES, PARTNERSHIPS, OR 18 CONTRACTS NECESSARY TO RENOVATE, REVITALIZE, MAINTAIN, AND MANAGE THE 19 BALTIMORE CONVENTION SITE, AUTHORITY–OWNED REAL PROPERTY ASSETS, AND 20 ANY OTHER CONTIGUOUS OR NEARBY REAL PROPERTY ASSET THAT THE AUTHORITY 21 IDENTIFIES AND OVER WHICH THE AUTHORITY OBTAINS SITE CONTROL;

(3) ANALYZE AND PROVIDE RECOMMENDATIONS TO THE MAYOR AND
CITY COUNCIL OF BALTIMORE CITY, THE GOVERNOR, AND THE GENERAL
ASSEMBLY REGARDING THE SUSTAINABILITY, RENOVATION, AND MODERNIZATION
OF AND FUNDING STREAMS TO RENOVATE, REVITALIZE, OR DEVELOP THE
BALTIMORE CONVENTION SITE, AUTHORITY–OWNED REAL PROPERTY ASSETS, AND
ANY OTHER CONTIGUOUS OR NEARBY REAL PROPERTY ASSET THAT THE AUTHORITY
IDENTIFIES AND OVER WHICH THE AUTHORITY OBTAINS SITE CONTROL;

(4) FIX AND COLLECT RATES, RENTALS, FEES, AND CHARGES FOR
SERVICES REQUIRED TO SUCCESSFULLY OPERATE, MAINTAIN, AND MANAGE THE
BALTIMORE CONVENTION SITE OR ANY OTHER AUTHORITY-OWNED OR
CONTROLLED REAL PROPERTY ASSETS;

1 (5) ESTABLISH RULES AND REGULATIONS FOR THE USE OF THE 2 BALTIMORE CONVENTION SITE OR ANY OTHER AUTHORITY-OWNED OR 3 CONTROLLED REAL PROPERTY ASSETS;

4 (6) ADOPT BYLAWS FOR THE CONDUCT OF THE AUTHORITY'S 5 BUSINESS, INCLUDING A PROCESS TO APPOINT AN ADVISORY BOARD TO THE 6 AUTHORITY;

7 (7) GOVERN THE STRATEGIC AND CAPITAL PLANNING AND RESOURCE 8 ALLOCATION OF THE DESTINATION MARKETING ORGANIZATION FOR BALTIMORE 9 CITY, VISIT BALTIMORE, TO ENSURE THE ABILITY OF THE ORGANIZATION TO 10 SUCCESSFULLY MARKET BALTIMORE CITY AS A TOURISM DESTINATION WITH A 11 SPECIFIC EMPHASIS ON MEETINGS AND CONVENTIONS; AND

12(8)MAKE ANY OTHER RECOMMENDATIONS THE AUTHORITY DEEMS13NECESSARY.

- 14 **12–1207.**
- 15 **THE AUTHORITY MAY:**
- 16 **(1)** ADOPT A SEAL;

17(2)MAINTAIN OFFICES AT A PLACE THE AUTHORITY DESIGNATES IN18THE STATE;

19 (3) ACCEPT LOANS, GRANTS, OR ASSISTANCE OF ANY KIND FROM THE 20 FEDERAL OR STATE GOVERNMENT, A LOCAL GOVERNMENT, A COLLEGE OR 21 UNIVERSITY, OR A PRIVATE SOURCE;

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(4) ENTER INTO CONTRACTS AND OTHER LEGAL INSTRUMENTS;

(5) RETAIN, EMPLOY, OR HIRE AN INDEPENDENT FIRM FOR THE
PURPOSES OF RENOVATING, REVITALIZING, MAINTAINING, AND MANAGING THE
BALTIMORE CONVENTION SITE, AUTHORITY–OWNED REAL PROPERTY ASSETS, AND
ANY OTHER CONTIGUOUS OR NEARBY REAL PROPERTY ASSET THAT THE AUTHORITY
IDENTIFIES AND OVER WHICH THE AUTHORITY OBTAINS SITE CONTROL;

28 **(6)** SUE OR BE SUED;

29 (7) ACQUIRE, PURCHASE, HOLD, LEASE AS LESSEE, AND USE ANY 30 REAL, PERSONAL, MIXED, TANGIBLE, OR INTANGIBLE PROPERTY;

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1 (8) SELL, LEASE AS LESSOR, TRANSFER, LICENSE, ASSIGN, OR 2 DISPOSE OF PROPERTY OR A PROPERTY INTEREST THAT IT ACQUIRES;

3 (9) CHARGE FOR SERVICES AND RESOURCES THE AUTHORITY 4 PROVIDES OR MAKES AVAILABLE;

5 (10) CREATE, OWN, CONTROL, OR BE A MEMBER OF A CORPORATION,
6 LIMITED LIABILITY COMPANY, PARTNERSHIP, OR OTHER ENTITY, WHETHER
7 OPERATED FOR PROFIT OR NOT FOR PROFIT;

8 (11) EXERCISE POWER USUALLY POSSESSED BY A PRIVATE 9 CORPORATION IN PERFORMING SIMILAR FUNCTIONS UNLESS TO DO SO WOULD 10 CONFLICT WITH STATE LAW; AND

11 (12) DO ALL THINGS NECESSARY AND CONVENIENT TO CARRY OUT THE 12 POWERS GRANTED BY THIS SUBTITLE.

13 **12–1208.**

- 14 (A) THE AUTHORITY IS EXEMPT:
- 15 (1) FROM TAXATION BY STATE AND LOCAL GOVERNMENT;

16 (2) EXCEPT AS PROVIDED IN TITLE 12, SUBTITLE 4 AND TITLE 14, 17 SUBTITLE 3 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, FROM DIVISION 18 II OF THE STATE FINANCE AND PROCUREMENT ARTICLE;

19(3)FROM § 15–112 OF THE STATE FINANCE AND PROCUREMENT20ARTICLE; AND

(4) FROM THE PROVISIONS OF DIVISION I OF THE STATE PERSONNEL
 AND PENSIONS ARTICLE THAT GOVERN THE STATE PERSONNEL MANAGEMENT
 SYSTEM.

- 24 (B) (1) THE AUTHORITY IS SUBJECT TO:
- 25 (I) THE PUBLIC INFORMATION ACT; AND
- 26 (II) THE OPEN MEETINGS ACT.

(2) FOR PURPOSES OF THE OPEN MEETINGS ACT, A PROJECT SITE
 VISIT OR EDUCATIONAL FIELD TOUR MAY NOT BE CONSIDERED A MEETING OF THE
 AUTHORITY IF NO ORGANIZATIONAL BUSINESS IS CONDUCTED.

1 (C) THE MEMBERS OF THE AUTHORITY AND ITS EMPLOYEES ARE SUBJECT 2 TO THE PUBLIC ETHICS LAW.

3 **12–1209.**

4 (A) (1) AS SOON AS PRACTICABLE AFTER THE CLOSE OF THE FISCAL 5 YEAR, AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT SHALL AUDIT THE 6 FINANCIAL BOOKS, RECORDS, AND ACCOUNTS OF THE AUTHORITY.

7 (2) THE AUDIT SHALL INCLUDE REVENUE AND EXPENSE DETAIL FOR 8 EACH OF THE OPERATING FACILITIES OF THE AUTHORITY.

9 (3) THE AUTHORITY SHALL SELECT AN ACCOUNTANT TO CONDUCT 10 THE AUDIT WHO:

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(I) IS LICENSED TO PRACTICE ACCOUNTANCY IN THE STATE;

12(II)IS EXPERIENCED AND QUALIFIED IN THE ACCOUNTING AND13AUDITING OF PUBLIC ENTITIES; AND

14(III) DOES NOT HAVE A DIRECT OR INDIRECT PERSONAL15INTEREST IN THE FISCAL AFFAIRS OF THE AUTHORITY.

EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS 16 (4) **(I)** PARAGRAPH, ON OR BEFORE NOVEMBER 1 AFTER EACH FISCAL YEAR, THE 17ACCOUNTANT SHALL REPORT THE RESULTS OF THE AUDIT, INCLUDING THE 18 ACCOUNTANT'S UNQUALIFIED OPINION OF THE PRESENTATION OF THE FINANCIAL 19POSITION OF THE FUNDS OF THE AUTHORITY, INDIVIDUAL FINANCIAL DETAIL FOR 20EACH OF THE OPERATING FACILITIES OF THE AUTHORITY, AND THE RESULTS OF 2122THE FINANCIAL OPERATIONS OF THE AUTHORITY.

(II) IF THE ACCOUNTANT CANNOT EXPRESS AN UNQUALIFIED
 OPINION, THE ACCOUNTANT SHALL EXPLAIN IN DETAIL THE REASONS FOR THE
 QUALIFICATIONS, DISCLAIMERS, OR OPINIONS, INCLUDING RECOMMENDATIONS
 FOR CHANGES THAT COULD MAKE FUTURE UNQUALIFIED OPINIONS POSSIBLE.

27 (B) THE STATE MAY AUDIT THE BOOKS, RECORDS, AND ACCOUNTS OF THE 28 AUTHORITY.

29 **12–1210.**

1 (A) ON OR BEFORE OCTOBER 1, 2026, AND EACH OCTOBER 1 THEREAFTER, 2 THE AUTHORITY SHALL SUBMIT A REPORT TO THE GOVERNOR, THE MAYOR OF 3 BALTIMORE CITY, AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE 4 GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

5 (B) THE REPORT SHALL INCLUDE A COMPLETE OPERATING AND FINANCIAL 6 STATEMENT AND SUMMARIZE THE ACTIVITIES OF THE AUTHORITY DURING THE 7 PRECEDING FISCAL YEAR.

- 8 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial 9 members of the Baltimore Convention and Tourism Redevelopment and Operating 10 Authority shall expire as follows:
- 11 (1) five members in 2027, including one member described under § 12 12-1203(a)(6) and one member described under § 12-1203(a)(3);
- 13 (2) five members in 2028, including one member described under § 14 12–1203(a)(1) and one member described under § 12–1203(a)(4); and
- 15 (3) five members in 2029, including one member described under § 16 12–1203(a)(6) and one member described under 12–1203(a)(2).

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July1, 2025.