

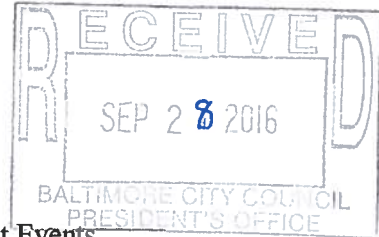
MEMORANDUM

TO: Honorable President and Members of the City Council
Attention: Natawna Austin, Executive Secretary

FROM: William H. Cole, President & CEO *WHC*

DATE: September 23, 2016

SUBJECT: City Council Bill No: 16-0728
Discontinued City Services and Equipment for Nonprofit Events



The Baltimore Development Corporation (BDC) has been asked to comment on the City Council Bill No. 16-0728, an ordinance for the purpose of requiring that the City grant a 50% discount for City services and equipment used to support a nonprofit event.

Several nonprofits across the City host events annually that drive thousands of residents and visitors into businesses and hotels, increasing the City's revenue. Prior to 2016, nonprofits received a discount on city equipment for events. With the expiration of the discount, nonprofits have had to identify ways to scale down their events in order to continue. This includes occupying smaller footprints, cutting events to one day as opposed to a weekend, and limiting the number of vendors at events. Without the discount on City services, these nonprofits struggle to hold their events, and some future events may be at risk of cancellation.

BDC has heard from the nonprofits that host events and festivals in the City and they have expressed concern about being able to continue hosting their events. Nationally recognized festivals such as Fell's Point Fun Festival are expected to draw crowds of over 700,000 people this September. Every festival and event hosted by the Main Streets use local businesses to provide food, merchandise, and entertainment. If this festival becomes smaller or is ended completely, it is likely that small businesses will be impacted as well. Therefore, it is imperative, for the continued growth of businesses and the City of Baltimore that the discounted services are restored to nonprofits.

After reviewing bill no. 16-0728, the BDC acknowledges the necessity of providing nonprofits with a discounted fee when providing city services that lead to economic growth and increased revenue to the City. However, BDC is concerned about the broad definition of nonprofits and which organizations are eligible to receive the discounted fees.

BDC has reviewed the ordinance and supports Bill No. 16-0728, but requests that City Council note the concerns listed on the attached page.

cc: Colin Tarbert
Angela Gibson

Fav w/ comments

Some of the concerns that this bill present are:

- There are over 3,200 nonprofits in the City of Baltimore. Not all of those nonprofits have missions that benefit populations in the City of Baltimore, nor contribute to the overall economic growth of the City.
- The Main Street and Retail Business District Licenses (RBDLs) programs are initiatives of the Mayor's Office and city initiatives, respectively, and as such, the programs should receive preferential treatment from all City agencies in regards to services, including special events. By extending the discount beyond these organizations, limits the effectiveness of the programs and makes the discount less of an incentive to host events.
- The festivals and events that are hosted by the Main Streets and RBDLs serve as community building and revenue generating events for the nonprofits who work as an extension of the City's economic development agency. The events bring people and potential businesses into the City that otherwise would not have the opportunity and display the City as a great place to do business. The events, therefore, are drivers for economic growth, including but not limited to, jobs, new businesses, and reduction in vacancies.