

FROM	NAME & TITLE	Robert Cename, Budget Director <i>R. Cename</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (410) 396-4774		
	SUBJECT	City Council Bill 21-0118 – Area of Special Sign Control – Designation – North Harbor		

DATE:

TO

The Honorable President and
Members of the City Council
City Hall, Room 400

September 24, 2021

Position: Does not Oppose

The Department of Finance is herein reporting on City Council Bill 21-0118 – Area of Special Sign Control – Designation – North Harbor, the purpose of which is to approve the application of Downtown Partnership of Baltimore to designate an Area of Special Sign Control known as the North Harbor District; and providing for a special effective date.

Background

The Downtown Partnership of Baltimore is asking to designate an Area of Special Sign Control (ASSC), which is intended to allow commercial and City-Owned properties in specific locations the ability to depart from the standard signage requirements described in the Zoning Code to better respond to their unique character in an area to be known as the North Harbor (NoHa) District, an area roughly bounded by South President Street, West Baltimore Street, Conway Street/Inner Harbor and Howard Street. The intent of this designation is to allow general advertising on signs in the ASSC which would include large scale digital signs on specific properties.

Once the designation of the area is complete the Signage Plan, which includes the specific locations, size, and type of signs would need to be approved by the Planning Commission. The Signage Plan may be revised in future years and will require approval of each subsequent revision. At the approval of the Signage Plan, properties may work with media companies to negotiate contracts and move forward with signage construction. Any City-owned properties will have to move through a formal Request for Proposal (RFP) process to procure a media company partnership.

The City is actively pursuing a city-wide Municipal advertising plan and a pilot program is currently moving through the RFP process for City-owned parking garages. This pilot program seeks to establish a media company partner for this subset of City-owned properties and launch the municipal advertising program, before expanding to additional City-owned property at a later stage.

Fiscal Impact

There is a tax on billboard advertising, which would be applied to signage within the boundaries of the ASSC. The annual amount of the tax imposed would be applied at a rate of \$15 per square foot of advertising imagery for an electronic outdoor advertising display that changes images more than once a day and \$5 per square foot of advertising imagery for any other outdoor advertising display.

The Signage Plan as proposed includes 15 digital signs in the area that will be designated an Area of Special Sign Control, all on privately owned properties. The estimated square footage of the 15 digital signs that

are proposed is 20,227, which equates to an estimated \$303,405 in annual revenue when all signs are operational.

Signage on City-owned properties would bring additional annual revenue, with the amount dependent on contracts these properties establish with media companies through the formal RFP process. Estimates provided by consultants to Downtown Partnership estimate that average annual revenue for two City-owned properties in the designation area, Hilton Inner Harbor and Hyatt Hotel Garage, would be approximately \$400,000. The Convention Center, also located in the ASSC designation area, has already been working towards digital signage on their façade supported by a loan from the City's Innovation Fund. It is not anticipated that the proposed legislation will intervene with the city-wide Municipal Advertising program or limit opportunities for increasing General Fund revenue.

Conclusion

The designation of the NoHa area as an Area of Special Sign Control and subsequent approval of the Signage Plan by the Planning Commission will lead to additional revenue for the City of Baltimore on an annual basis. The Department of Finance does not oppose the designation of an Area of Special Sign Control but defers to the Department of Planning on implementation.

For the reasons stated above, the Department of Finance does not oppose City Council Bill 21-0118.

cc: Henry Raymond
Matthew Stegman
Nina Themelis