

**CITY OF BALTIMORE  
COUNCIL BILL 14-0382  
(Resolution)**

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Introduced by: Councilmembers Kraft, Stokes, Henry, Clarke, Welch, Branch

Introduced and read first time: May 12, 2014

Assigned to: Judiciary and Legislative Investigations Committee

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REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of General Services,  
Department of Public Works, Department of Finance, Department of Transportation, Board of  
Estimates

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A RESOLUTION ENTITLED

1 A RESOLUTION OF THE MAYOR AND CITY COUNCIL concerning

2 **Charter Amendment – Minor Privileges**

3 FOR the purpose of amending the provisions regulating franchises to authorize the Mayor and  
4 City Council to regulate, by local law, minor privileges and the issuance of minor privilege  
5 permits; defining certain terms; conforming, correcting, and clarifying related language  
6 governing franchises; and submitting this amendment to the qualified voters of the City for  
7 adoption or rejection.

8 By proposing to amend  
9 Article VIII - Franchises  
10 In its entirety  
11 Baltimore City Charter  
12 (1996 Edition)

13 **SECTION 1. BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the  
14 City Charter is proposed to be amended to read as follows:

15 **Baltimore City Charter**

16 **Article VIII. Franchises**

17 **§ 1. DEFINITIONS.**

18 (A) *IN GENERAL.*

19 IN THIS ARTICLE, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

EXPLANATION: Underlining indicates matter added by amendment.  
~~Strike out~~ indicates matter deleted by amendment.

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1 (B) *FRANCHISE.*

2 (1) *GENERAL.*

3 "FRANCHISE" MEANS, EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,  
4 THE GRANT OF A PRIVATE RIGHT IN OR RELATING TO THE USE OF ANY PUBLIC  
5 PROPERTY REFERRED TO IN § 2 OF THIS ARTICLE.

6 (2) *EXCLUSION.*

7 "FRANCHISE" DOES NOT INCLUDE A MINOR PRIVILEGE THAT HAS BEEN AUTHORIZED BY  
8 A CITY STATUTE OR OTHER LAW ENACTED BY THE MAYOR AND CITY COUNCIL UNDER  
9 THE AUTHORITY OF § 11 OF THIS ARTICLE.

10 (C) *MINOR PRIVILEGE.*

11 (1) *GENERAL.*

12 "MINOR PRIVILEGE" MEANS A PRIVATE RIGHT IN OR RELATING TO THE USE OF ANY  
13 PUBLIC PROPERTY REFERRED TO IN § 2 OF THIS ARTICLE THAT:

- 14 (I) IS GRANTED UNDER A CITY STATUTE OR OTHER LAW ENACTED BY THE MAYOR  
15 AND CITY COUNCIL UNDER THE AUTHORITY OF § 11 OF THIS ARTICLE; AND  
16 (II) THE EXERCISE OF WHICH DOES NOT PRODUCE A SIGNIFICANT OR SUBSTANTIAL  
17 BURDEN ON THE PROPERTY, AS DETERMINED IN ACCORDANCE WITH THE  
18 GOVERNING CITY STATUTE OR OTHER LAW.

19 (2) *ILLUSTRATIONS.*

20 "MINOR PRIVILEGE" INCLUDES, BUT IS NOT LIMITED TO, THE RIGHT TO USE PUBLIC  
21 PROPERTY FOR:

- 22 (I) STEPS;  
23 (II) COLUMNS OR PORTICOES;  
24 (III) BAY WINDOWS, BOW WINDOWS, OR SHOW WINDOWS;  
25 (IV) SIGNS;  
26 (V) PIERS;  
27 (VI) COVERED VAULTS OR COVERED AREAWAYS;  
28 (VII) DRAINS OR DRAINPIPES; OR  
29 (VIII) OTHER PROJECTIONS OR STRUCTURAL ORNAMENTS OF ANY CHARACTER.

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1 **§ 2. [§ 1. Authority to grant.] CITY’S TITLE TO CERTAIN PROPERTY INALIENABLE.**

2 The CITY’S title [of the City] in and to its STREETS, LANES, PARKS, waterfront, wharf property,  
3 land under water, public landings, wharves, and docks[, streets, lanes, and parks,] is [hereby  
4 declared to be] inalienable.

5 **§ 3. AUTHORITY TO GRANT FRANCHISE.**

6 (A) *IN GENERAL.*

7 The City may grant, for a limited time and subject to the limitations and conditions  
8 contained in [the Charter] THIS ARTICLE, specific franchises [or rights] in or relating to  
9 THE USE OF any [of the] public property [or places mentioned] REFERRED TO in [the  
10 preceding sentence] § 2 OF THIS SECTION[;], [provided that such] AS LONG AS:

11 (1) THE grant is in compliance with the requirements of [the Charter,] THIS ARTICLE;  
12 and

13 (2) [that] the terms and conditions of the grant [shall] have first been authorized and  
14 set forth in an ordinance [duly adopted] OF THE MAYOR AND CITY COUNCIL, AS  
15 PROVIDED IN § 4 OF THIS ARTICLE.

16 (B) *SPECIFICITY REQUIRED.*

17 Every [such] grant OF A FRANCHISE shall specifically set forth and define the nature,  
18 extent, and duration of the franchise [or right thereby granted], and no franchise [or right  
19 shall] MAY pass by implication under [any such] THE grant[;].

20 (C) *CITY’S RETAINED RIGHTS.*

21 [and, notwithstanding] NOTWITHSTANDING any [such] grant OF A FRANCHISE, the City:

22 (1) [shall] HAS AND RETAINS at all times [have and retain] the power and right to  
23 reasonably regulate in the public interest the exercise of the franchise [or right] so  
24 granted; and

25 (2) [the City shall] DOES not have the power by grant or ordinance to divest itself of  
26 [the] ITS right or power [so] to regulate IN THE PUBLIC INTEREST the exercise of  
27 [such] THE franchise [or right].

28 **§ 4. Procedures; compensation; minor privileges].**

29 (A) *CONTENTS OF ORDINANCE.*

30 [Whenever an] A PROPOSED ordinance [is] TO GRANT A FRANCHISE SHALL, WHEN  
31 introduced into the City Council, [pursuant to the provisions of Section 1 of this Article  
32 VIII, which ordinance shall] contain all the terms and conditions of the proposed grant,  
33 including:

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1 (1) a provision as to the rates, fares, and charges, if the grant provides for the charging  
2 of rates, fares, or charges[.]; and

3 (2) a provision that the franchise [or right] shall be executed and enjoyed within [six]  
4 6 months [after] OF the grant[.].

5 (B) *REFERRAL TO BOARD OF ESTIMATES.*

6 (1) [it shall, after the] AFTER ITS first reading, THE PROPOSED ORDINANCE SHALL be  
7 referred forthwith to the Board of Estimates.

8 (2) The [said ] Board OF ESTIMATES shall [make diligent inquiry as to ] DILIGENTLY  
9 INQUIRE INTO:

10 (I) the money value of [said] THE franchise [or right] proposed to be granted and  
11 the adequacy of the [proposed] compensation to be paid [therefor] to the City  
12 as offered in [said] THE ordinance[.]; and

13 (II) the propriety of the OTHER terms and conditions of [said] THE PROPOSED  
14 ordinance[.].

15 (3) [and said board] THE BOARD OF ESTIMATES is empowered to:

16 (I) increase the compensation to be paid [therefor] to the City; and

17 (II) [to] alter the terms and conditions of [said] THE ordinance, including the space  
18 in, ON, or over which the franchise [or right] is proposed to be granted and the  
19 person to whom the franchise [or right] shall be granted, [provided such] AS  
20 LONG AS THE alterations are not inconsistent with the [requirements and]  
21 provisions of [the Charter] THIS ARTICLE[.].

22 (4) [and it shall be] IT IS the BOARD’S duty [of said Board] to fix [in said ordinance] the  
23 [said] compensation at the largest amount it [may be] IS able to obtain, by advertising  
24 or otherwise[, for said franchise or right].

25 (C) *REQUISITES FOR APPROVAL.*

26 (1) [and no] NO grant [thereof] OF ANY FRANCHISE [by the City Council shall] MAY be  
27 made except for the compensation and on the terms AND CONDITIONS approved by  
28 vote or resolution of the [said] THE Board OF ESTIMATES, entered in the minutes or  
29 records of [said] THE Board and attached to [said] THE ordinance, with the [signature]  
30 SIGNATURES of a majority of [said] THE Board [signed thereto].

31 (2) [and in] IN the absence of [such vote or resolution] THE BOARD’S APPROVAL, [of said  
32 Board said] THE proposed ordinance may not be passed but shall lapse and be void.

33 [Provided, that the right to use the streets, or other public property, by any person for steps,  
34 porticoes, bay windows, bow windows, show windows, signs, columns, piers, or other  
35 projections or structural ornaments of any character except so far as the same may be  
36 prohibited by law, and covered vaults, covered areaways, drains, drainpipes, or any other

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1 private purpose not prohibited by law or ordinance and not being a franchise or right  
2 requiring a formal grant by ordinance, may be granted by the Board of Estimates for such an  
3 amount of money and upon such terms as the said Board may consider right and proper  
4 without the necessity of an ordinance or advertising. The applicant for any such right shall  
5 make written application therefor to the Board of Estimates, stating therein the use desired  
6 and the amount he proposes to pay therefor. Before filing the application with the Board of  
7 Estimates, the applicant shall serve copies thereof on the owners of the adjoining properties.  
8 The use applied for shall be enjoyed only on the payment of the consideration fixed by said  
9 Board and on the terms and conditions prescribed by it in writing, which terms and  
10 conditions, including the consideration charged therefor, may be changed from time to time  
11 by the Board – but with respect to “permanent” minor privileges, as defined in Section 9 of  
12 this Article VIII of the Charter, only after reasonable notice to the holder of the privilege and  
13 opportunity to him to be heard before the Board or its designated representative – and  
14 provided further, that all grants of minor privileges shall also be subject to the provisions of  
15 said Section 9 of this Article VIII. The Board of Estimates may delegate to any department  
16 or other municipal agency, and such department or other municipal agency shall exercise, any  
17 administrative powers and duties relating to minor privileges.]

18 **§ 5. [§ 3.] Duration; TERMINATION.**

19 (A) *MAXIMUM TERM AND RENEWALS.*

20 (1) No franchise [or right in relation to any street, either on, above, or below the surface  
21 of the same, or franchise or right with respect to any other public property, shall] MAY  
22 be granted [by the City] to any person for a longer period than [twenty-five] 25  
23 years[.,].

24 (2) [but such] HOWEVER, AT THE OPTION OF THE CITY, THE INITIAL grant may[, at the  
25 option of the City,] provide for giving to the grantee the right (on fair revaluation,  
26 including in [such] THAT revaluation the value derived from the [said] franchise [or  
27 right]) to renewals THAT, IN THE AGGREGATE, DO not [exceeding] EXCEED [in the  
28 aggregate twenty-five] 25 years.

29 (B) *TERMS OF RENEWAL MAY DIFFER.*

30 Regardless of the number of previous grants of a given franchise to [its holder,] A  
31 GRANTEE or the number of years [such] THAT THE [holder] GRANTEE [may have] HAS held  
32 the [same] FRANCHISE, the City may renew the [same to him] FRANCHISE on the same or  
33 different terms AND CONDITIONS from [that theretofore] THOSE PREVIOUSLY granted,  
34 including an increase or decrease of the consideration or charge [therefor,] FOR THE  
35 FRANCHISE.

36 [provided always, no grant by the City of a franchise or right in, over, or under any part of its  
37 public property, whether an original grant or a renewal thereof, shall (save for a possible  
38 provision for renewals in accordance with the first sentence of this section) create a term  
39 therefor or a right to obtain a renewal of said term extending more than twenty-five years  
40 from the date of the ordinance granting or renewing the same, as the case may be.]

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1 (C) *TERMINATION; DISPOSITION OF GRANTEE'S PROPERTY.*

2 (1) (i) Any grant of a franchise may provide that, [upon] ON the termination of the [said]  
3 franchise [or right granted by the City], the GRANTEE'S plant[, as well as the] AND  
4 OTHER property [of the grantee] situated in, above, or under the streets or other  
5 public property [aforesaid], with its appurtenances, shall [thereupon] be and  
6 become the property of the City, without further or other compensation to the  
7 grantee[;].

8 (ii) [or such] ALTERNATIVELY, THE grant may provide that, [upon such determination]  
9 ON TERMINATION, there shall be a fair valuation of the plant and OTHER property,  
10 which shall be and become the property of the City, at its election, on paying the  
11 VALUATION TO THE grantee [said valuation].

12 (2) If, by virtue of the grant, the plant and OTHER property are to become the property of  
13 the City without [money payment therefor] COMPENSATION TO THE GRANTEE, the City  
14 shall have the option TO either:

15 (i) [to] take and operate the [said] property on its own account[,]; [or]

16 (ii) [to] renew the [said] grant, ON REVALUATION, for not exceeding [twenty-five]  
17 25 years [on a revaluation]; or

18 (iii) sell the [same] PROPERTY AT PUBLIC SALE to the highest bidder [at public sale].

19 (3) If the original grant [shall prescribe] PRESCRIBES that the City shall, at its election,  
20 make payment for [such] THE plant and OTHER property[,];

21 (i) [such] THE payment shall be at a fair valuation of the [same as] property,  
22 excluding any value derived from the franchise [or right]; and

23 (ii) if the City [shall make payment] PAYS for [such plant and] THE property, it  
24 may, in that event, operate the plant and property on its own account for [five]  
25 5 years, after which it may determine TO either:

26 (A) [to] continue [such] THE operation on its own account; [or]

27 (B) [to] lease the [said] THE plant and property, [and the said] TOGETHER  
28 WITH THE franchise [or right to use the streets, or other public property  
29 in connection therewith], for limited periods, not to exceed [twenty-  
30 five] 25 years from the date of the grant, under such rules and  
31 regulations as it [may prescribe] PRESCRIBES[,]; or

32 (C) to sell the plant and property AT PUBLIC SALE to the highest bidder [at  
33 public sale].

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**§ 6. ADDITIONAL PROVISIONS REQUIRED FOR GRANT.**

(A) *COMPELLING COMPLIANCE, SECURING EFFICIENCY, AND MAINTAINING GOOD CONDITION.*

Every grant of [any such] A franchise [or right] shall make provision, by way of forfeiture or otherwise, for [the purpose of] compelling compliance with the terms of the grant, [and to secure] SECURING efficiency of public service at reasonable rates, and the maintenance of the property in good condition, throughout the full term of the grant.

(B) *DETERMINING VALUATIONS AND REVALUATIONS.*

The grant shall also specify the mode of determining the valuations and revaluations [which] THAT may be [provided for therein] REQUIRED.

**§ 7. [§ 4.] Street railways.**

The Board of Estimates, subject to ratification and approval by ordinance, is empowered to agree with any street railway company for the surrender of any of its franchises, easements, or rights-of-way, and in substitution for the franchise, easement, or right-of-way [so surrendered] to grant a new franchise, easement, or right-of-way on any street, [and] which may be for the same duration as the franchise, easement, or right-of-way surrendered; and to provide, in appropriate cases, for a graduated park tax, as prescribed by Chapter 566 of the Acts of the General Assembly of 1906.

**§ 8. [§ 5.] Trackless trolleys.**

The City may, by ordinance, permit any street railway company to operate, under its existing franchises, vehicles propelled by electricity furnished by overhead wires but not operated upon rails, and any such grant heretofore made is hereby ratified and confirmed.

**§ 9. [§ 6.] Advertising.**

Before any grant of [the franchises or right to use any street, or other public property, either on, above or below the surface of the same shall] A FRANCHISE MAY be made, the proposed specific grant, [except as provided in the second paragraph of Section 2 of this Article VIII,] embodied in the form of a brief advertisement prepared by the Board of Estimates, at the expense of the applicant, shall be published by the Comptroller for at least [three] 3 days in one daily newspaper published in Baltimore City, to be designated by the Board of Estimates[, and all the provisions of the first paragraph of Section 2 of this Article VIII shall be complied with].

**[§ 7. Reservation of rights.]**

[When the grant of a franchise or right is made in compliance with the foregoing sections, the City shall not part with, but shall expressly reserve, the right and duty at all times to exercise in the interest of the public full municipal superintendence, regulation, and control in respect to all matters connected with said grant and not inconsistent with the terms thereof.]

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1     **§ 10. [§ 8.] Renewals.**

2             [Sections 1, 2, 3, 6, and 7] §§ 1 - 6 AND 9 - 11 of this [Article VIII shall] ARTICLE apply to  
3             any renewal [or extension] of a franchise, whether to the same grantee or to others.

4     **[§ 9. Minor privileges.]**

5             [(a) *Temporary minor privilege charges.*

6                     Beginning with the year 1935, the amount of the lien of the City for charges for  
7                     temporary minor privileges, as hereinafter defined, shall be limited to the amount of the  
8                     charge therefor for the last calendar year for which made. The person to whom such  
9                     temporary minor privilege is granted shall be personally liable to the City for the amount  
10                    of such charges. If any such charge is not paid by April 1st of the year succeeding that in  
11                    respect of which the charge was made, the Department of Finance shall record the lien for  
12                    such previous year's charge in the tax lien record, where it shall continue to be a lien,  
13                    until paid, upon the property on which such minor privilege is located. The Department of  
14                    Finance may proceed to enforce the liability above provided for or to sell the property in  
15                    satisfaction of such lien under the provisions of Article 81 of the Code of Public General  
16                    Laws of Maryland.]

17            [(b) *“Temporary” and “permanent” defined; procedures.*

18                    Temporary minor privileges are those in the nature of awnings, barber poles, signs, skids,  
19                    clothes racks, sidewalk displays and vending machines and the like, which can be  
20                    removed without a material alteration of the property where the said privilege is located.  
21                    Permanent minor privileges are those in the nature of steps, porticoes, bay windows, bow  
22                    windows, show windows, columns, tiers, covered vaults, covered areaways, drains or  
23                    drainpipes, and the like which cannot be removed without a material alteration of the  
24                    property where the said privilege is located. The procedure for granting minor privileges  
25                    is set forth in Section 2 of this Article VIII.]

26            [(c) *Savings clause.*

27                    Nothing contained in this section shall affect the payment or collection of any minor  
28                    privilege charges, temporary, or permanent, accruing before the year 1935 or the payment  
29                    or collection of charges for permanent minor privileges during and after the year 1935.  
30                    As to any of such charges which are not paid when due, the Department of Finance may  
31                    institute suit against the holder of the privilege and the owner of the property at the time  
32                    the charge arose, and shall record them in the tax lien record, and they shall remain a lien  
33                    until paid and may sell the property at which the privilege is located under the provisions  
34                    of said Article 81.]

35            [(d) *Designation by Board of Estimates.*

36                    In issuing minor privileges the Board of Estimates shall designate the same as being  
37                    “temporary” or “permanent” as defined in this section.]



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1     **§ 11. MINOR PRIVILEGES.**

2             NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, THE MAYOR AND CITY COUNCIL  
3             IS EMPOWERED TO ENACT CITY STATUTES AND OTHER LAWS TO GOVERN AND REGULATE THE  
4             GRANT OF MINOR PRIVILEGES, INCLUDING THEIR DURATION, APPLICABLE CHARGES AND FEES,  
5             AND ALL OTHER TERMS AND CONDITIONS BY WHICH MINOR PRIVILEGES ARE AUTHORIZED,  
6             PROCESSED, AND GRANTED.

7             **SECTION 2. AND BE IT FURTHER RESOLVED,** That this proposed amendment to the City  
8             Charter be submitted to the legal and qualified voters of Baltimore City, for adoption or rejection,  
9             in accordance with Article XI-A, § 5 of the Maryland Constitution, in the form specified by the  
10            City Solicitor.

11            **SECTION 3. AND BE IT FURTHER RESOLVED,** That if this amendment is approved by the  
12            voters, the amendment takes effect on the later of: (i) the date on which this amendment is  
13            approved., and (ii) the date on which an Ordinance enacted to implement the authority granted by  
14            City Charter Article VIII, § 11, as added by this Resolution, becomes effective.