

T H E
B A L T I M O R E C O N V E N T I O N
C E N T E R

March 1, 2024

TO: Members of the Senate Finance Committee

FROM: Mac Campbell, Executive Director, Baltimore Convention Center



RE: Senate Bill 0896 - Baltimore Convention and Tourism Redevelopment and Operating Authority Task Force

POSITION: SUPPORT

Chair Beidle, Vice Chair Klausmeier, and Members of the Committee, the Baltimore Convention Center (BCC) supports Senate Bill 0896, because it is a vital step towards solidifying the historically strong return-on-investment for the Baltimore convention industry.

Over the last ten years, the State of Maryland has realized an average ROI of 4.3:1 in its support of BCC Operations, which annually supports 4,900 jobs and over \$30 million in state tax.

Background - State of the BCC:

- Is a “general fund” city agency that receives no supplemental tax revenue. It operates with an annual deficit that has grown significantly over the last several years in support of the greater regional impact.
- The operating deficit, by state legislation, is paid two-thirds (2/3) by the State and one-third (1/3) by the City; correlating to the proportion of tax revenue historically seen at each level of government.
- At 45 years old, the BCC is the oldest and smallest in its competitive set. Currently, 14 destinations are either renovating or building new convention centers to draw tourism dollars to their city and away from Baltimore, and many more have had renovations since Baltimore’s last renovation in 1996.
- Has over \$100 million in deferred maintenance items due to the lack of adequate funding sources.
- For Baltimore to stay “in the game,” rental discounts are heavily offered to attract business away from more modern venues whereby reducing agency revenue and increasing the state’s subsidy. This strategy is not a viable long-term solution, and other tools need to be available.

Using a commissioned governance benchmarking report that compares Baltimore to its national competitors, the taskforce will author recommendations for how the BCC can better compete in the convention marketplace through changes to its long-standing business model and provide guidance for future renovation/modernization efforts.

We respectfully request a favorable report on Senate Bill 0896 including all mayoral amendments.

CC: Nina Themelis, Director, Mayor’s Office of Government Relations

