



Legislation Details (With Text)

File #: 18-0293 **Version:** 0 **Name:** Baltimore Tourism Improvement District - Establishment

Type: Ordinance **Status:** Enacted

File created: 10/15/2018 **In control:** City Council

On agenda: **Final action:** 5/6/2019

Enactment date: **Enactment #:** 19-250

Title: Baltimore Tourism Improvement District - Establishment
 For the purpose of establishing the Baltimore Tourism Improvement District; specifying the boundaries of the District; designating an Association and providing for its rights, duties, and powers; designating the District Management Committee and providing for its rights, duties, and powers; mandating the financial responsibilities of the Association and the City in conjunction with the operation of the District; providing for the assessment, collection, and enforcement of a supplemental assessment to be collected by the City for the Association; specifying the City's role in maintaining existing tourism funding to the Association; designating the Board of Estimates as the agency charged with reviewing and approving various matters relating to the District, the Association, and the District Management Committee; providing for the renewal, expiration, termination, and approval of the District and the Association; providing for an effective date; providing for a special effective date; and generally relating to the existence, operation, and control of the Baltimore Tourism Improvement District.

Sponsors: City Council President (Administration)

Indexes: Baltimore City, Establishment, Improvement District, Tourism

Code sections:

Attachments: 1. 18-0293~1st Reader, 2. Visit Baltimore 18-0293, 3. HCD 18-0293, 4. BDC 18-0293, 5. Planning 18-0293, 6. Finance 18-0293, 7. Law 18-0293, 8. 2nd Reader Floor Amendments 18-0293, 9. 2nd Reader Committee Amendments 18-0293, 10. 3rd Reader Amendments 18-0293, 11. 18-0293~Enrolled 3rd Reader, 12. Completed Bill File 18-0293

Date	Ver.	Action By	Action	Result
5/13/2019	0	Mayor	Signed by Mayor	
4/22/2019	0	City Council	Approved and Sent to the Mayor	
4/15/2019	0	City Council	3rd Reader, Enrolled for Final Passage	
4/15/2019	0	City Council	3rd Reader, for final passage	
3/28/2019	0	Taxation, Finance and Economic Development Committee	Recommended Favorably with Amendment	Pass
3/25/2019	0	Taxation, Finance and Economic Development Committee	Worksession	
12/3/2018	0	City Council	Re-referred to Committee	
11/19/2018	0	City Council	3rd Reader, for final passage	
11/19/2018	0	Taxation, Finance and Economic Development Committee	Recommended Favorably with Amendment	
11/8/2018	0	Taxation, Finance and Economic Development Committee	Recommended Favorably with Amendment	Pass
10/29/2018	0	Taxation, Finance and Economic Development Committee	Scheduled for a Public Hearing	
10/18/2018	0	The City Council	Refer to Dept. of Finance	

10/18/2018	0	The City Council	Refer to Baltimore Development Corporation
10/18/2018	0	The City Council	Refer to Dept. of Housing and Community Development
10/18/2018	0	The City Council	Refer to Visit Baltimore
10/18/2018	0	The City Council	Refer to City Solicitor
10/18/2018	0	The City Council	Refer to Dept. of Planning
10/15/2018	0	City Council	Assigned
10/15/2018	0	City Council	Introduced
10/15/2018	0	Taxation, Finance and Economic Development Committee	Scheduled for a Public Hearing

Explanation: Capitals indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

* **Warning:** This is an unofficial, introductory copy of the bill.
The official copy considered by the City Council is the first reader copy.

Introductory*

City of Baltimore Council Bill

Introduced by: The Council President
At the Request of: The Administration (Visit Baltimore)
A Bill Entitled

An Ordinance concerning **Baltimore Tourism Improvement District - Establishment**

For the purpose of establishing the Baltimore Tourism Improvement District; specifying the boundaries of the District; designating an Association and providing for its rights, duties, and powers; designating the District Management Committee and providing for its rights, duties, and powers; mandating the financial responsibilities of the Association and the City in conjunction with the operation of the District; providing for the assessment, collection, and enforcement of a supplemental assessment to be collected by the City for the Association; specifying the City's role in maintaining existing tourism funding to the Association; designating the Board of Estimates as the agency charged with reviewing and approving various matters relating to the District, the Association, and the District Management Committee; providing for the renewal, expiration, termination, and approval of the District and the Association; providing for an effective date; providing for a special effective date; and generally relating to the existence, operation, and control of the Baltimore Tourism Improvement District.

By authority of
Article II - General Powers
Section 70
Baltimore City Charter
(1996 Edition)

By adding
Article 14 - Special Benefits Districts
Sections 20-1 to 20-17, to be under the new subtitle designation,
"Subtitle 20. Baltimore Tourism Improvement District"
Baltimore City Code

(Edition 2000)

Article 14 - Subtitle 20 to the Baltimore City Revised Code

Section 1. Be it ordained by the Mayor and City Council of Baltimore, That pursuant to the authority granted by the enactment of Chapter 641 of the Laws of Maryland (2018), the Laws of Baltimore City read as follows:

Baltimore City Revised Code

Article 14. Special Benefits Districts

Subtitle 20. Baltimore Tourism Improvement District

§ 20-1. Definitions.

(a) *In general.*

In this subtitle, the following terms have the meanings indicated.

(b) *Association.*

“Association” means an existing private nonprofit destination marketing organization that promotes tourism to Baltimore City and the convention center in order to increase the number of visitors to the City that is designated as the Tourism Improvement District Association in accordance with this subtitle.

(c) *Board.*

“Board” means the Board of Directors of the Association.

(d) *Assessed Business.*

“Assessed Business” means any “hotel” as defined in City Code Article 28, § 21-1(c).

(e) *District.*

“District” means the Baltimore Tourism Improvement District.

(f) *District Management Committee.*

“District Management Committee” means a committee of the Board with delegated authority regarding the management of the District on behalf of the Association, including the power to direct the expenditure of District funds. A majority of the members of the District Management Committee shall be District Assessed Business owners, or, when the District Assessed Business owner is a corporation, limited liability company, partnership, trust, or any other legal entity, representatives of the District Assessed Business owners of an Assessed Business in the District that is subject to the District Special Assessments under this subtitle.

(g) *District Special Assessment.*

“District Special Assessment” means a special assessment levied on Assessed Businesses.

(h) *Enabling Legislation.*

“Enabling Legislation” means Article II, § 70 of the Charter of Baltimore City, as enacted into law by Chapter 641 of the Laws of Maryland (2018), as the same may be amended from time to time.

(i) *Financial Plan.*

“Financial Plan” means the financial plan, including the budget and District Special Assessment to be levied on Assessed Businesses, as adopted and approved on an annual basis as set forth in this subtitle.

(j) *Non-Assessed Business.*

“Non-Assessed Business” means any business in the District that is not an Assessed Business.

§ 20-2. Findings.

(a) *In general.*

The following findings are critical to the exercise of the authority set forth in the Enabling Legislation.

(b) *Importance of tourism in Baltimore.*

- (1) Tourism is a major contributor to Baltimore’s economy, with visitor spending generating approximately upwards of \$10 billion annually in total industry sales . This - activity generates generating \$290 million in taxes and fees to the City of Baltimore annually, revenue that supportssupporting valuable City services, while also saving each Baltimore household \$680 in annual personal tax contributions.
- (2) Tourism is a major employer in Baltimore, creating and/or sustaining more than 85,000 jobs for City residents and as well as residents from across the region each year.

- (3) In addition to generating jobs and tax revenues, a thriving tourism industry benefits Baltimore by sustaining air travel, creating familiarity, attracting decision makers as well as future residents and workers, and improving the quality of life for all residents.

(c) *Opportunities for tourism in Baltimore.*

- (1) Funding for Baltimore convention sales and tourism promotion is allocated by law to Visit Baltimore, Inc., a private and independent not-for-profit, non-stock corporation, in the form of a percentage share of the City hotel occupancy tax collection. This organization has been historically under-resourced in an increasingly competitive tourism market. For example, market research quantifies a lack of overall awareness about and interest in Baltimore as a preferred tourism destination. These - challenges that can be addressed through increased sales and marketing activities.
- (2) Visit Baltimore is poised to deliver the enhanced marketing and sales infrastructure required to generate impact pending sufficient resources - and the hotel community has identified an opportunity for a self-funding and industry-managed mechanism, involving no new taxes for local residents, to support these programs.
- (3) The ultimate goal of these programs will be to drive increased overnight visitation, in turn, supporting the bottom line of not only the city's hotel community, but also, benefitting all visitor-facing businesses as well as City residents through additional economic and quality of life benefits for the City of Baltimore.

(d) *Concept of Tourism Improvement District.*

- (1) A Tourism Improvement District is a proven mechanism by which assessed business owners within a defined area can agree to impose a special assessment on themselves in order to provide enhanced and supplemental services designed to increase tourism within the district and benefit the assessed businesses paying the special assessment.
- (2) Tourism Improvement Districts have been created in over 160 destinations in 14 states across the country, and the reports received suggest that they are almost uniformly highly successful in achieving their objectives.
- (3) Critical to any Tourism Improvement District is the creation of a partnership between the public and private sector, with the public sector committing to maintain funding for tourism promotion services at specified levels and the private sector agreeing to accept new special assessments for the purpose of supplementing publicly funded tourism promotion services.
- (4) A Tourism Improvement District in this City cannot be successful without the full cooperation of the City and the Assessed Businesses within the District.

(e) *Considerations.*

- (1) The Council has considered the materials compiled by Visit Baltimore regarding the creation of the Baltimore Tourism Improvement District and the pattern of success for such districts elsewhere.
- (2) The Council finds that establishing the Baltimore Tourism Improvement District is an important and vital element of the long-term health and growth of City's tourism industry and the City.
- (3) The Council finds that a special assessment system for the Baltimore Tourism Improvement District should be uncomplicated, direct, and fair. The system provided for in this subtitle satisfies such criteria.
- (4) The Council finds that the Baltimore Tourism Improvement District should encourage the involvement of minorities in the operation of the District and in the business community itself.

§ 20-3. District created; boundaries.

(a) *In General.*

There is a Tourism Improvement District, to be known as the "Baltimore Tourism Improvement District," (the "District").

(b) *Boundaries.*

The with boundaries of the District that are the same as the corporate boundaries of the City of Baltimore.

§ 20-4. Association Designated.

(a) *Association Designated.*

Visit Baltimore, Inc. is hereby designated as the District's Association.

(b) *Governing Body.*

The governing body of the Association is shall be its Board of Directors.

(c) *Purpose.*

The purpose of the Association regarding the District is to:

- (1) administer the District programs and activities;
- (2) promote and market the District; and
- (3) provide other marketing, promotion, and destination development services, provided that the services and function shall be provided within the District, or, within areas adjoining or adjacent to the District.

§ 20-5. Powers and Functions of Association.

(a) Governing body.

The governing body of the Association is its Board. (a) *Generally.*

The Association may exercise only those powers regarding the District that are provided for in this subtitle.

(b) *Authorized actions.*

The Association shall have the power to:

- (1) conduct District programs and activities, promote and market the District, and provide other marketing, promotion, and destination development services;
- (2) acquire, hold, and use property necessary to achieve the District's purposes;
- (3) enter into contracts for the provision of District services;
- (4) sue and be sued;
- (5) borrow and accept grants;
- (6) employ and discharge personnel;
- (7) propose, in the District's Financial Plan, the District Special Assessments in accordance with § 20-8 of this subtitle;
- (8) adopt, amend, and modify bylaws of the District Management Committee, subject to the approval of the Board of Estimates;
- (9) establish and elect officers, and provide for the terms of office and duties of the officers;
- (10) contract for and purchase goods and services in accordance with City ordinances and policy requiring achievement of goals regarding minority and women's business enterprises; and

(11) do all things necessary or convenient to carry out the purposes of the District under this subtitle.

(c) *Interpretation of powers.*

The powers of the Association shall be broadly interpreted in order to allow the Association to achieve the goals of the Enabling Legislation.

§ 20-6. Limitations on Association.

(a) *Not an Agency of City or State.*

- (1) The Association is not and may not be deemed an agency of the Mayor and City Council of Baltimore or of the State of Maryland.
- (2) The officers and employees of the Association are not and may not act as agents or employees of the Mayor and City Council of Baltimore or of the State of Maryland.

(b) *Unauthorized Actions.*

- (1) The Association may not exercise any police or general powers other than those authorized by State law or City ordinance.
- (2) The Association may not pledge the full faith or credit of the City.
- (3) The Association may not impose any District Special Assessments in excess of those approved by the Board of Estimates.
- (4) The Association may not exercise the power of eminent domain.
- (5) Except as otherwise provided in § 20-17 of this subtitle, The Association may not revert charges or District Special Assessments collected to the General Fund of the City.

§ 20-7. District Management Committee.

(a) *In general.*

- (1) The District Management Committee shall be a committee of the Association's Board.
- (2) Notwithstanding any other provision of this subtitle, any and all powers and authority of the Association or its Board regarding the management of the District including, without limitation, the power to direct the expenditure of District funds, shall be delegated to, and shall be exercised by, the District Management Committee.

(b) *Composition.*

- (1) The voting members of the District Management Committee shall be District Assessed Business owners, or, when the District Assessed Business owner is a corporation, limited liability company, partnership, trust, or any other legal entity, representatives of the District Assessed Business owners of an Assessed Business in the District that is subject to the District Special Assessments under this subtitle.
- (2) The District Management Committee shall include owners or representatives of District Assessed Businesses with 1-75 rooms, Assessed Businesses with 76-200 rooms, and Assessed Businesses with 201 rooms and more.
- (3) The District Management Committee shall include owners or representatives of District Assessed Businesses from diverse geographic areas throughout the District.

(c) *Terms.*

The terms of the members of the District Management Committee may be staggered from time to time in order to promote both rotation of new members and continuity of governance.

(d) *Duties.*

- (1) The District Management Committee shall have the power to direct the expenditure of District funds.
- (2) The District Management Committee may delegate to the president and chief executive officer of the Association the authority to discharge District Management Committee duties deemed appropriate and necessary by the District Management Committee in accordance with § 20-8 of this Subtitle.

(ed) *Bylaws.*

Subject to the approval of the Board of Estimates, The District Management Committee may adopt bylaws as it considers necessary to carry out the powers of the District Management Committee.

(fe) *Chair of the District Management Committee.*

- (1) The District Management Committee shall select from among its members an individual to serve as the chair of the District Management Committee.
- (2) The chair shall serve at the pleasure of the District Management Committee.
- (3) The District Management Committee may delegate to the chair those powers and responsibilities that the District Management Committee considers appropriate.

(gf) *Quorum; Voting Manner of acting.*

Except as may otherwise be provided in the District Management Committee's bylaws:

- (1) at any meeting of the District Management Committee, a majority of the committee members shall constitute a quorum; and
- (2) the affirmative vote of a majority of committee members voting at a meeting for which a quorum is present is required to approve any action by the District Management Committee.

At any meeting of the District Management Committee, a majority of the committee members shall constitute a quorum. Except as may be set forth in the District Management Committee's bylaws, the action of a majority of the voting members present at a meeting at which a quorum is present shall be sufficient to approve an action of the District Management Committee.

§ 20-8. Annual Financial Plan.

- (a) *District Management Committee to adopt.*

The District Management Committee shall adopt an annual financial plan, based on the City's fiscal year, consisting of at least a budget and a proposed District Special Assessment to be levied on Assessed Businesses.

- (b) *Public Hearing.*

Before adopting the Financial Plan and making recommendations to the City, the District Management Committee shall arrange for a public hearing on the proposed Financial Plan. Notice of the hearing must be published in a newspaper of general circulation in Baltimore City at least once a week for 3 (3) consecutive weeks.

- (c) *Board of Estimates approval required.*

The District Management Committee may not approve a Financial Plan that includes District Special Assessment in excess of those approved by the Board of Estimates.

§ 20-9. Tourism Improvement District Special Assessment.

- (a) *Board of Estimates to determine assessable base.*

(1) The Board of Estimates shall obtain from the Director of Finance the "assessable base" of the District, which shall include a listing by individual Assessed Business and a calculation of the sum of assessments on Assessed Businesses subject to the District Special Assessment.

- (2) The District Special Assessment shall be levied on all Assessed Businesses at a uniform rate.
- (3) The Board of Estimates shall ensure that the District Special Assessment proposed in the Financial Plan is sufficient to pay for the annual expenses of the District.
- (4) The Board of Estimates shall determine with finality the assessable base on which the District Special Assessment will be levied.

(b) *Assessment; collection; enforcement.*

- (1) Funding for Association operations shall be provided by the District Special Assessment levied on Assessed Businesses as determined under subsection (a) of this section.
- (2) The District Special Assessment shall be assessed and collected in conjunction with the City hotel tax assessed and collected by the City, unless otherwise established by the Board of Estimates.
- (3) Except as otherwise provided in this subtitle:
 - (i) The District Special Assessment shall be enforced in the same way as the City hotel tax is enforced; and
 - (ii) All provisions that apply to assessments, refunds, collections and enforcement of the City hotel tax shall apply to the District Special Assessment.

(c) *Determination of District Special Assessment.*

The District Special Assessment shall be determined as follows:

- (1) The rate of any District Special Assessment must be approved by a two-thirds vote of the District Management Committee's members voting at a meeting at which a quorum is present.
- (2) For the first full budget year, the rate of the District Special Assessment shall be set to raise revenues estimated to equal the costs of establishing the District and implementing the initial Financial Plan.
- (3) Subject to paragraph (1) of this subsection, for any year after the first full budget year, the rate of the District Special Assessment may be adjusted to yield revenues estimated to equal the costs of administering the District as set forth in the Financial Plan.

(d) *Exemptions from District Special Assessment.*

All exemptions that exist for the City hotel tax shall apply to the District Special Assessment.

(e) *Assessed Businesses authorized to pass District Special Assessment on to customers.*

- (1) The District Special Assessment is levied upon and is a direct, sole obligation of the Assessed Business.

- (2) The However, the Assessed Business may, in its discretion, pass the District Special Assessment on to its customers, provided that:
 - (i) T the amount of the District Special Assessment, if passed on to each customer, is shall be disclosed in advance to the customer and separately stated from the amount of consideration charged and any other applicable taxes, and each customer shall receive a receipt for payment from the Assessed Business; and.
 - (ii) each customer receives a receipt for payment from the Assessed Business disclosing The District Special Assessment payment as shall be disclosed as the “Baltimore Tourism Assessment.” The District Special Assessment is imposed solely upon and is the sole obligation of the Assessed Business even if it is passed on to customers.

§ 20-10. Baseline City funding.

(a) *Agreement to maintain.*

To the extent of its authority, the City shall maintain the requisite level of funding of the Association as set forth in the Baltimore City Charter Article II, § 40(e) and City Code Article 28, § 21-2.

(b) *District funding and services.*

- (1) To the extent of their authority, the Mayor and City Council of Baltimore may not permit a reduction in the existing funding provided by the City in the District due to the establishment of the District or the designation of the Association.
- (2) To the extent of their authority, 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 designation of the Association.

(c) *Governing principles.*

The maintenance of existing funding shall be governed by 2 principles:

- (1) Baseline funding may not be decreased except:
 - (i) as part of an overall decrease in funding necessitated by decreases of City hotel tax revenue and collections; and
 - (ii) only in proportion to the decreases of the City hotel tax revenue and collections.
- (2) Any increase in the City hotel tax revenue and collections shall be matched with increases in funding to

the Association, in proportion to the increases of the City hotel tax revenue and collections.

§ 20-11. Partnerships.

(a) *Association encouraged to create.*

The Association is authorized and encouraged to enter into partnerships with both Non-Assessed Businesses and with lodging and other businesses in adjoining areas outside of the corporate boundaries of the City of Baltimore (“Exempt Partners”) for the purpose of furthering the broad objectives of increasing tourism in the District and adjoining areas.

(b) *Specific powers.*

In furtherance of that objective, the Association may:

- (1) cContract to provide varying levels of services to Non-Assessed Businesses in areas adjoining the District;
- (2) aAgree to accept donations, contributions, and other voluntary payments of any kind from Exempt Partners (collectively, “Voluntary Payments”), with or without agreements regarding specific services and functions;
- (3) enter into agreements with Exempt Partners to include Non-Assessed Businesses owned by those Exempt Partners within or adjoining to the District in return for Voluntary Payments or commitments regarding the provision of similar services and functions for the benefit of Non-Assessed Businesses owned by Exempt Partners; and
- (4) establish rates and charges for the provision of services to Exempt Partners.

(c) *District Management Committee Approval.*

The Association may not enter into any partnerships or agreements pursuant to this section that require the expenditure of District Funds without the prior approval of the District Management Committee.

§ 20-12. Collection and Disbursement.

(a) *In general.*

The Association shall establish with the appropriate City agencies the methods by which the District Special Assessment is to be published, collected, and disbursed to the Association.

(b) *Funds not part of City revenue.*

Except as provided in subsection (c) of this section, aAmounts collected by the City on behalf of the

Association:

- (1) may not be included in the revenues of the City;
- (2) are not and may not be deemed to be subject to the budgetary and appropriation process; and
- (3) shall be disbursed promptly on collection.

(c) *City's cost of collecting the District Special Assessment.*

The City may retain 1.5% of the amount of District Special Assessment collected to cover its costs related to collection, assessment, disbursement, record-keeping, and enforcement of the District Special Assessment.

(d) *Department of Finance authorized to collect.*

- (1) The Department of Finance may collect the District Special Assessment.
- (2) The assessment for the District Special Assessment may be included as a separate line item on the City hotel tax collection form.
- (3) The Department of Finance shall make regular remittances of the amount collected to the Association within 60 days of receipt. A record of all remittances provided to the Association shall be provided to the District Management Committee.

(e) *Penalties and interest.*

The penalties and interest applicable to delinquent City hotel taxes shall be applied to delinquencies in payment of the District Special Assessment.

§ 20-13. Administration of the District.

(a) *In general.*

The president and chief executive officer of the Association is responsible for the day-to-day operations of the Association and its employees and contractors.

(b) Powers.

The president and chief executive officer may:

- (1) prepare the Financial Plan for review and approval by the District Management Committee;
- (2) implement the approved Financial Plan and arrange for the collection and disbursement of the District Special Assessment and all revenues of the Association;
- (3) establish procedures and processes necessary to perform the functions called for under the Financial Plan and the budget;
- (4) hire and retain employees, agents, and contractors as needed to perform the president and chief executive officer's functions for the Association;
- (5) exercise the powers granted to the Association by this subtitle, except that the District Management Committee retains final discretion and power with regard to all substantive agreements, contracts, and other arrangements binding on the Association related to District funds; and
- (6) exercise the additional rights, powers, and authority delegated to the president and chief executive officer by the District Management Committee.

§ 20-14. Oversight by Board of Estimates.

(a) *In general.*

The Board of Estimates has the following powers with regard to the District and the Association.

(b) *Financial Plan; District Special Assessment rates.*

- (1) The Financial Plan and the District Special Assessment rate are subject to the approval by the Board of Estimates.
- (2) The District Management Committee shall submit all materials at least 2 months before the proposed effective date of a budget or District Special Assessment.
- (3) In considering a proposed budget and District Special Assessment rate, the Board of Estimates may not exceed or increase either the budget or the District Special Assessment rate beyond those proposed by the District Management Committee.

(c) *Bylaws.*

To the extent required by the Enabling Legislation, the Board of Estimates shall approve the bylaws and any proposed amendments of the District Management Committee.

(d) *Approval and renewal process.*

The Board of Estimates is the final arbiter and decision maker regarding the approval and renewal process for the District.

§ 20-15. Petition process.

(a) *Petition.*

- (1) The District shall be approved and established following a petition process, as set forth in this section.
- (2) Each petition shall include:
 - (i) a signature page for Assessed Business owners or duly authorized representatives to submit their written approval for the formation of the District; and
 - (ii) a map showing the boundaries of the District; and
 - (iii) a brief summary of the details of the proposed District.

(b) *Approval.*

- (1) Petitions, with a signature of Assessed Business owners or their duly authorized representatives, shall be returned to the Board of Estimates.
 - (2) The Board of Estimates shall certify that the District is approved for formation and the Association is approved as the District's Association, if it determines that:
 - (i) 50% of all Assessed Businesses have submitted petitions in favor of the formation of the District; and
 - (ii) 50% of the total room count of all Assessed Businesses within the District have submitted petitions in favor of the formation of the District.

If the Board of Estimates determines that at least both (A) fifty percent (50%) of all Assessed Businesses and fifty percent (50%) of the total room count of all Assessed Businesses within the District have each submitted petitions in favor of the formation of the District, the Board of Estimates shall certify that the District is approved for formation and the Association is approved as the District's Association.

§ 20-16. Renewal.

(a) *Generally Renewal process.*

No later than 10 (10) years after the establishment of the District, and every 10 (10) years following, the District shall be renewed.

(b) *Renewal Process*

The renewal process shall follow the petition process set forth in § 20-15 of this subtitle.

§ 20-17. Dissolution of District.

(a) *In General Dissolution on certain events.*

(1) If the District is not approved as provided in § 20-15 of this subtitle, or is not renewed as provided in § 20-16 of this subtitle, the Association shall cease its operations related to the District, and the District shall cease to exist, at the end of the City's fiscal year in which the terminating event occurs.

(3)

(b) *Dissolution by petition.*

(1) During the operation of the District, there shall be a 30-day period each year in which Assessed Business owners may petition to dissolve the District.

(2) The first such 30-day request period shall begin on the second anniversary of the date of establishment of the District. Each successive anniversary of such date shall start the same 30-(30) day period in which dissolution may occur.

(3) In order to dissolve the District, the Assessed Business owners The District shall dissolved follow following a petition process matching the requirements set forth in § 20-15(a)(2) of this subtitle. Petitions, with signatures of Assessed Business owners or their duly authorized representatives, shall be returned to the Board of Estimates.

(4) the Board of Estimates shall certify that the District is approved for dissolution, if the Board of Estimates determines that at least both:

(iA) two-thirds of all Assessed Businesses within the District have submitted petitions in favor of the dissolution of the District; and

(iiB) two-thirds of the total room count of all Assessed Business within the District have each submitted petitions in favor of the dissolution of the District, the Board of Estimates shall certify that the District is approved for dissolution within the District have submitted petitions in favor of the dissolution of the District.

(5) Upon certification that the District is approved for dissolution, the Association shall cease its operations related to the District, and the District shall cease to exist, at the end of the City's fiscal year in which the certification occurs.

(cb) *Consideration of Dissolution by the City Council.*

(1) If the City Council finds that there has been a misappropriation of funds, malfeasance, or violation of law in connection with the management of the District, the City Council shall hold one or more public hearings to consider the dissolution of the District.

(2) At the conclusion of the public hearings, the City Council may determine whether legislative action is necessary to dissolve the District.

(d) *Limited continuation.*

In the event of District dissolution described in paragraphs (a) or (b) of this section, the District Management Committee shall continue its existence only as long as necessary to:

- (1) terminate operations related to the District in a reasonable fashion; and
- (2) arrange for the refunding of all funds not needed to satisfy outstanding obligations and reserves for uncertain obligations and liabilities.

(ec) *Unspent funds.*

Any unspent funds shall be refunded to the Assessed Business owners by applying the same method and basis that was used to calculate the District Special Assessments that were levied.

Section 2. And be it further ordained, That all provisions of this Ordinance are severable. If a court determines that a word, phrase, clause, sentence, paragraph, subsection, section, or other provision is invalid or that the application of any part of the provision of any person or circumstance is invalid, the remaining provisions and the application of those provisions to other persons or circumstances are not affected by that decision.

Section 3. And be it further ordained, That the catch lines contained in this Ordinance are not law and may not be considered to have been enacted as a part of this or any prior Ordinance.

Section 4. And be it further ordained, That this Ordinance takes effect on the date it is enacted.