

Chapter 221

(House Bill 1425)

AN ACT concerning

Maryland Stadium Authority – Development of Supplemental Facilities to Benefit Camden Yards

FOR the purpose of authorizing the Maryland Stadium Authority to prepare certain studies that relate to the development of certain supplemental facilities within Baltimore City to benefit the sports facilities at Camden Yards; authorizing the Authority to undertake certain activities that relate to the studies, solely or in cooperation with certain other entities, and using certain money; authorizing the Authority, subject to the approval of the Board of Public Works and review by the Legislative Policy Committee, to develop certain supplemental facilities and supplemental facility sites to directly or indirectly benefit the sports facilities at Camden Yards and specifying certain powers included in the authorization; authorizing the Authority to acquire certain property or a certain interest in property in a certain manner and subject to annual appropriations and certain provisions of law; requiring the Authority to notify the governing body of Baltimore City of the Authority's intent to acquire certain property and to provide a certain comment period; establishing that certain contracts require the prior approval of the Board of Public Works; authorizing the Authority to issue certain bonds to finance site acquisition for and construction of any portion of a certain supplemental facility, subject to certain limitations; requiring the Authority to provide a certain financing plan to certain committees of the General Assembly at least a certain amount of time before seeking approval of the Board of Public Works for a certain bond issue or other borrowing; specifying that a certain bond issued to finance a supplemental facility is a limited obligation of the Authority payable solely from certain pledged money and is not a debt, liability, moral obligation, or pledge of the faith and credit or the taxing power of the State, the Authority, or any other governmental unit; establishing the Supplemental Facilities Fund as a continuing, nonlapsing fund; specifying the purpose and contents of the Fund; specifying the purpose for which the Fund may be used; exempting the Fund from a certain provision of law requiring interest earnings on State money in special funds to accrue to the General Fund of the State; limiting the amount of debt that may be issued by the Authority to finance certain supplemental facilities; including nontax supported debt in a certain debt limit; defining certain terms; and generally relating to the Maryland Stadium Authority and the development of supplemental facilities to benefit Camden Yards.

BY repealing and reenacting, without amendments,
Article – Economic Development
Section 10–601(a), (b), (d), (m), (n), and (ee) and 10–628(a)
Annotated Code of Maryland
(2018 Replacement Volume)

BY adding to

Article – Economic Development
Section 10–601(ff), (gg), and (hh), 10–622.1 through 10–622.5, and 10–657.1
Annotated Code of Maryland
(2018 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Economic Development
Section 10–601(ff), 10–620(e), and 10–628(c)
Annotated Code of Maryland
(2018 Replacement Volume)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement
Section 6–226(a)(2)(i)
Annotated Code of Maryland
(2015 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement
Section 6–226(a)(2)(ii)112. and 113.
Annotated Code of Maryland
(2015 Replacement Volume and 2018 Supplement)

BY adding to

Article – State Finance and Procurement
Section 6–226(a)(2)(ii)114.
Annotated Code of Maryland
(2015 Replacement Volume and 2018 Supplement)

Preamble

WHEREAS, Camden Yards, site of the home stadiums of the Orioles and the Ravens, is vital to the State and Baltimore City; and

WHEREAS, Since the late 1980s, the Maryland Stadium Authority has successfully managed the development and operation of Camden Yards; and

WHEREAS, The Maryland Stadium Authority wants to ensure the continuing location of the Orioles and the Ravens at Camden Yards, beyond the teams' current lease terms that will expire after the next three seasons and nine seasons, respectively; and

WHEREAS, The State has made, and continues to make, significant investments of financial resources in the development, maintenance, and improvement of Camden Yards; and

WHEREAS, Other metropolitan areas where major league professional sports teams are located have turned the urban environments surrounding their stadiums into communities with thriving entertainment, sports, retail, and other mixed–use venues that directly and indirectly support the professional sports teams and their state and local economies; and

WHEREAS, The Maryland Stadium Authority can coordinate State, local, and private development resources to plan and develop the area around Camden Yards to further support the facilities at Camden Yards and the State and local economy; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Economic Development

10–601.

(a) In this subtitle the following words have the meanings indicated.

(b) “Authority” means the Maryland Stadium Authority.

(d) “Baltimore City” means, as the context requires:

(1) the geographic area of the City of Baltimore; or

(2) the Mayor and City Council of Baltimore.

(m) “Bond” includes a note, an interim certificate, refunding bond, and any other evidence of obligation issued under this subtitle.

(n) “Camden Yards” means the area comprising approximately 85 acres in Baltimore City bounded by Camden Street on the north, Russell Street on the west, Ostend Street on the south, and Howard Street and Interstate 395 on the east.

(ee) (1) “Sports facility” means:

(i) a stadium primarily for professional football, major league professional baseball, or both, in the Baltimore metropolitan region, as defined in § 13–301 of this article;

(ii) practice fields or other areas where professional football or major league professional baseball teams practice or perform; and

(iii) offices for professional football and major league professional baseball teams or franchises.

(2) “Sports facility” includes parking lots, garages, and any other property adjacent and directly related to an item listed in paragraph (1) of this subsection.

(FF) “SUPPLEMENTAL FACILITIES FUND” MEANS THE SUPPLEMENTAL FACILITIES FUND ESTABLISHED UNDER § 10–657.1 OF THIS SUBTITLE.

(GG) (1) “SUPPLEMENTAL FACILITY” MEANS A STRUCTURE OR OTHER IMPROVEMENT DEVELOPED IN BALTIMORE CITY OUTSIDE CAMDEN YARDS.

(2) “SUPPLEMENTAL FACILITY” DOES NOT INCLUDE THE BALTIMORE CONVENTION FACILITY OR THE HIPPODROME PERFORMING ARTS FACILITY.

(HH) “SUPPLEMENTAL FACILITY SITE” MEANS THE SITE OF ANY SUPPLEMENTAL FACILITY.

[(ff)] (II) “Tax supported debt” has the meaning stated in § 8–104 of the State Finance and Procurement Article.

10–620.

(e) (1) This subsection does not apply to the Camden Yards site, Baltimore Convention site, Ocean City Convention site, Hippodrome Performing Arts site, [or] any Baltimore City public school site, **OR ANY SUPPLEMENTAL FACILITY SITE.**

(2) The Authority and any Authority affiliate is subject to applicable planning, zoning, and development regulations to the same extent as a private commercial or industrial enterprise.

10–622.1.

(A) (1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE AUTHORITY MAY PREPARE STUDIES THAT RELATE TO THE DEVELOPMENT OF SUPPLEMENTAL FACILITIES THAT DIRECTLY OR INDIRECTLY BENEFIT THE SPORTS FACILITIES AT CAMDEN YARDS.

(2) THE STUDIES MAY INCLUDE SITE STUDIES, FEASIBILITY STUDIES, ARCHITECTURAL PROGRAMS AND DESIGN, BUDGET ESTIMATES, VALUE ENGINEERING, AND ESTIMATED PROJECT SCHEDULES.

(B) THE ACTIVITIES AUTHORIZED UNDER THIS SECTION:

(1) ARE LIMITED TO SITES WITHIN BALTIMORE CITY; AND

(2) MAY BE UNDERTAKEN SOLELY BY THE AUTHORITY OR BY THE AUTHORITY IN COOPERATION WITH BALTIMORE CITY, OTHER UNITS OF THE STATE, THE PROFESSIONAL FOOTBALL OR MAJOR LEAGUE BASEBALL FRANCHISES AT CAMDEN YARDS, OR OTHER ENTITIES;

(C) THE AUTHORITY MAY ENTER INTO CONTRACTS, AGREEMENTS, AND MEMORANDA, RETAIN CONSULTANTS, AND MAKE RECOMMENDATIONS RELATING TO ACTIVITIES AUTHORIZED UNDER THIS SECTION.

(D) FOR ACTIVITIES AUTHORIZED UNDER THIS SECTION, THE AUTHORITY SHALL USE MONEY THAT IS:

(1) APPROPRIATED FOR THE PARTICULAR PURPOSE;

(2) PROVIDED BY PUBLIC OR PRIVATE ENTITIES; OR

(3) WITH APPROVAL FROM THE BUDGET COMMITTEES, UP TO \$1,000,000 OF THE AUTHORITY'S AVAILABLE NONBUDGETED MONEY IN EACH FISCAL YEAR.

10-622.2.

(A) SUBJECT TO THE APPROVAL OF THE BOARD OF PUBLIC WORKS AND REVIEW BY THE LEGISLATIVE POLICY COMMITTEE, THE AUTHORITY MAY DEVELOP SUPPLEMENTAL FACILITIES AND SUPPLEMENTAL FACILITY SITES TO DIRECTLY OR INDIRECTLY BENEFIT THE SPORTS FACILITIES AT CAMDEN YARDS.

(B) THE AUTHORITY GRANTED UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE POWER TO:

(1) DEVELOP, ESTABLISH, ACQUIRE, OWN, LEASE, IMPROVE, OPERATE AS LANDLORD, REGULATE, MAINTAIN, SELL, TRANSFER, OR OTHERWISE DISPOSE OF PROPERTY ACQUIRED UNDER THIS SECTION; AND

(2) ENTER INTO PARTNERSHIPS WITH BALTIMORE CITY, UNITS OF THE STATE OR LOCAL GOVERNMENT, OR PRIVATE DEVELOPERS.

10-622.3.

(A) SUBJECT TO ANNUAL APPROPRIATIONS AND THIS SUBTITLE, THE AUTHORITY MAY ACQUIRE IN ITS OWN NAME, BY GIFT OR PURCHASE, ANY PROPERTY OR INTEREST IN PROPERTY NECESSARY OR CONVENIENT TO DEVELOP SUPPLEMENTAL FACILITIES AND SUPPLEMENTAL FACILITY SITES TO DIRECTLY OR

INDIRECTLY BENEFIT CAMDEN YARDS.

(B) THE AUTHORITY SHALL NOTIFY BALTIMORE CITY OF THE AUTHORITY'S INTENT TO ACQUIRE PROPERTY UNDER THIS SECTION AND PROVIDE BALTIMORE CITY AT LEAST 30 DAYS IN WHICH TO SUBMIT COMMENTS ON THE PROPOSED ACQUISITION.

10-622.4.

A CONTRACT TO ACQUIRE ANY PROPERTY OR DEMOLISH AN EXISTING STRUCTURE THAT RELATES TO THE DEVELOPMENT OF A SUPPLEMENTAL FACILITY SITE OR A CONTRACT FOR THE CONSTRUCTION OF A SUPPLEMENTAL FACILITY REQUIRES THE PRIOR APPROVAL OF THE BOARD OF PUBLIC WORKS.

10-622.5.

(A) EXCEPT AS ALLOWED BY § 10-639 OF THIS SUBTITLE, THE AUTHORITY MAY ISSUE BONDS SUBJECT TO §§ 10-628(A) AND (C) AND 10-629 THROUGH 10-636 OF THIS SUBTITLE TO FINANCE SITE ACQUISITION FOR AND CONSTRUCTION OF ANY PORTION OF A SUPPLEMENTAL FACILITY.

(B) THE AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY, AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF PUBLIC WORKS FOR EACH BOND ISSUE OR OTHER BORROWING, A COMPREHENSIVE FINANCING PLAN FOR THE RELEVANT SEGMENT OF A SUPPLEMENTAL FACILITY, INCLUDING THE EFFECT OF THE FINANCING PLAN ON FINANCING OPTIONS FOR OTHER SEGMENTS OF THE SUPPLEMENTAL FACILITY.

(C) (1) A BOND ISSUED TO FINANCE A SUPPLEMENTAL FACILITY:

(I) IS A LIMITED OBLIGATION OF THE AUTHORITY PAYABLE SOLELY FROM MONEY PLEDGED BY THE AUTHORITY TO THE PAYMENT OF THE PRINCIPAL OF AND THE PREMIUM AND INTEREST ON THE BOND OR MONEY MADE AVAILABLE TO THE AUTHORITY FOR THAT PURPOSE;

(II) IS NOT A DEBT, LIABILITY, OR PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT; AND

(III) MAY NOT GIVE RISE TO ANY PECUNIARY LIABILITY OF THE STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT.

(2) THE ISSUANCE OF A BOND TO FINANCE A SUPPLEMENTAL FACILITY IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A MORAL OR OTHER OBLIGATION OF THE STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT TO LEVY OR PLEDGE ANY TAX OR TO MAKE AN APPROPRIATION TO PAY THE BOND.

(3) EACH BOND SHALL STATE ON ITS FACE THE PROVISIONS OF PARAGRAPHS (1) AND (2) OF THIS SUBSECTION.

10-628.

(a) Except as provided in subsections (b) and (c) of this section and subject to the prior approval of the Board of Public Works, the Authority may issue bonds at any time for any corporate purpose of the Authority, including the establishment of reserves and the payment of interest.

(c) (1) Unless authorized by the General Assembly, the Board of Public Works may not approve an issuance by the Authority of bonds, whether taxable or tax exempt, that constitute tax supported debt or nontax supported debt if, after issuance, there would be outstanding and unpaid more than the following face amounts of the bonds for the purpose of financing acquisition, construction, renovation, and related expenses for construction management, professional fees, and contingencies in connection with:

- (i) the Baltimore Convention facility – \$55,000,000;
- (ii) the Hippodrome Performing Arts facility – \$20,250,000;
- (iii) the Montgomery County Conference facility – \$23,185,000;
- (iv) the Ocean City Convention facility – \$17,340,000; [and]
- (v) Baltimore City public school facilities – \$1,100,000,000; AND

(VI) SUPPLEMENTAL FACILITIES – \$25,000,000.

(2) (i) The limitation under paragraph (1)(i) of this subsection applies to the aggregate principal amount of bonds outstanding as of June 30 of any year.

(ii) Refunded bonds may not be included in the determination of an outstanding aggregate amount under this paragraph.

10-657.1.

(A) THERE IS A SUPPLEMENTAL FACILITIES FUND.

(B) (1) THE SUPPLEMENTAL FACILITIES FUND IS A CONTINUING,

NONLAPSING FUND THAT SHALL BE AVAILABLE IN PERPETUITY TO IMPLEMENT THIS SUBTITLE CONCERNING SUPPLEMENTAL FACILITIES.

(2) THE AUTHORITY SHALL:

(I) USE THE SUPPLEMENTAL FACILITIES FUND AS A REVOLVING FUND FOR CARRYING OUT THE PROVISIONS OF THIS SUBTITLE CONCERNING SUPPLEMENTAL FACILITIES; AND

(II) PAY ANY AND ALL EXPENSES FROM THE SUPPLEMENTAL FACILITIES FUND THAT ARE INCURRED BY THE AUTHORITY RELATED TO A SUPPLEMENTAL FACILITY.

(C) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE RECEIPTS OF A SUPPLEMENTAL FACILITY SHALL BE PLEDGED TO AND CHARGED WITH THE FOLLOWING RELATING TO THE SUPPLEMENTAL FACILITY:

(I) THE PAYMENT OF DEBT SERVICE ON AUTHORITY BONDS;

(II) ALL REASONABLE CHARGES AND EXPENSES RELATED TO AUTHORITY BORROWING; AND

(III) THE MANAGEMENT OF AUTHORITY OBLIGATIONS.

(2) THE PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN § 10-634 OF THIS SUBTITLE AND ANY APPLICABLE AUTHORITY RESOLUTION.

(D) THE SUPPLEMENTAL FACILITIES FUND CONSISTS OF:

(1) FUNDS APPROPRIATED FOR DEPOSIT TO THE SUPPLEMENTAL FACILITIES FUND;

(2) PROCEEDS FROM THE SALE OF BONDS CONCERNING SUPPLEMENTAL FACILITIES;

(3) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER THIS SUBTITLE RELATED TO SUPPLEMENTAL FACILITIES; AND

(4) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC OR PRIVATE SOURCE FOR THE PURPOSES ESTABLISHED FOR THE SUPPLEMENTAL FACILITIES FUND.

(E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE SUPPLEMENTAL FACILITIES FUND IN THE SAME MANNER AS OTHER STATE FUNDS.

(2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE SUPPLEMENTAL FACILITIES FUND.

(3) NO PART OF THE SUPPLEMENTAL FACILITIES FUND MAY REVERT OR BE CREDITED TO THE GENERAL FUND OR ANY SPECIAL FUND OF THE STATE.

Article – State Finance and Procurement

6–226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

112. the Pretrial Services Program Grant Fund; [and]

113. the Veteran Employment and Transition Success Fund;

AND

114. THE SUPPLEMENTAL FACILITIES FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2019.

Approved by the Governor, April 30, 2019.