

Chapter 645

(Senate Bill 1022)

AN ACT concerning

Baltimore City Charter – Community Benefits District – East Baltimore

FOR the purpose of authorizing the Mayor and City Council of Baltimore to establish by ordinance a Community Benefits District in the East Baltimore section to be a special tax district and provide certain services; authorizing the Mayor and City Council to establish a Community Benefits District Authority to provide certain services; requiring a certain ordinance to include certain provisions; requiring the Authority 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 Authority to hold a public hearing on a certain financial plan; providing that certain property that is exempt from certain taxes be exempt from District taxes; authorizing the Authority to request that certain owners voluntarily contribute to the costs of the Authority; providing for a Board of Directors of the Authority; providing certain powers, duties, and limitations of the Community Benefits District Authority; providing that the District, Authority, Board of Directors, and District Administrator shall benefit from certain laws limiting liability under certain circumstances; providing that the Authority 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 services; providing for the reversion of unspent funds under a certain condition; placing a certain condition on a certain ordinance taking effect; defining certain terms; and generally relating to the establishment of a Community Benefits District in East Baltimore.

BY adding to

The Charter of Baltimore City
Article II – General Powers
Section (65)
(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:

(65)

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

(2) “AUTHORITY” MEANS THE COMMUNITY BENEFITS DISTRICT AUTHORITY CREATED IN ACCORDANCE WITH THIS SECTION AND ANY ORDINANCE ENACTED UNDER THIS SECTION.

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

(4) “DISTRICT” MEANS A COMMUNITY BENEFITS DISTRICT CREATED IN ACCORDANCE WITH THIS SECTION AND ANY ORDINANCE ENACTED IN ACCORDANCE WITH THIS SECTION.

(5) “DISTRICT TAXES” MEANS THE TAXES AND OTHER CHARGES IN THE NATURE OF PROPERTY TAXES THAT ARE AUTHORIZED IN ACCORDANCE WITH THIS SECTION AND ANY ORDINANCE ENACTED UNDER THIS SECTION.

(6) “EAST BALTIMORE SECTION” MEANS THAT PORTION OF BALTIMORE CITY GENERALLY BOUNDED:

(I) ON THE WEST, BY THE WESTERNMOST PROPERTY LINE OF THE PROPERTIES FACING BROADWAY;

(II) ON THE NORTH, BY THE RIGHT-OF-WAY OF THE RAILROAD CORRIDOR USED BY AMTRAK;

(III) ON THE EAST, BY THE EASTERNMOST PROPERTY LINE OF THE PROPERTIES FACING PATTERSON PARK AVENUE; AND

(IV) ON THE SOUTH, BY THE MIDDLE OF MADISON STREET.

(7) "PROPERTY TAX" HAS THE SAME MEANING AS STATED IN § 1-101 OF THE TAX - PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(B) SUBJECT TO SUBSECTION (N) OF THIS SECTION, THE CITY MAY:

(1) ESTABLISH, BY ORDINANCE, A DISTRICT WITHIN THE EAST BALTIMORE SECTION OF THE CITY OF BALTIMORE TO BE A SPECIAL TAX DISTRICT AND TO PROVIDE SERVICES CONSISTENT WITH ITEM (2) OF THIS SUBSECTION TO THE BUSINESSES AND RESIDENTS OF THE PROPOSED DISTRICT; AND

(2) ESTABLISH, BY ORDINANCE, AN AUTHORITY TO:

(I) ADMINISTER THE PROGRAMS AND ACTIVITIES TO BE CONDUCTED BY THE AUTHORITY;

(II) PROMOTE AND MARKET THE DISTRICT;

(III) PROVIDE SUPPLEMENTAL SECURITY AND MAINTENANCE SERVICES;

(IV) PROVIDE AMENITIES IN PUBLIC AREAS;

(V) PROVIDE PARK AND RECREATIONAL PROGRAMS AND FUNCTIONS; AND

(VI) 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 ADJACENT OR ADJOINING TO THE DISTRICT.

(C) THE ORDINANCE ESTABLISHING THE DISTRICT AND THE AUTHORITY SHALL:

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

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

(I) PROPERTY OWNERS MAY PETITION TO BE INCLUDED IN THE DISTRICT; AND

(II) PROPERTY OWNERS, TENANTS, OR RESIDENTS OF BLOCKS OR PORTIONS OF BLOCKS 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 AUTHORITY;

(4) AUTHORIZE THE IMPOSITION OF DISTRICT TAXES AS THE PRIMARY MEANS OF SUPPORT FOR THE DISTRICT AND SPECIFY ANY LIMITS ON THE DISTRICT TAXES;

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

(6) PROVIDE FOR THE COLLECTION OF DISTRICT TAXES AND FOR THE PROMPT DISBURSEMENT OF THE REVENUE TO THE AUTHORITY SUBJECT TO SUBSECTION (E) OF THIS SECTION;

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

(8) SPECIFY THE METHOD FOR DETERMINING DISTRICT TAXES TO BE IMPOSED ON CLASSES AND SUBCLASSES OF PROPERTY UNDER THIS SECTION, INCLUDING THE CREATION OF CREDITS AGAINST DISTRICT TAXES TO ASSIST LOW-INCOME FAMILIES;

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

(10) DETERMINE THE ORGANIZATION AND METHOD OF INITIAL APPOINTMENT OF OFFICERS AND BOARD MEMBERS OF THE AUTHORITY, SUBJECT TO SUBSECTION (F) OF THIS SECTION.

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

(2) THE FINANCIAL PLAN, INCLUDING ITS ANNUAL BUDGET, DISTRICT TAX RATES, AND SCHEDULE OF OTHER FEES AND CHARGES, 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 AUTHORITY SHALL HOLD A PUBLIC HEARING ON THE FINANCIAL PLAN PROPOSED FOR THE DISTRICT.

(2) THE AUTHORITY 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.

(3) PROPERTY IN THE DISTRICT THAT IS EXEMPT UNDER STATE LAW FROM ORDINARY PROPERTY TAXES SHALL BE EXEMPT FROM DISTRICT TAXES.

(4) THE AUTHORITY MAY REQUEST THE OWNERS OF PROPERTY EXEMPT FROM TAXES UNDER PARAGRAPH (3) OF THIS SUBSECTION TO VOLUNTARILY CONTRIBUTE TO THE COSTS OF THE AUTHORITY.

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

(2) EACH VOTING MEMBER OF THE BOARD SHALL BE AN OWNER, OR, WHEN THE OWNER IS A CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP, TRUST, OR ANY OTHER LEGAL ENTITY, REPRESENTATIVES OF OWNERS OF PROPERTIES IN THE DISTRICT THAT ARE SUBJECT TO DISTRICT TAXES UNDER THIS SECTION.

(3) AN ORDINANCE ENACTED UNDER THIS SECTION MAY ESTABLISH TWO OR MORE CLASSES OF BOARD MEMBERS AND MAY REQUIRE CERTAIN ACTIONS TO BE MADE SUBJECT TO THE APPROVAL OF EACH CLASS OF BOARD MEMBERS.

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

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

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

(3) ENTER INTO CONTRACTS;

(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 AUTHORITY'S ANNUAL BUDGET THE DISTRICT TAXES IN ACCORDANCE WITH SUBSECTION (E) 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 TERMS OF OFFICE AND THE DUTIES OF THE OFFICERS;

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

(11) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE AUTHORITY'S POWERS AND OBLIGATIONS UNDER THIS SECTION AND THE ORDINANCE ENACTED UNDER THIS SECTION.

(H) THE DISTRICT, THE AUTHORITY, THE BOARD, AND ANY ADMINISTRATOR OF THE DISTRICT SHALL BENEFIT, TO THE FULLEST EXTENT ALLOWABLE BY LAW, FROM ALL PROVISIONS OF FEDERAL, STATE, AND LOCAL LAW LIMITING THE LIABILITY OF EMPLOYEES, OFFICERS, AGENTS, AND OFFICIALS OF GOVERNMENTAL UNITS.

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

(J) THE AUTHORITY 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 TAXES OR CHARGES IN EXCESS OF THOSE APPROVED BY THE BOARD OF ESTIMATES;

(4) EXERCISE THE POWER OF EMINENT DOMAIN;

(5) ENGAGE IN COMPETITION WITH THE PRIVATE SECTOR, EXCEPT AS OTHERWISE PROVIDED BY LAW, AND AS NECESSARY TO EXERCISE THE POWERS PROVIDED FOR UNDER THIS SECTION AND IN ANY ORDINANCE ENACTED UNDER THIS SECTION;

(6) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (M) OF THIS SECTION, REVERT CHARGES OR TAXES COLLECTED IN ACCORDANCE WITH THIS SECTION TO THE GENERAL FUND OF THE CITY;

(7) 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;

(8) EMPLOY INDIVIDUALS WHO RESIDE OUTSIDE THE CITY OF BALTIMORE; AND

(9) EXCEPT AS REQUIRED OR APPROPRIATE TO FACILITATE ITS NORMAL OPERATIONS OR TO THE EXTENT PERMITTED BY AN ORDINANCE ENACTED UNDER THIS SECTION, INCUR DEBT.

(K) 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 PROPERTY OWNERS, RETAIL

MERCHANTS, PROPERTY TENANTS, AND OTHER MEMBERS OF THE BUSINESS AND RESIDENTIAL COMMUNITIES WITHIN THE PROPOSED DISTRICT;

(2) MAKE A DETERMINATION THAT THE PROPOSED DISTRICT CREATED REFLECTS A DIVERSE MIX OF BUSINESS AND RESIDENTIAL PROPERTIES; AND

(3) MAKE A DETERMINATION THAT THE PROPOSED DISTRICT REFLECTS A DIVERSE ECONOMIC, SOCIAL, AND RACIAL MIX AMONG ITS RESIDENTS AND WITHIN THE WORKING POPULATION EMPLOYED IN THE PROPOSED DISTRICT.

(L) THE MAYOR AND CITY COUNCIL OF BALTIMORE MAY NOT PERMIT A REDUCTION IN THE SERVICES PROVIDED BY THE CITY IN THE DISTRICT DUE TO THE ESTABLISHMENT OF THE DISTRICT OR THE AUTHORITY.

(M) IN THE EVENT OF A DISSOLUTION OF THE DISTRICT OR THE AUTHORITY, ANY UNSPENT FUNDS SHALL REVERT BACK TO THE CITY'S GENERAL FUND.

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

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

(II) PROVIDE THAT UNTIL THE APPROVAL PROCESS IS CONDUCTED AND APPROVAL IS ACHIEVED UNDER THE PROCESS THE DISTRICT AND THE AUTHORITY 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 June 1, 2010.

Approved by the Governor, May 20, 2010.